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PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

SENATE—*Wednesday, May 8, 1996*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Come and find the quiet center
In the crowded life we lead,
Find the room for hope to enter,
Find the frame where we are freed;
Clear the chaos and the clutter,
Clear our eyes, that we may see
All the things that really matter
Be at peace and simply be
—*Hymn "Come Find the Quiet Center" by Shirley Erena Murray.*

Father, thank You for this sacred moment of prayer. We come to You just as we are and receive from You the strength to do what You want us to do. We trust You to guide us throughout this day. Keep us calm in the quiet center of our lives so that we may be serene in the swirling stresses of life. Fill us with Your perfect peace that comes from staying our minds on You. In the name of the Prince of Peace. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, the time between now and 10 o'clock will be equally divided prior to a cloture vote at 10 a.m. on H.R. 2937, the White House Travel Office legislation. If cloture is not invoked at 10 o'clock, it may be possible to consider any of the following items: Gas tax legislation, taxpayer bill of rights, minimum wage legislation, and TEAM Act. We hope to have some resolution of these matters today.

I again say it is rather ironic that we are prepared to accept the minimum wage proposal offered by my colleagues on the other side of the aisle. We are prepared to repeal the gas tax that my colleagues on both sides of the aisle would like to repeal, the Clinton gas tax which was not for highways or bridges or roads, but for deficit reduction, and was part of the larger $268 billion tax increase in 1993, the largest tax increase in the history of the world, let alone America. We do not understand why our colleagues, who I think want to do those things, would be holding it up because of one little amendment we offered called the TEAM Act, which simply says employees can talk to employers.

This is America. But of course the labor bosses, who put $35 million, just lately, into the pot on the other side of the aisle, said we do not like that. So when the labor bosses speak, our colleagues on the other side say yes—yes, sir.

So if we are going to let the labor bosses dictate repeal of the gas tax, the increase in the minimum wage because they dislike one provision that simply says that employees can talk to employers, then I think it is a rather sad state of affairs. We hope to debate that at length today, because I believe the American people, once they understand this issue, will be on the right side.

If some employee has a good idea on productivity or whatever it may be, why can that employee not talk to management? Because since 1992 the NLRB says you cannot do that. We are simply trying to change the law. We think it is good policy. We think it makes a lot of good, common sense. We believe it improves the working relationship in the workplace. For all the reasons I can think of, we hope to be able to persuade our colleagues on the other side that this is a package that should pass this Senate by 100 to 0.

Perhaps they are waiting for the liberal media to put their spin on it, but it is pretty hard to even put—they do not have a spin. Even the liberal media, who wait for the Democrats' spin and then print it almost verbatim on a daily basis around here, find it very difficult. Because we are going to accept their package on minimum wage, our package on gas tax repeal. Then we had TEAM Act and we are ready to vote, after an hour debate on each side. We have even provide they can have a separate vote on minimum wage and a separate vote on TEAM Act.

Some may not want to vote for the minimum wage increase so we provide for that. Some may not want to vote for TEAM Act, so we provide for that. So we have gone not only the extra mile, but miles and miles beyond.

We hope there could be some resolution of this today. If not, we will take our case to the American people and we will continue the debate throughout today and tomorrow and Friday. Hopefully, sooner or later, our colleagues will recognize this is a very fair and very reasonable proposal we have made and it should have unanimous support in the Senate.

Mr. GRAMS addressed the Chair.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. INHOFE). If the Senator from Minnesota will suspend for a moment, under the previous order, the leadership time is reserved.

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 2937 which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2937) for the reimbursement of attorney fees and costs incurred by former employees of the White House Travel Office with respect to the termination of their employment in that office on May 19, 1993.

The Senate resumed consideration of the bill.

Pending:

Dole amendment No. 3952, in the nature of a substitute.

Dole amendment No. 3953 (to amendment No. 3952), to provide for an effective date for the settlement of certain claims against the United States.

Dole amendment No. 3954 (to amendment No. 3953), to provide for an effective date for the settlement of certain claims against the United States.

Dole motion to refer the bill to the Committee on the Judiciary with instructions to report back forthwith.

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

Dole amendment No. 3955 (to the instructions to the motion to refer), to provide for an effective date for the settlement of certain claims against the United States.

Dole amendment No. 3956 (to amendment No. 3955), to provide for an effective date for the settlement of certain claims against the United States.

The PRESIDING OFFICER. Under the previous order, there will now be 30 minutes of debate to be equally divided.

Mr. HATCH. Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I wish to address the Senate as in morning business for the next 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Minnesota is recognized.

Mr. GRAMS. I thank the Chair.

(The remarks of Mr. GRAMS pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRAMS. Thank you, Mr. President. I yield the floor.

Mr. HATCH. Mr. President, I reserve the remainder of my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself the leader's time. How much time is there of the minority leader's time?

The PRESIDING OFFICER. It would take unanimous consent to yield leader's time, to take 10 minutes.

Mr. KENNEDY. Mr. President, I have been informed by the leader that he is willing to let me have the leader's time prior to vote on the cloture.

The PRESIDING OFFICER. The Senator may have that.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. How much time?

The PRESIDING OFFICER. The Senator will now have 11 minutes remaining.

Mr. KENNEDY. Mr. President, I yield myself 10 minutes.

Over the period of the last 24 hours, there have been a series of different proposals for Senate action that I hope will eventually be resolved. One deals with the minimum wage, which we have tried to raise at different times over the period of the last year and a half and have been denied the opportunity for a vote up or down.

I understand we will have a chance to vote on, hopefully, the gas tax. There are other measures on education that I had hoped we could have included as well. But I want to speak right now on another issue which had been talked about earlier today and certainly yesterday, and that is the Anti-Workplace Democracy Act, otherwise known as the TEAM Act.

We have really not had the opportunity for much debate and discussion on that measure, and I will just take a few moments now to raise some of the very important questions that I think this legislation effectively raises. That is, whether this legislation is really what it is suggested to be, and that is just legislation to permit cooperation between employers and employees in order to deal with a lot of the issues that might be in the workplace, and, as we have seen, as I stated yesterday, the type of cooperation which has been talked about here on the floor as being the reasons for that cooperation is already taking place. It has been included and recognized in the findings of the bill itself and has also been referenced in the report itself where cooperation is taking place between management and workers.

There are only three areas where that kind of cooperation is not on the table and which would be altered and changed by the TEAM Act, and that is with regard to wages and working conditions. That has been recognized to be a position since the time of the 1930's to be issues reserved to representatives of employees. Effectively, that is the rock upon which workers are able to negotiate their working conditions and also their wages, and the matters that will affect their take-home pay and what will be available to them to protect their interests and their families.

So the idea that this is just legislation that is going to move us into the next century and increase America's capacity to compete is a false representation.

It is interesting to me that Republicans and Democrats alike stood so strong with Solidarity and Lech Walesa. Why did they stand with Lech Walesa? Why did they stand with Solidarity? There were unions in Poland. They were government/employer-controlled unions. There was not union democracy. I can remember hearing the clear, eloquent statements by then-Republican George Bush that said, "We support democracy, and we support real workers' rights in Poland, and we support Solidarity."

Why did they support Solidarity? Because Solidarity represented workers. The TEAM Act effectively is going to be company-run union shops or company-run management teams. Does anybody in this body think that if they establish that an employer picks representatives of workers, pays their check, that those particular workers are going to buck the management that put them on the team? Of course, they will not. That is as old as the company-run unions that we had in the 1930's. That was the issue when this body debated the National Labor Relations Act in the 1930's and implemented that particular legislation.

That is what the issue is, plain and simple: Are we going to say that company CEO's and management are going to be able to dictate to the workers in this country exactly what their wages are going to be, or are we going to let employees represent their interests and go ahead and bargain with the employers as to what those wages and working conditions are going to be? It is just that simple.

The TEAM Act is effectively company-run unions. That is effectively what it is. No ifs, ands, or buts about it. It is so interesting to me, Mr. President, as someone who has followed the whole debate about company-run unions and antidemocracy representation in the workplace, where these organizations were when they had the Dunlop commission only a few years ago that was trying to look over the relationship between CEO's and companies and also the employees. The same groups that are supporting this legislation testified in that committee that they did not think there ought to be a change in the labor laws. The only thing that changed was the 1994 election and the Republicans gaining control in the House and the Senate. If you look over what presentations were made before the Dunlop commission, you would say they feel that the relationship between employer and employees is fine with them.

So, Mr. President, we ought to understand exactly what this is going to be. It is going to be the government-run kind of unions in a different way.

All of us fought for and wanted to see the restoration of democracy in Eastern Europe. Most of all, the Eastern European countries had government-run unions, effectively employer-run unions. And here in the United States, we were giving help and assistance to workers for worker democracy. Now we are saying on the floor of the U.S. Senate, "Well, we want the TEAM Act," and the TEAM Act effectively is going to eliminate the workers' rights in this country. No ifs, ands, or buts about it.

I hear on the floor of the U.S. Senate the central challenge that we are facing as we move to the end of this century is to give life to the 65 or 70 percent of Americans who are being left out and left behind.

I hear a great deal about income security, about job security being the issues that this country ought to address. I tell you something, you might as well write off those speeches if we are going to go ahead and pass the TEAM Act. Write them off. What you see is continued exploitation.

You talk about the battle for the increase in the minimum wage. Write that off, because you will give such power to the employers in this country that they will be able to write any kind of wage scale that they want. Does anyone think that the team makes the judgment and decision about workers' rights, about what the employees will get paid? Of course not. They make the recommendation to the employer, and the employer decides. That is the principal difference: Whether the workers are going to be able to make that judgment and decision, sitting across the table from the employer, or whether the team is going to make a recommendation to the employer, then the employer will make the judgment.

Mr. President, with respect to all of our colleagues who talk about where we are going to go in terms of the U.S. economy, what we need to be able to compete in the world at the turn of the century is a mature economy with mature relationships between workers and employers and an economy which is going to benefit all of the workers and workers' families.

We are going in that wrong direction, as we have seen. The right direction for the wealthiest corporations, the right direction for the wealthiest individuals—we have seen the accumulation of wealth in terms of the richest individuals and corporations taking place in this country unlike anything we have seen. But those 65 or 70 percent of American working families are being left out and left behind. You pass this particular act and you will find that it will not be 65 or 70 percent, but it will be 80 percent. They will not just fall back somewhat; their whole life will be disrupted and destroyed with regard to their economic conditions.

Mr. President, we are entitled to have some debate and discussion on this issue because its implications in terms of working families are profound. It is basically an antiworker act. It ought to be labeled such. That is something that we ought to at least have a chance to debate and discuss.

Mr. HATCH. Mr. President, I have listened to my colleague. Nobody argues more forcefully for big labor than the distinguished Senator from Massachusetts.

Although I want to talk about the Billy Dale matter, I do have to say that most of what the Senator has said is pure Washington-inside labor line. The fact is, the NLRB went way beyond where it should have gone and took the rights of individual employees to meet with management to resolve problems that really have nothing to do with collective bargaining. It seems ridiculous to call this antidemocracy. Give me a break. What is antidemocracy is to close shop where 51 out of 100 employees want a union and the other 49 have to comply and have to pay dues and have to be part of the union whether they want to or not. That is not democracy.

On the other hand, what is wrong with management and labor being able to get together in teams and make the workplace a safer, better place to work in?

I had to say that because I listened to the distinguished Senator. He is eloquent and forceful. He just happens to be wrong.

Mr. President, why we are really here this morning is the Billy Dale matter. Billy Dale and his colleagues at the White House were very badly mistreated by greedy people who wanted to take over the White House Travel Office—and I might add, there is some indication that the travel offices of every agency in Government—so they could reap millions, if not billions of dollars of free profits at the expense of these people who had served eight Presidents over a pronounced period of time and had served them well, done a good job, and who Peat Marwick says did it in a reasonable manner.

They were mistreated. The law was used against them in an improper way. The FBI was brought in an improper way. I might add, the power of the White House was used against them, the power of the Justice Department was used against them. Virtually everybody who looks at it, especially those who look at it honestly, say this is a set of wrongs that ought to be righted. In the process, their lives happen to be broken because they are now stuck with all kinds of legal fees that would break any common citizen in this country.

We want to right that wrong. Yesterday, my colleagues on the other side voted en masse against cloture which would allow this matter to go to a vote. One of the arguments which was superficial and fallacious was they cannot even amend it. Of course they can. After cloture, germane amendments are in order. If they want to bring up a germane amendment to this Billy Dale bill, they are capable of doing so. That is just another false assertion and false approach.

I think it is time to do what is right around here. It is time to rectify these wrongs. It is time to do what is the right and compassionate thing. In all honesty, we have not been doing it as we listened to the arguments on the other side as to what should be done. It has been nearly 3 years since the termination of the White House Travel Office employees, and they are still in the unfair position of defending their reputations. It is time to close this chapter on their lives.

The targeting of dedicated public servants, apparently because they held positions coveted by political profiteers, demands an appropriate response. Although their tarnished personal reputations may never fully be restored, it is only just that the Congress do what it can to rectify this wrong.

This bill will reimburse Travel Office employees for the expenses of defending themselves against these unjust criminal persecutions. I call it "persecutions" even though there was a "prosecution" of Billy Dale.

The argument that invoking cloture will foreclose the option of amendments is nonsense. Germane amendments can still be offered, although I question why anyone would want to delay any further the compensation of these people who have been so unjustly treated. The argument that passing the Billy Dale bill will undermine the likelihood of seeing the Senate vote on the minimum wage increase is equally hollow. In fact, it is superficial and wrong.

Only yesterday the majority leader proposed a plan which would ensure a vote on the minimum wage increase this week, and my colleagues on the other side rejected it. My friends on the other side of the aisle should be careful about what they ask for because they might get it. That is what happened yesterday.

Here we are today, back on the Billy Dale bill, and their excuse for filibustering is still the minimum wage. Given the political transparency of this filibuster, I hope our colleagues will get together to do the decent and honorable thing and pass this important measure.

Let me say, I think it is almost unseemly my friends on the other side are saying we just want the minimum wage bill and you Republicans should not do anything else because we want this and we have a political advantage in talking about it. That is not the way it works around here. Of course, we are able to ask the majority, combined other good bill aspects, to make this bill even more perfect. Frankly, the repeal of the gas tax would do that. It will make it more perfect. The TEAM Act bill would certainly be more fair to employees throughout America, more fair to businesses throughout America, more fair in bringing economic cooperation among them, without interfering with the collective bargaining process. The NLRB is very capable of making sure that management does not abuse that problem.

For the life of me, I cannot see one valid or good argument about it. Bringing what happened in Eastern Europe does not necessarily cut the mustard here in America, where we have the most protective labor laws in the world. Rightly so. I have worked with those laws for years, long before I came to the Senate, and, of course, as former ranking member and chairman of the Labor Committee, worked with them during that period of time as well.

Mr. President, all of that aside, those are hollow arguments with regard to holding up this bill. I hope my colleagues on the other side are willing to vote for cloture so that we can pass the Billy Dale bill and go on from there, then face the minimum wage, the TEAM Act, gas tax reduction, and go on from there and do what is right.

The bottom line is that the minimum wage bill is controversial, should not be attached to a bill that has broad bipartisan support, that the President has said he will sign and support and that will right some tremendous wrongs that need to be righted.

The PRESIDING OFFICER. The minority has 52 seconds remaining.

CLOTURE MOTION

The PRESIDING OFFICER. The clerk will report the cloture motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on H.R. 2937, an act for the reimbursement of attorney fees and costs incurred by former employees of the White House Travel Office with respect to the termination of their employment in that office on May 19, 1993:

Bob Dole, Orrin Hatch, Spencer Abraham, Chuck Grassley, Larry Pressler, Ted Stevens, Rod Grams, Strom Thurmond, Thad Cochran, Judd Gregg, Paul D. Coverdell, Connie Mack, Conrad Burns, Larry E. Craig, Richard G. Lugar, Frank H. Murkowski.

CALL OF THE ROLL

The PRESIDING OFFICER. All time has expired. The mandatory quorum has been waived.

VOTE

The PRESIDING OFFICER. The question is, is it the sense of the Senate that debate on H.R. 2937, the White House Travel Office bill shall be brought to a close.

The yeas and nays are required, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. PELL. Mr. President, on this vote, I have a live pair with the Senator from Vermont, [Mr. LEAHY]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. FORD. I announce that the Senator from Vermont [Mr. LEAHY] is absent because of a death in the family.

The yeas and nays resulted—yeas 53, nays 45, as follows:

[Rollcall Vote No. 110 Leg.]

YEAS—53

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—45

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone
Wyden

PRESENT AND GIVING A LIVE PAIR

Pell, for

NOT VOTING—1

Leahy

The PRESIDING OFFICER (Mr. SANTORUM). On this vote the yeas are 53, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

The majority leader is recognized.

AMENDMENT NO. 3956 WITHDRAWN

Mr. DOLE. Mr. President, I withdraw amendment numbered 3956.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 3960 TO AMENDMENT NO. 3955

Mr. DOLE. I send an amendment to the desk, which is the text of the gas tax repeal, with the minimum wage language suggested by my colleagues on the other side of the aisle, and the TEAM Act, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 3960 to amendment No. 3955, to the instructions of the motion to refer.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DOLE. Mr. President, yesterday we discussed how we might resolve the issues at hand. So now we have an opportunity for all Members to repeal the gas tax, which I think has broad support, probably 80 votes, to adopt the minimum wage suggested by my colleagues on the other side of the aisle, 45 cents July 1 this year, 45 cents next July, and then adopt this small provision on the TEAM Act, which means that in America employees can talk to management, which I thought was sort of the American way. We are prepared to vote on the whole package right now. It would also reimburse Billy Dale and others who incurred legal expenses because of charges brought against them.

I should like to take this opportunity to support the Teamwork for Employees and Management Act. I think my colleague, the chairman of the Labor Committee, is in the Chamber, and she will be addressing that later.

It is hard to believe that in 1996, Federal laws tell employers and employees that they cannot work together in cooperative teams to jointly resolve issues of concern in the workplace. Since 1992, the National Labor Relations Act of 1935 has been interpreted to prohibit forms of collaborative discussions between groups of employees and management that deal with key issues such as workplace safety, productivity rewards and benefits, and job descriptions.

Does that make sense? No. And it does not make sense to most Americans. The TEAM Act simply allows common sense to reign in the workplace. Employees and employers can and should be able to resolve workplace issues among themselves without the fear of lawsuits.

So, why is the other side so exercised by this commonsense effort to help employees? Because of the big labor bosses. They see any effort to improve the workplace environment without their involvement as a threat. In other words, they do not want the employees to come up with any idea unless it goes through the labor bosses.

Suddenly, the minimum wage is not at all that important because somewhere, someplace, some employee might have an idea that improves productivity, that makes the workplace safer, all without the blessing of the labor bosses. So that is what this debate is all about. I am not certain, many of the employees even—in fact, I understand that some employees came to lobby people on the TEAM Act and they were asked what it was and they did not know what it was. Once it was explained to them, they did not see much wrong with it.

It might occur to some employee that he or she does not need a labor boss, that he or she can be their own boss. So, it is all about power. It is not about politics, it is about power. It is about contributions. It is about power. I think it is time we pass this package, increase the minimum wage, repeal the gas tax.

Yesterday at midnight tax freedom day ended. I hope that workers can have some control over their lives and workplace, the conditions in the workplace. I believe we ought to do everything we can to encourage this relationship, talking back and forth. We do it here from time to time. Sometimes we are able to work things out by talking to each other. If we cannot talk to each other, if employees cannot talk to management, I do not see how anything can be worked out.

In fact, President Clinton used to think so, too. I never cease to be amazed about how he can shift his positions, but even on this issue he had a position. In his State of the Union Address last January President Clinton said, "When companies and workers work as a team, they do better—and so does America."

Let me repeat that, because many people probably forgot that President Clinton said that. I bet he has forgotten that he said it. "When companies and workers work as a team, they do better—and so does America." That is all the TEAM Act is. We have taken what President Clinton said in the State of the Union Message and drafted it so it is now a statute. So it is a Clinton provision, really, the TEAM Act. If President Clinton was right then, he is right now.

So what happened between January and May? The labor bosses called in and contributed $35 million. That is one thing that happened. I do not know what else happened. They may have also spent millions on television, attacking Republicans on Medicare and everything you can think of. A lot of the workers are now having their dues increased who may not want to participate in that process, who may want to vote for somebody else. They cannot be dictated to, anymore than we can dictate to anybody.

So, it seems to us that we have an issue here now. We are all set. We have accepted the minimum wage offer. We have accepted what the American people want; that is, repealing the gas tax, 4.3 cents, $4.8 billion a year. We pay for it. It does not add to the deficit.

But now we are hung up on whether or not we ought to focus on the American worker. If that worker has an idea, should that worker be able to go to his employer, or be with a group of workers? Apparently, my colleagues on the other side say you cannot do that in America, you cannot talk to each other. Employees cannot talk to employers. It does not interfere with the activities unions already have established in companies, and it leaves in place protection against sham unions. It simply extends to nonunion workers the rights union workers already have, to have an effective voice for change in the workplace.

So it seems to me that we have an opportunity here, now, to move this legislation forward. We are obviously not going to get cloture on the Billy Dale, the underlying bill. It was hoped that this amendment might be an incentive for everybody to move forward, end the gridlock. It used to be called gridlock by the liberal press when Republicans were holding up things, but I have not seen the word "gridlock" used by the liberal media in the past 15 months. They cannot spell it anymore, the 89 percent of those who cover us who voted for President Clinton.

But it is gridlock. We have had to file 63 cloture motions this year in an effort to move the Senate forward. Since it takes 60 votes and we only have 53, it is rather difficult. But I know the Washington Post will figure out somewhere to come down on the right side, the side of the liberals. So will the New York Times. So will the L.A. Times. So will the other liberal papers.

But this is an argument about workers, maybe some who work at the Washington Post; maybe they do not cover the Hill. Maybe some who work for the Washington Times; maybe they do not cover politics. This is about workers and it is about power and it is about power of the labor bosses. That is what this is about. I do not care how they report it, the word will go to the workers that we are prepared to say they have a right to talk. They can talk for themselves. They can exercise their first amendment rights. They do not give up their rights to free speech or to engage in discussion when they join a labor union.

So, it seems to me we have a package here that should be irresistible. If, in fact, the Senator from Massachusetts is serious about the minimum wage and if, in fact, those of us on both sides are serious about repealing the gas tax, as we are, this bill can be passed by noon and be on its way to the House. I think the Speaker would act expeditiously. It is going to take a while, July 1, the first increase in minimum wage—it is going to take a while to implement it to make all those things happen. It will take a while for the gas tax repeal to be implemented.

So, I hope that we can proceed, get an agreement, say an hour on each side. I ask unanimous consent that there be an hour on each side, that each side have 1 hour, there be no intervening amendments, and then we can proceed to vote on the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. Two hours? Two hours on each side?

Apparently there must be something other than the time that is the problem on the other side.

Mr. DORGAN. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. I will be happy to yield for a question.

Mr. DORGAN. For a question. Does the Senator from Kansas anticipate he will not allow an amendment on the gas tax proposal to make sure the consumers get the benefit of a gas tax reduction? My understanding is the request the majority leader made would preclude any amendments to be offered on the gas tax reduction issue; is that correct?

Mr. DOLE. We have a provision in the gas tax proposal that requires that a study has to be completed and that mandates that the savings go to the consumer. I do not know how—I would be happy to look at the amendment. In fact, we could probably agree on it. We have gone so far as to say if we get cloture on the amendment, we could have a separate vote on TEAM Act, so all my colleagues on that side could protect themselves and vote against it. We could vote for it. We have minimum wage, where I think some on each side are not certain how they are going to vote. So we would have a separate vote on minimum wage and a separate vote on TEAM Act. If we could agree now to have a cloture vote on the amendment without waiting until Friday, and get 60 votes on cloture, then we could have a separate vote on each. Some of my colleagues would probably like to vote against some portion of it; I do not know which. That would seem to be even going the extra mile.

I do not know how we can put into law, how we are going to mandate that in every, every, every case. I do not know how many thousands of service stations there are in America, but there are millions of people out there who buy gasoline. I do not know how we are going to make certain that that 4.3 cents goes into the pocket of the consumer.

The service station operators will tell you that is going to happen. We hope to have letters today from their national association. I have had some tell me personally that is going to happen. They know their customers. In most cases they are regular customers. They want to keep those customers. It is all a good-faith business practice.

But if the Senator had some idea on how we can adopt some language that is going to make certain it happens, we would certainly be pleased to look at it. Or if there are other amendments that deal with the minimum wage, we would be happy to look at that. Since it is the minimum wage package of the Senator from Massachusetts, I do not think he would want to amend it.

So, Mr. President, if I can just suggest the absence of a quorum——

Mr. DASCHLE addressed the Chair.

Mr. DOLE. Excuse me.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, before we go into a quorum, if I could just respond to the distinguished majority leader. I guess I begin by saying, here we go again. Once again, the Republicans have put together a package that they know will go nowhere.

We have one of two choices here. We can pass legislation, or we can play games. If this package is good, let us get a little bit more elaborate, more inventive. How about adding campaign finance reform? Why not add MFN for China? Let us add the budget. How about a peace treaty? There may be something in there we could deal with as well. Let us put it all in and pass it in one vote. That seems to be the practice around here these days: Load it up, no amendments, no debate and that is it. "We're telling you, you have to do it this way or there's not going to be anything at all."

Mr. President, that is unacceptable. They would not have stood for it 2 years ago and we cannot stand for it now. We have suggested a way with which to resolve our outstanding differences here procedurally. We ought to have an up-or-down vote on minimum wage.

We are prepared to have a good debate about the TEAM Act, and I want to touch on that in just a minute.

We are prepared to have a debate about gas taxes, but we want to make absolutely certain that the benefit goes to the consumer, and if we cannot figure out a way to do that, then maybe we should not do it at all. It seems to me that if we cannot guarantee the consumer is going to benefit—and there is a pretty good possibility that they will not benefit if you read the papers again this morning—then we will not be providing the relief we claim to be providing in this proposal. We can lash out against the press, we can lash out against labor if we want to, but the fact is the arguments ought to be debated and we ought to make some decisions. We ought to have some understanding of whether or not this is going to work before we do it. That is really what the amendment process is all about, to have a good-faith debate and some opportunities to discuss these important matters.

The distinguished majority leader noted that he has had to file cloture a few times. Well, I must say, when you load up the tree and deny opportunities for Democrats to have votes on amendments that we care about, I really do not know what option we have. We are not trying to prevent legislation from being considered. In fact, in the last week, there were two examples where we worked through our differences as soon as we were allowed to offer amendments. The immigration bill and the Presidio bill both passed because we wanted to work with the majority to pass them. We did not want to hold up those bills. But we wanted the right to offer amendments.

And that is true, again. We have no desire to hold up the gas tax bill. We will have some good debate about it. We want to get this minimum wage issue behind us. We have a whole agenda. We have not talked yet about pensions, and we are going to talk a lot more about pensions in the balance of this year. We have not talked about losing jobs overseas, an amendment the distinguished Senator from North Dakota is talking about. We want to do a little bit of that.

And if we are not resolved on this health care bill pretty soon, we are going to be bringing that up in the form of an amendment. So we will have a lot of action agenda items, a lot of issues we care deeply about that we want to offer and have a good debate about.

Now, as to the TEAM Act, let me just say, Mr. President, I listened carefully to the majority leader. He said all we want is the right for employers and employees to be able to talk together. If that is all they want, they ought to be satisfied with current law.

Ninety-six percent of large companies today have employee involvement programs. Seventy-five percent of all workplaces already have programs where employers and employees work together, and guess what? The only issues on which they cannot make agreements with employees are mandatory bargaining issues such as hours and wages. Furthermore, if they violate what the National Labor Relations Board and the law requires with regard to what is legitimate consultation and what is actual negotiations with labor on issues involving pensions or security issues or work issues or wages, there is no penalty, there is no penalty at all. They must only disband the committee that has violated the law.

So workers are encouraged to work through their problems with employees through the arrangements that are set up right now under current law.

What the Republicans want to do is roll back 60 years of labor law. They want to be able to allow companies to set up rump organizations to negotiate with themselves. It is like the father asking the son-in-law to negotiate on behalf of the employees and to come up with a plan the employees are supposed to accept as fact in that workplace.

That is unacceptable. But we ought to have a debate about it. We ought to decide whether or not we want to roll back 60 years of labor law. This may be one of the most antiworker Congresses we have seen in decades—blocking an increase in the minimum wage, fighting health care, and now rolling back labor law that protects workers. We are not in any way, shape or form opposed to good discussions and good negotiations and good opportunities for employers and employees to work out their differences. That should be a fact. It is a fact in 96 percent of large corporations. But we will not tolerate rump organizations negotiating with companies in the name of labor and calling that some advancement in the workplace.

So, Mr. President, we ought to have an opportunity to debate it. We ought to have an opportunity to offer amendments. We ought to have some up-or-down votes. That is what the Senate is made for. That is what we have always done. I yield to the Senator.

Mr. DORGAN. Will the Senator yield for a question?

Mr. DOLE. You cannot yield the floor except to yield for a question.

Mr. DASCHLE. I yield for a question.

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from North Dakota for a question only?

Mr. DASCHLE. I yield to the Senator from North Dakota for a question.

Mr. DORGAN. Mr. President, I say to my colleague from South Dakota, I heard this discussion about delay and stalling. Is it not the case that in a couple recent occasions, just in recent weeks, we have seen legislation filed in the Senate and a cloture motion filed on the bill that was before the Senate before debate began on the legislation? In other words, a motion to shut off debate before debate began on two pieces of legislation in the last several weeks; is that not the case?

Mr. DASCHLE. The Senator is absolutely correct. A bill is filed, a bill is proposed; the amendment tree is completely filled; and cloture is filed. It is a pattern now that has been the practice here for the last several weeks.

Mr. DORGAN. If the Senator will yield for one further question. I guess what I observe about that is that it is hardly stalling to suggest there ought to be some debate on legislation. Filing a cloture motion to cut off debate before debate begins is apparently a new way to legislate but not, in my judgment, a very thoughtful way to legislate.

I ask the Senator one additional question. In this morning's newspaper there is a story that says "Experts Say Gas Tax Wouldn't Reach the Pumps." It quotes a number of experts. One of the experts says, and I would like to ask you a question about this:

> The Republican-sponsored solution to the current fuels problem . . . is nothing more and nothing less than a refiners' benefit bill . . . It will transfer upwards of $3 billion from the U.S. Treasury to the pockets of refiners and gasoline marketers.

My question is, does the Senator from South Dakota believe, when we deal with the issue of reducing the gas tax by 4.3 cents, that we ought to be able to offer some amendments on the floor to make darn sure that it goes in the right pocket?

Mr. DASCHLE. The Senator is correct. That is all we want to do here. We want to have an opportunity to debate the issue, to offer amendments to provide assurance to the consumer and taxpayer that we are simply not asking the taxpayers to bail out the oil companies with a $4 billion bailout this year. That is what it could mean if we are not careful about how this is handled.

Everybody ought to understand that if we do not have the assurance, and it is going to take more than a study to give us that assurance, if we do not have the assurance, what this means. I heard the majority leader talk about power and contributions, I do not know what power and contribution connections there may be with the gas tax, but I will tell you this, that it is a $4 billion bailout this country cannot afford if, indeed, the result of repeal of the gas tax is $4 billion in additional profits for the oil companies.

We ought to work through this, and if we can do that, I am sure there is not going to be a problem with regard to providing that assurance to the American people.

Mr. WELLSTONE. Will the Senator yield?

Mr. KENNEDY. Will the Senator yield?

Mr. DASCHLE. I yield to the Senator from Minnesota for a question.

Mr. WELLSTONE. It is a very brief question.

The PRESIDING OFFICER. The Senator yields for a question.

Mr. WELLSTONE. I thank the Chair. Listening to the Senator talk about the distinction between games and moving this forward, am I correct that the Senator is saying, the minority leader is saying that we ought to have the opportunity to have amendments and debate on these issues, legitimate debate, and then have separate votes on the wisdom of enacting all three bills, whether it be minimum wage, whether it be TEAM, or whether it be a repeal of the gas tax, that that is what we are aiming for, that we want to have an opportunity for amendments and we want to address each bill in turn?

Mr. DASCHLE. That is correct.

Mr. WELLSTONE. Consider each one separately, so all of us are accountable, no putting different kinds of combinations together, no confusion for people, no blurring distinctions, just straightforward accountability to people in the country as to where we stand. Is that what the Senator is proposing?

Mr. DASCHLE. The Senator from Minnesota is absolutely right. That is how we do things around here. We provide opportunities for Senators to offer to bills amendments that are legitimate questions of public policy. That is all we are suggesting here. That is why we offered the minimum wage in the first place. When we first offered it, we said, "Look, we prefer to have the independent freestanding vote." If we cannot do that, obviously, we will offer it as an amendment. If we start packaging all these disparate issues together, then I think it is fair to ask why not add campaign finance reform and MFN for China and a whole range of other things we might want to debate some time this year.

I yield to the Senator from Massachusetts for a question.

Mr. KENNEDY. I have a question for Senator DASCHLE. That is, as I understand the National Labor Relations Act as it exists now and as proposed in the TEAM Act, is that the TEAM Act would apply not only to the 13 million workers who are organized, but it applies to about the 107 million American workers that are in the workplace as well, and that the Senator might agree with me that effectively what we are talking about is company unions replacing legitimate collective bargaining appearing by workers pursuing their own interests.

Is that the effect of the TEAM Act?

Mr. DASCHLE. The Senator is correct, that is the effect.

Mr. KENNEDY. Is the Senator concerned that, as he pointed out, part of a whole process evidently against working families, where we have had the repeal of some of the EITC, the opposition to the minimum wage, the undermining of the OSHA Act, and feel that this would be a further reduction in the protections for American workers, and that they may, if this legislation goes into effect, be further left out and left behind in the modern economy?

Mr. DASCHLE. The Senator is absolutely correct.

Let me just say that there is this perception sometimes created by some of our colleagues on the other side that efforts to protect workers somehow automatically position you against business. We ought to be for business, probusiness, just as this administration has shown itself to be with so many of its policies.

Business has never had a better 3-year period than they have had in the last 3 years. We have seen growth in this economy. The stock market has boomed to levels we never dreamed of a couple of years ago. Export sales are up. Everything is going exceedingly well. This economy is as strong as it has been almost in my lifetime. So this administration has been probusiness. There are a lot of things we have proposed that are probusiness, but we ought to say probusiness also ought to mean proworker, making sure that not only corporate executives benefit from this wonderful growth in the economy, but the workers do, too: that the workers have a chance to benefit, whether it is in health care, a good paycheck, or retirement security. Those kinds of things ought to be part of the overall economic agenda here so that we do not see the stratification within our economy that we are seeing right now.

Be probusiness and proworker. If we do that, I think we can look forward to a lot stronger economy and a lot more blessings for all the American people than we have had in the last couple of years.

Mr. DOLE. Mr. President, we would certainly be agreeable we could have three separate votes, gas tax repeal, TEAM Act, minimum wage. In fact, we are prepared, if cloture is invoked, to have three separate votes. We cannot get agreement to have three separate votes. So they will have to filibuster gas tax repeal and increase in minimum wage because of the one deal that upsets the labor bosses. That is certainly a right they have.

Somehow the Washington Post and other papers will figure out some way to make it sound good, but the facts are the facts. We are prepared to move right now. The Senator from Massachusetts said on the floor, and I have his quotes here, a couple of times he only needs 30 minutes on the minimum wage. We will have 30 minutes on that, 30 minutes on TEAM Act, and 30 minutes on gas tax. That is an hour and a half equally divided, and then we can vote.

The Senator from North Dakota has some amendment, if he has figured out a way to make certain that in every single case the 4.3 cents will go back to the consumer, maybe have to station a policeman at each service station, or a Federal employee, that would be one way to do it. I am not certain what he has in mind.

The bottom line is we are prepared to take action. So now we have on this floor the minority saying we will not let you do anything unless you do it our way. We want to do it our way, and even though you are the majority, you do it our way. As I said, I had a little trouble explaining that to my policy luncheon yesterday. They said if they can have their way, why can we not have our way? My view is why not everybody have their way? We will have a separate vote on minimum wage, a separate vote on gas tax repeal, and a separate vote on TEAM Act. It seems fair and reasonable to me.

I hope that will be the resolution. If there are amendments that should be offered, we have always been able to work out reasonable amendments. But that is not the thrust coming from the other side. The thrust is they will raise this, the experts say maybe the 4.3 cents will not get back to the consumer and this is somehow antiworker, it is antiboss, it is antilabor boss, it is proworker.

Again, let me quote the President of the United States who said in the State of the Union Message last January, "When companies and workers work as a team they do better and so does America."

Mr. FORD. Will the Senator yield?

Mr. DOLE. Not right now.

We are prepared to accept the President—in fact, the Senator from Kansas, Senator KASSEBAUM, chairman of the Labor Committee really understands the TEAM Act—and explain how this statement by the President sort of underscores and supports what we are trying to do here today.

We have the support of the President, apparently, on the minimum wage and on TEAM Act. I do not know where he is on the gas tax repeal.

CLOTURE MOTION

Mr. DOLE. Mr. President, just so we can bring this matter to a head, I send a cloture motion to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the pending Dole amendment, No. 3960:

Bob Dole, Orrin Hatch, John Warner, Trent Lott, Thad Cochran, Slade Gorton, Phil Gramm, Kay Bailey

Hutchison, Connie Mack, Strom Thurmond, Dan Coats, Craig Thomas, Dirk Kempthorne, Jesse Helms, Bob Smith, Jim Jeffords.

Mr. DOLE. Mr. President, I ask unanimous consent that notwithstanding rule XXII, the cloture vote occur at 5 p.m. on Thursday, May 9, the mandatory quorum being waived and the time between now and 5 p.m., Thursday, be equally divided in the usual form for debate.

Mr. DASCHLE. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. DOLE. So the cloture vote will occur on Friday, but I ask unanimous consent at this time if cloture is invoked on amendment 3960, the amendment be automatically divided, with division I being the gas tax issue, division II being the TEAM Act, and division III being the proposal for minimum wage, and the time on each division be limited to 2 hours each, equally divided in the usual form, and following the conclusion or yielding back of time, the Senate proceed to vote on division I, division II, and division III, back to back, with no further motions in order prior to the disposition of each division.

Mr. DASCHLE. Reserving the right to object, I ask unanimous consent that the unanimous-consent agreement also include campaign finance reform and MFN.

Mr. GRAMM. I object.

The PRESIDING OFFICER. The objection is heard.

Is there objection?

Mr. DASCHLE. I object.

Mr. DOLE. Objection to this.

So, we will have a cloture vote, then, on Friday, if not before. If there are amendments, we always try to accommodate our colleagues.

I learned about how you introduce and file cloture by my friend, the former majority leader, Senator MITCHELL. I thought it was very effective. I made notes at that time.

Mr. FORD. Fill the tree.

Mr. DOLE. We do not have it down to the art he had it down to, but we want to tell the press how to spell "gridlock," something they used extensively when we were in the minority. You never see the word. Suddenly the word has disappeared. This is gridlock. This is Democratic gridlock, because the labor bosses do not want this to happen. And he who controls the purse I guess controls the agenda. We will see what happens in the next few days.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader. The Democratic leader is recognized.

Mr. DASCHLE. Mr. President, let me just respond briefly. I know a lot of our colleagues want to be able to speak.

This is unnecessary gridlock. This has nothing to do with the Democratic minority. This has everything to do with Republicans simply not allowing the Senate to be the Senate. I do not recall a time—and we can go back and check—when my predecessor, Senator MITCHELL, filled the tree every single time a bill was presented on the floor. I would like to go back and find that time in the last Congress when that happened.

I can recall, woefully, how many times we worried about Republican amendments and how we were going to come up with second-degree amendments because we were not going to stop them from being offered. And they were offered.

So, Mr. President, we have different views about what happened in the last Congress. I will tell my colleagues on the other side, we are taking notes, and should we have the opportunity again—and I know we will—to be in the majority, what goes around comes around. It may be that we are going to have to extend the session of Congress to 4 years rather than just 2, because I am not sure we are going to get anything done in 2 anymore. How unfortunate. How unfortunate.

This does not have to be gridlock. We did not want gridlock. Just last week we passed some good legislation. We can do that again. We ought to do that again, but we ought to be respectful of the minority and the opportunities that we have always had to offer amendments. That is all we are asking. In the name of fairness, in the name of tradition, in the name of this institution, we owe it to the American people to have these reasonable and fair debates.

The majority leader offered a unanimous-consent to have up-or-down votes on amendments collectively to a bill that he knows is going nowhere. What we have said is, let us have independent votes, free of the opportunity to obfuscate these issues, opportunities to offer amendments, opportunities to ensure that we can have a good debate about each of these issues—no limits, no filled trees, simply a good, old-fashioned Senate debate about all the issues that the majority leader and I and others want to confront.

So as soon as that happens, I have a feeling we can get a lot of work done. But until that happens, nothing will get done.

Mr. DORGAN. Will the Senator yield?

Mr. DASCHLE. I yield for a question.

Mr. DORGAN. I want to inquire of the Senator from South Dakota, having listened with great interest to the presentation by the Senator from Kansas, which was an interesting political presentation but a presentation that complained that there was stalling and gridlock in the Senate, first, and then a second presentation that concluded with a cloture motion being filed to shut off debate on something where debate has not yet started. I guess the presumption is that we are pieces of furniture on this side of the aisle, we are not living, contributing Senators that are interested in legislation. But we are more than furniture. We have a passionate agenda that we care deeply about.

I guess I am confused by someone who alleges that there is stalling and then files a cloture motion to shut off debate before debate begins. What on Earth kind of process is this? It does not make any sense.

I ask the Senator if he finds it unusual that we have a circumstance where the majority leader and others come out and they offer a proposition to fill up the tree so that no one else can intervene with amendments and then claim somehow that somebody else is causing their problems. Is it not true they are causing their own problems?

The way the Senate ought to do its business is to come and offer legislation on the floor of the Senate, in a regular way, and ask for those who want to amend it to offer their amendments, have up-or-down votes, and then see if the votes exist to pass legislation. But instead we have these parliamentary games, and then we have this pointing across the aisle to say, "By the way, you're the cause of this," and then the filing of a cloture motion to shut off debate before debate begins. Apparently, it is a new way to run the Senate.

Mr. DASCHLE. Apparently the Senator is right. That is the essence of the problem we have here. It is why we are absolutely paralyzed until we can resolve it. All we are trying to do is have the opportunity to have a good debate about each of these issues.

We can debate the TEAM Act. We are not averse to having a good old-fashioned debate about whether you roll back 60 years of labor law. We can debate the gas tax and figure out whether there is a way to address the issue that the Senator from North Dakota and others have raised about making sure the consumer, and not the oil companies, get the benefit.

Mr. JOHNSTON. Will the Senator yield?

Mr. DASCHLE. We can debate the minimum wage for whatever length of time we want. A half-hour is fine with us, but if they want more time, we can do that.

Mr. COCHRAN. Will the Senator yield?

Mr. DASCHLE. I will be happy to yield to my colleague on my side, the Senator from Louisiana, and then to the Senator from Mississippi.

Mr. JOHNSTON. I thank the distinguished minority leader for yielding.

There has been some negotiation and talks on the floor about votes on these three different issues. I just want to ask the leader whether he has had any discussion about packaging the three, because I do not propose, myself, to allow that, except to the extent the rules allow it, for a vote to come up on this gasoline tax, because I think that is one of the wackiest ideas I have heard. To the extent that we can successfully filibuster, yes, filibuster. Call it gridlock, call it what you want. I am opposed to it. I am not willing to let that come up. I think there are a lot of people who feel like I do.

I wonder if there has been any negotiation toward saying, "Well, we'll let you have that on a majority vote as opposed to 60 votes, as long as you will allow a vote on minimum wage"?

Mr. DASCHLE. There have been a lot of different discussions regarding various packages and various scenarios, and it is obvious from the exchanges this morning that no decisions and certainly no agreement has been reached.

Mr. EXON addressed the Chair.

Mr. DASCHLE. I yield to the Senator from Nebraska.

Mr. EXON. I thank my friend. I was trying to seek the floor in my own right. I would ask a question.

Mr. DASCHLE. I will be happy to yield to the Senator from Mississippi.

Mr. COCHRAN. I appreciate very much the distinguished Senator yielding to me for a question. My question is, when I heard your discussion of the unanimous-consent request propounded by the Republican leader, there seemed to be—is this correct—the complaint that the minimum wage issue is something that had not been scheduled and, therefore, this was an issue that needed to be scheduled and have a full debate, and we had to have votes.

My question is, why were there not debates and why were there not votes when the Democrats were in the majority in the Senate and in the House and in the administration for the 2 years in the previous Congress?

We never had an amendment offered by a Democrat, we never had a bill offered by a Democrat, and we never had a unanimous-consent request on the floor propounded by the Democratic leader on that issue. Now, on another unrelated issue, we have to stop now and cannot proceed to take up anything because of the request being made on the Senator's side that there be an immediate debate and a vote on a minimum wage proposal that has never been to committee and never had any hearings in either the last Congress or this Congress. All of a sudden the facts are overwhelming that this is something that has to be done right now. Why is that?

Mr. DASCHLE. I am so blessed that the Senator from Mississippi asked the question. I was hoping that one of my colleagues would ask it, because obviously it is an issue that has come up before.

We made a very calculated decision in the beginning of the last Congress that we were not going to be able to do both health care and the minimum wage. Obviously, if we could have done both and had the agreement of our Republican colleagues to do both, we would very much have wanted to be able to do that. But we decided that at best—at best—we were going to be able to pass a bill that does a lot more than 90 cents for the American worker.

So what we decided to do—and people could accuse us of being conservative here and not wanting to do both—but what we decided to do, in a conservative approach to our agenda, was to say, "Look, we'll take this one step at a time. Let's pass health care. Let's find a way to deal with health care that will affect every one of our workers in a monetary, as well as a personal way." That is what we decided to do.

Unfortunately, because of the opposition of our colleagues on the other side, we could not even pass benefits for our workers for health care in the last Congress. So we are relegated now to the Kennedy-Kassebaum bill, and we may not even pass that, given the insistence by some on the other side to add unrelated and very devastating provisions to this bill that would deny the American worker some opportunity for benefit. So that is the answer to my colleague and good friend from Mississippi.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, let me suggest that it appears to this veteran of 18 years in the U.S. Senate and, before that, 8 years as Governor of Nebraska, that this place is more off balance than any supposed representative body that I have ever witnessed. To put it bluntly, it has gone bonkers.

Here we have a group of supposedly thoughtful and mature men and women wallowing in politics, throwing aside what is right for America, in a seizure of fiscal madness, at the very time we are about to vote on a constitutional amendment to require a balanced budget by the year 2002.

No one—no one—in this body has been more intent on amending the Constitution to require a balanced budget. But the irresponsible bed that we are making, and the grandiose plans for what represents fiscal balance down the road, is so fraught with craziness that I am reconsidering my support.

I am very concerned that the recent political circus, with more than three rings, designed to present "The Greatest Show on Earth" and prove beyond a doubt that there is "a sucker born every minute," will go down in history as one of the most shameful exercises in the history of the Senate. This year, 1996, could go down as the year that we deep-sixed the people under a guise of fiscal sanity that is, in reality, insanity.

Mr. President, America deserves better. Unfortunately, the ringmasters of all of this are the Republican majority leadership in the House and the Senate. The Republican majority leader in the House even suggested making up the billions in lost revenue by reducing education funding even more than the Republicans have previously announced. That will not fly.

The Senate majority leader, 20 points behind in the race for the Presidency, has come up with a gimmick to reduce the gas tax by 4.3 cents, which would cost the Treasury $34 billion in revenue by the magical year 2002, when we are already far short of any attainable goal to meet the constitutionally guaranteed balance by that date.

It is politics at its worst. Sooner or later, the American people will see it for what it is, if they have not already.

I call on the Republican leadership to announce that they have come to their senses and renounce their fiscal indiscretion, and get on with balancing the budget, passing a constitutional amendment to balance the budget, and putting the campaign back on a sane course.

Mr. President, I have long supported a balanced Federal budget and a balanced budget amendment to the Constitution. I used to think that if you favored one, you almost had to support the other. But I have to admit that the antics around here on the gas tax have caused me to question whether people who favor a balanced budget amendment in speeches really do want to balance the budget at all.

You hear all of these pious speeches about how we want to balance the budget. I suggest that if we had a dollar for every speech in the Senate that favored a balanced budget, we would have reached a surplus a long time ago.

But then comes along a year divisible by 4, and all of a sudden Senators are falling over themselves to cut taxes. I heard one Senator say this was not the first tax that he would cut, but, heck, it was an opportunity to cut taxes, and he was not going to miss it. It is a transparent political ploy, Mr. President, and this Senator, for one, has had about enough of it.

Repeal of the 4.3-cent gas tax is a costly enterprise. Between June of this year and the end of the year 2002, it would cost $34 billion in lost revenue, and it would worsen the deficit by the year 2005 to $52 billion. Yes, I say, "worsen the deficit," because the offset that the majority cobbles together to pay for the tax cut will, in all likelihood, be something we were already counting on, or desperately need, to help balance the budget by the year 2002 under a constitutional amendment. One way or the other, we are going to have to come up with another $52 billion in additional deficit reduction, or increase taxes, over the next 10 years. I suggest, Mr. President, that that will not be easy.

As I said when I started these remarks, this whole gas tax charade has made me reconsider the sincerity of the debate that I have heard about the balanced budget amendment. The willingness of Senators and Congressmen to rush headlong to cut the gas tax makes me question whether I want to be a part of an enterprise that promises to balance the budget down the road but avoids every hard vote to cut the deficit in the here and now.

In closing, Mr. President, I want to say that I will consider very closely and see how Senators vote on the balanced budget amendment to the Constitution. I certainly feel that, as of now, the balanced budget amendment to the Constitution that I voted for previously, and supported, needs to be examined as to how Senators vote and how sincere they are, which will be keenly measured, I suggest, on the gimmick of repeal of the 4.3-cent gas tax. If people vote to cut taxes with wild abandon and then ask me to join them in support of a balanced budget amendment, they may find this Senator unwilling to go down that crooked road of no return.

The people should understand that if the tax cut proposed by the Senate majority is followed with a constitutional amendment to balance the budget by the year 2002, the Congress at that time will face, by far, the largest tax increase ever imagined in history.

I do not want a small tax cut now that probably would trigger and find its way into higher taxes in the future. In this regard, I must also say that even if the Senate and the House would invoke a law that eliminates that tax, there is no assurance whatsoever, or likelihood, that the money would end up in the consumers' pockets. It would end up elsewhere. Unless someone can rationally explain to me how the numbers work out on this, I will not vote again for a constitutional amendment under the Republicans' changed scenario.

In my view, Mr. President, as a fiscal conservative it would be the height of fiscal and budget irresponsibility to do so.

I thank the Chair. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I tried to be recognized earlier because I wanted to ask the distinguished minority leader a question when he was on the floor talking about the TEAM Act. I find it hard to think that the people of South Dakota would not be very supportive of the ability to have employers and employees form teams in which they can talk about conditions in their own company. These teams clearly will enhance the quality of work, the quality of working relationships, and the productivity of the company.

I think there is broad support for that. The distinguished majority leader indicated that President Clinton in the State of the Union speech mentioned the importance of working together as a team and how that enhances the productivity and the competitiveness of American industry. We all know how important that is today.

The other side of the aisle suggests that the TEAM Act permits sham unions. That is not correct, Mr. President. The legislation does not permit sham unions in any way.

The question was raised, why do we need the legislation? I would suggest that one of the reasons we need the TEAM Act is that we need clarity regarding the barriers in Federal labor law regarding worker and management cooperation.

William Gould, who was appointed Chairman of the National Labor Relations Board in 1994 by President Clinton, made the following statement on employee involvement to a seminar at Indiana University School of Law on February 29, 1996. I want to state that Chairman Gould is opposed to the TEAM Act, but he did say that although he opposed it, he does feel that an amendment to section 8(a)(2) is necessary to promote employee involvement. He said:

> Nonetheless, as I wrote three years ago an agenda for reform, a revision of 8(a)(2) is desirable. The difficulties involved in determining what constitutes a labor organization under the act as written subjects employees and employers to unnecessary and wasteful litigation, and mandates lay people to employ counsel when they are only attempting to promote dialog and enhanced participation and cooperation.

Mr. President, I can think of no more effective statement than that of the Chairman of the National Labor Relations Board.

This is not a question of wanting to roll back 60 years of labor law; not at all. It is really designed to enhance labor law so that we can enter a new century and a new time in the strongest, most productive fashion. And it is only common sense, Mr. President, that would say employers and employees should be able to sit down at the table and reason together. This is not an effort to do away with unions. It is an effort to bring some clarity to section 8(a)(2), as was mentioned by Chairman Gould, so that there can be an understanding of what indeed constitutes, or does not constitute, a violation of Federal labor law.

I would just suggest, Mr. President, that workers know their jobs better than anyone else. They are the ones who are there day in and day out listening to customers, making a product, and delivering it to clients. Their contributions improve productivity, reduce environmental waste, increase quality, and perhaps most important raise job satisfaction. Participation means that there is a commitment then to the success of that company. Yet Federal labor laws have stood in the way of unleashing, I suggest because of this lack of charity, a vast reservoir of human capital in America's workplaces.

Yesterday there was I thought an exceptionally good exchange, and an elaboration of why the TEAM Act is important, between the Senator from Vermont [Mr. JEFFORDS] and the Senator from Missouri [Mr. ASHCROFT]. Just to quote from Mr. ASHCROFT briefly:

> More importantly than trying to strike a balance from Washington, DC, we should provide American workers with the ability to strike that balance for themselves.

Senator ASHCROFT went on to lay out examples of reasons why this would become very apparent. Senator JEFFORDS had said, "Why in the world would unions oppose this?" It really is not trying to undermine the unions as has been portrayed. He said, "They are nervous because they have been going down, and they did not want to do anything that would in any way enhance the workers and management to get together to improve productivity. Is it being done out of fear that, indeed, the unions would no longer be able to control the agenda?"

I hope not, Mr. President, because that is not the intent of this legislation. I myself would like to provide an example to illustrate the obstacles to employee involvement.

A group of workers in a manufacturing plant want to discuss health and safety issues with their supervisor. The supervisor forms a safety committee with the foreman and three or four workers and the group meet once a week. The workers know that the floor is often slippery, and workers have fallen causing injuries and significant worker compensation costs for the company. The workers also note that most accidents happened on Mondays. So perhaps a brief safety reinforcement briefing at the start of the shift coming off the weekend would improve plant safety.

Acting on these employee suggestions the supervisor makes sure that mops are available to mop the floors and institutes a 5-minute safety meeting for workers each Monday morning. Sounds reasonable. I would think most of us would agree that these suggestions are reasonable ideas for workers to bring to their supervisor.

What is incredible is that this type of employee involvement is illegal under Federal labor law. The National Labor Relations Act actually prohibits nonunion employees and supervisors from meeting in committees to discuss workplace issues like health and safety.

I have never viewed the TEAM Act as a union-management issue. Instead, I think it is a quality of life issue for workers who do not want to just say, "We are on the floor of our workplace and do what we are told to do and have no input into what we see may be something of real benefit in improving the quality of life there."

In the example I just mentioned the workers are the ones who observed the wet floors. They are the ones who were there. They are the ones who are injured when they slip on the floors, and they are the ones who have suggestions for dealing with the problem. This, I think, is the quality of work life issue for workers, and not a labor-management issue.

And for firms, employee involvement is a necessary way to enhance the efficiency of the plant. That has been proven over and over again where, indeed, companies have had team relationships that have proved successful.

I think since the 1980's many American companies have tried to copy what companies were doing in Japan, because frequently there were employee-employer relationships that our Japanese competitors were using some years ago that were found to be successful.

We can even improve on what the Japanese have done. I would suggest, Mr. President, that employee involvement is a necessary way to enhance the efficiency of our workplaces. And more importantly, there are significant contributions that I believe workers can make with innovative and thoughtful ways of improving the workplace.

Unfortunately, the National Labor Relations Board has issued a series of decisions beginning in 1992 that interpreted Federal labor law to prohibit many forms of employee involvement. These decisions have created uncertainty as to what types of employee involvement programs are permissible, as Chairman Gould pointed out.

These decisions have cast doubt on all employee involvement in nonunion settings. In union settings it works all right. But in nonunion settings it has raised suspicion, doubt, fear, and an aggressiveness that I think has proven totally counterproductive on the part of the unions. I think we need a legislative solution to address the problem.

Mr. President, the TEAM Act removes the barriers in Federal labor law to employee involvement. It clarifies what that involvement can be. At the same time, the legislation maintains protections to ensure that workers have the right to select union representation. The TEAM Act assures that employee involvement programs may not negotiate collective bargaining agreements or seek in any way to displace independent unions. And nothing in the TEAM Act permits employers to bypass an existing union if that is what the union and that is what the workers have chosen.

Finally, I point out that the Congress prohibited company unions in the National Labor Relations Act of 1935. They were prohibited then because firms were negotiating with company unions and refusing to recognize independent unions which the workers had selected. But the TEAM Act requires employers to recognize and negotiate with independent union representatives if that is what the workers have decided they want. It really is urging that workers become more involved. The workers are encouraged to participate and employers are encouraged to listen to their employees.

I suggest, Mr. President, that the TEAM Act is good for workers. It is good for firms. It is good for America. It is not attempting to roll back labor law. It is attempting to enhance it in ways that I think will be far more constructive and productive.

I yield the floor.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the Presidential years are referred to as the "silly season" and certainly this Presidential year is the silly season. The competition for the award for the most improvidently proposed bill is very keen in the Chamber, Mr. President, but surely the 4.3-cent gasoline tax decrease has got to take the cake for this year.

Mr. President, all this Congress we have heard about the balanced budget. I endorse the balanced budget. I am part of that bipartisan group of Senators that is trying to get a balanced budget passed. But now that we finally propose it, it is not being accepted by my friend, the majority leader.

On top of that, with budget deficits continuing, with no plan approved for the balanced budget, we now have a proposal to cut taxes. Surely, Mr. President, this has got to be in the category of bread and circuses of ancient Rome when proposals are put out not for the good of society but in order to please the voters.

Now, the American voters may not be very smart on some issues, but they are not stupid, and they know that this is not good policy. At a time when we are trying to cut all kinds of programs, all across the board, to come in and then cut taxes on gasoline is surely not good policy. Gasoline in the United States is somewhere between one-half and one-fourth as expensive as it is in Europe. In France, in Germany, in Italy, in those countries you pay three and four times as much for gasoline as you do in the United States. But if the gasoline goes up a very small amount in the United States, it is used as a trigger to try to cut those taxes.

Mr. President, let us look at the facts about gasoline.

If you look at gasoline in real prices, in inflation adjusted prices, this chart represents what gasoline prices have been since 1950 through 1996, and it shows that in real inflation adjusted prices, the price of gasoline is close to the lowest it has been since 1950—almost 50 years. Now, to be sure, there is a small blip of, what, 20 cents a gallon in some places. But in terms of the actual purchasing price that you have to pay for gasoline, it is almost a historic low.

The next question is: what is going to happen from here? Is this increase in gasoline prices permanent or is it likely to come down?

It is clear it is going to come down. When you look at crude oil prices—these first two blocks on this chart are actual prices from April and May—you will note that they have come down from over $25 a barrel already to about $21 a barrel. Those are actual prices that are coming down very fast.

These prices on this chart are futures prices, and futures prices, of course, are real prices. You can purchase the crude now for delivery in May or September or whatever these months are, so they are price reductions already realized. So we already have realized price reductions in the price of crude oil from over $25 a barrel to about $19 a barrel, or a decrease of $6 a barrel already realized in the price of crude oil.

Now, Mr. President, this rather busy chart shows the relationship between crude oil and gasoline prices. On the bottom, we have crude oil prices, which shows a slight up-tick in crude oil for the month of April, and it already shows that crude oil is going down. With respect to wholesale regular gasoline prices—these are in real prices—we see that went up for the month of April and has already begun to go down.

Wholesale California reformulated gasoline is already coming down rather precipitantly. California is the area of the country, of course, which has the greatest concern about this because you have the greatest runup in prices. But wholesale California reformulated gasoline prices are coming down very fast.

Retail gasoline prices in the United States and retail in California have leveled off. They are not yet reflecting these downturns in prices of crude oil, wholesale regular gasoline and wholesale reformulated gasoline in California. But these prices will begin—already in retail it has come down slightly in California and leveled off in the United States generally. However, as night follows the day, it is inevitable that these prices will come down and come down precipitantly because wholesale prices are coming down.

Mr. President, what caused the shortage and the runup? On this rather busy chart here, these hash lines show the historical range of gasoline stocks, and they go up and down every year because the summer driving season and the heating season call for greater or lesser supplies and usually the actual amount follows within those hash mark lines, and when that happens supply and demand are in balance.

When we go to January and the spring of 1996, our supply line drops well below the traditional levels. And why was that? Well, it was, first of all, because the winter was much colder than usual. Second, because many refineries across the country, particularly in California, were down. Third, because there was an anticipation that the embargo on Iraqi oil was to be lifted, and that was not lifted as expected, so the influx of Iraqi oil was not as we expected, plus driving was up as well as the fuel efficiency of cars was down. That caused our stocks to be down. However, this is already being corrected. As you can see, the stocks have begun to come up. This chart shows gasoline imports, and gasoline imports are up precipitously.

This is caused by two things. First of all, the market. When the price is high, then that extra refining capacity in Europe is used to export to the United States. Consequently, our imports are drastically up. With imports coming up, it is clear that this upswing in gasoline prices is soon to be over with. I mean it is not a problem to worry about in the first place, as I mentioned, because we are at almost historic lows in the price of gasoline—almost. We are up only slightly from historic lows for the last 50 years. But even that small upswing, about 20 cents a gallon, is soon to be over with because of these factors: Additional imported crude oil, the supply; imported gasoline; supply of crude oil coming up.

Finally, there is this vexing problem of why is it? I mean, are we being ripped off? Is there price gouging by the oil companies? Oil companies, I know, are those we love to hate. People think this market does not work. The fact of the matter is, it is a highly competitive market and it does work, as those imports of gasoline show. This is evidence that that market is working. As the price goes up, the imports of gasoline go up.

Let us deal with this question of profits. What this rather busy chart shows is the spread between gasoline prices and the price of crude oil, in this case west Texas intermediate, which is usually the marker for the price of crude oil. The gasoline is the New York harbor price of gasoline.

This shows the spread, starting in January 1989 through April 1996. You will notice that there are ups and downs every year. There is a higher spread starting in the spring and that always ameliorates every single year as you get further, as the summer driving season is over with. What this shows is that there is an increase in price level, an increase in the spread in April 1996 compared to March 1996. However, if you go back to Aprils—go back to April 1995, the spread was even greater. The spread was less in April 1994, slightly less in April 1993, but in April 1992 it was more, and in April 1991 it was much more, in April 1990 it was much more, and in April 1989 it was much more.

What does this tell us? It tells us that, if you look at the last 7 years, the spread between the cost of crude oil and the price of gasoline is less now, on the average, than it has been in the past 7 years. It tells you that this is not an unusual spread compared to past years. It also tells us that April is one of the very highest months and that the spread comes down from April because of competitive pressures.

I mention this because many people think—there have been these charges without one shred of evidence, without a whisper of evidence to support them—that there is a conspiracy to make that price go up. But as you can well see, profit margins are less than the average they have been in the last 7 years, even though slightly more than they were in 1994, but less than they were in 1995.

Any legislation such as an amendment I have heard that would say, in effect, that it shall be unlawful for any person to fail to fully pass through a price reduction—it would be completely impossible, as you can see, to identify what the price reduction is, because every year there is wild fluctuation between the price of crude oil and the price of gasoline, the spread between those two prices. So if you say you have to pass through this price reduction—compared to what? What is your baseline? Is it the average of the last 7 years? Is it this month's price the day on which you price it? Suppose you had a big spread on the day on which this amendment passed; can you rely upon that? Could you up your prices at the pump on that particular day and thereby say, I am going to pass this on by giving you 4.3 cents less than the highest level we have charged in the last 7 years?

I think any such amendment would be impossible to draw, impossible to enforce, and a very improvident thing for this Congress to do.

It is always nice to be for a tax decrease. But at a time when we are trying to bring this deficit down, to decrease taxes, whether they be income taxes, whether they be taxes on beer or gasoline or anything else, I believe the American public has sense enough to be able to see through that kind of political pandering. That is all it is, to try to pander to the American public and give them a little bread and circuses.

I do not know what the polls show. I have heard that the polls show that people like tax decreases, not surprisingly. But I believe that any blip in polls caused by giving a small amount of decrease in price, even if it was passed on—and who can possibly say whether it is passed on or not? How can you identify a 4.3-cent decrease against the background noise of swings, which are annual swings in the price? You could not identify that.

So there is hardly anything that the driver in America can point to, to thank the Congress for reducing his price, because you are not going to be able to determine what that decrease is or, indeed, whether it is passed along at all. But whatever that recompense, whatever that thanks would be they would give would surely be short-lived because the American public would understand that the deficit, about which we have been preaching for 2 years solid, nonstop rhetoric about the deficit—they would understand that that deficit is only to be higher because we reduced taxes in an election year.

It is not a good thing to do. It is not good policy. Prices are lower than they have been at almost any time in the last 50 years in real terms in the United States. They are a third to a fourth what they are in Europe. They ought to be higher, from the standpoint of conservation. Whatever happened to conservation in this country? Don't we care about that anymore? Do we want to encourage gas guzzlers? Do we want to encourage bigger cars, more gas-guzzling cars? I guess so, because that is the direction in which this goes.

It is not good policy, Mr. President. I hope we will not do it. If it is done, it will not be with my vote.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, perhaps a brief review of what it is that we are debating on the floor of the U.S. Senate might be in order at this point for those who may be watching or listening. The bill before us is to provide a modest degree of relief, the reimbursement of attorney's fees and costs incurred by former employees of the White House Travel Office who were fired at the beginning of the Clinton administration and one of whom was unsuccessfully prosecuted. That bill has passed the House of Representatives.

If the Senate were permitted to pass it, it would go to the President and, I presume, be signed. It is not particularly controversial. But the majority leader of the Senate has been unable to get consent from the other side of the aisle simply to pass that bill and send it to the President without conditions being imposed upon that consent.

So now this modest House resolution has had included with it a reduction in the tax on motor vehicle fuel, the 4-plus-cents-a-gallon tax that was imposed in 1993.

At the time at which it was imposed, at the time at which that tax hike was passed, every Member on the Republican side of the aisle voted against it.

In some measure, that vote was simply a statement that we did not feel that increased taxes was appropriate.

But there is another element in the opposition then and the desire to repeal it now, which is equally important. That element is the fact that for the first time in the history of the Congress and almost without precedent in any of the 50 States of the United States, a motor vehicle fuel tax was imposed to pay for various social and political programs entirely unrelated to transportation. I think it is appropriate to say that perhaps the least objectionable tax to most of the people of the United States is a gas tax, a motor vehicle fuel tax, when it is used to improve transportation, when it is used to maintain or to build roads and highways or, for that matter, to improve mass transit systems in our major metropolitan areas.

Lord knows that we have fallen far behind in that traffic infrastructure. This gas tax increase in 1993, however, was not for that purpose. That was not a part of the agenda at the beginning of the Clinton administration. It was simply for the wide range of other spending programs in which the then new President desired to "invest," in his own words, to "spend" in ours. And so much of the impetus for this reduction comes from the fact that that was a terrible precedent to set.

The gasoline tax is not a general purpose tax, should never have been used that way in the first place and should not be used that way now and, therefore, ought to be repealed. If the President wishes to come to the Congress with a proposal that would build our infrastructure by the use of user fees, he would certainly get a more positive response than he does when it is simply to disappear into the mass of hundreds of other programs.

This view, that we ought to repeal this gas tax, is not partisan in nature. There are, I think, at least a few Republicans who feel it to be unwise. There are a significant number of Democrats who are quite ready to vote for it, and the President has at least indicated that he will sign and approve it. But, Mr. President, when the majority leader asked that we deal with the gas tax repeal alone, he was denied that right unless certain other unrelated demands on the part of the Democratic Party were met.

So we cannot provide the relief for people wrongly fired in the White House Travel Office; we cannot deal simply with a gas tax repeal which, whether wise or not, is something the American people understand and understand the debate about; no, we cannot do any of these things unless, Mr. President, paradoxically we agree that we will, in fact, have a vote on an increase in the minimum wage uncluttered by any irrelevancies.

So it is do as I say, not as I do. Those on the other side of the aisle demand the right for absolutely uncluttered votes on their agenda but deny that right to the majority party.

Personally, I think an increase in the minimum wage undesirable for the very people it is nominally designed to benefit. My inclination is to believe that it will cost a significant number of jobs, both among those who lose their jobs, because their employers do not think that they really produce this larger hourly wage, but even more significant, among those who are attempting to work their way off welfare or are teenagers coming into the job market who will not get jobs in the first place because of a minimum wage that is too high.

It also seems to me that it is an extremely blunt instrument with which to increase the obviously too low income of those Americans who are the primary support for families and who are now on full-time employment at the minimum wage, something like 3 percent of those who are making the minimum wage at the present time.

But, I am perfectly willing to admit that there is an argument on the other side of that question. Most middle-of-the-road economists think that an increase in the minimum wage is neither a particularly good idea nor a particularly bad idea; that it will not have all of the harmful effects that some of its opponents state and clearly will not have the positive effects that its proponents assert.

As a consequence, I think as a part of an overall look at the economy of the country, it is perfectly appropriate that we vote on increasing the minimum wage. But, Mr. President, I think it is perfectly appropriate and far more logical that we vote on it at the same time that we vote on something else which really will help the economy of the United States, which will improve labor-management relations, which will increase productivity and which will increase the number of jobs that we have for people who are coming into the job market or seeking to improve the position that they hold in it. But we are told that the TEAM Act, which has actually been the subject of hearings in the Labor Committee and approved by the Labor Committee, unlike a minimum wage increase, is such a hard prospect that we will not be allowed to vote on it by a minority that demands the right to vote clean on a minimum wage increase.

Mr. President, that is simply an unsupportable position. If we are to do something that clearly makes it more difficult for people who provide jobs to provide them for those who are coming into the market, we certainly at the same time are overwhelmingly justified in saying that a practice that is now in place in some 30,000 places of employment in the United States, the setting up of informal teams to deal with questions of productivity and vacations and the incidental frustrations that are a part of everyday life, should be validated as against a decision of the courts not wanting that which says, "No. You can't do any of these things unless you have a union and engage in them through collective bargaining."

That is great for the people who lead labor unions. And there may even have been the remotest justification for it in the 1930's. But in the 1990's, and a more prosperous time, in a more competitive time, the time at which the United States is very much in competition with the rest of the world, and a time in which the ancient total antagonism between management and labor is being increasingly succeeded by cooperation, a system, a proposal which encourages that cooperation is not only a good idea, it is a necessity.

So what we have before us right now is a refusal by filibuster, however politely described, to allow a vote, to allow a majority to determine whether or not we should have the passage of the TEAM Act, very much needed in a growing economy, together with an increase in the minimum wage, together with a reduction in the gas tax, and tend to this horrid precedent that we use it for other than transportation purposes, together with the relief of the victims of the White House Travel Office.

Mr. President, that seems to me to be highly reasonable. If a majority of the Members of the U.S. Senate do not like it, they can certainly vote against it. Personally I think it is quite clear that a majority of the Members of the Senate would vote for it. But the demand that we can only deal with a minimum wage and that the minimum wage is the only proposal to which this rule applies, without attaching anything else to it, that it is so important, so pristine, that it must go through without amendment, while everything else can be filibustered, that is a demand that is as unreasonable as it is unlikely to succeed.

So, Mr. President, my suggestion is that we go forward, we have a debate on the merits, the shortcomings, of the TEAM Act, on the merits and the shortcomings of a minimum wage increase, on the merits and shortcomings of the gas tax increase, being the three elements in this amendment, and then vote on the amendment and determine whether or not we are for it, or alternatively, as the majority leader has suggested, without acceptance, that we vote separately on those first two. And if both are passed, they go out of this body together to the House of Representatives. If one is passed, and one is defeated, the survivor goes out as it is.

All kinds of alternatives have been offered to the minority party. But it will accept only its own proposition for the way in which the business of the

Senate will be conducted. That is neither in the interest of the Senate, Mr. President, or of the people of the United States. Let us go forward and by the end of the afternoon vote on the amendment that the majority leader has proposed for us, and get on to other business.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I fail to be persuaded by the argument of my good friend from the State of Washington. I think that the point was made very, very well by our leader that there were going to be some amendments that would be offered to the gas tax. It would be directly related to that issue to try and make sure that if there was going to be a repeal, that actually it would go down to benefit the families that would be going to the gas pumps. And that has effectively been denied.

I know the majority leader said, "Well, if there's an amendment that makes some sense, we'll be glad to consider it." But this body is not a traffic cop for just the majority leader or the minority leader or any particular Member to say what a Senator can offer, outside of the issues of cloture, to a particular measure. That is a rule of the Senate. It might not be acceptable to some other Members, but that has been the rule here for 200 years.

Effectively you are closing out the Senator from North Dakota, you are closing out the Senator from Massachusetts, other members of the Human Resources Committee, who offered other amendments to the TEAM Act during the committee's consideration of the bill. All one has to do is look over the debate that took place in the House of Representatives, for example, and review that debate, and see that Congressman SAWYER, for example, offered a substitute to try to address the kind of questions about the particular language that some had raised to provide some additional clarity about the effect of 8(a)(2). And that was very thoughtfully debated over there.

I think the Sawyer amendment included a number of different measures that I think the Senate would be interested in. It may very well help work out a point of accommodation so that that legislation would pass unanimously. But we are denied any opportunity to consider any such possibility either today or tomorrow or after the period of cloture.

So with all respect, the right of Senators to offer amendments is being cut off—and there might have even been Members who wanted to go back to the original proposal on the minimum wage. That was 50 cents—50 cents—50 cents over a period of 3 years, and also had an increase in the cost of living, so that we would not have the situation where workers would fall continuously behind. That is a directly related kind of subject matter, probably worthy of debate, in trying to deal with the fact that this program of the increase in the minimum wage it is exceedingly modest. People are denied that opportunity as well and are just foreclosed any opportunity to do anything other than speak. There was not a desire to prolong the debate and discussion on any of these measures, but we are denied the opportunity even to offer them.

So we will have a chance to vote whether the Senate is going to be willing to be gagged or not gagged on the proposal that is now before the Senate. And all we have to do is look at the floor of the U.S. Senate right now.

We invite all Americans to take a good look at the floor of the U.S. Senate. There are three Members here. We are effectively being denied the opportunity to address these issues that are going to affect working conditions for workers, not only those that affect the 14.5 million that are part of a trade union, but the 110 million Americans who are not union members, their interests, their wages, their hours, their working conditions.

It just seems to me at a time when about 65 or 70 percent of the American workers are falling further and further behind, it is unfortunate that our Republican friends have made a pretty wholesale assault on those conditions for workers by trying to fight the increase in the minimum wage, fight the earned income tax credit, fight against Davis-Bacon that provides an average of $27,000 for a construction worker in this country, and other matters which we debated at other times.

We are foreclosed from making any changes. They said you either have to take it or leave it. I find it quite amusing to hear the leader talk about, "Well, we will have to go along with what the majority wants." The majority have indicated they favor the increase in the minimum wage. He has the facts wrong. The majority of the Senators favor the increase. When he says, "Well, the majority is going to insist you either take it our way or not," I do not think is a fair representation of what the fact situation is. We are where we are, and we will have to do the best we can. We will do so.

I want to take just a few moments to correct the record on representations that were made in the last day or so and then speak briefly with regard to the TEAM Act and respond to some of the points that have been raised here. Then I will yield to others who want to address the Senate. I see my friend and colleague and a member of our Human Resource Committee, the Senator from Illinois, Senator SIMON, on the floor at this time. I was wondering if we might ask him—I know he has been very involved and interested during the course of our hearings on the TEAM Act, and also during the markup. I will ask him maybe a few questions, if that is all right.

Mr. President, the Republicans say that an employer cannot talk to his employees in a nonunion shop about things like smoking policies or flex-time schedules where employees work a 4-day week or whether to have a pension plan or how to do the work safely; is that true?

Mr. SIMON. Absolutely not, I say to my colleague from Massachusetts. That is hogwash. In a nonunion shop, the employer can talk to his employees about anything. He can call them together as a group or talk to them individually. Nothing in the law prevents a nonunion employer from talking to his employees. In fact, section 8(c) of the National Labor Relations Act specifically protects his right.

Mr. KENNEDY. I thank the Senator. As you know, this point was made yesterday about no smoking. There were a whole series of issues that were brought out in one of the court opinions, of which one was no smoking. But the rest of it dealt with a variety of different workplace issues.

It is being used selectively in distorting and misrepresenting a legal holding to suggest that this kind of communication is not permitted at the present time. That is a gross distortion and a gross misrepresentation.

It is interesting, our Republican friends must all be reading from the same briefing sheet, because if you read through the debate in the House of Representatives, you find exactly the same quotation. I would have thought that perhaps Members of the Senate might have changed at least a few words about it. I am glad to get the response of the Senator.

Second, I mention that yesterday one of our colleagues said that the law prohibits an employee from going to the employer to ask for a day off to attend a child's award ceremony at school; is that true?

Mr. SIMON. Senator KENNEDY, that is absolutely not true. When you talk about distortions, you are absolutely correct. This thing has been so distorted.

If this bill passes, we will have a huge imbalance. In a union shop, the employees bargain with the employer to have personal leave days. In a nonunion shop, under current law, any employee can bargain individually or ask the employer as an individual for time off.

Mr. KENNEDY. Further, there were some suggestions yesterday that the whole future of labor-management cooperation is threatened if what they call the TEAM Act—I call it the antiworkplace democracy act myself—but they say the whole future of labor-management cooperation is threatened if this bill does not pass.

Now, does the Senator remember the testimony that we have had in probably the last Congress by the head of

OSHA, Mr. Dear, about actions taken, for example, in the State of Washington, where employers and employees worked effectively together to reduce hazards in the workplace? As a direct result of that cooperation, we saw a 38-percent reduction in workmen's compensation costs, and we see corresponding increases in wages for workers. The associated industries from that State praised that cooperation, which is already taking place, can take place today without this legislation, that saved industry approximately $1 billion over the period of the last 5 years.

Is the Senator aware of what is included in Senator KASSEBAUM's findings, that we already have a multitude of these working partnerships and relationships? Even in the Republican report that is on everyone's desk here they acknowledge that they are taking place in 96 percent of the major corporations and over 75 percent of medium and small companies. That seems to be working.

Mr. SIMON. Absolutely. This is taking place in thousands and thousands of plants in your State, in my State, in every State here. The law has permitted explosive growth in cooperative programs and employee involvement plans.

The committee report claims that 75 percent, as you pointed out, of all employers use employee involvement; 96 percent of large employers do so. That has occurred without this so-called TEAM Act. I agree, it is misnamed. The law has not changed one iota with respect to company unions in 61 years. The TEAM Act is completely unnecessary.

Mr. KENNEDY. The reference was made yesterday by the majority leader that this was necessary because of the NLRB holding in 1992, the Electromation case in 1992, which allegedly changed the law and allegedly prohibits teams and committees and quality circles. I know the Senator is familiar with that case because it was a subject of a good deal of discussion in our committee hearing.

It is always interesting that even after this case, as the Senator knows, we had testimony before the Dunlop Commission by the various groups that are pounding on the door. It is so interesting to listen to those who are complaining about those who present workers' rights and who complain about the money that is being spent presenting workers' rights.

Maybe we should talk about the various companies and corporations that are supporting this legislation and what they have contributed to various candidates. Evidently that is the way you have to get along in these times to try to impugn those who might have some benefit in here. I guess that is what we are sinking to. We have not done that. I would just as soon avoid it. But it is worth noting that many of those who are going to benefit from this bill are companies and corporations that have made sizable contributions, I daresay, not to Democrats but to Republicans.

Let me ask the Senator, is the Senator not interested that this legislation that purportedly is going to protect workers is being driven not by workers themselves that want that protection, but by the companies that are going to establish these company-owned, effectively company-run unions.

Mr. SIMON. The Senator is absolutely correct. One of the things that is wrong in our society today and wrong in this body is those who are heavy contributors have an inordinate access and inordinate power. We have to struggle to get millions of people who are getting the minimum wage—they are not big contributors; 41 million Americans do not have health care, and they are not big contributors. But a few, a very few employers would be affected here; they are contributing.

It is interesting, you mention the Electromation case. A unanimous Labor Relation Board made up of Republican appointees held that the Electromation case was a typical garden variety case of a company union. It held that no new principles were involved in finding the company union unlawful. The court of appeals again unanimously found that the case had nothing to do with quality circles or productivity teams. The case was about an employer who was trying to control disgruntled employees by imposing on them a representative that they did not ask for or choose.

I would add, when you mentioned the Dunlop Commission headed by former Secretary of Labor John Dunlop, he was the Secretary of Labor under a Republican administration. He says this kind of thing does not make any sense.

Mr. KENNEDY. I think you noted that all of the members of the National Labor Relations Board that made that unanimous judgment in the Electromation case had all been appointed by Republican Presidents.

Mr. SIMON. That is correct.

Mr. KENNEDY. I suppose that the reason for that is the one that is outlined in our own report. It says, on page 27 at the top:

> No good purpose is served by allowing the employer to choose and dominate the employees' representative. Cooperation is not truly furthered because the employer is not really dealing with the employees if he is dealing with his own hand-picked representative. An employer does not need the pretense of a team or committee if he only wants to cooperate with himself.

Does the Senator think that sort of captures exactly what this piece of legislation is about?

Mr. SIMON. I think that is well stated. It is a good summary of what this is all about.

Mr. KENNEDY. Now, some claim that under the NLRB rule, management may not include nonmanagement employees in the decisionmaking process, is that true?

Mr. SIMON. That is not the case. Ever since the General Foods case in 1977, it has been clear that employees can be given decisionmaking authority without violating section 8(a)(2). If management wants to set up work teams and allow them to schedule their own hours, investigate plant safety, or redesign job procedures, the law permits it.

Mr. KENNEDY. Now——

Mr. McCAIN. Mr. President, is parliamentary procedure being observed here?

Mr. KENNEDY. The regular order is that the Senator from Massachusetts has the floor and is recognized. That is the regular order.

The PRESIDING OFFICER. That is correct. And the Senator is so advised that he may yield for a question.

Mr. KENNEDY. I would be glad to yield——

Mr. McCAIN. You would think that after some years the Senator from Massachusetts would observe the regular procedure on the floor of the Senate.

Mr. KENNEDY. Well, the Senator is doing that. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. KENNEDY. It might not be pleasing to the Senator from Arizona, but that is the rule and that is the regular order.

Mr. SIMON. Mr. President, if I may ask the Senator from Massachusetts a question. We talked about the fact that quality teams are legal, as long as they do not strain the questions concerning wages, hours, terms and conditions of employment. But what if they do, or what if an employer wants to appoint a safety team to figure out why so many employees had back injuries, for example? Can the employer do that?

Mr. KENNEDY. Very definitely. As the Senator knows, management has the right to direct employees to do the job it wants done, whether the job is driving a truck or figuring out the best pension plan. Management can direct employees working as a team to solve safety problems or production problems. What it cannot do is to appoint employees to a safety committee that is supposed to represent the views of other employees—other employees—about what pension benefits they want, or what safety issues concern them. Management can find out what the employees think by asking them, but it cannot establish an employee organization, choose its membership and deal with the organization as if it were the representative of the employees.

I think the Senator would understand the logic of that position and the reason for it.

Mr. SIMON. Finally, the Republicans have said in their official position that it is illegal for an employer to provide paper and pencils or a place to meet for a team or a committee; is that true?

Mr. KENNEDY. No. That is completely untrue. I just ask those that are coming up with those speeches to read the debate over in the House of Representatives, where the same examples are being used. These are pat and standard, evidently, speeches being handed out and used by our colleagues here, because the same language is included in the House debate. I do not know whether it would be worthwhile to include the debate that took place over in the House. But I urge my colleagues to read it because I think it is incisive as to what this whole issue is really about.

I thank the Senator very much for those interrogatories. I will just speak briefly about this legislation that is before us.

As I mentioned earlier, my good friend and highly regarded chairperson of our committee, Senator KASSEBAUM, indicated that the principal reason for this legislation was some ambiguity in terms of the language of certain holdings. I find myself at odds with that understanding and, if that is the difficulty, it is certainly not reflected in the number of cases that are being brought to the NLRB. If you look at the period of last year, and the year before, you are talking about a handful of cases. It is not of such an urgency because even if there is a finding that there is some misunderstanding about what a company can or cannot do, there are no penalties. There are problems out there in terms of protecting workers and workers' rights. But, quite frankly, this does not appear to be one of them.

As I mentioned earlier, it is interesting to me that those who are pushing this particular proposal—you can go back and examine the testimony before the Dunlop Commission, in 1993, made up of a bipartisan group of labor relation experts in business and academia. They conducted an intensive study of labor-management cooperation and employee participation. And the committee held 21 public hearings, and had testimony from 411 witnesses, and received and reviewed numerous reports and studies. The commission made one recommendation that is of particular relevance. This is the recommendation: "The law should continue to make it illegal to set up or operate company-dominated forms of employee representation."

That is one of the strong recommendations, and that runs completely contrary to the antiworkplace democracy act.

It is for very sound reasons, Mr. President. It makes no sense for a company and a CEO to pretend to represent workers when that individual has bought that representation lock, stock, and barrel, with the paycheck. It is a disservice to those employees to appoint a worker and to say, "Well, that worker is going to represent all of you in the workplace, and I am paying him. I have the ability to dismiss him, and I have the ability to fire him tomorrow. I have the ability to tell him when they are going to have a meeting and what the agenda is going to be."

That is what this legislation effectively does. It says that an employer can name anyone they want to be the representative of workers, and that individual is going to be paid by the employer, who can fire them the moment that person makes a recommendation or a suggestion that is at odds with the employer or the CEO, and they will set the agenda for that worker and tell them what the nature of the debate is going to be, and tell them who that worker will recognize in any debate, and effectively control that person.

Now, if you call that representing employees, Mr. President, I do not. That does not represent the employees. That is what this legislation is about. It is not about just issues of cooperation.

As I mentioned just yesterday, in the legislation, S. 295, the bill introduced by Senator KASSEBAUM, on page 2, it says:

> Employee involvement structures, which operate successfully in both unionized and non-unionized settings, have been established by over 80 percent of the largest employers of the United States and exist in an estimated 30,000 workplaces.

That is good. It is happening. That is taking place today. The report itself recognizes it.

On page 99, the report talks about the commission on the future of worker-management relations. The survey found that 75 percent of responding employers, large and small, incorporate some means of employee involvement in their operation, meaning that larger employers, those with 5,000 or more employees, the percentage was even higher—96 percent. It is estimated that as many as 30,000 employers currently employ some form of employee involvement or participation. Amen. That is the way to go. We urge that. It is taking place.

We looked at the provisions. If there is some question about that, we looked at the various provisions to understand what is included and permitted and what would be prohibited. Basically, we are talking about encouraging people and company employee teams to work on everything other than the wages and the hours and the exact working conditions. There has been a point in talking about, Well, what about certain types of working conditions? I had hoped at least to be able to address that issue and work with our Republican colleagues to clarify that. I think those measures have been clarified in the proposal that was advanced in the House of Representatives when it talked about three different committees that would be set up and how they would be set up to address any possible question about what is permitted and what is not permitted. But that was summarily dismissed in the House of Representatives, which gives you a pretty good idea about what is underlying this bill.

As a matter of fact, in the House of Representatives, they even excluded these kinds of activities in the House version—excluded the companies' employees who already had voted for representation. That was the Petri amendment to H.R. 743. We have not done so in this legislation.

Mr. President, I want to just take a few moments to talk about why this concept is, I think, a dangerous one for working families, those families that are represented by the 120 million Americans who are in the workplace virtually every single day, not just the 13.5 million who are members of the trade union movement, but all working Americans. We know—and we have examined here on the floor very considerably—what has happened to the American work force from 1947 to 1970. All Americans had moved up with the expansion of the economy. All had moved up.

What we have seen since 1972 to 1992 is that more than 60 percent of Americans have actually fallen further and further behind. It is close to about 75 percent. Many of us believe that is a major issue and challenge for us as a society.

It boils down to one basic question. Are we going to have an economy in the United States of America that is only going to benefit the richest and the most powerful individuals in our country and society, or are we going to have an economy in which all Americans participate in a growing economy?

I believe that was really the concept that was supported by Republicans and Democrats for years, and years, and years. It is now being undermined by these assaults on working families. We saw it in the early part of this Congress when one of the first actions of our Republican friends was to try to eliminate the Davis-Bacon Act. The Davis-Bacon Act provides a prevailing wage for workers who work in a particular geographical area. It works out effectively to about $27,000 a year for working families that work in construction.

I do not know what it is about our Republican friends that they feel that one of the major problems in this country is to try to undermine workers that are working for $27,000 a year. There are a lot of problems that we have in our society, but that does not seem to me to be uppermost, and it should be uppermost in the minds of the Members of the Senate. But that was there.

Then, second, we have gone along a few weeks. We saw the assault on the earned-income tax credit. That is important as we are talking about the increase in the minimum wage because the earned-income tax credit helps those workers that are on the bottom rung of the economic ladder and who have children, and it goes on up to $25,000, $26,000, and $27,000. Sure enough. We saw that the one part of the Republic budget that was before the Senate was not only to provide $270 billion in tax cuts for the wealthy individuals but to cut back on that help and support for working families that have children. It was about the same time that Republican opposition came about in terms of opposition to the increase in the minimum wage; about the same time.

What is it about—$27,000 for construction workers and $23,000 for working families with children—the opposition to the increase in the minimum wage that helps working families if they are by themselves, or just a couple? Families are aided more by the earned-income tax credit if they have several members in their families and working in that particular area. But we have the cutbacks in the earned-income tax credit and the opposition in terms of the increase in the minimum wage.

Then we came out on the floor of the U.S. Senate on that budget which provided corporate raiders the opportunity to invade pension funds. We had a vote here of 94 to 5 to close that out. That went over to conference with the House of Representatives, and the doors had not even closed, and the action that was taken overwhelmingly by the Senate was effectively eliminated.

We should not have been so surprised at that because when we tried to close the billionaires' tax cut that provides billions and billions of dollars to a handful of Americans who make it in the United States and then renounce their citizenship—the Benedict Arnold provisions—and take up citizenship overseas to escape paying their taxes here, we repealed that two different times, and we could not kill it. We went over in the conference, and it kept coming back. There just was not a tax break out there for powerful interests that the majority was not prepared to support.

Here they go again looking after the company heads, those heads of companies that want to set up phony unions and exploit the workers. That is what this is all about. It was virtually unanimously rejected by the Dunlop Commission, a Republican, former distinguished Secretary of Labor, a balanced commission of Republicans and Democrats, representatives of employees and employers. They rejected that concept of going in this nefarious direction. We have got it back now.

I talked earlier today about how Republicans cheered with the emergence of solidarity in Poland in opposition to effectively have company-run unions and company-structured benefits and wages in all workplaces in Poland and, for that matter, for all of Eastern Europe. The reason Republicans—President Bush, Republicans all over—hailed Lech Walesa and those brave shipyard workers—many of us have had a chance to visit that shipyard, and we have seen the memorial outside where those shipyard workers had faced down the military that shot many of them in cold blood as they were demonstrating for their own economic rights. We cheered them on and we supported them. Why? Not because they had a government-run union or controlled company union, but because power was going to the people and they were representing themselves and working for democracy and fighting tyranny.

Now we are going just in the opposite direction here. We are falling over ourselves with time limits and no effective debate on this issue, which I call the antiworkplace democracy act.

Mr. President, it will undermine that kind of effective empowerment which permits workers to be able to sit across the table and to be able to represent their own interests and to be able to try to work out a process by which their sweat and their work will be respected instead of being dictated to as was the case before the National Labor Relations Act.

So, Mr. President, this issue that is before us today is basically about workplace democracy. It is about whether workers should have the right to choose their own representatives and not have them dictated by the company, or the Government. This is not a new issue for our country or the world. This very issue was fought out in Eastern Europe and the Soviet Union over many years. When the Communist Party controlled the governments in those countries, they established sham unions which were completely dominated by the government instead of being freely elected by the workers. In effect, these sham unions were the means by which the Communist Party subjugated workers throughout these countries, suppressing their wages and living conditions.

The effect of the company-run unions is to suppress the wages and working conditions and living standards. As we know, Lech Walesa finally stood up and challenged the antidemocratic system when he jumped over the wall at the shipyard in Gdansk and led workers out on strike. The central issue was workplace democracy.

This legislation, this antidemocracy piece of legislation, is not about empowering workers and workers' rights; it is about empowering companies and management rights. That is what it is about. That is what we are basically talking about. It is not just a little bill to talk about cooperation. We have already addressed that issue. We have cooperation. It is important. We support it. That is not what this is about. That is not what this bill is about.

Now, thanks to the courageous actions of Lech Walesa and thousands of Polish workers, they finally prevailed in their struggle for workplace democracy, and the strike at Gdansk not only led to solidarity of the free and independent Polish trade union but also led ultimately to the collapse of communism.

When Lech Walesa visited the United States, he was widely honored and acclaimed by Republicans and Democrats for his courageous struggle on behalf of workers' rights and democracy.

Mr. President, I submit that American workers are entitled to the same fundamental rights as the Polish workers and workers throughout Eastern Europe and the Soviet Union. If we believe that workers should have the right to choose their own representatives in these countries, then we should also be committed to the principle that American workers should also be guaranteed this same right. If it is wrong for the government-run companies in Poland and other Communist countries to dictate who would serve as the representatives of their workers, then surely it is wrong for companies in this country to dictate who will serve as representatives of American workers.

I do not understand why that concept should be so difficult to understand. We cannot shower Lech Walesa with praise and honors for his leadership in the fight for workplace democracy and then try to deny democratic rights to American workers. That is what the fight over S. 295 is all about. That is why this bill should be known as the antiworkplace democracy act, because that is what it is designed to do. It is designed to undermine the rights of workers to democratically elect their own representatives who can sit down as equals with the employer to discuss wages, hours and other terms and conditions of employment. It is designed to allow employers to establish sham, company-dominated committees which can be controlled and manipulated by management as a means of suppressing legitimate worker aspirations. And it is no secret why big business is pushing the antiworkplace democracy act.

Just as the Communist-dominated unions in Poland and the Soviet Union were an instrument for suppressing workers' wages and benefits, the sham company-dominated unions which would be legalized under S. 295 would be used as a mechanism for holding down wages and benefits of American workers, just at a time when I thought we were beginning to understand the importance of addressing this fundamental development in our economy that working families are being left further behind in the last 10 to 12 years, and we ought to be trying to find ways of working together to try and see that they are going to participate in the economic growth and expansion of our society rather than freeze them out.

If workers are denied the right to have their own independent representatives, clearly it becomes much easier for the employers to say no to their demands for better wages, better health care, better pensions, and better and safer work conditions. For as long as employees are precluded from having their own independent, democratically elected representatives, then it becomes very difficult for workers to improve their standard of living and conditions of work. Thus, the current effort by our Republican friends to pass S. 295 is simply another example of GOP attacks on workers' rights and the standard of living of working men and women.

The Republican leader continues to block the efforts to pass a modest increase in the minimum wage which would help provide a living wage to millions of low-income working families at the same time their leaders are pushing S. 295 in an effort to give big business another weapon for suppressing the wages of millions of workers throughout this country. It is time to call a halt to these attacks on American workers. It is time to stand up for democracy in the workplace and the right of workers to choose their own representatives, not have them be dictated by the company or the Government. It is time to stand up for the rights of workers for better wages, better benefits, and better conditions of employment—in short, the right of workers to freely and democratically improve their standard of living.

Mr. President, we will have an opportunity, I imagine, to address the Senate further on this issue. I see others of my colleagues wish to address the Senate, and I will return to this subject at the appropriate time.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I have listened intently to the impassioned pleas of my good friend from Massachusetts, with whom I have served either across the bodies here in the House and Senate or across the aisle in the Senate for 22 years now. He is articulate. He believes strongly in his issues.

I would like to, however, try to get us back to the issues as I see them and as I believe they are before us in this body. Few of my colleagues in the Senate support all three of the measures that are before us today. I am one of those. I support repeal of the gas tax because it does not go where it ought to go—into infrastructure repairs which would benefit the users. I support increasing the minimum wage because I believe it is due time that it be increased to reflect the reality of the wages and cost of living in our country. And I am an original cosponsor and a strong supporter of the TEAM Act because I believe we are here talking about not the issues which have been raised by my good friend from Massachusetts but, rather, about improving productivity and working together to straighten out some provisions of the law which have created havoc with respect to businesses working in a friendly relationship with employees in order to improve productivity.

That is the issue which we have before us. It is a volatile issue because the unions sense that this will somehow inhibit them from being able to organize and represent workers. However, they are wrong. The bill does not apply if there is a union present.

We have also in the act before us, S. 295, specifically stated that it will not interfere with union operations or interfere with the desires of a union.

Let me just read those words, and then I will be happy to yield to the Senator from Arizona.

What we do is we modify the provision of the law which does define these matters, and we add these words. First of all, we do not change in any way section 8(a)(5), which defines the employer obligation to bargain collectively with the union that is the certified representative of the employees. We do change section 8(a)(2) because of the ambiguities inherent in the act. There are some 70 cases now which have tried to define the line as to whether or not discussions by employer-employee work teams or other cooperative groups are infringing upon workers' rights to only be represented by a union. But there is no clarity on this issue.

We add these words. They can discuss matters of mutual interest, including issues of quality, productivity and efficiency, and then it adds:

> And which does not have, claim or seek authority to negotiate or enter into collective bargaining agreements under this act with the employer or to amend existing collective bargaining agreements between the employer and any labor organization.

That just clarifies it. What you have now is they say, well, why bother, because you have thousands and thousands of these teams out there, but every one of them, if you take a look at those 70 cases which cut one way or another, what you have is 70 areas of confusion, leaving employers in a position to have an action brought before the National Labor Relations Board where they can get a cease-and-desist order and demolish the team, they can be fined. So this is just an attempt to make sure that what ought to be done can be done and there should be no disagreement about it.

I would be happy to yield to the Senator from Arizona.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. JEFFORDS. For a question.

Mr. McCAIN. I wish to ask a question of Senator JEFFORDS.

I ask my colleague and the Chair if I was appropriate in demanding regular order as an aggrieved Senator when the Senator from Massachusetts and the Senator from Illinois were in a colloquy which was not within the rights of the Senate. I would ask the Chair if I was within my rights in calling for regular order at that time.

The PRESIDING OFFICER. The Senator may call for the regular order.

Mr. McCAIN. At any time, whether I happen to have the floor or not? If I saw a violation of the rules of the Senate, I was within my rights as a Senator to call for regular order; is that correct?

The PRESIDING OFFICER. By the rules of the Senate, you are correct.

Mr. McCAIN. It is very unfortunate, I say to my friend from Vermont, the Senator from Massachusetts continues to violate the rules of the Senate and then—he has been here for more than a few years—and then rides roughshod over a legitimate objection made by a colleague. You know, it has characterized, I am sorry to say, my exchanges with the Senator from Massachusetts. I want to let it be on the Record that when I see the Senator from Massachusetts violating the rules of the Senate, I will act within my rights, and I hope the Chair, rather than what happened, his yelling for regular order, that the Chair will intervene, because I was fully within my rights as a Senator to intervene when the rules of the Senate were being violated.

It is very unfortunate, and it does not help the comity around here, when the Senator from Massachusetts deliberately violates the rules of the Senate and then, when called that those rules are being violated, continues to just act in a bellicose fashion.

I think he owes the Senate and me an apology.

Mr. President, very briefly, the Democratic leader came to the floor of the Senate and, in response to a request for a unanimous consent—a request by the majority leader—he then asked that campaign finance reform be added. When the majority leader refused, the Democratic leader, Senator DASCHLE, then objected to the proposed unanimous-consent agreement.

I know it is getting very politicized around here. I know things are getting rather tense. I understand the tactics that are being employed by the minority. I understand them, and I do not disrespect those tactics.

But when the Senator from South Dakota, the Democratic leader, comes to this floor and talks about campaign finance reform and politicizes that issue, when I have been working with the Senator from Wisconsin and others on a bipartisan basis, and attempts to use it for political gain, then I have to come to this floor and take strong exception to this crass politicization of this issue which for 10 years was blocked, was blocked because it was politicized.

The Senator from South Dakota is not a cosponsor of the bill. He has announced that he is opposed to certain portions of the bill. Yet, he has the chutzpah to come to the floor of the Senate and call for the inclusion of campaign finance reform being included in a unanimous-consent agreement.

I have been working with the majority leader and I have been working with my friends on the other side of the aisle, trying to work out an agreement where we can bring this issue up, where we can debate it and dispose of it one way or another. If the Senator from South Dakota wants to politicize this issue, then that is fine. But what he will do is politicize this issue, and then we will make no progress.

I remind my colleagues, for the first time in 10 years we have a bipartisan bill, and we have to move forward in a bipartisan fashion. The distinguished majority leader has expressed his willingness to try to work out some kind of accommodation. But if the Democratic leader comes to this floor and politicizes this issue, then we will make no progress. Again, the American people will be deeply disappointed. I hope—I hope—the Senator from South Dakota will let us work through this, bring it up this month and have this issue disposed of one way or another.

Again, I express my deep disappointment that the Senator from South Dakota should stoop to politicizing this issue in that fashion.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. GREGG). The Senator from Vermont has the floor.

Mr. WELLSTONE. Could I ask my colleague, and this is asking for a courtesy, that I might have a moment? It will not be acrimonious at all.

Mr. JEFFORDS. I yield for a question only. I am trying to get back on the discussion.

Mr. WELLSTONE. Just in the form of a question, I guess. The Senator yielded for a question from the Senator from Arizona; is that correct? It sounded like——

Mr. JEFFORDS. If you have a question for me, I will be happy to yield to you for the question.

Mr. WELLSTONE. I do. I will be brief. I am sorry to put it this way but it is a question, in the form of a question, but it is a point. In the spirit of honesty, I just wonder whether the Senator from Vermont knows—whether or not the Senator from Vermont knows that, as much respect as I have for the Senator from Arizona, and I love working with him on issues, that I believe that this morning—I could be wrong, we can look at the record, but I was here out on the floor—I wonder whether the Senator from Vermont knows that when the minority leader came out, he was just simply saying that, if we keep putting together all these different kinds of pieces of legislation, what will be the final combination? He then went on to say, we could have campaign finance reform, we could have foreign policy, we could have something dealing with arms agreements.

I do not think it was an announcement that in fact the minority leader intended to put the campaign finance reform bill, the bill so many of us have worked on, as an amendment on this.

I wonder whether the Senator understands that? That is a clarification.

Mr. JEFFORDS. I am not clear as to what all the discussion was on the floor at that time, so I will have to let the record speak for itself in that regard.

Mr. WELLSTONE. I thank the Senator for yielding to me.

Mr. JEFFORDS. Mr. President, I think we ought to get back to the extremely important issue which is before us today, and that is the TEAM Act.

I am a cosponsor of the TEAM Act because I believe that cooperation between employers and employees is the wave of the future, and it should have been the wave of the past.

We went into it at length yesterday, in discussing what happened some 40 years ago when the issues were how management and labor can get together and go into the future in order to work hand in hand to improve productivity. The problem was we did not change the then so-called Taylor policy of real confrontation and arm's-length negotiations between the workers and management.

Our competitors—and this is the issue of the day—on the other hand, in Europe and in Asia, said, "Great idea over in America. You have a great idea." Briefly, I would say, there was a U.S. company that did the same thing, the Donnelly Corp. If you want to read a record of the difficulties they have had over the years, trying to defend what is entirely within the TEAM Act's perspective and would be allowable matters for them to get together and improve productivity, you will understand why we are here today—to get rid of the ambiguities, to make it crisp and clear that, if a company works with employees on productivity, as long as they do not get into matters of collective bargaining, et cetera, it is perfectly allowable. But right now there are thousands of teams that are out there that are in jeopardy of being brought to the NLRB and then being given an order to get rid of the team they are working with, and they could be fined.

So that is where we are. I want to make sure we understand that. Over 30,000 companies use employee involvement programs. The TEAM Act addresses the concern that the National Labor Relations Board, the NLRB, will discourage future efforts at labor-management cooperation. Specifically in the Electromation decision, the NLRB held that the employer-employee action committees that involved workers meeting with management to discuss attendance problems, no-smoking rules, and compensation issues constituted unlawful company-dominated unions.

Congress enacted section 8(a)(2) of the National Labor Relations Act forbidding employer domination of labor organizations to eliminate the sham unions of the early 1930's. No one disagrees with that. The TEAM Act is a direct recognition that the world of work has changed since the 1930's. In that era, many American businesses believed that success could be achieved without involving workers' minds along with their bodies. In those days, with the kind of work that was there, that is probably true. But today, recognition is widespread among business executives that employee involvement from the shop floor to the executive suite is the best way to succeed.

The employee involvement efforts protected by the TEAM Act are not intended to replace existing or potential unions. In fact, the language of the bill that I read earlier specifically prohibits this result. The legislation allows employers and employees to meet together to address issues of mutual concern, including issues related to quality, productivity and efficiency.

However, those efforts are limited by language that prohibits the committees or other joint programs from engaging in collective bargaining or holding themselves out as being empowered to negotiate or modify collective bargaining agreements. That is all it does.

Mr. President, the essence of the matter is that the definition of labor organization under the NLRA is so broad that whenever employers and employees get together to discuss such issues, that act arguably creates a labor organization. In that situation, the existing language, section 8(a)(2) comes into play. The question becomes whether the employer has done anything to dominate or support that labor organization. Such domination and support can be as little as providing meeting rooms or pencils and paper for the discussions. This is simply too fine a line to ask employers to walk successfully.

We want to clear that line up to make it absolutely clear that things everyone would agree are sensible, logical and appropriate can go forward without having the NLRB stop in and say, "No."

Earlier, I heard Senator KENNEDY state that upward of 80 percent of American companies are engaging in some form of teamwork or other cooperative workplace programs. Fine. His conclusion is that all this activity is going on out there now without a change in the law, so there is no need to change the law.

What that argument misses is the fact, as I have said, that much of this activity is a technical violation of existing law. While these programs may be doing wonders for the productivity of the company where they are employed, any one of them is no more than a phone call away from running afoul of the NLRA.

What we have to remember is that the NLRA is very specific in all of the decisions, some 70 of them, where all these kinds of borderline cooperative activities are illegal and the defense of an employer is very fragile.

It is no defense to an unfair labor practice charge that the program is working, that working conditions and productivity have improved and the company's bottom line has risen. None of this matters if it is a technical violation of the antiquated rule. The NLRB will shut down the team, fine the company and force it to sign papers swearing it will never do it again. The TEAM Act will prevent continuation of these absurd results so detrimental to the national interest.

I recently was visited by a workplace team from my own State of Vermont. I am certain that many of my colleagues in the Senate have had similar visits, since there are successful teams operating all over the country. The workers who visited me were from IBM, the computer-chipmaking facility in Burlington, VT. The more traditional top-down management style still prevails on most shifts and in most departments at their plant. However, on the night shift at this plant, the workers decided about 3 years ago to try a cooperative work team. They chose the name Wenoti, meaning "We, Not I." In other words, the workers and the company would work together toward common goals. Wenoti was their group. That name is a combination, as I said, of the words "We, Not I" to symbolize their focus on what is good for all and not just one.

When the team representatives came to my office a few months ago, they were as proud a group of employees as I have ever met. The Wenoti team consistently leads the plant in all productivity and quality-control measures. Moreover, they told me that their job satisfaction has risen directly in relation to their ability to contribute meaningfully to the successful completion of their job. That is what this is all about. For God's sake, what is wrong with it? How can anybody argue that fostering this progress is not good for the country?

IBM is a profitmaking organization. It is not promoting employee involvement solely out of altruism. Rather, IBM has come to the realization that employee involvement is vital to the company's bottom line. Doing so has the added dividend of giving employees a greater stake and greater satisfaction with their jobs.

Time and again you hear employees praise companies that do not ask them to check their brains at the door. So if affected employers and employees support this legislative effort, what is the problem? It comes as no great surprise that organized labor takes a dim view of it. Oddly enough, to do so, it must take a dim view of American workers as well.

Organized labor's arguments are based on the assumption that workers are not smart enough to know the difference between a sham union and a genuine effort to involve them in a cooperative effort to improve the product, productivity and their working environment. I think workers are smart, and I think that is exactly why employers are trying to harness their brains in the workplace as well as their backs.

The real problem for unions is that under current law, they have a monopoly on employee involvement. Like the AT&T or the Vermont Republican Party of old, nobody likes to lose their monopoly. But consumers or voters or workers profit from choices and competition, not from static responses to a changing environment. This is clearly the trend of the future.

Yesterday, I spent some time before my colleagues going back into the history and pointing out that I thought it was ironic—if you can just get the unions to sit down and look at what has happened in the last 40 years—that it was back 40 years ago when the leaders in academia and others who had studied business and were looking toward the future and wondered what could be done to ensure that we improve productivity in this Nation. They came up with concepts that said if we could get workers and business to work together so that there is productivity and then profit, and then that profit can be split, everybody gains, everybody benefits.

All sorts of suggestions were made. I went through them yesterday. What about dividends to the employees in terms of stock profit-sharing or stock options or even going so far as to put a member of the union or the workers' representative on the board of directors?

What happened in this country? Little or nothing. A few companies like Donnelly, which I mentioned before, took it to heart and were very successful, but the majority of ours did not.

What happened overseas? The Japanese, the Germans, and others looked at these and said, "Hey, good idea." The ironic part is, their unions, having adopted that philosophy, are now stronger and much more dominant in their industries than ours are. So why would the unions in this country want to continue to do what created, in my mind, their failures? And that is, not to recognize that much more gets done by working with management with an eye toward improving productivity.

Mr. President, if you really want to understand better what is going on, Hedrick Smith, who I am sure many of my colleagues know, is a Pulitzer Prize winner and author of "The Power Game" and "The Russians," wrote a tremendous book. It is "Rethinking America: A New Game Plan for American Innovators, School, Business People and Work."

It really outlines the serious problems we have in this Nation. It outlines those problems which are giving us trouble now. On education, Hedrick, as he traveled all over the world going to education centers, going to schools and examining what is going on in Japan and what is going on in Europe and what is going on in this country, finds that we have been placed way back in our ability to compete in our educational system.

I will not dwell on it today. I dwelled on it before. That is a very critical part. What they learned is, you have to start cooperation of people in the schools. In Japan, for instance, they learn right from day one that everyone works together. In the grade schools, everybody works to make sure everybody reads, right on through.

Then they also realized—this is true in Europe also—that the time for business to get involved, the time for business to get involved in education, is not after a kid graduates from high school, but, rather, when they are in high school or middle school. So they designed programs for skill training where businesses come in and they are held just to dramatize how the different systems are.

In this country, our businesses spend $200 billion a year—$200 billion a year—in the training and retraining of the kids that graduate from high school in our work force. The Europeans —and that is just Europeans—spend the same amount of money, $200 billion. You know where they spend it? In high school and middle school, so when the kids graduate from high school they are already a trained work force.

Our schools have failed to recognize the importance of that. We have to change that. We are beginning to change that. I was in Mississippi this past weekend, and the area has had a very difficult time with their education. But they have learned from it. They are now revitalizing their schools and their whole vocational-educational programs to model them after what is going on in Europe and Japan. The rest of the country has to do the same thing.

Hedrick Smith spent a lot of time putting this together. He went, articulately, through and documents exactly what happens. But for relevance today, he goes through what happened in the businesses in Europe and the businesses in Asia after the 1950's when our academia and some business leaders recognized that the wave of the future, due to all the technology changes and all, was to make sure we had a qualified work force that was available and ready to work but, most important, that when they were working, with all the kinds of technology changes and the complications of the industrial structures now, that the workers are the best ones to know when the quality is going down or what to do to improve the quality of your goods and services. So they worked with them. And, lo and behold, we had to learn that.

There are wonderful stories about how Motorola got involved in understanding this and how they went through and realized that if they did not improve the skills of their workers and did not work together and get them to help them out, they could not compete in Japan. So they changed their whole operation, and they were able to keep jobs here instead of losing them.

Senator KENNEDY talked about—maybe it was the minority leader—about the huge expansion of the profits in our corporations, but if you examine those profits, you will find that most of those profits are coming from overseas ventures. We should be keeping those ventures here. But we cannot do that if we do not improve our education but also, as importantly, if we do not have the TEAM Act to allow the workers to work with the employers, to improve productivity, to understand what is going on on the assembly line, to correct the problems which are creating goods that are not saleable before they become that. That is the lesson that we have to learn in this country.

It is productivity that is the issue here. Is this Nation going to be as productive as it can and must be in order to endure as a leader in economics in this next century? We are about there now. We established sometime ago—in 1983, we took a look at our educational system and said, "Hey, yeah, you're right. We have to improve it. The present system isn't going to work." We have not entirely touched on improving it. So we have to do that.

Also, essentially, at that time, especially with auto workers, there is another example, and I would hate to see it kind of reverting back. The UAW recognized that they had to change their ways when they saw the flood of cars coming in, much higher quality from Japan and Europe, and demolishing their markets. So they finally said, "Oh, boy, we've got to change our ways." So they sat down, and, working with management, they improved their productivity, improved their quality and got together. And we were able to change things to meet the markets.

We have to be ready to do that or we are going to be driven out. The future of this Nation depends upon our ability to compete in the world markets. There is fantastic opportunity out there, but we cannot be dragged down by old concepts from the 1930's on what worker-management relationships should be. We have to look to the future. The TEAM Act is a leading tool to do that. It will clarify the law. It will legitimize about 30,000 teams that are out there, which are in jeopardy right now if we do not change the law.

So I urge all of my colleagues to please support the TEAM Act. As I said earlier, I support all of these issues that we are facing. I have no bias one way or the other. I am looking objectively at these things and think we should pick and choose those. And, finally, I would thank my colleagues for their time and would hope everyone would get down to the real issues here and not try to get tied up with the emotionalism and rhetoric.

Mr. President, I yield floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Thank you, Mr. President.

CAMPAIGN FINANCE REFORM

Mr. FEINGOLD. First, with regard to the matter that just came up on the floor a few minutes ago, I want to clarify an exchange that occurred with regard to the issue of campaign finance reform. The Senator from Arizona came to the floor and spoke and pointed out that he had heard the minority leader asked unanimous consent that the campaign finance reform issue be added to a unanimous-consent proposal that the majority leader had propounded. The Senator from Minnesota, Senator WELLSTONE, indicated that he believed a different attempt had been made and that in fact the minority leader had simply suggested that this was a matter that might come up.

The Senator from Minnesota asked that I clarify this issue and that it is, in fact, the case that the minority leader, Mr. DASCHLE, did specifically ask unanimous consent that campaign finance reform be added to the unanimous-consent agreement. So, in fairness, the Senator from Arizona did accurately portray what was requested.

Let me just say this, however. It is very important, as the Senator from Arizona indicated, as I know the Senator from Minnesota believes, that this issue remain not a part of partisan bickering. Obviously, there are many reasons why some partisanship is being demonstrated on the floor at this time. That is entirely inappropriate on some of the issues that are being discussed. But I agree with the Senator from Arizona that when it comes to campaign finance reform, in this session, with this Congress and this President, that it has to be a bipartisan effort.

It is my view that when Mr. DASCHLE, the minority leader, made this unanimous-consent request, that he was not seeking to make this a partisan issue. Senator DASCHLE has indicated that he believes that the so-called McCain-Feingold bill ought to be the vehicle for achieving campaign finance reform. He has indicated that he disagrees with some aspects of it. But I believe that the Senator from South Dakota is a friend to the issue of campaign finance reform.

Nonetheless, I think we will do better on the issue of campaign finance reform if it is offered on the basis of a bipartisan agreement, either by Senators working together on the bill, as Senator MCCAIN and Senator WELLSTONE and I are doing, or preferably if the two leaders, the Senator from Kansas and the Senator from South Dakota, were to get together and make sure that in the very near future this body turn specifically to the issue of campaign finance reform as the order of the day. That is what all of us who cosponsor this bill prefer, although we stand ready to attach this bill as an amendment to other legislation if we are not afforded that opportunity.

So let me just reiterate, the campaign finance reform effort is the first bipartisan effort of its kind in 10 years in this body. It is a real effort. It is an effort that has enormous support, and we will not allow any partisan maneuvers on either side to prevent us from our opportunity to make this change that the American people want very, very much.

INTERNATIONAL TRADE AND BRIBERY

Mr. FEINGOLD. Mr. President, on another matter, international trade is a high priority in almost every country today. We are negotiating all sorts of agreements to bring down barriers and protect our workers and promote economic development worldwide.

One issue, Mr. President, that I have tried to identify as a barrier for competition for American businesses is the issue of bribery. American businesses live in accordance with the Foreign Corrupt Practices Act. This was a bill offered by my predecessor from Wisconsin, Senator William Proxmire. Most businesspeople praise it as a way of maintaining honesty, and thus stability, in their business relationships. But, unfortunately, other countries—and one example is Germany—actually give their businesses the opportunity to write off a bribe in a foreign country as a tax deduction at the end of the year. So it is illegal for one German to bribe another German, but if they were to offer that bribe to somebody in another country, they can use it as a tax deduction. This produces some pretty unhappy faces when American businesspeople find this out.

Some say that bribes are the cost of doing business overseas, particularly in some developing countries. I believe, however, it is a barrier to doing business in the long run, particularly overseas, since it can only retard economic growth in some of the developing countries.

As a result, Mr. President, I have introduced legislation to try to get at this problem. In the State Department authorization bill for this year, I offered an amendment requiring an interagency study on bribery and corruption and the impact it causes on American businesses. I was disappointed that the majority dropped it in conference committee, but I am pleased that the Commerce Department is going ahead and pursuing a study of its own on this study anyway. I appreciate that.

I have also raised the issue of international bribery consistently in the Senate Foreign Affairs Committee, not only as we examine how to promote U.S. products, but in my role as the ranking member of the Subcommittee on African Affairs, to try to raise the issue of bribery with the African heads of States and other officials when we have confirmation hearings for ambassadors headed to the region. I believe that the ambassadors should be intimately involved in this issue as we seek to promote American products overseas.

I also want to praise Ambassador Kantor's very direct and public efforts on this issue and to say that I think his recent efforts have been critical in making headway on a universal acceptance of the principles that underlie the American Foreign Corrupt Practices Act. I am particularly encouraged that the administration seems to want the WTO to consider sanctions against bribers when Government contracts are under consideration.

Mr. President, it is important that even though we have this tough law and our businesses have to abide by it, we are not alone in this campaign. There have been many significant accomplishments. The Organization of Economic Cooperation and Development, OECD, took a landmark step 2 years ago in recognizing that bribery is a destabilizing factor in international trade, and they recommended that the member states cooperate on revisions of their domestic laws about bribery.

Several weeks ago, OECD tried to eliminate tax writeoffs on the laws of the member States of the kind that exist in Germany. Latin America has also taken this issue on. In March of this year, the Inter-America Convention Against Corruption, known as the Caracas Convention, identifies corruption as a main obstacle to democratic development in public trust in government institutions, and it also calls and provides for the prohibition on transnational bribery.

Mr. President, perhaps some might see this document from the Inter-America Convention as a utopian document that cannot be enforced, but what it does do is begin the process, in Latin America, as has been done in the rest of the world, to commit the parties—in theory, at least—to the notion that bribery is a destructive force in democratic development and international business.

Given the developments with the OECD, the United States and Latin America, one would have thought it was a trend for the future, but we are really making progress. Unfortunately, however, at the end of April, the seven-member Association of Southeast Asian Nations spoke out for the first time on the issue of bribery and unfortunately opposed any attempt by the United States to stamp out corruption, saying they would not talk about it in the context of the World Trade Organization.

Deputy United States Trade Representative Jeff Lang tried to raise the issue and was criticized by Malaysia and Indonesia officials for plotting against the developing nations. This reaction to the seven countries is a very counterproductive reaction. We focus on bribery to engage more in business, not to discriminate. I hope that Malaysia and Indonesia and others think of this as an area of cooperation, of mutual interest, rather than an area for polarizing, as has been done in this case.

Mr. President, to conclude, if international markets are indeed to connect nations around the globe, somehow we have to be able to conduct business in a transparent and responsible manner. Bribery has to be discouraged, not rewarded, by all governments.

I hope that the ASEAN countries will reconsider this issue and join governments from every continent in seeking to end the corruption that does exist in international markets.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. FAIRCLOTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3960

Mr. FAIRCLOTH. Mr. President, I rise today in support of the teamwork for employees and management. If ever there were a law that makes no sense, it is to forbid teamwork between management and employees.

This is a bill to encourage worker-management cooperation. It is sorely needed in this country in industry today. Senator DOLE has made this part of the repeal of the gas tax and a rise in the minimum wage. The TEAM Act will permit employees in nonunion settings, which are most of the employees in this country, to work with management to address, in a commonsense way, workplace issues that are mutual interests and will benefit the workplace scenery and the company as a whole.

Under current law, these discussions are permitted only if employees are represented by a union and the discussions go through the union bargaining representative. Nothing could be more ludicrous as a way to have cooperation than to have to channel your discussion through union representatives. It just does not make common sense, or any other kind of sense.

The current law prohibits workers and managers in nonunion settings from sitting down to cooperate on a long list of basic workplace issues—safety, quality, and productivity. By not allowing employee involvement, this antiquated law deprives 90 percent of U.S. workers in the private sector of having any voice in their workplace. They simply cannot talk to the owners and the management for whom they work, and you eliminate cooperation. The lack of employee involvement also makes the American industrial sector less competitive. Almost every U.S. industry faces strong and aggressive competition from foreign firms that are free to draw on and utilize the ideas, thoughts, and abilities of their employees. They use this to compete against American companies and American workers.

Now, American business leaders know that including employees in this decisionmaking would make them more competitive. They would have an ability to draw firsthand on the workers, what would be more efficient, more effective, and what would cut costs, which would certainly lead to increased competitiveness. The older approach of telling workers, "When you punch the time clock, leave your mind at the door," and dictating to them how to do the job without having any back-and-forth discussion with the worker as to the best way to do the job is absolutely the worst law, which should be abandoned. Employers know that the people who perform the work know better how to do it and the most efficient way to do it.

It concerns me that, under current law, employees cannot be involved in workplace decisions, unless they do it through a union steward or a union representative. Workers that are knowledgeable about how to do the work, how to do it better, should have a say in making the decisions and certainly should share their opinions about how it should be done. Employers are anxious to listen to them. They are anxious to have the input and the advice. They want it. The TEAM Act will give employees the voice in the workplace that everyone wants them to have and that they want to have.

Mr. President, I am a cosponsor of Senate bill 295. I believe this legislation is essential if we are going to improve our competitive position in America as compared to other countries around the world—especially in manufacturing, where we so sorely need jobs to be created.

If we are really concerned about doing something to help the working Americans to improve their lot in life and also the competitiveness of the country as a whole, the best we think we can do is to pass the TEAM Act.

Mr. President, I thank you. I yield the floor.

Mr. PRESSLER addressed the Chair.

THE PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. I thank the Chair.

(The remarks of Mr. PRESSLER, Mr. WARNER, and Mr. BRYAN pertaining to the introduction of S. 1735 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I thank you. I just have a few words to say about the state of affairs on the floor of the U.S. Senate.

I was somewhat appalled with the President's press conference, which is clearly as blatantly political a press conference as I believe has ever happened in this town, basically saying that the Republicans are tying up this legislation in the Senate today.

How could anybody make that comment when his own side refuses to grant cloture on something as simple, as fair, as decent, as worthwhile, as bipartisan as the Billy Dale bill? And they do it all under the guise that they are not getting what they want on the minimum wage, and then they vote against cloture today knowing that Senator DOLE said they can have a vote on their minimum wage. But if they want their vote on minimum wage, we are going to do something about the gas tax, and we are going to do something about the TEAM Act.

I have to say I support Senator DOLE in his effort to repeal the 4.3-cent-per-gallon tax on gasoline that President Clinton and the Democrats passed back in 1993. While some critics might try to dismiss this bill as an election year gimmick, I believe they are missing the main point. This is about far more than just the 4.3-cent gas tax.

The fact is the 1993 tax bill was the largest tax increase in history. We are now paying taxes at the highest rate in history. Yesterday was tax freedom day, signifying how long we have to work just to pay our State and local taxes, and that does not include all the costs of regulatory burdens and other things. As of yesterday, the seventh of May, it took the average American all those months, the first 4 months and 7 days, just to pay their Federal and State taxes. Think about that.

The fact is that the President has added the largest tax increase in history. We are paying at the highest tax rates in history, and we are still going into debt phenomenally because the tax increases, like the gas tax, have not gone to fill the pot holes in the roads or to help our highway system or to help States with their peculiar difficulties in highways and roads; those moneys have gone for more social spending, more social welfare spending by none other than Democrats throughout the country.

Frankly, they have used the gas tax, which is disproportionately unfair to the poor, disproportionately unfair to the West, disproportionately unfair to rural States, and plowed it all back into their core constituencies right back here, primarily in the East, or in other large major urban areas, rather than using those funds to benefit everybody through road improvements.

We are talking about $30 billion here that we are going to repeal. Our colleagues on the other side really do not want that repeal to occur, because that means there is going to be more pressure on them because they will not be able to spend more and more buying votes out there in social spending programs, which has been the route that they have taken to power for most of the last 60 years. It is not right. It is not right. It is not fair. It is disproportionately harmful to the poor. It is disproportionately harmful to the West. It is disproportionately harmful to rural States, and it is time to be fair in this process.

Well, that is what the repeal of the gas tax will do.

I have to say that this 4.3-cent tax has caused gas prices to go up. It is not the only reason it has caused it to go up, but it is one of the pivotal reasons. Gas taxes would not be as high as they are had it not been for that 4.3 cents added on in 1993.

We were told time after time by President Clinton in 1993 that the tax bill would affect only the very wealthiest in our society. Yet, that bill contained at least nine separate new tax hikes on families who are not wealthy—at least nine.

The gas tax increase of 4.3 cents per gallon was one of the worst of those. I wish we could repeal all the 1993 tax bill, because it has caused damaged to our economy.

Let me get into the 1993 tax increases on the nonrich:

No. 1, increase in individual marginal tax rates. That affects the nonrich in the cases of estates and trusts, small businesses, S corporations, and so forth. No question, there has been an increase in marginal tax rates, which always hurts the middle class.

No. 2, increase in the percentage of Social Security benefits that are taxable. This happened because of President Clinton. That is not just on the 2 percent rich, it is on many many senior citizens.

No. 3, the 4.3-cent-a-gallon tax on gasoline.

No. 4, the reduction in the compensation limit for qualified retirement plans. This is important.

No. 5, reduction in the meals and entertainment expense deduction that has cost an awful lot of damage in the restaurant industry and other industries as well, which used to be stronger because they had that deduction.

No. 6, the increase in the withholding rate on supplemental compensation.

No. 7, the increase in the recovery period for depreciation of nonresidential real property.

No. 8, limitations in moving expense deductions that have cost the middle class.

No. 9, increased marriage penalties that have always been very, very unfair.

I have to say, the Heritage Foundation, one of our better think tanks here in Washington, although conservative in nature, recently released a study that shows that President Clinton's 1993 tax and budget plan cost the economy $208 billion in lost output from 1993 to 1996. In 1995 alone, our gross domestic product would have grown by $66 billion more than it actually did if these taxes had not been raised. Moreover, there would have been 1.2 million more private-sector jobs created absent the 1993 bill, and those jobs would have meant more revenue to the Treasury, not less.

The thing that is mind-boggling is what President Clinton said. Why would he say this during his campaign, and then immediately revoke it by the tax increase? He said: "I oppose Federal excise gas tax increases."

Now, why would the President say that if he did not mean it? No sooner does he get elected than he does the exact opposite. That is what Bill Clinton said when he ran for President in 1992: "I oppose Federal excise gas tax increases."

But what he did once he was elected was push through the Democrat-controlled Congress a permanent 4.3-cent-per-gallon gas tax hike as part of his overall $268 billion tax increase in 1993, the largest tax increase in history.

Not a single Republican in the House or the Senate voted for that tax increase. Just think about it. His gas tax increase affects all Americans, not just the rich. In fact, President Clinton's gas tax hike hits hardest those families least able to afford it.

Now, as Senator DOLE said today, drivers across America are paying for the President's mistake. President Clinton raised the gas tax hoping to generate $25 billion. That is what the administration represented before the Senate Finance Committee, upon which I sit. But they thought it would generate $25 billion to help fund the President's liberal agenda and social welfare programs, not to fund highway and transportation maintenance, as was historically done with general excise taxes.

The President originally wanted to raise the gas taxes even more, proposing a sweeping $73 billion Btu energy tax increase in 1993 that would have raised the price of gas by 7.5 cents per gallon. Senate Republicans, under the leadership of Senator DOLE, killed that. I was one of those who worked hard to kill that. We killed Clinton's Btu tax. It should have been killed. It was not fair. It was not fair to the average person, was not fair to society as a whole and, frankly, was not fair in light of the excessive taxes that we are paying today.

I might say, voters should not be surprised by the President's gas tax increases. As Governor of Arkansas, President Clinton raised the State gas tax by a total of 10 cents per gallon from 1979 to 1991. He loves to raise taxes. They do it under the guise that they are reducing the deficit, when in fact these taxes have gone for social spending programs. There is no question about it.

Let me just say this. The Heritage study also shows that income tax rate increases in the 1993 tax bill delivered only 49 percent of the revenues that the President promised we would have or that were estimated by the Congressional Budget Office to be received by the Treasury. When compared with the jobs that were never created because of this bill, this means we sacrificed 17,600 jobs for every $1 billion in deficit reduction. This is a very high price to pay for deficit reduction that can be achieved in a better way.

My Democratic colleagues and the President are quick to defend the 1993 tax bill by pointing out the progress that has been made in the deficit over the last few years. Let me be clear about this. Balancing the budget should not provide the rationale for raising taxes. It is merely an excuse for those who want to continue the tired, old liberal policies of taxing and spending.

For almost half of the last century, the Federal Government has spent $1.59 in expenditures for every $1 received through taxes or every new $1 in taxes. Government is not taxing the American people to eliminate the deficit; it is taxing the people in order to continue spending. I do not think anybody really doubts that on either side of the floor.

We Republicans have demonstrated that we can balance the budget without increasing taxes. In fact, we balanced the budget while cutting taxes on the American family by providing incentives for new economic growth.

Mr. FORD. Would the Senator yield for a question?

Mr. HATCH. If I could finish.

Mr. FORD. I want to ask about Social Security.

Mr. HATCH. I will be happy to yield if the Senator wants me to.

President Clinton chose to veto the Balanced Budget Act of 1995, just as in 1993 he turned his back on the American family and vetoed the bill that would have gone a long way toward reversing the tax increases he pushed through in 1993. President Clinton's veto of the Balanced Budget Act cost a family of four a minimum of $1,217 a year. A minimum. For many families, it will cost a lot more than that. That is the average family of four. This figure does not even begin to take into account possible tax savings from capital gains tax rate reductions, the adoption credit, the enhanced IRA provisions or deductions for student loan interest.

Can you imagine what it really cost the American family? The least it costs them is $1,217 a year. Also, that does not take into account the substantial savings that would accrue to American families on mortgage interest, auto loans, student loans, other private borrowing, that a balanced Federal budget would mean by lowering interest rates by an estimated 2 percent. Those are economic realities.

I am the first to agree this 4.3-cent-per-gallon tax repeal would not solve all of our problems. I agree with that. But it is an important start in reversing the trend toward taxing Americans to death. Frankly, that is what we have seen from this administration in the 4 years that it has been in existence.

I said yesterday was tax freedom day. This is the day that the nonpartisan Tax Foundation says that average American workers stop working for the Government and start earning money that they can spend on their families. That was yesterday. You have the first 5 months of this year. Never has tax freedom day occurred so late in the history of this country as it has in 1996. Look at the calendar. And 1996 is more than a third over.

Americans work one-third of the entire year just to support the Federal, State and local governments. Just think about it. A family of four in my home State of Utah, with an estimated median income of about $45,000, paid $8,800 in direct and indirect Federal taxes. On top of this outrageous amount, they must also pay over $5,700 in State and local taxes, bringing the total family tax burden to $14,500. This is an effective tax rate for the average family of four of over 32 percent. Think about it.

But if we add to this the cost of Federal and State regulations and their effect on the prices of goods and services —and, of course, we have had filibusters against trying to change the regulatory system so we can get some reason into it, so people can live within the system, so we can still regulate in a reasonable and decent way, so we do not have the overbalances that we have today—even so, if you add the cost of Federal and State regulations and the effect they have on the prices of goods and services, along with the added interest, the cost the families must pay because of our failure to balance the Federal budget, the true family tax burden is even much higher than that $14,500, or 32 percent. In fact, these costs are estimated—just these costs alone, these overregulatory costs—at about $8,600 for a family of four in Utah. Thus, the estimated total cost of government to a family of four earning $45,000 a year is over $23,000, better than half of what that family has coming in.

This is over half of the typical Utah family's income. So when you talk about repealing the gas tax, I say, let us do it. But I call on the President to go beyond this repeal and let us pass more of the significant tax relief provisions that were included in last year's Balanced Budget Act.

Having said that about the gas tax, let me just say a few words about the TEAM bill. Having been in labor, one of the few who really came through the trade union movement, I was a card-carrying union member as a wood, wire, and metal latherer. I worked in building construction trade unions for 10 years. As one who would fight for the right to collective bargain and who has fought for free trade unionists all over the world, I have to say that to allow what Senator DOLE has offered to our colleagues on the other side to be stopped—some on the other side do not want to allow employees, workers, if you will, to meet with management, in the best safety interests of the workers and of the companies—is just plain unbelievable.

There is only one reason why the folks on this other side take this position. Their biggest single funder of Democratic Party politics in this country happens to be the trade union movement. The trade union movement brings in about $6 billion a year. It is well known in this town that 70 to 80 percent of every dollar in dues that comes in goes to paid political operatives who do nothing but push the liberal agenda in this country.

Even something as simple and as reasonable and as decent as allowing workers to meet with their owners and their managers, in the best interests of safety on the job, is being fought against by these folks over here for no other reason than big labor does not want that TEAM Act.

Now, why do they not want that TEAM Act? I cannot see one good reason why, except you have to think like they do. They know that the more the employees and the employers get together in meetings and discuss things, the more they find common ground, the better the employees understand the management concerns, and the better the management people understand the employees' concerns, the better they work together. Because of that, the union movement believes they will find there is no need for a union because management will treat the employees fairly, and the employees will treat management fairly. Why pay union dues? That is pretty shortsighted.

There are good reasons to have unions. Frankly, unions should not be afraid to compete in a reasonable situation. If they have good programs and they have good policies and they have good approaches, the employees will join them. If they do not, then they are not going to join. That is why the movement dropped from 33 percent of the work force down to 13 percent of the work force today. It is because of being afraid of even allowing employees and employers to get together. Why are they not allowed to get together under current law? You would think reasonable, educated, civilized countries would allow employees and employers to get together and talk about safety and the best interests of both sides. You would think that would be just a given.

The reason it is not a given, Mr. President, is because the National Labor Relations Board has been taken over by Clinton appointees who do whatever organized labor within the beltway wants them to do, regardless of whether it is in the best interests of the worker. A few years back, the National Labor Relations Board threw out the right to have teamwork together between management and labor, causing a divide and divisiveness that should not exist, for no other reason than because their largest supporters, the union leaders in Washington, did not like it and were afraid they might lose union members because of a reasonable relationship with management.

That is ridiculous. It is not right. It is not fair. That is what the National Labor Relations Board ruled. Now we are stuck with it unless we pass a statute that allows these two interested parties, who ought to be getting along together, who ought to look for common ground, who ought to work together in the best interests of safety, unless we allow them to get together. That is all this is. It is such a simple, small thing, you would think nobody who looks at it objectively and reasonably could disagree.

Then we have the President at a press conference indicating we are slowing things down. Gracious, what will he not say if he can say something like that? Is there no argument that he will not make no matter how unjustified it might be? We have had almost 70 filibusters in a little over a year since the Republicans have taken over. I cannot remember ever having anything like that for Republicans when we were in the minority.

Now, I will say this: Senator MITCHELL had this common habit of coming out here and filing a bill and then filing cloture and accusing us of filibuster when nobody on our side intended to filibuster anyway. In almost every case where there was a reasonable bill, the bill passed or at least was debated.

Here we have had a slowdown on almost everything, and for the last number of days because the other side wanted the minimum wage. Senator DOLE walks out here and reasonably says, "We will give it to you and let you have a vote up or down on your bill, on your minimum wage, but we want these two other things that are reasonable—repeal the tax gas in the best interests of our citizens, and we certainly, certainly, want to allow employees to meet with their management leaders in order to work on the workplace concerns of businesses all over America. Employees have every right to talk to their employers and express their concerns. I think these are reasonable requests, and I think the majority leader is being very reasonable.

Frankly, I do not understand why we have to continue to put up with the stonewalling that we have on the other side. Now, I cannot remember referring to stonewalling in several years, and I have not seen the word "stonewalling" used by the media during the last 2 years, hardly at all. I do not recall a time. I am sure there have to be a few times, but I do not recall. It was a daily drumbeat when the Democrats were in control and the Republicans were fighting for principles they believed in.

Here is Senator DOLE willing to give the other side an opportunity on the principles that they want to fight for, give them a chance to vote up or down, and all he asks is we have a chance to vote up or down on some of the principles we want to fight for and let the chips fall where they may. That is the right way to do it in this particular case. It may be the right way to do it in many cases.

Mr. President, it bothers me that underlying this whole thing, knowing that Senator DOLE, our majority leader, is making an effort to try to bring people together, to try to get the matters moving ahead, to do things that give both sides shots at their particular bills, that underlying this whole thing is a deliberate attempt to try to deny Billy Dale and his colleagues, former White House staff, who were just plain treated miserably, unfortunately, dishonestly, by people who got their marching orders from, according to those who testified, the highest levels of the White House, from getting just compensation for the attorney's fees they were unduly charged because of the mistreatment that they suffered at the hands of the White House.

It is a bill that I think would pass the U.S. Senate 100-zip. It is being held up for no good reason at all. Now, the ostensible reason was that the Democrats did not have a chance to get a vote on the minimum wage they wanted to amend to the bill. Now Senator DOLE has provided them with that opportunity. Why do they not seize that and let Billy Dale get compensated?

Mrs. BOXER. Will the Senator yield?

Mr. HATCH. Sure.

Mrs. BOXER. I wanted to know the Senator's feeling on this. Is it the Senator's view that the taxpayers ought to pick up the bills of any individual who is indicted by a grand jury, Federal grand jury, and then after indicted, is proved innocent, is not proven guilty, does he think it would be appropriate for the taxpayer to do what he wants to do in this particular case for all of those who were indicted by a Federal grand jury?

Mr. HATCH. Of course not. The fact of the matter is this is a case that everybody agrees is an egregious example of excessive use of power, and greedy power at that, of the White House, and this is a case where the President himself said we should reimburse them with legal fees.

Mrs. BOXER. The reason I ask the question, I want to make the point that when we set precedence around here——

Mr. HATCH. I ask, Who has the floor? Let me say to my distinguished friend and colleague, let me finish making my explanation, and then I will be glad to yield for another question.

The fact of the matter is we have an injustice here, a gross injustice, which the Democrats and the Republicans admit is a gross injustice, caused by White House personnel and outside people who were greedy. The President wants this to be done and says he will sign the bill. It is not comparable to everybody who is indicted.

Second, I said yesterday that if people are indicted who are unjustly treated like this because of the same circumstances, I would be the first to come to the floor and try to help them. But not everyone who is indicted fits that category. In fact, very few do. I do not know of many White Houses that have shabbily treated former White House staff like this one has.

Now, when we find something similar to that, I am happy to fight for it, regardless of their politics or regardless of who they are, regardless of whether I like them or do not. I am willing to go beyond that. I would like to right all injustices and wrongs, but the mere fact that somebody is indicted does not say we should spend taxpayer dollars to help them. We have to look at them as individual cases. As chairman of the Judiciary Committee, I can say that this is what we have done in the past, what we will do in the future. As I view my job as chairman, it is to right wrongs and to solve injustices.

Now, we have the distinguished Senator from Arkansas here yesterday saying we should reimburse all of the people who have appeared before the Whitewater committee. Well, we are not giving Billy Dale reimbursement for attorney's fees in appearing before Congress. Frankly, I do not think you do that until you find out what is the end result of Whitewater, and then maybe we can look at it and see if there are some injustices. I think you will be hard pressed to say there is some injustice that comes even close to what has happened to Billy Dale and his companions. And if we put it to a test and have a vote on it, I think you would find that 100 percent of the people here will vote for it. I think that will be the test.

Mrs. BOXER. If the Senator will yield for a final question and observation, the reason I raise the question is, I think it is important when we do take action around here, that we let the taxpayers know what they are paying for. Actually, when this first came up, I say to my friend, it did not come into my mind until it was raised by another Senator, who said that there are many people who are indicted by a Federal grand jury and then the guilt is not proven.

We have to be careful what we are doing here. I think the fact that my friend responded in the way he did, that he is open to looking at this in a larger context, is important because I think whatever we do here will have ramifications. That was the purpose of my question, and I thank my friend for answering.

Mr. HATCH. I thank my colleague. She makes the very good point that we should not just be an open pocket for people who get indicted.

In this particular case, I think almost everybody admits we have to right this wrong. It is the appropriate thing to do. There may be others that we will have to treat similarly. I will be at the forefront in trying to do so.

With that, I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska [Mr. MURKOWSKI] is recognized.

Mr. MURKOWSKI. Mr. President, let me recognize and thank my friend, Senator HARKIN, who was kind enough to allow me to proceed out of order to accommodate my schedule. I ask unanimous consent that he may be recognized next.

The PRESIDING OFFICER. Without objection, it is so ordered.

NUCLEAR WASTE STORAGE

Mr. MURKOWSKI. Mr. President, very soon, we must make an important decision which will lead us to a safer future for all Americans. Mr. President, today we have highly radioactive nuclear waste and used nuclear fuel that is accumulating at over 80 sites in 41 States, including waste stored at DOE weapon facilities.

Here is a chart showing the locations of used nuclear fuel and radioactive waste destined for geologic disposal. Each Member can see where used nuclear fuel is stored in his or her own State. Out at Pearl Harbor, we have naval reactor fuel. In Illinois and New Jersey, for example, we have commercial reactors. In many States, particularly on the east and west coasts, we have shut down reactors with spent fuel on site. We have non-Department of Energy research reactors, as indicated by the green, in various States. We have DOE-owned spent fuel and high-level radioactive waste scattered in across the country.

The purpose of this chart is to show each Member that used fuel is stored in populated areas. It is near neighborhoods, it is near schools, it is on the shores of our lakes and rivers, and in the backyards of our constituents young and old all across our land.

Now, as you can see, this nuclear fuel is being stored in highly populated areas, near where most Americans live. It may be in your town, my town, your neighborhood, my neighborhood. Unfortunately, used fuel is being stored in pools that were not designed for long-term storage. Mr. President, some of this fuel is already over 30 years old. With each year that goes by, our ability to continue storage of this used fuel at each of these sites in a safe and responsible way diminishes.

It is irresponsible to let this situation continue. It is unsafe to let this dangerous radioactive material continue to accumulate at more than 80 sites all across America. It is unwise to block the safe storage of this used fuel in a remote area, away from high populations. This is a national problem that requires a coordinated national solution.

Senate bill 1271 solves this problem by safely moving this used fuel away from these areas to a safe, monitored facility in the remote Nevada desert. This is a facility designed to safely store the fuel. It is the very best that nuclear experts can build—certified safe by the Nuclear Regulatory Commission.

Senate bill 1271 will end the practice of storing used fuel on a long-term basis in pools such as Illinois, Ohio, Minnesota, California, New York, New Jersey, and 35 other States across the country. And Senate bill 1271, Mr. President—make no mistake about it—will solve an environmental problem. That is why I was so dismayed to receive the statement of administration policy, dated April 23, 1996, which threatened to veto Senate bill 1271 "because it designates an interim storage facility at a specific site."

Mr. President, although the statement claims, "The administration is committed to resolving the complex and important issue of nuclear waste storage in a timely and sensible manner," such words ring hollow in the context of a threat to veto any legislation that does anything but perpetuate the status quo. That is just what a veto of Senate bill 1271 would do.

I hope that it is not true, but I have to ask if the President is playing politics with this issue. If so, its a political calculation that I do not understand. Perhaps the President is simply getting poor advice.

Are President Clinton and Vice President GORE really telling the voters in Illinois, New Jersey, and all of the other States on this map, that nuclear waste is better stored in their States than out there in the Nevada desert? I challenge Vice President GORE, who feels strongly about the environment—much to his credit—to go to the State of Minnesota, to go to New Jersey, to go to Wisconsin, and tell those voters that they must continue to store nuclear waste in their State.

The administration's approach on this matter is simply business as usual. The administration's strategy is to avoid making a decision. Mr. President, that is no strategy at all. But the approach of Senate bill 1271 is to get the job done, to do what is right for the entire country.

For those who are not familiar with the program, let me describe the status quo. We have struggled in this country with the nuclear waste issue for almost 15 years already, and we have collected $11 billion from the ratepayers. But the Washington establishment has not delivered on its promise to take and safely dispose of our Nation's nuclear waste by 1998, only 2 years from now. Hard-working Americans have paid for this as part of their monthly electric bill, and they are entitled to have the Government meet its obligation to take the used nuclear fuel away. Those people that have paid their electric bills have not gotten results. The program is broken; it has no future unless it is fixed. We can end this stalemate.

We can make the right decisions. The job of fixing this program is ours. The time for fixing the problem is now.

During the debate that will unfold in future days, we will have my good friends, the Senators from Nevada, opposing the bill with all the arguments they can muster, and that is understandable. They are merely doing what Nevadans have asked them to do. Nobody wants nuclear waste in their State. But it simply has to go somewhere.

The Senators from Nevada, both friends of mine, have talked to me about this issue, and I understand that they are doing what they feel they must do to satisfy Nevadans. But as U.S. Senators, Mr. President, we must sometimes take a national perspective. We must do what is best for the country as a whole.

To keep this waste out of Nevada, the Senators from Nevada will use terms like "mobile Chernobyl" to frighten Americans about the safety of moving this used fuel to the Nevada desert where it belongs. They will not tell you that we have already move commercial and naval nuclear fuel today. The commercial industry has shipped over 2,500 shipments of used nuclear fuel over the last 30 years, Mr. President. They will not tell you that an even larger amount of used fuel is transported worldwide. Since 1968, the French alone have safely moved about the same amount of spent fuel as we have accumulated at our nuclear power plants today. They will not tell you that our Nation's best scientists and our best engineers have designed special casks that are safety-certified by the Nuclear Safety Regulatory Commission to transport the used fuel. They will not tell you about the rigorous testing that has been done by the Sandia National Laboratory and others to ensure that the casks will safely contain used fuel in the most severe accidents imaginable.

There is proof that these safety measures work. Out of the over 2,500 shipments of used fuel that have taken place in the United States over the last 30 years, there have been seven traffic accidents involving spent nuclear fuel shipments. But when the accidents have happened, the casks have never failed to safely contain the used fuel. Mr. President, there has never been an injury caused by a cask, there has never been a fatality, and there has never been damage to the environment.

Can the same be said of gasoline trucks? Of course not.

Still we can expect that our friends from Nevada will try to convince people that transportation will not be safe. But the safety record of nuclear fuel transport, both here and in Europe, speaks for itself.

This issue provides a clear and simple choice. We can choose to have one remote, safe and secure nuclear waste storage facility at the Nevada test site, the area in the Nevada desert used for nuclear weapons testing for some 50 years. Or, through inaction and delay, we can perpetuate the status quo and have 80 such sites spread across the Nation.

Mr. President, it is not morally right to perpetuate the status quo on this matter. To do so would be to shirk our responsibility to protect the environment and the future of our children and our grandchildren. This Nation needs to confront its nuclear waste problem now. The time is now. Nevada is the place. I urge my colleagues to support the passage of Senate bill 1271.

Again, I thank my friend, Senator HARKIN, for allowing me the opportunity to move ahead of him on the Senate schedule.

Mr. President, I see my colleague has stepped out. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Mr. President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Mr. President, thank you for recognizing me.

THE TEAM ACT

Mr. ASHCROFT. Mr. President, I rise to make some comments on the TEAM Act, which is one of the matters that we have been discussing in the U.S. Senate. The word "team," of course, is a favorable word in the mentality of Americans because we are accustomed to teams. It is an Olympic year when we want to support our team, and we want to do well in the competition between the nations. So "team" has favorable connotations. I think all of us would want to be in favor of an act called the TEAM Act. But it is far more important that we understand the act itself in that we just have the connotations of the word "team."

As a matter of fact, the need to be operating as a team in the United States is a mutually agreed upon concept. We need to operate as a team because, indeed, we are in competition and the competition is far greater than the competition of the Olympics. We talk about the competition of the Olympics, "going for the gold." It is an award, and it is an honor.

But to be honest with you, the competition between nations is more than just a competition for an award or for an honor. It is the competition between nations. The need for productivity which will allow America to succeed and to continue to be at the top is a competition for existence. It is the competition for the survival of and for the success of our society in the next century. Are we going to prepare for the next century? Are we going to have a framework for work and productivity which allows us to succeed?

You have nations approaching the competitive arena of the workplace, nations like China. You have the Pacific rim all the way from Korea and Japan down through Singapore and Indonesia, hundreds of millions of individuals whose educational levels have skyrocketed, who are poised with the capacity to challenge us for our ability to meet the needs of the world.

We as Americans want to be able to meet the needs of the world. When we meet the needs, we have the jobs. When we do not meet the needs, someone else has the jobs. When we have made the commitment in terms of our own development and our own capacity, we will be the people who are the beneficiaries. If we restrain ourselves, if we hamstring ourselves, if we decide we do not want to do our very best, we will yield the gold, not just the gold medal of the Olympics but the prize of enterprise to other countries.

We would not think of sending our individuals to the Olympics if we did not allow them to train to be their very best. We would not think of taking 9 out of 10 members of the Olympic team and keeping them from being able to discuss ways to improve their performance with their coaches. It would be unthinkable.

Why would a company, or a country, want to restrain its work force, or want to restrain its competitors from being at their very best? Yet, that is the strange argument that we hear from those who oppose the TEAM Act.

Let us just stop for a moment to consider what the TEAM Act authorizes. The TEAM Act authorizes employers to confer with and discuss with employees ways in which to do a number of things: One, to improve productivity. If they think there is a more efficient way to do it, if there is a better way to do it, if there is a better way to build the project, if a mousetrap can be improved, the employee is most likely to know about it. After all, if you work on these things 8 hours a day, 5 days a week, and 50 weeks a year, you are probably likely to have some ideas and very good ideas.

Professor Demming in the 1930's, I think, originally wrote about that. We did not take that to heart until the Japanese demonstrated it with their high-quality products and their competition in automobiles and electronics, which finally got our attention. We decided to say that we want to be able to tap the energy that exists when workers and managers talk together to figure out better ways to do things just like when coaches and players talk together to discuss ways of improving performance.

So in the United States there are about 30,000 companies now that have institutionalized this practice of saying to workers, We want to get together with you; we want to hear from you about ways that we can improve our performance so that we can have the jobs of the next century. We want you to be partners with us so that we can get the job done efficiently and effectively so that, in the competition of the next century, America continues to be the survivor; that America provides the much-needed goods and services around this world that leaves America at the top of the heap.

Good plan. It is working. You have seen it work. You have seen it work in automotives and a variety of other settings. In industry, we have begun to witness a recovery. In automotives, our quality assurance has gone higher and higher until we compete now very effectively with the nondomestic producers in large measure because of what the workers can bring to the equation, their contribution to quality, their contribution to efficiency, their contribution to increased safety, and their contribution in part because of their realization that when they are full-fledged partners and they are real contributors to the process, they feel a lot better about themselves. I like to think that I am respected for what I can be and ought to be.

The ability to have these teams is a way of respecting and understanding the great value that American workers bring to the equation. It is the working population of America that distinguishes this country from countries around the globe. Everything was working pretty well in that direction until, just in this decade, the National Labor Relations Board ruled that it is illegal for managers to confer with employees about safety and about a variety of other things.

These rulings are so stunning that I think I have to tell you the names of the cases and all to let you know what the National Labor Relations Board has forbidden.

In the case of Sertafilm and Atlas Micro Filming, the NLRB ruled that it was illegal to discuss extension of employees' lunch breaks by 15 minutes. Employers could not talk about that with employees.

In the case of Weston versus Brooker & Co., the length of the workday could not be discussed—wrong for employers to discuss this with a view toward accommodating the needs and demands of workers. Now, you and I know, with the number of people working in our families and our need to accommodate our responsibilities as parents as well as our responsibilities as workers, we need to be able to discuss things like working arrangements with our employers. That is against the law according to the Weston versus Brooker NLRB case, which was decided just a few years ago. A decrease in rest breaks from 15 minutes to 10 minutes, the U.S. Postal Service could not do that, according to the NLRB. Paid holidays were off limits, according to the Singer Manufacturing case. Extension of store hours during the wheat harvest season, Dillon Stores, 1995, that is off limits. Employers could not confer with their employees about things like this.

We need to be able to tap the genius, the innovation, the problem-solving capacity of American workers. We have a law against it. Jimmy Richards Co., which is a 1974 case, discussing paid vacations was illegal.

Here are some more. Flexible work schedules. That is interesting to me. The NLRB has said that it is illegal for the employer to ask employees what they would like to have and to consider, get into a dialog with the employees about what they would like to have in terms of flexible work schedules. We need for people to have flexible work schedules.

As a matter of fact, I have introduced a bill to give to the working population in the private sector the same kind of break that the Federal Government has had for flexible work schedules since 1978. I regret to tell you that the administration opposes it. I am sorry about that because the President himself keeps talking about flexible work schedules.

As a matter of fact, USA Today for Monday of this week talks about President Clinton, and he is going to hold a convocation about corporate citizenship with dozens of CEO's. According to the newspaper:

> President Clinton has outlined five challenges that he says contribute to corporate responsibility. He singles out companies for praise saying that they should establish family-friendly policies.

We want to have the TEAM Act, which will allow employers to talk to their employees about flexible work schedules. You would think, if you read the newspaper, that surely since the President is calling upon the corporate community to establish family-friendly policies—and he is right in calling on them to do so—he would support the ability of corporations to talk with their employees about flexible work schedules. But, no, it is against the law to do so. We want to change the law so that we can operate as a team, so we can talk to each other about the objectives and the working conditions and the safety conditions and the like. The President and his administration threaten to veto the concept.

I began this inquiry for myself about almost a year ago today. Frankly, this is May 8, the birthday of a notable Missourian. Harry Truman was born on May 8. He sat at one of these desks in the Senate. But on May 10 of last year, I wrote to the Secretary of Labor, Robert Reich, and I asked him about the TEAM Act. I quoted to him his demands upon the American corporation that we would cooperate for flexible work schedules and that we would confer with each other and that we would act as teams. I asked him to support the TEAM Act because I am a cosponsor of the TEAM Act, but, more than that, I asked him to support the TEAM Act because it will help us prepare for the next century. We want the jobs to be here for our children. We do not want the jobs to be overseas for their children. We want to preserve the advantages that our forefathers gave us when they worked hard and sacrificed. The productivity, the competitiveness, the capacity of American workers should not be frittered away because we do not allow the team to confer with the coaches.

We are 363 days away from the time I sent this letter, and I have yet to receive a response. I suspect it is very difficult to respond to this letter because their position is that they want to veto the TEAM Act. They oppose the TEAM Act. People on the other side of the aisle have opposed the TEAM Act consistently, and yet all their speeches are talking about teamwork.

I was just very pleased with the President's references to teamwork in his State of the Union Message. He called upon the citizens of this great country to work together. He called upon the Congress to call for teamwork, saying that we can only do things together; we cannot do them separately. But the TEAM Act still seems to be beyond the teamwork he is calling for.

Where is it legal in the United States for people, employers to confer with employees? Where can that happen? Well, it can happen when there is a union present. But it is illegal to do it if there is not a union there. Really, the fact is that only 11 percent of America's workers outside of Government are in unions. So for 9 out of 10 workers in America we are tying their hands. We are saying you cannot have the benefits of these kinds of discussion groups. You cannot have the improved potentials that come. You cannot have the productivity. You cannot have the chance for success that you could otherwise have.

I think, if it is appropriate and good to have this kind of discussion in union facilities, and it is—I mean our automotive people have made great strides in improving productivity and improving quality and improving safety and improving on-time deliveries; they have done it all, where it is allowed—I do not see why we do not allow this in other areas as well.

So I believe we ought to allow this to extend to the rest of the community.

Nine out of ten workers should not be forbidden. There are those who say the TEAM Act will permit an employer to have sham unions. Not so. No rule about sham unions is changed at all. I mean, if a person wants to petition to have a union election, the same rights inure, the same rights to vote in favor of a union inure to workers whether the TEAM Act is in place or not. The TEAM Act would merely authorize the coach to talk with the players, to decide things that would improve productivity.

There is an interesting case in my State. The company is named the EFCO company. They employed about 100 people or so when I became Governor 10 years ago—12 years, I guess. Time flies. They decided they wanted to be expert. They wanted to be the best in their field. They knew they could not do that just from a management perspective, so they had to call upon the team of employees. They invited them in. One of the first things they wanted to address was on-time deliveries. They had not been making on-time deliveries very well, 70-some percent in on-time deliveries. And they wanted to boost that. They moved from 70-some percent in on-time deliveries to well over 90 percent in on-time deliveries by tapping the ingenuity, creativity, understanding, and perspective of people on the job floor.

What did that do to the job? Did that hurt the working people of Missouri? Not really. Because that company went from 100-plus to 1,000-plus people in manufacturing, and their architectural glass now graces skyscrapers not only across America but around the world. It came as a result of the increased capacity of workers when they conferred with each other in the context of talking with the coach, with management. If we want to go for the gold, I think we have to be able to do that.

The folks on the other side of the aisle said there are 30,000 employers who are doing it now, it must be legal. It is hard to say it is legal when the NLRB is out filing charges and saying it is illegal and chilling this operation. Frankly, in my judgment, I think it is important to note if people on the other side of the aisle say it must be legal, and there are 30,000 companies that are doing it now, what is the big hubbub? Why filibuster the potential? Why oppose it? Why say it is a draconian measure, that it is going to ruin the country? You cannot have it both ways. If there are 30,000 people that have them and you do not think it is a problem, why say that this is the end of our ability to be competitive?

I believe people want to be able to confer with the coach. People want to be able to confer with each other. People want to be able to improve the working conditions. I was just stunned in reading more of these things that were off limits for discussion. It was off limits to talk about bonuses to be given to people as compensation for their good work, off limits to talk about merit wage increases, off limits to talk about free coffee, off limits to talk about safety issues. I was stunned.

Mr. HARKIN. Will the Senator yield for a question?

Mr. ASHCROFT. Sure.

Mr. HARKIN. I was trying to pay attention to the Senator. Will the Senator repeat again how many people there are working in the United States that have these kind of arrangements? I thought I heard 30,000. Will the Senator please clarify that for me so I have an understanding of that figure? Was it 30,000 different businesses? Or 30,000 people? I am sorry, I just did not hear it and I apologize.

Mr. ASHCROFT. There are 30,000 employers, I believe, that have sought to use this kind of collaboration.

Mr. HARKIN. Was that 30,000 that use this?

Mr. ASHCROFT. That have sought to do this, yes, and some are not any longer doing it. Obviously, when the NLRB began to prosecute this as a violation of the law, there are those who have chilled their operation. There are some under an order to quit. They have been ordered to stop conferring about things.

One of the things they were ordered to stop conferring about was safety. It stunned me, the Dillon case said it was inappropriate to discuss safety labeling of electrical breakers. I would certainly hope if I were employed in a plant you could confer with management about the appropriate labeling of electrical breakers.

But tornado warning procedures—I know there is going to be discussion about tornado procedures. I mean, if the tornado starts to hit the plant, there will be discussion, regardless of whether the NLRB says it is legal or not. But I would hope it is not illegal to do so in advance. The absurdity of saying it is illegal for employers to discuss with employees evacuation procedures in the event of a tornado points out the fact that this law, which was passed in the mid-1930's, is so out-of-step with America of the year 2000.

It is our job to prepare for the future. We ought to be saying we want more discussion between employees and employers and I am pleased that the President is saying that. He is calling this conference to say he wants more discussion. But to say you only want more discussion in the context of unionized plants, which represent 11 percent of the working people of this country, and you will not allow it in terms of the other 89 percent or 88 percent, that boggles the mind. That challenges any credible or reasonable approach to the thing.

If, indeed, we want to be competitive and if, indeed, we want people to have job satisfaction and we want them to have job security, we will build the strongest job base possible and we will not say to all those people who are not members of unions: You are not intelligent enough, strong enough or worth enough to be able to confer with your employers, and you will not have the ability to tell whether you are in a union or not.

I have had the wonderful privilege of going home to work. It is one of the things I do as a U.S. Senator. I go home, work on production lines. I have worked next to people filling feed sacks. I have worked next to people building windows and window components for new construction. I worked in a wide variety of things. I do not care what job I have done, whether it has been assembly or manufacturing or if has even been in the service industry—one time I helped prepare tax returns—everyone that I have ever talked to was plenty intelligent enough to know how to make improvements and could make suggestions. And they all knew whether or not they were in a union and would know the difference between a sham union and a real union. And they would all know how to call the NLRB if there was an unfair labor practice and make that kind of complaint.

For the resistance to mount to the authorization for American workers to talk with their employers about safety conditions, about improving productivity, about innovation, about improving marketability, even about sales practices and, sure, about safety—things like leaving the building in the event of a tornado? Here is a case which said for the employer to talk with the employees about rules relating to employees that got in fights was illegal. I would think it would be important, to confer with our workers on things like that.

The purpose of committees—they are designed to improve the security and productivity of American jobs and we should enact the TEAM Act. Let me just give a few words from the language of an administrative law judge who ruled on one of these cases. I quote the administrative law judge's opinion from the EFCO opinion. I am quoting now.

The committees "were established by the company, in furtherance of Chris Fuldner's [that's the CEO's] vision for a more productive, more profitable and more satisfying place for employees to work, [by improving] employment policies, employee benefits, employee safety; and employee suggestions."

That is what these things were created for, "To make a more productive, more profitable, and more satisfying place for employees to work, [by improving] employment policies, employee benefits, employee safety; and employee suggestions."

The opinion went on to say, "In Fuldner's view, management should encourage employees to feel good about themselves and their jobs, and management should try to keep employees happy with their benefits, and to appreciate these benefits."

That was the goal. The administrative law judge confessed that these were all the positive benefits. But then said that the law requires that these be stricken as inappropriate because the company not only talked about these benefits but actually took them to heart, provided things like places for the groups to meet, and pencils and papers upon which they could write.

We started out talking about the Olympics. We would not want to send our team to the Olympics without a chance to win. We do not want American employees to compete in the world marketplace without the ability to win. You would not think of sending 9 out of 10 athletes to the Olympics without allowing them to talk with their coaches and each other about ways to improve their performance, and yet, we have a rule in American industry that to confer with workers, 9 out of 10 of them—there are 11-something percent that are in unions; they are allowed to make these discussions—for the ones not in unions, it is against the law.

I do not think we can afford to look to the future and say to 88 or 89 percent of our work force, "You can't take advantage of your creativity, your innovation, your wisdom, and share it with your employer and improve productivity and performance in order to be on a winning team."

Because we cannot afford to go into the competitive marketplace with our hands tied behind our back, we should enact the TEAM Act, which provides specific authority, not for anything great, not for anything outlandish, but basically for something the President says he wants: cooperation, teamwork—he asked for it in his State of the Union Message—between employees and employers.

I believe, if we provide the American people, through the right legal framework, the opportunity to cooperate and work as teams, we will come home with the gold. We have shown it over and over again; even when we slip behind, if you let the American people put their shoulder to the wheel and their nose to the grindstone, we cannot be beaten. But if you hamstring us for special interests rather than turn us loose to win the game, we will have a hard time competing.

We must enact the TEAM Act in behalf of the workers of today and the children of tomorrow for the jobs we hold, not only for us, but we hold them in trust for those who will follow us.

Thank you, Mr. President.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. COATS). Under the previous unanimous consent agreement, the Senator from Iowa is recognized.

Mr. HARKIN. I thank the President.

Mr. President, I was listening to the statements by my friend from Missouri, with whom I serve on the committee of jurisdiction dealing with this so-called TEAM Act, and I will use that phrase, "so-called TEAM Act."

Listening to my friend from Missouri and looking at the title of this bill, the TEAM Act, which stands for, if I am not mistaken, "teamwork for employees and management," I cannot help but be reminded of that wonderful phrase from "Alice in Wonderland, Through the Looking Glass," where Humpty-Dumpty is talking to Alice. Let me paraphrase: "When I use a word it means just what I mean it to mean."

And Alice says, "Well that's not fair. It doesn't work that way."

And Humpty-Dumpty says: "The real question is, who's going to be the boss?"

That is really what this is all about. Who is going to be the boss? Are we, in fact, going to have a structure that allows for real cooperation?

I will say to my friend from Missouri that real cooperation, productive cooperation, can only occur when the parties who are seeking to cooperate do so on a level playing field. To have one side or the other impose a structure, to impose rules, to impose what the framework is is not going to lead to productive cooperation. What my friend from Missouri is advocating would be like—and under the TEAM Act, I do not say my friend from Missouri—but under the TEAM Act, so-called TEAM Act, it would be like if Senator DOLE were to pick the representatives of the Democratic Party to represent the Democratic Party on the floor of the Senate.

Mr. ASHCROFT. Will the Senator yield for a question?

Mr. HARKIN. I will in just a second. I just want to finish my thought on that. So, again, we would not want that to happen. Maybe Senator DOLE would like that to happen now that he is majority leader, or perhaps if the tables were turned and the Democrats were in charge, maybe the Democratic leader would like to pick who represents the Republicans.

I think the Senator sees what I am getting at. But it can only be done if you have that level playing field. I think we have that level field. There is nothing in section 8(a)(2) now that prohibits management and labor from getting together to discuss these items and to have working relationships. I see them all the time. It just comes about when management says, "We want to cooperate and here's the terms of our cooperation. As long as you agree, we can cooperate."

That is what we are trying to avoid. That is really what this so-called TEAM Act does.

I yield to my friend.

Mr. ASHCROFT. You have said you do not think progress can be made as long as the management has the prerogatives that we ask for in the TEAM Act. We are really asking for the prerogatives to confer. If there is nothing in the law against it, why is this so terrifying?

In the one case where they have tried to shut this down in Missouri, which is the most notable case in my State, it went from 100 employees to 1,000 employees. The workers have stormed my office and said, "We want this. The National Labor Relations Board is keeping us from doing this."

It seems to me you are saying it will not work in theory. But there are a thousand workers in Monett, MO, saying, "It sure works in practice, because we have 10 times the jobs we used to have, and we like it."

I met with 300 or 400 workers this morning who were here to lobby the Congress saying, "Let us keep doing what we are doing."

I understand you might say theoretically it cannot work. You said there cannot be any progress under the things we are asking for, and the things we are asking for, when it was allowed to operate that way—I saw one plant in my State that went from 100 workers to 1,000 workers. I call that progress.

Mr. HARKIN. I will say to my friend from Missouri, I can give examples in my own State and around the Nation of businesses, companies, where the owners and the managers deal forthrightly and with every sense of equality with the workers. Some of those plants are not organized, they are not organized labor. So they say, "We don't need organized labor. Look, we get along fine, the workers like it, we have great benefits, we have a good system set up for any kind of dispute resolutions." That is true. There are a lot of those around. But the fact is there are a lot more that maybe are not, and that is why we have labor law, that is why we have the National Labor Relations Act. That is why we have section 8(a)(2), to provide a framework whereby workers can select their own representatives and where they are on an equal footing with management.

I suppose the Senator disagrees with my philosophy on this. My philosophy is that capital and labor ought to be represented equally. I do not think capital ought to be above labor, nor do I think labor ought to be above capital, but I think the two ought to work together. I believe it is not in the best interest of our capitalistic system to place capital above labor, because that will destroy our productivity and destroy our labor force in this country.

I also think the opposite is not good either, trying to elevate labor over capital. So we have to try to keep a balance. That is what the National Labor Relations Act is about; that is what section 8(a)(2) is about.

I am sure the Senator can find examples of businesses where they treat the workers fine; gosh, why do you need a labor union for all this? Yes, I can show you examples of that in my own State, too.

The Senator talks about the EFCO case in Monett, MO, but there is another side to that story. I listened to the Senator from Missouri talking about this example of a circuit breaker switch or tornado warning. I believe the Senator is a good lawyer, and it is like if you only read the prosecution side of a case, you say the person is guilty. If that is all you read is the prosecution side, you say the person is guilty. If you read the defense side, you say, "Hey, that person's innocent." To find out the truth of the facts, you have to read both sides. I do not know what the whole story is about the circuit breaker or the tornado warnings. I do not know all the facts. But I would like to know the whole story.

It is like EFCO. There is another side to that story. In fact, I will start to go through some of that now. But the fact is, that EFCO really started reacting only when the employees started to organize. There was the threat of that.

The Senator says, hundreds of employees came to him and said, "We like this, and we want to continue it." Yes, I can understand that, if they are afraid of losing their jobs because they did not have that kind of bargaining unit, but I thought I might just go through the sequence of events that led up to the administrative law judge's ruling on the EFCO.

I think that my friend from Missouri and others have mischaracterized this case and what the decision represents. My friend from Missouri and others use the EFCO decision as really an example of why we need this bill. Quite frankly, I think it is an example of why we really do not need this bill.

Let me go through some of the factors here. If the Senator from Missouri wants to try to correct me on this, he should feel free to do so. I am trying to get to the bottom of this and the facts. In April 1992—first of all, the administrative law judge's decision in EFCO ruled that four inplant committees were unlawfully dominated and assisted by EFCO, by the management. None of those committees demonstrated "shared management decisionmaking or co-determination of cooperation by the work force," but they all resembled classic forms of management-directed sham bargaining vehicles, or "employer representation plans, that were deliberately outlawed by the Wagner Act of section 8(a)(2)."

So what happened in this case? In April 1992, EFCO's president suddenly directed its plant facilitator to revive a defunct safety committee. The plant facilitator announced the formation of the committee on April 21, 1992, defining its role as setting and enforcing safety policies. He, the plant facilitator, selected the members of the committee from volunteers, and they shared the first meeting on June 4, 1992.

He was succeeded as the director of the committee by EFCO's safety director, who continued to set the agendas for the meetings. The committee never had or exercised any authority to enforce or discipline violations of safety policies—never.

In September 1992, EFCO's president announced the employee benefit committee to the employees on September 8, 1992, defining its function as soliciting ideas regarding employee benefits from the employees and making recommendations to the management committee, which was EFCO's core management group—and in which, I might add, no rank-and-file employees participated. This was all management directed.

EFCO's chief financial officer selected the 10 committee members again from volunteers, but those volunteers previously screened by the human resources manager, again, were part of management. Among the appointees was a supervisor and the president's confidential secretary. Imagine that. They were part of the team they selected to represent the employees.

At the initial meeting on October 1, 1992, EFCO's president designated the first issues to be considered and directed that other issues be solicited from the employees. The human resources manager, the CFO, and, later, the comptroller attended the committee meetings. The committee's chairman met with the management committee to discuss and clarify the committee's recommendations. The management committee determined whether or not to adopt the committee's recommendations.

Let me repeat that. The management's committee determined whether or not to adopt the committee's recommendation.

Mr. ASHCROFT. Would the Senator yield?

Mr. HARKIN. I would be glad to.

Mr. ASHCROFT. Is the Senator's position that the management should not make the final decision about procedures, that it is inappropriate to confer with workers unless you turn over the final decision to them? I mean, it seems to me that——

Mr. HARKIN. No, management always makes the ultimate decision. However, it is this Senator's position that when we are talking about teamwork, in these kinds of structures, there ought to be a level playing field so that the employees can pick their own representatives where there is not the heavy hand and the ever present authority of management there guiding, directing, and selecting, and then have that discussion proceed, have the committees, management, labor committees jointly reach their agreements, and then, yes, management can sign off on it. That was not the structure in this case.

Mr. ASHCROFT. So it is the Senator's position that management could only adopt a policy which had been previously forwarded to them by the workers? I mean, as I understand it, you allow workers, their contribution to be made, but you do not have to surrender the management of the corporation to do it. I do not think most workers want you to surrender, but they want input.

Mr. HARKIN. I would say to my friend, they want input that is genuine input from the employees, from employee organizations that are not structured by management—as I just pointed out, this was structured by management. The representatives were selected from volunteers by management, not the employees. Management selected them. I just pointed out that management selected the confidential secretary of the president.

Mr. ASHCROFT. Do you think the confidential secretary of the president should not have the right to participate in making contributions like other workers?

Mr. HARKIN. If they work on the management side. But let the workers decide who they want to represent them, not management. That is my point.

Mr. ASHCROFT. I believe there are differences. That is more of a side versus side rather than a team here. It is this Senator's understanding that we ought to operate as a team, not one side versus another. We ought to try to work together.

Mr. HARKIN. But you see, in order for a team to work, there must be open discourse, there must be a consideration, and there must be not just the semblance of, but the genuine foundation of cooperation and equal participation.

See, I think what my friend from Missouri still believes is that management ought to be able to tell workers what to do all the time just because they own the plant. They ought to be able to tell a worker exactly what to do, when to do it and everything else, and if the worker does not like it, out the door. I do not happen to believe that, you see. I am sorry we have a philosophical difference. I happen to believe that workers, that labor should take equal positions with capital. They both ought to be respected.

Mr. ASHCROFT. How do you break the deadlock in the case of a deadlock under your system, if they are equal positions and one says yes and one says no? Are you saying that if the workers say, "I don't want to do that," and the employer says, "We need to have that done," is it a deadlock for you, or who breaks the deadlock?

Mr. HARKIN. In all of the organizations that I have seen which are organized under 8(a)(2), where you have employer representatives and you have management and where they met in that spirit of mutual respect, I can tell you I have not seen one case, nor do I know of one, where there has been that kind of a gridlock and deadlock.

I think there is an assumption by the Senator from Missouri that labor is always—or at least sometimes—always going to act in a way that is going to be detrimental to the management. Workers do not want to do that. They want the company to function correctly. What they want is their rights protected. They want their rights protected.

No one wants to return to slavery in this country where someone just tells a human being, "Look, you do as I say, or else, out the door." We have advanced beyond that. We do not want to go back to the old days where labor had no rights whatsoever.

Mr. ASHCROFT. I believe we have rights, and I think they ought to be protected, but I believe that when the employer says something needs to be done, it has to be that way. I would say this, and I thank the Senator, and I will not further interrupt your speech, but I would just ask——

Mr. HARKIN. We ought to have more discussions like this.

Mr. ASHCROFT. My whole point is, it is not my way or the highway. My whole point is, we need to allow managers to welcome and to capitalize on and to implement and to benefit from the special expertise, creativity, and input from people in the production pool. Then it is a very valuable thing. It is not that it is antagonistic. I do not think management can survive without it.

I do believe you are right, that there are very few times when it is against the interests of management to hear from labor. I think in the overwhelming number of cases really what I have sought to do is to provide a framework in which that is something that is legal and is appropriate and management is free to solicit the view of labor and to go and ask for it.

I thank the Senator for the time.

Mr. HARKIN. I thank the Senator. I think we ought to have more like this. I would be glad to discuss it even further because I think we start to get to the real differences here and the views of what we are trying to do here in this bill.

Again, I guess the Senator and I just have a gentlemen's disagreement on the role of labor and management in our society.

Again, I have seen so many times in our country where management is open, respectful, where they really encourage employees to get together, to organize and to bargain with them in good faith. That is the most productive unit you have in America.

It is the cases where an employer comes in and says, "Look, I know what is best. I will set up the structure. You can give me your advice if you want, but if I do not like it I will throw it out the door," and there is not the sense that workers really have a legitimate role to play in the decisions that affect their very jobs, that affect the future of that plant. When that happens, then I think productivity falls.

Again, I point out to my friend from Missouri, we have had section 882 all these years. We have labor-management councils. They operate in my State. Building trades are working, I know in my Quad Cities area, the Davenport area and in Des Moines, where building trades are working with contractors. We call these labor-management councils. They work wonders. It is done in a sense where you have a level playing field. I think what my friend from Missouri basically is saying, "Look, management in the end ought to control everything."

I am saying that in a team if you have this real teamwork, the employees have to know that they are equal partners in making the productivity force in America move forward. That is why, I repeat, I get back to the EFCO situation here, we hear about EFCO, but when you go through the whole history of EFCO you find this is a classic case of why section 882 is necessary.

I ended on September 1992 when the management committee determined whether or not to adopt the committee's recommendations. Now we go to December 1992, on December 28, EFCO's president created the employee suggestion screening committee. He did it by memorandum to the six employees he appointed to the committee. That is not bad. Listen to that: EFCO's president created the employee suggestion screening committee. He did it by memorandum to the six employees he appointed to the committee.

How much freedom and how much do you think that these six employees, handpicked by the president, is going to take a position contrary to the president's position? Not only that, the president defined the committee's purpose as reviewing and referring to management with recommendations, employee suggestions. EFCO issued a general announcement of the committee's formation and solicited suggestions from all employees on January 14, 1993. EFCO's senior vice president and its CFO were assigned to attend the meetings. Again, you have a meeting, you have the senior vice president, the chief financial officer sitting there, listening to everybody. Again, that heavy hand over everyone. The CFO set forth the agenda at the first committee meeting. Not a spirit of, "OK, representatives of labor, what would you like our agenda to be?" No, management saying, "Here is the agenda, here is what we are going to discuss."

The elected chairman of this committee—mind you, this is a committee of six employees handpicked by the president—the elected chairman of the committee was promoted to a management position in the summer and yet continued to chair the meetings. The committee had no authority to decide which suggestions would be adopted. None. They could pass them on, but they had no authority to decide. Again, back to my friend from Missouri, he said, yes; we should give management suggestions. We should let employees suggest things. If management does not want to do them, to heck with them.

Well, I tend to think if you will have this type of arrangement you should have employees and management together in a teamwork, and if they are equal, and if they have equal status, then if they make suggestions that ought to be adopted by that committee, representing both management and labor—I do not know what the exact effects are if they do not reach a agreement. I assume if they do not reach agreement it would not be adopted. If there is gridlock you do not adopt. If they agree, it ought to be adopted, not reviewed further, and adopted by management.

Finally, January 1993, January 14, 1993, EFCO announced that it was establishing an employer policy review committee, whose purpose was to gather comments and ideas from the employees regarding company policies, and to make policy recommendations to the management committee. The human resources manager—this is part of management—selected the committee members. Again, the management selected the committee members. The management appointed the cochairman. The manager also attended committee meetings. One of the members of the employee's group was a supervisor, and a cochairman was shortly promoted to a supervisory position.

EFCO's president attended the first meeting on February 9, 1993. Here is what he did. He laid out the ground rule. He dictated the first policy to be considered. He issued a deadline for the presentation of a recommendation to the management committee. It does not sound quite like equal representation of management and employees. It is sort of like the management saying, "OK, again, here is the policy to be considered, here are the ground rules, here is the deadline for you to submit suggestions to the management committee," and again, those suggestions might be accepted or they might not be accepted.

The appointed cochairman met with the management committee to discuss recommended policies and the management committee determined which recommendations would be adopted. Again, EFCO set up the elaborate sham structure, management laid out the ground rules, management picked many of the people to be on it, they dictated the policies and they said, OK, if you come up with a suggestion or recommendation, it goes to the management committee, and that management committee decides what will be adopted.

Again, I guess we get back to my friend from Missouri. His philosophy is if you are management, your word is God and you don't need employee input. I am sorry, I disagree with that. I disagree with that because I think that labor and management ought to both be equally represented in these kinds of situations.

In short, EFCO unilaterally decided upon and formulated the program of employee committees. It created committees and determined their size, functions and procedures. It appointed their members and included supervisors among their membership. It set the scope of each committee's concerns, goals, and limitations. It established the committee's agendas. It directed the committees to solicit opinions, ideas, and suggestions from other employees. The committees met on company property, during working hours. High management officials attended these meetings. Committee members were paid for the time spent on committee work and EFCO provided any necessary materials or supplies.

Cumulatively, when you look at this, the committee dealt with EFCO as company-created and company-directed representatives on every conceivable area of employees' wages, hours and working conditions. The very existence of those committees was and is dependent upon EFCO's unfettered discretion. Moreover, EFCO endowed the committees with absolutely no actual power. The company reserved to itself the exclusive authority to decide which recommended suggestions, policies, safety rules, or employee benefits would be adopted. The committees were not even authorized to administrator or enforce those of the recommended policies or rules actually implemented by management.

Again, I think when you look at the whole case, when you do not just read the prosecution side, when you read both the prosecution side and you read the defense side as in any case, perhaps we get to the truth. The truth is that EFCO wanted to set up a structure whereby, yes, employees could give suggestions, only under the steady gaze and the heavy hand of management, where those representatives would be picked by management, where the structures and guidelines would be established by management, and where in the end, where any suggestion, any advice, would then go to a management committee to be finally acted upon, adopted or reject. Again, a clear example of why we need section 882.

Well, I guess it really boils down to, if you believe that workers are intelligent, if you believe that workers have the best interests of their country at heart, if you believe that workers have the best interests of their employer and their factories and their plants and places of work at heart, if you believe that, then you ought to permit workers to sit at the table with management. That is what section 8(a)(2) does; it permits workers to sit at the table.

This so-called TEAM Act says, "Well, you have been at the table all these years under section 8(a)(2)." You know, we have had a pretty good run of it since the Depression. We are the most productive nation on Earth today, as we have been for the last 50 years. Oh, we always hear about these other countries, but the fact is, American productivity, last year, was higher than any other country in the world—output per hours worked. Oh, yes, for the last 50 years we have been the most productive nation on Earth. We built the freest, strongest nation the world has ever seen. We have built great universities and colleges. We have the best medical research anywhere in the world. We have the freest society. We have the greatest opportunity for the greatest number of people. And guess what? We did it under the Wagner Act. We did it with section 8(a)(2), and we did it with labor sitting at the table.

Now we hear voices—my friend from Missouri among them—who say labor no longer needs to be at the table. Management is at the table; labor is sitting on a lower chair. They are down a little bit lower. They are sort of sitting on the floor. If the management would deign to give them some crumbs off the table, that is fine. If management does not, well, that is fine, also, because if the workers do not like it, they can get off the floor and walk out the door. Well, that is what has been happening, and that is what is behind this so-called TEAM Act. I do not ascribe any bad motives to anyone. My friend from Missouri is an honorable gentlemen. But I just believe that this policy is totally misdirected. I think it flies in the face of what we in America have done over the last 50 years and what we are still accomplishing in becoming the most productive nation on Earth.

Mr. President, there is a line from one of my favorite plays that goes something like this:

> Life is like cricket. We play by the rules, but the secret, which few people know, that keeps men of class far apart from the fools, is to make up the rules as you go.

Well, I suppose if you want to keep management up and labor down, you make up new rules as you go along. That is what this is. We are making up new rules—rules that would take away a legitimate right of labor to be heard and to sit at the table. No, I am sorry, Mr. President, this is not a team act. This is not a team act at all. This breaks down the team. This is a class act, making one class of management and owners at a higher level than the laborers.

So, Mr. President, this is not just a little piece of legislation. I think the majority leader referred to it as a "minor" piece of legislation, and no one should bother about it. It is not a minor piece of legislation. It is a dagger right at the heart of what has made this country so productive over the last 50 years. It is a dagger right at the heart of our workers in this country, and we should not let it pass this floor.

We ought to reaffirm, once again, our commitment to a level playing field and, as John L. Lewis once said, make sure labor has a seat at the table, not on the floor, where labor would partake of the same meal as management and not just get the crumbs from the table.

This bill would undo all that we have done in our society to give our working people a decent voice, to give them the recognition, which is due any human being, that their labor is worth something, that they themselves are human beings, and that labor is not just another unit of production to be written off and thrown out the back door; but that our working people are more than just numbers on a piece of paper, or machines on a shop floor, and that they deserve, and ought to have, by right and by law, all of the protections that the Wagner Act and section 8(a)(2) provides them.

This Senate and this Congress would do a disservice to our country were we to let this TEAM Act pass.

I yield the floor.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I am greatly disappointed that my Democratic colleagues are continuing to block repeal of the Clinton gas tax. When President Clinton and the Democratic Congress, without a single Republican vote, passed the biggest tax increase in our Nation's history in 1993, they said that their $268 billion tax increase was a tax increase on the wealthy. Well, now they have a chance to repeal a tax that hits the lower and middle income people the hardest, and they are refusing to do so.

Make no mistake, the gas tax, which was part of that massive tax increase, is a tax burden that is borne by virtually every American. Every mother who drives her children to school, every commuter, every family who drives to church, every senior who rides the bus to go shopping, every family planning a summer vacation gets hit by this tax.

Let us be clear. Democrats are denying tax relief to each of these Americans. Incredibly, some of my Democratic colleagues have called for even higher gas taxes. Maybe they were not listening when President Clinton said last fall that he thought he raised taxes too much. Despite this admission by President Clinton, our colleagues on the other side of the aisle are threatening to shut down the Senate because they do not want to let this tax cut for working Americans come up for a vote.

The distinguished minority leader said yesterday that the Democrats would shut down the Senate over this tax cut. By shutting down the Senate, the Democrats are now blocking not only a tax cut for working Americans, but they are blocking the taxpayer bill of rights; they are blocking consideration of a constitutional amendment requiring a balanced budget; they are blocking the opportunity for commonsense health care reform; they are blocking reauthorization of Amtrak.

Mr. President, while I am disappointed by the words and actions of some of my colleagues on the other side of the aisle, I am not surprised. Let me explain.

This is a chart comparing the records on taxes of the 103d Congress, which was controlled by Democrats, to the tax record of this Republican-controlled Congress.

As this chart shows, the Democrats passed the largest tax increase in our Nation's history—$268 billion. This was without a single Republican vote. And, while they said at the time that the tax increase was for deficit reduction, a study released last week shows that 44 cents of every dollar of that tax increase has gone to more big Government spending. That is why Republicans continue to believe that the way to reduce the deficit is not to raise taxes, but instead to cut wasteful Government spending.

This chart also shows that the Clinton tax rate increase was retroactive—reaching back to the Bush administration. The tax record of the 103d Congress included a top tax rate increase to 39.6 percent which devastated small business, and is probably part of the reason why so many Americans feel that their wages have stagnated. When these small businesses, which are the biggest creators of jobs in this country, have to give more money to the Federal Government, they have less money for expansion, pay raises, and job creation.

The Democratic 103d Congress' tax record also included an increase in taxes on Social Security benefits up to 85 percent—an outrageous increase.

The 103d Congress also, of course, raised gas taxes by 30 percent.

So, the tax accomplishments of the 103d Democratic Congress included a hard hit at many Americans and they were not all rich.

But what a difference a Congress makes. This Republican Congress has a much different record on taxes. Instead of raising taxes, we have cut taxes. The 104th Congress has passed legislation that has been signed into law including: allowing working seniors to keep more of their Social Security benefits by increasing the earnings limit; tax relief for the thousands of service people in Bosnia; a reinstatement and subsequent increase of the self-employed health insurance deduction; and a measure to prohibit States from taxing the benefits of former residents who have retired and moved to other States. These tax changes benefit millions of Americans.

And, if President Clinton had signed the Balanced Budget Act of 1995, the tax burden on millions more working Americans would be lighter. Families, in particular, would have benefited from the Republican budget, which gave parents a $500 tax credit for each child. Our budget also reduced the capital gains rate, phased out the unfair marriage penalty, provided a deduction for student loan interest, and expanded tax-deductible individual retirement accounts.

The difference between the two records couldn't be more stark. The last Congress increased taxes by a record amount, while this Congress cut taxes.

Mr. President, it is my hope that this Congress can undo the economic damage that the last Congress has done. Repeal of the Clinton gas tax is a good place to begin.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

(The remarks of Mr. BUMPERS pertaining to the introduction of S. 1737 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, we have not made a lot of progress in the last several hours, and I am hopeful that at some point today we can reach an agreement.

The current situation would require a vote on three separate provisions of the same amendment to a bill that is now pending, the Travel Office reimbursement legislation. We have indicated that that is unacceptable to us.

Earlier today, at a press conference, the distinguished majority leader, when asked if he would agree to consideration of three separate bills, answered, "If we can get an agreement to vote on three separate bills, that's one thing. I've already given that agreement to have three separate bills."

As I understand it now, that may not be Senator DOLE's exact intent. But I must tell you that if it is, indeed, his position to accept consideration of three separate bills, then, indeed, we would be ready this afternoon to agree; we would allow a vote on the gas tax reduction and relevant amendments; a vote on the minimum wage and amendments that are relevant; and a vote on the TEAM Act with relevant amendments. That seems to me to be exactly what we have been proposing now for several days.

If we can do that, we could reach an agreement by 4:45 this afternoon. So I am very hopeful that we are getting closer together, that we can find a way to resolve this impasse. Three separate bills, as the majority leader suggested earlier today, would do that, would give us that opportunity, and I am hopeful that we can talk in good faith and find a way to determine the sequencing and ultimately come to some conclusion on this legislation.

Three separate bills with relevant amendments, perhaps with a reasonable time limit, is acceptable to us, and we will take it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEGAN'S LAW

Mr. DOLE. Mr. President, late last evening H.R. 2137 passed the House, I think, unanimously. It is Megan's law, plus some other additions to help protect our Nation's children from sexual predators. The vote was 418 to 0. Known as Megan's law, it strengthens the existing law to require all 50 States to notify communities of the presence of convicted sex offenders who might pose a danger to children.

In 1994 the crime bill was lobbied not to require States to take such steps. Since that time, 49 States have enacted sex offender registration laws, and 30 have adopted community notification provisions, but not all States have taken the necessary steps to require such notification. And this is a tragedy in the making.

It seems to me that we can prevent this from happening and we can take action now. I do not know any reason to hesitate. So I am going to ask consent when I finish that we bring it up and pass the bill.

But every parent in America knows the fear and the doubts he or she suffers worrying about the safety of their children. Parents understand that their children cannot know how truly evil some people are. They know that no matter how hard they try, they cannot be with their children every second of the day. A second is all it takes for tragedy to strike. We have an obligation to ensure that those who committed such crimes will not be able to do so again. This is a limited measure, but an absolutely necessary one.

Again, sort of following along the President's remarks at his press conference, it seems to me this would be an area where there would not be any objection. I know when this bill comes up it will be unanimous. We would like to let the American people know that we can respond immediately. The bill is here.

UNANIMOUS-CONSENT REQUEST—H.R. 2137

Mr. DOLE. Mr. President, I ask unanimous consent that H.R. 2137 be immediately considered.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I associate myself with the distinguished majority leader's remarks in this regard. The bill is a good one. It probably will enjoy broad bipartisan support. We do have amendments that our colleagues on this side of the aisle would like to be able to offer. So given the fact that they need to have that right, I object at this time.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. I hope we are not holding up the bill over the minimum wage dispute.

Mr. FORD. Oh, come on.

Mr. DOLE. That is not an amendment that will be offered to Megan's law. We have had about enough of that.

Mr. DASCHLE. If the majority leader would yield, I will clarify, it is not our intention to offer the minimum wage on this particular bill.

Mr. DOLE. The Senator from Massachusetts made it clear he is going to offer it at every opportunity. So I thought I better make the Record clear.

MEASURE PLACED ON CALENDAR—H.R. 2137

Mr. DOLE. Mr. President, I ask unanimous consent that H.R. 2137 be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Hopefully we can take up that bill tomorrow. I do not know of any reason—if there are amendments that are relevant, germane, or maybe there can be a separate bill. But I know that the family is very concerned about that. I had an opportunity to visit with Megan's parents. They feel very strongly about this. I do not believe there will be any objection. But there has been objection to its immediate consideration.

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The Senate continued with the consideration of the bill.

Mr. DOLE. Mr. President, as I understand, the Democrats have had a caucus, and they might now be willing to agree to the unanimous-consent request that I made earlier this morning that there be three votes; division I being the gas tax issue; division II being the TEAM Act issue; and division III being the Democratic proposal for the minimum wage; that each division be limited to 2 hours each, to be equally divided in the usual form, and following the conclusion or yielding back of time, the Senate proceed to division I, division II, and division III. Then I assume there would be a vote on final passage.

If I am correct in that, I would be happy to try to obtain that consent agreement now.

Mr. DASCHLE. Mr. President, reserving the right to object, I will offer a unanimous-consent agreement to do what I understand the majority leader proposed earlier—later than that particular offer; later on in the morning—that we have three separate bills, and have votes and amendments to those three separate bills. I offer that as a unanimous-consent agreement at this time with amendments.

Mr. DOLE. With amendments?

Mr. DASCHLE. We would offer three separate bills with amendments. We could agree to a time limit, but three separate bills with amendments. That is correct.

Mr. DOLE. I never agreed to anything like that. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. Let me say that I did indicate—I do not negotiate with the press. As far as I know, they are not Members of the Senate. Some have more power than we have, but they are not voting.

I was asked that question, and I repeated the question. I might subscribe to that. But I went on to say, I made almost the identical offer today, but I never made any offer that would indicate we would have amendments to these separate bills. That is an entirely different process.

Plus, I am no rocket scientist, but it did occur to me that obviously the President could veto the TEAM Act and sign the other two. He said he would do that today. I would not buy into such an agreement.

I do think this is a very reasonable agreement that I have suggested. Since I have been asked to object to the Democratic leader's proposal, perhaps he would be kind enough to object——

Mr. DASCHLE. I object.

Mr. DOLE. I find it strange that our colleagues on the other side are filibustering minimum wage. We are prepared to have that vote right now. We will not even need 30 minutes of debate. We are prepared to have the vote on TEAM Act, prepared to have the vote on gas tax.

Again, the TEAM Act is just a very little piece of the pie or the puzzle. I hope we could find some way to reach an agreement. If there are amendments, I know the Senator from North Dakota—I have written him a letter, Senator DORGAN, if he has any way to tighten up the effort to make certain that the 4.3 cents will go to the consumer. I had a letter from Texaco, and we will have a response from ARCO. Somebody raised a question about ARCO in the press conference. I did not have the answer, but we are getting the answer from ARCO. I think we will have the assurances that some would need before they act on the gas tax repeal.

As I said at the press conference earlier, we do pay for it. This is really an effort—the President's spending is why we have to have it. He wanted to spend more money, so we had to raise the gas tax. We will not let the deficit grow any larger. We will make certain we offset any loss.

I hope that this is a reasonable agreement, and I would like to proceed with it. If not, I do not see any reason to stay in later this evening.

Mr. KENNEDY. Will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. DASCHLE. Go ahead.

Mr. KENNEDY. Mr. President, I wonder if the majority leader would yield for a brief question regarding matters that we discussed just a few moments ago.

Mr. DOLE. Certainly.

Mr. KENNEDY. As I understand from the press conference, a question was asked, just to follow up on what Senator DASCHLE has pointed out: "Why not have three up-or-down votes on three different bills, whether they are amendable or unamendable? Why not do it that way?"

Senator DOLE said, "Three separate bills, I might even subscribe to that. But they won't let it happen. They will filibuster the TEAM Act. If we can get an agreement to vote on three separate bills, that is one thing. I have already given that agreement, to have the three separate bills."

As I understood the——

Mr. DOLE. Three separate votes.

Mr. KENNEDY. The question included the words: "amendable or unamendable? Why not do it that way?"

"Three separate bills, I might even subscribe to that. But they won't let it happen."

As I understood it, that is what Senator DASCHLE had offered. I was wondering, since it appeared, at least from the transcript, that that was the position of the majority leader, why that would not be acceptable to do that here as the minority leader has suggested.

Mr. DOLE. As I have indicated, I said in that response, I might and I might not. And I will not. That will take care of that.

Again, nobody is trying to negotiate. Democrats like to negotiate, but I do not negotiate with press people unless there is one up there who works for the Democrats, but I do not think so, not directly.

We would be very happy to proceed on the basis we have outlined this morning. We think it is very reasonable. I think the President ought to accept it in the spirit he invoked in his 1:30 press conference. He did indicate he would sign—he mentioned something about workers' rights. That is what we are talking about, workers' rights.

I do not understand how we expect the majority to permit the minority to have their way and we not be entitled to have any say at all. We are prepared to repeal the gas tax, have that vote, have the TEAM Act vote, and have the minimum wage vote and then have a final vote. I think my colleagues on the other side might appreciate the fact we would probably have a fairly healthy vote on final passage, which I think would bode well for what might eventually happen to this legislation.

There is a lot of merit to keeping the three together. There may not be any merit on that side of the aisle, but there is merit on this side of the aisle.

Again, I tried to work with—certainly, always tried to work with—the Democratic leader. I am happy to meet with him at any time and see if there is some agreement we can reach.

Mr. DASCHLE. Mr. President, I will not belabor this. Let me just say that I think both sides have made their position very clear. The majority leader wants to combine the TEAM Act, the minimum wage, and the Travel Office bill all in one package, in addition, of course, to the gas tax reduction. In one package we would combine all of these things.

I must say I do not know that we will ever be able to resolve this until we can find a way to allow separate bills to be considered. The problem we have is, we cannot offer amendments. That is the essence of it. We cannot offer amendments to these. We may ultimately have a TEAM Act of our own. We may have a substitute of our own to the gas tax reduction proposal. We may have a lot of amendments that are very relevant to this bill that we are precluded from offering under this arrangement.

I have had a very productive and very good relationship with the leader over many months now. I am hopeful that we can find a way through this and see if we cannot resolve it. I do not see a way to resolve it until we can finalize some understanding about the opportunity that we must have to offer amendments to bills that we care deeply about.

I yield the floor.

Mr. DOLE. Mr. President, again, I think we all try to work things out around here. At least that has been my experience. I see my distinguished colleague from West Virginia, Senator BYRD, may not agree on what will be the final outcome, but we try to agree. If there is an effort or wish to offer substitutes, we might have a substitute to the minimum wage.

We are willing to divorce these three matters from the Travel Office bill and bring them up separately, or if there is another H.R. bill around here somewhere—there is another H.R. bill. We can accommodate that request. We can go ahead and separate, if that would help, and let the Billy Dale matter be passed.

I think the point is that the Senator from Massachusetts made it very clear he was going to amend every bill with the minimum wage, which, in effect, served notice on us that anything that we brought up would be blocked. We want to resolve this issue, get it behind us, so we can move on a number of legislative areas that we think are important, important to the people of America.

I am perfectly willing to try to work it out with the Democratic leader. We have never had a problem before. Sometimes these things are not easy. Sometimes they can be resolved. I make no offer to the Democratic leader.

Mr. DASCHLE. Mr. President, if I could just say one other thing that I meant to add, the distinguished majority leader this morning said that he took good notes from his predecessor, the majority leader in the 103d Congress, George Mitchell. I know he is a great note taker, and I do not deny that he probably, like all of us, learned from past experience.

However, we went back in the 103d Congress just to try to find an example or an instance when the majority filled the parliamentary tree, filled the tree in every way, to preclude the minority from having an opportunity to offer an amendment. We could not find 10, we could not find 5, we could not find 1 instance where the majority so dominated the political tree—it is a political tree in this case—the parliamentary tree so as not to allow the minority the opportunity to offer any amendments. It is not something the majority did in the past.

Even in the most troubling circumstances, the minority had an opportunity to offer an amendment. We had to offer second degrees, and we did. We had to come up with counter strategies, and we did. We never filled the tree and filed cloture and precluded the minority from even having the opportunity to offer an amendment. Having looked at the record from at least that perspective, I do not find an example that could be called a precedent for what is happening right now.

Mr. DOLE. Mr. President, I meant—and I talked about Senator Mitchell as my friend and the friend of everybody on this side and the other side, and he is doing quite well in the private area—that he would file cloture rather quickly.

But the point is, I can recall the stimulus package being held up. I think Senator Mitchell did a good job of preventing us from voting on capital gains for many years. I cannot remember, it has been so long. So I think he was quite effective. Maybe I have not been quite as effective and I had to fill the trees because I did not know the other ins-and-outs of the place. He did a good job, and I certainly have high respect for Senator Mitchell. I very much appreciate the fact that he was willing to pass on some of the ideas he had that I have been able to pick up.

But I would be very happy to visit with my friend, the Democratic leader. If it is a question of working out an agreement with amendments, I think we can do that. But when the Senator from Massachusetts makes it impossible to bring up any bill—and he says he is not going to do it on Megan's law, but he has everything else, with the exception of the bill he wanted passed, the health bill—then it makes it rather difficult to do the business of the Senate. So I do not believe that we are doing anything that cannot be resolved, regarding the efforts initiated on that side. I am perfectly willing to work it out, if we can, with the Senator from South Dakota, the Senator from Massachusetts, and everybody else. I know the Senator from Mississippi is willing to try and has tried. I think we have all been in good faith.

So if we can work it out, that is fine. We would be happy to meet this evening and see if we can resolve this and have not only these three issues behind us, but a number of others that should be dealt with, if we are to have a Memorial Day recess.

I will be happy to yield the floor.

Mr. KENNEDY. Mr. President, I wanted to inquire of the leader. Of course, on the minimum wage, a majority of the Members have actually voted for an increase in the minimum wage. So, in this instance, the minority is really the majority, and they have been denied the opportunity these many weeks and months from having an opportunity to be able to have a clean bill on the minimum wage. I think that the actions that were taken are taken out of frustration, on an issue that the American people are so overwhelmingly in support of, and that is, people that work hard ought to be able to have a livable wage, and we ought to be addressing that on the floor of the Senate.

So I just suggest to the leader that, actually, we are not a minority on that issue, we are a majority, and with good Republican support. I am just puzzled about why we are constantly characterized as a minority when we have been able to demonstrate from votes here on the Senate floor that a majority wants to have an increase in the minimum wage. I do not see how that is so unreasonable.

Mr. DOLE. Mr. President, it would be my view that when that vote comes, there will be a substantial majority. The vote the Senator refers to is a cloture vote, and sometimes they are a bit deceptive, as I have learned.

Mr. KENNEDY. Is the Senator now stating to the American people that he will only schedule a vote up or down on the increase in the minimum wage if we get cloture? Is that the position of the majority leader on this issue?

Mr. DOLE. I did not even raise cloture. I thought that was the position of the Senator from Massachusetts.

Mr. KENNEDY. No, no. I do not believe that the majority leader does not understand what my position is on this.

Mr. DOLE. I think I do understand your position. I sometimes admire it—sometimes. But I think the point is that we need to resolve this, if we can. I would be happy to try to work with the Senator from Massachusetts, or the Democratic leader, or both, and see if we cannot work out some arrangement where they can offer amendments. But I do believe it is pretty difficult to explain to the majority—and I do not often refer to the minority. I think we are all Senators. It is pretty hard to explain to the majority on this side why we should permit the Senator from Massachusetts to do everything he wants, but we cannot do what we want. If the Senator can help me with that, maybe we can work it out.

Mr. KENNEDY. If the Senator will yield on that point. It is not what the Senator from Massachusetts wants, it is what 13 million Americans deserve.

Mr. DOLE. Oh. I will say the same about a lot of things President Clinton has vetoed, such as the child tax credit, welfare reform, balanced budget, all those things were vetoed. The Senator from Massachusetts did not vote for them. The child tax credit will help 50-some million children in 28 million homes.

So if we want to get into the numbers game here, we can extend the debate for some time. I think, since I have an appointment at 5, I will be happy to either recess until tomorrow morning, or if we want to continue debate, we can. I know the Senator from Georgia is here, and the Senator from Idaho wishes to be recognized.

MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER (Mr. ABRAHAM). Without objection, it is so ordered.

WELFARE REFORM

Mr. ROTH. Mr. President, last Saturday the White House political machine was running at full tilt trying to convince the American people that welfare reform is well underway when, in fact, President Clinton has vetoed welfare reform twice. Once again we find that the administration is using the old theory as to whether you can fool all of the people all of the time. This time, the administration is trying to use figures to confuse the public into believing that it is implementing a successful welfare reform strategy when, in fact, it has not.

Last Saturday, President Clinton told the American people that, All across America the welfare rolls are down, food stamps rolls are down, and teen pregnancies are down compared to 4 years ago. Unfortunately for the administration, the facts get in the way of the rhetoric.

According to the latest available data from the U.S. Department of Health and Human Services, the estimated average monthly number of AFDC recipients for 1995 was 13.6 million. The final figures for all of 1995 are not yet available, and there is a 9-month average from January to September 1995. By comparison, the monthly average for all of 1992 was 13.8 million recipients. This is a modest decline of 200,000 people, or 1.5 percent.

But the real story about the welfare rolls which this administration does not want the public to see is how the current welfare rolls compare to previous years and administrations. This first chart shows the number of people receiving AFDC benefits over time, and while the estimated 1995 AFDC caseload is 13.6 million people, the average monthly number of AFDC recipients between 1970 and 1995 was 11.3 million.

When you look back at the AFDC program over time, you find that the AFDC rolls under the Clinton administration are still well above the historical levels. Comparing 1995 to the averages of the 1980's, it is even more dramatic. If the 1995 welfare rolls had declined to the level of the 1980's, there would have been 2.7 million fewer people on AFDC.

Let me also point out, as this chart shows, that the AFDC rolls were relatively constant throughout the 1970's and 1980's. There was an average of 10.6 million AFDC recipients over the 1970's. In the 1980's, the AFDC rolls rose at a slightly higher level, at 10.8 million.

The AFDC rolls increased dramatically in the early 1990's. In fact, the AFDC rolls reached their highest point ever during the Clinton administration in 1993. There have been only 2 years in which the AFDC caseload has ever exceeded 14 million people, and those years were 1993 and 1994.

Until 1994, there were 14.1 million recipients on AFDC, well above the 1992 level. If the welfare rolls would have declined just to the historical average, never mind ending welfare as we know it, there would be 2.2 million fewer people on AFDC than there are today. At best, the Clinton administration can only claim that the number of AFDC recipients is just now returning to the level of 4 years ago. Thus, President Clinton is claiming success for bringing the number of AFDC recipients to a level which is nearly 20 percent higher than the historical average. It is a little bit like the teenager claiming victory in the Indianapolis 500 just because he found the keys to the family car.

In the Food Stamp Program, we find similar patterns but the news is slightly worse for the White House spin doctors. Let me first point out, as this second chart shows, that the 1995 food stamp caseload was higher than the 1992 level, not lower, as the administration has claimed. On average, there were about 900,000 more food stamp recipients in 1995 than in 1992. And even if you use only 1 month of data, the most recent food stamp caseload is still higher than the 1992 level. The February 1996 food stamp caseload was at 25.7 million people. This is 300,000 more people than the 1992 level. And second, there were nearly 7 million more food stamp recipients in 1995 than for the 25 year historical average.

Over the past 25 years, the average monthly number of food stamp recipients is 19.4 million people. In 1995, there were 26.3 million people receiving food stamps. There were nearly 6 million more food stamp recipients in 1995 than the average for the 1980's.

As welfare rolls are linked at least in part to the economy, you should expect the number of welfare recipients to decline even without any change in welfare policy.

We can see this relationship especially in the food stamp program in the late 1970's and 1980's. This chart shows significant growth beginning in 1979. At the same time the median money income for families was declining in real terms from $39,227 in 1979 to $36,326 in 1982, food stamp caseload peaked in 1981 at 22.4 million recipients. But the chart shows the subsequent steady decline in food stamp caseload during the Reagan administration to less than 19 million recipients in 1988 and 1989. What was happening with the economy? Well, the median money income for families during the Reagan-Bush years increased to $40,890 in 1989 in real terms.

The relationship follows in bad economic times as well. Caseloads increased once again as family income declined sliding down to $37,905 in 1993. According to Census Bureau reports, the 1993 poverty rate for all families with children under age 18 was 18.5 percent, the highest level since 1962.

If administration officials can claim success, they need to explain precisely which Clinton welfare policy change is responsible for bringing the caseload back to the 1992 level. We need to question whether the Federal bureaucracies at USDA and HHS are really responsible for this decline.

The waivers the President continues to talk about appear to have very little if any effect. Obviously, the administration can claim credit for only those waivers which have been actually approved and implemented since 1993. Even then, the waivers must be evaluated to determine if they are or not some other factors were, indeed, the cause of the change.

In 1993, only four State welfare waivers were implemented. Obviously, these four waivers had no effect on other States. They may not have had any effect within the respective States depending upon when they were implemented during that year. In 1994, 14 waivers were implemented, in 1995 another 7. But these figures tell us very little. Waivers may not be implemented throughout the State. A State may have more than one waiver, some of which may have no impact on caseload. Some States with waivers have seen increases in their welfare caseload.

What this confusion should really tell the American people is that waivers are no substitute for authentic welfare reform. President Clinton did not mention that the welfare rolls and other programs have increased from their 1992 levels.

In September 1995, the most recent data available, there were 6.5 million people receiving supplemental security income benefits. This is an increase of nearly 1 million people from December 1992. We have also added about 5 million people to the Medicaid Program since 1992.

Mr. President, here are a couple of more facts to go with the White House data. It has now been 39 months since President Clinton outlined his welfare reform goals to the American people and promised to deliver welfare reform to the Nation's Governors. Instead, he has vetoed authentic welfare reform not once but twice in the past 5 months.

Mr. President, there are important differences between a vision and an optical illusion. The Republicans have outlined their vision for ending the vicious cycle of dependency through restoring the timeless values of work and family life. Meanwhile, the White House magicians will continue to conjure up a few minor, if not meaningless, figures in an attempt to divert the public's attention from the real facts of welfare reform.

FOREIGN OIL CONSUMED BY THE UNITED STATES? HERE'S THE WEEKLY BOX SCORE

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending May 3, the United States imported 7,301,000 barrels of oil each day, 1,184,000 barrels more than the 6,117,000 barrels imported during the same week a year ago.

Americans now rely on foreign oil for 53 percent of their needs, and there are no signs that this upward spriral will abate. Before the Persian Gulf war, the United States obtained about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil—by U.S. producers using American workers? Politicians had better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 7,301,000 barrels a day.

Mr. President, I hope Senators will examine this information in the context of rapidly rising gasoline prices. U.S. reliance on foreign oil has caused us to forsake the use of alternative domestic fuels and allowed for serious declines in domestic crude oil production. In 1970, the United States produced 9,600,000 million barrels per day. Currently, we are producing only 6,500,000 million barrels per day. Thus, more than half of the gasoline consumed in this country comes from foreign sources, and the problem is getting worse.

Where's the leadership from the White House on this critical issue? The President ordered a draw down of the strategic oil reserves. The American people recognize this for what it is—a cynical joke. Of course Congress should cut the Clinton gas tax. We should also cut taxes on domestic alternative fuel sources, and on a host of other taxes Democrats have heaped on the shoulders of hardworking American taxpayers.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, on Friday, February 23, 1996, the U.S. Federal debt broke the $5 trillion sound barrier for the first time in history. The records show that on that day, at the close of business, the debt stood at $5,017,056,630,040.53.

Twenty years earlier, in 1976, the Federal debt stood at $629 billion, after the first 200 years of America's history, including two world wars. The total Federal debt in 1976, I repeat, stood at $629 billion.

Then the big spenders went to work and the compounded interest on the Federal debt really began to take off—and, presto, during the past two decades the Federal debt has soared into the stratosphere, increasing by more than $4 trillion in two decades, from 1976 to 1996.

So, Mr. President, as of the close of business yesterday, Tuesday, May 7, the Federal debt stood—down-to-the-penny—at $5,093,910,014,740.64. On a per capita basis, every man, woman, and child in America owes $19,236.90 as his or her share of that debt.

This enormous debt is a festering, escalating burden on all citizens and especially it is jeopardizing the liberty of our children and grandchildren. As Jefferson once warned, "to preserve [our] independence, we must not let our leaders load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude." Isn't it about time that Congress heeded the wise words of my hero, Thomas Jefferson, the author of the Declaration of Independence?

MESSAGES FROM THE HOUSE

At 12:02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that pursuant to the provisions of section 168(b) of Public Law 102–138, the Speaker appoints the following Members on the part of the House to the British American Interparliamentary Group: Mr. HAMILTON of Indiana, Mr. LANTOS of California, Mr. HASTINGS of Florida, and Mrs. KENNELLY of Connecticut.

The message also announced that pursuant to section 232(c)(2) of Public Law 103–432, the Speaker appoints the following members from private life to the Advisory Board on Welfare Indicators on the part of the House: Ms. Eloise Anderson of California, Mr. Wade F. Horn of Maryland, Mr. Marvin H. Kosters of Virginia, and Mr. Robert Greenstein of the District of Columbia.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2137. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to require the release of relevant information to protect the public from sexually violent offenders.

H.R. 2974. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims.

H.R. 2980. An act to amend title 18, United States Code, with respect to stalking.

H.R. 3120. An act to amend title 18, United States Code, with respect to witness retaliation, witness tampering and jury tampering.

H.R. 3269. An act to amend the Impact Aid program to provide for a hold-harmless with respect to amounts for payments relating to the Federal acquisition of real property, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 150. Concurrent resolution authorizing the use of the Capitol Grounds for an event displaying racing, restored, and customized motor vehicles and transporters.

ENROLLED BILL SIGNED

At 2:43 p.m., a message from the House of Representatives, delivered by

Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 641. An act to amend the Public Health Service Act to revise and extend programs established pursuant to the Ryan White Comprehensive AIDS Resources Emergency Act of 1990.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

MEASURES PLACED ON THE CALENDAR

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 3269. An act to amend the Impact Aid program to provide for a hold-harmless with respect to amounts for payments relating to the Federal acquisition of real property, and for other purposes.

The following measure was read the first and second times by unanimous consent and ordered placed on the calendar:

H.R. 2137. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to require the release of relevant information to protect the public from sexually violent offenders.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on May 8, 1996 he had presented to the President of the United States, the following enrolled bill:

S. 641. An act to amend the Public Health Service Act to revise and extend programs established pursuant to the Ryan White Comprehensive AIDS Resources Emergency Act of 1990.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2484. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2515–AD73); to the Committee on Environment and Public Works.

EC–2485. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2125–AD38); to the Committee on Environment and Public Works.

EC–2486. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2125–AD61); to the Committee on Environment and Public Works.

EC–2487. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2125-AB15); to the Committee on Environment and Public Works.

EC–2488. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2125–AD46); to the Committee on Environment and Public Works.

EC–2489. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2125–AD83); to the Committee on Environment and Public Works.

EC–2490. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5452–7); to the Committee on Environment and Public Works.

EC–2491. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "The Oil Discharge Program; Editorial Revision of Rules; Correction"; to the Committee on Environment and Public Works.

EC–2492. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "The Approval and Promulgation of State Implementation Plan; Wisconsin; Lithographic Printing SIP Revision"; to the Committee on Environment and Public Works.

EC–2493. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "The Approval and Promulgation of State Implementation Plan; Illinois" (received April 25, 1996); to the Committee on Environment and Public Works.

EC–2494. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "The Approval and Promulgation of State Implementation Plan; Indiana" (received April 25, 1996); to the Committee on Environment and Public Works.

EC–2495. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "The Approval and Promulgation of State Implementation Plan; Kentucky: Approval of Revisions to the Kentucky State Implementation Plan" (received April 25, 1996); to the Committee on Environment and Public Works.

EC–2496. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "The Approval and Promulgation of State Implementation Plan; Tennessee; Revision to New Source Review, Construction and Operating Permit Requirements for Nashville/Davidson County" (received April 25, 1996); to the Committee on Environment and Public Works.

EC–2497. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "The Approval and Promulgation of State Implementation Plan; Pennsylvania-Emission Statement Program" (received April 25, 1996); to the Committee on Environment and Public Works.

EC–2498. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "The Designation of Areas for Air Quality Planning Purposes; State of Texas; Correction of the Design Value and Classification for the Beaumont/Port Arthur Ozone Nonattainment Area" (received April 25, 1996); to the Committee on Environment and Public Works.

EC–2499. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "Pesticide Tolerance for Tribenuron" (received April 25, 1996); to the Committee on Environment and Public Works.

EC–2500. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule entitled "The Approval and Promulgation of State Implementation Plan; Wisconsin; Wood Furniture Coating SIP Revision" (receiving April 25, 1996); to the Committee on Environment and Public Works.

EC–2501. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5446–7); to the Committee on Environment and Public Works.

EC–2502. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5351–1); to the Committee on Environment and Public Works.

EC–2503. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5452–4); to the Committee on Environment and Public Works.

EC–2504. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5358–6); to the Committee on Environment and Public Works.

EC–2505. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5361–1); received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2506. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5454–1); received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2507. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5450–9) received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2508. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5457–5); received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2510. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5454–2); received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2511. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, Transmitting, pursuant to law, the report of a final rule (FRL–5442–9) received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2512. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5434–9) received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2513. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of final rule (FRL–5443–7) received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2514. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5441–3) received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2515. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5361–9) received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2516. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5442–7) received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2517. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5405–1) received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2518. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a final rule (FRL–5438–4) received on April 25, 1996; to the Committee on Environment and Public Works.

EC–2519. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2120–AA65) received on April 25, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2520. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2120–AA65) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2521. A communication from the General Counsel of the Department of Transportation, Transmitting, pursuant to law, the report of a final rule (RIN2120–AA65) received on April 24, 1996; to the Committee on Commerce, Science and Transportation.

EC–2522. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2120–AA64) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2523. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2120–AA64) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2524. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2120–AA64) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2525. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2115–AE46) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2526. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2115–AE46) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2527. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2115–AE47) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2528. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2115–AE47) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2529. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2115–AA97) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2530. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2115–AE85) received on April 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2531. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a package of thirteen final rules (RIN2120–AA64); to the Committee on Commerce, Science, and Transportation.

EC–2532. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AC23); to the Committee on Commerce, Science, and Transportation.

EC–2533. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AC41); to the Committee on Commerce, Science, and Transportation.

EC–2534. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AC40); to the Committee on Commerce, Science, and Transportation.

EC–2535. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AC39); to the Committee on Commerce, Science, and Transportation.

EC–2536. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AC38); to the Committee on Commerce, Science, and Transportation.

EC–2537. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AC42); to the Committee on Commerce, Science, and Transportation.

EC–2538. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AC46); to the Committee on Commerce, Science, and Transportation.

EC–2539. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AC34); to the Committee on Commerce, Science, and Transportation.

EC–2540. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AF18); to the Committee on Commerce, Science, and Transportation.

EC–2541. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN2105–AF16); to the Committee on Commerce, Science, and Transportation.

EC–2542. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, a report of final rules (RIN2120, RIN2115–AF30, RIN2115–AF31, RIN2115–AE46, RIN2115–AE47, RIN2120–AA63, RIN2120–AA64, RIN2120–AA65, RIN2120–AA66, RIN2120–AE87, RIN2115–AA97, RIN2115–AA98) (received April 26, 1996); to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LUGAR (for himself and Mr. Pell) (by request):

S. 1732. A bill to implement the obligations of the United States under the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, known as "the Chemical Weapons Convention" and opened for signature and signed by the United States on January 13, 1993; to the Committee on Foreign Relations.

By Mr. HELMS (for himself, Mr. Thurmond, Mr. Brown, Mr. Grassley, Mr. Lott, Mr. DeWine, and Mr. Faircloth):

S. 1733. A bill to amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims, and for other purposes; to the Committee on the Judiciary.

By Mr. SPECTER (for himself, Mr. Levin, Mr. Stevens, Mr. Nunn, Mr. Cohen, Mr. Inouye, Mr. Jeffords, Mr. Leahy, and Mr. Kohl):

S. 1734. A bill to prohibit false statements to Congress, to clarify congressional authority to obtain truthful testimony, and for other purposes; to the Committee on the Judiciary.

By Mr. PRESSLER (for himself, Mr. Bryan, Mr. Warner, Mr. Burns, Mr. Stevens, Mr. Hollings, Mr. Inouye, Mr. Ford, Mr. Kerry, Mr. Breaux, Mr. Dorgan, Mr. Akaka, Mr. Johnston, and Mr. Coverdell):

S. 1735. A bill to establish the United States Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States; to the Committee on Commerce, Science, and Transportation.

By Mr. STEVENS:

S. 1736. A bill for the relief of Staff Sergeant Charles Raymond Stewart and Cynthia M. Stewart of Anchorage, Alaska, and their minor son, Jeff Christopher Stewart; to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 1737. A bill to protect Yellowstone National Park, the Clarks Fork of the Yellowstone National Wild and Scenic River and the Absaroka-Beartooth Wilderness Area, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. GRAMS:

S. 1738. A bill to provide for improved access to and use of the Boundary Water Canoe Area Wilderness, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DOLE (for himself, Mr. ROTH, Mr. GRAMM, Mr. GRASSLEY, Mr. SIMPSON, Mr. PRESSLER, Mr. NICKLES, Mr. BENNETT, Mr. BOND, Mr. FAIRCLOTH, Mr. GRAMS, Mr. GREGG, Mr. KEMPTHORNE, Mr. KYL, Mr. LOTT, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. SMITH, Ms. SNOWE, Mr. SPECTER, Mr. STEVENS, Mr. THOMAS, Mr. THURMOND, and Mr. WARNER):

S. 1739. A bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent increase in the transportation motor fuels excise tax rates enacted by the Omnibus Budget Reconciliation Act of 1993 and dedicated to the general fund of the Treasury; to the Committee on Finance.

By Mr. NICKLES (for himself and Mr. DOLE): S. 1740. A bill to define and protect the institution of marriage; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LUGAR (for himself and Mr. PELL) (by request):

S. 1732. A bill to implement the obligations of the United States under the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, known as "the Chemical Weapons Convention" and opened for signature and signed by the United States on January 13, 1993; to the Committee on Foreign Relations.

THE CHEMICAL WEAPONS CONVENTION IMPLEMENTATION ACT

Mr. LUGAR. Mr. President, on behalf of Senator PELL and myself, I rise to introduce, by request, the Chemical Weapons Convention Implementation Act.

The Chemical Weapons Convention was signed by the United States on January 13, 1993, and was submitted by President Clinton to the U.S. Senate on November 23, 1993, for its advice and consent to ratification.

The Chemical Weapons Convention has been the subject of numerous hearings by various committees and was reported out of the Committee on Foreign Relations last month. It is now awaiting action by the full Senate.

The Chemical Weapons Convention contains a number of provisions that require implementing legislation to give them effect within the United States. These include: international inspections of U.S. facilities; declarations by U.S. chemical and related industry; and establishment of a national authority to serve as the liaison between the United States and the international organization established by the Chemical Weapons Convention and the States parties to the convention.

Mr. President, I ask unanimous consent that this Implementation Act that we are introducing at the request of the administration be printed in the RECORD, together with the transmittal letter to the President of the Senate from the Director of the U.S. Arms Control and Disarmament Agency, John D. Holum.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1732

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chemical Weapons Convention Implementation Act of 1995."

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows—

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Congressional findings.
Sec. 4. Congressional declarations.
Sec. 5. Definitions.
Sec. 6. Severability.

TITLE I—NATIONAL AUTHORITY

Sec. 101. Establishment.

TITLE II—APPLICATION OF CONVENTION PROHIBITIONS TO NATURAL AND LEGAL PERSONS

Sec. 201. Criminal provisions.
Sec. 202. Effective date.
Sec. 203. Restrictions on scheduled chemicals.

TITLE III—REPORTING

Sec. 301. Reporting of information.
Sec. 302. Confidentiality of information.
Sec. 303. Prohibited acts.

TITLE IV—INSPECTIONS

Sec. 401. Inspections pursuant to Article VI of the Chemical Weapons Convention.
Sec. 402. Other inspections pursuant to the Chemical Weapons Convention and lead agency.
Sec. 403. Prohibited acts.
Sec. 404. Penalties.
Sec. 405. Specific enforcement.
Sec. 406. Legal proceedings.
Sec. 407. Authority.
Sec. 408. Saving provision.

SEC. 3. CONGRESSIONAL FINDINGS.

The Congress makes the following findings—

(1) Chemical weapons pose a significant threat to the national security of the United States and are a scourge to humankind.

(2) The Chemical Weapons Convention is the best means of ensuring the nonproliferation of chemical weapons and their eventual destruction and forswearing by all nations.

(3) The verification procedures contained in the Chemical Weapons Convention and the faithful adherence of nations to them, including the United States, are crucial to the success of the Convention.

(4) The declarations and inspections required by the Chemical Weapons Convention are essential for the effectiveness of the verification regime.

SEC. 4. CONGRESSIONAL DECLARATIONS.

The Congress makes the following declarations—

(1) It shall be the policy of the United States to cooperate with other States Parties to the Chemical Weapons Convention and to afford the appropriate form of legal assistance to facilitate the implementation of the prohibitions contained in title II of this Act.

(2) It shall be the policy of the United States, during the implementation of its obligations under the Chemical Weapons Convention, to assign the highest priority to ensuring the safety of people and to protecting the environment, and to cooperate as appropriate with other States Parties to the Convention in this regard.

(3) It shall be the policy of the United States to minimize, to the greatest extend practicable, the administrative burden and intrusiveness of measures to implement the Chemical Weapons Convention placed on commercial and other private entities, and to take into account the possible competitive impact of regulatory measures on industry, consistent with the obligations of the United States under the Convention.

SEC. 5. DEFINITIONS.

(a) IN GENERAL.—Except as otherwise provided in this Act, the definitions of the terms used in this Act shall be those contained in the Chemical Weapons Convention. Nothing in paragraphs 2 or 3 of Article II of the Chemical Weapons Convention shall be construed to limit verification activities pursuant to Parts X or XI of the Annex on Implementation and Verification of the Convention.

(b) OTHER DEFINITIONS.—

(1) The term "Chemical Weapons Convention" means the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, opened for signature on January 13, 1993.

(2) The term "national of the United States" has the same meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).

(3) The term "United States," when used in a geographical sense, includes all places under the jurisdiction or control of the United States, including (A) any of the places within the provisions of section 101(41) of the Federal Aviation Act of 1958, as amended (49 U.S.C. App. Sec. 1301(41)), (B) any public aircraft or civil aircraft of the United States, as such terms as defined in sections 101(36) and (18) of the Federal Aviation Act of 1958, as amended (49 U.S.C. App. Secs. 1301(36) and 1301(18)), and (C) any vessel of the United States, as such term is defined in section 3(b) of the Maritime Drug Enforcement Act, as amended (46 U.S.C. App. Sec. 1903(b)).

(4) The term "person," except as used in section 201 of this Act and as set forth below, means (A) any individual, corporation, partnership, firm, association, trust, estate, public or private institution, any State or any political subdivision thereof, or any political entity within a State, any foreign government or nation or any agency, instrumentality or political subdivision of any such government or nation, or other entity located in

the United States; and (B) any legal successor, representative, agent or agency of the foregoing located in the United States. The phrase "located in the United States" in the term "person" shall not apply to the term "person" as used in the phrases "person located outside the territory" in sections 203(b) and 302(d) of this Act and "person located in the territory" in section 203(b) of this Act.

(5) The term "Technical Secretariat" means the Technical Secretariat of the Organization for the Prohibition of Chemical Weapons established by the Chemical Weapons Convention.

SEC. 6. SEVERABILITY.

If any provision of this Act, or the application of such provision to any person or circumstance, is held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

TITLE I—NATIONAL AUTHORITY

SEC. 101. ESTABLISHMENT.

Pursuant to paragraph 4 of Article VII of the Chemical Weapons Convention, the President or the designee of the President shall establish the "United States National Authority" to, *inter alia*, serve as the national focal point for effective liaison with the Organization for the Prohibition of Chemical Weapons and other States Parties to the Convention.

TITLE II—APPLICATION OF CONVENTION PROHIBITIONS TO NATURAL AND LEGAL PERSONS

SEC. 201. CRIMINAL PROVISIONS.

(a) IN GENERAL.—Part I of title 18, United States Code, is amended by—

(1) redesignating chapter 11A relating to child support as chapter 11B; and

(2) inserting after chapter 11 relating to bribery, graft and conflicts of interest the following new chapter:

"CHAPTER 11A—CHEMICAL WEAPONS

"Sec.
"227. Penalties and prohibitions with respect to chemical weapons.
"227A. Seizure, forfeiture, and destruction.
"227B. Injunctions.
"227C. Other prohibitions.
"227D. Definitions.

"SEC. 227. PENALTIES AND PROHIBITIONS WITH RESPECT TO CHEMICAL WEAPONS.

"(a) IN GENERAL.—Except as provided in subsection (b), whoever knowingly develops, produces, otherwise acquires, stockpiles, retains, directly or indirectly transfers, uses, owns or possesses any chemical weapon, or knowingly assists, encourages or induces, in any way, any person to do so, or attempts or conspires to do so, shall be fined under this title or imprisoned for life or any term of years, or both.

"(b) EXCLUSION.—Subsection (a) shall not apply to the retention, ownership or possession of a chemical weapon, that is permitted by the Chemical Weapons Convention pending the weapon's destruction, by any agency or department of the United States. This exclusion shall apply to any person, including members of the Armed Forces of the United States, who is authorized by any agency or department of the United States to retain, own or possess a chemical weapon, unless that person knows or should have known that such retention, ownership or possession is not permitted by the Chemical Weapons Convention.

"(c) JURISDICTION.—There is jurisdiction by the United States over the prohibited activity in subsection (a) if (1) the prohibited activity takes place in the United States or (2) the prohibited activity takes place outside of the United States and is committed by a national of the United States.

"(d) ADDITIONAL PENALTY.—The court shall order that any person convicted of any offense under this section pay to the United States any expenses incurred incident to the seizure, storage, handling, transportation and destruction or other disposition of property seized for the violation of this section.

"SEC. 227A. SEIZURE, FORFEITURE, AND DESTRUCTION.

"(a) SEIZURE.—

"(1) Except as provided in paragraph (2), the Attorney General may request the issuance, in the same manner as provided for a search warrant, of a warrant authorizing the seizure of any chemical weapon defined in section 227D(2)(A) of this title that is of a type or quantity that under the circumstances is inconsistent with the purposes not prohibited under the Chemical Weapons Convention.

"(2) In exigent circumstances, seizure and destruction of any such chemical weapon described in paragraph (1) may be made by the Attorney General upon probable cause without the necessity for a warrant.

"(b) PROCEDURE FOR FORFEITURE AND DESTRUCTION.—Except as provided in paragraph (2) of subsection (a), property seized pursuant to subsection (a) shall be forfeited to the United States after notice to potential claimants and an opportunity for a hearing. At such a hearing, the government shall bear the burden of persuasion by a preponderance of the evidence. Except as inconsistent herewith, the provisions of chapter 46 of this title relating to civil forfeitures shall extend to a seizure or forfeiture under this section. The Attorney General shall provide for the destruction or other appropriate disposition of any chemical weapon seized and forfeited pursuant to this section.

"(c) AFFIRMATIVE DEFENSE.—It is an affirmative defense against a forfeiture under subsection (b) that—

"(1) such alleged chemical weapon is for a purpose not prohibited under the Chemical Weapons Convention; and

"(2) such alleged chemical weapon is of a type and quantity that under the circumstances is consistent with that purpose.

(d) OTHER SEIZURE, FORFEITURE, AND DESTRUCTION.—

"(1) Except as provided in paragraph (2), the Attorney General may request the issuance, in the same manner as provided for a search warrant, of a warrant authorizing the seizure of any chemical weapon defined in section 227D(2) (B) or (C) of this title that exists by reason of conduct prohibited under section 227 of this title.

"(2) In exigent circumstances, seizure and destruction of any such chemical weapon described in paragraph (1) may be made by the Attorney General upon probable cause without the necessity for a warrant.

"(3) Property seized pursuant to this subsection shall be summarily forfeited to the United States and destroyed.

"(e) ASSISTANCE.—The Attorney General may request assistance from any agency or department in the handling, storage, transportation or destruction of property seized under this section.

"(f) OWNER LIABILITY.—The owner or possessor of any property seized under this section shall be liable to the United States for any expenses incurred incident to the seizure, including any expenses relating to the handling, storage, transportation and destruction or other disposition of the seized property.

"SEC. 227B. INJUNCTIONS.

"(a) IN GENERAL.—The United States may obtain in a civil action an injunction against—

"(1) the conduct prohibited under section 227 of this title;

"(2) the preparation or solicitation to engage in conduct prohibited under section 227 of this title; or

"(3) the development, production, other acquisition, stockpiling, retention, direct or indirect transfer, use, ownership or possession, or the attempted development, production, other acquisition, stockpiling, retention, direct or indirect transfer, use, ownership or possession, of any alleged chemical weapon defined in section 227D(2)(A) of this title that is of a type or quantity that under the circumstances is inconsistent with the purposes not prohibited under the Chemical Weapons Convention, or the assistance to any person to do so.

"(b) AFFIRMATIVE DEFENSE.—It is an affirmative defense against an injunction under subsection (a)(3) that—

"(1) the conduct sought to be enjoined is for a purpose not prohibited under the Chemical Weapons Convention; and

"(2) such alleged chemical weapon is of a type and quantity that under the circumstances is consistent with that purpose.

"SEC. 227C. OTHER PROHIBITIONS.

"(a) IN GENERAL.—Except as provided in subsection (b), whoever knowingly uses riot control agents as a method of warfare, or knowingly assists any person to do so, shall be fined under this title or imprisoned for a term of not more than ten years, or both.

"(b) EXCLUSION.—Subsection (a) shall not apply to members of the Armed Forces of the United States. Members of the Armed Forces of the United States who use riot control agents as a method of warfare shall be subject to appropriate military penalties.

"(c) JURISDICTION.—There is jurisdiction by the United States over the prohibited activity in subsection (a) if (1) the prohibited activity takes place in the United States or (2) the prohibited activity takes place outside of the United States and is committed by a national of the United States.

"SEC. 227D. DEFINITIONS.

"As used in this chapter, the term—

"(1) 'Chemical Weapons Convention' means the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, opened for signature on January 13, 1993;

"(2) 'chemical weapon' means the following, together or separately:

"(A) a toxic chemical and its precursors, except where intended for a purpose not prohibited under the Chemical Weapons Convention, as long as the type and quantity is consistent with such a purpose;

"(B) a munition or device, specifically designed to cause death or other harm through the toxic properties of those toxic chemicals specified in subparagraph (A), which would be released as a result of the employment of such munition or device; or

"(C) any equipment specifically designed for use directly in connection with the employment of munitions or devices specified in subparagraph (B);

"(3) 'toxic chemical' means any chemical which through its chemical action on life processes can cause death, temporary incapacitation or permanent harm to humans or animals. This includes all such chemicals, regardless of their origin or of their method of production, and regardless of whether they are produced in facilities, in munitions or elsewhere. (For the purpose of implementing the Chemical Weapons Convention, toxic chemicals which have been identified for the application of verification measures are listed in Schedules contained in the Annex on Chemicals of the Chemical Weapons Convention.);

"(4) 'precursor' means any chemical reactant which takes part at any stage in the production by whatever method of a toxic chemical. This includes any key component of a binary or multicomponent chemical system. (For the purpose of implementing the Chemical Weapons Convention, precursors which have been identified for the application of verification measures are listed in Schedules contained in the Annex on Chemicals of the Chemical Weapons Convention.);

"(5) 'key component of a binary or multicomponent chemical system' means the precursor which plays the most important role in determining the toxic properties of the final product and reacts rapidly with other chemicals in the binary or multicomponent system;

"(6) 'purpose not prohibited under the Chemical Weapons Convention' means—

"(A) industrial, agricultural, research, medical, pharmaceutical or other peaceful purposes;

"(B) protective purposes; namely, those purposes directly related to protection against toxic chemicals and to protection against chemical weapons;

"(C) military purposes not connected with the use of chemical weapons and not dependent on the use of the toxic properties of chemicals as a method of warfare; or

"(D) law enforcement purposes, including domestic riot control purposes;

"(7) 'national of the United States' has the same meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22));

"(8) 'United States,' when used in a geographical sense, includes all places under the jurisdiction or control of the United States, including (A) any of the places within the provisions of section 101(41) of the Federal Aviation Act of 1958, as amended (49 U.S.C. App. Sec. 1301(41)), (B) any public aircraft or civil aircraft of the United States, as such terms are defined in sections 101(36) and (18) of the Federal Aviation Act of 1958, as amended (49 U.S.C. App. Secs. 1301(36) and 1301(18)), and (C) any vessel of the United States, as such term is defined in section 3(b) of the Maritime Drug Enforcement Act, as amended (46 U.S.C. App. Sec. 1903(b));

"(9) 'person' means (A) any individual, corporation, partnership, firm, association, trust, estate, public or private institution, any State or any political subdivision thereof, or any political entity within a State, any foreign government or nation or any agency, instrumentality or political subdivision of any such government or nation, or other entity; and (B) any legal successor, representative, agent or agency of the foregoing; and

"(10) 'riot control agent' means any chemical not listed in a Schedule in the Annex on Chemicals of the Chemical Weapons Convention, which can produce rapidly in humans sensory irritation or disabling physical effects which disappear within a short time following termination of exposure.

"Nothing in paragraphs (3) or (4) of this section shall be construed to limit verification activities pursuant to Part X or Part XI of the Annex on Implementation and Verification of the Chemical Weapons Conventions."

(b) CLERICAL AMENDMENTS.—The table of chapters for part I of title 18, United States Code, is amended by—

(1) in the item for chapter 11A relating to child support, redesignating "11A" as "11B"; and

(2) inserting after the item for chapter 11 of the following new item:

"11A. Chemical weapons .... 227."

SEC. 202. EFFECTIVE DATE.

This title shall take effect on the date the Chemical Weapons Convention enters into force for the United States.

SEC. 203. RESTRICTIONS ON SCHEDULED CHEMICALS.

(a) SCHEDULE 1 ACTIVITIES.—It shall be unlawful for any person, or any national of the United States located outside the United States, to produce, acquire, retain, transfer or use a chemical listed on Schedule 1 of the Annex on Chemicals of the Chemical Weapons Convention, unless—

(1) the chemicals are applied to research, medical, pharmaceutical or protective purposes;

(2) the types and quantities of chemicals are strictly limited to those that can be justified for such purposes; and

(3) the amount of such chemicals per person at any given time for such purposes does not exceed a limit to be determined by the United States National Authority, but in any case, does not exceed one metric ton.

(b) EXTRATERRITORIAL ACTS.—

(1) It shall be unlawful for any person, or any national of the United States located outside the United States, to produce, acquire, retain, or use a chemical listed on Schedule 1 of the Annex on Chemicals of the Chemical Weapons Convention outside the territories of the States Parties to the Convention or to transfer such chemicals to any person located outside the territory of the United States, except as provided for in the Convention for transfer to a person located in the territory of another State Party to the Convention.

(2) Beginning three years after the entry into force of the Chemical Weapons Convention, it shall be unlawful for any person, or any national of the United States located outside the United States, to transfer a chemical listed on Schedule 2 of the Annex on Chemicals of the Convention to any person located outside the territory of a State Party to the Convention or to receive such a chemical from any person located outside the territory of a State Party to the Convention.

(c) JURISDICTION.—There is jurisdiction by the United States over the prohibited activity in subsections (a) and (b) if (1) the prohibited activity takes place in the United States or (2) the prohibited activity takes place outside of the United States and is committed by a national of the United States.

TITLE III—REPORTING

SEC. 301. REPORTING OF INFORMATION.

(a) REPORTS.—The Department of Commerce shall promulgate regulations under which each person who produces, processes, consumes, exports or imports, or proposes to produce, process, consume, export or import, a chemical substance subject to the Chemical Weapons Convention shall maintain and permit access to such records and shall submit to the Department of Commerce such reports as the United States National Authority may reasonably require pursuant to the Chemical Weapons Convention. The Department of Commerce shall promulgate regulations pursuant to this title expeditiously, taking into account the written decisions issued by the Organization for the Prohibition of Chemical Weapons, and may amend or change such regulations as necessary.

(b) COORDINATION.—To the extent feasible, the United States National Authority shall not require any reporting that is unnecessary, or duplicative of reporting required under any other Act. Agencies and departments shall coordinate their actions with other agencies and departments to avoid duplication of reporting by the affected persons under this Act or any other Act.

SEC. 302. CONFIDENTIALITY OF INFORMATION.

(a) FREEDOM OF INFORMATION ACT EXEMPTION FOR CERTAIN CHEMICAL WEAPONS CONVENTION INFORMATION.—Any information reported to, or otherwise obtained by, the United States National Authority, the Department of Commerce, or any other agency or department under this Act or under the Chemical Weapons Convention shall not be required to be publicly disclosed pursuant to section 552 of Title 5, United States Code.

(b) PROHIBITED DISCLOSURE AND EXCEPTIONS.—Information exempt from disclosure under subsection (a) shall not be published or disclosed, except that such information—

(1) shall be disclosed or otherwise provided to the Technical Secretariat or other States Parties to the Chemical Weapons Convention in accordance with the Convention, in particular, the provisions of the Annex on the Protection of Confidential Information;

(2) shall be made available to any committee or subcommittee of Congress of appropriate jurisdiction upon the written request of the chairman or ranking minority member of such committee or subcommittee, except that no such committee or subcommittee, or member thereof, shall disclose such information or material;

(3) shall be disclosed to other agencies or departments for law enforcement purposes with regard to this Act or any other Act, and may be disclosed or otherwise provided when relevant in any proceeding under this Act or any other Act, except that disclosure or provision in such a proceeding shall be made in such manner as to preserve confidentiality to the extent practicable without impairing the proceeding; and

(4) may be disclosed, including in the form of categories of information, if the United States National Authority determines that such disclosure is in the national interest.

(c) NOTICE OF DISCLOSURE.—If the United States National Authority, pursuant to subsection (b)(4), proposes to publish or disclose or otherwise provide information exempted from disclosure in subsection (a), the United States National Authority shall, where appropriate, notify the person who submitted such information of the intent to release such information. Where notice has been provided, the United States National Authority may not release such information until the expiration of 30 days after notice has been provided.

(d) CRIMINAL PENALTY FOR WRONGFUL DISCLOSURE.—Any officer or employee of the United States or former officer or employee of the United States, who by virtue of such employment or official position has obtained possession of, or has access to, information the disclosure or other provision of which is prohibited by subsection (a), and who knowing that disclosure or provision of such information is prohibited by such subsection, willfully discloses or otherwise provides the information in any manner to any person, including persons located outside the territory of the United States, not entitled to receive it, shall be fined under title 18, United

States Code, or imprisoned for not more than five years, or both.

(e) INTERNATIONAL INSPECTORS.—The provisions of this section on disclosure or provision of information shall also apply to employees of the Technical Secretariat.

SEC. 303. PROHIBITED ACTS.

It shall be unlawful for any person to fail or refuse to (a) establish or maintain records, (b) submit reports, notices, or other information to the Department of Commerce or the United States National Authority, or (c) permit access to or copying of records, as required by this Act or a regulation thereunder.

TITLE IV—INSPECTIONS

SEC. 401. INSPECTIONS PURSUANT TO ARTICLE VI OF THE CHEMICAL WEAPONS CONVENTION.

(a) AUTHORITY.—For purposes of administering this Act—

(1) any duly designated member of an inspection team of the Technical Secretariat may inspect any plant, plant site, or other facility or location in the United States subject to inspection pursuant to the Chemical Weapons Convention; and

(2) the National Authority shall designate representatives who may accompany members of an inspection team of the Technical Secretariat during the inspection specified in paragraph (1). The number of duly designated representatives shall be kept to the minimum necessary.

(b) NOTICE.—An inspection pursuant to subsection (a) may be made only upon issuance of a written notice to the owner and to the operator, occupant or agent in charge of the premises to be inspected, except that failure to receive a notice shall not be a bar to the conduct of an inspection. The notice shall be submitted to the owner and to the operator, occupant or agent in charge as soon as possible after the United States National Authority receives it from the Technical Secretariat. The notice shall include all appropriate information supplied by the Technical Secretariat to the United States National Authority regarding the basis for the selection of the plant site, plant, or other facility or location for the type of inspection sought, including, for challenge inspections pursuant to Article IX of the Chemical Weapons Convention, appropriate evidence or reasons provided by the requesting State Party to the Convention with regard to its concerns about compliance with the Chemical Weapons Convention at the facility or location. A separate notice shall be given for each such inspection, but a notice shall not be required for each entry made during the period covered by the inspection.

(c) CREDENTIALS.—If the owner, operator, occupant or agent in charge of the premises to be inspected is present, a member of the inspection team of the Technical Secretariat, as well as, if present, the representatives of agencies or departments, shall present appropriate credentials before the inspection is commenced.

(d) TIMEFRAME FOR INSPECTIONS.—Consistent with the provisions of the Chemical Weapons Convention, each inspection shall be commenced and completed with reasonable promptness and shall be conducted at reasonable times, within reasonable limits, and in a reasonable manner. The Department of Commerce shall endeavor to ensure that, to the extent possible, each inspection is commenced, conducted and concluded during ordinary working hours, but no inspection shall be prohibited or otherwise disrupted for commencing, continuing or concluding during other hours. However, nothing in this subsection shall be interpreted as modifying the time frame established in the Chemical Weapons Convention.

(e) SCOPE.—

(1) Except as provided in paragraph (2) of this subsection and subsection (f), an inspection conducted under this title may extend to all things within the premises inspected (including records, files, papers, processes, controls, structures and vehicles) related to whether the requirements of the Chemical Weapons Convention applicable to such premises have been complied with.

(2) To the extent possible consistent with the obligations of the United States pursuant to the Chemical Weapons Convention, no inspection under this title shall extend to—

(A) financial data;

(B) sales and marketing data (other than shipment data);

(C) pricing data;

(D) personnel data;

(E) research data;

(F) patent data;

(G) data maintained for compliance with environmental or occupational health and safety regulations; or

(H) personnel and vehicles entering and personnel and personal passenger vehicles exiting the facility.

(f) FACILITY AGREEMENTS.—

(1) Inspections of plants, plant sites, or other facilities or locations for which the United States has a facility agreement with the Organization for the Prohibition of Chemical Weapons shall be conducted in accordance with the facility agreement.

(2) Facility agreements shall be concluded for plants, plant sites, or other facilities or locations that are subject to inspection pursuant to paragraph 4 of Article VI of the Chemical Weapons Convention unless the owner and the operator, occupant or agent in charge of the facility and the Technical Secretariat agree that such an agreement is not necessary. Facility agreements should be concluded for plants, plant sites, or other facilities or locations that are subject to inspection pursuant to paragraphs 5 or 6 of Article VI of the Chemical Weapons Convention if so requested by the owner and the operator, occupant or agent in charge of the facility.

(3) The owner and the operator, occupant or agent in charge of a facility shall be notified prior to the development of the agreement relating to that facility and, if they so request, may participate in the preparations for the negotiation of such an agreement. To the extent practicable consistent with the Chemical Weapons Convention, the owner and the operator, occupant or agent in charge of a facility may observe negotiations of the agreement between the United States and the Organization for the Prohibition of Chemical Weapons concerning that facility.

(g) SAMPLING AND SAFETY.—

(1) The Department of Commerce is authorized to require the provision of samples to a member of the inspection team of the Technical Secretariat in accordance with the provisions of the Chemical Weapons Convention. The owner or the operator, occupant or agent in charge of the premises to be inspected shall determine whether the sample shall be taken by representatives of the premises on the inspection team or other individuals present.

(2) In carrying out their activities, members of the inspection team of the Technical Secretariat and representatives of agencies or departments accompanying the inspection team shall observe safety regulations established at the premises to be inspected, including those for protection of controlled environments within a facility and for personal safety.

(h) COORDINATION.—To the extent possible consistent with the obligations of the United States pursuant to the Chemical Weapons Convention, the representatives of the United States National Authority, the Department of Commerce and any other agency or department, if present, shall assist the owner and the operator, occupant or agent in charge of the premises to be inspected in interacting with the members of the inspection team of the Technical Secretariat.

SEC. 402. OTHER INSPECTIONS PURSUANT TO THE CHEMICAL WEAPONS CONVENTION AND LEAD AGENCY.

(a) OTHER INSPECTIONS.—The provisions of this title shall apply, as appropriate, to all other inspections authorized by the Chemical Weapons Convention. For all inspections other than those conducted pursuant to paragraphs 4, 5 or 6 of Article VI of the Convention, the term "Department of Commerce" shall be replaced by the term "Lead Agency" in section 401.

(b) LEAD AGENCY.—For the purposes of this title, the term "Lead Agency" means the agency or department designated by the President or the designee of the President to exercise the functions and powers set forth in the specific provision, based, *inter alia*, on the particular responsibilities of the agency or department within the United States Government and the relationship of the agency or department to the premises to be inspected.

SEC. 403. PROHIBITED ACTS.

It shall be unlawful for any person to fail or refuse to permit entry or inspection, or to disrupt, delay or otherwise impede an inspection as required by this Act or the Chemical Weapons Convention.

SEC. 404. PENALTIES.

(a) CIVIL.—

(1)(A) Any person who violates a provision of section 203 of this Act shall be liable to the United States for a civil penalty in an amount not to exceed $50,000 for each such violation.

(B) Any person who violates a provision of section 303 of this Act shall be liable to the United States for a civil penalty in an amount not to exceed $5,000 for each such violation.

(C) Any person who violates a provision of section 403 of this Act shall be liable to the United States for a civil penalty in an amount not to exceed $25,000 for each such violation. For purposes of this subsection, each day such a violation of section 403 continues shall constitute a separate violation of section 403.

(2)(A) A civil penalty for a violation of section 203, 303 or 403 of this Act shall be assessed by the Lead Agency by an order made on the record after opportunity (provided in accordance with this subparagraph) for a hearing in accordance with section 554 of title 5, United States Code. Before issuing such an order, the Lead Agency shall give written notice to the person to be assessed a civil penalty under such order of the Lead Agency's proposal to issue such order and provide such person an opportunity to request, within 15 days of the date the notice is received by such person, such a hearing on the order.

(B) In determining the amount of a civil penalty, the Lead Agency shall take into account the nature, circumstances, extent and gravity of the violation or violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, the existence of an internal compliance program, and such other matters as justice may require.

(C) The Lead Agency may compromise, modify or remit, with or without conditions, and civil penalty which may be imposed under this subsection. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

(3) Any person who requested in accordance with paragraph (2)(A) a hearing respecting the assessment of a civil penalty and who is aggrieved by an order assessing a civil penalty may file a petition for judicial review of such order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which such person resides or transacts business. Such a petition may be filed only within the 30-day period beginning on the date the order making such assessment was issued.

(4) If any person fails to pay an assessment of a civil penalty—

(A) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with paragraph (3); or

(B) after a court in an action brought under paragraph (3) has entered a final judgment in favor of the Lead Agency;

the Attorney General shall recover the amount assessed (plus interest at currently prevailing rates from the date of the expiration of the 30-day period referred to in paragraph (3) or the date of such final judgment, as the case may be) in an action brought in any appropriate district court of the United States. In such an action, the validity, amount and appropriateness of such penalty shall not be subject to review.

(b) CRIMINAL.—Any person who knowingly violates any provision of section 203, 303 or 403 of this Act, shall, in addition to or in lieu of any civil penalty which may be imposed under subsection (a) for such violation, be fined under title 18, United States Code, imprisoned for not more than two years, or both.

SEC. 405. SPECIFIC ENFORCEMENT.

(a) JURISDICTION.—The district courts of the United States shall have jurisdiction over civil actions to—

(1) restrain any violation of section 203, 303 or 403 of this Act; and

(2) compel the taking of any action required by or under this Act or the Chemical Weapons Convention.

(b) CIVIL ACTIONS.—A civil action described in subsection (a) may be brought—

(1) in the case of a civil action described in subsection (a)(1), in the United States district court for the judicial district wherein any act, omission, or transaction constituting a violation of section 203, 303 or 403 of this Act occurred or wherein the defendant is found or transacts business; or

(2) in the case of a civil action described in subsection (a)(2), in the United States district court for the judicial district wherein the defendant is found or transacts business.

In any such civil action process may be served on a defendant wherever the defendant may reside or may be found, whether the defendant resides or may be found within the United States or elsewhere.

SEC. 406. LEGAL PROCEEDINGS.

(a) WARRANTS.—

(1) The Lead Agency shall seek the consent of the owner or the operator, occupant or agent in charge of the premises to be inspected prior to the initiation of any inspection. Before or after seeking such consent, the Lead Agency may seek a search warrant from any official authorized to issue search warrants. Proceedings regarding the issuance of a search warrant shall be conducted *ex parte*, unless otherwise requested by the Lead Agency. The Lead Agency shall provide to the official authorized to issue search warrants all appropriate information supplied by the Technical Secretariat to the United States National Authority regarding the basis for the selection of the plant site, plant, or other facility or location for the type of inspection sought, including, for challenge inspections pursuant to Article IX of the Chemical Weapons Convention, appropriate evidence or reasons provided by the requesting State Party to the Convention with regard to its concerns about compliance with the Chemical Weapons Convention at the facility or location. The Lead Agency shall also provide any other appropriate information available to it relating to the reasonableness of the selection of the plant, plant site, or other facility or location for the inspection.

(2) The official authorized to issue search warrants shall promptly issue a warrant authorizing the requested inspection upon an affidavit submitted by the Lead Agency showing that—

(A) the Chemical Weapons Convention is in force for the United States;

(B) the plant site, plant, or other facility or location sought to be inspected is subject to the specific type of inspection requested under the Chemical Weapons Convention;

(C) the procedures established under the Chemical Weapons Convention and this Act for initiating an inspection have been complied with; and

(D) the Lead Agency will ensure that the inspection is conducted in a reasonable manner and will not exceed the scope or duration set forth in or authorized by the Chemical Weapons Convention or this Act.

(3) The warrant shall specify the type of inspection authorized; the purpose of the inspection; the type of plant site, plant, or other facility or location to be inspected; to the extent possible, the items, documents and areas that may be inspected; the earliest commencement and latest concluding dates and times of the inspection; and the identities of the representatives of the Technical Secretariat, if known, and, if applicable, the representatives of agencies or departments.

(b) SUBPOENAS.—In carrying out this Act, the Lead Agency may by subpoena require the attendance and testimony of witnesses and the production of reports, papers, documents, answers to questions and other information that the Lead Agency deems necessary. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In the event of contumacy, failure or refusal of any person to obey any such subpoena, any district court of the United States in which venue is proper shall have jurisdiction to order any such person to comply with such subpoena. Any failure to obey such an order of the court is punishable by the court as a contempt thereof.

(c) INJUNCTIONS AND OTHER ORDERS.—No court shall issue an injunction or other order that would limit the ability of the Technical Secretariat to conduct, or the United States National Authority or the Lead Agency to facilitate, inspections as required or authorized by the Chemical Weapons Convention.

SEC. 407. AUTHORITY.

(a) REGULATIONS.—The Lead Agency may issue such regulations as are necessary to implement and enforce this title and the provisions of the Chemical Weapons Convention, and amend or revise them as necessary.

(b) ENFORCEMENT.—The Lead Agency may designate officers or employees of the agency or department to conduct investigations pursuant to this Act. In conducting such investigations, those officers or employees may, to the extent necessary or appropriate for the enforcement of this Act, or for the imposition of any penalty or liability arising under this Act, exercise such authorities as are conferred upon them by other laws of the United States.

SEC. 408. SAVING PROVISION.

The purpose of this Act is to enable the United States to comply with its obligations under the Chemical Weapons Convention. Accordingly, in addition to the authorities set forth in this Act, the President is authorized to issue such executive orders, directives or regulations as are necessary to fulfill the obligations of the United States under the Chemical Weapons Convention, provided such executive orders, directives or regulations do not exceed the requirements specified in the Chemical Weapons Convention.

U.S. ARMS CONTROL AND
DISARMAMENT AGENCY,
Washington, DC, May 25, 1993.

Hon. ALBERT GORE, Jr.,
President, U.S. Senate.

DEAR MR. PRESIDENT: On behalf of the Administration, I hereby submit for consideration the "Chemical Weapons Convention Implementation Act of 1995." The Chemical Weapons Convention (CWC) was signed by the United States in Paris on January 13, 1993, and was submitted by President Clinton to the United States Senate on November 23, 1993, for its advice and consent to ratification. The CWC prohibits, inter alia, the use, development, production, acquisition, stockpiling, retention, and direct or indirect transfer of chemical weapons.

The President has urged the Senate to provide its advice and consent to ratification as early as possible so that the United States can continue to exercise its leadership role in seeking the earliest possible entry into force of the Convention. The recent chemical attacks in Japan underscore the importance of early ratification of the CWC and approval of this legislation.

The CWC contains a number of provisions that require implementing legislation to give them effect within the United States. These include:

International inspections of U.S. facilities;

Declarations by U.S. chemical and related industry; and

Establishment of a "National Authority" to serve as the liaison between the United States and the international organization established by the CWC and States Parties to the Convention.

In addition, the CWC requires the United States to prohibit all individuals and legal entities, such as corporations, within the United States, as well as all individuals outside the United States possessing U.S. citizenship, from engaging in activities that are prohibited under the Convention. As part of this obligation, the CWC requires the United States to enact "penal" legislation implementing this prohibition (i.e., legislation that penalizes conduct, either by criminal, administrative, military or other sanctions.)

The proposed "Chemical Weapons Convention Act of 1995" reflects views expressed from representatives of industry as well as from staff of various committees.

Expeditious enactment of implementing legislation is very important to the ability of the United States to fulfill its treaty obligations under the Convention. Enactment will enable the United States to collect the required information from industry and to allow the inspections called for in the Convention. It will also enable the United States to outlaw all activities related to chemical weapons, except CWC permitted activities, such as chemical defense programs. This will help fight chemical terrorism by penalizing not just the use, but also the development, production and transfer of chemical weapons. Thus, the enactment of legislation by the United States and other CWC States Parties will make it much easier for law enforcement officials to investigate and punish chemical terrorists early, before chemical weapons are used.

The Omnibus Budget and Reconciliation Act (OBRA) requires that all revenue and direct spending legislation meet a pay-as-you-go requirement. That is, no such bill should result in an increase to the deficit; and if it does, it could trigger a sequester if not fully offset. This proposal would increase receipts by less than $500,000 a year.

As the President indicated in his transmittal letter of the Convention: "The CWC is in the best interests of the United States. Its provisions will significantly strengthen United States, allied and international security, and enhance global and regional stability." Therefore, I urge the Congress to enact the necessary implementing legislation as soon as possible after the Senate has given its advice and consent to ratification.

The Office of Management and Budget advises that there is no objection to the submission of this proposal and its enactment is in accord with the President's program.

Sincerely,

JOHN D. HOLUM.

By Mr. HELMS (for himself, Mr. THURMOND, Mr. BROWN, Mr. GRASSLEY, Mr. LOTT, Mr. DEWINE, and Mr. FAIRCLOTH):

S. 1733. A bill to amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims, and for other purposes; to the Committee on the Judiciary.

THE CRIMES AGAINST CHILDREN AND ELDERLY PERSONS INCREASED PUNISHMENT ACT

Mr. HELMS. Mr. President, it's difficult to imagine an act more cowardly or reprehensible than a violent criminal act against a child, or an elderly person, or someone who is mentally or physically handicapped. But this dastardly criminality is becoming more and more common is society as a part of the general moral decay which is so painfully apparent in our cities and towns. Therefore, I am introducing a bill to strengthen the penalty for criminals who commit violent Federal crimes against children, the elderly, and those vulnerable due to mental or physical conditions.

Crimes against the vulnerable are soaring. For instance, according to the Bureau of Justice Statistics, personal crimes against the elderly increased by 90 percent between 1985 and 1991—from 627,318 in 1985 to 1,146,929 in 1991. Likewise, the homicide rate for children skyrocketed 47 percent between 1985 and 1993.

These are real victims, Mr. President, not just statistics. Just last month in Durham, NC, two mentally handicapped women were robbed at knife point. Earlier this year in Durham, a disabled Vietnam veteran—partially blind and with limited use of his legs—was robbed after exiting a Greyhound bus. And in my hometown of Raleigh, I recall the reports of a blind, 77-year-old lady who in 1993 was raped in her backyard.

These types of crimes are sick, outrageous, and revolting. Something must be done to make clear that this kind of depravity will be severely punished in the Federal system.

The Federal law must reflect our extreme repulsion against those who would victimize people who cannot defend themselves. This bill stiffens the punishment, by an average of 50 percent, for criminals who prey on the vulnerable in our society by committing violent crimes—including carjacking, assault, rape, and robbery. More specifically, this bill directs the U.S. Sentencing Commission to increase sentences by five levels above the offense level otherwise provided if a Federal violent crime is committed against a child, an elderly person or other vulnerable victim. By vulnerable I mean one whose physical or mental condition makes him susceptible to victimization by the thugs who commit these sorts of crimes.

This bill increases most of these sentences by about 50 percent. For example, a conviction of robbery against a senior or a child currently carries with it a base-offense level of 20, which translates into 2½ to 3½ years in prison. This bill raises the base-offense level to 25, jacking up the prison sentence for robbery to 4½ to 6 years.

Incidentally, Mr. President, a substantially similar bill, introduced by Representative DICK CHRYSLER of Michigan, was passed 414 to 4 last night in the House of Representatives. The American people are demanding that these loathsome cries against the vulnerable in our society receive the punishment they deserve. This bill moves us in the right direction, and I urge my colleagues in the Senate to move with dispatch to enact this bill.

By Mr. SPECTER (for himself, Mr. LEVIN, Mr. STEVENS, Mr. NUNN, Mr. COHEN, Mr. INOUYE, Mr. JEFFORDS, Mr. LEAHY, and Mr. KOHL):

S. 1734. A bill to prohibit false statements to Congress, to clarify congressional authority to obtain truthful testimony, and for other purposes; to the Committee on the Judiciary.

THE FALSE STATEMENTS PENALTY RESTORATION ACT

Mr. SPECTER. Mr. President, last year the Supreme Court overturned 40 years of statutory interpretation and held that the statute that prohibits making false statements to agencies of the Federal Government only prohibits false statements made to agencies of the executive branch.

There is no reason why Congress should receive less protection than the executive. The cardinal principle at stake is that in dealing with the Government, any agency of the Government, people must, in the words of Justice Holmes, "cut square corners," just as the Government must cut square corners in dealing with its citizens. One who lies to an entity of Government, be it an agency of the executive or a subcommittee of Congress, is under a justifiable expectation that if he or she lies, he or she will be punished.

This is not a difficult issue. For 40 years, Congress received the same protection as the executive. Anyone who lied knowingly and wilfully in a material way to either an executive agency or a component of Congress was subject to prosecution. In its Hubbard decision of last year, the Supreme Court took that protection away from Congress.

Let me offer some examples of the types of lies that can now knowingly be made without fear of criminal sanction. Recently Congress enacted lobbying disclosure. Lobbyists must make more thorough disclosures in filings with Congress. Knowing and material misstatements in these disclosure forms are no longer a basis for criminal prosecution. Many of us asks the General Accounting Office to investigate the operations of executive branch agencies. An employee of an agency being investigated by the GAO can now knowingly lie to a GAO investigator, or indeed a Senator, without having to fear criminal prosecution. Of course, if instead of the GAO the review was being conducted by an agency inspector general, then section 1001 would apply. This distinction cannot be justified.

Congress relies on accurate information to legislate, to oversee, to direct public policy. Unless the information coming to us is accurate, we are unable to fulfill our constitutional functions. This issue is a simple one. When someone provides information to Congress, its members, committees, or offices, that person should not knowingly provide untruthful information. So simple is this principle that I first offered legislation to overturn the Hubbard decision a week after it was decided. Since introduction of my bill, S. 830, I have been working with Senator LEVIN on the language of amended section 1001 and on some other ancillary matters.

The bill Senator LEVIN and I are introducing today will amend section 1001 to restore coverage for misstatements made to both Congress and the Federal judiciary, although it will codify the judiciary created exception to the pre-Hubbard section 1001 to exempt from its coverage statements made to a court performing an adjudicative function. The rational for this exception is that our adversary system relies on unfettered argument and the chilling effect from applying section 1001 to statements to a court adjudicating a case could be significant. In addition, cross-examination and argument from the other side is adequate to reveal misstatements in the judicial context.

No similar legislative-function exemption is proposed for statements made to Congress, and none is needed. Congress does not rely on cross-examination to get at the truth. Instead, we must rely on the truthfulness of statements made to us in the course of the performance of our official duties.

In addition to restoring section 1001 liability for misstatements made to Congress and the courts, this bill would restore force to the prohibition against obstructing congressional proceedings by narrowing the meaning of the provision. This amendment is needed to respond to a decision of the U.S. Court of Appeals for the District of Columbia Circuit which found the current statute too vague to be enforceable.

The bill also clarifies when officials of executive branch agencies can assert a privilege and decline to respond to inquiries from Congress. The bill requires that an employee of an executive agency would have to demonstrate that the head of the agency directed that the privilege be asserted. This will ensure that the assertion of the privilege is reviewed at the highest levels of the agency by someone accountable to the President and ultimately the people. It will also ensure that any privileges that are asserted are governmental privileges and not personal ones.

Finally, the bill would make a minor technical amendment to the statute allowing Congress to seek to take immunized testimony from witnesses by clarifying that the testimony can be taken either at proceedings before a committee or subcommittee or any proceeding ancillary to such proceedings, such as depositions.

Mr. President, I believe this is an important bill that will restore to the law of the land the principle that one cannot knowingly and wilfully lie about a material matter to Congress. I hope my colleagues will support this principle by supporting the bill, which I hope we can enact this year.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1734

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "False Statements Penalty Restoration Act".

SEC. 2. RESTORING FALSE STATEMENTS PROHIBITION.

Secion 1001 of title 18, United States Code, is amended to read as follows:

"§1001. Statements or entries generally

"(a) PROHIBITED CONDUCT.—

"(1) IN GENERAL.—A person shall be punished under subsection (b) if, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the United States Government, or any department, agency, committee, subcommittee, or office thereof, that person knowingly and willfully—

"(A) falsifies, conceals, or covers up, by any trick, scheme, or device, a material fact;

"(B) makes any materially false, fictitious, or fraudulent statement or representation; or

"(C) makes or uses any false writing or document, knowing that the document contains any materially false, fictitious, or fraudulent statement or entry.

"(2) APPLICABILITY.—This section shall not apply to statements, representations, writings, or documents submitted to a court in connection with the performance of an adjudicative function.

"(b) PENALTIES.—A person who violates this section shall be fined under this title, imprisoned for not more than 5 years, or both."

SEC. 3. CLARIFYING PROHIBITION ON OBSTRUCTING CONGRESS.

Section 1515 of title 18, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) As used in section 1505, the term 'corruptly' means acting with an improper purpose, personally or by influencing another, including, but not limited to, making a false or misleading statement, or withholding, concealing, altering, or destroying a document or other information.".

SEC. 4. ENFORCING SENATE SUBPOENA.

Section 1365(a) of title 28, United States Code, is amended in the second sentence, by striking "Federal Government acting within his official capacity" and inserting "Executive Branch of the Federal Government acting within his or her official capacity, if the head of the department or agency employing the officer or employee has directed the officer or employee not to comply with the subpena or order and identified the Executive Branch privilege or objection underlying such direction".

SEC. 5. COMPELLING TRUTHFUL TESTIMONY FROM IMMUNIZED WITNESS.

Section 6005 of title 18, United States Code, is amended—

(1) in subsection (a), by inserting "or ancillary to" after "any proceeding before"; and

(2) in subsection (b)—

(A) in paragraph (1) and (2), by inserting "or ancillary to" after "a proceeding before" each place it appears; and

(B) in paragraph (3), by inserting a period at the end.

• Mr. LEVIN. Mr. President, I am pleased to join with Senator SPECTER in sponsoring the False Statements Penalty Restoration Act.

Right now, it is a crime to make a false statement to the executive branch, if the false statement is made knowingly and willfully and is material in nature. This prohibition is contained in the Federal criminal code at 18 U.S.C. 1001.

Forty years ago, in 1955, the Supreme Court interpreted section 1001 to prohibit willful, material false statements not only to the executive branch, but also to the judicial and legislative branches. For 40 years, that was the law of the land, and it served this country well. But a recent Supreme Court decision has now drastically diminished the scope of this prohibition.

Last year, in a case called United States versus Hubbard, the Supreme Court reversed itself and 40 years of precedent and determined that 18 U.S.C. 1001 prohibits willful material false statements only to the executive branch, not to the judicial or legislative branch. It based its decision on the wording of the statute which doesn't explicitly reference either the courts or Congress.

The result has been the dismissal of indictments charging individuals with making willful, material false statements on expense reports or financial disclosure forms to Congress and the courts. Another consequence has been the exemption of all financial disclosure statements filed by judges and Members of Congress from criminal enforcement. Parity among the three branches has been reduced, and common sense has been violated, since, logically, the criminal status of a willful, material false statement shouldn't depend upon which branch of the Federal Government received it.

The bill we are introducing today would restore parity by amending section 1001 to make it clear that its prohibition against willful, material false statements applies to all three branches. The bill would essentially restore the status quo prior to Hubbard, including maintaining the longstanding exception for statements made to courts adjudicating disputes to ensure vigorous advocacy in the courtroom.

The false statements prohibition in section 1001 has proven itself a useful weapon against fraud, financial deception and other abuses that affect all three branches of Government. The Supreme Court gave no reason for reducing its usefulness, other than the Court's commitment to relying on the express words of the statute itself. Our bill would change those words to clarify Congress' intent to apply the same prohibition against willful, material false statements to all three branches.

Our bill would also correct a second court decision that has weakened longstanding criminal prohibitions against making false statements to Congress. The 50-year-old statute at issue here is 18 U.S.C. 1505 which prohibits persons from corruptly obstructing a congressional inquiry.

In 1991, in a dramatic departure from other circuits, the D.C. Circuit Court of Appeals held in United States versus Poindexter that the statute's use of the term "corruptly" was unconstitutionally vague and failed to provide clear notice that it prohibited an individual's lying to Congress. The Court held that, at most, the statute only prohibited a person from inducing another person to lie or otherwise obstruct a congressional inquiry; it did not prohibit a person from personally lying or obstructing Congress.

No other Federal circuit has taken this approach. In fact, other circuits have interpreted "corruptly" to prohibit false or misleading statements not only in section 1505, but in other Federal obstruction statutes as well, including section 1503 which prohibits obstructing a Federal grand jury. These circuits have interpreted the Federal obstruction statutes to prohibit not only false statements, but also withholding, concealing, altering or destroying documents.

The bill we are introducing today would affirm the interpretations of these other circuits by defining "corruptly" to mean "acting with an improper purpose, personally or by influencing another to act, including, but not limited to, making a false or misleading statement, or withholding, concealing, altering, or destroying a document or other information."

This definition would make it clear that section 1505 is intended to prohibit the obstruction of a congressional inquiry by a person acting alone as well as when inducing another to act. It would make it clear that this prohibition bars a person from making false or misleading statements to Congress and from withholding, concealing, altering or destroying documents requested by Congress.

Our bill would make clear the conduct that section 1505 was always meant to prohibit. It would also ensure that the prohibition against obstructing Congress is given an interpretation that is consistent with the obstruction statutes that apply to the other two branches of government.

Because congressional obstruction prosecutions are more likely within the District of Columbia than other jurisdictions, the 1991 D.C. Circuit Court ruling has had a disproportionate impact on the usefulness of 18 U.S.C. 1505 to Federal prosecutors. As with Hubbard, this court ruling has led to the dismissal of charges and the limitation of prosecutorial options. It is time to restore the strength and usefulness of the congressional obstruction statute as well as its parity with other obstruction statutes protecting the integrity of Federal investigations.

The final two sections of the bill clarify the ability of Congress to compel truthful testimony. Both provisions are taken from a 1988 bill, S. 2350, sponsored by then-Senator Rudman and cosponsored by Senator INOUYE. This bill passed the Senate, but not the House. The problems it addressed, however, continue to exist.

The first problem involves enforcing Senate subpoenas to compel testimony or documents. The Senate currently has explicit statutory authority, under 28 U.S.C. 1365, to obtain court enforcement of subpoenas issued to private individuals and State officials. This enforcement authority does not apply, however, to a Senate subpoena issued to a federal official acting in an official capacity, presumably to keep political disputes between the legislative and executive branches out of the courtroom. The problem here has been to determine when a subpoenaed official is acting in an official capacity when resisting compliance with a Senate subpoena.

The Specter-Levin bill would cure this problem by exempting from enforcement only those situations where Federal officials have been directed by their agency heads to exert a government privilege and resist compliance with the subpoena. Any official resisting a subpoena without direction from his or her agency head would be deemed acting outside his or her official capacity and would be subject to court enforcement.

The second problem involves compelling testimony from individuals who have been given immunity from criminal prosecution by Congress. In the past, some individuals granted immunity have refused to provide testimony in any setting other than a congressional hearing, because the relevant statute, 18 U.S.C. 6005, is limited to appearances "before" a committee, while the comparable judicial immunity statute, 18 U.S.C. 6003, applies to appearances "before or ancillary to" court and grand jury proceedings.

The bill would reword the congressional immunity statute to parallel the judicial immunity statute, and make it clear that Congress can grant immunity and compel testimony not only in committee hearings, but also in depositions conducted by committee members or committee staff. This provision, like the proceeding one, would improve the Senate's ability to compel truthful testimony and obtain requested documents. It would also bring greater consistency across the government in how immunized witnesses may be questioned. Again, both provisions were passed the Senate by unanimous consent once before.

Provisions to bar false statements and compel truthful testimony have been on the Federal statute books for 40 years or more. Recent court decisions and events have eroded the usefulness of some of these provisions as they apply to the courts and Congress. The bill before you is a bipartisan effort to redress some of the imbalances that have arisen among the branches in these areas. I urge you to join Senator SPECTER, myself, and our cosponsors in supporting swift passage of this important legislation.●

By Mr. PRESSLER (for himself, Mr. BRYAN, Mr. WARNER, Mr. BURNS, Mr. STEVENS, Mr. HOLLINGS, Mr. INOUYE, Mr. FORD, Mr. KERRY, Mr. BREAUX, Mr. DORGAN, Mr. AKAKA, Mr. COVERDELL, and Mr. JOHNSTON):

S. 1735. A bill to establish the U.S. Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States; to the Committee on Commerce, Science, and Transportation.

THE U.S. TOURISM ORGANIZATION ACT

Mr. PRESSLER. Mr. President, the travel and tourism industry is the second most productive in the world. In the United States, the tourism industry employs more than 6.3 million people—making it the second largest employer in the country.

Unfortunately, the United States is no longer the No. 1 tourist destination. As other nations have recognized the economic potential of tourism, the United States has allowed itself to fall behind. We must reverse this trend.

This week we celebrate National Tourism Week. To commemorate the important contributions of this great industry, I am introducing a bill to stimulate U.S. tourism. I plan to make it a major priority, as chairman of the Committee on Commerce, Science, and Transportation—and as cochair of the Senate Tourism Caucus—and as the Senator from one of the finest tourist destinations on Earth. My bill gives Federal charter to a new U.S. Tourism Organization—a nonprofit, nongovernmental group to promote U.S. tourism, both in this country and abroad.

Mr. President, this organization would be put together entirely through private-sector initiatives. It is designed as a public-private partnership—not an expensive new Government program. My bill would allow the U.S. Tourism Organization to raise funds through the development and sale of a tourism logo or emblem—much as is done today by the U.S. Olympic Committee. In addition, for an annual fee, American businesses could become members of the U.S. Tourism Organization. Membership would allow use of the logo for advertising and promotional efforts. Not only would this boost individual businesses, it also would advance the tourism industry as a whole.

My bill also would implement a national tourism strategy so that the United States can once again be the No. 1 tourist destination in the world. This is of critical importance to places like my home State of South Dakota.

In South Dakota, we depend upon our average tourism revenues of $1.24 billion. In fact, tourism is second only to agriculture as the most lucrative industry in South Dakota.

Ask anyone in Washington and they will tell you I am South Dakota's No. 1 travel agent.

Whether it is Sturgis Motorcycle Rally, where I enjoy riding my Harley

Davidson Softtail, a trip to Laura Ingalls Wilder's home in DeSmet, or the Prairie Dog Hunt in Winner—I am always looking for ways to promote South Dakota as a tourist destination.

Incidentally, I was able to ride my Harley in the beautiful Black Hills of South Dakota this weekend. I am leading a group of 600 motorcyclists there in 2 weeks. The Sturgis bike rally is one of the major events in the Nation—South Dakota really is a major tourist destination.

Visitors to my Washington office frequently ask about the beautiful panorama of Mount Rushmore which hangs in my reception area. Set in the heart of the Black Hills National Forest, the memorial is a shrine of American Presidential heroes: George Washington, Father of the Nation; Thomas Jefferson, author of the Declaration of Independence; Theodore Roosevelt, conservationist and trustbuster; and Abraham Lincoln, the great emancipator and preserver of the Union. More than 65 years after its conception, Mount Rushmore is still one of the most powerful symbols of America's democracy.

In my office, I also have a sign letting guests know that the infamous Wall Drug in Wall, SD is only 1,523 miles away. The store survived the Great Depression by serving free ice water to travelers. Today, Wall Drug boasts a restaurant, art gallery, gift shops, and of course, the drug store that started it all. I might add, the ice water is still free.

As part of my more official efforts, I recently wrote to every foreign ambassador in Washington encouraging them to promote South Dakota as a tourist destination. Not long after receiving my letter, the Ambassador from Austria visited South Dakota. I understand he enjoyed his visit very much. Foreign visitors are becoming our fastest growing tourist population. We welcome them.

The bill I am introducing today is designed to make it easier for foreign visitors to plan a trip to South Dakota. Among the many duties of the U.S. Tourist Organization is the development of a national travel and tourism strategy aimed at increasing foreign tourism in the United States.

I want the organization to aim at high technology. Earlier this year we passed the Telecommunications Act of 1996. This new law will unleash whole generations of communications technology. When I introduced the bill that became that law, I said the technology it would spur would benefit a wide variety of industries. This is a prime example. With technologies such as the World Wide Web, information on U.S. tourism can be made available to all corners of the globe.

Austrians could learn about the world-class Shrine to Music Museum in Vermillion. Kenyan safari hunters would be able find out when hunting season is in Redfield—the Pheasant Capital of the world. Dogsledders in the Yukon may want to try out the snowmobile trails of the Black Hills National Forest.

The use of the latest developments in communications technology could promote destinations like the city of Deadwood—one of the fastest growing tourist destinations in South Dakota. Deadwood's Main Street is lined with old-fashioned saloons and gaming halls—inspiring memories of the 1890's gold rush. You can still visit Saloon No. 10 where Wild Bill Hickock was shot—making famous his poker hand of aces and eights, the Deadman's hand.

Other legendary sites in South Dakota also would benefit. Near Garretson, SD lies Devil's Gulch—a deep rocky chasm, made famous by Jesse James. As you stand and look across Devil's Gulch, you can almost imagine Jesse's cry when, being chased by the law, he spurred his horse to leap across the 20-foot wide, 50-foot deep chasm and rode to freedom.

Of course, once the destination is decided, visitors would want to book accommodations, and arrange transportation and tour guides. However, in South Dakota, we have many small businesses which might not have the advertising budgets of the larger tours and resorts.

My bill is designed to promote all U.S. tourism interests—including both large and small business operations. To ensure this, the U.S. Tourism Organization would have a National Tourism Board, with 45 members, each representing a different aspect of the travel and tourism industry—from transportation, to accommodations, from dining and entertainment, to tour guides.

This provision would be particularly helpful to small business owners in South Dakota like Al Johnson who runs the Palmer Gulch Resort near Hill City. Or for Alfred Mueller, owner of Al's Oasis in Chamberlain—the famous home of the buffaloburger.

The U.S. Tourism Organization would partner the Federal Government with the men and women who are the tourism industry. This type of public-private partnership was discussed by South Dakotans like Vince Coyle, of Deadwood, and Julie Jensen, of Rapid City, when they attended the White House conference on tourism. Working together, we can make tourism the new key to this country's economic success.

This is our opportunity to forge ahead. There is no reason the U.S. travel and tourism should be relegated to the backseat any longer. I urge my colleagues to join me in the effort to once again make the United States the top tourist destination in the world.

With that, Mr. President, I send to the desk a bill to establish the U.S. Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States.

Mr. President, I see my colleague, Senator WARNER of Virginia, on the floor.

He is a champion of tourism. He has been a leader in the tourism industry since we came to the Senate together in 1978. I am proud he is joining in this effort to lead the charge to work for this bill's passage. We know that in the Department of Commerce and especially in the Undersecretary for Tourism's office there have been cutbacks. But this provides us with a vehicle to accomplish our goal to promote tourism, a vehicle of using public-private partnership. This is the spirit and the genius of free enterprise in our country. Senator WARNER has been at the forefront of that legislation, and I salute him, and I welcome him to help lead this charge.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, and I yield the floor to my friend from Virginia.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1735

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Tourism Organization Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the travel and tourism industry is the second largest retail or service industry in the United States, and travel and tourism services ranked as the largest United States export in 1995, generating an $18.6 billion trade surplus for the United States;

(2) domestic and international travel and tourism expenditures totaled $433 billion in 1995, $415 billion spent directly within the United States and an additional $18 billion spent by international travelers on United States flag carriers traveling to the United States;

(3) direct travel and tourism receipts make up 6 percent of the United States gross domestic product;

(4) in 1994 the travel and tourism industry was the nation's second largest employer, directly responsible for 6.3 million jobs and indirectly responsible for another 8 million jobs;

(5) employment in major sectors of the travel industry is expected to increase 35 percent by the year 2005;

(6) 99.7 percent of travel businesses are defined by the federal government as small businesses; and

(7) the White House Conference on Travel and Tourism in 1995 brought together 1,700 travel and tourism industry executives from across the nation and called for the establishment, by federal charter, of a new national tourism organization to promote international tourism to all parts of the United States.

SEC. 3. UNITED STATES TOURISM ORGANIZATION.

(a) ESTABLISHMENT.—There is established with a Federal charter, the United States Tourism Organization (hereafter in this Act referred to as the "Organization"). The Organization shall be a nonprofit organization. The Organization shall maintain its principal offices and national headquarters in the city of Washington, District of Columbia, and may hold its annual and special meetings in such places as the Organization shall determine.

(b) ORGANIZATION NOT A FEDERAL AGENCY.—Notwithstanding any other provision of the law, the Organization shall not be considered a Federal agency for the purposes of civil service laws or any other provision of Federal law governing the operation of Federal agencies, including personnel or budgetary matters relating to Federal agencies. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Organization or any entities within the Organization.

(c) DUTIES.—The Organization shall—

(1) facilitate the development and use of public-private partnerships for travel and tourism policymaking;

(2) seek to, and work for, an increase in the share of the United States in the global tourism market;

(3) implement the national travel and tourism strategy developed by the National Tourism Board under section 4;

(4) operate travel and tourism promotion programs outside the United States in partnership with the travel and tourism industry in the United States;

(5) establish a travel-tourism data bank and, through that data bank collect and disseminate international market data:

(6) conduct market research necessary for the effective promotion of the travel and tourism market; and

(7) promote United States travel and tourism.

(d) POWERS.—The Organization—

(1) shall have perpetual succession;

(2) shall represent the United States in its relations with international tourism agencies;

(3) may sue and be sued;

(4) may make contracts;

(5) may acquire, hold, and dispose of real and personal property as may be necessary for its corporate purposes;

(6) may accept gifts, legacies, and devices in furtherance of its corporate purposes;

(7) may provide financial assistance to any organization or association, other than a corporation organized for profit, in furtherance of the purpose of the corporation;

(8) may adopt and alter a corporate seal;

(9) may establish and maintain offices for the conduct of the affairs of the Organization;

(10) may publish a newspaper, magazine, or other publication consistent with its corporate purposes;

(11) may do any and all acts and things necessary and proper to carry out the purposes of the Organization; and

(12) may adopt and amend a constitution and bylaws not inconsistent with the laws of the United States or of any State, except that the Organization may amend its constitution only if it—

(A) publishes in its principal publication a general notice of the proposed alteration of the constitution, including the substantive terms of the alteration, the time and place of the Organization's regular meeting at which the alteration is to be decided, and a provision informing interested persons that they may submit materials as authorized in subparagraph (B); and

(B) gives to all interested persons, prior to the adoption of any amendment, an opportunity to submit written data, views, or arguments concerning the proposed amendment for a period of at least 60 days after the date of publication of the notice.

(e) NONPOLITICAL NATURE OF THE ORGANIZATION.—The Organization shall be nonpolitical and shall not promote the candidacy of any person seeking public office.

(f) PROHIBITION AGAINST ISSUANCE OF STOCK OR BUSINESS ACTIVITIES.—The Organization shall have no power to issue capital stock or to engage in business for pecuniary profit or gain.

SEC. 4. NATIONAL TOURISM BOARD.

(a) ESTABLISHMENT.—The Organization shall be governed by a Board of Directors known as the National Tourism Board (hereinafter in this Act referred to as the "Board").

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Board shall be composed of 45 members, and shall be self-perpetuating. Initial members shall be appointed as provided in paragraph (2). The Board shall elect a chair from among its members.

(2) FOUNDING MEMBERS.—The founding members of the Board shall be appointed, or elected, as follows:

(A) The Under Secretary of Commerce for International Trade Administration shall serve as a member ex officio.

(B) 5 State Travel Directors elected by the National Council of State Travel Directors.

(C) 5 members elected by the International Association of Convention and Visitor Bureaus.

(D) 3 members elected by the Air Transport Assocation.

(E) 1 member elected by the National Assocation of Recreational Vehicle Parks and Campgrounds; 1 member elected by the Recreation Vehicle Industry Association.

(F) 2 members elected by the International Association of Amusement Parks and Attractions.

(G) 3 members appointed by major companies in the travel payments industry.

(H) 5 members elected by the American Hotel and Motel Association.

(I) 2 members elected by the American Car Rental Association; 1 member elected by the American Automobile Association; 1 member elected by the American Bus Association; 1 member elected by Amtrak.

(J) 1 member elected by the National Tour Association; 1 member elected by the United States Tour Operators Association.

(K) 1 member elected by the Cruise Lines International Association; 1 member elected by the National Restaurant Association; 1 member elected by the National Park Hospitality Association; 1 member elected by the Airports Council International; 1 member elected by the Meeting Planners International; 1 member elected by the American Sightseeing International; 4 members elected by the Travel Industry Association of America.

(3) TERMS.—Terms of Board members and of the Chair shall be determined by the Board and made part of the Organization bylaws.

(c) DUTIES OF THE BOARD.—The Board shall—

(1) develop a national travel and tourism strategy for increasing tourism to and within the United States; and

(2) advise the President, the Congress, and members of the travel and tourism industry concerning the implementation of the national strategy referred to in paragraph (1) and other matters that affect travel and tourism.

(d) AUTHORITY.—The Board is hereby authorized to meet to complete the organization of the Organization by the adoption of a constitution and bylaws, and by doing all things necessary to carry into effect the provisions of this Act.

(e) INITIAL MEETINGS.—Not later than 30 days after the date on which all members of the Board have been appointed, the Board shall have its first meeting.

(f) MEETINGS.—The Board shall meet at the call of the Chair, but not less frequently than semiannually.

(g) COMPENSATION AND EXPENSES.—The chairman and members of the Board shall serve without compensation but may be compensated for expenses incurred in carrying out the duties of the Board.

(h) TESTIMONY, REPORTS, AND SUPPORT.—The Board may present testimony to the President, to the Congress, and to the legislatures of the State and issue reports on its findings and recommendations.

SEC. 5. SYMBOLS, EMBLEMS, TRADEMARKS, AND NAMES.

(a) IN GENERAL.—The Organization shall provide for the design of such symbols, emblems, trademarks, and names as may be appropriate and shall take all action necessary to protect and regulate the use of such symbols, emblems, trademark, and names under law.

(b) UNAUTHORIZED USE; CIVIL ACTION.—Any person who, without the consent of the Organization, uses—

(1) the symbol of the Organization;

(2) the emblem of the Organization;

(3) any trademark, trade name, sign, symbol, or insignia falsely representing association with, or authorization by, the Organization; or

(4) the words "United States Tourism Organization", or any combination or simulation thereof tending to cause confusion, to cause mistake, to deceive, or to falsely suggest a connection with the Organization or any Organization activity;

for the purpose of trade, to induce the sale of any goods or services, or to promote any exhibition shall be subject to suit in a civil action brought in the appropriate court by the Organization for the remedies provided in the Act of July 5, 1946 (60 Stat. 427; 15 U.S.C. 1501 et seq.), popularly known as the Trademark Act of 1946. Paragraph (4) of this subsection shall not be construed to prohibit any person who, before the date of enactment of this Act, actually used the words "United States Tourism Organization" for any lawful purpose from continuing such lawful use for the same purpose and for the same goods and services.

(c) CONTRIBUTORS AND SUPPLIERS.—The Organization may authorize contributors and suppliers of goods and services to use the trade name of the Organization as well as any trademark, symbol, insignia, or emblem of the Organization in advertising that the contributions, goods, or services were donated, supplied, or furnished to or for the use of, approved, selected, or used by the Organization.

(d) EXCLUSIVE RIGHT OF THE ORGANIZATION.—The Organization shall have exclusive right to use the name "United States Tourism Organization", the symbol described in subsection (b)(1), the emblem described in subsection (b)(2), and the words "United States Tourism Organization", or any combination thereof, subject to the use reserved by the second sentence of subsection (b).

SEC. 6. UNITED STATES GOVERNMENT COOPERATION.

(a) SECRETARY OF STATE.—The Secretary of State shall—

(1) place a high priority on implementing recommendations by the Organization; and

(2) cooperate with the Organization in carrying out its duties.

(b) DIRECTOR OF THE UNITED STATES INFORMATION AGENCY.—The Director of the United States Information Agency shall—

(1) place a high priority on implementing recommendations by the Organization; and

(2) cooperate with the Organization in carrying out its duties.

(c) TRADE PROMOTION COORDINATING COMMITTEE.—Section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) is amended—

(1) by striking out "and" at the end of subsection (c)(4);

(2) by striking the period at the end of subsection (c)(5) and inserting a semicolon and the word "and";

(3) by adding at the end thereof the following:

"(6) reflect recommendations by the National Tourism Board established under the United States Tourism Organization Act." and

(2) in paragraph (d)(1) by striking "and" in subparagraph (L), by redesignating subparagraph (M) as subparagraph (N), and by inserting the following:

"(M) the Chairman of the Board of the United States Tourism Organization, as established under the United States Tourism Organization Act; and".

SEC. 7. SUNSET.

If, by the date that is 2 years after the date of incorporation of the Organization, a plan for the long-term financing of the Organization has not been implemented, the Organization and the Board shall terminate.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank my distinguished colleague from South Dakota for his kind remarks. Indeed, I had earlier this year, in March, introduced S. 1623, a bill which in many respects has been incorporated, with my concurrence, in the bill that has just been sent to the desk, on which I am a principal cosponsor, as the Senator from South Dakota stated.

The Senator from South Dakota is the chairman of the Commerce Committee, which is the committee of primary jurisdiction for this issue. I think it is most proper that he take the lead, and I am happy to join him. I at this time urge that the 19 cosponsors—I was privileged to get 19 cosponsors on my bill—now direct their attention to this bill which will be the principal focal point for the deliberations in the committee as well as in this Chamber regarding this important subject.

It is very interesting that it is just 20 years ago that I began to take my, should we say, initial course in the importance of tourism. At that time, I was privileged to serve the President of the United States and, indeed, the Congress as the director of the Nation's bicentennial Federal effort. It quickly came to my attention, as it did to all involved in the bicentennial of the United States, that it would be a focal point that would draw visitors from all over the world. Indeed, it did. Millions and millions of people came from all over the world. In the years thereafter, those who could not come during, let us say, the years 1975–76, which was sort of the peak of the centennial—July 4, 1976, was the focal point—came years after because of the goodwill, the interest that was created by that celebration here in the United States.

It was my role to see that each of the States had equal opportunity, each of the villages and towns all across America had an equal opportunity to participate. If I may say, I was proud to, in many respects, keep the Federal effort down so it was not competitive with the creativity that took place all across our great land and also saved the taxpayers' dollars.

I might add that there was a small Federal administration created of which I was the head. We did our job, closed our doors and turned back to the Federal Treasury a considerable portion of the revenue that we had generated primarily through the sale of coins and other items with the national logo affixed thereto.

In the years I have been privileged to serve in the Senate, time and time again—indeed, initiated under Republican Presidents—was the effort to cut back the participation of the United States in facilitating tourism here in the United States with visitors from abroad. I resisted those efforts successfully for a number of years, but now, in this important era of our change of philosophy, namely, to let us move towards less Government and less Government spending, we accept the fact that the Federal Government is going to take a lesser role, and the purpose of this act is to try to pick up some of those responsibilities by the private sector at no cost to the taxpayers.

Therefore, I think it is important that all begin to give greater focus to travel and tourism in our Nation. Tourism means jobs, and that is the single most important thing in America today, in my judgment. As I travel about my State, there is the anxiety over jobs. It is job security that concerns not just the wage earner, or, in many instances, two wage earners in the family, but the whole family right on down to the children.

This is a means to create superb quality jobs at all levels, and it needs our support. Whether it be at the hotels, airlines, restaurants, campgrounds, amusement parks, or things that interest me and always have, the historical sites all across our great land, tourism works, and it works well.

Today marks National Tourist Appreciation Day during National Tourism Week. It is a small tribute to this job-impacted industry, which is the second leading provider of jobs in this Nation—just stop to think, the second leading provider of jobs in this country—and the third largest retail industry, giving the United States a $21 billion trade surplus.

Last year, visitors from abroad brought approximately $80 billion—let me repeat that—last year visitors coming to our United States from all over the world brought $80 billion to the U.S. economy, which is one-fifth of the total $400 billion provided to the economy by the travel and tourism industry.

Mr. PRESSLER. Will my friend yield for a question?

Mr. WARNER. Yes.

Mr. PRESSLER. I again commend my friend from Virginia for his great leadership. I think he found, in getting cosponsors for his original bill, there is bipartisan support for this. And I see our friend, Senator DICK BRYAN, who has done such an outstanding job on tourism and travel matters on his side of the aisle. He also has led the charge on tourism and supports this bill. Is it not true that my friend found great bipartisan support?

Mr. WARNER. Mr. President, very definitely. It is absolutely bipartisan support on this measure, and that is why I am very much encouraged that this bill will be very promptly addressed by the Senate and passed.

I hasten to add that while we got $80 billion last year, it is slipping. The number of persons coming to our shores is going down, going down, in my judgment, because we do not have the adequate funds to project the message beyond our shores—come, come share with us in this magnificent land of ours. And that is the purpose of this bill.

For the past several years, the United States' share of the international travel market has declined. Last year, 2 million fewer foreign visitors came to our shores and to visit our land. That was a 19-percent decline. This translated into 177,000 fewer travel-related jobs in our Nation.

Let us join in this legislation to reverse this decline. We need to attract more international tourists and enhance the travel experience of both domestic and international travelers. The United States must remain the destination of choice for world travelers.

I am pleased to join with my colleague from South Dakota in introducing the United States Tourism Organization Act. The bill builds on the foundation of support in Congress and in the industry established by S. 1623, the measure that I introduced in March, the Travel and Tourism Partnership Act. With the elimination of the U.S. Travel and Tourism Administration—that is the Federal role, which understandably, as Government shrinks, can no longer serve in this purpose—the United States, our Nation, will become the only major developed nation without a Federal tourism office.

We need a national strategy to maintain and increase our share of the global travel market. Other nations pour money, their tax dollars, into marketing, attempting to lure tourists to their shores, and they are doing so in a way that is taking them away from our United States. Our legislation will provide the tools with which the United States can better compete with these nations. We can counter these foreign promotion dollars with a combination of technical assistance from the Federal Government and financial assistance from the private sector.

This legislation will create a true public-private partnership between the travel and tourism industry and the public sector to effectively promote international travel to the United States. It supplants the big Government, top-down bureaucracy which was eliminated with the U.S. Travel and Tourism Administration. This bill establishes a Federal charter for a privately funded, nonprofit organization tasked with facilitating the development of increasing the United States share of the global tourism market. The travel tourism data bank will collect international market data for dissemination to the travel and tourism industry. It is my hope that the final bill will incorporate the technical assistance provisions that we included in S. 1623. The U.S. Tourism Organization will represent the United States in its relations with world tourism, and with other international agencies, and will be governed by the national tourism board.

This bill does not cost the taxpayer a nickel. No Federal funding is associated with the legislation. The bill includes a sunset provision which directs the U.S. Tourism Organization to develop a long-term financing plan within 2 years, encouraging ongoing industry support for its promotion efforts.

Travel industry leaders from around the Nation enthusiastically endorse the plan embodied in this bill. Let me just pause on that. This bill is a direct result of tremendous support all across the tourism industry. So it is a joint effort at the very inception with those of us in the legislative branch and those in the private sector.

The White House Conference on Travel and Tourism supported this amendment. Together, through the collective talent of both the organization and the board of directors, it is my hope that America will once again launch itself into the international tourism market and be a strong competitor, as it has been in years previously, again creating jobs here in our United States.

I encourage all 19 of my colleagues who supported S. 1623, the Travel and Tourism Partnership Act, which I introduced in March, to join in this initiative.

The Senator from South Dakota extolled, quite properly, the virtues of his State. I will not take time here today to extol the virtues of Virginia. But we are proud to be known as the Mother of Presidents. So much of the early history of our Nation, particularly the formation of the Government, devolved upon Virginians, to bring forth the ideas that we cherish today. Indeed, the very manual that rests on the President's desk is derivative of Mr. Jefferson's teachings years ago.

So Virginia will take second place to none. But I think in fairness we are here today to concentrate on this legislation. Indeed, our Governor, with the help of his lovely wife, is spending a great deal of time on the subject of tourism today, recognizing how important it is to the economy of our State. But it is also important that our State be understood all across America, particularly in the educational process, as to how it had a major role in the development of our Government today.

Mr. President, I yield the floor. I commend the distinguished Senator about to speak for his participation in this bill, Senator BRYAN.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada.

Mr. BRYAN. Mr. President, I thank my friend, the distinguished senior Senator from Virginia, Mr. WARNER, and the committee chairman, Senator PRESSLER, Senator HOLLINGS, Senator INOUYE, Senator FORD, Senator KERRY, Senator BREAUX, Senator DORGAN, Senator AKAKA, and Senator JOHNSTON for their leadership in introducing this bill which is the United States Tourism Organization Act.

Let me say, parenthetically, I hail from a State where tourism is far and above our largest single economic industry. It is the mainstream, the main spring for an economy which has grown more rapidly than any economy in America, added more new jobs, enjoys more economic growth and vitality. The southern part of the State, Las Vegas, will soon have 100,000 hotel rooms. That is larger than any city, not only in America, but in the world. And several new properties are on the drawing boards.

So tourism is something we understand in Nevada. From my former capacity as the chief executive of Nevada, I know that we work at the State level to establish the public-private partnership that my colleagues have alluded to earlier this afternoon in their remarks on the floor. So I am delighted to work with them in fashioning this piece of legislation.

Travel and tourism has been one of our country's great success stories. Tourism is the second largest employer in our Nation after health care. It employs, either directly or indirectly, 13 million Americans and has created jobs at more than twice the national average.

Travel and tourism generated $417 billion spending in 1994. International visitor spending accounted for $77 billion in foreign exchange, making it America's largest export.

Tourism generated a $22 billion net surplus in our trade balance. The opportunity that we have is ever so promising because international tourism is the most rapidly growing sector in the tourism market. By the year 2000, 4 years from now, more than 661 million people will be traveling throughout the world. That is twice as many people as traveled just a little more than a decade ago, in 1985.

Unfortunately, even as we look forward to anticipate the good news of expanded international travel, we reflect upon the fact that America's share of the world's tourism market is declining. In 1983, the United States enjoyed almost 19 percent of the world's tourism receipts. That has declined to 15.6 percent this year and is expected to shrink to 13.8 percent by the end of this decade.

The loss in the U.S. share of the world tourism market can be translated into a significant impact on our trade deficit and employment—jobs, as the distinguished Senator from Virginia pointed out. If we were able to keep our world tourism share from shrinking, we would improve our trade balance by $28 billion and increase employment in America by 370,000 persons by the year 2000.

Those are significant numbers by any measure. Very few industries can shape our economy to this extent. Until a few months ago, the Federal Government funded a tourism program effort that ranked 23d in the world in terms of dollars spent, putting the United States behind such countries as Tunisia and Malaysia. While this effort fell far short of what should have been, it was a worthwhile effort that produced tangible effects.

Under the skillful leadership of the Under Secretary of Travel and Tourism, Greg Farmer, USTTA was an effective organization and helped to create a favorable impression of our country to foreign tourists.

Although this bill enjoyed strong bipartisan support in the continuation of the agency for a transitional year, it was supported in the Senate; we had strong bipartisan support of Senator BURNS and Senator MCCONNELL. Unfortunately, in the House the action of the chairman of the House Appropriations Committee killed this minimal effort and left our country without any international tourism promotion, while at the same time our international competitors have impressive international tourism efforts, trying to entice America and other countries' citizens to visit their countries. The United States, as a result of this action, was unilaterally disarmed in the competition for international travel markets.

This was a bad decision, when we consider the great opportunities that we have to encourage visitors to this country this summer. As the distinguished occupant of the chair knows, we have, in an adjacent State to his own, the summer Olympic Games in Atlanta; an opportunity for people from around the world to stay and not only visit the Olympic Games but to see other parts of our country as well.

While the effort to continue the USTTA for the transitional year, as I have indicated, was unsuccessful—and I opposed what I considered a myopic approach—nevertheless, we do have an opportunity to recover. Last October the White House hosted the first ever White House Conference on Travel and Tourism. That conference came up with a series of recommendations from all segments of the tourism industry on how to improve our promotional efforts as a country.

Most significant was the recommendation to establish a public-private partnership for tourism promotion, and it is this legislation that traces its origins to the White House conference, generated by a broad sector of the tourism industry, that we embody in the legislation that we introduce today.

This legislation establishes, by a Federal charter, the U.S. Tourism Organization. The organization shall be nonprofit and shall implement the national travel and tourism strategy, operate travel and tourism promotion outside the United States, establish a travel and tourism data bank to collect and disseminate international market data and to conduct market research for the effective promotion of U.S. tourism.

The organization shall be governed by a board of directors which shall have 45 members and be known as the national tourism board, representing a broad and diverse cross-section of various public and private-sector tourism entities.

The tourism industry strongly supports this legislation. We are counting on them to turn this into a successful organization.

This legislation, incorporating a public-private sector partnership, is a model for how Government, industry, and labor should cooperate in promoting our national efforts. I hope we can swiftly pass this legislation and send it to the President so we can get on with our efforts to encourage more travel and tourism from abroad to the United States.

Mr. STEVENS. Mr. President, I have come to the floor today to speak briefly in support of S. 1735, a bill that will establish an independent U.S. Tourism Organization.

I am supportive, particularly, of the structure of the bill that Senator PRESSLER has put together. I want to commend him and the staff of the Commerce Committee for their hard work. They have fashioned a bill that has gotten strong bipartisan support here in the Senate.

We used the 1950 act that incorporates the U.S. Olympic Committee [USOC] as a model for this bill. That act was greatly expanded upon by the Amateur Sports Act of 1978 [ASA], and the concepts in S. 1735 draw much from the ASA.

The primary goal of the ASA was to create a strong, central authority to serve amateur athletics.

We are now creating a strong, central authority for the tourism industry, which will be called the U.S. Tourism Organization [USTO].

The USTO would have many of the same duties and powers as provided in the Amateur Sports Act for the U.S. Olympic Committee, including the authority to represent the United States internationally with respect to tourism and to adopt a constitution and bylaws. Like the U.S. Olympic Committee, the U.S. Tourism Organization would be required to be nonpolitical.

S. 1735 would specify the founding members of a board of directors for the U.S. Tourism Organization.

As with the ASA, S. 1735 would grant the USTO the authority to design appropriate symbols, emblems, trademarks, and names, and would make it a violation of the Trademark Act of 1946 for any person to use these without the consent of the USTO.

The Olympic Committee's ability to raise funds for its operations is almost entirely related to its exclusive rights under the ASA to Olympic symbols, and we hope the exclusive use of these will work as for the new USTO.

Significantly, as with the U.S. Olympic Committee, no Federal funding is associated with this legislation. This is an industry-funded and industry-directed initiative.

Supporting over 14 million jobs directly and indirectly, the travel and tourism industry is America's second largest employer. It is the third largest retail industry, generating an estimated $430 billion in expenditures. And it is good for State, local, and Federal Government, generating almost $60 billion a year in Federal, State, and local taxes.

Tourism is extremely important to my State of Alaska. Over 1 million people will visit Alaska this year; that's more visitors than there are State residents.

Tourists, both domestic and international, support 22,000 jobs in Alaska and $523 million in payroll. This year, tourists will spend $1.2 billion in my State.

I support this legislation, which would create the foundations of a strong, independent entity to promote travel and tourism in the United States. I urge my colleagues to support this bill.

By Mr. STEVENS:

S. 1736. A bill for the relief of Staff Sergeant Charles Raymond Stewart and Cynthia M. Stewart of Anchorage, Alaska, and their minor son, Jeff Christopher Stewart; to the Committee on the Judiciary.

PRIVATE RELIEF LEGISLATION

Mr. STEVENS. Mr. President, today I am introducing a private bill for a young Alaskan, Jeff Stewart. Jeff's father, Charles Stewart was a staff sergeant stationed in Germany in 1992. Jeff and his brother were playing when Jeff fell and fractured his hip. Jeff was taken to the Langstuhl Army Hospital's emergency room where an Army physician failed to diagnose his fractured hip. Jeff was sent home for bed rest. Two days later Jeff's mother took Jeff to the Air Force clinic at Ramstein Air Base because Jeff was still in intense pain. At Ramstein, Jeff was seen by an Air Force physician who also failed to diagnose his fractured hip and sent Jeff home for bed rest. Six days later Jeff's parents took him back to Ramstein where an Air Force nurse diagnosed his fractured hip.

Unfortunately, this diagnosis was too late to prevent permanent injury to Jeff. Jeff must now face a painful hip replacement operation every 7 to 10 years for the rest of his life.

My bill will not automatically compensate Jeff and his family; rather, it will allow them to bring suit in a U.S. court as they would have had a right to do if the treatment had occurred in the United States. Nor is this bill meant to infer negligence on the part of the United States or the military doctors that treated Jeff Stewart; rather it will give Jeff and his family the opportunity to explain their case to a judge who can make the final decision as to whether or not Jeff should be compensated.

By Mr. BUMPERS:

S. 1737. A bill to protect Yellowstone National Park, the Clarks Fork of the Yellowstone National Wild and Scenic River, and the Absaroka-Beartooth Wilderness Area, and for other purposes; to the Committee on Energy and Natural Resources.

THE YELLOWSTONE PROTECTION ACT OF 1996

Mr. BUMPERS. Mr. President, I rise to introduce a bill dealing with a proposed gold, silver, and copper mine to be operated by the Crown Butte Mining Co., a wholly-owned subsidiary of two Canadian companies, 2½ miles north of Yellowstone National Park.

They also propose to construct a 72-acre impoundment area with a dam that would be somewhere between 75 and 100 feet high, which would have a plastic lining on the bottom and some sort of a cap on top to keep oxygen away from the 5.5 million tons of tailings from the mining operation that would go into this impoundment area. The purpose of keeping the oxygen away from it is to keep the waste from turning into sulfuric acid.

The President of the United States flew over this area last summer and promptly thereafter, by Executive order, withdrew 19,100 acres of land in the Gallatin and Custer National Forests in Montana.

The President has the authority to segregate public lands, subject to valid existing rights, and keep that land from being used for mining purposes for a period of 2 years. Then the Secretary of the Interior has the right, pursuant to the Federal Lands Policy Management Act, to withdraw that land for 20 years.

My bill would prevent approximately 24,000 acres of Federal land in the area from being used for mining, subject to valid existing rights. My bill admittedly cannot legally stop Crown Butte from proceeding with the mine, assuming the proposed mine meets all of the environmental requirements. My bill and the President's action before my bill are designed to discourage them and dissuade them from doing it. I hope that Crown Butte, as good corporate citizens, will not force the issue and leave us to wonder whether or not this 5.5 million tons of tailings that they propose to impound there could possibly break loose and pollute Clarks Fork and Soda Butte Creek, which flows right into Yellowstone National Park.

The American Rivers Association has listed, for the last 3 years, the Clarks Fork of the Yellowstone River as the most threatened river in America. The World Heritage Convention, which consists of more than 135 nations that collaborate on what they consider to be sites of international significance, has declared Yellowstone National Park as endangered because of the proposed mine.

All of that does not have to tell us anything. I went to Yellowstone when I was 12 years old—breathtaking. I never forgot any part of it, the geysers, the magnificent waterfalls—all of it. Here is the first national park in America, Yellowstone, a crown jewel. To allow a mining company, in the interest of extracting $500 million to $700 million worth of gold, silver and copper, to threaten to destroy the first national park in America, one of the real crown jewels of the world, not just America, is absolutely unacceptable.

From a purely philosophical standpoint, I am an unrepentant environmentalist. I have not always been, because I never fully understood it until I came to the Senate. But I have come to the conclusion that if something is going to cause a lot of economic dislocation, cost a lot of jobs, and the environmental damage is temporary and can be fully, 100 percent mitigated, there are instances when that might be acceptable. But any time you cannot conclusively show that the environmental damage you are about to do cannot be mitigated, cannot be reversed, that is a no brainer to this Senator. While Crown Butte says that their impoundment area is a state-of-the-art method of impounding these horrible, environmentally devastating tailings from that gold operation, that is a no brainer for us not to do everything we can to stop it.

The American people share many heartfelt values. None is greater than the protection of our environment. Last year, when these savage assaults on the environment were proposed, the American people were vocally opposed and 74 percent of the people said they did not want to turn the clock back on the environment.

So I hope I will attract both Democratic and Republican cosponsors to this bill, because I know the Republicans in the U.S. Senate, for the most part, are environmentalists. I know they share my concerns about the possible ecological disaster that awaits us if we do not do something to stop this mining operation from ever opening its doors so near to Yellowstone.

Mr. President, I ask unanimous consent the bill which I now send to the desk be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1737

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Yellowstone Protection Act of 1996".

SEC. 2. FINDINGS.

(a) The Congress finds that—

(1) the superlative nature and scenic resources of the Yellowstone area led Congress in 1872 to establish Yellowstone National Park as the world's first national park;

(2) a 20.5 mile segment of the Clarks Fork of the Yellowstone River was designated in 1990 as a component of the National Wild and Scenic Rivers system, the only such designation within the State of Wyoming, in order to preserve and enhance the natural, scenic, and recreational resources of such segment;

(3) the Absaroka-Beartooth National Wilderness Area was designated in 1978 to protect the wilderness and ecological values of certain lands north and east of Yellowstone National Park;

(4) in recognition of its natural resource values and international significance, Yellowstone National Park was designated a World Heritage Site in 1978;

(5) past and ongoing mining practices have degraded the resource values of Henderson Mountain and adjacent lands upstream of Yellowstone National Park, the Absaroka-Beartooth National Wilderness Area and the Clarks Fork of the Yellowstone National Wild and Scenic River, and acid mine pollution and heavy metal contamination caused by such practices have polluted the headwater sources of Soda Butte Creek and the Lamar River, the Clarks Fork of the Yellowstone River and the Stillwater River;

(6) on September 1, 1995 approximately 19,100 acres of federal land upstream of Yellowstone National Park, the Clarks Fork of the Yellowstone National Wild and Scenic River and the Absaroka-Beartooth National Wilderness Area were segregated from entry under the general mining laws for a two-year period, in order to protect the watersheds within the drainages of the Clarks Fork of the Yellowstone River, Soda Butte Creek and the Stillwater River and to protect the water quality and fresh water fishery resources within Yellowstone National Park;

(7) because of proposed mineral development upstream of Yellowstone National Park, and other reasons, the World Heritage Committee added Yellowstone National Park to the "List of World Heritage in Danger" in December, 1995; and

(8) proposed mining activities in the area present a clear and present danger to the resource values of the area as well as those of Yellowstone National Park, the Clarks Fork of the Yellowstone National Wild and Scenic River and the Absaroka-Beartooth National Wilderness Area, and it is, therefore, in the public interest to protect these lands and rivers from such mining activities.

SEC. 3. PURPOSE.

The purpose of this Act is to make permanent the present temporary segregation of lands upstream of Yellowstone National Park, Absaroka-Beartooth National Wilderness Area and the Clarks Fork of the Yellowstone National Wild and Scenic River from entry under the general mining laws, restrict the use of certain federal lands, and to provide assurance that the exercise of valid existing mineral rights does not threaten the water quality, fisheries and other resource values of this area.

SEC. 4. AREA INCLUDED.

The area affected by this Act shall be comprised of approximately 24,000 acres of lands and interests in lands within the Gallatin and Custer National Forests as generally depicted on the map entitle "Yellowstone Protection Act of 1996". The map shall be on file and available for public inspection in the offices of the Chief of the Forest Service, Department of Agriculture, Washington, D.C.

SEC. 5. MINERALS AND MINING.

(a) WITHDRAWAL.—After enactment of this Act, and subject to valid existing rights, the lands segregated from entry under the general mining laws pursuant to the order contained on page 45732 of the Federal Register (September 1, 1995) shall not be:

(1) open to location of mining claims under the general mining laws of the United States;

(2) available for leasing under the mineral leasing and geothermal leasing laws of the United States; and

(3) available for disposal of mineral materials under the Act of July 31, 1947, commonly known as the Material Act of 1947 (30 U.S.C. 601 et seq.).

(b) LIMITATION ON PATENT ISSUANCE.—Subject to valid existing rights, no patents under the general mining laws shall be issued for any claim located in the area described in section 4.

(c) PROHIBITION.—(1) Subject to valid existing rights, no federal lands within the area described in section 4 may be used in connection with any mining related activity, except for reclamation.

(2) Subject to valid existing rights, no federal department or agency shall assist by loan, grant, license or otherwise in the development or construction of cyanide heap- or vat-leach facilities, dams or other impoundment structures for the storage of mine tailing, work camps, power plants, electrical transmission lines, gravel or rock borrow pits or mills within the area described in section 4. However, nothing in this section shall limit reclamation.

(d) RECLAMATION.—Any mining or mining related activities occurring in the area described in section 4 shall be subject to operation and reclamation requirements established by the Secretary of Agriculture, including requirements for reasonable reclamation of disturbed lands to a visual and hydrological condition as close as practical to their premining condition.

(e) MINING CLAIM VALIDITY REVIEWS.—The Secretary of Interior, in consultation with the Secretary of Agriculture, shall complete within three years of the date of enactment of this Act, a review of the validity of all claims under the general mining laws within the area described in section 4. If a claim is determined to be invalid, the claim shall be immediately declared null and void.

(f) PLANS OF OPERATION.—(1) The Secretary of Agriculture shall not approve a plan of operation for mining activities within the area described in section 4 that threatens to pollute groundwater or surface water flowing into Yellowstone National Park, the Clarks Fork of the Yellowstone National Wild and Scenic River or the Absaroka—Beartooth National Wilderness Area.

(2) Prior to granting an order approving a plan of operations for mining activities within the area described in section 4, the Secretary of Agriculture shall transmit the proposed plan of operation to the Secretary of Interior and the Administrator of the Environmental Protection Agency, and the Governors of Montana and Wyoming.

(3) Within 90 days of the date on which the proposed plan of operations is submitted for their review, the Secretary of Interior and the Administrator of the Environmental Protection Agency shall either (1) certify that the proposed plan of operation does not threaten to pollute groundwater or surface water flowing into Yellowstone National park, the Clarks Fork of the Yellowstone National Wild and Scenic River or the Absoraka-Beartooth National Wilderness Area or (2) make recommendations for any actions or conditions that would be necessary to obtain their certification that the proposed plan of operation will not threaten such pollution.

(4) The Secretary of Agriculture shall not approve a plan of operation unless (1) the Secretary of Interior and the Administrator of the Environmental Protection Agency provide the certification under subsection (f)(3) of this section or (2) the plan of operation is modified to adopt the recommendations made by them and (3) any comments submitted by the Governors of Montana and Wyoming are taken into account.

(5) The Secretary of Agriculture shall not approve a plan of operation for any mining activities within the area described in section 4 that requires the perpetual treatment of acid mine pollution of surface or groundwater resources.

(6) Prior to executing a final approval of the plan of operation, the Secretary of Agriculture shall transmit the proposed final plan to the President and Congress. The President and Congress shall have 6 months from the date of submittal to consider and review the final plan of operation, before the Secretary of Agriculture may execute any final approval of such plan.

By Mr. GRAMS:

S. 1738. A bill to provide for improved access to and use of the Boundary Waters Canoe Area Wilderness, and for other purposes; to the Committee on Energy and Natural Resources.

THE BOUNDARY WATERS CANOE AREA WILDERNESS ACCESSIBILITY AND PARTNERSHIP ACT OF 1996

Mr. GRAMS. Mr. President, I rise today to introduce legislation designed to resolve one of the longest and most heartfelt controversies in my home State of Minnesota: the future of the Boundary Waters Canoe Area Wilderness.

In 1978, 1 million acres in northern Minnesota were designated by Congress as our Nation's only lakeland-based Federal wilderness area.

This area was named the Boundary Waters Canoe Area Wilderness, or BWCAW.

Through this Federal designation, Congress rightfully acknowledged the need to protect the tremendous ecological and recreational resources existing within the BWCAW.

At the same time, however, Congress recognized that it was to be a multiple-use wilderness area, as first envisioned by Senator Hubert Humphrey back in 1964.

When Senator Humphrey included the region now known as the boundary waters in the National Wilderness System, he made that commitment to the people of Minnesota when he said "The Wilderness bill will not ban motorboats."

Respected preservationist Sigurd F. Olson reiterated Senator Humphrey's pledge, saying "Nothing in this act shall preclude the continuance within the area of already established use of motorboats."

In fact, it is safe to say that without those commitments to the people of Minnesota, it is doubtful whether this region would be a wilderness area today.

The 1978 legislation creating the boundary waters also included commitments allowing motorized uses of select lakes and portages.

Minnesotans were to be given reasonable access to recreation in the boundary waters. The region would be preserved as a national treasure that could be enjoyed by everyone.

But as time passed, those commitments were forgotten in Washington.

Since 1978, the people of northern Minnesota have been subjected to ever-increasing U.S. Forest Service regulations in the boundary waters.

Many in the area have seen their customs, cultures and traditions uprooted by federal regulations which have shut them out of the land they call home.

Definition changes and unreasonable permit restrictions are just a few of the administrative changes that have twisted the original intent of the boundary waters legislation, making the area less accessible for the people who live there.

This 18-year history of broken promises and creeping encroachment by the Federal Government has led to a region of our State being overtaken by Washington bureaucrats, their rules and regulations, and restrictions on public access and input.

It has turned the original boundary waters law on its head and prevented many of us from enjoying the same natural resources our mothers and fathers cared for over the years.

Enough is enough.

It is time to return to the original intent of the boundary waters legislation, to give the public access to the natural resources which surround them, and to give Minnesotans a say in how their land is managed. My legislation will do just that.

The Boundary Waters Canoe Area Wilderness Accessibility and Partnership Act is designed to achieve these goals with several modest, commonsense reforms.

First, it will allow the reinstatement of three motorized portages to assist in transporting boats between five lakes in the boundary waters region.

Prior to their closing in 1993, these portages were essential in transporting many of the elderly and disabled between motorized lakes in the BWCAW.

Because of the successful efforts of environmental extremists to close down the portages, these Minnesotans have found themselves unfairly shut out from the boundary waters because of their age or disability. Under my legislation, such discrimination will no longer be tolerated.

By reopening the portages, my bill will ensure that the boundary waters will be there for the enjoyment of all who visit, not just the young and strong.

Second, it will create a new Planning and Management Council charged with developing and monitoring a comprehensive management plan. This management council will consist of 11 members appointed by the Secretary of Agriculture and will include representatives from Federal, State, local, and tribal governments.

The management council will be authorized to create advisory councils made up of individuals representing civic, business, conservation, sportsperson, and citizen organizations.

All council meetings will be open to the public, who will be given opportunities to provide comment on agenda items. Minutes will be recorded at all meetings and made available for public inspection.

Under my legislation, public input will no longer be ignored—in fact, it will be encouraged as part of the management process.

Finally, my legislation will prohibit the Forest Service from issuing any additional regulations regarding the BWCAW between enactment of the bill and final approval of the management plan, except in cases of routine administration, law enforcement need, and emergencies.

All in all, the bill I introduce today is a modest and reasonable attempt to give back to the people one of their most basic rights: the freedom to enjoy our natural resources responsibly.

It comes as the result of two public field hearings in Minnesota, 9 hours of public testimony from 32 witnesses from Minnesota, and pages of documents, data, and public feedback.

It will increase public input and participation in the management of the boundary waters, creating a partnership between the Government and the people of Minnesota. And it will ensure the protection of this national treasure for generations to come.

This legislation has been a long time coming. For nearly 20 years, the people of Minnesota have waited patiently for the Federal Government to act on their behalf. They should not have to wait any longer. We must move expeditiously to ensure that their rights—as prescribed within this measure—are no longer held hostage by overzealous regulators and administrators from Washington.

The people of northern Minnesota deserve to finally have their voices heard in the Halls of Congress. Today, we take that first step.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1738

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Boundary Waters Canoe Area Wilderness Accessibility and Partnership Act of 1996".

SEC. 2. FINDINGS.

Congress finds that—

(1) the Boundary Waters Canoe Area Wilderness, located amidst the scenic splendor of the Minnesota-Ontario border, is and always will be a unique lakeland-based Federal wilderness unit that serves as 1 of the Nation's great natural ecosystems;

(2) the Boundary Waters Canoe Area Wilderness is a special wilderness area dedicated to appropriate public access and use through recognized motorized and nonmotorized recreational activities under protections and commitments in the Wilderness Act (16 U.S.C. 1131 et seq.) and Public Law 95-495 (92 Stat. 1649);

(3) intergovernmental cooperation that respects and emphasizes the role of State, local, and tribal governments in land management decisionmaking processes is essential to optimize the preservation and development of social, historical, cultural, and recreational resources; and

(4) the national interest is served by—

(A) improving the management and protection of the Boundary Waters Canoe Area Wilderness;

(B) allowing Federal, State, local, and tribal governments to engage in an innovative management partnership in Federal land management decisionmaking processes; and

(C) ensuring adequate public access, enjoyment, and use of the Boundary Waters Canoe Area Wilderness through nonmotorized and limited motorized means.

SEC. 3. MANAGEMENT CHANGES.

(a) USE OF MOTORBOATS.—

(1) LAC LA CROIX.—Section 4(c)(1) of Public Law 95-495 (92 Stat. 1650; 16 U.S.C. 1132 note) is amended by inserting "Lac La Croix, Saint Louis County;" after "Saint Louis County;".

(2) BASSWOOD, BIRCH, AND SAGANAGA LAKES.—Section 4(c) of Public Law 95-495 (92 Stat. 1650; 16 U.S.C. 1132 note) is amended—

(A) in paragraph (1)—

(i) by striking "except that portion generally" and all that follows through "Washington Island" and inserting "Lake County; Birch, Lake County"; and

(ii) by striking ", except for that portion west of American Point"; and

(B) by striking paragraph (4).

(3) SEA GULL LAKE.—Section 4(c) of Public Law 95-495 (92 Stat. 1650; 16 U.S.C. 1132 note) is amended—

(A) in paragraph (2), by striking "that portion generally east of Threemile Island,"; and

(B) in paragraph (3), by striking "Sea Gull, Cook County, that portion generally west of Threemile Island, until January 1, 1999;".

(b) DEFINITION OF GUEST.—The second proviso of section 4(f) of Public Law 95-495 (92 Stat. 1651; 16 U.S.C. 1132 note) is amended—

(1) by inserting "day and overnight" after "lake homeowners and their";

(2) by inserting "who buy or rent goods and services" after "resort owners and their guests"; and

(3) by inserting "or chain of lakes" after "shall have access to that particular lake".

(c) MOTORIZED PORTAGES.—Section 4 of Public Law 95-495 (92 Stat. 1651; 16 U.S.C. 1132 note) is amended by striking subsection (g) and inserting the following:

"(g) MOTORIZED PORTAGES.—Nothing in this Act shall prevent the operation of motorized vehicles and associated equipment to assist in the transport of a boat across the portages from the Moose Lake chain to Basswood Lake, from Fall Lake to Basswood Lake, and from Lake Vermilion to Trout Lake.".

SEC. 4. PLANNING AND MANAGEMENT COUNCIL.

Section 4 of Public Law 95-495 (92 Stat. 1650; 16 U.S.C. 1132 note) is amended by adding at the end the following:

"(j) PLANNING AND MANAGEMENT COUNCIL.—

"(1) ESTABLISHMENT.—There is established the Boundary Waters Canoe Area Wilderness Intergovernmental Council (referred to in this Act as the 'Council').

"(2) DUTIES OF THE COUNCIL.—The Council shall develop and monitor a comprehensive management plan for the wilderness in accordance with section 20.

"(3) MEMBERSHIP.—The Council shall be composed of 11 members, appointed by the Secretary, of whom—

"(A) 1 member shall be the Under Secretary for Natural Resources and Environment of the Department of Agriculture, or a designee;

"(B) 3 members shall be appointed, from recommendations by the Governor of Minnesota, to represent the Department of Natural Resources, the Office of Tourism, and the Environmental Quality Board, of the State of Minnesota;

"(C) 1 member shall be a commissioner from each of the counties of Lake, Cook, and Saint Louis from recommendations by each of the county board of commissioners;

"(D) 1 member shall be an elected official from the Northern Counties Land-Use Coordinating Board from recommendations by the Board;

"(E) 1 member shall be the State senator who represents the legislative district that contains a portion of the wilderness;

"(F) 1 member shall be the State representative who represents the legislative district that contains a portion of the wilderness; and

"(G) 1 member shall be an elected official of the Native American community to represent the 1854 Treaty Authority, from recommendations of the Authority.

"(4) ADVISORY COUNCILS.—

"(A) IN GENERAL.—The Council may establish 1 or more advisory councils for consultation, including councils consisting of members of conservation, sportsperson, business, professional, civic, and citizen organizations.

"(B) FUNDING.—An advisory council established under subparagraph (A) may not receive any amounts made available to carry out this Act.

"(5) QUORUM.—A majority of the members of the Council shall constitute a quorum.

"(6) CHAIRPERSON.—

"(A) ELECTION.—The members of the Council shall elect a chairperson of the Council from among the members of the Council.

"(B) TERMS.—The chairperson shall serve not more than 2 terms of 2 years each.

"(7) MEETINGS.—The Council shall meet at the call of the chairperson or a majority of the members of the Council.

"(8) STAFF AND SERVICES.—

"(A) STAFF OF THE COUNCIL.—The Council may appoint and fix the compensation of such staff as the Council considers necessary to carry out this Act.

"(B) PROCUREMENT OF TEMPORARY SERVICES.—The Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

"(C) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Council, on a reimbursable basis, such administrative support services as the Council requests.

"(D) PROVISION BY THE SECRETARY.—On a request by the Council, the Secretary shall provide personnel, information, and services to the Council to carry out this Act.

"(E) PROVISION BY OTHER FEDERAL DEPARTMENTS AND AGENCIES.—A Federal agency shall provide to the Council, on a reimbursable basis, such information and services as the Council requests.

"(F) PROVISION BY THE GOVERNOR.—The Governor of Minnesota may provide to the Council, on a reimbursable basis, such personnel and information as the Council may request.

"(G) SUBPOENAS.—The Council may not issue a subpoena nor exercise any subpoena authority.

"(9) PROCEDURAL MATTERS.—

"(A) GUIDELINES FOR CONDUCT OF BUSINESS.—The following guidelines apply with respect to the conduct of business at meetings of the Council:

"(i) OPEN MEETINGS.—Each meeting shall be open to the public.

"(ii) PUBLIC NOTICE.—Timely public notice of each meeting, including the time, place, and agenda of the meeting, shall be published in local newspapers and such notice may be given by such other means as will result in wide publicity.

"(iii) PUBLIC PARTICIPATION.—Interested persons shall be permitted to give oral or written statements regarding the matters on the agenda at meetings.

"(iv) MINUTES.—Minutes of each meeting shall be kept and shall contain a record of the persons present, an accurate description of all proceedings and matters discussed and conclusions reached, and copies of all statements filed.

"(v) PUBLIC INSPECTION OF RECORD.—The administrative record, including minutes required under clause (iv), of each meeting, and records or other documents that were made available to or prepared for or by the Council incident to the meeting, shall be available for public inspection and copying at a single location.

"(B) NEW INFORMATION.—At any time when the Council determines it appropriate to consider new information from a Federal or State agency or from a Council advisory body, the Council shall give full consideration to new information offered at that time by interested members of the public. Interested parties shall have a reasonable opportunity to respond to new data or information before the Council takes final action on management measures.

"(10) COMPENSATION.—

"(A) IN GENERAL.—A member of the Council who is not an officer or employee of the Federal government shall serve without pay.

"(B) TRAVEL EXPENSES.—While away from the home or regular place of business of the member in the performance of services for the Council, a member of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Federal Government service are allowed expenses under section 5703 of title 5, United States Code.

"(11) FUNDING.—Of amounts appropriated to the Forest Service for a fiscal year, the Secretary shall make available such amounts as the Council shall request, not to exceed $150,000 for the fiscal year.

"(12) TERMINATION OF COUNCIL.—The Council shall terminate on the date that is 10 years after the date of enactment of this subsection.".

SEC. 5. MANAGEMENT PLAN.

Section 20 of Public Law 95-495 (92 Stat. 1659; 16 U.S.C. 1132 note) is amended to read as follows:

"SEC. 20. MANAGEMENT PLAN.

"(a) SCHEDULE.—

"(1) IN GENERAL.—Not later than 3 years after the date of enactment of this subsection, the Council shall submit to the Secretary and the Governor of Minnesota a comprehensive management plan (referred to in this section as the 'plan') for the Boundary Waters Canoe Area Wilderness, to be developed and implemented by the responsible Federal agencies, the State of Minnesota, and local political subdivisions.

"(2) PRELIMINARY REPORT.—Not later than 1 year after the date of the first meeting of the Council, the Council shall submit a preliminary report to the Secretary describing the process to be used to develop the plan.

"(b) DEVELOPMENT OF PLAN.—

"(1) IN GENERAL.—In developing the plan, the Council shall examine all relevant issues, including—

"(A) year-round visitation consistent with the use levels established under this Act, including—

"(i) reform and simplification of the current day use and overnight use permit system;

"(ii) resolving discrepancies between actual permit use and absences; and

"(iii) defining the need for special permit policies for commercial uses;

"(B) the appropriate distribution of visitors in the wilderness; and

"(C) a comprehensive visitor education program.

"(2) CONDITIONS.—In carrying out subparagraphs (A) through (C) of paragraph (1), the Council shall—

"(A) be subject to relevant environmental law;

"(B) consult on a regular basis with appropriate officials of each Federal or State agency or local government that has jurisdiction over land or water in the wilderness;

"(C) consult with interested conservation, sportsperson, business, professional, civic, and citizen organizations; and

"(D) conduct public meetings at appropriate places to provide interested persons the opportunity to comment on matters to be addressed by the plan.

"(3) PROHIBITED CONSIDERATIONS.—The Council may not consider—

"(A) removing wilderness designation;

"(B) allowing mining, logging, or commercial or residential development; or

"(C) allowing new types of motorized uses in the wilderness, except as provided in this Act.

"(c) APPROVAL OF PLAN.—

"(1) SUBMISSION TO SECRETARY AND GOVERNOR.—The Council shall submit the plan to the Secretary and the Governor of Minnesota for review.

"(2) APPROVAL OR DISAPPROVAL BY THE SECRETARY.—

"(A) REVIEW BY THE GOVERNOR.—The Governor may comment on the plan not later than 60 days after receipt of the plan from the Council.

"(B) SECRETARY.—

"(i) IN GENERAL.—The Secretary shall approve or disapprove the plan not later than 90 days after receipt of the plan from the Council.

"(ii) CRITERIA FOR REVIEW.—In reviewing the plan, the Secretary shall consider—

"(I) the adequacy of public participation;

"(II) assurances of plan implementation from State and local officials in Minnesota;

"(III) the adequacy of regulatory and financial tools that are in place to implement the plan;

"(IV) provisions of the plan for continuing oversight by the Council of implementation of the plan; and

"(V) the consistency of the plan with Federal law.

"(iii) NOTIFICATION OF DISAPPROVAL.—If the Secretary disapproves the plan, the Secretary shall, not later than 30 days after the date of disapproval, notify the Council in writing of the reasons for the disapproval and provide recommendations for revision of the plan.

"(C) REVISION AND RESUBMISSION.—Not later than 60 days after receipt of a notice of disapproval under subparagraph (B) or (D), the Council shall revise and resubmit the plan to the Secretary for review.

"(D) APPROVAL OR DISAPPROVAL OF REVISION.—The Secretary shall approve or disapprove a plan submitted under subparagraph (C) not later than 30 days after receipt of the plan from the Council.

"(d) REVIEW AND MODIFICATION OF IMPLEMENTATION OF PLAN.—The Council—

"(1) shall review and monitor the implementation of the plan; and

"(2) may, after providing for public comment and after approval by the Secretary, modify the plan, if the Council and the Secretary determine that the modification is necessary to carry out this Act.

"(e) INTERIM PROGRAM.—Before the approval of the plan, the Council shall advise and cooperate with appropriate Federal, State, local, and tribal governmental entities to minimize adverse impacts on the values described in section 2.

"(f) FOREST SERVICE REGULATIONS.—During the period beginning on the date of enactment of this subsection and ending on the date a management plan is approved by the Secretary under subsection (c)(2), the Secretary may not issue any regulation that relates to the Boundary Waters Canoe Area Wilderness, except for—

"(1) regulations required for routine business, such as issuing permits, visitor education, maintenance, and law enforcement; and

"(2) emergency regulations.

"(g) STATE AND LOCAL JURISDICTION.—Nothing in this Act diminishes, enlarges, or modifies any right of the State of Minnesota or any political subdivision of the State to—

"(1) exercise civil and criminal jurisdiction;

"(2) carry out State fish and wildlife laws in the wilderness; or

"(3) tax persons, corporations, franchises, or private property on land and water included in the wilderness.".

By Mr. DOLE (for himself, Mr. ROTH, Mr. GRAMM, Mr. GRASSLEY, Mr. SIMPSON, Mr. PRESSLER, Mr. NICKLES, Mr. BENNETT, Mr. BOND, Mr. FAIRCLOTH, Mr. GRAMS, Mr. GREGG, Mr. KEMPTHORNE, Mr. KYL, Mr. LOTT, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. SMITH, Ms. SNOWE, Mr. SPECTER, Mr. STEVENS, Mr. THOMAS, Mr. THURMOND, and Mr. WARNER):

S. 1739. A bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent increase in the transportation motor fuels excise tax rates enacted by the Omnibus Budget Reconciliation Act of 1993 and dedicated to the general fund of the Treasury; to the Committee on Finance.

GAS TAX REPEAL LEGISLATION

Mr. DOLE. Mr. President, I rise today to introduce a bill that repeals the 4.3-cent gas tax increase imposed by President Clinton in his 1993 tax bill—a $265 billion increase—the largest in history.

I am confident that this legislation would pass immediately, and by a wide margin, if my Democratic colleagues would remove their objection to a vote.

As we all know, gas prices are at their highest level since the gulf war. This bill will provide much-needed tax relief to American travelers. I am happy to be joined by more than 20 of my colleagues who are cosponsoring this legislation to repeal the gas tax hike.

The 1993 tax increase raised fuel taxes on all modes of transportation by 4.3 cents per gallon. This tax increase was not dedicated to the highway trust fund to maintain and to improve our Nation's highways, roads, and bridges. Rather it was used to fund a larger and more pervasive Federal Government.

President Clinton and his Democratic colleagues would rather tax more and spend more than cut wasteful government spending. In 1993, they raised income, estate, and Social Security taxes. This $265 billion tax increase passed without a single Republican vote in either the House or the Senate.

And their taxes particularly hurt working Americans, making it harder for them to make ends meet. As we repeal the gas tax hike, 60 percent of the tax relief would go to Americans making less than $50,000 a year—almost half of the total relief would be for families making less than $40,000 a year.

These drivers probably didn't feel rich when the President increased their taxes in 1993, but they will certainly be better off when we repeal the tax hike.

I also would note that if the President had his way, gas prices would be rising yet again—by another 2.5 cents per gallon tax that would have begun on July 1, 1996—the last installment of a 7.5-cent-per-gallon tax that was part of his overall energy tax increase proposal. Republicans fought against that increase and this bill will remove the last vestige of the 1993 gas tax increase.

This legislation does not increase the budget deficit. It is paid for by reductions in the Department of Energy administrative overhead account, which includes the Secretary's travel budget. These Energy Department cost savings were proposed by the President in his latest budget. The bill also calls for a limited auction of Federal communications spectrum. Together, these offsets raise the $2.9 billion necessary to fund the repeal through 1996. I will work for a long-term repeal in the context of our efforts to eliminate the Federal budget deficit.

Repealing the 1993 gas tax is the fastest and surest way to lower gas prices. It will provide immediate relief—especially to American families who drive to their summer vacations.

The bill provides for an immediate tax credit for service station owners and others that purchase gas for resale to customers. This way they can pass the savings on to their customers as they have told us they will.

I urge my colleagues to support this effort.

Mr. President, I ask unanimous consent that the bill and additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURPOSE.

The purpose of this Act is to repeal the 4.3-cent increase in the transportation motor fuels excise tax rates enacted by the Omnibus Budget Reconciliation Act of 1993 and dedicated to the general fund of the Treasury.

SEC. 2. REPEAL OF 4.3-CENT INCREASE IN FUEL TAX RATES ENACTED BY THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993 AND DEDICATED TO GENERAL FUND OF THE TREASURY.

(a) IN GENERAL.—Section 4081 of the Internal Revenue Code of 1986 (relating to imposition of tax on gasoline and diesel fuel) is amended by adding at the end the following new subsection:

"(f) REPEAL OF 4.3-CENT INCREASE IN FUEL TAX RATES ENACTED BY THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993 AND DEDICATED TO GENERAL FUND OF THE TREASURY.—

"(1) IN GENERAL.—During the applicable period, each rate of tax referred to in paragraph (2) shall be reduced by 4.3 cents per gallon.

"(2) RATES OF TAX.—The rates of tax referred to in this paragraph are the rates of tax otherwise applicable under—

"(A) subsection (a)(2)(A) (relating to gasoline and diesel fuel),

"(B) sections 4091(b)(3)(A) and 4092(b)(2) (relating to aviation fuel),

"(C) section 4042(b)(2)(C) (relating to fuel used on inland waterways),

"(D) paragraph (1) or (2) of section 4041(a) (relating to diesel fuel and special fuels),

"(E) section 4041(c)(2) (relating to gasoline used in noncommercial aviation), and

"(F) section 4041(m)(1)(A)(i) (relating to certain methanol or ethanol fuels).

"(3) COMPARABLE TREATMENT FOR COMPRESSED NATURAL GAS.—No tax shall be imposed by section 4041(a)(3) on any sale or use during the applicable period.

"(4) COMPARABLE TREATMENT UNDER CERTAIN REFUND RULES.—In the case of fuel on which tax is imposed during the applicable period, each of the rates specified in sections 6421(f)(2)(B), 6421(f)(3)(B)(ii), 6427(b)(2)(A), 6427(l)(3)(B)(ii), and 6427(l)(4)(B) shall be reduced by 4.3 cents per gallon.

"(5) COORDINATION WITH HIGHWAY TRUST FUND DEPOSITS.—In the case of fuel on which tax is imposed during the applicable period, each of the rates specified in subparagraphs (A)(i) and (C)(i) of section 9503(f)(3) shall be reduced by 4.3 cents per gallon.

"(6) APPLICABLE PERIOD.—For purposes of this subsection, the term 'applicable period' means the period after the 6th day after the date of the enactment of this subsection and before January 1, 1997."

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 3. FLOOR STOCK REFUNDS.

(a) IN GENERAL.—If—

(1) before the tax repeal date, tax has been imposed under section 4081 or 4091 of the Internal Revenue Code of 1986 on any liquid, and

(2) on such date such liquid is held by a dealer and has not been used and is intended for sale,

there shall be credited or refunded (without interest) to the person who paid such tax (hereafter in this section referred to as the "taxpayer") an amount equal to the excess of the tax paid by the taxpayer over the amount of such tax which would be imposed on such liquid had the taxable event occurred on such date.

(b) TIME FOR FILING CLAIMS.—No credit or refund shall be allowed or made under this section unless—

(1) claim therefor is filed with the Secretary of the Treasury before the date which is 6 months after the tax repeal date, and

(2) in any case where liquid is held by a dealer (other than the taxpayer) on the tax repeal date—

(A) the dealer submits a request for refund or credit to the taxpayer before the date which is 3 months after the tax repeal date, and

(B) the taxpayer has repaid or agreed to repay the amount so claimed to such dealer or has obtained the written consent of such dealer to the allowance of the credit or the making of the refund.

(c) EXCEPTION FOR FUEL HELD IN RETAIL STOCKS.—No credit or refund shall be allowed under this section with respect to any liquid in retail stocks held at the place where intended to be sold at retail.

(d) DEFINITIONS.—For purposes of this section—

(1) the terms "dealer" and "held by a dealer" have the respective meanings given to such terms by section 6412 of such Code; except that the term "dealer" includes a producer, and

(2) the term "tax repeal date" means the 7th day after the date of the enactment of this Act.

(e) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (b) and (c) of section 6412 of such Code shall apply for purposes of this section.

SEC. 4. FLOOR STOCKS TAX.

(a) IMPOSITION OF TAX.—In the case of any liquid on which tax was imposed under section 4081 or 4091 of the Internal Revenue Code of 1986 before January 1, 1997, and which is held on such date by any person, there is hereby imposed a floor stocks tax of 4.3 cents per gallon.

(b) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(1) LIABILITY FOR TAX.—A person holding a liquid on January 1, 1997, to which the tax imposed by subsection (a) applies shall be liable for such tax.

(2) METHOD OF PAYMENT.—The tax imposed by subsection (a) shall be paid in such manner as the Secretary shall prescribe.

(3) TIME FOR PAYMENT.—The tax imposed by subsection (a) shall be paid on or before June 30, 1997.

(c) DEFINITIONS.—For purposes of this section—

(1) HELD BY A PERSON.—A liquid shall be considered as "held by a person" if title thereto has passed to such person (whether or not delivery to the person has been made).

(2) GASOLINE AND DIESEL FUEL.—The terms "gasoline" and "diesel fuel" have the respective meanings given such terms by section 4083 of such Code.

(3) AVIATION FUEL.—The term "aviation fuel" has the meaning given such term by section 4093 of such Code.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Treasury or his delegate.

(d) EXCEPTION FOR EXEMPT USES.—The tax imposed by subsection (a) shall not apply to gasoline, diesel fuel, or aviation fuel held by any person exclusively for any use to the extent a credit or refund of the tax imposed by section 4081 or 4091 of such Code is allowable for such use.

(e) EXCEPTION FOR FUEL HELD IN VEHICLE TANK.—No tax shall be imposed by subsection (a) on gasoline or diesel fuel held in the tank of a motor vehicle or motorboat.

(f) EXCEPTION FOR CERTAIN AMOUNTS OF FUEL.—

(1) IN GENERAL.—No tax shall be imposed by subsection (a)—

(A) on gasoline held on January 1, 1997, by any person if the aggregate amount of gasoline held by such person on such date does not exceed 4,000 gallons, and

(B) on diesel fuel or aviation fuel held on such date by any person if the aggregate amount of diesel fuel or aviation fuel held by such person on such date does not exceed 2,000 gallons.

The preceding sentence shall apply only if such person submits to the Secretary (at the time and in the manner required by the Secretary) such information as the Secretary shall require for purposes of this paragraph.

(2) EXEMPT FUEL.—For purposes of paragraph (1), there shall not be taken into account fuel held by any person which is exempt from the tax imposed by subsection (a) by reason of subsection (d) or (e).

(3) CONTROLLED GROUPS.—For purposes of this subsection—

(A) CORPORATIONS.—

(i) IN GENERAL.—All persons treated as a controlled group shall be treated as 1 person.

(ii) CONTROLLED GROUP.—The term "controlled group" has the meaning given to such term by subsection (a) of section 1563 of such Code; except that for such purposes the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in such subsection.

(B) NONINCORPORATED PERSONS UNDER COMMON CONTROL.—Under regulations prescribed by the Secretary, principles similar to the principles of subparagraph (A) shall apply to a group of persons under common control where 1 or more of such persons is not a corporation.

(g) OTHER LAW APPLICABLE.—All provisions of law, including penalties, applicable with respect to the taxes imposed by section 4081 of such Code in the case of gasoline and diesel fuel and section 4091 of such Code in the case of aviation fuel shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock taxes imposed by subsection (a) to the same extent as if such taxes were imposed by such section 4081 or 4091.

SEC. 5. BENEFITS OF TAX REPEAL SHOULD BE PASSED ON TO CONSUMERS.

(a) PASSTHROUGH TO CONSUMERS.—

(1) SENSE OF CONGRESS.—It is the sense of Congress that—

(A) consumers immediately receive the benefit of the repeal of the 4.3-cent increase in the transportation motor fuels excise tax rates enacted by the Omnibus Budget Reconciliation Act of 1993, and

(B) transportation motor fuels producers and other dealers take such actions as necessary to reduce transportation motor fuels prices to reflect the repeal of such tax increase, including immediate credits to customer accounts representing tax refunds allowed as credits against excise tax deposit payments under the floor stocks refund provisions of this Act.

(2) STUDY.—

(A) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the repeal of the 4.3-cent increase in the fuel tax imposed by the Omnibus Budget Reconciliation of 1993 to determine whether there has been a passthrough of such repeal.

(B) REPORT.—Not later than January 31, 1997, the Comptroller General of the United States shall report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives the results of the study conducted under subparagraph (A).

SEC. . AUTHORIZATION OF APPROPRIATIONS FOR EXPENSES OF ADMINISTRATION OF THE DEPARTMENT OF ENERGY.

Section 660 of the Department of energy Organization Act (42 U.S.C. 7270) is amended—

(1) by inserting "(a) IN GENERAL.—" before "APPROPRIATIONS"; and

(2) by adding at the end the following:

"(b) FISCAL YEARS 1997 THROUGH 2002.—There are authorized to be appropriated for salaries and expenses of the Department of Energy for departmental administration and other activities in carrying out the purposes of this Act—

"(1) $104,000,000 for fiscal year 1997;
"(2) $104,000,000 for fiscal year 1998;
"(3) $100,000,000 for fiscal year 1999;
"(4) $90,000,000 for fiscal year 2000;
"(5) $90,000,000 for fiscal year 2001; and
"(6) $90,000,000,000 for fiscal year 2002.".

SPECTRUM AUCTION

SEC. . SPECTRUM AUCTIONS.

(a) COMMISSION OBLIGATION TO MAKE ADDITIONAL SPECTRUM AVAILABLE BY AUCTION.—

(1) IN GENERAL.—the Federal communications Commission shall complete all actions necessary to permit the assignment, by March 31, 1998, by competitive bidding pursuant to section 309(j)) of licenses for the use of bands of frequencies that—

(A) individually span not less than 12.5 megahertz, unless a combination of smaller bands can, notwithstanding the provisions of paragraph (7) of such section, reasonably be expected to produce greater receipts;

(B) in the aggregate span not less than 25 megahertz;

(C) are located below 3 gigahertz; and

(D) have not, as of the date of enactment of this Act—

(i) been assigned or designated by Commission regulation for assignment pursuant to such section;

(ii) been identified by the Secretary of Commerce pursuant to section 113 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923); or

(iii) reserved for Federal Government use pursuant to section 305 of the Communications Act of 1934 (47 U.S.C. 305).

(2) CRITERIA FOR REASSIGNMENT.—In making available bands of frequencies for competitive bidding pursuant to paragraph (1), the Commission shall—

(A) seek to promote the most efficient use of the spectrum;

(B) take into account the cost to incumbent licensees of relocating existing uses to other bands of frequencies or other means of communication;

(C) take into account the needs of public safety radio services;

(D) comply with the requirements of international agreements concerning spectrum allocations; and

(E) take into account the costs to satellite service providers that could result from multiple auctions of like spectrum internationally for global satellite systems.

(b) FEDERAL COMMUNICATIONS COMMISSION MAY NOT TREAT THIS SECTION AS CONGRESSIONAL ACTION FOR CERTAIN PURPOSES.—The Federal Communication Commission may not treat the enactment of this Act or the inclusion of this section in this Act as an expression of the intent of Congress with respect to the award of initial licenses of construction permits for Advanced Television Services, as described by the Commission in its letter of February 1, 1996, to the Chairman of the Senate Committee on Commerce, Science, and Transportation.

TECHNICAL EXPLANATION OF S. 1739

1. Repeal of Transportation Motor Fuels Excise Tax

PRESENT LAW

The Omnibus Budget Reconciliation Act of 1993 imposed a permanent 4.3-cents-per-gallon excise tax on transportation motor fuels. Revenues from this tax are retained in the General Fund of the Treasury. This excise tax applies to fuels used in all transportation sectors: highway, aviation, rail, inland waterway shipping, and recreational boating. All fuels used in those transportation sectors (gasoline, diesel fuel, special motor fuels, compressed natural gas, jet fuel, and barge fuel) are subject to tax.

Statutorily, the 4.3-cents-per-gallon transportation motor fuels excise tax is imposed as an additional component of the rates of other motor fuels excise taxes.[1] Those other excise taxes typically are imposed as a financing source for Federal environmental and public works programs administered through Federal trust funds. The other excise taxes have scheduled expiration dates, which generally coincide with expiration of authorizing legislation for those Federal programs.

EXPLANATION OF PROVISION

The bill would repeal the 4.3-cents-per-gallon General Fund transportation motor fuels excise tax on fuel used in all transportation sectors currently subject to the tax during the period beginning seven days after enactment and ending after December 31, 1996. Statutorily this is accomplished by reducing the aggregate tax rate that otherwise would be imposed by 4.3 cents per gallon, or removing the denial of an exemption. The bill does not affect any of the motor fuels excise taxes that are dedicated funding sources for Federal environmental or public works trust fund programs.

Because the 4.3-cents-per-gallon transportation motor fuels excise tax (along with other applicable excise taxes on the same motor fuels) is imposed on certain motor fuels before the fuels reach the consumer level, the bill includes rules comparable to present-law "floor stocks refund" provisions that allow refunds to producers and dealers for fuel held for sale on the effective date of the tax reduction when the excise tax already has been paid. These refunds must be claimed by persons liable for payment of the tax, based on amounts of tax-paid fuel they own on the tax-reduction date and on documented claims from dealers that purchased tax-paid fuel from them and hold the fuel for sale on the tax-reduction date. These refunds are intended to be allowable either as refund claims filed with the Internal Revenue Service or as credits against required deposits and payments of other excise taxes owed by the claimants.

The bill further would impose floor stocks taxes, identical to those imposed in 1993, on taxable fuels held on January 1, 1997, when the tax-reduction period expires.

EFFECTIVE DATE

These provisions of the bill would be effective on the date of enactment for taxable fuels removed, entered, sold or used more than six days after that date and before January 1, 1997.

2. Sense of the Congress on Benefit to Ultimate Consumers

The bill includes a statement that it is the Sense of the Congress that the full benefit of repeal of the 4.3-cents-per-gallon transportation motor fuels excise tax be flowed through to consumers, and that persons receiving floor stocks refunds from the Internal Revenue Service immediately credit their customers' accounts to reflect those refunds.

3. Study

The bill directs the General Accounting Office to study the impact of repeal of the 4.3-cents-per-gallon transportation motor fuels excise tax and to report its findings to the Congress no later than January 31, 1997.

By Mr. NICKLES (for himself and Mr. DOLE):

S. 1740. A bill to define and protect the institution of marriage; to the Committee on the Judiciary.

THE DEFENSE OF MARRIAGE ACT

• Mr. NICKLES. Mr. President, today I am introducing a bill called the Defense of Marriage Act. It is a simple measure, limited in scope and based on common sense. It does just two things.

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[1] Because compressed natural gas ("CNG") is a gaseous fuel rather than a liquid, the rate of tax is stated as 48.54 cents per MCF, which was the statutory equivalent for CNG of the 4.3-cents-per-gallon tax rate enacted in 1993. The 48.54-cents-per-gallon rate is the only excise tax imposed on CNG.

The Defense of Marriage Act defines the words "marriage" and "spouse" for purposes of Federal law and allows each State to decide for itself with respect to same-sex marriages.

Most Americans will have a hard time understanding how our country has come to the point where such simple and traditional terms as "marriage" and "spouse" need to be defined in Federal law. But under challenge from courts, lawsuits and an erosion of values, we find ourselves at the point today that this legislation is needed.

This bill says that marriage is the legal union between one man and one woman as husband and wife, and spouse is a husband or wife of the opposite sex. There is nothing earth-shattering there. No breaking of new ground. No setting of new precedents. No revocation of rights.

Indeed, these provisions simply reaffirm what is already known, what is already in place, and what is already in practice from a policy perspective. This legislation seems quite unexciting yet it may still draw criticism. I do hope everyone will read and understand the scope of the legislation before drawing any conclusions.

The definitions are based on common understandings rooted in our Nation's history, our statutes and our case law. They merely reaffirm what Americans have meant for 200 years when using the words "marriage" and "spouse." The current United States Code does not contain a definition of marriage, presumably because most Americans know what it means and never imagined challenges such as those we are facing today.

This bill does not change State law, but allows each State to decide for itself with respect to same-sex marriage. It does this by exercising Congress's powers under the Constitution to legislate with respect to the full faith and credit clause. It provides that no State shall be required to give effect to any public act of any other State respecting a relationship between persons of the same sex that is treated as a marriage under the laws of such other State.

The Defense of Marriage Act is necessary for several reasons.

In May 1993, the Hawaii Supreme Court rendered a preliminary ruling in favor of three same-sex couples applying for marriage licenses. The court said the marriage law was discriminatory and violated their rights under the equal-rights clause of the State constitution.

Many States are concerned that another State's recognition of same-sex marriages will compromise their own law prohibiting such marriages. According to a March 11, 1996, Washington Times article, "legislators in 24 States have introduced bills to deny recognition of same-sex marriage. Two States—Utah and South Dakota—have already approved such laws, and 17 other states are now grappling with the issue—including Hawaii, where legislative leaders are fighting to block their own supreme court from sanctioning such marriages." Several other States have passed such laws since this article was written. This bill would address this issue head on and allow States to make the final determination concerning same-sex marriages without other States' law interfering.

Another reason this bill is needed now, concerns Federal benefits. The Federal Government extends benefits, rights, and privileges to persons who are married, and generally accepts a State's definition of marriage. This bill will help the Federal Government defend its own traditional and commonsense definitions of "marriage" and "spouse." If, for example, Hawaii gives new meaning to the words "marriage" and "spouse," the reverberations may be felt throughout the Federal Code unless this bill is enacted.

Another example of why we need a Federal definition of the terms "marriage" and "spouse" stems from experience during debate on the Family and Medical Leave Act of 1993. Shortly before passage of this act, I attached an amendment that defined "spouse" as "a husband or wife, as the case may be." When the Secretary of Labor published his proposed regulations, a considerable number of comments were received urging that the definition of "spouse" be "broadened to include domestic partners in committed relationships, including same-sex relationships." When the Secretary issued the final rules he stated that the definition of "spouse" and the legislative history precluded such a broadening of the definition. This amendment, which was unanimously adopted, spared a great deal of costly and unnecessary litigation over the definition of spouse.

These are just a few reasons for why we need to enact the Defense of Marriage Act. Enactment of this bill will allow States to give full and fair consideration of how they wish to address the issue of same-sex marriages instead of rushing to legislate because of fear that another State's laws may be imposed upon them. It also will eliminate legal uncertainty concerning Federal benefits, and make it clear what is meant when the words "marriage" and "spouse" are used in the Federal Code.

This effort hardly seems to be news as it reaffirms current practice and policy, but surely somehow, somewhere given today's climate, it will be. I believe the fact that it will be news—that some may even consider this legislation controversial—should make the average American stop and take stock of where we are as a country and where we want to go. Apathy and indifference among the American people is one of the great threats to our Nation's future.

This legislation is important. It is about the defense of marriage as an institution and as the backbone of the American family. I urge my colleagues and fellow Americans to join me in support of the Defense of Marriage Act.

I ask unanimous consent that the following two factsheets be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE DEFENSE OF MARRIAGE ACT

The Defense of Marriage Act (DOMA) is short, and it does just two things:

It provides that no State shall be required to give effect to a law of any other State with respect to a same-sex "marriage".

It defines the words "marriage" and "spouse" for purposes of Federal law.

Section 1 of the bill gives its title, the "Defense of Marriage Act".

Section 2 allows each State (or other political jurisdiction) to decide for itself with respect to same-sex "marriage". Section 2 of the bill will add a new section to Title 28, United States Code, as follows:

"Sec. 1738C. Certain acts, records, and proceedings and the effect thereof

"No State, territory, or possession of the United States, or Indian tribe, shall be required to give effect to any public act, record, or judicial proceeding of any other State, territory, possession, or tribe respecting a relationship between persons of the same sex that is treated as a marriage under the laws of such other State, territory, possession, or tribe, or a right or claim arising from such relationship."

This section of the bill is an exercise of Congress' powers under the "Effect" clause of Article IV, section 1 of the Constitution, which reads, "Full Faith and Credit shall be given in each State to the public Acts, Records, and judicial Proceedings of every other State. And the Congress may be general Laws prescribe the Manner in which such Acts, Records and Proceedings shall be proved, *and the Effect thereof*." [Emphasis added.]

Precedents. Congress has legislated before with respect to full faith and credit. The general provisions, 28 U.S.C. §§1738 & 1739, go back to the earliest days of the Republic. Act of May 26, 1790, 1 Statutes at Large, chap. XI. More recently, Congress has reinvigorated its powers under Article IV of the Constitution by enacting—

The Parental Kidnaping Prevention Act of 1980, Public Law 96-611, 94 Stat. 3569, codified at 28 U.S.C. §1738A (each State required to enforce child custody determinations made by home State if made consistently with the provisions of the Act);

The Full Faith and Credit for Child Support Orders Act [of 1994], Pub. L. 103-383, 108 Stat. 4064, codified at 28 U.S.C. §1738B (each State required to enforce child support orders made by the child's State if made consistently with the provisions of the Act); and

The Safe Homes for Women Act of 1994, Pub. L. 103-322, title IV, §40221(a), 108 Stat. 1930, codified at 18 U.S.C. §2265 (full faith and credit to be given to protective orders issued against a spouse or intimate partner with respect to domestic violence).

Section 3 contains definitions. It will amend Chapter 1 of Title 1 of the United States Code by adding the following new section:

"§7. Definition of 'marriage' and 'spouse'

"In determining the meaning of any Act of Congress, or of any ruling, regulation, or interpretation of the various administrative bureaus and agencies of the United States, the word 'marriage' means only a legal union between one man and one woman as husband and wife, and the word 'spouse' refers only to a person of the opposite sex who is a husband or a wife."

Section 3 merely restates the current understanding. The text reaffirms what Congress and the executive agencies have meant for 200 years when using the words "marriage" and "spouse"—a marriage is the legal union of a man and a woman as husband and wife, and a spouse is a husband or wife of the opposite sex.

Most of section 3 borrows directly from the current United States Code. The introductory phrases are taken from sections 1 and 6 of Title 1, and the definition of spouse is taken from paragraph 31 of section 101, Title 31. The current Code does not contain a definition of marriage, presumably because Americans have known what it means. Therefore, the definition of marriage in DOMA is derived most immediately from a Washington State case, *Singer* v. *Hara*, 522 P.2d 1187, 1191–92 (Wash. App. 1974), and this definition has now found its way into Black's Law Dictionary (6th ed. 1990). There are many similar definitions, both in the dictionaries and in the cases. For example, more than a century ago the U.S. Supreme Court spoke of the "union for life of one man and one woman in the holy estate of matrimony." *Murphy* v. *Ramsey*, 114 U.S. 15, 45 (1885).

Note that "marriage" is defined, but the word "spouse" is not defined but refers to. This distinction is used because the word "spouse" is defined at several places in the Code to include substantive meaning (e.g., Title II of the Social Security Act, 42 U.S.C. §§416 (a), (b), & (f), contains a definition of "spouse" that runs to dozens of lines), and DOMA is not meant to affect such substantive definitions. DOMA is meant to ensure that whatever substantive definition of "spouse" may be used in Federal law, the word refers only to a person of the opposite sex.

[Prepared by the Office of Senator Don Nickles]

THE DEFENSE OF MARRIAGE ACT IS NECESSARY NOW

The Defense of Marriage Act (DOMA) is a modest proposal. In large measure, it merely restates current law. Some may ask, therefore, if it is necessary. The correct answer is . . . it's essential, and it's essential now. A couple of examples will illustrate why:

Same-Sex "Marriages" in Hawaii. Prompted by a decision of its State Supreme Court, *Baehr* v. *Lewin*, 852 P.2d 44, reconsideration granted in part, 875 P.2d 225 (Haw. 1993), the people of Hawaii are in the process of deciding if their State is going to sanction the legal union of persons of the same sex. After Hawaii's high court acted, the legislature amended Hawaii's law to make it unmistakably clear that marriage is available only between a man and a woman, Act of June 22, 1994 (Act 217, §3), amending Hawaii Revised Statutes §572–1, but the issue still thrives in the courts, and a lower court may hand down a decision later this year.

If Hawaii sanctions same-sex "marriage", the implications will be felt far beyond Hawaii. Because Article IV of the U.S. Constitution requires every State to give "full faith and credit" to the "public Acts, Records, and judicial Proceedings" of each State, the other 49 States will be faced with recognizing Hawaii's same-sex "marriages" even though no State now sanctions such relationships. The Federal Government will have similar concerns because it extends benefits and privileges to persons who are married, and generally it uses a State's definition of marriage.

DOMA. The Defense of Marriage Act does not affect the Hawaii situation. It does not tell Hawaii what it must do, and it does not tell the other 49 States what they must do. If Hawaii or another State decides to sanction same-sex "marriage", DOMA will not stand in the way.

The Defense of Marriage Act does two things: First, it allows each State to decide for itself what legal effect it will give to another State's same-sex "marriages". This initiative is based on Congress' power under Article IV, section 1 of the Constitution to say what "effect" one State's acts, records, and judicial proceedings shall have in another State. Second, DOMA defines the words "marriage" and "spouse" for purposes of Federal law. Since the word "marriage" appears in more than 800 sections of Federal statutes and regulations, and since the word "spouse" appears more than 3,100 times, a redefinition of "marriage" or "spouse" could have enormous implication for Federal law.

The following examples illustrating DOMA's importance are from Federal law, but similar situations can be found in every State.

Veterans' Benefits. In the 1970s, Richard Baker, a male, demanded increased veterans' educational benefits because he claimed James McConnell, another male, as his dependent spouse. When the Veterans Administration turned him down, he sued, and the outcome turned on a Federal statute (38 U.S.C. §103(c)) that made eligibility for the benefits contingent on his State's definition of "spouse" and "marriage". The Federal courts rejected the claim for added benefits, *McConnell* v. *Nooner*, 547 F.2d 54 (8th Cir. 1976), because the Minnesota supreme court had already determined that marriage (which it defined as "the state of union between persons of the opposite sex") was not available to persons of the same sex. *Baker* v. *Nelson*, 191 N.W.2d 185 (Minn. 1971), dismissed for want of a substantial federal question, 409 U.S. 810 (1972).

If Hawaii changes its law, a *Baker* v. *Nelson*-type case based on Hawaiian law will create genuine risks to the Federal Government's consistent policy. The Defense of Marriage Act anticipates future demands such as that made in the veterans' benefits case, and it reasserts that the words "marriage" and "spouse" will continue to mean what they have traditionally meant.

Family and Medical Leave Act. The Family and Medical Leave Act of 1993 (FMLA), Pub. L. 103–3, 107 Stat. 6, requires that employees be given unpaid leave to care for a "spouse" who is ill.

Shortly before passage of the Act in the Senate, Senator Nickles attached an amendment defining "spouse" as "a husband or wife, as the case may be." That amendment proved essential when the regulations were written.

When the Secretary of Labor published his proposed regulations, he noted that a "considerable number of comments" were received urging that the definition of "spouse" "be broadened to include domestic partners in committed relationships, including same-sex relationships." However, the Nickles amendment precluded him from adopting an expansive definition of "spouse". The Secretary then quoted the Senator's remarks on the floor:

". . . This is the same definition [of 'spouse'] that appears in Title 10 of the United States Code (10 U.S.C. 101). Under this amendment, an employer would be required to give an eligible female employee unpaid leave to care for her husband and an eligible male employee unpaid leave to care for his wife. No employer would be required to grant an eligible employee unpaid leave to care for an unmarried domestic partner. This simple definition will spare us a great deal of costly and unnecessary litigation. Without this amendment, the bill would invite lawsuits by workers who unsuccessfully seek leave on the basis of the illness of their unmarried adult companions."

"*Accordingly*," continued the Secretary, "*given this legislative history, the recommendations that the definition of 'spouse' be broadened cannot be adopted.*" 60 Federal Register 2180, 2191–92 (Jan. 6, 1995) (emphasis added).

The Family and Medical Leave Act is an excellent example of how a little anticipation in the Legislative Branch can prevent a far-reaching, even revolutionary, change in American law.

[Prepared by the Office of Senator Don Nickles]•

ADDITIONAL COSPONSORS

S. 295

At the request of Mrs. KASSEBAUM, the name of the Senator from Utah [Mr. BENNETT] was added as a cosponsor of S. 295, a bill to permit labor management cooperative efforts that improve America's economic competitiveness to continue to thrive, and for other purposes.

S. 695

At the request of Mrs. KASSEBAUM, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 695, a bill to provide for the establishment of the Tallgrass Prairie National Preserve in Kansas, and for other purposes.

S. 983

At the request of Mr. FEINGOLD, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 983, a bill to reduce the number of executive branch political appointees.

S. 1035

At the request of Mr. DASCHLE, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 1035, a bill to permit an individual to be treated by a health care practitioner with any method of medical treatment such individual requests, and for other purposes.

S. 1423

At the request of Mr. GREGG, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1423, a bill to amend the Occupational Safety and Health Act of 1970 to make modifications to certain provisions, and for other purposes.

S. 1578

At the request of Mr. FRIST, the names of the Senator from Arizona

[Mr. McCAIN] and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1578, a bill to amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

S. 1596

At the request of Mr. MURKOWSKI, the names of the Senator from Alaska [Mr. STEVENS], the Senator from North Carolina [Mr. FAIRCLOTH], and the Senator from Idaho [Mr. KEMPTHORNE] were added as cosponsors of S. 1596, a bill to direct a property conveyance in the State of California.

S. 1610

At the request of Mr. BOND, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 1610, a bill to amend the Internal Revenue Code of 1986 to clarify the standards used for determining whether individuals are not employees.

S. 1623

At the request of Mr. WARNER, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 1623, a bill to establish a National Tourism Board and a National Tourism Organization, and for other purposes.

S. 1646

At the request of Mr. DOMENICI, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 1646, a bill to authorize and facilitate a program to enhance safety, training, research and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, and for other purposes.

S. 1687

At the request of Mr. KERRY, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1687, a bill to provide for annual payments from the surplus funds of the Federal Reserve System to cover the interest on obligations issued by the Financing Corporation.

AMENDMENTS SUBMITTED

THE WHITE HOUSE TRAVEL OFFICE EXPENSES AND FEES REIMBURSEMENT ACT

DOLE AMENDMENT NO. 3960

Mr. DOLE proposed an amendment to amendment No. 3955 proposed by him to the bill (H.R. 2937) for the reimbursement of legal expenses and related fees incurred by former employees of the White House Travel Office with respect to the termination of their employment in that Office on May 19, 1993; as follows:

"Strike the word "enactment" and insert the following:

enactment.

TITLE —FUEL TAX RATES

SEC. . REPEAL OF 4.3-CENT INCREASE IN FUEL TAX RATES ENACTED BY THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993 AND DEDICATED TO GENERAL FUND OF THE TREASURY.

(a) IN GENERAL.—Section 4081 of the Internal Revenue Code of 1986 (relating to imposition of tax on gasoline and diesel fuel) is amended by adding at the end the following new subsection:

"(f) REPEAL OF 4.3-CENT INCREASE IN FUEL TAX RATES ENACTED BY THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993 AND DEDICATED TO GENERAL FUND OF THE TREASURY.—

"(1) IN GENERAL.—During the applicable period, each rate of tax referred to in paragraph (2) shall be reduced by 4.3 cents per gallon.

"(2) RATES OF TAX.—The rates of tax referred to in this paragraph are the rates of tax otherwise applicable under—

"(A) subsection (a)(2)(A) (relating to gasoline and diesel fuel),

"(B) sections 4091(b)(3)(A) and 4092(b)(2) (relating to aviation fuel),

"(C) section 4042(b)(2)(C) (relating to fuel used on inland waterways),

"(D) paragraph (1) or (2) of section 4041(a) (relating to diesel fuel and special fuels),

"(E) section 4041(c)(2) (relating to gasoline used in noncommercial aviation), and

"(F) section 4041(m)(1)(A)(i) (relating to certain methanol or ethanol fuels).

"(3) COMPARABLE TREATMENT FOR COMPRESSED NATURAL GAS.—No tax shall be imposed by section 4041(a)(3) on any sale or use during the applicable period.

"(4) COMPARABLE TREATMENT UNDER CERTAIN REFUND RULES.—In the case of fuel on which tax is imposed during the applicable period, each of the rates specified in sections 6421(f)(2)(B), 6421(f)(3)(B)(ii), 6427(b)(2)(A), 6427(l)(3)(B)(ii), and 6427(l)(4)(B) shall be reduced by 4.3 cents per gallon.

"(5) COORDINATION WITH HIGHWAY TRUST FUND DEPOSITS.—In the case of fuel on which tax is imposed during the applicable period, each of the rates specified in subparagraphs (A)(i) and (C)(i) of section 9503(f)(3) shall be reduced by 4.3 cents per gallon.

"(6) APPLICABLE PERIOD.—For purposes of this subsection, the term 'applicable period' means the period after the 6th day after the date of the enactment of this subsection and before January 1, 1997."

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 3. FLOOR STOCK REFUNDS.

(a) IN GENERAL.—If—

(1) before the tax repeal date, tax has been imposed under section 4081 or 4091 of the Internal Revenue Code of 1986 on any liquid, and

(2) on such date such liquid is held by a dealer and has not been used and is intended for sale,

there shall be credited or refunded (without interest) to the person who paid such tax (hereafter in this section referred to as the "taxpayer") an amount equal to the excess of the tax paid by the taxpayer over the amount of such tax which would be imposed on such liquid had the taxable event occurred on such date.

(b) TIME FOR FILING CLAIMS.—No credit or refund shall be allowed or made under this section unless—

(1) claim therefor is filed with the Secretary of the Treasury before the date which is 6 months after the tax repeal date, and

(2) in any case where liquid is held by a dealer (other than the taxpayer) on the tax repeal date—

(A) the dealer submits a request for refund or credit to the taxpayer before the date which is 3 months after the tax repeal date, and

(B) the taxpayer has repaid or agreed to repay the amount so claimed to such dealer or has obtained the written consent of such dealer to the allowance of the credit or the making of the refund.

(c) EXCEPTION FOR FUEL HELD IN RETAIL STOCKS.—No credit or refund shall be allowed under this section with respect to any liquid in retail stocks held at the place where intended to be sold at retail.

(d) DEFINITIONS.—For purposes of this section—

(1) the terms "dealer" and "held by a dealer" have the respective meanings given to such terms by section 6412 of such Code; except that the term "dealer" includes a producer, and

(2) the term "tax repeal date" means the 7th day after the date of the enactment of this Act.

(e) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (b) and (c) of section 6412 of such Code shall apply for purposes of this section.

SEC. 4. FLOOR STOCKS TAX.

(a) IMPOSITION OF TAX.—In the case of any liquid on which tax was imposed under section 4081 or 4091 of the Internal Revenue Code of 1986 before January 1, 1997, and which is held on such date by any person, there is hereby imposed a floor stocks tax of 4.3 cents per gallon.

(b) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(1) LIABILITY FOR TAX.—A person holding a liquid on January 1, 1997, to which the tax imposed by subsection (a) applies shall be liable for such tax.

(2) METHOD OF PAYMENT.—The tax imposed by subsection (a) shall be paid in such manner as the Secretary shall prescribe.

(3) TIME FOR PAYMENT.—The tax imposed by subsection (a) shall be paid on or before June 30, 1997.

(c) DEFINITIONS.—For purposes of this section—

(1) HELD BY A PERSON.—A liquid shall be considered as "held by a person" if title thereto has passed to such person (whether or not delivery to the person has been made.)

(2) GASOLINE AND DIESEL FUEL.—The terms "gasoline" and "diesel fuel" have the respective meanings given such terms by section 4083 of such Code.

(3) AVIATION FUEL.—The term "aviation fuel" has the meaning given such term by section 4093 of such Code.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Treasury or his delegate.

(d) EXCEPTION FOR EXEMPT USES.—The tax imposed by subsection (a) shall not apply to gasoline, diesel fuel, or aviation fuel held by any person exclusively for any use to the extent a credit or refund of the tax imposed by section 4081 or 4091 of such Code is allowable for such use.

(e) EXCEPTION FOR FUEL HELD IN VEHICLE TANK.—No tax shall be imposed by subsection (a) on gasoline or diesel fuel held in the tank of a motor vehicle or motorboat.

(f) EXCEPTION FOR CERTAIN AMOUNTS OF FUEL.—

(1) IN GENERAL.—No tax shall be imposed by subsection (a)—

(A) on gasoline held on January 1, 1997, by any person if the aggregate amount of gasoline held by such person on such date does not exceed 4,000 gallons, and

(B) on diesel fuel or aviation fuel held on such date by any person if the aggregate amount of diesel fuel or aviation fuel held by such person on such date does not exceed 2,000 gallons.

The preceding sentence shall apply only if such person submits to the Secretary (at the time and in the manner required by the Secretary) such information as the Secretary shall require for purposes of this paragraph.

(2) EXEMPT FUEL.—For purposes of paragraph (1), there shall not be taken into account fuel held by any person which is exempt from the tax imposed by subsection (a) by reason of subsection (d) or (e).

(3) CONTROLLED GROUPS.—For purposes of this subsection—

(A) CORPORATIONS.—

(i) IN GENERAL.—All persons treated as a controlled group shall be treated as 1 person.

(ii) CONTROLLED GROUP.—The term "controlled group" has the meaning given to such term by subsection (a) of section 1563 of such Code; except that for such purposes the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in such subsection.

(B) NONINCORPORATED PERSONS UNDER COMMON CONTROL.—Under regulations prescribed by the Secretary, principles similar to the principles of subparagraph (A) shall apply to a group of persons under common control where 1 or more of such persons is not a corporation.

(g) OTHER LAW APPLICABLE.—All provisions of law, including penalties, applicable with respect to the taxes imposed by section 4081 of such Code in the case of gasoline and diesel fuel and section 4091 of such Code in the case of aviation fuel shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock taxes imposed by subsection (a) to the same extent as if such taxes were imposed by such section 4081 or 4091.

SEC. 5. BENEFITS OF TAX REPEAL SHOULD BE PASSED ON TO CONSUMERS.

(a) PASSTHROUGH TO CONSUMERS.—

(1) SENSE OF CONGRESS.—It is the sense of Congress that—

(a) consumers immediately receive the benefit of the repeal of the 4.3-cent increase in the transportation motor fuels excise tax rates enacted by the Omnibus Budget Reconciliation Act of 1993, and

(B) transportation motor fuels producers and other dealers take such actions as necessary to reduce transportation motor fuels prices to reflect the repeal of such tax increase, including immediate credits to consumers accounts representing tax refunds allowed as credits against excise tax deposit payments under the floor stocks refund provisions of this Act.

(2) STUDY.—

(A) IN GENERAL.—The Secretary of Energy, in consultation with the Attorney General of the United States and the Secretary of the Treasury, shall conduct a study of fuel prices during June, July, and August of 1996 to determine whether there has been a passthrough of the repeal of the 4.3-cent increase in the fuel tax imposed by the Omnibus Budget Reconciliation of 1993.

(B) REPORT.—Not later than September 30, 1996, the Secretary of Energy shall report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives the results of the study conducted under subparagraph (A).

SPECTRUM AUCTION

SEC. .SPECTRUM AUCTIONS.

(a) COMMISSION OBLIGATION TO MAKE ADDITIONAL SPECTRUM AVAILABLE BY AUCTION.—

(1) IN GENERAL.—The Federal Communications Commission shall complete all actions necessary to permit the assignment, by March 31, 1998, by competitive bidding pursuant to section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) of licenses for the use of bands of frequencies that—

(A) individually span not less than 12.5 megahertz, unless a combination of smaller bands can, notwithstanding the provisions of paragraph (7) of such section, reasonably be expected to produce greater receipts;

(B) in the aggregate span not less than 25 megahertz;

(C) are located below 3 gigahertz; and

(D) have not, as of the date of enactment of this Act—

(i) been assigned or designated by Commission regulation for assignment pursuant to such section;

(ii) been identified by the Secretary of Commerce pursuant to section 113 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923); or

(iii) reserved for Federal Government use pursuant to section 305 of the Communications Act of 1934 (47 U.S.C. 305).

(2) CRITERIA FOR REASSIGNMENT.—In making available bands of frequencies for competitive bidding pursuant to paragraph (1), the Commission shall—

(A) seek to promote the most efficient use of the spectrum;

(B) take into account the cost to incumbent licensees of relocating existing uses to other bands of frequencies or other means of communication;

(C) take into account the needs of public safety radio services;

(D) comply with the requirements of international agreements concerning spectrum allocations; and

(E) take into account the costs to satellite service providers that could result from multiple auctions of like spectrum internationally for global satellite systems.

(b) FEDERAL COMMUNICATIONS COMMISSION MAY NOT TREAT THIS SECTION AS CONGRESSIONAL ACTION FOR CERTAIN PURPOSES.—The Federal Communication Commission may not treat the enactment of this Act or the inclusion of this section in this Act as an expression of the intent of Congress with respect to the award of initial licenses of construction permits for Advanced Television Services, as described by the Commission in its letter of February 1, 1996, to the Chairman of the Senate Committee on Commerce, Science, and Transportation.

SEC. . AUTHORIZATION OF APPROPRIATIONS FOR EXPENSES OF ADMINISTRATION OF THE DEPARTMENT OF ENERGY.

Section 660 of the Department of Energy Organization Act (42 U.S.C. 7270) is amended—

(1) by inserting "(a) IN GENERAL.—" Before "APPROPRIATIONS"; and

(2) by adding at the end the following:

"(b) FISCAL YEARS 1997 THROUGH 2002.—There are authorized to be appropriated for salaries and expenses of the Department of Energy for departmental administration and other activities in carrying out the purposes of this Act—

"(1) $104,000,000 for fiscal year 1997;

"(2) $104,000,000 for fiscal year 1998;

"(3) $100,000,000 for fiscal year 1999;

"(4) $90,000,000 for fiscal year 2000;

"(5) $90,000,000 for fiscal year 2001; and

"(6) $90,000,000 for fiscal year 2002.".

TITLE —TEAMWORK AND MINIMUM WAGE

SEC. 01. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the escalating demands of global competition have compelled an increasing number of American employers to make dramatic changes in workplace and employer-employee relationships;

(2) these changes involve an enhanced role for the employee in workplace decision-making, often referred to as "employee involvement", which has taken many forms, including self-managed work teams, quality-of-worklife, quality circles, and joint labor-management committees;

(3) employee involvement structures, which operate successfully in both unionized and non-unionized settings, have been established by over 80 percent of the largest employers of the United States and exist in an estimated 30,000 workplaces;

(4) in addition to enhancing the productivity and competitiveness of American businesses, employee involvement structures have had a positive impact on the lives of those employees, better enabling them to reach their potential in their working lives;

(5) recognizing that foreign competitors have successfully utilized employee involvement techniques, Congress has consistently joined business, labor and academic leaders in encouraging and recognizing successful employee involvement structures in the workplace through such incentives as the Malcolm Baldrige National Quality Award;

(6) employers who have instituted legitimate employee involvement structures have not done so to interfere with the collective bargaining rights guaranteed by the labor laws, as was the case in the 1930s when employers established deceptive sham "company unions" to avoid unionization; and

(7) employee involvement is currently threatened by interpretations of the prohibition against employer-dominated "company unions".

(b) PURPOSES.—It is the purpose of this Act to—

(1) protect legitimate employee involvement structures against governmental interference;

(2) preserve existing protections against deceptive, coercive employer practices; and

(3) permit legitimate employee involvement structures where workers may discuss issues involving terms and conditions of employment, to continue to evolve and proliferate.

SEC. 02. AMENDMENT TO SECTION 8(a)(2) OF THE NATIONAL LABOR RELATIONS ACT.

Section 8(a)(2) of the National Labor Relations Act (29 U.S.C. 158(a)(2)) is amended by adding at the end thereof the following: "*Provided further*, That it shall not constitute or be evidence of an unfair labor practice under this paragraph for an employer to establish, assist, maintain or participate in any organization or entity of any kind, in which employees participate to address matters of mutual interest (including issues of quality, productivity and efficiency) and which does not have, claim or seek authority to negotiate or enter into collective bargaining agreements under this Act with the employer or to amend existing collective bargaining agreements between the employer and any labor organization;".

SEC. 03. CONSTRUCTION CLAUSE LIMITING EFFECT OF ACT.

Nothing in the amendment made by section 3 shall be construed as affecting employee rights and responsibilities under the National Labor Relations Act other than those contained in section 8(a)(2) of such Act.

SEC. 04. INCREASE IN THE MINIMUM WAGE RATE.

Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than $4.25 an hour during the period ending July 3, 1996, not less than $4.70 an hour during the year beginning July 4, 1996, and not less than $5.15 an hour after July 3, 1997;".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES, SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. CAMPBELL. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, May 16, 1996, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to review S. 621, a bill to amend the National Trails System Act to designate the Great Western Trail for potential addition to the National Trails System; H.R. 531, a bill to designate the Great Western Scenic Trail as a study trail under the National Trails System Act; S. 1049, a bill to amend the National Trails System Act to designate the route from Selma to Montgomery as a National Historic Trail; S. 1706, a bill to increase the amount authorized to be appropriated for assistance for highway relocation with respect to the Chicamauga and Chattanooga National Military Park in Georgia; S. 1725, a bill to amend the National Trails System Act to create a third category of long-distance trails to be known as national discovery trails and to authorize the American Discovery Trail as the first national discovery trail.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Parks, Historic Preservation, and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole of the subcommittee staff at (202) 224–5161.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. STEVENS. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold hearings regarding Russian organized crime in the United States.

This hearing will take place on Wednesday, May 15, 1996, in room 342 of the Dirksen Senate Office Building. For further information, please contact Harold Damelin or Daniel S. Gelber of the subcommittee staff at 224–3721.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Wednesday, May 8, 1996, beginning at 10 a.m. in room SH–215, to conduct a markup on international trade bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 8, 1996, at 10:30 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet in executive session during the session of the Senate on Wednesday, May 8, 1996, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, May 8, 1996, beginning at 9:30 a.m. until business is completed, to hold a hearing on campaign finance reform.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. MURKOWSKI. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on veterans' health care eligibility priorities. The hearing will be held on May 8, 1996, at 10 a.m., in room 418 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, May 8, 1996, at 2:45 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE TO INVESTIGATE WHITEWATER DEVELOPMENT CORPORATION AND RELATED MATTERS

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Special Committee to Investigate Whitewater Development Corporation and Related Matters be authorized to meet during the session of the Senate on Wednesday, May 8, and Thursday, May 9, 1996, to conduct hearings pursuant to Senate Resolution 120.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON YOUTH VIOLENCE

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Youth Violence be authorized to meet during the session of the Senate on Wednesday, May 8, 1996, at 10 a.m. to hold a hearing on "Youth Violence: Oversight of Federal Programs."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

RON BROWN'S SERVICE TO HIS COUNTRY

• Mrs. HUTCHISON. Mr. President, I wish to reflect briefly on the loss of life and tremendous talent our Nation suffered when, only days before Easter Sunday, 33 Americans—leaders in business and Government—perished in a storm off the coast of Croatia.

Each of these individuals was strongly committed to the idea that economic renewal is critical to achieving peace in that desperately war-torn land. Compassion for others in need drew all of them on their mission to the Balkans in an effort to help heal that desperate corner of the globe.

I particularly want to remember U.S. Secretary of Commerce Ron Brown. Charismatic and energetic, he inevitably devoted himself to the task at hand with all his heart and mind. His enthusiasm for public service was only equaled by an amazing ability to attain his goals. He lived the American success story by proving that everyone, through hard work and determination can achieve their heart's desire.

Ron Brown's immense personal popularity made his untimely death all the more sorrowful.

Born in Washington, DC, but raised in New York's Harlem, Secretary Brown attended Middlebury College in Vermont where he was the only black student in his class. After graduation he joined the U.S. Army and, serving as an officer, proudly represented his country abroad.

Following his military career he worked as a welfare caseworker in New York City while attending law school at night. An individual of enormous charm and wit, Ron Brown became the first African-American leader of a major political party in the United States. Regarding this historical achievement he stated, "I did not run on the basis of race, but I will not run away from it. I am proud of who I am."

President Clinton named Ron Brown to serve as U.S. Secretary of Commerce, the first African-American to occupy that post. He performed its duties with wisdom, dedication, and conscientious attention to detail. Secretary Brown more than anyone else in

Government, gave business a seat at the diplomatic table. Because of his friendship with and access to the President, the State Department was on constant notice that if our economic efforts overseas were not represented, Ron Brown stood ready to serve as their advocate.

Representing the United States around the world, he was America's premier salesman for what we have to offer—equality, opportunity, and abundance.

This April, bravely undertaking a mission into what had recently been a war zone and still was a potentially hostile region, Ron Brown proved to the world what those who knew him always took for granted: that he cared less for his personal safety than for the good of the people who live there.

In his own wonderful way, Ron Brown served as a peacekeeper. Working to establish international trade and business in the region, he offered its people the opportunity to rebuild a civil society.

Yes, the United States lost 33 lives, 33 talented individuals, each with an unlimited potential to achieve.

But we as a nation have also gained 33 luminous examples of ultimate dedication and compassion. These bright stars of self-sacrifice form an American constellation which can, if we let it, guide us forward with generosity and courage toward a better tomorrow for ourselves and all of our neighbors.•

ROBERT BELOUS

• Mr. JOHNSTON. Mr. President, I rise today to recognize the outstanding contributions of Robert Belous who, since January 1991, has served as the superintendent of Jean Lafitte National Historical Park and Preserve in Louisiana. Bob is retiring from the Park Service after more than 25 years of service and we in Louisiana will miss him very much.

Bob Belous has been an outstanding park superintendent and public servant. He has enthusiastically embraced a number of innovative and creative projects and programs related to the Jean Lafitte National Historical Park and Preserve. In addition, he has been very active and helpful in the creation and early beginnings of our newest park units in Louisiana, the New Orleans Jazz National Historical Park and the Cane River National Historical Park and Heritage Area.

Mr. President, Jean Lafitte is a very unique park unit. It's like a wheel with many spokes. Jean Lafitte consists of a French Quarter unit; the Barataria marsh unit, Chalmette, the site of the Battle of New Orleans in 1815; and two Cajun cultural centers in Eunice and Thibodaux, LA, that interpret Cajun history. This type of park is very difficult to administer. It takes a dedicated person of many interests, skills, and talents to bring together these diverse elements and resources into a coherent whole. Not only has Bob managed to accomplish this difficult task, but he has done it with flair and good humor.

Over the years, Bob Belous has always been available to provide assistance to me and my staff here in Washington as well as my offices in Louisiana, especially my New Orleans office. He has always provided us with sound professional advice and counsel. I know I speak for many people in Louisiana and all over the country when I wish Bob well in his retirement from the Park Service and thank him for his many contributions to our National Park System.•

SALUTE TO OKLAHOMA GIRL SCOUTS

• Mr. INHOFE. Mr. President, today I salute 10 outstanding young women from Oklahoma who have been honored by Red Lands Council of Girl Scouts in Oklahoma City, OK. Each has received the prestigious Girl Scouts of the USA Gold Award.

They were honored April 25, 1996, for earning the highest achievement award in Girl Scouting. The Girl Scout Gold Award symbolizes outstanding accomplishments in the areas of leadership, community service, career planning, and personal development. The Girl Scout Award can be earned by girls aged 14–17 or in grades 9–12.

Girl Scouts of the USA, an organization serving more than 2.5 million girls, has awarded more than 25,000 Girl Scout Gold Awards to Senior Girl Scouts since the inception of the program in 1980. To receive the award, a Girl Scout must fulfill five requirements: Earn four interest project patches, earn the Career Exploration pin, earn the Senior Girl Scout Challenge, and design and implement a Girl Scout Gold Award project. A plan for fulfilling the requirements of the award is created by the Senior Girl Scout and is carried out through close cooperation between the girl and adult Girl Scout volunteer.

As members of the Red Lands Council of Girl Scouts, these young women began working toward the Girl Scout Gold Award in 1995, and all completed their projects in the areas of leadership and community service.

The earning of the Girl Scout Gold Award is a major accomplishment deserving of special public recognition and commendation.

I salute the following girls for their accomplishments and for their service to their community and their country:

Melanie Brockman of Girl Scout Troop 55. She helped design, organize, and carry out a Special Kids Day. This was a program for the special education students in the community. The children were divided by age and abilities to provide them an opportunity to participate in normal activities. This very successful program gave each special education student a chance to feel good about themselves.

Kansas Conrady of Girl Scout Troop 569. She designed an overnight lock-in for sixth grade Junior Girl Scouts and Cadette Girl Scouts to discuss the contemporary issues of substance abuse, facing a family crisis, youth suicide, and teen pregnancy. Professionals were brought in to speak and share their knowledge with the girls, and the girls then participated in activities from the Contemporary Issues Program for Girl Scouts in a round robin format.

Melanie Foglesong of Girl Scout Troop 17. She undertook the massive project of cleaning and painting the Wichita Lodge at Camp Red Rock. She organized a work crew, collected supplies, and directed the cleanup from washing walls and windows through the painting of all the interior of the lodge.

Leslie Hooks. She planned a program to help Junior Girls Scouts through Senior Girls Scouts know the joys of sailing by learning the fundamentals of sailing and culminating in a hands-on sailing event.

Andrea Johnson of Girl Scout Troop 569. She created an informative video of Camp Red Rock and Camp Cookieland for the use of Red Lands Council of Girl Scouts to introduce the camp properties to prospective campers.

Danette Kniffin. She planned a program to teach girls of the community the art of canoeing. The program is designed for both beginning and intermediate canoers and included a basic water safety program.

Kimmie Kohl of Girl Scout Troop 55. She designed, organized, and carried out a Special Kids Day. This was a program for the special education students in the community. The children were divided by age and abilities to provide them an opportunity to participate in normal activities. This very successful program gave each special education student a chance to feel good about themselves.

Amanda Newman. She organized the first active Youth Red Cross Chapter in Blaine County. The goal of the organization is to be trained to help meet the emergencies of their community.

Ambra Prestage of Girl Scout Troop 55. She helped design, organize, and carry out a Special Kids Day. This was a program for the special education students in the community. The children were divided by age and abilities to provide them an opportunity to participate in normal activities. This very successful program gave each special education student a chance to feel good about themselves.

Nicole Robertson of Girl Scout Troop 127. She organized a Girls' Day Out to introduce the girls to the joys of being a Girls Scout. She also worked with the In-School Program for Red Lands Council Girl Scouts and helped bring the Scouting program to numerous girls.•

TRIBUTE TO MS. DANETTA FAITH FISHER-RAINING BIRD

• Mr. BURNS. Mr. President, I rise today to pay tribute to a young Montanan. Ms. Danetta Faith Fisher-Raining Bird has been awarded a Rockefeller Brothers Fund Fellowship, as 1 of 25 outstanding minority students entering the teaching profession.

The Rockefeller Brothers Fund is in their fifth year of awarding these fellowships and I am proud that Danetta joins with four other native Americans from Montana who have received this award since the award began. With the stiff competition nationwide, it took a very strong commitment to the education of minorities and to improving teaching in public schools to be selected. No doubt Danetta met that challenge.

This award will allow Danetta to take part in a summer project and to go on to graduate school to pursue further training in education or a related field. And once she begins teaching, the Rockefeller Brothers Fund will help with loan repayments. This is exactly the type of private sector involvement that our education system needs. And it is exactly what students like Danetta depend on in order to succeed these days.

I congratulate Danetta on this achievement. I know she will put this award to good use and I am hopeful that she will not only continue her studies in our great State, but use her valuable training to improve the education for other native Americans. I am proud of her as a Montanan and as a representative of our future and I wish her all the best.•

URI DEBATE TEAM DOES WELL IN LINCOLN-DOUGLAS DEBATE

• Mr. PELL. Mr. President, the University of Rhode Island debate team was honored last week at the Rhode Island State House, where the team members received citations for their recent outstanding performance at the National Forensics Association [NFA] Individual Events Nationals at Western Illinois University.

I understand that this competition, which was one of the largest in the history of NFA, drew 2,000 competitors representing 29 States. In the Lincoln-Douglas debate there were 92 competitors representing 33 different colleges and universities.

Rebecca Makris, Derek Young, Jonathan Cross, and Tara McErien represented the University of Rhode Island. During the six preliminary rounds the team defeated teams from Northeastern University, Simmons College, Oakland University, Colorado State University, Cornell University, Ohio University, Morgan State, and Central Michigan University.

Overall the winning record of the team placed them at 10th in the Nation and Rebecca Makris compiled an outstanding record, earning her a place as the 4th best debater in the competition.

Kristen Maar, director of the debate, states: "This is quite an accomplishment for the team and the University. The debaters that qualified for this national tournament were the best in the country, and to have Rebecca place fourth overall is a true achievement."

Coincidentally, the debate topic this year and the debate topic next year reflect some of my own interests in the Senate—the topics "United Nations" and "Education Reform."

This year's topic was "Resolved: That participation in one or more of the six principal bodies of the United Nations should be significantly restricted by altering the U.N. charter and/or rules of procedure."

The debate season will begin again in September, with the resolution dealing with education reform. The exact wording of the resolution will be released on August 1, 1996.

I want to commend the URI team for its excellent job and all the participants this year for their focus on the United Nations and key issues affecting our global future. I look forward to learning more about next year's debate.•

ORDER OF BUSINESS

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

THE WELL-BEING OF THE AMERICAN FAMILY

Mr. CRAIG. Mr. President, while our leaders are deciding the outcome of the evening and, more important, the outcome of a most important vote on the repeal of the gas tax, I guess I am surprised that the minority would not allow us to go forward to consider H.R. 2137.

We talk about the lack of security within the American family today, be it income security or job security. I know one thing that the American family is extremely concerned about, and that is the security and well-being of their own children. The House overwhelmingly has just voted on a law that will deal with the issue of sexual predators, Megan's law. I am amazed that we could not move swiftly, as the House has moved, to deal with this issue. I hope that we can deal with it.

I hope that the minority will not block us from dealing with it in the future. Clearly, it is something that has to be dealt with. The American people need to know that when these kinds of problems arise, and there are glitches within the legal system that allow young people like Megan to be destroyed, their lives to be taken by people who clearly never should have been let out of incarceration, that this Congress will deal with it.

Mr. President, on Monday of this week, I was reading in USA Today an article by Tony Snowe, where he was talking about the concern and uneasiness of the American family, whether it is the issue of sexual predators, or the loss of a job, or working a multiple of jobs to get ahead, or whether it is the fact that in his article the American family was experiencing income stagnation.

I thought it was interesting when he pointed out that prior to President Clinton being elected, the average family was looking at about 31.3 percent of the gross national product of this country being taken away in taxes. Now, that is up 1½ to 2 percent in this administration. And one of the greatest bites out of that, which dragged down the ability of the family to use their income or to use their salary increases, was the gas tax increase.

In my State of Idaho, with 1.3 million people, it is a big bite. This gas tax hike that, for the first time in our Nation's history, goes to welfare programs instead of roads, bridges and transportation systems, costs $32.1 million. And, boy, anybody who serves large rural States like mine knows that it strikes right at the heart of the productive sector of my State, whether it is the farmer, rancher, or the people who commute long distances, as nearly everybody in my State does, to the supermarket, to the business center, to visit, and to work. Those who are the working people of our society are the ones that are now paying even more.

I am amazed that our administration keeps talking about sticking it to the rich, soaking it to the rich. I am amazed they do not say, "And we soaked it to the worker, to the wage earner because we are sucking away from them at the gas pump an ever increasing amount of their income."

I also find it uniquely ironic that while taxes have ticked up aggressively in this administration from 30 percent of GDP to 31.3, that candidate Clinton in 1992 said he opposed increasing a gas tax, that he opposed increasing those kinds of taxes, he said they were regressive and unfair to working families, I am amazed that he somehow through what he may think is slight of hand or subterfuge created an omnibus tax bill and then, of course, says the way you pay them back is to force everybody to pay higher wages.

In my State of Idaho, that does not work because most of the people did not get higher wages, and a minimum wage increase would affect few of these kinds of people who are our farmers and ranchers and small business people and commuters who travel hundreds of miles daily, not 20 or 30, not down the street in the commuter bus, not on the Metrorail, but 50 miles one way to work and 50 miles home at night. And when it starts costing $20 or more, or $25 to fill the gas tank a couple of times a week, that is one very large bite out of the pocketbook of the American family.

I am amazed that this administration would even begin to drag its feet on that kind of reality. And while this Congress should be holding oversight hearings on the ramp up in gas prices, we ought to be responding immediately in the areas that we can respond in, and that is in the area of bringing this tax down and doing it in a way that makes sense.

I respect highly the move that our majority leader has made. That is the kind of responsiveness and leadership that we ought to be hearing from this Congress, and now we are locked up again, blocked, if you will, by the minority because they want it their way when the American people are saying: Wait a moment. Your way was to increase our taxes. Your way was not to give us economic opportunity. Your way was to create through the 1993 tax act and the budget an economy that did not produce like it should, that could have produced billions of dollars more, that lost 1.2 million jobs it otherwise would have created if the tax act pushed by, endorsed by, recommended by President Clinton had not gone through.

Now, that is from 1993 to 1996 that I use that figure. Those are real figures just being brought out by the Heritage Foundation. Absent the tax increase in 1993, this economy would have created 1.2 million more jobs. Last month, we did not create a job. Something is wrong in an economy, a growth economy like ours when our President says that the economy is good and we create no jobs, zero jobs.

I am sorry; I do not figure it the way you figure it, Mr. President. I look at these kinds of figures and while they may be statistics, in my State of Idaho they are real jobs; they are food on the family table; they are a little more gas in the gas tank; they are a few more dollars in savings; it is the new house purchased or the clothes bought for the kids. That is what job creation and economic vitality is all about.

When I mentioned 1.2 million jobs lost, not created by the tax increase, when we carry that through next year, that will be an estimated 1.4 million jobs. That is 40,400 new business starts that did not start, that did not happen. Those are real figures in this country. Why? Because the risk of taking that opportunity just was not there, the money was not available because it was drained into the public sector to go out in ways that some of us would question whether it was productive or not. That is a loss of $138 billion in personal savings or maybe 1.3 million new cars and light truck sales. If you sell the cars, you have to produce the cars.

That is what the economy now tells us could have happened had we had not taxed it at the rate that Bill Clinton and the Democrats taxed it in the 1993 tax act. That is $42.5 billion in durable goods orders that were not ordered. The list goes on and on.

We have always known that the way you get out of the financial troubles our Government is in is to expand the economic pie, create new jobs and from that take a reasonable tax to pay for the largesse of Government while at the same time trying to reduce the growth rate, trying to control it. You do not continue to tax or you get the kind of uneasiness that I think is now being experienced by the American people when they say: Well, yes, I still have my job but the reality is I did not get a pay increase. More importantly, I still have my job but I am paying higher taxes with no pay increase. So what I have is less buying power, less ability to provide for my children, and in this instance for working women in our society they took the greater hit once again in a slow, flat economy of the kind that was produced by this tax increase.

So let us move on. Let us repeal the gas tax. Let us return billions of dollars to the American consumers, to the American entrepreneur, to the American small business person, to the job creators and to the workers of our society. That is where productivity comes from. That is what will grow us out of our problems.

I urge this Senate, most importantly I urge my colleagues on the other side to work with us to solve this problem, not to block us, not to force us into stagnation and not to say to the American people once again we hear you but we just do not feel your pain.

I yield back the remainder of my time, Mr. President.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I will not take but just a moment.

REPEAL OF THE GAS TAX

Mr. FORD. Mr. President, earlier, we were required and asked to object to a bill being brought up without being notified, and that was Megan's law. We did not know anything about it until it was offered, at least I did not. We did not have an opportunity. What we do around here is hotline to see if any Senators have any objection or if they have any amendments. And so we knew that there were amendments and we would like to improve the bill. And so therefore we were required to object.

I do not think there was any motive there to stop the law. It will pass. We just had some Senators I think who wanted an opportunity to amend. And so I think that is where we are on the debate here. We talk about the tax, 4.3 cents. You would think it was going to save the world. But the minute we take it off and we do not assure that the consumer will receive it, the oil companies increase it a nickel.

I bought gasoline last night, 2 cents higher today. We did not take the tax off and have not changed anything. We put the tax on 3 years ago, gasoline went down. They were telling us put on more tax; maybe it will be cheaper. Mr. President, 3.8 million barrels of gasoline is what is being used today, about 8.4 is the maximum amount of gasoline that can be produced in this country today. That is running it at full speed. And we have not had a new refinery in over 20 years.

So what you are going to find, taking the speed limit off, taking the speed limit off has helped. Four of every 10 vehicles purchased get only 14 miles to the gallon. And so regardless of what we do here, we lose.

Now, if we do not want to reduce the deficit, you have to offset it from something else. How are you going to offset it? They threw out slurringly on Sunday they were going to take it out of education—you know, I hate Government anyhow. That was the statement. Well, they had to retract that the next day. And how are you going to offset it?

So what we would like to do, or what I would like to do is to find out how you could assure that the consumer gets 4.3 cents because you are going to cut it someplace else. Once you reduce the 4.3 cents and not assure the consumer receive the 4.3, you are going to reduce the budget some place else because you have to have an offset.

So the consumer probably, with the approach here, is going to lose twice. One, they will not see the 4.3 cents, and you are going to cut the budget someplace else. So they get hit twice.

So I think we ought to be sure that when we reduce the gasoline tax—and I think we are going to be able to vote for that—but let us be sure that the consumer receives it and that the big oil companies do not have a windfall, because the 4.3 cents now is reducing the deficit. It has had 4 consecutive years in reduction of the deficit. We have about 8.5 million new jobs in a little over 3 years. Oh, I can hear the crocodile tears that, "We could do better if you would listen to us." I remember the 1990 tax.

If we are not reducing the deficit, how in the world are you going to get to a balanced budget? If the deficit went down, it was back when President Clinton took office—$300 billion. If it was still there, and suppose President Clinton had not won and it was still there, under past procedures, under past administrations, it would go up

$300 billion a year. That was not under ours. You say, "Well, that is a Democratic Congress, and for 6 years you had it right here—control." I tell you, the President had the same kind of wet pen that this President has, the same kind of wet pen on the same desk in the same room. All they have to do is speak to him to get 34. That is all he needs. But how many vetoes did we get?—caved in. He said it was not going to increase taxes, and did. All he had to do is put the pen to it. You fussed at the President for vetoing. Look at the mess we were in when you would not veto. So you can brag and plead and fuss.

I would like, if we could, to try to find some way to get this Senate back in order, to get it back on track, to try to do something that will help people and get a balanced budget up. We argue over these things that are sound bites. It is $389 a page to have your speech put in the RECORD, and we will have 10 some mornings, and they will all say the same thing and cost the taxpayers tens of thousands of dollars; $389 a page. That is when it is electronically. Otherwise, it is over $400. Every time you make a speech here—and I do not make very many—every time you talk, the page in that RECORD is $389. So I just want you to know that every time we hear 10 speeches, it costs tens of thousands of dollars. It has been hundreds and hundreds of thousands of dollars in speeches anti the President, and his popularity is better today than it has been any time. So keep knocking. I think you ought to keep knocking—sour grapes, you know.

I think one thing that we ought to do to get it on the right track is that they ought to run the race for the Presidency out in the field and not every little item that comes up here saying to the Democrats, you cannot vote, you cannot offer an amendment, you cannot vote on one of your amendments.

So we are going to have to start getting this place in a position where it is respected.

Are we limited to 5? I did not know that. I apologize to the Chair. I did not know we were limited to 5 minutes.

The PRESIDING OFFICER. By unanimous consent, there is an agreement on 5 minutes.

Mr. FORD. If I reached the 5 minutes, I did not want to charge the taxpayers any more than $389. I hope I did not use up a page of the RECORD.

I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I will abide by the admonition of the senior Senator from Kentucky and make sure that I fall below the $389 limit.

Mr. FORD. I just wanted you to know how much it costs per page.

THE DEFICIT

Mr. BENNETT. Mr. President, I want to touch on a few issues quickly, some which the Senator from Kentucky referred to and some that we are talking about generally.

First, on the deficit being close to $300 billion in 1992; it is half that now. When I campaigned in 1992 for election, I said that the deficit will come down regardless of what happens, and every politician in Washington will take credit for it coming down. One of the major reasons it will come down, having nothing whatever to do with any politician in Washington, is that we will finish paying for the savings and loan bailout. That is moving through the system like a pig in a python, and once it finally is digested and taken care of, you will go back down to the same level of deficit you had before we had the bailout of the savings and loan. A lot of us will look at each other and say, "Aren't we heroes? Look. It has come down." When in fact all that really happened is that we are paying off a one-time obligation, and that was completed.

The other reason it comes down is because the cold war is over and we have had substantial downsizing in the Defense Department. The President talks about 270,000-and-some civilian employees no longer on the payroll. Yes, and over 200,000 of those are in the Defense Department having to do with base closures and other downsizing activities in the Defense Department.

The structural deficit is as persistent and pernicious as it ever was, and the size of the civilian work force unrelated to the cold war is as big and as obtrusive as it ever was, and we are kidding ourselves with these short-term numbers to think that something serious and long term is taking place.

THE MINIMUM WAGE

Mr. BENNETT. Mr. President, I want to talk about the two issues that are on the floor; first the minimum wage, and then the TEAM Act. I am willing to vote on the minimum wage at any time. I intend to vote against an increase in the minimum wage, and I do so for the following reasons.

If we increase the minimum wage, we eliminate jobs, and we eliminate jobs primarily among middle-class white suburban teenagers. You may say, "Well, that is fine. We do not owe these middle-class white suburban teenagers anything. So let us eliminate their jobs." I was a white suburban teenager in a middle-class family, and I started work at 14 when the minimum wage was 40 cents an hour. That dates me, I recognize, around here. I got a nice raise when the minimum wage went to 75 cents an hour. I did not need the money. The money was not the issue. The issue was that I learned that I had to be at work on time. I learned that I had to put in a good time at work. Looking back on it, the work I did, frankly, was not significant to the corporation. They could have done without it. But as long as they were paying me that low wage, it did not hurt them that much to have me around, and I liked to think I at least made things a little more comfortable if not more profitable.

It was the most significant learning experience of my young life. It was more significant than many, if not most, of the classes I took in high school. It was more significant in setting the pattern of my life and work habits in my life than the extracurricular clubs that I went to and the other things I was involved in. It was a tremendously worthwhile experience, as I am sure it is for the other middle-class teenagers who are experiencing their first work opportunity, a work opportunity that will be outlawed if we raise the minimum wage to the point where the employer says, "Well, I cannot afford it anymore, and I will cut it off."

Virtually every employer who has contacted me on this issue has said, "If the minimum wage goes up, I will eliminate jobs." I say to those who get so excited about how low the money is, why is it more moral for a person to be unemployed at $5.25 an hour than it is for that person to be working at $4.25 an hour? Somehow, I do not see the social benefit in having somebody unemployed at a high rate whereas they could be working at a lower rate in an entry-level job.

THE TEAM ACT

Mr. BENNETT. Finally, on the TEAM Act, as it is called, I want to make these observations.

Going back to a headline that appeared in a local U.S. paper—I ask unanimous consent that I be allowed to continue for another 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. The headline coming from another circumstance but driving to the heart of this issue said this: "Why are the liberals afraid of democracy?"

This had to do with another circumstance where liberals were complaining about people voting on an issue and saying that the Government should dictate it. Why, said the speaker at this particular symposium, himself a liberal, "are the liberals afraid of democracy? Are they afraid they would lose? Why are the unions afraid of the TEAM Act? Are they afraid that workers, speaking for themselves, exercising democratic rights, will in fact end up in a circumstance that might be good for those workers? Do they not trust the workers?"

Here are the kinds of things that are illegal now, without the passage of the

TEAM Act, in terms of discussions between workers and businesses. They cannot discuss an extension of employees' lunch breaks by 15 minutes. That is illegal. They have to have the union discuss that in their behalf. They cannot discuss the issue of decreasing rest breaks from 15 minutes to 10 minutes. You would think they could get together, exercise their democratic rights, rights of free speech, to talk about that? Oh, no. Under the present law that is illegal. The union has to be the one to do that.

How about sitting down with management and the workers to discuss tornado warning procedures? Oh, no, we cannot trust the workers to have that kind of discussion. They may give away the store. We have to have the union there to protect their rights. The union must decide, not the workers who are directly involved.

How about rules about fighting? Oh, no, we cannot have that discussion with the workers. We have to have that discussion with the union.

Sharpness of the edges of safety knives? No, we cannot have the people who actually handle the safety knives discuss that with management. We have to have the union there. The list goes on and on.

I am willing to vote on minimum wage. I am willing to vote on TEAM Act. I am willing to vote on the gas increase. I am not willing to have some people in this body say to us, "You can vote on the ones that we think are important, but we will not let you vote on the ones that you think are important."

I say, in closing, to those who are so concerned about the minimum wage, why, if it is such a vital social benefit for so many people, was it never mentioned by the then-majority party for the 2 years that they held both the Presidency and the Congress? Never once did it come up when they had the opportunity to control the agenda, control the veto, and control the passage through here. They did not even mention it, let alone raise it. Now, all of a sudden, it is an amendment that must be offered to every single bill.

I think the coincidence is that $35 million has been pledged in support of the President's campaign by the labor unions, and the decision has been, suddenly, well, it is important. So now we will bring it up, even though we never did when we were in charge.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

THE THREE PROPOSALS BEFORE THE SENATE

Mr. COVERDELL. Mr. President, to lay a framework here, we have three proposals that are before the Senate offered by the majority leader, Senator DOLE of Kansas. We have an opportunity to repeal a 4½-cent gas tax that was imposed by President Clinton in August 1993. This is the gas tax that the President, while campaigning, said should not be imposed because it is especially harsh on the poor families in our country. But when he became President, he changed his mind and imposed a 4.3-cent gas tax that, as I said, is very, very difficult for the poorer sectors of our society to deal with, the rural sectors, rural communities that have to utilize gas extensively in their travels and in their work. This has added a deficit in a family checking account between $100 and $200 per family.

It is interesting we are discussing that on this day, because May 8 is the first day that wage earners get to keep their checks for their own housing, their own food, their own transportation. From January 1 to yesterday, every check that was earned by every worker in America went to the Government. It is hard to believe we are at a point in time in our country where you work from January 1 to May 7 and you have to wait until May 8 to keep the first check that you earned. So repealing this gas tax is just the beginning of a series of steps that ought to occur to lighten that load and push those days back.

If you ask Americans what date they think is the appropriate one, they say March 1. Now it is May 7, and you have to wait until May 8 until you can begin to keep what you worked for, for your own family.

So we are talking about repealing this gas tax. We are talking about the minimum wage, which the Senator from Massachusetts has argued now for several weeks ought to be passed. I disagree with him, but there would be a vote on the minimum wage in this proposal the majority leader has put before the Senate.

I agree with the Senator from Utah that the minimum wage will hurt those that they argue it will help. Entry-level, beginning employees, minority employees will find it harder to get a job. That debate has been aired now for several weeks, and there will be a vote on that proposal.

Then there will be a vote on legislation that makes it possible—it is called the TEAM Act. But basically it is a proposal that allows employers and employees to meet together and discuss the modern workplace. Today, representative employees from a company in Lawrenceville, GA, visited our office and said their working groups had saved $6 million. A team that consisted of nine employees, people from the assembly line to plant managers, chosen by coworkers, met for 6 months, and they saved that company $6 million. They are up here saying we want that flexibility in labor law.

A small business from Macon, GA—they employ 30 people in Macon—they have created a committee called TRAQ, total responsibility in quality, made up of employee-selected representatives. Top management does not participate but makes recommendations. These employees from this company in Georgia have written endorsing this new concept. The concept has been endorsed by the Savannah Morning News, the TEAM Act concept, the ability of people to come together.

Mr. President, do I need to ask unanimous consent for another 2 minutes?

The PRESIDING OFFICER. The Senator's time is about to expire.

Mr. FORD. If I do not object, will the Senator yield for a question?

Mr. COVERDELL. I sure will.

Mr. FORD. You will?

Mr. COVERDELL. Yes.

Mr. FORD. So I will not object.

Why do we need to change the law when these people you are talking about now are on a team?

Mr. COVERDELL. Because we are a right-to-work State, and they can function under the law here. There are many shops where that is not the case.

Mr. FORD. But 96 percent of all businesses now, I understand, have the team concept, but what they do is try to improve the assembly line, to try to improve, so that the nuts and bolts ought to be here on the right instead of on the left. The Ranger truck in Louisville that was not doing so well, management and the employees got together and they were able to learn to put the truck upside-down and be able to lean on the machine that tightens the bolts and turn the truck back up and were able to do these things. That is fine. But now are you saying that these teams will be able to negotiate wages? Negotiate hours? Is that the team concept that you want?

Mr. COVERDELL. Frankly, if it were up to me——

Mr. FORD. Oh, I understand that.

Mr. COVERDELL. It would.

Mr. FORD. But what this law——

Mr. COVERDELL. No; and to respond to your question—I know neither one of us want to put a full page in here.

Mr. FORD. I am trying not to, but some people just say some things.

Mr. COVERDELL. The National Labor Relations Board has called into question all of these concepts.

And is it very simple to read what this act does. It simply would make this possible. I simply quote Secretary Reich:

> Many companies have already discovered that management practices fully involving workers have great value beyond their twin virtues.

Or as President Clinton said in his 1996 State of the Union Message:

> When companies and workers work as a team, they do better, and so does America.

We could not agree more. So why not make it possible and make it certain that no one is under a threat from the National Labor Relations Board?

Mr. FORD. I say to my colleague, you take one line out of a statement and then you do not read the paragraph before or the paragraph under of the President's State of the Union Message. My interpretation of that was that employees ought to be recognized as assets, to be nurtured and improved and trained—that was No. 1—so that management and the employees could work together.

Second, I think his intent was the employees should not be used to be fired so the CEO could get $5 million as a bonus for that year while they are out walking on the street. So what he was saying, as long as the——

The PRESIDING OFFICER. The Chair informs the Senators the additional 2 minutes has expired.

Mr. FORD. I request 5 additional minutes.

The PRESIDING OFFICER. I believe the Senator from Georgia——

Mr. FORD. You have the floor.

Mr. COVERDELL. I have the floor.

Mr. FORD. I like what we are doing. We are having a good time.

Mr. COVERDELL. Let me finish this statement and I will not object to an additional 5 minutes.

Mr. FORD. I do not want the meat loaf to get too hard, and I do not want to stay around here. I would like to talk with you now.

Mr. COVERDELL. All right.

Mr. FORD. Because I think the team concept is fine. I understand that well. That is to improve the flow of the——

Mr. COVERDELL. I ask unanimous consent that we have an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. But I like the team concept of working together, making the assembly line work better, put out a better product, make more profit for the employer. But if you take this out, if you pass this bill, as I understand it, as my lawyers tell me, then the employer selects the team and that is the end of it. He appoints his son-in-law and a couple of others and that is the end of it, because you do not allow what is going on now. You eliminate the law, and the law then gives the employer the opportunity to select the teams.

Now you say, "Well, that will never happen." That is what this law says.

Mr. COVERDELL. No; that is not what this law says. Now I am going to take my prerogative and finish my statement.

Mr. FORD. You disagree. Well, I had fun while it lasted.

Mr. COVERDELL. This is a good debate, because talking about the TEAM Act or the ability for employers and employees to work together is something that actually came out of Asia. We have all sat back and noticed the efficiencies that some of the Japanese companies have. This is where this concept comes from.

This is talking about a new workplace. Labor law in this country is essentially drawn for industry and the workplace that is 50 years old. We are about to go into a new century, and we ought to be talking about a more flexible workplace, like this suggests. We ought to be talking and acknowledging the fact that the American family is under severe pressures and anxiety today. Both of them have to work today just to keep up with the point I made a minute ago that half their income is taken by the Government now.

Mr. FORD. Plural; plural.

Mr. COVERDELL. And we ought to be guiding them to a more flexible workplace, a more friendlier work environment. I think the President's statement sort of speaks for itself. It is not a question of interpreting it. He simply says, this is a quote:

> When companies and workers work as a team, they do better and so does America.

He is right, and we ought to be shaping law that gets us ready for the new century, that allows a friendlier environment, that allows workers and management to work together. That is what the TEAM Act will do.

I might point out that it is not management that was up here from these Georgia companies, it was employees who were up here trying to help endorse these newer concepts for the new century and the new workplace.

Again, we have three proposals here. One is to repeal the gas tax that President Clinton and the administration imposed in August 1993. It is an initial step to lighten this burden on the American family. The second is the minimum wage that the Senator from Massachusetts just tried to propose for America. And the third is a modification that frees companies not to be threatened by the National Labor Relations Board if employers and employees set up work groups to cover the very points that the Senator from Utah espoused.

This is a good law. It actually ought to be just the beginning. We ought to be thinking of other forms of flexibility and other forms of a new environment in the workplace that adjusts itself to the modern workplace and modern family of employees are having to contend with.

With that, Mr. President, I am going to do the leader's notice for the end of the day.

Mr. FORD. Mr. President, I asked for recognition.

Mr. COVERDELL. I yield——

Mr. FORD. You yield the floor.

Mr. COVERDELL. I yield.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I apologize for taking so much time here, but I think what we are getting into is important. There is no way under the 4.3-cent gasoline tax any assurance that the consumer will get it. So all we ask is let that proposal stand alone and we will have relevant amendments and a time agreement. But we are blocked out of amendments; we have to take it as is.

Why, you could give an income tax credit of 4.3 cents, and that would assure that the consumer, the taxpayer would get the money. We do not even have a chance to put up that kind of amendment. You know, a blind hog every once in a while finds an acorn. We might come up with a good suggestion, but we are precluded from amending. That is No. 1.

Mr. COVERDELL. Will the Senator yield?

Mr. FORD. I am glad to yield—you yielded to me—as long as I do not go beyond.

Mr. COVERDELL. I think we heard the majority leader say to the minority leader that he was prepared to discuss an amendment, that he was prepared to meet this evening——

Mr. FORD. But he wants to keep it in the same package.

Mr. COVERDELL. He did not say that.

Mr. FORD. Absolutely, absolutely, that is the whole theme here, and you have to approve of the amendment.

Mr. COVERDELL. I will say this, I am encouraged the Senator from Kentucky is talking as though he is prepared to grant some time.

Mr. FORD. We have been prepared all along, but what you do is put a poison pill in, and we are not going to accept the poison pill. Wait a minute. We are not going to accept the poison pill. You say this is it, and we say we cannot be for it if you put that in. Well, you put that in and so, therefore, we have told you in advance we cannot be for it.

So we are put in a position of having to be against it, and I do not particularly like that. But I wanted to tell you, if I am precluded from offering any amendment, I think I have the right, and this side has the right, and some on that side will have the right to offer amendments and be quite disturbed about not being able to offer amendments.

So what we did is we offered three stand-alone bills with relevant amendments and a time, and you say, "No, we want to put it all in a package, and we have to vote on it as a package. We get three votes and then a vote on the package."

I do not understand why you will not take the offer. There must be some reason, because the minimum wage was the only threat you had. That was the only threat. Now you are agreeing to the minimum wage to take it as an amendment or vote on it. And there is a majority in this body that will vote for it, and the majority leader stated that this afternoon. So the majority wants to increase the minimum wage in the Senate. The majority leader agreed to that.

So, that is one vote. That is stand alone. That is the only threat you have had. That is the only thing that the majority leader has been building the tree for, so we cannot have an amendment, so we cannot put on the minimum wage.

Now something happened out there beyond the beltway, and all of a sudden we are agreeing to the minimum wage, because you have Senators on your side who want to vote for the minimum wage increase.

So we just say there are three bills. Let them stand alone, let us have relevant amendments, let us do a time agreement, if that is what is necessary, instead of putting it in a package and then having three votes and then the fourth vote to approve the package. There is some reason beyond the minimum wage.

Mr. COVERDELL. What we are worried about is the poison pen.

Mr. FORD. Pill.

Mr. COVERDELL. Pen, the one that vetoed the tax relief earlier this year, the one that vetoed welfare reform.

Mr. FORD. The one that signed the tax in 1990, that was a poison pen too, my friend?

Mr. COVERDELL. I am talking about——

Mr. FORD. You want to talk about the President. There was a history of a $300 billion deficit when President Clinton took over. It is now $140 billion, down 4 consecutive years—4 consecutive years—after you built it up over almost $5 trillion.

You say, we have not done very well? Let us look at the record. You are saying, we had to swallow the poison pill to vote for that.

Mr. COVERDELL. You are about to run past your $389.

Mr. FORD. You got me worked up, and I am sweating a little bit. But the thing that really bothers this Senator is to say that it is all President Clinton's fault. Why, I even saw one story that he was responsible—an op-ed piece—that he was responsible for the Unabomber. Keep on keeping on, because he is going up in the ratings. He is even 16 points ahead in Kentucky. Will you believe that? I yield the floor. And I will go to dinner.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COVERDELL. Mr. President, just in response—I do not speak for the leader, but I do not believe the package will be separated, because of the fear of the poison pen of a veto. So they will not be taken up in separate votes. I am sure there can be an accommodation to other amendments. But the separation that would allow the President the authority to accept what that side wants and reject what our side wants is not likely the case.

Mr. GORTON. Would the Senator from Georgia yield for a question?

Mr. COVERDELL. I yield for a question.

Mr. GORTON. Would the Senator from Georgia agree that at the present time we on this side of the aisle have sought to pass a very simple bill, which has already passed the House of Representatives, to reimburse attorney's fees and costs to those people who were wrongfully fired in the White House Travel Office just a couple years ago, and that we have been denied the right to pass that bill without any changes and without any conditions?

Mr. COVERDELL. The Senator is absolutely correct. It is the underlying bill to which the majority leader's package would be attached.

Mr. GORTON. Would the Senator from Georgia not agree that we asked for the ability to debate a repeal of the gas tax, an unprecedented gas tax, not for use for transportation infrastructure, but for the first time in the history of our country the gas tax increase passed 3 years ago simply went into the general fund for various social programs, and we are denied the ability to deal with that issue standing alone?

Mr. COVERDELL. The Senator is absolutely correct. It was under threat of amendment.

Mr. GORTON. Would the Senator from Georgia agree that we now have before us not only those two together, but also an increase in the minimum wage, the very increase in the minimum wage that the other party has asked for, but at the same time that we deal with that aspect, the questions relating to labor, that we have wanted to ensure that the Senate majority could work its will with respect to the TEAM Act, an act which will authorize the kind of cooperation which is in fact taking place right now in more than 30,000 places of employment throughout the country, in which members of a corporation management and labor can work together for safer conditions, for better productivity, for the creation of production teams and the like, things that are not specifically collective bargaining, and that we have thought it was quite appropriate that we deal with both the minimum wage on one side of the equation and this one as a package and ensure that, if we are going to have one passed along, we would pass the other as well?

Mr. COVERDELL. The Senator from Washington is correct. He is articulating very well the balance here. If we are going to deal with, in my judgment, the old systems of managing the workplace, I think coming to the new century is a wonderful time to begin talking about some of the newer ideas.

Mr. GORTON. Would the Senator from Georgia agree that the only offer—perhaps not offer; demand—demand we have from the minority party is that we deal with these issues in a way in which those that the minority party favors are assured to become law while those that the majority party favors are assured to be vetoed?

Mr. COVERDELL. As I said a moment ago, I could not envision us separating this thing in a form where the President's poison pen versus this poison pill they are talking about could be applied to the issues we want to become law and he could accept the provisions that they want to become law.

Mr. GORTON. Does the Senator from Georgia agree that the rationale for this is that the various labor union bosses find absolutely anathema any proposal which would allow informal arrangements between management and labor that does not go through formal labor unions, and for that reason they are perfectly prepared to filibuster and are filibustering, and the President is perfectly prepared to veto, and will veto a proposal that gives gas tax relief; and the minimum wage increase, if it is accompanied by this modern management technique which so many people, both the management and labor, whatever their devotion to lower taxes, whatever their devotion to a minimum wage increase, they are far less important than preventing the passage of the TEAM Act?

Mr. COVERDELL. Well, I agree. It is a matter of public discourse at this point that the labor bosses in this city have publicly stated that they are going to expend $35 million to destabilize the majority——

The PRESIDING OFFICER. The Chair informs the Senator the time limit has expired.

Mr. GORTON. I ask unanimous consent for another 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COVERDELL. That they will put 100 paid volunteers in some 70 congressional districts. So you do not have to be a rocket scientist to figure out why the other side is scared to death of a procedure or management tool that those labor bosses do not want.

I might add to that, but the employees—as I noted just a moment ago, it was the employees, not management, who came from my State today and yesterday asking for this new vehicle. I think the American worker, unlike the boss system in this city, the American worker wants these flexibilities.

Mr. GORTON. Obviously, because they can only take place with their involvement.

Mr. COVERDELL. That is right.

Mr. GORTON. So those of us who feel that cooperation, rather than confrontation, is the future for America and labor-management relationships, that this is the way we will build more jobs and greater competitiveness, that the only way we can authorize what in fact has been going on until it was determined to be a violation of an act from the 1930's, that the only way that we could bring ourselves into the 1990's or into the 21st century under this set of circumstances is to marry this proposal, which otherwise would be filibustered and vetoed.

Mr. COVERDELL. Being filibustered now.

Mr. GORTON. Is being filibustered and would be vetoed.

The only way we can possibly get it into law is to marry it with something that the other side would like to see passed and let them determine whether or not their expressed devotion to a minimum wage increase is sufficient to overcome their loyalty to these union leaders.

Is it not the opinion of the Senator from Georgia that they have now shown us that their devotion to a minimum wage increase is far less than their devotion to following the dictates of union leaders who say that no relationship between management and labor can take place except through formal labor unions?

Mr. COVERDELL. If this afternoon and whatever we uncovered from the Senator from Kentucky, the sensitivities that were raised here a few minutes ago would suggest that you are right.

Mr. GORTON. I believe that I am. I thank the Senator from Georgia. If I may, I express my own opinion that while I think that a minimum wage increase, at least marginally, would decrease jobs and job opportunities, I nevertheless feel that creating a better overall economy through the TEAM Act is worth a compromise which puts the two of these together and sends it to the President of the United States with the hope that the President would sign them.

I share the regret and opinion of the Senator from Georgia that devotion to the minimum wage increase is no more than lip deep, that it will disappear once anything else of a more balanced nature should appear with it.

It seems to me we should continue to insist that if we are going to do the one, we ought to do the other at the same time and in a way which that poison pen of the White House can accept simply what he wishes and not have to do something which will really improve the economy and labor-management relations in the United States of America.

I thank the Senator from Georgia.

Mr. COVERDELL. Mr. President, I underscore that regarding this proposal, 90 percent of the economists have alluded to the fact that it will cost hundreds of thousands of jobs. The proposal we are talking about is part of a new workplace. It comes from nations that are using it that have become tough competitors of ours. We better start getting modern labor law in place if we are going to compete in the new century.

Mr. MACK. Would the Senator from Georgia be willing to yield for a question?

Mr. COVERDELL. I yield.

Mr. MACK. Would the Senator agree it is possible that our colleagues on the other side of the aisle are filibustering this legislation because, frankly, it is an embarrassment if this 4.3-cent gasoline tax cut were to make its way to the President of the United States?

Again, what I am trying to draw in your mind is a picture of the President of the United States who campaigned in 1992 that he was going to reduce the burden on America's middle-income families. In fact, I think he proposed a tax cut for middle-income families. Then within the first year after he was elected he introduced and enabled the passage of a tax plan that would, in fact, increase taxes on all Americans, part of which was the 4.3-cent gasoline tax.

Now, we are in a situation where we would be saying that we want to give the President an opportunity to keep his campaign promise of 1992, but it puts him in an embarrassing position, because after he got through saying the things he said in 1992, he went ahead and supported the tax increase.

Is it possible our colleagues on the other side of the aisle are engaging in this filibuster to try to protect the President from an embarrassing situation where he will either have to sign into law something that would reverse something he has done, or he will have to veto?

Mr. COVERDELL. Mr. President, I ask unanimous consent we be allowed to finish our colloquy.

The PRESIDING OFFICER (Mr. FRIST). Without objection, it is so ordered.

Mr. COVERDELL. Yes, there are two promises here. First, the President said he would lower taxes on the middle-class as part of the campaign of 1992. That was substantially reversed. Instead of lowering the economic pressure on America and America's working families, he reversed it and increased the economic pressure with a historic tax increase of which the gas tax is a significant piece.

Second, he said during the same campaign that a gas tax was regressive and would be particularly harmful on the poor and the elderly and should not be imposed, and then reversed that and imposed a new gas tax.

So the debate is about reversing something the President imposed on the country through his leadership in the Congress, and more importantly, reminds us of a promise that was made that was not kept, which is what the Senator from Florida has alluded to.

Mr. MACK. I thank the Senator.

Mr. COVERDELL. I thank the Senator from Florida.

ORDERS FOR THURSDAY, MAY 9, 1996

Mr. COVERDELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:15 a.m. on Thursday, May 9; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and there then be a period for morning business until the hour of 10 a.m. with Senators to speak for up to 5 minutes each, with the following Senators to speak: Senator BURNS, 5 minutes; Senator DORGAN, 25 minutes; Senator LIEBERMAN, 15 minutes; Senator BRYAN, 10 minutes.

Further, that immediately following morning business, the Senate resume H.R. 2937, the White House Travel Office legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. COVERDELL. The Senate will resume consideration of the Whit House Travel Office bill on Thursday. It is also hoped that we may be able to consider H.R. 2137, the Megan's law bill, during tomorrow's session. Again, it is still possible for the Senate to reach an agreement for consideration of gas tax repeal, TEAM Act, minimum wage legislation.

ADJOURNMENT UNTIL 9:15 A.M. TOMORROW

Mr. COVERDELL. If there is no further business to come before the Senate, I now ask that Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:07 p.m., adjourned until Thursday, May 9, 1996, at 9:15 a.m.

HOUSE OF REPRESENTATIVES—*Wednesday, May 8, 1996*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. HANSEN].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 8, 1996.

I hereby designate the Honorable JAMES V. HANSEN to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O, gracious God, from whom all blessings flow, bestow upon us the gifts of Your spirit. Where there is hunger, may people know the gifts of Your bounty; where there is loneliness, may there be a spirit of sharing and caring; where there is violence, may people know security; and where there is anxiety or pain, may every person know the confidence and the healing that Your word can give. May Your blessings, O God, that are new every day, be with us now and evermore. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Minnesota [Mr. GUTKNECHT] come forward and lead the House in the Pledge of Allegiance.

Mr. GUTKNECHT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment a bill of the House of the following title:

H.R. 1296. An act to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1467. An act to authorize the construction of the Fort Peck Rural County Water Supply System, to authorize assistance to the Fort Peck Rural County Water District, Inc., a nonprofit corporation, for the planning, design, and construction of the water supply system, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces there will be fifteen 1-minute speeches on each side.

DOES ICWA REALLY PROTECT CHILDREN?

(Ms. PRYCE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PRYCE. Mr. Speaker, the Indian Child Welfare Act has been misapplied and distorted in recent years, hurting countless children.

Consider the story I heard from a mother in Alaska. The little girl who is now her adoptive daughter was placed in foster care at the age of 7 months due to the Indian Child Welfare Act. After a year, the baby was placed with a biological grandmother, a native American, with the understanding that her two sons, both convicted child sex abusers, move out and live elsewhere.

Well, they never left and the baby was found in a compromised situation, upon which the grandmother returned the child to the youth services with no explanations and no belongings. Only after this horrifying ordeal and after the native community failed to find a safe native home was she placed with this Native Alaskan couple who eventually adopted her.

The adoptive mother writes to me, "We are lucky. Our daughter was placed in only five foster homes before she found a family that was suitable to the tribe." There are many other children who are being kept from loving homes for 3, 4 and 5 years awaiting tribal action.

Mr. Speaker, this is a native American speaking. She knows ICWA needs reform. She knows firsthand.

HAPPY BIRTHDAY, HARRY

(Ms. McCARTHY asked and was given permission to address the House for 1 minute.)

Ms. McCARTHY. Mr. Speaker, I rise to pay tribute to our late President, Harry S Truman, on the 112th anniversary of his birth.

In his life and his Presidency, Harry Truman exhibited the characteristics of leadership, courage, decisiveness, humility, and deep respect for others. His no-nonsense, buck-stops-here approach to facing even life's most difficult situations enabled him to become one of our country's greatest presidents.

President Truman was a leader in the true sense of the word. He refused to let uncomfortable situations or unpopular opinions stand in his way of making the difficult decisions required of a statesman. He stepped into the Presidency at a time of crisis for this Nation, and he guided us into our most productive years.

The lessons we can learn from Harry Truman are applicable today. As we in Congress continue our efforts to balance the budget, reform welfare and health care, and provide a future our children can say yes to, we should remember his approach to governing, and his commitment to the people of this Nation. Above all, Harry Truman got the job done. It is time for us to get the job done, Mr. Speaker, in memory of this great American. Happy birthday, Harry.

THE OBSTRUCTIONIST MINORITY

(Mr. LEWIS of Kentucky asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Kentucky. Mr. Speaker, Bill Clinton is no Harry Truman.

Mr. Speaker, you would have thought that when the people of this Nation spoke so overwhelmingly for change in 1994 by sending a new majority to Congress, the new minority would have cooperated and yielded to the wishes of the American people.

Mr. Speaker, it is sad to say, but the new minority, the liberal Democrat whiners, have done nothing but stand in the way of change. Just let me give you a few examples of their obstructionism. Instead of helping balance the budget, they brought false charges against the new Speaker of the House, taking up his time when he could have been working on the legislative agenda.

Instead of helping the new Republican majority reform welfare, the liberal whiners just wanted to march to the floor and accuse the new Republican freshmen of being extremists and wanting to starve children.

Instead of helping middle-income families get tax breaks, the liberal obstructionists wanted to falsely charge the new majority with giving tax breaks to the rich.

Instead of helping the Republican majority save Medicare, the liberal whiners and complainers just stuck their heads in the sand and tried to scare the elderly.

Mr. Speaker, if there is a good example of do-nothingness in the 104th Congress, it rests squarely on the shoulders of the whining, complaining, liberal, obstructionist Democrats.

HARRY TRUMAN'S WISDOM

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, today we celebrate the birthday of a truly great American. Harry Truman was a straight talking, commonsense Democrat who took over as President after the death of Franklin Roosevelt and led this Nation to victory in World War II.

Harry Truman took responsibility for his actions. He kept a sign on his desk in the oval office that said, "The buck stops here." And he wasn't afraid of his critics. He often said, "If you can't stand the heat, stay out of the kitchen."

Republican House Speaker NEWT GINGRICH would do well to consult the wisdom of Harry Truman who could offer better advice than the management gurus the Speaker turned to when he led us to two Government shutdowns.

In today's Washington Post, the Speaker attacks the press and says that there is what he calls a conspiracy in the media that is undoing the Republican revolution. Mr. Speaker, there is no conspiracy. The American people reviewed your program and rejected it. As Harry Truman would have said, "If you can't stand the heat, stay out of the kitchen."

GOVERNMENT SHUTDOWN, A DEMOCRAT TACTIC

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, we saw during last winter's budget battle that if liberal Democrats down at the White House did not get their way, they simply shut down the Government. They fought with every fiber against saving Medicare, against commonsense tax relief for families, against welfare reform and a balanced budget.

Mr. Speaker, the cycle is repeating itself.

Yesterday, the Democrat leader in the other body, issued an ultimatum: "We are simply going to shut this place down." In other words, because the Democrats did not get their way, they are willing to shut down the business of this country.

This is shameless. Liberal Democrats are willing to shut down the Government so that they can pander to the big union bosses here in Washington.

Tax relief, welfare reform, a balanced budget, saving Medicare, all of that is on hold because the Democrats want to score a few cheap political points with the special interests here inside the beltway.

MAKE SURE THAT WORK PAYS

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute.)

Mrs. KENNELLY. Mr. Speaker, I recently received a letter from the Jobs Partnership Committee of HART, one of the preeminent community groups in Hartford, CT. In the midst of a highly charged political debate on the minimum wage, this letter points out the real world concerns so many Americans are dealing with, and I would like to share a portion of it with my colleagues:

> We write to support congressional efforts to increase the minimum wage. Many jobs in Connecticut are posted at $4.27 an hour, but we cannot afford to live on yearly incomes of $8,880. We ask how the Government can impose sanctions on welfare benefits and time limits, and at the same time uphold poverty rate income levels in the private sector.

I think that is a good question. If we are serious about moving people from welfare to work, we have to make sure that work pays. The proposed modest increase in the minimum wage is a first step—and a necessary step—toward welfare reform, and I would urge my colleagues to take it.

TAX FREEDOM DAY

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, yesterday was tax freedom day, May 7—the latest it has ever been.

That means American working families are working longer for the Federal Government than ever before.

American working families pay almost 40 percent of their total income to the Government in taxes.

American working families are giving more to the Government, leaving less for their everyday needs.

Less for groceries, less for gas, less for whatever we may desire.

American working families have watched their tax freedom day fall later each year under the Clinton watch.

That is not rhetoric. Those are straight-up facts. The Republican-passed family tax cut would have turned this trend around. A repeal in the gas tax would turn this trend around. A capital gains tax cut would turn this trend around.

American working families are taxed too much. Let us turn this Clinton tax trend around. Let us cut taxes. Let us get the Government out of America's pocket.

RAISING THE MINIMUM WAGE SHOULD BE A BIPARTISAN EFFORT

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, last Monday in Chicago, IL, I met a lady who works for Montgomery Ward and makes barely more than the minimum wage. She is staying off welfare. She is raising her children. She is doing the right and responsible thing. She deserves a raise.

Mr. Speaker, I asked her what she would do with the $150 a month which would come her way if the Democrats and 21 brave Republicans who have joined us have our way and raise the minimum wage. She said, "The first thing I would like to do is buy a new pair of eyeglasses. It has been a long, long time."

Mr. Speaker, I think Senator DOLE and many of the Republican leaders really do not understand what real families face each and every week and month keeping their families together, paying for the basics.

We need an increase in the minimum wage. It should not be a Presidential campaign issue. It should be a bipartisan effort, as it has always been, to make sure that some of the hardest working people in America have a fighting chance.

Mr. Speaker, in terms of cutting the gas tax, let us not do that at the expense of education. The gentleman from Texas [Mr. ARMEY], the majority leader, is wrong. We need college student loans for the kids of working families.

CHILD SUPPORT ENFORCEMENT IS WELFARE PREVENTION

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, during the 1992 campaign, President Clinton pledged to end welfare as we know it. Last year this Congress passed a comprehensive welfare reform package, which the President promptly vetoed.

Clearly, this debate is going to continue for months. All the while that we are debating, America's children are suffering. Mr. Speaker, a key component of our welfare reform package was tough child support enforcement amendments; amendments designed to force the deadbeats to honor their legal and moral obligations to their children.

Over $6 billion each year in the basic necessities of life are denied these children because of lack of child support payments. In fact, HHS tells us that up to 25 percent of all families who are on welfare are there because they are not getting the child support that they are due.

That is why I call an effective interstate child support system welfare prevention. My colleagues, this Sunday is Mother's Day. Let us pass this legislation now. No more delays.

DO NOT SHOOT THE MESSENGER

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, what we are hearing from the other side is, "We are going to shoot the messenger and not change our message."

The Speaker in today's Washington Post said he is now blaming the media for the unpopularity of the Republican Party issues. He says the media is the reason why the public strongly opposes what they are trying to do to Medicare, opposing increases in the minimum wage, cutting education and the environment.

Mr. Speaker, I will be the first to admit that the media and I sometimes have disagreements. But at some level we are all accountable. We have to be accountable. Maybe it is not the messenger. Maybe it is the message.

We cannot balance the budget by cutting education funding, by cutting Medicare, and by shutting down the Government and by opposing a minimum wage increase. We need to be responsible for our message, and not blame the messenger.

□ 1115

THE HIGH LEVEL OF TAXATION

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, the American people are outraged at the level of taxation they face. Yesterday was May 7. It was also tax freedom day, the day that Americans stop working for the Government and start working for their family. What that means is that every dollar earned from January 1 to May 7 is given to State, local, and Federal taxes. Think about it, Mr. Speaker: January, February, March, April, part of May. All the money that you earned in those months is now taxed away because someone here in Washington believes that Government can spend money better than those who earn it.

When President Clinton took office, he, along with his liberals in Congress, passed the largest tax increase in American history. He proved that the Democratic Party is truly the party of higher taxes and big government spending.

Republicans don't believe higher taxes are the answer. We are working to cut taxes and let you, the American people, keep more of what you earn.

THE GENDER GAP

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the airwaves are filled with Majority Leader DOLE and Speaker GINGRICH talking about how they are going to close the gender gap. Well, I have a little suggestion for them. As we approach Mother's Day, I want to say to them, maybe they cannot stop Republicans from fighting with Republicans on their side, but could they at least get them to stop attacking each other's mother.

This weekend when we saw "Meet the Press" and we saw Tim Russert asking Majority Leader ARMEY about the dispute between GINGRICH and Senator D'AMATO, we saw Majority Leader ARMEY go right after D'AMATO's mother. He said, you know, his mom apparently did not teach him not to bite the hand that feeds him.

I hope this weekend on Mother's Day, maybe Mr. Russert will allow Mrs. D'Amato to respond to that, and I also hope that we stop attacking people's mothers. That may be one of the causes of the gender gap.

SPACE STATION IS THE WORLD'S GATEWAY TO SPACE

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON of Florida. Mr. Speaker, Congress will once again this week have an opportunity to support the International Space Station Program.

This is an exciting project, Mr. Speaker, and not just because of the tremendous science capability of the space station, nor just because it is the largest cooperative international science project in history, and not just because of the inspiration it will bring to the children of our world.

Mr. Speaker, any one of these reasons are exciting enough to stand on their own merit, but I want to tell you about another exciting aspect of the Space Station Program.

The space station represents our first permanent step into the unknown. This is our Nation's foremost exploration program, and it holds unimaginable opportunities for exploring our last frontier.

Throughout history, nations that cease to explore and expand their civilization eventually perish, and we must not let our Nation go down that path.

Support our future. Support the space station.

ECONOMISTS SAY THIS ECONOMY IS GREAT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, economists keep telling us how great the economy is. If the economy is so great, why do most families need two jobs? Why is every major company getting rid of workers? Why are gasoline prices going through the roof?

Why do government workers now outnumber factory workers? Why has consumer debt reached a record $1 trillion, and why did 1.1 million Americans file bankruptcy last year?

Mr. Speaker, if the economy is so great, why do the American people rate politicians two notches below used car salesmen. I believe, Mr. Speaker, these economists are smoking dope.

TAX FREEDOM DAY

(Mr. LINDER asked and was given permission to address the House for 1 minute.)

Mr. LINDER. Mr. Speaker, congratulations America. Today you begin to work for yourself. Tuesday was tax freedom day. For the previous 4 months and 7 days, Americans have worked solely to pay local, State, and Federal taxes. At last, working Americans are earning money to pay the mortgage and clothe the kids.

For too long, taxes have been piled on the American people because liberal politicians believe that they can make better choices with our money than we can. The Federal bureaucrats have never trusted our citizens to decide what is best for their families and communities. No one spends someone else's money as carefully as he spends his own. Washington has proven that.

Americans should be allowed to keep more and do more with their hard-earned money. The Government must stop taxing them into longer hours and second jobs. Not only is the Government taking Americans' money, it is essentially taking the precious time they would normally spend playing with their children, going to PTA or church functions, or volunteering in their communities. Higher taxes have become a tax on free time and family too.

DO NOT CUT EDUCATION

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, last year our Republican colleagues sought to place a $5,000 burden on young people who want a 4-year college education. At the same time, they came along and proposed to give thousands of our youngest Americans a wrong start instead of a head start by defunding much of the program needed for early childhood education.

Fortunately, Americans spoke out against this extremism. In the early part of this year, our Republican colleagues yielded and we got an appropriations process approved for this year that protects education and the hopes and dreams of so many American families. But hardly had that victory been won than Sunday on television we had the gentleman from Texas [Mr. ARMEY], the majority leader, saying that he was willing to fund a tax break in order to do that through cuts in education.

Mr. Speaker, education is not the place to cut. Though our Republican colleagues suffered from shutdown fever last year and this year they are having sinking spells that the American people understand their agenda, please do not provide this gimmick that you feel you need in order to get a rise in the polls. Do not fund it by cutting education.

OIL PROFITS ARE UP

(Mr. KLINK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLINK. Mr. Speaker, here they go again. Snake oil salesmen looking for a magic cure. The Republicans have come up with this idea that the 4.3-cents-a-gallon tax that was put on back in 1993 somehow did not cause the price of gas to go up in 1993, did not cause it to go up in 1994, did not cause it to go up in 1995. But all of a sudden, in 1996, this pent-up tax caused it to go up 30 cents a gallon.

Well, we are not really buying that. We know that they are really reaching for straws. We heard Philip K. Verleger, Jr., who is an oil economist, say, if you cut taxes, the incremental difference is going to go to big oil, not to the motoring public. In fact, an analysis by the Democrats in the Committee on Commerce has shown that, while this gas price was going up, just during April and March of this year, that the value of the stock options by oil company executives rose by $32.8 million.

GAS TAX REPEAL

(Mr. STUPAK asked and was given permission to address the House for 1 minute.)

Mr. STUPAK. Mr. Speaker, we continue to debate how to deal with a sudden hike in gas prices.

This is an important issue in my district. The First Congressional District of Michigan sprawls across hundreds of miles of the upper Midwest.

With extensive forests and beautiful rivers, with shoreline on three of the Great Lakes, tourism is an essential industry in my district. It is the second biggest industry in Michigan.

But my district is also full of hard-working Americans who value education.

Title I, Head Start, drug-free schools, and student loan programs are essential investments in the future for families in my district and the rest of America.

But the majority leader has suggested education be cut to make up for lost revenue, if part of the Federal gas tax is repealed.

Mr. Speaker, through shutdowns and budget gridlock we have fought and won battles to protect education.

Now, in an effort to deal with an unrelated problem, we have to fight another Republican assault on education.

Let's not penalize American schoolchildren to help their parents at the gas pump. It makes no sense for my district or the Nation.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the House is meeting in the Committee of the Whole House under the 5-minute rule: Committee on Agriculture, Committee on Commerce, Committee on Economic and Educational Opportunities, Committee on Government Reform and Oversight, Committee on International Relations, Committee on Resources, Committee on Science, Committee on Small Business, and Committee on Veterans' Affairs.

Mr. Speaker, it is my understanding that the minority has been consulted and there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. THOMAS. Mr. Speaker, reserving the right to object, my ear heard "tomorrow." I believe it is to be today.

Mr. SOLOMON. Mr. Speaker, if the gentleman will yield, be permitted to sit tomorrow.

Mr. THOMAS. Mr. Speaker, I believe it is today.

Mr. SOLOMON. It is today; is that correct?

Mr. Speaker, I thank the gentleman for calling my attention to it. We would not want to include tomorrow, just today. In that case, let me renew my unanimous-consent request to ask unanimous consent that these committees be allowed to sit just today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ESTABLISHING SELECT SUBCOMMITTEE TO INVESTIGATE UNITED STATES ROLE IN IRANIAN ARMS TRANSFERS TO CROATIA AND BOSNIA

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 416 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 416

Resolved, That (a) there is established a Select Subcommittee on the United States Role in Iranian Arms Transfers to Croatia and Bosnia (hereinafter referred to as the "select subcommittee") of the Committee on International Relations. The select subcommittee is authorized to sit and act during this Congress at such times and places within the United States, including any common-wealth or possession thereof, or in any other country, whether the House is in session or has adjourned.

(b) The select subcommittee shall be composed of 8 members of the Committee on International Relations appointed by the chairman of the Committee on International Relations, 5 of whom shall be members of the majority party and 3 of whom shall be appointed upon the recommendation of the ranking minority party member of the committee. The chairman of the Committee on International Relations shall designate one of the majority party members as chairman. Any vacancy occurring in the membership of the select subcommittee shall be filled in the same manner in which the original appointment was made.

(c) The select subcommittee is authorized and directed to conduct a full and complete investigation, and to make such findings and recommendations to the Committee on International Relations as the select subcommittee deems appropriate relating to the following matters:

(1) The policy of the United States Government with respect to the transfer of arms and other assistance from Iran or any other country to countries or entities within the territory of the former Federal Republic of Yugoslavia during any period that an international arms embargo of the former Yugoslavia was in effect.

(2) The nature and extent of the transfer of arms or other assistance from Iran or any other country to countries or entities within the territory of the former Federal Republic of Yugoslavia during the period that an international arms embargo of the former Yugoslavia was in effect.

(3) Any actions taken by the United States Government to facilitate or to impede transfers described in paragraphs (1) and (2).

(4) Any communications or representations made to the Congress of the United States or the American people with respect to the matters described in paragraph (1), (2), or (3),

with respect to the international arms embargo of the former Yugoslavia, or with respect to efforts to modify and terminate United States participation in that embargo.

(5) Any implication of the matters described in paragraphs (1), (2), and (3) for the safety of United States Armed Forces deployed in and around Bosnia, for the prompt withdrawal of United States Armed Forces from Bosnia, for relations between the United States and its allies, and for United States efforts to isolate Iran.

(6) Any actions taken to review, analyze, or investigate any of the matters described in paragraph (1), (2), (3), (4), or (5), or to keep such matters from being revealed.

(7) All deliberations, discussions, or communications within the United States Government relating to the matters described in paragraph (1), (2), (3), (4), (5), or (6), and all communications between the United States Government (or any of its officers or employees) and other governments, organizations, or individuals relating to such matters.

(d) The select subcommittee shall be deemed to be a subcommittee of a standing committee of the House of Representatives for all purposes of the Rules of the House, including clause 2(m) of rule XI, but not for purposes of clause 6(d) of rule X. The select subcommittee may sit while the House is reading for amendment under the five-minute rule.

(e)(1) The chairman of the select subcommittee, for purposes of its investigation, may, upon consultation with the ranking minority party member of the select subcommittee, authorize the taking of affidavits and dispositions pursuant to notice or subpoena, by a member of the select subcommittee or of the staff of the Committee on International Relations designated by the chairman of the select subcommittee, or require the furnishing of information by interrogatory, under oath administered by a person otherwise authorized by law to administer oaths.

(2) The select subcommittee shall provide other committees and Members of the House with access to information and proceedings, under procedures adopted by the select subcommittee consistent with clause 7(c) of rule XLVIII of the Rules of the House of Representatives. However, the select subcommittee may direct that particular matters or classes of matter shall not be made available to any person by its members, staff, or others, or may impose any other restriction. The select subcommittee shall, as appropriate, provide access to information and proceedings to the Speaker, the majority leader, the minority leader, and their appropriate cleared and designated staff.

(3) Authorized subpoenas may be signed by the chairman of the select subcommittee.

(f) The select subcommittee shall transmit a report to the Committee on International Relations not later than 6 months after the date on which this resolution is agreed to. The report shall contain a detailed statement of the findings of the select subcommittee, together with its recommendations.

(g) The select subcommittee shall cease to exist 6 months after the date on which this resolution is agreed to.

□ 1130

The SPEAKER pro tempore (Mr. HANSEN). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I might consume. Mr. Speaker, during consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 416 was introduced on April 29 by the distinguished chairman of the Committee on International Relations, the gentleman from New York [Mr. GILMAN], and referred exclusively to the Committee on Rules as a matter of original jurisdiction. It was considered by the Rules Committee on May 2 and reported to the floor that day.

This resolution establishes a select committee of the Committee on International Relations to investigate the United States role in Iranian arms transfers to Croatia and Bosnia. The purpose of the resolution is to permit the Committee on International Relations to create a select committee, select subcommittee, for the exclusive purposes of investigating what role, if any, the United States played in the shipment of arms from Iran to Croatia and Bosnia, notwithstanding the 1991 United Nations embargo against such shipments to the former Nation of Yugoslavia.

The resolution is designed to focus in a single unit of this House the primary responsibility for investigating this matter while permitting cooperation with other committees of jurisdiction, particularly the Permanent Select Committee on Intelligence, Mr. Speaker.

The resolution is also needed to provide certain additional authorities to the subcommittee to permit it to conduct a thorough, yet expeditious, investigation, and these would include the authority to sit and act both within and without the United States, the ability to sit while the House is considering legislation under the 5-minute rule, the authority for the chairman of the subcommittee, in consultation with the ranking minority member, to designate a single member of the subcommittee, or staff of the committee, to take depositions and affidavits.

The select committee would be limited in both time and scope, as it should be, as the resolution specifically outlines its parameters and contains a 6-month sunset clause.

Mr. Speaker, I do not want to go to great lengths in describing the events leading up to the need for this investigation. Needless to say, if the administration had adopted the policy that this Congress has recommended on at least two different occasions to unilaterally lift the embargo on Bosnia, then we might have avoided such a backdoor approach by a country we have attempted to isolate, a terrorist Nation called Iran. What we know is that while the Clinton administration was vigorously opposing congressional attempts to lift this ill-advised, immoral arms embargo, it was simultaneously winking at one of the world's worst rogue regimes as it violated the arms embargo.

Mr. Speaker, that not only makes no sense, it is simply outrageous. Only this administration, which has proven itself so completely incompetent in the field of foreign policy, could conclude that it was better for Iran to give arms to Bosnia than for the American Government or the American private sector to give arms to Bosnia.

But even more fundamental questions arise, Mr. Speaker, as to the operations of our foreign policy and the administration's obligation to keep the Congress fully informed, which in this case it absolutely did not.

Beyond that there are serious questions as to whether the administration even attempted to keep those parts of its own executive branch charged by law with overseeing such policies fully informed. They did not. It appears that not even the CIA was aware of this policy. Can my colleagues imagine that? In addition to the Defense Department and several U.S. Embassies in the Balkan region not even knowing what was going on, I mean they are an integral part of the administration and they were not even bothered to be told.

Mr. Speaker, no one questions the need for secrecy regarding certain foreign policy initiatives or actions, certainly not this Member, but enough serious questions remain to warrant us getting to the bottom of this, and that is what this subcommittee will do, I am sure. I think we can have the greatest confidence in the leadership abilities and the fairness of the person designated to head this select committee, the gentleman from Illinois [Mr. HYDE]. I served on the Committee on Foreign Affairs with him for many, many years. In addition, he is the chairman of the Committee on the Judiciary, highly respected by every Member of this body on both sides of the aisle. His foreign policy expertise, his intelligence and his integrity are certainly beyond reproach.

Mr. Speaker, I think it is important to point out that this resolution does not go as far as some previous select committees or task forces have done because this is not a select committee and it is not a task force. It is a select subcommittee of a standing committee.

For instance, a chairman of the subcommittee has not been delegated the authority to authorize subpoenas. That must be voted on by the whole subcommittee with the majority being present, just like it would be in any other standing committee.

So I want to take this opportunity to commend the gentleman from New York [Mr. GILMAN] on taking this necessary but very balanced approach to this disturbing set of circumstances that have to be cleared up in order to find out and to set a precedent for what kind of foreign policy we will have in the future.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this select committee is not only completely unnecessary but also completely political.

It is being created to investigate a policy issue and nobody is claiming wrongdoing. Make no mistake about it, the rule we are discussing is pure politics and nothing else.

The creation of this committee and the subsequent expenditure will amount to $1 million of work for the Dole campaign.

The issue my Republican colleagues claim needs investigating, the issue of Iranian arms shipments to Bosnia and Croatia, has been common knowledge to every single Member of this House since early 1994 and absolutely no one objected to those shipments. In fact, in October of that same year, Congress voted to look the other way on enforcing the arms embargo. Furthermore, the Intelligence Oversight Board determines that there was no covert action and no violation of laws whatsoever.

Mr. Speaker, here are the facts: Everyone knew these arms transfers were taking place; nobody objected; a majority of the House voted not to enforce sanctions; and absolutely no one is accusing the White House of any wrongdoing.

So why on earth, Mr. Speaker, do my Republican colleagues want to spend $1 million to investigate nothing at all?

Frankly, I don't see how anyone can stand here and tell me this ridiculous, trumped up charade which is scheduled to end the week before election day is anything more than a cheap political stunt.

And, may I remind the House, Mr. Speaker, that the creation of this committee is being dictated by the same leadership that is asking congressional committees to perform opposition research for the Dole campaign.

Mr. Speaker, I think the Republican leadership ought to be ashamed.

They are creating a whole new congressional committee just because they can and it is wrong. They are actually trying to spend $1 million to investigate something no one objected to 2 years ago, and, on top of that, they are demanding the committee finish its work a week before election day.

I don't think the creation of this committee could be any more transparent, Mr. Speaker.

If this issue really needs to be investigated, which I doubt, and if it is not a political move, then why can't it take place in the existing structure of one of the standing congressional committees?

Mr. Speaker, I urge my colleagues to defeat the previous question in order to conduct this investigation within the existing structure of the Foreign Affairs Committee and using the existing resources instead of an additional $1 million.

If the previous question is not defeated, I urge my colleagues to vote against the resolution to keep our legislative branch out of presidential politics: It's a waste of money; it's a waste of time; and it's insulting to the American people.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield 4 minutes to the gentleman from Sanibel, FL [Mr. GOSS], a very valuable member of the Committee on Rules and also a very valuable member of the Permanent Select Committee on Intelligence.

Mr. GOSS. Mr. Speaker, I thank the distinguished gentleman from New York [Mr. SOLOMON] for yielding this time to me.

Mr. Speaker, this resolution provides a measured and appropriate response to recent disturbing disclosures about secret administration policy with respect to Iranian arms shipments during the Bosnian conflict. I think most Members would agree that there remain many serious questions about this policy, the circumstances surrounding its formulation and the lack of information provided to the Congress regarding its execution. These questions are particularly important given the presence of thousands of United States troops in Bosnia and the serious national security consequences of encouraging an Iranian foothold in Europe. It is not only the clear right, but also the obligation of Congress, to conduct a careful review in search of more thorough answers to these questions, a point made eloquently at the Rules Committee by the distinguished ranking member of the International Relations Committee, Mr. HAMILTON. Mr. HAMILTON advised that he believes this is undoubtedly an issue for Congress to investigate. As stewards of the management of this House, the majority has determined that the most effective means for conducting this review is to create a special purpose, temporary, select subcommittee within the International Relations Committee, and that is precisely what House resolution 416 proposes to do. It is our judgment, and the judgment of such respected foreign policy experts in this House as Mr. GILMAN and Mr. HYDE, that this matter requires the focus, expanded resources, and clearly defined authority to gather information of a special select subcommittee. Given Mr. HAMILTON's reasoned words and his candid assessment of the complexity of the issues involved in this matter, I am dismayed that some of his Democratic colleagues in the House are still resisting this investigation. This resistance is even more puzzling given news reports that the minority leader in the other body has publicly expressed no opposition to it. Although other committees, including Select Intelligence, on which I serve, will be exploring certain points of jurisdictional interest, it is sensible and practical for one body to accept the primary, exclusive and comprehensive responsibility for this task. In addition, through this resolution we are clearly defining the job description of this select subcommittee, while providing a clear and decisive end-date for the investigation.

Mr. Speaker, Members of this House and the American people have a right to know how it was that, at a time when the administration was publicly opposing bipartisan efforts in this Congress to lift the Bosnian arms embargo, the President and a few others working for him pursued a policy of tacit approval for Iranian arms shipments through Croatia to the Bosnian Government. Apparently we had Americans working against Americans in our Croatian country team—the White House reportedly working against itself and Congress. In addition to the troubling gap between the public exhortations of the Clinton administration about preserving the arms embargo and the apparent private decision to allow Iran to supply arms in contravention of the embargo—I am troubled at the apparently calculated lack of congressional notification about these events. This was not CIA; ironically they were the whistleblowers, according to the press. This was a small band of the President's men, it seems. And, perhaps most troubling of all, I am deeply concerned about the long-term impact of allowing an outlaw terrorist nation, Iran, to establish a presence in Bosnia. This goes beyond foolish policy to increased national security risks and it is not a matter to be taken lightly by this Congress. We need the truth from the White House, the whole truth. This resolution starts us in that direction. I support this resolution and urge my colleagues to do the same.

☐ 1145

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, this resolution is designed to implement the oft-repeated trademark of the self-styled Gingrich revolutionaries: Promises made, promises broken. They came to the floor of this Congress last January and told us they were interested in reforming the committee process and cutting the amount of taxpayer money spent in this Congress.

As a new Member, I joined with them in that effort. How do they proposed to fulfill that promise today? By adding a $1 million subcommittee, $1 million paid by the taxpayers of America; another subcommittee that is five times more expensive than the average subcommittee in this House. That is promises made, promises broken.

Who says the Republicans do not want to raise the minimum wage? They proposed to pay four of their political backers over $100,000 each to man this expensive subcommittee. They want to raise the minimum wage. They just want to do it for a handful of their political friends, instead of for the hardworking people of this country.

This subcommittee should rightfully be called the rabbit trail subcommittee, because they are down there chasing another rabbit. They have not got the slightest idea how to solve the real problems of the American people, so instead of focusing on those problems, they head off to Bosnia. Instead of focusing on solving our problems here at home, in dealing with the real troubles that hardworking families across this country have, they want to chase off to Bosnia.

Mr. Speaker, last year they caught shutdown fever and they could not seem to get rid of it. This year they are suffering another malady. It is the same malady, but there are other symptoms. They are called sinking spells. They just keep sinking right on down into the ground in the polls, because the American people understand that all they have given us is promises made, promises broken. As a solution for this sinking spell that they are now suffering, they proposed gimmicks like this subcommittee.

Mr. Speaker, I would say to my Republican colleagues, heal thyselves. Stop wasting taxpayer money on this kind of frivolity.

Mr. SOLOMON. Mr. Speaker, I yield myself 1 brief minute to call attention to a report that was put out by the Democratic leadership back in 1992. It is "Management of the Federal Government: A Decade of Decline."

As the gentleman from Pennsylvania [Mr. CLINGER] says in his letter to the gentleman from Georgia [Mr. GINGRICH]:

> I have enclosed for your information and your use a staff report from the former Committee on Government Operations entitled "Managing the Federal Government: A Decade of Decline." This report chronicles mismanagement and ethical lapses which occurred throughout the Reagan and Bush administrations.

I could go on, but it is strange to hear them come here now and complain, when they went to considerable time and expense using committee staff to put out this report. I just do not understand this kind of logic.

Mr. Speaker, I yield 2 minutes to the gentleman from Claremont, CA [Mr. DREIER], a valuable member of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding time to me.

Mr. Speaker, I think some very important questions have to be addressed here. That is the reason that we are strongly supporting establishment of this subcommittee. It seems to me that as we look at these questions, to have my friends on the other side of the aisle saying this is totally unnecessary, one must ask: Was the administration telling the American people, Congress, our allies, and even most of the executive branch one thing while it was doing another? Did any of the administration's actions violate U.S. law? Was the U.S. Government's role in these arms transfers simply passive, or was it, as the Los Angeles Times stated on April 17, more hands on? Which Government officials knew about these arms transfers and when?

How extensive was the effort to keep Congress uninformed of the Iranian operations? Why did the Clinton administration allow Iran to extend its influence into Europe after the administration had announced a policy of isolating Iran? Why would the Clinton administration allow Iran, a State Department terrorist nation, as it is designated, to unilaterally violate the arms embargo, after repeatedly ignoring U.S. congressional pleas and directives for the United States to do so? Did the administration's action increase the risk to United States Armed Forces deployed in Bosnia, or decrease the likelihood of a timely withdrawal of United States Armed Forces from Bosnia?

Mr. Speaker, these are among the many questions that must be answered. For my friends on the other side of the aisle to claim that this is totally unnecessary is preposterous. These need to be answered because of our constitutional responsibility, and the fact that we are accountable to the American people and to those who are courageously standing and serving on behalf of our country.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. GEJDENSON]

Mr. GEJDENSON. Mr. Speaker, I think it is important to look at the history here. We had 4 years of the Bush administration where they did nothing while mass murder continued in Yugoslavia. President Clinton came along and, with tremendous effort, was able to get a peace process that is now holding.

Why are we here today? The gentleman from Pennsylvania [Mr. WALKER] and the gentleman from Iowa [Mr. NUSSLE], two of the gentlemen who are the gentleman from Georgia, Mr. GINGRICH's, closest associates, sent out a message to committee chairmen: Use taxpayer money to get the President. What are they trying to get the President on?

Let us take a look at it. The Iranians were shipping arms to the Muslims in the former Yugoslavian area from the beginning, but in April 1994 the administration did not stop the Iranians from sending arms into Bosnia.

Mr. Speaker, there was no law, no U.N. resolution that mandated they do that. But that is what happened in April. In May, the Washington Post publishes a report of Iranian arms shipments into the former Yugoslavian Republics. That was in April 1994.

Now we are in May 1994. Everybody who reads the Washington Post now knows it is going on, or they ought to have a pretty good suspicion. What happens in June? Congress passes an amendment calling for a unilateral lifting of the arms embargo, violating our U.N. agreement, maybe putting our embargo of Libya in danger. But we are all concerned about what is happening with the slaughter there.

Just in case Members think Republicans missed the Post article, here we have on June 24 a Washington Times story: "Iranian Weapons Sent. Aid Gets U.S. Wink." It is included in the Senate RECORD by Mr. MCCAIN, who is leading the effort for Senator DOLE'S reelection.

Now, just in case you think Congress knew about it and wanted to stop it after it was in the papers, what did Congress do, with the gentleman from New York [Mr. GILMAN] and the gentleman from Illinois [Mr. HYDE] voting in favor of the resolution? It passed a resolution in the defense authorization bill which said that the President should be prohibited from interfering with arms shipments into the former Yugoslavian Republics; the President should be prohibited. It did not say the President should be prohibited except for the Iranians who have been shipping arms there to the Muslims from the beginning. It simply said, across the board, the President ought to be prohibited from interfering with arms shipments.

The U.N. resolution did not call on us to take this action. There was no congressional action to have the President interfere with Iranian arms shipments. To the contrary, this Congress passed a resolution that told the President he was not to interfere with arms shipments from other countries.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it seems odd to see the gentleman from Connecticut, whose name has appeared on the National Taxpayers Union's list of biggest spenders since the year he came here, complaining about wasting taxpayers' money.

Mr. Speaker, I yield 3 minutes to my good friend, the distinguished gentleman from California [Mr. COX], the chairman of the Republican Policy Committee.

Mr. COX of California. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, during his recent circumnavigation of the planet, President Clinton stopped at the G–7 summit to hector our allies about leaning harder on the Iranian mullahs who are shipping arms to the Hezbollah guerrillas in Lebanon. But while he was publicly condemning Iran, and while the administration and the President were calling Iran the main source of international terrorism, we find that President Clinton was in fact conniving for even larger Iranian shipments into the Balkans.

Mr. Speaker, let us take a look at the history of this. It was May 1992 that the United Nations imposed an arms embargo on the former Yugoslavia. The United States supported this arms embargo, but Bill Clinton, who was running for President, opposed it. He said it was a cruel arms embargo, and that we ought to lift it. He became President and completely changed his policy, and broke that promise and said, "No, we are going to have an arms embargo, because it would be wrong now for anyone to ship arms into the Balkans."

The Congress, for its part, agreed with candidate Clinton, not President Clinton, and supported lifting the arms embargo with a view not to letting Iran into Europe but, rather, our allies such as Saudi Arabia and Turkey supply the Bosnian Muslims with arms. But the President of the United States opposed even that, and in particular, of course, he opposed the United States in any way being involved in arms shipments into the Balkans.

Finally, Mr. Speaker, we discover that the President concealed not just from the American people, not just from the Congress, but from the CIA and from the Joint Chiefs of Staff the United States' complicity, through our American Ambassador, in these direct Iranian shipments into the Balkans.

What is wrong with this? First, it is wrong to structure an operation of this type for the express purpose of concealing something from the Congress. All that has gone before about whether or not these shipments were taking place, whether or not people knew about them, elides over the fact that what we did not know and what the CIA station chief did not know and what the Joint Chiefs did not know was about the administration's and the President's and the Ambassador's own involvement, all of this structured for the purpose of concealing this from the Congress.

What about the policy? It is insane. It is absolutely insane to give Iran a toehold into Europe. That is the policy that was being concealed here. One can understand why.

Is it worthwhile for us to have a very time-limited and financially limited committee to take a look at this? Of course it is.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, there is more misinformation going on around here, and especially by people who call themselves great budget hawks. Let us talk about what is going on. They want $1 million, that is five times more than the average subcommittee has in this Congress, $1 million for a short-term subcommittee. They are going to take care of these people, too. Four are going to make over $100,000 apiece.

They have a line item in here for bottled water. This is the bottled water subcommittee. They have another line item that they get new RCA color TV's. That makes you wonder a bit, too. But the real issue is this House is already spending $37.2 million for 132 staff people to look at foreign affairs issues. There are supposedly three Bosnia investigations going on right now in those standing committees, so this will be investigation No. 4.

The only way I can read this is the three are not turning up what they want, or they figure if you have four and you keep having enough committees out there, maybe somebody will finally find something on President Clinton. This is desperation politics, I think, at its very worst.

Let us think about what else they did. We have done away with the committee on drugs, we have done away with the committee for seniors, we have even done away with the committee on hunger, children, youth, and families. Apparently those are not issues anymore. We do not have enough money to spend on those issues. But we can now have the fourth investigation on Bosnia, the fourth.

Mr. Speaker, that does not make any sense to me. I think if we do not think the other three are doing well, then fire the people who are in charge of them, put the right people in, but you do not keep piling on more. That is why we are so suspicious. Having this follow the political memo, this looks like a political subcommittee.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to the resolution. I think it is overkill. This is really not the way to handle a dispute on American foreign policy.

□ 1200

The select committee is unnecessary. There are no compelling reasons for it. There really are no disputes about the facts. There are no allegations of violation of the law. It is a simple dispute over policy.

The fact is that in the spring of 1994, the President had some very tough judgments to make. Does he try to stop the arms shipment and watch the Bosnian Government go down the tubes? Does he lift the arms embargo unilaterally, and that would fracture the NATO allies? Or does he do nothing, and thereby allow shipments of arms from Iran to go through Croatia to Bosnia?

He chose the third alternative. Some people may disagree with that. Some may believe it is bad policy, but three things about it I think can be said: First, the policy worked. It produced peace, and through this peace the Iranian presence in Bosnia has been reduced practically to zero. Second, many Members knew about the arms shipment at the time and they did not protest. And third, Congress, just 3 months after the administration decision, codified into law where it directed that no funds be used to enforce the arms embargo.

The second point I would make is that creating this subcommittee is a mistake because it duplicates the efforts of a lot of other committees at a cost of about $1 million. There are already three committees in the House, I do not know how many in the Senate, looking into this matter and will continue looking into it.

Just a few minutes ago, the Committee on International Relations, the full committee, not a subcommittee, under the very able leadership of my friend from New York, Mr. GILMAN, voted to subpoena the testimony of two State Department officials. That is a clear indication that the committee is conducting an investigation, and that investigation of policy is proper and reasonable, but there is no reason to set up a separate subcommittee to do this.

Finally, may I say that I think it is a mistake to establish this subcommittee simply because it falls far short in ensuring the rights of the minority. We were not consulted in drafting this resolution. The resolution gives the minority almost no role in the establishment or the operation of the subcommittee.

I want to say that I have confidence in the chairman of this select committee to be established, I assume the gentleman from Illinois [Mr. HYDE]. I think we will work well together. But it is not an unreasonable request to insist that the resolution adequately protect minority rights.

Therefore, I urge my colleagues to defeat the resolution. We need instead to let the standing committees of the House do their work and report back to the House on the question. We do not need a select committee with a very large payroll to examine the wisdom of the administration's policies.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the very distinguished gentleman from California [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I would respond to my friend and colleague from Indiana that he knows full well we just went through a committee funding procedure in which the chairman of the select subcommittee made a number of statements on the record.

But before I talk about a comparison between the October Surprise Task Force, which was chaired by the gentleman from Indiana, and the current select subcommittee, I just think we need to revisit the statements made by the chairman of the October Surprise Task Force as to the rationale for the Democrats, who were then in the majority, to conduct a task force which for 8 months ran without any funding whatsoever and wound up spending five times as much, open-ended funding. This is what the gentleman from Indiana said when asked about the task force in front of the then-Committee on House Administration.

Representative LEE HAMILTON said, quote, "There was no clear pervasive evidence of wrongdoing, but we ought to go forward." He said he did not know if the allegations were true or false, but we ought to spend $4.5 million.

He then went on and said he did not know, quote, "how to get to the bottom of it unless you have a formal investigation with a body with some kind of empowerment to issue subpoenas and to take statements under oath." He said the objective of the task force that the Democrats put in when they were in the majority was a simple one: "The objective is to simply find out what happened."

If you heard the gentleman from California [Mr. COX], about how this President, even within the secret inner sanctums of the national security structure, did not talk about letting Iran into Europe, I think the Congress of the United States ought to at least know what was happening.

Now, let us talk about the funding and the ratios. As I said, the October Surprise Task Force operated for over 8 months and spent virtually the entire amount of this select subcommittee before ever coming before a committee to be authorized to spend money.

Let us talk about relationships. The gentleman from Indiana said he did not know what the relationships were. Hogwash. During the hearing in front of the Committee on House Oversight, it was clearly spelled out by the chairman of the full committee and the chairman of the select subcommittee what those ratios were going to be, and guess what? In terms of the consultants, it is a 50–50 split.

In no use of staff is the now-minority being treated in any way worse than the old minority, which is the majority. As a matter of fact, the new majority is treating the old majority in a fairer way.

So there are some differences. We are putting the money up front. We have a time limit on it. But the questions, the reason for creating of the October Surprise Task Force and this one are the same. We want to get to the bottom of what could be a very smelly situation.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, it is immoral to stand by while a quarter of a million people are massacred as victims of genocide. Maybe that is why for the last 2 years the Congress has not done anything about the information that it had in June 1994. The Congress reads the papers. It listens to its colleagues on the floor of the House and Senate.

In June 1994, Senator MCCAIN said clearly, unequivocally:

> Croatia has become a major transit point for covert Iranian arms shipments to Bosnia with the tacit approval of the Clinton administration, which publicly remains opposed to a unilateral lifting of the international arms embargo.

Senator MCCAIN said that to all the Senate. The House was aware of that information, and yet for 2 years no Member of the House or the Senate has asked for a hearing. No Member of the House or the Senate objected to what they knew the administration was doing. We said nothing. We are the ones who kept quiet about it.

I think that there is good reason why we kept quiet about it. For one thing, the majority would have as a reason that they might be embarrassed that it was the Bush administration that lost Yugoslavia, and it was the Bush administration that supported the U.N. Security Council resolution that imposed the arms embargo in the first place.

That arms embargo was supposed to apply to Serbia and Croatia, who were the aggressors in the conflict, who had plenty of arms, who had access to plenty of arms. But in effect the arms embargo only applied to Bosnia, who did not have sufficient arms to protect itself, who did not have access to arms, so it was an unfair policy.

Because it was such an unfair policy, this House of Representatives put itself on record 3 months after the Clinton administration was aware that the arms might go into Bosnia, we put ourselves on record demanding that the Clinton administration do just what we are today accusing them of doing. We told the President not to use any appropriated funds to enforce the arms embargo, and 3 months later it became law. We legally required the Clinton administration to do exactly what we are now accusing them of doing, and it was an overwhelming vote in both the House and Senate.

I think that we should also be careful, and I do not want to offer any advice to the other side, but to bring up the Iran-Contra situation in this context I think is a serious mistake, because the Iran-Contra situation was clearly illegal. This was not illegal. The Clinton administration did not supply any arms to Bosnia. It did not take any overt activity. But it was illegal for the Reagan administration to sell arms to Iran and then to use the money subsequently for another illegal operation.

We should not waste the taxpayers' money on this politically inspired witch hunt.

Mr. FROST. Mr. Speaker, I would inquire of the time remaining on each side.

The SPEAKER pro tempore (Mr. HANSEN). The gentleman from New York has 11½ minutes, and the gentleman from Texas has 13½ minutes.

Mr. FROST. Mr. Speaker, I yield 4½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, it is with a certain degree of sadness that I rise. I think frankly that the specter of election-year politics raises its head very high in this instance.

I am one who consistently opposed the Clinton administration's policies and without exception supported the unilateral, immediate lifting of the arms embargo. I did that so that peoples under siege, peoples being raped, pillaged, children being killed, ethnic cleansing occurring, yes; genocide occurring could be stopped. I believed that it was immoral and wrong for the United States and its Western allies to keep from the Bosnian people the means for self-defense. But the West as a joint policy, with the British and the French leading the argument, "Do not arm. It will put our troops at risk that are on the ground."

Contrary to the representations of the gentleman from California [Mr. COX], the President did not lie. He said he wanted a unilateral withdrawal, but he thought it would undermine our alliance and therefore would not support it.

But the fact of the matter is we, as the gentleman from Virginia pointed out, by law, and I do not know how the gentleman from Illinois [Mr. HYDE] or the gentleman from California [Mr. DORNAN] or the gentleman from New York [Mr. SOLOMON] or the gentleman from Florida [Mr. GOSS] or the gentleman from New York [Mr. GILMAN] or the gentleman from New Jersey [Mr. SMITH], who are on the floor, voted on that, but we said, "Mr. President, you must stop arms coming to these defenseless people."

We said that. We directed them in the defense authorization bill of 1994. Now, as the Presidential campaign is about to get underway, we lament the fact that the President of the United States followed the law and allowed them to get from whichever source they could the arms to defend their homes, their freedom, the democracy that they wanted to establish, the multicultural society which had been a fact of life in Sarajevo and in Bosnia.

What a tragedy, Mr. Speaker, that we now found ourselves driven solely by politics to this point where we raise the issue that a President of the United States, any President of the United States, and I will tell my friend from Virginia, I thought the Bush policy initially was correct in Bosnia, which was to leave it to the Europeans. It turned out we were all wrong. The Europeans did not engage it and solve it. Ultimately the United States had to do that.

But I regret my friend from New York, who is a very close friend for whom I have great respect, and the gentleman from Illinois, for whom I have very great respect, are at this time looking at what I believe to be a very short time frame, not the long time frame where history will judge America not only by what it does, but if we had stopped the Bosnians from getting arms from whomever they could, we would have been wrong.

A gentlewoman on your side of the aisle, one of your most conservative Members walking with me yesterday said, "Well, good for the Iranians getting them arms. They needed arms, and I was for them getting arms."

That was an honest, nonpolitical response.

□ 1215

Mr. SOLOMON. Mr. Speaker, I cannot imagine any conservative Republican woman in this body saying such a thing, but I will have to take the gentleman's word for it.

Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GILMAN], the very distinguished chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me time. Mr. Speaker, I regret the gentleman from Maryland has characterized this as a political action.

Mr. Speaker, in April 1994, the Clinton administration secretly decided to permit Iran to ship weapons to Bosnia in violation of an international arms embargo.

The administration took this action even as it strongly opposed the efforts of many of us in the Congress to terminate that unjust embargo against Bosnia.

The administration argued that our allies feared that terminating the embargo would endanger their troops on the ground.

The result of this foolish and deceitful policy has been to give the terrorist state of Iran a sizeable foothold in Europe, endangered our troops in Bosnia, as well as peace and security there.

The administration has argued that this is no big deal, stating that Congress forced them to stop enforcing the arms embargo in November 1994.

According to the Los Angeles Times, the idea of not enforcing the embargo was proposed by Senator SAM NUNN at a meeting in August 1994 with Ambassador Charles Redmond—then our chief negotiator in the Balkans.

The article states that Redmond discussed at length the legislative language the administration would accept.

But he never disclosed that the administration had already given Iran a go-ahead to smuggle arms into Bosnia.

This is the same Iran that the administration's own annual report on terrorism, issued just last week, states that it is a major supporter of such terrorist groups as Hizbollah and Hamas.

The report also states, and I quote: "Because of Tehran's and Hizbollah's deep antipathy towards the United States, U.S. missions and personnel abroad continue to be at risk." Close quote.

A select subcommittee of our International Relations Committee is needed to find out just how and why the Clinton administration made this major change in policy without telling Congress, the American people, or even our NATO Allies.

A select committee is needed to find out why—if the administration did want the Bosnians to have arms, it allowed a terrorist state like Iran to provide the arms and secure a beachhead in the Balkans.

Accordingly, I urge our colleagues to support the resolution.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Speaker, my friend from New York claims this is not political. Forty-five minutes ago he, under the direction of his leadership, with the passionate support of his Republican members of the Committee on International Relations egging him on, pushed through that committee a subpoena of two of our Ambassadors, not to the select committee that we are creating for $1 million now, but to the committee on International Relations, notwithstanding the fact that the Secretary of State this very morning had called him and told him he would make these people available at any mutually agreeable time and wanted to do anything he could to cooperate with the committee's efforts.

This is purely political.

We talk about Iran and we hear these comments. I do remember a time when we gave lend-lease to the Stalinist thugs who had committed the purges and killed millions of people because we thought a national interest required us to do that. The country of Bosnia was about to go down. I remember my friend from Illinois speaking in the committee about article 51, the compelling moral and legal right to help somebody defend themselves from extinction. That was what was at stake in this particular issue.

Mr. Speaker, I have not heard one word of any question of either the legality or the morality of this particular decision. Our options were not good, we had to make a decision based on the circumstances at the time. The administration made that decision. A country was saved. To now, for what I believe are truly political motivations as I watched what happened this morning in the Committee on International Relations, go back to the people who most passionately spoke in favor of helping this country get arms to defend itself, now wanting to make political hay out of it, I think is quite a tragedy for this House.

Mr. SOLOMON. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. DORNAN], another very distinguished member of this body who has served on the Committee on Foreign Affairs with me, served on the Committee on National Security and the Permanent Select Committee on Intelligence. He is a very outstanding member of this body.

Mr. DORNAN. Mr. Speaker, I guess it is every man for himself on both sides of the aisle, whether or not their heart is pure and they think it is political. If anybody wants to tell me that my feelings on this issue are political, I'll just laugh in your face. I have been over there in that area more than any other Member of the House or Senate, except for staffers on both sides, and administration staffers, and I am a bit offended that my good friend from Texas would get up and say that it is ridiculous, trumped up, a charade, cheap political stunts, he is ashamed of us.

I am on the Permanent Select Committee on Intelligence in my eighth year. What was wrong with the schizophrenic Clinton policy is that the leaders of all of our committees, Intelligence, Foreign Affairs, Defense, everybody was shut out of this policy. It came down to a handful, as I predicted it would 3½ years ago, to the Strobe Talbot team, figuring out how they could have their cake and eat it too.

It looked like they were licking the boots of the countries that wanted no Muslim state on European soil, the leaders of England and France, Great Britain and France principally, and then to allow the infrastructure of a terrorist state to win the hearts of the people who were being genocided was a nightmare policy.

I read the NID, the National Intelligence Daily, as assiduously as any member of our Permanent Select Committee on Intelligence. I cannot speak for the Senate. And I can feel the pressure building. I can feel the similarities to Lebanon, which occurred under my hero, President Ronald Reagan, where one suicide terrorist bomber was able to destroy 241 Navy, Army, and of them 221 young Marines. Now we have got a pressure cooker building because we did not have the guts, as I wanted to do, to go against the Bush policy and put a helicopter attack raid on the

Auschwitz type camps that the Serbians were running in Bosnia. Remember with the four times more expensive, politicized Gary Sick affair, you had to accept that George Bush got on a SR-71 Blackbird, ditching his Secret Service at an Air Force base in New Jersey, flew to Spain, special refueling tankers, met with Iranian terrorists and come back from Spain. Absurd. But my friend who I hold in high esteem said let us get the facts. I am talking about Mr. HAMILTON.

All I am saying is let us try to keep politics out of it. Not easy in an election year. But let us get the facts and stop the nightmarish schizophrenia of the Iranian terrorists who hate our guts and call us the great Satan and making their new friends in Bosnia. What a nightmare Clinton has created. I predicted it right here.

Mr. Speaker, here are several reasons why Congress must investigate the United States role in Iranian arms transfers to Bosnia:

First, in response to the overwhelming and horrific evidence of atrocities committed against the Bosnians, Members of this House during eight different legislative occasions either indicated, authorized, or directed the President to lift the arms embargo—unilaterally if necessary—and provide arms to the Bosnian Government and treat the Croatians fairly.

Second, at the same time that the Clinton administration was working so stridently to prevent Congress from allowing the Bosnians to arm and thus defend themselves, it connived to allow the Iranians to gain a position of influence through backdoor arms transfers.

Third, according to the administration's own assessment, the Bosnians would have needed at least 1 billion dollars' worth of arms to defend themselves—so no one can argue that Iran's program was a suitable alternative to United States support.

Fourth, President Clinton's policy of don't pursue the truth on the Iranian arms supply operation was unnecessary and dangerous in the extreme. Clinton's small inexperienced Strobe Talbot team withheld from Congress, our allies, the CIA and the American people, information about Iran's dangerous involvement because they knew it could not withstand public scrutiny.

Fifth, the Clinton administration has been claiming that Congress supported their policy of acquiescence toward Iranian arms transfers by enacting the Nunn legislation which prohibited United States enforcement of the international arms embargo.

Sixth, according to the May 2 Los Angeles Times, Senator SAM NUNN acknowledged that the Clinton administration had encouraged him to offer language to terminate United States participation in efforts to enforce the embargo—subsequently viewed by the Clinton administration as in effect ratifying their policy of inviting Iran into Bosnia. This legislation was also political cover for those who were unwilling to fight to lift the arms embargo.

Here are six more facts to consider:

First, Clinton and other key officials knew about Iranian involvement in Bosnia and the approximate scope of their presence from 1993 onward.

Second, as we learned from the tragedy in Beirut on October 23, 1983, it only takes one determined suicide terrorist to slaughter our troops.

Third, the capture of two Iranian passport holders at a terrorist training center in Bosnia by NATO troops last February should cause sufficient alarm about Iranian involvement and intentions.

Fourth, Iran's large diplomatic presence conflicts with the mission of IFOR.

Fifth, Iran has been classified by the United States State Department as a terrorist state.

Sixth, it is characteristic of Clinton's schizophrenic policies and leadership that he can sign an antiterrorism bill and at the same time introduce a terrorist infrastructure into southern Europe.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, I have three ideas that come to mind in this debate right now: footholds; duplication; and the legitimate interests of my Republican colleagues.

There has been, I think, fairly casual use of language and logic in suggesting that the President's "no instructions" instruction in the spring of 1994 occasioned the Iranians gaining a foothold in Bosnia. Unclassified intelligence makes it very, very clear that there were hundreds of Iranian revolutionary guards and others, unfortunately, in Bosnia in 1993, way before any of the events in question here took place.

Second point, the question of duplication. Are we going to learn anything new from creating this select subcommittee that we are not already going to learn?

Mr. Speaker, this matter is already under investigation by the House Permanent Select Committee on Intelligence, the Committee on National Security has jurisdiction, the Committee on Government Reform and Oversight has jurisdiction. The Committee on International Relations can have plenty of jurisdiction, too, without spending one million bucks to create another select committee. We have so many people looking at this they are going to be stepping all over each other trying to schedule witnesses and everything else during the next few months.

Finally, the question, and it is a very legitimate one, should not the opposition in the Government; that is, the Republican majority here in Congress, in the opposition as to the administration, have a right to have their own look at this?

Of course they should. But let us also keep in mind that the distinguished former Senator from New Hampshire, Warren Rudman, a Republican who serves on the President's Foreign Intelligence Advisory Board, who used to serve on the Senate Permanent Select Committee on Intelligence, has reviewed the Intelligence Oversight Board investigation of this matter and found nothing illegal, no violation of U.S. law. This already has the blessing, if you will, of a distinguished Republican overseer of the matter. I think that is terribly important.

Mr. SOLOMON. Mr. Speaker, I yield 30 seconds to the gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, I think the distinguished gentleman from Colorado would agree that the comments and the allegations he made about Senator Rudman go to a very narrow issue with regard to covert action findings, and do not go the broad comprehensive policy we are talking about.

Mr. SKAGGS. Mr. Speaker, will the gentleman yield?

Mr. GOSS. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Speaker, the point is that Senator Rudman said no illegality, no covert action. What is left, as he put it in his words, is a matter of politics.

Mr. GOSS. Mr. Speaker, reclaiming my time, to a very narrow point that they were looking into, which we cannot talk about, regrettably, too much in the open, I agree that was a correct finding, but it is not the whole story.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER], a member of the Committee on National Security.

Mr. BUYER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, with quite a bit of interest I listened to the debate, because I was not here in the Congress back during the Bush administration, but I recognize that in 1991, the United Nations, with the full support of the United States Government imposed the arms embargo on the entire former Yugoslavia. Then, as outgunned, the Bosnian military suffered repeated defeats and the Bosnian civilian casualties mounted, many people came to see the embargo as unfair to the Bosnians.

In January 1993, when President Clinton took office, he attempted to persuade our allies to multilaterally lift the embargo. This attempt was not successful, but President Clinton would not support a unilateral lifting of the embargo. They continued to support the embargo and enforced it with U.S. Naval forces. The Clinton administration has always opposed the unilateral lifting of the embargo, until the Dayton peace accords were signed in late 1995.

Now the Undersecretary of State has confirmed the United States officially, by this alleged secret agreement with Croatia, turned a blind eye to covert arms shipments by Iran into Croatia and Bosnia. This leads to the potential of a terrorist state such as Iran claiming a foothold into Europe.

I think that there are many important questions to be asked. What prompted the President to enter into a secret agreement with Croatia to allow the shipments of large quantities of arms into Bosnia and Iran, in violation of the U.N. arms embargo, at the time he was lobbying Congress not to lift the arms embargo? Did the administration officials initiate this deal, and did it involve them directly or indirectly with Iranian officials? Why did the President not notify Congress of the secret agreement when it was made at that time? Has the administration been honest with the public and private statements on the issue during its testimony before Congress, in statements to the American people that it is diplomatic dialog with our European allies? And were any laws violated?

We do not know the answers to those questions, and I think it is very, very appropriate to ask.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

□ 1230

Mr. WISE. Mr. Speaker, now I just want to get this straight, myself and a lot of taxpayers. This Congress is about to approve a million-dollar select committee to hold hearings into matters that three other subcommittees are already holding hearings into.

The complaint apparently is that the United States knew that Iran was sending arms to the Bosnian Muslims. Now, this is the same Congress that voted overwhelmingly to lift the arms embargo so that the Bosnian Muslims could get arms from wherever to defend themselves.

Was not this the same Congress, headed by Senate Majority Leader DOLE, who led the effort to lift the arms embargo so the Bosnian Muslims could get arms from wherever to defend themselves? Mr. Speaker, the most open secret around here, if indeed published news reports are secret, was that the Bosnian Muslims were getting arms to defend themselves from the Iranians, which was what everybody said they wanted to happen, that they have arms from somewhere to defend themselves.

Now that requires a million-dollar select subcommittee, in addition to the three subcommittees already investigating it?

Mr. Speaker, this is a group that likes hearings. I have sat in on a bunch of them myself on the Committee on Government Reform and Oversight. The record so far is that this million-dollar subcommittee will be added to the 44 days of hearings and $30 million that has so far been spent on Whitewater; 14 days of hearings on Ruby Ridge; 10 days of hearings on Waco, that certainly changed national policy; and countless wasted hours and taxpayer dollars on other types of politically motivated investigations.

We have three committees already looking into this. Mr. Speaker, there is no need to spend a million dollars, add more staff, add more fluff, to do what those three committees are already charged with doing and are doing.

Mr. SOLOMON. Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois [Mr. HYDE], someone very important in this debate. He will be the chairman of this new select subcommittee. He is one of the most respected Members of this body.

Mr. HYDE. Mr. Speaker, you will miss my tirade about October Surprise. How soon we forget the greatest wild goose chase in history which spent $1.3 million. I have quotations about how important that quest was for the Emerald City that my friends on the other side of the aisle led us on. Oh, it was not political; it was just 10 years old in an election year. But my friends do not know anything about politics, and I will not raise the issue.

Mr. Speaker, we are not talking about the wisdom of the embargo. Everybody agreed, except the Clinton administration while they lived under it, that the embargo was wrong and immoral. We agree with that. But what we are concerned about is the wisdom, the propriety, the common sense of standing by while the most terrorist nation on Earth comes into the bosom of the most volatile place on Earth. The wisdom of that is a legitimate inquiry of the Committee on International Relations. It is legitimate.

We want to know the genesis of this brainstorm, because we need to know if there were options? Was Iran the only country that could supply training and arms? Is not Turkey nearby? Is not Egypt nearby? Is not Pakistan nearby?

What about the countries that were on our side, the Muslim countries in Operation Desert Storm? Why, of all the countries in the world, do we turn a blind eye to terrorist Iran? That is a legitimate inquiry.

Politics? We did not learn about this until April 5, until the Los Angeles Times did what the administration should have done: Let us in on it. Oh, my Democrat colleagues say we had notices that arms were trickling in. Sure. We never knew that we had a policy of looking the other way while the most terrorist nation on Earth was getting a foothold in the most volatile place on Earth.

Well, the timing is yours; it is not ours. Politics? Listen, I cannot help it if it is an election year. We are not going to abandon our responsibility to find out who dreamed up this policy, what is our role, what are the options, and most significantly, what are the consequences for our troops there? Our credibility as a country, saying one thing and doing another, those are important issues. We have a responsibility to get at the bottom of them. I wish it was last year, but it is not.

Mr. FROST. Mr. Speaker, I yield myself the balance of my time.

First, Mr. Speaker, I urge a "no" vote on the previous question. If the previous question is defeated, I will offer an amendment to the rule which would make in order a substitute amendment. My substitute simply directs the International Relations Committee—using existing resources—to do the very same investigation the Republicans would have their new subcommittee do.

There is no dispute that the appropriate committees ought to review and investigate the foreign policy decision of this or any other President. But before you can say we need to create a new subcommittee, you have to establish that the existing committees aren't capable of doing their job. No one has made that case. Frankly, the only difference between the Republican resolution and our substitute is whether to create a million dollar subcommittee or whether to carry out the investigation within the current committees using funding already available.

Vote "no" on the previous question.

The text of the proposed amendment is as follows:

Strike all after the resolving clause and insert the following:

That (a) the Committee on International Relations is authorized and directed to conduct a full and complete investigation (using existing committee resources), and to make such findings and recommendations to the House as it deems appropriate relating to the following matters:

(1) The policy of the United States Government with respect to the transfer of arms and other assistance from Iran or any other country to countries or entities within the territory of the former Federal Republic of Yugoslavia during any period that an international arms embargo of the former Yugoslavia was in effect.

(2) The nature and extent of the transfer of arms or other assistance from Iran or any other country to countries or entities within the territory of the former Federal Republic of Yugoslavia during the period that an international arms embargo of the former Yugoslavia was in effect.

(3) Any actions taken by the United States Government to facilitate or to impede transfers described in paragraphs (1) and (2).

(4) Any communications or representations made to the Congress of the United States or the American people with respect to the matters described in paragraph (1), (2), or (3), with respect to the international arms embargo of the former Yugoslavia, or with respect to efforts to modify or terminate United States participation in that embargo.

(5) Any implication of the matters described in paragraphs (1), (2), and (3) for the safety of United States Armed Forces deployed in and around Bosnia, for the prompt

withdrawal of United States Armed Forces from Bosnia, for relations between the United States and its allies, and for United States efforts to isolate Iran.

(6) Any actions taken to review, analyze, or investigate any of the matters described in paragraph (1), (2), (3), (4), or (5), or to keep such matters from being revealed.

(7) All deliberations, discussions, or communications within the United States Government relating to the matters described in paragraph (1), (2), (3), (4), (5), or (6), and all communications between the United States Government (or any of its officers or employees) and other governments, organizations, or individuals relating to such matters.

(b)(1) The chairman of the Committee on International Relations, for purposes of its investigation, may, upon consultation with the ranking minority party member of that committee, authorize the taking of affidavits and depositions pursuant to notice or subpoena, by a member or staff of the committee designated by the chairman, or require the furnishing of information by interrogatory, under oath administered by a person otherwise authorized by law to administer oaths.

(2) The Committee on International Relations shall provide other committees and Members of the House with access to information and proceedings, under procedures adopted by the committee consistent with clause 7(c) of rule XLVIII of the Rules of the House of Representatives. However, the committee may direct that particular classified materials shall not be made available to any person by its members, staff, or others, or may impose any other restriction. The committee shall, as appropriate, provide access to information and proceedings to the Speaker, the majority leader, the minority leader, and their appropriately cleared and designated staff.

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Republican majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual:

"Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule. When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

The vote on the previous question on a rule does have substantive policy implications. It is the one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

Mr. FROST. Mr. Speaker, I submit the following material for the RECORD:

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1*	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed; contained a closed rule on H.R. 1 within the closed rule	None.
H.R. 5*	Unfunded Mandates	H. Res. 38	Restrictive; Motion adopted over Democratic objection in the Committee of the Whole to limit debate on section 4; Pre-printing gets preference.	N/A.
H.J. Res. 2*	Balanced Budget	H. Res. 44	Restrictive; only certain substitutes; PQ	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive; considered in House no amendments	N/A.
H.R. 101	To transfer a parcel of land to the Taos Pueblo Indians of New Mexico.	H. Res. 51	Open	N/A.
H.R. 400	To provide for the exchange of lands within Gates of the Arctic National Park Preserve.	H. Res. 52	Open	N/A.
H.R. 440	To provide for the conveyance of lands to certain individuals in Butte County, California.	H. Res. 53	Open	N/A.
H.R. 2*	Line Item Veto	H. Res. 55	Open; Pre-printing gets preference	N/A.
H.R. 665*	Victim Restitution Act of 1995	H. Res. 61	Open; Pre-printing gets preference	N/A.
H.R. 666*	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open; Pre-printing gets preference	N/A.
H.R. 667*	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 668*	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open; Pre-printing gets preference; Contains self-executing provision	N/A.
H.R. 728*	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 7*	National Security Revitalization Act	H. Res. 83	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference; PQ	N/A.
H.R. 729*	Death Penalty/Habeas	N/A	Restrictive; brought up under UC with a 6 hr. time cap on amendments	N/A.
S. 2	Senate Compliance	N/A	Closed; Put on Suspension Calendar over Democratic objection	None.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Restrictive; makes in order only the Gibbons amendment; Waives all points of order; Contains self-executing provision; PQ.	1D.
H.R. 830*	The Paperwork Reduction Act	H. Res. 91	Open	N/A.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive; makes in order only the Obey substitute	1D.
H.R. 450*	Regulatory Moratorium	H. Res. 93	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 1022*	Risk Assessment	H. Res. 96	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 926*	Regulatory Flexibility	H. Res. 100	Open	N/A.
H.R. 925*	Private Property Protection Act	H. Res. 101	Restrictive; 12 hr. time cap on amendments; Requires Members to pre-print their amendments in the Record prior to the bill's consideration for amendment, waives germaneness and budget act points of order as well as points of order concerning appropriating on a legislative bill against the committee substitute used as base text.	1D.
H.R. 1058*	Securities Litigation Reform Act	H. Res. 105	Restrictive; 8 hr. time cap on amendments; Pre-printing gets preference; Makes in order the Wyden amendment and waives germaneness against it.	1D.
H.R. 988*	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive; 7 hr. time cap on amendments; Pre-printing gets preference	N/A.
H.R. 956*	Product Liability and Legal Reform Act	H. Res. 109	Restrictive; makes in order only 15 germane amendments and denies 64 germane amendments from being considered; PQ.	8D; 7R.
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115	Restrictive; Combines emergency H.R. 1158 & nonemergency 1159 and strikes the abortion provision; makes in order only pre-printed amendments that include offsets within the same chapter (deeper cuts in programs already cut); waives points of order against three amendments; waives cl 2 of rule XXI against the bill, cl 2, XXI and cl 7 of rule XVI against the substitute; waives cl 2(e) of rule XXI against the amendments in the Record; 10 hr time cap on amendments. 30 minutes debate on each amendment.	N/A.
H.J. Res. 73*	Term Limits	H. Res. 116	Restrictive; Makes in order only 4 amendments considered under a "Queen of the Hill" procedure and denies 21 germane amendments from being considered.	1D; 3R
H.R. 4*	Welfare Reform	H. Res. 119	Restrictive; Makes in order only 31 perfecting amendments and two substitutes; Denies 130 germane amendments from being considered; The substitutes are to be considered under a "Queen of the Hill" procedure; All points of order are waived against the amendments.	5D; 26R.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1271*	Family Privacy Act	H. Res. 125	Open	N/A.
H.R. 660*	Housing for Older Persons Act	H. Res. 126	Open	N/A.
H.R. 1215*	The Contract With America Tax Relief Act of 1995	H. Res. 129	Restrictive; Self Executes language that makes tax cuts contingent on the adoption of a balanced budget plan and strikes section 3006. Makes in order only one substitute. Waives all points of order against the bill, substitute made in order as original text and Gephardt substitute.	1D.
H.R. 483	Medicare Select Extension	H. Res. 130	Restrictive; waives cl 2(1)(6) of rule XI against the bill; makes H.R. 1391 in order as original text; makes in order only the Dingell substitute; allows Commerce Committee to file a report on the bill at any time.	1D.
H.R. 655	Hydrogen Future Act	H. Res. 136	Open	N/A.
H.R. 1361	Coast Guard Authorization	H. Res. 139	Open; waives sections 302(f) and 308(a) of the Congressional Budget Act against the bill's consideration and the committee substitute; waives cl 5(a) of rule XXI against the committee substitute.	N/A.
H.R. 961	Clean Water Act	H. Res. 140	Open; pre-printing gets preference; waives sections 302(f) and 602(b) of the Budget Act against the bill's consideration; waives cl 7 of rule XVI, cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Makes in order Shuster substitute as first order of business.	N/A.
H.R. 535	Corning National Fish Hatchery Conveyance Act :	H. Res. 144	Open	N/A.
H.R. 584	Conveyance of the Fairport National Fish Hatchery to the State of Iowa.	H. Res. 145	Open	N/A.
H.R. 614	Conveyance of the New London National Fish Hatchery Production Facility.	H. Res. 146	Open	N/A.
H. Con. Res. 67	Budget Resolution	H. Res. 149	Restrictive; Makes in order 4 substitutes under regular order; Gephardt, Neumann/Solomon, Payne/Owens, President's Budget if printed in Record on 5/17/95; waives all points of order against substitutes and concurrent resolution; suspends application of Rule XLIX with respect to the resolution; self-executes Agriculture language; PQ.	3D; 1R.
H.R. 1561	American Overseas Interests Act of 1995	H. Res. 155	Restrictive; Requires amendments to be printed in the Record prior to their consideration; 10 hr. time cap; waives cl 2(1)(6) of rule XI against the bill's consideration; Also waives sections 302(f), 303(a), 308(a) and 402(a) against the bill's consideration and the committee amendment in order as original text; waives cl 5(a) of rule XXI against the amendment; amendment consideration is closed at 2:30 p.m. on May 25, 1995. Self-executes provision which removes section 2210 from the bill. This was done at the request of the Budget Committee.	N/A.
H.R. 1530	National Defense Authorization Act; FY 1996	H. Res. 164	Restrictive; Makes in order only the amendments printed in the report; waives all points of order against the bill, substitute and amendments printed in the report. Gives the Chairman en bloc authority. Self-executes a provision which strikes section 807 of the bill; provides for an additional 30 min. of debate on Nunn-Lugar section; Allows Mr. Clinger to offer a modification of his amendment with the concurrence of Ms. Collins; PQ.	36R; 18D; 2 Bipartisan.
H.R. 1817	Military Construction Appropriations; FY 1996	H. Res. 167	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; 1 hr. general debate; Uses House passed budget numbers as threshold for spending amounts pending passage of Budget; PQ.	N/A.
H.R. 1854	Legislative Branch Appropriations	H. Res. 169	Restrictive; Makes in order only 11 amendments; waives sections 302(f) and 308(a) of the Budget Act against the bill and cl. 2 and cl. 6 of rule XXI against the bill. All points of order are waived against the amendments; PQ.	5R; 4D; 2 Bipartisan.
H.R. 1868	Foreign Operations Appropriations	H. Res. 170	Open; waives cl. 2, cl. 5(b), and cl. 6 of rule XXI against the bill; makes in order the Gilman amendments as first order of business; waives all points of order against the amendments; if adopted they will be considered as original text; waives cl. 2 of rule XXI against the amendments printed in the report. Pre-printing gets priority (Hall) (Menendez) (Goss) (Smith, NJ); PQ.	N/A.
H.R. 1905	Energy & Water Appropriations	H. Res. 171	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; makes in order the Shuster amendment as the first order of business; waives all points of order against the amendment; if adopted it will be considered as original text. Pre-printing gets priority.	N/A.
H.J. Res. 79	Constitutional Amendment to Permit Congress and States to Prohibit the Physical Desecration of the American Flag.	H. Res. 173	Closed; provides one hour of general debate and one motion to recommit with or without instructions; if there are instructions, the MO is debatable for 1 hr; PQ.	N/A.
H.R. 1944	Recissions Bill	H. Res. 175	Restrictive; Provides for consideration of the bill in the House; Permits the Chairman of the Appropriations Committee to offer one amendment which is unamendable; waives all points of order against the amendment; PQ.	N/A.
H.R. 1868 (2nd rule)	Foreign Operations Appropriations	H. Res. 177	Restrictive; Provides for further consideration of the bill; makes in order only the four amendments printed in the rules report (20 min. each). Waives all points of order against the amendments; Prohibits intervening motions in the Committee of the Whole; Provides for an automatic rise and report following the disposition of the amendments; PQ.	N/A.
H.R. 1977 *Rule Defeated*	Interior Appropriations	H. Res. 185	Open; waives sections 302(f) and 308(a) of the Budget Act and cl 2 and cl 6 of rule XXI; provides that the bill be read by title; waives all points of order against the Tauzin amendment; self-executes Budget Committee amendment; waives cl 2(e) of rule XXI against amendments to the bill; Pre-printing gets priority; PQ.	N/A.
H.R. 1977	Interior Appropriations	H. Res. 187	Open; waives sections 302(f), 306 and 308(a) of the Budget Act; waives clauses 2 and 6 of rule XXI against provisions in the bill; waives all points of order against the Tauzin amendment; provides that the bill be read by title; self-executes Budget Committee amendment and makes NEA funding subject to House passed authorization; waives cl 2(e) of rule XXI against the amendments to the bill; Pre-printing gets priority; PQ.	N/A.
H.R. 1976	Agriculture Appropriations	H. Res. 188	Open; waives clauses 2 and 6 of rule XXI against provisions in the bill; provides that the bill be read by title; Makes Skeen amendment first order of business, if adopted the amendment will be considered as base text (10 min.); Pre-printing gets priority; PQ.	N/A.
H.R. 1977 (3rd rule)	Interior Appropriations	H. Res. 189	Restrictive; provides for the further consideration of the bill; allows only amendments pre-printed before July 14th to be considered; limits motions to rise.	N/A.
H.R. 2020	Treasury Postal Appropriations	H. Res. 190	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; provides the bill be read by title; Pre-printing gets priority; PQ.	N/A.
H.J. Res. 96	Disapproving MFN for China	H. Res. 193	Restrictive; provides for consideration in the House of H.R. 2058 (90 min.) And H.J. Res. 96 (1 hr). Waives certain provisions of the Trade Act.	N/A.
H.R. 2002	Transportation Appropriations	H. Res. 194	Open; waives cl. 3 Of rule XIII and section 401 (a) of the CBA against consideration of the bill; waives cl. 6 and cl. 2 of rule XXI against provisions in the bill; Makes in order the Clinger/Solomon amendment waives all points of order against the amendment (Line Item Veto); provides the bill be read by title; Pre-printing gets priority; PQ. ***RULE AMENDED***.	N/A.
H.R. 70	Exports of Alaskan North Slope Oil	H. Res. 197	Open; Makes in order the Resources Committee amendment in the nature of a substitute as original text; Pre-printing gets priority; Provides a Senate hook-up with S. 395.	N/A.
H.R. 2076	Commerce, Justice Appropriations	H. Res. 198	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Pre-printing gets priority; provides the bill be read by title..	N/A.
H.R. 2099	VA/HUD Appropriations	H. Res. 201	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Provides that the amendment in part 1 of the report is the first business, if adopted it will be considered as base text (30 min.); waives all points of order against the Klug and Davis amendments; Pre-printing gets priority; Provides that the bill be read by title.	N/A.
S. 21	Termination of U.S. Arms Embargo on Bosnia	H. Res. 204	Restrictive; 3 hours of general debate; Makes in order an amendment to be offered by the Minority Leader or a designee (1 hr); If motion to recommit has instructions it can only be offered by the Minority Leader or a designee.	ID.
H.R. 2126	Defense Appropriations	H. Res. 205	Open; waives cl. 2(l)(6) of rule XI and section 306 of the Congressional Budget Act against consideration of the bill; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; self-executes a strike of sections 8021 and 8024 of the bill as requested by the Budget Committee; Pre-printing gets priority; Provides the bill be read by title.	N/A.
H.R. 1555	Communications Act of 1995	H. Res. 207	Restrictive; waives sec. 302(f) of the Budget Act against consideration of the bill; Makes in order the Commerce Committee amendment as original text and waives sec. 302(f) of the Budget Act and cl. 5(a) of rule XXI against the amendment; Makes in order the Bliley amendment (30 min.) as the first order of business, if adopted it will be original text; makes in order only the amendments printed in the report and waives all points of order against the amendments; provides a Senate hook-up with S. 652.	2R/3D/3 Bipartisan.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 2127	Labor/HHS Appropriations Act	H. Res. 208	Open; Provides that the first order of business will be the managers amendments (10 min.), if adopted they will be considered as base text; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; waives all points of order against certain amendments printed in the report; Pre-printing gets priority; Provides the bill be read by title; PQ.	N/A.
H.R. 1594	Economically Targeted Investments	H. Res. 215	Open; 2 hr of gen. debate, makes in order the committee substitute as original text	N/A.
H.R. 1655	Intelligence Authorization	H. Res. 216	Restrictive; waives sections 302(f), 308(a) and 401(b) of the Budget Act. Makes in order the committee substitute as modified by Govt. Reform amend (striking sec. 505) and an amendment striking title VII. Cl 7 of rule XVI and cl 5(a) of rule XXI are waived against the substitute. Sections 302(f) and 401(b) of the CBA are also waived against the substitute. Amendments must also be pre-printed in the Congressional record.	N/A.
H.R. 1162	Deficit Reduction Lock Box	H. Res. 218	Open; waives cl 7 of rule XVI against the committee substitute made in order as original text; Pre-printing gets priority.	N/A.
H.R. 1670	Federal Acquisition Reform Act of 1995	H. Res. 219	Open; waives sections 302(f) and 308(a) of the Budget Act against consideration of the bill; bill will be read by title; waives cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Pre-printing gets priority.	N/A.
H.R. 1617	To Consolidate and Reform Workforce Development and Literacy Programs Act (CAREERS).	H. Res. 222	Open; waives sections 302(f) and 401(b) of the Budget Act against the substitute made in order as original text (H.R. 2332), cl. 5(a) of rule XXI is also waived against the substitute. Provides for consideration of the managers amendment (10 min.) If adopted, it is considered as base text.	N/A.
H.R. 2274	National Highway System Designation Act of 1995	H. Res. 224	Open; waives section 302(f) of the Budget Act against consideration of the bill; Makes H.R. 2349 in order as original text; waives section 302(f) of the Budget Act against the substitute as well as cl. 5(a) of rule XXI and cl. 1(q)(10) of rule X against the substitute; provides for the consideration of a managers amendment (10 min). If adopted, it is considered as base text; Pre-printing gets priority; PQ.	N/A.
H.R. 927	Cuban Liberty and Democratic Solidarity Act of 1995	H. Res. 225	Restrictive; waives cl 2(l)(2)(B) of rule XI against consideration of the bill; makes in order H.R. 2347 as base text; waives cl 7 of rule XVI against the substitute; Makes Hamilton amendment the first amendment to be considered (1 hr). Makes in order only amendments printed in the report.	2R/2D
H.R. 743	The Teamwork for Employees and managers Act of 1995	H. Res. 226	Open; waives cl 2(l)(2)(b) of rule XI against consideration of the bill; makes in order the committee amendment as original text; Pre-printing get priority.	N/A.
H.R. 1170	3-Judge Court for Certain Injunctions	H. Res. 227	Open; makes in order a committee amendment as original text; Pre-printing gets priority	N/A.
H.R. 1601	International Space Station Authorization Act of 1995	H. Res. 228	Open; makes in order a committee amendment as original text; pre-printing gets priority	N/A.
H.J. Res. 108	Making Continuing Appropriations for FY 1996	H. Res. 230	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	
H.R. 2405	Omnibus Civilian Science Authorization Act of 1995	H. Res. 234	Open; self-executes a provision striking section 304(b)(3) of the bill (Commerce Committee request); Pre-printing gets priority.	N/A.
H.R. 2259	To Disapprove Certain Sentencing Guideline Amendments	H. Res. 237	Restrictive; waives cl 2(l)(2)(B) of rule XI against the bill's consideration; makes in order the text of the Senate bill S. 1254 as original text; Makes in order only a Conyers substitute; provides a senate hook-up after adoption.	1D
H.R. 2425	Medicare Preservation Act	H. Res. 238	Restrictive; waives all points of order against the bill's consideration; makes in order the text of H.R. 2485 as original text; waives all points of order against H.R. 2485; makes in order only an amendment offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5(c) of rule XXI (⅗ requirement on votes raising taxes); PQ.	1D
H.R. 2492	Legislative Branch Appropriations Bill	H. Res. 239	Restrictive; provides for consideration of the bill in the House	N/A.
H.R. 2491 H. Con. Res. 109	7 Year Balanced Budget Reconciliation Social Security Earnings Test Reform.	H. Res. 245	Restrictive; makes in order H.R. 2517 as original text; waives all pints of order against the bill; Makes in order only H.R. 2530 as an amendment only if offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5(c) of rule XXI (⅗ requirement on votes raising taxes); PQ.	1D
H.R. 1833	Partial Birth Abortion Ban Act of 1995	H. Res. 251	Closed	N/A.
H.R. 2546	D.C. Appropriations FY 1996	H. Res. 252	Restrictive; waives all points of order against the bill's consideration; Makes in order the Walsh amendment as the first order of business (10 min.); if adopted it is considered as base text; waives cl 2 and 6 of rule XXI against the bill; makes in order the Bonilla, Gunderson and Hostettler amendments (30 min.); waives all points of order against the amendments; debate on any further amendments is limited to 30 min. each.	N/A
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 257	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	N/A
H.R. 2586	Temporary Increase in the Statutory Debt Limit	H. Res. 258	Restrictive; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee; self-executes 4 amendments in the rule; Solomon, Medicare Coverage of Certain Anti-Cancer Drug Treatments, Habeas Corpus Reform, Chrysler (MI); makes in order the Walker amend (40 min.) on regulatory reform.	5R
H.R. 2539	ICC Termination	H. Res. 259	Open; waives section 302(f) and section 308(a)	
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 261	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A.
H.R. 2586	Temporary Increase in the Statutory Limit on the Public Debt	H. Res. 262	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A.
H. Res. 250	House Gift Rule Reform	H. Res. 268	Closed; provides for consideration of the bill in the House; 30 min. of debate; makes in order the Burton amendment and the Gingrich en bloc amendment (30 min. each); waives all points of order against the amendments; Gingrich is only in order if Burton fails or is not offered.	2R
H.R. 2564	Lobbying Disclosure Act of 1995	H. Res. 269	Open; waives cl. 2(l)(6) of rule XI against the bill's consideration; waives all points of order against the Istook and McIntosh amendments.	N/A.
H.R. 2606	Prohibition on Funds for Bosnia Deployment	H. Res. 273	Restrictive; waives all points of order against the bill's consideration; provides one motion to amend if offered by the Minority Leader or designee (1 hr non-amendable); motion to recommit which may have instructions only if offered by Minority Leader or his designee; if Minority Leader motion is not offered debate time will be extended by 1 hr.	N/A.
H.R. 1788	Amtrak Reform and Privatization Act of 1995	H. Res. 289	Open; waives all points of order against the bill's consideration; makes in order the Transportation substitute modified by the amend in the report; Bill read by title; waives all points of order against the substitute; makes in order a managers amend as the first order of business, if adopted it is considered base text (10 min.); waives all points of order against the amendment; Pre-printing gets priority.	N/A.
H.R. 1350	Maritime Security Act of 1995	H. Res. 287	Open; makes in order the committee substitute as original text; makes in order a managers amendment which if adopted is considered as original text (20 min.) unamendable; pre-printing gets priority.	N/A.
H.R. 2621	To Protect Federal Trust Funds	H. Res. 293	Closed; provides for the adoption of the Ways & Means amendment printed in the report. 1 hr. of general debate; PQ.	N/A.
H.R. 1745	Utah Public Lands Management Act of 1995	H. Res. 303	Open; waives cl 2(l)(6) of rule XI and sections 302(f) and 311(a) of the Budget Act against the bill's consideration. Makes in order the Resources substitute as base text and waives cl 7 of rule XVI and sections 302(f) and 308(a) of the Budget Act; makes in order a managers' amend as the first order of business, if adopted it is considered base text (10 min).	N/A.
H. Res. 304	Providing for Debate and Consideration of Three Measures Relating to U.S. Troop Deployments in Bosnia.	N/A	Closed; makes in order three resolutions; H.R. 2770 (Dornan), H. Res. 302 (Buyer), and H. Res. 306 (Gephardt); 1 hour of debate on each.	1D; 2R
H. Res. 309	Revised Budget Resolution	H. Res. 309	Closed; provides 2 hours of general debate in the House; PQ	N/A.
H.R. 558	Texas Low-Level Radioactive Waste Disposal Compact Consent Act	H. Res. 313	Open; pre-printing gets priority	N/A.
H.R. 2677	The National Parks and National Wildlife Refuge Systems Freedom Act of 1995.	H. Res. 323	Closed; consideration in the House; self-executes Young amendment	N/A.
PROCEDURE IN THE 104TH CONGRESS 2D SESSION				
H.R. 1643	To authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.	H. Res. 334	Closed; provides to take the bill from the Speaker's table with the Senate amendment, and consider in the House the motion printed in the Rules Committee report; 1 hr. of general debate; previous question is considered as ordered. ** NR; PQ.	N/A.
H.J. Res. 134 H. Con. Res. 131	Making continuing appropriations/establishing procedures making the transmission of the continuing resolution H.J. Res. 134.	H. Res. 336	Closed; provides to take from the Speaker's table H.J. Res. 134 with the Senate amendment and concur with the Senate amendment with an amendment (H. Con. Res. 131) which is self-executed in the rule. The rule provides further that the bill shall not be sent back to the Senate until the Senate agrees to the provisions of H. Con. Res. 131. ** NR; PQ.	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1358	Conveyance of National Marine Fisheries Service Laboratory at Gloucester, Massachusetts.	H. Res. 338	Closed; provides to take the bill from the Speaker's table with the Senate amendment, and consider in the House the motion printed in the Rules Committee report; 1 hr. of general debate; previous question is considered as ordered. ** NR; PQ.	N/A.
H.R. 2924	Social Security Guarantee Act	H. Res. 355	Closed; ** NR; PQ	N/A.
H.R. 2854	The Agricultural Market Transition Program	H. Res. 366	Restrictive; waives all points of order against the bill; 2 hrs of general debate; makes in order a committee substitute as original text and waives all points of order against the substitute; makes in order only the 16 amends printed in the report and waives all points of order against the amendments; circumvents unfunded mandates law; Chairman has en bloc authority for amends in report (20 min.) on each en bloc; PQ.	5D; 9R; 2 Bipartisan.
H.R. 994	Regulatory Sunset & Review Act of 1995	H. Res. 368	Open rule; makes in order the Hyde substitute printed in the Record as original text; waives cl 7 of rule XVI against the substitute; Pre-printing gets priority; vacates the House action on S. 219 and provides to take the bill from the Speaker's table and consider the Senate bill; allows Chrmn. Clinger a motion to strike all after the enacting clause of the Senate bill and insert the text of H.R. 994 as passed by the House (1 hr) debate; waives germaneness against the motion; provides if the motion is adopted that it is in order for the House to insist on its amendments and request a conference.	N/A.
H.R. 3021	To Guarantee the Continuing Full Investment of Social security and Other Federal Funds in Obligations of the United States.	H. Res. 371	Closed rule; gives one motion to recommit, which if it contains instructions, may only if offered by the Minority Leader or his designee. ** NR.	N/A.
H.R. 3019	A Further Downpayment Toward a Balanced Budget	H. Res. 372	Restrictive; self-executes CBO language regarding contingency funds in section 2 of the rule; makes in order only the amendments printed in the report; Lowey (20 min), Istook (20 min), Crapo (20 min), Obey (1 hr); waives all points of order against the amendments; give one motion to recommit, which if contains instructions, may only if offered by the Minority Leader or his designee. ** NR.	2D/2R.
H.R. 2703	The Effective Death Penalty and Public Safety Act of 1996	H. Res. 380	Restrictive; makes in order only the amendments printed in the report; waives all points of order against the amendments; gives Judiciary Chairman en bloc authority (20 min.) on en blocs; provides a Senate hook-up with S. 735. ** NR.	6D; 7R; 4 Bipartisan.
H.R. 2202	The Immigration and National Interest Act of 1995	H. Res. 384	Restrictive; waives all points of order against the bill and amendments in the report except for those arising under sec. 425(a) of the Budget Act (unfunded mandates); 2 hrs. of general debate on the bill; makes in order the committee substitute as base text; makes in order only the amends in the report; gives the Judiciary Chairman en bloc authority (20 min.) of debate on the en blocs; self-executes the Smith (TX) amendment re: employee verification program; PQ.	12D; 19R; 1 Bipartisan.
H.J. Res. 165	Making further continuing appropriations for FY 1996	H. Res. 386	Closed; provides for the consideration of the CR in the House and gives one motion to recommit which may contain instructions only if offered by the Minority Leader; the rule also waives cl 4(b) of rule XI against the following: an omnibus appropriations bill, another CR, a bill extending the debt limit. ** NR.	N/A.
H.R. 125	The Gun Crime Enforcement and Second Amendment Restoration Act of 1996.	H. Res. 388	Closed; self-executes an amendment; provides one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee. ** NR.	N/A
H.R. 3136	The Contract With America Advancement Act of 1996	H. Res. 391	Closed; provides for the consideration of the bill in the House; self-executes an amendment in the Rules report; waives all points of order, except sec. 425(a) (unfunded mandates) of the CBA, against the bill's consideration; orders the PQ except 1 hr. of general debate between the Chairman and Ranking Member of Ways and Means; one Archer amendment (10 min.); one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee; Provides a Senate hookup if the Senate passes S. 4 by March 30, 1996. **NR.	N/A
H.R. 3103	The Health Coverage Availability and Affordability Act of 1996	H. Res. 392	Restrictive: 2 hrs. of general debate (45 min. split by Ways and Means) (45 split by Commerce) (30 split by Economic and Educational Opportunities); self-executes H.R. 3160 as modified by the amendment in the Rules report as original text; waives all points of order, except sec. 425(a) (unfunded mandates) of the CBA; makes in order a Democratic substitute (1 hr.) waives all points of order, except sec. 425(a) (unfunded mandates) of the CBA, against the amendment; one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee; waives cl 5(c) of Rule XXI (requiring ⅗ vote on any tax increase) on votes on the bill, amendments or conference reports.	N/A
H.J. Res. 159	Tax Limitation Constitutional Amendment	H. Res. 395	Restrictive; provides for consideration of the bill in the House; 3 hrs of general debate; Makes in order H.J. Res. 169 as original text; allows for an amendment to be offered by the Minority Leader or his designee (1 hr) ** NR; PQ.	1D
H.R. 842	Truth in Budgeting Act	H. Res. 396	Open; 2 hrs. of general debate; Pre-printing gets priority	N/A
H.R. 2715	Paperwork Elimination Act of 1996	H. Res. 409	Open; Preprinting get priority	N/A
H.R. 1675	National Wildlife Refuge Improvement Act of 1995	H. Res. 410	Open; Makes the Young amendment printed in the 4/16/96 Record in order as original text; waives cl 7 of rule XVI against the amendment; Preprinting gets priority; **NR.	N/A
H.J. Res. 175	Further Continuing Appropriations for FY 1996	H. Res. 411	Closed; provides for consideration of the bill in the House; one motion to recommit which, if containing instructions, may be offered by the Minority Leader or his designee. **NR.	N/A
H.R. 2641	United States Marshals Service Improvement Act of 1996	H. Res. 418	Open; Pre-printing gets priority; Senate hook-up. **PQ	N/A
H.R. 2149	The Ocean Shipping Reform Act	H. Res. 419	Open; Makes in order a managers amendment as the first order of business (10 min.); if adopted it is considered as base text; waives cl 7 of rule XVI against the managers amendment; Pre-printing gets priority; makes in order an Obestar en bloc amendment.	N/A
H.R. 2974	To amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims.	H. Res. 421	Open; waives cl 7 of rule XIII against consideration of the bill; makes in order the Judiciary substitute printed in the bill as original text; waives cl 7 of rule XVI against the substitute; Pre-printing gets priority.	N/A
H.R. 3120	To amend Title 18, United States Code, with respect to witness retaliation, witness tampering and jury tampering.	H. Res. 422	Open; waives cl 7 of rule XIII against consideration of the bill; makes in order the Judiciary substitute printed in the bill as original text; waives cl 7 of rule XVI against the substitute; Pre-printing gets priority.	N/A
H.R. 2406	The United States Housing Act of 1996	H. Res. 426	Open; makes in order the committee substitute printed in the bill as original text; waives cl 5(a) of rule XXI against the substitute; makes in order a managers amendment as the first order of business (10 min); if adopted it is considered as base text; Pre-printing gets priority; provides a Senate hook-up.	N/A
H.R. 3322	Omnibus Civilian Science Authorization Act of 1996	H. Res. 427	Open; waives cl 2(l)(2) of rule XI against the bill's consideration; makes in order a managers amendment as the first order of business (10 min); if adopted it is considered as base text; waives cl 5(a) of rule XXI against the bill; pre-printing gets priority.	N/A
H.R. 3286	The Adoption Promotion and Stability Act of 1996	H. Res. 428	Restrictive; provides consideration of the bill in the House; makes in order the Ways & Means substitute printed in the bill as original text; makes in order a Gibbons amendment to title II (30 min) and a Young amendment (30 min); provides one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee.	

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*Contract Bills, 67% restrictive; 33% open. ** All legislation 1st Session, 53% restrictive; 47% open. *** All legislation 2d Session, 86% restrictive; 14% open. **** All legislation 104th Congress, 57% restrictive; 43% open. ***** NR indicates that the legislation being considered by the House for amendment has circumvented standard procedure and was never reported from any House committee. ****** PQ Indicates that previous question was ordered on the resolution. ******* Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103d Congress. N/A means not available.

Legislation in the 104th Congress, 2d Session

To date 13 out of 23, or 57 percent of the bills considered under rules in the 2d session of the 104th Congress have been considered under an irregular procedure which circumvents the standard committee procedure. They have been brought to the floor without any committee reporting them. They are as follows:

H.R. 1643, to authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.

H.J. Res. 134, making continuing appropriations for fiscal year 1996.

H.R. 1358, conveyance of National Marine Fisheries Service Laboratory at Gloucester, MA.

H.R. 2924, the Social Security Guarantee Act.

H.R. 3021, to guarantee the continuing full investment of Social Security and other Federal funds in obligations of the United States.

H.R. 3019, a further downpayment toward a balanced budget.

H.R. 2703, the Effective Death Penalty and Public Safety Act of 1996.

H.J. Res. 165, making further continuing appropriations for fiscal year 1996.

H.R. 125, the Crime Enforcement and Second Amendment Restoration Act of 1996.

H.R. 3136, the Contract With America Advancement Act of 1996.

H.J. Res. 159, tax limitation constitutional amendment.

H.R. 1675, National Wildlife Refuge Improvement Act of 1995.

H.J. Res. 175, making further continuing appropriations for fiscal year 1996.

Mr. FROST. Mr. Speaker, I yield back the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I say to my colleagues, particularly on this side of the aisle, look what I have in my hand. It is the United States Department of State's April 1996, Patterns of Global Terrorism Report from 1 month ago. Let me read what it says.

It says, "Iran: Iran remains the premier state sponsor of international terrorism and is deeply involved in the planning and execution of terrorist acts, both by its own agents and by surrogate groups." Surrogate groups that were placed in Bosnia to do their dirty work.

The report goes on to say, "Iran gives varying degrees of assistance to an assortment of radical Islamic and secular groups. Iran continues to view the United States of America as its principal foreign adversary, supporting groups such as Hezbollah that pose a threat to United States citizens."

Mr. Speaker, that is what this is all about. To my colleagues who will attempt to defeat the previous question in order to force the Committee on International Relations to accomplish this same thing without the addition of one additional subcommittee, I say we cannot do that because on opening day a year and a half ago we cut one-third of the employees of this Congress. We have cut them out by one-third. We eliminated two subcommittees in the Committee on International Relations. They cannot do it without this amendment, without this report, without this resolution.

Mr. Speaker, I urge Members to please defeat the previous question and let us get on with our business.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. HANSEN). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 227, nays 187, not voting 19, as follows:

[Roll No. 150]

YEAS—227

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—187

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Cramer
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Wynn
Yates

NOT VOTING—19

Cox
Coyne
de la Garza
Ford
Greene (UT)
Hayes
Hostettler
McIntosh
Molinari
Montgomery
Owens
Payne (VA)
Riggs
Roemer
Roth
Tauzin
Visclosky
Wilson
Woolsey

□ 1256

The Clerk announced the following pair:

On this vote:

Mr. McIntosh for, with Mr. Roemer against.

Mr. CRAMER changed his vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. HANSEN). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FROST. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 224, noes 187, not voting 22, as follows:

[Roll No 151]

AYES—224

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Quillen
Radanovich
Ramstad
Regula
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Tate
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—187

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Cramer
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—22

Cox
Coyne
de la Garza
Dickey
Ford
Greene (UT)
Hayes
Hostettler
Johnston
Leach
Molinari
Montgomery
Owens
Pryce
Quinn
Riggs
Roth
Talent
Tauzin
Visclosky
Whitfield
Wilson

☐ 1305

Mr. NEUMANN changed his vote from "no" to "aye."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RIGGS. Mr. Speaker, on rollcall No. 150, the previous question on House Resolution 416, and 151, adoption of House Resolution 416, I was unavoidably absent from the Capitol on personal family matters—a conference at my son's school. Had I been present, I would have voted "yes" on both issues.

PROVIDING FOR EXPENSES OF SELECT SUBCOMMITTEE ON UNITED STATES ROLE IN IRANIAN ARMS TRANSFERS TO CROATIA AND BOSNIA

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on House Oversight, I call up a privileged resolution (H. Res. 417) providing amounts for the expenses of the Select Subcommittee on the United States Role in Iranian Arms Transfers to Croatia and Bosnia of the Committee on International Relations in the second session of the One Hundred Fourth Congress, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 417

Resolved, That (a) there shall be paid out of the applicable accounts of the House of Representatives not more than $1,200,000 for the expenses of the Select Subcommittee on the United States Role in Iranian Arms Transfers to Croatia and Bosnia (hereinafter in this resolution referred to as the "select subcommittee") of the Committee on International Relations, any part of which sum may be used for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946.

(b) Payments under this resolution shall be made on vouchers authorized by the select subcommittee, signed by the chairman of the Committee on International Relations, and approved in the manner directed by the Committee on House Oversight.

(c) Amounts shall be available under this resolution for expenses incurred during the period beginning on the date on which this resolution is agreed to and ending on the date on which the select subcommittee ceases to exist or ending immediately before noon on January 3, 1997, whichever first occurs.

(d) Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Oversight.

(e) The Committee on House Oversight shall have authority to make adjustments in the amount under subsection (a), if necessary to comply with an order of the President issued under section 254 of the Balanced budget and emergency Deficit Control Act of 1985 or to conform to any reduction in appropriations for the purposes of such subsection.

Mr. DIAZ-BALART (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. HANSEN). Is there objection to the request of the gentleman from Florida?

There was no objection.

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute:

Strike out all after the resolving clause and insert:

Resolved, That (a) there shall be paid out of the applicable accounts of the House of Representatives not more than $995,000 for the expenses of the Select Subcommittee on the United States Role in Iranian Arms Transfers to Croatia and Bosnia (hereinafter in this resolution referred to as the "select subcommittee") of the Committee on International Relations, any part of which sum may be used for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946.

(b) Payments under this resolution shall be made on vouchers authorized by the select subcommittee, signed by the chairman of the Committee on International Relations, and approved in the manner directed by the Committee on House Oversight.

(c) Amounts shall be available under this resolution for expenses incurred during the period beginning on the date on which this resolution is agreed to and ending on the date on which the select subcommittee ceases to exist or ending immediately before noon on January 3, 1997, whichever first occurs.

(d) Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Oversight.

(e) The Committee on House Oversight shall have authority to make adjustments in the amount under subsection (a), if necessary to comply with an order of the President issued under section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 or to conform to any reduction in appropriations for the purposes of such subsection.

Mr. DIAZ-BALART. Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request to the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. DIAZ-BALART] is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, I yield the customary 30 minutes to the distinguished gentleman from California [Mr. FAZIO] for purposes of debate only, pending which I yield myself such time as I may consume, with the understanding that any additional time which I may yield will be subject to the specific limitation for purposes of debate only.

Mr. Speaker, did the White House permit a mortal enemy of the United States to establish a military presence in Europe, or did the White House inspire a mortal enemy of the United States to establish a military presence in Europe? That is the essence of the question that this Congress will be investigating in the next months and that we at this time are authorizing funding for, the select subcommittee of the Committee on International Relations.

The House has just approved House Resolution 416 authorizing the creation of a select subcommittee. We will now be considering the resolution to provide $995,000 for the expenses of the select subcommittee.

There is ample justification for the creation and the funding of the select subcommittee. The chairman of the Committee on International Relations, the gentleman from New York [Mr. GILMAN], articulated these reasons when he appeared before the Committee on House Oversight last week to explain the funding request. As presented to the committee, the select subcommittee is needed to investigate questions that have arisen, very serious questions, following the revelation that the Clinton administration gave a green light over 2 years ago for the creation of an Iranian arms pipeline to Bosnia and Croatia.

The administration's policy, No. 1, directly contradicts the stated position of the Government of the United States. This Congress repeatedly tried to lift the arms embargo against Bosnia, and the administration opposed us, and the President vetoed our attempts to do so. The policy was also not revealed to the Congress, nor to the American people, and it has allowed the terrorist government of Iran to gain a strategic presence in Europe.

It also, Mr. Speaker, affects the United States exit strategy from Bosnia.

Discussion at the committee meeting raised several unanswered questions:

How was this policy developed?

What was the United States role in implementing it?

What will be its consequences?

Was Congress deceived or misled?

Has any United States law been violated?

The serious nature of these issues warrants further investigation by the select subcommittee established specifically for this purpose and deserves to be funded at the appropriate level. The $995,000 funding level approved by the Committee on House Oversight, which is a $205,000 reduction from the original request, is, Mr. Speaker, a responsible and prudent figure.

In closing, Mr. Speaker, the resolution before the House funds this very needed select subcommittee investigation in a very prudent and fiscally responsible manner. I would hope that the House, in a bipartisan fashion, would adopt the resolution, and I look forward to the debate on this extremely critical matter.

The reality of the matter is that the administration now admits that despite the fact that it opposed our attempts to openly permit the arming of the Bosnian people by the United States directly or through our allies or responsible Muslim governments, instead of doing that the administration opposed congressional efforts and engaged in this tactic of secretly giving a green light to the arming of the Bosnians by one of the most horrendous enemies of the American people.

This is a very serious subject, Mr. Speaker.

Mr. Speaker, I reserve the balance of my time.

Mr. FAZIO of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is nothing about the establishment of this select subcommittee—be it process, procedure or substance—that is not profoundly flawed. Indeed, there are so many objectionable aspects to this funding request that it is difficult to know where to begin.

Some of these many problems might have been avoided had the Republican majority not chosen to act with such unnecessary haste. Why all the rush? There has been no showing of such extraordinary circumstances that require the Republican majority to ram this legislation through the House with so little thought, discussion, preparation or analysis. This is certainly no way to do the people's business—a criticism that has become increasingly common in this Congress.

Having told the minority virtually nothing about the need and purpose of this subcommittee, and having rushed this process to a ludicrous degree, the majority suddenly presented the Committee on House Oversight, and now presents before this House, with a subcommittee budget for 6 months at nearly one million dollars in taxpayer money. Annualized, this amounts to a budget of almost $2 million, making it the most expensive subcommittee established by the Republican majority this Congress. That is nearly three times the average amount for each of the House International Relations Committee's other standing subcommittees. By any measure, this is a substantial sum of the public's money, and we should not authorize its use without an equally substantial and compelling justification for doing so.

What, then, is the majority's justification? It is now obvious that the majority is asking for additional taxpayer money to do nothing more than review an aspect of the President's—and this country's—foreign policy. A particular policy, which, I might add, has proven highly successful to date. The American people should know that this million dollar request for their money is not being sought by the Republican majority for use in the investigation of any crimes—for no such allegations have been made—or to resolve any legal or factual disputes. No, the controversy at issue, to the extent that one exists at all, is one that relates to policy, and, as such, is an inappropriate subject for the creation of an expensive new subcommittee.

This is not to say that the Congress should play no role in the conduct of this country's foreign affairs. On the contrary, we have a responsibility to contribute to the formulation, funding, implementation, and oversight of U.S. foreign policy. But we believe that this role should first be exercised through our time-tested committee system.

The Republican majority chooses to ignore the fact that the American taxpayer has already fully funded a standing House committee to do this very job—namely, the Committee on International Relations—and that committee has already been funded in the 104th Congress in the precise amount of $10,056,875.

Everything the Republican majority proposes for this select subcommittee—however unnecessary or unwise the undertaking itself—can be achieved by the existing Committee on International Relations and done so within its existing budget. We have seen nothing that is unique or extraordinary to justify the creation of yet another new House entity, with its own separate funding, staffing, and mandate. We already have an excellent House standing committee in the foreign policy arena, and if the Republican majority really cares to pursue this particular matter, it should use the standing committee and existing resources which the House created and authorized for that purpose. Under these circumstances, to allocate an additional $1 million in taxpayer funds is a waste and an embarrassment. Surely Republicans have more respect for tax dollars than is suggested by this resolution.

Moreover, the creation of this subcommittee is at odds with many of the reforms we have imposed on the House. Speaker GINGRICH imposed a strict staffing freeze, and the House funding resolution specified funding limits, on all House committees. At the time, the Republican majority represented that it was serious about reducing the size and cost of government, and touted the staffing freeze and reduced funding levels as indicative of its commitment. It even claimed credit for reducing the number of subcommittees, and in an ironic twist, the very subcommittee which would ordinarily oversee this matter was eliminated at the beginning of this Congress, its jurisdiction being taken over by the full Committee on International Relations. The creation, however, of this special select subcommittee allows the majority to circumvent the staffing limits and cost reductions—another example of the majority saying one thing and doing another.

It is clear, then, that the establishment and funding of this select subcommittee is neither necessary, appropriate, frugal, or wise. One need not venture very far, however, to determine what is really at stake here. Indeed, the majority's true purpose in this exercise is as transparent as an election date in November is certain. For in the Republican majority's actions there is the unmistakable whiff of election year politics in the air. From Speaker GINGRICH's press release, issued during the week preceding the introduction of House Resolution 417, it is quite clear that the objective of this proposed subcommittee is to gin up criticism of the President's foreign policy. That is why the American taxpayers are being asked to foot a $1 million, 6-month investigation—and everyone knows it.

This proposal to create yet another new panel can best be understood in the context of the majority leadership's recent memorandum to its committee chairs directing them to dig up information with which to attack the Clinton administration. Apparently, the creation of this particular subcommittee is page one of the Republican campaign playbook. And as their candidate for the White House continues to do poorly in his campaign, we can only assume that we will see more of the same.

But for the Republican majority to so brazenly manipulate the machinery of government in this manner is to violate the public trust and squander hard-earned tax dollars. Far too much of our time and the resources of this Congress are being spent by the majority in pursuit of political gain in its efforts to tarnish unfairly an increasingly successful and popular President.

The most obvious of these is the so-called Whitewater investigation, which has now cost the taxpayer a mind-boggling $30 million. The costs of numerous other Republican investigations of this administration, such as the inquisition into the White House Travel Office, add up to hundreds of more pointless hours, and hundreds of thousands of additional public dollars. It is a staggering amount of time and money, all of which has been enormously wasted in a partisan effort to discredit the President and obtain political advantage.

The real tragedy in all this is that the time and resources expended by the majority in these efforts could have been put to far better use in furtherance of a substantive legislative agenda, one that speaks to the needs of America's working families. This resolution, however, represents politics at its worst, and the majority gravely underestimates the patience of the American public in pursuing this course. The minority has done what it can to point out the needlessness of this undertaking. Absent a more compelling basis than has been presented thus far, the House should reject the present effort to convert appropriated funds to undertake yet another baseless attempt to attack this administration. I emphatically urge my colleagues to vote "no" on House Resolution 417.

□ 1315

Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just a few facts on the funding. No supplemental appropriations or reprogramming of existing appropriations are required to support the funding amount for this select subcommittee. There are sufficient funds in fiscal 1996 available within the appropriate House account to fund the expenses of the select subcommittee without jeopardizing other committee's funding needs.

Second, this funding level continues to honor the Contract With America's commitment to reduce committee staffing by one-third. On the first day of Republican control of the House, committee staffs were cut by 621 positions, a 33 percent reduction from the previous Congress. As of March 31, by not filling the total authorized positions, committees have contributed an additional 105 positions to this reduction, an actual cut of 40 percent. This resolution, as amended, does not violate the commitment to reduce committee funds by 30 percent in the 104th Congress, and the amount is also well below previous similar investigations.

Mr. Speaker, the famous October Surprise investigation cost taxpayers over $4.5 million. Now our friends on the other side of the aisle apparently have found fiscal conservatism.

Mr. Speaker, I yield 3½ minutes to the gentleman from New York [Mr. GILMAN], the distinguished chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I yield to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I wish my colleagues' frugality had been apparent when we were talking about the Iran-Contra investigation, which ended up with nobody really being convicted. Everybody was dismissed, and we spent $48 million; $48 million on Iran-Contra and $2 million on the select committee. On the October Surprise they spent $1.35 million.

They cannot have it both ways. If something is done that is questionable and needs to be investigated and we need the resources to do it, they should be appropriated, just like you did, only you spent a heck of a lot more money than we are talking about.

Mr. GILMAN. I thank the gentleman, Mr. Speaker. Incidentally, the gentleman's figures on the October Surprise should be revised to show there was a total expenditure of $4.5 million.

Mr. Speaker, I thank the gentleman from Florida for yielding time to me.

Mr. Speaker, this request for $995,000 to fund the Select Subcommittee on Bosnia is a reasonable, prudent allocation of House resources for a particularly important task.

Some of our colleagues have asked why our full committee cannot investigate the Clinton administration's role in secretly permitting the Iranians to provide arms to the Bosnian Muslims in 1994.

It is an appropriate question, and there is a good response.

First of all, our full committee continues to have a full and demanding agenda.

Among the major issues our committee is extensively engaged in are international terrorism, narcotics and organized crime, NATO expansion, trade, China-MFN, the Middle East Peace Process, Haiti, North Korea, Russia, and oversight of other aspects of United States policy towards Bosnia, to name just a few.

My colleagues will recall that, in keeping with our promises after the 1994 elections, Republicans reduced the size of our committee staffs by one-third.

All of our professional staff are fully engaged in their regular duties.

We do not have the staff to undertake the focused and comprehensive investigation that the administration's handling of this arms pipeline issue has demonstrated is needed.

Nor do we have in our regular allocation the funds that are needed to properly conduct such an investigation.

If our committee still had a subcommittee on Europe and the Middle East, that would be an obvious focal point for this investigation.

However, when the cap of five subcommittees was mandated, the Europe and Middle East Subcommittee was eliminated.

The most efficient and effective way to conduct a thorough, yet speedy investigation of a major policy change that has placed American troops in danger in a volatile part of the world is through a select subcommittee with adequate resources and a defined mandate.

This resolution, and its companion, House Resolution 416, meet that test. Accordingly, I urge the support of our colleagues.

Mr. FAZIO of California. Mr. Speaker, I yield 5 minutes to the gentleman from Connecticut [Mr. GEJDENSON], who serves on both the Committee on House Oversight and the Committee on International Relations.

Mr. GEJDENSON. Mr. Speaker, I rise to oppose this funding. What is clear here, Mr. Speaker, is that the only thing select about this committee is the selective memory it takes to bring us to this point.

In Iran-Contra, Mr. Speaker, we were talking about criminality. In the 4 years prior to President Clinton's presidency we had mass executions of policy that did nothing to stop murder in Yugoslavia, and yes, while Iranians were shipping weapons to the Muslims in Yugoslavia. We are going to spend $1 million, but if some of our colleagues on the other side had spent $1 for the Christian Science Monitor, or a quarter for the Washington Post or the Washington Times, they would have known about this a long time ago.

October 28, 1992, President Bush is the President of the United States. Iran in particular has positioned itself at the forefront of this fight to defend Yugoslavia's Islamic minority. Arms shipments from Iran in 1992. What changed? A lot of things have changed. President Bush has gone, President Clinton has come in, and he has succeeded to stop the fighting, to stop the killing, to stop the liquidations of villages.

What did he do to achieve this? No, he did not violate unilaterally the U.N. embargo that existed. He did not report to the Congress that he did not take an action. That action would have been to stop, somehow, the Iranians from shipping arms there. However, President Bush had vetoed the legislation which would have mandated a President to inform the Congress of an action that they even requested, let alone one that they took no action on. So in the intelligence bill vetoed by President Bush, the President had no obligation to report what other countries were doing.

Should we know these things? Yes, as a Member of Congress, I think we should know these things. But let us take a look at the hard facts. The gentleman from Illinois [Mr. HYDE] and the gentleman from New York [Mr. GILMAN] voted for a bill that included a prohibition prohibiting the President of the United States from interfering with arms shipments from other countries.

What do we hear about today? We are going to have a select committee led by the gentleman from Illinois [Mr. HYDE] to find out why the President did several months before we mandated him to do it, the very same thing he did. If this confuses people, let us go from the beginning.

In 1992, we already have the Bush administration knowledgeable of Iranian arms into Yugoslavia, if they read the Christian Science Monitor. What happens? In 1992 the Iranians are shipping arms into Yugoslavia. There are ups and downs in those shipments. In 1994, yes, the administration learns that the Iranians are going to ship more arms. We do not ship the arms. We do not violate a Federal law. The President does not violate the U.N. embargo. That is in April.

In May, just in case you missed the 1992 Christian Science Monitor story, in May the Washington Post publishes reports of Iranian arms shipments. Now to June. In June, the Congress passes an amendment calling for a unilateral embargo. The President says the unilateral embargo means we will have to put American troops on the ground while there is fighting. There is debate over that. That was his policy. It did lead to peace, so it apparently worked.

But also in June Senator McCAIN, on the floor of the Senate, June 24, the Washington Times story, one more 25-cent expenditure, says, "Iranian Weapons Sent," and what happens? It says it is done with a wink and a nod. That is recorded in the Senate.

Now, in August, in August of the very same year, this Congress votes to prohibit the President of the United States from interfering with arms shipments from third countries. It does not exclude Iran. It simply says the President cannot interfere with those shipments.

□ 1330

Let us compare where we were. In 1992, the Bush administration, for 4 years, watches genocide and mass village exterminations. President Clinton initiates a policy that may have some debate, but at the end of the day they are in Canton, OH, and we have a peace process where the murdering and killing has stopped.

Let us go spend $1 million. Why? My colleague from California said it: Instructions from the Republican leadership.

Mr. DIAZ-BALART. Mr. Speaker, I yield 30 seconds to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding me the time.

The gentleman is quite right, we all voted to lift the embargo, but we did not specify what countries should not put arms in there. That would have required us to list six pariah states. We kind of thought the President knew that Iran and Libya and Syria and these countries were pariah states. We took that into consideration without having to spell that out.

The fact is, that is the last country we would want to have get a foothold in that volatile part of the world. That is our complaint.

Mr. DIAZ-BALART. Mr. Speaker, it is interesting how our friends on the other side of the aisle now say during Iran-Contra they were investigating bad things, but now we are not investigating anything. It is a fact, Mr. Speaker, that President Clinton allowed the shipments, contradicting his own public statements in support of an arms embargo and possibly violating law.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ARMEY], the distinguished majority leader.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise today to ask my colleagues on both sides of the aisle to take a moment to reflect, to reflect on the duty and the responsibility that each of us has to the citizens who elected us to this office. The responsibility of popularly elected representatives to oversee and to check the executive branch is perhaps the most essential working element of a truly free political system, as essential as voting, because oversight of the executive branch is ultimately about the public's right to know.

No matter what the issue, no matter how unpleasant the issue might be, the public has, as the press reminds us, a right to know. The issue before us today is not one of partisan politics or election year grandstanding. At issue today is the legitimate suspicion of serious wrongdoing on the part of the administration, wrongdoing that could threaten the lives of our young men and women serving overseas, wrongdoing that could result in the ominous spread of terrorist doctrines to yet another corner of the world and put our troops at increased risk.

It is our constitutional duty to investigate those suspicions and to get the facts out. The duty is not optional. It is what we were elected to do. I urge my colleagues again on both sides of the aisle to welcome this opportunity to discover the truth. The citizens of the United States do have a right to know what their Government is doing. It is our duty to find out and to tell them. All Members, Democrat and Republican, should join in getting to the bottom of this matter.

Mr. FAZIO of California. Mr. Speaker, I yield 3½ minutes to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Speaker, here we go again with promises made, promises broken.

I rise today in opposition to another million-dollar ripoff of the American taxpayer. This bill would have us spend $1 million to fund a select subcommittee to look into an issue that the International Relations Committee has already dealt with.

Why is it necessary to create a whole new subcommittee with a dozen new staffers, when we already have a subcommittee to handle issues related to Bosnia? Obviously, Mr. Speaker, the Republican leadership is well aware that this is an election year and that Senator DOLE needs all the help he can get.

It must be quite disheartening for the Republican leadership to see their nominee for President so far behind President Clinton in the polls. Apparently, the 50-plus hearings they have held on Whitewater have not done enough to hurt the President's ratings. So now they are trying a new approach—Iranian arms transfers to Bosnia. Somehow, Mr. Speaker, GOP leaders will try to blame President Clinton for Iran's transfer of weapons to Bosnia.

Mr. Speaker, I am opposed to arms transfers of all kinds. In fact, I have introduced legislation that would require greater congressional oversight of weapons transfers from the United States to dictators, human rights abusers, and military aggressors. But I fail to see why we have to spend $1 million of taxpayers' money—especially in these austere times—when we already have an International Relations Committee.

Clearly, Republican leaders are trying to create a $1 million political entity designed to help candidate DOLE, who has hit the limit on his campaign spending. Let us face it, this is the mother of all independent expenditures.

I will say it again, Mr. Speaker, we already have a standing International Relations Committee charged with looking into matters related to Bosnia. And if not to help candidate DOLE, why else would we be setting up yet another International Relations subcommittee?

Why, Mr. Speaker, we are telling the American public that we must cut education funding, but somehow we have $1 million to blow on among other things, new RCA color TV's and bottled water for this new and redundant subcommittee?

Mr. Speaker, this Congress should be focusing on raising the minimum wage, improving education, and reducing corporate welfare. We do not need to hire a dozen new staffers and create the most expensive subcommittee in the House of Representatives. Moreover, let us not forget the memo Republican leaders sent around to Republican committee chairmen asking them to use their committees to find dirt on President Clinton.

Mr. Speaker, let us create this subcommittee. All I ask is that we call it what it really is: the select House subcommittee to sling mud on Democrats and elect BOB DOLE for President.

Mr. DIAZ-BALART. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from New Jersey [Mr. SMITH], my friend and the chairman of the Subcommittee on International Operations and Human Rights.

Mr. SMITH of New Jersey. Mr. Speaker, I thank my good friend for yielding me the time.

Mr. Speaker, there is only one way to describe the Clinton administration's policy on arms embargo against Bosnia: breathtakingly duplicitous. Duplicitous first in that the White House repeatedly and strenuously rebuffed congressional efforts to lift the illegal and immoral arms embargo in violation of Bosina's legitimate right to self defense. Duplicitous in that the President authorized a policy which effectively sanctioned arms shipments from Iran, of all places, Iran, a terrorist state, to Bosnia via Croatia.

This latest fiasco underscores the crisis of leadership we have seen time and time again over the last 3 years. I commend both Chairman GILMAN and Chairman THOMAS for their leadership in pursuing this matter.

The House Committee on International Relations recently held a hearing on United States policy towards Bosnia which delved into charges that the Clinton administration approved or allowed Iran to ship arms to Bosnia. Frankly, that hearing raised more questions than it answered.

Mr. Speaker, as a House sponsor of the bipartisan effort to lift the arms embargo against Bosnia, I am extremely concerned about the implications and consequences of such a policy should these allegations be substantiated. It is ironic that President Clinton apparently was willing to turn a blind eye toward Iran while blocking a majority of Congress, a bipartisan majority, that called for the United States, not Iran, to take the lead in upholding Bosnia's legitimate and fundamental right to defend itself.

In a recent interview, former Assistant Secretary of State Richard Holbrooke, the architect of the Dayton agreement, indicated that the situation on the ground in Bosnia had reached such a crisis that the Bosnian Government would not have survived without outside arms shipments. In attempting to justify the Clinton policy on Iranian shipments. Mr. Holbrooke concluded, and I quote, "We knew that the Iranians would try to use the aid to buy political interest. It was a calculated policy based on the feeling that you had to choose between a lot of bad choices," close quote.

Bad choices, perhaps, Mr. Speaker, but there had to be a better choice than the one that was embraced by President Clinton. Should the Bosnians been given the means to defend themselves in the face of aggression and genocide? Absolutely. Should those arms have come from Iran? Absolutely not.

In the past 2 years, Mr. Speaker, Members from both sides of the aisle have put aside their differences to respond to this senseless slaughter of innocent civilians by well-armed Serb militants in Bosnia. Repeatedly we have raised our voices, calling upon the President to display a determined U.S. leadership in the face of this naked aggression. These calls were repeatedly rebuffed.

When we voted in an overwhelming manner in support of lifting the arms embargo on June 8, 1995 and again on August 1, we were told by the White House that such an action was not in the interest of the United States as it would lead to an Americanization of the conflict. It would result in the deployment of thousands of U.S. troops, and undermine the U.N. Security Council.

Mr. Speaker, when all is said and done, the fundamental issue at stake here, as in so many other instances, is one of leadership and in this case flawed leadership. For nearly 3 years, Mr. Speaker, the Clinton administration, like the one before it—and I was equally critical of the previous administration, as my colleagues know on the other side—passed the buck on Bosnia.

But the President and then candidate Clinton said that he knew better, and he argued that during the campaign years and during his first few months in office. They said the Europeans should handle this. Now they turn a blind eye to who would provide the arms and allow the Iranians to do it. It is shameful, and unfortunately it has led to the situation that we are in today.

Mr. Speaker, I ask for support of this resolution. It is a good one.

Mr. FAZIO of California. Mr. Speaker, could I inquire how much time is remaining?

The SPEAKER pro tempore. The gentleman from California has 13½ minutes, and the gentleman from Florida has 15½ minutes.

Mr. FAZIO of California. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, I was not here when we had the Iran-Contra investigation of clearly illegal activities, but I was here when the new Republican majority took over the Congress with promises to slash congressional spending, to cut committees, to reduce staff, to eliminate duplication, to reform the legislative process. Now we have a proposal that does just the opposite of all those promises.

In that process of eliminating committees and slashing congressional expenses, the majority eliminated the two subcommittees that would have had jurisdiction over this matter, the Europe and Asia Subcommittees of the International Relations Committee. The purpose of that was to save half a million dollars over the entire year. The average subcommittee spends $189,000 over a 6-month period.

This subcommittee will spend $1 million over a 6-month period. It will be the most expensive subcommittee in the entire Congress, more expensive than the health, Social Security, crime, and military readiness subcommittees. Any of those other subcommittees pale by comparison to what we are going to spend here.

In fact, this spending is understated. I grant you there is a line for new RCA color TV's and other things like that, bottled water, but there is not an inclusion for money for the travel for the witnesses. That is a major expense. I think this amount of $1 million is understated.

But we already spend $3.2 million and we employ 132 staff people to review U.S. foreign policy. We have three committees that are looking into the Bosnia issue. Talk about creating more duplication. Do we really need a fourth committee that is going to be more expensive than any of the other subcommittees in the entire Congress? I cannot imagine why.

The other reason why this proposal does not make sense, is that in the very same year that this activity took place, which no one has even alleged is illegal, but in that very same year we passed a law that says "no funds appropriated by any provision of law may be used for the purpose of participation in, support for or assistance to the enforcement of the Bosnia arms embargo by any department, agency, or other entity of the United States."

□ 1345

That was congressional will. We passed that in the very year that these alleged decisions took place.

I do not even understand the allegation, to be honest with you. There is clearly no illegal activity involved. The President did not do anything. We did not violate any arms embargo. We did not send any arms. The reality is the administration did exactly what the Congress wanted them to do. Do not waste another $1 million of the taxpayers' dollars.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the administration did not do what we wanted them to do. We wanted them to lift the embargo and let the Bosnians defend themselves. We passed that twice, and the President vetoed that. That was the will of the Congress and the will of the American people.

Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER], the chairman of the Subcommittee on Asia and the Pacific.

Mr. BEREUTER. Mr. Speaker, this Member rises in strong support for House Resolution 416.

This Member would say to his colleagues that there are serious issues involved here. The administration, and some on the other side of the aisle, would have you believe that this a political exercise—payback for the October Surprise investigation.

Nothing could be further from the truth. The October Surprise fiasco was a conspiracy theorist's fantasy, concocted whole-cloth by a seedy mixture of arms merchants, convicted felons, and washed-up academics. Convicted scam artists were claiming that a decade earlier they had a direct role in deceiving the American public. Mr. Speaker, it was pure bunk. Eventually a strong consensus developed that the October Surprise charges leveled about President George Bush were wholly without merit.

Mr. Speaker, I believe some people in the White House and top advisers to the President's foreign policy need to remember this is not a dictatorship. This is not a banana republic. In order for foreign policy to be sustainable over the long run, it must be supported by the American people and by the Congress of the United States.

Now, clearly, despite what one reads in the papers, the Congress of the United States and the American people would not have found it acceptable to have arms coming in from either Iraq or Iran. The administration understood that. But, nevertheless, they proceeded with a wink and a nod to the knowledge of Iranian arms and fighters coming through Croatia to Bosnia.

As a former member of the Permanent Select Committee on Intelligence, I can tell you that about two-thirds of what you read in the paper is inaccurate. That fact it has been read in the paper that perhaps arms were coming from Iran is no confirmation and no real warning to Members of Congress that in fact the administration would do something so out of touch with what the American people would want. It was inconceivable for Members here to really believe that the administration would permit perhaps as many as 2,000 Iranians and weapons from Iran to come into Bosnia. Ridiculous. Out of the question. Unthinkable.

Now, Mr. Speaker, a conscious policy to deceive Congress is not a partisan issue. It goes to the heart of our constitutional system of government. Willful deception of the Congress and the American people is a corrupting influence that can, and, if left exposed, will, unchecked, undermine our system of government.

No one, regardless of political affiliation—not our Democratic colleagues—should be willing to tolerate such contempt for Congress in a constitutional system of government.

This Member would be perfectly willing to exonerate the administration if the facts do not support those allegations. However, the Congress has a right and a duty to learn the facts regarding the administration's knowledge of and role in Iranian arms being sent to Bosnia through Croatia. Thus far, Mr. Speaker, the administration's response has been clumsy and a patronizing effort to stonewall us.

Mr. Speaker, there seems to be no question that President Clinton and his top national security advisers did indeed knowingly tolerate and perhaps encourage the shipment of Iranian arms and Iranian fighters to assist the Bosnian Muslims. There also seems to be little doubt that the administration was implementing this policy at the very time that it was telling Congress that it was fully supporting the arms embargo. The issue is quite simple—key policymakers in the Clinton administration deceived the American people and the Congress in order to implement a clearly intolerable policy, a policy that apparently resulted in the deployment of hundreds of Iranian fighters in Bosnia perhaps as many as 2,000 Iranians.

Mr. Speaker, a conscious policy to deceive the Congress is not a partisan issue. It goes to the heart of our constitutional system of government. Willful deception of Congress and the American people is a corrupting influence that can, if left unexposed and unchecked, thoroughly undermine our system of government. No one, regardless of political affiliation, no not our Democrat colleagues, should be willing to tolerate such contempt for Congress in our constitutional system of government.

This Member would be perfectly willing to exonerate this administration if the facts do not support such allegations. However, the Congress has a right to learn the facts regarding the administration's knowledge of and role in Iranian arms being sent to Bosnia through Croatia. Thus far, Mr. Speaker, the administration's response has been a clumsy and patronizing effort to stonewall.

Resonses under oath to the initial inquiries made at the International Relations Committee hearing by this Member, together with the distinguished gentleman from Illinois, Mr. HYDE, the distinguished chairman from New York, Mr. GILMAN, and other demonstrated a remarkable case of selective amnesia by the administration on virtually every key point regarding the administration's complicity with the Iranian arms shipments.

During repeated questioning, senior administration officials voiced no recollection of events that clearly transpired. Peter Tarnoff, the Under Secretary of State for Political Affairs and hence the chief political liaison from the State Department to the White House, repeatedly insisted he was not privy to White House decisions on the Iranian arms and fighters that apparently were made. Regrettably, the Clinton administration's own actions make the creation of a select subcommittee inevitable and necessary.

In fact, the representatives of the administration, on a wide variety of issues, seem to frequently ignore the requirement to tell the truth under oath by feigning an inability to recall details they surely do recall. The witnesses appearing before the committee may indeed not have thorough knowledge about the details we requested, but someone does have knowledge and the Congress, and the American people are entitled to the truth from those who are involved or otherwise knowledgeable. That is the objective of the select subcommittee proposal in House Resolution 416.

Mr. Speaker, this Member does not relish the task that lies ahead for the select subcommittee. The integrity of this institution, the integrity of the American system of representational government, the integrity of the executive branch, and the integrity of the executive branch's relation with Congress demand that we fully investigate the Iran-Bosnia arms transfer fiasco.

The Member urges adoption of House Resolution 416 and House Resolution 417.

Mr. FAZIO of California. Mr. Speaker, I yield 6 minutes to the gentleman from Maryland [Mr. HOYER], a true champion of the Bosnian people, particularly on this matter, and a member of the House Committee on Oversight.

Mr. DIAZ-BALART. Mr. Speaker, I yield 30 seconds to the gentleman from Maryland.

The SPEAKER pro tempore (Mr. HANSEN). The gentleman from Maryland is recognized for 6½ minutes.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, human beings have a tendency to, unfortunately, respond to previous wrongs against them or slights that they have seen, real or imagined. October Surprise has been mentioned by the chairman of this proposed subcommittee every time I have heard him speak on this issue. I have spoken to him personally. He feels very deeply that October Surprise hearings were a mistake. He may have been right.

I stand before you disavowing the issue of money. I do not think that is what this is about. If in fact there was a legitimate purpose for this investigatory committee, an unusual creation within the committee itself, then the $990,000-some odd dedicated to that objective would be justified.

The fact of the matter is, however, as the gentleman from Connecticut has so ably pointed out, everybody knew what was happening. The outrage that I hear articulated is not justified by some surprise.

During the Bush administration, everybody knew, everybody knew, that the Iranians were trying to make hay out of what was happening in Bosnia. Everybody knew that the Iranians had sent people to Bosnia. It was in the newspapers, much less an intelligence report.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I will yield to the gentleman from Nebraska, unlike most of the gentleman's colleagues, when I ask them to yield.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for his courtesy in yielding. I would say to the gentleman that I disagree with him. The fact that it is in the paper is no confirmation it existed. As I suggested to the gentleman, about two-thirds what I read in the paper was in fact not borne out in what the facts were before the Permanent Select Committee on Intelligence. I just wanted to give my alternative view on that.

Mr. HOYER. Mr. Speaker, reclaiming my time, I respect the gentleman's alternative view, but I will tell him in discussions I had with Bosnian officials, there was no secret about this. As Chairman of the Helsinki Commission, I knew it. I do not know where the Committee on Foreign Affairs was on this or the Permanent Select Committee on Intelligence was on it, but I can tell you that Bosnian officials, President Izetbegovic, did not make it a secret, I would tell my friend. The fact of the matter is that we all knew. The newspapers said it, and, I agree, you cannot take everything you read in the newspaper, so you try to confirm it.

But the central fact of the history is not so much that we knew that Iran or somebody else might give arms. It was that all of us wanted the Bosnians to get arms. That is the central fact here.

The central fact further is we all know, the papers reported, that the President did not preclude that knowledge. But what nobody has mentioned is we did not have U.S. troops on the ground. The English did, the French did, the Danes did, and a number of other countries had troops on the ground.

The fact of the matter is that they did not interpose an objection either. Why? Because they were conflicted about this policy. They knew that under the United Nations charter, an independent, sovereign nation had the legal right to defend itself.

But under the Bush administration and our Western allies, we took a stance in the United Nations that no, we will have an arms embargo. The French and English in particular felt very strongly about it, because they had troops on the ground and they were concerned about the escalation. But they were on the ground, and they could have stopped this in its tracks. Perhaps they had a wink and a nod, because on a public negotiated level, they could not reach a multilateral lifting of the arms embargo. But they did not want the Bosnian Government to fall, and, therefore, of necessity they needed arms.

Let me give you an analogous situation. Saddam Hussein remains in Iraq right now. The 500,000 troops we sent, billions of dollars we spent, and Saddam Hussein sits in Baghdad today. Why? Why? Because the Bush administration made a judgment, that we all went along with, the Congress did not stop it, that maybe we ought to leave Saddam Hussein as a balance against the Iranians, because if we remove him and make Iraq very weak, Iran remains. A practical, pragmatic decision, perhaps not the moral judgment of eliminating someone we believe is a butcher and a war criminal himself.

Bill Clinton, the President of the United States, had this judgment to make: Do I allow them to go through and be able to defend their lives, their homes, and their very nation, or do I say no, die.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, let me just say, did the gentleman know that as of January of this year that they were still sending weapons in from Iran, after our troops were there, after we had 20,000 American troops on the ground?

Mr. HOYER. Mr. Speaker, reclaiming my time, the answer is I do not have specific knowledge of that.

Mr. BURTON of Indiana. We have it here.

Mr. HOYER. Let me respond. The fact of the matter is, we are conflicted as well on the policy of making sure the Bosnians have arms. We have had significant discussions about U.S. involvement in doing that, U.S. trainers doing that. We have a conflict on the floor on that. If you are a Bosnian leader dedicated to the protection of your country, you seek aid where you can get it. None of us on this floor is an apologist for Iran. We do want Bosnia to survive.

Mr. DIAZ-BALART. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, let me just say we had 20,000 American troops on the ground. We remember what happened in Beirut, Lebanon when 235 marines were blown to hell because of a terrorist driving through a barricade. After we had 20,000 Americans on the ground, Iran, who was behind what happened in Beirut, still was funneling supplies in. Not only that, there was also a terrorist training camp found by the NATO forces over there. So for the gentleman to say that this is not a big deal, it is a big deal.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Maryland.

Mr. HOYER. Are you not pleased it has not happened here?

Mr. DIAZ-BALART. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in support of this resolution. The administration's ill-advised actions regarding Iranian arms transfers to Bosnia raise many questions to which Congress and the American people have a right to know the answers.

In 1994–95, the President's public policy was to support the arms embargo against Bosnia—because to lift it would put at risk the forces of our NATO Allies who were in Bosnia—and to pursue the international isolation of Iran because of that rogue country's promotion of anti-American terrorism. In fact, Assistant Secretary of State Strobe Talbott testified that lifting the arms embargo was inadvisable because it would allow Iran access into Europe.

Little did we know that the President's secret policy was to support Iranian arms smuggling into Bosnia through Croatia, allowing Iran to establish itself as one of the Bosnian Government's most significant patrons. And that it was quite possibly Mr. Talbott himself who advised the President to adopt that secret policy.

We need to know how this secret strategy was arrived at. How much consideration was given to the possible consequences of such a radical shift in American policy?

For more than 2 years, the Clinton administration has been deceiving Congress about its policy in Bosnia. Not merely concealing convert activity, but deceiving the American people about its objectives and goals. Its distortions were so complete that the Central Intelligence Agency was unaware of the switch in tactics and thought the State Department was running a rogue covert operation. This must be investigated by Congress so that we and the American people can know how our foreign policy has been managed. These actions may or may not have been actually illegal, but they are definitely irresponsible, shortsighted, and foolhardy. And the administration must be accountable for them.

☐ 1400

Mr. FAZIO of California. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey [Mr. MENENDEZ].

Mr. MENENDEZ. Mr. Speaker, I know it is an election year and this type of partisan ploy is expected, but still I find it incredibly difficult to understand how my balanced budget minded, fiscally conservative Republican colleagues, who shut down the Federal Government to save the future of our children, can come before this House and stretch out their hands for $1 million to fund a special committee for 6 months when its oversight work could easily be done by the House Committee on International Relations, of which I am a member.

It is the right committee on substance, on policy and process as it relates to this issue. The most expensive subcommittee of the House Committee on International Relations does not spend in 1 year what the Republicans are proposing to spend on this committee for 6 months.

Mr. Speaker, we can get to the truth that the majority leader spoke of without more government and more tax dollars. In truth, the genesis of the Bosnian crisis and the arms issue goes back to the Bush administration, and if we are going to have this committee, I hope we bring out members of that former administration to discuss what they did and did not know and what they did and did not do.

Mr. Speaker, these are the same Members who stood before the House arguing that children in my district did not need school lunches, that the cost of safe drinking water and clean air were too high, that energy assistance for seniors and financial aid for college students had to be forfeited in time of fiscal constraints.

Mr. Speaker, this is nothing more than a baldface use of taxpayers' dollars to fund a Republican campaign gimmick, one that was expressed in a memo from the Republican leadership to cause political harm to the President. What a waste of taxpayers' money.

Mr. DIAZ-BALART. Mr. Speaker, I yield 2½ minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, first of all let me say we have a letter from the gentleman from California [Mr. THOMAS], chairman of the Committee on House Oversight. He said that these funds are coming out of the standing committee special and select account. The money is there. There is no problem with it. In addition, there are no new funds required because it is coming from the $6 million that was saved by cutbacks in the cost of running the House and the committees of the House.

Let me say, Mr. Speaker, to my colleagues and maybe to the American people who may be paying attention, while President Clinton was saying to the American people and to the Congress he did not want to lift the embargo against Bosnia, behind the scenes covertly he was talking to the Croatian Government saying that is OK, let Iran, another country whom we are embargoing, send these weapons underground in an underground pipeline into Bosnia. Mr. Speaker, he was telling the American people, he was telling the representatives of the American people, something else, lying to us, and yet dealing with the Croatians in a way that would allow the Iranians to send these weapons in.

A cache of weapons was found by NATO forces in a safehouse there where Iranian terrorists were, and these are some of the weapons that were found: mortars; toys that children might pick up that would blow up in their hands; all kinds of weapons of destruction by the same people who were behind the bombing of our barracks in Beirut that killed 235 of our men.

Mr. Speaker, the President misled the Congress of the United States of America. Now, my colleagues have said on a number of occasions today we are going to spend $1 million on a witch hunt and this is nothing we should be doing, we should not be spending this money. I want to remind them on Iran-Contra, that resulted in no one going to jail, my colleagues on the other side of the aisle spent $48 million, and a lot of people thought it was a witch hunt. Admiral Poindexter's career was tainted and it almost ruined him.

My Democrat colleagues spent $2 million on the select committees in this House, $1.35 million on October Surprise, and it ended up costing a total of almost $5 million. Yet we are talking about less than $1 million to get to the bottom of this issue of whether or not the President of the United States may have violated the law, No. 1; or, No. 2, deliberately misled the Congress of the United States by sending incorrect messages up here through his Secretary of State.

Mr. Speaker, let me end by saying that Secretary of State Christopher said to us on a number of occasions, "We do not want to lift that embargo," and yet under the table they were working with the Iranian terrorists to fund that. I think it is wrong. We need to investigate.

Mr. FAZIO of California. Mr. Speaker, I yield 1½ minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, this is a serious matter. It deserves sober debate.

The uncontroverted facts underlying all of this are as follows: They involve no U.S. covert action, nor any "action" for that matter. The President of the United States sent to our Ambassador in Croatia instructions to take no position about country C's, Croatia's, request for our views about country A's, Iran's, shipment of arms to country B, Bosnia. That is what happened. No instructions.

"Acquiescence" somehow gets transformed into "complicity" which somehow gets transformed into "duplicity," which in the continued rhetorical inflation on the other side gets transformed into "contempt of Congress." That, in turn, gets bootstrapped into the notion that this is "serious Presidential wrongdoing."

Give me a break.

Republican former Senator Warren Rudman, who looked at details of this as explained by the Intelligence Oversight Board's own investigation, found no illegality or wrongdoing. He said, in effect, this is a question of "politics;" namely, the wisdom of the policy.

We can look at the question. We should look at it. The majority has every right in the world to hold the administration accountable for that. But let us be a little bit more accurate in the characterization, which has now taken on almost a caricature quality.

Let us stipulate that there is a problem that needs looking into. Do we need one committee to do it? Perhaps the Permanent Select Committee on Intelligence. Two? The Committee on Government Reform and Oversight. Three? The Committee on National Security. Now let us have four, and create a Select Subcommittee of International Relations to boot!

Mr. DIAZ-BALART. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. EHLERS].

Mr. EHLERS. Mr. Speaker, listening to the debate for the past hour, I am struck by one aspect of the comments I hear from the other side of the aisle: "Methinks thou dost protest too much." I am beginning to wonder whether there is more here than even I had thought.

As a scientist, I like to deal with the facts and I am interested in finding out the facts. I do not put more credence in allegations unless we can investigate them. On that basis, I believe it is important to proceed with this investigation and try to determine what the facts are.

It appears that the President did allow the Iranians to get arms into Bosnia, and I believe it is important to determine whether, if fact, that happened.

There has been a great deal of discussion here about the cost of the inquiry. I would point out first of all this cost is being handled within the committee budget of the House of Representatives; that that is still 30 percent less than the committee budget under the previous Congress, and certainly appears to be a reasonable expenditure in terms of determining the truth of the situation.

The real issues are whether the President did in some fashion deceive the public and the Congress by publicly stating his opposition to arms going into Bosnia and at the same time allowing arms to go into Bosnia.

Mr. Speaker, I think perhaps a more serious allegation, and one that certainly has to be investigated, is whether the President knowingly allowed the Iranians to be the source of those arms, to provide the pipeline for those arms to get into Bosnia.

I recall when I heard the first news reports of our troops coming in, the international troops, IFOR, and discovering various caches of weapons from the Iranians and finding a number of Iranians there. I was dismayed as a citizen and as a Member of Congress to find that Iranian influence had extended there.

Mr. Speaker, you can imagine my dismay when I found out that the President had some complicity in this. As I said, I believe it is extremely important for us to investigate this, to determine as best as possible what the facts are in the situation, and make our conclusions.

Mr. FAZIO of California. Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Speaker, I rise in support of this resolution to investigate the United States role in the Iranian arms transfer to Croatia and Bosnia.

The Bosnian arms embargo was established in 1991 by the United Nations in an effort to prevent the Bosnian conflict from erupting into widespread civil war. By placing an embargo on the region, it was thought that none of the warring factions could gain a decisive advantage over the others. However, the embargo had little effect. The already well-armed Serbians were able to easily roll over the militarily weaker Bosnians, claiming much territory and causing horrific casualties. While still opposed to direct United States intervention, the Republican-led Congress called for a lifting of the embargo so that the Bosnians could, at least, acquire the arms they needed to defend themselves. On eight separate occasions, the President rejected congressional attempts to lift this embargo.

While publicly supporting the arms embargo, President Clinton had secretly approved a shipment of Iranian arms to Bosnia in 1994. This is a classic Clinton flip-flop. Last year, he blocked our efforts to lift the arms embargo, and he has allowed Iran—a known sponsor of terrorism—to ship arms directly to Bosnia. There are 20,000 Americans risking their lives in Bosnia because President Clinton sent them there. By allowing Iran to establish a foothold in the region, the President has significantly increased that risk.

Mr. FAZIO of California. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, our Republican colleagues never cease to amaze me. They yelled for years about lifting the arms embargo, as did I. We all knew that the arms embargo could not be lifted because Britain and France objected. But we all knew this was going on.

Now, Mr. Speaker, they want to waive the House rules to form this committee. They touted the new House rules for saving money and now they want to waive it like they have waived all the other House rules.

Mr. Speaker, Republicans want to blow a million bucks on this unneeded committee when all they needed to do was plunk down a quarter for the June 4, 1994 Washington Times. We knew it was happening then. These arms shipments were widely reported in 1994. Because the Republicans did not pay attention then, the American taxpayer will pay a million bucks now.

The Republicans should hit the library and read the old newspaper clips of this story instead of hitting the American taxpayer in the wallet. The Committee on International Relations can handle it on its own. If they had not abolished the Europe and Middle East Subcommittee, that subcommittee would be in effect now, doing these kinds of things.

Mr. Speaker, they talk about Iran. Where were they during the Iran-Contra scandal? This is a political ploy. It is election year politics at its worst and it should be defeated.

Mr. DIAZ-BALART. Mr. Speaker, I yield 15 seconds to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I would like to make the point once more. There is a big difference between complicity in permitting Iranian arms to come in to Bosnia or permitting it to happen on one hand, and accepting newspaper reports which indicate that arms are coming in from the Arab world or even specifically from Iran.

This Congress was not informed and certainly had no expectations that anybody would be dumb enough in the White House to permit Iranian arms and troops to come into Bosnia.

Mr. FAZIO of California. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, let me just simply conclude by saying I think we have explored all aspects of this over the last several hours. There is no question that we are in the middle of a political campaign, and I think the gentlewoman from Georgia who called it "an independent expenditure" was probably close to being accurate.

But there is no question we also hear something else here which is regrettable. It is a "get back," a position taken by many on the other side that this is a response to prior investigations. Well, regardless of whether they turned up any indictable offense, every prior investigation was warranted by the facts, by allegations of illegality. this one is not, and does not deserve this expenditure and this emphasis of time.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, a previous distinguished speaker from the other side of the aisle said that the facts are uncontroverted with regard to what the President did. If that is the case, then why does the minority oppose the investigation of the facts?

The distinguished gentleman from New York [Mr. ENGEL] a few minutes ago said the arms embargo could not be lifted because the British and the French objected. The British and the French and the Germans objected to the decision of the Clinton administration to appoint a Secretary General of NATO who is a socialist, and yet he was appointed.

The United States is the only remaining superpower in the world, and if the United States would have exerted leadership as the Congress demanded of the President with regard to Bosnia, the multilateral embargo would have been lifted. We said, "Mr. President, if you cannot, even with exerting leadership as the only superpower in the world, lift the multilateral embargo, the lift it unilaterally because the people of Bosnia have a right to defend themselves." But no, he vetoed that.

Mr. Speaker, at the same time the administration was vetoing the will of the Congress with regard to letting the Bosnian people defend themselves, the administration through Mr. Tarnoff was admitting publicly, quote, "Iran engages in terrorism by assassinating its opponents. It provides material and political support to Palestinian rejections trying to undermine the Middle East peace process through violence. It seeks to subvert secular regimes in the Muslim world."

Mr. Speaker, that is the administration talking about Iran at the same time that it is giving a green light to Iran to enter Bosnia.

This is a very serious issue, Mr. Speaker. This is not political. I reject that allegation. What would the other side require to realize that the national interest of the United States is legitimately involved in this issue, Mr. Speaker?

□ 1415

So we will be investigating this. We have done this. I commend the gentleman from California, Chairman BILL THOMAS, for his leadership in bringing forth this select subcommittee under cost, under the actual request that was made because he was able to do it as efficiently as possible.

I would like to submit for the RECORD a memorandum from the Office of Finance to Chairman THOMAS that states that the $995,000 of the cost of the subcommittee can be absorbed within the fiscal year 1996 funds.

I would urge all of my colleagues to take seriously the national security interests of the United States. This is a very serious issue. It deserves to be legitimately and thoroughly studied.

Mr. Speaker, I include for the RECORD the memorandum to which I referred:

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER, U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, May 1, 1996.

[Memorandum]

To: Chairman Bill Thomas, Committee on House Oversight.

From: Tom Anfinson, Associate Administration, Office of Finance.

Subject: Funding for Special Select Subcommittee.

Please be advised that your amendment in the nature of a substitute of $995,000 for the cost of the Select Subcommittee, based on current projections, can be absorbed within the Fiscal Year 1996 funds provided for "Standing Committees, Special and Select."

Mr. Speaker, I move the previous question on the amendment and on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. (Mr. HANSEN). The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FAZIO of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 225, nays 203, not voting 6, as follows:

[Roll No. 152]

YEAS—225

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Morella
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
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Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
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Saxton
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
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Taylor (NC)
Thomas
Thornberry
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Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
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Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—203

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Forbes
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
Klug
LaFalce
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Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui

McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
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Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Ramstad
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
White
Whitfield
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—6

Coburn
de la Garza
Ford
Hostettler
Molinari
Scarborough

□ 1436

Mr. SCHUMER changed his vote from "yea" to "nay." Messrs. STOCKMAN, HOEKSTRA, and UPTON changed their vote from "nay" to "yea."

So the resolution as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. HOSTETTLER. Mr. Speaker, due to official business in my district, I missed two yea-and-nay votes and one recorded vote on May 8, 1996. Had I been present, I would have voted as follows and request that these appear at the appropriate place in the record:

I would have voted "yea" on rollcall No. 150, which ordered the previous question on House Resolution 416, a resolution to establish a Select Committee of the Committee on International Relations to investigate the United States role in Iranian arms transfer to Croatia and Bosnia.

I would have voted "yea" on rollcall No. 151, on passage of House Resolution 416, a resolution to establish a Select Committee of the Committee on International Relations to investigate the United States role in Iranian arms transfer to Croatia and Bosnia.

I would have voted "yea" on rollcall No. 152, on adoption of House Resolution 417 to provide amounts for the expenses of the Select Committee of the Committee on International Relations to investigate the United States role in Iranian arms transfer to Croatia and Bosnia.

U.S. HOUSING ACT OF 1996

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 426 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 426

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2406) to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Banking and Financial Services now printed in the bill. The committee amendment in the nature of a substitute shall be considered by title rather than by section. The first two sections and each title shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with clause 5(a) of rule XXI are waived. Before consideration of any other amendment it shall be in order to consider the amendment printed in the Congressional Record of May 7, 1996, pursuant to clause 6 of rule XXIII, if offered by Representative Lazio of New York or his designee. That amendment shall be considered as read, shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against that amendment are waived. If that amendment is adopted, the bill, as amended, shall be considered as the original bill for the purpose of further amendment. During further consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment. The Chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. After passage of H.R. 2406, it shall be in order to take from the Speaker's table the bill S. 1260 and to consider the Senate bill in the House. It shall be in order to move to strike all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions of H.R. 2406 as passed by the House. All points of order against that motion are waived. If the motion is adopted and the Senate bill, as amended, is passed, then it shall be in order to move that the House insist on its amendments to S. 1260 and request a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Woodland Hills, CA [Mr. BEILENSON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, now I will proceed with giving the same explanation the reading clerk just gave.

Mr. Speaker, in the tradition of past housing rules, this rule provides an open rule for the consideration of H.R. 2406, the U.S. Housing Act of 1996. It provides for 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on Banking and Financial Services.

The rule makes in order the Banking Committee amendment in the nature of a substitute as an original bill for the purpose of amendment and provides that the substitute be considered as read.

All points of order against the substitute for failure to comply with clause 5(a) of rule 21 are waived. This waiver is necessary because several sections of the substitute relate to the disposition of appropriations due to changes in existing housing law.

The rule provides that the substitute shall be considered by title and the first two sections and each title shall be considered as read. If further makes in order, before consideration of any other amendment, an amendment printed in the CONGRESSIONAL RECORD of May 7, 1996, if offered by Representative LAZIO of New York or his designee.

That amendment shall be considered as read, shall be debatable for 10 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment or to a demand for a division of the question, and all points of order are waived.

□ 1445

If the amendment is adopted, the bill as amended shall be considered as an original bill for this purpose of further amendment. Members who have preprinted their amendments in the RECORD prior to their consideration will be given priority in recognition to offer their amendments if otherwise consistent with House rules.

The rule allows the chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce votes to 5 minutes on a postponed question if the vote follows a 15-minute vote.

The rule also provides for one motion to recommit, with or without instruction. Finally, the rule provides that after passage of the House bill, it will be in order to take up the Senate bill to move to insert the House-passed provisions in the Senate bill, and to move to request a conference with the Senate.

Mr. Speaker, despite all of the parliamentary mumbo-jumbo that I have just gone through, this is a bona fide open rule. Over the years, I had the honor of referring to the former chairman of the Committee on Banking and Financial Services and the Subcommittee on Housing and Community Opportunity, the gentleman from Texas [Mr. GONZALEZ], as Mr. Open Rule, because of his commitment to bring to the floor major housing bills under an open rule. It is a distinction that I look forward to bestowing upon the current chairman of the Subcommittee on Housing and Community Opportunity, the gentleman from New York [Mr. LAZIO].

While an open rule on a bill of this nature will be time-consuming and contentious, 75 amendments were offered in the Committee on Banking and Financial Services alone, it is necessary. Housing policy must be seen in the context of broader welfare policy.

Members have strong feelings about the impact of Federal housing programs on low-income families and how these programs should be reformed. An open rule will allow all issues to be debated and will strengthen public confidence in whatever program changes we collectively decide to move ahead with.

Quite frankly, Mr. Speaker, the changes called for in H.R. 2406 are long overdue. Our public housing programs are a failure, and those failures have been known to us for nearly two decades. Yet, until now, Congress has failed to offer effective solutions to addressing the housing and economic needs of poverty-level families. Instead, we have continued to spend hundreds of billions of dollars on costly and inefficient public housing programs that encourage waste, fraud, and abuse while destroying urban communities and relegating tenants to second-class status in Third World living conditions.

H.R. 2406 will improve housing conditions and economic opportunity for tenants by substantially deregulating public housing and giving authorities the flexibility they need to operate efficiently and effectively.

While 2406 does not fundamentally alter the Federal Government's intrusion into the housing market, nor does it reduce the size of HUD's bureaucracy, it will go a long way toward reforming our failed public housing programs. For that, I applaud Chairman LAZIO for his successful efforts in bringing this bill forward. I look forward to working with him to bring about similar reforms to the remainder of HUD's bureaucracy so we can enhance local control, reduce administrative overhead and cost burdens, maximize the direct flow of housing assistance, and promote our ultimate objective, which is the achievement of economic self-sufficiency for low-income families.

Mr. Speaker, H.R. 2406 is a good bill that deserves our support. More importantly, this rule provides for an open amendment process that will allow all the policy issues to be debated.

Mr. Speaker, I urge support of the rule, and I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we support this open rule for the consideration of H.R. 2406, the U.S. Housing Act of 1996, and we commend our colleagues for bringing this open rule to the floor. Certainly, the rule for taking up legislation to repeal the housing laws of this Nation, which have been in effect since 1937, should be open and unrestricted. It should permit, as this rule does, every Member to have an opportunity to offer amendments that are germane. We are nonetheless very disturbed, as we know the majority of the Committee on Rules are, too, about the manner in which the manager's amendment made in order under the rule was handled.

The manager's amendment, which changes many portions of the bill, was never presented, Mr. Speaker, to the Committee on Rules. That failure to follow our regular procedure raises serious concerns about this disregard for the deliberative nature of the legislative process, as well as the effect it could have on millions of Americans who live in public or assisted housing.

But because the Republican leadership insisted on moving the housing bill today, the Committee on Rules was faced with a situation that all of us, I believe, found untenable, having to approve a rule for a major piece of legislation that neither the majority nor the minority on any of the committees had seen.

We trust that we shall not be placed in this situation again, either by the committee appearing before the Committee on Rules or by the leadership. In this case in particular, the legislation is not only momentous in nature, but it is also very complex. The public and all Members interested in our Nation's housing policy should have had the opportunity to see the exact wording of the manager's amendment and to comment on it to Members of the Congress. And for Members wishing to offer amendments, the availability of language that they are seeking to amend is essential in preparing responsible amendments. That language should have been available for a reasonable length of time.

Mr. Speaker, the issues this legislation is addressing are not minor ones. We are dealing with a bill that makes several substantial and significant changes in U.S. housing policy, all of which we believe could hurt people currently living in public and assisted housing. This legislation, by repealing the Housing Act of 1937, will result in a total rewriting of U.S. housing policy. We are dealing with legislation that, by eliminating the caps on rent paid by seniors and working families and eliminating targeted housing assistance, could have a very negative effect on senior citizens and on families with children who live in public housing. This is legislation that would block grant Federal funding for public housing and low-income rental assistance. We question whether these block grants will, as its proponents believe, save money. Rather, we fear they may end up hurting the very people they are proposing to help.

Mr. Speaker, the bill would also repeal the Brooke amendment, which caps rent for tenants in public and assisted housing at 30 percent of income. The repeal of the Brooke amendment would force many tenants in public housing to make the impossibly difficult decision between shelter and food and medicine. We fear it could lead to greater homelessness in this country.

By eliminating the protection of the Brooke amendment, the bill would permit housing authorities to set rents based on the real estate market, with little regard to how much money people can afford to pay. It is inconceivable that we are denying people an increase in the minimum wage at the same time we are enacting a demonstration project, included in the manager's amendment, to grant the 300 largest housing authorities in the country permission to raise the rents of the working poor.

For that reason, Mr. Speaker, we will move to defeat the previous question, so we may offer an amendment dealing with an increase in the minimum wage.

Mr. Speaker, we are not talking about people who make a great amount of money. We are talking about families who live in public and assisted housing, whose income averages only $6,400 a year. Forty-one percent of these people are seniors or are disabled. The remaining 59 percent are families with children. They are among the most vulnerable people in our society.

At a time when one quarter of American children live in poverty, this Congress should be doing everything possible to help take care of them.

Mr. Speaker, this bill, we fear, would only hurt them. Mr. Speaker, although we are not opposed to this open rule, we commend our friends on the other side of the aisle for offering this as an open rule. We are very much opposed to much of the substance of the bill, and we urge our colleagues to give it very careful consideration when it later comes before us.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I am happy to yield 2 minutes to the gentlewoman from Utah [Ms. GREENE], a very able Member and a colleague on the Committee on Rules.

Ms. GREENE of Utah. Mr. Speaker, I rise in support of the rule and the underlying bill, the U.S. Housing Act of 1996. This rule will provide for the open consideration of an extremely important matter, our Federal low-income housing policy.

This is truly historic legislation. I want to commend Chairman LAZIO for his tireless efforts on behalf of this bill.

Mr. Speaker, for decades we have consigned those residing in Federal low-income housing to conditions worse than those found in our Federal prisons. Notorious housing projects across the country have imprisoned families in deplorable and often hopeless conditions.

This legislation will bring real reform to our Federal low-income housing policy. It will pull back the heavy hand of Washington and empower communities to improve their neighborhoods.

In addition, as part of the manager's amendment that will be made in order under the rule, Chairman LAZIO has generously included an amendment I intended to offer elsewhere. This amendment will correct a flaw in the 1990 Housing and Community Development Act that discriminates against cities that participate in the Community Development Block Grant Program.

Under the 1990 act, metropolitan cities and urban counties that qualify for 2 consecutive years are deemed to permanently retain their program status. However, the method in which these grants are awarded, on a 3-year basis for counties but only a 1-year basis for cities, results in an unfair disadvantage for cities. Currently, a county needs to qualify only once, but a city must do so for 2 consecutive years.

Because of this bias against cities, a city in my district, the city of West Jordan, has been denied their status as a metropolitan city since 1993. Under the manager's amendment, metropolitan cities would now receive the same treatment as urban counties. This is a change that is long overdue.

I would like to thank Congressman LAZIO for his generosity in including this correction within the manager's amendment made in order under this rule.

I urge my colleagues to support the rule and the bill so that we can take an important step to improve our Federal low-income housing policy.

Mr. BEILENSON. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding time to me.

Mr. Speaker, I'm urging my colleagues to defeat the previous question and allow us a clean vote on raising the minimum wage.

Mr. Speaker, the longer this minimum wage debate goes on, the more I'm reminded of a story I once heard about a hot dog company.

The company was having trouble selling its hot dogs, so they called a big meeting with all the department heads to find out what was wrong.

The marketing director says, "it's not the marketing. We've won all kinds of awards."

The production supervisor says, "it's not the production line. We're running at full capacity."

The shipping supervisor says, "it's not the shipping. All of our trucks are running on time."

The CEO says, "I don't understand. If everything is running well, what's the problem?"

From the back of the room a janitor says, "The problem is, kids don't like your hot dogs."

Mr. Speaker, it's the same thing with the Republican agenda. Every week we get a new theory about the Republican problems.

One week it's a strategy problem. The next week it's a message problem. This week, the Speaker says it's a media problem. When are Republicans going to learn—it's not just the strategy that keeps failing. It's the ideas.

The American people don't want to cut Medicare to pay for tax breaks for the wealthy.

They don't want to cut education to pay for tax breaks for big oil companies—as the majority leader proposed this weekend.

They don't want to allow CEO's to raid corporate pension funds.

But that's what you've tried to do the past 18 months. The Republican agenda is out of touch with the needs of America's families.

Eighty-five percent of the American people say: "raise the minimum wage."

Yet, the majority leader says he'll oppose a minimum wage increase with every fiber of his being. The majority whip says that minimum wage families "don't really exist."

And the Republican conference chairman went so far to say that he would commit suicide before voting to raise the minimum wage.

Never mind that that the minimum wage is at a 40-year low. Never mind that the majority of the people working for the minimum wage are mothers trying to raise their kids and stay off welfare.

For 18 months, Republican leaders have blocked us at every single turn.

And now, instead of raising the minimum wage, here we are today considering a bill that will raise rents on people who earn the minimum wage.

Forty-one percent of the people who lived in assisted housing are senior or disabled.

The rest are working families with children.

Many of them make the minimum wage or less.

In fact, the average income of these working families is $6,400 a year—which is less than half the poverty level. And yet, this bill will give landlords a blank check to raise rents through the roof.

This bill operates under the theory that there aren't enough homeless people in America—so we have to create more of them.

Mr. Speaker, if you're wondering why over 60 percent of the American people disapprove of the Republican agenda. This is the reason.

Fortunately, some of our Republican colleagues are beginning to see the light.

Twenty-one brave Republicans have co-sponsored a bill to raise the minimum wage.

Unfortunately, 12 of them have voted "no" every single time we've tried to bring the issue to the floor.

So we are giving you another chance here today.

Please help us CHRIS SHAYS, SPENCER BACHUS, FRANK CREMEANS, BOB FRANKS, STEVE HORN, AMO HOUGHTON, NANCY JOHNSON, STEVE LATOURETTE, RICK LAZIO, BILL MARTINI, JACK METCALF, and ILEANA ROS-LEHTINEN.

Help us raise the minimum wage for 12 million working Americans.

All of you had the courage to cosponsor a bill to raise the minimum wage.

Now we're asking you to put your vote where your heart is, help us defeat the previous question, raise the minimum wage, and give over 12 million Americans the dignity and respect they deserve.

They have chosen, they have chosen work over welfare. They ought to be rewarded. We ought to make work pay. Help us defeat the previous question.

□ 1500

PARLIAMENTARY INQUIRY

Mr. DREIER. Mr. Speaker, the eloquence of my friend from Michigan has led me to propound a parliamentary inquiry.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The gentleman will state his parliamentary inquiry.

Mr. DREIER. Mr. Speaker, under House rule IX, which requires that a

Member must confine himself to the question under debate, is it relevant to the debate on either this rule or the bill it makes in order to engage in a discussion of the merits of the minimum wage?

The SPEAKER pro tempore. As explained on page 529 of the manual and reiterated by the Chair last week, debate on a special order for consideration of a bill may range to the merits of the bill to be made in order but should not range to the merits of a measure not to be considered under that order.

Mr. DREIER. A further parliamentary inquiry, Mr. Speaker. Could the Chair enlighten us as to the subject matter of the question that is under debate at this point?

The SPEAKER pro tempore. House Resolution 426, the rule providing for consideration of the bill H.R. 2406, to repeal the U.S. Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, increase community control over such programs and for other purposes.

Mr. DREIER. I thank the Speaker very much.

Mr. Speaker, I yield 2 minutes to my dear friend and colleague, the gentlewoman from Columbus, OH [Ms. PRYCE].

Ms. PRYCE. Mr. Speaker, I rise today in strong support of the rule and H.R. 2406, the U.S. Housing Act, and to remind my friends this is a rule on a historic housing bill, nothing else. This important legislation sets the Nation's public housing system on a course that will save families and neighborhoods from the grasp of the welfare state.

H.R. 2406 starts by repealing the outdated Housing Act of 1937 and begins sending power back to local communities and away from Washington, where residents, nonprofit organizations, and community leaders will determine which housing policies work best for them and their neighborhoods.

Mr. Speaker, tenants in America's public housing system deserve a break. They deserve a break from overcrowding, crime, and insecurity. This legislation will allow tenants with low and moderate incomes to share neighborhoods, and gives the poorest of American citizens a chance to escape poverty-stricken areas through the use of vouchers.

Mr. Speaker, I also urge my colleagues to support the manager's amendment which strengthens the bill's ability to provide safe and affordable housing. The manager's amendment prevents housing authorities from overcharging the Nation's poorest tenants as well as the elderly and disabled.

This amendment further ensures that adequate housing be available for our Nation's most needy, and taxpayers will benefit from provisions of the amendment which establish criteria to replace costly, ineffective housing projects with private housing vouchers.

Additionally, the manager's amendment addresses the problem of overcrowding, which threatens to undermine even the most successful housing projects by creating unhealthy living conditions that isolate the poorest and most dependent citizens. The manager's amendment remedies this problem by allowing States, not HUD, to set occupancy standards. This provision cures the problems of overcrowding in one simple step.

Mr. Speaker, I commend Chairman LAZIO for his leadership and fine work on this historic legislation and urge my colleagues to support the rule. America's housing system needs a shot in the arm. Chairman LAZIO and the fine work of his committee and the U.S. Housing Act provide that.

Mr. BEILENSON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas [Mr. GONZALEZ], the ranking member of the policy committee.

Mr. GONZALEZ. Mr. Speaker, the House soon will take up the Housing Act of 1996, a bill that in large part aims to force the residents of public housing to pay more rent.

But this is trying to squeeze blood out of a turnip—75 percent of the people who live in public housing make less than one-third of the median income. Even if the minimum wage were increased by 90 cents an hour, it would not be enough to raise the income of a family to the poverty level.

So it is exceedingly ironic that we are going to raise the rent of the poorest people in America, while denying them an increase in the minimum wage, which the Republicans will not even permit the House to vote on.

Here we are, telling the poor to be self-sufficient, when the House will not even guarantee a poverty-level wage.

It is shameful. I do not know anybody who enjoys being poor. I do not know anybody who likes working for a wage that does not pay the rent and grocery bill. And I do not know anybody who believes that it makes sense to add ever-greater burdens to the elderly, the disabled, and the struggling poor and exhort them to do better—all the while saying that we won't adjust the minimum wage to make up for the buying power it has lost since 1988, the last time it was changed. It is wrong and it is unjust, it is shameful to prevent a vote on the minimum wage while the House is telling the poor to pay more rent, as it is today.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Vineland, NJ [Mr. LOBIONDO], a very able new Member of Congress.

Mr. LOBIONDO. Mr. Speaker, I rise today in strong support of this rule and H.R. 2406, the United States Housing Act of 1996. As a member of the Banking Committee, I have seen the hard work of Chairman LAZIO over the past several months and I believe that he is bringing a very good bill to the floor today.

H.R. 2406 will repeal the long since outdated Housing Act of 1937. This Depression-era legislation has been altered over the years to the point that local governments and local housing authorities have very little flexibility in meeting the housing needs of their own communities. H.R. 2406 will abandon the notion that HUD should micromanage every aspect of public housing through one-size-fits-all regulations. With this legislation we will return the power to local communities.

This bill rewards good housing authorities with less Federal regulation and helps those already good public housing authorities to better serve the needs of low-income families at a lower cost to the taxpayer. Just as we are rewarding good operations, H.R. 2406 inflicts severe punishments on those authorities that have failed the American public year after year. This bill provides the tools to end these embarrassments that have wasted so many taxpayer dollars without helping those of our society who are in need.

Mr. Speaker, I commend Chairman LAZIO for his work on this legislation and for his vision. With these reforms, I believe we will see the creation of neighborhoods and communities of which we all can be proud.

I strongly urge my colleagues to vote in favor of this rule and in favor of H.R. 2406.

Mr. BEILENSON. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in opposition to this rule. It is an open rule. However, it does include a manager's amendment which was not fully explained. It is in the RECORD today but nevertheless, it makes in order certain nongermane amendments which I think should have complied with the rules of the House, and not be waived by the rule that is before us.

Furthermore, I join others in objecting to the procedure of this House floor, when important matters for the last months have been denied a vote on this House floor by this Committee on Rules and by others. It could have easily made in order legislation that would provide for the consideration of legislation to raise the minimum wage.

That is directly related to the proposition that we have before us, Mr. Chairman, because the fundamental tenet of this bill is public and assisted housing, trying to help those that have to attain sanitary and safe housing. In fact, since 1937 our Nation has championed public and assisted housing to meet that need. Today we have 1.3 million families in public and assisted housing.

The fact is that unfortunately, 13 million families are eligible for such housing today, and that is a direct result of the economic disparities that exist in our American economy and in our society. The fact is that the minimum wage is one of the major means that we have, one of the major tools that we have available to change those disparities.

It is important I think that we have other programs such as housing, that we have other programs such as health care programs that rise to try and meet and set minimum standards for individuals, but I think we need to start with the world of work. We need to make work pay. We need to give people the autonomy of having a stake in our society, that that job would actually give the type of wages that is necessary to sustain them and to meet their basic family needs.

Too often American workers are forced to take jobs that pay substandard wages and have no health benefits, yet my Republican colleagues will say you don't need to raise the minimum wage because it will hurt American workers. Well, it is not quite clear to me how giving 10 million American workers a 90 cents raise over the next 2 years will hurt them? Especially since the real value of the current minimum wage has fallen by one-quarter over the past 15 years.

At a time when U.S. corporations are making record profits and the economy is strong and stable, it is unreasonable that working families receive wages far below the poverty level. This is the unhappy and sad status of our society as we move into the 21st century. Whatever means American workers had to achieve a minimum standard of pay in the past has been broken over the last decades.

This condition—this circumstance must stop and be corrected. Our Nation should be moving beyond even a minimum wage to be a livable wage for workers and their families. Our workers deserve to be paid a fair day's wage for a fair day's work. Employers and corporations must be held accountable to provide a fair shake to American working families.

The annual pay for a full time minimum wage earner is $8,840. This is not an exorbitant wage. Imagine a family trying to live on this amount. It may not seem possible, but it is done every day in this country. There is a serious problem in our society when hard-working families, holding down full-time jobs, cannot earn enough to bring their families out of the poverty cycle, while company executives earn an average of 70 times that of their average employee.

Let's not make America a caste system. We need to raise the minimum wage and ensure workers are paid a fair and livable wage. We need to let this Republican Congress know that we will fight to protect workers and that promoting the special interest of mega-corporations at the expense of working Americans is wrong. We need to return to the days when a worker made for a family, a wage that provides a decent home and a good opportunities for his or her family—the promise of America. We need to give dignity and justice back to American working families which they earn every day on the job.

We as a Congress should do all that we can to try and enhance the wages of those persons so that they can meet their housing needs, so that they can put food on the table, so that they can meet their health needs. But unfortunately today this Congress is demonstrating a refusal to consider raising the minimum wage even 90 cents or a dollar, which in fact would affect nearly 13 million American workers.

These are not teenagers. Half of them are over 25 years of age, and many of them are the very individuals that we are talking about in terms of this assisted and public housing. One individual article pointed out that almost everyone in this country is that available for housing, that needs it, can get public housing.

As I have said, only about 10 percent of the poor actually, there is only that much housing, so 90 percent are out there struggling and sometimes they fail. Sometimes they end up homeless. They are out there trying to get the health care and take care of their basic needs. But the best thing that we could do for them is to provide an opportunity, a minimum wage that would help them meet their own needs, to make work pay.

That is really what this should be about. This Congress should be busy on that track to try and respond, not to create more transfer programs. Even now I see that my colleagues on the other side of the aisle have a new-found affinity for the earned income tax credit. But again, that is a transfer payment. It is a good program. We pushed it, I think, as far as it probably can go.

The fact is we should not be subsidizing the mega corporations and others that are refusing to actually pay a minimum wage, a livable wage. When we stop and think about what a minimum wage is, it is only $8,800 a year. Very few families are going to be able to survive on that.

What is happening here in this particular bill is that we are pulling the rug out from under the public in assisted housing programs so that we are limiting basically the amount of assistance. In fact, we are really repealing the 1949 law. It is not just the repeal of a law that is archaic. It is not archaic. I urge the defeat of this particular rule.

Mr. DREIER. Mr. Speaker, I would say to my friend from Minnesota who raised the issue of waivers on the manager's amendment, the manager's amendment was fashioned after hours and hours of negotiations that took place between the chairman of the Subcommittee on Housing and Community Opportunity and Secretary Cisneros, and while there was not an agreement on every single issue, it was a compromise that was struck with them.

Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. KING].

Mr. KING. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of the rule for H.R. 2406, and urge my colleagues to support both the rule and this truly historic and revolutionary legislation.

I also must commend my good friend and fellow New Yorker, RICK LAZIO, chairman of the Subcommittee on Housing and Community Opportunity of the Committee on Banking, for the outstanding work and dedication he has shown in addressing the issue of public housing, of introducing this critical legislation.

Mr. Speaker, public housing in this country has been a failed policy but H.R. 2406 will, among other things, reform public housing by putting power back into the hands of local communities and by making public housing authorities accountable to professional standards of management. This is an outstanding bill that is revolutionary legislation, and I urge its adoption.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

□ 1515

Mr. KENNEDY of Massachusetts. Mr. Speaker, I rise in strong opposition to this rule on a number of different fronts. First and foremost, I rise in opposition because of the procedures that we are operating under in terms of what the rule provides.

We ought to recognize that during the last evening, as we were before the Committee on Rules, early in the evening, for the first time I saw the manager's amendment. The Committee on Rules itself indicated to me that this was a highly unusual circumstance. We had no ability to reflect upon or understand what was contained in the manager's amendment.

The staff of the Committee on Banking and Financial Services, which is here on the floor this afternoon, went through the manager's amendment and found at least three whole new programs that were contained within the manager's amendment, which none of us were ever even made aware of.

While some of these programs might very well end up making some sense somewhere down the line, the fact of the matter is, to have them contained where we have never had a hearing, where we do not understand what all the implications of these provisions might be, we have got the vouchering out of public housing by housing authorities under certain terms and conditions, that none of us are clear upon, we have got another amendment that is contained within that provides for a wholesale exemption of the Brooke amendment, which guarantees the 30-percent ceiling on the amount people are going to pay for rent, regardless of whether or not we pass the Brooke amendment today on the House floor and reinstall it as part of our Nation's commitment to the poor. These demonstration programs, which were 30 in number in the U.S. Senate, are rising to over 300, which are also mandated in the fine print to include New York City, with 108,000 units of public housing.

This is the kind of legislation where we have some sort of self-sufficiency, the PIP program I guess. Somehow each individual that attains public housing is going to have to file a statement with someone, somewhere, to determine what their own personal plans are for improving themselves in the future.

Mr. Speaker, I urge strongly that we defeat this rule and look out for the needs of working class Americans.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I respond to my friend by saying one of the three programs he mentioned was specifically at the request of the Secretary of Housing and Urban Development. It is voluntary vouchering out of public housing, which is a priority item.

Mr. KENNEDY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. DREIER. Mr. Speaker, we are very limited on time. I am just responding to the gentleman.

Mr. KENNEDY of Massachusetts. Mr. Speaker, it is very unfair for the gentleman to suggest that, when I talked to the Secretary himself and he disagrees wholeheartedly, very strongly with that statement.

Mr. DREIER. It is a specific request.

Mr. KENNEDY of Massachusetts. Do not lie about it on the House floor, DAVID.

Mr. DREIER. I am simply providing what staff has informed us, that the Secretary of Housing and Development requested that of the Subcommittee on Housing.

Mr. Speaker, I yield 3 minutes to my very good friend, the gentleman from Chicago, IL [Mr. FLANAGAN].

Mr. FLANAGAN. Mr. Speaker, I rise today in support of H.R. 2406, the U.S. Housing Act of 1996. I thank Mr. LAZIO, chairman of the Housing and Community Opportunity Subcommittee, and the committee for their efforts on this excellent bill.

Mr. Speaker, this is an important bill to all communities. Passage of H.R. 2406 will ensure that local housing authorities, not Washington bureaucrats, are responsible for the management of local housing plans. Residents of public housing will assume responsibility for the day-to-day operations of the housing project, thus having an active rather than passive role in managing their facilities.

America's housing system is a total disgrace. Manyu families have found themselves trapped in a system that was originally designed as a short-term solution to what has become a long-term problem. Centralizing a housing program, which has become very complex, is not the most constructive way to serve residents of those housing complexes. Washington cannot effectively serve communities across the country who all have different needs. Local authorities are, for obvious reasons, much more specifically concerned with the residents of their community. Local organizations who know and understand the need of the communities will be much more efficient and effective in making the decision that will affect them.

In 1966 in Chicago, a lawsuit—Gautreaux versus the Chicago Housing Authority—was filed. The objective of the suit was to prove that there was an intentional pattern of racial discrimination against tenants of CHA sites. In 1969, the Federal judge—Judge Richard Austin—ruled in favor of the plaintiffs. A new problem emerged. Desegregating public housing complexes in the city was going to be much more difficult than desegregating the city schools. Since the Gautreaux decision, there have been many problems with implementing the court order.

There is no need nor any benefit to forced, instituted social engineering from Washington. Had H.R. 2406 been the law at the time of this suit, there most likely would not be the problems that we have today. Federal judges, appointed for life, were allowed to write laws in the face of congressional inaction. Local communities could have come to some kind of accomodation, if they had been given the opportunity to do so. At longlast, this legislation would so empower localities.

H.R. 2406, the U.S. Housing Act of 1996, is an excellent bill. I commend the committee as a whole, and especially Chairman LAZIO for all the hard work and commitment to America's communities. I only wish that a bill like this had been enacted many years ago. It will certainly benefit local neighborhoods.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Speaker, I come this afternoon sharing a fond relationship with the gentleman from New York [Mr. LAZIO] the chairman of the committee, and thank him and his staff for working with my staff in trying to get certain things into the bill. In spite of that, there are some serious concerns that make me juxtaposed to wanting to see this particular rule pass at this time, because some of the concerns that those of us who are not only Members of this body but also providers of housing understand as it relates to what is necessary for people to put a roof over their head, to keep a roof over their head, are not included in this particular piece of legislation.

The best means of trying to get people to that point, where they can be self-sufficient, when they can take care of their own responsibility, is to create for them opportunities for income, rather than creating a bill that takes away from them the means of resources that they already have available in trying to determine whether or not they are going to put food on the table or whether or not they are going to pay other bills.

It is extremely difficult for me to understand how one can argue that this bill, along with welfare, makes sense, and this bill, along with minimum wage, does not make sense. If you are talking about the same people in each class and in each category, it becomes almost impossible to conceive of putting together a bill that raises the amount of money that a person who works every day, yet is beneath the poverty line, is only able to provide for shelter for their family by virtue of the fact that they have access to the public housing, and then say though you will be paying more out of the little bit that you do make, we are not going to give consideration to a minimum wage bill that will allow you to be able to pay the difference between what we are now charging you.

It makes no sense to me for us as a body responsible for making sure that every citizen in this Nation not only has an opportunity to be able to live to the best degree possible, that we do not even have in this an affordable housing provision that allows for people to be able to work their way out of public housing into an affordable housing category, so that they can have the benefit of sharing in the American dream of home ownership.

I would agree with my colleagues, if we could get rid of public housing and put everybody into a home, that would make sense. This bill does not do that.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my very able colleague, the gentleman from Bloomfield, MI [Mr. KNOLLENBERG].

Mr. KNOLLENBERG. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I strongly support the rule and the underlying bill. This bill repeals an outdated, depression-era law and puts the power and responsibility where it belongs, in the hands of local communities and residents, not the Washington bureaucrats.

I am especially pleased with the provisions, that reform the Brooke amendment. I salute Chairman LAZIO and the committee. Simply put, our current policy under the Brooke amendment punishes work and rewards welfare dependency. Here is how:

Public housing rent is calculated at 30 percent of a resident's income. Thus, the more you earn, the more you pay. But if you go to work, you pay income and FICA taxes, in addition to higher rent, and also begin to lose welfare, foodstamp, and medicaid payments.

Nine times out of ten, residents who find gainful employment, end up with less disposable income than if they had simply stayed on welfare. In fact the, highest marginal tax rate in the United States is not paid by millionaires or people in boardrooms, it is paid by AFDC-dependent public housing residents who accept a full-time minimum wage job. Understanding this fact is the key to understand public housing. You know why there are people trapped in poverty.

The only way you can change this is to give, as the bill does, more flexibility and decisionmaking ability to local public housing authorities, who frankly have the best interests of public housing residents at heart, and have a much better track record of protecting the resident's concerns than the bureacrats at HUD.

Mr. Speaker, H.R. 2406 is a giant step forward in the debate of real welfare reform.

We must pass this bill and rule, with Brooke fully intact, to provide the reform of Brooke, to provide the much-needed relief for our families and local communities.

Mr. BEILENSON. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Speaker, a major part of the American dream is to own your own home. Unfortunately, for millions of people in public housing, this dream has little chance of becoming reality, because they don't earn enough to get out of public housing.

As a result, Mr. Speaker, the U.S. taxpayer covers the cost of public housing because millions of working poor don't make enough money to pay rent and put food on the table. A large part of the reason for this is our tragically low minimum wage. We could do a great deal to move people out of public housing by increasing the minimum wage to a level where people can earn enough to move out on their own. Unfortunately, the Republican leadership is so opposed to raising the minimum wage that they would rather kick the working poor into the streets.

Mr. Speaker, this bill misses the point. The way we reduce the need for public housing is to give people a living wage. And today's minimum wage is certainly not a living wage.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my very thoughtful colleague, the gentleman from Long Beach, CA [Mr. HORN].

Mr. HORN. Mr. Speaker, I rise today in strong support of the rule and the U.S. Housing Act of 1996. It means real reform and it means hope for our neighborhoods. This bill, removing obstacles that have existed in the law for many years, will end the cruel hoax of our outdated, inefficient, ineffective public housing system. It scraps the system that tolerates failure and replaces it with safe, clean, healthy, affordable housing for our most vulnerable citizens. It gives low-income Americans hope and opportunity by removing obstacles to work and insisting on professional management standards in local public housing authorities.

By passing this bill, the House will be saying yes to accountability and to work incentives, and no to bloated bureaucracies and the decay of our neighborhoods.

I would like to thank the gentleman from New York [Mr. LAZIO] for including in his manager's amendment a provision that is very important to the people of the city and county of Los Angeles. The manager's amendment extends the authority of the city and county of Los Angeles to spend up to 25 percent of their community development block grant funding on public service. This desperately needed provision fits well into the Republican effort to return broader decision making authority to state and local government.

Mr. Speaker, I urge all of my colleagues on both sides of the aisle to forget the past, forget the decrepit, rotten housing we have provided for the most vulnerable over the years, and vote for the U.S. Housing Act, which means real reform that will mean better living conditions for low-income Americans.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, so many Americans are working two jobs, they are making sacrifices for their children, and they still cannot get to the American dream of homeownership. One affordable and quality option for many of these Americans is manufactured housing. We have worked very hard and achieved a delicate balance with Republicans and Democrats, with consumer groups and taxpayer groups, in a bipartisan way, to put together an amendment that will help increase the availability and the access to this very important industry and to this dream.

Republicans, such as the gentlemen from California, Mr. ROHRABACHER and Mr. CALVERT, and the gentleman from Florida, Mr. MCCOLLUM, have supported this, as well as the gentleman from Texas, Mr. GONZALEZ, and the gentleman from Minnesota, Mr. VENTO, We also have strong consumer support for this amendment.

I think that this is the way to go as we downsize HUD, as we get input from the industry, as we get input from consumer groups, as we try to make available to hard working Americans this great dream. Let us try to have as many options as are available to these hard working Americans, and manufactured housing and a better understanding of manufactured housing certainly is that option.

I intend to offer in a bipartisan way this bipartisan amendment, and hope to get the support of this House.

□ 1530

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Appleton, WI [Mr. ROTH], my colleague on the Committee on Banking and Financial Services.

Mr. ROTH. Mr. Speaker, that is a very good bill and it is a good rule. In fact, the gentleman from California in yielding me the time had mentioned Appleton, WI. Well, it was Green Bay, WI, and Fort Wayne, IN, where they initially started this voucher program as a pilot program and it worked out very well.

This is a good bill because the gentleman from New York [Mr. LAZIO] and the people working on that committee had looked at this in depth. Let me point out that this bill now takes some of the power from Washington and puts it in the hands of local communities. But, Mr. Speaker, it does more than that. It gives it to private, nonprofit organizations; it gives it to the people who actually live in those housing units.

It also gives them the vouchers so that the tenant now has freedom of choice. If the tenant does not want to live in this unit, this tenant can find another unit so he or she can vote with their feet. It brings the free market forces into public housing, which is what is so desperately needed.

Mr. Speaker, this legislation also consolidates several programs into block grants, and, of course we debated that issue here for years and years about the block grant program, but the block grants are good especially in this instance because it makes people in public housing more self-sufficient and it streamlines the program. That is why the voucher program is so important.

This bill gives people an incentive to move off of welfare in public housing by cutting the legal link between their income and the rent they have to pay. As has been said here in debate before, there is this 30 percent formula, but this 30 percent formula under this bill is not chiseled into stone so that the people again have more latitude.

Mr. Speaker, I think that is what we want to do. We want to give people who are utilizing public housing some latitude, and give them some other avenues besides just concreting them into one particular formula. That is why this legislation is so good.

Mr. BEILENSON. Mr. Speaker, I yield 1½ minutes to the gentlewoman from California [Ms. WATERS], my fine colleague.

Ms. WATERS. Mr. Speaker, the radical Republicans are playing a cruel hoax on the American people. They refuse to raise the minimum wage by a lousy 90 cents and the bill before us would raise rent on the poorest and most vulnerable Americans, Americans who are only making minimum wage.

Mr. Speaker, why can we bring a bill to this floor to raise public housing rents for the elderly, single mothers, and the working poor when the overwhelming majority of Americans, 78 percent, believe this Congress should consider a modest 90-cent increase in the minimum wage, but my colleagues on the other side of the aisle say, "No way."

This rule on this bill shows clearly this Congress' contorted priorities. We could give 11 million Americans a tiny raise. Six out of 10 workers earning the minimum wage are women, many of whom are single parents. Seventy-two percent of these women are adults 20 years old or over.

So much for Mother's Day. So much for family values, my Republican friends. They have just gone too far, Mr. Speaker. We cannot justify this attack on poor and working families. Let us oppose the previous question and craft a rule that will bring a minimum wage increase to this floor. If the Republicans want to raise the rents on seniors tomorrow, let them try. But let us give 11 million Americans a raise today.

PARLIAMENTARY INQUIRY

Mr. DREIER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. BUNNING). The gentleman will state it.

Mr. DREIER. Mr. Speaker, may I inquire of the Chair what piece of legislation is before us?

The SPEAKER pro tempore. House Resolution 426.

Mr. DREIER. And what is that, Mr. Speaker?

The SPEAKER pro tempore. Would you like the Chair to repeat it again? The Chair has read the title before. House Resolution 426.

Providing for the consideration of the bill, H.R. 2406, to repeal the United State's Housing Act of 1937, deregulate the public housing program, and the program for rental housing assistance for low-income families, increase community control over such programs, and for other purposes.

Mr. DREIER. Thank you very much, Mr. Speaker. And I would say to the gentlewoman from California [Ms. WATERS] that that lousy 90 cents works out to $57,000 for the average small business.

Mr. Speaker, I yield 2 minutes to the gentelman from West Chester, OH, [Mr. BOEHNER].

Mr. BOEHNER. Mr. Speaker, I congratulate the committee and Members on both sides of the aisle for the excellent work that they have done. Especially congratulations to the gentleman from New York [Mr. LAZIO] on a bill that really is reflective of our broader Republican agenda.

The gentlewoman from California who spoke before me referred to this as another radical part of our agenda. What the gentlewoman refers to as "radical" most people in America would look at and say, "Now this is common sense," because what we are trying to do is to move this power out of Washington, back to States and local communities, to make decisions for the people who live in their communities that can best help the people in their communities.

One provision that will be in the manager's amendment that I am especially pleased with refers to title V of the McKinney Act that currently sets up a three-agency review process for processing applications by homeless groups for Federal surplus land. The process can take years and really does not reflect any local concerns.

Even if there is a local homeless or low-income housing group that would like some of the land and the local community wants to give it to them, they cannot under existing law. The Federal Government decides here in Washington.

This provision in the amendment cuts through all of this redtape. It says that if the local elected officials consent to the transfer of surplus Federal land to a local homeless or low-income housing group, that the Federal Government can transfer the property immediately. No endless process; no three-agency review. The property goes straight to local groups who have local support.

If the local officials cannot agree, then the process goes on through the regular McKinney Act. I think this is a win-win solution. It gives local leaders the authority and the incentive to work with local groups who are trying to address the housing needs of the poor and the homeless.

Local housing assistance groups will get a more receptive ear at city hall and will have more incentive to build local support within their communities. This is an important provision, and I would urge my colleagues to support the rule, support the manager's amendment and the bill.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I really do know what bill this is. This is the turn the local housing authority into your local rental office and to help and to provide economic opportunity for all those vacant apartments. It has nothing to do with housing poor people who, in fact, many of us would say I would not live in that place if I had to.

Mr. Speaker, this forces residents to pay more rent. Of those who live in public housing 75 percent earn less than one-third of minimum wage. What this does, oh, yes, give somebody a voucher. In the segregated South I can tell my colleagues there are many of those in the public housing that will not be allowed to live in certain neighborhoods.

This is a bill that has the right direction, but it is the wrong way to do it. This is a bad rule. The reason is because the bill is a bad bill. Yes, we can do some things to reform our local housing authorities, but not take away total Government direction on the national level to ensure that all of us can have good housing for all of America.

Mr. Speaker, this bill does not represent a cohesion and a coalition of those who would say it is good to have Americans in good housing.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Scottsdale, AZ [Mr. HAYWORTH], our very able new colleague.

Mr. HAYWORTH. Mr. Speaker, I rise today in strong support of this open rule and of H.R. 2406. I believe this legislation signals the end of a public housing system which helps trap people in a cycle of poverty instead of providing a safety net for families who really need short-term assistance.

Enactment of H.R. 2406 will give public housing residents more choices and help those who are able move on to a life of greater self-sufficiency.

Mr. Speaker, I would also like to take this opportunity to publicly thank and commend the gentleman from New York [Mr. LAZIO] for his efforts to improve our Nation's system of Indian housing. H.R. 3219, the Native American Housing Assistance and Self-Determination Act of 1996, which I will offer as an amendment to H.R. 2406, will give tribes the flexibility they need to meet their unique housing needs.

Mr. Speaker, this legislation will provide a block grant that will go directly to the tribes and those tribes in turn can then use the funds to build new housing, renovate existing homes, and revitalize their communities

Mr. Speaker, it is all about local empowerment and empowerment of individuals. "Yes" on the rule; "yes" on the bill.

Mr. BEILENSON. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise to urge my colleagues to vote to defeat the previous question on this rule so that we can offer a clean up-or-down vote to raise the minimum wage.

Mr. Speaker, the minimum wage now stands at a 40-year low in real purchasing power. Working American families go to their jobs every day, they play by the rules, and they provide for their families. It is about time someone gave them a break.

Today the Republican majority wants to increase the rents for those who are on the minimum wage, but they will not give them a wage increase. Democrats in this body support the modest proposal to raise the minimum wage by 90 cents. At least 21 majority Members have had the courage to buck the Republican leadership and sign on to a raise for working folks.

Mr. Speaker, I say to the gentleman from Washington [Mr. METCALF], the gentleman from California [Mr. HORN], and the gentleman from New York [Mr.

LAZIO], please vote against the previous question so we can have a vote on the minimum wage.

A majority of this body supports raising the minimum wage. On April 17, Speaker GINGRICH promised hearings on the minimum wage. Anyone who may have believed that promise, it has now been 21 days. Speaker GINGRICH's taxpayer-funded salary has paid him $9,867 since April 17, but a minimum-wage worker takes home only $8,840 in an entire year.

Mr. Speaker, I call on this House, I call on the Speaker, to stop stiffing working Americans. Defeat the previous question so we can get a clean up-or-down vote to raise the minimum wage in this country.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from New Providence, NJ [Mr. FRANKS].

Mr. FRANKS of New Jersey. Mr. Speaker, today I rise in strong support of the rule on H.R. 2406. Further, let me take this opportunity to congratulate the gentleman from New York [Mr. LAZIO] on its innovative effort to bring reform to America's Byzantine housing laws.

Over the past year I have worked with Chairman LAZIO to ensure that public housing residents for the first time have the opportunity to directly elect tenants to their local housing and management authorities. For too long the residents of public housing have been subjected to poor living conditions. Those conditions often go unaddressed because tenants have no elected representation on the very housing authorities that oversee these dwellings. The provision that I have worked to include in the manager's amendment empowers tenants by providing for their direct election on housing boards.

If Members believe that these authorities should be more accountable to the very tenants they exist to serve, I urge all Members to vote "yes" on the rule, "yes" on the manager's amendment, and "yes" on final passage.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, I rise to oppose the motion on the previous question to this rule to H.R. 2406. We hear a lot of rhetoric about moving people off of welfare and out of public housing and into work, but the Republican leadership has simply refused an up-or-down vote on a minimum wage increase.

Mr. Speaker, a livable wage would give our constituents and other working Americans the ability to move off of welfare rolls and out of public housing, but the Republicans continue to oppose this minimum wage increase. In fact, all we hear in the Senate is that Senator DOLE wants to call attention to an increase of 4.3 cents in the gas tax in 1993, but not an increase in the minimum wage at the same time.

What the Senator fails to inform voters is that he voted for two 5-cent increases from 1982 to 1990, the so-called "Dole dime." Working Americans strongly support an increase in the minimum wage. In fact, the latest national poll shows 83 percent of Americans support an increase.

Mr. Speaker, we have a golden opportunity to give American families what they really need, a decent wage for a decent day's work. Mr. Speaker, it is time for a clean vote on a minimum wage.

□ 1545

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The Chair reminds Members that are speaking on the floor of the House that reference to individual Members from the other body should be avoided. The Chair reminds Members of that.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Middletown, NY [Mr. GILMAN], distinguished chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I rise today in support of the U.S. Housing Act of 1995 and commend its sponsor, the distinguished gentleman from New York [Mr. LAZIO], for all of his diligent work in bringing this important legislation creating a new public housing framework to the floor. In addition, I thank the committee for including language to correct the improper median income calculation for Rockland County.

Currently, Rockland County, New York's median income is calculated by the Department of Housing and Urban Development as a part of the primary metropolitan statistical area which includes the income data from New York City. For this reason, HUD lists Rockland County's median income of a family of four as $40,500. However, the 1990 census shows that the county's true median income to be $60,479, a difference of close to $20,000.

Since HUD's income levels are used in calculating eligibility for almost all State and Federal housing programs, these inaccurate statistics have severely limited the access of Rockland County residents to many needed Federal programs. Income caps for the State of New York mortgage agency, Fanny Mae/Freddie Mac, HUD's section 8, the home program, and a myriad of other beneficial programs are artificially low, thus most of Rockland's residents, financial institutions, realtors, and builders are at a severe disadvantage in relation to their counterparts in neighboring counties.

Mr. Speaker, I thank the committee for their good work in reforming U.S. housing programs and attending to this extremely important local need. Accordingly, I urge my colleagues to support H.R. 2406.

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, this debate centers on two issues. At a time when the gap between the rich and the poor is growing wider, when the real wages of American workers has declined by 16 percent over the last 20 years, when most of the new jobs being created are low wage jobs, part-time jobs, temporary jobs, we must raise the minimum wage so that, if somebody works 40 hours a week, they do not live in poverty.

Second, given the struggle that so many working poor are experiencing today, why would anybody want to raise the rents that low-income people have to pay in public housing? Why would somebody tell the elderly poor, who are barely surviving on Social Security, that they must pay higher rents than they are paying today? This is a bad rule. Let us defeat it.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to our able new colleague from Gallipolis, OH [Mr. CREMEANS].

Mr. CREMEANS. Mr. Speaker, I rise today in support of H.R. 2406, the United States Housing Act of 1996. This legislation is long overdue.

Years ago, large high rise housing developments were built and widely praised by public housing advocates. Times have changed, and so have these housing projects.

In public housing today, children cower under their beds, as bullets fly through the air right outside their bedroom windows.

Senior citizens live with 10 locks on their doors yet still become victims of predators.

This is not public assistance, this is torture—and it must be stopped. Congress has heard the call for help from public housing residents, and has responded with this legislation.

This new Housing Act will reverse the cycle of poverty that keeps families in public housing developments for generations.

It eliminates those Federal policies that discourage work and self-sufficiency.

And it will close public housing authorities that are beyond repair.

This Housing Act is a significant departure from previous attempts to reform public housing. This bill reflects the realization that local public housing directors know best how to reform troubled authorities, not a Federal bureaucrat in Washington.

I urge my colleagues to support this long overdue legislation.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, America needs a raise. With the minimum wage providing the least purchasing power in almost four decades, America needs a raise. I concluded that our Republican colleagues have finally heard this call for a raise. They know American working people need a raise, and so they have given us their response this afternoon. They are going to raise rents instead of raising wages.

I say it is time to raise the roof because it is not right and fair to American working people that are out there trying to make ends meet to raise their rents without raising their wages.

We will have an opportunity in the next few seconds to vote on whether the minimum wage rises above its 40-year low. All that stands between American working families and an increase in the minimum wage are eight Republican colleagues; not very many, eight Members.

Ironically, more than eight members of the Republican caucus have already gone out in front of the television cameras and announced that they are for an increase in the minimum wage. Yet, they have not yet mustered the willingness on the last two votes to raise the minimum wage in the last 2 weeks in this Congress to vote to do just that.

I know the gentleman from California, my friend, says that it is not germane to this debate to talk about the minimum wage. It may not be germane to the elites, but let me tell you, it is mighty germane to the people that are out there scrubbing the floors, folding the linens in the motel rooms, serving the fast foods, picking the peas. These are the kinds of people that are doing the hard dirty work in our society.

It was only on April 17 that the Speaker of the House, and he was out here on the floor earlier, front page story, headlines, "Republicans Told To Brace for Vote on Minimum Wage, Gingrich Warns Caucus," April 17.

But only a few days later, after all the special interest lobbyists had worked their way, they changed their tune. Let us vote to raise the minimum wage.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Stamford, CT [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding time to me.

The bottom line to this is, this is a vote on the housing bill, on the minimum wage. I urge my colleagues to vote for the previous question so we can reform public housing, which I have overseen for 9 years.

I can tell my colleagues it is in need of tremendous reform. To those who say it is a vote on minimum wage, I will say to them, my colleagues, I am absolutely convinced we will have a vote on this issue. I happen to be one of the eight that the gentleman has made reference to. To me, it is not lost that Democrats had 2 years when they controlled the White House and Congress. It is kind of embarrassing that they make it an issue today, when they could have done it when they controlled both the White House and Congress.

I see this vote on the minimum wage today as a political vote, not a substantive vote. I urge my colleagues to vote for the previous question. Get on with our job, and we are going to do it. And we are going to do it the right way.

Mr. BEILENSON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, in closing let me simply say again that we do support the rule. But we urge a no vote on the previous question. If the previous question is defeated, I shall offer an amendment to the rule which would make in order a new section in the rule. The provision would direct the Committee on Rules, as the Speaker knows, to report a resolution immediately that would provide for consideration of a bill to incrementally increase the minimum wage from its current $4.25 an hour to $5.15 an hour beginning on July 4, 1997.

That would provide for a separate vote on the minimum wage. Let me make it clear to my colleagues both Democrats and Republicans that defeating the previous question will in fact allow the House to vote on the minimum wage increase. That is what 80 percent of the Americans want us to do. So let us do it.

I include the text of this amendment and accompanying documents for the RECORD at this point in the debate:

At the end of the resolution add the following new section:

"SEC. . The House of Representatives directs the Committee on Rules to report immediately a resolution providing for the consideration of a measure to increase the minimum wage to not less than $4.70 an hour during the year beginning July 4, 1996, and not less than $5.15 an hour after July 3, 1997."

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's *Precedents of the House of Representatives*, (VI, 308–311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Republican majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution * * * [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the Republican Leadership *Manual on the Legislative Process in the United States House of Representatives*, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual:

Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule * * * When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues:

Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

The vote on the previous question on a rule does have substantive policy implications. It is the one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

Mr. Speaker, I urge a "no" vote on the previous question and "yes" on the rule itself.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

I do so to say that those who are attempting to defeat the previous question here are in fact going to block our effort here which this subcommittee has put together to clean up the corrupt and horrible public housing that we have in this country. Let me conclude by reminding my colleagues that defeating the previous question is an exercise in futility because the minority wants to offer an amendment that will be ruled out of order as nongermane to this rule. That is the rules of this House. The fact of the matter is this is a vote without substance.

The previous-question vote itself is simply a procedural vote to close debate on this rule and proceed to a vote on its adoption. The vote has no substantive or policy implications whatsoever.

Mr. Speaker, I insert in the RECORD an explanation of the previous question:

HOUSE RULES COMMITTEE

THE PREVIOUS QUESTION VOTE: WHAT IT MEANS

House Rule XVII ("Previous Question") provides in part that: There shall be a motion for the previous question, which, being ordered by a majority of the Members voting, if a quorum is present, shall have the effect to cut off all debate and bring the House to a direct vote upon the immediate question or questions on which it has been asked or ordered.

In the case of a special rule or order of business resolution reported from the House Rules Committee, providing for the consideration of a specified legislative measure, the previous question is moved following the one hour of debate allowed for under House Rules.

The vote on the previous question is simply a procedural vote on whether to proceed to an immediate vote on adopting the resolution that sets the ground rules for debate and amendment on the legislation it would make in order. Therefore, the vote on the previous question has no substantive legislative or policy implications whatsoever.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BEILENSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 218, nays 208, not voting 8, as follows:

[Roll No. 153]

YEAS—218

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (CT)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
McCollum
McCrery
McDade
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Solomon
Souder
Spence
Stearns
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Vucanovich
Walker
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—208

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blute
Boehlert
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Durbin
Edwards
Engel
English
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Frank (MA)
Frisa
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stockman
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Walsh
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—8

de la Garza
Ford
Franks (NJ)
Hostettler
Largent
Molinari
Seastrand
Smith (WA)

□ 1614

Mr. MORAN changed his vote from "yea" to "nay."

Mr. CASTLE changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. HOSTETTLER. Mr. Speaker, on rollcall No. 153, I was unavoidably detained. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mrs. SMITH of Washington. Mr. Speaker, I was unavoidably detained on rollcall vote 153. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mrs. SEASTRAND. Mr. Speaker, on rollcall No. 153, I was unavoidably late. Had I been present, I would have voted "aye."

The SPEAKER pro tempore. Pursuant to House Resolution 426 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2406.

□ 1615

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2406) to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes; with Mr. GUNDERSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from New York [Mr. LAZIO] and the gentleman from Massachusetts [Mr. KENNEDY] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are at the precipice of an important moment in terms of our Nation's communities. Before we begin our debate today on the Housing Act of 1996, I would like to paint a picture for my colleagues. Imagine a city block of tall buildings, formed concrete stained and crumbling from decades of neglect. The buildings have no working elevators, no lights in the hallways. The stairwells reek of human waste, and drug paraphernalia can be found in the corners under stairs. No one stands near the windows because they are afraid of stray bullets. Children's playgrounds are nothing more than empty dirt and trash. Mothers do not want their children to play out in the open.

There are no malls, no shopping malls, near this block, no banks, no businesses, except for a few check cashing stores and an overpriced convenience mart. Adults spend weekdays around the complex, because they do not have jobs to go to. The police drive around the perimeter of the block but will not go inside the complex at night without more than one car.

We all recognize this image, Mr. Chairman. It is public housing. It is in America. It is not just public housing in one city, it is public housing in the cities and towns in which we live and throughout this country.

Today we are about ending the charade that we are helping poor people by condemning them to a life in some of the worst public housing in the world. We begin the process of ending this failure and giving families who live in these neighborhoods a chance, an opportunity, a chance to leave public housing, to be self-sufficient, even to own a home.

Where did public housing go wrong for so many American families? Much of the blame lies with policies that were meant to help people, originating from this very Chamber. Decisions that seemed logical when they were proposed years ago turned out to have far-reaching negative consequences when they were enacted into law.

The Brooke amendment, which was originally meant to protect vulnerable Americans from paying too much in rent, now perversely has proven to be a barrier to get a job, because as it is now structured, the Brooke amendment means that the same day you go to work your rent goes up. It is a tax on work.

One-for-one replacement. These statutes were statutes that were placed by the minority party over the last years which were originally instituted to ensure that public housing would not be demolished without having built new housing to accommodate the tenants. What is the result? The result is that one-for-one replacement rules guarantee that huge empty, vacant shells will remain standing in our Nation's communities.

Rules governing Federal tenant preferences were designed to protect tenants, but the practical effect of these far-reaching HUD-mandated requirements has been to load up waiting lists with the poorest of the poor and people whose social needs outweigh the ability of modern welfare structures to accommodate them.

Income targeting provisions ensure that no one is well served by the gigantic hulks of despair all too often associated with public housing. Families and taxpayers have suffered. The costs associated with public housing have risen dramatically over the last 10 or 15 years, at the same time median incomes have fallen, a direct result of these policies.

More of the very poor were being sheltered, but taxpayers are being asked to pay more for decaying, often crime-ridden properties that trap those very same poor people in perpetual poverty. But as I say, this is not a financial equation. The real cost is not to the taxpayers, but to the families and the children who are forced to live in squalor.

Mr. Chairman, we have a chance to make housing assistance work again, and 2406 is the vehicle for this kind of change. The Housing Act of 1996 requires that the hulks of failure that characterize high-rise public housing be vouchered out. The chronically failed and mismanaged housing authorities that have wasted taxpayers' money will be cut off completely, and local management groups, even tenants or nonprofits, will be brought in to do the work that housing authorities have failed to do.

This legislation starts moving these communities back to environments where families are not trapped, where they have a hope and an expectation of being self-sufficient again. It makes public housing transitional, not by punishing long stays, but by establishing a contract between a housing authority and the residents that clearly lays out the rights and responsibilities of each.

It encourages entrepreneurship on the part of housing authorities and tenants, letting them put money back into their community and encouraging the kind of initiative that can turn around a neighborhood, a family, and even a person's life.

This bill realizes that to be successful, we have to end the Washington-based model that enforces inappropriate one-size-fits-all policies that have represented the policies of the last 30 years in our local communities. It repeals Federal tenant preferences and replaces them with local preferences. It ends overly restrictive targeting and gives local communities the power to set rents based on real needs, rents that will help people return to the work force.

This legislation changes the whole way the Government looks at housing assistance and is a step toward forging a new partnership, a new relationship between citizens and Government, one where Government can truly be a partner.

I am very proud to be here today before this Congress, Mr. Chairman, to present the United States Housing Act of 1996, because I believe, Mr. Chairman, this is a step toward hope for many of the people about whom we care most. I look forward to this debate because here in this House, the house of the American people, we have to face the reality of the 20th century and the challenges of the 21st century. Here today is where we define the future, Mr. Chairman.

Mr. Chairman, I reserve the balance of my time.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill really for the first time enacts into law the fundamental and un—American principle of blaming the victim. That is what this bill is all about.

We essentially have seen over the course of the last several years, politician after politician walk before every housing monstrosity in the United States, point to public housing, time and time again, and say, "This is an example of liberal Democratic politics at its worst. This is an eyesore, an acute demonstration of why the Johnson era of liberal Democratic spending on Government programs simply has been outmoded."

The truth of the matter is that public housing policy in this country is the greatest unfulfilled dream that has ever been encompassed by this body. What we have said is that we are going to house poor people. But then we never gave the housing authorities anything close to the resources that were necessary to provide the housing they were asked to give to the people that are of such low income.

Then what we do is, after we starve those public housing authorities and the individual public housing projects, we come along, take a picture of ourselves in front of them, and say, "This is a terrible example of Government spending." What do we do? What is our solution to this problem? It is to cut the funding.

Last year without a single hearing we cut, in order to solve the problem of public housing, 25 percent of the budget of public housing. Now what we are doing in this bill is coming back and saying, "Look, public housing does not work, so what we are going to do is essentially allow and enact into law provisions which allow us to jack up the rents on the people that exist in public housing, thereby throwing a lot of poor people out of public housing, and, I might add, working families out of public housing."

This bill, more than anything else, hurts working families, the working poor. People that earn the minimum wage are going to be displaced by the actions taken in this bill.

What we are saying is that when you are in public housing, we are going to knock you out; if you are in assisted housing, we are going to knock you out; if you are elderly or disabled, you are at risk. Those are the provisions that are hidden in the sneaky language that we are not going to hear by the other side of the aisle.

What is important for us to recognize, Mr. Chairman, is yes, there need to be changes in how we handle public housing. I think Secretary Cisneros and President Clinton deserve credit, as I want to provide credit to Chairman LAZIO, for the portions of this bill that allow us to cut out badly run public housing authorities, to cut out badly run public housing agencies, to get rid of the one-for-one public housing criteria that was included in past bills, to deal with the Federal preferences which have gotten us far too concentrated on serving just the very, very poor.

☐ 1630

Maintaining the drug elimination grants, maintaining the Hope 6 program, these are all the positive aspects which I think Chairman LAZIO should be proud of and that I am proud to associate myself with.

But the trouble is that the bill goes too far. We end up eliminating the Brooke amendment, which has been the most fundamental protection for poor people in this country. We say as a protection to the poor that we will not ask them to pay anything more than 30 percent of their income in rent. Thirty percent of their income in rent is a lot of money for ordinary families. So by eliminating that, certainly it protects the housing authorities because they can jack up the rent.

So the poor people in the housing authorities have no place to go, so we send them out on the street. Then what do we do? We turn around and say that we are going to cut the homeless programs in this country by another 25 percent. So not only do we go about actually creating homelessness in this program, we then go and cut the very program that is supposed to take care of them.

The people that we do not hear from in this bill are the people that are going to be displaced by this bill. We have two amendments that we need, that if we can see this body pass them today, I will recommend that we vote in support of this bill.

First and foremost is BARNEY FRANK's amendment to protect the Brooke amendment. If we protect the Brooke amendment and do that with the necessary targeting, so that we do not just throw out the poor and that we do not throw out the working families, the working poor of this country, then I tell Chairman LAZIO right now that I would recommend that the Democrats of this House of Representatives support the bill.

Without those fundamental protections, this is essentially flawed and bad legislation. It will hurt working families. It will hurt the poor. It will hurt senior citizens, and it will hurt the disabled.

Let us stand up for principle in this body. Let us stand up for what is right in terms of not only public housing policy but the moral fiber and the moral value that is associated with the United States of America.

Mr. Chairman, I reserve the balance of my time.

Mr. LAZIO of New York. Mr. Chairman, I yield myself time as I may consume.

Mr. Chairman, I want to make one comment here. In terms of this bill, there is some rhetoric involving the raising of rents. There is nothing in this bill that raises the rents on a single person now in public or assisted housing. Seniors are protected. The disabled are protected, and the poorest of the poor are protected. What we are trying to do is remove obstacles to work.

I also want to thank my colleague, the gentleman from Massachusetts [Mr. KENNEDY], for his cooperation throughout the process. Thank you very much, JOE KENNEDY.

Mr. Chairman, I yield 3 minutes to my friend and colleague, the gentleman from Iowa [Mr. LEACH], the distinguished chairman of the Committee on Banking and Financial Services.

Mr. LEACH. Mr. Chairman, I rise in support of H.R. 2406 and want to thank Mr. LAZIO for his leadership on this bill. The Banking Committee, the House, and indeed the American people, are indebted to the gentleman from New York for the hard work and intellect he has put into this major reform legislation.

Let me speak to several aspects of the bill.

The chief goal of the legislation is to expand housing choices for low and moderate income people and to devolve power from Washington to local communities.

The legislative intent is to move away from reliance on highrise public housing projects and encourage the use of housing vouchers. It is the assumption of the committee that it is cost effective, as well as compassionate, to give low and moderate income people the ability to get away from projects which too often are infested with crime and drugs and move into communities where they can raise their families in safer, cleaner environments and where they will have an enhanced ability to improve their lives.

It is further the assumption of the committee that the people of the Bostons and Indianapolises and Davenports of the Nation can be trusted to more effectively and efficiently operate housing programs for the people of these communities than can those in Washington who the current law favors. Hence, the bill puts more power in the hands of those who know their localities best—the residents and local leaders who live in the communities affected.

H.R. 2406 is a prime example of commonsense reform. There is nothing radical or extreme here. The committee has simply recognized that government-built slums serve nobody's interest. What is needed is decent support for decent people who can make their own choices and control their own destinies.

I again congratulate Mr. LAZIO for his leadership on this important legislation, and the staff of the Housing and Community Opportunity Subcommittee for the many hours they have put into this effort.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. GONZALEZ], the former chairman of the Committee on Banking and Financial Services.

Mr. GONZALEZ. Mr. Chairman, H.R. 2406 in part follows bipartisan reforms adopted by the House in the last Congress, however, in part it profoundly departs from what had been a bipartisan policy of assuring that scarce Federal housing resources are used to help those who are in the greatest need. The basic assumption of H.R. 2406 is that local housing authorities should have the greatest possible leeway to spend Federal dollars. I am skeptical of a bill that provides precious few standards and guideposts to agencies that are dealing with the most complex and vexing of economic and social problems.

The bill is designed to encourage housing authorities to raise rents and to deny housing to people who cannot pay significant amounts of money for housing. This would have two effects: It would make housing authorities richer, and poor people poorer. It would increase the number of homeless people, and it would add to the distress of people who are already unable to meet their most basic needs. There is a better way to deal with the financial problems of housing authorities.

H.R. 2406 contains some sensible reforms, most of which the House has previously passed with overwhelming support. Unhappily, the bill also contains many simplistic and ultimately unworkable provisions, which I hope the amendment process will improve.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, this legislation returns decisionmaking authority to the local level instead of a Washington bureaucracy, allowing public housing authorities to provide clean, safe, healthy, and affordable housing to needy persons and families in a more cost effective and managerially sound manner. It is imperative, in my judgment, that we reform the Nation's public housing programs to weed out those that have chronic problems and to encourage local housing authorities to tailor their programs to the specialized needs of their community.

I am particularly pleased that Chairman LAZIO has included provisions in the manager's amendment that deal with housing occupancy standards. Last week I introduced a bill which has been included in the amendment that would clarify that States should be able to set occupancy standards and not HUD.

There is a national consensus that the maximum number of occupants most housing can accommodate without triggering the negative effects of crowding is two people per bedroom. The provision in the bill is a necessary clarification to stop attempts by HUD to adopt unrealistic occupancy policies. In recent years, HUD has pushed housing providers to accept beyond two people per bedroom, a policy that would lead to overcrowding, and take control of the apartment properties away from their owners and managers.

The manager's amendment provision clarifies it in three ways: First, HUD may not micromanage this issue by setting Federal occupancy standards; second, that State occupancy standards are authoritative; and third, that in the absence of the State standards, a two-person-per-bedroom policy is assumed reasonable.

This provision is supported by a remarkably wide range of housing provider groups, including all of the public housing associations as well as homebuilders, private apartment owners, seniors housing, section 8, and manufactured housing groups.

The bill overall will encourage mixed income populations instead of segregating the poorest of the poor, will help end the cycle which has perpetuated dependence on Federal support and disincentives to work.

Additionally, this bill imposes a death penalty on poorly run public housing authorities with longstanding records of failure. The time is overdue to change the Washington-knows-best attitude toward public housing. Who else should know best how to serve residents in communities than local housing providers who live and work in these areas? Chairman LAZIO and his staff have drafted a commendable bill, and I encourage its support.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to my good friend, the gentleman from New York [Mr. FLAKE], who is himself an innovator, developer of low-income housing in New York City.

Mr. FLAKE. Mr. Chairman, I rise in opposition to H.R. 2406, the United States Housing Act. I would, however, like to commend my friend, Mr. LAZIO, and his staff on their leadership and outstanding efforts to produce a housing bill that Members on both sides of the aisle could support. Unfortunately, Mr. LAZIO'S bill has good intentions, but falls short in its efforts to protect public housing's poorest families.

Mr. Chairman, the United States Housing Act, essentially closes the door on poor public housing residents. The bill makes small efforts to accommodate the poor by reserving 30 percent of public housing units for families of four who are living on approximately $15,000 a year in a city with high living standards like New York. Statistics show that the average income of residents in public housing is $6,400 a year. Simple math tells us that this type of housing policy does not provide for dire housing needs of the poorest housing residents. In the absence of such a policy, we will find more people on the streets.

Mr. Chairman, I am truly concerned that this bill will have a drastic effect on the housing of the poor in New York. According to the provisions included as a part of the manager's amendment to this bill, the New York City Housing Authority, as a well-performing local housing authority, would not be subject to any rent caps or targeting. Without these rent caps and targeting provisions, there is no assurance that a public housing authority will provide poor families who are unable to pay higher rents with housing. Public housing was not designed to accommodate those who can pay the most. Private rental housing is designed for that. In a country with such a wealth of resources, poor families should not have to go without shelter.

Mr. Chairman, there are 225,000 people currently on the waiting list for public housing in New York. The housing need is great and the opportunities are few. This bill provides us with no assurance that poor and individuals like seniors and the disabled who have limited income will be treated equitably in this process. Let's protect the interests of these individuals. The Kennedy and the Frank/Gutierrez amendment attempts to protect these individuals and I urge support for each.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Chairman, the time is right for us to replace an outdated Depression-era law that was written in 1937. Instead of being rewritten to reflect modern housing needs and the challenges associated with public housing entities, the 1937 Housing Act had only been given quick legislative fixes which have resulted in regulation based on regulation placing local housing authorities in a stranglehold, unable to address problems at the community level.

The Great Society programs of the last 30 years, although well intentioned, only exacerbate the downward spiral of our low-income communities. By allowing government to replace the institutions that give structure and order to our neighborhoods, the Great Society programs have fractured these communities and placed unnecessary obstacles in the way of faith, family, work, and community.

Big government is part of the problem—not the solution. We need to promote an infrastructure where solutions to these prolems can come from epople who have the same zip code as the people they are helping. H.R. 2406, the United States Housing Act of 1996, does this.

This bill eliminates the existing 3,400 public housing authorities and replaces each with a new local management housing authority [LMHA]. These local management housing authoriies will be allowed to make decisions, within broad parameters, tailored to the specialized needs of local communities.

H.R. 2406 puts power in the hands of local communities, residents, and nonprofits, not Washington bureaucrats, by ending monopolies some public housing authorities have over housing for low-income American families. This bill ends the reliance on the flawed bureaucratic views and policies of housing assistance: that more boutique programs and more money means better living conditions. This bill addresses the fundamental needs of people and communities.

This bill offers Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy, and in particular, assist responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control.

I encourage my colleagues to support this bill.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. WATERS].

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Ms. WATERS. Mr. Chairman, I rise first to thank my friend, the gentleman from Massachusetts [Mr. KENNEDY], for all of the work that he is doing in this Nation on behalf of poor people and working people, particularly paying attention to their housing needs. Really I thank the gentleman from new York, Mr. LAZIO, for the job he is doing, and I agree with my friend, Mr. KENNEDY, we could clean up this legislation and, with the Kennedy-Gutierrez amendment, perhaps we could all support this bill.

Mr. Chairman, for now I must rise in strong opposition to this bill. H.R. 2406 completely restructures public and tenant-based housing in ways that will have detrimental consequences for the very families they are intended to serve. We all recognize there is a need for reform, but this bill, H.R. 2406, goes too far. This bill will put poor families in jeopardy of losing their housing because they will be unable to pay higher rents. Applicants who have been on waiting lists for years, may never get housing assistance under this bill because they are not in the desired income range.

I am most concerned with the provisions in this bill that give housing authorities broad authority to set minimum and maximum rent without the protection of the Brooke amendment. Under H.R. 2406, residents, regardless of their income or circumstances, can be charged whatever rent housing authorities set. At a minimum, all residents will pay $25 to $50 in rent. This will apply to residents with income as well as those with no income at all.

For many families, this will mean choosing between shelter and food or clothing or medicine. About two-thirds of those affected will be families with children. These are families with the worst-case housing needs. These are families with very little income, and in many cases no income at all. These are the families that programs like public and assisted housing are designed to help.

How can we bring this bill to the floor when we know that worst-case housing needs reached an all-time high of 5.3 million in 1993, and that number has remained high? Almost 2 million of those with worst-case needs are working households, including many working-poor families with children.

Are we going to just turn our backs on these families? That is exactly what this bill does, and this is exactly why I cannot support it, unless we have these amendments.

Mr. Chairman, I am not just here because I want to preserve something that does not work. I am here because I know first hand about the needs of poor people. I am here because I know first hand about the families that live in these housing authorities. I did not visit them just 1 day. Every time I go home I make sure I spend time in public housing authorities.

Certainly we have problems, but these problems are not created by the people who need this housing. The problems sometimes are in management. We do not need to kick them out of housing by charging them higher rents. We need to support the ability for them to have a decent and safe place to live.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just want to note on the issue of minimum rents, the gentlewoman from California had noted that issue. Minimum rents are set in this bill at $25 to $50 at the discretion of the local housing authority, but there is a hardship exemption—safety valve—for those people with a particular hardship or need.

Mr. Chairman, I yield 2 minutes to the gentleman from the great State of Delaware [Mr. CASTLE], the former Governor of that great State, and a member of the Committee on Banking and Financial Services.

Mr. CASTLE. Mr. Chairman, I thank Chairman LAZIO for yielding me this time.

Mr. Chairman, I would like to thank Chairman LAZIO and his staff for their hard work, and for their commitment to improving public housing. I would also like to thank the chairman for recognizing that public housing authorities and programs should be evaluated on their performance.

Mr. Chairman, I believe our Government has a responsibility to ensure vulnerable populations have access to safe, affordable housing, but HUD needs serious reform. H.R. 2406, the U.S. Housing Act, reforms and streamlines HUD from the top down. It empowers local authorities, benefits public housing residents, and saves taxpayers' money.

Local authorities know their community's needs far better than a Washington bureaucrat, which is why H.R. 2406 replaces the current tangle of Federal strings with two funding grants for public housing. If we are going to hold local officials responsible for the quality of their community's public housing, they should have the power to implement the solutions that fit their community's needs.

Delaware runs its public housing programs exceptionally well, and I believe Delaware and other successful States should be rewarded. Under H.R. 2406, 100 of the most successful local housing authorities will be empowered to develop innovative programs to help move residents out of public housing and into their own homes. This creates incentives for housing authorities to ensure their facilities are fiscally sound, physically safe, and efficiently run.

H.R. 2406 continues to help us achieve these worthy goals, and I am proud to support it.

Mr. Chairman, I would like to engage Chairman LAZIO in a colloquy.

Well-run housing authorities, such as we have in Delaware, should be rewarded for their success. With the help of the chairman, during the markup of H.R. 2406, I successfully added an amendment requiring that the performance of a housing authority should be taken into account under the block grant allocation formula.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. CASTLE. I want to ensure that well-run housing authorities are rewarded for running fiscally sound and physically safe housing facilities. Mr. Chairman, will changes made in the funding process reflect this goal?

Mr. LAZIO of New York. Yes. The intent of this legislation is to ensure that well-run housing authorities are not penalized for their success. Rather, they are rewarded for operating efficiently, and they are given appropriate levels of flexibility to reward that proven success in delivering housing services to their constituency.

Mr. CASTLE. Mr. Chairman, I am proud to support this much-needed legislation.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would like to point out that one of the rewards, the so-called rewards being referred to here, is in fact, the elimination of the Brooke amendment. So what we are saying is if you run a housing authority well, we are going to allow you to in fact turn your back on some of the poorer people in this country. We are going to allow you to turn your back on the amount of rent that those individuals that you are going to bring into the housing authority are going to be charged.

I do not think that that is the kind of reward system that we ought to be putting into place. I think we ought to hold these housing authorities to standards of performance that they in fact take care of those individuals, and when they do not take care of these, we ought to provide the power to the Secretary to usurp the local authority's power and to take that and be able to get the authority back on its feet through the appointment of an individual that has the power and authority to make the proper decisions.

That is the kind of system that the gentleman from New York [Mr. LAZIO], and myself and I am sure the gentleman from Delaware [Mr. CASTLE], can agree on. It is this additional benefit of eliminating the targeting to the poor, of eliminating the Brooke amendment, that rewards these housing authorities in a way that perversely allows them to turn their back on the very people that they are designed to serve.

Mr. Chairman, I yield 2 minutes to my good friend, the gentlewoman from New York [Ms. VELÁZQUEZ], who speaks eloquently on behalf of our Nation's poor in the Subcommittee on Housing.

Ms. VELÁZQUEZ. Mr. Chairman, before I give my opening statement, I would like to remind Chairman LAZIO that the minimum rent is not $25, to $50. That is what the gentleman is proposing in his manager's amendment.

Mr. Chairman, as the representative of one of this country's largest public housing populations, I rise today to express my outrage to this bill. Many of the provisions in this legislation threaten poor families, the disabled, and seniors' most basic and human needs—safe affordable housing.

Public housing in America began very differently than what it has evolved into. During the 1930's, America made the commitment that adequate housing was right, not just a privilege. To fulfill this pledge, we undertook a program that aimed to provide affordable housing for everyone who needed it.

Times have changed and over the years, the Housing Act of 1937 has become antiquated and unresponsive. To address this Secretary Cisneros has undertaken changes that now allow HUD to respond to public housing's unique challenges.

Mr. Chairman, repealing the Housing Act of 1937 is not that sort of change! H.R. 2406 represents a significant departure from our national commitment to the poor and needy. Gone are such safety nets as income targeting, and the Brooke amendment.

Even the majority leader from the other body and the Speaker of this House have joined the bandwagon by calling public housing the last bastion of socialism and that it should be abolished. What an outrage. They should be ashamed, posturing simply for political gains at the expense of this Nation's needy is disgraceful.

Decent and affordable housing is already out of reach for more than the 5 million neediest households. Let's end this charade! Housing legislation should ensure that poor people have a roof over their heads, not push seniors, children, and poor families into the street. I urge my colleagues to oppose this cruel and shameful legislation.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I agree that we should end this charade, the charade that we measure compassion by sheltering or warehousing poor people in some of the worst slums in America that have been built by the Federal Government. In State Street, Chicago, there are 10,000 people with an unemployment rate that is virtually universal. If that is now we measure compassion, then I am out of touch. If that is how some people in this body measure compassion, that is why we are trying to break out of this mold. That is why we are trying to end the Brooke amendment, which penalizes work and is a disincentive to work.

Mr. Chairman, I yield 1½ minutes to my distinguished colleague, the gentleman from Washington [Mr. METCALF].

Mr. METCALF. Mr. Chairman, I thank Subcommittee Chairman LAZIO and Chairman LEACH for bringing commonsense housing reform to the floor today. For too long, housing authorities have been burdened by excessive Federal regulations, bureaucracy, and paperwork. H.R. 2406 will deregulate public housing and given greater flexibility to well-run housing agencies. We must no longer tolerate chronically bad public housing authorities that have used taxpayers' dollars irresponsibly.

I also commend Mr. LAZIO for his efforts to protect the most vulnerable populations. Under the manager's amendment, we cap rents at 30 percent of income for the elderly, disabled, and the very poor. This provision will protect a majority of current and prospective public housing residents.

The U.S. Housing Act is not just a quick fix or an extreme solution. It is a real solution which will end public housing as we know it and take a step toward welfare reform.

I am fortunate to live in a district with good public housing agencies which will continue to serve those who need affordable housing. Whether it is the Everett Housing Authority or the Housing Authority of Island County, they express the same message: give us greater flexibility and less Federal interference. This is what Americans are asking for—eliminate unneeded Federal bureaucracy and transfer power and authority to State and local levels.

I ask my colleagues to support this commonsense legislation.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to point out the fact that in the case of the Chicago Housing Authority, which does have over 50,000 residents and where we do see enormous problems, it was Secretary Cisneros that went out there and took the bull by the horns and began to make changes in that housing authority. We do not need anything in this legislation to fix what is wrong with the Chicago Housing Authority. The fact of the matter is, the changes that we could make together and have agreement on are very easy. The ones that repeal Brooke and repeal the targeting are the ones that we have a problem with, and those portions of this legislation are what are going to unhinge the promise of public housing.

Mr. Chairman, I yield 2 minutes to my good friend, the gentlewoman from California [Ms. ROYBAL-ALLARD].

Ms. ROYBAL-ALLARD. Mr. Chairman, I want to thank Chairman LAZIO and Mr. KENNEDY for addressing the issues facing our Nation's housing providers and public and assisted housing residents.

I would also like to acknowledge Secretary Henry Cisneros for his leadership and successful efforts to improve our Nation's public housing programs.

The deregulation of the housing industry and the more efficient use of scarce housing resources are important goals. This bill, however, simply goes to far.

The repeal of the Brooke amendment and changes to current income targeting laws in this bill will eliminate important safety nets, causing the devastation of millions of families across the country.

With the repeal of the Brooke amendment, in my Los Angeles district alone over 10,000 residents will no longer be protected from rents that exceed 30 percent of their monthly income.

Furthermore, drastic cuts to income targeting in public and assisted housing will drastically reduce the availability of housing for thousands of families, many of whom are currently homeless or living far below the poverty line.

Although the bill contains provisions that authorize HUD to review the rent structure of large housing authorities if certain income targets are not met or if a significant percent of tenants are paying over 30 percent of their incomes in rent, the bill does not have the guarantees of affordable and available housing that the Brooke amendment and current targeting laws provide.

Mr. Chairman, today we have the opportunity to preserve the Brooke and income targeting laws by voting for the amendments offered by Mr. FRANK, Mr. GUTIERREZ, and Mr. KENNEDY.

It is crucial that these amendments pass, if this bill is to successfully meet the challenge of public housing: To prevent homelessness and provide public and assisted housing to those in greatest need.

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Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. EHRLICH].

Mr. EHRLICH. Mr. Chairman, I would first like to compliment the gentleman from New York [Mr. LAZIO] for his thoughtful approach to housing issues. The gentleman well knows housing issues are a major issue in my district.

Mr. Chairman, I also want to compliment the gentleman from Massachusetts [Mr. KENNEDY], the ranking member. We have very great philosophical differences, as the ranking member knows, but I know he believes what he says and I respect that.

Mr. Chairman, the Brooke amendment, a tax on work, corrupt and inept public housing authorities, no rights and responsibilities for tenants, mixing of the elderly poor with drug addicts and alcoholics, the consistent waste of taxpayer money, all in the name of compassion.

Well, what I am here to say today is that compassion is not always a function of more Federal money, nor is compassion always a function of more Federal control.

Mr. Chairman, this bill represents a first positive step in what I hope will be a new era in Federal housing policy. I know we are going to have lots of debate and lots of amendments on the floor this evening, and I look forward to that very substantive debate.

I also look forward to a colloquy with the gentleman from New York [Mr. LAZIO], the chairman of my subcommittee. I look forward to that colloquy because the chairman knows my concern about the extreme, ill-advised, unprecedented, and dangerous policies being promulgated by the Department of Housing and Urban Development on the folks in the Baltimore metropolitan area these days.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. MALONEY], my good friend and an active member of the Subcommittee on Housing and Community Opportunity.

Mrs. MALONEY. Mr. Chairman, in 1937 we made a commitment to provide decent, affordable housing to our Nation's lower income citizens. That is a commitment I am not willing to scrap.

Public housing can work. It has been a tremendous success in New York City, where more than 225,000 New Yorkers are on the waiting list to get into public housing. Not all public housing in this country is as successful, and we need change. HUD is already taking steps to make needed changes.

Mr. Chairman, I want to take this opportunity to thank the members on both sides of the aisle for supporting the amendment I offered in committee with my colleague, the gentleman from Louisiana [Mr. BAKER], to allow HUD to review the long-term viability of the local housing management plans. Taxpayers are entitled to meaningful review. This amendment ensures it, and I thank Chairman LAZIO from the great State of New York for accepting my amendment.

But while we work to improve public housing, we must not abdicate our commitment to our poorest public housing residents. The bill does just that.

A 30-percent cap would be maintained for the elderly, disabled, and the very poor, but would only apply to current residents. What about the future residents who need housing? Even worse, within 3 years, the 300 best performing authorities would be completely exempt from even these minimal requirements.

The current Brooke provision provides renters, landlords, and appropriators with a standard. By abolishing the standard, I believe we abolish the mission. The bottom line is we can fix the problems in public housing without penalizing seniors and our poorest residents.

Let us make sure we stay focused on reforming the parts that do not work, not throwing out the parts that do.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just want to respond to the comments of the gentlewoman from New York with respect to so-called Brooke protection which is still in place as a ceiling for current tenants and prospectively for those poorest of the poor, the people at 30 percent or below median income, which is almost 76 percent of the population.

But Brooke, for those people that are trying to get themselves up the ladder and trying to work, has been a huge work disincentive. It is a job killer and a disincentive for people to transition back into the marketplace.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Nebraska [Mr. BEREUTER], the vice chairman of the Subcommittee on Housing and Community Opportunity.

Mr. BEREUTER. Mr. Chairman, I rise in strong support of the legislation before us today, House Resolution 2406. I wanted to mention three or four specific items that I think thus far have not been enumerated. They are very important provisions.

Mr. Chairman, we have one which creates home ownership opportunities, that would clarify the home ownership opportunities offered under the legislation and the ability of the housing authority and other low-income housing providers to undertake the process of preparation and sale of units to residents who are eligible for home ownership.

Second, we have a provision in here which clarifies and provides guidance on the factors necessary to require conversion of public housing assistance to vouchers, including some conditions and certain situations that are specified under the law. I think that is very important.

The financial assistance for severely distressed buildings with no eventual useful life will be terminated and, therefore, converted to housing voucher assistance.

There is a section here which is directed to voluntary vouchering out of public housing. That should be important to local housing and management authorities.

Mr. Chairman, let me move to two other items. We have one which we might refer to as shopping incentives for assisted families. This provision allows for shopping incentives for assisted families under a choice-based housing which rewards the market-rate selection of rental units that fall below the payment standard for that community.

Finally, a section which relates to homeless and surplus property community participation and self-help housing. This will amend section 203 of the Federal Property Administrative Services Act by providing communities with an opportunity to participate in the disposition of significant surplus property.

Mr. Chairman, these are a few of the important provisions that perhaps have not been mentioned, but they are important provisions that make an advance in housing for people across the country.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2½ minutes to the gentleman from Illinois [Mr. JACKSON], my friend and our newest member of the subcommittee.

Mr. JACKSON of Illinois. Mr. Chairman, I rise today to emphatically oppose the United States Housing Act of 1996 as it is currently drafted. In its present form, H.R. unravels 60 years of Federal housing policy by pulling the safety net out from under our Nation's most vulnerable and, despite the rhetoric to the contrary, hits our working poor particularly hard. Adequate and safe housing is a human right and should not be considered by this body as a privilege.

Left completely on its own, contrary to what the other side of the aisle would lead us to believe, the market has not and will not provide safe, sanitary, and affordable housing for all Americans. The market has a role which I respect and it plays that role well, but its role does not under all circumstances represent the interests of all Americans, especially the poor and low-income Americans.

As we consider this critical piece of legislation, we must be mindful of some very dangerous implications implicit in this bill. First, we must maintain the 30-percent income cap imposed by the Brooke amendment for all public housing and rental-assisted tenants. This includes poor and the working poor.

Second, we must continue to target housing assistance primarily for the most vulnerable.

Third, we cannot impose minimum rents without any kind of hardship exemption upon those without the resources to provide for their families. This includes protecting innocent children and some 750,000 elderly who currently rely upon government assistance for their survival.

Fourth, we must work to protect the role of those affected, the residents themselves, in the development of the policies and procedures which govern their day-to-day lives.

By leaving the cap on the poorest of the poor those below 30 percent of median income and thus those below the poverty line, as provided for in the manager's amendment, and lifting the cap for those above 30 percent, H.R. 2406 essentially increases the concentration of the poorest of Americans in public housing and abandons the working poor, allowing their rents to be lifted to compensate for dwindling Federal support. The working poor will now be forced to disproportionately spend their meager take-home pay on rent at the expense of other household necessities.

While the objective of mixed-income communities is a laudable one, for many reasons this legislation will further exacerbate the affordable housing gap existing in our Nation. Without adequately targeting low and very low-income Americans for assistance, this legislation will drive the poor out of public assisted housing and into overcrowded and unsafe housing, or force people onto the streets.

Mr. Chairman, the overriding problem with this and past legislative efforts is that we never have ever provided sufficient funding and resources to allow public housing residents to move beyond public housing. We must be about the business of providing job training and retraining, education, child care, and true opportunities to allow public housing residents to move into private housing and private life.

Mr. Chairman, I urge my colleagues to oppose this legislation if we do not rectify the very serious issues before us.

Mr. Chairman, I rise today to emphatically oppose the U.S. Housing Act of 1995 as it is currently drafted. In its present form, H.R. 2406 unravels 60 years of Federal housing policy by pulling the safety net out from under our Nation's most vulnerable and despite rhetoric to the contrary, hits our working poor particularly hard. Adequate and safe housing as a human right, it should not be considered a privilege.

As civilization and economies develop, certain basics of the material life—health care, education, food and shelter—should not be turned over completely to market forces, to a "survival of the fittest" situation. In such a system, the few always wind up on top with the best and most of everything, while the many end up on the bottom with the least and worst of everything—in this case, housing.

Left completely on its own, the market will not provide safe, sanitary, and affordable housing for all Americans. The market has a role, which I respect, and it plays its role well. But its role does not under all circumstances, represent the interests of all Americans, especially poor and low-income Americans.

The government of, by, and for the people has an important role to play in assuring that every American has safe, sanitary, and affordable housing. This is why we initially passed public housing legislation in 1937, to provide affordable housing for all Americans—housing for those that the market did not serve. Public housing was later expanded to specifically include the poor, the elderly, and the disabled.

We should not treat housing like we do peanuts, soybeans, beer, and cars—commodities to be produced, distributed, and sold privately in the market place for profit. Need—the need for adequate and affordable housing, is the basis for the Government's role in housing.

If the market addressed the need, then our dilemma would be of a different nature, but it hasn't and it doesn't. Thus, as representatives of all of the American people—not just those that can survive in a private, "survival of the fittest" housing market—we must assume our responsibility.

In the late 1960's a White House Conference on Housing recommended 26 million new housing starts over the decade of the 1970's, 6 million in public housing and government-assisted housing—2.6 million housing starts per year for 10 years, 600,000 in public or subsidized housing. We have never reached the 2.6 million annual goal. Thus, after two-and-one-half decades of failing to meet that goal, our Nation's people are even more ill-housed than they were 25 years ago. And now some Members of this Congress want to remove the Government's role in requiring that tenants not pay disproportionate portions of their income to provide their families housing above substandard conditions.

Mr. Chairman, H.R. 2406 will deny many of our Nation's neediest parents the opportunity to raise their children in a climate where their rental contributions do not preclude the provision of household essentials—clothing, medicine, food, and other necessities we take for granted.

As we consider this critical legislation, we must be mindful of some very dangerous implications implicit in this bill. First, we must maintain the 30 percent income cap imposed by the Brooke amendment of 1969 for all public housing and rental-assisted tenants, this including the poor and the working poor. Second, we must continue to target housing assistance primarily for our most vulnerable. Third, we cannot impose minimum rents without any kind of hardship exemption upon those without the resources to provide for their families—this includes protecting innocent children and the some 750,000 elderly who currently rely upon governmental assistance for their survival. And fourth, we must work to protect the role of those most affected—the residents themselves, in the development of the policies and procedures which govern their day to day lives.

Named for its sponsor, Senator Edward Brooke, the Brooke amendment was enacted into law in 1969 to guarantee that residents of public and assisted housing would pay no more than 25 percent of their income for rent. In 1981, the cap was lifted to 30 percent. The policies represented in H.R. 2406 are going in the exact opposite direction. By leaving the cap on the poorest of the poor—those below 30 percent of median income and thus below the poverty line—as provided for in the managers amendment—and lifting the cap for those above 30 percent—H.R. 2406 essentially increases concentration of the poorest of Americans in public housing and abandons the working poor—allowing their rents to be lifted to compensate for dwindling federal support. The working poor will now be forced to disproportionately spend their meager take-home pay on rent at the expense of other household necessities.

While the objective of mixed-income communities is a laudable one for many reasons, this legislation will further exacerbate the affordable housing gap existing in our Nation. Without adequately targeting low- and very low-income Americans for assistance, this legislation will, in effect, drive the poor out of public and assisted housing, and into overcrowded and unsafe housing, or force people onto the streets.

Despite the reality that these provisions do not, on their own merit, adequately provide for affordable housing, to make matters worse, the 300 best-managed authorities will be completely exempted from rent caps and targeting protections.

Mr. Chairman, the overriding problem with this and past legislative efforts is that we never provide sufficient funding and resources to allow public housing residents to move beyond public housing. We must be about the business of providing job training and retraining, education, childcare, and true opportunities to allow public housing residents to move into private housing and private life. I encourage my colleagues to enact these kinds of empowerment initiatives to effectuate this kind of societal transformation.

Faced with dwindling Federal resources, owners of tenant-assisted housing and public housing authorities will be forced by market realities to prefer tenants who are better able to pay higher rents to make ends meet. After all, where does one go for housing if he or she is making $7,800 a year on average—which is the case for those living in public housing. In most communities, 30 percent of Area Median Income is roughly equivalent to the poverty line. According to HUD studies, it is these families that have the worst case housing needs—meaning that they are most likely to pay 50 percent or more of their income in rent each month or live in substandard housing. Over 70 percent—71.3 percent—of poor renter households living below the Federal poverty line pay more than 30 percent of their income for rent, whereas only 41 percent of all renter households have excessive rent burdens.

I oppose the idea of minimum rent for those who cannot afford it. HUD Secretary Henry Cisneros has already indicated that the recently implemented $25 minimum rents are already causing hardships for roughly 175,000 families in public and assisted housing nationwide. In Illinois, 2,338 families living in public housing; 1,377 households that receive certificates and vouchers; and 749 families living in section 8 housing; for a total of 4,464 families have already been negatively effected with the addition of the $25 minimum. These are people who are already straining to meet their families needs and who are already sometimes choosing between food, medicine, and housing.

H.R. 2406 contains minimum rents of up to $50. In my State of Illinois, that would mean an average yearly rental increase of $569, a 32-percent increase which would affect 19,100 public housing families. It would mean an average yearly increase of $584, or a 23-percent increase for the 5,100 elderly in Illinois.

It would mean an average yearly increase of $569 or a 19-percent increase for 1,100 disabled people. It also would mean an average yearly increase of $525, a 57-percent increase for 3,200 other poor families. Finally, a $50 increase in the rent means an increase of $575, or a 38-percent increase for 9,700 families with children.

Mr. Chairman, the legacy of this Congress need not be enshrined in a nation which has given up on the least among us. I urge my colleagues to oppose this legislation if we do not rectify these serious issues before us.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. WELLER], a member of the Subcommittee on Housing and Community Opportunity.

Mr. WELLER. Mr. Chairman, I of course want to begin by commending the chairman of the subcommittee for his leadership and sincerity to bring about changes in bad policy and public housing. I also want to commend the gentleman from Massachusetts [Mr. KENNEDY] the ranking Democrat who, as the gentleman from Maryland pointed out, though we sometimes disagree, we know he is sincere and appreciate that.

Mr. Chairman, when we look at public housing today, we want to look at it frankly and be honest about who suffers the most in public housing today, and that is the little children. It is the children who reside in public housing who are the victims of today's current policy.

Fortunately, under Chairman LAZIO's leadership, we have legislation now before us which brings about real solutions. I grew up in the shadows of the Chicago Housing Authority, growing up in the suburbs in a rural area to the southwest of Chicago. On the nightly news we saw tragedy after tragedy that occurred as a result of current public housing policies.

Thousands if not millions of dollars bled from the system by politicians, lawyers, and consultants. Politicians wanting to keep people concentrated for political purposes in certain neighborhoods. And, of course, the State street corridor is the best example of a problem where we have 10,000 residents, miles long, one block wide, living in an area with 99 percent unemployment.

Mr. Chairman, current public housing policy is a failure. This legislation provides real hope and real opportunity to those who are living in public housing, opportunities for home ownership, and also addresses the issue of section 8, an issue of great concern to the south suburbs.

There is real accountability and, of course, real reform in section 8 in this bill. One problem we have in the south suburbs is, we have seen a concentration of poverty moving from high-rise public housing projects to section 8 residences, where 70 percent of all the section 8 users in Cooke County area are in the south suburbs.

Mr. Chairman, it is not fair to poor people because they do not have the opportunity to move up the economic ladder because there are no jobs in this area. This legislation directs HUD to come up with a solution that Congress can adopt.

Mr. Chairman, this legislation protects senior citizens. Current law requires rent equal to 30 percent of income. This bill caps rent at no more than 30 percent of income and provides the opportunity for senior citizens to see their rent lowered. It is good legislation, it is real reform and provides hope and opportunity, looks out for the poor, and looks out for taxpayers. It is a good bill.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, everybody agrees that the government cannot do everything. But some of us believe that in a civilized society the government, which is all of us, has the responsibility to make certain that every American enjoys a minimal level of decency. Yes; the government should make certain that no child goes hungry. Yes; the government should make certain that all children have access to education.

And yes; relevant to today's debate, the government should make certain that all people can live in adequate and decent housing. Yes; we should be doing that.

Mr. Chairman, today throughout this country millions of working people are spending 40, 50, 60 percent of their limited incomes on housing. That means they have barely enough money to feed their families, put aside a few dollars for education or health care needs.

This legislation would simply add to that problem. There are elderly people today living on fixed incomes from Social Security who should not be asked to pay 50 or 60 percent of their limited incomes on public housing. This legislation would allow that to happen.

There are millions of working people today who are earning $6 or $7 an hour. They are trying to improve the lives of their kids. They are trying to make it into the middle class. They should not be asked to pay 50 or 6 percent of their limited incomes for public housing, which is what this legislation would allow to happen.

Mr. Chairman, we have a housing crisis in America today and this bill only takes a step backward.

□ 1715

Mr. LAZIO of New York. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Michigan [Mr. CHRYSLER], a member of the Subcommittee on Housing and Community Opportunity.

Mr. CHRYSLER. Mr. Chairman, I rise today in support of the manager's amendment to H.R. 2406, the U.S. Housing Act of 1996. I would first like to thank Chairman LAZIO for incorporating this bipartisan measure into the bill. I would also like to thank my colleague from Virginia, Mr. MORAN, for his dedication to this issue.

After meeting with neighborhood groups in Lansing, MI, and listening to their concerns and suggestions, I believe this provision will take another step forward in getting criminals out of Federal and federally assisted housing.

This amendment builds on the "One Strike and You're Out" proposal incorprated into the recently enacted Housing Opportunity Program extension law. My amendment extends one strike to residents in federally assisted housing, permitting the eviction of tenants from Federal housing for criminal activity, including drug dealing and violent gang activities, whether the criminal activity is done on or off the premises.

This provision ensures that no activity engaged in by a tenant, member of the tenant's household, guest, or other person under the tenant's control, threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants in the immediate vicinity. Simply put, my amendment will rightfully kick criminal tenants out of Federal housing, safeguarding the livelihood of law-abiding tenants.

With my amendment, local housing authorities and owners of federally assisted housing are given the ability to require each adult member of a federally assisted household to provide the owner with written authorization to obtain their criminal records. Safeguards have been placed in the language to ensure that the information remains confidential, not misused or improperly disseminated, and destroyed upon completion of the application. We have included civil recourse and criminal penalties to be brought upon those who breach these agreements.

Our Federal dollars in housing assistance are too valuable and too scarce to go to criminals. The waiting list for housing assistance is getting longer and longer. We should not allow criminals the privilege of living in taxpayer-funded housing.

Mr. Chairman, most of these housing communities have playgrounds for children to play on, but because of drug dealing and gang violence, parents are too scared to allow their children to play outdoors. Residents are scared to leave their apartments in fear of getting caught in the crossfire. This is no way to live. This amendment, with the backing of housing groups and HUD, goes forth in helping to make public housing safer. Families living in public housing should be able to feel safe in their homes and in their communities.

This bill accomplishes a great deal in making Federal and federally assisted housing a safer, more pleasant place to live. I commend Chairman LAZIO for all of his hard work on this bill.

I encourage my colleagues to help make Federal housing and federally assisted housing safer by voting "yes" on the manager's amendment, and voting "yes" on final passage of this legislation.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Chairman, we heard a few minutes ago a catalog of special interest groups who support this legislation. I am much more concerned with the people who oppose it. They are the people who are affected by public and subsidized housing across this country.

There will be hundreds of thousands of them that will be affected by the provisions of this legislation, particularly that which abandons the Brooke amendment and also the basic principle of this legislation, which abandons something that has been very basic in our society now for almost 50 years: A commitment to decent housing to all Americans, no matter what their particular economic circumstances might be at any given moment.

The Brooke amendment specifically capped rents at 30 percent of a person's income. The bill as it currently stands abandons that principle, although it will be corrected to some extent by the manager's amendment, if the manager's amendment is adopted in just a few moments. But even if the manager's amendment is adopted, that correction, although partial and in response to pleas from the minority in this House and in conformance with an amendment that I introduced, will not deal with the problems of people who come into subsidized housing and public housing subsequently.

Over the course of the next several years, if this bill is adopted, 135,000 frail elderly people could be put out of their housing circumstances; 17,000 disabled people could be put out of their housing circumstances; they will suffer, their families will suffer. The children of the frail, elderly, grandparents will suffer and their grandchildren will suffer.

This is, Mr. Chairman, a very poor piece of legislation because it turns its back on those among us who are most needy and most deserving, people in their golden years who will be put out of the housing circumstances that they depend upon to hold their lives together.

This is a very bad bill. We should defeat this bill and protect that which was put here by a Republican Senator, Senator Brooke, passed by a Republican Senate, and signed into law by a Republican President, President Nixon.

This is no time to turn our backs upon poor elderly people and people who are disabled.

Mr. LAZIO of New York. Mr. Chairman, would the Chair advise us of the time remaining on both sides?

The CHAIRMAN. The gentleman from New York [Mr. LAZIO] has 6 minutes remaining, and the gentleman from Massachusetts [Mr. KENNEDY] has 4 minutes remaining.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Let me just correct some misperceptions laying out here on the floor with respect to the so-called Brooke amendment, which is a job killer. There is a presumption here that, if we maintain the tie between salary and rent as a percentage, that that is fine for working people. The opposite is true. It is a job killer.

As long as the Federal Government continues to mandate the one-size-fits-all rule that every community in the country must follow, so that some person who is in an apartment, the day they go to work they immediately pay more rent the day they go to work. Now, some people are suggesting that we take care of that by making Brooke a ceiling. In fact, the ceiling will become a floor, given the financial situation that many housing authorities are in right now.

So people will go, instead of knowing that they have to pay $25 for a particular unit, $50 for a particular unit, regardless of whether they go to work and make more money, they will do, under the suggestion by my friends from the minority, they will go back in time to where we were before, which is a disincentive to work, where a person who wants to go to work has to pay this additional tax on employment. That is what we oppose, Mr. Chairman. That is why we urge adoption and support for this bill, which is a prowork, profamily, procommunity bill.

Mr. Chairman, I reserve the balance of my time.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK], the sponsor of the Brooke amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I sympathize with the gentleman from New York. He had an argument all set to make. There is no amendment to make it against. So he is going to make it anyway.

We agree that requiring housing authorities to set a minimum rent of 30 percent is a mistake. Let me be fair to a man I voted for a couple of times, Ed Brooke. Ed Brooke did not do that. Ronald Reagan did it and Gramm-Latta did it. The Brooke amendment was never a floor on rents. The Brooke amendment set a cap on rents, 25 percent. Ronald Reagan came along and said, no, no, 25 percent is too low; we will make it 30 percent, and we will make it both a floor and a ceiling.

Yes; if you say automatically that, if your income goes up, your rent goes up, there is some disincentive. Our amendment does away with that. We put a cap on of 30 percent but no minimum. And what does the gentleman from New York say? I am astonished that he could not come up with a better argument. He says, do not have a cap without a floor. Because if you have a cap without a floor, here is what he just said, the housing authorities hurting for money will go to the absolute limit.

Well, if in fact the gentleman believes that the housing authorities will raise the rents as high as they legally can, he has got the problem, because at least in our case they are at a cap of 30 percent. The gentleman from New York on the one hand says take the cap off what housing authorities can charge working people. And then he says, because if you give them a cap, housing authorities will go up to the cap.

So he, astonishingly, argues that, if you put no limit on the housing authorities, they will charge people less rent presumably than if you limit them to 30 percent. As a matter of fact, it is the gentleman from New York's amendment which has an absolute disincentive to work in there. His manager's amendment is some manager's amendment. That is a manager's amendment that is more comprehensive than most bills. It does not say much for the bill they wrote.

His manager's amendment says, if you are making less than 30 percent of the median, then your rent is capped at 30 percent. If you make more than 30 percent of the median income, you are subject to no cap. In other words, it is under the amendment of the gentleman from New York that those who work as opposed to those who are on welfare are legally disadvantaged. If you are on welfare and getting 30 percent of the median or less, your rent is capped at 30 percent. If you go to work, if you go off welfare and you are now making 50 or 60 percent of the median income, there is no protective cap.

So in the gentleman's effort to preserve the right of housing authorities to charge more money, he is the one who has created a disincentive. Let us be very clear about this. The amendment we will be offering will say, no, there is no minimum amount. The gentleman from New York says, no, but there will be a ceiling and they will go up to the ceiling, and the way to keep them from going up to the ceiling is to move the ceiling to the sky. It is illogical.

Mr. Chairman, let me close by summarizing. As someone has noted, if Congress truly wants to remove barriers that discourage public housing residents from obtaining employment, the solution is to give housing authorities the flexibility to set rents below 30 percent in certain instances. Congress should not withhold operating subsidies from public housing authorities and try to balance the budget by reaching deeper into the pockets of our poorest people.

That is what Ed Brooke said. That is what Ed Brooke said today. Ed Brooke is as right today as a compassionate Republican, the endangered species, as he was 30 years ago.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Connecticut [Mr. SHAYS], a member of the Committee on the Budget.

Mr. SHAYS. Mr. Chairman, we have to take the context of this bill compared to what exists, not the fantasy of what we think exists. We go into public housing areas all around the country. They are in devastating shape.

One of the things I find most troubling, the most troubling thing is that we have basically warehoused the poorest of the poor in one particular area. And all in the name of doing God's work, all in the name of good.

I happen to believe that one of the most serious problems that we have in public housing is we do not have firemen and policemen living in public housing. We do not have the kind of role models that you used to have. And I just hope and pray that others realize there is another side to the Brooke amendment, at least the ones that I am most interested in.

I want a family that truly wants to stay in public housing to stay in a little longer and not end up paying more than the market rent. Thirty percent of income can sometimes be more than what someone would logically pay for the kind of facility that they are living in. I want kids to be able to say that their next door neighbor may be a fireman or a polceman, may have a job, may be somebody that they really look up to and aspire to be like.

And I just hope and pray that in terms of this debate that we do not talk about the fantasy world of what we think exists but what truly exists.

I have spent 9 years now in this Chamber investigating the Department of HUD, both at the Federal level and on the local level. The area that concerns me the most is that we simply have got to have a mixture of income, again in public housing.

The CHAIRMAN. The gentleman from Massachusetts [Mr. KENNEDY] has 1 minute remaining, and the gentleman from New York [Mr. LAZIO] has 2½ minutes remaining.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself the balance of my time.

Let me close by reiterating that the reason why we oppose this bill has nothing to do with the reasons that my friend from Connecticut mentioned. Nobody wants to warehouse the poor. Nobody wants to prevent the Secretary of any administration from breaking up these large monstrosities. Nobody wants to.

In fact, there are many changes that are contained, and I have complimented Mr. LAZIO on many of the provisions that are contained in this bill that allow the Secretary and allow greater flexibility by local housing authorities. That is not what the issue is.

The issues are two. The issues are, No. 1, the Brooke amendment, which in no way can be interpreted as preventing, as Mr. FRANK has rewritten it, to create some disincentive for work. The existing Brooke amendment does create a small disincentive for work, but the kinds of protections against the poor and against the elderly and against the disabled which are contained in the Lazio bill end up forcing us to recognize that the only people left that we are going to have in public housing whose rents can be jacked up are the working poor. The net result of the legislation that we are looking at is going to hurt working people more than anyone else that is contained in our public protections of the poor.

Mr. LAZIO of New York. Mr. Chairman, I yield myself the balance of my time.

Nobody wants a situation of a State Street, of a New Orleans or a Detroit. I remember getting this small document from the Department of Housing and Urban Development about the 40 largest public housing authorities, places like Atlanta, Pittsburgh, Chicago, Detroit, New Orleans.

Mr. Chairman, if your child went to school and came back with the grades that these housing authorities have been coming back with for not 1 year or 2 years or 5 years but for 17 straight years, you would say, we are wasting our money in that school.

New Orleans scores 27 out of 100, Mr. Chairman, 27. Can you imagine if your child came back and said, I got a 27 on my test scores of 17 years? Atlanta, 49; Pittsburgh 47; Chicago 44 out of 100. What we have when we tolerate that failure year after year, when we sink hundreds of millions, in many cases billions of taxpayer dollars into housing authorities that are chronically mismanaged, chronically troubled and, in many cases, corrupt, is to say to Americans in those projects, we do not care about you. We do not care about the people living in that housing authority.

□ 1730

Mr. Chairman, we would rather protect the bureaucracy, we would rather ignore the reality, we would rather say that politics is better keeping it just the way it is so we can get past one last election.

This bill rejects that, Mr. Chairman. It is time that this body rejects that same mentality. We are saying that work ethic is important. We are saying, remove these disincentives to work. The Brooke amendment, Mr. Chairman, is a job killer. People do not want to pay 30 percent of their income in rent. They do not want to have a tax on employment. They want to have rent that is place-based. They want to be able to know when they go to a place that that rent is $15 a month, or $20 a month, or $25 a month regardless of whether they get a job, regardless of whether they have overtime and they make extra money, so that they do not get that penalty because one bureaucrat in Washington feels that one size fits all and everybody ought to be living under that same rule.

This bill begins the process of communities deciding their own fate. And what is wrong with that? What is extreme about that? Is it extreme, Mr. Chairman, to give people the ability to use vouchers for home ownership so that poor people can make their own choices? Is it extreme to allow people in public housing developments to pull together and encourage entrepreneurship by allowing them to sell some of their services to residents in the area? I think not, Mr. Chairman.

I urge a "yes" vote on this.

Mrs. COLLINS of Illinois. Mr. Chairman, anytime there is legislation underfoot affecting housing, it gets my attention. The U.S. Housing Act (H.R. 2406) block grants Federal funding for public housing and low income rental assistance. The bill repeals the Housing Act of 1937; eliminated caps on rent paid by seniors and working families; and eliminates targeted housing assistance.

The bill repeals the Brooke amendment which caps rent for tenants in public and assisted housing at 30 percent of income. Mr. Speaker, 41 percent of residents in public and assisted housing are seniors or are disabled, and the remainder are working families with children. We are talking about severe impacts upon poor, hard working families who are already paying too great of a percentage of their meager incomes for rent.

Repeal of the Brooke amendment will force tenants in public housing—whose income averages only $6,400 per year—to choose between shelter and food, medicine and clothing, and could lead to greater homelessness. In my district, the Seventh District of Chicago, this is the last thing we need.

It is extremely important to me to provide more residents of the Sevenh District with the social and economic opportunities and incentives that will help strengthen all our neighborhoods and communities.

It is of great concern to me that the needs and concerns of the residents of Chicago Housing Authority developments are attended to by HUD and by the Congress. I intend to work long and hard to facilitate effective communication among all parties involved in this important endeavor to make certain that they fully understand one another's views.

To this end, I strongly support public housing enhancements. Not a kick in the teeth. I encourage my colleagues to show a strong commitment to fundamental renewal of our Nation's public housing developments shown by both President Clinton and the Secretary of the Department of Housing and Urban Development [HUD], Henry Cisneros.

However, I am troubled that this same commitment is not embraced by my colleagues on the other side of the aisle. Instead, this bill smacks of negative, mean-spirited, insensitive determination to deny our Nation's neediest citizens, decent affordable public housing.

In clear, plain English, let me state unequivocally that this Member of Congress, representing all citizens in the Seventh District, that I shall standfast in my determination to fight all efforts in the Congress to decimate affordable public housing in the United States, and I will continue working with my colleagues to protect the interests of the undeserved in this regard.

It is outrageous that any Member of Congress would support attempts to balance the Federal budget on the very poorest Americans. I ask my colleagues to defeat H.R. 2406.

Mr. FRANKS of New Jersey. Mr. Chairman, today I rise in strong support of H.R. 2406, the United States Housing Act of 1996. Let me take this opportunity to congratulate Mr. LAZIO on his innovative effort to bring much needed reform to America's byzantine public housing laws.

For too long, America's public housing residents have been forced to live under a cumbersome system of rules that often fail to improve their living standards or provide a better quality of life. Indeed, many of America's public housing developments are rampant with crime and unsafe for residents.

One of the results of this arcane system is that tenants are not adequately represented on many large public housing authorities. In fact, much of the public housing management throughout the country has no tenant representation. Instead, these positions are often doled out as political patronage positions, which further thwart the accountability of these boards.

In an effort to remediate this chronic problem, I have worked closely with Housing Subcommittee Chairman RICK LAZIO to develop a legislative proposal which ensures elected resident participation on public housing boards.

My tenant empowerment provision forces these boards to be accountable to its residents by enabling, for the first time, at least one tenant to be democratically elected to any large local housing and management board.

In order to ensure that public housing tenants are represented by responsible individuals, my legislation establishes strict qualifications for residents to be eligible to be elected to local housing and management authorities. First, elected residents must maintain their principal residence in a governed housing authority. Second, they cannot have been convicted of any felony, and they cannot reside in a house in which a convicted felon lives. Finally, eligible individuals cannot have been convicted of a misdemeanor within 5 years of the date of a public housing residents election.

To further ensure responsible governance of public housing by local housing management authorities, my legislation requires the Secretary of Housing and Urban Development to develop guidelines which would prevent conflicts of interest on the part of members of the board of directors. Until board members are recused from decisions which may otherwise create a conflict of interest, tenants will never be fairly represented on the authorities.

I am confident that the provisions I have worked to secure, along with the others found in H.R. 2406, will improve the living conditions in many of today's public housing developments.

If you believe that America's public housing authorities should be more accountable to the very tenants they exist to serve, I urge all Members to vote "aye" on the manager's amendment and "aye" on final passage of H.R. 2406.

Mr. NADLER. Mr. Chairman, I rise in opposition to this housing bill, which would force thousands of Americans out on the street. This bill signals the end to our Nation's commitment to providing housing security for those in our communities, who are most in need. But now, all of that is changing under the Republican leadership. This leadership would rather put an end to housing security for our most vulnerable. They would rather see these Americans, the elderly, families, and children, out on the streets, in the subways, in the parks, homeless. Big tax cuts for their wealthy friends are fine, but ensuring affordable housing for the working poor is something our colleagues on the other side just can't abide.

This bill repeals the Brooke amendment. The Brooke amendment, for the past 25 years, has ensured that low-income families would have to pay no more than 30 percent of their income on rent. This bill also eliminates income targeting, which provides that the poorest Americans are ensured housing assistance and are afforded decent housing along with those of moderate income levels. Without this protection the poorest Americans could be segregated away from healthy mixed income neighborhoods where opportunities for advancement are greater. This bill reneges on our Nation's promise that Americans who are most in need of housing assistance can afford to receive it.

These protections have provided a critical safety net for those in desperate need and have saved so many from homelessness and destitution.

Mr. Chairman, even with the current protections of the Brooke amendment homelessness and unacceptable living conditions continue to plague America. There are more than 5 million American renter households, not including the homeless, who have worst case housing needs, paying more than half of their income for rent, living in substandard housing, or in the most unfortunate cases, both.

This problem afflicts the elderly, working poor families, and others who strive to make ends meet on the minimum wage—a minimum wage, if I might add, which has not kept up with inflation, and has not been raised since 1991, because of staunch Republican opposition.

Securing safe, affordable housing for those who remain poor despite hard work, for children or for those who might be unable to make a living on their own due to health or other reasons, is crucial to the positive development of today's youth and families, the safety and well-being of our elderly, and for our Nation's communities as a whole.

I have many constituents who have contacted me about their fears of what this bill could mean to them. One constituent, who happens to be a quadriplegic, informed me that should the Brooke amendment be repealed, he surely would be out on the street, and I am further saddened to say that there are many more who would be put in the same situation.

We need to ensure that affordable housing remains available. It is the right thing to do and it is the smart thing to do.

Mr. Chairman, I urge the defeat of this very damaging bill.

Ms. MILLENDER-MCDONALD. Mr. Chairman, first, I would like to thank Mr. KENNEDY of Massachusetts for allowing me the opportunity to speak on this most important issue. In listening to the debate on this issue, it is clear to me that my colleagues in the majority truly believe in their views on this issue. To some extent, I would agree with the spirit of their views but not with the methods. In our efforts to reform public housing we must be careful not to hurt the very people that we are trying to help, the residents of public housing.

Under current law, the Brooke amendment was enacted in 1969 to protect the most vulnerable residents of public housing from paying too high a percentage of their income for rent. The amendment made public and assisted housing affordable for very low-income families. Typically, poor families who are not in public housing pay more than 30 percent of their income in rent. Currently, more than 5.3 million families, who are not in public or assisted housing pay more than 50 percent of their income for rent. The limits set by the Brooke amendment have made public and assisted housing more affordable for very low-income families by preventing dramatic increases in rent.

Current law also addresses the earned income adjustments that allow public housing authorities to encourage work through more flexible rent structures. Further, rent ceilings allow public housing authorities to price units competitively with the market and allow retention for mixed occupancy. The Brooke amendment is a good amendment. It is sound public policy.

But let's talk turkey. H.R. 2406 repeals the Brooke amendment and hurts the people we are trying to help, by removing the limits placed on rent charges. This is dichotomous at best. We are going to remove the caps on rent and in the same breath deny them an increase in the minimum wage. That equates to a back hand and a forehand slap to the faces of the residents of public housing. I hear some of my colleagues say that they value home ownership and that residents of public housing will be allowed to purchase their units. Tell me: How will those residents be able to afford the mortgages on those units without being able to earn a decent livable wage.

Let's talk about this managers amendment. It seems to me that this amendment undermines itself. While it attempts to maintain the spirit of the Brooke amendment, it seeks to deregulate 300 of the best performing local housing authorities over the next 3 years, for which the rent is capped and resident targeting would no longer apply. That provision would severely impact my constituency. I have nine, count them, nine public housing projects in my district. Ujima Village in the city of Compton happens to be one of the best run housing complexes this Congresswoman has ever seen. To blanketly deregulate a housing authority for performing well is poor public policy. Mr. WATT's amendment is good public policy, Mr. KENNEDY's amendment is good public policy. This bill removes the goal of providing decent affordable housing for our working poor. I urge my colleagues to oppose the manager's amendment and oppose this draconian, extreme bill.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise to express my concern about what I see this bill is being used for. It has become a vehicle for a major amendment to the Federal

Property and Administrative Services Act of 1949. This act is within the jurisdiction of the Committee on Government Reform and Oversight, of which I am the ranking minority member.

That amendment, as section 506, is designed to modify title V of the Stewart B. McKinney Homeless Assistance Act. Title V allows homeless assistance providers a priority of consideration in applying to obtain Federal surplus property for the homeless. And title V, too, is part of the legislative jurisdiction of the Committee on Government Reform and Oversight. Moreover, as chair of the Government Activities and Transportation Subcommittee of the Committee on Government Operations I was a principal author of title V.

Mr. Chairman, the provision, which will be offered as part of the managers' amendment to H.R. 2406 was drafted without prior consultation with GSA or the Department of Health and Human Services, which administer property use for the homeless. Nor was there prior consultation with the majority or minority staff of the Committee on Government Reform and Oversight.

The result, Mr. Chairman, is that we will be dealing today with language that not only contains major ambiguities, loopholes, and omissions, but will reduce to arbitrary fractions the amount of vacant Federal property that GSA may transfer and still realize compliance with title V of McKinney.

We must ask, for example, why the language does not provide for input from the Departments of Housing and Urban Development of Health and Human Services. In other public-purpose transfer provisions of the Federal Property Act, review and approval of proposals by other affected agencies, such as Interior, Health and Human Services or Treasury, are required.

We must ask why nonprofit organizations are the only entities eligible for property under proposal? Surely local government entities with responsibilities for housing and the homeless should be able to become transferees, too.

Finally, we must anticipate that GSA may exercise its broad authority under this amendment by taking all surplus land out of title V availability while seeking a substitute transfer in the form of one of the amendment's alternatives.

Mr. Chairman, if this provision becomes part of the House-passed bill, I intend to take every opportunity I can to assure that both the substantive and technical deficiencies of this provision are carefully and fairly addressed by the committee of conference.

Mr. RUSH. Mr. Chairman, I stand here in the well today in disgust. I am outraged at what we are about to do to our Nation's low income, elderly, and disabled.

Forty percent of Chicago public housing residence are my constituents. And there are thousands more waiting to get a place to shelter their families.

This Republican-led Congress has been attacking poor people with every breath they breathe and every word they speak.

There is no help for those in need in our cities—only a boot on their neck.

We are not giving these people incentive to work, we are not helping them to a transition to a self-sufficient lifestyle—this Congress is not even giving them a reason to live.

People in our Nation's public housing do not want to live there—they don't want to be reminded that they haven't obtained the American dream of owning a home.

They don't want a Federal Government to house them. They don't want the local governments to house them.

They need programs to help transition these neighborhoods to encourage residents to make their lives better.

The Republican proposals are answers that don't answer, explanations that don't explain, and solutions that don't solve.

Mr. STOKES. Mr. Chairman, I rise in strong opposition to H.R. 2406, the United States Housing Act of 1996. Let me say at the outset that, while I appreciate the efforts of my colleagues on the other side of the aisle to improve the Federal housing stock in this Nation, these reforms come at the expense of the most vulnerable in our society—the poor, elderly, and disabled.

The most revealing element of this measure can be found in the opening section entitled "Declaration of Policy to Renew American Neighborhoods". This policy statement includes a declaration that "the Federal Government cannot through its direct action or involvement provide for the housing of every American citizen, or even a majority of its citizens, but it is the responsibility of the Government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods".

This declaration reverses a longstanding policy of nearly 60 years which expresses a goal of our Nation that all citizens have decent and affordable housing. What follows in H.R. 2406 substantiates this reversal from a moral obligation the United States as a world leader once advocated on behalf of its citizens.

For example, take the provision that retreats on the Brooke amendment which protects people from paying excessive and disproportionate amounts of their income on housing. The bill before us would only apply the Brooke amendment to current residents of public housing with incomes below 30 percent of median income, and for current elderly and disabled residents. No future elderly or disabled recipients would get the protection of the Brooke amendment if they are under 30 percent of median income.

This bill would also diminish the percentage of housing units available to the very lowest income families; causing irreparable harm to those in need. Current law provides that 85 percent of public housing units be provided to families with incomes at or below 30 percent of median income. H.R. 2406 requires only 25 percent of these units be set aside for these families. While a local housing authority can provide more units to the very poor, they will be losing Federal assistance—and will likely be desperate to rent to higher income families in order to make up the deficit from the dwindling Federal revenues. This situation comes at the expense of the very poor.

Mr. Chairman, this measure takes housing reform to new heights by including a provision that creates tenant self sufficiency contracts. We expect a person—who is often uneducated, unskilled and without work—to negotiate a contract with a housing authority that states how long they think they will need this assistance. What is so damaging about this contract is that when it ends, the resident graduates or, simply put, loses assistance.

Like many other Members of Congress, I recognize the need to examine and reassess our public and section 8 housing programs because of the many changes that have occurred since these programs were first established. During the 103d Congress, similar reforms as those proposed in H.R. 2406 were passed by the House in a bipartisan vote. H.R. 2406 includes most of these reforms. Unfortunately, as we have seen with most of the legislation promulgated by our colleagues on the majority side of the House, this bill goes too far and will cause irreparable harm to thousands of the poorest, the most vulnerable, the most needy of our citizens.

Mr. Chairman, not every community in this Nation can boast the leadership of a top-notch and experienced Public Housing Authority director as we do in Cleveland. If we had the absolute knowledge that this would be the case, few of us would argue against much of what is in this bill. But that is not the situation. As proposed in this bill, the future of thousands of Americans would be left to local authorities without Federal regulation. Reasonable reform is one thing; indifference to the plight of the poor is another. I urge my colleagues to vote no "on" H.R. 2406.

Mr. REED. Mr. Chairman, I regret that I must vote against H.R. 2406, the Housing Act of 1995. While I support the provisions which reduce burdensome regulations for public housing authorities and consolidate numerous programs, I do not support the provisions which will limit housing options for our Nation's most vulnerable residents and families.

During House debate, I spoke in favor of Representative FRANK's amendment to retain the Brooke amendment, an amendment which would have ensured that residents in public housing do not pay more than 30 percent of their limited income toward rent. Although the House was successful in retaining this important provision for our Nation's elderly and disabled, and those with incomes below 30 percent of the area median, H.R. 2406 still contains language which will effectively shut out low-income working Americans from affordable, decent housing. I have long held that we need meaningful welfare reform and that there ought to be a safety net for those Americans trying to get their feet back on the ground. Repealing the Brooke amendment will severely hurt our Nation's low-income, working residents who are struggling to afford a home, food, clothing, and medicine.

In addition to repealing the Brooke amendment, the House bill also changes regulations regarding income targeting. I commend Chairman LAZIO for his efforts on compromise language with Representative KENNEDY from Massachusetts to reserve more public and assisted housing for the very poor. I also share the goal of integrating a broader range of incomes for people in public housing, but I remain concerned that many low-income Americans will still be cut off from housing assistance while housing authorities seek to attract people with higher incomes. It is my hope that the House-Senate conference will result in an agreement to ensure that those who are in dire need of housing are able to receive assistance.

Mr. Speaker, I heard from hundreds of Rhode Islanders who expressed serious concerns about this bill and the repeal of the Brooke amendment. At a time when Americans are already coping with drastic budget cuts, it does not make sense to disadvantage working residents and families by placing affordable, decent housing out of their reach.

Mr. Speaker, everyone needs a place to live, and, as such, housing legislation should be a bipartisan effort. The Senate has taken this to heart and passed bipartisan legislation which preserves the Brooke amendment. It is my hope that the final bill will be more like the Senate version, and I look forward to working with my colleagues to ensure safe, decent, affordable housing for all Americans.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill shall be considered under the 5-minute rule by titles, and the first two sections and each title shall be considered read.

Before consideration of any other amendment, it shall be in order to consider the amendment printed in the designated place in the CONGRESSIONAL RECORD of May 7, 1996, if offered by the gentleman from New York [Mr. LAZIO] or his designee. That amendment shall be considered read, shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

If that amendment is adopted, the bill, as amended, shall be considered as an original bill for the purpose of further amendment.

During consideration of the bill for amendment, the chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered as read.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

AMENDMENT OFFERED BY MR. LAZIO OF NEW YORK

Mr. LAZIO of New York. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. LAZIO of New York:

Page 7, lines 9 and 10, strike "and become self-sufficient; and" and insert the following: ", become self-sufficient, and transition out of public housing and federally assisted dwelling units;".

Page 7, line 15, strike the period and insert "; and".

Page 7, after line 15, insert the following:

(7) remedying troubled local housing and management authorities and replacing or revitalizing severely distressed public housing developments.

Page 10, line 23, after the comma insert "as determined by the Secretary with adjustments for smaller and larger families,".

Page 13, line 7, after the comma insert "as determined by the Secretary with adjustments for smaller and larger families,".

Page 14, line 3, strike "or".

Page 14, strike line 4 and insert the following:

(C) an entity authorized by State law to administer choice-based housing assistance under title III; or

(D) an entity selected by the Secretary, pur-

Page 14, strike line 23 and all that follows through page 15, line 5, and insert the following:

ber who is an elected public housing resident member (as such term is defined in paragraph (5)). If the board includes 2 or more resident members, at least 1 such member shall be a member of an assisted family under title III.

Page 15, line 7, strike "a resident member" and insert "elected public housing resident members and resident members"

Page 16, strike lines 3 through 6.

Page 16, line 7, strike "(iv)" and insert "(iii)".

Page 16, line 13, strike "(v)" and insert "(iv)".

Page 17, strike lines 4 through 10, and insert the following new paragraph:

(5) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

(A) ELECTED PUBLIC HOUSING RESIDENT MEMBER.—The term "elected public housing resident member" means, with respect to the local housing and management authority involved, an individual who is a resident member of the board of directors (or other similar governing body of the authority) by reason of election to such position pursuant to an election—

(i) in which eligibility for candidacy in such election is limited to individuals who—

(I) maintain their principal residence in a dwelling unit of public housing administered or assisted by the authority;

(II) have not been convicted of a felony and do not reside in a household that includes an individual convicted of a felony; and

(III) have not, during the 5-year period ending upon the date of such election, been convicted of a misdemeanor;

(ii) in which only residents of dwelling units of public housing administered by the authority may vote; and

(iii) that is conducted in accordance with standards and procedures for such election, which shall be established by the Secretary.

(B) RESIDENT MEMBER.—The term "resident member" means a member of the board of directors or other similar governing body of a local housing and management authority who is a resident of a public housing dwelling unit owned, administered, or assisted by the authority or is a member of an assisted family (as such term is defined in section 371) assisted by the authority.

Page 17, line 18, insert "**AND MEDIAN INCOME**" before the last period.

Page 17, line 19, strike "IN GENERAL" and insert "ADJUSTED INCOME".

Page 19, line 1, after "MINORS" insert ", STUDENTS, AND PERSONS WITH DISABILITIES".

Page 19, line 5, before the period insert the following: ", or who is 18 years of age or older and is a person with disabilities".

Page 20, after line 10, insert the following new subsection:

(d) MEDIAN INCOME.—In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this Act, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portion of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties.

Page 20, strike line 11 and all that follows through page 21, line 22, and insert the following new section:

SEC. 105. OCCUPANCY LIMITATIONS BASED ON ILLEGAL DRUG ACTIVITY AND ALCOHOL ABUSE.

(a) INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED CRIMINAL ACTIVITY.—Any tenant evicted from housing assisted under title II or title III by reason of drug-related criminal activity (as such term is defined in section 102) shall not be eligible for any housing assistance under title II or title III during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the local housing and management authority (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).

(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a local housing and management authority shall establish standards for occupancy in public housing dwelling units and housing assistance under title II—

(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) if the local housing and management authority determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the local housing and management authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

(2) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to paragraph (1), to deny occupancy or assistance to any person based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, a local housing and management authority may consider whether such person—

(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(c) OTHER SCREENING.—A local housing and management authority may deny occupancy as provided in section 642 of the Housing and Community Development Act of 1992.

Page 22, line 4, strike "(b)" and insert "(c)".

Page 22, strike line 8 and all that follows through line 13, and insert the following:

member of the family shall contribute not less than 8 hours of work per month within the community in which the family resides. The requirement under this subsection shall be incorporated in the terms of the tenant self-sufficiency contract under subsection (b).

(b) TENANT SELF-SUFFICIENCY CONTRACT.—

(1) REQUIREMENT.—Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult member of the family who has custody of, or is responsible for, a minor living in his or her care shall enter into a legally enforceable self-sufficiency contract under this section with the authority.

(2) CONTRACT TERMS.—The terms of a self-sufficiency contract under this subsection shall be established pursuant to consultation between the authority and the family and shall include a plan for the resident's or family's residency in housing assisted under this Act that provides—

(A) a date specific by which the resident or family will graduate from or terminate tenancy in such housing;

(B) specific interim and final performance targets and deadlines relating to self-sufficiency, which may relate to education, school participation, substance and alcohol abuse counseling, mental health support, jobs and skills training, and any other factors the authority considers appropriate; and

(C) any resources, services, and assistance relating to self-sufficiency to be made available to the resident or family.

(3) INCORPORATION INTO LEASE.—A self-sufficiency contract under this subsection shall be incorporated by reference into a lease under section 226 or 324, as applicable, and the terms of such contract shall be terms of the lease for which violation may result in—

(A) termination of tenancy, pursuant to section 226(4) or 325(a)(1), as applicable; or

(B) withholding of assistance under this Act.

The contract shall provide that the local housing and management authority or the resident who is a party to the contract may enforce the contract through an administrative grievance procedure under section 110.

(4) PARTNERSHIPS FOR SELF-SUFFICIENCY ACTIVITIES.—A local housing and management authority may enter into such agreements and form such partnerships as may be necessary, with State and local agencies, nonprofit organizations, academic institutions, and other entities who have experience or expertise in providing services, activities, training, and other assistance designed to facilitate low- and very-low income families achieving self-sufficiency.

(5) CHANGED CIRCUMSTANCES.—A self-sufficiency contract under this subsection shall provide for modification in writing and that the local housing and management authority may for good cause or changed circumstances waive conditions under the contract.

(6) MODEL CONTRACTS.—The Secretary shall, in consultation with organizations and groups representing resident councils and residents of housing assisted under this Act, develop a model self-sufficiency contract for use under this subsection. The Secretary shall provide local housing and management authorities with technical assistance and advice regarding such contracts.

Page 22, line 16, strike "requirement under subsection (a)" and insert "requirements under subsections (a) and (b)(1)".

Page 27, lines 19 and 20, strike "section 110" and insert "section 111".

Page 29, line 18, after "WELFARE" insert "AND OTHER APPROPRIATE".

Page 29, line 20, after "welfare agencies" insert the following: "and other appropriate Federal, State, or local government agencies or nongovernment agencies or entities".

Page 29, line 25, strike "requirements" and all that follows through "ensure" on page 30, line 1, and insert the following: "policies established by the authority that increase or maintain".

Page 30, line 7, strike "local law" and insert the following: "Federal, State, and local law".

Page 34, line 8, strike "or".

Page 30, after line 8, insert the following new paragraph:

(13) POLICIES FOR LOSS OF HOUSING ASSISTANCE.—A description of policies of the authority requiring the loss of housing assistance and tenancy under titles II and III, pursuant to sections 222(e) and 321(g).

Page 34, line 12, strike the period and insert a semicolon.

Page 34, after line 12, insert the following new paragraphs:

(4) the plan plainly fails to adequately identify the needs of low-income families for housing assistance in the jurisdiction of the authority;

(5) the plan plainly fails to adequately identify the capital improvement needs for public housing developments in the jurisdiction of the authority;

(6) the activities identified in the plan are plainly inappropriate to address the needs identified in the plan; or

(7) the plan is inconsistent with the requirements of this Act.

Page 36, line 24, after the semicolon insert "or".

Page 37, after line 17, insert the following new section:

SEC. 109. REPORTING REQUIREMENTS.

(a) PERFORMANCE AND EVALUATION REPORT.—Each local housing and management authority shall annually submit to the Accreditation Board established under section 401, on a date determined by such Board, a performance and evaluation report concerning the use of funds made available under this Act. The report of the local housing and management authority shall include an assessment by the authority of the relationship of such use of funds made available under this Act, as well as the use of other funds, to the needs identified in the local housing management plan and to the purposes of this Act. The local housing and management authority shall certify that the report was available for review and comment by affected tenants prior to its submission to the Board.

(b) REVIEW OF LHMA'S.—The Accreditation Board established under section 401 shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each local housing and management authority receiving assistance under this section—

(1) has carried out its activities under this Act in a timely manner and in accordance with its local housing management plan;

(2) has a continuing capacity to carry out its local housing management plan in a timely manner; and

(3) has satisfied, or has made reasonable progress towards satisfying, such performance standards as shall be prescribed by the Board.

(c) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require, in such form and in accordance with such schedule as the Board may establish.

Page 37, line 18, strike "**SEC. 109.**" and insert "**SEC. 110.**".

Page 38, line 6, strike "**SEC. 110.**" and insert "**SEC. 111.**".

Page 38, lines 10 and 11, strike "and assisted families under title III".

Page 38, line 16, after "impartial party" insert "(including appropriate employees of the local housing and management authority)".

Page 39, strike lines 13 through 17 and insert the following new subsection:

(c) INAPPLICABILITY TO CHOICE-BASED RENTAL HOUSING ASSISTANCE.—This section may not be construed to require any local housing and management authority to establish or implement an administrative grievance procedure with respect to assisted families under title III.

Page 39, line 18, strike "**SEC. 111.**" and insert "**SEC. 112.**".

Page 40, line 18, strike "**SEC. 112.**" and insert "**SEC. 113.**".

Page 39, lines 22 and 23, strike "to provide incremental housing assistance under title III" and insert "for use".

Page 40, line 2, after "subsection (a)" insert "or appropriated or otherwise made available for use under this section".

Page 40, strike lines 12 through 17 and insert the following:

(4) providing technical assistance, training, and electronic information systems for the Department of Housing and Urban Development, local housing and management authorities, residents, resident councils, and resident management corporations to improve management of such authorities, except that the provision of assistance under this paragraph may not involve expenditure of amounts retained under subsection (a) for travel;

(5)(A) providing technical assistance, directly or indirectly, for local housing and management authorities, residents, resident councils, resident management corporations, and nonprofit and other entities in connection with implementation of a homeownership program under section 251, except that grants under this paragraph may not exceed $100,000; and (B) establishing a public housing homeownership program data base; and

(6) needs related to the Secretary's actions regarding troubled local housing and management authorities under this Act.

Housing needs under this subsection may be met through the provision of assistance in accordance with title II or title III, or both.

Page 42, line 4, after "who" insert "(A)".

Page 42, line 6, strike "and" and insert a comma.

Page 42, line 7, strike "or production".

Page 42, line 8, before the period insert the following: ", and (C) is not a member of a bargaining unit represented by a union that has a collective bargaining agreement with the local housing and management authority".

Page 42, after line 8, insert the following:

(3) RESIDENTS IN TRAINING PROGRAMS.—Any individuals participating in a job training program or other program designed to promote economic self-sufficiency.

(c) DEFINITION.—For purposes of this section, the terms "operation" and "production" have the meanings given the term in section 273.

Page 42, line 9, strike "**SEC. 113.**" and insert "**SEC. 114.**".

Page 43, after line 4, insert the following new section:

SEC. 114. PROHIBITION ON USE OF FUNDS.

None of the funds made available to the Department of Housing and Urban Development to carry out this Act, which are obligated to State or local governments, local housing and management authorities, housing finance agencies, or other public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.

Page 43, line 5, strike "**SEC. 114.**" and insert "**SEC. 115.**".

Page 45, strike line 22 and insert the following:

SEC. 202. GRANT AUTHORITY, AMOUNT, AND ELIGIBILITY.

Page 46, after line 2, insert the following new subsection:

(b) PERFORMANCE FUNDS.—

(1) IN GENERAL.—The Secretary shall establish 2 funds for the provision of grants to eligible local housing and management authorities under this title, as follows:

(A) CAPITAL FUND.—A capital fund to provide capital and management improvements to public housing developments.

(B) OPERATING FUND.—An operating fund for public housing operations.

(2) FLEXIBILITY OF FUNDING.—A local housing and management authority may use up to 10 percent of the amounts from a grant under this title that are allocated and provided from the capital fund for activities that are eligible under section 203(a)(2) to be funded with amounts from the operating fund.

(c) AMOUNT OF GRANTS.—The amount of the grant under this title for a local housing and management authority for a fiscal year shall be the amount of the allocation for the authority determined under section 204, except as otherwise provided in this title and subtitle B of title IV.

Page 46, line 3, strike "(b)" and insert "(d)".

Page 46, line 19, strike "(d)" and insert "(e)".

Page 47, line 3, strike "(e)" and insert "(f)".

Page 47, strike lines 7 through 11.

Page 47, line 12, strike "(d)" and insert "(e)".

Page 48, line 22, strike "not".

Page 49, line 12, strike "(e)" and insert "(f)".

Page 49, line 20, strike "(f)" and insert "(g)".

Page 50, strike line 4 and all that follows through page 54, line 5, and insert the following new subsection:

(a) ELIGIBLE ACTIVITIES.—Except as provided in subsection (b) and in section 202(b)(2), grant amounts allocated and provided from the capital fund and grant amounts allocated and provided from the operating fund may only be used only for the following activities:

(1) CAPITAL FUND ACTIVITIES.—Grant amounts from the capital fund may be used for—

(A) the production and modernization of public housing developments, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the production of mixed-income developments;

(B) vacancy reduction;

(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

(D) planned code compliance;

(E) management improvements;

(F) demolition and replacement under section 261;

(G) tenant relocation;

(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

(I) capital expenditures to improve the security and safety of residents.

(2) OPERATING FUND ACTIVITIES.—Grant amounts from the operating fund may be used for—

(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

(B) activities to ensure a program of routine preventative maintenance;

(C) anti-crime and anti-drug activities, including the costs of providing adequate security for public housing tenants;

(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

(E) activities to provide for management and participation in the management of public housing by public housing tenants;

(F) the costs associated with the operation and management of mixed-income developments;

(G) the costs of insurance;

(H) the energy costs associated with public housing units, with an emphasis on energy conservation;

(I) the costs of administering a public housing work program under section 106, including the costs of any related insurance needs; and

(J) activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchasing housing, or the provision of financial assistance to resident management corporations or resident councils to obtain training, technical assistance, and educational assistance to promote homeownership opportunities.

Page 54, line 11, after "title III" insert a comma.

Page 54, strike lines 16 through 25 and insert the following:

sufficient evidence to the Secretary that the building or buildings—

(A) are on the same or contiguous sites;

(B) consist of more than 300 dwelling units;

(C) have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;

(D) are identified as distressed housing for which the local housing and management authority cannot assure the long-term viability as public housing through reasonable revitalization, density reduction, or achievement of a broader range of household income; and

(E) have an estimate cost of continued operation and modernization as public housing that exceeds the cost of providing choice-based rental assistance under title III for all families in occupancy, based on appropriate indicators of cost (such as the percentage of the total development cost required for modernization).

Local housing and management agencies shall identify properties that meet the definition of subparagraphs (A) through (E).

Page 55, line 3, strike "formula" and insert "formulas".

Page 55, line 6, strike "incremental".

Page 55, strike line 7 and all that follows through "assistance" on line 10.

Page 56, line 14, after "and" insert "take".

Page 58, line 10, strike "formula" and insert "formulas".

Page 58, line 12, strike "formula" and insert "formulas".

Page 58, strike line 15 and all that follows through line 22, and insert the following new subsection:

(c) EXTENSION OF DEADLINES.—The Secretary may, for a local housing and management authority, extend any deadline established pursuant to this section or a local housing management plan for up to an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

Page 59, line 11, strike "**BLOCK**".

Page 59, line 13, strike "section 111" and insert "section 112".

Page 59, line 24, strike "a formula described in" and insert "the formulas described in paragraphs (1) and (2) of".;

Page 60, lines 1 and 2, strike "formula" and insert "formulas".

Page 60, strike line 10 and all that follows through line 23 and insert the following:

(c) PERMANENT ALLOCATION FORMULAS FOR CAPITAL AND OPERATING FUNDS.—

(1) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the capital fund for a fiscal year. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned or operated by the local housing and management authority, the characteristics and locations of the developments, and the characteristics of the families served and to be served (including the incomes of the families);

(B) the need of the local housing and management authority to carry out rehabilitation and modernization activities, and reconstruction, production, and demolition activities related to public housing dwelling units owned or operated by the local housing and management authority, including backlog and projected future needs of the authority;

(C) the cost of constructing and rehabilitating property in the area; and

(D) the need of the local housing and management authority to carry out activities that provide a safe and secure environment in public housing units owned or operated by the local housing and management authority.

(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the operating fund for a fiscal year. The formula may take into account such factors as—

(A) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the public housing developments and characteristics of the families served and to be served (including the incomes of the families), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing development;

(B) the number of public housing dwelling units owned or operated by the local housing and management authority; and

(C) the need of the local housing and management authority to carry out anti-crime and anti-drug activities, including providing adequate security for public housing residents.

Page 60, line 24, strike "(2)" and insert "(3)".

Page 60, line 25, strike "formula", and insert "formulas".

Page 61, line 4, strike "formula", and insert "formulas".

Page 61, line 6, strike "(3)" and insert "(4)".

Page 61, line 9, strike "formula", and insert "formulas".

Page 61, line 10, strike "(2)" and insert "(3)".

Page 62, line 10, after "costs" insert the following: "and other necessary costs (such as costs necessary for the protection of persons and property)".

Page 62, after line 16, insert the following new subparagraph:

(D) INCREASES IN INCOME.—The Secretary may revise the formula referred to in subparagraph (B) to provide an incentive to encourage local housing and management authorities to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families with a broad range of incomes, including families whose incomes have increased while in occupancy and newly admitted families. Any such incentive shall provide that the local housing and management authority shall derive the full benefit of an increase in nonrental income, and such increase shall not directly result in a decrease in amounts provided to the authority under this title.

Page 63, after line 13, insert the following new subsection:

(e) ELIGIBILITY OF UNITS ACQUIRED FROM PROCEEDS OF SALES UNDER DEMOLITION OR DISPOSITION PLAN.—If a local housing and management authority uses proceeds from the sale of units under a homeownership program in accordance with section 251 to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the authority under this section until sale by the authority, but in any case no longer than 5 years.

Page 69, line 21, strike "25 percent" and insert "30 percent".

Page 69, line 23, strike the period insert the following: ", as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.".

Page 71, after line 11, insert the following new subsection:

(e) LOSS OF ASSISTANCE FOR TERMINATION OF TENANCY.—A local housing and management authority shall, consistent with policies described in the local housing management plan of the authority, establish policies providing that a family residing in a public housing dwelling unit whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued occupancy in public housing under this title; and

(2) immediately become ineligible for admission to public housing under this title or for housing assistance under title III—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; or

(B) for other terminations, for a reasonable period of time as determined period of time as determined by the local housing and management authority.

Page 71, line 22, strike the period and all that follows through "sources" in line 24.

Page 72, strike line 11 and all that follows through page 74, line 20, and insert the following new subsection:

(b) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for, or tenants of, public housing as provided in section 646 of the Housing and Community Development Act of 1992.

Page 76, strike line 2 and all that follows through page 77, line 14, and insert the following:

(a) RENTAL CONTRIBUTION BY RESIDENT.—

(1) IN GENERAL.—A family shall pay as monthly rent for a dwelling unit in public housing the amount that the local housing and management authority determines is appropriate with respect to the family and the unit, which shall be—

(A) based upon factors determined by the authority, which may include the adjusted income of the resident, type and size of dwelling unit, operating and other expenses of the authority, or any other factors that the authority considers appropriate; and

(B) an amount that is not less than the minimum monthly rental amount under subsection (b)(1) nor more than any maximum monthly rental amount established for the dwelling unit pursuant to subsection (b)(2).

In determining the amount of the rent charged under this paragraph for a dwelling unit, a local housing and management authority shall take into consideration the characteristics of the population served by the authority, the goals of the local housing management plan for the authority, and the goals under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction.

(2) EXCEPTIONS.—Notwithstanding any other provision of this section, the amount paid for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is residing in any dwelling unit in public housing and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) whose income does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

(b) ALLOWABLE RENTS.—

(1) MINIMUM RENTAL.—Each local housing and management authority shall establish, for each dwelling unit in public housing owned or administered by the authority, a minimum monthly rental contribution toward the rent (which rent shall include any amount allowed for utilities), which—

(A) may not be less than $25, nor more than $50; and

(B) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly rental contribution in effect for the preceding year.

Notwithstanding the preceding sentence, a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

Page 82, line 14, before the semicolon, insert "on or off such premises".

Page 83, strike line 1 and all that follows through page 89, line 15, and insert the following new section:

SEC. 227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES

(a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a local housing and management authority for which the information required under subsection (d) is in effect may provide public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy as provided in paragraph (1), the local housing and management authority may make units in such developments (or portions) available only to the types of families for whom the development is designated.

(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a local housing and management authority determines that there are insufficient numbers of elderly families to fill all the units in a development (or portion of a development) designated under paragraph (1) for occupancy by only elderly families, the authority may provide that near-elderly families may occupy dwelling units in the development (or portion).

(b) STANDARDS REGARDING EVICTIONS.—Except as provided in section 105(b)(1)(B), any tenant who is lawfully residing in a dwelling unit in a public housing development may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) pursuant to this section or because of any action taken by the Secretary or any local housing and management authority pursuant to this section.

(c) RELOCATION ASSISTANCE.—A local housing and management authority that designates any existing development or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the authority and the person or family;

(2) access to comparable housing (including appropriate services and design features), which may include choice-based rental housing assistance under title III, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(d) REQUIRED INCLUSIONS IN LOCAL HOUSING MANAGEMENT PLAN.—A local housing and management authority may designate a development (or portion of a development) for occupancy under subsection (a)(1) only if the authority, as part of the authority's local housing management plan—

(1) establishes that the designation of the development is necessary—

(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

(B) to meet the housing needs of the low-income population of the jurisdiction; and

(2) includes a description of—

(A) the development (or portion of a development) to be designated;

(B) the types of tenants for which the development is to be designated;

(C) any supportive services to be provided to tenants of the designated development (or portion);

(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended occupants; and

(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the development were not restricted pursuant to this section.

For purposes of this subsection, the term 'supportive services' means services designed to meet the special needs of residents. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering designation of a development pursuant to this section.

(e) EFFECTIVENESS.—

(1) Initial 5-year effectiveness.—The information required under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under section 108(a) of the local housing and management authority that the information complies with the requirements under section 107 and this section.

(2) RENEWAL.—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an authority may extend the effectiveness of the designation and information for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the information. The Secretary may not limit the number of times a local housing and management authority extends the effectiveness of a designation and information under this paragraph.

(3) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this section, a local housing and management authority shall be considered to have submitted the information required under this section if the authority has submitted to the Secretary an application and allocation plan under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) that has not been approved or disapproved before such date of enactment.

(4) TRANSITION PROVISION.—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) before such date of enactment shall be considered to be the information required to be submitted under this section and that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(g) INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.—No resident of a public housing development shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing development or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

(h) USE OF AMOUNTS.—Any amounts appropriated pursuant to section 10(b) of the Housing Opportunity Program Extension Act of 1996 (Public Law 104-120) may also be used for choice-based rental housing assistance under title III for local housing and management authorities to implement this section.

Page 89, after line 23, insert the following new subsection:

(b) ACCOUNTING SYSTEM FOR RENTAL COLLECTIONS AND COSTS.—

(1) ESTABLISHMENT.—Each local housing and management authority that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project and operating cost center (as determined by the Secretary).

(2) ACCESS TO RECORDS.—Each local housing and management authority shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

(3) EXEMPTION.—The Secretary may permit authorities owning or operating fewer than 500 dwelling units to comply with the requirements of this subsection by accounting on an authority-wide basis.

Page 89, line 24, strike "(b)" and insert "(c)".

Page 90, strike lines 13 through 16 and insert the following:

dwellings, with such applicable

Page 90, lines 20 and 21, strike the period "subparagraph (A)" and insert "paragraph (1)".

Page 91, strike "and" in line 12 and all that follows through line 16 and insert a period.

Page 92, strike lines 4 through 11, and insert the following:

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through the end and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs."; and

(B) in subparagraph (B)(ii), by striking "managed by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(2) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through "section 14 of that Act" and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs"; and

(B) in subparagraph (B)(ii), by striking "operated by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996".

Page 93, line 3, insert "on a regular basis" before the period.

Page 97, line 8, strike "is".

Page 108, line 16, after the period insert the following: "In addition, the Secretary may provide financial assistance to resident management corporations or resident councils for activities sponsored by resident organizations for economic uplift, such as job training, economic development, security, and other self-sufficiency activities beyond those related to the management of public housing. The Secretary may require resident councils or resident management corporations to utilize local housing and management authorities or other qualified organizations as contract administrators with respect to financial assistance provided under this paragraph.

Page 109, after line 17, insert the following new paragraph:

(6) TECHNICAL ASSISTANCE AND CLEARINGHOUSE.—The Secretary may use up to 10 percent of the amount made available pursuant to paragraph (4)—

(A) to provide technical assistance, directly or by grant or contract, and

(B) to receive, collect, process, assemble, and disseminate information,

in connection with activities under this subsection.

Page 110, line 19, after the period the following:

An authority may transfer a unit only pursuant to a homeownership program approved by the Secretary. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan regarding a homeownership program pursuant to this section.

Page 111, line 5, insert after "sales" the following: "by purchasing units for resale to low-income families".

Page 111, line 16, after the period insert the following:

In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within

5 years from the date of its acquisition of the units. The entity shall use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

Page 113, line 9, after "propriate" insert "(whether the family purchases directly from the authority or from another entity)".

Page 115, line 4, after the period insert the following new sentence:

Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering demolition or disposition pursuant to this section.

Page 127, line 19, insert "and" after the semicolon.

Page 127, line 21, strike "; and" and insert a period.

Page 127, strike line 22 and all that follows through page 128, line 2, and insert the following:

The Secretary shall give preference in selection to any local housing and management authority that has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

Page 129, line 4, before the period insert the following: "or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the revitalization plan of the original grantee".

Page 129, line 9, after "troubled" insert "or dysfunctional".

Page 133, line 5, strike lines 4 and 5 and insert the following:

under this section $480,000,000 for each of fiscal years 1996, 1997, and 1998".

Page 133, line 17, strike "1996" and insert "1998".

Page 133, after line 17, insert the following new section:

SEC. 263. VOLUNTARY VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) In General.—A local housing and management authority may convert any public housing development (or portion thereof) owned and operated by the authority to a system of choice-based rental housing assistance under title III, in accordance with this section.

(b) Assessment and Plan Requirement.—In converting under this section to a choice-based rental housing assistance system, the local housing and management authority shall develop a conversion assessment and plan under this subsection, in consultation with the appropriate public officials and with significant participation by the residents of the development (or portion thereof), which assessment and plan shall—

(1) be consistent with and part of the local housing management plan for the authority;

(2) describe the conversion and future use or disposition of the public housing development, including an impact analysis on the affected community;

(3) include a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing choice-based rental housing assistance under title III for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing development proposed for conversion for the remaining useful life of the development; and

(4) identify the actions, if any, that the local housing and management authority will take with regard to converting any public housing development or developments (or portions thereof) of the authority to a system of choice-based rental housing assistance under title III.

(c) Streamlined Assessment and Plan.—At the discretion of the Secretary or at the request of a local housing and management authority, the Secretary may waive any or all of the requirements of subsection (b) or otherwise require a streamlined assessment with respect to any public housing development or class of public housing developments.

(d) Implementation of Conversion Plan.—

(1) In general.—A local housing and management authority may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

(A) will not be more expensive than continuing to operate the public housing development (or portion thereof) as public housing; and

(B) will principally benefit the residents of the public housing development (or portion thereof) to be converted, the local housing and management authority, and the community.

(2) Disapproval.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or there is reliable information and data available to the Secretary that contradicts that conversion assessment.

(e) Other Requirements.—To the extent approved by the Secretary, the funds used by the local housing and management authority to provide choice-based rental housing assistance under title III shall be added to the housing assistance payment contract administered by the local housing and management authority or any entity administering the contract on behalf of the local housing and management authority.

(f) Savings Provision.—This section does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937 (as such section existed immediately before the enactment of this Act).

Page 135, line 18, strike "section 202(b)" and insert "section 202(d)".

Page 138, strike line 5 and all that follows through line 7 and insert the following:

There are authorized to be appropriated for grants under this title, the following amounts:

(1) Capital Fund.—For the allocations from the capital fund for grants, $2,500,000,000 for each of fiscal years 1997, 1998, 1999, and 2000; and

(2) Operating Fund.—For the allocations from the operating fund for grants, $2,800,000,000 for each of fiscal years 1997, 1998, 1999, and 2000.

Page 141, line 7, strike "(5)" and insert "(4)".

Page 141, line 10, strike "(6)" and insert "(5)".

Page 140, line 21, after "title" insert the following: "pursuant to the formula established under section 304(a)".

Page 141, lines 16 and 17, strike "subsection (c) and section 109" and insert "subsections (b)(3) and (c), and section 112".

Page 143, line 19, after "including" insert the following: "funding for the headquarters reserve fund under section 112,".

Page 143, line 25, after "displacement" insert "from public or assisted housing".

Page 144, line 9, strike "loan" and insert "portfolio".

Page 148, line 22, strike "the Secretary" and all that follows through page 149, line 21, and insert the following: "the Secretary shall take such steps as may be necessary to ensure that the local housing and management authority that provides the services for a family receives all or part of the administrative fee under this section (as appropriate).".

Page 152, after line 2, insert the following new subsection:

(b) Income Targeting.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 50 percent shall be families whose incomes do not exceed 60 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

Page 152, line 3, strike "(b)" and insert "(c)".

Page 152, line 18, strike "(c)" and insert "(d)".

Page 153, strike line 11 and all that follows through line 25 on page 155, and insert the following new subsection:

(d) Portability of Housing Assistance.—

(1) National portability.—An eligible family that is selected to receive or is receiving assistance under this title may rent any eligible dwelling unit in any area where a program is being administered under this title. Notwithstanding the preceding sentence, a local housing and management authority may require that any family not living within the jurisdiction of the local housing and management authority at the time the family applies for assistance from the authority shall, during the 12-month period beginning on the date of initial receipt of housing assistance made available on behalf of the family from that authority, lease and occupy an eligible dwelling unit located within the jurisdiction served by the authority. The authority for the jurisdiction into which the family moves shall have the responsibility for administering assistance for the family.

(2) Source of funding for a family that moves.—For a family that has moved into the jurisdiction of a local housing and management authority and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another authority, the authority for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary or through reimbursement from the other authority under that authority's contract.

(3) Authority to deny assistance to certain families who move.—A family may not receive housing assistance as provided under this subsection if the family has moved from a dwelling unit in violation of the lease for the dwelling unit.

(4) Funding allocations.—In providing assistance amounts under this title for local housing and management authorities for any fiscal year, the Secretary may give consideration to any reduction or increase in the number of resident families under the program of an authority in the preceding fiscal year as a result of this subsection.

Page 156, line 3, strike "may, to the extent such policies are" and insert "shall, consistent with the policies".

Page 156, lines 4 and 5, strike "and included in the lease for a dwelling unit".

Page 156, strike lines 11 through 14 and insert the following new paragraph:

(2) immediately become ineligible for housing assistance under this title or for admission to public housing under title II—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; and

(B) for other terminations, for a reasonable period of time as determined by the local housing and management authority.

Page 156, line 15, strike "(h)" and insert "(f)".

Page 156, after line 24, insert the following new subsections:

(i) DENIAL OF ASSISTANCE TO CRIMINAL OFFENDERS.—In making assistance under this title available on behalf of eligible families, a local housing and management authority may deny the provision of such assistance in the same manner, for the same period, and subject to the same conditions that an owner of federally assisted housing may deny occupancy in such housing under subsections (b) and (c) of section 642 of the Housing and Community Development Act of 1992.

(j) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for housing assistance under this title and assisted families under this title to the same extent an owner of federally assisted housing may obtain such records regarding an applicant for or tenant of federally assisted housing under section 646 of the Housing and Community Development Act of 1992.

Page 157, strike line 2 and all that follows through page 158, line 8, and insert the following new subsections:

(a) AMOUNT.—

(1) IN GENERAL.—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the local housing and management authority determines is appropriate with respect to the family and the unit, but shall not be less than the minimum monthly rental contribution determined under subsection (b).

(2) EXCEPTIONS FOR CERTAIN CURRENT RESIDENTS.—Notwithstanding paragraph (1), the amount paid by an assisted family for monthly rent for an assisted dwelling unit, may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is an assisted family and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) whose income does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

Any amount payable under paragraph (3) shall be in addition to the amount payable under this paragraph.

(3) EXCESS RENTAL AMOUNT.—In any case in which the monthly rent charged for a dwelling unit pursuant to the housing assistance payments contract exceeds the applicable payment standard (established under section 353) for the dwelling unit, the assisted family residing in the unit shall contribute (in addition to the amount of the monthly rent contribution otherwise determined under paragraph (1) or (2) of this subsection for such family) such entire excess rental amount.

(b) MINIMUM MONTHLY RENTAL CONTRIBUTION.—

(1) IN GENERAL.—The local housing and management authority shall determine the amount of the minimum monthly rental contribution of an assisted family (which rent shall include any amount allowed for utilities), which—

(A) shall be based upon factors including the adjusted income of the family and any other factors that the authority considers appropriate;

(B) shall be not less than $25, nor more than $50; and

(C) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly contribution in effect for the preceding year.

(2) HARDSHIP EXCEPTION.—Notwithstanding paragraph (1), a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any assisted family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

Page 161, line 21, strike "section 325" and insert "this title".

Page 162, line 19, before the period, insert "on or off such premises".

Page 163, strike lines 9 through 16 and insert the following new paragraph:

(1) IN GENERAL.—Notwithstanding subsection (a), a local housing and management authority—

(A) may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations;

(B) may prohibit, or authorize the termination or suspension of, payment of housing assistance under a housing assistance payments contract in effect at the time such debarment, suspension, or limited denial of participation takes effect.

If the local housing and management authority takes action under subparagraph (B), the authority shall take such actions as may be necessary to protect assisted families who are affected by the action, which may include the provision of additional assistance under this title to such families.

Page 163, strike line 23 and all that follows through page 164, line 2.

Page 164, line 8, before the period insert "and any applicable law".

Page 165, line 17, strike "subsection (b)" and insert "subsection (c)".

Page 166, strike lines 9 through 22 and insert the following new paragraph:

(2) EXPEDITIOUS INSPECTION.—Inspections of dwelling units under this subsection shall be made before the expiration of the 15-day period beginning upon a request by the resident or landlord to the local housing and management authority. The performance of the authority in meeting the 15-day inspection deadline shall be taken into account in assessing the performance of the authority.

Page 167, line 14, strike "The authority" and all that follows through line 19 and insert the following new sentence: "The authority shall retain the records of the inspection for a reasonable time and shall make the records available upon request to the Secretary and the Inspector General for the Department of Housing and Urban Development, the Housing Foundation and Accreditation Board established under title IV, and any auditor conducting an audit under section 432.".

Page 168, line 18, before "income" insert "sufficient".

Page 170, line 18, after "dwelling units" insert the "(other than public housing)".

Page 170, line 22, strike "or the owner".

Page 171, strike line 15 and all that follows through page 172, line 11, and insert the following new section:

SEC. 352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

(a) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located—

(1) the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 322(a)(1); or

(2) in the case only of families described in paragraph (2) of section 322(a), the amount by which such payment standard exceeds the lesser of (i) the resident contribution determined in accordance with section 322(a)(1), or (ii) 30 percent of the family's adjusted monthly income.

(b) SHOPPING INCENTIVE FOR UNITS HAVING GROSS RENT NOT EXCEEDING PAYMENT STANDARD.—In the case of an assisted family renting an eligible dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the following requirements shall apply:

(1) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of the monthly assistance payment for housing assistance under this title on behalf of the assisted family shall be the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution.

(2) ESCROW OF SHOPPING INCENTIVE SAVINGS.—An amount equal to 50 percent of the difference between payment standard and the gross rent for the dwelling unit shall be placed in an interest bearing escrow account on behalf of such family on a monthly basis by the local housing and management authority. Amounts in the escrow account shall be made available to the assisted family on an annual basis.

(3) DEFICIT REDUCTION.—The local housing and management authority making housing assistance payments on behalf of such assisted family in a fiscal year shall reserve from amounts made available to the authority for assistance payments for such fiscal year an amount equal to the amount described in paragraph (2). At the end of each fiscal year, the Secretary shall recapture any such amounts reserved by local housing and management authorities and such amounts shall be covered into the General Fund of the Treasury of the United States.

For purposes of this section, in the case of a family receiving homeownership assistance under section 329, the term "gross rent" shall mean the homeownership costs to the family as determined in accordance with guidelines of the Secretary.

Page 173, line 3, strike "large".

Page 173, strike "For purposes" in line 15 and all that follows through line 19.

Page 174, line 5, after "unit" insert "(with respect to initial contract rents and any rent revisions)".

Page 179, line 25, strike "section 110" and insert "section 111".

Page 182, line 17, strike "2" and insert "at least 2, but not more than 4".

Page 183, after line 15, insert the following new subparagraph:

(E) At least 1 individual who has extensive experience in auditing participants in government programs.

Page 186, after line 2, insert the following new paragraph:

(3) IMPROVEMENT OF INDEPENDENT AUDITS.—Providing for the development of effective means for conducting comprehensive financial and performance audits of local housing and management authorities under section 432 and, to the extent provided in such section, providing for the conducting of such audits.

Page 186, line 3, strike "(3)" and insert "(4)".

Page 186, strike lines 6 through 8 and insert the following:

grants under title II for the operation, maintenance, and production of public housing and amounts for housing assistance under title III, ensuring that financial and performance audits under section 432

Page 186, line 12, strike "(4)" and insert "(5)".

Page 187, after line 13, insert the following new subsection:

(c) ASSISTANCE FROM NATIONAL CENTER FOR HOUSING MANAGEMENT.—

(1) IN GENERAL.—During the period referred to in subsection (a), the National Center for Housing Management established by Executive Order 11668 (42 U.S.C. 3531 note) shall, to the extent agreed to by the Center, provide the Board with ongoing assistance and advice relating to the following matters:

(A) Organizing the structure of the Board and its operations.

(B) Establishing performance standards and guidelines under section 431(a).

Such Center may, at the request of the Board, provide assistance and advice with respect to matters not described in paragraphs (1) and (2) and after the expiration of the period referred to in subsection (a).

(2) ASSISTANCE.—The assistance provided by such Center shall include staff and logistical support for the Board and such operational and managerial activities as are necessary to assist the Board to carry out its functions during the period referred to in subsection (a).

Page 188, after line 22, insert the following new paragraph:

(4) HUD INSPECTOR GENERAL.—The Inspector General of the Department of Housing and Urban Development shall serve the Board as a principal adviser with respect to all aspects of annual financial and performance audits of local housing and management authorities under section 432. The Inspector General may advise the Board with respect to other activities and functions of the Board.

Page 189, line 4 and 5, strike "research or surveys" and insert "evaluations under section 404(b), audits of local housing and management authorities as provided under section 432, research, and surveys".

Page 189, line 6, before the period insert the following: ", and may enter into contracts with the National Center for Housing Management to conduct the functions assigned to the Center under this title".

Page 190, line 5, strike "and" and insert a comma.

Page 190, line 6, before the period insert ", and conducting audits of authorities under section 432".

Page 190, after line 13, insert the following new subsection:

(a) REPORT ON COORDINATION WITH HUD FUNCTIONS.—Not later than the expiration of the 12-month period beginning upon the date of the enactment of this Act, the Board shall submit a report to the Congress that—

(1) identifies and describes the processes, procedures, and activities of the Department of Housing and Urban Development which may duplicate functions of the Board, and makes recommendations regarding activities of the Department that may no longer be necessary as a result of improved auditing of authorities pursuant to this title;

(2) makes recommendations for any changes to Federal law necessary to improve auditing of local housing and management authorities; and

(3) makes recommendations regarding the review and evaluation functions currently performed by the Department of Housing and Urban Development that may be more efficiently performed by the Board and should be performed by the Board, and those that should continue to be performed by the Department.

Page 190, line 14, before "The" insert "(b) ANNUAL REPORTS.—".

Page 190, after line 23, insert the following new section:

SEC. 408. GAO AUDIT.

The activities and transactions of the Board shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Board that are necessary to facilitate an audit.

Page 196, strike line 10 and all that follows through page 198, line 25, and insert the following new section:

SEC. 432. FINANCIAL AND PERFORMANCE AUDITS.

(a) REQUIREMENT.—A financial and performance audit under this section shall be conducted for each local housing and management authority for each fiscal year that the authority receives grant amounts under this Act, as provided under one of the following paragraphs:

(1) LHMA PROVIDES FOR AUDIT.—If neither the Secretary nor the Board takes action under paragraph (2) or (3), the Secretary shall require the local housing and management authority to have the audit conducted. The Secretary may prescribe that such audits be conducted pursuant to guidelines set forth by the Department.

(2) SECRETARY REQUESTS BOARD TO PROVIDE FOR AUDIT.—The Secretary may request the Board to contract directly with an auditor to have the audit conducted for the authority.

(3) BOARD PROVIDES FOR AUDIT.—The Board may notify the Secretary that it will contract directly with an auditor to have the audit conducted for the authority.

(b) OTHER AUDITS.—Pursuant to risk assessment strategies designed to ensure the integrity of the programs for assistance under this Act, which shall be established by the Inspector General for the Department of Housing and Urban Development in consultation with the Board, the Inspector General may request the Board to conduct audits under this subsection of local housing and management authorities. Such audits may be in addition to, or in place of, audits under subsection (a), as the Board shall provide.

(c) SUBMISSION OF RESULTS.—

(1) SUBMISSION TO SECRETARY AND BOARD.—The results of any audit conducted under this subsection shall be submitted to the local housing and management authority, the Secretary, and the Board.

(2) SUBMISSION TO LOCAL OFFICIALS.—

(A) REQUIREMENT.—A local housing and management authority shall submit each audit conducted under this section to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and comment. Any such comments shall be submitted, together with the audit, to the Secretary and the Board and the Secretary and the Board shall consider such comments in reviewing the audit.

(B) TIMING.—An audit shall be submitted to local officials as provided in subparagraph (A)—

(i) in the case of an audit conducted under subsection (a)(1), not later than 60 days before the local housing and management authority submits the audit to the Secretary and the Board; or

(ii) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), not later than 60 days after the authority receives the audit.

(d) PROCEDURES.— The requirements for financial and performance audits under this section shall—

(1) be established by the Board, in consultation with the Inspector General of the Department of Housing and Urban Development;

(2) provide for the audit to be conducted by an independent auditor selected—

(A) in the case of an audit under subsection (a)(1), by the authority; and

(B) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), by the Board;

(3) authorize the auditor to obtain information from a local housing and management authority, to access any books, documents, papers, and records of an authority that are pertinent to this Act and assistance received pursuant to this Act, and to review any reports of an authority to the Secretary;

(4) impose sufficient requirements for obtaining information so that the audits are useful to the Board in evaluating local housing and management authorities; and

(5) include procedures for testing the reliability of internal financial controls of local housing and management authorities.

(e) PURPOSE.—Audits under this section shall be designed to—

(1) evaluate the financial performance and soundness and management performance of the local housing and management authority board of directors (or other similar governing body) and the authority management officials and staff;

(2) assess the compliance of an authority with all aspects of the standards and guidelines established under section 431(a)(1);

(3) provide information to the Secretary and the Board regarding the financial performance and management of the authority and to determine whether a review under section 225(d) or 353(c) is required; and

(4) identify potential problems in the operations, management, functioning of a local housing and management authority at a time before such problems result in serious and complicated deficiencies.

(f) INAPPLICABILITY OF SINGLE AUDIT ACT.—Notwithstanding the first sentence of section 7503(a) of title 31, United States Code, an audit conducted in accordance with chapter 75 of such title shall not exempt any local housing and management authority from conducting an audit under this section. Audits under this section shall not be subject to the requirements for audits under such chapter. An audit under this section for a local housing and management authority for a fiscal year shall be considered to satisfy any requirements under such chapter for such fiscal year.

(g) Withholding of Amounts for Costs of Audit.—

(1) LHMA responsible for audit.—If the Secretary requires a local housing and management authority to have an audit under this section conducted pursuant to subsection (a)(1) and determines that the authority has failed to take the actions required to submit an audit under this section for a fiscal year, the Secretary may—

(A) arrange for, and pay the costs of, the audit and withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); or

(B) request the Board to conduct the audit pursuant to subsection (a)(2) and withhold amounts pursuant to paragraph (2) of this subsection.

(2) Board responsible for audit.—If the Board is responsible for an audit for a local housing and management authority pursuant to paragraph (2) or (3) of subsection (a), subsection (b), or paragraph (1)(B) of this subsection, the Secretary shall—

(A) withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the audit, but in no case more than the reasonable cost of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); and

(B) transfer such amounts to the Board.

Page 201, line 21, strike "to prepare".

Page 201, line 23, after "housing" insert "or functions".

Page 202, lines 1 and 2, strike "to prepare".

Page 203, lines 17 and 18, strike "the expiration" and all that follows through "437(b)(2)" on line 19, and insert the following: "such period, the Secretary shall take the action authorized under subsection (b)(2) or (b)(5) of section 438".

Page 203, line 19, strike "437(b)(2)" and insert "438(b)(2) or (b)(5)".

Page 207, line 16, strike "section 435" and insert "section 436".

Page 209, line 9, strike "if" and all that follows through the comma on line 12.

Page 210, line 9, before the semicolon insert ", but only after efforts to renegotiate such contracts have failed".

Page 210, line 19, after "laws" insert the following: "relating to civil service requirements, employee rights, procurement, or financial or administrative controls".

Page 210, line 20, strike "receiver" and insert "Secretary".

Page 212, line 24, strike "(D" and insert "(D)".

Page 212, line 25, after "laws" insert the following: "relating to civil service requirements, employee rights, procurement, or financial or administrative controls".

Page 213, after line 23, insert the following new subsection:

(g) Effectiveness.—The provisions of this section shall apply with respect to actions taken before, on, or after the effective date of this Act and shall apply to any receivers appointed for a public housing agency before the date of enactment of this Act.

Page 215, line 7, strike "for the first year beginning after the date of enactment of this Act".

Page 216, line 2, strike "section 438(b)" and insert "section 439(b)".

Page 217, line 7, strike "section 432" and insert "section 433".

Page 217, line 9, strike "and 436" and insert "436, and 438".

Page 218, strike lines 19 through 22 (and redesignate subsequent paragraphs accordingly).

Page 226, after line 9, insert the following new subsection:

(f) Conversion of Project-Based Assistance to Choice-Based Rental Assistance.—

(1) Section 8 project-based contracts.—Upon the request of the owner of a multifamily housing project for which project-based assistance is provided under a contract entered into under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project and shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(2) Section 236 contracts.—Upon the request of the owner of a multifamily housing project for which assistance is provided under a contract for interest reduction payments under section 236 of the National Housing Act, notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project. The amount of the interest reduction payments made on behalf of the owner shall be reduced by a fraction for which the numerator is the aggregate basic rent for the units which are no longer assisted under the contract for interest reduction payments and the denominator is the aggregate basic rents for all units in the project. The requirements of section 236(g) of the National Housing Act shall not apply to rental charges collected with respect to dwelling units for which assistance in terminated under this paragraph. Such reduction shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(3) Eligible units.—A unit may be removed from coverage by a contract pursuant to paragraph (1) or (2) only—

(A) upon the vacancy of the unit; and

(B) in the case of—

(i) units assisted under section 8 of the United States Housing Act of 1937, if the contract rent for the unit is not less than the applicable fair market rental established pursuant to section 8(c) of such Act for the area in which the unit is located; or

(ii) units assisted under an interest reduction contract under section 236 of the National Housing Act, if the reduction in the amount of interest reduction payments on a monthly basis is less than the aggregate amount of fair market rents established pursuant to section 8(c) of such Act for the number and type of units which are removed from coverage by the contract.

(4) Recapture.—Any budget authority that becomes available to a local housing and management authority or the Secretary pursuant to this section shall be used to provide choice-based rental assistance under title III, during the term covered by such contract.

Page 231, line 24, after the period insert the following new sentence: "The plan shall be developed with the participation of residents and appropriate law enforcement officials.".

Page 240, after the matter following line 17, insert the following new subsection:

(i) Treatment of NOFA.—The cap limiting assistance under the Notice of Funding Availability issued by the Department of Housing and Urban Development in the Federal Register of April 8, 1996, shall not apply to a local housing and management authority within an area designated as a high intensity drug trafficking area under section 1005(c) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504(c).

At the end of title V of the bill, insert the following new sections:

SEC. 504. TREATMENT OF CERTAIN PROJECTS.

Rehabilitation activities undertaken by Pennrose Properties in connection with 40 dwelling units for senior citizens in the Providence Square development located in New Brunswick, New Jersey, are hereby deemed to have been conducted pursuant to the approval of and an agreement with the Secretary of Housing and Urban Development under clauses (i) and (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

SEC. 505. AMENDMENTS RELATING TO COMMUNITY DEVELOPMENT ASSISTANCE.

(a) Eligibility of Metropolitan Cities.—Section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) is amended—

(1) by striking the second sentence and inserting the following new sentence: "Any city that was classified as a metropolitan city for at least 1 year after September 30, 1989, pursuant to the first sentence of this paragraph, shall remain classified as a metropolitan city by reason of this sentence until the first year for which data from the 2000 Decennial Census is available for use for purposes of allocating amounts this title."; and

(2) by striking the fifth sentence and inserting the following new sentence: "Notwithstanding that the population of a unit of general local government was included, after September 30, 1989, with the population of an urban county for purposes of qualifying for assistance under section 106, the unit of general local government may apply for assistance under section 106 as a metropolitan city if the unit meets the requirements of the second sentence of this paragraph.".

(b) Public Services Limitation.—Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking "through 1997" and inserting "through 1998".

SEC. 506. AUTHORITY TO TRANSFER SURPLUS REAL PROPERTY FOR HOUSING USE.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end the following new subsection:

"(r)(1) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for homeless individuals or families, such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(2) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for low-income individuals or families such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(3) In making transfers under this subsection, the Administrator shall take such action, which shall include grant agreements with an organization receiving a grant, as may be necessary to ensure that—

"(A) assistance provided under this subsection is used to facilitate and encourage homeownership opportunities through the construction of self-help housing, under terms which require that the person receiving the assistance contribute a significant amount of labor toward the construction; and

"(B) the dwellings constructed with property transferred under this subsection shall be quality dwellings that comply with local building and safety codes and standards and shall be available at prices below the prevailing market prices.

"(4)(A) Where the Administrator has transferred a significant portion of a surplus real property, including buildings, fixtures, and equipment situated thereon, under paragraph (1) or (2) of this subsection, the transfer of the entire property shall be deemed to be in compliance with title V of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411 et seq.).

"(B) For the purpose of this paragraph, the term 'a significant portion of a surplus real property' means a portion of surplus real property—

"(i) which constitutes at least 5 acres of total acreage;

"(ii) whose fair market value exceeds $100,000; or

"(iii) whose fair market value exceeds 15 percent of the surplus property's fair market value.

"(5) The provisions of this section shall not apply to buildings and property at military installations that are approved for closure under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) and shall not supersede the provisions of section 2(e) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (10 U.S.C. 2687 note).".

SEC. 507. RURAL HOUSING ASSISTANCE.

The last sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by inserting before the period the following: ", and the city of Altus, Oklahoma, shall be considered a rural area for purposes of this title until the receipt of data from the decennial census in the year 2000".

SEC. 508. TREATMENT OF OCCUPANCY STANDARDS.

(a) NATIONAL STANDARD PROHIBITED.—The Secretary of Housing and Urban Development shall not directly or indirectly establish a national occupancy standard.

(b) STATE STANDARD.—If a State establishes an occupancy standard—

(1) such standard shall be presumed reasonable for purposes of any laws administered by the Secretary; and

(2) the Secretary shall not suspend, withdraw, or deny certification of any State or local public agency based in whole or in part on that State occupancy standard or its operation.

(c) ABSENCE OF STATE STANDARD.—If a State fails to establish an occupancy standard, an occupancy standard of 2 persons per bedroom established by a housing provider shall be presumed reasonable for the purposes of any laws administered by the Secretary.

(d) DEFINITION.—

(1) GENERAL RULE.—Except as provided in paragraph (2), the term "occupancy standard" means a law, regulation, or housing provider policy that establishes a limit on the number of residents a housing provider can properly manage in a dwelling for any 1 or more of the following purposes—

(A) providing a decent home and services for each resident;

(B) enhancing the livability of a dwelling for all residents, including the dwelling for each particular resident; and

(C) avoiding undue physical deterioration of the dwelling and property.

(2) EXCEPTION.—The term "occupancy standard" does not include a Federal, State, or local restriction regarding the maximum number of persons permitted to occupy a dwelling for the sole purpose of protecting the health and safety of the residents of a dwelling, including building and housing code provisions.

(e) EFFECTIVE DATE.—This section shall take effect January 1, 1996.

SEC. 509. IMPLEMENTATION OF PLAN.

(a) IMPLEMENTATION.—Within 120 days after the enactment of this Act, the Secretary of Housing and Urban Development shall implement the Ida Barbour Revitalization Plan of the City of Portsmouth, Virginia, in a manner consistent with existing limitations under law. The Secretary shall consider and make any waivers to existing regulations consistent with such plan to enable timely implementation of such plan.

(b) REPORT.—Such city shall submit a report to the Secretary on progress in implementing the plan not later than 1 year after the date of the enactment of this Act and annually thereafter through the year 2000. The report shall include quantifiable measures revealing the increase in homeowners, employment, tax base, voucher allocation, leverage ratio of funds, impact on and compliance with the city's consolidated plan, identification of regulatory and statutory obstacles which have or are causing unnecessary delays in the plan's successful implementation or are contributing to unnecessary costs associated with the revitalization, and any other information as the Secretary considers appropriate.

SEC. 510. INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS.

(a) HOME INVESTMENT PARTNERSHIPS.—The Cranston-Gonzalez National Affordable Housing Act is amended as follows:

(1) DEFINITIONS.—In section 104(10) (42 U.S.C. 12704(10))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(2) INCOME TARGETING.—In section 214(1)(A) (42 U.S.C. 12744(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(3) RENT LIMITS.—In section 215(a)(1)(A) (42 U.S.C. 12745(a)(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(b) CDBG.—Section 102(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(20)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

"(B) The Secretary may—

"(i) with respect to any reference in subparagraph (A) to 50 percent of the median income of the area involved, establish percentages of median income for any area that are higher or lower than 50 percent if the Secretary finds such variations to be necessary because of unusually high or low family incomes in such area; and

"(ii) with respect to any reference in subparagraph (A) to 80 percent of the median income of the area involved, establish a percentage of median income for any area that is higher than 80 percent if the Secretary finds such variation to be necessary because of unusually low family incomes in such area.".

SEC. 511. AMENDMENTS RELATING TO SECTION 236 PROGRAM.

Section 236(f)(1) of the National Housing Act (12 U.S.C. 1715z-1) (as amended by section 405(d)(1) of The Balanced Budget Downpayment Act, I, and by section 228(a) of The Balanced Budget Downpayment Act, II) is amended—

(1) in the second sentence, by striking "the lower of (i)";

(2) in the second sentence, by striking "(ii) the fair market rental established under section 8(c) of the United States Housing Act of 1937 for the market area in which the housing is located, or (iii) the actual rent (as determined by the Secretary) paid for a comparable unit in comparable unassisted housing in the market area in which the housing assisted under this section is located,"; and

(3) by inserting after the second sentence the following: "However, in the case of a project which contains more than 5,000 units, is subject to an interest reduction payments contract, and is financed under a State or local program, the Secretary may reduce the rental charge ceiling, but in no case shall the rent be below basic rent. For plans of action approved for capital grants under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the provisions of the Emergency Low Income Housing Preservation Act of 1987, the rental charge for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the lower of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the actual rent paid for a comparable unit in comparable unassisted housing in the market area in which the housing is located, as represents 30 percent of the tenant's adjusted income, but in no case shall the rent be below basic rent.".

SEC. 512. PROSPECTIVE APPLICATION OF GOLD CLAUSES.

Section 5118(d)(2) of title 31, United States Code, is amended by adding at the end the following new sentence: "This paragraph shall continue to apply to any obligations issued on or before October 27, 1977, notwithstanding any assignment and/or novation of such obligations after such date, unless all parties to the assignment and/or novation specifically agree to include a gold clause in the new agreement.".

SEC. 513. MOVING TO WORK DEMONSTRATION FOR THE 21ST CENTURY.

(a) PURPOSE.—The purpose of this demonstration under this section is to give local housing and management authorities and the Secretary of Housing and Urban Development the flexibility to design and test various approaches for providing and administering housing assistance that—

(1) reduce cost and achieve greater cost effectiveness in Federal expenditures;

(2) give incentives to families with children where the head of household is working, seeking work, or preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and

(3) increase housing choices for low-income families.

(b) PROGRAM AUTHORITY.—

(1) SELECTION OF PARTICIPANTS.—The Secretary of Housing and Urban Development shall conduct a demonstration program under this section beginning in fiscal year 1997 under which local housing and management authorities (including Indian housing authorities) administering the public or Indian housing program and the choice-based rental assistance program under title III of this Act shall be selected by the Secretary to participate. In first year of the demonstration, the Secretary shall select 100 local housing and management authorities to participate. In each of the next 2 year of the demonstration, the Secretary shall select 100 additional local housing and management authorities per year to participate. During the first year of the demonstration, the Secretary shall select for participation any authority that complies with the requirement under subsection (d) and owns or administers more than 99,999 dwelling units of public housing.

(2) TRAINING.—The Secretary, in consultation with representatives of public housing interests, shall provide training and technical assistance during the demonstration and conduct detailed evaluations of up to 30 such agencies in an effort to identify replicable program models promoting the purpose of the demonstration.

(3) USE OF HOUSING ASSISTANCE.—Under the demonstration, notwithstanding any provision of this Act, an authority may combine operating assistance provided under section 9 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), modernization assistance provided under section 14 of such Act, assistance provided under section 8 of such Act for the certificate and voucher programs, assistance for pubic housing provided under title II of this Act, and choice-based rental assistance provided under title III of this Act, to provide housing assistance for low-income families and services to facilitate the transition to work on such terms and conditions as the authority may propose.

(c) APPLICATION.—An application to participate in the demonstration—

(1) shall request authority to combine assistance refereed to in subsection (b)(3);

(2) shall be submitted only after the local housing and management authority provides for citizen participation through a public hearing and, if appropriate, other means;

(3) shall include a plan developed by the authority that takes into account comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for—

(A) establishing a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent; and

(B) assuring that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary; and

(4) may request assistance for training and technical assistance to assist with design of the demonstration and to participate in a detailed evaluation.

(d) SELECTION CRITERIA.—In selecting among applications, the Secretary shall take into account the potential of each authority to plan and carry out a program under the demonstration and other appropriate factors as reasonably determined by the Secretary. An authority shall be eligible to participate in any fiscal year only if the most recent score for the authority under the public housing management assessment program under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) is 90 or greater.

(e) APPLICABILITY OF CERTAIN PROVISIONS.—

(1) Section 261 of this Act shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

(2) Section 113 of this Act shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

(f) EFFECT ON PROGRAM ALLOCATIONS.—The amount of assistance received under titles II and III by a local housing and management authority participating in the demonstration under this section shall not be diminished by its participation.

(g) RECORDS, REPORTS, AND AUDITS.—

(1) KEEPING OF RECORDS.—Each authority shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, to ensure compliance with the requirements of this section, and to measure performance.

(2) REPORTS.—Each authority shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

(A) document the use of funds made available under this section;

(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and

(C) describe and analyze the effect of assisted activities in addressing the objectives of this part.

(3) ACCESS TO DOCUMENTS BY THE SECRETARY.—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(4) ACCESS TO DOCUMENTS BY THE COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(h) EVALUATION AND REPORT.—

(1) CONSULTATION WITH LHMA AND FAMILY REPRESENTATIVES.—In making assessments throughout the demonstration, the Secretary shall consult with representatives of local housing and management authorities and residents.

(2) REPORT TO CONGRESS.—Not later than 180 days after the end of the third year of the demonstration, the Secretary shall submit to the Congress a report evaluating the programs carried out under the demonstration. The report shall also include findings and recommendations for any appropriate legislative action.

SEC. 514. OCCUPANCY SCREENING AND EVICTIONS FROM FEDERALLY ASSISTED HOUSING.

(a) OCCUPANCY SCREENING.—Section 642 of the Housing and Community Development Act of 1992 (42 U.S.C. 13602)—

(1) by inserting "(a) GENERAL CRITERIA.—" before "In"; and

(2) by adding at the end the following new subsections:

"(b) AUTHORITY TO DENY OCCUPANCY FOR CRIMINAL OFFENDERS.—In selecting tenants for occupancy of dwelling units in federally assisted housing, if the owner of such housing determines that an applicant for occupancy in the housing or any member of the applicant's household is or was, during the preceding 3 years, engaged in any activity described in paragraph (2)(C) of section 645, the owner may—

"(1) deny such applicant occupancy and consider the applicant (for purposes of any waiting list) as not having applied for such occupancy ; and

"(2) after the expiration of the 3-year period beginning upon such activity, require the applicant, as a condition of occupancy in the housing or application for occupancy in the housing, to submit to the owner evidence sufficient (as the Secretary shall by regulation provide) to ensure that the individual or individuals in the applicant's household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such 3-year period.

"(c) AUTHORITY TO REQUIRE ACCESS TO CRIMINAL RECORDS.—An owner of federally assisted housing may require, as a condition of providing occupancy in a dwelling unit in such housing to an applicant for occupancy and the members of the applicant's household, that each adult member of the household provide the owner with a signed, written authorization for the owner to obtain records described in section 646(a) regarding such member of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

"(d) DEFINITION.—For purposes of subsections (b) and (c), the term 'federally assisted housing' has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).".

(b) TERMINATION OF TENANCY.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended by adding at the end the following new section:

"SEC. 645. TERMINATION OF TENANCY.

"Each lease for a dwelling unit in federally assisted housing (as such term is defined in section 642(d)) shall provide that—

"(1) the owner may not terminate the tenancy except for violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; and

"(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

"(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or other manager of the housing, "(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises, or

"(C) is criminal activity (including drug-related criminal activity) on or off the premises, shall be cause for termination of tenancy.".

(c) Availability of Criminal Records for Tenant Screening and Eviction.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended adding after section 645 (as added by subsection (b) of this section) the following new section:

"SEC. 646. AVAILABILITY OF RECORDS.

"(a) In General.—

"(1) Provision of information.—Notwithstanding any other provision of law other than paragraph (2), upon the request of an owner of federally assisted housing, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the owner of federally assisted housing information regarding the criminal conviction records of an adult applicant for, or tenants of, the federally assisted housing for purposes of applicant screening, lease enforcement, and eviction, but only if the owner requests such information and presents to such Center, department, or agency with a written authorization, signed by such applicant, for the release of such information to such owner.

"(2) Exception.—The information provided under paragraph (1) may not include any information regarding any criminal conviction of an applicant or resident for any act (or failure to act) for which the applicant or resident was not treated as an adult under the laws of the convicting jurisdiction.

"(b) Confidentiality.—An owner receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer or employee of the owner. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to an owner is used, and confidentiality of such information is maintained, as required under this section.

"(c) Opportunity to Dispute.—Before an adverse action is taken with regard to assistance for federally assisted housing on the basis of a criminal record, the owner shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(d) Fee.—An owner of federally assisted housing may be charged a reasonable fee for information provided under subsection (a).

"(e) Records Management.—Each owner of federally assisted housing that receives criminal record information under this section shall establish and implement a system of records management that ensures that any criminal record received by the owner is—

"(1) maintained confidentially;

"(2) not misused or improperly disseminated; and

"(3) destroyed, once the purpose for which the record was requested has been accomplished.

"(f) Penalty.—Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or resident of, federally assisted housing pursuant to the authority under this section under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term 'person' as used in this subsection shall include an officer or employee of any local housing and management authority.

"(g) Civil action.—Any applicant for, or resident of, federally assisted housing affected by (1) a negligent or knowing disclosure of information referred to in this section about such person by an officer or employee of any owner, which disclosure is not authorized by this section, or (2) any other negligent or knowing action that is inconsistent with this section, may bring a civil action for damages and such other relief as may be appropriate against any owner responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or resident resides, in which such unauthorized action occurred, or in which the officer or employee alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

"(h) Definitions.—For purposes of this section, the following definitions shall apply:

"(1) Adult.—The term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(2) Federally assisted housing.—The term 'federally assisted housing' has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).".

(d) Definitions.—Section 683 of the Housing and Community Development Act of 1992 (42 U.S.C. 13643) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking "section 3(b) of the United States Housing Act of 1937" and inserting "section 102 of the United States Housing Act of 1996";

(B) in subparagraph (B), by inserting before the semicolon at the end the following; "(as in effect before the enactment of the United States Housing Act of 1996)";

(C) in subparagraph (F), by striking "and" at the end;

(D) in subparagraph (G), by striking the period at the end and inserting "; and"; and

(E) by adding at the end the following new subparagraph:

"(H) for purposes only of subsections (b) and (c) of sections 642, and section 645 and 646, housing assisted under section 515 of the Housing Act of 1949.";

(2) in paragraph (4), by striking "public housing agency" and inserting "local housing and management authority"; and

(3) by adding at the end the following new paragraph:

"(6) Drug-related criminal activity.—The term 'drug-related criminal activity' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act).".

At the end of the bill, insert the following new title:

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

SEC. 601. ESTABLISHMENT.

There is established a commission to be known as the National Commission on Housing Assistance Programs Cost (in this title referred to as the "Commission").

SEC. 602. MEMBERSHIP.

(a) Appointment.—The Commission shall be composed of 9 members, who shall be appointed not later than 90 days after the date of the enactment of this Act. The members shall be as follows:

(1) 3 members to be appointed by the Secretary of Housing and Urban Development;

(2) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the Senate; and

(3) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the House of Representatives.

(b) Qualifications.—The 3 members of the Commission appointed under each of paragraphs (1), (2), and (3) of subsection (a)—

(1) shall all be experts in the field of accounting, economics, cost analysis, finance, or management; and

(2) shall include—

(A) 1 individual who is an elected public official at the State or local level;

(B) 1 individual who is a distinguished academic engaged in teaching or research;

(C) 1 individual who is a business leader, financial officer, management or accounting expert.

In selecting members of the Commission for appointment, the individuals appointing shall ensure that the members selected can analyze the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no member of the Commission has a personal financial or business interest in any such program.

SEC. 603. ORGANIZATION.

(a) Chairperson.—The Commission shall elect a chairperson from among members of the Commission.

(b) Quorum.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number may hold hearings.

(c) Voting.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(d) Vacancies.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(e) Prohibition on Additional Pay.—Members of the Commission shall serve without compensation.

(f) Travel Expenses.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

SEC. 604. FUNCTIONS.

(a) In General.—The Commission shall —

(1) analyze the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs, and shall conduct the analysis on a nationwide and regional basis and in a manner such that accurate per

unit cost comparisons may be made between Federal assisted housing programs; and

(2) estimate the future liability that will be borne by taxpayers as a result of activities under the Federal assisted housing programs before the date of the enactment of this Act.

(b) Definition.—For purposes of this section, the term "Federal assisted housing programs" means—

(1) the public housing program under the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(2) the public housing program under title II of this Act;

(3) the certificate program for rental assistance under section 8(b)(1) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(4) the voucher program for rental assistance under section 8(o) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(5) the programs for project-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(6) the rental assistance payments program under section 521(a)(2)(A) of the Housing Act of 1949;

(7) the program for housing for the elderly under section 202 of the Housing Act of 1959;

(8) the program for housing for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(9) the program for financing housing by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(10) the program under section 236 of the National Housing Act;

(11) the program for constructed or substantial rehabilitation under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983; and

(12) any other program for housing assistance administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture, under which occupancy in the housing assisted or housing assistance provided is based on income, as the Commission may determine.

(c) Final Report.—Not later than 18 months after the Commission is established pursuant to section 602(a), the Commission shall submit to the Secretary and to the Congress a final report which shall contain the results of the analysis and estimates required under subsection (a).

(c) Limitation.—The Commission may not make any recommendations regarding Federal housing policy.

SEC. 605. POWERS.

(a) Hearings.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such times and places as the Commission may find advisable.

(b) Rules and Regulations.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization and personnel.

(c) Assistance From Federal Agencies.—

(1) Information.—The Commission may request from any department or agency of the United States, and such department or agency shall provide to the Commission in a timely fashion, such data and information as the Commission may require for carrying out this title, including—

(A) local housing management plans submitted to the Secretary of Housing and Urban Development under section 107;

(B) block grant contracts under title II;

(C) contracts under section 302 for assistance amounts under title III; and

(D) audits submitted to the Secretary of Housing and Urban Development under section 403.

(2) Administrative support.—The General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(3) Personnel details and technical assistance.—Upon the request of the chairperson of the Commission, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary—

(A) detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this title; and

(B) provide the Commission with technical assistance in carrying out its duties under this title.

(d) Information From Local Housing and Management Authorities.—The Commission shall have access, for the purpose of carrying out its functions under this title, to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

(e) Mails.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(f) Contracting.—The Commission may, to the extent and in such amounts as are provided in appropriations Acts, enter into contracts necessary to carry out its duties under this title.

(g) Staff.—

(1) Executive director.—The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) Personnel.—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(3) Limitation.—Paragraphs (1) and (2) shall be effective only to the extent and in such amounts as are provided in appropriations Acts.

(4) Selection criteria.—In appointing an executive director and staff, the Commission shall ensure that the individuals appointed can conduct any functions they may have regarding the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no such individual has a personal financial or business interest in any such program.

(h) Advisory Committee.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 606. FUNDING.

Of any amounts made available for policy, research, and development activities of the Department of Housing and Urban Development, there shall be available for carrying out this title $750,000, for fiscal year 1997. Any such amounts so appropriated shall remain available until expended.

SEC. 607. SUNSET.

The Commission shall terminate upon the expiration of the 18-month period beginning upon the date that the Commission is established pursuant to section 602(a).

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. Lazio] and a Member opposed will each be recognized for 5 minutes.

Does the gentleman from Massachusetts [Mr. Kennedy] rise in opposition?

Mr. KENNEDY of Massachusetts. Yes, Mr. Chairman, I rise in opposition.

The CHAIRMAN. The gentleman from Massachusetts will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. Lazio].

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. Moran], who has been exceptionally important, a great advocate for people in need in public assisted housing.

Mr. MORAN. I thank the gentleman from New York very much for including my bill in the manager's amendment.

We call it "one strike and you are out, part two," because what it does is to extend the provisions that were cast earlier and President Clinton signed into law with a great deal of support from the White House to enable us to evict drug and alcohol abusers and those that are engaged in criminal activity from all types of federally subsidized housing.

Fot too long, drug dealers and other criminals have found a haven in low-income housing projects, and although the 1990 act makes some progress in the public housing area, it did not apply to all subsidized housing.

This manager's amendment closes the most egregious loophole in public housing. It grants public housing authorities and private owners of Section 8 properties new powers to screen and evict problem tenants.

As my colleagues know, there are 1.4 million public housing units, while there are 2.1 million section 8 publicly assisted housing units, and the fact is that residents of project 8, section 8 and FHA-insured multifamily housing have had virtually no protection from drug dealers that live next door and threaten their health and safety on a daily basis. They deserve equal protection under the law.

Mr. Chairman, what we are going to do with this legislation is to see to it that drug dealers will be subject to eviction from public housing whenever they deal their drugs and wherever they deal their drugs, but it will also enable managers of section 8 properties to effectively screen prospective tenants before those tenants are involved in drug dealing or criminal activity. It is a lot easier if we can keep them out of subsidized housing than waiting until they commit crimes.

Section 8 managers will be able to conduct criminal background checks and match an applicant's name against information from the National Crime Information Center.

We have got a long waiting list of people that deserve subsidized housing and very much need it. We cannot afford to be giving housing units to people who terrorize their neighbors. This manager's amendment will put an end to that practice.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to the manager's amendment.

Mr. Chairman, it is not that I oppose everything in the manager's amendment, and there are a number of provisions within it that I would support. I do believe, however, there are provisions that are contained in the amendment which simply are wholesale changes in existing law which I was unaware were even included in this as of 9 o'clock last evening. Those range from an exemption to the Brooke amendment for over 300 public housing authorities, including the specifically mentioned, for some reason, which the gentleman from New York [Mr. NADLER] has informed me from New York City that the mayor of New York was completely unaware of providing for, regardless of whether or not the amendment offered by the gentleman from Massachusetts [Mr. FRANK] which would maintain the Brooke amendment as it is currently constituted into current law, regardless of whether or not the Frank of Massachusetts amendment passes.

This would exempt 300 public housing authorities that meet certain criteria that I do not know. Those public housing authorities would be able to wholesale throw out tremendous numbers of poor people simply because they have attained some standard by which the gentleman from New York [Mr. LAZIO] believes means they are doing a good job.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, as I understand the manager's amendment, which we did not get much time to look at, instead did an excellent job of analyzing it, the manager's amendment does two things. First of all, it does a revised version of the Brooke amendment, and then it exempts people from its own revised version. So the amendment, in fact, contains both the revision and an exemption from its own revision as I understand it.

Mr. KENNEDY of Massachusetts. Mr. Chairman, it is always good to have the gentleman from Massachusetts around to explain things.

But the truth of the matter is that, in addition to the Brooke amendment changes that I think are very detrimental to the vulnerable people, and particularly to the working poor of this country, the bill also contains some kind of self-sufficiency contract which I have come to know as the PIP, the personal improvement program.

Now, that personal improvement plan is evidently supposed to be filed by every resident of public housing to be then; I guess maybe the gentleman from New York [Mr. LAZIO] is going to review each one of these PIP's, and once those PIP's are reviewed and they pass whatever standard Mr. LAZIO has in mind, then we are going to determine whether or not the individual in public housing has actually achieved the goals that they have set out. If they have not achieved those goals, then they can be thrown out of public housing.

Mr. Chairman, I have not heard anything so patently ridiculous in all the years that I have served in the Congress of the United States. What are we doing? We are turning ourselves into some sort of big-brother organization which determines whether or not, and I would like to see every Member of this House submit a PIP and see whether or not they could adhere to all the standards that we set for ourselves, I would like to see every member of the Housing Committee set those standards for themselves, before we start asking people in public housing to set those standards.

Third, there is some provision that got in here. Evidently somebody in the Congress has a particular interest in some GSA surplus property. Evidently that particular individual is concerned about having homeless people come next door because of a provision which says that when there is excess GSA property, that should go to homeless organizations as a first choice. That is going to be changed without ever having a hearing about it, without ever deciding what is good for it. That is going to be changed to allow this particular individual to have some kind of other organizations move in next to his particular home.

Now, I do not know that this is an appropriate place for us to be providing specific provisions like that for particular Members of Congress. I personally am outraged that those kinds of provisions are snuck into a manager's amendment, never discussed with me. As I understand the way the manager's amendment is supposed to work, is these are supposed to be technical and conforming changes that the two of us negotiate and agree upon that create a consensus as to where we can improve the bill. That was not done in this case.

And I recognize that the gentleman from New York [Mr. LAZIO] has had a very difficult job, and I once again want to compliment him on a number of provisions that are contained in this bill. I say to the gentleman, RICK, there are many provisions that I think are important changes that give local housing authorities the kind of flexibility that both of us believe that they need in order to get rid of some of these terrible housing projects and to allow the Secretary to get rid of very badly run public housing authorities. But we go too far in eliminating Brooke, we go too far in vouchering out, we go too far in these PIP programs, and we go too far in providing for individual Member of Congress' own backyard.

Mr. Chairman, I reserve the balance of my time.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I know we all want the same things, but we all have not done the same things to help people who are the poorest of the poor who are living in public housing. It was not this majority that imposed the one-for-one requirement which said that we cannot demolish the most dilapidated buildings in public housing, and we force communities to live in the shadows of crime, many cases crime-ridden structures with broken windows that are falling apart. It was not this majority who said frankly that there should be no home ownership opportunities for people that will have vouchers, but we are beginning the process of moving in the other direction, and this amendment does it.

Mr. Chairman, there cannot be any larger philosophical divide between the gentleman from Massachusetts and the other side of the aisle than the self-sufficiency, the tenant self-sufficiency contract.

In our amendment, Mr. Chairman, we say that somebody who comes into public housing enters into a contract with those people who are supervising that housing authority. Now, that may, in fact, be a not-for-profit, it may be for a for-profit, it may be the housing authority, but we say the tenant enters into a contract which says these are the things that I will do to transition myself back into the marketplace, these are the things that I will take advantage of, be it worker training or educational possibilities.

We can no longer say that it is a one-way street, that we are going to give people the opportunity to live in public assisted housing and expect them to do nothing in return, including improving their own lot when there are opportunities for that to happen.

This is not punitive, and, in fact, there is an escape valve here to say if someone has changed circumstances, contrary to what the gentleman would say, that that would be taken into consideration. Nobody would be thrown out because of this, but it begins the process of having people think about what they need to do to transition back into the marketplace.

We create a number of home ownership opportunities in this legislation, Mr. Chairman, including the possibility that a resident in public housing can purchase their own unit. Yes, we give that person the opportunity to do that. We value home ownership.

PARLIAMENTARY INQUIRY

Mr. KENNEDY of Massachusetts. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I understood that we had 5 minutes per side. When I heard the gentleman from Virginia [Mr. MORAN], I just assumed that we have gone over, well over, the 5-minute allocation if we take into account Mr. MORAN.

The CHAIRMAN. The gentleman from Virginia utilized 2 minutes. There were 3 minutes remaining. The gentleman from New York is utilizing his 3 minutes at this point.

Mr. KENNEDY of Massachusetts. I hope the gentleman is as generous with the 3 minutes with our side.

The CHAIRMAN. All indications are that they are being totally fair.

Mr. LAZIO of New York. In this amendment Mr. Chairman, we protect seniors, we protect the disabled, we protect the poorest of the poor, and we remove the job-killing Brooke amendment. We allow an out for minimum rents for people who have hardship exemptions, but we believe that everybody should pay something, whether it is $25 or $30 or $35.

We target our resources so that people who use vouchers, half of all the people who use vouchers, will be people who make under 60 percent of median income, again the poorest of the poor. We say that 30 percent of the units in public housing must go to people who have incomes below 30 percent of median income. Again, we insure that there are units for the poorest of the poor, but we also say, Mr. Chairman, that we need to create an environment of hope with role models where people can transition back to the marketplace where they can make their own choices for housing.

I ask for support for this amendment.

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The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAZIO].

The amendment was agreed to.

The CHAIRMAN. The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "United States Housing Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Declaration of policy to renew American neighborhoods.

TITLE I—GENERAL PROVISIONS

Sec. 101. Statement of purpose.
Sec. 102. Definitions.
Sec. 103. Organization of local housing and management authorities.
Sec. 104. Determination of adjusted income.
Sec. 105. Limitation on admission of drug or alcohol abusers to assisted housing.
Sec. 106. Community work and family self-sufficiency requirement.
Sec. 107. Local housing management plans.
Sec. 108. Review of plans.
Sec. 109. Pet ownership.
Sec. 110. Administrative grievance procedure.
Sec. 111. Headquarters reserve fund.
Sec. 112. Labor standards.
Sec. 113. Nondiscrimination.
Sec. 114. Effective date and regulations.

TITLE II—PUBLIC HOUSING

Subtitle A—Block Grants

Sec. 201. Block grant contracts.
Sec. 202. Block grant authority and amount.
Sec. 203. Eligible and required activities.
Sec. 204. Determination of block grant allocation.
Sec. 205. Sanctions for improper use of amounts.

Subtitle B—Admissions and Occupancy Requirements

Sec. 221. Low-income housing requirement.
Sec. 222. Family eligibility.
Sec. 223. Preferences for occupancy.
Sec. 224. Admission procedures.
Sec. 225. Family rental payment.
Sec. 226. Lease requirements.
Sec. 227. Designated housing for elderly and disabled families.

Subtitle C—Management

Sec. 231. Management procedures.
Sec. 232. Housing quality requirements.
Sec. 233. Employment of residents.
Sec. 234. Resident councils and resident management corporations.
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Subtitle D—Homeownership

Sec. 251. Resident homeownership programs.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

Sec. 261. Requirements for demolition and disposition of developments.
Sec. 262. Demolition, site revitalization, replacement housing, and choice-based assistance grants for developments.

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Sec. 271. Conversion to block grant assistance.
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TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

Sec. 301. Authority to provide housing assistance amounts.
Sec. 302. Contracts with LHMA's.
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Subtitle B—Choice-Based Housing Assistance for Eligible Families

Sec. 321. Eligible families and preferences for assistance.
Sec. 322. Resident contribution.
Sec. 323. Rental indicators.
Sec. 324. Lease terms.
Sec. 325. Termination of tenancy.
Sec. 326. Eligible owners.
Sec. 327. Selection of dwelling units.
Sec. 328. Eligible dwelling units.
Sec. 329. Homeownership option.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

Sec. 351. Housing assistance payments contracts.
Sec. 352. Amount of monthly assistance payment.
Sec. 353. Payment standards.
Sec. 354. Reasonable rents.
Sec. 355. Prohibition of assistance for vacant rental units.

Subtitle D—General and Miscellaneous Provisions

Sec. 372. Definitions.
Sec. 372. Rental assistance fraud recoveries.
Sec. 373. Study regarding geographic concentration of assisted families.

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES

Subtitle A—Housing Foundation and Accreditation Board

Sec. 401. Establishment.
Sec. 402. Membership.
Sec. 403. Functions.
Sec. 404. Initial establishment of standards and procedures for LHMA compliance.
Sec. 405. Powers.
Sec. 406. Fees.
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Subtitle B—Accreditation and Oversight Standards and Procedures.

Sec. 431. Establishment of performance benchmarks and accreditation procedures.
Sec. 432. Annual financial and performance audit.
Sec. 433. Accreditation.
Sec. 434. Classification by performance category.
Sec. 435. Performance agreements for authorities at risk of becoming troubled.
Sec. 436. Performance agreements and CDBG sanctions for troubled LHMA's.
Sec. 437. Option to demand conveyance of title to, or possession of, public housing.
Sec. 438. Removal of ineffective LHMA's.
Sec. 439. Mandatory takeover of chronically troubled PHA's.
Sec. 440. Treatment of troubled PHA's
Sec. 441. Maintenance of and access to records.
Sec. 442. Annual reports regarding troubled LHMA's.
Sec. 443. Applicability to resident management corporations.
Sec. 444. Inapplicability to Indian housing.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

Sec. 501. Repeals.

Sec. 502. Conforming and technical provisions.

Sec. 503. Amendments to Public and Assisted Housing Drug Elimination Act of 1990.

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. DECLARATION OF POLICY TO RENEW AMERICAN NEIGHBORHOODS.

The Congress hereby declares that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) the Federal Government cannot through its direct action or involvement provide for the housing of every American citizen, or even a majority of its citizens, but it is the responsibility of the Government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods;

(3) the Federal Government should act only where there is a serious need that private citizens or groups cannot or are not addressing responsibly; and

(4) housing is a fundamental and necessary component of bringing true opportunity to people and communities in need, but providing physical structures to house low-income families will not be itself pull generations up from poverty.

The CHAIRMAN. Are there any amendments to section 2?

AMENDMENT NO. 43 OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 43 offered by Mr. WATT of North Carolina: Page 5, strike line 20 and all that follows through page 6, line 2, and insert the following new paragraphs:

(2) it is a goal of our Nation that all citizens have decent and affordable housing;

(3) our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments and by promoting and protecting the independent and collective actions of private citizens, organizations, and the private sector to develop housing and strengthen their own neighborhoods;

Page 6, line 3, strike "(3)" and insert "(4)".

Page 6, line 3, strike "should act only" and insert "has a responsibility to act".

Page 6, line 6, strike "(4)" and insert "(5)".

Mr. WATT of North Carolina. Mr. Chairman, I want to try to frame what this debate is about through the process of this amendment.

Mr. Chairman, I was interested in the characterization that the chairman of the subcommittee, the gentleman from New York [Mr. LAZIO], made about this bill being a dramatic change in housing policy in this country. I want to make sure that my colleagues understand just how dramatic that change is. I want to spend a minute or two talking about the historical housing policy of this country.

Mr. Chairman, the Housing Act that we are repealing under this bill today is the Housing Act of 1937. It started with a declaration of policy which says that it will be our policy as a government to try to remedy the unsafe and unsanitary housing conditions and the acute shortage of decent, safe, and sanitary dwellings for families of lower income. That statement of Federal housing policy was changed in 1949, almost 50 years ago.

In 1949, the housing policy was changed to state that it would be the policy of our Government to try to assure the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family. From that goal statement has come the term that has controlled the Federal housing policy of our country to provide decent and affordable housing to every American citizen for the last 50 years.

Mr. Chairman, my colleagues are going to say the gentleman from North Carolina [Mr. WATT], is making much ado about nothing. But I want everybody to understand what his bill says the policy of the Federal Government for housing should be. This is what the bill says in the very beginning of the bill: "The Federal Government cannot, through its direct action or involvement, provide for the housing of every American citizen, or even a majority of its citizens;" a dramatic departure, a dramatic departure from the goal of providing decent and affordable housing for every American citizen.

When we talk about this being a dramatic change in policy, it says it from the very beginning of this bill, it is a dramatic change in policy, because we are conceding as a Nation that we no longer even have as a goal providing decent housing for our citizens. The bill itself says we do not even have that as a goal anymore.

My amendment, Mr. Chairman, simply changes that policy statement. It does not do anything to the substance of the bill, but it is an abomination. We should be ashamed of ourselves as a Congress to say to the American people that we are abandoning the goal, the dream of providing decent and affordable housing to every American citizen in our country.

Mr. Chairman, if my colleagues are willing to support that, what it says to me is that they are the extreme that everybody has worried about. They are defining as a policy, do anything that is okay. Mr. Chairman, this is serious, serious business, because we are about making a major reversal in the goals and objectives and desires of our Nation.

Mr. Chairman, I ask my colleagues to support this simple amendment. It simply restores the objective in this bill.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. WATT] has expired.

(By unanimous consent, Mr. WATT of North Carolina was allowed to proceed for 30 additional seconds.)

Mr. WATT of North Carolina. Mr. Chairman, it simply says our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments, and by promoting and protecting the independent and collective actions of private citizens, organizations, and the private sector to develop housing and strengthen their own neighborhoods, a simple goal statement.

Mr. Chairman, that is what this Government should be about. Please support this simple amendment.

Mr. LAZIO of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman just mentioned that we ought to be ashamed. He is right. Some of us ought to be ashamed. We ought to be ashamed for tolerating this failure, not for the last year or two, but for 20 years. That is something to be ashamed of.

Mr. Chairman, this is the state of public housing in this Nation. Are we proud of that, or is that something we are ashamed of? This body under the last majority did nothing about it. They did not take this building down. It could not even take this building down, because the last majority said you cannot take this building down because of the fact that you have no money, unless you build another one in its place. These are buildings. So this hulk has scarred this neighborhood for years in New Orleans. This is New Orleans. The one I was referring to, they received a 27 score out of 100, the bottom of the barrel of the top 40 housing authorities in the Nation. That is the failure we have been tolerating.

Part of the reason we have been tolerating that is because we have deluded ourselves that this is somehow compassionate. Is that compassionate, I ask the Chairman? Is that compassionate? I would say, Mr. Chairman, it is compassionate when we begin to form partnerships, when people in communities understand what is going on; not when HUD comes in and throws a couple million dollars into an area and says, gee, we have done something important.

They have not done something important, Mr. Chairman, when they have not addressed issues like the other problems the neighborhood has, including economic development and job creation, having mixed incomes, ensuring that you have an environment where people can transition back into the marketplace. This is what we ought to be ashamed of, not the language that is in this bill, that we ought to be proud of.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, I want the gentleman to explain to me, if this is the kind of housing that we have with a goal of providing decent and affordable housing, what kind of housing does the gentleman think we will have if we have no goal, and we do not even have a policy statement on the issue?

Mr. LAZIO of New York. Reclaiming my time, Mr. Chairman, under this bill we will not have buildings and hulks like that in neighborhoods anymore, scarring our communities. They will come down, and the people in those places that we purport to have compassion for will be given vouchers so they can make choices on their own and move to a decent place, so children can be raised in a decent place, not being raised in an area where children cannot play outside because there is nowhere for them to play. That is how certain people in this Chamber measure compassion. I reject that, and this bill rejects that.

Mr. WATT of North Carolina. If the gentleman will continue to yield, I would ask the gentleman, is my statement of purposes and goal as an American inconsistent with what you are saying? Why would the gentleman not incorporate my amendment into his manager's amendment as a statement of goal?

Mr. LAZIO of New York. Reclaiming my time, Mr. Chairman, I would first of all not suggest that the gentleman in any of his ideas or opinions on the floor of this House, who I have a great deal of respect for, is un-American in any way. I want to make that clear.

Second of all, I respectfully disagree with the gentleman. I think we have hit the mark on this. This is the right statement of purpose. We do talk about the fact that the Federal Government cannot do it alone. I would tell the gentleman, we cannot do it alone. We are meeting the needs of only one out of every four people who are otherwise eligible for affordable housing in this country. Let me tell the Members, of the one in four who are lucky enough to be in the lottery to get public housing, they are living in conditions where they cannot get themselves out, they cannot revert back to a good environment, their children cannot be raised in an environment where they can get a good quality of education and get a good job.

Mr. WATT of North Carolina. Mr. Chairman, if the gentleman will continue to yield, I see no statement of that objective in this bill anywhere, Mr. Chairman. When the gentleman says that the Federal Government will not provide for the housing of every American citizen or even a majority of its citizens, the gentleman is abandoning the goal that we have set for 50 years in this country, and that is an extreme measure on the gentleman's part, just like the rest of his party.

Mr. LAZIO of New York. Mr. Chairman, reclaiming my time, the only thing that is extreme is some of the things that are being said and the way some people here are measuring compassion, which is to concentrate poverty and condemn people to another 40 years of terrible circumstances.

In the statement of purpose, I would say to the gentleman, it says, and I read from page 5:

> The Federal Government has a responsibility to promote the general welfare of the Nation by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy.

What is radical or extreme about that? I know that is the mantra from the other side of the aisle, when analysis will not do, but I will tell the Chairman that in fact we have hit the mark on this. We are going to break the mold. We are not going to tolerate failure anymore. We are going to give people a decent place to live.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to deal with some of the rhetoric that we have just heard from the other side and the picture that the gentleman from New York [Mr. LAZIO] held up. The truth of the matter is that if we look at what has actually occurred in terms of housing legislation, a change in the one-for-one rule, which is what Chairman LAZIO identified in his earlier remarks, prevents the demolition of the very housing project that he was identifying, was passed by a Democratic Congress in 1994. I served on the committee that passed that legislation. It passed the House of Representatives. It was defeated by PHIL GRAMM in the U.S. Senate in the last dying days of the Congress, because he did not want to give a victory to the Democrats running the House of Representatives in the Senate of the United States. That is the truth of how one-for-one died.

Mr. Chairman, if we look at what has already been provided the Secretary, the Secretary of Housing and Urban Development has, by the end of this year, demolished 24,000 units of public housing. It was Jack Kemp that stood up and said that he did not want to be the Secretary of Demolition. The truth of the matter is that there is flexibility built into the law.

I support and many of my friends, a lot of others here, the gentleman from Massachusetts, BARNEY FRANK, and a lot of us, support the ability of getting rid of the really badly run housing and taking authority away from the really bad housing authorities.

□ 1800

What we are talking about is the language of the Watt amendment, which says that we should have a goal of providing affordable housing for the people of this country.

It is amazing to me to sit here in the Congress of the United States and say to one another that we believe that we cannot accomplish those goals. Of course this is a Nation of goals. That is how we built ourselves up. We are not going to attain it next year, but we can certainly lay ourselves out goals that we can all fight for and have the drive and the energy to try and hope one day that we can accomplish.

Mr. Chairman, I yield to my friend from North Carolina, Mr. WATT.

Mr. WATT of North Carolina. Mr. Chairman, I thank the gentleman for yielding.

I just want to make it absolutely clear that the statement of purpose, the goals for which I am substituting in this amendment contemplate partnerships, public and private. It contemplates everything that the gentleman from New York [Mr. LAZIO] has said is important to him. But it makes explicit also that we are not abandoning the goal that we have had for housing in this country, not even public housing, just housing in general, decent and affordable housing.

We have had that goal for 50 years, and all of a sudden these new breed come in here and they think there is something magic about their new philosophy and we ought to abandon everything, which is just extreme.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support the amendment of the gentleman from North Carolina [Mr. WATT]. I think it is fundamentally a good amendment. I think that in 1949 and in 1996 we obviously agree that the Federal Government has never made the commitment to provide all of the housing for low-income Americans, and the fact is that we should not abandon that goal.

I would say that the difficulty in reaching that goal today has been greatly increased by the disparities of incomes that exist in our society. Today we simply have more economic casualties than we have had before, in terms of people not making it in terms of affordable housing. We need to do something about that.

I think that the idea that the gentleman from New York has expressed with regard to partnerships and communities working together is good, and I think that the changes we talked about, one-to-one replacement, one-to-one replacement was a good idea, but what has failed here is that local communities did not have the resources.

Once we built public housing or assisted housing and put it in place, we wanted local communities to keep that commitment. That is what that was all about. I do not think that anyone ever intended that we would have buildings standing that basically were vacant, that were causing and attracting problems. But the fact is that some years ago that issue was recognized as a problem. It has been addressed, and so I do not think it is a bad thing.

I would certainly concur with the amendment of the gentleman from North Carolina [Mr. WATT] to keep in place the goal of safe and sanitary housing, to keep in place the 1937 and 1949 goals that have been consistently a part of every commitment made by this Congress in terms of safe and affordable housing for people.

I might just add that in the context of this authorization and housing preamble debate, very often it was referred to that local housing management authorities that are designated under this bill for significant responsibilities were somehow going to solve all the problems. Well, it is local housing authorities, frankly, Mr. Chairman, that have indeed been the problem, the failure or inability of some local housing and redevelopment authorities.

In this bill, with the accreditation and the troubled projects, what happened with the troubled projects—the local housing authorities that cannot make it, that do not get accredited, that in fact are not being operated properly—is that HUD has to take them over. That is basically and fundamentally what this bill does. It passes those problems back to HUD.

The issue that somehow the change here, if we have capable and local housing authorities, they are going to operate correctly, they are going to be able to accept these responsibilities, in fact, Mr. Chairman and the chairman of our subcommittee, I wanted to just point out to my colleagues that St. Paul, the district I represent, has just been recognized as having the No. 1 housing authority in the Nation, St. Paul, MN.

So the fact is that very often I think we are painting a picture here of the 3,400 housing authorities that do not function very well. Well, I would invite any of my colleagues to come to my district in St. Paul, MN and take a look at the thousands of people that are being housed in real quality public housing and in quality senior citizen high-rises that are serving people well.

The problem in my community is not the public housing. It is the private housing, the overcrowding that is associated with the private multifamily dwellings in my area.

So I would just point out to you that the effect of what this bill does in your proposal is that it does not necessarily take that problem away from HUD. In fact, it specifically directs and gives them tremendous responsibility as they have today to try to deal with those problems where we have troubled housing projects, and we have many of them in the country.

I would suggest that many of the changes made to the bill have some value, but some of them are very, very problematic in the sense that we are talking about income levels and the rent changes and the concentration of poverty that has occurred in public housing.

After all, it was the early 1980's under then-President Reagan when there was an insistence upon focusing in public housing the poorest of the poor. Up until that particular point we did not have that serry a concentration, but it was exactly that particular point in time and that came about for a variety of reasons.

One of them was the increase in the incidence of homelessness, deinstitutionalization. Others were the insistence that we only ought to be serving the lowest income persons in public housing because, as I said earlier in my statements on the floor, there are 1.3 million families in public housing but there are 13 million that qualify for it in 1996. We are only dealing with 10 percent.

So naturally anyone who would suggest that the Federal Government can take of the entire problem is out of touch with the numbers and where the responsibility lies. But the Federal Government has a key role, an important role. I think maintaining and embracing the goals of the 1937 or 1949 law are simply a core value of what the American people believe in terms of the Federal Government. Not that we can do it alone, but we certainly should not abandon that particular goal expressed in the basic public housing charter for this and other concerns.

Mr. Chairman, I continue to express my deep concern regarding the direction in which the public and assisted housing policy and legislation before the House is going. At a time when 5.3 million American renters have worst case housing needs, the very purpose of H.R. 2406 alters a long-standing goal of housing policy in this Nation—section 2 of the Housing Act of 1949 states:

> The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family.

Several laws since 1949 have reaffirmed the national goal that every American be able to afford a decent home in a suitable environment. The measure we consider today proposes to change that goal, that commitment.

While this bill does state that the Federal Government has a responsibility to promote the general welfare and to use its resources to aid families seeking affordable homes, section 2 goes on to state clearly that the Federal Government "cannot * * * provide for the housing of every American citizen, or even a majority of its citizens". Is this a stroke of candor—a "can't do" statement, or is it a lack of will—a "won't do" policy?

This legislation does make some positive changes to public housing and federally assisted housing programs. And I would hasten to point out I'm in favor of fixing what is broken in public housing policy. I hear and understand the concerns that public housing authorities have that inadequate subsidies and rigid policies cause them to seek more flexibility; that we need more of an income mix of families in public housing; that we must encourage, not discourage, work. However, on the main this measure takes a theme and frankly makes it extreme. It weakens the basic safety net that the Federal Government has provided through the conduit of public and private Federally assisted housing to a point that I think is critically wrong.

In the late 1970's and the early 1980's, our laws and policies turned a trickle of housing and social problems into a waterfall in terms of homelessness in this country the with deinstitutionalization of disabled persons without the promised funding and support—and homelessness that has occurred because of the housing cost increases in almost every area of our Nation.

Unless the policy path in this bill changes, unless we limit the percentage of income that tenants—families, seniors, and the disabled—pay to no more than 30 percent, unless we restore meaningful income targeting to low and very-low income people along with adequate Federal subsidies that make that possible, I believe that in ten years or so, we will look back at the U.S. Housing Act of 1996 as another policy which drove American families onto the streets and byways across this Nation. These small changes in rent and targeting have a significant impact on people and families in public housing and on section 8. People will be vulnerable and will be pushed into an indefensible situation of homelessness. We can and should do better than this measure.

Mr. Chairman, today amendments will be offered by several Members to improve this bill—and I urge my colleague to give careful consideration and support the Frank-Gutierrez amendment restoring the Brooke protections and the Kennedy amendments on targeting. I will offer an amendment myself that will halt the termination of the current successful drug elimination program in public and assisted housing by extending the program as revised to address all criminal prevention activities in and around public and assisted housing—a good amendment which helps retain existing public housing's livability.

Mr. Chairman, unless this bill is modified to reflect the reality of housing needs and the undeniable necessity of a strong Federal commitment to housing, I would have to urge my colleagues to oppose H.R. 2406.

Mr. CASTLE. Mr. Chairman I move to strike the requisite number of words.

Mr. Chairman, this is an interesting argument, but I think we would all agree that the public housing situation in the United States needs to be addressed, and I hope before it is done we can sort through these amendments and make sure that we are indeed addressing those things which are good and agreeing upon that so we can come up with a good piece of legislation.

With that, I yield to the gentleman from New York [Mr. LAZIO], the chairman of the subcommittee.

Mr. LAZIO of New York. Mr. Chairman, I thank the gentleman for yielding.

Let me just say, Mr. Chairman, that there are some people who want to hang on to a failed past and who are unwilling to admit that the policies that have largely been promulgated in this body have led to that failure.

Mr. Chairman, it was not, as I say, this majority who imposed the one-for-one requirement which has assured over the many years that hulks of buildings, in many cases completely vacant, drug-infested and crime-infested, cannot come down.

There were 40 years in which the Democratic Party was in control of this House, Mr. Chairman, 40 years. Part of those years, back 15 years ago, the one-for-one provision was inserted. In none of those years afterward was it repealed, even though we knew it was a failure.

It was the last majority, to correct the record, Mr. Chairman, that imposed Federal preferences that have led to the concentration of the poorest of the poor, that have trapped people in poverty, that have denied them the ability to have role models, that have eliminated the possibility of mixed income, and that in fact have created an environment where it is impossible to transition back into the marketplace.

It was the last majority, Mr. Chairman, not this majority, in sum, that helped create the mess that we are in now. We are now in the process of moving past the past and reclaiming our heritage, at the same time moving toward the 21st century.

We are moving forward because we believe in giving hope and we believe in giving opportunity to people and we believe in giving choices to people. We believe in giving them the opportunity to buy their own home. We believe in the opportunity for them to have entrepreneurial activity and keep the fruits of their labor. We believe in that element of freedom. We believe in local control. We believe in partnerships.

We are here to say that the day in which the Federal Government can do it all is over. We are here to say that we are not going to turn our back on millions of Americans who are trapped in these public and subsidized housing projects because it is politically feasible to do that.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. CASTLE. Mr. Chairman, I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, I just want to know whether the gentleman has read my amendment or not.

Mr. LAZIO of New York. I have.

Mr. WATT of North Carolina. Because this amendment acknowledges everything the gentleman has said. I do not understand why he is fighting this amendment. This amendment should have been in the manager's amendment. Surely you are not saying that setting a goal of providing decent and affordable housing to the American people should not be something that ought to be in every housing bill that we have.

Mr. CASTLE. Mr. Chairman, I reclaim my time and I yield to the gentleman from New York [Mr. LAZIO], so that he may respond.

Mr. LAZIO of New York. Mr. Chairman, I thank the gentleman for yielding. What I am saying is that the gentleman's attempt to strike out language which basically deletes the fact that the Federal Government cannot do it all, which is exactly the language that you are striking out, goes to the heart of this mission. The mission is to build community partnerships, not for HUD, not for this Congress to impose this one-size-fits-all, centralized Washington-based model so that somebody in Albuquerque has to live by the same rules as somebody in Babylon, NY, some resident in New York City has to live by the same rules of some people down in Louisiana or Florida.

Mr. WATT of North Carolina. Mr. Chairman, would the gentleman yield?

Mr. CASTLE. Mr. Chairman, I will yield, yes.

Mr. WATT of North Carolina. Mr. Chairman, the gentleman is focusing on what I struck out of the bill, but he needs to focus on what I put back in the bill, because I put a lot of his very language back in the bill. We are encouraging the obtaining of this goal by encouragement of the Federal, State and local governments, by promoting and protecting the independent and collective actions of private citizens, organizations and the private sector, the very same things the gentleman has said.

I did not take these things out and not put them back in. They are in this amendment, and I am encouraging the gentleman to read my amendment and agree to it.

Mr. SANDERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think the gentleman from New York [Mr. LAZIO] dug himself a hole he did not have to dig. His speech was a great speech, but it had nothing to do with the amendment of the gentleman from North Carolina [Mr. WATT].

As I understand the Watt amendment, it says very simply, "It is a goal of our Nation that all citizens have decent and affordable housing." Am I correct?

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, that is correct.

Mr. SANDERS. The gentleman from New York [Mr. LAZIO] spoke of demolition of housing, the role of the private sector. He spoke about a lot of things, but he did not speak about the Watt amendment. The gentleman from North Carolina [Mr. WATT] did not tell us how we can achieve the goal. He did not explicitly tell us the role of the private sector or the public sector. All that he said is that "It is a goal of our Nation that all citizens have decent and affordable housing."

It seems to me, Mr. Chairman, that increasingly we are becoming a divided nation. On one hand, we have CEO's of major corporations who are making 200 times what their workers are making. We have people at the top who are seeing incomes that have never been seen in the history of this country. We are seeing a growing divide between the rich and the poor.

We can have a whole lot of differences regarding the role of government, but I would hope that every Member of this body agrees that all Americans should have decent and affordable housing. That is not a radical statement. It does not say how that housing should be built.

Mr. Chairman, there is something wrong in this country when we are building more jail units than we are building affordable housing units. There is something wrong when hundreds and hundreds of thousands of people are sleeping out in the streets. There is something wrong when millions of Americans are spending 50 or 60 or 70 percent of their limited incomes on housing and, therefore, not having enough money to provide food or clothing or educational opportunity for their children.

□ 1815

All that the Watt amendment says is, "It is a goal of our Nation that all citizens have decent and affordable housing."

Mr. Chairman, I would yield to the gentleman from New York [Mr. LAZIO] to tell us not about demolition, not about how we should build housing, what is your objection to the sentence, "It is a goal of our Nation that all citizens have decent and affordable housing"?

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I would tell the gentleman that we have in our statement of purpose almost the same language that says by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy. My objection is with what is stricken, which basically says that the Federal Government cannot through its direct action or involvement provide for the housing of every American citizen. We cannot. We need partnership. It is not what is inserted, it is stricken.

Mr. SANDERS. Mr. Chairman, reclaiming my time, will the gentleman accept the words that have been inserted?

Mr. LAZIO of New York. Not if the point is that we are going to strike the lines that are stricken in the Watt amendment, 6, 7, 8, and 9.

Mr. SANDERS. Mr. Chairman, I would simply conclude by stating that I think the Watt amendment is simple and straightforward. What it says is that in the United States of America, we should not have children sleeping out on the streets, we should not have people paying 50 or 60 percent of their income for rent. I would strongly support the Watt amendment.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. There is a major inconsistency between my amendment and what is in the bill. I just want to make people aware of that. The bill says the Federal Government cannot through its action provide for the housing of every American citizen or even a majority of the citizens. All I am trying to do is put the goal back in the bill that we have had as national housing policy for 50 years.

So it is that language that I want taken out of the bill. I put all of the rest of the language back in of the gentleman from New York [Mr. LAZIO]. So if you want to agree to this, stand up and tell us, or stand up and tell the American people that you do not support that as a goal of the Federal housing policy of this country.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to commend the chairman of the subcommittee for his honesty in removing the goal of providing affordable and decent housing for Americans as the goal of our housing policy. It is an honest statement of what this bill would do.

This bill guts that purpose, and it is commendably honest that the Republican sponsors of this bill state that they want to abandon that purpose, which we have had since 1937, for the last 60 years, as our goal. We have fallen short of that goal to a large extent because for the last 16 years or so, 20 in fact, we have been putting very little money into the construction of new public housing. We have built, as the gentleman from Vermont mentioned, more jail cells than public housing units in the last 15 years.

So I support the amendment of the gentleman from North Carolina [Mr. WATT] because I do not think we ought to be abandoning as a goal providing affordable and decent housing for Americans, though I do think it is honest, commendably honest, of the Republican leadership to state that that is what they are doing by removing that goal from the Housing Act, because that is what the provisions of the bill do.

Let us look at the provisions of the bill for a moment. The gentleman from New York said, you have to get rid of the one-for-one rule which does not permit us to demolish eyesores and terrible housing. It would permit us to demolish that terrible housing if we were building replacement housing, if we were building housing for low income people.

The fact is that under the Republican Presidents of 12 years, you keep talking about Democratic Congresses for 40 years, but do not forget about Republican Presidents for 24 of those 40 years, and Republican Senate for I forget how many of those 40 years. This House is not the House of Commons. We do not rule the country alone. Under the last 16 years of Republican Presidents, or 12 years, for the last 20 years roughly, we have not been putting much money into the construction of low income housing. We should. Of course, if you look at our budget projections for the next seven years, we are not going to. But we should. We should return to our goal of providing decent housing.

But this bill, again, is honest. It recognizes we are not going to do it. What does it do? It recognizes the fact we are going to cut, the appropriators are cutting the subsidies to public housing agencies. That is going to cause a big deficit in their budget. We will solve that problem. And what do we do? Abolish the Brooke amendment. Let us solve the deficits of the housing authorities budgets caused by great reductions in Federal aid by saying triple your rent.

But wait a minute, these people who are earning less than 30 percent of median income cannot afford to pay that, cannot possibly afford to pay the rent increases that would be necessary to balance the housing authorities' budgets after we have cut the aid. That is okay. Remove the targeting requirements. Kick them out on the street and let them be homeless, and we will move in a higher group of people, low income, but higher income than before, that can pay the rents. It is a nice solution. It all melds together, cut the budgets, kick out the people, move in higher income people. Great idea if your only goal is saving some money. But if your goal is to provide safe, affordable, decent housing, it does not work. That is why it is commendably honest to eliminate that goal.

Let me say one other thing. This bill is an insult. It contains a provision in the manager's amendment that insults hard working people, hard working people whose only deficiency, whose only character deficit, whose only crime, is that they are making the minimum wage or perhaps one and a half or two times the minimum wage. We are going to tell them they have to have a personal improvement plan? There is something wrong with them? We are going to judge, maybe the subcommittee is going to judge or the housing authority is going to judge their morals and character?

Simply because they do not make enough money? Even though they may work one or two jobs? I will tell you how to have a personal improvement plan. Double the minimum wage. That will give you personal improvement for a lot of these people. It will improve their living conditions. It will solve the deficit problem to a large extent of our housing authorities. It will not insult working people by telling them there is something wrong with them because they do not make enough money and we have to tell them you have to have a personal improvement plan.

So, again, I rise in strong support of the amendment of the gentleman from North Carolina.

The CHAIRMAN. The time of the gentleman from New York [Mr. NADLER] has expired.

(By unanimous consent, Mr. NADLER was allowed to proceed for 30 additional seconds.)

Mr. NADLER. Mr. Chairman, so again I rise in strong support of the amendment offered by the gentleman from North Carolina [Mr. WATT] because it does not abandon the goal. It would stop the abandonment of the goal, at least as a statement of providing affordable housing for our people. But I commend the honesty of the Republican leadership in stating that that is no longer going to be our goal, because this bill certainly says it will not be.

Mr. LAFALCE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have tremendous professional respect and personal affection for the chairman of the subcommittee from the State of New York, but I think he is simply off base in not accepting and indeed embracing this amendment.

It is a rather simple amendment. It does not prescribe a housing program, it just articulates what ought to be a personal goal of every American, it seems to me, and a national goal too, and that is that somehow we will attempt to provide shelter for the homeless in American society.

The chairman of the subcommittee said he had no difficulty with that, it was simply what he wanted to point out we cannot do it for everybody. He wanted to take a negative stance, if you will. I do not know if we should be quibbling about that.

I would remind the gentleman that there are certain statements in the Bible, and the Bible says that we should feed the hungry. It does not say even though we cannot feed all the hungry we would like to. And the Bible tells us that we ought to clothe those who are without clothes, even though it does not say we cannot do it for all that we would like to. And it also tells us that we should be sheltering the homeless, and it does not say even though it is impossible to give shelter to every single homeless person. No. it is an articulation of goals, if you will. It establishes a vision.

The amendment of the gentleman from North Carolina [Mr. WATT] is one that should be accepted by acclamation.

Mr. HAYWORTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise tonight to voice my strong opposition to the amendment offered by my colleague from North Carolina, and especially to rise in strong opposition to the remarks of the gentleman who preceded me in the well of this House, for not only has the gentleman chosen to misinterpret the intent of the new majority, I believe perhaps in his own words he has expressed, quite frankly, the alternative to what he purported in standing up in support of the amendment. Because he said, let every American find housing, not empower the government to decree to every American that it shall be the government that will provide that housing; that it shall be the government in a centralized authority that shall provide that housing.

Indeed, my friends on the other side confuse compassion, for it is the opposition of compassion to try and claim that it is the sole domain of government or the basic purpose of government to control the masses, to decree where they live, and thereby somehow the government controls this.

Even to the use of Holy Scriptures, I would remind those who check Holy Scriptures, nowhere in the verses cited is there any mention that it shall be the government which shall stand to take these actions, it shall be the government which will display its compassion through decreeing to citizens what type of structure they should live in, that it shall be the government that shall decree what is charity.

Mr. Chairman, the true measure of compassion is people working with their heads and their hearts to provide not only for themselves, but for others. It is not the mission of government to take on more and more responsibility. In fact, Mr. Chairman, the government that my friends believe should be big enough to give all that they want will then be powerful enough to take away all that they have.

So I stand here in the name of true compassion to say it is by empowerment, to say it is not the goal of government to house every American, but instead it is the goal of government to empower every individual to have the opportunity to live up to the potential each individual has. Yes, with a helping hand that is a safety net, but not with a program that decrees greater and greater and greater and greater dependency. There is nothing compassionate in that equation. It is only enslavement of the working class.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Arizona performed us a service. We may be able to save time for the rest of the evening, because no cliche was left unuttered, and a lot of remarks people might have wanted to make, they will not have to make.

□ 1830

It was an interesting speech; not particularly relevant to the topic which, with the permission of the body, I will return to.

Mr. Chairman, the question is, Should we accept the amendment of the gentleman from North Carolina [Mr. WATT]? Now, in opposition to the gentleman's amendment, and I must say, I wonder who the staff members were that advised the gentleman from New York to fight this amendment rather than take it to committee. I would not put that person in for a bonus next year. But the question we have is: Do we retreat statutorily from even trying to provide housing?

Mr. Chairman, I want to comment on the history offered by the gentleman from New York. I am sorry the gentleman is not here. I asked him to yield and he would not yield. The gentleman talked about all the terrible things that the Democrats did in housing. Well, what thing has he been complaining about the most? The gentleman from New York [Mr. LAZIO] has been denouncing the Brooke amendment as a job killer.

Now, why does the gentleman so vigorously denounce a Republican who had the most distinguished record on housing of any Republican, and even any Member of this body? Why does the gentleman from New York continue denouncing Senator Brooke as a man who forced a job killing amendment? Because he said the Brooke amendment not only put a limit on what could be charged, but it put a floor on there and, therefore, it is a killer.

But, Mr. Chairman, in Ed Brooke's amendment that language did not exist. Senator Brooke did not do that. Do my colleagues know who put the job killing part on the Brooke amendment? Ronald Reagan and everybody who voted for Gramm-Latta. The gentleman is denouncing the Democrats for the Reagan budget of 1981, which many of the Republicans here voted for. That is the job killer.

Mr. Chairman, I cite that as an example of the lack of correspondence between the history, as narrated by the gentleman from New York, and reality. The gentleman simply is making it up. It is creative, it is interesting, but it is not congruent with the facts, which is, I think as clearly as one can say it under the rules of the House.

Let us look at where we are on this. How do they defend the poor? By allowing the housing authorities to raise rents beyond any limit. I believe it is very creative. The Republicans, not all Republicans, not Senator Brooke and not many of my friends on the other side, but here is their problem: They want to build the B-2 bomber and they want to build star wars and a lot of other things, so they have to cut funds for housing.

How Mr. Chairman, do we pretend that cutting the funds to maintain and operate public housing and provide security and combat drugs in the projects, how do we pretend that is in people's interest? Well, we say, "That rent cap is hurting you, so we are going to take the rent cap off because we do not want your rent to go up when you get a job."

We say we agree. We agree with Ed Brooke. We disagree with Ronald Reagan. We do not want there to be an automatic escalator. It is simply saying that there is a limit on the amount that a tenant can be charged, but there is no mandate that they a be charged that.

Mr. Chairman, the problem is that that way the Republicans would not be able to cut housing and let the housing authorities increase the rents. Their rationale was ripped away from them, so they now come up with a new one.

What is the new one? The new one is if tenants are making 30 percent of the median income or less, they will get the protection of the 30-percent cap, but not if they are making more. Who, now, is giving the disincentive? They are.

Under the Lazio plan, as opposed to our amendment, if tenants are making 30 percent or less, their rent is capped at 30 percent. But if they go to work, if they get off of welfare, the 30 percent level, and go to work, then there is no cap.

How does the gentleman from New York defend that? If we set a 30-percent cap, the housing authorities, because they need money, because the Republicans have cut it, will drive up to the top 30 percent. How does the gentleman prevent the housing authorities from going to 30 percent on working people? By taking the cap off.

So, miraculously the gentleman tells us if there is a 30-percent cap, the housing authorities will charge 30 percent, but if they can charge whatever they want, they will only charge 28 percent.

Mr. Chairman, here is what the gentleman does to the elderly. Those Members who are nostalgic for debating the Notch Act, be very happy with this because he says to the elderly, if they are in elderly housing, their rent will be grandfathered. We will grandparent the grandparents at 30 percent. But new elderly people who come in will be allowed to be charged 35 and 40 and 45 percent. So within a few years, we will have a building of elderly people, some of whom will be paying 30 percent, some of whom will be paying 40 percent.

Mr. Chairman, this is inequitable, socially destructive, and indicative of the poor policy choices of this legislation.

Mr. GUTIERREZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that, first of all, we should be ready to stay here tonight and to fight for housing for people in the United States of America.

Millions of people depend on the outcome of this debate here tonight. I think it is unfortunate that we would want to change 50 years of housing policy and do it in 1 day, and to say we are all going to wrap this up here today.

Mr. Chairman, I am happy to see Members on the Democratic side of the aisle beginning to fight with the Watt amendment, which I think is a cornerstone of what it is we are going to be debating here tonight and that is: What is the future? And the fact that my colleagues on the other side of the aisle are even refusing to accept what seems to me to be very basically logical language, very fair language about attempting to reach as a goal that all Americans could have affordable housing, and then to turn that into an antigovernment rhetoric as though we are trying to impose Big Brother on somebody, which is totally not the case.

So, Mr. Chairman, I want to thank my Democratic colleagues and I suggest we continue to fight, we continue to struggle, because this is an important struggle that millions of Americans are going to depend upon.

Now, Mr. Chairman, I want to read this. And of course, I was born in the United States of America and English is my first language. It is not my only language, thank God. But I read it and it says, "It is the goal of our Nation." It does not say the goal of the Federal Government. It does not say the goal of the Government. "The goal of our Nation that all citizens have decent and affordable housing."

Mr. Chairman, it says "goal of our Nation." And how does it say, and the gentleman from North Carolina [Mr. WATT] put this splendidly, and then he says, "Our Nation should promote the goal of providing decent, affordable housing for all citizens through the efforts and encouragement of the Federal, State, and local governments and," listen up, because sometimes people on that side of the aisle only hear what they want to hear. Read the whole thing. It says, "and by promoting and protecting the independent and collective actions of private citizens." Not the Federal Government. Private citizens.

It says it right here. Maybe that is why some people on that side of the aisle want English only because they cannot read it to begin with. "Collective actions of private citizens, organizations, and private sector to develop housing and strengthen their neighborhoods." That we should help, that we should be a conduit. That we should be facilitators of that goal. That is what is says here.

That is what it says here. So, I do not understand the rhetoric that denounces this side of the aisle, and specifically the gentleman from North Carolina, for wanting to impose the big hand of the Federal Government, because that is just not what it says.

Now, maybe there is another English language that I have not been accustomed to or acknowledged, but I think this is what this says.

Mr. Chairman, let me just say, look, to say to us that we are going to give public housing authorities across this Nation hundreds of millions, billions of dollars less and say we care about those people, I think is a little disingenuous. Then, to come back and say, where our side is saying 30 percent should be the cap.

Mr. Chairman, if I went to a bank, because I know that side wants us to run everything like the private sector, and if I went to a bank today, that bank would say to me, "Mr. GUTIERREZ, you cannot get a loan for your home that exceeds 28 percent of your income." That is banking standards across this country. But this Congress of the United States is going to say we can charge more than 30 percent of that person's salary for housing. I think let us follow the private sector.

Mr. CASTLE. Mr. Chairman, will the gentleman yield?

Mr. GUTIERREZ. I yield to the gentleman from Delaware.

Mr. CASTLE. Mr. Chairman, let me just try to bring this down to the level of what we are dealing with in this amendment, because I think the language has been overlooked here, which I think is fair language.

I am a great believer in the need for public housing and that is what we are doing, but it states, and what is being stricken here, "The Federal Government cannot through its direct action or involvement provide for the housing of every American citizen." I think this is a given. "Or even a majority of its citizens." "But the responsibility of the government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods."

I do not have a problem with that language, not as a Republican or Democrat, but just as one reading it. It is preamble language in this bill. It is fair language. I am not sure what we are arguing about.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. GUTIERREZ] has expired.

(By unanimous consent, Mr. GUTIERREZ was allowed to proceed for 30 additional seconds.)

Mr. GUTIERREZ. Mr. Chairman, I think the point is we should be working this out. We should be sitting down with the gentleman so that we can reach a consensus here that there is a role, there is a responsibility for all of us.

Mr. Chairman, we cannot cut earned income tax credit; we cannot say we are not going to give a raise on the minimum wage; we cannot say we are going to cut school lunches; we cannot say we are going to do less and less and less and you are going to do more with less. Let us come together. It should be a goal of this country, a place that we seek to reach that everybody can live in a decent and affordable home.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. TALENT. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Missouri.

Mr. TALENT. Mr. Chairman, a number of the members of the committee have spoken here, and I certainly respect their expertise in the matter as I respect the gentleman who is sponsoring and handling this bill, the gentleman from New York [Mr. LAZIO].

My perspective is broader than that. It is the experience that I have had in my district and in talking to people around the country who are trying to rebuild distressed urban neighborhoods. My experience is one that I think is shared by most of the Members of this body. It simply does not reflect well on HUD.

Mr. Chairman, let me tell a couple of anecdotes that show that. I was on a talk show about a year and a half ago with the man who used to be the mayor of the city of St. Louis. He is a member of the Democratic Party. I said, "If you were the czar of public housing in this country," and he had a lot of experience with it, "what would you do to provide good public housing for poor people?" Mr. Chairman, he said, "I can tell you what I would begin by doing. I would begin by abolishing the Department of Housing and Urban Development," and then he went on to explain why HUD was blocking the efforts of local officials and private people to provide decent housing for people.

Mr. Chairman, I visited the Columbia Heights neighborhood here in the District of Columbia and looked at what those neighborhood associations are doing to get good people into decent housing. I asked them, "What is your big problem with housing?" They said, "It is HUD. HUD owns about 40 properties in our neighborhood, but will not do anything with them. Will not give them to me. I cannot rehab them. They are run down."

HUD has a lot of people locked in a public housing project using dumb rules and it is a source of difficulty and we cannot get control and cannot do anything about it. I can go on and on. I think everybody in this body could.

It seems that there is a whole lot of people in this country, and this is encouraging, a group like Embers Beneath the Ashes of Urban America, that are rebuilding their neighborhoods, and they keep telling us that HUD is a problem. We keep saying that it is HUD and we cannot do anything about that.

This bill is an attempt to do something about it. What do we need to do? We need to return local control back to the people in these neighborhoods. We need to say: We trust you. You can run some housing projects on your own without detailed supervision.

We need flexibility in Section 8 housing. We need to promote work instead of punishing it. We need to provide for home ownership where we can. That seems to me what is in the preamble here. I do not know that there is a lot of difference. It just seems to me that what we have in the bill with regard to the preamble makes clear that we recognize that the Federal Government is not directly responsible for performing all of those things.

Mr. Chairman, I would like to go on further and say, as it does say, the Federal Government has a responsibility to help and will help, but what we have been doing the last couple of decades is not helping, but blocking the people who really can make a difference. That is what my concern is.

We are fighting over language here. I hope that we can get behind this bill, that we can move forward, and that what we are not seeing here is some rear guard action on behalf of the status quo and that we are going to take this bill up line by line, section by section, and we end up with nothing except HUD oppressing these neighborhoods as they have been doing year after year after year.

There are so many people who see these problems back home and want to know why we do not do something and then they see us up here and nothing ever happens. I hope that is not the result tonight.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I just want to associate myself with the remarks the gentleman from Missouri [Mr. TALENT] made about his analysis of the problem. Most of us who serve on the Subcommittee on Housing and Community Opportunity recognize that there have been many problems with HUD and that there have been, in fact, some terribly run housing projects, some even worse run housing authorities.

There are changes that are contained within this legislation that are bipartisan in nature. The statements that suggest that we have got to get rid of any problems that hold back people from going to work, that we in fact ought to allow greater local control over housing authorities, that we ought to provide tenant management programs and all kinds of innovative and creative ways of getting local control is in fact important.

□ 1845

I can say to the gentleman that I agree with him. I do not understand why a couple of Republicans are digging in their heels about setting a goal on trying to provide housing for the American people. What is the problem? I cannot believe we are having this debate. Why do not we just accept the language?

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. BEREUTER] has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 1 additional minute.)

Mr. BEREUTER. Mr. Chairman, I yield again to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Chairman, let me say to my friend, the last gentleman who spoke from Massachusetts, that I would hope that that is not the case as well. When I have seen a number of times, I hope that is not the case here, is Members who indicate that they are for change in these areas but keep picking and picking and picking at proposals so that at the end of the day nothing gets done. So they try and have it both ways; say, yes, we are for it, but at the end of the day nothing is being done. I hope that is not happening here.

Mr. Chairman, if there truly is not much difference between the two, what is in the bill and the gentleman's amendment, I do not know why we have to have the amendment, why it was offered and why we are fighting over there for so long.

I would say to the gentleman I hope something gets done tonight. I hope this does not become a referendum over something that does not matter and instead is a referendum over what does matter for the people of this country, which is whether we are going to rein in HUD or not. That is the way that I see this bill.

Mr. BARRETT of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am somewhat perplexed at the length of this debate tonight. I will try not to extend it too much further. I have to admit that I looked at the language of this amendment and I do not know what is objectionable. I do not see what the problem is.

The first sentence says it is a goal of our Nation that all citizens have decent and affordable housing. What is the objectionable part? Are we opposed to all citizens having decent and affordable housing? Are we opposed to citizens having affordable housing? Are we opposed to citizens having decent housing? I do not see what the problem is. I do not see why this is an objectionable amendment.

It goes on then to say that our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State and local governments and by promoting and protecting the independent and collective actions of private citizens, organizations and the private sector to develop housing and strengthen their neighborhoods. This piece of legislation, this amendment, if handed to most Members in this body and asked them who drafted it, they would say the realtors drafted it. This looks like a statement from the realtors. The realtors believe in affordable housing. The realtors believe in decent housing. But the problem is it has been offered by the gentleman from North Carolina. That seems to be the problem.

Mr. Chairman, the language in the bill itself says that the Federal Government cannot or should not get involved through direct or indirect action but should do so only when there is serious need that private citizens or groups cannot or are not addressing the problem responsibly. Does that mean that the majority is against the deduction for home ownership? The Federal Government is getting involved in housing? The Federal Government is doing the terrible thing that most people say over there, the Federal Government is actually encouraging home ownership in this country by allowing American citizens to deduct their home mortgages.

I do not think that is such a bad thing. I think 99 percent of the people in this country think that home ownership should be encouraged. I fail to see why there is this line being drawn over this amendment. Take a look at the amendment. Read the amendment. It is a good amendment. It is a common sense amendment.

I dare say it is an American amendment. It is apple pie. Let us just take the amendment and go on.

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

I have been listening to this debate, and I have had a chance to read this bill and to read the amendment. I want to congratulate our chairman. I have been listening to the debate here and had a chance to take a look at this bill. I want to congratulate the chairman because I think he is the first real leader to bring meaningful change to this issue that we have had and we have been. I have been in this Congress for 18 years, and this is the first time I can honestly say that we have got a housing bill that has some fundamental changes. So I congratulate the chairman for that.

The gentleman from New York [Mr. LAZIO] is for change. I see the opponents of this bill come in with their amendment as fighting for the status quo. This is an honest bill. What this bill says is that the Federal Government cannot, through its direct action or involvement, provide for the housing for every American citizen. It is the first time I have read an honest bill dealing with this subject in a long, long time.

Mr. Chairman, we had one of the previous speakers, my good friend from Washington, get up and say the realtors could have drafted this amendment from the gentleman from North Carolina. Members can see that that is the point. We are not interested in special interests coming in here drafting our legislation; are we?

The gentleman from New York [Mr. LAZIO] did not have special interests drafting this legislation. It was done for the American people. Now we have got people coming in here debating the issue saying we want the realtors to draft the amendments. I do not want realtors drafting amendments. I love realtors. They are great people. They are hard working people. But I do not want them writing the legislation. I want us here in this Congress writing the legislation.

This is a great bill. I congratulate the chairman for his hard work and the members of the committee. I even congratulated the chairman, I mean the gentleman from North Carolina, for his hard work. But his amendment does not belong on this bill. This is not special interest legislation. We have had too much of that. That is why the people in the last election voted for change because they were voting for this kind of legislation, not for special interest legislation.

Mr. Chairman, for 40 years we have had the special interests come in here and write the legislation. The American people said we do not want any more of that. We want Members of the Congress to draft the legislation. That is precisely what this bill is before us. It is legislation that is drafted by Members of Congress and not by the special interests.

Mr. FLAKE. Mr. Chairman, I move to strike the requisite number of words.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. FLAKE. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I think that my colleague from Wisconsin mischaracterized the statement of the gentleman from Wisconsin [Mr. BARRETT] that Mr. BARRETT is suggesting that this amendment or this language, which reiterates the 1937 and 1949 housing goal, could have been drafted by groups from the private sector, could have been drafted by others.

It should be noncontroversial, I think, was his point, not that it was drafted. Frankly, I do not know who drafted the 1937 or 1049. All I know is that it serves this Nation well to have that and hold that up as a goal. That we do not accomplish it is very disappointing.

Mr. Chairman, I thank the gentleman from New York for yielding to me.

Mr. FLAKE. Mr. Speaker, one of the great concerns I have is, as I listen to this debate, is that we seem to forget that there have been points in American history when we have found the need to be involved in whatever area we found there to be a problem that in some way made it impossible for us to have the best possible demonstration of what democracy is all about.

One of those was when our soldiers returned from war and we decided that we needed to provide housing. Therefore, we developed the VA program, subsequently the FHA programs and other programs that opened up opportunities for people to be able to move into home ownership. It was felt that the Government had a role in trying to assure that every person who was an American, every person who saluted this flag, who understood its Constitution and understood the responsibility as a citizen of this Nation could expect that there would be some benefits which would derive to them.

It seems to me now we move away from the responsibility of making sure that every American understands that they have a place, every American understands that this country is concerned about them. Particularly those Americans who go to work every day would like to be able to become a homeowner and find it difficult to do so.

I think many of us function under the notion, which I consider a bit naive, that somehow the private sector or some others will take care of the responsibility for assuring that every citizen has an opportunity to become a homeowner. I hate to tell you but that is just not a fact. There is enough data to support the notion that in this country there are reasons that are not given but in fact it is impossible for every American citizen to dare to even believe that they can own a home.

I support this amendment because I think it makes sense. It makes sense for a strong Nation with bountiful resources, with the capability to respond to almost any predicament that it finds necessary, to do so in the midst of a homeless crisis, in the midst of a situation where persons work every day and still are not able to save enough money to be able to buy a house, to at least believe that it has a responsibility to let somebody know that we as a government, we as a Nation believe that we want you to participate. We want you to share in the American dream. We want you to become a homeowner. We will do everything possible to make it real for you.

I am a provider. I know what it means not only to talk about it, the rhetoric of building communities and building homes. I do it. I know what it means when a person has an opportunity to be able to move into their own home. They not only begin to do what is necessary to pay the mortgage. They do whatever is necessary to fix that home up. They work two jobs, if necessary. They do whatever they can to provide for the needs of their family while at the same time providing the best housing opportunity.

I think that when we move away from that responsibility, we are saying to a certain segment of Americans, you do not count; you are really not important. We do not see it as our role to try to assure that you have an opportunity to participate in the American dream.

One speaker before me said, and it is indeed correct, those persons who can afford home ownership in America find that the Government in fact does in many ways pay for them to be home owners. It gives tax credits for their mortgage. It gives tax credits for other taxes that they pay to the county and State. And then we come to this place and say, no, we do not have a responsibility or an obligation.

I would challenge my colleagues. I would hope we can move out of partisanship to deal with this particular issue because I think it supersedes that. I think all of you, Democrat and Republican, black and white, female and male, must understand our obligations to one another as citizens. And when we do that, I think we can come to good legislation.

We stand up and we proudly sing, America, America, God shed his grace on thee, and crown thy good, and crown thy good with brotherhood from sea to shining sea. In between the seas there are a lot of people who are suffering. There are a lot of people who are crying. There are a lot of people who have desires. There are a lot of people who have unmet needs, and we do not meet those needs by virtue to moving away from our responsibility as a people to other people, sharing in a kind of brotherhood that lets us understand that even the poorest of us, the poorest among us have a right to be able to believe that in this society, in this Nation, they will be able to be provided with shelter.

I would hope my colleagues would bury the hatchet of separation and move together. Let us take the Watt amendment. Let us agree to it and let us more forward.

The CHAIRMAN. The time of the gentleman from New York [Mr. FLAKE] has expired.

(On request of Mr. BEREUTER, and by unanimous consent, Mr. FLAKE was allowed to proceed for 2 additional minutes.)

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. FLAKE. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, I wonder if I might be able to engage in a colloquy with the gentleman from North Carolina [Mr. WATT].

I know you are the maker of the amendment. I am just becoming familiar with the amendment and what it attempts to do. My problem, speaking only for myself, is not what you are suggesting and adding in the way of national goals. I think they are entirely appropriate. There is a long history for it.

The problem I have and I suspect that most Members have is what you are deleting. Some Members on this side of the aisle, including myself, feel very strongly that the language which says "the Federal Government cannot, through direct action or involvement, provide for the housing of every American citizen or even a majority" is an important change. But there is absolutely nothing that is contestable, in my judgment, with what you are suggesting in the way of the goal of our Nation that all citizens have decent, affordable housing. Our Nation should promote the goal of providing decent, affordable housing and so on and so forth, through State, local, Federal action and private action which you describe in several ways.

Is it not possible for us to reach an agreement on this subject or do we have an impossible difference of opinion here so that you simply do not strike line 20 on page 5 through line 2 on page 6, but you add back or you add language which we have accepted in this country for a long period of time. Does the gentleman find that as a possible amendment?

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. FLAKE. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, I would think that there is not a dime's worth of difference between where I think we are and where I hope the gentleman is. If it would facilitate reaching some kind of agreement about this issue, I would be happy, if we could get unanimous consent to withdraw the amendment and reoffer it. But I do not want to lose my place.

□ 1900

Mr. BEREUTER. Mr. Chairman, if the gentleman will continue to yield. I would ask the gentleman a question then. I would make a unanimous consent request at this point, and we will see if the gentleman finds it acceptable.

Mr. Chairman, I would ask unanimous consent that the section in the gentleman's amendment, the amendment offered by Mr. WATT, where he strikes line 20 and all that follows through page 6, on line 2, and insert the following new paragraph:

The striking portion be deleted from the gentleman's amendment and that the appropriate re-numbering follow so that, in fact, we are adding all of the gentleman's new language to the existing language on page 5 and 6.

I would make that unanimous-consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

Mr. WATT of North Carolina. Mr. Chairman, reserving the right to object, I am wondering if the gentleman might allow the debate to continue while we actually look at the impact of that, and it might have some possibilities if we could just allow whoever else wants to speak on this to speak, and in the meantime we will continue to work on it.

The CHAIRMAN. Does the gentleman from Nebraska withdraw the unanimous-consent request?

Mr. BEREUTER. Mr. Chairman, I withdraw the unanimous-consent request until we have time to deliberate on it.

The CHAIRMAN. Does anyone seek recognition on the amendment?

Ms. WATERS. Mr. Chairman, I move to strike the requisite number of words.

Members, I am pleased that I happen to come to the floor at a time where there appears that we can have some agreement about how we can get language back into this legislation that will place us squarely on the frontlines in ensuring that this Nation places priorities where they should be.

As a matter of fact, I am very pleased that the gentleman from Nebraska [Mr. BEREUTER] has offered to the gentleman from North Carolina [Mr. WATT] an opportunity to put this language back in that will ensure that this is a goal that we have in this country, that we have a goal of trying to make sure that there is safe and decent housing for all Americans.

This does not mean, however, that we have to pay for housing for everybody. This does not mean that we have to appropriate money in order to build housing. This simply means that we think it is good, it is right, and it is meaningful to have decent housing for everybody, and I think it would be a wonderful thing for the Congress of the United States, the House of Representatives this evening, to say to America we believe that everybody should have what we have.

Mr. Chairman, everybody in this Congress goes home at night to a wonderful place to sleep. As a matter of fact, most people in this Congress have two or three places to sleep. We have a place here in Washington, we have a place in our district. Some of the more fortunate have summer homes. Some have two or three homes. And I am sure that we would not want to send the message that while we enjoy the comforts of two and three and four homes, that somehow we cannot go on record as saying we think every American deserves a decent, safe, and secure place to live.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentlewoman from Texas.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I ask unanimous consent to strike the requisite number of words to enter into a colloquy with the gentleman from New York [Mr. LAZIO].

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts [Mr. KENNEDY] is recognized for 5 minutes.

Mr. KENNEDY of Massachusetts. I was wondering if the chairman of the Committee on Banking and Financial Services would be willing to endorse the process of having the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from North Carolina [Mr. WATT] get together to try to work out some mutually acceptable language.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman was asking whether I would support a unanimous-consent request for the gentleman from North Carolina [Mr. WATT] to withdraw his motion without prejudice with the ability to come back and re-offer his amendment after reflection and negotiation on this particular item, I would have no objection to that.

Mr. KENNEDY of Massachusetts. And, Mr. Chairman, I was wondering if the gentleman could maybe give some encouragement. I would give a great deal of encouragement to the gentleman from North Carolina [Mr. WATT] to try to work the thing out. I was wondering if we might expect the same from the gentleman with respect to the gentleman from Nebraska [Mr. BEREUTER].

Mr. LAZIO of New York. If the gentleman would continue to yield, Mr.

Chairman, we have been debating this for over an hour now. The important aspect of this for me is to insure that the language which speaks to what I believe is the Federal role in terms of it being a partner is preserved to the extent that there is additional material that is inserted that is consistent, I believe is consistent, basically, with what the other elements of our purpose is. I think that it would be a rational thing to believe that we can agree on and that we be able to resolve this issue.

I am supportive of the process.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I think that was a yes, and I am going to take it as one.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I am moved by the gentlewoman's statement, and I appreciate the fact that she has come to the floor as I have listened to the debate as well with a very prominent housing authority facility in my district, Allan Parkway Village, that has languished for so many years because there may not have been the kind of spirit where the community would come together and say, yes, we need decent, affordable housing, so we do not have this acrimony; we want to work on affordable housing.

I want to raise with the gentlewoman, since she comes from California and I am from Texas, taking this language out would suggest to me if we want to just take it to the absurd, that if we had a disaster, and we asked FEMA to come in, that maybe in fact FEMA should not go in to recreate affordable housing or housing for people whose housing was destroyed because, we take this language and we say we want no involvement of sorts of the Federal Government.

That seems to be not what this Congress wants to say, and certainly if those who have decent housing destroyed by a natural disaster can then have new housing built, why not poor people, and have the Federal Government's involvement to do the right thing, which is to create an opportunity for affordable housing?

Ms. WATERS. Mr. Chairman, I think the gentlewoman makes a good point that we certainly could have situations, as we know, in this United States where people lose their homes because there are acts of nature, and we certainly do not want to send the message that we do not somehow want to assume some responsibility in insuring that there is replacement housing.

But beyond that, my colleagues in this House, even with the goals that we have articulated in the preamble to housing legislation in the past, we still have millions of people who are without decent, safe housing in America. We need that goal throughout, not simply the inner cities of America. I am not talking about St. Louis and Philadelphia, and I am not simply talking about Harlem or other cities that people would immediately want to think about. I am talking about rural America also, where people are living in shacks, where people still do not have running water in America. I am talking about down in the delta in Mississippi, where we have people not only without running water, but people who have rags stuffed in the openings in the side of their homes and coverings put on roofs of plastic and other materials in order to keep the rain out.

So I am sure that those who thought about taking out this goal, this wonderful goal that speaks to family values, this goal that talks about insuring that children have a safe and decent place to live. I am sure they did not know what they were saying.

Mr. SANDERS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. Mr. Chairman, I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, let me pick up on a point. We are not only talking about housing which is slum housing.

The CHAIRMAN. The time of the gentlewoman from California [Ms. WATERS] has expired.

(On request of Mr. SANDERS, and by unanimous consent, Ms. WATERS was allowed to proceed for 30 additional seconds.)

Mr. SANDERS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. Mr. Chairman, I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, we are not only talking about inadequate housing without running water, with holes in the roof. We are talking about housing that is not affordable. Millions and millions of Americans today are paying 50, 60, 70 percent of their limited income for housing, and they have very little else to live with. And that is why the amendment offered by the gentleman from North Carolina, Mr. WATT's amendment, is important, and that is why it should be passed.

Mr. BENTSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. BENTSEN. Mr. Chairman, first of all, let me say I think the language of the gentleman from North Carolina [Mr. WATT] conforms with the bill.

I am one of the few Democrats who actually supported the bill when it was sent from the Committee on Banking and Financial Services, and I do not see any problem with including this language, and I think it is true that this language not only meets the history of our Nation's commitment to housing, but it also meets the policy that I have not seen the other side of the aisle talk about doing away with.

When we look at what we do directly, indirectly, and what we do in encouraging housing in this country, if we look at things like the VA Guarantee Program, the FHA program, Fannie Mae, Freddie Mac, the government-sponsored entities, the Federal Home Loan Bank System, to create a secondary market to increase the availability and affordability of home mortgages, things like FmHA to assist in creating affordable housing in the Farmers' Home Loan Program for the rural communities, the mortgage interest deduction, which I think 80 million American families benefit from, the low-income tax credit to spur multifamily and single-family development for low-income housing, the redevelopment tax credit for historical housing, things such as the mortgage revenue bonds, multifamily bonds to provide a tax subsidy for both single-family and multifamily housing for middle-income families, and the mortgage credit certificate program.

So, clearly, it has been historically the goal of this Nation to provide assistance in housing, and the fact of the matter is over the time that we have done that we have seen home ownership, which I think both sides of the aisle seek to attain, we have seen home ownership rise dramatically since the Great Depression.

So this fits within the goal of the United States, and I think the gentleman from North Carolina's language is commensurate with what the goals of the bill are.

As I said, I support the legislation. I think it makes sense. I think there are some things that we are going to have to do to make it better. One would be the Frank-Gutierrez amendment because I think we want to be careful that the bill does not turn local housing agencies, public housing agencies and local housing management agencies, into profit centers where they seek to raise the most revenue in a time of declining Federal revenues at the expense of low-income people who need housing assistance the most.

So I intend to support that amendment, and I would encourage my colleagues to do so, but I think that it is a mistake for us to argue or have some ideological argument to think that somehow we cannot have any involvement in housing, because if we look at the tax code, if we look at other sections of the code with our government-sponsored entities, we will see that we have long, in a bipartisan fashion, done everything we could to promote housing, home ownership, and I think that is the goal that we should continue.

Mr. Chairman, I rise in support of the United States Housing Act. As a member of the House Banking Committee, I am pleased that we are considering critical public housing legislation today in the House of Representatives.

This legislation would fundamentally reform the public housing and section 8 rental assistance programs. This legislation would deregulate the Public Housing Authorities and promote more local control over public housing programs. In addition, it would consolidate section 8 certificate and voucher programs to promote efficiency and encourage more public housing residents to move into neighborhoods, rather than project-based residences. This emphasis on vouchers will ensure that public housing recipients can either rent or buy homes throughout our communities.

I am particularly pleased that this legislation will encourage home ownership and flexible vouchers for rental assistance. Home ownership has been shown to increase the financial status of purchasers and improve the quality of life for all Americans. We provide many incentives for people to buy their own home and this bill would increase these opportunities for qualified recipients. Flexible vouchers allow tenants to move into their communities, away from project-based assistance. Vouchers offer real choice for tenants and would encourage competition among developers to provide quality housing at a reasonable price.

Existing public housing programs would be consolidated and transferred to Local Housing Management Agencies [LHMA's] that would administer federally-assisted housing programs and manage these properties. These LHMA's would be accredited by the Housing Foundation and Accreditation Board to ensure that local programs are well-run and fulfilling their mission. These locally-oriented LHMA's would make decisions about what kind of housing they would offer, including project-based assistance or voucher-based assistance. As part of this process, the LHMA's would develop a local housing management plan where local residents and communities leaders would work together to accomplish this goal.

There is a real need to reform public housing programs to better meet the needs of American families. The 1.4 million existing public housing units simply are not meeting the need and are often beyond repair. Of the 13 million families who qualify for public housing, only 4.3 million families actually live in public housing. Clearly, we must do more to meet housing needs.

This legislation would provide greater flexibility to meet housing needs. Decisions about admissions and tenants would be changed so that public housing programs could include a broader mix of residents. As Federal assistance to housing declines, there is a real need to find new sources of revenue for public housing authorities. Allowing higher income families to move into Federal assisted housing dwellings will help to replace Federal subsidies.

This bill is also carefully written to ensure that those most in need will continue to receive public housing. For instance, under the manager's amendment, at least 50 percent of the tenant-based assistance will be reserved for families making 60 percent or less of the area median income.

H.R. 2406 also would reform the rents charged for public housing units. Under the manager's amendment, the maximum rents charged for current residents earning less than 30 percent of the median income would be capped at 30 percent of their incomes. In addition, current disabled and senior citizens would also be charged capped rents of 30 percent of their incomes. Representatives FRANK, GUTIERREZ, and HINCHEY will offer an amendment that would further protect low-income families. The Frank/Gutierrez amendment would cap rents at 30 percent of a family income. I support this effort because I believe we should ensure that low-income families are not required to contribute an unreasonable and unsustainable portion of their income to housing. However, the Frank/Gutierrez amendment ensures that LHMA's will receive more income from tenants without charging excessive rents for public housing residents.

During consideration of H.R. 2406 in the House Banking Committee, I successfully offered three amendments to encourage home ownership for low-income families. To really help low-income families we should do everything possible to promote home ownership. Studies have shown that the largest obstacle to home ownership is the downpayment and closing costs. My amendment would permit resident to put together their downpayment from gifts, grants, or loans in addition to their own funds. This has been utilized at the State and local level successfully. A second amendment I offered would reduce the opportunity for abusive sales practices by requiring the recapture of the Federal subsidy for the first 5 years of homeownership. We should encourage homeownership for the long term, not short term flipping. The third amendment would ensure that Federal housing programs vouchers could no be used to violate local housing deed restrictions except where these violate the Fair Housing Act. In Houston where there is no zoning, this protection would ensure that single-family neighborhoods are protected from multi-family developments, while still allowing the use of vouchers. I am pleased these improvements were made to the bill.

H.R. 2406 will streamline Federal housing programs and result in better housing opportunities for all Americans. In order to reform our housing programs, we must promote innovation and provide more local control over public housing. The U.S. Housing Act does that and I urge my colleagues' support.

Mr. WATT of North Carolina. Mr. Chairman, I ask unanimous consent that the gentleman from Nebraska [Mr. BEREUTER] be allowed to address the House for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BEREUTER. Mr. Chairman, I am hoping that the chairman returns soon because I think we are close to an agreement here.

Just to reiterate what we are attempting to do: We are attempting to keep the language, page 5, line 20, through line 2, page 6, to make it clear that, "the Federal Government cannot through its direct action or involvement provide for the housing of every American citizen," and the gentleman is offering a few changes there so we will delete the words "or involvement" and instead it would read, "the Federal Government cannot through its direct action only provide for the housing for every American or even a majority of its citizens, but it is the responsibility of the government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods;". That would stay as opposed to being deleted by the gentleman from North Carolina.

But in addition, the gentleman would add the following language which we do not contest, it appears, on this side, and I do not think we should, which indicates the following subparagraph, subparagraph (2):

> It is a goal of our Nation that all citizens have decent and affordable housing; No. 3, our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State and local governments and by promoting and protecting the independent and collective action of private citizens, organizations and the private sector to develop housing and strengthen their own neighborhood.

We have reached that point of agreement, I believe now, between the gentleman from North Carolina [Mr. WATT] and Members on this side of the aisle, and I believe that we have a unanimous-consent request to proceed.

There is one remaining item that the gentleman from North Carolina [Mr. WATT] has brought up which may yet be controversial, and so I would ask the gentleman from North Carolina if he wishes to proceed, and we would have a replacement which does accomplish what we have already attempted to do, or should we pass over this for the moment until they can resolve the final point?

□ 1915

The CHAIRMAN. The Chair would hope that any modification will be submitted in writing so we can assure the accuracy of the RECORD.

Mr. HASTINGS of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have sat, incredulous, that this debate has been ongoing. Of course, I am very supportive of the amendment offered by the gentleman from North Carolina [Mr. WATT] and appreciative of the gentleman from Nebraska [Mr. BEREUTER] and those who are concerned enough to be about the business of trying to reconcile what remaining differences exist with reference to some rather innocuous language.

Mr. Chairman, this Nation built a monument to middle-class housing under the aegis of the Federal Housing Administration and the Veterans' Administration, and rightly so. We seem to forget exactly what the United States of America does for any number of entities who are involved in institutional development.

When a major institution in this country builds a new building and leases it for 99 years, it does not mean that the Federal Government is not involved in insuring the loan that constructed those magnificent high-rises in many of our communities that have absolutely nothing to do with the housing of poor individuals.

How dare we come in here and say, as policymakers of this Nation, that we do not favor a goal of ensuring that every citizen in this country has safe and inhabitable housing? I find it almost unbelievable that in the preamble to this bill that is going to change housing policy that has been in existence for as much as 50 years, we find ourselves debating something as simple as whether or not it ought to be the goal of the U.S. Congress and its Members to state that we favor every citizen in this country having safe and inhabitable housing.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I would like to continue pretty much in the vein that the gentleman started, that talked about some of the things that we have done to carry out that kind of policy. As a matter of fact, Mr. Chairman, the GSE's come to mind, the government service enterprises, where we have FNMA and Freddie Mac. That is not about anything more than ensuring that we have the vehicles by which we can get those mortgages on the secondary market to ensure that people can own homes.

If we do not support the preamble and the goals of that preamble, are we then saying we want to remove our support from these GSE's and all of these instruments that we have developed to support ownership and means by which people can get into safe and decent housing? Would the gentleman not say that we have in place not only the GSE's, but veterans policy and other things to carry out the goals that we articulated in that preamble? Is that what the gentleman is referring to?

Mr. HASTINGS of Florida. Mr. Chairman, there is no question but what that is true, if we were to add to that the mortgage deduction that I benefit from in developing my interests in a home, or any number of aspects of the government's involvement in allowing for the development.

But what I was trying to get across is it is not only homes. We insure the homes of millionaires with their mortgages. There is nothing wrong with that. Why, then, should there not be a goal that we want to make sure that every American understands that we as policymakers favor their right to have a safe and inhabitable house, and that the public and the private sector, local and Federal and State, ought to participate as a goal to ensure that? I thought that is what I was here about.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I appreciate the gentleman yielding. The gentleman has rightly pointed out the tremendous home ownership opportunities that have been developed in these last 50 years. To date, 65 percent of American families own their own homes.

Tonight, of course, what we are talking about is those groups that are in most desperate need, those that are receiving public housing. That is what this particular bill is about. That is why I think it is so important that we recognize this as a goal among the neediest, and I think as a Nation we have done very well.

Mr. WATT of North Carolina. Mr. Chairman, I ask unanimous consent that the amendment currently under debate be withdrawn, and that an amendment which I have at the desk be substituted instead.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. BEREUTER. Reserving the right to object, Mr. Chairman, I will not object. I want to thank the gentleman for his work on it, and the chairman of the subcommittee, the gentleman from New York [Mr. LAZIO], on following through on a suggestion we made in a colloquy here. I urge my colleagues to support the unanimous consent request and the amendment that the gentleman from North Carolina will subsequently offer.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

AMENDMENT OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WATT of North Carolina: page 5, line 22, insert "alone" after "involvement" and strike "or involvement"; page 6, line 3 strike "only"; page 6, after line 10 add the following: and renumber accordingly.

(5) it is a goal of our Nation that all citizens have decent and affordable housing;

(6) our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments and by promoting and protecting the independent and collective actions of private citizens, organizations, and the private sector to develop housing and strengthen their own neighborhoods.

Mr. WATT of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WATT of North Carolina. Mr. Chairman, basically what we have done in the bill is to acknowledge, as the original bill does, that the Federal Government cannot alone accomplish all of the housing objectives that we all have as a Nation.

We have added to that the goal, the specific language that is in the original Watt amendment, which says that our Nation should promote the goal of providing decent and affordable housing, and the rest of the language that was in the original amendment, and we have acknowledged that the Federal Government can pursue this policy. So I think all our hearts and minds are at peace on this.

Ms. WATERS. Mr. Chairman, will the gentlemen yield?

Mr. WATT of North Carolina. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I would like to say to the gentleman that I am so appreciative that he took the leadership to ensure that we did not somehow kill a philosophy that has held us in good stead as it relates to housing. I thank the gentleman.

I would like to take this time to thank the gentleman from New York [Mr. LAZIO] and the gentleman from Nebraska [Mr. BEREUTER] for bending and for accepting that it is important to have this as part of our philosophy. I think that if we continue to work in this vein, we can straighten this bill out. We have a couple more amendments to go that I think are very important, but for the time being, I think it is worth it to note that an important step has been taken here in moving in the right direction. I thank the gentleman so much.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. WATT of North Carolina. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I want to thank the gentleman as well for working with us to resolve this issue. I emphasize again that the point we are trying to make and which we continue to make and which the gentleman has agreed to graciously in terms of this language is to ensure that the Federal Government cannot go it alone. Those days are basically over. We need to develop good community partnerships, the Federal Government being a vibrant and vital partner in developing a housing strategy, together with States, together with communities, locally based solutions, for-profits, not-for-profits, institutions, all working together collaboratively.

I want to stress my support for the modification to the amendment that the gentleman has offered.

Mr. WATT of North Carolina. Reclaiming my time, Mr. Chairman, I want to express my special thanks to my friend, and in the heat of debate sometimes people get the impression that we are not friends. The gentleman from New York [Mr. LAZIO] is my friend, but this is important public policy and an important goal that the Nation should have for affordable and decent housing for all Americans.

Mr. Chairman, I want to express a particular thanks to the gentleman from Nebraska [Mr. BEREUTER], who played the role of peacemaker and reminded us of what we are here about this evening.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. WATT].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to section 2?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—GENERAL PROVISIONS

SEC. 101. STATEMENT OF PURPOSE.

The purpose of this Act is to promote safe, clean, and healthy housing that is affordable to low-income families, and thereby contribute to the supply of affordable housing, by—

(1) deregulating and decontrolling public housing agencies, which in this Act are referred to as "local housing and management authorities", and thereby enable them to perform as property and asset managers;

(2) providing for more flexible use of Federal assistance to local housing and management authorities, allowing the authorities to leverage and combine assistance amounts with amounts obtained from other sources;

(3) facilitating mixed income communities;

(4) increasing accountability and rewarding effective management of local housing and management authorities;

(5) creating incentives and economic opportunities for residents of dwelling units assisted by local housing and management authorities to work and become self-sufficient; and

(6) recreating the existing rental assistance voucher program so that the use of vouchers and relationships between landlords and tenants under the program operate in a manner that more closely resembles the private housing market.

SEC. 102. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) DISABLED FAMILY.—The term "disabled family" means a family whose head (or his or her spouse), or whose sole member, is a person with disabilities. Such term includes 2 or more persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(2) DRUG-RELATED CRIMINAL ACTIVITY.—The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

(3) ELDERLY FAMILIES AND NEAR ELDERLY FAMILIES.—The terms "elderly family" and "near-elderly family" mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(4) ELDERLY PERSON.—The term "elderly person" means a person who is at least 62 years of age.

(5) FAMILY.—The term "family" includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

(6) INCOME.—The term "income" means, with respect to a family, income from all sources of each member of the household, as determined in accordance with criteria prescribed by the applicable local housing and management authority and the Secretary, except that the following amounts shall be excluded:

(A) Any amounts not actually received by the family.

(B) Any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act.

(7) INDIAN.—The term "Indian" means any person recognized as being an Indian, Alaska Native, or Native Hawaiian by an Indian tribe, the Federal Government, or any State.

(8) INDIAN AREA.—The term "Indian area" means the area within which an Indian housing authority is authorized to provide low-income housing assistance under this Act.

(9) INDIAN HOUSING AUTHORITY.—The term "Indian housing authority" means any entity that—

(A) is authorized to engage in or assist in the production or operation of low-income housing for Indians that is assisted under this Act; and

(B) is established—

(i) by exercise of the power of self-government of an Indian tribe independent of State law; or

(ii) by operation of State law providing specifically for housing authorities for Indians, including regional housing authorities in the State of Alaska.

(10) INDIAN TRIBE.—The term "Indian tribe" means any tribe, band, pueblo, group, community, or nation of Indians, Alaska Natives, or Native Hawaiians.

(11) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term "local housing and management authority" is defined in section 103.

(12) LOCAL HOUSING MANAGEMENT PLAN.—The term "local housing management plan" means, with respect to any fiscal year, the plan under section 107 of a local housing and management authority for such fiscal year.

(13) LOW-INCOME FAMILY.—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(14) LOW-INCOME HOUSING.—The term "low-income housing" means dwellings that comply with the requirements—

(A) under subtitle B of title II for assistance under such title for the dwellings; or

(B) under title III for rental assistance payments under such title for the dwellings.

(15) NEAR-ELDERLY PERSON.—The term "near-elderly person" means a person who is at least 55 years of age.

(16) PERSON WITH DISABILITIES.—The term "person with disabilities" means a person who—

(A) has a disability as defined in section 223 of the Social Security Act; or

(B) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for public housing under title II of this Act, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(17) PUBLIC HOUSING.—The term "public housing" means housing, and all necessary appurtenances thereto, that—

(A) is low-income housing or low-income dwelling units in mixed income housing (as provided in section 221(c)(2)); and

(B)(i) is subject to an annual block grant contract under title II; or

(ii) was subject to an annual block grant contract under title II (or an annual contributions contract under the United States Housing Act of 1937) which is not in effect, but for which occupancy is limited in accordance with the requirements under section 222(a).

(18) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

(19) STATE.—The term "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, any other territory or possession of the United States, and Indian tribes.

(20) VERY LOW-INCOME FAMILY.—The term "very low-income family" means a low-income family whose income does not exceed 50 percent of the median family income for the area, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

SEC. 103. ORGANIZATION OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES.

(a) REQUIREMENTS.—For purposes of this Act, the terms "local housing and management authority" and "authority" mean any entity that—

(1) is—

(A) a public housing agency or Indian housing authority that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

(B) authorized under this Act to engage in or assist in the development or operation of low-income housing by any State, county, municipality, or other governmental body or public entity; or

(C) an entity selected by the Secretary, pursuant to subtitle B of title IV, to manage housing; and

(2) complies with the requirements under subsection (b).

(b) GOVERNANCE.—

(1) BOARD OF DIRECTORS.—Each local housing and management authority shall have a board of directors or other form of governance as prescribed in State or local law. No person may be barred from serving on such board or body because of such person's residency in a public housing development or status as an assisted family under title III.

(2) RESIDENT MEMBERSHIP.—

(A) IN GENERAL.—Except as provided in subparagraph (B), in localities in which a local housing and management authority is governed by a board of directors or other similar body, the board or body shall include not less than 1 member who is—

(i) a resident of a public housing dwelling unit owned or operated by the authority; or

(ii) a member of an assisted family under title III.

(B) EXCEPTIONS.—The requirement in subparagraph (A) with respect to a resident member shall not apply to—

(i) any State or local governing body that serves as a local housing and management authority for purposes of this Act and whose responsibilities include substantial activities other than acting as the local housing and management authority, except that such requirement shall apply to any advisory committee or organization that is established by such governing body and whose responsibilities relate only to the governing body's functions as a local housing and management authority for purposes of this Act;

(ii) any local housing and management authority that owns or operates less than 250 public housing dwelling units (including any authority that does not own or operate public housing);

(iii) any local housing and management authority that manages public housing consisting primarily of scattered site public housing;

(iv) any local housing and management authority in a State in which State law specifically precludes public housing residents or assisted families from serving on the board of directors or other similar body of an authority; or

(v) any local housing and management authority in a State that requires the members of the board of directors or other similar body of a local housing and management authority to be salaried and to serve on a full-time basis.

(3) FULL PARTICIPATION.—No local housing and management authority may limit or restrict the capacity or offices in which a member of such board or body may serve on such board or body solely because of the member's status as a resident member.

(4) CONFLICTS OF INTEREST.—The Secretary shall establish guidelines to prevent conflicts of interest on the part of members of the board or directors or governing body of a local housing and management authority.

(5) DEFINITION.—For purposes of this subsection, the term "resident member" means a member of the board of directors or other similar governing body of a local housing and management authority who is a resident of a public housing dwelling unit administered or assisted by the authority or is an assisted family (as such term is defined in section 371).

(c) ESTABLISHMENT OF POLICIES.—Any rules, regulations, policies, standards, and procedures necessary to implement policies required under section 107 to be included in the local housing management plan for a local housing and management authority shall be approved by the board of directors or similar governing body of the authority and shall be publicly available for review upon request.

SEC. 104. DETERMINATION OF ADJUSTED INCOME.

(a) IN GENERAL.—For purposes of this Act, the term "adjusted income" means, with respect to a family, the difference between the income of the members of the family residing in a dwelling unit or the persons on a lease and the amount of any income exclusions for the family under subsections (b) and (c), as determined by the local housing and management authority.

(b) MANDATORY EXCLUSIONS FROM INCOME.—In determining adjusted income, a local housing and management authority shall exclude from the annual income of a family the following amounts:

(1) ELDERLY AND DISABLED FAMILIES.—$400 for any elderly or disabled family.

(2) MEDICAL EXPENSES.—The amount by which 3 percent of the annual family income is exceeded by the sum of—

(A) unreimbursed medical expenses of any elderly family;

(B) unreimbursed medical expenses of any nonelderly family, except that this subparagraph shall apply only to the extent approved in appropriation Acts; and

(C) unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.

(3) CHILD CARE EXPENSES.—Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

(4) MINORS.—$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is under 18 years of age or is attending school or vocational training on a full-time basis.

(5) CHILD SUPPORT PAYMENTS.—Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under this paragraph may not exceed $480 for each child for whom such payment is made.

(c) PERMISSIVE EXCLUSIONS FROM INCOME.—In determining adjusted income, a local housing and management authority may, in the discretion of the authority, establish exclusions from the annual income of a family. Such exclusions may include the following amounts:

(1) EXCESSIVE TRAVEL EXPENSES.—Excessive travel expenses in an amount not to exceed $25 per family per week, for employment- or education-related travel.

(2) EARNED INCOME.—An amount of any earned income of the family, established at the discretion of the local housing and management authority, which may be based on—

(A) all earned income of the family,

(B) the amount earned by particular members of the family;

(C) the amount earned by families having certain characteristics; or

(D) the amount earned by families or members during certain periods or from certain sources.

(3) OTHERS.—Such other amounts for other purposes, as the local housing and management authority may establish.

SEC. 105. LIMITATION ON ADMISSION OF DRUG OR ALCOHOL ABUSERS TO ASSISTED HOUSING.

(a) AUTHORITY.—Notwithstanding any other provision of law, a local housing and management authority may establish standards for occupancy in public housing dwelling units and assistance under title III, that prohibit admission to such units and assistance under title III by any person—

(1) who currently illegally uses a controlled substance; or

(2) whose history of illegal use of a controlled substance or use of alcohol, or current use of alcohol, provides reasonable cause for the authority to believe that the occupancy by such individual may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(b) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to subsection (a), to deny admission or assistance to any person based on a history of use of a controlled substance or alcohol, a local housing and management authority may consider whether such person—

(1) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or use of alcohol (as applicable),

(2) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or use of alcohol (as applicable), or

(3) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or use of alcohol (as applicable),

and in making such a determination may obtain recommendations of social workers, drug and alcohol counselors, probation officers, and former landlords for such person.

SEC. 106. COMMUNITY WORK AND FAMILY SELF-SUFFICIENCY REQUIREMENT.

(a) REQUIREMENT.—Except as provided in subsection (b), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult member of the family shall—

(1) contribute not less than 8 hours of work per month within the community in which the family resides; or

(2) participate on an ongoing basis in a program designed to promote economic self-sufficiency.

(b) EXEMPTIONS.—A local housing and management authority shall provide for the exemption, from the applicability of the requirement under subsection (a), of each individual who is—

(1) an elderly person and unable, as determined in accordance with guidelines established by the Secretary, to comply with the requirement;

(2) a person with disabilities and unable (as so determined) to comply with the requirement;

(3) working, attending school or vocational training, or otherwise complying with work requirements applicable under other public assistance programs, and unable (as so determined) to comply with the requirement; or

(4) otherwise physically impaired, as certified by a doctor, and is therefore unable to comply with the requirement.

SEC. 107. LOCAL HOUSING MANAGEMENT PLANS.

(a) IN GENERAL.—In accordance with this section, the Secretary shall provide for each local housing and management authority to submit to the Secretary a local housing management plan under this section for each fiscal year that describes the mission of the local housing and management authority and the goals, objectives, and policies of the authority to meet the housing needs of low-income families in the jurisdiction of the authority.

(b) PROCEDURES.—The Secretary shall establish requirements and procedures for submission and review of plans and for the contents of such plans. Such procedures shall provide for local housing and management authorities to, at the option of the authority, submit plans under this section together with, or as part of, the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the relevant jurisdiction and for concomitant review of such plans.

(c) CONTENTS.—A local housing management plan under this section for a local housing and management authority shall contain the following information relating to the upcoming fiscal year for which the assistance under this Act is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the authority that includes—

(A) a description of the financial resources available to the authority;

(B) the uses to which such resources will be committed, including eligible and required activities under section 203 to be assisted, housing assistance to be provided under title III, and administrative, management, maintenance, and capital improvement activities to be carried out; and

(C) an estimate of the market rent value of each public housing development of the authority.

(2) POPULATION SERVED.—A statement of the policies of the authority governing eligibility, admissions, and occupancy of families with respect to public housing dwelling units and housing assistance under title III, including—

(A) the requirements for eligibility for such units and assistance and the method by which eligibility will be determined and verified;

(B) the requirements for selection and admissions of eligible families for such units and assistance, including any preferences established under section 223 or 321(c) and the criteria for selection under section 222(b);

(C) the procedures for assignment of families admitted to dwelling units owned, operated, or assisted by the authority;

(D) any standards and requirements for occupancy of public housing dwelling units and units assisted under title III, including conditions for continued occupancy, termination of tenancy, eviction, and termination of housing assistance under section 321(g);

(E) the criteria under subsections (d) and (f) of section 321 for providing and denying housing assistance under title III to families moving into the jurisdiction of the authority;

(F) the fair housing policy of the authority; and

(G) the procedures for outreach efforts (including efforts that are planned and that have been executed) to homeless families and to entities providing assistance to homeless families, in the jurisdiction of the authority.

(3) RENT DETERMINATION.—A statement of the policies of the authority governing rents charged for public housing dwelling units and rental contributions of assisted families under title III, including—

(A) the methods by which such rents are determined under section 225 and such contributions are determined under section 322;

(B) an analysis of how such methods affect—

(i) the ability of the authority to provide housing assistance for families having a broad range of incomes;

(ii) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(iii) the availability of other financial resources to the authority.

(4) QUALITY STANDARDS FOR MAINTENANCE AND MANAGEMENT.—A statement of the standards and policies of the authority governing maintenance and management of housing owned and operated by the authority, and management of the local housing and management authority, including—

(A) housing quality standards in effect pursuant to sections 232 and 328 and any certifications required under such sections;

(B) routine and preventative maintenance policies for public housing;

(C) emergency and disaster plans for public housing;

(D) rent collection and security policies for public housing;

(E) priorities and improvements for management of public housing; and

(F) priorities and improvements for management of the authority, including improvement of electronic information systems to facilitate managerial capacity and efficiency.

(5) GRIEVANCE PROCEDURE.—A statement of the grievance procedures of the authority under section 110.

(6) CAPITAL IMPROVEMENTS.—With respect to public housing developments owned or operated by the authority, a plan describing—

(A) the capital improvements necessary to ensure long-term physical and social viability of the developments; and

(B) the priorities of the authority for capital improvements based on analysis of available financial resources, consultation with residents, and health and safety considerations.

(7) DEMOLITION AND DISPOSITION.—With respect to public housing developments owned or operated by the authority—

(A) a description of any such housing to be demolished or disposed of under subtitle E of title II;

(B) a timetable for such demolition or disposition; and

(C) any information required under section 261(h) with respect to such demolition or disposition.

(8) DESIGNATION OF HOUSING FOR ELDERLY AND DISABLED FAMILIES.—With respect to public housing developments owned or operated by the authority, a description of any developments (or portions thereof) that the authority has designated or will designate for occupancy by elderly and disabled families in accordance with section 227 and any information required under section 227(c) for such designated developments.

(9) CONVERSION OF PUBLIC HOUSING.—With respect to public housing owned or operated by the authority, a description of any building or buildings that the authority is required under section 203(b) to convert to housing assistance under title III, an analysis of such buildings showing that the buildings meet the requirements under such section for such conversion, and a statement of the amount of grant amounts under title II to be used for rental assistance under title III.

(10) HOMEOWNERSHIP ACTIVITIES.—A description of any homeownership programs of the authority under subtitle D of title II or section 329 for the authority and the requirements and assistance available under such programs.

(11) COORDINATION WITH WELFARE AGENCIES.—A description of how the authority will coordinate with State welfare agencies to ensure that public housing residents and assisted families will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency.

(12) SAFETY AND CRIME PREVENTION.—A description of the requirements established by the authority that ensure the safety of public housing residents, facilitate the authority undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase public housing resident safety by coordinating crime prevention efforts between the authority and local law enforcement officials.

(d) 5-YEAR PLAN.—Each local housing management plan under this section for a local housing and management authority shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) STATEMENT OF MISSION.—A statement of the mission of the authority for serving the needs of low-income families in the jurisdiction of authority during such period.

(2) GOALS AND OBJECTIVES.—A statement of the goals and objectives of the authority that will enable the authority to serve the needs identified pursuant to paragraph (1) during such period.

(3) CAPITAL IMPROVEMENT OVERVIEW.—If the authority will provide capital improvements for public housing developments during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the authority to meet its goals, objectives, and mission.

(e) CITIZEN PARTICIPATION.—

(1) IN GENERAL.—Before submitting a plan under this section or an amendment under section 108(f) to a plan, a local housing and management authority shall make the plan or amendment publicly available in a manner that affords affected public housing residents and assisted families under title III, citizens, public agencies, entities providing assistance and services for homeless families, and other interested parties an opportunity, for a period not shorter than 60 days and ending at a time that reasonably provides for compliance with the requirements of paragraph (2), to examine its content and to submit comments to the authority.

(2) CONSIDERATION OF COMMENTS.—A local housing and management authority shall consider any comments or views provided pursuant to paragraph (1) in preparing a final plan or amendment for submission to the Secretary. A summary of such comments or views shall be attached to the plan, amendment, or report submitted. The submitted plan, amendment, or report shall be made publicly available upon submission.

(f) LOCAL REVIEW.—Before submitting a plan under this section to the Secretary, the local housing and management authority shall submit the plan to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and approval.

(g) PLANS FOR SMALL LHMA'S AND LHMA'S ADMINISTERING ONLY RENTAL ASSISTANCE.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to housing and management authorities that own or operate less than 250 public housing dwelling units and shall establish requirements for such submission and information applicable to authorities that only administer housing assistance under title III (and do not own or operate public housing). Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such agencies.

SEC. 108. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing management plan submitted to the Secretary to ensure that the plan is complete and complies with the requirements of section 107. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each local housing and management authority submitting a plan whether the plan complies with such requirements not later than 75 days after receiving the plan. If the Secretary does not notify the local housing and management authority, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this Act, to have been determined to comply with the requirements under section 107 and the authority shall be considered to have been notified of compliance upon the expiration of such 75-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 107, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 107.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 107 only if—

(1) the plan is incomplete in significant matters required under such section;

(2) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan; or

(3) the Secretary determines that the plan violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost.

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a local housing and management authority shall be considered to have submitted a plan under this section if the authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1994. The Secretary shall provide specific procedures and requirements for such authorities to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 107.

(e) ACTIONS TO CHANGE PLAN.—A local housing and management authority that has submitted a plan under section 107 may change actions or policies described in the plan before submission and review of the plan of the authority for the next fiscal year only if—

(1) in the case of costly or nonroutine changes, the authority submits to the Secretary an amendment to the plan under subsection (f) which is reviewed in accordance with such subsection; or

(2) in the case of inexpensive or routine changes, the authority describes such changes in such local housing management plan for the next fiscal year.

(f) AMENDMENTS TO PLAN.—

(1) IN GENERAL.—During the annual or 5-year period covered by the plan for a local housing and management authority, the authority may submit to the Secretary any amendments to the plan.

(2) REVIEW.—The Secretary shall conduct a limited review of each proposed amendment submitted under this subsection to determine whether the plan, as amended by the amendment, complies with the requirements of section 107 and notify each local housing and management authority submitting the amendment whether the plan, as amended, complies with such requirements not later than 30 days after receiving the amendment. If the Secretary determines that a plan, as amended, does not comply with the requirements under section 107, such notice shall indicate the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 107. If the Secretary does not notify the local housing and management authority as required under this paragraph, the plan, as amended, shall be considered, for purposes of this section, to comply with the requirements under section 107.

(3) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan, as amended by a proposed amendment, does not comply with the requirements under section 107 only if—

(A) the plan, as amended, would be subject to a determination of noncompliance in accordance with the provisions of subsection (c); or

(B) the Secretary determines that—

(i) the proposed amendment is plainly inconsistent with the activities specified in the plan;

(ii) there is evidence that challenges, in a substantial manner, any information contained in the amendment; or

(3) the Secretary determines that the plan, as amended, violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost.

(4) AMENDMENTS TO EXTEND TIME OF PERFORMANCE.—Notwithstanding any other provision of this subsection, the Secretary may not determine that any amendment to the plan of a local housing and management authority that extends the time for performance of activities assisted with amounts provided under this title fails to comply with the requirements under section 107 if the Secretary has not provided the amount of assistance set forth in the plan or has not provided the assistance in a timely manner.

SEC. 109. PET OWNERSHIP.

A resident of a public housing dwelling unit or an assisted dwelling unit (as such term is defined in section 371) may own common household pets or have common household pets present in the dwelling unit of such resident to the extent allowed by the local housing and management authority or the owner of the assisted dwelling unit, respectively. Notwithstanding the preceding sentence, pet ownership in housing assisted under this Act that is federally assisted rental housing for the elderly or handicapped (as such term is defined in section 227 of the Housing and Urban-Rural Recovery Act of 1983) shall be governed by the provisions of section 227 of such Act.

SEC. 110. ADMINISTRATIVE GRIEVANCE PROCEDURE.

(a) REQUIREMENTS.—Each local housing and management authority receiving assistance under this Act shall establish and implement an administrative grievance procedure under which residents of public housing and assisted families under title III will—

(1) be advised of the specific grounds of any proposed adverse local housing and management authority action;

(2) have an opportunity for a hearing before an impartial party upon timely request within a reasonable period of time;

(3) have an opportunity to examine any documents or records or regulations related to the proposed action;

(4) be entitled to be represented by another person of their choice at any hearing;

(5) be entitled to ask questions of witnesses and have others make statements on their behalf; and

(6) be entitled to receive a written decision by the local housing and management authority on the proposed action.

(b) EXCLUSION FROM ADMINISTRATIVE PROCEDURE OF GRIEVANCES CONCERNING EVICTIONS FROM PUBLIC HOUSING.—A local housing and management authority shall exclude from its procedure established under subsection (a) any grievance concerning an eviction from or termination of tenancy in public housing in any State which requires that, prior to eviction, a resident be provided a hearing in court which the Secretary determines provides the basic elements of due process.

(c) COSTS OF GRIEVANCE PROCEDURE.—The costs of administering a grievance procedure under this section (including costs of retaining counsel) shall be considered operating activities of a local housing and management authority.

SEC. 111. HEADQUARTERS RESERVE FUND.

(a) ANNUAL RESERVATION OF AMOUNTS.—Notwithstanding any other provision of law, the Secretary may retain not more than 3 percent of the amounts appropriated to carry out title II for any fiscal year to provide incremental housing assistance under title III in accordance with this section.

(b) USE OF AMOUNTS.—Any amounts that are retained under subsection (a) shall be available for subsequent allocation to specific areas and communities, and may only be used for the Department of Housing and Urban Development and—

(1) unforeseen housing needs resulting from natural and other disasters;

(2) housing needs resulting from emergencies, as certified by the Secretary, other than such disasters;

(3) housing needs related to a settlement of litigation, including settlement of fair housing litigation; and

(4) providing technical assistance, training, and electronic information systems for the Department of Housing and Urban Development and local housing and management authorities to improve management of such authorities.

SEC. 112. LABOR STANDARDS.

(a) IN GENERAL.—Any contract for grants, sale, or lease pursuant to this Act relating to public housing shall contain the following provisions:

(1) OPERATION.—A provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all contractors and persons employed in the operation of the low-income housing development involved.

(2) PRODUCTION.—A provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a–276a-5), shall be paid to all laborers and mechanics employed in the production of the development involved.

The Secretary shall require certification as to compliance with the provisions of this section before making any payment under such contract.

(b) EXCEPTIONS.—Subsection (a) and the provisions relating to wages (pursuant to subsection (a)) in any contract for grants, sale, or lease pursuant to this Act relating to public housing, shall not apply to any of the following individuals:

(1) VOLUNTEERS.—Any individual who—

(A) performs services for which the individual volunteered;

(B)(i) does not receive compensation for such services; or

(ii) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(C) is not otherwise employed at any time in the construction work.

(2) RESIDENTS EMPLOYED BY LHMA.—Any resident of a public housing development who is an employee of the local housing and management authority for the development and performs services in connection with the operation or production of a low-income housing project owned or managed by such authority.

SEC. 113. NONDISCRIMINATION.

(a) IN GENERAL.—No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with amounts made available under this Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) CIVIL RIGHTS COMPLIANCE.—Each local housing and management authority that receives grant amounts under this Act shall use such amounts and carry out its local housing management plan approved under section 108 in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Americans With Disabilities Act of 1990, and shall affirmatively further fair housing.

SEC. 114. EFFECTIVE DATE AND REGULATIONS.

(a) EFFECTIVE DATE.—The provisions of this Act and the amendments made by this Act shall take effect and shall apply on the date of the enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability on another date certain.

(b) REGULATIONS.—The Secretary may issue any regulations necessary to carry out this Act.

(c) RULE OF CONSTRUCTION.—Any failure by the Secretary to issue any regulations authorized under subsection (b) shall not affect the effectiveness of any provision of this Act or any amendment made by this Act.

The CHAIRMAN. Are there amendments to title I?

AMENDMENT NO. 35 OFFERED BY MR. VENTO

Mr. VENTO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 35 offered by Mr. VENTO: Page 11, line 2, strike "authority's" and insert in lieu thereof "Secretary's".

Page 13, line 10, strike "authority's" and insert in lieu thereof "Secretary's".

Mr. VENTO. Mr. Chairman, this is, I suppose in some minds, a technical amendment. What the bill has done is provides the flexibility for the Secretary, based on findings by the local housing management authority, to change the 50 percent very low-income definition to raise it or lower it, depending upon local conditions, and to, on the 80 percent, and this really deals with the percentages in the bill, on the 80 percent, to change that, in fact; either raise or lower it, depending on local circumstances and findings.

Mr. Chairman, I have no objection to the Secretary having this flexibility. In fact, I think that it is necessary. I am concerned that the bill appears to limit this solely to the local housing management's findings. I think it is clear to me that since the Secretary has to approve it, that indeed he has and should set some standards as to what those findings are.

I do not think it is probable that 3,400 different housing authorities will in fact seek to modify these percentages, and I think it is probably somewhat unrealistic to assume that they will develop the expertise independently. I think that they have some insights, but I doubt that they on their own, without any type of guidance, would be able to in fact establish this without some signal, some direction from the Secretary of Housing and Urban Development.

So my amendment would alter that so that instead of the local housing authority making the findings, that in fact it is the Secretary. I just think it is important from the onset to understand the significance of changing these definitions in law, not handing that over to a State and local government authority, whatever the entity may be, the local housing management authority, but in fact to keep that definition responsibility in the hands of the Secretary, one that has to, in any case, approve this, and I think should be, as I said, involved from the beginning with regards to findings. This would restore what essentially is current law.

Mr. Chairman, I am not aware with any problems that have occurred with that. I think it would be clear, as I said, that local housing management authorities would certainly be consulted or be expected to in fact put together the data, so I would be happy to yield to the subcommittee chairman, the gentleman from New York, Mr. LAZIO, for further explanation. I do not recall any testimony or any problem with this issue, so I look at it as a technical amendment.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, my disagreement with him on this issue has to do with who initiates the changes that would basically define low and very low income for purposes of making adjustments to basically definitional issues.

Mr. Chairman, the gentleman would suggest that the Secretary in Washington ought to initiate this. Our position is to have maximum local control, and that the local community would be the entity to initiate the request, the change in definition in terms of the threshold, what is median income and what is not sufficient median income to qualify.

The Secretary, obviously, in either case has a role. In our model, we would suggest that the local government, the local community, initiates it. The Secretary is consulted and has, in essence, they ability to preclude the change. The gentleman's opinion apparently is that the Secretary would have all the discretion to do this and the decisionmaking would be centralized in Washington.

Mr. VENTO. Mr. Chairman, reclaiming my time, I think the Secretary makes the decision in this particular instance in the gentleman's amendment, so we agree on who has the authority. The issue is one of the findings that such variations are necessary, because of unusually high or low income criteria. This is just the findings issue. Clearly what the intent is and I think what occurs under current law, this is current law, is that the local housing management authority or public housing authority has to initiate such process in saying that we have a problem. But we are just talking about the findings issue is really what we are talking about.

I do not think the gentleman and I necessarily disagree about who initiates it, because clearly the housing authority has to play a key role here. It is just a question of findings. The ultimate authority is in Washington no matter what, because the Secretary, if he is dissatisfied or she is dissatisfied with the information, will simply reject it. So I do not know, I do not think it is a question of authority, it is simply a question of clarifying the issue of findings, in my mind.

□ 1930

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield, I just would like to query whether the gentleman believes this is something that, if we continue a dialogue and discussion through the process moving toward conference, if we can resolve by finding a compromise we can both live with.

Mr. VENTO. Mr. Chairman, that is reasonable. I think it is not something I perceive as a problem. If there is some other basic reason the gentleman is resisting I'd be interested in learning such. I would be happy to work with the subcommittee chairman on the basis of that assurance and interest. We had a long debate on the previous amendment and we resolved that successfully.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

AMENDMENT OFFERED BY MR. FIELDS OF LOUISIANA

Mr. FIELDS of Louisiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FIELDS of Louisiana: In section 103(b) of the bill (as amended by the manager's amendment), strike paragraph (2) (relating to resident membership) and insert the following new paragraph:

(2) RESIDENT MEMBERSHIP.—

(A) IN GENERAL.—In localities in which a local housing and management authority is governed by a board of directors or other similar body, not less than 25 percent of the members of the board or body shall be individuals who are—

(i) residents of public housing dwelling units owned or operated by the authority; or

(ii) members of assisted families under title III.

(B) ELECTION AND TRAINING.—Members of the board of directors or other similar body by reason of subparagraph (A) shall be selected for such membership in an election in which only residents of public housing dwelling units owned or operated by the authority and members of assisted families under title III who are assisted by the authority are eligible to vote. The authority shall provide such members with training appropriate to assist them to carry out their responsibilities as members of the board or other similar body.

Section 103(b)(5) of the bill (as amended by the manager's amendment), strike subparagraph (A) (relating to the definition of "elected public housing resident member").

Mr. FIELDS of Louisiana (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. FIELDS of Louisiana. Mr. Chairman, this amendment is a very simple amendment. It should be a noncontroversial amendment because it does not deal with the preamble, it deals with the substance of the bill.

This amendment will, quite frankly speaking, simply provide that the boards that will be in place across this country that will regulate public housing must be composed of at least 25 percent of those individuals who live in public housing. This is at a time, Mr. Chairman, when we want to give local tenants more input into the decisionmaking process, and this amendment is right along those lines.

Twenty-five percent of those individuals who are in public housing being on a board, that means that about 75 percent will not be in public housing. Although that is not a mandate in this amendment, it can very possibly be that way.

If you have a 4-member board, Mr. Chairman, only 1 member under this amendment will be from the public housing; 8 members, 2 members; a 12-member board, only 3 members; 16, 4 members. So 25 percent of whatever board we have will consist of people from the public housing who live there every day.

Second, Mr. Chairman, if there is any question about training those individuals who live in public housing, whether or not they are able to make managerial decisions, whether or not they are able to conduct themselves in a manner that is conducive to finances and things of that nature, each of these people, each of these individuals will be trained. The amendment does not deviate from the present language in the bill. It provides for training among those members who will come from the public housing to serve on those particular boards.

Last, Mr. Chairman, I would like to state that many public housing boards across this country now include members from public housing. As a matter of fact, it makes it much more conducive for implementing programs because the tenants are in a better position to know what in fact takes place on a day-to-day basis in those public housing facilities all across this country.

So this is an amendment that simply allows tenants to participate in the decisionmaking process in this country, and I do not think there is any opposition from the other side of the aisle.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FIELDS of Louisiana. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I would ask the gentleman if this is the same amendment that is being offered that was printed earlier, listed as Amendment No. 4.

Mr. FIELDS of Louisiana. This is the same. After the manager's amendment was adopted, I had to make a few minor modifications, but the language is the same.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield further, if I might see that first.

Mr. FIELDS of Louisiana. Mr. Chairman, I would be happy to share it with the gentleman. It is the exact amendment that I prefiled and was printed in the RECORD. The only change in this amendment versus the printed amendment is to the different language in the different parts of the bill because of the manager's amendment. So this amendment was to comply with the manager's amendment that was adopted by this House.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield once again, if I can see a copy of that language, it will help facilitate our discussion, I believe, if we have that.

Mr. FIELDS of Louisiana. Mr. Chairman, I turned in 12 copies. I would be happy to share this copy with the gentleman from New York if the gentleman does not have a copy of the amendment. It is the exact amendment that I introduced earlier. The only change is the change in location.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will continue to yield, I wonder if the gentleman can point out the differences in the original printed version relative to the corrections that he made after the adoption of the manager's amendment.

Mr. FIELDS of Louisiana. Mr. Chairman, in the manager's amendment, as the gentleman from New York is aware, the section that deals with the board of directors, the manager's amendment calls for an election of one tenant on each board. This amendment simply went, as a result of the manager's amendment, my amendment was changed to deal with that same language, to change the number from 1 to 25 percent.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield further, could you just give me the precise language that was changed, if that is feasible?

Mr. FIELDS of Louisiana. Mr. Chairman, it is the same language. The only difference is the difference in sections.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. FIELDS of Louisiana. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, if I may make the suggestion to the gentleman from New York [Mr. LAZIO] that we simply allow the original amendment which the gentleman from Louisiana [Mr. FIELDS] filed.

The CHAIRMAN pro tempore (Mr. GILCHREST). The time of the gentleman from Louisiana [Mr. FIELDS] has expired.

(By unanimous consent, Mr. FIELDS of Louisiana was allowed to proceed for 3 additional minutes.)

Mr. FIELDS of Louisiana. Mr. Chairman, I continue to yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. It would be my suggestion that we go back to the original Fields amendment that was filed prior to the manager's amendment and simply ask that the gentleman from New York [Mr. LAZIO] allow my technical and conforming changes made to the amendment after its potential adoption to reflect the changes that are contained in the manager's amendment.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield further, I am informed that part of this amendment strikes almost two pages of language involving exemptions for certain public housing authorities, so this is not technical in nature. As a nature of fact, it goes to the heart of the manager's amendment with respect to this particular provision.

Mr. FIELDS of Louisiana. Would the gentleman have any objections to withdrawing this amendment and going back to the original amendment, since the gentleman is quite aware of the original amendment, because it is not my intent to try to sneak an amendment on the gentleman. As the gentleman knows, this amendment is the identical amendment as the original amendment that was introduced by the gentleman, and that was printed in the RECORD.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield further, the printed amendment that I have before me, printed as amendment No. 4, strikes the language that is in question. I would like to think that the gentleman's concerns to allow for a direct election to the board, direct election by the board, were met in the manager's amendment.

I think the gentleman wants to go much further than I think is appropriate, quite frankly, with respect to some of the other provisions, including establishing a quota of 25 percent, technical training that I think gets us back into that micromanaging model that I am trying desperately to move away from, and also striking some of the exemptions that I will help make this workable in terms of direct election.

The CHAIRMAN pro tempore. Does the gentleman ask unanimous consent to withdraw his amendment?

Mr. FIELDS of Louisiana. Mr. Chairman, I ask unanimous consent to withdraw the amendment that I introduced today and be allowed to speak to the original amendment that was printed in the RECORD.

The CHAIRMAN pro tempore. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT NO. 4 OFFERED BY MR. FIELDS OF LOUISIANA

Mr. FIELDS of Louisiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. FIELDS of Louisiana:

Page 14, strike line 18 and all that follows through page 16, line 18, and insert the following:

(A) IN GENERAL.—In localities in which a local housing and management authority is governed by a board of directors or other similar body, not less than 25 percent of the members of the board or body shall be individuals who are—

(i) residents of public housing dwelling units owned or operated by the authority; or

(ii) members of assisted families under title III.

(B) ELECTION AND TRAINING.—Members of the board of directors or other similar body by reason of subparagraph (A) shall be selected for such membership in an election in which only residents of public housing dwelling units owned or operated by the authority and members of assisted families under title III who are assisted by the authority are eligible to vote. The authority shall provide such members with training appropriate to assist them to carry out their responsibilities as members of the board or other similar body.

Mr. FIELDS of Louisiana. Mr. Chairman, this amendment simply provides that 25 percent of all the boards of directors across the country will consist of 25 percent of tenants. Twenty-five percent of those individuals who sit around the table and make decisions on how public housing works in America will be tenants.

It is a very straightforward amendment. There is nothing complicated about it. If there is a board of four, then one member will according to this amendment come from public housing.

Second, this amendment will also provide, as I stated earlier, for training. So anyone who has any question about individuals being able to make major decisions, each individual who is elected to the board will be provided adequate training.

In terms of who will elect these members, these members will be elected by bona fide housing residents. The housing residents will meet and elect their representatives to the board, and those individuals will serve based on a time that is enumerated by the rules and the regulations of that particular board.

If there are no objections to this amendment, I suggest its adoption.

Mr. BEREUTER. Mr. Chairman, I rise in opposition to the Fields amendment.

I am not quite sure what the gentleman is attempting to add but I think I am right in understanding some of the things that he is eliminating. He is eliminating, as I understand it, the exceptions which begin on page 15, subparagraph B, and specifically on lines 22 through lines 24, and on to page 16, lines 1 and 2. He is eliminating the exception for local housing and management authorities that own or operate less than 250 public housing units, including any authority that does not own or operate public housing. We have had substantial debate on this issue.

This Member has strong objection from his own State—for example, from the city of Omaha—to in fact requiring, in contrast to State law, that a resident be a member of the public housing authority. But I certainly have strenuous objections to the smaller housing authorities also have this requirement.

I think my colleagues should know that in my State, for example, we once had the second largest number of public housing units in the country. We started quite early in the process. Many of them are for senior citizens. A great many of them have less than 30 units across the whole State. That is especially true in my district and in the district of the gentleman from Nebraska [Mr. BARRETT]. It would be not only difficult and in contrast to State law to have residents automatically being placed on the public housing authority for those units, it would be unworkable.

We have had this debate before. I think we are bending an exceptional amount already in suggesting that in fact for the larger housing units you have a resident that becomes a member of the board, but to take it down to the small housing units is something that this member cannot accept in representing his constituents. It is unworkable in the small cities and the villages in my district that have these small housing authorities. It is in contrast to State law. We are exempting the State law.

Therefore, I have to rise in strong objection to the gentleman's amendment which would remove this exception.

Mr. FIELDS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Louisiana.

Mr. FIELDS of Louisiana. I appreciate the gentleman's comment, but I am having a hard time understanding how a board that consists of 15 Members is OK to have one tenant from the public housing but a board that consists of five or four is not acceptable. I thought the gentleman's philosophy, and that is one of the reasons why I introduced the amendment, was to give tenants an opportunity to participate.

I see that the gentleman is not adverse to tenant participation because the gentleman has spoken to that point, and I cannot understand why just because there is a small housing facility versus a large, that those tenants should be denied the opportunity to participate.

Mr. BEREUTER. Reclaiming my time, I would say that under State law public housing authorities in my State have 5 members. You are mandating that at least one of those members automatically, despite the recommendations of the city council or the village board of trustees in my State that appoints the housing authority, must appoint one person from the residency of that public housing.

In many cases these housing units are exclusively for senior citizens. In most cases they really are. This is too much intrusion in local control and decisions about who that city council, that village board of trustees wants to have on the housing authority. In many cases they in fact do appoint it but that ought to be a decision that is made by the city council, the governing body of that particular community. That is why I object to the gentleman's amendment.

□ 1945

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thank the gentleman from Louisiana [Mr. FIELDS] for the insight and the vision that he has had with respect to this legislation. I have heard my good friend from Nebraska, and I would simply like to offer an explanation as it relates to a local situation. He has mentioned a local community and I would like to mention one as well in Houston, where we have been dealing with a public housing problem for a number of years.

There would be many that would come and suggest there are reasons why we have this problem: Federal regulations, the disagreement, if you will, between the local parties, lack of funding, lack of priority. I would offer to say that maybe the reason why we have this problem is that we have not brought parties together to be able to discuss how best to solve and create good public housing, good, clean public housing, with the involvement of residents.

I like that word "residents," as opposed to "tenants." It gives a certain stakeholder's role to those in public housing.

This amendment the gentleman offers is a positive amendment that is instructive. Not only does he provide for an opportunity for participants, for residents to participate, but he gives them training, the training that any board member would bring maybe from their work experience or business experience, he then allows those residents to have the same kind of training to be able to be part of a management system.

Has anyone seen their local United Ways, where they have attempted to reach out into the community? Our United Ways used to be a board of corporate CEO's. Those are the only people that could participate. They collected money and decided how it was to be distributed. We got wise until Houston realized United Way was a community organization, and that means they had to reach out to local community activists and mix them with corporate leaders and begin to solve the community's problems. United Way sought diversity on its board, and in doing so, they trained those activists and local community individuals to be on the United Way board.

This is the very same approach. This allows the residents of that particular housing entity, that housing development, to be able to participate, and it gives them the necessary training.

I am not sure whether or not we suffer in local communities with units under a certain number where we increase the number of residents. I am not sure that is detrimental when in fact in most cases the dominant participants will be selected from the community and will be able to work with a lesser number of residents. So I am unsure of the difficulty in allowing the Fields amendment to go forward.

I applaud him for this amendment. I have seen over the past 17 years in Houston where we have had strife and disagreement because we have not had the involvement of our residents to solve a problem, to provide clean and decent public housing. It is not a question of whether we demolish, it is not a question of whether we keep units, it is a question of whether people can have a meeting of the minds. You cannot have a meeting of the mind when you have residents standing on the outside with the door closed. We need to affirmatively bring them inside. Twenty-five percent is a minimal number, it is a fair number. It is a fair number for smaller units, and it is a fair number for larger units.

Mr. Chairman, I applaud the gentleman from Louisiana [Mr. FIELDS] for his vision, and would solicit the support for this amendment. I would simply say to my colleagues in opposition, we cannot do any less than our civic boards across the Nation. Let us diversify, let us include, let us solve this Nation's housing problems, not only by ourselves, but including those who are most affected, and that is the residents. I support the passage of this amendment.

Mr. Chairman, I rise today to speak in support of this very important amendment.

Having a place to call home, no matter how modest, is a cornerstone of the American dream. It is the goal of every family. A home is not just a place to live; it is also a place where individuals should and must have a voice.

This amendment would go a long way in creating a voice for residents of public housing in the decisionmaking process that affect their homes. By requiring that 25 percent of the board of directors of local housing authorities be residents of public housing, or persons receiving Federal rental assistance, the best interests of resident's would be served.

To ensure that those who will serve in this capacity are truly representative, they will be elected by the residents and be given sufficient training to fulfill their obligation to their community.

This amendment will inject fairness into this legislation and allow for residents who are personally invested in public housing to have a voice in the decisionmaking process.

I would like to thank Representative FIELDS for bringing this important amendment before the House for consideration.

Ms. WATERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the gentleman from Louisiana's amendment. I think it is a worthwhile amendment, and it is a consistent amendment with what the chairman said about his desire to put public housing into the hands of the tenants or the residents.

As a matter of fact, I have heard that statement made several times this evening, that it is the chairman's desire, it is the desire of the Republican Party, it is the desire of the leadership, to put public housing in the hand of the residents, to give them more power to make decisions about their lives and about their living.

Well, Mr. Chairman, this is the way to do it. I understand very well how it works now. As a matter of fact, many cities across this Nation simply appoint people who are well connected. You know the mayor in some cities and the mayor is making the appointment. If you have been involved in the campaign, if you know a contributor, what have you, you get an appointment.

The same thing is true with the members of the city council. They appoint their friends and cronies and those politically connected. That is okay. I guess there should be some payoff for those who are supportive.

But the fact of the matter is, residents have been excluded from decisions about their daily living. We have these resident councils in each of the housing authorities or the projects. However, oftentimes they are kind of left to try and be involved in ways that they do not really know how to be involved.

We have the residents who are supposed to be organized at each site. Oftentimes they are not getting any training. They do not even know when a board meeting takes place. They do not receive the notices, they are not encouraged to be at the board meetings. The agendas are developed without their input.

It is time for us to make sure that we mean what we say. If in fact we have the resident councils at each site and we then have the area councils, and somehow they are supposed to be involved in decision making, then we must make sure that they have the ultimate involvement, the ultimate involvement, which is that they work their way up to the board.

The gentleman from Louisiana [Mr. FIELDS] is saying in his amendment that at each of these local housing projects they would have an opportunity to vote. They would have an opportunity to recommend to those who do the appointing, those that they think will serve them well at the board.

You talk about residents in public housing projects who somehow do not seem to understand what happens and the kinds of decisions the management must make. Well, if you want people to understand the budget and how it works and whether or not they can have revitalized apartments, whether or not they can get new screens on the doors, whether or not they can change the heating systems, they have to understand how much money is available. If they do not understand the money, then they do not understand what you claim are management problems or how to help make decisions about how best to use the money.

I think residents have a lot of input that they need to be able to give. They know more about these buildings, about these grounds, and about the communities they live in than most of the political appointees, who never go to these housing projects, will ever know, and I think they deserve to be at the board meetings helping to formulate those agendas and giving input that is going to make good sense.

I think they will have some cost effective suggestions about how best to manage. I think they will know how to save money. I think they could tell the board about the personnel and the workers who are getting paid and about what they are doing and that they are not doing.

The board members do not know that now. They are not out in these housing projects. But I can tell you, the people who live there can tell you what the maintenance crew is doing and what they are not doing, if they can ever get to a board meeting. They are not encouraged to be at the board meetings, they are not wanted at those board meetings, their opinions are not respected. That is why you see some resistance to having them on boards.

It really does not make good sense to say it is all right to have them, maybe one, if there is a big housing authority, and maybe none if there is a small housing authority. That does not have anything to do with big or small. If you have got five members on a small housing authority board and five members on a large housing authority board, they both deserve representation, and it makes no difference what their size is.

Mr. Chairman, I support this amendment. This is true empowerment. This is true respect for residents. I ask support for the Fields amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of my good friend from Louisiana's amendment. I think we have heard a lot of rhetoric about the fact that we want to provide for local control of local housing authorities, and I can think of nothing more important than making certain that the people that actually live in these projects are provided some say in the direction that the projects are going to take and the kind of management and control that those projects take.

I have understood some of the concerns of my friend from Nebraska [Mr. BEREUTER] with regard to some of the smaller housing projects that constitute authorities in a rural state like Nebraska, which is very different than perhaps some of the problems that we face in places like Massachusetts.

In Boston, I found specifically in projects in my own district that there are some very, very large urban projects that would be greatly improved if we get more tenant control and more tenant say in the future of those projects, where how many units, what kinds of units, income mix, and a whole range of other issues could have some input directly by the tenant.

So I think the overall goal of tenant input is very, very important. I am hopeful we could find ways of working out an agreement on the Fields amendment that will somehow provide for exemptions for those cases such that the gentleman from Nebraska [Mr. BEREUTER] referred to, where we have very, very small numbers or clusters of units that would not apply, and in fact where this amendment might create a needless burden.

But where this is an appropriate use of an authority's response to the needs of the tenants, I think this could be a very, very useful tool. I would hope that we might be able to find a way of working out some of the concerns that we have.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, I think the gentleman from Louisiana and myself have reached an agreement that satisfies my concern. He would simply remove the exemptions. But the first part of his amendment, he will provide for at least 25 percent of those housing authorities having over 250 units, whereas the existing bill provides 25 percent.

Now, 25 percent of a five-member board, for example, of the city of Omaha, is one. Whenever State law calls for an 8- or 10-member board, the Fields amendment would actually increase the number of tenants. That will be controversial for some States. For others, like my own, that has a five-member board, it is the same, one member one way, one member the other way. So there is a possibility of us working out this last sticking point.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, can the gentleman clarify for me why it would be more difficult with the eight-member board versus the five?

Mr. BEREUTER. Mr. Chairman, the Fields amendment in that case would provide for two members, and in the case of a smaller number of board members it would be only one. So there is the potential for a larger number of people who are tenants to be on the board under the Fields amendment than there is under existing language of the bill. I am not arguing the point. It is not relevant to my State. It is going to be controversial in some States. This is a matter that the gentleman from Louisiana [Mr. FIELDS] and the gentleman from New York [Mr. LAZIO] are going to have to work out.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, I appreciate the gentleman from Nebraska's willingness to recognize the fact that tenant involvement in these cases is important. Twenty-five percent is twenty-five percent.

Mr. BEREUTER. Mr. Chairman, if the gentleman will yield further, the bill says that a minimum of one member must be a tenant on a housing authority, but the Fields amendment says at least 25 percent. So, you see, potentially more members would be on some housing authorities who are tenants than would be under the bill, which specifies only one minimum. That is the difference.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, that was the point. We wanted to have greater tenant involvement in the process. I understand maybe that is not an issue that the gentleman was arguing, but I think that all of us recognize that what we are trying to do here is make certain that we do not have some elected board or appointed board of individuals that has very little to do or very little understanding of the direct impact of their decision making process on the local housing authorities, and in fact try to find a way to create tenant involvement in the overall decisionmaking process.

I think it is something that certainly the rhetoric that we are hearing surrounding this bill is completely compatible with, and I hope that we find a way of actually making certain that the people who are going to be most affected by these decisions are in fact involved in the decisions of the housing authority.

Now, I wonder if I could inquire from my friend, the gentleman from New York [Mr. LAZIO], whether we are close to an agreement on this issue?

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The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. KENNEDY] has expired.

(By unanimous consent, Mr. KENNEDY of Massachusetts was allowed to proceed for 30 additional seconds.)

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield to the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Chairman, the gentleman from Massachusetts has a question with respect to where we are on the Fields amendment? I would suggest to the gentleman that we continue to have an ongoing problem.

In the bill, we allow for the direct election of tenants onto boards. I have no objection if a local community wants to have 100 percent of the people on the board that are residents. What I do have an objection to is getting back to the model where again one size fits all and Washington knows best. We must use this much money for technical assistance. We must have a 25-percent quota of local residents.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. KENNEDY] has again expired.

(By unanimous consent, Mr. KENNEDY of Massachusetts was allowed to proceed for 2 additional minutes.)

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I think that we have a fundamental difference of opinion with respect to the amendment. I tried to meet the objection in terms of having the direct election of a resident to the board and in the manager's amendment that was adopted. Now I think the gentleman from Louisiana [Mr. FIELDS] would like to go substantially further than that. I think there is a philosophical difference as to whether we should pursue that.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, I wonder whether or not the gentleman can find some consistency in saying that the problem with the amendment is that it is a Washington-based solution, where in fact the solution simply says that we ought to have local involvement in the decision-making process? We are saying that 25 percent of the people on the board ought to come from the local area. To try to identify that as a Washington-based solution is kind of bizarre.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will continue to yield, my concern here is not that we have local participation. As a matter of fact, we spend a page and a half in the manager's amendment speaking to the fact that the housing authorities should integrate into the community and have local participation. I believe deeply in it. My problem is setting quotas and saying every community should have this as opposed to——

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, the gentleman from New York has a quota of one. The gentleman has a page and a half of rhetoric and he has one person. What we are trying to say, and what the gentleman from Louisiana is trying to say, is that we have 25 percent of the people, which is not anything close to the ability to carry the day on any vote, but that 25 percent of the people making the decision ought to have some direct impact and people that actually are living in these housing authorities ought to be involved in how those housing authorities are going to proceed.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman would continue to yield, my problem, which I think is a philosophical divide, is whether we start to retreat back from allowing flexibility and fungibility for the housing authorities, giving them more rules, imposing on them a set quota.

I do not care if a community decides that they have all residents, but that should be the local community's decision and not Washington's.

Mr. KENNEDY of Massachusetts. Mr. Chairman, again reclaiming my time, that is the most inverted logic I have ever heard.

Mr. JACKSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support the amendment of the gentleman from Louisiana [Mr. FIELDS]. Quite frankly, Mr. Chairman, this is family values. Imagine those of us who live in middle-class neighborhoods, we organize into block clubs, we organize into neighborhood organizations, because it is the local residents who have the knowledge about the community in which they reside to make determinations about their particular community.

Mr. Chairman, I am of the opinion that failure of this amendment says to residents across this country that Washington knows better about the neighborhood and the development in which you reside better than you do, and what could be a more paternalistic view of the condition of people in public housing across our country than that?

Mr. Chairman, I yield to the gentlewoman from California [Ms. WATERS] for the purpose of a colloquy.

Ms. WATERS. Mr. Chairman, I would like to ask the gentleman if this business of one smacks of tokenism? It sounds familiar, that we will let one in, we will let one on, but we do not want too many if, in fact, we have more than one, they may being to have a collective voice and challenge some of the decisions.

Mr. Chairman, I wonder if the gentleman thinks that the accusation of the gentleman from New York where he says somehow that the amendment of the gentleman from Louisiana that asks for 25 percent is any different than his asking for 1 percent, except that it is more involvement. Could the gentleman from Illinois [Mr. JACKSON] expand on that a little bit?

Mr. JACKSON of Illinois. Mr. Chairman, reclaiming my time, I would like to make the argument that this is not about quotas in public housing. Residents have the right to participate in making decisions about where they live, and that is just a fact of life. I make decisions about the condominium that I live in here in Washington, DC. The gentlewoman from California certainly makes decisions as a member of a condominium or a cooperative in the neighborhood in which she lives.

Mr. Chairman, why should not low income and poor Americans be able to make decisions about the complexes and the developments within which they live? Twenty-five percent, one out of four, three out of 12, four out of 16, is not an unreasonable number to ask for participation from residents to make some determination about the conditions under which they live.

I might add, Mr. Chairman, the only real change that is actually occurring here is for the very first time the Federal Government is mandating that residents do participate in local housing authorities. Reality is those of us from middle-class neighborhoods have served in capacities for public housing authorities all across our country and, frankly, the residents have had no say.

Ms. WATERS. Mr. Chairman, if the gentleman would continue to yield, let me just say that I tried to make the point earlier that to the degree people are involved, they accept more responsibility. We have a lot of young people in public housing authorities that have no idea how these decisions get made.

Let me give some examples. I can recall in the city of Los Angeles when they would let contracts out for people to come into the public housing authorities and do work. They would contract with folks who would come from all over the extended Los Angeles area to come in and put up screens and to dig and to do all of these things. The people who lived there simply would watch out of their windows while other people come in and make money, take the money, and go home and spend it in their communities.

Mr. Chairman, we organized a little bit in some of these public housing authorities and asked the residents: What do you think the policy should be about creating job opportunities where you live? They said, "Ms. WATERS we want to work. We think that the public housing authorities should create job opportunities for those jobs that are being done where we live. Many of these jobs do not even require training. Some of them may. We want to be trained."

We organized and forced that kind of decision at the board to allow the residents to work in those public housing authorities where they live when the jobs become available. If there were contractors coming in, we developed a public policy where those contractors should have to hire some of the people there.

Mr. Chairman, if they had been sitting on the board where these decisions were being made, they could have told them a long time ago. There are hundreds of decisions like that. We have people in local housing authorities who believe there should be some commerce inside the public housing authorities, that they should be able to create some businesses so they can get off of welfare, so that they can work. We will not get that unless we get people working at the board where the decisions are made, giving input, and helping those who come from every place else. But the communities, they are making decisions about understanding how to run these places.

I think in my city and in the city of the gentleman that we have seen a lot of what goes on, and we believe that we can go a long way toward solving some of the problems if we but listen to the people who live there.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. FIELDS].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. FIELDS of Louisiana. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Louisiana [Mr. FIELDS] will be postponed.

AMENDMENT NO. 44 OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Amendment offered by Mr. WATT of North Carolina: Page 34, line 9, after "determines that the plan" insert "does not comply with Federal law or".

Mr. WATT of North Carolina. Mr. Chairman, I will not take 5 minutes, because it is my understanding that the gentleman from New York [Mr. LAZIO], the subcommittee chair, has agreed to the amendment.

Mr. Chairman, we are simply trying to make it clear that when a local housing authority submits its housing plan, that the Secretary has the authority to review it in compliance with Federal law, as well as the underlying provisions of this bill.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. WATT of North Carolina. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, in the spirit of bipartisan cooperation and reasonableness, I would support the gentleman's amendment and urge its adoption. I believe this is consistent with the current law, and for that reason I support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. WATT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GILCHREST

Mr. GILCHREST. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GILCHREST: On page 30, line 8, insert the following: "Furthermore, to assure the safety of public housing residents, the requirements will include use of trespass laws by the authority to keep evicted tenants or criminals out of public housing property."

Mr. GILCHREST. Mr. Chairman, I rise to offer an amendment to section 107, to the section on the crime prevention plan that local housing and management authorities must have to be approved by the Secretary of HUD. The language in my amendment is needed to make sure that the local housing authorities can keep their properties safe and crime-free by invoking local criminal trespass laws. Without this amendment, local housing authorities risk lawsuits from disgruntled evicted criminal tenants, and the entire public housing community is put at risk.

In my district, there is a situation where a Federal judge issued a consent decree as part of a settlement in a lawsuit of former tenants against a local public housing authority. Aided by Legal Aid and the ACLU, the former tenants obtained a settlement that states the housing authority cannot ban evicted tenants or other troublesome visitors from returning to the public housing unless required to do so by HUD. HUD has taken no action. Since 1993, the judge's decree and HUD's inaction leave the authority unable to assure a safe, secure community.

Mr. Chairman, other housing authorities use notice of trespass with success in keeping evicted tenants and known drug criminals out of public housing, but because HUD is silent, St. Michael's Housing Authority in my district cannot use local trespass laws to provide a safe environment for all other law-abiding, lease-abiding tenants.

Mr. Chairman, the bill before us this evening brings historic reforms that will strengthen the management of local housing authorities and give public housing residents more incentives to take care of their communities. Does it not seem reasonable, then, that to carry out HUD's "one strike and your out policy," local housing and management authorities must use local trespass laws to keep out those evicted tenants who have struck out?

The Federal judge's ruling in this settlement weakens the ability of St. Michael's Housing Authority to keep evicted tenants and other criminals out. I am told that other housing directors have used such notice and credit it with eliminating drug problems.

The situation described is unfortunate and another example of why reforms of HUD's management of public housing are needed. By adopting this amendment we will make sure housing authorities have the tools they need to keep out evicted tenants.

The intent of the public housing reforms is to help assure safe communities, and in keeping with this intent, HUD should require housing authorities to do their best to assure that those persons who are ineligible for public housing do not return to disrupt public housing communities. Let's finish the job by allowing authorities to keep out evicted tenants. I urge my colleagues to adopt the amendment.

Mr. Chairman, one example of what happens in this particular housing development as a result of this court ruling and this court decree, in order to get an evicted tenant evicted from the premises of this particular housing project, a tenant, not the housing manager or housing authority, a tenant must write a letter to the person that was evicted that is now trespassing.

Can my colleagues imagine a 70-year-old woman writing a letter to someone that was evicted because of drug abuse that is now back on the property before any action is taken?

Mr. Chairman, I strongly urge adoption of this amendment.

□ 2015

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the case of the gentleman from Maryland [Mr. GILCHREST] makes seems to make some sense. It is the first that any of us have seen this amendment. I do not know what kinds of legal problems or anything else that this might create, that the actual language he has written here might create, but we would be happy to work with the gentleman between now and the conference committee, if we pass this amendment this evening, to incorporate the gentleman's concerns.

Mr. Chairman, everybody wants to make certain that we keep public housing safe and secure for residents. No one wants to have evicted tenants or criminals abusing existing tenants, and we will try to work with Members to make sure that the concerns of Members and their constituents are met.

Mr. GILCHREST. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from Maryland.

Mr. GILCHREST. Mr. Chairman, I thank the gentleman.

Mr. LAZIO of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to rise in support of the amendment of the gentleman from Maryland. It is an amendment that is important in terms of the quality of life for people in public housing. It is a truism that people in public housing do not have the same protections as people in the rest of the marketplace. That is unfair.

Mr. Chairman, the gentleman from Maryland seeks to impose or create an equity where people will not be able to harass residents in public housing. He illustrates that through the use of his local community. I am in support of that. I think it is the right thing to do. I urge its passage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. GILCHREST].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I?

AMENDMENT OFFERED BY MRS. MALONEY

Mrs. MALONEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. MALONEY: Page 37, line 19, strike "A" and insert "(a) IN GENERAL.—Except as provided in subsections (b) and (c), a".

Page 37, line 25, strike "Notwithstanding the preceding sentence, pet" and insert the following:

(b) FEDERALLY ASSISTED RENTAL HOUSING FOR THE ELDERLY OR DISABLED.—Pet

Page 38, after line 5, insert the following new subsection:

(c) ELDERLY FAMILIES IN PUBLIC AND ASSISTED HOUSING.—Responsible ownership of common household pets shall not be denied any elderly or disabled family who resides in a dwelling unit in public housing or an assisted dwelling unit (as such term is defined in section 371), subject to the reasonable requirements of the local housing and management authority or the owner of the assisted dwelling unit, as applicable. This subsection shall not apply to units in public housing or assisted dwelling units that are located in federally assisted rental housing for the elderly or handicapped referred to in subsection (b).

Mrs. MALONEY. Mr. Chairman, on behalf of myself and my friend and colleague, the gentlewoman from New York, Representative SUSAN MOLINARI, I am offering an amendment to the housing bill. As my colleagues know, SUSAN MOLINARI is at home right now, expecting the birth of her first child at any moment. Although I would have liked very much to have her join me tonight on the floor, I want to take this opportunity to offer my congratulations to SUSAN and BILL PAXON on, truly, life's greatest experience, that of becoming a parent, that of waiting to become a parent.

That aside, the key issues of my amendment are very, very simple. Senior citizens and people with disabilities should not be forced to choose between their pets and their opportunities to affordable housing.

Mr. Chairman, under current Federal law, senior citizens living in federally assisted senior designated housing have a right to own a pet. This 12-year-old policy has worked and it has worked very well.

But tragically for most seniors, senior designated housing makes up only 10 percent of all the Federal housing. In many places, specially designated senior housing is not available due to long, long waiting lists. Seniors, therefore, who live in Federal housing are forced to give up their pets. Studies have shown again and again the physical and mental health benefits of pet ownership.

When the original policy was passed in 1983, a number of public housing authorities expressed concern that pets would damage dwellings and harm other residents. According to HUD, these concerns have not been borne out. Furthermore, numerous studies have shown us that pets in public housing present little trouble and that the benefits of pet ownership far outweigh any pitfalls.

Mr. Chairman, many studies back up the lack of problems. For example, a University of California study of the 1983 law reported that 84 percent of local housing authorities who have dealt with the 1983 law allowing pets reported either positive effects or no noticeable changes.

The Massachusetts Committee on Housing found that seniors proved themselves to be responsible pet owners in every way. Our amendment provides a simple way to dramatically improve the lives of millions of our growing senior community. Most studies have found that senior citizens and people with disabilities who have pets, live longer, go to the doctor less often, recover more quickly from illnesses, and have more positive outlooks than those who do not have pets.

For older persons, isolated by widowhood or declining health, pets provide companionship.

The National Institutes of Health concluded that pets are medically beneficial to people's health. The bond between people and their pets predates recorded history. My amendment ensures that we will not deny this incredible bond to hundreds of thousands of senior citizens.

With 3.7 million Federal housing units still prohibiting seniors from keeping their pets, the need for this amendment is great. As people grow older, they often taste the loss of family and home. It is inhumane to take away someone's companion at a time when they need their unconditional love the most, when they face a fixed income and the need for public housing.

Mr. Chairman, this amendment removes the unfair distinction between seniors-only housing and other public housing in a responsible manner.

The amendment allows the housing authorities to write effective, comprehensive regulations appropriate to their own dwellings, which ensure tenant and landlord compliance while maintaining decent, safe, and sanitary housing.

Finally, Mr. Chairman, this amendment has a broad array of support from advocacy groups and Members. A coalition of groups who protect seniors rights have supported this amendment, like the American Association of Retired Persons and the Pets for the Elderly Foundation. Advocates for physical and mental health support this legislation, including the American Psychological Association, many other health groups. It is cosponsored by 130 of my colleagues from both sides of the aisle.

Mr. LAZIO of New York. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I know that the gentlewoman from New York speaks with conviction and sincerity. I appreciate that. But we are talking about a situation where we can barely control the maintenance and the basic order in some developments in America. We are talking about a situation not where we have $300,000 condos but where gangs control some halls, where people are actually blocked from having entrance into their apartments because gangs control the halls, seal it off, and there is crack dealing sometimes under the stairwells.

We already allow for pets in senior housing. What we are saying is that Washington should not decide this issue.

Let me explain to you what it has already done. This is where the HUD pet police enter. The recent department, the department is talking about reinventing itself, just issued 20 pages of regulations about reinventing itself, just issued 20 pages of regulations on pets in public housing. This is what the new reinvented HUD does, issues regs that state the mandatory pet rules for public housing, including specific rules on when kitty litter boxes are put out, how often that is going to be changed. Is that exactly what we are talking about here? Is that what we think about when we talk about the mission of HUD providing for decent sanitary housing?

When the dog runs down the hall, are we going to have the pet police try to identify who belongs to that dog, whether it is someone who is a senior in the building or whether it is a neighbor next door who is not allowed to have a dog? Are we going to have packs of dogs and animals running throughout the halls? Is that what we want? Is that what we are looking for. We are talking about providing safe, sanitary, healthy housing for Americans.

We are talking about reclaiming our tradition of having decent housing as public housing. We are talking about identifying and acknowledging the fact that we have failed. We have situations where ceilings are falling down, elevators do not work, the stench of waste in hallways. And we are talking about introducing pets into public housing to compound the problem that managers have. This is exactly where we are headed over here.

This defines two different visions of what we are doing over here. One vision is a vision that would say we ought to regulate how often people ought to put out the kitty litter boxes and how often they ought to be changed. Another vision would be that local communities ought to make those decisions, that they know best, that we do not get involved in these micromanagement decisions.

We are living in a fantasy land, my colleagues, if we believe that every place in America, the public housing throughout America is the same as America in some of our communities.

There are wide differences over here. There are huge challenges in terms of management. This issue, introducing pets into public housing where we really do not regulate whether you have a pit bull, whether it is one, 5 or 10 pit bulls in a particular area, who belongs to those pit bulls. This is absolutely ludicrous.

This is exactly the model that we want to move away from. We want to move toward a situation where we have community empowerment, local decisionmaking, move away from centralized bureaucrats deciding that this is going to be the case without an understanding of what the consequences are in our neighborhoods.

We are trying to move away from neighborhoods of despair and impoverishment and failure toward communities of hope. We cannot complicate the mission of people who are trying to manage public housing and assisted housing by introducing this grave problem into the equation.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I cannot forebear commenting on the pattern that we are hearing from the chairman. In the first place, he gives the same speech on every amendment. I would suspect that his familiarity with the specifics are not what they might be. He talks about one size fits all. We have one speech fits all.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from New York, unlike the gentleman who would not yield to me any of the times I asked him this evening.

Mr. LAZIO of New York. Mr. Chairman, I would be happy to debate any particular section of this bill, if the gentleman wants to talk about the merits of it or the particulars. I know his comments. He often relishes being condescending and insulting. I appreciate that. But let me explain to the gentleman, I am fully prepared to discuss two different visions of where we think public housing and assisted housing needs to go in this country. If the gentleman wants to defend the failure of 40 years under his party's control, I am happy to engage the gentleman.

Mr. FRANK of Massachusetts. Mr. Chairman, reclaiming my time, the gentleman has illustrated it again. We get the same speech.

I tried when the gentleman left the floor before, he talks about 40 years of control. It was the Reagan budget, known as the Gramm-Latta bill, which amended the Brooke amendment in the way the gentleman objected to. The gentleman said that the Brooke amendment, which was a Republican proposal to limit the amount of rents that could be charged, became a job killer because it also became a floor. That was done under Gramm-Latta, under Ronald Reagan.

I have asked the gentleman to explain to me how that is the fault of the Democrats. Would he explain to me, I will be glad to yield to him, how was the fact that the Reagan budget of 1981 turned the Brooke amendment from a tenant protection to a job killer the fault of the Democrats? I would be glad to yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, let me respond to that. For the last 10 years or 12 years——

Mr. FRANK of Massachusetts. No, excuse me. I know the gentleman was talking to somebody.

Mr. LAZIO of New York. I want to tell you about the facts.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman please abide by the rules?

The last 10 years cannot be relevant to my question about 1981. We are talking about 1981. In 1981, under the Reagan domination of this House, Gramm-Latta amended the Brooke amendment to make it what the gentleman objected to. How was that the fault of the Democrats, when it was Gramm-Latta that did it in 1981?

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will continue to yield, last time I recalled, 1981, the Democrats had a Democratic speaker up there. They controlled this House. This is the typical response of denial that there is any responsibility for all of the efforts that led to the position we are in right now.

Since 1981, for the last 15 years, for 13 of the 15 years, the Democrats have had a majority in this House. They have known that the Brooke amendment has been a disincentive to work. They have done nothing about it. Just like one for one, Federal preferences——

Mr. FRANK of Massachusetts. Reclaiming my time, I am only talking about the Brooke amendment now. I would make a couple of points. The gentleman from New York's argument that during 1981, when Gramm-Latta passed with Ronald Reagan's first year of the presidency, it was a Democrat, the Democrats controlling the agenda, illustrates how at variance he is with the facts.

Second, we were talking about Republican control of the Senate for all of those periods when we could not get legislation through that was not agreed to by both.

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We also had a Republican President whose signoff we had to have on the legislation. This is an example of the kind of distortion we are talking about, and again the notion, and, by the way, during this whole period when I got here in 1981, the Republicans controlled the Senate, the Republicans controlled the Senate and the Presidency from 1981 through 1986, but according to the gentleman from New York they have no responsibility.

But I also want to talk about the substantive pattern here, and the substantive pattern here is for all the talk about empowerment, let us give the housing authorities more control over the lives of the tenants.

When the gentleman from Louisiana wanted to expand tenant rights, no, no, that is no good.

The gentlewoman from New York and her colleague, the other gentlewoman from new York, want to protect tenants' rights regarding pet ownership; no, no, no, we cannot interfere with the authorities.

Indeed the gentleman from new York says we are going to empower the tenants by letting the housing authorities raise their rents without limit. That is the gentleman from New York's answer about empowerment because in fact what he said was, and this one I am still trying to understand and I will yield to him to explain this to me; the gentleman said that if we put a 30 percent cap on what tenants can be charged, that would be bad for the tenants who were working because then the authority would go up to the 30 percent, and the way to prevent the authority from going up to a 30 percent cap is to say with those very same tenants there is no cap at all.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. FRANK] has expired.

(By unanimous consent, Mr. FRANK of Massachusetts was allowed to proceed for 2 additional minutes.)

Mr. FRANK of Massachusetts. Mr. Chairman, I will yield to the gentleman in 10 seconds to explain to me how limiting the authorities to 30 percent of what they can charge working people, which is what my amendment would do, is a better protection for those working people in the housing authority than giving the housing authority the right to charge them unlimited rents because that is the only difference between us.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, the gentleman still thinks in the box. The gentleman still thinks that rent can only be charged as a percentage of income. What I am suggesting is that public housing authorities ought to be in power to set place-based rents or to say that a particular unit should rent for $15, or $25 a month so that if somebody goes to work, begins to earn more money, they do not have this disincentive.

Mr. FRANK of Massachusetts. Mr. Chairman, I am reclaiming my time because the gentleman simply refuses to answer a plain English question.

No, there is no disincentive, and I would ask the gentleman please to abide by the rules. The point is he does not want to answer the question. I did not ask him the question he answered.

I am not mandating any increase. He talks about a disincentive. The disincentive came from Reagan, Gramm, and Latta. What we are doing is to say, no, there is no floor, they can charge less if they want to. We are saying not that rents have to be percentage based, but that 30 percent is the limit. They can use whatever formula and rules they want, but they cannot go above 30 percent.

And the gentleman is going to protect tenants by not letting them have pets, he would protect tenants by not having more of them on the authority, and he will protect tenants in the most bizarre logic of all by allowing the housing authorities to raise the rents without limit. We are not talking about mandating 30 percent as the basis. We are saying whatever basis they have, it cannot for working people go above 30 percent.

The gentleman's amendment says welfare recipients cannot go above 30 percent, but working people, there is no limit.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. I wonder if the gentleman would agree to a compromise when we apply Brooke to the pet amendment so 30 percent of the people could have pets?

Mr. FRANK of Massachusetts. Mr. Chairman, I would expect more in the gentleman's logic that we would propose that people could keep 30 percent of their pets; that would be more in line with the kind of thinking the gentleman has had.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

I am glad we can get back to the Ace Ventura amendment here.

The truth is that if we get back to what the purposes of the amendment offered by the gentlewoman from New York [Mrs. MALONEY], it is in fact, and states quite clearly, that this provides the local housing authority with the capability of deciding on their own whether or not the pets ought to be allowed. To try to suggest that this is something that is going to Washington for decision making is a bizarre twist of what Mrs. MALONEY's amendment says. Mrs. MALONEY's amendment allows this decision to be made locally, and that is what we are trying to do here.

As my colleagues know, every time somebody stands up and makes an amendment, we have an amendment to say 25 percent of the decisions here ought to be made by people within the 25 percent of the people on the board ought to come from local housing authority. Oh, no that is Washington-based. The gentlewoman from New York [Mrs. MALONEY] offers an amendment that allows the decision to be made by the local housing authority and, oh, no, that is a Washington-based decision, and someone or another we are getting packs of pit bulls in these housing authorities as a result of having elderly people allowed to be able to have pets.

I just do not understand where the chairman is coming from when we are trying to simply allow what is already currently allowed in many, many housing authorities throughout the country.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. The gentleman correctly states the intent of the gentlewoman from New York [Mrs. MALONEY] that local housing authorities will be able to determine whether pets will be allowed. I find that perfectly acceptable. That is exactly what I am arguing for, local control.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Chairman, the bill allows local housing authorities to come forward with the rules and regulations. The one thing that they cannot do is say absolutely under no circumstances can a senior citizen or a disabled person have a fine, quiet pet.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, therein lies the problem. I agree. Local control allows the locals to decide whether pets should be allowed or not, depending on their particular circumstance, but we are not suggesting this in this amendment. We are suggesting in this amendment they must do it.

Mr. KENNEDY of Massachusetts. Reclaiming my time, I yield to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Currently, as my dear friend from New York knows, the Federal law allows seniors to have pets in federally designated senior housing and housing for the disabled. This merely extends that right to seniors and the disabled in regular housing projects, and allows local housing authorities to come forward with their own rules and commonsense regulations.

Mr. KENNEDY of Massachusetts. Reclaiming my time, I would ask the chairman of the Committee on Banking and Financial Services if, given the fact that he is now stating, as I understand, that he is not opposed to letting local housing authorities have the decision about whether or not pets should be allowed, and recognizing that the amendment offered by the gentlewoman from New York [Mrs. MALONEY] in fact provided that decision to be made in conjunction with the local housing authority, the local housing authority would have to establish the rules and regulations by which pets would be allowed within any housing project. I would think that we are close enough that if we huddle together for a few minutes, we might be able to work out some language that would allow the option to be utilized at the local level to enable people to have pets if they want them.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, completely protective in our bill in preserving the right of seniors to have pets in senior-only housing, I am also supportive and always have been supportive of allowing local housing authorities to determine, based on their own particular local circumstances, whether it makes sense to have pets in mixed populations where seniors may want pets. I have no problem with that.

I would be glad to try and work that out as long as we understand that it is my principle and my intent to retain local control on the decisionmaking.

Mr. KENNEDY of Massachusetts. Who does the gentleman not want to have pets?

Mr. LAZIO of New York. If the gentleman from Massachusetts will yield back, I do not want to make that decision at all. I want the local community to make that decision.

Mr. KENNEDY of Massachusetts. I believe, Mr. Chairman, that that is all the intent of the amendment offered by the gentlewoman from New York [Mrs. MALONEY].

Mr. LAZIO of New York. If the gentleman would yield, Mr. Chairman, that is the gentlewoman's intent and she is willing to make the corrections. I would be happy to work with her. But the bill as currently constituted would suggest that every housing authority——

Mr. KENNEDY of Massachusetts. Hang on.

Mr. Chairman, I yield to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Chairman, it would require every housing authority to allow pets for seniors and the disabled in all Federal housing, not just senior-designated, but it also allows the local housing authority to come forward with their own commonsense rules and regulations.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. KENNEDY] has expired.

(By unanimous consent, Mr. KENNEDY of Massachusetts was allowed to proceed for 2 additional minutes.)

Mr. KENNEDY of Massachusetts. Let us see if we can work it out.

Mrs. MALONEY. Legislating on the floor.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. I say to the gentleman the problem is that you will have a situation in some areas where one person in a particular public housing hall will be allowed to have a pet. The person next door will not be allowed to have a pet. We want to make sure that public housing authorities have the discretion.

Mr. KENNEDY of Massachusetts. Reclaiming my time. Mr. Chairman, I do not think that the gentleman's faith in the local housing authority's wisdom of suggesting that Mrs. McGillicuddy is going to be able to have a dog, but Mrs. Smith is not going to be able to have a dog is a lot less than my faith in the local housing authority.

Why do we not just leave this, give the right to have the dog to the homeowners and allow the terms and conditions under what? The cat maybe, if that is better. That will allow the dogs and the cats to be decided, the rules and regulations, by the local housing authority.

What is wrong with that?

Mr. LAZIO of New York. If the gentleman would yield, the difference between our perspectives is that I would allow a local housing authority that knows its neighborhoods and knows its building to make that decision, and I think the gentlewoman's perspective is that Washington knows best and that it knows what is best for every community in the entire country.

If the gentlewoman is interested in working out, if the gentleman is interested in working out a discretionary situation in terms of the housing authorities, I am interested in pursuing that. But if the gentleman or gentlewoman feels very strongly about the fact that this must be a mandate, then we have a difference in opinion.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I do not think anybody is suggesting, reclaiming my time, I do not think anybody suggesting a mandate, but it is probably the first time that I have ever heard of a Congressman running against cats and dogs.

But I say to the gentleman, go right ahead and do that territory, Mr. Chairman, and you know I would urge, if we cannot find a way to work this out, I urge us to go ahead and have a vote.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from Massachusetts.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. KENNEDY] has expired.

(On request of Mr. FRANK of Massachusetts, and by unanimous consent, Mr. KENNEDY of Massachusetts was allowed to proceed for 1 additional minute.)

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I want to know if the gentleman from Long Island could maybe answer this. I keep hearing that it is up to the local housing authority. I had thought I heard that there was an amendment that said that every housing authority would be required to administer this personal improvement plan.

Is that optional with the local housing authorities, the personal improvement plan whereby every tenant, every working tenant, has to do that?

I would ask the gentleman if he would yield to the gentleman from Long Island.

Mr. Chairman, I would ask the gentleman from Massachusetts [Mr. KENNEDY] if he would yield to the gentleman from New York [Mr. LAZIO]?

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield to the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. No, no, that is not optional, because that is a matter of trying to transition people back into the work force.

Mr. FRANK of Massachusetts. So, in other words, Washington knows best on that, and that is the one size fits all. That is a fair point that ought to be made explicit.

Mr. LAZIO of New York. One vision is that we should be worried about how many more animals would be allowed in public housing halls, and another vision is, which is my vision, is how do we——

Mr. FRANK of Massachusetts. That is not the argument. The gentleman shifts from substance to this, "Oh, no, it is not up to us." It is up to us. I think I understand the principle. It is up to us when we want it to be up to us and it is not up to us when we do not want it to be.

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as my colleagues know, I have been taking a look at this amendment and I was wondering, the gentlewoman who is offering the amendment, I do not want to be accused of being against dogs and cats and pets. Being opposed to liberals is enough.

But let me ask my colleagues this:

Is pet defined in this amendment?

The gentlewoman said if it is a quiet pet.

Mrs. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentlewoman from New York.

Mrs. MALONEY. Mr. Chairman, my amendment only allows common household pets. It does not include exotic animals, reptiles or dangerous or menacing animals, but common household pets.

Mr. ROTH. How about a pit bull that does not bite?

Mrs. MALONEY. Mr. Chairman, it would depend on the regulations of the housing authority. Most housing authorities remove dogs, if I may explain the definition.

Mr. ROTH. How about snakes? Now, snakes do not make a lot of noise, and in Florida many people have snakes.

How about alligators? Alligators do not make a lot of noise, but some people in Florida have little pet alligators.

This amendment is absolutely ridiculous. This is an idiotic amendment. I have never seen anything as crazy as this.

As my colleagues know, I opened this file today on this amendment, and what pops out is the regulations from HUD.

Now we are paying billions of dollars as taxpayers. That is why American people are opposed to what is going on in Washington.

They have got 20 pages on cat litter. Think about it.

Look at this. I just want to read one sentence to my colleague:

> In the case of cats and other pets using litter boxes the pet rules may require the pet owner to change the litter but not more than twice each week, may require pet owners to separate pet waste from litter but not more than once a day, and may prescribe methods for the disposal of pet waste and used litter.

Twenty pages, and we are paying bureaucrats to draft this stuff?

□ 2045

At quarter to 9 at night we are debating whether you can have a pit bull in your apartment, come on; or whether a snake makes noise? And we do not know whether we can have an alligator as a pet?

Mr. Chairman, let us vote this turkey down.

Mr. WILSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we all come from different districts. We all represent different kinds of folks. But in my district, which is primarily a rural, working-class district in which there is a limited amount of public housing, the very idea that anyone, particularly a senior citizen, would have to dispose of a beloved dog or a cat in order to live in the center would be looked upon with total disbelief. It lacks compassion, it lacks sensitivity, it lack everything that I think we believe in.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I just want to point out to the gentleman, and I appreciate him yielding, that in fact seniors who would like to have pets have many different vehicles if they need assisted housing. They can use vouchers, they can use certificates, they can go into all senior housing that allows pets. Getting into a situation where some parts of the population in a particular housing development can have pets and some cannot, in a particularly distressed environment, makes no sense to me.

I thank the gentleman.

Mr. WILSON. But, of course, the chairman of the committee knows that they represent only 10 percent of the housing, and that there is a waiting list of those people. The matter of fact is, and we would not be discussing this in the first place, but the matter of fact is that it is going to force people to dispose of pets. That is just absolutely crazy.

In east Texas, to tell somebody that because they are forced into public housing that they are going to have to get rid of their puppy, is just nuts.

Mrs. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentlewoman from New York.

Mrs. MALONEY. Mr. Chairman, in fact, the 1983 law still does not cover about 90 percent of all Federal housing, or 3.7 million units. This is an issue of fairness. My amendment today would give those seniors and disabled living in non-senior or disabled-designated federally assisted housing the right to own pets.

As my colleague said, I received a letter from one of my constituents who has had a pet for 12 years. She moved into public housing. They are telling her that she must get rid of her pet. They sent information on how the pet could be euthanized. She is desperate.

Mr. WILSON. Reclaiming the balance of my time, Mr. Chairman, I have many friends on the minority side and I have many friends on the majority side. To my friends on the majority side, particularly those that are from rural districts, and especially those that are from rural southern districts, I would advise extreme caution on this vote.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would say first of all to my colleague, the gentleman from Texas, there is nothing in the bill that relates to pets. The bill is silent on the subject of pets. The debate here has been about whether or not we require housing authorities to accept pets. I think we have heard the expression of the chairman of the committee. He is quite willing to leave that authority to the housing authorities themselves, whether or not an under what conditions they want to have pets.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I just want to emphasize again that we are preserving current law, so people who have pets, seniors who have pets now in public housing and in all senior developments, will be allowed to keep their pets. Nobody is saying to anybody that they have to dispose of their pets if they are already in public housing. What we are saying is that by extending this into a development where some people can have pets in a particular building, but some people cannot, is going to create enormous tension. It creates a huge mandate on public housing authorities who are worrying desperately about how to transition people back to work, how to keep families together, how to take care of the basic elements of quality of life without introducing or compounding the problems for housing authorities in terms of the management of those particular buildings that are under strees.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from New York. This amendment ensures that any elderly or disabled person in federally assisted housing, even federally assisted housing that is not specifically senior citizen housing, can have a pet. This is important for all the obvious reasons, which I will not repeat; but in addition we know, based upon scientific research, that older people with pets live longer, go to the doctor less often, and recover more quickly from illnesses. The lives of elderly and disabled persons, people in New York City and in the rest of the country, would be dramatically improved by this amendment.

Mr. Chairman, we have heard a lot of nonsensical arguments tonight on this amendment. Let me address a few of them. We have heard, What about snakes, what about reptiles? This amendment refers to common household pets. It allows almost complete regulation by the local housing authority, other than saying, "not under any circumstances."

We have heard, Mr. Chairman, the particularly hypocritical argument about Washington knows best. Let me particularly address the chairman of the subcommittee on this point.

Let me particularly address the chairman of the subcommittee on this point, because he got up a few minutes ago and said that this amendment says Washington knows best. Let me say, yes, it does. We all say Washington knows best sometimes. We passed an amendment on this floor yesterday with four dissenting votes, a bill, four dissenting votes, 42 to 4, that said that every State must amend its law to provide for community notification when a sexual criminal is released from prison. Must. We did not give them a choice. We said they must. Thirty-five States must change their laws or else they will lose Federal aid, because we thought we knew best. I voted for it. Every Member sitting in this Chamber here voted for it, because most of us thought in that instance Washington knew best.

Mr. Chairman, an amendment on the floor a few hours ago to this bill itself says that we are going to say we are going to force the housing authorities to institute these personal improvement plans to have working people, whose only fault is that they do not earn enough money because we will not raise the minimum wage, and because of economic forces beyond their control they have to have personal improvement plans. If the New York City Housing Authority thinks this is nuts, that is too bad, they had better do it or they will lose their Federal aid, because Members on that side of the aisle think Washington knows best in that instance.

Mr. Chairman, to give one other example, we passed a welfare reform bill that says States must institute time limits, States must do various things or they will lose their Federal aid. I am not going to debate the wisdom of those things. The point is this House determined by majority vote that Washington knows best in that instance, too. The only difference between many of us, among many of us on the floor, is that some of us are honest enough to say that we will judge, that is our job as Members of this House, we will judge when and under what circumstances we think that Washington knows best, and when and under what circumstances we think it is more appropriate to leave a question to local control. The question here is, is this appropriate to leave to local control, or is this appropriate, as the gentleman on that side of the aisle thought it appropriate, to mandate personal improvement plans to say Washington knows best in this instance? What are we saying that Washington knows best about, what policy judgment? It is our job to make policy judgments.

We are saying that Washington knows best that senior citizens, disabled people, are entitled to have common household pets if they want to. If the local housing authority wants to limit that in various ways, wants to regulate that in any way they want, it is a local decision. We will make the one policy that they cannot say "not under any circumstances." We have made that policy decision, by the way, in the law, if they live within senior citizen and disabled household projects. Now we are going to make it for other assisted projects.

What are we afraid of? I heard some rhetoric on that side of the aisle before, that we have crime in the projects committed by the senior citizens and the disabled or their pets, that we have gangs running through the projects. Not the pets of senior citizens, they are not the gangs. They are not committing murder and mayhem. I doubt that. Who are we afraid of? Who are we protecting? The fact is, the rhetoric about local control is just that: rhetoric. We all believe in local control under some circumstances. We all believe Washington ought to dictate policy in some circumstances. We disagree when. We disagree when it is appropriate. That is fine.

The CHAIRMAN. The time of the gentleman from New York [Mr. NADLER] has expired.

(By unanimous consent, Mr. NADLER was allowed to proceed for 1 additional minute.)

Mr. NADLER. Mr. Chairman, let us not hear as an argument that Washington should not try to dictate to the local governments; because sometimes we do in this very bill. Sometimes we do not. The question is, is it appropriate, and why is it appropriate or not appropriate?

Mrs. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentlewoman from New York.

Mrs. MALONEY. Mr. Chairman, I would just like to add to my colleague's statement that this is a very bipartisan effort. The lead sponsor is the gentlewoman from New York, SUSAN MOLINARI. We have 57 Republican cosponsors, and 63 Democrats cosponsors. It has been very much a bipartisan effort.

Mr. NADLER. Reclaiming my time, Mr. Chairman, I am glad to see that the sentiment that sometimes we ought to make decisions here and not leave everything to local government is more or less equally shared on both sides of the aisle.

Mr. EHRLICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from New York [Mr. LAZIO], chairman of the subcommittee.

Mr. LAZIO of New York. Mr. Chairman, the gentleman from New York just said we judge. We judge, we make the judgments, but we do not live with the consequences of those judgments. We can send out a press release and think we have done something very important. We can take care of a political constituency. But who is watching out for the people in public housing? Obviously, nobody, for the people living in 200,000 units that are supervised by some of the most dysfunctional corrupt housing authorities in America.

For 17 years people have tolerated the failure, have tolerated the fact that these buildings are poorly maintained, they are infested in many cases with drugs and crime. Who cares about them? We are debating pets right now. I want to ask, where were some of these voices in outrage when people were trapped in poverty, when families could not transition back to the marketplace, where halls are sealed off so drug dealers can make their deals in the hallways, and people cannot move through?

Mr. Chairman, we are talking about putting pets back in the hands of people where we have mixed populations. We expect people to supervise them, housing authorities. Which housing authority is it that we believe will be able to correctly supervise this with the problems they already have on their hands? Maybe it is New Orleans, who is scoring 27 out of a possible score of 100, or the District of Columbia, that scores 33 out of a possible 100, or maybe Chicago, 44, or Pittsburgh, 47: failing scores, all troubled since the inception of this back in 1979.

Do we care about helping those people already in there? Do we care about creating an environment where people can transition back to the marketplace, or do we care about the next press release and a particular constituency, taking care of a particular association for more votes, so we can introduce more pets in what is already a troubled, difficult environment?

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. EHRLICH. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I would just point out that the gentleman from Long Island eloquently denounced several housing authorities, and I agree, but he is the one who says leave this to the housing authority. How in the name of a policy which says let us leave it all in the hands of the local housing authority does he decide that the way to argue for it is to denounce local housing authorities?

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will continue to yield, I will explain to the gentleman exactly how that will happen. The housing authorities that are chronically on this list of troubled housing authorities, under this bill we would say, no more. We are not going to tolerate failure anymore. We are not going to continue to spend Federal dollars and condemn Americans living in public and assisted housing that is disgraceful to live under those conditions, because we are too complacent and/or it alienates our political constituency.

We say we are not going to penalize those communities, we are going to get the money to those communities, but we are going to bypass these dysfunctional, mismanaged, corrupt housing authorities and give the money to the people in the communities that are really making a difference: the community development corporations, the not-for-profits, the resident management groups, the people with firsthand experience who are innovating, who are doing a good job. We are not going to keep giving money to these corrupt housing authorities. That is the difference with this bill on the floor and what has been done over the last 30 years of tolerance of failure. We are going to expect excellence and demand excellence.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

□ 2100

Mr. Chairman, I would like to put a face on what has been a very charged debate, and I want to thank the gentlewoman from New York for her wisdom, and the collective body of members of the committee for seeing the wisdom in recognizing the value of giving human dignity to seniors and the disabled.

There are good housing authorities and there are bad housing authorities. In Houston we have a housing authority that has promoted activities for youth, training, allowed residents to participate in certain instance.

On the other hand, we cannot say that all decisions of housing authorities across this Nation are the right decisions. They do not sit as some royal decisionmaker that cannot be challenged.

The face I would like to put on this amendment is that of Eileen Hobbs in the Allen Parkway Village. I visited Miss Hobbs just about a week or so ago, living in conditions that would warrant improvement, homebound and in a wheelchair, with two dogs, her friends, her doggies, if you would call it, her companions, and yet intimidated that she might not be able to keep these long-lasting friends who she said have kept her alive, pure and simple, because there would be those in the housing authority who would determine that she might not be able to keep these long-time companions.

Someone who lives their life alone and yet has the opportunity to interact with the kind of companion that an animal may give them, that some of us may not understand. Why should we make those who live in public housing second-class citizens?

It clearly shows that when we have an opportunity for someone like a Miss Hobbs to have enhanced life, we should not give her a second-class status from seniors who live elsewhere, from those of us who have as many cats and dogs as we might desire. It is well known that pet ownership gives a psychological boost and is beneficial to seniors and the disabled.

I can only share with you, Mr. Chairman, this actual face of Eileen Hobbs, the fear, the apprehension, and the devastation of losing her companions.

This is a fair bill. This allows the participation of the housing authority, but it recognizes the value and importance of what has to be emphasized for those who live in a housing authority. They have rights, too, and those rights are to have a companion, and we should not take this jokingly. This is a serious issue, and I rise to support this amendment.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the requisite number of words, and I rise in favor of the amendment.

I have been listening to the debate in my office on C-SPAN, and I was not going to speak, but I am a cosponsor of the amendment. I am a Republican. I consider myself to be a conservative.

I had a grandmother who lived in public housing. She passed away several years ago at the age of 95. There were four units in her housing complex in a small town in central Texas. I do not know if it was a local regulation or a Federal regulation, but she was not allowed to have a pet. I think she should have been allowed to.

The gentlewoman from New York SUSAN MOLINARI, is the chief sponsor on this amendment with the gentlewoman who has been debating it on the floor on the Democratic side, and I hope that we do pass it.

I want our colleagues to know that this is a bipartisan issue. It crosses party lines, and at least one person on this side who is in favor of it is going to vote for it and speak for it. Hopefully we will allow those senior citizens who want to have pets to let the local housing authority allow them to have pets.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, I just would like to associate myself with the gentleman's remarks. The gentleman and I represent districts that are very much alike. We both know how important it is to people in public housing projects in Crockett and in Normangee and Lufkin and in Toyahvale and in Huntington. I just want to compliment the gentleman on his remarks and his judgment.

Mr. BARTON of Texas. Mr. Chairman, I thank the gentleman, and I want to be in favor of it.

Mr. JACKSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the distinguished gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, I have one simple question to ask the distinguished chairman of the subcommittee, if he is here. The question I have is the following:

The gentleman spoke eloquently a few minutes ago about dysfunctional housing authorities that are not fulfilling their functions, wasting money, hurting people, et cetera. You are going to bypass those housing authorities in this bill and you are going to give money directly through tenant vouchers, et cetera. My question is simply this. In terms of this amendment, where you say you want to let local housing authorities make this decision and we should not mandate the decision, we are going to bypass these housing authorities because they are incompetent, who will make the decision as to whether we should allow senior citizens and disabled people to have pets, the nonexistent local housing authorities or the dysfunctional housing authorities?

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Illinois. I yield to the gentleman from New York.

Mr. LAZIO of New York. The dysfunctional housing authorities would effectually be defunded under the plan that we have before us. Those that are highly functioning will be given the flexibility that they all request and all deserve.

Mr. NADLER. Mr. Chairman, we have heard that before. I am asking a question you are not answering. In those districts where you are defunding the local housing authority, where there are bad and dysfunctional and horrible housing authorities, if a senior citizen, a disabled person in a housing project in that area wants to have a pet, who will make that decision whether it is okay or not?

Mr. LAZIO of New York. Mr. Chairman, if the gentleman would continue to yield, the way this bill operated, which is not the way it has operated, gave discretion to the housing authority. The individual vendor that controlled the management of the units would make the call, if they were operating successfully, in conjunction with an evaluation effectively by HUD.

Mr. NADLER. Mr. Chairman, if the gentleman from Illinois will yield, I thought the gentleman from New York just said there was no functioning housing authority there, in which case, who would make the decision?

Mr. LAZIO of New York. If the gentleman will yield further, if the housing authority, as is the case for many housing authorities, is chronically dysfunctional, ends up getting defunded, what happens is HUD is required to bid out the work that is done by this chronically dysfunctional housing authority, allow management groups, resident management groups, and not-for-profits or for-profits to do the work the housing authorities were previously supposed to be doing but were not doing.

Mr. NADLER. So in other words, in those areas where there are dysfunctional or incompetent housing authorities, no public agency would make the decision. It would be left up to some private agency. There would not be any public policy body in either the local housing authority, which you have defunded, nor the Congress nor HUD.

Mr. LAZIO of New York. Mr. Chairman, that is not a decision that will be made here in Congress. It will be a decision made on various applications.

Mr. NADLER. Made by whom?

Mr. LAZIO of New York. HUD will decide who is exactly awarded contracts to do the work that the housing authority was supposed to do, or the not-for-profit or for-profit.

Mr. NADLER. The decision will be made here in Washington by HUD?

Mr. LAZIO of New York. No. If the gentleman from Illinois will yield again, the decision ultimately, under what I am suggesting, will be made by the local housing authority itself or the successor to the housing authority, as opposed to mandating it.

Mr. NADLER. As I understand what the gentleman is saying, if you have a functional housing authority, they will make the decision. But with respect to my question where you do not have a functioning housing authority, HUD will decide on who is actually going to manage it and that private agency will make the decision.

Mr. LAZIO of New York. If the gentleman would yield, once again it does not have to be private. It could be a not-for-profit, it could be a management resident group, it could be a public entity. It cannot be the same mismanaged, dysfunctional housing authority. They are not going to get the money anymore.

Mr. NADLER. It would not be the dysfunctional housing authority but we would not make the decision.

Let me simply submit that this whole dialogue or colloquy is a good argument why in this instance on the basic policy question, not the details which we can leave to the locals but on the basic policy that senior citizens and disabled people should not be denied pets in public housing, that we are entitled and we should utilize this opportunity to make this decision by adopting the gentlewoman's amendment.

Mr. GUTIERREZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been listening with great curiosity, intensity to this debate. We are saying that we are passing this bill and we are bringing this legislation in order to give control to the local housing authorities and to get Washington out of the business of public housing. That has been the argument time and time again. But those are the very people that we say we have to take control away from because they are so corrupt and inept in providing the services, but we are going to give them more power so they can correct the corruptness and ineptness of everything that they do.

Then they say, well, if they do not start behaving and they do not start providing quality, affordable housing, then what we are going to do is we are going to bring in Washington, DC. We are going to bring in HUD to take them over. I thought we were getting out of the business of managing the local housing authorities and giving them more control, but if they do not abide by whatever standards or rules that we are going to impose upon them, then of course HUD takes over.

The last time I checked, HUD was a Federal agency, unless my friends on the other side of the aisle have eliminated it.

So HUD then comes and takes over. But then we are expected to believe, if we listen to the chairman, that what is going to happen is that HUD, the Federal Government, who we want to get out of the business, is going to go in there and correct the problem. Because HUD has then got to go in there and correct the problem and make sure that they can find people to provide the services that the local housing authority was not able to provide, if they do not abide by the rules.

I do now know whether we are in the business or trying to get out of the business or we are back in the business again. But it seems to me that we have to stop using this idiotic kind of argument that what we are doing here is empowering local governments and localities, because if that was the truth, and I just brought down because I think that this is very interesting, section (b), page 9, the tenant self-sufficiency contract:

> Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing. . . . The terms of a self-sufficiency contract under this subsection shall be established pursuant to consultation between the authority and the family.

Now we are going to get the public housing authority to sit down with each and every family, and be their social worker and sit down with them, but we are not going to provide day care. And if they say, "You know, if I only had a raise in the minimum wage, I might be able to do better and reach self-sufficiency," we are not going to do anything about that.

Then it says kinds of, well, if they have a problem related to education, we are going to reduce how much money we send to the people can get an education, college loans and deduction, but we want them to receive a self-sufficiency contract.

Then it says substance abuse and alcohol abuse, job training and skills training. They have to get job training, but we are going to reduce the amount of money that the House of Representatives is going to send for job training and skills training.

I do not know how it is we expect them to keep this contract if at the same time the House of Representatives is going to diminish the funding for each and every one of these categories.

But the one thing we will be able to do, we will allow the local housing authorities one power: That is to say to them, "We are going to give you less money, we are going to give you fewer resources to deal with the issues," but we are going to give the local housing authorities the ability to raise the rent for everyone of these tenants.

□ 2115

We are going to be able to allow those housing authorities to change the venue of people. I think that this bill is clear to anybody who really examines it and looks at it. It is not about local housing authorities and empowering local housing authorities. It is about washing our hands, as Pontius Pilate did, of the poor and the destitute and those that have no hope in America, saying that this Congress is going to turn its back on them also. Because I just cannot understand how on the one hand we want to get out of people's lives, this is a Congress that says let us get out of people's personal lives. Congress and the Federal Government is involved in people's personal lives.

We want less government, we want less intrusion in the day-to-day affairs. But then they are going to tell every local housing authority, set up a contract on substance abuse, education, tell me when you are graduating from high school, how you are going to get there and when you are going to get there, but do not expect us to help you. Just tell us how you are going to get there, and I want you to sign this contract. If you do not sign it, you are out.

I thought we were about less government, less intrusion in people's lives. But it seems to me we are about more intrusion, when we want to destroy an institution. But it does not surprise me very much, because as I look at the status of the House GOP Contract With America, given where that contract is at today, I do not expect this will have much success either.

Mr. BARR of Georgia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had been out at a meeting for the last hour or so, and came back into my office, and the TV was running, and the sound had been turned down, the staff was doing some work. As I watched the debate in which we apparently are still engaged, I looked at it and I saw the passion that seemed to be apparent on the faces of the folks on the other side of the aisle and the gesturing, and so forth, and I thought, well, let me turn the sound up, they are probably talking about something for which passion is required and for which important issues and important principles are at stake, such as those with which I was somewhat familiar as a U.S. attorney in prosecuting cases involving public housing units, matters such as drug trafficking, matters such as drive-by shootings, matters such as child abuse, matters that really do require our attention, because they affect the lives of the people in those homes, in those projects.

But yet when I reached over and turned the volume up on the TV, I hear that they are not talking about drug trafficking, murder, child abuse, fraud, or something important. We are talking about pets. Pets.

I would respectfully urge my colleagues on the other side of the aisle who continually chide us when we want to bring up a piece of substantive legislation with cries of "Oh, there are more important issues. Why are you bringing up this issue that we believe is not so important," I would urge them respectfully to get a life. Let us focus on the true issues that are important to the people whose lives are at stake, whose lives are being snuffed out by crime, by drug trafficking, by drive-by shootings, by child abuse in these projects, and let us move on.

I think, I truly do think, that the American people believe there are matters slightly more weighty to be consuming hours of the time of the Congress of the United States than pets.

Mr. FIELDS of Louisiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I really do not understand why the gentleman on the other side of the aisle will not accept the gentlewoman's amendment to allow an elderly woman to have a pet in a home. Just because a person living in public housing, for crying out loud, does not mean they ought not have the quality of life of everybody else. Even the President of the United States of America has a pet in his home.

But I want to yield to the gentleman, I would like to if the gentleman would respond, and that is on public housing, I loud like to yield to the gentleman from New York, because I have a particular problem about some of the things even in the manager's amendment, because reading the manager's amendment, for example, the gentleman's amendment from New York, it says, "A tenant who is elected to the housing authority or to that housing board, cannot serve as a representative of the board if he or she was convicted of a misdemeanor in a 5-year period."

I am trying to find out what is the rationale of telling a person who lives in public housing, for crying out loud, they cannot serve on a board if they were convicted of a traffic ticket? If they were convicted of a parking ticket? If they go a ticket for jaywalking?

The gentleman continues to talk about how he wants to give the people in this country the opportunity to participate in their decisions and take it away from Washington and take it away from all these bureaucracies across America, but yet he tells the poor citizens who lives in a public housing facility that he or she cannot serve if they have been convicted of a misdemeanor. Not a felony, but a misdemeanor, for the past 5 years.

I would like to yield to the gentleman because I would like to know why the gentleman would put such strict requirements on members elected to the board who serve in housing facilities.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FIELDS of Louisiana. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, let me say, first of all, with respect to the gentleman's initial comment, what I am advocating is that those people who seek public housing live in the same world that people who go out there and look for an apartment to live in, which is to say if you go look for an apartment and you are lucky enough——

Mr. FIELDS of Louisiana. Mr. Chairman, reclaiming my time, the last time I checked, there is nothing wrong with a person looking for an apartment and filing out an application who has been convicted of a parking violation. I do not understand the rationale. I can understand felonies, but I do not understand the rationale of a misdemeanor.

Mr. LAZIO of New York. Mr. Chairman, we are talking about two different things. I am trying to address the initial request about pets.

Mr. FIELDS of Louisiana. Why is it so difficult for a person to serve on a board if they have been convicted of a misdemeanor?

Mr. LAZIO of New York. If the gentleman will yield, our position is that we are trying to provide professional management in very troubled situations. We are trying to eliminate people who are convicted criminals from a fiduciary relationship in terms of boards.

Mr. FIELDS of Louisiana. If I got a parking ticket yesterday, I am a convicted criminal? If I got a ticket in Washington, DC., I cannot serve on a board. Yes or no, is that not correct?

Mr. LAZIO of New York. The gentleman misstates the law. Parking tickets are not a misdemeanor.

Mr. FIELDS of Louisiana. A parking ticket is a misdemeanor. What about if I got a traffic ticket? What about jaywalking? Then you take a 5-year period.

Second, why do we not impose this same requirement on the Members of

Congress? Why do we not say to America you cannot run for the U.S. Congress if you have been convicted of a misdemeanor in the past 5 years? I would ask the question to the Members of this Congress, how many of us would be able to qualify to run for office if we could not run if we were convicted of a traffic ticket in a 5-year period?

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield further, I do not mean to be condescending at all, but there are two classes of crimes, felonies and misdemeanors. There is another class of offenses that go by a variety of names, including lesser offenses. Different States call them different names, but they are not crimes. A misdemeanor is a higher level of crime. It is something that you go to jail for. It is not a parking ticket, it is not a traffic infraction, it is not jaywalking. It is none of those things.

Mr. FIELDS of Louisiana. Mr. Chairman, reclaiming my time, in my State you can go to jail for not paying a traffic ticket. In my State a traffic ticket is a misdemeanor. In the State I come from a traffic ticket, a moving violation, is a misdemeanor and you can in fact go to jail for it.

What I am trying to understand, and I would hope the gentleman would think about this overnight, because tomorrow I am going to try to take this out of this bill and I would hope the gentleman would agree with me, it makes no sense whatsoever to penalize a person who lives in public housing to the extent they cannot serve on a board simply because they got a ticket for jaywalking or parking.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would hope we could move toward a vote here. I think a lot of people in the Chamber would hope we could move toward a vote. I would urge the gentleman from New York [Mr. LAZIO] to maybe take the request of the gentleman from Louisiana [Mr. FIELDS] under consideration about the misdemeanor issue. He has got a number of other issues that we are going to have to work on between now and tomorrow morning, and maybe we can all get together and try to work out some of the concerns that he has, and maybe we can see if we can urge all the Members to allow us to get to the vote on the three issues. I assume this will have a recorded vote. We can then get on to the Brooke amendment that the gentleman from Massachusetts [Mr. FRANK] is going to try to protect.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I would be happy to continue an ongoing discussion with any and all Members of the minority to try to resolve some of the concerns, as I tried to do throughout the process. So we will keep talking to see if there is some way we can resolve our differences.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, I would urge a vote on the Maloney amendment, and hope we can get to it very, very shortly.

Mr. EHLERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, just a few words in response to some of the things that have been said. I am well aware of the data saying that ownership of a pet can be helpful, and that is an important factor. I also recognize that this has been a partisan debate, and I cannot imagine why this should be a partisan issue, debating pet ownership.

But I also want to respond to someone who raised the point earlier and wanted to bring a human face to the issue and talked about a person who is having difficulty getting a pet in public housing. I would also like to put a human face on this debate, and that face is mine.

I happen to have intense allergies to animals, particularly dogs, cats and horses. I cannot be in a home that has a dog or a cat, even if they are absent from the premises, for more than a half hour at most.

When I first read that pets were being introduced into nursing homes and rest homes, I had an involuntary shudder. I thought if that happens and it appears in all nursing homes and rest homes, I will never be able to go to one. When we talk about public housing, we should be aware that there are lot of people who have allergies.

Now, I have never talked about my handicap before. It was enough of a handicap that I never went to school until I was college age. I had to be in my home, because I invariably got sick when I went to school, so I was home schooled, not by choice, but out of necessity.

I think I have always felt that handicap is my problem, it is not someone else's problem. So if I am near someone smoking, I do not ask them to put out their cigarette, I move away. It is my problem.

But if you are talking about a public housing situation, I think we have to be extremely careful about offering amendments or adopting amendments that will restrict the ability of local governments to deal with people who have handicaps, such as mine. And there are many, perhaps not as severe as mine, but there are many who have them.

So I advocate a voice of reason on this matter and simply say, why not allow the local authorities to make the decision? Why not allow them to designate a particular building to be pet-free, or a wing to be pet-free, things of that sort, rather than adopting an amendment that says thou shalt admit those with pets.

So I am asking for some reason, some consideration, some thoughtfulness on this amendment, rather than prescribing precisely what they have to do.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. EHLERS. Mr. Chairman, I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. I thank the gentleman for his very sincere comments, and I offered a human face. The gentleman has offered a human face. Seeing this 82-year-old lady crying about her companions that she had had for years, I think there are two sides to that story of allowing local control. The question becomes when you allow local control and they would totally eliminate the opportunity for you to have in your self-contained apartment the rights to a pet that would not interfere with someone who may have had the condition that the gentleman now expresses.

So I think there are two sides to this story. I appreciate the gentleman's offering, but we face the same uphill battle when one would have local control who say absolutely not, even without the kinds of conditions.

Mr. EHLERS. Mr. Chairman, reclaiming my time, that sounds like a good alternative, but, unfortunately, it does not work. With anyone with high sensitivity and today's modern ventilation system, which circulates air throughout all rooms in all apartments in a wing or building, it simply does not work. I cannot live in the same building with someone who has a pet. Whenever I find an apartment, as I do here, I immediately ask whether the entire building is pet-free.

☐ 2130

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am surprised my friends are not barking. I have been fascinated by the debate, too. What strikes me is the fact that this is a very interesting debate about fundamental differences in philosophy, because I know of no one on our side who does not want elderly people who live in public housing or elsewhere to have a pet if they want a pet. And then, they ought to find the kind of housing that allows them to have that pet. So, I mean those are things that can be put together as a result of local control.

But here, Mr. Chairman, is the problem in what we are now debating. We have costly, outdated Government programs that are costing taxpayers hundreds of millions of dollars a year, that are enriching trial lawyers, that are giving jobs to lawyers to do nothing but write regulations. And here is a perfect example of everything that has gone wrong in these programs directly out of Washington, because here is a program where we have 20 pages of regulations telling folks how to take care of their pet. Twenty pages of regulations that trial lawyers can then use to take on public housing authorities or take on owners of buildings or whatever, take on the owners of the pets. Twenty pages of regulations telling people everything that they can do, including how many times a day they should dump the cat litter.

Mr. Chairman, I would simply suggest that when Washington, DC, begins writing regulations in that kind of detail, we have gotten to the point where Government is too costly, we have outdated programs, and the fact is, that that is the reason why taxpayers are suffering under such a huge burden of overtaxation.

We ought not extend this program further. We ought to get to the idea of local controls so that people can have real options about whether or not they are going to have pets in their apartment. But let us stop the madness that suggests that the only people that run this town are the trial lawyers who want as many regulations written as possible so there can be as many suits as possible. Twenty pages of regulations on how to take care of your pet in the Government code is an absolute absurdity. Reject the amendment.

Mr. VOLKMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was over in my office and I could not hardly believe what I was hearing when I was listening over there, so I decided to come over and add my 2 cents to the rest of the discussion.

Mr. Chairman, as one who has been a pet owner almost all of my life, when I was growing up with dogs and cats and pigeons and everything else you can think of, and as one when we had our children, we had dogs and cats and things like that.

Mr. Chairman, I am getting to the point where I am 65. I am getting elderly. When I go home tonight, I have got a cat there. Old Bear has been with me for 16 years. Now, if I happen to be in a senior citizens complex someplace, I probably could not have old Bear. Old Bear would have to be put out and go to a new home and it would probably kill him. Or Bear would probably have to end up in a pond and that would be the end of him.

Mr. Chairman, I get a lot of solace in Bear. I will be honest, Bear comes up to me and when I go home and open up that door tonight after all of this silly discussion on whether people should have pets, because I think there is no reason for them to not have pets, when I open that door Bear is going to be upstairs. But as soon as I open that door, Bear comes running and Bear will be at that door to greet me.

The first thing he is going to want to do is he is going to want something to eat, because I have not been there all day and he was not eaten since breakfast and he is going to be hungry. It is going to be my ability to be able to feed Bear and hear him purr and have him rub up against my leg that is going to make me feel pretty good.

Mr. Chairman, I do not have a wife anymore at home. I have got Bear, and Bear is a heck of a lot better as a friend and companion than some of the Members of this body, I will be honest. I would much rather be at home with Bear than be here.

So, I would appreciate it very much if Members would permit senior citizens all over this country to have that same feeling. It is a good feeling. It provides homeliness to a person. It is really like family, believe it or not. Bear is family to me. He is not like my sons and daughters, but he is family.

I cannot see the reasoning behind the people that think that pets are not really part of an upbringing of a child, if they have been with you for a long time since birth, like Bear. Bear was born of Tiger and Tiger died back this December and Bear does not have Tiger anymore as a mom. Bear has HAROLD and that is all.

Mr. Chairman, I would appreciate it very much if the Members would see fit to let other elderly such as myself to be able to have a pet also, even if it is in the senior citizen housing complex, because I think it would be a big help to them when they come home some evening and they would like to have Bear, or somebody like Bear, around to purr and give them a little friendliness.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman New York [Mrs. MALONEY]

The amendment was agreed to.

Mr. LAZIO of New York. Mr. Chairman, I ask unanimous consent that when the Frank amendment numbered 7 in the printed copy is considered, debate on the amendment and all amendments thereto shall be limited to 60 minutes, equally divided between Mr. FRANK of Massachusetts and a Member opposed.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. FRANK of Massachusetts. Mr. Chairman, reserving the right to object, I have not raised this before, then the assumption is that the vote on that would follow immediately after the close of the debate? I assume we would not be rolling that vote? The vote would come immediately at the close of the debate?

Mr. LAZIO of New York. Mr. Chairman, if the gentleman would yield, yes, that is my understanding.

Mr. FRANK of Massachusetts. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. FIELDS OF LOUISIANA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Louisiana [Mr. FIELDS] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 158, noes 254, not voting 21, as follows:

[Roll No. 154]

AYES—158

Abercrombie
Ackerman
Andrews
Baldacci
Barcia
Barrett (WI)
Beilenson
Berman
Bevill
Bishop
Blute
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Coyne
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Durbin
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Franks (NJ)
Frost
Furse
Gejdenson
Geren
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson, E. B.
Johnston
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martini
Matsui
McDermott
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Moran
Myers
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Peterson (FL)
Poshard
Reed
Richardson
Rivers
Rose
Roybal-Allard
Rush
Sanders
Sawyer
Schumer
Scott
Serrano
Skelton
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tauzin
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Whitfield
Williams
Woolsey
Wynn
Zimmer

NOES—254

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton

Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson (SD)
Jones
Kanjorski
Kasich
Kelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Mascara
McCarthy
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Minge
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Packard
Parker
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Sabo
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Weldon (FL)
Weller
White
Wicker
Wilson
Wolf
Young (AK)
Zeliff

NOT VOTING—21

Becerra
Bentsen
Chapman
de la Garza
Dooley
Gephardt
Gibbons
Hayes
Houghton
Johnson, Sam
Laughlin
McDade
Molinari
Oxley
Pelosi
Rangel
Schroeder
Weldon (PA)
Wise
Yates
Young (FL)

□ 2159

Messrs. COMBEST, RADANOVICH, POMEROY, and SHADEGG changed their vote from "aye" to "no."

Mr. BALDACCI and Mr. ZIMMER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 2200

The CHAIRMAN. Are there any other amendments to title I?

Mr. FRANK of Massachusetts. Mr. Chairman, I ask unanimous consent that the prior unanimous-consent agreement regarding my amendment No. 7 be modified so that the modified version of amendment No. 7 be the one considered tomorrow morning.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there other amendments to title I?

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON: Section 105 of the bill (relating to occupancy limitation based on illegal drug use and alcohol abuse), at end of the section add the following new subsection:

(d) LIMITATION ON ADMISSION OF PERSONS CONVICTED OF DRUG-RELATED OFFENSES.—Notwithstanding any other provision of law, each local housing and management authority shall prohibit admission and occupancy to public housing dwelling units by, and assistance under title III to, any person who, after the date of the enactment of this Act, has been convicted of illegal possession with intent to sell any controlled substance (as such term is defined in the Controlled Substances Act). This subsection may not be construed to require the termination of tenancy of eviction of any member of a household residing in public housing, or the termination of assistance of any member of an assisted family, who is not a person described in the preceding sentence.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. SOLOMON. Am I correct in understanding that there are no more recorded votes this evening on this legislation or any other legislation, Mr. Chairman?

The CHAIRMAN. The gentleman is correct.

Mr. SOLOMON. So there is no reason for Members to hang around in the well to be discourteous.

The CHAIRMAN. Members should listen to this debate. The Chair prefers that they not do it in the well.

Mr. KENNEDY of Massachusetts. Mr. Chairman, if the gentleman will yield, before we send a signal to Members that they can leave the well, anyone that has an amendment on this bill ought not to leave this well and ought not to leave this room until we have an agreement worked out as to what amendments might be discussed this evening. I just want to have everybody protected until we have an agreement with the other side about what amendments might still come forward this evening, despite the fact that there might not be a recorded vote tonight.

The CHAIRMAN. The gentleman from Massachusetts has good advice.

Mr. SOLOMON. Mr. Chairman; I will be very, very brief on my amendment. What this amendment simply does is say that anyone who is convicted of selling illegal drugs no longer will have access to and be able to live in public subsidized housing. It does not affect the rest of the family, should one person have to give up his residency there because of that act.

Let me just say that President Clinton just recently has stated a policy of one strike and you are out. He has suggested this to all of the housing authorities throughout the country. What this does is codify it into law; and we have to ask ourselves, Why codify it into law?

Mr. Chairman, I know that where we have this terrible, terrible situation of terrorism in public housing throughout the country, that we have intimidation of the managers and the members of the housing authority, so they are hesitant to kick out these drug dealers, these people that have been convicted of selling drugs in these housing establishments. What this amendment does, it simply codifies into law what the President has asked that the authorities do.

Assistant Secretary Andrew Cuomo, who is the son of the former Governor of New York, came up to Albany, NY, stating that "We are going to get to the bottom of this and we are going to get rid of these people and kick them out of these public housing establishments." This is a follow-up on that. It is going to put teeth into it, and therefore, I think the amendment is going to be accepted on both sides of the aisle, and I would urge acceptance of my amendment.

Mr. GUTIERREZ. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Illinois.

Mr. GUTIERREZ. Mr. Chairman, I would ask the gentleman from New York, I think this is an excellent measure. I just have a question. If there is a mom with three kids and one of the kids gets caught selling drugs, do the mom and the other two kids have to leave?

Mr. SOLOMON. Mr. Chairman, I would say to the gentleman, absolutely not. They are entitled to, in the last sentence, at the recommendation of my good friend the gentleman from Massachusetts, JOE KENNEDY, when he appeared before the Committee on Rules today, he called to my attention that particular problem, the way the amendment was drafted.

This means that if a brother or sister or father or mother or daughter or son is convicted, that they are out. None of the others has to leave under any circumstances.

Mr. GUTIERREZ. I thank the gentleman very much.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York [Mr. SOLOMON].

Mr. Chairman, I appreciate the changes the gentleman made in terms of the substance of the amendment and making certain that innocent individuals that have perpetrated no crime are not going to be inadvertently punished as a result of what I think is a straightforward protection of people in public housing. We ought to try to do everything we can to get rid of drug dealers and repeat offenders. I think his amendment is well-intentioned and well thought through, and I support it. I urge support of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I?

AMENDMENT OFFERED BY MR. FIELDS OF LOUISIANA

Mr. FIELDS of Louisiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FIELDS of Louisiana: In section 103(b)(5)(i) of the bill (as amended by the manager's amendment)

(1) at the end of subclause (I), insert "and"; and

(2) strike "and" at the end of subclause (II) and all that follows through the end of subclause (III).

Mr. FIELDS of Louisiana. Mr. Chairman, this amendment is a very simple and straightforward amendment. I talked about this amendment earlier. In the manager's amendment, it simply goes in and strikes out the portion that deals with the 5-year misdemeanor. That is not a requirement of anyone else who serves on a board. It should not be a requirement of a person, simply because they live in public housing, who serves on a board.

Mr. Chairman, I suggest that we take that portion and that portion only out of the manager's amendment, which will simply provide for all the other rules and regulations, or election requirements, rather, under the amendment, but it would take out the portion that when the tenants have an election, one will not be subject to the provision that says that if you have been convicted of a misdemeanor, not a felony but a misdemeanor in the past 5 years, you cannot run for a seat on the board.

I do not know if there are any objections to that amendment.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FIELDS of Louisiana. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I thank the gentleman for yielding to me. I would tell the gentleman, we would be happy to accept the gentleman's amendment, in the spirit of cooperation. I think we have dealt with the issue to ensure that there is fiduciary responsibility by eliminating people who have felony conviction backgrounds, which I think is an important objective in terms of ensuring that we have integrity on the boards. So I am happy to take the amendment, and look forward to continuing to work with the gentleman on this.

Mr. FIELDS of Louisiana. Reclaiming my time, Mr. Chairman, I thank the gentleman from New York.

Mr. Chairman, I urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. FIELDS].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I?

AMENDMENT NO. 5 OFFERED BY MR. FIELDS OF LOUISIANA

Mr. FIELDS of Louisiana. Mr. Chairman, I offer one final amendment printed in the RECORD, amendment No. 5.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. FIELDS of Louisiana: Page 17, after line 17, insert the following new subsection:

(d) LOCAL ADVISORY BOARD.—

(1) IN GENERAL.—Except as provided in paragraph (4), each local housing and management authority shall establish one or more local advisory boards in accordance with this subsection, the membership of which shall adequately reflect and represent all of the residents of the dwelling units owned, operated, or assisted by the local housing and management authority.

(2) MEMBERSHIP.—Each local advisory board established under this subsection shall be composed of the following members:

(A) TENANTS.—Not less than 60 percent of the members of the board shall be tenants of dwelling units owned, operated, or assisted by the local housing and management authority, including representatives of any resident organizations.

(B) OTHER MEMBERS.—The members of the board, other than the members described in subparagraph (A), shall include—

(i) representatives of the community in which the local housing and management authority is located; and

(ii) local government officials of the community in which the local housing and management authority is located.

(3) PURPOSE.—Each local advisory board established under this subsection shall assist and make recommendations regarding the development of the local housing management plan for the authority. The local housing and management authority shall consider the recommendations of the local advisory board in preparing the final local housing management plan, and shall include a copy of those recommendations in the local housing management plan submitted to the Secretary under section 107.

(4) WAIVER.—The Secretary may waive the requirements of this subsection with respect to tenant representation on the local advisory board of a local housing and management authority, if the authority demonstrates to the satisfaction of the Secretary that a resident council or other tenant organization of the local housing and management authority adequately represents the interests of the tenants of the authority.

Mr. FIELDS of Louisiana. Mr. Chairman, this is a very simple amendment. It simply provides that each of the housing authorities have or create an advisory council. We have just voted whereby members can serve on a board; only one tenant, as the bill was presently perfected, only one person can actually serve on a board who lives in a housing facility.

This amendment is very simple. It provides for an advisory board. That advisory board will not be 100 percent residents. That advisory board will be 60 percent residents, which means that the advisory board will take 60 percent of its membership from the actual residents of the housing facility, and they will simply make recommendations, not rules and regulations, but only recommendations to the actual board. We would hope as a result of this, this board will take those issues into consideration.

Mr. Chairman, many housing authorities today have implemented advisory councils or advisory boards simply because they feel that is a true way to get input from the residents who live in public housing. This is a very straightforward, noncontroversial amendment that allows an individual to serve on an advisory board for the facility that he or she lives in, to make recommendations, recommendations only, to the board itself as to how they feel different rules should be implemented upon them that they have to live with.

Mr. Chairman, I do not know if there is any opposition to this amendment, but that is what it does.

Mr. LAZIO of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know the gentleman from Louisiana [Mr. FIELDS] offers this in good faith with the expectation that it will increase citizen participation. I, in fact, am fully in support of citizen participation in terms of decisionmaking by local housing authorities. In fact, the bill that has been offered has well over a page of language that asks for housing authorities to ensure that there is maximum citizen participation and integration with the community. We deeply believe that communities need to be involved in establishing local solutions to some of the challenges that are facing them.

What we disagree with is the need to create another level of bureaucracy, another local advisory board that we think, that I think, frankly, is potentially stilted. In some cases it is going to be obsolete. We have citizen participation that will be communicating with the housing authorities via electronic media, whether it is computers in a number of different areas.

We certainly allow the opportunity to have various community forums. There are many different ways of assuring maximum citizen participation without creating another board that would purport to substitute for a more aggressive effort to ensure maximum citizen participation.

Mr. Chairman, this is, in effect, micromanagement at the local level to ensure what level and what type and what form citizen participation with respect to housing authorities will take. For that reason, it is inconsistent with the core principles of this bill, which are to allow maximum local control over housing authorities, locally driven solutions. I urge a "no" vote.

□ 2215

Ms. ROYBAL-ALLARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Fields amendment which establishes local advisory boards for public housing residents.

One of the objectives of public housing reform is to encourage individuals to become involved in their communities and to take responsibility for the neighborhoods in which they live. The Fields amendment will give residents the opportunity to assume that responsibility by requiring housing authorities to establish local advisory boards with 60 percent of its membership made up of residents of that authority. In addition, the amendment requires that the recommendations made by this advisory board be considered by the housing authority in the management plan that it submits to HUD.

In so doing, the Fields amendment gives residents a strong voice that will be heard by the housing authority and HUD when making management decisions that directly impact the lives of residents. This amendment is a positive step towards strengthening our goal of personal responsibility by helping tenants take control of their own lives and to determine their own destiny.

I encourage Members to vote "yes" on the Fields amendment.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the legislation before us already makes substantial improvements in the opportunity for citizens in the community or county to make their views known as the local management plan is prepared.

First of all, under the legislation, of course, we have the mandate that larger communities with over 250 housing units will have a resident of a public housing authority on the local housing authority. That is one thing that is already in the bill. This amendment, I think, across the board, for every community in the country that has a housing authority, no matter how small that community might be, to require them to have a citizens advisory committee, it is another layer of bureaucracy with unclear consequences, particularly if the local housing management agency does not agree to follow the recommendations of the advisory board.

I think it is unclear what the costs will be associated with that advisory committee but I would like to call our colleagues' attention to a section that is in the bill that provides specifically for additional citizen participation that is now not required by the operations of housing authorities today.

The Chairman has already made reference to it but I want to bring out some of the details of the citizen participation section found on page 31.

Before they submit the local management plan, the local housing authority shall make the plan or the amendments publicly available in a manner that affords affected public housing residents and assisted families and others an opportunity to review the plan, and then provides for a period of not less than 60 days for that review.

Beyond that, the local housing and management authority shall consider all comments, and to make sure that anybody that reviews the plan has a full appreciation of the comments coming from the citizenry, including from public housing residents, the plan, once submitted, must contain a summary of such comments or views. It shall be attached to the plan, the amendments, or the reports submitted. Therefore, HUD will have an opportunity to look at the kind of citizen participation comments that came forward as a part of the local hearing process

I think we have really made quite substantial improvements to the way citizens have an opportunity to express their views on the management of the local housing authority. This adds another layer of bureaucracy. I strongly oppose it because it applies across the board, and I think it is unnecessary.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I guess I am able to offer an additional insight to this question of an advisory board. I bring to this microphone again some long years of history as a layman dealing with public housing in our community in Houston. I think we are well known for having, as I indicated, some very exciting ventures in Houston's housing authority, including one of the first experimental combined Texas Southern University/public schools located in the Houston housing development by the name of Cuney Homes. There is something to that decision. It came about through community involvement. And when there is community involvement, solutions come about in a manner when all who are stakeholders can appreciate it.

Just a couple of weeks ago, Secretary Cisneros visited Houston and we had a difficult problem. In fact, we still have a difficult problem with one of our housing developments called Allen Parkway Village. But at the time Secretary Cisneros joined us in Houston, we gathered together community representatives, businesspersons, people from the ministerial community, lawyers and others who indicated that they too had a concern with Allen Parkway Village even though they were not residents of that village. Out of that discussion came the suggestion that we form an advisory board, an advisory board that would be the stakeholders beyond those individuals who are residents.

I am very pleased to say that such advisory board does exist. But the Fields amendment embodies and institutionalizes what is an effective tool for the community, and, that is, an advisory board that will have input and impact in solving problems and bringing fresh ideas to our local authorities. Why reject an opportunity for participation? Why not welcome and embrace? If we are talking about sending this important issue to our local communities, and I would offer to say that the Houston Housing Authority or any other housing authority does not have all of the answers. The answers come from businesspersons, teachers, doctors, lawyers, community activists and residents, and they can do that through an advisory board. I simply say the amendment of the gentleman from Louisiana [Mr. FIELDS] is right, and I rise to support it.

Mr. FIELDS of Louisiana. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Louisiana.

Mr. FIELDS of Louisiana. I thank the gentlewoman for yielding and for her support of the amendment. I would like to make the Members of the House aware of the fact that this very amendment is in the Senate bill, S. 1260, which contains the very language that this amendment contains and I am hopeful if this amendment is not adopted by this House tonight that in conference this amendment will in fact have an opportunity to be adopted so that it can in fact be the law of the land. But I truly believe that the more input we get from people who live in public housing in term of how we shape their living conditions, who knows best than them. I just think this is a step in the right direction. I would like to commend many of those local areas across the country who are now implementing local advisory boards today, like the city of New Orleans from my own State. They have an advisory board that consists of residents. I think that is a step in the right direction.

Ms. JACKSON-LEE of Texas. Mr. Chairman, reclaiming my time, I would simply thank the gentleman from Louisiana [Mr. FIELDS] and say that I think the advisory committee that we have organized in Houston has the potential of being a very vital resource to bringing solutions to a very difficult problem. I leave the microphone with a question. If we talk about private/public partnerships, what better opportunity for private/public partnerships on the local level than to create advisory boards all who will have a stake in this issue and work with those who live in public housing?

The CHAIRMAN pro tempore (Mr. HOBSON). The question is on the amendment offered by the gentleman from Louisiana [Mr. FIELDS].

The amendment was rejected.

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offered an amendment.

The Clerk read as follows:

Amendment offered by Ms. JACKSON-LEE of Texas: Page 38, line 24, strike "and".

Page 39, line 3, strike the period and insert "; and".

Page 39, after line 3, insert the following new paragraph:

(7) be entitled to appeal such written decision to a mandated impartial regional appeals board created by the local housing and management authorities located in the same region, such appeals board should include resident representation.

Mr. LAZIO of New York. Mr. Chairman, I reserve a point of order on the amendment. I do not have a copy of that amendment. I am wondering if I can get a printed copy of that.

The CHAIRMAN pro tempore. The gentleman from New York reserves a point of order.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer this amendment in the spirit of what I have been listening to throughout the night. Even though we have had disagreement on several amendments, we have talked about an opportunity for fuller participation and for residents to in fact become stakeholders in the improvement and providing solutions to problems that may result as being renters, residents in the normal course of business.

This amendment refers to the grievance procedure and it adds a moment of fairness that I think my colleagues on the other side of the aisle would certainly welcome its addition.

Let me first indicate that this process of appeal that I am adding does not in any way deal with criminal activities that might result in eviction or violation of the lease agreement.

Take this scenario. A resident living in a public housing unit has the fullest of pride about their place where they live and they go and they paint the room a different color. The appeal process is that some impartial person, it could be a single person that the housing authority would designate, could listen to them. But then the final decision is written by the housing authority or its management entity. There is no opportunity for an appeal. We realize that those who live in these kinds of facilities are in fear of losing their housing. They have no other resources. It might be because they have raised the rent, the housing authority. It might be because the resident has been charged with noise in the hallway, something that all of us have had happen with children in the house, dogs, cats. They might have been charged late fees and they actually got their rent in on time. They are fearful of losing their opportunity to be in public housing. So they get a written decision initially. This provision provides for an appeal process. Is the process in court? No. Is the process way up in Washington with the national government interfering in local business? No, it is not with HUD.

What happens is, is that the housing authority can create a locally directed appeals board that is made up on a regional basis such as, for example, the southwest part of the country, representatives from those areas to then accept appeals for this individual who feels that they have been aggrieved.

Remember, now, someone would ask the question, Are you giving the resident in a public housing authority more rights than Mrs. Smith who is down the street in an apartment building? I would say no.

Mrs. Smith may have the wherewithal and the resources to go to a small claims court or to take it up to a higher level. I am suggesting that we not go to court.

I wish that we had had something on this order and this structure 17 years ago when we were dealing with the issue of Allen Parkway Village.

I have always believed that when there is an opportunity to discuss the problem, there may be an opportunity to resolve the problem.

□ 2230

This appeals board would be a simple extension of the process now cited and would allow that aggrieved resident to be on equal plane with his or her neighbor in a private facility who had the ability to go to a small claims court.

I simply would ask that my colleagues and the chairman, who has worked very hard, listen to the offering of an opportunity for residents to be respected, to have the right to an appropriate appeal process, and to take some dignity in the fact that they have rights and due process as well.

Just think of it: You have no recourse on raising the rent, painting your apartment a different color, arguing that the noise in the hallway was not your child, and generally protecting yourselves from some sort of penalty that you may not be able to pay, because you were charged with something and you had no right to pursue it if you got a decision that was against you.

Mr. Chairman, I ask that this amendment be accepted. I would ask for support by my colleagues on both sides of the aisle. I would ask them simply to put themselves in the shoes of our residents in public housing throughout this Nation. All they have asked when I have spoken to them, whether it has been Kelly Courts or Cuney Homes or Allen Parkway Village, is simply dignity and respect and the right to be treated fairly. They too will join in to ensure that better housing is created for all Americans.

The CHAIRMAN pro tempore (Mr. HOBSON). Does the gentleman from New York [Mr. LAZIO] insist on his point of order?

Mr. LAZIO of New York. Mr. Chairman, continuing to reserve my point of order, I move to strike the last word.

Mr. Chairman, I want to compliment the gentlewoman from Texas for her interest in ensuring that there are appropriate levels of due process for people that may be aggrieved in terms of administrative decisions. Let me suggest, however, that we have gone through considerable effort to ensure that we have a fair and equitable administrative grievance procedure in the bill.

For example, we allow for a clear opportunity for a hearing by an impartial party upon timely request within a reasonable period of time; the ability to examine any written documents or records or regulations that might be raised with respect to the proposed actions; the ability to be represented by another party of their choice at any such hearing; and the abilities to call witnesses and to have others make statements on their behalf.

Beyond that, somebody who is subject to an administrative procedure, including a possible procedure for eviction, is entitled to pursue all of their rights through the courts of the State and of our Nation. Due process is thoroughly considered and assured, and that is in the bill.

The effort by the gentlewoman, whom I respect greatly, I think still has a number of different issues that are left unresolved. For example, we do not have any explanation, I have not received this before today as the subcommittee chairman, I just received this just now, we have one paragraph written. We have no idea who is part of the board, how big the board will be, who will govern the board, what rules of process there might be, what regions might be considered, how it is constituted, who sets it up, and so on and so forth.

I would suggest to the gentlewoman that perhaps we can continue to talk about this and see if there is an appropriate concern that she has, and I am sure she has a concern, that we might address in the following weeks and months. This probably is not the right time and the right place to do this.

Mr. JACKSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LAZIO. I yield to the gentleman from Illinois.

Mr. JACKSON of Illinois. Mr. Chairman, let me thank the distinguished chair of the subcommittee for this opportunity. I think that it is clear in section 110 under "administrative grievance procedure," page 38, lines 12 through 24, that six procedures have been laid out that certainly address requirements for expressing these grievances.

But the gentlewoman from Texas is expressing a part of the due process concern that I think is legitimate, and I would appreciate any information the distinguished chairman can give with respect to the appellate process to which the gentlewoman from Texas is addressing.

It is clear in section 110 that people who live in public housing are to be advised of specific grounds of any of the proposed adverse local housing and management actions. They have an opportunity for a hearing, an opportunity to examine any documents. They are entitled to be represented by another person of their choice at a hearing. They are entitled to ask questions and receive a written decision.

But the gentlewoman's fundamental concern, which is a fundamental tenet of justice in this society, is due process, and that is the appellate process.

Mr. Chairman, if the distinguished chairman would address that, I would appreciate it.

Mr. LAZIO of New York. Mr. Chairman, reclaiming my time, I want to thank the gentleman, my neighbor from Illinois, Mr. JACKSON, and again compliment him for his interest in due process.

Again, the gentleman has laid out the six different types of due process that will be afforded a party that feels that they have been wronged. In addition to this, an individual who feels they are wronged through the administrative process has the complete and full ability that is reemphasized in this bill to continue to use the legal process, both at the trial level and up the process through various appellate divisions within a particular court.

The concern I have, in addition to the fact that I think with respect to how this proposed appellate board is constituted and what the rules might be and what regions are considered and so on and so forth, which is not laid out in this amendment, is that during this entire time, when we are going through yet another administrative procedure, somebody who may be a danger to the other residents in a particular project will remain in place. While we want to allow for full due process and for a complete hearing, and we make that clear, by ensuring that people do not just get a written decision, but are allowed to present witnesses and hear testimony and present documents and have someone represent them, and after that they feel they are still wronged, they have the ability to do to court. There comes a time if somebody is disruptive, is truly wronging other residents in a public housing project, that they need to be separated from that and there needs to be order as there is in the places we all live in.

For that reason, I am not able to support this.

The CHAIRMAN pro tempore. Does the gentleman insist upon his point of order?

Mr. LAZIO of New York. Mr. Chairman, I withdraw my reservation of the point of order.

Mr. JACKSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Illinois. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I want to thank the chairman for his hard work. I think we have had some vigorous debates this evening. I am here because I have lived with the problem for about 17 years dealing with public housing, and I truly believe that there is still a solution.

If I might comment on some of the points that the gentleman made and offer to him some answers to his concern, first of all, we have already spoken about the abilities of local housing authorities to manage and to make decisions. I would hope the gentleman would have the same kind of confidence in the local housing authorities in a certain region as defined by HUD. There is a Southwest Region, we have an office in Dallas. I imagine there are regions on the East Coast where the gentleman is from, New York. Those are the designated areas that would regionally comprise an appeals board. I would believe, and it is evident, just as you have left on this lower level, to the housing authority, the decision of who might be on this board, but include some participation from residents. Mind you, I did not even add a percentage.

Also this does not go to those dangerous entities, such as drug users. Somebody might be gun running. Somebody might be running or alleged to be running prostitution. Those are criminal activities and a total breach of the lease.

These are incidents where people might live at the Watergate and would have the wherewithal to sue the management company or go into a court of higher authority. But when you have people living in public housing who are in fear every moment that they are doing something that might cause them to be wrongly decided upon, if you will, then they do not have the resources, as the gentleman has argued, of going to court.

Under the Administrative Procedures Act we realize there is a hearing officer and then there is a higher tribunal before you even have to get to court. That is to ensure that, we thought, we would not have individuals clogging up the courts. On many occasions the Administrative Procedures Act has worked effectively. In Texas, for example, and around the country, we have gone to mediation. Lawyers are now doing mediation to avoid going into court.

I wish we could encourage more opportunity for citizens to have the right to address their grievances in a setting that is non-court like, and I am an attorney, so that problems can be solved at an earlier stage than what might occur later on.

Public housing residents, I would say to the gentleman from Illinois [Mr. JACKSON], do not have some of the resources to go to court. This is an administrative proceeding of sorts that would then come under the provision where costs would be attributable, if any, minimally so, to the housing authority.

Mr. JACKSON of Illinois. Mr. Chairman, reclaiming my time, I am operating under the impression that due process is not asking for very much. If the chairman is very concerned about expediting the process, then we need an expeditious due process concern. I think that the concern that the gentlewoman has raised for this particular administrative grievance procedure is one that the committee should certainly consider, and I would certainly encourage the chairman to consider due process, because we would not want to create a process whereby public housing residents tend to or end up in court because of our failure to honor a fundamental tenet of American justice.

Ms. JACKSON-LEE of Texas. Mr. Chairman, if the gentleman will yield further, I appreciate the gentleman's characterization of this amendment, because that is just what it is. It is to provide an opportunity for those who are most frightened about not having housing, some of whom have been on waiting lists for years. The community I come from has had people on waiting lists for years, and we have had lists as high as 15,000 individuals on waiting lists.

This is a procedure that helps clarify the problem, provides a hearing, and then an appeal, and gives a fair opportunity for this resident to air out their grievance and to address their grievance.

I would ask the chairman to consider what his concerns were and have us have an opportunity to look at these concerns, but not deny, not deny the opportunity for those who are residents, who are not violating criminal laws or threatening anyone, to have an opportunity to appeal their grievance in an appropriate manner.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Texas [Ms. Jackson-Lee].

The amendment was rejected.

The CHAIRMAN pro tempore. Are there further amendments to title I?

AMENDMENT NO. 2 OFFERED BY MR. EHRLICH

Mr. EHRLICH. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. Ehrlich: Page 43, after line 16 insert the following new section:

SEC. 115. PROHIBITION ON USE OF FUNDS.

Notwithstanding any other provision of law, none of the amounts provided under this Act may be used for the purpose of funding the relocation of public housing residents and applicants from Baltimore City, Maryland, to other jurisdiction in the State of Maryland if such relocation is in connection with any settlement, consent decree, injunction, judgment, or other resolution of litigation brought by public housing residents of Baltimore City, Maryland, concerning the demolition of certain public housing units in such city.

Mr. EHRLICH. Mr. Chairman, I am given to understand that a point of order will be raised with respect to amendment No. 2. It is my intent to withdraw this amendment. But before I do, I want to make a number of points and then enter into a colloquy with the chair of the subcommittee.

The first thing I would like to do is congratulate the chairman of the subcommittee, who has had a long day. He is a man of integrity, class and intelligence, and I truly appreciate his friendship and I appreciate the sensitivity he has shown toward me with respect to the issue of HUD and the lawsuit in Baltimore City over the past few weeks.

It is very interesting, Mr. Chairman, that my amendment drew a lot of attention from Members of this House over the last two days. I received a lot of phone calls from folks on both sides of the aisle, because there is a genuine concern out there that there is a Federal department increasingly out of control.

This department believes it should engage in policymaking far outside the scope of its constitutional authority. It threatens and sues people and groups who dare oppose its policies.

□ 2245

It seeks to use unelected groups to bypass the electoral process. It uses the judicial process to create class- and race-based remedies and programs it could not pass on this floor, in this House, in the Senate of the United States.

For decades, HUD policies have contributed to the denigration of the quality of life of many neighborhoods in the Baltimore Metropolitan area. Now, in Baltimore, HUD seeks to create a special race-based voucher to be given to public housing residents to be used in middle-class neighborhoods.

Mr. Chairman, I ask what kind of message are we sending working folks in this country of all races, working folks of all races? Why do we allow this department to further a sense of entitlement with respect to Federal housing policy? Whatever happened to the work ethic in the context of Federal housing policy in this country?

Mr. Chairman, I look forward to working with my good friend and the ranking member on our joint mission to reform Federal housing policy in this country and to rein in an increasingly belligerent, aggressive, and out of control Federal Department of Housing and Urban Development.

At this point, Mr. Chairman, I would like to enter into a colloquy with the gentleman from Long Island, NY [Mr. Lazio], my colleague and my friend, the chairman of the subcommittee.

He and the staff have been very helpful and supportive of my efforts to make sure that HUD does not run roughshod over the Constitution when implementing the statutes previously passed by this Congress. At this time, I would like to yield to the chairman of the subcommittee so that he might offer his own observations of what I have described over the last 5 minutes.

Mr. LAZIO. Mr. Chairman, if the gentleman would yield, I thank the gentleman from Maryland for his very kind remarks, for being one the most energetic Members of this body, and for his commitment to his own neighborhood in the area of Baltimore.

Mr. Chairman, it is ironic as we consider this housing bill, one that makes communities responsible for their own planning and development, that in the area of Baltimore, HUD is negotiating a plan like the one described by the gentleman. Unfortunately, the bureaucrats and attorneys at HUD believe they know what is best for Baltimore and surrounding suburbs. I do not share this view and this misguided approach, the concept that Washington knows best is one of the catalysts for the legislation we are now considering.

Mr. Chairman, we both believe that rental assistance recipients should be educated about the rental marketplace and informed of their total options. I believe counseling is an integral part of this process. I strongly object to the Federal bureaucrats attempting to dictate outcomes and limit options available to renters. Such a policy runs counter to what we are trying to achieve here today.

Mr. EHRLICH. Mr. Chairman, I thank the gentleman for his comment and ask for his continued assistance. HUD attorneys need to be reminded that they can enter into all the questionable consent decrees they desire, but that it is this Congress with the ultimate control over the appropriation of Federal funds.

HUD should know that we are not bound to fund programs and policies which could not pass this Congress. We are now in the midst of consideration of the fiscal year 1997 budget, and I look forward to working with the VA-HUD appropriations subcommittee and its chairman, the gentleman from California [Mr. Lewis], to make sure that HUD does not spend taxpayer dollars in a matter inconsistent with the will of this body.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman would continue to yield, I share the gentleman's sentiments and would like to make sure that our subcommittee will continue to monitor the actions of HUD as this relates to the Baltimore consent decree, and many other areas around the country.

It is my understanding that the designers of the Section 8 program never intended for the use of vouchers to be limited to an area based solely upon race. I have strong concerns about the manner in which HUD is proceeding with certain lawsuits, and I thank the gentleman for bringing this startling pattern to the attention of this Congress.

Mr. EHRLICH. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. (Mr. Hobson). Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN pro tempore. Are there further amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—PUBLIC HOUSING

Subtitle A—Block Grants

SEC. 201. BLOCK GRANT CONTRACTS.

(a) In General.—The Secretary shall enter into contracts with local housing and management authorities under which—

(1) the Secretary agrees to make a block grant under this title, in the amount provided under section 202(c), for assistance for low-income housing to the local housing and management authority for each fiscal year covered by the contract; and

(2) the authority agrees—

(A) to provide safe, clean, and healthy housing that is affordable to low-income families and services for families in such housing;

(B) to operate, or provide for the operation, of such housing in a financially sound manner;

(C) to use the block grant amounts in accordance with this title and the local housing management plan for the authority that complies with the requirements of section 107;

(D) to involve residents of housing assisted with block grant amounts in functions and decisions relating to management and the quality of life in such housing;

(E) that the management of the public housing of the authority shall be subject to actions authorized under subtitle B of title IV;

(F) that the Secretary may take actions under section 205 with respect to improper use of grant amounts provided under the contract; and

(G) to otherwise comply with the requirements under this title.

(b) MODIFICATION.—Contracts and agreements between the Secretary and a local housing and management authority may not be amended in a manner which would—

(1) impair the rights of—

(A) leaseholders for units assisted pursuant to a contract or agreement; or

(B) the holders of any outstanding obligations of the local housing and management authority involved for which annual contributions have been pledged; or

(2) provide for payment of block grant amounts under this title in an amount exceeding the allocation for the authority determined under section 204.

Any rule of law contrary to this subsection shall be deemed inapplicable.

(c) CONDITIONS ON RENEWAL.—Each block grant contract under this section shall provide, as a condition of renewal of the contract with the local housing and management authority, that the authority's accreditation be renewed by the Housing Foundation and Accreditation Board pursuant to review under section 433 by such Board.

SEC. 202. BLOCK GRANT AUTHORITY AND AMOUNT.

(a) AUTHORITY.—The Secretary shall make block grants under this title to eligible local housing and management authorities in accordance with block grant contracts under section 201.

(b) ELIGIBILITY.—A local housing and management authority shall be an eligible local housing and management authority with respect to a fiscal year for purposes of this title only if—

(1) the Secretary has entered into a block grant contract with the authority;

(2) the authority has submitted a local housing management plan to the Secretary for such fiscal year;

(3) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(4) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(5) the authority is exempt from local taxes, as provided under subsection (d), or receives a contribution, as provided under such subsection;

(6) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony;

(7) the authority has entered into an agreement providing for local cooperation in accordance with subsection (e); and

(8) the authority has not been disqualified for a grant pursuant to section 205(a) or subtitle B of title IV.

(c) AMOUNT OF GRANTS.—The amount of the grant under this title for a local housing and management authority for a fiscal year shall be the amount of the allocation for the authority determined under section 204, except as otherwise provided in this title and subtitle B of title IV.

(d) PAYMENTS IN LIEU OF STATE AND LOCAL TAXATION OF PUBLIC HOUSING DEVELOPMENTS.—

(1) EXEMPTION FROM TAXATION.—A local housing and management authority may receive a block grant under this title only if—

(A)(i) the developments of the authority (exclusive of any portions not assisted with amounts provided under this title) are exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision; and

(ii) the local housing and management authority makes payments in lieu of taxes to such taxing authority equal to 10 percent of the sum, for units charged in the developments of the authority, of the difference between the gross rent and the utility cost, or such lesser amount as is—

(I) prescribed by State law;

(II) agreed to by the local governing body in its agreement under subsection (e) for local cooperation with the local housing and management authority or under a waiver by the local governing body; or

(III) due to failure of a local public body or bodies other than the local housing and management authority to perform any obligation under such agreement; or

(B) the authority complies with the requirements under subparagraph (A) with respect to public housing developments (including public housing units in mixed-income developments), but the authority agrees that the units other than public housing units in any mixed-income developments (as such term is defined in section 221(c)(2)) shall not be subject to any otherwise applicable real property taxes imposed by the State, city, county or other political subdivision.

(2) EFFECT OF FAILURE TO EXEMPT FROM TAXATION.—Notwithstanding paragraph (1), a local housing and management authority that does not comply with the requirements under such paragraph may receive a block grant under this title, but only if the State, city, county, or other political subdivision in which the development is situated contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed 10 percent of the gross rent and utility cost charged in the development.

(e) LOCAL COOPERATION.—In recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise, the Secretary may not make any grant under this title to a local housing and management authority unless the governing body of the locality involved has entered into an agreement with the authority providing for the local cooperation required by the Secretary pursuant to this title.

(f) EXCEPTION.—Notwithstanding subsection (a), the Secretary may make a grant under this title for a local housing and management authority that is not an eligible local housing and management authority but only for the period necessary to secure, in accordance with this title, an alternative local housing and management authority for the public housing of the ineligible authority.

SEC. 203. ELIGIBLE AND REQUIRED ACTIVITIES.

(a) ELIGIBLE ACTIVITIES.—Except as provided in subsection (b), amounts from a grant made under this title may be used only for the following activities and costs:

(1) PRODUCTION.—Production of public housing developments and any production costs.

(2) OPERATION.—Operation of public housing developments in a manner appropriate to ensure the viability of the developments as low-income housing and provision of safety, security, and law enforcement measures and activities necessary to protect residents from crime, which shall include providing adequate operating services and reserve funds.

(3) MODERNIZATION.—Improvement of the physical condition of existing public housing developments (including routine and timely improvements, rehabilitation, and replacement of systems, and major rehabilitation, redesign, reconstruction, and redevelopment) and upgrading the management and operation of such developments, to ensure that such developments continue to be available for use as low-income housing.

(4) RESIDENT PROGRAMS.—Provision of social, educational, employment, self-sufficiency, and other services to the residents of public housing developments, including providing part of the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs.

(5) HOMEOWNERSHIP ACTIVITIES.—Activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchasing housing, or the provision of financial assistance to resident management corporations or resident councils to obtain training, technical assistance, and educational assistance to promote homeownership opportunities.

(6) RESIDENT MANAGEMENT ACTIVITIES.—Activities in connection with establishing, organizing, training, and assisting resident councils and resident management corporations for public housing developments.

(7) DEMOLITION AND DISPOSITION ACTIVITIES.—Activities in connection with the disposition or demolition of public housing under section 261.

(8) PAYMENTS IN LIEU OF TAXES.—Payments in accordance with the requirement under section 202(d)(1).

(9) EMERGENCY CORRECTIONS.—Correction of conditions that constitute an immediate threat to the health or safety of residents of public housing developments, without regard to whether the need for such correction is indicated in the local housing management plan of the authority.

(10) PREPARATION OF LOCAL HOUSING MANAGEMENT PLANS.—Preparation of local housing management plans (including reasonable costs that may be necessary to assist residents in participating in the planning process in a meaningful way) and conducting annual financial and performance audits under section 432.

(11) LHMA INSURANCE.—Purchase of insurance by local housing and management authorities (and their contractors), except that—

(A) any such insurance so purchased shall be competitively selected;

(B) any coverage provided under such policies, as certified by the authority, shall provide reasonable coverage for the risk of liability exposure, taking into consideration the potential liability concerns inherent in the testing and abatement of lead-based paint, and the managerial and quality assurance responsibilities associated with the conduct of such activities; and

(C) notwithstanding any other provision of State or Federal law, regulation or other requirement, any line of insurance from a nonprofit insurance entity, owned and controlled by local housing and management authorities and approved by the Secretary, may be purchased without regard to competitive procurement.

(12) PAYMENT OF OUTSTANDING DEVELOPMENT BONDS AND NOTES ISSUED UNDER 1937 ACT.—Payment of principal and interest payable on obligations issued pursuant to section 5 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) by a local housing and management authority to finance the production of public housing, except that the Secretary shall retain the authority to forgive such debt.

(13) MUTUAL HELP HOMEOWNERSHIP OPPORTUNITY PROGRAMS FOR INDIAN HOUSING AUTHORITIES.—In the case of an Indian housing authority, production, operation, and modernization of developments under a mutual help homeownership program subject to the requirements under section 202 of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act), except that any reference in such section to assistance under such section or such Act shall be construed to refer to assistance under this title and subsection (b) of such section shall not apply.

(b) REQUIRED CONVERSION OF ASSISTANCE FOR PUBLIC HOUSING TO RENTAL HOUSING ASSISTANCE.—

(1) REQUIREMENT.—A local housing and management authority that receives grant amounts

under this title shall provide assistance in the form of rental housing assistance under title III or appropriate site revitalization or other appropriate capital improvements approved by the Secretary, in lieu of assisting the operation and modernization of any building or buildings of public housing, if the authority provides sufficient evidence to the Secretary that—

(A) the building is distressed or substantially vacant;

(B) the estimated cost of continued operation and modernization of the building exceeds the cost of providing choice-based rental assistance under title III; and

(C) there is a sufficient supply of available and affordable housing to make the use of such voucher assistance feasible.

(2) USE OF OTHER AMOUNTS.—In addition to grant amounts under this title attributable (pursuant to the formula under section 204) to the building or buildings identified under paragraph (1), the Secretary may use amounts provided in appropriation Acts for incremental choice-based housing assistance and, to the extent approved in advance, for the renewal of assistance under section 8 of the United States Housing Act of 1937 (as in effect before the date of enactment of this Act), for assistance under title III for families residing in such building or buildings or for appropriate site revitalization or other appropriate capital improvements approved by the Secretary.

(3) ENFORCEMENT.—The Secretary shall take appropriate action to ensure conversion of any building or buildings identified under paragraph (1) and any other appropriate action under this subsection, if the local housing and management authority fails to take appropriate action under this subsection.

(4) FAILURE OF LHMA'S TO COMPLY WITH CONVERSION REQUIREMENT.—If the Secretary determines that—

(A) a local housing and management authority has failed under paragraph (1) to identify a building or buildings in a timely manner,

(B) a local housing and management authority has failed to identify one or more buildings which the Secretary determines should have been identified under paragraph (1), or

(C) one or more of the buildings identified by the local housing and management authority pursuant to paragraph (1) should not, in the determination of the Secretary, have been identified under that paragraph,

the Secretary may identify a building or buildings for conversion and other appropriate action pursuant to this subsection.

(5) CESSATION OF UNNECESSARY SPENDING.—Notwithstanding any other provision of law, if, in the determination of the Secretary, a building or buildings meets or is likely to meet the criteria set forth in paragraph (1), the Secretary may direct the local housing and management authority to cease additional spending in connection with such building or buildings, except to the extent that additional spending is necessary to ensure safe, clean, and healthy housing until the Secretary determines or approves an appropriate course of action with respect to such building or buildings under this subsection.

(6) USE OF BUDGET AUTHORITY.—Notwithstanding any other provision of law, if a building or buildings are identified pursuant to paragraph (1), the Secretary may authorize or direct the transfer, to the choice-based or tenant-based assistance program of such authority or to appropriate site revitalization or other capital improvements approved by the Secretary, of—

(A) in the case of an authority receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such building or buildings pursuant to section 14 of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act;

(B) in the case of an authority receiving public and Indian housing modernization assistance by formula pursuant to such section 14, any amounts provided to the authority which are attributable pursuant to the formula for allocating such assistance to such building or buildings;

(C) in the case of an authority receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of such building or buildings pursuant to section 5(j)(2) of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act; and

(D) in the case of an authority receiving assistance pursuant to the formula under section 204, any amounts provided to the authority which are attributable pursuant to the formula for allocating such assistance to such building or buildings.

(c) FUNGIBILITY OF AMOUNTS.—Any amounts provided under a block grant under this title may be used for any eligible activity under subsection (a) or for conversion under subsection (b), notwithstanding whether such amounts are attributable to the operating allocation under section 204(d)(1) or the capital improvements allocation for the local housing and management authority determined under section 204(d)(2).

(d) COMPLIANCE WITH PLAN.—The local housing management plan submitted by a local housing and management authority (including any amendments to the plan), unless determined under section 108 not to comply with the requirements under section 107, shall be binding upon the Secretary and the local housing and management authority and the authority shall use any grant amounts provided under this title for eligible activities under subsection (a) in accordance with the plan. This subsection may not be construed to preclude changes or amendments to the plan, as authorized under section 108(e) or any actions authorized by this Act to be taken without regard to a local housing management plan.

SEC. 204. DETERMINATION OF BLOCK GRANT ALLOCATION.

(a) IN GENERAL.—For each fiscal year, after reserving amounts under section 111 from the aggregate amount made available for the fiscal year for carrying out this title, the Secretary shall allocate any remaining amounts among eligible local housing and management authorities in accordance with this section, so that the sum of all of the allocations for all eligible authorities is equal to such remaining amount.

(b) ALLOCATION AMOUNT.—The Secretary shall determine the amount of the allocation for each eligible local housing and management authority, which shall be—

(1) for any fiscal year beginning after the enactment of a law containing a formula described in subsection (c), the amount determined under such formula; or

(2) for any fiscal year beginning before the expiration of such period, the sum of—

(A) the operating allocation determined under subsection (d)(1) for the authority; and

(B) the capital improvement allocation determined under subsection (d)(2) for the authority.

(c) PERMANENT ALLOCATION FORMULA.—

(1) FORMULA.—A formula under this subsection shall provide for allocating amounts available for a fiscal year for block grants under this title for each local housing and management authority. The formula should reward performance and may consider factors that reflect the different characteristics and sizes of local housing and management authorities, the relative needs, revenues, costs, and capital improvements of authorities, and the relative costs to authorities of operating a well-managed authority that meets the performance targets for the authority established in the local housing management plan for the authority.

(2) DEVELOPMENT UNDER NEGOTIATED RULEMAKING PROCEDURE.—The formula under this subsection shall be developed according to procedures for issuance of regulations under the negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code, except that the formula shall not be contained in a regulation.

(3) REPORT.—Not later than the expiration of the 18-month period beginning upon the enactment of this Act, the Secretary shall submit a report to the Congress containing the proposed formula established pursuant to paragraph (2) that meets the requirements of this subsection.

(d) INTERIM ALLOCATION REQUIREMENTS.—

(1) OPERATING ALLOCATION.—

(A) APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for operating allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The operating allocation under this subsection for a local housing and management authority for a fiscal year shall be an amount determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of operating subsidies for fiscal year 1995 to public housing agencies (as modified under subparagraph (C)) under section 9 of this Act, as in effect before the enactment of this Act.

(C) TREATMENT OF CHRONICALLY VACANT UNITS.—The Secretary shall revise the formula referred to in subparagraph (B) so that the formula does not provide any amounts, other than utility costs, attributable to any dwelling unit of a local housing and management authority that has been vacant continuously for 6 or more months. A unit shall not be considered vacant for purposes of this paragraph if the unit is unoccupied because of rehabilitation or renovation that is on-schedule.

(2) CAPITAL IMPROVEMENT ALLOCATION.—

(A) APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The capital improvement allocation under this subsection for an eligible local housing and management authority for a fiscal year shall be determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of modernization assistance for fiscal year 1995 to public housing agencies under section 14 of this Act, as in effect before the enactment of this Act, except that Secretary shall establish a method for taking into consideration allocation of amounts under the comprehensive improvement assistance program.

SEC. 205. SANCTIONS FOR IMPROPER USE OF AMOUNTS.

(a) IN GENERAL.—In addition to any other actions authorized under this title, if the Secretary finds pursuant to an annual financial and performance audit under section 432 that a local housing and management authority receiving grant amounts under this title has failed to comply substantially with any provision of this title, the Secretary may—

(1) terminate payments under this title to the authority;

(2) withhold from the authority amounts from the total allocation for the authority pursuant to section 204;

(3) reduce the amount of future grant payments under this title to the authority by an amount equal to the amount of such payments that were not expended in accordance with this title;

(4) limit the availability of grant amounts provided to the authority under this title to programs, projects, or activities not affected by such failure to comply;

(5) withhold from the authority amounts allocated for the authority under title III; or

(6) order other corrective action with respect to the authority.

(b) TERMINATION OF COMPLIANCE ACTION.—If the Secretary takes action under subsection (a) with respect to a local housing and management authority, the Secretary shall—

(1) in the case of action under subsection (a)(1), resume payments of grant amounts under this title to the authority in the full amount of the total allocation under section 204 for the authority at the time that the Secretary first determines that the authority will comply with the provisions of this title;

(2) in the case of action under paragraph (2), (5), or (6) of subsection (a), make withheld amounts available as the Secretary considers appropriate to ensure that the authority complies with the provisions of this title; or

(3) in the case of action under subsection (a)(4), release such restrictions at the time that the Secretary first determines that the authority will comply with the provisions of this title.

Subtitle B—Admissions and Occupancy Requirements

SEC. 221. LOW-INCOME HOUSING REQUIREMENT.

(a) PRODUCTION ASSISTANCE.—Any public housing produced using amounts provided under a grant under this title or under the United States Housing Act of 1937 shall be operated as public housing for the 40-year period beginning upon such production.

(b) OPERATING ASSISTANCE.—No portion of any public housing development operated with amounts from a grant under this title or operating assistance provided under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this Act.

(c) CAPITAL IMPROVEMENTS ASSISTANCE.—Amounts may be used for eligible activities under section 203(a)(3) only for the following housing developments:

(1) LOW-INCOME DEVELOPMENTS.—Amounts may be used for a low-income housing development that—

(A) is owned by local housing and management authorities;

(B) is operated as low-income rental housing and produced or operated with assistance provided under a grant under this title; and

(C) is consistent with the purposes of this title.

Any development, or portion thereof, referred to in this paragraph for which activities under section 203(a)(3) are conducted using amounts from a grant under this title shall be maintained and used as public housing for the 20-year period beginning upon the receipt of such grant. Any public housing development, or portion thereof, that received the benefit of a grant pursuant to section 14 of the United States Housing Act of 1937 shall be maintained and used as public housing for the 20-year period beginning upon receipt of such amounts.

(2) MIXED INCOME DEVELOPMENTS.—Amounts may be used for mixed-income developments, which shall be a housing development that—

(A) contains dwelling units that are available for occupancy by families other than low-income families;

(B) contains a number of dwelling units—

(i) which units are made available (by master contract or individual lease) for occupancy only by low- and very low-income families identified by the local housing and management authority;

(ii) which number is not less than a reasonable number of units, including related amenities, taking into account the amount of the assistance provided by the authority compared to the total investment (including costs of operation) in the development;

(iii) which units are subject to the statutory and regulatory requirements of the public housing program, except that the Secretary may grant appropriate waivers to such statutory and regulatory requirements if reductions in funding or other changes to the program make continued application of such requirements impracticable;

(iv) which units are specially designated as dwelling units under this subparagraph, except the equivalent units in the development may be substituted for designated units during the period the units are subject to the requirements of the public housing program; and

(v) which units shall be eligible for assistance under this title; and

(C) is owned by the local housing and management authority, an affiliate controlled by it, or another appropriate entity.

Notwithstanding any other provision of this title, to facilitate the establishment of socioeconomically mixed communities, a local housing and management authority that uses grant amounts under this title for a mixed income development under this paragraph may, to the extent that income from such a development reduces the amount of grant amounts used for operating or other costs relating to public housing, use such resulting savings to rent privately developed dwelling units in the neighborhood of the mixed income development. Such units shall be made available for occupancy only by low-income families eligible for residency in public housing.

SEC. 222. FAMILY ELIGIBILITY.

(a) IN GENERAL.—Dwelling units in public housing may be rented only to families who are low-income families at the time of their initial occupancy of such units.

(b) INCOME MIX WITHIN DEVELOPMENTS.—A local housing and management authority may establish and utilize income-mix criteria for the selection of residents for dwelling units in public housing developments that limit admission to a development by selecting applicants having incomes appropriate so that the mix of incomes of families occupying the development is proportional to the income mix in the eligible population of the jurisdiction of the authority, as adjusted to take into consideration the severity of housing need. Any criteria established under this subsection shall be subject to the provisions of subsection (c).

(c) INCOME MIX.—Of the public housing dwelling units of a local housing and management authority made available for occupancy after the date of the enactment of this Act, not less than 25 percent shall be occupied by low-income families whose incomes do not exceed 30 percent of the area median income.

(d) WAIVER OF ELIGIBILITY REQUIREMENTS FOR OCCUPANCY BY POLICE OFFICERS.—

(1) AUTHORITY AND WAIVER.—To provide occupancy in public-housing dwelling units to police officers and other law enforcement or security personnel (who are not otherwise eligible for residence in public housing) and to increase security for other public housing residents in developments where crime has been a problem, a local housing and management authority may, with respect to such units and subject to paragraph (2)—

(A) waive—

(i) the provisions of subsection (a) of this section and section 225(a);

(ii) the applicability of—

(I) any preferences for occupancy established under section 223;

(II) the minimum rental amount established pursuant to section 225(b) and any maximum monthly rental amount established pursuant to such section;

(III) any criteria relating to project income mix established under subsection (b);

(IV) the income mix requirements under subsection (c); and

(V) any other occupancy limitations or requirements; and

(B) establish special rent requirements and other terms and conditions of occupancy.

(2) CONDITIONS OF WAIVER.—A local housing and management authority may take the actions authorized in paragraph (1) only if authority determines that such actions will increase security in the public housing developments involved and will not result in a significant reduction of units available for residence by low-income families.

SEC. 223. PREFERENCES FOR OCCUPANCY.

(a) AUTHORITY TO ESTABLISH.—Any local housing and management authority may establish a system for making dwelling units in public housing available for occupancy that provides preference for such occupancy to families having certain characteristics.

(b) CONTENT.—Each system of preferences established pursuant to this section shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources. Each system of preferences established pursuant to this section shall be based upon local housing needs and priorities using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

SEC. 224. ADMISSION PROCEDURES.

(a) ADMISSION REQUIREMENTS.—A local housing and management authority shall ensure that each family residing in a public housing development owned or administered by the authority is admitted in accordance with the procedures established under this title by the authority and the income limits under section 222.

(b) AVAILABILITY OF CRIMINAL RECORDS.—

(1) AVAILABILITY.—Notwithstanding any other provision of Federal, State, or local law, upon the request of any local housing and management authority, the National Crime Information Center, police departments, and any other law enforcement entities shall provide information to the authority regarding the criminal convictions of applicants for, or residents of, public housing for the purpose of applicant screening, lease enforcement, and eviction.

(2) CONTENT.—The information provided under paragraph (1) may not include information regarding any criminal conviction of such an applicant or resident for any act (or failure to act) occurring before the applicant or resident reached 18 years of age.

(3) CONFIDENTIALITY.—A local housing and management authority receiving information under this subsection may use such information only for the purposes provided in this subsection and such information may not be disclosed to any person who is not an officer or employee of the authority. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided to a local housing and management authority under this subsection is used, and confidentiality of such information is maintained, as required under this subsection.

(4) PENALTY.—Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or resident of,

public housing pursuant to the authority under this subsection under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term "person" as used in this paragraph shall include an officer or employee of any local housing and management authority.

(5) CIVIL ACTION.—Any applicant for, or resident of, public housing affected by (A) a negligent or knowing disclosure of information referred to in this section about such person by an officer or employee of any local housing and management authority, which disclosure is not authorized by this subsection, or (B) any other negligent or knowing action that is inconsistent with this subsection, may bring a civil action for damages and such other relief as may be appropriate against any officer or employee of any local housing and management authority responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or resident resides, in which such unauthorized action occurred, or in which the officer or employee alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

(6) FEES.—A local housing and management authority may pay a reasonable fee to obtain information under this subsection.

(c) NOTIFICATION OF APPLICATION DECISIONS.—A local housing and management authority shall establish procedures designed to provide for notification to an applicant for admission to public housing of the determination with respect to such application, the basis for the determination, and, if the applicant is determined to be eligible for admission, the projected date of occupancy (to the extent such date can reasonably be determined). If an authority denies an applicant admission to public housing, the authority shall notify the applicant that the applicant may request an informal hearing on the denial within a reasonable time of such notification.

(d) CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family in public housing that was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(e) TRANSFERS.—A local housing and management authority may apply, to each public housing resident seeking to transfer from one development to another development owned or operated by the authority, the screening procedures applicable at such time to new applicants for public housing.

SEC. 225. FAMILY RENTAL PAYMENT.

(a) RENTAL CONTRIBUTION BY RESIDENT.—A family shall pay as monthly rent for a dwelling unit in public housing the amount that the local housing and management authority determines is appropriate with respect to the family and the unit, which shall be—

(1) based upon factors determined by the authority, which may include the adjusted income of the resident, type and size of dwelling unit, operating and other expenses of the authority, or any other factors that the authority considers appropriate; and

(2) an amount that is not less than the minimum monthly rental amount under subsection (b)(1) nor more than any maximum monthly rental amount established for the dwelling unit pursuant to subsection (b)(2).

In determining the amount of the rent charged for a dwelling unit, a local housing and management authority shall take into consideration the characteristics of the population served by the authority, the goals of the local housing management plan for the authority, and the goals under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction.

(b) ALLOWABLE RENTS.—

(1) MINIMUM RENTAL.—Each local housing and management authority shall establish, for each dwelling unit in public housing owned or administered by the authority, a minimum monthly rental contribution, which—

(A) may not be less than $25;

(B) shall include any portion of the cost of utilities for the unit for which the resident is responsible; and

(C) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly rental contribution in effect for the preceding year.

(2) MAXIMUM RENTAL.—Each local housing and management authority may establish, for each dwelling unit in public housing owned or administered by the authority, a maximum monthly rental amount, which shall be an amount determined by the authority which is based on, but does not exceed—

(A) the average, for dwelling units of similar size in public housing developments owned and operated by such authority, of operating expenses attributable to such units;

(B) the reasonable rental value of the unit; or

(C) the local market rent for comparable units of similar size.

(c) INCOME REVIEWS.—If a local housing and management authority establishes the amount of rent paid by a family for a public housing dwelling unit based on the adjusted income of the family, the authority shall review the incomes of such family occupying dwelling units in public housing owned or administered by the authority not less than annually.

(d) REVIEW OF MAXIMUM AND MINIMUM RENTS.—

(1) RENTAL CHARGES.—If the Secretary determines, at any time, that a significant percentage of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(2) POPULATION SERVED.—If the Secretary determines, at any time, that less than 40 percent of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households whose incomes do not exceed 30 percent of the area median income, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(3) MODIFICATION OF MAXIMUM AND MINIMUM RENTAL AMOUNTS.—If, pursuant to review under this subsection, the Secretary determines that the maximum and minimum rental amounts for a large local housing and management authority are not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking into consideration the financial resources and costs of the authority), as identified in the approved local housing management plan of the authority, the Secretary may require the authority to modify the maximum and minimum monthly rental amounts.

(4) LARGE LHMA.—For purposes of this subsection, the term "large local housing and management authority" means a local housing and management authority that owns or operates 1250 or more public housing dwelling units.

(e) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family residing in a dwelling unit in public housing upon the date of the enactment of this Act, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon initial applicability of this title is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (b)(1)(A) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 226. LEASE REQUIREMENTS.

In renting dwelling units in a public housing development, each local housing and management authority shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) obligate the local housing and management authority to maintain the development in compliance with the housing quality requirements under section 232;

(3) require the local housing and management authority to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or local housing and management authority employees is threatened; and

(C) the period of time provided undet the applicable law of the jurisdiction, in any other case;

(4) require that the local housing and management authority may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, State, or local law, or for other good cause;

(5) provide that the local housing and management authority may terminate the tenancy of a public housing resident for any activity, engaged in by a public housing resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the local housing and management authority or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity);

(6) provide that any occupancy in violation of the provisions of section 227(a)(4) shall be cause for termination of tenancy; and

(7) specify that, with respect to any notice of eviction or termination, notwithstanding any State law, a public housing resident shall be informed of the opportunity, prior to any hearing

or trial, to examine any relevant documents, records or regulations directly related to the eviction or termination.

SEC. 227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES.

(a) Authority To Provide Designated Housing.—

(1) In general.—Notwithstanding any other provision of law, a local housing and management authority for which the information required under subsection (c) is in effect may provide public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) Priority for occupancy.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy as provided in paragraph (1), the local housing and management authority may make units in such developments (or portions) available only to the types of families for whom the development is designated.

(3) Eligibility of near-elderly families.—If a local housing and management authority determines that there are insufficient numbers of elderly families to fill all the units in a development (or portion of a development) designated under paragraph (1) for occupancy by only elderly families, the authority may provide that near-elderly families may occupy dwelling units in the development (or portion).

(4) Limitation on occupancy in developments for elderly families.—

(A) In general.—Subject only to the provisions of subsection (b) and notwithstanding any other provision of law, a dwelling unit in a development (or portion of a development) that is designated under paragraph (1) for occupancy by only elderly families or by only elderly and disabled families shall not be occupied by any individual who is not an elderly person and—

(i) who currently illegally uses a controlled substance; or

(ii) whose history of illegal use of a controlled substance or use of alcohol, or current use of alcohol, provides reasonable cause for the local housing and management authority to believe that the occupancy by such individual may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(B) Consideration of rehabilitation.—In determining whether, pursuant to subparagraph (A), to deny occupancy to any individual based on a history of use of a controlled substance or alcohol, a local housing and management authority may consider the factors under section 105(b).

(b) Standards Regarding Evictions.—

(1) Limitation.—Except as provided in paragraph (2), any resident who is lawfully residing in a dwelling unit in a development designated for occupancy under subsection (a)(1) may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) or because of any action taken by the Secretary or any local housing and management authority to carry out this section.

(2) Requirement to evict nonelderly tenants in housing designated for elderly families who have current drug or alcohol abuse problems.—The local housing and management authority administering a development (or portion of a development) described in subsection (a)(4)(A) shall evict any individual who occupies a dwelling unit in such a development and who currently illegally uses a controlled substance or whose current use of alcohol provides a reasonable cause for the authority to believe that the occupancy by such individual may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. This paragraph may not be construed to require a local housing and management authority to evict any other individual who occupies the same dwelling unit as the individual required to be evicted.

(c) Required Inclusions in Local Housing Management Plan.—

(1) In general.—A local housing and management authority may designate a development (or portion of a development) for occupancy under subsection (a)(1) only if the authority, as part of the authority's local housing management plan—

(A) establishes that the designation of the development is necessary—

(i) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy); and

(ii) to meet the housing needs of the low-income population jurisdiction; and

(B) submits a description of—

(i) the development (or portion of a development) to be designated;

(ii) the types of residents for which the development is to be designated;

(iii) any services designed to meet the special needs of residents to be provided to residents of the designated development (or portion);

(iv) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended occupants.

(2) 5-year effectiveness.—The information required under paragraph (1) shall be effective for purposes of designation of a public housing development (or portion thereof) under this section only for the 5-year period that begins upon notification under section 108(a) of the local housing and management authority that the information complies with the requirements under section 107 and this subsection. A local housing and management authority may extend the effectiveness of the designation and information for an additional 2-year period beginning upon the expiration of such period (or the expiration of any previous extension period under this sentence) by updating such information in the local housing management plan for the authority.

(3) Treatment of existing plans.—Notwithstanding any other provision of this section, a local housing and management authority shall be considered to have submitted the information required under this subsection if the authority has submitted to the Secretary an application and allocation plan under this section (as in effect before the date of the enactment of this Act) that have not been approved or disapproved before such date of enactment.

(4) Savings provision.—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) before such date of enactment shall be considered to be information required under this subsection that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(d) Relocation Assistance.—A local housing and management authority that designates any existing development or building, or portion thereof, for occupancy as provided under subsection (a) shall provide, to each person and family relocated in connection with such designation—

(1) notice of the designation and relocation, as soon as is practicable for the authority and the person or family;

(2) comparable housing (including appropriate services and design features), which may include rental assistance under title III, at a rental rate that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(e) Inapplicability to Indian Housing.—The provisions of this section shall not apply with respect to low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

Subtitle C—Management

SEC. 231. MANAGEMENT PROCEDURES.

(a) Sound Management.—A local housing and management authority that receives grant amounts under this title shall establish and comply with procedures and practices sufficient to ensure that the public housing developments owned or administered by the authority are operated in a sound manner.

(b) Management by Other Entities.—Except as otherwise provided under this Act, a local housing and management authority may contract with any other entity to perform any of the management functions for public housing owned or operated by the local housing and management authority.

SEC. 232. HOUSING QUALITY REQUIREMENTS.

(a) In General.—Each local housing and management authority that receives grant amounts under this Act shall maintain its public housing in a condition that complies—

(1) in the case of public housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings that provide protection to residents of the dwellings that is equal to or greater than the protection provided under the housing quality standards established under subsection (b), with such applicable laws, regulations, standards, or codes; or

(2) in the case of public housing located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), with the housing quality standards established under subsection (b).

(b) Federal Housing Quality Standards.—The Secretary shall establish housing quality standards under this subsection that ensure that public housing dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 328(b). The Secretary shall differentiate between major and minor violations of such standards.

(c) Determinations.—Each local housing and management authority providing housing assistance shall identify, in the local housing management plan of the authority, whether the authority is utilizing the standard under paragraph (1) or (2) of subsection (a) and, if the authority utilizes the standard under paragraph (1), shall certify in such plan that the applicable State or local laws, regulations, standards, or codes comply with the requirements under such paragraph.

(d) Annual Inspections.—Each local housing and management authority that owns or operates public housing shall make an annual inspection of each public housing development to determine whether units in the development are maintained in accordance with the requirements under subsection (a). The authority shall submit the results of such inspections to the Secretary and the Inspector General for the Department of Housing and Urban Development and such results shall be available to the Housing Foundation and Accreditation Board established under title IV and any auditor conducting an audit under section 432.

SEC. 233. EMPLOYMENT OF RESIDENTS.

A local housing and management authority may employ public housing residents in any activities engaged in by the authority. The Secretary shall require local housing and management authorities, in using grant amounts provided under this title, to make their best efforts to enter into agreements with contractors and subcontractors of the authority to provide residents of public housing with employment opportunities, job training, and internships.

SEC. 234. RESIDENT COUNCILS AND RESIDENT MANAGEMENT CORPORATIONS.

(a) RESIDENT COUNCILS.—The residents of a public housing development may establish a resident council for the development for purposes of consideration of issues relating to residents, representation of resident interests, and coordination and consultation with a local housing and management authority. A resident council shall be an organization or association that—

(1) is nonprofit in character;

(2) is representative of the residents of the eligible housing;

(3) adopts written procedures providing for the election of officers on a regular basis; and

(4) has a democratically elected governing board, which is elected by the residents of the eligible housing.

(b) RESIDENT MANAGEMENT CORPORATIONS.—

(1) ESTABLISHMENT.—The residents of a public housing development may establish a resident management corporation for the purpose of assuming the responsibility for the management of the development under section 235 or purchasing a development.

(2) REQUIREMENTS.—A resident management corporation shall be a corporation that—

(A) is nonprofit in character;

(B) is organized under the laws of the State in which the development is located;

(C) has as its sole voting members the residents of the development; and

(D) is established by the resident council for the development or, if there is not a resident council, by a majority of the households of the development.

SEC. 235. MANAGEMENT BY RESIDENT MANAGEMENT CORPORATION.

(a) AUTHORITY.—A local housing and management authority may enter into a contract under this section with a resident management corporation to provide for the management of public housing developments by the corporation.

(b) CONTRACT.—A contract under this section for management of public housing developments by a resident management corporation shall establish the respective management rights and responsibilities of the corporation and the local housing and management authority. The contract shall be consistent with the requirements of this Act applicable to public housing development and may include specific terms governing management personnel and compensation, access to public housing records, submission of and adherence to budgets, rent collection procedures, resident income verification, resident eligibility determinations, resident eviction, the acquisition of supplies and materials and such other matters as may be appropriate. The contract shall be treated as a contracting out of services.

(c) BONDING AND INSURANCE.—Before assuming any management responsibility for a public housing development, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the local housing and management authority against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

(d) BLOCK GRANT ASSISTANCE AND INCOME.—A contract under this section shall provide for—

(1) the local housing and management authority to provide a portion of the block grant assistance under this title to the resident management corporation for purposes of operating the public housing development covered by the contract and performing such other eligible activities with respect to the development as may be provided under the contract;

(2) the amount of income expected to be derived from the development itself (from sources such as rents and charges);

(3) the amount of income to be provided to the development from the other sources of income of the local housing and management authority (such as interest income, administrative fees, and rents); and

(4) any income generated by a resident management corporation of a public housing development that exceeds the income estimated under the contract shall be used for eligible activities under section 203(a).

(e) CALCULATION OF TOTAL INCOME.—

(1) MAINTENANCE OF SUPPORT.—Subject to paragraph (2), the amount of assistance provided by a local housing and management authority to a public housing development managed by a resident management corporation may not be reduced during the 3-year period beginning on the date on which the resident management corporation is first established for the development.

(2) REDUCTIONS AND INCREASES IN SUPPORT.—If the total income of a local housing and management authority is reduced or increased, the income provided by the local housing and management authority to a public housing development managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the authority, except that any reduction in block grant amounts under this title to the authority that occurs as a result of fraud, waste, or mismanagement by the authority shall not affect the amount provided to the resident management corporation.

SEC. 236. TRANSFER OF MANAGEMENT OF CERTAIN HOUSING TO INDEPENDENT MANAGER AT REQUEST OF RESIDENTS.

(a) AUTHORITY.—The Secretary may transfer the responsibility and authority for management of specified housing (as such term is defined in subsection (h)) from a local housing and management authority to an eligible management entity, in accordance with the requirements of this section, if—

(1) such housing is owned or operated by a local housing and management authority that is—

(A) not accredited under section 433 by the Housing Foundation and Accreditation Board; or

(B) is designated as a troubled authority under section 431(a)(2); and

(2) the Secretary determines that—

(A) such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;

(B) such housing is occupied predominantly by families with children who are in a severe state of distress, characterized by such factors as high rates of unemployment, teenage pregnancy, single-parent households, long-term dependency on public assistance and minimal educational achievement;

(C) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and

(D) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) through (C) can be remedied by an entity that has a demonstrated capacity to manage, with reasonable expenses for modernization.

Such a transfer may be made only as provided in this section, pursuant to the approval by the Secretary of a request for the transfer made by a majority vote of the residents for the specified housing, after consultation with the local housing and management authority for the specified housing.

(b) BLOCK GRANT ASSISTANCE.—Pursuant to a contract under subsection (c), the Secretary shall require the local housing and management authority for specified housing to provide to the manager for the housing, from any block grant amounts under this title for the authority, fair and reasonable amounts for operating costs for the housing. The amount made available under this subsection to a manager shall be determined by the Secretary based on the share for the specified housing of the total block grant amounts for the local housing and management authority transferring the housing, taking into consideration the operating and capital improvement needs of the specified housing, the operating and capital improvement needs of the remaining public housing units managed by the local housing and management authority, and the local housing management plan of such authority.

(c) CONTRACT BETWEEN SECRETARY AND MANAGER.—

(1) REQUIREMENTS.—Pursuant to the approval of a request under this section for transfer of the management of specified housing, the Secretary shall enter into a contract with the eligible management entity.

(2) TERMS.—A contract under this subsection shall contain provisions establishing the rights and responsibilities of the manager with respect to the specified housing and the Secretary and shall be consistent with the requirements of this Act applicable to public housing developments.

(d) COMPLIANCE WITH LOCAL HOUSING MANAGEMENT PLAN.—A manager of specified housing under this section shall comply with the approved local housing management plan applicable to the housing and shall submit such information to the local housing and management authority from which management was transferred as may be necessary for such authority to prepare and update its local housing management plan.

(e) DEMOLITION AND DISPOSITION BY MANAGER.—A manager under this section may demolish or dispose of specified housing only if, and in the manner, provided for in the local housing management plan for the authority transferring management of the housing.

(f) LIMITATION ON LHMA LIABILITY.—A local housing and management authority that is not a manager for specified housing shall not be liable for any act or failure to act by a manager or resident council for the specified housing.

(g) TREATMENT OF MANAGER.—To the extent not inconsistent with this section and to the extent the Secretary determines not inconsistent with the purposes of this Act, a manager of specified housing under this section shall be considered to be a local housing and management authority for purposes of this title.

(h) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) ELIGIBLE MANAGEMENT ENTITY.—The term "eligible management entity" means, with respect to any public housing development, any of the following entities that has been accredited in accordance with section 433:

(A) NONPROFIT ORGANIZATION.—A public or private nonprofit organization, which shall—

(i) include a resident management corporation or resident management organization and, as determined by the Secretary, a public or private nonprofit organization sponsored by the local housing and management authority that owns the development; and *(ii) not include the local housing and management authority that owns the development.*

(B) FOR-PROFIT ENTITY.—A for-profit entity that has demonstrated experience in providing low-income housing.

(C) STATE OR LOCAL GOVERNMENT.—A State or local government, including an agency or instrumentality thereof.

(D) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—A local housing and management authority (other than the local housing and management authority that owns the development).

The term does not include a resident council.

(2) MANAGER.—The term "manager" means any eligible management entity that has entered into a contract under this section with the Secretary for the management of specified housing.

(3) NONPROFIT.—The term "nonprofit" means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(4) PRIVATE NONPROFIT ORGANIZATION.—The term "private nonprofit organization" means any private organization (including a State or locally chartered organization) that—

(A) is incorporated under State or local law;

(B) is nonprofit in character;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income families.

(5) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term "local housing and management authority" has the meaning given such term in section 103(a), except that it does not include Indian housing authorities.

(6) PUBLIC NONPROFIT ORGANIZATION.—The term "public nonprofit organization" means any public entity that is nonprofit in character.

(7) SPECIFIED HOUSING.—The term "specified housing" means a public housing development or developments, or a portion of a development or developments, for which the transfer of management is requested under this section. The term includes one or more contiguous buildings and an area of contiguous row houses, but in the case of a single building, the building shall be sufficiently separable from the remainder of the development of which it is part to make transfer of the management of the building feasible for purposes of this section.

SEC. 237. RESIDENT OPPORTUNITY PROGRAM.

(a) PURPOSE.—The purpose of this section is to encourage increased resident management of public housing developments, as a means of improving existing living conditions in public housing developments, by providing increased flexibility for public housing developments that are managed by residents by—

(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For purposes of this section, the term "public housing development" includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

(b) PROGRAM REQUIREMENTS.—

(1) RESIDENT COUNCIL.—As a condition of entering into a resident opportunity program, the elected resident council of a public housing development shall approve the establishment of a resident management corporation that complies with the requirements of section 234(b)(2). When such approval is made by the elected resident council of a building or row house area, the resident opportunity program shall not interfere with the rights of other families residing in the development or harm the efficient operation of the development. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council.

(2) PUBLIC HOUSING MANAGEMENT SPECIALIST.—The resident council of a public housing development, in cooperation with the local housing and management authority, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the development.

(3) MANAGEMENT RESPONSIBILITIES.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the local housing and management authority, shall enter into a contract with the authority establishing the respective management rights and responsibilities of the corporation and the authority. The contract shall be treated as a contracting out of services and shall be subject to the requirements under section 234 for such contracts.

(4) ANNUAL AUDIT.—The books and records of a resident management corporation operating a public housing development shall be audited annually by a certified public accountant. A written report of each such audit shall be forwarded to the local housing and management authority and the Secretary.

(c) COMPREHENSIVE IMPROVEMENT ASSISTANCE.—Public housing developments managed by resident management corporations may be provided with modernization assistance from grant amounts under this title for purposes of renovating such developments. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the local housing and management authority involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.

(d) WAIVER OF FEDERAL REQUIREMENTS.—

(1) WAIVER OF REGULATORY REQUIREMENTS.—Upon the request of any resident management corporation and local housing and management authority, and after notice and an opportunity to comment is afforded to the affected residents, the Secretary may waive (for both the resident management corporation and the local housing and management authority) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing development.

(2) WAIVER TO PERMIT EMPLOYMENT.—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such development to volunteer a portion of their labor.

(3) EXCEPTIONS.—The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 222, rental payments under section 225, tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

(e) OPERATING ASSISTANCE AND DEVELOPMENT INCOME.—

(1) CALCULATION OF OPERATING SUBSIDY.—Subject only to the exception provided in paragraph (3), the amount grant amounts received under this title by a local housing and management authority used for operating costs under section 203(a)(2) that is allocated to a public housing development managed by a resident management corporation shall not be less than per unit monthly amount of such assistance used by the local housing and management authority in the previous year, as determined on an individual development basis.

(2) CONTRACT REQUIREMENTS.—Any contract for management of a public housing development entered into by a local housing and management authority and a resident management corporation shall specify the amount of income expected to be derived from the development itself (from sources such as rents and charges) and the amount of income funds to be provided to the development from the other sources of income of the authority (such as operating assistance under section 203(a), interest income, administrative fees, and rents).

(f) RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.—

(1) FINANCIAL ASSISTANCE.—To the extent budget authority is available under this title, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing developments, and the securing of such support.

(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection with respect to any public housing development may not exceed $100,000.

(3) PROHIBITION.—A resident management corporation or resident council may not, before the award to the corporation or council of a grant amount under this subsection, enter into any contract or other agreement with any entity to provide such entity with amounts from the grant for providing technical assistance or carrying out other activities eligible for assistance with amounts under this subsection. Any such agreement entered into in violation of this paragraph shall be void and unenforceable.

(4) FUNDING.—Of any amounts made available for financial assistance under this title, the Secretary may use to carry out this subsection $15,000,000 for fiscal year 1996.

(5) LIMITATION REGARDING ASSISTANCE UNDER HOPE GRANT PROGRAM.—The Secretary may not provide financial assistance under this subsection to any resident management corporation or resident council with respect to which assistance for the development or formation of such entity is provided under title III of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

(g) ASSESSMENT AND REPORT BY SECRETARY.—Not later than 3 years after the date of the enactment of the United States Housing Act of 1996, the Secretary shall—

(1) conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing; and

(2) submit to the Congress a report setting forth the findings of the Secretary as a result of the evaluation and assessment and including any recommendations the Secretary determines to be appropriate.

(h) APPLICABILITY.—Any management contract between a local housing and management authority and a resident management corporation that is entered into after the date of the enactment of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 shall be subject to this section and any regulations issued to carry out this section.

Subtitle D—Homeownership

SEC. 251. RESIDENT HOMEOWNERSHIP PROGRAMS.

(a) IN GENERAL.—A local housing and management authority may carry out a homeownership program in accordance with this section and the local housing management plan of the authority to make public housing dwelling units, public housing developments, and other housing projects available for purchase by low-income families.

(b) PARTICIPATING UNITS.—A program under this section may cover any existing public housing dwelling units or projects, and may include other dwelling units and housing owned, operated, or assisted, or otherwise acquired for use under such program, by the local housing and management authority.

(c) ELIGIBLE PURCHASERS.—

(1) LOW-INCOME REQUIREMENT.—Only low-income families assisted by a local housing and management authority, other low-income families, and entities formed to facilitate such sales shall be eligible to purchase housing under a homeownership program under this section.

(2) OTHER REQUIREMENTS.—A local housing and management authority may establish other requirements or limitations for families to purchase housing under a homeownership program under this section, including requirements or limitations regarding employment or participation in employment counseling or training activities, criminal activity, participation in homeownership counseling programs, evidence of regular income, and other requirements.

(d) FINANCING AND ASSISTANCE.—A homeownership program under this section may provide financing for acquisition of housing by families purchasing under the program or by the local housing and management authority for sale under this program in any manner considered appropriate by the authority (including sale to a resident management corporation).

(e) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—Each family purchasing housing under a homeownership program under this section shall be required to provide from its own resources a downpayment in connection with any loan for acquisition of the housing, in an amount determined by the local housing and management authority. Except as provided in paragraph (2), the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase.

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(f) OWNERSHIP INTERESTS.—A homeownership program under this section may provide for sale to the purchasing family of any ownership interest that the local housing and management authority considers appropriate under the program, including ownership in fee simple, a condominium interest, an interest in a limited dividend cooperative, a shared appreciation interest with a local housing and management authority providing financing.

(g) RESALE.—

(1) AUTHORITY AND LIMITATION.—A homeownership program under this section shall permit the resale of a dwelling unit purchased under the program by an eligible family, but shall provide such limitations on resale as the authority considers appropriate for the authority to recapture—

(A) from any economic gain derived from any such resale occurring during the 5-year period beginning upon purchase of the dwelling unit by the eligible family, a portion of the amount of any financial assistance provided under the program by the authority to the eligible family; and

(B) after the expiration of such 5-year period, only such amounts as are equivalent to the assistance provided under this section by the authority to the purchaser.

(2) CONSIDERATIONS.—The limitations referred to in paragraph (1) may provide for consideration of the aggregate amount of assistance provided under the program to the family, the contribution to equity provided by the purchasing eligible family, the period of time elapsed between purchase under the homeownership program and resale, the reason for resale, any improvements to the property made by the eligible family, any appreciation in the value of the property, and any other factors that the authority considers appropriate.

(h) INAPPLICABILITY OF DISPOSITION REQUIREMENTS.—The provisions of section 261 shall not apply to disposition of public housing dwelling units under a homeownership program under this section, except that any dwelling units sold under such a program shall be treated as public housing dwelling units for purposes of subsections (e) and (f) of section 261.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

SEC. 261. REQUIREMENTS FOR DEMOLITION AND DISPOSITION OF DEVELOPMENTS.

(a) AUTHORITY AND FLEXIBILITY.—A local housing and management authority may demolish, dispose of, or demolish and dispose of nonviable or nonmarketable public housing developments of the authority in accordance with this section.

(b) LOCAL HOUSING MANAGEMENT PLAN REQUIREMENT.—A local housing and management authority may take any action to demolish or dispose of a public housing development (or a portion of a development) only if such demolition or disposition complies with the provisions of this section and is in accordance with the local housing management plan for the authority.

(c) PURPOSE OF DEMOLITION OR DISPOSITION.—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority provides sufficient evidence to the Secretary that—

(1) the development (or portion thereof) is severely distressed or obsolete;

(2) the development (or portion thereof) is in a location making it unsuitable for housing purposes;

(3) the development (or portion thereof) has design or construction deficiencies that make cost-effective rehabilitation infeasible;

(4) assuming that reasonable rehabilitation and management intervention for the development has been completed and paid for, the anticipated revenue that would be derived from charging market-based rents for units in the development (or portion thereof) would not cover the anticipated operating costs and replacement reserves of the development (or portion) at full occupancy and the development (or portion) would constitute a substantial burden on the resources of the local housing and management authority;

(5) retention of the development (or portion thereof) is not in the best interests of the residents of the local housing and management authority because—

(A) developmental changes in the area surrounding the development adversely affect the health or safety of the residents or the feasible operation of the development by the local housing and management authority;

(B) demolition or disposition will allow the acquisition, development, or rehabilitation of other properties which will be more efficiently or effectively operated as low-income housing; or

(C) other factors exist that the authority determines are consistent with the best interests of the residents and the authority and not inconsistent with other provisions of this Act;

(6) in the case only of demolition or disposition of a portion of a development, the demolition or disposition will help to ensure the remaining useful life of the remainder of the development; or

(7) in the case only of property other than dwelling units—

(A) the property is excess to the needs of a development; or

(B) the demolition or disposition is incidental to, or does not interfere with, continued operation of a development.

(d) CONSULTATION.—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority notifies and confers regarding the demolition or disposition with—

(1) the residents of the development (or portion); and

(2) appropriate local government officials.

(e) USE OF PROCEEDS.—Any net proceeds from the disposition of a public housing development (or portion of a development) shall be used for—

(1) housing assistance for low-income families that is consistent with the low-income housing needs of the community, through acquisition, development, or rehabilitation of, or homeownership programs for, other low-income housing or the provision of choice-based assistance under title III for such families;

(2) supportive services relating to job training or child care for residents of a development or developments; or

(3) leveraging amounts for securing commercial enterprises, on-site in public housing developments of the local housing and management authority, appropriate to serve the needs of the residents.

(f) RELOCATION.—A local housing and management authority that demolishes or disposes of a public housing development (or portion of a development thereof) shall ensure that—

(1) each family that is a resident of the development (or portion) that is demolished or disposed of is relocated to other safe, clean, healthy, and affordable housing, which is, to the maximum extent practicable, housing of the family's choice or is provided with choice-based assistance under title III;

(2) the local housing and management authority does not take any action to dispose of any unit until any resident to be displaced is relocated in accordance with paragraph (1); and

(3) each resident family to be displaced is paid relocation expenses, and the rent to be paid initially by the resident following relocation does not exceed the amount permitted under section 225(a).

(g) RIGHT OF FIRST REFUSAL FOR RESIDENT ORGANIZATIONS AND RESIDENT MANAGEMENT CORPORATIONS.—

(1) IN GENERAL.—A local housing and management authority may not dispose of a public housing development (or portion of a development) unless the authority has, before such disposition, offered to sell the property, as provided in this subsection, to each resident organization and resident management corporation operating at the development for continued use as low-income housing, and no such organization or corporation purchases the property pursuant to such offer. A resident organization may act, for purposes of this subsection, through an entity formed to facilitate homeownership under subtitle D.

(2) TIMING.—Disposition of a development (or portion thereof) under this section may not take place—

(A) before the expiration of the period during which any such organization or corporation may notify the authority of interest in purchasing the property, which shall be the 30-day period beginning on the date that the authority first provides notice of the proposed disposition of the property to such resident organizations and resident management corporations;

(B) if an organization or corporation submits notice of interest in accordance with subparagraph (A), before the expiration of the period during which such organization or corporation may obtain a commitment for financing to purchase the property, which shall be the 60-day period beginning upon the submission to the authority of the notice of interest; or

(C) if, during the period under subparagraph (B), an organization or corporation obtains such financing commitment and makes a bona fide offer to the authority to purchase the property for a price equal to or exceeding the applicable offer price under paragraph (3).

The authority shall sell the property pursuant to any purchase offer described in subparagraph (C).

(3) TERMS OF OFFER.—An offer by a local housing and management authority to sell a property in accordance with this subsection shall involve a purchase price that reflects the market value of the property, the reason for the sale, the impact of the sale on the surrounding community, and any other factors that the authority considers appropriate.

(h) INFORMATION FOR LOCAL HOUSING MANAGEMENT PLAN.—A local housing and management authority may demolish or dispose of a public housing development (or portion thereof) only if it includes in the applicable local housing management plan information sufficient to describe—

(1) the housing to be demolished or disposed of;

(2) the purpose of the demolition or disposition under subsection (c) and why the demolition or disposition complies with the requirements under subsection (c);

(3) how the consultations required under subsection (d) will be made;

(4) how the net proceeds of the disposition will be used in accordance with subsection (e);

(5) how the authority will relocate residents, if necessary, as required under subsection (f); and

(6) that the authority has offered the property for acquisition by resident organizations and resident management corporations in accordance with subsection (g).

(i) SITE AND NEIGHBORHOOD STANDARDS EXEMPTION.—Notwithstanding any other provision of law, a local housing and management authority may provide for development of public housing dwelling units on the same site or in the same neighborhood as any dwelling units demolished, pursuant to a plan under this section, but only if such development provides for significantly fewer dwelling units.

(j) TREATMENT OF REPLACEMENT UNITS.—In connection with any demolition or disposition of public housing under this section, a local housing and management authority may provide for other housing assistance for low-income families that is consistent with the low-income housing needs of the community, including—

(1) the provision of choice-based assistance under title III; and

(2) the development, acquisition, or lease by the authority of dwelling units, which dwelling units shall—

(A) be eligible to receive assistance with grant amounts provided under this title; and

(B) be made available for occupancy, operated, and managed in the manner required for public housing, and subject to the other requirements applicable to public housing dwelling units.

(k) PERMISSIBLE RELOCATION WITHOUT PLAN.—If a local housing and management authority determines that public housing dwelling units are not clean, safe, and healthy or cannot be maintained cost-effectively in a clean, safe, and healthy condition, the local housing and management authority may relocate residents of such dwelling units before the submission of a local housing management plan providing for demolition or disposition of such units.

(l) CONSOLIDATION OF OCCUPANCY WITHIN OR AMONG BUILDINGS.—Nothing in this section may be construed to prevent a local housing and management authority from consolidating occupancy within or among buildings of a public housing development, or among developments, or with other housing for the purpose of improving living conditions of, or providing more efficient services to, residents.

(m) DE MINIMIS EXCEPTION TO DEMOLITION REQUIREMENTS.—Notwithstanding any other provision of this section, in any 5-year period a local housing and management authority may demolish not more than the lesser of 5 dwelling units or 5 percent of the total dwelling units owned and operated by the local housing and management authority, without providing for such demolition in a local housing management plan, but only if the space occupied by the demolished unit is used for meeting the service or other needs of public housing residents or the demolished unit was beyond repair.

SEC. 262. DEMOLITION, SITE REVITALIZATION, REPLACEMENT HOUSING, AND CHOICE-BASED ASSISTANCE GRANTS FOR DEVELOPMENTS.

(a) PURPOSES.—The purpose of this section is to provide assistance to local housing and management authorities for the purposes of—

(1) reducing the density and improving the living environment for public housing residents of severely distressed public housing developments through the demolition of obsolete public housing developments (or portions thereof);

(2) revitalizing sites (including remaining public housing dwelling units) on which such public housing developments are located and contributing to the improvement of the surrounding neighborhood; and

(3) providing housing that will avoid or decrease the concentration of very low-income families; and

(4) providing choice-based assistance in accordance with title III for the purpose of providing replacement housing and assisting residents to be displaced by the demolition.

(b) GRANT AUTHORITY.—The Secretary may make grants available to local housing and management authorities as provided in this section.

(c) CONTRIBUTION REQUIREMENT.—The Secretary may not make any grant under this section to any applicant unless the applicant certifies to the Secretary that the applicant will supplement the amount of assistance provided under this section with an amount of funds from sources other than this section equal to not less than 5 percent of the amount provided under this section, including amounts from other Federal sources, any State or local government sources, any private contributions, and the value of any in-kind services or administrative costs provided.

(d) ELIGIBLE ACTIVITIES.—Grants under this section may be used for activities to carry out revitalization programs for severely distressed public housing, including—

(1) architectural and engineering work, including the redesign, reconstruction, or redevelopment of a severely distressed public housing development, including the site on which the development is located;

(2) the demolition, sale, or lease of the site, in whole or in part;

(3) covering the administrative costs of the applicant, which may not exceed such portion of the assistance provided under this section as the Secretary may prescribe;

(4) payment of reasonable legal fees;

(5) providing reasonable moving expenses for residents displaced as a result of the revitalization of the development;

(6) economic development activities that promote the economic self-sufficiency of residents under the revitalization program;

(7) necessary management improvements;

(8) leveraging other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the development that will benefit future residents of the site;

(9) replacement housing and housing assistance under title III;

(10) transitional security activities; and

(11) necessary supportive services, except that not more than 10 percent of the amount of any grant may be used for activities under this paragraph.

(e) APPLICATION AND SELECTION.—

(1) APPLICATION.—An application for a grant under this section shall contain such information and shall be submitted at such time and in accordance with such procedures, as the Secretary shall prescribe.

(2) SELECTION CRITERIA.—The Secretary shall establish selection criteria for the award of grants under this section, which shall include—

(A) the relationship of the grant to the local housing management plan for the local housing and management authority and how the grant will result in a revitalized site that will enhance the neighborhood in which the development is located;

(B) the capability and record of the applicant local housing and management authority, or any alternative management agency for the authority, for managing large-scale redevelopment or modernization projects, meeting construction timetables, and obligating amounts in a timely manner;

(C) the extent to which the local housing and management authority could undertake such activities without a grant under this section;

(D) the extent of involvement of residents, State and local governments, private service providers, financing entities, and developers, in the development of a revitalization program for the development;

(E) the amount of funds and other resources to be leveraged by the grant; and

(F) whether the applicant local housing and management authority has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect immediately before the date of the enactment of this Act).

(f) COST LIMITS.—Subject to the provisions of this section, the Secretary—

(1) shall establish cost limits on eligible activities under this section sufficient to provide for effective revitalization programs; and

(2) may establish other cost limits on eligible activities under this section.

(h) DEMOLITION AND REPLACEMENT.—Any severely distressed public housing demolished or disposed of pursuant to a revitalization plan and any public housing produced in lieu of such severely distressed housing, shall be subject to the provisions of section 261.

(i) ADMINISTRATION BY OTHER ENTITIES.—The Secretary may require a grantee under this section to make arrangements satisfactory to the Secretary for use of an entity other than the local housing and management authority to carry out activities assisted under the revitalization plan, if the Secretary determines that such action will help to effectuate the purposes of this section.

(j) WITHDRAWAL OF FUNDING.—If a grantee under this section does not proceed expeditiously, in the determination of the Secretary,

the Secretary shall withdraw any grant amounts under this section that have not been obligated by the local housing and management authority. The Secretary shall redistribute any withdrawn amounts to one or more local housing and management authorities eligible for assistance under this section.

(k) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPLICANT.—The term "applicant" means—

(A) any local housing and management authority that is not designated as troubled pursuant to section 431(a)(2)(D);

(B) any local housing and management authority or private housing management agent selected, or receiver appointed pursuant, to section 438; and

(C) any local housing and management authority that is designated as troubled pursuant to section 431(a)(2)(D) that—

(i) is so designated principally for reasons that will not affect the capacity of the authority to carry out a revitalization program;

(ii) is making substantial progress toward eliminating the deficiencies of the authority; or

(iii) is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(2) PRIVATE NONPROFIT CORPORATION.—The term "private nonprofit organization" means any private nonprofit organization (including a State or locally chartered nonprofit organization) that—

(A) is incorporated under State or local law;

(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to very low-income families.

(3) SEVERELY DISTRESSED PUBLIC HOUSING.—The term "severely distressed public housing" means a public housing development (or building in a development)—

(A) that requires major redesign, reconstruction or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems and other deficiencies in the physical plant of the development;

(B) is a significant contributing factor to the physical decline of and disinvestment by public and private entities in the surrounding neighborhood;

(C)(i) is occupied predominantly by families who are very low-income families with children, are unemployed, and dependent on various forms of public assistance; and

(ii) has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area;

(D) cannot be revitalized through assistance under other programs, such as the public housing block grant program under this title, or the programs under sections 9 and 14 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), because of cost constraints and inadequacy of available amounts; and

(E) in the case of individual buildings, the building is, in the Secretary's determination, sufficiently separable from the remainder of the development of which the building is part to make use of the building feasible for purposes of this section.

(4) SUPPORTIVE SERVICES.—The term "supportive services" includes all activities that will promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing development involved, including literacy training, job training, day care, and economic development activities.

(l) ANNUAL REPORT.—The Secretary shall submit to the Congress an annual report setting forth—

(1) the number, type, and cost of public housing units revitalized pursuant to this section;

(2) the status of developments identified as severely distressed public housing;

(3) the amount and type of financial assistance provided under and in conjunction with this section; and

(4) the recommendations of the Secretary for statutory and regulatory improvements to the program established by this section.

(m) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section such sums as may be necessary for fiscal year 1996.

(2) TECHNICAL ASSISTANCE.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use not more than 0.50 percent for technical assistance. Such assistance may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by or to officials of the Department of Housing and Urban Development, of local housing and management authorities, and of residents.

(n) SUNSET.—No assistance may be provided under this section after September 30, 1996.

Subtitle F—General Provisions

SEC. 271. CONVERSION TO BLOCK GRANT ASSISTANCE.

(a) SAVINGS PROVISIONS.—Any amounts made available to a public housing agency for assistance for public housing pursuant to the United States Housing Act of 1937 (or any other provision of law relating to assistance for public housing) under an appropriation for fiscal year 1996 or any previous fiscal year shall be subject to the provisions of such Act as in effect before the enactment of this Act, notwithstanding the repeals made by this Act, except to the extent the Secretary provides otherwise to provide for the conversion of public housing and public housing assistance to the system provided under this Act.

(b) MODIFICATIONS.—Notwithstanding any provision of this Act or any annual contributions contract or other agreement entered into by the Secretary and a public housing agency pursuant to the provisions of the United States Housing Act of 1937 (as in effect before the enactment of this Act), the Secretary and the agency may by mutual consent amend, supersede, modify any such agreement as appropriate to provide for assistance under this title, except that the Secretary and the agency may not consent to any such amendment, supersession, or modification that substantially alters any outstanding obligations requiring continued maintenance of the low-income character of any public housing development and any such amendment, supersession, or modification shall not be given effect.

SEC. 272. PAYMENT OF NON-FEDERAL SHARE.

Rental or use-value of buildings or facilities paid for, in whole or in part, from production, modernization, or operation costs financed under this title may be used as the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs which provide social, educational, employment, and other services to the residents in a project assisted under this title.

SEC. 273. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) ACQUISITION COST.—The term "acquisition cost" means the amount prudently expended by a local housing and management authority in acquiring property for a public housing development.

(2) DEVELOPMENT.—The terms "public housing development" and "development" mean—

(A) public housing; and

(B) the improvement of any such housing.

(3) ELIGIBLE LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term "eligible local housing and management authority" means, with respect to a fiscal year, a local housing and management authority that is eligible under section 202(b) for a grant under this title.

(4) GROUP HOME AND INDEPENDENT LIVING FACILITY.—The terms "group home" and "independent living facility" have the meanings given such terms in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act.

(5) OPERATION.—The term "operation" means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a public housing development, including the financing of resident programs and services.

(6) PRODUCTION.—The term "production" means any or all undertakings necessary for planning, land acquisition, financing, demolition, construction, or equipment, in connection with the construction, acquisition, or rehabilitation of a property for use as a public housing development, including activity in connection with a public housing development that is confined to the reconstruction, remodeling, or repair of existing buildings.

(7) PRODUCTION COST.—The term "production cost" means the costs incurred by a local housing and management authority for production of public housing and the necessary financing for production (including the payment of carrying charges and acquisition costs).

(8) RESIDENT COUNCIL.—The term "resident council" means an organization or association that meets the requirements of section 234(a).

(9) RESIDENT MANAGEMENT CORPORATION.—The term "resident management corporation" means a corporation that meets the requirements of section 234(b).

(10) RESIDENT PROGRAM.—The term "resident programs and services" means programs and services for families residing in public housing developments. Such term includes (A) the development and maintenance of resident organizations which participate in the management of public housing developments, (B) the training of residents to manage and operate the public housing development and the utilization of their services in management and operation of the development, (C) counseling on household management, housekeeping, budgeting, money management, homeownership issues, child care, and similar matters, (D) advice regarding resources for job training and placement, education, welfare, health, and other community services, (E) services that are directly related to meeting resident needs and providing a wholesome living environment; and (F) referral to appropriate agencies in the community when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

SEC. 274. AUTHORIZATION OF APPROPRIATIONS FOR BLOCK GRANTS.

There is authorized to be appropriated, for block grants under this title, $6,300,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000.

SEC. 275. AUTHORIZATION OF APPROPRIATIONS FOR OPERATION SAFE HOME.

There is authorized to be appropriated, for assistance for relocating residents of public housing under the operation safe home program of the Department of Housing and Urban Development (including assistance for costs of relocation and housing assistance under title III),

$700,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000. The Secretary shall provide that families who are residing in public housing, who have been subject to domestic violence, and for whom provision of assistance is likely to reduce or eliminate the threat of subsequent violence to the members of the family, shall be eligible for assistance under the operation safe home program.

The CHAIRMAN pro tempore. Are there any amendments to title II?

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the last word to try to make certain that we understand what our business is going to be.

Mr. Chairman, I want to try to enter into a colloquy with the gentleman from New York [Mr. LAZIO], my friend and chairman about our plans for the rest of the evening, and I hope for our plans involving tomorrow's business.

I wonder if the gentleman might enlighten us as to what his plans for the subcommittee are for the rest of the evening.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman would yield, I would be happy to enter into a discussion with my friend, the distinguished ranking member, Mr. KENNEDY.

I will be happy to make the unanimous consent request.

Mr. Chairman, I ask unanimous consent that debate on all amendments to the bill, and any amendment thereto, be limited to 10 minutes, equally divided and controlled by the proponent and an opponent, except that: the modified amendment No. 7 offered by Mr. FRANK of Massachusetts be considered under the terms of the previous order of the committee, amendment No. 17 offered by Mr. KENNEDY of Massachusetts be debatable for 1 hour, amendments Nos. 33 and 34 offered by Ms. VELÁZQUEZ of New York may be considered en bloc and debatable for 20 minutes, amendment No. 22 offered by Mr. ROEMER of Indiana be debatable for 20 minutes, and amendment No. 9 by Mr. HAYWORTH of Arizona be debatable for 20 minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

Mr. KENNEDY of Massachusetts. Mr. Chairman, reserving the right to object, I appreciate the efforts that the gentleman from New York and the staff of the committee have made to try to get this bill under control for tomorrow's business. I think we have an agreement in terms of the committee's work that everyone that has offered or intends to offer an amendment can work within.

I would also like to put on the RECORD the minority's understanding of the floor schedule for testimony. That the House intends to meet at 10 a.m. That the House will take up the housing bill until completion and that the House will vote on the product liability veto override. Then the House will take up the rule on general debate only on the adoption bill and the House may take up the science rule only, and that will be it in terms of the order of business for the day.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman would yield, it is my understanding that the schedule will follow closely, or approximately, what the gentleman has simply set forth.

It looks like those issues will be resolved and I think we will probably only get to the rule vote on the science bill, tomorrow so we are hoping to wrap up. And I also want to thank the gentleman from Massachusetts for working cooperatively to ensure that we have a rational debate process for the remained of this bill before us right now.

Mr. KENNEDY of Massachusetts. Mr. Chairman, although I am a little suspect about approximatelys and hopefuls, but anyway, I appreciate working with the gentleman from New York and look forward to a shorter day tomorrow.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LAZIO of New York. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HAYWORTH) having assumed the chair, Mr. HOBSON, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 2406), to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes, had come to no resolution thereon.

APPOINTMENT OF MEMBERS TO UNITED STATES DELEGATION OF CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of 22 U.S.C. 276d, the Chair announces the Speaker's appointment of the following Members of the House to the United States delegation of the Canada-United States interparliamentary group: Mr. DRIER of California, Mr. UPTON of Michigan, Mr. GIBBONS of Florida, Mr. DE LA GARZA of Texas, Mr. OBERSTAR of Minnesota, Mr. JOHNSTON of Florida, Mr. PETERSON of Minnesota, Ms. DANNER of Missouri, Mr. UNDERWOOD of Guam, and Mr. FRAZER of the Virgin Islands.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1996, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

REPEAL OF GAS TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, very briefly, we have had almost 10 days of vigorous discussion on one of the striking concerns or outcries of the American public. It is not that the American public is not willing to pay their fair share, it is a question of fairness, and that is, of course, with the increasing cost of gasoline at the gas pump.

Many of us on both sides of the aisle have agreed that we need to assess the gasoline tax and seek its repeal. We also have heard from the President of the United States, who indicated his willingness to consider such repeal because he too believes in fairness. But we have not yet been able to resolve how we should move forward to come together on behalf of the American people.

I must take great issue with one representation by those of the majority that we will repeal and take it out of education. If there is ever a contradiction, that is one. The American people wholeheartedly support the education of their children. They, too, realize that education is the cornerstone of success in the 21st century.

So it is the evening that I have filed legislation to repeal the gasoline tax of 4.3 percent and to allow that offset to come from our defense budget, which is in excess of the budget requested by the Department of Defense. Again, the American people simply want fairness, and that fairness is to address their outcry in a manner that balances the burdens and benefits across this Nation.

I think that we should address it, ensure that we continue to educate our children, and be able to find a responsible offset that allows for a continued move toward a fiscally responsible government and one that responds to the concerns of working America, people who work every single day and simply want a fair shake.

□ 2300

Mr. Speaker, I hope my colleagues will join me in supporting my legislation and acknowledging that it is time now to give America its fair shake and repeal the 4.3-cent gasoline tax.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WELDON of Pennsylvania (at the request of Mr. ARMEY) from 6 p.m. today and for the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FIELDS of Louisiana) to revise and extend their remarks and include extraneous material:)

Mr. MEEHAN, for 5 minutes, today.

Mr. LIPINSKI, for 5 minutes, today.

Ms. MCKINNEY, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. FIELDS of Louisiana, for 60 minutes, today.

(The following Members (at the request of Mr. BEREUTER) to revise and extend their remarks and include extraneous material:)

Mr. MCINTOSH, for 5 minutes, on May 9.

Mr. SMITH of Michigan, for 5 minutes, today.

Mr. WALKER, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members at the request of Mr. FIELDS of Louisiana) and to include extraneous matter:)

Mr. ENGEL.
Mr. FRANK of Massachusetts.
Mr. DINGELL.
Mr. HAMILTON.
Mrs. MALONEY.
Mr. HOYER.
Ms. JACKSON-LEE of Texas.
Ms. DELAURO.
Mr. GORDON in ten instances.
Mr. BAESLER.
Mr. BERMAN.
Mr. KLECZKA.
Mr. GEPHARDT.
Mr. PAYNE of New Jersey in two instances.
Ms. HARMAN in two instances.
Mr. POSHARD.

(The following Members (at the request of Mr. BEREUTER) and to include extraneous matter:)

Mr. TAUZIN.
Mr. SANFORD.
Mr. SMITH of Michigan.
Ms. DUNN of Washington.
Mr. QUINN.
Mr. RADANOVICH.
Mr. MOORHEAD.
Mr. ROTH.
Mr. DUNCAN.
Mr. CAMPBELL in two instances.
Mr. FRANKS of Connecticut.
Mr. MARTINI.
Mrs. SMITH of Washington.
Mr. EMERSON.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1467. An act to authorize the construction of the Fort Peck Rural County Water Supply System, to authorize assistance to the Fort Peck Rural County Water District, Inc., a nonprofit corporation, for the planning, design, and construction of the water supply system, and for other purposes; to the Committee on Resources.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 641. An act to amend the Public Health Service Act to revise and extend programs established pursuant to the Ryan White Comprehensive AIDS Resources Emergency Act of 1990.

ADJOURNMENT

Ms. JACKSON-LEE of Texas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 1 minute p.m.), the House adjourned until tomorrow, Thursday, May 9, 1996, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2864. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Milk in the New York-New Jersey and Middle Atlantic Marketing Area; Suspension (DA–96–02 FR) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2865. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Amendment of General Regulations for Marketing Orders; Adding Stipulation Procedures (FV–95–900–1 FR) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2866. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Florida Grapefruit, Florida Oranges and Tangelos, and Florida Tangerines; Grade Standards (Docket No. FV–93–301) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2867. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Melons Grown in South Texas; Change in Cantaloup Container Requirement (Docket No. FV96–979–1 FIR) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2868. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on the transfer of property to the Republic of Panama under the Panama Canal Treaty of 1977 and related agreements, pursuant to 22 U.S.C. 3784(b); to the Committee on National Security.

2869. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Obligation Guarantees: Program Administration (RIN: 2133–AB14) received May 6, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

2870. A letter from the Director, Office of Legislative Affairs, Federal Deposit insurance Corporation, transmitting the Corporations; final rule—Community Reinvestment Act Regulations (RIN: 3064–AB27) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2871. A letter from the Assistant to the Board, Federal Reserve System, transmitting the Reserve's final rule—Community Reinvestment Act Regulations (12 CFR Part 228) Docket No. R–0822—received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2872. A letter from the Assistant to the Board, Federal Reserve System, transmitting the Reserve's final rule—Uniform Rules and Practice and Procedure (Docket No. R–0878)—received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2873. A letter from the Assistant to the Board, Federal Reserve System, transmitting the Reserve's final rule—Regulation K—International Banking Operations (Docket No. R–0911 received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2874. A letter from the Assistant Secretary of Education, transmitting final priorities—Training personnel for the Education of Individuals with Disabilities Program and Program for Children and Youth with Serious Emotional Disturbance, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Economic and Educational Opportunities.

2875. A letter from the Secretary of Education, transmitting notice of Final Priorites—Special Studies Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Economic and Educational Opportunities.

2876. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's report on the final regulations for the State Vocational Rehabilitation Services Program—Order of Selection—received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(B); to the Committee on Economic and Educational Opportunities.

2877. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; New Mexico; Supplement to the New Mexico State Implementation Plan [SIP] to Control Air Pollution in Areas of Bernalillo County (FLR–5500–7) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2878. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Reduced Certification Reporting Requirements for New Nonroad Engines (FLR–5502–5) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2879. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Withdrawal of

Direct Final Rule for Approval of Redesignation Request: South Dakota (FLR–5502–1) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2880. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Oil and Hazardous Substances Contingency Plan; National Priorities List Update (FLR–5468–7) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2881. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rules—(1) Clean Air Act Interim Approval of Operating Permits Program; Delegation of Section 112 Standards; State of Massachusetts (FLR–5461–6), (2) Clean Air Act Reclassification; Arizona-Phoenix Nonattainment Area; PM10 (FRL–5503–7), (3) Hazardous Air Pollutants; Amendment to Regulations Governing Equivalent Emission Limitations by Permit (FRL–5503–3), and (4) Approval and Promulgation of Air Quality Implementation Plans; Delaware: Amendment of Final Rule Pertaining to Regulation 24—Control of Volatile Organic Compound Emissions, Section 47—Offset Lithographic Printing; Correction (FRL–5503–6) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2882. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment to the Commission's Rules Regarding a Plan for Sharing the Costs of Microwave Relocation, First Report and Order and Further Notice of Proposed Rule Making (WT Docket No. 95–157, FCC 96–196) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2883. A letter from the Director, Regulations Policy Management Staff, Food and Drug Administration, transmitting the Administration's final rule—GRAS Status of Propylene Glycol; Exclusion of Use in Cat Food (Docket No. 94G–0239) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2884. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

2885. A letter from the Chairman, Armed Forces Retirement Home Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

2886. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Training (RIN: 3206–AF99) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

2887. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Retirement; Alternative Forms of Annuity (RIN: 2900–AG65) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

2888. A letter from the Deputy Associate Director from Compliance, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Resources.

2889. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rules—Groundfish of the Bering Sea and Aleutian Islands Area; Pacific Ocean Perch in the Western Aleutian District (Modification of a closure) (Docket No. 960129019–6019–01; I.D. 041596A) and Groundfish of the Bering Sea and Aleutian Islands Area; Pacific Ocean Perch in the Western Aleutian District (Closure) (Docket No. 960129019–6019–01; I.D. 041796A) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2890. A letter from the Secretary of Transportation, transmitting the Department's study on tanker navigation safety standards: Appropriate Crew Size study, pursuant to Public Law 101–380, section 4111(c) (104 Stat. 516); to the Committee on Transportation and Infrastructure.

2891. A letter from the Director, Office of Regulations Management, Department of Veterans' Affairs, transmitting the Department's final rule—Adjudication Regulations; Miscellaneous (RIN: 2900–AH83) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2892. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Revenue Ruling 96–25—received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2893. A letter from the Secretary of Health and Human Services, transmitting the Department's final rule—Medicare Program; Payment for Federally Qualified Health Center Services (RIN: 0938–AF14) received May 2, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); jointly, to the Committees on Commerce and Ways and Means.

2894. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of the Department's intent to reprogram $1.88 million of prior year deobligated Economic Support Funds made available under chapter 4, part II of the FAA, as amended, pursuant to 22 U.S.C. 2394–1(a); jointly, to the Committees on International Relations and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1129. A bill to amend the National Trails System Act to designate the route from Selma to Montgomery as a National Historic Trail; with an amendment (Rept. 104–567). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2982. A bill to direct the Secretary of the Interior to convey the Carbon Hill National Fish Hatchery to the State of Alabama (Rept. 104–568). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SHADEGG:

H.R. 3411. A bill to protect the rights of the States and the people from abuse by the Federal Government; to strengthen the partnership and the intergovernmental relationship between State and Federal Governments; to restrain Federal agencies from exceeding their authority; to enforce the 10th amendment to the Constitution; and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WELLER:

H.R. 3412. A bill to require the Secretary of the Interior to conduct a study of the feasibility of establishing Calumet Ecological Park in the vicinity of Chicago, IL; to the Committee on Resources.

By Mr. MARTINI (for himself and Mr. FRANKS of New Jersey):

H.R. 3413. A bill to amend chapter 211 of title 49, United States Code, with respect to hours of service of railroad employees, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. CAMPBELL:

H.R. 3414. A bill to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to provide for a sequestration of all budgetary accounts for fiscal year 1997—except Social Security, Federal retirement, and interest on the debt—equal to 5 percent of the OMB baseline; to the Committee on the Budget.

By Mrs. SEASTRAND (for herself, Mr. RIGGS, Mr. ROYCE, and Mr. ZIMMER):

H.R. 3415. A bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent increase in the transportation motor fuels excise tax rates enacted by the Omnibus Budget Reconciliation Act of 1993 and dedicated to the general fund of the Treasury; to the Committee on Ways and means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENGLISH of Pennsylvania (for himself, Mr. HOUGHTON, Mr. HERGER, Mrs. KENNELLY, Mr. CRANE, Mr. MCCRERY, Mr. FOX, Mr. WILSON, Mr. ROHRABACHER, and Mr. CALVERT):

H.R. 3416. A bill to amend the Internal Revenue Code of 1986 to suspend the tax on ozone-depleting chemicals use as propellants in metered-dose inhalers; to the Committee on Ways and Means.

By Mr. GALLEGLY (for himself and Mr. SCHIFF):

H.R. 3417. A bill to remove a restriction on the authority of the Secretary of Agriculture to enter into agreements with other Federal agencies to acquire goods and services directly related to improving or utilizing the firefighting capability of the Forest Service; to the Committee on Agriculture.

By Mr. QUINN (for himself, Mr. BACHUS, Mr. DOYLE, Mr. FILNER, Mr. BUYER, Mr. KENNEDY of Massachusetts, and Mr. STEARNS):

H.R. 3418. A bill to amend title 38, United States Code, to provide authority for the Secretary of Veterans Affairs to extend priority health care to veterans who served during the Persian Gulf war in Israel or Turkey; to the Committee on Veterans' Affairs.

By Mr. VENTO:

H.R. 3419. A bill to require the Federal Communications Commission to prescribe rules to protect public safety by preventing broadcasts that create hazards for motorists; to the Committee on Commerce.

By Ms. JACKSON-LEE:

H.R. 3420. A bill to amend the Internal Revenue Code of 1986 to suspend the 4.3-cent general revenue portion of the fuel excise taxes; to the Committee on Ways and Means, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. PELOSI (for herself, Mr. BONO, Mr. GEPHARDT, Mr. COX, Mr. BONIOR, Mr. SOLOMON, Mr. RANGEL, Mr. GILMAN, Mr. HYDE, Mr. SCARBOROUGH, Mr. ROHRABACHER, Mr. ABERCROMBIE, Mr. BARTON of Texas, Mr. BERMAN, Mr. BORSKI, Mr. BROWN of Ohio, Mr. BRYANT of Texas, Mr. CARDIN, Mr. DEFAZIO, Ms. DELAURO, Mr. DELLUMS, Mr. DORNAN, Mr. DOYLE, Mr. DURBIN, Mr. EHRLICH, Ms. ESHOO, Mr. EVANS, Mr. FARR, Mr. FOGLIETTA, Mr. FRANK of Massachusetts, Mr. FROST, Mr. GEJDENSON, Mr. GONZALEZ, Mr. GORDON, Mr. HASTINGS of Florida, Mr. HINCHEY, Mr. HOBSON, Ms. JACKSON-LEE, Mr. KANJORSKI, Ms. KAPTUR, Mr. KING, Mr. KLINK, Mr. LANTOS, Mr. LEVIN, Mr. LEWIS of Georgia, Mr. MARKEY, Mr. MASCARA, Ms. MCKINNEY, Mrs. MEEK of Florida, Mr. MILLER of California, Mrs. MINK of Hawaii, Mr. MURTHA, Mr. NADLER, Mr. OBEY, Mr. OLVER, Mr. PORTER, Mr. RICHARDSON, Mr. ROSE, Mr. RUSH, Mr. SANDERS, Mr. SCHIFF, Mrs. SCHROEDER, Mr. SENSENBRENNER, Mr. SMITH of New Jersey, Mr. STARK, Mrs. THURMAN, Mr. WAXMAN, Mr. WOLF, and Ms. WOOLSEY):

H.R. 3421. A bill to require the imposition of increased tariffs on certain products of the People's Republic of China until the President certifies that that country is complying with its agreement with the United States regarding protection of intellectual property rights; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 123: Mr. POMEROY.

H.R. 163: Mr. SAXTON.

H.R. 491: Mr. TORKILDSEN.

H.R. 500: Mr. CAMP.

H.R. 739: Mr. ENGLISH of Pennsylvania and Mr. LEWIS of Kentucky.

H.R. 790: Mr. FUNDERBURK.

H.R. 833: Mr. FARR.

H.R. 1073: Mr. SCOTT, Mr. BUNN of Oregon, and Mr. MILLER of California.

H.R. 1074: Mr. SCOTT, Mr. BUNN of Oregon, and Mr. MILLER of California.

H.R. 1078: Mr. HINCHEY.

H.R. 1227: Mr. SENSENBRENNER.

H.R. 1386: Mr. HOLDEN, Mr. COLLINS of Georgia, Mr. CLYBURN, Mr. BALDACCI, Mr. HASTERT, Mr. BROWNBACK, and Mr. PORTER.

H.R. 1483: Mr. MCHUGH.

H.R. 1512: Mr. BONILLA.

H.R. 1514: Mr. FROST, Mr. CAMP, Mr. SHAYS, and Mr. GUNDERSON.

H.R. 1552: Mr. BUNNING of Kentucky, Mr. HORN, Mr. FRANKS of Connecticut, Mr. HOLDEN, Mr. MCDERMOTT, Mr. EMERSON, Mr. UPTON, Mr. DELLUMS, Mr. KLECZKA, Mr. OXLEY, Mr. BAKER of California, Mr. SABO, Mr. INGLIS of South Carolina, Ms. RIVERS, Mr. CAMP, Mrs. MEEK of Florida, Mr. BLILEY, Mr. HUTCHINSON, Mr. MYERS of Indiana, Mr. FILNER, Mr. HILLIARD, Mr. DURBIN, Mr. BARTON of Texas, and Mr. BATEMAN.

H.R. 1656: Mr. HILLIARD and Mr. NEAL of Massachusetts.

H.R. 1662: Mr. KILDEE, Mr. ROGERS, Mr. SMITH of Texas, Mr. TEJEDA, Mrs. FOWLER, Mr. HAYES, Mr. LIPINSKI, Mr. BONIOR, Mr. SERRANO, Mr. TRAFICANT, Mr. GONZALEZ, and Mr. BENTSEN.

H.R. 1785: Mr. LANTOS.

H.R. 1818: Mr. CALVERT.

H.R. 1856: Mr. GOODLING and Mrs. KELLY.

H.R. 2320: Mr. CUNNINGHAM, Mr. MILLER of Florida, and Mr. HOBSON.

H.R. 2338: Mr. BEREUTER, Mr. FOGLIETTA, and Mr. CALVERT.

H.R. 2342: Mr. PETERSON of Minnesota and Mr. DOOLEY.

H.R. 2391: Mr. SAM JOHNSON, Mr. CALVERT, and Mr. FIELDS of Texas.

H.R. 2400: Mr. HUTCHINSON and Mr. LAFALCE.

H.R. 2472: Mr. YATES and Mr. LEVIN.

H.R. 2548: Mr. REGULA.

H.R. 2566: Mr. DELLUMS.

H.R. 2578: Mr. STARK and Mr. FALEOMAVAEGA.

H.R. 2579: Mr. TANNER, Mr. GOODLATTE, and Mr. SHAW.

H.R. 2654: Mrs. THURMAN.

H.R. 2682: Mr. DIAZ-BALART.

H.R. 2705: Mr. OWENS, Mr. BORSKI, Mr. HILLIARD, Mr. GIBBONS, Ms. WATERS, Mrs. SCHROEDER, Mr. LEWIS of Georgia, Mr. JACKSON, Mr. BARRETT of Wisconsin, Mr. CUMMINGS, Mr. CLYBURN, Miss COLLINS of Michigan, Mrs. COLLINS of Illinois, Mr. DEFAZIO, Mr. DOYLE, Mrs. MEEK of Florida, and Mr. TOWNS.

H.R. 2864: Mr. CONDIT.

H.R. 2925: Mr. PORTER, Mr. BROWNBACK, and Mr. FUNDERBURK.

H.R. 2927: Mr. INGLIS of South Carolina.

H.R. 3002: Mr. MINGE.

H.R. 3012: Mr. NEY, Mr. COLLINS of Georgia, Mr. SANDERS, Mrs. THURMAN, Mr. SOLOMON, Mr. WAMP, Mr. BOEHLERT, Mr. NEAL of Massachusetts, Ms. WOOLSEY, Mr. HANSEN, Mr. BISHOP, Mr. DEFAZIO, and Mr. BARTON of Texas.

H.R. 3038: Mr. MONTGOMERY, Mrs. VUCANOVICH, Mr. PETERSON of Minnesota, Mr. HOLDEN, Mr. ROSE, and Mr. JOHNSON of South Dakota.

H.R. 3067: Mr. FLAKE, Mr. DELLUMS, and Mr. TORRES.

H.R. 3083: Mr. DREIER.

H.R. 3090: Mr. PALLONE, Mr. KLUG, Mr. BEILENSON, Ms. RIVERS, Mr. LIPINSKI, and Ms. PELOSI.

H.R. 3161: Mr. CUNNINGHAM.

H.R. 3180: Mr. HALL of Texas, Mr. STENHOLM, Mr. DE LA GARZA, Ms. EDDIE BERNICE JOHNSON of Texas, and Mrs. THURMAN.

H.R. 3181: Mr. HORN, Mr. FRAZER, Ms. LOFGREN, Mr. FALEOMAVAEGA, Mr. VENTO, Ms. MCKINNEY, Mr. KENNEDY of Massachusetts, Ms. PELOSI, Mr. LIPINSKI, Mr. CANADY, and Mr. BARRETT of Wisconsin.

H.R. 3199: Mr. CONDIT, Mr. SPENCE, Mr. ARCHER, and Mr. PORTER.

H.R. 3211: Mr. BALLENGER, Mr. BARRETT of Nebraska, Mr. HUTCHINSON, Mr. BOEHNER, Mr. INGLIS of South Carolina, Mr. CHRISTENSEN, Ms. PRYCE, Mr. BUNNING of Kentucky, Mr. EHRLICH, Mr. RAMSTAD, and Mr. HEFLEY.

H.R. 3217: Mr. BONIOR and Mr. DELLUMS.

H.R. 3222: Ms. LOFGREN.

H.R. 3224: Mr. CANADY and Mr. CALVERT.

H.R. 3226: Mr. FOLEY, Mr. FARR, and Mr. FALEOMAVAEGA.

H.R. 3234: Mr. MCINTOSH, Mr. BLILEY, Mr. BATEMAN, Mr. KIM, Mr. LINDER, Mr. MCKEON, Mr. FUNDERBURK, Mr. BRYANT of Tennessee, Mr. TALENT, Mr. NUSSLE, Mr. PARKER, Mr. TAUZIN, Mr. BURR, Mrs. FOWLER, Mr. INGLIS of South Carolina, Mr. RAMSTAD, Mr. CANADY, Mr. CAMPBELL, Ms. PRYCE, and Mr. COOLEY.

H.R. 3247: Mr. FOGLIETTA, Mr. DE LA GARZA, Mr. ACKERMAN, Mr. CLAY, Mr. FATTAH, Mr. TRAFICANT, Mr. STOKES, Mr. CONYERS, Mr. FORD, Mr. TOWNS, and Mr. PASTOR.

H.R. 3267: Mrs. SEASTRAND and Mr. UNDERWOOD.

H.R. 3300: Mr. SOLOMON and Mr. STEARNS.

H.R. 3303: Mr. GILMAN, Mr. ROHRABACHER, Mrs. SEASTRAND, Mr. PETE GEREN of Texas, Mr. GREEN of Texas, and Mr. JEFFERSON.

H.R. 3372: Mr. PETRI, Mr. BORSKI, Ms. BROWN of Florida, and Ms. DANNER.

H.R. 3383: Mrs. JOHNSON of Connecticut.

H.R. 3384: Mr. CALVERT.

H.R. 3391: Mr. WICKER, Mr. KLUG, and Mr. LONGLEY.

H.R. 3393: Mr. FLANAGAN, Mr. CLYBURN, and Mr. SHAYS.

H.R. 3401: Mr. MATSUI, Mr. BRYANT of Texas, Mr. DOOLITTLE, Mr. ENGEL, Mr. FROST, Mr. GUTIERREZ, Ms. LOFGREN, Mr. CAMP, Mr. NEAL of Massachusetts, Ms. ESHOO, Mr. GREEN of Texas, and Mr. MARKEY.

H. Con. Res. 160: Mr. BURTON of Indiana, Mr. KING, Mr. LEVIN, and Mr. FLAKE.

H. Con. Res. 165: Mr. MENENDEZ.

H. Res. 423: Mr. DAVIS, Mr. BROWNBACK, Mr. SHAYS, Mr. NEUMANN, Mr. BASS, and Mr. RADANOVICH.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2406

OFFERED BY: MR. DURBIN

AMENDMENT NO. 45: At the end of title V of the bill, insert the following new section:

SEC. 515. PROHIBITION AGAINST ILLEGAL POSSESSION OR DISCHARGE OF FIREARMS IN PUBLIC HOUSING ZONES.

(a) CONGRESSIONAL FINDINGS.—The Congress finds and declares that—

(A) crime, particularly crime involving firearms, is a pervasive, nationwide problem;

(B) crime at the local level is exacerbated by the interstate movement of firearms;

(C) firearms and ammunition move easily in interstate commerce and illegal firearms have been found in increasing numbers in and around public housing zones;

(D) in fact, even before the sale of a firearm, the gun, its component parts, ammunition, and the raw materials from which they are made have considerably moved in interstate commerce;

(E) while criminals freely move from State to State, ordinary citizens and foreign visitors may fear to travel to or through certain parts of the country due to concern about violent crime and gun violence;

(F) the occurrence of violent crime in public housing zones has resulted in a decline in the quality of public housing in our country;

(G) this decline in the quality of public housing has an adverse impact on interstate commerce and the foreign commerce of the United States;

(H) States, localities, and local housing and management authorities find it almost impossible to handle gun-related crime by themselves; even States, localities, and local housing and management authorities that have made strong efforts to prevent, detect, and punish gun-related crime find their efforts unavailing due in part to the failure or inability of other States or localities to take strong measures; and

(I) the Congress has power, under the interstate commerce clause and other provisions of the Constitution, to enact measures to ensure the integrity and safety of the Nation's public housing by enactment of this section.

(b) PROHIBITIONS.—

(1) POSSESSION.—It shall be unlawful for any person, in or affecting interstate or foreign commerce, to possess a firearm in violation of any other Federal law or of any State or local law, at a place that the person knows or has reasonable cause to believe is in a public housing zone.

(2) DISCHARGE.—

(A) IN GENERAL.—It shall be unlawful for any person, in or affecting interstate or foreign commerce, to discharge or attempt to discharge a firearm, knowingly or with reckless disregard for the safety of another, at a place that the person knows is in a public housing zone.

(B) EXCEPTIONS.—Subparagraph (A) shall not apply to the discharge of a firearm—

(i) by a person employed by a local housing and management authority to provide security for a public housing development in the public housing zone, acting within the scope of such employment; or

(ii) by a law enforcement officer acting in his or her official capacity.

(c) PENALTIES.—Whoever violates subsection (b) shall be fined under title 18, United States Code, imprisoned for not more than 5 years, or both. Notwithstanding any other provision of law, a term of imprisonment imposed under this subsection shall not run concurrently with any other term of imprisonment imposed under any other provision of law. Except for the authorization of a term of imprisonment of not more than 5 years made in this subsection, for the purpose of any other law a violation of subsection (b) shall be deemed to be a misdemeanor.

(d) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) The terms "firearm", "interstate or foreign commerce", "person", and "whoever", have the meanings given such terms in section 921(a) of title 18, United States Code.

(2) The term "public housing zone" means in or upon—

(A) the real property comprising the public housing developments of any local housing and management authority; or

(B) any public property which is at a distance of not more than 1,000 feet from property referred to in subparagraph (A).

(e) EFFECTIVE DATE.—This section shall apply to conduct engaged in after the end of the 60-day period that begins with the date of the enactment of this Act.

(f) GUN-FREE ZONE SIGNS.—Federal, State, and local authorities (including local housing and management authorities) are encouraged to cause signs to be posted around public housing zones giving warning of the prohibition against the illegal possession of a firearm in such zones.

H.R. 2406

OFFERED BY: MR. FIELDS OF LOUISIANA

AMENDMENT NO. 46: In section 103(b) of the bill (as amended by the manager's amendment), strike paragraph (2) (relating to resident membership) and insert the following new paragraph:

(2) RESIDENT MEMBERSHIP.—

(A) IN GENERAL.—In localities in which a local housing and management authority is governed by a board of directors or other similar body, not less than 25 percent of the members of the board or body shall be individuals who are—

(i) residents of public housing dwelling units owned or operated by the authority; or

(ii) members of assisted families under title III.

(B) ELECTION AND TRAINING.—Members of the board of directors or other similar body by reason of subparagraph (A) shall be selected for such membership in an election in which only residents of public housing dwelling units owned or operated by the authority and members of assisted families under title III who are assisted by the authority are eligible to vote. The authority shall provide such members with training appropriate to assist them to carry out their responsibilities as members of the board or other similar body.

Section 103(b)(5) of the bill (as amended by the manager's amendment), strike subparagraph (A) (relating to the definition of "elected public housing resident member").

H.R. 2406

OFFERED BY: MR. SANDERS OF VERMONT

AMENDMENT NO. 47: Page 145, line 23, strike "6.5 percent" and insert "7.65 percent".

Page 146, lines 4 and 5, strike "6.5 percent" and insert "7.65 percent".

Page 146, line 7, strike "6.0 percent" and insert "7.0 percent".

H.R. 3230

OFFERED BY: MR. SAXTON

AMENDMENT NO. 1: In section 247, strike all that follows subsection (a) (page , line through page , line) and insert the following:

(b) ESTABLISHMENT AND PURPOSES OF PROGRAM.—The Secretary of Commerce shall establish a program to be known as the "National Oceanographic Partnership Program". The purposes of the program are as follows:

(1) To promote the national goals of assuring national security, advancing economic development, protecting quality of life, and strengthening science education and communication through improved knowledge of the ocean.

(2) To coordinate and strengthen oceanographic efforts in support of those goals by—

(A) identifying and carrying out partnerships among Federal agencies, academia, industry, and other members of the oceanographic scientific community in the areas of data, resources, education, and communication; and

(B) reporting annually to Congress on the program.

(c) ESTABLISHMENT OF NATIONAL OCEAN RESEARCH LEADERSHIP COUNCIL.—

(1) IN GENERAL.—There is a National Ocean Research Leadership Council (hereinafter in this section referred to as the "Council").

(2) MEMBERSHIP.—The Council is composed of the following members:

(A) The Administrator of the National Oceanic and Atmospheric Administration, who shall be the Chairman of the Council.

(B) The Secretary of the Navy.

(C) The Director of the National Science Foundation.

(D) The Administrator of the National Aeronautics and Space Administration.

(E) The Deputy Secretary of Energy.

(F) The Administrator of the Environmental Protection Agency.

(G) The Commandant of the Coast Guard.

(H) The Director of the Geological Survey of the Department of the Interior.

(I) The Director of the Defense Advanced Research Projects Agency.

(J) The Director of the Minerals Management Service of the Department of the Interior.

(K) The President of the National Academy of Sciences, the President of the National Academy of Engineering, and the President of the Institute of Medicine.

(L) The Director of the Office of Science and Technology.

(M) The Director of the Office of Management and Budget.

(N) One member appointed by the Chairman from among individuals who will represent the views of ocean industries.

(O) One member appointed by the Chairman from among individuals who will represent the views of State governments.

(P) One member appointed by the Chairman from among individuals who will represent the views of academia.

(Q) One member appointed by the Chairman from among individuals who will represent such other views as the Chairman considers appropriate.

(3) TERM OF OFFICE.—The term of office of a member of the Council appointed under subparagraph (N), (O), (P), or (Q) of paragraph (2) shall be two years, except that any person appointed to fill a vacancy occurring before the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term.

(4) INITIAL APPOINTMENTS OF COUNCIL MEMBERS.—The Administrator of the National Oceanic and Atmospheric Administration shall make the appointments required by paragraph (2) by not later than December 1, 1996.

(d) RESPONSIBILITIES OF COUNCIL.—The Council shall have the following responsibilities:

(1) To establish the Ocean Research Partnership Coordinating Group as provided in section 7903.

(2) To establish the Ocean Research Advisory Panel as provided in subsection (f).

(3) To submit to Congress an annual report pursuant to subsection (e).

(e) ANNUAL REPORT.—Not later than March 1 of each year, the Council shall submit to Congress a report on the National Oceanographic Partnership Program. The report shall contain the following:

(1) A description of activities of the program carried out during the fiscal year before the fiscal year in which the report is prepared. The description also shall include a list of the members of the Ocean Research Partnership Coordinating Group, the Ocean Research Advisory Panel, and any working groups in existence during the fiscal year covered.

(2) A general outline of the activities planned for the program during the fiscal year in which the report is prepared.

(3) A summary of projects continued from the fiscal year before the fiscal year in which the report is prepared and projects expected to be started during the fiscal year in which the report is prepared and during the following fiscal year.

(4) A description of the involvement of the program with Federal interagency coordinating entities.

(5) The amounts requested, in the budget submitted to Congress pursuant to section 1105(a) of title 31 for the fiscal year following the fiscal year in which the report is prepared, for the programs, projects, and activities of the program and the estimated expenditures under such programs, projects, and activities during such following fiscal year.

The first annual report required by this subsection shall be submitted to Congress not later than March 1, 1997. The first report shall include, in addition to the information otherwise required by this subsection, information about the terms of office, procedures, and responsibilities of the Ocean Research Advisory Panel established by the Council.

(f) Ocean Research Partnership Coordinating Group.—

(1) Establishment.—The Council shall establish an entity to be known as the "Ocean Research Partnership Coordinating Group" (hereinafter in this section referred to as the "Coordinating Group").

(2) Membership.—The Coordinating Group shall consist of members appointed by the Council, with one member appointed from each Federal department or agency having an oceanographic research or development program.

(3) Chairman.—The Council shall appoint the Chairman of the Coordinating Group.

(4) Responsibilities.—Subject to the authority, direction, and control of the Council, the Coordinating Group shall have the following responsibilities:

(A) To prescribe policies and procedures to implement the National Oceanographic Partnership Program.

(B) To review, select, and identify and allocate funds for partnership projects for implementation under the program, based on the following criteria:

(i) Whether the project addresses critical research objectives or operational goals, such as data accessibility and quality assurance, sharing of resources, education, or communication.

(ii) Whether the project has broad participation within the oceanographic community.

(iii) Whether the partners have a long-term commitment to the objectives of the project.

(iv) Whether the resources supporting the project are shared among the partners.

(v) Whether the project has been subjected to adequate peer review.

(C) To promote participation in partnership projects to each Federal department and agency involved with oceanographic research and development by publicizing the program and by prescribing guidelines for participation in the program.

(D) To submit to the Council an annual report pursuant to paragraph (8).

(5) Partnership program office.—The Coordinating Group shall establish in the National Ocean Service and oversee a partnership program office to carry out such duties as the Chairman of the Coordinating Group considers appropriate to implement the National Oceanographic Partnership Program, including the following:

(A) To establish and oversee working groups to propose partnership projects to the Coordinating Group and advise the Group on such projects.

(B) To manage poor review of partnership projects proposed to the Coordinating Group and competitions for projects selected by the Group.

(C) To submit to the Coordinating Group an annual report on the status of all partnership projects and activities of the office.

(6) Contract and grant authority.—The Coordinating Group may authorize the National Ocean Service to enter into contracts and make grants, using funds appropriated pursuant to an authorization for the National Oceanographic Partnership Program, for the purpose of implementing the program and carrying out the Coordinating Group's responsibilities.

(7) Forms of partnership projects.—Partnership projects selected by the Coordinating Group may be in any form that the Coordinating Group considers appropriate, including memoranda of understanding demonstration projects, cooperative research and development agreements, and similar instruments.

(8) Annual report.—Not later than February 1 of each year, the Coordinating Group shall submit to the Council a report on the National Oceanographic Partnership Program. The report shall contain, at a minimum, copies of any recommendations or reports to the Coordinating Group by the Ocean Research Advisory Panel.

(g) Ocean Research Advisory Panel.—

(1) Establishment.—The Council shall appoint an Ocean Research Advisory Panel (hereinafter in this section referred to as the "Advisory Panel") consisting of not less than 10 and not more than 18 members.

(2) Membership.—Members of the Advisory Panel shall be appointed from among persons who are eminent in the fields of marine science or marine policy, or related fields, and who are representative, at a minimum, of the interests of government, academia, and industry.

(3) Responsibilities.—

(A) Review of partnership projects.—The Coordinating Group shall refer to the Advisory Panel, and the Advisory Panel shall review, each proposed partnership project estimated to cost more than $500,000. The Advisory Panel shall make any recommendations to the Coordinating Group that the Advisory Panel considers appropriate regarding such projects.

(B) Other recommendations.—The Advisory Panel shall make any recommendations to the Coordinating Group regarding activities that should be addressed by the National Oceanographic Partnership Program that the Advisory Panel considers appropriate.

(4) Initial appointments of advisory panel members.—The Council shall make the appointments to the Advisory Panel by not later than January 1, 1997.

(h) Authorization for Program.—Of the amount authorized to be appropriated to the Department of Defense in section 201, $30,000,000 is authorized for the National Oceanographic Partnership Program.

(i) Required Funding for Program Office.—Of the amount appropriated for the National Oceanographic Partnership Program for fiscal year 1997, at least $500,000, or 3 percent of the amount appropriated, whichever is greater, shall be available for operations of the partnership program office established under subsection (f)(5) for such fiscal year.

H.R. 3322

Offered By: Mr. Brown of California

(Amendment in the Nature of a Substitute)

Amendment No. 8: Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Science and Technology Investment Act of 1996".

TITLE I—NATIONAL SCIENCE FOUNDATION

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the National Science Foundation $3,325,000,000 for fiscal year 1997, which shall be available for the following categories:

(1) Research and Related Activities, $2,472,000,000, which shall be available for the following subcategories:

(A) Mathematical and Physical Sciences, $708,000,000.

(B) Engineering, $354,300,000.

(C) Biological Sciences, $326,000,000.

(D) Geosciences, $454,000,000.

(E) Computer and Information Science and Engineering, $277,000,000.

(F) Social, Behavioral, and Economic Sciences, $124,000,000.

(G) United States Polar Research Programs, $163,400,000.

(H) United States Antarctic Logistical Support Activities, $62,600,000.

(I) Critical Technologies Institute, $2,700,000.

(2) Education and Human Resources Activities, $619,000,000.

(3) Major Research Equipment, $95,000,000.

(4) Salaries and Expenses, $129,100,000.

(5) Office of Inspector General, $4,700,000.

(6) Headquarters Relocation, $5,200,000.

TITLE II—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 201. FISCAL YEAR 1997 AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1997 the following amounts:

(1) For "Human Space Flight" for the following programs:

(A) Space Station, $1,802,000,000.

(B) United States/Russian Cooperation, $138,200,000.

(C) Space Shuttle, $3,150,900,000, including for Construction of Facilities relating to the following programs:

(i) Replacement of LC–39 Pad B Chillers (KSC), $1,800,000.

(ii) Restoration of Pad B Fixed Support Structure Elevator System (KSC), $1,500,000.

(iii) Rehabilitation of 480V Electrical Distribution System, Kennedy Space Center, External Tank Manufacturing Building (MAF), $2,500,000.

(iv) Restoration of High Pressure Industrial Water Plant, Stennis Space Center, $2,500,000.

(D) Payload and Utilization Operations, $271,800,000.

(2) For "Science, Aeronautics, and Technology" for the following programs:

(A) Space Science, $1,857,300,000.

(B) Life and Microgravity Sciences and Applications, $498,500,000.

(C) Mission to Planet Earth, $1,402,100,000.

(D) Aeronautical Research and Technology, $857,800,000, of which $5,000,000 shall be for the identification and upgrading of national dual-use airbreathing propulsion aeronautical test facilities.

(E) Space Access and Technology, $725,000,000

(F) Academic Programs, $100,800,000.

(G) Mission Communication Services, $420,600,000.

(3) For "Mission Support" for the following programs:

(A) Safety, Reliability, and Quality Assurance, $36,700,000.

(B) Space Communication Services, $291,400,000.

(C) Construction of Facilities, including land acquisition, including the following:

(i) Modernization of Electrical Distribution System, Ames Research Center, $2,400,000.

(ii) Modification of Aircraft Ramp and Tow Way, Dryden Flight Research Center, $3,000,000.

(iii) Restoration of Hangar Building 4801, Dryden Flight Research Center, $4,500,000.

(iv) Modernization of Secondary Electrical Systems, Goddard Space Flight Center, $1,500,000.

(v) Restoration of Chilled Water Distribution System, Goddard Space Flight Center, $4,000,000.

(vi) Modification of Refrigeration Systems, Various Buildings, Jet Propulsion Laboratory, $2,800,000.

(vii) Rehabilitation of Electrical Distribution System, White Sands Test Facility, Johnson Space Center, $2,600,000.

(viii) Rehabilitation of Utility Tunnel Structure and System, Johnson Space Center, $4,400,000.

(ix) Replacement of DX Units with Central Chilled Water System, Logistics Facility, Kennedy Space Center, $1,800,000.

(x) Rehabilitation of Central Air Equipment Building, Lewis Research Center, $6,500,000.

(xi) Modification of Chilled Water System, Marshall Space Flight Center, $6,700,000.

(xii) Rehabilitation of Condenser Water System, 202/207 Complex (MAF), $2,100,000.

(xiii) Minor Revitalization of Facilities at Various Locations, not in excess of $1,500,000 per project, $57,900,000.

(xiv) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $1,500,000 per project, $3,400,000.

(xv) Facility planning and design, not otherwise provided for, $18,700,000.

(xvi) Environmental compliance and restoration, $33,000,000.

(D) Research and Program Management, $2,078,800,000.

(4) For "Inspector General", $17,000,000.

SEC. 202. NATIONAL AERONAUTICS AND SPACE ACT OF 1958 AMENDMENT.

Section 102(d)(1) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451(d)(1)) is amended by inserting "and its climate and environment," after "knowledge of the Earth".

TITLE III—DEPARTMENT OF ENERGY

SEC. 301. SHORT TITLE.

This title may be cited as the "Energy Research and Development Act of 1996".

SEC. 302. FINDINGS.

The Congress finds that—

(1) Federal support of research and development in general, and energy research and development in particular, has played a key role in the growth of the United States economy since World War II through the production of new knowledge, the development of new technologies and processes, and the demonstration of such new technologies and processes for application to industrial and other uses;

(2) Federal support of energy research and development is especially important because such research and development contributes to solutions for national problems in energy security, environmental protection, and economic competitiveness;

(3) the Department of Energy has successfully promoted new technologies and processes to address problems with energy supply, fossil energy, and energy conservation through its various research and development programs;

(4) while the Federal budget deficit and payments on the national debt must be addressed through cost-cutting measures, investments in research and development on key energy issues must be maintained;

(5) within the last two years, the Department of Energy has made great strides in managing its programs more efficiently and effectively;

(6) significant savings should result from these measures without hampering the Department's core missions; and

(7) the Strategic Realignment Initiative and other such efforts of the Department should be continued.

SEC. 303. DEFINITIONS.

For purposes of this title—

(1) the term "Department" means the Department of Energy; and

(2) the term "Secretary" means the Secretary of Energy.

SEC. 304. ENERGY CONSERVATION.

There are authorized to be appropriated to the Secretary for fiscal year 1997 for energy conservation research, development, and demonstration—

(1) $99,721,000 for energy conservation in building technology, State, and community sector-nongrant;

(2) $159,434,000 for energy conservation in the industry sector;

(3) $221,308,000 for energy conservation in the transportation sector; and

(4) $28,350,000 for policy and management activities.

SEC. 305. FOSSIL ENERGY.

There are authorized to be appropriated to the Secretary for fiscal year 1997 for fossil energy research, development, and demonstration—

(1) $102,629,000 for coal;

(2) $52,537,000 for petroleum;

(3) $103,708,000 for gas;

(4) $4,000,000 for the Fossil Energy Cooperative Research and Development Program;

(5) $2,188,000 for fuel conversion, natural gas, and electricity;

(6) $60,115,000 for program direction and management;

(7) $3,304,000 for plant and capital improvements;

(8) $15,027,000 for environmental restoration; and

(9) $5,000,000 for mining.

SEC. 306. HIGH ENERGY AND NUCLEAR PHYSICS.

There are authorized to be appropriated to the Secretary for fiscal year 1997 for high energy and nuclear physics activities of the Department—

(1) $679,125,000 for high energy physics activities;

(2) $318,425,000 for nuclear physics activities; and

(3) $11,600,000 for program direction.

SEC. 307. SOLAR AND RENEWABLE ENERGY.

There are authorized to be appropriated to the Secretary for fiscal year 1997 for solar and renewable energy research, development, and demonstration—

(1) $263,282,000 for solar energy;

(2) $35,600,000 for geothermal energy;

(3) $11,012,000 for hydrogen energy;

(4) $17,301,000 for policy and management;

(5) $36,050,000 for electric energy systems and storage; and

(6) $5,700,000 for in-house energy management.

SEC. 308. NUCLEAR ENERGY.

There are authorized to be appropriated to the Secretary for fiscal year 1997 for nuclear energy research, development, and demonstration—

(1) $137,750,000 for nuclear energy, including $40,000,000 for the Advanced Light Water Reactor program;

(2) $79,100,000 for the termination of certain facilities;

(3) $12,704,000 for isotope support; and

(4) $18,500,000 for program direction.

SEC. 309. ENVIRONMENT, SAFETY, AND HEALTH.

There are authorized to be appropriated to the Secretary for fiscal year 1997 for research, development, and demonstration—

(1) $73,160,000 for the Office of Environmental Safety and Health; and

(2) $39,046,000 for program direction.

SEC. 310. ENERGY RESEARCH DIRECTORATE.

(a) AUTHORIZATIONS.—There are authorized to be appropriated to the Secretary for fiscal year 1997—

(1) $379,075,000 for biological and environmental research activities;

(2) $255,600,000 for fusion energy research, development, and demonstration;

(3) $653,675,000 for basic energy sciences activities, of which $1,000,000 shall be for planning activities for neutron source upgrades; and

(4) $158,143,000 for computational and technology research.

(b) REPORT TO CONGRESS.—Before May 1, 1997, the Secretary, after consultation with the relevant scientific communities, shall prepare and transmit to the Congress a report detailing a strategic plan for the operation of facilities that are provided funds authorized by subsection (a)(3). The report shall include—

(1) a list of such facilities, including schedules for continuation, upgrade, transfer, or closure of each facility;

(2) a list of proposed facilities to be provided funds authorized by subsection (a)(3), including schedules for the construction and operation of each facility;

(3) a list of research opportunities to be pursued, including both ongoing and proposed activities, by the research activities authorized by subsection (a)(3); and

(4) an analysis of the relevance of each facility listed in paragraphs (1) and (2) to the research opportunities listed in paragraph (3).

SEC. 311. SUPPORT PROGRAMS FOR ENERGY SUPPLY RESEARCH AND DEVELOPMENT.

There are authorized to be appropriated to the Secretary for fiscal year 1997 for support programs for Energy Supply Research and Development—

(1) $2,000,000 for Energy Research Analyses;

(2) $28,885,000 for the Multi-Program Energy Laboratory program;

(3) $14,900,000 for the Information Management Investment program;

(4) $42,154,000 for program direction;

(5) $19,900,000 for University and Science Education programs;

(6) $12,000,000 for the Technology Information Management Program; and

(7) $651,414,000 for Civilian Environmental Restoration and Waste Management.

TITLE IV—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

SEC. 401. SHORT TITLE.

This title may be cited as the "National Oceanic and Atmospheric Administration Authorization Act of 1996".

SEC. 402. POLICY AND PURPOSE.

It is the policy of the United States and the purpose of this title to—

(1) support and promote continuing the mission of the National Oceanic and Atmospheric Administration to monitor, describe and predict changes in the Earth's environment, protect lives and property, and conserve and manage the Nation's coastal and marine resources to ensure sustainable economic opportunities;

(2) affirm that such mission involves basic responsibilities of the Federal Government for ensuring general public safety, national security, and environmental well-being, and promising economic growth;

(3) affirm that the successful execution of such mission depends strongly on interdependency and synergism among component activities of the National Oceanic and Atmospheric Administration;

(4) recognize that the activities of the National Oceanic and Atmospheric Administration underlie the societal and economic well-being of many sectors of our Nation; and

(5) recognize that such mission is most effectively performed by a single Federal agency with the capability to link societal and

economic decisions with a comprehensive understanding of the Earth's environment, as provided for in this title.

SEC. 403. NATIONAL WEATHER SERVICE OPERATIONS AND RESEARCH.

There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out the operations and research activities of the National Weather Service $471,702,000 for fiscal year 1997.

SEC. 404. NATIONAL WEATHER SERVICE SYSTEMS ACQUISITION.

(a) AUTHORIZATION.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to improve its public warning and forecast systems $68,984,000 for fiscal year 1997. None of the funds authorized under this section may be used for the purposes for which funds are authorized under section 102(b) of the National Oceanic and Atmospheric Administration Authorization Act of 1992 (Public Law 102-567).

(b) AWIPS COMPLETE PROGRAM AUTHORIZATION.—(1) Except as provided in paragraph (2), there are authorized to be appropriated to the Secretary for all fiscal years beginning after September 30, 1996, an aggregate of $271,166,000, to remain available until expended, to complete the acquisition and deployment of the Advanced Weather Interactive Processing System and NOAA Port and to cover all associated activities, including program management and operations and maintenance through September 30, 1999.

(2) No funds are authorized to be appropriated for any fiscal year under paragraph (1) unless, within 60 days after the submission of the President's budget request for such fiscal year, the Secretary—

(A) certifies to the Congress that—

(i) the systems meet the technical performance specifications included in the system contract as in effect on August 11, 1995;

(ii) the systems can be fully deployed, sited, and operational without requiring further appropriations beyond amounts authorized under paragraph (1); and

(iii) the Secretary does not foresee any delays in the systems deployment and operations schedule; or

(B) submits to the Congress a report which describes—

(i) the circumstances which prevent a certification under subparagraph (A);

(ii) remedial actions undertaken or to be undertaken with respect to such circumstances;

(iii) the effects of such circumstances on the systems deployment and operations schedule and systems coverage; and

(iv) a justification for proceeding with the program, if appropriate.

(c) REPEAL.—Section 102(b)(2) of the National Oceanic and Atmospheric Administration Authorization Act of 1992 is repealed.

SEC. 405. WEATHER SERVICE MODERNIZATION.

(a) WEATHER SERVICE MODERNIZATION.—The Weather Service Modernization Act (15 U.S.C. 313 note) is amended—

(1) in section 706—

(A) by amending subsection (b) to read as follows:

"(b) CERTIFICATION.—The Secretary may not close, consolidate, automate, or relocate any field office unless the Secretary has certified to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives that such action will not result in degradation of services to the affected area. Such certification shall be in accordance with the modernization criteria established under section 704.";

(B) by striking subsections (c), (d), and (e);

(C) by redesignating subsection (f) as subsection (d); and

(D) by inserting after subsection (b) the following new subsection:

"(c) SPECIAL CIRCUMSTANCES.—The Secretary may not close or relocate any field office which is located at an airport, unless the Secretary, in consultation with the Secretary of Transportation and the Committee, first conducts an air safety appraisal, determines that such action will not result in degradation of service that affects aircraft safety, and includes such determination in the certification required under subsection (b). This air safety appraisal shall be issued jointly by the Department of Commerce and the Department of Transportation before September 30, 1996, and shall be based on a coordinated review of all the airports in the United States subject to the certification requirements of subsection (b). The appraisal shall—

"(1) consider the weather information required to safely conduct aircraft operations and the extent to which such information is currently derived through manual observations provided by the National Weather Service and the Federal Aviation Administration, and automated observations provided from other sources including the Automated Weather Observation Service (AWOS), the Automated Surface Observing System (ASOS), and the Geostationary Operational Environmental Satellite (GOES); and

"(2) determine whether the service provided by ASOS, and ASOS augmented where necessary by human observations, provides the necessary level of service consistent with the service standards encompassed in the criteria for automation of the field offices."; and

(2) in section 707—

(A) by amending subsection (c) to read as follows:

"(c) DUTIES.—The Committee shall advise the Congress and the Secretary on—

"(1) the implementation of the Strategic Plan, annual development of the Plan, and establishment and implementation of modernization criteria; and

"(2) matters of public safety and the provision of weather services which relate to the comprehensive modernization of the National Weather Service."; and

(B) by amending subsection (f) to read as follows:

"(f) TERMINATION.—The Committee shall terminate—

"(1) on September 30, 1996; or

"(2) 90 days after the deadline for public comment on the modernization criteria for closure certification published in the Federal Register pursuant to section 704(b)(2), whichever occurs later.".

(b) SENSE OF CONGRESS REGARDING ADDITIONAL MODERNIZATION ACTIVITIES.—It is the sense of Congress that the Secretary of Commerce should plan for the implementation of a follow-on modernization program aimed at improving weather services provided to areas which do not receive weather radar coverage at 10,000 feet. In carrying out such a program, the Secretary should plan for a procurement of Block II NEXRAD radar units.

SEC. 406. BASIC FUNCTIONS AND PRIVATIZATION OF NATIONAL WEATHER SERVICE .

(a) BASIC FUNCTIONS.—The basic functions of the National Weather Service shall be—

(1) the provision of forecasts and warnings including forecasts and warnings, of severe weather, flooding, hurricanes, and tsunami events;

(2) the collection, exchange, and distribution of meteorological, hydrologic, climatic, and oceanographic data and information; and

(3) the preparation of hydrometeorological guidance and core forecast information.

(b) PROHIBITION.—The National Weather Service shall not provide any new or enhanced weather services for the sole benefit of an identifiable private entity or group of such entities operating in any sector of the national or international economy in competition with the private weather service industry.

(c) NEW OR ENHANCED SERVICE.—If the Secretary determines, after consultation with appropriate Federal and State officials, that a new or enhanced weather service is necessary and in the public interest to fulfill the international obligations of the United States, to enable State or Federal emergency or resource managers to better perform their State or Federal duties, or to carry out the functions of the National Weather Service described in subsection (a), the National Weather Service may provide such new or enhanced service as one of its basic functions if—

(1) each new or enhanced service provided by the National Weather Service will be limited to the level that the Secretary determines necessary to fulfill the requirements of this subsection, taking into account the capabilities and limitations of resources available, scientific knowledge, and technological capability of the National Weather Service; and

(2) upon request, the National Weather Service will promptly make available to any person the data or data products supporting the new or enhanced service provided pursuant to this section, at a cost not greater than that sufficient to recover the cost of dissemination.

(d) FEDERAL REGISTER.—The Secretary shall promptly publish in the Federal Register each determination made under subsection (c).

(e) PRIVATIZATION REVIEW.—The Secretary shall, by February 15, 1997, conduct a review of all existing weather services and activities performed by the National Oceanic and Atmospheric Administration in order to identify those activities which may be transferred to the private sector. Such review shall include a determination that activities identified for privatization will continue to be disseminated to users on a reasonably affordable basis with no degradation of service. The Secretary shall, by March 15, 1997, provide to the Speaker of the House of Representatives and the President of the Senate a plan for transferring these identified services to the private sector.

SEC. 407. CLIMATE AND AIR QUALITY RESEARCH.

(a) AUTHORIZATION.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its climate and air quality research activities $122,681,000 for fiscal year 1997.

(b) GLOBE.—Of the amount authorized in subsection (a), $7,000,000 are authorized for fiscal year 1997 for a program to increase scientific understanding of the Earth and student achievement in math and science by using a worldwide network of schools to collect environmental observations. Beginning in fiscal year 1997, amounts appropriated for such program may be obligated only to the extent that an equal or greater amount of non-Federal funding is provided for such program.

SEC. 408. ATMOSPHERIC RESEARCH.

There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its atmospheric research activities $43,766,000 for fiscal year 1997.

SEC. 409. SATELLITE OBSERVING AND ENVIRONMENTAL DATA MANAGEMENT SYSTEMS.

(a) AUTHORIZATION.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its satellite observing systems activities and data and information services, $348,740,000 for fiscal year 1997, and, in addition, such sums as may be necessary to continue planning and development of a converged polar orbiting meteorological satellite program. None of the funds authorized in this subsection may be used for the purposes for which funds are authorized under section 105(d) of the National Oceanic and Atmospheric Administration Act of 1992 (Public Law 102–567).

(b) REPEAL.—Section 105(d)(2) of the National Oceanic and Atmospheric Administration Authorization Act of 1992 is repealed.

SEC. 410. PROGRAM SUPPORT.

(a) EXECUTIVE DIRECTION AND ADMINISTRATIVE ACTIVITIES.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out executive direction and administrative activities, including management, administrative support, provision of retired pay of National Oceanic and Atmospheric Administration commissioned officers, and policy development, $64,694,000 for fiscal year 1997.

(b) ACQUISITION, CONSTRUCTION, MAINTENANCE, AND OPERATION OF FACILITIES.—There are authorized to be appropriated to the Secretary of Commerce for acquisition, construction, maintenance, and operation of facilities of the National Oceanic and Atmospheric Administration $37,366,000 for fiscal year 1997.

(c) AIRCRAFT SERVICES.—There are authorized to be appropriated to the Secretary of Commerce to enable the National Oceanic and Atmospheric Administration to carry out aircraft services activities, including aircraft operations, maintenance, and support, $10,182,000 for fiscal year 1997.

SEC. 411. EDUCATIONAL PROGRAMS AND ACTIVITIES.

The Secretary of Commerce may conduct educational programs and activities related to the responsibilities of the National Oceanic and Atmospheric Administration. For the purposes of this section, the Secretary may award grants and enter into cooperative agreements and contracts with States, private sector, and nonprofit entities.

TITLE V—ENVIRONMENTAL PROTECTION AGENCY

SEC. 501. SHORT TITLE.

This title may be cited as the "Environmental Research, Development, and Demonstration Authorization Act of 1996".

SEC. 502. DEFINITIONS.

For the purposes of this title, the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "Agency" means the Environmental Protection Agency; and

(3) "Assistant Administrator" means the Assistant Administrator for Research and Development of the Agency.

SEC. 503. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Administrator $580,460,000 for fiscal year 1997 for the Office of Research and Development for environmental research, development, and demonstration activities, including program management and support, in the areas specified in subsection (b).

(b) SPECIFIC PROGRAMS AND ACTIVITIES.—Of the amount authorized in subsection (a), there are authorized to be appropriated the following:

(1) For air related research, $88,163,200.

(2) For water quality related research, $26,293,800.

(3) For drinking water related research, $26,593,700.

(4) For pesticide related research, $20,632,000.

(5) For toxic chemical related research, $12,341,500.

(6) For research related to hazardous waste, $10,343,900.

(7) For multimedia related research expenses, $300,837,000.

(8) For program management expenses, $8,184,700.

(9) For research related to leaking underground storage tanks, $681,000.

(10) For oil pollution related research, $1,031,000.

(11) For environmental research laboratories, $85,358,200.

(c) CONTINGENT AUTHORIZATION FOR RESEARCH RELATING TO THE CLEANUP OF CONTAMINATED SITES.—To the extent that the Hazardous Substances Trust Fund is authorized to receive funds during fiscal year 1997, there are authorized to be appropriated for that fiscal year $42,508,000 from such Fund to the Administrator for research relating to the cleanup of contaminated sites.

TITLE VI—TECHNOLOGY

SEC. 601. SHORT TITLE.

This title may be cited as the "Technology Administration Authorization Act of 1996".

SEC. 602. AUTHORIZATION OF APPROPRIATIONS.

(a) UNDER SECRETARY FOR TECHNOLOGY.—There are authorized to be appropriated to the Secretary of Commerce for the activities of the Under Secretary for Technology/Office of Technology Policy $9,531,000 for fiscal year 1997.

(b) NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.—There are authorized to be appropriated to the Secretary of Commerce for the National Institute of Standards and Technology for fiscal year 1997 the following amounts:

(1) For Industrial Technology Services, $450,000,000, of which—

(A) $345,000,000 shall be for the Advanced Technology Program under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n); and

(B) $105,000,000 shall be for the Manufacturing Extension Partnerships program under sections 25 and 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278k and 278l).

(2) For Scientific and Technical Research and Services, $270,744,000, of which—

(A) $267,764,000 shall be for Laboratory Research and Services; and

(B) $2,980,000 shall be for the Malcolm Baldrige National Quality Award program under section 17 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3711a).

(3) For Construction of Research Facilities, $105,240,000.

SEC. 603. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACT AMENDMENTS.

The National Institute of Standards and Technology Act (15 U.S.C. 271 et seq.) is amended—

(1) in section 25(c)—

(A) by striking "for a period not to exceed six years" in paragraph (1); and

(B) by striking "which are designed" and all that follows through "operation of a Center" in paragraph (5) and inserting in lieu thereof "to a maximum of ⅓ Federal funding. Each Center which receives financial assistance under this section shall be evaluated during its sixth year of operations, and at least once each two years thereafter as the Secretary considers appropriate, by an evaluation panel appointed by the Secretary in the same manner as was the evaluation panel previously appointed. The Secretary shall not provide funding for additional years of the Center's operation unless the most recent evaluation is positive and the Secretary finds that continuation of funding furthers the purposes of this section"; and

(2) in section 28—

(A) by striking "or contracts" in subsection (b)(1)(B), and inserting in lieu thereof "contracts, and, subject to the last sentence of this subsection, other transactions";

(B) by inserting "and if the non-Federal participants in the joint venture agree to pay at least 50 percent of the total costs of the joint venture during the Federal participation period, which shall not exceed 5 years," after "participation to be appropriate,";

(C) by striking "provision of a minority share of the cost of such joint ventures for up to 5 years, and (iii)" in subsection (b)(1)(B), and inserting in lieu thereof "and";

(D) by striking "and cooperative agreements" in subsection (b)(2), and inserting in lieu thereof ", cooperative agreements, and, subject to the last sentence of this subsection, other transactions";

(E) by adding after subsection (b)(4) the following:

"The authority under paragraph (1)(B) and paragraph (2) to enter into other transactions shall apply only if the Secretary, acting through the Director, determines that standard contracts, grants, or cooperative agreements are not feasible or appropriate, and only when other transaction instruments incorporate terms and conditions that reflect the use of generally accepted commercial accounting and auditing practices."; and

(F) by adding at the end the following new subsection:

"(k) Notwithstanding subsection (b)(1)(B)(ii) and subsection (d)(3), the Director may grant extensions beyond the deadlines established under those subsections for joint venture and single applicant awardees to expend Federal funds to complete their projects, if such extension may be granted with no additional cost to the Federal Government and it is in the Federal Government's interest to do so.".

TITLE VII—UNITED STATES FIRE ADMINISTRATION

SEC. 701. SHORT TITLE.

This title may be cited as the "Fire Administration Authorization Act of 1996".

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

Section 17(g)(1) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216(a)(1)) is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new subparagraph:

"(G) $27,560,000 for the fiscal year ending September 30, 1997.".

TITLE VIII—FEDERAL AVIATION ADMINISTRATION RESEARCH, ENGINEERING, AND DEVELOPMENT

SEC. 801. AVIATION RESEARCH AUTHORIZATION.

Section 48102(a) of title 49, United States Code, is amended—

(1) by striking "Not more than the following amounts" and inserting in lieu thereof "For fiscal year 1997, not more than $195,700,000 for Research, Engineering, and Development";

(2) by inserting "40119, 44912," after "carry out sections"; and

(3) by striking "of this title" and all that follows through the end of the subsection and inserting in lieu thereof "of this title".

SEC. 802. RESEARCH PRIORITIES.

Section 48102(b) of title 49, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by striking "Availability for Research.—(1)" and inserting in lieu thereof "Research Priorities.—(1) The Administrator shall consider the advice and recommendations of the research advisory committee established by section 44508 of this title in establishing priorities among major categories of research and development activities carried out by the Federal Aviation Administration.

"(2)".

SEC. 803. RESEARCH ADVISORY COMMITTEE.

Section 44508(a)(1) of title 49, United States Code, is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting in lieu thereof "; and"; and

(3) by inserting after subparagraph (C) the following new subparagraph:

"(D) annually review the allocation made by the Administrator of the amounts authorized by section 48102(a) of this title among the major categories of research and development activities carried out by the Administration and provide advice and recommendations to the Administrator on whether such allocation is appropriate to meet the needs and objectives identified under subparagraph (A).".

SEC. 804. NATIONAL AVIATION RESEARCH PLAN.

Section 44501(c) of title 49, United States Code, is amended—

(1) in paragraph (2)(A) by striking "15-year" and inserting in lieu thereof "5-year";

(2) by amending subparagraph (B) to read as follows:

"(B) The plan shall—

"(i) provide estimates by year of the schedule, cost, and work force levels for each active and planned major research and development project under sections 40119, 44504, 44505, 44507, 44509, 44511–44513, and 44912 of this title, including activities carried out under cooperative agreements with other Federal departments and agencies;

"(ii) specify the goals and the priorities for allocation of resources among the major categories of research and development activities, including the rationale for the priorities identified;

"(iii) identify the allocation of resources among long-term research, near-term research, and development activities; and

"(iv) highlight the research and development activities that address specific recommendations of the research advisory committee established under section 44508 of this title, and document the recommendations of the committee that are not accepted, specifying the reasons for nonacceptance."; and

(3) in paragraph (3) by inserting ", including a description of the dissemination to the private sector of research results and a description of any new technologies developed" after "during the prior fiscal year".

TITLE IX—NATIONAL EARTHQUAKE HAZARDS REDUCTION PROGRAM

SEC. 901. AUTHORIZATION OF APPROPRIATIONS.

Section 12 of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7706) is amended—

(1) in subsection (a)(7) by striking "and $25,750,000 for the fiscal year ending September 30, 1996" and inserting in lieu thereof "$25,750,000 for the fiscal year ending September 30, 1996, and $18,825,000 for the fiscal year ending September 30, 1997";

(2) in subsection (b) by striking "and $50,676,000 for the fiscal year ending September 30, 1996" and inserting in lieu thereof "$50,676,000 for the fiscal year ending September 30, 1996, and $46,130,000 for the fiscal year ending September 30, 1997";

(3) in subsection (c) by adding at the end the following new sentence: "There are authorized to be appropriated, out of funds otherwise authorized to be appropriated to the National Science Foundation, $28,400,000 for fiscal year 1997, including $17,500,000 for engineering research and $10,900,000 for geosciences research."; and

(4) in subsection (d) by adding at the end the following new sentence: "There are authorized to be appropriated, out of funds otherwise authorized to be appropriated to the National Institute of Standards and Technology, $1,932,000 for fiscal year 1997.".

H.R. 3322

Offered by: Mr. Brown of California

Amendment No. 9: Page 83, line 1, strike "$445,668,000" and insert in lieu thereof "$471,672,000".

H.R. 3322

Offered by: Mr. Brown of California

Amendment No. 10: Page 83, line 1, strike "$445,668,000" and insert in lieu thereof "$471,672,000".

Page 89, line 5, strike "$147,664,000" and insert in lieu thereof "$108,164,000".

Page 89, lines 20 through 22, strike "Of the sums" and all that follows through "$39,500,000" and insert in lieu thereof "In addition to the sums authorized in subsection (a), there are authorized such sums as may be appropriated".

H.R. 3322

Offered by: Mr. Gekas

Amendment No. 11: Page 87, after line 21, insert the following new subsection:

(h) Report.—Section 704 of the Weather Service Modernization Act (15 U.S.C. 313 note) is amended by adding at the end the following new subsection:

"(c) Report.—The National Weather Service shall conduct a review of the NEXRAD Network radar coverage pattern for a determination of areas of inadequate radar coverage. After conducting such review, the National Weather Service shall prepare and submit to the Congress, no later than 1 year after the date of the enactment of the Omnibus Civilian Science Authorization Act of 1996, a report which—

"(1) assesses the feasibility of existing and future Federal Aviation Administration Radars to provide reliable weather radar data, in a cost-efficient manner, to nearby weather forecast offices; and

"(2) makes recommendations for the implementation of the findings of the report.".

H.R. 3322

Offered by: Ms. Jackson-Lee

Amendment No. 12: Page 26, line 12, strike "$42,167,400,000" and insert in lieu thereof "$2,085,900,000".

Page 30, line 11, strike "$1,957,850,000" and insert in lieu thereof "$2,039,350,000".

H.R. 3322

Offered By: Ms. Jackson-Lee

Amendment No. 13: Page 30, line 11, strike "$1,957,850,000" and insert in lieu thereof "$2,039,350,000".

H.R. 3322

Offered By: Ms. Lofgren

Amendment No. 14: Page 7, line 6, strike "$120,000,000" and insert in lieu thereof "$129,100,000".

Page 7, line 9 through 16, strike subsection (c).

Page 19, lines 13 through 23, amend section 130 to read as follows:

SEC. 130. REORGANIZATION.

(a) Plan.—The Director shall carry out a review and analysis of the organizational structure of the National Science Foundation for the purpose of developing a plan for reorganization that will result in reduced administrative costs, while maintaining the quality and effectiveness of the Foundation's programs. The plan shall include one or more options for reorganization of the Foundation, and one option shall be an organizational structure having fewer than 7 directorates.

(b) Report.—By February 15, 1997, the Director shall transmit to the Congress a report containing the plan required by subsection (a). The report shall document the advantages and disadvantages of each option included in the plan, provide an estimate of cost savings for each option, and designate the Director's preferred option.

Amend the table of contents accordingly.

H.R. 3322

Offered By: Ms. Lofgren

Amendment No. 15: Page 118, line 17, strike paragraph (2).

Page 118, line 18, through page 119, line 12, redesignate paragraphs (3) through (11) as paragraphs (2) through (10), respectively.

H.R. 3322

Offered By: Mr. Roemer

Amendment No. 16: Page 24, line 20, insert "and" after "Administration;".

Page 24, lines 21 through 24, strike paragraph (2).

Page 25, line 1, redesignate paragraph (3) as paragraph (2).

Page 25, line 12, strike paragraph (1).

Page 25, lines 13 and 15, and page 26, lines 4 and 6, redesignate paragraphs (2) through (5) as paragraphs (1) through (4), respectively.

Page 26, line 14, strike "$498,500,000" and insert in lieu thereof "$230,700,000".

Page 27, line 4, strike "$711,000,000" and insert in lieu thereof "$679,400,000".

Page 38, line 14, through page 43, line 6, strike subtitle C.

Page 43, line 7, redesignate subtitle D as subtitle C.

Amend the table of contents accordingly.

H.R. 3322

Offered By: Mr. Roemer

Amendment No. 17: Page 25, line 12, strike "$1,840,200,000" and insert in lieu thereof "$1,740,200,000".

H.R. 3322

Offered By: Mr. Roemer

Amendment No. 18: Page 137, after line 4, insert the following new title:

TITLE X—ENDOCRINE DISRUPTER RESEARCH PLANNING

SEC. 1001. SHORT TITLE.

This title may be cited as the "Endocrine Disrupter Research Planning Act of 1996".

SEC. 1002. FINDINGS.

The Congress finds that—

(1) recent reports in the media have focused public attention on a possible link between exposure to chemicals that may mimic hormones and may have adverse biological effects in humans and wildlife, including carcinogenic, reproductive, neurological, and immunological effects, now commonly referred to as endocrine disrupters;

(2) given the significant scientific uncertainties concerning the effects of such endocrine disrupters on humans and wildlife, it cannot at this time be concluded whether or not endocrine disrupters constitute a significant threat to human health or the environment;

(3) neither a conclusion that potentially costly regulation is immediately needed, nor a conclusion that the risks are insignificant or exaggerated, is warranted on the present state of scientific knowledge;

(4) additional research is needed to more accurately characterize the risks of endocrine disrupters;

(5) risk assessment principles should be used to guide the development of a coordinated research plan to ensure that research results are relevant and adequate to guide future public policy decisions;

(6) research carried out by the Federal Government should be done in a planned and coordinated manner to ensure that limited resources are spent efficiently and that critical information gaps are filled as quickly as possible; and

(7) researchers from academia, industry, and Federal laboratories should coordinate efforts to prioritize research topics, identify capital needs, and, in general, develop a comprehensive research plan to address important scientific and policy questions surrounding the potential effects of such chemicals.

SEC. 1003. RESEARCH PLANNING REPORT.

(a) RESEARCH PLANNING REPORT.—The Administrator of the Environmental Protection Agency, in coordination with other Federal agencies with scientific expertise in areas relevant to assessing the human health and ecological risks of endocrine disrupters, shall submit to Congress, along with the President's Budget Request for fiscal year 1998, a plan for conducting additional research needed to assess and characterize the risk of endocrine disrupters on human health and the environment.

(b) CONTENTS.—The plan submitted under this section shall include—

(1) the role of each participating agency in the research plan and the resources required by each agency to carry out the research plan, including human and capital resources needed to ensure that agencies have appropriate expertise, facilities, and analytical capabilities to meet the goals of the research plan;

(2) the mechanisms by which each agency will carry out research, including the use of Federal laboratory facilities, extramural grants and contracts, cooperative research and development agreements with universities, research centers, and the private sector, and mechanisms to avoid duplication of effort and for appropriate peer review;

(3) specific research strategies and timelines for addressing the critical information gaps with respect to hazard identification, dose-response assessment, and exposure assessment; and

(4) an assessment of the current state of scientific knowledge concerning the human and ecological effects of endocrine disrupters including identification of scientific uncertainties unlikely to be capable of significant resolution in the near term, and the opportunity for public comment.

(c) SENSE OF CONGRESS.—It is the sense of Congress that all budget requests for endocrine disrupter research beginning in fiscal year 1998 should be consistent with the research plan submitted pursuant to this section. To avoid duplication and unnecessary expenditures.

H.R. 3322

OFFERED BY: MR. SCOTT

AMENDMENT NO. 19: Page 27, line 14, strike "$823,400,000" and insert in lieu thereof "$857,800,000".

Page 27, line 19, strike "$152,800,000" and insert in lieu thereof "$187,200,000".

H.R. 3322

OFFERED BY: MR. SOLOMON

AMENDMENT NO. 20: Page 137, after line 4, insert the following new sections:

SEC. 904. ROTC ACCESS TO CAMPUSES

(a) DENIAL OF GRANTS AND CONTRACTS.—(1) No funds appropriated for civilian science activities of the Federal Government may be provided by contract or by grant (including a grant of funds to be available for student aid) to any institution of higher education that, as determined by the agency to which the funds were appropriated, in consultation with other appropriate Federal agencies, has an anti-ROTC policy.

(2) In the case of an institution of higher education that is ineligible for grants and contracts by reason of paragraph (1), the prohibition under that paragraph shall cease to apply to that institution upon a determination by the agency to which the funds were appropriated, in consultation with other appropriate Federal agencies, that the institution no longer has an anti-ROTC policy.

(b) NOTICE OF DETERMINATION.—Whenever an agency makes a determination under subsection (a) that an institution has an anti-ROTC policy, or that an institution previously determined to have an anti-ROTC policy no longer has such a policy, the agency—

(1) shall transmit notice of that determination to the Secretary of Education and the Congress; and

(2) shall publish in the Federal Register notice of that determination and of the effect of that determination under subsection (a) on the eligibility of that institution for grants and contracts.

(c) SEMIANNUAL NOTICE IN FEDERAL REGISTER.—Each agency shall publish in the Federal Register once every six months a list of each institution of higher education that is currently ineligible for grants and contracts by reason of a determination of the agency under subsection (a).

(d) ANTI-ROTC POLICY.—In this section, the term "anti-ROTC policy" means a policy or practice of an institution of higher education that—

(1) prohibits, or in effect prevents, the maintaining or establishing of a unit of the Senior Reserve Officer Training Corps at that institution; or

(2) prohibits, or in effect prevents, a student at that institution from enrolling in a unit of the Senior Reserve Officer Training Corps at another institution of higher education.

SEC. 905. RECRUITING ON CAMPUS.

(a) DENIAL OF FUNDS.—(1) No funds appropriated for civilian science activities of the Federal Government may be provided by grant or contract (including a grant of funds to be available for student aid) to any institution of higher education that, as determined by the agency to which the funds were appropriated, in consultation with other appropriate Federal agencies, has a policy of denying, or which effectively prevents—

(A) entry to campuses or access to students on campuses; or

(B) access to directory information pertaining to students,

for purposes of military recruiting.

(2) In the case of an institution of higher education that is ineligible for grants and contracts by reason of paragraph (1), the prohibition under that paragraph shall cease to apply to that institution upon a determination by the agency to which the funds were appropriated, in consultation with other appropriate Federal agencies, that the institution no longer has a policy described in paragraph (1).

(3) Students referred to in paragraph (1) are individuals who are 17 years of age or older.

(b) NOTICE OF DETERMINATION.—Whenever an agency makes a determination under subsection (a) that an institution has a policy described in subsection (a), or that an institution previously determined to have such a policy no longer has such a policy, the agency—

(1) shall transmit notice of that determination to the Secretary of Education and the Congress; and

(2) shall publish in the Federal Register notice of that determination and of the effect of that determination under subsection (a) on the eligibility of that institution for grants and contracts.

(c) SEMIANNUAL NOTICE IN FEDERAL REGISTER.—Each agency shall publish in the Federal Register once every six months a list of each institution of higher education that is currently ineligible for grants and contracts by reason of a determination of the agency under subsection (a).

(d) DEFINITION.—For purposes of this section, the term "directory information" means, with respect to a student, the student's name, address, telephone listing, date and place of birth, level of education, degrees received, and the most recent previous educational institution enrolled in by the student.

Amend the table of contents accordingly.

H.R. 3322

OFFERED BY: MR. SOLOMON

AMENDMENT NO. 21: Page 137, after line 4, insert the following new sections:

SEC. 904. ROTC ACCESS TO CAMPUSES.

(a) DENIAL OF GRANTS AND CONTRACTS.—(1) No funds appropriated for civilian science activities of the Federal Government may be provided by contract or by grant (including a grant of funds to be available for student aid) to any institution of higher education that, as determined by the Secretary of Defense, has an anti-ROTC policy and at which, as determined by the Secretary, the Secretary would otherwise maintain or seek to establish a unit of the Senior Reserve Officer Training Corps or at which the Secretary would otherwise enroll or seek to enroll students for participation in a unit of the Senior Reserve Officer Training Corps at another nearby institution of higher education.

(2) In the case of an institution of higher education that is ineligible for grants and contracts by reason of paragraph (1), the prohibition under that paragraph shall cease to apply to that institution upon a determination by the Secretary of Defense that the institution no longer has an anti-ROTC policy.

(b) Notice of Determination.—Whenever the Secretary of Defense makes a determination under subsection (a) that an institution has an anti-ROTC policy, or that an institution previously determined to have an anti-ROTC policy no longer has such a policy, the Secretary—

(1) shall transmit notice of that determination to the Secretary of Education and to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives; and

(2) shall publish in the Federal Register notice of that determination and of the effect of that determination under subsection (a) on the eligibility of that institution for grants and contracts.

(c) Semiannual Notice in Federal Register.—The Secretary of Defense shall publish in the Federal Register once every six months a list of each institution of higher education that is currently ineligible for grants and contracts by reason of a determination of the Secretary under subsection (a).

(d) Anti-ROTC Policy.—In this section, the term "anti-ROTC policy" means a policy or practice of an institution of higher education that—

(1) prohibits, or in effect prevents, the Secretary of Defense from maintaining or establishing a unit of the Senior Reserve Officer Training Corps at that institution, or

(2) prohibits, or in effect prevents, a student at that institution from enrolling in a unit of the Senior Reserve Officer Training Corps at another institution of higher education.

SEC. 905. MILITARY RECRUITING ON CAMPUS.

(a) Denial of Funds.—(1) No funds appropriated for civilian science activities of the Federal Government may be provided by grant or contract (including a grant of funds to be available for student aid) to any institution of higher education that, as determined by the Secretary of Defense, has a policy of denying, or which effectively prevents, the Secretary of Defense from obtaining for military recruiting purposes—

(A) entry to campuses or access to students on campuses; or

(B) access to directory information pertaining to students.

(2) In the case of an institution of higher education that is ineligible for grants and contracts by reason of paragraph (1), the prohibition under that paragraph shall cease to apply to that institution upon a determination by the Secretary of Defense that the institution no longer has a policy described in paragraph (1).

(3) Students referred to in paragraph (1) are individuals who are 17 years of age or older.

(b) Procedures for Determination.—The Secretary of Defense, in consultation with the Secretary of Education, shall prescribe regulations that contain procedures for determining if and when an educational institution has denied or prevented access to students or information described in subsection (a).

(c) Notice of Determination.—Whenever the Secretary of Defense makes a determination under subsection (a) that an institution has a policy described in subsection (a), or that an institution previously determined to have such a policy no longer has such a policy, the Secretary—

(1) shall transmit notice of that determination to the Secretary of Education and to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives; and

(2) shall publish in the Federal Register notice of that determination and of the effect of that determination under subsection (a) on the eligibility of that institution for grants and contracts.

(d) Semiannual Notice in Federal Register.—The Secretary of Defense shall publish in the Federal Register once every six months a list of each institution of higher education that is currently ineligible for grants and contracts by reason of a determination of the Secretary under subsection (a).

(e) Definition.—For purposes of this section, the term "directory information" means, with respect to a student, the student's name, address, telephone listing, date and place of birth, level of education, degrees received, and the most recent previous educational institution enrolled in by the student.

Amend the table of contents accordingly.

H.R. 3322

Offered By: Mr. Traficant

Amendment No. 22: Page 137, after line 4, insert the following new section:

SEC. 904. BUY AMERICAN.

(a) Sense of Congress.—It is the sense of Congress that any recipient of a grant under this Act, or under any amendment made by this Act, should purchase, when available and cost-effective, American made equipment and products when expending grant monies.

(b) Notice to Recipients of Assistance.—In allocating grants under this Act, or under any amendment made by this Act, the Secretary shall provide to each recipient a notice describing the statement made in subsection (a) by the Congress.

Amend the table of contents accordingly.

H.R. 3322

Offered By: Mr. Wamp

Amendment No. 23: Page 83, line 1, strike "$445,668,000" and insert in lieu thereof "$459,048,000".

EXTENSIONS OF REMARKS

KEN BLACKWELL MAKES THE CASE FOR A FAIRER, SIMPLER TAX CODE

HON. STEVE CHABOT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. CHABOT. Mr. Speaker, one of the best and most persuasive advocates of a fairer, simpler Tax Code is my good friend, former colleague on the Cincinnati City Council, and present treasurer of the State of Ohio, Ken Blackwell. Today, I would like to include in the CONGRESSIONAL RECORD an op-ed article written by Mr. Blackwell that appeared in the April 16, edition of the Wall Street Journal.

Mr. Blackwell, who has served as a member of the National Commission on Economic Growth and Tax Reform, chaired by former Congressman and HUD Secretary Jack Kemp, makes a very strong case on behalf of a Tax Code that should be so simple that anyone can figure it out. He notes the exorbitant costs incurred by individuals and businesses in complying with the maze of regulations in the Federal Tax Code.

Ken Blackwell calls filing our tax returns "one of life's most nerve-wracking, gut-wrenching and mind-numbing chores." Millions of Americans agree. I commend the article to my colleagues, and I commend Ken Blackwell for his continuing service to our Nation.

[From the Wall Street Journal, Apr. 16, 1996]

THERE'S NOTHING EZ ABOUT IRS FORMS

(By J. Kenneth Blackwell)

The message in that letter should be a loud wake-up call for the government. The American people, who experienced the misery of Tax Day yesterday, think our current tax system is far too complex and confusing. It is choking the ability of businesses and families to grow and prosper. It is time to uproot the current disgraceful system and replace it with a clear, simple tax code.

Mr. Sabus was one of thousands of people who sent letters to the National Commission on Economic Growth and Tax Reform, chaired by Jack Kemp. The commission, on which we both served, came up with six principles that should guide the national debate on tax reform. One of those principles is that the new tax code should be so simple that anyone can figure it out. Unfortunately, that guideline has been all but ignored by pundits and reporters who've been debating the merits of getting rid of the home-mortgage deduction and other aspects of the flat tax.

The point that they are missing is that much of the public's disgust with the current income tax is caused by its complexity. The cost of compliance is astronomical. The Tax Foundation estimates that in 1994 businesses spent more than 3.6 billion hours, and individuals spent more than 1.8 billion hours, in preparing tax returns. That equates to approximately three million people working full time 12 months a year just to comply with the tax laws! The total annual cost of tax compliance is $192 billion—an amount equivalent to General Motors' entire output for 1994.

There are other costs that are not included in the Tax Foundation's numbers. One of these is the cost of dealing with an audit or some other contact with the IRS. In 1990, the IRS conducted 1.2 million audits, and sent 4.9 million computer-generated notices to taxpayers regarding their returns or payments. The IRS filed 1.1 million liens and 2.6 million levies, and penalized a third of all employers for payroll tax deposit errors. Needless to say, taxpayers spent a considerable number of hours in these contacts with the IRS in addition to the time they spent preparing their tax returns.

Why does it take so much time and energy to comply with the federal income-tax laws? Consider the sheer size of the tax code and regulations and the number of times changes that occur. From 1954 to 1994, the number of words in the sections of the Internal Revenue Code relating just to income taxes increased to more than 800,000 from less than 200,000. And there were constant amendments to the tax code. Every amendment requires new forms, new instructions, new record keeping and new calculations.

Who can understand all of this? Certainly not the average family or small business. Not even professional tax preparers. Money magazine's annual survey of return preparers suggests that as few as 10% of the professional preparers can come within 10% of the correct tax when asked to complete a return for an individual taxpayer with moderately complicated facts. The tax code is so complicated that the IRS itself, according to a 1987 General Accounting Office survey, gives taxpayers the wrong information 47% of the time.

Critics of tax reform frequently suggest that the tax law is not that complicated because most individual taxpayers file the simplest returns, a Form 1040EZ or a Form 1040A. Unfortunately, even the simplest returns are not that simple. The IRS notes proudly that it should take taxpayers "only" two hours and 42 minutes to complete the 1040EZ. Why does it take so long to fill out a form that is just a little bigger than a postcard? The instructions for the 1040EZ are 36 pages long! And the instructions for the Form 1040A are 79 pages.

Furthermore, although taxpayers may end up filing a Form 1040EZ, many are still likely to keep (or try to keep) the records that would be necessary were they to file a longer form. For example, they may keep records of charitable contributions, mortgage interest, child care expenses, medical expenses, state and local taxes, tax return preparation fees, and work-related expenses such as union dues or professional association fees.

The problems with filling out tax returns are far more serious for businesses than for individuals. Each business must deal not only with the burdens of determining its tax liability, but also function as a record keeper and private tax collector for the IRS. Businesses must send the IRS (with copies to the taxpayer by first class mail) more than a billion reports annually. While this information is essential for our tax system to function, we must be cognizant of the costs imposed on businesses by such mandates.

As we said in the tax commission's report, filing tax returns will never be anyone's favorite pastime, but neither should it be what it has become: one of life's most nerve-wracking, gut-wrenching and mind-numbing chores. The current tax code is exceedingly expensive to comply with, increasingly difficult to enforce and oftentimes impossible to understand.

Long ago the authors of the Federalist Papers warned, "It will be of little avail to the people that the laws are made by men of their own choice if the laws be so voluminous that they cannot be read, or so incoherent that they cannot be understood." A simpler tax system will let Americans get a handle on their taxes, a grip on their government and a hold of their future.

HONORING THE MOSS VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Moss Volunteer Fire Department. These brave, civic-minded people give freely of their time so we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These fireman must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in fire fighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

CONGRESSMAN TOM CAMPBELL'S RELATIONSHIP WITH STANFORD UNIVERSITY

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. CAMPBELL. Mr. Speaker, in 1983, I commenced teaching at Stanford University. In 1987, I was awarded tenure in the law school as a full professor. I still maintain that position, though I am currently on leave. When I served in Congress from 1989 to 1993, I made my continued relationship with Stanford a matter of public record, and I wish to do so again.

In connection with my tenured professorship, I am allowed to own a house on Stanford property, to rent out a cottage on that property, to receive salary for any semester in which I teach a full course load, to receive a stipened for less than a full course load, and to receive contributions to my retirement account commensurate with my compensation.

When I served in Congress before, I received a statement from the ethics committee granting me permission to continue in the above described relationship, both in that and in future Congresses. I have requested similar permission from the ethics committee since joining Congress again.

I have prepared this statement to make public, and also to deliver to any agency or person when appropriate in connection with my work as a Member of Congress so that, should the matter of business affect Stanford University, the recipient can weigh my advice or opinion knowing of the interest that I may have. However, I do assure any such recipient, and my constituents, that I have never, and will never, decide a matter of public policy that affects Stanford University differently because of my relationship with Stanford. Also, my wife, Susanne, is an employee of the Haas School of Business at the University of California at Berkeley. I offer the identical statement with regard to any action of mine that might affect that university as well.

INJURED WORKERS REFORM LEGISLATION

HON. JENNIFER DUNN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Ms. DUNN of Washington. Mr. Speaker, I join with Mr. BILBRAY as an original cosponsor of H.R. 3203, H.R. 3204, and H.R. 3205, legislation that would begin to reform the appeals process for injured Federal workers; require the administrative agency responsible for adjudicating claims select physicians that are impartial; and require that physicians who have been certified by a board of medical specialties be selected to provide for second opinions for these claims.

This legislation would create a much needed timeframe for the decisionmaking process for a workers compensation claim. This legislation would require that the initial decision made by the Secretary of Labor regarding any claim filed by a Federal employee be made within 90 days of the filing of said claim. If for some reason, a decision regarding compensation is not reached within 90 days, the claimant would be given full and normal salary payment until a decision is reached.

These measures would specify that an employee filing an injured workers claim must submit to an actual physical examination by a physician designated or approved by the Secretary of Labor or his designee when ordered by an administrative law judge. When surgery is required, a second opinion would be required except in life-threatening situations.

If there is any reason for disagreement between the physician for the Secretary of Labor and the claimant's physician, a list of three physicians of the appropriate board certified specialty would be given to the claimant to choose from, and a final exam would be conducted to reach closure on any medical and legal issues. All information would be shared with the claimants physician.

The fees set for this process would be set by the Secretary of Labor and would be the same as those allowed to the claimant's physician. All medical bills shall be paid within 60 days of billing, except during the initial claims process and in that case within 60 days of acceptance of the claim.

Further, it would be required that if a claimant is not satisfied with the initial decision regarding his claim he/she may request an oral hearing within 180 days of the date of the initial decision. Under this legislation, once the hearing request has been filed, a hearing must take place within 90 days of the date requested. Any decisions regarding the issues being appealed would have to be rendered within 30 days of the hearing or benefits shall be reinstated if denied.

When conducting a hearing the claimant would be able to cross examine all witnesses and present any evidence they feel necessary for consideration of the claim. If the claimant prevails in the appeal, their attorney or representative would receive 15 percent of the benefits awarded to the claimant.

In a case in which vocational rehabilitation is required, the Secretary would provide these services to any permanently disabled claimant who requests them or whose physician requests them. The claimant would be able to choose the vocational service provider and, Federal employees would be given first priority of placement to injured Federal workers positions commensurate with their pay at the time of their injury and disability.

Mr. Speaker, these legislative changes will bring about much needed reform in the way Federal worker's injury claims are handled. I look forward to working with Mr. BILBRAY in bringing this measure before the whole House of Representatives as soon as possible.

HONORING THE HILHAM VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Hilham Volunteer Fire Department. These brave, civic minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in fire fighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

CAPS THE ECONOMY

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. PACKARD. Mr. Speaker, every year since President Clinton took office, Americans have watched their paychecks dwindle and their tax bill skyrocket. My Republican colleagues and I want to reverse this trend. We want to enable families to earn more and keep more of what they earn.

The President's tax-and-spend policies mean the Government gets more and families get less. Last year, families earned $803 less in after-tax dollars than in 1992. In 1993, the President and his colleagues passed the largest tax increase in American history. Taxes are now the highest they have been in peacetime history and almost every American household and business feels the impact.

My Republican colleagues and I have worked diligently to put American families first. We passed tax cuts for families. We passed a balanced budget that would lower interest rates. We passed genuine welfare reform that would have saved taxpayers billions of dollars. Why have America's families not seen any of these savings? President Clinton vetoed all of them.

We have successfully passed a line-item veto and cut foreign aid. We have passed regulatory reform—overregulation costs American households $6,000 a year. Further, my Republican colleagues and I will press on and pass health insurance reform to ensure families are able to keep their coverage if they lose or change jobs, get sick, or move.

I am committed to helping America's families get ahead and putting an end to the Clinton assault on hardworking taxpayers. It is time Washington started working for them, instead of making them work for Washington.

NATIONAL PROPANE SAFETY WEEK

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. TAUZIN. Mr. Speaker, for over 70 years, the propane gas industry has been making significant contributions to American life with remarkable degrees of dependability, efficiency, and above all safety. To highlight the industry's sincere concern with safety, the National Propane Gas Association sponsors National Propane Safety Week, which is being held this year from May 6 to 10. Today I would like to recognize this focus on safety and bring it to the attention of my colleagues.

Throughout the week, activities are being held to promote safety including safety demonstrations and antitampering messages, and public service announcements. Helpful tips on using gas grills, handling cylinders for recreational vehicles, what to do if a homeowner smells gas, and how to handle a pilot light that won't light, are also being shared.

All across the country, manufacturers, suppliers, and distributors regularly help in educating the over 60 million consumers of propane on the wise use of this gas. Consumers use this common fuel to heat their homes, and barns, dry their crops, and fuel their vehicles and machines. National Propane Safety Week plays an important role in reinforcing the safety education of those who already have access to this pertinent information, as well as making it available to those who do not.

A home safety audit, called Gas Check, is another initiative strongly recommended by the National Propane Gas Association throughout Safety Week. This year's focus is on the importance of regular appliance system checkups to ensure the safe operation of all gas-fueled household appliances. Attention to the safety needs of consumers like these should be recognized and appreciated.

Mr. Speaker, I would like to stress my support for all of the propane dealers in my district who put safety first, and I encourage my colleagues to do the same. I would also like to commend the National Propane Gas Association and its constituent dealers for their efforts to promote public awareness about propane safety issues through their sponsorship of and participation in National Propane Safety Week.

MARK RYBECKI AND THE FOOD SOURCE NETWORK OF MYRTLE BEACH, SC

HON. MARSHALL "MARK" SANFORD

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. SANFORD. Mr. Speaker, today is a special day in the fight against hunger around the United States. The Congressional Hunger Center and Victory Wholesale Grocers of Dayton, OH, presented the third annual Victory Against Hunger Awards to recipients from across the Nation.

On behalf of the First District of South Carolina, I take special pride that one of our own is a recipient of this important award. The Food Source Network of Myrtle Beach, SC, headed by Chef Mark Rybecki, is a 1996 Victory Against Hunger Award recipient.

The Food Source Network is an unique program among those dedicated to eradicating hunger around the country. First, because it was founded by chefs. And second, because it is the first type of program in its area—there are no other such programs within a 150 miles of the Grand Strand area of South Carolina.

Mark Rybecki and the Food Source Network volunteers take food that is left over from restaurants and other food providers, and give it to organizations that feed people in need. This perishable food rescue program enables organizations around Horry County—like the Red Cross, Citizens Against Spouse Abuse [CASA] and Meals on Wheels—to feed more people.

I want to commend the Congressional Hunger Center for their advocacy on behalf of those in need. And I want to thank Mark Rybecki, and the Food Source Network, for doing everything possible to help those in need.

HONORING THE MOUNTAIN VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Mountain Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer fire fighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in fire fighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give go graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

PERSIAN GULF SYNDROME HEALTH BENEFITS EXTENSION ACT OF 1996

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. QUINN. Mr. Speaker, I rise today to introduce legislation which extends priority healthcare to Persian Gulf war veterans who served in Israel and Turkey. My bill is entitled the "Persian Gulf Syndrome Health Benefits Extension Act of 1996." The bill has received bipartisan support from my colleagues on the House Veterans' Affairs Committee.

Men and women who served during the Persian Gulf war in Israel and Turkey were originally excluded from the definition of in-theatre operations. Many of these soldiers suffer from similar undiagnosed medical problems that may be related to service during the Persian Gulf war.

Throughout my service on the House Committee on Veterans' Affairs, I have emphasized the need to alleviate the suffering of those individuals afflicted with the Persian Gulf syndrome.

FDA AND FOOD SAFETY

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. DUNCAN. Mr. Speaker, I am not a chemist. I am not an expert in determining product safety. However, there seems to be conflicting reports about a situation brought to my attention by a constituent. I have serious concerns when the health of children is involved. If there is a possible health risk, then I believe that the Food and Drug Administration [FDA] needs to look very closely at this situation keeping the welfare of children in mind.

In June 1994, my office was contacted by one of my constituents, Mael Kersavage, the president of Contemporary Beverages, Inc. Mr. Kersavage said that his company, based in Knoxville, TN, was a distributor of health-oriented beverages.

Contemporary Beverages, in conjunction with another firm, developed a sparkling fruit juice beverage in order to offer schoolchildren a healthier alternative to sugar and caffeine laden soft drinks.

Mr. Kersavage further states that both the FDA and the U.S. Department of Agriculture [USDA] allowed this beverage to be served in school cafeterias nationwide. The beverage was endorsed by the USDA as a beverage that could be served in schools during mealtimes.

Since Mr. Kersavage served as a distributor for this product, in March 1994, he was contacted by an East Tennessee school system which complained that the beverages appeared to have a strange odor, cloudy appearance, and foreign objects floating in the bottles.

After personally inspecting the beverages, Mr. Kersavage was extremely concerned that these contaminated beverages were being offered to schoolchildren. He instructed the school system and his company subdistributors to immediately discontinue dispensing the beverages.

Mr. Kersavage learned that approximately 10,000 cases of the contaminated beverages had been distributed throughout the Southeast. He then contacted the FDA in June 1994.

After persevering through the FDA's labyrinth of bureaucracy, which was exemplified by being continually transferred from one FDA office to another, he finally was able to present documentation with regard to the contaminated beverages. Mr. Kersavage requested that the FDA recall this product. However, the FDA told Mr. Kersavage that it was the responsibility of the manufacturer to recall the products.

For more than a year, my office and Mr. Kersavage consistently contacted the FDA, and Mr. Kersavage provided evidentiary information, including samples of the contaminated product. I, as well as Mr. Kersavage, were concerned about any potential danger to schoolchildren consuming the beverages.

I believe that the FDA should protect the health of our school children. Therefore, I think that when instances, such as the one I have described, are brought to the attention of the FDA it should take immediate and appropriate actions to ensure that products consumed by schoolchildren are safe, and the discretion to recall the product should not be left up to the manufacturer.

SONS OF ITALY FOUNDATION BUILDS AMERICAN LEADERS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. ROTH. Mr. Speaker, on May 2, I had the privilege of attending the Eighth Annual National Education and Leadership Awards Gala, sponsored by the Sons of Italy Foundation at the Andrew Mellon Auditorium.

Over the years this ceremony has grown in prestige, a result of the leaders it has honored and the cause it has served. Among its honorees have been the late Sil Conte, a friend to many of us in Congress; Justice Antonin Scalia, one of the most incisive judicial minds we've had on the High Court in my memory; and Louis J. Freeh, who is building on the tradition of professionalism at the FBI.

This year's honorees follow in that line of great American leaders. Alfred Checchi, the cochairman of Northwest Airlines, is known as an executive who combines a good head for financial analysis with a heartfelt commitment to the well-being of his employees and the communities that Northwest serves.

Al's management talents have succeeded in restoring the luster of a great American airline. For 6 years, Northwest has been rated first in on-time performance and has had the fewest customer complaints of the seven largest airlines. These performance records are a tribute to Al's ability to motivate those who work with him.

Joe Paterno is one of the greatest coaches in the history of football. At Penn State, he has compiled a record of 278 wins, 72 losses, and 3 ties—which makes him the winningest active coach in the collegiate ranks. But he is also a coach whose concern for his players extends beyond their careers on the gridiron. He urges them to learn art, literature, and music, and to bring their knowledge and values to the families they raise and the communities they serve.

Both honorees provide excellent role models for this year's 12 winners of the National Leadership Grant Competition. What impressed me about these young people is that they drew so much strength from their families and communities.

There's no doubt in my mind that America will continue to flourish and prosper in the 21st century. It will do so because great American institutions like the Sons of Italy will help strengthen the bonds that hold us together as a society by building on a heritage of close families and strong communities.

The Sons of Italy Foundation knows full well that the key to providing thoughtful leadership in America is to provide its sons and daughters with good educations. This year, more than $60,000 worth of scholarships were awarded to outstanding college-bound graduating high school students and full-time students in undergraduate, graduate, and professional programs. Since 1968, more than $21 million in scholarships have been handed out by the Sons of Italy at the national, State, and local levels.

Among those who should be congratulated for this fine program are Joseph E. Antonini, who chaired this year's National Education and Leadership Awards Gala, and Paul S. Polo, Sr. and Valentino Ciullo, chairman and president respectively, of the Sons of Italy Foundation. I commend their efforts to recognize the outstanding Italian-American leaders of today and to support the outstanding Italian-American leaders of the future.

HONORING THE LA VERGNE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the La Vergne Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in fire fighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catches fire, well trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

IN HONOR OF FATHER ROGER KAFFER

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. WELLER. Mr. Speaker, today I would like to honor Joliet UNICO Citizen of the Year—Father Roger Kaffer.

At the 40th annual banquet in Joliet, Father Kaffer was given the distinction of Citizen of the Year for his dedication and efforts toward making Providence High School a top rated educational institution.

When first given the responsibility for Providence in 1969, the school was in financial despair and on the verge of closing. Father Kaffer changed that through innovation, perseverance, and hard work.

Father Kaffer set out immediately on fundraising, student recruitment, and a public relations campaign on behalf of the faculty and school. The result of his efforts: an increase from 490 to 836 student by 1984; expansion of the Sacred Heart Gymnasium; construction of the theology wing, Bishop Blanchette Library, and the Christopher Cooper Computer Center.

It was through his hard work, self-sacrifice, dedication, and ability to lead that all of these goals were realized and instead of Providence High School's doors closing in 1969, countless numbers of students were able to receive a fundamental Catholic education from one of the finest schools in Illinois.

In 1985 Father Kaffer was named auxiliary bishop of Joliet by Pope John Paul II and his era at Providence ended. However, his wisdom and commitment to the school will always be part of its legacy. Truly a man of God, Father Kaffer serves as a role model for all of us and how we must all work together for the good of the community.

Congratulations Father Kaffer on being named UNICO's Citizen of the Year and best wishes.

INTRODUCTION OF THE REGULATOR TERM LIMIT ACT

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. CAMPBELL. Mr. Speaker, today I am introducing legislation that will begin to ensure the accountability of our Nation's independent regulatory agencies by imposing term limits on their members. In my view, any entrenched Government body, whether legislative or regulatory, loses accountability and responsiveness. By imposing term limits, we will bring independent regulatory commissions in step with the current movement to energize Government bodies by turnover, thereby making them more accountable to the American citizens.

The Regulator Term Limit Act of 1996, would limit an individual to two terms as a member of any independent regulatory commission. This bill had its genesis in the recently enacted ICC Termination Act of 1995 (Public Law 104–88), in which Congress adopted the suggestion of Surface Transportation Board Commissioner Gus A. Owen to limit the STB Commissioners to two terms. Mr. Owen, himself a long serving Commissioner, saw the need to end the entrenchment which is all too common in regulatory agencies.

Independent regulatory agencies perform quasi-legislative or quasi-judicial functions. They make their decisions based on findings of fact, supported by evidence, and drawn from a record open to public scrutiny. To fulfill their mission, independence from the executive or legislative branch is essential. Their public accountability, however, is frustrated if the decision makers become entrenched. We should guarantee their accountability by requiring that Commissioners serve no more than two terms. In addition, in the Jeffersonian citizen-legislator spirit, we will be providing more opportunities for talented people to serve their Nation when Commissioners return to private life.

As original cosponsors, I would like to thank Mr. CLINGER, Mr. MCINTOSH, Mr. PACKARD, Mr. LARGENT, Mr. UPTON, Mr. CASTLE, Mr. SCARBOROUGH, Mr. HORN, Mr. BONO, and Mr. ZELIFF. Their efforts are much appreciated and I look forward to continued input on this bill.

I urge my colleagues to support this legislation that helps ensure good government by preventing the entrenchment of independent regulatory commissioners through the imposition of term limits.

SONS OF THE REVOLUTION OF THE STATE OF CALIFORNIA

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. MOORHEAD. Mr. Speaker, it is an honor for me to bring to the attention of my colleagues in the U.S. House of Representatives the 103d birthday of the Sons of the Revolution in the State of California, founded in my home State in May 1893.

The Sons of the Revolution was first organized in New York on December 18, 1875, primarily by members of the Society of Cincinnati, the oldest and most revered Revolutionary War group.

The Sons of the Revolution in the State of California was formed on the 8th day of May 1893 and incorporated in the county of Los Angeles 4 days later by members of the New York Society then living in California.

The membership of the Sons of the Revolution is composed solely of the posterity of those individuals who served in the Revolutionary War in a number of vital capacities. In order to be eligible for membership in the history-making Sons of the Revolution, an individual must have had a family member who participated in the Revolutionary Army, Marines, or Navy; served the Continental Congress or the Congresses of any of the Thirteen Colonies that supported the Revolutionary War effort.

As one might expect, Mr. Speaker, the membership rolls of the Sons of the Revolution make for fascinating and famous reading.

Through their various patriotic, historical, and educational activities, this storied organization has and continues to encourage and inspire the people of California and the United States. It continues to honor the memory of those brave individuals who pledged their lives, fortunes, and sacred honor so that all Americans could enjoy the freedoms and liberties established more than 200 years ago under our Constitution and enjoyed by all today.

To a considerable extent, Mr. Speaker, this inspiration and education has been accomplished through the Sons of the Revolution Library, which has operated in my hometown of Glendale for the past 103 years. The library has received no financial support from any governmental agencies. It has been kept open, free-of-charge, to the public in keeping with the purposes of the society to perpetuate the memory of the brave men who fought in the Revolutionary War.

The library with a collection of more than 35,000 volumes, is well-known as one of the largest genealogical and historical collections of its type in California.

The library is not only blessed with a magnificent collection of books and manuscripts, but also houses some exceptionally rare artifacts. These include George Washington's leopard skin saddle pad, one of two remaining silk flags reviewed by George Washington, early U.S. Navy boarding swords and leather fire buckets from Adm. David G. Farragut's flagship, U.S.S. *Hartford*, just to name a few.

Not only does the library serve as a valuable research tool, it also serves as a meeting place for the Daughters of the American Revolution, the California Society of the War of 1812, the Aztec Club of 1847, the Military Order of the Loyal Legion of the United States, the Military Order of Foreign Wars of the United States, the Army and Navy Union of the United States, U.S. Submarine Veterans, Society of Colonial Wars in the State of California.

Mr. Speaker, I am pleased and honored to recognize and pay tribute to the Sons of the Revolution in the State of California on their 103d birthday. We only have to travel a short way from our borders to realize how richly blessed we are as a people and a nation. We have liberties and opportunities few in history have enjoyed. For this untold bounty, we owe much to the Sons of the Revolution and their families.

HONORING THE LANCASTER VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Lancaster Volunteer Fire Department. These brave, civic-minded people gave freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catches fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their services and sacrifice.

IN HONOR OF GEN. VANG PAO

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. RADANOVICH. Mr. Speaker, I would like to recognize a special leader from the 19th Congressional District, Gen. Vang Pao. He is deserving of the highest commendations for his many contributions to the development of the Hmong and Laotian communities in central California.

In his native country, Gen. Vang Pao served in the military to promote democracy and freedom for the Laotian people. He was a young military leader in the Royal Lao Army in association with the French Government during

World War II and the chief military commander of the 2d Military Division in the Northern Provinces of Laos, 1960–75, in partnership with the United States during the Vietnam war. During the war, Gen. Vang Pao's troops helped block the supply line running from North Vietnam through Laos to South Vietnam, and he and his troops helped to save thousands of American lives and rescue hundreds of American pilots who had been shot down near the Vietnam/Loas border.

In 1977, Gen. Vang Pao founded the Lao Family Community and established branches throughout the United States to provide employment services, vocational training, counseling, cultural orientation, health education, English classes, and resettlement services for Southeast Asian refugees. In 1982, he founded the Hmong National Council to preserve Hmong culture and to help the Hmong people in the United States in areas of social adjustment, family services, and integration into the American mainstream. Gen. Vang Pao founded the Lao Movement for Democracy to seek and promote peace, democracy, and human rights for the Southeast Asian nations.

The contributions that Gen. Vang Pao has made to the Hmong and Laotian people of California have been invaluable. He was made a lasting impression on those individuals with whom he has been associated. I am pleased to have him as a constituent in California's Central Valley.

HONORING RICHY RAYMOND

HON. ELIZABETH FURSE

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Ms. FURSE. Mr. Speaker, I rise today to recognize a very special fourth grader from Carlton Elementary School of Yamhill County, OR. This exceptional young man took it upon himself to help the victims of the February floods which devastated communities throughout our region.

Richy Raymond believed that he and his classmates could lend a hand and raise money for the recovery efforts by donating a penny a day for 10 days. He had anticipated collecting approximately $45 to contribute to the American Red Cross Disaster Relief Fund.

Richy never anticipated that donations would pour in from his entire school, as well as other schools and communities within Yamhill County. Even places as far away as Bend and Bandon, OR, sent in their heartfelt contributions. To date, Richy's campaign, "Kids Can Help—Pennies Count, Too" has collected a remarkable $6,000 to help victims of the floods.

Richy is truly a fine example of our youth today and of our great Oregon spirit. As Oregonians continue their efforts to recover from the flooding, I applaud Richy's compassion and dedication, and am privileged to have this opportunity to recognize him before the House of Representatives today.

TRIBUTE TO DR. RICHARD BOXER 1996 LUBAVITCH OF WISCONSIN HONOREE

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. KLECZKA. Mr. Speaker, I rise today to pay tribute to my friend, Dr. Richard Boxer who will be honored by Lubavitch House of Wisconsin on Tuesday, June 18, 1996.

In honoring Dr. Richard Boxer, Rick, as he is known to his friends, Lubavtich of Wisconsin is paying tribute to a man who has done so much for the community he loves. He is a man who truly is dedicated to the well-being of others not only in our community, but throughout this country.

Rick is an outstanding doctor, and in 1995 was appointed by President Clinton to the National Cancer Advisory Board, and the National Institutes of Health. He also serves as a senior adviser for health care for the 1996 Clinton-Gore national campaign and was named best urologist in Milwaukee in 1987, 1991, and once again in 1996.

Throughout his career, Rick has published many articles, lectured around the world, won several awards, and still found time to raise a family with his wife Barbara. His dedication to serving others transcends medicine.

Lubavitch programs have helped many people throughout the years by providing to those in need. Its educational commitment, children and youth programs, counseling, and shelter services have been of great importance to our community. Rick has supported Lubavtich and its programs as they aim not only to help those in need, but also to boost awareness and pride in Milwaukee's Jewish community.

Lubavitch of Wisconsin has made a wise choice in honoring Dr. Rick Boxer at their annual Lubavitch celebration. Rick, his wife Barbara, and their children should all feel a sense of pride in receiving this recognition.

Congratulations, Rick, this is an honor that is well deserved.

HONORING THE LASCASSAS VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Lascassas Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in fire fighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

TRIBUTE TO JAMES W. NELSON

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GEPHARDT. Mr. Speaker, I rise to honor my friend and fellow St. Louisan James Nelson, who retired last week as Special Agent in Charge of the FBI for Missouri after a career that has spanned a quarter century. It is fitting to recognize Jim for his work on behalf of his country.

Born and raised in St. Louis, Jim graduated from Southwest High School and then went on to the University of Missouri. In 1964 and 1965, he played professional baseball with the Minnesota Twins. Jim later enlisted in the U.S. Army, where he served our country as an artillery officer in Korea.

Jim began his work with the FBI in 1969 as a Special Agent, and from 1976 to 1981, he worked at FBI Headquarters as the Chief of the La Cosa Nostra investigations. Jim was then selected to attend the senior command course at the British Police College in Bramshill, England.

In 1982, Jim was assigned as Assistant Special Agent in Charge of the FBI's Los Angeles office, where he oversaw their narcotics, organized crime, and general criminal operations, as well as managing security for the 1984 Olympics. In 1987, he returned to Washington,, DC as chief of the General Crimes Section, which is responsible for a wide array of sensitive FBI investigations throughout the country. Jim has lectured extensively, and has been an expert witness in numerous trials. Jim was assigned as Special Agent in Charge of the FBI for the State of New Mexico from November 1988 until he assumed his duties in Missouri in June of 1991. He retired last week after 27 years of service to our country to begin a new career in the private sector.

Personally, I have known Jim for more than 30 years. I have the utmost respect and admiration for him and his achievements in fighting crime. I am honored to recognize him here today, and wish him a happy retirement and the best of luck for his new career.

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HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. DINGELL. Mr. Speaker, today the House leadership brought to the floor a resolution to establish and fund a select subcommittee to investigate the United States role in Iranian arms transfers to Bosnia and Croatia. This is an excellent example of the type of government spending that the current majority is fond of railing against.

It was public knowledge early in 1994 that Iran was sending arms into Bosnia, and the Republican majority raised no objections. In fact, it was also in 1994 that Congress passed the Defense Authorization Act mandating that the President stop enforcing the arms embargo against Bosnia, making this current Republican effort clearly a cynical political undertaking.

The President's Intelligence Oversight Board has investigated the matter, and concluded that the administration has broken no laws. In addition, three separate investigations of United States policy in Bosnia are currently underway. The new subcommittee would be conducting a fourth investigation at the cost of $1 million, making it the most expensive subcommittee in the House of Representatives.

Mr. Speaker, it seems apparent the House leadership is attempting to establish a new subcommittee to dim the President's foreign policy achievements. They are ignoring their own calls to end frivolous government spending by attempting to establish an unneeded subcommittee. If new House leadership feels so strongly that another investigation into this matter is warranted, at the taxpayers expense, then the International Relations Committee is fully capable of conducting such an inquiry with existing funds. This is a cynical political exercise because it wastes $1 million of the taxpayers' money.

TRIBUTE TO THE FEDERATION OF ITALIAN-AMERICAN ORGANIZATIONS OF QUEENS

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mrs. MALONEY. Mr. Speaker, today I am pleased to rise to pay tribute to the Federation of Italian-American Organizations of Queens, NY, a group that this year celebrates its 25th anniversary. I ask my colleagues to join with me in recognizing and honoring this very important organization for its dedicated services to the Queens community.

The mission of the Federation of Italian-American Organizations of Queens is unique. It works to transform social clubs into activist organizations. To this end, the federation encourages the clubs' attention to the problems of the Italian-American community. It assists members in becoming citizens of the United States and educates them to the rights guaranteed by the American Constitution. The federation's goal is that with the status and knowledge, they may more effectively advocate for and serve their community.

The federation encourages the unification of Italian-American societies in Queens, New York, a borough of New York City with a very high Italian-American population. It seeks to maintain and promote a higher involvement in social and political issues; to teach the belief and ideals of the United States; to fight against discrimination and derogatory stereotyping; and to provide assistance, support, and cultural betterment to its members, among several other goals. It has been very successful in these pursuits. I am pleased to report that the federation currently assists approximately 10,000 individuals and families every year.

The federation was founded in 1971 by four friends: Anthony Gazzara, Vincent Iannece, Tom Bullaro, and Phil Cicciariello. Their original goal was to bring together the active Italian-American societies in Astoria, Queens, and to revive the traditional parade in honor of Christopher Columbus.

Although poor weather prevented the parade in that first year, nevertheless the federation has flourished and today consists of at least 22 Italian-American societies in Queens. Through the pursuit of its goals, it has become a valuable instrument for addressing the needs and problems of the Italian-American community in Queens.

Mr. Speaker, in the year of its 25th anniversary, I am proud to rise in honor of the Federation of Italian-American Organizations of Queens. It is a truly venerable institution in its community and very worthy of the collective tribute of this body here today. Thank you.

HONORING THE MONROE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Monroe Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer fire-fighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and wiling to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

TRIBUTE TO FANNIE MAE FOUNDATION AND THE NBA'S HOUSTON ROCKETS

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Ms. JACKSON-LEE of Texas. Mr. Speaker, on Wednesday afternoon, April 10, 1996, Fannie Mae Foundation and Clyde Drexler and Chucky Brown, star players with the back-to-back World Champion Houston Rockets, joined together in their second Work Day to increase home ownership and rehabilitate Houston's neighborhoods.

The Home Team partnership was designed to revitalize Houston's neighborhoods and to provide home buying information to help more Houstonians achieve their dream of home ownership.

Houston's "Home Team" and the Fannie Mae Foundation held a ribbon-cutting welcome home ceremony at two newly-landscaped homes which Rockets and Fannie Mae Foundation employees began constructing last December in Houston's Fifth Ward neighborhood located in the 18th Congressional District. The new homeowners are single parents and first-time home buyers.

The Work Day was led by my friend, J.J. Smith, who heads up Fannie Mae's partnership office. Fifth Ward Redevelopment Corp., a local nonprofit organization dedicated to providing housing to lower income and first-time home buyers—also deserves credit for this partnership. They are the true heroes behind this effort.

The best part of this story is that Houston has two new homeowners, setting the precedent that home ownership is possible for other local families. I will continue to support the good work of the Fannie Mae Foundation, and recognize the valuable time the Rockets players and staff take out of their busy schedules to make a difference in the lives of our local families and send the message that the American dream of ownership is possible for every family.

HAMDEN TEACHER RETIRING AFTER 40 YEARS OF DEDICATED SERVICE

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Ms. DELAURO. Mr. Speaker, at the end of this 1995–96 academic year, Barbara Reiber will retire from the Hamden Public School System after 40 years of dedicated service. As a committed high school teacher, she has worked tirelessly to educate students, and engage them in their community. It is with tremendous pleasure that I rise today to salute this incredible individual, who means so much to me and has contributed so much to the town of Hamden.

Barbara's dedication to expanding the minds of high school students is illustrated by a lifetime of public service. Her career has involved teaching U.S. history, world history, and Third World history as a teacher in the social studies department at Hamden High School. In addition, she has been extremely active in curriculum and staff development throughout her 40 years in the system.

Most characteristic of Barbara, however, has been her tremendous energy and generosity in contributing to extracurricular activities at Hamden High School. She has recognized the importance of developing young leaders, and expanding their education through community involvement. Throughout her career she has supported and strengthened several student organizations. Having served as advisor to the student council and human relations club, Barbara enhanced the awareness and leadership skills of many Hamden High School students.

During the past 2 years Barbara has been very supportive of an initiative that is of special significance to me, the Anti-Crime Youth Council. Without the commitment and effort of people like her, this regional organization, which involves high school students in projects to tackle issues related to youth violence, would never have developed. Time and time again she offered energy and ideas to this organization, and was dedicated to engaging Hamden High School students in the process. She recognized the value of creating opportunities for teenagers to address common problems at a regional level, and worked closely with my staff to organize Anti-Crime Youth Council activities.

It is exactly this commitment to community that distinguishes the career of Barbara Reiber and it is with great pleasure that I commend her for 40 years of achievement and service to our community. I join her colleagues, and her friends and family members in thanking Barbara for caring so much for Hamden's youth, and in wishing her a very enjoyable retirement.

WARM WELCOME TO EAST JESSAMINE MIDDLE SCHOOL

HON. SCOTTY BAESLER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. BAESLER. Mr. Speaker, I would like to extend a warm welcome to the newly formed East Jessamine Middle School from Nicholasville, KY on their trip to Washington, DC. Washington, enshrined in history and tradition, provides an excellent setting for both educational and exciting activities. It is always refreshing to hear of young men and women with an interest in visiting our Nation's Capital. This trip demonstrates East Jessamine Middle School's dedication to excellence in education. I wish them the best for the future.

HONORING THE AUBURNTOWN VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Auburntown Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in fire fighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

EX-PROSECUTORS CRITICIZE KENNETH STARR

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. FRANK of Massachusetts. Mr. Speaker, since coming to the House and joining the Judiciary Committee, I've been involved with the independent counsel law. When that law expired just as Bill Clinton was taking office, I was one of the Democrats who insisted that it was essential that we reauthorize the law, despite the fact that it would now be once again be a Democratic administration which would be subject to its impact. I noted that the law had originally been passed by a Democratic Congress under a Democratic President, and that Republican objections during the 1980's and early 1990's that it was a partisan instrument aimed at them was obviously inaccurate. And I am pleased that the Democratic leadership in Congress and President Clinton did everything possible to get the law reauthorized—even though it did lapse temporarily because of a Republican filibuster in the Senate.

When questions arose involving accusations about the President in 1993, I was one of those urging that an Independent Counsel be appointed. I think Attorney Reno behaved with great integrity and appropriateness in doing everything she could under the law to provide for an independent investigation, even during that period when the law had temporarily lapsed because of that Republican filibuster. And I have continued to defend the institution as a necessary one.

I am therefore all the more distressed by the insensitive and disturbing pattern of behavior engaged in by the current independent counsel, Kenneth Start. First, it should be noted that Judge Sentelle, who was named by Chief Justice Rehnquist to head the panel of judges who appoint independent counsel, erred grievously by appointing someone as partisan and as politically opposed to the Clinton administration as Kenneth Starr as the independent counsel to investigate the President in the first place. Mr. Starr should have said no. And having said yes, he should have determined that he would be extremely careful in carrying out his duties in a way that minimized any concern about his objectivity and fairness.

Instead, he has behaved in a way that has bothered a wide range of objective observers, including apparently many of those who have preceded him as independent counsel. In Monday's Washington Post, R.H. Melton writes a story which is accurately headlined "Ex-Prosecutors Concur on Case Against Starr's Private Work."

In the article, R.H. Melton quotes from a wide range of former independent counsel, including several people who held important appointed office under Republican President, who agree that Kenneth Starr has erred seriously in his conduct in the independent counsel office. Particularly by taking on a wide variety of cases in which he is representing people who are legally and politically arrayed against the President he is investigating, Mr. Starr has compromised the very nature of the independent counsel office.

This investigation of the President has already gone on for a very long time, with no results in terms of any negative information being brought forward against the President. It costs an enormous amount of money for the results we have gotten, and it has called into question unfortunately the usefulness of this very important office.

Mr. Speaker, the article by R.H. Melton and the wide range of Republican and Democratic criticisms of the independent counsel so quoted in it makes it clear that this is a serious problem, and not simply a case of Democrats objecting to Mr. Starr's work. As one who has worked hard to preserve this important office, and who joined in asking for an independent counsel to look into the allegations against President Clinton, I am extremely disappointed by Mr. Starr's performance and I think it is appropriate for R.H. Melton's documentation of the view of previous independent counsel about Mr. Starr's work to be printed here.

EX-PROSECUTORS CRITICIZE KENNETH STARR

(By R.H. Melton)

The former independent counsels are a varied lot, composed of Republicans and Democrats, smooth-talking silk-stockings and gruff old men. Varied, too, were their assignments. Some had big cases; some worked virtual anonymity.

But from the well-heeled New York lawyer to the New Orleans septuagenarian, the former prosecutors agree on one thing; Whitewater counsel Kenneth W. Starr has put himself in a bad spot.

In separate interviews last week, former prosecutors expressed a consensus view that their old U.S. government position, with its broad investigative powers, is too important for any counsel to be distracted by the busy outside caseload and high-profile clients that Starr has kept. They advise Starr to strictly limit the non-Whitewater activity that has prompted recent criticism and focus on his wide-ranging investigation into President Clinton's decade-old real estate venture and the White House reaction to inquiries into the matter.

"He's devoting a hell of a lot of time to private practice," said Gerald J. Gallinghouse, 75, a Republican and retired U.S. attorney from New Orleans who investigated an aide to President Jimmy Carter on a drug allegation in early 1981.

"He should either get in or get out," Gallinghouse said. "I don't give a damn about the Republicans, Democrats, Bull Moose or mugwumps. He should get on with the investigation and bring it to a conclusion as soon as practicable. And you're not going to do it with the top man running all over the country making speeches and taking care of private clients."

Starr's clients range from tobacco giants to the NFL Players Association. Last month his schedule took him from the halls of the Supreme Court to a federal appeals court in new Orleans within one week. He has some clients whose interests are inimical to those of the Clinton administration. In a major school-voucher case in Wisconsin, for example, Starr was paid by a conservative foundation that has funded some of Clinton's harshest critics.

Even though his outside work is quite legal, critics point to such cases as evidence that Starr is not as independent or devoted to his government duty as he should be. Much of the criticism has been strongly partisan, fueled by White House aides and other Democrats who want a tidy resolution to Starr's inquiry before the presidential election this fall.

Still, the observations of the former counsels are unusual in their breadth and force. Some of them know Starr personally, and others know his reputation as a brilliant legal mind with strong Republican credentials. nearly all of the seven counsels interviewed expressed surprise that Starr would load so much on his plate and stir partisan controversy, particularly in an inquiry focused squarely on a sitting president and first lady. A few of them voiced disappointment.

Starr declined to be interviewed for this article, but a month ago he issued a spirited defense against the criticism that had been mounting against his outside caseload. Starr told a bar association group in San Antonio that the independent counsel "was never expected to become a full-time employee of the government and leave his or her law firm."

"To require independent counsels . . . to become full-time employees wastes not only government resources, but the legal talents of the individuals called to serve," Starr said.

Starr noted that nearly all of the independent counsels continued to maintain their private practices. But a number of them recalled in interviews that they scaled back their practices sharply and turned down prospective clients who may have created the appearance of a conflict of interest.

Ten independent counsels were named between 1978 and 1992 and two others conducted confidential investigations. The inquiries ranged widely in complexity and cost; Iran-contra cost $47 million and lasted nearly seven years; a three-month investigation into a drug allegation against an aide to Carter cost $3,348. The Whitewater inquiry by Starr and his predecessor has cost more than $20 million so far and is one of three now pending against the Clinton administration.

Arthur H. Christy, a New York lawyer appointed in late 1979 to investigate a drug allegation against Carter White House chief of staff Hamilton Jordan, said he declined to defend "some white-collar criminal types because I didn't think it was appropriate to be defending them on the one hand and on the other trying to put some guy in jail."

Arling M. Adams, a former federal judge from Philadelphia who looked into allegation of financial improperties involving Department of Housing and urban Development money, said that while he did not completely divorce himself from his law firm at the time, "I did substantially restrict my activities.

"People might say I'm a fool" because of the lost income, he said, "but I had in mind in particular the necessity of gaining the confidence of the public and the press. I tried to avoid anything that would deflect attention from what I was doing as IC. The issue is perception and confidence."

A number of the independent counsels interviewed last week said investigating a sitting president puts a special burden of probity on the investigator.

"It's different order of magnitude," said Lawrence E. Walsh, the Oklahoma lawyer and former judge who ran the Iran-contra investigation. "The one excuse for an IC is his independence. If not necessarily full-time detachment from everything else, he can't be involved with anything that impairs his freedom of action."

"When you're investigating a president, it's different," said Joseph E. diGenova, a Republican who was named an independent counsel in late 1992.

DiGenova, a former U.S. attorney in the District who as independent counsel looked into the State Department's search of Clinton's passport records, said that while Starr has "pristinely adhered" to the statute permitting counsels to keep their private legal practices, he should eliminate all the partisan sniping by relinquishing it for now.

"It's a distraction," diGenova said. "He's giving the enemies of the law ammunition to use against him. He should take away the phony weapon from his adversaries."

Whitney North Seymour Jr., a New York litigator who as counsel won a prejury conviction against former Reagan White House aide Michael Deaver, said the complexities of that case forced him to work virtually full time.

"When we were engaged in the intensive parts of the investigation or trial preparation, I did not have time for anything else,"Seymour said. "My practice was to be hands-on; interviewing witnesses, reading documents and presenting to the grand jury."

James C. McKay, a partner at the Washington firm Covington & Burling who investigated the Wedtech defense contractor and Reagan White House political director Lyn Nofziger in the late 1980s, said he regarded the assignment as a full-time job. "I shed everything I was doing after a month," McKay said. "I was devoting 99.9 percent of my time to the job I was given to do. I felt like I could concentrate on the very difficult problems much better if I did that and the job could be done more quickly and efficiently."

Added diGenova: "For the good of the office and the good of the investigation, sometimes you have to do some things you don't want to do."

RECOGNIZING THE EFFORTS OF THOSE INVOLVED IN THE SEARCH FOR WILLIAM E. COLBY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. HOYER. Mr. Speaker, I rise today to recognize the efforts of more than 100 individuals—both paid and volunteer—who spent many hours in the cold waters and on the shoreline of the Wicomico River searching for the late William E. Colby, the former Director of the Central Intelligence Agency. The search ended early Monday morning after his body was discovered near the shoreline, ending an intense search that began when his canoe was found April 28.

There were many agencies and organizations involved in the search which was headed by the Maryland Department of Natural Resources Police. I want to recognize all of the participants in this search, including Sheriff Fred Davis and the Charles County Sheriff's Department who handled press inquiries and protected the Colby residence.

The search involved countless volunteer hours and assistance from: the Maryland State Police Aviation Division; the Charles County Dive Team, who were the first divers in the search; the Cobb Island Volunteer Fire Department and EMS; the Seventh District Volunteer Fire Department Boat 5 from St. Mary's County; the Marbury Volunteer Fire Department—using their rescue boat and dive team; the Bel Alton Volunteer Fire Department; the St. Mary's County Sheriff's Department Dive Team; the Calvert County Dive Team; the U.S. Coast Guard; the Prince George's County Dive Team—Companies 22, 49, and 56; the La Plata Volunteer Fire Department; Sardom Search and Rescue Dogs; the Cobb Island Volunteer Fire Department Ladies Auxiliary; the Charles County Communications Department; the Virginia State Marine Police; the Naval Surface Warfare Center EOD Dive Team and the Rescue Squad Dive Team from Dahlgren, VA; and numerous local citizens who volunteered in many different ways.

I ask my colleagues to join me today in recognizing the efforts of the paid and volunteer members of this special community. These individuals engage in hundreds of hours of specialized training and continuing education to enhance lifesaving skills just to be ready for emergency rescue calls and searches. Charles County and other communities across America benefit daily from the services of these dedicated professionals who are ready 24 hours a day, 7 days a week and they deserve our continued thanks.

Mr. Speaker, I am proud of the efforts of the volunteer fire and rescue services personnel and other agencies involved in the intense search for Mr. Colby which lasted more than 1 week. I want each of them to know that my colleagues in Congress share my pride in the selfless manner in which they carry out their mission in our community and every community throughout America.

HONORING THE MONTEREY VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Monterey Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School at Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catches fire, well trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for all of us. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

IN MEMORY OF ALLEN C. MEIER

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Ms. ESHOO. Mr. Speaker, I rise today before the House to celebrate the life of Allen E. Meier, Jr., who passed away peacefully in San Francisco, CA on September 10, 1993.

On Friday, May 3, 1996, the family and friends of Allen Meier gathered at Congregation Emanu-El for the rededication of the robing room of the temple in his loving memory.

The refurbishment of the robing room was made possible by the gifts of loving friends and family members to the Allen E. Meier, Jr. fund of the congregation as the first in a series of beautification and preservative projects.

This undertaking was one that Allen Meier would have participated in himself and is a fitting tribute to him because few human beings embodied the devotion and dedication present in this good man.

A member of a pioneer Oregon family and native of Portland, OR, Allen Meier acquired early on an internal drive to succeed. He served in leadership roles with the American Import Bank in San Francisco and on the board of the trustees of the Meier and Frank Co.

Yet the business community was not Allen's only community. With infinite vision and wisdom, Allen understood the importance of community involvement and volunteerism. His community participation was exhibited in his service to SCORE, KCBS call for action, the Temple Emanu-El, and the San Francisco Academy of Sciences as a docent.

As a loving husband, a caring father, a World War II veteran, and a community leader in San Francisco, Allen C. Meier was a master of both devotion to his family and his community.

For his loving wife Janis and three daughters, Lynn, Muffie, and Mary, the many loving nieces, nephews and cousins, as well as the innumerable friends of a lifetime, Allen Meier will be missed all the days of our lives. May his sweet memory live on in what the robing room represents.

AN ECONOMIC AGENDA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 8, 1996, into the CONGRESSIONAL RECORD.

AN ECONOMIC AGENDA

One of the key questions facing policymakers today is what can be done to help improve the standard of living for the average American. I hear from people all the time who tell me they are working harder and longer than ever, but they feel squeezed and are just barely getting by. I believe we must make a determined effort in this country for a higher rate of economic growth. That must become one of our nation's top priorities. Higher growth will come from more saving and investment and from greater productivity, and it will do much to improve the outlook for working Americans.

STATE OF ECONOMY

All of us know that the overall economy is doing reasonably well. Growth and inflation are both around 2%. Many jobs are being created and the unemployment rate is low. The deficit is going down. Stock prices are at an all-time high. But at the same time, there is tremendous unease about the economy. Layoffs and downsizing are continuing as the inevitable result of global competition and technological change. There is job insecurity, enormous income inequality, and significant pressure on families.

I believe President Kennedy was right when he talked about a rising tide lifting all boats. We must have stronger economic growth.

ECONOMIC GROWTH

Economic growth is the rate at which the overall economy grows from year to year. In 1994 our nation's total output of goods and services (Gross Domestic Product) was $7.1 trillion and in 1995 GDP was $7.25 trillion, for a growth rate last year of 2.0%.

The U.S. growth rate has slowed since the decades after World War II. Economic growth averaged a robust 3.9% per year in the 1950s and 4.3% in the 1960s, but it has dropped to 3.2% in the 1970s, 2.7% in the 1980s, and, with the 1990–91 recession, 1.8% so far in the 1990s. We need to do better. Many economists believe that we should be striving for growth of around 3.5% per year over the long term. They believe that the structure of the economy has changed in recent years to allow that kind of growth without reigniting inflation.

Growth in the material standard of living is obviously not the sole measure of success as a society. But strong, balanced, and sustained economic growth helps in many ways. Jobs multiply and wages rise during periods of solid growth. Prior to the 1970s when we had strong economic growth, wage growth was also solid. But as the economy has slowed, wage growth has flattened out. Strong economic growth also makes it easier to balance the budget, as the growing economy boosts revenues and reduces social safety net costs, and it makes it easier for Americans to tackle a variety of domestic problems. Strong economic growth alone cannot solve the nation's problems, but without it they are likely to become increasingly difficult.

We need, in short, an economy that will provide employment for everyone willing and able to work, and an economy that will provide opportunity for a consistently higher standard of living for those employed. The only way I know to get that is with strong private sector growth. That growth will come from higher levels of investment and superior public services.

PRO-GROWTH AGENDA

I believe there are several parts to a pro-growth agenda. First, we must balance the federal budget. Large federal borrowing drains the pool of national savings available for productive private sector investment and it drives up interest rates. Progress has been made on the deficit, as it has been cut in half over the last four years. We need to build on that progress, put aside our partisan differences, and balance the budget.

Second, we need to reform the federal tax system so economic growth becomes a much more central objective. That means it has to do a much better job of encouraging saving and investment. How it should be restructured to achieve that is a matter of debate. We may need a variation of the flat tax, a lower tax on capital, or a system of taxing consumption instead of investment, but we must put at the top of our national agenda a search for a tax system that enhances growth.

Third, we must expand our trade opportunities and open foreign markets to U.S. products. Jobs in exporting industries tend to be higher-paying, so our companies must have fair access to the rapidly growing markets overseas. We need to continually review and adjust U.S. trade policy to make sure it is working in our national interest and is helping to expand our economy and good-paying jobs.

Fourth, we need to curb excessive and costly government regulations. Many federal regulations provide important health and safety protections. But overall we need to make sure their benefits exceed their costs and they are carried out in the latest burdensome way. Regulations should recognize that a vibrant private sector is the best engine for economic growth and jobs.

Fifth, I also think we need higher levels of public investment in infrastructure. Federal, state, and local governments need to invest in more and better roads, bridges, highways, water systems, sewer systems, harbors, ports, airports and all the rest that helps make the private sector more productive. We also need to promote investment in research and technology, which boosts economic growth.

Finally, we need greater attention to upgrading the education and skills training of our workers. Improving educational performance is an absolute priority in today's world so all Americans—not just those at the top—can prosper as the economy grows. Education is, of course, primarily a state responsibility, but it is a national problem. Access to higher education and more skills training is a must.

I do not suggest that such changes will come about easily. We must be prepared to deal with the human problems that emerge. We should do all we can, for example, to create a system of portable pensions and portable health care to cushion the transition for people who have to move from one job to another. We must find ways of providing profit sharing and stock ownership plans for employees, not just for the top corporate management, so everyone has a greater stake in the success of our companies.

CONCLUSION

In sum, our objective is simple: higher growth in the American economy. That basic goal needs to become the much more central focus of what the federal government does on a variety of fronts—whether it be our budget or tax policy or our trade, regulatory, and public investment policy. In the end I think what is important for working people is for this economic system of ours to grow and to create more good-paying jobs. We don't know all the answers about getting higher growth, but we know some of them, and we should get about the business of implementing them.

LET'S FILL THE EDUCATIONAL GAS TANKS, NOT LET THE KIDS RUN OUT OF GAS

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mrs. COLLINS of Illinois. Mr. Speaker, I rise today to make my point for the children in school today who may be struggling with economics as put forth by Representative ARMEY over the weekend. The Gingrich-Armey Republicans have now suggested that a reduction in a Federal tax on gasoline should be offset by further cutting Federal spending for education.

All across America students and teachers are probably scratching their heads this morning trying to figure out how any person in their right mind, much less a person in an apparent position of responsibility such as being a Member of the U.S. Congress, could conceive of such a crazy robbing Peter to pay Paul scenario.

If we were to seriously consider such a crazy alternative—then we would probably be dumb enough to believe some of the statistics reported by Representative ARMEY in a national television talk show last weekend. In fact, Mr. ARMEY said that the Gingrich-Armey proposed gasoline tax repeal might make Americans happy because it would save the average motorist about $27 a year.

If Mr. ARMEY would do his own math on comparing the proposed gasoline tax repeal with a raise in the minimum wage, he would see that the average American minimum wage earner would benefit to the tune of about $36 per week by an increase from $4.15 to $5.25 per hour. That's about $1,872 a year. Now I ask you, what American in their right mind would prefer $27 and a reduction in funding for education to $1,872 a year. As the young people say these days, "I don't think so."

A proposed rebate by repeal of $27 per year wouldn't even be a drop in the bucket to most Republicans, pocket change to those who usually avoid any comparison with the average American unless it is an election year. Even as an election year ploy, the Gingrich-Armey Republicans ought to be able to do better than $27 a year. But to suggest that even that pittance be offset on the backs of children takes GINGRICH to grinch in a fast minute.

Mr. Speaker, our educational system is already in danger of running out of gas because of all the cuts that the Gingrich-Armey Republicans have already shoved down the throats of the kids on the playgrounds, parents, and the members of school boards across America. We need to increase Federal support to education, not reduce it.

The Gingrich-Armey Republicans want our educational system to run out of gas in the middle of the superhighway. Once again, the Gingrich-Armey Republicans have shown that they are completely out of touch with the American people.

HONORING THE LANCASTER VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Lancaster Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

H.R. 3413, COMMUTER RAIL SAFETY ACT OF 1996

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. MARTINI. Mr. Speaker, today I am introducing legislation that will improve working conditions for train employees, while improving safety for rail commuters.

On the morning of February 9, 1996, hundreds of New Jersey commuters experienced the worst commuter rail accident in the history of New Jersey Transit. The accident claimed the lives of 3 people—including 2 train engineers—and injured 162 others. In combination with other safety factors, the accident was possibly a result of operator fatigue because one of the train engineers was working a split shift on very little sleep.

On a split shift, a train employee may work up to 12 hours, provided that employee is given a continuous rest period of at least 4 hours. The operator of one of the trains involved in the New Jersey Transit accident reported to work at 6 p.m. Thursday evening and operated trains until 1 a.m. Friday morning. He had a rest period from 1 a.m. to 5:40 a.m., when he resumed operating trains until 8:40 a.m.—the time of the accident. Several of New Jersey Transit's train engineers at the time of the accident regularly worked split shifts, often splitting a late evening shift and an early morning shift.

While there is no way to know whether or not operator fatigue, due to what is known as a "split shift", played a major role in the New Jersey Transit collision that occurred in February, one thing is certain—the split shift was not sound policy.

In response to the deadly New Jersey Transit train crash, I am introducing the Commuter Rail Safety Act of 1996. This legislation addresses the suspected cause of the tragic February accident—operator fatigue. As a member of the House Transportation and Infrastructure Committee, which oversees our Nation's railroads, I feel it is my obligation to take additional measures to ensure the safety of train employees and commuters.

Under the Commuter Rail Safety Act, commuter train operators will no longer be forced to work risky shifts whereby they work several hours in a late night shift, take a 4-hour break, and then begin working an early morning shift. This provision addresses the problem of diminished alertness during morning hours that results from having been on duty during the nighttime. Furthermore, by doing away with overnight duty on commuter trains, my legislation eliminates the problem of employees not having an adequate place for rest in the middle of the night. In many instances, an employee working an evening/morning split shift is forced to sleep in a chair, in a noisy train station, or in an unoccupied railcar.

This legislation still allows split shifts that begin the initial tour of duty in the morning, 4 to 8 a.m., for such shifts do not interfere with an individual's natural sleep cycle—circadian rhythm.

The second provision in the Commuter Rail Safety Act is to provide train employees with 8 hours notice of their next job, with the only exception being shorter notice in the event of an emergency.

Currently, a train employee might be given anywhere between 1 and 3 hours' notice to report for duty. We feel that this practice fosters fatigue due to the resulting irregular and unpredictable work schedules. By allowing 8 hours' notice, this bill gives employees more preparation time for duty—preparation time to rest!

Third, this bill provides train employees with 8 hours of undisturbed rest, with the only exception being the 8-hour notice for duty.

While most rail carriers currently provide 8 hours of so-called undisturbed rest, many see no problem in calling an employee during this rest period. Daily interruptions experienced by train employees, including constant phone calls updating employees of their next job or asking them to fill in for industry's scheduling mistakes, are unnecessary and create undue stress on those employees. It is critical that all train personnel who are responsible for the safety of hundreds of commuters each day be adequately rested.

Last, this legislation establishes criminal consequences for any rail employer or employee who intentionally fails to report rail accidents or injuries to the appropriate Federal and State authorities. In fact, it goes so far as to prevent an employer from discharging or discriminating against an employee who properly reports such an event. This provision prevents coverups of safety violations on the part of employer and employee and is a critical part of this safety legislation.

Mr. Speaker, the Commuter Rail Safety Act has one focus—safety for train employees and commuters. It is my hope that, with the Commuter Rail Safety Act, we will be able to prevent tragic accidents, such as the NJ Transit collision, from happening in the future. I urge my colleagues to join me in supporting this important legislation.

TRIBUTE TO JUDGE JOSEPH AND MICKEY WAPNER

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. BERMAN. Mr. Speaker, my colleagues and I are honored to pay tribute to our good friends Judge Joseph and Mickey Wapner, who this year are being recognized by the Brandeis-Bardin Institute for their significant contribution to Jewish life. We can think of few couples who together have been so involved for so long in Democratic Party politics and Jewish community activities as have the Wapners. Allow us to share a few examples.

Beginning in the 1960's, Mickey established a pattern of total devotion to the causes and people in whom she believed. In 1960 she was speakers bureau coordinator for the John Kennedy for President campaign; from 1967 to 1970 she was west coast director of public relations for the American Jewish Committee; from 1966 to 1968 she was a member of the California Commission on the Status of Women. In 1970 Mickey was named assistant to the dean and director of alumni and development at the UCLA Graduate School of Architecture, a position she held until her retirement in 1983. Despite her busy professional life, she continued to tend to Jewish and political affairs throughout the 1980's and into the 1990's.

Her husband has proved that being a visible television personality is no excuse for neglecting one's community. From 1981 to 1993 he was judge on the nationally syndicated program "The People's Court," which made him a bona fide celebrity. Still, during this time Judge Wapner continued his extensive involvement in civic and community affairs, including membership on the board of trustees of Alternative Living for the Aging and honorary chairman of the National Jewish Hospice. He is the recipient of numerous honors, such as the Golden Glow Award from Senior Health and Peer Counseling and the Maimonides Award from the legal services division of the Jewish Welfare Fund.

Both Judge and Mickey Wapner have been staunch supporters of the Brandeis-Bardin Institute, which this year is honoring the couple at its annual dinner. The Moelle Library and tennis and basketball courts at the institute are a result of the generosity and leadership of the Wapners.

We ask our colleagues to join us today in saluting Joseph and Mickey Wapner, dear friends who have done so much for so many. Their selflessness is a shining example to us all.

CONGRATULATIONS TO THE NIANTIC-HARRISTOWN SCHOLASTIC BOWL TEAM

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. POSHARD. Mr. Speaker, I rise today to honor the gifted students of the Niantic-Harristown Scholastic Bowl team for their recent class A State championship. We often honor our athletic champions, but I believe it is equally important to celebrate the academic achievements of our students. The dedication and hard work that went into this season would be hard to overestimate. I salute the efforts of the team and the leadership and encouragement of their coach, Donna Cheatham.

I am pleased and proud that the young people of my district are placing such a high regard on scholastic achievement. They understand that information is the key to success now and in the future, and that problems can be solved via the rigorous application of knowledge. The future of this country depends on people who will not back down from a challenge, and are willing to explore the world around them. The scholastic bowl provides an excellent forum for this kind of critical thinking, combining it with the pressure and excitement of a tournament situation.

Mr. Speaker, what makes the accomplishments of the team all the more special was the way in which it was received in the community. A reception and rally were held for the squad, where families, friends, and the surrounding area showed just how much pride they took in this victory. Undoubtedly, this is just the precursor to future successes for the team members. I wish them the best of luck in all of their endeavors, and hope that their achievements will inspire other young people to strive for the same. I would now like to read their names into the RECORD. Michael Pyle—team captain, Thomas Moore, Adam Vaught, Brian Woodard, Nicki Scales, Misty Pettyjohn, Anna Leonard, Edward Leonard, Clint Walters, and Michael Loud.

MONTCLAIR DAYS OF CARING

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. PAYNE of New Jersey. Mr. Speaker, Saturday, May 11, marks the beginning of Montclair days of caring. Montclair days of caring is an effort developed by the United Way of North Essex and a steering committee made up of Montclair community leaders and service providers.

Montclair, NJ, is a township filled with individuals and families that care about their community. The Montclair days of caring is a perfect example of what can be done by a community of caring people. The residents of Montclair will participate in volunteer graffiti-littered walls with murals; cleaning up a neighborhood park, the railroad tracks, a day camp, the black top recreation area behind a center; painting the interior and exterior of the homeless shelter; working with youth in hands-on leadership problem solving exercises through gymnastics; creating get well cards for hospital patients; drawing on placemats for senior nutrition sites; repairing a gazebo; collecting and dropping off items needed for the homeless shelter; and donating blood.

I am sure Montclair's volunteers will go home with a full sense of accomplishment and a sense of community building. They would have participated in activities to encourage people, young and old, to get involved in Montclair to make the town the best it can be.

Mr. Speaker, I am sure my colleagues will want to join me as I thank all the volunteers for their efforts in Montclair days of caring. I want to congratulate the United Way of North Essex and the steering committee for taking the initiative in developing this project.

INTERVIEW WITH DR. JEFFREY SATINOVER

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. DORNAN. Mr. Speaker, this is about the best book on homosexuality written in our lifetime. Read this interview and learn. And pray.

[From the Wanderer, Apr. 18, 1996]

THE WANDERER INTERVIEWS DR. JEFFREY SATINOVER

(By Paul Likoudis)

Q. Do you accept the concept of mediarchy, that is, that the United States is ruled by a media elite? If so, to what extent are people's feelings and thought patterns manipulated by homosexuals or homosexualists through the mass media?

A. I think the best answer comes from Russian author Alexander Solzhenitsyn. In his 1978 graduation address at Harvard—which was not well-received by the liberal elite—he said that the degree of thought control exercised by the Western media in relatively spontaneous ways was far more effective and tyrannical in its capacity to impede free thought among Americans than anything ever achieved by the totalitarian regime in the Soviet Union.

Let me give you one example and then make a generalization: There was a series of studies published in scientific journals which tested and measured the effect of various short descriptions of possible causes of homosexuality on subjects' attitudes toward homosexuality.

These studies showed that certain carefully crafted statements such as "homosexuality is biological," as opposed to "developmental," would cause a dramatic shift among naive subjects toward accepting and approving homosexuality.

Recognizing this, gay activist promoters deliberately, carefully, and widely promulgated the fantasy that homosexuality is "genetic." This has had an enormous impact as predicted, even though there is not a shred of evidence for it. Such evidence as there is merely supports the possibility that there are nonsexual inherited factors that make homosexuality easier.

Tactical manuals aimed at educating activists and sympathizers are routinely published by major houses and are available for all to read. These make it explicitly clear that activists have a game plan for altering public opinion through the media. Anyone reading the manuals can see at once how successfully these tactics have been implemented.

Q. Some homosexuals have recently boasted that they control the so-called professions of appearance—public relations, advertising, fashion, media, interior decorating, and so on. Do you think this boast is justified, and, if so, do you think the fashion industry reflects the views and attitudes homosexuals have on women and of young people?

A. Let me answer this way: A friend of mine recently self-published an enormously successful children's book. He and the illustrator, both devout Christians, met with groups of potential children's books publishers in New York. But the publishers were unaware of their religious convictions and generally conservative leanings. They, therefore, spoke openly of the fact that the book presented far too positive a picture of fatherhood and the publishers made it clear they were engaged in a subversive mission to undermine the image of family in the psyches of children.

With respect to fashion, which always flirts with the edge of the "forbidden," there is an inevitable and not necessarily entirely bad aspect of it which will appeal to "gay" sensibilities. A lot of "gay" literary criticism emphasizes the inherently violative nature of the homosexual approach to boundaries of every sort. As part of an overall artistic world within a relatively stable culture, these violations probably do no more than add spice to the stew in a relatively benign way.

But in our cultural stew the base stock is almost entirely evaporated and so the spice is now all you can taste. You can't survive on it.

Q. To what extent is the feminist women's movement co-opted or linked to the homosexual movement?

A. In George Orwell's 1984, one of the most shocking, and at the time implausible, features he envisioned was the stark separation of the sexes into two involuted and mutually hostile camps.

It's not that feminism has co-opted homosexuality or vice versa; both are the inevitable consequence of a failure to adhere to the higher vision of the union of the sexes that lies at the heart of the Judeo-Christian tradition. Absent that vision, sex as a naked, despiritualized sort of pleasure will join with the natural difference of interests between the sexes to reinforce their opposition and thereby destroy the family.

Feminism is not really a political movement and homosexuality is not really about sex. They are each merely different symptoms of the same profound spiritual malaise which is now spreading throughout the culture.

Q. What do you think of the homosexual drive for political "minority status," and is that justified?

A. No. it is not justified because homosexuality is changeable. On the other hand, there is no question that people who have identified themselves as homosexuals for either all or part of their lives are subject to irrational and vicious personal attacks. There is no place for that in civilized society. There is a clear distinction between being properly opposed to the gay activists agenda and being improperly opposed to people who wrestle with their sexual problems.

Q. Increasingly, one hears that there is not only heterosexuality, homosexuality, and bisexuality, but now we are told that there is an "entire spectrum of sexual orientations."

Does the concept "sexual orientation" mean anything, that is: Is heterosexuality merely an "orientation," one of potentially many and on the same footing as others? Or is the phrase just nonsense?

A. There is no such thing as sexual orientation of any sort. The genetic structures that underlie human behavior include a very complex set of physiological responses that constitute biological sexuality. Those physiological mechanisms can be triggered under innumerable circumstances. The human mind, however, rooted in the brain, is subject to an almost infinite degree of plasticity in the ways that it will symbolize experience.

Under the right circumstances, for human beings in contrast to animals, whose nervous systems are far more "rigid," almost anything can become sexualized and therefore become a symbolic stimulus to sexual response.

When I hear the phrase "sexual orientation," I think, "There's another 'stop thought' meant to paralyze reason."

Q. Sometimes we hear of young people being encouraged to "dabble" in homosexual relationships to discover their "orientation." Can a person casually experiment or dabble in homosexuality in young adult years with immunity from psychological effects?

A. There are two issues here. First: Someone with a relatively healthy upbringing who has not been badly hurt by early experiences could experiment with any variant of sexuality without its leading to a more-or-less permanent habit of one sort or another.

However, someone whose early upbringing was filled with a certain kind of suffering is at risk of discovering a seemingly attractive but false form of comfort for that suffering in various "perverse" forms of sexual expression. They are at risk.

There is a larger question, one which has been almost entirely lost from our understanding of human nature. It is a fact that the first sexual experiences have a dramatic impact in shaping certain expectations about what one's sexual experience is and should be. For instance, early exposure to pornographic images, especially if coupled with masturbation, can diminish the capacity of an individual imperfect real person. This can produce subtle, even imperceptible, impediments to intimacy.

Q. How do you view the attempts of the homosexual image creators to establish the victimhood status of homosexuals, exemplified by the symbol of the pink triangle? Do you see homosexuals as victims?

A. Oftentimes, homosexuals have been victims of horrific childhood experiences. One study examined over 1,000 homosexual men and found more than 40% were subjected to childhood sexual molestation. It is also true that people who wrestle with homosexuality or identify themselves or are perceived as homosexuals are treated with contempt and cruelty.

The important thing is for the individual wrestling with homosexuality not to become fixated on the idea of victim status as a false compensation for what he or she really wants: a kind of fulfillment that can only be found in deep, rich, marital, and family intimacy.

On the political side, there is no doubt that with great savvy and understanding of mass psychology, gay activists, like feminist activists before them, like socialist revolutionaries before them, and like French revolutionaries before them, have found in the coupling of victim status to political agitation an extremely potent instrument to disrupt the social order.

Q. To what extent do you see homosexuality leading to sadism and masochism, especially among younger people, typified by piercing, tattooing, scarifying, branding, and other acts of mutilation?

A. I wouldn't say that homosexuality per se leads to these other things; it's that A) once certain sexual taboos are overthrown, everything becomes permissible; and B) for those people whose early experiences of deprivation have been linked to much pain there can develop a progressively worsening addiction to ever-more extreme forms of sexual stimulation.

Such a psychological configuration is going to be found more commonly among people who have broken sexual taboos of any sort.

Q. Are homosexuals more inclined to engage in pedophilia and pederasty than heterosexuals, and are lesbians prone to that behavior?

A. Lesbians are not prone to that behavior, and are much less prone to it than heterosexuals. Pedophilia is almost exclusive to males. Among males, pedophilia is at least three, and perhaps as much as 11, times more frequent among homosexuals males than heterosexual males.

Activists correctly point out that the majority of pedophiles are heterosexuals, but this is because homosexual males constitute less than one thirty-third of the male population. A recent issue of the Journal of Homosexuality, published by prominent activist, devoted an entire issue to the debate among gay activists as to the degree to which pedophilia is a core component of the homosexual worldview.

Q. In your recent book, you write of the opposing views toward homosexuality among Orthodox Jews and Christians and liberal Jews and Christians. How do you explain the dramatic shift in support of homosexuality within Christianity, and especially in the Catholic Church in the United States and Canada, as also among Reformed Jews?

A. The former is no more genuine Christianity than the latter is genuine Judaism. Paganism has always embraced polysexuality.

Q. What are the major implications of the homosexualists infiltration of the churches?

A. I would view this phenomenon as a symptom rather than as a primary event. It reveals the complete lack of confidence in the Judeo-Christian understanding of reality.

Q. In many Catholic dioceses, pro-homosexual pastoral ministers and others are trying to make parishes "gay and lesbian welcoming" or "inclusive." What effect do you think that will have on parishioners and on Christianity in general?

A. The whole concept of inclusivity is a bit of propaganda right out of 1984. First, the term automatically implies without stating so that anyone opposed to the agenda pointed to by the word is of necessity "exclusive."

It destroys their faith. Because they know perfectly well, either via "natural law" or via their familiarity with Scripture, or simply through common tradition, that something is not right in what they are being told. The only way that they can make peace with this contradiction is either by repudiating the false leadership or by repudiating what their hearts tell them.

Q. What do you think will be the impact on young children of gay and lesbian celebrations in Catholic churches, on children who will see homosexuals and lesbians at church, social functions, in schools, and so on?

A. Anything that normalizes homosexuality will increase confusion about sexuality and sexual roles, will distance future adults from the traditional model of the family, and will increase the likelihood of vulnerable youngsters, those of a certain kind of background, to pursue, either temporarily or permanently, homosexual.

Q. What effect do you think AIDS education has on young children?

A. Its chief impact is to desensitize children to boundaries which were previously considered taboo. AIDS education among at-risk populations has been going on for 15 years now, and yet epidemiologists have confirmed in independent studies around the country that the incidence of "unsafe sex" reached a bottom about six years ago and has been climbing steadily upward ever since.

Unsafe sexual practices were never reduced by more than 50%. This is touted as a success, but when dealing with a fatal illness, it is actually a terrible failure.

Right now, 30% of all 20-year-old young men who consider themselves homosexual will either be HIV positive or dead of AIDS by the time they are 30, according to these studies. And yet, the success rate for homosexual change—in spite of the absence of a coordinated national effort to identify the causes of homosexuality and to help people overcome it—is greater than 50%. That is to say, as or more successful than change rates produced by "safe sex" and AIDS education.

SALUTE TO ALVIN BROWN

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. EMERSON. Mr. Speaker, I would like to take this opportunity to pay tribute to a dedicated and tireless public servant, Mr. Alvin Brown. Mr. Brown is the former director for community development with the Department of Agriculture. In this capacity, he oversaw the Empowerment Zone and Enterprise Community Program for the administration and worked to ensure that designated communities had the necessary assistance and know-how available to them.

I am delighted to take just a minute to highlight the significant contributions that Mr. Brown has given as Director of the EZ/EC Program. His service to my constituents in the Eighth Congressional District of Missouri and to countless other communities was the embodiment of public service at its finest! Alvin, we greatly appreciate your commitment to bettering America's small communities.

Mr. Speaker, I would like to submit for inclusion into the RECORD a copy of a letter sent to the President and Agriculture Secretary Glickman from myself and Mr. DE LA GARZA recognizing the achievements of Alvin Brown.

HOUSE OF REPRESENTATIVES,
Washington, DC, April 17, 1996.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are writing to express our sincere appreciation for the work and accomplishments of Mr. Alvin Brown in his capacity as Director for Community Development with the Department of Agriculture. As Director of this office, Mr. Brown administered the Empowerment Zone and Enterprise Community Program set forth by your Administration with great distinction and effectiveness. His assistance and expertise were extremely important to many communities including the ones designated in our respective Congressional districts.

Throughout his tenure as Director, Mr. Brown traveled extensively throughout the designated communities to provide technical assistance and creative solutions to the tasks at hand. His services were particularly valuable to rural areas such as the ones that we represent. Speaking from first-hand experience in working with Mr. Brown, he provided an invaluable service to our constituents as they sought to work through the guidelines of their new designation. He personally took the time to visit our respective Enterprise Communities and has continued to offer guidance for enhancing economic development opportunities.

Alvin Brown is an exemplary public servant. As Members of Congress with newly designated Enterprise Communities in our district, we are mindful and greatly appreciative of the efforts put forth by Mr. Brown.

Sincerely,

BILL EMERSON,
Chairman, Subcommittee on Department Operations, Nutrition, and Foreign Agriculture.
E (KIKA) DE LA GARZA,
Ranking Democrat, House Committee on Agriculture.

CONGRATULATIONS VENICE HIGH STUDENTS ON NATIONAL SCIENCE BOWL VICTORY

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Ms. HARMAN. Mr. Speaker, as a kindergarten-through-high school graduate of the Los Angeles Unified School District, I am particularly proud to congratulate five LA Unified students from my district who recently won the prestigious National Science Bowl contest.

Noah Bray-Ali, David Dickinson, Le My Hoang, Candice Kamachi, and Christopher Mayor, all students at Venice High School, claimed a first place victory earlier this month in this contest, which tests students' knowledge of computer science, biology, physics, chemistry, and other topics in a grueling 2 day competition. The contest is sponsored by the U.S. Department of Energy.

As a member of both the Science and National Security Committees of the House, I have a keen appreciation for the value of science education. It is clear from the hearings these committees convene on the challenges facing our Nation in the 21st century that our future economic prosperity and security depend on cutting-edge scientific advancements. And, in order to make those advancements, we need to continue to teach and train students who will become our future scientists and engineers. I am pleased that Venice High and other schools in LA Unified are prepared to fill that need.

The Venice High students faced many obstacles in their way to victory. They competed against 54 other high schools from around the Nation representing 39 different States. Most amazingly, they successfully competed even though they started their school year without a physics teacher and had to rely on self-discipline and the help of a substitute teacher for the first few months of the school year.

In addition, these students faced many of the challenges students everywhere face as a result of dwindling resources and the sometimes dangerous atmosphere that students encounter on their way to school. Venice High has, in recent years, experienced problems with gang violence, but with strong support from family and teachers, the students have been able to pursue their goal of academic excellence.

I also wish to congratulate Coach Richard Erdman, and Walter Zeisle of the Department of Water and Power, whose agency generously sponsored the student's trip to Washington.

A TRIBUTE TO THE MOTHERS OF ST. PAUL AME CHURCH

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. PAYNE of New Jersey. Mr. Speaker, this weekend mothers all over the country will be honored. On Saturday, in my district, a special tribute is being paid to the mothers of the St. Paul African Methodist Episcopal Church in East Orange, NJ, pastored by the Reverend Donald C. Luster.

In the African-American community, our female elders are honored with the title of mother. The women being honored by St. Paul's are all at least 80 years old and have served their families, our community, and the church faithfully for many, many years. These women have seen history in the making. They have made sacrifices so that others would be better off.

Our communities were better off because of women like these who treated all children like their own. It was not unusual for "Miss Rose" to reprimand you for something you did wrong and then tell your mother about it when she came home from work. These women were the strength of our communities. In many cases, they were, and still are, our salvation.

Mr. Speaker, reading the biographies of these women is like reading a copy of Who's Who. The group contains business owners, educators, a nurse, those active in politics, and seamstresses but most important, they are all mothers. They are mothers who love their children, their grandchildren, their great grandchildren, and their great-great grandchildren. And all of these children love them.

Mr. Speaker, I am sure my colleagues will join me as I offer my best wishes to all mothers, especially to the honorees—Mrs. Ophelia Love Achoe, Mrs. Armeller Brown, Mrs. Lucretia F. Counts, Mrs. Edith Cowan, Mrs. Ethel Green, Mrs. Alma Powell Gamble, Mrs. Alma Jones, Mrs. Luella Powell Koonce, Mrs. Era Worthy, Mrs. Florence V. Luster, Mrs. Daisy Tolliver—and their families.

THE HOPE FOR AMERICA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. DORNAN. Mr. Speaker, here are words of wisdom to save our souls.

THE HOPE FOR AMERICA

Remarks by Dr. Billy Graham, Congressional Gold Medal Presentation, Capitol Rotunda, Washington, DC, Thursday, May 2, 1996

Mr. Vice President; Speaker Newt Gingrich; Majority Leader Bob Dole; Senator Strom Thurmond; Members of the House of Representatives and the Senate; distinguished guests and friends.

Ruth and I are overwhelmed by the very kind words that have been spoken today, and especially by the high honor you have just bestowed on both of us. It will always be one of the high points of our lives, and we thank you from the bottom of our hearts for this unforgettable event. We are grateful for all of you in the Senate and House who have had a part in it; and President Clinton for his support in signing the resolution.

As we read the list of distinguished Americans who have received the Congressional Gold Medal in the past—beginning with George Washington in 1776—we know we do not belong in the same company with them, and we feel very unworthy. One reason is because we both know this honor ought to be shared with those who have helped us over the years—some of whom are here today. As a young boy I remember gazing at that famous painting of Washington crossing the Delaware. Only later did it occur to me that Washington did not get across that river by himself. He had the help of others—and that has been true of us as well. Our ministry has been a team effort, and without our associates and our family we never could have accomplished anything.

I am especially grateful my wife Ruth and I are BOTH being given this honor. No one has sacrificed more than Ruth has, or been more dedicated to God's calling for the two of us.

However, I would not be here today receiving this honor if it were not for an event that happened to me many years ago as a teenager on the outskirts of Charlotte, North Carolina. An evangelist came through our town for a series of meetings. I came face-to-face with the fact that God loves me, Billy Graham, and had sent His Son to die for my sin. He told how Jesus rose from the dead to give us hope of eternal life.

I never forgot a verse of Scripture that was quoted, "As many as received him, to them gave he power to become the sons of God, even to them that believe on his name" (John 1:12, KJV). That meant that I must respond to God's offer of mercy and forgiveness. I had to repent of my own sins and receive Jesus Christ by faith.

When the preacher asked people to surrender their lives to Christ, I responded. I had little or no emotion; I was embarrassed to stand with a number of other people when I knew some of my school peers saw me; but I meant it. And that simple repentance and open commitment to Jesus Christ changed my life. If we have accomplished anything at all in life since then, however, it has only been because of the grace and mercy of God.

As Ruth and I receive this award we know that some day we will lay it at the feet of the One we seek to serve.

As most of you know, the president has issued a proclamation for this day, May 2, 1996, to be a National Day of Prayer. Here in Washington you will see and hear of people throughout the District of Columbia praying today. It is encouraging and thrilling that here, and across the country, people have committed themselves to pray today for our leaders, our nation, our world, and for ourselves as individuals. I am so glad that before business each morning, both the House of Representatives and the Senate have a prayer led by Chaplain Ogilvie of the Senate, who has had so much to do with this event today, and Chaplain Jim Ford, who used to be chaplain at West Point when I went almost every year to bring a message to the cadets.

Exactly 218 years ago today—on May 2, 1778—the first recipient of this award, George Washington, issued a General Order to the American people He said, "The . . . instances of Providential Goodness which we have experienced and which have now almost crowned our labors with complete success demand from us . . . the warmest returns of Gratitude and Piety to the Supreme Author of all Good." It was a message of hope and trust, and it also was a challenge for the people to turn to God in repentance and faith.

We are standing at a similar point in our history as less than four years from now the world will enter the third Millennium. What will it hold for us? Will it be a new era of unprecedented peace and prosperity? Or will it be a continuation of our descent into new depth of crime, oppression, sexual immorality, and evil?

Ironically, many people heralded the dawn of the 20th Century with optimism. The steady march of scientific and social progress, they believed would vanquish our social and economic problems. Some optimistic theologians even predicted the 20th Century would be "The Christian Century", as humanity followed Jesus' exhortation to love your neighbor as yourself. But no other century has been ravaged by such devastating wars, genocides and tyrannies. During this century we have witnessed the outer limits of human evil.

Our mood on the brink of the 21st Century is far more somber. Terms like "ethnic cleansing," "random violence" and "suicide bombing" have become part of our daily vocabulary.

Look at our own society. There is much, of course, that is good about America, and we thank God for our heritage of freedom and our abundant blessings. America has been a nation that has shown a global compassion that the rest of the world seemingly does not understand. After World Was II because we had the Atom Bomb, we had the opportunity to rule the world, but America turned from that and instead helped rebuild the countries of our enemies.

Nevertheless, something has happened since those days and there is much about America that is no longer good. You know the problems as well as I do: racial and ethnic tensions that threaten to rip apart our cities and neighborhoods; crime and violence of epidemic proportions in most of our cities; children taking weapons to school; broken families; poverty; drugs; teenage pregnancy; corruption; the list is almost endless. Would the first recipients of this award even recognize the society they sacrificed to establish? I fear not. We have confused liberty with license—and we are paying the awful price. We are a society poised on the brink of self-destruction.

But what is the real cause? We call conferences and consultations without end, frantically seeking solutions to all our problems; we engaged in shuttle diplomacy; and yet in the long run little seems to change. Why is that? What is the problem? The real problem is within ourselves.

Almost three thousand years ago King David, the greatest king Israel ever had, sat under the stars and contemplated the reasons for the human dilemma. He listed three things that the world's greatest scientists and sociologists have not been able to solve, and its seems the more we know, and the greater our technology, the more difficulties we are in. In perhaps the best-known passage of the Old Testament, Psalm 23, he touches on the three greatest problems of the human race.

First, David said, is the problem of emptiness. David wrote: "The Lord is my shepherd; I shall not want." He was not talking just about physical want, but spiritual want.

I stood on the campus of one of our great universities some time ago, and I asked the Dean, "What is the greatest problem on your campus?" He replied in one word: "Emptiness." The human heart craves for meaning, and yet we live in a time of spiritual emptiness that haunts millions.

"Nirvana" is the Hindu world for someone who has arrived into the state of perpetual bliss. Media reports said that Kurt Cobain, the NIRVANA rock group's leader, was the pacesetter for the nineties, and the "savior of rock and roll." But he said the song in the end which best described his state of mind was "I hate myself and I want to die!" And at age 27 he committed suicide with a gun.

Second, is the problem of guilt. David wrote; "He restoreth my soul; he leadeth me in the paths of righteousness." Down inside we all know that we have not measured up even to our own standards, let alone God's standard.

Third, David pointed to the problem of death. "Yea, through I walk through the valley of the shadow of death, I will fear no evil: for thou art with me." Death is the own common reality of all human life. Secretary of Commerce Ron Brown did not realize his time had come when he stepped on that plane in Croatia a few weeks ago.

From time to time I have wandered through Statutory Hall and looked at all those statues of some of the greatest men and women in our nation's history. But one thing is true of every one of them: They are all dead.

Yes, these three things—emptiness, guilt, and the fear of death—haunt our souls. We frantically seek to drown out their voices, driving ourselves into all sorts of activities—from sex to drugs or tranquilizers—and yet they are still there.

But we must probe deeper. Why is the human heart that way? The reason is because we are alienated from our Creator. That was the answer David found to these three problems: "The Lord is our shepherd." This is why I believe the fundamental crisis of our time is a crisis of the spirit. We have lost sight of the moral and spiritual principles on which this nation was established—principles drawn largely from the Judeo-Christian tradition as found in the Bible.

What is the cure? Is there any hope?

Ruth and I have devoted our lives to the deep conviction that the answer is yes. There is hope! Our lives can be changed, and our world can be changed. The Scripture says, "You must be born again." You could have a spiritual rebirth right here today.

What must be done? Let me briefly suggest three things.

First, we must repent. In the depths of the American Civil War, Abraham Lincoln called for special days of public repentance and prayer. Our need for repentance is no less today. What does repentance mean? Repentance means to change our thinking and our way of living. It means to turn from our sins and to commit ourselves to God and His will. Over 2700 years ago the Old Testament prophet Isaiah declared: "Seek the Lord while he may be found; call on him while he is near. Let the wicked forsake his way, and the evil man his thoughts. Let him turn to the Lord, and he will have mercy on him, and to our God, for he will freely pardon" (Isaiah 55:6-7, NIV). Those words are as true today as they were over two and a half millennia ago.

Second, we must commit our lives to God, and to the moral and spiritual truths that have made this nation great. Think how different our nation would be if we sought to follow the simple and yet profound injunctions of the Ten Commandments and the Sermon on the Mount. But we must respond to God, Who is offering us forgiveness, mercy, supernatural help, and the power to change.

Third our commitment must be translated into action—in our homes, in our neighborhoods, and in our society.

Jesus taught there are only two roads in life. One is the broad road that is easy and well-traveled, but which leads to destruction. The other, He said, is the narrow road of truth and faith that at times is hard and lonely, but which leads to life and salvation.

As we face a new millennium, I believe America has gone a long way down the wrong road. We must turn around and go back and change roads. If ever we needed God's help, it is now. If ever we needed spiritual renewal, it is now. And it can begin today in each one of our lives, as we repent before God and yield ourselves to Him and His Word.

What are YOU going to do?

The other day I heard the story of a high school principal who held an assembly for graduating seniors, inviting a recruiter from each branch of the service: Army, Navy, Air Force, Marines to each give a twelve minute presentation on career opportunities they offered to the students. He stressed the importance of each staying within their allotted time.

The Army representative went first, and was so eloquent that he got a standing ovation, but went eighteen minutes. Not to be outdone, the Navy presentation was equally superb, but took nineteen minutes. Air Force then gave a sterling presentation, which lasted twenty minutes. By now, the principal was irate, and admonished the Marine recruiter that he had only three minutes before the students had to leave for the next class!

During the first two minutes of his shortened time, the Marine didn't say a word, but individually and carefully studied the faces of each student. Finally, he said, "I've looked across this crowd and I see three or four individuals who have what it takes to be a United States Marine. If you think you are one of them, I want to see you down front immediately after this assembly."

Who do you think drew the biggest crowd?

This afternoon, as I look out across this distinguished group gathered here, I see more than a few men and women who have what it takes, under God, to lead our country forward "through the night" into the next millennium—individuals who represent civic and governmental authority—as well as doctors, lawyers, clergy, artists and media.

Again, Ruth and I are deeply humbled by this award, and we thank you for all that it represents.

We pledge to continue the work that God has called us to do as long as we live.

Thank you.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, May 9, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 10

9:30 a.m.

Small Business

To hold hearings on proposed legislation relating to Small Business Investment Company reform.

SR-428A

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on S. 1317, to repeal the Public Utility Holding Act of 1935 and transfer certain regulatory functions from the Securities and Exchange Commission to the Federal Energy Regulatory Commission and the Public Service Commissions of various States.

SD-538

Governmental Affairs

Business meeting, to mark up S. 704, to establish the Gambling Impact Study Commission.

SD-342

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

MAY 14

9:00 a.m.

Labor and Human Resources

Aging Subcommittee

To hold hearings to examine challenges faced by an aging society.

SD-430

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on proposed legislation authorizing funds for fiscal year 1997 for the Federal Aviation Administration and the Airport Improvement Program.

SR-253

Energy and Natural Resources

Oversight and Investigations Subcommittee

To hold hearings to examine the management and costs of class action lawsuits at Department of Energy facilities.

SD-366

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for foreign assistance programs, focusing on narcotics.

SD-192

Judiciary

To hold hearings to examine proposals to revise the false statements statute, focusing on the case Hubbard v. United States.

SD-226

2:00 p.m.

Armed Services

To hold closed hearings on certain pending military nominations.

SR-222

MAY 15

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine how the Commodity Futures Trading Commission oversees markets in times of volatile prices and tight supplies.

SR-332

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Department of the Interior.

SD-138

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Governmental Affairs

Permanent Subcommittee on Investigations

To hold hearings to examine Russian organized crime in the United States.

SD-342

Rules and Administration

To resume hearings on proposals to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate primary and general election campaigns, to limit contributions by multicandidate political committees, and to reform the financing of Federal elections and Senate campaigns.

SR-301

10:00 a.m.

Judiciary

To hold hearings to examine issues relative to combatting violence against women.

SD-226

2:00 p.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the National Aeronautics and Space Administration.

SD-192

Appropriations

Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Executive Office of the President and the Office of Personnel Management.

SD-138

MAY 16

9:30 a.m.

Energy and Natural Resources

Parks, Historic Preservation and Recreation Subcommittee

To hold hearings on S. 621, to designate the Great Western Trail for potential addition to the National Trail System, H.R. 531, to designate the Great Western Scenic Trail as a study trail under the National Trails System Act, S. 1049, to designate the route from Selma to Montgomery as a National Historic Trail, S. 1706, to increase the amount authorized to be appropriated for assistance for highway relocation with respect to the Chickamauga and Chattanooga National Military Park in Georgia, and S. 1725, to create a third category of long-distance trails to be known as national discovery trails and to authorize the American Discovery Trail as the first national discovery trail.

SD-366

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for foreign assistance programs, focusing on the New Independent States.

SD-106

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the United States Coast Guard.

SD-192

MAY 17

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Corporation for National and Community Service.

SD-192

MAY 22

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings on S. 1166, to improve the registration of pesticides, to provide minor use crop protection, and to improve pesticide tolerances to safeguard infants and children.

SR-328A

Rules and Administration

To resume hearings on issues with regard to the Government Printing Office.

SR-301

MAY 23

10:00 a.m.

Judiciary

Business meeting, to consider pending calendar business.

SD-226

MAY 24

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Environmental Protection Agency.

SD-192

JUNE 5

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine proposals to reform the Commodity Exchange Act.

SR-328A

10:00 a.m.

Judiciary

To hold hearings on S. 1237, to revise certain provisions of law relating to child pornography.

SD-226

SEPTEMBER 17

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.

334 Cannon Building

CANCELLATIONS

MAY 9

10:00 a.m.

Appropriations

Commerce, Justice, State, and the Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Immigration and Naturalization Service and the Bureau of Prisons, Department of Justice.

S-146, Capitol

2:00 p.m.

Appropriations

Commerce, Justice, State, and the Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Small Business Administration.

S-146, Capitol

SENATE—*Thursday, May 9, 1996*

The Senate met at 9:15 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear God, ultimate Judge of us all, free us from the condemnatory judgments that elevate ourselves and put others down when they do not agree with us. Sometimes, we think our disagreement justifies our lack of prayer for them. Often we self-righteously neglect in our prayers the very people who most need Your blessing. Give us the prophet Samuel's heart to say, "Far be it from me that I should sin against the Lord in ceasing to pray for you."—I Samuel 12:23. Awaken us to the danger for our spiritual lives that results from neglect of prayer for our adversaries. Make us intercessors for all those You have placed on our hearts—even those we previously have castigated with our judgments. We accept Your authority: "Judgment is mine, says the Lord." I pray this in the name of Jesus, who taught us, "Judge not, and you shall not be judged. Condemn not, and you shall not be condemned. Forgive, and you will be forgiven."—Luke 6:37. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator from Montana is recognized.

Mr. BURNS. I thank the Chair.

SCHEDULE

Mr. BURNS. Mr. President, today there will be a period for morning business until the hour of 10 a.m.

Following morning business, the Senate will resume consideration of H.R. 2937, the White House Travel Office legislation. A cloture motion was filed on the pending Dole amendment to that measure, with that cloture vote occurring on Friday, unless agreement can be reached otherwise. Rollcall votes are, therefore, possible during today's session. Leader time shall be reserved.

AMERICAN FAMILIES NEED HELP

Mr. BURNS. Mr. President, I come to the floor this morning, again, with America on my mind and American families on my mind. Today, they are working harder and they are worrying more about job stability, and they are wondering about what the future holds, especially when this Government wants to call all of the rules and regulations from here throughout the country.

Most families live from paycheck to paycheck, and they struggle every month just to make ends meet. They are frustrated because the money they used to be able to live on does not get to the end of the month. Some would say, "There is a lot of month left over at the end of the money." Families, from Montana to Maine, want freedom from Washington and the crushing burden it puts on the backs of all Americans.

Let us talk about taxes first, as we have been doing all week. We need to give some of the 1993 tax increases back to families. That is what repeal of the 4.3-cent gas tax would do.

I thought a lot of the comments yesterday of my friend from Missouri, when he says, "Let us give it back to the people." This really stresses people who have to go to work every day, and it goes to people that will not work. That is not fair. These are the people that are trying to make America work.

Tax freedom day is now after 128 days because of that big tax increase in 1993. Total taxes are now running around 38.2 percent on family income. This repeal starts to at least give some of the money back to American families and also helps them along with their savings, and with the education of their young folks.

Also, let us talk a little bit about Government regulation this morning.

Flextime. What we have been talking about is the ability—and the TEAM Act—of people, of employers and employees, sitting down and ironing out some of the factors in a workplace that make a company go. That is what we are doing here, and talking about what is wrong with this communication between an employee and an employer. What is wrong with some of them setting some rules and some parameters which help not only the employee but the employer and also help the company to survive?

Home office deduction telecommuters. We fought very hard for that. I think back in 1991 or 1992, we put an amendment in the Transportation Act that says we ought to study the impact of folks who stay home and do their work because they have new technology such as computers, such as fax machines, such as telephones. So we said, do a study and see what impact that has on our transportation system and on our highways because right now we know we cannot outbuild the roads to stay ahead of America's love for the automobile.

So what is wrong with having a designated spot in a home in telecommuting maybe where even the employees here in Washington who did not want to come up I-395—as you know, I-395 from 6 o'clock in the morning until about 9 o'clock in the morning has been termed the world's largest parking lot. What is the impact on the environment? What is the impact on our fuel consumption, and on energy consumption?

Why can we not look at our tax bracket and say, "OK. Maybe you can stay home maybe 1 or 2 days out of every week and still get your work done, still be in contact, still communicate with everybody in the office and your customers or people in other places."

What is wrong with the TEAM Act? What is wrong with making these kinds of agreements for a better workplace? Where I come from, the people I am talking to sure want higher wages. The Government got their increase. In 1993, it was taken away from you; stagnated wages. If you look at a State like Montana, everybody wants to put the miners out of business where the best blue-collar jobs in Montana are in natural resources and the management of natural resources.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BURNS. So this morning, Mr. President, I ask that we take a long look at the total picture of families and what makes them tick. How do we secure their wages? How do we give them some permanence, and how do we contribute to a better life for families in all of America?

Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut has reserved 15 minutes.

Mr. LIEBERMAN. I thank the Chair. I thank my colleague.

ARMS SHIPMENTS TO BOSNIA FROM ISLAMIC COUNTRIES

Mr. LIEBERMAN. Mr. President, a few days ago, on Tuesday of this week, a number of colleagues rose to express criticism of the actions of the Clinton administration with regard to arms shipments from Islamic countries, including Iran, across Croatia to supply the Bosnian Army and the decision made not to intervene by this administration in April 1994. Yesterday, our colleagues in the other body voted to appropriate $1 million to conduct a formal investigation of this incident, which has been referred to as Iran-Bosnia.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Mr. President, as far as I am concerned, the suggestion here that what happened in April 1994 with the Clinton administration bore any resemblance to the Iran-Contra affair is wrong. There is simply no connection between the two. As my colleagues in the Senate know, for quite a long time—1993, 1994, 1995—I was very critical of this administration's inability to lift the arms embargo multilaterally, preferably, but unilaterally if necessary. But for the very reasons that led me to work, on a bipartisan basis, with the Senate majority leader and others to urge this administration to mandate finally that the arms embargo against Bosnia be lifted, I find the criticism of the administration and the President with regard to the decision made in April 1994 to be way off base, to be unfair, to be a bum rap. It is, in fact, quite the opposite of what was implied and expressed by all of us who worked so hard to convince our colleagues and this administration to lift the arms embargo against the Bosnian Government. I want to explain why I come to the conclusion that what the President did in April 1994 was not simply not wrong, but, in fact, I believe it was the right and moral decision to make.

Let me go back to that time in early 1994. In January 1994, we passed an amendment, supported by the majority leader and myself and many others on both sides of the aisle, which expressed the sense of the Senate—because it is all we could manage to convince our colleagues to support—a sense of the Senate that we should lift the arms embargo on the Bosnian Government by an 87-to-9 vote. That was a vote here in this Chamber. That vote expressed the growing disgust, fury, and frustration by most of us here in this Chamber, if not people throughout the country and the world, that acts of aggression and genocide were occurring, primarily by the Serbs against the Bosnian people, and not only was the world just standing by, but we were prohibiting the Bosnian people from receiving the arms necessary to exercise their fundamental right of self-defense. That was in January of 1994 that the Senate spoke.

In the spring of 1994, Bosnia was in dire straits. The newly established federation joining the Bosniacs and the Croats was in a very precarious state. The Bosnian Moslems in Gorazde, Sarajevo, and elsewhere were under siege, and not just casual siege but siege that threatened wide-scale death, destruction, and defeat. The Bosnians again, confronted by a foe with immense advantage and heavy weaponry, were, under an embargo passed in 1992 before the war broke out to try to stop the war from breaking out, denied by the international community the means to defend themselves.

I said then repeatedly, as others did in this Chamber, that that embargo was unjust and immoral. Major cities in Bosnia were threatened with being overrun by the Serbs. In fact, the Bosnian-Croat Federation was on the edge of defeat and annihilation.

Against that backdrop, in April 1994, the Croatian Government asked the United States, through diplomatic channels, whether the United States Government would object if Croatia were to allow arms shipments to go through its country, Croatia, to the Bosnian Government from other countries, primarily Islamic countries, including Iran. In fact, as I mentioned Islamic countries, there is some reason to believe that not just Iran, although that for understandable reasons concerns us, but also Turkey, perhaps Malaysia, perhaps including, with the support of our allies, Saudi Arabia, supplied arms to the Bosnians in transit through Croatian territory. The question then posed to the Clinton administration by this diplomatic query from Croatia was, should the United States at that point have acted forcefully to require the Croatians to stop those arms from going to the Bosnians?

President Clinton decided that the United States would neither approve nor object to such shipments. American diplomats told the Croatian Government in response to their question that they had "no instructions" on the matter. That, I feel very strongly, was the right decision diplomatically and morally, for to have done otherwise would have meant that the United States was not simply refusing to supply arms itself to the Bosnian Government, was not simply at that point enforcing to the extent it was able the embargo against the Bosnians, but was in fact demanding that other countries that wanted to allow arms to go to the Bosnians not be allowed to do so.

Some critics now insist that in making that decision the administration undertook covert action without reporting to Congress. That is a quasi-legal argument invoking, I suppose, memories of Iran-Contra, and I wish to explain why I feel there was not covert action here. In fact, it was neither covert nor was it action.

Let me make clear, too, that unlike the Iran-contra episode, there was here no mandate from Congress not to supply aid as there was in the case of aid to the contras. In fact, here there was growing support in Congress to have the United States Government either supply arms to the Bosnians or at least, as happened later in the year, to stop enforcing this immoral embargo.

Why do I say this was neither covert nor was it action? In legal terms, the administration decided to take no position, give no instruction on the delivery of arms through Croatia to Bosnia from Islamic countries including Iran. That does not constitute action. The State Department has made it very clear that the United States had no contact with Iran on this matter and took absolutely no action to facilitate these shipments. So I do not see how this can be construed as action by our Government which would require formal reporting to Congress under relevant law.

Second, and very importantly, this decision was by no means covert. While my colleagues who have been critical of late of the decision have acted, I presume, on the basis of an article which appeared early in April of this year, 1996, in the Los Angeles Times about the President's decision, the fact is that the decision made by the President and the administration in 1994 to give no instructions to the Croatians on the question of Islamic shipments of arms to the Bosnians across their territory should have been known to all of us and certainly should not be construed as news.

The leadership of the Congress and the relevant committees and their staffs have and at that time and from the beginning of the war in Bosnia had routine access to the very same intelligence information about the Islamic arms shipments that was seen by administration officials early in 1994, and, in fact, before. No one, to my knowledge, urged the administration to take any steps at that time to stop the arms from reaching the Bosnians.

Arms shipments from Iran and the other countries to Bosnia, facilitated by Croatia, which incidentally took its share of these weapons, in fact, became public knowledge in a Washington Post article on May 13, 1994, approximately 1 month after the administration made the decision to give no instructions to the Croatians. Again, we heard, and the record shows, no calls from anyone to stop those shipments of arms.

In June 1994, 1 month later and 2 months after the decision made by the administration, our colleague from Arizona, Senator McCAIN, speaking forcefully for the lifting of the arms embargo denying the Bosnian Government the right to self-defense, shared with us all—and it is printed in the CONGRESSIONAL RECORD—a June 24, 1994, Washington Times story entitled "Iranian Weapons Sent Via Croatia—Aid to Moslems Gets U.S. 'Wink.'" The whole story was told 2 years ago, 2 months after the administration's decision. I urge my colleagues to look at that article. Thus, the Congress and the public not only knew of Iranian arms shipments to Bosnia, but we also knew of President Clinton's decision not to act to stop those shipments nearly 2 years ago.

On April 14 and 15, 1995, a little more than a year ago, a year after the decision was made by the administration, the Washington Post reported extensively on the President's decision not to stop arms shipments destined to the Bosnian Government, and still, I think for understandable reasons, there was no clamor for the United States to stop those shipments. In fact, the Washington Post, in an editorial on April 16 of 1995 entitled "Arms For Bosnia," endorsed President Clinton's decision saying that the risk of Iranian influence was "A risk worth taking to serve what ought to be regarded as the political and moral core of American policy to render as much support as possible to the Bosnian Muslims."

So there can be no doubt that we all knew or should have known about the Iranian arms shipments to Bosnia and the shipments from other Islamic countries 2 years ago, and we all knew or should have known of the President's decision not to try to stop those shipments in the spring of 1994. And during that whole time the Senate and the House of Representatives did not call for U.S. action to stop those shipments.

Therefore, Mr. President, I conclude that these shipments were by no means covert. In fact, not only were they not covert, they were not wrong, and shortly thereafter we in Congress expressed our agreement with that conclusion.

Later, in 1994—in fact, in August 1994, on August 11, 1994—with pressure building here for support of the resolution that Senator DOLE and I and others were advancing to lift the arms embargo, unilaterally if necessary, the Senate adopted an amendment offered by the Senator from Georgia, Mr. NUNN, and then Senate majority leader, Senator Mitchell, as an amendment to the fiscal year 1995 Defense authorization bill which called for multilateral lifting of the arms embargo but, more relevant to the present controversy, mandated the end of any American involvement in enforcing the international arms embargo on the Bosnian Government.

In October 1994, Senator DOLE and I and our cosponsors, unfortunately, could not gain enough votes to pass our legislation mandating unilateral lifting of the arms embargo, but in response to our efforts the Congress adopted the Nunn-Mitchell provision as part of the fiscal year 1995 National Defense Authorization Act. So we in this body and our colleagues in the other body made it illegal, against the law, for the United States to use appropriated funds to enforce the arms embargo.

So since November 1994, the Clinton administration has been prohibited from acting to intercept arms shipments to Bosnia from Iran or anybody else, exactly the decision made in April 1994 by the administration. In that sense, the decision was ratified by the Congress.

Mr. President, let me make clear that I share the concern expressed by my colleagues who spoke the other day, and other times, about the continued Iranian presence and influence in Bosnia. In fact, the Senate majority leader and I raised this concern in a letter we sent a few months ago to President Izetbegovic of Bosnia. I believe there has been a response to that letter. But, of course, what I am saying here is that we need to see the results and the content of the administration's decision of April 1994 beyond the unfortunate but, after all, very limited, continued presence of Iran in Bosnia.

The supply of arms to Croatia and Bosnia by Islamic countries in 1994 and before in fact changed the military balance in the former Yugoslavia. As a result, the Bosniacs and Croats were able to defend their people and their territory and even reverse Serb gains.

I certainly—and I am sure most of my colleagues—would much rather have seen the arms embargo lifted and the arms supplied to the Bosnian Government by the United States or other friendly countries other than Iran. It is clear to me—it was then—that the Bosnian Government would have preferred that outcome, but just as a drowning person cannot be particular about who has thrown him a life jacket, a dying nation, a nation under death siege, as Bosnia was at that time, cannot be particular about who gives it arms. Without the supply of those arms, the Serbs, in my opinion, would have completed their campaign of territorial aggression, ethnic cleansing. With these arms, the Bosniacs and Croats cooperated to hold the Serbs in place—in fact, to reverse some Serb gains.

Then we came to 1995, growing concern about the course of the war, and finally Senator DOLE and I, and our cosponsors, were able to receive majority support here in this Chamber and in the other body for mandating a unilateral lifting of the arms embargo against the Bosnians. Srebrenica fell; a slaughter occurred there. With that in the public's mind, and being able to say to our allies in Europe that Congress was about to force him to lift the arms embargo unilaterally, the President was able to gain the allies' support for the NATO airstrikes which brought the Serbs to the negotiating table at Bosnia, which stopped the war and then led to the 60,000-person implementation force now there in Bosnia, with 20,000 Americans, whose presence, incidentally, was ratified in a bipartisan vote here in which the Senate majority leader, in an extraordinary act of bipartisanship, nonpartisanship, gave his support to that presence.

So I say, in conclusion, that to criticize the Clinton administration, President Clinton, for their decision not to protest the flow of arms to Bosnia in April 1994 is unfair and inconsistent with the position that so many of us took that, in fact, the arms embargo should be lifted. The decision the President made was, in my opinion, moral. It would have been outrageously immoral to have watched aggression and genocide continue in Bosnia and have done nothing—in fact, not only to have done nothing, but to have acted to stop others from doing something to help the victims of that aggression and that genocide.

Finally, in the struggle many of us made here on a bipartisan, nonpartisan basis to change the course of this war, I think we had a substantial effect. It was, in my opinion, some of the finest hours of this Chamber in affecting the course of foreign policy and world events, stopping aggression and genocide, and preserving stability in Europe.

I hope we will not sully that extraordinary record of nonpartisanship with a kind of partisanship in hindsight, which is unjustified by the facts and inconsistent with the bipartisan leadership of this Chamber on this matter.

I thank my colleagues, and I yield the floor.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I am wondering, could we extend the time for morning business. We have more time requested than time allotted for morning business. So I would ask that we extend morning business.

The PRESIDING OFFICER. The Senator can ask unanimous consent to extend morning business.

Mr. REID. I ask unanimous consent that we extend morning business for an additional 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Nevada [Mr. REID] is recognized for 5 minutes.

Mr. REID. Mr. President, the Democratic floor leader is in the Chamber. He has 25 minutes reserved.

I ask unanimous consent that I have 10 minutes of the 25 minutes the floor leader has reserved.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I also ask the Parliamentarian to inform me when I have used 10 minutes.

A HEALTHY ECONOMY

Mr. REID. Mr. President, I quote from the majority leader of the U.S. Senate in late February of this year, when he stated, "It is also true"—said Senator DOLE—"as some have said, that our economy is the strongest it has been in 30 years."

The business publication, Barron's magazine, that is looked upon with favor by the business community and has been for many, many years says:

> In short, Clinton's economic record is remarkable. Clinton rightfully boasted that our economy is the healthiest it's been in 30 years.

This came, Mr. President, late in March of this year. DRI McGraw-Hill, late March of this year:

The normal economic indicators suggest that the economy is in its best shape in decades.

Mr. President, the statements that I have given here, the quote from the majority leader of the U.S. Senate, from Barron's magazine, and from DRI McGraw-Hill are not publications of the Democratic National Committee. We could not go further from the Democratic National Committee than the majority leader of the U.S. Senate, Barron's magazine, and McGraw-Hill, yet each of these state that the economy is the best it has been in decades.

I am the first to acknowledge that we can do better. But we are doing pretty good. We are doing real well. The reason I want to talk about 'this this morning is I understand from listening and watching very closely what has transpired in this Chamber, especially on the other side of the aisle, that there is some tendency to talk about how bad we are doing.

The economy is on fire. The economy is doing well. These are not statements. They are based upon statistics. The smallest deficit share of our economy since 1979. This will be the fourth year in a row where we have had a declining deficit. I, Mr. President, last year with pride talked about it was the third year in a row where we had a declining deficit, the first time in 50 years we had 3 years in a row with a declining deficit.

I said then, as I say now, it should be smaller, but 3 years in a row, the first time in 50 years, a declining deficit. This next year will be 4 years in a row with a declining deficit; the first time since the years of the Civil War that we have had 4 years in a row with a declining deficit.

The lowest combined rate of unemployment and inflation since 1968. Strongest job growth. In fact, it is a stronger job growth than any Republican administration since the 1920's. Nearly 8.5 million new jobs added in just over 3 years. That is a faster annual rate of growth than from any Republican administration since the 1920's.

Mr. President, we have heard a lot of talk in years gone by about the Federal employment being too high. President Reagan, when he was Governor, used to rail about how big the Government was. Yet while he was Governor of California, the government of California got bigger and bigger. When he got off his job of being Governor, he had a radio program, and about one out of every two programs dealt with how big the Federal Government was. It is interesting to note, when President Reagan was President, the Government got bigger and bigger.

Vice President GORE, in this administration, was given the job to cut back the size of Government. The Government has been cut back. It is not talked about. We have over 200,000 fewer Federal jobs than we had 3 years ago. That is a cutback that is staggering. The smallest work force since the days of President Kennedy. Highest share of jobs in the private sector again since the 1920's. And 93 percent of all new jobs have been created by the private sector.

We have had the lowest inflation during any administration since the days of Kennedy, the strongest industrial production growth in 30 years. The industrial production has grown almost 4 percent annually. That is faster than any administration since the days of Lyndon Johnson.

Strongest business investment growth for an administration since the days of John Kennedy. Business investment has grown almost 11 percent annually. As I have indicated, that is a faster rate of business investment growth than any administration since John Kennedy was President.

Lowest mortgage rates in 30 years. Strongest stock market growth since World War II. Highest home ownership in 15 years. Strongest construction growth since Truman was President. Almost 900,000 new construction jobs have been created in just over 3 years. That is the fastest annual rate of construction since Harry Truman was President.

It is no wonder that Barron's magazine says:

> Clinton has rightfully boasted that our economy is the healthiest it's been in 30 years.

Mr. President, we have had 10 Presidents since the Second World War. If we listed the Presidents, we would find we have had five Republican Presidents and five Democrat Presidents. But if you looked at job growth during the years of those 10 Presidencies, you would find that Nos. 1, 2, 3, 4, and 5 were Democrats. The bottom five were Republican Presidents.

If you want to look at that same list of Democratic Presidents, you would find that they also led from 1 to 5 in economic growth. I think it is important that we here on the Senate floor make sure the record is clear and not try to frighten the American public.

We acknowledge that we need to do better. We acknowledge that we have problems that need to be looked into. We believe that the minimum wage should be raised. We believe that it is not a question of making sure that teenagers that work at McDonalds get paid more, because the vast majority of the people who earn minimum wage are not teenagers. Sixty percent of the people who earn minimum wage are women, and for 40 percent of those women, that is the only money they get for them and their families.

We believe one of the ways we can make the economy better is to raise the minimum wage. Why? Because it will tend to force people off welfare and cause people not to go on welfare. We need to do better, but we are doing well. The so-called misery index, the combined rate of unemployment and inflation, is at its lowest level since 1968. We think that is good.

Car manufacturing. The United States is in the world lead. In 1994, the United States surpassed Japan as the world leader in automobile production. The last time the United States was No. 1 was way back in 1979. In 1995 and 1996, America has and will retain its status as the world's largest producer of cars. There have been times in the history of our country when the business sector has done as well, but never have they done any better. Economic numbers point to the business community as being very happy with what is going on.

We can look at areas where not everyone can enjoy this, but a family that invested money in the stock market——

The PRESIDING OFFICER. The Chair informs the Senator he has reached the 8-minute mark.

Mr. REID. I thank the Chair.

A family that invested money in the stock market, under the Clinton administration, for example, if they invested $10,000, they would get almost a 50-percent return on that money, in fact a little over 50-percent return.

Jobs have been added, as I have indicated, and the fact of the matter is, Mr. President, they have been good jobs, high-wage jobs. Over 60 percent of the jobs added have been high-wage jobs.

So we have work to do. We have a lot more that we can do. There are a lot of people not enjoying the success of the economy that is doing so well. We have to try to make sure that we do a better job in allowing people to succeed in this great country that we have.

But I want everyone within the sound of my voice to appreciate the fact that we as an economy, we as a country, are doing extremely well. We have to feel good. We have to have confidence in our economy, confidence in our Government. We can only do that by understanding that we need to work together in a bipartisan fashion to move the country along.

We can do that by, first of all, allowing up-or-down votes on the minimum wage, repeal of the gas tax, and if the majority leader wants to bring forward the TEAM Act, let us have a debate on that like we have done in the Senate for over 200 years.

NUCLEAR WASTE

Mr. REID. Mr. President, I also say that my friend, my colleague from the State of Nevada, Senator BRYAN, is also going to address the Senate on a very important issue dealing with nuclear waste. I underscore and underline his statement and join with him in recognizing that we have some serious problems in transporting nuclear waste across this country. It can be avoided if we follow what, again, the President wants to do and not have the interim storage of nuclear waste.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. DORGAN] is recognized.

Mr. BRYAN. Mr. President, I wonder if my friend and colleague will yield for the purpose of a unanimous consent request.

EXTENSION OF MORNING BUSINESS

Mr. BRYAN. Mr. President, I ask unanimous consent that at the conclusion of the remarks of the distinguished Senator from North Dakota, that morning business be extended for a period of 10 minutes so I might be permitted to address the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. I thank my colleague, and I thank the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 10 minutes.

NOT GRIDLOCK, BUT A GAG RULE

Mr. DORGAN. Mr. President, it has been kind of an interesting couple of days in the Senate, and I noticed in the newspaper this morning in the headlines the word "gridlock," which I am sure will please some in this Chamber, because yesterday they were trying to persuade the press to use the word "gridlock." They said what is happening in the Senate is gridlock.

What happened yesterday was quite interesting. Those who suggest this is gridlock in the Senate came to the floor of the Senate yesterday, offered a piece of legislation and then, prior to any debate beginning on that legislation, the same people who offered the legislation filed a cloture motion to shut off debate that had not yet begun on a piece of legislation that had been offered only a minute before.

Someone who does not serve in the Senate or does not understand the Senate rules might scratch their head and say, "How on Earth could someone do that with a straight face? How could someone, without laughing out loud, offer a piece of legislation before debate begins, file cloture to shut off debate on a piece of legislation they have just now filed, and then claim that the other side is guilty of causing gridlock?"

Only in the Senate can that be done without someone laughing out loud at how preposterous that claim is.

This is not gridlock. It is more like a gag rule, where you bring a piece of legislation to the Senate because you control the Senate floor and you say, "Here's what we want to do, and, by the way, we're going to use parliamentary shenanigans to fill up the parliamentary tree so no one has an opportunity to offer any amendments of any kind, and then we are going to file a motion to shut off debate before you even get a chance to debate."

No, that is not gridlock, that is a gag rule. From a parliamentary standpoint, it can be done. It was not done when the Democrats were in control in the 103d Congress. We never did what is now being done on the floor of the Senate: filling the legislative tree completely and saying, "By the way, you have no opportunity, those of you who feel differently, to offer amendments."

But we will work through this, and we will get beyond this. I will say to those who claim it is gridlock, it is clear the Senate is not moving and the Senate is not acting, but at least the major part of that, it seems to me, is because we have people who decide that it is going to be their agenda or no agenda, and they insist on their agenda without debate, their agenda without amendments.

What we have are three proposals that have been ricocheting around the Chamber the last couple of days, and there is a very simple solution. We have a proposal called the minimum wage. Many of us feel there ought to be some kind of adjustment in the minimum wage. It has been 5 years. Those working at the bottom of the economic ladder have not had a 1-penny increase in their salaries. Many of us feel there ought to be some adjustment there.

The second issue is, the majority leader wants to cut or reduce the gas tax by 4.3 cents a gallon.

And the third issue is a labor issue called the TEAM Act.

The way to solve this, instead of linking them together in Byzantine or strange ways, is simply to bring all three measures to the floor one at a time, allow amendments to be offered and then have an up-or-down vote. This is not higher math; it is simple arithmetic. Bring the bills to the floor.

Our side has no interest, in my judgment, in filibustering on any of those bills, at least not that I am aware of. I do not think we ought to filibuster any of those bills. Bring the bills to the floor, have a debate, entertain amendments, have a final vote, and the winner wins. That is not a very complicated approach. It is the approach that would solve this problem.

I listened carefully yesterday to a speech on the Senate floor that was essentially a campaign speech—hard, tough, direct. It was a Presidential campaign speech. You have a right to do that on the Senate floor. I do not think it advances the interests of helping the Senate do its business. I almost felt during part of that speech yesterday there should be bunting put up on the walls of the Senate, perhaps some balloons, maybe even a band to put all this in the proper perspective.

The Senate is not going to be able to do its work if it becomes for the next 6 months a political convention floor. I hope that we can talk through that in the coming days and decide the Senate is going to have to do its work. We have appropriations bills we have to pass. We have other things to do that are serious business items on the agenda of this country. I do not think that we can do this if the Senate becomes the floor of a political convention from now until November.

I want to speak just for a moment about the proposed reduction in the gasoline tax. Gasoline prices spiked up by 20 to 30 cents a gallon recently. When gasoline prices spiked up and people would drive to the gas pumps to fill up their car, they were pretty angry about that, wondering, "What has happened to gasoline prices?"

Instead of putting a hound dog on the trail of trying to figure out who did what and why, what happened to gas prices, immediately we had some people come to the floor of the Senate and say, "OK, gas prices spiked up 20, 30 cents a gallon. Let's cut the 4.3-cent gas tax put on there nearly 3 years ago."

I do not understand. I guess the same people, if they had a toothache, would get a haircut. I do not see the relationship. Gas prices are pushed up 20 to 30 cents so they are going to come and increase the Federal deficit by cutting a 4.3-cent gas tax.

I would like to see lower gas taxes as well, but I am not going to increase the Federal deficit. The Federal deficit has been cut in half in the last 3 years. Why? Because some of us had the courage to vote for spending decreases and, yes, revenue increases to cut the deficit in half.

The central question I have is this: If you cut the gas tax, who gets the money? There are a lot of pockets in America. There are small pockets, big pockets, high pockets, and low pockets. You know who has the big pockets and small pockets. The oil industry always had the big pockets. The driver has always had the small pockets.

Guess what? When you take a look at what is going to happen when you see a gas tax reduction and have some people talk to the experts, here is what you find.

This is yesterday's paper: "Experts say gas tax cut wouldn't reach the pumps. Oil industry called unlikely to pass savings on to consumers."

Energy expert Philip Verleger says:

> The Republican-sponsored solution to the current fuels problem . . . is nothing more and nothing less than a refiners' benefit bill. . . . It will transfer upwards of $3 billion from the U.S. Treasury to the pockets of refiners and gasoline marketers.

The chairman of ARCO company says:

> My concern is, quite frankly, how the public will react to what the Senate does.

He said:

> Some Democrats have already said 'before we pass the gas tax, we want to make sure we see it at the pump.'

He said:

> I'll tell you, market forces are going to outstrip the 4 cents a gallon. You're not going to be able to find a direct relationship between moving that and 4 cents. Then prices could go up, go down, could stay the same, and there you have the question of how the public is going to perceive that.

The majority leader's aides in the paper today said they had:

> . . . received assurances from the oil companies that the full extent of any cut in the gas tax will be passed on to consumers.
>
> However, officials at several major oil companies said yesterday that no such assurances had been or could be given.
>
> "Even asking for them represented a mistaken return to direct government involvement in setting prices," several energy experts said. . . .
>
> Bruce Tackett, a spokesman for Exxon Co. USA in Houston, said, "We have not made any commitments to anyone 'regarding a 'future' price. Not only have we not made a commitment, we can't. In a competitive market, the market will set the price."

An Amoco Corp. spokesperson said:

> We've received no official request, and we haven't spoken to anyone about this.

Mobil Corp. said:

> Mobil doesn't believe that a reduction in the tax will automatically mean a reduction in the pump price. . . In the end, it will be the marketplace that sets the price at the pump.

The point is this gas tax reduction sounds like an interesting thing, but if you take $3 billion out of the Federal Government and increase the deficit, which you will do—I think the so-called offset is a sham—but increase the Federal deficit, take $3 billion, put it in the pockets of the oil industry and the drivers are still going up to the same pumps paying the same price for their gas, who is better off? The taxpayer? No. Is the Federal deficit better off? No, that is higher. The oil industry is better off.

I guess my hope is that we will decide for a change here in the U.S. Senate to do the right thing. The right thing, it seems to me, is for us to proceed on the agenda. Yes, the majority leader and the majority party have the majority, they have the right to proceed down the line on their agenda. We are 47 Members in the minority. We are not pieces of furniture. We are people that have an agenda we care deeply about. We also intend to exercise our right in the Senate to offer amendments and to try to affect the agenda of the Senate.

For those who say we have no right to offer amendments, that we will be thwarted in any attempt at all to offer our agenda, we say it will be an awfully long year because we intend to advance the issue of the minimum wage. The minimum wage ought to be adjusted. People at the top rung of the economic ladder have a 23-percent increase in the value of their salaries and their stock benefits last year; the people at the bottom of the economic ladder, those people out there working for minimum wage, have for 5 years not received a one-penny increase, and lost 50 cents of the value of their minimum wage. We are not asking to spike it way up. We are just asking for a reasonable, modest adjustment of the minimum wage. We ought to do that.

Gas tax, bring that to the debate. I do not intend to vote to reduce the gas tax. I would like to. I would like to see people pay less taxes in a range of areas, but I do not intend to vote to increase the Federal deficit. I have been one, along with others, who care and continue to ratchet that Federal deficit downward. I do not intend in any event to transfer money from the Federal Treasury, so the deficit increases, to the pockets of the oil industry, and leave drivers and taxpayers stranded high and dry.

The TEAM Act that has been introduced in the last day or so, bring that to the floor, entertain amendments, have a vote on that. That is the way the Senate ought to do its business. It is probably not the most politically adept way. It does not most easily advance an agenda of someone, but a way for the Senate to advance these issues, have a vote, and determine what the will of the Senate is.

I yield the floor.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Nevada.

Mr. BRYAN. I thank the Chair.

NUCLEAR WASTE

Mr. BRYAN. Mr. President, there has been, as my colleague from North Dakota has pointed out, a number of disappointments in terms of things that have reached the floor, and with the overhang of Presidential politics in this year. One of the most disturbing things to me is the power of special interests at work in this Congress and their effort to bring a piece of legislation to the floor, S. 1271, which we are told will reach the floor sometime in the next few weeks. That is the effort of a powerful lobby, well financed, very effective, the nuclear power lobby, to bring a proposal to locate an interim storage of high-level nuclear waste in my State of Nevada.

One can hardly open a newspaper or one of the many Capitol Hill newsletters these days without seeing one of the nuclear power industry's many misleading, and in my view, intellectually dishonest advertisements urging Members of this body, of this Congress, to support S. 1271, which is the latest nuclear power industry's piece of legislation.

There are many things wrong with S. 1271, Mr. President. The obvious reason for my strong interest in the bill is an utter and complete disregard for the rights and interests of public health and safety of the men and women who I represent, my fellow Nevadans. Contrary to the wishes of the great majority of Nevadans—Democrats, Republicans, independents, those who choose no political affiliation—the overwhelming majority are strongly opposed to this so-called interim storage facility.

The problems with this legislation are more than a question of unfairness, which I will have occasion to speak to at some length during the debate on this issue. It is much more than unfairness, because most of the mistruths that are being spread about this legislation in the nuclear waste program in general affect not only my own State but many other States, as well.

First and foremost, I think it is important to emphasize that this piece of legislation is unnecessary. It is unnecessary. I have served in this body long enough to know that on many pieces of legislation, it is a very difficult balance. Some things that you like, some changes that you do not, there are some pluses and minuses. But always there should be at least some overriding necessity for that piece of legislation to be acted upon. In this instance, there is absolutely no need at all.

The scientific experts, experts independent of the nuclear power industry, independent of the environmental community, independent and in no way connected with my fellow constituents in Nevada, have concluded that there simply is no problem with leaving the high-level nuclear waste where it currently resides, and that is at the reactor sites. Most recently, the Nuclear Waste Technical Review Board, a Federal agency created by the Congress for the sole purpose of monitoring and commenting on the high-level nuclear waste program, that Nuclear Waste Technical Review Board recently stated, "There is no compelling technical or safety reason to move spent fuel to a centralized storage facility for the next few years."

Mr. President, that view has been endorsed by the Clinton administration as well because they can see through the transparency of the nuclear power industry's scare tactics. They have indicated that if this legislation should pass this Congress it will be vetoed.

Let me say for those who have watched this issue over the years, scare tactics have become the kind of conduct that we expect from the industry. More than a decade ago we were told that without some type of interim storage, then called away-from-reactor storage, that nuclear reactors around America would have to close down. In fact, their prediction was by 1983, 13 years ago. Well, the Congress wisely rejected the overture by the nuclear power industry more than a decade ago, and not a single reactor has closed because of the absence of storage for the spent nuclear fuel rods.

It is, in my judgment, a wiser policy and a more sensible policy that we make a determination only after we have a judgment as to the location of a permanent repository. That is what the language currently says, Mr. President, that there will be no decision to force a State or any jurisdiction to accept an interim storage until after the permanent repository program has made its own judgment. That, Mr. President, has not yet been done.

This sensible approach, accepted by those who have independent judgment and are members of the scientific community, endorsed by this administration and by many others, does not satisfy the nuclear power industry. They are furious that their bluff has been called, that its scare tactics over the years have been sufficiently transparent, that most have been able to see through them, and they have been frustrated in their goal of establishing an interim storage facility.

The risk that would be created by caving in to these special interest demands are substantial. In addition to creating overwhelming risk for those of us in Nevada, particularly because of its geographical proximity to the metropolitan area of Las Vegas, which is now home to 1 million people, this legislation would result in over 16,000 shipments of dangerous high-level nuclear waste to 43 States.

Mr. President, I apologize to my colleagues and staff who are watching this issue and I apologize to America that we do not have the resources to have full-page ads in major newspapers across America and all of the various bulletins and pieces of literature issued covering and commenting on the operation of the Congress. I see the very able and distinguished Senator from Kansas, and I assure her I will not be long in my comments. I take the occasion to make her aware, as I do the distinguished occupant of the chair, we are talking about 43 different States that will be affected, 16,000 shipments. Much of that is located in the Midwest. The State of Kansas, if I might cite for my colleague's edification since she is on the floor, is a major transshipment corridor. The red indicates highway. The blue indicates rail. We have one, two, three, four major shipment routes to the State of Kansas, exposing communities—we will talk more about this when this issue comes to the floor—exposing communities to a great deal of risk if indeed an accident happens.

We all hope that an accident does not happen. But most pencils in America are still made with an eraser. Mistakes occur—human error. We know that. Whether it is Three-Mile Island, Chernobyl, or whatever the nuclear disasters have been in recent years, there are human failures, mistakes, neglect, all of those things, and they are not likely to change as a result of anything that we have done or are likely to do on the floor of the Senate.

I know that the chairman of the Energy Committee spoke yesterday at some length about that. I can understand why he does not share the concerns. Alaska is not a transshipment corridor, so that none of his constituents would be exposed to the risk, as 43 States and some 50 million of us that live along one of these transportation routes might be affected.

I might say—and I believe the occupant of the chair served at the municipal level of government—there is no assurance in this legislation that any financial assistance is provided to communities who are placed at risk. None. No assurance whatsoever. So these communities exposed to this risk will have to bear that responsibility on their own.

Let me just say that for some of us—and the occupant of the chair and I are from two States that have no nuclear reactors at all; yet, we will bear the burden of those transshipments—all unnecessary, all unnecessary because our States will be affected. In the great State of Oklahoma, there are at least three rail shipment routes that will pass through that great State. I can cite State after State, and I will have occasion to do so later.

The chairman of the Energy Committee, in addressing this yesterday, tended to dismiss any concerns about safety. "Nothing to worry about. This is all under control." Mr. President, I have said many times on the floor that I was in the eighth grade in early 1951 when the first nuclear atmospheric test was conducted at Frenchman Flats in Nevada, about 60 to 70 miles from my hometown of Las Vegas. We were assured at the time, "There are no risks. There is nothing to worry about. The scientific community has this under control." Indeed, people were invited to go up to observe this great scientific phenomenon. Benches were established so you could go up, if you were part of the press corps. Those of us who were in school, as part of science programs, were invited to rise early in the morning and see the great flash from the nuclear detonation, see the cloud, and wait for the seismic shock to hit us, and calculate with some precision how far from ground zero we were from the place where the shot took place. Community reaction was overwhelming. Stores, retail establishments, all embraced this new nuclear phenomenon.

Well, it is now 45 years later. Nobody buys that argument anymore. No scientist worthy of his or her degree would ever suggest with absolute certainty that we can detonate a nuclear blast in a 70-mile range of a major community. Nobody will assert that.

Do you know what the consequences of that trust us is? Today, every Member of this Congress, every taxpayer in America is paying for those poor, innocent victims downwind of where those atmospheric shots occurred, who suffer from cancer and other genetic effects as a result of those experiments. Trust us, you need not worry. We are talking about something that is lethal. And those of us who would bear the burden of this do not have the same sense of safety and assurance that the chairman of the Energy Committee has.

Mr. President, I know that this debate has been framed largely as a result of the special interests of the nuclear power lobby. Many of my colleagues, I am sure, have not heard from their constituents. Today, I take the opportunity to acquaint Americans and my colleagues and staff, who are watching our discussion, that this is not just a Nevada issue. Obviously, we feel powerfully aggrieved at this outrageous conduct that suggests that not only are we to be studied for a permanent repository, but an interim facility will be placed there as well.

My point is that ours is a lonely voice, a small State of 1.6 million people and 4 Members of Congress. We cannot match the nuclear power industries' finances, the phalanx of lobbyists that they have from one end of Capitol Hill to the other. But there is much at risk. It is not just Nevada; it is 43 States, 50 million people. I urge my colleagues to get engaged in this debate and understand what is at risk.

I thank the Chair and the Senator from Kansas for allowing me to extend my remarks.

I yield the floor.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, a lot of folks don't have the slightest idea about the enormity of the Federal debt. Ever so often, I ask groups of friends, how many millions of dollars are there in a trillion? They think about it, voice some estimates, most of them wrong.

One thing they do know is that it was the U.S. Congress that ran up the enormous Federal debt that is now over $5 trillion.

To be exact, as of the close of business yesterday, May 8, 1996, the total Federal debt—down to the penny—stood at $5,094,597,203,341.08. Another sad statistic is that on a per capita basis, every man, woman, and child in America owes $19,238.98.

So, Mr. President, how many million are there in a trillion? There are a million million in a trillion, which means that the Federal Government owes more than $5 million million.

Sort of boggles the mind, doesn't it?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 2937, which the clerk will report.

The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2937) for the reimbursement of attorney fees and costs incurred by former employees of the White House Travel Office with respect to the termination of their employment in that office on May 19, 1993.

The Senate resumed consideration of the bill.

Pending:

Dole amendment No. 3952, in the nature of a substitute.

Dole amendment No. 3953 (to amendment No. 3952), to provide for an effective date for the settlement of certain claims against the United States.

Dole amendment No. 3954 (to amendment No. 3953), to provide for an effective date for the settlement of certain claims against the United States.

Dole motion to refer the bill to the Committee on the Judiciary with instructions to report back forthwith.

Dole amendment No. 3955 (to the instructions to the motion to refer), to provide for an effective date for the settlement of certain claims against the United States.

Dole amendment No. 3960 (to amendment No. 3955), to provide for the repeal of the 4.3 cent increase in fuel tax rates enacted by the Omnibus Budget Reconciliation Act of 1993, to clarify that an employer may establish and participate in worker-management cooperative organizations to address matters of mutual interest to employers and employees, and to provide for an increase in the minimum wage rate.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

AMENDMENT NO. 3960

Mrs. KASSEBAUM. Mr. President, I rise to discuss, again, legislation that has been before us, which is support for the Teamwork for Employees and Management Act, the TEAM Act.

During the past couple of days, we have had some lengthy debate on this legislation, as well as, of course, repeal of the 4.3-cent gas tax, and raising the minimum wage. I thought it might be useful at this point to review some of the debate back and forth on the TEAM Act, what it does and does not do, and dispel some of the myths that have surfaced over the course of the debate.

The TEAM Act responds to a series of decisions by the National Labor Relations Board that invalidated numerous employee involvement programs. The NLRB decisions that have been made regarding employee-employer relationships have been very broad. They found that the National Labor Relations Act of 1935 prohibited supervisors from meeting with workers in committees to discuss workplace issues like health and safety, working conditions, family leave, and other important areas of mutual concern.

The TEAM Act simply establishes a safe harbor in Federal labor law to permit these types of employee involvement programs, where workers meet with supervisors to discuss issues of mutual concern, to continue to exist without running afoul of Federal labor law. Under the TEAM Act, workers may discuss quality, productivity, efficiency, health and safety, or any other issues that are important to them.

It seems to make so much sense, Mr. President, and it is very hard for me to understand why this is being so vigorously challenged and fought by the unions in this country, particularly the chairman of the NLRB, William Gould, who does not support the TEAM Act, but does say that we need a clarification of the law so that there can be the ability of employers and employees to come together with a clearer understanding of what is within the parameters of the law.

I believe that workers have important contributions to make to improve the quality of their work life and the quality of the product or service their company delivers. America needs to harness workers' ideas and put them to good use. They are the ones who are there making the day-to-day effort, who best know the whole condition of workplace health and the safety of the atmosphere—on the line, perhaps, in a factory—and can come up with innovative suggestions.

The legislation also has important worker protections. For instance, teams may not have, claim, or seek authority to negotiate collective-bargaining agreements, or amend existing collective-bargaining agreements, and the TEAM Act also clearly prohibits employers from bypassing an existing union if the workers have chosen to be represented by a union.

I do not fault the NLRB for the breadth of their decisions invalidating employee involvement. I think they did the best job they could under the circumstances. Our Federal labor laws were written in the 1930's at a time when employers had used company unions to avoid recognizing and bargaining with unions after workers had selected union representation. So the Congress wrote our Federal labor laws very broadly to prohibit that type of activity.

In fact, the law was written so broadly that it invalidated the legitimate employee-involvement programs that we see today. So the TEAM Act permits these legitimate employee-involvement programs to move forward, while requiring firms to recognize and negotiate with independent unions if that is what the workers want.

Why do we need the TEAM Act? This has been mentioned many times. Because it has worked very successfully in the union businesses where the union shops exist. There have been many times effective employee-management teamwork. But we have, I think, also heard compelling cases of why there is great uncertainty.

During the debate over the last 2 days, some of my colleagues have asked, if there are so many employee-involvement programs going on right now, why then is it necessary and why do we need the TEAM Act? I will respond to my colleagues that the NLRB interpreted the law so broadly that it has cast great uncertainty on the legality of all employee-involvement programs. Some companies have disbanded their teams, either by order of the NLRB or because they are concerned with whether they are legal and fearing they might not feel it is worth the effort to even try, and other companies are not expanding their existing teams.

For example, during our committee hearings on the TEAM Act, we heard from David Wellins, a senior vice president of a human resource consulting firm in Pittsburgh, PA. Mr. Wellins' firm assists clients, from Fortune 500 companies to small nonprofits, to establish high-performance work organizations.

Mr. Wellins testified:

> On manufacturing plant floors and in corporate offices across this country, work teams are making employees and their companies more productive than at any other time in the history of this country. . . The second point I want to make [is that the NLRB decisions] have dramatically dampened the enthusiasm for teams. Many of the Nation's leading companies, both union and nonunion, are confused about which aspects of teams are allowable and correspondingly reluctant to proceed with team initiatives.

Mr. Wellins then cited several examples, including a large Midwest bank, a major beverage manufacturer, and a consumer product packaging plant that eliminated their employer involvement program due to the uncertainty which has been caused by the NLRB's interpretation of Federal labor law. It is clear from Mr. Wellins' testimony that we need a legislative solution to this problem.

Some of my colleagues have also asked whether the TEAM Act permits employers to establish company or sham unions. The answer is absolutely not. This is very clear, and has been very misleading in the debate so far that has gone back and forth for a couple of days.

The TEAM Act permits workers to choose independent union representation at any time. The TEAM Act does not replace traditional unions, and once workers select union representation, the employer must recognize and then negotiate with the union.

Moreover, the Team Act specifically states that employee teams may not "have, claim, or seek authority to negotiate or enter into collective bargaining agreements with the employer or to amend existing collective bargaining agreements." It does not in any way interfere with the collective bargaining agreements that are in place and working and clearly understood. So the TEAM Act does not permit employers to create company or sham unions.

Mr. President, one of the other issues that has come forth also during the debate is who selects team members? This has been debated in our committee hearings as well. Some of the colleagues have asked whether the TEAM Act promotes true employee involvement because the legislation does not mandate that workers select all team members. I respond to my colleagues who have questioned this that the TEAM Act avoids mandating a one-size-fits-all for the employee-involvement program. Instead, it recognizes that there are a variety of worker teams that exist and would encourage workers and managers to develop flexible teams that best suit their needs.

Sometimes workers select team members, sometimes the team members volunteer, and sometimes the whole company is run on the team concept. So the question of team member selection is moot. At other times, particularly if a worker has a necessary job skill required by the team, such as appointing an EMT to a safety team, the employer may choose team members.

Focusing on team member selection really misses the point because the real issue is management commitment to employee involvement. Workers are not stupid. They know when management values employee involvement, and workers quickly tire of making suggestions if management will not follow through on them; therefore, it is not going to succeed. It really has to be a management commitment even more than a worker commitment. So it would be useless for managers to limit teams to their favorite workers, because the value of those employee ideas would be limited. It really has to be a commitment that is on both sides, recognizing the changes that are taking place in our work force today, not in an attempt to undermine the unions but in an attempt to strengthen the initiative, the productivity, and the constructive environment instead of a suspicious, adversarial environment that can occur in the workplace. I think it has a very positive benefit.

Ironically, the whole idea of team member selection reveals how narrowly critics are viewing employee involvement. They are assuming that there should be only one type of program, where the employees select their team representative. But many times, team members do not represent their coworkers on teams. Many times, the whole plant is run by self-directed work teams. So there are no employee representatives since everyone serves on a team.

We cannot categorize every type of team in America, and we should not try. Instead, we should give workers and supervisors the flexibility to craft their workplace needs and craft how they can best be met.

I ask my colleagues to support this important legislation. I think, Mr. President, it offers us an opportunity, that we have not had before, to clarify a situation that will allow us to move forward to meet the needs of a workplace, that will allow us to be ever more competitive, ever more imaginative, ever more inventive, and create an employee involvement that I think will add a lot of vitality in our workplace today.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INHOFE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

Mr. INHOFE. Madam President, as I was sitting in the chair presiding and I was listening to several people try to justify an argument against repealing the tax increase, a tax increase that was sold to the American people that it only affected the fat cats in this country, we are talking about the gasoline tax at 4.3 cents as if 4.3 cents is not a significant amount.

I remind these people that this was part of a package in 1993, when Bill Clinton had control of both Houses of Congress, and they passed what was characterized by then the chairman of the Senate Finance Committee, Senator DANIEL PATRICK MOYNIHAN, as "the largest single tax increase in the history of public finance, in America or any nation in the world."

I think it needs to be in the RECORD after these statements justifying continuing these taxes that if anyone was opposed to "the largest single tax increase in the history of public finance, in America or any place in the world" back in 1993, they would be supportive of repealing any portion of that tax increase today. It was not just a gasoline tax. It was many other taxes which included a 50 percent tax on Social Security for thousands and thousands of senior citizens in America.

So I think that those individuals who believe as the chief financial adviser to the President believes, that there is no relationship between the level of taxation in a country and its economic production, have lost the argument because truly that is not the case.

Madam President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

Mr. BYRD. Mr. President, we have before the Senate a proposal to repeal the 4.3-cent-per-gallon Federal excise tax on gasoline enacted in 1993 as part of a comprehensive deficit-reduction package. That legislation—the Omnibus Budget and Reconciliation Act of 1993 [OBRA]—has been largely responsible for cutting the Federal deficit nearly in half since its enactment. The 4.3-cent tax on gasoline that was included in that legislation has contributed more than $10 billion to this deficit reduction. Though we have not yet completed the difficult task of balancing the Federal budget, in the middle of a Presidential election year we are suddenly being lured by a politically inspired proposal to repeal that very same 4.3-cent tax for the remainder of 1996 to combat a recent increase in gasoline prices across the country. Our colleagues in the majority would have us believe that the 4.3-cent gasoline tax is the primary culprit for the current high level of gas prices. The American people are being asked to believe that a simple repeal of the 1993 tax for the balance of one year will cure the pain at the pump. And this is utter folly. It is not true.

Mr. President, the current Federal excise tax on gasoline stands at 18.3 cents per gallon—approximately 14 percent of the current average price of a gallon of unleaded regular gasoline. The 4.3-cent tax that this proposal would repeal represents less than 3.5 percent of the current cost of a gallon of gasoline. Are we to believe that 4.3 cents of this tax enacted in 1993 has had any really significant effect on the price of gasoline? Or, conversely, are we to believe that a repeal of this tax will substantially reduce the price of a gallon of gas?

Simply put, gas prices have risen because of forces unrelated to the Federal excise tax on gasoline. They have risen because of factors associated with the basic economic principles of supply and demand. The reduced supply of world crude oil and the higher gasoline consumption in the United States and Europe as a result of a lengthy, cold winter have undoubtedly played a much larger role in the higher price of gasoline than has the much-demonized 4.3-cent gas tax approved in 1993. In fact, Mr. President, the repeal of the national speed limit by this Congress has probably contributed more to the price of gasoline than the 1993 tax.

Is it not somewhat contradictory to first give drivers a green light to drive faster and then blame the recent surge in the cost of gas on a tax enacted 3 years ago. After all, it is no secret that cars use more gas when they are traveling at higher speeds. More gas means higher demand. Higher demand means higher prices. While rising gas prices do inflict financial burdens on some segments of the society, let us remember also that the current increases in gas prices has come after a prolonged period of low prices at the pump. According to the American Petroleum Institute, gasoline prices last year, adjusted for inflation and including Federal and State taxes, were at their lowest level since data were first collected in 1918. Thus, Mr. President, we may view the recent escalation in the price of gasoline not as a dramatic increase above its historical cost, but as an upward adjustment from unusually low prices. It certainly stretches the imagination, however, to place the blame for the recent gas price increase solely on the shoulders of the 4.3-cent tax enacted to reduce the Federal deficit.

Contrary to what one might think in listening to the rhetoric surrounding this so-called Clinton gas tax increase, the 1993 deficit reduction package was not the first time that gasoline taxes have been increased for the purpose of deficit reduction. The fact is that the 1990 Summit Agreement, which was negotiated by Congress and the Bush administration, contained a gasoline tax increase of 5 cents per gallon which went into effect on December 1, 1990. Of that amount, two-and-one-half cents per gallon of that gasoline tax increase went to deficit reduction. This fact is set forth in a report of the Congressional Budget Office to the Congress dated January 1991, in the following statement relating to the 1990 Summit Agreement:

> For the first time since the Highway Trust Fund was established in 1956, not all highway tax receipts will be deposited in the trust fund. Revenue from 2.5 cents of the 5-cents-per-gallon increase in the motor fuel taxes will remain in the general fund. The baseline assumes that this portion of the tax expires on schedule at the end of fiscal year 1995.

Ultimately, as Senators are aware, the 1990 Summit Agreement as negotiated with President Bush and which contained the gasoline tax I have just described, passed the Senate by a vote of 54–45. And, of the 54 yea votes, 19 were Republican Senators—19.

Mr. President, this being a Presidential election year, it is clear that this proposal before the Senate is being presented to the Congress for reasons beyond the question of whether or not a repeal of the 4.3-cent gas tax represents sound fiscal policy. It is true that rising gasoline prices have permeated the country, particularly California, a State with a plethora of electoral votes. It is also true that repealing any tax, particularly a tax on gasoline, is politically popular. In addition, it is tempting to remind the electorate of a tax increase approved in the past by a political opponent, even if that tax increase was included in a responsible deficit reduction package. So, when we consider these factors, we may understand, without any unusual clairvoyance, why we are now considering a proposal to temporarily repeal the 4.3-cent gasoline tax until January 1, 1997. While this may be labeled a temporary repeal, I must question the likelihood of the gas tax being reinstated after its repeal. As soon as this tax is repealed, we will hear from countless interests claiming that the 4.3-cent repeal needs to be permanent. Do we expect Members of Congress to ignore those inevitable pleas? The fact is, Mr. President, that if we repeal this gas tax now temporarily, we will have taken a giant step through the one-way door of permanent repeal, and I doubt that we will find the courage to break that door down. And why are we considering entering this dangerous aperture? Is it anything more than politics? Mr. President, the 4.3-cent gas tax was enacted in 1993 as part of the successful deficit reduction package crafted by President Clinton and enacted by the 103d Congress without one single vote by a Republican Member of Congress. But it was the right thing to do. It took courage for the President and the Congress to enact that bill. Tax increases are not known for their popularity. In fact, some Members of Congress may not be here today because of their vote in 1993. But the fact remains that the 1993 bill nearly halved the Federal budget deficit, and the 4.3-cent tax on gasoline contributed to that effort. And, Mr. President, I voted for it, and I do not regret it.

Mr. President, the politics of this proposal notwithstanding, it is more important to focus on the economics of this proposal. Economics is, after all, often cited by advocates of tax cuts on the grounds that they spur economic growth. The Wall Street Journal, a newspaper frequently cited by my colleagues on the other side of the aisle, ran an interesting story on May 7 about the proposed gas tax repeal. Let me read the title: "Economists Say Gasoline Tax Is Too Low." The title does not read "too high," as some in this body would have us believe. It reads "too low." Economics, Mr. President, is a field where the experts rarely reach agreement on any issue. Yet, the Wall Street Journal reports that "there is widespread agreement in the field [of economics] that the Federal gasoline tax of 18.3 cents a gallon is too low." In fact, according to the article, more than half of the economists surveyed at a recent conference favor a gasoline tax of $1 a gallon or higher. Further, the article states that "Economists cite various factors to justify a gasoline tax. Chief among them are the environmental and health costs of air pollution, along with the costs of traffic congestion, and road construction and repair." Finally, Mr. President, the Journal article states that the "proponents of an increase [in the gasoline tax] point to foreign producers' control over oil supply, and favor a gasoline tax that is high enough to stem U.S. demand." On the other hand, cutting the gas tax would do just the opposite: It would increase demand for gasoline and drive up the price, thus making the United States more dependent on foreign oil. So, Mr. President, it appears from these statements that, if this gas tax repeal is being proposed on the grounds of economics, it is being proposed on very shaky grounds indeed.

As I have already mentioned, the gas tax stands today at 18.3 cents per gallon, and many would have us believe that this amount is an anomaly in a world where other countries either do not have a gasoline excise tax or have substantially lower gas taxes. But, this is not the case. In fact, if you lived in Germany, France, the Netherlands, or Italy, you could not purchase a gallon of gasoline for less than $4. Gas excise taxes per gallon in those nations stood on March 1, 1996, at $2.92, $3.05, $3.09, and $2.91 respectively. Of course, lower taxes on gasoline could be found in the United Kingdom and Japan, where the tax per gallon stood at $2.37 and $1.99 respectively. Even if we combine the Federal excise tax on gas in the United States with a weighted average of the various State taxes, the typical American consumer pays only 37 cents tax per gallon on gasoline. That is quite a disparity, Mr. President. And what is the logical effect of this disparity? Americans drive more and consume more gas than their foreign counterparts. We rely less on public transportation and fuel-efficient automobiles than do citizens of many other industrialized nations. And, Mr. President, we have become very dependent on gasoline—a resource that is nonrenewable. In other words, if we continue to depend on free-flowing fuel from abroad, and do not develop alternative methods of more efficient transportation, we are not placing ourselves in a position to remain competitive throughout the world in the 21st century, and we are endangering our economic independence and our children's future as well.

So, Mr. President, as we are met with this proposal to reduce the excise tax on gasoline, we must not allow ourselves to be swayed by the winds of the political moment. We all know that tax cuts are popular. There are few easier votes that a Member of Congress can make. But, is that why we are sent here? The American public is tired of this endless political pandering—that is what it is—and the people are not fools. They will see this debate for what it is—a fiscally irresponsible, extremely political initiative brought before the Congress in the middle of an election year. And we talk about a constitutional amendment to balance the budget; a constitutional amendment to balance the budget on the one hand and repeal the gas tax on the other. So we are going in two opposite directions at once. Of course, the gas tax proponents have claimed to offset the lost $4.8 billion in revenues that will result from this proposal. They intend to pay for this proposal by auctioning the spectrum to the private sector. Why not apply that against the deficit? Why not apply that savings against the deficit? However, it is my understanding, Mr. President, that the actual sale of the spectrum will not occur until 1998, and the reductions for the Department of Energy will occur over the next 6 years, while the loss in revenues from the gas tax will occur right now in fiscal year 1996. Thus, this legislation is subject to a 60-vote point of order—and I hope we will keep that in mind and not waive points of order if unanimous-consent agreements are entered into—under both section 311 of the Congressional Budget Act and the congressionally mandated pay-as-you-go, PAYGO, requirement. Furthermore, Mr. President, using the spectrum sale now will remove another building block on which to construct a responsible balanced budget. The spectrum auction was, after all, included in last year's budget reconciliation measure. Is not a balanced budget a more lofty goal than a short-term, nonsolution to the recent elevation in the price of gasoline? Well, Mr. President, what I hear from my constituents is a real concern about the deficit and about the economic future of our country. I see a desire among the people to balance the budget in a way that does not undermine our Nation's ability to reinvest in itself or make us more dependent on foreign oil. Mr. President, reducing the gas tax now will make it harder to formulate any responsible plan to balance the budget in the future, and I will not support that effort.

I wish the President would veto the bill instead of saying he will sign it. I wish the President would veto the bill repealing the gas tax, if it is passed by Congress. This is pure political pandering, and both sides are engaging in it.

Mr. GRASSLEY. Mr. President, I rise to speak to the legislation now before this body that is called the TEAM Act, which is an amendment to the Minimum Wage Act, which, in turn, is tied to the legislation to decrease the gas tax. I speak in favor of the TEAM Act. It is a very good piece of legislation.

That position puts me opposite a union that I used to belong to. The union was the International Association of Machinists. I was a member of that union from February 1962 to March 1971, when the factory I worked for closed down and shut its doors. I was an assembly line worker making furnace registers. We were a sheet metal operation.

The International Association of Machinists, along with most other unions, are against passage of the TEAM Act. I am a Republican and I am proud to be a Republican. When I was a union member, I was proud to be a union member, and if I were still working there today I would be proud to be a union member as well.

But unions do not always speak for all workers, and this is an example, where the labor union leaders in Washington, DC, supposedly representing their members back at the grassroots, are not speaking for the rank-and-file members. I remember, even 30 years ago, rank-and-file members wanted to have something to say about the operation of the plant. They did not want it all to be confrontational. They wanted us to have a cooperative working effort, because with a cooperative working effort, we have more productivity, and the more productivity you have, the greater the chances are of preserving jobs and of having better wages, working conditions, and fringe benefits for the employees.

This is even more important today, because we are competing internationally and must focus on productivity in the labor force. Having friendly relationships between labor and management means more productivity. And we have to be more productive if we are to compete in this global-interdependent market.

So I support the TEAM Act because it would allow employees the privilege to participate in workplace decisions, giving them a greater voice in mutual interests such as quality, productivity, and safety. Current law prohibits this type of participation. This act would, among other things, encourage worker-management cooperation, preserve the balance between labor and management while allowing cooperative efforts by employers and employees, and permit voluntary cooperation between workers and employees to continue.

I also support it because, without this legislation, 85 percent of working folks are not allowed to talk with their employers in employee involvement committees about such things as extension of employees' lunch breaks by 15 minutes; sick leave; flexible work schedules; free coffee; purchase of a table, soda machine, microwave, or a clock for the smoking lounge; tornado warning procedures; safety goggles for fryer and bailer operators; ban on radios and other sound equipment; dress codes; day care services; and nonsmoking policies.

The President indicated he was for this type of legislation in his State of the Union Message this year. At least to me it seemed an indication. He said: "When companies and workers work as a team they do better, and so does America."

I happen to agree with the President. Secretary Reich, in a July 1993 feature article in the Washington Post, said:

> High-performance workplaces are gradually replacing the factories and offices where Americans used to work, where decisions were made at the top and most employees merely followed instructions. The old top-down workplace doesn't work anymore.

Again, I wholeheartedly agree with the Secretary of Labor. But just a few months ago, at a national union rally in Washington, DC, following a $35 million campaign pledge made to the Democratic Party and a grand endorsement by the AFL–CIO, Vice President AL GORE promised President Clinton's veto of this TEAM Act that is now before the Senate. This is an act that would legalize workplace cooperation between nonunion employees and management.

Union representatives tell me they fear the TEAM Act would prevent them from organizing union shops. Let me emphasize, this act does not apply to union settings, and would not undermine existing collective-bargaining agreements. Under the TEAM Act, workers retain the right, as they should, to choose an independent union to engage in collective bargaining. Mr. President, I plan to continue my remarks this afternoon.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LOW-LEVEL RADIOACTIVE WASTE POLICY ACT

Mr. PRESSLER. Mr. President, I want to speak about a matter that affects my State of South Dakota, but also several States, including California. We are part of a compact under the Low-Level Radioactive Waste Policy Act. Governor Wilson of California, and Governor Janklow of my State, have had a very difficult time with the Secretary of the Interior on this matter.

The original Low-Level Radioactive Waste Policy Act gave the States the responsibility of developing permanent repositories for this Nation's low-level nuclear waste. Now the Clinton administration wants to take away that authority.

For 8 years, South Dakota, as a member of the Southwestern Compact, along with North Dakota, Arizona, and California, has worked to fulfill its duties to license a storage site. It did the job.

Ward Valley, CA, is the first low-level waste site to be licensed in the Nation. After countless scientific and environmental studies and tests, the State of California and the Nuclear Regulatory Commission approved Ward Valley as a safe and effective place to store the Southwestern Compact's low-level radioactive waste.

However, there is one problem. Ward Valley is Federal land. It is managed by the Bureau of Land Management. The Southwestern Compact has requested that Ward Valley be transferred to the State of California. The Clinton administration refuses to take action. Instead, it has stalled again and again and again.

I spoke with the chairman of the Energy Committee, Senator MURKOWSKI, about this matter. He has introduced legislation to resolve the matter. But this is a tragic example of where the Secretary of the Interior for some reason is thwarting the intent of Congress and the intent of Governors of the States in the Southwestern Compact.

Mr. President, the reason behind all this is that the extreme environmentalists do not want to store radioactive waste anywhere because of their antinuclear agenda. But strangely enough, this type of low-level radioactive waste has been used in medical treatments and other areas to benefit humanity. I find this a very tragic situation. The Secretary of the Interior is cooperating with the extreme environmentalists against the public interest.

Nobody seems to know what is going on. What has the Secretary of the Interior done? He has stalled. First, he has ordered a supplemental environmental impact statement. Then he ordered the National Academy of Sciences to perform a special report on the suitability of Ward Valley for waste storage. Each study presented the Southwestern Compact with a clean bill of health for Ward Valley, yet the administration still delays.

Now the administration has ordered additional studies on the effects of tritium, studies the State of California already intended to perform, but not until a land transfer was complete. Also, I should note the National Academy of Sciences made no mention that such a study should be a prerequisite to this land transfer.

Instead, the Academy believes this type of study should be ongoing, conducted in conjunction with the operation of the waste storage facility. Unfortunately, I suspect that even if California gives in to demands and performs these tests, the administration will think of new demands—anything to keep the Ward Valley waste site from becoming a reality.

Who really benefits from these delays? No one. This is yet one more example of the Clinton administration's pandering to the environmental extremists, extremists intent on waging a war on the West and on the American people.

Scientific evidence shows that Ward Valley is a safe location for low-level radioactive waste storage. Neither public health nor the environment will be at risk. In fact, most of the waste to be stored at Ward Valley is nothing more than hospital gloves and other supplies which may have come into contact with radioactive elements used by health care providers.

By contrast, continued delays create risks both to public health and the environment. Currently, low-level waste is simply stored on site at hospitals, industries, or research institutions. In the four States of the Southwestern Compact, there are over 800 low-level radioactive waste sites. These sites were not meant to be permanent facilities. Thus, there have been no environmental studies, no long-term monitoring systems, nothing to guarantee safe storage of the waste.

With no regional low-level radioactive waste sites available, South Dakota would be forced to transport its low-level radioactive waste across the country to a disposal facility in Barnwell, SC. Clearly, the costs of transporting this waste across the country would be great, from the monetary cost to the waste generators, to the legal ramifications, to transporting hazardous waste, to the potential Superfund liability incurred by the State and the generators.

This is far too costly a price, one my State cannot continue to bear. That is why, Mr. President, I am a cosponsor of legislation pending in the Senate to convey Ward Valley to the State of California and to allow the construction of the Ward Valley low-level radioactive waste site to continue unimpeded. The Senate Energy and Natural Resources Committee voted in favor of this bill.

This legislation is ready for Senate action. This legislation is necessary only because politics got in the way of good science. Transferring lands such as Ward Valley is a common procedure for the administration. However, because of a political fight waged by environmental extremists, this conveyance has been held up for more than 2 years. This fight, this continued delay, will continue unless Congress acts.

We have the opportunity to institute a rational approach to this process. By approving this legislation, we can allow the Southwestern Compact and the rest of the States to comply with the law we created. I urge my colleagues to support this legislation and to allow good science to prevail rather than politics.

Mr. President, I ask unanimous consent that correspondence between Gov. Pete Wilson of California and South Dakota Governor Janklow regarding the Ward Valley low-level radioactive waste storage site be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE OF SOUTH DAKOTA,
Pierre, SD, April 2, 1996.

Hon. PETE WILSON,
Governor, State of California, State Capitol, Sacramento, CA.

DEAR GOVERNOR WILSON: Thank you for your letter concerning the Southwestern Low-Level Radioactive Waste Disposal Compact and the site of the facility in Ward Valley. While the site in Ward Valley is currently owned by the federal Bureau of Land Management, the bureau has for about 10 years declared its intent to sell to California.

I, too, am concerned and upset with the continuing needless delays imposed by the U.S. Department of Interior on the Ward Valley land transfer. California has made tremendous efforts attempting to comply with the federal Low-Level Radioactive Waste Disposal Act and its Amendments. While these efforts have resulted in the issuance of the first license to construct a new low-level disposal site in this nation's recent history, implementation of this license has been set back again and again by the federal government. If these delays cause our generators within the Southwestern Compact to ship wastes across the United States to Barnwell, South Carolina for disposal, I fully agree that the federal government must comply with those stipulations you set forth in your letter.

Study after study has shown the proposed facility in Ward Valley to be protective of human health and environmentally safe. The US Congress had it right the first time; the Southwestern Compact can solve the problem of disposal of the low-level radioactive wastes generated within its states. But, we can do it only if the federal government will transfer the site and let us get on with it.

While I agree that the latest actions of the US Department of the Interior appear to confirm the notion that the Clinton Administration is trying to usurp the states' duly delegated power to regulate low-level waste disposal, I am still hoping the transfer can occur soon. If the delays by the Department of the Interior were to result in repeal of the Low-Level Radioactive Waste Disposal Act and place the responsibility for trying to manage this problem on the federal government, that would be a huge step backwards.

Thank you again for your letter and for your efforts on behalf of the entire state of California and the other states in the Southwestern Compact to develop a responsible and safe disposal site for low-level waste.

Sincerely,

WILLIAM J. JANKLOW,
Governor.

GOVERNOR PETE WILSON,
Sacramento, CA, February 16, 1996.

Hon. WILLIAM J. JANKLOW,
Governor, State of South Dakota, 500 East Capitol Avenue, Pierre, SD 85007

DEAR BILL: As the host state for the Southwestern Low-Level Radioactive Waste Disposal Compact, California has labored diligently for ten years to establish a regional disposal facility in accordance with the federal Low-Level Radioactive Waste (LLRW) Policy Act. This facility would serve generators of LLRW in your state and the other compact states. In the absence of this facility, these generators have no assured place to dispose of their LLRW.

To fulfill its obligations, California carefully screened the entire state for potential sites, evaluated candidate sites and selected Ward Valley from those candidates as the best site in California for the regional disposal facility. Although the site is on federal land, the Bureau of Land Management has for about ten years now declared its intent to sell it to California. We identified a qualified commercial operator to apply for a license to construct and operate a facility at that site, and took steps to acquire this land from the federal government. We subjected the application for the license to a scrupulous review to ensure that the facility would satisfy in every respect the health and safety requirements established by the Nuclear Regulatory Commission.

A comprehensive Environmental Impact Report was prepared for the project, and an Environmental Impact Statement (EIS) and Supplemental EIS were prepared for the land transfer. We subsequently became the first state to license a regional disposal facility under the LLRW Policy Act, and have successfully concluded our defense of the license and related environmental documents in the state courts. In short, California has in good faith done all it can to fulfill its obligations to your state under the Compact and federal law.

The sole obstacle to the completion of this project is the failure of the U.S. Department of the Interior to transfer the Ward Valley site to California. After abruptly cancelling the agreed-to transfer almost completed by former Secretary Manuel Lujan, Interior Secretary Babbitt has created a series of procedural delays ostensibly based upon this own health and safety concerns. He demanded a public hearing, then abruptly cancelled it. He asked the National Academy of Sciences (NAS) to review site opponents' claims, then ignored NAS conclusions that these claims are unfounded and that the site is safe. He has unreasonably and unlawfully demanded that California agree to continued Department of the Interior oversight of the project after the transfer. Now, according to the attached press release, he intends to have the Department of Energy conduct independent testing at Ward Valley, and then will require another Supplemental EIS before deciding upon the conditions for transfer.

Every person and organization which has anxiously followed California's decade-long effort has concluded from this latest set of demands that the Clinton Administration has no intention of transferring land to California for our regional disposal facility. I cannot help but agree. There is no scientific basis for further testing prior to construction or legal requirement for a Supplemental EIS. These demands are purely political, and made for the sole purpose of delaying, if not terminating, the Ward Valley project. It is clear that, once these demands are met, more demands will be made. In short, because President Clinton doesn't trust the states to assume the obligations which Governor Clinton asked Congress to give the states, he has proven that the LLRW Policy Act does not work. Faced with this lack of political will to implement the policy he himself once supported, many now question the wisdom of expending further resources in a futile effort to further that policy.

The intransigence of the Clinton Administration in connection with the Ward Valley land transfer leaves me few options as Governor of California. The Ward Valley site is clearly the best site in California for LLRW disposal, a fact upon which my predecessor Governor Deukmejian and former President Bush agreed. All other sites, including the alternative site in the Silurian Valley, present potential threats to public safety not found at the Ward Valley site. The Silurian Valley site is also located on federal land, and there is no reason to believe that the Clinton Administration has any greater motivation to transfer that site.

Consequently, to continue the effort to establish a regional disposal facility, California would need to identify a site on privately-owned land which would be technically inferior to War Valley and would be unlikely to license in accordance with California's and my own uncompromisingly high standards for the protection of public health and safety. For these reasons, I would personally oppose identifying any other potential disposal site in California.

Therefore, as Governor of California, I am compelled to inform you that, because the Clinton Administration has made compliance with our obligations impossible, California will be unable to provide a regional disposal site for your state and the other states of the Compact during the tenure of this president. California will continue to seek title to the Ward Valley land, but will devote greater resources to a repeal of the LLRW Policy Act, and to the enactment of federal legislation making the federal government responsible for the disposal of LLRW.

The Department of the Interior has formally announced that California's LLRW generators are not harmed by its interference with the opening of the Ward Valley LLRW disposal facility because they have access to the disposal facility in Barnwell, South Carolina. Given the public safety threat to the good citizens of South Carolina, and the additional costs and exposure to liability to users, I find this suggestion questionable. Nevertheless, in order to make this an even marginally acceptable solution, I am calling upon the federal government to do all of the following:

Assume responsibility for assuring continued access for all California generators of LLRW to Barnwell;

Subsidize the amount of any transportation costs to Barnwell which exceed transportation costs to Ward Valley;

Ensure that California generators obtain any necessary permits for transportation across the United States and to Barnwell;

Indemnify California generators and transporters for any liability which might result from the necessity to transport California waste from coast to coast; and most importantly,

Hold California generators, including the University of California and other state entities, harmless form any federal or state cleanup related (Superfund or CERCLA) liability which they might potentially incur as a result of using a waste facility which is on a substantially less protective site than Ward Valley and which has already experienced tritium migration to groundwater.

If LLRW generators in your state have problems with storage or with use of Barnwell similar to those of California generators, I urge you to join with me in demanding similar relief.

Sincerely,

PETE WILSON.

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The Senate continued with the consideration of the bill.

Mr. PRESSLER. Mr. President, on a separate subject, let me say I strongly support the efforts of the majority leader to repeal the President's Clinton 4.3-cent-per-gallon fuel tax. I also believe strongly that the efforts of the majority leader in this area will result in some relief to the consumers of America.

In my State of South Dakota, agriculture and tourism are the two most important industries. This is just the time of the year that farmers are driving their tractors, truckers are hauling agricultural supplies and produce and seeds, and tourists are beginning to come to see Mt. Rushmore and the attractions in southwestern South Dakota. They need immediate relief from high fuel prices.

I also support the Justice Department's antitrust probe into the recent price increases. Certainly, we need to know if price fixing is occurring. However, past antitrust investigations have failed to produce conclusive evidence of illegal activity. We need to take action now. I hope the Congress can avoid procedural delays and give immediate relief to millions of Americans at the gas pumps.

Let us remember that this Senate has been stalled by filibusters throughout this session. I know that the national media has stopped using the word "filibuster," but that is what is happening. The Senate is tied up in knots. The approach of the opposition in this Chamber has been nothing more than gridlock and filibuster.

Therefore, I hope we repeal the fuel tax very quickly. We are ready to do it. Members of the Senate Finance Committee have discussed this. We are prepared to act.

THE TELECOMMUNICATIONS ACT

Mr. PRESSLER. Mr. President, on yet another subject, I hope that the Federal Communications Commission follows the intent of Congress regarding the recently passed Telecommunications Act. I was privileged to be able to author and chair the Joint House-Senate conference committee on telecommunications. But I fear that some of the deregulation and some of the good things in that bill are being taken away by regulators who are now writing the regulations for that bill.

I have asked in our committee that we hold a hearing and bring those Commissioners before the Commerce Committee. I know many Members of the Senate have written to me urging such a hearing because they are concerned that the intent of Congress is not being followed.

The telecommunications bill was a very well-written bill. We had a checklist for the entry of companies into the regional, local telephone business and also for entering into the long-distance telephone business. Those rules are set. Also, the whole issue of the States' power and participation with the States' public utilities commissions was clearly written out in that bill.

I was just this morning told by one of our good public utilities commissioners that the States' powers are being undercut by the Federal Communications Commission. So we must be vigilant in trying to remind the Federal Communications Commission that their No. 1 guideline in the implementation of regulations is supposed to be intent of Congress.

I remember in Clark Weiss' law class the importance of "intent of Congress" for administrative law. That is the key that these agencies are supposed to follow. But that has been abandoned in this Government because now the agencies are more powerful in some cases than Congress. That is unfortunate.

But the Federal agencies, when they write the regulations, the foremost thing in their mind is supposed to be intent of Congress and not going off and starting to legislate all over. If they want to be legislators, they can go out and run, as I am running this year, and submit their name to the public. But they are not legislators. They are regulators. They are a regulatory agency, not the legislative branch of Government. I will plead with the FCC to remember that as they write those regulations. Mr. President, I yield floor.

Mr. COVERDELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The Senate continued with consideration of the bill.

Mr. COVERDELL. Mr. President, I understand we are on the pending business and there are no time limits.

The PRESIDING OFFICER. That is correct.

Mr. COVERDELL. Mr. President, I rise today in support of the actions taken by the majority leader earlier this week. Just to outline, we have the underlying proposal, which is the effort to reimburse the Dale family for the costs they have that they were unjustly burdened with. That has been objected to by the other side.

The majority leader has come forward with a full-ranging proposal that, first, repeals the 4.3-cent gas tax that was imposed on America by President Clinton in August 1993; second, would grant the other side their vote for which they have sought on raising the minimum wage; and third, would call for a vote on what is characterized as the TEAM Act, but which is properly described as giving American workers the opportunity to meet without threat to the National Labor Relations Board, to meet with management to discuss the general improvement of their work environment, an idea that came to us out of a tough competitor, Japan, where they had experimented with management employees organizing themselves into various work groups to improve the product and to improve their competitiveness. We have before us these three very important proposals.

Mr. President, when President Clinton was running for the Office, he told the American people that a gas tax was the wrong thing to do. He said it was the wrong thing to do because it was particularly offensive or hard on low-income families and on the elderly. I would expand it. I think it is not only hard on low-income families and the elderly, but it creates a hardship among small business people. It is particularly difficult for rural communities who are confronted with long distances to travel. I think it has been just one more brick on the back of our middle-class families.

Yesterday, May 8, Mr. President, was the first day that an American wage earner could keep their paycheck. That is pretty remarkable, Mr. President. May 8 was the first day that wage earners could keep their paycheck. Their paycheck for their own needs, his or her housing needs, transportation, and all the things we ask of the American people.

You ask, rightfully, anyone listening to this, "Well, what happened to all the paychecks from January 1 to May 7?" I can tell you. All of those paychecks went to a government. As hard as it is to believe, from January 1 to May 7, every dime earned is taken by the government, taken out of the resources of that family. When we take a snapshot of an average family in my State, they earn about $45,000 a year, both parents work and they have two children. By the time the government sweeps through their checking account and you add on that family's share of regulatory costs, which is now about $6,800 a year, and by the time you add on their share of higher interest rates because of the size of the Federal debt imposed on America by the Congress and the President of the United States, that is about $2,100 a year.

At the end of the day they only have half of their wages left to do all the work that we ask that family to do for our country. That must make Thomas Jefferson roll over in his grave. If you read through his works he warned over and over of the propensity of the Government to take the rightful wages away from those that earned them. That is exactly what we have done in this United States of America.

Repealing the gas tax is a long way from redressing and correcting this horrible imbalance. It would have been much better if the $245 billion in tax relief—children's tax credits, eliminating the marriage penalty, alleviate the pressure on those living off Social Security—if all those things we sent the President had been signed into law, then we would have put about $3,000 to $4,000 back into the checking account of the family I just described. What a difference that would have made. That is the equivalent of about a 10- or 20-percent pay raise for that family. When you think of the responsibilities we put on those families, that kind of resource is an enormous difference.

Repealing the gas tax, one piece of it, will help. It will put somewhere in the neighborhood of $100 to $400 back into their checking account. It will be used a lot better there than having been shipped off to the Federal Government.

Just to cite some figures here, we have just gotten a report from the Heritage Foundation. This 4.3-cent gas tax on motor fuel, $168 million was removed from Georgia and shifted up here to this burgeoning Federal Government. On diesel fuel, another $28.5 million was shipped up to Washington. And in jet fuel, of course, we have Atlanta Hartsfield International, $27.5 million, for a total $224 million. That is a quarter of a billion dollars taken right out of the State, right out of the homes, right out of the businesses and shifted up here so that we could have a larger Federal Government.

Now, Mr. President, I think leaving the quarter of a billion dollars in Georgia, in those families, in those businesses, in those communities, in those school districts makes a lot better sense. We have heard people say, "Well, that does not amount to much." If it does not amount to much, why are there so many headaches about giving it back? If somebody wants to worry about it, let us let the folks at home worry about it. This quarter of a billion dollars being used by our families, businesses, our communities, makes much better sense.

Mr. President, the report goes on to say, "The poor and lower middle class will be the biggest beneficiaries of this repeal." Susan Perry, the senior vice president of the American Bus Association, testified on May 3 before the Senate Finance Committee that as a result of higher fuel costs since the imposition of the fuel tax, there are fewer bus stops. The very poor, the very elderly, and the very rural are mostly affected because they disproportionately ride buses. And the fuel costs are passed on to passengers.

It is a regressive tax. I suspect that is why the President, during his campaign, said it was not a good idea. It only became a good idea after he was elected. Because three-quarters of those Americans earning less than $10,000 per year commute to work in privately owned autos, a flat tax rate falls disproportionately on these poor as a percentage of their income. In

1987, the Bureau of Labor Statistics data show that the poorest 20 percent of Americans devote 8.8 percent of their expenditures to gasoline and motor oil, while the wealthiest 20 percent devote only 3.1 percent of their expenditures to gasoline and motor oil.

There is another feature of the gas tax the President imposed on America that I disagree with, and that is that the tax was taxed on a user fee concept, but was not used to build better roads or safer roads. The tax was imposed on the user of gasoline and motor oil, but it was shifted into other expenditures and a growing Government. It is regressive. It is hurting the middle-income family, hurting our communities, and it was not used in a dedicated form for highways and safer roads.

This tax should be repealed, and it should be followed, Mr. President, by other reductions in taxes, so that we can get more money in the checking account of the average American family, where it belongs, so that they can do the things they need to do to raise America.

Now, Mr. President, a second feature of the proposal that Senator DOLE put on the floor was, as I mentioned a moment ago, entitled the TEAM Act. The TEAM Act merely adds a short provision to section 8(a)(2) of the National Labor Relations Act, to make it clear that employers who meet together in employee involvement programs to address issues of mutual interest, as long as they do not engage in collective bargaining, or attempt to, they can meet and discuss general conditions in the workplace. The President, in his State of the Union Address, in 1996, said, "When companies and workers work as a team, they do better." So does America.

His Secretary of Labor, Robert B. Reich, has said, on December 14, 1995, "Many companies have already discovered that management practices fully involving workers have great value behind their twin virtues, higher profits and greater productivity."

Those quotes are correct. So why is the other side so energized to keep this modern idea from coming into law? Many American companies are intimidated from having these kinds of sessions for fear of the current law, and that ought to be changed.

Mr. President, yesterday, I had two separate groups of employees of companies—a large numbers of employees—contact our office, who think this concept is superior and belongs in the workplace. They want to be able to engage in these kinds of activities in their companies in Georgia so that they can improve what they do, so that they can compete, so that they can protect their jobs.

Mr. President, one of those companies engaged in this kind of activity produced a $6 million annual savings by one of the work groups that had met together between employees and management for 6 months. They produced a $6 million savings for that company. That helps make the company stronger, more competitive, and able to hire more employees, and protects the jobs of those who work there now.

We were taken by the number of employees we have heard from seeking this kind of innovation in the marketplace. Mr. President, candidly, we ought to be doing a lot more to make the new workplace modern, as we come into the new century, with ideas and laws that relate to the new century. Labor law, today, is greatly governed by laws that were written 30, 40, and 50 years ago. Those are old ideas. Those are restraining ideas, and those ideas will keep America from competing with the rigorous competition that is developing throughout the world. The workers in the workplace know this, and they want these changes.

The working family, today, in 1996, versus 1930 and 1940, is vastly different. That family, in the mid-1950's, had one spouse in the workplace. You could count on one hand the number of families that had both spouses working in the workplace. Today, you can count on one hand, almost, the families for which both spouses are not in the workplace.

Mr. President, just as an aside, I believe the Government is principally responsible for that. You might ask, why is that? It is because we have pushed the tax burden higher and higher and higher, and in order for these families to fulfill their responsibilities, they have to have two or more people in the workplace to keep the family going, to keep it educated, to keep it housed.

In fact, about a year ago, Mr. President, I did a graph, and I graphed the new tax burden, beginning in 1950, and ran it up through 1996. And then I did another graph. That graph was of the number of American families for which both spouses were working. You are not going to be surprised that the two lines track each other almost identically, because as that tax burden went up each succeeding year, as Congress spent more, built more, got bigger, with more programs, it had to take more of the earnings from that family. And at the end of the day, that family had to put more workers in the workplace.

I do not believe there is any institution that has had a more profound effect on the American family than our own Government, more than Hollywood. What other institution would sweep through an American family and take half its wages? None.

So, Mr. President, families in the workplace today have both parents out there, and sometimes children. And they need a new workplace. They need more flexibility in the workplace. They need more options in the workplace.

The TEAM Act that Senator DOLE has put before the Senate this week is a great first step. It is an initial step, just like the repeal of that gas tax. It is a first step going in the right direction leaving a little more money in that checking account. This TEAM Act is a first step to start moving America to a new, a modern, a flexible, and a friendly work environment.

Mr. President, by a 3-to-1 margin, when asked to choose between two types of organizations to represent them, workers chose one that would have no power but would have management cooperation over one with power but without management cooperation. The American worker wants this flexibility in the workplace.

I am very hopeful that at the end of this extended debate we will come to a conclusion on the other side of the attempt to block the repeal, to block the TEAM Act. They are going to get their vote on their idea of the minimum wage which I personally believe will cause about 500,000 people to lose their jobs. But they are going to have their chance. We want a modern provision in the workplace, a new idea, one that we have seen make our competitors tough, and we want to be as competitive as those other companies in those other countries.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I ask unanimous consent that the time between now and 1:30 p.m. be equally divided for debate only.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Mr. President, the distinguished majority whip and I have had a number of consultations over the last several hours, and we still have not reached any resolution to the impasse that we are facing. But I do want to note that over the last couple of days, as we have had the opportunity to more closely examine the gas tax repeal legislation, it has now been made evident to us that the offset that is incorporated in the legislation falls $1.7 billion short of the revenues needed to provide for the offset in 1996.

Throughout this debate, we have indicated that we would be supportive under two conditions. The first condition was, of course, that it was adequately offset. By adequately offset, obviously, we are talking not only about the source of revenue, but also about the amount. And, of course, the second issue was that it be directly targeted to consumer relief and not to the oil companies, or others.

Unfortunately, given the current legislative draft, as I said, we are told now that the revenue loss—the addition to the deficit—would be $1.7 billion in 1996. Clearly, that is not in keeping with the two criteria that we set out. Our hope was that we could find an adequate offset and, for whatever reason, that offset has not been achieved. It is ironic in some respects that, as the Budget Committee is now meeting to find ways to reduce the deficit and reach a balanced budget in 6 or 7 years, the very legislation we are now considering falls short by $1.7 billion of the necessary offset required to ensure that this legislation is entirely paid for.

And so, at an appropriate time—I expect it will be about 1:30—I will make a point of order that the amendment is not fully offset. Because Senator DOLE is not here, and because Senator LOTT and I have had the opportunity to talk about their response, and to accommodate the majority, we are going to wait until 1:30 to officially raise this point of order.

Mr. President, this situation, again, illustrates why having separate bills is so important. Obviously, now, you have a point of order against an amendment dealing with gas taxes that has an effect on the travel legislation, on the minimum wage, and on the so-called TEAM Act. So this is becoming more and more convoluted, the more we get into this debate and the closer we look.

I think it, again, makes the point that, unless we can separate these issues, unless we can have individual debates and votes on each bill, we are going to continue to be frustrated by the complex nature of this very intricate legislative structure that we have created for ourselves. So I hope that we can, again, find a way to separate out the legislation and have a good debate, a good vote, and deal with these issues one at a time.

I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority whip is recognized.

Mr. LOTT. Mr. President, as the distinguished Democratic leader noted, Senator DOLE will be back around 1:30. I am sure that we will have continuing conversations in between now and that time, and the leader will be here and prepared to take action, also.

I want to emphasize that we are continuing to work to find a way to get through this process. The Members clearly want an opportunity to vote on the gas tax repeal. I understand the Democratic leader wants a straight vote on the minimum wage. My understanding of the offers we have been discussing back and forth would provide a clear, straight, separate vote on minimum wage. We have looked at different ways to approach that, including different combinations of the three matters that are pending—the gas tax repeal, minimum wage, and the freedom in the workplace, known as the TEAM Act. We are still working on that, and I have faith that we can find a way to address all of these issues in an appropriate manner.

We do have some proposals pending right now that we hope to be able to agree to here within the next hour, as to how we will proceed for the balance of the day, and what time we might expect votes to occur, and how we would deal even with Friday and next Monday. So we will continue to work with that.

With regard to the tax repeal, I indicated privately—and I will do it here publicly—on behalf of the leader yesterday that I thought we could get some agreement on what amendments might be offered. I do not think the leader is opposed to having some amendments as long as we do not have a filibuster, as long as they are relevant, as long as there is not a filibuster by amendment, and if we could get an amendment identified.

I know the Senator from North Dakota is looking for some way to make sure that this gas tax repeal actually gets to the people buying the gas. We agree with that. We want to make sure that it actually gets to the people who have been paying these taxes. We have some language in the gas tax repeal that we think addresses that. But if there is a way to help in a way that it can be administered to help guarantee that that actually happens, I would like to look at that because I want to make sure that the people of my State get this 4.3-cent gas tax repeal because I personally did not think they should have been paying it in the first place. That is why I spoke against it and voted against it in 1993. I thought it was a tremendous mistake at the time to start taking on a permanent basis a gas tax—not for the highway trust fund to build interstate highways and Federal highways and bridges that we need desperately—and move it over to the deep, dark, black hole of the General Treasury never to be heard or seen from again. I thought that was a mistake. So I would like to repeal that. I would like to guarantee that it gets to the people. If we can identify some amendments, or an amendment, I would like to see that. I think the leader would be willing to look at that, if we could work out an agreement on it.

As to the offset, we have an offset in our proposal. We think it is a credible offset. We have a small amount—$2.4 billion, as I understand it—from spectrum, plus some savings from travel at the Energy Department. There may be some lag time because, if this gas tax repeal is signed into law and goes into effect, if in fact the President signs it—I am not sure; the indication is that maybe he would or would not. Now I think maybe he indicates that he would, if it were sent to him in such a way that it did not have things that he would call poison pills and which he would call the opportunity for him to use his poison pen again. But we do have offsets in this legislation.

The only problem is that the gas tax repeal would take effect immediately and for some of these offsets it takes some time before they actually begin to start coming in.

But, again, I think we can work out the offset in such a way that it is fair and would cover the loss to the Treasury. We do not want to add to the deficit. But we also are very committed to trying to help the working people of America get this gas tax off of their backs. We will continue to work on that.

I point out, also, as the distinguished Democratic leader has, as I understand it, that the minimum wage probably is subject to a point of order. I do not think the leader would want to have that happen because I believe it would be identified as an unfunded mandate where it would direct that we have the minimum wage, and it would mean loss of jobs. So that would be subject to a point of order.

So I would be inclined, if we get into this point of order process, to think we should waive that and not have the gas tax knocked out because it is a revenue bill that did not begin in the House, for whatever purpose, or have the minimum wage knocked out. I do not think the Democratic leader would want that to happen. If we should by chance combine those two issues, the gas tax and minimum wage, we would not want either of them to be knocked out by a point of order, whether it is a revenue measure our unfunded mandate, because with minimum wage you are mandating that small businesses throughout this country have to bear the burden of this increase, which I am convinced would lead to the loss of jobs of people who need them the most.

But there are these arguments on both sides. I think a good-faith effort is being made to work through it to see how we can address the offsets and how we can address guaranteeing that the gas tax repeal gets to the people we want to get it—and that is the working people, the people who drive long distances, paying for this unfair gas tax to go into spending by the Federal Government. But we will have a chance to work on this further here in the next 30 or 40 minutes. I will be glad to talk with the distinguished Democratic leader and others, and then we will communicate with the majority leader when he returns.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. I know there are at least two Senators on our side who wish to speak, and I see those on the majority side as well.

I yield 5 minutes to the distinguished Senator from North Dakota, and 10 minutes to the distinguished Senator from Rhode Island as the allocation of the time that we have remaining.

Mr. LOTT. Mr. President, parliamentary inquiry. That would mean 15 minutes. So we would get at least 15 minutes on our side to offset that. So we should have enough time to cover the speakers that we have.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I ask unanimous consent to use 5 minutes of the time on our side to talk about the issue that is before us.

This has been going on for some time. I have not been privy to the internal workings of it. But I have to tell you, I am a little bit disappointed in the system where we have gone now for almost 2 weeks and have effectively done nothing. It seems to have been perfected on that side of the aisle—the idea of being able to keep things from happening. Let us talk about what we are really doing here.

As I recall, the basis is the Travelgate question, the question of reimbursing those employees who were unfortunately, and I think perhaps unfairly, accused regarding their fees in the Travelgate affair at the White House.

We are talking about minimum wage, which I do not happen to support. I think it takes more jobs than it creates. But I am certainly willing to have a vote on it. I think it is interesting. You get accusations about politics. The minimum wage did not come up for 2½ years when the Democrats controlled the House and the Senate, as well as the White House. But suddenly—I guess it was just happenstance—when the AFL–CIO was here, they promised to give $35 million for the election, this issue came forward. I am sure that was an accident.

The TEAM bill, which seems to me to be pretty hard to argue against, is an opportunity for people to work with their employer to find ways to deal with issues that affect them as a business person. It seems to me that is a great idea. There seems now to be questions about whether it can be done, and that needs to be clarified. I support that.

The tax reduction, I think, is one of the most important things that we have talked about here. I was in the House when this came up. I voted against it for several reasons. One is that it does not have anything to do with the maintenance of highways. It does not have anything to do with roads. Someone in our hearing this morning said, "Well, why don't we do the 10 cents that came up earlier?" There is a significant difference between the two. This one goes into the general fund for social programs, or whatever. The other one goes to the maintenance of highways, which has traditionally been our system, where the gas tax goes for the maintenance and building of the highways.

The other is, of course, that it is another tax that is added on. It is a tax that some claim is used, of course, to balance the budget. I would like to suggest that we ought to be a little more proud about balancing the budget if we reduce the spending rather than raising taxes, rather than talking constantly about how we are coming closer to balancing the budget because we had the largest tax increase in our history. Instead, we might talk a little bit about how we might reduce the size of Government. I think people in my State say the Federal Government is too big, that it costs too much. But instead we talk about how we are going to balance the budget by raising taxes.

I am a little surprised that that tax increase passed at all, of course. The President said, and I quote from 1992. "I oppose Federal excise tax increases for gas." That is when he was campaigning. After he was elected, then he started with a Btu tax and ended up with this one. Bill Clinton said in 1992, commenting on the gas tax proposal, "It sticks it to the lower income, middle-income retired people in the country, and it is wrong"—talking about a gas tax.

So, Mr. President, I think we ought to move forward. I understand that this is the deliberative body. I understand the rules that, when I ask about them, I usually am told, "Well, they have been that way for 200 years." But their needs to be a way for us to move forward. We are here to solve problems. We are not here to find ways to keep from solving them. I think we ought to move forward. I am pleased with what I hear from the leaders that we might be in a position to move forward and make some decisions.

I yield the floor.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

The Senator from Rhode Island has been allocated 10 minutes.

The Senator from Rhode Island.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I will not take the entire 5 minutes, and I appreciate the indulgence of my colleague.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. DORGAN. I listen from time to time, and I wonder some morning whether we will not come out to hear the other side blame the President for thunderstorms and tornadoes that rolled across the Midwest the night before. It seems to be a popular sport in the Senate. I guess I understand that.

However, I wanted to just comment for a moment on what it appears to me the vote will be on soon. It appears to me that the proposal to reduce the gas tax by 4.3 cents is a result of the gas price spiking up 20 or 30 cents in recent weeks. Some have come to the floor and said let us reduce the gas tax by 4.3 cents per gallon. I said this morning that is like treating a toothache by getting a haircut. There is no relationship between the two.

The 4.3-cent-per-gallon gas tax put on 2½ years ago was put on to reduce the deficit. The deficit has been reduced in half. The fact is after the gas tax was put on, for market force reasons the price of gasoline came down, having nothing, of course, to do with the tax.

Those who say let us reduce the gas tax now might listen to the oil company executives who are telling us there is no guarantee that the gas price is going to come down if you repeal the 4.3-cent-per-gallon gas tax.

So the question is, which pocket will be the beneficiary of some $30 billion in the next 7 years—the big pocket of the oil industry or the pockets of the drivers? There is no guarantee it is going to be passed on to the drivers.

The point I want to make is this. My understanding is that the bill brought to the floor by those who want to change the Constitution to require a balanced budget, by those who say today they are working in the Budget Committee to produce a balanced budget, will now result in a vote by a point of order on the budget; that we will be required to vote to waive the Budget Act, as I understand it, because this proposed repeal of the gas tax will increase the Federal deficit by $1.7 billion to the end of this fiscal year and by $2.8 billion by January 1. The offsets they propose will come apparently in 1998.

So we will have the interesting prospect that those who are bringing a bill to the floor saying we want to balance the budget also come to the floor to move to waive the Budget Act to allow the budget deficit to grow, as a result of their proposal on the gas tax, $1.7 billion in this fiscal year and $2.8 billion by January 1.

I will not intend to vote to waive the Budget Act to do that. But that will apparently be the vote, the vote to waive the Budget Act and against the point of order that will be made. It will be an interesting debate.

I think it makes no sense for us to begin running backward on this issue of the budget deficit. The budget deficit has been cut in half and is coming down 4 years in a row, down very substantially. If you reduce the gas tax 4.3 cents a gallon and to do so will increase the budget deficit, which is going to happen in this proposal and which is why the point of order and the motion to waive the Budget Act to increase the deficit, it does not make any sense. We will have an interesting debate about that. But that will eventually be the vote in the Chamber—to permit a higher Federal deficit in order to repeal a 4.3-cent-per-gallon gas tax which oil company executives say there is no guarantee it will show up in the price of gas at the pumps in this country.

Mr. President, I yield the floor.

Mr. PELL addressed the chair.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Rhode Island.

Mr. PELL. Mr. President, I rise to reiterate that we should not rush headlong, like lemmings to the sea, to repeal the 4.3-cent-a-gallon gasoline tax. When this tax was enacted in 1993, it was specifically dedicated to deficit reduction, and experience to date indicates that the gas tax has been helpful in this regard. Under President Clinton, the deficit, which was at a high of $290 billion in 1992, has been brought down to an estimated $144 billion in the current year. Why repeal this tax, when to do so will slow down or reverse this favorable trend and add billions of dollars to the deficit? Rather, we should consider raising, not lowering the gasoline tax in order to further reduce our deficit.

I join the senior Senator from West Virginia [Mr. BYRD] in expressing the thought that we should not accept even a temporary repeal.

It has been suggested that the funds with which to finance this repeal may be found by cutting education spending, requiring banks to pay more to the savings association insurance fund, cutting Energy Department expenses, and/or, selling off unused wavelengths on the broadcast spectrum. The disparity of these suggestions seems to indicate that there exists no credible consensus as to exactly how we will be able to pay for this ill-advised tax cut.

Probably for these same reasons, the States show no inclination to cut the tax. Across the country, State gasoline taxes often exceed the Federal tax of 18.4 cents per gallon. The State tax on gasoline in my home State of Rhode Island is the second highest in the Nation, at 28 cents. Yet no State legislature thus far has moved to cut their gasoline tax, reasoning wisely, that it helps stave off operating deficits, enabling States to balance their budgets. A task, I might add, which they seem to perform better than we.

I recognize that higher gas prices impact adversely upon commuters and those whose daily livelihood depends upon the availability of low priced fuel. But it should be noted that the price of gasoline today, when adjusted for inflation, is as low as at any time since World War II. With prices relatively low, demand for gasoline has been steadily rising; motorists today are driving more, at higher speeds, and in cars that are less fuel-efficient than in years past. In consequence, we now depend on foreign suppliers for close to half of the oil we consume.

Partly as a result of this dependency, we now have a temporary shortage of supply, making it unlikely that prices will go down in response to this tax decrease. Rather, the forces of the market, inexorable as they are, will delay a drop in the price of gasoline until sometime later this summer, when supplies are expected to increase. To quote the Los Angeles Times, "the grim lessons about over-dependency of the 1970's are being forgotten, and the conservation ethic is slipping away."

Finally, there is absolutely no certainty that the oil companies will pass this rebate on to the consumer. Economists across the spectrum, ranging from William Niskanen of the Cato Institute to Phillip K. Verleger at Charles River Associates, agree that the 4.3-cent-a-gallon cut will benefit the oil industry, not the consumer. The total effect of this gesture will be to add $2.9 billion to the Federal deficit over the next 7 months, while transferring the same $2.9 billion to the pockets of refiners and gasoline marketers.

I urge my colleagues to resist the siren's song of the inevitability of this tax cut. Economist Michael Toman of Resources for the Future is quoted in the Washington Post as describing such a cut as "nutty." I would simply add that it is wrong-headed and ill-conceived. It should be rejected.

Mr. President, several weeks ago, when the Senate Labor and Human Resources Committee met to mark up S. 295, the TEAM Act, I once again spoke of my longstanding interest in innovations in the conduct of labor-management relations. As I said at that time, I have been particularly interested in the efforts of many European countries to involve workers in policy deliberations at all levels of corporate bureaucracy. In Europe, this practice is referred to as "co-determination," and means that management and labor sit on the same board.

While it is not suggested that what works in Europe would work here in the United States, the notion of worker involvement is no less valid. Now, after years of regrettably bitter, contentious, and even violent interaction and with the ever-increasing demands of a high-technology workplace in a global economy, a more collaborative process has developed that brings workers and employers together on an ongoing basis. Companies ranging from Texas Instruments and IBM to Harley-Davidson motorcycles have instituted ongoing employer-employee work councils.

There is, I believe, little disagreement about the value of these councils. There is, however, considerable debate about the current legality of these groups. We are told by some that this disagreement produces a chilling effect that hinders the continued and future development of employer-employee work councils.

I have tried for some time to find the proper balance. During the last Congress, I introduced legislation, S. 2499, that, among other aspects, established a formal election process for employee representatives.

While not introducing legislation during this Congress, I have continued to explore other avenues in this area. I had hoped to offer an amendment during the Labor Committee markup that would give employees the right to select their own council representatives; ensure that council agendas were open to both employees and employers and, finally, prohibit the unilateral termination of a council. I decided not to offer language of this nature, however, because of a lack of support from both the majority and organized labor.

S. 295, the TEAM Act, is certainly not the answer. The bill, as passed by the Senate Labor and Human Resources Committee, amends the National Labor Relations Act to allow the employer, I repeat, the employer "to establish, assist, maintain, or participate in any organization of any kind, in which employees participate to address matters of mutual interest." At no point in this section of the TEAM Act is there any mention of employee rights, nor are employees given the right to designate their representatives.

I must say I was very encouraged on Tuesday to hear that the senior Senator from Massachusetts [Mr. KENNEDY] suggested an amendment to the TEAM Act allowing workers to select their representatives.

I regret that we find ourselves faced with the current deadlock. Not only are Senators prohibited from amending any of the three issues under consideration but American workers are faced with the choice of giving up their rights in return for a raise.

It is clear that the path out of this predicament is to separate the minimum wage increase, the gas tax repeal, and the TEAM Act, allow each to be amended and then individually voted on.

Furthermore, the only solution to the stalemate over the TEAM Act—as I have said for many years now—is to allow employees to freely select the employee representatives of the work councils.

Mr. President, I ask unanimous consent that a document titled "Co-determination in European Countries," prepared by my staff, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CODETERMINATION IN EUROPEAN COUNTRIES

GERMANY

Coal & Steel Co's (1,000+ employees): Equal number of worker and shareholder representation along with an additional independent member agreed on by both sides.

Joint Stock Company (less than 2,000 employees): worker reps. hold ⅓ of seats on Supervisory Board of company. These reps. can't be proposed by the union and must be elected by all company employees.

Limited Liability Co's. (500–2000 employees): worker reps. hold ⅓ of seats on Supervisory Board of company. These reps. can't be proposed by the union and must be elected by all company employees.

Others: An equal number of both employees and shareholders. Depending on size of company each side has 6–10 representatives. Trade union must have at least 2 reps, 3 if the total employee representation = 10. Other employee groups (blue collar, white collar, and executives) must also have at least one representative.

DENMARK

Co-determination laws only cover companies with 50 or more employees.

Workers are entitled to elect 2 or more representatives to the company Supervisory board. Shareholders appoint at least 3 members. There is no upper limit to the number of representatives but shareholder representatives must hold the majority.

LUXEMBOURG

Co-determination laws only cover companies that have had 1,000 or more employees for 3 years. The State also must have at least a 25% interest in the firm.

Worker representatives account for ⅓ of each Administrative Board. In reality, however, day-to-day work is handled by a separate Management Board that has no requirement for union membership.

FRANCE

Nationalized companies have Supervisory Boards with equal membership of Government representatives, worker representatives, and consumer representatives.

There are no legal provisions for worker representation in private sector companies.

UNITED KINGDOM

Boards of nationalized companies contain minority worker representation.

There are no legal provisions for worker representation in private sector companies.

THE NETHERLANDS

There are no legal provisions for worker representation in private sector companies.

BELGIUM

There are no legal provisions for worker representation in private sector companies.

Only the most liberal unions in the country favor worker representatives.

ITALY

There are no legal provisions for worker representation in private sector companies.

Italian unions view Co-determination as an effort to dilute worker power. Instead, they favor worker self-management.

REPUBLIC OF IRELAND

There are no legal provisions for worker representation in private sector companies.

Source: Intereconomics. No. 78, 1978, pg 200–204.

Mr. ASHCROFT addressed the Chair.

Mr. ASHCROFT. Mr. President, I ask unanimous consent to speak as in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Missouri is recognized.

Mr. ASHCROFT. I thank the Chair.

(The remarks of Mr. ASHCROFT pertaining to the introduction of S. 1741 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I ask unanimous consent to speak as in morning business for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG. I thank the Chair.

(The remarks of Mr. CRAIG pertaining to the introduction of S. 1741 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CRAIG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. LOTT. Mr. President, we have had continuing consultation with the Democratic leader and with the majority leader. I believe we have worked out an agreement as to how we can proceed for the balance of the day.

I ask unanimous consent that notwithstanding rule XXII that the cloture vote occur on the Dole amendment at 5 p.m. this afternoon; that the mandatory quorum under rule XXII be waived, and the time between now and the cloture vote be equally divided in the usual form for debate only.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I yield the floor for a point of order, I believe, from the Democratic leader.

Mr. DASCHLE. Mr. President, I have already articulated the concerns that we wish to raise about the pending amendment. I will simply restate, in its current form, it falls $1.7 billion short of the revenues needed to cover the offset the gas tax provisions in fiscal year 1996.

At this time, I make a point of order that the amendment violates section 311 of the Budget Act.

Mr. LOTT. Mr. President, it has been brought to my attention that the pending Dole amendment, which contains the Democratic proposal for the minimum wage increase, violates the Budget Act by creating an unfunded mandate.

Our friends on the other side of the aisle have been requesting they get a clean vote on this minimum wage amendment for some time now, and it seems to me if the amendment were to fall on the point of order just raised, that our colleagues would lose their opportunity for such a vote.

With that in mind, I move to waive titles 3 and 4 of the Budget Act for consideration of the Dole amendment No. 3960.

Mr. DASCHLE. Mr. President, I ask for the yeas and nays.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I yield the floor.

Mr. DASCHLE. I renew my request for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LOTT. I believe now under the unanimous-consent agreement we do have time for debate under the agreement. I see Senator GRASSLEY from Iowa is waiting to speak. I yield the floor.

Mr. GRASSLEY. Mr. President, I want to continue my remarks from this morning and express my support for the TEAM Act. I support the TEAM Act because it would allow employees the privilege to participate in workplace decisions, giving the workers a greater voice in matters of mutual interest such as quality, productivity, and safety. These are rational things and ought to be a subject of discussion between workers and employers. But, current law prohibits this type of participation.

The bill before the Senate would, among other things, encourage worker-management cooperation. It would preserve, without a doubt, the balance between labor and management, while allowing cooperative efforts between worker and employer. It would permit voluntary cooperation. It would do it between workers and employers and would allow all we want to encourage to continue working.

Current law prohibits 85 percent of working folks from talking with their employers in employee involvement committees. I know that does not sound reasonable, but present law prohibits it. It prohibits discussing things like the extension of employees' lunch breaks by 15 minutes; sick leave; flexible work schedules; free coffee; purchase of a table, soda machine, microwave, or a clock for the smoking lounge; tornado warning procedures; safety goggles for fryer and bailer operators; ban on radios and other sound equipment; dress codes; day care services, and no smoking policies. We know that because employee-employer committees have tried to discuss these things and their efforts have been found illegal. The President spoke in support of this sort of cooperation in his State of the Union message this year. He said:

> When companies and workers work as a team, they do better, and so does America.

Mr. President I agree with the President of the United States. I also agree with what Secretary Reich said in July 1993. He said this in an article in the Washington Post:

> High-performance workplaces are gradually replacing the factories and offices where Americans used to work, where decisions were made at the top and most employees merely followed instructions. The old top-down workplace doesn't work anymore.

As astounding as it might sound that a Republican would be agreeing with the Secretary of Labor, I wholeheartedly agree. But things said in Washington do not always come out at the end of the pipeline in policy the way that they are really stated. In other words, rhetoric is not always followed through by performance in office.

Just a few months ago, at a national union rally in Washington, DC, following a $35 million campaign pledge made to the Democratic Party and a grand endorsement by the AFL–CIO, Vice President AL GORE pledged President Clinton's veto of the bill that we are debating on the floor of this body right now. This bill, in every respect, fits into compliance with the statements made by President Clinton in his State of the Union Message and Secretary Reich's article in the Washington Post. The TEAM Act is an act that does nothing more and nothing less than legalize workplace cooperation between nonunion employees and management.

Union representatives tell me that they fear that the TEAM Act would prevent them from organizing union shops. I want to emphasize that this act does not apply to union settings and would not undermine existing collective bargaining agreements.

Under the TEAM Act, workers retain the right, as they should, to choose an independent union to engage in collective bargaining. But as it stands now, if employees choose not to organize—and 88 percent of the private sector has chosen not to—they are penalized by not being able to conduct this sort of worker-employer cooperation through committees.

In other words, they are gagged and prohibited from discussing workplace issues with their employers. Throughout this debate, I have heard some of my colleagues talk about how they mistrust the intention of management. My colleagues who make these statements must assume that workers and managers have a built-in adversarial relationship, or they want to promote some adversarial relationships, instead of promoting cooperation, which this legislation would allow them to do.

At one time that may have been true, but that was decades ago and is generally not true today. The employers, as well as the employees, whether from my State or other States—but I listen primarily to those in my State—tell me they only want the legal privilege to form partnerships to promote cooperative work environments. They just want to be able to talk to each other.

One of my colleagues on the other side of the aisle stated that most companies already legally meet with their employees. But I would like to tell him about the possible consequences that a company faces if they choose to do so.

The Clinton-appointed Dunlop Commission invited the Donnelly Corp. to testify before the commission. This company was chosen because it was a shining example of how well employee involvement in these committees works. The company was praised for its promotion of workplace flexibility and formation of worker-management teams.

But this public announcement brought them and their employees a great amount of grief. The Donnelly Corp. was slapped with a labor lawsuit filed by the NLRB. Why? Because of its progressive operations. The Corporation was temporarily forced to cease its employee involvement programs. The company was accused of breaking Federal law, a law that the TEAM Act would reform.

After a long year of litigation, the case was settled, but the company is still threatened by possible labor lawsuits, unless the law is changed.

In 1995, Secretary Reich, when speaking to the Securities and Exchange Commission, called on the SEC to find ways to encourage companies to voluntarily disclose workplace practices that contribute to higher profits. He said he had heard that many companies were reluctant to provide information about such programs to the market for fear that they would be sued.

He said, "I believe there is a chilling effect. Why disclose if you subject yourself to potential liability?"

President Clinton, Secretary Reich, and their own commission, the Dunlop Commission, up until the union leaders made a $35 million campaign pledge to their party, supported reforms of current labor law. Now the Clinton administration has threatened to veto the TEAM Act in its present form.

The Clinton administration says that it is not beholden to special interests. But it seems like with a lot of vetoes, or a lot of threats of vetoes, this administration listens just to trial lawyers or to labor union leaders. Is it possible that the same administration that marches in lockstep with the National Education Association and the Trial Lawyers of America is more interested in a $35 million campaign pledge than in correcting the wrong that was done to the Donnelly Corp.?

So I encourage my colleagues today to recognize the need for the people to have a real voice in decisions affecting their workplace and urge them to support this act.

I know that everybody knows I am a Republican, and I know everybody believes that Republicans do not have any understanding of the workplace or the labor union environment. So I want to repeat what I stated this morning when I spoke about this same piece of legislation. I had the experience of working in a sheet metal factory from August 1960 until March of 1971. I worked on the assembly line, making furnace registers for the Waterloo Register Company in Cedar Falls, IA, a company that went out of business in 1971. I was a member of the International Association of Machinists from February 1962 until March 1971. I have an understanding of the workplace environment. I have an understanding of the cooperation that is necessary between labor and management if productivity is to increase. I have an understanding that you can have workplace committees and dialog between labor and management, outside of the normal collective bargaining process, and enhance productivity within the workplace.

Not only does it happen, but we need to encourage more of it, so that nothing is done in that process to interfere with the statutory right and the constitutional right that people have to organize in unions.

I was a member of the International Association of Machinists for that period of time. If I were still working at that company, I presume I would still be a member of that union. But the union that I used to be a member of, and most of these other unions that are stationed here in Washington, are against this bill. I think that is kind of like having your head stuck in the sand, because we are going to have to increase productivity in the workplace if we are going to keep up with international competition. We ought to be enhancing and doing everything we possibly can to make our manufacturing and our service industries more productive to meet the competition from overseas. And this bill would encourage that. I do not know why leaders here in Washington cannot understand that.

The people that were on the assembly line with me in the 1960's understood that, even though we did not have the international competition we have now. But also I think I learned something in the process, too, that labor union leaders here in Washington, DC, do not always represent the voice of their leaders at the grassroots. The people I worked with felt the necessity of encouraging this cooperation between labor and management so that we would be more productive, so that we could make more money, get higher salaries, and better fringe benefits.

So I hope that we can pass this bill and get it to the President. I hope the President will stick to his message in the State of the Union, that we have to enhance cooperation between workers and employers, because that is what this bill does.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, 2 weeks ago today, I attempted to offer an amendment repealing the 1993 4.3-cent-per-gallon gasoline tax. Two weeks ago today, the Democrats objected to that amendment coming up, and we find ourselves in a situation where, all over America, people are talking about the rising cost of gasoline and diesel fuel.

The President now says he is in favor of the repeal. Our Democratic colleagues say they are in favor of it. But yet 2 weeks after I tried to offer this amendment, we have yet to get an opportunity to vote on it. When I tried to offer the amendment, our Democratic colleagues said, "Well, we want to vote on the minimum wage." So Senator DOLE said: "OK, let us vote on the gasoline tax, and let us vote on minimum wage with a relevant amendment if the Democrats want to offer an amendment to try to guarantee a pass-through on the gas tax."

The majority leader said that he would allow that amendment to be offered. If they come up with a reasonable amendment, we will support that amendment. But the majority leader said that, with the minimum wage bill, he would like to try to do something about an absurd situation which has had the effect of preventing workers and managers from using the teamwork approach which has increased productivity all over the world. The National Labor Relations Board has come in and denied employers and employees the ability to meet and talk together about such issues as company softball teams, appropriate work clothing for pregnant women, and other issues involving quality, efficiency and productivity because the union bosses believe that somehow their power is diminished if people who work for companies and people who run companies learn how to work together.

So, as a result, we are in a situation where the American people continue to await a repeal of the gas tax. I do not have any doubt in my mind that if we had a vote on repealing the gas tax this afternoon, 75 Members of the Senate, minimum, would vote for it.

The Democrats' say they want to raise the minimum wage. The majority leader says: "Great, we will give you that vote." Yet, here we are where people are affected by rising gas prices, where we have the ability through legislative action to reduce the cost of a tank of gasoline when working families fill up their car or their truck or their van—about $1 for every fillup. Yet, for 2 weeks nothing has happened.

I wanted to come over today to express my frustration. I think we ought to bring up the gasoline tax repeal and have a vote on it. The majority leader has said he is willing to bring up the minimum wage and have a vote on it. The majority leader would like to have a vote on the so-called TEAM Act. My guess is that 98 percent of the American people would support the concept of letting people who work in the same company, whose retirements are tied to the progress of the company, who have the shared goal of creating jobs and growth and opportunity, talk to one another. Only in America do we have an absurd system where the Government tries to stop people who work for the same company from talking to each other to improve safety and efficiency and to improve the quality of life. Yet, while we have three proposals and we have an agreement from the majority leader to vote on all three of them, we are denied that ability.

While I am in the process of listing legislative agenda items, recall that we recently passed a health care bill. It was touted by both sides of the aisle. It was going to help 25 million people in making health insurance more affordable and by making it more available. And the majority leader, in his capacity as majority leader, sought to appoint conferees so we could go to conference with the House, adopt this bill, send it back to both Houses, and attempt to make it the law of the land. Now we have an objection to even going to conference with the House because the Senator from Massachusetts does not like the makeup of the conference decided upon by the majority leader.

So it seems to me that what we are seeing here is an effort to prevent the will of the American people from being exercised in the Senate. I think it is outrageous when we have had a consensus in the country for over 2 weeks, when we have probably 75 Members of the Senate who want to repeal the gasoline tax and bring down the cost of gasoline for working families, when we have a President who has said he would sign the bill, we cannot bring it up for a simple yes-or-no vote in the U.S. Senate. I think it is very clear to anybody who wants to watch the process that it is our Democratic colleagues who are denying us the ability to repeal the gasoline tax.

Let me say just a little bit about the gasoline tax. Many people do not understand, really, what this issue is about. Let me try to explain it in two ways.

First of all, prior to 1993, we had never had a permanent gasoline tax that was not tied to building highways. In fact, the gasoline tax has historically built up a transportation trust fund which has been used to build the transportation system of the country. It has in essence been a user fee. So you pay taxes on gasoline, and that builds roads. We have now taken part of that money, unwisely, in my opinion, and put it into mass transit, instead of a mass transit user fee paid for by mass transit. So we have mass transit systems all over the country, and nobody rides mass transit in many cases.

Quite aside from that point, before 1993 and the Clinton gasoline tax increase, the gasoline tax went to build highways. In 1993, the President tried to impose a general energy tax called a Btu tax. We defeated that tax. As an alternative, without a single Republican vote, the President and the Democratic majority raised taxes on gasoline, but none of the money that went into the Treasury from the gasoline tax went to building roads. For the first time, it went into general Government, which under the budget that we adopted——

Mr. FORD. Mr. President, will the Senator yield for a question?

UNANIMOUS-CONSENT REQUEST

Mr. GRAMM. I ask unanimous consent that the gasoline tax bill be made in order and be brought before the Senate at this point.

Mr. FORD. I object.

The PRESIDING OFFICER (Mr. DEWINE). Is there objection?

Mr. FORD. I object.

Mr. GRAMM. I would be happy to yield.

Mr. FORD. The Senator says this is the first time that we have ever used gasoline taxes for the general fund.

Mr. GRAMM. I said this is the first permanent gas tax we have ever had that did not go to the highway trust fund. We have adopted gasoline taxes in the past on a temporary basis, but we have never adopted a permanent one that did not ultimately go into the trust fund. This is the first.

Mr. FORD. For 1932 and 1956, all of it went to the general fund. That is No. 1. No. 2, the Bush nickel was divided, 2.5 cents for transportation and 2.5 cents went to deficit reduction. It did phase out in 1995.

So when you get back and start looking at all these things, there has been some tax that has been used in past administrations, and that is 10 cents, if you want to look at it, 5 in 1982 and 5 in 1990, and 2.5 cents was used in the general fund for 5 years. So when the Senator says it is the only one that has been dedicated, technically he might be right. But when you take it out of my pocket and you put it in the general fund, then I expect that I feel a little bit differently than the way the Senator explains it technically. So, yes, we have used taxes before for the general fund put on gasoline. Am I not correct, I ask the Senator?

Mr. GRAMM. Mr. President, reclaiming my time, obviously, before we established the highway trust fund, there was no trust fund to which the taxes could be directed. The Senator makes it very clear that we have had temporary taxes in the past that were not dedicated to the trust fund, but were planned to expire. The point I am making is this is the first permanent gas tax that we have had since we have had the highway trust fund that has not gone to the highway trust fund.

Let me tell you why that is important. We are taxing people who work for a living, people who have to get in their car or their pickup truck and, in my State, drive 30 and 40 miles to work to subsidize social programs for people who do not work, and I object to that tax. We are taxing people who live in the West and who live in rural areas who have to drive great distances to work for a living to subsidize people who live in the big Eastern cities, and I object to that tax. I do not think this is a fair tax.

I think it ought to be repealed on its merits. The American people want to repeal it because gasoline prices are up. The only thing we can do that will bring down prices at the pump is to repeal this tax.

Now, we have had the administration suggest that we have investigations. We have various committees that are holding hearings. But the point is, if we want to bring down the price of gasoline, we know how to do it. We could do it this afternoon. If the Senator had not objected and we had brought up the gasoline tax repeal as I just asked consent to do, we could have passed it this afternoon; it could have gone to the House; they could have passed it tonight; the President could have signed it tomorrow; and Saturday morning when every filling station in America opened, they could have lowered their posted price by 4.3 cents a gallon.

Let me also note that the price of highway diesel would come down 4.3 cents a gallon; the price of diesel used on the railroad would come down 4.3 cents a gallon; the price of commercial and noncommercial jet fuel and aviation gasoline would come down 4.3 cents a gallon. So we are not just talking about what you save filling up your gasoline tank. We are talking about consumers who pay this tax every time they go to the grocery store, because the cost of everything from red meat to beans has the cost of the diesel fuel tax in it because all of those groceries had to be brought in by truck or by rail to that grocery store. Every time you get on an airplane, you are paying this tax because it is built into the price of your ticket. So the plain truth is, the Joint Economic Committee has estimated that the annual cost of this 4.3-cent-a-gallon tax on gasoline to Texans is $445 million a year.

So my point is this. We have an issue here where the American people are overwhelmingly for repeal of this gasoline tax and in favor of bringing down the price of gasoline by about a dollar a tank. We should stop taxing working people who have to use their car or truck to go to work to subsidize social programs for people who do not work.

I do not understand, when we have such a clear consensus, when the President says he is for it, why we cannot vote on it.

Now, maybe they are not for it. I would never suggest that someone does not stand where they say they stand, but I think it is up to people who claim they are for repealing this tax but yet will not let us vote on it to explain to us why it is that they are for it. They think it is a good idea. The President, who is from their party, says he will sign it. But yet this now represents 14 days we have attempted to bring up the gasoline tax repeal, and we have been denied that ability.

So I just wanted to come over this afternoon to express my frustration at where we are. I do not understand. If people want to vote on the minimum wage, the majority leader has offered them an opportunity to have an up-or-down vote on it. People want to vote on guaranteeing the right of people who are in management and who are working on assembly lines to get together and talk and work together as a team, as the whole world is doing now and doing very effectively, and as American companies are doing but now they are being stopped by the National Labor Relations Board from doing it. I do not see why we cannot have a vote on it.

Now, I know that the people who run the AFL–CIO are against it, but I am against a lot of things that we vote on every day in the Senate. I do not know what gives them the power to dictate our agenda. I certainly wish we could submit this to popular referendum because most Americans would laugh in your face if you told them that you want to protect the ability of Government to tell employers and employees, blue-collar, white-collar workers working for the same company with the same interests that they cannot sit down and talk about safety clothing for pregnant women, about softball teams, and about jointly seeking quality.

It seems to me that is an eminently reasonable proposal. My point is why not vote on all three of these things? The one I am most concerned about, the one that I have tried now for 14 days in a row to get a vote on is repealing this unfair gasoline tax, unfair because it does not go to build roads; it goes to general revenues. It is being spent, every penny of it, on social programs, and we are taxing people who have to drive their cars and their trucks to work to subsidize in many cases people who do not work, and I do not think it is right. I would like to have a vote on it. I would like to be able to cut gasoline prices and do it today. I would like, when people tomorrow go to the filling station, that they look and see that the posted price is down 4.3 cents a gallon. If we acted today, we could make it happen.

I just express frustration that we are not allowed to bring it up and vote on it. If you are against it, fine, vote against it. We heard the Senator from Louisiana say yesterday that he was going to filibuster. Great, I admire that honesty. At least he admits that he is against the repeal. He is not pretending that he is for it and it is just that we are not going to bring it up and vote on it. He says, no, he thinks it is a lousy idea, he is against it and that he is going to filibuster. Great, let him filibuster. He has a right to do that, but let us bring it up. Let us let him talk, and let those of us in favor of repeal talk. And when everybody gets tired, then let us vote.

We could have cut gasoline prices 2 weeks ago if we had chosen to do it. So I hope when people go to the filling station to gas up the car for the weekend, when they are going to get the kids in the car and the dog in the back and go see mama, and they look at that posted price of $1.279, I want them to remember that Republican Members of the Senate wanted to cut that price 4.3 cents a gallon; when they filled up their Suburban with 42 gallons, we wanted to save them about $2. But we could not do it because people who say they are for repealing this tax, who are every day in the paper saying, "Yes, we do not object to it; we could vote for it; the President says he could sign it," but, yet, these are the very people that are preventing us from repealing this tax and cutting the price of gasoline at the pump.

So let me say to Mr. and Mrs. America, when you fill up your tank on Friday to go see mama and you look at that posted price, remember those who wanted to cut the tax and remember those who said they were for it but they would not let us vote on it.

If you will just enshrine that in your elephantine memories, it will serve the public interest and perhaps bring some good to the U.S. Senate.

I yield the floor.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

UNANIMOUS-CONSENT REQUEST—H.R. 2337

Mr. FORD. Mr. President, I ask unanimous consent that order No. 374, H.R. 2337, be immediately brought to the Senate floor and taken under consideration.

Mr. GRAMM. Reserving the right to object, I would ask to amend that unanimous-consent request to say that the bill be brought up and that the gasoline tax be in order and that there be 1 hour equally divided on the gasoline tax.

Mr. FORD. I object.

Mr. GRAMM. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. FORD. He objects. Is it not wonderful? If you want something, they object. We want something—"we object." It is rather interesting around here.

What the Senator fails to tell us in his eloquent remarks, his Ph.D. philosophy here, and verbiage—and I am just a country boy from Yellow Creek trying to explain my position and I will do the best I can—what the Senator does not tell those who are watching on C-SPAN—and we had a big story on C-SPAN junkies today; he speaks to them—is that what the Republicans are trying to do is to have all this in one package. You have absolutely locked the minority out, and they cannot amend any one of those three items that you have talked about today. It is called the Dole gag order. The Dole gag order.

Let me quote what the distinguished Senator said, I guess back in 1993—we all go back to those—when he was frustrated. But he was wrong in his frustration. He says, "But as the distinguished chairman knows"—talking about the distinguished Senator from West Virginia—"we also have rights."

You said that—excuse me—the Senator said that. I want to be careful not to use improper language.

> One of the rights we have is to refuse to participate in a situation which we believe, though it is totally fair and totally within the rules, creates a playing field on which we believe that we are not capable of getting a fair contest underway.

That is the language of the Senator from Texas. At that time he had the ability to offer four amendments. Right now we have no time to offer any amendments. And it is not, "Oh, we just want a vote." Vote on what? Vote on a package that you cannot offer an amendment to? They have us locked out. They have us locked out.

You know something, this 4.3 cents—look at it. Because it increases the deficit almost $2 billion this year. And there is no offset—no offset. To offset it in the language they have, they do two things. Over 6 years, they get the $800,000 out of the Department of Energy. And we have a $2 billion debt this year—deficit. Then they want to sell the spectrum. That cannot go into effect until 1998.

So we have no ability to amend it to be sure that the consumer gets the 4.3 cents. You say they could—the distinguished Senator from Texas says, "The consumer could get it." If he had been at the hearing in the Energy Committee this morning, he would have found out there is nothing we can do. If we give the 4.3 cents back, we create a deficit of almost $2 billion, because you do not offset it for 6 years and the spectrum sale does not occur until 1998.

Now, I have heard about the Gramm-Rudman bill, you know. You ought to read what the former Senator, Senator Rudman, talks about, how we cannot get together here. That is one of the reasons he left.

So the Democrats are the minority in this case. We always want to protect the minority, that is one of the reasons for the rules of the Senate. Sure, I can quote the Senator from Texas again: "We also have our rights."

So we have our rights. We want a cloture; we want to have the ability to amend. We offered yesterday afternoon three stand-alones, one on the gasoline tax, with amendments, relevant. We wanted the minimum wage, with amendments, relevant amendments; and the TEAM Act, with amendments. That is all. That is our rights. To quote the Senator: That is all we are asking for, is our rights.

You know something? Ninety-six percent of all the businesses today have committees that get together and talk about the very things the Senator says that they want under this legislation. They talk about safety. They talk about that now. Mr. President, 96 percent of all the businesses have those committees now. If they want to talk about health, they all could talk about that. But in this bill they eliminate present law, and the employer will appoint the committee. The employees do not have the opportunity to make that selection.

You know, we get out here and it sounds so good, and we are so bad. If I had not been on the floor—I think it is kind of unprecedented that you ask for a unanimous consent when the opposite party is not on the floor. I just happened to walk out here and we get a unanimous-consent request. I suspect the Chair may have recognized that, and I think that would have been disastrous, not only for the Senate's procedures but for the Members themselves.

So, yes, we are ready to vote on the 4.3-cent tax, but we want to offer an amendment to say that the consumer will get it.

You go back and listen to the very crafty language of the Senator from Texas. He says you "may" get it. We can save you, but if the oil companies, when you take off 4.3 cents, add a nickel on, the only people who make any money really, putting more money into their pockets, is the oil companies.

If I represented Texas and big oil, I imagine I would want to do the same thing, but I am here trying to protect the low-income people in my State and in this country.

When gasoline prices go up and you have no control over it, only 4 cents, and the minimum wage does not go up, they are still making the same amount of money, why do we not have our right?

So the choice here is whether we are able to have a question on the 4.3-cent gasoline tax removal and the ability to amend, that is all we ask. Then we have—and give a time agreement—and then we have the minimum wage. If you want to amend it, well and good. But the majority leader gave the Senator from Massachusetts exactly what he asked for. I doubt seriously if the Senator from Texas likes that. I do not imagine he does, but that is a stand alone. If they want to amend it—the other side—they can. We are giving them that right.

Then on the TEAM Act: stand alone, time limit, but give us an opportunity to amend it.

My dad used to tell me, "Son, when you miss a train, stand there with your suitcase and hat and another one will be by." What goes around comes around. We can fill the tree one of these days, and some of the Senators on the other side may just be here —may just be here. I understand the rules of the Senate. I understand them very well.

So, Mr. President, we want to be sure that an offset is there, and it is not there in this bill for 4.3 cents. Just increase the deficit, increase the deficit, increase the deficit. I have been preached to ever since I have been here by the Senator from Texas about balancing the budget. Well, he wants to dig into Social Security, $147 million a year. I am not going to allow that. I have a contract with my senior citizens around the country.

I hope he is making a lot of notes on this. I want to hear the rebuttal. Probably will be good; probably will be good. I can hardly wait. I will wait with bated breath, I guess.

Insurance? The insurance bill that was agreed to here I think was something very good for the retiring Senator from Kansas, Senator KASSEBAUM. I think it was good that we had bipartisan agreement with Senator KENNEDY and Senator KASSEBAUM joining together and asked we have no amendments. An amendment was offered and it lost. Then you want to put conferees on who would say, even though we lost the amendment in the Senate on a vote, we are going to put it on in conference. Sure, you have something to object to. We have our rights. We have our rights, and that is what the distinguished Senator from Texas said: "I have played by the rules in sending up the pending amendment."

So we have our rights.

Well, we are going to have a little debate on the budget, I guess now. We did not have a chance to have any input into it. Read the paper today. It is the Dole budget. You know, it looks like they are reducing the amount of tax cuts, but it is a "fooler." The last budget was for 7 years; this budget is for 6 years. So you have one-seventh more taxes into that one little frame—6 years.

So we have to be very careful. One thing Dad told me, too, "The devil's in the fine print." If you do not read the fine print, you might not understand what you are voting on. That is one reason, I think, that we ought to be sure we understand that if the 4.3-cent gasoline tax comes off, we will have almost a $2 billion deficit this year, and this year ends September 30, and it takes 6 years to repay it. We cannot even pay for part of it until 1998.

We think we ought to have an ability to amend it to be sure that the consumer receives the money rather than "might save," "might receive." The dealer does not have to pass it on. I think that is a true statement. The oil companies do not have to pass it on. I think that is a true statement.

So give us an opportunity to amend, to the best of our ability, to be sure that the consumer receives the 4.3 cents. That is all we have asked. That is all the fairness we want, and I think that fairness is what the argument is about—not gridlock, not refusing to let you vote, but principle. I intend to stay here and work as hard as I can for principle and for the rules of the Senate and to operate in the best manner possible. So when you get down to it, that is all that you can ask for.

So I go back and one more time read:

> But as the distinguished chairman knows, we also have rights.

I am quoting the Senator from Texas.

> And one of the rights we have is to refuse to participate in a situation which we believe, though it is totally fair and totally within the rules, creates a playing field on which we believe that we are not capable of getting a fair contest underway.

So now I say to the Senator from Texas, all we are asking for is a fair contest. I think we have offered you a fair contest—or to the distinguished majority leader. Stand alone, give us an opportunity to amend. We cannot amend. You have it your way, we cannot get it our way.

Fairness in this Chamber is one thing that we have always prided ourselves on, but when we have a gag order—a gag order—and we are unable to amend, then I think we have every right under the Constitution and under the ability of use of the rules that we do the best we can.

I thank the Chair, and I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Texas.

Mr. GRAMM. Mr. President, I enjoyed listening to our colleague from Kentucky. I am always enlightened by his views. No one is saying that the Senator from Kentucky, or the distinguished minority leader, or every Democratic Member of the Senate does not have the right to deny us the ability to vote on repealing the gasoline tax.

I have certainly exercised my right as a minority Member of the Senate, when we were in the minority, as much as any other Member. In fact, we debated in one form or another the President's health care bill for 86 days. As much as any other Member of the Senate, I fought it and denied, until we had the votes to defeat it, the ability of the majority to vote on it. But the point is I never denied doing exactly that. In fact, I said in front of God and everybody the Clinton health care bill is going to pass over my cold, dead political body. I said in front of God and everybody, the Clinton health care bill is deader than Elvis.

Mr. FORD. Elvis is not dead.

Mr. GRAMM. Well, when he comes back maybe he could moderate this dispute we are having.

Mr. FORD. I would rather him than some I have.

Mr. GRAMM. Well, let me put it this way, the point is, for a period of time, I was one who helped deny a vote on the Clinton health care bill.

But the difference between me and my colleagues is I made it clear I was not for the Clinton health care bill. I never intended to see it passed. And it will not ever be passed. What I do not understand is all these people who say that they are for repealing the gasoline tax, but they will not let us vote on it.

Mr. FORD. Will the Senator yield on that point?

Mr. GRAMM. If I may just make my statement, then I will yield the floor and let our colleague have it back.

Mr. FORD. OK.

UNANIMOUS-CONSENT REQUEST

Mr. GRAMM. I will go back to the Budget Committee.

My colleague says all they want is an amendment to assure that if we repeal this tax it is passed along to the consumer.

I ask unanimous consent that the gasoline tax bill be the pending business of the Senate, that there be one amendment in order, to be offered by a minority Member to guarantee a passthrough to the consumer, and that debate on that amendment occur within an hour, and that there then be a final vote on the passage of the gasoline tax.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Reserving the right to object, I am considering modifying that to go to the Kennedy minimum wage amendment. What the Senator has done here—and I need to confer with the leader. I am sure you have not conferred with Senator DOLE as to your unanimous consent.

Mr. GRAMM. Senator DOLE—reclaiming my time——

Mr. FORD. Reserving the right to object, I have that time. So I want to consider modifying that amendment to add the minimum wage to that and under the amendment that was used by the majority leader in his proposal that we will vote on cloture at 5 o'clock.

The PRESIDING OFFICER. The Chair would note there is a pending unanimous-consent request. Does the Senator from Texas modify his request?

Mr. GRAMM. I am not going to modify the request.

Mr. FORD. Then I object.

The PRESIDING OFFICER. Objection is heard.

Mr. GRAMM. Reclaiming my time, the point I want to make is, despite our dear colleague from Kentucky saying all he wanted to do was to offer an amendment to guarantee that the tax cut was passed through to the consumer, that in fact——

Mr. FORD addressed the Chair.

Mr. GRAMM. That is not all that the distinguished Senator from Kentucky wants to do.

Mr. FORD. He is quoting me as all I wanted to do was to add an amendment. That is not true. I said—and I regret that he misunderstood me—that we have the right to offer an amendment or amendments—I said plural—and that we wanted to be sure that the consumer received the 4.3 cents and not the big oil companies that he represents.

Mr. GRAMM. Mr. President, the distinguished majority leader said yesterday and the day before and the day before that he would look at any language the minority had concerning a passthrough of the tax cut from the filling station to the consumer.

In terms of oil companies, I do not think—first of all, I am proud of the fact that my State is an oil producer, as I am sure my colleague is proud of the fact that his State is the producer of tobacco and cigarettes.

Mr. FORD. Add coal to that. That is energy.

Mr. GRAMM. My point is, the gas tax is collected by filling stations. They collect the tax. And they remit it to the Government. The average filling station in my State collects about $300,000 of gasoline taxes a year. If we want to lower prices, the quickest way to do it is to repeal that tax.

Let me touch on a couple of other things here.

Our colleague says, 96 percent of companies are engaged in some form of joint work between management and labor. That is not the point. The point is, the National Labor Relations Board is now denying companies that ability. What we want to do is to guarantee that workers and management on a voluntary basis can meet together and talk about things like safety and health and productivity.

Mr. FORD. Would the Senator say that includes collective bargaining and wages and hours worked and things of that nature under your proposal?

Mr. GRAMM. Under the proposal that I am making—I believe in free speech. So I think if people want to get together and talk about any legal act between two consenting adults, they ought to be able to do it. It is an amazing thing to me that two consenting adults can engage in any kind of activity other than industry, commerce, work, investment, job creation, but when they try to do those things they stand either naked before the world in terms of protection from our Government or they are impeded. If they want to do any other thing as consenting adults, they have a right to do it. I have never understood that. But there are many things that I do not understand.

Finally, I see two of our other colleagues are here. I want to yield the floor, but here is my point. For 2 weeks we have been trying to repeal the tax on gas. It is a simple issue. It is not a complicated issue. You either want to repeal the 4.3-cent-per-gallon tax or you do not. I do. A few people say they do not. Most people say they do. But yet we do not get a vote on it.

I am simply frustrated about it. But I have been frustrated before. But I just hope people will make note of the fact that even though for 2 weeks we have been talking about it, even though for 2 weeks people say they are for it, for 2 weeks we have not been able to do it. I hope that something can be worked out. I certainly, for my part—this is a decision that will be made by the majority leader and the minority leader—but I am perfectly willing to see votes on other issues. I want a vote on repealing the gasoline tax. I hope something can be worked out. I yield the floor.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I have been sitting in on this debate, and I have been presiding during part of the time. There are some things that I think should be said at this point that have not been said so far that would be appropriate.

It is shocking, it seems to me, the issue of raising taxes is a partisan issue. I mean, if you look at the way that the debate is going, those on the Democratic side are trying to raise taxes.

I reread a statement that was made by Laura Tyson who is the chief economic adviser to the President of the United States. I am going to quote it right now into the RECORD.

> There is no relationship between the level of taxes a nation pays and its economic performance.

If you really believe that, then it is understandable why we are having the discussion that we are having today. But the difference in the way we treat our attitude toward taxes, between the Democrats and the Republicans, is incontrovertible.

In the 103d Congress, under a Democrat-controlled Congress, they had the "largest single tax increase in the history of public finance in America or any place in the world." That is a direct quote from PATRICK MOYNIHAN who at that time was the chairman of the Senate Finance Committee.

Mr. FORD. Will the distinguished Senator yield?

Mr. INHOFE. Not until I am through with my remarks.

Mr. FORD. I have a question about that.

Mr. INHOFE. I am kind of slow, and it takes me long to get my train of thought back.

During that time, it was the first ever retroactive tax increase, in other words, we passed a tax increase that went back and imposed taxes on people who were adjusting their behavior and their activities predicated on the existing tax structure at the time. They made it retroactive.

The third thing they did—the top tax rate increased to 39 percent, a dramatic increase. It has been increased again since then to 42 percent. The tax on Social Security for many of the senior citizens in this country went up by 50 percent to a total of 85 percent.

I believe we need also to make a couple of statements in response to what has been said about the economy, this glowing economy that we supposedly have right now. I have some figures here that show there is no glowing. I know if you say it is long enough, the people will believe it. Then they will say, "Well, someone's doing a very good job." But it is not.

Right now, under President Clinton, the economy grew at a slower rate in the first quarter of 1996, 2.8 percent, than it did in the first quarter of 1992, which was 4.7 percent. There have been lost—this comes right out of the Bureau of Statistics, published on May 3, 1995—in that particular year, 17,000 manufacturing jobs were lost in April, bringing the total number of jobs lost in that sector to 338,000 since last March.

I guess the reason I bring this up is that I am one of those individuals who has read history and who believes that you can increase revenues by reducing marginal rates. We saw this happen in the 1980's, during the decade of the 1980's, when we saw the largest number of rate decreases. We increased revenues substantially. The total revenue that was generated in 1980 was $244 billion for marginal rates. In 1990, it is $466 billion. We almost doubled it by reducing dramatically the rates.

This is not just a Republican concept. President Kennedy, back when he was President of the United States, made a statement, "It is a paradoxical and economic statistic that the way to increase revenue is to reduce marginal rates."

It is something we have seen history repeated over and over again. You are not going to increase revenue by increasing taxes. Therefore, if we can reduce any of these taxes, we should take this opportunity to do it.

As he said, 1993 was the largest single tax increase in the history of public finance in America or any place in the world. If you opposed that increase, the largest increase in history, you should be supportive of repealing any part of it. This is just a small part of it.

I think, also, if you remember what President Clinton said in Houston not too long ago when he was talking to a group of people who were pretty offended by the increases in taxes, he said, "A lot of people think I increased taxes too much in 1993. It might surprise you to know that I think I did, too."

I want to help the President. I want to help him reduce the taxes that he admits were too high in 1993. I yield the floor.

Mr. FORD. Mr. President, a couple of items. The Senator from Texas [Mr. GRAMM] talked about the payment at the pump, the taxes collected at the rack. That is what I thought. I was not sure. I got the information. So the wholesaler or the distributor collects the tax, and it is not the dealer that would be able to give or reduce his price. I thought that ought to be brought out here now. I do not want my service station operator to be jumped on when we say you did not get the 4.3-cent reduction tomorrow or next week. It is at the rack. So I am trying to protect them.

My colleagues, as they make these speeches, they leave the floor. I have to give the Senator from Texas a compliment because he stayed here and we had a little back and forth. The Senator from Texas is going to the budget meeting, I understand. My figures—and I always stand corrected because somebody will find a way to get at me with words—but under the Republican Budget Committee's mark yesterday, taxes will increase more over the next 6 years than they did over the past 6 years.

Think about that: $415 billion. Under the Republican budget chairman's mark advertised yesterday, taxes will increase more over the next 6 years than they have over the past 6 years. That is $415 billion, if I figure that right.

Everybody will say, well, the economy is increasing and all that stuff. If it is increasing, give this administration some credit. I understand the criticism. This has become a Presidential campaign Chamber. It is not a Chamber dedicated to the people of this country, trying to do the best job we can for them. If we could stop the Presidential campaign in the Chamber, I think the overwhelming majority of U.S. Senators could get together and pass something in the best interests of the people.

We just cannot continue to have the Democrats shut out with a gag rule on us. The principle here is not whether we are for or against a 4.3-cent reduction in gasoline tax. That is not the question. The question is, we are being eliminated from having the opportunity to debate it and offer amendments.

The Senator from Texas said that he could not guarantee they could give them 4.3, or the big oil companies could keep it, or the wholesaler at the rack could keep it. It does not have to pass this price on. We just want to have the opportunity.

The point of being for or against removal of that tax is not the question. Fairness is the question, and the ability to have an up-or-down vote and to offer amendments. We have offered stand-alone amendments and a time agreement on each one of those three. We have been turned down. We will consider an amendment to get this, but we want to put it in our package. We do not want it outside that package. So the gag rule still is extended.

Nowhere, nowhere—we may have filed cloture, but we did not say you could not file amendments. I quoted from the Senator from Texas in 1993 where he said that he had his rights. That is the same thing I am talking about. Nothing different. When he was fussing then, he had the ability to offer four amendments under that tree. He had a right to offer four amendments. We never excluded anybody from offering amendments, as is happening to us now.

Where is the fairness, Mr. President? All we are asking is for a little fairness.

The gag rule is being applied to the minority. The gag rule is being applied to the minority. As long as I have the ability and breath in me, I am going to speak out against that, as the Republican side of the aisle did for so long. I listened to it. We can quote and quote and quote what they said and what statements they made, and now we are trying to say the same thing. We never instituted a gag order on the minority in all the 22 years I have been here.

I yield the floor.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Delaware.

Mr. ROTH. Mr. President, it is time to repeal the 1993 Clinton gas tax increase. On Wednesday, Senator DOLE, Senator GRAMM and I, along with a number of our colleagues, introduced legislation that would do just that. I wish we would have been able to repeal this tax on tax freedom day. Unfortunately, my colleagues on the other side of the aisle were unable to agree to the compromise package that Senator DOLE had offered them. Today is another day, one in which I hope we will see repeal of the 4.3 cent per gallon motor fuels tax.

During the 1992 Presidential election campaign, then-candidate Clinton, when asked about Federal excise taxes, said, "I oppose Federal excise tax increases." But as with other views that Bill Clinton has held, this one was not adhered to for very long. In fact, in 1993, President Clinton, as part of a $268 billion tax increase, the largest tax increase in history, embraced a permanent 4.3 cent per gallon motor fuels tax.

I like to remind my colleagues that President Clinton originally proposed a Btu tax, which translated into a 7.3 cent per gallon motor fuels tax increase. Just last October, the President admitted to Americans that he had raised our taxes too much. I agree and believe that right now every driver in America also agrees.

Last month, gas prices were higher than they had been in a decade. The administration and some of my colleagues on the other side of the aisle have responded to this crisis by calling for investigation of the oil companies.

Certainly, if there is any price gouging going on, we ought to know about it and we ought to stop it. But, we need to take action now. What we in Congress can do right now is repeal a tax that only adds insult to injury for every driver in America, a tax that, again, is part of a package of increases that Bill Clinton himself admits is too high.

Last Friday, the Finance Committee held a hearing to discuss the effect of the Clinton 4.3 cent per gallon motor fuels tax increase and to explore the possibility of repeal. We heard from several representatives from industries that are affected by the increase. The panel included representatives from the Air Transport Association, the American Trucking Associations, the American Bus Association, the Association of American Railroads, as well as the Service Station Dealers of America and Allied Trades. These panelists provided our committee with useful insight to the damaging effect the permanent 4.3 cent per gallon motor fuels tax has upon their industry and their customers. In addition, the American Automobile Association, which serves more than 38 million drivers, submitted testimony supporting repeal of the 4.3 cent per gallon motor fuels tax.

The American Automobile Association said in their written testimony that repeal of the 4.3-cent-per-gallon motor fuels tax restores the integrity to the gasoline tax as a user fee, and it helps restore public trust in the Federal Government and integrity to the Highway Trust Fund.

Some of my colleagues on the other side of the aisle at the Finance Committee hearing and here on the Senate floor have expressed concern that the tax benefit derived from repeal of the 4.3-cent-per-gallon motor fuels tax would not be passed on to consumers. During the hearing, one of the witnesses was Mr. Melvin Sherbert, chairman of the legislative committee of the Service Station Dealers of American & Allied Trades. He is also an owner and operator of two Amoco stations in Prince Georges County, MD. I asked Mr. Sherbert whether he and other service station owners would pass on the tax benefit from repeal of the 4.3-cent-per-gallon motor fuels tax. Mr. Sherbert responded, and I quote:

> I know that [prices] would go down. . . . The moment we receive [the benefit from repeal of this tax] we would put that on the street.

The other witnesses at the hearing testified that they too would pass on the benefit. Since the hearing we have also received letters from a number of oil companies and industries assuring us that the benefit from repeal will be passed through to their customers. We in Congress cannot control market prices. But what we can control is the tax burden we impose on the American people. Repealing the 4.3-cent-per-gallon motor fuels tax, therefore, will reduce the tax burden on gasoline and that which the American people must bear. It will also send a clear message from Congress to the industry, that we want to keep prices low for the consumers, and that we are willing to do our part. We strongly encourage them to do theirs.

I would like to remind my colleagues, that when President Clinton raised taxes $268 billion in 1993, he said he was raising them on the rich. We knew then that that was not true.

Now there is no doubt. President Clinton has raised taxes not only on the middle class but also on low-income families, and now my colleagues on the other side of the aisle are denying these low-income families tax relief. The truth is, Mr. President, that every person who drives a car, who buys groceries, who takes the bus, the train, or a plane has to pay this tax. These are not all rich Americans. In fact, Americans who are hit the hardest by this regressive tax are people at the lowest income levels, those making less than $10,000 a year. Repeal of this regressive tax, therefore, would benefit all Americans, especially those with modest incomes.

It is a well-known fact that 4.3-cent-per-gallon motor fuels tax not only disproportionately affects low-income people, but it also hits people in rural areas harder than it does those in more metropolitan areas. President Clinton knows this. In February 1993, just months before he signed into law the largest tax increase in history, said:

> For years there have been those who say we ought to reduce the deficit by raising the gas tax a whole lot. That's fine if you live in the city and ride mass transit to work. It's not so good if you live in the country and drive yourself to work.

Despite this statement, the 4.3-cent-per-gallon-tax increase was enacted. I agree with President Clinton's 1993 statement. People in rural areas should not be penalized because they live in areas that require them to use their cars and travel longer distances. For example, in my home State of Delaware, which contains many rural areas, the average family pays $463 in gas taxes per year. This figure includes both State and Federal gas taxes. When the 4.3-cent-per-gallon motor fuels tax is repealed, the average Delaware family's tax burden will be reduced by $48—a good first step.

Some of my colleagues argue that the 4.3-cent-per-gallon motor fuels tax is no different than other gas tax increases used for deficit reduction. I disagree. The 1993 Clinton gas tax increase is different from other gas tax increases before it. This gas tax increase went, and continues to go, entirely to the general fund. Unlike in past years, no portion of the Clinton gas tax increase goes to the highway trust fund. Thus, none of this money goes to pay for building and repairing highways. President Clinton and many of my colleagues from the other side of the aisle have argued that this tax is going to reduce the deficit. But, in fact, a study released last week shows 44 cents of every dollar Americans paid for the Clinton tax increase did not go to reduce the deficit. Instead, once again, Americans' tax dollars went to pay for more Government spending—for bigger government.

The Clinton gas tax increase did not get a single Republican vote because Republicans believe in cutting wasteful Government spending, rather than increasing taxes to pay for more Government spending. So while in the scheme of Government programs the 4.3-cent-per-gallon motor fuels tax may not seem to be a paramount issue, it represents what separates Republicans from the big Government spenders. While the President purports to favor balancing the budget, at best he would do so by matching big spending with high taxes. Our belief is that we should cut spending and lower taxes on the American people.

Mr. President, it is time to give Americans a break from taxes and big Government. I hope that my colleagues on the other side of the aisle will allow the Senate to move forward, and stop blocking tax relief for working Americans.

Finally, Mr. President, I would like to take some time to respond to a remark made by President Clinton in his press conference Wednesday. President Clinton said, and I quote, "I ask the Republicans in Congress to consider something else. This is the first time your party has controlled both Houses of Congress at the same time since 1954. What is the record you will present to the American people and leave for history?"

Well, I must say I am glad that President Clinton asked. As chairman of the Senate Finance Committee, I would like to respond in the area of taxes: this Congress cut taxes. By contrast, when President Clinton's party controlled Congress, taxes skyrocketed Again: we cut taxes. President Clinton and the 103d Congress raised taxes.

Here is a chart that shows what happened to taxes when the Democrats controlled both the White House and the Congress: taxes increased by the largest amount in history—$268 billion. Now, on the other side of the chart, in green, we see what happened with the Republicans in control of Congress—we passed a $245 billion tax cut. But, that was vetoed by the same President who signed the $268 billion tax increase.

So, our Republican record is of tax cuts—letting Americans keep more of what they earn so that they can spend it or save it as they see fit. Tax cuts that allow businesses to expand, hire more people and pay their employees more. Tax cuts that allow Seniors to keep more of their Social Security benefits. Tax cuts that allow more Americans to save tax free for their retirement, or their first home, or their children's education, or their health care. Tax cuts that end the Tax Code's penalty against marriage.

President Clinton, tax cuts are the record of this Republican Congress. What is the record of President Clinton and the 103d Congress? A world record tax increase and a veto of a tax cut. Frankly, Mr. President, I prefer our record, and I think that most of America does too.

I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. I thank the Chair.

Mr. President, I want to commend the distinguished chairman of the Finance Committee. I would add, in addition to his answer to the President, what has been the record of this Congress. This Congress, despite news coverage and quarrelsome attacks from our opponents, has been able to change the pattern of Government spending. We just reduced discretionary spending $23 billion. Most people do not know that. We have put appropriations bills through that actually cut Government spending—unheard of in recent years. A little over a month ago we put through a very significant regulatory reform measure that is going to benefit small businesses, farmers, ranchers, and others who believe that Government regulation, while necessary, ought to be reasonable and sensible. We got that done. I am proud to say that we did that one in this body on a totally bipartisan basis. So we can make progress.

But, Mr. President, I want to talk today just a few minutes and set the record straight on something called the TEAM Act. Our Small Business Committee recently held a hearing on the TEAM Act. We heard from small businessowners who achieved better productivity, quality, and safety by involving their employees in workplace decisions. Frankly, in the years when I was Governor, we tried to figure out how we could help small businesses improve their productivity. We talked to the best civil and manufacturing engineering and engineering talent from the University of Missouri at Columbia, and from the University of Missouri at Rolla, people who set up the Japanese management style, who said we could really improve productivity by involving employees in decisions to improve productivity, getting them actively involved in teams, not the same as the TEAM Act today, but we used teams. Small businesses seized on that model, and they were successful and they did reduce their costs. They were able to achieve productivity increases, getting better wages, and keeping their jobs because of it.

At the hearing that we held in the Small Business Committee, we were bringing in people to talk about it, and some of those people had great stories. Let me tell you that five other businessowners and their employees who had enthusiastically agreed to come and testify before our committee had to back out. They backed out because their lawyers said they were crazy, because, if they went in front of a Senate committee and admitted that they had involved their employees in improving productivity, they might be brought up by the NLRB for violating the National Labor Relations Act. They were proud of their accomplishments and proud of what employees had done, working together with their employers, to improve productivity and their job security for the future.

Mr. President, I think employee involvement has special implications for American small business. By definition, small business employees have to be used in a variety of ways because the small business owner has many duties to delegate and the line between manager and employee is much less distinct than it might be in a larger business. The TEAM Act is also important because many small employers cannot afford to hire a labor law expert or consultant or lawyer each time they want to try something new or to talk with their employees.

I can tell you from listening to small employers throughout America that they are scared to death of having another expensive confrontation with the Federal Government. They particularly are afraid of having the NLRB come down on them. No small business owner wants to invest precious time and resources in an employee-involvement system to utilize the good ideas of their employees and then find out it has to be dismantled if the union, or the NLRB, gets wind of it.

My distinguished colleague from Massachusetts, in arguing against this measure, has emphasized that employee involvement is used in many businesses now. That is probably true. But this does not change the fact that many of the employee-involvement teams in existence today may actually be in violation of the law as it is written. The argument, I gather, that is being made on the other side is that because some businesses and employees work together and do not get caught by the NLRB, they do not need a law. That sounds a little strange to me.

Secretary Reich and President Clinton have said we need to encourage corporate citizenship and employment and employee involvement in decision-making if America is going to compete globally. It is not just a question of competing globally. For many small businesses in my State, it is a question of competing in the marketplace right now. They can do it. They can provide a better product or a better service for their customers. But they want to be able to rely on the good ideas of their employees. The reality of the modern workplace for businesses of all sizes is that workers are being given more power, and that is good. Management likes employee involvement because it increases productivity, improves safety, and creates skilled workers. Employees like to work in teams because it gives them a voice both in their working conditions and the quality of the goods or services they provide.

The National Labor Relations Act apparently right now gives employers and managers two options: employee involvement through unions, or no involvement at all. This means that 90 percent of workers in America who do not belong to a union, or who have chosen explicitly not to belong to a union, are not allowed to have a substantive voice in what they are doing in the workplace. The TEAM Act offers employees who are not unionized a way to participate.

Opponents of the TEAM Act have argued that employee teams are really sham unions that delude employees into thinking they have power. I must tell you sadly that I heard one news report this morning which said that the purpose of the TEAM Act was to permit companies to establish unions. That is just not true. That is absolutely false. I do not know who is spinning the story, but they really suckered a news broadcaster on that one.

The TEAM Act amends the National Labor Relations Act, section 8(a)(2) to allow employees and managers at nonunion companies to resolve issues involving terms and conditions of employment. These include things such as scheduling, safety and health, even when they get coffee, and company softball teams, but it does not allow and it would not allow employee teams to act as exclusive representatives of employees or participate in collective bargaining. In other words, the teams of employees would not have the power of unions. Section 8(a)(2) would continue to prohibit the domination of unions by the employer. So employers that tried to set up teams of employees to bargain collectively would still be in violation of 8(a)(2) both because they are dominating and because of the collective bargaining aspect. It is important to note that any bad-faith actions on the part of the employer would also result in violations of other parts of the National Labor Relations Act, particularly section 8(a)(1).

Mr. President, we have seen the National Labor Relations Board. I do not think there is any problem with their being vigilant to make sure that the statutes that will remain on the books are thoroughly enforced. I think it is time to give employees and employers a little credit for good sense.

Workers are smart enough to know when they are getting a fair shake from management and to look elsewhere if they are not. Management knows that without meaningful employee involvement the improvements in efficiency, safety, and quality simply are not going to be there. Employees and employers must be given the right to choose what is right for them—unions if they want it, employee involvement if they want it, or maybe in some circumstances both or neither. We ought not to be saying that employees cannot work in teams with employers or employers cannot work with teams of workers when they are not bargaining collectively. Small business owners want to work closely with their employees. These employees have often been there from the inception of the small business. They are the ones who can make it grow. They are the ones who can ensure it prospers. They are the ones who can ensure that it will provide good job opportunities in the marketplace.

President Clinton has said time and time again he is a friend of small business, but the fact that he has already issued the veto threat and called the TEAM Act a poison pill shows that simply is not true. He is marching to a different drummer. It is not the drumbeat of small businesses and their employees today who know how they can compete and provide a better product and get more satisfaction from their jobs.

America's business needs the flexibility and the legal ability to involve employees in every facet of business in order to compete with large businesses, with other businesses and to compete globally.

I sincerely hope that we can move to votes on this measure and adopt into law reform, incorporating the provisions of the TEAM Act which will let businesses and employees work together.

Mr. President, I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, what we are doing this afternoon is trying to move forward to get approval of a piece of legislation, S. 295, called the TEAM Act—T-E-A-M, TEAM Act.

Now, what the TEAM Act says is that it is perfectly permissible for an employer to sit down with a group of his employees and say, what do you think is the best way to make this place more efficient? Or how can we make this place safer? Or what can we do to increase our productivity? Now, apparently—and I must say I was stunned to learn this—that is illegal. You cannot do that. Now, of course, it is happening across the country, but if it is discovered it is illegal, you can be hauled up before the National Labor Relations Board.

There is something about this that has an Alice in Wonderland complex to it. What is going on in the United States of America when an employer cannot say to a group of workers out there, the fellow down the road is producing our product at a lower price and faster than we are. What can we do to improve our productivity? And so they give him some suggestions. But it turns out that is against the law. It is against the National Labor Relations Act which was passed in 1935. So we are held up, ensnarled in an act that was passed 61 years ago.

So what this act, introduced by the Senator from Kansas [Mrs. KASSEBAUM], reported out of the committee, says is that there are certain things you can do. No, you cannot do collective bargaining with a group of employees like that. That is separate. But certainly you can sit down and decide how you are going to increase productivity or how you are going to make the place safer or what can we do to make it more attractive to get other workers to come and join with us in this effort.

That is what this is all about. The mere idea that we need a law to do this seems to me—I must say I never dreamed this would be required. Frankly, when they started talking about the TEAM Act, I did not know what it was and had to have somebody spell it out. So that is why we are here today. This is vigorously resisted by the unions, and it is vigorously resisted by the administration. The administration has gone so far as to say if this law is passed, this TEAM Act, it will be vetoed.

I must say I think that is unwarranted and extremely shortsighted. There are two factors, it seems to me, that make it very important we pass this legislation. First—and this is no secret to anybody who is watching this or in the galleries or anywhere—American industry is in the fight of its life against competition. We now have a global economy, no question about it. Something made in China or the Philippines or in the Caribbean nations comes into the United States and is sold is competition.

So we in this country have seen the loss of tens of thousands of high-paying American jobs. I have seen this regrettably in my State to a considerable degree. So what this intense competition abroad has required is for American industry to produce better products at a lower price, increase productivity and be more efficient in every fashion. So this painful but necessary reexamination has required more intensive labor and management cooperation than in the past.

The second thing that has taken place—the first is the global competition. We have to compete or our jobs will not survive—our laws have not kept pace and in many ways impede our progress toward reaching this global competitiveness. Labor law must change just like manufacturing processes must change or cooperation has to be greater. And that is true of labor laws likewise. Labor laws have to reflect the need for cooperation and teamwork that is critical for our survival.

The National Labor Relations Act, as I previously mentioned, was enacted in 1935 and has changed very little in those ensuing 61 years. Unfortunately, that law is rooted in adversarial—when that law was passed in 1933, it was there to take care of a situation. At that time, there was great turbulence in our industries. There was an adversarial situation between labor and management. Indeed, workers were prohibited from organizing in many States. They were prohibited from going on strike. All of that changed in the early 1930's with the National Labor Relations Act and other laws such as that.

The act, as I say, has not been adequately changed in the 61 years that have passed, and it does not recognize that now there is a great deal of cooperation that is needed in our factories and workplaces, so efforts to increase workplace cooperation were substantially hindered in 1992 by a decision called the Electromation case. That was a National Labor Relations Board case some 4 years ago. In that case, the National Labor Relations Board said that employers and employee committees which talk about attendance—people are not getting to work on time. What is going on around here? What can we do to increase the attendance? We have a lot of people who are not showing up. We have some people who work a 4-day week when they are meant to be here 5 days. What can we do about it? What can we do about no-smoking policies? What do you want? Do you want a separate place to smoke? Do you want no smoking? What do you want? It was decided you cannot do that. You cannot even talk to your employees about what is the best smoking policy or no-smoking policy.

This act we are talking about today, called the TEAM Act, would simply conform labor law with what is already happening. As I say, all across our country there are, in fact, these committees, and our managers and our owners of these companies do not realize it is against the law. Indeed, there are some 30,000 of these labor/management committees across the country. But if any one of them is discovered, it could well be that it is in violation of the National Labor Relations Act and could be punished with fines of a very severe nature.

It is said that this bill is a threat to labor unions. I must say, I do not understand the rationale for that argument. This bill specifically states in its language that the committees that are entitled to be formed under this act cannot negotiate, cannot amend existing collective bargaining agreements. All they can do is talk about better productivity, talk about greater efficiency and matters of that nature.

As has been mentioned previously, the hitch is that the law says employers cannot enter into the formation of any organization that deals with these problems that I have mentioned: attendance, productivity, efficiency. This, as I further mentioned, has received a very broad interpretation from the National Labor Relations Board. So it makes illegal most of those employee-involvement committees that I previously dealt with and mentioned.

What we seek in this act is to have some clear definition of what we might call a safe harbor. What is a safe harbor? A safe harbor is an area where the employer knows it is safe for him to enter into discussions with employees without running afoul of the law. That is what this is all about. The TEAM Act is this safe harbor. It would do nothing to undermine union organizing or collective bargaining. It would recognize and authorize a simple fact of life: Employers are, indeed, nowadays looking to their employees more than ever before to help them, the employers, have a better workplace, a smarter workplace, a more efficient workplace, a more successful workplace that, hopefully, will result in more jobs, not only for those employees and their families but others across our Nation.

This is very simple. It is a good idea that, as I say, I am stunned it is causing this furor, this fuss, because it ought to be adopted, I think, unanimously. Democrats and Republicans and unions all ought to embrace something that is going to make our country more efficient.

I do hope this TEAM Act, S. 295, will be adopted, and I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, I suggest the absence of a quorum and ask unanimous consent the time be divided equally between both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. I yield 6 minutes to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 6 minutes.

Mr. ASHCROFT. Mr. President, I rise again to support the concept that workers are America's most valuable asset. If we are to succeed in the next century, if we are to survive in a world of universal competition, we cannot go into the competition forbidding workers and employers from talking to each other.

If the 1960's and 1970's taught us anything at all, it was a lesson taught when foreign competition, especially in automotives and electronics—competition that gained from taking suggestions from the production floor and incorporating them in the process of the operation—almost drove some American businesses under. Suddenly, American manufacturers began to replicate this awareness of the great resource that employees can bring to business. I watched that happen when I was Governor of the State of Missouri. I observed as companies started to develop a sensitivity and how they would increase their productivity in the process.

On numerous occasions I have come here to support the TEAM Act, which provides specific authority for employers to talk to employees, even in the absence of a labor union—specifically in the absence of a labor union—in order to gain the benefit of those employees, their views and their opinions.

A series of cases with the National Labor Relations Board has found illegal the contacts between employers and employees on fundamental issues like safety, like working conditions, like working hours, like flexible work time, something that would help resolve this tension that exists between the demand that we seem to have for both parents being in the workplace and the fact that we need to raise children in our homes.

I believe it is good to say to our companies, "Talk to your workers, get their suggestions, become more competitive, become more productive and, as a consequence, help us be survivors in the next century; be swimmers, not sinkers, in the competition which we're going to be encountering all across the world as those tremendous nations of the Far East come on line, nations like China, like Korea, Japan, Singapore, Indonesia, tremendous populations which will be very competitive."

So I believe the TEAM Act is one of those fundamental things that America should stand for, and that is working together.

This already can happen in union settings. But only one out of nine workers is a union worker in the United States—outside of government—and we do not want to tie the hands of eight out of nine of our competitors by not allowing them the advantage of working together with management to improve situations.

One of the great examples that has been talked about in this entire debate has been a company named EFCO. It is a company in the State of Missouri that makes architectural glass, window wall systems. If you build a skyscraper that is going to be made out of glass, you order glass from someone like EFCO.

In the process of their conferring with their workers, they went from about 70 percent on-time deliveries to well over 90 percent on-time deliveries. They improved their performance so substantially that the company exploded the jobs and literally had lots of new jobs, and that is the kind of thing we want to have happen.

One of the Senators came to the floor to criticize the EFCO company, and in listening to him, I cannot really tell you that it is much of a criticism. But in attempting to criticize the company, he said the committees met on company property. I think that is nice for the company to say to employees and their committees that they are interested in helping the employees by allowing them to use company property.

They met during working hours. I think that is good. It did not require these folks to come back away from their families.

He said they had high management officials who attended these meetings. I think it is good when management and workers talk together.

He said the committee members were paid for the time spent on committee work and that EFCO provided any necessary materials or supplies.

I suppose that might be an indictment, but it does not sound like an indictment to me.

But also represented was that somehow these committees were established in response to union activity. But the conclusion of the administrative law judge, who reviewed the evidence in this case, indicated that simply was not so.

These committees were started in 1992, and the administrative law judge indicated, in his opinion, that there was no "noticeable union organization" activity until July 1993. The first committee was established in April 1992 which was 15 months before any noticeable union activity. Besides, the case law states the employer's motivation would be irrelevant in any event.

The Senator who came to the floor to criticize the EFCO decision said that EFCO was found to have dominated these discussion groups; it sort of had a dark and nefarious tone about it. Let us find out what this domination really amounted to.

The company set up the committee and said, "We want to talk." I do not find that to be particularly onerous. I think that is really nice. So many companies do not bother to listen to their employees. As a matter of fact, that EFCO set up the committees is a commendation for EFCO.

No. 2, that Senator said it was pretty bad that EFCO initially selected the members of these committees. What a terrible thing that is. To get them started they did. What was not said is they wanted to have broad membership and, second, that the employees soon established a policy whereby they chose their own members.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BENNETT. Mr. President, I yield an additional 2 minutes.

Mr. ASHCROFT. Mr. President, I thank the Senator.

It sounded pretty bad that the company chose the members until we found out that was just a way to get it started, and then it sounded very generous that the company allowed the employees to select the members after that. That is more generous than most labor unions that unilaterally select employees.

Then it was charged that management participated in most of the meetings. It turns out they participated, but they did not vote on matters before these committees. They wanted to participate for purposes of discussion and learning. In addition, they attended the first committee's meeting, but then after that, they only attended by invitation of the workers.

Of course, it was then charged that management in some instances suggested issues. I happen to believe that such employee groups would want to hear from management and management would want to hear from the employees.

All these things that were said to have been so disastrous seem to me like good, constructive things to do, and that is really why we need to pass the TEAM Act.

This company was hauled into court for asking for the opinion of employees, for letting them express their opinions on company time, for providing a place where they could meet, for providing supplies, papers and pencils upon which notes could be taken. That is a throwback to a bygone era that we can no longer afford to tolerate.

Because this company has provided that it would share not only decision-making with its employees but share ownership. Twenty-five percent of the company has now been transferred to a special account for employee ownership. I think that is the kind of company we want to have, and it is a shame that this company owner, Chris Fuldner has had to spend $64,000 defending himself from having conducted himself so nobly. We ought to pass the TEAM Act.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, the Senator from New York, Senator MOYNIHAN, I believe is on his way, and some others are on the way additionally to visit on our time.

My understanding is we are discussing several areas. One is the TEAM Act. The other is the proposed reduction of the gas tax. And a third is the minimum wage proposal to adjust upward the minimum wage.

All of this, of course, started some weeks ago when some of us suggested it was important to consider some kind of an adjustment in the minimum wage. Those who work at the bottom of the economic ladder, the lower rung of the economic ladder, have not had an increase for 5 years. The minimum wage has been frozen for 5 years.

It is easy, I suppose, for some, especially some in this body, perhaps to not think much about those who work on minimum wage, not be acquainted with those who are trying to live on minimum wage. But there are a lot of folks in this country who go to work, work very hard all day, are paid the basic minimum wage in this country of $4.25 an hour, and at the end of a long week still cannot make ends meet.

There is a legitimate reason to question should there be a minimum wage, and there are some, I think, in this body who think we should not have a minimum wage. I know there are some in Congress who said publicly we should not have a minimum wage, and that is a very legitimate position. I do not share it, but some believe there should not be a minimum wage. They do not bring legislation to the floor of the Senate suggesting we repeal the current minimum wage, but they just say a minimum wage is inappropriate.

But, by far, the majority of the Congress would say it is appropriate to have some minimum wage. Not only does the Federal Government have it, but virtually every State has a minimum wage, and some States have a minimum wage nearly identical to the Federal Government. Some have a higher minimum wage than the Federal Government does.

But if you believe there should be a minimum wage, then certainly you would believe from time to time it ought to be adjusted.

Among all recent Presidents during their terms, we have had some adjustment in the minimum wage. Sometimes it occurs after 4 or 5 years, sometimes a little longer. By and large, we do make periodic adjustments in the minimum wage.

I received a letter from a woman last week, and I will not use her name. I will not read it. But I read it last evening because, like most Members of the Senate and the House, I spend my last hours of the evening reading and signing mail and going through the substantial amount of paperwork that we do in the Senate, and I read constituent mail and sign mail, sign letters back to them late in the evening.

I read this letter late in the evening, and it almost broke my heart. It is a letter from a woman. I am just going to read the last two paragraphs, but it is a 4-page letter. She describes her circumstances and her husband's circumstances and her children's circumstances, medical problems, problems of not being able to get the education they wanted. They tried, but they had to quit school to take care of this or that and getting pregnant, having four children.

What she describes in this letter is a rather long list of setbacks from two people who married very young and struggled and tried to make it but without much skill and without much education were always forced to take a job at the bottom of the economic ladder and were always forced by circumstances, a fire that destroyed their trailer home and every single thing in it, and no insurance, always forced by circumstances like that, just as they started to get ahead a little bit, to be completely pushed back to start over.

It is a 4-page letter. I shall not read it, but it does break your heart to read these kinds of things. And it is not just this woman, it is so many people in this country who try very hard to get ahead but never quite seem to be able to do it.

She talks about all of her circumstances, and she said:

> I wonder how we can make it like this. How can I tell my children? I wish somebody in some official office would help me tell my boys that they're not going to be able to play baseball this summer because I can't afford a $25 fee for each of them, let alone paying for the baseball glove, the bats they would need to play ball this summer.

She says:

> We don't spend our money on alcohol or drugs. We don't go out on the town. Our lives revolve on trying to make ends meet. Our dream of owning a home and of being financially secure is long gone. We're better off, I know, than a lot of other people that, for instance, have to live on the street, but how far are we from that? One paycheck? Maybe two? We're the forgotten people in this, called the working poor, the people who fall through the cracks somehow.

Her point is, after setting out her story in 4 pages, that they work for the minimum wage, both her and her husband, and just cannot make ends meet. They cannot balance buying groceries, paying the rent, trying to handle child care expenses and paying all their bills at the end of the month.

So some of us think that there should be an adjustment in the minimum wage. It ought to be a reasonable adjustment. I am not suggesting that we have an adjustment that is out of line. But I think there is a reason for an adjustment.

Some people have talked about it for some while. That is one of the discussions here in the Senate. Ultimately, I think there will be an adjustment this year, and I think one that will probably gain some bipartisan support.

The second issue that was introduced in this discussion was a 4.3-cent gas tax reduction. Presumably the 4.3-cent gas tax reduction was to draw attention to the fact that a 4.3-cent gas tax was added in 1993. That is true. I voted for that. I do not regret voting for it. It was included in a long list of tax increases, some tax increases, mostly on upper income folks, but some tax increases, spending cuts, and other approaches to try to reduce the Federal budget deficit.

The Federal budget deficit has been reduced in half since that time. And 4 years in a row the budget deficit has come down. I do not regret voting for that. But would I like to see lower gas prices? Yes, I would. Gas prices spiked up 20 to 30 cents a gallon in recent weeks, and as a result of that price spike, we are told now that we should reduce the gas tax 4.3 cents a gallon.

I said this morning, it is a little like treating a toothache by getting a haircut. I do not see much relationship here. The gas price spikes up and they say, let us reduce the gas tax 4.3 cents a gallon. The industry executives say there is no guarantee it will be passed through to the consumers at the pump, there is no guarantee that the consumers will see a lower gas price at the pump. "Experts Say Gas Tax Cut Wouldn't Reach the Pumps."

Energy expert Philip Verleger says, according to yesterday's paper:

> [This] . . . is nothing more and nothing less than a refiners' benefit bill. . . It will transfer upwards of $3 billion from the U.S. Treasury to the pockets of refiners and gasoline marketers.

If it is not going to go to the consumers—and there are an army of people out there who suggest there is no guarantee this is going to result in a lower pump price—then the question is, who is going to get it? And it is not pennies. I know they are talking about from now until the end of the year, but there is a discussion of a 7-year proposal for $30 billion. The question is, who divides the $30 billion pie? Who gets the $30 billion?

The proposal that is before us has a point of order against it. And that brings me to the reason I rose again. The point of order against the proposal is that the proposal violates the Budget Act because the proposal that is brought to the floor to reduce the gas tax by 4.3 cents a gallon, an act that will not guarantee lower prices at the gas pump, violates the Budget Act.

Why does it violate the Budget Act? Because it increases the Federal deficit in this fiscal year by $1.7 billion. So this proposal violates the Budget Act by increasing the deficit in this fiscal year $1.7 billion. So the next vote that will occur, after the cloture vote at 5 o'clock this afternoon, will be a vote to waive the Budget Act so that Congress can reduce a gas tax that the experts say the consumers will not ever get the benefit of, and in doing so we will waive the Budget Act to increase the Federal deficit.

I do not know whether others think this is kind of an incongruous situation, at the same time we are talking about bringing a constitutional amendment to balance the budget to the floor of the Senate this week—which has now been postponed, I guess—and at the same time the Senate Budget Committee is talking about constructing a 7-year balanced budget plan, we are also constructing a mechanism now to have a vote on waiving the Budget Act in order to allow an increase in the Federal deficit in this fiscal year of $1.7 billion in order to accommodate a reduction in the gasoline tax that the experts say may never reach the pockets of the consumers.

I come from a town of only 300 people. I graduated in a high school class of nine. They might not have taught the most advanced or the highest mathematics available to students in America, but this does not add up. This does not pass the test. Those who say they want to balance the budget require the next vote to be one in which they will vote to waive the Budget Act so they can increase the deficit to create a tax break that the experts say is not going to reach the consumer. It sounds to me like a deal the American people can easily resist.

I have heard huffing and puffing and ranting and raving. I have seen sidestepping that would befit an Olympic contest out here on the floor of the Senate in recent years about the issue of a balanced budget. And we have people who stand up, and they arch their back, and they point across the room, and they say, "We're the ones that fight for a balanced budget. And none of you cares. You're big-time spenders who want to spend this country into oblivion."

Yet, in 1993 the last serious effort to do something to balance the budget, every one of us, every single one of us cast the votes that were necessary to pass the bill to reduce the deficit, which has brought the deficit down by half, and we did not get one vote from the other side even by accident.

I am not backing away from that vote. I say, I am glad I did it. Maybe there are legitimate reasons to be critical of some parts of it. I understand that. But I am not somebody who says I wish I had not done that. We did the right thing. But it is an incongruity, it seems to me, to decide with the first winds of politics that we should, on the floor of the Senate, decide to waive the Budget Act so we can increase the Federal deficit this year, to provide a tax cut the experts say will not reach the American people.

There is room for disagreement. I mean, we are talking, as I said when I started, about three different issues, the TEAM Act and the minimum wage and the gas tax. There is great room for disagreement.

I notice Senator BENNETT, from Utah, on the floor. There are few in this institution for whom I have higher regard than the Senator from Utah. I think he is a straight shooter and a fellow who calls it like it is. There is plenty of reason for us to disagree when we disagree on the merits of issues. I understand all that.

We might feel strongly about things and line up and end up on different sides of the same question. I think the country would be better off if on issues like this—and I admit to those who question that there is politics on all sides of this Chamber, and when the charge of politics ricochets back and forth across this room, there is plenty of blame to go around. I understand all that. I just observe that the closer we get to the first Tuesday in November of an even-numbered year, the more likely it is that we will be seduced into easy decisions that are fundamentally wrong, that will move this country in the wrong direction. It is the wrong direction to decide now to increase the Federal deficit to accommodate a gas tax that the experts say will not reach the pockets of the American people.

I hope as we move along here that we will find a way to not vote on this issue of waiving the Budget Act and increasing the deficit. Maybe this will be withdrawn and we can look where we ought to look: What caused the 20- to 30-percent increase in taxes? We can deal with that. Maybe it is simply supply and demand relationships. Maybe it is other things. Maybe those are things we can do something about. I hope we start looking in the right direction and choose the right set of public policies.

Mr. President, I notice a colleague is waiting for the floor. I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. I commend my colleague for his comments on the issue pending before the Senate. It has gotten so bad it is hard to figure what is pending before the Senate.

I want to comment on two things—what we are trying to do, and a little bit on the merits of one of the proposals.

I said, I guess, 2 days ago the Senate looked like what we were trying to do is mix and match pieces of legislation in order to try to accomplish something. It is like a woman who goes shopping for an outfit. My wife calls it mixing and matching because she buys a little bit of this, a little bit of that, and a little piece over here, and tries to put it all together and hope that it comes out in a wonderful, exciting new outfit by mixing and matching the different parts. That might be a good concept for buying clothes, but it is a very bad concept for writing legislation.

I think that is exactly what the Senate is being asked to do here today, take a little bit of minimum wage, put it together with a little bit of TEAM Act, and stir in a little bit of gas tax repeal, stir it up, and hope it comes out as a good legislative package. It kind of reminds me in Louisiana of trying to make a gumbo. We put everything in the pot, stir it up, and hope it comes out eventually, after you cook it along with something that is edible. The problem is you have to be careful what you put in the pot. If you put something that will not fit, it will come out tasting pretty bad.

The same analogy is true with regard to trying to legislate. There is no reason in the world why we should try to be putting a minimum wage bill on the back of a gas tax repeal and attach it to this TEAM Act dealing with labor-management relationships. There is not a lot of relationship between any of these three provisions, except politics.

I said on the floor the other day, and I asked the distinguished majority leader, why do we not just take the bills up and vote on them in the normal course of following the Senate rules, debate minimum wage, vote on it, pass it if there is a majority for it and kill it if there is not. Do the same thing with the repeal of the gas tax. Let us debate it, let us vote on it, and then decide what the will of the Senate happens to be. The same thing on the TEAM Act. Bring it up, amend it, talk about it, debate it, have the normal rules of the Senate apply.

I think our side has even gone further than that and offered bringing the measures up separately and give up one tool that the Democratic side, as members of the minority now, would have as a legislative tool. That is the filibuster. Just bring it up and agree that we will debate these measures and that we will offer amendments, but that we can agree on a time certain in which to vote, that we will not filibuster if it is not going our way, being willing to let us have a vote on these legislative packages. I think that is a pretty generous offer. I thought that the majority leader had agreed to that in his press conference yesterday but find out later on, no, that is not really what he meant.

For the life of me, I do not understand why we do not just bring these three bills up and debate them and vote on them, and if we get a majority for them, they pass; if we do not, they do not pass. That is sort of the way legislation is supposed to be written.

What we are engaged in now is a mix and match proposition where we are trying to mix and match things that do not mix and match. I do not think that is the way to legislate. Again, it may be the way to buy clothes, but it is not the way to produce legislation that is good for the people of this country. I think they desperately want us to start working in some type of a fashion that makes sense for the rest of the country.

The other thing I want to comment on is the proposition that we should repeal the gas tax. There was an article that caught my attention this morning, the headline of the Los Angeles Times. The last time I was on the floor I talked about the law of supply and demand, which I thought really is what should govern this country, as opposed to price controls coming out of Washington, DC. What a frightening thought it would be to think that Washington will regulate the price of everything. I do not think we are qualified to come close to getting that done. Yet I think that, if we are going to say by removing the gas tax we will guarantee that people that buy gasoline at the pump are going to get the benefit of that reduction, the only way we can do that, folks, is very simple, and that is price control. The only way we can guarantee that tax cuts somehow worked their way through to the ultimate consumer is by passing a law that mandates that. That is price control. We have tried that, and it has not worked in the past. It will not work in the future.

What does work and has always worked in this country is the law of supply and demand. The headline of today's Los Angeles Times is "Gas Prices Show Signs of Decline as Production Surges." "The average cost at the pump falls half a cent, and State officials predict more reductions. After lagging, refineries again operating at close to normal output."

That really should not be a headline. That is normally what happens; that is not news. But the law of supply and demand is at work. When the demand is great, the supplies are increased to meet that demand and prices adjust according to the ability to meet the demand. That is exactly what is happening.

I also said 2 days ago that the price of crude oil in this country between April 23 and May 6 decreased 10 percent. That is over $2 a barrel that oil dropped. It usually takes 30 days from the drop of price in crude oil to be reflected in the finished product at the pump. It dropped 10 percent in 1 week, over $2 a barrel. That, naturally, shows up in the normal course of doing business at the pump and lower prices. This headline is not a surprise. It is not really news. Yet it is the lead story. It says "Gas Prices Show Signs of Decline as Production Surges." That is what has happened.

This Congress is in a panic. This Congress is running for cover. We are hiding behind our desks trying to say, "Well, we will fix the problem. We are going to lower the price of gas." That is not what this proposition does at all. It only lowers the tax that oil companies pay per gallon of gas. There is no guarantee that they do nothing more with that than put it in their pocket and take it as an extra profit over their normal course.

The less we get into the business of determining what prices should be for all products, the better off Americans will be. Every time the price of wheat or corn or cotton or rice is going to go up, are we going to rush in here and say, "Wait, we are going to regulate the price"? Are we going to go back to production and wage and price controls? I think not.

I want to say from my home State of Louisiana, I think people who are outside the thin air that sometimes I think we breathe too much of here in Washington are thinking, I think, more sanely and more responsibly than we are here, and less politically. I think they know what this is all about. We have a Presidential election, a congressional election in a couple of months, Senate elections in a couple of months. People are desperately running everywhere they can to try to do something that was not the priority of the people of this country. I think the priority was for us to balance the budget.

When they say, "We want to do something for families," I say the best thing we can do for families in this country is to produce a balanced budget. That is what families want, so we will give them lower mortgage rates, lower interest rates on home loans, lower rates on sending their children to college and educating their families, and produce a more stable environment, make more money available, and add to the economy for growth, expansion, and job creation.

One of the papers in the State of Louisiana, the Times-Picayune, has a column written by a guy named Jack Wardlaw, whom I know. The name of his column, I say to the Senator from Utah, is called "The Little Man." He always sort of takes the side of the "little man" and represents what is good for the little man as opposed to what is good for the "big man," big business, or the big corporations. His headline in today's paper says, "Gasoline Tax Cut Will Mean More Red Ink in the Budget." He makes some good points. I will refer to a couple because I think it really says what I think we should all be thinking. He says, "Sometimes it seems like Members of Congress have the attention span of a honey bee." It goes on to say, "Congress has just come through months of tedious in-fighting over the national budget, the goal of which we were constantly told was to agree on a way to, over a period of years, get rid of the red ink. Now, all of a sudden, nobody cares about balancing the budget anymore. All of a sudden, the main thing to do is to cut the gasoline tax. Is everybody crazy?"

I think that, by asking the question, he sort of also answers the question himself because of what he thinks we all are about at the present time by our actions. He says, "It is a little hard to figure out what is going on, except that the national news media have been exaggerating what is going on. CNN puts on pictures of pump prices of $2.09 a gallon, but who is paying that?" he asks. He points out that, in New Orleans, at his neighborhood gas station, the posted price for a gallon of unleaded regular was $1.19 a gallon, which had gone up from around $1.05 3 months ago. He later passed a convenience store offering the stuff for $1.14 a gallon. "It appears to me that prices are dropping back into line on their own, without any action of Congress."

The same thing in Los Angeles: "Gas Prices Show Signs of Decline as Production Surges."

This is the marketplace at work. We have had economist after economist—they generally are very nonpolitical—say this is the wrong thing to do. This proposal is a dagger to the heart of any effort to balance the budget. It would take over $30 billion out of any effort to balance the budget over a 7-year period. A penny tax per gallon is $1 billion a year. I suggest that we should be concentrating more on how we, in a bipartisan fashion, can come together and do the right thing with regard to balancing the budget.

I think we clearly do the wrong thing when we do what I think is about to happen, and that is, to make it even more difficult, if not impossible, to reach a balanced budget agreement.

Let me close by saying that I have expressed my opinion on the gas tax repeal. There are others who will argue that it is the most important thing we could do. I disagree. Whether we agree or disagree, we should not try to concoct this scenario, whereby in order to pass one bill, you have to pass another bill, and in order to pass a second bill, you have to pass a third bill. Let us take them up separately, debate them on the merits. Let us consider and hear amendments that would be offered through these pieces of legislation. Perhaps the proposals can be improved by serious amendments that would be offered. But let us vote on the bills. Let us vote on the minimum wage. Yes, let us vote on the TEAM Act. Yes, let us vote on the repeal of the gas tax.

What is wrong with taking up legislation, considering bills that have been offered, debating them? I think I signed an offering to do this without the use of the filibuster. It is a most generous offer—incredibly generous. Look, we are in the minority, and we are not going to filibuster. We can take it up and vote on it. Why try to mix and match? Maybe that is good when buying clothes, but it is very bad when trying to write legislation on the floor of the U.S. Senate. A bad bill cannot be made good by adding another good bill to it. It still is, in essence, a bad bill. The converse is also true.

So my suggestion is, let us follow the proposal of the leaders on this side of the aisle to take these pieces of legislation up, debate them, consider them, vote on them, and move on with what I think is a priority in this Congress: to try to reach a bipartisan balanced budget agreement.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I understand we are under a time agreement, and we will be voting at 5 o'clock. The time has been divided earlier today. As I understand it, there are 45 minutes.

The PRESIDING OFFICER (Mr. JEFFORDS). The Senator is correct. The minority has 43 minutes 36 seconds. The majority has 57 seconds.

Mr. KENNEDY. Mr. President, I see my friend and colleague from New York, who would like to address the Senate as well. I will take 15 minutes, and then whatever other time is available I will yield to the Senator.

I ask unanimous consent to yield myself 15 minutes at this time.

The PRESIDING OFFICER. The Senator is recognized for 15 minutes.

Mr. KENNEDY. Mr. President, in the past several weeks, we have seen the majority in the Senate and the House use every parliamentary trick, every legislative gimmick, every inside-the-beltway tactic they could conjure up to avoid a vote on increasing the minimum wage.

At the same time, particularly when they were outside the beltway, they talked about helping America's working families make ends meet. It is not enough to say you care about working families, and it is certainly not enough to concoct a so-called alternative proposal that would raise taxes on 4 million of our lowest paid workers. The majority may think they can fool the American people, but the only people fooled by the Republican magic tricks are the Republicans themselves. The American people cannot be fooled by legislative sleight of hand. They want an increase in the minimum wage, and they want it now.

While Republicans in Congress complain that increasing the minimum wage is a political issue, the American people know that it is an issue of fundamental fairness. The American people know that the time has come to raise the minimum wage and make work pay for millions of working families. The American people know that inflation has eroded nearly all of the bipartisan 1989 increase in the minimum wage. The American people know that the minimum wage is about to reach its lowest real value in 40 years. The American people know that there are minimum wage workers who work 40 hours every week, yet their families live in poverty. The American people know that refusing to raise the minimum wage is wrong, it is unfair, it is unjust, and it should not continue.

Nearly every national survey finds overwhelming support for raising the minimum wage. A national poll conducted in January 1995 for the Los Angeles Times found that 72 percent of Americans backed an increase in the wage. That survey confirmed the results of a December 1994 Wall Street Journal/NBC News survey, which found that raising the minimum wage is favored by 75 percent of the American people. A poll for ABC News in January 1996 found that 84 percent of the American people support a minimum wage of $5.15 an hour. Other recent polls confirm that support for an increase in the minimum wage now stands at nearly 85 percent.

This support cuts across political parties. It cuts across gender and age lines. It cuts across ethnic and racial groups. In every segment of our society, in every region of our country, a large majority of Americans want the minimum wage to be a living wage. No one who works for a living should have to live in poverty.

Another measure of broad support for raising the minimum wage is the large number of editorials from newspapers across the country supporting a higher minimum wage. Here are a few of the editorials.

Here is a New York Times editorial of April 5, headlined, "Boost the Minimum Wage:"

> There is a strong case for raising the minimum wage by a modest amount. Unfortunately, the issue is caught up in election-year politics, making compromise unlikely. . . .
>
> The Democrats proposed raising the minimum wage over two years to $5.15 an hour, which would raise earnings for these workers by 90 cents an hour, or about $1,800 a year. Even at $5.15, the minimum wage would, after taking account of inflation, remain 15 percent below its average value during the 1970's.
>
> Will low-paid workers lose their jobs if employers must pay higher wages? Yes, but there is widespread agreement among economic studies that the impact would be very small. A 90-cent wage hike would probably wipe out fewer than 100,000 of the approximately 14 million low-paid jobs in the economy—less than a 1 percent loss. Indeed, 100,000 represents only about half the number of jobs the economy typically creates each month.

And the editorial goes on.

The Washington Post headline: "The Minimum Wage":

> The purchasing power of the minimum wage is about to fall to its lowest level in 40 years. The last time Congress voted to increase it was in 1989. It is time—you could argue well past time—to do so again.
>
> President Clinton has proposed to raise the minimum 45 cents in each of the next two years, to $5.15 an hour. That's a one-fifth increase, and no such step is ever cost-free. It would have a broad effect on wages, not just those at the minimum but those in the zones immediately above, and it would add to the pressures on smaller businesses particularly to cut costs in order to survive. But the president is proposing to restore the wage, not break new ground. In real terms, it would remain well below the levels that obtained from the 1960s through the early 1980s, and would be only a dime above the level to which George Bush agreed, and Bob Dole and Newt Gingrich voted for, in 1989.

The Atlanta Journal-Constitution, its headline is "Workers Due for a Raise":

> President Clinton has picked a good time politically and economically to push for a modest increase in the minimum wage. Millions of workers need the raise, and the economy is healthy enough to absorb a hike without causing many job losses or inflation.
>
> The administration and congressional Democrats want to raise the minimum wage to $5.15 in two 45-cent steps over the next two years.
>
> A raise would help the 4 million workers who get the minimum of $4.25 an hour, and would nudge up the wages of another 8 million who earn between $4.26 and $5.14 per hour. The minimum wage hasn't been raised in five years. In terms of purchasing power, the wage will fall to a 40-year low this year if Congress doesn't act.
>
> Such low pay for workers puts a strain on society. Making about $8,500 a year, a full-time minimum-wage worker with children needs food stamps and welfare to survive. The poverty line for a family of four is $15,600 a year which means a worker would have to make at least $7.80 an hour to keep a family out of poverty.

The St. Louis Post-Dispatch headline: "The Politics of 90 Cents an Hour."

> President Bill Clinton made some interesting observations the other day about Congress' failure to raise the minimum wage. He pointed out that since the last time the federal minimum went up—five years ago on Monday—senators and representatives have increased their own salaries by about one-third. He also noted that a member of Congress made more money during the month that the government was shut down last year than a minimum-wage earner makes in an entire year.
>
> Add those stark statistics to the more philosophical point—that the GOP majority always stresses the need for people to make it on their own, without the help of government—and the Republican roadblock to raising the minimum wage becomes even harder to swallow. At $4.25 an hour, a full-time worker earns less than $8,900—far below the $15,600 poverty line set for a family of four. How can politicians try to push families off the welfare rolls on the one hand and filibuster attempts to let them earn a livable wage on the other?

The San Francisco Chronicle, "Rewarding the Work Ethic."

> The minimum wage is approaching a 40-year low in terms of its purchasing power.
>
> For those fortunate enough to have no idea what the minimum wage is these days, it is $4.25 an hour. It has been at that level for five years, while inflation has steadily gnawed into the paychecks of workers at the lowest rung of compensation.
>
> President Clinton has proposed a modest increase of the minimum wage to $5.15 an hour.
>
> Unfortunately, the Clinton plan has become mired in election-year politics. Republicans have characterized the proposal as a big favor to organized labor that would cost jobs and mostly benefit middle-class teenagers.
>
> Wrong, wrong and wrong.
>
> Yes, organized labor is supporting the minimum-wage increase, but this is hardly a bonanza for unions. At most it would have a slight indirect effect on collective bargaining, as union negotiators try to keep rank-and-file pay above the minimum wage.

The St. Petersburg Times, "Let's Vote on Minimum Wage."

> Now that he has clinched the Republican nomination for president, Bob Dole is back at work in the Senate. Last week the Senate majority leader spent most of his energy trying to keep Democrats from bringing a proposed minimum wage increase to a vote.
>
> Dole should end the debate and allow senators to vote. Democrats say they will keep trying to force a vote. Everyone knows a minimum wage increase has little chance of clearing the House. But that hasn't kept either side from trying to score political points on this issue.
>
> Disregard for the country's poorer workers, those who try to live on an annual salary of $8,500, is one of the hallmarks of the Grand Old Party. As usual, opponents of a minimum wage increase claimed they were acting in the interests of the working poor. Allowing those workers another 90 cents per hour, they argued, actually could do them more harm than good.
>
> Similar arguments have been made against every previous increase in the minimum wage, and each has been proved wrong.

Mr. President, I ask unanimous consent that an editorial from the Seattle Times and all of those editorials to which I have referred be printed in the RECORD in their entirety.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Seattle Times, Apr. 5, 1996]

HELP THE WORKING POOR, RAISE MINIMUM WAGES

Presidential politics threaten an overdue 90-cent increase in the federal minimum wage. As Republicans and Democrats argue over who is the greater champion of the working poor, the buying power of their paychecks wheezes near a 40-year low.

The current $4.25 hourly wage, which was last increased in 1989, is earned by four million Americans, and another eight million workers range up to the proposed $5.15.

Republicans are loath to help Clinton fulfill a 1992 campaign pledge, and Democrats want to scorch Dole for raising his own congressional pay, and not the incomes of those whose full-time jobs only bring in $8,500 a year. . . .

Seven years ago another 90-cent increase was a largely nonpartisan event, with Dole, Georgia congressman Newt Gingrich and most all Republicans voting for the first increase since April 1981.

Over the years, the economic facts of life have drained the issue of ideological force.

Americans have overwhelmingly supported the concept of a minimum wage since its creation in the Great Depression. Current polls show strong support for efforts to help poor people willing to work.

Liberal and conservative economists agree that moderate increases in the minimum wage have a negligible effect on employers or the number of low-paying jobs available, especially in the service industries where they are concentrated. Most minimum-wage workers are over age 20, and 40 percent are the sole breadwinner in their family, according to Secretary of Labor Robert Reich.

Increasing the minimum wage to $5.15 is no windfall; that is 15 percent below the wage's buying power of the 1970s. (Today a worker has to earn $7.80 an hour to even reach the federal poverty line of $15,000 for a family of four.)

Raising wages takes on added importance if the Republican Congress follows through on plans to cut the Earned Income Tax Credit, which holds the working poor harmless from income and payroll taxes. The EITC, a favorite of former President Reagan, has been denounced by House Ways and Means Chairman Bill Archer, R-Texas, as just another welfare program.

One advantage of the minimum wage is that it puts money in people's pockets quicker and throughout the year. EITC is a vital supplement, but it is a one-time payment geared to tax season, and people who file returns.

The twin helping hands of a higher wage and the EITC recognize the effort millions of Americans are making to help themselves.

[From the New York Times, Apr. 5, 1996]

BOOST THE MINIMUM WAGE

There is a strong case for raising the minimum wage by a modest amount. Unfortunately, the issue is caught up in election-year politics, making compromise unlikely. . . .

The Democrats proposed raising the minimum wage over two years to $5.15 an hour, which would raise earnings for these workers by 90 cents an hour, or about $1,800 a year.

Even at $5.15, the minimum wage would, after taking account of inflation, remain 15 percent below its average value during the 1970's.

Will low-paid workers lose their jobs if employers must pay higher wages? Yes, but there is widespread agreement among economic studies that the impact would be very small. A 90-cent wage hike would probably wipe out fewer than 100,000 of the approximately 14 million low-paid jobs in the economy—less than a 1 percent loss. Indeed, 100,000 represents only about half the number of jobs the economy typically creates each month.

The benefits of a higher minimum wage would be substantial. At $4.25 an hour, minimum-wage workers cannot count on earning their way out of poverty. But at $5.15 an hour, or $10,700 a year, the goal is in reach. By combining earnings, food stamps worth about $3,000 and tax credits of $3,500, such workers can clear the poverty threshold for a family of four—about $16,000—even after payroll taxes. That would be a victory for public policy.

The best antipoverty strategy is to mix the tax credits and minimum wages. At President Clinton's urging, Congress recently raised the [Earned Income] tax credit. The next step is to raise the minimum wage by the modest amount the Senate Democrats have proposed. The Democrats should try again. Republicans supported such policies in the past. perhaps Senator Dole can summon the will to do so this election year.

[From the Atlanta Journal and Constitution, Apr. 3, 1996]

WORKERS DUE FOR A RAISE

President Clinton has picked a good time politically and economically to push for a modest increase in the minimum wage. Millions of workers need the raise, and the economy is healthy enough to absorb a hike without causing many job losses or inflation.

The administration and congressional Democrats want to raise the minimum wage to $5.15 in two 45-cent steps over the next two years.

A raise would help the 4 million workers who get the minimum of $4.25 an hour, and would nudge up the wages of another 8 million who earn between $4.26 and $5.14 per hour. The minimum wage hasn't been raised in five years. In terms of purchasing power the wage will fall to a 40-year low this year if Congress doesn't act.

Such low pay for workers puts a strain on society. Making about $8,500 a year, a full-time minimum-wage worker with children needs food stamps and welfare to survive. The poverty line for a family of four is $15,600 a year which means a worker would have to make at least $7.80 an hour to keep a family out of poverty.

Even though the Clinton wage proposal is quite modest, Republican leaders are fighting it aggressively. Last week, in a 55–45 roll call, Democrats in the Senate fell five votes short of forcing a vote on an amendment to boost the wage. In other words, most senators wanted to increase the wage, but GOP leaders blocked the vote.

Republican reasons for opposing the wage increase are weak. If the country were in a recession, blocking the raise would make sense because higher labor costs could cause more unemployment. Certainly, a higher minimum wage is not always a good idea: Timing is important.

But this is the right time. In today's economy, low-wage jobs are being created at an incredible pace. The unemployment rate is at a mild 5.5 percent and inflation last year ran at just 2.5 percent.

Several highly respected economic studies in recent years have suggested that few jobs would be lost if the minimum wage were to rise slightly. Robert Solow, a Nobel prize-winning economist, says that among members of the American Economics Association, a consensus has emerged that "the employment effect of a moderate increase in the minimum wage would be very, very small."

Polls show that about three in four Americans want the wage to rise. Republican senators, whose pay has increased by a third over the past five years, ought to get out of the way and allow the majority to increase the minimum wage.

[From the St. Louis Post-Dispatch, Apr. 2, 1996]

THE POLITICS OF 90 CENTS AN HOUR

President Bill Clinton made some interesting observations the other day about Congress' failure to raise the minimum wage. He pointed out that since the last time the federal minimum went up—five years ago on Monday—senators and representatives have increased their own salaries by about one-third. He also noted that a member of Congress made more money during the month that the government was shut down last year than a minimum-wage earner makes in an entire year.

Add those stark statistics to the more philosophical point—that the GOP majority always stresses the need for people to make it on their own, without the help of government—and the Republican roadblock to raising the minimum wage becomes even harder to swallow. At $4.25 an hour, a full-time worker earns less than $8,900—far below the $15,600 poverty line set for a family of four. How can politicians try to push families off the welfare rolls on the one hand and filibuster attempts to let them earn a livable wage on the other?

The administration is seeking to increase the minimum wage to $5.15 an hour. The Bureau of Labor Statistics says that, measured in current dollars, the value of the minimum wage has fallen 31 percent since 1979.

At the same time, the percentage of hourly wage earners who make the minimum has also declined, meaning that an increase would affect proportionately fewer workers.

Opponents of the increase often portray the typical minimum-wage worker as a teenager peddling french fries to earn gas money for his car.

But Labor Secretary Robert B. Reich points out that most such employees are age 20 and over, and 40 percent of them are the only wage earner their family has.

Given such facts, the strong support that pollsters find among Americans for raising the minimum wage is understandable. Harder to fathom is Republican opposition. The traditional GOP argument, that a higher minimum wage means smaller payrolls, has lost credibility; a study by two Princeton professors of the effects of a higher minimum in New Jersey showed no drop in employment at 331 fast-food restaurants.

Bob Dole and his Senate colleagues can stick to that tired logic if they want, but it only highlights the differences in philosophy and compassion between him and Mr. Clinton.

The majority in the Senate blocked the increase last week, but when Congress returns from its spring recess, the issue will return, too. As House Minority Leader Richard Gephardt put it, "We're going to bring it back and back and back and back until we finally prevail for America's families and workers." Those families and workers are also voters, and come November, they won't forget who stood in the path to a decent wage.

[From the San Francisco Chronicle, Apr. 8, 1996]

REWARDING THE WORK ETHIC

The minimum wage is approaching a 40-year low in terms of its purchasing power.

For those fortunate enough to have no idea what the minimum wage is these days, it is $4.25 an hour. It has been at that level for five years, while inflation has steadily gnawed into the paychecks of workers at the lowest rung of compensation.

President Clinton has proposed a modest increase of the minimum wage to $5.15 an hour.

Unfortunately, the Clinton plan has become mired in election-year politics. Republicans have characterized the proposal as a big favor to organized labor that would cost jobs and mostly benefit middle- class teenagers.

Wrong, wrong and wrong.

Yes, organized labor is supporting the minimum-wage increase, but this is hardly a bonanza for unions. At most it would have a slight indirect effect on collective bargaining, as union negotiators try to keep rank-and-file pay above the minimum wage.

The lost-jobs argument is sharply refuted by many respected economists, who have calculated that the minimum wage would need to approach $6 an hour before having a measurable effect on employment levels.

And this debate is not about how much high-school students should be paid for flipping hamburgers. Of the 10 million people earning $4.25 an hour, 69 percent are age 20 and older.

It is, indeed, a tough living. Ninety cents an hour—or $1,800 a year for a full-time worker—can make a difference for someone at the poverty line.

Politicians like to talk about restoring the work ethic, about encouraging people to leave public assistance. Millions of people are answering the call—and getting too little in return.

Congress should vote them a raise.

[From the St. Petersburg Times, Apr. 1, 1996]

LET'S VOTE ON MINIMUM WAGE

Now that he has clinched the Republican nomination for president, Bob Dole is back at work in the Senate. Last week the Senate majority leader spent most of his energy trying to keep Democrats from bringing a proposed minimum wage increase to a vote.

Dole should end the debate and allow senators to vote. Democrats say they will keep trying to force a vote. Everyone knows a minimum wage increase has little chance of clearing the House. But that hasn't kept either side from trying to score political points on this issue.

Disregard for the country's poorer workers, those who try to live on an annual salary of $8,500, is one of the hallmarks of the Grand Old Party. As usual, opponents of a minimum wage increase claimed they were acting in the interests of the working poor. Allowing those workers another 90 cents per hour, they argued, actually could do them more harm than good.

Similar arguments have been made against every previous increase in the minimum wage, and each has been proved wrong.

The proposed legislation would raise the $4.25 minimum wage by 90 cents in two increments over 15 months. That may be small change in Washington, but to those trying to live on the minimum wage, who earn about three quarters of the $12,500 income that marks the federal poverty level, another 90 cents an hour is real money.

Dole says he is a doer, not a talker. Fine. Stop the debate and bring the issue to a vote. It's time to raise the minimum wage.

Mr. KENNEDY. Mr. President, these are typical editorials from across the country, and they go on and on and on with the two themes that, one, it is time to act it is time to act here in the Senate now; and it is also an issue of fairness and decency north, south, east, and west.

Mr. President, with this depth and breadth of support among editorial boards for a higher minimum wage, and the broad support among voters for a higher minimum wage, the question is obvious. Why are Republicans obstructing action on the minimum wage?

Every day Congress fails to vote on this issue is one more day that millions of hard-working Americans have to survive on less than a living wage.

While Americans sit around their kitchen tables trying to pay their bills, Republicans in Congress are huddled in back rooms plotting new parliamentary maneuvers to duck their responsibility to America's working families.

The people are ahead of the politicians on this issue. While the Republican majority in Congress dithers and delays, working men and women across the country are waiting for our answer.

Republicans love to talk about work. But when the chips are down, they deny the value of work. They refuse to support a fair day's wage for a full day's work.

One of the biggest issues of 1996 is the declining standard of living for the vast majority of American families. The economy may be doing well, but the gains are flowing primarily to those at the top. The vast majority of Americans are being left out and left behind, and those at the bottom of the ladder are being left the farthest behind.

Millions of working families are struggling to survive on the minimum wage, which is now only $4.25 an hour. They have not had a pay increase in 5 years. The value of the minimum wage is now near its lowest level in 40 years. It is no longer even enough to keep a working family out of poverty.

Republican Senators have voted themselves three pay increases in that 5-year period—thousands of dollars in pay raises for themselves, but not one thin dime for families struggling to survive on the minimum wage.

How can the majority leader keep saying no? Raise the minimum wage. No one who works for a living should have to live in poverty.

We want a vote—a clean, yes or no, up or down vote on increasing the minimum wage.

The American people look to the Congress for action on the minimum wage—and all they see are cloture petitions, quorum calls, and procedural gymnastics to avoid taking action. I say, end the gridlock, end the deadlock—act on the minimum wage. Let's get the Senate out of the Doledrums.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, might I inquire of my distinguished colleague with respect to the time?

There was some thought earlier that some additional time might be yielded from that side to this side. I wonder if I could ask for 10 minutes such that I do not inconvenience my colleagues at the conclusion of the remarks of the distinguished Senator from New York.

Mr. MOYNIHAN. Mr. President, the distinguished Senator from Virginia knows that I have just come to the floor to speak and do not control time. But I see no other Senator on this side seeking to speak. If my friend from Virginia wants 10 minutes, I would be happy to, and I will assume the position that I can yield that time and would be honored to do so with the understanding as I shall listen with close attention to what he says for 10 minutes, that he might undertake to do the same.

Mr. WARNER. Mr. President, I thank my distinguished colleague.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. MOYNIHAN. I propose to discourse at some length on Alfred Marshall's "Principles of Economics" published in 1890.

Mr. WARNER. Mr. President, I thank my colleague and friend.

The PRESIDING OFFICER. The senior Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I yield 10 minutes to the distinguished Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I wonder if I might follow my distinguished colleague. I would profit greatly from the erudition that I assume will be displayed.

I thank the Chair.

Mr. MOYNIHAN. Mr. President, the erudition is from Alfred Marshall, not of this poor student of his or his successor three times removed.

Mr. President, it fell to me, then chairman of the Committee on Finance, to reach agreement on our Democratic side on the Omnibus Budget Reconciliation Act of 1993. There was no Republican involvement and no Republican support, for perfectly straightforward reasons. It fell to me to negotiate among ourselves the 4.3-cent increase in the gasoline tax which is suddenly under discussion today. The President had originally proposed an increase in the Btu tax. And I suppose it is not inappropriate if I am going to be speaking from Alfred Marshall's text, he having been a distinguished professor in Great Britain, to refer to the Btu, which stands for "British thermal units."

The House voted a larger Btu tax increase, but the matter came to the Senate, and there was no disposition here to address the general range of energy uses—that involved coal and gas and other sources of energy—as against simply gasoline.

It was not easy to reach agreement on the 4.3 cents. That was the last part of the budget deficit reduction that we had to put together, a total reduction of $500 billion, half of it by raising—I will use that dread word "taxes"—not fees, not premiums—taxes, and a somewhat smaller proportion from reducing, cutting, and, in many cases, eliminating Federal programs.

The last bit we had to get was that 4.3 cents. We had to get up to 4.3 to reach our $500 billion mark. I record this simply to say it was not easy. It took 1 week with the Finance Committee Democrats in room 301 of this building, some of the longest days I have spent in the Senate. In the end we did it because it had to be done. And we have results to show for it.

So much of what happens in Government, as in other aspects of life, has indistinct or very long-run consequences not easily seen. To the contrary, today, the American economy is the wonder of the world. There is no nation in the OECD, the Organization of Economic Cooperation and Development, formed just after World War II, that comes anywhere close to our rate of growth, our unemployment rate, our price stability, and the long, sustained period of growth which we are in.

We are now, sir, as of May, in the 63d month, more than 5 years, of continued economic expansion—not the longest, as in the 1960's, but something that would have been considered beyond imagining 50, 60, 70 years ago.

The budget deficit, Mr. President, has been cut in half. The numbers are astounding. We went from a budget deficit of $290 billion in 1992—these are fiscal years—to what, if you average out OMB, which says 146, and CBO, 144, is a deficit of $145 billion in the current year.

Half—we have cut it in half in 4 years. The deficit now is the lowest, in proportion to our annual gross domestic product, it has been in 15 years. Real growth rate is at a solid 2 percent, which is very impressive, given the fact that we have full employment and no inflation.

Our distinguished Director of the Congressional Budget Office—and I apologize for the initials CBO—Dr. June O'Neill, recently testified before the Senate Budget Committee:

> CBO continues to believe that the U.S. economy is fundamentally sound and estimates that the chances of a major downturn in the next two years are not high.

Now, one of the reasons things are very good is that we did what was difficult to do in 1993, and we did it on our own on this side of the aisle. We are not complaining whatever about that. If it was to be our budget, let us do it. I could wish it was bipartisan. It was not. But that has nothing to do with the fact we found 50 votes here plus the Vice President. It was close. And that last tenth of a cent on the gasoline tax did it.

In January 1994, our eminent Chairman of the Federal Reserve Board, Alan Greenspan, testified before the Joint Economic Committee as follows:

> The actions taken last year—

Referring to our budget deficit reduction measure with the gasoline tax.

> to reduce the Federal budget deficit have been instrumental in creating the basis for declining inflation expectations and easing pressures on long-term interest rates. . . What I argued at the time is that the purpose of getting a lower budget deficit was essentially to improve the long-term outlook, and that if the deficit reduction is credible, then the long-term outlook gets discounted upfront. Indeed, that is precisely what is happening.

The term, sir, is the deficit premium on the interest rate, the expectation upfront that inflation will increase so that interest rates would be higher than they otherwise would be. They are now down. And that added another $100 billion of deficit reduction.

That is how we were able to cut the deficit in half. Do we have problems in the outyears? Indeed, we do. But are we on the right track now? Indeed, we are. Unemployment for April was 5.4 percent. That is roughly full employment in our present jargon. Inflation is in check. The Consumer Price Index, which overstates inflation, is at 3 percent—something unprecedented — and real wages and salaries increased in the first 3 months of this year by 1 percent, a very handsome rate.

One of the consequences, Mr. President—and I hesitate to use another chart on the Senate floor, but this one, I think is important. The public is watching and my colleagues might find it interesting. For the first time, sir, since the 1960's, the Federal budget has a primary surplus. A primary surplus is the difference between revenues and outlays for programs.

I came to Washington in 1961 with the Kennedy administration, and I can report something that may have been lost to the memory of many of us. Our biggest problem as then seen by the economic advisers to the President was that the Federal Government was taking in more money than it was spending and hence depressing our move toward full employment. The term was "fiscal drag." The efforts to get Federal revenues out, back into circulation, were extraordinary.

I can recall my first visit, the first time I was ever in the Oval Office. It was with the beloved Secretary of Labor, Arthur Goldberg, and we were bringing to the President a proposal to increase the pay of public servants, postwar and such. And the President looked at our proposal and said, "Is that all?" Walter Heller, the chairman of the Council, said, oh, surely we need to do more than that; he added up the numbers on the page, just like that.

We were about to propose revenue sharing. If Congress would not spend the money, perhaps Governors would. I am not speaking lightly of what you spend, but there is such a thing as seeing that you do not keep the economy depressed by taking in more revenue than goes back into the economic stream. In the 1960's we had those surpluses. Those blue marks indicate a slight surplus, primary surplus, not big, but big enough to preoccupy us.

Then we had the oil crisis of the 1970's and deficits came. Then the 1980's and deliberate deficits of enormous amounts and the debt that went from $995 billion at the end of fiscal year 1981 to where we just now, just recently, raised the debt ceiling to $5.5 trillion. We added almost $5 trillion to our debt. The debt is huge and the interest has to be paid and it will be. But in the meantime, if you can look at this chart, we are back to a primary surplus—we did a good job in 1993—a primary surplus averaging about $66 billion for the next 4 years. A little good news does not do any harm, sparingly. And this is solid good news.

Now, suddenly, we are asked to dismantle that last, painful mile we had to travel in 1993, that 4.3 cents. It took 1 week to get from 4 cents to 4.3 cents and then bring it to the floor where it passed just barely, with the remarkable results we now see.

If a reasonable case could be made that to eliminate this gasoline tax right now would save consumers money, then it should be considered. Some have tried to make that argument. But it is simply not the case that there should be any expectation whatsoever of any impact on gasoline prices from a reduction of this tax, because the present spike in prices is the result of a series of very simple events. We had a very cold winter and used up more oil reserves than we might have done. There was an expectation that Iraq's petroleum might come out to the world market—it did not do so. In California, a number of refineries that were moving along well have ceased to do so. Then there is apparently a development within the refining industry of just-in-time inventories. Perfectly good economics. It has made a big difference in the profitability of firms all over the country.

But what happens, when you have a short-term shortage, to prices when you try to do something such as this? Well, my good friend and deskmate and member of the Finance Committee, the Senator from Louisiana, earlier cited Philip K. Verleger, Jr., an economist at Charles River Associates, who was quoted in the press just yesterday, in the Washington Post, saying, "The Republican-sponsored solution to the current fuels problem * * * is nothing more and nothing less than a refiner's benefit bill* * *. It will transfer upwards of $3 billion from the U.S. Treasury to the pockets of refiners and gasoline marketers."

Is that the result of some conspiracy among the big oil companies? No, sir. I have no reason to think—it may be true, but I have never heard it mentioned—that an oil company came to anybody on Capitol Hill and said, "Would you cut that tax?" The reason Mr. Verleger said the reduction in the tax would benefit refiners is that for a century it has been the clearest understanding of the economics profession that under short-term supply conditions, a change such as a reduction in an excise tax does not affect the price paid by the consumer.

In 1890, Alfred Marshall, as I mentioned to my friend from Virginia, the great professor of economics at Cambridge University—he taught John

Maynard Keynes, the father of modern macro economics—produced his opus, his great text, "Principles of Economics." I have here a volume reprinted in 1961. This was the summation of what economists knew at that time, in the late 19th century.

The PRESIDING OFFICER. The Senator from New York is advised the majority has 13 minutes left, of which 10—

Mr. MOYNIHAN. Three. I would not bring up Marshall if I expected to hold my audience very much longer than 3 minutes.

Marshall took the example—to illustrate short-term supply, a fascinating thing—he took the example of fish. He said, what happens if there is a sudden change in the situation? Weather makes fish more or less available—a nice point—or if there is an increased demand for fish caused by the scarcity of meat during the year or two following a cattle plague. Mad cow disease in the late 19th century. A scarcity of fish caused by uncertainties of the weather has its exact parallel in our cold winter. These things come. I do not have to tell the Senator from Vermont about cold winters.

Would outside intervention change the price of fish to the consumer in that circumstance, when there was a fixed supply? The answer from Alfred Marshall is emphatically "no." Students of economics my age will remember this book. It is a very heavy book, but it is still around and it works. What it propounded is very clear. He said:

> To go over the ground in another way. Market values are governed by the relation of demand to stocks actually in the market. . . ."

This is something businessmen know. Mr. Mike Bowlin, Chairman of ARCO, said on ABC's "Nightline" Tuesday evening:

> My concern is that there are other market forces that clearly will overwhelm the relatively small decrease in the price of gasoline, and that alarms me, that people's expectations will be that the minute the tax is removed, they want to see gasoline prices go down 4.3 cents, and that won't happen.

This is something we know. Or it can be said as much as things like this are knowable, this we know. The businessman says it, the economist says it, the grandfather of them all explained it 100 years ago. There is good news, which is that the futures markets show the price of crude oil going down very sharply, from about $22 a barrel today to about $18 for next September. Gas prices will go down. Can we not just let them go down by normal market forces and keep the budget agreement intact, the agreement which has brought us to this happy moment?

I do thank the President for his patience. I look forward to listening attentively to my friend from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I rise in strong support of the TEAM Act. I was privileged, at the request of the distinguished chairman from Missouri, Mr. BOND, to chair the Small Business Committee and hold a hearing on this subject. In my remarks today, I will refer to a number of very important pieces of testimony, some coming from those in Virginia, who came before that committee to clearly, clearly support the need for this change in the law.

I refer back to the 1930's when the original Wagner act was enacted in 1935.

It is time that we should change the law. That is all we are asking. This is not the 1930's. Today, employees are highly skilled, far better educated, conscious of the fact they are in a global economy competing not with the company down the street or the company in the next State but, indeed, with companies all over the world. While they are sleeping, other companies elsewhere in the world are building much the same products that are flowing into this one global market.

Yet, here they are, nonunion employees handcuffed by a law passed in the 1930's at a time when really workers were expected, like Tennyson once referred to soldiers, "Yours is not to reason why but to do or die" in the workplace.

Those days are gone, and today we recognize each human being for their individual worth: man and woman, experienced worker, inexperienced worker, young and old. Yet they are hobbled by this act that goes back to 1935. All we ask is revision of that act.

In almost every industrial plant or workplace in America today, be it large or small, there is a suggestion box. The workers are invited to drop suggestions in their suggestion box. All the TEAM Act really does is to enlarge the concept of the suggestion box so that they can sit down and discuss with management in that company their own ideas to increase productivity, to increase safety. It is just the bare essentials of everyday existence in a plant environment. Yet, they are hobbled by this ancient, ancient law.

This is not an act to try and thwart the right to unionize. In no way does it do that. It simply gives the nonunion worker a chance to express his or her own view, such that their plant can become more productive, with the hope and expectation that their salary check might be increased. And to speak about safety issues so that they can live and work longer in a safer environment. That is all they ask.

I urge my colleagues, no matter how strong your affiliation and ties are to organized labor, look at this law. Decide it upon its own merits. Think of those people all across our Nation today who are working to compete in this global market.

This bill, again, in no way affects the rights of workers who have chosen to unionize. Rather, it assists only the workers who have chosen not to unionize, such as those in my State, which is, proudly, a right-to-work State.

I went back and looked at so much of the testimony from the Small Business hearing. Most people would be shocked to learn that the current labor law makes it illegal for employees in nonunion plants, workplaces, to discuss matters such as safety and productivity and work schedules, the daily routine, where they might have lunch, the quality of the food, safety of the machinery, the age of the machinery. It is such logical discourse between labor and management in today's market, yet this law stands there like a stone wall to prohibit the exchange of ideas.

Section 8(a)(2) of the National Labor Relations Act just does that. The NLRA casts a cloud of illegality on all types of organized employee participation in the workplace; that is, when groups get together. You can drop your suggestion in, but you cannot join with four or five other workers and go into the boss' office, perhaps put your feet up, and have a discussion on these subjects. It sounds crazy. It is just totally out of context with our lifestyle today.

Listen to the type of issues which cannot—I repeat cannot —be discussed in any organized group discussion. I am not talking about organized unions: I am talking about just organized group discussion, even if it is initiated by the employees. One has been the day care center. We did not have day care centers in the 1930's. I am not suggesting I was around and in the work force then, but my parents were. There may have been a work or day care center in some plant, but certainly they did not exist in the breadth that is all common in America today. But these people in their workplace cannot go in and talk about day care with the management.

Then there are softball teams. Sports have become a part of the lifestyle, fortunately, in many industrialized places in America today, but the workers cannot go in and discuss the after hours, extracurricular athletic participation of the employees.

Another example is the employee lounge: a reserved area in the plant where they might go for a break or have their lunch or just enjoy themselves.

As far as vacations, no way, no discussion is allowed.

How about rules on arguments among employees? Today, there is a lot of tension in many of our workplaces, but people are not free to go in and just discuss that with their bosses in the hopes to alleviate this situation of tension.

Just stop to think, dress codes cannot even be discussed. Nor can parking regulations, smoking or nonsmoking policies and, indeed, safety in labeling. And on and on it goes.

To me, this just defies common sense, defies good judgment. It goes back to the old days: Yours is not to reason why, but just to do or die. And that is totally alien to today's workplace.

Mr. President, one of the biggest concerns of the American people and especially the people of my State is that the Federal Government, instead of helping them get ahead, helping them become more competitive, sets up these roadblocks to make that less possible.

The TEAM Act is a piece of legislation which will help lessen that roadblock put on in 1935 and allow the workers in our industrial plants all across America to use their skills, their energies and their ideas to create a more productive and, hopefully, safer work environment, and to make America collectively more competitive throughout the world.

Do the workers in comparable plants in Asia or Europe have these problems? No. They can sit down with their bosses. As a matter of fact, much of the concept of this TEAM Act originated abroad and has been brought to our shores and yet here there is a law to stop it.

The TEAM Act is necessary to free business and workers from the shackles of an ancient law.

Mr. President, do I note the time has arrived?

The PRESIDING OFFICER (Mr. SANTORUM). The Senator has 30 additional seconds.

Mr. WARNER. I thank the Chair.

I have met with a number of employees in the context of our hearing and in private meetings who have told me the actual stories and experiences of those who are participating in plants where they go ahead, despite the law, and sit down and talk with their bosses, risking prosecution by the National Labor Relations Board.

I have met with employees and management from some Virginia companies which have had great success with the team concept. The AMP Corp. which makes electrical connectors used around the world has a plant in Roanoke, VA, is one such example. Employees and management established a number of teams to help meet the challenge of foreign competition. One team of workers went with management to another AMP facility, learned a new stamping process and implemented it in Roanoke, creating 20 new jobs to increase output made possible by the new process.

Another team of workers was assigned the task of comparing AMP's production processes to foreign competitors, a task which management had done by themselves previously. The team was better able to see how inventory levels, technology changes, and production cycles affected productivity than management had been. As a result, quality and delivery is better, prices are lower, and the company and its employees are more secure.

Last, a third team of AMP, known as the community education team, reaches out to local schools. Through this team, AMP has been able to recruit new workers from the Roanoke area with the necessary technology training rather than recruiting out of the area.

AMP's experiences have been mirrored at other Virginia companies. For example, at the TRW plant in southwestern Virginia in Atkins, VA, one customer, a huge automobile manufacturer, requested that the employees on a rack and pinion gear production line have a brainstorming session to seek ways to improve efficiency. Over 200 ideas were advanced by employees and, working together with management, nearly 90 percent of these were implemented. These ideas included everything from standardizing shelving heights to redesigning multiple parts into one piece. The results have been amazing, with production up one-third per operator and savings of over $100,000 to the customer.

At R.R. Donnelly, Corp. in Harrisonburg, VA, the introduction of work teams to supervise various aspects of the production of hardcover books has had different results than organized labor might have you believe. Rather than being an attempt to subvert the employees, Donnelly's teams have resulted in an increase of over 50 percent in production jobs and a decrease of 33 percent in management positions. These statistics should not be surprising because what teams do, in effect, is to make the employees into managers of their operations.

I am certain there are numerous other such examples from around Virginia, but the last I would like to mention is Universal Dynamics in Woodbridge, VA, just south of the beltway on I–95. UNA–DYN, as it is known, manufacturers industrial dehumidifiers and has implemented the team concept throughout their manufacturing and engineering processes.

Mac McCammon testified at the hearing which I chaired last month. He described how employee suggestions are implemented by employee teams with only marginal involvement from management, these suggestion sheets have been at the heart of the company's huge growth over the past 5 years.

Unions have said that this bill is bad for workers: in fact, it is exactly what employees have been seeking for years. All of us know that a job is more satisfying when you have input into your responsibilities and help improve the product or service you help create. Today's employees give more than their sweat, they give their minds and their ability to work together. This bill provides that opportunity.

In addition, more and more employees receive profit-sharing or bonuses based on the financial performance of their company, they have a direct stake in improving the productivity of their business.

And then there is the issue of employee safety. Employees are the best experts on what is dangerous in their workplaces and what are the best solutions.

In the Small Business Committee hearing, we heard from Ms. Donna Gooch, the human resources director of Sunsoft Corp. in Albuquerque, NM. In order to meet increased demand for their contact lenses, management and employees agreed on a 7-day workweek. Not only were teams used to meet the increased problems with child care and scheduling, they were essential in structuring job tasks to avoid expensive ergonomic injuries. Without full employee involvement, none of this would have been possible.

My colleagues have explained in detail the nuances of current law. My main point is that most people would be shocked to learn that current labor law makes it illegal for employees in nonunion workplaces to discuss matters such as safety, productivity, and work schedules with management. Section 8(a)(2) of the National Labor Relations Act, unfortunately, does just that. The NLRA casts a cloud of illegality on all types of organized employee participation in the workplace.

Among the issues which cannot be discussed in any organized fashion—cannot be discussed even if initiated by the employees—have been day care, softball teams, an employee lounge, structuring of employee evaluations, vacations, rules on fighting among employees, dress codes, parking regulations, smoking policies, and safety labeling.

Now of course it would be perfectly legal for the employer to dictate from on high how employees must be regulated. Isn't it clear that work productivity would be higher, that worker happiness would be better, if the employees had a voice in these matters?

This cloud caused by the current law must be lifted. This is no time for our Government, through increasingly common enforcement cases brought by the National Labor Relations Board, to make it harder to create competitive and safe workplaces.

The Clinton administration has recognized that employee participation in unionized workplaces have brought enormous gains in productivity and safety. President Clinton even remarked about this fact in his State of the Union Address. His thought is correct, but it must be applied not just to union workplaces. It is time that the 90 percent of nongovernment employees who have chosen not to unionize be given similar rights and opportunities.

I am particularly concerned about small businesses most at risk under current law. Most small businesses are too small to have classifications like manager and employee—all employees have to act and think like managers. Second, many businesses cannot afford to hire labor attorneys to analyze every employee-manager interaction. Third, the expense of contesting a NLRB action is too great a threat to many businesses to even think about starting employee team programs.

Unions seem to fear that employees able to contribute more to their workplace will be less anxious to unionize. Well, what's wrong with that? Unionization works where collective bargaining is necessary to balance the bargaining scale—it is not necessary for most workplaces, and if employees are happier and more productive without a union, the Government should not block their wishes.

In conclusion, the TEAM Act is not only needed to keep America competitive, it is desperately sought by American workers. The world has changed since the 1930's, and the law must change as well.

The PRESIDING OFFICER. The Senator's time has expired.

CLOTURE MOTION

The PRESIDING OFFICER. The clerk will report the cloture motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the pending Dole amendment, No. 3960:

Bob Dole, Orrin Hatch, John Warner, Trent Lott, Thad Cochran, Slade Gorton, Phil Gramm, Kay Bailey Hutchison, Connie Mack, Strom Thurmond, Dan Coats, Craig Thomas, Dirk Kempthorne, Jesse Helms, Bob Smith, Jim Jeffords.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that the debate on amendment No. 3960 be brought to a close? The yeas and nays are required. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY] and the Senator from West Virginia [Mr. ROCKEFELLER] are necessary absent.

I also announce that the Senator from Vermont [Mr. LEAHY] is absent due to death in the family.

The PRESIDING OFFICER (Mr. ABRAHAM). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 52, nays 44, as follows:

[Rollcall Vote No. 111 Leg.]

YEAS—52

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—44

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Campbell
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Sarbanes
Simon
Wellstone
Wyden

NOT VOTING—4

Bradley
Glenn
Leahy
Rockefeller

The PRESIDING OFFICER. On this vote the yeas are 52, the nays are 44.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEGAN'S LAW

Mr. DOLE. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 393, H.R. 2137.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

A bill (H.R. 2137) to amend the Violent Crime Control and Law Enforcement Act of 1994 to require the release of relevant information to protect the public from sexually violent offenders.

The Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, Tuesday night the House passed an important measure that will help protect our Nation's children from sexual predators.

By a vote of 418 to 0, the House passed legislation, known as Megan's law, that strengthens existing law to require all 50 States to notify communities of the presence of convicted sex offenders who might pose a danger to children.

In 1994, the crime bill allowed but did not require States to take such steps. And since that time, 49 States have enacted sex offender registration laws, and 30 States have adopted community notification provisions.

But not all States have taken the necessary steps to require such notification, and this is a tragedy in the making.

For once, let us prevent a tragedy instead of waiting for some other horrific crime and then taking action. We should pass this law now.

How can we hesitate one moment?

Every parent in America knows the fear, the doubts, he or she suffers worrying about the safety of his or her children. Parents understand that their children cannot know how truly evil some people are. They know that no matter how hard they try, they cannot be with their children every second of the day.

And a second is all it takes for tragedy to strike.

We have an obligation to ensure that those who have committed such crimes will not be able to do so again. This is a limited measure, but an absolutely necessary one.

Mr. GORTON. Mr. President, we will act tonight on Megan's law, which strengthens and improves a good law, and provides families with needed protection against the most heinous of crimes. Although Megan's law will not affect my State of Washington, which should, and does serve as a model for other States around the country, it will assist those States that, for whatever reason, have been slower to act or more timorous in their fight against crime.

In 1994, Congress passed the Violent Crime Control and Law Enforcement Act. The act contained a number of good provisions, perhaps the one I cared about most was the provision calling for the registration of sexual offenders and community notification. Most States have already implemented systems to require people who abduct children, or who commit sexual crimes, to register their addresses with State or local law enforcement officials. The provision in the 1994 act, however, was not as tough as I would have liked. The Act permitted State and local law enforcement to notify communities that there was a sexual predator in their midst, but it did not require this notification. We are back now to improve upon that law by requiring community notification. Even with this mandate, however, State and local law enforcement officials, still will retain the substantial discretion to determine when community notification is called for, what information to release, and how to best inform the community.

Parents have a right to know that their children are in danger, that the person living next door to them, or down the street is a convicted sexual predator. The need for this notification was tragically illustrated in the case of Megan Kanka, for whom the law before us today is named. Two years ago, Megan was allegedly raped and murdered by a man who lived across the street from her, a man who twice before had been convicted of being a sexual predator, and who lived with two house mates who were themselves sexual predators. Megan's parents did not know this. If they had, they could have advised their daughter not to accept her neighbor's invitation to come into his house to see a puppy.

Mr. DOLE. I ask unanimous consent the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and any statements in the bill be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2137) was deemed read three times and passed.

Mr. DOLE. I think, just for the information of my colleagues, this bill just passed is commonly referred to as Megan's law.

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3960 WITHDRAWN

Mr. DOLE. Mr. President, I withdraw my amendment No. 3960.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3960) was withdrawn.

AMENDMENT NO. 3961 TO AMENDMENT NO. 3955

Mr. DOLE. Mr. President, I now send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself and Mr. ROTH, proposes an amendment numbered 3961 to amendment No. 3955 to the instructions of the motion to refer H.R. 2937.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

CLOTURE MOTION

Mr. DOLE. I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the Dole amendment, No. 3961:

Bob Dole, Trent Lott, Craig Thomas, Larry E. Craig, R.F. Bennett, Mark Hatfield, Ben N. Campbell, Spencer Abraham, Nancy Landon Kassebaum, Don Nickles, Chuck Grassley, Conrad Burns, John Ashcroft, Jim Inhofe, P. Gramm, W.V. Roth, Jr.

Mr. DOLE. Mr. President, for the information all Senators, this cloture vote on my new amendment, which contains only the gas tax bill, will occur on Tuesday, May 14. I will consult with the Democratic leader prior to setting the next cloture vote.

Let me explain precisely what this amendment contains. My Democratic colleagues have just blocked repeal of the 4.3-cent gas tax. They blocked an increase also in the minimum wage. So I have laid down another amendment to repeal the gas tax. This amendment contains additional funding that completely offsets the cost of the repeal. The amendment raises $4.1 billion in fiscal 1996 and by adopting provisions the President and Secretary Rubin have specifically asked for. I have their letters here for the RECORD. The amendment will also help avert another savings and loan crisis. This is the so-called BIF–SAIF provision.

In the spirit—I have thought about it—in the spirit of the President's press conference yesterday asking for cooperation, I have decided to offer the gas tax repeal, which he said he would sign, and pay for it with a measure that he wants desperately. In fact, on April 14 he said that there is a proposal before Congress from the administration to:

> . . . restore the Savings Association Insurance Fund to full health and assure that interest payments on the so-called FICO bonds continue uninterrupted. With the enactment of this legislation, we could all take pride in achieving a resolution of the last remaining consequences of the thrift industry's problems of the 1980's. Moreover, we can do this without imposing additional costs on American taxpayers.
>
> This necessary proposal will protect taxpayers, who have already paid over $125 billion to assure that no insured depositor suffered any loss as a result of these problems.

I am accommodating the President's request. I know some of the bankers and others may not be totally satisfied with this, but I suggest they call area code 202–456–1414.

I also will have printed in the RECORD a letter from Secretary Rubin received just yesterday, pleading with us to move on this legislation which is important. Underscoring the importance of the legislation, it would "restore the Savings Association Insurance Fund." They said we have had it before us for some time and they have "consistently urged the SAIF legislation should receive immediate action."

Again in response, and I discussed this with my assistant leader, Senator LOTT, in response to the request of the President, his bipartisan appeal yesterday, and the letter from the Secretary of the Treasury, we have offered that as a way to pay for the repeal of the gas tax.

I ask unanimous consent to have the letter from the President and the letter from the Secretary printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, April 24, 1996.

Hon. BOB DOLE, Majority Leader,
U.S. Senate, Washington, DC.

DEAR MR. LEADER: The Congress has before it a proposal from the Administration that would restore the Savings Association Insurance Fund to full health and assure that interest payments on the so-called FICO bonds continue uninterrupted. With the enactment of this legislation, we could all take pride in achieving a resolution of the last remaining consequences of the thrift industry's problems of the 1980's. Moreover, we can do so without imposing additional costs on American Taxpayers.

This necessary proposal will protect taxpayers, who have already paid over $125 billion to assure that no insured depositor suffered any loss as the result of these problems. I believe this legislation has broad bipartisan support, and I urge the Leadership to consider immediate Congressional action.

Sincerely,

BILL CLINTON.

DEPARTMENT OF THE TREASURY,
Washington, DC, May 7, 1996.

Hon. ROBERT DOLE, Majority Leader,
U.S. Senate, Washington, DC.

DEAR BOB: I am writing to you in furtherance of the President's letter of April 24, 1996. As the President explained, it is a matter of great national importance to enact legislation that would restore the Savings Association Insurance Fund (SAIF) to full health and assure that interest payments on the FICO bonds continue uninterrupted. The Congress has before it a proposal from the Administration that would accomplish these ends. As the Administration has consistently urged, the SAIF legislation should receive immediate action. Moreover, we believe that the SAIF legislation would be a suitable means to help pay for other appropriate legislation.

Sincerely,

ROBERT E. RUBIN.

Mr. DOLE. So, I would say hopefully on Tuesday, then, we can obtain cloture. Then we will decide how to deal with the TEAM Act and minimum wage. They are still floating around out there, or will be. We are still prepared, I think, as Senator LOTT has had a couple of meetings today, to pick a time certain, sometime in June—or maybe, if we can, do it before the recess—to take up those questions.

There has also been a question raised. I have written a letter to the Senator from North Dakota, Senator DORGAN, to see if he had any suggestion, because he was concerned if we did repeal the gas tax it would not reach the consumers. I was asked in a press conference yesterday about a statement by ARCO, Atlantic Richfield Co., that maybe they would not be passed on to consumers.

But I now have statements from bus and trucking groups who say they would pass along the savings from the repeal to their customers in the form of lower travel costs. And I also have a statement from ARCO and Exxon and others.

I ask unanimous consent all these statements be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ARCO,
Los Angeles, CA, May 9, 1996.

ARCO WILL IMMEDIATELY REDUCE TOTAL GASOLINE PRICE IF 4.3-CENT FEDERAL GASOLINE TAX IS ELIMINATED

LOS ANGELES.—ARCO Chairman and CEO Mike R. Bowlin said today that "if the federal government reduces the gasoline excise tax by 4.3 cents per gallon, ARCO will immediately reduce its total price at its company-operated stations and to its dealers by 4.3 cents per gallon."

The ARCO chairman said in an interview on ABC's "Nightline" broadcast on May 7, that he had "simply been cautioning that ARCO is not able to accurately predict industry behavior, cannot legally control its dealers' pricing, and that other factors may influence changes in overall market prices. All other things being equal, we would expect the price of gasoline to fall 4.3 cents per gallon."

An ARCO spokesman said that ARCO has a proud tradition of acting responsibly in its gasoline pricing decisions in times of national upsets. He noted that during the Gulf War crisis in 1990, ARCO had been a leader in announcing that it would freeze gasoline prices. Eventually, that led to a situation where ARCO was unable to meet demand for its gasoline and was forced to raise prices in line with market conditions in order to prevent its dealers from running out of gasoline.

The ARCO spokesman said that "gasoline prices have increased some 20 to 30 cents per gallon over the last few months. Obviously no one can promise that even though the marginal cost of gasoline is reduced by a 4.3 cents per gallon tax reduction on a given day, some other factors may not simultaneously influence the market price of gasoline."

ARCO chairman Bowlin said: "What we can say is that ARCO will immediately reduce the total price of gasoline at our company-operated stations and to our dealers by 4.3 cents per gallon. I can also tell you that our internal forecasts suggest that gasoline prices are headed lower. We believe that the vast majority of responsible economists would say that a reduction in excise taxes would be passed through about penny-per-penny at the pump."

EXXON COMMENT CONCERNING POTENTIAL MARKET IMPACT OF CHANGE IN FEDERAL MOTOR FUEL EXCISE TAX

Pricing decisions are based on competitive market conditions in each of our markets. Exxon cannot predict future prices.

The marketplace decides what the price of gasoline will be. If the federal excise tax on gasoline is rolled back as proposed, we believe the very competitive market will result in a gasoline price that is 4.3 cents less than it would have been without the rollback, but we don't know what the absolute price will be.

Retail gasoline prices at most Exxon service stations (about 7,900 of the approximately 8,300 Exxon branded outlets in the nation) are established by the independent dealers and distributors who operate them. Exxon is prohibited by law from dictating the price that its dealers and distributors charge their customers at the retail level.

Retail prices at the approximately 400 outlets operated directly by the company also are set in response to competitive factors in the markets in which they compete.

Competitive factors include, among others, the supply of gasoline, consumers' demand for gasoline, crude oil costs, state and federal excise taxes, and the cost of complying with environmental regulations.

CHEVRON RESPONSE TO GASOLINE TAX DECREASE

In response to many comments in the press and from customers concerning possible oil company actions in the event of a decrease in the federal gasoline tax, a Chevron spokesman said the following:

Any decrease in the federal gasoline tax would be immediately reflected in the prices Chevron charges to motorists at our 600 company-operated stations in the U.S. through reductions which, on average, would equal the amount of the tax decrease. We also separately collect these taxes from our thousands of Chevron dealers and jobbers throughout the U.S. and we would immediately reduce our collections from these dealers and jobbers by the amount of the tax decrease. However, these Chevron dealers and jobbers are independent businessmen and women who independently set their own pump prices at the more than 7,000 Chevron stations they operate.

Many factors influence gasoline prices which are set by competition in the marketplace. It is impossible to predict where gasoline prices may stand in absolute terms at any time in the future. However, if these taxes are reduced, it is logical in a free market economy that overall prices will in the future be lower for our customers than they otherwise would have been by the amount of the tax decrease.

TEXACO INC.,
White Plains NY, May 3, 1996.

Response to media inquiries:
Re Gasoline tax debate.

Question. If the 1993 federal gasoline tax increase of 4.3 cents per gallon is repealed, what would Texaco do regarding prices at the pump?

Answer. For the approximately 15 percent of the Texaco service stations where we set the pump prices, all things beings equal, repeal of the 4.3 cents per gallon tax would reduce the pump prices accordingly.

For the 85 percent of the Texaco stations owned or operated by individual business people, Texaco is precluded by law from setting pump prices. Nevertheless, for the industry generally, we believe lower taxes will result in lower gasoline prices for consumers.

Retail gasoline pump prices are highly competitive and the prices at individual stations are determined by the competitive environment in which that station does business.

The repeal of the 1993 4.3 cents per gallon federal gasoline tax would reduce the average nationwide state and federal tax on gasoline from 42.4 cents to 38.1 cents per gallon.

ANTHONY J. SAGGESE, Jr.,
General Tax Attorney.

AMERICAN TRUCKING
ASSOCIATIONS, INC.,
Alexandria, VA, May 7, 1996.

Hon. ROBERT DOLE,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR DOLE: It was my pleasure to appear before the Senate Finance Committee on May 3rd and testify in support of your efforts to repeal the 4.3 cents fuel tax that goes into the general fund. The American Trucking Associations represents an industry composed of small businesses with an average profit of 1.5 cents on a dollar of revenue. The current spiraling fuel prices are putting many of our small companies in a precarious financial position.

I was relieved to hear the representative of the service station industry testify that they will pass along tax savings to their customers. We have heard similar statements from the major oil companies.

I am confident that, after covering the cost of rising fuel prices, the savings will be passed on to our customers and consumers because we are a highly competitive industry with over 350,000 interstate trucking companies.

Thank you for the opportunity to expand upon my comments. Please call me if I can be of further assistance.

Sincerely,

THOMAS J. DONOHUE,
President and
Chief Executive Officer.

AMERICAN BUS ASSOCIATION,
Washington, DC, May 7, 1996.

Hon. BOB DOLE,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR DOLE: On behalf of the American Bus Association, I want to thank you once again for your proposal to repeal the 4.3 cents per gallon deficit reduction fuel tax. We fully support your efforts in this regard.

We want to assure you that any benefits as a result of a tax repeal will accrue to the consumer, in our case, the intercity bus passenger.

With all our best wishes.

Sincerely,

SUSAN PERRY,
Senior Vice President,
Government Relations.

ASSOCIATION OF AMERICAN RAILROADS,
Washington, DC, May 9, 1996.

Hon. BOB DOLE,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR MAJORITY LEADER DOLE: On behalf of the Association of American Railroads (AAR), I write to advise that customers should benefit from the elimination of the 4.3 cents-per-gallon deficit reduction fuel tax imposed in 1993. Some adjustments or "hold downs" may be automatic given cost adjustment factors in rail contracts.

Competition among the freight transportation modes is intense. As a result, the freight railroads are constantly improving service to shippers and offering competitive rates. In fact, rail freight rates have declined by 22 percent since 1981 in current dollars and by 51% in inflation-adjusted dollars.

AAR supports your efforts to eliminate the 4.3 cents-per-gallon deficit reduction fuel tax. AAR also urges you to repeal the additional 1.25 cents-per-gallon deficit reduction tax resulting from the 1993 Budget Reconciliation Act which is paid exclusively by the railroad industry. The inequity in current law should be remedied so that the railroad industry will no longer be required to pay more for deficit reduction than its competitors.

We appreciate your leadership on this important issue.

Sincerely,

EDWIN L. HARPER,
President and
Chief Executive Officer.

AIR TRANSPORT ASSOCIATION,
Washington, DC, May 8, 1996.

Hon. ROBERT DOLE,
Senate Majority Leader,
U.S. Senate, Washington, DC.

DEAR MR. LEADER: We have been asked whether the reduction in the 4.3 cents-per-gallon transportation fuels tax will result in lower air fares to consumers. As you know, the Air Transport Association has no role in the setting of air fares. Moreover, we do not suggest or take any action which may result in our member carriers adjusting fares in a coordinated manner. However, notwithstanding those limits, I would like to address your inquiry.

First, we know that a decrease in the 4.3 cents-per-gallon tax will be reflected in the price airlines pay for fuel. Our members purchase fuel from vendors, in large measure, through a competitive bidding process. The 4.3 cents-per-gallon tax is thus added to the price bid by the vendors. Therefore, once the tax is eliminated, we are confident that the industry's fuel costs will be reduced.

Secondly, because of the competitive nature of the airline business, carriers continually try to keep their prices as low as possible. The 4.3 cents-per-gallon tax has increased carrier costs, thereby putting pressure on carriers' operating margins. Eliminating the tax will remove one of the cost pressures which individual carriers must consider in setting their respective air fares. Thus, if operating costs go down, there will be one less cost which needs to be factored into air carrier fares.

Inevitably, tax changes manifest themselves in the costs of doing business which will ultimately impact the prices airlines charge.

Mr. Leader, I hope that this response to your inquiry will be helpful. Please let me know if there is further information we can provide.

Sincerely,

CAROL B. HALLETT,
President and
Chief Executive Officer.

Mr. DOLE. The point being they are going to pass the savings on to consumers. Maybe in some cases, out of millions and millions of transactions, it may not happen, but that is the intent of all those who will be in the process. I think those letters might be helpful to some, such as Senator DORGAN, who does have legitimate questions. We want to respond to those questions. If he has a better idea than our amendment, which is a credit, we will be happy to consider it.

So I would just say it seems to me we have now, sort of, on this single issue—if you want to vote for lower gas prices then you vote for cloture on Tuesday. If you want to vote for lower travel costs, lower inflation, better job protection for employees in the transportation industry, this will be an opportunity. It is something the President said yesterday in a press conference he would sign. We have now complied with the President's request and the Treasury's request that we pass BIF–SAIF. That is part of this amendment. It seems to me it is almost—it could have come from the White House. We are pleased to accommodate the White House when we can.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENNETT). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I have just been informed of the majority leader's most recent proposal. I think it is fair to say that it is more of the same. It is similar to many of the other proposals we have been presented with over the last several weeks. Obviously, it is unacceptable.

We have indicated our desire to have a vote on the gas tax. We would be prepared to accept that. But we would also obviously feel the need to have the same vote on the minimum wage. Of course, the majority leader has now indicated his desire to bring up the so-called TEAM Act. We would be prepared to have a vote on that. But they are connected, unfortunately, the way the majority leader has proposed them. If we could get a vote on minimum wage, we would be more than happy then to have a vote on the gasoline tax reduction.

As I understand it, the majority leader has proposed a new offset that will take care of the point of order. The BIF–SAIF is an issue that has to be resolved. We recognize that. But I am not sure that we do it justice simply to use it as a convenient offset, in this case for a gasoline tax reduction amendment that may or may not go to the consumer, first of all, and that, second, may or may not require the entire amount that BIF–SAIF will provide.

But the real issue is, should we have a good debate, a good discussion about the BIF–SAIF issue in and of itself? Should we analyze whether or not this is the right approach? Is this exactly the right formulation for BIF–SAIF? Those are issues we ought to discuss.

I have not seen the BIF–SAIF proposal the majority leader referred to. It may be perfectly fine. To be buried in an agreement involving an offset for the gasoline tax reduction, in my view, does not do justice to the entire issue of BIF–SAIF, nor does it satisfy all of the difficulties that we have, of course, with the gasoline tax reduction itself.

We still must address the issue, who gets the benefit? Will it go to the consumer? Will we have the opportunity to ensure that it is not the oil companies that benefit but the consumer? Can we offer amendments in that regard?

I know our words sometimes come back to haunt us. I am sure in many cases mine have and will. But I was curious and very interested in a comment made by then-Republican leader BOB DOLE in 1993. This is taken from the RECORD on page 3934, dated March 29:

> I guess the thing I need to resolve is whether or not there is going to be any flexibility or whether everything is going to be under the total control of the distinguished chairman of the committee. Is there going to be free and open debate on the amendments, or are you going to determine which amendments can be offered? We cannot accept that on this side.

I can identify with that. I can empathize with Senator DOLE's query in March 1993. I, second, appreciate his question because, ironically and coincidentally, we find ourselves in virtually the same situation. I say "virtually" because here it says, he asks, "Is there going to be a free and open debate on the amendments, or are you going to determine which amendments can be offered?" In our case, that has already been determined. There are no amendments to be offered. There is no opportunity for the Democratic side to even address the issue of amendments, because we have been precluded from doing so. We are farther off the mark now than we were even back in March 1993.

Mr. President, regrettably, we end this week with the realization that we have not resolved the matter. We want very much to have a vote on the gasoline tax reduction. While there are very strong reservations expressed throughout our caucus, some of those reservations can be addressed if we can adequately address the question of who will benefit, if we can adequately address the question of what kind of an offset we will have.

Maybe BIF–SAIF provides an adequate numerical offset, but there are very fundamental questions of policy we ought to be addressing, as well, and whether or not we can do that under these circumstances, I think is very questionable. For that reason, too, I am concerned about whether BIF–SAIF is an appropriate vehicle, at least under these circumstances.

Mr. President, we will not support cloture. We will oppose the vote when it is presented next week.

Mr. President, let me also address the issue that has been addressed by so many of our colleagues on the other side today with regard to the so-called TEAM Act. I listened with great interest on several occasions this afternoon as I was in and out of my office to the remarks made by so many of our colleagues. This is not the time nor is it necessarily the most appropriate way with which to address all of the issues raised. I do not intend to do so tonight.

I do want to make four points. First of all, it has been said over and over on the floor—in my view, quite erroneously—that today businesses are prevented from discussing issues ranging from safety, workplace conditions, and all the other issues that may come up in a working environment in any company today. Mr. President, that is absolutely untrue. Untrue.

I hope everybody will go back and look very carefully at what has been said. In many cases—I am sure not purposely—there has been a significant level of misstatement today regarding prohibitions on employers that has to be corrected in the RECORD and will be corrected as we get into this issue again next week.

Employers today are given many opportunities—in fact, are using all opportunities—to discuss issues of quality and safety and workplace environment and all of the issues that certainly would come up in the normal discourse between employers and employees.

Mr. President, 95 percent of all large businesses have team arrangements today—95 percent, according to the Department of Labor. Mr. President, 75 percent of small businesses have team arrangements with their employees today and in workplaces everywhere all these issues are discussed. Let there be no doubt, those discussions, that dialog, those relationships, are already working. That is not the issue.

The second point, what I think a lot of employees are very concerned about, is that oftentimes there are situations that arise where an employer says, "You, you and you are now selected to represent all of you. You are the ones who are going to be in the room as we make the decisions involving all the employees. That is the way it is going to be. I do not care whether there are any elections. I do not care whether there was any discussion about whether these three people are representative of all the work force. That is the way it will be. Take it or leave it. Accept it or find another job."

Our view is, if that situation develops, there ought to be some consultation with other employees, and there ought to be some understanding that if it will affect the entire work force, the workers themselves should have some opportunity to select who it is that will be their spokesperson. That is what we are trying to do here: To find a way to ensure that if there is going to be a representative organization, that the employees have some opportunity to articulate and select the people that will make the decisions for them.

The third point: Current Federal law is affected, of course, by court decisions. Court decisions, in some cases, have clearly obfuscated the interpretation of current law. It is our view, clearly, that there needs to be legislation to address the lack of clarity today about what employers and employees can and cannot do. On that, there is no doubt. We acknowledge that. We support it. We want legislation to address the need for clarification. We will offer legislation to ensure that happens, that we clarify what the arrangements can be and all of the circumstances involving the workplace that need to be addressed, in a reasonable way.

So, clarification, yes. Opportunities to encourage teamwork, yes. Ways with which to make an employment environment more effective, yes. We can do that. That ought to be a bipartisan effort. We ought to find ways with which to work together to ensure that happens.

The fourth point, Mr. President, if we are, indeed, interested in paycheck security, health security, pension security, the workers themselves ought to have an opportunity to determine what that means and how they can empower themselves more effectively. If that is going to happen, we want to protect the rights we have established over the last 60 years for workers to organize themselves. It is just not right to set up rump organizations where employers are negotiating with themselves, therefore denying paycheck security, denying people the opportunity to grow in this economy along with everybody else, the opportunity to have meaningful health security, the opportunity to have good pensions.

That is what collective bargaining is all about. That has worked in this country and other countries, collective bargaining where we can ensure some opportunities to workers to enjoy the fruits of the success of a given company.

Mr. President, we will get into this a lot more next week. I do believe there has been a lot of misinformation. Again, I do not accuse anybody of purposefully misinforming, but I have never seen so much misinformation as I have seen this afternoon on any one issue.

We will have more opportunities to clarify it, more opportunities to work on it and, hopefully, to work together. I know a lot of our colleagues on both sides of the aisle would like to see more of a cooperative spirit and more opportunities for comity, and maybe this will lend itself to that in the end.

I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, if I could respond to some of the remarks by the distinguished Democratic leader. We continue to talk and work to see if we can find a way to move these issues forward in an understandable and fair way. We have somewhat of a Gordian knot. We are trying to find a way to untie that and move forward. That is what the leader has done here today.

Many of the leaders in the Democratic Party have indicated they want to vote for the gas tax repeal. The President indicated that he would sign that. And so the majority leader has set up a situation here where the pending business is a clear, direct vote on repealing the gas tax of 4.3 cents a gallon, which was voted in in 1993. And that money has been going into the General Treasury, not the highway trust fund for highway and bridge improvements. He has set it up so that we can address the issues. Everybody says they want to address this in a fair way. It is not connected to the TEAM Act or connected to minimum wage. It is the gas tax repeal, pure and simple.

Earlier today, there had been objection to considering this issue because a point of order was made that the offset did not cover the cost of taking this 4.3 cents out of the general budget. That has been addressed here. Majority Leader DOLE's proposal would repeal the gas tax, and it would be offset by BIF-SAIF. Some people may not particularly like that offset, but it is an offset that the Budget Committee put in the budget resolution.

It is something that I believe the Banking Committee worked on and something the President has indicated he has wanted, and something the Secretary of Treasury has written letters seeking. So this is a good way to begin to unravel the situation we are in now, parliamentarily.

Next week, we will have a vote directly on the gas tax repeal, unless it is delayed and filibustered by the Democrats. The choice is real simple. If you want the gas tax repeal and want it to be paid for, this does that. This is a fair solution to this problem.

So I urge my friends on the other side of the aisle to look at what the majority leader has proposed. Let us do this gas tax vote, and then we can move forward in trying to find a proper solution to the other items that are pending.

We have no problem with trying to develop an amendment that might further guarantee that the consumers get the benefit of this gas tax repeal. On behalf of the leader, I have talked to Senator DASCHLE and to Senator DORGAN, who has been working on this and, great, we welcome any additional ideas you have. We want to make sure that happens. We are satisfied that the legislation we have takes care of that. Now people are coming forward in writing and saying that they will make sure that the consumers get this 4.3-cent gas tax repeal. But I think that the leader would be open to some reasonable recommendations in that area.

Now, it has been suggested that we have not been having free and open debate here. I cannot believe that. That is about all we have had. We have not been able to get votes because it has been blocked by a variety of delaying tactics—points of order, filibusters, if you will—but that is the Senate. We have had free and open debate. We have been able to have this discussion during the past couple of days. In fact, in the past couple of weeks, on the minimum wage, on the freedom in the workplace, the TEAM Act, and the gas tax, there has been plenty of talk.

So I want to address something I have heard two or three times today.

We are clearly acting within the rules. We are not setting any new precedents here. I can remember when the majority leader was Senator Mitchell from Maine. I remember him offering second-degree amendments to block our amendments. I remember him filling up the tree so that we could not offer our amendments. This is nothing unprecedented here. We are clearly within the rules.

I remind my colleagues that we are in the majority. We have some responsibility to try to move the agenda forward. That is what the leader has done with this proposal—get the issue that everybody says they are for out there where we can debate it and vote on it. So I think we need to make it clear that we are strictly playing by the rules.

I might note that when the Senator from Massachusetts, who is here on the floor now, offered his minimum wage amendment, I believe he almost immediately sent down a cloture motion to the desk on that. At least, I believe that is true. Is that not correct?

Mr. KENNEDY. I will wait for recognition to speak. But the Senator is inaccurate in that characterization, as the Senator was when he talked about Senator Mitchell filling out the tree.

Mr. LOTT. Did the Senator send a cloture motion to the desk on that?

Mr. KENNEDY. After we were denied the opportunity for an up-or-down vote.

Mr. LOTT. But he did send a cloture motion up to limit debate on that issue, is that correct?

Mr. KENNEDY. The Senator can characterize my position in any way that he likes to. It is a routine procedure around here.

Mr. LOTT. That is the point I am trying to make.

Mr. KENNEDY. I will wait until I can be recognized in my own right, and I will address the Senate then.

Mr. LOTT. That is my point. That happens around here. Cloture motions are not unusual. Second-degree amendments are not unusual. So we are strictly playing by the rules, and we would not have it any other way. I appreciate the cooperation, frankly, that we get from the Democratic leader. We have been working together for the last 2, 3 days to try to find a good solution to how we vote on these issues.

Now, with regard to the TEAM Act, I want to make a couple of points, again, on why we are advancing this legislation and what it does. I call it freedom in the workplace, not the TEAM Act, because most folks do not realize what that is. We would like for employees and employers to be able to work together, to have teams in the workplace in order to promote safety and greater productivity. There are all kinds of benefits that will come from that.

Why, then, are we pushing this? Because the point has been made that, well, this is already occurring. Some 30,000 companies, maybe, have some sort of team arrangements. There is a good reason for it. The National Labor Relations Board, in some of its rulings, and the courts, have been putting a chill on these relationships. They are beginning to stop them. There was one court decision that said when an employee notified the employer that there was a problem with one of the electrical devices, that was ruled to be improper under the current laws. So there needs to be some clarification of this.

As a matter of fact, the President indicated he thought this was a good approach. In his State of the Union Address earlier this year, he said, "When companies and workers work as a team, they do better, and so does America."

So, that is what we are trying to do here. This bill simply amends the Federal laws to make it clear that employers and employees may meet together in committee, or other employee involvement programs, to address issues of mutual concern, such as quality, productivity, and efficiency. So it expressly says, also, that they cannot engage in collective bargaining. It expressly forbids company unions and sham unions. It simply lets workers and employers try to work as a team.

I am amazed that there is such concern about this. But my attitude on that, also, is that if there are some amendments that can be offered on that and we can debate it and have votes, if they pass, fine, and if they do not, fine. But this is something we ought to move on.

One other point, in terms of trying to block people or limit the free expression of ideas here. As a matter of fact, we have done a little research, and we have found that in the 104th Congress, there has been a need for cloture motions more than in any recent time. In fact, in the 102d Congress, there were 42 cloture motions filed, and in the 103d, 47; but in the 104th Congress, it has been necessary, already, to file 63 cloture motions.

Let me give one example of how ridiculous this really is. S. 1, the first bill we considered last year, on unfunded mandates, had broad support and passed overwhelmingly. I think the vote was 98 to 2, or something like that. It was overwhelming, whatever the final vote was. But we had to file four cloture motions to try to get it to come to conclusion, and get a vote on it.

So I really find it sort of surprising when our colleagues on the other side of the aisle seem to hint that we have been trying to cut them off. That has not been the case. But we have a responsibility to try to get the work done around here. Yes. Let us have free debate. But after a certain period of time you have to get down to voting. That is what we are trying to set up with our process this afternoon.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PUBLIC BROADCASTING

Mr. PRESSLER. Mr. President, I also am pleased to release today draft legislation to reauthorize the Corporation of Public Broadcasting. The draft would provide a simple reauthorization of $250 million each year for the fiscal years 1998, 1999, and 2000. It is my hope that by then, public broadcasting would no longer need a reauthorization, but would have the resources to thrive on its own.

Last year we began a very worthwhile debate about the future direction of public broadcasting. Survival was never a real issue. I believe public broadcasting will do more than just survive—it will thrive. Public broadcasting is a success story still being written. I am confident of this. Public broadcasting offers a quality product supported by quality individuals who care about what people, especially young people, see or hear on television and radio.

It was in part due to my confidence in public broadcasting that I proposed last year to put public broadcasting on a glide path to independence from Washington—independent from Congress and independent from the Corporation for Public Broadcasting. I support public broadcasting. Yet, I've never quite understood the logic of the funding process. There has to be a better way to fund public broadcasting than through CPB, which soaks up a large share of funding before it ever gets to the 350 public television stations and 629 public radio stations. A large chunk comes right back here to D.C. to buy programming disproportionately produced in the largest media markets. There just has to be a better way—especially for small city broadcasters.

Last year's debate produced some much-needed innovations. Public broadcasting has improved as a result. I called on public broadcasting to take advantage of the popularity and value of its wonderful programming. They're doing so now. Last year, new ancillary agreements were reached that will see a larger portion of merchandise revenue from public broadcasting products go right back to public broadcasting. Media alliances have been formed with MCI and Turner to distribute public broadcasting programs on video and CD-ROM's. Even PBS has discovered that its logo generates revenue. Foreign markets are an untapped source for programming and products. Even the Internet offers enormous potential for public broadcasting, both as a conduit for classroom-based, interactive educational programming and as a base to market its products. In short, we really haven't begun to tap the enormous funding potential of public broadcasting in the worldwide marketplace.

I also believe we must continue to push for greater efficiencies within CPB—reforms that also can free up revenues. Will all these potential funding sources and markets allow public broadcasting to achieve financial independence? It's a question that we should explore.

So today I am circulating a discussion draft that would not only reauthorize public broadcasting, but also explore and chart a path toward independence. The first way is to give public broadcasting tools to generate more revenue. My draft legislation would give public broadcasting enhanced underwriting authority—enough to draw in new corporate sponsors but not too far to undermine the noncommercial integrity of public broadcasting. The draft also would allow public broadcasting stations to use overlapping station capacity to generate revenue.

These proposals would allow some stations to benefit. However, if all of public broadcasting is to thrive, especially smaller stations such as in South Dakota, North Dakota, and Montana, we need to bring the best people in finance, government and broadcasting together to chart a course for independence. To do this, the draft proposes creation of a Commission on Public Broadcasting Empowerment. This commission would have 2 years to submit recommendations to Congress that would: foster long-term funding for public broadcasting that would not compromise its essential noncommercial nature; improve economic efficiencies within public broadcasting; guarantee universal access to public broadcasting, particularly in rural, under served areas; and stimulate the development of regional programming centers in order to increase geographic diversity in the origination of programming.

Finally, the draft would authorize the creation of a trust fund to be used to generate sufficient capital for public broadcasting to achieve financial independence. This trust fund approach was first proposed by the public broadcasters late last year. The public broadcasters proposed a more far-reaching approach that would enable a private trust to generate funds through the management of advanced spectrum and the leasing of unused spectrum for commercial purposes. This thoughtful proposal has merit. I support the creation of a trust fund. I believe that the draft spectrum legislation I have proposed today would provide public broadcasters with the resources needed to capitalize a trust fund in a way that would benefit the entire public broadcasting community—radio and television, in markets large and small.

Because this proposal would bring major change to public broadcasting, it deserves careful review. I'm already beginning that review.

Clearly, financial independence will be a key issue. However, other reforms are needed, particularly in the distribution of funds for broadcasting and programming. I am particularly interested in reforms that will enhance the capabilities and creativity of small city and rural broadcasters. In small cities and towns, public broadcasting is vital. South Dakota Public Radio [SDPR], for example, provides pool coverage to commercial stations around the State for legislative reporting, because it has the only radio news reporter on duty during the legislative session. In some markets, SDPR is the sole radio provider of local news, and the exclusive source of Emergency Broadcast System announcements.

For SDPR and similar radio and television stations, continued oversight by Congress is important to ensure they receive their fair share of the public broadcasting dollar. I would like to see public broadcasting be a self-sustaining operation, but I will not forego congressional oversight responsibilities, nor support a disbursement of funds from any trust fund until I am satisfied that there are legal and contractual safeguards in place that will protect the financial and programming interests of small city and rural broadcasters.

What kind of safeguards? First and foremost, there should be service requirements that public broadcasting should follow. As you know, telephone companies are required to provide universal service to its customers, regardless of their location. Public broadcasting should be required to fulfill a similar standard—universal access for all Americans.

Second, any future trust fund should have a formula that recognizes the unique roles of small city broadcasters and the need to achieve universal access goals.

Third, I support giving small broadcasters a share of any revenue generated through enhanced underwriting. A similar arrangement exists with major networks and their affiliates—large and small. It makes sense. It's simple fairness. Large and small stations that broadcast underwritten programming contribute to the exposure of the corporate sponsor to the viewing public. They should benefit.

Fourth, we should be encouraging the development of regional programming outlets. At present, there is a disproportionate concentration of program development in the large cities. Regional programming will not only further the diversity of public broadcasting, but improve viewership in these areas.

So, in conclusion, there are a number of issues worth discussing. Funding sources and funding distribution are the two key issues. I am hopeful that the proposed Commission on Public Broadcasting Empowerment will help lay the groundwork for both financial independence and distribution fairness. The funding sources may change, new technologies may emerge, but the central mission of public broadcasting—to be a dependable source of educational, community-based programming—is strong and growing stronger. That's a credit to the people in the communities that make it all happen.

This draft is a starting point. I look forward to working with the public broadcasting community and my colleagues on both sides of aisle to improve this draft and pass a bill. Mr. President, I ask unanimous consent that this draft be printed in the RECORD.

There being no objection, the draft was ordered to be printed in the RECORD, as follows:

S. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Broadcasting Financial Resources Enhancement Act of 1996".

SEC. 2. PURPOSE.

The purpose of this Act is to ensure that public broadcasting stations have sufficient resources—

(1) to carry on the mission of public broadcasting stations to provide Americans with noncommercial programming and services which advance education, support culture, and foster citizenship;

(2) to promote continued efficiency and effectiveness in the provision of public broadcasting services, through technological advances and, where appropriate, through mergers, consolidations, and joint operating agreements;

(3) to preserve and enhance the geographic and cultural diversity of public broadcasting programs and services;

(4) to support public broadcasting services to rural and underserved areas and audiences, and to ensure the universal availability of public broadcasting services;

(5) to create and deliver creative and diverse programming and services of high quality and excellence;

(6) to preserve and protect their editorial integrity and independence; and

(7) to continue to pioneer new telecommunications technologies and to adapt those technologies for educational and public service purposes.

TITLE I—EARNED INCOME OPPORTUNITIES

SEC. 101. ENHANCED UNDERWRITING.

(a) BUSINESS OR INSTITUTIONAL LOGOS.—Section 399A of the Communications Act of 1934 (47 U.S.C.399A) is amended:

(1) by striking "exclusive" in subsection (a);

(2) by striking "organization, and which is not used for the purpose of promoting the products, services, or facilities of such corporation, company, or other organization." in subsection (a) and inserting "organization."; and

(3) by inserting "established" before "business" in subsection (b).

(b) SERVICES, FACILITIES, AND PRODUCTS.—Section 399B(a) of the Communications Act of 1934 (47 U.S.C. 399B(a)) is amended by inserting "a comma and "other than through a strictly quantifiable comparative description," after "promote".

SEC. 102. TELEVISION CHANNEL EXCHANGES.

Subpart E of part IV of title III of the Communications Act of 1934 (47 U.S.C. 397 et seq.) is amended by adding at the end thereof the following:

"SEC. 399C. TELEVISION CHANNEL EXCHANGES.

"(a) PETITION.—The licensees or permittees of commercial and public broadcast television stations may file a joint petition with the Commission requesting an exchange of channels (including public television stations on VHF channels to be exchanged for UHF channels). Within 90 days after receiving such a petition, the Commission shall amend the television table of allotments and modify the licenses or permits of the petitioners to specify operation on the exchanged channels if the Commission finds that—

"(1) the stations serve substantially the same market; and

"(2) the consideration paid to the public broadcast television licensee or permittee—

"(A) fairly reflects the value of the exchange of channels and related facilities; and

"(B) will be dedicated to the provision of public broadcasting services.

"(b) OTHER CONSIDERATIONS PROHIBITED.—In considering a petition under subsection (a), the Commission may not consider proposals by other parties to become licensees or permittees on the channels to be exchanged.

"(c) INELIGIBILITY FOR GRANTS.—Neither a noncommercial educational television station that exchanges a channel for consideration under subsection (a), nor any transferee or assignee of the license associated with that station, may receive funds under subsection 396 after the exchange occurs, except to the extent provided for by the Commission on the basis of the contribution to the public broadcasting system made by that station, transferee, or assignee.".

SEC. 103. CONVERSION OF STATIONS TO COMMERCIAL STATUS.

Subpart E of part IV of title III of the Communications Act of 1934 (47 U.S.C. 397 et seq.), as amended by section 103, is amended by adding at the end thereof the following:

"SEC. 399D. USE OF PUBLIC BROADCASTING STATIONS FOR REMUNERATION.

"(a) IN GENERAL.—

"(1) USE OF OVERLAPPING STATION CAPACITY.—Subject to the requirements and limitations of this section, the licensee or licensees of 2 overlapping stations may, notwithstanding the allocated and licensed status of such stations as noncommercial educational television stations, operate one such station for remunerative purposes, including the transmission of commercial television programming originated by such licensee or by another party and transmission of subscription television or pay-per-view services. Such commercial operation will not result in a modification of the noncommercial educational allocation of the license held by the station.

"(2) CONDITIONS FOR USE.—The licensee or licensees of overlapping stations intending to operate one of such stations for remunerative purposes pursuant to paragraph (1) shall file with the Commission a joint operating agreement or other instrument providing assurances that—

"(A) the remuneration of such operations (in excess of the costs of the commercial and public television operations of such licensee) is dedicated to the provision of public broadcasting services on the other overlapping station; and

"(B) the station operated for remunerative purposes is, but for the remunerative operations, otherwise operated consistently with the provisions of this Act and the rules and policies of the Commission applicable to such operations.

"(3) INELIGIBILITY FOR GRANTS.—No noncommercial educational television station operating under an agreement or other instrument filed under paragraph (2), and no transferee of such station, or assignee of the license associated with such station, may receive any funds under section 396, except to the extent provided for by the Commission on the basis of the contribution to the public broadcasting system made by that station, transferee, or assignee.

"(b) SALE PERMITTED.—Upon application by the licensee of 2 or more overlapping public television stations, the Commission shall approve the assignment of one of the licenses of such licensee for a television station to another person or entity, without rulemaking or opening the licensed channel to general application, and shall permit such person or entity to operate such station as a commercial television station, if—

"(1) the licensee assigning such license will dedicate all compensation in excess of costs of sale received for such assignment to the support of the local noncommercial educational broadcast operations of the retained station; and

"(2) the compensation provided to the licensee for assigning such license reflects the value of the license and related facilities.

"(c) DEFINITIONS.—For purposes of this section—

"(1) OVERLAPPING STATIONS.—The term 'overlapping stations' means 2 or more public television stations—

"(A) that serve the same market;

"(B) with respect to which the Grade A contour of one of such stations reaches more than 50 percent of the Grade A population reached by the other such station; and

"(C) with respect to which less than 20 percent of the population reached by either station is unduplicated by the other.

"(2) TELEVISION MARKET.—The term 'television market' has the meaning provided in section 76.55(e)(1) of the Commission's rules (47 C.F.R. 76.55(e)(1)).".

TITLE II—PUBLIC BROADCASTING EMPOWERMENT COMMISSION

SEC. 201. ESTABLISHMENT.

There is established a commission to be known as the Commission on Public Broadcasting Empowerment (referred to in this section as the "Commission").

SEC. 202. DUTIES.

(a) STUDY AND RECOMMENDATIONS.—The Commission shall—

(1) conduct a comprehensive study of—

(A) alternatives for providing long-term funding for public broadcasting services other than with appropriated Federal funds, with particular emphasis on the development of earned income opportunities;

(B) the feasibility of generating revenue for a trust fund based upon spectrum grants or other sources of funding;

(C) the effectiveness and adequacy of those means of generating revenue for public broadcasting services made available by title I of this Act;

(D) the impact that particular funding methods may have on the purpose, role, and availability of public broadcasting, particularly in smaller markets;

(E) funding distribution formulas for smaller markets that take into account the special nature of such markets, including the additional infrastructure investment necessary to obtain sufficient audience reach; and

(F) opportunities for reducing the cost of public broadcasting through increased efficiencies of production, distribution, and operation without impairing universal access to public broadcasting; and

(2) submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Commerce of the House of Representatives a report setting forth the results of its study and making recommendations for—

(A) long-term funding for public broadcasting that would not compromise its essential noncommercial nature;

(B) improving the economic efficiency with which public broadcasting operates;

(C) guaranteeing universal access, particularly to rural and underserved areas; and

(D) stimulating the development of regional and local programming centers in order to increase geographic diversity in the origination of programming.

(b) INTERIM AND FINAL REPORTS.—The Commission shall submit a preliminary report under subsection (a)(2) not later than December 31, 1997, and a final report not later than December 31, 1998.

(c) TRUST FUND ESTABLISHED.—

(1) IN GENERAL.—There is hereby established in the Treasury of the United States a trust fund to be known as the "Public Broadcasting Trust Fund".

(2) ACCOUNTS.—The Public Broadcasting Trust Fund shall consist of such accounts as may be provided by law. Each such Account shall consist of such amounts as may be appropriated, credited, or paid to it as provided by law.

(3) EXPENDITURES.—Amounts in the Public Broadcasting Trust Fund shall be available for making such expenditures as may be provided by law.

(4) MANAGEMENT.—The Public Broadcasting Trust Fund shall be managed in accordance with the provisions of section 9602 of the Internal Revenue Code of 1986.

SEC. 203. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 3 ex officio members to be appointed not later than 60 days after the date of the enactment of this Act as follows:

(A) SENATORS.—One Senator shall be appointed by the Majority Leader of the Senate, and one Senator shall be appointed by the Minority Leader of the Senate.

(B) MEMBERS OF THE HOUSE OF REPRESENTATIVES.—One Member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one Member of the House of Representatives shall be appointed by the Minority Leader of the House of Representatives.

(C) ADDITIONAL MEMBERS.—Eight members shall be appointed by the President, without regard to political affiliation, on the basis of demonstrated expertise in public broadcasting, education, entertainment, finance, or investment.

(2) EX OFFICIO MEMBERS.—The Secretary of Commerce, the Chairman of the Federal Communications Commission, and the President of the Corporation for Public Broadcasting shall serve on the Commission as nonvoting ex officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the manner in which the original appointment was made. The vacancy shall not affect the power of the remaining members to execute the duties of the Commission.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 204. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, when performing duties of the Commission.

SEC. 205. POWERS.

(a) MEETINGS.—The Commission shall first meet not later than 30 days after the date on which all members are appointed, and the Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this title, if the information may be disclosed under section 552 of title 5, United States Code. Subject to the previous sentence, on the request of the chairperson or vice chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

(d) USE OF FACILITIES AND SERVICES.—Upon the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of such agency.

(e) PERSONNEL FROM OTHER AGENCIES.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to serve as an Executive Director of the Commission or assist the Commission in carrying out the duties of the Commission. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(f) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the chairperson of the Commission may accept for the Commission voluntary services provided by a member of the Commission.

SEC. 206. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the final report of the Commission to Congress.

SEC. 207. AUTHORIZATION OF APPROPRIATIONS.

(a) COMMISSION.—There are authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of title II of this Act.

(b) CORPORATION FOR PUBLIC BROADCASTING.—Section 396(k)(1)(C) of the Communications Act of 1934 (47 U.S.C. 396(k)(1)(C)) is amended—

(1) by striking "and" after "1995,"; and

(2) by striking "1996." and inserting "1996, and $250,000,000 for each of fiscal years 1998, 1999, and 2000.".

SPECTRUM REFORM DISCUSSION DRAFT

Mr. PRESSLER. Mr. President, I rise today to take another step in my overall telecommunications and information policy reform agenda. As I have stated many times, the historic enactment earlier this year of the Telecommunications Act of 1996 was only the first step in a new national telecommunications policy for 21st Century America.

Today, I am putting out for public comment a discussion draft of spectrum reform legislation to institute comprehensive reforms in how the Federal Government uses—and fails to use—our most important valuable national resource, the radio frequency spectrum.

THE SPECTRUM AND ITS USES

The radio spectrum is to the information age what oil and steel where to the Industrial Age. Like any resource, it is finite. Therefore it must be managed responsibly.

This valuable resource is one of the principle building blocks for tomorrow's "Information Economy." It also is critical to delivering new and valuable services to the American public.

All of us have seen the contribution traditional radio-based services—such as public and commercial broadcasting—have made to our national life. We have seen the benefits of low-cost satellite communications, which have enormously expanded the range of news, information, and entertainment choices. We have seen the proven value of cellular radiotelephones. In addition, there are an array of other critical radio-based communications services—everything from the radar systems so important to air traffic control, to the radios policemen, firemen, and ambulances use, to communications networks central to maintaining a strong national defense.

From its very beginning, wireless communication has played a vital role in protecting lives and property. Through the development of radio and television broadcasting, it has delivered information and entertainment programming to the public at large. More recently, wireless, spectrum-based telecommunications services, products and technologies have proven indispensable enablers and drivers of productivity and economic growth, as well as international competitiveness.

Wireless technology can deliver telecommunications and information services directly to individuals on the move. No longer is being away from the office desk or factory floor an impediment to doing business. Fixed locations that cannot be served economically by wireline facilities because of physical infeasibility or prohibitively high costs are made accessible. Wireless services also are critically important in bringing competition to the wireline telephone network—one of the key goals of the Telecommunications Act.

Today, there is an almost limitless demand for the use of this spectrum. In other words, the spectrum is an enormously valuable, yet finite natural resource. This is the crux of the problem with our current spectrum policy structure. Unless a reformation plan is developed to create a more effective and efficient use of the spectrum, a vast array of new spectrum-based products, services, and technologies will go unrealized for the American people.

THE FUTURE

We are on the cusp of great change. Over the past couple of years, we in the Congress and the Federal Communications Commission [FCC] have accelerated the deployment of a whole new generation of pocket phones—so-called "Personal Communications Services." Just this spring, the FCC authorized a new generation of wireless computers—radio-based systems that may make it possible for us to interconnect our schools and provide our students with access to the Internet on a low-cost, highly, effective basis.

America has pioneered the development of digital television. Later this year, actual digital broadcast operations may begin. By the turn of the century—less than 4 years from now—we could have the equivalent of a digital overlay network in the United States, relying on a new electronic infrastructure broadcasters hope to put in place.

These and other accomplishments have been achieved despite a regulatory framework that dates to the days of Marconi. It is a policy designed for an environment characterized by stable technology and stable, predictable demand for very basic communications. Under this antiquated model, the Government—not consumers—largely decides who uses frequencies, what they are used for, and how they are used—a government-sponsored electronic industrial policy.

This system is slow. It is anticompetitive. It is antifree speech.

INEFFICIENCIES IN THE CURRENT POLICY

As with other systems of central planning, the spectrum management system currently utilized in the United States tends to result in inefficient use of the spectrum resource. Federal regulators —rather than consumers—decide whether taxis, telephone service, broadcasters, or foresters are in greatest need of spectrum. Not surprisingly it is a highly politicized process. Most important, new services, products and technologies are delayed or, worse yet, denied. This obviously harms consumers.

Consider cellular phones, the lengthy delay in making cellular telephone service available imposed tremendous cost on the economy. One study estimated the delay cost the economy $86 billion. As important, American consumers were denied a new productivity and security tool for many years.

Equally troubling, the system constrains competition. One of the most important qualities of a competitive industry is the ability of new firms to enter the business. Yet, the bureaucratic allocation process typically provides for a set number of licenses for each service. This precludes additional competitors. Only two cellular franchises, for instance, are allowed in each market.

Delays associated with the allocation and assignment processes, while perhaps acceptable in a slow changing world, are seriously out of step with the fast-changing, high-technology world of today. Pressures on the traditional radio frequency management structure are increasing. Demand for channels is outstripping supply.

The current environment hobbles progress. It makes it hard for innovators to gain access to the radio spectrum resources they need to deliver technology's promise to the American people.

Another problem with current policy is that the Federal Government alone claims nearly one-third of this critical resource for itself. Since 1992, there has been a bipartisan commitment to privatize some of the spectrum the Government has warehoused. Among the benefits of that bipartisan effort has been a series of spectrum auctions. Those auctions have produced more than $20 billion for the U.S. Treasury. Although spectrum auctions have provided significant revenues for the U.S. Treasury, the overriding policy reason for adopting a spectrum auction policy is not—I repeat not—to provide more money for the Government.

Much more important, spectrum auctions have accelerated access to the resource by private sector entrepreneurs. The key policy goal achieved with auctions is placing the spectrum resource in the hands of those who value it most highly. Those who will put it to its best, highest valued use.

The FCC's current auction authority expires in 1998. We need to address these issues before then. We then ought to make the FCC's auction authority permanent.

But as I stated here on the Senate floor on March 13 much more definitely needs to be done.

Under the comprehensive discussion draft of spectrum reform legislation I am unveiling today, a far reaching series of reforms would be initiated.

SPECTRUM AUCTION AUTHORITY AND EXHAUSTIVE LICENSING

The spectrum reform discussion draft would expand the FCC's spectrum auction authority. This change would, once and for all, place the spectrum issue outside of the budget context and squarely in the arena of communications policy.

The FCC also would be required to exhaustively license all available spectrum by selecting bands of unallocated and unassigned frequencies to be auctioned. Any existing licensees in these bands would be protected and grandfathered. Indeed, they would gain flexibility in use within their actual or implied service area and spectrum block. The FCC is directed to maximize the value of spectrum licenses by selecting broad, low frequency bands of contiguous spectrum that are not fully assigned. The spectrum licensee seeking flexibility in use also may apply for any adjacent or cochannel spectrum contiguous to its existing license that is allocated but unassigned.

SPECTRUM FLEXIBILITY

The key reform contained in this discussion draft is freedom in spectrum use. While important, auctions are not the most important reform contained in this legislation. Much more important is replacing the current Government mandated industrial policy system with a market-based approach.

Auctions only tell you who gets a license. We now need to discuss what the license allows you to do.

Like land, the Government shouldn't tell people what they can do with frequencies. So long as they don't interfere with their neighbors, they should be able to use it for whatever consumers want.

Like newspapers, the Government shouldn't tell broadcasters what they say or how they say it. That should be up to viewers.

Simply put, frequencies should be treated more like private property.

However, in making these policy changes we should build on the current system. Many licensees already have a great deal of flexibility in what they can do. Let's build on that and give them more freedoms.

Mr. President, at the core of the spectrum reform I am today proposing is the concept of spectrum flexibility. Flexibility for a changing world.

For instance, radio frequency management historically has limited the permissible uses of allocated bands and assigned channels. This, in part, has been a function of technology, as well as the characteristics associated with particular frequencies.

For example, channels allocated to the Forest Products Service traditionally have been quite low frequencies. This is because those frequencies have been shown to have the greatest ability to penetrate underbrush, leaves, and other obstructions naturally occurring in a forest. New digital communications technologies have gone a long way toward changing this reality. Today's digital technology includes error correction and other features which lessen interference.

Another good example of why today's technology requires increased spectrum flexibility occurs in spread spectrum and digital overlay. These techniques make it possible for multiple communications pathways to be established within the same radio frequency channel. In other words, using this technology, broadcasters could transmit communications in addition to video and sound signals. Radio broadcast channels today, for example, already provide local links for paging operations. Government policy must allow multiple, more intensive use of radio frequency resources where there is no perceptible adverse technical impact.

Allowing radio frequency licensees greater flexibility also could facilitate equipment and systems modernization and upgrading in the public sector. This would enhance public safety. For example, many public communications systems today are in need of modernization, to meet the demand for more cost-effective and responsive law enforcement, fire safety, and emergency medical services. At the same time, the financial resources available to many public safety communications organizations are quite limited.

If local police forces were permitted greater flexibility in use of their channels, however, this challenge would be less severe. Switching to new digital communications techniques typically achieves a significant increase in the total number of channels available—in some cases, by a factor of four or more. Thus, a local police department could increase the number of channels available to support its operations and, at the same time, have capacity available which it could lease or barter with private communications organizations. Such arrangements could generate the funds needed to finance modernization.

Greater flexibility is a public interest win-win situation—an option that benefits all involved and affords the general public both better service and more communications options.

The FCC already has taken steps to allow some radio licensees more flexible use. The Commission's cellular radiotelephone rules, for example, place few constraints on permissible communications. The same is true in the case of the new PCS services. What is needed, however, is far greater application of this fundamental principle of flexible spectrum use. My bill does just that.

Under this discussion draft, each existing and future licensee would have increased flexibility in use including: The right to use assigned spectrum for any service, under any regulatory classification, and under any technical parameters. In addition, the licenses would have the right to freely transfer the license to others.

The flexible use would have to be within the licensee's existing or implied service area and spectrum block and could not be inconsistent with international treaty obligations of the United States. The spectrum licensee also would bear the burden of showing any new use was within the existing or implied service area and spectrum block.

SPECTRUM PRIVATIZATION

Another major feature of the draft legislation is spectrum privatization. Simply put, under the discussion draft, the Federal Government would be obliged to relinquish one-quarter of its spectrum stockpile. Spectrum auctions would be held to place that spectrum into the hands of the public as quickly as possible. In addition, Government agencies would be required to rely, to the maximum extent possible, on the private sector to meet their radiocommunications needs. Taking into account the taxes paid, if nothing else, this would definitely help the public and strengthen the American information technology economy.

SPECTRUM MANAGEMENT CONSOLIDATION

The discussion draft would place the responsibility for managing the spectrum in the United States solely with the FCC. The Commission would be required to factor in critical national defense, law enforcement, and national policy priorities. However, the current regime divides responsibility between the FCC and the Department of Commerce, would be streamlined. This would improve the overall management process. It also would increase accountability.

SELF-MANAGED REGULATION

One of the more promising options for radio frequency management reform is expanded use of self-managed regulation—the use of private sector radio frequency coordinator groups to handle routine engineering, frequency coordination, and other functions which, in the past, typically had been undertaken by FCC staff.

At present, the FCC relies on frequency coordinators to handle many of the routine chores associated with private mobile radio systems. Organizations such as the National Association of Business & Educational Radio [NABER], the Associated Public-Safety Communications Officers [APCO], and the Special Industrial Radio Service Association [SIRSA] process applications, conduct engineering surveys, and otherwise facilitate licensing and channel usage in these specific private radio services. The FCC does not generally rely on frequency coordinators, however, with regard to broadcast services, satellite communications, and other large frequency using services.

The task of being a frequency coordinator depends, in large part, upon two things: Access to computerized data bases; and some expertise in radio frequency engineering. Access to data bases today, of course, is routine. At the same time the number of individuals with substantial radio frequency management expertise is growing. This is due in part to Federal Government and defense agency downsizing. There is, in short, no good reason to assume that multiple frequency coordinators could not be sanctioned by the FCC. This would have the effect of broadening users' options.

Competition among frequency coordinator groups, moreover, should have the effect of ensuring efficient charges and effective, responsive operations. That has been true in virtually every market in which competition has been introduced. It should prove true in this case as well. That is why the discussion draft directs the FCC to expand substantially the agency's use of private sector frequency coordinator groups.

PUBLIC SAFETY SPECTRUM

The draft legislation also directs the FCC to make spectrum block grants to States for public safety spectrum needs. In lieu of processing, issuing, and renewing tens of thousands of public safety communications licenses—at significant cost to licensees, as well as the FCC—the agency would issue 55 block grants to the chief executive officer of each State, Guam, Puerto Rico, the U.S. Virgin Islands, and the District of Columbia. It would then be the responsibility of State Governors to determine eligibility, to ensure compliance with standard FCC—and other—operating rules, and to resolve disputes among public safety licensees within their jurisdiction.

This reform would reduce delays and heighten responsiveness to actual user requirements. It would lessen substantially the burdens of traditional regulation now borne by the FCC. Most important, it would tend to ensure more and better public safety communications for State residents.

BROADCAST TELEVISION SPECTRUM

Mr. President, this draft legislation also would resolve the controversy that has surrounded the digital—or high-definition—television issue. It would speed up the migration of broadcast television to digital channels. At the same time, it would firm up the plans which have been announced regarding the retrocession of one 6 Mhz channel—assets which could be used for many purposes in addition to straight broadcast television.

Spectrum in the VHF and UHF television bands has the potential of being extremely valuable for a variety of uses. Current licensing policy, however, keeps this spectrum locked up in a single, narrowly defined use. The fundamental thrust of this alternative broadcast TV spectrum policy is to allow markets to guide the spectrum to its highest valued use, while preserving the current level of free television service, noncompetitively assigning an additional 6 MHz to each existing NTSC licensee, and ensuring the public is fairly compensated for the use of spectrum. This alternative proposal recognizes the equities of incumbent full power broadcast licensees in the band to fully and fairly compete in the digital era, most especially their desire to convert to digital technology. At the same time—and let me be very clear on this point—it will maintain the current level of free television service for American consumers.

THE NEED FOR REFORM

Mr. President, we enacted comprehensive telecommunications legislation earlier this year for one very simple reason. It became more and more apparent to all of us that the traditional, highly bureaucratized telecommunications regulatory system no longer served the public's best interest. There were unexplainable delays. New services were not being offered. New investment and job opportunities were not materializing fast enough.

The oldtime telecommunications regulatory system, in short, had become the classical regulatory bottleneck. It was stalling forward progress. As a result—after nearly two decades of struggling with these issues—this Congress developed and enacted comprehensive reform legislation.

The discussion draft I am unveiling today is very much the other side of that fundamental regulatory reform equation. It addresses issues and choices that Congress, the FCC, and the executive branch have wrestled with for years. The approach is fair and balanced—and, balanced very much in terms of helping the American public while strengthening national competitiveness. I believe it could usher in a dynamic, vibrant "Wireless Era" in which American entrepreneurial capitalism leads the world into a robust high-technology future that will benefit all Americans.

Congress has spent years examining the way we manage other natural resources—from water, grazing, and timber issues so critical to my part of the country, to the fisheries vitally important to the Northeast, the Northwest, and, of course, Alaska. The natural resource this draft legislation focuses upon is just as important to America.

This discussion draft was crafted in consultation with a wide range of engineering, economic, and public policy experts. It is based, in large part, upon the extensive open hearings which the Senate Committee on Commerce, Science, and Transportation has conducted over the past few years.

This is a worthy regulatory reform initiative. It could pay enormous public policy dividends. Let me stress, however, that the unveiling of this discussion draft is merely the beginning of what I hope will be a spirited, robust debate. I look forward to continuing to work cooperatively with all of my colleagues in the Senate and the House to develop sound, consensus legislation that can be introduced in the near future. I also want to encourage all affected parties to provide comments to the committee regarding this proposal.

Mr. President, the radio frequency management and use reforms contained in this spectrum reform discussion draft hold significant promise. They would reduce regulatory burdens. They would foster important public policies including advances in technology and innovation, greater choice and more customer options, and more effective, efficient, and responsive use of this valuable national resource.

Mr. President, I ask unanimous consent that a summary of the discussion draft together with the draft legislative language itself be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF PRESSLER SPECTRUM BILL DISCUSSION DRAFT: THE ELECTROMAGNETIC SPECTRUM MANAGEMENT POLICY REFORM AND PRIVATIZATION ACT

SPECTRUM AUCTION AUTHORITY

Permanent Authority. FCC's spectrum auction authority is extended and made permanent.

Expanded Authority. FCC's spectrum auction authority to make spectrum license assignments is expanded with the following limited exceptions: non-mutually exclusive applications; public safety services; digital television licenses for broadcasters; and spectrum and associated orbits within an international satellite system. FCC's auction authority also expanded to include allocations, where consistent with the Act.

Exhaustive Licensing. FCC required to exhaustively license all available spectrum by selecting bands of unallocated and unassigned frequencies to be auctioned. Any existing licensees in these bands will be protected and grandfathered and gain flexibility in use within their actual or implied service area and spectrum block. FCC is directed to maximize the value of spectrum licenses by selecting broad, low frequency bands of contiguous spectrum that are not fully assigned.

VOLUNTARY REALLOCATION—SPECTRUM FLEXIBILITY

Flexibility In Use. Each existing and future nonbroadcast licensee will have flexibility in use which includes: the right to use assigned spectrum for any service; under any regulatory classification; under any technical parameters; and the right to freely transfer this right to others.

Limitations. The flexible use must be within the licensee's existing or implied service area and spectrum block and cannot be inconsistent with international treaty obligations of the United States. The spectrum licensee bears the burden of showing that any new use is within the existing or implied service area and spectrum block.

The spectrum licensee seeking flexibility in use may also apply for any adjacent or cochannel spectrum contiguous to its existing license that is allocated but unassigned.

GOVERNMENT SPECTRUM USERS

Flexibility In Use. Government spectrum users are also granted spectrum flexibility rights, including the right to transfer any spectrum rights now assigned to them to any government or private sector entity and to receive compensation for rights transferred.

Privatization. The Federal government is required to make an additional 25 percent of its exclusive or shared spectrum below 5 GHz available to the FCC for allocation to private sector spectrum licensees using spectrum auctions.

BRAC-Like Commission. A Presidentially appointed Advisory Committee On Withdrawal will be established to determine how to make available the 25 percent of spectrum for privatization and to determine what, if any, amount of spectrum beyond the mandatory 25 percent which will be made available to the private sector over a period of 10 years.

Financial Incentives. To encourage government agency and personnel cooperation, financial incentives will be developed to reward them for opening more spectrum for private sector use.

Relocation Compensation. Federal government users are allowed to accept compensation, including in-kind reimbursement of costs, from any entity to defray the costs of relocating the Federal entities operations from one set of spectrum frequencies to another.

Additional Privatization. The Act adopts as statutory law OMB's Circular A-76 which requires Federal agencies to undertake an extensive cost-benefit analysis prior to vertically integrating or continuing to vertically integrate to meet their needs, and to take into account taxes forgone when the Government chooses to make rather than buy products or services to meet its needs. A-76 analysis has simply not been consistently—nor continuously—applied to Government radio communications requirements. The new bill changes that by obliging Federal agencies to systematically review their communications systems and operations, and shift to private sector suppliers wherever feasible.

Technology Teaming. The number of communications channels can be significantly multiplied if the analog communications facilities used by many Federal agencies were changed to digital. Federal agencies will be required to team with a private company to install advanced, digital capability and increased capacity, which in turn can be equitably apportioned between agency and private partner.

Multi-Agency Systems. Federal agencies will be required to explore not only the availability of private sector suppliers but also other government agency suppliers. Today each Federal agency maintains—and jealously guards—its own system. As a result, there are very few "common user" systems.

CONSOLIDATION OF FEDERAL SPECTRUM MANAGEMENT FUNCTION

NTIA Eliminated. Management of spectrum for Federal government agencies, together with the IRAC Secretariat and associated support activities, is transferred from NTIA to the FCC.

National Security Safety Valve. The President may veto any FCC action which limits the amount of spectrum available to government users, limits the uses to which spectrum may be put, or interferes with or compromises Federal use, if such action substantially harms national security or public safety.

NON-EXCLUSIVE LICENSES

For non-exclusive spectrum licenses not assigned by spectrum auction, the FCC will have the authority to use other economic incentives, including user fees, to ensure that spectrum is assigned and used efficiently and that the public is fairly compensated for the use of the spectrum.

SELF MANAGED REGULATION

FCC is directed to substantially expand its use of private sector frequency coordinator groups thus reducing need for FCC in house engineering.

PUBLIC SAFETY SPECTRUM BLOCK GRANTS

Each State will assume responsibility as a block grant licensee for managing the spectrum currently allocated to public safety uses within its State boundaries.

Each State may grant licensees the same flexibility in use available to private FCC licensees.

Interference disputes between the States will be resolved by the FCC.

BROADCAST TV SPECTRUM—DEPOSIT, RETURN AND OVERLAY (A MARKET-BASED ALTERNATIVE TO A GOVERNMENT MANDATED AND DICTATED TRANSITION POLICY)

Purpose. Spectrum in the VHF and UHF television bands is potentially extremely valuable for a variety of uses. Current licensing policy, however, keeps this spectrum "locked up" in a single, narrowly defined use. The fundamental thrust of this alternative broadcast TV spectrum policy is to allow markets to guide the spectrum to its highest valued use (as up front spectrum auctions would) while preserving the current level of free television service, noncompetitively assigning an additional 6 MHz to each existing NTSC licensee, and ensuring the public is fairly compensated for the use of spectrum. This alternative proposal recognizes the equities of incumbent full power broadcast licensees in the band to fully and fairly compete in the digital era, most especially their desire to convert to digital technology. At the same time it will maintain the current level of free television service for American consumers.

No Standards Setting. FCC is specifically precluded from mandating an HDTV or digital television (DTV) standard for broadcast licensees or establishing a requirement that all TV sets sold or imported must be digital compatible by a date certain.

Deposit. One 6 MHz DTV channel will be assigned non-competitively to each existing NTSC licensee. Each existing NTSC licensee will have the choice of receiving a DTV license for payment of a fee (Deposit) or to simply keep their existing NTSC license and relinquishing their right to the DTV license. The deposit will be based on the market value of the license determined by the auction of the overlay licenses (see below). Any DTV licenses not accepted will be auctioned by the FCC as part of an overlay license.

Return. The money deposited for the DTV license can be paid in installments over a period of 15 years with the money going into an escrow account. Interest accrued will go to the U.S. Treasury for deficit reduction. After 15 years from the date the FCC assigns a DTV license, the broadcast licensee can relinquish a 6 MHz license and reclaim the full amount of its deposit (Return), less interest accrued, or continue to maintain NTSC and/or DTV license operations as outlined below. The amount of the deposit returned to the broadcast licensee will decrease 20 percent for each year that the return of a 6 MHz channel is delayed past 15 years.

DTV Flexibility/Transferability. DTV licensees will have full flexibility, without imposition of economic fees as required in the Telecommunications Act of 1996, to use their assigned DTV channels within their designated service area for any service consistent with the technical limits imposed by the FCC to prevent interference to NTSC and other DTV assignments. DTV licensees may voluntarily transfer their license at any time, separate from or together with their existing NTSC channel.

No Mandates. DTV licensees will not be required to meet a minimum service requirement or construction schedule.

Protecting Consumer Investment. Existing full power NTSC stations will be grandfathered indefinitely. An NTSC licensee will be permitted to continue providing standard NTSC television service or to transfer its license to another party who will then become the NTSC licensee.

NTSC Flexibility Subject To Replacement Of Free Service. An NTSC licensee will also be given flexibility within its assigned channel and service area to provide any services, without imposition of economic fees as required in the Telecommunications Act of 1996, other than standard NTSC service subject to technical limits imposed by the FCC to prevent interference to DTV and other NTSC assignments. Before any NTSC service may be reduced or discontinued, however, the NTSC licensee must have provided a comparable free replacement for such service including necessary receiving equipment to allow such service to be displayed on standard NTSC receivers.

Exhaustive Licensing. FCC will define overlay licenses collectively covering all 402 MHz of spectrum in the current VHF and UHF TV bands and covering the entire U.S. Each overlay license will cover a block of one or more contiguous 6 MHz channels and a contiguous geographic area. The FCC will determine the appropriate spectrum block and area size.

Overlay Auction. Overlay licenses to exhaustively fill the entire 402 MHz allotted for television broadcasting in each market will be assigned by a simultaneous, multiple round auction.

Overlay Flexibility. Within its defined spectrum block and service area, an overlay licensee will be permitted to implement any service, subject to power limits defined by the FCC at the boundaries of such spectrum block and service area, and subject to additional technical restrictions as may be imposed by the FCC to protect NTSC and DTV licensees from harmful interference.

Overlay licenses will be freely transferable.

Overlay licenses may be aggregated to create larger service areas and spectrum blocks.

SPECTRUM REPORT

After 2 years the FCC will prepare a cost-benefit report on the results of the legislation together with any recommendations for additional legislation.

S. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Electromagnetic Spectrum Management Policy Reform and Privatization Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) New applications of wireless communications technologies await access to the electromagnetic spectrum to provide innovative services to the public.

(2) The spectrum, however, is often characterized as overcrowded and filled to capacity with current allocations.

(3) Capacity may now be underutilized due to the use of obsolete technologies, while bands with great promise for delivering better quality communications products to consumers fail to realize their potential.

(4) This seeming paradox may be the result of a regulatory structure that is increasingly inefficient in the dynamic worlds of telecommunications and information technologies.

(5) This inefficiency results from structural defects in the system itself, not in the expertise of, or competence at, the regulatory agencies.

(6) Central allocation mechanisms provide insufficient information with which to rank competing uses for spectrum, or competing technologies for delivering those uses.

(7) Approximately one-third of the usable spectrum is allocated to government or otherwise unavailable for private sector use. Innovations to help and encourage the government to use spectrum more efficiently should be adopted.

(8) The dramatic acceleration in the pace of technological change and the increasing complexity of allocation and assignment decisions make the case for an overhaul of the current system more compelling than ever before.

(9) Lack of capital and outmoded equipment have led to inefficient utilization of the spectrum bands used by Federal agencies and public safety users.

(10) The management of spectrum can be substantially reformed by giving most licensees the freedom and incentive to use the spectrum more efficiently.

(11) In particular, within its explicit or implicit service area and spectrum block, a licensee should be given—

(A) service and technical flexibility;

(B) freedom to resell or sublease; and

(C) freedom to pick regulatory classification.

(12) To get the full benefit of liberalizing existing licenses, currently unassigned or unallocated spectrum will have to be made available in an efficient manner. The Commission will have to exhaustively license this spectrum expeditiously. These new assignments should—

(A) be exclusive;

(B) provide new licensees marketplace freedoms similar to those enjoyed by existing licensees; and

(C) be assigned through simultaneous multiple round auctions where there are mutually exclusive applicants.

(13) Similar incentive-based reforms should be adopted for the spectrum used by the Federal government and by the public safety community, including substantial privatization, flexibility in use, financial incentives and compensation for relocation and band clearing, consolidation of the Federal spectrum management function, and spectrum block grants to the States.

(14) An alternative broadcast television spectrum policy is needed to allow markets to guide the spectrum to its highest valued use while preserving the current level of free television service, noncompetitively and flexibly assigning an additional 6 megahertz to each existing NTSC licensee, and ensuring that the public is fairly compensated for the use of spectrum.

(15) All reforms should encourage private dispute resolution and avoid prolonged administrative delays.

SEC. 3. DEFINITIONS.

When used in this Act—

(1) COMMISSION.—The term "Commission" means the Federal Communications Commission.

(2) FLEXIBILITY IN USE.—The term "flexibility in use" means—

(A) the right to use assigned spectrum for any service (including but not limited to those defined by the Commission), under any regulatory classification, and under any technical parameters, if the use is within the licensee's existing or implied service area and spectrum block and is not inconsistent with international treaty obligations of the United States, and

(B) the right to freely transfer this right to others.

(3) IMPLIED SERVICE AREA.—The term "implied service area" means the service area implied by the potential power level and antenna height for a licensee, even if that area is not expressly defined in a license.

(4) SERVICE AREA.—The term "service area" means the geographic area over which a licensee may provide service and is protected from interference.

(5) SPECTRUM BLOCK.—The term "spectrum block" means the range of frequencies over which the apparatus licensed by the Commission is authorized to transmit signals.

SEC. 4. SPECTRUM AUCTION AUTHORITY.

(a) SPECTRUM AUCTION AUTHORITY MADE PERMANENT.—Section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) is amended—

(1) by striking paragraph (11); and

(2) by redesignating paragraphs (12) and (13) as paragraphs (11) and (12).

(b) EXPANSION OF SPECTRUM AUCTION AUTHORITY.—

(1) IN GENERAL.—Section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) GENERAL AUTHORITY.—If mutually exclusive applications are accepted for any initial license or construction permit which will involve use of electromagnetic spectrum, then the Commission shall grant such license or permit to a qualified applicant through a system of competitive bidding that meets the requirements of this subsection. The Commission may also use auctions to allocate spectrum where it determines that such an auction is consistent with the purposes of this Act.

"(2) EXEMPTIONS.—The Commission may not apply the competitive bidding authority granted by this subsection to licenses or construction permits issued by the Commission—

"(A) for public safety radio services, including non-Government uses the sole or principal purpose of which is to protect the safety of life, health, and property and which are not made commercially available to the public;

"(B) for initial licenses or construction permits for new terrestrial digital television services assigned by the Commission to existing terrestrial broadcast licenses; or

"(C) for spectrum and associated orbits used in the provision of any satellite within a global satellite system.".

(2) CONFORMING AMENDMENT.—Section 309(j)(6) of such Act is amended—

(A) by striking subparagraph (E); and

(B) by redesignating subparagraphs (F) through (H) as subparagraphs (E) through (G), respectively.

(c) EXHAUSTIVE SPECTRUM LICENSING POLICY.—

(1) IN GENERAL.—The Commission shall complete all actions necessary to permit the allocation and assignment by competitive bidding pursuant to section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) of licenses for the use of bands of frequencies that—

(A) in the aggregate span not less than 250 megahertz and that are located below 5 gigahertz, within 1 year after the date of enactment of this Act; and

(B) in the aggregate span not less than 5 gigahertz and that are located between 5 gigahertz and 60 gigahertz, within 2 years after the date of enactment of this Act; and

(C) have not, as of the date of enactment of this Act—

(i) been assigned or designated by Commission regulation for assignment pursuant to such section;

(ii) been identified by the Secretary of Commerce pursuant to section 113 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923); or

(iii) been reserved for exclusive Federal Government use pursuant to section 305 of the Communications Act of 1934 (47 U.S.C. 305); and

(D) may include spectrum exhaustively licensed throughout the United States under the provisions of section 337(c)(4)(C) of the Communications Act of 1934.

(2) Criteria for band selection.—In making available bands of frequencies for competitive bidding pursuant to paragraph (1), the Commission shall, to the greatest extent possible, maximize the value of the spectrum licenses by—

(A) selecting broad, low-frequency bands of contiguous spectrum that are not fully assigned; and

(B) exhaustively licensing it throughout the United States.

(d) Effective Date.—The amendment made by subsection (b) does not apply with respect to any license or permit for a terrestrial radio or television broadcast station for which the Commission has accepted mutually exclusive applications on or before the date of enactment of this Act.

SEC. 5. VOLUNTARY REALLOCATION; SPECTRUM FLEXIBILITY.

(a) In General.—Part I of title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 337. SPECTRUM LICENSE USE FLEXIBILITY.

"(a) Flexibility in Use.—Notwithstanding any other provision of this title to the contrary, each holder of a nonbroadcast license granted under this title is hereby granted flexibility in use. A licensee may change the use for which the license was granted to provide any other use of that license within its existing explicit or implied service area and spectrum block, unless the Commission disapproves the holder's application for such change under subsection (c).

"(b) Additional Spectrum.—The holder of a nonbroadcast license making application for a change of use under subsection (a) may include in the application an application for any adjacent or co-channel spectrum contiguous to its nonbroadcast license to which the change of use application relates that is allocated but unassigned.

"(c) Application; Procedure.—

"(1) Application.—An application for flexibility in use under subsection (a), or for flexibility in use and for additional spectrum under subsection (b), shall be made in such form and at such time as the Commission may require and shall include an adequate interference showing.

"(2) Public notification.—Within 10 days after receiving an application under this section, the Commission shall publish notice of the application in the Federal Register.

"(3) Approval of use flexibility application.—

"(A) In general.—The Commission shall approve an application for flexibility in use under subsection (a) unless it determines that—

"(i) the applicant fails to demonstrate that the new use is within the licensee's existing explicit or implied service area or spectrum block;

"(ii) the applicant fails to make an adequate interference showing; or

"(iii) the new use is inconsistent with treaty obligations of the United States.

"(B) Commission failure to act.—If no objection is filed with the Commission and the Commission fails to act on the application within 60 days, the application shall be deemed approved.

"(C) Third party challenges.—A co-channel licensee or adjacent channel licensee has standing to object to the approval of an application under subsection (a) if the objection is filed in writing with the Commission within 30 days after the date on which the notice of application is published in the Federal Register.

"(D) Arbitration of interference disputes.—

"(i) If an objection based on interference cannot be resolved to the satisfaction of the parties within 60 days after the close of the comment cycle for the application, then either the applicant or the person making the objection may invoke binding arbitration to resolve any unresolved issues by notifying the Commission in writing.

"(ii) Upon receipt of such notification, the Commission shall appoint an arbitrator to resolve the dispute.

"(iii) An arbitrator appointed by the Commission under clause (ii) shall resolve the dispute within 60 days after appointment.

"(iv) The costs of arbitration shall be paid by the applicant for license use flexibility or as assigned by the arbitrator.

"(E) Interference guidelines.—The Commission shall prepare interference guidelines similar to those now in use for personal communications services bands for applications affecting occupied bands that would provide a safe harbor for any licensee seeking to change its license use.

"(4) Approval of additional spectrum requests.—

"(A) Filing window for competing applications.—Any person may apply for spectrum requested by another person if the application is filed within 30 days after notice of the other person's application is first published in the Federal Register.

"(B) Approval of noncontested applications.—The Commission shall approve an application for additional spectrum under subsection (b) if no other applicant applies for that spectrum within 30 days after publication of notice of the application in the Federal Register, unless it determines that—

"(i) the applicant fails to demonstrate that the new use is within the licensee's existing explicit or implied service area or spectrum block;

"(ii) the applicant fails to make an adequate interference showing; or

"(iii) the new use is inconsistent with treaty obligations of the United States.

"(C) Commission failure to act.—If no objection is filed with the Commission and the Commission fails to act on the application within 60 days, the application shall be deemed approved.

"(D) Third party challenges.—A co-channel licensee or adjacent channel licensee has standing to object to the approval of an application under subsection (a) if the objection is filed in writing with the Commission within 30 days after the date on which the notice of application is published in the Federal Register.

"(E) Arbitration of interference disputes.—

"(i) If an objection based on interference cannot be resolved to the satisfaction of the parties within 60 days after the close of the comment cycle for the application, then either the applicant or the person making the objection may invoke binding arbitration to resolve any unresolved issues by notifying the Commission in writing.

"(ii) Upon receipt of such notification, the Commission shall appoint an arbitrator to resolve the dispute.

"(iii) An arbitrator appointed by the commission under clause (ii) shall resolve the dispute within 90 days after appointment.

"(iv) The costs of arbitration shall be paid by the applicant for license use flexibility or as assigned by the arbitrator.

"(F) Interference guidelines.—The Commission shall prepare interference guidelines similar to those now in use for personal communications services bands for applications affecting occupied bands that would provide a safe harbor for any licensee seeking to change its license use.

"(G) Auction of contested spectrum.—If mutually exclusive applications are accepted for spectrum under subsection (b), then the Commission shall assign the spectrum through the use of a system of competitive bidding.

"(H) Expansion of auctioned spectrum.—In auctioning spectrum under subparagraph (G), the Commission may auction larger blocks of spectrum encompassing the spectrum requested by the applicant under subsection (b) if—

"(i) there are inconsistent and overlapping requests for the unassigned spectrum; or

"(ii) it would enhance the efficient use of spectrum.".

SEC. 6. GOVERNMENT SPECTRUM USE REFORMS.

(a) Minimum Reallocation of Government Frequencies.—

(1) In general.—Section 114 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 924) is amended by adding at the end thereof the following:

"(c) Minimum Withdrawal Schedule.—

"(1) In general.—Over a period of 10 years beginning with fiscal year 1997, the President shall take action under subsection (a) to withdraw or limit the assignment of not less than 25 percent of the exclusive or shared spectrum allocated for Federal government use below 5 gigahertz and make available the spectrum withdrawn, or otherwise made available, to the Commission for allocation to private sector licensees using competitive bidding.

"(2) Advisory committee on withdrawal.—The President shall appoint an advisory committee of 7 members to advise the Commission and the President on the choice of spectrum for withdrawal or limitation of assignment under paragraph (1) of this subsection. The advisory committee shall also advise the President and the Commission concerning the potential for withdrawal or limitation of additional spectrum beyond the 25 percent of frequencies that are required to be privatized under paragraph (1) of this subsection, if any. The advisory committee shall include 3 representatives of affected Federal departments or agencies, 3 representatives of the private sector with experience and expertise in telecommunications, and 1 representative of the public, and shall meet at such times and places as the President shall require. The President shall designate a chairman and vice chairman and provide for appropriate administrative support. The members of the advisory committee shall serve at the pleasure of the President.".

(b) Identification and Reallocation of Frequencies.—Section 113 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 901

et seq.) is amended by adding at the end thereof the following:

"(f) RELOCATION OF FEDERAL GOVERNMENT STATIONS.—

"(1) IN GENERAL.—In order to expedite the efficient use of the electromagnetic spectrum and notwithstanding section 3302(b) of title 31, United States Code, any Federal entity which operates a Federal Government station may accept payment in advance or in-kind reimbursement of costs, or a combination of payment in advance and in-kind reimbursement, from any person to defray entirely the expenses of relocating the Federal entity's operations from one or more radio spectrum frequencies to any other frequency or frequencies, including, without limitation, the costs of any modification, replacement, or reissuance of equipment, facilities, operating manuals, regulations, or other expenses incurred by that entity. Any such payment shall be deposited in the account of such Federal entity in the Treasury of the United States. Funds deposited according to this section shall be available, without appropriation or fiscal year limitation, only for the operations of the Federal entity for which such funds were deposited under this section.

"(2) PROCESS FOR RELOCATION.—Any person seeking to relocate a Federal Government station that has been assigned a frequency within a band allocated for mixed Federal and non-Federal use may submit a petition for such relocation to the Commission. The Commission shall limit the Federal Government station's operating license to secondary status when the following requirements are met—

"(A) the person seeking relocation of the Federal Government station has guaranteed to defray entirely, through payment in advance, in-kind reimbursement of costs, or a combination thereof, all relocation costs incurred by the Federal entity, including all engineering, equipment, site acquisition and construction, and regulatory fee costs;

"(B) the person seeking relocation completes all activities necessary for implementing the relocation, including construction of replacement facilities (if necessary and appropriate) and identifying and obtaining on the Federal entity's behalf new frequencies for use by the relocated Federal Government station (where such station is not relocating to other technology or to spectrum reserved exclusively for Federal use);

"(C) any necessary replacement facilities, equipment modifications, or other changes have been implemented and tested to ensure that the Federal Government station is able to accomplish its purposes successfully; and

"(D) the Commission has determined that the proposed use of the spectrum frequency band to which the Federal entity will relocate its operations is—

"(i) consistent with obligations undertaken by the United States in international agreements and with United States national security and public safety interests; and

"(ii) suitable for the technical characteristics of the band and consistent with other uses of the band.

In exercising its authority under this subparagraph with respect to issues that have national security or foreign relations implications, the Commission shall consult with the Secretary of Defense or the Secretary of State, or both, as appropriate.

"(3) RIGHT TO RECLAIM.—If within one year after the relocation the Federal Government station demonstrates to the Commission that the new facilities or spectrum are not comparable to the facilities or spectrum from which the Federal Government station was relocated, the person seeking such relocation must take reasonable steps to remedy any defects or pay the Federal entity for the costs of returning the Federal Government station to the spectrum from which such station was relocated.

"(g) FEDERAL ACTION TO EXPEDITE SPECTRUM TRANSFER.—Any Federal Government station which operates on electromagnetic spectrum that has been identified for reallocation for mixed Federal and non-Federal use in the Spectrum Reallocation Final Report or by the President pursuant to recommendation of the Advisory Committee on Withdrawal shall, to the maximum extent practicable through the use of the authority granted under subsection (f) and any other applicable provision of law, take action to relocate its spectrum use to other frequencies that are reserved for Federal use or to consolidate its spectrum use with other Federal Government stations in a manner that maximizes the spectrum available for non-Federal use.

"(h) DEFINITIONS.—For purposes of this section—

"(1) FEDERAL ENTITY.—The term 'Federal entity' means any Department, agency, or other element of the Federal Government that utilizes radio frequency spectrum in the conduct of its authorized activities, including a Federal power agency.

"(2) SPECTRUM REALLOCATION FINAL REPORT.—The term 'Spectrum Reallocation Final Report' means the report submitted by the Secretary to the President and Congress in compliance with the requirements of subsection (a)."; and

(2) by striking "(a) or (d)(1)" in section 114(a)(1) and inserting "(a), (d)(1), or (f)".

(c) FLEXIBILITY IN USE OF GOVERNMENT SPECTRUM LICENSES.—Part B of title I of the Telecommunications Authorization Act of 1992 (47 U.S.C. 921 et seq.) is amended by adding at the end thereof the following:

"SEC. 118. FLEXIBILITY IN USE FOR GOVERNMENT LICENSE-HOLDERS.

"(a) IN GENERAL.—Notwithstanding any other provision of law to the contrary, any department, agency, or instrumentality of the United States that holds an exclusive spectrum license may change the use of that license under section 337 of the Communications Act of 1934 (47 U.S.C. 337) in the same manner and to the same extent as any other holder of an exclusive nonbroadcast license.

"(b) INCENTIVES.—To the extent consistent with its existing authority, each department, agency, or instrumentality of the United States may establish financial incentives to assist in providing more government-assigned spectrum for reallocation or assignment beyond the percentage allocated under section 114(c) of this Act (47 U.S.C. 924(c)).

"(c) REGULATIONS.—The Commission shall promulgate regulations to carry out the provisions of this section after consultation with the heads of departments, agencies, and instrumentalities of the United States that hold spectrum licenses.".

(d) FEDERAL RADIOCOMMUNICATIONS; PRIVATE ENTERPRISE RELIANCE.—It shall be the policy of the United States to rely on competitive private enterprise to the maximum extent possible to meet the radiocommunications requirements of the Federal Government. This policy shall apply to all radiocommunications systems first authorized after December 31, 1996, and shall be applied to all systems authorized as of that date in accordance with regulations adopted pursuant to this Act.

(e) BUSINESS-GOVERNMENT RADIOCOMMUNICATIONS PARTNERSHIPS; TECHNOLOGY TEAMING.—

(1) The Commission, in consultation with the Director of the Office of Management and Budget, within 6 months after the date of enactment of this Act shall adopt rules applicable to all departments, agencies, and instrumentalities of the United States Government that—

(A) encourage the utilization, to the greatest extent possible, of previously conducted surveys of all radiocommunications systems operated by such department, agency, or instrumentality for the purpose of increasing the efficiency of those systems; and

(B) authorize the head of each department, agency, and instrumentality of the United States Government to enter into contracts, leases, partnerships, teaming agreements, and other cooperative business-government arrangements, that will enable the private sector to participate, in whole or significant part, in the upgrading of government radiocommunications systems, and permit an equitable apportionment of the use of such upgraded systems to meet both government as well as private sector needs.

(2) APPLICATION TO LEGISLATIVE AND JUDICIAL BRANCHES.—

(A) THE CONGRESS.—As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, the regulations promulgated by the Commission under paragraph (1) are deemed to have been adopted by each House of the Congress, respectively, as rules applicable only to that House. The rules so adopted supersede other rules of each House of the Congress only to the extent that they are inconsistent with those other rules, and they are enacted with full recognition of the constitutional right of each House to change them, to the extent that they relate to that House, in the same manner and to the same extent as any other rule of that House.

(B) THE FEDERAL JUDICIARY.—The judicial branch of the United States Government is authorized and requested to adopt the regulations promulgated by the Commission under paragraph (1) as applicable to the operations of that branch.

(3) COMPETITIVE PROCUREMENT TECHNIQUES.—Each department, agency, and instrumentality of the United States Government is authorized and encouraged to employ competitive procurement techniques in selecting private sector partners for the purpose of mutually benefiting from the upgrading of technology associated with Federal radiocommunications systems, except that—

(A) the head of any such department, agency, or instrumentality may waive compliance with competitive procurement techniques in whole or part, if it is in the government's interests; and

(B) business-government arrangements undertaken under this Act shall not be subject to limitations regarding gifts and bequests to Federal agencies.

The provisions of this paragraph shall apply to the legislative and judicial branches of the United States Government to the extent that such branches adopt the same or similar rules.

(4) REPORT.—The President shall include as part of the Budget of the United States for each fiscal year beginning after the date of enactment of this Act, a report detailing the number and scope of cooperative business-government radiocommunications arrangements undertaken in accordance with this Act for the preceding fiscal year.

(f) GOVERNMENT COMMUNICATIONS SYSTEMS; MULTIPLE USE AND APPLICATION.—

(1) It is the policy of the United States to encourage and facilitate the multiple, shared use of Federal radiocommunications systems to the maximum extent possible, in order to foster more effective and efficient use of radio spectrum resources.

(2) To implement this policy, the Commission in consultation with the Director of the Office of Management and Budget, and the Administrator of the General Services Administration and other appropriate officers or employees of the United States Government, within 1 year after the date of enactment of this Act shall adopt rules, regulations, and budgetary guidelines which—

(A) establish a Federal radiocommunications system register, to be maintained by the Director, or his designee, which register shall set forth capacity which could be available for use by other Federal agencies;

(B) require the heads of all Federal agencies seeking additional radio spectrum licenses or assignments to certify that they have fully considered the availability of private sector radiocommunications alternatives; and, based upon review of the register required by this Act, have also fully considered the feasibility of shared use of other Federal agency systems; and

(C) require all Federal agencies holding radio spectrum licenses or assignments promptly, and on a continuing basis, to assess the feasibility and desirability of sharing the capacity of their radiocommunications systems with other Federal agencies, and to report their findings for inclusion in the register required by this Act.

(g) CONSOLIDATION OF FREQUENCY MANAGEMENT RESPONSIBILITIES.—The radio frequency management functions of the National Telecommunications and Information Administration (hereinafter referred to as "NTIA"), including the Interdepartmental Radio Advisory Committee secretariat and associated support activities (including the NTIA's electromagnetic compatibility analysis operations), under the National Telecommunications and Information Administration Organization Act are hereby transferred to the Commission.

(h) PRESIDENTIAL INVALIDATION.—The President may invalidate any Commission action that—

(1) limits the amount of spectrum available to departments, agencies, or instrumentalities of the United States;

(2) limits the uses to which such spectrum may be put; or

(3) interferes with or compromises any use by any such department, agency, or instrumentality

if, after a hearing on the record, the President finds that such action would substantially harm national security or public safety.

SEC. 7. NONEXCLUSIVE LICENSES.

The Commission may use such other economic incentives as it deems appropriate, including user fees, to ensure that nonexclusive licenses and licenses not issued utilizing competitive bidding are used efficiently and that the public is fairly compensated for the use of the spectrum. In establishing the amount of such fees, the Commission shall consider such factors as spectrum bandwidth, frequency location, area of operation, service area population, and the value of the spectrum as determined by prices paid for spectrum in Commission auctions.

SEC. 8. SELF-MANAGED REGULATION; EXPANDED RELIANCE OF FREQUENCY COORDINATION.

(a) REPORT.—Not later than 90 days after the date of the date of enactment of this Act, the Commission shall report to the Chairman of the Committee on Commerce, Science, and Transportation of the Senate and the Chairman of the Committee on Commerce of the House of Representatives regarding the radio frequency management, recordskeeping, coordination, and other functions undertaken by the Commission that could be performed by private sector radio frequency coordinator groups.

(b) ASSESSMENT.—In preparing this report, the Commission shall assess the feasibility and desirability of relying upon nonprofit industry self-regulatory organizations as well as for-profit organizations, and shall also assess and report on the potential revenue which might inure to the Government by selecting private sector radio frequency coordinator groups through competitive bidding procedures, including auctions.

(c) RULEMAKING.—Following the transmittal of its report, the Commission shall initiate a rulemaking or rulemakings with a view toward implementing the report's findings, and shall conclude such proceedings within 6 months.

SEC. 9. BLOCK GRANTS OF PUBLIC SAFETY SPECTRUM TO STATES.

The Commission shall delegate to the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, and each State responsibility for assigning and managing radio frequency spectrum allocated for public safety communications use. In making that delegation, the Commission shall consider, among other matters—

(1) a requirement that the polity to which the spectrum responsibility is delegated notify the Commission of its assignment of spectrum and its management activities;

(2) permitting each such polity to exercise or to grant licensees the same flexibility in use that is available to private sector license holders whose license is granted by the Commission;

(3) providing for the binding resolution of interference disputes between such polities by the Commission; and

(4) a requirement that each polity manage its public safety spectrum allocation to ensure efficient interoperability between its own wireless communications systems and those of Federal law enforcement, public safety, and disaster assistance agencies, to the greatest extent feasible.

SEC. 10. FLEXIBLE NTSC AND DTV LICENSES; DEPOSIT AND RETURN; FLEXIBLE OVERLAY VHF AND UHF BAND LICENSES.

(a) IN GENERAL—Part I of title III of the Communications Act of 1934, as amended by section 5 of this Act, is amended by adding at the end thereof the following:

"SEC. 338. BROADCAST TELEVISION SPECTRUM POLICY.

"(a) ASSIGNMENT OF FLEXIBLE DTV LICENSES TO EXISTING BROADCASTERS.—

"(1) ASSIGNMENT.—The Commission shall assign one 6 megahertz DTV channel, on a non-competitive basis, to each existing NTSC licensee. An existing NTSC licensee to whom such a channel is assigned may—

"(A) receive a DTV license for a deposit; or

"(B) decline to accept a DTV license.

Any DTV license declined shall be auctioned by the Commission as part of an overlay license. The amount of the deposit shall be based on the market value of the license as shown by the auction of the overlay licenses and adjusted for relevant economic factors, such as the size and population of the area served. The Commission may waive the deposit in whole or in part for broadcasters in small markets and for small broadcasters competing in large markets.

"(2) USE OF DTV LICENSE.—A licensee to which a DTV license is assigned under paragraph (1)—

"(A) shall enjoy flexibility in use (within the meaning of that term as used in section 337(a)) of the license consistent with technical limits imposed by the Commission to prevent interference to NTSC and other DTV assignments;

"(B) may not be required to meet a minimum service requirement or construction schedule; and

"(C) may transfer or relinquish its DTV license at any time.

"(3) REASSIGNMENT OF RELINQUISHED LICENSES.—Except as provided in paragraph (1), the Commission may not reassign any DTV license relinquished by the licensee to whom it was assigned or transferred. Any spectrum that had been previously encumbered by a relinquished DTV license shall be available for use by overlay licensees (within the meaning of subsection (c)).

"(4) DEPOSIT AND RETURN.—

"(A) The amount to be paid as a deposit for a DTV license under paragraph (1)—

"(i) may be paid to the Commission in installments over a 15-year period beginning on the date on which the license is assigned; and

"(ii) shall be held in escrow and invested in interest-bearing obligations of the United States.

"(B) Amounts received as interest earned on deposits held in escrow under subparagraph (A) shall be available to the United States for tax reduction or deficit reduction purposes.

"(C) Fifteen years after a DTV license is assigned to an NTSC licensee under paragraph (1), the licensee may relinquish its NTSC license or its DTV license. If an NTSC licensee relinquishes either license under this subparagraph, then the amount of the deposit paid by the licensee shall be returned to the licensee, without interest, reduced by 20 percent for each year the licensee continues NTSC operations in excess of the 15-year period beginning on the date on which the DTV license is assigned to the licensee.

"(b) EXISTING NTSC LICENSES.—

"(1) GRANT OF FLEXIBILITY.—An NTSC licensee with a valid NTSC license on the date of enactment of the Electromagnetic Spectrum Management Policy Reform and Privatization Act—

"(A) may provide standard NTSC television service after such date of enactment;

"(B) may transfer its NTSC license to any other person who is qualified to be an NTSC licensee; and

"(C) shall enjoy flexibility in use (within the meaning of that term as used in section 337(a)) of the license, subject to technical limits imposed by the Commission to prevent interference to DTV and other NTSC assignments.

"(2) REDUCTION OR DISCONTINUANCE OF NTSC SERVICE.—An NTSC licensee may not reduce or discontinue any NTSC service unless the licensee provides comparable replacement for such service free to viewers, as defined and approved by the Commission, including necessary receiving equipment for all such service to be displayed on standard NTSC receivers. An NTSC license relinquished by a licensee who provides such comparable free replacement service may not be reassigned by the Commission.

"(3) REASSIGNMENT OF ABANDONED OR REVOKED LICENSES.—An NTSC license that is—

"(A) abandoned by the licensee without providing comparable free replacement service (within the meaning of such term as it is used in paragraph (2) of this subsection); or

"(B) revoked by the Commission,

shall be reassigned by the Commission by auction for standard NTSC service, with the same flexibility in use rights provided to other NTSC licensees.

"(c) ASSIGNMENT OF NEW OVERLAY LICENSES.—

"(1) IN GENERAL.—The Commission shall assign overlay licenses by a simultaneous, multiple round auction. Any spectrum previously encumbered by NTSC or DTV licenses that have been relinquished shall be available for use by overlay licensees in accordance with such terms and conditions, consistent with the other provisions of this section, as the Commission may establish.

"(2) USE.—An overlay licensee—

"(A) shall enjoy flexibility in use (within the meaning of that term as used in section 337(a)) of the license, subject to—

"(i) power limits set by the Commission at the boundaries of the spectrum block and service area; and

"(ii) such additional technical restrictions as may be imposed by the Commission to protect NTSC and DTV licensees, and authorized land mobile services, from harmful interference;

"(B) may aggregate multiple overlay licenses to create larger spectrum blocks and service areas; and

"(C) may transfer an overlay license to any other person qualified to be an overlay licensee.

"(d) DEFINITIONS.—For purposes of this section—

"(1) DTV.—The term 'DTV' means digital television.

"(2) NTSC.—The term 'NTSC' means the National Television Systems Committee.

"(3) NTSC LICENSEE.—The term 'NTSC licensee' means a licensee assigned a television channel allotted for full power television service under the Commission's rules.

"(4) OVERLAY LICENSE.—

"(A) IN GENERAL.—The term 'overlay license' shall be defined by the Commission.

"(B) INDIVIDUALLY.—As defined by the Commission, each overlay license shall cover—

"(i) a block of one or more contiguous 6 megahertz channels; and

"(ii) a contiguous geographic area,

as determined by the Commission.

"(C) COLLECTIVELY.—As defined by the Commission, overlay licenses shall cover collectively—

"(i) all 402 megahertz of spectrum in the VHF and UHF television bands; and

"(ii) the entire area of the United States.

"SEC. 339. COMMISSION MAY NOT ESTABLISH DTV STANDARDS OR DTV RECEPTION SET REQUIREMENTS.

"Notwithstanding any other provision of law to the contrary, the Commission may not—

"(1) establish DTV (as defined in section 338(d)(1)) standards; nor

"(2) require that television receivers manufactured in, or imported into, the United States be capable of receiving and decoding DTV signals.".

SEC. 11. REPEAL OF FEES IMPOSED ON BROADCASTERS FOR ANCILLARY AND SUPPLEMENTARY SERVICES.

Section 336 of the Communications Act of 1934 (47 U.S.C. 336) is amended—

(1) by striking subsection (e); and

(2) by redesignating subsections (f) and (g) as subsections (e) and (f).

SEC. 12. SPECTRUM REPORT.

Two years after the date of enactment of this Act, the Commission shall report the results of implementation of this Act, together with a cost-benefit analysis of such results, and any recommendations for additional legislation related thereto, to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Commerce of the House of Representatives.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 2980. An act to amend title 18, United States Code, with respect to stalking; to the Committee on the Judiciary.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 150. Concurrent resolution authorizing the use of the Capitol Grounds for an event displaying racing, restored, and customized motor vehicles and transporters; to the Committee on Rules and Administration.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2543. A communication from the Managing Director of the Federal Communications Commission, transmitting, pursuant to law, the report of an interim rule relative to a freeze on paging applications (received on April 26, 1996); to the Committee on Commerce, Science, and Transportation.

EC–2544. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, the report of rules relative to Premerger Notification and Trade Regulation (received on April 26, 1996); to the Committee on Commerce, Science, and Transportation.

EC–2545. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN 2125–AC17); to the Committee on Environment and Public Works.

EC–2546. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of final rules (FRL–5455–4, FRL–5454–6, FRL–5455–4, FRL–5451–9, FRL–5463–9, FRL–5459–3, FRL–5463–1, FRL–5462–7, FRL–5424–2, FRL–5458–9, FRL–5464–1, FRL–5448–9, FRL–5461–7, FRL–5452–6, FRL–5465–1, FRL–5461–2); to the Committee on Environment and Public Works.

EC–2547. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of final rules (RIN 2137–AC79, RIN 2120–AA65, RIN 2120–AA65, RIN 2120–AA66, RIN 2127–AG22, RIN 2127–AG28, RIN 2127–AF68, RIN 2127–AF79, RIN, RIN 2127–AF65, RIN 2127–AG30, RIN 2115–AE47, RIN 2120–AA64, RIN 2137–AC69) (received April 29, 1996); to the Committee on Commerce, Science, and Transportation.

EC–2548. A communication from the Acting Assistant Secretary of State, Legislative Affairs, transmitting, pursuant to law, a report on military expenditures for countries receiving U.S. assistance; to the Committee on Appropriations.

EC–2549. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of final rules (FRL–5465–5, FRL–5458–8, FRL–5465–9, FRL–5467–9, FRL–5359–5, FRL–5364–5, FRL–5358–5, FRL–5365–2, FRL–5362–9, FRL–5360–3, FRL–4995–8, FRL–5365–6) received on April 30, 1996; to the Committee on Environment and Public Works.

EC–2550. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of final rules (FRL–5501–1, FRL–5500–9, FRL–5467–8, FRL–5501–3, FRL–5468–2, FRL–5500–4, FRL–5364–9, FRL–5366–8, FRL–5354–1, FRL–5365–1) received on May 3, 1996; to the Committee on Environment and Public Works.

EC–2551. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of final rules (FRL–5436–1, FRL–5464–8, FRL–5468–5, FRL–5456–9, FRL–5467–3, FRL–5468–8, FRL–5464–2, FRL–5466–1) received on April 30, 1996; to the Committee on Environment and Public Works.

EC–2552. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN 2120–AA64) received on April 30, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2553. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of final rules (RIN 2120–AA64, RIN 2120,AF10, RIN 2120–AA66, RIN 2125–AD90, RIN 2127–AA67, RIN 2133–AB14) received on May 6, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2554. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN 2120–AA64) received on May 3, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2555. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN 2120–AA64, RIN 2127–AF71, RIN 2132–AA46, RIN 2120–AA66, RIN 2115–AA97, RIN 2115–AE46, RIN 2120–AG05, RIN 2120–AE57) received on May 3, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2556. A communication from the Administrator of the National Aeronautics and

Space Administration, transmitting, pursuant to law, the report of the determination and findings relative to the Integrated Financial Management System; to the Committee on Commerce, Science, and Transportation.

EC-2557. A communication from the Acting Assistant Secretary of State, Legislative Affairs, transmitting, pursuant to law, the report of a certification regarding the incidental capture of sea turtles in commercial shrimping operations; to the Committee on Commerce, Science, and Transportation.

EC-2558. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report of the Maritime Administration for fiscal year 1995; to the Committee on Commerce, Science, and Transportation.

EC-2559. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report of the Appropriate Crew Size Study; to the Committee on Commerce, Science, and Transportation.

EC-2560. A communication from the Acting General Counsel of the Department of Commerce, transmitting, a draft of proposed legislation entitled "The Weather Service Modernization Streamlining Act of 1996"; to the Committee on Commerce, Science, and Transportation.

EC-2561. A communication from the Secretary of the Consumer Product Safety Commission, transmitting, pursuant to law, the report of a rule received on April 30, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2562. A communication from the Managing Director of the Federal Communications Commission, transmitting, pursuant to law, the report of a rule received on May 3, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2563. A communication from the Managing Director of the Federal Communications Commission, transmitting, pursuant to law, the report of a rule received on May 6, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2564. A communication from the Program Management Officer of the National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule (RIN 0648-AG80) received on May 6, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2565. A communication from the Program Management Officer of the National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule received on May 8, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2566. A communication from the Program Management Officer of the National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule received on May 8, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2567. A communication from the Associate Director of the National Institute of Standards and Technology, Department of Commerce, transmitting, pursuant to law, the report of rules (RIN 0693-ZA02, RIN 0693-ZA06) received on May 3, 1996; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1014. A bill to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes (Rept. No. 104-260).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1425. A bill to recognize the validity of rights-of-way granted under section 2477 of the Revised Statutes, and for other purposes (Rept. No. 104-261).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 1627. A bill to designate the visitor center at Jean Lafitte National Historical Park in New Orleans, LA, as the "Laura C. Hudson Visitor Center." (Rept. No. 104-262).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amended preamble:

S.J. Res. 42. A joint resolution designating the Civil War Center at Louisiana State University as the United States Civil War Center, making the center the flagship institution for planning the sesquicentennial commemoration of the Civil War, and for other purposes (Rept. No. 104-263).

By Mr. ROTH, from the Committee on Finance, with an amendment in the nature of a substitute:

H.R. 1642. A bill to extend nondiscriminatory treatment (most-favored-nation treatment) to the products of Cambodia, and for other purposes (Rept. No. 104-264).

By Mr. ROTH, from the Committee on Finance, without amendment:

H.R. 2853. A bill to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria (Rept. No. 104-265).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

S. 1710. A bill to authorize multiyear contracting for the C-17 aircraft program, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Nina Gershon, of New York, to be United States District Judge for the Eastern District of New York.

Mary Ann Vial Lemmon, of Louisiana, to be United States District Judge for the Eastern District of Louisiana.

Edmund A. Sargus, Jr., of Ohio, to be United States District Judge for the Southern District of Ohio.

Dean D. Pregerson, of California, to be United States District Judge for the Central District of California.

W. Craig Broadwater, of West Virginia, to be United States District Judge for the Northern District of West Virginia.

Walker D. Miller, of Colorado, to be United States District Judge for the District of Colorado.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ASHCROFT (for himself, Mr. Lott, Mr. DeWine, Mr. Mack, Mr. Hatch, Mr. Smith, Mr. Craig, and Mr. Shelby):

S. 1741. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for the old-age, survivors, and disability insurance taxes paid by employees and self-employed individuals, and for other purposes; to the Committee on Finance.

By Mr. SPECTER (for himself and Mr. Santorum):

S. 1742. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to exempt minor parties from liability under the Act, and for other purposes; to the Committee on Environment and Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ASHCROFT (for himself, Mr. Lott, Mr. DeWine, Mr. Mack, Mr. Hatch, Mr. Smith, Mr. Craig, and Mr. Shelby):

S. 1741. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for the old-age, survivors, and disability insurance taxes paid by employees and self-employed individuals, and for other purposes; to the Committee on Finance.

THE WORKING AMERICANS WAGE RESTORATION ACT

Mr. ASHCROFT. Mr. President, during this year when so much discussion is being focused on the future of America, I think it is important for us to inventory what it is that has made America a place of opportunity and a land which has welcomed individuals with initiative and industry from around the world. I think one of the key components of the American culture which has allowed that to happen has been the component of growth. We have understood that the purpose of government is to provide a framework for growth, that growth should be the characteristic which identifies America as the land of opportunity. As a matter of fact, that citizens and corporations, individuals, and institutions should enjoy conditions of growth—that is the reason to have government. It is the reason to have public safety, so people can grow and develop. It is the reason to have national defense, so the Nation can grow. Not that we would have big government, but that we would have a largeness in terms of opportunity and citizenship; so that we could, indeed, meet the needs of the next generation.

It has been the kind of thing that has allowed us, as a country, to welcome all comers. It is the kind of thing that inspired Emma Lazarus to write the poem on the base of the Statue of Liberty:

Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore,

Send these, the homeless, tempest-tossed, to me:
I lift my lamp beside the golden door.

That is only available—we can only have that kind of optimism about the future—if we have growth, if we promote growth; growth not for the government but growth for the community, growth for the citizen, growth for the individual. That is the purpose of government.

Yet, during the 1990's we find ourselves with a sense of discomfort, a sense of dis-ease, if you will, not disease, but dis-ease. We find that workers' wages are stagnant, some of them slipping. And we do not have that sense of growth. We do not find ourselves with that large reservoir of confidence that is rightfully American. What should we do? Where are we? People feel that we are adrift.

We have a forgotten middle class. It has been detected in the Presidential campaigns. It has been understood by people who have been out among the voters. You and I have detected it when we have talked to folks. They feel like there is a flatness, there is a staleness.

You feel like there has not been any growth. Then you begin to look for a reason. All of a sudden it becomes apparent. The Commerce Department of the U.S. Government last week told us about growth. It told us about the growth in the amount of taxes that government has been taking from individuals. It told us that we have reached an all-time high in terms of the taxes that individuals are paying. We tax people more now in America than we have taxed them at any time in history. We tax people more than we taxed them to fight the war in Vietnam, to win the Second World War. We tax people more now than we taxed them to spend our way out of the Great Depression. We made the world safe for democracy in World War I taxing people a lot less than we tax people now.

It is beginning to dawn on America, on citizens, that we have had growth in taxes but we have not had growth in wages. People are beginning to understand that what you choose to spend by government you cannot choose to spend as individuals. The Government has stolen the increase in wages from people, the working people of the United States, for the last several years. The tax increases of this decade, including the 1993 tax increase of President Clinton, the largest tax increase in the history of America, has literally siphoned off the pay increase, the take-home pay addition that people would have had in the United States. It is time for us to understand that high taxes have hurt the ability of people to have more take-home pay.

I would like to correct this. I think we ought to correct this. I think it is time for us to give people back the taxes which we took from them. It is time for us to restore to the American people the wage increases which have been stolen by Government. So it is my privilege today to introduce a measure, which I think is important to millions and millions of working Americans.

I want to introduce the Working Americans Wage Restoration Act. This measure is a measure which is designed to increase the take-home pay of well over 77 million working Americans. It is a measure which would say that individuals, when they pay their Social Security taxes, have a right to deduct that tax payment from their income taxes. The payroll taxes, the Social Security taxes, would continue to be paid. There is nothing in this measure which would impair the Social Security trust fund. But right now American workers are being taxed on a tax. They pay their Social Security taxes but they also have to pay income tax on the money they use to pay their Social Security tax. A tax on a tax is something America has never long tolerated. It is time for us to say that we will not double tax American workers in this way.

It is especially egregious, it is especially aggravating, it is a special affront to the American people to say to them that you have to pay this tax on a tax. Half the tax is paid by people, the other half is paid by corporations. And, guess what, corporations do not pay a tax on a tax. Corporations can deduct from their income tax the amount of Social Security tax they pay as a part of the payroll tax.

So it is time for us to provide equity to the American people. For most Americans, the payroll tax is the most substantial of all taxes. So my proposal, which I send to the desk, is a proposal to eliminate the tax on this tax. Mr. President, I submit a bill for filing today at this time.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. ASHCROFT. Mr. President, this bill has endorsements of a wide variety of groups and individuals. Jack Kemp, who was the chairman of the Tax Reform Commission, appointed by our leader, has endorsed this. It was a part of the Commission report. Carroll Campbell, of the Tax Reform Commission; Grover Norquist, Americans for Tax Reform; David Keating, National Taxpayers Union; David Keene and Bill Pascoe, American Conservative Union; Steve Moore, Cato Institute; Jack Faris, NFIB; Steve Entin, of IRET; Aldona Robbins, Fiscal Associates; Tom Schatz, of Citizens Against Government Waste; Jim Carter, of the RNC; Greg Conko, of Competitive Enterprise Institute; Paul Huard, National Association of Manufacturers; Paul Beckner, Nancy Mitchell, and Decy Gray, Citizens for a Sound Economy; Beau Boulter, of the United Seniors Association, has endorsed this; Karen Kerrigan, of the Small Business Survival Committee; J. D. Foster, of the Tax Foundation; David L. Thompson, the Business Leadership Council—all have endorsed this matter, and we are grateful for their endorsements.

This matter is cosponsored in the Senate by Senators LOTT, DEWINE, MACK, HATCH, SMITH, CRAIG, and SHELBY and sponsored in the House by Congressman NETHERCUTT, cosponsored by Congressmen CRANE, HOSTETTLER and Congresswoman DUNN. I thank all of these people, along with Gordon Jones, of the Seniors Coalition, for their participation in promoting this important idea.

Mr. President, I yield the floor.

Mr. CRAIG. Mr. President, I am pleased to join my colleague from Missouri, JOHN ASHCROFT, in the introduction of this legislation, and I thank him for the thoughtfulness and, most important, the foresightedness that I think this legislation represents.

The Senator spoke well when he said Americans will not for long tolerate double taxation, and it is unique in the area of Social Security taxes that we allow corporate America, in their partnering in this tax, to deduct it, but we do not allow the individual who must pay that tax do so. So, as a result of the first $62,700 of income, the individual is, in essence, double taxed.

My colleague from Missouri today has introduced legislation in essence saying that the time of that fallacy is over and that, if we really want to restore the wage-earning capability of the American worker, we should let them keep the money they have earned, and we do so with this legislation today. For a typical two-income family—and most families are becoming that now—the Federal income tax liability would be dropped by more than $1,000.

Here we are at this moment on the floor of the Senate trying to resolve the issue of a Federal gas tax that pulls billions of dollars out of the pocketbook of the American taxpayer. We have seen a frustration expressed by working men and women in this country for the last several years that they just do not get ahead. They keep getting a salary increase, but nothing comes home, which does not translate into money in the back pocket or money to buy the new car or money to help finance their children's education or money to improve their lifestyle in some form.

In fact, out of all that frustration, and while our President talks about a strong economy, it is an economy that is just millions of jobs less strong than it ought to be for the very reason that the Senator from Missouri has so articulately spoken: the dragdown, if you will, of the ability of the American producers, working men and women, to retain that which they work so hard for and, therefore, to collect it, to put it in savings, if they will, to spend it for their own purposes, to provide for their children.

In other words, the American dream does not quite seem to be as clear as it used to be. I suggest, Mr. President, that one of the reasons is this kind of Government intrusion, if you will, double taxation. The legislation, the Working Americans Wage Restoration Act, introduced today by my colleague, JOHN ASHCROFT, that I have cosponsored along with others, in my opinion, begins to, once again, brighten the American dream.

It is part of what we are here on the floor debating today. Some of our colleagues argue that the way you solve the human crisis in this country, no matter how that crisis is defined, is to bring about a Government program. I suggest that most Americans in our country today can solve their own crises if they simply have the tools of solution. One of the great tools of solution for problem solving is the ability to retain your own earnings so you can spend it for yourself and your family to improve your lot in society or to correct a problem that has somehow gone wrong.

This legislation offers that opportunity, and I hope that it gets heard, gets debated. I relish an opportunity for the Senate to debate it and vote upon it.

Mr. President, as we will in the next little while decide whether this Senate is going to vote on a gas tax repeal or whether we are going to find some loophole, as the other side now struggles to do to argue that this is no good, is going to be a unique challenge for all of us.

Like you, I did not vote for this gas tax increase. I am a Westerner, and I recognize the kind of burden you place on somebody who must commute the long miles in the West, or the farmer or rancher who uses fuel as a tremendous tool of their production, and we lessen their ability to profit when we increase the cost of their tools, their tools of incomemaking, if you will.

That is part of what this debate is all about. But the idea that we would use a gas tax, which we have traditionally directed toward roads and bridges and improving the transportation of our country and, therefore, improving the ability of this economy to expand that my colleague from Missouri talks about—the business of growth in the economy should be the business of Government not getting in the way but staying out of the way and promoting that growth. The gas tax has been one that always has. It has promoted growth in the economy by the building of roads and bridges and allowing the kind of flow of labor that has been the hallmark of our society.

But this President, President Clinton, said, "I need that money to pay for social programs," even when in 1992, Candidate Clinton said, "I won't increase the gas tax. It's the wrong kind of thing to do. It does not allow the economy to grow and expand."

But of course, promises made, promises broken, tax increase, billions of dollars now pouring out of the economy of our country and into the hands of Government to be spent in social programs.

Is it a big part of the gas increase, the fuel costs that consumers are about today? No, it is not, but it is an important issue to be debated and voted upon to return not only the gas tax to its traditional use but to reduce the overall ability of Government to spend and to expand programs.

You are going to hear more talk today, as you have had for the last several days, that somehow this does damage to Government. I suggest you just cut the spending of Government in direct relation to the amount of revenue that will remain not as a tax but as an income to the consumer in the consumer's pocket.

Right now, every time that consumer pulls up to a gas pump, sticks the nozzle in the tank of their car, they see a tremendous outpouring from the pocketbook.

So, if we were to pass legislation of the kind just introduced by my colleague from Missouri, if we were to repeal the gas tax and allow that to remain in the pocket of the consumer, we would see the kind of growth and job creation in our economy that we have not seen, that cannot be talked about by this administration because of the taxes that have been pushed through stifling the overall ability of that economy to grow.

Growth, progrowth, work incentives, 500,000 new jobs possibly created by the legislation of the Senator from Missouri, that two-income family being able to retain more of their income, $1,000-plus a year—that is the type of thing this Congress ought to be talking about and doing something about instead of talking about, "Oh, my goodness, this takes away from our ability to spend. We might have to reduce this program or that program."

Mr. President, we just left tax freedom day. We just said to the American taxpayer, "Today is the day when you've paid your taxes, and you can start earning for yourself." Last week I stood on the floor of the Senate and said that the first 3 hours of every working day the taxpayer, or the worker, spent their time working for Government, both at the State and Federal level.

Somehow that must change if we are to get the kind of productivity in our economy, job creation and self-wellbeing to once again brighten the American dream instead of progressively dimming it, as Government can so successfully do if it constantly takes away from the individuals their ability to earn, save, invest, retain, provide for themselves and their families.

So I thank my colleague from Missouri for his insightfulness and innovativeness in proposing this legislation. I hope that in the coming year this becomes a major part of what this Congress is about and what this Senate is about in providing for the American people.

By Mr. SPECTER (for himself and Mr. SANTORUM)

S. 1742. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to exempt minor parties from liability under the act, and for other purposes; to the Committee on Environment and Public Works.

THE SUPERFUND MINOR PARTY LIABILITY RELIEF ACT OF 1996

Mr. SPECTER. Mr. President, today I am introducing legislation to expedite the cleanup of our Nation's toxic waste sites. My bill, the Superfund Minor Party Liability Relief Act, would exempt minor parties that contribute insignificant levels of waste to such sites from liability under the Superfund law. This will reduce the litigation brought by the primary polluters of toxic waste sites and reduce the current delays in cleaning up the sites.

Since the 1980 enactment of the Superfund law, 1,321 sites have been placed on the National Priorities List. I find it disturbing, however, that 16 years later only 83 sites have been cleaned up and removed from the list. I am also troubled by a recent report issued by the RAND Corp. which found that transaction costs for industrial firms and insurance companies, representing primarily legal fees, account for up to 88 percent of their total Superfund-related expenses.

Pennsylvania has 110 Superfund sites, many of which have been on the National Priorities List for years. The Congressional Budget Office estimates the average cleanup time for Superfund sites to be approximately 12 years. One such site, the Keystone Sanitation landfill, located in Adams County, PA, was added to the National Priorities List July 22, 1987. The Environmental Protection Agency selected the remedy for cleaning up the site in 1990. The site, however, remains contaminated as a multitude of minor party defendants with little or no responsibility for the environmental contamination of the site are forced to litigate to protect their rights and the courts are tied up with endless motions and appeals.

I am concerned with the impact of such a delay on the adults and children who live and play in close proximity to the Keystone site. The site continues to be a source of ground water contamination, which, if left untreated, will continue to threaten the health and safety of local residents.

This legislation would reduce such delays in remediating toxic waste sites by forcing the primary parties responsible for the pollution to focus on restoring sites to a safe condition instead of using their resources to shift blame to the multitude of minor contributors of negligible amount of waste. My bill will reduce the waste of money and time by exempting minor parties from liability at the outset, when a site is selected for the National Priorities List. This should expedite the legal proceedings and encourage major polluters to work constructively with federal, state, and local governments on actual cleanup.

Specifically, this bill would exempt from liability those minor parties who have only contributed up to 110 gallons of liquid material or up to 200 pounds of solid material to a contaminated site. This exemption, however, would not apply to parties considered to have contributed significantly to a site's contamination. Thus, on Superfund sites containing tens of thousands of gallons of liquid contamination, or tons of solid hazardous waste, we would narrow the litigation field to only the significant parties. I am willing to examine whether or not these are the appropriate levels, but I am advised by some of the litigants involved in Pennsylvania Superfund cleanups that such relief will go a long way toward alleviating the undue burden they currently face.

It is unclear whether Congress will finally enact comprehensive Superfund reform legislation this year. Therefore, I urge my colleagues, many of whom represent communities with similar situations, to consider passing this important commonsense reform. There is a broad consensus among the American people that we ought to alleviate the unfair cost burden placed on small businesses and cash strapped municipalities by ensuring that the parties most responsible for the existence of toxic waste sites are the ones responsible for remediating the sites. I believe this bill will go a long way toward simplifying and expediting the Superfund cleanup process and I encourage my colleagues to support this legislation.

ADDITIONAL COSPONSORS

S. 684

At the request of Mr. HATFIELD, the names of the Senator from Maryland [Mr. SARBANES] and the Senator from Arizona [Mr. MCCAIN] were added as cosponsors of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 1144

At the request of Mr. MURKOWSKI, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1144, a bill to reform and enhance the management of the National Park System, and for other purposes.

S. 1145

At the request of Mr. FAIRCLOTH, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 1145, a bill to abolish the Department of Housing and Urban Development and provide for reducing Federal spending for housing and community development activities by consolidating and eliminating programs, and for other purposes.

S. 1419

At the request of Mrs. KASSEBAUM, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 1419, a bill to impose sanctions against Nigeria.

S. 1487

At the request of Mr. GRAMM, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1487, a bill to establish a demonstration project to provide that the Department of Defense may receive Medicare reimbursement for health care services provided to certain Medicare-eligible covered military beneficiaries.

S. 1578

At the request of Mr. FRIST, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Hawaii [Mr. INOUYE], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 1578, a bill to amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

S. 1610

At the request of Mr. BOND, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 1610, a bill to amend the Internal Revenue Code of 1986 to clarify the standards used for determining whether individuals are not employees.

S. 1639

At the request of Mr. DOLE, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1639, a bill to require the Secretary of Defense and the Secretary of Health and Human Services to carry out a demonstration project to provide the Department of Defense with reimbursement from the Medicare Program for health care services provided to Medicare-eligible beneficiaries under TRICARE.

S. 1657

At the request of Mr. FAIRCLOTH, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 1657, a bill requiring the Secretary of the Treasury to make recommendations for reducing the national debt.

S. 1740

At the request of Mr. NICKLES, the names of the Senator from Indiana [Mr. COATS], the Senator from North Carolina [Mr. HELMS], the Senator from Oklahoma [Mr. INHOFE], and the Senator from North Carolina [Mr. FAIRCLOTH] were added as cosponsors of S. 1740, a bill to define and protect the institution of marriage.

SENATE CONCURRENT RESOLUTION 42

At the request of Mrs. KASSEBAUM, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of Senate Concurrent Resolution 42, a concurrent resolution concerning the emancipation of the Iranian Baha'i community.

SENATE RESOLUTION 226

At the request of Mr. DOMENICI, the names of the Senator from Montana [Mr. BURNS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Vermont [Mr. JEFFORDS], the Senator from Oklahoma [Mr. INHOFE], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of Senate Resolution 226, a resolution to proclaim the week of October 13 through October 19, 1996, as "National Character Counts Week."

AMENDMENTS SUBMITTED

THE WHITE HOUSE TRAVEL OFFICE EXPENSES AND FEES REIMBURSEMENT ACT

DOLE AMENDMENT NO. 3961

Mr. DOLE proposed an amendment to amendment No. 3955 proposed by him to the bill (H.R. 2937) for the reimbursement of legal expenses and related fees incurred by former employees of the White House Travel Office with respect to the termination of their employment in that Office on May 19, 1993; as follows:

Strike the word "enactment" and insert the following:

TITLE —FUEL TAX RATES

SEC. . REPEAL OF 4.3-CENT INCREASE IN FUEL TAX RATES ENACTED BY THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993 AND DEDICATED TO GENERAL FUND OF THE TREASURY.

(a) IN GENERAL.—Section 4081 of the Internal Revenue Code of 1986 (relating to imposition of tax on gasoline and diesel fuel) is amended by adding at the end the following new subsection:

"(f) REPEAL OF 4.3-CENT INCREASE IN FUEL TAX RATES ENACTED BY THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993 AND DEDICATED TO GENERAL FUND OF THE TREASURY.—

"(1) IN GENERAL.—During the applicable period, each rate of tax referred to in paragraph (2) shall be reduced by 4.3 cents per gallon.

"(2) RATES OF TAX.—The rates of tax referred to in this paragraph are the rates of tax otherwise applicable under—

"(A) subsection (a)(2)(A) (relating to gasoline and diesel fuel),

"(B) sections 4091(b)(3)(A) and 4092(b)(2) (relating to aviation fuel),

"(C) section 4042(b)(2)(C) (relating to fuel used on inland waterways),

"(D) paragraph (1) or (2) of section 4041(a) (relating to diesel fuel and special fuels),

"(E) section 4041(c)(2) (relating to gasoline used in noncommercial aviation), and

"(F) section 4041(m)(1)(A)(i) (relating to certain methanol or ethanol fuels).

"(3) COMPARABLE TREATMENT FOR COMPRESSED NATURAL GAS.—No tax shall be imposed by section 4041(a)(3) on any sale or use during the applicable period.

"(4) COMPARABLE TREATMENT UNDER CERTAIN REFUND RULES.—In the case of fuel on which tax is imposed during the applicable period, each of the rates specified in sections 6421(f)(2)(B), 6421(f)(3)(B)(ii), 6427(b)(2)(A), 6427(l)(3)(B)(ii), and 6427(l)(4)(B) shall be reduced by 4.3 cents per gallon.

"(5) COORDINATION WITH HIGHWAY TRUST FUND DEPOSITS.—In the case of fuel on which tax is imposed during the applicable period, each of the rates specified in subparagraphs (A)(i) and (C)(i) of section 9503(f)(3) shall be reduced by 4.3 cents per gallon.

"(6) APPLICABLE PERIOD.—For purposes of this subsection, the term 'applicable period' means the period after the 6th day after the date of the enactment of this subsection and before January 1, 1997."

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 3. FLOOR STOCK REFUNDS.

(a) IN GENERAL.—If—

(1) before the tax repeal date, tax has been imposed under section 4081 or 4091 of the Internal Revenue Code of 1986 on any liquid, and

(2) on such date such liquid is held by a dealer and has not been used and is intended for sale,

there shall be credited or refunded (without interest) to the person who paid such tax (hereafter in this section referred to as the "taxpayer") an amount equal to the excess of the tax paid by the taxpayer over the amount of such tax which would be imposed on such liquid had the taxable event occurred on such date.

(b) TIME FOR FILING CLAIMS.—No credit or refund shall be allowed or made under this section unless—

(1) claim therefor is filed with the Secretary of the Treasury before the date which is 6 months after the tax repeal date, and

(2) in any case where liquid is held by a dealer (other than the taxpayer) on the tax repeal date—

(A) the dealer submits a request for refund or credit to the taxpayer before the date which is 3 months after the tax repeal date, and

(B) the taxpayer has repaid or agreed to repay the amount so claimed to such dealer or has obtained the written consent of such dealer to the allowance of the credit or the making of the refund.

(c) EXCEPTION FOR FUEL HELD IN RETAIL STOCKS.—No credit or refund shall be allowed under this section with respect to any liquid in retail stocks held at the place where intended to be sold at retail.

(d) DEFINITIONS.—For purposes of this section—

(1) the terms "dealer" and "held by a dealer" have the respective meanings given to such terms by section 6412 of such Code; except that the term "dealer" includes a producer, and

(2) the term "tax repeal date" means the 7th day after the date of the enactment of this Act.

(e) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (b) and (c) of section 6412 of such Code shall apply for purposes of this section.

SEC. 4. FLOOR STOCKS TAX.

(a) IMPOSITION OF TAX.—In the case of any liquid on which tax was imposed under section 4081 or 4091 of the Internal Revenue Code of 1986 before January 1, 1997, and which is held on such date by any person, there is hereby imposed a floor stocks tax of 4.3 cents per gallon.

(b) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(1) LIABILITY FOR TAX.—A person holding a liquid on January 1, 1997, to which the tax imposed by subsection (a) applies shall be liable for such tax.

(2) METHOD OF PAYMENT.—The tax imposed by subsection (a) shall be paid in such manner as the Secretary shall prescribe.

(3) TIME FOR PAYMENT.—The tax imposed by subsection (a) shall be paid on or before June 30, 1997.

(c) DEFINITIONS.—For purposes of this section—

(1) HELD BY A PERSON.—A liquid shall be considered as "held by a person" if title thereto has passed to such person (whether or not delivery to the person has been made).

(2) GASOLINE AND DIESEL FUEL.—The terms "gasoline" and "diesel fuel" have the respective meanings given such terms by section 4083 of such Code.

(3) AVIATION FUEL.—The term "aviation fuel" has the meaning given such term by section 4093 of such Code.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Treasury or his delegate.

(d) EXCEPTION FOR EXEMPT USES.—The tax imposed by subsection (a) shall not apply to gasoline, diesel fuel, or aviation fuel held by any person exclusively for any use to the extent a credit or refund of the tax imposed by section 4081 or 4091 of such Code is allowable for such use.

(e) EXCEPTION FOR FUEL HELD IN VEHICLE TANK.—No tax shall be imposed by subsection (a) on gasoline or diesel fuel held in the tank of a motor vehicle or motorboat.

(f) EXCEPTION FOR CERTAIN AMOUNTS OF FUEL.—

(1) IN GENERAL.—No tax shall be imposed by subsection (a)—

(A) on gasoline held on January 1, 1997, by any person if the aggregate amount of gasoline held by such person on such date does not exceed 4,000 gallons, and

(B) on diesel fuel or aviation fuel held on such date by any person if the aggregate amount of diesel fuel or aviation fuel held by such person on such date does not exceed 2,000 gallons.

The preceding sentence shall apply only if such person submits to the Secretary (at the time and in the manner required by the Secretary) such information as the Secretary shall require for purposes of this paragraph.

(2) EXEMPT FUEL.—For purposes of paragraph (1), there shall not be taken into account fuel held by any person which is exempt from the tax imposed by subsection (a) by reason of subsection (d) or (e).

(3) CONTROLLED GROUPS.—For purposes of this subsection—

(A) CORPORATIONS.—

(i) IN GENERAL.—All persons treated as a controlled group shall be treated as 1 person.

(ii) CONTROLLED GROUP.—The term "controlled group" has the meaning given to such term by subsection (a) of section 1563 of such Code; except that for such purposes the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in such subsection.

(B) NONINCORPORATED PERSONS UNDER COMMON CONTROL.—Under regulations prescribed by the Secretary, principles similar to the principles of subparagraph (A) shall apply to a group of persons under common control where 1 or more of such persons is not a corporation.

(g) OTHER LAW APPLICABLE.—All provisions of law, including penalties, applicable with respect to the taxes imposed by section 4081 of such Code in the case of gasoline and diesel fuel and section 4091 of such Code in the case of aviation fuel shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock taxes imposed by subsection (a) to the same extent as if such taxes were imposed by such section 4081 or 4091.

SEC. 5. BENEFITS OF TAX REPEAL SHOULD BE PASSED ON TO CONSUMERS.

(a) PASSTHROUGH TO CONSUMERS.—

(1) SENSE OF CONGRESS.—It is the sense of Congress that—

(A) consumers immediately receive the benefit of the repeal of the 4.3-cent increase in the transportation motor fuels excise tax rates enacted by the Omnibus Budget Reconciliation Act of 1993, and

(B) transportation motor fuels producers and other dealers take such actions as necessary to reduce transportation motor fuels prices to reflect the repeal of such tax increase, including immediate credits to customer accounts representing tax refunds allowed as credits against excise tax deposit payments under the floor stocks refund provisions of this Act.

(2) STUDY.—

(A) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the repeal of the 4.3-cent increase in the fuel tax imposed by the Omnibus Budget Reconciliation of 1993 to determine whether there has been a passthrough of such repeal.

(B) REPORT.—Not later than January 31, 1997, the Comptroller General of the United States shall report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives the results of the study conducted under subparagraph (A).

SEC. ___. AUTHORIZATION OF APPROPRIATIONS FOR EXPENSES OF ADMINISTRATION OF THE DEPARTMENT OF ENERGY.

Section 660 of the Department of Energy Organization Act (42 U.S.C. 7270) is amended—

(1) by inserting "(a) IN GENERAL.—" before "APPROPRIATIONS"; and

(2) by adding at the end the following:

"(b) FISCAL YEARS 1997 THROUGH 2002.—There are authorized to be appropriated for salaries and expenses of the Department of Energy for departmental administration and other activities in carrying out the purposes of this Act—

"(1) $104,000,000 for fiscal year 1997;

"(2) $104,000,000 for fiscal year 1998;

"(3) $100,000,000 for fiscal year 1999;

"(4) $90,000,000 for fiscal year 2000;

"(5) $90,000,000 for fiscal year 2001; and

"(6) $90,000,000 for fiscal year 2002.".

SPECTRUM AUCTION

SEC. . SPECTRUM AUCTIONS.

(a) COMMISSION OBLIGATION TO MAKE ADDITIONAL SPECTRUM AVAILABLE BY AUCTION.—

(1) IN GENERAL.—The Federal Communications Commission shall complete all actions necessary to permit the assignment, by March 31, 1998, by competitive bidding pursuant to section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) of licenses for the use of bands of frequencies that—

(A) individually span not less than 12.5 megahertz, unless a combination of smaller bands can, notwithstanding the provisions of paragraph (7) of such section, reasonably be expected to produce greater receipts;

(B) in the aggregate span not less than 25 megahertz;

(C) are located below 3 gigahertz; and

(D) have not, as of the date of enactment of this Act—

(i) been assigned or designated by Commission regulation for assignment pursuant to such section;

(ii) been identified by the Secretary of Commerce pursuant to section 113 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923); or

(iii) reserved for Federal Government use pursuant to section 305 of the Communications Act of 1934 (47 U.S.C. 305).

(2) CRITERIA FOR REASSIGNMENT.—In making available bands of frequencies for competitive bidding pursuant to paragraph (1), the Commission shall—

(A) seek to promote the most efficient use of the spectrum;

(B) take into account the cost to incumbent licensees of relocating existing uses to other bands of frequencies or other means of communication;

(C) take into account the needs of public safety radio services;

(D) comply with the requirements of international agreements concerning spectrum allocations; and

(E) take into account the costs to satellite service providers that could result from multiple auctions of like spectrum internationally for global satellite systems.

(b) FEDERAL COMMUNICATIONS COMMISSION MAY NOT TREAT THIS SECTION AS CONGRESSIONAL ACTION FOR CERTAIN PURPOSES.—The Federal Communication Commission may not treat the enactment of this Act or the inclusion of this section in this Act as an expression of the intent of Congress with respect to the award of initial licenses of construction permits for Advanced Television Services, as described by the Commission in its letter of February 1, 1996, to the Chairman of the Senate Committee on Commerce, Science, and Transportation.

TITLE I—BANKING, HOUSING, AND RELATED PROVISIONS

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TITLE I—BANKING, HOUSING, AND RELATED PROVISIONS

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SEC. 1011. SPECIAL ASSESSMENT TO CAPITALIZE SAIF.

(a) IN GENERAL.—Except as provided in subsection (f), the Board of Directors shall impose a special assessment on the SAIF-assessable deposits of each insured depository institution at a rate applicable to all such institutions that the Board of Directors, in its sole discretion, determines (after taking into account the adjustments described in subsections (g) through (j)) will cause the Savings Association Insurance Fund to achieve the designated reserve ratio on March 31, 1996.

(b) FACTORS TO BE CONSIDERED.—In carrying out subsection (a), the Board of Directors shall base its determination on—

(1) the monthly Savings Association Insurance Fund balance most recently calculated;

(2) data on insured deposits reported in the most recent reports of condition filed not later than 70 days before the date of enactment of this Act by insured depository institutions; and

(3) any other factors that the Board of Directors deems appropriate.

(c) DATE OF DETERMINATION.—For purposes of subsection (a), the amount of the SAIF-assessable deposits of an insured depository institution shall be determined as of March 31, 1995.

(d) DATE PAYMENT DUE.—The special assessment imposed under this section shall be paid to the Corporation not later than 60 days after the date of enactment of this Act.

(e) ASSESSMENT DEPOSITED IN SAIF.—Notwithstanding any other provision of law, the proceeds of the special assessment imposed under this section shall be deposited in the Savings Association Insurance Fund.

(f) EXEMPTIONS FOR CERTAIN INSTITUTIONS.—

(1) EXEMPTION FOR WEAK INSTITUTIONS.—

(A) IN GENERAL.—The Board of Directors may, by order, in its sole discretion, exempt any insured depository institution that the Board of Directors determines to be weak, from paying the special assessment imposed under this section if the Board of Directors determines that the exemption would reduce risk to the Savings Association Insurance Fund.

(B) GUIDELINES REQUIRED.—Not later than 30 days after the date of enactment of this Act, the Board of Directors shall prescribe guidelines setting forth the criteria that the Board of Directors will use in exempting institutions under subparagraph (A). Such guidelines shall be published in the Federal Register.

(2) EXEMPTION FOR CERTAIN NEWLY CHARTERED AND OTHER DEFINED INSTITUTIONS.—

(A) IN GENERAL.—In addition to the institutions exempted from paying the special assessment under paragraph (1), the Board of Directors shall exempt any insured depository institution from payment of the special assessment if the institution—

(i) was in existence on October 1, 1995, and held no SAIF-assessable deposits prior to January 1, 1993;

(ii) is a Federal savings bank which—

(I) was established de novo in April 1994 in order to acquire the deposits of a savings association which was in default or in danger of default; and

(II) received minority interim capital assistance from the Resolution Trust Corporation under section 21A(w) of the Federal Home Loan Bank Act in connection with the acquisition of any such savings association; or

(iii) is a savings association, the deposits of which are insured by the Savings Association Insurance Fund, which—

(I) prior to January 1, 1987, was chartered as a Federal savings bank insured by the Federal Savings and Loan Insurance Corporation for the purpose of acquiring all or substantially all of the assets and assuming all or substantially all of the deposit liabilities of a national bank in a transaction consummated after July 1, 1986; and

(II) as of the date of that transaction, had assets of less than $150,000,000.

(B) DEFINITION.—For purposes of this paragraph, an institution shall be deemed to have held SAIF-assessable deposits prior to January 1, 1993, if—

(i) it directly held SAIF-assessable insured deposits prior to that date; or

(ii) it succeeded to, acquired, purchased, or otherwise holds any SAIF-assessable deposits as of the date of enactment of this Act that were SAIF-assessable deposits prior to January 1, 1993.

(3) EXEMPT INSTITUTIONS REQUIRED TO PAY ASSESSMENTS AT FORMER RATES.—

(A) PAYMENTS TO SAIF AND DIF.—Any insured depository institution that the Board of Directors exempts under this subsection from paying the special assessment imposed under this section shall pay semiannual assessments—

(i) during calendar years 1996 and 1997, into the Savings Association Insurance Fund, based on SAIF-assessable deposits of that institution, at assessment rates calculated under the schedule in effect for Savings Association Insurance Fund members on June 30, 1995; and

(ii) during calendar years 1998 and 1999—

(I) into the Deposit Insurance Fund, based on SAIF-assessable deposits of that institution as of December 31, 1997, at assessment rates calculated under the schedule in effect for Savings Association Insurance Fund members on June 30, 1995; or

(II) in accordance with clause (i), if the Bank Insurance Fund and the Savings Association Insurance Fund are not merged into the Deposit Insurance Fund.

(B) OPTIONAL PRO RATA PAYMENT OF SPECIAL ASSESSMENT.—This paragraph shall not apply with respect to any insured depository institution (or successor insured depository institution) that has paid, during any calendar year from 1997 through 1999, upon such terms as the Corporation may announce, an amount equal to the product of—

(i) 12.5 percent of the special assessment that the institution would have been required to pay under subsection (a), if the Board of Directors had not exempted the institution; and

(ii) the number of full semiannual periods remaining between the date of the payment and December 31, 1999.

(g) SPECIAL ELECTION FOR CERTAIN INSTITUTIONS FACING HARDSHIP AS A RESULT OF THE SPECIAL ASSESSMENT.—

(1) ELECTION AUTHORIZED.—If—

(A) an insured depository institution, or any depository institution holding company which, directly or indirectly, controls such institution, is subject to terms or covenants in any debt obligation or preferred stock outstanding on September 13, 1995; and

(B) the payment of the special assessment under subsection (a) would pose a significant risk of causing such depository institution or holding company to default or violate any such term or covenant,

the depository institution may elect, with the approval of the Corporation, to pay such special assessment in accordance with paragraphs (2) and (3) in lieu of paying such assessment in the manner required under subsection (a).

(2) 1ST ASSESSMENT.—An insured depository institution which makes an election under paragraph (1) shall pay an assessment of 50 percent of the amount of the special assessment that would otherwise apply under subsection (a), by the date on which such special assessment is otherwise due under subsection (d).

(3) 2D ASSESSMENT.—An insured depository institution which makes an election under paragraph (1) shall pay a 2d assessment, by the date established by the Board of Directors in accordance with paragraph (4), in an amount equal to the product of 51 percent of the rate determined by the Board of Directors under subsection (a) for determining the amount of the special assessment and the SAIF-assessable deposits of the institution on March 31, 1996, or such other date in calendar year 1996 as the Board of Directors determines to be appropriate.

(4) DUE DATE OF 2D ASSESSMENT.—The date established by the Board of Directors for the payment of the assessment under paragraph (3) by a depository institution shall be the earliest practicable date which the Board of Directors determines to be appropriate, which is at least 15 days after the date used by the Board of Directors under paragraph (3).

(5) SUPPLEMENTAL SPECIAL ASSESSMENT.—An insured depository institution which makes an election under paragraph (1) shall pay a supplemental special assessment, at the same time the payment under paragraph (3) is made, in an amount equal to the product of—

(A) 50 percent of the rate determined by the Board of Directors under subsection (a) for determining the amount of the special assessment; and

(B) 95 percent of the amount by which the SAIF-assessable deposits used by the Board of Directors for determining the amount of the 1st assessment under paragraph (2) exceeds, if any, the SAIF-assessable deposits used by the Board for determining the amount of the 2d assessment under paragraph (3).

(h) ADJUSTMENT OF SPECIAL ASSESSMENT FOR CERTAIN BANK INSURANCE FUND MEMBER BANKS.—

(1) IN GENERAL.—For purposes of computing the special assessment imposed under this section with respect to a Bank Insurance Fund member bank, the amount of any deposits of any insured depository institution which section 5(d)(3) of the Federal Deposit Insurance Act treats as insured by the Savings Association Insurance Fund shall be reduced by 20 percent—

(A) if the adjusted attributable deposit amount of the Bank Insurance Fund member bank is less than 50 percent of the total domestic deposits of that member bank as of June 30, 1995; or

(B) if, as of June 30, 1995, the Bank Insurance Fund member—

(i) had an adjusted attributable deposit amount equal to less than 75 percent of the total assessable deposits of that member bank;

(ii) had total assessable deposits greater than $5,000,000,000; and

(iii) was owned or controlled by a bank holding company that owned or controlled insured depository institutions having an aggregate amount of deposits insured or treated as insured by the Bank Insurance Fund greater than the aggregate amount of deposits insured or treated as insured by the Savings Association Insurance Fund.

(2) ADJUSTED ATTRIBUTABLE DEPOSIT AMOUNT.—For purposes of this subsection, the "adjusted attributable deposit amount" shall be determined in accordance with section 5(d)(3)(C) of the Federal Deposit Insurance Act.

(i) ADJUSTMENT TO THE ADJUSTED ATTRIBUTABLE DEPOSIT AMOUNT FOR CERTAIN BANK INSURANCE FUND MEMBER BANKS.—Section 5(d)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1815(d)(3)) is amended—

(1) in subparagraph (C), by striking "The adjusted attributable deposit amount" and inserting "Except as provided in subparagraph (K), the adjusted attributable deposit amount"; and

(2) by adding at the end the following new subparagraph:

"(K) ADJUSTMENT OF ADJUSTED ATTRIBUTABLE DEPOSIT AMOUNT.—The amount determined under subparagraph (C)(i) for deposits acquired by March 31, 1995, shall be reduced by 20 percent for purposes of computing the adjusted attributable deposit amount for the payment of any assessment for any semiannual period after December 31, 1995 (other than the special assessment imposed under section 1011(a) of the Balanced Budget Act of 1996), for a Bank Insurance Fund member bank that, as of June 30, 1995—

"(i) had an adjusted attributable deposit amount that was less than 50 percent of the total deposits of that member bank; or

"(ii)(I) had an adjusted attributable deposit amount equal to less than 75 percent of the total assessable deposits of that member bank;

"(II) had total assessable deposits greater than $5,000,000,000; and

"(III) was owned or controlled by a bank holding company that owned or controlled insured depository institutions having an aggregate amount of deposits insured or treated as insured by the Bank Insurance Fund greater than the aggregate amount of deposits insured or treated as insured by the Savings Association Insurance Fund.".

(j) ADJUSTMENT OF SPECIAL ASSESSMENT FOR CERTAIN SAVINGS ASSOCIATIONS.—

(1) SPECIAL ASSESSMENT REDUCTION.—For purposes of computing the special assessment imposed under this section, in the case of any converted association, the amount of any deposits of such association which were insured by the Savings Association Insurance Fund as of March 31, 1995, shall be reduced by 20 percent.

(2) CONVERTED ASSOCIATION.—For purposes of this subsection, the term "converted association" means—

(A) any Federal savings association—

(i) that is a member of the Savings Association Insurance Fund and that has deposits subject to assessment by that fund which did not exceed $4,000,000,000, as of March 31, 1995; and

(ii) that had been, or is a successor by merger, acquisition, or otherwise to an institution that had been, a State savings bank, the deposits of which were insured by the Federal Deposit Insurance Corporation prior to August 9, 1989, that converted to a Federal savings association pursuant to section 5(i) of the Home Owners' Loan Act prior to January 1, 1985;

(B) a State depository institution that is a member of the Savings Association Insurance Fund that had been a State savings bank prior to October 15, 1982, and was a Federal savings association on August 9, 1989;

(C) an insured bank that—

(i) was established de novo in order to acquire the deposits of a savings association in default or in danger of default;

(ii) did not open for business before acquiring the deposits of such savings association; and

(iii) was a Savings Association Insurance Fund member as of the date of enactment of this Act; and

(D) an insured bank that—

(i) resulted from a savings association before December 19, 1991, in accordance with section 5(d)(2)(G) of the Federal Deposit Insurance Act; and

(ii) had an increase in its capital in conjunction with the conversion in an amount equal to more than 75 percent of the capital of the institution on the day before the date of the conversion.

SEC. 1012. FINANCING CORPORATION ASSESSMENTS SHARED PROPORTIONALLY BY ALL INSURED DEPOSITORY INSTITUTIONS.

(a) IN GENERAL.—Section 21 of the Federal Home Loan Bank Act (12 U.S.C. 1441) is amended—

(1) in subsection (f)(2)—

(A) in the matter immediately preceding subparagraph (A)—

(i) by striking "Savings Association Insurance Fund member" and inserting "insured depository institution"; and

(ii) by striking "members" and inserting "institutions"; and

(B) by striking ", except that—" and all that follows through the end of the paragraph and inserting ", except that—

"(A) the Financing Corporation shall have first priority to make the assessment; and

"(B) no limitation under clause (i) or (iii) of section 7(b)(2)(A) of the Federal Deposit Insurance Act shall apply for purposes of this paragraph."; and

(2) in subsection (k)—

(A) by striking "section—" and inserting "section, the following definitions shall apply:";

(B) by striking paragraph (1);

(C) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(D) by adding at the end the following new paragraph:

"(3) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act.".

(b) CONFORMING AMENDMENT.—Section 7(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)) is amended by striking subparagraph (D).

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on January 1, 1997.

SEC. 1013. MERGER OF BIF AND SAIF.

(a) IN GENERAL.—

(1) MERGER.—The Bank Insurance Fund and the Savings Association Insurance Fund shall be merged into the Deposit Insurance Fund established by section 11(a)(4) of the Federal Deposit Insurance Act, as amended by this section.

(2) DISPOSITION OF ASSETS AND LIABILITIES.—All assets and liabilities of the Bank Insurance Fund and the Savings Association Insurance Fund shall be transferred to the Deposit Insurance Fund.

(3) NO SEPARATE EXISTENCE.—The separate existence of the Bank Insurance Fund and the Savings Association Insurance Fund shall cease.

(b) SPECIAL RESERVE OF THE DEPOSIT INSURANCE FUND.—

(1) IN GENERAL.—Immediately before the merger of the Bank Insurance Fund and the Savings Association Insurance Fund, if the reserve ratio of the Savings Association Insurance Fund exceeds the designated reserve ratio, the amount by which that reserve ratio exceeds the designated reserve ratio shall be placed in the Special Reserve of the Deposit Insurance Fund, established under section 11(a)(5) of the Federal Deposit Insurance Act, as amended by this section.

(2) DEFINITION.—For purposes of this subsection, the term "reserve ratio" means the ratio of the net worth of the Savings Association Insurance Fund to aggregate estimated deposits insured by the Savings Association Insurance Fund.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on January 1, 1998, if no insured depository institution is a savings association on that date.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEPOSIT INSURANCE FUND.—Section 11(a)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)) is amended—

(A) by redesignating subparagraph (B) as subparagraph (C);

(B) by striking subparagraph (A) and inserting the following:

"(A) ESTABLISHMENT.—There is established the Deposit Insurance Fund, which the Corporation shall—

"(i) maintain and administer;

"(ii) use to carry out its insurance purposes in the manner provided by this subsection; and

"(iii) invest in accordance with section 13(a).

"(B) USES.—The Deposit Insurance Fund shall be available to the Corporation for use with respect to Deposit Insurance Fund members."; and

(C) by striking "(4) GENERAL PROVISIONS RELATING TO FUNDS.—" and inserting the following:

"(4) ESTABLISHMENT OF THE DEPOSIT INSURANCE FUND.—".

(2) OTHER REFERENCES.—Section 11(a)(4)(C) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)(C), as redesignated by paragraph (1) of this subsection) is amended by striking "Bank Insurance Fund and the Savings Association Insurance Fund" and inserting "Deposit Insurance Fund".

(3) DEPOSITS INTO FUND.—Section 11(a)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)) is amended by adding at the end the following new subparagraph:

"(D) DEPOSITS.—All amounts assessed against insured depository institutions by the Corporation shall be deposited in the Deposit Insurance Fund.".

(4) SPECIAL RESERVE OF DEPOSITS.—Section 11(a)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(5)) is amended to read as follows:

"(5) SPECIAL RESERVE OF DEPOSIT INSURANCE FUND.—

"(A) ESTABLISHMENT.—

"(i) IN GENERAL.—There is established a Special Reserve of the Deposit Insurance Fund, which shall be administered by the Corporation and shall be invested in accordance with section 13(a).

"(ii) LIMITATION.—The Corporation shall not provide any assessment credit, refund, or other payment from any amount in the Special Reserve.

"(B) EMERGENCY USE OF SPECIAL RESERVE.—Notwithstanding subparagraph (A)(ii), the Corporation may, in its sole discretion, transfer amounts from the Special Reserve to the Deposit Insurance Fund, for the purposes set forth in paragraph (4), only if—

"(i) the reserve ratio of the Deposit Insurance Fund is less than 50 percent of the designated reserve ratio; and

"(ii) the Corporation expects the reserve ratio of the Deposit Insurance Fund to remain at less than 50 percent of the designated reserve ratio for each of the next 4 calendar quarters.

"(C) EXCLUSION OF SPECIAL RESERVE IN CALCULATING RESERVE RATIO.—Notwithstanding any other provision of law, any amounts in the Special Reserve shall be excluded in calculating the reserve ratio of the Deposit Insurance Fund under section 7.".

(5) FEDERAL HOME LOAN BANK ACT.—Section 21B(f)(2)(C)(ii) of the Federal Home Loan Bank Act (12 U.S.C. 1441b(f)(2)(C)(ii)) is amended—

(A) in subclause (I), by striking "to Savings Associations Insurance Fund members" and inserting "to insured depository institutions, and their successors, which were Savings Association Insurance Fund members on September 1, 1995"; and

(B) in subclause (II), by striking "to Savings Associations Insurance Fund members" and inserting "to insured depository institutions, and their successors, which were Savings Association Insurance Fund members on September 1, 1995".

(6) REPEALS.—

(A) SECTION 3.—Section 3(y) of the Federal Deposit Insurance Act (12 U.S.C. 1813(y)) is amended to read as follows:

"(y) DEFINITIONS RELATING TO THE DEPOSIT INSURANCE FUND.—

"(1) DEPOSIT INSURANCE FUND.—The term 'Deposit Insurance Fund' means the fund established under section 11(a)(4).

"(2) RESERVE RATIO.—The term 'reserve ratio' means the ratio of the net worth of the Deposit Insurance Fund to aggregate estimated insured deposits held in all insured depository institutions.

"(3) DESIGNATED RESERVE RATIO.—The designated reserve ratio of the Deposit Insurance Fund for each year shall be—

"(A) 1.25 percent of estimated insured deposits; or

"(B) a higher percentage of estimated insured deposits that the Board of Directors determines to be justified for that year by circumstances raising a significant risk of substantial future losses to the fund.".

(B) SECTION 7.—Section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817) is amended—

(i) by striking subsection (*l*);

(ii) by redesignating subsections (m) and (n) as subsections (*l*) and (m), respectively;

(iii) in subsection (b)(2), by striking subparagraphs (B) and (F), and by redesignating subparagraphs (C), (E), (G), and (H) as subparagraphs (B) through (E), respectively.

(C) SECTION 11.—Section 11(a) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)) is amended—

(i) by striking paragraphs (6) and (7); and

(ii) by redesignating paragraph (8) as paragraph (6).

(7) SECTION 5136 OF THE REVISED STATUTES.—Paragraph Eleventh of section 5136 of the Revised Statutes (12 U.S.C. 24) is amended in the fifth sentence, by striking "affected deposit insurance fund" and inserting "Deposit Insurance Fund".

(8) INVESTMENTS PROMOTING PUBLIC WELFARE; LIMITATIONS ON AGGREGATE INVESTMENTS.—The 23d undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 338a) is amended in the fourth sentence, by striking "affected deposit insurance fund" and inserting "Deposit Insurance Fund".

(9) ADVANCES TO CRITICALLY UNDERCAPITALIZED DEPOSITORY INSTITUTIONS.—Section 10B(b)(3)(A)(ii) of the Federal Reserve Act (12 U.S.C. 347b(b)(3)(A)(ii)) is amended by striking "any deposit insurance fund in" and inserting "the Deposit Insurance Fund of".

(10) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended—

(A) by striking "Bank Insurance Fund" and inserting "Deposit Insurance Fund"; and

(B) by striking "Federal Deposit Insurance Corporation, Savings Association Insurance Fund;".

(11) FURTHER AMENDMENTS TO THE FEDERAL HOME LOAN BANK ACT.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended—

(A) in section 11(k) (12 U.S.C. 1431(k))—

(i) in the subsection heading, by striking "SAIF" and inserting "THE DEPOSIT INSURANCE FUND"; and

(ii) by striking "Savings Association Insurance Fund" each place such term appears and inserting "Deposit Insurance Fund";

(B) in section 21A(b)(4)(B) (12 U.S.C. 1441a(b)(4)(B)), by striking "affected deposit insurance fund" and inserting "Deposit Insurance Fund";

(C) in section 21A(b)(6)(B) (12 U.S.C. 1441a(b)(6)(B))—

(i) in the subparagraph heading, by striking "SAIF-INSURED BANKS" and inserting "CHARTER CONVERSIONS"; and

(ii) by striking "Savings Association Insurance Fund member" and inserting "savings association";

(D) in section 21A(b)(10)(A)(iv)(II) (12 U.S.C. 1441a(b)(10)(A)(iv)(II)), by striking "Savings Association Insurance Fund" and inserting "Deposit Insurance Fund";

(E) in section 21B(e) (12 U.S.C. 1441b(e))—

(i) in paragraph (5), by inserting "as of the date of funding" after "Savings Association Insurance Fund members" each place such term appears;

(ii) by striking paragraph (7); and

(iii) by redesignating paragraph (8) as paragraph (7); and

(F) in section 21B(k) (12 U.S.C. 1441b(k))—

(i) by striking paragraph (8); and

(ii) by redesignating paragraphs (9) and (10) as paragraphs (8) and (9), respectively.

(12) AMENDMENTS TO THE HOME OWNERS' LOAN ACT.—The Home Owners' Loan Act (12 U.S.C. 1461 et seq.) is amended—

(A) in section 5 (12 U.S.C. 1464)—

(i) in subsection (c)(5)(A), by striking "that is a member of the Bank Insurance Fund";

(ii) in subsection (c)(6), by striking "As used in this subsection—" and inserting "For purposes of this subsection, the following definitions shall apply:";

(iii) in subsection (o)(1), by striking "that is a Bank Insurance Fund member";

(iv) in subsection (o)(2)(A), by striking "a Bank Insurance Fund member until such time as it changes its status to a Savings Association Insurance Fund member" and inserting "insured by the Deposit Insurance Fund";

(v) in subsection (t)(5)(D)(iii)(II), by striking "affected deposit insurance fund" and inserting "Deposit Insurance Fund";

(vi) in subsection (t)(7)(C)(i)(I), by striking "affected deposit insurance fund" and inserting "Deposit Insurance Fund"; and

(vii) in subsection (v)(2)(A)(i), by striking ", the Savings Association Insurance Fund" and inserting "or the Deposit Insurance Fund"; and

(B) in section 10 (12 U.S.C. 1467a)—

(i) in subsection (e)(1)(A)(iii)(VII), by adding "or" at the end;

(ii) in subsection (e)(1)(A)(iv), by adding "and" at the end;

(iii) in subsection (e)(1)(B), by striking "Savings Association Insurance Fund or Bank Insurance Fund" and inserting "Deposit Insurance Fund";

(iv) in subsection (e)(2), by striking "Savings Association Insurance Fund or the Bank Insurance Fund" and inserting "Deposit Insurance Fund"; and

(v) in subsection (m)(3), by striking subparagraph (E), and by redesignating subparagraphs (F), (G), and (H) as subparagraphs (E), (F), and (G), respectively.

(13) AMENDMENTS TO THE NATIONAL HOUSING ACT.—The National Housing Act (12 U.S.C. 1701 et seq.) is amended—

(A) in section 317(b)(1)(B) (12 U.S.C. 1723i(b)(1)(B)), by striking "Bank Insurance Fund for banks or through the Savings Association Insurance Fund for savings associations" and inserting "Deposit Insurance Fund"; and

(B) in section 526(b)(1)(B)(ii) (12 U.S.C. 1735f–14(b)(1)(B)(ii)), by striking "Bank Insurance Fund for banks and through the Savings Association Insurance Fund for savings associations" and inserting "Deposit Insurance Fund".

(14) FURTHER AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(A) in section 3(a)(1) (12 U.S.C. 1813(a)(1)), by striking subparagraph (B) and inserting the following:

"(B) includes any former savings association.";

(B) in section 5(b)(5) (12 U.S.C. 1815(b)(5)), by striking "the Bank Insurance Fund or the Savings Association Insurance Fund;" and inserting "Deposit Insurance Fund,";

(C) in section 5(d) (12 U.S.C. 1815(d)), by striking paragraphs (2) and (3);

(D) in section 5(d)(1) (12 U.S.C. 1815(d)(1))—

(i) in subparagraph (A), by striking "reserve ratios in the Bank Insurance Fund and the Savings Association Insurance Fund" and inserting "the reserve ratio of the Deposit Insurance Fund";

(ii) by striking subparagraph (B) and inserting the following:

"(2) FEE CREDITED TO THE DEPOSIT INSURANCE FUND.—The fee paid by the depository institution under paragraph (1) shall be credited to the Deposit Insurance Fund.";

(iii) by striking "(1) UNINSURED INSTITUTIONS.—"; and

(iv) by redesignating subparagraphs (A) and (C) as paragraphs (1) and (3), respectively, and moving the margins 2 ems to the left;

(E) in section 5(e) (12 U.S.C. 1815(e))—

(i) in paragraph (5)(A), by striking "Bank Insurance Fund or the Savings Association Insurance Fund" and inserting "Deposit Insurance Fund";

(ii) by striking paragraph (6); and

(iii) by redesignating paragraphs (7), (8), and (9) as paragraphs (6), (7), and (8), respectively;

(F) in section 6(5) (12 U.S.C. 1816(5)), by striking "Bank Insurance Fund or the Savings Association Insurance Fund" and inserting "Deposit Insurance Fund";

(G) in section 7(b) (12 U.S.C. 1817(b))—

(i) in paragraph (1)(D), by striking "each deposit insurance fund" and inserting "the Deposit Insurance Fund";

(ii) in clauses (i)(I) and (iv) of paragraph (2)(A), by striking "each deposit insurance fund" each place such term appears and inserting "the Deposit Insurance Fund";

(iii) in paragraph (2)(A)(iii), by striking "a deposit insurance fund" and inserting "the Deposit Insurance Fund";

(iv) by striking clause (iv) of paragraph (2)(A);

(v) in paragraph (2)(C) (as redesignated by paragraph (6)(B) of this subsection)—

(I) by striking "any deposit insurance fund" and inserting "the Deposit Insurance Fund"; and

(II) by striking "that fund" each place such term appears and inserting "the Deposit Insurance Fund";

(vi) in paragraph (2)(D) (as redesignated by paragraph (6)(B) of this subsection)—

(I) in the subparagraph heading, by striking "FUNDS ACHIEVE" and inserting "FUND ACHIEVES"; and

(II) by striking "a deposit insurance fund" and inserting "the Deposit Insurance Fund";

(vii) in paragraph (3)—

(I) in the paragraph heading, by striking "FUNDS" and inserting "FUND";

(II) by striking "that fund" each place such term appears and inserting "the Deposit Insurance Fund";

(III) in subparagraph (A), by striking "Except as provided in paragraph (2)(F), if" and inserting "If";

(IV) in subparagraph (A), by striking "any deposit insurance fund" and inserting "the Deposit Insurance Fund"; and

(V) by striking subparagraphs (C) and (D) and inserting the following:

"(C) AMENDING SCHEDULE.—The Corporation may, by regulation, amend a schedule promulgated under subparagraph (B)."; and

(viii) in paragraph (6)—

(I) by striking "any such assessment" and inserting "any such assessment is necessary";

(II) by striking "(A) is necessary—";

(III) by striking subparagraph (B);

(IV) by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively, and moving the margins 2 ems to the left; and

(V) in subparagraph (C) (as redesignated), by striking "; and" and inserting a period;

(H) in section 11(f)(1) (12 U.S.C. 1821(f)(1)), by striking ", except that—" and all that follows through the end of the paragraph and inserting a period;

(I) in section 11(i)(3) (12 U.S.C. 1821(i)(3))—

(i) by striking subparagraph (B);

(ii) by redesignating subparagraph (C) as subparagraph (B); and

(iii) in subparagraph (B) (as redesignated), by striking "subparagraphs (A) and (B)" and inserting "subparagraph (A)";

(J) in section 11A(a) (12 U.S.C. 1821a(a))—

(i) in paragraph (2), by striking "LIABILITIES.—" and all that follows through "Except" and inserting "LIABILITIES.—Except";

(ii) by striking paragraph (2)(B); and

(iii) in paragraph (3), by striking "the Bank Insurance Fund, the Savings Association Insurance Fund," and inserting "the Deposit Insurance Fund";

(K) in section 11A(b) (12 U.S.C. 1821a(b)), by striking paragraph (4);

(L) in section 11A(f) (12 U.S.C. 1821a(f)), by striking "Savings Association Insurance Fund" and inserting "Deposit Insurance Fund";

(M) in section 13 (12 U.S.C. 1823)—

(i) in subsection (a)(1), by striking "Bank Insurance Fund, the Savings Association Insurance Fund," and inserting "Deposit Insurance Fund, the Special Reserve of the Deposit Insurance Fund,";

(ii) in subsection (c)(4)(E)—

(I) in the subparagraph heading, by striking "FUNDS" and inserting "FUND"; and

(II) in clause (i), by striking "any insurance fund" and inserting "the Deposit Insurance Fund";

(iii) in subsection (c)(4)(G)(ii)—

(I) by striking "appropriate insurance fund" and inserting "Deposit Insurance Fund";

(II) by striking "the members of the insurance fund (of which such institution is a member)" and inserting "insured depository institutions";

(III) by striking "each member's" and inserting "each insured depository institution's"; and

(IV) by striking "the member's" each place such term appears and inserting "the institution's";

(iv) in subsection (c), by striking paragraph (11);

(v) in subsection (h), by striking "Bank Insurance Fund" and inserting "Deposit Insurance Fund";

(vi) in subsection (k)(4)(B)(i), by striking "Savings Association Insurance Fund" and inserting "Deposit Insurance Fund"; and

(vii) in subsection (k)(5)(A), by striking "Savings Association Insurance Fund" and inserting "Deposit Insurance Fund";

(N) in section 14(a) (12 U.S.C. 1824(a)) in the fifth sentence—

(i) by striking "Bank Insurance Fund or the Savings Association Insurance Fund" and inserting "Deposit Insurance Fund"; and

(ii) by striking "each such fund" and inserting "the Deposit Insurance Fund";

(O) in section 14(b) (12 U.S.C. 1824(b)), by striking "Bank Insurance Fund or Savings Association Insurance Fund" and inserting "Deposit Insurance Fund";

(P) in section 14(c) (12 U.S.C. 1824(c)), by striking paragraph (3);

(Q) in section 14(d) (12 U.S.C. 1824(d))—

(i) by striking "BIF" each place such term appears and inserting "DIF"; and

(ii) by striking "Bank Insurance Fund" each place such term appears and inserting "Deposit Insurance Fund";

(R) in section 15(c)(5) (12 U.S.C. 1825(c)(5))—

(i) by striking "the Bank Insurance Fund or Savings Association Insurance Fund, respectively" each place such term appears and inserting "the Deposit Insurance Fund"; and

(ii) in subparagraph (B), by striking "the Bank Insurance Fund or the Savings Association Insurance Fund, respectively" and inserting "the Deposit Insurance Fund";

(S) in section 17(a) (12 U.S.C. 1827(a))—

(i) in the subsection heading, by striking "BIF, SAIF," and inserting "THE DEPOSIT INSURANCE FUND"; and

(ii) in paragraph (1), by striking "the Bank Insurance Fund, the Savings Association Insurance Fund," each place such term appears and inserting "the Deposit Insurance Fund";

(T) in section 17(d) (12 U.S.C. 1827(d)), by striking "the Bank Insurance Fund, the Savings Association Insurance Fund," each place such term appears and inserting "the Deposit Insurance Fund";

(U) in section 18(m)(3) (12 U.S.C. 1828(m)(3))—

(i) by striking "Savings Association Insurance Fund" each place such term appears and inserting "Deposit Insurance Fund"; and

(ii) in subparagraph (C), by striking "or the Bank Insurance Fund";

(V) in section 18(p) (12 U.S.C. 1828(p)), by striking "deposit insurance funds" and inserting "Deposit Insurance Fund";

(W) in section 24 (12 U.S.C. 1831a) in subsections (a)(1) and (d)(1)(A), by striking "appropriate deposit insurance fund" each place such term appears and inserting "Deposit Insurance Fund";

(X) in section 28 (12 U.S.C. 1831e), by striking "affected deposit insurance fund" each place such term appears and inserting "Deposit Insurance Fund";

(Y) by striking section 31 (12 U.S.C. 1831h);

(Z) in section 36(i)(3) (12 U.S.C. 1831m(i)(3)) by striking "affected deposit insurance fund" and inserting "Deposit Insurance Fund";

(AA) in section 38(a) (12 U.S.C. 1831o(a)) in the subsection heading, by striking "FUNDS" and inserting "FUND";

(BB) in section 38(k) (12 U.S.C. 1831o(k))—

(i) in paragraph (1), by striking "a deposit insurance fund" and inserting "the Deposit Insurance Fund"; and

(ii) in paragraph (2)(A)—

(I) by striking "A deposit insurance fund" and inserting "The Deposit Insurance Fund"; and

(II) by striking "the deposit insurance fund's outlays" and inserting "the outlays of the Deposit Insurance Fund"; and

(CC) in section 38(o) (12 U.S.C. 1831o(o))—

(i) by striking "ASSOCIATIONS.—" and all that follows through "Subsections (e)(2)" and inserting "ASSOCIATIONS.—Subsections (e)(2)";

(ii) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively, and moving the margins 2 ems to the left; and

(iii) in paragraph (1) (as redesignated), by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and moving the margins 2 ems to the left.

(15) AMENDMENTS TO THE FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989.—The Financial Institutions Reform, Recovery, and Enforcement Act (Public Law 101–73; 103 Stat. 183) is amended—

(A) in section 951(b)(3)(B) (12 U.S.C. 1833a(b)(3)(B)), by striking "Bank Insurance Fund, the Savings Association Insurance Fund," and inserting "Deposit Insurance Fund"; and

(B) in section 1112(c)(1)(B) (12 U.S.C. 3341(c)(1)(B)), by striking "Bank Insurance Fund, the Savings Association Insurance Fund," and inserting "Deposit Insurance Fund".

(16) AMENDMENT TO THE BANK ENTERPRISE ACT OF 1991.—Section 232(a)(1) of the Bank Enterprise Act of 1991 (12 U.S.C. 1834(a)(1)) is amended by striking "section 7(b)(2)(H)" and inserting "section 7(b)(2)(G)".

(17) AMENDMENT TO THE BANK HOLDING COMPANY ACT.—Section 2(j)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)(2)) is amended by striking "Savings Association Insurance Fund" and inserting "Deposit Insurance Fund".

SEC. 1014. CREATION OF SAIF SPECIAL RESERVE.

Section 11(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)) is amended by adding at the end the following new subparagraph:

"(L) ESTABLISHMENT OF SAIF SPECIAL RESERVE.—

"(i) ESTABLISHMENT.—If, on January 1, 1998, the reserve ratio of the Savings Association Insurance Fund exceeds the designated reserve ratio, there is established a Special Reserve of the Savings Association Insurance Fund, which shall be administered by the Corporation and shall be invested in accordance with section 13(a).

"(ii) AMOUNTS IN SPECIAL RESERVE.—If, on January 1, 1998, the reserve ratio of the Savings Association Insurance Fund exceeds the designated reserve ratio, the amount by which the reserve ratio exceeds the designated reserve ratio shall be placed in the Special Reserve of the Savings Association Insurance Fund established by clause (i).

"(iii) LIMITATION.—The Corporation shall not provide any assessment credit, refund, or other payment from any amount in the Special Reserve of the Savings Association Insurance Fund.

"(iv) EMERGENCY USE OF SPECIAL RESERVE.—Notwithstanding clause (iii), the Corporation may, in its sole discretion, transfer amounts from the Special Reserve of the Savings Association Insurance Fund to the Savings Association Insurance Fund for the purposes set forth in paragraph (4), only if—

"(I) the reserve ratio of the Savings Association Insurance Fund is less than 50 percent of the designated reserve ratio; and

"(II) the Corporation expects the reserve ratio of the Savings Association Insurance Fund to remain at less than 50 percent of the designated reserve ratio for each of the next 4 calendar quarters.

"(v) EXCLUSION OF SPECIAL RESERVE IN CALCULATING RESERVE RATIO.—Notwithstanding any other provision of law, any amounts in the Special Reserve of the Savings Association Insurance Fund shall be excluded in calculating the reserve ratio of the Savings Association Insurance Fund.".

SEC. 1015. REFUND OF AMOUNTS IN DEPOSIT INSURANCE FUND IN EXCESS OF DESIGNATED RESERVE AMOUNT.

Subsection (e) of section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817(e)) is amended to read as follows:

"(e) REFUNDS.—

"(1) OVERPAYMENTS.—In the case of any payment of an assessment by an insured depository institution in excess of the amount due to the Corporation, the Corporation may—

"(A) refund the amount of the excess payment to the insured depository institution; or

"(B) credit such excess amount toward the payment of subsequent semiannual assessments until such credit is exhausted.

"(2) BALANCE IN INSURANCE FUND IN EXCESS OF DESIGNATED RESERVE.—

"(A) IN GENERAL.—Subject to subparagraphs (B) and (C), if, as of the end of any semiannual assessment period, the amount of the actual reserves in—

"(i) the Bank Insurance Fund (until the merger of such fund into the Deposit Insurance Fund pursuant to section 1013 of the Balanced Budget Act of 1996); or

"(ii) the Deposit Insurance Fund (after the establishment of such fund),

exceeds the balance required to meet the designated reserve ratio applicable with respect to such fund, such excess amount shall be refunded to insured depository institutions by the Corporation on such basis as the Board of Directors determines to be appropriate, taking into account the factors considered under the risk-based assessment system.

"(B) REFUND NOT TO EXCEED PREVIOUS SEMIANNUAL ASSESSMENT.—The amount of any refund under this paragraph to any member of a deposit insurance fund for any semiannual assessment period may not exceed the total amount of assessments paid by such member to the insurance fund with respect to such period.

"(C) REFUND LIMITATION FOR CERTAIN INSTITUTIONS.—No refund may be made under this paragraph with respect to the amount of any assessment paid for any semiannual assessment period by any insured depository institution described in clause (v) of subsection (b)(2)(A).".

SEC. 1016. ASSESSMENT RATES FOR SAIF MEMBERS MAY NOT BE LESS THAN ASSESSMENT RATES FOR BIF MEMBERS.

Section 7(b)(2)(C) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(E), as redesignated by section 1013(d)(6) of this Act) is amended—

(1) by striking "and" at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting "; and"; and

(3) by adding at the end the following new clause:

"(iii) notwithstanding any other provision of this subsection, during the period beginning on the date of enactment of the Balanced Budget Act of 1996, and ending on January 1, 1998, the assessment rate for a Savings Association Insurance Fund member may not be less than the assessment rate for a Bank Insurance Fund member that poses a comparable risk to the deposit insurance fund.".

SEC. 1017. ASSESSMENTS AUTHORIZED ONLY IF NEEDED TO MAINTAIN THE RESERVE RATIO OF A DEPOSIT INSURANCE FUND.

(a) IN GENERAL.—Section 7(b)(2)(A)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(A)(i)) is amended in the matter preceding subclause (I), by inserting "when necessary, and only to the extent necessary" after "insured depository institutions".

(b) LIMITATION ON ASSESSMENT.—Section 7(b)(2)(A)(iii) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(A)(iii)) is amended to read as follows:

"(iii) LIMITATION ON ASSESSMENT.—Except as provided in clause (v), the Board of Directors shall not set semiannual assessments with respect to a deposit insurance fund in excess of the amount needed—

"(I) to maintain the reserve ratio of the fund at the designated reserve ratio; or

"(II) if the reserve ratio is less than the designated reserve ratio, to increase the reserve ratio to the designated reserve ratio.".

(c) EXCEPTION TO LIMITATION ON ASSESSMENTS.—Section 7(b)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(A)) is amended by adding at the end the following new clause:

"(v) EXCEPTION TO LIMITATION ON ASSESSMENTS.—The Board of Directors may set semiannual assessments in excess of the amount permitted under clauses (i) and (iii) with respect to insured depository institutions that exhibit financial, operational, or compliance weaknesses ranging from moderately severe to unsatisfactory, or are not well capitalized, as that term is defined in section 38.".

SEC. 1018. DEFINITIONS.

For purposes of this title—

(1) the term "Bank Insurance Fund" means the fund established pursuant to section (11)(a)(5)(A) of the Federal Deposit Insurance Act, as that section existed on the day before the date of enactment of this Act;

(2) the terms "Bank Insurance Fund member" and "Savings Association Insurance Fund member" have the same meanings as in section 7(*l*) of the Federal Deposit Insurance Act;

(3) the terms "bank", "Board of Directors", "Corporation", "insured depository institution", "Federal savings association", "savings association", "State savings bank", and "State depository institution" have the same meanings as in section 3 of the Federal Deposit Insurance Act;

(4) the term "Deposit Insurance Fund" means the fund established under section 11(a)(4) of the Federal Deposit Insurance Act, as amended by section 1013(d) of this Act;

(5) the term "depository institution holding company" has the same meaning as in section 3 of the Federal Deposit Insurance Act;

(6) the term "designated reserve ratio" has the same meaning as in section 7(b)(2)(A)(iv) of the Federal Deposit Insurance Act;

(7) the term "Savings Association Insurance Fund" means the fund established pursuant to section 11(a)(6)(A) of the Federal Deposit Insurance Act, as that section existed on the day before the date of enactment of this Act; and

(8) the term "SAIF-assessable deposit"—

(A) means—

(i) a deposit that is subject to assessment for purposes of the Savings Association Insurance Fund under the Federal Deposit Insurance Act; and

(ii) a deposit that section 5(d)(3) of the Federal Deposit Insurance Act treats as insured by the Savings Association Insurance Fund; and

(B) includes a deposit assumed after March 31, 1995, if the insured depository institution, the deposits of which are assumed, is not an insured depository institution when the special assessment is imposed under section 1011(a) of this Act.

THE TAXPAYER BILL OF RIGHTS 2

GLENN AMENDMENT NO. 3962

(Ordered to lie on the table.)

Mr. GLENN submitted an amendment intended to be proposed by him to the bill (H.R. 2337) to amend the Internal Revenue Code of 1986 to provide for increased taxpayer protections; as follows:

At the end of title XII, insert the following new section:

SEC. 1212. PENALTY FOR UNAUTHORIZED INSPECTION OF TAX RETURNS OR TAX RETURN INFORMATION.

(a) IN GENERAL.—Part I of subchapter A of chapter 75 (relating to crimes, other offenses, and forfeitures) is amended by adding after section 7213 the following new section:

"SEC. 7213A. UNAUTHORIZED INSPECTION OF RETURNS OR RETURN INFORMATION.

"(a) PROHIBITION.—It shall be unlawful for—

"(1) any officer or employee of the United States or any former such officer or employee,

"(2) any person described in section 6103(n), an officer or employee of any such person, or any former such officer or employee, or

"(3) any person described in subsection (d), (i)(3)(B)(i), (l) (6), (7), (8), (9), (10) or (12), or (m) (2), (4), (6), or (7) of section 6103,

willfully to inspect (as defined in section 6103(b)(7)), except as authorized by this title, any return or return information (as defined in section 6103(b)).

"(b) PENALTY.—

"(1) IN GENERAL.—Any violation of subsection (a) shall be punishable upon conviction by a fine in any amount not exceeding $1,000, or imprisonment of not more than 1 year, or both, together with the costs of prosecution.

"(2) FEDERAL OFFICERS OR EMPLOYEES.—An officer or employee of the United States who is convicted of any violation of subsection (a) shall, in addition to any other punishment, be dismissed from office or discharged from employment."

(b) CONFORMING AMENDMENT.—The table of sections for part I of subchapter A of chapter 75 is amended by inserting after the item relating to section 7213 the following new item:

"7213A. Unauthorized inspection of returns or return information.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to violations occurring on and after the date of the enactment of this Act.

NOTICE OF HEARING

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Wednesday, May 15, 1996, at 10 a.m., to hold a hearing on campaign finance reform.

For further information concerning this hearing, please contact Bruce Kasold of the committee staff on 224–3448.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that two oversight field hearings have been scheduled to receive testimony on the Tongass land management plan and the administration of timber sale contracts.

The first hearing will take place on Tuesday, May 28, 1996 at 10:30 a.m., in Ketchikan, AK. Ted Ferry Civic Center, 888 Venetia Avenue, Ketchikan, AL, 99901. The second hearing is scheduled for Wednesday, May 29, 1996, at 9 a.m., in Juneau, AL. Centennial Hall Convention Center, Ballroom 3, 101 Egan Drive, Juneau, AL, 99801.

Because of the limited time available and the interest in the subject matter, and in order to have a balanced hearing, witnesses will be by invitation. Written testimony will be accepted for the RECORD. Oral testimony will be limited to 5 minutes. Witnesses testifying at the hearing are requested to bring 10 copies of their testimony with them on the day of the hearing. In addition, please send or fax a copy in advance to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. Fax 202–228–0539.

For further information, please contact Mark Rey, Energy and Natural Resources Committee, at 202–224–6170.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, May 9, 1996, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to receive testimony on the recent increases in gasoline prices.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. LOTT. Mr. President, I ask Unanimous Consent on behalf of the Governmental Affairs Committee to meet on Thursday, May 9 at 10 a.m. for a hearing on IRS Oversight.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, May 9, 1996, at 10:00 a.m. to hold an executive business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, May 9, 1996 at 9:30 a.m. to conduct an Oversight Hearing on the impact of the U.S. Supreme Court's recent decision in Seminole Tribe versus Florida. The hearing will be held in room G–50 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SPECIAL COMMITTEE TO INVESTIGATE WHITEWATER DEVELOPMENT CORPORATION AND RELATED MATTERS

Mr. LOTT. Mr. President, I ask unanimous consent that the special committee to investigate Whitewater Development Corporation and related matters be authorized to meet during the session of the Senate on Thursday, May 9, 1996 to conduct hearings pursuant to Senate Resolution 120.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CHILDREN AND FAMILIES

Mr. LOTT. Mr. President, I ask unanimous consent that the Subcommittee on Children and Families of the Committee on Labor and Human Resources be authorized to hold a hearing on Family and Medical Leave Act oversight during the session of the Senate on Thursday, May 9, 1996, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

DEFENSE OF MARRIAGE ACT

• Mr. COATS. Mr. President, today I am pleased to cosponsor Senator DOLE's and Senator NICKLES' bill (S. 1740) defining marriage as a legal union between one man and one woman.

Marriage is the institution that civilizes our society by humanizing our lives. It is the social, legal, and spiritual relationship that prepares the next generation for its duties and opportunities. A 1884 decision of the Supreme Court called it "the sure foundation of all that is stable and noble in our civilization."

The definition of marriage is not created by politicians and judges, and it cannot be changed by them. It is rooted in our history, our laws, our deepest moral and religious convictions, and our nature as human beings. It is the union of one man and one woman. This fact can be respected or it can be resented, but it cannot be altered.

Our society has a compelling interest in respecting that definition. The breakdown of traditional marriage is our central social crisis—the cause of so much anguish and suffering, particularly for our children. Our urgent responsibility is to nurture and strengthen that institution, not undermine it with trendy moral relativism.

The institution of marriage is our most valuable cultural inheritance. It is our duty—perhaps our first duty—to pass it intact to the future.

The distortion of marriage is sometimes defended as a form of tolerance. But this represents a fundamental misunderstanding, both of marriage and tolerance.

I believe strongly in tolerance, not only for the peace of society, but because it is the proper way to treat others. As individuals, we should never compromise our moral convictions. But we should always treat others with respect and dignity.

A government, however, has another duty. All law embodies some moral consensus. No society can be indifferent to its moral life, because there are consequences for us all.

Every government must set certain standards as sign posts. It must create expectations for responsible behavior. Not every lifestyle is equal for the purpose of the common good. This does not mean the persecution of those who fall short of the standard, but it does mean giving legal preference to that standard. A tolerant society does not need to be an indifferent society.

A government that values freedom can permit some things that it would not encourage or condone. But a government must also promote things that are worthy examples and social ideals.

Government cannot be neutral in the debate over marriage. It has sound reasons to prefer the traditional family in its policies. As social thinker Michael Novak has written:

> A people whose marriage and families are weak have no solid institutions . . . family life is the seedbed of economic skills, money habits, attitudes toward work and the arts of independence.

When we prefer traditional marriage and family in our laws, it is not intolerance. Tolerance does not require us to say that all lifestyles are morally equal, only that no individual deserves to be persecuted. It does not require us to weaken our social ideals. It does not require a reconstruction of our most basic human institutions. It does not require special recognition for those who have rejected the standard.

It is amazing and disturbing that this legislation should be necessary. It is a sign of the times, and an indication of a deep moral confusion. But events have made this definition essential. The preservation of marriage has become an issue of self-preservation for our society. I strongly urge my colleagues to support this measure.•

TRIBUTE TO NANCY CHUDA

• Mrs. BOXER. Mr. President, I am pleased today to announce my intentions to introduce in the near future, a bill that will help protect the children of this country from the harmful effects of environmental contaminants. I can not think of a more appropriate time of the year than the time we recognize the special achievements of mothers, to focus this Nation's attention on protecting the health and safety of our children. Mr. President, I am working hard on this piece of legislation, not only because I am a mother, but because I want to pay tribute to one exceptional mother. This mother knows the intense sadness of losing her child.

This very special mother lives in my State and I am proud to call her my friend. Three years ago, Mrs. Nancy Chuda came to visit me to ask for help. Her little girl, all of 5 years old, had died of cancer—a nongenetic form of cancer. No one knows why or how or what caused little Colette Chuda to become afflicted. She was a normal, beautiful girl in every way. She liked to draw pictures of flowers and happy people. One thing is certain, she was blessed to have two wonderful parents. Nancy and Jim Chuda, despite their grief, chose to turn their own personal tragedy into something positive. They have labored endlessly to bring to the country's attention the environmental dangers that threaten our children. They want to make sure that what happened to their Colette will not happen to another child. No mother should have to go through what Nancy Chuda went through. If future deaths can be prevented, I know we all will be indebted to the tremendous energy and perseverance of Nancy Chuda.

Mr. President, science has shown us that children are special. They are not simply a smaller version of you and me. They are still growing, many of their internal systems are still in the process of developing and maturing, and, of course, their behavior is different. Studies show that they breathe faster. They come in contact with numerous objects in their quest to learn and explore the world around them. They eat differently—children consume foods in different amounts in proportion to their body weight. I can remember, when I was a kid, I ate mayonnaise sandwiches and I consumed whole boxes of cereal while watching TV. Today, there are more questions than ever with respect to children's developmental health. And Mr. President, I am sad to say there are very few answers.

The factors behind the special environmental risks that children face need special attention. A recent study issued by the National Academy of Sciences (NAS) reported on the effects of pesticides in the diets of infants and children. The study concluded that the Federal Government is not doing enough to protect our children from exposures to pesticides. The NAS study essentially confirmed what many in the regulatory community were already worried about. Although we may have the highest quality and the safest food in the world, the fact is that risk assessments of pesticides and toxic chemicals do not differentiate clearly enough between the risks to children and the risks to adults.

It has been estimated that up to one-half of a person's lifetime cancer risk may be incurred in the first 6 years of life. There is currently not enough information to know exactly how to account for all of the differences when conducting a risk assessment. We need to know more about what health risks our children are exposed to. We need to collect exposure data not only on our children's diets, but also, on our children's exposure to air pollutants and surface pollutants. The fact is that we do not have the data that allows us to quantify and measure the differences between how adults and children respond to environmental pollutants.

The absence of this data often precludes effective government regulation of environmental pollutants. In my bill, I intend to change this. We must ensure that our regulators have the data they need to be able to assess the risks of these substances to children. This would let them do their job of protecting our most vulnerable sector of society from environmental pollutants.

Although most people associate pesticide use with agriculture, children may be exposed to far greater health risks by other common uses of pesticides such as lawn and garden uses, household uses, and fumigation uses in schools.

Children come in contact with pesticides and other toxic substances, not only from the food they eat, but from the air they breathe, and the surfaces they touch. In communities with contaminated air, improving overall air quality for disease prevention is of vital importance. Some studies suggest that pediatric asthma is on the rise and is exacerbated by air pollution. Pollutants from tobacco smoke, stoves and fireplaces, household cleaners and paints, even glues and the synthetic fabrics used in furniture are all thought to be contributing factors. One EPA study showed that 85 percent of the total daily exposure to toxic chemicals comes from breathing air inside the home.

I firmly believe that citizens have a right to know what substances they are involuntarily subjected to, whether they live next to a farm or in the heart of South-Central Los Angeles. My bill will require pesticide applicators to keep records and submit reports to the EPA. Subsequently, EPA is directed to publish annual bulletins informing citizens of the types and amounts of pesticide chemicals that are being used in and around their neighborhood, in their apartment buildings, and most importantly in their schools. My bill would give parents the ability to make informed decisions to protect their family. Public health and safety depends on its citizens and local officials knowing the toxic dangers that exist in their communities.

EPA's Toxics Release Inventory [TRI] collects chemical release information from manufacturing and several other industries. It is the Nation's most popular and highly successful community right to know program. TRI is generally well supported through voluntary compliance of industry. The program has prompted many companies to set ambitious pollution reduction goals as well as voluntary restrictions and improvements. My bill will apply a similar philosophy to other kinds of environmental contaminants. I am betting on the same outcome emerging from applicators and users of pesticides and believe this will benefit everyone concerned.

I strongly support the administration's policies over the past few years to place greater emphasis and attention on the environmental health issues that affect children. I especially applaud the Environmental Protection Agency for taking the lead. Last year EPA made it an agencywide policy to consider the risks to infants and children consistently and explicitly in every regulatory decision. EPA's stance has inspired me to include its policy in my bill and to expand its philosophy to other Federal agencies charged with regulating toxic substances and environmental pollutants. The factors behind the special environmental risks that children may face need and deserve special attention so that in the future we can prevent the kinds of problems that children have suffered from lead in paint, asbestos in schools, and pesticides in food.•

MAGRUDER PRIMARY SCHOOL

• Mr. WARNER. Mr. President, I am pleased today to have the opportunity to give well deserved recognition to an exemplary elementary school. Magruder Primary School in Newport News has been selected as a U.S. Department of Education Title I Distinguished School.

At Magruder Primary, "hard work pays off" isn't just a motto, it's a way of life. In 4 years time Magruder's reading scores leapt 79 percent—from 1 percent of second-graders reading at or above their grade level in 1992 to 80 percent for the most recent school year. Having placed last in reading achievement tests in 1992, the school is now number five in Newport News.

Many hard workers are to be commended for this outstanding accomplishment: teachers, administrators, parents, business leaders and, of course, the students.

As a strong believer in parental involvement, I am thrilled that Magruder's home-school coordinator makes certain that parents are actively involved in their child's education. This individual's responsibilities run the gamut—from retrieving forgotten permission slips to providing parents with homework enrichment tips.

I would also like to offer a special acknowledgment to the business partners who sponsored home reading programs, special assemblies and student incentives.

Mr. President, as stated in a recent Newport News Daily Press article, Magruder's demographics had the school destined for supposed failure. Eighty-four percent of its students receive free lunches; 69 percent live with only one parent. Other schools should take note. If Magruder Primary School can improve its reading scores, others can too.

Magruder Primary School stands as a beacon for the wise use of Federal dollars. While we must reign in an often intrusive government, some government programs are clearly worthwhile. Title I funding for our Nation's schools is such a program. Title I funding has helped Magruder Primary achieve this important success.•

TOURISM ORGANIZATION ACT

• Mr. HOLLINGS. Mr. President, I rise in support of the bill introduced yesterday to establish a U.S. Tourism Organization, S. 1735. I am pleased to cosponsor the legislation. Tourism is the second largest employer in my State and a critical component of my State's economic development. It is unfortunate that the U.S. Travel and Tourism Administration [USTTA] has become a victim of budgetary constraints, and I am pleased that S. 1735 will preserve a Federal role in crafting a coherent policy to promote the United States as a tourist destination. The bill will also provide for a repository of information to enable the tourism industry to develop a strategy to compete for the international tourism dollar. I hope that this new organization will become a model for public-private partnerships and will fill the void left by the elimination of USTTA•

MENTAL HEALTH CARE

• Mr. INOUYE. Mr. President, last month, when the Senate passed the Domenici-Wellstone mental health parity amendment by an overwhelming vote of 68 to 30, during our deliberations on the health insurance reform legislation, it was, in my judgment, a historic occasion.

Since President Jimmy Carter established his Commission on Mental Health, it has been clear to a number of us that, eventually, it would be in our Nation's best interest to ensure that those afflicted with mental illness are treated in the same manner as those afflicted with any other physical ailment. Unfortunately, probably primarily due to the stigma long attached to receiving mental health care, this has been a long and difficult process.

As I listened to the debate that Thursday evening and watched our colleagues vote, I kept thinking to myself how one individual, Senator DOMENICI, truly made a difference in the lives of our Nation's citizens. During the years we have served together in the U.S. Senate, I have been very pleased to work closely with him in a number of capacities, for example on the various Senate Appropriations subcommittees and, most recently, on behalf of our Nation's Native Americans.

Throughout our deliberations, our colleague has always made explicitly clear the importance of ensuring that the Congress and the administration, and ultimately the private sector, must, in fact, treat those afflicted with mental illness and their families in a humane and compassionate manner. Senator DOMENICI was willing to share with us his personal family experiences. I have no doubt that his resolve and persistence are the reasons that most of us voted on behalf of this important amendment.

I sincerely hope that the House-Senate conferees will ultimately accept the provisions of the Domenici-Wellstone amendment, as it represents excellent public policy. However, at this point, I just wanted to share my appreciation with my colleagues for the Senator from New Mexico's efforts over the years—he is truly the consummate public servant. All of us can learn from his dedication.•

IN CELEBRATION OF WOMEN IN PUBLIC SERVICE

• Mr. HATFIELD. Mr. President, I would like to take this opportunity to share with my colleagues a unique conference which took place earlier this week—the sixth annual Southern Women in Public Service conference hosted in Birmingham, AL, by the John C. Stennis Center for Public Service. The theme of this gathering was "Coming Together to Make a Difference." Over the past 6 years, this event has become the most significant annual bipartisan gathering of women political and business leaders throughout the South. The event has grown each year but the purpose remains the same: to make government better, more effective and more responsive by bringing women into public service leadership.

As a board member of the Stennis Center, I have watched this organization consistently enable women to pursue public service careers by providing an avenue in an area of the country which needs it more than any other. This challenge is illustrated by the fact that only 1 of 8 women in the U.S. Senate is from the South; 1 Southern State has never elected a woman to statewide executive office while another has never sent a woman to Congress; 9 of the 11 States which rank lowest in the percentage of women in State legislatures are in the South and no Southern State currently has a female Governor. I can tell you however, Mr. President, this will not be the case for much longer. This conference is changing attitudes by its very visibility in training and inspiring women for appointed and elected office each year. In fact, the Stennis Center was credited this week as the last great glass ceiling breaker. Much credit goes to former Congresswoman Lindy Boggs, who serves as the chair of the conference year after year. She is an inspiration for many women and she is continuing to use her platform to define public service for others. Quite simply, Lindy is contagious.

Recently, our Nation celebrated the 75th anniversary of women's suffrage—to coin a phrase, women have come a long way, baby. We now have women serving in the public policy arena in nearly all capacities, yet the pace is agonizingly slow. In the early 1970's, only 4.5 percent of all State legislative seats were held by women. Today, 21 percent of the 7,424 State legislative seats in this country are held by women. Women hold 56 or 10.5 percent of the 535 seats in the 104th Congress. One State in the Union has a woman Governor—New Jersey, led by Christine Todd Whitman.

In 1994, four States had women Governors, including my own State of Oregon which was led by Barbara Roberts. Governor Roberts is currently teaching at the John K. Kennedy School at Harvard University. My State has a strong history of capable women serving in statewide and locally elected positions. Currently, the mayor of Portland is Vera Katz, a talented legislator. Our chief State school officer, Norma Paulus, serving in a nonpartisan, statewide elected capacity, has been the trailblazer for women in government in Oregon. Even with this history, Oregon only has women serving in 28 percent of its elected positions. I hope that the Stennis model can be duplicated in other regions across the country, with the Northwest at the top of the waiting list.

Among the reasons for increasing the number of women in public service leadership is to improve government at all levels. Women make up 52 percent of the population and the majority of all registered voters. Without large numbers of women in government, America is missing out on some of its most capable, effective leaders who can improve the quality of life not just for women, but for all Americans.

I would like to just add a word of personal tribute to all of the forms of public service women give. Some of our strongest role models were never elected but served in one of the most difficult positions of power—from Eleanor Roosevelt to Nancy Reagan to Hillary Clinton—all of these First Ladies deserve our gratitude for blazing the trail to serve their country. Their example will serve the initial "First Gentleman" quite well.

The Stennis Center, established in 1988 to exemplify the life of public service defined by Senator John C. Stennis of Mississippi, is doing quality work not only for women in the South, but for many of our own staff family. This is the second year of the John C. Stennis congressional staff fellows—a program which provides senior congressional staff with an opportunity to focus on improving the performance of Congress as an institution. The center also operates the John C. Stennis National Student Congress, a State executive development institute, a legislative staff management institute and a national black graduate students conference—an activity designed to recruit minorities to be congressional aides. All of this work is done by a small staff led by the very capable Mr. Rex G. Buffington II, the executive director of the center. We all owe Mr. Buffington and his staff a debt of gratitude for the time and effort they are expending, in the name of my friend John Stennis, to insure that young people are attracted to careers in public service, that training and development opportunities exist for those in public service and that congressional staff are better equipped to perform their duties more effectively and efficiently.

This week's conference provides just the most recent example. As one of the conference participants shared this week "If this conference didn't light your fire, then check your wood, because it must be wet." Mr. President, I suspect that many flames are burning bright right now.•

GIRL SCOUT GOLD AWARD

• Ms. MIKULSKI. Mr. President, each year an elite group of young women rise above the ranks of their peers and confront the challenge of attaining the Girl Scouts of the United States of America's highest rank in Scouting, the Girl Scout Gold Award.

It is with great pleasure that I recognize and applaud young women from the State of Maryland who are this year's recipients of this most prestigious and time honored award.

These outstanding young women are to be commended on their extraordinary commitment and dedication to their families, their friends, their communities, and to the Girl Scouts of the United States of America.

The qualities of character, perseverance, and leadership which enabled them to reach this goal will also help them to meet the challenges of the future. They are our inspiration for today and our promise for tomorrow.

I am honored to ask my colleagues to join me in congratulating the recipients of this award from the State of Maryland. They are the best and the brightest and serve as an example of character and moral strength for us all to imitate and follow.

Finally, I wish to salute the families, Scout leaders, and the Girl Scouts of Central Maryland who have provided these young women with continued support and encouragement.

It is with great pride that I submit a list of this year's Girl Scout Gold Award recipients from the State of Maryland, and I ask unanimous consent that the list be printed in the RECORD.

The list follows:

GOLD AWARD RECIPIENTS

Laura Lee Albright, Jessica Bolyard, Andrea Bedingfield, Ashley Berger, Melissa Boyle, Kelly Brooks, Lauretta Burgoon, Angela Comberiate, Teresa Crocker, Virginia Dentler, Jennifer Hafner, Shawn Hagy, Angie Henderson, Susan Hoffman, Karyn Kahler, Rachel King, Melissa Lauber, Tiffany Lee, Christina Mauzy, Amanda Morgan, Rebecca Morgenroth, Erin Morrow, Meriel Newsome, Kerry Nudelman, Lori Odom, Rebecca Otte, Elizabeth Palmer, Karen Phillips, Ilisa Pyatt, Allison Rachford, Shannon Smoot, Tecoya Shannon, Heather Simons, Faith Stewart, Kathleen Thorn, and Heather Wilson.•

REAR ADM. IRVE C. LeMOYNE

• Mr. KERREY. Mr. President, I rise today to recognize Rear Adm. Irve C. LeMoyne, the U.S. Navy's highest ranking and longest serving SEAL. Admiral LeMoyne retires this month after 35 years of service to our Nation. His extraordinary accomplishments have been instrumental in the evolution of this country's special operations forces and will have a lasting impact as the U.S. military enters the 21st century.

Admiral LeMoyne began his Navy career as an ensign in 1961. Following graduation from underwater demolition training and service with Underwater Demolition Team 22, he served in Vietnam with SEAL Team 1 and Underwater Demolition Team 11. During his tours in Vietnam, he led numerous successful combat operations and served as a senior provincial reconnaissance unit advisor. While commanding Underwater Demolition Team 11 he also participated in the recovery operations of Apollo 10, 11 and 12.

During several high-level assignments in Washington, DC, Admiral LeMoyne held key positions where he was responsible for integrating naval special warfare into the U.S. regional military strategy and was a driving force behind the modernization of the community.

In 1987 Admiral LeMoyne became the first commander of the Naval Special Warfare Command which was formed as the result of the Nunn-Cohen amendment to the National Defense Authorization Act for fiscal year 1987. His leadership of this command brought together the many components of Naval Special Warfare into a single community which was successfully integrated into the joint structure of the newly formed U.S. Special Operations Command.

As the Director of Resources and then as the Deputy Commander in Chief of the U.S. Special Operations Command, Admiral LeMoyne further ensured that not only Naval Special Warfare, but all special operations forces were prepared to meet the demands of Operations Desert Shield and Storm and the numerous contingency operations of the 1990's.

Throughout his career Admiral LeMoyne has been a driving force behind the modernization of Naval Special Warfare. His accomplishments have paved the way for special operations forces as this country approaches the 21st century. The legacy of his leadership and foresight will carry on well into the next century as special operations forces meet the challenges of the battlefield of the future.

I bid Admiral LeMoyne, his wife, Elizabeth, his son Irve C. Jr., and his daughter, Christian fair winds and following seas.•

BOEING'S 777 WINS PRESTIGIOUS ROBERT J. COLLIER TROPHY

• Mrs. MURRAY. Mr. President, I am honored and proud to recognize the Boeing Co. from my home State of Washington as the 1996 winner of the prestigious Collier Trophy presented by the National Aeronautic Association. The Collier Trophy, the industry's highest honor for aeronautics achievement, will be presented to the Boeing 777 team this evening here in the Nation's capital.

According to the National Aeronautic Association, Boeing was cited for, "designing, manufacturing and placing into service the world's most technologically advanced airline transport." These words are high praise, yet they only begin to describe the awesome innovations achieved by the 777 team. The 777 was developed under the theme "Working Together" and represents the work of thousands of Boeing employees, Boeing customers and program partners, thousands of suppliers, regulatory authorities, passengers, pilots, and flight attendants. The Working Together concept and process will be a model for future research and development efforts for U.S. industry.

The 777, with approximately 300 aircraft on order, positions the Boeing Co. and its family of aircraft to compete and succeed in the competitive global market for years to come. The 777 is the fourth Boeing Co. Collier Trophy winner; the B-52, the 747 and the 757-767 programs also received this coveted award.

The Boeing 777 is the first commercial jetliner designed and preassembled entirely by computer simulation. More than 235 design-build teams, linked electronically through advanced computers, worked together to create the airplane's parts and systems and to evaluate the aircraft from every perspective. This new and innovative development process enabled the 777 program to exceed its goal of reducing change, error, and rework by 50 percent. Importantly, Boeing plans to apply this new development model for maximum efficiency to other airplane programs.

The most exhaustive flight test program in commercial jetliner history helped the 777 earn simultaneous certification from the Federal Aviation Administration and the European Joint Aviation Authorities. The 777 is the first airplane in aviation history to earn FAA approval to fly extended-range twin-engine operations routes at service entry. This allowed airlines to offer the most direct routes between transoceanic cities beginning on the aircraft's first day of service. Before entering into service, the 777 set National Aeronautic Association-certified speed records between Seattle, Washington and cities in Sweden, Thailand, France, Germany, and Switzerland.

The 777 contains numerous other technological aircraft advancements. The fuselage is wider in cross-section than any other jetliner with similar seating capacity. Advanced composite materials have lowered direct operating costs, improved aircraft safety, and created new cargo opportunities for airlines. More than 7,000 hours of flight deck pilot simulation will provide more reliability, longer service life and better visibility for pilots. The landing gear features better weight distribution on runways while reducing weight and maintenance costs. The 777 will carry approximately 100 more passengers and has a noise footprint less than half that of the older jets it is designed to replace.

On May 15, 1995, United Airlines took delivery of the very first Boeing 777. This momentous occasion was marked by a special ceremony at the Seattle Museum of Flight. On June 7, 1995, the 777 entered commercial service with United as Flight No. 921, traveling from London's Heathrow Airport to Dulles Airport in Washington, DC.

More than 20 airlines have signed orders to purchase and fly the Boeing 777. Importantly, virtually all of the airlines are foreign customers including British Airways, China Southern, Cathay Pacific, Korean Air Lines, Thai Airways, Japan Airlines, South Africa Airways, and Saudi Arabia Airlines. This ensures that the Boeing Co. will remain one of America's premier exporters. I want to stress to my colleagues that this international aircraft is a job generator for my home State as well as Americans in virtually every State.

Congratulations to the 777 team, the Boeing Co., and the thousands of individual Washingtonians who labored to design and build this historic aircraft.•

IN HONOR OF M.D. PORTMAN OF COLUMBUS, OH

• Mr. GLENN. Mr. President, I rise today in tribute to a great American, a great Ohioan, and a man who might truly be called "Mr. Columbus"—Maury Portman.

On May 20, Maury will retire as a Columbus City Councilman—and thus close a career that has spanned not only 42 years in Columbus city government, but also 31 years on Council and 12 of those as council President.

I think it's fair to say that no single individual has done more to help Columbus grow from a mid-sized town in the 1950's to the Nation's 16th largest city in the 1990's than M.D. Portman. Indeed, virtually every major piece of progress Columbus has made over the past few decades has Maury's fingerprints on it. He wrote and sponsored the legislation creating the Columbus Department of Development, sponsored the legislation allocating city funds for the arts, sponsored the legislation creating the Municipal Airport Authority that runs Port Columbus, established various committees to curb racial tensions in the city, helped plan the outerbelt expressway around Columbus, worked to bring the Columbus City Center development to fruition and tirelessly lobbied me and my colleagues here in Washington to obtain Federal funds for a variety of neighborhood renewal projects.

In short, it can accurately be said of Maury Portman that Columbus could not have held the last half of the 20th century without him.

I think the editors at his hometown newspaper, the Columbus Dispatch put it well when they said: "Portman has been able to function so effectively because he never had a personal agenda. His energies were directed not to what would help him get ahead, but what was in the best interest of the community."

Mr. President, Maury Portman is a one-of-a-kind original. He personifies all that is best about public service. And the city of Columbus will miss his leadership greatly.

I feel fortunate to have known and worked with Maury—and I am proud to call him my friend. And now that his retirement is imminent, I know I speak for thousands upon thousands of people in central Ohio when I say: "Thank you, Maury." Thank you for caring; thank you for always giving your best; thank you for always being there. We all wish you and your beautiful wife, Alice, good luck and Godspeed in whatever you decide to do next. And please know that just as you always remembered Columbus, Columbus will never forget you.•

SARAH EMILY MOORE JONES

• Ms. MIKULSKI. Mr. President, I would like to call to the attention of my colleagues the upcoming birthday of Mrs. Sarah Emily Moore Jones, a native Marylander. On Saturday, May 11, 1996, Mrs. Jones will become 92 years young. I know my colleagues join me in extending heartfelt birthday wishes to Mrs. Jones.

Mrs. Jones was born in Wetipquin, MD, the fourth of seven children. She attended Wetipquin Elementary School and Salisbury High School and received a degree in education from Bowie Normal, which is now Bowie State University. Mrs. Jones taught in the Wicomico County public school system in elementary and adult education. She is a faithful member of St. James Free Methodist Church, in Head of Creek, MD, where she served as the musician for over 40 years.

On June 27, 1925, Sarah Emily Moore married Matthew Jones of Head of Creek, MD. To that union, four children were born: Thelma Martin and Matthew Jones of Washington, DC, Linfred Jones of Quantico, MD, and Mary Hilda Elsey of Nanticoke, MD. Mrs. Jones has one stepson, Samuel Boslee of New Jersey. She is also a grandmother, a great grandmother, and a great great grandmother.

After her husband of 60 years passed away on September 6, 1985, Mrs. Jones continued to live independently until December 6, 1995, when she incurred a hip injury. As a result of her injury, and the surgery and rehabilitation that followed, she began living with her daughter, Thelma.

The ever soft-spoken, perpetually happy Sarah can be found smiling and composed through any circumstance. She is revered and loved by all whose lives she touches. I ask my colleagues to join me in wishing Sarah Jones a very happy 92d birthday.•

A MOTHER'S DAY WISH TO END GUN VIOLENCE

• Mrs. BOXER. Mr. President, this Sunday is Mother's Day, when millions of sons and daughters will gather to pay tribute to the women who raised them. Mother's Day is a joyous celebration for most, but for families touched by the epidemic of gun violence, it can be a cruel reminder of what they have lost.

I want to speak today about one such family, and I want to tell Senators how a mother from Orange County, CA, Mary Leigh Blek, chose to honor her son's memory by becoming a leader in the fight against violence.

On June 29, 1994, Mary Leigh Blek experienced every mother's nightmare—a 3 a.m. phone call from the police, telling that her beloved son Matthew had been shot and killed. Matthew Blek was walking his date home that night when three teenagers on a violent rampage shot him twice in the head.

The weapon used in that terrible crime was a junk gun, probably manufactured in southern California. Congress has prohibited the importation of these cheap, poor quality, and easily concealable firearms, but has allowed their domestic manufacture to soar unchecked.

For the past year, Mary Leigh Blek and her husband Charles have been on a crusade to stop the proliferation of these junk guns. "Silence is consent," she says, and Mary Leigh Blek has been anything but silent. She has become a tireless organizer in the anti-gun-violence movement—making speeches, attending rallies, and most recently testifying before a Committee of the California Legislature.

Mary Leigh Blek is determined to spare other mothers the pain that ripped her family apart. When I introduced the Junk Gun Violence Protection Act, a bill that would apply the same standards to domestically produced handguns as are currently applied to imports, Mary Leigh Blek was there. Once again, she told the story of how her son was slain and why these poor quality, easily concealable handguns should not be on the streets. I know it is hard for her to keep talking about this tragedy, and I admire her courage and the sense of public service that motivates her to keep up the fight.

This Mother's Day, I will think of Mary Leigh Blek. It is my hope that by next Mother's Day, the kind of gun that killed her son Matthew will no longer be out on the streets.•

AIDS EDUCATION

• Mr. LAUTENBERG. Mr. President, I rise today to commend the students and faculty at Cresskill High School in my State for proposing a weeklong focus on HIV/AIDS, from May 27 to June 2, 1996.

It's true that this is one of many spotlights that have been trained on this epidemic; and it's true that there have been many seminars and educational forums designed to inform the public about the devastation this disease causes and the medical and other support services available to sustain individuals and families living with HIV/AIDS.

But the fact is that despite statistics clearly demonstrating that AIDS is no respecter of racial, religious, ethnic, or economic lines, most people prefer to think it can't happen to them. The idea for this particular AIDS Education Week in New Jersey came from Jessica Pomerantz, a student at Cresskill High School, a suburban school in an area where families are not faced with problems of the inner cities. Jessica felt the need to talk about this precisely because she sensed that her fellow classmates were like most people—they believed they would never be the ones to get the AIDS virus. The fact is, as she says, AIDS is an equal opportunity killer. The fact is this AIDS education week is very significant.

AIDS has become a defining facet of modern life: The 80,000 Americans reported with AIDS in 1994 alone represented one-fifth the total number of cases ever reported in the United States; AIDS infects one of every 92 young American men ages 27 to 39; it's the leading cause of death among all 25–44 year olds and the fourth leading cause of death among all women.

In New Jersey, some 50,000 people are infected with the HIV virus. We're fifth in the United States in reported AIDS cases, third in pediatric AIDS cases. Women represent 26 percent of all reported AIDS cases in New Jersey, the highest proportion of women with AIDS in the entire country. And women are the fastest-growing group of people with HIV/AIDS.

Last December, the eighth observance of World AIDS' Day took as its theme, "Shared Rights, Shared Responsibilities." Jessica and her fellow students at Cresskill High School have taken that message to heart. They understand the stake they have in this fight. They know they shouldn't and they cannot ignore it for the sake of their own future and the future of generations all over the world. "We must protect our future," they say, "by taking responsibility for our actions if we are to accomplish our goals."

Mr. President, I'm tremendously proud of these young people from New Jersey. I ask my colleagues to join me today in wishing them continued success.•

MEDICARE REIMBURSEMENTS FOR TREATMENT OF SOME MEDICARE-ELIGIBLE VETERANS

• Mr. WELLSTONE. Mr. President, I'm pleased and honored to announce my intention to introduce legislation in the coming days which I believe will demonstrate the cost effectiveness and feasibility of Medicare reimbursement to the Department of Veterans Affairs [VA] for treatment of some medicare-eligible veterans at VA health care facilities.

There are two very important reasons I intend to introduce and press for passage of this legislation which I would like to briefly outline. First, reforming veterans' health care is one of my top priorities. I strongly believe that if we don't reform the archaic and arcane rules governing veterans access to VA medical care, it will be impossible for the VA to provide America's veterans with 21st Century health care. To accomplish this, the VA must be authorized to receive Medicare reimbursements for treatment of some Medicare-eligible veterans. Two different proposals prepared by major veterans service organizations (VSO's) provide that the VA be authorized to receive Medicare reimbursement for treating Medicare-eligible veterans. The GAO, however, has questioned both the feasibility and cost of providing Medicare reimbursement to the VA. While I lean toward the VSOs' view that Medicare reimbursement would be both feasible and cost-effective, the only way to prove this is by means of a demonstration project that will determine both the feasibility and cost effectiveness of Medicare subvention. That is precisely what my legislation will authorize.

Second, I believe that because the VA is facing and will likely continue to face severe funding constraints that will reduce its capabilities to provide access to quality health care, the VA will be under strong pressures to deny health care to Medicare-eligible veterans who are not in the mandatory category for outpatient or inpatient treatment. For many years VA medical costs have lagged behind medical cost inflation and under the budget resolution adopted by Congress last year the VA medical care budget would be frozen for 7 years, lagging behind overall inflation and probably even further behind medical cost inflation. As a consequence, the VA may be compelled to ration care, with veterans 65 and over one of the groups likely to be affected. Even before the VA was faced with a flat health care budget, many of its facilities were compelled to resort to rationing. Despite the bold and imaginative efforts of Secretary of Veterans Affairs Jesse Brown and his Under Secretary for Health Ken Kizer to modernize, streamline and decentralize VA health care, a flat VA health care budget for 7 years can only lead to more extensive rationing of health care for veterans. This will further fray our solemn contract with the men and women who selflessly defended our country.

Mr. President, the bill I am planning to introduce is intended to ensure that our aging veterans population is not denied access to VA health care at a time when they need it most. Improving and safeguarding health care for our country's veterans should be a priority issue for my colleagues on both sides of the aisle. I hope all of my colleagues will carefully review my bill after it is introduced and will carefully consider supporting it.●

ORDERS FOR MONDAY, MAY 13, 1996

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand adjournment until 12 noon on Monday, May 13; further, that immediately following the prayer the Journal of proceedings be deemed approved to date, that no resolutions come over under the rule, that the call of the calendar be dispensed with, the morning hour be deemed to have expired, and there then be a period of morning business until the hour of 3:30 p.m. with Senators allowed to speak for up to 5 minutes each.

I further ask that Senator DASCHLE, or his designee, be in control of the time between 12:30 and 2 p.m., and that Senator COVERDELL, or his designee, be in the control of the time between the hours of 2, and 3:30 p.m.; and, further, that immediately following morning business the Senate resume consideration of H.R. 2937, the White House Travel Office legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. LOTT. Mr. President, the Senate will resume consideration of the White House Travel Office bill and the pending gas tax repeal issue on Monday.

There will be no further votes during today's session. The Senate will not be in session on Friday of this week, and no rollcall votes will occur during Monday's session of the Senate, although the Senate will be in session on Monday.

Senators are expected to debate the gas tax repeal issue throughout the day on Monday. And, as a reminder, a cloture motion was filed on the pending amendment.

And, therefore, I ask unanimous consent that the cloture vote occur on the Dole amendment at 2:15 p.m. on Tuesday, May 14, and the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order following the remarks of the distinguished Senator from Massachusetts.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank the Senator for permitting us to address the Senate for just a few moments at this time.

ACTIONS OF THE SENATE

Mr. KENNEDY. Mr. President, I wanted to just correct the record with regard to the suggestion of the Senator from Mississippi about actions that were taken by those of us who favor having an up-or-down vote on the minimum wage and the action that was necessary to try to keep the issue of the minimum wage before the U.S. Senate because, as the record shows very clearly, we have demonstrated a majority support for increasing the minimum wage as an amendment on legislation earlier this year, and at the time that the Senate voted by 55 votes, Republicans and Democrats, to increase the minimum wage. Our Republican majority leader made a motion to recommit the pending legislation, sending it back to the committee and having it returned to the floor without that amendment that was pending which would have effectively denied us any further debate or discussion of the minimum wage. And, before that action was processed, I filed a cloture motion on the minimum wage to at least assure that the Senate would have an opportunity to vote on the minimum wage issue and which we have been denied the opportunity to do.

The Senator from Mississippi can continue to talk about the various procedures, processes, and actions that can be used by the Republican leadership to avoid this institution taking a vote up or down on the minimum wage, which they have been successful in doing. But I do not think there is an American today that does not understand that it has been the Republican leadership position in the House of Representatives and the Senate of the United States that is frustrating the overwhelming sentiment of the people of this country—in all regions of the country and among all ages of the country—that believe that fairness and decency ought to permit the Senate of the United States and the House of Representatives to vote on a modest increase for those men and women who work 40 hours a week, 52 weeks of the year, to try to provide for themselves and their families.

That is not favored by the majority leadership. That is opposed by the Republican leadership, and the Senator from Mississippi, as outlined earlier, which may be of interest to I do not know who at this hour of the day here in the Senate, about various procedures that are utilized to deny us that opportunity. But I can tell you that there are families that are gathered around the kitchen table at this moment at 6:30 at night, and there are the mothers of children that are gathered there at the kitchen table at this very moment that are wondering how they are going to pay the utility bill, or the emergency room bill, or the rent, or food on the table, or the clothing for their children. That is happening now. And, if they could afford a television and watch what is happening on the floor of the U.S. Senate, they have to ask, "Why? Why is the Republican leadership demanding or forbidding the opportunity to have an up-or-down vote on this measure one more day, one more day?"

They denied it yesterday, denied it the day before, denied it the day before that, denied it last week, and denied it in the weeks before, in spite of the fact that the majority leader has voted for an increase in the minimum wage four times, voted against it eight times, but voted for it on four different occasions, and in spite of the fact that Republican Presidents Eisenhower, Bush, and Nixon have all supported an increase in the minimum wage. So, it is an interesting perhaps story about the procedural steps which have been taken by various Senators to deny an increase in the minimum wage.

But, Mr. President, there is no doubt in the minds of the American people about what is taking place here in the U.S. Senate; Republican leadership denying working families on the bottom rung of the economic ladder the opportunity to have a living wage, a living wage for themselves and for their families, and that is wrong. No parliamentary procedure is going to change that fundamental fact.

Now, Mr. President, in recent days a number of commentators have pointed out that the Senate seems to be in the doldrums, "D-o-l-e-d-r-u-m-s." I believe the normal spelling leaves out the "e"—d-o-l-d-r-u-m-s. I thought it might be worth listening to some of the dictionary definitions for that word.

The Random House Dictionary of the English Language defines it this way:

> A state of inactivity or stagnation;
>
> A belt of calms and light baffling winds;

Or, three:

> A dull, listless, depressed move; low spirits.

The Oxford English Dictionary refers to the doldrums this way:

> A vessel almost becalmed, her sails flapping about in every direction.

It goes on to call it:

> A region of unbearable calm broken occasionally by violent squalls.

The American Heritage Dictionary defines it this way:

> Ocean regions near the equator characterized by calms, or light winds, and the calms characteristic of;

Or, second:

> The calms characteristic of these areas;

Or, third:

> A period of inactivity, listlessness, or depression probably influenced in form by the word "tantrum."

That seems to fit the Senate precisely. First our Republican friends have a tantrum over the Democratic efforts to raise the minimum wage. Then our Republican friends go into the doldrums.

The American people look to the Congress for action on the minimum wage, and all they see are cloture motions, quorum calls, and procedural gymnastics to avoid taking action.

I say end the gridlock, end the deadlock, end the doldrums. The way for Senator DOLE to find his way out of the doldrums is clear: Raise the minimum wage.

Finally, Mr. President, on one other matter that was raised by my friend from Mississippi about cloture motions; and there will be those that will study this period of history in the 102d, 103d, and the 104th Congress.

What they will find is that the times when the cloture motions were filed was to close off the prolonged debate which was taking place in the Senate. But they will also find that when our Republican leadership has been filing the cloture motions in this Congress, it is not to terminate debate. It is to block out debate, to close out the possibilities to offer amendments to the underlying measure, a very significant and important difference. It can be made light of on the floor of the Senate, but every Member of this body ought to know what the significance and the difference is about in the application of cloture during this period of time—to close out debate, to deny the opportunity for Members to be able to express the interests of people they represent. It is unbecoming for this institution to be put in that position because this is the institution which has debated the great issues as well as less important issues over the period of the history of this Nation. Denying that opportunity for debate does not serve this institution or its tradition well. To the contrary.

I wish to make just a final observation, Mr. President. I ask unanimous consent to be able to proceed for 3 or 4 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. In every case where cloture was filed on an amendable vehicle during the 103d Congress and Republicans sought to offer amendments, amendments sponsored by or cosponsored by Republicans were voted on before the cloture vote. Do we hear that? In every case where cloture was filed on an amendable vehicle during the 103d Congress and Republicans sought to offer amendments, amendments sponsored by or cosponsored by Republicans were voted on before the cloture vote. Not today in terms of where we are on proposals of Democrats and on proposals that are cosponsored by Republicans, because the minimum wage increase is cosponsored by a Republican. In no case was the amendment tree completely filled to prevent Republicans from offering amendments after cloture was filed. In no case. In no case. I have heard that claim to be the case by the Republican majority leader and again repeated this afternoon. But the facts do not support that statement.

Cloture was most frequently filed to close off debate in situations where amendments were not in order—conference reports, nominations, motions to proceed to bills. The only bill on which cloture was filed during the 103d Congress and no Republican amendments were offered was S. 414, the Brady bill. In that bill, cloture was filed on the Mitchell-Dole substitute amendment. There were no votes on Republican amendments because a unanimous-consent agreement was reached dictating which amendments would be permitted—unanimous consent—a completely different history than has been described either earlier this evening or by the majority leader on yesterday.

So, Mr. President, as I mentioned, the people in my State who are receiving the minimum wage have been fortunate in that my State increased the minimum wage. Fortunately, it has been in effect since January of this year, and the unemployment has gone down. It has gone down. In our neighboring State of New Hampshire, where they have not increased it, the unemployment has gone up.

So I will welcome the opportunity to debate the issue of whether the minimum wage adds to inflation, whether it adds to unemployment, about what the economic impact is going to be. We have ample examples of that from history. We have at other times reviewed that for the benefit of the Senate, and we will welcome the chance to either do that again or not do it.

We continue to deny an increase in the minimum wage to hard-working Americans, most of whom are women. A good percentage of those women have small children. This is a women's issue. It is a families' issue. It is a children's issue. It is an issue for justice. It is an issue on decency. It is an issue on fairness. The American people understand that.

So perhaps as we come to the conclusion of this week of Senate debate and discussion, those families are going to wonder why the Senate did not address this issue again. It is more and more difficult for this Senator to explain to families that are trying to provide for themselves and their families why Republican leaders refuse to give working families a livable wage that we have been prepared to do at other times in our history with Republicans and Democrats alike. The last time we increased it, we had a Democratic controlled Congress and a Republican President. Now we have a Republican Congress and a Democratic President, but the Republican leadership in the House of Representatives and the Senate of the United States has refused to do it.

In a final point, I will say it is going to get done. It is going to get done, and those families ought to understand that it will get done. It will get done, I believe, sooner than later. We will continue to offer this amendment on the legislation, and if the Senator from Mississippi or the Senator from Kansas, the majority leader, want to go to this arcane procedure of denying any debate or discussion on either the minimum wage or any amendments thereto, they are going to have a very long spring and a very long summer, but we are going to prevail on this issue.

I yield the floor.

ADJOURNMENT UNTIL MONDAY, MAY 13, 1996

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until Monday, May 13, 1996.

Thereupon, the Senate, at 6:57 p.m., adjourned until Monday, May 13, 1996, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate May 9, 1996:

THE JUDICIARY

RICHARD A. LAZZARA, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE MIDDLE DISTRICT OF FLORIDA, VICE JOHN H. MOORE II, RETIRED.

MARGARET M. MORROW, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA, VICE RICHARD A. GADBOIS, JR., RETIRED.

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE DEPARTMENT OF COMMERCE FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

TERENCE FLANNERY, OF VIRGINIA
LARON L. JENSEN, OF VIRGINIA

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE, AS INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

DOLORES F. HARROD, OF NEW HAMPSHIRE
JAMES L. JOY, OF FLORIDA
DAVID K. KATZ, OF CALIFORNIA
GEORGE W. KNOWLES, OF FLORIDA
KAY R. KUHLMAN, OF FLORIDA
JOHN L. PRIAMOU, OF THE DISTRICT OF COLUMBIA
GEORGE F. RUFFNER, OF PENNSYLVANIA

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS TWO, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

JUSTIN EMMETT DOYLE, OF NEW YORK
HECTOR NAVA, OF CALIFORNIA

DEPARTMENT OF COMMERCE

CRAIG B. ALLEN, OF WISCONSIN
ROBERT M. MURPHY, OF WASHINGTON

DEPARTMENT OF STATE

DAVID M. BUSS, OF TEXAS
PATRICIA M. HASLACH, OF OREGON

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS THREE, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

DAVID JOHN CLARK, OF TEXAS
AMY RENNEISEN FAWCETT, OF TENNESSEE
JAMES B. GAUGHRAN, OF VIRGINIA
MICHAEL J. GREENE, OF WASHINGTON
PHILIP D. HORSCHLER, OF CALIFORNIA
VIRGINIA HOWELL POOLE, OF VIRGINIA
CLAUDE WILBUR MARK REECE, OF VIRGINIA
CAROLINE TRUESDELL, OF NEW YORK
RUTH F. WOODCOCK, OF FLORIDA
ALBERT OBIRI YEBOAH, OF VIRGINIA

DEPARTMENT OF AGRICULTURE

SHARON A. BYLENGA, OF FLORIDA

DEPARTMENT OF COMMERCE

ANN M. BACHER, OF FLORIDA
NANCY K. CHARLES-PARKER, OF VIRGINIA
DAVID K. SCHNEIDER, OF VIRGINIA
DALE N. TASHARSKI, OF TENNESSEE

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS FOUR, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF COMMERCE

LINDA F. ARCHER, OF CALIFORNIA
FRANK G. CARRICO, JR., OF TEXAS
JAMES M. FLUKER, OF NEW YORK
ROSEMARY D. GALLANT, OF VIRGINIA
KENNETH H. KEEFE, OF FLORIDA
JAMES M. MCCARTHY, OF MARYLAND

DEPARTMENT OF STATE

MICHAEL JONATHAN ADLER, OF MARYLAND
STEFANIE AMADEO, OF NEW JERSEY
MARY RUTH AVERY, OF FLORIDA
DANIEL KARL BALZER, OF OHIO
DOUGLAS COVELL BAYLEY, OF WISCONSIN
MARK D. BYSFIELD, OF MISSOURI
PAUL M. CANTRELL, OF CALIFORNIA
ROBIN LISA DUNNIGAN, OF CALIFORNIA
MONICA ELIZABETH EPPINGER, OF ARIZONA
JILL MARIE ESPOSITO, OF NEW YORK
NICHOLAS A. FERRO, OF VIRGINIA
MICHAEL EDWARD GARROTE, OF PENNSYLVANIA
PAMELA L. GOMEZ, OF TEXAS
BRIAN A. GOGGINS, OF THE DISTRICT OF COLUMBIA
DEBORAH ZAMORA GROUT, OF NEW MEXICO
HELEN HAMILTON HAHN, OF FLORIDA
RUTH MARY HALL, OF VIRGINIA
SCOTT IAN HAMILTON, OF ILLINOIS
RICHARD ALAN HINSON, OF FLORIDA
GERARD THOMAS HODEL, OF NEW YORK
DIRK J. HOFSCHIRE, OF NEBRASKA
TODD MICHAEL HUIZINGA, OF MICHIGAN
DONALD EMIL JACOBSON, OF CALIFORNIA
CATHERINE ELIAS KAY, OF ILLINOIS
MICHAEL CHRISTOPHER KEAYS, OF CALIFORNIA
KRISTINA A. KVIEN, OF CALIFORNIA
CHRISTOPHER JOHN LAMORA, OF RHODE ISLAND
JEANNE M. MALONEY, OF TENNESSEE
COLETTE A. MARCELLIN, OF TEXAS
MICHAEL JOHN MATES, OF WASHINGTON
ANN BARROWS MCCONNELL, OF CALIFORNIA
JENNIFER ALLYN MCINTYRE, OF MARYLAND
KELLIE A. MEIMAN, OF GEORGIA
ELIZABETH INGA MILLARD, OF VIRGINIA
DOUGLAS ALAN MORRIS, OF NEBRASKA
W. PATRICK MURPHY, OF NEW HAMPSHIRE
COURTNEY R. NEMROFF, OF PENNSYLVANIA
MATTHEW A. PALMER, OF MASSACHUSETTS
SOOKY WYNNE PARK, OF MARYLAND
RICHARD CARLTON PASCHALL III, OF NORTH CAROLINA
SARAH S. PENHUNE, OF MASSACHUSETTS
MARK STEPHEN PROKOP, OF CONNECTICUT
CHARLES RANDOLPH IV, OF CONNECTICUT
THOMAS METZGER RAMSEY, OF NEW YORK
HOWARD VERNE REED, OF NEW YORK
WALTER SCOTT REID III, OF VIRGINIA
SONJA KAY RIX, OF NEW YORK
WILLIAM VERNON ROEBUCK, JR., OF NORTH CAROLINA
AVA L. ROGERS, OF LOUISIANA
MARILYNN WILLIAMS ROWDYBUSH, OF OHIO
PAUL M. SIMON, OF FLORIDA
SHERRY LYNN STEELEY, OF PENNSYLVANIA
GREGORY WILLIAM SULLIVAN, OF FLORIDA
JOSEPH F. TILGHMAN, OF CONNECTICUT
DONNA VISOCAN VANDENBROUCKE, OF VIRGINIA
STEVEN CRAIG WALKER, OF HAWAII
DEIRDRE M. WARNER, OF PENNSYLVANIA
ROBERT FORREST WINCHESTER, OF CALIFORNIA
JAMES A. WOLFE II, OF CALIFORNIA

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENTS OF COMMERCE AND STATE TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

REBECCA ARENDA, OF VIRGINIA
KATHLEEN T. AUSTIN, OF THE DISTRICT OF COLUMBIA
FRANK JOSEPH BABETSKI, OF VIRGINIA
BARTHOLOMEW LOUIS BARBESSI, OF NEW YORK
ALLISON M. BECK, OF VIRGINIA
JEMIE L. BERTOT, OF CONNECTICUT
HARRY ARTHUR BLANCHETTE, OF FLORIDA
LILLIAN A. BRAMAN, OF VIRGINIA
RON A. BRAVERMAN, OF NEW JERSEY
MARY KATHLEEN BRYLA, OF THE DISTRICT OF COLUMBIA
GUILLERMO SANTIAGO CHRISTENSEN, OF VIRGINIA
DAVID F. DAVISON, OF VIRGINIA
PAUL J. DEFRANCESCO, JR., OF OHIO
CATHERINE I. EBERT-GRAY, OF COLORADO
DAVID J. FINEMAN, OF VIRGINIA
CLARENCE FRANKLIN FOSTER, JR., OF VIRGINIA
DENNIS DAVID GRABULIS, OF VIRGINIA
RICHARD JASON GRIMES, OF VIRGINIA
BRIAN GIBBS GUNDERSON, OF VIRGINIA
KENT FRENDON HALLBERG, OF VIRGINIA
JERRY HERSH, OF NEW YORK
SALLIE MARIE HICKS, OF VIRGINIA
TYRENA L. HOLLEY, OF THE DISTRICT OF COLUMBIA
JON CLARKE HOOPER, OF VIRGINIA
HORACE P. JEN, OF VIRGINIA
JENNIFER J. JORDAN, OF VIRGINIA
SCOTT H. JUNG, OF MARYLAND
KURTIS MICHAEL KESSLER, OF VIRGINIA
MARK A. LABRECQUE, OF VIRGINIA
KRISTINE R. LANSING, OF VIRGINIA
MICHAEL W. LIIKALA, OF CALIFORNIA
DOUGLAS M. LITTREL, OF VIRGINIA
FRANK J. MANGANIELLO, OF VIRGINIA
MARK J. MARTIN, OF VIRGINIA
KEVIN BRUCE MCKINNEY, OF VIRGINIA
MARION K. MCMAHEL, OF MARYLAND
TARA K. NATHAN, OF VIRGINIA
GERALDINE H. O'BRIEN, OF VIRGINIA
HENRY OPPERMANN, OF MARYLAND
HOMER C. PICKENS III, OF VIRGINIA
PHYLLIS MARIE POWERS, OF TEXAS
CHRISTOPHER C. RAND, OF VIRGINIA
HELEN PATRICIA REED-ROWE, OF MARYLAND
WILLIAM RODMAN REGAN, OF VIRGINIA
CORNELIO RIVERA III, OF VIRGINIA
FRED A. SCHELLENBERG, OF VIRGINIA
DAVID D. SCHILLING, OF MARYLAND
JAMES B. SIZEMORE, OF VIRGINIA
MARY EMERSON SLIMP, OF VIRGINIA
AMY KATHERINE STAMPS, OF VIRGINIA
ANDREA ROBIN STARKS, OF MARYLAND
REVALEE STEVENS, OF THE DISTRICT OF COLUMBIA
LOUIS V. SURGENT, JR., OF MARYLAND
DWAYNE LEO THERRIAULT, OF VIRGINIA
MICHAEL S. TULLEY, OF CALIFORNIA
BURCE G. VALENTINE, JR., OF VIRGINIA
RANDALL R. VIDEGAR, OF VIRGINIA
ANTHONY DAVID WATT, OF WYOMING
ANN G. WEBSTER, OF VIRGINIA
HELGA L. WEISTO, OF MARYLAND
DAVID S. WICK, OF DELAWARE
ROBERT T. YURKO, OF MARYLAND

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be general

LT. GEN. DAVID A. BRAMLETT, [redacted] U.S. ARMY.

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER SECTION 601, TITLE 10, UNITED STATES CODE:

To be lieutenant general

MAJ. GEN. JEFFREY W. OSTER [redacted]

IN THE NAVY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE NAVAL RESERVE OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 5912:

DENTAL CORPS

To be rear admiral (lower half)

CAPT. VERNON PAUL HARRISON, [redacted] U.S. NAVAL RESERVE.

JUDGE ADVOCATE GENERAL'S CORPS

To be rear admiral (lower half)

CAPT. CLIFFORD JOSEPH STUREK [redacted] U.S. NAVAL RESERVE.

SUPPLY CORPS

To be rear admiral (lower half)

CAPT. STEVEN ROBERT MORGAN [redacted] U.S. NAVAL RESERVE.

CIVIL ENGINEER CORPS

To be read admiral (lower half)

CAPT. ROBERT CHARLES MARLAY, [redacted] U.S. NAVAL RESERVE.

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE LINE IN THE NAVY OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

UNRESTRICTED LINE OFFICER

To be rear admiral (lower half)

CAPT. DANIEL R. BOWLER [redacted] U.S. NAVY.
CAPT. JOHN E. BOYINGTON, JR. [redacted] U.S. NAVY.
CAPT. JOHN T. BYRD [redacted] U.S. NAVY.
CAPT. JOHN V. CHENEVEY [redacted] U.S. NAVY.
CAPT. RONALD L. CHRISTENSON, [redacted] U.S. NAVY.
CAPT. ALBERT T. CHURCH III [redacted] U.S. NAVY.
CAPT. JOHN P. DAVIS [redacted] U.S. NAVY.
CAPT. THOMAS J. ELLIOTT, JR [redacted] U.S. NAVY.
CAPT. JOHN B. FOLEY III [redacted] U.S. NAVY.

CAPT. KEVIN P. GREEN [redacted] U.S. NAVY.
CAPT. ALFRED G. HARMS, JR. [redacted] U.S. NAVY.
CAPT. JOHN M. JOHNSON [redacted] U.S. NAVY.
CAPT. HERBERT C. KALER [redacted] U.S. NAVY.
CAPT. TIMOTHY J. KEATING [redacted] U.S. NAVY.
CAPT. GENE R. KENDALL [redacted]
CAPT. TIMOTHY W. LAFLEUR [redacted]
CAPT. ARTHUR N. LANGSTON III [redacted]
CAPT. JAMES W. METZGER [redacted]
CAPT. DAVID P. POLATTY III [redacted]
CAPT. RONALD A. ROUTE [redacted]
CAPT. STEVEN G. SMITH [redacted]
CAPT. THOMAS W. STEFFENS [redacted]
CAPT. RALPH E. SUGGS [redacted]
CAPT. PAUL F. SULLIVAN [redacted]

ENGINEERING DUTY OFFICER

To be rear admiral (lower half)

CAPT. ROLAND B. KNAPP [redacted] U.S. NAVY.
CAPT. KATHLEEN K. PAIGE, [redacted] U.S. NAVY.

SPECIAL DUTY OFFICER (INTELLIGENCE)

To be rear admiral (lower half)

CAPT. PERRY M. RATLIFF [redacted] U.S. NAVY.

SPECIAL DUTY OFFICER (FLEET SUPPORT)

To be rear admiral (lower half)

CAPT. JACQUELINE O. ALLISON, [redacted] U.S. NAVY.

IN THE MARINE CORPS

THE FOLLOWING-NAMED NAVAL ACADEMY GRADUATES TO BE APPOINTED PERMANENT SECOND LIEUTENANTS IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

NAVAL ACADEMY GRADUATES

To be second lieutenants

CRAIG R. ABELE [redacted]
CHRISTOPHER G. ABRAHAM [redacted]
JOSEPH S. AGRES [redacted]
MARC D. AMOS [redacted]
MICHAEL C. ANDERSON [redacted]
ARTHUR R. ARAGON [redacted]
ENRIQUE A. AZENON [redacted]
ANTHONY BAGGS [redacted]
TONYA R. BARZ [redacted]
STEVEN C. BERGER [redacted]
BRIAN D. BERNTH [redacted]
JOHN F. BERRIGAN III [redacted]
AMY E. BERTAS [redacted]
CHRISTOPHER L. BOPP [redacted]
PATRICK W. BOYD [redacted]
JURI P. BRANDT [redacted]
CHRISTOPHER J. BRONZI [redacted]
THOMAS A. BUDREJKO [redacted]
TYLER N. BUSH [redacted]
WALTER J. BUTLER, JR [redacted]
CHARLES M. BYRNE [redacted]
JEFFREY D. CABANA [redacted]
LONNIE M. CAMACHO II [redacted]
LOUIS A. CAMARDO II, [redacted]
JENNIFER M. CAMPION [redacted]
ISMAEL CARDENAS JR. [redacted]
DARREN S. CATALLO [redacted]
ALICIA A. CHIARAMONTE [redacted]
BRENDAN P. COLLINS [redacted]
DAWN N. CORCORAN [redacted]
JOHN D. CORDONE [redacted]
JOHN M. COSTELLO [redacted]
JOSHUA D. CRIBBS, [redacted]
LUCAS E. DABNEY [redacted]
REBECCA C. DENGLER [redacted]
PATRICIA L. DESPAIN [redacted]
PAUL E. DEVEAUX [redacted]
ERWIN F. DICK, III [redacted]
JEFFREY S. DIMMIG [redacted]
JOHN A. DIUMENTI [redacted]
WILLIAM P. CONNELLY, III [redacted]
SEAN P. DONOVAN [redacted]
CINDY R. DUGGAN [redacted]
DANIEL W. DUKES, [redacted]
MIGUEL F. EATON [redacted]
CHRISTOPHER V. EICHINGER [redacted]
CRAIG G. ERLANGER [redacted]
JENNIFER A. FARKASFALVY [redacted]
TED L. FARRELL [redacted]
ALYCE FERNEBOK [redacted]
TODD P. FERRIS [redacted]
GERALD J. FINNEGAN, JR [redacted]
MARTIN J. FISHER [redacted]
LEO J. FITZHARRIS, IV [redacted]
EDWARD W. FLOYD [redacted]
CHRISTOPHER B. FLYNN, III [redacted]
GINA L. FOLTZ [redacted]
DARIN J. FOX [redacted]
EUGENE L. FUNDERBURK [redacted]
CHRISTOPHER E. GEORGI [redacted]
MEGAN L. GERSTENFELD [redacted]
JAMES R. GLADDEN, III [redacted]
JENNIFER M. GODDARD [redacted]
JOSHUA S. GORDON [redacted]
BRIAN T. GRANA [redacted]
KENNETH J. GRANT [redacted]
CORNELIUS D. GRAY [redacted]
JAMES A. HANLEY, II [redacted]
MARIUS L. HARRISON [redacted]
BRIAN F. HAY [redacted]
STACEY J. HAYNES [redacted]
ERIK B. HEISER [redacted]
NICK L. HERNANDEZ [redacted]
WILLIAM B. HUBER [redacted]
DOMINIC J. IACONO III, [redacted]
JAIME A. IBARRA [redacted]
CHRISTOPHERSCOTT IEVA [redacted]
JOHN B. JACKSON III [redacted]
JACOB A. JENKINS [redacted]
JOSEPH T. JOHNSON [redacted]
ARTHUR F. KEAR III [redacted]
LORI A. KELLEY [redacted]
MARK D. KERBER, [redacted]
BRIAN T. KOCH, [redacted]
MATTHEW D. KRAUSE [redacted]
THOMAS E. LEAHY [redacted]
JEFFREY D. LEWIS [redacted]
DANIEL A. LOVELACE [redacted]
CARL J. LUCAS [redacted]
CHARLES A. LUMPKIN [redacted]
GEORGE W. LUNDY III [redacted]
STEPHEN P. LYNCH [redacted]
JARROD A. MARSH [redacted]
PATRICK M. MCBRIDE [redacted]
LAURA C. MCCLELLAND [redacted]
MAUREEN R. MCFARLAND [redacted]
ANDREW J. MCNULTY [redacted]
JASON K. MEINERS [redacted]
ANNIKA MOMAN, [redacted]
STEPHEN J. MONSOUR [redacted]
TOBY F. MOORE [redacted]
DAVID A. MUELLER [redacted]
KEVIN M. MULLIGAN [redacted]
KIRK B. NELSON [redacted]
JONATHAN R. OHMAN [redacted]
OKWEDE M. OKE [redacted]
KEITH S. OKI [redacted]
JEREMY R. ORR [redacted]
STEPHEN S. PAINTER [redacted]
BENJAMIN J. PAPPAS [redacted]
TEAGUE A. PASTEL [redacted]
LESLIE T. PAYTON [redacted]
ROBERT A. PEAL [redacted]
DARRYL A. PIASECKI [redacted]
BENJAMIN T. PIPES [redacted]
ROBERT E. POWELL JR. [redacted]
MELISSA PRATT [redacted]
AARON R. RAMERT [redacted]
JABARI J. RENEAU [redacted]
PATRICIA M. RESTREPO [redacted]
JAMES C. REYNOLDS [redacted]
JOSHUA A. RIGGS [redacted]
RANDALL C. RISHER [redacted]
AMY J. ROY, [redacted]
CHRISTIAN S. RUWE [redacted]
DOUGLAS C. SANDERS [redacted]
DENNIS A. SANTARE [redacted]
SERGIO R. SANTOS [redacted]
JOHN E. SARNO [redacted]
GREGG E. SAXTON [redacted]
JASON L. SCHWARTZ [redacted]
IAN D. SELBY [redacted]
MICHAEL P. SHAND [redacted]
PATRICK N. SHEARON [redacted]
ANDREW J. SHINSKIE [redacted]
WILLIAM T. SIMMONS III, [redacted]
DANIEL B. SMITH [redacted]
SCOTT W. SMITH, [redacted]
JOSEPH A. SPEED [redacted]
JAMES T. STEIDLE [redacted]
SHAUN J. STEPHENSON [redacted]
MICHAEL C. STEVENS [redacted]
MARK A. STIFFLER [redacted]
GRAYSON T. STORY [redacted]
ANDREW J. THOMPSON [redacted]
IAN F. THOMPSON [redacted]
JEREMY S. THOMPSON [redacted]
ARCHIE L. TINJUM, JR. [redacted]
JESUS TORRES, JR [redacted]
ANDREW J. TROUT [redacted]
JAMES RORY J. TUCKER [redacted]
GLENN H. VANAIRSDALE [redacted]
KENNIE VELEZ [redacted]
RANDAL M. WALSH [redacted]
BRITT A. WATSON [redacted]
RICHARD N. WEEKS [redacted]
PAUL J. WEIDE [redacted]
LAWRENCE A. WHITE, JR. [redacted]
IVAN C. WILLIAMS [redacted]
ZACHARY G. WILLIAMS, [redacted]
JASON C. WINN [redacted]
THOMAS M. WOLTER [redacted]
PAUL E. ZAMBELLI [redacted]

IN THE MARINE CORPS

THE FOLLOWING-NAMED NAVAL RESERVE OFFICERS TRAINING CORPS GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 2107:

MARINE CORPS

To be second lieutenant

CARLTON W. ADAMS [redacted]
JASON S. ALBELO [redacted]
PATRICK E. ALLEN [redacted]
GREGORY T. ALZNAUER [redacted]
BRANDON M. AMES [redacted]
RYAN L. ANDERSON [redacted]
JUSTIN J. ANDERSON [redacted]
MICHAEL J. ANDRETTA [redacted]
AUBREY J. ARNOCZY [redacted]
JACK R. ARTMAN [redacted]
PHILLIP N. ASH [redacted]
ROZANNE BANIKI, [redacted]
KAHLIEL R. BARLOWE [redacted]
CASEY M. BARNES [redacted]
KRISTIN A. BEARY [redacted]
NATALIE L. BEEDE [redacted]
GARRETT L. BENSO [redacted]
JONATHAN L. BERRY [redacted]
JAMES W. BISHOP, [redacted]
TODD M. BOYETT, [redacted]
JUDE BRICKER [redacted]
BENJAMIN BROWN, [redacted]
HUBERT K. BRUMBACK, [redacted]
RUSSELL P. BUTTRAM [redacted]
RICHARD CAMPBELL [redacted]
LEO J. CANNON [redacted]
MICHAEL J. CARREIRO [redacted]
JAMIE A. CARSON [redacted]
JAMES V. CARTWRIGH [redacted]
ELIZABETH A. CATHCART [redacted]
JEAN-PAUL CHAINE [redacted]
CHARLTON C. CHAO, [redacted]
TRACY L. CHAVANNE, [redacted]
BRYON C. CHERRY [redacted]
JOHN L. CHERRY [redacted]
WILLIAM D. CHESAREK [redacted]
CHAD A. CHORZELEW, [redacted]
ADRIAN K. CLEYMANS [redacted]
SCOTT J. COOK [redacted]
BRADLEY A. CORNALI, [redacted]
TRES M. DAGOSTINO [redacted]
RACHEL L. DECKMAN [redacted]
STEVEN M. DEMATTEO [redacted]
JAMES O. DEWEY, [redacted]
BRIAN J. DOYLE [redacted]
CHRISTOPHER DOYLE [redacted]
RYAN A. DWYER, [redacted]
PHILIP E. EILERTSON [redacted]
MARK ERAMO, [redacted]
JAMES B. FAITH [redacted]
JAMEY M. FEDERICO [redacted]
KONRAD K. FELLMAN [redacted]
GREGORY FIELD [redacted]
JASON P. GALETTI [redacted]
KATIA M. GARCIA [redacted]
ROBERT D. GARST [redacted]
MARK T. GELSTON, [redacted]
WILLIAM J. GLAH [redacted]
MICHAEL H. GLASHEEN [redacted]
STEVEN A. GOMBAS [redacted]
LUIS M. GOMEZ [redacted]
SHANNON L. GORRELL, [redacted]
GIDEON I. GRAVATT [redacted]
JONATHAN GRAY, [redacted]
BRUCE V. GREENE [redacted]
JENS W. GREGORY [redacted]
JULIE A. GRITZ [redacted]
JULIAN D. GUDGER [redacted]
ROBERT M. HANCOCK [redacted]
BRIAN F. HARLEY [redacted]
JILL A. HASTINGS [redacted]
ROBERT P. HEFFNER [redacted]
JARET L. HEIL [redacted]
NATHAN C. HENDERSON [redacted]
ROBERT S. HEPLER [redacted]
SEAN P. HOEWING [redacted]
ROBERT HOFFLER [redacted]
ERIC K. HOLLINSHEA [redacted]
ROBERT W. HOWARD, [redacted]
RYAN M. HOYLE, [redacted]
ROBERT A. HUBBARD [redacted]
BENJAMIN K. HUTCHINS [redacted]
DANIEL M. HUVANE, [redacted]
CHRISTOPHER JANCOSKO [redacted]
STEWART JOHNSTON [redacted]
TRACEY L. JONES [redacted]
RUSSELL W. JONES [redacted]
DANIEL B. KALSON [redacted]
KEVIN D. KELLEY [redacted]
DANIEL D. KNIGHT [redacted]
RYAN M. KRUPA [redacted]
BRYAN C. KUS [redacted]
JUSTIN Y. KWONG [redacted]
CHRISTOPHER LAVELLE [redacted]
ANDREW J. LAVOY, [redacted]
RAYMOND LAWLER, [redacted]
JOHN G. LEHANE [redacted]
JONATHAN LEUSCHEL [redacted]
EDWARD A. LEVANDOWS [redacted]
GREGORY W. LEWIS, [redacted]
LEONARD K. LEWIS [redacted]
MICHAEL J. LIVINGSTON, [redacted]
CHRISTOPHER B. LOGAN, [redacted]
TIMOTHY M. LONG, [redacted]
SKYLER D. MALLICOAT [redacted]
CARL G. MANGONA, [redacted]
LAURA J. MANKAMYE [redacted]
MICHAEL T. MARTIN [redacted]
JOSHUA MASSEY [redacted]
MICHAEL A. MAUGHAN, [redacted]
MARK B. MC CLINCHIE, [redacted]
ERIN E. MC COMB, [redacted]
JULIE F. MC COY [redacted]
RYAN J. MC FADDEN, [redacted]
MICHAEL S. MC FADDEN [redacted]
MATTHEW MC INERNEY [redacted]
MYLES C. MC LAUGHLIN [redacted]
JOSHUA MC LEOD, [redacted]
AMI L. MESSNER [redacted]
BARRON E. MILLS [redacted]
CRAIG S. MLEKO [redacted]

CHRISTIAN M. MOBLEY [redacted]
CHRISTOPHER J. MONDZELEWSKI [redacted]
MARK S. MOONEY [redacted]
JOE L. MOORE [redacted]
JONATHAN C. MOREL [redacted]
ALISSA MORRIS [redacted]
CHARLES A. MORRISON [redacted]
TREVOR MOS [redacted]
JOHN P. MUELLER [redacted]
BRIAN M. MURPHY [redacted]
LISONIA MYERS [redacted]
ADAM J. NARYKA [redacted]
JOHN B. NAYLOR [redacted]
JOHN T. NGUYEN [redacted]
MARK F. NICHOLSON [redacted]
THOMAS B. NOEL [redacted]
ALEX M. OLAVERRI [redacted]
ADRIAN A. OTTERMAN [redacted]
ROSS A. PARRISH [redacted]
MILTON K. PARSONS [redacted]
JASON D. PEJSA [redacted]
GABRIEL A. PEREZ [redacted]
JAMES F. PHELAN [redacted]
FORD C. PHILLIPS [redacted]
JOSHUA PICKENS [redacted]
JOSEPH J. PORROVECCHIO [redacted]
MICHAEL F. POWER [redacted]
RAYMOND PRADO [redacted]
RORY B. QUINN [redacted]
CRAIG L. RAISANEN [redacted]
DANNY G. RAYMOND [redacted]
PHILLIP A. REEVES [redacted]
MARK R. REID [redacted]
CHRISTIAN REITE [redacted]
CHRISTOPHER A. RICE [redacted]
JULIAN J. RIVERA [redacted]
TIMOTHY C. RIZNER [redacted]
RAUL RIZZO [redacted]
MICHAEL J. ROACH, [redacted]
TESSA I. ROBERTS [redacted]
RICHARD ROSENSTEIN [redacted]
CHARLES RUSSELL, JR. [redacted]
DENNIS W. SAMPSON [redacted]
MAURICE A. SANDERS [redacted]
JAMES P. SCHAFER [redacted]
DEAN D. SCHULZ [redacted]
SUSAN M. SCORZA [redacted]
DANIEL B. SHEEHAN III [redacted]
RYAN P. SHEEHY [redacted]
WILLIAM SHERIDAN [redacted]
MICHAEL J. SIMEK [redacted]
TIMOTHY M. SLINGER [redacted]
JOHN J. SWINCINSKI [redacted]
ERIC S. SYVERSON [redacted]
JEFFREY N. TAKLE [redacted]
JAMES L. TIERNEY [redacted]
HEIDI H. TIMMERMAN [redacted]
MATTHEW TOTILO [redacted]
SCOTT T. TRENT [redacted]
ERIC TURNER [redacted]
MATTHEW R. TYSON [redacted]
CHRISTIAN VELASCO [redacted]
ALEXANDER S. WALKER [redacted]
STEVEN O. WALLACE [redacted]
MICHAEL B. WARREN [redacted]
RICHARD D. WATTS [redacted]
COLIN G. WHITE [redacted]
MARTIN A. WILLIAMS, [redacted]
JASON K. WILLMAN [redacted]
JEFF W. WITHEE [redacted]
ALBERT K. YARBROUGH [redacted]
MATHEW D. ZEMAN [redacted]

THE FOLLOWING-NAMED MARINE CORPS ENLISTED COMMISSIONING EDUCATION PROGRAM GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

MARINE CORPS

To be second lieutenant

WENCESLA AVALOS [redacted]
GILBERT A. BARRETT [redacted]
TOBIN J. BREVITZ [redacted]
E.W. BRINKERHOFF [redacted]
JAMES E. BUCK [redacted]
GAYTHA M. BUTTERS [redacted]
COREY M. COLLIER [redacted]
GERALD C. COLLINS [redacted]
WALTER M. CURRIER [redacted]
DONALD DALE [redacted]
BRIAN J. DOW [redacted]
MICHAEL D. DUNBAR [redacted]
HELON K. DUNLAP [redacted]
BRYAN R. FREEMAN [redacted]
LAWRENCE GAINES [redacted]
TRENT A. GIBSON [redacted]
BRIAN E. GITTENS [redacted]
RICHARD R. GRIMM [redacted]
KELLY J. GRISSOM, [redacted]
PATRICK HODGES [redacted]
ALEXANDER R. HULT [redacted]
DAVID K. HUNT [redacted]
JOHN F. KESTERSON [redacted]
JASON D. KINDRED [redacted]
TODD A. KISTLER [redacted]
SCOTT H. LAROCCA [redacted]
WILLIAM W. MA [redacted]
JAMIE MACIAS [redacted]
JOHN W. MALONEY [redacted]
TODD M. MANYX, [redacted]
MARK J. MARACLE, [redacted]
MATTHEW D. MC BROOM [redacted]
GREGORY MC DOWELL [redacted]
ERIC S. MONTALVO, [redacted]
KEVIN L. MOODY, [redacted]
BRENDAN OCONNELL, [redacted]
LUIS ORTEGA, [redacted]
MARK H. PAYNE, [redacted]
STEVEN D. PUCKETT [redacted]
CHRISTOPER PURSCHKE [redacted]
EUGENE R. PURSEL [redacted]
JEFFREY R. RAITHEL [redacted]
DAVID L. REAS [redacted]
FELIXNAND RODRIGUEZ [redacted]
MARCO A. RODRIQUEZ [redacted]
DAVID T. ROMLEY, [redacted]
LOUIE SAGISI, [redacted]
JOHN T. SCHWENT, JR. [redacted]
TIMOTHY W. SCOTT [redacted]
JAMES K. SELLERS [redacted]
THEODORE P. SUDMEYER [redacted]
ALLEN D. THOMAS, [redacted]
SCOTT E. VASQUEZ [redacted]
CHRISTIAN M. WARD [redacted]
MICHAEL B. WILLIAMS [redacted]

THE FOLLOWING-NAMED AIR FORCE ACADEMY GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 541:

MARINE CORPS

To be second lieutenant

SANG K. HAHN, [redacted]
BRIAN J. HAMLET [redacted]
TIM Y. KAO, [redacted]
FREDERICK L. LEWIS, JR. [redacted]

THE FOLLOWING-NAMED U.S. MILITARY ACADEMY GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, U.S. CODE, SECTION 541 AND 5585:

MARINE CORPS

To be second lieutenant

JAMES S. VINALL [redacted]
GEOFFREY J. MC KEEL [redacted]
DONALD C. PROGRAIS [redacted]

HOUSE OF REPRESENTATIVES—*Thursday, May 9, 1996*

The House met at 10 a.m.

PRAYER

The Reverend Monsignor Mark J. Giordani, Cathedral of St. John the Baptist, Paterson, NJ, offered the following prayer:

Let us pray:

Father of all peoples and nations, we come before You to thank You for our Nation. Through our Founding Fathers, You have created the United States of America to be one nation under God.

Give us Your spirit to enlighten and empower us to enact laws that embody Your truth, justice, compassion, and peace. Teach us how to humble ourselves before You that both personally and as public servants we may exemplify Your integrity, honesty, and high moral character.

Father, make us Your beacon of light, not only financially, militarily, and through technology, but spiritually. If our spiritual roots decay, we will die. Let our love for our true freedom, liberty, and justice for all authentically shine in the midst of all peoples and nations.

Father, fulfill in our Nation and in all nations the words of Jesus Christ: "I came that they may have life, and have it abundantly."

We ask You this through Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas, Mr. PETE GEREN, come forward and lead the House in the Pledge of Allegiance.

Mr. PETE GEREN of Texas led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize fifteen 1-minute speeches on each side.

WELCOMING REV. MSGR. MARK J. GIORDANI

(Mr. MARTINI asked and was given permission to address the House for 1 minute.)

Mr. MARTINI. Mr. Speaker, today I welcome to the House of Representatives a good friend of all of the people of the Eighth Congressional District of New Jersey, Monsignor Mark J. Giordani.

Monsignor Giordani is not only a spiritual leader but also a renowned civic activist in the finest sense of the word. He is a man whom I have come to admire and respect.

As a young child, he lost his father to the anger of Italian fascists. Following this tragic incident, his mother turned to the strength of Christianity and instilled this faith in her son. This guiding force led the monsignor to a new and spiritual life in America.

Upon immigrating to the United States, the monsignor received a bachelor of arts degree in philosophy from St. Bonaventure University and a master's of divinity from Christ the King Seminary in New York.

During his seminary years, the monsignor dedicated endless hours to the poor, cultivating a passion to help the most unfortunate in our community. This passion was fulfilled through his appointment as a copastor of St. Gerard's parish in New Jersey. He was responsible for the founding of several local charitable organizations.

On November 1, 1987, Monsignor Giordani was appointed rector of St. John's Cathedral, and serves as spiritual leader day in and day out, offering his overwhelming kindness. No person is ever considered too big or too small to receive the attention of Monsignor Giordani.

Mr. Speaker, Monsignor Giordani is a spiritual pillar in our community. I offer admiration for his past and continued good services. Indeed, the people of the Eighth Congressional District of New Jersey have well become richer through the deeds, efforts, and spiritual guidance of the monsignor.

SENIOR CITIZENS BEWARE

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, the senior citizens of this country better beware again, because the Republicans once again have unveiled their budget resolution for this year, and it cuts Medicare and Medicaid drastically in order to once again provide tax breaks for the wealthiest in this country. Even worse, it actually changes the Medicare and Medicaid programs so much that we would not even recognize them.

Seniors are going to be forced into managed care systems because of balanced billing provisions. We expect that they will also be paying a lot more money out of their own pockets in order to pay for Medicare.

The cuts in the Medicare Part A Program that finances hospitals and health care institutions are even more severe essentially than previously suggested, and what that means is a lot of hospitals not only in urban areas but in rural areas and throughout the country will actually be forced to close because they will not be getting the money from the Federal Government that they need in order to continue to operate.

What we are seeing here again is the Republican agenda, which is essentially to destroy Medicare as we know it and create a second-class health care system for senior citizens.

DEMOCRATS WOULD SHUT DOWN GOVERNMENT AGAIN

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, it is no secret that liberal Democrats want to protect big government and that they are addicted to special interest money. But it is interesting to see the lengths to which they will go in order to protect the status quo here in Washington.

Earlier this week, a Democrat leader said the following: "We are simply going to shut this place down."

What that means Mr. Speaker, is that the liberals in the Democratic Party are so extreme that they are willing to put a halt to the business of Congress in order to do the bidding of the union bosses here in Washington.

What it also means is there may be no gas tax repeal. No Medicare reform. No welfare reform. No tax relief for America's families. And no balanced budget.

It is sad that a once-proud party has resorted to extremism and blackmail to force their special interest agenda on the American people.

HIGHER GAS PRICES MEAN UNPRECEDENTED OIL COMPANY PROFITS

(Mr. MORAN asked and was given permission to address the House for 1 minute.)

Mr. MORAN. Mr. Speaker, has anyone noticed what has happened to the stocks of oil companies in this country? Their profits have gone up phenomenally. Exxon made $2 billion in the last 3 months. Other companies have shown profits in the range of 40 percent. Unprecedented profits.

Of course, it is all a result of a corporate decision, knowing that we had had a very harsh winter, that if they deliberately reduced their reserves and knowing there was going to be strong demand, they would be able to push the price way up. Of course they can all get together and increase the price at the pump so that consumers pay for this increase, and boy, has it paid off. Look at the corporate executive of the six largest oil companies. Their stock options alone in the last 60 days have increased by $33 million. Unbelievable.

But should we really let the consumer pay for these profits? Of course not. To think that the consequences of their decision is going to be paid by consumers is unconscionable.

THE DO-NOTHING DEMOCRATS

(Mr. SCARBOROUGH asked and was given permission to address the House for 1 minute.)

Mr. SCARBOROUGH. Mr. Speaker, 50 years ago Harry Truman attacked the do-nothing Congress, and I think 48 years later Truman would be saying the same thing of the do-nothing Democrats.

Last year we got elected to do some very specific things. We got elected to provide a balanced budget, the first balanced budget in a generation. The do-nothing Democrats fault it. The do-nothing President vetoed it.

Now he is doing the same thing with the gas tax. We want a straight reduction to cut gas taxes. We are providing it. The do-nothing Democrats once again are standing in the way. The do-nothing Democrats once again are threatening a veto.

Talk about tax cuts, we provided tax cuts for middle-class families. The do-nothing Democrats fought it. The President vetoed a $500 per child tax cut. They increased taxes in 1993 on senior citizens up to 85 percent of their earnings. We offered relief. The do-nothing Democrats vetoed it.

Most importantly, I think, on Medicare, they know Medicare is going broke. We did something about it. The do-nothing Democrats vetoed it and shamelessly demagogued the issue, and are willing to throw the senior citizens out in the cold.

BUDGET RERUNS

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute.)

Mrs. KENNELLY. Mr. Speaker, yesterday the majority presented their budget for the next year. The press release from this body, we really could not tell what was in it. It was rhetoric. However, if we looked at the press release from the Senate, the other body, we saw some numbers so we could find out somewhat what was in the budget.

What I could understand is, it is a rerun of proposals that were vetoed by the President late last year and have no support by the American people.

One proposal in particular should deeply concern us. This budget proposes reducing the amount that States must spend on medical services for our Nation's poorest. This will set off a race to the bottom, one where no State wins by behaving responsibility and where the big losers in America are the poorest and the sickest.

We ought to be fighting to protect these people, not abandoning them. I worry about this year's budget now.

POISON PEN VETOES

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute.)

Mr. WELDON of Florida. Mr. Speaker, Bill Clinton was in high dudgeon yesterday at his press conference. This morning's Washington Times said it was "An afternoon of flapdoodle and balderdash." That is probably an understatement.

Yesterday, Bill Clinton accused Republicans of using a poison pill.

Well, let's talk about Bill Clinton's poison pen.

Bill Clinton's poison pen vetoed the first balanced budget to a reach President's desk in a generation.

Bill Clinton's poison pen vetoed Medicare reform. Now, our grandparents risk seeing Medicare go bankrupt because of Bill Clinton wants to demagog the issue.

Bill Clinton's poison pen vetoed the $500 per child tax credit that would have help millions of struggling families make ends meet.

Bill Clinton's poison pen vetoed welfare reform. Not once, but twice. Millions of Americans will never know the dignity of work because Bill Clinton refuses to fix the failed welfare state. Instead of keeping his promises, Bill Clinton would rather use his poison pen to veto the wishes of the American people.

LESSONS NOT LEARNED

(Mr. MILLER of California asked and was given permission to address the House for 1 minute.)

Mr. MILLER of California. Mr. Speaker, last year the American public witnessed the Republicans shutting down the U.S. Federal Government so they could try and force the President of the United States to cut Medicare, to give tax cuts to the wealthy.

Apparently the Republicans have learned nothing from their repudiation by the American people of that budget because they are back again this year. They are back again today cutting over $168 billion out of Medicare, reducing the spending below the rate of inflation for senior citizens, which means that senior citizens will have less money to purchase the health care that they have today in the future.

What will they do with that money? Not repair the Medicare account. They are going to give that money in capital gains tax to some of the wealthiest people in this Nation.

That is what the country repudiated last year when they shut down the Government. That is what the country is going to repudiate this year, and senior citizen ought to understand that the Republicans are back, same old budget, same old ploy, and the same old cuts in Medicare to give tax cuts to the wealthy.

REPEAL THE GAS TAX

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, in 1993 President Clinton imposed the largest tax increase in American history on the citizens of this country. As part of that increase, he raised the Federal gas tax 30 percent to pay for social programs and Washington bureaucracy.

This is the first time the gas tax had been raised to pay for these kinds of programs. It was to help improve our Nation's highways and mass transit systems, instead, President Clinton used it to finance his massive, ineffective, status quo social bureaucracy.

This is not only bad policy, it is wrong! While Republicans are fighting to lift the oppressive tax burden from America's shoulders, President Clinton and his congressional Democrats are adding to the weight. Yesterday, Republicans in the Senate tried to repeal the gas tax, but Democrats blocked their attempt. This is just another example of the Democrat attempt to protect their wasteful status quo social programs by bleeding the American people dry. Mr. Speaker, this must stop and we must start by repealing the gas tax.

BRAVO, MRS. WARD

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the IRS said Carol Ward of Colorado

Springs was a cheat, a liar, a thief, and a big drug dealer. The IRS then posted those accusations on flyers and spread them around all over town. The IRS then seized her business, her son's business, and all her money.

But at trial Carol Ward was found to be innocent. Mr. Speaker, Carol Ward is now suing the IRS for $1 billion, $1,000 for each of those 1 million people that saw those fliers. Bravo, Mrs. Ward. And as far as the IRS is concerned, I hope Mrs. Ward kicks their assets all over Colorado.

Mr. Speaker, I yield back all the liability the IRS has in this case.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind all persons in the gallery that they are guests of the House and may not manifest any approval or disapproval of proceedings. It is a violation of the rules of the House.

INTRODUCING THE WORKING AMERICANS WAGE RESTORATION ACT

(Mr. NETHERCUTT asked and was given permission to address the House for 1 minute.)

Mr. NETHERCUTT. Mr. Speaker, we have heard many stories in this House over the past few weeks about the stagnation of wages and that America needs a raise. Last night I heard one of my colleagues on the other side of the aisle lament that real wages have declined 16 percent over the last 20 years.

Mr. Speaker, I agree that American workers need to take home more of their earnings to their families. Today I will introduce legislation to enable every worker to deduct on their income tax the money that they contribute to Social Security every payday. My bill, the Working Americans Wage Restoration Act, will increase the take-home pay of the average two-earner family by $1,770 per year.

While it does not affect the receipts of the Social Security trust funds in any way, this legislation will eliminate the unfairness to workers who must now pay tax on the 6.2-percent of their income that they contribute to Social Security.

I urge my colleagues on both sides of the aisle to support this legislation, which will give a much-needed boost to the hard working men and women of our Nation.

SAME OLD STORY

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I simply would like to tell my colleagues the story of ages past. Speaker GINGRICH: "I would like to see Medicare wither on the vine." The majority leader in the Senate: "I was there fighting, 1 of 12 to vote against Medicare in 1965."

Now they have a new budget and the budget is the same old song, the same old story. What they want to do is to force hospitals to close by cutting Medicare. They want to make sure that our children who need preventive health care do not have it, and they are looking to close the nursing homes where many of our parents who worked so hard during their lives now need to have this care, the loving care that these homes provide, because of the cuts in Medicaid.

And, yes, what about Mrs. Jones, 74 years old? She has been going to the same physician for all of her life. Now the Republicans say, "You cannot do that, Mrs. Jones. You are going into managed care." A prison, which will not allow our seniors choice for their medical care. What do we say now to Mrs. Jones?

Same old song. Cutting Medicare and cutting Medicaid. Giving the money to the wealthy. What do we hear from the Republicans? Anything new? No, the same old story, verse, and song.

WHO DROVE UP THE PRICE OF GASOLINE?

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, the question today is who drove up the price of gasoline. In May 1993 the Federal gasoline tax was raised 18.3 cents a gallon. That vote marked the third time in just over a decade that Congress increased the tax.

□ 1015

Since December 1982, the Federal levy on gasoline has exploded 357 percent, even as the price of gasoline has trended steadily downward. Mr. Speaker, inventories were down because of the unusually long winter, a fire in California closed a Shell oil refinery, and Saddam Hussein's stubbornness in keeping 500,000 barrels a day of Iraqi crude oil have caused the price to go up.

But who in fact drove the price of gasoline up? I submit that Congress under Democrat control did by raising the gasoline tax. It is pretty clear who the people in collusion are. It is the people here in the Federal Government. The Federal gasoline tax was hiked in 1983. It has been hiked ever since, and we need to understand that the Democrat-controlled Congress is at fault.

SAME OLD BUDGET

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Mr. Speaker, the gentlewoman from Texas is right. It is the same old song. As the Four Tops would say, "It's a different verse since you've been gone." That is what this budget is. The Republicans have come back, and they have taken their old last year's budget. What it did to seniors, what it did to schoolchildren, and they put a smiley face on it. But it is the same old bad budget.

Mr. Speaker, for months they have tried to undermine the Federal commitment to education. On Sunday, the majority leader of the Republican Party even suggested that we compensate for a revenue loss by cutting education. It is as if Marie Antoinette were telling the peasants let them eat cake, but he says to students in America, let them pump gas.

We need more opportunities in this country, not less. Is it any wonder that a Republican Party that cannot seem to learn its own lessons wants everyone else in America to pay more for learning.

THE GAS TAX

(Mr. FUNDERBURK asked and was given permission to address the House for 1 minute.)

Mr. FUNDERBURK. Mr. Speaker, when Bill Clinton ran for President he said "I feel your pain." You know, he has a way with appearing emphatic and compassionate. But now, 3 years into his Presidency, Bill Clinton is now the source of a lot of pain that the American people feel.

In 1993, he and the liberals here in Congress, enacted the largest tax increase in history. Part of that tax increase was the 30-percent increase in the Federal gas tax. Every gallon that Americans purchased is now 4.3 cents more expensive because of Bill Clinton and the liberal Democrats.

Yesterday was tax freedom day. And in honor of tax freedom day, Congress should repeal this regressive gas tax and let the American people keep more of what they earn.

Mr. Speaker, we know the President feels our pain, but the real question is, "does he feel the gas tax pains?"

EDUCATION CUTS

(Ms. McKINNEY asked and was given permission to address the House for 1 minute and include extraneous material.)

Ms. McKINNEY. Mr. Speaker, I am no longer astonished by the lengths to which Republican leaders will go just to cut education funding. Monday's Washington Post reported that the Republican House majority leader favored cutting education in order to pay for a repeal of the gas tax. Now, that's audacious stuff coming from someone who used Government loans to get through school.

Mr. Speaker, the Republican leadership could have easily paid for a repeal of the gas tax by not giving the military $7 billion more that what it asked for in 1996.

In fact, what guarantee do we even have that the oil companies will reduce their prices once the gas tax is repealed?

Once again, Mr. Speaker, the Republican leadership has demonstrated that it is only interested in greasing the rigs of the oil companies, while giving the American middle class a Texas-sized wedgie.

I include for the RECORD the following article from the Washington Post of Monday, May 6, 1996:

ARMEY: CHEAPER FUEL VIA EDUCATION CUTS

(By Serge F. Kovaleski)

House Majority Leader Richard K. Armey (R-Tex.) yesterday suggested that the revenue loss from a repeal of the 1993 gasoline tax could be offset by cutting spending on education.

"Maybe we ought to take another look at the amount of money we are spending on education," Armey said on NBC's "Meet the Press." "There is a place where we're getting a declining value for an increasing dollar. It's in education.

"If in fact we can get some discipline in the use of our education dollar, I think we can make up the difference," Armey added.

The White House said yesterday that targeting education funds is not acceptable.

Reducing the federal 18.3-cents-a-gallon gasoline tax by 4.3 cents, as proposed by Republicans, would save the average motorist about $27 a year in taxes, but would reduce federal revenue by $30 billion to $35 billion over the next seven years, the White House estimates.

Senate Marjority Leader and presumptive GOP presidential nominee Robert J. Dole (Kan.), who has made repeal of the 1993 gas tax a focus of his campaign against President Clinton, plans to introduce legislation Tuesday to repeal the 1993 tax temporarily. The increase was part of the deficit reduction package that Clinton pushed through Congress in 1993 without a single Republican vote.

Under the Dole proposal, the tax would be rolled back through January 1997 and a permanent repeal would be considered as part of the budget for the fiscal year starting Oct. 1. Clinton has said he would be willing to consider scrapping the tax if Republicans found a fair way to make up the revenue loss.

But in a statement yesterday, White House Chief of Staff Leon E. Panetta called on Dole and House Speaker Newt Gingrich (R-Ga.) "immediately and unequivocally" to repudiate Armey's suggestion that education spending could be cut to finance a reduction in the gasoline tax.

White House economic adviser Laura D'Andrea Tyson, also interviewed on "meet the Press," refused to say whether the President would sign a freestanding bill to kill the tax hike, but argued that any cut should be part of a balanced budget plan. "It's going to be very hard for them to find $30 billion to $35 billion," she said.

Tyson stressed the White House would prefer tax reductions for education or a family tax credit or an IRA expansion rather than a gasoline tax cut.

Sen. Phil Gramm (R-Tex.), on ABC's "This Week With David Brinkley," said the best way to offset the tax repeal would be to cut welfare benefits for legal immigrants, which would result in savings of about $14 billion a year. He also said Congress should not twin the gasoline tax repeal and a minimum wage increase, which Dole has suggested to appeal to Clinton and the Democrats.

Gingrich echoed that view in remarks on CBS's "Face the Nation." He said the gas tax legislation would be a "simple, narrow bill" that would not be lined to the minimum wage issue. He said the House Ways and Means Committee would meet Tuesday to consider how to pay for the tax repeal. He did not embrace Armey's suggestion or reject it.

He said that Dole's "proposal to repeal the gas tax increase has been generally pretty popular. I think it will pass by a big margin," giving Clinton "a chance to sign it into law before Memorial Day so that Americans who drive over Memorial Day will pay slightly less for gasoline."

The Clinton administration, however, said that wholesale prices are already going down after the President's decision last week to sell 12 million barrels of oil from the Strategic Petroleum Reserve.

Economists have noted that when the price of gasoline is adjusted for inflation, it is cheap by historical standards. In 1995 dollars, average gasoline prices are at 1991 levels but are well below where they were for most of the 1980s. The average national price for a gallon of unleaded regular gasoline at the pump is $1.273. That is also far cheaper than gasoline prices in most of the world. In some European countries gasoline is three times the U.S. price.

AGRICULTURE DEPARTMENT POLLING

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, last night on NBC's television program called "The Fleecing of America," it was revealed that Clinton's Department of Agriculture has hired a political pollster for $33,000, our tax dollars, by the way, to go out and poll some political people, white Americans only. This particular pollster is known for polling for Democrat women. And so she went out and polled, in Kansas by the way, white Americans not Hispanics, not blacks but white Americans, in Kansas, the swing voters, to find out how they were feeling about the Food Stamp Program.

It just so happens that the House chairman of the Committee on Agriculture, the gentleman from Kansas, [Mr. ROBERTS], is running for the Senate against a female opponent in Kansas. But our tax dollars were being spent to find out what the Kansas public was thinking. How long is the American public going to put up with this? How long is the American public going to allow their tax dollars to be used for political purposes by this administration? I ask Secretary Glickman to ask Under Secretary Haas to resign.

INTRODUCTION OF THE NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, today, in honor of Mother's Day, I am introducing a bill to improve health protections for new mothers and their babies.

We have all heard the stories from mothers we represent about the difficulties and tragedies that can result from a too-early hospital discharge after childbirth. Providers concur that the first few days after delivery are critical to both the mother's and the infant's health.

The Newborns' and Mothers' Health Protection Act removes insurance mandates that restrict the length of postpartum care mothers and infants receive. The bill requires that health plans provide up to 48 hours of coverage for normal delivery, and 96 hours for caesarean section—the accepted recommendations of the American College of Obstetricians and Gynecologists and the American Academy of Pediatrics.

The proposal is designed to ensure that post-delivery care is based on the unique characteristics of each mother and her newborn child. Like the Bradley-Kassebaum bill that overwhelmingly passed the Senate Labor Committee, this legislation would return the length of stay decision to mothers and their health care providers. The bill does not impose a mandate, but rather, removes one, giving doctors more flexibility in meeting the needs of their patients.

All 15 Democratic Members of the Ways and Means Committee have joined me in introducing this important legislation. It is my hope that my Republican colleagues will join us in a bipartisan effort to pass these vital protections for newborns and their mothers.

GAS TAX INCREASE

(Mr. KINGSTON asked and was given permission to address the House for 1 minute.)

Mr. KINGSTON. Mr. Speaker, a lot of people think that the President has lost touch since he has flip-flopped so many times that maybe it has affected his head and his thinking. But it is not true. Bill Clinton still feels your pain.

In fact, Bill Clinton feels your gas pain. He even caused your gas pain, 4 cents a gallon, a 30-percent gas tax increase. That is about the price of a can of beans with every 10 gallons of gas, about a 40-cent difference.

So this summer, Mr. Speaker, what I say to middle-class Americans, when you are on vacation filling up your gas tank, spending that extra 40 cents, go ahead, buy the President a can of beans and send it to the White House. That way, not only will Bill Clinton feel your gas pain, but he can share in it as well.

THE BUDGET

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, perhaps the previous speaker should also keep in mind the Dole dime that actually caused the taxpayers to lose more than a can of beans.

This morning I want to talk about the budget. Despite the headlines, this is in fact the same budget with the same flaws. Extreme deep cuts on the poor and the middle class to finance tax breaks for the wealthy.

What does this mean? It means that senior citizens and the poor are going to have a second class health care system. They are going to march up here in lockstep and try to tell us that we have to make these cuts to maintain the solvency of the Medicare system.

Please do not believe this hoax. The fact of the matter is, we do not need these deep cuts. The President's budget, other Democratic budgets give us the same level of solvency by the year 2006 as the Republicans do without making the deep cuts.

What do these cuts mean? They mean a loss of choice for seniors as to the doctors that they would go to. They mean that hospitals will close in rural areas because of deep cuts. And they mean children will go without health care.

As one of my colleagues said, it is basically the same old song.

MINIMUM WAGE

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the President is pushing the minimum wage. As a business person who runs a business, I know that business has been eating raw material cost increases for years. Unable to increase prices, business has been needing a reason to raise those prices. Along comes the minimum wage. Watch prices. Inflation can eat the value of a wage increase in nothing flat.

Who are we kidding? The minimum wage increase is straight politics.

GAS PRICES

(Mr. FAZIO of California asked and was given permission to address the House for 1 minute.)

Mr. FAZIO of California. Mr. Speaker, everybody knows that gas prices are rising, but if you think you have got trouble, you ought to look at what the people in California are facing: in Sacramento, $1.54 a gallon; in San Jose, $1.79; in Santa Barbara, $2.19 a gallon. That is right. Here in the District of Columbia, it is only $1.39 on average; nationally, $1.27.

Clearly, we have a bigger problem in our very isolated gasoline market on the west coast. We have 10 percent of our refineries down and out of commission. We have the added costs of newly reformulated gasoline.

Sure, something needs to be done, and we can help by repealing the 4.3 cents gas tax increase, but what are we going to do to guarantee that that money actually finds its way into the pockets of consumers? That is $30 billion the consumers need back.

Our Republican friends have shown no inclination or ability to make that happen. They simply are going to be feathering the nests of the major oil companies in this country.

ROLL BACK THE CLINTON GAS TAX

(Mr. LEWIS of Kentucky asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. LEWIS of Kentucky. Mr. Speaker, back in 1992, candidate Bill Clinton said, I oppose Federal excise gas tax increases. But in 1993, President Clinton enacted the largest tax increase in our Nation's history. And buried in that tax package was a $4.8 billion increase in the gas tax.

Mr. Speaker, the American people are realizing the cruel effects of the Clinton gas tax right now. As Americans plan for the busiest travel season of the year, gas prices are soaring all over our Nation. The Clinton crunch is hitting our wallets hard.

Mr. Speaker, Republicans are committed to rolling back the onerous Clinton gas tax. We want to reverse the tide of the Clinton crunch and not only help people earn more but help people keep more of what they earn.

The Clinton tax gas is a regressive tax that hurts all motorists, rich or poor. It is time to repeal the Clinton gas tax.

□ 1030

AT LEAST REPUBLICANS ARE CONSISTENT

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, it is deja vu all over again. Although it is early for summer reruns, the Republicans yesterday released their budget, which is a rehash of the document that the American public resoundingly defeated and rejected in 1995. It has the same identical budget priorities, drastically cuts the amount of money spent on health care for seniors, a $168 billion cut in Medicare, the potential for hospitals to close across this country.

The Republicans cut Medicare once again, and they propose tax benefits for the wealthy. The money that they propose to cut does not go into the Medicare trust fund, but it goes to pay for the tax increases; the prescription that caused the outcry last year, that caused them to retreat from this issue. But you have to admire their consistency; they are back here again with the same priorities, and that is because their budget is the consequence of their values, of their priorities, and their willingness to do harm to the American people, and they are sincere in wanting to do harm to working men and women in this country.

Mr. Speaker, the American people want a government that is on its side, not the side of special interests.

HOUSING AUTHORITIES SHOULD BE CONSULTED

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, Members of the House, fairly shortly now we will be resuming the debate on the housing bill that is before the Congress, and one element of that requires our attention. Whether or not the Brooke amendment of the past will obtain for the future depends on what we do here today.

There is a resource that we have back at home that we ought to take advantage of in making up our minds as to how to finally vote on this measure, and that is the members of the authorities, the housing authorities, that have the responsibility and the initiative to deal with these problems on an everyday basis. They have to consider the tenants, the low-income status of those tenants, the problems of drug dealers on the premises, the costs of overhead, a thousand different problems that we do not consider when we vote on the larger questions that are involved. I believe that we ought to call our authorities' people and find out how they think on these matters.

DO NOT CUT MEDICARE

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, Mother's Day is almost here, and I have some bad news for my mother and many others. The Republicans have a new budget, and they still cut Medicare. They still want Medicare to wither on the vine.

There they go again, Mr. Speaker. In the Republican Medicare budget, they divide the elderly. They give Federal dollars over to insurance companies for the healthy and the wealthy. Then they want the Federal Government to pay for the sick and the poor.

They offer medical savings accounts to healthy seniors. So, they can use money from the Federal Government—to buy a car or take a vacation. That does not made sense. That will not help the budget or our seniors.

I call on my Republican colleagues to give us a better budget. We should not cut Medicare to pay for tax breaks for the wealthy. We should not destroy Medicare in the name of saving it.

Don't cut Medicare.

IT IS A MISTAKE TO RAISE THE MINIMUM WAGE

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, we have been talking about minimum wage and the desirability for low-income wage earners to earn more money. Of course, it is right. Raising low wages appeals to the sense of decency and compassion of Americans. But it would be a mistake.

We have a system of allocating resources in this country called the free enterprise system. It has worked very well for this country. It has made ours the greatest country on Earth. Increasing the minimum wage would impose significant costs primarily on unskilled Americans because the minimum wage is going to deprive some of those Americans from access to an entry-level job.

I ask the liberal labor union bosses if they are sure this is the way they want America to go. If employers cannot afford to pay the increase in minimum wage, then what are they going to do? They are either going to go out of business or they are going to respond by reducing hours, reducing benefits or paying less frequently.

In conclusion, I want to give my colleagues a quote from George Washington, a great man. George Washington said:

> If, to please the people, we offer what we ourselves disapprove, how can we afterward defend our work? Let us raise a standard to which the wise and honest can repair. The rest is in the hands of God.

CHILDREN AND THE ENVIRONMENT

(Ms. ESHOO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ESHOO. Mr. Speaker, last week I received this letter from Judi LeVine's kindergarten class at Arundel School in San Carlos, CA. It is really a plea from her students for Congress to save the environment, especially our rain forests, and our animals, our endangered species.

Even 5-year-old children can see the value in conserving our natural resources. Yet Republican leaders in Congress seem unable to grasp the need to preserve our environment for the next generation.

The parents may send us to the Congress; they are the ones that cast the votes. But the children are the ones that we need to remember as we shape their future. It is their future that we are shaping, and we should never lose sight of that. Because the opinion of the American people has weighed in and has forced the GOP leaders to abandon some of their destructive attacks on endangered species and wilderness areas, we must never let our guard down against similar assaults.

So to all the kids at the school, I have gotten the message. I hope the rest of the Congress has.

RESTRICT PENSIONS FOR CONVICTED FORMER MEMBERS OF CONGRESS

(Mr. DICKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKEY. Mr. Speaker, according to the National Taxpayers Union, the citizens of this country will pay out in 1996 over $600,000 in pensions to convicted former Members of Congress. What kind of message is this to send out to the taxpayers, farmers, miners, all the workers, about how our Government operates?

H.R. 3310 would restrict Members and former Members of Congress from receiving congressional retirement benefits if convicted of a felony which occurred while serving in the public trust. The bill would serve to punish Members who have taken advantage of the faith of the people who have placed upon them and Members involved in activities unrelated to official duties. Perhaps no other bill than H.R. 3310 will better indicate that this Congress is willing to change the way we do business.

I urge all of my colleagues to consider the provisions of H.R. 3310.

RESPONSIBLE DEFICIT REDUCTION WITHOUT UNREASONABLE CUTS IN EDUCATION

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, last year the Republican majority overreached by planning to cut Medicare by $270 billion and offering $245 billion in tax cuts, and when they did not get their way, they shut the Government down. They realized that they were out of step with the American people and the Medicare trustees who said that we only needed $90 billion in cuts or downsizing, that is all that was needed to keep Medicare solvent.

Mr. Speaker, I am pleased to know that they are moving in the right direction now. Their new budget only calls for $168 billion in cuts, but they still are not quite there yet. I still believe we should continue to do the financially responsible thing by reducing the deficit. If we count the capital gains tax cut and the 4.3-cent gas cut that they want to do, then that adds up to $176 billion, which adds up close to the $168 billion they want to cut out of Medicare.

We have reduced the deficit 4 years in a row and will continue to do so, unlike the huge Federal deficits that were run up during the 1980's. We can continue down the road of responsible deficit reduction without the irresponsible cuts in Medicare and education.

REPUBLICANS COMMITTED TO FUTURE GENERATIONS

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. FOLEY. Mr. Speaker, there they go again, distorting the record. This Republican Congress increases the spending on Medicare each and every year for the next 7 years. We increase it over $305 billion. This Congress is committed to the senior citizens of America, but we are also committed to the future generations.

We are $5 trillion in debt, my colleagues, $5 trillion, costing us $300 billion, $300 billion in interest payments alone that could go to critically needed programs if we would get our fiscal house in order.

It is easy for the other side to make accusations, but this Republican Congress has been steadfast in its determination to balance the budget. We have done it with real numbers, honest numbers, addressing the American public's desire for reform of government. We have been in the forefront of that debate, and to be criticized for cutting Medicare once again by the other side is a lie, is a sham, and is distasteful and disgraceful on behalf of the minority party.

PERMISSION FOR ALL COMMITTEES AND THEIR SUBCOMMITTEES TO SIT FOR TODAY AND THE REMAINDER OF THE WEEK DURING THE 5-MINUTE RULE

Mr. ARMEY. Mr. Speaker, I offer a privileged motion and ask for its immediate consideration.

The SPEAKER pro tempore (Mr. LAHOOD). The Clerk will report the motion.

The Clerk read as follows:

Pursuant to clause 2(l) of rule XI, Mr. ARMEY moves that all committees and subcommittees of the House be permitted to sit for today and the remainder of the week while the House is meeting in the Committee of the Whole House under the 5-minute rule.

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARMEY] is recognized for 1 hour.

Mr. Speaker, I yield myself such time as I may assume.

Mr. ARMEY. Mr. Speaker, again we have a good deal of work to be done in the committees as well as some important work here on the floor, and I make this request of the House out of consideration for the committees continuing their work. I appreciate the gentleman's effort.

Mr. Speaker, is the gentleman asking me to yield?

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. I thank the gentleman for yielding the time. I know his general parsimony when it comes to minimums, so I appreciate the 5 minutes. It is in keeping with his overall approach.

What we have here is one of the opening phases of the 1996 Presidential campaign. It is a Presidential campaign, the Republican campaign, which is not going sufficiently well on its own for the Republicans to conduct it in the normal way. So the House of Representatives is being enlisted into the Republican Presidential campaign. To the aid of a faltering campaign comes now the machinery of the House in a very unfortunate way.

Mr. Speaker, the request is made so the Committee on Government Reform and Oversight can vote an extremely unjustified, unprecedented, unfair, and dangerous contempt citation for the President's counsel.

We have had a number of ongoing investigations which the Republicans are conducting. They are spending enormous amounts of money for very little purpose. Well, I take it back; they have a clear purpose: election of a Republican President. They are spending enormous amounts of money for very little concrete result.

What they now want to do is to change the subject on the travel investigation from the merits to a refusal by the administration to exceed to requests that should never have been made that are unfair and that the House itself would not respond to. And I think we should be very clear. We will be discussing this further.

They are going to cite the counsel of the President for contempt for refusing to release documents to the Republican campaign effort on that committee when they would not release similar documents, and we are going to have a test of this because we are working now on some resolutions, and if in fact the House is going to say these types of documents must be made public.

What are they? They have to do with information that would be relevant to a grand jury; they have to do with things that deal with lawyers, the independent counsel, the wideranging independent counsel who have also again come up with nothing damaging to this administration, as they have been cooperating with him.

They have to do with communications between executive branch and Members. The White House is being threatened with contempt if they do not turn over for public discussion memorandums conversations, and comments between Members of this body and the White House.

Mr. Speaker, if that is the standard, if the standard is that we will subpoena and then make public those kind of documents, let us apply it to ourselves. If we are going to threaten contempt against the counsel for doing his duty in a conscientious way, then let us understand that is the standard by which we will make documents available.

When the Republican leadership sends out a memorandum to other Republicans and says, "Come find some scandal. Have you got any scandal? Have you got any bad news about anybody," we will, I guess, ask that that be made public.

☐ 1045

If there are memorandums that have existed and letters, phone call conversations that are recorded between the Republican leadership and that committee, what is the strategizing? Yes; there have been conversations between the White House and the Travel Office, I have had some myself, between the White House and Congress about how to respond to some of these things. There have been similar conversations between the leadership of the committee and the Republican leadership, maybe the Republican National Committee. Let us have those out there. This is the most one-sided and blatant misuse of the subpoena power we have seen. I would simply say, if in fact that is the standard, let us make the standard uniform.

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, this pattern is going across committees. Apparently the gentleman from Iowa [Mr. NUSSLE] and the gentleman from Pennsylvania [Mr. WALKER] instructed committee chairmen to use their government-paid positions for the political purpose which the gentleman said a second ago of trying to help the faltering Dole campaign.

We have seen the same things in the Committee on Foreign Affairs. The Secretary of State told the chairman of the committee that two Ambassadors, our Ambassadors in Europe, would be happy to come by and testify before the committee, one of five or six committees that they want them to come back for. If it takes them a day to get here, or takes a half a month to do it, it is the same thing.

Mr. FRANK of Massachusetts. That is the same point. If in fact discussions between Members of the House and the executive branch about how to deal with some of these issues, if that is to be subpoenaed and made public, then comparable documents on this side will be. I predict that we will see a very one-sided application of this principle.

Mr. ARMEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just remind the body that oversight is a duty of the Congress of the United States. We have all read about it in our high school history books and political science books as checks and balances. It must be done. It is not an option. It is what we are asked to do as an institution.

The gentleman from Pennsylvania [Mr. CLINGER], even as a minority member of this committee, asked for this information 3½ years ago. It was denied by the majority in the committee at that time. Subpoenas were issued for this information in January of this year. The White House has not been forthcoming, and the action will be taken in the committee with those.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. ARMEY].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRANK of Massachusetts. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 230, nays 182, not voting 21, as follows:

[Roll No. 155]

YEAS—230

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)

Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
McCollum
McCrery
McDade
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McInnis
McIntosh
McKeon
Metcalf
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Mica
Miller (FL)
Moorhead
Morella
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Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)
Zeliff
Zimmer

NAYS—182

Abercrombie
Ackerman
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Wilson
Woolsey
Wynn
Yates

NOT VOTING—21

Andrews
Brown (CA)
Chapman
de la Garza
Farr
Fields (TX)
Fowler
Goodling
Hefner
Houghton
Kaptur
Laughlin
Molinari
Paxon
Pomeroy
Schroeder
Torricelli
Weldon (PA)
Williams
Wise
Young (AK)

□ 1108

Mrs. CLAYTON and Mr. SPRATT changed their vote from "yea" to "nay."

Messrs. MANZULLO, WELLER, and HALL of Texas changed their vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GOODLING. Mr. Speaker, I regret my absence for rollcall No. 155, a motion to allow committees to sit. I was unavoidably detained at a legislative conference on the Senate side of the Capitol.

Had I been present, I would have voted "aye."

UNITED STATES HOUSING ACT OF 1996

The SPEAKER pro tempore. (Mr. LAHOOD). Pursuant to House Resolution 426 and rule XXIII, the Chair decalres the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2406.

□ 1109

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2406) to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes, with Mr. GUNDERSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, May 8, 1996, title II was open for amendment at any point.

Pursuant to the order of the Committee of that day, debate on each amendment, and any amendment thereto, shall be limited to 10 minutes, equally divided and controlled by the proponent and an opponent, with the following exceptions:

Amendment No. 7, as modified, by the gentleman from Massachusetts [Mr. FRANK] for 60 minutes; amendment No. 17 by the gentleman from Massachusetts [Mr. KENNEDY] for 60 minutes; amendments Nos. 33 and 34 by the gentlewoman from New York [Ms. VELAZQUEZ] which may be considered en bloc for 20 minutes; amendment No. 22 by the gentleman from Indiana [Mr. ROEMER] for 20 minutes; and amendment No. 8 by the gentleman from Arizona [Mr. HAYWORTH] for 20 minutes.

Are there any amendments to title II?

AMENDMENT NO. 7, AS MODIFIED, OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Chairman, pursuant to the unanimous-consent request of last night, I offer an amendment, as modified.

The CHAIRMAN. The Clerk will designate the amendment, as modified.

The text of the amendment, as modified, is as follows:

Amendment No. 7, as modified, offered by Mr. FRANK of Massachusetts:

Section 225(a) of the bill (as amended by the manager's amendment), strike paragraph (2) of such section and insert the following new paragraph:

"(2) LIMITATION.—Notwithstanding any other provision of this subsection, the amount paid by a family for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income.".

Section 322(a) of the bill (as amended by the manager's amendment), strike paragraph (2) of such section and insert the following new paragraph:

"(2) LIMITATION.—Except as provided in paragraph (3) and notwithstanding any other provision of this subsection, the amount paid by an assisted family for monthly rent for an assisted dwelling unit may not exceed 30 percent of the family's adjusted monthly income.".

Section 352 of the bill (as amended by the manager's amendment), strike subsection (a) and insert the following new subsection:

"(a) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of an assisted family renting a dwelling unit bearing a gross rent that exceeds the payment standard established under section 353 for a dwelling unit of the applicable size and location in the market area in which such assisted dwelling unit is located, the amount of the monthly assistance payment for housing assistance under this title on behalf of such family shall be the amount by which such payment standard exceeds the lesser of (1) the resident contribution determined in accordance with section 322(a)(1), or (2) 30 percent of the family's adjusted monthly income.".

The CHAIRMAN. Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentleman from Massachusetts [Mr. FRANK] and a Member opposed will each control 30 minutes.

Does the gentleman from New York wish to control the time in opposition?

Mr. LAZIO of New York. Mr. Chairman, I will be controlling the time.

The CHAIRMAN. The gentleman from New York [Mr. LAZIO] will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. GUTIERREZ], one of the coauthors of the amendment.

Mr. GUTIERREZ. Mr. Chairman, I rise to strongly urge my colleagues to support the amendment that I am offering today with my friends and colleagues, Mr. FRANK and Mr. HINCHEY.

This amendment is truly very simple.

And yet, as simple as this amendment is, I strongly believe that its approval is critical to Americans who depend on public housing.

If this Congress has any interest in preserving its commitment to providing decent, affordable housing to Americans who need it most, passage of this amendment is a critical step.

Our amendment places a cap of 30 percent of total income as the amount a public housing resident or family can spend on rent.

In addition, our amendment allows local housing authorities the flexibility to allow residents to pay less than 30 percent of their income for rent.

And this flexibility is critical. Because it gives local housing authorities a greater ability to reach a goal that is important to all of us who care about public housing.

The ability to encourage residents of mixed incomes to live in public housing and not create a disincentive to earning more money.

But without this amendment, we do nothing more than create a situation where people who need housing most will not be able to afford it.

Under the current language of the bill, families in public housing will have no protection against financially debilitating rent increases.

Let me be clear.

This bill does not raise the income cap to 35 percent. It doesn't push the cap all the way up to 40 percent. It doesn't take the extreme step of allowing the cap to skyrocket to 50 percent of your income.

This bill eliminates the cap.

And that is little different from eliminating our commitment to public housing.

We cannot pretend in this House to care about providing quality housing to Americans if we are completely willing to disregard whether that housing is affordable.

Affordability is the heart of America's commitment to public housing.

Unless the Frank-Gutierrez amendment is passed, that heart is cut out. And we abandon our commitment to providing quality public housing that the people who need it most can afford.

Now, some of my colleagues might simply say, "what rent increase? There is nothing in this bill that requires local housing authorities to raise the rent of public housing residents."

Don't be fooled by that argument. This bill allows local housing authorities to charge whatever they feel is necessary to stay within their budgets. And what has this Congress done to the budgets of housing authorities?

Well, we have just cut the operating subsidies by $100 million. By $100 million.

Let me recap. We have taken away $100 million—$100 million that was essential to keeping rents affordable. And now my colleagues suggest that we should tell them that the sky is the limit on rent increases.

I do not think it takes a detective to uncover where the extra money is coming from.

It is going to come from the people who can least afford it.

I urge my colleagues do not force this economic hardship on Americans who rely on public housing. Paying 30 percent of your income on rent is hardly a giveaway, hardly a free ride.

I strongly believe that 30 percent is a fair and reasonable contribution of a family's income.

Thirty percent is logical; in fact it basically follows the guidelines that lenders use in deciding how much a family can afford to spend on their mortgage.

Most lenders don't want families to spend more than 28 percent of their income on their mortgage. 28 percent—for people who can afford to own their home. Yet, incredibly, this bill proposes no cap at all for people who can barely afford to make ends meet.

A fundamental goal of public housing is that it gives residents an opportunity to live in safety and dignity—and ease their financial burdens.

If we ask those very people to pay 32, 35, 40 percent of their income just to meet their housing expenses, the government is not easing the burden of public housing residents—it is imposing a burden on public housing residents.

Instead of helping to light a path toward a better future, we are setting hurdles in the way.

Let's be clear. We are talking about a population that will be affected by even a slight increase in out-of-pocket expenses for housing.

Quite simply, most of the people who will be facing a rent affected by this increase do not have the money to pay for their increase.

We are talking about Americans with very, very modest incomes.

How modest?

The average annual income of public housing tenants is $6,400—$6,400. And this bill suggests that they somehow have the ability to pay more for rent.

They do not. And yet we have created a bill that will give them very few alternatives.

They will have some alternatives.

Move to worse, substandard, dangerous housing. Or have no housing at all.

My colleagues who support this bill are right about one thing—public housing residents deserve better than they are receiving now.

They deserve a commitment to safer, better quality housing.

Congress has not been very good about keeping that commitment. But they also deserve to have decent housing they can afford.

This Congress should honor that commitment as well.

We can honor that commitment by passing this amendment and protecting the economic security of public housing residents.

I hope my colleagues will say yes to that vital commitment.

□ 1115

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let us begin by talking about what this amendment is not about. It is not about protecting seniors, because they are protected in the bill. It is not about protecting the disabled, because they are also protected in the manager's amendment. It is not about protecting the poorest of the poor, because they too are protected precisely the same way that my friends from the other side of the aisle are arguing need to be protected.

What we are talking about is whether we will keep an amendment, a provision of the law, that has proven to be a job killer, a work incentive, whether we are going to continue on the path of creating warehousing for the poor.

The gentleman from Illinois lives in a city where State Street exists, a public housing development 4.5 straight miles of 19-story buildings, 99 percent unemployment, universal despair.

We are talking about creating an environment where people begin to have hope, where there is mixed income, where there is role models, where people can talk to somebody next door who has a job, who may know about another job available.

We are talking about transforming people, not warehousing people. The Brooke amendment has had the effect of warehousing people. It has led to a disastrous mix in terms of income. It has led to a huge disincentive to work.

If you do not believe me, Mr. Chairman, listen to some of the people who are doing this hands on, the public housing authorities themselves. The National Association of Housing and Redevelopment Officials says, "The Brooke amendment, which limits the amount of rent a resident pays to 30 percent, is a disincentive to work, encourages fraud, and offers local housing authorities with little flexibility to reward working households."

This is an antiwork provision. It actually raises rent on those people who decide to work.

The Public Housing Authorities Directors Association says, "To base rents solely on income has proved disastrous over recent years." Disastrous. These are the people with hands-on experience. What we are talking about is thinking out of the box. What we are talking about is letting housing authorities fix rents just like the rest of the world operates. If the housing authority says this particular unit is $50, is $75, a resident knows that if they work overtime, if they get a better job, if they earn more money, they can keep that money. They are not going to be subject to a one-third tax the minute they go to work, which is exactly what this Frank-Gutierrez amendment does. It is precisely what it does.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. The amendment that I have offered puts an upper limit of 30 percent, but does not at all require any increase.

Mr. LAZIO of New York. Mr. Chairman, reclaiming my time, but that is exactly what is going to happen. The amendment that the gentleman from Massachusetts is offering, which suggests that housing authorities can set rents at up to 30 percent of income, will create not just a floor, but a ceiling. Housing authorities will continue to set rent based on income. That is the problem.

If we had to pay 30 percent of our income in rent, I guarantee you, this place would not be voting for it. But because we do not have to live in those places and we do not have to live with this, it becomes very easy rhetorically to say we are so incompassionate, because we are protecting the poor. That is nonsense. It is not serving the very people that these people purport to represent.

Let me just say again, Mr. Chairman, that this has been a work disincentive. We are in fact protecting almost 90 percent of the current population in public housing. We are trying to create an environment where people can transition to work, where work ethic is rewarded, where there is mixed income, there is hope, there is opportunity. The Frank amendment would destroy all those things. It would move us back into the past. It would reclaim the situation that we have in State Street of 4.5 miles, where there is 99 percent unemployment for 10,000 Americans. We cannot condemn 10,000 Americans to another 30 years of failed policy.

Mr. Chairman, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

The gentleman has shown how indefensible his amendment is by absolutely misrepresenting its substance. The amendment I have goes back to the pre-1981 days. It sets a 30-percent limit. It does not require an increase.

The gentleman's argument, be clear, here is what he says: If you tell housing authorities that they can charge no more than 30 percent, but less if they want to, they will charge more than if you tell them they can charge 40 or 50 percent.

His amendment says the housing authorities can raise the rents on these working people to whatever level you want. Our amendment says set whatever level you want, but in no case above 30 percent. In fact, there is one group of people who get the 30 percent protection, and that is people on welfare under his version.

So he singles out working poor people in housing and he protects them by taking the cap off their rent. There is absolutely nothing in the amendment we are offering that requires, encourages, pushes, urges, an increase in the rent. All we say is a cap.

When a 30-percent limit on what you can charge someone is transmogrified into raising the rents, as opposed to allowing them to go higher, you see how logically indefensible the gentleman considers the amendment to be.

Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Chairman, I rise in support of the amendment to restore the so-called Brooke amendment. Before I discuss the merits of this amendments, let me first address the bill as a whole and the exemplary job my good friend from New York, Mr. LAZIO, and his staff have done on this legislation.

The Department of Housing and Urban Development is perhaps the one segment of the Federal Government that needs reform the most. Most of the current housing policy is based on the U.S. Housing Act of 1937, reflecting the needs of a different era.

Chairman LAZIO was faced with a very significant challenge at the outset of this Congress, and I commend him for his perseverance and commitment to bring sanity to public housing policy. He literally has traveled around our great country searching for answers to the problems of housing our citizens.

However, Mr. Chairman, I do have one area of very serious concern with this legislation. While I believe housing authorities ought to be given more flexibility in operating their developments, I do believe the need still exists for the Federal Government to provide certainty when it comes to the level of rent.

In 1969, in response to an increasing inability of public housing tenants to afford their rent, the former distinguished Republican Senator Ed Brooke of Massachusetts remembered advice given him by his father. This advice was that an individual should not pay more than 25 or 30 percent of their income on housing.

This is still a widely accepted rule of thumb today, and most of us live by this rule. I have visited housing units all over my district, places like Great Brook Valley in Worcester, MA. I have spoken with people like Wanda Alvarado, a single parent struggling to raise her two children and to improve their standard of living. They and many others are concerned that repeal of the Brooke amendment or alteration of the Brooke amendment would lead to significant rises in their rent.

Therefore, I rise in support of the amendment that would restore the Brooke amendment. This amendment would simply ensure that low-income families would not pay any more than 30 percent of their income on their rent. These families are some of the poorest in America, and I urge my colleagues to support this amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Louisiana [Mr. BAKER], a member of the Committee on Banking and financial services and a very active member of the Subcommittee on Housing.

Mr. BAKER of Louisiana. Mr. Chairman, I thank the gentleman for yielding me time, and certainly want to commend him for leadership in this most difficult issue and all issues relating to reform of housing in America.

But this is not just a debate about the Brooke amendment. It is not just a debate about the necessity to repeal the one-for-one requirement or to do something with the admissions or eviction processes, or just about education and job skills, necessities in public housing, or even just public housing. It It extends to what is known as the section 8 based project assistance. It is all of this, and more, regrettably.

We must look not just at the specific issue before us this morning in the Brooke amendment. We must look at the effects, the consequences, of the aggregate of these legislative remedies, which although well-intentioned, have led us down a long, dark road.

It is unfortunate, but all we can conclude when we look at the inventory of housing provided by our Nation today to the working poor of America, you can only reach one conclusion. It is sad, but the U.S. Government is the world's largest slum landlord. We must change that. How can this be?

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. BAKER of Louisiana. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, the gentleman has a photograph next to him that I believe is in his neck of the woods. Is this the situation the gentleman is referring to?

Mr. BAKER of Louisiana. Mr. Chairman, reclaiming my time, only one among many. But this is the answer to how can this be. When one drives just a short distance from my home, in a bus, goes down to the Desire Street Housing Project, built in the 1950's, now on a Superfund site, surrounded on all sides, with one way in and out over a railroad track, 1,800 units now occupied by 400 individuals, not aggregated one locale, but spread out throughout 1,8000 units, unprotected. The employees do not have two-way communication. If something happens, as it did one week before I went when a 15-year-old child was killed on the doorstep of his unit over rival drugs wars, over sales territory, I went upstairs and talked to the 80-year-old lady who lived in that building by herself and said, "Ma'am, is there anything I can do to help you?"

She did not know who I was, nor did she care. She said, "Come with me a minute." Her unit was well kept. It was the only one in 16 units in that building. It was not just rundown, depreciated, and worn out. There were no walls, there were no floors. There were dogs and cats running through the bottom area.

She walked up those steps every night by herself, locked herself in the room, and she said, "There is one thing I would like you to do for me, if you might." And she took me into the restroom and showed me the large gap in the wall above the shower stall.

She said, "At night when I try to take a bath, the roaches come down the wall. It bothers me just a bit." How would you feel if that was your grandmother?

Now, here is the real problem. If that were just the only issue, if it was just the fact there was not a sufficient amount of money in the bank to solve this problem. Desire has, the Housing Authority of New Orleans, this morning has $200 million in their account to spend for renovation.

I called the GAO. I said, "Look, guys, tell me what is going on. I am really worried about this, because not only is it a waste of taxpayer money, look at the conditions in which these people have to exist."

I got this back, dated May 1996. I know it is a little old, but we will use it anyway. When I flipped through the pages, there is a summary of the history. Secretary Cisneros wrote Leon Panetta a letter 2 years ago saying, "Mr. Panetta, we have to do something about this circumstance. It is dismal. It is not fit for human habitation." This report dated May 1996 says the circumstances today are unfit for human habitation.

I have a letter from employees. I have a letter from occupants, saying "Please, get us out of these circumstances. It has got to come to an end."

What effect does the Brooke amendment have on this circumstance? What effect does one-for-one have on this circumstance? Concentration issues. The Desire Street Housing Project is an example. Ninety percent of the occupants are single, poor, women with children, without education.

☐ 1130

Now, if we are going to do something about the problems, we have got to turn that around. We have got to have those kids in an environment where they see dads going to work and where there are children playing in the yard. We have to turn this around.

It is not just a question of the poorly run disasters like Desire in New Orleans. And, by the way, I intend to ask the Secretary of HUD to seize control and take it away from the city and given those people a chance for real hope and opportunity, because we can do it.

There is more vacant housing in New Orleans than there are people on the waiting lists if you bulldozed Desire. That is incredible to me. By the way, when I first got involved in this they were going to spend $71,000 per unit to renovate on this Superfund site. The most recent plan, after I objected, calls for them to spend $130,000 per unit. I am really doing a good job. Mr. Chairman, we have got to get a grip.

What about the well-run public housing. I called Baton Rouge. I said, "Guys, what is going on?" We had a big debate about the number of people on the boards that govern public housing. I said, "Tell me how you run it." They have seven members, two are residents. Tell me who the other bad guys are that are making the terrible public policy. Well, we have a realtor. I am sure that is the problem. We have a doctor from Southern University. A former Secretary of Health and Human Resources is on the board. We have a volunteer coordinator at a public hospital. We have a Methodist minister. He has got to be the one that is driving these poor people into these poor conditions.

I said, "How much do they make to serve on the public housing boards and do all of this damage to the poor people of America?" Nothing. No reimbursement, no per diem, no travel. It is 100 percent volunteer. These people are performing a public service to try to help the poor of Baton Rouge.

Mr. Chairman, these people have asked for the ability to govern their housing authorities. Take off the Brooke amendment. Help us govern and help people who want to help themselves. Let us get a population mix in public housing that reflects what is going on in America. Let us give these people something more than decent housing. Let us give them some hope; the belief that they can be a part of America and not be locked up in a multistory, 1,800-unit complex on top of a Superfund site with nothing but drug dealers at their front door. It is ridiculous. It has got to change.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, that was a very interesting speech; I just do not know what amendment it was supposed to be relevant to since it obviously does not affect ours.

Mr. BAKER of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Louisiana, although he would not yield to me.

Mr. BAKER of Louisiana. Mr. Chairman, I regret that. If I had had more time, I would have.

Mr. FRANK of Massachusetts. Mr. Chairman, reclaiming my time, the gentleman had 6 minutes. Who is he kidding?

Mr. BAKER of Louisiana. Mr. Chairman, if the gentleman would continue to yield, I was talking about the amendment of the gentleman from Massachusetts, and the results of it and others in the concentration of poor people.

Mr. FRANK of Massachusetts. Mr. Chairman, reclaiming my time, we just got it. The gentleman was talking about "it and others." The gentleman was talking about things unrelated. The only relevance of the Brooke amendment to his story was that poor woman that he was talking about under the Brooke amendment, that if they wanted to they could raise her rent. That is how the gentleman gives hope, raising their rent.

Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Chairman, I rise today amazed by how far the Republican majority will go to keep hard-working Americans down. Instead of being the first rung on the ladder out of poverty, this housing bill kicks the ladder away. By repealing the Brooke amendment, the already difficult lives of the extremely poor will become a nightmare. Adequate housing must remain affordable for everyone.

In New York City alone, 560,000 housing authority tenants will face higher rents or eviction if Brooke is eliminated. There is not going to be mixed income people living in public housing. There will be families making $40,000 living in public housing and poor people will be thrown into the streets.

This is a price they simply cannot afford to pay. Faced with higher rents, families will have to scrimp for even their most basic necessities. How much more are we going to bleed out of our poor?

The United States already has the impressive distinction of having the highest poverty rate of the industrialized world. Elimination of rent caps coupled with funding cuts to housing and a 25-percent cut to homeless shelters will force waiting lists for park benches to skyrocket.

Mr. Chairman, I say to my Republican colleagues, you should be ashamed of yourself. Stop trying to balance the budget on the backs of the Americans least able to shoulder that burden. Think of the message you are sending.

Mr. Chairman, clearly, the majority cares more about the haves than the have-nots. Instead of investing in the neediest Americans, they give a $7 billion increase to the Department of Defense; they give hefty tax breaks to wealthy corporations and contributors that dwarf our spending to house the poor; and they deny an increase in the minimum Federal wage for working Americans.

Today confirms that the Contract With America was not a contract with all Americans, only the privileged few. I urge my colleagues to support the Frank amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield such time as he May consume to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, I rise in strong support of the Frank amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I am just sick and tired of people calling compassion State Street, which has been tolerated for the last 30 years by the last majority. It was OK to warehouse people and keep people unemployed, and it is OK to make sure we cut off the commerce and make sure they do not have access to jobs or access to good education. That is compassion.

But give people a chance to get a job and get a decent education and get income mix, and we lack compassion and we are extreme?

Mr. Chairman, I yield 4 minutes to the gentleman from Maine [Mr. LONGLEY].

Mr. LONGLEY. Mr. Chairman, I want to compliment the gentleman from New York [Mr. LAZIO], chairman of the subcommittee. The gentleman has done an exceptional job in trying to articulate the need for change in the area of public housing.

I have to confess that we are asked to be expert on any number of subjects that are frankly far beyond our ability to do so, but I have been attempting in the last year to visit many of the public housing projects in my district. I visited projects in Portland, Sanford, and Augusta. I have talked to the director of the State Public Housing Authority and I visited a project that they have sponsored. I talked to trustees in south Portland and I have also talked with the director of the Portland Public Housing Authority.

The message that I hear over and over and over again is the need for change in Washington. Particularly, I spoke a year ago with the director of the Public Housing Authority in Sanford. He said, "If you would just give us some flexibility, we can manage these projects more efficiently, we can do a better job, and we can do it at less cost."

Mr. Chairman, I happened to get a letter yesterday from the director of the Portland Housing Authority, Mr. Peter Howe. I want to point out that he said,

> H.R. 2406 contains, much-needed regulatory relief, that is, repeal of Federal preferences, the one-for-one replacement rule, and the take-one, take-all provision. The provisions contained in this legislation provide local housing authorities with the type of administrative relief and authority necessary to operate these programs in tenuous funding environments.

Mr. Chairman, it goes on to say—

> I also encourage you to support compromise language that calls for targeting 30 percent of all units for those below 30 percent of median income. This provision will assure that affordable housing units will be available to the poorest members of our community.

I would just say this to the House this morning: Again, we cannot pretend to be experts on everything, and I question the extent to which we have the ability to do that. But I do know that when I talk to my local housing authority officers and officials and visit the projects, talk to the people who are residents, that the people in the local level have the ability to manage these projects, and I have confidence that they are moving in the right direction and that they can be trusted to do the right thing when it comes to their residents and the future viability of their projects.

Mr. Chairman, I insert for the RECORD the following correspondence:

> PORTLAND HOUSING AUTHORITY
> *Portland, ME, May 8, 1996.*
>
> Hon. JIM LONGLEY, Jr.,
> *Longworth House Office Building,*
> *Washington, DC.*
>
> DEAR CONGRESSMAN LONGLEY: On behalf of the Portland Housing Authority, I want to encourage you to support passage of H.R. 2406, the United States Housing Act of 1995. H.R. 2406 contains provisions that are needed to ensure the continued success of the nation's public and assisted housing programs. Passage of H.R. 2406 will allow the House and Senate to conference their respective versions of public housing reform legislation.
>
> H.R. 2406 provides local housing agencies (LHAs) with much needed regulatory relief, i.e., repeal of federal preferences, the one-for-one replacement rule, and the take-one, take all provision. The provisions contained in this legislation provide LHAs with the type of administrative relief and authority necessary to operate these programs in a tenuous funding environment.
>
> I also encourage you to support compromise language to retain the Brooke Amendment for those below 30 percent of median income. This will ensure that the poorest members of our community will not suffer excessive rent burdens. I also encourage you to support compromise language that calls for targeting 30 percent of all units for those below 30 percent of median income. This provision will assure that affordable housing units will be available to the poorest members of our community.
>
> If I can be of any assistance to you, please feel free to call me at (207) 773-4753.
>
> Sincerely,
>
> PETER A. HOWE,
> *Executive Director.*

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. WYNN], a member of the committee.

Mr. WYNN. Mr. Chairman, I rise in strong support of the amendment. The Republicans like to moan about us calling them extremists. Well, they are and this is a classic example.

Mr. Chairman, they take a bill that has many laudable points and then they ruin it because they repeal the Brooke amendment which was designed to cap the rents that are paid by some of the poorest people in this country, people who make $6,400 a year. That is extreme.

The Brooke amendment simply reflects the standards of the industry, the banking industry, the real estate industry, the financial services industry which says that people should only pay a reasonable portion of their income, about 30 percent, for housing.

If we do not have the Brooke amendment, what we do is create a cycle of poverty because poor people then have to choose between medicine and rent; between paying bills and rent; between car repairs and rent. The first emergency that happens, they fall further behind. That is the cycle of poverty that is created in the language in this bill.

My Republican colleagues recognize this is a problem because they keep the Brooke amendment for current residents, disabled people, and for seniors. If it is good enough for the disabled and seniors, why not new tenants? We need to keep the Brooke amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 1 minute and 15 seconds.

Mr. Chairman, I now it is part of the Democratic strategy to try and label, use words. That substitutes for analysis in terms of this. But let me tell my colleagues what is extreme, Mr. Chairman.

Mr. Chairman, what is extreme is allowing people to be concentrated in poverty and not allowing them a chance to get out. What is extreme is a housing authority like in New Orleans with a score 27 out of a possible score of 100, and still receiving taxpayer dollars. Or DC at 33; or Philadelphia at 35; Chicago, 45; Atlanta, 49; Pittsburgh, 47; even Boston, 62.

Mr. Chairman, I would say if our children came home with scores like that, we would make sure they changed schools or went and did their homework. Neither one of them is happening right now.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I have tried to compliment the chairman of the Subcommittee on Housing and Community Opportunity for many of the changes that the gentleman has incorporated into this bill that in fact will allow the Secretary to deal with some of those housing problems.

But, Mr. Chairman, that has nothing to do with what the Brooke amendment does. The Brooke amendment simply caps the rents at 30 percent. As the gentleman knows, he protects all of these very poor. He protects the elderly and the disabled. The only people the gentleman is going to be pushing out of public housing are working poor.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. TORKILDSEN], although this may be a Democratic strategy.

Mr. TORKILDSEN. Mr. Chairman, housing is a key part of the American dream. For some this means owning their own home, and that's why we must keep the tax deduction for mortgage-interest. For others it means renting an apartment at market rates. And for others it means living in subsidized housing. For those people the Brooke amendment is essential.

As a Republican from Massachusetts, I am proud to support this amendment, which upholds the strong tradition of housing fairness established by a great Massachusetts Republican, Senator Ed Brooke.

I applaud the chairman of the Housing Subcommittee for crafting a bill that skillfully reinvents the Federal Government's approach to housing policy. But I find no reason to alter the Brooke amendment as part of this reinvention.

In 1969, Ed Brooke proposed his amendment in response to increasingly unaffordable rents charged by public housing authorities struggling to meet expenses. Unfortunately, not much has changed since then. We still need this valuable safety net for families living in public housing.

The Brooke amendment is plain and simple. It says that families in public housing will not pay more than 30 percent of their income in rent. Last week, I met with Senator Brooke and he explained that his amendment was based on a common-sense rule-of-thumb his father told him when he was young man. Brooke's father said that if he was paying more than 25 percent of his income in rent, he should find another place to live. Unfortunately, for most families in public housing the only alternative is homelessness.

Last year, the Federal Government spent $2.9 billion on public housing agencies. This amount pales in comparison to the $58.3 billion value of the mortgage-interest deduction.

Critics claim that the Brooke amendment discourages work, but this issue is easily addressed without repeal. Repeal of the Brooke amendment would force many people out of the only quality home they have access to.

The Brooke amendment was authored by a Republican Senator and signed into law by a Republican president. It would be disappointing for this Republican Congress to dismantle such a commonsense policy.

Mr. Chairman, I submit the following for the RECORD:

[From the Boston Globe, May 8, 1996]

SAVE THE BROOKE AMENDMENT

(By Edward W. Brooke)

As a young man starting out on my own, my father taught me that if I was paying more than 25 percent of my income on rent, I was paying more than I could afford and should find another place to live. It was sound advice then, and it is sound advice today.

Too much spent on housing leaves a person juggling to pay for other essentials, robbing Peter to pay Paul, with no ability to save for the future.

Twenty-seven years ago as a Republican US senator from Massachusetts, I introduced the "Brooke Amendment" to keep rents affordable for low-income families, elders, veterans and disabled people living in public housing. Then, as now, public housing authorities faced increasing operating expenses and, in order to cover costs, were charging tenants higher and higher rents—in some cases upwards of 50 percent of their meager incomes.

Congress had two choices: fill the operating-cost gap or turn people out of their homes. We voted to fill the gap and passed legislation, signed into law by President Nixon in 1969, to cap rents at 25 percent of income. In 1981, this cap was raised to 30 percent.

Now, US Rep. Rick Lazio, a Republican from New York and chairman of the housing subcommittee, is expected to bring to the full House a bill that calls for the elimination of the Brooke Amendment. It will put 2.7 million households in danger of losing the rent-cap safeguard in their federally subsidized housing. The rationale for repealing the Brooke Amendment is that, to fill the current revenue gap, housing authorities need to attract working people who can pay higher rents into public housing. The 30-percent cap is seen as a disincentive for residents to obtain work.

The purpose of public housing is to provide decent, affordable housing for low-income families, and the Brooke Amendment has ensured that for almost 30 years.

However, a specious argument has caught hold in Congress that people who have jobs and more choices will choose to move into public housing developments where apartments are cramped, safety is often a problem and one is branded with the stigma of living in a poor development. Do members of Congress really believe that people who have the means to live elsewhere will move into public housing projects? The reality is that people live in public housing because they have no other choice; they are poor and have no other place to go.

If Congress truly wants to remove barriers that discourage public housing residents from obtaining employment, the solution is to give housing authorities the flexibility to set rents below 30 percent in certain instances and allow people to save and get back on their feet. Congress should not withhold operating subsidies from public housing authorities and try to balance the budget by reaching deeper into the pockets of our poorest people. We must keep rents in public housing at a fair and reasonable percentage of income, a percentage that recognizes that people need money to pay for other basic expenses as well.

Some advocates of the repeal cite the rate of crime in public housing. The fact is that less than 15 percent of public housing tenants are involved in crime. More than 85 percent are decent, law-abiding citizens who live in fear of crime. The way to address the crime problem is not repeal of the cap on rents, but through eviction and prosecution of criminal tenants.

I fear that the real intention in repealing the Brooke Amendment is to abandon federal public housing. This misguided and hard-edged legislative action will destroy the foundation of our federal housing policy.

Abandoning public housing is unwise for the country. It ignores the investment that this country has already made to build millions of units of housing—housing that, if we had to rebuild today, would be prohibitive in cost.

The Brooke Amendment is not a budget buster. Last year, the federal government provided $2.9 billion to agencies that run public housing. This figure was dwarfed by the $58.3 billion in mortgage interest deductions that reduce housing costs for middle- and upper-income people. There is clearly no fairness or equity in the allocations between the haves and the have-nots.

There comes a point in making policy decisions when compassion and common sense must dictate. I respectfully urge my Republican successors in Congress to preserve the Brooke Amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Rhode Island [Mr. REED].

Mr. REED. Mr. Chairman, I rise in strong support of the Frank amendment. I have heard from hundreds of Rhode Islanders who are concerned about the repeal of the Brooke amendment. While I commend Chairman LAZIO's amendment which aims to improve his original provision regarding rent payments, I believe that we need to do more to protect those Americans who relay on public and assisted housing.

Our Nation's low-income residents are already coping with drastic cuts in funding for many important programs. Rhode Island's seniors, disabled, and low-income families are already forced to make many choices between the bare necessities of life that Members of Congress do not face. The Frank amendment will allow these people to live in decent, affordable housing and still provide for their food, clothing, and medicine. Simply put, increasing rents for our Nation's most vulnerable will not achieve the goal of "empowering" our citizens. Mr. Chairman, I urge my colleagues to provide real help to our Nation's elderly, disabled persons, children, and low-income residents. Support the Frank amendment.

Mr. Chairman, I rise in strong support of the Frank amendment. I have heard from hundreds of Rhode Islanders who are concerned about the repeal of the Brooke amendment. While I commend Chairman LAZIO's amendment which aims to improve his original provision regarding rent payments, I believe that we need to do more to protect those Americans who rely on public and assisted housing.

We need to ensure reasonable rents for our Nation's seniors, disabled persons, and low-income families so that they can live in safe decent and affordable housing. Our Nation's low-income residents are already coping with drastic cuts in funding for many important programs, and now we are contemplating penalizing those who may find themselves in need of public housing in the future whose incomes fall below 50 percent of the median income level.

Rhode Island's seniors and disabled are already forced to make many choices between the bare necessities of life that Members of Congress do not face. The Brooke amendment has allowed these people to live in decent, affordable housing and still provide for their food, clothing, and medicine. Simply put, increasing rents for our Nation's most vulnerable will not achieve the goal of "empowering" our citizens. Rather, it could force many of these people deeper into poverty.

In Rhode Island, the Brooke amendment matters. In Rhode Island, 25,100 households fall under the Brooke amendment, and not all of them live in public housing. The Brooke amendment matters because 11,400 of these households including children that need to be fed, clothed, and educated. The Brooke amendment matters because the Providence housing market lost some 1,100 units of affordable housing from 1988 to 1992. Regrettably, the bill we are now considering will only exacerbate the problems of those struggling and older Rhode Islanders who desperately need the Brooke amendment.

Mr. Chairman, I urge my colleagues to provide real help to our Nation's elderly, disabled persons, children, and low-income residents. Support the Frank amendment.

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Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from Los Angeles, CA [Ms. WATERS], a member of the committee and an expert in this field.

Ms. WATERS. Mr. Chairman, I agree that this is, too, about the Brooke amendment, but it is about more than the Brooke amendment. It is about whether or not we are going to develop some sensible public policy that will allow people to become independent.

My friends on the other side of the aisle claim to understand that we have a lot of policies in government that do not allow people to really pull themselves up by their bootstraps. When we look at public housing, we will find a lot of that. One of those policies is the policy that will take more from people when they go to work, which serves as a disincentive.

Recognizing this, we are simply saying, and the chairman needs to understand this, because I do not think he is a dishonest man. I really believe that he is little bit confused about this. When we say that we want to make sure that we are not taking away more than 30 percent, we are doing this so that we can create incentives for people to go to work and earn more money without their rents being raised to 40 and 50 percent. It is as simple as that.

We here in this House, many of us make as much money, take home as much money as these residents make in an entire year.

We heard what the income is of these residents. We take that much money home a month. Let me say, taking that much money home a month, some Members on the other side of the aisle sleep in their offices at night and they get free rent. How dare we talk about taking away more money from the poorest of the poor. We have policies now in public housing where, if one of the members of the family goes to work, we take away more money. This is outrageous and unconscionable. My colleagues ought to just quit it.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 30 seconds.

I will tell my colleagues what is outrageous and unconscionable. It is penalizing work. It is to continue to have the Brooke amendment in place. It is to suggest that rents continue to be tied to income, whether it is 30 or 20 or 25 percent. None of us have to deal with that. None of us have to pay 20 percent of our income the day we look for an apartment.

No one goes around and shops for an apartment and finds that this apartment is 25 percent of our income or this is 30 percent of our income, but that is precisely the old model that they want to go back to. That is precisely the model that has led to disastrous results. Do not ask me; go back to the housing authorities that have said this.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 30 seconds to point out, nice speech, wrong subject.

The amendment we are offering on a bipartisan basis does not tie rent to income. It allows the housing authority every freedom to set the rent for working people except in one context. It says it cannot go above a certain amount. The only difference between this amendment and the gentleman's proposal, by the way, with regard to welfare recipients we are the same. With regard to existing elderly people we are the same. But with regard to working people and new elderly residents, there is one difference. We say set the rent however you want and whatever basis you want, but there is an upper limit. Their bill says, set the rent however you want and whatever way you want without an upper limit. Some protection.

Mr. Chairman, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I want to make two basic points.

First of all, one of the great crises in America today is that millions and millions of low income and working people are spending 40, 50, 60 yes, 70 percent of their limited incomes on housing. Therefore, they just do not have the money available for the food they need, for the transportation they need and maybe to put away a few bucks for educational opportunities for their kids. That is a real crisis.

The second point that I would make is to try to put this discussion in human terms. I called up a housing authority, senior citizen housing authority in Vermont this morning. They told me that many of the seniors in the housing earn $8,000 a year on average from Social Security. Right now they are paying 30 percent of their income for rent, $2,400 a year.

Mr. Chairman, if this proposal that is in the bill goes through, what could very easily happen is that senior citizens bringing in $8,000 a year will now pay 40 percent of their income in housing. That is an additional $800 a year, when you are bringing in $8,000 a year. Ten percent of all of your income more now goes for housing.

Second of all, if their Medicare proposals go into effect and we raise the Medicare premiums for senior citizens, in a few years time we will be talking about those same seniors paying $500 a year more for Medicare premiums; $800 plus $500, $1,300 a year more on a senior citizen earning $8,000 a year on Social Security.

Meanwhile, we are talking about huge tax breaks for the wealthiest peole in America. Mr. Chairman, this proposal in the bill is unfair. It constitutes a war against many senior citizens.

Mr. LAZIO of New York. Mr. Chairman, I yield 3 minutes and 30 seconds to the distinguished gentlewoman from New Jersey [Mrs. ROUKEMA], my friend and colleague, former ranking member of the Subcommittee on Housing and Community Opportunity.

Mrs. ROUKEMA. Mr. Chairman, I rise in opposition to the Frank amendment to keep traditional Brooke percentage of income rents in place for all public housing residents. While I share his concern that the very low-income families must be protected, but I also think we must allow room for more local decisionmaking to create public housing communities that are more socially and economically mixed, that provide more inspiring environments for the children and that remove disincentives to work. Also, we must face the budget realities. It seems unreasonable to keep Brooke in full force while the compensating operating subsidy will fall almost $1 billion in fiscal year 1996 and fiscal year 1997 from what is needed for the current system. Let public housing administrators find ways to become less dependent on shrinking subsidy resources and let us not presume that they are less sensitive to the needs of the poor than Congress.

I think your bill takes important steps to reform a program that has been laden with Federal misdirections over the years. Allowing the limited use of new flat and tiered rents for other than the poorest is a good move. We should allow PHA's, within limits, to imitate more fully the simpler rent methods of the private world, where extra family income doesn't result in extra rent. It is important in the era of welfare reform that we remove disincentives to work which many feel has often been unintended consequence of Brooke. By the way, we allow rents in excess of 30 percent of income in the voucher, tax credit, and HOME programs.

I urge the chairman as this legislation evolves with that of the Senate to consider increasing the minimum percentage of units that a PHA must always afford to those very, very low-income households below 30 percent to something higher than the bill's 30 percent to some higher percentage. I also urge you to ensure that the current, non-Brooke residents are thoroughly protected from burdensome rent increases by seeing whether the Gonzalez cap is adequate for that purpose.

I applaud your undertaking to update this valuable, but overly federalized housing program. Let's give change a chance.

Mr. Chairman, I include for the RECORD the following correspondence:

MR. CHAIRMAN: I am going to support you on the issue raised by Mr. Frank's amendment to keep traditional "Brooke" percentage of income rents in place for all public housing residents. While I share his concern that the very low-income families must be protected, but I also think we must allow room for more local decision making to create public housing communities that are more socially and economically mixed, that provide more inspiring environments for the children, and that remove disincentives to work. Also, we must face the budget realities and our own outlawing of unfunded mandates. It is unreasonable to keep Brooke in full force while the compensating operating subsidy will fall almost a billion dollars in fy96 and fy97 from what is needed for the current system. Let us let public housing administrators find ways to become less dependent on shrinking subsidy resources and let us not presume that they are less sensitive to the needs of the poor than Congress.

I think your bill takes important steps to reform a program that has been laden with federal misdirections over the years. Allowing the limited use of new flat and tiered rents for other than the poorest is a good move. We should allow PHAs, within limits, to imitate more fully the simpler rent methods of the private world, where extra family income doesn't result in extra rent. It is important in the era of welfare reform that we remove disincentives to work which many feel has often been an unintended consequences of Brooke. By the way, we allow rents in excess of 30% of income in the voucher, tax credit and HOME programs.

I urge the chairman as this statute evolves with that of the Senate to consider increasing the minimum percentage of units that a PHA must always afford to those very, very low income households below 30% to something higher that the bill's 30% to some higher percentage. I also urge you to insure that the current, non-Brooke residents are thoroughly protected from burdensome rent increases by seeing whether the Gonzalez cap is adequate for the purpose.

I applaud your undertaking to update this valuable, but overly-federalized housing program. Let's give change a chance.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Chairman, I thank my colleague from Massachusetts for yielding time to me.

Let me remind my colleagues, as I told them last night, I was one of the members of the Democratic party who supported this legislation when we reported it from the Committee on Banking and Financial Services. I commend my colleague from New York for crafting a bill which I believe moves public housing policy forward in ways which I agree with. In particular, greater involvement at the local level, moving away from project-based assistance to tenant-based assistance through the use of vouchers and promoting home ownership. These are proper goals. But the bill is not perfect.

By removing the Brooke amendment, which places a rent cap of 30 percent, it creates some serious problems. There are two significant problems with the repeal of Brooke which we should correct by adopting the Frank-Gutierrez-Hinchey amendment.

First, by lowering the funding for assisted housing and removing the rent cap, local housing authorities will have no choice but to raise rents to meet existing demand, let alone any growth. It is a simple economic fact which the majority deny but not dispute. The housing authorities will have to maximize revenues to meet need and can only do so by raising rents.

Second, the bill, through the manager's amendment, makes the same mistake that we have in Federal welfare policy. By lifting the rent cap for families with incomes over 30 percent of the median, we actually tax work and thus create a discentive to achieve.

I think my colleagues in the majority would agree that an effective tax increase of 100 percent is a disincentive to economic opportunity and growth, let alone work. This bill moves us in the right direction, which should be to help people in need but to try and move them away from housing projects and ultimately off assistance and into homes which they own. But by repealing the Brooke amendment and not adopting the Frank amendment, we will contradict that goal and ultimately fail.

Adopting the Frank amendment will correct this flaw in an otherwise well-intentioned bill. I would ask my colleagues to remember, when they have gone to the bank to apply for a mortgage, that the banks will often have them fill out a formula that tries to see if you can pay the monthly note with 28 to 30 percent of your adjusted gross income.

Adopt the Frank amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 1 minute to just outline the fact that the compromise that was struck on the so-called Brooke amendment which allows for protection in our bill, the poorest of the poor, seniors and disabled, is supported by housing authorities throughout the country, including the Massachusetts Chapter of the National Association of Housing and Redevelopment Officials.

Let me just read part of that, if I can:

"We support the compromise language on the Brooke amendment. We do not support the position taken by Congressman KENNEDY and Congressman FRANK. Both Congressman know this. Massachusetts Housing Authorities are pleased that your legislation will breathe life into dying housing developments. Key to our support is the local control, flexibility and trust you place in locally elected or appointed officials to lead LHA's and to do the right thing. Your concept is correct. They are accountable to their communities."

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I just point out that when you are putting money in the back pocket of the housing authorities, it is very easy to get a letter like that.

Mr. LAZIO of New York. Reclaiming my time, Mr. Chairman, it is not this side of the aisle but your side of the aisle that wants to increase administrative fees that go directly to housing authorities. They simply want the flexibility to do the right thing.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 30 seconds. I know this is clearly one where the housing authorities are on one side; the tenants are on the other.

□ 1200

No tenant has said to me, "Please let them raise my rent."

The housing authorities explained this to me: Given the cutbacks that have occurred in the housing budget, they believe they are going to have to raise the rents on working tenants to get moneys to offset it. One of them said to me, yes, these Massachusetts people will be between a rock and hard place. I do not think that is the case. I think they are between a rock and a rather soft place, the lower income people. But I do understand the housing authorities are faced with these cuts, are prepared to raise the money from the tenant. I disagree very much with the housing authority.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the great State of Oklahoma [Mr. WATTS] for purposes of offering an amendment.

AMENDMENT OFFERED BY MR. WATTS OF OKLAHOMA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. FRANK OF MASSACHUSETTS, AS MODIFIED

Mr. WATTS of Oklahoma. Mr. Chairman, I offer an amendment as a substitute for the amendment, as modified.

The Clerk read as follows:

Amendment offered by Mr. WATTS of Oklahoma as a substitute for the amendment offered by Mr. FRANK of Massachusetts as modified:

Page 157, after line 26, insert the following new subsection:

(b) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family that is an elderly family or a disabled family, for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located may not exceed 30 percent of the family's adjusted monthly income.

Page 158, line 1, strike "(b)" and insert "(c)".

Page 158, line 9, strike "(c)" and insert "(d)".

Page 159, line 1, strike "(d)" and insert "(e)".

Page 172, line 11, before the period insert the following: ; except that in the case of an assisted family that is an elderly family or a disabled family, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the lesser of the amount of the resident contribution determined in accordance with section 322 or 30 percent of the family's adjusted monthly income.

Mr. WATTS of Oklahoma (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. FRANK of Massachusetts. Reserving the right to object, Mr. Chairman, we have not been given the courtesy of a copy.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the amendment be considered as read. The gentleman from Massachusetts reserves the right to object.

Mr. FRANK of Massachusetts. Indeed, since we have just now been given a copy, I do object but would like to proceed with the reading.

The CHAIRMAN. Does the gentleman withdraw his reservation of objection?

Mr. FRANK of Massachusetts. I object because we need time to read this. We have not been given the courtesy.

The CHAIRMAN. The gentleman objects. The Clerk will continue the reading.

The Clerk completed the reading of the amendment.

The CHAIRMAN. The gentleman from Oklahoma [Mr. WATTS] is recognized for 2 minutes.

Mr. WATTS of Oklahoma. Mr. Chairman, as we have heard read, this amendment provides for protection of elderly and disabled by providing that their rental payment will not exceed more than 30 percent of the family's monthly adjusted income.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

The CHAIRMAN. Before the gentleman is recognized, the Chair wants to make sure everyone understands that the time utilized to discuss the substitute in front of us is taken from the 1 hour equally divided between the gentleman from Massachusetts and the gentleman from New York so that the gentleman has the opportunity to utilize that time in debating either the substitute or the amendment originally offered by the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I ask unanimous consent, given the changing aspects of this, that we add another 10 minutes to each side of the debate.

The CHAIRMAN. Is it the intent of the gentleman from Massachusetts [Mr. KENNEDY] that that time be allocated simply to the substitute or to the full 60 minutes allocated earlier?

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would offer it to the full 60 minutes, depending on how this works out.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that an additional 10 minutes equally divided between both sides be allocated to the original 60 minutes of debate for consideration of the Frank amendment.

Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume, and I thank the gentleman from New York [Mr. LAZIO] for his courtesy in this regard.

We have here one more tactical retreat. In the interests of simplicity, they further complicate things. Here is the problem:

The manager's amendment would have created a new notch act for people who are nostalgic about the notch act. The manager's amendment that the other side was so vehemently defending said for currently disabled and elderly people it would be a 30-percent cap, but for new people it would not be. So now what this does is to apply the 30-percent cap to new elderly people.

I like that. So does my amendment.

Why is it offered now? It is offered now in a desperate hope to prevent a vote on the underlying amendment because if this substitute is adopted, then there is no vote on the underlying amendment.

As a matter of fact, this was a preexisting amendment, and intellectual property does not apply in here. It is a substitute amendment offered by the gentleman from Oklahoma [Mr. WATTS] crossing out "Mr. Hinchey of New York." They took Mr. HINCHEY's amendment, which would have done this subsequently, and they crossed it out and they wrote in "Mr. Watts."

Mr. Chairman, that is okay. They can do that. The gentleman from Oklahoma is not the Peoples' Republic of China. He is not held to any standard on intellectual property. He can copyright and counterfeit and pirate; that is OK. But the reason he did it is to prevent a vote under the underlying amendment.

And I just want to make one point before I yield to my friend from Massachusetts. Understand that the gentleman from New York said the tenants are better off without this 30-percent cap. Understand the wholly illogical and inconsistent approach he takes. On the one hand he says over 30 percent cap has been bad, even if it is not a flaw, it is bad for the tenant, it drives their rents up. So now he says, "I am going to protect the elderly by subjecting them to that 30 percent cap," that he says is so bad for them. It just shows what a sham this is.

Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I have a question of the author of the amendment.

The gentleman has offered this amendment under the section that deals with the vouchers of programs side of this. Does the gentleman intend for this to cover public housing as well?

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, this would apply to tenant based, project based and public housing.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I ask the gentleman, are you sure, Mr. LAZIO, it applies to public housing? Because you have offered it in the third section of this bill.

Mr. FRANK of Massachusetts. Reclaiming my time, Mr. Chairman, maybe we should find the gentleman from New York [Mr. HINCHEY]. They stole the amendment offered by the gentleman from New York [Mr. HINCHEY]. Why do we not get the gentleman from New York to explain it to the gentleman?

Mr. KENNEDY of Massachusetts. Mr. Chairman, if the gentleman would continue to yield, I am just pointing out to my colleague that he has offered this amendment in the third section of the bill, and my understanding from staff is that that raises a serious question as to whether or not it covers public housing.

Mr. FRANK of Massachusetts. Mr. Chairman, in fact what happened was the gentleman from New York [Mr. HINCHEY] had two separate amendments, and they only stole one. They forgot to steal them both. So the gentleman only took half of Hinchey; he got a "Hinch" but no "E" here. So that is the problem.

Mr. LAZIO of New York. Mr. Chairman, I ask unanimous-consent request to amend this amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from New York is recognized for the purpose of a unanimous-consent request.

Mr. LAZIO of New York. I ask unanimous consent, Mr. Chairman, to allow this amendment to apply to seniors, prospectively in public housing, as well as those seniors who use vouchers through the section 8 program.

Mr. FRANK of Massachusetts. Reserving the right to object, Mr. Chairman, the gentleman from New York [Mr. HINCHEY] has these amendments in proper form pending. The appropriate way to do this would be to vote on the amendment that is now pending. If it is defeated, these two amendments would then be in order. This is simply an effort to hijack the amendment of the gentleman from New York [Mr. HINCHEY] to preempt a vote, and therefore I object.

The CHAIRMAN. Objection is heard.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, we are again going around and around. We are talking about ensuring that working people have the incentive to go to work. We are trying to ensure that the Brooke amendment, which is a tax on work, which will result, even the Frank amendment will result, on more taxes on working people, on higher rents, kills jobs, hurts working poor, hurts working people, hurts mixed income, will be defeated.

What we are saying is that we need to protect the most vulnerable members of our society, and that is not inconsistent. We are saying we need to protect the seniors, we need to protect the disabled, we need to protect the poorest of the poor, and all those people are protected in our manager's amendment and in our bill.

We are trying to move beyond that. The gentleman has objected to a unanimous-consent request so that we can apply this to seniors in public housing, but we are going to apply this prospectively in the future to seniors using section 8 voucher-based program.

We will, through the process, hope to amend this even through the objections of the other side so that seniors will be protected who will prospectively live in public housing.

Let me explain for my colleagues what we want to do so that working people have a decent chance. If we have fixed rents, flat rents, the rents that all of us pay in their own marketplace, if we go out and look for an apartment, someone does not ask us how much we make and we will fix the rent based on how much that person makes, whether it is 20 percent, 25 percent or 30 percent. If the housing authority fixes rent for an apartment at $65 a month and somebody is making $75 a week, under the Frank-Gutierrez amendment, as it currently stands, they would pay $100 as opposed to $65 a month, a disincentive to go to work for even $75 a week.

If someone is offered overtime and the ability to go to work again and take another job and make $150 a week, again his rent goes up. Instead of paying $65 a month, he goes to $200 a month. Why should somebody go out and do the overtime if he knows it is being eaten up in additional rent? If he goes to $300 a week, his rent goes up to $400 a month as opposed to $65 a month. All these are disincentives to work.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 1½ minutes to say I have never heard such misleading nonsense on the House floor. The amendment we offer does not require anybody's rent to go up a penny. Indeed it is the amendment of the gentleman from New York already in the bill that allows the housing authority to go much higher.

We say, "The housing authority, use whatever basis you want, but in no case go above 30 percent."

The gentleman from New York says, "Use whatever basis you want and go as high as you want." And if, in fact, not being subjected to a cap is such a protection, why is he then taking that away from the elderly?

But the central point is the gentleman from New York has just made statements that are so widely at variance with the facts that I am astonished. He says under our amendment the individual's rent would go up. No, only if the housing authorities, whom he is defending here, choose to do it.

His argument is that if we give a housing authority a 30-percent limit, they will set the rate higher than if we tell the housing authority they can set it as high as they want to. The gentleman knows that is a hard argument to make. That is why, just to remind people of the parliamentary situation, the gentleman has taken the Hinchey amendments in an imperfect form and put them in here, because he is desperate to avoid a vote.

The key difference is this: Under his bill, even with the Hinchey amendments that they have stolen for these purposes, working people will be subject to unlimited rents, people on welfare and elderly will be subjected and protected by the 30-percent cap. That would then be the sole difference, and I believe we ought to have a vote on that and not be preempted by some parliamentary sleight of hand.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 1½ minutes.

Mr. Chairman, it is ironic the gentleman from Massachusetts is complaining about parliamentary sleight of hand.

Mr. Chairman, I am trying to compromise and move the extra yard to ensure that some of the concerns by the other side of the aisle are met. I tried to make unanimous-consent requests to allow that seniors who will prospectively live in public housing or use section 8 housing will be able to have the protections that the other side claims that they are in favor of. But that is not good enough. They have objected to my unanimous consent.

If the gentleman from Massachusetts [Mr. FRANK] wants an up-and-down vote on his amendment, which I think is a disastrous amendment, which all housing authorities' associations have basically said is a disastrous amendment, I am happy to do that.

Mr. Chairman, I yield to the gentleman from the great State of Oklahoma [Mr. WATTS] for purposes of unanimous-consent request to withdraw the amendment as it exists and to allow the gentleman from Massachusetts [Mr. FRANK] to offer it as is.

Mr. WATTS of Oklahoma. Mr. Chairman, I ask unanimous consent to withdraw my substitute amendment and then proceed.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Oklahoma [Mr. WATTS] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. FRANK] is withdrawn.

PARLIAMENTARY INQUIRY

Mr. FRANK of Massachusetts. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FRANK of Massachusetts. Mr. Chairman, may we know how much time is remaining and on what amendment?

The CHAIRMAN. At the present time the original Frank amendment is the only amendment before the House.

The gentleman from Massachusetts [Mr. FRANK] has 10½ minutes remaining, the gentleman from New York [Mr. LAZIO] has 12 minutes remaining.

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Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the great State of Arizona [Mr. HAYWORTH], a great member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services.

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from New York for his courtesy in that introduction and, indeed, for his goodwill and incredible patience in trying to deal with what has become a very contentionus situation.

My good friend, the gentleman from Massachusetts, to whom I always listen with great interest, a little bit earlier said he had never heard such outrageous nonsense on the floor of this House. Resisting the temptation to bring up some incredible mathematic equations that have been offered by that side with reference to real increases in spending being portrayed as cuts, I would simply say that there has been a great deal of nonsense that has emanated from the other side of the aisle with reference to a myriad of subjects.

But let us move away from nonsense to solving this problem. That is, trying to have housing for the poorest in our society, trying to reach out and empower them to become part of the economic mainstream and to live the American dream.

Mr. Chairman, it is inherent with the proposal from my colleague, the gentleman from Massachusetts, that an unintended by-product, an unintended consequence, if you will, even with the modification, is to in essence levy a tax on those who want to work; for even if there is a cap instituted, as the gentleman from Massachusetts in modifying his amendment has done, even if there is a cap, the temptation is always to go to that limit, to that cap and no further.

Indeed, if we focus on what has been our history, if we focus on the parameters set forth, if we have that parameter decreed by Washington, it is a virtual certainty that then the 30 percent cap will in fact take place, you will have a situation where you have a malicious tax imposed, and that is something we must categorically reject. I stand in opposition to the amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 90 seconds to the gentleman from Minnesota [Mr. VENTO], one of the senior members of the committee, a great housing advocate.

Mr. VENTO. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, the proposition that is proposed here by the majority is that if we have safeguards in terms of limiting rent, that that is somehow going to hurt the tenants. That is what is being suggested. We agree, I guess, on the senior citizens that are in housing and disabled, and on very low income, but not on future senior citizens or low-income residents. We are going to have a disparity. They are going to pay more, or they are at least going to be exposed to pay more for rent.

I am not surprised that housing authorities actually want this flexibility. Let us face it, the administration, housing authorities, want all the money and all the flexibility they can get. That is not surprising—the housing authorities trust themselves. It is our role in Congress to look at whether or not we are going to accommodate and try to provide some protection—some safeguards for those that are in public housing.

I think all we have to ask ourselves is who is for it and who is against it. In other words, the housing authorities, the landlords are for the Lazio amendment; they want the flexibility to go this way and to in fact raise rents. The tenants are against it because they get no assurance as to the limit of rent increases—no safeguards out of this proposal.

In other words, this amendment that the gentleman has and the way he has structured the law hurts the working poor. The Frank amendment ceiling cannot hurt them, it can only help. If they want to collect less, if you say they need work incentives, they can disallow income, they can go in all sorts of directions. But the amendment that is before us says you can only go down as long as you are below 30 percent. What is before us in the bill removes the ceiling, removing the safeguards in terms of the costs protection for working Americans who are in this public housing, that are fortunate enough to be in public housing. When we remove the safeguards and reduce the Federal dollars and restrict them in terms of this block grant, we can be sure they are going to be pushed, pushed into higher rents for working people and their families.

The fact is the Republicans refuse to deal with the minimum wage, and now they are pushing low income public housing residents into higher rents, higher rent for working Americans.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, we are still arguing about income-based rent. Therein lies the philosophical divide. Therein is the reason why people who manage public housing and do this on a daily basis day in and day out, and live with the problems, live with the challenges, work with the people, and understand the problems, why they say that this approach is so devastating to work. They say it has been a disincentive to work, it has been an incentive to fraud, and it has caused a humongous amount of change in terms of mixed income, which is very important.

Let us talk about mixed income in public housing for a second, because the Brooke amendment and the Frank amendment would continue to compound the problem that exists in public housing today because it chases out the people that get a job, because it is a tax on work. It is a tax on employment. It is a work disincentive. It hurts the working poor. It increases rent for the working poor.

Over here, we talk about the change that has existed as a result of the changes through the last Congress as a result of many different issues, including the Brooke amendment.

Over here, we show the red line, which is where tenant income as a percentage of those people who occupy public housing, where it has gone. In 1982 it was up here. In 1996, during that same time, the blue line represents the operating subsidies, the amount of money that we have had to subsidize as that has gone up in direct correlation. As that number has gone down, the red line has come down; it means fewer people have role models.

There are no opportunities to have the kind of exchange with working people that leads to job opportunities: Have you heard about a job? Do you know where I can get a job? Do you know where I can leave my resume? All those things do not exist in some housing developments in America. That is a disgrace. That is a shame. That is what the gentleman from Massachusetts [Mr. FRANK], through his amendment, is continuing to support.

Mr. BAKER of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Louisiana.

Mr. BAKER of Louisiana. Mr. Chairman, I am trying to understand. Apparently all the discussion has been unable to make our case quite clearly. Is it the circumstance, in the gentleman's opinion, if a working family is in public housing today and mom is at home, and they somehow make arrangements to get child care, and mom leaves and takes on a new job, so the income of the family may go up to $1,200 or $1,500 a month, they have to pay for day care, but that does not matter when we look at the 30-percent rule, that that then applies to both new incomes; so rather than mom go out and work and pay for day care, mom just stays home. Is that what the gentleman is saying?

Mr. LAZIO of New York. That is exactly what I am saying. The day that mom goes to work is the day she pays 30 percent of her income in new taxes or rents.

Mr. BAKER of California. If the gentleman will further yield, he is telling me that it is the local housing authority that sets the rules in place.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 1 minute, and we can continue this debate.

Mr. Chairman, I would say the gentleman from New York has a key point, but I think it makes our argument. Remember, the Brooke amendment has had two forms. As originally proposed by Senator Brooke and adopted, it was simply a cap and not a floor. It was changed in 1981 to be both a cap and a floor. Interestingly, the gentleman's chart begins with 1982, after the change. He is showing a decline.

In fact, the amendment we are offering would restore the Brooke amendment to what it was before his. The point is, by the gentleman's own point on the chart, the Brooke amendment, before Gramm-Latta, did not have that effect. That is where he starts his chart. He characterizes the negative effect of the amendment to the Brooke amendment. But what we put forward leaves that out and restores it to the pre-1982 pre-chart days.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, the exact same situation that exists currently under Brooke will be in place under the gentleman's amendment, the exact same situation.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the gentleman is still talking about basing rent on income. Whether it is 30 percent or whether it is 28 percent or 25 percent or 20 percent, Mr. Chairman, the day you go to work, you get that additional tax. Your rent goes up. You are punished for working. That is why this is a rent increase on the working poor.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I want to try to reach some agreement here. The point is this: By the gentleman's own chart he is acknowledging, by his choice of a date, that when the Brooke amendment was simply a cap and not a floor, it did not have that negative effect. His own chart starts there. I am talking about returning it to what the gentleman regards from his chart as the good old days. The gentleman should read his own chart.

Mr. LAZIO of New York. Reclaiming my time, Mr. Chairman, our chart begins in 1982 or 1983. I guess we could have gone back 10 more years.

Mr. BAKER of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Louisiana.

Mr. BAKER of Louisiana. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, anybody can make charts and draw diagrams. Certainly they can make their own, rather than use ours. The point is, we should turn to those people who administer public housing at the local level and who do a good job.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would like to understand, from a working family's perspective, let us assume the example that the gentleman from Louisiana [Mr. BAKER] gave of a family whose mother goes out and gets this job. Does anybody really think it makes a difference to her whether she is paying a percentage of her income in rent or just an increase in rent? The truth of the matter is that she is paying more in rent.

What is wrong with the first chart, which I would just take a second to go pull out here, the chart that the gentleman from New York [Mr. LAZIO] used. Let us go to this chart here. Somehow or another, according to this chart, the mythical rent under this bill will be $65 a month. The truth of the matter is that what the gentleman from New York [Mr. LAZIO] does not say on this chart is the fact that there is no rent cap whatsoever, and that this figure can go up twice as high as this figure. This is a rent ceiling. There is no rent ceiling on that of the gentleman from New York [Mr. LAZIO], and that is the fundamental difference.

Mr. Chairman, what we are talking about here is something fairly simple. What we are talking about is the fact that under the Lazio bill, we are saying that very poor people are going to be protected by only paying 30 percent of their income. We are saying that elderly and disabled people that are currently in public housing are only going to pay 30 percent of their income.

The gentleman tried to amend his own bill by extending that to elderly and poor new residents, but the truth is that the only people left to jack up the rents on are the working people. It is the working people, the very people that they claim to be protecting by the 30-percent protection, by eliminating that, they are the only people left on which to jack up the rents. By cutting the housing budget by $2.5 billion in public housing alone, $5 billion in both assisted and public housing, you have to get public housing authorities to raise more money, which is why they all endorse your bill.

What they are going to do is jack up the rents, and with the protections that you have provided, the only people they can jack up the rents on are the working people of this country who occupy public housing.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 2 minutes.

Mr. BAKER of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Louisiana.

Mr. BAKER of Louisiana. Mr. Chairman, I just want to point out, it has again been missed, that housing director after housing director after public housing authority board member has contacted Members of this Congress and said, "Please, give us some relief from the Brooke amendment." I think the chairman is in receipt of a letter from the National Housing Officials Association. Would the chairman inform the Members as to what this group's opinion is with regard to the effects of the Brooke amendment?

Mr. LAZIO of New York. Mr. Chairman, let me respond to my friend, the gentleman from Louisiana. Again, Mr. Chairman, the National Association of Housing and Development Officials, the people that have the hands-on experience, that work with this problem every day——

Mr. BAKER of Louisiana. The people who are going to decide how much rent an individual is going to pay?

Mr. LAZIO of New York. That is right.

Mr. BAKER of Louisiana. The very folks who are in charge?

Mr. LAZIO of New York. That is precisely right. In their letter they write that the Brooke amendment is a "disincentive to work, encourages fraud, and offers local housing authorities little flexibility to reward working households."

Mr. BAKER of Louisiana. Mr. Chairman, does that mean, if the gentleman will continue to yield, that if we keep the current system in place, we discourage people from getting job skills and going to work and maybe one day moving out of public housing? Is that the problem?

Mr. LAZIO of New York. That is precisely the problem.

Mr. BAKER of Louisiana. Mr. Chairman, does the gentleman mean people live in public housing for years?

Mr. LAZIO of New York. That is precisely the issue. If our intent is simply to maintain or warehouse the poorest Americans, we are in the process of doing that again, if we adopt this amendment.

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If our principle is to transition, to create an environment where people can have work and hope and opportunity and get a job and make their own choices, free of public subsidies and free of the artificial world where incomes and rents are tied together, then we will move in this direction.

Mr. BAKER of Louisiana. Excuse me, because I am still having a hard time. We are characterizing local public housing authorities across this country as people who do not care about those people. By and large, are not most of these individuals who serve on these authorities either very low paid or volunteers trying to perform a public service to help people in their community have decent housing? Is it the belief that if we do what we are suggesting, as the chairman is trying to lead this Congress, in doing that we are going to go out into all communities in the country and start throwing people out of public housing, is that the belief?

Mr. LAZIO of New York. The gentleman is hitting the point again. We are saying that local people who have local vested interest, who have dedicated their lives to housing, will be compassionate, will watch out for the people that they have committed themselves to watch out for.

The National Association of Housing and Redevelopment Officials says, "We vehemently deny the accusations from some that housing authorities are seeking to immediately escalate rents without any regard to the household's ability to pay." They are saying, "We commit ourselves to this. The reason why we are drawn to this occupation, to this job, is a sense of duty to watch out for the poor. We are not going to be devastating the poor. We are trying to give incentives to people to work."

Mr. BAKER of Louisiana. Does the gentleman mean these people are telling us if somebody goes to work they want them to be able to keep the money?

Mr. LAZIO of New York. That is exactly what they are saying.

Mr. BAKER of Louisiana. I am shocked.

Mr. LAZIO of New York. Mr. Chairman, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. MILLENDER-MCDONALD], our newest colleague.

Ms. MILLENDER-MCDONALD. Mr. Chairman, first, I would like to thank Mr. FRANK for allowing me the opportunity to speak on this most important issue. In listening to the debate on this issue, it is clear to me that my colleagues in the majority truly believe in their views on this issue. To some extent, I would agree with the spirit of their views but not with the methods. In our efforts to reform public housing we must be careful not to hurt the very people who we are trying to help, the residents of public housing. Please be clear.

Under current law, the Brooke amendment was enacted in 1969 to protect the most vulnerable residents of public housing from paying too high a percentage of their income for rent. The amendment made public and assisted housing affordable for very low-income families. Typically, poor families who are not in public housing pay more than 30 percent of their income in rent. Currently, more than 5.3 million families, who are not in public or assisted housing pay more than 50 percent of their income for rent. The limits set by the Brooke amendment have made public and assisted housing more affordable for very low-income families by preventing dramatic increases in rent. The practical effect of the Brooke amendment has been to cushion the residents of public housing against the fluctuations in the housing market.

Current law also addresses the earned income adjustments that allow public housing authorities to encourage work through more flexible rent structures. Further, rent ceilings allow public housing authorities to price units competitively with the market and allow retention for mixed occupancy. The Brooke amendment is a good amendment. It is sound public policy. I don't see any reason to repeal it but apparently there are those who see fit to do so.

Mr. Chairman, let's tell the truth about this bill. H.R. 2406 repeals the Brooke amendment and hurts the people we are trying to help, by removing the limits placed on rent charges. This is hypocritical at best.

We are going to remove the caps on rent and in the same breath deny them an increase in the minimum wage. That equates to a backhand and a forehand slap to the faces of the residents of public housing. I hear some of my colleagues say that they value home ownership and that residents of public housing will be allowed to purchase their units. Tell me how will those residents be able to afford the mortgages on those units without being able to earn a decent livable wage. And as the public housing units are turned into owner-occupied housing, what will happened to the availability of the housing for very low-income earners. Will the market respond by building more affordable housing. I don't think so.

I would say to my colleagues on both sides of the aisle, if we are going to repeal the Brooke amendment, then let's take a serious look at the Frank amendment. The Frank amendment sets a new 30-percent cap that would be the maximum limit for a family's contribution to rent. This amendment also establishes a flexible rent-to-income ratio that would permit very low-income families to pay less than 30 percent of their incomes in rent if the housing authority chose to implement such rent standards.

When I began my career in public service, I wanted to serve my constituents, especially the vulnerable but not evict them. When I came to Washington, I wanted to strengthen families not hurt them. I have nine, count them, nine housing projects in a district that is just under 36 square miles. In those housing projects are people just like those of us sitting in this Chamber. The difference between us and them is circumstances. The people in Nickerson Gardens Imperial Courts, Jordan Downs, or Dana Strands struggle daily to make ends meet. They are not looking for a hand out, they are simply looking for a compassionated hand to assist them in getting by from one day to the next while improving their circumstance. This amendment would help my constituents. A 30-percent maximum cap on rents would help my public houising constituents. If H.R. 2406 is going to repeal the Brooke amendment let's replace it with the Frank amendment. This amendment is sound public policy. After all, we are here to serve the public and not our own political interest. I urge my colleagues to support the Frank amendment, and maintain the goal of providing affordable housing to our working poor.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 4 minutes.

Mr. FRANK of Massachusetts. Mr. Chairman, I am glad the gentleman from New York brought out his chart; it was his chart, and he picked 1982, not as a random number but because that is the point at which he believes the Brooke amendment began to have a negative effect.

Interestingly, that is the year the Brooke amendment was changed. The Brooke amendment began as a limit on the overall amount that could be charged. It never argued for income-based rent in every case. It simply said no matter what your basis is, housing authority, this high and no higher.

In 1981, as part of the Republican program of Ronald Reagan passed by a Republican conservative Democratic coalition, that was changed and it became both the ceiling and a floor. At that point, yes, it did have some unintended negative consequences. The theory was in Gramm-Latta that they did not want to appropriate that much more Federal money, so the reason they did that in 1981 was to force the housing authorities to take more money in than they otherwise would, and that was wrong.

The amendment we are offering today restores the original Brooke amendment, the pre-1981 amendment. It says there will be an overall limit, and that is all it says. In fact, no one has shown any negative effect during that period. We are restoring the Brooke amendment to what it was in the 1960's and the 1970's. In other words, this argument that the gentleman is making about a work disincentive is dead wrong.

As a matter of fact, under the proposal of the gentleman from New York we get a work disincentive, because under his amendment there is a 30-percent cap on income for people who are on welfare, 30 percent of the median or below. Under his amendment, if a person gets off welfare and goes to work, then their rent can go up by more than their income. He has the disincentive.

Why so illogical? Partly to try to get the votes, but partly because again this is an effort to say if we do not appropriate the money, we are going to get it out of the tenants.

Do the housing authorities have any strong objection to raising the rents on the tenants? Surprisingly, not. But I do not believe that that should direct our policy. So we would simply return to the days of the Brooke amendment before it had any negative consequences. This is a ceiling. It is not a floor. It had no work disincentives in the 1960's and 1970's. It would have none again.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, the gentleman from Massachusetts [Mr.

FRANK] has stated it and I think it should be understood. But I want to be clear, will the housing authorities have the ability to raise the rents as high as they would like to, above the 30 percent, regardless of ability to pay.

Mr. FRANK of Massachusetts. Yes. And under the amendment of the gentleman from New York, what he says is this. He said it in his argument: If we limit the housing authority to 30 percent we are saying, "Take any factors you want into consideration, geography, whatever, but do not go above 30 percent." They will charge the tenant more rent that if we say to them, "Set the rent on whatever basis you want but there is no cap." I have never before heard that imposing a limit in fact required people to go higher than if there was no limit.

Mr. Chairman, I yield to the gentlewoman again.

Ms. WATERS. Is this an attempt to get the operating expenses that they rescinded and cut out of the budget, trying to get as much money as they can from the tenant in order to offset the money that they cut from the budget?

Mr. FRANK of Massachusetts. That is absolutely right. Let me just say, my friend from Minnesota just suggested a point. Under their theory, the way to get the rents lower is to let the authorities charge as much as they want. I guess the way to get people to drive more slowly would be to remove the speed limit altogether. The gentleman from Minnesota is right. I voted to go to 65, but maybe if we took the speed limit off altogether people would go lower. This is the logic of the gentleman from New York.

Remember, his amendment says if a person is on welfare and they are making less than 30 percent of the median, they get the protection of the 30-percent cap. He argues again illogically when he says, and I hope he will try to explain this, this is a protection, but if they are working it somehow would become an assault on them. I hope Ed Brooke's original amendment is restored.

Mr. LAZIO of New York. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from New York is recognized for 3 minutes.

Mr. LAZIO of New York. Mr. Chairman, we hear the same old stuff: Keep the status quo. Protect things the way they are. Continue to warehouse the poor. Continue to keep disincentives to work. Penalize the working poor. Raise rents on the poor. Keep things the way they are because that is OK.

It is not OK. It is not acceptable. This bill begins a process of strengthening communities, of making communities healthy, of increasingly having mixed income in developments, in public housing developments, of encouraging people who want to work to go to work, to make sure that a mom who wants to work overtime can do that without fear of getting a 25- or 30-percent tax the day she goes to work.

The Frank amendment destroys that opportunity. It is a disincentive to work. It destroys the ability to have mixed incomes. As long as they wed themselves to the old status quo model of tying income to rent, it will continue to be a disincentive to work and will continue to have the effect of concentrating the poorest of the poor in certain developments. It will continue to have the effect of being a disincentive to have an environment where people and children and families can have a life where they can have hope and opportunity and have a chance at a job. They can do the things that all of us want to do.

We believe in partnerships. We believe in local responsibility. It is ironic that the gentleman from the other side of the aisle is now criticizing the housing authorities. For 30 years the people on the other side of the aisle have said that housing authorities are wonderful, that they should get more help, that they should be trusted more. But now it is convenient to say, "Let us not trust local communities anymore. Let us not trust local communities to make these decisions on their own. Let us not trust them to have the right types of income disregards."

In this bill we have 10 different protections, including a phase-in of rent where we have a situation where rent for some people does go up. We have protections that would allow and facilitate people who want to go out into the work force.

The model here, it is two different visions of America, Mr. Chairman. One vision is a vision of maintaining the status quo, of continuing to condemn the people on State Street to another 30 to 40 years of virtually universal unemployment, of drug-infested apartments, of having situations where there are poorly maintained apartments, as opposed to another vision which would be a vision where we have mixed income and incentives for people to work. People would have the ability to use vouchers to buy their own homes if they want. Residents would be able to buy their own public housing if they want.

By getting back to local involvement, local flexibility, we are in fact encouraging work. We are providing work incentives. The Frank amendment is a job killer. It is a disincentive to work. It will continue to concentrate the poor. It will lead to warehousing of the poor. Our model is a model of hope. It says that if a person is motivated, if they have the opportunity to go to work, they will be able to keep the fruits of their labor without penalty.

Mr. NADLER. Mr. Chairman, I rise in strong support of this amendment, which would restore the Brooke amendment to H.R. 2406. H.R. 2406 repeals this very crucial housing protection, a provision in current law that has for the past 25 years, ensured that low-income families would not be required to pay more than 30 percent of their income on rent. The repeal of the Brooke amendment in this housing bill, would have a very devastating effect on many Americans, forcing thousands out on the street.

This bill reneges on our Nation's promise that Americans who are most in need of housing assistance can afford to receive it.

This protection has provided a critical safety net for those in desperate need and have saved so many from homelessness and destitution.

Mr. Chairman, even with the current protections of the Brooke amendment, homelessness and unacceptable living conditions continues to plague America. There are more than 5 million American renter households, not including the homeless, who have "worst case" housing needs, paying more than half of their income for rent, living in substandard housing, or in the most unfortunate cases, both.

This problem afflicts the elderly, working poor families, and others who strive to make ends meet on the minimum wage—a minimum wage, if I might add, which has not kept up with inflation, and has not been raised since 1991, because of staunch Republican opposition.

Securing safe, affordable housing for those who remain poor despite hard work, for children or for those who might be unable to make a living on their own due to health or other reasons, is crucial to the positive development of today's youth and families, the safety and well-being of our elderly, and for our Nation's communities as a whole.

I have many constituents who have contacted me about their fears of what this bill could mean to them. One constituent, who happens to be a quadriplegic, informed me that should the Brooke amendment be repealed, he surely "would be out on the street," and I am further saddened to say that there are many more who would be put in the same situation.

We need to ensure that affordable housing remains available. It is the right thing to do and it is the smart thing to do.

Mr. Chairman, I urge the passage of this very critical amendment in ensuring basic housing protections to thousands of Americans most in need.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today to speak in support of this very important amendment, the reinstatement of the Brooke provision.

A cornerstone of this country's public housing is affordability. The elitist notion that $50 a month is not too much to ask for in rent is the same notion that spurred Marie Antoinette to suggest that France's poor should eat cake if they had no bread.

When you are the poor of the poor, then you have a perspective that few of us in this chamber have ever known or will know. That should not, however, stop us from having common sense about what is fair or what is right.

Setting a 30-percent public housing or assisted housing maximum rent limit based on income is the fair and right thing to do.

Many of us know, or have heard of the personal finance rule that suggests that it is not economically sound to spend more than a third of one's income on rent. This amendment would only make sure we do not ask the poor to do more than is reasonable or possible for them to do.

This amendment would also establish a flexible rent-to-income ratio that would permit very low-income families to pay less than 30-percent of their incomes in rent. This does not make sense for those most vulnerable residents of government-sponsored housing. If we keep affordability in affordable housing we can keep families together and not add to this country's homeless problem.

I would like to thank the sponsors of this amendment for their foresightedness in bringing this amendment before the House for consideration.

Mr. TOWNS. Mr. Chairman, I want to lend my support to the efforts of my colleagues to restore the Brooke amendment.

My congressional district has one of the largest concentrations of public housing in this Nation. Under the Frank amendment, my constituents' rent contribution would still be capped at a maximum of 30 percent of their income.

I would remind my colleagues that public housing is often the only affordable housing for many poor and low-income residents. While the manager's amendment has dramatically improved this bill, it still does not protect low rents for new residents of public housing who have very low incomes, many of them elderly or disabled. Let us not be guilty of using our power to harm. Let us use our power to help.

If this amendment is not adopted residents with median household incomes of less than $7,000 will find themselves making choices between paying their rent or buying food.

Some may feel that budgetary constraints warrant a rent increase for public housing residents. I would say to you that we should not balance the Federal housing budget on the backs of the poor. I would urge my colleagues to support the amendment.

Mrs. KENNELLY. Mr. Chairman, I rise in strong support of the Frank-Gutierrez-Hinchey amendment to restore the Brooke amendment and ensure that low-income families can live in affordable housing. This past March, the Secretary of Housing announced the results of a study showing that our Nation's largest cities are plagued by a lack of affordable housing. Over 5 million families are paying more than half of their income on rent or are living in severely inadequate housing; that figure continues to grow.

Capping rents for tenants in public housing at 30 percent of income ensures that families can afford housing. For many families, it means not having to choose between paying rent or putting food on the table to feed their children.

In my home State of Connecticut alone, 71,000 units that could be affected by repeal of the Brooke amendment. Residents in those units now have stability in their housing costs—something especially important in Connecticut, which has the fourth-highest rent levels in the Nation. Removing the cap could push some of them into the private market, where, according to HUD, an astounding 371,000 households experience housing problems, primarily cost burdens in excess of 30 percent of income. In fact, a two-bedroom apartment in Connecticut is unaffordable to 53 percent of all renter households, the 11th highest rate in the Nation.

Nationally, public housing residents are extremely poor, often with incomes of less than 20 percent of the median. Rather than bring in substantial revenues, raising the percentage of income paid for rent would likely lead to displacement and homelessness.

The Frank amendment helps to restore the goal we all have for public housing: to lift tenants out of poverty, not to perpetuate it. The low incomes of public housing residents are not a result of the Brooke amendment, and repealing it may have just the opposite effect by driving families deeper into poverty. I urge my colleagues to support this important amendment. We need to help the most vulnerable of our population and restoring the Brooke amendment will do just that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK], as modified.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BAKER of Louisiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 196, noes 222, not voting 15, as follows:

[Roll No. 156]

AYES—196

Abercrombie
Ackerman
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blute
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Ford
Fox
Frank (MA)
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
LaTourette
Levin
Lewis (GA)
Lincoln
Lipinski
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Rivers
Roemer
Ros-Lehtinen
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Smith (NJ)
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Walsh
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Woolsey
Wynn
Yates

NOES—222

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Foley
Forbes
Fowler
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Lofgren
Longley
Lucas
Manzullo
McCollum
McCrery
McDade
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Moran
Morella
Myers
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Petri
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Riggs
Roberts
Rogers
Rohrabacher
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Vucanovich
Walker

Wamp
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—15

Andrews
de la Garza
Frost
Hayes
Houghton
Laughlin
Molinari
Myrick
Paxon
Schroeder
Spratt
Stark
Torricelli
Weldon (PA)
Wise

☐ 1301

The Clerk announced the following pair:

On this vote:

Mr. Andrews for, with Mr. Paxon against.

Messrs. LEWIS of California, CHRISTENSEN, KASICH, COOLEY, and CARDIN changed their vote from "aye" to "no."

Mr. BLUTE changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 11 OFFERED BY MR. HINCHEY

The CHAIRMAN. Are there further amendments to title II?

Mr. HINCHEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. HINCHEY: Page 76, after line 16, insert the following:

Notwithstanding any other provision of this subsection, the amount paid by an elderly family or a disabled family for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income.

Page 157, after line 26, insert the following new subsection:

(b) LIMITATON.—Notwithstanding any other provision of this section, the amount paid by an assisted family that is an elderly family or a disabled family, for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, may not exceed 30 percent of the family's adjusted monthly income.

Page 158, line 1, strike "(b)" and insert "(c)".

Page 158, line 9, strike "(c)" and insert "(d)".

Page 159, line 1, strike "(d)" and insert "(e)".

Page 172, line 11, before the period insert the following:

; except that in the case of an assisted family that is an elderly family or a disabled family, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the lesser of the amount of the resident contribution determined in accordance with section 322 or 30 percent of the family's adjusted monthly income.

The CHAIRMAN. Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentleman from New York [Mr. HINCHEY] and a Member opposed will each control 5 minutes.

Does the gentleman from New York [Mr. LAZIO] seek the time in opposition?

Mr. LAZIO of New York. Mr. Chairman, yes.

The CHAIRMAN. The gentleman from New York [Mr. LAZIO] will control 5 minutes.

The Chair recognizes the gentleman from New York [Mr. HINCHEY]

Mr. HINCHEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is the case of the purloined amendment. A short time ago I was appalled to see here in the House an attempt by the opposition, the other side, to steal this amendment and to offer it as a substitute for the Frank-Gutierrez amendment which was just before the House a moment ago. Fortunately, Mr. Chairman, wiser heads prevailed over there and that amendment was withdrawn.

Mr. Chairman, the amendment that I am offering would preserve a narrowly targeted version of the Brooke amendment. It would protect seniors and disabled residents, who are the most vulnerable members of our society, from further rent increases.

Senior citizens currently comprise 42 percent of our Nation's public housing, and over a million seniors and disabled tenants currently reside in public and assisted housing. In the State of New York, for example, senior and disabled citizens reside in about one in two public housing households. In my district in the upstate region that number is significantly higher.

As I have traveled around in recent months, I have heard from many seniors who fear the burden of higher rent payments with the proposed repeal of the Brook amendment as it is proposed in the current bill before us.

The CHAIRMAN. The Chair would point out to the gentleman from New York [Mr. HINCHEY] that the amendment goes into not only title II but title III. The Chair would appreciate it if the gentleman would ask unanimous consent that the amendment be considered en bloc so that we could cover both titles.

Mr. HINCHEY. Mr. Chairman, I ask unanimous consent that the amendment be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. LAZIO of New York. Mr. Chairman, reserving the right to object, I want to note that earlier when this side made an effort to make a unanimous-consent request to take care of this issue, we would have disposed of this issue earlier if we had been afforded the same comity that I now offer to the other side.

Mr. Chairman, I withdraw my reservation of objection.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HINCHEY. Mr. Chairman, I express my appreciation to the gentleman from New York [Mr. LAZIO], the subcommittee chairman, particularly for the agreement that he made with me last night that this amendment would be before the House shortly after the Frank amendment, and I appreciate that.

Mr. Chairman, I wanted to mention that a number of seniors around the country, and particularly in my district and elsewhere, are concerned about the bill that is currently before us.

For example, Jean Austin of Liberty, NY, wrote me earlier this year to say the following, and I quote:

I read in the paper that Republicans in the House and Senate want to raise rents for the elderly. Sir, I have an income of $567 per month to live on. There are many people my age that get far less than I do. What is going to happen to them? Will they join the homeless on the streets because we can't afford to keep our homes? Please, I beg you, help us.

That is what this amendment tries to do, Mr. Chairman. It tries to help people like Jean Austin. Since the Great Depression, the Federal Government has pledged to help provide a decent standard of living for people during their golden years, and to protect them from poverty and homelessness.

This support is symbolized by the Social Security Program, and affordable housing has become another key element of that promise.

During the past year the standard of living of seniors has come under very serious attack. The elderly have been told that they must pay substantially more for medical services due to rising health care costs and proposed reductions in the Medicare Program. They have been faced with higher costs of food, utilities, and other basic items due to proposed broad cuts in food stamps, the Low-Income Home Energy Assistance Program, and other essential Federal programs.

Now, Mr. Chairman, with the proposed elimination of the Brooke amendment in H.R. 2406, we are telling them that they have to pay substantially more to keep a roof over their heads. Under H.R. 2406, as amended by the manager's amendment, about one in three new elderly tenants would potentially be forced to pay upwards of more than $400 per year in increased rent.

Mr. Chairman, I include a letter from the American Association of Retired Persons for the RECORD:

AMERICAN ASSOCIATION OF
RETIRED PERSONS,
Washington, DC, May 7, 1996.

Hon. MAURICE D. HINCHEY,
Longworth House Office Building,
Washington, DC.

DEAR REPRESENTATIVE HINCHEY: I am writing to express the support of the American Association of Retired Persons (AARP) for your amendment to H.R. 2406 which would restore limits on the amount that low-income seniors and disabled must pay for rent in public and assisted housing.

AARP generally supports enhancing local housing authority discretion and broadening the income mix of tenants housed in public and assisted housing. Allowing more mixed income housing should improve the quality of service in housing communities and the responsiveness of housing providers to their tenants. AARP believes, however, that H.R. 2406 goes too far in removing all income targeting and all limitations on the percentage of income that tenants must spend on rent.

The Association strongly supports your amendment to restore limits on the amount of income paid by the poorest and most vulnerable tenants of public and assisted housing. We understand the necessity of generating sufficient income to maintain the housing stock in the face of diminishing federal resources. Eliminating the preference rules and broadening the income targeting will provide increased revenues over time that should help bridge that gap. Some have suggested that the current limit on rents is a disincentive to employment for tenants. Whatever the merits of this argument, it should be obvious that it has little applicability to the elderly and disabled. Eighty percent of the elderly living in public and assisted housing are women living alone whose average age is in the late 70's.

The federal government should stand by its responsibility to help the poorest tenants by providing adequate operating subsidies, not reducing rental assistance. Older tenants, whose incomes average less than $7,500 per year, will be facing less assistance from food stamps and other essential services. To add major rent increases on top of these other cuts will cause more problems than it will solve for local housing authorities.

AARP appreciates your leadership in offering this amendment. If we can be of assistance on these or other issues, please do not hesitate to have your staff contact Jo Reed of our Federal Affairs staff at 434–3800.

Sincerely,
KEVIN J. DONNELLAN,
Acting Director,
Legislation and Public Policy.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, just for the sake of clarity, I want to make sure that Members know and so that there is no misinterpretation, under the current version of the bill seniors are protected. The people who are in public housing right now have had Brooke-type ceiling protections. We do not want to mischaracterize the way the bill currently is.

Mr. HINCHEY. Mr. Chairman, reclaiming my time, the gentleman is correct. This amendment clearly deals with new tenants coming into housing. There is a turnaround of about 15 percent a year in subsidized housing alone.

Any senior citizen or disabled resident who is making more than 30 percent of area median income, which is roughly equivalent to the earnings of a minimum-wage earner, will be left out in the cold under the present bill. An estimated 135,000 elderly households in public housing alone can be expected to be left unprotected by the present bill that is before the House. Another 17,000 disabled households would be left unprotected by the bill that is currently before the House.

Mr. Chairman, the numbers that I am giving relate only to those who live in public housing. It does not begin to tell the story of the additional tens of thousands of elderly and disabled, frail elderly and disabled who are in assisted housing.

How are these families going to afford to pay higher rents if they must also pay hundreds more for their health care, food, and other basic necessities? Many households will be forced to choose between housing and health care, food and medicine, and many families are going to end up on the street as a result if this amendment is not adopted.

Mr. Chairman, my amendment would simply preserve a narrowly tailored form of the current rent ceiling named for a Republican Senator, passed by a Republican Senate, and signed into law by a Republican President. It is intended to preserve a minimum standard of living for the most vulnerable members of our society: Our frail elderly seniors and disabled people who are unable to work even part-time to supplement their income.

Mr. Chairman, I urge the adoption of this amendment. It is the only reasonable thing to do to correct a serious deficiency in the bill currently before the House.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill that we have currently before us protects seniors in every way that the minority has urged. It protects the disabled population. No senior, no person who happens to be disabled who happens to be in public housing will not have the protection that they previously had.

The question over here is whether we will extend protection to people not yet in public housing, not yet using vouchers, to pursue housing options. In the last amendment I offered to support an effort to try and extend this to seniors prospectively, for future seniors to come in, for future people who might have disabilities to come into public and assisted housing.

The bill as it is now is already supported by the American Association of Homes and Services for the Aged; American Seniors Housing Association; the National Apartment Association, and various other associations that exclusively deal with housing for seniors.

Mr. Chairman, I am supportive of the effort to extend those protections further and I am happy to support this amendment. We could have done this through the last amendment, but through a unanimous consent request we failed to get the opportunity to make that offer. I am happy at this time to support this, and urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. HINCHEY].

The amendment was agreed to.

AMENDMENTS NO. 14 AND 18 OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The Clerk will designate the amendments.

The text of the amendments is as follows:

Amendments No. 14 and 18 offered by Mr. KENNEDY of Massachusetts: AMENDMENT NO. 14: Page 76, after line 16, insert the following:

Notwithstanding any other provision of this subsection, the amount paid by a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income.

Amendment No. 18: Page 157, after line 26, insert the following new subsection:

(b) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling of the applicable size and located in the market area in which such assisted dwelling unit is located may not exceed 30 percent of the family's adjusted monthly income.

Page 158, line 1, strike "(b)" and insert "(c)".

Page 158, line 9, strike "(c)" and insert "(d)".

Page 159, line 1, strike "(d)" and insert "(e)".

Page 172, line 9, strike "exceeds" insert "(A)".

Page 172, line 11, before the period insert the following: ", or (B) in the case of a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act), the lesser of the amount of such resident contribution or 30 percent of the family's adjusted monthly income".

The CHAIRMAN. Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentleman from Massachusetts [Mr. KENNEDY] and a Member opposed will each control 5 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment very simply provides some basic protections to America's veterans. These are two amendments which would continue and extend the Brooke protections to the people that have stood up and fought for this country, that have served in our country's military, that in many cases—as the gentleman from Mississippi [Mr. MONTGOMERY] knows all too well, who is going to speak on this amendment—when we visit homeless shelters around America, far too often we see one thing that the homeless have in common, and that is that they served in this Nation's military.

What we find is that there are now tens of thousands of veterans that are trying to get themselves back on their feet, that are learning to go back to work, learning skills to rid themselves of drug and alcohol problems, to deal with some of the psychological and other difficulties that they had faced throughout their lifetime, and they are back on the road to recovery, to becoming part of mainstream America.

This amendment as it is currently constituted, the way that the bill currently works, would not provide the Brooke protections to people that have minimum wage jobs.

□ 1315

That means our Nation's veterans would go unprotected. I just think that if we are going to protect the very poor, if we are going to protect our senior citizens, if we are going to protect the disabled, I would hope that we would find it in our hearts to protect our Nation's veterans at the same time.

With that, Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY], my good friend and former chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman for yielding time to me.

Really one of the biggest problems we have had with veterans is, again, getting them out of the homeless areas and trying to get them into the housing to improve their lives. We have done everything to try to get them off the streets. About 25 percent of the people homeless today on Washington, DC streets are veterans.

Let us not put a hindrance in front of them. Let us not make it harder for them to get into these housing units. I know some of them make the minimum wage and would probably have their rates raised in these housing units. So I think the gentleman has got a good amendment. I hope the other side would accept it. I certainly support this amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I thank General MONTGOMERY for all the work he does on behalf of our Nation's veterans. It has been a pleasure to serve with him in the Congress, and we are going to continue to keep his memory alive on that committee long after he chooses to leave.

Mr. Chairman, I yield back the balance of my time.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

I wonder if I could engage the gentleman from Massachusetts in a colloquy over this. I certainly support his efforts to protect American veterans. I believe the vast majority of veterans would fall under the protections we have in this bill, because many of our Nation's veterans are now seniors, having served our country in the Korean War, and World War II. There are even veterans who have served in the Vietnam war and who are now seniors. They would all have the protections under this bill.

What we are talking about is carrying this protection to younger veterans as opposed to older veterans. I wonder if I could turn to my friend, the gentleman from Massachusetts, if he could give me some information about how many people we might be talking about in terms of this veterans population, if he has any information about the specifics?

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, as the chairman is aware, the one area that we do provide a veterans preference in this country is housing. So there are not statistics kept by HUD or local housing authorities in terms of veterans status. But the truth of the matter is that you are right, we are going to protect some veterans, some older veterans in terms of the senior citizens protections. You are going to protect some very, very poor veterans.

But the truth is that I have worked very hard with people on your side of the aisle in the Committee on Veterans' Affairs to establish a number of programs that work in conjunction with housing authorities and voucher programs to make certain that we transit people out of homelessness and into mainstream society, those individuals. And thousands of them participate very much in the very programs that the Brooke amendment would not longer provide protections to.

Mr. LAZIO of New York. Reclaiming my time, Mr. Chairman, we are through the bill already protecting people who are what I would classify as the poorest of the poor. Veterans who are basically homeless would already be protected against dramatic rent increases in the way that you would suggest. The bill already covers those people. It already covers Americans who happen to be senior citizens, a large percentage of those who are veterans.

I would like to work with the gentleman. I think one of the problems that we are going to have is to work through a methodology since HUD does not have the ability, a current ability, an immediate availability of information that would determine who the veterans are in a particular population to identify that.

I would be happy to work through this with the gentleman in establishing a good database and ensuring that HUD has the information to assess who are ensuring that HUD has the information to assess who are veterans and who are not and who needs to be protected.

Mr. KENNEDY of Massachusetts. Mr. Chairman, if the gentleman will continue to yield, I appreciate the gentleman's offer for a study. I am not sure that that is what is called for here.

I think what we ought to be doing is trying to make sure that we provide this as a basic protection to our Nation's veterans. I think that might cost a small amount of money to make sure that those veterans do not have their rents jacked up, just as they are on their way to recovery.

Mr. LAZIO of New York. The issue for me is not the money on this. I am not asking for a study. I am simply saying, I look forward to working with you so that HUD has sufficient information to implement this plan.

Mr. KENNEDY of Massachusetts. I appreciate the gentleman's offer to go out and gather additional information. I very much believe that this is a basic minimum protection which we can take care of in the next few minutes. I would hope that the rest of the Members of the Congress of the United States would support the amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Massachusetts [Mr. KENNEDY].

The amendments were agreed to.

The CHAIRMAN. Are there other amendments to title II?

Mr. KENNEDY of Massachusetts. Mr. Chairman, I ask unanimous consent that it now be in order to consider amendment No. 17 without prejudice to other amendments in title II.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDMENT NO. 17 OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 17 offered by Mr. KENNEDY of Massachusetts: Page 152, after line 2, insert the following new subsection:

(b) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 75 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

Page 152, line 3, strike "(b)" and insert "(c)".

Page 152, line 18, strike "(c)" and insert "(d)".

Page 153, line 11, strike "(d)" and insert "(e)".

Page 153, line 16, strike "(c)" and insert "(d)".

Page 154, line 11, strike "(e)" and insert "(f)".

Page 155, line 16, strike "(f)" and insert "(g)".

Page 156, line 1, strike "(g)" and insert "(h)".

Page 156, line 15, strike "(h)" and insert "(i)".

The CHAIRMAN. Pursuant to the order of the committee of Wednesday, May 8, 1996, the gentleman from Massachusetts [Mr. KENNEDY] and a Member opposed will each be recognized for 30 minutes.

Does the gentleman from New York [Mr. LAZIO] seek to control the time in opposition?

Mr. LAZIO of New York. Mr. Chairman, I do.

The CHAIRMAN. The gentleman from New York [Mr. LAZIO] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment goes to the heart of how we are going to take care of the working people and the poor of this country. This amendment goes to the heart of the changes that take place in this bill. We have seen the Congress in the last few minutes repeal the protections of the Brooke amendment. Now the question becomes whether or not, on top of that, we are going to also repeal the targets of the protections that we provide by virtue of the housing vouchers and public housing units that are given by the people of this country, whether or not those should go to the working people and the poor of America or whether they should go on up the income stream to a point where people whose incomes are 300 or 400 percent above the poverty line will all of a sudden become eligible.

Mr. Chairman, this bill does a perverse thing. We cut the amount of money going into public housing dramatically. We cut the amount of money going into the voucher program dramatically, but we then increase the eligibility of the families that will be qualified for these housing units by a factor of three or four. So three or four times as many people, if this bill is passed unamended, will be eligible for a lesser number of housing units.

Now, to add insult to injury, we then are eliminating the basic fundamental protections that say that the majority of those housing units ought to go to the most vulnerable people in this society. This is a concept that an organization as conservative as the Heritage Foundation has endorsed. It is one thing to say, let us not concentrate poor people in these monstrosities that we have seen paraded on the House floor in the form of these various pictures. But the housing voucher program does not warehouse the poor. The housing voucher program simply gives individuals a housing voucher. That voucher can be taken anywhere that individual chooses to live.

Mr. Chairman, the statistics on where they choose to live are rather enlightening. Most voucher holders, nearly all of whom meet the current targeting requirements in the law, live in neighborhoods where less than 25 percent of the households are considered poor. Forty percent of the voucher holders live in neighborhoods where less than 10 percent of the neighborhood is poor.

So this is not a question of warehousing poor people, as I am sure we are going to hear the opposite side suggest. This is simply a question of whether or not we are going to target the resources, the meager resources that we put into public housing, that we put into the voucher program, to go to those in greatest need.

We have seen an unbelievable number of very poor people in this country grow over the course of the last 15 years. The statistics are alarming. The number of homeless Americans, the number of people without any shelter has grown substantially. We have actually cut out almost 500,000 units of housing in the United States of America that goes to very poor people. At the same time, if you go up the income stream a little bit, not that people are well off, but if you go up the income stream just a little bit to people within 300 or 400 percent of the poverty line, you are going to find that there are over half a million new units of housing for those people's needs. It is already enough.

But to suggest in this bill that we eliminate the Brooke amendment and then we come back and say that we are no longer going to target this housing to the very poor, I think, is a very dangerous policy which in fact will go out and create homelessness in America.

Mr. Chairman, we are verging on a brave new world where we turn to the people of America, we blame public housing authorities, we blame the voucher program for creating this warehousing of the poor. We then cut the money that goes into trying to assist them and then we come back and say we are going to jack up the eligibility requirements, which means that there is one group of losers. That group of losers happens to be the most vulnerable people in this country.

So, yes, all the housing authorities will like these changes, because, of course, it insulates them from having to take care of the most vulnerable people in the country. But what is it, why are we here in the Congress? Where are we, what kinds of public policies are we trying to incorporate? It is not just to look out after those that can look out after themselves. It is to have a compassionate country, to look out after the vulnerable.

My goodness, we cannot just blame these housing monstrosities, blame everything that we do as a country to look out after poor people and say, look, none of it ever works and, therefore, we turn our backs on the poor and say we are not going to do anything to help them. Let us have some compassion in how we choose to deal with these problems. The voucher program does not warehouse the poor. The voucher program will not lose money for the Federal Government.

Let us continue to provide the voucher program, with the targeting that says to make sure that the most vulnerable people in this country get the resources, the meager resources that we have allocated in this bill.

Mr. Chairman, I reserve the balance of my time.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, again, the argument is between local control and community control and continuing to have a Washington-based, one-size-fits-all solution for every community in the Nation.

The other side of the aisle continues to argue that every community in the Nation ought to live under the same rules, regardless of whether that means moving to the lowest common denominator, regardless of individual characteristics of communities throughout our Nation, regardless of the quality of the neighborhoods and the quality of the life of the people that are impacted.

We are saying in this bill, Mr. Chairman, that 50 percent or half of the vouchers and certificates that are available most go to the poorest of the poor, those below 60 percent of median income. If a housing authority wants to give 100 percent of their vouchers and certificates to people below 30 percent or below 20 percent or with no income at all, they can do it. There is no prohibition to that.

What we are saying is that housing authorities need to have flexibility. Why should a family who is at the point of 32 percent of median income be denied a voucher, which would be the case under the Kennedy amendment? Why should a family who is at 35 percent of median income, as opposed to 30 percent or 29 percent, be denied the ability to have a voucher?

Mr. Chairman, the Kennedy amendment, the gentleman from Massachusetts [Mr. KENNEDY], who I have a great deal of respect for, ties the hands of housing authorities, inhibits flexibility, prohibits local control. We are saying that there may be situations where people who are pursuing work may need more flexibility. They should be able to be retained in public housing without being thrown out or not being able to be afforded a voucher because they are somehow at 31 or 32 or 35 or 38 percent of median income as opposed to 29 or 30 percent.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. WATERS].

☐ 1330

Ms. WATERS. Mr. Chairman, this is very, very interesting. My friend, the chairman of the committee, has just expanded, would like to expand, rental assistance so that they pull in more people making more money, up to $40,000 that they could make under his proposal. One would be able to earn $40,000 and get rental assistance.

What he does not do is protect those, no, he does not protect those who really need it, who make very little money, 30 percent of median income, and this is very interesting. At the same time that he is talking about reducing Government's involvement in peoples' lives, at the same time that they are talking about shrinking Government, he just opened it up so that people earning $40,000 could avail themselves of rental assistance. Yet we know that it is those who earn very little money who need it, those who earn very little money that can go out in the marketplace and find a home, those women and children who desperately need to get assistance. He is squeezing them out of the market.

This is unbelievable. I am surprised that he would take this approach. It is indeed not to be supported.

The gentleman from Massachusetts [Mr. KENNEDY] is saying let us protect the poorest of the poor, let us make sure that 75 percent of those who earn very little money, who are only at 30 percent, will have the ability to go out and get assisted and have a place for them and their children to live.

I think, again, the chairman may be a little bit confused about the direction that his legislation is taking. It is very simple. Does the gentleman want to expand it, get more people at higher incomes? Does the gentleman want to protect the poorest of the poor? Does the gentleman want to make sure that families who would have no other place, no way to get assistance, are protected or in this legislation? The answer to that, I think most people will conclude, is that we want to protect those who do not have the ability to purchase housing.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, once again we are talking about insuring that people who are working who have, possibly, disabilities, people who are seniors, Americans who are seniors, also have the ability to get choice-based vouchers.

The gentlewoman said this would potentially go to people making $40,000 a year. There is not a neighborhood, an area of the country, that would be able to get vouchers under this provision at $40,000 a year.

The national median is about $38,000 a year in terms of median income. We are saying at least half of those people, half of the vouchers, must go to Americans at 60 percent of that, or $22,000.

If the housing authority wanted to target all of its vouchers to the people at the bottom 10 percent, they have the ability to do that.

What we are saying is that we are going to allow for safety provision in respect to the concern that many have that at least half of all the vouchers must go to the bottom 60 percent of the population.

It is eminently fair.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, on a factual basis, let me just read to the gentleman from New York [Mr. LAZIO] the fact that Los Angeles, Long Beach, 80 percent of median is $40,000; New York City is $39,200. The gentleman's own district is $40,000.

Mr. LAZIO of New York. Mr. Chairman, reclaiming my time, what the bill, what our bill, has is 60 percent of median income, not medium income, not 80 percent of median income. It is 60 percent of median income.

Now, without saying that a housing authority could not target all of its assistance to the bottom 10 percent, I know the gentleman from Louisiana [Mr. BAKER] wanted to——

Mr. KENNEDY of Massachusetts. Mr. Chairman, if the gentleman would yield just so I can understand the amendment, my understanding was that it only limited 50 percent of the units to go to the incomes at 60 percent of median.

Mr. LAZIO of New York. Reclaiming my time, at least 60 percent of the units. We could have 100 percent of the units at 30 percent, 20 percent, or 10 percent.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself 20 seconds.

The gentleman is correct that he gives the housing authorities the right to take in poor people, but the gentleman has also pointed out time and time again over the course of the last several hours the fact that housing authorities are in need of funds. The only way they can get those funds is by bringing in upper-income people. And so, therefore, none of the housing projects, none of the housing authorities, are going to, in fact, take advantage of this opportunity that the chairman has provided.

Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. ROYBAL-ALLARD].

Ms. ROYBAL-ALLARD. Mr. Chairman, I rise in strong support of the amendment of the gentleman from Massachusetts, Mr. KENNEDY's amendment, which maintains income targeting at levels that protect very-low-income families in the section 8 tenant-based assistance program. The Kennedy amendment is necessary to address the provisions in this bill that detrimentally impact the lives of thousands of very-low-income families who rely on section 8 housing assistance.

Today, current law ensures that all new vouchers and 25 percent of all certificates are provided to very-low-income families. The legislation before us, however, allows housing authorities to set their own targets as long as 50 percent of vouchers go to individuals earning 60 percent or less of area median income. This means that in cities like Los Angeles, those earning 250 times the poverty level, or put another way, as the gentlewoman from California [Ms. WATERS] has stated, families of four earning $40,000 a year, would qualify for half of the city's housing vouchers, leaving many low-income families without vouchers and forced to pay market rents or, worse, become homeless.

This is not the intent of public and assisted housing.

Furthermore, although achieving income mix is an important goal, the weakening of income targeting in the voucher system is unnecessary because tenants are already free to move to areas of their own choosing.

The success of the current program is evidenced by the fact that most section 8 tenants live in neighborhoods where less than one-quarter of the residents are poor.

Reducing income targeting for voucher holders has no basis.

Although provisions in the manager's amendment help to improve the bill, it still does not have the guarantees of Mr. KENNEDY's amendment. By insuring that at least 75 percent of vouchers go to families earning less than 30 percent of area median income, Mr. KENNEDY's amendment will allow for an income mix while maintaining assistance for those who need it most.

Mr. KENNEDY's amendment upholds the intent and integrity of our Nation's assisted housing program. I encourage all my colleagues from both sides of the aisle to vote for the Kennedy amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 2 minutes.

We have had discussions, several discussions, with the gentleman from Massachusetts [Mr. KENNEDY] in terms of trying to work out a compromise that meets the primary concerns that he has and I share, and I would yield to the gentleman from Massachusetts to describe his understanding of the agreement that we have just entered into.

Mr. KENNEDY of Massachusetts. My understanding is that my friend, the gentleman who is chairman of this committee, has offered on assisted housing to raise the limit, to strike the 75 percent and include 40 percent, which would, I believe, be a significant improvement in the number of units that would be targeted to lower income people, and on public housing he has agreed to raise the limit from 30 to 35 percent that would go to very-low-income people. And I think that that is an improvement as well, and I appreciate the gentleman.

Is that the gentleman's understanding of what we just talked about?

Mr. LAZIO of New York. Reclaiming my time, Mr. Chairman.

The CHAIRMAN. Before the gentleman does that, is there an agreement that someone is proposing?

Mr. KENNEDY of Massachusetts. There is not as yet an agreement that we are proposing, Mr. Chairman. We are in a situation where we are clarifying our understanding.

The CHAIRMAN. If that is the case, then the gentleman from New York still has 45 seconds remaining.

Mr. LAZIO of New York. Mr. Chairman, the gentleman from Massachusetts correctly states my understanding as well on what I am willing to support. I appreciate his cooperation and collaboration.

I would ask for guidance from the Chair whether we need to consider this en bloc in terms of making the amendment and what the correct process is.

The CHAIRMAN. What the Chair would request and the reason the Chair suspended the action just a moment ago is that we would like to have the agreement in writing so either as an amendment to the existing amendments en bloc or a clean substitute so that we might accurately be able to reflect the intent of the agreement legislatively.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. It would be my proposal that, reflecting the agreement that the two of us just stated, that our staffs get together and try to write out the language. We will submit it to the parliamentarian to make certain that it is parliamentarily correct, and in the interim I would suggest that we continue to have the debate on some of the larger issues that pertain as well and would continue to pertain to the issue.

The CHAIRMAN. In the interest of time, the Chair would ask whether or not the gentleman would like to ask unanimous consent to withdraw this amendment, to go on the other amendments, if there is indeed an agreement?

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would, but the trouble is that my amendment is next as well.

We will do this quickly, Mr. Chairman.

Mr. Chairman, I yield 2 minutes to the gentlewoman from new York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Chairman, I rise in support of the Kennedy amendment. The far-right minority has inserted a shameful anti-family, anti-senior, anti-child provision into the housing bill.

H.R. 2406 includes an extreme measure that would eliminate Federal preferences requiring public housing authorities to give the most needy families a place to live.

As the Representative of a district with one of the highest concentration of public housing, I know firsthand how important income targeting is for the working poor. Yet this legislation will leave thousands of homeless families and seniors with no hope of finding a place to live.

Without income targeting, families marking up to $40,000 a year would have access to public housing while homeless elderly, single mothers with children, and the poorest families will be left to live out in the streets.

With such high stake, I cannot think of any justifiable reason to limit poor people's access to public housing. The Kennedy amendment will ensure that public housing in available for people who need it most. I urge my colleagues on both sides of the aisle to reject such harsh provisions and vote in favor of the Kennedy amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I think we are on the verge of working out an understanding that the gentleman from Massachusetts [Mr. KENNEDY], and I have reached in terms of appropriate levels of income targeting that would also provide for substantial flexibility on the part of local communities to make choices and attain the ultimate goal of income mix which is so important in terms of viability in our Nation's communities.

I am thinking about different discussions I have had over the last few years, particularly those over the past 2 years as chairman of this housing committee. I remember one in particular with a young lady who was a resident of a Job Corps center in south Bronx, a very underprivileged areas.

Mr. Chairman, she was about 19 years old, and I remember her saying to me, "Mr. LAZZIO, you know, I never knew how to write a check before I got here, I never knew how to open up a checking account, I never understood how to create a résumé or even what a résumé was until I got to this place, and I am learning the tools to transition back into the marketplace."

Mr. Chairman, one of the reasons why there are far too many Americans who are able to say the same thing is because we are concentrating poverty in certain areas; we are not achieving the income mix that most of America is lucky enough and privileged enough to know.

☐ 1345

In an effort to try to achieve a healthier income mix, I think we are moving in the right direction in terms of the agreement that I believe we are going to enter into with the gentleman from Massachusetts [Mr. KENNEDY].

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from Minnesota.

Mr. VENTO. First of all, Mr. Chairman, I concur with the gentleman in terms of the concentration of low-income persons in public housing. Earlier, when the gentleman had a chart on the floor in the past amendment, I had wanted to point out one of the other phenomena was the absolute focusing in the early 1980's in terms of trying to serve the lowest income persons in public housing. That also attributed to that decline in income, because obviously there are various reasons why people have low income. It may be a cultural problem.

For instance, in the district I represent, I have a big influx of Southeast Asians, the Hmong. They simply have not all been able to afford or gain jobs that pay a lot of income. Their concentration in public housing, incidentally, has in fact contributed to that type of phenomenon.

Then the other issue is, of course, the affordability of owner-occupied housing, which would be all of our preferences. But these factors have, in fact, been trying to get a mix. The concern that I had with the gentleman's amendment was not the issue of trying to get a mix. Indeed, the gentleman is right, local authorities could go down to very low-income levels. But the phenomenon was, the option was that they may also do what I would characterize as creaming.

Mr. LAZIO of New York. Mr. Chairman, if I could reclaim my time, I hope the gentleman will support the agreement and compromise that we are working out together. Also, again, one of the core principles that we are trying to advance here is that it is one of our responsibilities here in this body, this House, to assure that we do not just warehouse the poor, but that we help transform them.

Mr. KENNEDY of Massachusetts. Mr. Chairman I yield 1 minute to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. I appreciate the gentleman from Massachusetts yielding time to me.

Mr. Chairman, I think unfortunately what has happened is that low-income persons have ended up concentrated in the public or assisted housing programs. Frankly, Mr. Chairman, as I said yesterday, the housing with most problems in my district is not the public and assisted housing, but it is the private multifamily dwellings which are overcrowded and which have such severe problems. So it is quite the converse.

As I was saying, there are good housing authorities and there are some that are not so good. We hope that by virtue of this bill, the gentleman, with his insights, will in fact accomplish a miracle and make those not so good housing authorities much improved. The fact is that some are going to improve and some may not. One way they may solve their problem is by just creaming. If we do not have income targeting, housing authorities will take those clients that are most likely to be successful and that have higher incomes. That then leaves others who do not get the housing assistance with the nonprofits, with the Government, and on the street in some cases.

Unfortunately, when we think about it, in 1975 we had very little homelessness. Today we have a significant amount. Things have changed.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to my friend, the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, this is an important portion of the bill. I think it is a good thing to see the chairman of the subcommittee and the ranking member come together with an agreement that I think is much fairer than the original legislation proposed in the committee markup. Clearly, I think there are those who really do not understand, or do understand and really do not give credence to the fact, that many persons who would get vouchers under many of the programs that have been proposed, regardless of whether the voucher indicates they could go to any community and trade their voucher in for housing, would be at a major disadvantage in that there are communities, there are places, where people would not open their doors readily to them. They would not respond, for instance, to families that have children because it has been a history that in many instances, those homes would not be able to maintain not only the stand of their value, but also in many instances there would be destruction of those homes.

It seems to me that as we consider the amendment that is now proposed between the gentleman from New York [Mr. LAZIO] and the gentleman from Massachusetts [Mr. KENNEDY], we have moved closer to the direction of assuring that there is a possibility of those persons who are at the lowest income level being able to have access to affordable housing, while at the same time creating an opportunity for persons who can move into these houses, who have jobs, to be able to create the necessary kind of environment.

Mr. Chairman, I do not know whether the gentleman remembers, but several years ago my MINKS program, which was a demonstration project which was tried in Chicago and other places, essentially spoke to the kind of concern that the gentleman raised here. It is not that Democrats do not understand that necessity for trying to have a mixed population base, but we do not want to be in a position where a local housing authority can in fact have so much authority that it puts those persons out who have the greatest needs, while trying to market itself to bring into those developments individuals who can go to the market and get adequate housing and can afford to pay for it.

So I hope that we will all support the agreement that the gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from New York [Mr. LAZIO] are supporting now.

Mr KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. GONZALEZ], the former chairman of our committee.

Mr. GONZALEZ. Mr. Chairman, historically, public and assisted housing units were available to every applicant whose income was up to 80 percent of median income.

This policy was changed by the Gramm-Latta Act of 1981, which restricted eligibility almost entirely to those earning less than 50 percent of median income.

In this amendment we are addressing a separate issue. We are talking about trying to achieve more economic mix in our privately owned affordable housing, a house here and a house there.

And we are talking about providing sufficient resources to move people who have little housing choice in decent and affordable housing.

Most of the families below 30 percent of medium income, the poorest of the poor, cannot find affordable housing. They have worst case housing needs.

It is only reasonable that most of the choice-based housing assistance should be available to those who most need it.

The bill as it now stands would simply discourage the working poor from seeking self-sufficiency, and it would also bar the doors to those who are in the greatest need. That kind of approach is completely contradictory and cannot work.

I urge adoption of the Kennedy amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I would just ask the distinguished ranking member, the gentleman from Massachusetts [Mr. KENNEDY], if he believes that we have the agreement technically perfected.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. If the gentleman would go ahead and read the amendment, we will react to it.

AMENDMENT OFFERED BY MR. LAZIO OF NEW YORK TO AMENDMENT NO. 17 OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. LAZIO of New York. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN pro tempore (Mr. GOODLATTE). The Clerk will report the amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. LAZIO of New York to Amendment No. 17 offered by Mr. KENNEDY of Massachusetts:

Page 1 of the amendment, line 3, strike "75 percent" and insert "40 percent".

At the end of the amendment insert the following:

In section 222 of the bill (as amended by the manager's amendment), strike subsection (c) (relating to income mix) and insert the following new subsection:

(c) INCOME MIX.—

(1) LHMA INCOME MIX.—Of the public housing dwelling units of a local housing and management authority made available for occupancy after the date of the enactment of this Act not less than 35 percent shall be occupied by low-income families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary, may for purposes of this subsection, establish income ceiling higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(2) PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES.—A local housing and management authority may not comply with the requirements under paragraph (1) by concentrating very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing developments or certain buildings within developments. The Secretary may review the income and occupancy characteristics of the public housing developments, and the buildings of such developments, of local housing and management authorities to ensure compliance with the provisions of this paragraph.

Mr. LAZIO of New York (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and reprinted in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from new York?

There was no objection.

Mr. LAZIO of New York. Mr. Chairman, this amendment represents the agreement between myself and the distinguished ranking member, the gentleman from Massachusetts [Mr. KENNEDY], that would effectively target the poorest people.

The original amendment offered by the gentleman from Massachusetts [Mr. KENNEDY] would have targeted 75 percent of the choice-based vouchers and certificate to those below 30 percent. My amendment would amend that and would insert in its place "40 percent," so 40 percent of all the vouchers and certificates would be targeted to those below 30 percent of median income, which is, of course, the poorest of the poor.

Mr. Chairman, I do not think we are going to do the en bloc amendment right now.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, my understanding from the parliamentarian was that we could in fact do both the amendments in combination. Maybe we can just ask the Chairman whether or not we can do that. I thought the amendment as drafted accomplished both: a 40-percent limit on the vouchers to people with incomes under 30 percent of income, and 35 percent of the units of public housing to go to people within 30 percent of median income.

Mr. LAZIO of New York. Reclaiming my time, Mr. Chairman, the gentleman correctly reflects the amendment, the agreement that we entered into and the amendment that is at the desk that in fact does do both. I had just one page in front of me.

The amendment to the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY] would actually amend that 75 percent to read 40 percent of the vouchers and certificates would go to the bottom 30 percent of the population, and in terms of public housing, not less than 35 percent of the units in public housing would go to families whose incomes do not exceed 30 percent of the area medium income, which I believe represents the understanding between the gentleman from Massachusetts and myself and preserves both of our principles of equity, and also flexibility at the same time.

The CHAIRMAN pro tempore. Does the gentleman from New York [Mr. LAZIO] seek to have his amendment adopted as a modification by unanimous consent to the Kennedy amendment?

Mr. LAZIO of New York. I do make that unanimous consent request.

The CHAIRMAN pro tempore. Is there objection to modifying the Kennedy amendment by the amendment offered by the gentleman from New York [Mr. LAZIO]?

There was no objection.

The CHAIRMAN pro tempore. The Kennedy amendment is so modified.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield back the balance of my time.

Mr. LAZIO of New York. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY] as modified.

The amendment, as modified, was agreed to.

The CHAIRMAN pro tempore. Are there further amendment to title II of the bill?

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the last word. Because of the fact that we had anticipated using a full hour on the previous amendment, and then a second amendment that I was going to offer that had been collapsed, the gentlewoman from New York [Ms. VELÁZQUEZ] has been contacted to come over from her office to offer her amendment. She is on her way.

If we could just discuss, I think, some of the important aspects that are contained in this bill, I want to, as I say, commend the chairman of the subcommittee, the gentleman from New York [Mr. LAZIO], for some of the provisions which are going to allow this bill to make certain that bad public housing will be closed by the Secretary, to get rid of bad public housing projects at the same time. I saw the Secretary last evening and he mentioned the fact that he has been able to shut down over 30,000 individual housing units over the course of the last year. For that I think he ought to be commended.

Mr. Chairman, I understand that my good friend, the gentleman from Minnesota [Mr. VENTO], has an amendment which he is now prepared to offer.

AMENDMENT NO. 36 OFFERED BY MR. VENTO

Mr. VENTO. Mr. Chairman, I ask unanimous consent to offer amendment No. 36 out of order at this time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. VENTO] for the consideration of an amendment under title V at this stage of the reading of the bill?

There was no objection.

The CHAIRMAN pro tempore. Without objection, we will go to consideration of the gentleman's amendment without prejudice to other title II amendments.

There was no objection.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 36 offered by Mr. VENTO: Page 239, line 11, strike "fiscal year 1996" and insert "fiscal years 1997, 1998, 1999, 2000, and 2001".

Page 239, line 25, after the period insert''.''.

Page 240, strike lines 1 through 4.

Page 240, strike line 17 and the matter following such line and insert the following:

"Sec. 5130 Funding."

MODIFICATION OF AMENDMENT OFFERED BY MR. VENTO

Mr. VENTO. Mr. Chairman, I ask unanimous consent to modify the amendment.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification of amendment offered by Mr. VENTO: In the instruction for Page 239, line 11, strike out ", 1998" and all that follows, and insert "and 1998".

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. LAZIO of New York. Reserving the right to object, Mr. Chairman, the original discussion I had with the gentleman from Minnesota [Mr. VENTO], and I believe we just had consultations with the staff, is that the agreement was to extend this through 1997 and 1998.

Mr. VENTO. If the gentleman will yield, Mr. Chairman, the gentleman is correct.

Mr. Chairman, I ask unanimous consent that the Clerk strike out the "1999" as well.

The CHAIRMAN pro tempore. Without objection, that change will be considered as read.

There was no objection.

Mr. LAZIO of New York. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the modification offered by the gentleman from Minnesota?

There was no objection.

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The CHAIRMAN pro tempore (Mr. GOODLATTE). The amendment is so modified.

Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentleman from Minnesota [Mr. VENTO] will control 5 minutes, and a member opposed will control 5 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, obviously there is an opportunity here with the acceptance of the modified Kennedy amendment I am targeting. I thank my colleague from New York for his work, and my colleague from Massachusetts.

This is a simple amendment. I think that most Members have come to realize the importance of trying to provide funding for activities that relate to drug and crime prevention in and around or in public housing. Recently we revised that to provide an extension outside of public housing. This amendment would do that.

This COMPAC program is an improved drug elimination program that expires under this bill at the end of this fiscal year, 1996. We had initially thought that the amendment should be for the full authorization of the bill which is years. So I had sought to in fact provide a 5-year authorization for COMPAC. But in consultation with the subcommittee chairman, he felt that a 2-year authorization would be best for this program so that it would be before us in the next Congress, and I concurred with that. That is why we modified the amendment accordingly.

I just wanted to explain that I initially had offered this amendment in the Committee on Banking and Financial Services, and at that point we were not ready to make this particular decision. But this is a very successful program in terms of trying to, in fact, expend some monies in and around public housing, giving the authorities a regularized funding for crime prevention.

Up until this point it has been based on a categorical program. This will put it on a block grant proposal, which I think is appealing to the new majority. We had actually proposed and passed this last year in the 103d Congress as a block granted program to provide regular funding for this important function.

Under this amendment, 85 percent of the appropriate funds would be allocated to the largest housing authorities, with 10 percent going to smaller housing authorities, usually in exurban or suburban or rural areas, and 5 percent to the private sector and assisted housing areas.

I just would point out the success of this program in Providence, RI, in Denver, CO, certainly in my own district and in other areas.

This amendment would extend the improved drug elimination program that expires under this bill at the end of this fiscal year. The current Public Housing Drug Elimination Program [PHDEP] provides a range of prevention and education programs to encourage residents to join together to fight crime and foster a safe environment for public housing youth. The activities it has fostered include: community policing, employing security guards, supporting resident patrols, youth sports, recreation and education activities as alternative to gang activities, and other physical plant improvements like street lights.

I offered an amendment in the Banking Committee last November to continue the drug elimination program and to refocus it to include the deterrence of all types of criminal activities in and around public and assisted housing; 85 percent of appropriated funds would be allocated on a formula basis between those authorities that manage 250 or more units of housing to address or prevent significant crime problems. The remaining funds are available for competition for smaller housing authorities and other federally assisted housing.

Some may suggest that this program can just as easily be funded out of general operating assistance—a position that in the long-run, won't hold. Housing authorities are already facing a sort of Hobson's choice when it comes to programs and activities. Crime prevention activities requires continuity and consistent funding. Crime prevention activities help preserve the valuable housing stock and the mission of housing authorities. These activities deserve Federal prioritization. Further, COMPAC funds would provide credible measurable Federal funds to leverage support and other funding from local agencies.

Let me tell you of some of the successes of this program that our communities cannot afford to sacrifice:

Providence, RI: Used the funds for drug prevention youth activities, resident screening, enhanced security with resident crime watches and a partnership with local police. Law enforcement activities have increased 37 percent over fiscal year 1994 in fiscal year 1995. Total arrests have increased more than 85 percent in the same period. Property crimes have decreased by 15 percent.

Denver, CO: Used the fund to establish storefront centers which provide visible, nonthreatening activity centers for residents with community outreach and other program activities. Centers are staffed by residents and police officers. Between 1993 and 1994, there was a 26-percent reduction in the number of crimes reported in Denver's public housing communities.

St. Paul, MN: The No. 1 large PHA in the country, St. Paul's Public Housing Authority, has had an extremely successful and positive experience with the drug elimination program. Their A Community Outreach Policing Program [ACOP] has built bridges between the community and the police department. Lines of communication have opened and trust has been built through police officers, interpreters, and social workers that have gotten to know housing residents and staff through youth activities, crisis intervention, and traditional law enforcement efforts. The Boys and Girls Club of St. Paul has offered youth activities: field trips, tutoring, computer activities, drug education, summer camp, and other counseling and guidance.

When the St. Paul PHA did not win a grant in the last round of funding, the authority had to choose to cuts staff positions in order to keep the program that was so well received by the community and residents alike. That situation will face each and every authority should this program disappear entirely and there are only so many staff positions that can be cut before the critical community activities of the program are lost or the housing resource is jeopardized by under staffing and cut services.

My colleagues, we heard support for maintaining this program over the past year from witnesses testifying on behalf of Indian Housing and from the National Assisted Housing Management Association. Evaluations of the program, including an in-depth study by Abt Associates, have found that many grantees have achieved significant success. The current program received $290 million in appropriations from this Congress in 1996, not because it didn't work, but because it does work.

If my amendment is enacted, COMPAC will be able to compete for the limited appropriations as an authorized program. The program would assure that we maintain existing housing stock. We can't maintain just physical facilities but instead must address the conduct of those within and around public housing. COMPAC should continue to be a resource to help communities with crime and drug prevention and to improve the quality of life for public housing residents and their surrounding neighborhoods.

I urge my colleagues to support this amendment.

With that said, and since there is agreement with the amendment, I want to thank my colleagues for their support of it and yield to the chairman of the committee.

Mr. LAZIO of New York. Mr. Chairman, I thank the gentleman from Minnesota. I appreciate his collaboration, cooperation, and the comity in which we were able to work this out to reflect his interest and mine, as we go forward to the next 2 or 3 years for a program that has funded many important, many worthwhile items that have had the result of protecting people in public and assisted housing.

So it is my pleasure to be able to come to an agreement with the gentleman. I am in support of this amendment and I urge my colleagues to support it, as well.

Mr. VENTO. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. KENNEDY], the ranking member.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I want to just pay very strong compliments to my good friend from Minnesota, Mr. VENTO, who has just done a tremendous job not only on this amendment but on so many housing issues over the year.

He has led the fight in this House of Representatives over the last decade to look out for the homeless people of this country. He knows housing law like no other individual in the Congress, and he has paid closer attention to some of the goings on over at HUD like no other Member of Congress. He deserves tremendous respect from both sides of the aisle for the contributions he has made.

Mr. VENTO. Mr. Chairman, I thank the gentleman. I have had my sucrose level for the day now.

Mr. Chairman, I ask the Members for their support and I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from Minnesota [Mr. VENTO].

The amendment, as modified, was agreed to.

AMENDMENTS NO. 33 AND 34 OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN pro tempore. The Clerk will designate the amendments.

The text of the amendments is as follows:

Amendments No. 33 and 34 offered by Ms. VELÁZQUEZ:

Amendment No. 33: Page 77, strikes lines 6 through 14 and insert the following:

(A) except as provided in subparagraphs (B) and (C), shall be an amount determined by the authority, which shall not exceed $25;

(B) in cases in which a family demonstrates that payment of the amount determined under subparagraph (A) would create financial hardship on the family, as determined pursuant to guidelines which the Secretary shall establish, shall be an amount less than the amount determined under subparagraph (A) (as determined pursuant to such guidelines); and

(C) in such other circumstances as may be provided by the authority, shall be an amount less than the amount determined under subparagraph (A).

Amendment No. 34: Page 157, line 10, after the semicolon insert "and".

Page 157, strike lines 11 through 18 and insert the following new paragraph:

(2)(A) except as provided in subparagraphs (B) and (C), shall be an amount determined by the authority, which shall not exceed $25;

(B) in cases in which a family demonstrates that payment of the amount determined under subparagraph (A) would create financial hardship on the family, as determined pursuant to guidelines which the Secretary shall establish, shall be an amount less than the amount determined under subparagraph (A) (as determined pursuant to such guidelines); and

(C) in such other circumstances as may be provided by the authority, shall be an amount less than the amount determined under subparagraph (A).

The CHAIRMAN pro tempore. Is there objection to consideration of the amendments during title II?

There was no objection.

The CHAIRMAN pro tempore. Pursuant to the order of the Committee on Wednesday, May 8, 1996, the gentlewoman from New York [Ms. VELÁZQUEZ] and a Member opposed each will control 10 minutes.

The Chair recognizes the gentlewoman from New York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 2406 is the latest attack on poor families, the elderly and children. This bill includes provisions that will threaten every American's most basic and human need: Access to affordable housing.

Already across this Nation 5 million households spend more than half of their income on rent. This legislation increases that burden by imposing a minimum rent of $25 to $50 a month. Although that may not seem like much, it is a fortune for many residents who have no income.

My amendment ensures that needy Americans are not evicted from their homes by limiting the maximum rent to no more than $25. Additionally, my amendment provides a hardship exemption in cases where poor Americans have no income, protecting children, seniors and the disabled from being thrown out in the streets. I will urge its adoption.

The faces behind my amendment are the most vulnerable members of our society. More than half are single mothers with children. They are families climbing out of homelessness and people trying to lift themselves out of a life substance abuse. They are teetering on the brink of pulling themselves up. My amendment holds out the hand that would steady them.

In many States a mother and her one child may only receive $130 a month to live off of. Keeping in mind how expensive basic living necessities like diapers, toothpaste or even soap are, a $50 minimum rent is simply too high for many poor families to afford.

The consequences of today's actions will create an underclass of people too poor to even live in public housing. Worse yet, with reduction for homeless shelters, the poorest of the poor will have no place to go. For a Nation that is supposed to be a leader in the industrial world, that is appealing and disgraceful.

Mr. Chairman, we are asking too high a price from the poor. I call on my colleagues on both sides of the aisle to vote for the Velázquez amendment and end this cruel measure.

PARLIAMENTARY INQUIRY

Mr. LAZIO of New York. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. LAZIO of New York. Mr. Chairman, what was filed as the two of Ms. VELÁZQUEZ' amendments are considered en bloç, am I correct?

Ms. VELÁZQUEZ. They are en bloc.

The CHAIRMAN pro tempore. That is the Chair's understanding.

Mr. LAZIO of New York. I thank the Chair.

The CHAIRMAN pro tempore. Does the gentleman from New York rise in opposition?

Mr. LAZIO of New York. Mr. Chairman, I rise in opposition.

The CHAIRMAN pro tempore. The gentleman from New York [Mr. LAZIO] is recognized for 10 minutes.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I thank the gentlewoman from New York for her concern and her attention to this issue.

Let me begin by saying that for those people who are so poor that they cannot afford a minimum $25 rent, we have provided in our manager's amendment a hardship exemption. We worked this issue out with the Secretary of the Department of Housing and Urban Development, Henry Cisneros, to allow a safety valve for people who are so poor that they cannot even afford $25.

But Mr. Chairman, we believe that everybody should pay something. We believe that is part of transforming a society. We believe that within the confines of allowing for hardship exemptions, that we ought to have minimum rents.

As a matter of fact, current law as passed through the last appropriations, the omnibus appropriations bill, fixes the need for minimum rents. What we do here is to go beyond that and allow for a hardship exemption.

We also suggested the hardship exemption ought to be controlled by local communities, not by the Secretary of Housing and Urban Development hundreds of miles away in a centralized bureaucratic building where he is going to decide how much of an exemption people should have.

Ms. VELÁZQUEZ. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentlewoman from New York.

Ms. VELÁZQUEZ. I just want to make an inquiry, in terms of the manager's amendment, where in your amendment does it state that it will require the housing authority to grant an exemption?

Mr. LAZIO of New York. Mr. Chairman, I will reclaim my time and I will try and identify that part as I continue to speak here.

As I said, Mr. Chairman, everybody should pay something but we should also protect the most vulnerable people. We have done that through a number of different ways, including working with members of the minority and the gentleman from Texas [Mr. GONZALEZ], and making sure that any possible minimum rent increase is phased in, so there are phase-in protections.

But we cannot transform a culture if we expect people to live without any reciprocity, without paying anything at all. We expect everybody to pay minimum rents because that pool of money helps provide more opportunities for more people to have access to apartments.

The more that we say that people should not have to do anything, should not have any minimum rent, whether it is $25 or $30 or whether through hardship exemption it is reduced to $10 or $5, the more than we are continuing to perpetuate a culture that suggests that people should be able to get, Americans should be able to get an apartment for virtually nothing, not pay the utility bills, not pay for any rent, live for nothing and not have to budget anything, having to budget for an apartment, having to budget for their household, having to budget for, if they are a home owner, if they were lucky enough to be a home owner, is part of transforming themselves and moving back into the work force.

We are trying to do that through minimum rents which we think are very modest, with exceptional hardship exemptions, with the ability to transition and phase in.

For the purpose of trying to respond to the gentlewoman's concern, I draw her attention to page 33 of the manager's amendment, beginning on the bottom of the page, lines 24 and 25, all the way through page 34, line 10 or 11. If the gentlewoman would like, if it is helpful, I will read from that if she does not have that.

Ms. VELÁZQUEZ. I could read it to the gentleman, but it does not say that it will require. It says that the housing authority may. That does not mean that we require them to grant an exemption, and that is precisely the difference between my amendment and the manager's amendment. Mine requires the housing authority top grant an exemption, yours gives them an option.

Mr. LAZIO of New York. Reclaiming my time, I suggest that a housing must grant an exemption to everybody, which I believe is what the gentlewoman is saying, is to completely eliminate the meaning of having a minimum rent. We are saying that in certain circumstances that the housing authority will have the discretion to provide for an exemption.

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself 30 seconds.

I do agree with the chairman of the Subcommittee on Housing and Community Opportunity that everybody in public housing should pay. My amendment does not relate to that. My amendment, what it does is to protect those most vulnerable who do not have any money to pay, and we need to protect those people from being thrown out in the streets.

My amendment requires the housing authority to grant an exemption. Your amendment does not provide for that, and that is why we need to protect those people who are disabled, who do not have any money, who are coming from homelessness, from being thrown out in the streets.

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Mr. Chairman, I yield 1½ minutes to the gentleman from Illinois [Mr. JACKSON].

Mr. JACKSON of Illinois. Mr. Chairman, I rise in support of the Velázquez amendment, which sets a minimum of zero to $25 and a waiver for our Nation's most vulnerable who are caught in situations of extreme difficulty or hardship.

We must oppose the idea of minimum rent for those who cannot afford it. HUD Secretary Henry Cisneros has already indicated that the recently implemented $25 rents are already causing great hardship for roughly 175,000 families in public and assisted housing nationwide.

In my State of Illinois, 2,338 families living in public housing, 1,377 households that receive certificates and vouchers, and 749 families living in section 8 housing, for a total of 4,464 families, have already been negatively affected with the addition of the $25 minimum. These are people who are already straining to meet their families' needs and who are already sometimes choosing between food, medicine, and housing, necessities that we obviously take for granted.

The chairman of the subcommittee says that everyone should pay something. Who can argue with that? Except in my State, that would mean an average yearly rental increase of $569, a 32-percent increase, which would affect 19,100 public housing families. It would mean an average yearly increase of $584, or a 23-percent increase, for 5,100 elderly in Illinois. It would mean an average increase of $569, or a 19-percent increase for 1,100 disabled people.

Mr. Chairman, the poor in our Nation do not need any more regulations in their minimum rents. They need a livable wage.

Mr. Chairman, I thank the gentlewoman from New York for offering this critical amendment, and I urge Members to support it.

Mr. LAZIO of New York. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Louisiana [Mr. BAKER], a member of the Subcommittee on Housing and Community Opportunity.

Mr. BAKER of Louisiana. Mr. Chairman, I thank the gentleman for his courtesy. I think this amendment really goes to the heart of the debate over how public housing should be managed in America. There is probably nothing more volatile with working families in America today than the thought that someone would be in need and not have a helping hand extended. Virtually everybody I talk to says if they are suffering, uneducated and want an education, if they are homeless and want to be safe in the evenings, we should do those things. All we ask is that those individuals extend the courtesy to us of trying to improve their own situation.

But when you have people who live in house trailers, working a construction job, and moms at home trying to educate and care for those children, and you told them well, I tell you what, since you are having a bad month, I am the trailer park operator, I am just going to not worry about rent this month even though you are paying $25, where is the equity in that family who works to pay taxes from daylight until dark, who cares for the kids, who pays for the expenses at the grocery stores, who pays the rent on the house trailer, to say to them we are going to tax you at higher and higher rates and put money in government programs so there will be individuals who cannot read, but will not go to school; people without work, who will not get job skills?

This is a revolution. It is a dramatic change in the philosophy of how we are going to try to help people. We are simply going to say you try, we will try. If you make the effort, we will give you the resources. But no longer are we going to say we are going to tax working families in America and provide free housing for individuals, with free utilities, with access to food programs, when you will not insist that your children remain in school, when dad will not go to a drug rehab program, and mom not get out and try to get her own job to help.

In many cases, a small helping hand is not giving more money; it is giving opportunity, the opportunity for that individual to regain their own dignity and honor, the decency of work, the ability to get an education, and to walk in the front door and say to his children, here are your tennis shoes, I worked for them, I earned them, and I want to give them to you to provide for a better America. It is regrettable, it is despicable that we have generations of families who have grown up on programs of social dependency, and the only model they have is that dad no longer lives at home, mom goes to the mailbox and gets a check, and they live in public housing where they literally board themselves in behind the door at night because they are afraid of someone breaking in during the evening and stealing what little they have.

We have to find a way to give dignity decency, and safety back to these individuals. And the safeguard for those who are worried that 83 cents a day, $25 a month, is too much a commitment to ask from someone who has got a shelter for their family? The housing authority may, upon a demonstration of hardship, grant a waiver to that family and not require them to pay that onerous 83 cents a day rent, for whatever period of time the housing authority determines is necessary. But nowhere should we say that anyone is entitled to free housing forever. Make some demonstration that you want to improve your personal circumstance and we will be there to help you. We will make sure that the drug dealers are out of your housing authority. We will make sure that your kids have a safe school to go to. We will make sure there is a job training program available to you, so you can get that job. But America is saying to us, stop throwing money away at faster and faster rates because we are not helping, we are in fact making it worse.

Ms. VELÁQUEZ. Mr. Chairman, I yield myself such time as I may consume. I just would like to say that what is despicable is a single mother with one child in Louisiana, who gets a $130 check from AFDC, is thrown out into the street, and the gentleman cannot understand what $25 represents for her and her child.

Mr. Chairman, I yield 1¼ minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I appreciate the gentlewoman yielding me time. I stand in strong support of her amendment.

Mr. Chairman, I think it has been interesting to listen to some of the plantation owner mentality we are hearing from the other side of the aisle. The notion that these individuals are somehow desiring to stay in the circumstances that they are in by their own choice represents a complete misunderstanding of who qualifies for minimum rents. We already have, by virtue of the fact that we have the Brooke amendment, which no longer exists, deleted. What happens is all of those incentives that the Republicans so very much want to whip the poor into shape are now in place in the housing bill.

What this says is that if you have high medical expenses, if you happen to have a sick child, if you happen to have some extraordinary circumstances where you do not have the funds to be able to even pay a minimum rent, the 30 percent is not good enough. We are going to come back in and we are going to hammer not the very poor, but the very, very poor.

That is what the heart of this amendment does. This amendment tries to say that there is a group of very, very poor people. I understand that maybe the gentleman from Louisiana [Mr. BAKER] does not know very many of them, but the truth of the matter is that there are others in this Chamber, the gentlewoman from New York [Ms. VELÁQUEZ] among them, that work with these individuals each and every day, and she deserves and they deserve a right to get the housing that they need.

Ms. VELÁQUEZ. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I do not know whether the gentleman here comes from a farm State or not, but the people in my district want to know how you have a situation where farmers' home loan mortgages are forgiven. Over a 5-year period, the Department of Agriculture forgave $11 billion; $11 billion were forgiven in farmers' home loan mortgages. They want to know how our Government does such things, and then worries about people who do not have $25.

I met a lady just last Monday, I have known her for a long time, I did not know she was in such hard times, 85 years old she is. She has always been a tenacious entrepreneur all her life. She has never worked for anybody else. She does not have Social Security. She once owned a home, she lost it. She once had two children, they are dead now. Eighty-five years old. She has no income. Zero income.

When we say 30 percent of your income, the Brooke amendment we fought for, 30 percent, 30 percent of nothing is nothing, of course. But most of us, nobody in this Congress pays 30 percent of their income for rent. Nobody pays 30 percent of their income for rent. That is enough of a standard that is imposed on the poor that nobody else has to live up to.

Certainly anybody who has come to the point where they absolutely have no income, and there are many people who, for very good reasons, they are not drunkards or dope addicts, there is nothing wrong with them, they are hard-working Americans, at the ends of their lives, down and out, they need some help.

Mr. Chairman, I rise in opposition to the United States Housing Act (H.R. 2406). This bill would, in effect, lead to the dismantling of the Federal Government's role in providing safe, decent, and affordable housing to its citizens. H.R. 2406 does a good job of corroding what the Republican leadership in the other chamber has termed, "one of the last bastions of socialism"—public housing. Agriculture, which funnels billions of dollars to agribusiness, is neve seen as socialism; but now public housing is bastardized as the last bastion of socialism. Using such euphemisms as local flexibility, income diversity, and resident security, H.R. 2406 would shamefully take from our poorer and more vulnerable citizens the basic right to sleep comfortably at night. I support many of the amendments offered today, including the Veláquez amendment.

My Republican colleagues need to be reminded that U.S. public housing policy is embarrassingly inequitable. Despite the low-income housing needs of this country, only 20 percent of housing outlays is allocated for providing housing assistance and subsidies to families in need. The other 80 percent is tax expenditures enjoyed by wealthier families who are able to deduct mortgage interest, property taxes, capital gains, and other investor homeowner perks from their tax liabilities. The result of this unjust, inequitable housing policy: Over 70 percent of the families who qualify for low-income housing assistance, are not receiving it. This means that the richest Nation in the world has allowed, and will continue to allow, more than 20 million families to simply deal with substandard housing conditions with serious building code violations such as dangerous electrical wiring and inadequate plumbing; exorbitant rents; and even homelessness.

H.R. 2406 reflects a blatant disregard for those Americans who truly need assistance. Using income diversity as a goal, the manager's amendment would reserve only 30 percent of public housing units for those earning 30 percent or less of the median income in an area. Under current law, 85 percent of public housing units must be provided to low-income families. In most communities, 30 percent of the area's median income is roughly equivalent to the poverty line. However, the Republican solution to diversify the public-housing population is too extreme. To reserve such a small percentage of public housing to our poorest families, when they need it the most, is unforgivable. Again, the affront to the less-fortunate is evident in this Congress.

H.R. 2406 would further eliminate the caps on rent paid by seniors and working families. The Brooke amendment, which sets a maximum percentage that tenants could be charged for rent, 30 percent of adjusted gross income, would be abolished. The manager's amendment would maintain the 30 percent cap only for current elderly and disabled tenants, and current residents earning 30 percent or less of an area's median income. It is clearly insufficient. Any elderly or disabled person who is lucky enough to secure public housing after enactment of this bill, would be forced to sacrifice food, medicine, and other necessities for rent.

Furthermore, H.R. 2406 would allow housing authorities to set minimum rents at $25 to $50 a month, without any exception for hardship cases. To individuals who make more than $100,000 per year, a minimum rent of $25 to $50 may seem reasonable. Such reasoning illustrates how far removed from reality supporters of this bill really are from the people they represent. For the State of New York, a $50 minimum rent would affect 900 households, and a $25 minimum rent would affect 1,828 households. For homeless families utilizing special rent assistance, but who have no income, this minimum rent would be a hardship. For large families receiving AFDC in low-benefit States, this minimum rent would be a hardship. For families, elderly and disabled households awaiting determination of eligibility for public benefits, this minimum would be a hardship. Yes, many of the people that we represent have little to no income at all; and this Congress should be compassionate enough to grant these families some leeway.

Support the Valázquez amendment to set a minimum rent of $0 to $25; and to allow for a waiver in cases of extreme hardship.

And in an interesting twist, H.R. 2406 would mandate that all able-bodied, non elderly individuals work in some capacity for the local housing authority. In a despicable regard for the value of the work that such persons may perform, H.R. 2406 would exempt these workers' wages from the Davis-Bacon prevailing-wage requirement. The assurance that a job is a real job that pays a living wage and provides certain benefits is on the attack, again. I ask my colleagues to stand up to this typical Republican contempt for the American work ethic.

Last year, some Republicans promised to mount an aggressive campaign to eliminate the Department of Housing and Urban Development [HUD]. Recognizing that such action would be politically damaging, this year, the Republicans have weakened the agency's responsibilities, and eliminated numerous federal controls. Thus, they have defeated the economic, social, and historical purpose of the Federal Government's direct role in developing affordable housing. Yes, HUD will still be around, but 60 years of it's work will have been ignored. H.R. 2406 has little to do with ensuring housing for the low income. I challenge my colleagues to vote against this apparent disdain for nonwealthy Americans; and support the Valázquez amendment.

Ms. VALAZQUEZ. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Ms. BROWN].

Ms. BROWN of Florida. Mr. Chairman, I rise in support of the Valázquez amendment, which sets a minimum rent of up to $25, and allows for a waiver to be granted in cases of extreme hardship.

In Florida, a $50 minimum rent will affect 2.100 households. This would mean an average annual rent increase of $340. That may not seem like a lot of money to some of my wealthy colleagues in Congress, but for some of our Nation's public housing residents, that could mean the difference between buying a child a warm winter coat, or buying that same child the correct-size shoes. This truly is a matter of having food on the table, clothes on their backs, and a roof over their heads.

Public housing in our Nation is the last resort for many of our citizens. It is the final safety net before low-income folks end up homeless and on the street. If we can make some responsible and appropriate changes in the current law to improve public housing, by all means, let's do it.

Many of the people who reside in public housing are low-income veterans. Forty-one percent of residents in public and assisted housing are seniors or are disabled. The remainder are families with children.

This Congress should be doing everything it can to provide safe, affordable, units for our Nation's low-income citizens. That's the kind thing to do. That's the compassionate thing to do. That's the right thing to do. Support the amendment.

Ms. VALÁZQUEZ. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Chairman, I want to thank the gentlewoman from New York for her wisdom.

Mr. Chairman, I heard my colleague on the other side of the aisle say this is a revolution. It is a revolution, and the only wounded and dying are poor people. It is well known and the Texas Low Income Housing Coalition and the Border Low-Income Housing Coalition has sent me some very interesting facts. Nationwide public housing residents have extremely low incomes, averaging only 17 percent of the median. The rest are zero. We recognize that it is important to have affordable housing, to have mixed housing units where there are affordable housing units living among those very poor. If you do not take this amendment that the gentlewoman has offered, in Texas alone you will be affecting 18,200 households. I did not say people, I said 18,200 households. To the least of our brothers and sisters, can we not say if you have zero income, if you worked all your life, if all has come down crashing on you, you have the opportunity to have housing?

What is the look on our faces when we see homeless persons? We ask the question, "What have they done wrong? Why don't they get a job?" We do not know their circumstances. And the reason we have homeless persons is because there are 15,000 of them waiting on lists in Texas and other places around the country to get into public housing. There is a need to ensure that the poorest among us can pay a minimal amount, have a clean house, a clean place to live, and, yes, they will keep it up. I support the gentlewoman's amendment.

Mr. Chairman, I rise today in support of this amendment.

Affordable housing fills a void in our society for our less fortunate citizens who would not have homes without subsidies. H.R. 2406 is seriously lacking as it is currently written. It kills off the Brooke amendment which insured the affordability of public housing.

In my State of Texas, as the bill is currently written, if a minimum rent of $50 was charged it would affect 18,200 households, who would be hit by an average annual rent increase of $267—this is a lot for very poor people. A minimum rent of $25 would affect 15,749 households, for those using certificates, vouchers, and project-based section 8 housing, and is far more terrible.

The elitist of this body would say that $25 or $50 is not very much to ask for a place to live, but those of us who know the plight of the poor in our States, cities, and districts know better.

TEXAS LOW INCOME HOUSING COALITION AND BORDER LOW INCOME HOUSING COALITION
Austin and Laredo, TX, May 6, 1996.

Hon. SHEILA JACKSON-LEE,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE LEE: Your vote this Wednesday on the "U.S. Housing Act of 1995" will set a new course for federal public housing in this country. We seek your support for preservation of the Brooke Amendment and the enactment of strong low income targets when this bill moves to the floor of the House. We ask that you vote against the provisions of H.R. 2406 which repeal the Brooke Amendment.

H.R. 2406 repeals the Brooke Amendment for all residents of public housing and recipients of Section 8 tenant based rental assistance. This repeal is a dramatic departure from 25 years of housing policy during which time a tenant's rent contribution has been linked to the tenant's income. Since 1981 public housing and rental assistance programs have set tenant rent at 30% of the resident's adjusted gross income. The House bill repeals this important protection and puts in its place language which will permit public housing management agencies to set rents as they deem it appropriate.

Nationwide public housing residents have extremely low incomes averaging only 17% of the median income of the area where they live. Contrary to what proponents of repeal might suggest, the Brooke Amendment did not cause poverty in public housing. Our organizations strongly oppose the repeal of the Brooke Amendment and the eradication of meaningful income targets because of the harm this would do to low income Texans.

Changes in the occupancy of public housing occurred long before the enactment of the Brooke Amendment in 1970. Social changes in the 1950s and 1960s caused major alterations in the prevalence of very poor families living in public housing. This was compounded by the tendency of localities to situate projects in poorer, isolated or otherwise undesirable areas. The people left behind in the public housing projects after the demographic shifts of the post-war era were largely the long term poor. A federal cap on rents at 30% of income is just as important today, to ensure that no family is too poor to live in public housing. There is no market rate housing available to families with such low incomes.

H.R. 2406 would also allocate only 25% of new admissions to families with incomes below 30% of median. The majority of available units could go to families earning up to 80% of the area median. We also oppose this provision. All of the Section 8 rental assistance subsidy could be targeted to families up to 80% of the area median. According to HUD's list of median incomes for 1996, 80% of the median for a family of four in Dallas, Houston and San Antonio is $38,650, $36,800 and $28,800 respectively. The government does not need to provide public housing to families with incomes this high. That job should be left to the private market.

The resolution of these two fundamental issues will determine who these units will serve for the foreseeable future. Your support for a 30% cap on rents and appropriate income targeting will be crucial to preserving these subsidized housing opportunities for the Texas families that so urgently need them.

Sincerely,

JOHN HENNEBERGER,
Chair, Texas Low Income Housing Coalition.
RAFAEL TORRES,
Convenor, Border Low Income Housing Coalition.

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, the poor across this country have already been asked to pay an extraordinarily high price. Essential programs like Medicare, Medicaid, and Workforce have all been put on the chopping block. At a time when society's most vulnerable are seeing a reduction in their benefits, an increasing amount of rent to pay is cruel, heartless and shameful.

If we do not adopt the Velázquez amendment, thousands of our Nation's poorest families will no longer be able to afford public housing. For the most part, they will be mothers and children, women and children, that will be thrown into the streets with no place to go.

We here in Congress should not be creating this underclass. It is a shame that what we are doing here today is creating an underclass of poor people that cannot afford even to live in public housing. If we do not want the poorest of the poor to live in public housing, just say it. Stop playing games, and let us end this charade.

□ 1430

Mr. LAZIO of New York. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, I will tell my colleagues what is cruel, what is heartless, and what is shameful. It is defending the status quo. It is continuing to condemn Americans throughout the country, especially in our inner-cities, to continue life in poverty, despair, and disillusion.

We are trying to transform our society, Mr. Chairman. We are trying to do that in a compassionate way. We understand this will not happen overnight. We understand this bill will not change the problems that have made these challenges so complex and sometimes overwhelming with the strike of a pen. But it begins the process of progress, of returning local control, of encouraging work and providing work incentives, of providing for mixed-income populations in public and assisted housing so that the working poor will no longer be taxed, will no longer be punished, and they will be permitted to stay in public housing.

Mr. Chairman, we here are saying that it is not the Secretary of the Department of Housing and Urban Development sitting in his office in Washington who will decide what an exemption will be, although we provide for an exemption, Mr. Chairman. We say that every family should pay at least a minimum rent of $25 to $50, and that is the current law. There is already a minimum rent in place through the appropriations process. What we are adding to that, Mr. Chairman, is an escape valve, a hardship exemption so that those Americans who cannot even make the rent of $25 for their family's apartment will be able to appeal to their local community and be able to receive an exemption, an exception, so that rent can be lowered or completely waived.

We know that there are some Americans out there that will not be able to make the minimum rent. That is why we have the hardship exemption that was worked out with the administration. But we are going well beyond that. We are trying to eliminate the concept of having the minimum rent, and having the minimum rent is as basic as eliminating the work disincentives in the Brooke amendment. I urge a "no" vote.

The CHAIRMAN. All time has expired. The question is on the amendments offered by the gentlewoman from New York [Ms. VELÁZQUEZ].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. BAKER of Louisiana. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendments offered by the gentlewoman from New York [Ms. VELÁZQUEZ] will be postponed.

The point of no quorum is considered withdrawn.

Are there further amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

SEC. 301. AUTHORITY TO PROVIDE HOUSING ASSISTANCE AMOUNTS.

To the extent that amounts to carry out this title are made available, the Secretary may enter into contracts with local housing and management authorities for each fiscal year to provide housing assistance under this title.

SEC. 302. CONTRACTS WITH LHMA'S.

(a) Condition of Assistance.—The Secretary may provide amounts under this title to a local housing and management authority for a fiscal year only if the Secretary has entered into a contract under this section with the local housing and management authority, under which the Secretary shall provide such authority with amounts (in the amount of the allocation for the authority determined pursuant to section 304) for housing assistance under this title for low-income families.

(b) Use for Housing Assistance.—A contract under this section shall require a local housing and management authority to use amounts provided under this title to provide housing assistance in any manner authorized under this title.

(c) Annual Obligation of Authority.—A contract under this title shall provide amounts for housing assistance for 1 fiscal year covered by the contract.

(d) Enforcement of Housing Quality Requirements.—Each contract under this section shall require the local housing and management authority administering assistance provided under the contract—

(1) to ensure compliance, under each housing assistance payments contract entered into pursuant to the contract under this section, with the provisions of the housing assistance payments contract included pursuant to section 351(c)(4); and

(2) to establish procedures for assisted families to notify the authority of any noncompliance with such provisions.

SEC. 303. ELIGIBILITY OF LHMA'S FOR ASSISTANCE AMOUNTS.

The Secretary may provide amounts available for housing assistance under this title to a local housing and management authority only if—

(1) the authority has submitted a local housing management plan to the Secretary for such fiscal year and applied to the Secretary for such assistance;

(2) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(3) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(5) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony; and

(6) the authority has not been disqualified for assistance pursuant to subtitle B of title IV.

SEC. 304. ALLOCATION OF AMOUNTS.

(a) Formula Allocation.—

(1) In General.—When amounts for assistance under this title are first made available for reservation, after reserving amounts in accordance with subsection (c) and section 109, the Secretary shall allocate such amounts, only among local housing and management authorities meeting the requirements under this title to receive such assistance, on the basis of a formula that is established in accordance with paragraph (2) and based upon appropriate criteria to reflect the needs of different States, areas, and communities, using the most recent data available from the Bureau of the Census of the Department of Commerce and the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction. The Secretary may establish a minimum allocation amount, in which case only the local housing and management authorities that, pursuant to the formula, are provided an amount equal to or greater than the minimum allocation amount, shall receive an allocation.

(2) Regulations.—The formula under this subsection shall be established by regulation issued by the Secretary. Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, any proposed regulation containing such formula shall be issued pursuant to a negotiated rulemaking procedure under subchapter of chapter 5 of such title and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.

(b) Allocation Considerations.—

(1) Limitation on Reallocation for Another State.—Any amounts allocated for a State or areas or communities within a State that are not likely to be used within the fiscal year for which the amounts are provided shall not be reallocated for use in another State, unless the Secretary determines that other areas or communities within the same State (that are eligible for amounts under this title) cannot use the amounts within the same fiscal year.

(2) Effect of Receipt of Tenant-Based Assistance for Disabled Families.—The Secretary may not consider the receipt by a local housing and management authority of assistance under section 811(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, or the amount received, in approving amounts under this title for the authority or in determining the amount of such assistance to be provided to the authority.

(3) Exemption from Formula Allocation.—The formula allocation requirements of subsection (a) shall not apply to any assistance under this title that is approved in appropriation Acts for uses that the Secretary determines are incapable of geographic allocation, including amendments of existing housing assistance payments contracts, renewal of such contracts, assistance to families that would otherwise lose assistance due to the decision of the project owner to prepay the project mortgage or not to renew the housing assistance payments contract, assistance to prevent displacement or to provide replacement housing in connection with the demolition or disposition of public and Indian housing, assistance for relocation from public housing, assistance in connection with protection of crime witnesses, assistance for conversion from leased housing contracts under section 23 of the United States Housing Act of 1937 (as in effect before the enactment of the Housing and Community Development Act of 1974), and assistance in support of the property disposition and loan management functions of the Secretary.

(c) Set-Aside for Indian Housing Assistance.—The Secretary shall allocate, in a manner determined by the Secretary, a portion of the amounts made available in each fiscal year for assistance under this title for assistance for Indian housing authorities.

(d) Recapture of Amounts.—

(1) Authority.—In each fiscal year, from any budget authority made available for assistance under this title or section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that is obligated to a local housing and management authority but remains unobligated by the authority upon the expiration of the 8-month period beginning upon the initial availability of such amounts for obligation by the authority, the Secretary may deobligate an amount, as determined by the Secretary, not exceeding 50 percent of such unobligated amount.

(2) Use.—The Secretary may reallocate and transfer any amounts deobligated under paragraph (1) only to local housing and management authorities in areas that the Secretary determines have received less funding than other areas, based on the relative needs of all areas.

SEC. 305. ADMINISTRATIVE FEES.

(a) Fee for Ongoing Costs of Administration.—

(1) In General.—The Secretary shall establish fees for the costs of administering the choice-based housing assistance program under this title.

(2) Fiscal Year 1996.—

(A) Calculation.—For fiscal year 1996, the fee for each month for which a dwelling unit is covered by a contract for assistance under this title shall be—

(i) in the case of a local housing and management authority that, on an annual basis, is administering a program for not more than 600 dwelling units, 6.5 percent of the base amount; and

(ii) in the case of an authority that, on an annual basis, is administering a program for more than 600 dwelling units—

(I) for the first 600 units, 6.5 percent of the base amount; and

(II) for any additional dwelling units under the program, 6.0 percent of the base amount.

(B) BASE AMOUNT.—For purposes of this paragraph, the base amount shall be the higher of—

(i) the fair market rental established under section 8(c) of the United States Housing Act of 1937 (as in effect immediately before the date of the enactment of this Act) for fiscal year 1993 for a 2-bedroom existing rental dwelling unit in the market area of the authority, and

(ii) the amount that is the lesser of (I) such fair market rental for fiscal year 1994 or (II) 103.5 percent of the amount determined under clause (i),

adjusted based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary. The Secretary may require that the base amount be not less than a minimum amount and not more than a maximum amount.

(3) SUBSEQUENT FISCAL YEARS.—For subsequent fiscal years, the Secretary shall publish a notice in the Federal Register, for each geographic area, establishing the amount of the fee that would apply for local housing and management authorities administering the program, based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary.

(4) INCREASE.—The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

(b) FEE FOR PRELIMINARY EXPENSES.—The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(1) the costs of preliminary expenses, in the amount of $500, for a local housing and management authority, but only in the first year that the authority administers a choice-based housing assistance program under this title, and only if, immediately before the date of the enactment of this Act, the authority was not administering a tenant-based rental assistance program under the United States Housing Act of 1937 (as in effect immediately before such date of enactment), in connection with its initial increment of assistance received;

(2) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

(3) extraordinary costs approved by the Secretary.

(c) TRANSFER OF FEES IN CASES OF CONCURRENT GEOGRAPHICAL JURISDICTION.—

(1) IN GENERAL.—In each fiscal year, if any local housing and management authority provides tenant-based rental assistance under section 8 of the United States Housing Act of 1937 or housing assistance under this title on behalf of a family who uses such assistance for a dwelling unit that is located within the jurisdiction of such authority but is also within the jurisdiction of another local housing and management authority, the Secretary shall require the authority issuing such assistance to transfer the amount provided under paragraph (2) to the closest eligible authority that is approved to administer the program and is not designated as a troubled authority under section 431(a)(2)(D).

(2) ADMINISTRATIVE FEE.—The amount provided under this paragraph is, with respect to each such family described in subsection (a)—

(A) in the case of assistance under section 8 of the United States Housing Act of 1937, the amount received under section 8(q) of such Act that is attributable to the administrative fee under such section for such family for the portion of the fiscal year during which such family resides in the dwelling unit described in paragraph (1); and

(B) in the case of housing assistance under this title, an amount of the grant amounts received under this title that is equal to the administrative fee for a family established under section 305 for such fiscal year, as adjusted based on the portion of the fiscal year during which such family resides in the dwelling unit described in paragraph (1).

SEC. 306. AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated for providing local housing and management authorities with housing assistance under this title, $1,861,668,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000.

(b) ASSISTANCE FOR DISABLED FAMILIES.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, for choice-based housing assistance under this title to be used in accordance with paragraph (2), $50,000,000 for fiscal year 1997, and such sums as may be necessary for each subsequent fiscal year.

(2) USE.—The Secretary shall provide amounts made available under paragraph (1) to local housing and management authorities only for use to provide housing assistance under this title for nonelderly disabled families (including such families relocating pursuant to designation of a public housing development under section 227 and other nonelderly disabled families who have applied to the authority for housing assistance under this title).

(3) ALLOCATION OF AMOUNTS.—The Secretary shall allocate and provide amounts made available under paragraph (1) to local housing and management authorities as the Secretary determines appropriate based on the relative levels of need among the authorities for assistance for families described in paragraph (1).

SEC. 307. CONVERSION OF SECTION 8 ASSISTANCE.

(a) IN GENERAL.—Any amounts made available to a local housing and management authority under a contract for annual contributions for assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that have not been obligated for such assistance by such authority before such enactment shall be used to provide assistance under this title, except to the extent the Secretary determines such use is inconsistent with existing commitments.

(b) EXCEPTION.—Subsection (a) shall not apply to any amounts made available under a contract for housing constructed or substantially rehabilitated pursuant to section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

SEC. 321. ELIGIBLE FAMILIES AND PREFERENCES FOR ASSISTANCE.

(a) LOW-INCOME REQUIREMENT.—Housing assistance under this title may be provided only on behalf of a family that—

(1) at the time that such assistance is initially provided on behalf of the family, is determined by the local housing and management authority to be a low-income family; or

(2) qualifies to receive such assistance under any other provision of Federal law.

(b) REVIEWS OF FAMILY INCOMES.—

(1) IN GENERAL.—Reviews of family incomes for purposes of this title shall be subject to the provisions of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 and shall be conducted upon the initial provision of housing assistance for the family and thereafter not less than annually.

(2) PROCEDURES.—Each local housing and management authority administering housing assistance under this title shall establish procedures that are appropriate and necessary to ensure that income data provided to the authority and owners by families applying for or receiving housing assistance from the authority is complete and accurate.

(c) PREFERENCES FOR ASSISTANCE.—

(1) AUTHORITY TO ESTABLISH.—Any local housing and management authority that receives amounts under this title may establish a system for making housing assistance available on behalf of eligible families that provides preference for such assistance to eligible families having certain characteristics.

(2) CONTENT.—Each system of preferences established pursuant to this subsection shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

(d) TREATMENT OF ASSISTED FAMILIES WHO MOVE OUT OF JURISDICTION OF LHMA.—

(1) IN GENERAL.—A local housing and management authority may, in the discretion of the agency and notwithstanding any preferences under subsection (c), provide housing assistance for eligible families (or a certain number of such families) who have moved into the jurisdiction of the authority and on whose behalf such assistance was being provided, at the time of such move, by the authority for the jurisdiction from which the family moved.

(2) ASSISTANCE UNDER 1937 ACT.—Notwithstanding any provision of this title, a local housing and management authority who, upon the date of the enactment of this Act, is providing assistance under section 8 of the United States Housing Act of 1937 for a family pursuant to subsection (r) of such section shall continue to provide such assistance (or housing assistance under this title) in accordance with such section until the local housing and management authority for the jurisdiction to which the family moved provides housing assistance on behalf of the family pursuant to paragraph (1) of this subsection or otherwise or the authority terminates such assistance for other reasons.

(e) TREATMENT OF FAMILIES ON WAITING LIST WHO MOVE OUT OF JURISDICTION OF LHMA.—

(1) MOVE TO JURISDICTION WITH OPEN WAITING LIST.—Except as provided in paragraph (2), if an eligible family (A) applies for choice-based housing assistance while residing within the jurisdiction of a local housing and management authority, (B) moves outside of the jurisdiction of the authority before such assistance is provided on behalf of the family, and (C) applies for housing assistance from the local housing and management authority for the jurisdiction to which the family moves, such authority shall consider the application to have been made upon the date that the family applied for assistance with the authority in whose jurisdiction the family previously resided.

(2) MOVE TO JURISDICTION WITH CLOSED WAITING LIST.—If the local housing and management authority for the jurisdiction to which an eligible family described in paragraph (1) moves is not generally accepting applications for housing assistance, such jurisdiction shall accept the application of such family but shall treat the application as having been made on the date on which it is actually made. Notwithstanding the preceding sentence, a local housing and management authority may (at the discretion of the authority) provide that any application by an eligible family whose move to the jurisdiction not accepting applications for assistance was made because of a verifiable employment opportunity shall be subject to the provisions of paragraph (1).

(f) AUTHORITY TO DENY ASSISTANCE TO CERTAIN FAMILIES WHO MOVE.—A local housing and management authority may establish criteria for denying housing assistance, and pursuant to such criteria may deny such assistance, to an eligible family who has moved from the jurisdiction of another authority, who received housing assistance from the authority for such other jurisdiction, and whose assistance was terminated by such other authority for reasons other than income ineligibility or the change of residence.

(g) LOSS OF ASSISTANCE UPON TERMINATION OF TENANCY.—A local housing and management authority may, to the extent such policies are described in the local housing management plan of the authority and included in the lease for a dwelling unit, establish policies providing that an assisted family whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued housing assistance; and

(2) immediately become ineligible for housing assistance under this title for a period not exceeding 3 years from the date of the termination of the housing assistance.

(h) CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family receiving housing assistance who was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

SEC. 322. RESIDENT CONTRIBUTION.

(a) IN GENERAL.—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the local housing and management authority determines is appropriate with respect to the family. The amount of the minimum monthly rental contribution—

(1) shall be based upon factors including the adjusted income of the family and any other factors that the authority considers appropriate;

(2) shall be not less than $25;

(3) shall include any portion of the cost of utilities for the dwelling unit for which the resident is responsible; and

(4) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly contribution in effect for the preceding year.

In any case in which the monthly rent charged for a dwelling unit pursuant to the housing assistance payments contract exceeds the payment standard (established under section 353) for the dwelling unit, the assisted family residing in the unit shall contribute (in addition to the amount of the monthly rent contribution otherwise determined under this subsection for such family) such entire excess rental amount.

(b) RENTAL CONTRIBUTION FOR ELDERLY AND DISABLED FAMILIES.—In establishing the amount of monthly rental contributions under this section for disabled families and elderly families residing in assisted dwelling units, a local housing and management authority shall waive the applicability of any provision of subsection (a) that may be necessary to establish such contributions that are reasonable based on the adjusted incomes of such families.

(c) TREATMENT OF CHANGES IN RENTAL CONTRIBUTION.—

(1) NOTIFICATION OF CHANGES.—A local housing and management authority shall promptly notify the owner of an assisted dwelling unit of any change in the resident contribution by the assisted family residing in the unit that takes effect immediately or at a later date.

(2) COLLECTION OF RETROACTIVE CHANGES.—In the case of any change in the rental contribution of an assisted family that affects rental payments previously made, the local housing and management authority shall collect any additional amounts required to be paid by the family under such change directly from the family and shall refund any excess rental contribution paid by the family directly to the family.

(d) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family that is receiving tenant-based rental assistance under section 8 of the United States Housing Act of 1937 upon the initial applicability of the provisions of this title to such family, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon such initial applicability is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (a)(2) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 323. RENTAL INDICATORS.

(a) IN GENERAL.—The Secretary shall establish and issue rental indicators under this section periodically, but not less than annually, for existing rental dwelling units that are eligible dwelling units. The Secretary shall establish and issue the rental indicators by housing market area (as the Secretary shall establish) for various sizes and types of dwelling units.

(b) AMOUNT.—For a market area, the rental indicator established under subsection (a) for a dwelling unit of a particular size and type in the market area shall be a dollar amount that reflects the rental amount for a standard quality rental unit of such size and type in the market area that is an eligible dwelling unit.

(c) EFFECTIVE DATE.—The Secretary shall cause the proposed rental indicators established under subsection (a) for each market area to be published in the Federal Register with reasonable time for public comment, and such rental indicators shall become effective upon the date of publication in final form in the Federal Register.

(d) ANNUAL ADJUSTMENT.—Each rental indicator in effect under this section shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so that the indicators will be current for the year to which they apply, in rents for existing rental dwelling units of various sizes and types in the market area suitable for occupancy by families assisted under this title.

SEC. 324. LEASE TERMS.

Rental assistance may be provided for an eligible dwelling unit only if the assisted family and the owner of the dwelling unit enter into a lease for the unit that—

(1) provides for a single lease term of 12 months and continued tenancy after such term under a periodic tenancy on a month-to-month basis;

(2) contains terms and conditions specifying that termination of tenancy during the term of a lease shall be subject to the provisions set forth in section 325; and

(3) is set forth in the standard form, which is used in the local housing market area by the owner and applies generally to any other tenants in the property who are not assisted families, together with any addendum necessary to include the many terms required under this section.

A lease may include any addenda appropriate to set forth the provisions under section 325.

SEC. 325. TERMINATION OF TENANCY.

(a) GENERAL GROUNDS FOR TERMINATION OF TENANCY.—Each housing assistance payments contract under section 351 shall provide that the owner of any assisted dwelling unit assisted under the contract may, before expiration of a lease for a unit, terminate the tenancy of any tenant of the unit, but only for—

(1) violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; or

(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity).

(b) MANNER OF TERMINATION.—Each housing assistance payments contract shall provide that the owner shall conduct the termination of tenancy of any tenant of an assisted dwelling unit under the contract in accordance with applicable State or local laws, including providing any notice of termination required under such laws.

SEC. 326. ELIGIBLE OWNERS.

(a) OWNERSHIP ENTITY.—Rental assistance under this title may be provided for any eligible dwelling unit for which the owner is any public agency, private person or entity (including a cooperative), nonprofit organization, agency of the Federal Government, or local housing and management authority.

(b) INELIGIBLE OWNERS.—

(1) IN GENERAL.—Notwithstanding subsection (a), a local housing and management authority may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations.

(2) PROHIBITION OF SALE TO RELATED PARTIES.—The Secretary shall establish guidelines to prevent housing assistance payments for a dwelling unit that is owned by any spouse, child, or other party who allows an owner described in paragraph (1) to maintain control of the unit.

(3) RULE OF CONSTRUCTION.—This subsection may not be construed to prohibit, or authorize the termination or suspension, of payment of housing assistance under a housing assistance payments contract in effect at the time such debarment, suspension, or limited denial of participation takes effect.

SEC. 327. SELECTION OF DWELLING UNITS.

(a) FAMILY CHOICE.—The determination of the dwelling unit in which an assisted family resides and for which housing assistance is provided under this title shall be made solely by the assisted family, subject to the provisions of this title.

(b) DEED RESTRICTIONS.—Housing assistance may not be used in any manner that abrogates

any local deed restriction that applies to any housing consisting of 1 to 4 dwelling units. Nothing in this section may be construed to affect the provisions or applicability of the Fair Housing Act.

SEC. 328. ELIGIBLE DWELLING UNITS.

(a) IN GENERAL.—A dwelling unit shall be an eligible dwelling unit for purposes of this title only if the local housing and management authority to provide housing assistance for the dwelling unit determines that the dwelling unit—

(1) is an existing dwelling unit that is not located within a nursing home or the grounds of any penal, reformatory, medical, mental, or similar public or private institution; and

(2) complies—

(A) with applicable State or local laws, regulations, standards, or codes regarding habitability of residential dwellings that—

(i) are in effect for the jurisdiction in which the dwelling unit is located;

(ii) provide protection to residents of the dwellings that is equal to or greater than the protection provided under the housing quality standards established under subsection (b); and

(iii) that do not severely restrict housing choice; or

(B) in the case of a dwelling unit located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), with the housing quality standards established under subsection (b).

Each local housing and management authority providing housing assistance shall identify, in the local housing management plan for the authority, whether the authority is utilizing the standard under subparagraph (A) or (B) of paragraph (2) and, if the authority utilizes the standard under subparagraph (A), shall certify in such plan that the applicable State or local laws, regulations, standards, or codes comply with the requirements under such subparagraph.

(b) DETERMINATIONS.—

(1) IN GENERAL.—A local housing and management authority shall make the determinations required under subsection (a) pursuant to an inspection of the dwelling unit conducted before any assistance payment is made for the unit.

(2) FAILURE TO INSPECT.—Notwithstanding subsection (a), if the inspection and the determinations referred to in paragraph (1) are not made before the expiration of the 7-day period beginning upon a request by the resident or landlord to the local housing and management authority—

(A) the dwelling unit shall be considered to be an eligible dwelling unit for purposes of this title; and

(B) the assisted family may occupy the dwelling unit, and assistance payments for the unit may be made before necessary repairs are completed, it the owner agrees to make such repairs within 15 days.

(c) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that assisted dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 232(b). The Secretary shall differentiate between major and minor violations of such standards.

(d) ANNUAL INSPECTIONS.—Each local housing and management authority providing housing assistance shall make an annual inspection of each assisted dwelling unit during the term of the housing assistance payments contracts for the unit to determine whether the unit is maintained in accordance with the requirements under subsection (a)(2). The authority shall submit the results of such inspections to the Secretary and the Inspector General for the Department of Housing and Urban Development and such results shall be available to the Housing Foundation and Accreditation Board established under title IV and any auditor conducting an audit under section 432.

(e) INSPECTION GUIDELINES.—The Secretary shall establish procedural guidelines and performance standards to facilitate inspections of dwelling units and conform such inspections with practices utilized in the private housing market. Such guidelines and standards shall take into consideration variations in local laws and practices of local housing and management authorities and shall provide flexibility to authorities appropriate to facilitate efficient provision of assistance under this title.

(f) RULE OF CONSTRUCTION.—This section may not be construed to prevent the provision of housing assistance in connection with supportive services for elderly or disabled families.

SEC. 329. HOMEOWNERSHIP OPTION.

(a) IN GENERAL.—A local housing and management authority providing housing assistance under this title may provide homeownership assistance to assist eligible families to purchase a dwelling unit (including purchase under lease-purchase homeownership plans).

(b) REQUIREMENTS.—A local housing and management authority providing homeownership assistance under this section shall, as a condition of an eligible family receiving such assistance, require the family to—

(1) demonstrate that the family has income from employment or other sources (other than public assistance), as determined in accordance with requirements established by the authority; and

(2) meet any other initial or continuing requirements established by the local housing and management authority.

(c) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—A local housing and management authority may establish minimum downpayment requirements, if appropriate, in connection with loans made for the purchase of dwelling units for which homeownership assistance is provided under this section. If the authority establishes a minimum downpayment requirement, except as provided in paragraph (2) the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase.

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section subject to a downpayment requirement, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(d) INELIGIBILITY UNDER OTHER PROGRAMS.—A family may not receive homeownership assistance pursuant to this section during any period when assistance is being provided for the family under other Federal homeownership assistance programs, as determined by the Secretary, including assistance under the HOME Investment Partnerships Act, the Homeownership and Opportunity Through HOPE Act, title II of the Housing and Community Development Act of 1987, and section 502 of the Housing Act of 1949.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

SEC. 351. HOUSING ASSISTANCE PAYMENTS CONTRACTS.

(a) IN GENERAL.—Each local housing and management authority that receives amounts under a contract under section 302 may enter into housing assistance payments contracts with owners of existing dwelling units to make housing assistance payments to such owners in accordance with this title.

(b) LHMA ACTING AS OWNER.—A local housing and management authority may enter into a housing assistance payments contract to make housing assistance payments under this title to itself (or any agency or instrumentality thereof) as the owner of dwelling units, and the authority shall be subject to the same requirements that are applicable to other owners, except that the determinations under section 328(a) and 354(b) shall be made by a competent party not affiliated with the authority or the owner, and the authority shall be responsible for any expenses of such determinations.

(c) PROVISIONS.—Each housing assistance payments contract shall—

(1) have a term of not more than 12 months;

(2) require that the assisted dwelling unit may be rented only pursuant to a lease that complies with the requirements of section 324;

(3) comply with the requirements of section 325 (relating to termination of tenancy);

(4) require the owner to maintain the dwelling unit in accordance with the applicable standards under section 328(a)(2); and

(5) provide that the screening and selection of eligible families for assisted dwelling units shall be the function of the owner.

SEC. 352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

The amount of the monthly assistance payment for housing assistance under this title on behalf of an assisted family shall be as follows:

(1) UNITS HAVING GROSS RENT LESS THAN PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution determined in accordance with section 322.

(2) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 322.

SEC. 353. PAYMENT STANDARDS.

(a) ESTABLISHMENT.—Each local housing and management authority providing housing assistance under this title shall establish payment standards under this section for various areas, and sizes and types of dwelling units, for use in determining the amount of monthly housing assistance payment to be provided on behalf of assisted families.

(b) USE OF RENTAL INDICATORS.—The payment standard for each size and type of housing for each market area shall be an amount that is not less than 80 percent, and not greater than 120 percent, of the rental indicator established under section 323 for such size and type for such area.

(c) REVIEW.—If the Secretary determines, at any time, that a significant percentage of the assisted families who are assisted by a large local housing and management authority and are occupying dwelling units of a particular size are paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the payment standard established by the authority for such size dwellings. If, pursuant to the review, the Secretary determines that such payment standard is not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking

into consideration rental costs in the area), as identified in the approved community improvement plan of the authority, the Secretary may require the local housing and management authority to modify the payment standard. For purposes of this subsection, the term "large local housing and management authority" means a local housing and management authority that provides housing assistance on behalf of 1250 or more assisted families.

SEC. 354. REASONABLE RENTS.

(a) ESTABLISHMENT.—The rent charged for a dwelling unit for which rental assistance is provided under this title shall be established pursuant to negotiation and agreement between the assisted family and the owner of the dwelling unit.

(b) REASONABLENESS.—

(1) DETERMINATION.—A local housing and management authority providing rental assistance under this title for a dwelling unit shall, before commencing assistance payments for a unit, determine whether the rent charged for the unit exceeds the rents charged for comparable units in the applicable private unassisted market.

(2) UNREASONABLE RENTS.—If the authority determines that the rent charged for a dwelling unit exceeds such comparable rents, the authority shall—

(A) inform the assisted family renting the unit that such rent exceeds the rents for comparable unassisted units in the market; and

(B) refuse to provide housing assistance payments for such unit.

SEC. 355. PROHIBITION OF ASSISTANCE FOR VACANT RENTAL UNITS.

If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance payments contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

Subtitle D—General and Miscellaneous Provisions

SEC. 371. DEFINITIONS.

For purposes of this title:

(1) ASSISTED DWELLING UNIT.—The term "assisted dwelling unit" means a dwelling unit in which an assisted family resides and for which housing assistance payments are made under this title.

(2) ASSISTED FAMILY.—The term "assisted family" means an eligible family on whose behalf housing assistance payments are made under this title or who has been selected and approved for housing assistance.

(3) CHOICE-BASED.—The term "choice-based" means, with respect to housing assistance, that the assistance is not attached to a dwelling unit but can be used for any eligible dwelling unit selected by the eligible family.

(4) ELIGIBLE DWELLING UNIT.—The term "eligible dwelling unit" means a dwelling unit that complies with the requirements under section 328 for consideration as an eligible dwelling unit.

(5) ELIGIBLE FAMILY.—The term "eligible family" means a family that meets the requirements under section 321(a) for assistance under this title.

(6) HOMEOWNERSHIP ASSISTANCE.—The term "homeownership assistance" means housing assistance provided under section 329 for the ownership of a dwelling unit.

(7) HOUSING ASSISTANCE.—The term "housing assistance" means assistance provided under this title on behalf of low-income families for the rental or ownership of an eligible dwelling unit.

(8) HOUSING ASSISTANCE PAYMENTS CONTRACT.—The term "housing assistance payments contract" means a contract under section 351 between a local housing and management authority (or the Secretary) and an owner to make housing assistance payments under this title to the owner on behalf of an assisted family.

(9) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The terms "local housing and management authority" and "authority" have the meaning given such terms in section 103, except that the terms include—

(A) a consortia of local housing and management authorities that the Secretary determines has the capacity and capability to administer a program for housing assistance under this title in an efficient manner;

(B) any other entity that, upon the date of the enactment of this Act, was administering any program for tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), pursuant to a contract with the Secretary or a public housing agency; and

(C) with respect to any area in which no local housing and management authority has been organized or where the Secretary determines that a local housing and management authority is unwilling or unable to implement this title, or is not performing effectively—

(i) the Secretary or another entity that by contract agrees to receive assistance amounts under this title and enter into housing assistance payments contracts with owners and perform the other functions of local housing and management authority under this title; or

(ii) notwithstanding any provision of State or local law, a local housing and management authority for another area that contracts with the Secretary to administer a program for housing assistance under this title, without regard to any otherwise applicable limitations on its area of operation.

(10) OWNER.—The term "owner" means the person or entity having the legal right to lease or sublease dwelling units. Such term includes any principals, general partners, primary shareholders, and other similar participants in any entity owning a multifamily housing project, as well as the entity itself.

(11) RENT.—The terms "rent" and "rental" include, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

(12) RENTAL ASSISTANCE.—The term "rental assistance" means housing assistance provided under this title for the rental of a dwelling unit.

SEC. 372. RENTAL ASSISTANCE FRAUD RECOVERIES.

(a) AUTHORITY TO RETAIN RECOVERED AMOUNTS.—The Secretary shall permit local housing and management authorities administering housing assistance under this title to retain, out of amounts obtained by the authorities from tenants that are due as a result of fraud and abuse, an amount (determined in accordance with regulations issued by the Secretary) equal to the greater of—

(1) 50 percent of the amount actually collected; or

(2) the actual, reasonable, and necessary expenses related to the collection, including costs of investigation, legal fees, and collection agency fees.

(b) USE.—Amounts retained by an authority shall be made available for use in support of the affected program or project, in accordance with regulations issued by the Secretary. If the Secretary is the principal party initiating or sustaining an action to recover amounts from families or owners, the provisions of this section shall not apply.

(c) RECOVERY.—Amounts may be recovered under this section—

(1) by an authority through a lawsuit (including settlement of the lawsuit) brought by the authority or through court-ordered restitution pursuant to a criminal proceeding resulting from an authority's investigation where the authority seeks prosecution of a family or where an authority seeks prosecution of an owner;

(2) through administrative repayment agreements with a family or owner entered into as a result of an administrative grievance procedure conducted by an impartial decisionmaker in accordance with section 110; or

(3) through an agreement between the parties.

SEC. 373. STUDY REGARDING GEOGRAPHIC CONCENTRATION OF ASSISTED FAMILIES.

(a) IN GENERAL.—The Secretary shall conduct a study of the geographic areas in the State of Illinois served by the Housing Authority of Cook County and the Chicago Housing Authority and submit to the Congress a report and a specific proposal, which addresses and resolves the issues of—

(1) the adverse impact on local communities due to geographic concentration of assisted households under the tenant-based housing programs under section 8 of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) and under this title; and

(2) facilitating the deconcentration of such assisted households by providing broader housing choices to such households.

The study shall be completed, and the report shall be submitted, not later than 90 days after the date of the enactment of this Act.

(b) CONCENTRATION.—For purposes of this section, the term "concentration" means, with respect to any area within a census tract, that—

(1) 15 percent or more of the households residing within such area have incomes which do not exceed the poverty level; or

(2) 15 percent or more of the total affordable housing stock located within such area is assisted housing.

The CHAIRMAN. Are there amendments to title III?

AMENDMENT NO. 47 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 47 offered by Mr. SANDERS: Page 145, line 23, strike "6.5 percent" and insert "7.65 percent".

Page 146, lines 4 and 5, strike "6.5 percent" and insert "7.65 percent".

Page 146, line 7, strike "6.0 percent" and insert "7.0 percent".

The CHAIRMAN. Pursuant to the order of the Committee of May 8, 1996, the gentleman from Vermont [Mr. SANDERS] will be recognized for 5 minutes in support of his amendment, and the gentleman from New York [Mr. LAZIO] will be recognized for 5 minutes in opposition to the amendment.

The Chair recognizes the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me begin by thanking the Republican leadership here, because my understanding is that they will be accepting this amendment. In truth, this is a tripartisan amendment. It has support from the gentlewoman from New Jersey [Mrs. ROUKEMA] and other Republicans, as well as many Democrats.

Mr. Chairman, many Members of Congress have criticized public housing and believe that Americans should be able to decide for themselves how best to spend their housing allowance. These critics should be supporters of the Section 8 program, but this laudable program is not reaching everyone that is eligible for assistance.

About 1.5 million people receive section 8 assistance, but close to that same amount are on the waiting list. In my home State of Vermont, the waiting list is over 3 years long. In some areas, applicants wait for more than 10 years.

Unfortunately, this bill contains a provision that would make these waiting periods even longer. I am talking about the major cuts in fees for administering the Section 8 program. If the bill had been in place for fiscal year 1996, housing authorities would have received, on average, 23 percent less to administer the tenant-based Section 8 program. Nationally, according to HUD, we are talking about a $182 million cut in section 8 administration.

In California alone, that cut amounts to almost $30 million; in New York, over $21 million; and in New Jersey, over $7 million. In my small State of Vermont, we would lose $318,000.

Mr. Chairman, the simple fact of the matter is that this cut goes far too deep. If we believe in section 8 housing, then we must allocate enough money for the program to be administered effectively. Otherwise, we are killing this program through a backdoor method and I do not think that that is what the majority of Members want to do.

There is widespread support for section 8, and I do not believe that anyone really wants to hurt it. This bill provides for a two-tier formula where public housing authorities get a fee based on 6.5 percent of fair market value for the first 600 units and 6 percent of fair market value for the rest.

Mr. Chairman, this is a huge cut from the fiscal year 1995 and fiscal year 1996, when fees were based on 8.2 percent of fair market value. HUD estimates that over 90 percent of the agencies that administer Section 8 housing will lose more than 15 percent of their administrative funds. On average, it will be an estimated 23-percent cut per agency.

Mr. Chairman, I am offering a compromise amendment that puts the fee level about halfway in between where the funds are today and where they would be under the provisions of the bill. The two-tiered formula would remain, but the 6 percent number would be raised to 7 percent and the 6.5 percent number would be raised to 7.65. It is a compromise between the 8.2 percent formula used today and the 6 and 6.5 percent levels recommended in the bill.

Mr. Chairman, I should point out that that is the formula recommended by HUD and HUD supports this amendment. The National Association of Housing and Redevelopment Officials are also strong supporters of this amendment.

Frankly, Mr. Chairman, many of us had believed that this amendment was going to be accepted as part of the manager's amendment and we were surprised that it was not. If it is adopted, fees would still be cut an estimated 10.5 percent. That is a big cut. That is a major cut. But it would not devastate the administration of the program as the proposed cuts do. This is a compromise position, and my hope is that it would be supported by all Members.

Mr. Chairman, let me conclude by stating that every State in the country is severely affected by the provisions stated in this bill. It provides for an estimated 23 percent cut in Section 8 administrative fees. That is much too high.

Mr. Chairman, I urge my colleagues to please support the compromise position and vote "yes."

Mr. Chairman, I reserve the balance of my time.

Mrs. ROUKEMA. Mr. Chairman, I want to commend Chairman LAZIO for his hard work on this thoughtful and forward thinking proposal to reform our public housing system, and ask the chairman to consider accepting the amendment offered by Congressman SANDERS.

H.R. 2406 significantly reforms the public housing programs and requires our public housing authorities to take on significant new responsibilities. At a time when we are making such monumental changes in the public housing assistance program, we should be careful not to reduce the fees to a level that could seriously undermined the ability of the authorities to do their job in an efficient and effective manner.

As the bill currently stands, my State would be forced to absorb a 23-percent reduction in administrative fees, and your own State New York will take a 24-percent reduction. Everyone that administers section 8 would be hurt—over 90 percent of the 2,300 agencies administering section 8 programs would lose more than 15 percent of their fees.

While I strongly support spending reductions and want to reach the goal of a balanced budget, I am concerned about the impact of such a large reduction on the agencies that administer section 8 tenant-based rental housing assistance programs.

The Sanders amendment would still require a reduction in spending. However, while the current proposal included in H.R. 2406 would require an overall reduction of 23.6 percent in fiscal year 1996; the Sanders amendment would require only a 10.5-percent reduction in administrative fees. This puts the fee level about halfway between where the funds are today and where they would be under the provisions of the bill. The two-tiered formula would remain, but instead of 6.5 percent for the first 600 units, and 6 percent for additional units, the fee would be 7.65 percent and 7 percent respectfully.

This amendment deserves the support of the chairman, and I urge your support.

Mr. LAZIO of New York. Mr. Chairman, I yield back the balance of my time.

Mr. SANDERS. Mr. Chairman, I urge the passage of this amendment, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title III?

AMENDMENT NO. 16 OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mr. KENNEDY of Massachusetts: Page 150, strike line 3 and all that follows through line 25, insert the following:

(b) ADDITIONAL ASSISTANCE.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, for choice-based housing assistance under this title—

(A) to be used in accordance with paragraph (2)(A), $50,000,000 for fiscal year 1997, and such sums as may be necessary for each subsequent fiscal year; and

(B) to be used in accordance with paragraph (2)(B), $195,000,000 for fiscal year 1997, and such sums as may be necessary for each subsequent fiscal year.

(2) USE.—

(A) NONELDERLY DISABLED FAMILIES.—The Secretary shall provide amounts made available under paragraph (1)(A) to local housing and management authorities only for use to provide housing assistance under this title for nonelderly disabled families (including such families relocating pursuant to designation of a public housing development under section 227 and other nonelderly disabled families who have applied to the authority for housing assistance under this title).

(B) WELFARE AND HOMELESS FAMILIES.—The Secretary shall provide amounts made available under paragraph (1)(B) to local housing and management authorities only for use to provide housing assistance under this title for, as determined by the Secretary, the following families:

(i) Families participating in programs that link housing assistance to State and local welfare reform strategies for the purposes of assisting families making the transition from welfare to work and empowering families to choose housing in locations that offer the best access to jobs, education, training, and other services needed to achieve long-term self-sufficiency.

(ii) Homeless families with children.

(iii) Other eligible families.

(3) ALLOCATION OF AMOUNTS.—The Secretary shall allocate and provide amounts made available under paragraph (1) to local housing and management authorities as the Secretary determines appropriate based on the relative levels of need among the authorities for assistance for families described in subparagraphs (A) and (B) of paragraph (2) and such other relevant factors as the Secretary deems appropriate.

The CHAIRMAN. Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentleman from Massachusetts [Mr. KENNEDY] and a Member opposed will each control 5 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment deals with what I think is a critical shortage, and I am sure the gentleman from New York [Mr. LAZIO], my friend and chairman of the committee, will agree that there is an unprecedented aspect of this bill which we have not discussed as yet, and that is that this is the first time in some 15 years that we have zeroed out or limited the number of new vouchers that will be provided for by our Government to the people in greatest need.

Mr. Chairman, we have had so much debate over the course of the last several years about how we are going to help people transition from welfare to work. The truth of the matter is if we are really interested in getting people out of welfare and into work, we have to recognize that we are going to need to deal with some short-term housing needs.

This amendment would provide for those short-term housing needs by virtue of a $195 million allocation for welfare and homeless families where they are involved solely in programs linking work and welfare, and/or other homeless families with children that would qualify.

This tries to deal with the fact that if we simply level off the number of Section 8 vouchers that we are providing, and do not take into account the fact that there are now many more people that are going to need those vouchers, particularly if they are in a transition from welfare to work, that we give rhetoric to the whole idea of the transition but we do not put the dollars that are necessary to fulfill the hopes and dreams of people that actually want to get off of the welfare system and get back into full-fledged American society in the sense of being able to participate and being able to go out and make some money and have a self-sustaining home and family life.

So, Mr. Chairman, I would hope that we could have an agreement. I fully recognize that trying to get an additional authorization of appropriations of $50 million for locating the elderly and the nonelderly and tenants dislocated because of project changes that we have talked about that might occur as a result of the over 30,000 units that are going to be destroyed because of the flexibilities that we are building into this bill, it would be very difficult to actually obtain given the make up of the House of Representatives and the fact that we have seen the housing budget of the country cut by 25 percent.

So, trying to actually get more money in this bill is probably a very difficult thing. If we offered an amendment and called for a vote, the truth of the matter is we would probably lose it. But I would like to enter into a dialog with my good friend and chairman, the gentleman from New York [Mr. LAZIO], with the hopes that he would commit himself in the conference that will be generated between this body and the other body to make certain that we try to leverage as many new Section 8 vouchers as we possibly can.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, as the gentleman has suggested, we have actually in our bill allowed for the issuance or the authorization for the issuance of new vouchers over and above those that currently exist and those that get turned in. We authorize the issuance of further vouchers.

Mr. Chairman, as we go through the conference process, I would assure the gentleman that I will continue to support strongly the authority for new incremental vouchers, and I will also support that through the budget process wherever possible.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, I appreciate the gentleman's offer. I point out that we are holding out the promise of being able to transition from welfare to work. If all we do is give the promise without the necessary dollars to actually allow people to get out of public housing and get back on track, then it is a false hope and we end up destroying lives rather than helping to improve them.

So, Mr. Chairman, I look forward to working with the gentleman from New York.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there other amendments to title III?

AMENDMENT NO. 32 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I ask unanimous consent that it now be in order to consider amendment No. 32, without prejudice to other amendments in title III.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio:

There was no objection.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 32 offered by Mr. TRAFICANT: At the end of title V of the bill, insert the following new section:

SEC. 504. USE OF AMERICAN PRODUCTS.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

The CHAIRMAN. Pursuant to the unanimous-consent agreement of May 8, 1996, the gentleman from Ohio [Mr. TRAFICANT] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentleman from Ohio [Mr. TRAFICANT].

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Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

This is a straightforward amendment, buy American amendment. If we are going to get people off welfare and into work, there is only one way to do it. That is to create a few jobs. If the products are made in America by American workers who get a paycheck, who pay taxes, that is a pretty good way and a pretty good start to doing it. This is not a fancy amendment, but in our housing programs they buy sinks, they buy toilets. They buy plumbing materials. They buy electrical supplies. There is an awful lot of procurement.

And for the Members of the House to understand something, it came to my attention just this week, that certain legislative offices here at the Capitol got brand new televisions that were made in Malaysia. The question I have is, how many people in Malaysia pay taxes to Uncle Sam?

I am for all of this internationalism. I am hoping that we will pass H.R. 447, the 1-800 buy America program that whenever any citizen is going to make a purchase over $250, they could call that buy American number and say, what product is made in America. Hopefully there will be some products made in America. There will be some jobs. I appreciate the fact no one objected to this being taken out of order. I would ask that it be included in the bill and saved in the conference.

I yield to the gentleman from New York [Mr. LAZIO], a good friend doing a good job on this tough bill.

Mr. LAZIO of New York. Mr. Chairman, beam me up, Scottie. We would not have an American housing bill without a buy American amendment by my friend, the gentleman from Ohio. I want to say that I am happy to support the gentleman's amendment, urge its adoption, thank the gentleman for coming to the floor, continuing to remind us of the buy American pattern.

I hope Americans that are watching this continue to stay focused on buying American goods wherever possible and that we encourage that in our public and assisted housing as well.

Mr. TRAFICANT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Is there a Member seeking time in opposition to the amendment?

If not, the question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title III?

AMENDMENT NO. 6 OFFERED BY MR. FILNER

Mr. FILNER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. FILNER:

Page 170, after line 3, insert the following new section:

SEC. 330. ASSISTANCE FOR RENTAL OF MANUFACTURED HOMES.

(a) AUTHORITY.—Nothing in this title may be construed to prevent a local housing and management authority from providing housing assistance under this title on behalf of a low-income family for the rental of—

(1) a manufactured home that is the principal residence of the family and the real property on which the home is located; or

(2) the real property on which is located a manufactured home, which is owned by the family and is the principal residence of the family.

(b) ASSISTANCE FOR CERTAIN FAMILIES OWNING MANUFACTURED HOMES.—

(1) AUTHORITY.—Notwithstanding section 351 or any other provision of this title, a local housing and management authority that receives amounts under a contract under section 302 may enter into a housing assistance payment contract to make assistance payments under this title to a family that owns a manufactured home, but only as provided in paragraph (2).

(2) LIMITATIONS.—In the case of a low-income family that owns a manufactured home, rents the real property on which it is located, and to whom housing assistance under this title has been made available for the rental of such property, the local housing and management authority making such assistance available shall enter into a contract to make housing assistance payments under this title directly to the family (rather than to the owner of such real property) if—

(1) the owner of the real property refuses to enter into a contract to receive housing assistance payments pursuant to section 351(a);

(2) the family was residing in such manufactured home on such real property at the time such housing assistance was initially made available on behalf of the family;

(3) the family provides such assurances to the agency, as the Secretary may require, to ensure that amounts from the housing assistance payments are used for rental of the real property; and

(4) the rental of the real property otherwise complies with the requirements for assistance under this title.

A contract pursuant to this subsection shall be subject to the provisions of section 351 and any other provisions applicable to housing assistance payments contracts under this title, except that the Secretary may provide such exceptions as the Secretary considers appropriate to facilitate the provision of assistance under this subsection.

The CHAIRMAN. Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentleman from California [Mr. FILNER] and a Member opposed will each control 5 minutes.

The Chair recognizes the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Chairman, I yield myself such time as I may consume.

My amendment could be called the mobile homeowners protection amendment, because it calls for fairness and equity for thousands of our citizens who live in mobile homes. Currently, as you know, housing assistance payments are made to landlords of rental property, not to the tenants. And in most cases, this makes sense. For example, an apartment renter having received a housing assistance payment could move without using the money for rent. But we have a very unique situation with residents of mobile homes. Most own their own home and rent the land on which it sits.

Contrary to the name, mobile home, they are really not free to move quickly. It is both laborious and expensive to do so. For example, in San Diego County, where many of my constituents live in mobile homes, it costs a minimum of $10,000 to move a mobile home.

In fact, in San Diego County, they can barely move at all because there are very few empty spaces and they are held captive to the whims of the park owners from whom they rent a space to park their homes.

Mr. Chairman, when park owners decide they will not accept housing assistance payments, the mobile home residents are stuck because the law says their participation is voluntary and there is nothing that the department of HUD can do to force owners to accept payments for residents.

In fact, recently HUD told a couple of my constituents who had section 8 eligibility whose park owner would not accept it, just move. Well, as I have said before, they cannot move.

So my amendment will fix that. It is a simple change in the law which will allow housing assistance payments to go to the tenants of mobile home parks, the people who must rent their land upon which to put their mobile home. This amendment will not increase costs. It will not force mobile home park residents to accept new residents because mobile home residents who qualify for rental assistance do so because they have either grown older or become disabled. They are already residents of these mobile home parks by my amendment.

This amendment will provide fairness to our citizens who need housing assistance and who live in mobile home parks.

Mr. Chairman, that explains the amendment. If there are any questions or comments from the honorable chairman, I would be happy to answer them.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FILNER. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I know the gentleman refers to what is referred to as a mobile home, but this amendment is far broader than just mobile home. In fact, manufactured homes these days, a combination of prefabricated homes in a number of different styles, are increasingly attractive, and I know the gentleman from Indiana, my friend, Mr. ROEMER, would be quick to suggest to me that manufactured homes are not just mobile homes as well as other Members. I think this is a good amendment. I appreciate the gentleman's cooperation, working with both me personally and our staff. I am happy to accept and support this amendment.

Mr. FILNER. Mr. Chairman, I thank the gentleman. I appreciate the correct terminology here and certainly that is what my amendment uses.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Does any Member seek time in opposition to the amendment?

If not, the question is on the amendment offered by the gentleman from California [Mr. FILNER].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES

Subtitle A—Housing Foundation and Accreditation Board

SEC. 401. ESTABLISHMENT.

There is established an independent agency in the executive branch of the Government to be known as the Housing Foundation and Accreditation Board (in this title referred to as the "Board").

SEC. 402. MEMBERSHIP.

(a) IN GENERAL.—The Board shall be composed of 12 members appointed by the President not later than 180 days after the date of the enactment of this Act, as follows:

(1) 4 members shall be appointed from among 10 individuals recommended by the Secretary of Housing and Urban Development.

(2) 4 members shall be appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) 4 members appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking and Financial Services of the House of Representatives.

(b) QUALIFICATIONS.—

(1) REQUIRED REPRESENTATION.—The Board shall at all times have the following members:

(A) 2 members who are residents of public housing or dwelling units assisted under title III of this Act or the provisions of section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(B) 2 members who are executive directors of local housing and management authorities.

(C) 1 member who is a member of the Institute of Real Estate Managers.

(D) 1 member who is the owner of a multifamily housing project assisted under a program administered by the Secretary of Housing and Urban Development.

(2) REQUIRED EXPERIENCE.—The Board shall at all times have as members individuals with the following experience:

(A) At least 1 individual who has extensive experience in the residential real estate finance business.

(B) At least 1 individual who has extensive experience in operating a nonprofit organization that provides affordable housing.

(C) At least 1 individual who has extensive experience in construction of multifamily housing.

(D) At least 1 individual who has extensive experience in the management of a community development corporation.

A single member of the board with the appropriate experience may satisfy the requirements of more than 1 subparagraph of this paragraph. A single member of the board with the appropriate qualifications and experience may satisfy the requirements of a subparagraph of paragraph (1) and a subparagraph of this paragraph.

(c) POLITICAL AFFILIATION.—Not more than 6 members of the Board may be of the same political party.

(d) TERMS.—

(1) IN GENERAL.—Each member of the Board shall be appointed for a term of 4 years, except as provided in paragraphs (2) and (3).

(2) TERMS OF INITIAL APPOINTEES.—As designated by the President at the time of appointment, of the members first appointed—

(A) 3 shall be appointed for terms of 1 year;

(B) 3 shall be appointed for terms of 2 years;

(C) 3 shall be appointed for terms of 3 years; and

(D) 3 shall be appointed for terms of 4 years;

(3) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made.

(e) CHAIRPERSON.—The Board shall elect a chairperson from among members of the Board.

(f) QUORUM.—A majority of the members of the Board shall constitute a quorum for the transaction of business.

(g) VOTING.—Each member of the Board shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Board.

(h) PROHIBITION ON ADDITIONAL PAY.—Members of the Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board.

SEC. 403. FUNCTIONS.

The purpose of this subtitle is to establish the Board as a nonpolitical entity to carry out the following functions:

(1) EVALUATION OF DEEP SUBSIDY PROGRAMS.—Measuring the performance and efficiency of all "deep subsidy" programs for housing assistance administered by the Secretary of Housing and Urban Development, including the public housing program under title II and the programs for tenant- and project-based rental assistance under title III and section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(2) ESTABLISHMENT OF LHMA PERFORMANCE BENCHMARKS.—Establishing standards and guidelines under section 431 for use by the Secretary in measuring the performance and efficiency of local housing and management authorities and other owners and providers of federally assisted housing in carrying out operational and financial functions.

(3) ACCREDITATION OF LHMA'S.—Establishing a procedure under section 431(b) for accrediting local housing and management authorities to receive block grants under title I for the operation, maintenance, and production of public housing, ensuring that financial and performance audits under such section are conducted annually for each local housing and management authority, and reviewing such audits for purposes of accreditation.

(4) CLASSIFICATION OF LHMA'S.—Classifying local housing and management authorities, under to section 434, according to the performance categories under section 431(a)(2).

SEC. 404. INITIAL ESTABLISHMENT OF STANDARDS AND PROCEDURES FOR LHMA COMPLIANCE.

(a) DEADLINE.—Not later than the expiration of the 12-month period beginning upon the completion of the appointment, under section 402, of the initial members of the Board, the Board shall organize its structure and operations, establish the standards, guidelines, and procedures under sections 431, and establish any fees under section 406. Before issuing such standards, guidelines, and procedures in final form, the Board shall submit a copy to the Congress.

(b) PRIORITY OF INITIAL EVALUATIONS.—After organization of the Board and establishment of standards, guidelines, and procedures under sections 431, the Board shall commence evaluations under section 433(b) for the purpose of accrediting local housing and management authorities and shall give priority to conducting evaluations of local housing and management authorities that are designated as troubled public housing agencies under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) pursuant to section 431(d).

SEC. 405. POWERS.

(a) HEARINGS.—The Board may, for the purpose of carrying out this subtitle, hold such hearings and sit and act at such times and places as the Board determines appropriate.

(b) RULES AND REGULATIONS.—The Board may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Board may secure directly from any department or agency of the Federal Government such information as the Board may require for carrying out its functions, including local housing management plans submitted to the Secretary by local housing and management authorities under title II. Upon request of the Board, any such department or agency shall furnish such information. The Board may acquire information directly from local housing and management authorities to the same extent the Secretary may acquire such information.

(2) GENERAL SERVICES ADMINISTRATION.—The Administrator of General Services shall provide to the Board, on a reimbursable basis, such administrative support services as the Board may request.

(3) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—Upon the request of the chairperson of the Board, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary, detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Board in carrying out its functions under this subtitle.

(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Board may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Board to discharge its functions under this subtitle.

(f) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Board shall appoint an executive director of the Board, who shall be compensated at a rate fixed by the Board, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) OTHER PERSONNEL.—In addition to the executive director, the Board may appoint and fix the compensation of such personnel as the Board considers necessary, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates. Such personnel may include personnel for assessment teams under section 431(b).

SEC. 406. FEES.

(a) ACCREDITATION FEES.—The Board may establish and charge fees for the accreditation of local housing and management authorities as the Board considers necessary to cover the costs of the operations of the Board relating to establishing standards, guidelines, and procedures for evaluating the performance of local housing and management authorities and performing comprehensive reviews relating to the accreditation of such authorities.

(b) FUND.—Any fees collected under this section shall be deposited in an operations fund for the Board, which is hereby established in the Treasury of the United States. Amounts in such fund shall be available, to the extent provided in appropriation Acts, for the expenses of the Board in carrying out its functions under this subtitle.

SEC. 407. REPORTS.

The Board shall submit a report to the Congress annually describing, for the year for which the report is made—

(1) any modifications made by the Board to the standards, guidelines, and procedures issued under section 431 by the Board;

(2) the results of the assessments, reviews, and evaluations conducted by the Board under subtitle B;

(3) the types and extent of assistance, information, and products provided by the Board; and

(4) any other activities of the Board.

Subtitle B—Accreditation and Oversight Standards and Procedures

SEC. 431. ESTABLISHMENT OF PERFORMANCE BENCHMARKS AND ACCREDITATION PROCEDURES.

(a) PERFORMANCE BENCHMARKS.—

(1) PERFORMANCE AREAS.—The Housing Foundation and Accreditation Board established under section 401 (in this subtitle referred to as the "Board") shall establish standards and guidelines, for use under section 434, to measure the performance of local housing and management authorities in all aspects relating to—

(A) operational and financial functions;

(B) providing, maintaining, and assisting low-income housing—

(i) that is safe, clean, and healthy, as required under sections 232 and 328;

(ii) in a manner consistent with the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act, if appropriate;

(iii) that is occupied by eligible families; and

(iv) that is affordable to eligible families;

(C) producing low-income housing and executing capital projects, if applicable;

(D) administering the provision of housing assistance under title III;

(E) accomplishing the goals and plans set forth in the local housing management plan for the authority;

(F) promoting responsibility and self-sufficiency among residents of public housing developments of the authority and assisted families under title III; and

(G) complying with the other requirements of the authority under block grant contracts under title II, grant agreements under title III, and the provisions of this Act.

(2) PERFORMANCE CATEGORIES.—In establishing standards and guidelines under this section, the Board shall define various levels of performance, which shall include the following levels:

(A) EXCEPTIONALLY WELL-MANAGED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as exceptionally well-managed, which shall indicate that the authority functions exceptionally.

(B) WELL-MANAGED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as well-managed, which shall indicate that the authority functions satisfactorily.

(C) AT RISK OF BECOMING TROUBLED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as at risk of becoming troubled, which shall indicate that there are elements in the operations, management, or functioning of the authority that must be addressed before they result in serious and complicated deficiencies.

(D) TROUBLED.—A minimum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as a troubled authority, which shall indicate that the authority functions unsatisfactorily with respect to certain areas under paragraph (1), but such deficiencies are not irreparable.

(E) DYSFUNCTIONAL.—A maximum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as dysfunctional, which shall indicate that the authority suffers such deficiencies that the authority should not be allowed to continue to manage low-income housing or administer housing assistance.

(3) ACCREDITATION STANDARD.—In establishing standards and guidelines under this section, the Board shall establish a minimum acceptable level of performance for accrediting a local housing and management authority for purposes of authorizing the authority to enter into a new block grant contract under title II or a new grant agreement under title III.

(b) ACCREDITATION PROCEDURE.—The Accreditation Board shall establish procedures for—

(1) reviewing the performance of a local housing and management authority over the term of the expiring accreditation, which review shall be conducted during the 12-month period that ends upon the conclusion of the term of the expiring accreditation;

(2) evaluating the capability of a local housing and management authority that proposes to enter into an initial block grant contract under title II or an initial grant agreement under title III; and

(3) determining whether the authority complies with the standards and guidelines for accreditation established under subsection (a)(3).

The procedures for a review or evaluation under this subsection shall provide for the review or evaluation to be conducted by an assessment team established by the Board, which shall review annual financial and performance audits conducted under section 432 and obtain such information as the Board may require.

(c) IDENTIFICATION OF POTENTIAL PROBLEMS.—The standards and guidelines under subsection (a) and the procedure under subsection (b) shall be established in a manner designed to identify potential problems in the operations, management, functioning of local housing and management authorities at a time before such problems result in serious and complicated deficiencies.

(d) INTERIM APPLICABILITY OF PHMAP.—Notwithstanding any other provision of this subtitle, during the period that begins on the date of the enactment of this Act and ends upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under this section and section 432, the Secretary shall assess the management performance of local housing and management authorities in the same manner provided for public housing agencies pursuant to section 6(j) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) and may take actions with respect to local housing and management authorities that are authorized under such section with respect to public housing agencies.

SEC. 432. ANNUAL FINANCIAL AND PERFORMANCE AUDIT.

(a) REQUIREMENT.—The Secretary shall require each local housing and management authority that receives grant amounts under this Act in a fiscal year to have a financial and performance audit of the authority conducted for the fiscal year and to submit the results of the audit to the Secretary and the Board. Not later than 60 days before submitting a financial and performance audit to the Secretary and the Board, the local housing and management authority shall submit the audit to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and comment. Any such comments shall be submitted, together with the audit, to the Secretary and the Board and the Secretary and the Board shall consider such comments in reviewing the audit.

(b) PROCEDURES.— The requirements for financial and performance audits shall—

(1) provide for the audit to be conducted by an independent auditor selected by the authority;

(2) authorize the auditor to obtain information from a local housing and management authority, to access any books, documents, papers, and records of an authority that are pertinent to this Act and assistance received pursuant to this Act, and to review any reports of an authority to the Secretary; and

(3) be designed to identify potential problems in the operations, management, functioning of a local housing and management authority at a time before such problems result in serious and complicated deficiencies.

(c) PURPOSE.—Audits under this section shall be designed to—

(1) evaluate the financial performance and soundness and management performance of the local housing and management authority board of directors (or other similar governing body) and the authority management officials and staff;

(2) assess the compliance of an authority with all aspects of the standards and guidelines established under section 431(a)(1); and

(3) provide information to the Secretary and the Board regarding the financial performance and management of the authority and to determine whether a review under section 225(d) or 353(c) is required.

(d) SINGLE AUDIT ACT COMPLIANCE.—An audit under this section shall be made in a manner so that the audit complies with the requirements for audits under chapter 75 of title 31, United States Code.

(e) WITHHOLDING OF AMOUNTS FOR COSTS OF AUDIT.—If the Secretary determines that a local housing and management authority has failed to take the actions required to submit an audit under this section for a fiscal year, the Secretary may—

(1) arrange for, and pay the costs of, the audit; and

(2) withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit, including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit.

SEC. 433. ACCREDITATION.

(a) REVIEW UPON EXPIRATION OF PREVIOUS ACCREDITATION.—The Accreditation Board shall perform a comprehensive review of the performance of a local housing and management authority, in accordance with the procedures established under section 431(b), before the expiration of the term for which a previous accreditation was granted under this subtitle.

(b) INITIAL EVALUATION.—

(1) IN GENERAL.—Before entering into an initial block grant contract under title II or an initial contract pursuant to section 302 for assistance under title III with any local housing and management authority, the Board shall conduct a comprehensive evaluation of the capabilities of the local housing and management authority.

(2) EXCEPTION.—Paragraph (1) shall not apply to an initial block grant contract or grant agreement entered into during the period beginning upon the date of the enactment of this Act and ending upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under section 431 with any public housing agency that received amounts under the United States Housing Act of 1937 during fiscal year 1995.

(c) DETERMINATION AND REPORT.—Pursuant to a review or evaluation under this section, the Board shall determine whether the authority meets the requirements for accreditation under section 431(a)(3), shall accredit the authority if it meets such requirements, and shall submit a report on the results of the review or evaluation and such determination to the Secretary and the authority.

(d) ACCREDITATION.—An accreditation under this section shall expire at the end the term established by the Board in granting the accreditation, which may not exceed 5 years. The Board may qualify an accreditation placing conditions on the accreditation based on the future performance of the authority.

SEC. 434. CLASSIFICATION BY PERFORMANCE CATEGORY.

Upon completing the accreditation process under section 433 with respect to a local housing and management authority, the Housing Finance and Accreditation Board shall designate the authority according to the performance categories under section 431(a)(2). In determining the classification of an authority, the Board shall consider the most recent financial and performance audit under section 432 of the authority and accreditation reports under section 433(c) for the authority.

SEC. 435. PERFORMANCE AGREEMENTS FOR AUTHORITIES AT RISK OF BECOMING TROUBLED.

(a) IN GENERAL.—Upon designation of a local housing and management authority as at risk of becoming troubled under section 431(a)(2)(C), the Secretary shall seek to enter into an agreement with the authority providing for improvement of the elements of the authority that have been identified. An agreement under this section shall contain such terms and conditions as the

Secretary determines are appropriate for addressing the elements identified, which may include an on-site, independent assessment of the management of the authority.

(b) POWERS OF SECRETARY.—If the Secretary determines that such action is necessary to prevent the local housing and management authority from becoming a troubled authority, the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which may be selected by existing tenants through administrative procedures established by the Secretary), to prepare for any case in which such agents may be needed for managing all, or part, of the housing administered by the authority; or

(2) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction management, to prepare for any case in which such authorities or firms may be needed to oversee implementation of assistance made available for capital improvement for public housing of the authority.

SEC. 436. PERFORMANCE AGREEMENTS AND CDBG SANCTIONS FOR TROUBLED LHMA'S.

(a) IN GENERAL.—Upon designation of a local housing and management authority as a troubled authority under section 431(a)(2)(D), the Secretary shall seek to enter into an agreement with the authority providing for improving the management performance of the authority.

(b) CONTENTS.—An agreement under this section between the Secretary and a local housing and management authority shall set forth—

(1) targets for improving performance, as measured by the guidelines and standards established under section 431(a)(1) and other requirements within a specified period of time, which shall include targets to be met upon the expiration of the 12-month period beginning upon entering into the agreement;

(2) strategies for meeting such targets;

(3) sanctions for failure to implement such strategies; and

(4) to the extent the Secretary deems appropriate, a plan for enhancing resident involvement in the management of the local housing and management authority.

(c) LOCAL ASSISTANCE IN IMPLEMENTATION.—The Secretary and the local housing and management authority shall, to the maximum extent practicable, seek the assistance of local public and private entities in carrying out an agreement under this section.

(d) DEFAULT UNDER PERFORMANCE AGREEMENT.—Upon the expiration of the 12-month period beginning upon entering into an agreement under this section with a local housing and management authority, the Secretary shall review the performance of the authority in relation to the performance targets and strategies under the agreement. If the Secretary determines that the authority has failed to comply with the performance targets established for the expiration of such period, the Secretary shall take the action authorized under section 437(b)(2).

(e) CDBG SANCTION AGAINST LOCAL GOVERNMENT CONTRIBUTING TO TROUBLED STATUS OF LHMA.—If the Secretary determines that the actions or inaction of any unit of general local government within which any portion of the jurisdiction of a local housing and management authority is located has substantially contributed to the conditions resulting in the authority being designated under section 431(a)(2)(D) as a troubled authority, the Secretary may redirect or withhold, from such unit of general local government any amounts allocated for such unit under section 106 of such Act.

SEC. 437. OPTION TO DEMAND CONVEYANCE OF TITLE TO OR POSSESSION OF PUBLIC HOUSING.

(a) AUTHORITY FOR CONVEYANCE.—A contract under section 201 for block grants under title II (including contracts which amend or supersede contracts previously made (including contracts for contributions)) may provide that upon the occurrence of a substantial default with respect to the covenants or conditions to which the local housing and management authority is subject (as such substantial default shall be defined in such contract) or upon designation of the authority as dysfunctional pursuant to section 431(a)(2)(E), the local housing and management authority shall be obligated, at the option of the Secretary, to—

(1) convey title in any case where, in the determination of the Secretary (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this Act; or

(2) deliver to the Secretary possession of the development, as then constituted, to which such contract relates.

(b) OBLIGATION TO RECONVEY.—Any block grant contract under title II containing the provisions authorized in subsection (a) shall also provide that the Secretary shall be obligated to reconvey or redeliver possession of the development, as constituted at the time of reconveyance or redelivery, to such local housing and management authority or to its successor (if such local housing and management authority or a successor exists) upon such terms as shall be prescribed in such contract, and as soon as practicable after—

(1) the Secretary is satisfied that all defaults with respect to the development have been cured, and that the development will, in order to fulfill the purposes of this Act, thereafter be operated in accordance with the terms of such contract; or

(2) the termination of the obligation to make annual block grants to the authority, unless there are any obligations or covenants of the authority to the Secretary which are then in default.

Any prior conveyances and reconveyances or deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the development to the Secretary pursuant to subsection (a) upon the subsequent occurrence of a substantial default.

(c) CONTINUED GRANTS FOR REPAYMENT OF BONDS AND NOTES UNDER 1937 ACT.—If—

(1) a contract for block grants under title II for an authority includes provisions that expressly state that the provisions are included pursuant to this subsection, and

(2) the portion of the block grant payable for debt service requirements pursuant to the contract has been pledged by the local housing and management authority as security for the payment of the principal and interest on any of its obligations, then—

(A) the Secretary shall (notwithstanding any other provisions of this Act), continue to make the block grant payments for the authority so long as any of such obligations remain outstanding; and

(B) the Secretary may covenant in such a contract that in any event such block grant amounts shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the development for the purpose at the time such block grant payments are made, will suffice for the payment of all installments of principal and interest on the obligations for which the amounts provided for in the contract shall have been pledged as security that fall due within the next succeeding 12 months.

In no case shall such block grant amounts be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.

SEC. 438. REMOVAL OF INEFFECTIVE LHMA'S.

(a) CONDITIONS OF REMOVAL.—The actions specified in subsection (b) may be taken only upon—

(1) the occurrence of events or conditions that constitute a substantial default by a local housing and management authority with respect to (A) the covenants or conditions to which the local housing and management authority is subject, or (B) an agreement entered into under section 435;

(2) designation of the authority as dysfunctional pursuant to section 431(a)(2)(E);

(3) in the case only of action under subsection (b)(1), failure of a local housing and management authority to obtain reaccreditation upon the expiration of the term of a previous accreditation granted under this subtitle; or

(4) submission to the Secretary of a petition by the residents of the public housing owned or operated by a local housing and management authority that is designated as troubled or dysfunctional pursuant to section 431(a)(2).

(b) REMOVAL ACTIONS.—Notwithstanding any other provision of law or of any block grant contract under title II or any grant agreement under title III, in accordance with subsection (a), the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which, in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary) and, if appropriate, provide for such agents to manage all, or part, of the housing administered by the local housing and management authority or all or part of the other functions of the authority;

(2) take possession of the local housing and management authority, including any developments or functions of the authority under any section of this Act;

(3) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction management and, if appropriate, provide for such authorities or firms to oversee implementation of assistance made available for capital improvements for public housing;

(4) require the authority to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and assisted families under title III for managing all, or part of, the public housing administered by the authority or the functions of the authority; or

(5) if the Secretary determines that reasonable opportunities for remedy using the actions under paragraphs (1) through (4) have failed or are not available, petition for the appointment of a receiver for the local housing and management authority to any district court of the United States or to any court of the State in which any portion of the jurisdiction of the local housing and management authority is located, that is authorized to appoint a receiver for the purposes and having the powers prescribed in this section.

(c) EMERGENCY ASSISTANCE.—The Secretary may make available to receivers and other entities selected or appointed pursuant to this section such assistance as is fair and reasonable to remedy the substantial deterioration of living conditions in individual public housing developments or other related emergencies that endanger the health, safety and welfare of public housing residents or assisted families under title III.

(d) POWERS OF SECRETARY.—If the Secretary takes possession of an authority, or any developments or functions of an authority, pursuant to subsection (b)(2), the Secretary—

(1) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification;

(2) may demolish and dispose of assets of the authority in accordance with subtitle E;

(3) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities;

(4) may consolidate the authority into other well-managed local housing and management authorities with the consent of such well-managed authorities;

(5) shall not be subject to any State or local laws that, in the determination of the receiver, substantially impede correction of the substantial default or improvement of the classification; and

(6) shall have such additional authority as a district court of the United States has the authority to confer under like circumstances upon a receiver to achieve the purposes of the receivership.

The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the Secretary's responsibility under this paragraph for the administration of a local housing and management authority. The Secretary may delegate to the administrative receiver any or all of the powers of the Secretary under this subsection. Regardless of any delegation under this subsection, an administrative receiver may not require the establishment of one or more new local housing and management authorities pursuant to paragraph (3) unless the Secretary first approves such establishment. For purposes of this subsection, the term "local housing and management authority" includes any developments or functions of a local housing and management authority under any section of this title.

(e) RECEIVERSHIP.—

(1) REQUIRED APPOINTMENT.—In any proceeding under subsection (b)(5), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the local housing and management authority in a manner consistent with this Act and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another local housing and management authority, a private management corporation, the Secretary, or any other appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

(2) POWERS OF RECEIVER.—If a receiver is appointed for a local housing and management authority pursuant to subsection (b)(5), in addition to the powers accorded by the court appointing the receiver, the receiver—

(A) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification;

(B) may demolish and dispose of assets of the authority in accordance with subtitle E;

(C) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities, to the extent permitted by State and local law; and

(D) except as provided in subparagraph (C), shall not be subject to any State or local laws that, in the determination of the receiver, substantially impede correction of the substantial default or improvement of the classification.

For purposes of this paragraph, the term "local housing and management authority" includes any developments or functions of a local housing and management authority under any section of this title.

(3) TERMINATION.—The appointment of a receiver pursuant to this subsection may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the local housing and management authority will be able to make the same amount of progress in correcting the management of the housing as the receiver.

(f) LIABILITY.—If the Secretary takes possession of an authority pursuant to subsection (b)(2) or a receiver is appointed pursuant to subsection (b)(5) for a local housing and management authority, the Secretary or the receiver shall be deemed to be acting in the capacity of the local housing and management authority (and not in the official capacity as Secretary or other official) and any liability incurred shall be a liability of the local housing and management authority.

SEC. 439. MANDATORY TAKEOVER OF CHRONICALLY TROUBLED PHA'S.

(a) REMOVAL OF AGENCY.—Notwithstanding any other provision of this Act, not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary shall take one of the following actions with respect to each chronically troubled public housing agency:

(1) CONTRACTING FOR MANAGEMENT.—Solicit competitive proposals for the management of the agency pursuant to section 437(b)(1) and replace the management of the agency pursuant to selection of such a proposal.

(2) TAKEOVER.—Take possession of the agency pursuant to section 437(b)(2) of such Act.

(b) DEFINITION.—For purposes of this section, the term "chronically troubled public housing agency" means a public housing agency that, as of the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency and has been so designated continuously for the 3-year period ending upon such date of enactment; except that such term does not include any agency that owns or operates less than 1250 public housing dwelling units and that the Secretary determines can, with a reasonable amount of effort, make such improvements or remedies as may be necessary to remove its designation as troubled within 12 months.

SEC. 440. TREATMENT OF TROUBLED PHA'S.

(a) EFFECT OF TROUBLED STATUS ON CHAS.—The comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the first year beginning after the date of the enactment of this Act for the State or unit of general local government in which any troubled public housing agency is located shall not be considered to comply with the requirements under section 105 of the Cranston-Gonzalez National Affordable Housing Act unless such plan includes a description of the manner in which the State or unit will assist such troubled agency in improving its operations to remove such designation.

(b) DEFINITION.—For purposes of this section, the term "troubled public housing agency" means a public housing agency that—

(1) upon the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency; and

(2) is not a chronically troubled public housing agency, as such term is defined in section 438(b) of this Act.

SEC. 441. MAINTENANCE OF AND ACCESS TO RECORDS.

(a) KEEPING OF RECORDS.—Each local housing and management authority shall keep such records as may be reasonably necessary to disclose the amount and the disposition by the authority of the proceeds of assistance received pursuant to this Act and to ensure compliance with the requirements of this Act.

(b) ACCESS TO DOCUMENTS.—The Secretary, the Inspector General for the Department of Housing and Urban Development, and the Comptroller General of the United States shall each have access for the purpose of audit and examination to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

SEC. 442. ANNUAL REPORTS REGARDING TROUBLED LHMA'S.

The Secretary shall submit a report to the Congress annually, as a part of the report of the Secretary under section 8 of the Department of Housing and Urban Development Act, that—

(1) identifies the local housing and management authorities that are designated as troubled or dysfunctional under section 431(a)(2) and the reasons for such designation;

(2) identifies the local housing and management authorities that have lost accreditation pursuant to section 432; and

(3) describes any actions that have been taken in accordance with sections 433, 434, 435, and 436.

SEC. 443. APPLICABILITY TO RESIDENT MANAGEMENT CORPORATIONS.

The Secretary shall apply the provisions of this subtitle to resident management corporations in the same manner as applied to local housing and management authorities.

SEC. 444. INAPPLICABILITY TO INDIAN HOUSING.

The provisions of sections 431, 432, 433, 434, 435, 436, 438, and 442 shall not apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

The CHAIRMAN. Are there amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—REPEALS AND CONFORMING AMENDMENTS

SEC. 501. REPEALS.

(a) IN GENERAL.—The following provisions of law are hereby repealed:

(1) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.).

(2) ASSISTED HOUSING ALLOCATION.—Section 213 of the Housing and Community Development Act of 1974 (42 U.S.C. 1439).

(3) PUBLIC HOUSING RENT WAIVERS FOR POLICE.—Section 519 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437a–1).

(4) OCCUPANCY PREFERENCES AND INCOME MIX FOR NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION PROJECTS.—Subsection (c) of section 545, and section 555, of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(5) TREATMENT OF CERTIFICATE AND VOUCHER HOLDERS.—Subsection (c) of section 183 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(6) RETROACTIVE PAYMENT FOR ANNUAL ADJUSTMENT FACTORS.—Section 801 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 1437f note).

(7) EXCESSIVE RENT BURDEN DATA.—Subsection (b) of section 550 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(8) SECTION 8 DISASTER RELIEF.—Sections 931 and 932 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note).

(9) MOVING TO OPPORTUNITY FOR FAIR HOUSING.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(10) REPORT REGARDING FAIR HOUSING OBJECTIVES.—Section 153 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(11) SECTION 8 COMMUNITY INVESTMENT DEMONSTRATION.—Section 6 of the HUD Demonstration Act of 1993 (42 U.S.C. 1437f note).

(12) SPECIAL PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES.—Section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438).

(13) ACCESS TO PHA BOOKS.—Section 816 of the Housing Act of 1954 (42 U.S.C. 1435).

(14) MISCELLANEOUS PROVISIONS.—Subsections (b)(1), (c), and (d) of section 326 of the Housing and Community Development Amendments of 1981 (Public Law 97–35, 95 Stat. 406; 42 U.S.C. 1437f note).

(15) PAYMENT FOR DEVELOPMENT MANAGERS.—Section 329A of the Housing and Community Development Amendments of 1981 (42 U.S.C. 1437j–1).

(16) PURCHASE OF PHA OBLIGATIONS.—Section 329E of the Housing and Community Development Amendments of 1981 (12 U.S.C. 2294a).

(17) PROCUREMENT OF INSURANCE BY PHA'S.—

(A) In the item relating to "ADMINISTRATIVE PROVISIONS" under the heading "MANAGEMENT AND ADMINISTRATION" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991, the penultimate undesignated paragraph of such item (Public Law 101–507; 104 Stat. 1369).

(B) In the item relating to "ADMINISTRATIVE PROVISIONS" under the heading "MANAGEMENT AND ADMINISTRATION" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992, the 19th through 23d undesignated paragraphs of such item (Public Law 102–139; 105 Stat. 758).

(18) PUBLIC HOUSING CHILDHOOD DEVELOPMENT.—Section 222 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z–6 note).

(19) INDIAN HOUSING CHILDHOOD DEVELOPMENT.—Section 518 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z–6 note).

(20) PUBLIC HOUSING COMPREHENSIVE TRANSITION DEMONSTRATION.—Section 126 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(21) PUBLIC HOUSING ONE-STOP PERINATAL SERVICES DEMONSTRATION.—Section 521 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note).

(22) PUBLIC HOUSING MINCS DEMONSTRATION.—Section 522 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(23) PUBLIC HOUSING ENERGY EFFICIENCY DEMONSTRATION.—Section 523 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437g note).

(24) OMAHA HOMEOWNERSHIP DEMONSTRATION.—Section 132 of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 stat. 3712).

(25) PUBLIC AND ASSISTED HOUSING YOUTH SPORTS PROGRAMS.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a).

(b) SAVINGS PROVISION.—The repeals made by subsection (a) shall not affect any legally binding obligations entered into before the date of the enactment of this Act. Any funds or activities subject to a provision of law repealed by subsection (a) shall continue to be governed by the provision as in effect immediately before such repeal.

SEC. 502. CONFORMING AND TECHNICAL PROVISIONS.

(a) ALLOCATION OF ELDERLY HOUSING AMOUNTS.—Section 202(l) of the Housing Act of 1959 (12 U.S.C. 1701q(l)) is amended by adding at the end the following new paragraph:

"(4) CONSIDERATION IN ALLOCATING ASSISTANCE.—Assistance under this section shall be allocated in a manner that ensures that the awards of the assistance are made for projects of sufficient size to accommodate facilities for supportive services appropriate to the needs of frail elderly residents.".

(b) ELIGIBILITY FOR ASSISTED HOUSING.—

(1) GENERAL.—Notwithstanding any other provision of law, for purposes of determining eligibility for admission to assisted housing, a person shall not be considered to have a disability or a handicap solely because of the prior or current illegal use of a controlled substance (as defined in section 102 of the Controlled Substances Act) or solely by reason of the prior or current use of alcohol.

(2) DEFINITION.—For purposes of this subsection, the term "assisted housing" means housing designed primarily for occupancy by elderly persons or persons with disabilities that is assisted pursuant to this Act, the United States Housing Act of 1937, section 221(d)(3) or 236 of the National Housing Act, section 202 of the Housing Act of 1959, section 101 of the Housing and Urban Development Act of 1965, or section 811 of the Cranston-Gonzalez National Affordable Housing Act.

(3) CONTINUED OCCUPANCY.—This subsection may not be construed to prohibit the continued occupancy of any person who is a resident in assisted housing on the date of enactment of this Act.

(c) AMENDMENT TO HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983.—Section 227(d)(2) of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701r–1(d)(2)) is amended by inserting "the United States Housing Act of 1996," after "the United States Housing Act of 1937,".

(d) REVIEW OF DRUG ELIMINATION PROGRAM CONTRACTS.—

(1) REQUIREMENT.—Notwithstanding the repeal under section 501(a)(26), the Secretary of Housing and Urban Development shall investigate all security contracts awarded by grantees under the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) that are public housing agencies that own or operate more than 4,500 public housing dwelling units—

(A) to determine whether the contractors under such contracts have complied with all laws and regulations regarding prohibition of discrimination in hiring practices;

(B) to determine whether such contracts were awarded in accordance with the applicable laws and regulations regarding the award of such contracts;

(C) to determine how many such contracts were awarded under emergency contracting procedures;

(D) to evaluate the effectiveness of the contracts; and

(E) to provide a full accounting of all expenses under the contracts.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the investigation required under paragraph (1) and submit a report to the Congress regarding the findings under the investigation. With respect to each such contract, the report shall (A) state whether the contract was made and is operating, or was not made or is not operating, in full compliance with applicable laws and regulations, and (B) for each contract that the Secretary determines is in such compliance in a personal certification of such compliance by the Secretary of Housing and Urban Development.

(3) ACTIONS.—For each contract that is described in the report under paragraph (2) as not made or not operating in full compliance with applicable laws and regulation, the Secretary of Housing and Urban Development shall promptly take any actions available under law or regulation that are necessary—

(A) to bring such contract into compliance; or

(B) to terminate the contract.

(e) REFERENCES.—Except as provided in section 271 and 501(b), any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to—

(1) public housing or housing assisted under the United States Housing Act of 1937 is deemed to refer to public housing assisted under title II of this Act;

(2) to assistance under section 8 of the United States Housing Act of 1937 is deemed to refer to assistance under title III of this Act; and

(3) to assistance under the United States Housing Act of 1937 is deemed to refer to assistance under this Act.

SEC. 503. AMENDMENTS TO PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT OF 1990.

(a) SHORT TITLE, PURPOSES, AND AUTHORITY TO MAKE GRANTS.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et seq.) is amended by striking the chapter heading and all that follows through section 5123 and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME

"SEC. 5121. SHORT TITLE.

"This chapter may be cited as the 'Community Partnerships Against Crime Act of 1996'.

"SEC. 5122. PURPOSES.

"The purposes of this chapter are to—

"(1) improve the quality of life for the vast majority of law-abiding public housing residents by reducing the levels of fear, violence, and crime in their communities;

"(2) broaden the scope of the Public and Assisted Housing Drug Elimination Act of 1990 to apply to all types of crime, and not simply crime that is drug-related; and

"(3) reduce crime and disorder in and around public housing through the expansion of community-oriented policing activities and problem solving.

"SEC. 5123. AUTHORITY TO MAKE GRANTS.

"The Secretary of Housing and Urban Development may make grants in accordance with the provisions of this chapter for use in eliminating crime in and around public housing and other federally assisted low-income housing projects to (1) local housing and management authorities, and (2) private, for-profit and nonprofit owners of federally assisted low-income housing.".

(b) ELIGIBLE ACTIVITIES.—

(1) IN GENERAL.—Section 5124(a) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(a)) is amended—

(A) in the matter preceding paragraph (1), by inserting "and around" after "used in";

(B) in paragraph (3), by inserting before the semicolon the following: ", including fencing, lighting, locking, and surveillance systems";

(C) in paragraph (4), by striking subparagraph (A) and inserting the following new subparagraph:

"(A) to investigate crime; and";

(D) in paragraph (6)—

(i) by striking "in and around public or other federally assisted low-income housing projects"; and

(ii) by striking "and" after the semicolon; and

(E) by striking paragraph (7) and inserting the following new paragraphs:

"(7) providing funding to nonprofit public housing resident management corporations and resident councils to develop security and crime prevention programs involving site residents;

"(8) the employment or utilization of one or more individuals, including law enforcement officers, made available by contract or other cooperative arrangement with State or local law enforcement agencies, to engage in community- and problem-oriented policing involving interaction with members of the community in proactive crime control and prevention activities;

"(9) programs and activities for or involving youth, including training, education, recreation and sports, career planning, and entrepreneurship and employment activities and after school and cultural programs; and

"(10) service programs for residents that address the contributing factors of crime, including programs for job training, education, drug and alcohol treatment, and other appropriate social services.".

(2) OTHER LHMA-OWNED HOUSING.—Section 5124(b) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(b)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking "drug-related crime in housing owned by public housing agencies" and inserting "crime in and around housing owned by local housing and management authorities"; and

(ii) by striking "paragraphs (1) through (7)" and inserting "paragraphs (1) through (10)"; and

(B) in paragraph (2)—

(i) by striking "public housing agency" and inserting "local housing and management authority"; and

(ii) by striking "drug-related" and inserting "criminal".

(c) GRANT PROCEDURES.—Section 5125 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11904) is amended to read as follows:

"SEC. 5125. GRANT PROCEDURES.

"(a) LHMA'S WITH 250 OR MORE UNITS.—

"(1) GRANTS.—In each fiscal year, the Secretary shall make a grant under this chapter from any amounts available under section 5131(b)(1) for the fiscal year to each of the following local housing and management authorities:

"(A) NEW APPLICANTS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and has—

"(i) submitted an application to the Secretary for a grant for such fiscal year, which includes a 5-year crime deterrence and reduction plan under paragraph (2); and

"(ii) had such application and plan approved by the Secretary.

"(B) RENEWALS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and for which—

"(i) a grant was made under this chapter for the preceding Federal fiscal year;

"(ii) the term of the 5-year crime deterrence and reduction plan applicable to such grant includes the fiscal year for which the grant under this subsection is to be made; and

"(iii) the Secretary has determined, pursuant to a performance review under paragraph (4), that during the preceding fiscal year the agency has substantially fulfilled the requirements under subparagraphs (A) and (B) of paragraph (4).

"(2) 5-YEAR CRIME DETERRENCE AND REDUCTION PLAN.—Each application for a grant under this subsection shall contain a 5-year crime deterrence and reduction plan. The plan shall describe, for the local housing and management authority submitting the plan—

"(A) the nature of the crime problem in public housing owned or operated by the local housing and management authority;

"(B) the building or buildings of the local housing and management authority affected by the crime problem;

"(C) the impact of the crime problem on residents of such building or buildings; and

"(D) the actions to be taken during the term of the plan to reduce and deter such crime, which shall include actions involving residents, law enforcement, and service providers.

The term of a plan shall be the period consisting of 5 consecutive fiscal years, which begins with the first fiscal year for which funding under this chapter is provided to carry out the plan.

"(3) AMOUNT.—In any fiscal year, the amount of the grant for a local housing and management authority receiving a grant pursuant to paragraph (1) shall be the amount that bears the same ratio to the total amount made available under section 5131(b)(1) as the total number of public dwelling units owned or operated by such authority bears to the total number of dwelling units owned or operated by all local housing and management authorities that own or operate 250 or more public housing dwelling units that are approved for such fiscal year.

"(4) PERFORMANCE REVIEW.—For each fiscal year, the Secretary shall conduct a performance review of the activities carried out by each local housing and management authority receiving a grant pursuant to this subsection to determine whether the agency—

"(A) has carried out such activities in a timely manner and in accordance with its 5-year crime deterrence and reduction plan; and

"(B) has a continuing capacity to carry out such plan in a timely manner.

"(5) SUBMISSION OF APPLICATIONS.—The Secretary shall establish such deadlines and requirements for submission of applications under this subsection.

"(6) REVIEW AND DETERMINATION.—The Secretary shall review each application submitted under this subsection upon submission and shall approve the application unless the application and the 5-year crime deterrence and reduction plan are inconsistent with the purposes of this chapter or any requirements established by the Secretary or the information in the application or plan is not substantially complete. Upon approving or determining not to approve an application and plan submitted under this subsection, the Secretary shall notify the local housing and management authority submitting the application and plan of such approval or disapproval.

"(7) DISAPPROVAL OF APPLICATIONS.—If the Secretary notifies an authority that the application and plan of the authority is not approved, not later than the expiration of the 15-day period beginning upon such notice of disapproval, the Secretary shall also notify the authority, in writing, of the reasons for the disapproval, the actions that the authority could take to comply with the criteria for approval, and the deadlines for such actions.

"(8) FAILURE TO APPROVE OR DISAPPROVE.—If the Secretary fails to notify an authority of approval or disapproval of an application and plan submitted under this subsection before the expiration of the 60-day period beginning upon the submission of the plan or fails to provide notice under paragraph (7) within the 15-day period under such paragraph to an authority whose application has been disapproved, the application and plan shall be considered to have been approved for purposes of this section.

"(b) LHMA'S WITH FEWER THAN 250 UNITS AND OWNERS OF FEDERALLY ASSISTED LOW-INCOME HOUSING.—

"(1) APPLICATIONS AND PLANS.—To be eligible to receive a grant under this chapter, a local housing and management authority that owns or operates fewer than 250 public housing dwelling units or an owner of federally assisted low-income housing shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require. The application shall include a plan for addressing the problem of crime in and around the housing for which the application is submitted, describing in detail activities to be conducted during the fiscal year for which the grant is requested.

"(2) GRANTS FOR LHMA'S WITH FEWER THAN 250 UNITS.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(2), make grants under this chapter to local housing and management authorities that own or operate fewer than 250 public housing dwelling units and have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraph (4).

"(3) GRANTS FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(3), make grants under this chapter to owners of federally assisted low-income housing that have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraphs (4) and (5).

"(4) CRITERIA FOR APPROVAL OF APPLICATIONS.—The Secretary shall determine whether to approve each application under this subsection on the basis of—

"(A) the extent of the crime problem in and around the housing for which the application is made;

"(B) the quality of the plan to address the crime problem in the housing for which the application is made;

"(C) the capability of the applicant to carry out the plan; and

"(D) the extent to which the tenants of the housing, the local government, local community-based nonprofit organizations, local tenant organizations representing residents of neighboring projects that are owned or assisted by the Secretary, and the local community support and participate in the design and implementation of the activities proposed to be funded under the application.

In each fiscal year, the Secretary may give preference to applications under this subsection for housing made by applicants who received a grant for such housing for the preceding fiscal year under this subsection or under the provisions of this chapter as in effect immediately before the date of the enactment of the United States Housing Act of 1996.

"(5) ADDITIONAL CRITERIA FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In addition to the selection criteria under paragraph (4), the Secretary may establish other criteria for evaluating applications submitted by owners of federally assisted low-income housing, except that such additional criteria shall be designed only to reflect—

"(A) relevant differences between the financial resources and other characteristics of local housing and management authorities and owners of federally assisted low-income housing; or

"(B) relevant differences between the problem of crime in public housing administered by such authorities and the problem of crime in federally assisted low-income housing.".

(d) DEFINITIONS.—Section 5126 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11905) is amended—

(1) by striking paragraphs (1) and (2);

(2) in paragraph (4)(A), by striking "section" before "221(d)(4)";

(3) by redesignating paragraphs (3) and (4) (as so amended) as paragraphs (1) and (2), respectively; and

(4) by adding at the end the following new paragraph:

"(3) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term 'local housing and management authority' has the meaning given the term

in title I of the United States Housing Act of 1996.''.

(e) IMPLEMENTATION.—Section 5127 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11906) is amended by striking ''Cranston-Gonzalez National Affordable Housing Act'' and inserting ''United States Housing Act of 1996''.

(f) REPORTS.—Section 5128 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11907) is amended—

(1) by striking ''drug-related crime in'' and inserting ''crime in and around''; and

(2) by striking ''described in section 5125(a)'' and inserting ''for the grantee submitted under subsection (a) or (b) of section 5125, as applicable''.

(g) FUNDING AND PROGRAM SUNSET.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 is amended by striking section 5130 (42 U.S.C. 11909) and inserting the following new sections:

''SEC. 5130. FUNDING.

''(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this chapter such sums as may be necessary for fiscal year 1996.

''(b) ALLOCATION.—Of any amounts available, or that the Secretary is authorized to use, to carry out this chapter in any fiscal year—

''(1) 85 percent shall be available only for assistance pursuant to section 5125(a) to local housing and management authorities that own or operate 250 or more public housing dwelling units;

''(2) 10 percent shall be available only for assistance pursuant to section 5125(b)(2) to local housing and management authorities that own or operate fewer than 250 public housing dwelling units; and

''(3) 5 percent shall be available only for assistance to federally assisted low-income housing pursuant to section 5125(b)(3).

''SEC. 5131. PROGRAM TERMINATION.

''The program under this chapter shall terminate at the end of September 30, 1996. No grants may be made under the program after such date.''.

(h) CONFORMING AMENDMENTS.—The table of contents in section 5001 of the Anti-Drug Abuse Act of 1988 (Public Law 100–690; 102 Stat. 4295) is amended—

(1) by striking the item relating to the heading for chapter 2 of subtitle C of title V and inserting the following:

''CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME'';

(2) by striking the item relating to section 5122 and inserting the following new item:

''Sec. 5122. Purposes.'';

(3) by striking the item relating to section 5125 and inserting the following new item:

''Sec. 5125. Grant procedures.'';

and

(4) by striking the item relating to section 5130 and inserting the following new items:

''Sec. 5130. Funding.

''Sec. 5131. Program termination.''.

The CHAIRMAN. Are there amendments to title V?

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me just understand. I know that there is a discussion taking place on the other side of the aisle at the moment over the Roemer amendment. Do we have an agreement? We have the gentlewoman from California [Ms. WATERS] here for her amendment. That is amendment No. 42.

AMENDMENT NO. 42 OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 42 offered by Ms. WATERS: At the end of title V, insert the following new section:

SEC. 504. LIMITATION ON EXTENT OF USE OF LOAN GUARANTEES FOR HOUSING PURPOSES.

Section 108 of the Housing and Community Development Act of 1992 (42 U.S.C. 5308) is amended by inserting after subsection (h) the following new section:

''(i) LIMITATION ON USE.—Of any amounts obtained from notes or other obligations issued by an eligible public entity or public agency designated by an eligible public entity and guaranteed under this section pursuant to an application for a guarantee submitted after the date of the enactment of the Housing and Community Development Act of 1992, the aggregate amount used for the purposes described in clauses (2) and (4) of subsection (a), and for other housing activities under the purposes described in clauses (1) and (3) of subsection (a), may not exceed 10 percent of such amounts obtained by the eligible public entity or agency.

The CHAIRMAN. Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentlewoman from California [Ms. WATERS] and a Member opposed will each control 5 minutes.

The Chair recognizes the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, I yield myself such time as I may consume.

This is really not a complicated amendment. Early on when I came to Congress, I discovered something called section 108 loan guarantee funds in HUD. These were funds that basically are used to provide economic development assistance to cities. It is a fund or a loan guarantee type program that is not scored in the budget.

When I discovered this item, I moved to expand the opportunity for cities to have economic development programs that would increase the job opportunities, that would support businesses, that would basically direct some attention toward commercial development.

One of the things I have been very concerned about is the fact that we have put an emphasis oftentimes on developing housing and low-income housing, but the problem is precisely what we have created in public housing projects. We have provided some housing opportunities and basically placed poor people on top of each other without any businesses and without any services.

So I thought that the use of these section 108 loan guarantee funds would have well served our cities if we had an opportunity to support business and commerce so that we do not continue to have housing and low-income housing without businesses in those communities that would provide goods and services and job opportunities.

Section 108 loan guarantee funds I was able to expand to the tune of about $2 billion over 5 years. All of the cities have been applying for these funds. Many of the cities welcome the opportunity to have some funds by which they could create projects working with the business community to expand job opportunities, to expand entrepreneurship. But some of the cities have begun to use this money in ways other than economic development that was anticipated.

I recognized that some of the cities have a need to be very creative in the way that they use these section 108 loan guarantee funds and they put a little bit off maybe into some infrastructure, maybe a little bit off into some housing. But my appeal here is to say let us put a cap on how much of this money can be taken and further used maybe for housing or anything else.

Let us really pay attention to how we can empower communities and develop real economic development so that in fact the people that we say that we want to make independent, we create some opportunities for them to be independent.

We hope, we know that small businesses, for example, create more job opportunities than any other entities in America. We know that, to the degree that we are able to develop small businesses, we expand job opportunities.

I do not have oftentimes the opportunity to come to this floor and to really tell Members what I understand about business and economic development. There are those who would like to say all she and those others care about is welfare, all they care about is low-income housing, all they care about are government expenditures for the poor.

That absolutely is not true. Many of us understand a lot more about business and business development and how to really support commerce and entrepreneurs in these communities than we often have an opportunity to demonstrate.

I am here today because section 108 loan guarantee funds in HUD is a real opportunity to create economic development projects. This loan guarantee basically is given to those cities and the CDBG moneys are kind of used as a guarantee working with HUD. They get with local business persons, and they think about utilizing the resources of local government. Maybe there are some land opportunities. Maybe there are some programs in local government that they can match with some investment by the local entrepreneurs and this loan guarantee opportunity, and they come up with projects that they can locate in these communities and not only support business, small business and entrepreneurship but do job creation.

Mr. Chairman, my colleagues must pay more attention to what the Government can do to help create jobs in our community. We want welfare to go away, we need jobs. We want people to be able to use the training that they are supposed to be getting through the use of our job training programs. There must be a job at the end of these job training programs. Do we want JTPA to be viable? I simply ask that my colleagues support me. Join hands in supporting that we limit the use of section 108 so that the money is not siphoned off into other projects but goes into economic development. I ask for an aye vote.

The CHAIRMAN. Does any Member seek time in opposition to the amendment?

Mr. LAZIO of New York. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The gentleman from New York [Mr. LAZIO] is recognized for 5 minutes.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I have a great deal of sympathy for what the gentlewoman from California just said with respect to some of the points and the concerns that she has. It is a truism that, if all we deal with is housing in a particular community, we are failing that community. No community has just a housing, affordable housing problem. If it has an affordable housing problem, it probably also has an economic development problem, an education program, a job training problem. It has a problem in terms of access to basic banking services and affordable grocery markets and all the things that more affluent communities rely on that help make them healthy.

Mr. Chairman, my concern is that first of all we are trying to take this whole subject up of CDBG and community development block programs and section 108 guarantee and the successor bill that will be coming down 2 or 3 months further down the pike in which we will begin to look at this very closely to ensure that there is maximum flexibility and the maximum ability to target resources to ensure that there is a relationship between the economic development and the affordable housing that we have.

However, I have grave concerns about the way this particular amendment has been drafted because it targets and mandates that only 10 percent of the money can be used for housing. In certain communities, especially those in more rural areas, the need for infrastructure for development of an entire block are more trying to be developed at the same time, the need to have a cost-effective development require the section 108 guarantee program.

Mr. Chairman, it is exactly why we have this program, to front end the money because it is more cost effective to do it up front as opposed to doing it year after year after year. When you are doing a housing development, you need to put in new streets, new lights, new utilities. You need that section 108 program to go forward.

If we had more flexibility in this amendment, I think it would be worthy of closer consideration. But to say to communities that only 10 percent of the money can be used for housing and 90 percent can be used for economic development, without frankly identifying exactly how that money can be spent, without proper consideration by the committee or having hearings, I have a concern and a problem with that.

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Mr. Chairman, I reluctantly must oppose this amendment, but I do not oppose the concern of the gentlewoman from California [Ms. WATERS]. I do not oppose the gentlewoman's commitment on this. I think she is right in terms of her concept, and I pledge to her that I am willing to continue to work closely with her to make sure the communities are integrated more closely, especially commerce with respect to affordable housing.

We are in the process, Mr. Chairman, of trying to negotiate something that I think will provide some flexibility. I mean to speak to a particular point while some of the staffs are trying to work out some of the technical aspects of a possible compromise here that will allow for both economic and home ownership opportunities and the use of section 108 for developing homes.

Let me say also the need for commercial development; later on there is going to be an amendment offered by the gentleman from Arizona [Mr. HAYWORTH] which provides an opportunity for Native American houisng, and one of the most important parts of that amendment, which was a bill that was filed earlier, introduced earlier, by myself and many Members of our side of the aisle was to provide not only maximum flexibility in respect for the nation-nation relationship in terms of Native American Indian country, but also to provide for the first time the same type of loan guarantee program that has brought home ownership and economic development to so many communities in America.

The relationship between economic development and housing, especially affordable housing, is a strong one. As I say, no community has just an affordable housing program. If people had the capability to have jobs, it would enable them to have an income so they can make their own choices, and we would not have those same needs for affordable housing. Unfortunately, we do not have the same relationship and targeting that is necessary. Those are mostly locally based solutions in the end. Organizations like List and Enterprise are doing that throughout the country, creating a synergy where commercial enterprise and housing is built together, planned together. Local communities are involved in the outcome and the strategies in getting there, and that is exactly the right model that we ought to be following because that is the successful model.

The first year and a half of my chairmanship, one of the things I did was to back up and to say let us find out what is going on right out there. One of the things that is right, one of the successes that is happening throughout our country, is in self-help housing, is an integrated commercial and residential development, mostly by entities like List and Enterprise.

Let me suggest that if we can work out a compromise on this to allow for both economic development and home ownership opportunities through this section 108 program, I think we will preserve both of our principles of flexibility and also providing for the initiative to have more economic development.

MODIFICATION OF AMENDMENT OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I ask unanimous consent to modify my amendment to accommodate the concerns of the chairman.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification of amendment offered by Ms. WATERS: in the proposed new subsection (i) of section 108 of the Housing and Community Development Act of 1992, strike out "10 percent" and insert "50 percent".

The CHAIRMAN. Is there objection to the request of the gentlewoman from California that the amendment be modified?

There was no objection.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentlewoman from California [Ms. WATERS].

The amendment, as modified, was agreed to.

The CHAIRMAN. Are there other amendments to title V?

AMENDMENT NO. 45 OFFERED BY MR. DURBIN

Mr. DURBIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 45 offered by Mr. DURBIN: At the end of title V of the bill, insert the following new section:

SEC. 515. PROHIBITION AGAINST ILLEGAL POSSESSION OR DISCHARGE OF FIREARMS IN PUBLIC HOUSING ZONES.

(a) CONGRESSIONAL FINDINGS.—The Congress finds and declares that—

(A) crime, particularly crime involving firearms, is a pervasive, nationwide problem;

(B) crime at the local level is exacerbated by the interstate movement of firearms;

(C) firearms and ammunition move easily in interstate commerce and illegal firearms have been found in increasing numbers in and around public housing zones;

(D) in fact, even before the sale of a firearm, the gun, its component parts, ammunition, and the raw materials from which they are made have considerably moved in interstate commerce;

(E) while criminals freely move from State to State, ordinary citizens and foreign visitors may fear to travel to or through certain parts of the country due to concern about violent crime and gun violence;

(F) the occurrence of violent crime in public housing zones has resulted in a decline in the quality of public housing in our country;

(G) this decline in the quality of public housing has an adverse impact on interstate commerce and the foreign commerce of the United States;

(H) States, localities, and local housing and management authorities find it almost impossible to handle gun-related crime by themselves; even States, localities, and local housing and management authorities that have made strong efforts to prevent, detect, and punish gun-related crime find their efforts unavailing due in part to the failure or inability of other States or localities to take strong measures; and

(I) the Congress has power, under the interstate commerce clause and other provisions of the Constitution, to enact measures to ensure the integrity and safety of the Nation's public housing by enactment of this section.

(b) PROHIBITIONS.—

(1) POSSESSION.—It shall be unlawful for any person, in or affecting interstate or foreign commerce, to possess a firearm in violation of any other Federal law or of any State or local law, at a place that the person knows is in a public housing zone.

(2) DISCHARGE.—

(A) IN GENERAL.—It shall be unlawful for any person, in or affecting interstate or foreign commerce, to discharge or attempt to discharge a firearm, knowingly or with reckless disregard for the safety of another, at a place that the person knows is in a public housing zone.

(B) EXCEPTIONS.—Subparagraph (A) shall not apply to the discharge of a firearm—

(i) by a person employed by a local housing and management authority to provide security for a public housing development in the public housing zone, acting within the scope of such employment; or

(ii) by a law enforcement officer acting in his or her official capacity.

(c) PENALTIES.—Whoever violates subsection (b) shall be fined under title 18, United States Code, imprisoned for not more than 5 years, or both. Notwithstanding any other provision of law, a term of imprisonment imposed under this subsection shall not run concurrently with any other term of imprisonment imposed under any other provision of law. Except for the authorization of a term of imprisonment of not more than 5 years made in this subsection, for the purposes of any other law a violation of subsection (b) shall be deemed to be a misdemeanor.

(d) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) The terms "firearm", "interstate or foreign commerce", "person", and "whoever", have the meanings given such terms in section 921(a) of title 18, United States Code.

(2) The term "public housing zone" means in or upon—

(A) the real property comprising the public housing developments of any local housing and management authority; or

(B) any public property which is at a distance of not more than 1,000 feet from property referred to in subparagraph (A).

(e) EFFECTIVE DATE.—This section shall apply to conduct engaged in after the end of the 60-day period that begins with the date of the enactment of this Act.

(f) GUN-FREE ZONE SIGNS.—Federal, State, and local authorities (including local housing and management authorities) are encouraged to cause signs to be posted around public housing zones giving warning of the prohibition against the illegal possession of a firearm in such zones.

The CHAIRMAN. Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentleman from Illinois [Mr. DURBIN] and a Member opposed will each control 5 minutes.

The Chair recognizes the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I hope this amendment will receive bipartisan support. What we are trying to address in this amendment is a very serious life-and-death problem in public housing across America.

Several weeks ago I was taken on a tour of the Chicago housing projects. The people who took me on the tour pointed out buildings in the projects, fully occupied buildings, that were under the control of drug gangs. Despite the best efforts of security personnel and Chicago police, these gangs literally took control of housing units, terrorizing the residents, selling narcotics, brandishing weapons and firing those weapons at will.

Anyone who wants this documented should read the story entitled "There Are No Children Here," by Alex Kotlowitz, a Wall Street Journal correspondent who followed the lives of two tiny children growing up in public housing in the city of Chicago. It is an incredible story.

Mr. Chairman, the worst part of the story is the violence that takes place in public housing today.

This amendment addresses clearly and plainly the question of possessing firearms in public housing, and it attempts to establish a national standard which says very simply that we prohibit the possession of illegal, illegal firearms in public housing and public housing zones, that we prohibit the reckless discharge or attempted discharge of any firearm in public housing, and those found guilty of the crime will be subject to 5 years in prison, a $5,000 fine, or both.

Is this necessary? Let me use the city of Chicago as an example. In one sweep of public housing projects in the city of Chicago between April and June of last year, this is what they confiscated: 170 handguns, 192 assault weapons, assault weapons, over $133,000 in cash, thousands of grams of controlled narcotics and substances with a street value in excess of $2 million.

This public housing belongs to the residents, but it also belongs to the taxpayers of America. We owe it to the families, we certainly owe it to the children in that public housing, to keep their lives safe from harm.

Those who would bring in illegal firearms or discharge them in public housing should be subject to the full brunt of the law, not just tenants, but those who come onto public housing grounds and take advantage of the poor families living there.

I commend this amendment to all of my colleagues, Democrat and Republican, and reserve the balance of my time.

Mr. LAZIO of New York. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois [Mr. DURBIN].

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I man consume.

Mr. Chairman, I have several concerns, and I am compelled to oppose this amendment. The first concern is that this provision federalizes State law. On page 3, line 2, this provision makes it a Federal violation to violate this amendment.

My second concern is that nowhere in this provision do we require criminal intent to be a factor in terms of prohibiting the use or the possession of firearms in an area of public housing. For example, if the State law allows a single mother to carry a gun and she lives in public housing, she can not protect herself.

Lastly and most importantly, let me say this is not the vehicle to be talking about gun control. We are trying to get housing policy done right now. We have dramatic arguments that have been made already with respect to section 8 public housing income mixes, different aspects of protections. To interject gun arguments right now I think is frankly a red herring, it is not the appropriate place to be inserting this, and frankly I think there are a number of these concerns that most Members should share in terms of insuring that the intent of the gentleman from Illinois [Mr. DURBIN] is carried out.

So, frankly, I think that if the gentleman were interested in really having something done with respect to in and around the property around public housing, we will be happy to try and work with him as time went on, but this is just the wrong vehicle.

Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. MCCOLLUM], the chairman of the Subcommittee on Crime.

Mr. MCCOLLUM. Mr. Chairman, I know the gentleman who is offering this amendment is doing it with all good intent because I am sure, as he does, I share the basic premise that we should not have criminals out there discharging firearms or using them or possessing them in a public housing unit. Nobody in America wants crime to be going on in public housing units.

But the problem with this amendment is that it prohibits law-abiding citizens from possessing firearms, from having them to defend themselves, or to discharge those firearms in the defense of their own home in a public housing unit.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I believe the language, the specific language, says illegal firearms.

Mr. McCOLLUM. Reclaiming my time, Mr. Chairman, I only have 1 minute.

The fact of the matter is that if he has the firearm, somebody has that firearm, I think that person ought to have the right to possess that firearm and to be able to protect it. That firearm is only going to be illegal maybe because New York City makes it illegal to possess one, something of that nature.

The truth of the matter is we should not, as a Congress, federalize local ordinances, which this does, makes a Federal crime out of it if you violate a local ordinance in a situation like this. And in addition to that, I do not believe, and I do not think most of us believe, anybody who is a law-abiding citizen should be prohibited from having a firearm in their possession in a public housing unit.

Mr. DURBIN. Mr. Chairman, I yield myself such time as I may consume:

Mr. Chairman, I find this incredible. I offer an amendment which prohibits the possession of illegal firearms, illegal firearms, in public housing, and it is being resisted by the Republican majority. Illegal firearms.

Do we want to end crime in this country with sensible gun regulation?

Every time we raise the issue of firearms on this floor, will we have people go into a panic?

We are talking about illegal firearms. We are talking about the discharge of firearms in public housing, terrorizing families and their children. We are talking about drug gangs.

Mr. Chairman, the resistance to this amendment tells me that many of the people who are opposing it have not even been to these public housing projects and spoken to the families.

Mr. Chairman, I yield 30 seconds to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, let me just quote from the law that the gentleman from Illinois [Mr. DURBIN] has proposed: "to posses a firearm in violation of any other federal law or any State or local law at a place that person knows."

The fact of the matter is this is restricted to illegal firearms. How can our colleagues possibly suggest that we ought to allow illegal firearms use in public housing? This is plain and simple, black and white.

This is, once again, the hidden arm at the NRA at work on the floor of the House of Representatives, once again gutting basic protections of the vulnerable people of this country.

I strongly support the Durbin amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield 1 minute to the distinguished gentleman from the State of Georgia [Mr. BARR].

Mr. BARR of Georgia. Mr. Chairman, I thank the gentleman for yielding this time to me.

My distinguished colleague on the other side just mentioned that, well, he does not know if any of us have been in housing projects. Mr. Chairman, my colleagues are about to hear from one that has, that has prosecuted crimes in our housing projects, that has been to funerals of people who have been killed in housing projects, that has met with the men and women whose sons and daughters have been shot and injured in drive-by shootings, and we certainly agree with the gentleman that we should be doing everything that we can to protect those people. But this amendment is simply not the way to do it.

There are page after page, volume after volume of Federal laws that have been enforced, that can be enforced, that should be enforced that protect against these people who use firearms in the commission of a crime.

But, very frankly, I am not interested in making criminal a woman who defends herself in that housing project, the same elderly woman that my colleague spoke of eloquently a few moments ago that wants to use a firearm to protect herself and yet who may run afoul of some other law. I think protecting those people, giving them the right to protect themselves, is absolutely paramount, and I am opposed to this thinly veiled effort to take that right away.

Mr. VOLKMER. Mr. Chairman, I ask unanimous consent that each side be given an additional 10 minutes for debate on the amendment.

Mr. BEREUTER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

PREFERENTIAL MOTION OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. VOLKMER moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

□ 1515

The CHAIRMAN. The gentleman from Missouri [Mr. VOLKMER] is recognized for 5 minutes in support of his motion.

Mr. VOLKMER. Mr. Chairman, I think it would be wise for all Members of this body to read this amendment, especially page 3, as I did about a half an hour ago over in my office. I had asked my staff this morning to get a copy of this amendment, because the way it was reported in the digest that we received this morning, I had some reservations. I wanted to see the amendment.

Lo and behold, when I read the amendment, on page 3, under the heading, subparagraph 2, it says: "Discharge. In general, it shall be unlawful for any person in or affecting interstate or foreign commerce to discharge or attempt to discharge a firearm knowingly, or with reckless disregard for the safety of another, at a place that the person knows is in a public housing zone." that may sound harmless, but let us put it in actual conditions of what may happen.

I am residing in a public housing project. I have an apartment. I also am a hunter. I have some guns. That is not illegal in my housing project. Now, about 9 or 10 o'clock at night, a drug addict needing money busts through my door, holding a gun aimed at me. I grab my gun. He fires and misses. I fire and hit him. I only wound him. Guess what, Mr. Chairman? He gets charged for armed robbery. I get charged under this, and I could get 5 years because I have discharged a firearm in a public housing zone, knowingly and with reckless disregard for safety, because I was not worried about his safety, I guarantee you.

I am sure the gentleman did not mean that, Mr. Chairman, but that is they way the amendment reads.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, the gentleman, I am sure, is familiar with the defense of self-defense.

Mr. VOLKMER. Yes, but that is no defense to this offense.

Mr. DURBIN. It is a common-law defense.

Mr. VOLKMER. Not to this offense. No, it is not.

Mr. DURBIN. Yes, sir.

Mr. VOLKMER. Mr. Chairman, if the gentleman wants to put it in there, an exception for self-defense, then I would say yes. But the gentleman does not have that in here. He just says anybody who knowingly and with intent, with reckless disregard for the safety of another.

Mr. DURBIN. If the gentleman will yield one more time, Mr. Chairman, I will accept the gentleman's amendment. I would add the language "except in cases of self-defense."

Mr. VOLKMER. Mr. Chairman, I would ask the gentleman, why does he want to upgrade a local ordnance involving guns to a Federal offense?

Mr. DURBIN. If the gentleman will further yield, I think the gentleman is aware of the fact that we have more than a casual interest in public housing in America. Federal taxpayers have a massive investment in public housing. What we are attempting to do, I say to my friend, the gentleman from Missouri, is to remove illegal firearms from public housing, firearms which are being used to terrorize.

Mr. VOLKMER. That is not necessarily so.

Mr. DURBIN. Some State laws cover it, some do not. We are trying to establish a national uniform standard that illegal firearms in public housing and the illegal discharge of those firearms is against the law.

Mr. VOLKMER. They are not federally illegal. What you are telling me is if a local city body decides that there are not going to be any guns, as the gentleman has in Illinois, there are not going to be any guns in this community, none whatsoever, and I have a gun in that community and it is in a public housing project, I have a Federal offense of 5 years, not just a violation of a local ordnance.

That is the other objection I have to it. I do not believe that we should make every local ordnance a Federal offense if it involves guns in a public housing project. No, I do not believe that.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I am trying to understand, is the gentleman's objection.

Mr. VOLKMER. Two objections. We cleared up one.

Mr. KENNEDY of Massachusetts. If it is the one objection, that if you are possessing an illegal firearm and you use that illegal firearm——

Mr. VOLKMER. Illegal because of what? Because of a local zoning ordinance that says you cannot have a gun in this town?

Mr. KENNEDY of Massachusetts. Let us go back to what the proposal says. It says "in possession of a firearm violation of any State law or any local law."

Mr. VOLKMER. Any local law. That is my objection, any local law.

Mr. KENNEDY of Massachusetts. What you are saying is, if you are possessing a gun illegally and you use that in defense of yourself——

Mr. VOLKMER. No, that has nothing to do with this. One has nothing to do with the other.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would ask the gentleman, what is his objection?

Mr. VOLKMER. I am saying, you are elevating a local ordnance to a 5-year Federal offense. We do not do it in anything else. We do not make a DWI, a DWI which could kill people, we do not make that a Federal offense.

Mr. BEREUTER. Mr. Chairman, I claim 5 minutes in opposition.

Mr. KENNEDY of Massachusetts. Mr. Chairman, was that not a point of personal privilege?

The CHAIRMAN. The gentleman had a preferential motion that the enacting clause be stricken. He is recognized under that motion for 5 minutes. Someone in opposition to that motion is also recognized for 5 minutes. The gentleman from Nebraska [Mr. BEREUTER] has claimed that.

Mr. BEREUTER. Mr. Chairman, I yield to the distinguished gentleman from Illinois [Mr. HASTERT], the distinguished deputy whip.

Mr. HASTERT. Mr. Chairman, I thank the chairman for yielding to me.

First of all, Mr. Chairman, we have a housing bill before us. There is a motion to change this whole system by the gentleman from Missouri, [Mr. VOLKMER].

Mr. Chairman, when I started to look at it, if I did not know my colleague, the gentleman from Illinois, [Mr. DURBIN], better, I would say this probably smacks of maybe even senatorial politics, but I am sure that that is not the case.

On the other hand, when we start to look at the situation, I believe that the ordinance for the city of Chicago prohibits any type of firearm or weapon, possession and use. The State of Illinois prohibits certain types of weapons and use. We also have a requirement of an FOID card, possession, and almost a 6-week waiting period before any type of possession of a firearm.

Also, there are various countries in Illinois that have, whether it is valid or not, county restrictions. I am not sure which law that my friend, the gentleman from Illinois, is going to ascribe and make that a Federal Law. Is it the State Law? Is it the municipal ordinances? Is it the county statutes?

Mr. Chairman, I think certainly the ability of trying to figure out or to sort out for local and State and county officials, whether you are from the sheriff's office and you have that jurisdiction, or if you are from the Chicago city police, from that jurisdiction, or the Illinois State Police, from that jurisdiction, certainly they have conflicting jurisdictions, and really it makes a mess of the system that is before us, I would think probably we ought to take this amendment for what it is, trying to get a little plus up in an area that some people are not well known in, and let it go at that. I ask that we vote against this.

Mr. BEREUTER. Mr. Chairman, I yield to the gentleman from Florida, [Mr. MCCOLLUM], the distinguished chairman of the Subcommittee on Crime.

Mr. McCOLLUM. Mr. Chairman, I thank the gentleman, for I want to explain why we are talking about this. First of all, I do not think we ought to rise, but we ought to understand that under the underlying amendment that is here, it is not the possession of an illegal firearm that is the problem. It is the illegal possession. That is the language that says here. It says we are going to federalize all local ordinances that make it illegal to possess a firearm in public housing.

I do not think we have any business doing that. The firearms could be perfectly legal. They could be lawful. They do not have to be assault weapons or something. As long as you possess a firearm in many communities, the very possession of an ordinary gun is illegal or unlawful in that community. Now we are going to make it a Federal crime if that is the case. I think that is wrong.

Second, the fact of the matter is that under the discharge provisions of this, whatever we are going to do with self-defense really is irrelevant. I think under the Lopez decision, which we saw last year come down, it is unconstitutional for the Federal Government be involved in saying that we are going to make it a crime in every public housing unit in this country to discharge a firearm. We already know under the Supreme Court ruling you cannot do that with respect to a school.

Mr. BEREUTER. Mr. Chairman, I yield to the gentleman from Georgia [Mr. BARR].

Mr. BARR of Georgia. Mr. Chairman, I think this particular provision is a wolf in sheep's clothing. As the distinguished chairman of the Subcommittee on Crime correctly pointed out, its reach would be vast. It would be vast, indeed, because what it does by its very terms and its implication would be to federalize a huge category of potential crimes, in addition to creating a new substantive crime, in and of itself.

I would urge Members to look very carefully at this, to put aside the self-defense language that we have heard of, because it does not go to the root, the heart of the problem, with this amendment. That is its vast scope and the federalism problems that we have, in addition to those other problems that the distinguished chairman of the Subcommittee on Crime has already pointed out that relate to its underlying constitutionality.

Mr. Chairman, I would simply tell Members that there are other constitutional infirmities that appear on the face of this particular provision.

The CHAIRMAN. All time on the motion has been used.

Does the gentleman from Missouri [Mr. VOLKMER] wish to withdraw his motion?

Mr. VOLKMER. Mr. Chairman, I ask unanimous consent to withdraw my motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri.

There was no objection.

MODIFICATION OF AMENDMENT OFFERED BY MR. DURBIN

Mr. DURBIN. Mr. Chairman, I ask unanimous consent to offer a modification to the amendment.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification of amendment offered by Mr. DURBIN:

On page 3 line 11 of the amendment, add after the word "zone", the following ", except in cases of self-defense."

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. BARR of Georgia. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DURBIN. Mr. Chairman, would the Chair please advise me of the remaining time on the amendment?

The CHAIRMAN. The gentleman from Illinois [Mr. DURBIN] and the gentleman from New York [Mr. LAZIO] each have 1 minute remaining on the amendment offered by the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, would the Chair advise me of who has the right to close?

The CHAIRMAN. The time in opposition is controlled by the gentleman from New York [Mr. LAZIO]. He would have the right to close.

Mr. DURBIN. Mr. Chairman, I yield myself my 1 remaining minute.

Mr. Chairman, I hope the Members and those watching this debate are paying close attention. I introduced an amendment which said that it is a Federal crime to possess illegal firearms in public housing projects, or to discharge firearms, except in cases of self-defense. Did Members notice the opposition that came to the floor? What family in America would argue against the proposition that you should keep illegal firearms out of their home and not fire them at will? Yet, when we raise the question of firearms on the floor of this House of Representatives, the gun lobby comes rolling through. You cannot mention those words.

That is mindless. This has nothing to do with the second amendment. This is a question of common sense. American taxpayers who own public housing with the residents and the families who live there need the peace of mind and security that this amendment will bring. I hope that my colleagues will push aside the gun lobby once and forever, and say when it comes to illegal firearms, we do not want them in public housing projects. We do not want them anywhere.

Mr. BEREUTER. Mr. Chairman, as designee, I claim the final minute in opposition to the amendment, and I yield to the gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Chairman, I know that the gentleman from Illinois is well-intentioned. Whatever his intent is, the language that is written here does not express that intent. There is a possession crime and it is going to be federalized in here. It is a possession not of an illegal firearm but of any firearm. If the possession happened to be unlawful under a local community act, then it would become an unlawful Federal crime. That is a wrong procedure. We should not do it.

In addition to that, Mr. Chairman, this amendment, no matter what the intent, would mean that somebody who has a permit, a lawful permit to carry a gun, to protect themselves, perhaps because of a stalker who has been after them, would no longer be allowed to discharge or possess that firearm in a public housing unit of this country or it would be a Federal crime. It is wrong. It is not the right way to proceed.

Nobody wants criminals discharging firearms in public housing. There are already provisions, a Federal law, that prohibited it in the course of a drug transaction or that kind of thing where there is a real Federal nexus, but not to protect yourself in self-defense. Everybody ought to have the right to possess a gun to do that. Vote "no" on this amendment.

□ 1530

The CHAIRMAN. All time on this amendment has expired.

PREFERENTIAL MOTION OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Ms. WATERS moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The motion offered by the gentlewoman from California [Ms. WATERS] is not timely because there must be a change in the bill before a second motion striking the enacting clause is in order; therefore, the motion to strike the enacting clause is out of order at this point.

The question is on the amendment offered by the gentleman from Illinois [Mr. DURBIN].

The question was taken; and the Chairman announced that the noes have it.

Mr. DURBIN. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Illinois [Mr. DURBIN] will be postponed.

The point of no quorum is considered withdrawn.

Are there further amendments to title V?

AMENDMENT OFFERED BY MR. NEY

Mr. NEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NEY: At the end of title V of the bill, insert the following new section:

SEC. 515. ELIGIBILITY FOR PARTICIPATION IN FEDERAL FLOOD INSURANCE PROGRAM.

The placement of any manufactured or mobile home on any site, shall not affect the eligibility of any community to participate in the Federal flood insurance program under the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973 (notwithstanding that such placement may fail to comply with any elevation or flood damage mitigation requirements), if—

(1) such manufactured or mobile home was previously located on such site;

(2) such manufactured or mobile home was relocated from such site because of flooding that threatened or affected such site; and

(3) such replacement is conducted not later than the expiration of the 180-day period that begins upon the subsidence (in the area of such site) of the body of water that flooded to a level considered lower than flood levels.

Mr. NEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. KENNEDY of Massachusetts. Mr. Chairman, reserving the right to object, I reserve a point of order against the amendment. I had tried to raise a point of order against the amendment.

The CHAIRMAN. Is the gentleman reserving a point of order?

Mr. KENNEDY of Massachusetts. Yes, I want to reserve the point of order.

The CHAIRMAN. Does the gentleman want to insist on the point of order at this point?

Mr. KENNEDY of Massachusetts. I do not want to insist on it at this point. I want to enter into a dialogue with the gentleman that is offering the amendment to clarify my understanding of what the intent of the amendment is.

The CHAIRMAN. The gentleman from Massachusetts has the option to insist on or reserve the point of order at this point. If he wants to reserve the point of order, the Chair will then recognize the gentleman from Ohio [Mr. NEY] for the purposes of explaining his amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, how much time do I have to do that? Does he have the time or do I have the time?

The CHAIRMAN. The gentleman can reserve the point now, but at a later time during the consideration of the amendment he may make his point of order.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I am asking how long is he allowed? Am I allowed to speak and then to provide him the time?

The CHAIRMAN. The gentleman can raise the point of order at this point or he can reserve the point of order. If he reserves the point of order, he can allow the gentleman from Ohio his 5 minutes in support of the amendment. The gentleman from Massachusetts could insist on a point of order at that point. At the Chair's discretion he could speak against the amendment and at the conclusion of that insist on the point of order. Remember, there is a 10-minute allocation for any amendment under the agreement of May 8.

Mr. KENNEDY of Massachusetts. Mr. Chairman, in that case, I will reserve the point of order.

The CHAIRMAN. The gentleman from Massachusetts, [Mr. KENNEDY] reserves a point of order on the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Clerk will complete the reading of the amendment.

The Clerk concluded the reading of the amendment.

The CHAIRMAN. Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentleman from Ohio [Mr. NEY] will be recognized for 5 minutes in support of his amendment, and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Ohio [Mr. NEY].

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on January 20, 1996, eastern Ohio and the northern panhandle of West Virginia were struck with a disastrous flood. There are many residents in this area that are owners of mobile homes. Several of those homeowners transported their mobile homes to safe areas away from the rising water before the mobile homes were damaged.

After this area was drained, after the flood waters receded, the owners then moved their homes back and in some cases attempted to move their homes back, because according to FEMA, these mobile homeowners must build expensive 12-foot-tall foundations if they want to move their homes back to the areas that were affected.

Even though it was all along the Ohio River, and the northern panhandle of West Virginia in particular, this was called to our attention about this FEMA regulation by a local newspaper, the Wheeling Intelligencer. We were getting calls from not only Wheeling, WV, but Powhatan, OH, in particular. These are two areas, but I am sure this applies to many people along that entire Ohio River.

In some cases the mayor in, for example, Powhatan, OH, Mayor Bell is forced to tell people, "You can not bring your trailer back onto your land." Because if the mayor does not do that, aid is going to be cut to that municipality.

So the intent is to let people come back onto their land. The problem we have got is that FEMA, however, is saying they have got to build a 12-foot foundation, bring their mobile home back, put it on top of that 12-foot foundation, which is ridiculous. If another flood occurs, they can move the mobile home off and then they can bring the mobile home back once the flood waters have receded.

So there are a lot of people, Mr. Chairman, that are simply in a very bad position as a result of this rule.

The amendment simply states that the placement of any manufactured or mobile home on any site shall not affect the eligibility of any community to participate in the Federal Flood Insurance Program under the National Flood Disaster Protection Act of 1973, so long as the home was previously located on the site, the home was relocated from the site because of the threat of flooding and such replacement is conducted no later than 180 days after a flood subsides.

I spoke to the gentleman from West Virginia [Mr. MOLLOHAN] and this has affected his area. I feel this is a bipartisan amendment. It is my understanding hopefully that there will be no opposition to this but I just want to urge, this is very important to people in the regions concerned. I urge your support.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. NEY. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would like to enter into a dialog with the gentleman with regard to his amendment. I have worked very hard, along with other Members of the Committee on Banking and Financial Services, over the course of the last several years to reform the flood insurance program of this country, a program which has been in disastrous shape itself.

We have often found ourselves rewarding individuals, homeowners that build homes in flood plains knowing that floods are going to come and knowing that when they do come, simply by buying relatively inexpensive flood insurance they can simply have his home rebuild at Federal taxpayers' expense. It is a horrific situation. It is one that ends up driving up the cost of flood insurance for everyone else and discouraging flood insurance for millions of Americans that otherwise might participate.

As I understand the amendment that the gentleman is trying to get accomplished here, what he is saying is that there are people that live in mobile homes that live in flood plains that can anticipate floods are coming; that then hook their trailers up to cars or whatever, drive them out of the flood plains when the flood comes, and then when flood goes away, they take their mobile homes and drive them back into the flood plain. Is that correct?

Mr. NEY. That is correct.

Mr. KENNEDY of Massachusetts. Does this cover those homes that do not move?

Mr. NEY. It does not, Mr. Chairman. These are for the homes, this is word-specific, that were moved out and brought back. Right now the mayor has to tell the people, for example, "You cannot bring them back because the aid is going to be cut off to the entire community." If they took the home out, they brought the home back after the flood, this applies to those individuals.

Mr. KENNEDY of Massachusetts. Mr. Chairman, if the gentleman would continue to yield, I am just trying to understand it here now. If these people are all so mobile and they can anticipate the floods, then why do they need the flood insurance? Does the gentleman know what I mean? They can just hook up and get out of there.

I would like to have a further understanding as to how we distinguish between the guy who could not quite get hooked up in time, and he ends up getting flooded out and then we pay for the insurance to rebuild his home.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. NEY] has expired.

Mr. KENNEDY of Massachusetts. I now have my own time, is that correct, Mr. Chairman?

The CHAIRMAN. That is correct. The gentleman has 5 minutes in opposition to the amendment if he so chooses.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I am maintaining the point of order, preserving the point of order on germaneness until we have this understanding.

The CHAIRMAN. The gentleman is recognized on his own time for 5 minutes.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to make it clear to the offerer, the individual offering the amendment, that I have been to West Virginia and I understand that there are some families that are forced to live in flood plains simply because in many cases the mining companies or the Federal Government owns all the land outside of the flood plain, and these individuals are forced to live there. So I want to be sensitive to those needs but I do not want to be irresponsible with Federal tax dollars and reward individuals that stay in flood plains, knowing that they are going to be reimbursed by the Federal Government, and abuse the system.

I want to make certain that until it is clear to me, and know that the gentleman from Illinois [Mr. DURBIN], who chaired the disaster task force last year, is concerned about this as well, we want to make very clear that we are not going to be supportive of this amendment until we understand what the details are.

Mr. NEY. Mr. Chairman will the gentleman yield?

Mr. KENNEDY of Massachusetts. I am happy to yield to the gentleman from Ohio.

Mr. NEY. Mr. Chairman, at issue here is not a matter of the insurance or anybody trying to scam the system. What has happened here, the Federal agency—by the way, I want to say FEMA did a good job in representing people when the President declared a disaster—but what has happened is someone in FEMA said, "Okay, you bring the trailers back." This has nothing to do with an insurance measure. "You bring them back, take the piece of ground and build a 12-foot cinder block foundation, put it up on top of there and you can come back."

So if they do not do that, the entire city of Wheeling, WV, the entire city of Powhatan, OH, lose all their aid unless they make people do that. It is not a matter of insurance or whether they had it or not. It is a matter of whether they took the trailer out, away from harm's way, and took it back. They cannot physically place it on their own land unless a 12-foot cinder block foundation has been built.

Mr. KENNEDY of Massachusetts. Reclaiming my time, the problem is that we asked FEMA in the legislation, the reform of the flood insurance program last year, we asked FEMA to draw up plans to make certain that we were not sending people back into the flood plain. If that flood plain is in fact 12 feet high where people are locating these homes, then it seems to me that FEMA was only doing its job by requiring that we do not in fact allow people to rebuild.

Mr. Chairman, I yield to my friend the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, I say to the gentleman from Ohio [Mr. NEY], when our task force looked into Federal disaster policy, we learned that in the 1950's the Federal Government assumed responsibility for 5 percent of the cost of natural disasters. We now assume responsibility for 95 percent of the cost and it adds to our deficit every time.

The policy which the gentleman is trying to subvert would allow people to move back in the flood plain and leave the Federal taxpayers liable and vulnerable again in the event of disaster. I think that is a mistake.

Mr. Chairman, I would say to the gentleman I know what his intent is, to help these families, but bringing them back into harm's way merely increases the exposure of the Federal Treasury and the Federal taxpayers.

Mr. NEY. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I would be happy to yield. Let me check how much time we have left.

The CHAIRMAN. The gentleman has 2 minutes remaining.

Mr. KENNEDY of Massachusetts. I am happy to yield to the gentleman from Ohio.

Mr. NEY. Mr. Chairman, I will make it real quick.

In all due respect, it does not do that. This does not cost the taxpayers. They have to have insurance. People are stuck, they cannot go back to their homes. Senior citizens are having to live with their families right now. They cannot go back.

To put a good foot forward on this, I will work with the gentleman in the conference committee. They can be required to have insurance when they go back. They just simply cannot move. One day they had their mobile home there, there was a huge flood, and now they cannot put it back. They are stuck. They have do place to live.

Mr. KENNEDY of Massachusetts. Reclaiming my time, I very much appreciate and am very sensitive to the concerns that the gentleman from Ohio [Mr. NEY] has described, and my good friend from West Virginia [Mr. MOLLOHAN] has also spoken to me about it, although very briefly.

Mr. Chairman, I would pledge to work with the gentleman, and I am sure that if we ask Chairman LAZIO, that we can find a mechanism in another bill coming up if we have an opportunity to delve into this. If what the gentleman is suggesting is the case, where we are simply providing protections for mobile homeowners that are having burdensome requirements placed on them by FEMA that have no bearing on living in the flood zone and are unprecedented and unworkable, then I would pledge to working with the gentleman to making certain that they get the flood insurance that they need.

□ 1545

I do not think we ought to be doing that in this bill.

I would ask the gentleman from New York [Mr. LAZIO], would you pledge working with us to make certain that we can work this out? We have to reauthorize the flood insurance program in any event this year.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield, we obviously have a great deal of work to do in terms of reauthorizing the flood insurance program. We have had various discussions on this in the last Congress. I am particularly sensitive to it, representing a coastal area, but I know that the gentleman from Ohio [Mr. NEY] feels strongly about offering this amendment. I think it is an acceptable amendment from my perspective. I support the amendment. I hope we can address your concerns as we go forward through the process conference.

POINT OF ORDER

Mr. KENNEDY of Massachusetts. Mr. Chairman, the rules of the House provide an amendment must be germane to the subject matter of the bill under consideration. The subject matter of H.R. 2406 is the deregulation of public and tenant-based housing. Although the manager's amendment expands the scope of the bill, it still does not affect flood control matters. Therefore, I insist on my point of order.

The CHAIRMAN. The gentleman from Massachusetts [Mr. KENNEDY] raises a point of order against the amendment. Does the gentleman from Ohio wish to be heard on the point of order?

Mr. NEY. Mr. Chairman, I do. Obviously I am not pleased. I feel very sorry for the people.

Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. Therefore, the amendment is not in order.

Are there other amendments to title IV?

Ms. WATERS. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The Chair would like to point out that the Chair incorrectly prevented the gentlewoman from California [Ms. WATERS] from speaking previously, because there is a very distinct, minute, but very important difference between obtaining unanimous consent that a motion striking the enacting clause be withdrawn, and such motion being defeated. If such a motion is defeated, there must be a change in the bill by adoption of an amendment before that motion can be made again on the same day.

Because the gentleman from Missouri [Mr. VOLKMER] asked unanimous consent to have his motion withdrawn, it was as if it did not happen. So the Chair made a mistake in preventing the gentlewoman from California from being recognized earlier. The Chair apologizes to the gentlewoman for that, and clarifies to the committee the situation, and now invites the gentlewoman to be recognized for 5 minutes.

Ms. WATERS. Mr. Chairman, thank you very much. I appreciate that. I know it was inadvertent. I appreciate the opportunity to at least express my views on the Durbin amendment.

Mr. Chairman, I first would like to share with this House that I have the highest respect for Congressman DURBIN. I consider him a friend and I consider him a leader, and I consider him to have been the author of some of the best legislation that has ever been presented before this august body.

However, I do rise to disagree with the amendment that the gentleman is offering for this legislation. I know that his intentions are good, and I know that he is concerned about violence and gunfire and other kinds of things in public housing projects.

I also would like to say, I have absolutely nothing in common with the NRA. I do not like guns, I wish there were none in our society. However, I have a passion for fairness. This passion for fairness drives me not to allow there to be law created for certain segments of our society, even though we are trying very desperately to solve problems.

It is illegal to have an illegal weapon. It is illegal to have an illegal weapon.

Whether you live in housing projects, whether you live in condominiums, whether you live in cities, whether you live in rural communities, on farms, it does not matter. You are in violation of the law if you possess an illegal firearm, and that is for everybody, and we should not change that.

We should not create law again for special segments of our society. There is absolutely no reason why we should move our concerns to housing projects of America and say "Oh, but you are different. You are different because you live in public housing. We are going to create an additional law for you."

Somehow it is not enough for your gun to be illegal. Your gun is illegal, illegal, illegal, and we are going to create a whole new Federal crime, because you happen to live in a housing project.

I suppose I could submit to this body a number of reasons why someone may find themselves in that position, but I choose not to try and make that argument, and I think there are some legitimate reasons why someone may find themselves in that unfortunate position of trying to defend themselves with an illegal weapon. But I choose, rather, to just simply deal with what I think we responsible public policymakers should be about. We should be about creating law for everybody. We should be about making sure that we do not use our power and our influence to single out any segment of our society and say somehow your crime is a worse crime than somebody else's.

Mr. DURBIN. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, I greatly respect the gentlewoman from California and have the same admiration for her legislative record as she does for mine.

Having said that though, we make a point of saying, for example, we are going to have drug-free school zones, gun-free school zones. We single out certain areas of vulnerability. The gentlewoman knows, as I do, many of the families in public housing today are terrorized by drug gangs and violent criminals who prey upon children and families that need extra protection. That is the reason for this amendment.

Ms. WATERS. Mr. Chairman, reclaiming my time, let me just say that is not a good argument, and it is not synonymous when you talk about what we do with schools.

As a matter of fact, let me ask you in my own way, if in fact those terrorists, those people holed up in Montana somewhere, who are part of some kind of militia, do not live in public housing projects. However, they live out in the rural areas. We have people who live in communities that have firearms, illegal and otherwise. Some of them right now have the attention of this Nation. They are holed up. The FBI is not moving in on them, they want to be sensitive in the way they capture them, but they are dangerous people. They are very dangerous and they have decided to defy every law in America. They decided they are going to have their guns, they are not going to pay any taxes. They decided they are going to shoot FBI agents and others who would dare challenge them about the fact they are breaking the law. But somehow, under your proposition, their guns would not be as illegal as the firearms that would be discharged in housing projects.

It does not make good sense. I tell you, again, I do not like firearms, I do not like guns and I wish we did not have any. But I cannot sit here and allow this kind of public policy to proceed through this House without challenging it. Again, my passion in life is that no matter what the law, it is fair, that it treats everybody the same. No matter what the law, it does not take those who may not have the political clout and somehow single them out for the kind of laws that we would not assign to other people.

I say to you, an illegal gun is an illegal gun, and we have laws on the books in the state that will take care of those who have them, who would discharge them, who would brandish them, who would do anything. And I think it should be that way. I think we should apprehend them and we should apply the law to the fullest extent.

Do I think we should create a special law for public housing project people who would fire an arm, but leave all the militia out there in America discharging firearms, and somehow they would not come under the same law? No, I do not think so.

Mr. Chairman, that is my argument. I think it makes good sense.

The CHAIRMAN. Are there other amendments to title V?

AMENDMENT OFFERED BY MR. CARDIN

Mr. CARDIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARDIN: Title V of the bill, insert at the end of such title the following new section:

SSEC. 515. CONSULTATION WITH AFFECTED AREAS IN SETTLEMENT OF LITIGATION.

In negotiating any settlement of, or consent decree for, any litigation regarding public housing or rental assistance (under title III of this Act or the United States Housing Act of 1937, as in effect before the enactment of this Act) that involves the Secretary and any local housing and management authority, or any units of general local government, the Secretary shall consult with any units of general local government and local housing and management authorities having jurisdictions that are adjacent to the jurisdiction of the local housing and management authority involved.

The CHAIRMAN. Pursuant to the order of the Committee of Wednesday, May 8, 1996, the gentleman from Maryland [Mr. CARDIN] and a Member opposed will each control 5 minutes.

The Chair recognizes the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment deals with the process that should be used in settling lawsuits that involve local housing authorities and HUD. If I might just refer briefly to the recent settlement of the Baltimore litigation, initially the local parties entered into a tentative agreement without consultation with the surrounding counties that were affected by the lawsuit.

Now, many of us have concern about the Baltimore settlement, the underlying policy of special aid certificates. The process used denied the surrounding jurisdictions the opportunity to be heard. HUD slowed that process down, giving the surrounding counties an opportunity to have input, and there were improvements that were made as the process went forward because of consultation with the surrounding jurisdictions.

This amendment puts the local parties on notice that before they enter into any settlement involving the local housing authorities, that the jurisdictions that can be affected by that settlement need to be consulted and that HUD will consult with local jurisdictions before they enter into any settlement of such a lawsuit.

Mr. Chairman, let me tell you, I do not believe this amendment is controversial. HUD has no objections to it. I would urge my colleagues to accept this amendment.

Mr. EHRLICH. Mr. Chairman, will the gentleman yield?

Mr. CARDIN. I yield to the gentleman from Maryland.

Mr. EHRLICH. Mr. Chairman, I thank my colleague for yielding.

Last night on this floor, Mr. Chairman, I talked about the substance of the ACLU lawsuit in Baltimore, the fact that special race, class, and location-based housing vouchers will become public policy outside the scope of this House, of this Congress, because of government by consent decree, which is what some groups in our country want to foist upon the people.

This amendment goes to process. I know with respect to substance he agrees with me, and I certainly agree with him, and want to lend my support to his amendment, because as bad as the substance of the settlement is, the process was just as bad. The lack of notification to the leaders of subdivisions of the impacted areas in the Baltimore metropolitan area was wrong, it will always be wrong, and I certainly am glad to rise today to lend my support to my colleague from Baltimore County with respect to the poor, horrific process, that was foisted on the people of the Baltimore metropolitan area in the context of this lawsuit.

I enjoyed my colloquy with the chairman last night, and I even look forward to working with my friend from Baltimore County on working with the policy which is the threshold issue with respect to which groups HUD is now foisting upon the American people, particularly metropolitan areas like Baltimore in the future.

The CHAIRMAN. Does any Member seek time in opposition to the amendment?

Mr. LAZIO of New York. Mr. Chairman, I claim the time.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

□ 1600

Mr. LAZIO of New York. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I compliment my colleagues from Maryland for bringing this forward. The shame of it is that we have to resort to legislation to do what ought to be done by nature, which is to integrate the community into the decisionmaking process and to ensure that there is a local voice.

But, Mr. Chairman, I support this effort. Again, I support it only reluctantly, because we ought not to be required to bring legislation to the floor to ensure that there is consultation with local governments. That is a basic framework. We are partners. We are not imposing our will. We sometimes forget that in Washington. But I compliment both gentlemen from Maryland, Mr. EHRLICH and Mr. CARDIN, for bringing this amendment forward.

Mr. Chairman, I yield back the balance of my time.

Mr. CARDIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me point out that this is notice to the local parties to the lawsuits that they need to consult with the local jurisdictions before going forward.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. CARDIN].

The amendment was agreed to.

Are there other amendments to title V?

The Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

SEC. 601. ESTABLISHMENT.

There is established a commission to be known as the National Commission on Housing Assistance Programs Cost (in this title referred to as the "Commission").

SEC. 602. MEMBERSHIP.

(a) APPOINTMENT.—The Commission shall be composed of 9 members, who shall be appointed not later than 90 days after the date of the enactment of this Act. The members shall be as follows:

(1) 3 members to be appointed by the Secretary of Housing and Urban Development;

(2) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the Senate; and

(3) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the House of Representatives.

(b) QUALIFICATIONS.—The 3 members of the Commission appointed under each of paragraphs (1), (2), and (3) of subsection (a)—

(1) shall all be experts in the field of accounting, economics, cost analysis, finance, or management; and

(2) shall include—

(A) 1 individual who is an elected public official at the State or local level;

(B) 1 individual who is a distinguished academic engaged in teaching or research;

(C) 1 individual who is a business leader, financial officer, management or accounting expert.

In selecting members of the Commission for appointment, the individuals appointing shall ensure that the members selected can analyze the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no member of the Commission has a personal financial or business interest in any such program.

SEC. 603. ORGANIZATION.

(a) CHAIRPERSON.—The Commission shall elect a chairperson from among members of the Commission.

(b) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number may hold hearings.

(c) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(d) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(e) PROHIBITION ON ADDITIONAL PAY.—Members of the Commission shall serve without compensation.

(f) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

SEC. 604. FUNCTIONS.

(a) IN GENERAL.—The Commission shall —

(1) analyze the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs, and shall conduct the analysis on a nationwide and regional basis and in a manner such that accurate per unit cost comparisons may be made between Federal assisted housing programs; and

(2) estimate the future liability that will be borne by taxpayers as a result of activities under the Federal assisted housing programs before the date of the enactment of this Act.

(b) DEFINITION.—For purposes of this section, the term "Federal assisted housing programs" means—

(1) the public housing program under the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(2) the public housing program under title II of this Act;

(3) the certificate program for rental assistance under section 8(b)(1) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(4) the voucher program for rental assistance under section 8(o) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(5) the programs for project-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(6) the rental assistance payments program under section 521(a)(2)(A) of the Housing Act of 1949;

(7) the program for housing for the elderly under section 202 of the Housing Act of 1959;

(8) the program for housing for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(9) the program for financing housing by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(10) the program under section 236 of the National Housing Act;

(11) the program for constructed or substantial rehabilitation under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983; and

(12) any other program for housing assistance administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture, under which occupancy in the housing assisted or housing assistance provided is based on income, as the Commission may determine.

(c) FINAL REPORT.—Not later than 18 months after the Commission is established pursuant to section 602(a), the Commission shall submit to the Secretary and to the Congress a final report which shall contain the results of the analysis and estimates required under subsection (a).0

(d) LIMITATION.—The Commission may not make any recommendations regarding Federal housing policy.

SEC. 605. POWERS.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such times and places as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Commission may request from any department or agency of the United States, and such department or agency shall provide to the Commission in a timely fashion, such data and information as the Commission may require for carrying out this title, including—

(A) local housing management plans submitted to the Secretary of Housing and Urban Development under section 107;

(B) block grant contracts under title II;

(C) contracts under section 302 for assistance amounts under title III; and

(D) audits submitted to the Secretary of Housing and Urban Development under section 403.

(2) ADMINISTRATIVE SUPPORT.—The General Services Administration shall provide to the Commission, on a reimbursable basis, such

administrative support services as the Commission may request.

(3) PERSONNEL DETAILS AND TECHNICAL ASSISTANCE.—Upon the request of the chairperson of the Commission, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary—

(A) detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this title; and

(B) provide the Commission with technical assistance in carrying out its duties under this title.

(d) INFORMATION FROM LOCAL HOUSING AND MANAGEMENT AUTHORITIES.—The Commission shall have access, for the purpose of carrying out its functions under this title, to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(f) CONTRACTING.—The Commission may, to the extent and in such amounts as are provided in appropriations Acts, enter into contracts necessary to carry out its duties under this title.

(g) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) PERSONNEL.—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(3) LIMITATION.—Paragraphs (1) and (2) shall be effective only to the extent and in such amounts as are provided in appropriations Acts.

(4) SELECTION CRITERIA.—In appointing an executive director and staff, the Commission shall ensure that the individuals appointed can conduct any functions they may have regarding the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no such individual has a personal financial or business interest in any such program.

(h) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 606. FUNDING.

Of any amounts made available for policy, research, and development activities of the Department of Housing and Urban Development, there shall be available for carrying out this title $750,000, for fiscal year 1997. Any such amounts so appropriated shall remain available until expended.

SEC. 607. SUNSET.

The Commission shall terminate upon the expiration of the 18-month period beginning upon the date that the Commission is established pursuant to section 602(a).

The CHAIRMAN. Are there amendments to title VI?

AMENDMENT NO. 9 OFFERED BY MR. HAYWORTH

Mr. HAYWORTH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. If I am correct, the gentleman's amendment affects various titles, including title I; is that correct?

Mr. HAYWORTH. Mr. Chairman, that is technically correct.

The CHAIRMAN. Will the gentleman ask unanimous consent that we may return to title I to include all titles under his amendment?

Mr. HAYWORTH. Mr. Chairman, I ask unanimous consent that we return to title I for the purposes of offering my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. HAYWORTH:

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Page 9, strike line 12 and all that follows through page 10, line 12.

Page 13, line 2, after "Samoa," insert "and".

Page 13, line 3, strike ", and Indian tribes".

Page 13, lines 19 and 20, strike "or Indian housing authority".

Page 14, after line 8, insert the following:

The term does not include any entity that is Indian housing authority for purposes of the United States Housing Act of 1937 (as in effect before the enactment of this Act) or a tribally desingated housing entity, as such term is defined in section 604.

Page 43, after line 4, insert the following new section:

SEC. 114. INAPPLICABILITY TO INDIAN HOUSING.

Except as specifically provided by law, the provisions of this title, and titles II, III, and IV shall not apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority or to housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996.

Page 53, strike line 19 and all that follows through page 54, line 5.

Page 57, line 20, strike "and Indian".

Page 89, strike lines 11 through 15.

Page 102, lines 19 and 20, strike ", except that it does not include Indian housing authorities".

Page 144, line 2, strike "and Indian".

Page 144, strike lines 11 through 15.

Page 144, line 16, strike "(d)" and insert "(c)".

Page 217, strike lines 16 through 20.

At the end of the bill, insert the following new title:

TITLE VI—NATIVE AMERICAN HOUSING ASSISTANCE

SECTION 601. SHORT TITLE.

This title may be cited as the "Native American Housing Assistance and Self-Determination Act of 1996".

SEC. 602. CONGRESSIONAL FINDINGS.

The Congress hereby finds that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) there exists a unique relationship between the Government of the United States and the governments of Indian tribes and a unique Federal responsibility to Indian people;

(3) the Constitution of the United States invests the Congress with plenary power over the field of Indian affairs, and through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a trust responsibility to protect Indian tribes;

(4) the Congress, through treaties, statutes, and the general course of dealing with Indian tribes, has assumed the responsibility for the protection and preservation of Indian tribes and for working with tribes and their members to improve their socio-economic status so that they are able to take greater responsibility for their own economic condition;

(5) providing affordable and healthy homes is an essential element in the special role of the United States in helping tribes and their members to achieve a socio-economic status comparable to their non-Indian neighbors;

(6) the need for affordable and healthy homes on Indian reservations, in Indian communities, and in Native Alaskan villages is acute and the Federal Government should work not only to provide housing assistance, but also, to the extent practicable, to assist in the development of private housing finance mechanisms on Indian lands to achieve the goals of economic self-sufficiency and self-determination for tribes and their members; and

(7) Federal assistance to meet these responsibilities should be provided in a manner that recognizes the right of tribal self-governance by making such assistance available directly to the tribes or tribally designated entities.

SEC. 603. ADMINISTRATION THROUGH OFFICE OF NATIVE AMERICAN PROGRAMS.

The Secretary of Housing and Urban Development shall carry out this title through the Office of Native American Programs of the Department of Housing and Urban Development.

SEC. 604. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) AFFORDABLE HOUSING.—The term "affordable housing" means housing that complies with the requirements for affordable housing under subtitle B. The term includes permanent housing for homeless persons who are persons with disabilities, transitional housing, and single room occupancy housing.

(2) FAMILIES AND PERSONS.—

(A) SINGLE PERSONS.—The term "families" includes families consisting of a single person in the case of (i) an elderly person, (ii) a disabled person, (iii) a displaced person, (iv) the remaining members of a tenant family, and (v) any other single persons.

(B) FAMILIES.—The term "families" includes families with children and, in the cases of elderly families, near-elderly families, and disabled families, means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, or persons with disabilities, respectively. The term includes, in the cases of elderly families, near-elderly families, and disabled families, 2 or more elderly persons, near-elderly persons, or persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(C) ABSENCE OF CHILDREN.—The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size for purposes of this title.

(D) ELDERLY PERSON.—The term "elderly person" means a person who is at least 62 years of age.

(E) PERSON WITH DISABILITIES.—The term "person with disabilities" means a person who—

(i) has a disability as defined in section 223 of the Social Security Act,

(ii) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (I) is expected to be of long-continued and indefinite duration, (II) substantially impedes his or her ability to live independently, and (III) is of such a nature that such ability could be improved by more suitable housing conditions, or

(iii) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

(F) DISPLACED PERSON.—The term "displaced person" means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

(G) NEAR-ELDERLY PERSON.—The term "near-elderly person" means a person who is at least 50 years of age but below the age of 62.

(3) GRANT BENEFICIARY.—The term "grant beneficiary" means the Indian tribe or tribes on behalf of which a grant is made under this title to a recipient.

(4) INDIAN.—The term "Indian" means any person who is a member of an Indian tribe.

(5) INDIAN AREA.—The term "Indian area" means the area within which a tribally designated housing entity is authorized to provide assistance under this title for affordable housing.

(6) INDIAN TRIBE.—The term "Indian tribe" means—

(A) any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975; and

(B) any tribe, band, nation, pueblo, village, or community that—

(i) has been recognized as an Indian tribe by any State; and

(ii) for which an Indian housing authority is eligible, on the date of the enactment of this title, to enter into a contract with the Secretary pursuant to the United States Housing Act of 1937.

(7) LOCAL HOUSING PLAN.—The term "local housing plan" means a plan under section 612.

(8) LOW-INCOME FAMILY.—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(9) MEDIAN INCOME.—The term "median income" means, with respect to an area that is an Indian area, the greater of—

(A) the median income for the Indian area, which the Secretary shall determine; or

(B) the median income for the United States.

(10) RECIPIENT.—The term "recipient" means the entity for an Indian tribe that is authorized to receive grant amounts under this title on behalf of the tribe, which may only be the tribe or the tribally designated housing entity for the tribe.

(11) TRIBALLY DESIGNATED HOUSING ENTITY.—The terms "tribally designated housing entity" and "housing entity" have the following meaning:

(A) EXISTING IHA'S.—For any Indian tribe that has not taken action under subparagraph (B) and for which an Indian housing authority—

(i) was established for purposes of the United States Housing Act of 1937 before the date of the enactment of this title that meets the requirements under the United States Housing Act of 1937,

(ii) is acting upon such date of enactment as the Indian housing authority for the tribe, and

(iii) is not an Indian tribe for purposes of this title,

the terms mean such Indian housing authority.

(B) OTHER ENTITIES.—For any Indian tribe that, pursuant to this Act, authorizes an entity other than the tribal government to receive grant amounts and provide assistance under this title for affordable housing for Indians, which entity is established—

(i) by exercise of the power of self-government of an Indian tribe independent of State law, or

(ii) by operation of State law providing specifically for housing authorities or housing entities for Indians, including regional housing authorities in the State of Alaska,

the terms mean such entity.

A tribally designated housing entity may be authorized or established by one or more Indian tribes to act on behalf of each such tribe authorizing or establishing the housing entity. Nothing in this title may be construed to affect the existence, or the ability to operate, of any Indian housing authority established before the date of the enactment of this title by a State-recognized tribe, band, nation, pueblo, village, or community of Indian or Alaska Natives that is not an Indian tribe for purposes of this title.

(12) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development, except as otherwise specified in this title.

Subtitle A—Block Grants and Grant Requirements

SEC. 611. BLOCK GRANTS.

(a) AUTHORITY.—For each fiscal year, the Secretary shall (to the extent amounts are made available to carry out this title) make grants under this section on behalf of Indian tribes to carry out affordable housing activities. Under such a grant on behalf of an Indian tribe, the Secretary shall provide the grant amounts for the tribe directly to the recipient for the tribe.

(b) CONDITION OF GRANT.—

(1) IN GENERAL.—The Secretary may make a grant under this title on behalf of an Indian tribe for a fiscal year only if—

(A) the Indian tribe has submitted to the Secretary a local housing plan for such fiscal year under section 612; and

(B) the plan has been determined under section 613 to comply with the requirements of section 612.

(2) WAIVER.—The Secretary may waive the applicability of the requirements under paragraph (1), in whole or in part, if the Secretary finds that an Indian tribe has not complied or can not complied with such requirements because of circumstances beyond the control of the tribe.

(c) AMOUNT.—Except as otherwise provided under subtitle B, the amount of a grant under this section to a recipient for a fiscal year shall be—

(1) in the case of a recipient whose grant beneficiary is a single Indian tribe, the amount of the allocation under section 641 for the Indian tribe; and

(2) in the case of a recipient whose grant beneficiary is more than 1 Indian tribe, the sum of the amounts of the allocations under section 641 for each such Indian tribe.

(d) USE FOR AFFORDABLE HOUSING ACTIVITIES.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities under subtitle B.

(e) EFFECTUATION OF LHP.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities that are consistent with the approved local housing plan under section 613 for the grant beneficiary on whose behalf the grant is made.

(f) ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—The Secretary shall, by regulation, authorize each recipient to use a percentage of any grant amounts received under this title for any administrative and planning expenses of the recipient relating to carrying out this title and activities assisted with such amounts, which may include costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this title and expenses of preparing a local housing plan under section 612.

(2) CONTENTS OF REGULATIONS.—The regulations referred to in paragraph (1) shall provide that—

(A) the Secretary shall, for each recipient, establish a percentage referred to in paragraph (1) based on the specific circumstances of the recipient and the tribes served by the recipient; and

(B) the Secretary may review the percentage for a recipient upon the written request of the recipient specifying the need for such review or the initiative of the Secretary and, pursuant to such review, may revise the percentage established for the recipient.

(g) PUBLIC-PRIVATE PARTNERSHIPS.—Each recipient shall make all reasonable efforts, consistent with the purposes of this title, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in implementing the approved local housing plan for the tribe that is the grant beneficiary.

SEC. 612. LOCAL HOUSING PLANS.

(a) IN GENERAL.—

(1) SUBMISSION.—The Secretary shall provide for an Indian tribe to submit to the Secretary, for each fiscal year, a local housing plan under this section for the tribe (or for the tribally designated housing entity for a tribe to submit the plan under subsection (e) for the tribe) and for the review of such plans.

(2) LOCALLY DRIVEN NATIONAL OBJECTIVES.—A local housing plan shall describe—

(A) the mission of the tribe with respect to affordable housing or, in the case of a recipient that is a tribally designated housing entity, the mission of the housing entity;

(B) the goals, objectives, and policies of the recipient to meet the housing needs of low-income families in the jurisdiction of the housing entity, which shall be designed to achieve the national objectives under section 621(a); and

(C) how the locally established mission and policies of the recipient are designed to achieve, and are consistent with, the national objectives under section 621(a).

(b) 5-YEAR PLAN.—Each local housing plan under this section for an Indian tribe shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) LOCALLY DRIVEN NATIONAL OBJECTIVES.—The information described in subsection (a)(2).

(2) CAPITAL IMPROVEMENT OVERVIEW.—If the recipient will provide capital improvements for housing described in subsection (c)(3) during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the recipient to meet its goals, objectives, and mission.

(c) 1-YEAR PLAN.—A local housing plan under this section for an Indian tribe shall contain the following information relating to the upcoming fiscal year for which the assistance under this title is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the recipient for the tribe that includes—

(A) identification and a description of the financial resources reasonably available to the recipient to carry out the purposes of this title, including an explanation of how amounts made available will leverage such additional resources; and

(B) the uses to which such resources will be committed, including eligible and required affordable housing activities under subtitle B to be assisted and administrative expenses.

(2) AFFORDABLE HOUSING.—For the jurisdiction within which the recipient is authorized to use assistance under this title—

(A) a description of the estimated housing needs and the need for assistance for very low-income and moderate-income families;

(B) a description of the significant characteristics of the housing market, indicating how such characteristics will influence the use of amounts made available under this title for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units;

(C) an description of the structure, means of cooperation, and coordination between the recipient and any units of general local government in the development, submission, and implementation of their housing plans, including a description of the involvement of any private industries, nonprofit organizations, and public institutions;

(D) a description of how the plan will address the housing needs identified pursuant to subparagraph (A), describing the reasons for allocation priorities, and identify any obstacles to addressing underserved needs;

(E) a description of any homeownership programs of the recipient to be carried out with respect to affordable housing assisted under this title and the requirements and assistance available under such programs;

(F) a certification that the recipient will maintain written records of the standards and procedures under which the recipient will monitor activities assisted under this title and ensure long-term compliance with the provisions of this title;

(G) a certification that the recipient will comply with title II of the Civil Rights Act of 1968 in carrying out this title, to the extent that such title is applicable;

(H) a statement of the number of families for whom the recipient will provide affordable housing using grant amounts provided under this title;

(I) a statement of how the goals, programs, and policies for producing and preserving affordable housing will be coordinated with other programs and services for which the recipient is responsible and the extent to which they will reduce (or assist in reducing) the number of households with incomes below the poverty line; and

(J) a certification that the recipient has obtain insurance coverage for any housing units that are owned or operated by the tribe or the tribally designated housing entity for the tribe and assisted with amounts provided under this Act, in compliance with such requirements as the Secretary may establish.

(3) INDIAN HOUSING DEVELOPED UNDER UNITED STATES HOUSING ACT OF 1937.—A plan describing how the recipient for the tribe will comply with the requirements under section 623 relating to low-income housing owned or operated by the housing entity that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, which shall include—

(A) a certification that the recipient will maintain a written record of the policies of the recipient governing eligibility, admissions, and occupancy of families with respect to dwelling units in such housing;

(B) a certification that the recipient will maintain a written record of policies of the recipient governing rents charged for dwelling units in such housing, including—

(i) the methods by which such rents are determined; and

(ii) an analysis of how such methods affect—

(I) the ability of the recipient to provide affordable housing for low-income families having a broad range of incomes;

(II) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(III) the availability of other financial resources to the recipient for use for such housing;

(C) a certification that the recipient will maintain a written record of the standards and policies of the recipient governing maintenance and management of such housing, and management of the recipient with respect to administration of such housing, including—

(i) housing quality standards;

(ii) routine and preventative maintenance policies;

(iii) emergency and disaster plans;

(iv) rent collection and security policies;

(v) priorities and improvements for management of the housing; and

(vi) priorities and improvements for management of the recipient, including improvement of electronic information systems to facilitate managerial capacity and efficiency;

(D) a plan describing—

(i) the capital improvements necessary to ensure long-term physical and social viability of such housing; and

(ii) the priorities of the recipient for capital improvements of such housing based on analysis of available financial resources, consultation with residents, and health and safety considerations;

(E) a description of any such housing to be demolished or disposed of, a timetable for such demolition or disposition, and any information required under law with respect to such demolition or disposition;

(F) a description of how the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency; and

(G) a description of the requirements established by the recipient that promote the safety of residents of such housing, facilitate the housing entity undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase resident safety by coordinating crime prevention efforts between the recipient and tribal or local law enforcement officials.

(4) INDIAN HOUSING LOAN GUARANTEES AND OTHER HOUSING ASSISTANCE.—A description of how loan guarantees under section 184 of the Housing and Community Development Act of 1992, and other housing assistance provided by the Federal Government for Indian tribes (including grants, loans, and mortgage insurance) will be used to help in meeting the needs for affordable housing in the jurisdiction of the recipient.

(5) DISTRIBUTION OF ASSISTANCE.—A certification that the recipient for the tribe will maintain a written record of—

(A) the geographical distribution (within the jurisdiction of the recipient) of the use of grant amounts and how such geographical distribution is consistent with the geographical distribution of housing need (within such jurisdiction); and

(B) the distribution of the use of such assistance for various categories of housing and how use for such various categories is consistent with the priorities of housing need (within the jurisdiction of the recipient).

(d) PARTICIPATION OF TRIBALLY DESIGNATED HOUSING ENTITY.—A plan under this section for an Indian tribe may be prepared and submitted on behalf of the tribe by the tribally designated housing entity for the tribe, but only if such plan contains a certification by the recognized tribal government of the grant beneficiary that such tribe has had an opportunity to review the plan and has authorized the submission of the plan by the housing entity.

(e) COORDINATION OF PLANS.—A plan under this section may cover more than 1 Indian tribe, but only if the certification requirements under subsection (d) are complied with by each such grant beneficiary covered.

(f) PLANS FOR SMALL TRIBES.—

(1) SEPARATE REQUIREMENTS.—The Secretary shall establish requirements for submission of plans under this section and the

information to be included in such plans applicable to small Indian tribes and small tribally designated housing entities. Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such tribes and housing entities.

(2) SMALL TRIBES.—The Secretary shall define small Indian tribes and small tribally designated housing entities based on the number of dwelling units assisted under this subtitle by the tribe or housing entity or owned or operated pursuant to a contract under the United States Housing Act of 1937 between the Secretary and the Indian housing authority for the tribe.

(g) REGULATIONS.—The requirements relating to the contents of plans under this section shall be established by regulation, pursuant to section 616.

SEC. 613. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing plan submitted to the Secretary to ensure that the plan complies with the requirements of section 612. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each Indian tribe for which a plan is submitted and any tribally designated housing entity for the tribe whether the plan complies with such requirements not later than 45 days after receiving the plan. If the Secretary does not notify the Indian tribe, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this title, to have been determined to comply with the requirements under section 612 and the tribe shall be considered to have been notified of compliance upon the expiration of such 45-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 612, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 612.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 612 only if—

(1) the plan is not consistent with the national objectives under section 621(a);

(2) the plan is incomplete in significant matters required under such section;

(3) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(4) the Secretary determines that the plan violates the purposes of this title because it fails to provide affordable housing that will be viable on a long-term basis at a reasonable cost; or

(5) the plan fails to adequately identify the capital improvement needs for low-income housing owned or operated by the Indian tribe that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937.

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a plan shall be considered to have been submitted for an Indian tribe if the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this title) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1997. The Secretary shall provide specific procedures and requirements for such tribes to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 612.

(e) UPDATES TO PLAN.—After a plan under section 612 has been submitted for an Indian tribe for any fiscal year, the tribe may comply with the provisions of such section for any succeeding fiscal year (with respect to information included for the 5-year period under section 612(b) or the 1-year period under section 612(c)) by submitting only such information regarding such changes as may be necessary to update the plan previously submitted.

SEC. 614. TREATMENT OF PROGRAM INCOME AND LABOR STANDARDS.

(a) PROGRAM INCOME.—

(1) AUTHORITY TO RETAIN.—Notwithstanding any other provision of law, a recipient may retain any program income that is realized from any grant amounts under this title if—

(A) such income was realized after the initial disbursement of the grant amounts received by the recipient; and

(B) the recipient has agreed that it will utilize the program income for affordable housing activities in accordance with the provisions of this title.

(2) PROHIBITION OF REDUCTION OF GRANT.—The Secretary may not reduce the grant amount for any Indian tribe based solely on (1) whether the recipient for the tribe retains program income under paragraph (1), or (2) the amount of any such program income retained.

(3) EXCLUSION OF AMOUNTS.—The Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with the requirements of this subsection would create an unreasonable administrative burden on the recipient.

(b) TREATMENT OF LABOR STANDARDS.—The use of amounts provided under this title to finance (in whole or in part) a contract for construction or rehabilitation work shall not cause such contract to be subject to the requirements of the Act of March 3, 1931 (40 U.S.C. 276a–276a-5; commonly known as the Davis-Bacon Act) or to any other provision of law requiring payment of wages in accordance with such Act.

SEC. 615. ENVIRONMENTAL REVIEW.

(a) IN GENERAL.—In order to ensure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of grant amounts provided under this title, and to ensure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of amounts for particular projects to recipients of assistance under this title who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were the Secretary to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality. The regulations shall provide—

(1) for the monitoring of the environmental reviews performed under this section;

(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

(3) for the suspension or termination of the assumption of responsibilities under this section.

The Secretary's duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a recipient of grant amounts with respect to any particular release of funds.

(b) PROCEDURE.—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, at least 15 days prior to such approval and prior to any commitment of funds to such projects the recipient of grant amounts has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of subsection (c). The Secretary's approval of any such certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(c) CERTIFICATION.—A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary,

(2) be executed by the chief executive officer or other officer of the recipient of assistance under this title qualified under regulations of the Secretary,

(3) specify that the recipient has fully carried out its responsibilities as described under subsection (a), and

(4) specify that the certifying officer (A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or such other provisions of law apply pursuant to subsection (a), and (B) is authorized and consents on behalf of the recipient of assistance and such officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities as such an official.

SEC. 616. REGULATIONS.

(a) INTERIM REQUIREMENTS.—Not later than 90 days after the date of the enactment of this title, the Secretary shall, by notice issued in the Federal Register, establish any requirements necessary to carry out this title in the manner provided in section 617(b), which shall be effective only for fiscal year 1997. The notice shall invite public comments regarding such interim requirements and final regulations to carry out this title and shall include general notice of proposed rulemaking (for purposes of section 564(a) of title 5, United States Code) of the final regulations under paragraph (2).

(b) FINAL REGULATIONS.—

(1) TIMING.—The Secretary shall issue final regulations necessary to carry out this title not later than September 1, 1997, and such regulations shall take effect not later than the effective date under section 617(a).

(2) NEGOTIATED RULEMAKING.—Notwithstanding sections 563(a) and 565(a) of title 5,

United States Code, the final regulations required under paragraph (1) shall be issued according to a negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code. The Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations, which shall include representatives of Indian tribes.

SEC. 617. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b) and as otherwise specifically provided in this title, this title shall take effect on October 1, 1997.

(b) INTERIM APPLICABILITY.—For fiscal year 1997, this title shall apply to any Indian tribe that requests the Secretary to apply this title to such tribe, subject to the provisions of this subsection, but only if the Secretary determines that the tribe has the capacity to carry out the responsibilities under this title during such fiscal year. For fiscal year 1997, this title shall apply to any such tribe subject to the following limitations:

(1) USE OF ASSISTANCE AMOUNTS AS BLOCK GRANT.—Amounts shall not be made available pursuant to this title for grants under this title for such fiscal year, but any amounts made available for the tribe under the United States Housing Act of 1937, title II or subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993 shall be considered grant amounts under this title and shall be used subject to the provisions of this title relating to such grant amounts.

(2) LOCAL HOUSING PLAN.—Notwithstanding section 613 of this title, a local housing plan shall be considered to have been submitted for the tribe for fiscal year 1997 for purposes of this title only if—

(A) the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 or under the comprehensive improvement assistance program under such section 14;

(B) the Secretary has approved such plan before January 1, 1996; and

(C) the tribe complies with specific procedures and requirements for amending such plan as the Secretary may establish to carry out this subsection.

(c) ASSISTANCE UNDER EXISTING PROGRAM DURING FISCAL YEAR 1997.—Notwithstanding the repeal of any provision of law under section 501(a) and with respect only to Indian tribes not provided assistance pursuant to subsection (b), during fiscal year 1997—

(1) the Secretary shall carry out programs to provide low-income housing assistance on Indian reservations and other Indian areas in accordance with the provisions of title II of the United States Housing Act of 1937 and related provisions of law, as in effect immediately before the enactment of this Act;

(2) except to the extent otherwise provided in the provisions of such title II (as so in effect), the provisions of title I of such Act (as so in effect) and such related provisions of law shall apply to low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority; and

(3) none of the provisions of title I, II, III, or IV, or of any other law specifically modifying the public housing program that is enacted after the date of the enactment of this Act, shall apply to public housing operated pursuant to a contract between the Secretary and an Indian housing authority, unless the provision explicitly provides for such applicability.

SEC. 618. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for grants under subtitle A $650,000,000, for each of fiscal years 1998, 1999, 2000, and 2001.

Subtitle B—Affordable Housing Activities

SEC. 621. NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.

(a) PRIMARY OBJECTIVE.—The national objectives of this title are—

(1) to assist and promote affordable housing activities to develop, maintain, and operate safe, clean, and healthy affordable housing on Indian reservations and in other Indian areas for occupancy by low-income Indian families;

(2) to ensure better access to private mortgage markets for Indian tribes and their members and to promote self-sufficiency of Indian tribes and their members;

(3) to coordinate activities to provide housing for Indian tribes and their members with Federal, State, and local activities to further economic and community development for Indian tribes and their members;

(4) to plan for and integrate infrastructure resources for Indian tribes with housing development for tribes; and

(5) to promote the development of private capital markets in Indian country and to allow such markets to operate and grow, thereby benefiting Indian communities.

(b) ELIGIBLE FAMILIES.—

(1) IN GENERAL.—Except as provided under paragraph (2), assistance under eligible housing activities under this title shall be limited to low-income Indian families on Indian reservations and other Indian areas.

(2) EXCEPTION TO LOW-INCOME REQUIREMENT.—A recipient may provide assistance for model activities under section 622(a)(6) to families who are not low-income families, if the Secretary approves the activities pursuant to such subsection because there is a need for housing for such families that cannot reasonably be met without such assistance. The Secretary shall establish limits on the amount of assistance that may be provided under this title for activities for families who are not low-income families.

(3) NON-INDIAN FAMILIES.—A recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this title for a non-Indian family on an Indian reservation or other Indian area if the recipient determines that the presence of the family on the Indian reservation or other Indian area is essential to the well-being of Indian families and the need for housing for the family cannot reasonably be met without such assistance.

(4) PREFERENCE FOR INDIAN FAMILIES.—The local housing plan for an Indian tribe may require preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this title on behalf of such tribe, to be given (to the extent practicable) to Indian families who are members of such tribe, or to other Indian families. In any case in which the applicable local housing plan for an Indian tribe provides for preference under this subsection, the recipient for the tribe shall ensure that housing activities that are assisted with grant amounts under this title for such tribe are subject to such preference.

(5) EXEMPTION.—Title VI of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 shall not apply to actions by Indian tribes under this subsection.

SEC. 622. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.

Affordable housing activities under this subtitle are activities, in accordance with the requirements of this subtitle, to develop or to support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) INDIAN HOUSING ASSISTANCE.—The provision of modernization or operating assistance for housing previously developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(2) DEVELOPMENT.—The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other related activities.

(3) HOUSING SERVICES.—The provision of housing-related services for affordable housing, such as housing counseling in connection with rental or homeownership assistance, energy auditing, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

(4) HOUSING MANAGEMENT SERVICES.—The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

(5) CRIME PREVENTION AND SAFETY ACTIVITIES.—The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

(6) MODEL ACTIVITIES.—Housing activities under model programs that are designed to carry out the purposes of this title and are specifically approved by the Secretary as appropriate for such purpose.

SEC. 623. REQUIRED AFFORDABLE HOUSING ACTIVITIES.

(a) MAINTENANCE OF OPERATING ASSISTANCE FOR INDIAN HOUSING.—Any recipient who owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall, using amounts of any grants received under this title, reserve and use for operating assistance under section 622(1) such amounts as may be necessary to provide for the continued maintenance and efficient operation of such housing.

(b) DEMOLITION AND DISPOSITION.—This title may not be construed to prevent any recipient (or entity funded by a recipient) from demolishing or disposing of Indian housing referred to in such subsection. Notwithstanding section 114, section 261 shall apply to the demolition or disposition of Indian housing referred to in subsection (a).

SEC. 624. TYPES OF INVESTMENTS.

(a) IN GENERAL.—Subject to section 623 and the local housing plan for an Indian tribe, the recipient for such tribe shall have—

(1) the discretion to use grant amounts for affordable housing activities through equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, leveraging of private investments under subsection (b), or any other form of assistance that the Secretary has determined to be consistent with the purposes of this title; and

(2) the right to establish the terms of assistance.

(b) LEVERAGING PRIVATE INVESTMENT.—A recipient may leverage private investments in affordable housing activities by pledging existing or future grant amounts to assure the repayment of notes and other obligations of the recipient issued for purposes of carrying out affordable housing activities.

SEC. 625. LOW-INCOME REQUIREMENT AND INCOME TARGETING.

Housing shall qualify as affordable housing for purposes of this title only if—

(1) each dwelling unit in the housing—

(A) in the case of rental housing, is made available for occupancy only by a family that is a low-income family at the time of their initial occupancy of such unit; and

(B) in the case of housing for homeownership, is made available for purchase only by a family that is a low-income family at the time of purchase; and

(2) except for housing assisted under section 202 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), each dwelling unit in the housing will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this title, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action (A) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure, and (B) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary.

SEC. 626. CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.

With respect to housing assisted with grant amounts provided under this title, the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall be considered to be satisfied upon certification by the recipient of the assistance to the Secretary that the combination of Federal assistance provided to any housing project is not any more than is necessary to provide affordable housing.

SEC. 627. LEASE REQUIREMENTS AND TENANT SELECTION.

(a) LEASES.—Except to the extent otherwise provided by or inconsistent with tribal law, in renting dwelling units in affordable housing assisted with grant amounts provided under this title, the owner or manager of the housing shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) require the owner or manager to maintain the housing in compliance with applicable housing codes and quality standards;

(3) require the owner or manager to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or employees of the owner or manager is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the owner or manager may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, tribal, State, or local law, or for other good cause; and

(5) provide that the owner or manager may terminate the tenancy of a resident for any activity, engaged in by the resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity).

(b) TENANT SELECTION.—The owner or manager of affordable rental housing assisted under with grant amounts provided under this title shall adopt and utilize written tenant selection policies and criteria that—

(1) are consistent with the purpose of providing housing for low-income families;

(2) are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease; and

(3) provide for (A) the selection of tenants from a written waiting list in accordance with the policies and goals set forth in the local housing plan for the tribe that is the grant beneficiary of such grant amounts, and (B) the prompt notification in writing of any rejected applicant of the grounds for any rejection.

SEC. 628. REPAYMENT.

If a recipient uses grant amounts to provide affordable housing under activities under this subtitle and, at any time during the useful life of the housing the housing does not comply with the requirement under section 625(a)(2), the Secretary shall reduce future grant payments on behalf of the grant beneficiary by an amount equal to the grant amounts used for such housing (under the authority under section 651(a)(2)) or require repayment to the Secretary of an amount equal to such grant amounts.

SEC. 629. CONTINUED USE OF AMOUNTS FOR AFFORDABLE HOUSING.

Any funds for programs for low-income housing under the United States Housing Act of 1937 that, on the date of the applicability of this title to an Indian tribe, are owned by, or in the possession or under the control of, the Indian housing authority for the tribe, including all reserves not otherwise obligated, shall be considered assistance under this title and subject to the provisions of this title relating to use of such assistance.

Subtitle C—Allocation of Grant Amounts

SEC. 641. ANNUAL ALLOCATION.

For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this title for the fiscal year, in accordance with the formula established pursuant to section 642, among Indian tribes that comply with the requirements under this title for a grant under this title.

SEC. 642. ALLOCATION FORMULA.

The Secretary shall, by regulations issued in the manner provided under section 616, establish a formula to provide for allocating amounts available for a fiscal year for block grants under this title among Indian tribes. The formula shall be based on factors that reflect the need of the Indian tribes and the Indian areas of the tribes for assistance for affordable housing activities, including the following factors:

(1) The number of low-income housing dwelling units owned or operated at the time pursuant to a contract between an Indian housing authority for the tribe and the Secretary.

(2) The extent of poverty and economic distress within Indian areas of the tribe.

(3) Other objectively measurable conditions as the Secretary may specify.

The regulations establishing the formula shall be issued not later than the expiration of the 12-month period beginning on the date of the enactment of this title.

Subtitle D—Compliance, Audits, and Reports

SEC. 651. REMEDIES FOR NONCOMPLIANCE.

(a) ACTIONS BY SECRETARY AFFECTING GRANT AMOUNTS.—Except as provided in subsection (b), if the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this title has failed to comply substantially with any provision of this title, the Secretary shall—

(1) terminate payments under this title to the recipient;

(2) reduce payments under this title to the recipient by an amount equal to the amount of such payments which were not expended in accordance with this title;

(3) limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply; or

(4) in the case of noncompliance described in section 652(b), provide a replacement tribally designated housing entity for the recipient, under section 652.

If the Secretary takes an action under paragraph (1), (2), or (3), the Secretary shall continue such action until the Secretary determines that the failure to comply has ceased.

(b) NONCOMPLIANCE BECAUSE OF TECHNICAL INCAPACITY.—If the Secretary makes a finding under subsection (a), but determines that the failure to comply substantially with the provisions of this title—

(1) is not a pattern or practice of activities constituting willful noncompliance, and

(2) is a result of the limited capability or capacity of the recipient,

the Secretary may provide technical assistance for the recipient (directly or indirectly) that is designed to increase the capability and capacity of the recipient to administer assistance provided under this title in compliance with the requirements under this title.

(c) REFERRAL FOR CIVIL ACTION.—

(1) AUTHORITY.—In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if the Secretary has reason to believe that a recipient has failed to comply substantially with any provision of this title, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) CIVIL ACTION.—Upon such a referral, the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this title which was not expended in accordance with it, or for mandatory or injunctive relief.

(d) REVIEW.—

(1) IN GENERAL.—Any recipient who receives notice under subsection (a) of the termination, reduction, or limitation of payments under this title may, within 60 days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of

the United States, who shall represent the Secretary in the litigation.

(2) PROCEDURE.—The Secretary shall file in the court record of the proceeding on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) DISPOSITION.—The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify the Secretary's findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and the Secretary shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file the Secretary's recommendation, if any, for the modification or setting aside of the Secretary's original action.

(4) FINALITY.—Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United State Code.

SEC. 652. REPLACEMENT OF RECIPIENT.

(a) AUTHORITY.—As a condition of the Secretary making a grant under this title on behalf of an Indian tribe, the tribe shall agree that, notwithstanding any other provision of law, the Secretary may, only in the circumstances set forth in subsection (b), require that a replacement tribally designated housing entity serve as the recipient for the tribe, in accordance with subsection (c).

(b) CONDITIONS OF REMOVAL.—The Secretary may require such replacement tribally designated housing entity for a tribe only upon a determination by the Secretary on the record after opportunity for a hearing that the recipient for the tribe has engaged in a pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements under this title.

(c) CHOICE AND TERM OF REPLACEMENT.—If the Secretary requires that a replacement tribally designated housing entity serve as the recipient for a tribe (or tribes)—

(1) the replacement entity shall be an entity mutually agreed upon by the Secretary and the tribe (or tribes) for which the recipient was authorized to act, except that if no such entity is agreed upon before the expiration of the 60-day period beginning upon the date that the Secretary makes the determination under subsection (b), the Secretary shall act as the replacement entity until agreement is reached upon a replacement entity; and

(2) the replacement entity (or the Secretary, as provided in paragraph (1)) shall act as the tribally designated housing entity for the tribe (or tribes) for a period that expires upon—

(A) a date certain, which shall be specified by the Secretary upon making the determination under subsection (b); or

(B) the occurrence of specific conditions, which conditions shall be specified in written notice provided by the Secretary to the tribe upon making the determination under subsection (b).

SEC. 653. MONITORING OF COMPLIANCE.

(a) ENFORCEABLE AGREEMENTS.—Each recipient, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this title. Such measures shall provide for (1) enforcement of the provisions of this title by the grant beneficiary or by recipients and other intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) PERIODIC MONITORING.—Not less frequently than annually, each recipient shall review the activities conducted and housing assisted under this title to assess compliance with the requirements of this title. Such review shall include on-site inspection of housing to determine compliance with applicable requirements. The results of each review shall be included in the performance report of the recipient submitted to the Secretary under section 654 and made available to the public.

SEC. 654. PERFORMANCE REPORTS.

(a) REQUIREMENT.—For each fiscal year, each recipient shall—

(1) review the progress it has made during such fiscal year in carrying out the local housing plan (or plans) for the Indian tribes for which it administers grant amounts; and

(2) submit a report to the Secretary (in a form acceptable to the Secretary) describing the conclusions of the review.

(b) CONTENT.—Each report under this section for a fiscal year shall—

(1) describe the use of grant amounts provided to the recipient for such fiscal year;

(2) assess the relationship of such use to the goals identified in the local housing plan of the grant beneficiary;

(3) indicate the recipient's programmatic accomplishments; and

(4) describe how the recipient would change its programs as a result of its experiences.

(c) SUBMISSION.—The Secretary shall establish dates for submission of reports under this section, and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this title.

(d) PUBLIC AVAILABILITY.—A recipient preparing a report under this section shall make the report publicly available to the citizens in the recipient's jurisdiction in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the recipient may determine. The report shall include a summary of any comments received by the grant beneficiary or recipient from citizens in its jurisdiction regarding its program.

SEC. 655. REVIEW AND AUDIT BY SECRETARY.

(a) ANNUAL REVIEW.—The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) whether the recipient has carried out its eligible activities in a timely manner, has carried out its eligible activities and certifications in accordance with the requirements and the primary objectives of this title and with other applicable laws, and has a continuing capacity to carry out those activities in a timely manner;

(2) whether the recipient has complied with the local housing plan of the grant beneficiary; and

(3) whether the performance reports under section 654 of the recipient are accurate.

Reviews under this section shall include, insofar as practicable, on-site visits by employees of the Department of Housing and Urban Development.

(b) REPORT BY SECRETARY.—The Secretary shall submit a written report to the Congress regarding each review under subsection (a). The Secretary shall give a recipient not less than 30 days to review and comment on a report under this subsection. After taking into consideration the comments of the recipient, the Secretary may revise the report and shall make the recipient's comments and the report, with any revisions, readily available to the public not later than 30 days after receipt of the recipient's comments.

(c) EFFECT OF REVIEWS.—The Secretary may make appropriate adjustments in the amount of the annual grants under this title in accordance with the Secretary's findings pursuant to reviews and audits under this section. The Secretary may adjust, reduce, or withdraw grant amounts, or take other action as appropriate in accordance with the Secretary's reviews and audits under this section, except that grant amounts already expended on affordable housing activities may not be recaptured or deducted from future assistance provided on behalf of an Indian tribe.

SEC. 656. GAO AUDITS.

To the extent that the financial transactions of Indian tribes and recipients of grant amounts under this title relate to amounts provided under this title, such transactions may be audited by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such tribes and recipients pertaining to such financial transactions and necessary to facilitate the audit.

SEC. 657. REPORTS TO CONGRESS.

(a) IN GENERAL.—Not later than 90 days after the conclusion of each fiscal year in which assistance under this title is made available, the Secretary shall submit to the Congress a report that contains—

(1) a description of the progress made in accomplishing the objectives of this title; and

(2) a summary of the use of such funds during the preceding fiscal year.

(b) RELATED REPORTS.—The Secretary may require recipients of grant amounts under this title to submit to the Secretary such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs

SEC. 661. TERMINATION OF INDIAN PUBLIC HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.

(a) IN GENERAL.—After September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997 and pursuant to a commitment entered into before September 30, 1997.

(b) TERMINATION OF RESTRICTIONS ON USE OF INDIAN HOUSING.—Except as provided in section 623(b) of this title, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual contributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this title.

SEC. 662. TERMINATION OF NEW COMMITMENTS FOR RENTAL ASSISTANCE.

After September 30, 1997, financial assistance for rental housing assistance under the United States Housing Act of 1937 may not be provided to any Indian housing authority or tribally designated housing entity, unless such assistance is provided pursuant to a contract for such assistance entered into by the Secretary and the Indian housing authority before such date.

SEC. 663. TERMINATION OF YOUTHBUILD PROGRAM ASSISTANCE.

(a) IN GENERAL.—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is amended—

(1) by redesignating section 460 as section 461; and

(2) by inserting after section 459 the following new section:

"SEC. 460. INELIGIBILITY OF INDIAN TRIBES.

"Indian tribes, Indian housing authorities, and other agencies primarily serving Indians or Indian areas shall not be eligible applicants for amounts made available for assistance under this subtitle for fiscal year 1997 and fiscal years thereafter.".

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 664. TERMINATION OF HOME PROGRAM ASSISTANCE.

(a) IN GENERAL.—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 217(a)—

(A) in paragraph (1), by striking "reserving amounts under paragraph (2) for Indian tribes and after"; and

(B) by striking paragraph (2); and

(2) in section 288—

(A) in subsection (a), by striking ", Indian tribes,";

(B) in subsection (b), by striking ", Indian tribe,"; and

(C) in subsection (c)(4), by striking ", Indian tribe,".

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 665. TERMINATION OF HOUSING ASSISTANCE FOR THE HOMELESS.

(a) MCKINNEY ACT PROGRAMS.—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended—

(1) in section 411, by striking paragraph (10);

(2) in section 412, by striking ", and for Indian tribes,";

(3) in section 413—

(A) in subsection (a)—

(i) by striking ", and to Indian tribes,"; and

(ii) by striking ", or for Indian tribes" each place it appears;

(B) in subsection (c), by striking "or Indian tribe"; and

(C) in subsection (d)(3)—

(i) by striking ", or Indian tribe" each place it appears; and

(ii) by striking ", or other Indian tribes,";

(4) in section 414(a)—

(A) by striking 'or Indian tribe" each place it appears; and

(B) by striking ", local government," each place it appears and inserting "or local government";

(5) in section 415(c)(4), by striking "Indian tribes,";

(6) in section 416(b), by striking "Indian tribe,";

(7) in section 422—

(A) in by striking "Indian tribe,"; and

(B) by striking paragraph (3);

(8) in section 441—

(A) by striking subsection (g);

(B) in subsection (h), by striking "or Indian housing authority"; and

(C) in subsection (j)(1), by striking ", Indian housing authority";

(9) in section 462—

(A) in paragraph (2), by striking ", Indian tribe,"; and

(B) by striking paragraph (4); and

(10) in section 491(e), by striking ", Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974),".

(b) INNOVATIVE HOMELESS DEMONSTRATION.—Section 2(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note) is amended—

(1) in paragraph (3), by striking " 'unit of general local government', and 'Indian tribe' " and inserting "and 'unit of general local government' "; and

(2) in paragraph (4), by striking "unit of general local government (including units in rural areas), or Indian tribe" and inserting "or unit of general local government".

(c) EFFECTIVE DATE AND APPLICABILITY.—The amendments under subsections (a) and (b) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and section 2 of the HUD Demonstration Act of 1993, respectively, for fiscal year 1998 and fiscal years thereafter.

SEC. 666. SAVINGS PROVISION.

Except as provided in sections 661 and 662, this title may not be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement lawfully entered into before October 1, 1997, under the United States Housing Act of 1937, subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993.

SEC. 667. EFFECTIVE DATE.

Sections 661, 662, and 666 shall take effect on the date of the enactment of this title.

Subtitle F—Loan Guarantees for Affordable Housing Activities

SEC. 671. AUTHORITY AND REQUIREMENTS.

(a) AUTHORITY.—To such extent or in such amounts as provided in appropriation Acts, the Secretary may, subject to the limitations of this subtitle and upon such terms and conditions as the Secretary may prescribe, guarantee and make commitments to guarantee, the notes or other obligations issued by Indian tribes or tribally designated housing entities, for the purposes of financing affordable housing activities described in section 622.

(b) LACK OF FINANCING ELSEWHERE.—A guarantee under this subtitle may be used to assist an Indian tribe or housing entity in obtaining financing only if the Indian tribe or housing entity has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing consistent with the timely execution of the program plans without such guarantee.

(c) TERMS OF LOANS.—Notes or other obligations guaranteed pursuant to this subtitle shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The Secretary may not deny a guarantee under this subtitle on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) LIMITATION ON OUTSTANDING GUARANTEES.—No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the issuer's total outstanding notes or obligations guaranteed under this subtitle (excluding any amount defeased under the contract entered into under section 672(a)(1)) would thereby exceed an amount equal to 5 times the amount of the grant approval for the issuer pursuant to title III.

(e) PROHIBITION OF PURCHASE BY FFB.—Notes or other obligations guaranteed under this subtitle may not be purchased by the Federal Financing Bank.

(f) PROHIBITION OF GUARANTEE FEES.—No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this subtitle.

SEC. 672. SECURITY AND REPAYMENT.

(a) REQUIREMENTS ON ISSUER.—To assure the repayment of notes or other obligations and charges incurred under this subtitle and as a condition for receiving such guarantees, the Secretary shall require the Indian tribe or housing entity issuing such notes or obligations to—

(1) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed under this subtitle;

(2) pledge any grant for which the issuer may become eligible under this title;

(3) demonstrate that the extent of such issuance and guarantee under this title is within the financial capacity of the tribe and is not likely to impairment the ability to use of grant amounts under subtitle A, taking into consideration the requirements under section 623(a); and

(4) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this title or dispositions proceeds from the sale of land or rehabilitated property.

(b) REPAYMENT FROM GRANT AMOUNTS.—Notwithstanding any other provision of this title—

(1) the Secretary may apply grants pledged pursuant to subsection (a)(2) to any repayments due the United States as a result of such guarantees; and

(2) grants allocated under this title for an Indian tribe or housing entity (including program income derived therefrom) may be used to pay principal and interest due (including such servicing, underwriting, and other costs as may be specified in regulations issued by the Secretary) on notes or other obligations guaranteed pursuant to this subtitle.

(c) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all guarantees made under this subtitle. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

SEC. 673. PAYMENT OF INTEREST.

The Secretary may make, and contract to make, grants, in such amounts as may be approved in appropriations Acts, to or on behalf of an Indian tribe or housing entity issuing notes or other obligations guaranteed under this subtitle, to cover not to exceed 30 percent of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing entity or agency of such obligations. The Secretary may also, to the extent approved in appropriation Acts, assist the issuer of a note or other obligation guaranteed under this subtitle in the payment of all or a portion of the principal and interest amount due under the note or other obligation, if the Secretary determines that the issuer is unable to pay the amount because of circumstances of extreme hardship beyond the control of the issuer.

SEC. 674. TREASURY BORROWING.

The Secretary may issue obligations to the Secretary of the Treasury in an amount outstanding at any one time sufficient to enable the Secretary to carry out the obligations of the Secretary under guarantees authorized by this subtitle. The obligations issued under this section shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Secretary issued under this section, and for such purposes may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which such securities may be issued under such chapter are extended to include the purchases of the Secretary's obligations hereunder.

SEC. 675. TRAINING AND INFORMATION.

The Secretary, in cooperation with eligible public entities, shall carry out training and information activities with respect to the guarantee program under this subtitle.

SEC. 676. LIMITATIONS ON AMOUNT OF GUARANTEES.

(a) AGGREGATE FISCAL YEAR LIMITATION.—Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this subtitle, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this subtitle with an aggregate principal amount of $400,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(b) AUTHORIZATION OF APPROPRIATIONS FOR CREDIT SUBSIDY.—There is authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees under this subtitle, $40,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(c) AGGREGATE OUTSTANDING LIMITATION.—The total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to this subtitle shall not at any time exceed $2,000,000,000 or such higher amount as may be authorized to be appropriated for this subtitle for any fiscal year.

(d) FISCAL YEAR LIMITATIONS ON TRIBES.—The Secretary shall monitor the use of guarantees under this subtitle by Indian tribes. If the Secretary finds that 50 percent of the aggregate guarantee authority under subsection (c) has been committed, the Secretary may—

(1) impose limitations on the amount of guarantees any one Indian tribe may receive in any fiscal year of $50,000,000; or

(2) request the enactment of legislation increasing the aggregate limitation on guarantees under this subtitle.

SEC. 677. EFFECTIVE DATE.

This subtitle shall take effect upon the enactment of this title.

Subtitle G—Other Housing Assistance for Native Americans

SEC. 681. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) DEFINITION OF ELIGIBLE BORROWERS TO INCLUDE INDIAN TRIBES.—Section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1515z–13a) is amended—

(1) in subsection (a)—

(A) by striking "and Indian housing authorities" and inserting ", Indian housing authorities, and Indian tribes,"; and

(B) by striking "or Indian housing authority" and inserting ", Indian housing authority, or Indian tribe"; and

(2) in subsection (b)(1), by striking "or Indian housing authorities" and inserting ", Indian housing authorities, or Indian tribes".

(b) NEED FOR LOAN GUARANTEE.—Section 184(a) of the Housing and Community Development Act of 1992 is amended by striking "trust land" and inserting "lands or as a result of a lack of access to private financial markets".

(c) LHP REQUIREMENT.—Section 184(b)(2) of the Housing and Community Development Act of 1992 is amended by inserting before the period at the end the following: "that is under the jurisdiction of an Indian tribe for which a local housing plan has been submitted and approved pursuant to sections 612 and 613 of the Native American Housing Assistance and Self-Determination Act of 1996 that provides for the use of loan guarantees under this section to provide affordable homeownership housing in such areas".

(d) LENDER OPTION TO OBTAIN PAYMENT UPON DEFAULT WITHOUT FORECLOSURE.—Section 184(h) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (1)(A)—

(A) in the first sentence of clause (i), by striking "in a court of competent jurisdiction"; and

(B) by striking clause (ii) and inserting the following new clause:

"(ii) NO FORECLOSURE.—Without seeking foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a request to assign the obligation and security interest to the Secretary in return for payment of the claim under the guarantee. The Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Upon assignment, the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.";

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(e) LIMITATION OF MORTGAGEE AUTHORITY.—Section 184(h)(2) of the Housing and Community Development Act of 1992, as so redesignated by subsection (e)(3) of this section, is amended—

(1) in the first sentence, by striking "tribal allotted or trust land," and inserting "restricted Indian land, the mortgagee or"; and

(B) in the second sentence, by striking "Secretary" each place it appears, and inserting "mortgagee or the Secretary".

(f) LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.—Section 184(i)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking "1993" and all that follows through "such year" and inserting "1997, 1998, 1999, 2000, and 2001 with an aggregate outstanding principal amount note exceeding $400,000,000 for each such fiscal year".

(g) AUTHORIZATION OF APPROPRIATIONS FOR GUARANTEE FUND.—Section 184(i)(7) of the Housing and Community Development Act of 1992 is amended by striking "such sums" and all that follows through "1994" and inserting "$30,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001".

(h) DEFINITIONS.—Section 184(k) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (4), by inserting after "authority" the following: "or Indian tribe";

(2) in paragraph (5)—

(A) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) is authorized to engage in or assist in the development or operation of—

"(i) low-income housing for Indians; or

"(ii) housing subject to the provisions of this section; and"; and

(B) by adding at the end the following:

"The term includes tribally designated housing entities under the Native American Housing Assistance and Self-Determination Act of 1996."; and

(3) by striking paragraph (8) and inserting the following new paragraph:

"(8) The term 'tribe' or 'Indian tribe' means any Indian tribe, band, notation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975.

SEC. 682. 50-YEAR LEASEHOLD INTEREST IN TRUST OR RESTRICTED LANDS FOR HOUSING PURPOSES.

(a) AUTHORITY TO LEASE.—Notwithstanding any other provision of law, any restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for residential purposes.

(b) TERM.—Each lease pursuant to subsection (a) shall be for a term not exceeding 50 years.

(c) OTHER CONDITIONS.—Each lease pursuant to subsection (a) and each renewal of such a lease shall be made under such terms and regulations as may be prescribed by the Secretary of the Interior.

(d) RULE OF CONSTRUCTION.—This section may not be construed to repeal, limit, or affect any authority to lease any restricted Indian lands that—

(1) is conferred by or pursuant to any other provision of law; or

(2) provides for leases for any period exceeding 50 years.

SEC. 683. TRAINING AND TECHNICAL ASSISTANCE.

There is authorized to be appropriated for assistance for the a national organization representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities $2,000,000, for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

SEC. 684. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect upon the enactment of this title.

The CHAIRMAN. Pursuant to the order of the committee of Wednesday, May 8, 1996, the gentleman from Arizona [Mr. HAYWORTH] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

PARLIAMENTARY INQUIRY

Mr. YOUNG of Alaska. Mr. Chairman, I have a parliamentary inquiry.

The gentleman will state it.

Mr. YOUNG of Alaska. Mr. Chairman, I have a perfecting amendment to the amendment of the gentleman from Arizona. When would be the appropriate time to offer that amendment?

The CHAIRMAN. The Chair would like to recognize the gentleman from Arizona for his amendment, and at that point, under the unanimous-consent agreement of yesterday, the gentleman from Arizona has 10 minutes in support of his amendment that will be allocated in support and 10 minutes will be allocated in opposition.

At any time while the amendment of the gentleman from Arizona is pending, the gentleman from Alaska may offer a perfecting amendment.

Mr. YOUNG of Alaska. I thank the Chair.

Mr. VENTO. Mr. Chairman, I claim that time in opposition.

The CHAIRMAN. The gentleman from Minnesota [Mr. VENTO] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I yield myself 3 minutes and 45 seconds.

Mr. Chairman, I rise today to offer an amendment to H.R. 2406 which will provide the tools for native American tribes to meet their unique housing needs.

My amendment consists of the text of H.R. 3219, the Native American Housing Assistance and Self-Determination Act of 1996. This legislation was introduced by my colleague from New York, the chairman of the Housing Subcommittee. I cosponsor it along with Mr. BEREUTER of Nebraska, and Mr. JOHNSON of South Dakota. Months of consultation with tribes from across the country produced the legislation before us today.

The need for better housing on Indian reservations is clear. As Albert Hale, president of the Navajo Nation, testified before the Housing Subcommittee, over 56 percent of the Navajo people live in poverty. It is not uncommon to have Navajo families of as many as 12 people living in a two-room house. The Navajo tribal government has estimated that over 13,000 new homes are needed to alleviate severe overcrowding. But tribes, such as the Navajo Nation, need not just the resources, but the flexibility, to address the housing problems they face.

A more effective system of Indian housing should be based on several important principles. First, public housing programs modeled for urban America often do not work in Indian country. Second the Federal role in providing housing to native Americans should recognize the special trust relationship between the Federal Government and tribal governments. Finally, tribes and Indian housing authorities should have the flexibility and responsibility to address the housing needs in their communities.

The amendment I am offering reflects these principles. H.R. 3219 separates Indian housing from public housing, a move which tribes have been advocating for years. It creates a block grant which will go directly to tribes, not through the States. I believe this is an important part of recognizing the government-to-government relationship between tribes and the Federal Government. This block grant will also increase local control and allow much greater flexibility for each tribe to address its own housing needs, including building new homes, renovating existing homes, or increasing community development. Finally, H.R. 3219 takes steps to promote and facilitate homeownership and lending on reservations.

The National Congress of America Indians, which has 206 member tribes, supports these principles as articulate in H.R. 3219. The National American Indian Housing Council, which represents 187 Indian housing authorities, also supports the principles in this bill.

I know that there are still issues that various parties want to see addressed in this legislation, and I hope that the process will continue to be as open and inclusive a process as Chairman LAZIO has promoted so far. For instance, one of the tribes in my congressional district, the Salt River Pima-Maricopa Indian community, is a self-governance tribe. Although they believe that this bill provides an important opportunity to move toward self-sufficiency in housing, they would like to see an option for self-governance tribes to deliver housing services through a self-governance contract. I know that, as we move forward to conference, Chairman LAZIO will continue to make every effort to accommodate the needs and concerns of tribes. Likewise, we have reached a compromise on the Davis-Bacon issue, which will be addressed in an amendment offered momentarily by my colleagues from Alaska and Minnesota.

If this amendment is approved and H.R. 3219 is attached to H.R. 2406, none of the provisions of H.R. 2406 will apply to tribes and Indian housing will be established as separate from public housing, as I have said. However, it is extremely important to move the two bills concurrently. As my colleagues know, H.R. 2406 repeals the 1937 Housing Act. Without passage of H.R. 3219, native Americans could be left without a Federal housing program which would be devastating to tribes across the country.

I urge my colleagues to support this amendment, which will improve housing conditions for native Americans across the country.

Mr. Chairman, I reserve the balance of my time.

Mr. VENTO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to the amendment in its present form. Mr. Chairman, I have concerns about certainly the rush to act on this amendment. It makes sweeping changes to the native American housing policy. There has only been one hearing on this and five witnesses. In fact, the administration, who favors this amendment, did not testify on it, nor have they submitted testimony.

Mr. Chairman, I, myself, have long been an advocate of assisted housing in Indian country and have worked with many Members. Very often, Mr. Chairman, it is a very far limited market. It requires infrastructure changes. The pattern of ownership is complicated, as my colleagues on the Committee on Resources with whom I work are knowledgeable of the problem and challenge.

We did not have a markup on this bill. It does not have some of the needed policy changes that I think are necessary, such as the issue of State Housing Finance Agency role in terms of native American housing. Well crafted proposals and recommendations exist in that vein. Also this measure could include urban Indian housing as one of the outcomes, which is not in this amendment. Most native Americans in fact live in urban settings today.

So, Mr. Chairman, I am concerned about these shortcomings about some of the labor provisions within this amendment. I also am concerned that there are other amendments that may be offered without any warning to most the membership on this issue.

Mr. Chairman, I yield 2 minutes to the gentleman from Alaska [Mr. YOUNG], who is planning on offering an amendment at this time.

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA TO AMENDMENT NO. 9 OFFERED BY MR. HAYWORTH

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Alaska to Amendment No. 9 offered by Mr.

HAYWORTH: Page 29 of the amendment, strike line 22, and all that follows through page 30, line 4, and insert the following new subsection:

(b)(1) IN GENERAL.—Any contract for the construction of affordable housing with 12 or more units assisted with grant amounts made available under this Act shall contain a provision requiring that no less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a–276a-5), shall be paid to all laborers and mechanics employed in the development of affordable housing involved, and recipients shall require certification as to the compliance with the provisions of this section prior to making any payment under such contract.

(2) EXCEPTIONS.—Subsection (a) shall not apply if the individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and such persons are not otherwise employed at any time in the construction work.

(3) WAIVER.—The Secretary may waive the provisions of this subsection.

Mr. YOUNG of Alaska (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. YOUNG of Alaska. Mr. Chairman, first let me say I do support the amendment of the gentleman from Arizona [Mr. HAYWORTH]. The Indian housing problems in this Nation are severe. This is a good amendment and I will be supporting it.

Mr. Chairman, I'm offering an amendment to the amendment by Mr. HAYWORTH, to correct a problem relating to the application of the Davis-Bacon Act to construction of Indian housing.

As written, the amendment offered by the gentleman from Arizona contains language that would effectively prohibit application of the Davis-Bacon Act to construction of Indian housing. I think this is wrong. My amendment changes the language to ensure that the Davis-Bacon Act applies to the construction of 12 or more units of Indian housing.

My amendment will make the gentleman's amendment more consistent with current law, in which the Davis-Bacon Act applies to certain federally subsidized construction contracts. I realize there is a larger debate concerning Davis-Bacon at issue. However, this is not the place to debate our views on Davis-Bacon, which I happen to support strongly.

Consideration of Davis-Bacon reform or repeal should be considered separately and on its own merits. It should not be modified or repealed in a piecemeal fashion through legislation like this.

I strongly support our effort to give more control and flexibility in operating affordable housing projects to Indians. However, this is not the place to address Davis-Bacon.

Mr. Chairman, I strongly support this amendment, and I stress again, the amendment offered by the gentleman from Arizona, if my amendment is adopted, is a good piece of legislation and I urge its passage.

Mr. VENTO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the gentleman from Alaska offering this amendment. This is a major concern that I have had with this amendment in its present form. But with the amendment of the gentleman from Alaska on prevailing wage, it is one of the major outstanding questions concerning the Hayworth legislation as it exists. I appreciate the gentleman from Alaska offering this amendment, and I urge Members to support it.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, I would ask the gentleman from Alaska if this will continue to apply to publicly financed housing and not apply to private?

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman would yield, only to publicly financed housing.

Mr. BEREUTER. Mr. Chairman, I urge the passage of this legislation.

Mr. VENTO. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, as I said, I support the amendment that the gentleman from Alaska [Mr. YOUNG] is offering, which basically exempts funds provided under 12 units. The current Hayworth amendment did not do that. I think it may have been a technical problem, but its consequence is a major concern.

As I said, the Young amendment would provide prevailing wage, would not apply for 12 units or less, and would provide the opportunity for the Secretary to waive the provisions as provided by the Secretary under similar authority existing in the CDBG program policy allocated to Indian tribes.

Mr. Chairman, I have worked with those concerned with the request of the gentleman from Alaska, and I appreciate his initiative in bringing this amendment to the floor this afternoon.

It is my understanding that the gentleman from Arizona [Mr. HAYWORTH] is going to accept this amendment, and some of my concerns are addressed with it. So, I urge my colleagues' support for the Young amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. HAYWORTH. Mr. Chairman, inquiry. Do we address this amendment at this juncture?

The CHAIRMAN. The Chair would point out that we can address the amendment offered by the gentleman from Alaska at this point in the process, and we can reserve the balance of debate time on both sides once this amendment has been resolved. Or, we can wait until all the time has been utilized.

The question is on the amendment offered by the gentleman from Alaska [Mr. YOUNG] to the amendment offered by the gentleman from Arizona [Mr. HAYWORTH].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question now before the House is the amendment offered by the gentleman from Arizona [Mr. HAYWORTH], as amended.

Mr. VENTO. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER].

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for yielding me time. I rise in strong support of the Hayworth amendment. It actually does incorporate the provisions of H.R. 3219. Secretary Cisneros was reported to have been told by the Navajo, the best thing he could do for housing was to support the Republican bill, H.R. 3219. Actually, it is a bipartisan bill and has been from the beginning.

AMENDMENT OFFERED BY MR. BEREUTER TO THE AMENDMENT OFFERED BY MR. HAYWORTH, AS AMENDED

Mr. BEREUTER. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER to the amendment offered by Mr. HAYWORTH, as amended: Page 77 of the amendment, after line 19, insert the following new subsections:

(i) PRINCIPAL OBLIGATION AMOUNTS.—Section 184(b)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking clause (i) and inserting the following new clause:

"(i) 97.75 percent of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75 percent if the value of the property is $50,000 or less); and".

(j) AVAILABILITY OF AMOUNTS.—

(1) REQUIREMENT OF APPROPRIATIONS.—Section 184(i)(5) of the Housing and Community Development Act of 1992 is amended by striking subparagraph (A) and inserting the following new subparagraph:

"(A) REQUIREMENT OF APPROPRIATIONS.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year to the extent or in such amounts as are or have been provided in appropriations Acts, without regard to the fiscal year for which such amounts were appropriated.".

(2) COSTS.—Section 184(i)(5)(B) of the Housing and Community Development Act of 1992 is amended by adding at the end the following new sentence: "Any amounts appropriated pursuant to this subparagraph shall remain available until expended.".

(k) GNMA AUTHORITY.—The first sentence of section 306(g)(1) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(1)) is amended by inserting before the period at the end the following: "; or guaranteed under section 184 of the Housing and Community Development Act of 1992".

Mr. BEREUTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment, as amended, be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEREUTER. Mr. Chairman, this amendment has three rather simple but important provisions which make improvements in the section 184 Indian Housing Loan Guarantee Program, first enacted in 1992. The amendment authorizes funds appropriate to remain available until the next fiscal year or until expended, raises the maximum loan level to the same as FHA single-family loans, and provided that Ginnie Mae may purchase loans under the program.

Mr. Chairman, I move for its adoption.

Mr. Chairman, this Member's amendment, which has been drafted in cooperation with the administration, makes three very simple but important improvements to the Section 184 Indian Housing Loan Guarantee Program, first authorized through the Housing and Community Development Act of 1992. This loan program, administered by the Department of Housing and Urban Developments Office of Native American Programs, has proven to be a highly popular and effective way to bring private market participation to meet the housing needs in Indian country.

The current loan guarantee program allows Indians and Indian Housing Authorities [IHAs] access to private financing that otherwise would not be available to them because of the unique legal status of Indian trust land. The Indian Housing Loan Guarantee Fund is used to guarantee loans made to Indian families and IHAs for the construction, acquisition, and rehabilitation of 1–4 family dwellings. This must be standard housing and must be located on trust land or land located in an Indian or Alaskan native area.

HUD works with tribes, lenders, and the Bureau of Indian Affairs to administer the loan program. HUD issues prequalification commitments based on information received from the lender. The lender completes property underwriting, and then submits the loan to HUD for firm commitment. After the commitment is issued, the loan is closed and serviced by the lender.

This Member's amendment makes three simple changes to the current program. And this Member should note at this point that these changes were suggested and are supported by HUD. First, the maximum loan amount is raised to bring it in line with the widely-used FHA single-family loan program. Specifically, for loans with appraised values of $50,000 or less, the maximum loan amount will be 98.75 percent of the appraised value. For loan on properties valued above $50,000, the loan may be 97.75 percent of the appraised value.

The second change made by this amendment is simple yet very important. Because the construction process often does not conform to the congressional budget cycle, this amendment authorizes funds appropriated to remain available until expended.

The final change made by this Member's amendment is an expansion of the authority of the Government National Mortgage Association, also known as Ginnie Mae, to purchase loans guaranteed under this program. Without this expansion, Ginnie Mae is not authorized to participate in Indian country. I would like to note that the Nations largest housing secondary market, Fannie Mae, has been instrumental in the programs early successes. However, now is not the time to limit the sources of capital for participating lenders. Rather, by adding Ginnie Mae as an additional source of funds, this amendment would expand the capital available in Indian country.

Mr. Chairman, this Member urges his colleagues to vote for this amendment, and for H.R. 2406.

Mr. VENTO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the amendment of the gentleman from Nebraska. It is a good amendment in terms of providing the Ginnie Mae authority and the increased loans authority and availability. I think this is exactly the type of help in terms of real financing improvement and innovation that is necessary. I commend the gentleman from Nebraska [Mr. BEREUTER], an advocate throughout his career in Congress regarding Indian housing, and native American policy, and I support this measure.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER] to the amendment offered by the gentleman from Arizona [Mr. HAYWORTH], as amended.

The amendment to the amendment, as amended, was agreed to.

Mr. VENTO. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, under this procedure it is rather awkward that one must be in opposition. Obviously, I did not mean to surprise my colleague from Arizona, but it was necessary in fact to use the time, and in the present form, when the amendment was initially offered, I did not support it.

Mr. Chairman, I appropriately recognize the amendments and changes made have improved this amendment. I suggest to my colleagues who are interested in Native American housing the severe problems we have in this area. I hope this block grant approach accomplishes the noble objectives that are expressed. I have my doubts considering the infrastructure and other threshold issues that we face, but look forward to working to see the positive goals become a reality.

We have a significant Native American population in the State that I represent. I would like nothing better than to see them get better housing. Some of the worst housing we have in this Nation is occupied by Native Americans, and the commensurate problems that occur with it greatly concern me as it relates to our direct and joint responsibilities, the Secretary of HUD, the Bureau of Indian Affairs and, of course, this Congress.

With that said, Mr. Chairman, I will now support the amendment.

Mr. Chairman, I yield back the balance of my time.

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Mr. HAYWORTH. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, I rise in support of the Bereuter amendment to the Hayworth amendment.

Mr. Chairman, this Member rises in strong support of the Hayworth amendment. This amendment incorporates the text of H.R. 3219, the Native American Housing Assistance Self-Determination Act of 1996. This Member, along with his colleagues from Arizona, Mr. HAYWORTH, the chairman of the subcommittee, Mr. LAZIO, and his colleague from the other side of the aisle, Mr. JOHNSON of South Dakota, introduced H.R. 3219. I say, perhaps immediately, but eventually, I believe that this bill and Mr. HAYWORTH's amendment is the most important and beneficial Indian housing initiative ever offered.

The concepts contained in this amendment are widely supported by Indian groups, including the National American Indian Housing Council. This revolutionary measure for the first time decouples predominantly rural Indian housing from the laws which were designed to govern urban public housing.

Additionally, the Hayworth amendment creates flexible block grants to tribes or their tribally designated housing entity, recognizes and supports the unique government-to-government relationship between Indian tribes and the U.S. Government and restates the value of having local control by giving the tribes greater flexibility in providing housing, creates a consolidated native American housing grant—HUD's Office of Native American Programs will be dedicated to helping Indian communities meet their housing needs, with a common goal of achieving economic self-sufficiency. HUD will enforce strict accountability standards, and involves private capital markets and private lenders in improving economic conditions by removing the legal barriers which have kept private investors from participating in Indian country. Specifically, the amendment replaces the 20-year leaseholds under current law with a 40-year lease.

Unfortunately, this Member understands this important amendment has been placed in jeopardy by the dubious opposition of big labor. The measure strives to keep the costs, including labor costs, of providing housing at its lowest possible level in order to provide maximum impact for very limited funds. In a lobbying effort as late as last night, big labor has equated a vote for housing Americas most underserved citizens as a vote against big labor. Not concerned with what is good for America, big labor has threatened to kill a measure which prohibits inflated contract costs associated with the prevailing wages required by the Davis-Bacon Act. With homelessness in Indian country at embarrassingly high rates, we can ill-afford to waste a penny on such questionable mandates as Davis-Bacon.

Although this Member strongly believes the prohibition against applying Davis-Bacon to Indian housing should stay in the amendment, this Member will not block a move to strike the language because the urgent need to provide safe and adequate housing to Indians outweighs this Member's opposition to Davis-Bacon.

Mr. Chairman, this Member again strongly urges his colleagues to support Native Americans and vote in favor of the Hayworth amendment.

Mr. HAYWORTH. Mr. Chairman, I yield such time as he may consume to the gentleman from Oklahoma [Mr. COBURN].

Mr. COBURN. Mr. Chairman, as a representative of 14 tribes from the Second District of Oklahoma, I rise in support of the Hayworth amendment.

I would first like to thank Chairman LAZIO and Congressman HAYWORTH for their tremendous effort and dedication in putting together the Native American Housing Assistance and Self-Determination Act of 1996. I rise in support of this legislation in large part because the second largest Native American tribe in the United States, the Cherokee, reside in my district respectively. The 14 tribes which I represent in Congress strongly support this landmark Indian housing reform bill.

The Cherokee Nation of Oklahoma has a tribal membership which currently numbers 170,000. Despite the large tribal size, the number of Indian housing units is ridiculously low. The Housing authority of the Cherokee Nation manages some 4,300 housing units under the Low Rent, Section 8 and Mutual Help Homeownership Opportunity Program administered by the U.S. Department of Housing and Development. But the tribe's need for housing is much, much greater.

The Cherokee Nations Housing Authority budget has grown from $8 million to $30 million and its work force has increased from 65 to 250 employees. This growth is due, in part, to the Housing Authority's ability to leverage Federal dollars, to the extent HUD's program constraints allow. Still, most Cherokee tribal members live in crowded Indian housing units in conditions considerably more severe than those of the non-Indian populations.

Mr. Chairman, Tribes and Indian Housing Authorities like those of the Cherokee Nation are prime examples of what is achievable in Indian management working with scarce resources. They have successfully leveraged Federal programs available for housing and other assistance to Native Americans with whatever other outside financing they can identify.

Mr. HAYWORTH'S amendment will advance this progress substantially by separating from public housing programs the Indian housing programs and moving toward deregulation of those Indian housing programs. Tribes and their housing authorities will be better able to leverage Federal dollars with private financing to construct new housing and renovate existing units in Indian country.

The most important feature of this bill is the procedure of block granting the federal funds for Indian housing programs. The block grant approach is fully consistent with the concept of Indian self-determination and self-governance.

Mr. Chairman, I urge my colleagues to join me in supporting Mr. HAYWORTH'S amendment, and adopting it as part of H.R. 2406.

Mr. HAYWORTH. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. WATTS], a gentleman I would have loved to block for on the gridiron.

(Mr. WATTS of Oklahoma asked and was given permission to revise and extend his remarks.)

Mr. WATTS of Oklahoma. Mr. Chairman, I rise to urge my colleagues to vote for the amendment offered by the gentleman from Arizona [Mr. HAYWORTH] to add a new title called the Native American Housing Assistance and Self-Determination Act of 1996. The amendment helps to leverage private sector capital to the Indian housing market where it is much needed. The amendment provides loan guarantees for affordable housing activities, thus providing for greater involvement of the financial community.

Substantially similar to the popular section 108 loan guarantee program for community development block grants, this bill allows Indian housing authorities to borrow or issue debt equal to up to 5 years worth of allocation under the housing grants formula to be paid back over not more than 20 years with the full faith and credit of the United States. The Hayworth amendment helps the tribes move to a place where they are able to better self-govern.

Block grants to tribal governments and tribal housing authorities is a step in the right direction. It allows tribes to determine what their local tribal housing needs are and how they should be met.

In closing, I would like to commend and thank the gentleman from New York [Mr. LAZIO], the chairman, and the gentleman from Arizona [Mr. HAYWORTH], and their fine staff for the hard work on the Native American Housing Assistance and Self-Determination Act of 1996. I urge my colleagues to join me in voting to adopt this innovative proposal.

Mr. HAYWORTH. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. LAZIO], distinguished chairman of our Subcommittee on Housing and Community Development.

Mr. LAZIO of New York. Mr. Chairman, this is an important, it is not just important substantively but it is important in terms of process. For the first time, native Americans had input, had the ability to influence the process to reflect the values and the concerns that they had back in Indian country.

When we had a hearing, and we have had several different meetings with leaders, including housing specialists from the Indian country, we invited people from Indian country and we invited native Americans in to hear their story, to understand what the concerns are, to understand how further progress was being blocked by a structure that was now clearly obsolete and out of date. This is an effort to move us forward.

Mr. Chairman, it gives native Americans many of the same tools that have been so dramatic in terms of helping our Nation's communities. Most importantly the loan guarantee program that will allow, in some of the most rural areas of our Nation, where some of the worst housing conditions in our entire Nation are, the ability to leverage money and to have larger developments that are cost-effective and bring more hope and more opportunity to native Americans. I am very proud of this effort, and I ask for its support.

Mr. HAYWORTH. Mr. Chairman, I yield myself 30 seconds, simply to say that I echo the comments of the chairman of the subcommittee. I thank him for his efforts.

I thank my colleague from Minnesota for pointing out some legitimate policy differences. But make no mistake, this is historic legislation which empowers the first Americans with what should be the right of first Americans. That is the right to find the dwelling of their choice and to empower them to be meaningful members not only of their own communities but of this Nation at large.

I urge adoption of this amendment as it has been amended.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is the amendment offered by the gentleman from Arizona [Mr. HAYWORTH], as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. Are there other amendments to the bill?

AMENDMENT NO. 22 OFFERED BY MR. ROEMER

Mr. ROEMER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 22 offered by Mr. ROEMER:

H.R. 2406

At the end of the bill, insert the following new title:

TITLE VI—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE

SEC. 601. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This title may be cited as the "National Manufactured Housing Construction and Safety Standards Act of 1996".

(b) REFERENCE.—Whenever in this title an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Housing and Community Development Act of 1974.

SEC. 602. STATEMENT OF PURPOSE.

Section 602 (42 U.S.C. 5401) is amended by striking the first sentence and inserting the following: "The Congress declares that the purposes of this title are to reduce the number of personal injuries and deaths and property damage resulting from manufactured home accidents and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.".

SEC. 603. DEFINITIONS.

(a) IN GENERAL.—Section 603 (42 U.S.C. 5402) is amended—

(1) in paragraph (2), by striking "dealer" and inserting "retailer";

(2) in paragraph (12), by striking "and" at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following new paragraphs:

"(14) 'consensus committee' means the committee established under section 604(a)(7); and

"(15) 'consensus standards development process' means the process by which additions and revisions to the Federal manufactured home construction and safety standards shall be developed and recommended to the Secretary by the consensus committee.".

(b) CONFORMING AMENDMENTS.—

(1) OCCURRENCES OF "DEALER".—The Act (42 U.S.C. 5401 et seq.) is amended by striking "dealer" and inserting "retailer" in each of the following provisions:

(A) In section 613, each place such term appears.

(B) In section 614(f), each place such term appears.

(C) In section 615(b)(1).

(D) In section 616.

(2) OTHER AMENDMENTS.—The Act (42 U.S.C. 5401 et seq.) is amended—

(A) in section 615(b)(3), by striking "dealer or dealers" and inserting "retailer or retailers"; and

(B) by striking "dealers" and inserting "retailers" each place such term appears—

(i) in section 615(d);

(ii) in section 615(f); and

(iii) in section 623(c)(9).

SEC. 604. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.

Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

"(a) ESTABLISHMENT.—

"(1) AUTHORITY.—The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards. Each such Federal manufactured home standard shall be reasonable and shall meet the highest standards of protection, taking into account existing State and local laws relating to manufactured home safety and construction. The Secretary shall issue all such orders pursuant to the consensus standards development process under this subsection. The Secretary may issue orders which are not part of the consensus standards development process only in accordance with subsection (b).

"(2) CONSENSUS STANDARDS DEVELOPMENT PROCESS.—Not later than 180 days after the date of enactment of the National Manufactured Housing Construction and Safety Standards Act of 1996, the Secretary shall enter into a cooperative agreement or establish a relationship with a qualified technical or building code organization to administer the consensus standards development process and establish a consensus committee under paragraph (7). Periodically, the Secretary shall review such organization's performance and may replace the organization upon a finding of need.

"(3) REVISIONS.—The consensus committee established under paragraph (7) shall consider revisions to the Federal manufactured home construction and safety standards and shall submit revised standards to the Secretary at least once during every 2-year period, the first such 2-year period beginning upon the appointment of the consensus committee under paragraph (7). Before submitting proposed revised standards to the Secretary, the consensus committee shall cause the proposed revised standards to be published in the Federal Register, together with a description of the consensus committee's considerations and decisions under subsection (e), and shall provide an opportunity for public comment. Public views and objections shall be presented to the consensus committee in accordance with American National Standards Institute procedures. After such notice and opportunity public comment, the consensus committee shall cause the recommended revisions to the standards and notice of its submission to the Secretary to be published in the Federal Register. Such notice shall describe the circumstances under which the proposed revised standards could become effective.

"(4) REVIEW BY SECRETARY.—The Secretary shall either adopt, modify, or reject the standards submitted by the consensus committee. A final order adopting the standards shall be issued by the Secretary not later than 12 months after the date the standards are submitted to the Secretary by the consensus committee, and shall be published in the Federal Register and become effective pursuant to subsection (c). If the Secretary—

"(A) adopts the standards recommended by the consensus committee, the Secretary may issue a final order directly without further rulemaking;

"(B) determines that any portion of the standards should be rejected because it would jeopardize health or safety or is inconsistent with the purposes of this title, a notice to that effect, together with this reason for rejecting the proposed standard, shall be published in the Federal Register no later than 12 months after the date the standards are submitted to the Secretary by the consensus committee;

"(C) determines that any portion of the standard should be modified because it would jeopardize health or safety or is inconsistent with the purposes of this title—

"(i) such determination shall be made no later that 12 months after the date the standards are submitted to the Secretary by the consensus committee;

"(ii) within such 12-month period, the Secretary shall cause the proposed modified standard to be published in the Federal Register, together with an explanation of the reason for the Secretary's determination that the consensus committee recommendation needs to be modified, and shall provide an opportunity for public comment in accordance with the provisions of section 553 of title 5, United States Code; and

"(iii) the final standard shall become effective pursuant to subsection (c).

"(5) FAILURE TO ACT.—If the Secretary fails to take final action under paragraph (4) and publish notice of the action in the Federal Register within the 12-month period under such paragraph, the recommendations of the consensus committee shall be considered to have been adopted by the Secretary and shall take effect upon the expiration of the 180-day period that begins upon the conclusion of the 12-month period. Within 10 days after the expiration of the 12-month period, the Secretary shall cause to be published in the Federal Register notice of the Secretary's failure to act, the revised standards, and the effective date of the revised standards. Such notice shall be deemed an order of the Secretary approving the revised standards proposed by the consensus committee.

"(6) INTERPRETIVE BULLETINS.—The Secretary may issue interpretive bulletins to clarify the meaning of any Federal manufactured home construction and safety standards, subject to the following requirements:

"(A) REVIEW BY CONSENSUS COMMITTEE.—Before issuing an interpretive bulletin, the Secretary shall submit the proposed bulletin to the consensus committee and the consensus committee shall have 90 days to provide written comments thereon to the Secretary. If the consensus committee fails to act or if the Secretary rejects any significant views recommended by the consensus committee, the Secretary shall explain in writing to the consensus committee, before the bulletin becomes effective, the reasons for such rejection.

"(B) PROPOSALS.—The consensus committee may, from time to time, submit to the Secretary proposals for interpretive bulletins under this subsection. If the Secretary fails to issue or rejects a proposed bulletin within 90 days of its receipt, the Secretary shall be considered to have approved the proposed bulletin and shall immediately issue the bulletin.

"(C) EFFECT.—Interpretative bulletins issued under this paragraph shall become binding without rulemaking.

"(7) CONSENSUS COMMITTEE.—

"(A) PURPOSE.—The consensus committee referred to in paragraph (2) shall have as its purpose providing periodic recommendations to the Secretary to revise and interpret the Federal manufactured home construction and safety standards and carrying out such other functions assigned to the committee under this title. The committee shall be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions.

"(B) MEMBERSHIP.—The consensus committee shall be composed of 25 members who shall be appointed as follows:

"(i) APPOINTMENT BY PROCESS ADMINISTRATOR.—Members shall be appointed by the qualified technical or building code organization that administers the consensus standards development process pursuant to paragraph (2), subject to the approval of the Secretary.

"(ii) BALANCED MEMBERSHIP.—Members shall be appointed in a manner designed to include all interested parties without domination by any single interest category.

"(iii) SELECTION PROCEDURES AND REQUIREMENTS.—Members shall be appointed in accordance with selection procedures for consensus committees promulgated by the American National Standards Institute, except that the American National Standards Institute interest categories shall be modified to ensure representation on the committee by individuals representing the following fields, in equal numbers under each of the following subclauses:

"(I) Manufacturers.

"(II) Retailers, insurers, suppliers, lenders, community owners and private inspection agencies which have a financial interest in the industry.

"(III) Homeowners and consumer representatives.

"(IV) Public officials, such as those from State or local building code enforcement and inspection agencies.

"(V) General interest, including academicians, researchers, architects, engineers, private inspection agencies, and others.

Members of the consensus committee shall be qualified by background and experience to participate in the work of the committee, but members by reason of subclauses (III), (IV), and (V), except the private inspection agencies, may not have a financial interest in the manufactured home industry, unless such bar to participation is waived by the Secretary. The number of members by reason of subclause (V) who represent private inspection agencies may not constitute more than 20 percent of the total number of members by reason of subclause (V). Notwithstanding any other provision of this paragraph, the Secretary shall appoint a member of the consensus committee, who shall not have voting privileges.

"(C) MEETINGS.—The consensus committee shall cause advance notice of all meetings to be published in the Federal Register and all meetings of the committee shall be open to the public.

"(D) AUTHORITY.—Sections 203, 205, 207, and 208 of title 18, United States Code, shall not apply to the members of the consensus committee. Members shall not be considered to be special government employees for purposes of part 2634 of title 5, Code of Federal Regulations. The consensus committee shall not be considered an advisory committee for purposes of the Federal Advisory Committee Act.

"(E) ADMINISTRATION.—The consensus committee and the administering organization shall operate in conformance with American National Standards Institute procedures for the development and coordination of American National Standards and shall apply to such Institute to obtain accreditation.

"(F) STAFF.—The consensus committee shall be provided reasonable staff resources by the administering organization. Upon a showing of need and subject to the approval of the Secretary, the administering organization shall furnish technical support to any of the various interest categories on the consensus committee.

"(b) OTHER ORDERS.—The Secretary may issue orders that are not developed under the procedures set forth in subsection (a) in order to respond to an emergency health or safety issue, or to address issues on which the Secretary determines the consensus committee will not make timely recommendations, but only if the proposed order is first submitted by the Secretary to the consensus committee for review and the committee is afforded 90 days to provide its views on the proposed order to the Secretary. If the consensus committee fails to act within such period or if the Secretary rejects any significant change recommended by the consensus committee, the public notice of the order shall include an explanation of the reasons for the Secretary's action. The Secretary may issue such orders only in accordance with the provisions of section 553 of title 5, United States Code.";

(2) by striking subsection (e);

(3) in subsection (f), by striking the matter preceding paragraph (1) and inserting the following:

"(e) CONSIDERATIONS IN ESTABLISHING AND INTERPRETING STANDARDS.—The consensus committee, in recommending standards and interpretations, and the Secretary, in establishing standards or issuing interpretations under this section, shall—";

(4) by striking subsection (g);

(5) in the first sentence of subsection (j), by striking "subsection (f)" and inserting "subsection (e)"; and

(6) by redesignating subsections (h), (i), and (j) as subsections (f), (g), and (h), respectively.

SEC. 605. ABOLISHMENT OF NATIONAL MANUFACTURED HOME ADVISORY COUNCIL.

Section 605 (42 U.S.C. 5404) is hereby repealed.

SEC. 606. PUBLIC INFORMATION.

Section 607 (42 U.S.C. 5406) is amended—

(1) in subsection (a)—

(A) by inserting "to the Secretary" after "submit"; and

(B) by adding at the end the following new sentence: "Such cost and other information shall be submitted to the consensus committee by the Secretary for its evaluation.";

(2) in subsection (d), by inserting ", the consensus committee," after "public,"; and

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 607. INSPECTION FEES.

Section 620 (42 U.S.C. 5419) is amended to read as follows:

"SEC. 620. (a) AUTHORITY TO ESTABLISH FEES.—In carrying out the inspections required under this title and in developing standards pursuant to section 604, the Secretary may establish and impose on manufactured home manufacturers, distributors, and retailers such reasonable fees as may be necessary to offset the expenses incurred by the Secretary in conducting such inspections and administering the consensus standards development process and for developing standards pursuant to section 604(b), and the Secretary may use any fees so collected to pay expenses incurred in connection therewith. Such fees shall only be modified pursuant to rulemaking in accordance with the provisions of section 553 of title 5, United States Code.

"(b) DEPOSIT OF FEES.—Fees collected pursuant to this title shall be deposited in a fund, which is hereby established in the Treasury for deposit of such fees. Amounts in the fund are hereby available for use by the Secretary pursuant to subsection (a). The use of these fees by the Secretary shall not be subject to general or specific limitations on appropriated funds unless use of these fees is specifically addressed in any future appropriations legislation. The Secretary shall provide an annual report to Congress indicating expenditures under this section. The Secretary shall also make available to the public, in accordance with all applicable disclosure laws, regulations, orders, and directives, information pertaining to such funds, including information pertaining to amounts collected, amounts disbursed, and the fund balance.".

SEC. 608. ELIMINATION OF ANNUAL REPORT REQUIREMENT.

Section 626 (42 U.S.C. 5425) is hereby repealed.

SEC. 609. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of enactment of this Act, except that the amendments shall have no effect on any order or interpretative bulletin that is published as a proposed rule pursuant to the provisions of section 553 of title 5, United States Code, on or before that date.

The CHAIRMAN. Pursuant to the agreement of May 8, the gentleman from Indiana [Mr. ROEMER] will be recognized for 10 minutes in support of his amendment, and a Member in opposition will be recognized for 10 minutes.

The Chair recognizes the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, I yield myself such time as I may consume.

I offer this bipartisan amendment on behalf of myself, the gentleman from California [Mr. ROYCE], the gentleman from Texas [Mr. GONZALEZ], the gentleman from California [Mr. CALVERT], the gentleman from Minnesota [Mr. VENTO], and the gentleman from Florida [Mr. MCCOLLUM].

Mr. Chairman, nothing is more important to our American society, to our citizens, our consumers and our businesses than addressing the excessive cost of regulation. Nowhere is it more true and more accurate than its impact and its negative impact on the manufactured housing industry. Along those lines, 4½ months ago we sat down with Secretary Cisneros, with consumer groups, with Democrats and Republicans, and we started working out a way by which we can cut back on the cost to the manufactured housing industry of promulgating even simple new changes to regulatory laws and standards.

We came up with a very delicate balance here, this bipartisan bill. This bill will make it much easier to promulgate these regulations and standards because the consumers are at the table, the businesses are at the table, and it is not just Federal mandates coming out of HUD.

This is commonsense legislation whereby some people have always said regulations are the answer. Now, more and more in the last year we have heard no regulations should be out there. We are saying, let us come up with a third alternative, a new idea and bring Democrats and Republicans together.

Here is what AARP is saying, because so many senior citizens live in this affordable, quality housing and manufactured homes: I am writing to express the strong support of the American Association of Retired Persons for the Royce-Roemer amendment, which would establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

We have reached this balance with Secretary Cisneros and HUD and Democrats and Republicans, consumer groups, AARP, we have this delicate balance now. We would hope that this amendment would be passed, that we could get this onto this bill. We have indications that this will be supported in the Senate and by the President.

If, however, amendments are attached to this bill where we have not had hearings, where there is currently litigation and there are currently different issues before the courts, where there has been no input, no input into the very delicate and technical dialog that we have had with these groups over the last 4½ months, then we probably get nothing. We probably do not get this consensus committee. We probably do not get the ability to save the consumer and the businesses the money. We probably do not get this new idea.

I would urge my colleagues to vote for the Roemer amendment, the Royce amendment, the Calvert amendment, the Gonzalez and Vento amendment and in the bipartisan fashion that we should be working together around here and to strongly reject any kinds of attempts to write legislation at the last minute on the floor without hearings and to support this in the sense of this is not going to cost the taxpayer one nickel. All of the money that puts forward this consensus committee comes from the industry.

I am very happy to propose this amendment on behalf of the gentleman from California [Mr. ROYCE] and myself.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does any Member seek to control the time in opposition to the amendment?

Mr. LAZIO of New York. Mr. Chairman, I do.

The CHAIRMAN. The gentleman from New York [Mr. LAZIO] is recognized for 10 minutes.

Mr. LAZIO of New York. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Indiana [Mr. MCINTOSH], and I ask unanimous consent that he be permitted to control the time.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MCINTOSH. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this body recognized many years ago that manufactured homes fulfill a vital need in the American housing market. Manufactured homes always have been unique. They offer Americans an option to buy affordable housing. Manufactured homes make homeowners of hundreds of thousands of Americans who might otherwise be forced to rely on public assistance and forgo one of the basic elements of the American dream, a home of their own.

Now, in order to ensure both the safety and affordability of manufactured homes, Congress, in 1974, adopted the National Manufactured Home Construction Safety Standards Act. HUD has issued many standards but delivered very little in terms of consumer benefit under this act. It has imposed costs that in many ways have made manufactured housing unaffordable for those who could most benefit from this industry.

So today I rise in opposition to my colleague from Indiana's amendment.

AMENDMENT OFFERED BY MR. MCINTOSH AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. ROEMER

Mr. MCINTOSH. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. MCINTOSH as a substitute for the amendment offered by Mr. ROEMER:

At the end of the bill, insert the following new title:

TITLE VI—MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE

SEC. 601. REFERENCE.

Whenever in this title an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Housing and Community Development Act of 1974.

SEC. 602. DEFINITIONS.

Section 603 (42 U.S.C. 5402) is amended—

(1) by striking paragraph (7) and inserting the following new paragraph:

"(7) 'Federal manufactured home construction and safety standard' means a reasonable performance standard for the construction, design, and transportation of a manufactured home which meets the needs of the public including the need for affordability, quality, durability, and safety;";

(2) in paragraph (12), by striking "and" at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end thereof the following new paragraphs:

"(14) 'consensus committee' means the body established to provide periodic recommendations to the Secretary pursuant to the provisions of section 604;

"(15) 'consensus process' means the process by which the consensus committee, established pursuant to section 604, recommends to the Secretary any additions, revocations, and/or amendments to the Federal manufactured home construction and safety standards and any related interpretations;

"(16) 'transportation' means the movement of a manufactured home or manufactured home components from the manufacturing facility to a retailer's place of business or a location selected by the purchaser, and the movement of a manufactured home or manufactured home components from the retailers's place of business to a site selected by the home purchaser, where applicable; and

"(17) 'Secretariat' means the qualified technical or building code maintenance organization selected by the Secretary to administer the consensus process, and to appoint the members of the consensus committee established under section 604.".

SEC. 603. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.

(a) IN GENERAL.—Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

"(a) ESTABLISHMENT.—

"(1) AUTHORITY OF SECRETARY.—The Secretary shall establish, by order, appropriate Federal manufactured home design, construction, transportation, and safety performance standards that shall be reasonable, practicable, objectively stated, and reflective of current developments in building standards and technology. The Secretary shall issue such orders pursuant to the consensus process described in this section.

"(2) ESTABLISHMENT OF CONSENSUS COMMITTEE AND PROCEDURES.—Not later than 180 days after the date of the enactment of the United States Housing Act of 1996, the Secretary, in accordance with all relevant statutes, regulations, orders, and directives pertaining to competitively bid procurement, shall enter into a contract with a qualified technical or building code organization to administer a consensus process as its secretariat and to establish a manufactured housing consensus committee and appoint the members of that committee. The performance of such secretariat shall be reviewed by the Secretary on a periodic basis. The consensus committee shall be exempt from the requirements of the Federal Advisory Committee Act. All meetings shall be open to the public, and advance notice of such meetings shall be provided in the Federal Register. Any final action by the consensus committee shall be taken only after notice to the public and opportunity for public comment in accordance with the provisions of section 553 and subchapter II of chapter 5 of title 5, United States Code.

"(3) SELECTION AND QUALIFICATIONS.—The consensus committee shall function, and its members shall be selected, in accordance with the procedures for consensus committees promulgated by the American National Standards Institute. Members of the consensus committee shall be qualified to participate in the work of the committee. The consensus committee and the secretariat organization shall be certified by the American National Standards Institute and shall be provided reasonable staff resources by the administering organization.

"(4) RESPONSIBILITIES.—The consensus committee established under this subsection shall be responsible for the maintenance and revision of the Federal manufactured home construction and safety standards, including the interpretation of such standards.

"(5) REVISIONS TO STANDARDS.—The consensus committee shall consider additions, deletion, and amendments to the Federal manufactured home construction and safety standards, as needed, over a 2-year cycle. The consensus committee, after notice and an opportunity for public comment, shall publish any proposed standards or revisions and notice of their submission to the Secretary, in the Federal Register. This notice shall describe the circumstances under which the proposed standards could become effective.

"(6) SECRETARY'S RESPONSE.—The Secretary may either adopt or reject the standards submitted by the consensus committee. A final order adopting such a standard, or rejecting such a standard, shall be issued by the Secretary no later than 180 days after the date the proposed standard or regulation is submitted to the Secretary by the consensus committee, and shall be published in the Federal Register. In the event that the Secretary rejects, in whole or in part, such a standard, such publication shall be preceded by publication of the proposed standard and the Secretary's proposed final order for public comment in accordance with section 553 and subchapter II of chapter 5 of title 5, United States Code.

"(7) FAILURE TO TAKE ACTION.—If the Secretary fails to take final action under paragraph (6) and publish notice of the action in the Federal Register within the required 180-day period, the recommendations of the consensus committee shall take effect 60 days after the 180-day period. Within 10 days after the expiration of the 180-day period, the consensus committee shall publish in the Federal Register notice of the Secretary's failure to act, the revised standards, and the effective date of the revised standards.

"(8) INTERIM EMERGENCY STANDARDS.—The Secretary shall have the authority at any time to request that the consensus committee develop interim emergency performance standards or amendments to the standards, when necessary to respond to a health or safety emergency, as determined by the Secretary in writing. The consensus committee shall have 60 days to submit such proposed interim standards or amendments following a request by the Secretary.

"(9) WRITTEN INTERPRETATIONS.—Upon request from an interested party and after a finding that such an interpretation is reasonably necessary, the consensus committee shall submit to the Secretary written interpretations of the Federal manufactured home construction and safety standards. These interpretations shall become binding upon the completion of notice and comment rulemaking procedures by the Secretary in accordance with section 553 and subchapter II of chapter 5 of title 5, United States Code, which shall be instituted within 180 days of the Secretary's receipt of such an interpretation. The Secretary may reject, in whole or in part, an interpretation only upon a written finding that the interpretation is inconsistent with the purposes of this title.";

(2) in subsection (b)—

(A) by striking "All" and inserting "Except as expressly provided herein, all"; and

(B) by inserting "and subchapter II of chapter 5" after "section 553";

(3) in subsection (c), by striking "Each" and all that follows through "effect," and inserting the following: "Each order establishing, amending, deleting, or interpreting a Federal manufactured home construction and safety standard shall specify the date such standard, amendment, or interpretation is to take effect.";

(4) by striking subsections (d), (e), (f), and (g) and inserting the following new subsections:

"(d) PREEMPTION.—Except as may otherwise be expressly authorized by the provisions of this title, a State or local unit of government shall not establish, continue in effect, or enforce any standard pertaining to the design, construction, transportation, or safety of manufactured homes after the effective date of the United States Housing Act of 1996. The standards mandated by this title are deemed complete and exhaustive and shall supersede and preempt State and local law and regulations.

"(e) CONSIDERATIONS.—The consensus committee, in recommending performance standards and issuing interpretations, and the Secretary, in establishing such standards and standards interpretations under this title, shall—

"(1) consider relevant, reliable manufactured home construction and safety data, including the results of the research, development, testing, and evaluation activities conducted pursuant to this title, and those activities conducted by private organizations and other governmental agencies to determine how best to promote the purposes of this title;

"(2) consult with such State or interstate agencies (including legislative committees) as they deem appropriate;

"(3) consider whether any such proposed performance standard or standard interpretation is reasonable for the particular type of manufactured home or for the geographic region for which it is adopted;

"(4) consider the probable effect of such standard or standard interpretation on the cost of the manufactured homes to purchasers and potential purchasers; and

"(5) consider the extent to which any such standard or standard interpretation will contribute to carrying out the purposes of this title.";

(5) by redesignating subsections (h), (i), and (j) as subsections (f), (h), and (i), respectively;

(6) by inserting after subsection (f) (as so redesignated by paragraph (5) of this subsection) the following new subsection:

"(g) EVALUATION METHODOLOGIES.—Based on a finding of need, as determined in writing by the Secretary, the consensus committee may, in accordance with the provisions of this section, establish reasonable, cost-effective, uniform evaluation methodologies in order to determine compliance with existing standards, or may evaluate proposed methodologies."; and

(7) by adding at the end the following new subsection:

"(j) REQUIRED USE OF CONSENSUS PROCESS.—After the date of the enactment of the United States Housing Act of 1996, the Secretary shall not adopt or amend any standards or standards interpretations other than through the consensus process set forth in this section.".

(b) CONFORMING AMENDMENT.—Section 610 (42 U.S.C. 5409(a)(6)) is amended by striking "subsection (h)" and inserting "subsection (f)".

SEC. 604. INSPECTION FEES.

Section 620 (42 U.S.C. 5419) is amended to read as follows:

"INSPECTION AND COLLECTION AND UTILIZATION OF FEES

"SEC. 620. (a) ESTABLISHMENT.—The Secretary may establish and impose, on manufactured home manufacturers, distributors, and dealers, a reasonable fee to offset the necessary expenses incurred in conducting the inspections required by this title and the expenses incurred by the consensus committee in performing its duties under this title. Such fees shall be established and/or modified pursuant to notice and comment rulemaking in accordance with section 553 and subchapter II of chapter 5 of title 5, United States Code.

"(b) USE.—Fees collected pursuant to this title shall be deposited in a dedicated fund and shall be expended only for the functions specified in subsection (a), and shall be subject for expenditure only to the extent approved in an appropriations Act. The Secretary shall provide an annual report to the Congress specifying expenditures of these funds. The Secretary shall also make available to the public, in accordance with all applicable disclosure statutes, regulations, orders, or directives, information pertaining to such funds, including but not limited to, information pertaining to amounts collected, amounts disbursed, and the fund balance.".

Mr. McINTOSH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment offered as a substitute for the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. McINTOSH. Mr. Chairman, I think it is important that the substitute amendment be added to this bill for three reasons.

First, HUD has simply failed to write commonsense building standards and my colleague's amendment, as well intended as it is, does not do anything to remove the discretion from HUD in setting forth those standards. HUD has consistently failed to consider the technological changes in the industry and building materials, often specifies very bureaucratic specific standards rather than a more common sense performance-based approach that would allow the engineers in the industry to develop the most affordable ways of providing for safe and effective housing.

I would like to share with my colleagues two examples of this. I was conducting a field hearing in Florida and heard testimony about wind regulations there that were developed in such a way that they increased the cost of affordable housing of a $30,000 home by $3,000. That is a 10-percent increase. Many people are no longer able to afford those houses because of those regulations that were not necessary because they go beyond the local requirements for site built housing.

Another example was HUD regulations on insulation. When the insulation industry came to them and asked them to increase the standards beyond what was necessary for energy efficiency, the average cost of a $28,000 rose to $2,100, again nearly a 10-percent increase passed on to the consumer who could no longer afford to buy the houses.

The second reason is that my amendment would give us a very real consensus committee. The consumer groups, the environmental groups, the industry groups would all be included in the new consensus committee. Unfortunately, my colleague's amendment does not require HUD to use the advice of this consensus committee in developing regulations where my substitute would require that the agency do that.

The third reason and the final point is that my substitute would require that all of HUD's spending in this area go through the regular appropriations process. Currently, HUD is able to accumulate funds from the industry and disburse them in ways that are not supervised by this Congress. My amendment would take care of that by requiring that these funds go through an appropriations bill.

The amendment is fair. It is a genuine effort to get to commonsense regulations. It is supported by the Manufacturing Housing Institute in Louisiana, Alabama, and Texas. It is supported by many of the manufacturers in our home State. I would urge my colleagues today to vote for my substitute so that we can have a real consensus committee at work and have an opportunity to get to commonsense regulations.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. McINTOSH. I yield to the gentleman from Indiana.

□ 1630

Mr. ROEMER. The gentleman mentioned that he is trying to be inclusive of these consumer groups. Has he worked with any of those consumer groups, and why are they opposed to his legislation?

Mr. MCINTOSH. I am not exactly sure why they are opposed to these groups. The provisions that we would have in our substitute would require HUD to include them in making the regulatory recommendations. The difference is that the consumer groups would not be able to do an end run around the consensus committee and ask the Secretary to ignore its recommendation.

Mr. ROEMER. Mr. Chairman, if the gentleman would yield further, I would just say to the gentleman that, in relation to wind standards, that he very articulately discussed on his time that the gentleman from California [Mr. CALVERT] and I were in Congress before the gentleman from Indiana, and we worked very closely with the industry and very closely with HUD to address that problem, and I think my colleague would find that the manufactured housing industry was very pleased, after going through very rough treatment from HUD, what we were able to accomplish in terms of getting commonsense solutions to that wind standard that they initially promulgated.

This consensus committee that we have developed in our bipartisan legislation with HUD will prevent that kind of fiasco from happening again.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. CALVERT], an original cosponsor of the legislation.

Mr. CALVERT. Mr. Chairman, I rise today in opposition to the McIntosh amendment and certainly in favor of the Roemer-Royce amendment to the United States Housing Act. The McIntosh amendment is a poison pill meant to kill this commonsense reform that we are working on.

The McIntosh amendment is certainly opposed by HUD. But more importantly, the great majority, the great majority of the industry, the manufactured industry here in the United States, is also in opposition, along with many, many consumer groups. It is an unworkable proposal that flies in the face of this Congress's efforts to return authority to State and local governments.

It is of particular concern to California as the McIntosh language would more than likely prevent local governments from allowing fire sprinklers in manufactured housing, a great concern in my area, and as the gentleman from Indiana [Mr. ROEMER] mentioned, the problem we have had with wind and sheer in the Florida area, we could have had that resolved if this committee was in effect earlier.

On the other hand, the Roemer-Royce amendment has broad bipartisan support and the backing, as I mentioned earlier, of industry, HUD and consumers. It creates a committee consisting of manufacturers, consumers, public officials and other interest groups. This committee will develop standards for manufactured housing in partnership with the HUD secretary.

Let us not lose an opportunity to enact commonense reform. Reject the poison-pill McIntosh amendment and support the bipartisan Roemer-Royce-Calvert proposal.

Mr. ROEMER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Chairman, I rise in reluctant opposition to the McIntosh amendment, but in strong support of the Roemer underlying proposal. I think what we have here is an opportunity today to be able to do something for manufactured housing that has been needed for a long time.

It is absolutely necessary that we have a consensus committee. It has to be established. I do not think any of us disagree with that fact. HUD, the consumer groups, everybody understands that.

The manufactured housing, affordable housing for everybody, is very, very important in the State of Florida as it is in California and in much of the country today. Many low- and middle-income Americans are very dependent on it, and it is time that we have the benefit and the knowledge and the input of the building codes and standards for the most knowledgeable people possible in the industry. This amendment, the underlying amendment, would guarantee a balance among the various interests that are involved.

We must reform the current process that HUD uses to develop the construction and safety standards for manufactured homes because, simply put, it does not work right now. The consensus committee that the Royce-Roemer amendment establishes will streamline the regulatory process and accept input from members of the industry, consumer groups, and HUD, but it will not go as far as the McIntosh amendment does.

I question whether the McIntosh amendment is constitutional. Specifically, his proposal would require the Secretary to either adopt without modification or reject the consensus committee's proposal, and that action must be further to notice and comment rulemaking even though a full administrative record has already been produced.

It also precludes the Secretary from acting on his own, even when the consensus committee fails to act in a timely manner. It creates roadblocks to timely implementation of code interpretations needed to resolve uncertainties that arise in planned inspections, and the Secretary, under the McIntosh amendment, would have no ability to insure that membership of the private consensus committee to whom the Federal authority is being delegated represents all the interests.

It is defective in a number of ways is what I am saying, and as much as I respect the gentleman from Indiana who has offered it, Mr. MCINTOSH, I respect this gentleman's amendment as the one that the industry groups support. The AARP supports it. I support it. I think that most of our colleagues should reject Mr. MCINTOSH's stronger, tougher, if he wants to call it, version in light on the fact we have something with the Roemer proposal that really will work.

Mr. Chairman, we need to get on with it, and as the gentleman from California said, unfortunately probably the McIntosh amendment is a killer amendment to what we are trying to do.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the great State of Florida [Mr. STEARNS], where so many New Yorkers reside.

Mr. STEARNS. I thank my colleague for yielding this time to me.

Mr. Chairman, this is a tough call, and I want to say frankly I am one of the original cosponsors of the Roemer amendment, and I support what he was doing until I had a better understanding what the gentleman from Indiana [Mr. MCINTOSH] is doing.

So I say to my colleagues, let me just say how I view it: That the gentleman from Indiana [Mr. MCINTOSH] has done something here which to the manufacturing home industry in itself is perhaps something they want more than the Roemer amendment, but the Roemer amendment has a chance in the sense there is a lot of consensus, a lot of people that favor it up here in Washington. In the beltway a lot of people think this is the best thing to do.

But if my colleagues go back to my home congressional district, in fact if they go back to Nobility Home and they talk to Terry Trexler, who is the president of this company who has struggled in the trenches with this regulation and has dealt with this for years, he says he would rather have the McIntosh amendment than the Roemer amendment.

So what we have here basically is we have an amendment which will affect the people who are working in the industry better than the Romer amendment, so I say to my colleagues reluctantly I would like them to support the McIntosh amendment. I think it is a better thing to do, and I think overall that this will bring a little bit more sense to the industry, and in fact this is something on the Senate side, as I understand, and I might have a colloquy with the gentleman from Indiana [Mr. MCINTOSH] if I could get his attention.

I would ask the gentleman from Indiana, if I can take a moment, can he tell me on the Senate side what kind of bill they have? Does it closely parallel the gentleman's or the gentleman from Indiana, Mr. ROEMER's?

Mr. McINTOSH. Mr. Chairman, if the gentleman will yield, it is my understanding that the lead sponsors of this bill in the Senate have one that is much closer to my legislation, actually a little bit stronger in its terms, and therefore the likelihood of this in conference coming out closer to the terms of my amendment is much greater, and it is my opinion that HUD would not recommend a veto of this legislation simply because of this provision. So that politically ours has the greatest chance of surviving and, in fact, does much more for the employees and the manufactured housing industry.

Mr. STEARNS. Let me conclude, Mr. Chairman, by just reading a final sentence from this letter that Nobility Homes sent to me. It says, "The employees of our subsidiary, in addition, endorse this bill as much better for the industry and for the consumer."

Mr. ROEMER. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from California [Mr. LEWIS], a member of the Committee on Appropriations.

Mr. LEWIS of California. Mr. Chairman, I appreciate the gentleman yielding me the time.

I want to especially express my appreciation to my friend, the gentleman from California [Mr. CALVERT], who brought this amendment to my attention in the first place. In our region in southern California, manufactured housing is a very important employer and a great supplier. A very, very significant percentage of the industry is from our region.

There is no question that the industry is going to thrive and survive better if there is a consensus agreement. There is no doubt it is a major employer in our region that provides first-time home opportunity for many, many a family in southern California.

There is absolutely no doubt in my mind's eye that the Mcintosh amendment in its current form could be a killer amendment. On the other hand, the gentleman from Indiana [Mr. McINTOSH] has indicated that the Senate has a bill that is closer to him. So it is logical to have the Calvert-Roemer amendment go forward so we have a reasonable discussion in conference.

I urge the Members to vote against the McIntosh amendment and for the Roemer amendment.

Mr. ROEMER. Mr. Chairman, I yield 30 seconds to the gentleman from Minnesota [Mr. VENTO], a very distinguished member of the committee and a very, very hard-working Member of Congress.

Mr. VENTO. I thank the gentleman for yielding this time to me, and I rise in opposition to the McIntosh amendment and in favor of the amendment offered by the gentleman from Indiana [Mr. ROEMER].

The fact is that I think Mr. ROEMER'S amendment strikes policy of consensus. The issue with McIntosh is that it cuts off the authority at the local level to control manufactured housing and it cuts off the ability of HUD to control manufactured housing at the other end, and so obviously some manufacturing housing advocates or manufacturers think that is the way to go. No big surprise. But that means it is not controlled from the Federal side, it is not controlled locally, but who does control it? We do have some responsibility.

I mean this is the dilemma we have had. We have got to leave some balance in this policy, and I think that the amendment offered by the gentleman from Indiana [Mr. ROEMER] strikes that balance. There is no question about it, but there has been discrimination against this manufactured housing based on regulatory and zoning policies. The way to right that is to follow and pass the Roemer-Calvert amendment. That's the best and positive proposal that has been hammered out and deserves the support of the House.

Mr. LAZIO of New York. Mr. Chairman, I reserve the balance of my time.

Mr. ROEMER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I would conclude by saying that people across America are asking us here in Congress to not say that regulations and 9-story buildings with bureacrats are the answers to our problems. We do not do that with this amendment. It is a consensus committee of consumers, supported by the Secretary of HUD. It is supported by the manufactured housing institute that comprises about 70, 75 percent of the industry. It is strongly supported by the consumer groups and the American Association of Retired People.

Now, the gentleman from Florida [Mr. McCOLLUM] and the gentleman from California [Mr. LEWIS] and others, very distinguished members of the Republican Party, have said that the McIntosh amendment will kill any ability for this Roemer-Royce bipartisan bill to be signed into law.

We need to accomplish commonsense reform for our industry, for our consumers, and for the sake of this country to compete in a global environment. I urge my colleagues to support the bipartisan Roemer-Royce-Calvert-Vento amendment and defeat Mr. McINTOSH'S amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield the remaining 3 minutes of my time to the distinguished gentleman from Indiana [Mr. McINTOSH].

Mr. McINTOSH. Mr. Chairman, first let me commend my colleague from New York for bringing this entire bill forward and the incredibly good work that he and his committee have done, and let me assure him that when my amendment is added to this bill, it will in no means make it less likely that it is to be signed by the President.

The last time I checked, the consumer groups were not the ones controlling the Senate or the conference and that in fact this amendment is most likely to come through the Senate and the House conference intact and survive in order to provide real relief for the owners and purchasers of these manufactured housing.

Bottom line is, my amendment would put real teeth into regulatory relief, would require common sense to be used by HUD in developing standards for safe manufactured housing, would avoid the disastrous regulations in the past that have increased the cost of this housing by 10, 20 percent at a leap, and would finally do something for working men and women in this country who want a chance to have the American dream, to afford their own home, many of them for the first time.

□ 1645

We need to pass this amendment for their sake. Mr. Chairman, I include for the RECORD a letter from Mr. Jim Shea, who lives in the district of the gentleman from Indiana [Mr. ROEMER]. He indicated that it is his belief that the proposed consensus committee in my colleague's amendment would not improve the process, and might in fact seriously set back the effort to have reasonable regulation.

I also include for the RECORD the letter referred to by the gentleman from Florida [Mr. STEARNS] from Nobility Homes in Ocala, Florida.

The letters referred to are as follows:

FAIRMONT HOMES, INC.,
Nappanee, IN, May 3, 1996.

Hon. TIMOTHY ROEMER,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN ROEMER, I appreciated the time that your legislative staff person, Ms. Katherine Graham, spent on the phone with me this week regarding the proposed legislative changes to the National Manufactured Home Construction and Safety Standards Act that you may sponsor. I thought that because of the length of our discussion, I should provide a written summarization of the grave concerns that we, as well as numerous other manufacturers, have with the proposed legislative language.

CONSENSUS COMMITTEE

As we recently discussed, the Industry has sought for some time to gain the benefits of a good consensus committee process to update the regulations on a reasonable basis. Unfortunately, it is my belief that the proposed consensus committee structure will result in no improvement in the process, and may result in a serious setback to reasonable regulation.

(1) I understand that consensus committee proposals would be subject to rejection or modification if the Secretary deems them to be "inconsistent with the purposes of Title VI." Ms. Graham stated that if the Secretary wanted to modify a committee approved regulation, the modification would have to go through rulemaking. While this is true as far as it goes, upon further consideration of the proposed legislation it is apparent that the Secretary, under section 604(6), could selectively reject portions of a proposed regulation without ever engaging in notice and

comment rulemaking. Through such selective rejection of only portions of a proposed standard, the Secretary could unilaterally change the substance of an entire standard. In addition, under section 604(8)(b), the Secretary is authorized to circumvent the consensus process altogether, and issue his own standards upon a finding of an emergency, or a finding that "the consensus committee will not make timely recommendations." It is important to note that this exception to consensus standards-development is phrased in the disjunctive. Thus, the secretary could totally bypass the consensus committee, even in the absence of an emergency, and could preempt committee deliberations and debate over the most controversial issues by the simple expedient of declaring the committee incapable of rending a "timely" recommendation and forcing through a standard of his own design.

(2) The new legislative language appears to totally remove the current notice and comment requirements for interpretative Bulletins. Ms. Graham said that the committee would have full review of the Interpretative Bulletins before issuance, but she was unsure if the Secretary would have to go through rulemaking on the interpretative Bulletins. If the Secretary chose to modify Interpretative Bulletin language as it came out of the committee. I noted that the overreaching use by HUD of Interpretative Bulletins in the past had created great consternation in the industry and any system that made it easier to make de facto changes in the regulations through Interpetative Bulletins would be totally unacceptable. In fact any change that is undertaken should effectively eliminate the confusion and extra costs caused by Interpretative Bulletins.

I have other general concerns over language relating to consensus committee formation. One of the most important is my understanding that the Secretary is not required to enter into a contract with the administrative organization and would therefore not be subject to administrative rules regarding full and fair competition and that the Secretary could replace the consensus committee administrative organization upon a mere finding "of need." Our research on the contractor selection process revealed apparent unfairness of monitoring contractor selection by HUD over the years. Considering the problems we have seen in monitoring contractor selection where HUD is supposedly constrained by administrative rules regarding full and fair competition, it is obvious there would be no fair process of administrator selection and evaluation with the inadequate provisions of the proposed legislation.

ACCOUNTABILITY

As I mentioned to Ms. Graham, any change in the Act must increase the accountability of HUD for expenditures of fees, and ensure that the formation of the consensus committee is not used as a means for HUD to unreasonably raise fees or use them for expanded purposes. A lack of accounting by HUD for industry fee use has been a problem since the program's inception. As you know, HUD has a historically poor record of providing the annual reports to Congress on expenditures and other aspects of the Federal program that are currently required by the Act.

I asked Ms. Graham why the new language did not require the application of the appropriation process to section 620 to require HUD to properly account for expenditures both in the consensus committee areas and in all areas. She said that subjecting HUD to the appropriation process would result in negatives for the industry, especially during budgetary battles such as those experienced this past year. My sense is that many other crucial areas of the government were impacted by the budgetary impasse, yet continued to function adequately. I don't see how it would be different for our program.

Ms. Graham stated that it was her understanding that any changes in fees would be subject to rulemaking, but I did not find any language in the proposal that supports this requirement.

PREEMPTION

As you know, HUD has, over recent years, reduced the strength of its application of the preemptive language in the Act. The preemptive language is very important for two reasons:

(1) The language enables the cost effectiveness of manufactured housing by permitting manufacturing standardization. The efficiency of standardization is the basis for our industry as the sole provider of affordable, non-subsidized housing.

(2) Without preemption, the status of the Third District as one of the top loci for the manufactured housing industry would likely to come to an end, causing a severe impact on employment in the district.

Ms. Graham responded that while she recognized the importance of the preemption issue, there would likely be great political difficulties with strengthening the preemptive language in the Act this year. However, it is our position that strengthening the language would only result in a return to the level of federal preemption originally envisioned by the sponsors of the 1974 Act.

Summarizing, we listened to your advice that we reduce the scope of any reform to the Act this year due to the limited legislative agenda this year. Hence, our expectations were scaled back. However, we cannot endorse proposed legislation that would effectively give HUD veto power over the membership of the consensus committee; allow HUD to replace the administering organization at will; allow HUD to selectively veto discrete portions of proposed standards without rulemaking; and, ultimately bypass the consensus process itself. We believe any changes to the Act that do not result in 1) a more effective regulatory process through a properly structured consensus committee, 2) more accountability by HUD for expenditures of fees in the program, and 3) strengthening of preemptive language to ensure the protection of jobs in the Third District are not worthy of your efforts.

Sincerely,

JAMES F. SHEA,
Executive Committee Chairman.

NOBILITY HOMES, INC.,
Ocala, FL, May 9, 1996.

DEAR REPRESENTATIVES STEARNS: It is my understanding that Representative McIntosh of Indiana will be introducing a substitute amendment to the "Roemer-Ryce" Amendment on manufactured housing.

All the employees of Nobility Homes, Inc. urge you to support this amendment. Also, all the employees of our subsidiary, Prestige Home Centers, Inc., the largest retailer of manufactured home in Florida, with a sales center in your district, urge you to support this amendment. It is much better for the industry and the consumer.

Sincerely,

TERRY TREXLER,
President.

Mr. Chairman, this amendment is good for all concerned. It brings consumers and environmentalists to the table, it helps protect consumers for the cost of unnecessary regulation. It allows us to go forward in a commonsense way in developing safety regulations for manufactured housing, America's best hope for affordable housing in this country.

Mrs. SMITH of Washington. Mr. Chairman, I rise in support of the Roemer-Royce amendment to the U.S. Housing Act of 1996 (H.R. 2406). This amendment establishes a consensus committee which will be responsible for the revision and interpretation of Federal manufactured housing construction and safety performance standards. This committee will be made up of all interested parties including industry, consumers, and government. This is an excellent opportunity to bring common sense back to the regulatory process.

Manufactured housing is an important industry and a large employer in my district in places like Woodland and Chehalis. This industry fulfills a vital need for people who want to live the American dream of home ownership. Unfortunately, onerous regulatory requirements have precluded some from achieving this dream. I support the amendment because it takes a significant step toward providing regulatory relief for the Federal manufactured housing program. Moreover, by removing these regulatory burdens we will increase the availability of affordable housing.

I urge my colleagues to support manufactured housing and to support the amendment.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Indiana [Mr. MCINTOSH] as a substitute for the amendment offered by the gentleman from Indiana [Mr. ROEMER].

The amendment offered as a substitute for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. ROEMER].

The amendment was agreed to.

The CHAIRMAN. Are there any other amendments to the bill?

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to the rule, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendments offered by the gentlewoman from New York [Ms. VELÁZQUEZ], and an amendment offered by the gentleman from Illinois [Mr. DURBIN].

AMENDMENTS OFFERED BY MS. VELÁZQUEZ

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendments offered by the gentlewoman from New York [Ms. VELÁZQUEZ] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendments.

The Clerk redesignated the amendments.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. The Chair points out pursuant to House Resolution 426 the next vote in this series will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 126, noes 297, not voting 10, as follows:

[Roll No. 157]

AYES—126

Abercrombie
Ackerman
Barrett (WI)
Becerra
Beilenson
Berman
Bishop
Bonior
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Cardin
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Cummings
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Durbin
Engel
Evans
Fattah
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Furse
Gibbons
Gonzalez
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kildee
Kleczka
LaFalce
Lewis (GA)
Lofgren
Lowey
Maloney
Manton
Markey
Matsui
McCarthy
McDermott
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Mink
Moakley
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Rahall
Rangel
Richardson
Rivers
Ros-Lehtinen
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schumer
Scott
Serrano
Skaggs
Slaughter
Stark
Stokes
Studds
Tejeda
Thompson
Thornton
Torres
Towns
Velazquez
Vento
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Woolsey
Wynn
Yates

NOES—297

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Brewster
Browder
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Dickey
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Ensign
Eshoo
Everett
Ewing
Farr
Fawell
Fazio
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kaptur
Kasich
Kelly
Kennelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martinez
Martini
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Reed
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Traficant
Upton
Visclosky
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—10

Bevill
English
Houghton
Laughlin
Molinari
Paxon
Schroeder
Smith (TX)
Torricelli
Weldon (PA)

□ 1707

Mr. KASICH and Ms. ESHOO changed their vote from "aye" to "no."

Mr. MARKEY and Mr. MATSUI changed their vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DURBIN

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Illinois [Mr. DURBIN] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 106, noes 318, not voting 9, as follows:

[Roll No. 158]

AYES—106

Abercrombie
Ackerman
Andrews
Baldacci
Barrett (WI)
Beilenson
Berman
Boehlert
Bonior
Borski
Brown (OH)
Bryant (TX)
Cardin
Coleman
Conyers
Coyne
Cummings
Davis
DeLauro
Dellums
Dicks
Doggett
Dunn
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fawell
Fields (LA)
Filner
Flake
Foglietta
Ford
Furse
Gejdenson
Gibbons
Gutierrez
Hall (OH)
Harman
Hinchey
Horn
Jackson-Lee (TX)
Johnson, E. B.
Johnston
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
LaFalce
Lantos
LaTourette
Leach
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martini
Matsui
McCarthy
McDermott
McKinney
McNulty
Meehan
Menendez
Millender-McDonald
Miller (CA)
Moakley
Moran
Morella
Nadler
Neal
Neumann
Olver
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Porter
Quinn
Reed
Regula
Rivers
Rose
Sawyer
Schumer
Shays
Skaggs
Slaughter
Stark
Stokes
Studds
Torres
Towns
Ward
Waxman
Woolsey
Wynn
Yates
Zimmer

NOES—318

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
de la Garza
Deal
DeFazio
DeLay
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fazio
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood

Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Hoke
Holden
Hostettler
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Meek
Metcalf
Meyers
Mica
Miller (FL)
Minge
Mink
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Ortiz
Orton
Oxley
Packard
Parker
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Portman
Poshard
Pryce
Quillen
Radanovich
Rahall
Ramstad
Rangel
Richardson
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—9

Bevill
Houghton
Laughlin
Molinari
Paxon
Schroeder
Smith (TX)
Torricelli
Weldon (PA)

☐ 1718

Messrs. RANGEL, UPTON, HASTINGS of Florida, Ms. VELÁZQUEZ, and Mrs. COLLINS of Illinois changed their vote from "aye" to "no."

Mr. BALDACCI changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today because I have some real concerns about how the Republican majority of this body treat those of our citizens who are most vulnerable.

H.R. 2406 the United States Housing Act of 1995 in its final form will repeal the Brooke amendment which established a flat rent of 30 percent of income for residents of all public housing and assisted housing. This provision protected the most vulnerable residents of public housing and later those with Section 8 assistance from paying too high a percentage of their income in rent.

This bill will establish minimum rents of $25 to $50 a month without any consideration of a family's income. In my State of Texas, the impact would be felt by 33,949 poor families who will have to pay more for a place to call home.

H.R. 2406 will also give housing authorities the power to demolish apartments without any consideration for the residents or their rights. In my district, the residents of the Allen Parkway Village have been completely removed from the decision making process by local public housing authority which may have been too emersed in its day-to-day operation to remember that their policy affects real people.

I have consistently argued that the residents of public housing must be involved in any plan to rehabilitate or demolish their homes. Residents must also be given the opportunity to contest the actions of a housing authority through due process with an adequate appeals procedure.

Having a place to call home, no matter how modest, is a cornerstone of the American Dream, it is the goal of every family.

Do we suspend the right to life, liberty and property because an individual earns the minimum wage or less? The Federal Government created and supports an affordable public housing program because there is a need. The current supply of housing is clearly deficient when we consider the thousands of homeless families that inhabit shelters in our Nation.

Today, we should be codifying the American Dream, making it a right for all of our country's families to have access to an affordable place to call home. It would be the right thing to do and it is what the American people deserve.

Does this body consider an individual's opinion of no value or their voice silent if they are poor and reside in public housing. A home is not just a place to live it is also a place where people should and must have a voice. For residents of Allen Parkway Village in Houston, TX, what we do here today is very relevant and very real to their democratic rights as residents of public housing.

Citizens of this country no matter what their economic standing must have a right to be heard and to have due process. It is a shame that the Republican majority brought this piece of legislation before the House for consideration without insuring that these rights were guaranteed to the residents of public housing.

Do we not want to maintain a reliable supply of affordable housing for our Nation's poor? I believe we do, the Houston Housing Authority has several fine examples of providing good housing for Houstonians. More can be done including the providing of affordable housing for low-income citizens; however total abdication of Federal responsibility in public housing is clearly unwise.

The Congress should not in its shortsightedness or insensitivity toward the poor, in public housing policy making, create one additional homeless family.

When you are the poor of the poor, then you have a perspective that few of us in this chamber have ever known or will know. That should not, however, stop us from having common sense or compassion about what is fair or what is right.

I would caution us before this vote with a metaphor using words from Langston's Hughe's poem, "As I Grew Older".

> It was a long time ago. I have almost forgotten my dream. But it was there then. In front of me. Bright like a sun—My dream. And then the wall rose. Rose slowly. Slowly. Between me and my dream. Rose slowly, slowly, Dimming, Hiding, The light of my dream. Rose until it touched the sky—

The wall is the legislation we pass that affect the poor and the dream is affordable housing.

Mr. KLECZKA. Mr. Speaker, I would like to express my serious reservations about the elimination of the service coordinators authorization under H.R. 2406, the U.S. Housing Act.

The service coordinators program was established in 1992 in response to a desperate need in our Nation's public housing. At that time, elderly and disabled residents were being placed into public housing together. The differences between the needs and lifestyles of these two populations were leading to fear and distrust. In a few cases, violence even broke out.

To help ease these tensions and ensure that all residents were receiving the medical, psychological, social and other services they needed, we developed the service coordinators program. When the grant was first announced, competition for these funds was intense. Cities all across the Nation recognized that this program would allow them to address resident issues in a coordinated, comprehensive manner.

This program has accomplished a tremendous amount at a very low cost. In my hometown of Milwaukee, there has been a sea change in the atmosphere at public housing complexes where service coordinators were sent. Our local paper, the Milwaukee Journal-Sentinel, reported that originally, "the only older people living in Milwaukee's public housing towers were those who had no other options." However, after service coordinators were established, "Within months, the social workers and nurses * * * had made major inroads in easing tensions, helping residents get to know one another and linking those who were sick or abusing alcohol or drugs to the help they needed."

I am deeply concerned that the block grant established under H.R. 2406 will force housing authorities to make difficult funding choices that will result in the elimination of service coordinators. Too often, social services cannot compete against needs like housing repairs and operating costs. It would be truly tragic if the programs we have made is erased simply because the funding stream is eliminated. We know what the problem has been, and we have designed a solution that works. It troubles me deeply that this bill may effectively destroy that solution, and all the hard-won advancements in mixed population housing.

Mr. Speaker, if service coordinators are eliminated, I will be watching closely to determine whether the sort of backsliding I have described occurs in the future. It if does, you may be certain that I will propose reinstating this critical program.

Mrs. MINK of Hawaii. Mr. Chairman, I rise in opposition to H.R. 2406, the "United States Housing Act of 1996."

How many times have you heard visitors from foreign counties express their astonishment at the wealth gap between individuals in this country living within the same communities. They see slums a quarter of a mile away from mansions. They see the homeless panhandling in front of luxury hotels. They see a husband and wife with their two children standing at a freeway entrance holding a sigh that says "Homeless-will work for food," as a $50,000 sports car goes by.

It it one thing to want all the riches of the world, but for many it is a struggle just to provide a home for their family. Is that too much to ask? What happened to the American dream? Everyone in Congress claims to be sympathetic to those in need of housing assistance, still, H.R. 2406 makes changes contrary to what I believe to be our public housing assistance goals. Low-income individuals should not be forced to decide between rent for housing and other primary needs.

H.R. 2406 establishes a minimum rent requirement eliminating current standards which cap tenant rents to 30 percent of adjusted gross income. All public housing assistance recipients would be required to pay at least $25 per month. The result would be that vulnerable, very low-income tenants will be required to contribute a large percentage of their incomes to rents.

Proponents of this bill argue that the minimum rent level is meager, however, for someone who makes minimum wage and earns less than $9,000 per year, $300 is a big chunk of income. It is even more frightening for someone dependent on Social Security. What does this new charge mean to them? What does it mean to the disabled? What does this mean to their children?

I believe this proposal could send vulnerable low-income tenants into the street. I urge that the minimum rent level be removed and that the current 30 percent of adjusted income cap for rents be maintained.

Additionally, this bill eliminates regulations that directs public housing assistance to the most vulnerable. H.R. 2406 does not reserve any Section 8 assistance for very low-income families. Moreover, it only requires 25 percent of public housing units to be reserved for the very low-income families as compared to current standards requiring 85 percent. I believe the very low-income should be a principal concern and we should be cautious to allocate scarce resources to those with minimal need.

I sincerely believe that all of us in Congress have compassion for those who lack adequate housing. I believe we all care about low-income families and the homeless.

I do not, however, believe dumping responsibility on States in the form of Block Grants is the solution; nor is removing regulations that direct assistance to very low-income families; nor is requiring very low-income tenants to pay minimum rents, forcing many to choose between health, food or rent.

Reform of the Department of Housing and Urban Development is necessary, but H.R. 2406 misses the mark, ignoring our obligation to the most vulnerable populations while unloading the Federal burden by dumping it on the States. This is not the policy that we should be pursuing.

Visitors from other countries are astonished to see the contrast in housing conditions between the rich and the poor in the United States. Why aren't we? I know the Federal Government doesn't have all the answers, but neither do the States. Therefore, the Federal Government must continue to play a significant role in insuring that housing needs of our country are met. We must work together to make the most efficient use of our resources and I sincerely do not believe this bill does that.

Unless drastic changes are made to H.R. 2406, I urge a "no" vote on this bill.

Mr. TOWNS. Mr. Chairman, every day my constituents remind me of the difficulty they have with making ends meet. And while $50 may not be much to you, but it is a lot for many of my constituents living in public housing.

It has been estimated that 5.3 million low-income households are either spending more than half their incomes on rent or living in extremely substandard housing. This figure is expected to dramatically increase if the Velázquez amendment is not accepted.

I understand that the rent increase is intended to encourage personal responsibility. But I wish someone would tell me how a 70-year-old senior citizen or a 73-year-old Air Force veteran is going to be taught personal responsibility. I believe they know what responsibility is and many of them have lived and survived in situations that many of us could not imagine living through.

This bill presupposes that the average public housing resident has extra money for rent. We are talking about people who have been displaced from their jobs, who have been homeless, who are single parents with young children and cannot afford child care and therefore cannot work a minimum wage job. People who are disabled, perhaps on dialysis, or who have suffered a stroke, simply cannot afford to pay higher rent. We are talking about truly needy families who do not want to be in the situation in which they find themselves in.

While I understand compassion is something this Congress is often not able to express. We want all Americans to pick themselves up by their own bootstraps when they don't even have boots. We must not forget that welfare, Medicaid and several other programs to help the needy are already on the chopping block. We cannot throw people out on the streets because they happen to be poor.

I urge my colleagues to protect the housing for seniors with limited incomes, former homeless families with no income and large families receiving AFDC benefits. I urge the adoption of the Velázquez amendment.

The CHAIRMAN. Are there any other amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. GUNDERSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 2406), to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes, pursuant to House Resolution 426, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole?

Mrs. MALONEY. Mr. Speaker, I demand a separate vote on the Maloney amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment?

The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: page 37, line 19, strike "A" and insert "(a) IN GENERAL.—Except as provided in subsections (b) and (c), a".

Page 37, line 25, strike "Notwithstanding the preceding sentence, pet" and insert the following:

(b) FEDERALLY ASSISTED RENTAL HOUSING FOR THE ELDERLY OR DISABLED.—Pet

Page 38, after line 5, insert the following new subsection:

(c) ELDERLY FAMILIES IN PUBLIC AND ASSISTED HOUSING.—Responsible ownership of common household pets shall not be denied any elderly or disabled family who resides in a dwelling unit in public housing or an assisted dwelling unit (as such term is defined in section 371), subject to the reasonable requirements of the local housing and management authority or the owner of the assisted dwelling unit, as applicable. This subsection shall not apply to units in public housing or assisted dwelling units that are located in federally assisted rental housing for the elderly or handicapped referred to in subsection (b).

The SPEAKER pro tempore. The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mrs. MALONEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 375, noes, 48, not voting 10, as follows:

[Roll No. 159]

AYES—375

Abercrombie
Ackerman
Allard
Andrews
Bachus
Baesler
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton

Bass
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sawyer
Saxton
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shaw
Shays
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Wamp
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Weller
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—48

Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Barr
Bateman
Bonilla
Callahan
Campbell
Collins (GA)
Cox
DeLay
Doolittle
Ehlers
Gilchrest
Hancock
Hansen
Hoekstra
Hostettler
Inglis
Istook
Johnson, Sam
King
Largent
Lazio
Livingston
Lucas
McCrery
Moran
Neumann
Orton
Pombo
Rohrabacher
Roth
Sanford
Scarborough
Shadegg
Shuster
Smith (MI)
Souder
Stump
Thomas
Thornberry
Tiahrt
Walker
Watts (OK)
White

NOT VOTING—10

Bevill
Dickey
Hastert
Laughlin
Molinari
Paxon
Schroeder
Tanner
Torricelli
Weldon (PA)

□ 1740

Mr. WHITE changed his vote from "aye" to "no."

Mr. WAMP and Mr. FUNDERBURK changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. KENNEDY of Massachusetts. Mr. Speaker, I am in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. KENNEDY of Massachusetts moves to recommit the bill, H.R. 2406, to the Committee on Banking and Financial Services, with instructions to report the same back to the House forthwith with the following amendments:

In Section 225(a) of the bill (as amended by the manager's amendment), after paragraph (2) insert the following new paragraph:

(3) EXCEPTIONS.—Notwithstanding any other provision of this section, the amount paid for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income for any family who has an annual income which is principally derived from earned income.

In Section 322(a) of the bill (as amended by the manager's amendment), after paragraph (2) insert the following new paragraph:

(3) EXCEPTIONS.—Notwithstanding paragraph (1), the amount paid by an assisted family for monthly rent for an assisted dwelling unit, may not exceed 30 percent of the family's adjusted monthly income for any family who has an annual income which is principally derived from earned income.

Any amount payable under paragraph (4) shall be in addition to the amount payable under this paragraph.

In section 352(a)(2) of the bill (as amended by the manager's amendment), after "paragraph (2)" insert "or (3)".

Mr. KENNEDY of Massachusetts (during the reading).

Mr. Chairman, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. KENNEDY] is recognized for 5 minutes.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I want to compliment the gentleman from New York [Mr. LAZIO], my friend for the efforts that he has made on this bill. I want to thank the gentleman in particular for the extensions that he has made to the Brooke amendment.

Under the bill the way we are about to vote on it, we will have protected our senior citizens and elderly.

□ 1745

Mr. Speaker, under the way this bill is about to be voted on, with the amendments that the gentleman from New York [Mr. LAZIO] has accepted, we will be protecting our elderly, our senior citizens, that live in public housing and that gain access to tenant based vouchers with the Brooke amendment. We have extended that to disabled people. We have extended that to our Nation's veterans.

The one group of people that we have not extended the Brooke protections to are the very people that the chairman of the Subcommittee on Housing and Community Opportunity suggests that the Brooke amendment is going to most hurt. That is the working poor of this country. They are the individuals that under the arguments that we have heard over the course of the last 24 hours have a disincentive, that is to go to work, that is put into place by the Brooke amendment.

However, because of all of the protections that we have placed into the Brooke amendment, the only people that we can now raise rents on are, in fact, the working poor. So we have this perverse situation where we have created an enormous disincentive, an even larger disincentive to work under the notions put forward by the Republicans in this bill.

We have a perverse situation where the very individuals that all of us in this Chamber have voiced the greatest concern about in terms of their ability to go out and work and the disincentives that we sometimes inadvertently put into law that creates these weird circumstances where they are no longer incentivized to work but are incentivized to stay on the Government dole are in fact created by virtue of the exemptions that we have placed in this bill. So what has occurred is, in fact, an enormous rent increase.

It will not be linked to a percentage of income, but I do not know anyone that worries about whether or not their rent increase occurs because it is a percentage of income or just because the landlord jacked up the rent. But nevertheless, what we got here is a rent increase of substantial proportions on the very individuals that everyone in this House is looking to protect and to create incentives to have them go out and work for a living.

This motion to recommit would extend the Brooke protections to the working poor that work for a living, that live in public housing, that use tenant based couchers and say that they cannot inadvertently have their rents jacked up because of the maneuvers that end up being created perversely by this legislation that will inadvertently jack up their rents.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, this very carefully drawn recommit says, if a majority of your income comes from work, you will get the same cap that welfare recipients get. We will be creating, if we reject this, precisely the disincentive my colleagues said they did not want.

Remember, under this recommit there is no floor. If a housing authority does not want to go up to 30 percent, it does not have to. So the gentleman from New York's argument comes down to this: If you tell a housing authority it cannot charge a working person more than 30 percent of income, they will wind up paying more rent than if you tell the housing authority they can charge an unlimited amount of income. That is the difference.

We are saying, if you are working, 30 percent is the maximum. There is no minimum. It is whatever the housing authority wants to set.

The gentleman from New York says, no, we must protect these working people. Let us let the housing authority charge them whatever they want. What we will get is the people on welfare will be protected by a 30-percent cap, and people who are working will not be protected.

Steve Forbes, where are you when we need you to make rational housing policy? Why do my colleagues want to say that working people will be treated not only in dollar amounts more but qualitatively more? This amendment does what the gentleman may have set out to do. And it is true, housing authorities will tell you, no, we need the money. If you vote no, you are voting to let the local bureaucratic people who run the housing authorities get more money out of working people without limit. If they get a shortfall, they will have one place to go. They will be able to raise the rents not on the disabled people, not on the welfare recipients, they will be able to raise the rents on the working people. If they do not want to raise the rents, they will not have to. Nothing in here forces them.

The gentleman from New York says trust the local authorities, but apparently he does not trust them because he says, if you put a 30 percent, they are too stupid to know that 30 percent up here does not mean you cannot be below 30 percent. If you really think they cannot tell the difference, then protect these people.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Speaker, I include for the RECORD the following article on the Brooke amendment:

[From the Boston Globe, May 8, 1996]

SAVE THE BROOKE AMENDMENT

(By Edward W. Brooke)

(27 years ago, we passed a law to keep rents affordable in public housing—we still need it today.)

As a young man starting out on my own, my father taught me that if I was paying more than 25 percent of my income on rent, I was paying more than I could afford and should find another place to live. It was sound advice then, and it is sound advice today.

Too much spent on housing leaves a person juggling to pay for other essentials, robbing Peter to pay Paul, with no ability to save for the future.

Twenty-seven years ago as a Republican US senator from Massachusetts, I introduced the "Brooke Amendment" to keep rents affordable for low-income families, elders, veterans and disabled people living in public housing. Then, as now, public housing authorities faced increasing operating expenses and, in order to cover costs, were charging tenants higher and higher rents—in some cases upwards of 50 percent of their meager incomes.

Congress had two choices: fill the operating-cost gap or turn people out of their homes. We voted to fill the gap and passed legislation, signed into law by President Nixon in 1969, to cap rent at 25 percent of income. In 1981, this cap was raised to 30 percent.

Now, US Rep. Rick Lazio, a Republican from New York and chairman of the housing subcommittee, is expected to bring to the full House a bill that calls for the elimination of the Brooke Amendment. It will put 2.7 million households in danger of losing the rent-cap safeguard in their federally subsidized housing. The rationale for repealing the Brooke Amendment is that, to fill the current revenue gap, housing authorities need to attract working people who can pay higher rents into public housing. The 30-percent cap is seen as a disincentive for residents to obtain work.

The purpose of public housing is to provide decent, affordable housing for low-income families, and the Brooke Amendment has ensured that for almost 30 years.

However, a specious argument has caught hold in Congress that people who have jobs and more choices will choose to move into public housing developments where apartments are cramped, safety is often a problem and one is branded with the stigma of living in a poor development. Do members of Congress really believe that people who have the means to live elsewhere will move into public housing projects? The reality is that people live in public housing because they have no other choice; they are poor and have no other place to go.

If Congress truly wants to remove barriers that discourage public housing residents from obtaining employment, the solution is to give housing authorities the flexibility to set rents below 30 percent in certain instances and allow people to save and get back on their feet. Congress should not withhold operating subsidies from public housing authorities and try to balance the budget by reaching deeper into the pockets of our poorest people. We must keep rents in public housing at a fair and reasonable percentage of income, a percentage that recognizes that people need money to pay for other basic expenses as well.

Some advocates of the repeal cite the rate of crime in public housing. The fact is that less than 15 percent of public housing tenants are involved in crime. More than 85 percent are decent, law-abiding citizens who live in fear of crime. The way to address the crime problem is not repeal of the cap on rents, but through eviction and prosecution of criminal tenants.

I fear that the real intention in repealing the Brooke Amendment is to abandon federal public housing. This misguided and hard-edged legislative action will destroy the foundation of our federal housing policy.

Abandoning public housing is unwise for the country. It ignores the investment that this country has already made to build millions of units of housing—housing that, if we had to rebuild today, would be prohibitive in cost.

The Brooke Amendment is not a budget buster. Last year, the federal government provided $2.9 billion to agencies that run public housing. This figure was dwarfed by the $56.3 billion in mortgage interest deductions that reduce housing costs for middle- and upper-income people. There is clearly no fairness or equity in the allocations between the haves and the have-nots.

There comes a point in making policy decisions when compassion and common sense must dictate. I respectfully urge my Republican successors in Congress to preserve the Brooke Amendment.

Mr. LAZIO of New York. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, I want to begin by thanking the full chairman of the Committee on Banking and Financial Services, the gentleman from Iowa [Mr. LEACH], for his support and friendship. I want to thank the members of my subcommittee, especially the people who have been at my side in handling the debate, the gentleman from Louisiana [Mr. BAKER], the gentleman from Nebraska [Mr. BEREUTER], the vice chairman of the Subcommittee on Housing and Community Development. I want to thank the gentleman from Delaware [Mr. CASTLE], the gentleman from Arizona [Mr. HAYWORTH], the gentleman from Illinois [Mr. WELLER], on and on.

I want to thank the gentleman from Massachusetts [Mr. KENNEDY] for his cooperation, the ability to work together on a number of different items.

Mr. Speaker, this moment culminates 2 days of debate about two different visions of America. The first vision is the vision at my left. It is the state of public housing in America.

Mr. Speaker, 200,000 Americans live in public housing that is run by corrupt, dysfunctional, mismanaged housing authorities. And the other side defends this. They think that this is acceptable, that it is OK in America to have communities where 200,000 Americans live in this despair, without hope or opportunity.

We do not accept that. These housing authorities, let me just talk about some of these housing authorities. Think about if your children went to school and they came back with test scores, not for 1 year or 2 years or 3 years or 5 years but for 17 years out of 100. New Orleans is scoring 27. Can you imagine if your children came back with a score of 27 year after year? Condemning the population, the people that we are supposed to serve, to poverty. District of Columbia, 33; Philadelphia, 35; Detroit, 37; Pittsburgh, 47; Atlanta, 49.

And let me tell my colleagues something, this is what HUD is bragging about. They gave me this piece of paper because they think this is good. I think it stinks. I think we should not accept it. I think we should say that the people deserve more, that we should fire these housing authorities that continue to do a poor job year-after-year while billions of taxpayer dollars pour into them.

This is the future of America. We have two different visions. Claim the past, which is this vision, or give the children who live in public housing hope. Give them a chance. Give them a chance to live in a place where they can have a fireman or a policeman living next door. Give them a chance where somebody can come over for a cup of coffee, talk about a job that might be available in the place that they work, instead of a place like State Street, where you have 10,000 people warehoused because of the policies of the last few Congresses, an unemployment rate of 99 percent.

Talk about despair. Talk about disgrace. Talk about lack of compassion. That is a lack of compassion. To defend the status quo, to say that that is acceptable. It is not acceptable in America. It is acceptable nowhere in America.

Now what they are talking about is maintaining one of the most important disincentives to work, the Brooke amendment, which has punished people who want to get out of poverty, want to take the opportunity to walk down that path toward employment. It says the minute you go to work, you pay a 30-percent tax. it says that you cannot live under the same rules, if you live in public housing, all of us live under.

Let us consider ourselves here. How would we all like to pay a 30-percent rent on our income? What kind of an artificial bizarre world sets rent based on how much income you make so that the minute you go to work, if you are to take overtime or get a better job or help yourself up the ladder or it you want your other spouse to go to work, the minute that happens, you get penalized, your rent goes up?

What we are saying is, set flat rents that help incentivize work. Mr. Speaker, what we are talking about is fundamental local control, about reclaiming our communities and getting Washington bureaucrats and their one-size-fits-all-20-page-pet regulatory model out of our community so they can do their own job.

Let me tell you about the people who have hands-on experience, Mr. Speaker, the people from the housing authorities themselves and what they say.

The Public Housing Authorities Directors Association says, this legislation would permit badly needed flexibility that PHAs need to move residents up the ladder of self-sufficiency. We strongly support the provisions that would allow for working families flexible ceiling rents that would allow working residents to remain in public housing.

I urge a "no" vote for the future of the children in public housing.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. KENNEDY of Massachusetts. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage of the bill.

The vote was taken by electronic device, and there were—ayes 196, noes 226, not voting 11, as follows:

[Roll No. 160]

AYES—196

Abercrombie
Ackerman
Andrews
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bishop
Blute
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Ford
Fox
Frank (MA)
Frisa
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
LaTourette
Levin
Lewis (GA)
Lincoln
Lowey
Luther
Maloney
Manton
Markey
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Ros-Lehtinen
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Walsh
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOES—226

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest

Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Fawell
Fields (TX)
Foley
Forbes
Fowler
Franks (CT)
Franks (NJ)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lucas
Manzullo
Martinez
McCollum
McCrery
McDade
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Petri
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Vucanovich
Walker
Wamp
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—11

Bevill
Dickey
Dicks
Ewing
Laughlin
Molinari
Paxon
Schroeder
Tanner
Torricelli
Weldon (PA)

□ 1814

The Clerk announced the following pair:

On this vote:

Mr. Tanner for, with Mr. Paxon against.

Mr. FOX of Pennsylvania and Mr. BLUTE changed their vote from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. EWING. Mr. Speaker, on Rollcall No. 160, my card failed to register my vote. I intended to be recorded "No."

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LAZIO of New York. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 315, noes 107, not voting 11, as follows:

[Roll No. 161]

AYES—315

Ackerman
Allard
Andrews
Archer
Armey
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bishop
Bliley
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clayton
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dingell
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Everett
Ewing
Farr
Fawell
Fazio
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Manzullo
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Ortiz
Orton
Oxley
Packard
Parker
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Radanovich
Ramstad
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Salmon
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Tiahrt
Traficant
Upton
Visclosky
Vucanovich
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—107

Abercrombie
Barrett (WI)
Becerra
Beilenson
Blute
Bonior
Borski
Boucher
Brown (FL)
Bryant (TX)
Clay
Clement
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cummings
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dixon
Engel
Evans
Fattah
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Gejdenson
Gephardt
Gibbons
Gonzalez
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson, E. B.
Johnston
Kennedy (MA)
Kennedy (RI)
Kildee
Kleczka
LaFalce
Levin
Lewis (GA)
Lofgren
Maloney
Manton
Markey
McDermott
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Mink
Moakley
Mollohan
Nadler
Neal
Oberstar
Olver
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Quinn
Rahall
Rangel
Reed
Roybal-Allard
Rush
Sabo
Sanders
Scarborough
Serrano
Slaughter
Stark
Stokes
Studds
Thompson
Thurman
Torkildsen
Torres
Towns
Velazquez
Vento
Volkmer
Waters
Watt (NC)
Waxman
Williams
Woolsey
Yates

NOT VOTING—11

Bachus
Bevill
Dickey
Laughlin
Molinari
Paxon
Royce
Schroeder
Tanner
Torricelli
Weldon (PA)

□ 1823

Messrs. DEUTSCH, DICKS, and COSTELLO changed their vote from "aye" to "no."

Mr. CLYBURN changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. LAZIO of New York. Mr. Speaker, pursuant to section 2 of House Resolution 426, I call up from the Speaker's table the Senate bill (S. 1260) to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The text of S. 1260 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Public Housing Reform and Empowerment Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Effective date.
Sec. 5. Proposed regulations; technical recommendations.
Sec. 6. Elimination of obsolete documents.
Sec. 7. Annual reports.

TITLE I—PUBLIC AND INDIAN HOUSING

Sec. 101. Declaration of policy.
Sec. 102. Membership on board of directors.
Sec. 103. Authority of public housing agencies.
Sec. 104. Definitions.
Sec. 105. Contributions for lower income housing projects.
Sec. 106. Public housing agency plan.
Sec. 107. Contract provisions and requirements.
Sec. 108. Expansion of powers.
Sec. 109. Public housing designated for the elderly and the disabled.
Sec. 110. Public housing capital and operating funds.
Sec. 111. Labor standards.
Sec. 112. Repeal of energy conservation; consortia and joint ventures.
Sec. 113. Repeal of modernization fund.
Sec. 114. Eligibility for public and assisted housing.
Sec. 115. Demolition and disposition of public housing.
Sec. 116. Repeal of family investment centers; voucher system for public housing.
Sec. 117. Repeal of family self-sufficiency; homeownership opportunities.
Sec. 118. Revitalizing severely distressed public housing.
Sec. 119. Mixed-income and mixed-ownership projects.
Sec. 120. Conversion of distressed public housing to tenant-based assistance.
Sec. 121. Public housing mortgages and security interests.
Sec. 122. Linking services to public housing residents.
Sec. 123. Applicability to Indian housing.

TITLE II—SECTION 8 RENTAL ASSISTANCE

Sec. 201. Merger of the certificate and voucher programs.
Sec. 202. Repeal of Federal preferences.
Sec. 203. Portability.
Sec. 204. Leasing to voucher holders.
Sec. 205. Homeownership option.
Sec. 206. Technical and conforming amendments.
Sec. 207. Implementation.
Sec. 208. Definition.
Sec. 209. Effective date.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Public housing flexibility in the CHAS.
Sec. 302. Repeal of certain provisions.
Sec. 303. Determination of income limits.
Sec. 304. Demolition of public housing.
Sec. 305. Coordination of tax credits and section 8.
Sec. 306. Eligibility for public and assisted housing.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there exists throughout the Nation a need for decent, safe, and affordable housing;

(2) the inventory of public housing units owned and operated by public housing agencies, an asset in which the Federal Government has invested approximately $90,000,000,000, has traditionally provided rental housing that is affordable to low-income persons;

(3) despite serving this critical function, the public housing system is plagued by a series of problems, including the concentration of very poor people in very poor neighborhoods and disincentives for economic self-sufficiency;

(4) the Federal method of overseeing every aspect of public housing by detailed and complex statutes and regulations aggravates the problem and places excessive administrative burdens on public housing agencies;

(5) the interests of low-income persons, and the public interest, will best be served by a reformed public housing program that—

(A) consolidates many public housing programs into programs for the operation and capital needs of public housing;

(B) streamlines program requirements;

(C) vests in public housing agencies that perform well the maximum feasible authority, discretion, and control with appropriate accountability to both public housing tenants and localities; and

(D) rewards employment and economic self-sufficiency of public housing tenants;

(6) voucher and certificate programs under section 8 of the United States Housing Act of 1937 are successful for approximately 80 percent of applicants, and a consolidation of the voucher and certificate programs into a single, market-driven program will assist in making section 8 tenant-based assistance more successful in assisting low-income families in obtaining affordable housing and will increase housing choice for low-income families; and

(7) the needs of Indian families residing on Indian reservations and other Indian areas will best be served by providing programs specifically designed to meet the needs of Indian communities while promoting tribal self-governance and self-determination.

(b) PURPOSES.—The purposes of this Act are—

(1) to consolidate the various programs and activities under the public housing programs administered by the Secretary in a manner designed to reduce Federal overregulation;

(2) to redirect the responsibility for a consolidated program to States, Indian tribes, localities, public housing agencies, and public housing tenants;

(3) to require Federal action to overcome problems of public housing agencies with severe management deficiencies; and

(4) to consolidate and streamline tenant-based assistance programs.

SEC. 3. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) PUBLIC HOUSING AGENCY.—The term "public housing agency" has the same meaning as in section 3 of the United States Housing Act of 1937.

(2) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 4. EFFECTIVE DATE.

Except as otherwise specifically provided in this Act or the amendments made by this Act, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act.

SEC. 5. PROPOSED REGULATIONS; TECHNICAL RECOMMENDATIONS.

(a) PROPOSED REGULATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to the Congress proposed regulations that the Secretary determines are necessary to carry out the United States Housing Act of 1937, as amended by this Act.

(b) TECHNICAL RECOMMENDATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives, recommended technical and conforming legislative changes necessary to carry out this Act and the amendments made by this Act.

SEC. 6. ELIMINATION OF OBSOLETE DOCUMENTS.

Effective 1 year after the date of enactment of this Act, no rule, regulation, or order (including all handbooks, notices, and related requirements) pertaining to public housing or section 8 tenant-based programs issued or promulgated under the United States Housing Act of 1937 before the date of enactment of this Act may be enforced by the Secretary.

SEC. 7. ANNUAL REPORTS.

Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary shall submit a report to the Congress on the impact of the amendments made by this Act on—

(1) the demographics of public housing tenants and families receiving tenant-based assistance under the United States Housing Act of 1937; and

(2) the economic viability of public housing agencies.

TITLE I—PUBLIC AND INDIAN HOUSING

SEC. 101. DECLARATION OF POLICY.

Section 2 of the United States Housing Act of 1937 (42 U.S.C. 1437) is amended to read as follows:

"SEC. 2. DECLARATION OF POLICY.

"It is the policy of the United States to promote the general welfare of the Nation by employing the funds and credit of the Nation, as provided in this title—

"(1) to assist States, Indian tribes, and political subdivisions of States to remedy the unsafe housing conditions and the acute shortage of decent and safe dwellings for low-income families;

"(2) to assist States, Indian tribes, and political subdivisions of States to address the shortage of housing affordable to low-income families; and

"(3) consistent with the objectives of this title, to vest in public housing agencies that perform well, the maximum amount of responsibility and flexibility in program administration, with appropriate accountability to both public housing tenants and localities.".

SEC. 102. MEMBERSHIP ON BOARD OF DIRECTORS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 27. MEMBERSHIP ON BOARD OF DIRECTORS.

"(a) REQUIRED MEMBERSHIP.—Except as provided in subsection (b), the membership of the board of directors of each public housing agency shall contain not less than 1 member who is a resident of a public housing project operated by the public housing agency.

"(b) EXCEPTION.—Subsection (a) shall not apply to any public housing agency in any State that requires the members of the board of directors of a public housing agency to be salaried and to serve on a full-time basis.

"(c) NONDISCRIMINATION.—No person shall be prohibited from serving on the board of directors or similar governing body of a public housing agency because of the residence of that person in a public housing project.".

SEC. 103. AUTHORITY OF PUBLIC HOUSING AGENCIES.

(a) AUTHORITY OF PUBLIC HOUSING AGENCIES.—

(1) IN GENERAL.—Section 3(a)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)) is amended to read as follows:

"(2) AUTHORITY OF PUBLIC HOUSING AGENCIES.—Notwithstanding paragraph (1), a public housing agency may adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than the actual monthly costs—

"(i) to operate the housing of the public housing agency; and

"(ii) to make a deposit to a replacement reserve (in the sole discretion of the public housing agency).

"(B) MINIMUM RENT.—Notwithstanding paragraph (1), a public housing agency may provide that each family residing in a public housing project or receiving tenant-based or project-based assistance under section 8 shall pay a minimum monthly rent in an amount not to exceed $25 per month.

"(C) POLICE OFFICERS.—

"(i) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in accordance with the public housing agency plan, allow a police officer who is not otherwise eligible for residence in public housing to reside in a public housing unit. The number and location of units occupied by police officers under this clause, and the terms and conditions of their tenancies, shall be determined by the public housing agency.

"(ii) DEFINITION.—As used in this subparagraph, the term 'police officer' means any person determined by a public housing agency to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a Federal, State, tribal, or local government or by any agency thereof (including a public housing agency having an accredited police force).

"(D) ENCOURAGEMENT OF SELF-SUFFICIENCY.—Each public housing agency shall develop a rental policy that encourages and rewards employment and economic self-sufficiency.".

(2) REGULATIONS.—

(A) IN GENERAL.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937, as amended by paragraph (1).

(B) TRANSITION RULE.—Prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be—

(i) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act;

(ii) equal to the 95th percentile of the rent paid for a unit of comparable size by tenants in the same public housing project or a group of comparable projects totaling 50 units or more; or

(iii) equal to the fair market rent for the area in which the unit is located.

(b) NONTROUBLED PUBLIC HOUSING AGENCIES.—Section 3(a) of the United States Housing Act of 1937 (42 U.S.C. 1437(a)) is amended by adding at the end the following new paragraph:

"(3) NONTROUBLED PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Notwithstanding the rent calculation formula in paragraph (1), and subject to subparagraph (B), the Secretary shall permit a public housing agency, other than a public housing agency determined to be troubled pursuant to 6(j), to determine the amount that a family residing in public housing shall pay as rent.

"(B) LIMITATION.—With respect to a family whose income is equal to or less than 50 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, a public housing agency may not require a family to pay as rent under subparagraph (A) an amount that exceeds the greatest of—

"(i) 30 percent of the monthly adjusted income of the family;

"(ii) 10 percent of the monthly income of the family;

"(iii) if the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that public agency to meet the housing costs of the family, the portion of those payments that is so designated; and

"(iv) $25.".

SEC. 104. DEFINITIONS.

(a) DEFINITIONS.—

(1) SINGLE PERSONS.—Section 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended—

(A) in subparagraph (A), in the third sentence, by striking "the Secretary shall" and all that follows before the period at the end and inserting the following: "the public housing agency may give preference to single persons who are elderly or disabled persons before single persons who are otherwise eligible"; and

(B) in subparagraph (B), in the second sentence, by striking "regulations of the Secretary" and inserting "public housing agency plan".

(2) ADJUSTED INCOME.—Section 3(b)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(5)) is amended to read as follows:

"(5) ADJUSTED INCOME.—The term 'adjusted income' means the income that remains after excluding—

"(A) $480 for each member of the family residing in the household (other than the head of the household or the spouse of the head of the household)—

"(i) who is under 18 years of age; or

"(ii) who is—

"(I) 18 years of age or older; and

"(II) a person with disabilities or a full-time student;

"(B) $400 for an elderly or disabled family;

"(C) the amount by which the aggregate of—

"(i) medical expenses for an elderly or disabled family; and

"(ii) reasonable attendant care and auxiliary apparatus expenses for each family member who is a person with disabilities, to the extent necessary to enable any member of the family (including a member who is a person with disabilities) to be employed;

exceeds 3 percent of the annual income of the family;

"(D) child care expenses, to the extent necessary to enable another member of the family to be employed or to further his or her education;

"(E) with respect to a family assisted by an Indian housing authority only, excessive travel expenses, not to exceed $25 per family per week, for employment- or education-related travel; and

"(F) any other income that the public housing agency determines to be appropriate, as provided in the public housing agency plan.".

(3) INDIAN HOUSING AUTHORITY; INDIAN TRIBE.—

(A) IN GENERAL.—Section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) is amended by striking paragraphs (11) and (12) and inserting the following:

"(11) INDIAN HOUSING AUTHORITY.—The term 'Indian housing authority' means any entity that—

"(A) is authorized to engage or assist in the development or operation of low-income housing for Indians; and

"(B) is established—

"(i) by exercise of the power of self-government of an Indian tribe, independent of State law; or

"(ii) by operation of State law authorizing or enabling an Indian tribe to create housing authorities for Indians, including regional housing authorities in the State of Alaska.

"(12) INDIAN TRIBE.—The term 'Indian tribe' means the governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian Tribe, pursuant to the Federally Recognized Indian Tribe List Act of 1994.".

(B) APPLICABILITY.—The amendment made by subparagraph (A) does not affect the existence, or the ability to operate, of any Indian housing authority established before the date of enactment of this Act by any State recognized tribe, band, pueblo, group, community, or nation of Indians or Alaska Natives that does not qualify as an Indian tribe under section 3(b) of the United States Housing Act of 1937, as amended by this paragraph.

(b) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

(1) IN GENERAL.—Section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a) is amended—

(A) by striking the undesignated paragraph at the end of subsection (c)(3) (as added by section 515(b) of Public Law 101-625); and

(B) by adding at the end the following new subsection:

"(d) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the rent payable under subsection (a) by a family—

"(A) that—

"(i) occupies a unit in a public housing project; or

"(ii) receives assistance under section 8; and

"(B) whose income increases as a result of employment of a member of the family who was previously unemployed for 1 or more years (including a family whose income increases as a result of the participation of a family member in any family self-sufficiency or other job training program);

may not be increased as a result of the increased income due to such employment during the 18-month period beginning on the date on which the employment is commenced.

"(2) PHASE-IN OF RATE INCREASES.—After the expiration of the 18-month period referred to in paragraph (1), rent increases due to the continued employment of the family member described in paragraph (1)(B) shall be phased in over a subsequent 3-year period.

"(3) OVERALL LIMITATION.—Rent payable under subsection (a) shall not exceed the amount determined under subsection (a).".

(2) APPLICABILITY OF AMENDMENT.—

(A) PUBLIC HOUSING.—Notwithstanding the amendment made by paragraph (1), any tenant of public housing participating in the program under the authority contained in the undesignated paragraph at the end of section 3(c)(3) of the United States Housing Act of 1937, as that paragraph existed on the day before the date of enactment this Act, shall be governed by that authority after that date.

(B) SECTION 8.—The amendment made by paragraph (1) shall apply to tenant-based assistance provided under section 8 of the United States Housing Act of 1937, with funds appropriated on or after October 1, 1996.

(c) DEFINITIONS OF TERMS USED IN REFERENCE TO PUBLIC HOUSING.—

(1) IN GENERAL.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended—

(A) in paragraph (1), by inserting "and of the fees and related costs normally involved in obtaining non-Federal financing and tax credits with or without private and nonprofit partners" after "carrying charges"; and

(B) in paragraph (2), in the first sentence, by striking "security personnel)," and all that follows through the period and inserting the following: "security personnel), service coordinators, drug elimination activities, or financing in connection with a public housing project, including projects developed with non-Federal financing and tax credits, with or without private and nonprofit partners.".

(2) TECHNICAL CORRECTION.—Section 622(c) of the Housing and Community Development Act of 1992 (Public Law 102-550; 106 Stat. 3817) is amended by striking "'project.'" and inserting "paragraph (3)".

(3) NEW DEFINITIONS.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended by adding at the end the following new paragraphs:

"(6) PUBLIC HOUSING AGENCY PLAN.—The term 'public housing agency plan' means the plan of the public housing agency prepared in accordance with section 5A.

"(7) DISABLED HOUSING.—The term 'disabled housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency for occupancy exclusively by disabled persons or families.

"(8) ELDERLY HOUSING.—The term 'elderly housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency exclusively for occupancy exclusively by elderly persons or families, including elderly disabled persons or families.

"(9) MIXED-INCOME PROJECT.—The term 'mixed-income project' means a public housing project that meets the requirements of section 28.

"(10) CAPITAL FUND.—The term 'Capital Fund' means the fund established under section 9(c).

"(11) OPERATING FUND.—The term 'Operating Fund' means the fund established under section 9(d).".

SEC. 105. CONTRIBUTIONS FOR LOWER INCOME HOUSING PROJECTS.

(a) IN GENERAL.—Section 5 of the United States Housing Act of 1937 (42 U.S.C. 1437c) is amended by striking subsections (h) through (l).

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 21(d), by striking "section 5(h) or";

(2) in section 25(l)(1), by striking "and for sale under section 5(h)"; and

(3) in section 307, by striking "section 5(h) and".

SEC. 106. PUBLIC HOUSING AGENCY PLAN.

(a) IN GENERAL.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by inserting after section 5 the following new section:

"SEC. 5A. PUBLIC HOUSING AGENCY PLAN.

"(a) IN GENERAL.—

"(1) SUBMISSION.—Each public housing agency shall submit to the Secretary a written public housing agency plan developed in accordance with this section.

"(2) CONSISTENCY REQUIREMENT.—Each public housing agency plan submitted to the Secretary under paragraph (1) shall be—

"(A) made in consultation with the local advisory board established under subsection (c);

"(B) consistent with the comprehensive housing affordability strategy for the jurisdiction in which the public housing agency is located, as provided under title I of the Cranston-Gonzalez National Affordable Housing Act, or, with respect to any Indian tribe, a comprehensive plan developed by the Indian tribe, if applicable; and

"(C) accompanied by a certification by an appropriate State, tribal, or local public official that the plan meets the requirements of subparagraph (B).

"(b) CONTENTS.—Each public housing agency plan shall contain, at a minimum, the following:

"(1) CERTIFICATION.—

"(A) IN GENERAL.—With respect to a public housing agency that has not received assistance under this title as of the date on which the public housing agency plan of that public housing agency is submitted, or a public housing agency that is subject to amended authority, a written certification that the public housing agency is a governmental entity or public body (or an agency or instrumentality thereof) that is authorized to engage or assist in the development or operation of low-income housing under this title.

"(B) IDENTIFICATION OF CERTAIN REFERENCES.—Subject to subparagraph (A), any reference in any provision of law of the jurisdiction authorizing the creation of the public housing agency shall be identified and any legislative declaration of purpose in regard thereto shall be set forth in the certification with full text.

"(2) STATEMENT OF POLICY.—An annual statement of policy identifying the primary goals and objectives of the public housing agency for the year for which the statement is submitted, together with any major developments, projects, or programs, including all proposed costs and activities carried out with the use of Capital Fund and Operating Fund distributions made available to the public housing agency under section 9.

"(3) STATEMENT OF NEEDS.—An annual statement of the housing needs of low-income families residing in the community, and of other low-income families on the waiting list of the public housing agency (including the housing needs of elderly families and disabled families), and the means by which the public housing agency intends, to the maximum extent practicable, to address those needs.

"(4) GENERAL POLICIES, RULES, AND REGULATIONS.—The policies, rules, and regulations of the public housing agency regarding—

"(A) the requirements for the selection and admission of eligible families into the program or programs of the public housing agency, including—

"(i) tenant screening policies;

"(ii) any preferences or priorities for selection and admission;

"(iii) annual income verification procedures; and

"(iv) requirements relating to the administration of any waiting lists of the public housing agency;

"(B) the procedure for assignment of families admitted into the program to dwelling units owned, leased, managed, or assisted by the public housing agency;

"(C) the requirements for occupancy of dwelling units, including all standard lease provisions, and conditions for continued occupancy, termination, and eviction;

"(D) procedures for establishing rents, including ceiling rents and adjustments to income; and

"(E) procedures for designating certain public housing projects, or portions of projects, for occupancy by elderly families, disabled families, or by elderly and disabled families.

"(5) OPERATION AND MANAGEMENT.—The policies, rules, and regulations relating to the management of the public housing agency, and the public housing projects and programs of the public housing agency, including—

"(A) a description of the manner in which the public housing agency is organized (including any consortia or joint ventures) and staffed to perform the duties and functions of the public housing agency and to administer the Operating Fund distributions of the public housing agency;

"(B) policies relating to the rental of dwelling units owned or operated by the public housing agency, including policies designed to reduce vacancies;

"(C) policies relating to providing a safe and secure environment in public housing units, including anticrime and antidrug activities;

"(D) policies relating to the management and operation, or participation in mixed-income projects, if applicable;

"(E) policies relating to services and amenities provided or offered to assisted families, including the provision of service coordinators and services designed for certain populations, such as the elderly and disabled;

"(F) procedures for implementing the work requirements of section 12(c);

"(G) procedures for identifying management weaknesses;

"(H) objectives for improving management practices;

"(I) a description of management initiatives to control the costs of operating the public housing agency;

"(J) a plan for preventative maintenance and a plan for routine maintenance;

"(K) policies relating to any plans for converting public housing to a system of tenant-based assistance; and

"(L) policies relating to the operation of any homeownership programs.

"(6) CAPITAL FUND REQUIREMENTS.—The policies, rules, and regulations relating to the management and administration of the Capital Fund distributions of the public housing agency, including—

"(A) the capital needs of the public housing agency;

"(B) plans for capital expenditures related to providing a safe and secure environment in public housing units, including anticrime and antidrug activities;

"(C) policies relating to providing a safe and secure environment in public housing units, including anticrime and antidrug activities;

"(D) policies relating to the capital requirements of mixed-income projects, if applicable;

"(E) an annual plan and, if appropriate, a 5-year plan of the public housing agency for the capital needs of the existing dwelling units of the public housing agency, each of which shall include a general statement identifying the long-term viability and physical condition of each of the public housing projects and other property of the public housing agency, including cost estimates;

"(F) a plan to handle emergencies and other disasters;

"(G) the use of funds for new or additional units, including capital contributions to mixed-income projects, if applicable;

"(H) any plans for the sale of existing dwelling units to low-income residents or organizations acting as conduits for sales to such residents under a homeownership plan;

"(I) any plans for converting public housing units to a system of tenant-based assistance; and

"(J) any plans for demolition and disposition of public housing units, including any plans for replacement units and any plans providing for the relocation of residents who will be displaced by a demolition or disposition of units.

"(7) ECONOMIC AND SOCIAL SELF-SUFFICIENCY PROGRAMS.—A description of any policies, programs, plans, and activities of the public housing agency for the enhancement of the economic and social self-sufficiency of residents assisted by the programs of the public housing agency.

"(8) ANNUAL AUDIT.—The results of an annual audit (including any audit of management practices, as required by the Secretary) of the public housing agency, which shall be conducted by an independent certified public accounting firm pursuant to generally accepted accounting principles.

"(c) LOCAL ADVISORY BOARD.—

"(1) IN GENERAL.—Except as provided in paragraph (5), each public housing agency shall establish one or more local advisory boards in accordance with this subsection, the membership of which shall adequately reflect and represent all of the residents of the dwelling units owned, operated, or assisted by the public housing agency.

"(2) MEMBERSHIP.—Each local advisory board established under this subsection shall be composed of the following members:

"(A) TENANTS.—Not less than 60 percent of the members of the board shall be tenants of dwelling units owned, operated, or assisted by the public housing agency, including representatives of any resident organizations.

"(B) OTHER MEMBERS.—The members of the board, other than the members described in subparagraph (A), shall include—

"(i) representatives of the community in which the public housing agency is located; and

"(ii) local government officials of the community in which the public housing agency is located.

"(3) PURPOSE.—Each local advisory board established under this subsection shall assist and make recommendations regarding the development of the public housing agency plan. The public housing agency shall consider the recommendations of the local advisory board in preparing the final public housing agency plan, and shall include a copy of those recommendations in the public housing agency plan submitted to the Secretary under this section.

"(4) INAPPLICABILITY TO INDIAN HOUSING.—This subsection does not apply to an Indian housing authority.

"(5) WAIVER.—The Secretary may waive the requirements of this subsection with respect to tenant representation on the local advisory board of a public housing agency, if the public housing agency demonstrates to the satisfaction of the Secretary that a resident council or other tenant organization of the public housing agency adequately represents the interests of the tenants of the public housing agency.

"(d) PUBLICATION OF NOTICE.—

"(1) IN GENERAL.—Not later than 45 days before the date of a hearing conducted under paragraph (2) by the governing body of a public housing agency, the public housing agency shall publish a notice informing the public that—

"(A) the proposed public housing agency plan is available for inspection at the principal office of the public housing agency during normal business hours; and

"(B) a public hearing will be conducted to discuss the public housing agency plan and to invite public comment regarding that plan.

"(2) PUBLIC HEARING.—Each public housing agency shall, at a location that is convenient to residents, conduct a public hearing, as provided in the notice published under paragraph (1).

"(3) ADOPTION OF PLAN.—After conducting the public hearing under paragraph (2), and after considering all public comments received and, in consultation with the local advisory board, making any appropriate changes in the public housing agency plan, the public housing agency shall—

"(A) adopt the public housing agency plan; and

"(B) submit the plan to the Secretary in accordance with this section.

"(e) COORDINATED PROCEDURES.—Each public housing agency (other than an Indian housing authority) shall, in conjunction with the State or relevant unit of general local government, establish procedures to ensure that the public housing agency plan required by this section is consistent with the applicable comprehensive housing affordability strategy for the jurisdiction in which the public housing agency is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act.

"(f) AMENDMENTS AND MODIFICATIONS TO PLANS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), nothing in this section shall preclude a public housing agency, after submitting a plan to the Secretary in accordance with this section, from amending or modifying any policy, rule, regulation, or plan of the public housing agency, except that no such significant amendment or modification may be adopted or implemented—

"(A) other than at a duly called meeting of commissioners (or other comparable governing body) of the public housing agency that is open to the public; and

"(B) until notification of the amendment or modification is provided to the Secretary and approved in accordance with subsection (g)(2).

"(2) CONSISTENCY.—Each significant amendment or modification to a public housing agency plan submitted to the Secretary under this section shall—

"(A) meet the consistency requirement of subsection (a)(2);

"(B) be subject to the notice and public hearing requirements of subsection (d); and

"(C) be subject to approval by the Secretary in accordance with subsection (g)(2).

"(g) TIMING OF PLANS.—

"(1) IN GENERAL.—

"(A) INITIAL SUBMISSION.—Each public housing agency shall submit the initial plan required by this section, and any amendment or modification to the initial plan, to the Secretary at such time and in such form as the Secretary shall require.

"(B) ANNUAL SUBMISSION.—Not later than 60 days prior to the start of the fiscal year of the public housing agency, after initial submission of the plan required by this section in accordance with subparagraph (A), each public housing agency shall annually submit to the Secretary a plan update, including any amendments or modifications to the public housing agency plan.

"(2) REVIEW AND APPROVAL.—

"(A) REVIEW.—After submission of the public housing agency plan or any amendment or modification to the plan to the Secretary, to the extent that the Secretary considers such action to be necessary to make determinations under this subparagraph, the Secretary shall review the public housing agency plan (including any amendments or modifications thereto) to determine whether the contents of the plan—

"(i) set forth the information required by this section to be contained in a public housing agency plan;

"(ii) are consistent with information and data available to the Secretary; and

"(iii) are prohibited by or inconsistent with any provision of this title or other applicable law.

"(B) APPROVAL.—

"(i) IN GENERAL.—Except as provided in paragraph (3)(B), not later than 60 days after the date on which a public housing agency plan is submitted in accordance with this section, the Secretary shall provide written notice to the public housing agency if the plan has been disapproved, stating with specificity the reasons for the disapproval.

"(ii) FAILURE TO PROVIDE NOTICE OF DISAPPROVAL.—If the Secretary does not provide notice of disapproval under clause (i) before the expiration of the 60-day period described in clause (i), the public housing agency plan shall be deemed to be approved by the Secretary.

"(3) SECRETARIAL DISCRETION.—

"(A) IN GENERAL.—The Secretary may require such additional information as the Secretary determines to be appropriate for each public housing agency that is—

"(i) at risk of being designated as troubled under section 6(j); or

"(ii) designated as troubled under section 6(j).

"(B) TROUBLED AGENCIES.—The Secretary shall provide explicit written approval or disapproval, in a timely manner, for a public housing agency plan submitted by any public housing agency designated by the Secretary as a troubled public housing agency under section 6(j).

"(4) STREAMLINED PLAN.—In carrying out this section, the Secretary may establish a streamlined public housing agency plan for—

"(A) public housing agencies that are determined by the Secretary to be high performing public housing agencies; and

"(B) public housing agencies with less than 250 public housing units that have not been designated as troubled under section 6(j).".

(b) IMPLEMENTATION.—

(1) INTERIM RULE.—Not later than 120 days after the date of enactment of this Act, the Secretary shall issue an interim rule to require the submission of an interim public housing agency plan by each public housing agency, as required by section 5A of the

United States Housing Act of 1937 (as added by subsection (a) of this section).

(2) FINAL REGULATIONS.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall promulgate final regulations implementing section 5A of the United States Housing Act of 1937, as added by subsection (a) of this section.

(3) INDIAN HOUSING AUTHORITIES.—In carrying out this subsection, the Secretary may implement separate rules and regulations for the Indian housing program.

(c) AUDIT AND REVIEW; REPORT.—

(1) AUDIT AND REVIEW.—Not later than 1 year after the effective date of final regulations promulgated under subsection (b)(2), in order to determine the degree of compliance with public housing agency plans approved under section 5A of the United States Housing Act of 1937, as added by this section, by public housing agencies, the Comptroller General of the United States shall conduct—

(A) a review of a representative sample of the public housing agency plans approved under such section 5A before that date; and

(B) an audit and review of the public housing agencies submitting those plans.

(2) REPORT.—Not later than 2 years after the date on which public housing agency plans are initially required to be submitted under section 5A of the United States Housing Act of 1937, as added by this section, the Comptroller General of the United States shall submit to the Congress a report, which shall include—

(A) a description of the results of each audit and review under paragraph (1); and

(B) any recommendations for increasing compliance by public housing agencies with their public housing agency plans approved under section 5A of the United States Housing Act of 1937, as added by this section.

SEC. 107. CONTRACT PROVISIONS AND REQUIREMENTS.

(a) CONDITIONS.—Section 6(a) of the United States Housing Act of 1937 (42 U.S.C. 1437d(a)) is amended—

(1) in the first sentence, by inserting ", in a manner consistent with the public housing agency plan" before the period; and

(2) by striking the second sentence.

(b) REPEAL OF FEDERAL PREFERENCES; REVISION OF MAXIMUM INCOME LIMITS; CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS; NOTIFICATION OF ELIGIBILITY.—Section 6(c) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)) is amended to read as follows:

"(c) [Reserved.]".

(c) EXCESS FUNDS.—Section 6(e) of the United States Housing Act of 1937 (42 U.S.C. 1437d(e)) is amended to read as follows:

"(e) [Reserved.]".

(d) PERFORMANCE INDICATORS FOR PUBLIC HOUSING AGENCIES.—Section 6(j) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)—

(i) by striking "obligated" and inserting "provided"; and

(ii) by striking "unexpended" and inserting "unobligated by the public housing agency";

(B) in subparagraph (D), by striking "energy" and inserting "utility";

(C) by redesignating subparagraph (H) as subparagraph (J); and

(D) by inserting after subparagraph (G) the following new subparagraphs:

"(H) The extent to which the public housing agency provides—

"(i) effective programs and activities to promote the economic self-sufficiency of public housing tenants; and

"(ii) public housing tenants with opportunities for involvement in the administration of the public housing.

"(I) The extent to which the public housing agency successfully meets the goals and carries out the activities and programs of the public housing agency plan under section 5(A)."; and

(2) in paragraph (2)(A)(i), by inserting after the first sentence the following: "The Secretary may use a simplified set of indicators for public housing agencies with less than 250 public housing units.".

(e) LEASES.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(1) in paragraph (3), by striking "not be less than" and all that follows before the semicolon and inserting "be the period of time required under State law"; and

(2) in paragraph (5), by striking "on or near such premises".

(f) PUBLIC HOUSING ASSISTANCE TO FOSTER CARE CHILDREN.—Section 6(o) of the United States Housing Act of 1937 (42 U.S.C. 1437d(o)) is amended by striking "Subject" and all that follows through ", in" and inserting "In".

(g) PREFERENCE FOR AREAS WITH INADEQUATE SUPPLY OF VERY LOW-INCOME HOUSING.—Section 6(p) of the United States Housing Act of 1937 (42 U.S.C. 1437d(p)) is amended to read as follows:

"(p) [Reserved.]".

(h) AVAILABILITY OF CRIMINAL RECORDS FOR SCREENING AND EVICTION; EVICTION FOR DRUG-RELATED ACTIVITY.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsections:

"(q) AVAILABILITY OF RECORDS.—

"(1) IN GENERAL.—

"(A) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in subparagraph (B), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to public housing agencies regarding the criminal conviction records of adult applicants for, or tenants of, public housing for purposes of applicant screening, lease enforcement, and eviction.

"(B) EXCEPTION.—Except as provided under any provision of State, tribal, or local law, no law enforcement agency described in subparagraph (A) shall provide information under this paragraph relating to any criminal conviction if the date of that conviction occurred 5 or more years prior to the date on which the request for the information is made.

"(2) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken on the basis of a criminal record, the public housing agency shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(3) FEE.—A public housing agency may be charged a reasonable fee for information provided under paragraph (1).

"(4) RECORDS MANAGEMENT.—Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

"(A) maintained confidentially;

"(B) not misused or improperly disseminated; and

"(C) destroyed, once the purpose for which the record was requested has been accomplished.

"(5) DEFINITION.—For purposes of this subsection, the term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(r) EVICTION FOR DRUG-RELATED ACTIVITY.—Any tenant evicted from housing assisted under this title by reason of drug-related criminal activity (as that term is defined in section 8(f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).".

(i) TRANSITION RULE RELATING TO PREFERENCES.—During the period beginning on the date of enactment of this Act and ending on the date on which the initial public housing agency plan of a public housing agency is approved under section 5A of the United States Housing Act of 1937, as added by this Act, the public housing agency may establish local preferences for making available public housing under the United States Housing Act of 1937 and for providing tenant-based assistance under section 8 of that Act.

SEC. 108. EXPANSION OF POWERS.

(a) IN GENERAL.—Section 6(j)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)(3)) is amended—

(1) in subparagraph (A)—

(A) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and

(B) by inserting after clause (ii) the following new clause:

"(iii) take possession of the public housing agency, including any project or function of the agency, including any project or function under any other provision of this title;";

(2) by redesignating subparagraphs (B) through (D) as subparagraphs (E) through (G), respectively;

(3) by inserting after subparagraph (A) the following new subparagraphs:

"(B)(i) If a public housing agency is identified as troubled under this subsection, the Secretary shall notify the agency of the troubled status of the agency.

"(ii) The Secretary may give a public housing agency a 1-year period, beginning on the later of the date on which the agency receives notice from the Secretary of the troubled status of the agency under clause (i), and the date of enactment of the Public Housing Reform and Empowerment Act of 1995, within which to demonstrate improvement satisfactory to the Secretary. Nothing in this clause shall preclude the Secretary from taking any action the Secretary considers necessary before the commencement or the expiration of the 1-year period described in this clause.

"(iii) Upon the expiration of the 1-year period described in clause (ii), if the troubled public housing agency has not demonstrated improvement satisfactory to the Secretary and the Secretary has not yet declared the agency to be in breach of the contract of the agency with the Federal Government under this title, the Secretary shall declare the public housing agency to be in substantial default, as described in subparagraph (A).

"(iv) Upon declaration of a substantial default under clause (iii), the Secretary—

"(I) shall either—

"(aa) petition for the appointment of a receiver pursuant to subparagraph (A)(ii);

"(bb) take possession of the public housing agency or any public housing projects of the public housing agency pursuant to subparagraph (A)(iii); or

"(cc) take such actions as the Secretary determines to be necessary to cure the substantial default; and

"(II) may, in addition, take other appropriate action.

"(C)(i) If a receiver is appointed pursuant to subparagraph (A)(ii), in addition to the powers accorded by the court appointing the receiver, the receiver—

"(I) may abrogate any contract that substantially impedes correction of the substantial default;

"(II) may demolish and dispose of the assets of the public housing agency, in accordance with section 18, including the transfer of properties to resident-supported nonprofit entities;

"(III) if determined to be appropriate by the Secretary, may require the establishment, as permitted by applicable State, tribal, and local law, of one or more new public housing agencies; and

"(IV) shall not be subject to any State, tribal, or local law relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impedes correction of the substantial default.

"(ii) For purposes of this subparagraph, the term 'public housing agency' includes any project or function of a public housing agency, as appropriate, including any project or function under any other provision of this title.

"(D)(i) If the Secretary takes possession of a public housing agency, or any project or function of the agency, pursuant to subparagraph (A)(iii), the Secretary—

"(I) may abrogate any contract that substantially impedes correction of the substantial default;

"(II) may demolish and dispose of the assets of the public housing agency, in accordance with section 18, including the transfer of properties to resident-supported nonprofit entities;

"(III) may require the establishment, as permitted by applicable State, tribal, and local law, of one or more new public housing agencies;

"(IV) shall not be subject to any State, tribal, or local law relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impedes correction of the substantial default; and

"(V) shall have such additional authority as a district court of the United States has conferred under like circumstances on a receiver to fulfill the purposes of the receivership.

"(ii) The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary under this subparagraph for the administration of a public housing agency. The Secretary may delegate to the administrative receiver any or all of the powers given the Secretary by this subparagraph, as the Secretary determines to be appropriate.

"(iii) Regardless of any delegation under this subparagraph, an administrative receiver may not require the establishment of one or more new public housing agencies pursuant to clause (i)(III), unless the Secretary first approves an application by the administrative receiver to authorize such establishment.

"(iv) For purposes of this subparagraph, the term 'public housing agency' includes any project or function of a public housing agency, as appropriate, including any project or function under any other provision of this title."; and

(4) by adding at the end the following new subparagraph:

"(H) If the Secretary (or an administrative receiver appointed by the Secretary) takes possession of a public housing agency (including any project or function of the agency), or if a receiver is appointed by a court, the Secretary or receiver shall be deemed to be acting not in the official capacity of that person or entity, but rather in the capacity of the public housing agency, and any liability incurred, regardless of whether the incident giving rise to that liability occurred while the Secretary or receiver was in possession of the public housing agency (including any project or function of the agency), shall be the liability of the public housing agency.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to a public housing agency that is found to be in substantial default, on or after the date of enactment of this Act, with respect to the covenants or conditions to which the agency is subject (as such substantial default is defined in the contract for contributions of the agency) or with respect to an agreement entered into under section 6(j)(2)(C) of the United States Housing Act of 1937.

SEC. 109. PUBLIC HOUSING DESIGNATED FOR THE ELDERLY AND THE DISABLED.

(a) IN GENERAL.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended to read as follows:

"SEC. 7. AUTHORITY TO PROVIDE DESIGNATED HOUSING.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in the discretion of the public housing agency and without approval by the Secretary, designate public housing projects or mixed-income projects (or portions of projects) for occupancy as elderly housing, disabled housing, or elderly and disabled housing. The public housing agency shall establish requirements for this section, including priorities for occupancy, in the public housing agency plan.

"(b) PRIORITY FOR OCCUPANCY.—

"(1) IN GENERAL.—In determining priority for admission to public housing projects (or portions of projects) that are designated for occupancy under this section, the public housing agency may make units in such projects (or portions of projects) available only to the types of families for whom the project is designated.

"(2) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a public housing agency determines that there are insufficient numbers of elderly families to fill all the units in a public housing project (or portion thereof) designated under this section for occupancy by only elderly families, the agency may provide that near-elderly families who qualify for occupancy may occupy dwelling units in the public housing project (or portion thereof).

"(3) VACANCY.—Notwithstanding paragraphs (1) and (2), in designating a public housing project (or portion thereof) for occupancy by only certain types of families under this section, a public housing agency shall make any dwelling unit that is ready for occupancy in such a project (or portion thereof) that has been vacant for more than 60 consecutive days generally available for occupancy (subject to this title) without regard to that designation.

"(c) AVAILABILITY OF HOUSING.—

"(1) TENANT CHOICE.—The decision of any disabled family not to occupy or accept occupancy in an appropriate public housing project or to otherwise accept any assistance made available to the family under this title shall not adversely affect the family with respect to a public housing agency making available occupancy in other appropriate public housing projects or to otherwise make assistance available to that family under this title.

"(2) DISCRIMINATORY SELECTION.—Paragraph (1) does not apply to any family that decides not to occupy or accept an appropriate dwelling unit in public housing or to accept assistance under this Act on the basis of the race, color, religion, gender, disability, familial status, or national origin of occupants of the housing or the surrounding area.

"(3) APPROPRIATENESS OF DWELLING UNITS.—This section may not be construed to require a public housing agency to offer occupancy in any dwelling unit assisted under this Act to any family that is not of appropriate family size for the dwelling unit.

"(d) PROHIBITION OF EVICTIONS.—Any tenant who is lawfully residing in a dwelling unit in a public housing project may not be evicted or otherwise required to vacate that unit as a result of the designation of the public housing project (or portion thereof) under this section or as a result of any other action taken by the Secretary or any public housing agency pursuant to this section.

"(e) LIMITATION ON OCCUPANCY IN DESIGNATED PROJECTS.—

"(1) OCCUPANCY LIMITATION.—Notwithstanding any other provision of law, a dwelling unit in a public housing project (or portion of a project) that is designated under subsection (a) shall not be occupied by any person whose illegal use (or pattern of illegal use) of a controlled substance or abuse (or pattern of abuse) of alcohol—

"(A) constitutes a disability; and

"(B) provides reasonable cause for the public housing agency to believe that such occupancy could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(2) REQUIRED STATEMENT.—A public housing agency may not make a dwelling unit in a public housing project (or portion of a project) designated under subsection (a) available for occupancy to any family, unless the application for occupancy by that family is accompanied by a signed statement that no person who will be occupying the unit illegally uses a controlled substance, or abuses alcohol, in a manner that would interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.".

(b) LEASE PROVISIONS.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) by redesignating paragraph (6) as paragraph (7); and

(3) by inserting after paragraph (5) following new paragraph:

"(6) provide that any occupancy in violation of section 7(e)(1) or the furnishing of any false or misleading information pursuant to section 7(e)(2) shall be cause for termination of tenancy; and".

(c) CONFORMING AMENDMENT.—Section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437(b)(4)(A)) is amended by striking "section 7(a)" and inserting "section 7".

SEC. 110. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

(a) IN GENERAL.—Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended to read as follows:

"SEC. 9. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

"(a) IN GENERAL.—Except for assistance provided under section 8 of this Act or as otherwise provided in the Public Housing Reform and Empowerment Act of 1995, all programs under which assistance is provided for public housing under this Act on the day before October 1, 1997, shall be merged, as appropriate, into either—

"(1) the Capital Fund established under subsection (c); or

"(2) the Operating Fund established under subsection (d).

"(b) USE OF EXISTING FUNDS.—With the exception of funds made available pursuant to section 8 or section 20(f) and funds made available for the urban revitalization demonstration program authorized under the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Acts—

"(1) funds made available to the Secretary for public housing purposes that have not been obligated by the Secretary to a public housing agency as of October 1, 1997, shall be made available, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate; and

"(2) funds made available to the Secretary for public housing purposes that have been obligated by the Secretary to a public housing agency but that, as of October 1, 1997, have not been obligated by the public housing agency, may be made available by that public housing agency, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate.

"(c) CAPITAL FUND.—

"(1) IN GENERAL.—The Secretary shall establish a Capital Fund for the purpose of making assistance available to public housing agencies to carry out capital and management activities, including—

"(A) the development and modernization of public housing projects, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the development of mixed-income projects;

"(B) vacancy reduction;

"(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

"(D) planned code compliance;

"(E) management improvements;

"(F) demolition and replacement;

"(G) tenant relocation;

"(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

"(I) capital expenditures to improve the security and safety of residents.

"(2) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The Secretary shall develop a formula for providing assistance under the Capital Fund, which may take into account—

"(A) the number of public housing dwelling units owned or operated by the public housing agency and the percentage of those units that are occupied by very low-income families;

"(B) if applicable, the reduction in the number of public housing units owned or operated by the public housing agency as a result of any conversion to a system of tenant-based assistance;

"(C) the costs to the public housing agency of meeting the rehabilitation and modernization needs, and meeting the reconstruction, development, and demolition needs of public housing dwelling units owned and operated by the public housing agency;

"(D) the degree of household poverty served by the public housing agency;

"(E) the costs to the public housing agency of providing a safe and secure environment in public housing units owned and operated by the public housing agency; and

"(F) the ability of the public housing agency to effectively administer the Capital Fund distribution of the public housing agency.

"(d) OPERATING FUND.—

"(1) IN GENERAL.—The Secretary shall establish an Operating Fund for the purpose of making assistance available to public housing agencies for the operation and management of public housing, including—

"(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

"(B) activities to ensure a program of routine preventative maintenance;

"(C) anticrime and antidrug activities, including the costs of providing adequate security for public housing tenants;

"(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

"(E) activities to provide for management and participation in the management of public housing by public housing tenants;

"(F) the costs associated with the operation and management of mixed-income projects, to the extent appropriate (including the funding of an operating reserve to ensure affordability for low-income families in lieu of the availability of operating funds for public housing units in a mixed-income project);

"(G) the reasonable costs of insurance;

"(H) the reasonable energy costs associated with public housing units, with an emphasis on energy conservation; and

"(I) the costs of administering a public housing work program under section 12, including the costs of any related insurance needs.

"(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The Secretary shall establish a formula for providing assistance under the Operating Fund, which may take into account—

"(A) standards for the costs of operation and reasonable projections of income, taking into account the character and location of the public housing project and characteristics of the families served, or the costs of providing comparable services as determined with criteria or a formula representing the operations of a prototype well-managed public housing project;

"(B) the number of public housing dwelling units owned and operated by the public housing agency, the percentage of those units that are occupied by very low-income families, and, if applicable, the reduction in the number of public housing units as a result of any conversion to a system of tenant-based assistance;

"(C) the degree of household poverty served by a public housing agency;

"(D) the extent to which the public housing agency provides programs and activities designed to promote the economic self-sufficiency and management skills of public housing tenants;

"(E) the number of dwelling units owned and operated by the public housing agency that are chronically vacant and the amount of assistance appropriate for those units;

"(F) the costs of the public housing agency associated with anticrime and antidrug activities, including the costs of providing adequate security for public housing tenants; and

"(G) the ability of the public housing agency to effectively administer the Operating Fund distribution of the public housing agency.

"(e) LIMITATIONS ON USE OF FUNDS.—

"(1) IN GENERAL.—Each public housing agency may use not more than 20 percent of the Capital Fund distribution of the public housing agency for activities that are eligible for assistance under the Operating Fund under subsection (d), if the public housing agency plan provides for such use.

"(2) NEW CONSTRUCTION.—

"(A) IN GENERAL.—A public housing agency may not use any of the Capital Fund or Operating Fund distributions of the public housing agency for the purpose of constructing any public housing unit, if such construction would result in a net increase in the number of public housing units owned or operated by the public housing agency on the date of enactment of the Public Housing Reform and Empowerment Act of 1995, including any public housing units demolished as part of any revitalization effort.

"(B) EXCEPTION.—Notwithstanding subparagraph (A), a public housing agency may use the Capital Fund or Operating Fund distributions of the public housing agency for the construction and operation of housing units that are available and affordable to low-income families in excess of the limitations on new construction set forth in subparagraph (A), except that the formulae established under subsections (c)(2) and (d)(2) shall not provide additional funding for the specific purpose of allowing construction and operation of housing in excess of those limitations.".

"(f) OPERATING AND CAPITAL ASSISTANCE TO RESIDENT MANAGEMENT CORPORATIONS.—The Secretary shall directly provide operating and capital assistance under this section to each resident management corporation managing a public housing project pursuant to a contract under this section, which assistance shall be used for purposes of operating the public housing project and performing such other eligible activities with respect to the project as may be provided under the contract.

"(g) INDIAN HOUSING PROGRAMS.—To the extent provided in advance in appropriations Acts, the Secretary shall carry out housing programs for Indians in accordance with such formulas and programs as the Secretary shall establish by regulation.

"(h) TECHNICAL ASSISTANCE.—To the extent approved in advance in appropriations Acts, the Secretary may make grants or enter into contracts in accordance with this subsection for purposes of providing, either directly or indirectly—

"(1) technical assistance to public housing agencies, resident councils, resident organizations, and resident management corporations, including assistance relating to monitoring and inspections;

"(2) training for public housing agency employees and tenants;

"(3) data collection and analysis; and

"(4) training, technical assistance, and education to assist public housing agencies that are—

"(A) at risk of being designated as troubled under section 6(j) from being so designated; and

"(B) designated as troubled under section 6(j) in achieving the removal of that designation.

"(i) Emergency Reserve.—

"(1) In general.—

"(A) Set-aside.—In each fiscal year, the Secretary shall set aside not more than 2 percent of the amount made available for use under the capital fund to carry out this section for that fiscal year for use in accordance with this subsection.

"(B) Use of funds.—

"(i) Emergencies.—Amounts set aside under this paragraph shall be available to the Secretary for use in connection with emergencies, as determined by the Secretary, and in connection with housing needs resulting from any settlement of litigation.

"(ii) Additional funds.—To the extent that there are funds from amounts set aside under this paragraph in excess to the needs described in clause (i), the Secretary may use those funds for the costs of establishing and administering a witness relocation program, which shall be established by the Secretary in conjunction with the Attorney General of the United States.

"(2) Allocation.—

"(A) In general.—Amounts set aside under this subsection shall initially be allocated based on the emergency and litigation settlement needs of public housing agencies, in such manner, and in such amounts as the Secretary shall determine.

"(B) Publication.—The Secretary shall publish the use of any amounts allocated under this subsection in the Federal Register.".

(b) Implementation; Effective Date; Transition Period.—

(1) Implementation.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall establish the formulas described in subsections (c)(3) and (d)(2) of section 9 of the Public Housing Reform and Empowerment Act of 1995, as amended by this section.

(2) Effective date.—The formulas established under paragraph (1) shall be effective only with respect to amounts made available under section 9 of the United States Housing Act of 1937, as amended by this section, in fiscal year 1998 or in any succeeding fiscal year.

(3) Transition period.—Prior to the effective date described in paragraph (2), the Secretary shall provide that each public housing agency shall receive funding under sections 9 and 14 of the United States Housing Act of 1937, as those sections existed on the day before the date of enactment of this Act.

(c) Drug Elimination Grants.—

(1) Funding authorization.—

(A) In general.—To the extent provided in advance in appropriations Acts for fiscal years 1996 and 1997, the Secretary shall make grants for—

(i) use in eliminating drug-related crime under the Public and Assisted Housing Drug Elimination Act of 1990; and

(ii) drug elimination clearinghouse services authorized by section 5143 of the Drug-Free Public Housing Act of 1988.

(B) Set-aside.—Of any amounts made available to carry out subparagraph (A), the Secretary shall set aside amounts for grants, technical assistance, contracts, and other assistance, and for training, program assessment, and execution for or on behalf of public housing agencies and resident organizations (including the cost of necessary travel for participants in such training).

(2) Program requirements.—The use of amounts made available under paragraph (1) shall be governed by the Public and Assisted Housing Drug Elimination Act of 1990, except as follows:

(A) Formula allocation.—Notwithstanding the Public and Assisted Housing Drug Elimination Act of 1990, after setting aside amounts for assisted housing under section 5130(b) of such Act, the Secretary may make grants to public housing agencies in accordance with a formula established by the Secretary, which shall—

(i) take into account the needs of the public housing agency for anticrime funding, and the amount of funding that the public housing agency has received under the Public and Assisted Housing Drug Elimination Act of 1990 during fiscal years 1993, 1994, and 1995; and

(ii) not exclude an eligible public housing agency that has not received funding during the period described in clause (i).

(B) Other types of crime.—For purposes of this subsection, the Secretary may define the term "drug-related crime" to include criminal actions other than those described in section 5126(2) of the Public and Assisted Housing Drug Elimination Act of 1990.

(3) Sunset.—No grant may be made under this subsection on or after October 1, 1998.

SEC. 111. LABOR STANDARDS.

Section 12 of the United States Housing Act of 1937 (42 U.S.C. 1437j) is amended by adding at the end the following new subsection:

"(c) Work Requirement.—

"(1) In general.—Notwithstanding any other provision of law, each adult member of each family assisted under this title shall contribute not less than 8 hours of volunteer work per month (not to include any political activity) within the community in which that adult resides.

"(2) Inclusion in plan.—Each public housing agency shall include in the public housing agency plan a detailed description of the manner in which the public housing agency intends to implement and administer paragraph (1).

"(3) Exemptions.—The Secretary may provide an exemption from paragraph (1) for any adult who is—

"(A) not less than 62 years of age;

"(B) a person with disabilities who is unable, as determined in accordance with guidelines established by the Secretary, to comply with this section;

"(C) working not less than 20 hours per week, a student, receiving vocational training, or otherwise meeting work, training, or educational requirements of a public assistance program; or

"(D) a single parent or the spouse of an otherwise exempt individual who is the primary caretaker of one or more children who are 6 years of age or younger.".

SEC. 112. REPEAL OF ENERGY CONSERVATION; CONSORTIA AND JOINT VENTURES.

Section 13 of the United States Housing Act of 1937 (42 U.S.C. 1437k) is amended to read as follows:

"SEC. 13. CONSORTIA, JOINT VENTURES, AFFILIATES, AND SUBSIDIARIES OF PUBLIC HOUSING AGENCIES.

"(a) Consortia.—

"(1) In general.—Any 2 or more public housing agencies may participate in a consortium for the purpose of administering any or all of the housing programs of those public housing agencies in accordance with this section.

"(2) Effect.—With respect to any consortium described in paragraph (1)—

"(A) any assistance made available under this title to each of the public housing agencies participating in the consortium shall be paid to the consortium; and

"(B) all planning and reporting requirements imposed upon each public housing agency participating in the consortium with respect to the programs operated by the consortium shall be consolidated.

"(3) Restrictions.—

"(A) Agreement.—Each consortium described in paragraph (1) shall be formed and operated in accordance with a consortium agreement, and shall be subject to the requirements of a joint public housing agency plan, which shall be submitted by the consortium in accordance with section 5A.

"(B) Minimum requirements.—The Secretary shall specify minimum requirements relating to the formation and operation of consortia and the minimum contents of consortium agreements under this paragraph.

"(b) Joint Ventures.—

"(1) In general.—Notwithstanding any other provision of law, a public housing agency, in accordance with the public housing agency plan, may—

"(A) form and operate wholly owned or controlled subsidiaries (which may be nonprofit corporations) and other affiliates, any of which may be directed, managed, or controlled by the same persons who constitute the board of commissioners or other similar governing body of the public housing agency, or who serve as employees or staff of the public housing agency; or

"(B) enter into joint ventures, partnerships, or other business arrangements with, or contract with, any person, organization, entity, or governmental unit, with respect to the administration of the programs of the public housing agency, including any program that is subject to this title.

"(2) Use of income.—Any income generated under paragraph (1) shall be used for low-income housing or to benefit the tenants of the public housing agency.

"(3) Audits.—The Comptroller General of the United States, the Secretary, and the Inspector General of the Department of Housing and Urban Development may conduct an audit of any activity undertaken under paragraph (1) at any time.".

SEC. 113. REPEAL OF MODERNIZATION FUND.

(a) In General.—Section 14 of the United States Housing Act of 1937 (42 U.S.C. 14371) is repealed.

(b) Conforming Amendments.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 5(c)(5), by striking "for use under section 14 or";

(2) in section 5(c)(7)—

(A) in subparagraph (A)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively; and

(B) in subparagraph (B)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively;

(3) in section 6(j)(1)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraphs (C) through (H) as subparagraphs (B) through (G), respectively;

(4) in section 6(j)(2)(A)—

(A) in clause (i), by striking "The Secretary shall also designate," and all that follows through the period at the end; and

(B) in clause (iii), by striking "(including designation as a troubled agency for purposes of the program under section 14)";

(5) in section 6(j)(2)(B)—

(A) in clause (i), by striking "and determining that an assessment under this subparagraph will not duplicate any review conducted under section 14(p)"; and

(B) in clause (ii)—

(i) by striking "(I) the agency's comprehensive plan prepared pursuant to section 14 adequately and appropriately addresses the rehabilitation needs of the agency's inventory, (II)" and inserting "(I)"; and

(ii) by striking "(III)" and inserting "(II)";

(6) in section 6(j)(3)—

(A) in clause (ii), by adding "and" at the end;

(B) by striking clause (iii); and

(C) by redesignating clause (iv) as clause (iii);

(7) in section 6(j)(4)—

(A) in subparagraph (D), by adding "and" at the end;

(B) in subparagraph (E), by striking "; and" at the end and inserting a period; and

(C) by striking subparagraph (F);

(8) in section 20—

(A) by striking subsection (c) and inserting the following:

"(c) [Reserved.]"; and

(B) by striking subsection (f) and inserting the following:

"(f) [Reserved.]";

(9) in section 21(a)(2)—

(A) by striking subparagraph (A); and

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(10) in section 21(a)(3)(A)(v), by striking "the building or buildings meet the minimum safety and livability standards applicable under section 14, and";

(11) in section 25(b)(1), by striking "From amounts reserved" and all that follows through "the Secretary may" and inserting the following: To the extent approved in appropriations Acts, the Secretary may";

(12) in section 25(e)(2)—

(A) by striking "The Secretary" and inserting "To the extent approved in appropriations Acts, the Secretary"; and

(B) by striking "available annually from amounts under section 14";

(13) in section 25(e), by striking paragraph (3);

(14) in section 25(f)(2)(G)(i), by striking "including—" and all that follows through "an explanation" and inserting "including an explanation";

(15) in section 25(i)(1), by striking the second sentence; and

(16) in section 202(b)(2)—

(A) by striking "(b) FINANCIAL ASSISTANCE.—" and all that follows through "The Secretary may," and inserting the following:

"(b) FINANCIAL ASSISTANCE.—The Secretary may"; and

(B) by striking paragraph (2).

SEC. 114. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended to read as follows:

"SEC. 16. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

"(a) INCOME ELIGIBILITY FOR PUBLIC HOUSING.—

"(1) IN GENERAL.—Of the dwelling units of a public housing agency, including public housing units in a designated mixed-income project, made available for occupancy in any fiscal year of the public housing agency—

"(A) not less than 40 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families;

"(B) not less than 75 percent shall be occupied by families whose incomes do not exceed 60 percent of the area median income for those families; and

"(C) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

"(3) MIXED-INCOME HOUSING STANDARD.—Each public housing agency plan submitted by a public housing agency shall include a plan for achieving a diverse income mix among tenants in each public housing project of the public housing agency and among the scattered site public housing of the public housing agency.

"(b) INCOME ELIGIBILITY FOR CERTAIN ASSISTED HOUSING.—

"(1) IN GENERAL.—Of the dwelling units receiving tenant-based assistance under section 8 made available for occupancy in any fiscal year of the public housing agency—

"(A) not less than 50 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families; and

"(B) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

"(c) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units—

"(1) that prohibit occupancy in any such unit by any person—

"(A) who the public housing agency determines is illegally using a controlled substance; or

"(B) if the public housing agency determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project; and

"(2) that allow the public housing agency to terminate the tenancy in any public housing unit of any person—

"(A) if the public housing agency determines that such person is illegally using a controlled substance; or

"(B) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency to interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(d) INAPPLICABILITY TO INDIAN HOUSING.—This section does not apply to any dwelling unit assisted by an Indian housing authority.".

SEC. 115. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

(a) IN GENERAL.—Section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p) is amended to read as follows:

"SEC. 18. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

"(a) APPLICATIONS FOR DEMOLITION AND DISPOSITION.—Except as provided in subsection (b), not later than 60 days after receiving an application by a public housing agency for authorization, with or without financial assistance under this title, to demolish or dispose of a public housing project or a portion of a public housing project (including any transfer to a resident-supported nonprofit entity), the Secretary shall approve the application, if the public housing agency certifies—

"(1) in the case of—

"(A) an application proposing demolition of a public housing project or a portion of a public housing project, that—

"(i) the project or portion of the public housing project is obsolete as to physical condition, location, or other factors, making it unsuitable for housing purposes; and

"(ii) no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life; and

"(B) an application proposing the demolition of only a portion of a public housing project, that the demolition will help to assure the viability of the remaining portion of the project;

"(2) in the case of an application proposing disposition of a public housing project or other real property subject to this title by sale or other transfer, that—

"(A) the retention of the property is not in the best interests of the tenants or the public housing agency because—

"(i) conditions in the area surrounding the public housing project adversely affect the health or safety of the tenants or the feasible operation of the project by the public housing agency; or

"(ii) disposition allows the acquisition, development, or rehabilitation of other properties that will be more efficiently or effectively operated as low-income housing;

"(B) the public housing agency has otherwise determined the disposition to be appropriate for reasons that are—

"(i) in the best interests of the tenants and the public housing agency;

"(ii) consistent with the goals of the public housing agency and the public housing agency plan; and

"(iii) otherwise consistent with this title; or

"(C) for property other than dwelling units, the property is excess to the needs of a public housing project or the disposition is incidental to, or does not interfere with, continued operation of a public housing project;

"(3) that the public housing agency has specifically authorized the demolition or disposition in the public housing agency plan, and has certified that the actions contemplated in the public housing agency plan comply with this section;

"(4) that the public housing agency—

"(A) will provide for the payment of the relocation expenses of each tenant to be displaced;

"(B) will ensure that the amount of rent paid by the tenant following relocation will not exceed the amount permitted under this title; and

"(C) will not commence demolition or complete disposition until all tenants residing in the unit are relocated;

"(5) that the net proceeds of any disposition will be used—

"(A) unless waived by the Secretary, for the retirement of outstanding obligations issued to finance the original public housing project or modernization of the project; and

"(B) to the extent that any proceeds remain after the application of proceeds in accordance with subparagraph (A), for the provision of low-income housing or to benefit the tenants of the public housing agency; and

"(6) that the public housing agency has complied with subsection (c).

"(b) DISAPPROVAL OF APPLICATIONS.—The Secretary shall disapprove an application submitted under subsection (a) if the Secretary determines that any certification made by the public housing agency under that subsection is clearly inconsistent with information and data available to the Secretary.

"(c) TENANT OPPORTUNITY TO PURCHASE IN CASE OF PROPOSED DISPOSITION.—

"(1) IN GENERAL.—In the case of a proposed disposition of a public housing project or portion of a project, the public housing agency shall, in appropriate circumstances, as determined by the Secretary, initially offer the property to any eligible resident organization, eligible resident management corporation, or nonprofit organization supported by the residents, if that entity has expressed an interest, in writing, to the public housing agency in a timely manner, in purchasing the property for continued use as low-income housing.

"(2) TIMING.—

"(A) THIRTY-DAY NOTICE.—A resident organization, resident management corporation, or other resident-supported nonprofit entity referred to in paragraph (1) may express interest in purchasing property that is the subject of a disposition, as described in paragraph (1), during the 30-day period beginning on the date of notification of a proposed sale of the property.

"(B) SIXTY-DAY NOTICE.—If an entity expresses written interest in purchasing a property, as provided in subparagraph (A), no disposition of the property shall occur during the 60-day period beginning on the date of receipt of that written notice, during which time that entity shall be given the opportunity to obtain a firm commitment for financing the purchase of the property.

"(d) REPLACEMENT UNITS.—Notwithstanding any other provision of law, replacement housing units for public housing units demolished in accordance with this section may be built on the original public housing location or in the same neighborhood as the original public housing location if the number of those replacement units is fewer than the number of units demolished.".

(b) HOMEOWNERSHIP REPLACEMENT PLAN.—

(1) IN GENERAL.—Section 304(g) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa–3(g)), as amended by section 1002(b) of the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Anti-terrorism Initiatives, for Assistance in the Recovery from the Tragedy that Occurred At Oklahoma City, and Rescissions Act, 1995, is amended to read as follows:

"(g) [Reserved.]".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective with respect to any plan for the demolition, disposition, or conversion to homeownership of public housing that is approved by the Secretary after September 30, 1995.

(c) UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT.—The Uniform Relocation and Real Property Acquisition Act shall not apply to activities under section 18 of the United States Housing Act of 1937, as amended by this section.

SEC. 116. REPEAL OF FAMILY INVESTMENT CENTERS; VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) IN GENERAL.—Section 22 of the United States Housing Act of 1937 (42 U.S.C. 1437t) is amended to read as follows:

"SEC. 22. VOUCHER SYSTEM FOR PUBLIC HOUSING.

"(a) IN GENERAL.—

"(1) AUTHORIZATION.—A public housing agency may convert any public housing project (or portion thereof) owned and operated by the public housing agency to a system of tenant-based assistance in accordance with this section.

"(2) REQUIREMENTS.—In converting to a tenant-based system of assistance under this section, the public housing agency shall develop a conversion assessment and plan under subsection (b) in consultation with the appropriate public officials, with significant participation by the residents of the project (or portion thereof), which assessment and plan shall—

"(A) be consistent with and part of the public housing agency plan; and

"(B) describe the conversion and future use or disposition of the public housing project, including an impact analysis on the affected community.

"(b) CONVERSION ASSESSMENT AND PLAN.—

"(1) IN GENERAL.—Not later than 2 years after the date of enactment of the Public Housing Reform and Empowerment Act of 1995, each public housing agency shall assess the status of each public housing project owned and operated by that public housing agency, and shall submit to the Secretary an assessment that includes—

"(A) a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing tenant-based assistance under section 8 for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing project proposed for conversion for the remaining useful life of the project;

"(B) an analysis of the market value of the public housing project proposed for conversion both before and after rehabilitation, and before and after conversion;

"(C) an analysis of the rental market conditions with respect to the likely success of tenant-based assistance under section 8 in that market for the specific residents of the public housing project proposed for conversion, including an assessment of the availability of decent and safe dwellings renting at or below the payment standard established for tenant-based assistance under section 8 by the public housing agency;

"(D) the impact of the conversion to a system of tenant-based assistance under this section on the neighborhood in which the public housing project is located; and

"(E) a plan that identifies actions, if any, that the public housing agency would take with regard to converting any public housing project or projects (or portions thereof) of the public housing agency to a system of tenant-based assistance.

"(2) STREAMLINED ASSESSMENT.—At the discretion of the Secretary or at the request of a public housing agency, the Secretary may waive any or all of the requirements of paragraph (1) or otherwise require a streamlined assessment with respect to any public housing project or class of public housing projects.

"(3) IMPLEMENTATION OF CONVERSION PLAN.—

"(A) IN GENERAL.—A public housing agency may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

"(i) will not be more expensive than continuing to operate the public housing project (or portion thereof) as public housing; and

"(ii) will principally benefit the residents of the public housing project (or portion thereof) to be converted, the public housing agency, and the community.

"(B) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or if there is reliable information and data available to the Secretary that contradicts that conversion assessment.

"(c) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the public housing agency to provide tenant-based assistance under section 8 shall be added to the housing assistance payment contract administered by—

"(1) the public housing agency; or

"(2) any entity administering the contract on behalf of the public housing agency.

"(d) INAPPLICABILITY TO INDIAN HOUSING.—This section does not apply to any Indian housing authority.".

(b) SAVINGS PROVISION.—The amendment made by subsection (a) does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 117. REPEAL OF FAMILY SELF-SUFFICIENCY; HOMEOWNERSHIP OPPORTUNITIES.

(a) IN GENERAL.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended to read as follows:

"SEC. 23. PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in accordance with this section—

"(1) sell any public housing unit in any public housing project of the public housing agency to—

"(A) the low-income tenants of the public housing agency; or

"(B) any organization serving as a conduit for sales to those persons; and

"(2) provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence.

"(b) RIGHT OF FIRST REFUSAL.—In making any sale under this section, the public housing agency shall initially offer the public housing unit at issue to the tenant or tenants occupying that unit, if any, or to an organization serving as a conduit for sales to any such tenant.

"(c) SALE PRICES, TERMS, AND CONDITIONS.—Any sale under this section may involve such prices, terms, and conditions as the public housing agency may determine in accordance with procedures set forth in the public housing agency plan.

"(d) PURCHASE REQUIREMENTS.—

"(1) IN GENERAL.—Each tenant that purchases a dwelling unit under subsection (a) shall, as of the date on which the purchase is made—

"(A) intend to occupy the property as a principal residence; and

"(B) submit a written certification to the public housing agency that such tenant will occupy the property as a principal residence for a period of not less than 12 months beginning on that date.

"(2) RECAPTURE.—Except for good cause, as determined by a public housing agency in the public housing agency plan, if, during the 1-year period beginning on the date on which any tenant acquires a public housing unit under this section, that public housing unit is resold, the public housing agency shall recapture 75 percent of the amount of any proceeds from that resale that exceed the sum of—

"(A) the original sale price for the acquisition of the property by the qualifying tenant;

"(B) the costs of any improvements made to the property after the date on which the acquisition occurs; and

"(C) any closing costs incurred in connection with the acquisition.

"(e) PROTECTION OF NONPURCHASING TENANTS.—If a public housing tenant does not exercise the right of first refusal under subsection (b) with respect to the public housing unit in which the tenant resides, the public housing agency shall—

"(1) ensure that either another public housing unit or rental assistance under section 8 is made available to the tenant; and

"(2) provide for the payment of the reasonable relocation expenses of the tenant.

"(f) NET PROCEEDS.—

"(1) IN GENERAL.—The net proceeds of any sales under this section remaining after payment of all costs of the sale and any unassumed, unpaid indebtedness owed in connection with the dwelling units sold under this section unless waived by the Secretary, shall be used for purposes relating to low-income housing and in accordance with the public housing agency plan.

"(2) INDIAN HOUSING.—The net proceeds described in paragraph (1) may be used by Indian housing authorities for housing for families whose incomes exceed the income levels established under this title for low-income families.

"(g) HOMEOWNERSHIP ASSISTANCE.—From amounts distributed to a public housing agency under section 9, or from other income earned by the public housing agency, the public housing agency may provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence, including a residence other than a residence located in a public housing project.".

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 8(y)(7)(A)—

(A) by striking ", (ii)" and inserting ", and (ii)"; and

(B) by striking ", and (iii)" and all that follows before the period at the end; and

(2) in section 25(l)(2)—

(A) in the first sentence, by striking ", consistent with the objectives of the program under section 23,"; and

(B) by striking the second sentence.

(c) SAVINGS PROVISION.—The amendments made by this section do not affect any contract or other agreement entered into under section 23 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 118. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended to read as follows:

"SEC. 24. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

"(a) IN GENERAL.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies for the purposes of—

"(1) enabling the demolition of obsolete public housing projects or portions thereof;

"(2) revitalizing sites (including remaining public housing units) on which such public housing projects are located;

"(3) the provision of replacement housing, which will avoid or lessen concentrations of very low-income families; and

"(4) the provision of tenant-based assistance under section 8 for use as replacement housing.

"(b) COMPETITION.—The Secretary shall make grants under this section on the basis of a competition, which shall be based on such factors as—

"(1) the need for additional resources for addressing a severely distressed public housing project;

"(2) the need for affordable housing in the community;

"(3) the supply of other housing available and affordable to a family receiving tenant-based assistance under section 8; and

"(4) the local impact of the proposed revitalization program.

"(c) TERMS AND CONDITIONS.—The Secretary may impose such terms and conditions on recipients of grants under this section as the Secretary determines to be appropriate to carry out the purposes of this section, except that such terms and conditions shall be similar to the terms and conditions of either—

"(1) the urban revitalization demonstration program authorized under the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Acts; or

"(2) section 24 of the United States Housing Act of 1937, as such section existed before the date of enactment of the Public Housing Reform and Empower Act of 1995.

"(d) ALTERNATIVE MANAGEMENT.—The Secretary may require any recipient of a grant under this section to make arrangements with an entity other than the public housing agency to carry out the purposes for which the grant was awarded, if the Secretary determines that such action is necessary for the timely and effective achievement of the purposes for which the grant was awarded.

"(e) INAPPLICABILITY TO INDIAN HOUSING.—This section does not apply to any Indian housing authority.

"(f) SUNSET.—No grant may be made under this section on or after October 1, 1998.".

SEC. 119. MIXED-INCOME AND MIXED-OWNERSHIP PROJECTS.

(a) IN GENERAL.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 28. MIXED-INCOME AND MIXED-OWNERSHIP PROJECTS.

"(a) IN GENERAL.—A public housing agency may own, operate, assist, or otherwise participate in one or more mixed-income projects in accordance with this section.

"(b) REQUIREMENTS.—

"(1) MIXED-INCOME PROJECT.—For purposes of this section, the term 'mixed-income project' means a project that meets the requirements of paragraph (2) and that is occupied both by one or more very low-income families and by one or more families that are not very low-income families.

"(2) STRUCTURE OF PROJECTS.—Each mixed-income project shall be developed—

"(A) in a manner that ensures that units are made available in the project, by master contract, individual lease, or equity interest for occupancy by eligible families identified by the public housing agency for a period of not less than 20 years;

"(B) in a manner that ensures that the number of public housing units bears approximately the same proportion to the total number of units in the mixed-income project as the value of the total financial commitment provided by the public housing agency bears to the value of the total financial commitment in the project, or shall not be less than the number of units that could have been developed under the conventional public housing program with the assistance; and

"(C) in accordance with such other requirements as the Secretary may prescribe by regulation.

"(3) TYPES OF PROJECTS.—The term 'mixed-income project' includes a project that is developed—

"(A) by a public housing agency or by an entity affiliated with a public housing agency;

"(B) by a partnership, a limited liability company, or other entity in which the public housing agency (or an entity affiliated with a public housing agency) is a general partner, managing member, or otherwise participates in the activities of that entity;

"(C) by any entity that grants to the public housing agency the option to purchase the public housing project during the 20-year period beginning on the date of initial occupancy of the public housing project in accordance with section 42(l)(7) of the Internal Revenue Code of 1986; or

"(D) in accordance with such other terms and conditions as the Secretary may prescribe by regulation.

"(c) TAXATION.—

"(1) IN GENERAL.—A public housing agency may elect to have all public housing units in a mixed-income project subject to local real estate taxes, except that such units shall be eligible at the discretion of the public housing agency for the taxing requirements under section 6(d).

"(2) LOW-INCOME HOUSING TAX CREDIT.—With respect to any unit in a mixed-income project that is assisted pursuant to the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986, the rents charged to the tenants may be set at levels not to exceed the amounts allowable under that section.

"(d) RESTRICTION.—No assistance provided under section 9 shall be used by a public housing agency in direct support of any unit rented to a family that is not a low-income family, except that this subsection does not apply to the Mutual Help Homeownership Program authorized under section 202 of this Act.

"(e) EFFECT OF CERTAIN CONTRACT TERMS.—If an entity that owns or operates a mixed-income project under this section enters into a contract with a public housing agency, the terms of which obligate the entity to operate and maintain a specified number of units in the project as public housing units in accordance with the requirements of this Act for the period required by law, such contractual terms may provide that, if, as a result of a reduction in appropriations under section 9, or any other change in applicable law, the public housing agency is unable to fulfill its contractual obligations with respect to those public housing units, that entity may deviate, under procedures and requirements developed through regulations by the Secretary, from otherwise applicable restrictions under this Act regarding rents, income eligibility, and other areas of public housing management with respect to a portion or all of those public housing units, to the extent necessary to preserve the viability of those units while maintaining the low-income character thereof to the maximum extent practicable.".

(b) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to promote the development of mixed-income projects, as that term is defined in section 28 of the United States Housing Act of 1937, as added by this Act.

SEC. 120. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 29. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

"(a) IDENTIFICATION OF UNITS.—To the extent approved in advance in appropriations Acts, each public housing agency shall identify all public housing projects of the public housing agency—

"(1) that are on the same or contiguous sites;

"(2) that the public housing agency determines to be distressed, which determination shall be made in accordance with guidelines established by the Secretary, which guidelines shall be based on the criteria established in the Final Report of the National Commission on Severely Distressed Public Housing (August 1992);

"(3) identified as distressed housing under paragraph (2) for which the public housing agency cannot assure the long-term viability as public housing through reasonable modernization expenses, density reduction, achievement of a broader range of family income, or other measures; and

"(4) for which the estimated cost, during the remaining useful life of the project, of continued operation and modernization as public housing exceeds the estimated cost, during the remaining useful life of the project, of providing tenant-based assistance under section 8 for all families in occupancy, based on appropriate indicators of cost (such as the percentage of total development costs required for modernization).

"(b) CONSULTATION.—Each public housing agency shall consult with the appropriate public housing tenants and the appropriate unit of general local government in identifying any public housing projects under subsection (a).

"(c) REMOVAL OF UNITS FROM THE INVENTORIES OF PUBLIC HOUSING AGENCIES.—

"(1) IN GENERAL.—

"(A) DEVELOPMENT OF PLAN.—Each public housing agency shall develop and, to the extent provided in advance in appropriations Acts, carry out a 5-year plan in conjunction with the Secretary for the removal of public housing units identified under subsection (a) from the inventory of the public housing agency and the annual contributions contract.

"(B) APPROVAL OF PLAN.—The plan required under subparagraph (A) shall—

"(i) be included as part of the public housing agency plan;

"(ii) be certified by the relevant local official to be in accordance with the comprehensive housing affordability strategy under title I of the Housing and Community Development Act of 1992; and

"(iii) include a description of any disposition and demolition plan for the public housing units.

"(2) EXTENSIONS.—The Secretary may extend the 5-year deadline described in paragraph (1) by not more than an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

"(d) CONVERSION TO TENANT-BASED ASSISTANCE.—

"(1) IN GENERAL.—With respect to any public housing project that has not received a grant for assistance under the urban revitalization demonstration program authorized under the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Acts or under section 24 of the United States Housing Act of 1937, the Secretary shall make authority available to a public housing agency to provide assistance under this Act to families residing in any public housing project that is removed from the inventory of the public housing agency and the annual contributions contract pursuant to this section.

"(2) PLAN REQUIREMENTS.—Each plan under subsection (c) shall require the agency to—

"(A) notify families residing in the public housing project, consistent with any guidelines issued by the Secretary governing such notifications, that—

"(i) the public housing project will be removed from the inventory of the public housing agency; and

"(ii) the families displaced by such action will receive tenant-based or project-based assistance or occupancy in a unit operated or assisted by the public housing agency;

"(B) provide any necessary counseling for families displaced by such action; and

"(C) provide any reasonable relocation expenses for families displaced by such action.

"(e) REMOVAL BY SECRETARY.—The Secretary shall take appropriate actions to ensure removal of any public housing project identified under subsection (a) from the inventory of a public housing agency, if the public housing agency fails to adequately develop a plan under subsection (c) with respect to that project, or fails to adequately implement such plan in accordance with the terms of the plan.

"(f) ADMINISTRATION.—

"(1) IN GENERAL.—The Secretary may require a public housing agency to provide to the Secretary or to public housing tenants such information as the Secretary considers to be necessary for the administration of this section.

"(2) APPLICABILITY OF SECTION 18.—Section 18 does not apply to the demolition of public housing projects removed from the inventory of the public housing agency under this section.

"(g) INAPPLICABILITY TO INDIAN HOUSING.—This section does not apply to any Indian housing authority.".

SEC. 121. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 30. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

"(a) GENERAL AUTHORIZATION.—The Secretary may, upon such terms and conditions as the Secretary may prescribe, authorize a public housing agency to mortgage or otherwise grant a security interest in any public housing project or other property of the public housing agency.

"(b) TERMS AND CONDITIONS.—

"(1) CRITERIA FOR APPROVAL.—In making any authorization under subsection (a), the Secretary may consider—

"(A) the ability of the public housing agency to use the proceeds of the mortgage or security interest for low-income housing uses;

"(B) the ability of the public housing agency to make payments on the mortgage or security interest; and

"(C) such other criteria as the Secretary may specify.

"(2) TERMS AND CONDITIONS OF MORTGAGES AND SECURITY INTERESTS OBTAINED.—Each mortgage or security interest granted under this section shall be—

"(A) for a term that—

"(i) is consistent with the terms of private loans in the market area in which the public housing project or property at issue is located; and

"(ii) does not exceed 30 years; and

"(B) subject to conditions that are consistent with the conditions to which private loans in the market area in which the subject project or other property is located are subject.

"(3) NO FULL FAITH AND CREDIT.—No action taken under this section shall result in any liability to the Federal Government.".

SEC. 122. LINKING SERVICES TO PUBLIC HOUSING RESIDENTS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 31. SERVICES FOR PUBLIC HOUSING RESIDENTS.

"(a) IN GENERAL.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies (including Indian housing authorities) on behalf of public housing residents, or directly to resident management corporations, resident councils, or resident organizations (including nonprofit entities supported by residents), for the purposes of providing a program of supportive services and resident empowerment activities to assist public housing residents in becoming economically self-sufficient.

"(b) ELIGIBLE ACTIVITIES.—Grantees under this section may use such amounts only for activities on or near the public housing agency or public housing project that are designed to promote the self-sufficiency of public housing residents, including activities relating to—

"(1) physical improvements to a public housing project in order to provide space for supportive services for residents;

"(2) the provision of service coordinators;

"(3) the provision of services related to work readiness, including academic skills, job training, job search skills, tutoring, adult literacy, transportation, and child care, except that grants received under this section shall not comprise more than 50 percent of the costs of providing such services;

"(4) resident management activities; and

"(5) other activities designed to improve the economic self-sufficiency of residents.

"(c) FUNDING DISTRIBUTION.—

"(1) IN GENERAL.—Except for amounts provided under subsection (d), the Secretary may distribute amounts made available under this section on the basis of a competition or a formula, as appropriate.

"(2) FACTORS FOR DISTRIBUTION.—Factors for distribution under paragraph (1) shall include—

"(A) the demonstrated capacity of the applicant to carry out a program of supportive services or resident empowerment activities; and

"(B) the ability of the applicant to leverage additional resources for the provision of services.

"(d) FUNDING FOR RESIDENT COUNCILS.—Of amounts appropriated for activities under this section, not less than $25,000,000 shall be provided directly to resident councils, resident organizations, and resident management corporations.".

SEC. 123. APPLICABILITY TO INDIAN HOUSING.

In accordance with section 201(b)(2) of the United States Housing Act of 1937, except as otherwise provided in this Act, this title and the amendments made by this title shall apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, as that term is defined in section 3(b) of the United States Housing Act of 1937.

TITLE II—SECTION 8 RENTAL ASSISTANCE

SEC. 201. MERGER OF THE CERTIFICATE AND VOUCHER PROGRAMS.

Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended to read as follows:

"(o) VOUCHER PROGRAM.—

"(1) PAYMENT STANDARD.—

"(A) IN GENERAL.—The Secretary may provide assistance to public housing agencies for tenant-based assistance using a payment standard established in accordance with subparagraph (B). The payment standard shall be used to determine the monthly assistance that may be paid for any family, as provided in paragraph (2).

"(B) ESTABLISHMENT OF PAYMENT STANDARD.—The payment standard shall not exceed 120 percent of the fair market rental established under subsection (c) and shall be not less than 90 percent of that fair market rental.

"(C) SET-ASIDE.—The Secretary may set aside not more than 5 percent of the budget authority available under this subsection as an adjustment pool. The Secretary shall use amounts in the adjustment pool to make adjusted payments to public housing agencies under subparagraph (A), to ensure continued affordability, if the Secretary determines that additional assistance for such purpose is necessary, based on documentation submitted by a public housing agency.

"(D) APPROVAL.—The Secretary may require a public housing agency to submit the payment standard of the public housing agency to the Secretary for approval.

"(E) REVIEW.—The Secretary—

"(i) shall monitor rent burdens and review any payment standard that results in a significant percentage of the families occupying units of any size paying more than 30 percent of adjusted income for rent; and

"(ii) may require a public housing agency to modify the payment standard of the public housing agency based on the results of that review.

"(2) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—

"(A) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT DOES NOT EXCEED PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) does not exceed the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the rent exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT EXCEEDS PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) exceeds the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the applicable payment standard exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(C) FAMILIES RECEIVING PROJECT-BASED ASSISTANCE.—For a family receiving project-based assistance under this title, the rent that the family is required to pay shall be determined in accordance with section 3(a)(1), and the amount of the housing assistance payment shall be determined in accordance with subsection (c)(3) of this section.

"(3) FORTY PERCENT LIMIT.—At the time a family initially receives tenant-based assistance under this title with respect to any dwelling unit, the total amount that a family may be required to pay for rent may not exceed 40 percent of the monthly adjusted income of the family.

"(4) ELIGIBLE FAMILIES.—At the time a family initially receives assistance under this subsection, a family shall qualify as—

"(A) a very low-income family;

"(B) a family previously assisted under this title;

"(C) a low-income family that meets eligibility criteria specified by the public housing agency;

"(D) a family that qualifies to receive a voucher in connection with a homeownership program approved under title IV of the Cranston-Gonzalez National Affordable Housing Act; or

"(E) a family that qualifies to receive a voucher under section 223 or 226 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

"(5) ANNUAL REVIEW OF FAMILY INCOME.—Each public housing agency shall, not less frequently than annually, conduct a review of the family income of each family receiving assistance under this subsection.

"(6) SELECTION OF FAMILIES.—

"(A) IN GENERAL.—Each public housing agency may establish local preferences consistent with the public housing agency plan submitted by the public housing agency under section 5A.

"(B) EVICTION FOR DRUG-RELATED ACTIVITY.—Any individual or family evicted from housing assisted under this subsection by reason of drug-related criminal activity (as defined in subsection (f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver for any member of the family of an individual prohibited from receiving assistance under this title whom the public housing agency determines clearly did not participate in and had no knowledge of that criminal activity, or if the circumstances leading to the eviction no longer exist).

"(C) SELECTION OF TENANTS.—The selection of tenants shall be made by the owner of the dwelling unit, subject to the annual contributions contract between the Secretary and the public housing agency.

"(7) LEASE.—Each housing assistance payment contract entered into by the public housing agency and the owner of a dwelling unit—

"(A) shall provide that the screening and selection of families for those units shall be the function of the owner;

"(B) shall provide that the lease between the tenant and the owner shall be for a term of not less than 1 year, except that the public housing agency may approve a shorter term for an initial lease between the tenant and the dwelling unit owner if the public housing agency determines that such shorter term would improve housing opportunities for the tenant;

"(C) except as otherwise provided by the public housing agency, may provide for a termination of the tenancy of a tenant assisted under this subsection after 1 year;

"(D) shall provide that the dwelling unit owner shall offer leases to tenants assisted under this subsection that—

"(i) are in a standard form used in the locality by the dwelling unit owner; and

"(ii) contain terms and conditions that—

"(I) are consistent with State, tribal, and local law; and

"(II) apply generally to tenants in the property who are not assisted under this section;

"(E) shall provide that the dwelling unit owner may not terminate the tenancy of any person assisted under this subsection during the term of a lease that meets the requirements of this section unless the owner determines, on the same basis and in the same manner as would apply to a tenant in the property who does not receive assistance under this subsection, that—

"(i) the tenant has committed a serious violation of the terms and conditions of the lease;

"(ii) the tenant has violated applicable Federal, State, or local law; or

"(iii) other good cause for termination of the tenancy exists; and

"(F) shall provide that any termination of tenancy under this subsection shall be preceded by the provision of written notice by the owner to the tenant specifying the grounds for that action, and any relief shall be consistent with applicable State, tribal, and local law.

"(8) INSPECTION OF UNITS BY PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), for each dwelling unit for which a housing assistance payment contract is established under this subsection, the public housing agency shall—

"(i) inspect the unit before any assistance payment is made to determine whether the dwelling unit meets housing quality standards for decent and safe housing established—

"(I) by the Secretary for purposes of this subsection; or

"(II) by local housing codes or by codes adopted by public housing agencies that—

"(aa) meet or exceed housing quality standards; and

"(bb) do not severely restrict housing choice; and

"(ii) make periodic inspections during the contract term.

"(B) LEASING OF UNITS OWNED BY PUBLIC HOUSING AGENCY.—If an eligible family assisted under this subsection leases a dwelling unit that is owned by a public housing agency administering assistance under this subsection, the Secretary shall require the unit of general local government, or another entity approved by the Secretary, to make inspections and rent determinations as required by this paragraph.

"(9) EXPEDITED INSPECTION PROCEDURES.—

"(A) DEMONSTRATION PROJECT.—Not later than 1 year after the date of enactment of the Public Housing Reform and Empowerment Act of 1995, the Secretary shall establish a demonstration project to identify efficient procedures to determine whether units meet housing quality standards for decent and safe housing established by the Secretary.

"(B) PROCEDURES INCLUDED.—The demonstration project shall include the development of procedures to be followed in any case in which a family receiving tenant-based assistance under this subsection is moving into a dwelling unit, or in which a family notifies the public housing agency that a dwelling unit, in which the family no longer resides, fails to meet housing quality standards. The Secretary shall also establish procedures for the expedited repair and inspection of units that do not meet housing quality standards.

"(C) RECOMMENDATIONS.—Not later than 2 years after the date on which the demonstration under this paragraph is implemented, the Secretary shall submit a report to the Congress, which shall include an analysis of the demonstration and any recommendations for changes to the demonstration.

"(10) VACATED UNITS.—If a family vacates a dwelling unit, no assistance payment may be made under this subsection for the dwelling unit after the month during which the unit was vacated.

"(11) RENT.—

"(A) REASONABLE MARKET RENT.—The rent for dwelling units for which a housing assistance payment contract is established under this subsection shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market.

"(B) NEGOTIATED RENT.—A public housing agency shall, at the request of a family receiving tenant-based assistance under this subsection, assist that family in negotiating a reasonable rent with a dwelling unit owner. A public housing agency shall review the rent for a unit under consideration by the family (and all rent increases for units under lease by the family) to determine whether the rent (or rent increase) requested by the owner is reasonable. If a public housing agency determines that the rent (or rent increase) for a dwelling unit is not reasonable, the public housing agency shall not make housing assistance payments to the owner under this subsection with respect to that unit.

"(C) UNITS EXEMPT FROM LOCAL RENT CONTROL.—If a dwelling unit for which a housing assistance payment contract is established under this subsection is exempt from local rent control provisions during the term of that contract, the rent for that unit shall be reasonable in comparison with other units in the market area that are exempt from local rent control provisions.

"(D) TIMELY PAYMENTS.—Each public housing agency shall make timely payment of any amounts due to a dwelling unit owner under this subsection. The housing assistance payment contract between the owner and the public housing agency may provide for penalties for the late payment of amounts due under the contract, which shall be imposed on the public housing agency in accordance with generally accepted practices in the local housing market.

"(E) PENALTIES.—Unless otherwise authorized by the Secretary, each public housing agency shall pay any penalties from administrative fees collected by the public housing agency, except that no penalty shall be imposed if the late payment is due to factors that the Secretary determines are beyond the control of the public housing agency.

"(12) MANUFACTURED HOUSING.—

"(A) IN GENERAL.—A public housing agency may make assistance payments in accordance with this subsection on behalf of a family that utilizes a manufactured home as a principal place of residence. Such payments may be made for the rental of the real property on which the manufactured home owned by any such family is located.

"(B) RENT CALCULATION.—

"(i) CHARGES INCLUDED.—For assistance pursuant to this paragraph, the rent for the space on which a manufactured home is located and with respect to which assistance payments are to be made shall include maintenance and management charges and tenant-paid utilities.

"(ii) PAYMENT STANDARD.—The public housing agency shall establish a payment standard for the purpose of determining the monthly assistance that may be paid for any family under this paragraph. The payment standard may not exceed an amount approved or established by the Secretary.

"(iii) MONTHLY ASSISTANCE PAYMENT.—The monthly assistance payment under this paragraph shall be determined in accordance with paragraph (2).

"(13) CONTRACT FOR ASSISTANCE PAYMENTS.—

"(A) IN GENERAL.—If the Secretary enters into an annual contributions contract under this subsection with a public housing agency pursuant to which the public housing agency will enter into a housing assistance payment contract with respect to an existing structure under this subsection—

"(i) the housing assistance payment contract may not be attached to the structure unless the owner agrees to rehabilitate or newly construct the structure other than with assistance under this Act, and otherwise complies with this section; and

"(ii) the public housing agency may approve a housing assistance payment contract for such existing structure for not more than 15 percent of the funding available for tenant-based assistance administered by the public housing agency under this section.

"(B) EXTENSION OF CONTRACT TERM.—In the case of a housing assistance payment contract that applies to a structure under this paragraph, a public housing agency shall enter into a contract with the owner, contingent upon the future availability of appropriated funds for the purpose of renewing expiring contracts for assistance payments, as provided in appropriations Acts, to extend the term of the underlying housing assistance payment contract for such period as the Secretary determines to be appropriate to achieve long-term affordability of the housing. The contract shall obligate the owner to have such extensions of the underlying housing assistance payment contract accepted by the owner and the successors in interest of the owner.

"(C) RENT CALCULATION.—For project-based assistance under this paragraph, housing assistance payment contracts shall establish rents and provide for rent adjustments in accordance with subsection (c).

"(D) ADJUSTED RENTS.—With respect to rents adjusted under this paragraph—

"(i) the adjusted rent for any unit shall not exceed the rent for a comparable unassisted unit of similar quality, type, and age in the market area; and

"(ii) the provisions of subsection (c)(2)(A) do not apply.

"(14) INAPPLICABILITY TO TENANT-BASED ASSISTANCE.—Subsection (c) does not apply to tenant-based assistance under this subsection.

"(15) HOMEOWNERSHIP OPTION.—

"(A) IN GENERAL.—A public housing agency providing assistance under this subsection may, at the option of the agency, provide assistance for homeownership under subsection (y).

"(B) ALTERNATIVE ADMINISTRATION.—A public housing agency may contract with a nonprofit organization to administer a homeownership program under subsection (y).

"(16) INDIAN HOUSING PROGRAMS.—Notwithstanding any other provision of law, in carrying out this section, the Secretary shall establish such separate formulas and programs as may be necessary to carry out housing programs for Indians under this section.".

SEC. 202. REPEAL OF FEDERAL PREFERENCES.

(a) SECTION 8 EXISTING AND MODERATE REHABILITATION.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the annual contributions contract between the Secretary and the agency, except that with respect to the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that are not inconsistent with the comprehensive housing affordability strategy for the jurisdiction in which the project is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act;".

(b) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(1) REPEAL.—Section 545(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

"(c) [Reserved.]".

(2) PROHIBITION.—The provisions of section 8(e)(2) of the United States Housing Act of 1937, as in existence on the day before October 1, 1983, that require tenant selection preferences shall not apply with respect to—

(A) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937, as in existence on the day before October 1, 1983; or

(B) projects financed under section 202 of the Housing Act of 1959, as in existence on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act.

(c) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

"(k) [Reserved.]".

(d) CONFORMING AMENDMENTS.—

(1) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(A) in section 6(o), by striking "preference rules specified in" and inserting "written selection criteria established pursuant to";

(B) in section 7(a)(2), by striking "according to the preferences for occupancy under" and inserting "in accordance with the written selection criteria established pursuant to";

(C) in section 7(a)(3), by striking "who qualify for preferences for occupancy under" and inserting "who meet the written selection criteria established pursuant to";

(D) in section 8(d)(2)(A), by striking the last sentence;

(E) in section 8(d)(2)(H), by striking "Notwithstanding subsection (d)(1)(A)(i), an" and inserting "An"; and

(F) in section 16(c), in the second sentence, by striking "the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)" and inserting "the written selection criteria established by the public housing agency pursuant to section 6(c)(4)(A)".

(2) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended—

(A) in section 455(a)(2)(D)(iii), by striking "would qualify for a preference under" and inserting "meet the written selection criteria established pursuant to"; and

(B) in section 522(f)(6)(B), by striking "any preferences for such assistance under section 8(d)(1)(A)(i)" and inserting "the written selection criteria established pursuant to section 8(d)(1)(A)".

(3) LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990.—The second sentence of section 226(b)(6)(B) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4116(b)(6)(B)) is amended by striking "requirement for giving preferences to certain categories of eligible families under" and inserting "written selection criteria established pursuant to".

(4) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "preferences for occupancy" and all that follows before the period at the end and inserting "selection criteria established by the owner to elderly families according to such written selection criteria, and to near-elderly families according to such written selection criteria, respectively".

(5) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection or section 201 to the preferences for assistance under section 6(c)(4)(A)(i), 8(d)(1)(A)(i), or 8(o)(3)(B) of the United States Housing Act of 1937, as those sections existed on the day before the effective date of this title, shall be considered to refer to the written selection criteria established pursuant to section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(6)(A), respectively, of the United States Housing Act of 1937, as amended by this subsection and section 201 of this Act.

SEC. 203. PORTABILITY.

Section 8(r) of the United States Housing Act of 1937 (42 U.S.C. 1437f(r)) is amended—

(1) in paragraph (1)—

(A) by striking "assisted under subsection (b) or (o)" and inserting "receiving tenant-based assistance under subsection (o)"; and

(B) by striking "the same State" and all that follows before the semicolon and inserting "any area in which a program is being administered under this section";

(2) in paragraph (3)—

(A) by striking "(b) or"; and

(B) by adding at the end the following new sentence: "The Secretary shall establish procedures for the compensation of public housing agencies that issue vouchers to families that move into or out of the jurisdiction of the public housing agency under portability procedures. The Secretary may reserve amounts available for assistance under subsection (o) to compensate those public housing agencies."; and

(3) by adding at the end the following new paragraph:

"(5) LEASE VIOLATIONS.—A family may not receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has moved out of the assisted dwelling unit of the family in violation of a lease.".

SEC. 204. LEASING TO VOUCHER HOLDERS.

Section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) is amended to read as follows:

"(t) [Reserved.]".

SEC. 205. HOMEOWNERSHIP OPTION.

Section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)) is amended—

(1) in paragraph (1)(A), by inserting before the semicolon ", or owns or is acquiring shares in a cooperative";

(2) in paragraph (1)(B), by striking "(i) participates" and all that follows through "(ii) demonstrates" and inserting "demonstrates";

(3) by striking paragraph (2) and inserting the following:

"(2) DETERMINATION OF AMOUNT OF ASSISTANCE.—

"(A) MONTHLY EXPENSES DO NOT EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, do not exceed the payment standard, the monthly assistance payment shall be the amount by which the homeownership expenses exceed the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency, and a portion of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) MONTHLY EXPENSES EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, exceed the payment standard, the monthly assistance payment shall be the amount by which the applicable payment standard exceeds the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.";

(4) by striking paragraphs (3) through (5); and

(5) by redesignating paragraphs (6) through (8) as paragraphs (3) through (5), respectively.

SEC. 206. TECHNICAL AND CONFORMING AMENDMENTS.

(a) CONTRACT PROVISIONS AND REQUIREMENTS.—Section 6(p)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437d(p)(1)(B)) is amended by striking "holding certificates and vouchers" and inserting "receiving tenant-based assistance".

(b) LOWER INCOME HOUSING ASSISTANCE.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended—

(1) in subsection (a), by striking the second and third sentences;

(2) in subsection (b)—

(A) in the subsection heading, by striking "RENTAL CERTIFICATES AND"; and

(B) in the first undesignated paragraph—

(i) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—The Secretary"; and

(ii) by striking the second sentence;

(3) in subsection (c)—

(A) in paragraph (3)—

(i) by striking "(A)"; and

(ii) by striking subparagraph (B);

(B) in the first sentence of paragraph (4), by striking "or by a family that qualifies to receive" and all that follows through "1990";

(C) by striking paragraph (5) and redesignating paragraph (6) as paragraph (5);

(D) by striking paragraph (7) and redesignating paragraphs (8) through (10) as paragraphs (6) through (8), respectively;

(E) in paragraph (6), as redesignated, by inserting "(other than a contract under section 8(o))" after "section";

(F) in paragraph (7), as redesignated, by striking "(but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (o))" and inserting ", other than a contract under subsection (o)"; and

(G) in paragraph (8), as redesignated, by striking "housing certificates or vouchers under subsection (b) or (o)" and inserting "tenant-based assistance under this section";

(4) in subsection (d)—

(A) in paragraph (1)(B)(iii), by striking "on or near such premises"; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking the third sentence and all that follows through the end of the subparagraph; and

(ii) by striking subparagraphs (B) through (E) and redesignating subparagraphs (F) through (H) as subparagraphs (B) through (D), respectively;

"(B) [Reserved.]";

(5) in subsection (f)—

(A) in paragraph (6), by striking "(d)(2)" and inserting "(o)(11)"; and

(B) in paragraph (7)—

(i) by striking "(b) or"; and

(ii) by inserting before the period the following: "and that provides for the eligible family to select suitable housing and to move to other suitable housing";

(6) by striking subsection (j) and inserting the following:

"(j) [Reserved.]";

(7) by striking subsection (n) and inserting the following:

"(n) [Reserved.]";

(8) in subsection (q)—

(A) in the first sentence of paragraph (1), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section";

(B) in paragraph (2)(A)(i), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section"; and

(C) in paragraph (2)(B), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section";

(9) in subsection (u), by striking "certificates or" each place that term appears; and

(10) in subsection (x)(2), by striking "housing certificate assistance" and inserting "tenant-based assistance".

(c) Public Housing Homeownership and Management Opportunities.—Section 21(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437s(b)(3)) is amended—

(1) in the first sentence, by striking "(at the option of the family) a certificate under section 8(b)(1) or a housing voucher under section 8(o)" and inserting "tenant-based assistance under section 8"; and

(2) by striking the second sentence.

(d) Documentation of Excessive Rent Burdens.—Section 550(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended—

(1) in paragraph (1), by striking "assisted under the certificate and voucher programs established" and inserting "receiving tenant-based assistance";

(2) in the first sentence of paragraph (2)—

(A) by striking ", for each of the certificate program and the voucher program" and inserting "for the tenant-based assistance under section 8"; and

(B) by striking "participating in the program" and inserting "receiving tenant-based assistance"; and

(3) in paragraph (3), by striking "assistance under the certificate or voucher program" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(e) Grants for Community Residences and Services.—Section 861(b)(1)(D) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12910(b)(1)(D)) is amended by striking "certificates or vouchers" and inserting "assistance".

(f) Section 8 Certificates and Vouchers.—Section 931 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and (o) of such Act" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(g) Assistance for Displaced Tenants.—Section 223(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 4113(a)) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and 8(o)" and inserting "tenant-based assistance under section 8".

(h) Rural Housing Preservation Grants.—Section 533(a) of the Housing Act of 1949 (42 U.S.C. 1490m(a)) is amended in the second sentence by striking "assistance payments as provided by section 8(o)" and inserting "tenant-based assistance as provided under section 8".

(i) Repeal of Moving to Opportunities for Fair Housing Demonstration.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note) is repealed.

(j) Preferences for Elderly Families and Persons.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "the first sentence of section 8(o)(3)(B)" and inserting "section 8(o)(6)(A)".

(k) Assistance for Troubled Multifamily Housing Projects.—Section 201(m)(2)(A) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z–1a(m)(2)(A)) is amended by striking "section 8(b)(1)" and inserting "section 8".

(l) Management and Disposition of Multifamily Housing Projects.—Section 203(g)(2) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z–11(g)(2)), as amended by section 101(b) of the Multifamily Housing Property Disposition Reform Act of 1994, is amended by striking "8(o)(3)(B)" and inserting "8(o)(6)(A)".

SEC. 207. IMPLEMENTATION.

In accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall issue such regulations as may be necessary to implement the amendments made by this title after notice and opportunity for public comment.

SEC. 208. DEFINITION.

For the purposes of this title, public housing agency has the same meaning as section 3 of the United States Housing Act of 1937, except that such term shall also include any other nonprofit entity serving more than one local government jurisdiction that was administering the section 8 tenant-based assistance program pursuant to a contract with the Secretary or a public housing agency prior to the date of enactment of this Act.

SEC. 209. EFFECTIVE DATE.

(a) In General.—The amendments made by this title shall become effective not later than 1 year after the date of enactment of this Act.

(b) Conversion Assistance.—

(1) In general.—The Secretary may provide for the conversion of assistance under the certificate and voucher programs under subsections (b) and (o) of section 8 of the United States Housing Act of 1937, as those sections existed on the day before the effective date of the amendments made by this title, to the voucher program established by the amendments made by this title.

(2) Continued applicability.—The Secretary may apply the provisions of the United States Housing Act of 1937, or any other provision of law amended by this title, as those provisions existed on the day before the effective date of the amendments made by this title, to assistance obligated by the Secretary before that effective date for the certificate or voucher program under section 8 of the United States Housing Act of 1937, if the Secretary determines that such action is necessary for simplification of program administration, avoidance of hardship, or other good cause.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. PUBLIC HOUSING FLEXIBILITY IN THE CHAS.

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by redesignating the second paragraph designated as paragraph (17) (as added by section 681(2) of the Housing and Community Development Act of 1992) as paragraph (20);

(2) by redesignating paragraph (17) (as added by section 220(b)(3) of the Housing and Community Development Act of 1992) as paragraph (19);

(3) by redesignating the second paragraph designated as paragraph (16) (as added by section 220(c)(1) of the Housing and Community Development Act of 1992) as paragraph (18);

(4) in paragraph (16)—

(A) by striking the period at the end and inserting a semicolon; and

(B) by striking "(16)" and inserting "(17)";

(5) by redesignating paragraphs (11) through (15) as paragraphs (12) through (16), respectively; and

(6) by inserting after paragraph (10) the following new paragraph:

"(11) describe the manner in which the plan of the jurisdiction will help address the needs of public housing and coordinate with the local public housing agency plan under section 5A of the United States Housing Act of 1937;".

SEC. 302. REPEAL OF CERTAIN PROVISIONS.

(a) Maximum Annual Limitation on Rent Increases Resulting From Employment.—

(1) Repeal.—Section 957 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12714) is repealed.

(2) Effective date.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 957 of the Cranston-Gonzalez National Affordable Housing Act.

(b) Economic Independence.—

(1) Repeal.—Section 923 of the Housing and Community Development Act of 1992 (42 U.S.C. 12714 note) is repealed.

(2) Effective date.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 923 of the Housing and Community Development Act of 1992.

SEC. 303. DETERMINATION OF INCOME LIMITS.

(a) In General.—Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is amended—

(1) in the fourth sentence—

(A) by striking "County," and inserting "and Rockland Counties"; and

(B) by inserting "each" before "such county"; and

(2) in the fifth sentence, by striking "County" each place that term appears and inserting "and Rockland Counties".

(b) Regulations.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue regulations implementing the amendments made by subsection (a).

SEC. 304. DEMOLITION OF PUBLIC HOUSING.

(a) Repeal.—Section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (Public Law 100–202; 101 Stat. 1329–213) is repealed.

(b) Funding Availability.—Notwithstanding any other provision of law, beginning on the date of enactment of this Act, the public housing projects described in section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988, as that section existed on the day before the date of enactment of this Act, shall be eligible for demolition under—

(1) section 14 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act; and

(2) section 9 of the United States Housing Act of 1937, as amended by this Act.

SEC. 305. COORDINATION OF TAX CREDITS AND SECTION 8.

Notwithstanding any other provision of law, rehabilitation activities undertaken in projects using the Low-Income Housing Tax Credit allocated to developments in the City of New Brunswick, New Jersey, in 1991, are hereby deemed to have met the requirements for rehabilitation in accordance with clause (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937, as amended.

SEC. 306. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) in subsection (b), by inserting before the period at the end the following: "and includes any other assistance provided under the United States Housing Act of 1937";

(2) by adding at the end the following new subsection:

"(h) VERIFICATION OF ELIGIBILITY.—

"(1) IN GENERAL.—Except in the case of an election under paragraph (2)(A), no individual or family applying for financial assistance may receive such financial assistance prior to the affirmative establishment and verification of eligibility of that individual or family under this section by the Secretary or other appropriate entity.

"(2) RULES APPLICABLE TO PUBLIC HOUSING AGENCIES.—A public housing agency (as that term is defined in section 3 of the United States Housing Act of 1937)—

"(A) may elect not to comply with this section; and

"(B) in complying with this section—

"(i) may initiate procedures to affirmatively establish or verify the eligibility of an individual or family under this section at any time at which the public housing agency determines that such eligibility is in question, regardless of whether or not that individual or family is at or near the top of the waiting list of the public housing agency;

"(ii) may affirmatively establish or verify the eligibility of an individual or family under this section in accordance with the procedures set forth in section 274A(b)(1) of the Immigration and Nationality Act; and

"(iii) shall have access to any relevant information contained in the SAVE system (or any successor thereto) that relates to any individual or family applying for financial assistance.

"(3) ELIGIBILITY OF FAMILIES.—For purposes of this subsection, with respect to a family, the term 'eligibility' means the eligibility of each family member.".

MOTION OFFERED BY MR. LAZIO OF NEW YORK

Mr. LAZIO of New York. Mr. Speaker, pursuant to section 2 of House Resolution 426, I offer a motion.

The Clerk read as follows:

Mr. LAZIO of New York moves to strike out all after the enacting clause of S. 1260 and insert in lieu thereof the provisions of H.R. 2406 as passed by the House, as follows:

[The text of H.R. 2406 will appear in a future issue of the RECORD.]

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed.

The title of the Senate bill was amended so as to read: A bill to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families and increase community control over such programs, and for other purposes.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 2406) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. LAZIO of New York. Mr. Speaker, pursuant to section 2 of House Resolution 426, I offer a motion.

The Clerk read as follows:

Mr. LAZIO of New York moves that the House insist on its amendments to the bill (S. 1260) and request a conference with the Senate thereon.

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. LEACH, LAZIO of New York, BEREUTER, BAKER of Louisiana, CASTLE, GONZALEZ, VENTO, and KENNEDY of Massachusetts.

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF HOUSE AMENDMENT TO S. 1260, UNITED STATES HOUSING ACT OF 1996

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that in the engrossment of the House amendment to S. 1260, the Clerk be authorized to correct section numbers, cross-references, punctuation and indentation, and to make any other technical and conforming change necessary to reflect the actions of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SUMMARY OF MANAGER'S AMENDMENT TO H.R. 2406, UNITED STATES HOUSING ACT OF 1996

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent to insert in the RECORD a summary of the manager's amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

MANAGERS AMENDMENT SUMMARY

BROOKE RENTS

This provision protects the very poor currently in public housing. It would put a cap on rent of up to 30% of income for families with income levels at or below 30% of area median income (currently, about 76% of the public housing inventory is occupied by such families). It would also impose a rent cap of up to 30% of family income for the elderly and disabled currently occupying public housing, regardless of their income levels. Adding the elderly brings the number of residents that would pay no more than 30% of their income as rent to 83% of current public housing residents. Adding the disabled would bring the number of those paying 30% of their income or below as rent up to 87% of public housing residents.

For prospective residents, those families with income levels at or below 30% of area median income would continue to pay up to but no more than 30% of their income as rent. It is important to note that the Brooke Amendment currently imposes a 30% floor on rents—a family will pay 30% of their income as rent. If their income goes up, their rent will go up. Chairman Lazio eliminates this disincentive—very poor families will pay no more than 30% of their income as rent—if their income goes up, the percentage of income that goes to rent could decrease.

For any families that may be subject to rent increases as a result of increased flexibility given to housing authorities, any rent increases over a certain amount will be phased-in over a period of up to three years, and other resident protections are provided.

MINIMUM RENTS

Most all agree that everyone who resides in public housing should contribute something in return for their housing. H.R. 2406 provides for mandatory minimum rents of no less than $25, but no more than $50, within the discretion of the local housing authorities. The local authorities are given discretion to grant "hardship exceptions" to protect those that may truly not be able to pay the minimum rent. No residents will be made homeless as a result of the passage of H.R. 2406.

TARGETING

This provision maintains a good amount of public housing geared toward serving the very poor. H.R. 2406 Reported required that 25% of a local housing authority's inventory would be for those at 30% or below of area median income. Chairman Lazio Manager's Amendment has increased the targeting level of public housing—at least 30% of public housing units must go to those at 30% or below of area median income, a level that would still enable housing authorities over time to create more income-mixed communities. For choice-based rental assistance, H.R. 2406 Reported contained no targeting provisions. The Manager's Amendment provides for a level of targeting whereby 50% of rental-based assistance will go to those at 60% of area median income, ensuring that the greater portion of such assistance shall go to lower-income families.

MOVING-TO-WORK FOR THE TWENTY-FIRST CENTURY

Finally, the Manager's Amendment has provided for the creation of a forward-looking program that would enable housing authorities to set rents, design and test various approaches for providing and administering housing assistance, give incentives to families to obtain employment and become self-sufficient, and increase housing choices and homeownership opportunities for lower-income families. One hundred high-performing local housing authorities will be selected each year for three years, and given the administrative flexibility to craft programs that would create an atmosphere where residents can succeed and "graduate" from public housing.

REVIEW OF HOUSING MANAGEMENT PLANS BY SECRETARY

This provision requires the Secretary to consider Management Plans that "adequately identify" the needs of low-income families and capital improvement needs. Additionally, the Secretary is authorized to reject management plans that are "plainly inappropriate" and inconsistent with this Act.

PUBLIC HOUSING RESIDENT EMPLOYMENT

This provision conforms the existing Housing and Urban Development Act of 1968 to H.R. 2406, and encourages employment of public housing residents in public housing development or modernization programs.

CREATES TWO FUNDING GRANTS

This provision modifies the current bill text by replacing one grant with two grants for capital needs and operation expenses. The amendment will allow modest fungibility of no more than 10% from the capital fund towards use in the operating fund. The capital fund is authorized at $2.5 billion for fiscal years 1977 through 2000; the operating fund is authorized at $2.8 billion for fiscal years 1977 through 2000. (Both funds at the FY 1996 enacted funded levels.)

ACCREDITATION AND PERFORMANCE EVALUATION

This provision modifies the Accreditation Board provisions to avoid duplicative functions undertaken by HUD and provides authority to the National Center for Housing

Management (created by Executive Order in 1972) to create the Board during the first year. The Center will assist in determining performance indicators for evaluating local housing and management authorities. Additionally, this provision provides for the development of comprehensive and performance audits of the housing authorities.

REVISES STATEMENT OF PURPOSE TO EMPHASIZE SELF-SUFFICIENCY

This provision revises the statement of purpose to emphasize the intent to create and facilitate housing authorities that ultimately partner with residents to achieve self-sufficiency and transitioning out of public and assisted housing.

CREATES HOMEOWNERSHIP OPPORTUNITIES

This provision would clarify homeownership opportunities provided under the legislation and the ability of the housing authority and other low-income housing providers to undertake the process of preparation and sale of units to residents eligible for homeownership.

CREATES TENANT SELF-SUFFICIENCY CONTRACTS

This provision requires the housing authority to enter into binding agreements with recipients of public and assisted housing to undertake activities and programs that will culminate in self-sufficiency, transitioning and eventual graduation from public and assisted housing by a date certain contingent on the special and unique factors of the resident. The housing authority is authorized to enter into partnerships with state and local agencies, non-profits groups, academic institutions, and other groups with experience in facilitating self-sufficiency and graduation from public assistance. The agreements will be attached and incorporated into the lease and provide exemptions for elderly, disabled, students, and the certified impaired; additionally, changed circumstances can be taken into account in modifying the agreement. The Secretary is authorized to partner with resident council organizations to create a model self-sufficiency tenant agreement for voluntary use by the housing authority.

ELECTION OF RESIDENT BOARD MEMBERS

This provision requires resident membership on the Board of Directors of the local housing and management authority, with certain exceptions set forth in the statute. Language has been added requiring that such representative is elected by the residents of the authority, with procedures and guidelines for such elections to be set forth by the Secretary.

NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS

An independent National Commission on Housing Programs Cost, is established for purposes of analyzing the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs so that accurate per unit cost comparisons may be made between Federal assisted housing programs. The Commission will have nine members, three of which are appointed by the Secretary of HUD, three by the Senate, and three by the House. The activities of the Commission are authorized from amounts from HUD's Office of Policy Development and Research.

HUD OCCUPANCY PROVISION

This provision clarifies HUD occupancy policy by requiring HUD to follow state occupancy standards that prevent overcrowding and preclude federal government occupancy standards. In the absence of state occupancy standards, a two person per-bed policy is assumed reasonable.

REQUIRED CONVERSION OF BUILDING ASSISTANCE TO VOUCHERS

This provision clarifies and provides guidance on the factors necessary to require conversion of public housing assistance to vouchers, including whether the building(s) (i) is not viable, (ii) consists of vacancy rates of 10% or more without any plans for modernization, (iii) are not cost-effective for modernization, and (iv) consist of at least 300 units either in one building or on a contiguous site. Therefore, financial assistance for severely distressed buildings with no eventual useful life will be terminated and converted to housing voucher assistance.

VOLUNTARY VOUCHERING-OUT OF PUBLIC HOUSING

Local housing and management authorities, at their option, are given the power to convert public housing assistance into tenant-based assistance where the authority can demonstrate that the conversion will not be more expensive than continuing to operate the public housing development and will principally benefit the residents of the development, the local housing and management authority, and the community.

RESIDENT OPPORTUNITY PROGRAM

This provision allows the Secretary to provide technical assistance to resident councils for economic uplift (job-training, economic development, security and other self-sufficiency) and provides authority to require the housing authority to become a co-grantee for administrative purposes. This provision will provide accountability through the housing authority and preclude fraudulent and abusive practices recently highlighted by hearings of the Committee on Government Operations.

PORTABILITY AND ADMINISTRATIVE FEES

Restores portability to the voucher program and solves some of the administrative problems associated with portability by directing the Secretary of HUD to take steps to ensure that the local housing authority that provides the services for a family receives all or part of the administrative fee. To prevent "waiting list shopping", the legislative enables a local housing authority to require that a family that receives assistance live in that jurisdiction for twelve months after the initial receipt of assistance.

SHOPPING INCENTIVE FOR ASSISTED FAMILIES

This provision allows for shopping incentives for assisted families under Choice-Based housing that rewards the market-rate selection or rental units that fall below the payment standard for that community. In cases where savings occur, the government will reward the tenant, while reducing the budget deficit by providing a savings account in the tenant's name for 50% of the savings incurred by selecting a quality but below rental market unit. The remaining 50% will be returned to the federal government for deficit reduction. The tenant may withdraw the money annually at the end of each year's lease agreement.

PROHIBITIONS ON OCCUPANCY FOR PUBLIC AND ASSISTED HOUSING FOR CRIMINAL OR ILLEGAL DRUG/ALCOHOL ABUSE AND SCREENING, GRIEVANCE AND EVICTION REFORMS

This legislation incorporates S. 1494—The Housing Opportunity Program Extension Act of 1996, enacted as Pub. L. 104-120 and extends tenant screening reforms to owners of assisted housing, i.e. non-public housing, including rural multifamily housing developments receiving assistance under the Housing Act of 1949. The owners of assisted housing and housing authorities may deny assistance to potential residents who have been convicted of criminal activity during the preceding three years prior to application for assistance. S. 1494/Pub. L. 104-120 provided flexibility to housing authorities to (i) designate certain developments elderly or disabled only; (ii) evict residents who threaten the safety of elderly and disabled residents in such designated housing; and (iii) expedite grievance and eviction procedures for drug-related and other criminal activity "on or off" the premises.

In addition to conforming language to S. 1494/Pub. L. 104-120, this provision provides access of criminal records, under strict confidentiality protections and penalties for misuse, for assisted housing screening. [Pub. L. 104-120 covered only public housing, while this provision extends those screening provisions to most federally-assisted housing.]

CDBG ENTITLEMENT COMMUNITY DESIGNATION

This provision grandfathers communities designated CDBG entitlement communities, based on a population of a least 50,000 residents, for at lest one year after 1989. [Some communities were eligible in 1990 and upon the findings of the 1990 census implemented in 1992-93, lost their eligibility status, notwithstanding their eligibility status in 1990.]

CDBG DISASTER RELIEF FOR LOS ANGELES

This provision extends, through 1998, the authority of the Los Angeles entitlement community to use no more than 25% of CDBG funds for public services during the reconstruction of some low and very-low income neighborhoods after the 1992 civil disturbance. [Congress had previously extended the public service cap from 15% to 24% for Los Angeles during the 1992 Housing Bill in response the Los Angeles crisis.]

HOMELESS AND SURPLUS PROPERTY COMMUNITY PARTICIPATION AND SELF-HELP HOUSING

This provision will amended Sec. 203 of the Federal Property Administrative Services Act by providing communities an opportunity to participate in the disposition of significant surplus property. Upon local review and collaboration, the GSA could transfer significant surplus property to homeless or non-profit low-income housing providers that undertake self-help housing. This provision will encourage homeownership and housing through significant participation (sweet-equity) by the potential residents. Title Vl of the McKinney Act is not repealed and surplus property not considered "significant" or approved by the local government will be processed through the current McKinney surplus property requirements.

RURAL COMMUNITIES AND MILITARY INSTALLATIONS

This provision designates Altus, Oklahoma as a rural community, through the year 2000, for purposes of eligibility of the Rural Housing Service programs, such as single and multifamily development. [The 20,000 population threshold was slightly exceeded because of a decennial census count that incorporated the population of a nearby military installation.]

PORTSMOUTH VA REVITALIZATION PLAN

Requires HUD to implement a revitalization plan for the City of Portsmouth, Virginia.

INCOME ELIGIBILITY STANDARDS FOR HOME AND CDBG PROGRAMS

Clarifies eligibility for HOME and CDBG programs so that all families earning up to 80% of area median income are eligible.

PROJECT IN NEW BRUNSWICK, NEW JERSEY

Allows Pennrose Properties, a low-income housing developer, to use low-income housing tax credits allocated in 1991 for use in rehabilitating a 98-unit project for the elderly. The reservation of these tax credits would otherwise lapse.

DEFINITION OF ADULT

Modifies the restrictions on divulging the criminal records of those convicted of crimes who are not adults to make also available the criminal records of minors who are tried and convicted as adults.

PROHIBITION OF FEDERAL INDEMNIFICATION OF INTELLECTUAL PROPERTY RIGHT INFRINGEMENT

Prohibit local housing authorities from using federal funds to indemnify contractors from judgments of infringement of intellectual property rights.

CONVERSION OF A LIMITED NUMBER OF PROJECT-BASED UNITS

Permits property owners to convert a portion of project-based units, upon vacancy, to market rate provided units are above the fair market rent for an area and the amount of contract subsidy saved is transferred to a local housing authority for use as choice-based certificates.

WAGE REQUIREMENTS

Narrows one of the exceptions to certain prevailing wage requirements that must be followed by a local housing authority.

CHOICE-BASED SCREENING AND EVICTION PROCEDURES

In connection with drug and other criminal activity, provides greater screening and eviction authority for most federally assisted housing, including section 8 project based.

HOPE VI PLANNING GRANTS

Provides a preference for previously awarded HOPE VI planning grants that were not funded by HUD.

GOLD CLAUSE CONTRACT

Clarifies interpretation of gold clause contract provision to terminate unintended consequences of 1977 law, including unfair treatment to leaseholders. The amendment ensures that the old gold clauses apply only when such a clause is the explicit intention of both parties to the contract.

ROCKLAND COUNTY, NY, CEILING LIMITS

Removes Rockland County from the metropolitan statistical area of New York for the establishment of any ceilings or limits based on income under the Act.

GENERAL LEAVE

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2406.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 1296, PROVIDING FOR ADMINISTRATION OF CERTAIN PRESIDIO PROPERTIES

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1296) to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alaska?

Mr. MILLER of California. Mr. Speaker, reserving the right to object, and I do not intend to object, but I would like to take a moment to engage the gentleman from Alaska [Mr. YOUNG], the chairman of the committee, in a colloquy.

My concern, and I think the concern of others, is that recognizing that in both the House and Senate there has been strong bipartisan support for the underlying bill of the Presidio, but as is sometimes true to their nature, the Senate has added some 34 unrelated titles to the bill, some of which have not had hearings in our committee. That traditionally has opened the door for others who seek to have the same courtesy extended to them to add bills when we are in conference.

Mr. Speaker, my concern is that hopefully there will be some ground rules to the controversy of those items that might be added. I think most of the items currently in either the Senate or in the House bill are essentially noncontroversial. My concern is that as people start to see that this bill has a chance to leave the Congress and go to the President, more and more people will want to jump in the boat here, and we will start taking on water, and all of a sudden we will find out this boat cannot handle it.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, I will say that I have been one that knows just about how much hay a team of mules can pull. I am not going to say that we are not going to add a little bit to what the mules are pulling now.

Mr. MILLER of California. Mr. Speaker, that is the gentleman's prerogative.

Mr. YOUNG of Alaska. I want to suggest respectfully that whatever happens, the gentleman will be in on the conference. It is my intention to see that the Presidio bill becomes a reality, but I cannot say that we will not add a few more straws to this wagonload that I hope the gentleman might see the wisdom of accepting, and where we disagree, I am confident that with the Senate side, we may not reach that point where they will be added, but I cannot say what will and will not be added to this wagonload, and it is a wagonload.

Most of those parts of hay have already been voted on in this House. There are a couple on the Senate side that were not, but have great interest to House Members on this side, and we have been reviewing each one of those that have been added. There may be a couple of others that we would like to solve a problem with on this side which I am sure the gentleman will support. Some he may not be too happy with.

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But we are going to talk about that.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for his comments, and I am sure that the threshold will not be whether I am happy or not but we will try to determine another one. As many Members of the Congress are aware of the gentleman's past employment record as a river boat captain, I am sure he will understand that there is some point at which we cannot take on additional baggage without running aground here.

Mr. YOUNG of Alaska. Mr. Speaker, I am well aware of that. As an old river boat captain, I have never been on a sandbar yet. I know how to read the water. I know how fast the current is, and I know where I am going. Just help me out and we will get there together.

Mr. MILLER of California. Mr. Speaker, I am feeling happier already.

Mr. YOUNG of Alaska. Mr. Speaker, I appreciate that.

Mr. MILLER of California. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. BOEHNER). Is there objection to the request of the gentleman from Alaska? The Chair hears none and, without objection, appoints the following conferees: Messrs. YOUNG of Alaska; HANSEN; ALLARD; and HAYWORTH; Mrs. CUBIN; and Messrs. MILLER of California; RICHARDSON; and VENTO.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2137. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to require the release of relevant information to protect the public from sexually violent offenders.

POSTPONING FURTHER CONSIDERATION OF H.R. 3286, ADOPTION PROMOTION AND STABILITY ACT OF 1996, AFTER INITIAL DEBATE UNTIL THE FOLLOWING LEGISLATIVE DAY

Mr. HYDE. Mr. Speaker, I ask unanimous consent that during consideration of H.R. 3286, pursuant to House Resolution 428, notwithstanding the order of the previous question, it may be in order immediately after initial debate on the bill as amended for the Chair to postpone further consideration of the bill until the following legislative day, on which consideration may resume at a time designated by the Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

REMOVAL OF NAME AS COSPONSOR OF H.R. 2086

Mr. GENE GREEN of Texas. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 2086.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMONSENSE PRODUCT LIABILITY REFORM ACT OF 1996—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–207)

The SPEAKER pro tempore. The unfinished business is the further consideration of the veto message of the President on the bill (H.R. 956) to establish legal standards and procedures for product liability litigation, and for other purposes.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The gentleman from Illinois [Mr. HYDE] is recognized for 1 hour.

Mr. HYDE. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Michigan [Mr. CONYERS], the ranking member of the Committee on the Judiciary.

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 956.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HYDE. Mr. Speaker, I yield 15 minutes of my time to the gentleman from Viriginia [Mr. BLILEY], the chairman of the Committee on Commerce, and I ask unanimous consent that he may be permitted to yield blocks of time to other Members.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HYDE. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, one of the least meritorious reasons the President has listed for his veto was that this bill infringed on States' rights. The newly discovered respect for the 10th amendment is heartening but somewhat misplaced. In our mobile society, 80 percent of our manufactured goods are shipped across State lines, and the unpredictability of a patchwork of 50 different sets of laws and liabilities is a major factor prompting this commonsense bipartisan reform.

We do not help the consumer when factoring into insurance premiums the uncertainties of compliance with a myriad of different State laws and unpredictability of punitive damage awards. We only add to the cost of the product and render our industries less competitive with foreign companies.

Plaintiffs collect less than half of every dollar spent on the civil justice system. The rest goes to lawyers and court costs. One study found the cost of this litigation explosion last year alone was $152 billion, and this is money that could be spent on hiring new workers and investing in new equipment.

Tort reform does not deny valid claimants receiving adequate awards. It merely reduces the arbitrary excesses that harm consumers by discouraging many new products from being marketed, medical devices such as heart valve, pacemakers if they utilize silicon.

The Washington Post, no conservative house organ, says the primary beneficiaries of our current system are a group of wealthy and powerful professionals. Guess who they are speaking about? The arbitrary potential liability that can be imposed through unrestrained punitive damage forces unjustified settlements, increasing insurance costs, and the public, the consumer, loses in the end. Negligence should be actionable and deserving plaintiffs should recover adequate damages, but it is the arbitrary excesses that make our tort system top heavy and this is what this legislation seeks to reform.

Thanks to the veto, the status quo will continue, costing consumers dearly. They will pay more for products or go without them because they will be pulled from the market because of the liability exposure.

The junior Senator from West Virginia said it all when he said, and I quote, "Unfortunately, special interests and raw political considerations in the White House have overridden sound policy judgment."

Mr. Speaker, the American public wants and deserves reform of our current out-of-control legal system. We need to replace the liability lottery that pervades our courts with sensible procedures. We need a legal system which will fairly compensate injured parties without making defendants pay well beyond their share of the fault, simply because those defendants are perceived to have the deep pocket.

It is no mystery to the average citizen that each of us pays for runaway product liability costs in the form of higher prices for the products we buy. Yet in placating the trial lawyers, the President has denied us all the benefits of long overdue tort reform. The sad thing is that the legislation the President has vetoed is a comparatively modest proposal, much narrower in scope than the bill which passed the House of Representatives on March 10, 1995 by a vote of 265 to 161.

This conference committee version is strongly supported by groups such as the National Federation of Independent Business, the American Council on Life Insurance, the National Association of Manufacturers, and the Health Care Liability Alliance. It also has the aggressive backing of many Members of the President's own party, among them Senator JAY ROCKEFELLER, whom I mentioned before.

The bill vetoed by the President contains provisions which would vastly improve the way product liability cases are tried and settled. It properly puts the blame for product liability injury on the manufacturers, not someone who is merely a reseller or someone who supplies component parts to a manufacturer of medical devices.

It also provides that if the use of alcohol or illegal drugs is more than 50 percent of the cause of an injury, the manufacturer is not liable. It would reduce the damages for which a defendant is liable by the percentage of responsibility for the harm attributed to the misuse or alteration of the product involved.

The President says he objects to the 15-year statute of repose, presumably because it is 5 years shorter than the Senate version. What he does not explain is that the 21 States which have enacted statutes of repose have all chosen limitations of 15 years or less. If we want U.S. manufacturers to be able to compete with foreign manufacturers, many of whom have only recently entered the market and thus bear no exposure for old products, we have to enact uniform, sensible cutoffs on liability.

The President also criticizes the specifics of what the bill does to limit a plaintiff's ability to recover damages. Let us not focus on what it does not, or rather, let us focus on what it does not do.

It does not change a plaintiff's ability to recover payment for loss of income, medical expenses and other economic damages.

While it imposes limitations on the recovery of punitive damages, the conference report version is much more generous to plaintiffs than was the original House-passed bill. Our bill limited punitive damage awards in all civil actions to three times economic damages or $250,000, whichever is greater. The conference report limits punitive damage awards only in product liability cases and the limit is twice economic and noneconomic damages or $250,000, whichever is greater.

In a major departure from the philosophy of the House approach, the conference report would permit a judge to exceed these limits under certain circumstances. The conference report also does not place any monetary cap on the amount of damages for pain and suffering and other noneconomic damages that may be recovered.

Let us remind ourselves of the consequences of failing to enact reform. This legislation would unleash an American job creation boom, translating into real growth for our economy.

It would particularly benefit small business, which has created the vast majority of all new jobs in this country since 1987. The need for this relief for the small business community is shown by the fact that it was the top issue to emerge from the 1986 White House Conference on Small Business. Tort reform and specifically many of the provisions contained in H.R. 956 was once again a high-priority recommendation of the 1995 White House conference.

The President's veto can only be viewed as an affront to this important segment of the American economy. Of course it is not a perfect bill, but it is a very good bill. It may not solve all the problems in our legal system, but it would be a workable first step in that direction.

It fairly balances the interest of plaintiffs and defendants in product liability cases. We are presented with a unique opportunity to obtain the ends of justice by giving the system certainty and imposing rational limits on damages.

Mr. Speaker, after nearly two decades of effort to fashion a comprehensive set of product liability reforms, we have the chance to enact a bipartisan consensus package of bottom-up reforms. These reforms are desperately needed to restore some fairness to our present system and to remove roadblocks to our country's economic growth and job creation.

We need to send the message to all Americans that this Congress means what it says in its commitment to broad-based legal reform and about bringing an end to lawsuit abuse. I urge my colleagues to join me in voting to override this unwise veto.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. Mr. Speaker, I rise to suggest to you that the President of the United States was correct to veto the bill before us, the product liability bill, as being harmful to working Americans and particularly discriminating against women, so I urge a "no" vote to sustain the veto.

This proposal to override is a continuation of the majority Republicans' war on public safety, on workers, on women, and on seniors. They continue their war for the special interests who have spent over $26 million in campaign contributions in an effort to tilt the legal system further in their favor. So let us not kid ourselves, no matter what is said here today, about where the special interests concern lies.

□ 1845

So far, amazingly, I have not heard the lawyers get beat up yet, but this is only the beginning of the debate. I always enjoy that part, where the lawyers are singled out as special interest people, when the hugest special interests in our political system are in there solid working on the other side.

That is the simple truth of the matter, and that is what this is all about. I was pleased that the President would veto this measure. I warned the committees in the process that this would likely happen, please include a few provisions that would have made this product liability bill make more sense. But, no. We had a conference committee, you may remember, in December. We had one opening meeting, and that was it. So much for any bipartisan attempts at working anything out.

I have been in more than one conference in this Congress that proceeded much along those lines. We were shut out. Fortunately, the President stepped in, and now, having had this veto, we are here now to determine whether we will override it or sustain the President in his veto.

Now, this bill has some problems. It has a lot of little problems, but it has some very big problems. The product liability bill would not only cap and limit the amount of damages an injured victim can recover, but would in many instances completely cut off the victim's right to seek compensation. Completely cut off the victim's right to seek compensation.

This is coming out of the Committee on the Judiciary, the committee that is supposed to be the watchdog over the freedoms of people.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, would the gentleman tell me under what circumstances someone is completely denied a right to seek recovery for damages?

Mr. CONYERS. Mr. Speaker, reclaiming my time, we could cut off their rights to seek compensation even in clear, uncontested cases of negligence.

Mr. HYDE. How so, would the gentleman tell me?

Mr. CONYERS. I will in just a moment, if I can proceed.

Mr. HYDE. That comes as a surprise to me. Maybe the gentleman knows something I do not, which is entirely possible.

Mr. CONYERS. Mr. Speaker, reclaiming my time, it has happened once or twice in this session. I will be happy to clarify this for the chairman, because he sounds sincere in his desire for this information.

It especially discriminates against working people, who this Congress will not provide an increase in the minimum wage for. It discriminates against women, who might lose their reproductive capacity as a result of deadly injury brought on by irresponsible corporate behavior.

So this is a one-way street of federalism, return power to the States, so long as it disadvantages consumers and the common folks. I reject that completely.

Now, to make matters even worse, we are considering this override at the very same time that the Republican majority I proposing to gut the safety regulations and eliminate safety agencies like the Consumer Product Safety Commission. That is going on in another bailiwick.

And if you do not think the threat of private lawsuits can help keep dangerous products off the market, just think about the history of personal injury litigation over the past decade or two. We know what has happened by the lawsuits brought by the parents of children who have been killed by wearing flammable pajamas. That was a direct result of personal injury litigation. Or the women who have been maimed by the copper 7 intrauterine device. There again, lawsuits, long and hard, that brought about a change in dangerous products.

Both the products are now off the market, thanks to good legal work and trial work and the threat of punitive damages. And that is what punitive damages are about.

This bill, however, will not reduce litigation, cannot reduce litigation, because we are up against the myth that product liability suits are exploding. Let us deal with that right off the bat here.

Product liability suits represent less than 2 percent of the litigation that goes on in the United States of America, less than 2 percent, and even those two 2 percent of cases are dropping, it is going down. And with that drop, product liability premiums are also dropping. So there. How much can we be interfering with economic development and expansion in the United States?

Punitive damages is always a great subject. Where are they taking place and how frequently? Punitive damages occur in about 14 cases a year, going back to the 1960's. The cap of $250,000 on punitive damages is a joke. It is not a deterrent. That is all punitive damages are for, and that is why they are used so rarely.

How can a Fortune 500 company, making annual revenues of billions of dollars, be deterred from placing a dangerous product on the market because of the threat of a punitive damages award that is hacked to literally nothing under this bill? That is why the special interests are behind the bill.

The next point that should be considered a big one as a reason to sustain the President in his veto is that this bill will also limit victims' rights to recover the non-economic damages when there are joint tortfeasors. So if a jointly produced product induces a loss of reproductive capacity in a housewife, she will be limited in her recovery, but if an expensively paid corporate executive is injured by a product and loses his salary, obviously, under this test, the bill ensures that he will be fully compensated.

So we have talked about the political special interests, but what about others? The electric, water, and gas utilities industries have obtained a provision overruling liability laws in states which hold them strictly liable for utility disasters. Is that a good thing for the consumers in America?

By the way, everybody is a consumer. Even the fat cats are consumers. The rich are consumers. The poor are consumers. Working people are consumers.

What are we thinking about here?

Oh, more special interests. The gun sellers and the bar owners obtained special language limiting their potential liability for careless sales to third parties. Now, that should go over big with the American citizenry.

This is a bill of the special interests. It is by the special interests, for the special interests, who have done so much to show their appreciation of the promoters of this piece of legislation, that could not pass a very modest level of muster from the White House.

We will be remembered in this 104th Congress as the Congress that did not do much, and even when we tried to do something, it was so poor that it had to be vetoed. I am counting on that veto being sustained, because those who continue to insist that we have to limit the rights of working Americans, limit the rights of consumers, make the legal system less accessible, I think are doing a disservice to the legal process and to the Congress that we are operating in. It is another example of a Republican legislative effort that is heading for the trash bin.

The President is right to veto the bill. It is harmful to consumers, it disrespects working Americans, it is discriminatory against women, and for any of those reasons and more, I think there is more than enough reason to vote no to sustain the veto.

Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield myself 4½ minutes.

Mr. Speaker, last month, this Congress handed the trial lawyer's lobby the biggest defeat they've ever faced, when we passed bipartisan, common sense product liability reform—reforms that would end the lawsuit lottery that is making the trial lawyers rich at the expense of every one of us who buys an American-made product—a ladder, an automobile, groceries, you name it.

It was a win, most of all, for American workers. That's because these product liability lawsuits are eating up $132 billion in this country every year—money that could be used to build new plants, buy new equipment, create new jobs.

And let's make no mistake about it, if we don't override this veto, those workers will be the ones to pay.

The Bureau of Labor Statistics' report for April showed that this economy created just 2,000 jobs in all of last month—fewer than 3 new jobs per State per day, and virtually every one of those in the public sector.

Yet while 2,000 were lucky enough to take jobs behind the desks of Government, another 17,000 American workers—8½ times that number—lost their manufacturing jobs.

They'll join the army of 319,000 Americans who've lost factory jobs in the year that began in April 1995.

These are the ones who are paying the price for Bill Clinton's veto of product liability reforms.

Well, Mr. President, you put the interests of the rich trial lawyers—the ones who gave so much to your campaign—ahead of the interests of those hundreds of thousands of laid-off American workers.

Ever since the liberal judges radicalized this country's product liability laws, the result has been a bonanza for America's trial lawyers, and a disaster for American factory workers. A 1988 conference board survey of chief executives found that 36 percent had reduced manufacturing operations because of fear of product liability lawsuits, 15 percent had laid off workers, and fully 8 percent had to close down factories altogether.

This is the second time in 6 months that Bill Clinton had a choice between American workers and his trial lawyer buddies. Both times, the workers lost.

Last December 19, remember, Bill Clinton vetoed commonsense securities litigation reform—another corruption of our justice system that makes a handful of lawyers rich, at the expense of all of us.

Back then, I led the fight on the floor against the veto. And less than 12 hours after the President used his veto pen, this Congress handed him the first override.

It was as proud a moment as I've had as a Member of this House.

Today, Mr. Speaker, let's do those American workers a favor. Let's repeat it.

□ 1900

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield 5½ minutes to the gentleman from Michigan [Mr. DINGELL], dean of the House, dean of the Michigan delegation, my good friend, and once the former chairman of the Committee on Commerce.

Mr. DINGELL. Mr. Speaker, I begin by expressing my great affection for the distinguished gentleman from Illinois [Mr. HYDE], chairman of the Committee on the Judiciary, and also the distinguished gentleman from Virginia [Mr. BLILEY], chairman of the Committee on Commerce. They are fine Members and dear friends of mine and I have enormous respect and affection for both of them.

Mr. Speaker, I was, as this body knows, the individual who was in on addressing the problem of product liability early on. Our committee began the effort by moving out the first piece of legislation that ever came out of a congressional committee on this.

It is my view that product liability lawsuits have been much abused, and that serious and adverse economic consequences have struck the American economy, the American worker, and American businessman because of that, and I intend to vote to override the President's veto.

But, Mr. Speaker, I want to make it clear that I do it with a sense of heaviness in my heart. Without any ill will towards my good friend from Virginia [Mr. BLILEY], I want to make it plain that I think that was a very bad speech. This is not an issue which we should make a partisan issue. It is a broad question of the public good. Are we going to correct an abuse which is here?

The hard fact is that the handling of this bill has given the American public, I think, and the Members of this body, a clear impression that what is happening here is essentially a partisan exercise on the part of our Republican colleagues. Members on this side of the aisle were very much excluded from the discussions in the so-called conference which took place. There was no real conference in the traditional sense. Members had no opportunity to participate. There was no opportunity afforded the White House or the administration downtown to discuss concerns which they had with regard to the bill.

That is a very bad way to proceed. It was not an open House which functioned. It was not an open committee or an open conference which functioned. Rather, it was a very much closed and secretive undertaking. There were a couple of pro forma meetings which were, at best, opportunities for perhaps Bull Run speeches or perhaps for Members to say what they were going to do.

The real work was done behind closed doors at which Members, like myself, who wanted to participate and who could have participated and who would have participated in the bringing together of the divergent views which exist on the subject of product liability in a way that we could anticipate that this bill would then be signed into law, were excluded.

I think we are looking here, then, at a situation where the way this matter has been handled has been to assure not that a bill can be signed and not that a major economic and social problem is addressed, but simply so that we can have here an exercise in fingerpointing, something which is going to do two things: First, further alienate Members within this body on this subject, and, second, to assure that this bill is going to fall to a veto which has been given. A residue of great ill will is going to be left in this body which is going to adversely impact future efforts to address the problem of product liability.

I view those events as a great calamity. I think American industry does need relief from the kind of situation they confront, and I would point to the long hearings which we held in which we heard from industry, from individuals affected, even from the trial attorneys.

Those pointed up the need for change, but regrettably the process in which we are now engaged is going to assure that there is going to be no significant change. A veto is going to be upheld, vast fingerpointing will occur, ill will will remain and grow, and the problem of product liability litigation will not be resolved.

The final result of this is going to be that a great opportunity to do broad good for the American public, for the American economy, is going to be lost today.

My friend and colleague, Mr. BLILEY, talks about how this is an attempt on the part of the President to procure campaign contributions. I would point out that we all will be charged with receiving campaign contributions and I would point out this: There will be abundant campaign contributions befalling my Republican colleagues because of their views on this, probably larger campaign contributions than will fall on a Democrat who supports the President's veto.

I do not think that we ought to attribute, either to our colleagues or to the President of the United States or anybody else, the crass motive of proceeding solely on the basis of campaign contributions. I think we ought to give credit to each other for proceeding on the basis of the board public interest and doing good and carrying out our oath of office as we see that oath and that duty to compel us.

I reject the idea that we should then proceed in that fashion. I think that that is the way in which we do greatest credit to ourselves and to argue this question on the basis that somebody is doing something on the basis of a campaign contribution demeans the individual who is charged, but it demeans also the individual who makes the charge.

I would urge my colleague, if we are going to address this question here, let us address it from the standpoint of the broad public interest. But let us when we do so understand that we have some duty to bring all Members into the discussions, something which was not done here and something which has impaired in a severe way our opportunity to resolve a matter of very important concern to all Americans.

Mr. BLILEY. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I would just say to my great friend and the ranking minority member of the Committee on Commerce that I would have not brought up that about the President and about contributions had not the ranking member of the Committee on the Judiciary brought out about fat cats and Republicans, and I just thought we ought to respond and set the record straight for what it is.

Mr. Speaker, I yield 2½ minutes to the distinguished gentleman from Ohio [Mr. OXLEY], the chairman of the subcommittee.

Mr. OXLEY. Mr. Speaker, I rise today to ask the House to override the President's unfortunate veto of this very moderate approach to product liability. Let me say to my good friend from Michigan, who I have worked with for so many years on legal reform and specifically on product liability reform, that I am perhaps as frustrated with the process as he is. That is, the obvious concern that all of us had in the conference that the Senate made it very clear that the best we could get out of this conference on legal reform was a product liability bill, and that became the fait accompli.

So the stultifying meetings that we had, that the gentleman and I participated in, were as frustrating to me as to the gentleman because we would have done more, I think, had we been given the opportunity. I know the gentleman from Illinois and the gentleman from Virginia, the two chairmen, share my concerns about that.

But be that as it may, we have before us a pretty moderate approach to product liability, a bill that we worked on in our committee under the great leadership of the gentleman from Michigan, the now infamous "tort class from hell" that went on for 10 days, in which we produced, I think, a pretty good product, not dissimilar to the product that we have before us today that the President chose to veto.

I would say to those folks, including the gentleman from Massachusetts and others on the floor today who worked on that bill, this really is that product. It is a moderate approach. It does not deny people their ability to recover damages for lost wages for pain and suffering, for medical damages. It does put some limits on punitive damages that have gone out of control.

As a matter of fact economist Paul Rubin at Emory University says that $82 billion of the $132 billion spent on tort liability has been pure waste, and that was just for 1 year, in 1990. That works out to $900 per household of wasted money, meaning more cost to the consumer in insurance costs and the like. That works out to $900 per U.S. household paid in higher prices for goods, services, and insurance premiums.

That is a very expensive proposition. Not only are we closing down some companies and putting people out of work, but at the same time we are costing the average consumer, the average household, $900 a year more than they would have had to pay otherwise because of many of these frivolous lawsuits.

So, Mr. Speaker, I would say to my colleagues, this very moderate approach to product liability, which is the first time this Congress has really faced up to that very serious issue, deserves our vote to override the President's veto.

Mr. HYDE. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in strong support of today's effort to override the President's veto of H.R. 956, the Common Sense Product Liability Reform Act. Meaningful product liability reform is one. Most important small business issues, we will consider all year. The legislation we passed and sent to the President was a bipartisan effort by scores of individual Members of this House and the other body not only in this Congress but going back for several Congresses.

I believe that the President's veto of product liability reform legislation is a slap in the face to every small businessperson in this country. The delegates to the 1995 White House Conference on Small Business were dazzled by the President, who told them that his administration was ardently pro-small business, but as we all know, this President changes his mind. So, he has raised taxes, he has championed a mandatory costly health care bill, and now he has vetoed product liability reform which small business has been seeking for years.

Mr. Speaker, the fact is that the overwhelming majority of this Nation's small businesses have been crying out for meaningful product liability reform for years, and it was one of the top issues at the 1986 and 1995 White House conferences.

Mr. Speaker, it is important to small business. Because of the high cost of liability insurance and because small business operates without large profit margins, just one lawsuit can totally wipe out a small business.

Punitive damages are capped at $250,000 or two times noneconomic damage, whichever is less, for small business. Sellers are not liable if drugs or alcohol are more than 50 percent responsible for an accident. It provides a mechanism for settlement out of court.

□ 1915

The bill says a small business is only responsible for the proportionate share of blame, and it provides a statute of limitations. I truly regret this veto. For the sake of small business, I implore my colleagues on both sides of this aisle to override the veto.

The SPEAKER pro tempore (Mr. BOEHNER). The gentleman from Illinois [Mr. HYDE] has 3½ minutes remaining, the gentleman from Virginia [Mr. BLILEY] has 7¾ minutes remaining, and the gentleman from Michigan [Mr. CONYERS] has 11½ minutes remaining.

Mr. CONYERS. Mr. Speaker, I yield myself 1 minute.

My colleague, the gentleman from Michigan, Mr. JOHN DINGELL, has properly decried the process that excluded us. I can suggest to you that the work product does not deserve much consideration here. But also I would like to point out to my friends, just as we lay to rest who is getting the money here, we cannot deny that the political action committees of corporations and organizations favoring tort reform contributed nearly $62 million between 1989 and 1994, as part of a multimillion dollar lobbying effort to overturn America's system of civil justice.

The trial lawyers, trial lawyers, contributed that $5.8 million, one-tenth of the total of legal reform proponents who came together in a massive coalition.

Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. SCOTT], a member of the Committee on the Judiciary.

Mr. SCOTT. Mr. Speaker, I thank the gentleman from Michigan for yielding time to me.

Mr. Speaker, we have heard a lot of allegations and some, most of it, exaggerated, a lot of anecdotes. Many of the anecdotes would have been received under appeal under the present law.

The fact of the matter is that the number of these cases is minuscule, especially when we look at the punitive damages cases, less than one per State per year. These have a very strong deterrent effect because every day corporations have to decide whether they are going to recall dangerous products or modify dangerous products that are killing or maiming people.

If this bill was passed, it would be cheaper to kill or maim people than to recall or modify the products. Punitive damage cases end the situation where corporations were selling children flammable pajamas because it was cheaper to sell those pajamas than to modify them so they would not go afire like newsprint.

We have heard about costs. We ought to have savings. A lot of people are not being maimed and injured as a result of tort reform and the deterrent effect.

Mr. Speaker, these laws we talk about as being uniform are not uniform. The only laws that are affected by these laws are those that are more draconian to consumers than the State laws. If the State has a more draconian law, then that law stays in effect under this legislation.

We also have a situation where joint and several liability is abolished. That is where the consumer, if he has a good case, a winning case, can sue many people and they have to decide how that damage is going to be apportioned. If this bill passes, it will be up to the consumer to try to find the unavailable defendants, those that may be insolvent. All of that will be borne by the victim.

Mr. Speaker, on this vote we should protect consumers. We should require corporate responsibility, and we should support the President's veto by voting no on the motion to override.

Mr. BLILEY. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. DEAL], a member of the committee.

Mr. DEAL of Georgia. Mr. Speaker, I would briefly like to say that we should test this legislation by the light of reasonableness. When we do, I would ask the question, is it reasonable for punitive damages to be limited to a quarter of a million dollars or twice the compensatory damages? Most people think so.

Is it reasonable to give injuries that have multiple defendants the right to decide how much each of those defendants should have to pay rather than having the one who may be the last culpable have to pay it all? Most people think that is reasonable.

Is it reasonable to say a 2-year statute of limitations in which an action must be brought after the injury? Most people think so. Is it reasonable to have a 15-year statute of repose?

The President had to go no further than a member of his own Cabinet, our former colleague in the previous Congress, Mr. Glickman, who led the efforts in the last Congress to try to save an industry in his district, a small aircraft industry, that was faced with a similar prospect of extinction to find that this is certainly reasonable.

Based on the test of reasonableness, I would urge this Congress to override the President's veto. I thank the gentleman for yielding time to me.

Mr. HYDE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. GEKAS], a valued member of the committee.

Mr. GEKAS. When the President vetoed this product liability bill, Mr. Speaker, he also vetoed heart transplants, brain shunts, medical devices for replacement of knees, of hips, of shoulders, 100 different types of medical devices that are lifesaving or health improving, borne by some 8 million Americans currently in the use of those medical devices and who knows how many yet to come who will require them. Why? Because the suppliers of vital elements that go into these medical devices have been going out of business or refusing to deal with the manufacturers of medical devices because of the large suits, liability suits that loom in front of them should they dare to supply a piece of plastic or a piece of wood or a piece of some other kind of element that goes into one of these medical devices, even if that little piece of that medical device had nothing to do at all with the injury that brought about the liability suit in the first place.

What this bill would have done, if the President would have signed it, would have been to release some of these companies from the burden of supplying some of these vital elements to medical devices, and we then in the Congress could rejoice on making ample supplies of these medical devices available to our fellow Americans.

I urge we override this veto so we can go about the business of encouraging the scientific community and the medical community to develop even better medical devices, more in tune with life saving and health improvement than even now we have on the books, and allow the President to be enlightened that a veto such as the one he has exercised here threatens the lives and the health of our fellow Americans.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. MARKEY], one of the unsung members of the Committee on Commerce.

Mr. MARKEY. Mr. Speaker, the Common Sense Product Liability Legal Reform Act is an interesting title for this bill. I suppose the Republican majority decided to put common sense into the title because it is so clearly absent from the rest of the bill.

This legislation would take away the rights of working American families to meaningfully punish huge corporations that put faulty and sometimes deadly products onto the market and hurt American families. Eliminating such protections would give product manufacturers or sellers a green light to cut dangerous corners, to reap higher profits. The result? More deadly products like the Dalkon Shield, exploding Ford Pintos, flammable children's pajamas, defective heart valves and other nightmares that cause serious injury or death.

Now, interestingly, these cases are only 1 percent of the cases. Thirty-three percent of the cases in the courts are businesses suing other businesses.

And the National Law Journal, looking into 12,000 cases that have gone on for more than 3 years in Federal court, came to the conclusion that almost all of them were businesses suing other businesses.

If we are going to deal with the backlog problem, let us look at that, not whether or not an individual where a lawnmower blew up in the wife or the daughter or the child's face can sue to collect. Let us deal with these businesses. So what weighty legal issues are businesses suing each other over? Let us take a look.

McDonald's sought a temporary restraining order to prevent Burger King from airing ads comparing the Big Mac unfavorably to the Whopper. Haagen Daz sued Frusen Gladje, alleging that it had infringed on Haagen Daz's exclusive right to market premium ice cream with a Scandinavian flair. Walt Disney sued the Motion Picture Academy to force a public apology for an unflattering portrayal of Snow White at the Academy Awards ceremonies. Scott Paper sued Proctor & Gamble claiming that it allegedly misled consumers about the absorptive power of Bounty paper towels by claiming Bounty was the quicker picker-upper.

And finally, Hormel Foods, maker of the luncheon meat Spam sued the Muppets production company to stop them from calling a character in a new Muppets movie Spa'am, alleging that the character represented an unclean, grotesque boar that would call into question the purity and the quality of its products. So the Republicans want to give Spam the right to put the Muppets on the witness stand to resolve these business issues, even if it takes 2 or 3 years in court. But if Joe Citizen has a defective product which has maimed him or his wife or any of his children, you are out of luck. We are putting limits on you. You are ruining the court system with the 1 percent of cases you bring in. The individual against businesses. But if businesses sue other businesses, no restrictions whatsoever.

This is the world on its head. This is a special interest business protection against individual Americans making corporations responsible for their own actions when they hurt Americans in our country.

The President's veto should be sustained.

Mr. BLILEY. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. TAUZIN], a member of the committee.

Mr. TAUZIN. Mr. Speaker, what can we conclude about this Presidential veto? This is the second time the President has vetoed a tort reform bill passed by this House and Senate, passed by large numbers of both Republicans and Democrats. In fact, the last time he vetoed a tort reform bill we did, in fact, override his veto.

What can we conclude about this veto? First of all, we can conclude the President must think this bill is extreme. The gentleman in the well who just spoke obviously agrees with him. But the Democratic Senator ROCKEFELLER who supports the bill on the Senate side said special interests and raw political considerations of the White House have overridden sound policy judgment. Democratic Senator LIEBERMAN who worked closely with the President throughout this process said, President Clinton is dead wrong about this bill. It must be reasonable.

Let us look at the bill. It says that it is going to hold manufacturers primarily responsible instead of sellers. It says that it is going to reduce manufacturers' liability to the extent that a claimant has altered or misused a product. And it says that there is an absolute defense to drug and alcohol abuse. That certainly sounds reasonable to me.

What can we conclude? The President is against all tort reform. We ought to override his veto.

Mr. CONYERS. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. WATT], a member of the Committee on the Judiciary.

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentleman for yielding time to me.

My good friend's comments, the gentleman from Virginia [Mr. BLILEY], about trial lawyers reminded me of the saying that we always use when we are condemning lawyers: First thing we do, let us kill all the lawyers.

I want to remind my colleagues that that comment we often use comes from Shakespeare, "Henry VI."

☐ 1930

Mr. Speaker, in the sense in which that line is used, a corrupt king and his followers are trying to figure out how to suspend everybody's freedoms and rights, and the only folks who could possibly stop that from happening? My colleagues guessed it: the lawyers.

So kill all the lawyers, if my colleagues want, but what they are trying to do in this case is to stand between the Republicans and the suspensions of the rights of the people, the people in this country.

As the gentleman from Massachusetts [Mr. MARKEY] has indicated there is no litigation explosion in product liability cases. The litigation explosion is in business versus business cases.

We have talked a lot about, in this Congress, personal responsibility. Punitive damages, and having individuals have the right to file lawsuits when they are injured by faulty products, is about corporate responsibility. If we favor personal responsibility, should we not also favor corporate responsibility?

And what about States' rights? I have talked about that before. My colleagues have talked about it and say they supported it. But for years and years and years, product liability has been determined under State law, and here we are, federalizing product liability.

Mr. BLILEY. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. WHITE], a member of the committee.

Mr. WHITE. Mr. Speaker, I would like to ask my colleagues to consider a question.

Let us say you have a neighbor who has a drinking problem, and one night he goes out and has too many drinks, he comes home, parks in front of my colleague's house, it is a wonder how he got there in the first place. He gets out of the car, barely can walk home, and on the way to his house, in front of my colleague's house, he falls down and hits his head on the mailbox.

Now, Mr. Speaker, do my colleagues think they should have to pay his medical expenses? I tell my colleagues something: President Clinton does. Because he vetoed this bill which solved that problem, among many other problems we have in our legal system.

Mr. Speaker, I am a lawyer. I have great respect for the law. But the fact is anybody who has practiced law in our system recently knows it is dramatically out of whack and needs to be fixed. This bill is a modest step in that direction. We should override the President's veto and make sure this actually becomes law.

Mr. CONYERS. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE], a member of the committee.

Ms. JACKSON-LEE of Texas. Mr. Speaker, this is a "three strikes, you're out" bill, and for my colleagues, many of our States already have contributory negligence laws to accord for the poor fellow who has lost his way. But, No. 1, this legislation would say to someone, a woman who had been impacted in the 1980's by the Copper 7 intrauterine device by a company that knew that this particular device would keep women ultimately, because of its defect, from having children. Strike one, she would not be able to prevail under this proposed law.

Strike two: Just think of the two ladies in a Chicago elevator that fell to the ground because it had no slowing mechanism. They would not be able to prevail, though they were disabled for life, because it was older than 15 years old. How many of us get into elevators and begin to look to see when its last birthday was? Strike two.

Strike three: A farmer in 1990 was driving his tractor that he bought in 1966. It rolled over and killed him. He bought it from a Switzerland company, and he would not be able to prevail because it was older than 15 years old. Yet in Switzerland they were putting rollover fixtures in in 1959.

This is a bad bill. This is not a bill of special interests with the trial lawyers. This is about the American people. Let us vote for the American people, and let us sustain the President's veto.

Mr. Speaker, I rise today to express my opposition to this effort to override the President's veto of the conference report on H.R. 956, the product liability reform bill. This bill is not a good bill for consumers. It certainly does not level the playing field among consumers and manufactures.

While some elements of the current product liability system need to be reformed, this bill goes too far. There has been no great explosion of product liability lawsuits. The Justice Department's Bureau of Justice Statistics indicates that product liability cases represent only 1.6 percent of civil cases. Another influential study on product liability lawsuits indicates that there have been only an average of 14 jury awards of punitive damages annually for the last two decades.

Contrary to arguments made by proponents of the bill, the current system is not discouraging capital investment or increasing the costs of developing new products. In fact, the General Accounting Office reports that insurance costs to businesses represent less than 1 percent of most businesses' gross annual receipts. Moreover, the National Association of Insurance Commissioners indicate that product liability insurance premiums have dropped by nearly 30 percent over the last 6 years.

There are several real problems with this bill. First of all, it eliminates joint liability for noneconomic damages and caps punitive damages at $250,000 or two times compensatory damages, whichever is greater. The current system provides a powerful incentive for manufacturers to make strong efforts to ensure that their products are safe. A cap of $250,000 on punitive damages would mean that some large companies may incorporate this figure as a cost of doing business as they implement their quality control procedures for manufacturing products. Moreover, a provision in the bill permits judges to award punitive damages exceeding 250,000 in egregious circumstances would rarely be exercised.

Second, it preempts State law when such law favor consumers and defers to State law when such provisions favor the manufacturers. It also raises the burden of proof standard to clear and convincing evidence in order for a plaintiff to prevail in a lawsuit. It is interesting to note that many members of the majority party who strongly favor State rights are now eager to impose uniform, Federal product liability standards on all 50 States.

Another problem with this bill is that it eliminates joint and several liability for noneconomic losses because of its potentially disproportionate impact on women, children, and the elderly. It does, however, retain joint and several liability for economic losses such as lost wages. Noneconomic losses such as disfigurement or loss of fertility should be treated by the legal system the same way as economic losses such as lost wages.

Additionally, I am concerned about the statute of repose provision that prohibits courts from awarding damages for injuries caused by durable goods that are 15 years or older. The definition of durable goods is narrow and excludes various consumer products.

Mr. Speaker, I urge the Members of the House to sustain the President's veto.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. COX], chairman of the policy committee, a member of the Committee on Commerce.

Mr. COX of California. Mr. Speaker, to respond to my colleagues, when something is 15 years old, 20 years old, 30 years old, 100 years old, at some point the manufacturer stops being liable and the person who is responsible for maintaining the piece of equipment ought to become liable, and that is the common sense that is in this bill.

The truth is that in my part of the country, in California, southern California, we have a lot of lawyers in West Los Angeles. Just that part of the city, there are more lawyers than in all of Japan. California, our fourth largest industry is lawyers, just judged by their legal fees. The only bigger industries in California are health care, the movie industry, and computers. No. 4 is lawyers fees.

Our system is a great wheel of fortune, and to respond to my colleague from Massachusetts about the fraction of cases that have punitive damage awards or the fraction of cases that we are talking about here, over 90 percent of all cases never get a single day of trial. Therefore, they have no judgments; therefore, they have no damages. Everybody settles on the basis of what we euphemistically call transaction costs, by which we mean some sort of discounted estimation of the lawyers fees it would take to get to the other end, and, therefore, there is not any justice. Or if there is justice, it is entirely random.

We started out in the House of Representatives with a much broader bill. We covered services as well as products. We covered health care lawsuits. All of this now is out. We are down to products, and my colleague from Massachusetts joined with others to get everything else out of the bill, and now he says we are only covering products. In fact, he took out a rule that would have made people bringing frivolous lawsuits pay the costs of the other side so that we get all of those cases out of the courts, and now we are down to this.

The Washington Post has endorsed it. It is very reasonable. Our Democratic colleagues in the Senate have said President Clinton here is catering to special interests. I would not say that. But the truth is that the high cost of litigation, the perverse incentives, the slow cumbersome system that we have got right now, demands reform which we have not had here for 40 years.

This bill deserves to become law. Override President Clinton's veto. He has proven there is no tort reform he will support. It is up to us to see this job through.

Mr. BLILEY. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. GANSKE], a member of the committee.

Mr. GANSKE. Mr. Speaker, I rise today in strong support of overriding the President's veto on the product liability bill.

A recent op-ed in my hometown newspaper criticized the tort reform bill because it made it more difficult to collect punitive damages, but that is the purpose of the bill.

When we see an Alabama jury awarding $4 million in punitive damages in a case in which the plaintiff sustained only $4,000 in natural losses, something is wrong.

Why do we need limits to punitive damages? Because the costs are passed on to our constituents who pay more for goods and services to make up for the high price of lawsuit abuse.

This legislation would ensure the injured parties are fully compensated for all their losses, both economic and noneconomic. But it would prevent them from hurting others by the excessive awards of punitive damages which keep people from getting the types of goods and services they need.

Mr. Speaker, I urge my colleagues to join me in overriding the President's veto.

Mr. CONYERS. Mr. Speaker, I yield myself 10 seconds to respond to a question asked earlier by the chairman.

Mr. Speaker, he wanted to know the name of somebody who could get their victims rights cut off and could not even sue. I give him the name of Carla Miller because, under the statute of repose, we would cut off any ability to recover in cases of clear misconduct or negligence.

Mr. Speaker, I yield 20 seconds to the gentlewoman from California [Ms. LOFGREN], a member of the Committee on the Judiciary.

Ms. LOFGREN. Mr. Speaker, I have heard a lot of talk today about what the people want. Six weeks ago, the people of California considered whether or not they should lose their right to a recovery when wrongdoing occurred, and they voted not to do that. I think that when they find out that the tobacco companies, the NRA and others want to keep them from holding wrongdoers to account, that the Consumers Union and Mothers Against Drunk Driving disagree, that they will agree with me that we should not override the President's veto.

Mr. BLILEY. Mr. Speaker, I ask unanimous consent to yield the balance of my time to the gentleman from Illinois [Mr. HYDE].

The SPEAKER pro tempore (Mr. BOEHNER). Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. CONYERS. Mr. Speaker, I yield the remainder of the time on this side to the distinguished gentleman from Michigan [Mr. BONIOR].

The SPEAKER pro tempore. The gentleman from Michigan is recognized for 2 minutes.

Mr. BONIOR. Mr. Speaker, let us be clear what this bill does. If one is a corporate CEO, he can make $1 million a year; God forbid he should be in an accident because of a product malfunction. This bill says that he can receive full recovery of his economic losses. But if one is a working mom, she makes $15,000 a year, and she should get in that same accident, and that accident involves more than one wrongdoer, and God forbid she should lose her ability to have children, she may never be fully compensated for her pain and loss. That is what this bill does.

It says that the lives of corporate CEO's and the bankers and the economic elite in our country are more important and more valuable than the lives of working men and women.

Mr. Speaker, we do not need a bill that tilts the balance away from victims of defective products and toward the big corporations who make them, and we certainly do not need a bill that gives foreign manufacturers a leg up on American companies. If foreign businesses can sell their products here, they should be held accountable if anything goes wrong.

Mr. Speaker, we live in a country where 98 percent of all the income growth since 1979 has gone to the top 20 percent, yet four times in this House alone the Republicans and their leadership have blocked our efforts to raise the minimum wage, and today once again we are trying to write special rules for the privileged and the wealthy. Enough is enough. It is a tragedy when anybody is injured by a faulty product. Let us not make women and children and seniors pay a special price.

Mr. Speaker, these are the reasons why the President vetoed the bill. I urge my colleagues, stand up for fairness, stand up for working families, help us sustain the President's veto, and stand up for fairness for a change.

☐ 1945

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume. This has been an interesting debate, and remarkable by statements from the other side, many of whose Members know so many things that are just not so, Mr. Speaker.

The gentlewoman from Houston, TX, talked about an elevator older than 15 years falling to the ground in a building, and denying the passenger a chance to recover. My gosh, that is a negligence suit. Any building that would have a faulty elevator, any lawyer that you can name would have a theory to sue on that one and take the building over for damages.

Mr. Speaker, nobody is denied a right to sue for damages. I heard that again and again and again. It is the runaway punitive damages. You can get your pain and suffering, your loss of use, your permanent disability, your out-of-pocket expenses. Those are all recoverable. It is the punitive damages that also are recoverable, but are restricted from running away. That is all this bill does.

Mr. Speaker, we heard about the minimum wage from more than one or two speakers. We heard it from my friend, the gentleman from Michigan, and we heard it from the other gentleman from Michigan. This has been an all-Michigan presentation, with the gentlemen from Michigan, Mr. DINGELL, Mr. BONIOR, and Mr. CONYERS. I am sorry we could not match you in Michiganders.

But we heard about the minimum wage, we heard about the Consumer Product Safety Commission, we heard about everything but this bill. This bill protects a legitimate plaintiff. It does not do an awful lot for the plaintiff's lawyers, but they do pretty good anyway. I hate to say they are a special interest, but I do not think being a special interest is the worst thing in the world. So are teachers; so are Congressmen, for that matter.

Mr. Speaker, I suggest that if Members want to maintain the status quo, then stay with the President. But if they agree with Senators ROCKEFELLER and LIEBERMAN and other Democrats, as well as ourselves, then vote to override.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in support of the Presidential veto of H.R. 956, and I do so for a number of reasons. First and foremost, is the fact that it is far from the commonsense reform that it has been advertised to be. While this legislation is bolstered by a good deal for Gingrich-Armey Republican rhetoric, it is supported by little empirical need.

This bill as passed by the radical Republicans, goes against States' rights, it imposes arbitrary ceilings on punitive damages, eliminates joint liability for noneconomic damages such as pain and suffering which prevents many persons from receiving full compensation when injured, and it unjustly discriminates against the most vulnerable members of our society—the elderly, the poor, the young, and women.

Liability costs to American industries represent less than 1 percent of their total operating costs and the fact remains that all companies, both foreign and domestic, are subject to the same laws in each State as well as abroad. What the current product liability system has done is increased American innovation and our reputation for safe and reliable products—something in which we can take pride and must continue.

Mr. Speaker, H.R. 956, as passed, represented an absolute Federal power grab in an area that has historically been the province of the States. As a popular phrase in my city of Chicago states, "Stick around and the weather is bound to change," and it seems a similar phrase could be used to refer to the manner in which my friends on the other side of the aisle continue to legislate with respect to State's rights.

Once again, the Gingrich-Armey Republicans have shoved down the throats of the American public a big business special aid bill, and we are thankful for a courageous President who isn't afraid to stand up for the people as he did when he vetoed this bill.

People who have been wronged by negligence and failure of big business to address issues of safety and sanity deserve to be able to seek and get remedies that include monetary damages. This bill would only undermine the ability of courts to provide relief to victims of harmful products, and thereby take away incentives to protect the health and safety of the public.

For these reasons, I urge my colleagues to vote to sustain the President's veto of H.R. 956.

Mr. MANZULLO. Mr. Speaker, I rise in support of overriding President Clinton's veto of the Product Liability and Legal Reform Act and urge my colleagues to support this effort.

I think it's unfortunate that the President fails to understand the plight of small businesses and manufacturers—those entities that are the engines that drive our economy—who are the victims of unreasonable liability lawsuits. These lawsuits stifle innovation, erode competitiveness, and cost money that would otherwise be reinvested to increase productivity and job growth. Whether or not the President appreciates it, this plight is real and affects companies all across our Nation. I can point to a typical example from a small company in my own district, Mattison Technologies in Rockford, IL.

Mattison has been manufacturing machine tools for 100 years and presently employs 150 workers. Yet, despite establishing a stellar record for quality and craftsmanship, Mattison is facing liability lawsuits involving some of its products that are as old as the company itself. Recently, it was sued for a machine tool it built way back in 1917. In 1917—the year Americans went off to fight in World War I. Mattison's general manager, Robert Jennings, justifiably complains that they are being penalized for machines built 60 and even 70 years ago, "for building quality and longevity into our equipment, yet we believe this is what Made in America is all about."

The bill the President vetoed would help rectify this problem by preventing lawsuits against manufacturers of products more than 15 years after delivery. This is certainly a reasonable step and one that would have a tremendous impact on the approximately 1,800 companies in the district I represent.

Mr. Chairman, these types of liability lawsuits do not have to happen. They should not happen. The one obstacle that prevents them from stopping is the President's veto pen. Today, we here in this body have an opportunity to support small businesses and manufacturers and encourage productivity and economic growth. We can do this by voting to override the President's veto. I urge my colleagues to join me in this effort.

Mr. PAXON. Mr. Speaker, the long overdue reforms contained in H.R. 956 will restore fairness and efficiency to our Nation's legal system, by instituting a series of modest reforms to our Nation's product liability laws.

A majority of Americans believe that our Nation's legal system is out of control and is in need of serious reform. As our courts become clogged with frivolous lawsuits, those Americans who have been truly injured must wait months, sometimes years, for their cases to be heard.

Our current legal system actually denies justice to those Americans who need it most. This legislation will put justice back in our justice system.

I have been a strong supporter of H.R. 956 since it was first considered in the House Commerce Committee, on which I serve.

Should this override attempt be unsuccessful, I am confident that next year Congress will consider and approve not only product liability reform legislation, but comprehensive reform of our Nation's legal system.

The SPEAKER pro tempore (Mr. BOEHNER). All time for debate has expired.

Pursuant to the order of the House of Monday, May 6, 1996, the previous question is ordered.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 258, nays 163, not voting 13, as follows:

[Roll No. 162]

YEAS—258

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dingell
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Gordon
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennelly
Kim
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Minge
Montgomery
Moorhead
Moran
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Payne (VA)
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Reed
Regula
Riggs
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—163

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Beilenson
Bentsen
Berman
Bishop
Bonior
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clyburn
Coble
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dixon
Doggett
Doyle
Durbin
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Green (TX)
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kildee
King
Kleczka
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Richardson
Rivers
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schumer
Scott
Serrano
Skaggs
Skelton
Stark
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—13

Becerra
Bevill
Dickey
Engel
Klink
Laughlin
Molinari
Paxon
Roberts
Schroeder
Tanner
Torricelli
Weldon (PA)

□ 2011

Mr. EDWARDS and Mr. HEFNER changed their vote from "nay" to "yea."

So, two-thirds not have voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. KNOLLENBERG). The bill and the message will be referred to the Committee on the Judiciary.

The Clerk will notify the Senate of the action of the House.

PROVIDING FOR CONSIDERATION OF H.R. 3322, OMNIBUS CIVILIAN SCIENCE AUTHORIZATION ACT OF 1996

Ms. GREENE of Utah. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 427 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 427

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3322) to authorize appropriations for fiscal year 1997 for civilian science activities of the Federal Government, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 2(l)(2) of rule XI are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Science. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered by title rather than by section. The first section and each title shall be considered as read. Points of order against provisions in the bill for failure to comply with clause 5(a) of rule XXI are waived. Before consideration of any other amendment it shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Walker of Pennsylvania or his designee. That amendment shall be considered as read, may amend portions of the bill not yet read for amendment, shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. If that amendment is adopted, the bill, as amended, shall be considered as the original bill for the purpose of further amendment. During further consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause

6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 2015

The SPEAKER pro tempore (Mr. KNOLLENBERG). The gentlewoman from Utah [Ms. GREENE] is recognized for 1 hour.

Ms. GREENE of Utah. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, H. Res. 427 provides for consideration of H.R. 3322, the Omnibus Civilian Science Authorization Act. This is an open rule providing for one hour of debate. The resolution makes in order a manager's amendment, and gives priority recognition to Members who have had their amendments preprinted in the CONGRESSIONAL RECORD. The resolution waives the House rule requiring a quorum in order to report a bill. The Rules Committee understands that this is a technical violation, and that there was no intentional violation of the rules. In addition, there are two technical violations in the bill relating to appropriating in a legislative bill. The resolution waives that rule as the Committee understands that the manager's amendment will address these concerns. Finally, the resolution provides for one motion to recommit.

Mr. Speaker, this is an open rule providing for consideration of a bill to authorize fiscal year 1997 appropriations for most programs and missions under the jurisdiction of the Science Committee. H.R. 3322 authorizes spending for the following programs:

The National Science Foundation; the National Aeronautics and Space Administration [NASA]; the National Oceanic and Atmospheric Administration [NOAA]; The Environmental Protection Agency [EPA]; various scientific and technical research programs within the National Institute of Standards and Technology [NIST]; Federal fire prevention and control; and research, engineering and development within the Federal Aviation Administration [FAA].

I would like to commend the chairman, the gentleman from Pennsylvania, BOB WALKER, for crafting a bill that makes the necessary tough budget decisions and, at the same time, makes responsible decisions to ensure that we fund our highest priority programs.

This open rule will give Members the opportunity to offer any amendments that they feel will address their concerns with the bill and fully participate in the amendment process. I urge my colleagues to support this resolution and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentlewoman from Utah [Ms. GREENE] for yielding the customary 30 minutes of debate time to me. I yield myself such time as I may consume.

Mr. Speaker, we support this open rule for H.R. 3322, the omnibus civilian science authorization bill.

However, we believe this bill is seriously encumbered by the Science Committee's indifference to and disregard of the deliberative committee process. And we are disturbed that the Committee on Rules is, in effect, condoning those procedural abuses.

Frankly, we would find the way this bill was brought to the floor disturbing, whatever the rule provided. The type of rule, in this case, is not the issue.

The issue is process, and it is one that should be of special concern to the Committee on Rules—the committee charged with ensuring that regular procedure and rules are followed, unless there is a very good reason for not doing so.

Mr. Speaker, one specific waiver in the rule illustrates most strongly our concerns about the way H.R. 3322 was considered, and the haste with which it was reported.

The rule waives clause 2(l)(2) of rule XI against this bill, a rule that requires that a quorum be present when a committee reports a measure. That is a rule that was never specifically waived when Democrats were in the majority.

The rule is being waived in this instance because the bill, H.R. 3322, was never actually before the Science Committee when the committee reported the legislation. Instead, the Committee followed an unusual route, reporting out the chairman's mark of this bill, which was introduced the next day.

Chairman WALKER testified to the Rules Committee that his committee misunderstood the advice they were given on how best to proceed at that point, and we accept his explanation.

However, our point is that the waiver reflects the far too prevalent pattern of circumvention of the standard committee process in bringing bills to the floor.

If the standard process had been followed, with subcommittee markups and the full committee considering the subcommittees' products rather than a chairman's mark that few people had seen, this situation would have been averted.

Mr. Speaker, further complicating the way the bill was considered, the Science Committee, as it did for the first time last year, combined several of its major authorization bills into one omnibus measure. The bill this rule makes in order should actually be receiving the time we would have given, in past Congresses, to five bills.

Merging most of the authorization bills for civilian research and development, usually considered separately, into a single, multi-billion dollar markup vehicle meant that members of the committee had much less time, and so were unable to focus on all the important issues. The effect will be the same on the House floor, limiting debate and deliberations severely.

In our opinion, that is extremely unwise, especially when we are considering the direction of programs that represent major investments in our Nation's future.

The ranking member of the committee, the gentleman from California [Mr. BROWN] predicted last year that this strategy would be unsuccessful in the Senate, where the separate authorizations are unlikely to be considered in one omnibus package. He was correct.

So it is especially difficult to understand why the majority decided to pursue once again this strategy that seems doomed to failure.

In addition, we are disturbed about the chairman's decision to bypass subcommittee markups on this bill, which instead went directly to the full committee for markup.

This action was taken despite the official objections of the ranking Democratic subcommittee members, who noted in dissenting views in the committee report that the entire process by which the committee considered the bill "represents a new low point in the increasing marginalization of the committee's deliberative process."

The distinguished ranking member of the Science Committee, Mr. BROWN, described the process by which the bill was considered as one that minimized, at every opportunity, careful consideration and thoughtful debate.

As my colleagues well know, the ranking member is the perfect example of type of policy specialist who has served the committee system in the House so well and so fairly.

We should be making the maximum use of his expertise. His warnings about this bill, about the way it has been and is being considered, should not go unheeded.

His concerns go to the heart of the importance of the authorization process that gives the House the opportunity to consider broad policy issues after conscientious consideration under the committee hearing and markup process.

The gentleman has been speaking eloquently about the significance of this procedure for many years, and I fear we have not listened carefully enough to his warnings about abusing the deliberative authorization process.

Certainly, we ought to have more time and more information before we cut so severely programs that are crucial to how we make investments in new knowledge and technologies.

Mr. Speaker, the ranking member brought other procedural concerns to our attention:

Instead of negotiating with members of the majority on the committee who opposed his energy R&D proposal, the Chairman simply took those provisions out of the bill entirely, even though those programs are a major component of Federal civilian basic research funding.

The committee was required to comply with artificial budget constraints, even though we have no House-passed budget resolution that suggests any kind of caps or cuts in funding.

The committee was given an inadequate amount of time to study the bill before markup. Members has little time to read the bill, much less understand the ramifications of its provisions. Further, the hearing record that should back up the legislative product was totally inadequate, giving members little opportunity to make informed policy choices.

Mr. Speaker, the substance of the bill itself is disturbing. It represents a continuation of the trend in last year's budget resolution, which called for a 33-percent cut in civilian research and development by the year 2002. It cuts more than $1.3 billion from the President's budget request, which many Members consider very modest.

The bill unfortunately also continues the disinvestment in the scientific infrastructure that supports our understanding of the environment by further cutting the programs that bring better science to bear on environmental problems. It reduces funding for key environmental research in global change by cutting NASA's Mission to Planet Earth and research at NOAA and EPA.

Unwisely in our opinion, it would effectively terminate much of the research to determine the validity of the global warming phenomenon.

It continues the attack on the National Science Foundation's research in social and behavioral sciences without the benefit of hearings or oversight.

It damages our ability to stay competitive in international markets, by eliminating the Advanced Technology Program and severely cutting the Manufacturing Extension Program.

All in all, Mr. Speaker, this omnibus bill represents a massive disinvestment in our civilian research and development efforts, at a time we should be doing just the opposite.

We shall be supporting the substitute to be offered by the ranking member of the Science Committee. It is a good alternative that maintains a proper level of funding in technology development and environmental research programs. We must continue our strong support for our Nation's R&D programs, and we believe the substitute deserves support.

Mr. Speaker, to repeat, we support this open rule. It is especially important for a bill that is so seriously lacking in the type of thoughtful committee consideration that it deserved.

Mr. Speaker, I reserve the balance of my time.

Ms. GREENE of Utah. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in terms of the process on this bill, we feel confident that there is no intentional violation of the rules, and there is not a pattern of disregarding the rules of the committee. The substance of the bill will be addressed through this open rule, and any Member who has concerns about any shortcomings they feel are present in the bill will have an opportunity to offer such amendments as they feel appropriate.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. GREENE of Utah. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 3286, ADOPTION PROMOTION AND STABILITY ACT OF 1996

Ms. PRYCE. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 428 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 428

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3286) to help families defray adoption costs, and to promote the adoption of minority children. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; (2) an amendment to title II of the bill, as amended, if offered by Representative Gibbons of Florida or his designee, which shall be considered as read and shall be separately debatable for thirty minutes equally divided and controlled by the proponent and an opponent; (3) the amendment recommended by the Committee on Resources (applied to the bill, as amended), if offered by Representative Young of Alaska or a designee, which shall be considered as read and shall be separately debatable for thirty minutes equally divided and controlled by the proponent and an opponent; and (4) one motion to recommit, which may include instructions only if offered by the minority leader or his designee.

The SPEAKER pro tempore (Mrs. MORELLA). The gentlewoman from Ohio [Ms. PRYCE] is recognized for 1 hour.

Ms. PRYCE. Madam Speaker, for the purpose of debate only, I yield the customary 30 minutes to my good friend, the gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Ms. PRYCE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and that I be permitted to insert extraneous materials in the RECORD on H.R. 3286.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. PRYCE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, House Resolution 428 provides for the consideration of H.R. 3286, the Adoption Promotion and Stability Act of 1996, under a modified closed rule. The rule provides for 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

The rule also provides for consideration of the bill in the House without intervention of any point of order, and makes in order the amendment in the nature of a substitute recommended by the Committee on Ways and Means, now printed in the bill.

The rule provides for the consideration of an amendment to title II of the bill, as amended, if offered by Representative GIBBONS of Florida, or his designee. The amendment will be considered as read, and will be debatable for 30 minutes equally divided between the proponent and an opponent.

The rule further provides for the consideration of the amendment recommended by the Committee on Resources, if offered by Representative YOUNG of Alaska, or his designee. That amendment will also be considered as read, and will be debatable for 30 minutes equally divided between the proponent and an opponent.

Finally, the rule provides for one motion to recommit, which may include instructions only if offered by the minority leader or his designee.

Madam Speaker, let me say that with respect to the amendment process, the Rules Committee has tried to be fair and balanced, allowing one amendment to be offered from each side of the aisle. Although the Committee heard testimony on several worthwhile amendments to the bill, some of which I individually supported, many of the proposals would have affected titles under the jurisdiction of the Ways and Means Committee.

As my colleagues may know, in the past the Rules Committee has observed the bipartisan custom of carefully limiting amendments to matters within the jurisdiction of the Ways and Means Committee, especially proposals that would directly affect the Tax Code and Federal revenues, as we continue to do so under this rule.

Madam Speaker, today, under the terms of this fair rule, the House will consider important legislation that seeks to promote and encourage the practice of adoption. As an adoptive parent myself, I can say quite honestly that being able to provide a child with a safe, stable, and loving family environment through a successful adoption can be one of life's most rewarding experiences.

Unfortunately, adoption in the United States is all too rare. The best available information indicates that roughly 450,000 children live in foster care at any given moment.

Although Federal programs exist to support adoption, foster care, and family services, significant obstacles still remain. Adoption costs alone present a major disincentive, but in addition, parents are forced to think twice out of fear that an adoptive placement may be reversed, and a close family unit tragically torn apart.

The bill, and this rule, reflect our belief that Federal policy must be directed toward removing the barriers that currently discourage adoption. To that end, H.R. 3286 contains three elements that are essential to any successful pro-adoption strategy.

First, the legislation recognizes that the very costs associated with adoption, which can be as much as $15,000 or more in some cases, are a significant obstacle. To help families defray these costs, the bill includes an invaluable tax credit for up to $5,000 for qualified adoption expenses, and recommends specific revenue offsets to pay for that tax credit.

Second, H.R. 3286 seeks to remove barriers to inter-ethnic adoption. The bill would prohibit a State or any other entity that receives Federal assistance from denying or delaying a child's adoption because of the race, color, or national origin of the child or the person seeking to adopt the child. Hopefully, this provision will help ensure that more minority children will find their way into loving homes across the country, regardless of the race of the family seeking to adopt.

Finally, this legislation addresses a subject which many of my colleagues and I believe is critical to preserving the long-term protection of children and stability of adoptive placements once they are made. Title III of the bill contains provisions to make very modest reforms to the Indian Child Welfare Act, which is the 1978 law governing the custody of Native American children.

Let me be clear about one thing, Madam Speaker: I believe the act, or ICWA, as it is also known, was well-intentioned legislation, and I remain very supportive of its original and intended objective. The former practice of placing Indian children outside of their tribes merely due to cultural differences was clearly shameful.

However, the subsequent misapplication of ICWA to overturn and disrupt adoptions where the children involved have no tribal affiliation and only a minimal degree of Indian lineage, is equally shameful.

Clarification of this law is absolutely essential. The act's overly broad interpretation by Government-paid lawyers and liberal courts has had unintended and very very tragic consequences for children, adoptive parents, and birth parents alike. In many cases, voluntary adoptions, consented to by birth parents, have been prevented by courts that have misapplied ICWA. And, children with as little as 1/64 of Native American heritage have been deemed to be covered under the act, and removed from the only homes they've known.

As a result, the law's broad application has discouraged adoption, even of Indian and non-Indian children alike. It has generated extensive and expensive litigation, and it has led to the heart-wrenching anguish of removing children from the only parents and homes they have ever known. Indian children are now more likely to languish in foster homes because some tribes will not allow their adoption by non-Indian parents, or because prospective parents are not willing to consider adoption of children who may be subject to ICWA claims at a later point in time. This modest proposal removes one more obstacle for couples who want to offer loving homes to children, but don't because they fear becoming the next front page news story of an adoption tragedy.

Madam Speaker, I know that the distinguished chairman of the Resources Committee, Mr. YOUNG, and I have different views on the ICWA issue. Under this rule, the gentleman from Alaska will have the opportunity to be heard on his amendment to the bill. But, I hope my colleagues will understand that the language in title III provides nothing more than a common sense clarification of ICWA, to the benefit of all children in need of loving, permanent homes, without infringing upon the sovereignty and rights of the Native American community.

My concern is simply that we have lost sight of what is in the best interests of the children involved. Children are not chattel, Mr. Speaker, nor are they the personal property of Indian tribes or their parents. They are individuals who have precious, unique, fundamental rights and needs. Above all, they have the right to permanency in a loving, nurturing family environment with stability and security. They have these rights regardless of their race, as do all American children. So, I would ask my colleagues to do what is right for the children, and keep this essential title part of the pro-adoption package.

In closing, Madam Speaker, let me urge Members on both sides of the aisle to support this resolution. It is an appropriate and fair rule which is consistent with our past bipartisan practices. We have the opportunity to strengthen the American family by passing this adoption legislation today, and I urge every Member to vote "yes" on the rule, and to vote "yes" on the bill.

Madam Speaker, I include the following for the RECORD.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 104TH CONGRESS V. 104TH CONGRESS

[As of May 8, 1996]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open [2]	46	44	68	61
Modified Closed [3]	49	47	27	24
Closed [4]	9	9	17	15
Total	104	100	112	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of May 8, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	A: voice vote (10/11/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231–194 A: 227–192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps	PQ: 235–184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228–191 A: 235–185 (10/26/95).
		H.R. 2491	Seven-Year Balanced Budget	
H. Res. 251 (10/31/95)	C	H.R. 1833	Partial Birth Abortion Ban	A: 237–190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 2546	D.C. Approps.	A: 241–181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.J. Res. 115	Cont. Res. FY 1996	A: 216–210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.R. 2586	Debt Limit	A: 220–200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: voice vote (11/14/95).
H. Res. 261 (11/9/95)	C	H.J. Res. 115	Cont. Resolution	A: 223–182 (11/10/95).
H. Res. 262 (11/9/95)	C	H.R. 2586	Increase Debt Limit	A: 220–185 (11/10/95).
H. Res. 269 (11/15/95)	O	H.R. 2564	Lobbying Reform	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.J. Res. 122	Further Cont. Resolution	A: 229–176 (11/15/95).
H. Res. 273 (11/16/95)	MC	H.R. 2606	Prohibition on Funds for Bosnia	A: 239–181 (11/17/95).
H. Res. 284 (11/29/95)	O	H.R. 1788	Amtrak Reform	A: voice vote (11/30/95).
H. Res. 287 (11/30/95)	O	H.R. 1350	Maritime Security Act	A: voice vote (12/6/95).
H. Res. 293 (12/7/95)	C	H.R. 2621	Protect Federal Trust Funds	PQ: 223–183 A: 228–184 (12/14/95).
H. Res. 303 (12/13/95)	O	H.R. 1745	Utah Public Lands.	
H. Res. 309 (12/18/95)	C	H.Con. Res. 122	Budget Res. W/President	PQ: 230–188 A: 229–189 (12/19/95).
H. Res. 313 (12/19/95)	O	H.R. 558	Texas Low-Level Radioactive	A: voice vote (12/20/95).
H. Res. 323 (12/21/95)	C	H.R. 2677	Natl. Parks & Wildlife Refuge	Tabled (2/28/96).
H. Res. 366 (2/27/96)	MC	H.R. 2854	Farm Bill	PQ: 228–182 A: 244–168 (2/28/96).
H. Res. 368 (2/28/96)	O	H.R. 994	Small Business Growth	
H. Res. 371 (3/6/96)	C	H.R. 3021	Debt Limit Increase	A: voice vote (3/7/96).
H. Res. 372 (3/6/96)	MC	H.R. 3019	Cont. Approps. FY 1996	PQ: voice vote A: 235–175 (3/7/96).
H. Res. 380 (3/12/96)	MC	H.R. 2703	Effective Death Penalty	A: 251–157 (3/13/96).
H. Res. 384 (3/14/96)	MC	H.R. 2202	Immigration	PQ: 233–152 A: voice vote (3/21/96).
H. Res. 386 (3/20/96)	C	H.J. Res. 165	Further Cont. Approps	PQ: 234–187 A: 237–183 (3/21/96).
H. Res. 388 (3/20/96)	C	H.R. 125	Gun Crime Enforcement	A: 244–166 (3/22/96).
H. Res. 391 (3/27/96)	C	H.R. 3136	Contract w/America Advancement	PQ: 232–180 A: 232–177, (3/28/96).
H. Res. 392 (3/27/96)	MC	H.R. 3103	Health Coverage Affordability	PQ: 229–186 A: Voice Vote (3/29/96).
H. Res. 395 (3/29/96)	MC	H.J. Res. 159	Tax Limitation Const. Amdmt.	PQ: 232–168 A: 234–162 (4/15/96).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of May 8, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 396 (3/29/96)	O	H.R. 842	Truth in Budgeting Act	A: voice vote (4/17/96).
H. Res. 409 (4/23/96)	O	H.R. 2715	Paperwork Elimination Act	A: voice vote (4/24/96).
H. Res. 410 (4/23/96)	O	H.R. 1675	Natl. Wildlife Refuge	A: voice vote (4/24/96).
H. Res. 411 (4/23/96)	O	H.J. Res. 175	Further Cont. Approps. FY 1996	A: voice vote (4/24/96).
H. Res. 418 (4/30/96)	O	H.R. 2641	U.S. Marshals Service	PQ: 219–203 A: voice vote (5/1/96).
H. Res. 419 (4/30/96)	O	H.R. 2149	Ocean Shipping Reform	A: 422–0 (5/1/96).
H. Res. 421 (5/2/96)	O	H.R. 2974	Crimes Against Children & Elderly	A: Voice Vote (5/7/96).
H. Res. 422 (5/2/96)	O	H.R. 3120	Witness & Jury Tampering	A: Voice Vote (5/7/96).
H. Res. 426 (5/7/96)	O	H.R. 2406	U.S. Housing Act of 1996	PQ: 218–208 A: Voice Vote (5/8/96)
H. Res. 427 (5/7/96)	O	H.R. 3322	Omnibus Civilian Science Auth	
H. Res. 428 (5/7/96)	MC	H.R. 3286	Adoption Promotion & Stability	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

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Ms. PRYCE. Madam Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I thank my colleague from Ohio, Ms. PRYCE, for yielding me the time. I recognize the very special importance this bill has to my Ohio friend.

House Resolution 428 is a modified closed rule which will allow consideration of H.R. 3286, the Adoption Promotion and Stability Act of 1996.

As my colleague from Ohio described, this rule provides 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

It provides for only two amendments. Representative GIBBONS or his designee may offer one amendment to title II of the bill. Representative YOUNG of Alaska or his designee may offer the other amendment.

The rule provides for one motion to recommit, which may include instructions, if offered by the minority leader or his designee.

H.R. 3286 provides a tax credit to parents of an adopted child of up to $5,000 to cover certain adoption-related expenses. H.R. 3286 aims to bring more children from foster homes into loving families, which should be an important goal of our Nation.

Under the rule, no floor amendments may be offered to titles I and IV of the bill. This continues the custom of closed rules for tax-related bills from the Ways and Means Committee.

However, neither title II nor title III deals with tax matters, and title III falls under the jurisdiction of the Resources Committee. For these reasons, titles II and III should be subject to an open rule and fully amendable on the House floor.

Unfortunately, the Rules Committee chose to make only two amendments in order.

Madam Speaker, this bill makes an important contribution to strengthen American families by promoting adoption. I regret that under this rule, the House will be denied the full opportunity to amend the bill and add to the contribution that the bill makes.

Madam Speaker, I reserve the balance of my time.

Ms. PRYCE. Madam Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], my good friend who has been such a big help on this bill and the chairman of the Committee on Rules.

Mr. SOLOMON. Madam Speaker, I certainly thank the gentlewoman from Ohio [Ms. PRYCE] for yielding the time and I commend her for her leadership in bringing this legislation to the floor, along with the gentlewoman from New York [Ms. MOLINARI] and others, like the gentleman from Kansas [Mr. TIAHRT], because without all of this effort this bill would not be here today. It is so terribly, terribly important to the children of this Nation, Madam Speaker, that are really the future backbone of our Nation.

Madam Speaker, I am not going to bother to explain the rule and the contents of all of this legislation, except to say that there is one section in this bill, title III, that addresses what I consider overly broad interpretations of the Indian Child Welfare Act of 1978, and that needs to be clarified because its broad interpretations has prevented even voluntary adoptions by birth parents to other families. That is the part that is so sad.

This has caused the removal of children already settled in caring, in secure adoptive homes because the child may have as little as $\frac{1}{32}$ Native American blood or even $\frac{1}{64}$, and that is such a shame because, Madam Speaker, the Indian Child Welfare Act was passed in response to a terrible problem that existed back at that time because of unwarranted removals of children from public and private agencies.

Madam Speaker, this was clearly an unjust situation that needed to be corrected in order to protect the sanctity of the Native American family. But the way the Indian Child Welfare Act has been implemented has been, even voluntarily, extremely difficult. As a matter of fact, it has been impossible.

Therefore, this bill would fix that problem, and this is so important if Members are listening back in their offices, or whenever they are, because by exempting from tribal court those Indian child custody proceedings involving Indian children whose parents do not maintain significant social, cultural, or political affiliation with the tribe of which the parents are members, whether it is reining in government spending, providing tax breaks for families, or providing a healthy home life for all American children, this Congress has not lost its focus on ensuring a prosperous future for our children and our grandchildren.

Madam Speaker, let me speak from a personal experience just briefly. I almost never do this, Madam Speaker, but my dad walked out on me and my mom when I was born and we never laid eyes on him again. This was in 1930, back in the very beginning of the Depression.

Because of extenuating circumstances, I was separated from my mother for many, many years, 15 years. I can recall being shuttled from one home to another. But the thing I noticed the most was when I went to some other children's house and there was a mother and father there, I looked at them with such envy.

And then I look today at all of these children, 600,000 of them today that live in foster homes, and Madam Speaker, there are 2 million of them that are homeless that need homes, not just 600,000. And only 10 percent of those in foster care today have any kind of chance at all of being adopted.

Madam Speaker, that is not right. This legislation will correct that from the $5,000 tax credit, from the interracial problem that we are straightening out, and by saying to Indian children, even if you are registered with a tribe, that is fine. But you cannot come 6 months or 5 years later and snatch the children away from these loving, caring parents. That is not what is right. That is what we are trying to correct here today.

Madam Speaker, I say to my colleagues, please, please come over here and vote for this rule. But more important than that, vote against the amendment to be offered by the gentleman from Alaska [Mr. YOUNG], my dear friend, that would leave things exactly as they are, leave the status quo, and nothing would improve for all of these homeless children in America for another 4 or 5 years. We cannot let that happen.

Mr. HALL of Ohio. Madam Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. GEPHARDT], our very distinguished minority leader.

Mr. GEPHARDT. Madam Speaker, I rise to urge my colleagues to support this rule and to support this bill to make it easier and more affordable to adopt a child in this country.

We talk a lot about the issue of families in this Chamber, and what we can do to strengthen them, support them, and help them. This is a bill with broad bipartisan support that will actually make it easier to create families.

Too many precious young children grow up in foster care, shuttling from foster home to foster home without even one real parent to raise them to teach them basic values and decency, indeed to love them.

Right now, there are more than 5,000 children in foster care in my State of Missouri, over 1,100 in St. Louis city and County alone. But the simple fact is that there are parents longing to adopt them and care for them who simply cannot afford or think they cannot afford to do it.

Imagine this, that there are couples who are desperate to open their homes to children without families, yet they simply cannot meet the price tag. An adoption can cost as much as $20,000 in this country. I do not know of many families who can afford that kind of money. If we as a society really believe in family values, if we really want to put families first and fight for the children who will inherit this country, we have got to do all we can to encourage adoption to make it cheaper and to make it easier.

This bill will not solve all the problems, but it is an important start. A $5,000 tax credit could make the crucial difference for many middle-class families, families trying to get in the middle-class who want to adopt a child. By voting for this bill, we put our money where our mouths are. We create thousands of loving families where today there are shattered dreams. If you ask me, these are the kind of votes that we ought to have in this Chamber.

So, I urge my colleagues to support this rule, support this bill, and give children a chance at the kind of family life they need and so richly deserve.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to my friend, the gentlewoman from Utah [Ms. GREENE].

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Ms. GREENE of Utah. Madam Speaker, I rise in strong support of this rule and of the Adoption Promotion and Stability Act. This rule provides for fair consideration of these important issues. The House has traditionally considered legislation affecting revenues under a structured rule. This rule continues that tradition, and it also provides for a clear up or down vote on proposed changes to the Indian Child Welfare Act.

Madam Speaker, this bill will help eliminate the financial barriers that discourage families from adopting children. As an adopted child myself, I am very grateful that my parents had the means to complete the adoption process. But unfortunately, there are too many children today who need loving homes and who could be adopted but whose prospective families cannot afford the associated expenses, which can total $10,000 or $15,000 or more per adoption. This bill will give willing families the financial assistance they need to adopt children into stable, caring homes.

In addition, this bill will help ensure that more minority children are adopted. Currently about half of all children eligible for adoption in our country are minorities. Too often, current practice regarding racial preferences stands in the way of these children becoming part of a loving family. This bill will ensure that a child's adoption cannot be denied simply because of that child's race or national origin.

Finally, this bill will address some of the unintended consequences of the Indian Child Welfare Act. That act was established to correct the egregious situation of Native American children being forcefully removed from their homes without due process and for unwarranted reasons.

Unfortunately, however, the Indian Child Welfare Act has not always served the best interests of the child. The act has been applied beyond its intended purpose of protecting Indian children and their families, resulting in tragic consequences as the rights of prospective children and parents are made subordinate to tribal claims. This has had a chilling effect on adoptions. Most tragically, we see the anguish of children being removed from the only homes they have ever known.

I believe this bill will help clarify the scope of the Indian Child Welfare Act so that we can prevent these tragic situations and promote the adoption of children whose parents have no significant affiliation with the tribe.

I urge my colleagues to give more children the benefits of a loving home and parents that I had. I urge adoption of the rule and the bill.

Mr. HALL of Ohio. Madam Speaker, I yield 7 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Madam Speaker, I thank the gentleman for yielding time to me.

I commend the authors of this legislation for bringing it to the floor. I have spent almost my entire public life trying to make it easier for children to be adopted and to try to find permanent placements for children in foster care. The tax provisions of this bill, the tax credit here will obviously be very helpful in helping those families defray the cost of adoption, which for all too many families is in fact a very real barrier to adoption.

Madam Speaker, I am also happy with the changes that have been made. Unfortunately, they continue to be necessary on the interethnic adoption. I joined Senator Metzenbaum and others a couple of years ago to try to reduce these barriers and get rid of these barriers so that race would not become a barrier to adoption for those children.

As was stated here, we have some 450,000 children in adoption, most of whom are looking for permanent placement. We know the impacts of permanent placement on these children. They do much better in permanent placement, in a loving situation, than bouncing from foster home to foster home where their interests very often are just simply not taken care of in spite of the hundreds of thousands of wonderful foster parents that take children in, sometimes in the middle of the night with little or no notice.

Madam Speaker, I rise tonight to take issue with title III of this legislation that would take from Indian tribes of this Nation and of those Indian nations jurisdiction over the adoption of those Indian children. It would do so in the most egregious fashion under this legislation. While we have spent the last 14 months talking about devolving authority back to the State Governments and to local governments, in one fell swoop in this legislation what we would do is we would federally describe what is membership in a tribe. We would do that even in the case of where half of the largest tribe in this Nation probably could not meet that membership test.

But that is not a membership qualification for us to set. It is very difficult for people to understand that the Indian tribes in this country are sovereign nations. What the Indian Child Welfare Act sought to remedy, and that is not to suggest that it did it perfectly and that it cannot be improved, but what it sought to remedy was the invasion of those sovereign nations and their children being drained away from their nations, those children being adopted outside, out of sight of the tribe, far in excess of their numbers.

But it does that now to suggest that somehow, if the parent does not meet a two-part test, that the tribe has no interest in that child and maybe even the grandparents have no interest in that child, no matter how loving those grandparents might be of that child, because perhaps their child left the reservation, went to live in the city, maybe for whatever reasons got married, did not get married but had a child. We are now going to test the interest of that child and that tribe and those grandparents against the actions of the parent of that child. We are now determining who is and who is not a member of a tribe for the purposes of the enforcement of tribal laws, customs and heritage.

We do not do that with adoptions in the State of California, the State of

Ohio, the State of Indiana, State of Florida. We do not do that. But the suggestion here is that somehow the tribes have mismanaged this or somehow the tribes are not doing a decent job or somehow the tribes are coming and yanking children out of adoptions when they are finalized. That is not the case.

Madam Speaker, the case that has been cited very often in pursuing this amendment is one where one of the adoptive parents simply engaged in fraud during the adoptive process. We all have copies of the documents. He chose not to notify the tribes and chose to conceal his Indian background, however limited.

That was the intentional effort to engage in fraud. So now in reaction to that, what we are suggesting is we are going to wipe out the qualifications for memberships that tribes may set for their own members and may have set for decades or for hundreds of years. We are going to impose some notion of our sense of percentage of blood to satisfy us as opposed to what the tribe makes a determination of what an enrolled member is or is not. I am deeply concerned about that. I am deeply concerned because it is an invasion of that sovereignty.

This is not to suggest that somehow there are not loving parents, there are not loving grandparents, there is not extended family on the reservations who want those children, who adopt those children and in fact do it all of the time. But their rights are completely destroyed by our interpretation of the parents' actions with respect to the birth of that child, whether they chose to enroll that child immediately or did not. We now negate the interests of all of the other family members around that tribe.

Madam Speaker, we would not do this to grandparents anywhere else. We would not do this to grandparents. We would not destroy their standing, their ability to compete, to have the tribe represent them, to try to see whether or not they could take that child, perhaps as opposed to another placement. Yet that is what it is.

The gentlewoman and others have raised legitimate concerns about the administration of this act. In fact, the tribes of this Nation that were not consulted with this amendment are meeting in June to discuss how to better administer this act. We have been holding off legislation to let the tribes come together in June and make those determinations. But what we in fact now have is a rush to judgment here about the future of these children, about the interests of the tribes, about the membership in those tribes that far exceeds, far exceeds the problems that have been raised with this act.

I would hope that the chairman of the committee tomorrow, in the debate on this amendment and elsewhere, will commit to reporting out a bill. But it ought to have the airing, and it ought to be run by the tribes that are affected. This has not been. This has not been.

So I raise these concerns because this is most serious. It is most serious. It ought not to be rushed to. The rest of this legislation is important and good and valuable, and we ought to get on with it because there are parents who are waiting for the opportunity and families who are waiting for the opportunity that the rest of this bill provides.

With respect to the custody of Indian children and the adoption of Indian children, we ought to just pause for a minute, because we are speaking in much broader terms here, much broader terms than can be justified under the most difficult cases.

I just want to say, in closing, let us not pretend that somehow the State courts do adoptions right, that people do not show up late in the process, that parents do not change their mind. So we are not going from an imperfect system to a perfect system. We are going to a process that we all know pains us all. It is a most difficult process.

Ms. PRYCE. Madam Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. BURTON], who does so much work for the cause of adoption.

Mr. BURTON of Indiana. Madam Speaker, I want to compliment the gentlewoman from Ohio for her participation and hard work on this. I know she has done yeoman service.

Let me just say that we also ought to thank a fellow who started with nothing, who became one of the greatest entrepreneurs in the world, started at 15 as an orphan, almost, Dave Thomas of Wendy's. He came up here on the hill a number of times and testified. Without his help, I am not sure we would be here tonight with this bill. So, Dave, if you are watching, thanks a lot for all your help.

I spent some time in the Marian County Guardians Home. Kids who are in foster care in a guardians home want to get out. They want a loving home, and they want loving parents. And to keep them incarcerated, incarcerated in foster homes for long periods of time is just dead wrong.

We had a hearing this week and the gentlewoman from Ohio [Ms. PRYCE] brought in a gentleman to testify. I want to tell you a story, a practical story about what happens because of the problem we are having with the tribes as far as adoption is concerned.

This fellow adopted a child who was 1/16, I believe, 2 children, twins that were 1/16 Indian. He had complete cooperation from the parents. I do not think he even knew at that time that they had any Indian blood in them. Nevertheless, he adopted them. Two years later, 2 years later actions were taken to try to take those children away from him because they were 1/16 Indian.

Let me tell you what happened to that family. He has spent $300,000 trying to keep his children; the children love him. He loves them. The mother loves the kids. They love her. And the children are in constant danger of being taken away from that family. The family is just about bankrupt. I think they have even mortgaged their home.

That is not right. That has to be changed. There ought to be some constraints, some limits on how long any Indian tribe or any group has to take a child back in that kind of a case.

I tell you, to take a child that has its roots established like a tree in that family for 2 years out of that family is just absolutely unconscionable. So this law needs to be passed in its entirety right now. It does not need the amendment.

I love the gentleman from Alaska, DON YOUNG. I have great respect for the gentleman from California. But we need to think about the families who adopted these kids. We need to think about the children who we want to get out of foster care into loving homes and after 2 years and $300,000 and taking a second mortgage on your home and losing everything and still have the possibility of having those children taken away from you is wrong.

People across the country who watch television, who have seen these heartrending cases where children are taken out in the middle of night by sheriffs because of a law in one State or another or because of a tribal law, people in this country do not like that. They want to change it.

This is a good law. It needs to be kept intact. I love DON YOUNG. He is a good friend of mine. We are working on other legislation. But, DON, you are wrong on this one. Let us let this thing as it is.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. MORELLA). The Chair must remind all Members that remarks in debate should be addressed to the Chair and not to the viewing audience.

Mr. HALL of Ohio. Madam Speaker, I yield 30 seconds to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Madam Speaker, I just want to say to the gentleman from Indiana, we ought not to base this on those hard anecdotal cases. We all witnessed a young child in State court where TV cameras were there and as she was screaming for her adoptive parents, screaming and taken away and put in a car. That was in State court. We know that adoptions are tough and difficult and people change their minds and now you have got unrelated parties.

This is about the forum. There is nothing that prevents the Indian court from awarding the child to those individuals. I just think you have got to be very careful here. This is not about who is right or wrong. It is about being careful with respect to what we are doing.

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Ms. PRYCE. Madam Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. TIAHRT], the coauthor of title III of this legislation.

Mr. TIAHRT. Madam Speaker, I want to thank the gentlewoman from Ohio for spearheading this effort. I really appreciate her efforts for the children who I think are the most neglected Americans, the children without parents.

Madam Speaker, I think this bill is very important because it does remove the barriers that have hampered us from placing children out of foster care into loving homes. I support the three major provisions of this bill: The $5,000 adoption tax credit, and also the portion that removes interracial barriers from adoption so the kids are not trapped in foster care, waiting for a like racial home. But I think probably the most controversial part and the one that I most strongly support is the reform to the Indian Child Welfare Act.

I know there was a grave need for this act, and I think it has just gone beyond the scope of it. In the State of Kansas where I am a Representative, we have seen Kansas State courts try to put some boundaries on the Indian Child Welfare Act and bring some common sense into it. For example, we heard testimony Tuesday of a young woman who is 13 years old. She had been placed in this home since she was 8 months old. It is like she is dangling over the fire. She is worried about being withdrawn from this home into an institutional setting or into foster care instead of staying with loving parents.

Let us not just base it on one example. I have seen so much debate occur on this floor based on one limited example. But there is story after story after story where these children are at risk of being pulled out of their loving homes. I think it is time, if we want to encourage adoption in America, that we remove some of these legal barriers, remove these financial barriers, and make it easy to transition them out of child care or out of foster care into loving, warm homes where they have a bright future.

There are many tremendous success stories. I think of Representative Ben Reifel, who was an adopted child, who represented the State of South Dakota in the early 1950's and early 1960's. Because he had warm, loving parents who took him in, gave him a bright future, he served this body right here on the floor of this House. I think there are other wonderful stories out there waiting to be created if we can only remove the barriers that exist today in this adoption language and adoption law.

Madam Speaker, I support this rule, I support the bill, and I am anxious to pass it in whole, and not take out any part.

Mr. HALL of Ohio. Madam Speaker, I yield 3 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Madam Speaker, first of all, this is a good bill. We are doing the right thing by passing this bill. I commend the authors.

Madam Speaker, I am going to vote against the rule because of the provision on Indian adoptions. First of all, Madam Speaker, the gentleman from Alaska [DON YOUNG] chairs the Committee on Resources. In our committee, we unanimously, Republican and Democrat, took out the provision that deals with Indian adoptions. The last time I checked, the Committee on Rules does not have the job of creating American Indian policy. The rule dictates to 557 sovereign Native American nations what is best for their children.

I think what we are doing here with respect to Indian adoptions is a tragic mistake. There are 20 glaring cases and they are tragedies, and I am sure they will be discussed here, but that should not dictate what we impose on tribes. Tribes care for their children. Not one Native American tribe was consulted on this provision.

Can Members imagine first Americans, sovereign nations; we have sovereign treaties with them. Yet, not one tribe is supporting this provision. I think that is a lack of respect. What we are doing here, Madam Speaker, is affecting the Indian family, the Indian culture. The extended family has a special role in caring for Indian children. In nearly every instance when the extended family has knowledge of a child needing care, they are willing to adopt that child. Unlike many other minority adoption cases, in Indian country there are more than enough relatives and families who are willing to assume custody of children.

The provisions included in this rule undermine the basic rights of Indian tribes to ensure the survival of Indian culture and the future of their children. If we are going to have family values in Indian country, it is best for Indians to make those determinations.

Madam Speaker, we have a trust responsibility with our tribes. I am not saying that the current system works. We need to improve it. The gentleman from Alaska [DON YOUNG] has called for hearings and new legislation. A lot of the tribes were told, "Let us make June the month that we come up with legislation that deals with some of these very egregious cases that very clearly have been pursued by those that are authoring this bill." But let us not jeopardize this legislation, which will be contested by the tribes; it will go all the way to the Supreme Court; the entire bill may be jeopardized. I hope not. But this is not a good provision, and we should defeat the provision tomorrow.

Ms. PRYCE. Madam Speaker, I yield 2½ minutes to my good friend, the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Madam Speaker, I thank my distinguished colleague from Ohio for yielding time to me.

Madam Speaker, we heard the gentleman from California [Mr. MILLER] say, do not give me anecdotal information. Remember when he said that? What in a sense he is saying is, do not give me the facts. The speaker before me said that this program is not working. We have here for the first time a program that is going to work. That is why I support the rule. I would like to commend all those who are involved for all the hard work they have done on this bill.

I think it is now important that we pass this rule and move on to this legislation. It will bring stability into the lives of almost 500,000 children who are currently in the foster care system waiting to be adopted, waiting for a family. When children needlessly languish in foster homes and close to 2 million couples are desperately seeking to adopt, it is clearly apparent that the current adoption system is not working, and clearly, the current system ignores the best interests of the children. By implementing the simple changes we have in this bill, we will provide children with loving parents, a healthy home environment, and something that every child needs and deserves.

Madam Speaker, let us enable couples to create secure American families by easing the burdensome costs and complex regulations now associated with the option. I think this clearly does it with this bill. We all know that the American family is the backbone of our Nation, so we should encourage the creation of American families, not impede them. I urge my colleagues to vote for the rule.

Mr. HALL of Ohio. Madam Speaker, I yield 2 minutes to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Madam Speaker, this is a closed rule. Therefore, I am opposed to it. I do support the adoption bill, but it simply does not go far enough. What about the 400,000 children in foster care who are not candidates for adoption?

As David Liederman of the Child Welfare League writes in today's New York Times: "Many foster children have emotional and physical disabilities. The adoption of these kids will require more than just a one-time tax credit."

Madam Speaker, I proposed several amendments to the Committee on Rules that would have helped build important bridges between foster care and adoption. My amendments would have streamlined the bureaucracy, which too often keeps children languishing in foster care when there are people ready to adopt them. My amendments would have strengthened the ability of caring relatives and standby guardians to step in and care for and, in some cases, adopt foster children.

I favor a bill to expedite adoption. This is a good first step in our efforts to move children from the care of the State to the care of loving families, but a simple tax credit is not the whole answer. It would be a tragedy if we did not use this important oppportunity to move forward and reform a foster care system that is and that leaves thousands of children in difficult and dangerous environments.

Ms. PRYCE. Madam Speaker, I yield 1½ minutes to my friend, the gentleman from Iowa [Mr. GANSKE].

Mr. GANSKE. Madam Speaker, prior to November 1994, as a practicing physician, I counseled parents who were seeking to adopt. Many times they would come to me with a letter and a photograph of a child that they were going to adopt who might have a birth defect. Many of these children were from overseas. It always struck me as a wonderful thing for those families when they would bring those children to the United States and we would work with them to make them whole.

But I also saw a lot of children in foster care, so while I was seeing the children that were being brought into the country for adoption, I was wondering, why are these children who are in foster care not getting homes? Foster care many times is a wonderful thing. The foster parents do a good job. The tragedy is that some of them do such a good job that they attach, they form attachments to those children, and the children also, but it is a temporary situation, and then they are torn apart.

So part of what we are doing is this bill, and I speak in favor of the rule and in favor of the bill, this is a happy bill, is that we are doing to address one of the impediments, and that is the issue of race matching that I think has kept many of those children who are in foster care from getting the permanent homes that they need. I am very, very pleased that this bill is coming to the floor. It is one of the best things we have done in Congress.

Mr. HALL of Ohio. Madam Speaker, I yield 3 minutes to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. FALEOMAVAEGA. Madam Speaker, I want to say, preliminarily, that I certainly have the highest respect for the gentlewoman from Ohio, Ms. PRYCE, as we have tried earnestly to find a middle ground and see how we can resolve this very important issue.

Madam Speaker, I rise today in strong opposition to title III of H.R. 3286 which amends the Indian Child Welfare Act. If enacted, title III will harm helpless Indian children, damage the Federal relationship with Indian tribes, and allow States to decide who is and isn't Indian.

In 1978, Congress passed the Indian Child Welfare Act to stop the hemorrhage of Indian children being separated from their families. This act was passed after long and careful deliberation which included all affected parties. Hearings were held, drafts were circulated, and questions were asked. On the other hand, the provisions before us today have never been given a comprehensive hearing and not one Indian tribe was consulted or included in any discussion. The proponents of the language are taking a shotgun approach in reaction to a couple of badly handled adoptions.

Democrats and Republicans alike on the Resources Committee rejected the method and the language used in this title by striking the language from the bill before reporting it. The Resources Committee has the jurisdiction and the expertise over Indian matters yet the Chairman had to fight just to have the bill referred to the committee for only 6 days. The original leadership plan was to once again bring an important piece of legislation to the floor without benefit of Member or committee involvement. The Resources Committee takes the Federal trust responsibility toward the more than 550 Alaska Native and American Indian tribes very seriously. As I said the committee overwhelmingly supported removing the offensive language that was reinstated in the floor package before us today.

Title III of this bill would require that a child's significant cultural, social, and political contacts with a tribe determine his or her "indian-ness" instead of tribal membership. It ignores the important role of the extended family in Indian culture and would lead to increased litigation.

The outrage that prompted the passage of the Indian Child Welfare Act were numerous. Prior to its enactment, the rate of adoptions of Indian children was wildly disproportionate to the adoption rate of non-Indian children. Indian children in Montana were being adopted at a per capita rate 13 times that of non-Indian children, in South Dakota 16 times that of non-Indian children, in Minnesota 5 times that of non-Indian children. The act's principal sponsor and my good friend Chairman Mo Udall, said during the floor debate, "Indian tribes and Indian people are being drained of their children and, as a result, their future as a tribe and a people is being placed in jeopardy."

I realize that there are problems with the Indian Child Welfare Act. I know that one problem is with adoption attorneys who pressure parents not to acknowledge their Indian heritage on adoption forms. But I also know that there have only been problems with less than one-half of 1 percent of the total number of Indian adoptions since the act was passed.

Let us work together to solve any problems with the current act. During the last several decades this body has worked hard not to be paternalistic toward Indian tribes. We must allow tribes to be involved when we move to amend an act of such magnitude. I implore my colleagues to strip the Indian language from this bill.

I urge my colleagues to strike out title III of this legislation.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to my friend, the gentleman from Washington [Mr. NETHERCUTT].

Mr. NETHERCUTT. Madam Speaker, I thank the gentlewoman for her leadership on this very important issue.

Madam Speaker, before I was elected to Congress, I was a practicing attorney in Spokane, WA.

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I estimate that I have handled well over 1,000 adoptions and well over 1,000 children of those adoption cases. Certainly it is the most important thing, I believe, any human being can do for another, and that is to adopt a child and provide a stable, loving home for that child. An environment of stability is extremely important.

I have handled not only foreign adoptions, I have handled many, many Indian child welfare cases, and my experience is this: The Indian Child Welfare Act needs adjustment.

Many of the Indian Child Welfare Act cases I handled were handled perfectly, and the Indian tribe's heritage and the interest of the Indian tribe was fully protected, but there were many cases that I have handled where there were not only problems that prevented a final adoption but problems that resulted in delays. For a child who is waiting to be adopted and waiting to have the finality of an adoption and a loving home, the wait is as bad as anything. The uncertainty for a young child is extremely detrimental.

What we have to keep our eyes focused on, I believe, today on this particular legislation, which I think is good legislation, provides an appropriate adjustment to the Indian Child Welfare Act, we have to keep our eyes on who is most important here. Is it the child and the interests of the child, or is it the tribe?

There is no reason that the Indian Child Welfare Act should impede a loving family placement in a non-Indian home or perhaps with an adoptive parent who is maybe not of the same affiliation, tribal affiliation. My experience is that many adoptive parents have recognized that Indian child welfare connection and the tribal connection.

This is a good bill, a good rule, and we should support it.

Mr. HALL of Ohio. Madam Speaker, how much time do we have remaining on both sides?

The SPEAKER pro tempore (Mrs. MORELLA). The gentleman from Ohio [Mr. HALL] has 9½ minutes, and the gentlewoman from Ohio [Ms. PRYCE] has 5½ minutes remaining.

Mr. HALL of Ohio. Madam Speaker, I reserve the balance of my time.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to my friend, the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. Madam Speaker, I thank the gentlewoman for yielding me the time, and I rise in strong support of not only the rule but the bill, as well.

I think it is gratifying to know that finally we are doing something to make adoption easier and more affordable. A child who does not go home with his or her birth parent, they are very lucky to be given a home with a loving mother and father, people that want to be parents, who want to give that child a happy and a healthy environment to grow up in.

I know how lucky such children are because I am one of them. I had the good fortune to be given a home with two people who have been very wonderful, loving parents; in their eighties, they are retired today on the farm and I hope enjoying it.

But as we have heard tonight, there are about half a million kids out there that are waiting for the chance right now. We know that only about 10 percent, 50,000 of them, are going to get that chance, and one of the biggest reasons they are not getting that chance is because of the high cost of adoption, up to $20,000 or more.

It seems to me when there are so many children that are waiting and there are so many parents who want these children, why should we not remove the roadblocks and let it happen? We as a society pay a far greater human cost in allowing those children to languish and those parents to agonize than anything that we could ever put in a checkbook.

And as a result, I think that no child should be kept from being placed in a home in which that child could thrive. It should not be held up because there may be some ethnic difference between that child and the prospective adoptive parents. If there is love and there is understanding and there is a desire to work together, what difference does it make what color their skin is?

So I would like to thank SUSAN MOLINARI for offering this piece of legislation, DEBORAH PRYCE for her leadership in the Committee on Rules. I think it proves that Republicans and Democrats can work together to come up with a good solution to a very difficult problem, and I urge strong support of not only the rule but the bill, as well.

Madam Speaker, I rise in the strongest support for H.R. 3286, the Adoption Promotion and Stability Act. It is gratifying to know we are finally doing something to make adoption easier and more affordable. A child who does not go home with his or her birth parents is very lucky to be given a home with a loving mother and father who want to be parents and want to give that child a happy and healthy environment in which to grow up. I know how lucky such children are because I am one of them. I had the good fortune to be given a home with two people who have been wonderful, loving parents.

But I know there are about 500,000 children in this country who are waiting for that chance right now. But they are not getting that chance because so many couples cannot afford the average $20,000 cost associated with adopting. And nearly half of those children are minority children who will wind up waiting twice as long to find a home. When there are so many children waiting, no couple should be kept from taking those children in simply because of cost. We as a society pay a far greater human cost when we stand in the way of putting needy children in loving homes. And no child should be kept from being placed in a home in which that child would thrive simply because of the ethnic group to which the child and prospective adoptive parents belong. It is in all our best interests to get those children to parents who will be responsible, loving, and attentive. This bill is very much needed. This is one of the best ways we can show that we do care about children and that we are able to work together, Democrats and Republicans, to really make a difference. I strongly urge my colleagues to support this measure and I thank Ms. MOLINARI for bringing this measure in front of the House and I thank the leadership for bringing this bill to the floor so quickly.

Mr. HALL of Ohio. Madam Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, 15 years ago or so, I proposed legislation to help with financial cost of adoption. I was very modest in proposing a tax deduction for adoption. Before us today is a bill that provides a very generous $5,000 tax credit. It is a long step forward and it is very good. It is very needed.

I was very disappointed, though, that the Committee on Rules did not make in order my proposed amendment to equalize the paid leave provisions of the family medical leave act for birth families and adoptive families. I listened with great interest, captivated by the chairman of the Committee on Rules speaking with such passion and giving such personal witness. I do not think he has ever spoken so warmly and so convincingly about his own experience.

So I think clearly with three committees involved, clearly my amendment could have been made in order, but we will make an effort to go back to the Committee on Educational and Economic Opportunities and try to work it in that aspect.

What I am really disappointed about, though, is that this language I proposed was not made in order. There is language, title III, made in order, that I have heard from the reservation leadership in my district, of which I have six tribal councils, all calling this an affront to the Indian community. Let me put it in their words, not my words.

Marge Anderson, who is chairman of the Blacks Band:

> For years the BIA put Indian children into boarding schools to cleanse them of their Indian identity. These children have become lost souls as a result of the effort to assimilate them into the white community. They often become alcoholics.

Myron Ellis, the chairman of the Leech Lake Tribal Council, said:

> The Indian Child Welfare Act has stopped the raids on Indian children. It is bringing stability to Indian families. It is strengthening the future of Indian tribes. Title III language would turn back the clock on those efforts and result in more prolonged litigation to the detriment of innocent Indian children.

I think we ought to listen more to those who are on the front line, those whose families, whose lives and livelihoods, whose children are caught up in this adoption issue, those of the Indian tribes themselves. I put their words out, not mine, not anecdotal stories, because I think they are the ones who understand their situation best.

I will support the effort by the Committee on Resources tomorrow to strike this language and to hopefully ameliorate the bill.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to my friend, the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Madam Speaker, I rise in strong support of the rule and the bill, H.R. 3286, a measure which would help families defray adoption costs and promote the adoption of minority children.

Today, there are more couples who want to adopt and more children in need of a loving home than ever before. According to estimates by the National Council for Adoption, at least 2 million couples would like to adopt. Yet only about 50,000 adoptions occur annually.

Madam Speaker, the subject of adoption is one that hits very close to our office. My legislative director is herself adopted. She described her feelings on adoption to me in the following eloquent words:

> Mom and Dad took me home, gave me their name, their protection and their love. They shared with me their family—brothers, aunts, uncles, cousins and grandparents—who claimed me as their very own. Together they provided a foundation from which I have been able to return a small portion of the abundant love and care that they have given me to the world in which I live.

Madam Speaker, would that every child in America be able to make such a statement. I urge the swift passage of H.R. 3286.

Mr. HALL of Ohio. Madam Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Madam Speaker, I rise to speak on this bill with a very unique association with the subject matter. On February 3, 1993, after a frantic day as a Member of Congress representing the State of North Dakota, I went to National Airport, met my wife who also had gone to the airport, and we eagerly, anxiously awaited the arrival of our soon-to-be daughter, an infant born in Korea, flown over and placed with us and now an adopted part of our family.

To tell my colleagues that this has so profoundly, fundamentally changed and improved our lives is a hopeless understatement of the glory we have experienced as adoptive parents, and I am very pleased to tell the House tonight that we are within two weeks or three weeks of going back to National Airport and coming home with a son, also born in Korea.

As I looked at what the legislation before us is trying to accomplish in terms of breaking down barriers of interracial adoption, as the parent of a daughter who is a member of another race, I cannot speak passionately enough in terms of the importance of breaking these barriers down. Children need families. Families need children. Some notion of political correctness that would leave people languishing in foster homes rather than reach across racial barriers for parents who will love them, love them as their very own, has got to be ended and I am so pleased with this facet of the legislation that puts an end to it.

Second, the financial burdens of adoption can keep many beautiful families from enjoying this experience. I have had people in my home State tell me that looking at foreign adoption costs now running between $10,000 and $20,000, they just cannot manage. I know they would be beautiful homes and that the children would be immeasurably enriched by being placed with them, and they would in turn be immeasurably enriched by the children. We have to help with the affordability of adoptions. I am very pleased with the facet of the bill that addresses that.

I have some difficulty with the way the Indian Child Welfare Act has disrupted certain prospective placements. On the other hand, I must acknowledge difficulty with the provisions of the bill that would amend this act in a way so offensive to the four reservations that I represent. I will support the motion to strike, but I will continue to work for evaluating where this law has failed children who need families and moving forward the changes in the law necessary to make certain that Native American children needing families do not have that, their precious right, frustrated by application of this statute.

In summary, this is very, very positive legislation. This is the kind of legislation where the two parties so often at loggerheads in this Chamber can arm-in-arm step forward and do something positive for the people of this country, and I am very proud to support the legislation, commend DEBORAH PRYCE for her leadership on the bill.

Ms. PRYCE. Madam Speaker, I have no further requests for time.

Mr. HALL of Ohio. Madam Speaker, I would simply say that this is a good proposal. It is a good bill. The rule is somewhat restrictive, but occasionally we do support a closed rule and in this particular case I do. I think it is important that both sides come together on this. We need to do more of this and be for things that we can be for, and some of the things that we cannot be for, try to set them aside. But this is one of the things where we have good bipartisan support.

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Madam Speaker, I support the rule and the bill.

Madam Speaker, I yield back the balance of my time.

Ms. PRYCE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I certainly appreciate the words from the gentleman from Ohio [Mr. HALL].

Madam Speaker, this is a good bill. It will do good things. The changes to the Indian Child Welfare Act are common sense and minor. They keep fully intact the original well-meaning intention of protecting Indian culture and heritage.

But, Madam Speaker, the Congress wrote this law, and it is morally responsible for correcting it in this minor way, to avoid the continuous disastrous tragedies of broken homes and children languishing in foster care. This is not just a handful of stories. There are many, many, many from all across the country.

Madam Speaker, this issue did not just develop overnight. I have been trying since the beginning of this Congress to get the Committee on Resources and the native American community to help me to address this issue. If the Indian community is affronted, I am sorry. I wish they would have answered my letters and come to my meetings. But, as it is, we did the best that we could to try to develop a fair solution.

Madam Speaker, as was said before, this is a happy bill. It is a good day for this Congress. I would urge all my colleagues to cast a vote in strong support of adoption and in support of keeping loving families together. Vote "yes" on the rule and the bill, and vote "no" on any attempt to weaken this legislation.

Madam Speaker, I rise today to express my concerns regarding the modified closed rule for H.R. 3286. While I applaud the fact that this legislation would make it possible for more families to provide a loving and permanent home for adoptive children, I am concerned that this bill might not recognize that cultural sensitivity, without delaying adoption, is important to give the child the full measure of their background.

Madam Speaker, approximately one-half of the children awaiting adoption today are minorities. In my home State of Texas, the number of children under the age of 18 living in foster care in 1993 was 10,880. This represents an increase of 62.4 percent from 1990, and the number continues to climb. Similarly, the number of children living in a group home in 1990 was 13,434. Approximately one-half of these 13,434 children are minorities. There are wonderful foster care parents but these numbers of children in nonpermanent homes are way too high.

The sponsors of this legislation argue that current law, which states that race cannot be used as the sole factor in making an adoption placement but can be used as one of multiple factors in the decision, has resulted in adoptions being delayed or denied because of race. This of course is the result of local agencies misinterpreting the law. Should we not penalize directly the agencies incorrectly using the law? According to the sponsors, because of the inherent bias among many social workers, the real-world outcome of current law is that race ends up becoming the sole factor when placements are made. I have worked with social workers and they consistently overall try to work in the best interest of the child.

While I do not believe that race should be the sole criteria in adoption placements, I do believe that we should be sensitive to cultural backgrounds. Had I been permitted, I would have offered an amendment to this bill which would have required that in making adoptive parent placements, the State or appropriate entity shall make every effort to ensure that a prospective adoptive parent is sensitive to the child's ethnic or racial background. It should not, however, delay drastically such adoption.

Adoptive parents and children need not be of the same race. However, it is important that adoptive parents are sensitive to the cultural backgrounds of the children they adopt. It is important that such children grow up in an environment that is respectful and appreciative of the child's heritage. Unfortunately, our society is not color blind, and therefore States and agencies must ensure that adoptive parents of a different race from the minority and Indian children are sensitive to the issues that may arise as the child gets older, including discrimination and questions the child may have about his or her cultural background.

In no way, however, should this policy result in children languishing in foster homes for extended periods of time or in adoptions being delayed or denied when loving, caring parents are ready to adopt.

I urge my colleagues to consider these issues so that we can make better adoptions for all children, including minority children, while not delaying or denying adoptions.

Ms. PRYCE. Madam Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3230, DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104-570) on the resolution (H. Res. 430) providing for consideration of the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT REGARDING AMENDMENT PROCESS FOR BUDGET RESOLUTION

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Madam Speaker, the Budget Committee is expected to order the budget resolution reported later tonight. Copies of the resolution approved by that committee will be available for review in the office of the Budget Committee.

The Rules Committee is planning to meet next Wednesday, May 15, to grant a rule which may limit the kind of amendments offered to the concurrent resolution on the budget for fiscal year 1997.

Members are strongly advised to submit only amendments in the nature of a substitute which provide for a balanced budget not later than the year 2002.

Any Member who is contemplating an amendment to the budget resolution should submit 55 copies and a brief explanation by noon on Tuesday, May 14, to the Rules Committee, room H-312 in the Capitol.

Members should use the Office of Legislative Counsel and the Congressional Budget Office to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

ADOPTION PROMOTION AND STABILITY ACT OF 1996

Mr. ARCHER. Madam Speaker, pursuant to House Resolution 428, I call up the bill (H.R. 3286) to help families defray adoption costs ,and to promote the adoption of minority children, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 428, the amendment in the nature of a substitute printed in the bill is adopted.

The text of H.R. 3286, as amended, is as follows:

H.R. 3286

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Adoption Promotion and Stability Act of 1996".

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—CREDIT FOR ADOPTION EXPENSES

Sec. 101. Credit for adoption expenses.

TITLE II—INTERETHNIC ADOPTION

Sec. 201. Removal of barriers to interethnic adoption.

TITLE III—CHILD CUSTODY PROCEEDINGS AFFECTED BY THE INDIAN CHILD WELFARE ACT OF 1978

Sec. 301. Inapplicability of the Indian Child Welfare Act of 1978 to child custody proceedings involving a child whose parents do not maintain affiliation with their Indian tribe.
Sec. 302. Membership and child custody proceedings.
Sec. 303. Effective date.

TITLE IV—REVENUE OFFSETS

Sec. 400. Amendment of 1986 Code.

Subtitle A—Exclusion for Energy Conservation Subsidies Limited to Subsidies With Respect to Dwelling Units

Sec. 401. Exclusion for energy conservation subsidies limited to subsidies with respect to dwelling units.

Subtitle B—Foreign Trust Tax Compliance

Sec. 411. Improved information reporting on foreign trusts.
Sec. 412. Comparable penalties for failure to file return relating to transfers to foreign entities.
Sec. 413. Modifications of rules relating to foreign trusts having one or more United States beneficiaries.
Sec. 414. Foreign persons not to be treated as owners under grantor trust rules.
Sec. 415. Information reporting regarding foreign gifts.
Sec. 416. Modification of rules relating to foreign trusts which are not grantor trusts.
Sec. 417. Residence of trusts, etc.

TITLE I—CREDIT FOR ADOPTION EXPENSES

SEC. 101. CREDIT FOR ADOPTION EXPENSES.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 22 the following new section:

"SEC. 23. ADOPTION EXPENSES.

"(a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year the amount of the qualified adoption expenses paid or incurred by the taxpayer during such taxable year.

"(b) Limitations.—

"(1) Dollar limitation.—The aggregate amount of qualified adoption expenses which may be taken into account under subsection (a) for all taxable years with respect to the adoption of a child by the taxpayer shall not exceed $5,000.

"(2) Income limitation.—The amount allowable as a credit under subsection (a) for any taxable year shall be reduced (but not below zero) by an amount which bears the same ratio to the amount so allowable (determined without regard to this paragraph but with regard to paragraph (1)) as—

"(A) the amount (if any) by which the taxpayer's adjusted gross income (determined without regard to sections 911, 931, and 933) exceeds $75,000, bears to

"(B) $40,000.

"(3) Denial of double benefit.—

"(A) In general.—No credit shall be allowed under subsection (a) for any expense for which a deduction or credit is allowable under any other provision of this chapter.

"(B) Grants.—No credit shall be allowed under subsection (a) for any expense to the extent that funds for such expense are received under any Federal, State, or local program. The preceding sentence shall not apply to expenses for the adoption of a child with special needs.

"(C) Reimbursement.—No credit shall be allowed under subsection (a) for any expense to the extent that such expense is reimbursed and the reimbursement is excluded from gross income under section 137.

"(c) Carryforwards of Unused Credit.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year. No credit may be carried forward under this subsection to any taxable year following the fifth taxable year after the taxable year in which the credit arose. For purposes of the preceding sentence, credits shall be treated as used on a first-in first-out basis.

"(d) Definitions.—For purposes of this section—

"(1) Qualified adoption expenses.—The term 'qualified adoption expenses' means reasonable and necessary adoption fees, court costs, attorney fees, and other expenses—

"(A) which are directly related to, and the principal purpose of which is for, the legal adoption of an eligible child by the taxpayer, and

"(B) which are not incurred in violation of State or Federal law or in carrying out any surrogate parenting arrangement.

"(2) Expenses for adoption of spouse's child not eligible.—The term 'qualified adoption expenses' shall not include any expenses in connection with the adoption by an individual of a child who is the child of such individual's spouse.

"(3) Eligible child.—The term 'eligible child' means any individual—

"(A) who has not attained age 18 as of the time of the adoption, or

"(B) who is physically or mentally incapable of caring for himself.

"(4) Child with special needs.—The term 'child with special needs' means any child if—

"(A) a State has determined that the child cannot or should not be returned to the home of his parents, and

"(B) such State has determined that there exists with respect to the child a specific factor or condition (such as his ethnic background, age, or membership in a minority or sibling group, or the presence of factors such as medical conditions or physical, mental, or emotional handicaps) because of which it is reasonable to conclude that such child cannot be placed with adoptive parents without providing adoption assistance.

"(e) Special Rules for Foreign Adoptions.—In the case of a foreign adoption—

"(1) subsection (a) shall not apply to any qualified adoption expense with respect to such adoption unless such adoption becomes final, and

"(2) any such expense which is paid or incurred before the taxable year in which such adoption becomes final shall be taken into account under this section as if such expense were paid or incurred during such year.

"(f) MARRIED COUPLES MUST FILE JOINT RETURNS.—Rules similar to the rules of paragraphs (2), (3), and (4) of section 21(e) shall apply for purposes of this section.

"(g) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out this section and section 137, including regulations which treat unmarried individuals who pay or incur qualified adoption expenses with respect to the same child as 1 taxpayer for purposes of applying the dollar limitation in subsection (b)(1) of this section and in section 137(b)(1).".

(b) EXCLUSION OF AMOUNTS RECEIVED UNDER EMPLOYER'S ADOPTION ASSISTANCE PROGRAMS.—Part III of subchapter B of chapter 1 of such Code (relating to items specifically excluded from gross income) is amended by redesignating section 137 as section 138 and by inserting after section 136 the following new section:

"SEC. 137. ADOPTION ASSISTANCE PROGRAMS.

"(a) IN GENERAL.—Gross income of an employee does not include amounts paid or expenses incurred by the employer for qualified adoption expenses in connection with the adoption of a child by an employee if such amounts are furnished pursuant to an adoption assistance program.

"(b) LIMITATIONS.—

"(1) DOLLAR LIMITATION.—The aggregate amount excludable from gross income under subsection (a) for all taxable years with respect to the adoption of a child by the taxpayer shall not exceed $5,000.

"(2) INCOME LIMITATION.—The amount excludable from gross income under subsection (a) for any taxable year shall be reduced (but not below zero) by an amount which bears the same ratio to the amount so excludable (determined without regard to this paragraph but with regard to paragraph (1)) as—

"(A) the amount (if any) by which the taxpayer's adjusted gross income exceeds $75,000, bears to

"(B) $40,000.

"(3) DETERMINATION OF ADJUSTED GROSS INCOME.—For purposes of paragraph (2), adjusted gross income shall be determined—

"(A) without regard to this section and sections 911, 931, and 933, and

"(B) after the application of sections 86, 135, 219, and 469.

"(c) ADOPTION ASSISTANCE PROGRAM.—For purposes of this section, an adoption assistance program is a plan of an employer—

"(1) under which the employer provides employees with adoption assistance, and

"(2) which meets requirements similar to the requirements of paragraphs (2), (3), and (5) of section 127(b).

An adoption reimbursement program operated under section 1052 of title 10, United States Code (relating to armed forces) or section 514 of title 14, United States Code (relating to members of the Coast Guard) shall be treated as an adoption assistance program for purposes of this section.

"(d) QUALIFIED ADOPTION EXPENSES.—For purposes of this section, the term 'qualified adoption expenses' has the meaning given such term by section 23(d).

"(e) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (e) and (g) of section 23 shall apply for purposes of this section.".

(c) CONFORMING AMENDMENTS.—

(1) Sections 86(b)(2)(A) and 135(c)(4)(A) of such Code are each amended by inserting "137," before "911".

(2) Clause (i) of section 219(g)(3)(A) of such Code is amended by inserting ", 137," before "and 911".

(3) Clause (ii) of section 469(i)(3)(E) of such Code is amended to read as follows:

"(ii) the amounts excludable from gross income under sections 135 and 137,".

(4) Subsection (a) of section 1016 of such Code is amended by striking "and" at the end of paragraph (24), by striking the period at the end of paragraph (25) and inserting ", and", and by adding at the end the following new paragraph:

"(26) to the extent provided in sections 23(g) and 137(e)."

(5) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 22 the following new item:

"Sec. 23. Adoption expenses.".

(6) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking the item relating to section 137 and inserting the following:

"Sec. 137. Adoption assistance programs.

"Sec. 138. Cross reference to other Acts.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

TITLE II—INTERETHNIC ADOPTION

SEC. 201. REMOVAL OF BARRIERS TO INTERETHNIC ADOPTION.

(a) STATE PLAN REQUIREMENTS.—Section 471(a) of the Social Security Act (42 U.S.C 671(a)) is amended—

(1) by striking "and" at the end of paragraph (16);

(2) by striking the period at the end of paragraph (17) and inserting "; and"; and

(3) by adding at the end the following:

"(18) not later than January 1, 1997, provides that neither the State nor any other entity in the State that receives funds from the Federal Government and is involved in adoption or foster care placements may—

"(A) deny to any person the opportunity to become an adoptive or a foster parent, on the basis of the race, color, or national origin of the person, or of the child, involved; or

"(B) delay or deny the placement of a child for adoption or into foster care, on the basis of the race, color, or national origin of the adoptive or foster parent, or the child, involved.".

(b) ENFORCEMENT.—Section 474 of such Act (42 U.S.C. 674) is amended by adding at the end the following:

"(d)(1) If a State's program operated under this part is found, as a result of a review conducted under section 1123, to have violated section 471(a)(18) during a quarter with respect to any person, then, notwithstanding subsection (a) of this section and any regulations promulgated under section 1123(b)(3), the Secretary shall reduce the amount otherwise payable to the State under this part, for the quarter and for each subsequent quarter before the 1st quarter for which the State program is found, as a result of such a review, not to have violated section 471(a)(18) with respect to any person, by—

"(A) 2 percent of such otherwise payable amount, in the case of the 1st such finding with respect to the State;

"(B) 5 percent of such otherwise payable amount, in the case of the 2nd such finding with respect to the State; or

"(C) 10 percent of such otherwise payable amount, in the case of the 3rd or subsequent such finding with respect to the State.

"(2) Any other entity which is in a State that receives funds under this part and which violates section 471(a)(18) during a quarter with respect to any person shall remit to the Secretary all funds that were paid by the State to the entity during the quarter from such funds.

"(3)(A) Any individual who is aggrieved by a violation of section 471(a)(18) by a State or other entity may bring an action seeking relief from the State or other entity in any United States district court.

"(B) An action under this paragraph may not be brought more than 2 years after the date the alleged violation occurred.

"(4) This subsection shall not be construed to affect the application of the Indian Child Welfare Act of 1978.".

(c) CIVIL RIGHTS.—

(1) PROHIBITED CONDUCT.—A person or government that is involved in adoption or foster care placements may not—

(A) deny to any individual the opportunity to become an adoptive or a foster parent, on the basis of the race, color, or national origin of the individual, or of the child, involved; or

(B) delay or deny the placement of a child for adoption or into foster care, on the basis of the race, color, or national origin of the adoptive or foster parent, or the child, involved.

(2) ENFORCEMENT.—Noncompliance with paragraph (1) is deemed a violation of title VI of the Civil Rights Act of 1964.

(3) NO EFFECT ON THE INDIAN CHILD WELFARE ACT OF 1978.—This subsection shall not be construed to affect the application of the Indian Child Welfare Act of 1978.

(d) CONFORMING REPEAL.—Section 553 of the Howard M. Metzenbaum Multiethnic Placement Act of 1994 (42 U.S.C. 5115a) is repealed.

TITLE III—CHILD CUSTODY PROCEEDINGS AFFECTED BY THE INDIAN CHILD WELFARE ACT OF 1978

SEC. 301. INAPPLICABILITY OF THE INDIAN CHILD WELFARE ACT OF 1978 TO CHILD CUSTODY PROCEEDINGS INVOLVING A CHILD WHOSE PARENTS DO NOT MAINTAIN AFFILIATION WITH THEIR INDIAN TRIBE.

Title I of the Indian Child Welfare Act of 1978 (25 U.S.C. 1911 et seq.) is amended by adding at the end the following:

"SEC. 114. (a) This title does not apply to any child custody proceeding involving a child who does not reside or is not domiciled within a reservation unless—

"(1) at least one of the child's biological parents is of Indian descent; and

"(2) at least one of the child's biological parents maintains significant social, cultural, or political affiliation with the Indian tribe of which either parent is a member.

"(b) The factual determination as to whether a biological parent maintains significant social, cultural, or political affiliation with the Indian tribe of which either parent is a member shall be based on such affiliation as of the time of the child custody proceeding.

"(c) The determination that this title does not apply pursuant to subsection (a) is final, and, thereafter, this title shall not be the basis for determining jurisdiction over any child custody proceeding involving the child.".

SEC. 302. MEMBERSHIP AND CHILD CUSTODY PROCEEDINGS.

Title I of the Indian Child Welfare Act of 1978 (25 U.S.C. 1911 et seq.), as amended by section 301 of this title, is further amended by adding at the end the following:

"SEC. 115. (a) A person who attains the age of 18 years before becoming a member of an Indian tribe may become a member of an Indian tribe only upon the person's written consent.

"(b) For the purposes of any child custody proceeding involving an Indian child, membership in an Indian tribe shall be effective from the actual date of admission to membership in

the Indian tribe and shall not be given retroactive effect.".

SEC. 303. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of the enactment of this Act and shall apply with respect to any child custody proceeding in which a final decree has not been entered as of such date.

TITLE IV—REVENUE OFFSETS

SEC. 400. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Exclusion for Energy Conservation Subsidies Limited to Subsidies With Respect to Dwelling Units

SEC. 401. EXCLUSION FOR ENERGY CONSERVATION SUBSIDIES LIMITED TO SUBSIDIES WITH RESPECT TO DWELLING UNITS.

(a) In General.—Paragraph (1) of section 136(c) (defining energy conservation measure) is amended by striking "energy demand—" and all that follows and inserting "energy demand with respect to a dwelling unit."

(b) Conforming Amendments.—

(1) Subsection (a) of section 136 is amended to read as follows:

"(a) Exclusion.—Gross income shall not include the value of any subsidy provided (directly or indirectly) by a public utility to a customer for the purchase or installation of any energy conservation measure."

(2) Paragraph (2) of section 136(c) is amended—

(A) by striking subparagraph (A) and by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively, and

(B) by striking "AND SPECIAL RULES" in the paragraph heading.

(c) Effective Date.—The amendments made by this section shall apply to amounts received after December 31, 1996, unless received pursuant to a written binding contract in effect on September 13, 1995, and at all times thereafter.

Subtitle B—Foreign Trust Tax Compliance

SEC. 411. IMPROVED INFORMATION REPORTING ON FOREIGN TRUSTS.

(a) In General.—Section 6048 (relating to returns as to certain foreign trusts) is amended to read as follows:

"SEC. 6048. INFORMATION WITH RESPECT TO CERTAIN FOREIGN TRUSTS.

"(a) Notice of Certain Events.—

"(1) General rule.—On or before the 90th day (or such later day as the Secretary may prescribe) after any reportable event, the responsible party shall provide written notice of such event to the Secretary in accordance with paragraph (2).

"(2) Contents of notice.—The notice required by paragraph (1) shall contain such information as the Secretary may prescribe, including—

"(A) the amount of money or other property (if any) transferred to the trust in connection with the reportable event, and

"(B) the identity of the trust and of each trustee and beneficiary (or class of beneficiaries) of the trust.

"(3) Reportable event.—For purposes of this subsection—

"(A) In general.—The term 'reportable event' means—

"(i) the creation of any foreign trust by a United States person,

"(ii) the transfer of any money or property (directly or indirectly) to a foreign trust by a United States person, including a transfer by reason of death, and

"(iii) the death of a citizen or resident of the United States if—

"(I) the decedent was treated as the owner of any portion of a foreign trust under the rules of subpart E of part I of subchapter J of chapter 1, or

"(II) any portion of a foreign trust was included in the gross estate of the decedent.

"(B) Exceptions.—

"(i) Fair market value sales.—Subparagraph (A)(ii) shall not apply to any transfer of property to a trust in exchange for consideration of at least the fair market value of the transferred property. For purposes of the preceding sentence, consideration other than cash shall be taken into account at its fair market value and the rules of section 679(a)(3) shall apply.

"(ii) Deferred compensation and charitable trusts.—Subparagraph (A) shall not apply with respect to a trust which is—

"(I) described in section 402(b), 404(a)(4), or 404A, or

"(II) determined by the Secretary to be described in section 501(c)(3).

"(4) Responsible party.—For purposes of this subsection, the term 'responsible party' means—

"(A) the grantor in the case of the creation of an inter vivos trust,

"(B) the transferor in the case of a reportable event described in paragraph (3)(A)(ii) other than a transfer by reason of death, and

"(C) the executor of the decedent's estate in any other case.

"(b) United States Grantor of Foreign Trust.—

"(1) In general.—If, at any time during any taxable year of a United States person, such person is treated as the owner of any portion of a foreign trust under the rules of subpart E of part I of subchapter J of chapter 1, such person shall be responsible to ensure that—

"(A) such trust makes a return for such year which sets forth a full and complete accounting of all trust activities and operations for the year, the name of the United States agent for such trust, and such other information as the Secretary may prescribe, and

"(B) such trust furnishes such information as the Secretary may prescribe to each United States person (i) who is treated as the owner of any portion of such trust or (ii) who receives (directly or indirectly) any distribution from the trust.

"(2) Trusts not having United States agent.—

"(A) In general.—If the rules of this paragraph apply to any foreign trust, the determination of amounts required to be taken into account with respect to such trust by a United States person under the rules of subpart E of part I of subchapter J of chapter 1 shall be determined by the Secretary.

"(B) United States agent required.—The rules of this paragraph shall apply to any foreign trust to which paragraph (1) applies unless such trust agrees (in such manner, subject to such conditions, and at such time as the Secretary shall prescribe) to authorize a United States person to act as such trust's limited agent solely for purposes of applying sections 7602, 7603, and 7604 with respect to—

"(i) any request by the Secretary to examine records or produce testimony related to the proper treatment of amounts required to be taken into account under the rules referred to in subparagraph (A), or

"(ii) any summons by the Secretary for such records or testimony.

The appearance of persons or production of records by reason of a United States person being such an agent shall not subject such persons or records to legal process for any purpose other than determining the correct treatment under this title of the amounts required to be taken into account under the rules referred to in subparagraph (A). A foreign trust which appoints an agent described in this subparagraph shall not be considered to have an office or a permanent establishment in the United States, or to be engaged in a trade or business in the United States, solely because of the activities of such agent pursuant to this subsection.

"(C) Other rules to apply.—Rules similar to the rules of paragraphs (2) and (4) of section 6038A(e) shall apply for purposes of this paragraph.

"(c) Reporting by United States Beneficiaries of Foreign Trusts.—

"(1) In general.—If any United States person receives (directly or indirectly) during any taxable year of such person any distribution from a foreign trust, such person shall make a return with respect to such trust for such year which includes—

"(A) the name of such trust,

"(B) the aggregate amount of the distributions so received from such trust during such taxable year, and

"(C) such other information as the Secretary may prescribe.

"(2) Inclusion in income if records not provided.—

"(A) In general.—If adequate records are not provided to the Secretary to determine the proper treatment of any distribution from a foreign trust, such distribution shall be treated as an accumulation distribution includible in the gross income of the distributee under chapter 1. To the extent provided in regulations, the preceding sentence shall not apply if the foreign trust elects to be subject to rules similar to the rules of subsection (b)(2)(B).

"(B) Application of accumulation distribution rules.—For purposes of applying section 668 in a case to which subparagraph (A) applies, the applicable number of years for purposes of section 668(a) shall be ½ of the number of years the trust has been in existence.

"(d) Special Rules.—

"(1) Determination of whether United States person makes transfer or receives distribution.—For purposes of this section, in determining whether a United States person makes a transfer to, or receives a distribution from, a foreign trust, the fact that a portion of such trust is treated as owned by another person under the rules of subpart E of part I of subchapter J of chapter 1 shall be disregarded.

"(2) Domestic trusts with foreign activities.—To the extent provided in regulations, a trust which is a United States person shall be treated as a foreign trust for purposes of this section and section 6677 if such trust has substantial activities, or holds substantial property, outside the United States.

"(3) Time and manner of filing information.—Any notice or return required under this section shall be made at such time and in such manner as the Secretary shall prescribe.

"(4) Modification of return requirements.—The Secretary is authorized to suspend or modify any requirement of this section if the Secretary determines that the United States has no significant tax interest in obtaining the required information.".

(b) Increased Penalties.—Section 6677 (relating to failure to file information returns with respect to certain foreign trusts) is amended to read as follows:

"SEC. 6677. FAILURE TO FILE INFORMATION WITH RESPECT TO CERTAIN FOREIGN TRUSTS.

"(a) Civil Penalty.—In addition to any criminal penalty provided by law, if any notice or return required to be filed by section 6048—

"(1) is not filed on or before the time provided in such section, or

"(2) does not include all the information required pursuant to such section or includes incorrect information,

the person required to file such notice or return shall pay a penalty equal to 35 percent of the gross reportable amount. If any failure described in the preceding sentence continues for more than 90 days after the day on which the Secretary mails notice of such failure to the person required to pay such penalty, such person shall pay a penalty (in addition to the amount determined under the preceding sentence) of $10,000 for each 30-day period (or fraction thereof) during which such failure continues after the expiration of such 90-day period. In no event shall the penalty under this subsection with respect to any failure exceed the gross reportable amount.

"(b) SPECIAL RULES FOR RETURNS UNDER SECTION 6048(b).—In the case of a return required under section 6048(b)—

"(1) the United States person referred to in such section shall be liable for the penalty imposed by subsection (a), and

"(2) subsection (a) shall be applied by substituting '5 percent' for '35 percent'.

"(c) GROSS REPORTABLE AMOUNT.—For purposes of subsection (a), the term 'gross reportable amount' means—

"(1) the gross value of the property involved in the event (determined as of the date of the event) in the case of a failure relating to section 6048(a),

"(2) the gross value of the portion of the trust's assets at the close of the year treated as owned by the United States person in the case of a failure relating to section 6048(b)(1), and

"(3) the gross amount of the distributions in the case of a failure relating to section 6048(c).

"(d) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed by this section on any failure which is shown to be due to reasonable cause and not due to willful neglect. The fact that a foreign jurisdiction would impose a civil or criminal penalty on the taxpayer (or any other person) for disclosing the required information is not reasonable cause.

"(e) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a).".

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 6724(d) is amended by striking "or" at the end of subparagraph (S), by striking the period at the end of subparagraph (T) and inserting ", or", and by inserting after subparagraph (T) the following new subparagraph:

"(U) section 6048(b)(1)(B) (relating to foreign trust reporting requirements).".

(2) The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by striking the item relating to section 6048 and inserting the following new item:

"Sec. 6048. Information with respect to certain foreign trusts.".

(3) The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6677 and inserting the following new item:

"Sec. 6677. Failure to file information with respect to certain foreign trusts.".

(d) EFFECTIVE DATES.—

(1) REPORTABLE EVENTS.—To the extent related to subsection (a) of section 6048 of the Internal Revenue Code of 1986, as amended by this section, the amendments made by this section shall apply to reportable events (as defined in such section 6048) occurring after the date of the enactment of this Act.

(2) GRANTOR TRUST REPORTING.—To the extent related to subsection (b) of such section 6048, the amendments made by this section shall apply to taxable years of United States persons beginning after December 31, 1995.

(3) REPORTING BY UNITED STATES BENEFICIARIES.—To the extent related to subsection (c) of such section 6048, the amendments made by this section shall apply to distributions received after the date of the enactment of this Act.

SEC. 412. COMPARABLE PENALTIES FOR FAILURE TO FILE RETURN RELATING TO TRANSFERS TO FOREIGN ENTITIES.

(a) IN GENERAL.—Section 1494 is amended by adding at the end the following new subsection:

"(c) PENALTY.—In the case of any failure to file a return required by the Secretary with respect to any transfer described in section 1491, the person required to file such return shall be liable for the penalties provided in section 6677 in the same manner as if such failure were a failure to file a notice under section 6048(a).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to transfers after the date of the enactment of this Act.

SEC. 413. MODIFICATIONS OF RULES RELATING TO FOREIGN TRUSTS HAVING ONE OR MORE UNITED STATES BENEFICIARIES.

(a) TREATMENT OF TRUST OBLIGATIONS, ETC.—

(1) Paragraph (2) of section 679(a) is amended by striking subparagraph (B) and inserting the following:

"(B) TRANSFERS AT FAIR MARKET VALUE.—To any transfer of property to a trust in exchange for consideration of at least the fair market value of the transferred property. For purposes of the preceding sentence, consideration other than cash shall be taken into account at its fair market value.".

(2) Subsection (a) of section 679 (relating to foreign trusts having one or more United States beneficiaries) is amended by adding at the end the following new paragraph:

"(3) CERTAIN OBLIGATIONS NOT TAKEN INTO ACCOUNT UNDER FAIR MARKET VALUE EXCEPTION.—

"(A) IN GENERAL.—In determining whether paragraph (2)(B) applies to any transfer by a person described in clause (ii) or (iii) of subparagraph (C), there shall not be taken into account—

"(i) except as provided in regulations, any obligation of a person described in subparagraph (C), and

"(ii) to the extent provided in regulations, any obligation which is guaranteed by a person described in subparagraph (C).

"(B) TREATMENT OF PRINCIPAL PAYMENTS ON OBLIGATION.—Principal payments by the trust on any obligation referred to in subparagraph (A) shall be taken into account on and after the date of the payment in determining the portion of the trust attributable to the property transferred.

"(C) PERSONS DESCRIBED.—The persons described in this subparagraph are—

"(i) the trust,

"(ii) any grantor or beneficiary of the trust, and

"(iii) any person who is related (within the meaning of section 643(i)(2)(B)) to any grantor or beneficiary of the trust.".

(b) EXEMPTION OF TRANSFERS TO CHARITABLE TRUSTS.—Subsection (a) of section 679 is amended by striking "section 404(a)(4) or 404A" and inserting "section 6048(a)(3)(B)(ii)".

(c) OTHER MODIFICATIONS.—Subsection (a) of section 679 is amended by adding at the end the following new paragraphs:

"(4) SPECIAL RULES APPLICABLE TO FOREIGN GRANTOR WHO LATER BECOMES A UNITED STATES PERSON.—

"(A) IN GENERAL.—If a nonresident alien individual has a residency starting date within 5 years after directly or indirectly transferring property to a foreign trust, this section and section 6048 shall be applied as if such individual transferred to such trust on the residency starting date an amount equal to the portion of such trust attributable to the property transferred by such individual to such trust in such transfer.

"(B) TREATMENT OF UNDISTRIBUTED INCOME.—For purposes of this section, undistributed net income for periods before such individual's residency starting date shall be taken into account in determining the portion of the trust which is attributable to property transferred by such individual to such trust but shall not otherwise be taken into account.

"(C) RESIDENCY STARTING DATE.—For purposes of this paragraph, an individual's residency starting date is the residency starting date determined under section 7701(b)(2)(A).

"(5) OUTBOUND TRUST MIGRATIONS.—If—

"(A) an individual who is a citizen or resident of the United States transferred property to a trust which was not a foreign trust, and

"(B) such trust becomes a foreign trust while such individual is alive,

then this section and section 6048 shall be applied as if such individual transferred to such trust on the date such trust becomes a foreign trust an amount equal to the portion of such trust attributable to the property previously transferred by such individual to such trust. A rule similar to the rule of paragraph (4)(B) shall apply for purposes of this paragraph.".

(d) MODIFICATIONS RELATING TO WHETHER TRUST HAS UNITED STATES BENEFICIARIES.—Subsection (c) of section 679 is amended by adding at the end the following new paragraph:

"(3) CERTAIN UNITED STATES BENEFICIARIES DISREGARDED.—A beneficiary shall not be treated as a United States person in applying this section with respect to any transfer of property to foreign trust if such beneficiary first became a United States person more than 5 years after the date of such transfer.".

(e) TECHNICAL AMENDMENT.—Subparagraph (A) of section 679(c)(2) is amended to read as follows:

"(A) in the case of a foreign corporation, such corporation is a controlled foreign corporation (as defined in section 957(a)),".

(f) REGULATIONS.—Section 679 is amended by adding at the end the following new subsection:

"(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.".

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers of property after February 6, 1995.

SEC. 414. FOREIGN PERSONS NOT TO BE TREATED AS OWNERS UNDER GRANTOR TRUST RULES.

(a) GENERAL RULE.—

(1) Subsection (f) of section 672 (relating to special rule where grantor is foreign person) is amended to read as follows:

"(f) SUBPART NOT TO RESULT IN FOREIGN OWNERSHIP.—

"(1) IN GENERAL.—Notwithstanding any other provision of this subpart, this subpart shall apply only to the extent such application results in an amount (if any) being currently taken into account (directly or through 1 or more entities) under this chapter in computing the income of a citizen or resident of the United States or a domestic corporation.

"(2) EXCEPTIONS.—

"(A) CERTAIN REVOCABLE AND IRREVOCABLE TRUSTS.—Paragraph (1) shall not apply to any portion of a trust if—

"(i) the power to revest absolutely in the grantor title to the trust property to which such

portion is attributable is exercisable solely by the grantor without the approval or consent of any other person or with the consent of a related or subordinate party who is subservient to the grantor, or

"(ii) the only amounts distributable from such portion (whether income or corpus) during the lifetime of the grantor are amounts distributable to the grantor or the spouse of the grantor.

"(B) COMPENSATORY TRUSTS.—Except as provided in regulations, paragraph (1) shall not apply to any portion of a trust distributions from which are taxable as compensation for services rendered.

"(3) SPECIAL RULES.—Except as otherwise provided in regulations prescribed by the Secretary—

"(A) a controlled foreign corporation (as defined in section 957) shall be treated as a domestic corporation for purposes of paragraph (1), and

"(B) paragraph (1) shall not apply for purposes of applying section 1296.

"(4) RECHARACTERIZATION OF PURPORTED GIFTS.—In the case of any transfer directly or indirectly from a partnership or foreign corporation which the transferee treats as a gift or bequest, the Secretary may recharacterize such transfer in such circumstances as the Secretary determines to be appropriate to prevent the avoidance of the purposes of this subsection.

"(5) SPECIAL RULE WHERE GRANTOR IS FOREIGN PERSON.—If—

"(A) but for this subsection, a foreign person would be treated as the owner of any portion of a trust, and

"(B) such trust has a beneficiary who is a United States person,

such beneficiary shall be treated as the grantor of such portion to the extent such beneficiary or any member of such beneficiary's family (within the meaning of section 267(c)(4)) has made (directly or indirectly) transfers of property (other than in a sale for full and adequate consideration) to such foreign person. For purposes of the preceding sentence, any gift shall not be taken into account to the extent such gift would be excluded from taxable gifts under section 2503(b).

"(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection, including regulations providing that paragraph (1) shall not apply in appropriate cases.".

(2) The last sentence of subsection (c) of section 672 of such Code is amended by inserting "subsection (f) and" before "sections 674".

(b) CREDIT FOR CERTAIN TAXES.—

(1) Paragraph (2) of section 665(d) is amended by adding at the end the following new sentence: "Under rules or regulations prescribed by the Secretary, in the case of any foreign trust of which the settlor or another person would be treated as owner of any portion of the trust under subpart E but for section 672(f), the term 'taxes imposed on the trust' includes the allocable amount of any income, war profits, and excess profits taxes imposed by any foreign country or possession of the United States on the settlor or such other person in respect of trust income.".

(2) Paragraph (5) of section 901(b) is amended by adding at the end the following new sentence: "Under rules or regulations prescribed by the Secretary, in the case of any foreign trust of which the settlor or another person would be treated as owner of any portion of the trust under subpart E but for section 672(f), the allocable amount of any income, war profits, and excess profits taxes imposed by any foreign country or possession of the United States on the settlor or such other person in respect of trust income.".

(c) DISTRIBUTIONS BY CERTAIN FOREIGN TRUSTS THROUGH NOMINEES.—

(1) Section 643 is amended by adding at the end the following new subsection:

"(h) DISTRIBUTIONS BY CERTAIN FOREIGN TRUSTS THROUGH NOMINEES.—For purposes of this part, any amount paid to a United States person which is derived directly or indirectly from a foreign trust of which the payor is not the grantor shall be deemed in the year of payment to have been directly paid by the foreign trust to such United States person.".

(2) Section 665 is amended by striking subsection (c).

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided by paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) EXCEPTION FOR CERTAIN TRUSTS.—The amendments made by this section shall not apply to any trust—

(A) which is treated as owned by the grantor under section 676 or 677 (other than subsection (a)(3) thereof) of the Internal Revenue Code of 1986, and

(B) which is in existence on September 19, 1995.

The preceding sentence shall not apply to the portion of any such trust attributable to any transfer to such trust after September 19, 1995.

(e) TRANSITIONAL RULE.—If—

(1) by reason of the amendments made by this section, any person other than a United States person ceases to be treated as the owner of a portion of a domestic trust, and

(2) before January 1, 1997, such trust becomes a foreign trust, or the assets of such trust are transferred to a foreign trust,

no tax shall be imposed by section 1491 of the Internal Revenue Code of 1986 by reason of such trust becoming a foreign trust or the assets of such trust being transferred to a foreign trust.

SEC. 415. INFORMATION REPORTING REGARDING FOREIGN GIFTS.

(a) IN GENERAL.—Subpart A of part III of subchapter A of chapter 61 is amended by inserting after section 6039E the following new section:

"SEC. 6039F. NOTICE OF LARGE GIFTS RECEIVED FROM FOREIGN PERSONS.

"(a) IN GENERAL.—If the value of the aggregate foreign gifts received by a United States person (other than an organization described in section 501(c) and exempt from tax under section 501(a)) during any taxable year exceeds $10,000, such United States person shall furnish (at such time and in such manner as the Secretary shall prescribe) such information as the Secretary may prescribe regarding each foreign gift received during such year.

"(b) FOREIGN GIFT.—For purposes of this section, the term 'foreign gift' means any amount received from a person other than a United States person which the recipient treats as a gift or bequest. Such term shall not include any qualified transfer (within the meaning of section 2503(e)(2)) or any distribution properly disclosed in a return under section 6048(c).

"(c) PENALTY FOR FAILURE TO FILE INFORMATION.—

"(1) IN GENERAL.—If a United States person fails to furnish the information required by subsection (a) with respect to any foreign gift within the time prescribed therefor (including extensions)—

"(A) the tax consequences of the receipt of such gift shall be determined by the Secretary, and

"(B) such United States person shall pay (upon notice and demand by the Secretary and in the same manner as tax) an amount equal to 5 percent of the amount of such foreign gift for each month for which the failure continues (not to exceed 25 percent of such amount in the aggregate).

"(2) REASONABLE CAUSE EXCEPTION.—Paragraph (1) shall not apply to any failure to report a foreign gift if the United States person shows that the failure is due to reasonable cause and not due to willful neglect.

"(d) COST-OF-LIVING ADJUSTMENT.—In the case of any taxable year beginning after December 31, 1996, the $10,000 amount under subsection (a) shall be increased by an amount equal to the product of such amount and the cost-of-living adjustment for such taxable year under section 1(f)(3), except that subparagraph (B) thereof shall be applied by substituting '1995' for '1992'.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.".

(b) CLERICAL AMENDMENT.—The table of sections for such subpart is amended by inserting after the item relating to section 6039E the following new item:

"Sec. 6039F. Notice of large gifts received from foreign persons.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after the date of the enactment of this Act in taxable years ending after such date.

SEC. 416. MODIFICATION OF RULES RELATING TO FOREIGN TRUSTS WHICH ARE NOT GRANTOR TRUSTS.

(a) MODIFICATION OF INTEREST CHARGE ON ACCUMULATION DISTRIBUTIONS.—Subsection (a) of section 668 (relating to interest charge on accumulation distributions from foreign trusts) is amended to read as follows:

"(a) GENERAL RULE.—For purposes of the tax determined under section 667(a)—

"(1) INTEREST DETERMINED USING UNDERPAYMENT RATES.—The interest charge determined under this section with respect to any distribution is the amount of interest which would be determined on the partial tax computed under section 667(b) for the period described in paragraph (2) using the rates and the method under section 6621 applicable to underpayments of tax.

"(2) PERIOD.—For purposes of paragraph (1), the period described in this paragraph is the period which begins on the date which is the applicable number of years before the date of the distribution and which ends on the date of the distribution.

"(3) APPLICABLE NUMBER OF YEARS.—For purposes of paragraph (2)—

"(A) IN GENERAL.—The applicable number of years with respect to a distribution is the number determined by dividing—

"(i) the sum of the products described in subparagraph (B) with respect to each undistributed income year, by

"(ii) the aggregate undistributed net income.

The quotient determined under the preceding sentence shall be rounded under procedures prescribed by the Secretary.

"(B) PRODUCT DESCRIBED.—For purposes of subparagraph (A), the product described in this subparagraph with respect to any undistributed income year is the product of—

"(i) the undistributed net income for such year, and

"(ii) the sum of the number of taxable years between such year and the taxable year of the distribution (counting in each case the undistributed income year but not counting the taxable year of the distribution).

"(4) UNDISTRIBUTED INCOME YEAR.—For purposes of this subsection, the term 'undistributed income year' means any prior taxable year of the trust for which there is undistributed net income, other than a taxable year during all of which the beneficiary receiving the distribution was not a citizen or resident of the United States.

"(5) DETERMINATION OF UNDISTRIBUTED NET INCOME.—Notwithstanding section 666, for purposes of this subsection, an accumulation distribution from the trust shall be treated as reducing proportionately the undistributed net income for undistributed income years.

"(6) PERIODS BEFORE 1996.—Interest for the portion of the period described in paragraph (2) which occurs before January 1, 1996, shall be determined—

"(A) by using an interest rate of 6 percent, and

"(B) without compounding until January 1, 1996.".

(b) ABUSIVE TRANSACTIONS.—Section 643(a) is amended by inserting after paragraph (6) the following new paragraph:

"(7) ABUSIVE TRANSACTIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this part, including regulations to prevent avoidance of such purposes.".

(c) TREATMENT OF LOANS FROM TRUSTS.—

(1) IN GENERAL.—Section 643 (relating to definitions applicable to subparts A, B, C, and D) is amended by adding at the end the following new subsection:

"(i) LOANS FROM FOREIGN TRUSTS.—For purposes of subparts B, C, and D—

"(1) GENERAL RULE.—Except as provided in regulations, if a foreign trust makes a loan of cash or marketable securities directly or indirectly to—

"(A) any grantor or beneficiary of such trust who is a United States person, or

"(B) any United States person not described in subparagraph (A) who is related to such grantor or beneficiary,

the amount of such loan shall be treated as a distribution by such trust to such grantor or beneficiary (as the case may be).

"(2) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

"(A) CASH.—The term 'cash' includes foreign currencies and cash equivalents.

"(B) RELATED PERSON.—

"(i) IN GENERAL.—A person is related to another person if the relationship between such persons would result in a disallowance of losses under section 267 or 707(b). In applying section 267 for purposes of the preceding sentence, section 267(c)(4) shall be applied as if the family of an individual includes the spouses of the members of the family.

"(ii) ALLOCATION.—If any person described in paragraph (1)(B) is related to more than one person, the grantor or beneficiary to whom the treatment under this subsection applies shall be determined under regulations prescribed by the Secretary.

"(C) EXCLUSION OF TAX-EXEMPTS.—The term 'United States person' does not include any entity exempt from tax under this chapter.

"(D) TRUST NOT TREATED AS SIMPLE TRUST.—Any trust which is treated under this subsection as making a distribution shall be treated as not described in section 651.

"(3) SUBSEQUENT TRANSACTIONS REGARDING LOAN PRINCIPAL.—If any loan is taken into account under paragraph (1), any subsequent transaction between the trust and the original borrower regarding the principal of the loan (by way of complete or partial repayment, satisfaction, cancellation, discharge, or otherwise) shall be disregarded for purposes of this title.".

(2) TECHNICAL AMENDMENT.—Paragraph (8) of section 7872(f) is amended by inserting ", 643(i)," before "or 1274" each place it appears.

(d) EFFECTIVE DATES.—

(1) INTEREST CHARGE.—The amendment made by subsection (a) shall apply to distributions after the date of the enactment of this Act.

(2) ABUSIVE TRANSACTIONS.—The amendment made by subsection (b) shall take effect on the date of the enactment of this Act.

(3) LOANS FROM TRUSTS.—The amendment made by subsection (c) shall apply to loans of cash or marketable securities made after September 19, 1995.

SEC. 417. RESIDENCE OF TRUSTS, ETC.

(a) TREATMENT AS UNITED STATES PERSON.—

(1) IN GENERAL.—Paragraph (30) of section 7701(a) is amended by striking "and" at the end of subparagraph (C) and by striking subparagraph (D) and by inserting the following new subparagraphs:

"(D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and

"(E) any trust if—

"(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and

"(ii) one or more United States fiduciaries have the authority to control all substantial decisions of the trust.".

(2) CONFORMING AMENDMENT.—Paragraph (31) of section 7701(a) is amended to read as follows:

"(31) FOREIGN ESTATE OR TRUST.—

"(A) FOREIGN ESTATE.—The term 'foreign estate' means an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.

"(B) FOREIGN TRUST.—The term 'foreign trust' means any trust other than a trust described in subparagraph (E) of paragraph (30).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply—

(A) to taxable years beginning after December 31, 1996, or

(B) at the election of the trustee of a trust, to taxable years ending after the date of the enactment of this Act.

Such an election, once made, shall be irrevocable.

(b) DOMESTIC TRUSTS WHICH BECOME FOREIGN TRUSTS.—

(1) IN GENERAL.—Section 1491 (relating to imposition of tax on transfers to avoid income tax) is amended by adding at the end the following new flush sentence:

"If a trust which is not a foreign trust becomes a foreign trust, such trust shall be treated for purposes of this section as having transferred, immediately before becoming a foreign trust, all of its assets to a foreign trust.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. ARCHER] and the gentlewoman from Connecticut [Mrs. KENNELLY] each will control 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. ARCHER].

GENERAL LEAVE

Mr. ARCHER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3286.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARCHER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, today we are here to consider legislation that will help thousands of children who are waiting to be adopted.

In America today, there is no reason why any child should be denied a loving family. Unfortunately, there are almost 500,000 children languishing in foster care. There is little hope for many of these children when fewer than 1 in 10 will be available for adoption this year.

There are many parents who want to adopt but can't, because they either don't have the money to pay the adoption fees, or because a Federal regulation says they will not be good parents because their skin color is different from the child they want to adopt.

It's simply not right to deny a child the opportunity to grow up in a loving home because the child parents are not wealthy or of a different race.

For these reasons, I encourage my colleagues to support the Adoption Promotion and Stability Act of 1996. This legislation will help not only adopting parents economically with the $5,000 tax credit, but will also put an end to the practice of delaying adoption, often for years, until States can find racially matched parents for children waiting to be adopted.

The committee provision on interethnic adoption is an excellent complement to the tax credit in promoting adoption. Recent evidence shows that more than 40 States have laws, regulations, or practices that attempt to match adoptive children with families of the same race.

There are two obvious problems with this practice. First, it discriminates against children. During this floor debate, we will show that black children wait for adoptive placements for at least twice as long as white children. Consider the statistical situation faced by black children today: More than two-thirds of the children waiting to be adopted are black but less than one-third of the families waiting to be adopted are black but less than one-third of the families waiting to adopt are black. Given these mathematical facts, it is certain that if our society demands that children be matched by race with adoptive parents, black children will continue to languish in foster care. Many of them will never be adopted. This is truly an American tragedy.

The second problem with current practice is that it discriminates against parents whose race differs from the child they want to adopt because they may have to wait longer than other parents or may even by denied an adoption. This discrimination is especially terrible when the parent has served for a year or more as the child's foster parent. The committee has been informed of many cases, including a widely known case in my own State of Texas, in which foster parents who had formed a loving bond with a child of another race were denied the opportunity to adopt the child.

I can think of no better way to sum up the justification for our policy on interracial adoption than by quoting Jessie Jackson. When asked recently on television by someone arguing that black children should be adopted only by black parents, Mr. Jackson simply asked his debating opponent: What color is love?

Kids need love—the kind of love that can be provided only in a stable family setting. All other considerations must give way to the paramount goal of our policy—every child must live in a loving family.

Let's make adoption easier and help find loving homes for hundreds of thousands of children in need.

I can't conclude without a reminder that the $5,000 adoption tax credit is part of the Contract With America. Republicans remain committed to fulfilling the promises we made to the American people, one important step at a time, and I'm pleased we are being joined by many of our Democrat colleagues.

Madam Speaker, there are many Members who have worked hard to bring this important legislation to the floor. I would particularly like to commend Representative SUSAN MOLINARI, the leader of our Adoption Task Force, for all her good work on this bill, and Chairman JIM BUNNING, who championed this cause in the Ways and Means Committee.

With Mother's Day just around the corner, I can think of nothing better than to allow thousands of women to become mothers for the first time by adopting needy children. Children, families, and our country will benefit greatly. Let's pass this important bill and make that promise a reality.

Madam Speaker, finally, I wish to point out a typographical error that occurred in the committee report—House Report 104-542, part 2—on this legislation. I wish to clarify that on page 21, in the eighth line after the heading "Explanation of Provision," the phrase "or otherwise discriminate" should not have appeared in the report, since this language was stricken from the text of the bill.

Madam Speaker, I reserve the balance of my time.

Mrs. KENNELLY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I am delighted, as so many have said before me, to support this $5,000 tax credit for families adopting children. Adoption costs can be really a great burden to a family who wants so much to have that baby or that child, and this legislation before us tonight makes that burden lighter. As has been said, this is a very good bill, one we are all very, very happy to support.

I would like to take this opportunity, Madam Speaker, to read some excerpts from the letter from our President of the United States, Bill Clinton. The President says about this bill that we are debating tonight:

> I strongly support the adoption tax credit in this bill. It will alleviate the significant barrier to adoptions and allow middle class families for whom adoption may be prohibitively expensive to adopt children to love and nurture. It will encourage adoption for children with special needs. It will put parents seeking to build a family through adoption on a more equal footing with other families. I believe that the bill is consistent with the administration's policy and my longstanding goal to end the historical bias against interracial adoptions which too often has meant interminable waits for children to be matched with parents of the same race.

I just wanted to mention, Madam Speaker, that the President has been consistently a supporter of this legislation and made very clear how pleased he is about bringing it to the floor this evening.

I want to say though, Madam Speaker, that we have to admit that usually a healthy baby will be adopted, and this bill helps those adoptions as far as adoption expenses go. But one of the other things that this bill before us, this legislation, has done is to highlight the fact that there are also at the same time 72 percent of those children who are up for adoption, waiting for adoption in foster care, and many of these children have emotional and physical problems, or they have siblings and they all want to stay together and move to a new family together, or they are older children.

So what happens is this bill does not help them, because many of these children, if in fact adopted, the State will conduct that adoption and they will not have the opportunity for a credit as we are proposing tonight.

What I am saying, Madam Speaker, is, as the gentlewoman from Ohio [Ms. PRYCE] said this evening so often, this is a happy bill, this is a good bill, marvelous legislation, a bill that we can all come together and support. Having done that and congratulated ourselves for having brought forth this very, very good piece of legislation, I think we should also take this opportunity to commit ourselves to looking at those children who are waiting for adoption in foster homes, who are looking for families desperately to take them in and to love them, and that we all, as we bring this bill forward, commit ourselves to remembering those children, not just end tonight by passing this legislation, but to continue to work toward making it possible for these children to move to adoptive homes or in fact, as one of the speakers said tonight, make it easier and more possible for the loving foster care family to in fact adopt the children themselves.

Madam Speaker, I reserve the balance of my time.

Mr. ARCHER. Madam speaker, I yield myself such time as I may consume in order to enter into a colloquy with the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Madam Speaker, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Maryland.

Mr. CARDIN. Madam Speaker, I appreciate the chairman yielding.

Madam Speaker, I rise in support of the $5,000 adoption credit. I would also like to engage the chairman in a colloquy about the definition of qualified adoption expenses under this legislation.

The legislation provides that qualified adoption expenses are reasonable and necessary adoption fees, court costs, attorneys fees, and other expenses that are directly related to the legal adoption of an eligible child. Is it your understanding that the legislation that qualified adoption expenses includes any reasonable and necessary expenses required by the State where the expenses occur as a condition of the adoption?

Mr. ARCHER. Yes, the gentleman is correct. The credit would be available for all reasonable and necessary expenses required by a State as a condition of the adoption. By way of example, expenses could include the cost of construction, renovations, alterations, or purchases specifically required by the State to meet the needs of a child as a condition of the adoption.

Mr. CARDIN. I thank the gentleman.

Mr. ARCHER. Madam Speaker, I ask unanimous consent that I may yield the remainder of my time to the gentleman from Kentucky [Mr. BUNNING] the chairman of the Subcommittee on Social Security, and that he be allowed to allocate that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BUNNING of Kentucky. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in heartfelt support for this bill. Passing it today is the least we can do to help save some of the half million kids who are stranded in foster care.

When it comes to matters involving family, I usually hold fast to the position that Government should butt out and mind its own business. But, making adoption simpler and more affordable is one instance in which the Government can, and should, step in to make a difference.

I was pleased to see last weekend that the President endorsed our bill. Even though he twice vetoed transracial adoption reform as part of our welfare bill, and even though he previously sank the adoption tax credit when he vetoed the balanced budget bill, we welcome him to the fight.

Better late than never.

Last year when Congress was working on welfare reform, the President called me about transracial adoption and offered to help any way he could. I sincerely appreciated that, but, he could have really helped by not vetoing welfare reform.

By signing this bill, the President can still make a difference for kids who are stranded in foster care.

Better late then never.

Back in 1987 I know that Arkansas enacted a law that required race to be used in making adoptions. Section 9–9–102 of the Arkansas Code says that in placing a child of minority heritage, if the child cannot be placed with relatives, the court shall give preference to "a family with the same racial or ethnic heritage as the child * * *."

Now which Bill Clinton should we believe?

So I'm more than a little bit skeptical about the President's endorsement of our bill. But I have read his letter of support, and I am glad to see that he has converted.

Better late than never.

Madam Speaker, I think that many Members are aware that two of my daughters have adopted children of different races. I can personally attest to obstacles that they faced before bringing these children into our family.

These kids were lucky. They ran the gauntlet. Today they are not languishing in foster care, and our family is more blessed because of it.

For these two children, it was better late than never.

But, Madam Speaker, unless we pass this bill today, tens of thousands of kids will not escape the twilight of foster care. They will continue to suffer from discrimination, victims of race-matching.

Unless we pass this bill, their day will never come.

For them we won't even be able to say better late than never. It will always just be never.

The color of a child's skin should not be an impediment to adoption, and it's wrong that this is used to deny children the embrace of a loving home.

I urgently ask my colleagues for their vote on H.R. 3286.

Madam Speaker, I include for the RECORD chapter 9 of the Arkansas Code of 1987:

9–9–102. CONSIDERATION OF CHILD'S MINORITY RACE OR ETHNIC HERITAGE—RELIGIOUS PREFERENCE

(a) In all custodial placements by the Department of Human Services in foster care or investigations conducted pursuant to court order under §9–9–212, due consideration shall be given to the child's minority race or minority ethnic heritage.

(b) In the placement or adoption of a child of minority racial or minority ethnic heritage, in reviewing the placement, the court shall consider preference, and in determining appropriate placement, the court shall give preference, in the absence of good cause to the contrary, to:

(1) A relative or relatives of the child, or, if that would be detrimental to the child or a relative is not available;

(2) A family with the same racial or ethnic heritage as the child, or, if that is not feasible;

(3) A family of different racial or ethnic heritage from the child, which family is knowledgeable and appreciative of the child's racial or ethnic heritage.

(c) If the child's genetic parent or parents express a preference for placing the child in a foster home or an adoptive home of the same or a similar religious background to that of the genetic parent or parents, in following the preferences in subdivisions (b)(1) or (2) of this section, the court shall place the child with a family that also meets the genetic parent's religious preference. Only if no family is available as described in subdivisions (b)(1) or (2) of this section may the court give preference to a family described in subdivision (b)(3) of this section that meets the parent's religious preference.

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Madam Speaker, I reserve the balance of my time.

Mrs. KENNELLY. Madam Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Madam Speaker, the gentlewoman from Connecticut [Mrs. KENNELLY] has been one of the real champions in reforming our foster care system and encouraging more adoptions.

Let me point out, I think people who have been watching this evening will see that there is bipartisan cooperation tonight in moving legislation that is very important to American families. This bill is supported by both the Democrats and Republicans, and I wish we could do that more on the floor of this House and get this type of working relationship where we can produce legislation that is very important to the American family.

This bill and the central part of this bill is to remove an impediment to being adopted from many children who are in foster care, and that impediment is a financial burden. It is very costly in our system to adopt children. Many parents are not able to do that because of the costs. So the central part of this bill is to remove that financial burden, to reduce it significantly on the outset, to make it possible for more children to be adopted.

Madam Speaker, I want to point out another feature of the bill, and that is special needs adoptions which are much more difficult children to place, that have disabilities, that are older, and it is more difficult to place these children in permanent adoption circumstances. This bill recognizes that and provides additional incentives for special needs adoption.

So this legislation has been, I think, worked on in the right way in our committee, in the Committee on Ways and Means, with input from many different groups. It is an important bill, the central feature of which I think will very much help to find more homes for children who are currently in foster care. I urge my colleagues to support this legislation.

Mr. BUNNING of Kentucky. Madam Speaker, I reserve the balance of my time.

Mrs. KENNELLY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I just want to set the record straight on something. I began my remarks by mentioning that the President of the United States had endorsed this bill, and it was mentioned that maybe he had come a little late to the party. That is far from true.

I would like to make it known, and I think it is obviously already part of the RECORD but I would like to say it tonight, that this administration, Mr. Clinton's administration, has worked hard to promote adoption in general and adoption of children with special needs in particular.

First of all, when the President became President, he first championed the Family and Medical Leave Act which enables parents to take time off to adopt a child without losing their job or their health insurance. We all, well, many of us strongly supported that.

The administration then supported the Multi-Ethnic Placement Act to help increase the number of adoptions by prohibiting discriminations based on ethnicity. We remain committed to that and enforcing the law that is about to become law before us tonight.

I also would like to remind Members this evening that as part of our 1993 deficit reduction package, a provision was signed into law that requires ERISA plans to provide the same health care coverage for adopted children as for biological children of plan participants.

This administration has worked for Federal support for adoption of children with special needs, and increased by 60 percent the number of children with special needs who have been adopted with Federal assistance.

So, Madam Speaker, I just really want to mention that the administration, the Clinton administration, has been here from the moment that Mr. Clinton became President of the United States.

I also want to take up one other issue, Madam Speaker, and that is my concern about one of the revenue raisers in this legislation. This bill would fully tax the subsidies provided by utility companies to businesses taking steps to conserve energy.

I am familiar with the legislation that is being eliminated by this bill because I happen to have been the author of it and worked on it for some years, and I was astonished that during a time when we are talking about the rising costs of energy, I do not think it makes sense to eliminate incentives to promote energy conservation.

The President, in this letter that I have been referring to, did mention that he was concerned about the same thing, and he suggested that he would be more than willing to work with the conferees on this bill as they eventually are appointed to see if another revenue raiser could be found instead of this one. It was really very encouraging for conservation.

Madam Speaker, I would like to end by saying that Democrats, Republicans, anyone agrees that finding loving homes for needy children is a goal that government should take every opportunity to pursue, and in this regard, this bill does this tonight. I think everyone who has been involved in this legislation is very pleased it is on the floor tonight and that many more children will find loving homes.

Madam Speaker, I reserve the balance of my time.

Mr. BUNNING of Kentucky. Madam Speaker, I yield 3 minutes to the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Madam Speaker, H.R. 3286 is intended to promote family values, avoid prolonged unnecessary litigation in adoptions and to get away from race-based tests in child placement decisions. I support families, but title III of the bill is antiIndian family legislation and fails to accomplish all three of these goals.

When the Resources Committee considered H.R. 3286, it voted on a bipartisan basis to strike title III of the bill because it fails to put an end to prolonged litigation over Indian child adoptions, will create new impediments to protect abused and neglected Indian children, and raises constitutional issues.

The Indian Child Welfare Act [ICWA] was enacted in 1978 to address a longstanding problem unique to Indian children. At the time, at least 25 percent of all Indian children were either in foster homes, adoptive homes, or boarding schools. Private and public welfare agencies were removing Indian children from their homes at unprecedented rates. And in many cases, where removal was warranted, agencies were ignoring available homes in Native communities. Many of these Indian children have grandparents, aunts and uncles who are willing and able to provide good homes, but were denied placement because they didn't know the children were in need of placement. As a result, Indian children were being removed from their tribal communities in a process the Chairman of the Select Committee on Indian Affairs called cultural genocide.

In my own region of interior Alaska, 80 percent of all Athabascan Indian children removed from their homes were placed in nonrelative/nonNative placements. Generally, the children came from remote villages and were placed in strange urban settings. While that rate has dropped to 40 percent today, still half of the children who were being removed from their tribal communities had been placed in homes outside the familiar environment of their villages and extended families.

It is difficult for me to explain the shock these children experience when they are uprooted from their villages and families and thrust into these unfamiliar surroundings. These children already suffer the heartache of separation from their families, and the difficulties which cause that breakup. ICWA remedies this situation and my message is that ICWA works to keep families together, and that is something that is worth saving.

I hear the concerns of the bill's sponsor over prolonged litigation which ties up some adoptions. But ICWA is not the problem. Many of you have heard of the Rost case. It is a tragic case. But it was caused by an attorney who tried to cover up the natural parents' tribal membership and purposefully avoided checking with the grandparents and extended family of the children to see if the family was available to adopt these children. The attorney in this case is now being sued for malpractice by the natural parents, the adoptive parents, and the Tribe. Unfortunately he inflicted untold sorrow on the Rosts, the grandparents of the children, and, ultimately, on the children themselves, as their fate remains in the courts.

Title III will actually compound the litigation problem. The proposed amendments would exempt from ICWA protection Indian children whose parents do not have social, cultural, and political ties to their tribe. This will have two disastrous affects. First, State courts will now have to hold hearings on whether an Indian child's parents have social, cultural or political ties to their tribe. The only people to benefit from this will be attorneys as they haggle over conflicting facts, trying to apply a vague subjective test, while the children languish in limbo.

Second, the amendments don't just apply to adoptions. ICWA is not the Indian Child Adoption Act; it also applies to custody proceedings for child abuse and neglect cases. Under ICWA, tribes often intervene in these cases to protect abused and neglected Indian children.

For example, the tribes in my region of Alaska intervened in New York to seek the return of an Indian child under ICWA. His mother was a heroin addict who died of AIDS, and the child was later abused in foster care. Today, that child is living with his extended family in a Yukon River village, far from the ravages of social decay which took his mother's life. In another case, an interior Yukon River village intervened in North Carolina to rescue a young girl who was adopted out to a family who sexually abused her, drove her into a mental hospital and then tried to adopt her baby to repeat the cycle. In a third case, another interior Athabascan tribe intervened in a Nevada case involving a 7-month old baby, who was physically abused by its drug-addicted non-Native mother. The baby languished in a Nevada receiving home with 20 other infants until the father's tribe was able to return the baby to Alaska. today, the child is with tribally licensed nonNative foster parents, who are specially trained to deal with drug-affected children, and live near the extended family's village.

The rescue of these children could not occur without ICWA, and under the proposed title III could not occur again, because in each case, the parents of the children had severed their ties to the tribes. In each case, however, the only hope that these children had for rescue was their tribe.

I am sure that, if enacted, title III will ultimately make one or more Indian children available for adoption. However, far more abused and neglected Indian children will needlessly languish in foster care, or worse yet, not receive needed child protection services while State courts determine whether ICWA will apply and protect an innocent abused or neglected child. This may be unintended harm, but it is harm all the same.

Finally, title III raises constitutional problems which were addressed in the original ICWA. In 1977, the Justice Department commented that early drafts of ICWA employed race-based tests for Indian status. Courts have generally held that distinctions based solely on race are constitutionally impermissible. However, courts have also held that distinctions based on tribal membership are based on the sovereign political status of Indian tribes who enjoy a government to government relationship with the Federal and State governments. The distinctions within ICWA are constitutionally permissible to the extent that they rely upon tribal membership or the eligibility for tribal membership. Distinctions which rely solely upon Indian descent and social and cultural ties to an Indian community are constitutionally suspect as a racially based test. Title III employs this latter category of tests, and may be constitutionally defective and are inconsistent with the other portions of the bill.

Finally, title III of H.R. 3286 is one more example of the Federal Government imposing its arbitrary will on our families without taking any input or advise from the people most directly affected by the decision. This bill is a response to lawyers and lobbyists from the adoption industry which have caused the problem. I have heard from countless tribes in the last 2 weeks, and not a single one has supported this measure. And neither does the Attorney General of the State of Nevada. We should listen to their message.

Therefore, I ask the Members of the House to support my amendment to strike title III. Title III may be well intended, but it will hurt children the rest of this bill is trying to help.

Mr. BUNNING of Kentucky. Madam Speaker, I yield 3 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Madam Speaker, if I could just say to the gentleman from

Alaska, my good friend, and he is one of my closest friends here because he and I fight the battle of property rights time and time and time again, and I just want to tell the gentleman how much I really respect him, but I would just say to him that we do not want to disrupt the 1978 legislation that the gentleman was so instrumental in passing. It was a good piece of legislation.

The problem is that there have been problems that have arisen since then. The gentleman has just spoken of several of them. All that we want to do is try to improve the bill just a little bit to keep these terrible situations from occurring.

I just have to say this, because my friend is so good as the chairman of that committee, but the gentleman will always have a parochial interest. We ran into that in the Committee on Agriculture where those that serve on the Committee on Agriculture could never bring themselves to bring about the end of subsidies for farmers in the agricultural industry. The gentleman is in the same boat.

Madam Speaker, I understand that. But the truth of the matter is, if we do not pass this legislation today, the status quo will remain for another 2, 3, 4, 5 years, because the gentleman knows he will never be able to get the legislation out of his committee. That is understandable. If I were on the committee and had the same parochial interests, I could not vote for it either.

So it is the question of doing it now. Let us improve it a little bit. I have the deepest respect for the gentleman from Alaska. He is one tremendous fighter, and he is out here fighting for his State and for his interests.

Mr. YOUNG of Alaska. Madam Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Madam Speaker, I understand that. The gentleman should keep in mind, although I will admit there have been mistakes by ICWA, this goes far beyond, as I have talked to the gentleman and the other Members, it goes far beyond just ICWA. This goes into the concept of the constitutionality of our responsibility to the American Indian tribes, and it is our responsibility.

□ 2200

When you transfer it to the State courts to make the decisions, then I think, very frankly, you have gone too far. I suggested that to you.

I will argue that case tomorrow before the amendment because what you have done is exceed ICWA. It gets into the whole concept of sovereignty and the constitutional role of the Congress to the American Indian tribes.

If you would strike that provision out of the bill, I would be much more sympathetic to what you are trying to do.

Mr. SOLOMON. Reclaiming my time, Madam Speaker, let me say that once the child has left the reservation, once they are then out into the rest of the United States, that is the problem we are dealing with, where a child has been given up by 2 parents, whether married or not, to an adoptive family. Then they are off the reservation. Those are the problems we need to deal with. It is not fair to years later take these children away. That is what happens.

Mr. YOUNG of Alaska. Madam Speaker, if the gentleman will continue to yield, I will agree with the gentleman. But that can be rectified by taking away the authority of the State court making the decision who is an Indian, who is not an Indian. That is the objection I have most of all.

Mrs. KENNELLY. Madam Speaker, I reserve the balance of my time.

Mr. BUNNING of Kentucky. Madam Speaker, I yield 5 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Madam Speaker, the gentleman from Texas, Mr. PETE GEREN, has raised a very important issue in regard to adoption in recent weeks. While he is unable to be here tonight, he and I share great concern about current IRS procedures which result in unnecessary financial burdens on adopting families by making it difficult to claim a dependent deduction for Federal income tax purposes for a newly adopted child in a timely manner.

It is my understanding that the Internal Revenue Service has assured us, Mr. GEREN and I, that it is committed to working with the Committee on Ways and Means and with my oversight subcommittee and with Mr. GEREN to develop as soon as possible an administrative solution that minimizes these burdens on adoptive parents while balancing processing and potential compliance considerations.

During our markup on H.R. 3286 in the Committee on Ways and Means, Treasury Assistant Secretary Samuels said that both the IRS and Treasury will work with our committee to develop appropriate administrative solutions. I appreciate Mr. GEREN's leadership on this matter and the IRS's willingness to give this problem the immediate and serious attention it deserves.

I would like to include for the RECORD a letter sent to the gentleman from Texas, Mr. PETE GEREN, by the Internal Revenue Service stating their intent to solve this problem and any additional remarks he would like to make thereto.

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC, May 9, 1996.

Congressman PETE GEREN,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN GEREN: Jim Feroli of your office asked me to address the issues you raised regarding the difficulties that some adopting parents face in obtaining a Social Security Number ("SSN") for their adoptive child and thus timely claiming the dependency exemption on their federal income tax return. I understand that this situation occurs in both foreign and domestic adoptions where the parents satisfy all of the dependency support requirements of section 152 of the Code but the adoption is not yet final.

Treasury and the IRS are currently looking into the SSN difficulties faced by such adopting parents. As you may be aware, Treasury Assistant Secretary Samuels told the House Ways and Means Committee last week at the Adoption Credit Bill mark-up that both IRS and Treasury will work with the Committee to develop any appropriate administrative solutions to minimize the burdens on adoptive parents while balancing IRS returns processing and potential compliance considerations. Nonetheless, I thought it would be helpful to explain to you our current understanding of the SSN issue.

With regard to foreign adoptions, the Social Security Administration ("SSA") told me that they will issue an SSN to adopting parents upon receipt of the Immigration and Naturalization Service ("INS") documentation required to legally bring a foreign child into the United States. If the adopting parents satisfy the support requirements for their adoptive child but the child does not yet qualify for an SSN (e.g., the parents do not have the appropriate INS documentation), the adopting parents will soon be able to obtain an Individual Taxpayer Identification Number ("ITIN") to claim the dependency exemption for the foreign adoptive child. ITINs are a new taxpayer numbering system that the IRS expects to implement by July 1996 for non-resident aliens unable to obtain SSNs. Individuals eligible to receive an SSN may not receive an ITIN.

With regard to domestic adoptions, the situation is more complex because an adoptive child may have an SSN as a result of actions taken by the child's birth parents, the state or an adoption agency. We are currently trying to assess when such SSNs are available to the adopting parents and when they are not available because of the privacy concerns of either the birth parents or the adopting parents. We also understand from the SSA that they will issue an SSN for a child to a state or an adoption agency which is acting on behalf of the adopting parents, but we have yet to confirm how often SSNs are issued in such situations. We are thus currently assessing different possibilities to resolve the potential problems adopting parents have in the domestic context, and we will certainly keep you informed of our progress.

I hope you find this information helpful. Please call me if you have any questions.

Sincerely,

JOHN M. STAPLES,
Assistant to the Commissioner.

Further, Madam Speaker, I would like to tell a small story. In the fall of 1954, Bertha and Harry Holt, Oregon farmer, attended a missionary conference in which they learned about the plight of Korea's war orphans, especially those that had been fathered by American GI's. The Holts, who already had 6 adolescent and young adult children, were so moved by what they saw and heard that they decided to start sending money to Korea to meet the needs of as many children as they could. Over the months, they felt the tug of the plight of those children and decided to adopt several biracial GI babies. In fact, they decided to adopt not two or three but eight children.

At the time immigration law only allowed Americans to adopt two children from overseas. So a special bill was needed. Though Senator Neuberger introduced it promptly, no action was taken by the wee hours of the closing night of that session.

All seemed lost, when Senate passage happened. And in the House Representative Green had been promised the bill would be called up for action as soon as it won Senate approval. But that Saturday morning, the clerks could not find the bill and its accompanying report anywhere.

Mrs. Green started digging. And with the help of Speaker Sam Rayburn, they dug through the stacks of bills and reports that were flooding in from the Senate and finally, late in the afternoon, she found the bill. And before sundown it was passed and sent to the White House.

Several years later, haunted by the memory of the children who had been left behind, the Holts established an orphanage in Korea. From that humble beginning, the great tradition of intercountry adoption was established. As important as the tax credit provided by this bill is the provision related to transracial adoption, Madam Speaker, Harry Holt would be horrified to learn that American children languish in foster care in America today because they are of a different race than waiting parents. Rev. Jesse Jackson asked the critical question about transracial adoption, the question we should ask ours today: What is the color of love? Indeed, Madam Speaker, what is the color of love?

I want to commend my colleague, the gentleman from Kentucky [Mr. BUNNING], the gentlewoman from New York [Ms. MOLINARI], and the gentlewoman from Ohio [Ms. PRYCE] for their leadership in fashioning this legislation, and I urge my colleagues to support its passage.

Mrs. KENNELLY. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, I rise today in support of providing a $5,000 tax credit for families adopting children. The cost of adopting an infant can exceed $15,000 when you add up the legal fees, court costs, and charges assessed by adoption agencies. This is a heavy burden to bear for middle-income Americans who want to start a family.

However, we should be honest and say that healthy babies will be adopted with or without a tax credit. The children who are really waiting to be adopted are those with special needs, usually meaning they are older, or have emotional or physical problems, or represent a minority. Special needs children represent 72 percent of foster care children who are awaiting permanent adoption. Most of the benefits in the bill before us would not go to families adopting these children because their adoptions are conducted by the States, meaning there are few costs for which to claim a tax deduction.

I also want to express my concern about one of the revenue raisers in this legislation. The bill would fully tax the subsidies provided by utilities companies to businesses taking steps to conserve energy. During a time when we are all talking about the rising cost of energy, I don't think it makes sense to eliminate incentives to promote energy conservation. I understand the Clinton administration has offered to work with Congress to find a different revenue offset to pay for the bill, and I hope the majority will take the President up on that offer.

Madam Speaker, Democrats and Republicans agree that finding loving homes for needy children is a goal the Government should take every opportunity to pursue. In this regard, the bill before us is not perfect, but we should not allow the perfect to become the enemy of the good. I urge my colleagues to support this legislation to help promote adoption.

Madam Speaker, I include for the RECORD the following correspondence:

THE WHITE HOUSE,
Washington, May 6, 1996.

DEAR MR. SPEAKER: I am writing to express my strong support for The Adoption Promotion and Stability Act of 1996. Today, families seeking to adopt children face significant barriers, including high adoption costs, complex regulations, and outdated assumptions. I am committed to breaking down these barriers and making adoption easier. Promoting adoption is one of the most important things we can do to strengthen American families and give more children what every child in America deserves—loving parents and a healthy home. This legislation will help children in need of adoptive homes to be united with devoted parents.

This Administration worked hard to promote adoption in general, and adoption of children with special needs in particular. It championed the Family and Medical Leave Act which enables parents to take time off to adopt a child without losing their jobs or their health insurance. We strongly supported the Multi-Ethnic Placement Act to help increase the number of adoptions by prohibiting discrimination based on race or ethnicity, and we remain committed to enforcing that law vigorously. As part of our 1993 deficit reduction package, I signed into law a provision that requires ERISA plans to provide the same health coverage for adopted children as for biological children of plan participants. We have worked to preserve Federal support for adoption of children with special needs, and increased by 60 percent the number of children with special needs who have been adopted with Federal adoption assistance.

But together we can and must do more. I strongly support the adoption tax credit in this bill. It will alleviate a significant barrier to adoption and allow middle class families, for whom adoption may be prohibitively expensive, to adopt children to love and nurture. It will encourage adoption of children with special needs. It will put parents seeking to build a family through adoption on a more equal footing with other families.

I believe that the bill is consistent with the Administration's policy and my longstanding goal to end the historical bias against interracial adoptions, which too often has meant interminable waits for children to be matched with parents of the same race. The Administration also has some concerns regarding some of the provisions used to offset the cost of the bill and would like to work with the Congress on these provisions. In addition, we need to ensure that unnecessary provisions are not included in the legislation.

The Adoption Promotion and Stability Act is an important first step toward meeting the challenge of removing barriers to adoption. I look forward to working with you so that the dreams of the waiting children in this country to have permanent homes and loving families can become a reality.

Sincerely,

BILL CLINTON.

Madam Speaker, I yield back the balance of my time.

Mr. BUNNING of Kentucky. Madam Speaker, I yield myself the balance of my time, just to close, because we do not have anyone else to speak on behalf of our side.

I would like to congratulate the gentlewoman from New York, Ms. MOLINARI, the gentlewoman from Ohio, Ms. PRYCE, and all others who have participated in the Committee on Ways and Means, who participated in the transracial adoption portion of this bill and congratulate them for their very fine work in bringing this to the floor.

This is a happy day that we are doing this. This will advance bipartisan support for adoption, for adoption tax credits, for adoption of racial barriers to go down, in other words, that there be no racial barriers in adoption. I am very pleased to support this legislation.

Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. MORELLA). Pursuant to the order of the House of today, further consideration of the bill will be postponed until tomorrow.

SPECIAL ORDERS

The SPEAKER pro tempore. (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the Following Members will be recognized for 5 minutes each.

PLANT CLOSINGS AND AMERICAN JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine [Mr. LONGLEY] is recognized for 5 minutes.

Mr. LONGLEY. Mr. Speaker, on Monday of this week, a chilling announcement was received by 500 employees of the C.F. Hathaway Co. in Waterville, ME. When the Warnaco Co., which is a national holding company, which owns the C.F. Hathaway Co., in Waterville, made the following announcement, that following a comprehensive evaluation of their Hathaway men's dress shirt business, the Warnaco Co. had decided to cease manufacturing and marketing this brand. This decision will ultimately result in the sale of the business or the cessation of operations at those facilities were Hathaway shirts are produced, including the plant in Waterville, ME.

Mr. Richard Kelso, president of the Mid-State Economic Development Corp., in central Maine, said of the news that this was going to be a devastating blow because of the large number of workers involved and that unemployment in the mid-Maine area would soar from 7 or 8 percent, currently a full point above the Maine State average, to upward of 10 percent.

This is a significant and devastating blow to the Waterville, ME economy. While the Waranco Co., has indicated that it will cease manufacturing at the facility, they have, pursuant to State law, given the 500 employees 60 days notice of their intention to either terminate operations or, hopefully, to find a buyer for their operations. The Governor of our State, Governor King, has spoken to the company and has conveyed to the company his great concern over the welfare of those 500 workers and that he, on behalf of the State and the congressional delegation, was going to extend every effort to assist the Warnaco Co., in attempting to find a buyer. He and we and other Members of the delegation have all urged the company to continue their operations, hopefully until such time as we can find a buyer for the company.

Mr. Speaker, this is a tremendous economic loss or potentially a tremendous economic loss to central Maine. The C.F. Hathaway Co. is currently the oldest domestic shirt manufacturing company in the United States. It was founded in 1837, almost 160 years ago. The 500 workers today work at wages averaging $7 to $9 an hour. We all hear a lot of talk about the productivity of the American worker, and we are all very gravely concerned about the shift towards overseas and offshore production.

It is significant that just in the last 2 years, as the workers of this company became aware of the fact that Warnaco was concerned about its production costs, that they have managed to increase weekly output from just over 2,000 dozen shirts a week to more than 3,000 dozen shirts a week, an increase of over 40 percent. Just as importantly, the labor costs have decreased from about $125 a dozen shirts to $60 a dozen shirts.

What is even more startling to the people in my State and in my district is the fact that the Warnaco Co. also at the same time reported over $30 million in operating income on revenues of $206 million or net income of about $15 million after additional expenses.

This is the contrast that we face: American workers losing good American jobs, paying local taxes, supporting State and Federal Government, and yet confronted with the loss of their jobs even as the company that owns their production facility is making millions of dollars.

I would suggest that there is an issue here that we in this Chamber should be paying attention to. I hope to be investigating it further.

We need to take a very close look at the cost of doing business in this country and specifically evaluate the fact that 500 workers could be losing their jobs at the very same time that a company could be earning millions of dollars and in fact watching the stock price of the company rise even as they are losing their jobs.

□ 2215

I think this is a serious issue. I have called on the Warnaco Co. to extend every consideration to the State and to the Governor as he attempts to lead us in attempting to find a purchaser for the company, and I encourage and hope that they will extend that courtesy. The 500 workers who demonstrated a tradition of loyalty going back 160 years I hope are entitled to the same expressions of loyalty and courtesy from the company for which they worked and I think we can ask for no less.

HUD HOUSING IMPLEMENTATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. DOYLE] is recognized for 5 minutes.

Mr. DOYLE. Mr. Speaker, since we just completed consideration of the U.S. Housing Act, I believe it is appropriate that I rise this evening to discuss a public housing issue that is now being played out in western Pennsylvania.

In the suburban communities of Pittsburgh, which I represent in Congress, the U.S. Department of Housing and Urban Development, county housing authority, county government, and lawyers representing plaintiffs from a 1988 lawsuit are in the process of implementing a plan to provide public housing for those plaintiffs. And, while I am sure that lawyers could argue the merits of this case for days on end, my dispute is with the manner in which the implementation is being conducted.

In the last year, when decisions were made to purchase single-family houses in seven municipalities within two school districts, the elected officials and residents of these municipalities were not informed and not consulted. The first word of this plan to purchase single-family houses in six communities out of 100 eligible communities in Allegheny County, was this undated form letter notifying them that houses in their communities would be purchased for section 8 housing.

I became involved when the mayors of these affected communities wondered why they had not been brought into the decisionmaking process until it was too late, and then only for appearances. They were at a loss for what could be done about HUD forcing its will on their citizens. I suggested that they form an intermunicipal working group and offer an alternative plan to the proposal by the parties of the consent decree.

There are three basic problems with the path HUD is taking in my district: The lack of community notification and participation, the concentrated loss of tax revenues to the municipalities and school districts, and the extravagant use of taxpayer funds to provide public housing.

First, HUD has shown little interest in communicating with local officials during the decisionmaking process. HUD, and the other parties to this consent decree, deliberately contrived to purchase houses using national guidelines in an original price range between $74,500 and $104,500 for a single unit of housing. When asked only as recently as last week, the communities, where six of the homes were to be purchased, provided lists of more reasonably priced houses as alternatives for purchase. The community leaders are making a good faith effort that is certainly more of a commonsense approach.

By concentrating the first 18 of these 23 house purchases in three communities, the tax revenue losses due to the tax exemptions for section 8 housing were directed unfairly at a relatively small number of communities and only one school district. We proposed that the scattered-site distribution be made throughout a wider geographic area so any revenue losses would be a burden shared fairly among the entire region. After all, the consent decree calls for the public housing to be located throughout Allegheny County, not just a limited portion of the county. And that brings me to the third area that HUD disregarded in its implementation. By purchasing less expensive houses, the tax revenue losses would be more bearable by the local governments and this would be a fair way to treat the citizens who already live in those communities.

The case concluded with a judge's consent decree which requires HUD to acquire 100 units of public housing within Allegheny County to be maintained by the county's housing authority. This still left open the question of how the decree would be implemented.

After the judge's ruling in December 1994, the parties involved in the lawsuit began making implementation plans, but they did not ask for any input from the communities involved. Some time before this past December, HUD decided that it would purchase 23 scattered-site single family houses in a small number of communities to begin implementing the decree. My observation is that there is a right way and a wrong way to implement such a consent decree. HUD and the others involved in this case have taken the wrong path and should go back and start over.

On Tuesday, HUD closed purchases on five of six houses, with prices of $57,500, $67,000, $73,000, $76,000, and $76,595. The people in these communities work hard to have homes and some work two and three jobs to pay for them. Most of the people who live in these communities cannot afford to buy homes at those prices. What kind of a message is HUD sending when they use $2.6 million of the taxpayers' funds to purchase 23 houses in 7 communities? Is this wise use of Federal funds? I don't think so.

Along with the local elected officials, I recommended that HUD help revitalize the housing stock in these communities by purchasing starter homes—homes that could be purchased for much less, and upgraded to improve the housing stock in those communities. This would be a win-win proposal and a commonsense approach to the problem.

I discussed this entire fiasco with Secretary Henry Cisneros recently and I thank him for listening. Now, I want him to act. This week I wrote this letter asking him to place the houses that HUD purchased this week back on the market. HUD needs to start over. And I am asking that he use the guidelines I just explained to implement the consent decree. If HUD is willing to purchase less expensive starter houses across a larger number of the 100 eligible communities and work with the community leaders to identify such properties, then we will solve this implementation challenge. We have been ready to offer alternatives and act in a cooperative spirit to assist HUD and the local housing authority in implementing this consent decree.

During the recent debate on H.R. 2406, the U.S. Housing Act, I discussed this issue with the Appropriations VA/HUD Subcommittee Chairman Jerry Lewis, and I have his assurance that he will work with me through the appropriations process to develop legislative language ensuring that this kind of reckless disregard for the communities and extravagant use of taxpayer dollars does not continue. Public policy on housing and on other local issues should be developed with public participation and by extending a hand of cooperation. We are prepared to cooperate and help create a better life for every citizen in western Pennsylvania.

SALUTE TO LT. COL. HAROLD COHEN ON HIS RECEIPT OF DISTINGUISHED SERVICE CROSS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. CHAMBLISS] is recognized for 5 minutes.

Mr. CHAMBLISS. Mr. Speaker, I rise tonight to salute a remarkable man who is the subject of a remarkable story. Harold Cohen is a native of Spartanburg, SC. He is the son of a Russian immigrant.

In 1942 Harold Cohen entered the Army of the United States of America as a private. Two and a half years later Harold Cohen was a major in the U.S. Army and a battalion commander. Ultimately Harold Cohen received the rank of lieutenant colonel in the U.S. Army.

Colonel Cohen was a close personal friend and a colleague of Creighton Abrams. He and General Abrams served together as a part of General Patton's 3d Army. General Abrams was commander of the 37th Tank Battalion while Colonel Cohen commanded the 10th Armored Infantry Battalion.

It has been said of Harold Cohen as follows:

> Often in the advance, Cohen's infantrymen would ride on Abrams' tanks. Cohen himself, remembered his men, was in constant motion. He sped up and down the column in a mud-splattered Jeep, pleading, coaxing and cursing. His high-pitched voice with his rich southern accent could be heard from great distances. Abrams as a tanker was impressed that infantry leaders like Cohen could motivate their men to move forward under fire with nothing but their OD shirts for protection and he often did so.

Harold Cohen became a real World War II hero. For the exemplary service that Harold Cohen rendered to his country, Harold Cohen received four Silver Stars, three Bronze Stars, three Purple Hearts, the Legion of Merit, the French Croix de Guerre, and awards from Poland, England, Czechoslovakia, and Luxembourg.

But the highest recognition of Harold Cohen was yet to come. Harold Cohen mustered out of the Army after the war and became a successful businessman in Tifton, GA. Creighton Abrams went on to become Chief of Staff of the U.S. Army.

Dr. Lewis Sorley, who is a resident of Potomac, MD, wrote a book called "Thunderbolt." "Thunderbolt" included a long history of the life of Creighton Abrams.

During the course of writing that book, Dr. Sorley discovered that during the latter part of World War II, Harold Cohen was recommended for the Distinguished Service Cross by his men for bravery performed by Harold Cohen during an event that took place on February 25, 1945. The paperwork on this particular recommendation for the award of the Distinguished Service Cross for Harold Cohen unfortunately became lost during the process of the end of World War II.

Dr. Sorley pursued the matter after he discovered this. He went to the U.S. Army, told them what had happened and thanks to his diligence, Harold Cohen today received the Distinguished Service Cross from Gen. Dennis Reimer, who is the current Chief of Staff of the U.S. Army.

The receipt today was very special, because Harold's wife Bettye; Harold's children Marty and Peggy; their grandchildren, Anna, Rachel, Michael, and Alan were also present.

I would like to take just a minute to read the citation that was presented to Harold Cohen today.

> The President of the United States, authorized by an act of Congress dated July 9, 1918, has awarded the Distinguished Service Cross to Lieutenant Colonel Harold Cohen, United States Army Retired, for extraordinary heroism in action. Lieutenant Colonel Harold Cohen distinguished himself by extraordinary heroism on February 25, 1945, when the situation became untenable during his battalion's attack upon Brake, Germany. Small arms, artillery and direct fire came from all directions. Colonel Cohen took a position of high ground in plain view of the enemy. Oblivious to all danger and constant fire that fell all about him, directed tank fire and lifted friendly artillery fire that was falling too close. His personal bravery, inspiring leadership and tactical skill retained the initiative and gained the important objective. Lieutenant Colonel Harold Cohen's quick heroic actions and personal courage reflect great credit on him and the United States Army.

Harold Cohen heads up my military academy appointment committee. I am very proud that Harold Cohen and his wife Bettye are my good friends.

There are two people who tonight are not with us, Gen. George Patton and Gen. Abe Abrams, who are very proud of Harold Cohen. They rolled over tonight and smiled as Harold Cohen received the Distinguished Service Cross from General Reimer. They are proud of you, Harold, as am I.

BILL PASSES HOUSE INCREASING PENALTIES FOR WITNESS AND JURY TAMPERING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I want to take this opportunity to thank you for your support this week of legislation which I brought forward through the Committee on the Judiciary.

I wish to thank the gentleman from Illinois [Mr. HYDE], chairman; the gentleman from Florida [Mr. MCCOLLUM], chairman of the Subcommittee on Crime; the gentleman from Michigan [Mr. CONYERS], ranking member; and the gentleman from New York [Mr. SCHUMER], subcommittee ranking member. Each of them played a part in making sure legislation which I introduced and unanimously passed this week which calls for additional penalties for witness intimidation, as well for juror tampering and juror intimidation.

This legislation was the outgrowth of an article that was part of a series in the Wall Street Journal which outlined a few years ago the fact that some of our Federal defendants saw fit to use self-help and intimidation on witnesses and jurors to get out of the substantive crime for which they were charged, and they had rather do that because the law actually provided at that time the disincentive to use the tampering and risk maybe being found guilty of tampering, and they were, but they were found not guilty because of self-help, an illegality, of the major charge. Our legislation this week will change all that.

From now on, hopefully with the Senate's approval and the President's signature, our legislation this week will make sure that the penalties will be equal, the substantive events and the offense as well to tamper with witnesses and jurors.

I know that this will do a lot for us across the country. My own District Attorney Michael Marino from Montgomery County, PA, who endorsed legislation early on and also helped us receive the endorsement of the Pennsylvania District Attorneys Association had outlined very well that this legislation would very much help him prosecute criminals because witnesses and jurors would feel more secure.

In our neighboring county in Philadelphia, District Attorney Lynn Abraham had for a long time desired this kind of legislation because she has had difficulty getting the high conviction rate she wants for homicides. While her office does an excellent job, they are plagued with a problem of witness and juror intimidation in their cases.

Legislation like this and similar legislation to be passed in the 50 States for the State courts will go a long way for us in helping to make sure that prosecutions proceed, that justice prevails, and that those who are charged with crimes cannot use self-help any longer to exculpate themselves from those crimes and interfere with the court system.

□ 2230

I also wish to note this week that this was an excellent week for our crime victims because three other bills were passed.

Megan's bill, by DICK ZIMMER of New Jersey; that legislation will require the registration of known sex offenders.

And, as well, legislation from DICK CHRYSLER of Michigan, that is going to add additional penalties for those who would commit violent crimes against children or violent crimes against seniors. They will in fact receive greater sentences than the Federal statutes call for today.

And, finally, legislation from ED ROYCE of California. This was a quest of his constituents, many of whom had come forward to him and especially one witness who appeared this week at the Capitol, explaining to us in very poignant terms about the problems of stalking in her State, the threats to those who are stalked and how we need tough Federal laws to prevent this crime and strong, stiff sentences for those who would commit. ED ROYCE'S bill this week will for the first time put teeth into the law, discourage stalking, and make sure that those who commit such heinous crimes will have to answer for them.

So I am happy to congratulate my colleagues on both sides of the aisle for their bipartisan effort to help us fight crime, improve public safety, and make sure that our courts are in fact free of the intervention by those who would destroy the system, create threatening situations for victims, I think destroy the public's confidence in our own law enforcement. But these bills this week have made a difference.

Mr. Speaker, I thank my colleagues for their support, and I thank the Speaker and my colleagues for your indulgence tonight.

REPUBLICAN BUDGET FOR FISCAL YEAR 1997

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized for one half of the time remaining before midnight as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I know that the hour is late, but I would like to address the Speaker and my colleagues tonight because today, in fact yesterday but we received more information today, the Republican leadership unveiled their budget, their budget for the next fiscal year. Very upsetting to me and I think particularly to senior citizens throughout this country, once again we see that the budget is very heavily dependent on cuts in Medicare and Medicaid, primarily once again to pay for tax breaks for the wealthiest Americans.

I think that we know that in 1995, all of last year, we went through a series of efforts with the Republican leadership budget to try to oppose what Speaker GINGRICH and the Republican leadership were trying to do to Medicare. They repeatedly came up with budget initiatives that would have cut Medicare and Medicaid severely, again primarily to pay for tax breaks, and again those tax breaks primarily to wealthy Americans.

I had hoped because of the battle that ensued, that was largely taken up by Democrats against this proposal, that we would not see it raise its ugly head again. But in fact it has, and yesterday and today and I am sure over the next few weeks we are going to see again an effort to basically use the budget and use the cuts in Medicare and essentially pay for the Republican-proposed tax breaks on the backs of senior citizens.

Now, I know I am going to hear over and over again from the Republican side that that is not really what is happening here, what we are really trying to do is somehow protect Medicare, or that somehow the level of cuts that are being proposed by the Republican leadership are not that different from some of the things that the President or some of the Democrats have proposed over the years.

But I would point out that there are major changes in the Medicare and Medicaid program that are being proposed by the Republican leadership, so that it is not just a question of dollars, it is also a question of what the Medicare and Medicaid programs are going to be like. I would venture to say that they are going to be radically different from what seniors expect and have seen in Medicare over the last 30 years. In fact, I would say that the every nature of these changes in Medicare basically destroys the Medicare program and makes it into something which is very different and very radical from what we have today.

I am not surprised by that, because one of the points that I kept stressing throughout the Medicare debate last year was that the Republican leadership really does not like Medicare, really does not care whether Medicare is changed or negatively impacted because many of them never supported Medicare from the beginning.

I would cite a quote that was made by the likely Republican candidate for President, who said, and I quote: "I was there fighting the fight, voting against Medicare, one out of 12, because we knew it would not work," in 1965 when he was then a Congressman here in the House of Representatives. That statement was made by the Republican Presidential candidate just last October 24, 1995.

Similarly, we have the Speaker, the Republican Speaker of the House of Representatives. He made another interesting comment which is very similar, if you will, back in October, on October 26, 1995. He said, "We do not get rid of it," referring to Medicare, "in round one because we do not think that that is politically smart and we do not think that is the right way to go through a transition period. But we believe it is going to wither on the vine because we think people are voluntarily going to leave it."

Well, that was a statement that was made by Speaker GINGRICH again in October of last year. But what we are seeing here, and I think that it is really summed up by the Speaker's statement, is that the changes that are being proposed once again in this budget that we have received over the last couple days, the changes that are being proposed in Medicare by the Republican leadership will ultimately force seniors out of the traditional Medicare program that they are used to. In fact the program, the Medicare as we know it, essentially or eventually does wither on the vine and disappear as an effective and quality health care program for the average American.

Mr. Speaker, I could go on and cite some of the other Republican leaders. Representative DICK ARMEY from Texas, who is the majority leader, made similar types of statements. But I think that I would rather get into the whole issue of what they plan to do it and how they intend to change Medicare and Medicaid so that they are negatively impacted.

Before I do that, though, I just wanted to cite several reasons really why massive Medicare and Medicaid cuts are harmful, and it really goes back to the original purpose of the Medicare program.

The reason why Medicare was started by President Johnson back in the early 1960's was because of the concern over the fact that many senior citizens simply did not have health care. They were living in poverty. They could not afford private insurance. They could not afford to pay out of pocket for the health care needs that they had.

What we did back in the early 1960's was to essentially make sure that all senior citizens would be guaranteed health care, that everyone, when they got older and over 65, would know that they were guaranteed a certain level of health care. That is what Medicare is all about. But the massive Medicaid cuts, the massive Medicare and Medicaid cuts will basically increase old-age poverty and turn this all around.

Half of all the senior citizens right now have incomes of less than $17,000 a year. Medicare and Medicaid cuts will increase out-of-pocket health care expenses for seniors, and the result is a massive increase in old-age poverty to the extent that seniors will spend the little money that they have to pay for health care. If it is not covered by Medicare or certain things are not covered by Medicare and they have to spend more out of their pocket, they go further and further into poverty.

Mr. Speaker, it is also true that cuts in Medicare and Medicaid will reduce access to health care and result in an increase in sickness and misery. Particularly hard-hit will be Medicaid nursing homes where already minimal staff will be cut back to skeleton crews. I think a lot of us forget that the Medicaid programs, which is primarily a program for poor people, the majority of the money is spent for senior citizens in nursing homes. So if they cut back severely on the Medicaid program, they negatively impact nursing home care.

Medicare cuts also mean less access to doctors because Medicare, Medicaid pay less for physician services than private insurance companies. Many doctors are simply refusing to accept more Medicare and Medicaid patients. In rural areas, poor areas and areas with large numbers of senior citizens, access to health care will be further restricted by too steep Medicare and Medicaid cuts.

Massive Medicare cuts also mean increased cost shifting to younger people. The elderly use the same nurses, physicians and x-ray machines as everyone else. Right now Medicare is paying health care providers substantially less than the health plans covering the working population. The difference in public and private reimbursement rates has shifted from the elderly to younger patients.

So lest any of the young people feel, "Well, what does it matter to me if Medicare is negatively impacted or Medicaid," they need to know that what essentially happens is that the hospitals and the health care providers shift the cost to younger people, so they ultimately will suffer.

Medicaid cuts particularly harm poor children. One out of every four children in America is in poverty. Medicaid is the primary health insurance system for America's poor children. Medicaid cuts mean that poor children will have even less access to health care.

Medicare cuts also harm the disabled. More than 4.2 million seriously disabled Americans have their health care needs met by the Medicare system. Hundreds of thousands of very seriously disabled Americans are taken care of in Medicaid nursing homes. Cuts in Medicare and Medicaid will do serious harm to the primary health care systems of America's most disabled.

I think, most important, the level of Medicare and Medicaid cuts that the Republican leadership has proposed will force many hospitals to close. We made this point during the debate last year in 1995. It is just as true now with the cuts that are being proposed by the Republican leadership now. Hospitals depend on Medicare and Medicaid for approximately 45 percent or more of total revenue. If Medicare and Medicaid are cut back, many hospitals will be forced to close and consolidate their patient base. The result will be less access to American medical care and fewer jobs in areas that may already have depressed economies.

Mr. Speaker, I think lastly, and I would like to mention this because I think it goes against what the Republican leadership has said from the beginning, the Republican leadership in the beginning of 1995 talked about and tried to implement their Contract With America. But what we were saying as Democrats throughout that debate is that the Congress cannot make a new Contract With America if it is not willing to make good on the old Contract With America, which is Medicare.

The contract said that working Americans would be taxed their entire working lives in exchange for known and specified benefits in old age, and that contract was broken in 1995 by the Republican leadership. I believe it is broken once again today with the level of Medicare cuts and the changes in the programs that are being discussed or being proposed by Speaker GINGRICH and the other Republican leaders.

Now, let me get into a little analysis of exactly what we received yesterday and today as part of this new Republican budget for 1997. Again, a lot of this is just based on press conferences or press materials. But what was presented by the Republican leadership repeats many of the extreme policies that were proposed in the fiscal year 1996 budget which was vetoed by President Clinton last December.

It maintains the skewed priorities of the early Republican budget: large tax cuts paid for by excessive cuts in Medicare and Medicaid. Medicare is cut by $168 billion over 6 years. The numbers have changed slightly, but the impact on people and hospitals is the same as last year's budget. The implications for health care delivery, seniors will have less choice, Many of the hospitals will close, and doctors and hospitals will be able to do balanced billing. That is where they simply charge Medicare recipients more than what Medicare pays.

The Republicans claim that their cuts of $123 billion—of this $168, $123 billion is in part A, which primarily pays for hospitals and health care institutions—the Republicans say that these cuts are necessary to preserve the solvency of the Medicare Trust Fund through the year 2006. In fact, the President's budget proposal, which he unveiled earlier this year, extends the life of the trust fund through 2006 without such deep reductions.

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Republicans are clearly using funds cut from Medicare to pay for part of their tax breaks, just as they did in 1995. Now when you go to Medicaid as opposed to Medicare, Medicare being primarily a program for seniors regardless of income, Medicaid primarily for poor people regardless of age, Medicaid spending in this new Republican budget is cut by $72 billion over 6 years. They block grant Medicaid. It is this idea of sending the money back to the States in a block grant, cutting the amount of money that the States get, because Medicaid, the States have to match what the Federal Government puts up. So if you block grant the money and send the Federal dollars back to the States, you reduce the amount that the States are going to get and you basically say look, you do what you what with it, without any strings attached.

What that means is that Medicaid, as we know it, which entitles certain people, certain poor people, to health care benefits, children, pregnant women, certain people were just automatically eligible because of Federal guidelines, well, with this block grant approach, where the States basically get less money but are free to spend the money as they please, essentially you are eliminating the guarantee of coverage to a lot of low income children, to a lot of nursing home residents, because what the States will do is they will say okay, we are getting less money, we cannot afford to pay as much State money as we used to, and, therefore, we will just say that certain categories of people are not eligible for Medicaid, or even if they are we will not provide certain services.

So the whole block grant approach to Medicaid essentially means a lot of people will not have coverage who have it now, and if they do have coverage, the types and amounts of services will be severely impacted.

In Medicaid, the proposed cuts of the Republican leadership are $18.5 billion deeper than the reductions proposed by President Clinton. But more important, Republicans appear to be proposing a change in the State match rate which could ultimately produce cuts in total Medicaid funding of more than $250 billion through the year 2002.

I will get into that a little more, in a little more detail later, but essentially right now, the Medicaid program is whatever Federal dollars are put up, the States have to match them essentially 50-50 to achieve a dollar that is spent on Medicaid patients. What the Republicans are proposing to do is to say we will give you more Federal dollars and you do not have to match as much in State dollars. But the point is that the overall amount of money that would be available for Medicaid patients is less, and hence you get the interest in the States in actually spending less or disqualifying certain people who are now eligible for Medicaid.

Now, I wanted to get into a little on Medicare again, what changes are really being made and how radical the Republican changes are to the Medicare program for senior citizens. There are basically three aspects of the current Medicare program for seniors that have existed since it began under President Johnson that are now threatened by the Republican proposal that has been unveiled.

Right now, Medicare offers beneficiaries, seniors, unlimited choice of doctors and hospitals. They can go to any hospital or doctor they want. It offers protections against balanced billing, in other words, limitations on what doctors can charge you beyond what Medicare pays, and, third, guarantees coverage of all Medicare benefits for the premium established by law.

So if you are eligible for Medicare under current law, you are entitled to certain benefits. Well, all these protections are at risk under the budget and under the proposals the Republicans are putting forward.

First of all, let us talk about this unlimited choice of doctors and hospitals. What they are going to do, what the Republicans are proposing to do, is push more and more and eventually most senior citizens into HMO's or managed care systems, where you do not have a choice of doctors or hospitals. The way they do that is through very tight budget caps. They basically put a cap on the overall amount of money that is available in the current fee for service system, where you choose your own doctor. So they say if you go into an HMO or managed care, more money is going to be available for reimbursement to hospitals or to physicians than if you stay in this current system where you choose your own doctor or hospital. So essentially seniors get pushed, if you will, into the HMO's, into the managed care systems, because that is where the money is.

The second thing that I mentioned is this existing protections against balanced billing. Under current law, seniors are protected from balanced billing, in other words, where the doctors want to charge more than what Medicare provides, and the same with hospitals. Hospitals under current law may not charge seniors one penny more than their allowed fee. Doctors may not charge beneficiaries more than 50 percent above the fee that Medicare pays.

But what they are essentially doing under the Republican plan that is proposed is that doctors and hospitals could charge seniors any amount they want for Medicare services if the senior stays in the traditional fee for service system. So if you want a choice of doctor and hospitals, and you stay in the traditional system, then they can charge you whatever they want over and above Medicare. If you move into the managed care and the HMO, that would not be the case, but again, one more incentive to move to managed care, to HMO, where you do not have your choice of hospital or physician.

The last thing, as I said, under current Medicare law there is guaranteed coverage of all Medicare benefits for the premiums, and so if you know you are in Medicare you get certain benefits under the law. But all of a sudden the Republicans have come up with a new idea called medical savings accounts, and what this does is, this is an untested idea, MSA's, essentially what we are doing here is using senior citizens as guinea pigs for this untried new proposal. Under the Medicare savings accounts proposals, the voucher——

Mr. KINGSTON. Will the gentleman yield?

Mr. PALLONE. My time is limited. I have to go with the time I have. I am sorry, I cannot yield.

Under the medical savings accounts proposal, basically you are going to get a Medicaid voucher that could be used to buy a catastrophic health insurance policy with a high deductible, it might be as high as $10,000. Any difference between the cost of that policy and the voucher amount would be placed in a tax-favored medical savings account. So if you just want to use your Medicare money, if you will, or a voucher, to have a high deductible account, you can do that. But then if you get sick, of course, you have to pay that out of pocket.

But the problem is that only the healthiest and the wealthiest seniors could afford to gamble with this kind of high deductible policy. Those individuals who buy the MSA's, the healthier and wealthier people, will be outside the traditional pool, so we believe the average cots eventually of those remaining in Medicare would increase. Again, these are significant changes, I believe, and I think it is self-evident, in the Medicare program as we know it.

So that is what we are hearing from the Republicans. Again, they were talking about these proposals last year, and they are coming up again now in the context of the budget.

Let me talk about the changes in the Medicaid program, the program that is primarily for low income individuals. Right now 36 million Americans receive Medicaid Benefits. 26 million of them are poor children and adults. But, again, when you talk about Medicaid, the majority of the money is spent on nursing home coverage for senior citizens.

So I want seniors to understand that even though Medicaid is for low income seniors, most of the money goes to pay for nursing home care for seniors, many of whom have spent the amount of money they saved for nursing home coverage and then have to go on to what we call Medicaid coverage to pay for the nursing home care.

What we are concerned about here is when you block grant Medicaid under the Republican proposal, and you basically leave it up to the States to decide what to do, large groups of seniors citizens may no longer be eligible for nursing home care, or, if they are eligible for nursing home care, the level of services that is going to be provided to them under Medicaid will be significantly reduced.

Basically states could opt to drop the number of patients they cover, which would cause the number of uninsured Americans to swell, and, if that happens, the Urban Institute predicts that 4 to 9 million Americans will lose health insurance coverage, and every American could feel the effect of these cuts as states are forced to raise other taxes or as insurance companies raise premiums to make up for the increased costs.

So essentially what we are saying is even though you might say to yourself, what does it matter to me if low income people are no longer eligible for Medicaid, it does not have any impact on me, but it could easily have impact if states decide to continue coverage for those individuals because they feel an obligation to, and, therefore, you state taxes or other taxes could rise as a result of the fact that there is a shortfall in the Federal dollars.

I just wanted to read a quote, if I could, because I thought it was such a good one, from the Washington Post back in December, December 12 of last year, when this whole battle over Medicaid was on the floor of the House and was being considered for the last time in a significant way.

What the Post said, on Tuesday, December 12, about the Medicaid block grant, they said:

> The Republicans want to go to a system of block grants, cut projected Federal spending sharply, cut what the States must put up to get their Federal funds, and largely let the States decide how and on whom the money will be spent. This would pretty well eliminate the Federal guarantee that the needy, young, and elderly could count on a certain level of care. Medicaid is not just a major Federal cost and major source of aid to state and local governments. It is an insurer of last resort in the health care system. Medicaid needs to be preserved to protect the vulnerable. The alternative is even more people uninsured. The poor, the States and hospitals and other institutions that serve the poor would all be stranded. This fight is not just about the Federal budget and the Federal role. It is about that.

I need to stress that, Mr. Speaker. We are not just talking about the budget here. I bristle every time I hear that Medicare and Medicaid have become the subject of the battle over the Federal budget, because the bottom line is that this whole Republican proposal to cut Medicare and Medicaid is strictly budget-driven. They are not out to preserve and protect Medicare and Medicaid, they are trying to save money, and they are trying to save money primarily to pay for these tax breaks for wealthy Americans.

I believe very strongly that the whole Medicare and Medicaid debate and any changes to it, any changes to those programs, should be considered outside of the whole budget debate and should be considered separately, but they are not. The Republican leadership constantly brings it up in the context of the budget debate.

I see that my colleague from Ohio, is here and I would certainly like to yield to him.

Mr. KINGSTON. Did the gentleman find some time now to yield, now that we are yielding?

Mr. PALLONE. You have your time on the Republican side of the aisle, after I am done.

Mr. KINGSTON. I will be happy to yield back to you.

Mr. PALLONE. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I appreciate the leadership the gentleman has shown in this issue, not just this year but last year. This is sort of "There you go again with the Gingrich budget," or "The same old song," or whatever that we saw in 1995, last year, we saw the same kind of budget, Medicare cuts, Medicaid cuts, student loan cuts, cuts in environmental protection and environmental laws, all in order to pay for tax breaks for the richest people in the country.

Clearly with this budget, it is simply not much different this year than last year. Last year the American people rose up and said no to Medicare tax cuts for the wealthy, no to Medicaid cuts and student loan cuts of $5 billion in order to give tax breaks to the wealthy, and this year the Gingrich crowd, Gingrich extremists, are basically doing the same thing, trying to sneak in the back door while some of these other issues are going on, trying to sneak in the back door in making these cuts so they can give major tax breaks to the wealthiest people in the country.

The real key I think is what you said, Mr. PALLONE, that they talk out of both sides of their mouth. Speaker GINGRICH himself said that we are trying to save Medicare, yet a year ago, some 6 or 8 months ago, speaking to a group of insurance executives, who stand to make a whole lot of money under the Gingrich Medicare plan, he said, "We do not get rid of Medicare in round 1 because we do not think that is politically smart."

Then he goes on to say, "We believe under our plan Medicare is going to wither on the vine." That is clearly what he thinks about it.

Then the Speaker says, "We are going to save Medicare. This plan is to save Medicare." Obviously it is not. This plan is to weaken Medicare, because he did not believe in it in the first place. As you said, the same with the Senator DOLE, that he saw the same thing, that he was against Medicare 30 years ago as a young House Member, and now that he voted against it then, he led the fight then, he does not want to see that kind of thing happen today.

ANNOUNCEMENT OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). The Chair would remind all Members that remarks in debate may not include personal references to Members of the Senate.

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Mr. BROWN of Ohio. Mr. Speaker, does that mean I cannot mention Speaker GINGRICH?

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Members of the Senate.

Mr. BROWN of Ohio. Mr. Speaker, I apologize for that.

At the time about 30 years ago, then Congressman DOLE said that Congress——

Mr. KINGSTON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from New Jersey [Mr. PALLONE] yield for a parliamentary inquiry?

Mr. PALLONE. I do not, Mr. Speaker. We are just doing special orders. There is no parliamentary inquiry.

Mr. BROWN of Ohio. I would say compliments to Mr. PALLONE on his leadership, not just last year but it seems that we are having the same debate this year. Last year the voters said no to the Gingrich plan of Medicare cuts and Medicaid cuts and draconian student loan cuts in order to give a tax break to the wealthy.

This year it is the same old song. It is coming back saying let us do it again. Last year, Speaker GINGRICH shut the Government down in order to try to get his Medicaid cuts and Medicare cuts and student loan cuts and weakening environmental laws in order to give tax breaks to the rich. He shut down the Government trying to get his way, and clearly the voters and the people of this country said that is not the way it ought to be. He gave up and now he is trying it again.

I cannot believe that we are going to have to go through this same debate. I hope that Speaker GINGRICH is not going to go so far this year that he threatens a Government shutdown to make Medicare wither on the vine and in order to get Medicare and Medicaid and student loan cuts, because clearly the country does not want to see this health care program—30 years ago, 50 percent of the elderly in this country had no health insurance. Today, only 1 or 2 percent have no health insurance. It has been a success.

We have to get costs under control, but we do not let the program wither on the vine. And on student loan cuts, it makes no sense because we as a nation have to compete globally. We cannot see middle-class students charged $5,000 per student more for a 4-year college education in order for Speaker GINGRICH to take that money from the cuts in student loans and giving it to tax breaks for the rich. It is not to balance the budget, but to give tax breaks to the wealthiest people in the country.

Mr. PALLONE, I applaud your work in opposing this budget rerun as we had a year ago that ended up in a Government shutdown trying to get tax breaks for the richest Americans and gutting the programs that matter to our parents and grandparents and to students.

Mr. PALLONE. I thank the gentleman from Ohio [Mr. BROWN] for joining in this debate tonight. If I could just inquire, because of the way the time was split, we have approximately 15 minutes left?

The SPEAKER pro tempore. Yes.

Mr. PALLONE. OK. Thank you, Mr. Speaker. I wanted to, if I could, comment on a couple of things that the gentleman from Ohio said, because I think they are really crucial. One is this concern that you have, which is extremely legitimate, over the fact that the number of uninsured, the number of people that have no insurance in this country continues to rise.

We know that that was one of the major reasons why President Clinton sought to address the health care crisis, if you will, in the last Congress because the number of people that have no health insurance in this country, and we are talking about all kinds of people, primarily working people, continues to go up.

One of the impacts, if you will, of cuts in Medicaid, is that the number of uninsured will go up even more so because Medicaid traditionally, and really progressively over the last 20 years, has been expanded to cover more and more people. One of the major concerns that I have about this Republican proposal that was unveiled today is that by discouraging the States essentially from matching, actually, I think not even allowing them or not expecting them, I should say to match the Federal Medicaid dollars to a 50-50 basis, what you do is actually have the amount of money that is spent on Medicaid decreased significantly, Federal and State dollars.

That is going to mean that a lot of children and elderly who are now insured and covered by Medicaid will not be covered anymore, and therefore will increase the ranks of the uninsured. I yield again to the gentleman.

Mr. BROWN of Ohio. Medicaid cuts across a broad section of people. It is poor children. It is also the elderly in nursing homes and it is also hospitals similar to the one I visited in Cleveland some months ago called Health Hill Hospital. It is a hospital where young people typically from under 18, not young children, who have been in a car accident or had some major traumatic injury, often head injuries, and their medical bills are $5,000 or $10,000 a month. They are often from middle-class families, but no middle-class family can pay that kind of medical cost, nor does their insurance very often cover that for more than a few months or a year or so.

It is things like that that can happen to all kinds of middle-class families and those major cuts in the Medicare for the elderly and Medicaid for so many others are so troublesome. But it is not just the dollars with Medicaid, it is also from the Gingrich plan last year in Medicaid. It took away the standards for nursing homes that President Reagan and the Congress in the mid-1980s enacted in response to oversedation of nursing home patients, in response to problems of safety in nursing homes where some older people were either, as I said, oversedated or restrained in their beds, and it took away these standards that both parties agreed to in the 1980s. And that is what is so troublesome.

There is consensus that Medicare and Medicaid makes sense for almost all of the American people. Almost all of us agree to that, both parties in the 1980's and both parties in the 1970's and both parties in the 1960's when they were created. Yet today this extreme Gingrich faction that is running this Congress says we want to not only cut these programs and let them wither on the vine; we want to take away the safety standards in nursing homes that mean so much to older people to make their lives a little better in the last 1 or 2 or 5 or 10 years of their lives and to take away the protection that people that your age, Mr. PALLONE, and my age have if our parents are in nursing homes that we will not go bankrupt in order to keep them in a nursing home to do that, or that we will not have to choose between do I put my mom and dad in a nursing home or do I pay for a children's education? Particularly with the student loan cuts.

To put Americans in that position where 40 or 50-year-old adults have to make choices between their parents or their children or where the protection is taken away, if in 20 years or so or 30 or 40 years I have to put my wife, or I would have to go in a nursing home, would my wife not even be able to live in the house that we live in at present? That sort of situation simply does not make sense.

Surely, again, we have to get these costs under control, but we do not let these programs wither on the vine and we do not take away this health care system that has worked for so many people in this country and today their lives are better. People that paid their taxes and raised their children and played by the rules and signed a covenant, they expect after paying into Medicare all of these years that they will have that health program for themselves and their family.

Yet Speaker GINGRICH want its to wither on the vine and not see that program anymore. I do not think it makes any sense. I do not understand why they want to rerun this debate that clearly the American people rejected in 1995 and are going to reject this year as long as people know about it and they cannot sneak it in the back-door.

Mr. PALLONE. Exactly. I just wanted to point to two surveys that were done, one involving the Medicaid safety net for children and the other for nursing homes. And just very quickly this is from an article that was in the Washington Post last November that says, "Medicaid safety net for children could be imperiled." It was a report by the Journal of the American Medical Assocation. It said, "From 1992 to 1993, an estimated 3 million children lost private health insurance as people lost jobs or employers stopped providing health insurance."

But until now, increases in Medicaid coverage resulting from past legislation, congressional legislation, that broadened eligibility under Medicaid basically offset the fact that a lot of people lost their jobs and their children are no longer covered by health insurance. For example, they said that in 1988, 66 percent of all children under age 18 had health insurance based on the employment of a family member and 16 percent were covered by Medicaid, but in 1994, the share with employer base health insurance had propped to 59 percent and the Medicaid to 26 percent. So even though people were losing health care coverage for their children because they were losing their jobs in the last five or 6 years, because of the expansion of Medicaid coverage for children under Federal guaranteed entitlement status. Most of those children continued to be covered by health insurance under Medicaid, but now if we block grant this to the States that will not be the case anymore.

Another study, this is from the New York Times back in November 1995, that pointed out how the Republican budget would create a shortage of nursing home beds for the elderly, and it says an array of advocates are warning that the Republican budget would put extraordinary strains on the Nation's patchwork system for paying for nursing homes. The chief threat comes from the Republican cuts to Medicaid. Critics say the changes proposed by the Republicans could diminish the availability of nursing home beds for all but the richest Americans, as well as its quality of care within those institutions and the amount of assistance available for care at the nursing home and would come apart when the over 85 population is projected to grow by 40 percent.

Again, the same way the number of children who did not have private health insurance was growing, the number of seniors who need nursing home beds is growing, and here we are at the time when these populations and needs are growing and those people would become uninsured and not have coverage. We are talking about block granting and providing less money to the States for the very coverage where there is more need. What you are pointing out is exactly on point.

The other thing that I wanted to mention that you talked about is this whole notion that somehow the Republicans, GINGRICH and the others, are saying what we are really doing here is protecting Medicare because it is going to go insolvent and so we have to implement these cuts in order to make Medicare solvent 5 or 6 years from now.

Again, I would say nothing could be further from the truth. I mean, these cuts are not being implemented in order to protect Medicare. These cuts are being implemented to give the tax breaks for the wealthy. And the President in his budget resolution, in his budget that he proposed earlier this year, guarantees the life of the Medicare Trust Fund for at least a decade. His budget proves that the Republican Medicare cuts, the damaging changes that we have talked about, are not necessary to balance the budget. There is over $120 billion remaining in the trust fund and there is no imminent danger that claims will not be paid. And although the trust fund did not perform as well as projected in 1995, the difference between the actual and projected performance was within the typical margin of error and has been incorporated into budget projections.

Every year minor adjustments were made to make sure that the trust fund would remain solvent for the next decade. Democrats continued to do that. The President did that back in 1993. His health care reform would have expanded the life of the trust fund significantly. This is just an excuse, and I know you mentioned that. And I would not be surprised if our colleagues on the other side are going to suggest this again later tonight, that somehow GINGRICH and they are protecting the trust fund from insolvency. It is not true.

Mr. BROWN of Ohio. It is so important that Americans not be fooled by GINGRICH saying that we just want to protect Medicare by the next round of speakers trotting out their articles from conservative, generally pro-Republican newspapers, saying they just want to protect, whether it is the Washington Post or the Washington Times, that typically support the Republican agenda, the Wall Street Journal, to say that we are just trying to save Medicare. The Medicare cuts are for tax breaks for the wealthy, as have you said over and over, Mr. PALLONE, and as the voters clearly, and the public clearly understands from last year, when GINGRICH tried to do this before.

And it is clear that the Gingrich crowd here, the far right of the Republican Party that has supported all of this and pushed all of this, they have never believed in Medicare. They voted against it 30 years ago. Last fall the presumptive nominee of Speaker GINGRICH's party has said, "I was fighting the fight 30 years ago because we knew Medicare would not work." Speaker GINGRICH last fall himself said, "We just want it to wither on the vine. We cannot politically afford to get rid of it in round one, because the public will not stand for it."

They have never cared about Medicare. They voted against Medicare for 30 years, most not the middle of the Republican Party. But because that was the consensus, that Democrats and Republicans alike realized that the public supports Medicare, because that far right of the Republican Party that Speaker GINGRICH is so close to and that really runs things, and particularly the freshmen, all of them have clearly shown their opposition to Medicare year after year after year after year and that part of the party clearly does not support it.

They still do not support it. They will trot out newspaper articles showing how responsible they are, but it is obviously tax breaks for the rich and watch Medicare wither on the vine. That is what they are about. That is what they want to do.

They have a Washington Post article they will use, a newspaper that supported the Gingrich agenda time after time. It has a reputation of once being a more moderate paper with an editorial board made up of people that are conservative and do not support these programs, but representing the far right of that party.

Speaker GINGRICH's comments about Medicare that he wants to see it "wither on the vine" and "it is tax breaks for the rich" tell the whole story. They are simply not interested in saving this program but in gutting this program and in seeing it wither away.

Mr. PALLONE. I agree. I know our time is almost over here, but again if it were really true that they were concerned about the Medicare program, they would deal with it separately from the budget. They would not use the cuts in Medicare and Medicaid as a reason, if you will, or as the basis for these tax breaks that are provided in this new budget that they are trotting out. And even more important, they would not make the changes, the substantive changes in the Medicare program and the Medicaid program that we talked about this evening.

What they are doing is trying to push seniors into managed care, to deny them the choice of their doctors or their hospitals. They are including these balanced billed provisions that will force seniors to pay more out of pocket for the health care. All of these major structural changes in Medicare are being implemented and those are being done under the aegis or with the excuse that somehow they are trying to preserve Medicare as we continue, and it is just the opposite.

☐ 2315

Mr. BROWN of Ohio. The medical savings accounts that the Speaker has extolled, the virtues, over and over and over again, as an idea of a big insurance company, major contributors to the Speaker that salivate over the prospect of getting to write all this insurance for a Medicare program that is withering on the vine. It means major income to them, major costs to senior citizens to pay for a tax break for the wealthy.

Mr. PALLONE. In fact, the Congressional Budget Office has clearly indicated that medical savings accounts will actually cost more money to the Federal Government. So if you are talking about trying to save money, that clearly is not the way to go.

I want to thank the gentleman again for being here tonight.

THE REPUBLICAN BUDGET

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. KINGSTON] is recognized for the balance of the time remaining before midnight as the designee of the majority leader.

Mr. KINGSTON. Mr. Speaker, I want to say to my friend from Ohio over here that if the Washington Post is a conservative newspaper, then the Grateful Dead is a country and western band.

I also, in fact, before he leaves, I was going to ask Mr. PALLONE about one of these quotes that I had because I thought this was interesting, April 24, "well, let me tell you, Members, that this trust fund is not broke." I cannot believe that a Member of the House would say that, contrary to all the evidence. But it is interesting.

I want to make this point because I asked our Democrat colleagues three times if they would yield, three times was denied, and one reason that I think my good friends would not yield any time is they wanted to have free rein of one of their most specious mistruths that I hear them say. That is the quote that the Speaker said that Medicare was going to wither on the vine, when they know, because we have pointed out to them that that was in reference to HCFA, the Health Care Financing Administration in Washington, and that the Democrat Party has notoriously and maliciously misconstrued that quote.

The reason why they would not yield time is because it is easy to run your mouth about something or talk about something when there is no one there to challenge you. If either one of them wanted to come to the floor right now and debate this, I control the time, I will be happy to yield to them so that they can talk about it. But otherwise, Democrats can continue to throw softballs back and forth to each other. Then Republicans can come down here and throw softballs back and forth to each other. And do you know who loses? The American people.

I think it is much better to have a truthful and honest dialogue than just this one-sided aren't we great, let's polish off our halos, let's convince the C-

SPAN audience. As long as you are here, I will yield time to my friend, Mrs. SEASTRAND from California, and the gentleman from Maryland, Mr. EHRLICH. We are going to talk about this.

Let me yield to the gentlewoman from California [Mrs. SEASTRAND].

Mrs. SEASTRAND. I just wanted to say, you have the quote of our colleague who has just spoken and he mentioned that it was the Washington Post, that the Washington Post was favorable to Republicans. I just would say, I have some quotes here from the New York Times and also from the Santa Barbara News Press, which is owned by the New York Times.

I would like to point out, the Santa Barbara News Press did not endorse my candidacy for Congress. The point is that new government data, this is February 5, 1996, New York Times, it says, new government data show Medicare's hospital insurance trust fund lost money last year for the first time since 1972, suggesting that the financial condition of the Medicare program was worse than assumed by either Congress or the Clinton administration.

And I have here a clipping from the Santa Barbara News Press, owned by the New York Times, that says, big, bold letters, Medicare trust fund loses $4 billion, Clinton administration downplays apparent miscalculations, but new data certain to fuel high stakes political debate over the solvency.

Mr. KINGSTON. I have two other sources that confirm the same thing. Here is the Washington Post, that great conservative newspaper which has endorsed every Democrat who has run for office for the President since the paper's existence, but it says here, Medicare is nearer to the red, that the Clinton trustee, who last April 3 predicted it was going to go bankrupt in 2 years, miscalculated. And then this other chart shows what the actual trust funds are for the fiscal year 1996, right now losing over $4 billion, $4.2 billion, year to date. This chart is actually as of April 23, 1996, this comes from the New York Times, which, again, is not any kind of a conservative propaganda sheet by anybody's stretch. But this is fact. And what is so amazing is we still have the Democrat party and leadership in absolute denial.

Mr. EHRLICH. Mr. Speaker, if the gentleman will yield, it is a pleasure to participate in special orders with the gentleman from Georgia and the gentlewoman from California. We had a great special order last week.

I have to tell you, just as observation as a freshman coming here from the State legislature, 8 years in Annapolis, where obviously C-SPAN does not televise the proceedings and the parties do not fight like this and the PAC's are not there and the high stakes are not there, but I have to tell you, the debate in Annapolis was so honest. People dealt with facts.

My best friends in the committee I sat on in the State legislature were people who did not agree with myself philosophically, but we would fight over facts and then would go out and have lunch.

I come here and I watch episodes like we just observed and it is really interesting. I guess my question to you is a rhetorical question.

Why cannot folks on the other side simply debate with respect to facts? Why can they not say, look, EHRLICH, look at you Republicans, Medicare should increase 10 percent a year. If it grows 7 percent a year, it is not good enough. At least they would be intellectually honest. We could have a real give and take.

I suspect the fact you were not allowed into the conversation, no time was yielded to you, was they know that is the case. They know a 7-percent increase per year, as the Republican budget proposal proposed, is no cut.

But look at the terminology, look at the words they use. And you just saw a great example of it here. The half-truths, the innuendo, the term "extremist," one of my favorite terms these days. I guess an extremist is in this House these days those who come to Washington with a philosophical orientation who believe certain things, who have principles and who do not compromise those principles but actually believe that Members of Congress should bring those principles on this floor.

Of course, compromise is part of the political game. We all know that. But you have fundamental beliefs and principles that should drive you as an adult politician and we are adult politicians. It is a great honor to stand here tonight and talk to the American people, but why do they have to turn to the rhetoric, the half-truths and the innuendo every time.

Mr. KINGSTON. let us look at this, because here we have a trust fund that has lost $4.2 billion a year to date on Medicare. Here we have the Clinton appointed Medicare trustees last April saying that it would be broke in 6 years. Then what do we have? We have the minority Democrat leader, DICK GEPHARDT, saying, the Republicans are saying this because the report will have solvency problems that there is a great emergency, this is a hoax.

That was said on Meet the Press, July 30, 1995. Another one, great DICK GEPHARDT again: It is a big lie to say that Medicare is in trouble.

These are people who are paid $134,000 a year. They ought to know what the truth is.

Mr. Speaker, on the time, I did not get that courtesy from our Democrats who just spoke, but I offered them some of our time to defend this statement.

Let me tell Members that this trust fund is not broke.

Well, let me tell the gentleman who just spoke, here is the chart. I do not know what you call it when you have more money going out than you do coming in. But back home on Main Street America, when that happens to American families, that is called going broke.

Mrs. SEASTRAND. I guess this is just proof that the Members from the other side of the aisle have been in control of this House for 40 years, and we are now suffering the consequences of those 40 years with a $5 trillion debt. I guess it is just telling us that perhaps it is their misunderstanding of how you take money in and you only spend what you have, and I guess it is the old standby that that is why we are in trouble because they just do not get it. We were spending more than we were taking in. I think this is just a proof of it.

If the gentleman does not understand that 4.2 billion is a trust fund in trouble, then that explains 40 years of recklessness in this House.

Mr. EHRLICH. Mr. Speaker, I really have a caveat to your observation because these folks are obviously very intelligent. I am not sure it is a misunderstanding. I think it is an understanding. What they understand is, if you go to this floor often enough and use quotes out of context and use words like extremist and use arguments that are not based in fact, but if you repeat those arguments time and time and time and time again, every night, on TV, on radio, on the floor of this House, some people will buy your argument. Some people will. They understand that. I really think that is a logical extension of your remarks.

Mr. KINGSTON. On our truth meter here tonight I have three lies real quickly. Two we have dealt with. One is misconstruing the Speaker's quote, which was an outright deliberate misrepresentation, a lie, as we would say back home. No. 2, saying that a fund that is losing money does not have financial problems. Then No. 3, saying that the new Republican budget cuts Medicare, when the Republican budget that has just been introduced this year actually increases Medicare spending from, and I have the exact number with me, it goes up to $305 billion from $190 billion.

So here the Republican budget increases Medicare spending from 190 to 305 billion and we have heard people as recently as 20 minutes ago saying this is a cut.

Mrs. SEASTRAND. That is almost a 70 percent increase.

Mr. KINGSTON. We are going from about $5,000 per individual.

I notice that the gentlewoman from California has a beautiful picture of her mother there.

Mrs. SEASTRAND. I decided to bring a picture of my mom because I sometimes think that people think that we on this side of the aisle were hatched. We have moms. We have dads. We have grandparents. We have children. And we are concerned.

I just grabbed my mom's picture because I was listening to the working in my office and listening to the debate or I should say the discussion earlier this evening. I could not believe my ears. I just grabbed a picture of mom to say that this is my mom, and she desperately depends on Medicare. She is concerned about what is happening on the House floor and what is going to happen with the President. Are we going to save Medicare?

I just brought down a picture of Mom so that we can take a look at her while we will have this discussion.

Mr. KINGSTON. For Mother's Day you can tell her that the Republican proposal for Medicare increases her benefits from $5,000 to $7,000 and saves the fund from going broke by giving her more options. Those options, as we all know, put more competition in there, give your mother a little bit more to choose from than a Blue Cross, Blue Shield policy.

Mr. EHRLICH. Mr. Speaker, just one observation, I think, forms that background for this discussion. Short-term political calculations have ruled this House.

By the way, it is a bipartisan. Republicans have made their share of mistakes, we all know that. But short-term political calculations have ruled this House for decades. By that I mean, let us not tell the American people the facts. Let us hide the deficit. Let us hide the problems of Medicare.

If we just repeat what people want to hear rather than the truth, we will get reelected. Of course, traditionally that is the way you get reelected. It is so refreshing to be with folks who have come to Congress in the last year and a half, some on the other side of the aisle, relatively few, who are willing to tell the truth to the American people because in my view, that is what defines leaders.

I do not think it takes any particular talent to be a politician. Any of us can go hire a pollster, read the poll results and tell people what they want to hear. There is no particular talent in doing that. But to have the courage of your convictions, to have principle, to have political guts to go tell the American people, look, folks, we have to do something, your mother depends on Medicare. Your mother wants to hear the truth. Your mother want to hear a party with ideas, a party with a plan to save Medicare.

□ 2330

They do not want to hear fear and fear and fear mixed with a little generational warfare, a little class welfare. "Let's scare some of the seniors. Let's scare some of the folks at the lower end of the economic scale. Let's talk about the rich people."

I would love for them to define rich one day. That defines politicians. What defines leaders in my view are folks with principles and ideals, willing to bring their case to the American people. That is why it is fun to be with the Members here tonight.

Mr. FOX of Pennsylvania. If the gentleman will yield, I first want to thank the gentleman from Georgia [Mr. KINGSTON] for having this special order and taking the time to speak out on these important issues along with the gentlewoman from California [Mrs. SEASTRAND] and the gentleman from Maryland [Mr. EHRLICH]. Your points are well taken tonight that you have made about Medicare.

The Republican Party has led the way in making sure that we roll back the 1993 unfair Social Security tax. The same party, the Republicans, also allow seniors to earn more than $11,280, actually up to $30,000 over the next 5 years. The same Republican Party is also looking out for seniors on Medicare. We want to make sure that there is more money there for health care services.

What we have done in our proposal which is not yet the law is going to make sure we remove $30 million in fraud, waste and abuse. It is also going to make sure that medical education for interns and residents, the indirect costs, is on a line item that is protected but not part of Medicare because we need health care for seniors, it just goes to seniors. Also reducing our paperwork costs from 12 percent to 2 percent. All of those things that we have been working for will make sure that Medicare will be solvent, protected and expanded for this generation of seniors and the ones to follow.

Mr. EHRLICH. If the gentleman will yield for a question, I agree with everything you said but you just took about a minute and a half to lay out principles, facts and bills and proposed statutes.

Our problem is, though, that is a poor soundbite. You just talked about facts, about real bills. Is it not easier to scare the American people, to use fear as a political weapon? To say, "Those people want to cut Medicare"? Boom. Three seconds. It is tough, is it not?

Mr. FOX of Pennsylvania. That has been our problem up till now, but I think by having this special order that the gentleman from Georgia [Mr. KINGSTON] has reserved for tonight and by bringing together I think some of the sharpest minds we have in Congress like yourself and the gentlewoman from California we are able to hopefully get the message out that we are trying to take the extra time, the extra effort to explain what is happening and the fact that we need the American people's support to make sure this proposal is in fact passed.

Mrs. SEASTRAND. If the gentleman will yield, you commented about you would hope that one day they would define rich. I served in the State assembly in California. When we talked about giving the working family, the taxpayer out there, Dad and Mom, a tax break, we would hear the same cries from the floor of the assembly. I just have a feeling that you probably heard it in your service to your State about the rich.

I would like to quote the gentleman from Missouri [Mr. GEPHARDT], the House minority leader, in a press statement made on May 7. I quote, and we heard it earlier from the colleagues that preceded us.

"But the Republicans thought it was better to lavish more tax cuts on their wealthy special interest supporters."

You had asked, can we define rich? I would like to run through some of those rich, wealthy special interest supporters that I voted for and that you voted for, some of the things that we want to see for them.

How about taxpayers with income below $100,000? Eighty percent of the GOP tax cuts go to people making less than $100,000 while 61 percent to those earning between $30,000 and $75,000.

How about the small business owner? That is what makes up the majority of jobs on the central coast of California. We have a pro-job, capital gains tax relief that will affect middle-class business owners.

There was an IRS analysis of 1993 tax returns, and that analysis found that 77 percent of tax returns reporting capital gains were filed by taxpayers with incomes less than $75,000. Again, maybe that is rich to some people. Families with children. The $500 tax credit per child applies to families with incomes below $110,000, and that is joint return, or $75,000 single.

Or how about married couples who claim the standard deduction, mostly those with incomes less than $50,000. Our tax package corrects the current problem of a married couple filing jointly who pay more in taxes than if they were unmarried and filing separately.

We hear a lot about the destruction of the family and we want to help families. Again, maybe this is their definition of rich, married couples who are making less than $50,000.

The other two, families who want to adopt a child. Families with incomes below $75,000 would qualify for the maximum credit of $5,000 to defray adoption expenses. Last, families who care for their elderly parent at home, they would receive a $1,000 elder care deduction. So I rest my case. Those are the rich that the other side of the aisle talk about all the time.

Mr. KINGSTON. I think it is also important to note that just about everybody in working America buys gasoline and we have a President who has bragged about, "I feel your pain." I believe he feels people's gas pain, too, because he caused it, with an additional 4 cents per gallon gas tax. Every time you fill up with 10 gallons, you pay 40 cents more because of the 1993 Bill Clinton gas tax.

I represent a rural area. Folks have to drive a long way to get places. It hurts them disproportionately. I know out west people are hurt disproportionately. Working people, the people with lower incomes, have a higher percentage hit. This is a 30 percent gas tax increase. The average gas tax right now per gallon is 38 cents. That is the combination of Federal and State. Are we saying now that only wealthy people buy gas?

Mrs. SEASTRAND. If the gentleman will yield, George Stephanopoulos was in Santa Barbara this last weekend. He admitted that he really does not fully understand this situation because he only lives a few blocks from the office, the White House.

Those that live here on Capitol Hill and work here in the administration obviously do not understand what our folks in our rural areas of the world have to do. They have to drive a distance, from work to their home, or to the grocery store, or to the gas station. In some instances they make a 100-mile round trip and maybe more. Yet that was quite an interesting comment because they just do not get it here in Washington, D.C. about how all the rest of us live.

Mr. KINGSTON. It is a complex problem, buying gas. I could see why Mr. Stephanopoulos could not follow it. "You mean people actually fill up the gas tank and drive to work?"

That would be revolutionary over there on Pennsylvania Avenue.

Mr. EHRLICH. If the gentleman would yield, this is coming from a man who said about this President, for this President, "Words are actions," which is an interesting thing to say when you think about it. Because words are not actions. Words are cheap. Words are really cheap in this town.

It is really nice and a pleasure to serve with people for whom words have meaning. Candidate Bill Clinton, 1992. "I oppose Federal excise gas tax increases."

Words should have meanings. I want to debate those folks on the other side with respect to words and facts, because words should have meanings. The reason people are so skeptical and cynical about politics and about this floor and about this institution is that they see comments like, for this President, "Words are actions." Words should have ramifications, words should have meanings, even in an election year, even in this town, even on this hill.

Mr. FOX of Pennsylvania. If the gentleman will yield, just as a corollary or an adjunct to what you are saying, in 1992 when the President ran, he said he wanted a middle class tax cut, to end welfare as we know it and a balanced budget amendment. We sent him all 3, he vetoed all 3. That goes right back to what you are talking about.

Mr. EHRLICH. Absolutely. Eloquent rhetoric. We all sat on this floor and watched the master politician. I hate being called a politician. I know you all hate it, too. Because politicians tell people what they want to hear. I know you three and I know a lot of people who sit in these chairs every day do not tell people what they want to hear, they tell people what they believe and what they think is best for the future of the country. As I have said earlier, that distinguishes politicians from leaders. Leaders lead. Politicians hire pollsters to tell them what they think the American people want to hear.

Mr. KINGSTON. Another great example of this is the minimum wage. It sounds great. "Let's give people 90 cents an hour more. It won't hurt them."

Yet if you look at what an increase in the minimum wage has done over the last increases, it decreases the number of jobs that are out there. This will cost Americans over 250,000 jobs. There are some interesting statistics on the minimum wage when we look at it.

Only 2 percent of the people get minimum wage over 30 years old on an average. Thirty-nine percent of the people making minimum wage are teenagers. Sixty-six percent of the people making minimum wage are part-time workers. And on an average, an employee who starts at minimum wage today, in one year has a salary of $6.05 an hour.

When you look at this and think that if you increase the minimum wage, you eliminate the number of jobs, you are going to increase the cost of groceries or services, goods and whatever it is that the retail stores sell, it is not a winner for the taxpayer, it is not good for the job seeker, it is not good for the teenager, it is not good for the employees, and it is not good for middle class America. Even though it is politically expedient to say, "Yeah, let's give them a raise."

But the thing is, we have offered a gas tax cut, $500 per child tax credit, lower taxes on income taxes and things like this. You can put more real dollars in the pockets of American workers without expanding the size of government and government mandates.

Mr. EHRLICH. If the gentleman would yield for a brief moment, words are cheap. Words mean nothing. Bill Clinton, February 6, 1993.

> Raising the minimum wage is the wrong way to raise the incomes of low-wage earners.

Should the American people not get to believe what politicians say at some time? Or are we just going to allow pollsters and poll-driven politicians to drive the agenda in this country so that short-term political calculations that get you elected contribute to the $5 trillion in debt we suffer from in this country and the inability of this Congress to show the political guts to dive head-on into the real problems facing the society today. Is that not what leadership is all about?

Mrs. SEASTRAND. If the gentleman will yield, I would like to quote also that famous quote at the fund-raising dinner that the President stated on October 17 where he said, "I think I raised your taxes too much, also."

I want to remind the gentleman here that as of yesterday, working families across this Nation are going to be providing for their own needs. Prior to yesterday, they worked for government, whether it was the local entity of government, State government or the Federal Government. They now have the freedom to work for their home, to pay for their cars, to pay for their children's education, for their clothes and such.

Words are cheap. Because here we have the President admitting that he taxed Americans too much and yet we have to fight the battle to reduce taxes in this town.

Mr. KINGSTON. Wait a minute. I want to make sure I understand. You are saying that May 8 was Tax Freedom Day and you are saying from January 1 to May 8, that all the income earned in that period of time went to the government? Is that what you are saying?

Mrs. SEASTRAND. One hundred twenty-eight days.

Mr. KINGSTON. I thought that day was back in April. April 15. Why are we in May?

Mrs. SEASTRAND. The gentleman probably knows the answer to that. It is the fact that government is growing and taking more and more and with such increases, such as we saw in 1993 with the gas tax, and the other increases for many other programs here in Washington, DC.

This place represents Washington values and not the values of American families. But that is right. One hundred twenty-eight days, the average working man and woman work to pay for taxes at all levels of government. It is pretty amazing.

Mr. FOX of Pennsylvania. If the gentleman form Georgia will yield further, just to add to what the gentlewoman from California [Mrs. SEASTRAND] said, that is all the taxes that take it up to May 8. But adding up all the Federal, State and local regulations, you actually get into July before you start receiving a dollar you can keep.

I think what this 104th Congress has done, we have really, with the Republican majority, been able to derive some things that the gentleman from Maryland [Mr. EHRLICH] talked about earlier which will give us permanent change. We passed a balanced budget for the first time since 1969; we passed the line-item veto which is now the law so we can cut out pork-barrel legislation just to get Congressmen or Senators reelected; we ended unfunded mandates where we tell local governments, "You have got to pay for this just because we passed a bill on to you"; and we passed regulatory reform. By doing that, we hope that Americans will be able to keep more of their paycheck instead of sending so much to Washington to go to more waste and programs that have already taken care of this.

☐ 2345

Mr. KINGSTON. Are those things passed into law or are they sitting over in the Senate?

Mr. FOX of Pennsylvania. Well, the line-item veto was passed into law. The unfunded mandates, that is in the law. Regulatory reform is going to wait for the conference committee of the House and Senate. And balanced budget went to the President already twice, so I think the third time will be the charm and hopefully we will get the President to sign the balanced budget.

Mrs. SEASTRAND. If the gentleman would yield, we talk about taxes that we pay to May 8 and then talk about regulations that would cost us until July. The gentleman from Georgia was pointing out about the tax increase that all of us suffered as of 1993, and I just would say that if we repeal the gas tax and get that signed into law, we are going to save low- and middle-income families almost $70 a year. If we take a nationwide average, that is $48 in everyone's pocket by savings on what they are putting in the tank.

Mr. EHRLICH. If the gentlewoman would yield, here we are talking about for the most part, with the exception of the gas tax repeal, intangible benefits. Five trillion dollars in debt, does anyone know what that looks like? The regulatory burden that our small business folks suffer from, we pay for a good at the market or at the store but we do not think about the regulatory burden. It adds to the consumer price of the good, but we do not think about it.

Is it not always easier to run a 30-second attack ad? "Those Republicans, the class warfare, they will not raise the minimum wage. They do not want to put a few more cents into your pocket." Never mind the folks, the marginal workers, minority workers, unskilled workers, disabled workers who will lose their jobs when we raise the minimum wage. They do not talk about that. Inconvenient. Bad sound bite.

How about the class warfare? It is very frustrating, although I am really personally not as frustrated. As I go back to my district on weekends and some weeknights and talk to folks, they get it. People are not stupid.

Seniors are not dumb. I refuse to believe that most seniors in this country buy what we just heard an hour ago. Seniors are the most sophisticated group in this population. Your mom is smart. My parents are smart. They know what is going on. They can read the newspaper. They can add the numbers up. They understand why we are in the fiscal crunch we are in.

And to run a campaign based on fear and fear alone, the gentlewoman from California just whispered to me before we went on the floor here. She said, where is their idea? Where is their plan?

Mrs. SEASTRAND. Where is the plan?

Mr. EHRLICH. There is no plan. It is fear. Fear wins elections. Class warfare wins elections. If they can get that woman making $18,000 a year to be jealous of that woman or that guy making $24,000 a year, guess what, they got a vote in the other column. Class warfare works.

Remember the speeches during the 1992 campaign? Well, that trickle down speech, that trickle down speech is capitalism. We are a capitalist society. We want people to have a piece of the American pie. We want to grow the American pie, not turn class against class, grandchildren against grandparents.

I cannot wake up every day and come to this House thinking that fear will dominate American politics and that class warfare will dominate American politics and that half truths will dominate American politics after the 1996 election.

Mrs. SEASTRAND. If the gentleman would yield, I do not know about you, but I get quite a few letters from seniors in the district, and they say, "We know that there is a problem. Please fix it so that we can have something for our children and our grandchildren." You are right, our seniors are not dumb, and I think when they are presented with the facts, they understand.

Many of those seniors lived during the depression, my mom did, and went through some very hard times, and they do not want to really see those hard times for their grandchildren. They want to have the hopes and dreams, and you are right, we want to expand opportunities for everyone. We do not want to expand those bureaucracies, and we want to be honest with people to find honest solutions to problems that are facing us. But you are right, fear does sell for that quick fix before an election.

I am glad to stand here with gentlemen that want to face some hard polls sometimes. The figures do not always come out, but we have a job here to try and tell people why something may be bad policy, like the minimum wage, and how it is going to destroy jobs for the very people that we want to help.

The gentleman is right, fear does sell things, but in the long run, I am going to be able to face myself and look myself in the mirror if I can be honest and true with the American voters, honest and true with my mom and honest and true with the voters across America.

Mr. EHRLICH. If the gentlewoman would yield for just a second, I ask that the gentleman from Georgia throw that "medigoguery" article back up. I think too often as Republicans we get skittish and defensive about big-city newspapers who in a very real philosophical sense do not support us most of the time.

So when big-city newspapers, like the Washington Post and the Baltimore Sun papers and other major papers, the New York Times, around the country have the courage of their convictions to tell the American people the truth, like this editorial, I would ask the gentleman to read some of the pertinent parts of this editorial.

This is what those folks you heard an hour ago do not want the American people to hear, and I would yield to the gentleman from Georgia.

Mr. KINGSTON. Well, what this editorial had to do with was when we introduced our plan to save and protect Medicare and the Democrats started demagoguing it through fear because, as Mrs. SEASTRAND said, they had no plan of their own. So what this does is says the Democrats, what they are doing is pretty crummy stuff. They are engaged in demagoguery big time and it is wrong, and it goes on to say that the Republicans have a plan, the Democrats do not. The Republican plan is gutsy and the Democratic TV ads are just scare tactics.

I think the sad thing here is that we are in a debate right now where, frankly, neither side is gaining because neither side has credibility, because the American people hear us, they think well, they have a good point. Then they hear the Democrats, they say, well, I did not know that. After a while they do not know who to believe. That is why I was so disappointed tonight when the Democrats would not yield us time to have a dialogue, and I was further disappointed when we tried to yield time to them.

But we have to have a dialogue back and forth that puts America center stage, not Republicans and not Democrats but America, what is good for your mother, what is good for mine, and also what is good for my children and your children.

Let me yield to the gentleman from Pennsylvania [Mr. FOX], and I know we have to wrap it up.

Mr. FOX of Pennsylvania. One of the things we are also doing for seniors is to make sure with Social Security—we are the ones leading the charge, the Republican majority—to make sure that $358 billion owed to the Social Security Trust fund, through our line-item veto and other cost-cutting measures from real waste in the government, goes back and we make sure those funds are restored.

Prior congresses have taken money from the Social Security Trust Fund.

We want to make sure it gets restored so the Social Security Trust Fund will forever be solvent and be working. We are also working to make sure there are in-home services for our seniors so they live longer, independent and at home before they have to go to any other skilled care. We are also working on that.

Seniors have done so much to make sure we have the opportunity to be here, and we appreciate their getting back to us about suggestions on making sure that we save some important programs but eliminate the waste and making sure the country truly gets its money's worth.

Mr. KINGSTON. I think we need to wrap it up.

Mrs. SEASTRAND. Well, I just would say it is a pleasure talking, and I guess we will have to be down here every evening trying to make the points and trying to tell the American people that we sincerely want to preserve Medicare, to save it for our moms, our dads, our grandparents, and for our children who are depending on us to do so for the future.

□ 2353

It is a pleasure being with you this evening.

Mr. EHRLICH. It is a pleasure being with everybody. Demagogues hate facts, but truth usually wins out.

Mr. KINGSTON. Mr. Speaker, I heard a similar quote that said ignorance and bliss is easy. Let me just say that I think it is important for all of our constituents to call us, to write us, to get involved, to come to town meetings and so forth. We are in a huge national debate. We have a budget that has a deficit of about $140 billion to $150 billion. We have a $5 trillion debt. We cannot pass this legacy on to our children, and we will not even be able to do, because the day of reckoning is coming sooner than that.

I will close with one story I tell many, many times, you have all heard it, a story about a guy crossing the road. He gets into the middle of the road, and a car comes whizzing around the corner. All of a sudden, the man jumps out of the way, the car swerves to the same direction. The man jumps to the right, the car swerves to the right; the man jumps to the left, the car swerves to the left. Back and forth. At the last possible minute, the man jumps out of the way, and the car pulls up next to him. The driver rolls down the window, and it is a squirrel, and he says, "It ain't as easy as it looks, is it?"

I think that is the situation we are in in the United States of America right now. We have got a lot of problems, and it is not going to be easy, and it is not going to be something where you can just stay at home and say this is what ought to happen. We all need to be involved in this. But we are America, and Americans have always risen to the challenge, and we will get through these problems today.

Thanks for being with us.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DICKEY (at the request of Mr. ARMEY), for today after 6:00 p.m. and for the balance of the week, on account of attending his daughter's college graduation.

Mr. HOUGHTON (at the request of Mr. ARMEY), for today until 5:30 p.m., on account of official business.

Mrs. FOWLER (at the request of Mr. ARMEY), until 11:30 a.m. today, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. MEEHAN, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. DOYLE, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

(The following Members (at the request of Mr. LONGLEY) to revise and extend their remarks and include extraneous material:)

Mr. WOLF, for 5 minutes, on May 10.

Mr. CHAMBLISS, for 5 minutes, today.

Mr. LONGLEY, for 5 minutes, today.

Mr. BARR of Georgia, for 5 minutes, today.

Mr. FOX of Pennsylvania, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following members (at the request of Mr. PALLONE) and to include extraneous material:)

Mrs. MINK of Hawaii.

Mr. WYNN.

Mr. STARK.

Mr. MILLER of California.

Mr. LAFALCE.

Mr. FAZIO of California.

Mr. RANGEL.

Mr. HOYER.

Mr. HAMILTON.

Mr. POMEROY.

Mr. LANTOS.

Mr. JOHNSON of South Dakota in three instances.

Mr. GORDON in 10 instances.

Mr. SERRANO.

Mr. PICKETT.

Mr. KANJORSKI.

Mr. KLECZKA.

(The following Members (at the request of Mr. LONGLEY) and to include extraneous material:)

Mr. DORNAN in three instances.

Mr. GOODLING.

Mr. STUMP.

Mr. TORKILDSEN.

Mr. CALLAHAN.

Mr. FORBES.

Mr. HAYWORTH.

Mr. CRANE.

Mr. HOSTETTLER.

ADJOURNMENT

Mr. KINGSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 55 minutes p.m.), the House adjourned until Friday, May 10, 1996, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2895. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Sheep and Wool Promotion, Research, Education, and Information: Certification and Nomination Procedures for the Proposed National Sheep Promotion, Research, and Information Board (Board) (Docket No. LS–94–015A) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2896. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Sheep Promotion, Research, and Information Program: Rules and Regulations (Docket No. LS–95–010) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2897. A letter from the Administrator, Foreign Agricultural Service, transmitting the Service's final rule—Agreements for the Development of Foreign Markets for Agricultural Commodities (RIN: 0051–AA24) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2898. A letter from the Comptroller General of the United States, transmitting a review of the President's fifth special impoundment message for fiscal year 1996, pursuant to 2 U.S.C. 685 (H. Doc. No. 104–209); to the Committee on Appropriations and ordered to be printed.

2899. A letter from the Deputy Secretary of Defense, transmitting the Department's report on assistance to the Red Cross for emergency communications services for members of the Armed Forces and their families, pursuant to 10 U.S.C. 2602 note; to the Committee on National Security.

2900. A letter from the Under Secretary of Defense (Acquisition and Technology), transmitting certification that the standard missile 2 block IV major defense acquisition program is essential to the national security; has no alternative that would cost less; its new estimates are reasonable; and its management structure is adequate, pursuant to 10 U.S.C. 2433(e)(1); to the Committee on National Security.

2901. A letter from the Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense

Federal Acquisition Regulation Supplement; Cost Reimbursement Rules for Indirect Costs—Private Sector (DFARS Case 96–D303) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

2902. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Educational Assistance: Technical Amendments (RIN: 2900–AH59) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

2903. A letter from the Secretary of Defense, transmitting the Secretary's certification that the current Future Years Defense Program fully funds the support costs associated with the Longbow Apache program, pursuant to 10 U.S.C. 2306(i)(1)(A); to the Committee on National Security.

2904. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize consent to and authorize appropriations for the United States contribution to the fifth replenishment of the resources of the African Development Bank, pursuant to 31 U.S.C. 1110; to the Committee on Banking and Financial Services.

2905. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize consent to and authorize appropriations for a United States contribution to the interest subsidy account of the successor [ESAF II] to the Enhanced Structural Adjustment Facility of the International Monetary Fund, pursuant to 31 U.S.C. 1110; to the Committee on Banking and Financial Services.

2906. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the U.S. contribution to the 10th replenishment of the resources of the International Development Association, pursuant to 31 U.S.C. 1110; to the Committee on Banking and Financial Services.

2907. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the 82d annual report of the Board of Governors of the Federal Reserve System covering operations during calendar year 1995, pursuant to 12 U.S.C. 247; to the Committee on Banking and Financial Services.

2908. A letter from the Assistant to the Board, Federal Reserve System, transmitting the Reserve's final rule—Section 23A of the Federal Reserve Act—Definition of Capital Stock and Surplus (Docket No. R–0902) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2909. A letter from the Assistant to the Board, Federal Reserve System, transmitting the Reserve's final rule—Securities Credit Transactions; Review of Regulation T, "Credit by Brokers and Dealers." (Docket No. R–0772) received May 7, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2910. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting copies of the original reports of political contributions for the following: Arlene Render, of Virginia, (Republic of Zambia); Stanley N. Schrager, of Illinois, (Republic of Djibouti); Alan R. McKee, of Maryland, (Kingdom of Swaziland); John F. Hicks, of North Carolina, (State of Eritrea); and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on International Relations.

2911. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on the efforts to train and equip the Federation of Bosnia and Herzegovina military as part of an initiative to enhance regional stability; to the Committee on International Relations.

2912. A letter from the Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rules—(1) Groundfish of the Bering Sea and Aleutian Islands Area; Rock Sole/Flathead Sole/"Other Flatfish" Fishery [Docket No. 960129019–6019–01; I.D. 041296A], (2) Groundfish of the Bering Sea and Aleutian Islands Area; Atka Mackerel in the Central Aleutian District [Docket No. 960129019–6019–01; I.D. 041296B], and (3) Groundfish of the Gulf of Alaska; Deep-water Species Fishery by Vessels using Trawl Gear [Docket No. 960129018–6018–01; I.D. 041296C] received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2913. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Pacific Coast Groundfish Fishery; Closure and Trip Limit Reduction [Docket No. 951227306–5306–01; I.D. 043096A] received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2914. A letter from the Administrator, Environmental Protection Agency, transmitting the Agency's study to determine whether liners or other secondary means of containment should be used to prevent leaking or to aid in leak detection at onshore facilities used for bulk storage of oil and located near navigable waters, pursuant to Public Law 101–380, section 4113(b) (104 Stat. 517); to the Committee on Transportation and Infrastructure.

2915. A letter from the Secretary of Transportation, transmitting the Department's report on the functions of the Interstate Commerce Commission, pursuant to Public Law 103–311, section 210(b) (108 Stat. 1689); to the Committee on Transportation and Infrastructure.

2916. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Great Lakes Pilotage Methodology (RIN: 2105–AC21) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2917. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Audits of State and Local Governments (RIN: 2105–AC44) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2918. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Fire Island Lighthouse Fireworks Display, Fire Island, NY (RIN: 2115–AA97) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2919. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Boating Safety Parade; Charleston, SC (RIN: 2115–AE46) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2920. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Saginaw River, MI (RIN: 2115–AE47) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2921. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulation: World's Fastest Lobster Boat Race, Moosabec Reach, Jonesport, ME (RIN: 2115–AE46) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2922. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Key West Super Boat Race; Key West, FL (RIN: 2115–AE46) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2923. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Hazardous Materials Transportation Regulations; Compatibility with Regulations of the International Atomic Energy Agency (RIN: 2137–AB60) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2924. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Harvard-Yale Regatta, Thames River, New London, CT (RIN: 2115–AE46) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2925. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Sensenich Propeller Manufacturing Company Inc. Models M76EMM, 76EMMS, 76EM8, and 76 EM8S( ) Metal Propellers [Docket No. 95–ANE–03; Amendment 39–9583; AD 69–09–03 R3] (RIN: 2120–AA64) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2926. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; AlliedSignal, Inc. LTS101–600 Series Turboshaft Engines [Docket No. 95–ANE–12; Amendment 39–9609; AD 96–10–04] (RIN: 2120–AA64) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2927. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737 Series Airplanes [Docket No. 96–NM–84–AD; Amendment 39–9611; AD 96–10–06] (RIN: 2120–AA64) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2928. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Standards; Transport Category Rotorcraft Performance (RIN: 2120–AB36) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2929. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Rotorcraft Regulatory Changes Based on European Joint Aviation Requirements (RIN: 2120–AF65) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2930. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; John Day, OR—Docket

No. 96–ANM–002 (RIN: 2120–AA66) (1996–0016) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2931. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Camp Guernsey, WY—Docket No. 96–ANM–5 (RIN: 2120–AA66) (1996–0018) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2932. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD–11 Series Airplanes [Docket No. 96–NM–77–AD; Amendment 39–9612; AD 96–10–07] (RIN: 2120–AA64) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2933. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Exemption, Approval, Registration and Reporting Procedures; Miscellaneous Provisions (RIN: 2137–AC63) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2934. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Lifesaving Equipment (RIN: 2120–AA64) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2935. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the Administrator's determination that it is in the public interest to use other than competitive procedures for the acquisition of hardware, software, and integration services necessary to implement the integrated financial management [IFM] system, pursuant to 10 U.S.C. 2304(c)(7); to the Committee on Science.

2936. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Medical; Nonsubstantive Miscellaneous Changes (RIN: 2900–AH95) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2937. A letter from the Secretary of Health and Human Services, transmitting the Department's final rule—Medicare and Medicaid Programs; Conditions of Coverage for Organ Procurement Organizations [OPOs] (RIN: 0938–AE48) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); jointly, to the Committees on Ways and Means and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on the Judiciary. H.R. 2604. A bill to amend title 28, United States Code, to authorize the appointment of additional bankruptcy judges, and for other purposes (Rept. 104–569). Referred to the Committee of the Whole House on the State of the Union.

Mr. SOLOMON: Committee on Rules. House Resolution 430. Resolution providing for consideration of the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes (Rept. 104–570). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BONO (for himself, Mr. McCollum, Mr. Smith of Texas, Mr. Barr, and Mr. Flanagan):

H.R. 3422. A bill to amend chapter 1 of title 9 of the United States Code to permit each party to certain contracts to accept or reject arbitration as a means of settling disputes under the contracts; to the Committee on the Judiciary.

By Mr. CAMPBELL (for himself, Mr. McIntosh, Mr. Clinger, Mr. Packard, Mr. Bono, Mr. Upton, Mr. Horn, Mr. Scarborough, Mr. Largent, Mr. Castle, and Mr. Zeliff):

H.R. 3423. A bill to provide that an individual may not serve more than two terms as a member of any independent regulatory commission, and to authorize an individual to continue to serve as a member of an independent regulatory commission for not more than 1 year following the expiration of the term of the individual; to the Committee on Government Reform and Oversight.

By Mr. JOHNSON of South Dakota (for himself and Mr. Pomeroy):

H.R. 3424. A bill to amend the Agricultural Marketing Act of 1946 and the Packers and Stockyards Act, 1921, to provide for increased regulation of slaughterhouses; to the Committee on Agriculture.

By Mr. KLECZKA (for himself, Mr. Stark, Mr. Gibbons, Mr. Jacobs, Mr. Pallone, Mr. Cardin, Mr. Matsui, Mr. Lewis of Georgia, Mr. Coyne, Mrs. Kennelly, Mr. McDermott, Mr. Neal of Massachusetts, Mr. Payne of Virginia, Mr. Rangel, Mr. McNulty, Mr. Levin, Mr. Ford, and Ms. McKinney):

H.R. 3425. A bill to amend the Internal Revenue Code of 1986 to require health insurance coverage and group health plans that provide coverage of childbirth to provide coverage for a minimum inpatient stay following childbirth; to the Committee on Ways and Means.

By Mr. KLUG (for himself, Mr. Stark, and Mr. Nussle):

H.R. 3426. A bill to amend title XVIII of the Social Security Act to apply standards to outpatient physical therapy provided as an incident to a physician's professional services; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. NETHERCUTT (for himself, Mr. Hostettler, Mr. Crane, Mr. McIntosh, and Ms. Dunn of Washington):

H.R. 3427. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for the old-age, survivors, and disability insurance taxes paid by employees and self-employed individuals, and for other purposes; to the Committee on Ways and Means.

By Mr. OXLEY:

H.R. 3428. A bill for the relief of certain former spouses of employees of the Federal Government; to the Committee on Government Reform and Oversight.

By Mr. SAXTON:

H.R. 3429. A bill to amend the Safe Drinking Water Act to provide for annual consumer confidence reports regarding contaminants in drinking water; to the Committee on Commerce.

By Mr. UPTON (for himself and Mr. Farr):

H.R. 3430. A bill to amend the Internal Revenue Code of 1986 to eliminate the requirement that States pay unemployment compensation on the basis of services performed by election workers; to the Committee on Ways and Means.

By Mr. WHITFIELD (for himself, Mr. Oxley, Mr. Stearns, and Mrs. Collins of Illinois):

H.R. 3431. A bill to amend the Armored Car Industry Reciprocity Act of 1993 to clarify certain requirements and to improve the flow of interstate commerce; to the Committee on Commerce.

By Mr. WICKER (for himself, Mr. Taylor of Mississippi, and Mr. Parker):

H.R. 3432. A bill to designate certain locks and dams of the Tennessee-Tombigbee Waterway; to the Committee on Transportation and Infrastructure.

By Mr. FORBES:

H. Con. Res. 173. Concurrent resolution expressing the sense of the Congress that a postage stamp should be issued in recognition of the services rendered by this Nation's volunteer firefighters; to the Committee on Government Reform and Oversight.

By Mr. NEUMANN:

H. Con. Res. 174. Concurrent resolution establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002; to the Committee on the Budget.

By Mr. MARKEY (for himself, Ms. Pelosi, Mr. Bryant of Texas, and Mr. Spratt):

H. Res. 429. Resolution expressing the sense of the House of Representatives with respect to the compliance of the People's Republic of China with its intellectual property rights enforcement agreement with the United States and its accession to the World Trade Organization; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. Watt of North Carolina and Mr. Condit.

H.R. 103: Mr. Hall of Texas and Mr. Quinn.

H.R. 303: Mr. Condit, Mr. Thompson, and Mr. Torkildsen.

H.R. 350: Mr. Dickey.

H.R. 351: Mr. Bereuter, Mr. Baker of Louisiana, Mr. Barr, and Mr. Hoke.

H.R. 598: Mr. Allard, Mr. LaFalce, Mr. Barr, Mr. Baldacci, Mr. Edwards, and Mr. Spence.

H.R. 820: Mr. Coburn, Mr. Lightfoot, Mr. Allard, Mr. Foley, Mr. Chapman, Ms. Woolsey, Mr. Roth, and Mr. Bentsen.

H.R. 911: Mr. Hayworth and Mr. Williams.

H.R. 957: Mr. Campbell.

H.R. 972: Mr. Barcia of Michigan.

H.R. 1003: Mr. Baker of California.

H.R. 1046: Mr. Sisisky.

H.R. 1090: Mr. Watts of Oklahoma.

H.R. 1110: Mr. Neumann.

H.R. 1136: Ms. McKinney, Mr. Moakley, Mr. Neal of Massachusetts, and Mr. Dooley.

H.R. 1423: Mrs. Lowey.

H.R. 1462: Mr. HOBSON, Mr. FIELDS of Texas, Mrs. MALONEY, Mrs. SEASTRAND, Mr. WOLF, Mr. BEREUTER, Mr. JACOBS, Mr. OWENS, Mr. WILSON, Mr. LAFALCE, Mr. BUNN of Oregon, and Mr. NADLER.

H.R. 1483: Mr. CLEMENT, Mr. BISHOP, and Mr. DOYLE.

H.R. 1484: Mr. HASTINGS of Florida.

H.R. 1666: Mr. EHLERS.

H.R. 1701: Mr. LUTHER.

H.R 1733: Ms. WOOLSEY and Mrs. SMITH of Washington.

H.R. 1776: Mr. PORTMAN, Mr. ZIMMER, Mr. VISCLOSKY, Mr. PICKETT, Mr. MYERS of Indiana, and Mr. BORSKI.

H.R. 2026: Mr. DEUTSCH, Mr. GEJDENSON, Mr. FRAZER, Mrs. FOWLER, Mr. FRANKS of Connecticut, Mr. SAM JOHNSON, Mr. KINGSTON, Mrs. MYRICK, and Mr. SPENCE.

H.R. 2065: Mr. KLINK.

H.R. 2144: Mr. KLUG.

H.R. 2270: Mr. BAKER of Louisiana, Mr. ENGLISH of Pennsylvania, Mr. BLILEY, Mr. DUNCAN, Mr. TAUZIN, and Mr. GILLMOR.

H.R. 2335: Mr. EHLERS, Mr. WATTS of Oklahoma, Mr. LEWIS of Georgia, Mr. LINDER, Mr. CRAPO, Mrs. VUCANOVICH, Mr. HANCOCK, Mr. NEUMANN, Mrs. CHENOWETH, Mr. JEFFERSON, Mr. BARR, Mr. EHRLICH, Mr. YOUNG of Alaska, Mr. WISE, and Mr. ISTOOK.

H.R. 2500: Mr. ROGERS, Mr. CHRISTENSEN, and Ms. GREENE of Utah.

H.R. 2530: Mr. LUTHER.

H.R. 2582: Mr. OXLEY and Mr. EWING.

H.R. 2604: Mr. HORN.

H.R. 2701: Mrs. MEEK of Florida.

H.R. 2705: Ms. MILLENDER-MCDONALD, Mr. BALDACCI, Mr. BISHOP, Mr. COYNE, Mr. GUTIERREZ, Ms. JACKSON-LEE, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MASCARA, Mr. MORAN, Mr. SCOTT, and Mr. HOLDEN.

H.R. 2820: Mr. ROBERTS.

H.R. 2927: Mr. NEY and Mrs. CUBIN.

H.R. 2943: Mr. PORTER.

H.R. 3079: Mr. HUTCHINSON.

H.R. 3119: Mr. WATTS of Oklahoma, Ms. SLAUGHTER, and Mr. PICKETT.

H.R. 3142: Mr. WELLER, Mr. BAKER of Louisiana, Mr. SHAW, Mr. BROWDER, Mr. WILLIAMS, Mr. ZIMMER, and Mr. EDWARDS.

H.R. 3173: Mr. FLANAGAN, Mr. DIXON, and Mr. GORDON.

H.R. 3187: Mr. DEFAZIO, Mr. NADLER, Ms. RIVERS, Mr. FILNER, Mr. PAYNE of New Jersey, Mr. OBERSTAR, Miss COLLINS of Michigan, Mr. CUMMINGS, and Mr. WYNN.

H.R. 3195: Mr. FIELDS of Texas and Mr. HOEKSTRA.

H.R. 3226: Mrs. THURMAN, Mr. BARRETT of Wisconsin, and Mr. LIPINSKI.

H.R. 3244: Mr. FAZIO of California.

H.R. 3246: Mr. STOKES.

H.R. 3250: Mrs. KELLY, Mr. WISE, Mr. PORTER, Ms. PELOSI, Mr. HINCHEY, and Mr. NUSSLE.

H.R. 3275: Mr. BAKER of Louisiana.

H.R. 3305: Mr. NEY and Mr. GRAHAM.

H.R. 3310: Mr. COBLE and Mr. DUNCAN.

H.R. 3324: Mr. ENSIGN and Mr. HOEKSTRA.

H.R. 3338: Mr. POMBO.

H.R. 3348: Mr. FOX.

H.R. 3354: Mr. PETERSON of Minnesota and Mr. STUMP.

H.R. 3383: Mr. BOEHLERT.

H.R. 3392: Mrs. SCHROEDER, Mr. OBERSTAR, Mr. HASTINGS of Florida, Mr. BECERRA, and Mr. BALDACCI.

H.R. 3396: Mr. ISTOOK, Mr. DORNAN, Mr. STOCKMAN, Mr. DEAL of Georgia, Mr. BURTON of Indiana, Mr. PETRI, Mr. COLLINS of Georgia, Mr. NEY, Mr. COOLEY, Mr. HILLEARY, Mr. FUNDERBURK, and Mr. NORWOOD.

H.R. 3398: Mrs. KELLY, Ms. RIVERS, Mr. HYDE, Mr. FLANAGAN, and Mr. PALLONE.

H. Con. Res. 10: Mr. BARR and Mr. DINGELL.

H. Con. Res. 139: Mr. BOEHLERT.

H. Con. Res. 151: Mr. EVANS.

H. Con. Res. 154: Mr. FLAKE, Mr. LEVIN, Mrs. LOWEY, and Mr. MEEHAN.

H. Con. Res. 169: Mr. FUNDERBURK, Mr. PETRI, Mr. STUMP, Mr. ROHRABACHER, Mr. FOLEY, Mr. BUYER, Mr. PORTMAN, Mr. HASTERT, Mr. SKEEN, Mr. BAKER of Louisiana, Mr. DORNAN, Mr. WELDON of Florida, Mr. SCHIFF, Mr. SCHAEFER, Mr. CAMPBELL, Mr. FRANKS of New Jersey, Mr. EHRLICH, Mr. MANZULLO, Mr. CLINGER, Mr. CRAPO, Mr. MCKEON, Mr. KING, Mr. LARGENT, Mr. LAHOOD, and Mr. WHITFIELD.

H. Res. 30: Mr. BILIRAKIS, Mr. REGULA, and Mr. CAMPBELL.

H. Res. 49: Mr. MANZULLO.

H. Res. 348: Mr. HILLEARY, Mrs. KELLY, and Mr. BARR.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2086: Mr. GREEN of Texas.

EXTENSIONS OF REMARKS

MEXICO AT A CRITICAL JUNCTURE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. RICHARDSON. Mr. Speaker, I am taking this opportunity to share with my colleagues a brilliant analysis of the political and economic crisis in Mexico. The essay discusses the multiple causes that triggered the Mexican crisis, explains the measures that the Mexican Government has implemented to overcome the crisis and offers insights of the position our Government should adopt to help this troubled developing nation to flourish again.

This report was written by C. Allen Ellis—a well-known international specialist who has demonstrated outstanding leadership and diplomatic skills and whose opinion is respected in our country, Mexico and in the international financial circles. Among the multiple duties of his professional life, Mr. Ellis has served as an advisor to senior political, diplomatic, and financial authorities of the United States and Mexico. He also participated in the North American Free Trade Agreement process as advisor to key members of the United States Congress, the Government of Mexico, and Mexico private sector interests. And most importantly, Mr. Ellis is an active member of the North American Institute, an international think tank based in the heart of my district in Santa Fe, NM. I believe that my colleagues will benefit greatly from Mr. Ellis' report.

MEXICO AT A CRITICAL JUNCTURE

(By C. Allen Ellis)

THE 1994–1995 CRISIS

The years 1994–1995 were two of the most turbulent years in Mexico's modern history since the Revolution of 1910. An indigenous uprising in the southeastern state of Chiapas, which could represent a flashpoint for the vast number of our southern neighbor's rural and urban poor, continued to fester. Luis Donaldo Colosio, the presidential candidate of the country's dominant political party for 65 years, the Partido Revolucionario Institucional ("PRI"), was assassinated March 23, 1994 as he initiated his campaign, and a possible conspiracy and its participants is an issue which the judiciary and law enforcement branches of the government have been unable to resolve to date.

A relatively unknown substitute and politically inexperienced PRI candidate, Ernesto Zedillo Ponce de León, was elected President September 1, 1994, in what observers and participants alike concluded was a model democratic election in Mexico.

The above dramatic events, along with a continuing rise in international interest rates, and a massive acceleration in Mexico's balance of trade and current account deficits, resulted in a growing erosion of confidence by foreign and Mexican investors alike in Mexico and in its capital market, which the bulk of capital flows earlier had found attractive, notably in the form of "Tesobonos", short-term, high-yielding, essentially dollar-denominated instruments.

The Government of Mexico's reliance on "Tesobonos" and on escalating short-term internal financing to meet its short and long-term financial needs, was compounded by the failure of the outgoing administration of President Carlos Salinas to address the challenging issue of an over-valued currency. The international financial community would have accepted a devaluation prior to its leaving office, given its confidence in Mexico's outgoing political leadership and financial authorities, but the decision was made to avoid this unpalatable choice.

President Ernesto Zedillo and his inexperienced political and financial team were thus confronted, three weeks after taking office, with the fateful necessity to devalue. It was, inevitably, a failure, given its having to be attempted before the new administration had established its political and financial credibility compounded by its handling of the devaluation proper.

The result of the above-described confluence of events was a crisis year 1995 in which Mexico experienced its worst recession since 1932 with a fall in its gross domestic product of 6.9% inflation in excess of 50%, its currency devalued by a third against the dollar, at least 15,000 business failures, additional millions of unemployed or underemployed and a shattering loss of confidence by the Mexican people at all levels of society in the workings of their traditional political system and in their political and economic governance.

Fortunately for Mexico, and in the national self-interest of our own country, President William Clinton, his financial team and the Federal Reserve Board were joined by the international financial community and key members of both parties in our Congress in approval of timely and massive financial assistance to Mexico. This was in response to the economic stabilization program adopted by President Zedillo and Treasury Secretary Guillermo Ortiz, in close consultation with Secretary Robert Rubin and his team at Treasury working in tandem with the international financial agencies.

THE PRESENT ECONOMIC SCENARIO

At the recent Mexican Bankers Convention held March 15–16 the mood of the assembled banking representatives and senior government officials was realistic, if not somber. It was in striking contrast to the prior gathering in October 1994 where outgoing President Carlos Salinas presided and lauded his Treasury Secretary for his abilities and loyalty.

President Zedillo in his address to the 1996 assemblage reiterated that the economic austerity program of his administration would be continued. Treasury Secretary Ortiz thereafter described the slowing in the fourth quarter of 1995 of the economy's free-fall in the second and third quarters. He predicted that a slow recovery, and fall in Mexico's continuing inflation, would begin in the second quarter of 1996, making possible achievement of the 3% growth rate target for the year with moderating inflation.

However, the assembled Mexican and foreign bankers remained particularly troubled by the continuing crisis in the banking system where prevailing interest rates of 40% and higher, similar bad debt levels as a percentage of loans, and a growing non-payment mentality by borrowers, even when able to repay, were of increasing concern.

Our country's 1995 trade deficit of $15.4 billion with Mexico was the first year since 1990 that imports exceeded exports, and was principally due to Mexico's deep recession, the devaluation of its currency and our own booming demand. Our exports to Mexico, in a total of $46.3 billion, were down approximately 9% from their 1994 level but still 11% higher than in 1993, the year before NAFTA took effect. Despite earlier dire forecasts by Ross Perot and others of the effect NAFTA would have on employment, the Department of Labor has reported that between January 1994 and February 1996 it certified for assistance 58,600 workers whose loss of jobs could be attributed to NAFTA, far fewer than had been predicted.

PRESIDENT ERNESTO ZEDILLO AND HIS POLICIES.

President Zedillo has begun his six-year term to end in the year 2000 embarked on a program to open and democratize Mexico's one-party political system, reform the authoritarian nature of its presidency, enhance the role of the legislative and judicial branches of government, and decentralize its federal-state relationships, all the while confronting Mexico's shattered economy and banking system. He has chosen a herculean course which, if successful, could dramatically change Mexico and result in its political modernization.

Many Mexicans, particularly among traditional political figures and their counterparts in the private sector, question whether this is the right course for Mexico and do not believe President Zedillo and his team have the experience, political skills and public support to accomplish the fundamental transformation involved. Notwithstanding there appears to be a gradual realization that President Zedillo, given his resolute and stubborn nature, will stay his present course. However, to assure the long-term success of this program his administration and he must develop greater political support at all levels within Mexico.

The importance of Mexico to our own country merits increasing appreciation here, not only as our partner with Canada in NAFTA, but as proof the world's leading industrial democracy and a troubled developing nation, with which it shares a 3,000 mile border, can address their many common problems and prosper together.

IN HONOR OF ZUBERI McKINNEY

HON. DOUGLAS "PETE" PETERSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. PETERSON of Florida. Mr. Speaker, on March 6, 1966, Zuberi McKinney, the beloved

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

son of the U.S. Army Sgt. Maj. Gene C. McKinney, died as a result of a tragic automobile accident in Tallahassee, FL. Zuberi was 18 years old and attending his first year of college at Florida A&M University. Sergeant Major and Mrs. McKinney are long time residents of the Second Congressional District of Florida which I serve.

I lost my 17-year-old son several years ago in an accident very similar to that experienced by the McKinney family and know only too well the pain a family suffers having sustained a loss of this magnitude. It is a pain that never goes away, however there is comfort in that loved one's memory.

Today, Mr. Speaker, I wish to enter into the RECORD the words of Zuberi McKinney's parents as they celebrate Zuberi's 19th birthday. The composition speaks for itself in terms of compassion and grief, but it also speaks eloquently of a strong, close, loving family. A family whose bonds cannot be broken even in death.

IN HONOR OF ZUBERI MCKINNEY

Our Dear Son,

You've heard us say to you many times how we will always be proud of you and love you, No Matter What.

Today Dad and I were reminiscing about the Earthly life you have had and we have had because of you.

Sometime in September, 1976, we were told we would be parents approximately May 10, 1977. Who would have believed on May 10, in less than an hour from the time we arrived at the Frankfurt Hospital you were born!

We had researched our chosen names and daddy's name won because of a boy baby.

Zuberi Aswad. An African name from the Swahili language. Zuberi meaning Strong and Aswad meaning Black.

You grew quickly and learned lots. The first song you learned was, "Yes Jesus Loves Me."

Looking back over eighteen years you accomplished a great deal here on Earth. Your rambunctious sports years started at age three when you played on the Rowdies Soccer Team. You were skiing downhill at age five. You played football, baseball, tennis, percussion instruments in the band, piano, was on a swim team and played lots and lots of basketball, ending up on the Heidelberg Varsity Basketball team.

You were very inquisitive as a student and often challenged teachers, including us as parents. That was good . . . at times.

You always made friends easily and always had lots of them. We always noticed the characteristics of the ones you chose to keep as your Closest friends. They were always mannerable, had a great sense of humor, had a goal in life and most importantly as you once said, "Couldn't be broke all the time."

You got to live a very adventurous life on two continents. Visiting many different countries and states. Experiencing almost every mode of travel possible. You always believed in fun. You had it and we enjoyed having fun with you.

We are very unhappy right now because we miss your earthly flesh and we cry out because of earthly feelings. But we Thank God that He chose us to be your parents. We Thank God that He chose you to prepare our place in Heaven. Because we know you'll get the best. And we Thank God for this prayer:

Now I lay me down to sleep
I pray the Lord my soul to keep
If I should die before I wake
I pray the Lord my soul to take.

You slept with us sixteen days before the Lord took your soul to shine down on us from Heaven.

The Guardian Angel we placed over your heart was kissed by ours and we will wear it representing we will Never Ever part from you.

We'll talk to you daily from now until Eternity.

Love you forever,

MOM AND DAD.

HONORING THE HENDERSONVILLE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Hendersonville Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, and well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

BENJAMIN BURROUGHS, HAWAII'S 1996 RESPECTEEN WINNER

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mrs. MINK of Hawaii. Mr. Speaker, as part of the Lutheran Brotherhood's Speak For Yourself program, over 15,000 students nationwide wrote to their Members of Congress on various public policy issues. Benjamin Burroughs, an eighth grader from my district, was chosen as the Hawaii State winner of the letter writing contest. In his thoughtful letter regarding persons with disabilities, he drew from his brother's experience with autism. He effectively argued that Congress should strengthen the Individuals with Disabilities Act and increase public awareness on the issue.

Benjamin is only 14 years old, but he wrote an excellent letter on a complex topic. I applaud his concern and willingness to take action an a matter that directly affects his family. Benjamin attends Kahuku High and Intermediate School. I join with his parents, Lonia and Jeffry Burroughs of Laie, HI, to congratulate Benjamin on an outstanding effort. The text of his letter is as follows:

January 30, 1996.

Hon PATSY MINK,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE MINK. I believe that with the new conservative Republican swing, there is a pressing problem that is like firecracker with a lit fuse waiting to burst. These legisaltors intend to put more power with the individual states and less with the federal government. This scares me because it is highly likely that some states will cut funding for the education of people with disabilities. In 1981 when federal law required education for children with mental diabilities from ages 3–5, states were given ten years to comply. Many states complied quickly but many did not. An example of this was South Carolina who waited until the last minute of the deadline to comply.

Early childhood intervention is a must. It is statistically proven that if children with disabilities are taught at an early age, they will be better able to function in society. If persons with disabilities are not taught early so that they can become productive members of society then they become financial burdens on society. It pays to intervene early.

My brother is autistic and if power goes to the states, a worst-case scenario would be that he couldn't go to school altogether. There are two major things that you can do as a representative to solve this problem. First, influence other legislators to sustain the Individuals With Disabilities Education Act [I.D.E.A.] and to maintain current federal mandates protecting the rights of persons with disabilities. Second is to require a module in every Guidance/Health class in High School that will increase the overall education of everyone about persons with disabilities.

I think that if these two things are done then my brother and thousands of persons with disabilities will be able to have a good education and a better life.

Sincerely,

BEN BURROUGHS.

HONORING THE VISION IMPAIRMENT CENTER TO OPTIMIZE REMAINING SIGHT [VICTORS] OF KANSAS CITY, MISSOURI

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. STUMP. Mr. Speaker, it is a distinguished pleasure to announce to you that Mr. Joseph Maino, O.D. will receive the Olin E. Teague Award today on behalf of the Vision Impairment Center To Optimize Remaining Sight [VICTORS] team of Kansas City, MO.

VICTORS is a Department of Veterans Affairs special medical program designed to provide optimum low vision rehabilitation services to veterans with visual impairments. The team members evaluate, diagnose, and rehabilitate veterans from a six-State area: Nebraska, Iowa, Kansas, Missouri, Oklahoma, and Arkansas. More than twenty medical centers and outpatient clinics refer blind and visually impaired veterans to the program. The center has helped more than 1,500 veterans since it first opened in 1979. The team members' continuing creativity and dedication results in innovative methods and tools to combat the effects of severe vision loss. For this reason, our Nation's veterans live better and more fulfilling lives.

The Olin E. Teague Award is the highest honor the VA awards in the field of rehabilitation. It is presented annually to a VA employee, or group of employees working as a team, whose achievements have been of extraordinary benefit to veterans with service-connected disabilities.

Mr. Speaker, the name Olin E. Teague is synonymous with exemplary service to the Nation's veterans and is the reason this award bares his name. The late Congressman Teague served on the House Veterans' Affairs Committee for 32 years, 18 of those years as its distinguished chairman. He set the standards by which we can best serve all veterans.

It is with pleasure that on behalf of my colleagues and myself, I offer our deep appreciation to the VICTORS team form their concern, dedication, and innovation in meeting the special needs of veterans. We congratulate them for the excellence of their work and for the distinguished award they will receive.

REPUBLICAN BALANCED BUDGET PROPOSAL PART II

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Ms. JACKSON-LEE of Texas. Mr. Speaker, the Republican leadership, just in time for Presidential election year politics is talking about a balanced budget again. This is déjà vu for the American voter who well remembers the campaign promises of Ronald Reagan who predicted that he could balance the Federal budget by cutting taxes and increasing spending. Candidate George Bush called that budgetary slight of hand "Voodoo Economics."

The results of two Reagan terms was a budget deficit which for the first time in any country's history used the term trillion to quantify the extent of the deficit.

I would assume that there is a campaign commercial spot for every stage of this upcoming budget drama that the Republican majority is planning.

Medicare, Medicaid, education, and welfare are on the top of the list for cuts right now, but I think that we can find ways to be fair and just when we make budgetary reduction decisions without shutting the Federal Government down.

I would hope that this next attempt to seriously deal with this Nation's budget deficit will include compassion for the poor, our children and the elderly.

We should not play election year politics with this country's budget.

HONORING THE JENNINGS CREEK VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Jennings Creek Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

SHOULD A FEDERAL BUILDING BE USED FOR ILLEGAL PURPOSES?

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. DORNAN. Mr. Speaker, the following article describes an event that should never have taken place in a Federal building. Even worse, after this vulgar event occurred, a followup recovery brunch was held in another Federal building—our own Rayburn building.

Mr. Speaker, I hope all of our colleagues will pay close attention to the following.

GOP: CHOOSING SIDES IN THE CULTURE WAR?

(By Marc Morano)

An all night homosexual "circuit" party called Cherry Jubilee's "Main Event" took place in Washington, D.C. on April 13, 1996. The dance party featured public nudity, illicit sexual activity and evidence of illegal drug use. The sponsors of the gay festivities included a GOP congressman and a host of corporations. A Federal building, the Andrew W. Mellon Auditorium, played host to the dance and was the backdrop for the illegal activity. The sponsors included Gay Republican Rep. Steve Gunderson of Wisconsin, corporate America including American Airlines, Snapple, Lite Beer, Starbucks Coffee, and Ben & Jerry's Ice Cream. The "Main Event" was followed by a "Capitol Hill Recovery Brunch" on Capitol Hill in the Rayburn House Office building. Rep. Gunderson (R-WI) secured the Rayburn building for the "recovery brunch". All the net proceeds of the Jubilee weekend were to be distributed between Whitman-Walker Clinic and Food & Friends.

The Mellon Auditorium is a Federally owned building complete with classical ornate columns across the street from the Museum of American History on Constitution Ave. The "Main Event" was being described by the City Paper in Washington as "New York style gay 'circuit' party . . . usually drug infested." It was with this information that I proceeded on assignment into the gay world for an undercover investigation into the activities that occurred in a Federal building. My inquiry revealed that the Cherry Jubilee's "Main Event" featured a multitude of illegal activity.

The Jubilee's "Main Event" tickets were very hard to come by. The event sold out, which left a scramble for ticket scalpers outside the entrance. Several thousand men attended, most between the ages of 25–35 years old. Well over 90% were white, with only a few African-Americans and Asians present. Many of the men who attended were of obvious affluence. Limousines and even a Rolls Royce lined Constitution Avenue as the party goers arrived.

The clothing was very trendy with skin tight black jeans, and tank tops. The bartenders wore bright neon underwear and nothing else. Many of the men arrived with leather and rubber pants and neon rubber loin cloth underwear only. Most of the shirts came off as the men headed for the dance floor.

Body piercing was ubiquitous with piercing in nipples, navels and ears. Chains and dog collars were also prevalent. In addition, cross dressing was a common sight, as a heavy presence of transvestites and other "transgendered" men attended. Men with wigs and dresses in heavy makeup strolled through the auditorium. Several pairs of lesbians attended as well, parading around in very skimpy clothing.

There were no signs of aggressive behavior, as most attendees greeted each other with open mouthed kisses. No fights or altercations occurred throughout the night. The terms "fags" and "girls" were frequently used by the men to refer to themselves.

Overall the men were generally very neat, with meticulous hair and clothing. There were few if any men who could be described as overweight. In fact, the overwhelming majority had bodies sculpted from weight lifting. Beer and bottled water were the beverages of choice, while apples, bananas and oranges were in plentiful supply. The image of young active health conscious men, drinking bottled water and consuming fruit is a study in contrast. The reckless lifestyle inherent in the gay experience results in a notably reduced life span. The life expectancy of a homosexual male is estimated to be no more than 41 years old, regardless of AIDS. The homosexual communities credo seems to be "Die young and leave a pretty corpse."

As the constant thump, thump, thump of the techno music heated the crowd, the dancing became increasingly lewd and suggestive. As the night wore on, the dancers began simulated sexual gyrations. The dance floor became a torrent of intense groping and stroking. Some couples dancing on table tops, mimicked anal sex through their clothing while others pantomimed oral sex. At one point while dancing on a table top, one of the lesbians lifted her bra and exposed her breasts. Meanwhile, several inflated condoms were batted about like volleyballs.

At about 4 a.m., two men proceeded to engage in illicit sexual behavior in the main auditorium. One man lowered his head onto the crotch of another man and began to perform oral sex. This act occurred just off the dance floor in full view of the crowd. No one seemed to be fazed by it one bit.

The restroom stalls at the Mellon Auditorium were constantly being occupied by two men at a time. Gropes and groans could be heard emanating from the stalls with double occupancy. Stall doors would open and two men would nonchalantly exit. A battle between security and the party goers erupted over the restroom lights. Security was then forced to designate officers in the restrooms to ensure the lights remained on. The officers on duty did not look pleased with this assignment.

Every conceivable isolated spot became a dilemma for security. Security officers had to diligently watch the outside courtyard stairwell in the smoking area. The steps led to a dark alley on the side of the building where many of the men were congregating. The progression of couples heading into the darkness of the alley eventually forced security to intervene. Orange cones were erected to close the area off, as a security officer was assigned to stand watch. Public urination was common as the men relieved themselves outside and even in front of the building facing Constitution Avenue.

Despite signs posted everywhere stating, "Use or possession of illegal substances strictly forbidden", evidence of illegal drug use was present. Snorting could be heard throughout the evening in the bathroom stalls. At one point a straw fell onto the bathroom floor from inside a stall. There was also clandestine exchanges of money and substances in dark corners of the dance floor throughout the night.

This was not the first time that the Mellon Auditorium played host to a gay event. During the "1993 March on Washington for Lesbian, Gay and Bi Equal Rights and Liberation", the Mellon Auditorium was host to the officially sanctioned "The National S/M Leather Fetish Conference." The 1993 Gay March was designed to show America that gays are in the mainstream of society and just like everybody else. The S/M event featured members of the hardcore dominant and submissive homosexual community. Interviews I conducted at the time with participants revealed men who viewed pain as pleasure and total domination as an ideal. The participants paraded around the Mellon auditorium in dog collars, chains, and had piercing in every conceivable body part. Virtually nude men who were "submissive" were being led around on leashes by their "dominant" partners or "masters".

The 1993 S/M conference at the Mellon Auditorium also featured a slide show presentation, show casing an example of some of the "mainstream" aspects of the gay lifestyle. A series of graphic photos depicting various sexual acts were prominently displayed. One photo featured a man "fisting" another man. "Fisting" is the practice of inserting a fist as far up the anus as is possible. The image on the screen defied human anatomy. The arm was inserted up to the elbow. Participants at the event pondered the series of photos as though viewing priceless artwork.

The 1993 S/M conference also featured sexually explicit magazines and paraphernalia to help fully experience the S & M lifestyle. One tract titled "The guide to safe S/M" cautioned that consuming fecal matter was a "high risk activity" for the transmission of the HIV virus, but maintained that urinating in the mouth was a "low risk activity". Several publications on display advocated pedophillia.

In order to procure a Federal building for any type of event, a maze of paper work must be filled out and adherence to strict regulations must be met. Despite the flaunting of public nudity, illicit sexual activity, illegal drug use and pornography at both of these homosexual events, law enforcement never intervened. Contrast this with the controversy that inevitably follows when someone attempts to erect a nativity scene in a public building.

The 1966 Cherry Jubilee weekend proves that the homosexual agenda is advancing in Washington. The use of two Federal buildings during the Cherry Jubilee weekend in Washington reveals how successful the homosexual lobby has been in "mainstreaming" their agenda. Voters, consumers and stockholders should hold the government and corporations accountable when they underwrite events like Cherry Jubilee. The voters need to ask which side of the "Culture War" the Republican party is on and what real change the so called "GOP Revolution" has wrought. The GOP leadership on Capitol Hill needs to explain how an event which featured illicit sexual activity, public nudity and evidence of illegal drug use was allowed to occur in a Federal building.

LEGISLATION TO AMEND THE PACKERS AND STOCKYARDS ACT OF 1921

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. JOHNSON of South Dakota. Mr. Speaker, as you know, our Nation's cattle producers face an extraordinary combination of devastatingly low cattle prices and a fed cattle market that has had its competitive nature potentially compromised. With the price of fed cattle even lower than during the Great Depression—when adjusted for inflation—it is critical that Congress and the administration act to improve the competitive nature of cattle markets and the prosperity of our producers.

I am pleased today to introduce legislation that will give the administration legal authority to enact the following reforms:

One, direct the Administrator of the Grain Inspection, Packers and Stockyards Administration to develop and implement rules that prohibit noncompetitive captive supply. These should address potential limitations on packer ownership and feeding of slaughter cattle and formula arrangements in which price is not determined competitively. Cattle producers from across the Nation, including the thousands who have recently offered testimony to Secretary Glickman's Advisory Committee on Agricultural Concentration, have clearly identified noncompetitive captive supply as harmful to producers.

Two, direct the Secretary of Agriculture to devise and implement regulations that require mandatory reporting of the prices and terms of sale for slaughter liverstock—and the meat and byproducts of such slaughter—purchased by packers who have greater than 5 percent of the market for a given species. This information would be reported to USDA and be made public on an immediate basis. As we move toward an information-based society, the maxim that "knowledge is power" is especially true for our farmers and ranchers.

Three, direct the Secretary of Agriculture to develop rules that require the reporting of export sales of meat to USDA on a weekly basis. This action would help to ensure that all market participants have the opportunity to a level playing field in regard to information about the market.

Mr. Speaker, I am certain that you and the rest of my colleagues share my concerns regarding the concentration in agricultural processing that is ripping through rural American and the potential that this concentration may in fact deny competitive markets for independent producers. I ask my colleagues to join me in making possible these much-needed reforms.

IN SUPPORT OF H.R. 3401, THE BREAST CANCER RESEARCH STAMP ACT

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. FAZIO of California. Mr. Speaker, earlier this week I introduced legislation which would provide additional funding for breast cancer research. This innovative idea would authorize the U.S. Postal Service to issue a special first class stamp to be priced at 1 cent above the cost of normal first-class postage. The additional penny would be earmarked for breast cancer research. If only one quarter of the first class letters in the country were sent with this stamp, breast cancer research would receive about $120 million in additional funds.

The special issued first class stamp would be an entirely voluntary method for interested postal patrons to contribute to breast cancer research. The stamp would deliver a first-class letter as well as provide the satisfaction of contributing to a cause that saves lives.

Since 1960, nearly 1 million American women have died of breast cancer. That number is higher than all of the battlefield casualties that America has suffered this century. Moreover, the overall mortality rate for breast cancer has not changed much despite advances in pharmaceutical, radiological, and surgical interventions.

Given the intense competition for Federal research dollars in a climate of shrinking budgets, the Breast Cancer Research Stamp Act would allow anyone who used the Postal Service to contribute to research which will one day result in a cure for breast cancer. Any funds generated by sale of the breast cancer research stamp will supplement—not replace—current appropriations for Federal breast cancer research.

We need to find a cure for breast cancer now. I believe that the Breast Cancer Research Stamp Act is an inventive response to an extremely serious health crisis. I urge my colleagues to support this important legislation.

AMERICA DESERVES TAX RELIEF

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. PACKARD. Mr. Speaker, this week, America's families finally began to work to provide for their own needs. For the first 128 days of this year, America's families worked to provide for the government.

Since President Clinton took office in 1993, his tax and spend policies have forced taxpayers to work another 6 days to pay their taxes—that is a week's paycheck that they cannot use for their families. The average American will spend more time working to pay his tax bill than he will spend working to provide for food, clothing, and shelter combined. Under the Clinton administration, the rate of growth of real median family income has been zero percent. America's families deserve better.

My Republican colleagues and I believe American taxpayers are taxed too much. If the President and his colleagues are serious about providing tax relief for hard-working families, they will take a first step and join us in our effort to repeal the 4.3-cent gas tax hike. Already, the President is threatening to veto such a measure—just like he vetoed tax relief for American families when he took his veto pen to the Republican balanced budget bill.

I guess the President and his colleagues just like taxes. They have not made an honest effort yet, to bring taxes to a reasonable level and give families back their own money. In fact, just 2 days ago, a colleague of the President brought the other body to a standstill during an attempt to repeal the Clinton tax, saying, "We are simply going to shut this place down." The President and his colleagues will stop at nothing to keep America's tax dollars.

Mr. Speaker, it is time for Americans to earn more and keep more of what they earn. I urge the President and his friends to join my Republican colleagues and I and give American families the tax relief they deserve.

HONORING THE FARMINGTON VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Farmington Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

100 CLUB OF BUFFALO

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. LAFALCE. Mr. Speaker, Friday, May 17, 1996, will mark the 12th annual 100 Club of Buffalo and Buffalo Bisons Baseball/Law Enforcement, Fire and EMS Appreciation Day at North AmeriCare Park in Buffalo, NY.

This spectacular event will feature law enforcement, fire, and EMS vehicles, a Buffalo Bisons baseball game and a fireworks display. This fundraising event is yet another example of the 100 Club of Buffalo's continuing commitment to provide services to the members of law enforcement, fire, and EMS agencies, and their families, throughout western New York.

The 100 Club of Buffalo Inc. was founded in 1957 by former Buffalo Police Commissioner Frank Felicetta to provide financial assistance to families of public servants killed or seriously injured in the line of duty. The organization was only the second of its kind in the Nation and was called "Felicetta's Fellows" until it was incorporated in 1962 as the 100 Club of Buffalo Inc.

Over the last four decades, this independent, nonprofit and nonpartisan organization has grown to serve law enforcement, fire, and EMS officials in a variety of ways. The 100 Club has provided over $1.5 million in assistance to more than 60 family members of fallen law enforcement and fire personnel, has sponsored more than 100 candidates to the FBI Academy and has provided tuition assistance and seminar training to more than 500 law enforcement and fire personnel. Moreover, the 100 Club has recognized public servants and private individuals for acts of heroism. In addition, the 100 Club has sponsored more than a dozen training seminars for law enforcement and fire personnel and provided more than 90 grants to assist injured police and firefighters.

The 180 members of the 100 Club of Buffalo reflect why Buffalo is the City of Good Neighbors, a community which recognizes as well as cares for those who make major sacrifices to protect it. They deserve our most sincere thanks, commendation, and best wishes for continued success.

ARMORED CAR INDUSTRY RECIPROCITY IMPROVEMENT ACT OF 1996

HON. ED WHITFIELD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. WHITFIELD. Mr. Speaker, today I am pleased to introduce the Armored Car Industry Reciprocity Improvement Act of 1996. This legislation represents a major improvement to legislation originally enacted in 1993 which provided reciprocity among the States for weapons licenses issued to armored car crews.

Armored cars and their crews annually carry billions of dollars in currency, important documents, and other valuables. In fact, the Federal Government is one of the largest users of armored car services in the Nation, transporting hundreds of millions of dollars annually in currency, food stamps, and other negotiable documents. Because of the value of their cargo, armored cars remain a ripe target for crime and their crews must be armed to protect themselves and their cargo.

In order to address the problems arising from differing requirements among the States for weapons licenses, the Congress passed the Armored Car Industry Reciprocity Act in 1993. This statute granted reciprocity for weapons among the States, so long as the issuing State met certain minimum training standards and required criminal background checks, much like a driver's license. While this act has improved the flow of interstate commerce by reducing the need for armored car crews to obtain licenses in every State in which they might conceivably operate, we have found certain problems in the original act which need to be addressed if the law is to have its full effect.

The Armored Car Industry Reciprocity Improvement Act of 1996 makes several changes to the original act. It would:

Grant reciprocity for the weapons license and all other necessary licenses so long as the armored car crew member has met all requirements in his or her primary State;

Require FBI criminal background checks only for the granting of an initial license, and permits the State agency to use whatever means they deem best to check backgrounds for renewal applications; and

Eliminate the requirement that renewal applications be reissued annually.

These changes are primarily technical in nature, and result from the fact that, while the Congress was considering the original bill, many States changed their weapons licensing schemes.

Nothing in this legislation would make it easier for a criminal to obtain a weapon or circumvent State or Federal gun control laws. It simply allows the brave men and women who serve as armored car crews to worry about their job—protecting valuable cargo—rather than worrying about various States' licensing requirements and paperwork.

The original legislation was supported by groups as diverse as the National Rifle Association and the International Chiefs of Police, and groups such as Handgun Control International had no objection to its passage. Since these changes simply are designed to improve the functioning of the original act, it is my belief that we can expect similar support for this measure.

Mr. Speaker, I urge my colleagues to support this important legislation when it comes to the floor.

FISCAL YEAR 1996 BUDGET

HON. PETER G. TORKILDSEN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. TORKILDSEN. Mr. Speaker, I rise today to support the final piece of the fiscal year 1996 budget—the first downpayment on a 7-year balanced budget. This conference report is the product of months of negotiations and many compromises. It cuts discretionary spending by $23 billion and sets the stage for the balanced budget this Congress promised to deliver.

A major victory in this package is language I sponsored to repeal the discriminatory ban on HIV-positive military personnel. The so-called HIV-discharge law was inserted into the fiscal year 1996 Defense authorization bill over the objections of the Pentagon, veterans groups, and many distinguished Members of the House and Senate. With the repeal of this provision in the conference support, I urge all my colleagues to cast a vote for simple fairness, commonsense, and all men and woman who serve our country with honor and distinction.

In addition, this budget plan restores over $2 billion in Federal education funding. The original House-passed spending bill contained deep cuts in title I, School-to-Work, Goals 2000, and other key programs. The conference report restores much of the education funding needed to maintain a commitment to America's children and I urge my colleagues to remember that a vote for this bill is a vote for educational opportunity.

Finally, due to extensive good-faith negotiations, this bill is a win for our environment. It does more to protect endangered species than the original House version, and eliminates a provision allowing oil drilling at the Tongas National Forest—the world's largest temperate rainforest. And under the final compromise, the National Park Service retains management authority of the Mojave Desert National Preserve—as outlined in the California Desert Protection Act Congress passed in 1994.

Overall, Mr. Speaker, this budget package is the right thing to do for our children and grandchildren who deserve our best efforts to give them a deficit-free future. This plan is the first concrete step in honoring this commitment and I urge all Members of the House to support final passage.

CONGRATULATIONS TO THE NATIONAL ASSOCIATION OF LETTER CARRIERS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. STARK. Mr. Speaker, I rise today to recognize the National Association of Letter Carriers who will be holding their annual "Food Drive" Day this Saturday, May 11, 1996. I would especially like to recognize those letter carriers in California's 13th Congressional District who have worked so diligently over the past few years to make this food drive such a great success.

The National Association of Letter Carriers' Food Drive Day began as a pilot program in just 10 cities in 1991. It has since grown into one of the largest one day food collection drives in our entire nation. Since 1993, letter carriers across the country have joined in a nationwide effort to make the second Saturday in May, "National Letter Carriers' Food Drive" Day.

This program has been a tremendous success. The first nationwide drive, in 1993, gathered 11 million pounds of food. In 1994, 32 million pounds of food were collected and in 1995 almost 45 million pounds of food were donated by postal patrons nationwide. This Saturday, letter carriers will pick up food donations as they deliver the mail. To participate, one leaves canned or non-perishable food next to one's mail box or takes it to the nearest Post Office. All of the food items collected that day are then delivered to local food banks.

Mr. Speaker, in the Bay Area, almost 300,000 people—half of them children—need emergency food. I urge you and my colleagues to join me in acknowledging the National Association of Letter Carriers for their efforts to help those who are less fortunate. I also urge anyone who can to participate in this Saturday's National Association of Letter Carriers' Food Drive.

HONORING THE FIVE POINT VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Five Point Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

NUCLEAR NONPROLIFERATION AND SOUTH ASIA

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. JOHNSON of South Dakota. Mr. Speaker, I have long advocated the importance of the U.S. role in responsible trade in conventional arms and nuclear technologies, and I feel strongly that, as the world's remaining superpower, the United States can and should set an international example of positive political change through monitoring trade in nuclear technologies. Since the collapse of the Soviet Union, I believe that stopping the proliferation of nuclear weapons should be our highest priority in international relations. I am a strong supporter of the Nuclear Nonproliferation Treaty [NPT] and its member nations. The NPT has helped prevent dramatic increase in nuclear weapon-capable states. I was encouraged by last year's indefinite extension of the NPT by consensus over 175 nations, and I actively encourage the recognition of nonproliferation at every level as the key to global security.

Since its implementation in 1970, however, many nations that have remained outside of the NPT have concentrated on the buildup of their own nuclear capabilities. These threshold nuclear states view the NPT as discriminatory, because the treaty divides the world into the nuclear haves and have nots and, as they see it, unfairly places nonnuclear nations at a strategic disadvantage relative to the nuclear states. At the same time, several of these nations have stated that, without significant steps toward reducing stockpiles for all member nations, the NPT cannot be the foundation for an end to the arms race and complete nuclear disarmament.

Nowhere is this attitude more alarming that in South Asia. Regional religious and political history, particularly with India and Pakistan, has encouraged heightened military unease in the region, and an association of nuclear capability with regional dominance. Pakistan, a nation of 130 million, has long feared being overwhelmed militarily by India, with its population of over 900 million. Historical alliances and relations with nuclear and nonnuclear nations elsewhere in the region have contributed to forcing these two countries in a race toward nuclear weapon capacity. I believe the nuclear arms race saps the strength of any developing country, and I have repeatedly expressed my concern about the nuclear direction in which these two nations have been headed. The future of our national, as well as global, security depends more than anything on our ability to restrain the proliferation of weapons of mass destruction and to enhance the breadth of opportunities for every citizen of the world.

IN SUPPORT OF HOUSE RESOLUTION 416

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. KIM. Mr. Chairman, I rise today in support of House Resolution 416, the resolution to establish a select subcommittee of the International Relations Committee to investigate the United States role in Iranian arms transfers to republics of the former Yugoslavia. As a member of International Relations Committee, I feel it is our duty to the American people to closely examine the Clinton administration's foreign policy decisions, especially those of such questionable intent.

As we all know, in September 1991, the United Nations imposed an international arms embargo on the area comprising the former state of Yugoslavia. The United States, under the leadership of President Bush, supported the passage of U.N. Security Council Resolution 713 as means to stem the flow of arms to the warring parties. When President Clinton took office in January 1993, his administration proposed lifting this multilateral embargo in order to help the besieged and poorly armed Bosnian military forces. After failing to gain international approval for lifting the arms embargo, the Clinton administration decided instead to abide by this resolution and even began helping enforce it.

Over the next 2 years, the Clinton administration consistently and repeatedly voiced its opposition to lifting the arms embargo by arguing that such a shift in policy would result in a pullout of European peacekeepers involved in the United Nations Protective Force (UNPROFOR) operation. In addition, the administration claimed that lifting the embargo would enrage our allies, endanger U.N. forces, necessitate further United States military deployments and weaken other international sanctions against Iraq, Libya, and Serbia.

During those 2 years, this Congress voted twice to unilaterally lift the embargo on Bosnia, in response to a growing sentiment among the American people. Unfortunately, the Clinton administration continued to resist these efforts through vetoes. The irony is, however, that while the Clinton administration publicly opposed a lifting of the embargo, it tacitly allowed arms into Bosnia from, of all countries, Iran.

The sad truth is this administration did not inform Congress of its decision to turn a blind eye, the news media did! According to the press, in April 1994, the Clinton administration was approached "with the idea of opening an Iranian arms pipeline through Croatia into neighboring Bosnia." National Security Advisor Anthony Lake and Deputy Secretary of State Strobe Talbott then presented the proposal to President Clinton who, on April 27, 1994, formally signed off on the idea. If this is not the epitome of hypocrisy, I don't know what is.

According to Clinton administration's own Department of State, Iran remains atop the list of countries that sponsor terrorism throughout the world. Iran is also considered one of the most egregious violators of human rights. Now I ask you, how can a President, who allegedly stands against terrorism and human rights violations allow one of the worst violators of basic United States foreign policy to obtain a foothold in Bosnia? In addition, if President Clinton was so worried about endangering U.N. forces when he opposed lifting the embargo, how can he explain allowing Muslim extremists to deliver arms into a country where U.S. forces are now stationed? Does he believe U.S. forces are less important than U.N. forces? I should hope not.

Once again, the Clinton administration has apparently mastered the art of flip-flopping on foreign policy. These questions that remain, however, are more serious than just U.S. credibility abroad. The most important of which is—did the administration violate U.S. law by allowing these transfers to occur? This, and many other questions, need to be answered to this Congress and the American people. That is why I strongly support House Resolution 416 which will establish a temporary select subcommittee to investigate this behind-the-door activity and determine what actions must be taken if U.S. laws were violated. It is unfortunate that it comes to this, but without congressional oversight into the actions of executive agencies and the President himself, every law is at risk of being broken. In that regard, I urge my colleagues to support the passage of House Resolution 416.

TRIBUTE TO DOREEN "PAM" STENEBERG

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. MILLER of California. Mr. Speaker, I rise today on behalf of myself and a number of my colleagues to recognize Doreen "Pam" Steneberg of El Cerrito, CA, on the occasion of her naturalization as a U.S. citizen on Tuesday, May 14, and in celebration of her 60th birthday on Wednesday, May 15, 1996.

Pam is an incredible woman and humanitarian. She is foremost a loving mother and wife, whose unswerving commitment to her family is only rivaled by her infinite dedication to our Nation's children with disabilities. Learning of her own daughter's developmental disabilities in the early 1970's, Pam was thrust into a movement which now credits her as one of its driving forces. Ever acquiring expertise in the morass of our special education and related services systems, Pam quickly found herself guiding other families through the bureaucracies which she herself had been forced to traverse on behalf of her daughter. This intimate understanding and insight uniquely positioned her to be an effective agent for change, and through this realization was born an advocate.

Pam is as driven by the disability movement as the movement is driven by her. Whether in her professional capacity as the parent advocate with the Disability Rights Education and Defense Fund, Inc., or in her numerous volunteer roles—president of the National Parent Network on Disabilities, chair of the California Developmental Disabilities Area Board V, to name just two—Pam's enthusiasm is ever present. I know that I am not the lone Member of this Chamber to have been overwhelmed and captivated by the fiery person passion which lies just beneath her diminutive stature and refined British accent.

Pam is a truly remarkable woman, and I am deeply honored and proud to call her my friend, and now the newest voter in my congressional district. Mr. Speaker, I invite all my colleagues to join me in saluting Pam Steneberg, welcoming her a citizen of the United States, and wishing her a very happy birthday.

THE IMPORTANCE OF STRONG UNITED STATES-INDIA RELATIONS

HON. JOHN LINDER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. LINDER. Mr. Speaker, I wish to bring to the attention of Members of the House the oped piece written by William Safire that appeared in the May 2, 1996, New York Times. In his essay, Mr. Safire points out the significance of the recent elections in India and the importance of strong United States-India relations. As a member of the Congressional Caucus on India and Indian-Americans, I gladly submit Mr. Safire's article for the RECORD.

WASHINGTON.—In 1975, when Indira Gandhi assumed dictatorial control of India and threw her opponents in jail, President Ford asked his U.N. delegate, Daniel P. Moynihan, what to make of that.

"Look at it this way, Mr. President," said Moynihan with a courtier's irony. "Under your Administration, the United States has become the world's largest democracy."

When Mrs. Gandhi later confidently stood for election, India's voters threw her out. Freedom was back, and the U.S. happily became the world's second-largest democracy.

This week, with dignity, honest balloting and relatively little violence, 400 million of India's citizens—65 percent of eligible voters, higher than here—go to the polls to select candidates from 500 political parties. It is the most breathtaking example of government by the people in the history of the world.

Americans don't hear a whole lot about it. President Clinton is busy being campaign manager for the Labor party in Israel's May 29 election, in effect telling Israelis to vote for Shimon Peres or else.

When he is not intervening shamelessly in Israel's political affairs, Mr. Clinton is barnstorming with Boris Yeltsin, trying to help him defeat Yavlinsky's reformers and Zyuganov's Communists in Russia's June 16 election. Washington is also headquarters for the Clinton campaign for the U.S. Presidency, where he beefs up beef priçe to consumers while pouring strategic oil on troubled motorists. But in all the campaigning, no mention is made of India, where voters outnumber those in Israel, Russia and the U.S. combined.

As a result of this uncharacteristic White House for bearance, television coverage here about the biggest election has been next to nil. Not only do Americans not know for which Indian candidate to root, but hundreds of millions of voters are forced to go to the polls ignorant of Mr. Clinton's preference.

Why? Do nearly 900 million Indians not matter? American lack of interest is not new; a former Foreign Minister of India, one of Nehru's acolytes, told a U.S. envoy: "We would far prefer your detestation in your indifference."

One reason is that India strikes a holier-than-thou diplomatic pose, remaining nonaligned when there is no longer one side to be nonaligned against. Year after year, India is near the top of the list of nations that consistently vote against the U.S. in the United Nations.

We're wrong to let that overly irritate us. China votes against us, too, and unbalances our trade and secretly ships missiles to rogue states and jails dissidents and oppresses Tibet and threatens Taiwan and (cover the children's eyes) pirates our CD's—but we care more about what happens in China than what happens in India.

That's a mistake. Contrary to what all the new Old China Hands and other Old Nixon Hands tell you, India will draw ahead of China as a superpower in the next century.

Yes, China's economic growth rate has doubled India's, and China's Draconian control of births will see India's population exceed China's soon enough, to India's disadvantage. But China does not know what an election is. Despite the enterprise and industriousness of its people, despite the example of free Chinese on Taiwan and the inspiration of the dissident Wei Jingsheng, jailed in Beijing, China is several upheavals and decades away from the democracy India already enjoys.

Without political freedom, capitalism cannot long thrive. Already the requirements of political repression are stultifying the flow of market information in China, driving wary Hong Kong executives to Sydney. The suppression of dangerous data undermined technology in Communist Russia; it will hurt China, too.

Though more Chinese are literate, many more Indians are English-literate (more English-speakers than in Britain), and English is the global language of the computer. American software companies are already locating in Bangalore, India's Silicon Valley. Bureaucratic corruption scandals abound; India's free press reports and helps cleanse them. China's does not.

I'm rooting for Rao, the secular Prime Minister, who is more likely to move toward free markets than Vajpayee, his leading opponent. But whoever wins, it's a glorious week for the world's largest democracy.

HONORING THE GRANVILLE CO-OP VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Granville Co-Op Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

McGILL-TOOLEN HIGH SCHOOL CENTENNIAL CELEBRATION

HON. SONNY CALLAHAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. CALLAHAN. Mr. Speaker, I am very happy to have this opportunity to rise before this body and bring to the attention of my colleagues the centennial celebration of McGill-Toolen High School in Mobile, AL.

In 1950, I had the privilege of obtaining my high school diploma from this distinguished institution and fondly remember the years I spent under the tutelage of the Brothers of the Sacred Heart.

McGill Institute was founded in 1896 through the generosity of two brothers, Arthur and Felix McGill, to offer "Catholic boys the advantages and facilities of acquiring with little or no expense, a literary, commercial, industrial, and technical education which would enable them to earn an honorable livelihood." Their charter was granted on February 15, 1896, and classes began November 29, 1897.

Bishop Toolen High School for girls opened in 1928 to offer young women an education that would develop "intelligent, cultured, healthy, and social-minded American Catholics devoted to their country's interests."

In 1973, McGill Institute and Bishop Toolen High School were merged to become McGill-Toolen High School. Combining the best from each school has produced an institution stronger than the two were separately.

From its inception as an institution of higher learning, McGill-Toolen has upheld the standards of Catholic education and fostered the intellectual and spiritual growth of thousands of young men and women in Alabama. This dedication to excellence and respect for the individual have been the cornerstone of McGill-Toolen and this single mindedness has not diminished over its 100-year history.

The mission of McGill-Toolen has always been comprehensive in terms of serving the educational and emotional needs of the secondary students in the archdiocese of Mobile. McGill-Toolen High School and its predecessors have, for 100 years, provided outstanding education grounded in the moral and spiritual precepts of the Catholic faith.

Today, McGill-Toolen High School is considered one of the finest institutions in the region in the areas of academics, technology, sports, and spiritual growth. Its students consistently rank in top percentiles nationally on achievement tests and are well prepared for both college and life. Over the years, more than 17,000 graduates have made outstanding contributions to the city of Mobile, the Catholic Church and our Nation.

On this 100th anniversary celebration of McGill-Toolen High School, let us fondly remember and justly congratulate the accomplishments of a fine institution and look forward to the next 100 years of academic and personal excellence to which the name of McGill-Toolen is so deservedly associated.

THE 125TH ANNIVERSARY OF GAINESVILLE FIRST BAPTIST CHURCH

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. HALL of Texas. Mr. Speaker, on May 14, 1871, an earnest group of east Texas Christians established the First Baptist Church of Gainesville, TX. On Sunday, May 19, 1996, First Baptist Church will celebrate its 125th anniversary—a testament to the hard work and dedication of its congregations and its pastors and to the ministry that First Baptist Church has provided in Gainesville and in Cooke County for more than a century.

From its humble beginning amid frontier surroundings, First Baptist Church has flourished through both good times and bad. The church's 44 founding members—some of whose ancestors are part of the present congregation—would be proud to see their church grow to its current roster of approximately 2,000 members. The church has occupied three buildings throughout its history. The first was destroyed by fire, and the second was replaced by the current facility in 1952. Since that time, as the congregation has continued to grow, the church has expanded to encompass a full city block and portions of two others. There have been 32 pastors of First Baptist Church, including the present pastor, Dr. Bennie Slack.

First Baptist Church has always had an active ministry. The church was active in helping meet the needs of members of the armed services, during World War II. Its leaders were instrumental in organizing the current food collection program for Cooke County, and its congregation continues to support a strong missions program. First Baptist has a large and active youth group, a strong senior adult group, large choir, and strong music program—in addition to many other activities and programs for members of all ages.

Mr. Speaker, religious freedom was a principle upon which our Nation was established. Our Founding Fathers—and the founding members of First Baptist Church—would be proud to see this principle flourishing today in the churches of America and in communities like Gainesville, TX. Likewise, the present church members look back in appreciation for their rich heritage and for the hard work and dedication of all those who have come before them. They also look to the future—to the ministry and the opportunities for service in the years to come.

Mr. Speaker, it is my privilege as the Representative for the Fourth District of Texas to pay tribute to the First Baptist Church of Gainesville on the occasion of its 125th anniversary, and I ask my colleagues to join me in extending our best wishes to the First Baptist Church for a future that will be as blessed as its past.

IN HONOR OF BISHOP OZRO T. JONES, JR.

HON. CHAKA FATTAH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. FATTAH. Mr. Speaker, Bishop Ozro T. Jones, Jr. is to receive the 1995 Poor Richard Club Gold Medal at a formal dinner in his honor on May 10, 1996.

Bishop Jones is the second African-American to receive this award. The first was Pennsylvania Supreme Court Chief Justice Robert N.C. Nix, Jr. Other gold medal awardees have included: Thacher Longstreth, Edward J. Piszek [Mrs. Paul's Foods], Sam McKeel [Philadelphia Inquirer], Lee Iacocca, Gen. Dwight D. Eisenhower, Gen. Douglas MacArthur, Bob Hope, Walt Disney, Claire Booth Luce, Rogers & Hammerstein, and many others.

Bishop Jones preached his first sermon at 14, was ordained by his father, Bishop Ozro T. Jones, Sr. at 16, was a missionary to Africa [Liberia] and associate minister in Monrovia in 1949. Bishop Jones received a doctor of sacred theology [STD] degree from Temple University. He is a board member of the American Bible Society. He was elected as a member of the board of regents or Oral Roberts University in 1990. He currently serves as pastor, Holy Temple Church of God in Christ in West Philadelphia. He is a general board member and presiding Bishop, Church of God In Christ, Commonwealth of Pennsylvania jurisdiction.

Bishop Jones is also a member of the Poor Richard Club. The Poor Richard Club is reportedly America's oldest club of advertising, communication, and business professionals. It was founded on March 15, 1906. In 1926, the Poor Richard Club conceived the idea of a Benjamin Franklin Memorial Building. In just 2 weeks, the club raised $5,000,000 for the project. On May 15, 1934, the memorial building was officially opened. That building is now called the Franklin Institute. The club has international members in Belgium, England, Bermuda, Haiti, South Africa, and Spain, and reciprocal clubs in London, Barcelona, Milan, and Czechoslovakia. In 1987 the club presented the International Medal to Bermuda Premier John Swan. In 1992, the second International Medal was presented to Chinese dissident and astrophysicist Fang Liz Hi.

We congratulate Bishop Jones on being included in the most illustrious group, and we look forward to his continued involvement in, and service to the city of Philadelphia.

THE OUTPATIENT PHYSICAL THERAPY STANDARDS ACT OF 1996

HON. SCOTT L. KLUG

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. KLUG. Mr. Speaker, Representative PETE STARK, Representative JIM NUSSLE, and I are introducing the Outpatient Physical Therapy Standards Act of 1996. This legislation would extend the current coverage standards that exist for independent practicing physical and occupational therapists to physicians' offices that also provide therapy services. This proposal was included in the Medicare Preservation Act which passed the House last October.

Currently, physical and occupational therapists must comply with certain standards. A study released by the Office of the Inspector General [OIG], however, has revealed certain abuses of these standards when the therapy was conducted within a doctor's office.

The study stated that, "Almost four out of five cases or reimbursement as physical therapy in physicians' offices do not represent true physical therapy services." The study also found that many physicians are billing the Medicare program for therapy services provided by unlicensed personnel. OIG estimated that $47 million was inappropriately paid for therapy services performed in physicians' offices in 1991.

Physical and occupational therapy services should be held to the same standard of coverage regardless of the setting in which they are delivered. The Outpatient Physical Therapy Standards Act of 1996 will help close a loophole in Medicare policy that will save millions of dollars annually while ensuring the delivery of high quality physical and occupational therapy.

HONORING THE GRANVILLE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Granville Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School at Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrific.

CORRESPONDENCE

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. McDERMOTT. Mr. Speaker, I am inserting for the RECORD a copy of the enclosed letter sent to Mr. John Linder.

HOUSE OF REPRESENTATIVES,
Washington, DC, May 9, 1996.

Hon. JOHN LINDER,
House of Representatives,
Washington, DC.

DEAR JOHN: I respect the right of every Member to communicate with colleagues via "Dear Colleague" letters, but your letter of May 8, 1996 goes beyond the pale.

Your statement that I "would use [my] position on the Ethics Committee to promote these phony charges after taking money from" a fundraiser contains the implication, or at least the innuendo, that I committed a crime—a statement that is false and actionable. Of course, as you must know from your own experience, the money contributed at fundraising events does not accrue to me personally but to my campaign, and it did not come from Mr. Jost but rather from campaign contributors—all legally reported under the FECA. Further, your contention that I am obligated to disclose "these relationships" when performing my duties on the Ethics Committee is incorrect. The rules governing this subejct (Ethics Committee Rule 7) do not require or even suggest that a Member on the Committee disclose the identify of this fundraiser, or that he recuse himself in instances in which a fundraiser has exercised his First Amendment rights in his personal capacity on a subject within the public domain.

I expect the rough and tumble of political outbursts but I will not tolerate disemination of false and defamatory statements such as those that you are circulating. Please be assured that I am fully prepared to take legal action if you do not immediately cease and desist these activities.

Sincerely,

JIM MCDERMOTT.

UNFUNDED MANDATES AND CBO ESTIMATES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. HAMILTON. Mr. Speaker, the Unfunded Mandates Reform Act of 1995 was intended to assist Congress in its consideration of proposed legislation by providing information about the nature and size of possible mandates in those proposals. The Congressional Budget Office is directed by that statute to help in developing such information.

I wrote to the Congressional Budget Office to express my concerns about serious problems with the unfunded mandates information CBO provided on the conference report on H.R. 1561, the American Overseas Interest Act. That correspondence appears in the CONGRESSIONAL RECORD of March 22, 1996, at E426.

I would now like to submit the CBO response to my earlier letter. I am pleased that CBO acknowledges that it would be more useful to the Congress for CBO to provide the full cost estimate for any bill at one time, rather than in select parts, and that three of the four provisions in the conference report on H.R. 1561 would, in fact, increase costs to the States. I hope that in the future CBO will include such information in a single estimate at the time a bill is under consideration.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 18, 1996.

Hon. LEE H. HAMILTON,
Ranking Minority Member, Committee on International Relations, U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN: I am writing in response to your letter of March 20, 1996, concerning CBO's intergovernmental mandates cost statement for the conference report on H.R. 1561, the Foreign Relations Authorization Act for Fiscal Years 1996 and 1997. Our mandates statement concluded that the conference report contained no intergovernmental mandates as defined by the Unfunded Mandates Reform Act of 1995 (Public Law 104-4).

In your letter, you raised two major concerns about CBO's estimate. First, you suggested that separating the mandates cost statement from the federal cost estimate for a bill or conference report diminishes the usefulness of the information for Members. I fully agree. As a general rule, CBO attempts to send out all information on a bill—the federal cost estimate, the intergovernmental mandate statement, and the private sector mandate statement—at the same time. Sometimes, however, we cannot complete all those statements at once, and in the interest of providing information in a timely manner, we send them separately.

Second, you questioned CBO's conclusion that H.R. 1561 would impose no intergovernmental mandates. Because the definition of mandate in Public Law 104-4 is a narrow one, a bill can increase costs for states and localities without imposing a mandate upon them. In fact, H.R. 1561 is just such a case. As you suggest, states would face additional costs if more refugees enter the United States and receive benefits from AFDC, Medicaid, or other public programs. CBO's estimate should have indicated the likelihood of such costs, even though they would not be the direct result of new mandates imposed on the states.

The Unfunded Mandates Reform Act defines a federal intergovernmental mandate as any provision in legislation, statute, or regulation that would impose an enforceable duty upon state, local, or tribal governments, except as a condition of federal assistance or a duty arising from participation in a voluntary federal program. Under the act, a provision that relates to large federal entitlement grant programs constitutes a mandate only if that provision would increase the stringency of conditions of assistance to state, local, and tribal governments under those programs, and only if the affected governments lack authority under that program to amend their financial or programmatic responsibilities to continue providing required services that are affected by the provision. Furthermore, section 4 of Public Law 104-4 specifically excludes from CBO's analysis certain kinds of legislative provisions, including any provision that "is necessary for the national security or the ratification or implementation of international treaty obligations."

Three of the provisions cited in your letter as having the potential to expand the states' burden of caring for refugees (sections 1104, 1253, and 1255) do not meet the definition of an intergovernmental mandate in Public Law 104-4. These provisions relate instead to the operation of the State Department's refugee and migration assistance programs. While states would face additional costs if more refugees and asylees are allowed to remain in this country, these costs would result either from state public assistance requirements that are not controlled by the federal government, or from an increase in the number of people eligible for federal entitlement programs. Because the bill would not increase the stringency of conditions for these entitlement programs, these provisions do not constitute mandates under the law.

Section 1256, the remaining provision of the conference agreement cited in your letter, falls within the section 4 exclusion, because it is necessary for the implementation of the international obligations of the United States under the Convention Against Torture and Other Cruel, Inhuman, and Degrading Treatment or Punishment. Therefore, pursuant to the provisions of the act, CBO did not analyze its potential impact on state, local, and tribal governments.

Please let me know if you have further questions or concerns about this estimate or about the implementation of the Unfunded Mandates Reform Act. The CBO staff contact is Pepper Santalucia.

Sincerely,

JUNE E. O'NEILL,
Director.

HONORING THE LAFAYETTE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Lafayette Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION ACT OF 1996

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. JOHNSON of South Dakota. Mr. Speaker, I rise today to express my strong support for the Native American Housing and Self-Determination Act offered as an amendment to the U.S. Housing Act of 1996 by Representative HAYWORTH. I am an original cosponsor of this bill because I believe there is a pressing need to assess and reorganize Native American housing programs in this country. This amendment is a strong step in the right direction.

Chairman LAZIO and his staff have put forth a great deal of effort to ensure that the needs of Native Americans in my State and across the country have been given serious attention and consideration throughout the crafting of this bill.

I agree with Chairman LAZIO and the Native American Indian Housing Council that Indian housing should be divorced from public housing programs because of the unique needs of Indian country and the many economic challenges that must be overcome. The U.S. Housing Act does not address these unique needs, and I believe including the Native American Housing and Self-Determination Act as an amendment to H.R. 4206 will guarantee that quality housing for Native American communities is not neglected as Federal housing programs are revamped in Congress.

Housing is an integral and most basic component to economic development for Indian and non-Indian communities alike. I support the premise of the Native American Housing Assistance and Self-Determination Act because Congress must prioritize programs which develop infrastructure on reservations and enhance economic growth for tribal communities. Additionally, the extreme health problems that many Indian communities face can be linked directly to inadequate housing, problems that can begin to be addressed through this Indian self-determination legislation. The flexibility in funding and in the administration of housing programs that this bill promotes is the key to tribal self-sufficiency and self-determination in housing management. Ultimately, this self-determination will result in increased access to safe, affordable housing for Native American people nationwide.

The unique housing needs of Indian country warrant a continued Federal commitment to successful tribal housing programs. I look forward to working with Chairman LAZIO, my colleagues, and Indian tribes nationwide to make the Native American Housing and Self-Determination Act a reality, with the health and welfare of Indian tribes our foremost priority. I strongly urge my colleagues to vote for the Hayworth amendment on Native American Housing Assistance and Self-Determination.

THE COMPETITIVE LIVESTOCK MARKETS ACT OF 1996

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. POMEROY. Mr. Speaker, today I am introducing legislation to address the disastrous situation that livestock producers across this Nation are currently facing. At this time, livestock producers are suffering the double-whammy of the lowest prices since the Great Depression and the highest feed prices in a generation. Many producers in my State are facing no choice but to sell out this year as they face losses of several hundred dollars on every head they sell.

Ranchers from across my State have told me that concentration in the meat packing industry has limited competition in the livestock markets. The three largest meat packing firms now control over 80 percent of the cattle slaughter in this country. Independent producers have been squeezed to the point where they are at the mercy of whatever price the giant meat packing firms are willing to offer. Congress must act to restore free and open competition in our Nation's livestock markets.

The legislation I am introducing today will accomplish that goal in the following manner:

First, it directs the Secretary of Agriculture to develop rules to prohibit noncompetitive captive supply arrangements. These captive supply arrangements include formula pricing, forward contracting and packer-owned cattle feeding. The bill does not prohibit all captive supply arrangements between a producer and a packer, only those determined to be detrimental to competition in the livestock markets. This provision will force the livestock trade to occur in a free and open market.

Second, the bill requires the Secretary of Agriculture to implement mandatory reporting of the prices and terms of sale for slaughter livestock purchased by packers who have greater than a 5-percent share of the slaughter market. This information would be public knowledge and reported immediately. There would be no more secret deals between packers and large feedlots. All producers should have access to information on the terms of sale for slaughter livestock in order to take maximum advantage of free market forces.

Finally, the bill would require the reporting of export sales of meat on a weekly basis. Access to this information will help all livestock producers gain a more realistic picture of supply and demand relationships.

Mr. Speaker, we are facing a crisis of epic proportions among livestock producers in this Nation. From Texas to North Dakota independent family ranchers are facing financial ruin. We must take steps immediately to address what is wrong in this industry. With this bill, we are saying that the large meat packers can no longer control the cattle markets through secret deals and privileged information. We must restore the free markets that the United States is known for around the world. I urge my colleagues to join me in support of this legislation.

WILLIAM DAVIDSON TO RECEIVE DOCTOR OF HUMANE LETTERS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. LANTOS. Mr. Speaker, next week, Bill Davidson, a good friend and a great American, will receive an honorary Doctor of Humane Letters from the Jewish Theological Seminary of America. In recognizing Bill's many accomplishments and extraordinary commitment to improving our country, the Jewish Theological Seminary speaks for the many people in his community and around the world who have benefited from Bill's extraordinary wisdom and philanthropy.

Bill Davidson is the chairman of the board and president of Guardian Industries Corp. of Northville, MI. Under his wise direction, Guardian has become a solid industrial asset to our economy, as well as a conscientious corporate citizen. Guardian has also been an ambassador of American engineering and way of doing business through its pioneering ventures overseas. These ventures have helped emerging democracies develop a more solid economic base while increasing American presence and influence abroad.

While running his hugely successful company, Bill found the time to volunteer for numerous community organizations. His generosity was recognized in 1992, when he was given the Jewish community's highest honor for outstanding volunteer service, the Fred M. Butzel Memorial Award for Distinguished Community Service. He has given generously of his time and resources to educational institutions, Detroit community organizations, and Jewish organizations nationwide.

Not one to confine himself to the roles of successful businessman and community activist, Bill is also the majority owner of the Detroit Pistons basketball club, the Palace Sports and Entertainment Arena, the Detroit Vipers hockey team and the Detroit Neon soccer team. He was inducted into the Michigan Jewish Sports Hall of Fame in 1985.

I commend the Jewish Theological Seminary for recognizing Bill Davidson with a prestigious Honoris Causa. This honorary degree is a testament to Bill's outstanding and continuing contributions to the education and enrichment of the Jewish community and our nation. I invite my colleagues to join me in expressing our gratitude and most heartfelt congratulations to Bill Davidson on this most joyous occasion.

HONORING DEAN ROGER EICHHORN

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. BENTSEN. Mr. Speaker, I rise to thank and honor Dr. Roger Eichhorn as he completes his 14-year tenure as dean of engineering at the University of Houston. The Cullen College of Engineering surely will miss his leadership, but his students and the engineering field will be richer as Dr. Eichhorn returns to teaching and research.

Dr. Eichhorn has a long career of service and contributions to educational, professional, civic, technical, and humanitarian endeavors. He was rightly honored as 1995 Houston Engineer of the Year.

Dr. Eichhorn traces his love of engineering to his days as a farm boy in Minnesota, when he got into trouble regularly for breaking his father's tools. He studied electrical and mechanical engineering at the University of Minnesota, where he received his doctorate while working as an instructor. He then accepted a position as assistant professor at Princeton University, where he was soon awarded the rank of associate professor with tenure. In 1967, he moved on to the University of Kentucky as professor of Mechanical Engineering, serving initially as chairman of the department and later as dean of engineering. In 1982, he came to the University of Houston as a professor of mechanical engineering and dean of the Cullen College of Engineering.

Dr. Eichhorn's long list of honors and awards include: the rank of Fellow of the American Society of Mechanical Engineers and the American Association for the Advancement of Science; the Memorial Award for Heat Transfer Science, awarded in 1982 by the Heat Transfer Division of the American Society of Mechanical Engineers; the Chevalier dans L'Ordre des Palmes Academiques Award presented in 1988 by the French education minister for his contributions to United States-French educational exchanges; and numerous membership awards from honorary scientific societies.

Throughout his career, Dr. Eichhorn has been known as an inspiring teacher, a cutting-edge researcher, and a farsighted advocate for engineering. He has worked tirelessly to help engineers communicate the benefits of their field in improving the quality of life for all of us.

We will miss Dr. Eichhorn's leadership as dean of engineering, but I have no doubt that the students of the University of Houston, the field of engineering, and our community and country in general will continue to benefit greatly from his many talents.

HONORING THE GLADDICE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Gladdice Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mid should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

RETIREMENT OF WILLIAM CARL GARNER

HON. BLANCHE LAMBERT LINCOLN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mrs. LINCOLN. Mr. Speaker, I rise today to honor one of this country's most dedicated public servants who is ending his illustrious career of service in the U.S. Army Corps of Engineers. Mr. William Carl Garner began his service with the corps upon graduation from college in 1938 and has been a fixture in the corps in the 58 years since. During that time, he has amassed a list of accomplishments and awards that will be difficult to match.

Mr. Garner has spent most of his career as the chief resident engineer of the Greers Ferry Lake located in central Arkansas in the congressional district I represent. He arrived at the project while the lake was still in the planning stages and turned the first shovel of dirt to start construction in 1959. When the dam was completed in 1963, President Kennedy came to Arkansas to personally dedicate it. Mr. Garner was at his side during the ceremony, even riding in the Presidential limousine to the festivities. Under his care and guidance, the lake has become the most popular recreational attraction in the State of Arkansas.

As any visitor to Greers Ferry Lake will tell you, his lifetime labor of love and dedication has produced one of the cleanest and most beautiful lakes in the country. This is directly attributable to the persistence of Mr. Garner. By 1970 the lake had become popular enough that debris was noticeable all along the 300-mile shoreline. This disturbed Mr. Garner, so he found a solution. Enlisting an army of 300 local volunteers, he established a national trend by holding the first annual cleanup day. Since that time, groups from across the Nation followed his example and now the first Saturday after Labor Day is known as National Federal Public Lands Day Cleanup. Earlier this year, the House passed a bill which would recognize Mr. Garner's contribution by renaming the cleanup day after him. The Senate has also agreed to similar language and it is my hope that the President will sign this most fitting tribute into law soon.

Among the many awards recognizing his illustrious service, he has been named the Arkansas Tourism Council's Man of the Year, received the Department of the Army National Exceptional Civilian Service Award—the Corps of Engineers' highest civilian honor—and was chosen as the Federal Service Employee of the Year for the State of Arkansas. Additionally, the cleanup program he started has received recognition from numerous national environmental organizations.

Although Mr. Garner will no longer be serving as chief engineer, I am sure he will maintain an active role at the lake and on the State and national level. He leaves an enduring legacy, in both the cleanup programs he started and the beautiful lake which he maintained and developed from its inception. I have been personally honored and privileged to have known such a great man and I count his friendship and guidance as one of my most precious possessions from my time in Congress. I would urge all of my colleagues to join me in paying tribute to a great public servant and a great man, Mr. William Carl Garner.

TRIBUTE TO THE MONTAUK RUGBY CLUB

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to the Montauk Rugby Club, from the town of East Hampton, Long Island, NY, that is now in competition for the National Rugby Championship.

This local rugby club is a reflection of America at its best. Members come from all walks of life, from carpenters and painters, to teachers and journalists alike. These fine men work 40-plus hours a week, then train in the evening or early morning to keep fit for the game. Many club members travel as far as 30 miles to train and practice. These men have all demonstrated tremendous self-discipline, courage, and great stamina, and that is what has brought them to the cusp of greatness. With no paycheck driving them on, these true amateurs are inspired simply by their love for the game, the rugby players who came before them, and the teammates they play with every week.

Founded in 1973 by local landscaper Charlie Whitmore, Montauk has prospered thanks to the dedication of its players and sponsors, Amagansett Building Materials and local chiropractor Dr. Richard Kelly. Both have been major benefactors to the team and should be commended for their benevolence.

The men of the Montauk Rugby Club are active members of their community, volunteering their free time to help their neighbors on eastern Long Island. When not working or playing, you can find them cleaning up our town parks and beaches, or donating their time to work with local children. This summer, Montauk is hosting a national qualifying tournament, "The Hampton 7's," where some of the best players and teams in the country will compete, with the victor going to the National Championship. The proceeds of the tournament will go to several local charities, including the Meals on Wheels Program, the East Hampton Village Policeman's Benevolent Association, the East Hampton Ambulance Association, and the Peter Landri Scholarship fund.

Rich Brierley, the youth team's coach, deserves special recognition for his hard work and dedication to the children of Montauk. Rich works as a carpenter by day, then at night goes to the local park to practice with the adult team, or coach the young rugby players of Montauk. Driven only by his passion for the game and his love of coaching, Rich is an example for all Americans to follow. Our children are our most important resource and they should be taught the self-discipline and camaraderie that team sports, such as rugby, instill. All of Montauk and East Hampton will thank Rich when his proteges mature and become leaders on the field and in their communities.

There is another story here, a story of how what we do here in Washington affects the life of ordinary Americans. Last fall, the Montauk Rugby Club went 8–0 in the regular season. They were stopped in the playoffs not by an opponent, but because Federal Government's shutdown made sure that the playoff field they needed was unavailable. The teams had to wait until after the winter months, and only now are able to continue their conquest for a National Championship.

By finishing second in the northeast regional tournament, Montauk has qualified for the national quarter finals and will play in Dallas this weekend. Entering their league in division III, they battled their way to become the 1995 undefeated division II champions and in the running for the national crown. Montauk is 1 of 16 teams in the U.S. bound for Dallas. They go into this tournament seeded third, if they win they will go on to the National Championship round in Chicago on Memorial Day weekend.

Congratulations and best of luck to the Montauk Rugby Club. May you bring back many more national titles to our neighbors in East Hampton.

RELIGIOUS ACCOMMODATIONS IN THE WORKPLACE

HON. ALBERT RUSSELL WYNN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. WYNN. Mr. Speaker, I rise today in the interest of bringing to your attention the issue of religious discrimination in employment. It is my pleasure to represent a district which is rich with diverse religions and great religious institutions. The December 1995 issue of Meat & Poultry, included an excellent article in the Labor Report entitled "Honor Thy Neighbor," by Richard Alaniz. I bring this article to the attention of my colleagues and urge them to read it and to stand for religious accommodations in the workplace in accordance with the Civil Rights Act.

Years of publicity and high profile litigation have made most employers aware of the various state and federal laws prohibiting discrimination based on race, sex, disability and age. What many employers don't know is that Title VII, the primary federal anti-discrimination law, also prohibits discrimination based on religion.

Due to a lack of complaints and perhaps a general unwillingness to accept such claims, religious discrimination has not been brought to the forefront of the average employer's concern. This could all change as the country leans toward conservatism and as groups such as the Christian Coalition attempt to bring religion into the mainstream.

A recent case involving one of the nation's largest employers and religious discrimination may be indicative of future trends. Wal-Mart, the Arkansas-based retail behemoth, settled a religious discrimination suit brought by a former employee. The employee claimed the retailer forced him to quit after he refused to work on his Sabbath. Rather than litigate the claim, Wal-Mart opted to settle. The settlement calls for the retail chain to train all managers in how to reasonably accommodate workers' religious beliefs as well as pay the plaintiff an undisclosed sum of money.

Wal-Mart is not the only business facing this new problem. The Equal Employment Opportunity Commission has brought several religious discrimination suits against other businesses, especially in the Midwest and South. While the focus has been on retail establishments, it could shift to any employer who has weekend shifts.

The basis for many of these lawsuits is that many businesses have no guidelines or policies to handle requests for religious accommodation, which often means having a weekend work-day off. Many employers feel it is easier to require everyone to work weekends rather than grant exceptions which would create jealousy and an administrative headache.

However, the courts have clearly stated employers are required to reasonably accommodate requests to observe the Sabbath or other religious days unless the request causes "undue hardship" to the business.

In order to prevent claims of religious discrimination, an employer should have a policy dealing with employee requests to observe the Sabbath or other religious days. Employers should not have blanket policies requiring weekend work unless they are prepared to justify that to grant days off would be an undue hardship on the business. Typical examples of what may constitute "undue hardship" are: difficulty to replace an employee due to a lack of notice or simply not having enough employees; importance of the employee; or economic hardship on the employer.

Scheduling problems are not the only area where employers face the possibility of religious discrimination. In many offices it's common for employees to have bibles, signs, posters or other religious articles on their desks. It's also typical for some persons to talk openly about their religious beliefs and perhaps refer to these belief in some aspect of performing their job. This raises the delicate question of how an employer walks the line between allowing employees to express their religious beliefs and maintaining a professional work environment that does not invite friction between individuals of different religions.

This can be especially difficult when a supervisor or other decisionmaker is the one proclaiming his religious beliefs. The classic example is the fundamentalist Christian employer who only promotes persons of the same religion and church as the employer. This could easily be challenged as a form of religious discrimination in which the company could be liable.

A company's policy should apply equally and fairly to all individuals and religions within the organization. Religious activities that don't impose upon others, disrupt the workplace or create morale problems should be the focus of the policy. For example, this could include a bible on the desk or wearing a cross or other religious symbol as jewelry. Examples of conduct employers probably should not accommodate are proselytizing in the workplace, statements or evidence of religious favoritism, or use of company time and resources for religious practices.

Using company time and resources for religious practices can be particularly dangerous. In one well-known case, a business required employees to attend staff meetings that began with a short non-denominational talk and prayer. An atheist employee resigned, sued the company and claimed her freedom of conscience was violated by the prayer. The court of appeals ruled the plaintiff's resignation was justified and that the prayers constituted religious discrimination. The voluntary and nondenominational nature of the prayer was discouraged by the court in favor of the plaintiff's claim of a feeling of compulsion to attend and participate.

Court decisions such as these leave little room for employers to conduct similar religious practices in the workplace. No matter how generic or vague a religious practice may be, there is always the chance it will be deemed offensive by someone.

The key to avoiding embarrassing and costly litigation is to prepare a clearly defined policy addressing religion, permissible and impermissible actions and to train managers and supervisors to recognize those circumstances in which allegations of religious discrimination may arise. By taking a few simple steps and providing for "reasonable accommodation" of religious practices, a proactive company can avoid the time and expense of an unnecessary law suit.

HONORING THE HARDYS CHAPEL VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Hardys Chapel Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

THE 25TH ANNIVERSARY OF RURAL HEALTH CORPORATION

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. KANJORSKI. Mr. Speaker, I rise today to recognize the 25th anniversary of the Rural Health Corp. of northeastern Pennsylvania [RHC]. Tomorrow, the RHC board of directors, employees, and friends of the agency wil celebrate 25 years of success, and I am pleased to have been asked to participate in this event.

The Rural Health Corp. has been instrumental providing public health services to the residents of northeastern and central Pennsylvania. The RHC is a private, nonprofit corporation that was founded for the purpose of providing primary and preventive health care to the medically underserved. It concentrates its efforts on helping those people who are isolated geographically or economically from major health service centers, and who have limited alternative health resources.

The RHC is governed by a volunteer, unpaid board of directors selected from the areas served by the corporation; over 50 percent of the board members have utilized the facility's services. The corporation currently serves almost 18,000 individuals throughout the area, providing comprehensive pediatric, adolescent, and adult health care at six medical and three dental centers. Other services include community health education, nutrition education, and transportation.

The first patients were seen by the RHC staff in January 1971, in the first RHC building. By 1973, three additional buildings had been constructed to serve the rapidly growing number of patients that were seeking services from the RHC. The next 4 years focused on expanding services, and strengthening the quality of care. Since 1977, two additional medical centers and one dental center were opened, and a new building replaced the RHC's original facility. In addition, the RHC opened a pharmacy, and a centralized management information system complete with computerized financial, billing, and patient data a systems.

RHC has participated in a number of innovative health care programs. Between 1984 and 1988, the corporation established the PennCare Health Plan, a prepaid health care program for medical assistance recipients. In the fall of 1987, the RHC launched the Luzerne County Integration Project to replace the Pennsylvania Department of Health's Immunization Program, which was then terminated in Luzerne County. The corporation administered the area's State subsidized program of vaccination for perdiatric patients.

In 1987, the RHC responded to a Federal initiative to extend health services to the homeless under the Stewart B. McKinney Homeless Assistance Act. Services provided by the medical care facility include patient outreach and case management, mental health and substance abuse counseling, emergency and impatient hospitalization.

The services that the RHC has provided during its years of operation have saved and improved the live of thousands of people. During its 25-year history, the RHC has evolved from a small county practice into one of the largest providers of primary care in the region, and one of the largest nonprofit community health center programs in the Commonwealth of Pennsylvania. The RHC can be proud of all that it has accomplished. I salute the Rural Health Corp. of northeastern Pennsylvania and wish it continued success as it strives to improve the quality of lives of the people it serves.

TRIBUTE TO JAMES R. NUNES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. MILLER of California. Mr. Speaker, I rise today to pay tribute to James R. Nunes, who is retiring after 33 distinguished years as a police officer and 17 years as Chief of Police in Pleasant Hill, California.

Chief Nunes' distinguished career began in 1959 when he served as a military police officer in the United States Army. He then progressed through the ranks in both the Hayward and Sausalito police departments.

In 1979, he arrived in Pleasant Hill to serve as Chief of Police. He has maintained that esteemed rank to the present, and retires with pride after a long and meritorious career serving the Bay Area.

Chief Nunes has proven himself as a leader among leaders in the field of law enforcement officers and he embodies the very best in community spirit. Beyond his professional duties, he has volunteered his time and energies to a variety of organizations and activities. His caring and dedication are hallmarks of both his professional and personal life.

I know that the other members of the House will join me in thanks to Chief James Nunes for his years of dedicated service to society and wish him the very best in the future.

TRIBUTE TO COMDR. CHESTER O. BURTON, U.S. NAVY

HON. OWEN B. PICKETT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. PICKETT. Mr. Speaker, I rise today to recognize a truly outstanding naval officer, Comdr. Chester Burton, Supply Corps, U.S. Navy, who will soon be completing his tour of duty in the Navy's Office of Legislative Affairs. It is a pleasure for me to recognize several of his many outstanding achievements.

A native of northern Wisconsin, Commander Burton received an undergraduate degree in marketing from St. Cloud State University in St. Cloud, MN. After growing up in a rural farming community, Commander Burton felt what better way to see the world than to join the navy. After completing Officer Candidate School in Newport, RI, Chet was commissioned an Ensign in September 1980. He subsequently attended the Navy Supply Corps School in Athens, GA, completing the qualifications to be designated a Supply Corps Officer. After completing basic submarine school Commander Burton reported as Supply Officer of the submarine *LaJolla* (SSN–701) being built at Electric Boat in Groton, CT. During his tour aboard *LaJolla,* Commander Burton was a member of the Commissioning Crew and participated in the ships changing homeport to San Diego, CA.

Following his initial sea tour, Commander Burton served at the Naval Supply Depot in Guam. He then reported to the Naval Air Systems Command in Arlington, VA, where he was selected to participate in the Navy Acquisition Contracting Officer internship program. Due to his outstanding performance as contracting officer for the Rolls Royce engine used on the AV–8B Harrier Jet, he received the Secretary of the Navy's award for excellence in fostering competition and reducing procurement costs.

Subsequent to his tour at NAVAIR, Commander Burton returned to sea duty aboard the submarine tender U.S.S. *Dixon* homeported in San Diego. He then did back-to-back sea tours reporting as Supply Officer aboard U.S.S. *Ohio,* a trident class ballistic missile submarine.

Due to his outstanding performance, he was selected to attend postgraduate school after completing his tour aboard *Ohio.* Commander Burton completed a masters of business administration degree at the University of Virginia's Darden Graduate Business School in May 1991. Following graduate school he reported to the Pentagon where he was the executive assistant to the Director of the Supply Programs and Policy Division, a Navy rear admiral, on the Chief of Naval Operations staff.

Commander Burton reported to the Navy Legislative Affairs Office in August 1993. During his tenure Chet has been considered the navy's procurement expert on Capitol Hill. In addition to handling literally thousands of inquiries relating to naval contracts, he has been responsible for organizing numerous government small business conferences in which many of our constituents have learned the basics about contracting with the Federal Government.

Mr. Speaker, Chet Burton, his wife Amy and their two children Douglas and Sarah, have made many sacrifices during his 16-year naval career. Serving on two submarines and a submarine tender, Chet has spent a significant amount of time underway away from his family to support the vital role our naval forces play in our national security. Commander Burton is a great credit to the U.S. Navy and the country he so proudly serves. As he now prepares to depart to yet another new challenge, I call upon my colleagues from both sides of the aisle to wish him every success as well as fair winds and following seas always.

TRIBUTE TO MARCO ANTONIO MUÑIZ, "THE MOST BELOVED VOICE OF AMERICA"

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. SERRANO. Mr. Speaker, I rise to pay tribute to Marco Antonio Muñiz, one of the most loved and cherished singers among Hispanics in all of the Americas. This weekend Marco Antonio Muñiz will be given two special performances at Hostos Community College in my congressional district of the South Bronx.

Marco Antonio Muñiz was born in 1933 in Guadalajara, Mexico. His passion for music started at a very early age, and even as a child he would take every opportunity to sing at events in Guadalajara.

As a young man, Marco Antonio joined the musical group "Veracuz" and later on became a member of "Los Tres Ases," a trio which brought him international fame. "Los Tres Ases" held performances in all of Latin America and recorded eight LPs, copies of which are still available in music stores. Among the many hits the group achieved include: "Mi último fracaso" ("My last failure"), "100 Mujeres" ("100 Women"), "Que Seas Feliz" ("I Wish You Happiness"), and "El Reloj" ("The Clock").

While still at the summit of success, Marco Antonio decided to leave the trio and seek a new challenge as a soloist. He struggled in the beginning, but soon won the admiration of many in Mexico and the rest of the Americas.

Although his repertoire ranges from traditional Mariachi music to romantic ballads, Marco Antonio Muñiz is internationally acclaimed as one of the greatest singers of romantic music. He is commonly called "The

Most Beloved Voice of America," "The Romantic Singer of America," "The Luxury of Mexico," and "The Uncontainable."

His music has won the hearts of many Puerto Ricans. Marco Antonio has performed in Puerto Rico for the past 34 Christmas holiday seasons without a break. His simplicity of character and undeniable passion in his singing have gained him recognition as one of the most talented singers of the Americas.

I have a collection of 50 LPs by Marco Antonio Muñiz. His exceptional career has featured numerous hits and record sales. And among his recordings is a collection of albums dedicated to Puerto Rican composers Rafael Hernández, Sylvia Rexach, and Pedro Flores. I am proud to say that my first son, José Marco, was named after him.

The Hispanic community of the South Bronx is honored to receive this giant of Latin American music.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Marco Antonio Muñiz, the most beloved singer of the Americas, for giving to the Hispanic community the gift of beautiful music.

HONORING THE KITTRELL VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Kittrell Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

ROLLING MEADOWS CHAMBER OF COMMERCE AWARD RECIPIENTS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. CRANE. Mr. Speaker, today I would like to recognize some outstanding business leaders in my district who have risen to the top in their respective fields. Tonight they will be recognized by the Rolling Meadows Chamber of Commerce for their efforts and achievements. I would like to take a moment to recognize each for their accomplishments in the hopes that their achievements will inspire others to follow their lead.

Kristine M. Stabler, the vice president and head of sales for the Arlington International Racecourse, has been named the Business Leader of the Year. She has worked in the business community at Arlington International Racecourse for 14 years and was given the added responsibility to serve as a liaison between the racetrack and the business community. The Rolling Meadows Chamber of Commerce adds that "she is also the coordinator of the International Festival of Racing, highlighted by the Arlington Million and oversees the retail operations, guest relations and special events." Her interaction with businesses and the community is extensive and her accomplishments impressive.

The Platinum Home Mortgage Corp., which is a family-owned business, has been awarded the Small Business of the Year Award. Although the company is only 2½ years old, it has grown both physically and financially. It has brought on staff 88 employees and has opened offices in Chicago, IL, River Grove, IL, and Denver, CO. It is now the fourth largest government residential loan provider in my State. The Platinum Home Mortgage Corp. is truly representative of success as they continue to grow.

Kevin T. Kendrigan, the director of the Northwest Special Recreation Association [NSRA] has been recognized as the Community Leader of the Year. His resume offers an extensive list of memberships to associations and community groups. Even more impressive are his accomplishments at the NSRA, which now serves over 2,500 people monthly and conducts 250 programs for both children and adults.

The Community Consolidated School District 15 has been awarded the Exceptional Business/Educational Environment Award. District 15 has blended traditional educational classes with interaction between various business and community leaders to offer students a more worldly education. Through innovative new programs at the local level, sponsored by private industries, our education system will be more effective in turning out students who will have the skills and knowledge that companies need as they enter the next century.

One award, the Business Beautification Award, was shared this year between two impressive edifices. The first is Michaels Glass and Mirror, Inc., which offers a wide variety of glass work, including auto glass, commercial and residential glazing, store fronts, table tops, shower doors, and mirrors. The second is the Rolling Meadows Shopping Center, owned by Baird and Warner. Both businesses have undergone substantial renovations to attract new customers and support businesses.

Mr. Speaker, I commend all of the winners of the Rolling Meadows Chamber of Commerce awards. But more importantly, I thank all of them for their contributions to the community in which they live. I and the residents of the Eighth Congressional District of Illinois are proud of them.

CONDEMNING THE KKK AND EVERYTHING FOR WHICH IT STANDS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. VISCLOSKY. Mr. Speaker, the U.S. Constitution establishes the fundamental rights we enjoy as Americans. It embodies what is good and right in America. The first amendment to our Constitution provides for the right to peacefully assemble, and it enshrines free speech as being a basic tenet upon which the democracy of our great Nation rests.

As history has taught us, the Constitution, which represents so much of what is good in our country, also protects those who promote evil. I am sad to say that the Ku Klux Klan [KKK], which embraces bigotry, hatred, and intolerance, will exercise its first amendment rights and rally in Portage, IN this Saturday, May 11. I join the overwhelming majority of Portage residents—and others in Northwest Indiana—in condemning the KKK and everything for which it stands.

The Ku Klux Klan is reviled around the world for its association with terror and violence. Through violence and intimidation, the KKK has historically punished opposing persons or groups, traditionally persons of color and religious minorities. Since its inception, the KKK has engaged in despicable acts of violence and hate, characterized by lynchings in the rural South, cross burnings, and other forms of hate crime. There is no place in our diverse society for this divisiveness. We must do everything within our power to stop the KKK and other perpetrators of hate crime.

In repudiation of the KKK, a wide variety of people and organizations in Indiana's First Congressional District will convene a prodiversity counter-rally to show America that the KKK's attempt to spread hatred in our community will not prevail. This Saturday, while the KKK exercises its right to assemble, an immense group of civic, business, religious, and student leaders will gather at Woodland Park in Portage, IN, to emphasize their message of unity and brotherhood.

The prodiversity rally is the brainchild of Eric Mason and Michael Krueger, two Portage High School seniors. As a result of their commitment to embrace and commemorate ethnic, racial, and religious diversity, the prodiversity rally, has grown into an enormous celebration. Participants at the prodiversity rally will include: Portage Mayor Sammie Maletta; a keynote speech by Jack Parton, director of the United Steelworkers of America [USWA] district 7; and the Reverend David Kehert, Dean of the chapel at Valparaiso University.

Several other organizations have passed resolutions or offered support for the prodiversity rally and its laudable ideals. Jack Parton, director of the USWA, district 7, has urged all steelworkers to attend the rally, while USWA Local 1014, United Steel Group's Gary Works, and an association of retired steelworkers, have also expressed their support for the counterrally. Alice Bush, spokesperson for the Healthcare Workers of America, district 1199, stated that her organization and Whispering Pines Health Care Center in Valparaiso, IN, are donating medical supplies for a first-aid tent at Woodland Park. This fine labor group serves all of Northwest Indiana. In addition, the Calumet project, a Hammond—based coalition of religious, labor, and community groups covering all of Northwest Indiana, has offered its support at the prodiversity rally.

Meanwhile, 29 pastors representing all faiths and almost all Portage churches, have united under the Pastors United for RacialEquality [P.U.R.E.] banner. P.U.R.E. has approved a resolution stating that, even though the KKK often uses Christian symbolism, it unequivocally and wholeheartedly condemns the ideals of the KKK and those of any such proclaimers of hate in our society. In addition, there will be a candlelight vigil to counter the KKK rally, sponsored by the Valparaiso Ministerial Association. The ministerial association is encouraging church members and others to make pledges to charitable causes which benefit minority groups or combat racism and bigotry.

Businesses are rallying together to oppose the KKK rally. In an effort to keep residents away from the KKK rally and promote security, Portage city officials have asked that Portage businesses near the site band together and close on Saturday afternoon. In support of this plea, many businesses have agreed to close early.

Mr. Speaker, I would like to commend the founders of the prodiversity rally, Eric Mason and Michael Krueger, for having the wisdom to bring the community of Northwest Indiana together to promote peace and harmony. May the actions of these distinguished young men, the participants in the prodiversity rally, as well as all of the organizations and community leaders who have pulled together to condemn the white supremacists' message—and, instead, promote diversity—be emulated by other towns and cities. The prodiversity rally is a powerful example of how to overcome hatred and pull together to promote unity. I join these dignified members of Indiana's First Congressional District in their commitment to ethnic, racial, and religious diversity. These ideals are truly what continues to make America the greatest country in the world.

HOUSE OF REPRESENTATIVES—*Friday, May 10, 1996*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. ROGERS].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 10, 1996.

I hereby designate the Honorable HAROLD ROGERS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, gracious God, that we will be wise custodians of the gifts that You have made available to us and to all people. Whether we be young or old and whatever our background or history, whether we have great responsibilities or have power and influence, remind each of us that we are to use our gifts in ways that promote justice and righteousness in the land and peace and freedom in all the world. Remind us that all our gifts are from above and we are to be wise stewards and guardians of all the riches we have received, using these gifts so that in all things we do justice, love mercy, and ever walk humbly with You. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SOLOMON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, further proceedings on this question are postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. CHABOT] come forward and lead the House in the Pledge of Allegiance.

Mr. CHABOT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain ten 1-minute speeches on each side.

REPUBLICAN PARTY RESPECTS WOMEN

(Mrs. FOWLER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FOWLER. Mr. Speaker, in this Republican-controlled Congress, women have reached new heights. In addition to the two women committee chairs; the two women subcommittee chairs; the women serving as secretary and vice chair of the Republican conference and the first female clerk of the House, there are a number of women serving in very important, high profile staff jobs.

These women are universally respected on our side of the aisle for their hard work and professionalism. However, that does not seem to hold true for some of our counterparts on the other side. During a hearing yesterday, two Democratic Members publicly questioned the motives of two female Republican staffers based on who their spouses are.

As a working woman myself, I am truly shocked that even after all the gains we have made, some people still believe that we women can't think for ourselves. I am glad, however, that I belong to a party that respects me based on who I am and what I do rather than resorting to some outdated sexist double standard.

THE BUDGET

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, here we go again. Speaker GINGRICH has put together his new budget, Medicare cuts, Medicaid cuts in the tens of billions of dollars, cuts in student loans, all to give tax breaks to the richest people in the country.

Here we go again, Mr. Speaker. Last year when the Speaker introduced this Gingrich budget, again, tax breaks for the rich paid for by Medicare and Medicaid, student loan cuts. It kept going and going. Finally, they shut down the Government to get their way.

The public clearly did not buy what they were saying. The public opposes these Medicare and Medicaid cuts, opposes these student loan cuts to give tax breaks for the rich. Here we go again.

The public again is going to have to stand up as we are on this side of the aisle and reject that way of thinking. Let us work together, Mr. Speaker, to get a good budget without the draconian Medicare and Medicaid cuts, without tax breaks for the richest people in society. Balance the budget, move forward on increasing the minimum wage and building middle class wage jobs.

CREDIBILITY CANYON

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, it is always with great interest that I come to the well, hearing the same old tired bromides from the liberals, including my dear friend from Ohio. No wonder there is more than a credibility gap; there is a credibility canyon. And today we have a real gender gap.

Far apart is the rhetoric of the liberal side about ennolbing and empowering women and right on the other side is their actions taken against working women. Two liberal male Members of this body yesterday in a Committee on Government Reform and Oversight hearing chose to attack two female staffers, not for who they are but for who they are married to. The depths of the desperation of the liberal side are truly amazing. Along with the credibility canyon, nursed by their accomplices in the liberal media, to allow them to say one thing and do another.

It will not play this time. Let us close this gender gap. Let us respect everyone in this House.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A MOTHER'S DAY GIFT

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the gentleman who just spoke would be reminded that Mary Matalin, who is an enormously talented woman, was ousted from the Dole campaign because she happened to be married to James Carville. People in glass houses should not throw stones.

Mr. Speaker, with Mother's Day only 2 days away, I know many people are puzzled about what to get Mom on Sunday.

Let's look at what Republicans have offered the mothers of America in the budget they unwrapped earlier this week.

If your mother depends on Medicare for her health care, the Republicans have given her a $168 billion cut to pay for unnecessary tax breaks including those that benefit the wealthy.

If your mother is in a nursing home on Medicaid, the Republicans have given her a $72 billion cut combined with a block grant approach that jeopardizes the coverage for her nursing home care.

The greatest gift congressional Republicans can give mothers and their hard working families is a new budget rather than this rehash of the same extreme positions and the same skewed priorities as the budget they proposed last year.

It's time for NEWT GINGRICH and the Republican leadership to put families first.

CALLING FOR AN APOLOGY

(Mrs. CUBIN asked and was given permission to address the House for 1 minute.)

Mrs. CUBIN. Mr. Speaker, I have been misled. I thought that Members of Congress were supposed to hold themselves to a higher standard. I thought that they were supposed to conduct themselves in a respectful manner. I was even naive enough to believe that male Members of Congress were supposed to treat females and males equally.

Boy, was I mistaken.

Yesterday, two Democrat Congressmen insulted two hard-working and dedicated female staffers. Not because of their job performance, not because of anything they said, and not because of anything they did. The only reason these staffers were insulted was because their husbands were prominent public servants.

Mr. Speaker, at a time when we are supposed to be honoring our mothers for their selfless dedication and hard work, these two Democrat Congressmen have set new lows in the respect for women. They should apologize for their insulting remarks.

NEW MEXICO FIRES

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, despite what you may be hearing, New Mexico and Taos County are not burning. Our fires, thankfully, have been contained. New Mexico is open for business and tourism. In fact, 99.5 percent of Taos County where this fire took place did not burn.

I would like to let everybody know these fires were composed of a small percentage of land in northern New Mexico. We certainly have not closed our borders to traveling Americans because of them. In fact, Americans should know New Mexico continues to have some of the finest camping, fishing, hiking, skiing anywhere in the country as well as the famous southwestern cultural attractions in Santa Fe and Taos and our Indian pueblos. So as long as you are not in the habit of throwing burning cigarettes and matches on the ground, we wholeheartedly welcome you to New Mexico.

CALLING FOR A PUBLIC APOLOGY

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, yesterday at a Government Reform and Oversight Committee Hearing, two Democrat lawmakers emerged from their stone-age caves.

In a manner that only the Peking man could truly appreciate, they called into question the motives of two hardworking female staffers because they were married to prominent public officials.

In a town like Washington, many folks—both male and female—are married to prominent public officials. But according to this club-waving, caveman mentality, if you are a woman you are incapable of rubbing two sticks together—much less having an independent thought.

Mr. Speaker, I call upon these supposed gentlemen to publicly apologize to all women for their ice-age mentality.

WINDFALL PROFITS TAX

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, while gas keeps going up, oil companies keep making excuses. They say the blizzard did it. Spring sprung sooner than expected. More people are buying gas guzzlers and, check this one out, to try and help us, they waited and waited and waited to buy the crude oil at such a low price so they could pass the savings on to us.

Spare me, Mr. Speaker, the profits of Unocal are up 70 percent; Marathon, 180 percent; Phillips, 500 percent. Who is kidding whom? These creeps make the Mafia look like choir boys, Mr. Speaker.

I did not vote for the gas tax. I am going to vote to repeal the gas tax. But I also think we should slap a windfall profit tax on these turkeys in a heart beat.

What is next, not enough Americans ride bikes? Beam me up, Mr. Speaker.

DEMOCRAT COLLEAGUES INSULT FEMALE STAFFERS

(Mrs. CHENOWETH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CHENOWETH. Mr. Speaker, in what has been called a desperate distraction of men uncomfortable with women in the workplace, two Democrat male Members of Congress verbally assulted two female congressional aides yesterday in a committee hearing. What was the reason for these attacks—the women happen to be married to prominent public officials.

This sort of Neanderthal-like mentality that would cause a Member of Congress to stoop to such a low level as attacking hardworking staff members on such sexist grounds has absolutely no place in this institution. Not only is this an insult to the female staffers in Congress, it is an insult to working women all across america.

Mr. Speaker, I call on my Democrat colleagues, Mr. MORAN and Mr. KANJORSKI, to publicly apoloize to the women they attacked.

INDIAN CHILD WELFARE ACT AMENDMENTS TO H.R. 3286

(Ms. FURSE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FURSE. Mr. Speaker, today I wish to express my support for the adoption bill we are considering today, but I also want to express adamant opposition to the title III amendments to the Indian Child Welfare Act.

I have worked on native American issues since 1974. The Child Welfare Act was passed in 1978, after days of hearings. It was a much-needed law. Thirty-five percent of Indian children were adopted out of their tribes at that time. The changes proposed today will change the Indian Child Welfare Act drastically, and the worst thing about it, Mr. Speaker, is there will be not 1 hour of hearings.

The other worse thing about it is, not one tribe has been consulted. That is like passing a law that affects your constituents without even talking to someone in your State.

The proposed Indian Child Welfare Act amendments are antifamily, and they are anti-Indian. I urge my colleagues, to vote "yes" on the Young-Miller motion to strike.

□ 1015

REPUBLICAN FEMALE STAFFERS ATTACKED BY TWO DEMOCRAT MALE MEMBERS

(Ms. GREENE of Utah asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. GREENE of Utah. Mr. Speaker, I rise to protest in the most strong terms the reprehensible behavior of two Democrat male Members who verbally assaulted two Republican staff members yesterday at a meeting of the Committee on Government Reform and Oversight. These two female staffers were not attacked for the job they were doing, they were not even attacked for their ideology. They were attacked for who they are married to, one of them for 1 week.

Mr. Speaker, women in this country, most of us, work outside the home as well as inside the home. We work because we want to, we work because the economic policies of the last 40 years of the Democrat-controlled Congress have made it that we have to. Whatever the reason for us being in the workplace, we deserve the respect and the civility of all of our coworkers no matter what title they may hold.

We are here to stay. Our colleagues better get used to us. And those two male Democrat Members committed an offense against all women yesterday, they committed an offense against all right-thinking men, and they owe us all a public apology.

SAY "YES" TO A DECENT MINIMUM WAGE

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute.)

Mr. GUTIERREZ. Mr. Speaker, my Republican friends love to talk about hard work. Why, from welfare to immigration, they can fit words of praise for working Americans into just about any debate.

If this were a debate contest, they could win awards for all their fine rhetoric. But rhetoric will not pay the real bills of real people. Nice rhetoric might win someone a sound bite on the evening news, but it will not send any kids to college, or pay for a mortgage, or cover the doctor bills.

And unfortunately, my Republican friends are much better at rhetoric than rewarding hard work.

Well, I believe it is time to stop talking and start acting for the American people. It is simple. This House should say "yes" to a decent minimum wage for hard-working Americans. You see, they do not have time to make nice speeches about hard work, because they are too busy doing it. It is time for my colleagues to back up their empty words. Cut out the rhetoric. Instead, let us reward the hard work of the American people. Pass a livable minimum wage.

PRESIDENT CLINTON ADMITS TO MEDISCARE CAMPAIGN

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, earlier this week President Clinton finally admitted what most of us have known for quite some time now: Congress is not cutting Medicare. In fact, our effort has been to save Medicare from bankruptcy. When reporters asked the President about those deliberately false television ads that portray Republicans as heartless souls who are allegedly slashing Medicare and Medicaid, he got visibly upset. He acknowledged that the ads are not accurate. He blamed his misstatements on the press. And he said he really liked to be truthful, but he just cannot do it in a 27-second ad. Very interesting, very revealing, and, quite frankly, very sad.

Mr. Speaker, it was reported last month that the Medicare trust fund has lost $4.3 billion already this year. The President knows that something must be done, and now he has finally come clean. If he really is committed to start telling the truth about Medicare, he ought to work with us to save Medicare for this generation and for future generations.

REPUBLICANS ARE NOT TRYING TO SAVE MEDICARE

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, this notion that somehow the Republicans are trying to save Medicare is just a lot of baloney, but they are at it again. They are at it again, basically making these cuts in the Medicare Program just to pass on tax breaks to the wealthiest Americans, and they are going to destroy the Medicare Program in the process. What they are essentially doing is making cuts that are so severe that we will see hospitals closed and we will see the quality of health care services for seniors significantly decline. And they are also passing and changing the Medicare Program in a way that the senior citizens will not have a choice of doctors. They will be pushed into managed care systems. They will be forced to spend more money out of pocket that goes back to Medicare providers in order to have the same benefits that they have now.

So this idea that somehow they are solving the problem with Medicare or they are dealing with the potential insolvency is not true. The President has put forth a proposal in his budget that would guarantee the continued solvency of the Medicare Program, but the Republicans are going way beyond that. They are cutting $44 billion more than what the President proposes. They are not trying to deal with Medicare in an effective way.

PORKER OF THE WEEK AWARD

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, for over a decade, the Social Security Administration funneled more than $50,000 in benefits into the bank account of serial killer William Bonin.

Known as the freeway killer, Bonin, who was executed February 23, confessed to murdering 21 people in southern California in 1979 and 1980. He had been receiving Social Security disability insurance checks since he was diagnosed with a mental illness in 1972, but the Government failed to cut off the payments when he took up residency on death row in 1982. Federal law prohibits him from eligibility for these payments, but Bonin continued to receive monthly disability checks ranging from $300 in 1982 to $589 last month.

For such outrageous and indefensible disregard for their responsibility to the taxpayer, and unfortunately this is a circumstance that isn't new, the Social Security Administration get my Porker of the Week Award.

THE REPUBLICANS ARE AT IT AGAIN

(Mr. KLINK asked and was given permission to address the House for 1 minute.)

Mr. KLINK. Mr. Speaker, just like that 4-year-old child with a sweet tooth, the Republicans are at it again, reaching back in that cookie jar, trying to grab Medicare cuts, Medicaid cuts, education cuts. Tax cuts for the wealthy is what they are going to balance it with.

This is like the sword of Damocles dangling over our heads by a thread. The elderly are worried, the poor are worried, those who run hospitals, those who are medical providers are worried.

We are looking in the State of Pennsylvania at the possibility of 52 rural and small-town hospitals closing. Many of these actions have been taken already just because of the threats that the Republicans have held over our heads over the past 2 years. They were spanked by the public for their misbehavior, their irresponsible behavior in putting together the 1996 budget, but here they come again, the same irresponsible behavior in 1997. And I think when November rolls around, the public will spank them again.

But just like that 4 year old with its sweet tooth, the Republicans just cannot keep their fingers out of that cookie jar.

THE PUBLIC'S RIGHT TO KNOW

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, a couple of weeks ago I coauthored a memorandum asking our community chairmen to look at waste, fraud, and abuse in the administration, examples of dishonesty, and ethical lapses, and influences of labor union bosses and corrupt activities in the labor unions. We are finding now that that particular memo is producing results. I now have information that shows allegations against the labor unions for organized crime activities.

Imagine my surprise, then, when we are exercising our right of the public to know about what goes on, to have the Democratic freshman, eight of them, write a letter to the Speaker saying that this is something that should not be pursued and, in fact, the memo should be withdrawn. Well, now we know why. We have now gone back and figured out that those eight freshmen who wrote that letter have received over $1 million from the very labor unions that they are seeking to protect.

That is right: over $1 million in contributions from those that they do not want investigated.

The public has a right to know about these things; $1 million in contributions should not get in the way of the public's right to know.

TITLE III OF H.R. 3286 BAD FOR INDIAN CHILDREN

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FALEOMAVAEGA. Mr. Speaker, in 1978, Congress enacted the Indian Child Welfare Act to prevent "[t]he wholesale separation of Indian children from their families * * * perhaps the most tragic and destructive aspect of American Indian life today." H.R. Rept. No. 95–1386. The law recognizes that Congress, which has "responsibility for the protection and preservation of Indian tribes," believes "that there is no resource that is more vital to the continual existence and integrity of Indian tribes than their children." The U.S. Supreme Court in 1988 wrote that "[t]he protection of this tribal interest is at the core of the Indian Child Welfare Act which recognizes that the tribe has an interest in the child which is distinct but on a parity with the interest of the parents."

But title III of H.R. 3286 would significantly undercut this important law. Title III contains provisions that would add a new race-based Indian identity test focusing upon a child's significant cultural, social, and political contacts instead of tribal membership, would ignore the important role of the extended family in Indian culture, would lead to increased litigation, and would have the effect of excluding tribal members from coverage of the Indian Child Welfare Act.

These provisions were written without any effort to discuss or meet with Indian tribes, which are not only the people whose culture and interests are at stake, but are sovereign governments. I reiterate: there have never been hearings on these provisions.

Democrats and Republicans alike on the Resource Committee, which has jurisdiction over the Indian Child Welfare Act, strongly disapprove of railroading this bill through the House without adequate consideration, and I urge my colleagues to vote to strike title III that amends the Indian Child Welfare Act.

Contrary to opponents' assertions, studies since passage of the Indian Child Welfare Act indicate that it has worked well by motivating courts and agencies to place greater numbers of Indian children into Indian homes. Testimony we received in 1995 indicates that there may have been only 40 contested Indian adoption cases in the past 15 years, less than one-tenth of 1 percent of the total number of Indian adoption cases during that period. The vast majority of those problem cases are the direct result of willful violations of the act and can be addressed by changes to the law that promote greater notification and sanctions for violations.

I am prepared to work on amendments to the act in a careful and deliberate manner. But title III of H.R. 3286 is neither careful nor deliberate; it is irresponsible legislation in response to isolated anecdotes, and given the lack of even superficial consideration of its impacts, it does not belong to H.R. 3286.

I urge my colleagues to support our efforts to strike title III on the House floor.

BILLIONS OF DOLLARS

(Mr. BAKER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAKER of California. Mr. Speaker, I guess the Clinton-Gore reelect team and the Democrats are not raking up enough cash from the trial lawyers and other special interests. While raising millions and millions of dollars in campaign funds at all kinds of fundraisers, Clinton has managed to nail the taxpayers for his opposition research staff. Thanks to Time magazine, American taxpayers have found out White House staff has been doing campaign work for the President.

Imagine my surprise. His rapid-response team White House staff, funded exclusively by the taxpayers, are now blatantly working on campaign-style responses and attacks for the President's campaign.

I guess we really should not be surprised. This administration has been the most partisan and political in history, from their globe-trotting Cabinet members to their bloated White House staff. With Cabinet Secretaries like Bruce Babbit and Jesse Brown and others running around the country attacking Republicans on the taxpayers' dime, this pattern of taxpayer ripoff for the Clinton reelection is appalling.

And just think: These are the Cabinet officials that are not yet being investigated.

HAPPY MOTHER'S DAY TO AMERICAN MOTHERS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I believe that we have come today and forgotten what weekend this is, and I want to pay tribute to the honorable remarkable mothers, church mothers, foster care mothers, mothers who have adopted, and just mothers, all of our mothers who have nurtured this Nation to its great place that it is.

I rise to honor them for their unselfishness, their determination and their immense love. Mothers exhibit great compassion.

And to the working mothers living on minimum wage, I am simply asking the Republicans to stop being such hard heads and honor our mothers who work hard with an increase in the minimum wage.

And to our elderly mothers, with worn hands, who worked long and hard, I ask the Republicans to stop trying to cut the Medicare which they depend upon.

Oh, we can talk about a lot this morning, but this is a weekend that we should give honor long and hard to the many mothers around this Nation who sacrificed their sons and daughters to go to war an still remained a patriotic American. Therefore this day I pay tribute to the unsung heroines, our mothers. Happy Mothers Day to the mothers of America.

THE JOURNAL

The SPEAKER pro tempore (Mr. ROGERS). Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 317, nays 71, answered "present" 1, not voting 44, as follows:

[Roll No. 163]

YEAS—317

Ackerman
Allard
Andrews
Archer
Bachus
Baesler
Baker (CA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coburn
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Cooley
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Eshoo
Evans
Ewing
Farr
Fattah
Fawell
Fields (LA)
Fields (TX)
Flake
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Ganske
Gekas
Geren
Gilchrest
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hayes
Hayworth
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hoyer
Hunter
Hyde
Inglis
Istook
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Lantos
Largent
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Mascara
McCarthy
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Minge
Mink
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Ortiz
Orton
Oxley
Packard
Parker
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pombo
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Rush
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thornberry
Thurman
Tiahrt
Torres
Traficant
Upton
Vento
Vucanovich
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
White
Whitfield
Wilson
Wise
Woolsey
Wynn
Young (AK)
Young (FL)
Zeliff

NAYS—71

Becerra
Bonior
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Bunn
Clyburn
Coleman
Costello
DeFazio
Durbin
English
Ensign
Everett
Fazio
Filner
Flanagan
Foglietta
Fox
Funderburk
Furse
Gephardt
Gillmor
Green (TX)
Gutierrez
Gutknecht
Hall (OH)
Hastings (FL)
Hefley
Hefner
Heineman
Hilleary
Hilliard
Hutchinson
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson, E. B.
Klink
LaFalce
Latham
Levin
Lewis (GA)
Longley
Matsui
McDermott
McNulty
Meek
Menendez
Olver
Owens
Pallone
Pastor
Pickett
Sabo
Stark
Stockman
Taylor (MS)
Thompson
Thornton
Torkildsen
Towns
Velazquez
Visclosky
Volkmer
Weller
Wicker
Wolf
Yates
Zimmer

ANSWERED "PRESENT"—1

Harman

NOT VOTING—44

Abercrombie
Armey
Baker (LA)
Beilenson
Berman
Bevill
Bryant (TX)
Chapman
Clay
Collins (IL)
Danner
Dickey
Dixon
Dornan
Engel
Gallegly
Gejdenson
Gibbons
Hastings (WA)
Herger
Hinchey
Hoke
Holden
Jefferson
Laughlin
Martini
McDade
Millender-McDonald
Miller (CA)
Moakley
Molinari
Oberstar
Paxon
Pomeroy
Portman
Roberts
Rose
Schroeder
Smith (MI)
Tanner
Torricelli
Waters
Weldon (PA)
Williams

□ 1048

Mr. FOX of Pennsylvania and Mr. ENGLISH of Pennsylvania changed their vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ENGEL. Mr. Speaker, I was back in my district and missed two rollcall votes.

On rollcall 162, had I been present, I would have voted "no."

On rollcall 163, had I been present, I would have voted "yes."

ADOPTION PROMOTION AND STABILITY ACT OF 1996

The SPEAKER pro tempore (Mrs. MORELLA). The unfinished business is the further consideration of the bill (H.R. 3286) to help families defray adoption costs, and to promote the adoption of minority children.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the order of the House of Thursday, May 9, 1996, it is now in order to consider an amendment offered by the gentleman from Florida [Mr. GIBBONS] or his designee. Does the gentleman from Florida seek to offer an amendment?

If not, it is now in order to consider the amendment offered by the gentleman from Alaska [Mr. YOUNG].

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Madam Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. YOUNG of Alaska:

Strike title III.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alaska [Mr. YOUNG] and a member opposed each will control 15 minutes.

The Chair recognizes the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Madam Speaker, I yield half of my time to the gentleman from New Mexico [Mr. RICHARDSON] and I ask unanimous consent that he be permitted to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Ms. PRYCE. Madam Speaker, I claim the 15 minutes in opposition. I yield half the time to the gentleman from Texas, Mr. PETE GEREN, and I ask unanimous consent that he be permitted to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The SPEAKER pro tempore. The gentleman from Alaska, Mr. YOUNG, the gentleman from New Mexico, Mr. RICHARDSON, the gentlewoman from Ohio, Ms. PRYCE, and the gentleman from Texas, Mr. PETE GEREN, will each control 7½ minutes.

The Chair recognizes the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this amendment is of great seriousness to this body. I hope all of my colleagues pay attention to the words that will be spoken today.

I will be the first one to say that the presentation by Congresswoman PRYCE and the presentation by Congressman SOLOMON is from their hearts, and I will say they are very sincere attempts to undo what I believe is a trust authority of this Congress to the American Indian tribes. I want to stress that. Only the Congress has a right to decide who is an American Indian or what is a tribe, and no other legal entity or judicial body has that authority, and that is our trust responsibility.

What the amendment that has been put in this bill through the rules, which was in fact unanimously with one dissenting vote eliminated in my committee, does is take away that trust responsibility of this Congress to the American Indians. Again, we are breaking a commitment and a promise to the American Indian people. Keep that in mind. We were told, and Members held up their hand and swore to uphold the Constitution, and this is breaking the constitutional law, so keep that in mind.

But more than that, I helped pass ICWA, the Indian Child Welfare Act. In all the years, in 15 years, there have been 40 cases such as Ms. PRYCE's and Mr. SOLOMON's, and I will agree they are atrocious cases. But we have tried and we were working and we will continue to work to solve this problem legislatively.

There is a large tribal meeting in the first of June and we told them, "You better come up with a solution." If they do not, I will write the bill that will take care of these problems. And those lawyers have been very dishonest, and they have caused most of these problems.

We asked Mr. SOLOMON and Ms. PRYCE to wait until the middle of June, until we have found out what would be the results of those meetings. They chose not to do so. I respect that belief on their side, but I say to my colleagues in all sincerity, what we are attempting to do here today is right, it is constitutional, it is correct and it should give us the time.

I am asking this body to do the responsible thing and in fact uphold the Constitution. I am asking my colleagues to think about this for a moment and think about, yes, the 40 cases, yes, I will concede. But think of why this act was put in place to begin with.

We have 40 cases. What about the 50,000 American Indians that were farmed out and adopted out to families outside their tribes, without any consent of the mother or father or the family or grandpas or uncles or aunts? And that occurred. In fact it was more than 50,000. It was more like a half a million since 1900.

And we are talking about 40 cases. Yes, they are bad cases, they are atrocious cases. But I am saying to my colleagues, what they are attempting to do in this bill, and if they do not adopt my amendment today to strike that provision and give us the opportunity, they are in fact breaking our trust responsibility to the American Indian. I do not think my colleagues want that on their chest.

In fact, if they do, and, yes, the emotionalism is there, I have seen the cases, I have talked to these people, but I am going to suggest to them if they do that, they have shirked our duty to the responsibility that we are charged with. All I ask is give us the time, let us work and let us solve the problem, and we can do it.

If they continue this effort today in this bill and this amendment is not adopted, they in fact have gone back on an act that has worked well. It has kept families together, children with their relatives, children with their mothers, children with their aunts and uncles and not farmed out to places far away from those tribes.

So I ask my colleagues to support this amendment. It is the right thing to do. It is the best thing to do, and it is our responsibility.

Madam Speaker, I reserve the balance of my time.

Mr. PETE GEREN of Texas. Madam Speaker, I yield myself such time as I may consume, and I rise in opposition to this amendment.

Madam Speaker, the issue before us is not about the rights of native Americans. It is about the rights of U.S. citizens to make decisions about their own children free from the control of ancestors generations removed from them, whether those ancestors be German, French or native American.

If a 14-year-old girl in Atlanta, GA were to get pregnant, we might think that it would be up to that girl, her parents, the boy involved and his parents as to whether to place that child for adoption and with whom to place that baby for adoption. That is true unless one grandparent or even one great-grandparent, alive or dead, may have once been a member of a native American Indian tribe.

It does not matter that the girl, the boy, the parents, three out of four grandparents, 7 out of 8 great-grandparents were German, French, Texan or whatever. If one great-grandparent had been an enrolled member of a native American Indian tribe, that tribe may intervene and disrupt the adoption placement for that great-grandchild, and countermand the decision.

Madam Speaker, I yield the balance of my time to the gentlewoman from Ohio [Ms. PRYCE], and I ask unanimous consent that she may be permitted to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1100

Ms. PRYCE. Madam Speaker, I yield such time as he may consume to the gentleman from Kansas [Mr. TIAHRT], who has been so instrumental in assisting on this bill.

Mr. TIAHRT. Madam Speaker, I rise in opposition to the Young amendment.

Now is the time to improve this 1978 law. The children of Native American descent who are harmed by overbroad application of the Indian Child Welfare Act can not lobby, they can not write letters and they can not wait. It is time to relieve them of the fear of being taken away from their mom and dad and it is time to give children without parents the chance to be adopted.

This legislation does not interfere with the Tribal courts jurisdiction over a child on a reservation or a child who has even one parent that is connected with a tribe. Title III of H.R. 3286 simply restores individual freedom to those children and birth-parents whose only connection with a tribe is genetic. I urge my colleagues to support title III.

Ms. PRYCE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, with all due respect to the gentleman from Alaska, my friend, I must rise in strong opposition to striking title III.

Madam Speaker, the gentleman is absolutely right about the shameful history which required the passage of ICWA in the first place. It was a blight on our past, and there is no pride that we as a nation should take from it. He is right that ICWA has worked, and it is still working. That is why I am opposed to efforts for its outright appeal. But we as a Congress must realize that it is not perfect. Its vagueness has caused not only endless litigation, but also pain, suffering, and heartache for children and families all across this wonderful country of ours. And we as a Congress have the responsibility to clear up those ambiguous words that we created, that we wrote in 1978.

This is one of the easy ones, folks. So often we are faced with social problems we do not have any idea how to fix. But it is not hard to see that when some courts and activities can claim that a child with no more than one sixty-fourth Indian blood and no connection with tribal culture for generations and generations, they can claim that an Indian child and then take that child from the only secure family it has ever had, it is not hard for me to see what we have to do.

And what about our country's other rich cultural heritages? If a child is almost entirely Hispanic, or African American or Asian or Irish American, but has some trace of Indian lineage, under the current application of ICWA, these heritages can be denied. They are subordinated to one's native American lineage, no matter how minute. Someone explain to me why is it any less significant or meaningful to be Hispanic, black, Asian or Irish, and why we as a Congress, we just cannot allow this to continue.

The Indian Child Welfare Act on too many occasions has created a state of permanent impermanence for the very children it was enacted to protect. Since its enactment, there are 25 percent more Indian children in foster care and for lot longer times. While widespread litigation over ICWA continues, children are being bounced from one foster care setting to another for months and sometimes even years, when they could and should be with loving parents in stable, permanent homes. Children are being grabbed by the overreaching arms of ICWA and removed from loving nurturing parents, even under circumstances where the child's natural parents were never members of an Indian tribe, never lived on or near a reservation, never had any meaningful contact with the tribe or Indian culture, voluntarily relinquished their parental rights, could only claim a minute degree of native American heritage, and even chose the couple whom they wanted to raise their child.

The Congress of the United States enacted the Indian Child Welfare Act, and it is our responsibility to address the unintended and unjust, tragic results of it, while still preserving its integrity and respect for the proper and intended purpose.

Madam Speaker, this has been my intention from the outset. Yet my request for input and suggestions about how to fix this have gone unanswered. Nothing has happened but more litigation, more broken families, and more heartbreak.

Madam Speaker, I urge my colleagues to put the best interests of America's children first by defeating the motion to strike. In title III, we propose nothing more than a commonsense clarification. This is a small but very meaningful step that we can take to give adoptive children the kind of stable, secure, loving homes that they deserve. Vote "no" on the motion to strike.

Madam Speaker, I reserve the balance of my time.

Mr. RICHARDSON. Madam Speaker, I yield myself 30 seconds.

Madam Speaker, I want to correct what is permeating this Chamber. Native Americans are different from other ethnic minorities in that they are sovereign tribes, sovereign nations. You cannot equate a case of an African-American or Hispanic-American with native Americans. Native Americans have treaties with the United States. You cannot completely disregard tribal administration, and tribes that have not been consulted in this.

Mr. Speaker, the Clinton administration supports the Young amendment. They have issued a statement, along with the Department of Interior, the Department of Justice, the Federal Bar Association.

Madam Speaker, I yield 1½ minutes to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Madam Speaker, I rise in strong support of the amendment offered by Mr. YOUNG to strike title III from this legislation. Madam Speaker, the bill before us today is an affront to the sovereignty of Indians in our country. This provision was written without any consultation of the Indian tribes. Members of both sides of the aisle on the House Resource Committee, which has sole jurisdiction over the Indian Child Welfare Act, recognized that this law has worked well over the years. In my home State of Michigan, which has one of the largest native American populations in the midwest, the Indian Child Welfare Act has been successful by motivating courts and agencies to place greater numbers of Indian children into Indian homes.

Madam Speaker, there may be a need to fine tune this legislation—we don't pass perfect legislation on Capitol Hill. It is my understanding that tribal and adoption groups are currently meeting to develop recommendations to make the adoption process better for all children. It is my understanding that these recommendations will be ready next month.

Madam Speaker, before we rush to judgment, let's carefully and sensitively review the Indian Child Welfare Act—and do what is best for the children.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to my good friend, the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules and an activist on this front.

Mr. SOLOMON. Madam Speaker, I thank the gentleman for yielding me time.

Madam Speaker, I guess I have a special prejudice about this bill, because I guess I was one of those kids years ago that was bounced around from home to home, without a mother and father. I can still recall looking to the other kids and being so envious, and wondering what it was like when I went to bed at night when I used to dream what it would be like to have a mother and father.

You know, that is what this debate is all about. We have 600,000 of these children that need to be adopted. There are 2 million more beyond that that are now in foster homes who need mothers and fathers. It means so much to the future of this country.

Let me say to my good friend, the gentleman from Alaska [Mr. YOUNG], who I respect more than any other man in this body, because he and I fight for property rights day in and day out. DON, you are not going to be able to get legislation out of your committee. What you are asking is to continue the status quo.

Let me tell Members what we are doing with this legislation. We are keeping good legislation on the books. The ICWA is a good piece of legislation. But we are trying to prevent baby snatching, children snatching. That is all we are doing.

What we are saying is that if you are part Indian, not living on a reservation, taking advantage of all of the benefits of an American citizen, you do not get a tax break, you do not live on the reservation; and, let us say you are a man and a woman, unmarried or married, and you give that child up for adoption, and a family, like Colonel Satler of the U.S. Marine Corps, like his sister, has had these twins for 2 years. And then those children are snatched away because, retroactively, the Indian reservation said "Those are our children."

All we are saying is you cannot do that retroactively. If you are an American citizen taking advantage of the United States benefits, then you have to go before the same court that the other Americans have to go before. You still have the opportunity to work your case either way. That is what this debate is all about.

I implore Members, I beg you to please vote to improve the legislation, not repeal it. And then it the Indian reservations and organizations decide to do something in June, let us sit down and work in conference to work it out to the benefit of all Americans.

Please vote against the Don Young amendment.

Mr. RICHARDSON. Madam Speaker, I yield 1 minute to the gentleman from America Samoa [Mr. FALEOMAVAEGA], the ranking member on the Subcommittee on Indian Affairs.

Mr. FALEOMAVAEGA. Madam Speaker, it is not often that I appear in the well to make speeches, but in this instance, I am compelled to do so, particularly to note the seriousness of the issue now before us.

I feel it is very, very unfortunate that we are only given 7 minutes to debate a very major issue affecting the lives of some 200 native American Indians. Some of our friends have said we are French-Americans, we are Italian-Americans, we are Irish-Americans. The fact of the matter is we have only been granted native American citizenship in 1924; 300-some treaties we have broken, every treaty we signed to signify the sovereignty of the Indian tribes.

I would like to remind my friends, there is only one designation given in our Constitution to recognize Indian tribes separate and apart from French-Americans or British-Americans. We are all Americans in that respect.

Madam Speaker, I support the gentleman's amendment. I ask my good friend, the gentlewoman from Ohio, give the Indian tribes a chance and the Committee on Resources, which has primary jurisdiction over the needs of native Americans, give us a chance to work this thing over. The problem cases, 40 cases, that is less than one-tenth of 1 percent of the problem that we are dealing with.

Madam Speaker, the Indian Child Welfare Act works. Support the Young-Miller amendment.

Madam Speaker and my colleagues in the House, it is not often that I appear in the well to make speeches. But in this instance, I am compelled to do so—particularly to note the seriousness of the issue now before us.

H.R. 3286, as authored by the gentlelady from New York is an excellent piece of legislation to provide a better means whereby some 500,000 of our Nation's children are cared for through adoption.

With one exception, however—and that's title III of H.R. 3286, which deals with adoption of children who are of Native American Indian ancestry.

Madam Speaker, I ask my colleagues to support the amendment offered by the gentleman from Alaska, who is also the chairman of the House Committee on Resources. Title III of this bill is the spoiler of this legislation, and I ask my good friend, the gentlelady from Ohio to give the Indian tribes and the Resources Committee an opportunity to do its job for proper hearing and thorough examination of the problem.

Madam Speaker, for some 18 years now, Congress passed legislation specifically to address the plight of Indian tribes and to remedy the problem as noted in the 1978 report, that the "wholesale separation of Indian children from their families—is perhaps the most tragic and destructive aspect of American Indian life today."

Contrary to assertions that the 1978 Indian Child Welfare Act has not worked, it's not true. In fact it has worked very well. According to the 1995 testimony received, "there may have been only 40 contested Indian adoption cases in the past 15 years, which is less than one-tenth of 1 percent of the total numbers of Indian adoption cases throughout the period."

And I might note that the vast majority of the problem cases were caused by willful violations of the act.

Madam Speaker, my heart goes out to the families that have had to expend their life's fortunes—$75,000 and even some $300,000 in court litigation. And I must say the responsibility lies squarely upon the shoulders of those adoption attorneys.

I cannot believe for a second Madam Speaker, that these adoption attorneys were not aware of the Federal law governing the adoption of Indian children. These adoption laws have been in the books for some 15 years. Most, if not all the problem cases involving Indian children occurred after passage of the 1978 act. Any adoption attorney worth a grain of salt should have been aware of such laws—but the problem, Madam Speaker, the adoption attorneys purposely would advise adoption parents not to reveal the Indian ancestry of these children. And at $20,000 a pop for these adoption cases—again, Madam Speaker, the fault lies squarely on these adoption attorneys.

Madam Speaker, it is most unfortunate that the Rules Committee has allocated only 7½ minutes to debate this very important issue. Moreover, I must remind my colleagues that it was not until 1924 that our Nation ever granted U.S. citizenship to Native American Indians. Our Nation also has broken every treaty that was signed with the Indian tribes.

Madam Speaker, the speeches before me said our Nation should not distinguish between French Americans, Irish Americans, Polish Americans, Asian Americans—we're all Americans. But I must remind my colleagues that Native American Indian tribes, is the only ethnic group that the U.S. Constitution specifically makes reference to as a sovereign entity, for which the Congress of the United States is specifically assigned the responsibility of dealing with Native American Indians.

Under the provisions of section 8, article I of the Constitution of the United States, it states, "Congress shall have power to * * * regulate commerce with foreign nations, *and* among the several states, and with the Indian tribes * * *" The Native American Indians are specifically cited, Madam Speaker, because under our form of democracy we have had treaty relations with Indian tribes for the past 300 years. So, let's not mislead the American people by suggesting the Native American Indians are the same as French Americans, British Americans, Irish Americans, Italian Americans, because they are not.

Again, I ask the gentlelady from Ohio to give the Indian tribes throughout America and the House Resources Committee a chance to review and provide input in this process. It has been suggested by the gentlelady that despite all her efforts, the Resources Committee and the Indian tribes were not responsive. The fact is, Madam Speaker, our legislative agenda is controlled by the Republican leadership of the House, and for whatever reason that the gentlelady's concerns were not addressed, I cannot respond other than to say I am willing to work the gentlelady at any time to resolve this problem.

Again, Madam Speaker, I urge my colleagues to support the Young-Miller amendment by eliminating title III of H.R. 3286.

SUPPLEMENTAL VIEWS ON H.R. 3286

We report these supplemental views on title III of H.R. 3286, the Adoption Promotion and Stability Act of 1996 (the "bill"), because of our great concern that this bill, however well-intentioned, will do grave and unavoidable harm to the Indian Child Welfare Act (the "Act") and even, perhaps, to the future of Indian tribes and Indian children as well.

In addition, we write to express our displeasure with the process in which this bill has been introduced, referred, and scheduled for a floor vote. The fact that Title III of this bill was introduced without any consultation with those people it affects the most—Indian parents, children, and tribes—strikes us not only as grossly paternalistic but a recipe for legislative disaster. Indeed, the laws and practices surrounding Indian adoptions are complex and poorly understood. Rather than proceeding rashly into a field armed simply with anecdotal evidence and fierce convictions, perhaps the sponsors should have sat down and gathered empirical information from the tribes and social workers most familiar with the day-to-day workings of the Act. In other words, the bill's sponsors should have at least thought about conducting a hearing on this important measure. Yet none were scheduled or even planned.

The bill's sponsors had originally planned to bring this bill to the House floor without any Committee proceedings at all. Although the House leadership apparently agreed with the Committee Chairman that there should at least be an appearance of process and therefore granted a six day referral to this Committee, the fact remains that this Committee's role was always viewed suspiciously, and even antagonistically, largely out of concern that the committee membership would be sympathetic to the Indian tribes' point of view. Of course, we have serious problems with the bill, as set forth below. That is because this Committee takes this Nation's Federal trust responsibility towards the more than 550 Alaska Native and American Indian tribes seriously.

This does not mean that the Committee is not aware of problems associated with the implementation of the Act, nor does it mean that the Committee is not willing to take measures to make improvements to the Act. The point is that the Committee members would have been willing to work with the sponsors in a constructive and deliberate manner on legislation that improves and strengthens the Act. But that is not what the sponsors apparently wanted. And that is unfortunate because the remaining adoption titles in the bill have strong merit. It seems odd to jeopardize passage of an otherwise worthwhile bill by burdening it with a controversial, untested, and hastily drafted provision that has merited the strong objection of the Committee of primary jurisdiction and the unanimous opposition of Indian tribes throughout the country.[1]

Turning to the substance of the bill, our objections are manyfold. In order to fully illustrate the depth and nature of our concerns, we believe it is appropriate to first examine the history and purposes of the Act.

The Indian Child Welfare Act was enacted in 1978, after ten years of Congressional study, in order to protect Indian children and Indian tribes. This Committee, in its 1978 Report, determined that "[t]he wholesale separation of Indian children from their families is perhaps the most tragic and destructive aspect of American Indian life today."[2]

As stated in the Act itself, Congress "has assumed the responsibility for the protection and preservation of Indian tribes and their resources" and "that there is no resource that is more vital to the continued existence and integrity of Indian tribes than their children . . ."[3]

Prior to enactment of ICWA, the Committee received testimony from the Association on American Indian Affairs that in 1969 and 1974 approximately 25% to 35% of all Indian children had been separated from their families and placed in adoptive families, foster care, or institutions.[4] The rate of adoptions of Indian children was wildly disproportionate to the adoption rate of non-Indian children. According to the 1978 House Report, Indian children in Montana were being adopted at a per capita rate thirteen times that of non-Indian children, in South Dakota sixteen times that of non-Indian children, and in Minnesota five times that of non-Indian children.[5] In one House hearing, Chief Calvin Isaac of the Mississippi Band of Choctow Indians explained the cause for the large removal of Indian children:

One of the most serious failings of the present system is that Indian children are removed from the custody of their natural parents by nontribal government authorities who have no basis for intelligently evaluating the cultural and social premises underlying Indian home life and childrearing. Many of the individuals who decide the fate of our children are at best ignorant of our cultural values, and at worst contempful of the Indian way and convinced that removal, usually to a non-Indian household or institution, can only benefit an Indian child.[6]

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[1] Footnotes at end of article.

Thus, Congress chose to act to protect Indian tribes against the disproportionate wholesale, and often unwarranted, removal of Indian children from their families and subsequent placement in adoptive or foster homes. Chairman Udall, the Act's principal sponsor, reaffirmed the need for the Act on the House floor, "Indian tribes and Indian people are being drained of their children and, as a result, their future as a tribe and a people is being placed in jeopardy."[7]

We emphasize that Congress enacted ICWA in recognition of two important interests—that of the Indian child, and that of the Indian tribe in the child. In a landmark ruling, the Supreme Court in the Holyfield case expounded on this latter interest, quoting a lower court:

The protection of this tribal interest is at the core of ICWA, which recognizes that the tribe has an interest in the child which is distinct but on a parity with the interest of the parents.[8]

Another problem surrounding Indian adoptions that the Congress chose to address was the inability of non-Indian institutions, in particular state courts and adoption agencies, to recognize the differing cultural values and relations in Indian communities.[9] For instance, state courts and adoption workers usually failed to grasp the powerful role and presence of the extended family in Indian communities.[10] Thus, Congress structured the Act to counter the tendency of non-Indians to focus solely on the immediate relationship of the Indian children to their parents while ignoring the relationship of the children to their extended family. In fact, that is a glaring shortcoming of the proposed bill which stresses only the relationship of the child's parent to the tribe.

In order to balance the interests of Indian children and their tribes, Congress set up a carefully tailored dual jurisdictional scheme to provide deference to tribal judgment in cases involving Indian children residing on Indian lands and to provide concurrent but presumptive tribal jurisdiction in the case of Indian children not residing on Indian lands. It is important to recognize that this dual jurisdictional scheme settles jurisdictional and choice-of-law issues in a way that best facilitates the placement of Indian children with families. This is so for the simple reason that tribal courts are generally in a better position than state courts to know whether an Indian child has relatives who want to adopt the child, or whether there are other Indian or non-Indian families who want to adopt the child.

As a final matter, Congress enacted ICWA to address the social and psychological impact on Indian children of placement in non-Indian families. The U.S. Supreme Court has stated that "it is clear that Congress' concern over the placement of Indian children in non-Indian homes was based in part on evidence of the detrimental impact on the children themselves of such placement outside their culture." Holyfield at 59-50. In particular, the Court noted studies that demonstrated that Indian children raised in non-Indian settings often have recurring developmental problems encountered in adolescence. Id. at 50, n.24. See also, Berlin, Anglo Adoptions of Native Americans, Repercussions in Adolescence, 17 J. Am. Acad. of Child Psychology 387 (1978). Removal of Indian children from Indian families precipitates not only a cultural loss to the Indian tribe but a loss of identity to the children themselves.

Recent studies indicate that ICWA has worked well in redressing the wrongs caused by the removal of Indian children from their families. A 1987 report revealed as overall reduction in foster care placement in the early 1980s after enactment of ICWA.[11] A 1988 report indicated that ICWA had motivated courts and agencies to place greater numbers of Indian children into Indian homes.[12] Testimony received at a May 1995 hearing on H.R. 1448 from Terry Cross, director of the National Indian Child Welfare Association, indicates that, contrary to assertion by non-Indian adoption attorneys and agencies of hundreds or even thousands of "problem" Indian adoptions, there may be only 40 contested Indian adoption cases in the past fifteen years, less than one-tenth of one-percent of the total number of Indian adoption cases during that period. As set forth later, we believe that the vast majority of those "problem" cases are the direct result of willful violations of the Act and can be addressed by changes to the law that promote greater notification and sanctions for violations.

Having examined the background of the Act, we turn to reservations about the substance of H.R. 3286.

Section 301 of the bill would limit the application of the Act to off-reservation Indian children with at least one parent who maintains a "significant" social, cultural, or political affiliation with an Indian tribe. A determination of such an affiliation is final.

Our first objection is that this section is vague. The bill provides no guidance to the courts as to the meaning of "significant" or "affiliation". The use of "final" can be read to preclude appellate review by state, federal or tribal courts. The vagueness inherent in this section is likely to lead to new levels and areas of litigation, contrary to the purposes of the Act and in frustration of efforts to quickly place Indian children with adoptive or foster families.

Second, the bill needlessly jettisons a simple test for the application of the Act, membership (which is a political test), in favor of a complicated test. Again, this will likely promote rather than curtail litigation involving Indian custody proceedings, contrary to the purposes of the Act.

Third, the bill would cede back to state courts and agencies the primary role of making placement and jurisdictional decisions. As explained in the history above, Congress chose to give primary jurisdiction over the adoption of Indian children to the tribes precisely because of the states' inability to understand tribal cultural and political institutions. Thus, to give states the role of first determining whether an Indian parent has sufficient social, cultural or political affiliations with a tribe as to warrant tribal court jurisdiction runs contrary to the intent of the Act. To date we have heard no testimony or evidence to support the assumption that there has been any improvement in the state courts' or agencies' abilities to understand tribal values and cultures.

Fourth, by focusing solely on the relationship of the child's parent to the tribe, the bill ignores the entire role of the extended family in Indian country. Thus the bill operates at the expense of the child's grandparents, aunts and uncles who likely will have the requisite "significant" contacts with the tribe and who have a strong familial and cultural interest in the child. It was the inability of state courts and adoptions agencies to recognize this interest that led to the wholesale removal of Indian children from their culture in the first place.

Fifth, the bill misses the fact that the Act is largely jurisdictional in nature. In other words, the Act transferred jurisdiction in Indian adoption cases to tribal courts from state courts because the tribes were in the best position to act in the best interest of Indian children. But, the Act in no way requires that Indian children be placed with Indian families. The bill, unfortunately, seems driven in part out of fear that tribal court jurisdiction is tantamount to placement in an Indian family. We believe this fear is unfounded.[13] Rather, we believe that tribal courts remain capable of sound judgment and will place an Indian child with a family, Indian or non-Indian, when it determines that it is in the child's best interests.

Section 302 of the bill provides that an Indian who is eighteen years of age or older can only become a member of a tribe upon his or her written consent and that membership in a tribe is effective from the actual date of admission and shall not be given retroactive effect.

This section reaches directly into a core area of tribal sovereignty, membership[14], and makes written consent a prerequisite for adults. The major problem with this approach is that tribal membership is not, as a matter of practice, synonymous with enrollment. Many tribes, especially smaller tribes, do not have updated enrollment lists. The Department of Interior's own Guideline to State Courts for Indian Child Custody Proceedings point this out.[15] The provisions of this bill would penalize Indian children and their parents in these tribes. Lack of funds is one reason. Another reason is that Indians often do not enroll until such time as they need Indian Health Service care or scholarship assistance. In addition, we have heard testimony that tribe often simply "know" who their members are.

The result is that many Indians who are part of the Indian community and eligible for enrollment would be excluded from the Act's coverage simply because they have not taken the formal step of enrollment. Thus, we believe the bill is overbroad in this respect because it will exclude children, even full-blooded Indians, whose parents are in fact members of a tribe. This bill exacerbates this problem by placing questions of membership in the hands of the state courts rather than tribal courts. We believe that a minimum, membership is a matter that should be left solely to the tribes.

This section would also extend to involuntary proceedings and allow state agencies to remove Indian children from on-reservation homes where neither parent has enrolled in a tribe. Obviously, this is one of the very problems that led to the creation of the Act. We see no need to take such a dramatic step backwards.

Lastly, we take issue with the assertion that this Act not apply to children who are one-tenth, one-sixteenth, one-thirty second, or some other degree of Indian blood. The law is clear in this respect: tribes, as sovereign entities, are free to set membership on any number of criteria, and each tribe has the power to determine whether or not to rely upon degree of blood as such a criterion. As previously stated, Congress has no business intruding upon such central matters of tribal sovereignty.

Having set forth these criticisms, we suggest the following approach to address the real problem surrounding lengthy adoption disputes, namely the willful failure by adoption attorneys and agencies to comply with the terms of the Act. First, mandate notice to the tribe in all voluntary proceedings. Second, impose sanctions upon willful violators of the Act.

While it is true that there are rare instances of Indian child custody cases that are painful for the children and families, we believe that most of the problems lie not the Act itself, but rather with the failure to comply with the terms of the Act. For instance, in the *Rost* case involving the twins from California, the biological father testified in court deposition that he had been counseled to omit any reference to his Indian heritage in order to avoid ICWA proceedings. When the terms of the Act are complied with, the Act works well and facilities the quick placement of Indian children. We are aware of the discrepancy in the Act which gives a tribe a right to intervene in custody proceedings, voluntary or involuntary, at any point, 25 U.S.C. 1911(c), yet mandates notice to the tribe only in involuntary proceedings, 25 U.S.C. 1911(a). We believe that as a matter of policy, the best approach is to provide notification to the tribe in all state court proceedings, voluntary and involuntary, in order to carry out the goals of the Act. We would be glad to work with the bill's sponsors on these changes if they desire.

In sum, we believe that the Indian Child Welfare Act has been successful as a protection to Indian tribes and families. There will undoubtedly arise, from time to time, difficult adoption cases, but these cases are usually the result of an unintentional or, as is often the case, an intentional attempt to get around the requirements of the Act. We do not believe that the legislation at hand adequately addresses those problems. Such legislation deserved thorough examination by this Committee and input from the tribes it affects or we run the risk of imposing even more big-government paternalistic measures upon the Indian tribes.

GEORGE MILLER, M.C.
BILL RICHARDSON, M.C.
ENI FALEOMAVAEGA, M.C.

FOOTNOTES

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[1] To date, the Committee has received letters from twenty-two individual tribes, as well as the Intertribal Council of Arizona (representing nineteen Indian tribes), the Bureau of Catholic Missions, the National Congress of American Indians (representing 201 tribes), the Association on American Indian Affairs, the Native American Rights Fund, the National Indian Child Welfare Association, the Indian Child Welfare Law Center, and the United Indians of All Tribes Foundation, all strongly opposing the bill.

[2] H.R. Rep. No. 1386, 95th Cong., 2d Sess. (hereinafter 1978 House Report) 9. H.R. 12533, was introduced in the 95th Congress by Chairman Udall and co-sponsored by a number of committee members including Reps. Miller and Vento.

[3] 25 U.S.C. §1901(2), (3).

[4] 1978 House Report at 9.

[5] Id.

[6] Hearings on S. 1214 before the House Interior and Insular Affairs Subcommittee on Indian Affairs and Public Lands, 95th Cong., 2d Sess. (1978).

[7] 124 Cong. Rec. 38102 (1978).

[8] *Mississippi Band of Choctaw Indians* v. *Holyfield*, 490 U.S. 30, 52 (1988) *quoting In re Adoption of Halloway*, 732 P.2d 962, 969–70 (Utah 1986).

[9] The Act states that "the States . . . have often failed to recognize the essential tribal relations of Indian people and the cultural and social prevailing in the Indian communities and families. 25 U.S.C. 1901(5).

[10] As stated in the 1978 House Report: "[T]he dynamics of Indian extended families are largely misunderstood. An Indian child may have scores of, perhaps more than a hundred, relatives who are counted as close, responsible members of the family." 1978 House Report at 10. *See also Holyfield* at 35, n. 4.

[11] See *Note, The Best Interests of Indian Children in Minnesota*, 17 American Indian Law Review 237, 246–47 (1992).

[12] Id.

[13] The Supreme Court has rejected attacks against tribal court jurisdiction founded on claims of bias or incompetence, noting Congressional policy promoting the development of tribal courts. See *Iowa Mutual Ins. Co.* v. *LaPlante*, 480 U.S. 9, 19 (1987).

[14] See *Santa Clara Pueblo* v. *Martinez*, 436 U.S. 49, 55–56, (1978), citing *Roff* v. *Burney*, 168 U.S. 218 (1897).

[15] The Guidelines state:

> Enrollment is not always required in order to be a member of a tribe. Some tribes do not have written rolls. Others have rolls that list only persons that were members as of a certain date. Enrollment is the common evidentiary means of establishing Indian status, but it is not the only means nor is it necessarily determinative.
>
> Guidelines for State Courts: Indian Child Custody Proceedings, 44 Fed. Reg. 67,586 (Nov. 26, 1979).

RESPONSE TO REPRESENTATIVE PRYCE'S INDIAN ADOPTION "HORROR" CASES (H.R. 3286)

Shonna Bear case (Okla.): Case involves Creek Indian woman who wanted to place her child in the custody of the Clarke family. Rep. Pryce says the tribe used ICWA to overturn the mother and adoptive parent's plans and took baby away from adoptive parents. But this case does not involve a misguided application of ICWA. Rep. Pryce leaves out the fact that it was the birth mother who changed her mind (after only 10 days) and decided to keep her baby. Furthermore, ICWA would have been appropriate because both the parents and the baby were Indians. The tribe was involved because the birth mother excluded the father and the father's family from her decisions. This is not a case of the Tribe coming in and using ICWA to take a baby from the non-Indian parents.

Quinn family case (Wash.): Quinn family, seeking to adopt, Indian child, began relationship with 15 year old birth mother seven months prior to birth. Two weeks after birth, mother changed her mind and attempted to enroll in her tribe even though "she had no connection with her Native ancestry". The courts eventually ruled for the Quinns after 3½ years. Rep. Pryce leaves out fact that prior to birth mother had been attempting to enroll in her tribe and that Quinn family knew she and the baby were Indian. Not a misapplication of ICWA. Long custody battle could have been avoided had the attorneys provided notice to the mother's tribe. Under ICWA, there was nothing to prevent tribal court from placing the baby with the Quinn family. The point is ICWA was designed to protect Indian heritage and that is what the mother eventually decided was in her child's best interest.

Rost Case (Ohio): The Rosts, a couple from Rep. Pryce's district, sought to adopt twin Indian girls (1/32 Indian degree of blood) from California. Birth parents consented to placement with Rosts. Before adoption finalized, birth father changed his mind and the father's mother enrolled the father and the twins in the tribe. California family court, following ICWA, transferred jurisdiction to tribal court. Appellate court reversed and gave custody to the Rosts. Case is on appeal to the Cal. Supreme Court. *Rep. Pryce leaves out fact that birth father, on advice of the adoption attorney, attempted to hide fact that he was Indian so as to avoid ICWA.* The adoption attorney thought by hiding Indian identity from court, that it would make adoption go smoothly. The whole point of ICWA is to prevent the loss of Indian children by fraud or trickery. It does not matter that children were only 1/32 Indian. Tribes are free to set their own membership requirements and may or may not rely on blood quantum. *Lastly, there is nothing in ICWA to prevent the tribal court from placing twins with Rost family.*

Kayla America Horse Case (Kentucky): Rep. Pyrce states that Indian woman married to native American and had two children. After divorce, woman granted custody. Yet half-brother of father feels he has right to children under ICWA. Rep Pyrce leaves out fact that the tribal court placed Kayla with family on temporary basis, retaining baby as a ward of the tribal court. By express terms of ICWA, tribe retained jurisdiction. Case does not involve retroactive enrollment nor a case where parents or children are not Indian members. Pryce's bill has nothing to do with his situation. As usual, battle is over forum (tribal v. State court) that of custody battle. Tribal court still free to place child with mother.

Ms. PRYCE. Madam Speaker, I yield 1 minute to my friend, the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Madam Speaker, adoption has long been recognized as a loving arrangement for a woman who conceives a child, but is unable to provide her child the care that she knows that the baby needs and deserves.

It seems to me that the last thing that the Federal Government should be doing is to create a situation where a woman faces fewer obstacles if she aborts her son or daughter than if she chooses to place her child in an adoptive fashion. As it is, the consent of the biological father is needed for adoption, but not abortion.

But the Indian Child Welfare Act further exacerbates this treatment of the two options. If the baby has even the remotest link to Indian ancestry, the tribe can intervene and disrupt an adoption plan, no matter how little, if any, contact the mother or father has had with the tribe.

Under the Indian Child Welfare Act, a mother pursuing adoption is not in control of whether her child is placed with a family of her own faith or background or values, nor is she able to make any other important decisions regarding her child's future. If she wishes to relinquish her parental rights in order to pursue an adoption plan, she may lose control of her child's future, to persons unrelated, and who may not even care about that child.

Madam Speaker, I support this very important legislation that is being offered.

Mr. RICHARDSON. Madam Speaker, I yield 1 minute to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Madam Speaker, I rise today in strong support of the Young-Miller amendment to strike.

Madam Speaker, I want to quote to you from a young man sitting beside me today, who is a Navajo adopted child. He said to me, "I more than anyone else understand the importance of ICWA, that the best interests of an Indian child include being part of his culture. I cannot stand people," he says, "telling Indian people, including my tribe, what is best for Indians like me."

The gentleman from Alaska [Mr. YOUNG] is right. The Indian people are the only U.S. citizens who carry dual citizenship. He is right, they are the only people who are fully protected as a special class under the U.S. Constitution. Since ICWA in 1978, we know of only 40 contested Indian adoption cases, and those were almost all the result of willful violations of the act.

What is happening today is we are trying to change ICWA to protect, to protect, incompetent lawyers. The ICWA amendment ignores the important role of the extended family in Indian culture, and it will result in massive litigation.

Madam Speaker, this legislation has not had a day of hearings. I urge my colleagues to vote for the Young amendment and vote for the U.S. Constitution.

Mr. YOUNG of Alaska. Madam Speaker, I yield 45 seconds to the gentleman from Nebraska [Mr. BEREUTER].

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Madam Speaker, this Member rises today to express his opposition to the proposed changes to the Indian Child Welfare Act.

I would grant that changes are needed, but this proposal was written with no consultation with American Indian tribes or organizations or the House Resources Subcommittee on Native American and Insular Affairs. You may be surprised to know that no tribe or Indian organization supports this provision. If there is a need to amend the Indian Child Welfare Act, hearings should be held, and tribes and Indian organizations should be consulted. The original law was written with great care and any potential amendments should be written in the same way.

The proposal is just too broadly written, giving State courts subjective authority to define who is a member of an American Indian tribe, rather than the tribe, in child custody and adoption cases. The proposal amends the Indian Child Welfare Act to require the child's biological parent or parents of Indian descent to maintain a "significant social, cultural, or political affiliation" with his or her Indian tribe. A State court would determine what comprises the definition of this term. Additionally, the measure does not take into consideration extended members of the child's family. Generally, in adoption, foster care, or child custody cases, it is agreed to be better for the child to be placed with a relative than with total strangers, if possible. This proposal seems to give preference to total strangers rather than members of the child's own family.

Madam Speaker, in closing, you should know that this Member is a very strong supporter of adoption and is in fact himself an adoptive parent. However, this provision, if left in the bill, subject to extensive litigation will only serve to needlessly delay adoptions of Indian children.

□ 1115

Ms. PRYCE. Madam Speaker, I yield 2 minutes to my good friend, the gentleman from Indiana [Mr. BURTON], an adoption advocate for this country who works so hard on the issue.

Mr. BURTON of Indiana. I thank the gentlewoman for yielding me this time.

Madam Speaker, did my colleagues know there has been an increase in the number of Indian children in foster care to the tune of 25 percent since ICWA was passed? I submit that one of the reasons is because of the uncertainty of an adoptive parent, whether or not they are going to have litigation problems and maybe lose that child a year or two after they adopt them.

Can my colleagues imagine wanting to adopt a child and they say, well, this child has one sixty-fourth Indian blood in them and because of that they may have a problem down the road with the tribe. And so the parent says, well, I want to adopt a child desperately, but am I going to have to pay $200,000 or $300,000 down the road to keep this child? Am I going to have roots grow in the family and love and cherish this child and have it taken away after 2 years?

And I tell Members, that happens. That actually happens. We had a case, I would say to the gentlewoman from Ohio [Ms. PRYCE], at a hearing we had this week, we had a family that adopted two children, and they did not even know these children had one sixty-fourth Indian blood, one sixty-fourth. And after 2 years, the tribe said we want those children back. The children had established roots, the parents loved the kids, the kids loved the parents, and here they were taking the kids away.

That family has spent $300,000. They have almost lost their home because they had to mortgage it. And the case goes on and on and on, and those parents live in a nightmare, a living hell because they may have their kids taken away from them. That is wrong.

Now, I understand what my good friend, the gentleman from Alaska, DON YOUNG, is trying to do. He wants to protect the Indian tribes. But there is a bigger issue: the adoptive parents and the kids. I was in a guardian's home. I know what it is like to watch these kids go into foster care and spend years without hope and I can tell my colleagues, it is a hell.

For us to say to parents that adopt a child, we are going to take your kids away after 2 years because they are one sixty-fourth Indian, is dead wrong. And to ask them to spend $200,000 or $300,000 defending themselves and still lose their child is wrong. This amendment needs to be defeated.

Mr. RICHARDSON. Madam Speaker, I yield 1 minute to the gentleman from Rhode Island [Mr. KENNEDY], a distinguished member of the Committee on Resources.

Mr. KENNEDY of Rhode Island. Madam Speaker, the American Indian nations, to a nation, are opposed to this bill in its current form if we do not support the Young-Miller amendment to strike section 3. To a nation. This, to me, represents a shameful day if this Congress continues the shameful pattern of ignoring and stepping on the rights of native Americans in this country.

Madam Speaker, there is a reason why this bill did not come in the current form that it is in from committee, because the Committee on Resources, who has jurisdiction over this issue, decided that we need to make sure that we consult with native American nations on what is their sovereign issue when it comes to this issue.

Ladies and gentlemen of the House, please support the Young-Miller amendment.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MCHALE].

Mr. MCHALE. Madam Speaker, it is obvious from the comments that have been made in the past few minutes on both sides of the aisle that there are compassionate, well-intentioned Members arguing on each side of this case. I rise in strong opposition to the Young amendment and in support of title III of the Adoption Promotion and Stability Act as currently written.

This title seeks to provide protection and stability to children once they have been placed in loving adoptive families. Madam Speaker, I abhor the prejudice suffered by native Americans, and I am sympathetic to the safety net necessary to protect the rights of children which prompted Congress to enact the Indian Child Welfare Act of 1978. This program was desperately needed at the time that it was enacted.

However, Madam Speaker, it is abundantly clear to me that the Indian Child Welfare Act is failing the very children it was intended to protect. The unfairness of this issue was brought home to me in the case of twin Native American children adopted by the sister of a personal friend. The birth parents, unmarried at the time, signed all relevant paperwork surrendering their rights to the children. They also signed sworn affidavits to the effect that neither they nor their children were members of an Indian tribe.

When they went to finalize the adoption after the requisite 6-month waiting period, the children's tribal parents decided they wanted to exercise their custodial rights. These twin girls are almost 3 years old now, and the case is still in litigation pending before the State supreme court.

This case happened even though the children are only one thirty-second native American, Madam Speaker, because one of their great-great-great grandparents was in fact native American. As a result, these children may be taken away from the only home that they have ever known. This case is tragically indicative of the heartbreak and emotional suffering which many adoptive parents and children endure under this misapplied law.

Therefore, Madam Speaker, I urge my colleagues on both sides of the aisle, recognizing that Members of good faith and motivated by compassion can reach a different conclusion, I urge Members on both sides of the aisle to oppose the Young amendment and to sustain title III as written in the bill.

Mr. RICHARDSON. Madam Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Madam Speaker, I rise to suggest that, first of all, these atrocious cases that are pointed out as the rule are really the exception, and that if there had been a hearing, then we would know that we should not take this action.

I rise in support of the Young-Miller amendment, and I think that in respect to our responsibilities to respect the sovereignty of the Indian nations and their relationships with our Government, that we should tread lightly as we go forward here. And even though they may be well-intentioned, the proponents of this effort may be well-intentioned, it is misguided, at best.

Madam Speaker, I would hope that the Members of this House would honor our responsibility and oath to the Constitution and respect the agreements and the laws of our country as relates to our relationships with the sovereign Native American nations.

Ms. PRYCE. Madam Speaker, I yield 5 seconds to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Madam Speaker, I just want to make it very clear that I am urging Members of this Chamber to vote no on the motion to strike and to support the underlying language, the Pryce language, that is included in the bill.

Mr. YOUNG of Alaska. Madam Speaker, I yield 45 seconds to the gentleman from Michigan [Mr. CAMP].

Mr. CAMP. Madam Speaker, I rise in support of the Young amendment to strike title III. Congress, in a long line of case law, provides Native American tribes with sovereign control of their affairs, and that includes the care and protection of their children. It is the tribes themselves who can best determine when children are native American and when the protections of the Indian Child Welfare Act apply.

Tragic adoption cases are far more common in non-Indian settings, but the solution is not to reverse a long line of precedent. Keep Indian families together, support the Young amendment to strike.

Mr. RICHARDSON. Madam Speaker, how much time is remaining on all sides?

The SPEAKER pro tempore (Mrs. MORELLA). The gentleman from New Mexico [Mr. RICHARDSON] has 1½ minutes remaining; the gentlewoman from Ohio [Ms. PRYCE] has 2½ minutes remaining; and the gentleman from Alaska [Mr. YOUNG] has 1¾ minutes remaining.

Mr. RICHARDSON. Madam Speaker, I yield myself the remainder of my time.

Madam Speaker, first of all, this is a good bill and we should all support it, but we should support the Young amendment because the Young amendment basically says to the Indian people and Indian children and Indian families that we are going to consult with them; that we want their views on the future of their children.

The gentleman has pledged in June to deal with this legislation. This is not about white people not being able to adopt Indian children. That can happen. A tribal court can designate any kind of child with any family. Members are citing horror stories as if the horror stories are only with Indian courts. There are horror stories are only with Indian courts. There are horror stories in State courts; in all courts.

Madam Speaker, we have a special relationship with Indian tribes. They are sovereign nations within our borders. They serve in the military. They pay taxes. What we have is an unbridled attempt, regrettably, unintentional, I believe, to take away their sovereignty by saying that we, non-native Americans, are going to deal with your family values. We are going to decide your future.

Some of my colleagues may have heard about the young man who is the Navajo counsel to the Committee on Resources. He feels that he lacked the connection to his tribe because of the adoption. He supports the Young amendment. Let us consult with the tribes. There are 538 tribes, and not a one has been consulted about this bill. They oppose this provision.

Madam Speaker, the right thing to do, so that we do not have litigation, so that we do not have this bill tied up in knots and make lawyers rich, is to support the Young amendment. It is the right thing to do.

Madam Speaker, I rise because I believe in the right of Indian children and Indian tribes to be heard. As we have moved forward with this legislation, their voices have been distinctively absent.

No one wants to see drawn out, hostile, and tragic adoption cases involving Indian children. But we need to think carefully about what we're doing and how it will affect not only the Indian children but the tribes themselves and future generations of Indians. So far we have not done so, and that is why the Resources Committee that I serve on voted to strike title III from the bill. And that is why I urge my colleagues to vote for this amendment.

We did not strike these provisions lightly. Rather we did so for two reasons, both of them critical.

First we struck title III because it goes to the heart of the act—the survival of Indian cultural and the future of their children. But, in an amazing act of presumption, not a single tribe in the country was ever consulted. Certainly you understand that we have a trust responsibility to protect Indian tribes and their resources. Congress in passing the Indian Child Welfare Act, and the Supreme Court in the 1988 Holyfield case, both recognized "that there is no resource that is more vital to the continued existence and integrity of Indian tribes than their children."

Yet we are being asked to make major changes to the act without any tribal consultation whatsoever or even a single hearing. Every tribe in the country opposes this bill. Indian tribes don't want to see tragic adoption cases any more than you do and are willing to work in a deliberate and constructive manner to prevent them from happening. But they resent being told in a paternalistic manner that they should simply sit back and accept what is good for them. This legislation, which is a reflection of that attitude, is straight out of the era of the Great White Father and the Indian tribes want none of it.

Second, the committee disagreed with title III because it adds additional requirements for Indian parents to meet before the protections of the act, namely tribal court jurisdiction, kick in. I think it is especially important to remember that while the act sets up adoption preferences it gives tribal and State courts great latitude to make any placement they want, including placement with non-Indian families, as long as there is good cause. In fact, that is exactly what happened in the 1988 Holyfield case. I disagree with the assumption that tribal courts are bound to make wrong or misguided decisions in these case.

We were also concerned that changing the coverage requirements is not only going to exclude certain bona fide Indian children from the act's coverage, but will move the determination back from tribal courts into state courts. We passed the act in 1978 in response to the State courts' inability to grasp the nature of Indian culture.

We also disagree with title III because it would tie membership and coverage to written consent and enrollment when Indian tribes themselves do not. By focusing on the degree of Indian blood, the sponsors miss the fact that Indian tribes, as sovereign governments, have the right to set membership requirements on their own terms.

The title's heavy reliance on the parents' contacts with the tribe entirely misses the important role of the child's extended family. In Indian culture the extended family has a special role in caring for Indian children. They are the first line in representing the tribe's interest in that child and in nearly every instance when they have knowledge of a case are willing to adopt Indian children when their natural parents can't take care of them. This is a major point—unlike other minority adoption cases where there are often no prospective adoptive families, in Indian country there are more than enough relatives and families who are willing to assume custody of Indian children.

ICWA passed because we recognized that there should be someone to speak for the tribe, and for the child's interest in his or her heritage. It should be clear that tribal courts, not state courts, are going to be in a better position to recognize this as well as be in contact with a child's relatives. The reason this is so important is because that knowledge will promote quicker foster care or adoptive placements of Indian children, something directly in their best interests.

Although I feel that the rate of troubling cases involving Indian adoptions is being overstated, I believe that even one such case is more than enough. But most of these cases have to deal with people trying to avoid the law and circumvent the equally important interest of the tribe in the child. That interest is central to the act and must be preserved. I know that the committee and the Indian tribes are willing to work with the bill's sponsors, but at the same time I cannot ignore this Nation's trust responsibility to Indian tribes and agree to legislation like this.

Madam Speaker, I include for the RECORD the following information:

THE SECRETARY OF THE INTERIOR,
Washington, DC, May 7, 1996.

Hon. GERALD B.H. SOLOMON,
Chairman, Committee on Rules,
Washington, DC.

DEAR MR. CHAIRMAN: In a letter to the Speaker, the President has stated his strong support for H.R. 3286 and its purpose of encouraging the adoption of children. However, in our role as trustee for Indians and Indian tribal governments, we would have serious concerns if an amendment were offered to H.R. 3286 for the purpose of amending the Indian Child Welfare Act of 1978 (Public Law 95-608). These concerns are addressed below.

The United States has a government-to-government relationship with Indian tribal governments. Protections of their sovereign status, including preservation of tribal identity and the determination of Indian tribal membership, is fundamental to this relationship. The Congress, after ten years of study, passed the Indian Child Welfare Act (ICWA) of 1978 (P.L. 95-608) as a means to remedy the many years of widespread separation of Indian children and families. The ICWA established a successful dual system that establishes exclusive tribal jurisdiction over Indian Child Welfare cases arising in Indian country, and presumes tribal jurisdiction in the cases involving Indian children, yet allows concurrent state jurisdiction in Indian child adoption and custody proceedings where good cause exists. This system, which authorizes tribal involvement and referral to tribal courts, has been successful in protecting the interests of Indian tribal governments, Indian children, and Indian families.

The ICWA amendments proposed in Title III of H.R. 3286, as introduced, would effectively dismantle this carefully crafted system by allowing state courts, instead of tribal courts with their specialized expertise, to make final judgments on behalf of tribal members. Such decisions would adversely affect tribal sovereignty over tribal members as envisioned by the ICWA and successfully implemented for the past 18 years.

We therefore urge the committee to disallow the reintroduction of Title III into this bill.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

BRUCE BABBITT.

DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, May 10, 1996.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This letter presents the views of the Justice Department on H.R. 3286, the "Adoption Promotion and Stability Act of 1996." We strongly support H.R. 3286 without the inclusion of title III. We also recommend that title II be modified to address the concerns below.

Title II: Section 201(a) of H.R. 3286 would allow any person denied the opportunity to be an adoptive or foster parent on the basis of race, color or national origin by a State, or any person aggrieved by a State's discrimination in making a placement decision in violation of the Act to sue the State in Federal court. To ensure that the immunity from suit granted States by the Eleventh Amendment does not prevent individuals from vindicating this right, we suggest that the bill include a provision clarifying that section 201 is enacted pursuant both to Congress' authority under section 5 of the Fourteenth Amendment and to its spending power under article I of the Constitution. Alternatively, section 201 could be modified to expressly require a State to waive its Eleventh Amendment immunity from suits brought pursuant to H.R. 3286, as a condition of receiving Federal payments for foster care and adoption assistance.

Title III: A. Detrimental Impact on Tribal Sovereignty. The proposed amendments interfere with tribal sovereignty and the right of tribal self-government. Among the attributes of Indian tribal sovereignty recognized by the Supreme Court is the right to determine tribal membership. *Santa Clara Pueblo* v. *Martinez*, 436 U.S. 49 (1978). Section 302 of H.R. 3286 provides that membership in a tribe is effective from the actual date of admission and that it shall not be given retroactive effect. For persons over 18 years of age, section 302 requires written consent for tribal membership. Many tribes do not regard tribal enrollment as coterminous with membership and the Department of Interior, in its guidelines on Indian child custody proceedings, has recognized that "[e]nrollment is the common evidentiary means of establishing Indian status, but is not the only means nor is it necessarily determinative."[1] Through its membership restrictions, H.R. 3286 may force some tribal governments to alter enrollment and membership practices in order to preserve the application of the ICWA to their members.

B. Detrimental Impact on Tribal Court Jurisdiction. H.R. 3286 would amend the ICWA to require a factual determination of whether an Indian parent maintains the requisite "significant social, cultural, or political affiliation" with a tribe to warrant the application of the Act. Title III fails to indicate which courts would have jurisdiction to conduct a factual determination into tribal affiliation. To the extent that State courts would make these determinations, H.R. 3286 would undercut tribal court jurisdiction, an essential aspect of tribal sovereignty. *See Iowa Mutual Ins. Co.* v. *La Plante*, 480 U.S. 9, 18 (1987). Reducing tribal court jurisdiction over Indian Child Welfare Act proceedings would conflict directly with the objectives of the ICWA and with prevailing law and policy regarding tribal courts.

The President, in his Memorandum on Government-to-Government Relations with Native American Tribal Governments (April 29, 1994), directed that tribal sovereignty be respected and tribal governments consulted to the greatest extent possible. Congress has found that "tribal justice systems are an essential part of tribal governments and serve as important forums for ensuring public health and safety and the political integrity of tribal governments." *See* Indian Tribal Justice Act, 25 U.S.C. 3601(5). Retaining ICWA's regime of presumptive tribal jurisdiction is crucial to maintaining harmonious relations with tribal governments, to ensuring that the tribes retain essential features of sovereignty and to guarding against the dangers that Congress identified when it enacted ICWA in 1978.

Thank you for the opportunity to comment on this matter. If we may be of additional assistance, please do not hesitate to call upon us. The Office of Management and Budget has advised that there is no objection to the submission of this letter from the standpoint of the Administration's program.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

STATE OF NEVADA,
EXECUTIVE CHAMBER,
Carson City, NV, May 8, 1996.

Hon. NEWT GINGRICH,
Speaker, The House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I am writing in opposition to H.R. 3286, which is designed to amend the Indian Child Welfare Act (ICWA). This legislation strives to redefine which off-reservation child custody cases should be considered under the Indian Child Welfare Act. As the Governor of a state that has taken several proactive steps to guarantee efficient enforcement of the ICWA, I feel compelled to express my opposition to this legislation.

As you know, the ICWA grants tribal governments the option to hear Indian child custody cases for families they recognize as having a relationship to the tribe but do not live on the tribe. It is the intent of the ICWA to give Indian children every opportunity to maintain their cultural background and give them the ability to grow up as Indian people. Trying these cases in Indian courts is a significant measure for ensuring these goals.

H.R. 3286 changes the definition of off-reservation families who may be able to have their case heard by a tribal government. Under this amendment, one of the parents of the child must be of "Indian descent." In addition, the amendment requires a subjective "significant social, cultural, or political affiliation with the Indian tribe." It would no longer be up to the Indian family and the tribe to determine if a bona fide relationship between the two exists. Instead, state and private custody workers would have to interpret the guidelines outlines in H.R. 3286 to determine if the case could be heard in a tribal court. This interpretation will undoubtedly be challenged in court. Rather than decreasing litigation under the ICWA, this amendment will likely increase litigation.

When fully complied with, the ICWA effectively places Indian children with caring families. The State of Nevada has worked hard to ensure that the ICWA is complied with, and proper compliance has successfully placed Indian children in proper homes, I do not support the passage of H.R. 3286, which will complicate the placement and adoption of Indian children.

Thank you for your consideration.

Sincerely,

BOB MILLER,
Governor.

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[1] Guidelines for State Courts: Indian Child Custody Proceedings, 44 Fed. Reg. 67,586 (Nov. 6, 1979).

WHY TITLE III OF H.R. 3286 IS BAD FOR INDIAN CHILDREN

Title III of H.R. 3286 is bad for Indian children and the future of Indian tribes. The title would limit the ability of tribal courts to place Indian children in loving families and would allow state courts to take over the placement of Indian children against the wishes of Indian tribes. Lost in the controversy is the voice of the Indian children. We need to speak up for them.

Procedural problems: Title III goes to the heart of the Indian Child Welfare Act (ICWA), the protection of Indian children, yet its sponsors did not bother to consult with even a single Indian tribe before trying to rush it through the House. Congress has a trust responsibility to protect Indian tribes and their resources. Congress passed ICWA because "there is no resource that is more vital to the continued existence and integrity of Indian tribes than their children." Not a single tribe in the country supports this bill. Indian tribes do not want to see tragic adoption cases any more than the rest of us and are willing to work in a constructive manner to prevent them from happening. But Indian tribes resent the sponsors' paternalistic attitude, straight out of the era of the Great White Father, and that is why the Resources Committee struck Title III. Would Congress pass an adoption law affecting California without first consulting the state?

Substantive problems: Congress enacted ICWA to stop the removal of Indian children from their tribes and to ensure the long-term cultural survival of those tribes. To do so, ICWA guards not only the interests of Indian children but also the interests of Indian tribes in those children. Title III harms the former and ignores the latter.

ICWA works well. Indian children have been placed in loving homes and the removal of children from their culture has diminished. Unlike other minority cases, there is no shortage of families willing to adopt Indian children. Less than one-half of one-tenth of all Indian adoption cases since passage of ICWA have caused problems. Focusing on a handful of cases ignores the fact that most of these "problem" cases are the direct result of willful violations of ICWA and can be solved through greater notification requirements and sanctions.

Title III eliminates tribal court jurisdiction in off-reservation adoption or foster care cases unless a parent is a member of a tribe and can prove "significant social, cultural or political affiliation" with that tribe. Focusing on the parents' contacts with the tribe entirely misses the importance of the extended family in Indian culture. The extended family has a special duty to care for that child. If given notice, in 99% of the cases there is always a relative who is more than glad to raise an Indian child when his parents cannot. Title III misses that point that those relatives have strong or significant ties to the tribe.

By limiting tribal court jurisdiction in off-reservation cases, Title III will slow down the adoption process for Indian children. ICWA was passed because tribal courts are naturally in a better position than state courts to know whom an Indian child's relatives are and can thus more quickly assure the placement of Indian children in caring families. The "significant affiliation" test gives back to state courts the primary role in off-reservation cases.

Title III's vague terms are likely to cause an increase in litigation further delaying Indian adoptions. In addition, replacing a simple objective political test—membership—with a complex and subjective cultural identity test may be unconstitutional.

Eliminating retroactive enrollment will exclude certain bona fide Indian children and parents from the Act's coverage. Few tribes have the funds to enroll children at birth and many Indian parents are teens who have not enrolled because they have not sought Indian Health Service care or BIA scholarships.

In nearly every case cited by Rep. Pryce, the real issue is not custody but whether the proper forum for the dispute is in tribal or state court. Her premise is that a tribal court will abuse ICWA and only place Indian children with Indian families. That is not the law nor is that what tribal courts have done as a matter of practice.

Degree of Indian blood is not an issue. Indian tribes, as governments, have the right to set membership requirements on their own terms. The second largest tribe in the country, the Cherokee Nation, does not use blood quantum for membership.

Rep. Pryce's allegations assumptions are erroneous. For instance, ICWA does not give tribes "final say" in adoption proceedings. Contrary to her assertions, ICWA was intended to apply to voluntary proceedings. It is not true that there are judicial abuses of ICWA in every member's district. And her changes to ICWA are anything but "minor".

Indian tribes have already suffered enough loss. Why can't Congress work on making their lives better rather than taking even more away from their culture? When ICWA is followed by all of the parties and when tribal concerns are taken into account in determining the best interests of the child, ICWA works for Indian children. We should not let passage of this title turn back the clock to the point where we once again see tragic stories of Indian children taken away forever from their culture.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, May 9, 1996.

STATEMENT OF ADMINISTRATION POLICY

H.R. 3286—THE ADOPTION PROMOTION AND STABILITY ACT OF 1996

The Administration strongly supports H.R. 3286, without the inclusion of Title III. Today, families who seek to adopt children face significant barriers, including high adoption costs and outdated assumptions. The Administration is deeply committed to removing these barriers and making adoption easier. The Administration strongly supports the bill's $5,000 per child adoption tax credit. The tax credit will alleviate a primary barrier to adoption and enable middle class families, for whom adoption may be too expensive, to adopt children. The Administration also supports the adoption and foster care provisions in Title II of the bill. These provisions are consistent with the Administration's current policy.

The Administration strongly supports passage of a Young amendment, which has bipartisan support, to strike Title III from the bill. Title III would allow State courts to pre-empt tribal governments in decisions regarding the custody of Indian children. These provisions raise serious concerns because they would impinge on Indian tribal sovereignty, including the right of tribal courts to determine internal tribal relations.

The Administration will work with Congress to identify more suitable offsets to the lost tax receipts resulting from the bill's adoption tax credit. The Administration opposes the offset provision that would repeal the income exclusion for utility payments to businesses for energy conservation investments; the provision would effectively increase the taxes on these investments. By ending an important market-based incentive to conserve energy, the provision would undercut our ability to achieve clean air and energy security. The bill's other offset—tightening the reporting requirements for U.S. holders of foreign trusts—is included in the President's balanced budget proposal for purposes of deficit reduction.

Pay-as-you-go scoring

H.R. 3286 will affect receipts; therefore it is subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act of 1990. OMB's preliminary scoring estimate is presented in the table below. Final scoring of this legislation may deviate from this estimate.

Pay-as-you-go estimate

[Receipts in millions]

	Receipts
1996	+$110
1997	+318
1998	+224
1999	+154
2000	+99
2001	+56
2002	+16
1996–2002	+977

FEDERAL BAR ASSOCIATION,
Washington, DC, May 9, 1996.

Re proposed Indian Child Welfare Act Amendments, H.R. 3286 (Title III) and H.R. 3275.

DEAR CONGRESSMAN YOUNG: On behalf of the Indian Law Section of the Federal Bar Association, I would like to register the Section's opposition to the amendments to the Indian Child Welfare Act of 1978 that have been proposed in Title III of H.R. 3286, and in H.R. 3275. It is our understanding that H.R. 3286 was introduced yesterday, and that a floor vote will be taken later on this evening.

While the Indian Law Section may, in the future, articulate a position regarding the substance of the amendments that have been introduced, at present the Section adamantly opposes passage of the legislative amendments simply because the manner in which they have been introduced is wholly inappropriate—and dangerous. It is our understanding that members of the House of Representatives have introduced these amendments without notifying Native American leaders of the proposed amendments, and without offering the Native American community, and those attorneys and other individuals who work on behalf of Native American children, an opportunity to offer testimony to the Congress regarding the impact that these amendments will have on those Native American children. If, in fact, members of the House of Representatives are truly concerned with amending the Indian Child Welfare Act so that it more adequately addresses all of the needs of those Native American children who must be removed from their families, it would be more appropriate that Congressional representatives conduct hearings regarding any proposed amendments—rather than acting emotionally in response to a few cases that have received national press. It is imperative that our Representatives in Congress act responsibly, and responsively, when making decisions of such import on behalf of any children. It cannot be disputed that informed decisions—ones that reflect careful and considerate thought—require tremendous commitments of time, and necessitate gathering information from all sectors of the community who have information relating to the matter at hand. I am particularly bothered by the fact that decisions affecting children—decisions that will affect those children's lives, and the lives of their own children, and their children's children—are being made in such haste. As someone who has litigated literally hundreds of Indian Child Welfare Act cases over the years, I am not unaware that there are problems that could be addressed by amending the Act. Yet, as a children's advocate, I am appalled that anyone within the House of Representatives believes that these problems could—and should—be addressed without careful consideration.

We implore you to persuade your colleagues to refrain from voting in favor of these proposed amendments, and to offer the community an opportunity to respond intelligently and thoughtfully to these issues.

Sincerely,

DONNA J. GOLDSMITH,
Deputy Chairperson,
Indian Law Section.

SUPPORT THE YOUNG-MILLER AMENDMENT—STRIKE TITLE III FROM H.R. 3286

Title III is a major rewrite of the most important provisions of the Indian Child Welfare Act done without a single hearing or discussion with even one of the 557 Indian tribes this bill affects!

The Administration strongly opposes this title.

Do not be misled. ICWA works. ICWA protects the rights of Indian children and the future of Indian tribes. Under ICWA, thousands of Indian children have been placed in caring Indian and non-Indian homes.

We should not rewrite a good law simply because of a handful of unusual cases. Tragic adoption cases are far more common in non-Indian settings. States have a terrible record in adoptive and foster care placements. Yet that is where title III's sponsors want Indian cases to go.

Amost all of the tragic cases are the direct result of willful violations of ICWA by attorneys, not because of problems with ICWA.

Unlike other minority cases, there is no backlog of Indian children waiting in foster care. In Indian culture, extended families have a special duty to children and in 99% of the cases a relative will agree to assume custody.

ICWA has nothing to do with a tribe taking away Indian children from their parents. The real issue is which court—state or tribal—is in best position to make a placement decision. Title III assumes tribal courts cannot make fair decisions. That is not the case. Any court, state or tribal, is free to place an Indian child with a non-Indian family with good cause.

Title III will slow the adoption of Indian children. ICWA was enacted because tribal courts are in a better position than state courts to identify an Indian child's family and quickly place them in permanent homes.

GEORGE MILLER.
DON YOUNG.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to the gentleman from the great State of Texas, Mr. TOM DELAY, our Republican whip.

Mr. DELAY. Madam Speaker, I rise in reluctant opposition to this amendment offered by my good friend, the gentleman from Alaska [Mr. YOUNG]. He is a vigorous advocate for his constituents and I know he has the best intentions with his amendment, but I urge my colleagues to support the provision of the gentlewoman from Ohio and vote against this amendment.

History has been cruel to many Native Americans, and there is no doubt that the past treatment of American Indians still plays on the minds of the people who support this amendment. But today we must not only look at the past but also to the future. More specifically, we must look to the future of the children who have been victimized by the well-meaning regulations stemming from the Indian Child Welfare Act. Reform of this act is necessary. Simple fairness dictates that conclusion.

I look forward to continuing to work with all concerned parties in conference where we can work out our differences, but the Young amendment is the wrong approach to finding that agreement in conference. Children who have no significant affiliation with any particular tribe and who are adopted by loving parents should not be unfairly taken from those parents.

Prolonging any child's stay in foster care, when there are moms and dads just waiting to care for that child, simply because they may have a fraction of ethnic blood different from that of the parent, is just plain wrong.

A member of my staff was adopted after being in various foster homes for the first 6 months of her life. It was later discovered that she had one-sixteenth Indian blood. Had the Indian tribe interfered with her adoption, she would have ended up trapped in foster care, bounced around from one temporary home to the next, and possibly been prevented from ever having a stable and loving family to help care for her. She was one of the lucky ones. Many others are not so lucky.

My friends and colleagues, these adoption reforms are based on fairness. It is time that we start making the children's welfare our top priority. Vote no on the Young amendment.

Mr. YOUNG of Alaska. Madam Speaker, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Madam Speaker, I rise in strong support of Chairman YOUNG's effort to strike title III of this bill.

Title III is a classic case of legislative overkill and an attempt to circumvent standard House procedures at a time when this body is dedicated to avoiding both those legislative sins.

Title III was included in this bill without any substantive hearings and over the strong bipartisan objections of the committee of jurisdiction. More importantly, it was pushed forward without any consultation with any Indian tribes, such as the Oneidas in my district, even though the tribes are the entities most directly affected. Contrast that with the numerous hearings and scrupulous research that went into drafting ICWA, and you can see why we try to have standard procedures around here.

The proponents of title III complain about ICWA's unintended consequences—which are rare—but they say nothing about the unintended consequences of their own provision—which are systemic. Title III would complicate adoption proceedings, and could return us to the problems that led Congress to pass ICWA in the first place—State courts taking away Indian children.

Madam Speaker, no one can gainsay the emotional damage done in the cases cited by title III's proponents. But title III goes far beyond what is necessary to correct those problems. Title III is clearly an instance where a hard case has made bad law. Vote to strike title III.

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Ms. PRYCE. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, there has been much talk about circumventing the committee process and no hearings and no input. Madam Speaker, I tried for over a year to consult with the committee to try to get input from the tribes and their organizations. I have written letters. I have held meetings to which nobody appeared.

Madam Speaker, it was very obvious that we cannot get this through the committee. That is why it did not go that way.

Congress made this mess 20 years ago. It is up to us to pass this very minimal change in ICWA to correct it. If it does not pass now, we will have the status quo for another 5 years.

I pledge to the chairman, if this passes today, I will work with him through the conference process to get this ironed out so that it can be satisfactory to all involved, when I finally can have the input of the committee and the Indian nations so that we can come to the correct solution to this terrible tragic problem.

The SPEAKER pro tempore (Mrs. MORELLA). The gentleman from Alaska [Mr. YOUNG] has 45 seconds remaining.

Mr. YOUNG of Alaska. Madam Speaker, I yield 45 seconds to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Madam Speaker, this issue is a divisive issue that we are debating here on the House floor. There is no one single Utopian answer for the problems that we are now experiencing. The history of America's involvement with Native Americans has been rife with hatred, violence, bitterness, limited streams of compassion, and it has all rested on the pillars of apathy.

The children that the gentlewoman from Ohio [Ms. PRYCE] represents should stay with that family. Anybody that is like that situation should stay with the family. We should have no problems with people piling up in foster homes because of limited connections with anybody, even American Indians, Native Americans. What we need to do as a body, as a Congress, is have some sense of knowledge on this subject.

I will tell the gentlewoman from Ohio [Ms. PRYCE] and the gentleman from Alaska [Mr. YOUNG] that I will work in the intervening month between now and when the Indians meet in about a month to ensure that there are corrective changes.

The SPEAKER pro tempore (Mrs. MORELLA). The time of the gentleman from Maryland [Mr. GILCHREST] has expired.

Mr. GILCHREST. Madam Speaker, I ask unanimous consent to proceed for an additional minute.

The SPEAKER pro tempore. The Chair is unable to entertain that request. The time is controlled pursuant to House Resolution 428.

Mr. GILCHREST. Madam Speaker, I will assure Ms. PRYCE that we will work to make sure those particular incidents, no matter how few or no matter how many, are corrected.

Ms. PRYCE. Madam Speaker, I yield such time as she may consume to the gentlewoman from Idaho [Mrs. CHENOWETH].

(Mrs. CHENOWETH asked and was given permission to revise and extend her remarks.)

Mrs. CHENOWETH. Madam Speaker, I rise in opposition to the motion to strike title III.

I understand the Indian Child Welfare Act originated out of concern that there were large scale efforts to remove Indian children from their homes and place them for adoption for unwarranted reasons.

Unfortunately, the interpretation of this law has resulted in tragic consequences for children across this country. In my district, a non-Indian woman and Indian man gave their child up for adoption to Leland and Karla Swenson of Nampa.

Even though the Indian father's parental rights were terminated by the court, his tribe, the Oglala Sioux of South Dakota, intervened in the adoption case and appealed the adoption.

Idaho Legal Aid, which is funded by Legal Services Corporation, stepped in to represent the tribe, which turned into a 6-year nightmare for the adoptive parents, who have sold their home, their farm, and their belongings to fight this case. The non-Indian mother never challenged the adoption, and in fact, objected to the tribe intervening.

It's important to keep one thing in mind—in this case, the Indian father abandoned his child. He never appeared for any of the hearings relating to the adoption and subsequent tribal action. It was the tribe, not the Indian father, who continued to appeal the adoption through the tribal and State courts, at enormous taxpayer expense. Just whose interests were they serving? Certainly not the child's.

I applaud Ms. PRYCE's efforts to try to correct the inequities in this act, and my heart goes out to the family in her district that have had legitimate adoptions disrupted because of the Indian Child Welfare Act. I have been contacted by Native Americans in Alaska and Montana that agree that the Indian Child Welfare Act needs to be amended.

After a long, heartwrenching battle, the Idaho Supreme Court ruled in favor of the Swensons keeping the child.

This is not an anti-Indian bill, it's a pro-child bill. Ms. PRYCE's bill intends to correct the tragic abuses of adoption that are occurring across the country, and I applaud her efforts.

Mrs. VUCANOVICH. Madam Speaker, I offer my support to the Young amendment to H.R. 3286 which would strike title III, a provision which makes significant changes to the 1978 Indian Child Welfare Act.

ICWA was designed to prevent the wholesale separation of Indian children from their families, and was only passed into law after 10 years of careful study and close cooperation between Indian tribes and Congress.

Unfortunately, title III will add a new subjective determination of who is, and who is not, an Indian by allowing courts to decide what constitutes being culturally, politically, and socially affiliated with a tribe. It will also ignore the important role of the extended family in Indian culture.

In addition, these provisions were written without input from Indian tribes and without hearings held in the Resources Committee under whose jurisdiction ICWA falls.

I urge my colleagues to support the Young amendment and allow us time to carefully consider any changes to the Indian Child Welfare Act.

Mr. SMITH of New Jersey. Madam Speaker, I rise today in strong opposition to my good friend and colleague from Alaska's amendment to strike the Indian Child Welfare Act reforms from this bill.

The dismal numbers on adoption make it clear that our laws have created severe roadblocks for adoption in this country. No one disagrees with that.

Roughly 55,000 adoptions are finalized each year in this country—down from 89,000 in 1970. Yet 500,000 kids languish every year in foster care. Many of them are not special needs kids or at least they were not, before they entered the system. Many of them are children who, at one time, could have easily been placed with the estimated, 2 million couples that are currently waiting to adopt a child. These numbers didn't just happen by accident. It was bad laws that failed these kids.

One of the worst examples of this is how the Indian Child Welfare Act has been misused to promote a political theory at the heartbreaking expense of some very real children and families, as well as the entire institution of adoption.

It is tragic, unenlightened and unnecessary.

Some of you may have read about the Swenson case. Shortly after his birth, Casey Swenson's birth mother, who is not native American, placed Casey for adoption. This woman courageously made the decision to place her child in the care of a couple who, among other things, shared her faith in the LDS Church.

Casey's birth father is Oglala Sioux but he has never sought custody of Casey. He has had nothing to do with the boy from day one. He has totally abandoned the child. The tribal counsel, also, never voted to seek custody.

A tribal bureaucrat, however, whose job is to administer Indian Child Welfare Act grant money, decided to expand his turf and seek custody of the child for the tribe—in opposition to the birth mother's wishes. He enlisted the help of Idaho Legal Services for the job.

Mercifully the Swensons prevailed. But it took 6 years of litigation—all the way to the Idaho Supreme Court—and over $100,000 in legal fees. The Swensons lost their home and farm too; not to mention many cruel, sleepless nights for the child, his sister, the birth mother, and his adoptive parents.

Keep in mind one thing which we know from actual case histories. When a birth mother, who falls under the Indian Child Welfare Act, but does not want her child raised by a tribe, hears of these adoption nightmares it sends a very clear message: Adoption may present a long and hard court battle with no ultimate control over the outcome. Abortion or single parenting, on the other hand—her other two options—present total control over the ultimate custodial arrangement.

Why this legal disincentive to adopt when it presents such an enriching option for the child? The extraordinary power of the tribes to veto adoptions has reached children with as little as 1/64 Indian blood. A vote for the Young amendment is a vote for a legal incentive to abort or single-parent.

It is insane to allow this. Tribes are important cultural and political institutions but not so important that they should trump a mother's interest in who will raise her children in the event that she cannot.

Not a single person here would tolerate a law which mandated that, in the event of your own incapacity, you could not place your child in the care of a close friend who shared many of your religious or cultural views on parenting—simply because your ethnicities did not match.

The Indian Child Welfare Act now means as much. To say that because you come from, say, Irish descent and your friend is Polish, or African-American, then the Government can exclude them from consideration for custody is obscene. Would any of us tolerate such a law for ourselves? No. So don't vote for this one. This is supposed to be America and the Indian Child Welfare Act was never meant to cover voluntary adoptions.

It is the height of hypocrisy to legislate for others what you would not tolerate for yourself. Lets not do it here. Defeat the Young amendment. Keep the Pryce provisions in this bill for the good of all children and parents who may at some point need sensible adoption laws.

Mr. TAYLOR of North Carolina. Madam Speaker, I rise in support of the Young amendment to strike title 3 from H.R. 3268.

Yesterday, I met with the principal chief of the Eastern Band of Cherokee Indians, Joyce Dugan, from my district. While title 3 is being pushed to rectify a very small number of problematic Indian adoption cases, the Indian Child Welfare Act, in fact, works quite well.

Very few cases are contested and out of the thousands that have been processed, only 40 have been litigated. Until now.

Title 3 would limit the application of the Indian Child Welfare Act to certain Indian children whose parents have maintained a significant social, cultural or political affiliation with an Indian tribe.

Title 3 will create a whole new layer of redtape on adoptions, and leaves implementation to the courts.

State courts will now have to hold additional hearings on what sort of affiliation certain Indian children's parents have had with a tribe.

Courts will have to decide what is significant and what is not.

Courts will have to decide what amounts to affiliation and what does not.

Courts will have to decide what affiliation can be expected of a 16-year-old mother or of a 16-year-old father. And then they'll have to reconsider the same question for a 30-year-old set of parents.

The one thing you can count on is that title 3 will be litigated and litigated and litigated.

Title 3 is an adoption lawyer's dream come true. More litigation, more proof, more time in court arguing about whether the law says this or that or more redtape. More billable hours. More expenses.

Everybody loses except the lawyers.

I urge my colleagues to adopt the Young amendment and delete this redtape from the bill.

Mr. HUTCHINSON. Madam Speaker, I rise in strong support of the rule and the bill H.R. 3286, a measure which would help families defray adoption costs and promote the adoption of minority children.

Today, there are more couples who want to adopt and more children in need of a loving home then ever before. According to estimates by the National Council for Adoption, at least 2 million couples would like to adopt. Yet only about 50,000 adoptions occur annually.

Tragically, this number has been dropping since the 1970's. During the last quarter century we have experienced a dramatic rise in numbers of children born out of wedlock, children being raised by single parents, and children entering the foster case system because of abuse and neglect. At the same time there has been a decrease of almost 50 percent in the number of formal adoptions.

As we continue to see the disintegration of the family, it is incumbent upon those of us in Congress to enact legislation which promotes and encourages adoption. We need to make it easier and more affordable.

The average cost of adopting a child is $20,000. This legislation provides for a $5,000 tax credit to help offset the costs of adoption as well as a $5,000 tax exclusion for employer-sponsored adoption assistance.

Perhaps more significantly this bill will go a long way toward assisting the adoption of children currently in the foster care system. Today there are approximately 500,000 children in the custody of various State foster care programs.

Unfortunately, many States have enacted laws and regulations which allow agencies to delay placing a child in an adoptive home on the basis of cultural or ethnic differences. As a result 40 percent of African American children spend more than 4 years waiting to be adopted while only 17 percent of white children wait that long.

H.R. 3286 would prohibit State and private agencies from delaying or denying the opportunity to become an adoptive parent on the basis of race, color, or national origin of the child or the applicants.

There is also a myth that families only want to adopt healthy, newborn children. In fact, Mr. Speaker, many families adopt special needs children. The National Down's Syndrome Adoption Exchange reports a waiting list of over 100 couples who would like to adopt a child with Down's syndrome—more than enough to accommodate parents who want Down's children given up for adoption.

Several weeks ago I had the opportunity to meet with representatives of the Arkansas Department of Human Services. They discussed with me the success they have had in placing special needs children. One of the adoption specialists told me that in the last 16 years she has made 357 placements in a seven-county area of northwest Arkansas—over 75 percent of them special needs children. I was told of one family who already had two birth children when they adopted a sibling group of two, a sibling group of three, and two African American infants with spina bifida. Several of the children have emotional or behavioral problems, and several are learning disabled.

Another family was unable to have birth children. They adopted a child privately and then added two African American children with disabilities.

Still another family, with grown children, adopted an African American foster child with many physical and developmental disabilities and have sacrificed a comfortable middle age to meet this child's needs.

These are only a few of the many families in northwest Arkansas who have opened their hearts and their homes to children in need.

Finally, Madam Speaker, the subject of adoption is one that hits very close to home for me. My legislative director is herself adopted. She described her feelings of adoption to me in the following way:

"Mom and Dad took me home, gave me their name, their protection, and their love. They shared with me their family—brothers, Aunts, Uncles, Cousins, and grandparents—who claimed me as their very own. Together they provided a foundation from which I have been able to return a small portion of the abundant love and care that they have given me to the world in which I live."

Madam Speaker, would that every child in America be able to make such a statement. I urge the swift passage of H.R. 3286.

Mr. WELDON. Madam Speaker, I rise today to express my strong support for H.R. 3286, the Adoption Promotion and Stability Act of 1996. Since the late 1960's, the number of children who have been adopted has declined by at least 33 percent, while the number of children born to unwed mothers has increased 400 percent over the same period. In light of these startling statistics, Madam Speaker, some action must be taken. Legislative support for families that wish to adopt and children that wish to be adopted is long overdue.

I believe that the tax credit to defray the overwhelming cost is a major step in making adoption possible for more families. Phased out at incomes over $75,000, this tax break is specifically targeted to help those who most need it. Furthermore, for every child adopted because of this tax credit, the American people save the $20,000 to $30,000 it takes every year to support a child in Federal, State, or foster care.

The second major step this legislation takes is prohibiting State and local entities from denying or delaying a child's adoption because of race, color, or national origin. As much as 49 percent of America's 500,000 foster children are minorities, Madam Speaker; there is no reason for them not to find a place in the many loving, permanent homes waiting to adopt them.

I urge my colleagues to join me in supporting H.R. 3286. As a member of the Congressional Coalition for Adoption, I will continue to support legislation to ease restrictions and encourage adoption. As a Member of Congress, I will continue to support anything that makes the American family stronger.

Mr. BARRETT of Wisconsin. Madam Speaker, I am pleased to support H.R. 3286, the Adoption Promotion and Stability Act of 1996.

It is a sad reality that there are far too many potential adoptive parents who can handle the day-to-day expenses of raising a child, but who can't afford the initial adoption costs which are often in excess of $5,000. While insurance covers health care costs for adopted children, it fails to address the skyrocketing costs of adoption fees. this is essentially discriminatory because insurance covers the costs of maternity stays, but fails to address the similar needs of adoptive families.

H.R. 3286 ensures equity for adoptive parents by providing a $5,000-per-child tax credit to offset adoption costs. The bill also encourages the adoption of foster children by requiring States to adhere to a nondiscriminatory policy in matching children with parents. Currently there are 450,000 to 500,000 children in foster care, so moving these children into loving, adoptive families must be a top priority.

I introduced similar legislation, H.R. 1819, at the beginning of the 104th Congress which also would have provided tax relief for adoptive families with an even larger credit going to those who choose to adopt a foster child. I am pleased that H.R. 3286 addresses the concerns of my legislation, and I strongly supported the passage of this landmark legislation.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise today to express my support for H.R. 3286, the Adoption Promotion and Stability Act. Families wishing to adopt today face a number of barriers, including prohibitive costs, complex regulations, and outdated assumptions. This bill will make it possible for more families to provide permanent, stable, and loving homes for children in need by providing tax credits to adoptive families and employers, and by ensuring that adoptions are not delayed or denied because of a child's race, ethnicity, or national origin.

Adoption costs now constitute a major disincentive to adoption. The cost of adopting a child in the United States ranges from $10,000 to $20,000, and in the case of an international adoption, the cost may reach $35,000. This legislation would provide a $5,000 nonrefundable tax credit for qualified adoption expenses and an exclusion of up to $5,000 for amounts received by an employee for qualified adoption expenses under an employer adoption assistance program, thus providing needed assistance to middle- and low-income families willing to adopt.

According to the American Public Welfare Association [APWA], a total of 657,000 children were in the Nation's foster care system during 1993, about half of whom are minorities. A 1-day count of children in foster care in 1993 showed 445,000 children in foster care and other group care settings—an increase of about two-thirds over the 1-day count 10 years earlier and this number has continued to increase. Five States—Texas, California, Illinois, Michigan, and New York—together account for almost half of all children in foster care.

Clearly, we must do something to decrease the number of children in foster care and group homes and increase the number of children in loving and permanent homes. In my home State of Texas, the number of children under the age of 18 living in foster care in 1993 was 10,880. This represents an increase of 62.4 percent from 1990, and the number continues to climb. Similarly, the number of children living in a group home in 1990 was 13,434.

Approximately one-half of these 13,434 children are minorities. Studies have shown that minority children wait longer to be adopted than do white children. According to the National Council for Adoption [NCFA], African-American children constitute about 40 percent of the children awaiting adoption in the foster care system and these children wait twice as long—in some jurisdictions four times as long—as white children for adoptive homes.

This legislation would prohibit States and entities receiving Federal funds from delaying or denying the placement of a child for adoption or foster care on the basis of race, color, or national origin. While I do not believe that race should be the sole criteria in determining the placement of a child in an adoptive home, I do believe that it must play a role in determining placement. States and entities must make an effort to ensure that prospective adoptive parents of a child from a different race are sensitive to the child's cultural background.

It is important that such children grow up in an environment that is respectful and appreciative of the child's heritage. Unfortunately, our society is not color blind, and therefore, States and agencies must ensure that adoptive parents of minority children are sensitive to the issues that may arise as the child gets older, including dealing with discrimination and questions the child may have about his or her cultural background. I believe that our native Americans should have the right of utilizing their cultural heritage in the sensitive issue of adoption and foster care for Indian children. I supported the Young amendment.

In no way, however, should this policy result in children languishing in foster homes for extended periods of time or in adoptions being delayed or denied when loving, caring parents are ready to adopt.

Federal policies should encourage and facilitate, not hamper, adoption efforts. The Adoption Promotion and Stability Act sends a signal to prospective adoptive parents that our Nation encourages adoption and will help to make adoptions possible and I urge my colleagues to support it.

Mr. ROEMER. Madam Speaker, I rise in strong support of H.R. 3286, the Adoption Promotion and Stability Act of 1996. Knowing of the importance adoption plays in the lives of American families, Congress should do more to help facilitate and promote its benefits.

Unquestionably, this legislation would tear down the financial burden imposed on adoptive parents. These expenses can add up to $20,000 in 1 year, and continue to be the primary disincentive to middle-class families. While families who have children born to them often enjoy the costs of birth covered by health insurance, adoptive families have no such support. H.R. 3286 offsets this imbalance and makes the process a more financially viable option for middle-income parents to build families through adoption.

Madam Speaker, few can argue that adoption does not result in moving children out of foster homes and providing the benefit of a solid home and possibilities for a bright future. The benefits of adoption exist not only with the adopted child, but with the biological mother and society as well. Adoption can help break the cycle of abortion that too often takes place with young girls having babies out of wedlock. By choosing adoption, women can make the right decision—not to have an abortion.

At the same time, adoption can help break the cycle of single parenting. More than 80 percent of all females born to single mothers under the age of 16 become teenage mothers themselves. By choosing adoption as an alternative to single parenting, these women might continue their education, develop job skills and a sense of independence, and live the rest of their lives knowing they were not forced to choose abortion over single parenting.

Madam Speaker, this is a matter of fairness to adoptive families. H.R. 3286 is good public policy and I urge my colleagues to support it.

Mrs. SMITH of Washington. Madam Speaker, I rise in support of the Adoption Promotion and Stability Act. As a mother and grandmother, I can tell you that adoption creates families where we would otherwise have children languishing in foster care and couples denied a heartfelt desire to raise a family.

Due to the costly nature of adoption, it is only right that we provide families with some financial relief. The average cost of an adoption is $20,000. The $5,000 tax credit helps to alleviate the financial pressures and may make the real difference in a couple's decision to adopt.

This legislation also provides a commonsense clarification of the Indian Child Welfare Act without infringing upon the rights of the Native American community. A child with no significant cultural, social, or political affiliations should be allowed to be put up for adoption if it is the wish of the birth parents. When I chaired the Youth and Family Services Committee in the Washington State Senate, I had extensive experience with the Indian Child Welfare Act. While I respect the original intent of the act, I believe that standing in the way of a child's welfare due to the arbitrary decision of a tribal court is egregious. The only result has been heartbreak for countless families.

I urge my colleagues to support the Adoption Promotion and Stability Act. It is pro-child and pro-family.

Mr. HAYWORTH. Madam Speaker, I rise in support of the Young amendment which would strike title III from H.R. 3286, the Adoption Promotion and Stability Act.

Last week, my colleagues and I who sit on the Resources Committee voted unanimously to strip title III from this legislation. Regrettably, it was reinserted by the Rules Committee.

Title III of H.R. 3286 amends the 1978 Child Welfare Act (ICWA), which gave tribal courts jurisdiction over Indian child custody proceedings. Title III would transfer this jurisdiction to State courts.

Mr. Chairman, I represent portions of eight tribes, including the Navajo Nation, which is the largest reservation in the United States. As a result, I am mindful of our treaty obligations to sovereign Indian nations. I believe that removing adoptions from the jurisdiction of tribal courts in favor of State courts would violate these important treaty agreements.

Furthermore, proponents of title III assume that tribes act arbitrarily and not in the best interests of the children involved. The record shows otherwise. Over the last 15 years, less than one-tenth of 1 percent of adoption cases have been contested.

I urge my colleagues not to turn back progress that has been made by Indian nations to become more independent. Support the Young amendment.

Mrs. VUCANOVICH. Madam Speaker, I want to commend my colleagues for bringing to the floor a bill that would assist loving, caring Americans who are willing to open their homes and provide permanent, loving, and stable homes for adoptive children.

In an era when adoption costs can reach upward of $20,000, we must send a message that the Government is truly proadoption. Providing a $5,000 nonrefundable tax credit to middle- and low-income families for qualified adoption expenses, is a small step in this direction. This bill also includes another important policy that encourages and promotes adoption.

It is an unfortunate fact that African-American children wait almost twice as long and sometimes four times as long to be adopted than do white children, simply because of their skin color. This bill will prohibit any federally funded agency from delaying or denying the placement of a child into a foster home or adoptive home on the basis of the race, color or national origin of the adoptive or foster parent of the child involved.

This commonsense policy is badly needed to ensure that our Nation's future, our most vulnerable children do not remain separated from a loving adoptive family one day longer than necessary. I urge my colleagues to support this bill.

Mrs. COLLINS of Illinois. Madam Speaker, I don't think there is anyone anywhere who would not agree that we would wish for every child that they be a part of a willing, safe, secure, nurturing and loving family.

Unfortunately, that is not the reality for hundreds of thousands of children across America today. Many of those children are the victims of abuse or neglect. Many have special needs that make the parental dream of a perfect child difficult to achieve.

For instance, last year there were over 49,000 children in foster care in Illinois; 39,000 of those children were from the Chicago/Cook County area. During that same time last year in Illinois, only 1,850 were formally adopted.

It is the goal of this Adoption Promotion and Stability Act to make it possible for more children, who are not able to be reunited with their biological families for one reason or another, to be adopted by families who are willing and able to give them the love, safety and security that all children need.

H.R. 3286 contains a provision to allow a Federal tax credit up to $5,000 for qualified adoption expenses. Testimony to the Congress has suggested that such a tax credit will allow middle-income families to adopt children for whom adoption might otherwise be prohibitive. I believe it may also allow families of not-so-middle incomes to open their homes and hearts to children who need a safe, secure and nurturing family.

Too often the high legal costs associated with an adoption make it beyond the reach of families who could otherwise open up their heart to another child. This tax credit is designed to offer valuable support to those families with so much love to give.

What we have seen by the numbers of children in the foster care system for years, denied that nurturing, loving environment of a family, is that many people still have prejudices that stand in the way of providing those children with a safe, secure and stable family.

In reality, there aren't enough families able or willing to adopt children in need of families in our country today. Well-meaning attempts to match willing families to children are keeping those children from having any family at all.

It is because of my deeply held belief that all children should be safe, secure and loved in a willing family that values children, and has a deep commitment to providing the best possible in love and stability, that I support this bill. I encourage my colleagues to vote for the children and vote for passage of this bill.

Mr. CASTLE. Madam Speaker, I rise in strong support of the Adoption and Stability Act of 1996.

Adoption, as Albert Hunt noted in the Wall Street Journal, is not a panacea for abortion or child abuse or foster care. But it certainly can help. A woman facing an unintended pregnancy may be influenced by the knowledge that her child could be expeditiously adopted. Social workers may find their task of protecting foster children somewhat easier, resulting in fewer children—1,166 in 1993—who die of child abuse at the hands of foster parents.

In a successful adoption, everyone wins—the dearly wanted child, who is brought into a loving home; the adoptive parents, who have welcomed the child into their lives; and the birth parents, who know that their child is well-cared for. Unfortunately, there are barriers which reduce the number of successful adoptions, including high adoption costs and complex, ineffective regulations.

As a result, roughly one in seven children in foster care is waiting for adoption, and will wait for between 4 to 6 years. Potential adoptive parents find they cannot pay the costs of adoption—which ranges from $10,000 to $15,000 for a domestic adoption—and are denied the opportunity to provide a loving and healthy home for a child. Minority children must wait two to four times as long as white children for adoptive homes. Families which are financially able to adopt must wait for years before a child can join them.

Fortunately, Congress has recognized that promoting adoption is an important public policy goal. The Adoption and Stability Act of 1996 facilitates the adoption process, so that more children can be united with loving families.

You know the essential details of this bill, it provides families with a $5,000 tax credit for one-time adoption expenses, and prohibits entities from delaying adoptions due to race, color, or national origin. These provisions will provide enormous assistance to would-be adoptive parents, and should help those who are presently overwhelmed by the cost to fulfill their dreams of being an adoptive parent. It will also help eliminate the appalling fact that minority children wait so much longer to be adopted as white children, even though there is no shortage of adoptive parents.

This bill will not resolve all of the problems with our Nation's adoption laws, but it is an admirable first step, and I encourage all of my colleagues to support passage of this bill.

Mr. STOKES. Mr. Speaker, I rise today in support of the Adoption Promotion and Stability Act. I commend Congresswoman MOLINARI for bringing the important issue of adoption to the floor. H.R. 3286 attempts to correct the disproportionate representation of minorities in the foster care system by preventing discrimination in the placement of children on the basis of race, color or national origin. This bill also provides adoptive parents up to $5,000 in tax credits to assist in adoption expenses.

Mr. Speaker, the promotion of adoption is one of the most important things we can do to strengthen American families. All children, regardless of age, sex ethnicity, and physical and emotional health are entitled to a family. Adoption enables children, whose parents cannot or will not raise them, to become part of a permanent family. Furthermore, it serves as a second chance for the thousands of children who have been removed from their families because of abuse or neglect.

The high cost of adoption can be an impediment to many families wanting to adopt. With the inclusion of legal fees, court costs and charges levied by adoption agencies, the cost of an adoption can exceed $15,000. This is a heavy burden for America's low- and middle-income families who desire to adopt. The $5,000 adoption tax credit included in this may make the difference between a child in foster care becoming part of an adoptive family or remaining in foster care indefinitely.

Mr. Speaker, I would also like to express my concern regarding the title III provision in H.R. 3286 which would overhaul the Indian Child Welfare Act [ICWA]. I supported the Young-Miller amendment which would have eliminated title III from this bill, and am hopeful that further consideration will be given to convening hearings or meetings with the Indian community on the title III provision.

Mr. Speaker, H.R. 3286 represents a positive approach in finding homes for our Nation's needy children. Although the bill is not flawless, I support this effort to facilitate the adoption of children, and to decrease the time that many of our children languish in the foster care system. I join with my colleagues in support of this legislation.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Alaska [Mr. YOUNG].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. YOUNG of Alaska. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 195, nays 212, not voting 26, as follows:

[Roll No. 164]

YEAS—195

Abercrombie
Ackerman
Allard
Andrews
Baesler
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Bateman
Becerra
Beilenson
Bereuter
Bishop
Bliley
Blute
Boehlert
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Callahan
Calvert
Camp
Chapman
Clayton
Clyburn
Coleman
Collins (MI)
Conyers
Cooley
Coyne
Cramer
Cummings
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dingell
Dixon
Doggett
Dooley
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Ford
Frank (MA)
Frelinghuysen
Frost
Furse
Gekas
Gephardt
Gilchrest
Gonzalez
Gordon
Green (TX)
Gutierrez
Hansen
Harman
Hastings (FL)
Hayworth
Hefner
Hilliard
Hinchey
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Johnson (SD)
Johnson, E. B.
Jones
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
Kolbe
LaFalce
Lantos
LaTourette
Levin
Lewis (CA)
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas
Maloney
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McInnis
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Minge
Mink
Mollohan
Montgomery
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pomeroy
Porter
Rahall
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Ros-Lehtinen
Rose
Roybal-Allard
Rush
Sabo
Salmon
Sanders
Sawyer
Saxton
Schiff
Schumer
Scott
Serrano
Shays
Shuster
Skaggs
Skeen
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tauzin
Taylor (NC)
Thomas
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Velazquez
Vento
Volkmer
Vucanovich
Ward
Waters
Watt (NC)
Watts (OK)

Waxman
Wise
Woolsey
Wynn
Yates
Young (AK)

NAYS—212

Archer
Armey
Bachus
Baker (CA)
Ballenger
Barr
Bartlett
Barton
Bass
Bentsen
Bilbray
Bilirakis
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Diaz-Balart
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frisa
Funderburk
Ganske
Geren
Gibbons
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hastert
Hastings (WA)
Hefley
Heineman
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Johnston
Kaptur
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
LaHood
Largent
Latham
Lazio
Leach
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Longley
Luther
Manton
Manzullo
McCollum
McCrery
McHale
McHugh
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Peterson (FL)
Petri
Pombo
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Roemer
Rogers
Rohrabacher
Roth
Roukema
Royce
Sanford
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Sisisky
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Taylor (MS)
Tejeda
Thornberry
Tiahrt
Torricelli
Traficant
Upton
Visclosky
Walker
Walsh
Wamp
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (FL)
Zeliff
Zimmer

NOT VOTING—26

Baker (LA)
Berman
Bevill
Clay
Collins (IL)
Dickey
Dicks
Gallegly
Gejdenson
Hayes
Herger
Holden
Jefferson
Laughlin
Lincoln
McDade
Miller (CA)
Moakley
Molinari
Paxon
Portman
Roberts
Schroeder
Tanner
Weldon (PA)
Williams

□ 1156

The Clerk announced the following pairs:

On this vote:

Mrs. Collins of Illinois for, with Mr. Herger against.

Mr. Dicks for, Mr. Paxon against.

Mr. KNOLLENBERG and Mr. ENGLISH of Pennsylvania changed their vote from "yea" to "nay."

Mr. LEVIN changed his vote from "nay" to "yea."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mrs. MORELLA). Pursuant to House Resolution 428, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. PRYCE. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 393, noes 15, not voting 25, as follows:

[Roll No. 165]

AYES—393

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Ganske
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Hilleary
Hinchey
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (FL)
Minge
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOES—15

Abercrombie
Baesler
Clyburn
Collins (MI)
Conyers
Dellums
Fattah
Furse
Hilliard
Kennedy (RI)
Meek
Mink
Thompson
Waters
Young (AK)

NOT VOTING—25

Baker (LA)
Berman
Bevill
Clay
Collins (IL)
Dickey
Dicks
Gallegly
Gejdenson
Hayes
Herger
Holden
Jefferson
Laughlin
McDade
Miller (CA)
Moakley
Molinari
Paxon
Portman
Roberts
Schroeder
Tanner
Weldon (PA)
Williams

□ 1216

The Clerk announced the following pair:

On this vote:

Mr. Herger for, with Mr. Dicks against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1972

Mr. FROST. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1972.

The SPEAKER pro tempore (Mr. BURTON of Indiana). Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 3230, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 430 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 430

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and the amendments made in order by this resolution and shall not exceed two hours equally divided and controlled by the chairman and ranking minority member of the Committee on National Security. After general debate the bill shall be considered for amendment under the five-minute rule.

SEC. 2. (a) It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on National Security now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived.

(b) No amendment to the committee amendment in the nature of a substitute shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution and amendments en bloc described in section 3 of this resolution.

(c) Except as specified in section 4 of this resolution, each amendment printed in the report of the Committee on Rules shall be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. Unless otherwise specified in the report of the Committee on Rules, each amendment printed in the report shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent and shall not be subject to amendment (except that the chairman or ranking minority member of the Committee on National Security each may offer one pro forma amendment for the purpose of further debate on any pending amendment).

(d) All points of order against amendments printed in the report of the Committee on Rules or amendments en bloc described in section 3 of this resolution are waived.

(e) Consideration of the first two amendments in part A of the report of the Committee on Rules shall begin with an additional period of general debate, which shall be confined to the subject of cooperative threat reduction with the states of the former Soviet Union and shall not exceed forty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on National Security.

SEC. 3. It shall be in order at any time for the chairman of the Committee on National Security or his designee to offer amendments en bloc consisting of amendments printed in part B of the report of the Committee on Rules accompanying this resolution not earlier disposed of or germane modifications of any such amendment. Amendments en bloc offered pursuant to this section shall be considered as read (except that modifications shall be reported), shall be debatable for twenty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on National Security or their designees, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. For the purpose of inclusion in such amendments en bloc, an amendment printed in the form of a motion to strike may be modified to the form of germane perfecting amendment to the text originally proposed to the stricken. The original proponent of an amendment included in such amendments en bloc may insert a statement in the Congressional Record immediately before the disposition of the amendments en bloc.

SEC. 4. (a) The chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment made in order by this resolution.

(b) The chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes.

(c) The chairman of the Committee of the Whole may recognize for consideration of any amendment made in order by this resolution out of the order printed, but not sooner than one hour after the chairman of the Committee on National Security or a designee announces from the floor a request to that effect.

SEC. 5. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute, as modified. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. BURTON of Indiana). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. SOLOMON asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. SOLOMON. Mr. Speaker, House Resolution 430 is the traditional structured rule that we grant for defense authorization bills.

The rule waives all points of order against the bill and against its consideration. It provides for 2 hours of general debate equally divided between the chairman and ranking minority member of the National Security Committee. The committee's amendment in the nature of a substitute now printed in the bill will be considered as base text for the purpose of amendment, and all points of order are waived against it.

The rule makes in order only those amendments printed in the report of the Rules Committee to accompany this resolution, and waives all points of order against those amendments.

The amendments made in order are not subject to amendment except for pro forma amendments offered by the chairman or ranking minority member of the National Security Committee.

They may also be amended if contained in part B of the report and are offered as part of en bloc amendments offered by the chairman. Such en bloc amendments are debatable for 20 minutes each equally divided between the chairman and ranking minority member. The en bloc amendments are not subject to further amendment. Any modifications in the amendments printed in the report must be reported by the reading clerk.

Mr. Speaker, of the 117 amendments submitted to the Rules Committee, 41 are made in order by this rule—21 by Republicans and 20 by Democrats. The amendments are divided into two parts in the committee report. The six part A amendments go to some major issue areas.

The first topic in part A are two amendments relating to the cooperative threat reduction with the former Soviet Union, better known as Nunn-

Lugar. Those two amendments by myself and Chairman GILMAN of the International Relations Committee will be debatable for 10 minutes each following 40 minutes of general debate on Nunn-Lugar.

The other amendments in part A include a DeLauro amendment on abortion, debatable for 40 minutes; a Torkildsen amendment on HIV in the military, debatable for 40 minutes; a Saxton amendment on the army reserve, debatable for 30 minutes; and a Shays-Frank amendment on burden sharing, debatable for 30 minutes.

Following those part A amendments, there are some 35 amendments made in order, debatable for 10 minutes each, unless of course they are included in en bloc amendments offered by Chairman SPENCE, in which case debatable for 20 minutes.

Mr. Speaker, I won't go into the details of those additional amendments. I commend to my colleagues the Rules Committee report on this rule which includes a brief summary of each amendment in addition to their complete text.

Let me simply say in concluding my remarks on this procedure that the Rules Committee, as usual, had a difficult challenge in sorting through over 100 amendments in just 1 day's time.

We appreciate the cooperation of Chairman SPENCE and his staff, Mr. DELLUMS and his staff, and of course, our own ranking minority member, Mr. MOAKLEY and his staff along with Mr. FROST who in managing the rule for the minority today. While we were obviously not able to please everyone by our final decision in making in order roughly 40 percent of the amendments submitted.

As I already indicated, even though there were more Republican amendments submitted than Democrat amendments, of the 41 amendments this rule makes in order, nearly half are by Democrats. So I think we have achieved our goal of being as fair as we could be to all concerned.

I therefore urge my colleagues on both sides of the aisle to support this rule so that we can get on with the important debate on this vital piece of national security legislation.

On the bill itself, Mr. Speaker, I must say that congratulations are in order to Chairman SPENCE, his staff and the rest of the National Security Committee for having the foresight and the courage to report out this excellent bill.

For the fourth year in a row, the Clinton administration has sent to Congress a defense budget request that is simply inadequate to this country's needs.

Particularly insulting was this year's weapon's procurement request of only $39 billion, which is $21 billion short of where the Joint Chiefs of Staff tell us that we need to be in just a few years.

I commend the committee for adding $7.5 billion to this account, which has suffered a 70-percent real decline since 1985, leading to today's severe modernization problems.

This increase, along with a quadrupling of the President's ammunition request, will help fulfill one of the most sacred obligations the U.S. Government has:

Ensuring that American soldiers and sailors have a plentiful supply of the best weapons and equipment available so that they can adequately defend themselves in battle.

Anything less than that is unforgivable.

Our military personnel are also well taken care of in this bill by a 3-percent pay increase and a 4.6-percent increase in the basic housing allowance.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of May 9, 1996]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	68	60
Modified Closed[3]	49	47	28	25
Closed[4]	9	9	17	15
Total	104	100	113	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of May 9, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		HJ. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	HJ. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of May 9, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	A: voice vote (10/11/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231–194 A: 227–192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps	PQ: 235–184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228–191 A: 235–185 (10/26/95).
		H.R. 2491	Seven-Year Balanced Budget	
H. Res. 251 (10/31/95)	C	H.R. 1833	Partial Birth Abortion Ban	A: 237–190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 2546	D.C. Approps.	A: 241–181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.J. Res. 115	Cont. Res. FY 1996	A: 216–210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.R. 2586	Debt Limit	A: 220–200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: voice vote (11/14/95).
H. Res. 261 (11/9/95)	C	H.J. Res. 115	Cont. Resolution	A: 223–182 (11/10/95).
H. Res. 262 (11/9/95)	C	H.R. 2586	Increase Debt Limit	A: 220–185 (11/10/95).
H. Res. 269 (11/15/95)	O	H.R. 2564	Lobbying Reform	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.J. Res. 122	Further Cont. Resolution	A: 229–176 (11/15/95).
H. Res. 273 (11/16/95)	MC	H.R. 2606	Prohibition on Funds for Bosnia	A: 239–181 (11/17/95).
H. Res. 284 (11/29/95)	O	H.R. 1788	Amtrak Reform	A: voice vote (11/30/95).
H. Res. 287 (11/30/95)	O	H.R. 1350	Maritime Security Act	A: voice vote (12/6/95).
H. Res. 293 (12/7/95)	C	H.R. 2621	Protect Federal Trust Funds	PQ: 223–183 A: 228–184 (12/14/95).
H. Res. 303 (12/13/95)	O	H.R. 1745	Utah Public Lands.	
H. Res. 309 (12/18/95)	C	H.Con. Res. 122	Budget Res. W/President	PQ: 230–188 A: 229–189 (12/19/95).
H. Res. 313 (12/19/95)	O	H.R. 558	Texas Low-Level Radioactive	A: voice vote (12/20/95).
H. Res. 323 (12/21/95)	C	H.R. 2677	Natl. Parks & Wildlife Refuge	Tabled (2/28/96).
H. Res. 366 (2/27/96)	MC	H.R. 2854	Farm Bill	PQ: 228–182 A: 244–168 (2/28/96).
H. Res. 368 (2/28/96)	O	H.R. 994	Small Business Growth	
H. Res. 371 (3/6/96)	C	H.R. 3021	Debt Limit Increase	A: voice vote (3/7/96).
H. Res. 372 (3/6/96)	MC	H.R. 3019	Cont. Approps. FY 1996	PQ: voice vote A: 235–175 (3/7/96).
H. Res. 380 (3/12/96)	MC	H.R. 2703	Effective Death Penalty	A: 251–157 (3/13/96).
H. Res. 384 (3/14/96)	MC	H.R. 2202	Immigration	PQ: 233–152 A: voice vote (3/21/96).
H. Res. 386 (3/20/96)	C	H.J. Res. 165	Further Cont. Approps	PQ: 234–187 A: 237–183 (3/21/96).
H. Res. 388 (3/20/96)	C	H.R. 125	Gun Crime Enforcement	A: 244–166 (3/22/96).
H. Res. 391 (3/27/96)	C	H.R. 3136	Contract w/America Advancement	PQ: 232–180 A: 232–177, (3/28/96).
H. Res. 392 (3/27/96)	MC	H.R. 3103	Health Coverage Affordability	PQ: 229–186 A: Voice Vote (3/29/96).
H. Res. 395 (3/29/96)	MC	H.J. Res. 159	Tax Limitation Const. Amdmt.	PQ: 232–168 A: 234–162 (4/15/96).
H. Res. 396 (3/29/96)	O	H.R. 842	Truth in Budgeting Act	A: voice vote (4/17/96).
H. Res. 409 (4/23/96)	O	H.R. 2715	Paperwork Elimination Act	A: voice vote (4/24/96).
H. Res. 410 (4/23/96)	O	H.R. 1675	Natl. Wildlife Refuge	A: voice vote (4/24/96).
H. Res. 411 (4/23/96)	O	H.J. Res. 175	Further Cont. Approps. FY 1996	A: voice vote (4/24/96).
H. Res. 418 (4/30/96)	O	H.R. 2641	U.S. Marshals Service	PQ: 219–203 A: voice vote (5/1/96).
H. Res. 419 (4/30/96)	O	H.R. 2149	Ocean Shipping Reform	A: 422–0 (5/1/96).
H. Res. 421 (5/2/96)	O	H.R. 2974	Crimes Against Children & Elderly	A: voice vote (5/7/96).
H. Res. 422 (5/2/96)	O	H.R. 3120	Witness & Jury Tampering	A: voice vote (5/7/96).
H. Res. 426 (5/7/96)	O	H.R. 2406	U.S. Housing Act of 1996	PQ: 218–208 A: voice vote (5/8/96).
H. Res. 427 (5/7/96)	O	H.R. 3322	Omnibus Civilian Science Auth	A: voice vote (5/9/96).
H. Res. 428 (5/7/96)	MC	H.R. 3286	Adoption Promotion & Stability	A: voice vote (5/9/96).
H. Res. 430 (5/9/96)	S	H.R. 3230	DoD Auth. FY 1997	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Mr. SOLOMON. That is so important, Mr. Speaker, if we are going to continue to depend on an all-voluntary military that will attract good qualified young men and women from all across America, from all walks of life.

This bill makes positive strides in other categories as well. The Committee on National Security added $1.5 billion to the President's request for research and development, including $860 million for missile defense.

Mr. Speaker, it is time for this President to commit himself to defending the American people against ballistic missiles. That is so important. The time for talk is over. There are no more excuses for not protecting ourselves. We know that there are literally dozens of terrorist state governments out there, not to mention countries like Iran and Iraq and Libya and North Korea and a number of others who at any given time, because of the advances that they have made in their military preparedness, could launch missiles right off the coast from submarines.

This additional funding, Mr. Speaker, along with the Defend America Act that we will consider next week, will help make missile defense a reality in this country.

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Mr. Speaker, the long slide in defense spending must come to an end. The end of the cold war did not mean that America no longer has any interest in defending itself around the world. A robust military posture is critical to safeguarding those interests.

Mr. Speaker, nor did the end of the cold war mean that the American forces do not need the best equipment and weaponry that they can possibly get. They do. And the end of the cold war certainly did not mean that America is less vulnerable to missile attack, as I have just alluded to. It is, and even more so than during the cold war.

Once again, the gentleman from South Carolina, Chairman SPENCE, and the Committee on National Security deserves high praise for their work, and I would urge support for this rule. Then when we take up the bill on Tuesday and Wednesday, I would urge strong support for maintaining the provisions that are in that bill. It is a good bill. I commend the committee for bringing it to this floor.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume. I thank the gentleman from New York for yielding the customary 30 minutes of debate time to me.

I personally support House Resolution 430, the rule to H.R. 3230, the National Defense Authorization Act for Fiscal Year 1997. However, there is opposition to the rule because it does not allow for any amendments that would provide for a reduction in defense spending.

Specifically, the Foley-Shays amendment would reduce the overall authorization level of the bill to $264.7 billion, which is the same level for fiscal year 1996 and a decrease of $2.3 billion from this year's authorized level. Congresswoman SCHROEDER also offered an amendment that would cut the overall level of defense spending by $13 billion. Both amendments were not made in order by the Committee on Rules.

Mr. Speaker, H.R. 3230 reflects the country's continued effort to revitalize America's defenses in order to meet the security requirements of the post-cold-war world. The world has undergone tremendous changes over the last few years. The Soviet Union is no longer the dominant military threat it once was. However, we are still seeing other trouble spots breaking out throughout the world. It is therefore critical that we maintain a strong defense.

I commend the committee's fine job in bringing this bill to the floor and its commitment to maintain the technological advantage enjoyed today by U.S. military forces and to ensure that edge in the future. Mr. Speaker, I believe this bill does just that.

The bill authorizes a total of $267 billion for DOD programs for fiscal year 1997—$13 billion above the President's request. And $7.5 billion of this increase is slated for weapons procurement.

In particular, this bill authorizes funding for 10 C-17's for fiscal year 1997, an airplane that is critical to our Nation's future airlift capabilities. The bill also increases the administration's request and authorizes $732 million for procurement of six V-22 Osprey—the tiltroter aircraft that will provide medium lift capabilities for our forces. In addition, the bill authorizes funding for six F-16 aircraft in fiscal year 1997 and $2 billion on continued development of the F-22 stealth fighter. I also commend the committee for recommending an increase of $290 million to the administration's request of $528 million, to accelerate the conventional conversion of the B-2.

Other programs which strengthen our national defense and ensure our ability and readiness to respond forcefully to threats to our security are also authorized in this bill.

Mr. Speaker, 109 amendments were filed on this bill. Forty-one were made in order. While we would have wanted more to be made in order, this is a good rule, Mr. Speaker, and I urge its adoption.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Sanibel, FL, Mr. PORTER GOSS, one of the most valuable Members of this body, who serves on the Committee on Rules with me and is a member of the Permanent Select Committee on Intelligence and probably has more understanding of this issue than most Members I know.

Mr. GOSS. Mr. Speaker, I thank my friend from Glens Falls, NY, the distinguished chairman of the Rules Committee, for yielding me this time. Mr. Speaker, providing for the national defense is one of the few Federal duties outlined by our Constitution—it is our fundamental responsibility to make sure that the Armed Forces have the resources and training to protect this country from every military threat. And despite the end of the cold war, we all understand there are still many threats out there. It is a dangerous world. Just now the spreading influence of Iran—an avowed enemy of the United States—in Europe and other parts of the world is ringing alarm bells. Other obvious dangers include: nuclear proliferation, heightened regional tensions and uncertainty about the direction of powers like Russia and China. Mr. Speaker, I share the concerns of many Americans about our President's on again-off again commitment to key national security issues. President Clinton seems content to lend his tacit approval to Iran's expansion into Europe, while at the same time recommending drastic reductions in defense resources. Even the liberal media is commenting on this state of affairs. While I note that in some ways this bill might be too comprehensive—in terms of the social issues that would, I think, be better debated elsewhere—I commend the National Security Committee for bringing forward a responsible bill in a bipartisan manner. During the Rules Committee hearing on this legislation, the spirit of cooperation and consensus that went into crafting this bill was very evident.

Mr. Speaker, I think that we have worked in the same spirit to put together the rule before us. After sifting through well over 100 amendments, we have a fair rule that makes in order a total of 42 Republican, Democrat, and bipartisan amendments on a wide range of issues. And once again we have done so in a single rule, where past Congresses have required multiple rules for this bill. I would urge strong support for this rule.

Mr. FROST. Mr. Speaker, I yield 7 minutes to the gentleman from California [Mr. DELLUMS], the ranking member of the committee.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, while oftentimes many of us take the well to discuss the substantive nature of the bill before us in the context of the debate on the rule, this is the rule. And for people who do not understand, the rule is the process by which we determine how we deliberate, discuss, and debate a significant piece of legislation.

Make no mistake about it, this is indeed a significant piece of legislation. It is the next fiscal year's defense authorization bill to the tune of $267 billion, not million, billion. That is an extraordinary amount of money, Mr. Speaker, $267 billion.

This rule determines how we shall debate, what we shall debate. It establishes the framework for the deliberation on this floor. And I am constrained to challenge the process for the following reason: The gentleman is correct, there are 6 quasi-substantive amendments, 35 remaining amendments, and I would like to say to my colleague had over 90 percent of these 35 amendments been introduced in committee, we would have accepted them. They are not very substantive. They are noncontroversial. For the most part they seek reports. They are language amendments. They do very little. They do not really go to the question of policy. Nor do they, Mr. Speaker, go to the issue of dollars.

At a time when my colleagues on the other side of the aisle have been paralyzed the Government of the United States in order to put forward the notion of a balanced budget, in the context of a post-cold-war environment, this budget seeks to increase the President's military request by $13 billion.

Now, I am a mature guy. I have walked up and down this Hill now for almost 26 years, and I respect political difference. I understand partisanship. I understand ideological differences. I understand policy differences. I even understand fiscal differences. That is no problem. That is why the American people elect Democrats and Republicans, liberals, conservatives, and moderates.

But what I have great difficulty understanding and accepting is a process that renders us impotent, and I underscore "impotent," Mr. Speaker, for the purposes of emphasis, in getting at the top line of $267 billion.

I respect the fact there are Members in this body who seriously believe we ought to spend $267 billion. No problem. Let us have debate. But there are those of us who do not believe in the context of a post-cold-war environment, in the framework of a balanced budget, limited dollar environment, when we are punishing poor people, creating significant problems as we reduce expenditures across the line, $13 additional billion in the military budget, when there is no longer a Soviet Union, when there is no longer a Warsaw Pact, it seems to me is right for us to debate. We ought to be able to accept each other's differences and let the body decide.

For the rule precludes that, and there is something wrong. As I looked at the proposed amendment, there was even a Republican amendment that would have reduced this military budget to last year's level. That would have been, Mr. Speaker, a $3 billion cut. If there were those that wanted to reduce it, whack to the President's request, it would have been roughly a $13 billion cut. So we should have had the opportunity, somewhere between $3 billion and $13 billion, to have a significant debate about whether or not we ought to spend this kind of money in this atmosphere.

I would have to live with the results of that debate and how my colleagues would decide to approach the issue. But to have no opportunity, Mr. Speaker, to do so flies in the face of what we ought to be about. It is, as I said before the Committee on Rules, our raison d'etre. It is our responsibility, it is our reason for being, to debate these issues.

We have been for the last nearly year and a half talking about balanced budgets until we know each other's speeches by heart, but we ought to have the opportunity.

Now, granted that we have equally divided the amendments between Democrats and Republicans. I have no problem with that. The fact that we have got 6 major amendments and 35 fairly noncontroversial amendments, some problem. But I will even put that aside. But to have no amendments on the top line, what it says, Mr. Speaker, is that Members of Congress will have no opportunity to challenge the top line, no other priorities. We in this rule will defend this turf. You have disenfranchised 435 Members of Congress, who should have the opportunity on any issue, to debate the substantive matters.

Now, Mr. Speaker, your response might be, well, maybe you ought to debate the military budget top line in the context of the total budget. But each Member of Congress was cautioned that when we debate later this week the budget, if you wanted to submit a proposal, it had to be in the nature of a substitute. Mr. Speaker, you understand what that means. That means each Member has to file a total budget, not just their concerns about a particular budget.

What I am suggesting to you is not one single Member of Congress will have the opportunity to get at the top line of $267 billion, whether they are Republican or Democrat, and there is something wrong about that.

I do not mind staying here all night to debate. We have stayed here all night to debate some matters that could have been debated in 1 hour, but we stayed, we drank coffee and we stayed all night. But when we come to $267 billion, we want to drive this train at 100 miles an hour.

That is why we are being paid, to discuss and debate. I think I have demonstrated, Mr. Speaker, over the years I am willing to live with the result, but give us our chance. There has not been a chance to do that. For those reasons, I am constrained to oppose this rule, and I ask my colleagues to aggressively oppose this rule. It flies in the face of decency, democratic principles, and does not allow us to carry out our fiduciary responsibilities to the American voter and the taxpayer.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume just to respond briefly.

Mr. Speaker, I say to my very good friend, and I have such great respect for him, I commended him the other day when he was chairman of the committee, we all really looked up to him with great respect, because he handled himself so well in the committee. But let me just say in this rule, we have made in order all of the important issues that were out there. Many were missing from years past. They were not offered by the Democrats or Republicans. We are dealing with Nunn-Lugar, which is in my opinion a very, very bad program, where we have given the Russian Government money to dismantle some of their missiles and they have diverted it to God knows where. We need to get to the bottom of that. We make those amendments in order.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Speaker, if the gentleman will yield for one brief question, I will not quarrel with that. I am simply saying the top line. There were several amendments, Republican and Democrat. Can you explain why we do not have the opportunity? How that could happen?

Mr. SOLOMON. Mr. Speaker, reclaiming my time, I am about to do that. I appreciate the gentleman's concern. We also deal with the very controversial issue of abortion. We deal with the HIV issue. These are all major issues where we are giving major portions of the time for debate.

□ 1245

We get involved with the Army reserve, with the gentleman from New Jersey [Mr. SAXTON] sitting here. That is a very controversial issue. We get involved with burden sharing. That is a very controversial issue that I have worked with the gentleman from California [Mr. DELLUMS] and the gentlewoman from Colorado [Mrs. SCHROEDER] on for years.

But getting back to the top line figure itself, there is nothing worse than the way we have had handled this in the past where Members are allowed to stand up here and offer an amendment to freeze defense spending. What does that mean? Where are we then going to prioritize? Or we are going to cut defense spending by 10 percent across the board? What does that do to the priorities? Cut it by 5 percent, 2 percent. We have had Members that want to offer amendments to cut it by 1 percent. That is not the way to go about it.

There is something strange here because in years past, as the gentleman knows, we have had numerous amendments to come in and cut particular weapons programs. The gentleman has always offered amendments to cut the B-2 program. Those amendments are nonexistent of the 117 that were presented to us.

Now, what I am saying is that we have a budget resolution coming up in which the Committee on the Budget has agreed to a figure of $267.3 billion. The budget that is here now recalls for $600 million less than that.

In addition, the area to fight, where we are going to have the top line, is either in the budget resolutions that are going to come before this House the day after this bill is completed, or in the defense appropriation bill, where we actually appropriate the money for all of these programs. That is why we do not see amendments being allowed today to cut across the board or to freeze defense spending.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from California briefly because I am using up all our time.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman. Quickly, if I hear the gentleman correctly, then, he is suggesting that no amendments in perpetuity will be allowed to cut any other budget other than the military budget; housing, welfare, education, all these other programs. We will not allow amendments to reduce those budgets either? Because if that is the case, I can show the gentleman chapter and verse where those kinds of amendments were allowed.

This is big money, 267. So are we setting a new precedent or establishing a new policy? Because if we are, this is a major point of departure.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, I would say to the gentleman that, no; we are setting no precedent. The gentleman knows that we have this bill on the floor next week. We have a missile defense system bill on the floor, and then we have the budget bill followed shortly by the appropriation bills.

We want to be able to deal with this all in that broad concept in order to be able to maintain a decent military for the future of our country.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Speaker, if I heard my distinguished colleague correctly, I would make two observations. First, this is a precedent being set on the military budget that has not been set on any other budget, and that is that we cannot make cuts; that we cannot offer amendments to make cuts, and the rules will not do it. We know that is not the case. We have made cuts in other programs. I will just let that sit there for whatever that is worth.

The second point that I would make is that, if the issue is get this bill up on Tuesday and get it out by Wednesday night, this is a triumph of process over substance, and we ought to be about substance. We have time to deliberate here, and I am not trying to demagog the issue. I am willing to stay here all night like anyone else; but, when we are talking about $267 billion, slow the train down and let us have a deliberative and substantive discussion. Do not let process triumph over substance.

If we are going to establish this precedent on the military budget, then establish this precedent on programs that deal with our youth, with our poor, with our aged, with our unemployed and other programs.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HUNTER], a member of the committee.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding me this time.

I want to respond just briefly to my friend from California. I believe in having substantive debates, and we have had a ton of substantive debates over the last many years. One thing that I have noticed is generally not substantive, is when somebody comes to the floor not with a programmatic cut, not saying the missile defense is wrong or I want to cut the tank program or the helicopter program, but just saying I think we can take $3 billion out of the defense budget because it looks right and it feels good. And we end up with Members rushing to the floor saying is this a good one? And we have literally thousands of programs, and we have a $3 or $4 billion cut across the board.

I agree with the gentleman that the Members should be allowed to answer the tough questions. But I would say that generally the across-the-board cuts are the least substantive debates that we have in this House when they are not specific programs that those cuts are offered in the context of.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Speaker, I would respond to my colleague by saying any committee could make that argument when they came to the floor. Look, our product is a wonderful product. Do not make cuts in the program. Why should we be protected like any other committee? Two sixty-seven is a lot of money.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for the time. The debate thus far has been interesting.

I would just like to reflect on what the House has been doing the last couple of days. We considered legislation regarding housing for tens of millions of Americans across the country and the assistance they might receive from the Federal Government. We spent over an hour and a half debating the issue of pets. Pets in public housing. But during the consideration of this bill there will not be 1 minute, there will not be 1 second spent on the issue of whether or not the United States of America should continue to acquire B-2 bombers, a weapon that is worth more than its weight in gold. Every single ounce of that plane is worth more than an ounce of gold.

Not 1 minute will be spent on whether or not we should acquire additional B-2 bombers, a weapon system that even the Pentagon does not want. But that could not happen here on the floor.

Now, the chairman will say, well, no one wanted to offer it. It was not offered because we all knew it was a done deal. The books were cooked and these kind of amendments were not going to be allowed. Why not have an open rule? The famous open rule, where we would consider any and all amendments offered by people legitimately elected.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. DEFAZIO. I do not have time to yield to the gentleman.

Mr. SOLOMON. I will give the gentleman a minute if he will yield.

Mr. DEFAZIO. All right, Mr. Speaker, I will yield if the gentleman does not use more than a minute.

Mr. SOLOMON. I thank the gentleman.

Under 40 years of Democrat rule there was never one open rule in the defense bill and the gentleman knows that. But more than that, if the gentleman himself or Mr. DELLUMS had filed a B-2 amendment, I would have made it in order. Guaranteed. No amendment is there.

Mr. DEFAZIO. Mr. Speaker, if the gentleman will open up the rule again, I will bring one by.

Mr. SOLOMON. Mr. Speaker, the gentleman is welcome to use the rest of my time.

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman and I appreciate that there will not be an amendment on star wars. Here is a fantasy program created by Ronald Reagan that has spent over $40 billion. The total results are one phonied-up test over the Pacific Ocean, which the Pentagon admits it phonied up. It did not actually work. They blew it up with a detonator. And now we are going to go ahead with billions of dollars more.

In fact, we are going to mandate deployment on an antimissile system. Which one? None of them work. Well, we do not know, but within 7 years we will deploy one for up to $40 billion or $50 billion. Probably it will not work and it is not needed.

We have missile defense in this country. It worked against the greatest threat to this country's freedom and security, the Soviet Union, for 50 years. Mutually assured destruction. No Podunk third World terrorist nation is going to launch a missile at the United States of America that is identifiable because they know they would no longer exist.

We do not need that kind of missile defense. We need defense against terrorist weapons. But we will not have the discussion about star wars here on the floor. That amendment will not be allowed.

We are not going to have a discussion about the fact that the Department of Defense cannot account for $15 billion over the last 10 years. Now, if any other agency of government were missing $500,000, we would have special committees and investigations.

Mr. Speaker, members should vote "no" on the rule.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. SAXTON], a very valuable member of the Armed Services Committee, renamed the Committee on National Security.

Mr. SAXTON. Mr. Speaker, let me commend the chairman for reporting what I think is a very fair rule. I cannot remember, Mr. Chairman, when there were 41 amendments made in order, almost half of which were of the minority party. I think that is quite commendable and I think it is quite fair, maybe more fair than the gentleman should have been.

I would also like to remind the Members that have previously spoken from the other side that it was just 25 years ago when our defense budget amounted to about 33 or 34 percent of everything we spent through the Federal Government. Then back in the middle 1980's we got to around 30 percent, after having dipped down quite low. And today we are spending about half as much in terms of the percentage of our total expenditure on defense as we were even in 1986.

So this is not a robust spending bill. This is a very lean spending bill. And I might say that some Members of the opposition party, particularly the leadership of the opposition party down at the White House, need to get realistic about where we are going with our defense policy and try to match our defense spending with that policy.

We have been everywhere from Somalia and Haiti and Bosnia and the straits of Taiwan, and we are worried about Korea. We have been to the Middle East. And all of these on military excursions of one kind or another all cost money, and moneys which are intended to keep our servicemen and women in a safe condition. That is essentially what we are looking to do with this rule, followed by the bill.

Early on our leadership said they would bring this bill to the House in a timely fashion, and the gentleman from New York has helped certainly to do that, and I commend him for it. We on the Armed Services Committee looked at this bill and we decided that there were some deficiencies because of the administration policy of using our defense forces in a robust way in many parts of the world, and so we added back some money that the President did not request.

For example, the Service Secretaries testified that they needed more money for weapons modernization. It is in this bill. And $7.5 billion was added to end the modernization holiday which is gutting our forces and providing us with little option but to send our men and women around the world with a lack of modern weapons, which they really need.

The Secretary of Defense asked for a quality of life program, and as the chairman knows, it is in this bill: A 3-percent pay increase, a 4.6-percent hike in base allowance for quarters, and a provision to aid single service members to live off post.

Many Defense officials cited the need for more family housing, and it is in this bill. This is something that is extremely necessary for quality of life. And so we are very pleased to bring forth this rule as well as the provisions of the bill which will follow.

Once again, I commend the chairman and also thank him for making in order the amendment which we will debate for 30 minutes.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, I rise to oppose the rule.

I recall when we opened this Congress the colleagues on the other side told us we were going to have open rules and free and open debate, and this is a protestation, a rule that has been mostly honored in the breach, and this rule is a classic example of it.

This bill adds $12.9 billion to the President's request, the Pentagon's request for national defense. There was an amendment filed that would strike the entire $12.9 billion. In all candor, I probably would not have voted for it, but that is the overarching issue here.

At the very least we should open the debate with how much money we are going to spend on national defense. If we do not want to debate $12.9 billion, a huge add-on, at least we could have taken up the Foley amendment offered by a gentleman from the other side of the aisle to strike $2.6 billion and keep defense spending flat next year with the level of spending this year. But that amendment, too was precluded by this particular rule.

These two amendments, as I said, are the overarching issues. They address what we are going to spend and what we are going to allocate to defense. Deep within the interstices of this rule there are other things that are precluded that I think are good government amendments. I offered one. A simple amendment to strike $25 million in funding that was added to the budget to accelerate the production of plutonium pits that go into nuclear weapons.

□ 1300

We have more plutonium pits than we can say grace over. If you want to restart production, $25 million is a spit in the bucket compared to what it is going to cost.

My amendment to knock out this entirely unnecessary $25 million was not made in order. I am the ranking member of the R&D subcommittee on our committee. There is a provision here that precludes the use of this money for developing short takeoff and landing capabilities for the Joint Strike Fighter, which means it precludes its use for the Marine Corps. I know there has been some sort of compromise struck. Let us do it on the floor, do it in the well, put it behind us, and let us have that debate here and now.

What are we going to debate then? We are going to debate social issue, totally peripheral to this bill, important maybe, but not as important as how much we spend on national defense. We are reopening gays in the military and HIV-positive serving, that is what this debate will be focused upon, not the key issues of how best to defend this country and how much to spend. That is why we should all oppose this rule and start over again.

Mr. SOLOMON. Mr. Speaker, I am a little surprised at the attitude of the gentlemen from South Carolina [Mr. SRATT].

The gentleman from South Carolina, [Mr. SPRATT] was a member of the majority for many years here and never once put an open rule on this defense bill on the floor. He knows that. This is more balanced, which the gentleman from California [Mr. DELLUMS] will agree, as far as the distribution of amendments. Not only have we been fair, but to this gentleman, Mr. SPRATT, we have made two amendments that were very critical to him in order. There were many Republicans that were turned down; many Democrats that were turned down.

I think the gentleman should be a little more grateful for what we did for him instead of standing up here and knocking a rule that makes it that much more difficult for me to give him amendments in the future that he asks for.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. HOKE], perhaps another disgruntled Member who did not get his amendment made in order, because we made 2 Spratt amendments in order and there was not room for it, but nevertheless he is a very valuable Member of this body. He has a good point to make here. I yield 3 minutes to gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I rise with some regret because the time has been given to me so graciously by the gentleman from New York, who is not only a great chairman but he is a great marine. But I still nonetheless rise with no less resolve in opposition to this blatantly unfair rule.

It is unfair because it does not permit the people's representatives to hear a tragic and disturbing story that they deserve to hear. It is the story of how defense contracts for military landing gear are being sent abroad; how American working men and women are sweating blood to send tax dollars to Washington so that we can send their jobs overseas; how the percentage of foreign landing gear contracts has increased from 15 percent in 1992 to 76 percent in 1996. These are the U.S. contracts for our landing gear. They have gone from 85 percent in 1992 down to 24 percent in 1996.

How the American landing gear industrial base has been decimated as a result of that; how 77 United States cities had businesses with landing gear defense contracts in 1992 and how that has dwindled to 38 cities today, cities like Pomona, CA; Upland, CA; East Haven, CT; Sarasota and Stuart, FL; Wichita, Kalamazoo, New York City, Cincinnati, Dallas, Salt Lake City, Seattle, Oshkosh. How Americans actually are providing foreign aid to some of those governments so that not only can their citizens subsidize the stealing of American jobs but American citizens can subsidize that, too.

Out of the $200 million that we spent just on Air Force landing gear, not Army or Navy, in the past 7 years, nearly half has gone abroad.

Well, maybe now they have heard the story, but if we do not defeat this terrible rule, the people's representatives will not have the opportunity to stop this outrageous abuse of American tax money and have the trust that they place in us. I do not care if you are a fair trader or a free trader or something in between, but when we use American workers; taxes to send jobs building our own military aircraft overseas to be built by foreign governments, subsidized by their own taxpayer dollars there, everyone knows that is wrong. We should not do it. We should be voting on this amendment. Defeat this rule.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Speaker, I rise to state my opposition to this rule. This is supposedly an opportunity for a candid debate on the merits of the 1997 Department of Defense authorization bill. The Committee on Rules is supposed to enable this debate.

My colleagues submitted 117 amendments to this bill. Although this is a high number, it is actually lower than in previous years. Why? Because it is difficult to draft amendments to a bill you have not seen. And this bill became available to Members the day after amendments were due. So by sheer will, 117 amendments were submitted. However, we are going to debate only 41 of them.

The Committee on Rules has shut down 68 percent of the amendments they received. Clearly the majority have carefully selected which amendments they want to debate candidly. So, Mr. Speaker, I want to talk about one issue that we will not be debating, because under this rule we will not be debating the majority's addition of $12.9 billion to the President's budget request for defense. We added $7 billion above what the Pentagon asked for last year. Now in this year of balancing the budget, we say to a government agency, the Pentagon, you did not ask for enough money. We have found $13 billion that you should have asked for, but we are going to give it to you.

Then we are going to bring it to the House of Representatives for a debate, and there is not a Member who has an opportunity to question whether or not we should be giving that agency more than they asked for. Could you imagine any other budget that we deal with on the floor of this House that we would say to a government agency, you did not ask for enough money. We are going to give you more then we are not going to debate it.

That is exactly what this rule does. The same people that want to balance the budget, want to take 15 percent of the budget, increase it by $13 billion and say when we have debate on the floor of the House, we are not going to debate whether it is in the Nation's interest to have added this money to the bill, not to mention the fact that we are adding money for missile systems, and if you look at the Republican budget over 7 years that you voted for, if you look at the increases in the $13 billion, how are we going to maintain this equipment?

If you look at the outyears of the Republican budget, it is heavy on the front end, but once you get into the sixth, seventh, eighth, later years of that budget, it goes down. We have already added $20 billion in 2 years beyond what the Pentagon asked for. No one in America really believes that this is the way that you balance the budget. We should defeat this rule. It is unfair and it does not give the American public an opportunity to debate whether or not we ought to be giving $13 billion more than the Pentagon asked for.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume just to respond to the former speaker.

It is too bad that the Clinton administration intimidates our Joint Chiefs of Staff. A perfect example of that was that the Clinton administration, which now is permeated with people that never served in the military, there is nothing all wrong about that, but sometimes you have a different way of thinking. I have, as a matter of fact, an amendment that will be made in order and brought up on Tuesday to investigate why we are not giving veterans priority consideration under the laws of the land in the Clinton administration, not only in the Defense Department but everywhere.

But the point is, there was a situation just recently where the Clinton administration now wants to privatize all of the military depots throughout the country. Sounded like a pretty good idea. Sounds like GERRY SOLOMON, privatize. But that would have been a disaster in case of emergencies to do that.

The Clinton administration forced the Joint Chiefs of Staff, all but one, to sign a letter saying that they believed in privatizing. That is exactly the same situation on the level of funding for the Defense Department. The previous speaker knows that. That is why we have to override the President and put in the money that we, the Congress of the United States, think is necessary.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

I would only caution my friend, the chairman on the other side, about certain remarks. I would remind him that the Speaker of the House, Mr. GINGRICH, did not serve in the military. The majority leader of the House, Mr. ARMEY, did not serve in the military. The majority whip of the House, Mr. DELAY, did not serve in the military.

I know the gentleman served in the military, as did I, but I would urge the gentleman not to make remarks about the Clinton administration and people who did not serve in the military when there are leaders on his side of aisle who also did not serve in the military.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. FROST. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, the gentleman knows that I was not criticizing. I made it very clear that I was not. It is not a prerequisite to have served in the military, but sometimes you do think a little differently. But I have no criticism for any of those that you mentioned, including the President, in spite of the differences about how he did not serve, in my opinion. I have not criticized him in any way about that.

Mr. FROST. Including the Speaker and the majority leader and the majority whip who also did not serve.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. I thank the gentleman from Texas for yielding the time.

I want to offer an insight into this debate that hopefully will be accepted by the distinguished chairman of the Committee on Rules. The defense is everyone's business. Defense is everyone's business. It is the business of America. It is the business of this Congress. It is the business of the President of the United States.

The authorization process which we are engaged in and reviewing a rule for is a very important process. It sets the tone for the Committee on the Budget and the Committee on Appropriations. I cannot imagine why it is not appropriate for those of us who offered a simple amendment to reduce the Defense Department's budget to the extent that they wanted to have it. This budget is $13 billion more than they requested.

I might add, having come from a family of those who have served in the military, I do not find them intimidating easily. I might not imagine that the Joint Chiefs would be intimidated by the fact that someone elsewhere is pressuring them to do something. I offered a simple amendment to reduce the defense budget by $6 billion. Fairly that leaves $7 billion remaining in that budget over the amount requested by the Defense Department.

I do not even dictate to the Defense Department how they should do the reductions. I believe in readiness. I believe in military personnel. I have been to Bosnia and Croatia and the former

Yugoslavia, Italy and Germany to look at our troops, others have been elsewhere.

I know the value of making sure that our military personnel are ready and well and kept. I am glad that the chairman of the Committee on Veterans' Affairs believes in, the Committee on Rules believes in veterans preferences. I can assume that he believes in affirmative action as well. None of that will be damaged, if you will, by a simple opportunity to discuss a reduction in the defense budget. We, Mr. Speaker, must do so.

I do agree, however, with the Harman amendment which respects the men and women in the military that are HIV positive, respecting their heroism, respecting their leadership and not denying them the opportunity of being in the U.S. military.

Let us open the rule and allow debate on reducing this budget. I think the Defense Department will be happy. The men and women in the military will be happy, and we will do what is right for America.

Mr. Speaker, I rise to oppose the rule on H.R. 3230, the Defense authorization bill. The amount of the authorized appropriations in the bill exceed the amount requested by the Department of Defense by $13 billion. I offered an amendment in the Rules Committee that would have reduced the total appropriations for the Department by $6 billion. However, the Rules Committee did not accept my amendment.

I believe that the entire House of Representatives should have the opportunity to determine whether this $13 billion increase over the Defense Department's recommendation is prudent. Most Members have not had the opportunity to review this bill in any depth. I am surprised that many Members of this body who speak strongly in favor of a balanced budget would not take the opportunity to allow a vote on an amendment that would help us to reach the goal of deficit reduction. Even if some Members believe that the Defense Department needs significant increases in funding, my amendment would have still allowed the Department to operate on $7 billion above the President's request.

The Department of Defense must contribute its fair share of the sacrifice in achieving fiscal responsibility for our Government. Programs such as Medicaid, Medicare, education, housing, and environmental protection must not endure a disproportionate share of the burden in balancing the budget.

I am sure that Members of Congress and the Department of Defense can work cooperatively to find some reductions in the Department's budget. For example, in the procurement area, you could carefully review the number of C–17 planes, the number of DDG–51 destroyers, and the number of strategic missiles. Additionally, in other areas, you could examine whether some airborne missions or reserve divisions need to be merged to save money. We need to have a real debate on these important issues of the Department's priorities. The proposed rule for this bill does not allow us to have this important discussion. I believe, however, in any Defense reduction the Defense Department would make the correct decisions.

There are a few positive amendments that were allowed by the Rules Committee such as an amendment striking the provision stating that military personnel who are HIV-positive would have to separate themselves from active service. But such positive amendments don't negate the need to discuss reductions to the Defense Department authorization.

The rule for this bill is still too restrictive and I urge my colleagues to reject this rule and allow amendments that would reduce the overall level of authorized appropriations for the Department of Defense.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, this is really an incredible rule. What we have been hearing for the last year and what we will be hearing shortly is that the leadership here in the Congress thinks that we should make savage cuts in Medicare, force elderly people who do not have the money to pay more for premiums. Meanwhile, they are suggesting that we spend $13 billion more for the military than the President wants. Do not you think the American people are entitled to that debate on priorities? The Republican majority wants to savage Medicaid; 88 million people will no longer have health insurance. Children will be without health insurance. Elderly people will be unable to pay for their prescription drugs.

□ 1315

Mr. Speaker, I ask, "Don't you think we should have a debate as to whether or not we cut military spending, or we salvage Medicaid?"

I think the American people want that debate.

Maybe they will agree with our colleagues. Maybe they think we should spend more money on star wars and B–2 bombers and less money on health care; maybe our colleagues are right. I do not think they are. But I think that is a debate that we should have.

Mr. Speaker, all over America, middle-class families are desperate. In Vermont they are knocking their brains out trying to figure out how they can afford to send their kids to college. Meanwhile the Republican leadership is cutting back on loans and grants.

I think the American people, the middle class of this country, has a right to decide whether we put more money into education or whether we continue to spend a hundred billion dollars a year defending Europe and Asia against a nonexistent enemy.

Mr. Speaker, some of the cuts that have been advocated here by the Republican leadership are cruel, they are unnecessary. It seems to me that before we go after nutrition programs for children, we take a hard look at the military budget. We have a right to have that debate.

Defeat this rule.

Mr. FROST. Mr. Speaker, I would advise the gentleman from New York [Mr. SOLOMON] we only have one speaker remaining on our side who will close for us. I do not know if the gentleman has any other speakers.

Mr. SOLOMON. I ask the gentleman, who is that speaker, sir?

Mr. FROST. The gentleman from California [Mr. DELLUMS].

Mr. SOLOMON. In that case, Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HUNTER]. I can think of no one better to speak on behalf of this bill than this gentleman who is a very good friend of the gentleman from California [Mr. DELLUMS]. He is a member of the committee, been there a long time and has so much experience in this field.

Mr. HUNTER. Mr. Speaker, first let me thank the gentleman from New York [Mr. SOLOMON] for the great job that he has done as chairman of the Committee on Rules because he puts together this rule not only with an understanding of the parliamentary mechanics that go with that job, but also as somebody who really understands national security, and I want to thank him for that job and thank our full committee chairman, the gentleman from South Carolina [Mr. SPENCE] for the input that he has.

Mr. Speaker, for my colleagues who maybe did not get an amendment made in order, I did not get one of my amendments made in order, and I offered a couple of them, and yet I support this rule, and let me tell my colleagues why I do.

First, we did add to this year's defense request, but it was done because the military wanted that additional money. In fact, we asked the service Chiefs this year, and the genius of the gentleman from South Carolina [Mr. SPENCE] this year was to bring in the service Chiefs and ask them to tell us what they really wanted beyond President Clinton's defense budget. They asked for $15 billion in added modernization and equipment. They asked for $15 billion more. We gave them about $7 billion more.

If we look at President Clinton's defense budget, his 5-year defense plan in 1995, do my colleagues know what he asked for modernization this year? Almost $50 billion. do my colleagues know what he asked for when he actually got to the year-end question this year? Went down to $38.9 billion, and after his own chiefs came in and said we need this, then we acted and we gave them about half of what they requested, of the additional add-on they requested, and the total bill, when we put it together, was still about $4 billion less than President Clinton said in 1995 we would need for this year.

So the first question is, Did the military want this? And the answer is, "Absolutely, yes."

Second, do they need it? I think the best symbol of whether or not they need it is a meeting that the gentleman from Missouri [Mr. SKELTON], the ranking member, and I had with the U.S. Marine Corps and other service groups, specifically the ammunition experts when we asked them, "Can you fight two wars? If your infantry men have to fight the 2 MRC scenario, will they have enough bullets in their ammo pouches to fight two wars?"

They said "no." Marines are always candid. The marines said they do not have enough ammo to fight two wars; they are 96 million M-16 bullets short. These ammo pouches, like the one I am holding here, will be empty if our marines are caught up in that two-war scenario.

So, yes, we added ammunition for the marines, and they added a lot of other ammunition in the marine account, too. Howitzers, tank ammunition, and down the line, we put in everybody dime of ammo that they needed, and one of the gentlemen who complained about the top line was a Member who joined in letters asking for about $300 million in add-ons. Now, that is not bad because I think that he too realizes that this defense budget is coming apart at the seams.

The Clinton defense plan is coming apart at the seams. It results in not enough ammunition for the troops, it results in not making the safety upgrades for 24 Aviate Marine jumpjets, and the marine aviators told us it would become 50 percent safer if they got those upgrades. It is very expensive to do the upgrades, but we put the money in to do that. So, yes.

The second question, Do they need it? Answer is, "Absolutely, yes." In fact, according to the Clinton administration 2 years ago and the service Chiefs themselves, they need more, they need more than the top line we gave them.

Mr. Speaker, finally let me just say that the first obligation that we have is to defend this country, and for those Members who have talked about social needs and the need to balance this budget with social needs, it is balanced with social needs, it meets the most basic obligation; that is, to defend America.

This is an excellent bill, and the Committee on Rules has done a good job in putting this rule to the floor, and, yes, we do not have the first ever in history open rule on the defense bill, but the gentleman from California [Mr. DELLUMS] and I have engaged in a couple of 5- and 6-week defense bills at one time, and we did enjoy that debate, and I like to have as much time as possible, but I am also reminded that last year we got behind the gun and we finished our defense bill after the first of the year.

I like this rule. I think we are doing what the American people want.

Mr. Speaker, lastly let me make my last point to people that say these add-ons were not requested by the service. They were special add-ons that the members of Congress put in for pork in their district. That was the cry last year. We did a calculation, and with respect to the additional requirements that we met in this bill with the Army, those requirements that we put in were 98 percent requested by the service. With the Navy it was 86 percent requested by the service. With the Marines it was 99 percent requested by the service. With the Air Force it was 95 percent requested by the service. And I thank our full committee chairman, the gentleman from South Carolina [Mr. SPENCE] for making sure we put those numbers down this time and set the story straight.

This is a good defense bill. Let us pass the rule and let us pass the bill.

Mr. FROST. Mr. Speaker, I yield myself 1 minute, and then I will yield the remaining time to the gentleman from California [Mr. DELLUMS].

Mr. Speaker, at the beginning of this Congress the Republican majority claimed that the House was going to consider bills under an open process. I would like to point out that 86 percent of the legislation this session has been considered under a restrictive rule. Not only are the Republicans restricting the process on the floor, they are also restricting Members' input during the committee process. I find it unfortunate that 48 percent of the legislation considered this session has not been reported from committee. In fact, 13 out of 27 measures brought up this session have been unreported.

Mr. Speaker, I insert the following extraneous material in the RECORD:

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1*	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed; contained a closed rule on H.R. 1 within the closed rule	None.
H.R. 5*	Unfunded Mandates	H. Res. 38	Restrictive; Motion adopted over Democratic objection in the Committee of the Whole to limit debate on section 4; Pre-printing gets preference.	N/A.
H.J. Res. 2*	Balanced Budget	H. Res. 44	Restrictive; only certain substitutes; PQ	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive; considered in House no amendments	N/A.
H.R. 101	To transfer a parcel of land to the Taos Pueblo Indians of New Mexico.	H. Res. 51	Open	N/A.
H.R. 400	To provide for the exchange of lands within Gates of the Arctic National Park Preserve.	H. Res. 52	Open	N/A.
H.R. 440	To provide for the conveyance of lands to certain individuals in Butte County, California.	H. Res. 53	Open	N/A.
H.R. 2*	Line Item Veto	H. Res. 55	Open; Pre-printing gets preference	N/A.
H.R. 665*	Victim Restitution Act of 1995	H. Res. 61	Open; Pre-printing gets preference	N/A.
H.R. 666*	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open; Pre-printing gets preference	N/A.
H.R. 667*	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 668*	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open; Pre-printing gets preference; Contains self-executing provision	N/A.
H.R. 728*	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 7*	National Security Revitalization Act	H. Res. 83	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference; PQ	N/A.
H.R. 729*	Death Penalty/Habeas	N/A	Restrictive; brought up under UC with a 6 hr. time cap on amendments	N/A.
S. 2	Senate Compliance	N/A	Closed; Put on Suspension Calendar over Democratic objection	None.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Restrictive; makes in order only the Gibbons amendment; Waives all points of order; Contains self-executing provision; PQ.	1D.
H.R. 830*	The Paperwork Reduction Act	H. Res. 91	Open	N/A.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive; makes in order only the Obey substitute	1D.
H.R. 450*	Regulatory Moratorium	H. Res. 93	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 1022*	Risk Assessment	H. Res. 96	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 926*	Regulatory Flexibility	H. Res. 100	Open	N/A.
H.R. 925*	Private Property Protection Act	H. Res. 101	Restrictive; 12 hr. time cap on amendments; Requires Members to pre-print their amendments in the Record prior to the bill's consideration for amendment, waives germaneness and budget act points of order as well as points of order concerning appropriating on a legislative bill against the committee substitute used as base text.	1D.
H.R. 1058*	Securities Litigation Reform Act	H. Res. 105	Restrictive; 8 hr. time cap on amendments; Pre-printing gets preference; Makes in order the Wyden amendment and waives germaneness against it.	1D.
H.R. 988*	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive; 7 hr. time cap on amendments; Pre-printing gets preference	N/A.
H.R. 956*	Product Liability and Legal Reform Act	H. Res. 109	Restrictive; makes in order only 15 germane amendments and denies 64 germane amendments from being considered; PQ.	8D; 7R.
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115	Restrictive; Combines emergency H.R. 1158 & nonemergency 1159 and strikes the abortion provision; makes in order only pre-printed amendments that include offsets within the same chapter (deeper cuts in programs already cut); waives points of order against three amendments; waives cl 2 of rule XXI against the bill, cl 2, XXI and cl 7 of rule XVI against the substitute; waives cl 2(e) of rule XXI against the amendments in the Record; 10 hr time cap on amendments. 30 minutes debate on each amendment.	N/A.
H.J. Res. 73*	Term Limits	H. Res. 116	Restrictive; Makes in order only 4 amendments considered under a "Queen of the Hill" procedure and denies 21 germane amendments from being considered.	1D; 3R

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 4*	Welfare Reform	H. Res. 119	Restrictive; Makes in order only 31 perfecting amendments and two substitutes; Denies 130 germane amendments from being considered; The substitutes are to be considered under a "Queen of the Hill" procedure; All points of order are waived against the amendments.	5D; 26R.
H.R. 1271*	Family Privacy Act	H. Res. 125	Open	N/A.
H.R. 660*	Housing for Older Persons Act	H. Res. 126	Open	N/A.
H.R. 1215*	The Contract With America Tax Relief Act of 1995	H. Res. 129	Restrictive; Self Executes language that makes tax cuts contingent on the adoption of a balanced budget plan and strikes section 3006. Makes in order only one substitute. Waives all points of order against the bill, substitute made in order as original text and Gephardt substitute.	1D.
H.R. 483	Medicare Select Extension	H. Res. 130	Restrictive; waives cl 2(1)(6) of rule XI against the bill; makes H.R. 1391 in order as original text; makes in order only the Dingell substitute; allows Commerce Committee to file a report on the bill at any time.	1D.
H.R. 655	Hydrogen Future Act	H. Res. 136	Open	N/A.
H.R. 1361	Coast Guard Authorization	H. Res. 139	Open; waives sections 302(f) and 308(a) of the Congressional Budget Act against the bill's consideration and the committee substitute; waives cl 5(a) of rule XXI against the committee substitute.	N/A.
H.R. 961	Clean Water Act	H. Res. 140	Open; pre-printing gets preference; waives sections 302(f) and 602(b) of the Budget Act against the bill's consideration; waives cl 7 of rule XVI, cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Makes in order Shuster substitute as first order of business.	N/A.
H.R. 535	Corning National Fish Hatchery Conveyance Act	H. Res. 144	Open	N/A.
H.R. 584	Conveyance of the Fairport National Fish Hatchery to the State of Iowa.	H. Res. 145	Open	N/A.
H.R. 614	Conveyance of the New London National Fish Hatchery Production Facility.	H. Res. 146	Open	N/A.
H. Con. Res. 67	Budget Resolution	H. Res. 149	Restrictive; Makes in order 4 substitutes under regular order; Gephardt, Neumann/Solomon, Payne/Owens, President's Budget if printed in Record on 5/17/95; waives all points of order against substitutes and concurrent resolution; suspends application of Rule XLIX with respect to the resolution; self-executes Agriculture language; PQ.	3D; 1R.
H.R. 1561	American Overseas Interests Act of 1995	H. Res. 155	Restrictive; Requires amendments to be printed in the Record prior to their consideration; 10 hr. time cap; waives cl 2(1)(6) of rule XI against the bill's consideration; Also waives sections 302(f), 303(a), 308(a) and 402(a) against the bill's consideration and the committee amendment in order as original text; waives cl 5(a) of rule XXI against the amendment; amendment consideration is closed at 2:30 p.m. on May 25, 1995. Self-executes provision which removes section 2210 from the bill. This was done at the request of the Budget Committee.	N/A.
H.R. 1530	National Defense Authorization Act; FY 1996	H. Res. 164	Restrictive; Makes in order only the amendments printed in the report; waives all points of order against the bill, substitute and amendments printed in the report. Gives the Chairman en bloc authority. Self-executes a provision which strikes section 807 of the bill; provides for an additional 30 min. of debate on Nunn-Lugar section; Allows Mr. Clinger to offer a modification of his amendment with the concurrence of Ms. Collins; PQ.	36R; 18D; 2 Bipartisan.
H.R. 1817	Military Construction Appropriations; FY 1996	H. Res. 167	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; 1 hr. general debate; Uses House passed budget numbers as threshold for spending amounts pending passage of Budget; PQ.	N/A.
H.R. 1854	Legislative Branch Appropriations	H. Res. 169	Restrictive; Makes in order only 11 amendments; waives sections 302(f) and 308(a) of the Budget Act against the bill and cl. 2 and cl. 6 of rule XXI against the bill. All points of order are waived against the amendments; PQ.	5R; 4D; 2 Bipartisan.
H.R. 1868	Foreign Operations Appropriations	H. Res. 170	Open; waives cl. 2, cl. 5(b), and cl. 6 of rule XXI against the bill; makes in order the Gilman amendments as first order of business; waives all points of order against the amendments; if adopted they will be considered as original text; waives cl. 2 of rule XXI against the amendments printed in the report. Pre-printing gets priority (Hall) (Menendez) (Goss) (Smith, NJ); PQ.	N/A.
H.R. 1905	Energy & Water Appropriations	H. Res. 171	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; makes in order the Shuster amendment as the first order of business; waives all points of order against the amendment; if adopted it will be considered as original text. Pre-printing gets priority.	N/A.
H.J. Res. 79	Constitutional Amendment to Permit Congress and States to Prohibit the Physical Desecration of the American Flag.	H. Res. 173	Closed; provides one hour of general debate and one motion to recommit with or without instructions; if there are instructions, the MO is debatable for 1 hr; PQ.	N/A.
H.R. 1944	Recissions Bill	H. Res. 175	Restrictive; Provides for consideration of the bill in the House; Permits the Chairman of the Appropriations Committee to offer one amendment which is unamendable; waives all points of order against the amendment; PQ.	N/A.
H.R. 1868 (2nd rule)	Foreign Operations Appropriations	H. Res. 177	Restrictive; Provides for further consideration of the bill; makes in order only the four amendments printed in the rules report (20 min. each). Waives all points of order against the amendments; Prohibits intervening motions in the Committee of the Whole; Provides for an automatic rise and report following the disposition of the amendments; PQ.	N/A.
H.R. 1977 *Rule Defeated*	Interior Appropriations	H. Res. 185	Open; waives sections 302(f) and 308(a) of the Budget Act and cl 2 and cl 6 of rule XXI; provides that the bill be read by title; waives all points of order against the Tauzin amendment; self-executes Budget Committee amendment; waives cl 2(e) of rule XXI against amendments to the bill; Pre-printing gets priority; PQ.	N/A.
H.R. 1977	Interior Appropriations	H. Res. 187	Open; waives sections 302(f), 306 and 308(a) of the Budget Act; waives clauses 2 and 6 of rule XXI against provisions in the bill; waives all points of order against the Tauzin amendment; provides that the bill be read by title; self-executes Budget Committee amendment and makes NEA funding subject to House passed authorization; waives cl 2(e) of rule XXI against the amendments to the bill; Pre-printing gets priority; PQ.	N/A.
H.R. 1976	Agriculture Appropriations	H. Res. 188	Open; waives clauses 2 and 6 of rule XXI against provisions in the bill; provides that the bill be read by title; Makes Skeen amendment first order of business, if adopted the amendment will be considered as base text (10 min.); Pre-printing gets priority; PQ.	N/A.
H.R. 1977 (3rd rule)	Interior Appropriations	H. Res. 189	Restrictive; provides for the further consideration of the bill; allows only amendments preprinted before July 14th to be considered; limits motions to rise.	N/A.
H.R. 2020	Treasury Postal Appropriations	H. Res. 190	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; provides the bill be read by title; Pre-printing gets priority; PQ.	N/A.
H.J. Res. 96	Disapproving MFN for China	H. Res. 193	Restrictive; provides for consideration in the House of H.R. 2058 (90 min.) And H.J. Res. 96 (1 hr). Waives certain provisions of the Trade Act.	N/A.
H.R. 2002	Transportation Appropriations	H. Res. 194	Open; waives cl. 3 Of rule XIII and section 401 (a) of the CBA against consideration of the bill; waives cl. 6 and cl. 2 of rule XXI against provisions in the bill; Makes in order the Clinger/Solomon amendment waives all points of order against the amendment (Line Item Veto); provides the bill be read by title; Pre-printing gets priority; PQ. ***RULE AMENDED*.**	N/A.
H.R. 70	Exports of Alaskan North Slope Oil	H. Res. 197	Open; Makes in order the Resources Committee amendment in the nature of a substitute as original text; Pre-printing gets priority; Provides a Senate hook-up with S. 395.	N/A.
H.R. 2076	Commerce, Justice Appropriations	H. Res. 198	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Pre-printing gets priority; provides the bill be read by title..	N/A.
H.R. 2099	VA/HUD Appropriations	H. Res. 201	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Provides that the amendment in part 1 of the report is the first business, if adopted it will be considered as base text (30 min.); waives all points of order against the Klug and Davis amendments; Pre-printing gets priority; Provides that the bill be read by title.	N/A.
S. 21	Termination of U.S. Arms Embargo on Bosnia	H. Res. 204	Restrictive; 3 hours of general debate; Makes in order an amendment to be offered by the Minority Leader or a designee (1 hr); If motion to recommit has instructions it can only be offered by the Minority Leader or a designee.	ID.
H.R. 2126	Defense Appropriations	H. Res. 205	Open; waives cl. 2(l)(6) of rule XI and section 306 of the Congressional Budget Act against consideration of the bill; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; self-executes a strike of sections 8021 and 8024 of the bill as requested by the Budget Committee; Pre-printing gets priority; Provides the bill be read by title.	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1555	Communications Act of 1995	H. Res. 207	Restrictive; waives sec. 302(f) of the Budget Act against consideration of the bill; Makes in order the Commerce Committee amendment as original text and waives sec. 302(f) of the Budget Act and cl. 5(a) of rule XXI against the amendment; Makes in order the Bliley amendment (30 min.) as the first order of business, if adopted it will be original text; makes in order only the amendments printed in the report and waives all points of order against the amendments; provides a Senate hook-up with S. 652.	2R/3D/3 Bi-partisan.
H.R. 2127	Labor/HHS Appropriations Act	H. Res. 208	Open; Provides that the first order of business will be the managers amendments (10 min.), if adopted they will be considered as base text; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; waives all points of order against certain amendments printed in the report; Pre-printing gets priority; Provides the bill be read by title; PQ.	N/A.
H.R. 1594	Economically Targeted Investments	H. Res. 215	Open; 2 hr of gen. debate. makes in order the committee substitute as original text	N/A.
H.R. 1655	Intelligence Authorization	H. Res. 216	Restrictive; waives sections 302(f), 308(a) and 401(b) of the Budget Act. Makes in order the committee substitute as modified by Govt. Reform amend (striking sec. 505) and an amendment striking title VII. Cl 7 of rule XVI and cl 5(a) of rule XXI are waived against the substitute. Sections 302(f) and 401(b) of the CBA are also waived against the substitute. Amendments must also be pre-printed in the Congressional record.	N/A.
H.R. 1162	Deficit Reduction Lock Box	H. Res. 218	Open; waives cl 7 of rule XVI against the committee substitute made in order as original text; Pre-printing gets priority.	N/A.
H.R. 1670	Federal Acquisition Reform Act of 1995	H. Res. 219	Open; waives sections 302(f) and 308(a) of the Budget Act against consideration of the bill; bill will be read by title; waives cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Pre-printing gets priority.	N/A.
H.R. 1617	To Consolidate and Reform Workforce Development and Literacy Programs Act (CAREERS).	H. Res. 222	Open; waives sections 302(f) and 401(b) of the Budget Act against the substitute made in order as original text (H.R. 2332), cl. 5(a) of rule XXI is also waived against the substitute. Provides for consideration of the managers amendment (10 min.) If adopted, it is considered as base text.	N/A.
H.R. 2274	National Highway System Designation Act of 1995	H. Res. 224	Open; waives section 302(f) of the Budget Act against consideration of the bill; Makes H.R. 2349 in order as original text; waives section 302(f) of the Budget Act against the substitute as well as cl. 5(a) of rule XXI and cl. 1(q)(10) of rule X against the substitute; provides for the consideration of a managers amendment (10 min). If adopted, it is considered as base text; Pre-printing gets priority; PQ.	N/A.
H.R. 927	Cuban Liberty and Democratic Solidarity Act of 1995	H. Res. 225	Restrictive; waives cl 2(l)(2)(B) of rule XI against consideration of the bill; makes in order H.R. 2347 as base text; waives cl 7 of rule XVI against the substitute; Makes Hamilton amendment the first amendment to be considered (1 hr). Makes in order only amendments printed in the report.	2R/2D
H.R. 743	The Teamwork for Employees and managers Act of 1995	H. Res. 226	Open; waives cl 2(l)(2)(b) of rule XI against consideration of the bill; makes in order the committee amendment as original text; Pre-printing get priority.	N/A.
H.R. 1170	3-Judge Court for Certain Injunctions	H. Res. 227	Open; makes in order a committee amendment as original text; Pre-printing gets priority	N/A.
H.R. 1601	International Space Station Authorization Act of 1995	H. Res. 228	Open; makes in order a committee amendment as original text; pre-printing gets priority	N/A.
H.J. Res. 108	Making Continuing Appropriations for FY 1996	H. Res. 230	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	
H.R. 2405	Omnibus Civilian Science Authorization Act of 1995	H. Res. 234	Open; self-executes a provision striking section 304(b)(3) of the bill (Commerce Committee request); Pre-printing gets priority.	N/A.
H.R. 2259	To Disapprove Certain Sentencing Guideline Amendments	H. Res. 237	Restrictive; waives cl 2(l)(2)(B) of rule XI against the bill's consideration; makes in order the text of the Senate bill S. 1254 as original text; Makes in order only a Conyers substitute; provides a senate hook-up after adoption.	1D
H.R. 2425	Medicare Preservation Act	H. Res. 238	Restrictive; waives all points of order against the bill's consideration; makes in order the text of H.R. 2485 as original text; waives all points of order against H.R. 2485; makes in order only an amendment offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5(c) of rule XXI (⅗ requirement on votes raising taxes); PQ.	1D
H.R. 2492	Legislative Branch Appropriations Bill	H. Res. 239	Restrictive; provides for consideration of the bill in the House	N/A.
H.R. 2491 H. Con. Res. 109	7 Year Balanced Budget Reconciliation Social Security Earnings Test Reform.	H. Res. 245	Restrictive; makes in order H.R. 2517 as original text; waives all pints of order against the bill; Makes in order only H.R. 2530 as an amendment only if offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5(c) of rule XXI (⅗ requirement on votes raising taxes); PQ.	1D
H.R. 1833	Partial Birth Abortion Ban Act of 1995	H. Res. 251	Closed	N/A.
H.R. 2546	D.C. Appropriations FY 1996	H. Res. 252	Restrictive; waives all points of order against the bill's consideration; Makes in order the Walsh amendment as the first order of business (10 min.); if adopted it is considered as base text; waives cl 2 and 6 of rule XXI against the bill; makes in order the Bonilla, Gunderson and Hostettler amendments (30 min.); waives all points of order against the amendments; debate on any further amendments is limited to 30 min. each.	N/A
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 257	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	N/A
H.R. 2586	Temporary Increase in the Statutory Debt Limit	H. Res. 258	Restrictive; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee; self-executes 4 amendments in the rule; Solomon, Medicare Coverage of Certain Anti-Cancer Drug Treatments, Habeas Corpus Reform, Chrysler (MI); makes in order the Walker amend (40 min.) on regulatory reform.	5R
H.R. 2539	ICC Termination	H. Res. 259	Open; waives section 302(f) and section 308(a)	
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 261	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A.
H.R. 2586	Temporary Increase in the Statutory Limit on the Public Debt	H. Res. 262	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A.
H. Res. 250	House Gift Rule Reform	H. Res. 268	Closed; provides for consideration of the bill in the House; 30 min. of debate; makes in order the Burton amendment and the Gingrich en bloc amendment (30 min. each); waives all points of order against the amendments; Gingrich is only in order if Burton fails or is not offered.	2R
H.R. 2564	Lobbying Disclosure Act of 1995	H. Res. 269	Open; waives cl. 2(l)(6) of rule XI against the bill's consideration; waives all points of order against the Istook and McIntosh amendments.	N/A.
H.R. 2606	Prohibition on Funds for Bosnia Deployment	H. Res. 273	Restrictive; waives all points of order against the bill's consideration; provides one motion to amend if offered by the Minority Leader or designee (1 hr non-amendable); motion to recommit which may have instructions only if offered by Minority Leader or his designee; if Minority Leader motion is not offered debate time will be extended by 1 hr.	N/A.
H.R. 1788	Amtrak Reform and Privatization Act of 1995	H. Res. 289	Open; waives all points of order against the bill's consideration; makes in order the Transportation substitute modified by the amend in the report; Bill read by title; waives all points of order against the substitute; makes in order a managers amend as the first order of business, if adopted it is considered base text (10 min.); waives all points of order against the amendment; Pre-printing gets priority.	N/A.
H.R. 1350	Maritime Security Act of 1995	H. Res. 287	Open; makes in order the committee substitute as original text; makes in order a managers amendment which if adopted is considered as original text (20 min.) unamendable; pre-printing gets priority.	N/A.
H.R. 2621	To Protect Federal Trust Funds	H. Res. 293	Closed; provides for the adoption of the Ways & Means amendment printed in the report. 1 hr. of general debate; PQ.	N/A.
H.R. 1745	Utah Public Lands Management Act of 1995	H. Res. 303	Open; waives cl 2(l)(6) of rule XI and sections 302(f) and 311(a) of the Budget Act against the bill's consideration. Makes in order the Resources substitute as base text and waives cl 7 of rule XVI and sections 302(f) and 308(a) of the Budget Act; makes in order a managers' amend as the first order of business, if adopted it is considered base text (10 min).	N/A.
H. Res. 304	Providing for Debate and Consideration of Three Measures Relating to U.S. Troop Deployments in Bosnia.	N/A	Closed; makes in order three resolutions; H.R. 2770 (Dornan), H. Res. 302 (Buyer), and H. Res. 306 (Gephardt); 1 hour of debate on each.	1D; 2R
H. Res. 309	Revised Budget Resolution	H. Res. 309	Closed; provides 2 hours of general debate in the House; PQ	N/A.
H.R. 558	Texas Low-Level Radioactive Waste Disposal Compact Consent Act	H. Res. 313	Open; pre-printing gets priority	N/A.
H.R. 2677	The National Parks and National Wildlife Refuge Systems Freedom Act of 1995.	H. Res. 323	Closed; consideration in the House; self-executes Young amendment	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
PROCEDURE IN THE 104TH CONGRESS 2D SESSION				
H.R. 1643	To authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.	H. Res. 334	Closed; provides to take the bill from the Speaker's table with the Senate amendment, and consider in the House the motion printed in the Rules Committee report; 1 hr. of general debate; previous question is considered as ordered. ** NR; PQ.	N/A.
H.J. Res. 134 H. Con. Res. 131	Making continuing appropriations/establishing procedures making the transmission of the continuing resolution H.J. Res. 134.	H. Res. 336	Closed; provides to take from the Speaker's table H.J. Res. 134 with the Senate amendment and concur with the Senate amendment with an amendment (H. Con. Res. 131) which is self-executed in the rule. The rule provides further that the bill shall not be sent back to the Senate until the Senate agrees to the provisions of H. Con. Res. 131. ** NR; PQ.	N/A.
H.R. 1358	Conveyance of National Marine Fisheries Service Laboratory at Gloucester, Massachusetts.	H. Res. 338	Closed; provides to take the bill from the Speaker's table with the Senate amendment, and consider in the House the motion printed in the Rules Committee report; 1 hr. of general debate; previous question is considered as ordered. ** NR; PQ.	N/A.
H.R. 2924	Social Security Guarantee Act	H. Res. 355	Closed; ** NR; PQ	N/A.
H.R. 2854	The Agricultural Market Transition Program	H. Res. 366	Restrictive; waives all points of order against the bill; 2 hrs of general debate; makes in order a committee substitute as original text and waives all points of order against the substitute; makes in order only the 16 amends printed in the report and waives all points of order against the amendments; circumvents unfunded mandates law; Chairman has en bloc authority for amends in report (20 min.) on each en bloc; PQ.	5D; 9R; 2 Bipartisan.
H.R. 994	Regulatory Sunset & Review Act of 1995	H. Res. 368	Open rule; makes in order the Hyde substitute printed in the Record as original text; waives cl 7 of rule XVI against the substitute; Pre-printing gets priority; vacates the House action on S. 219 and provides to take the bill from the Speaker's table and consider the Senate bill; allows Chrmn. Clinger a motion to strike all after the enacting clause of the Senate bill and insert the text of H.R. 994 as passed by the House (1 hr) debate; waives germaneness against the motion; provides if the motion is adopted that it is in order for the House to insist on its amendments and request a conference.	N/A.
H.R. 3021	To Guarantee the Continuing Full Investment of Social security and Other Federal Funds in Obligations of the United States.	H. Res. 371	Closed rule; gives one motion to recommit, which if it contains instructions, may only if offered by the Minority Leader or his designee. ** NR.	N/A.
H.R. 3019	A Further Downpayment Toward a Balanced Budget	H. Res. 372	Restrictive; self-executes CBO language regarding contingency funds in section 2 of the rule; makes in order only the amendments printed in the report; Lowey (20 min), Istook (20 min), Crapo (20 min), Obey (1 hr); waives all points of order against the amendments; give one motion to recommit, which if contains instructions, may only if offered by the Minority Leader or his designee. ** NR.	2D/2R.
H.R. 2703	The Effective Death Penalty and Public Safety Act of 1996	H. Res. 380	Restrictive; makes in order only the amendments printed in the report; waives all points of order against the amendments; gives Judiciary Chairman en bloc authority (20 min.) on en blocs; provides a Senate hook-up with S. 735. ** NR.	6D; 7R; 4 Bipartisan.
H.R. 2202	The Immigration and National Interest Act of 1995	H. Res. 384	Restrictive; waives all points of order against the bill and amendments in the report except for those arising under sec. 425(a) of the Budget Act (unfunded mandates); 2 hrs. of general debate on the bill; makes in order the committee substitute as base text; makes in order only the amends in the report; gives the Judiciary Chairman en bloc authority (20 min.) of debate on the en blocs; self-executes the Smith (TX) amendment re: employee verification program; PQ.	12D; 19R; 1 Bipartisan.
H.J. Res. 165	Making further continuing appropriations for FY 1996	H. Res. 386	Closed; provides for the consideration of the CR in the House and gives one motion to recommit which may contain instructions only if offered by the Minority Leader; the rule also waives cl 4(b) of rule XI against the following: an omnibus appropriations bill, another CR, a bill extending the debt limit. ** NR.	N/A.
H.R. 125	The Gun Crime Enforcement and Second Amendment Restoration Act of 1996.	H. Res. 388	Closed; self-executes an amendment; provides one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee. ** NR.	N/A
H.R. 3136	The Contract With America Advancement Act of 1996	H. Res. 391	Closed; provides for the consideration of the bill in the House; self-executes an amendment in the Rules report; waives all points of order, except sec. 425(a) (unfunded mandates) of the CBA, against the bill's consideration; orders the PQ except 1 hr. of general debate between the Chairman and Ranking Member of Ways and Means; one Archer amendment (10 min.); one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee; Provides a Senate hookup if the Senate passes S. 4 by March 30, 1996. **NR.	N/A
H.R. 3103	The Health Coverage Availability and Affordability Act of 1996	H. Res. 392	Restrictive: 2 hrs. of general debate (45 min. split by Ways and Means) (45 split by Commerce) (30 split by Economic and Educational Opportunities); self-executes H.R. 3160 as modified by the amendment in the Rules report as original text; waives all points of order, except sec. 425(a) (unfunded mandates) of the CBA; makes in order a Democratic substitute (1 hr.) waives all points of order, except sec. 425(a) (unfunded mandates) of the CBA, against the amendment; one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee; waives cl 5(c) of Rule XXI (requiring ⅗ vote on any tax increase) on votes on the bill, amendments or conference reports.	N/A
H.J. Res. 159	Tax Limitation Constitutional Amendment	H. Res. 395	Restrictive; provides for consideration of the bill in the House; 3 hrs of general debate; Makes in order H.J. Res. 169 as original text; allows for an amendment to be offered by the Minority Leader or his designee (1 hr) ** NR; PQ.	1D
H.R. 842	Truth in Budgeting Act	H. Res. 396	Open; 2 hrs. of general debate; Pre-printing gets priority	N/A
H.R. 2715	Paperwork Elimination Act of 1996	H. Res. 409	Open; Preprinting get priority	N/A
H.R. 1675	National Wildlife Refuge Improvement Act of 1995	H. Res. 410	Open; Makes the Young amendment printed in the 4/16/96 Record in order as original text; waives cl 7 of rule XVI against the amendment; Preprinting gets priority; **NR.	N/A
H.J. Res. 175	Further Continuing Appropriations for FY 1996	H. Res. 411	Closed; provides for consideration of the bill in the House; one motion to recommit which, if containing instructions, may be offered by the Minority Leader or his designee. **NR.	N/A
H.R. 2641	United States Marshals Service Improvement Act of 1996	H. Res. 418	Open; Pre-printing gets priority; Senate hook-up. **PQ	N/A
H.R. 2149	The Ocean Shipping Reform Act	H. Res. 419	Open; Makes in order a managers amendment as the first order of business (10 min.); if adopted it is considered as base text; waives cl 7 of rule XVI against the managers amendment; Pre-printing gets priority; makes in order an Obestar en bloc amendment.	N/A
H.R. 2974	To amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims.	H. Res. 421	Open; waives cl 7 of rule XIII against consideration of the bill; makes in order the Judiciary substitute printed in the bill as original text; waives cl 7 of rule XVI against the substitute; Pre-printing gets priority.	N/A
H.R. 3120	To amend Title 18, United States Code, with respect to witness retaliation, witness tampering and jury tampering.	H. Res. 422	Open; waives cl 7 of rule XIII against consideration of the bill; makes in order the Judiciary substitute printed in the bill as original text; waives cl 7 of rule XVI against the substitute; Pre-printing gets priority.	N/A
H.R. 2406	The United States Housing Act of 1996	H. Res. 426	Open; makes in order the committee substitute printed in the bill as original text; waives cl 5(a) of rule XXI against the substitute; makes in order a managers amendment as the first order of business (10 min); if adopted it is considered as base text; Pre-printing gets priority; provides a Senate hook-up.	N/A
H.R. 3322	Omnibus Civilian Science Authorization Act of 1996	H. Res. 427	Open; waives cl 2(l)(2) of rule XI against the bill's consideration; makes in order a managers amendment as the first order of business (10 min); if adopted it is considered as base text; waives cl 5(a) of rule XXI against the bill; pre-printing gets priority.	N/A
H.R. 3286	The Adoption Promotion and Stability Act of 1996	H. Res. 428	Restrictive; provides consideration of the bill in the House; makes in order the Ways & Means substitute printed in the bill as original text; makes in order a Gibbons amendment to title II (30 min) and a Young amendment (30 min); provides one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee.	1D; 1R
H.R. 3230	Defense Authorization Bill FY 1997	H. Res. 430	Restrictive	41 amends; 20D; 17R; 4 bipartisan

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*Contract Bills, 67% restrictive; 33% open. **All legislation 1st Session, 53% restrictive; 47% open. ***All legislation 2d Session, 87% restrictive; 13% open. ****All legislation 104th Congress, 58% restrictive; 42% open. *****NR indicates that the legislation being considered by the House for amendment has circumvented standard procedure and was never reported from any House committee. ******PQ Indicates that previous question was ordered on the resolution. *******Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103d Congress. N/A means not available.

LEGISLATION IN THE 104TH CONGRESS, 2ND SESSION

To date 13 out of 23, or 57% of the bills considered under rules in the 2nd session of the 104th Congress have been considered under an irregular procedure which circumvents the standard committee procedure. They have been brought to the floor without any committee reporting them. They are as follows:

H.R. 1643, to authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.

H.J. Res. 134, making continuing appropriations for fiscal year 1996.

H.R. 1358, conveyance of National Marine Fisheries Service Laboratory at Gloucester, Massachusetts.

H.R. 2924, the Social Security Guarantee Act.

H.R. 3021, to guarantee the continuing full investment of Social Security and other Federal funds in obligations of the United States.

H.R. 3019, a further downpayment toward a balanced budget.

H.R. 2703, the effective Death Penalty and Public Safety Act of 1996.

H.J. Res. 165, making further continuing appropriations for fiscal year 1996.

H.R. 125, the Crime Enforcement and Second Amendment Restoration Act of 1996.

H.R. 3136, the Contract With America Advancement Act of 1996.

H.J. Res. 159, tax limitation constitutional amendment.

H.R. 1675, National Wildlife Refuge Improvement Act of 1995.

H.J. Res. 175, making further continuing appropriations for fiscal year 1996.

THE TRADITION OF OPEN RULES UNDER DEMOCRATIC MANAGEMENT OF THE HOUSE

Mr. Speaker, several times during this debate my Republican colleagues have asserted that the Department of Defense authorization bill was never before considered under an open rule and therefore they are justified in restricting amendments and not permitting debate on the amount of money to be spent on ballistic missiles or environmental restoration or, in total, on defense.

In fact, the longstanding tradition of the House, when the Democratic Party controlled this body, was to consider DOD authorization bills under an open rule. Until the 99th Congress, all DOD authorization bills were considered under open rules. For example, in each session of the 98th Congress the annual DOD authorization bill was considered under an open rule (H. Res. 197 and H. Res. 494). If Republicans had offered an open rule, it would not have been the first such rule for consideration of this important annual authorization bill.

Mr. Speaker, I yield the balance of my time to the gentleman from California [Mr. DELLUMS].

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman from Texas [Mr. FROST] for his generosity in yielding this time to me, and, Mr. Speaker and Members, we come to the close of this debate. As I said earlier, this is a debate on the procedure by which we will discuss the military policy of this country. Let me try to place that in proper context.

We now find ourselves in the context of a post-cold-war world, a significant period in American world history. We do not even know quite how to name it. We simply call it post-cold war. But it is a moment that provides with it an enormous opportunity, Mr. Speaker, an enormous opportunity to redefine our national security agenda, redefine our national security strategy in the context of the realities of the post-cold-war world.

I believe that that new post-cold-war national security strategy ought to embrace three elements: First, a healthy, vibrant American economy, which means a well-educated, well-informed, well-trained American citizenry, healthy, where there is a commitment to full employment, commitment to our children, commitment to our future.

The second element of our national security strategy ought to be a foreign policy rooted in the notions of prevention, where there is a heavier reliance on political, economic, social and diplomatic solutions to problems that would preclude the need to go to the extraordinary step of war.

And, finally, the third element of our national security strategy: a properly sized, properly trained, properly equipped military to meet the realities as we move toward the 21st century.

This military budget addresses that third element.

This military budget, as I said earlier, is to the tune of $267 billion.

Mr. Speaker, let me place that in context for people who do not understand. America's military budget is roughly equivalent to all the other military budgets in the world combined, and if we add the military budgets of America's allies in Europe and in Asia, our friends, combine those budgets, America and its friends spend in excess of 80 percent of the world's military budget, leaving slightly over 19 percent of the rest of the world's military budget in the hands of, quote, potential adversaries.

We are outspending the rest of the world, the United States and its friends, four to one. So this notion about America's military budget falling apart is a farce; it is a bizarre notion,

But we ought to intellectually grapple with each other, Mr. Speaker. I am prepared to lay down old labels, old ideas, old paradigms, old policy and old programs, but let us talk about it. There is a fiscal dimension to this. The people who put $13 billion see great dangers and see the need to march forward almost in cold war fashion. But there are those of us who see the potential, the possibilities and the great promise of moving the world away from war and moving the world away from the need to spend so much money on defense.

We ought to, irrespective of whether we agree or disagree, have the right to debate these matters free and open, and all I ask, in conclusion, Mr. Speaker, is the opportunity for free and open debate. It does not have to be an open rule. We can have a substantive debate without having open rule.

This rule is so constricted and so confined that we cannot even get to the intelligent rationale that ought to be the business of the United States Congress.

I urge my colleagues to oppose this rule, go back and give us the opportunity to stand here and carry out our responsibilities as dignified Members of the Congress.

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from New York has 2½ minutes remaining.

Mr. SOLOMON. Mr. Speaker, I will not use all of our time. I will be as brief as I can just to point out the gentleman seems to be concerned at our level of defense spending. He complains that our budget is much bigger than it should be. Yet just look across the Pacific, look at the country of the People's Republic of China who in the last several years have doubled their defense budget, doubled their defense budget, and are using, and I will not yield at this point; my colleague should not interrupt a closer. The People's Republic of China are taking the weapons that they are producing today and giving it to the stated terrorist nation enemies, professed enemies of this country like Iran, Iraq, Libya, and others, and North Korea. This country's first obligation is to be prepared militarily to defend the interests of the United States of America around this world. That is what this budget does.

Mr. Speaker, I yield back the balance of my time and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DELLUMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were yeas—235, nays 149, not voting 49, as follows:

[Roll No. 166]

YEAS—235

Abercrombie
Allard
Archer
Armey
Bachus
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Bonilla
Bono
Brewster
Browder
Brown (FL)
Bryant (TN)
Bunning
Burr
Burton

Buyer
Callahan
Calvert
Camp
Campbell
Canady
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dixon
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, E. B.
Johnson, Sam
Kasich
Kelly
Kennedy (RI)
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manton
Manzullo
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
Meek
Metcalf
Meyers
Mica
Miller (FL)
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Parker
Petri
Pombo
Porter
Pryce
Quillen
Quinn
Radanovich
Ramstad
Rangel
Regula
Richardson
Riggs
Rogers
Rohrabacher
Rose
Roth
Royce
Salmon
Saxton
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Torkildsen
Traficant
Vucanovich
Walker
Walsh
Wamp
Waters
Watts (OK)
Weldon (FL)
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—149

Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bishop
Bonior
Borski
Boucher
Brown (CA)
Bryant (TX)
Bunn
Cardin
Castle
Chapman
Clyburn
Collins (MI)
Condit
Costello
Coyne
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dingell
Doggett
Doyle
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Frank (MA)
Furse
Ganske
Gephardt
Gibbons
Gonzalez
Gordon
Gutierrez
Hamilton
Harman
Hastings (FL)
Hilliard
Hinchey
Hoke
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (CT)
Johnson (SD)
Johnston
Kanjorski
Kennedy (MA)
Kennelly
Kildee
Kleczka
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McKinney
McNulty
Meehan
Millender-McDonald
Minge
Mink
Moran
Morella
Nadler
Neal
Obey
Olver
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Reed
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Schumer
Scott
Serrano
Shays
Skaggs
Slaughter
Smith (NJ)
Spratt
Stark
Stokes
Studds
Thurman
Torres
Torricelli
Towns
Upton
Velazquez
Vento
Visclosky
Volkmer
Ward
Watt (NC)
Waxman
Weller
Wise
Woolsey
Wynn
Yates
Zimmer

NOT VOTING—49

Baker (CA)
Baker (LA)
Berman
Bevill
Boehner
Brown (OH)
Brownback
Clay
Collins (IL)
Conyers
Cunningham
Dickey
Dicks
Dooley
Ensign
Fields (TX)
Ford
Gallegly
Gejdenson
Gunderson
Hall (OH)
Hayes
Herger
Holden
Jefferson
Jones
Kaptur
Laughlin
Markey
McDade
Menendez
Miller (CA)
Moakley
Molinari
Paxon
Portman
Roberts
Ros-Lehtinen
Roukema
Scarborough
Schroeder
Skelton
Stupak
Tanner
Thornton
Tiahrt
Weldon (PA)
Williams
Zeliff

□ 1347

The Clerk announced the following pairs:

On this vote:

Mr. Dicks for, with Mr. Moakley against.

Mr. Herger for, with Mrs. Collins of Illinois against.

Mr. Scarborough for, with Mr. Conyers against.

Mrs. KENNELLY and Mr. SANFORD changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. ROS-LEHTINEN. I would have voted "aye" on House Resolution 430 if I had been present for this vote.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Speaker, due to a family emergency, on May 10, 1996, I was absent from the Capitol and missed votes on rollcall No. 163, approving the Journal; rollcall No. 164, the Young amendment to H.R. 3286; rollcall No. 165, passage of H.R. 3286; and rollcall No. 166, passage of House Resolution 430. Had I been present, I would have voted "yes" on rollcall No. 163, "no" on rollcall No. 164, "yes" on rollcall No. 165, and "yes" on rollcall No. 166.

LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, I yield to the distinguished majority whip to inquire of the schedule for the rest of the week and for next week.

Mr. DELAY. I am pleased to announce that we have concluded our legislative business for the week.

On Monday, May 13, the House will not be in session. On Tuesday, May 14, the House will meet at 12:30 p.m. for morning hour and 2 p.m. for legislative business. Members should note that we do not anticipate votes until after 5 p.m. on Tuesday, May 14.

Mr. Speaker, on Tuesday next, we will consider a number of bills under suspension of the rules. I will not read through the list at this time, but a complete schedule will be distributed to all Members' offices this afternoon.

After consideration of the suspensions, we will take up H.R. 3230, the National Defense Authorization Act for Fiscal Year 1997, the rule for which was just passed today.

On Wednesday, May 15, the House will meet at 9 a.m. and recess immediately for the Former Members' Day annual meeting. We expect to resume legislative business by 10 a.m. and complete consideration of H.R. 3230, the National Defense Authorization bill.

On Thursday, May 16, the House will meet at 10 a.m. to consider the fiscal year 1997 budget resolution.

Mr. Speaker, we should finish legislative business and have Members on their way home by 6 p.m. on Thursday, May 16.

I thank the gentleman for yielding.

Mr. BONIOR. I thank the gentleman for the information and would ask him if he plans to consider next week either of these two bills, the ballistic missile defense bill or the United Nations command and control bill.

Mr. DELAY. We do not anticipate consideration of either of those bills next week.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Speaker, I would just like to ask the distinguished gentleman from Texas a few questions. As we enter into the weekend and Mother's Day, certainly many of us are glad that we are out now to spend time in our home districts and see our families. We would just like to be able to next week have a certain schedule, so that it is not a repeat of this week when the gentleman told us that we would start votes at 2 and be out at 6 on Tuesday, and then we did not start votes until 7 and we were going until about 11.

Certainly on Tuesday of next week, from the distinguished majority leader's comments to us, he said we would come in at 12:30 and start votes at 5.

Does the gentleman know what time, then, that we will conclude business Tuesday night? Will it be 10 or 11? We certainly do not mind working hard Tuesday night, but if we could just have some certainty as to what the time is.

Mr. DELAY. If the gentleman will yield further, the gentleman's concerns are well founded. We found ourselves in circumstances that were beyond our control that caused us to work later than we anticipated this week. But I think the gentleman can count on, at least Tuesday night, going until 10 or 11 at night. We hope to get through the general debate on the defense bill and start votes somewhere around 5 and go until 10 or 11 Tuesday night.

Mr. ROEMER. If the gentleman will continue to yield, would the gentleman from Texas be open to starting much earlier in the morning Tuesday, instead of starting at 12:30, start working, like people in Indiana, about 7:30, 8 a.m. in the morning, and we get business going then to get into this complicated defense bill?

Mr. DELAY. I understand the gentleman's suggestion. I appreciate the suggestion. I do not think other Members would, in that we are trying to hold to the schedules as announced many weeks ago. And Members, particularly those Members from the West Coast, need the time to get here by 5 o'clock Tuesday night or they would have to fly the "red eye" Monday night.

It is an announced schedule, it has been preannounced. Members have already planned their schedules back in their districts, and I think it would be very difficult to start earlier.

Mr. ROEMER. I thank the gentleman.

Mr. BONIOR. I have another question on the schedule. There have been discussions and rumors on the floor that the 3 days at the end of the week, the last week of May, the 29th, 30th and 31st, might be days that the House may not meet.

Can the gentleman enlighten us on the schedule in the latter part of the Memorial Day weekend schedule?

Mr. DELAY. If the gentleman will yield further, right now we are hoping to get our work done on the appropriations bills, and those 3 days, at least at this point, we are planning on using to pass appropriations bills. So we anticipate working those 3 days.

Mr. ENGEL. Mr. Speaker, will the gentlemen yield?

Mr. BONIOR. I yield to the gentleman from New York.

Mr. ENGEL. I thank the gentleman for yielding. I would like to ask the gentleman from Texas a little more clarification about Tuesday night.

Does he anticipate votes Tuesday night on the Defense Authorization Act as well as the others?

Mr. DELAY. If the gentleman will yield further, that is correct. There will be amendments to the Defense Authorization Act as laid out in the rule, and we anticipate votes on those amendments.

Mr. ENGEL. On Tuesday night?

Mr. DELAY. On Tuesday night, starting about 5. The votes could come as soon as 5.

Mr. ENGEL. So not just votes Tuesday night on the suspensions, votes also on the Defense bill?

Mr. DELAY. That is correct.

Mr. ENGEL. I thank the gentleman.

Mr. BONIOR. I thank the gentleman from Texas.

ADJOURNMENT TO TUESDAY, MAY 14, 1996

Mr. DELAY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Tuesday, May 14, 1996, for morning hour debates.

The SPEAKER pro tempore (Mr. LATHAM). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. DELAY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, MAY 15, 1996

Mr. DELAY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, May 14, 1996, it adjourn to meet at 9 a.m. on Wednesday, May 15, for the purpose of receiving in this Chamber former Members of Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT OF 60-MINUTE SPECIAL ORDER IN TRIBUTE TO MEDAL OF HONOR WINNER ADMIRAL JOHN BULKELEY AND AVAILABILITY OF TAPE

(Mr. DORNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN. Mr. Speaker, two items. No. 1, on the first special order tonight, and I will be doing an hour tribute to a man who was a legend in his life, a living Navy legend up until a few weeks ago, Admiral John Duncan Bulkeley, Medal of Honor winner, the man who took General MacArthur off Corregidor. Fifty-five years on Navy active duty and not a single member of this administration showed up at his funeral.

Ron Brown, a pleasant chap, got a week of orations and eulogies. Nothing for this Medal of Honor winner. No Senators, no other Congressmen but myself, no Secretaries of the Navy or former Secretaries of the Navy. It was just astounding to me that this great man was all but ignored. I am doing a 1-hour tribute to him today.

Also in my office is available for any Member who wants it, any Senator who wants it, a short tape, 5 or 6 minutes, about a near orgy held in the Federal Building down Constitution, and permission was given by some people on this Hill. See this tape to see what is happening with Federal buildings and homosexual galas.

MINIMUM WAGE AND PENTAGON PORK

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, we've just passed the rule for the Defense Authorization bill.

Soon we will be voting on the Department of Defense's authorization bill. In that bill, Republican leaders have decided to give the Pentagon $13 billion more than it asked for. At the same time, however, the Republican leadership insists on making deep cuts in Medicare, Medicaid, education, and the environment in their new budget.

This, we are told, is necessary to balance the budget. But if that's the case, then why does the largest bureaucracy in the world—the Pentagon—need a $13 billion raise?

How is it that the Pentagon gets a $13 billion increase, but that low wage American workers can't get a .45 cent increase in their hourly wage?

Mr. Speaker, we can and should balance the budget. But we should do it by cutting corporate welfare and reducing our bloated military budget. And to my Republican colleagues I say, if you want to go after wasteful spending, Pentagon pork is a good place to start.

UNITED STATES HOUSING ACT OF 1996

The text of the bill (H.R. 2406), as passed by the House on May 9, 1996, is as follows:

Resolved, That the bill from the Senate (S. 1260) entitled "An Act to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes", do pass with the following amendments: Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "United States Housing Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Declaration of policy to renew American neighborhoods.

TITLE I—GENERAL PROVISIONS

Sec. 101. Statement of purpose.
Sec. 102. Definitions.
Sec. 103. Organization of local housing and management authorities.
Sec. 104. Determination of adjusted income and median income.
Sec. 105. Occupancy limitations based on illegal drug activity and alcohol abuse.
Sec. 106. Community work and family self-sufficiency requirement.
Sec. 107. Local housing management plans.
Sec. 108. Review of plans.
Sec. 109. Reporting requirements.
Sec. 110. Pet ownership.
Sec. 111. Administrative grievance procedure.
Sec. 112. Headquarters reserve fund.
Sec. 113. Labor standards.
Sec. 114. Nondiscrimination.
Sec. 115. Prohibition on use of funds.
Sec. 116. Inapplicability to Indian housing.
Sec. 117. Effective date and regulations.

TITLE II—PUBLIC HOUSING

Subtitle A—Block Grants

Sec. 201. Block grant contracts.
Sec. 202. Block grant authority, amount, and eligibility.
Sec. 203. Eligible and required activities.
Sec. 204. Determination of grant allocation.
Sec. 205. Sanctions for improper use of amounts.

Subtitle B—Admissions and Occupancy Requirements

Sec. 221. Low-income housing requirement.
Sec. 222. Family eligibility.
Sec. 223. Preferences for occupancy.
Sec. 224. Admission procedures.
Sec. 225. Family rental payment.
Sec. 226. Lease requirements.
Sec. 227. Designated housing for elderly and disabled families.

Subtitle C—Management

Sec. 231. Management procedures.
Sec. 232. Housing quality requirements.
Sec. 233. Employment of residents.
Sec. 234. Resident councils and resident management corporations.
Sec. 235. Management by resident management corporation.
Sec. 236. Transfer of management of certain housing to independent manager at request of residents.
Sec. 237. Resident opportunity program.

Subtitle D—Homeownership

Sec. 251. Resident homeownership programs.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

Sec. 261. Requirements for demolition and disposition of developments.
Sec. 262. Demolition, site revitalization, replacement housing, and choice-based assistance grants for developments.
Sec. 263. Voluntary voucher system for public housing.

Subtitle F—General Provisions

Sec. 271. Conversion to block grant assistance.
Sec. 272. Payment of non-Federal share.
Sec. 273. Definitions.
Sec. 274. Authorization of appropriations for block grants.
Sec. 275. Authorization of appropriations for operation safe home.

TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

Sec. 301. Authority to provide housing assistance amounts.
Sec. 302. Contracts with LHMA's.
Sec. 303. Eligibility of LHMA's for assistance amounts.
Sec. 304. Allocation of amounts.
Sec. 305. Administrative fees.
Sec. 306. Authorizations of appropriations.
Sec. 307. Conversion of section 8 assistance.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

Sec. 321. Eligible families and preferences for assistance.
Sec. 322. Resident contribution.
Sec. 323. Rental indicators.
Sec. 324. Lease terms.
Sec. 325. Termination of tenancy.
Sec. 326. Eligible owners.
Sec. 327. Selection of dwelling units.
Sec. 328. Eligible dwelling units.
Sec. 329. Homeownership option.
Sec. 330. Assistance for rental of manufactured homes.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

Sec. 351. Housing assistance payments contracts.
Sec. 352. Amount of monthly assistance payment.
Sec. 353. Payment standards.
Sec. 354. Reasonable rents.
Sec. 355. Prohibition of assistance for vacant rental units.

Subtitle D—General and Miscellaneous Provisions

Sec. 371. Definitions.
Sec. 372. Rental assistance fraud recoveries.
Sec. 373. Study regarding geographic concentration of assisted families.

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES

Subtitle A—Housing Foundation and Accreditation Board

Sec. 401. Establishment.
Sec. 402. Membership.
Sec. 403. Functions.
Sec. 404. Initial establishment of standards and procedures for LHMA compliance.
Sec. 405. Powers.
Sec. 406. Fees.
Sec. 407. Reports.
Sec. 408. GAO Audit.

Subtitle B—Accreditation and Oversight Standards and Procedures

Sec. 431. Establishment of performance benchmarks and accreditation procedures.
Sec. 432. Financial and performance audit.
Sec. 433. Accreditation.
Sec. 434. Classification by performance category.
Sec. 435. Performance agreements for authorities at risk of becoming troubled.
Sec. 436. Performance agreements and CDBG sanctions for troubled LHMA's.
Sec. 437. Option to demand conveyance of title to or possession of public housing.
Sec. 438. Removal of ineffective LHMA's.
Sec. 439. Mandatory takeover of chronically troubled PHA's.
Sec. 440. Treatment of troubled PHA's.
Sec. 441. Maintenance of and access to records.
Sec. 442. Annual reports regarding troubled LHMA's.
Sec. 443. Applicability to resident management corporations.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

Sec. 501. Repeals.
Sec. 502. Conforming and technical provisions.
Sec. 503. Amendments to Public and Assisted Housing Drug Elimination Act of 1990.
Sec. 504. Treatment of certain projects.
Sec. 505. Amendments relating to community development assistance.
Sec. 506. Authority to transfer surplus real property for housing use.
Sec. 507. Rural housing assistance.
Sec. 508. Treatment of occupancy standards.
Sec. 509. Implementation of plan.
Sec. 510. Income eligibility for HOME and CDBG programs.
Sec. 511. Amendments relating to section 236 program.
Sec. 512. Prospective application of gold clauses.
Sec. 513. Moving to work demonstration for the 21st century.
Sec. 514. Occupancy screening and evictions from federally assisted housing.
Sec. 515. Use of American products.
Sec. 516. Limitation on extent of use of loan guarantees for housing purposes.
Sec. 517. Consultation with affected areas in settlement of litigation.

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

Sec. 601. Establishment.
Sec. 602. Membership.
Sec. 603. Organization.
Sec. 604. Functions.
Sec. 605. Powers.
Sec. 606. Funding.
Sec. 607. Sunset.

TITLE VII—NATIVE AMERICAN HOUSING ASSISTANCE

Sec. 701. Short title.
Sec. 702. Congressional findings.
Sec. 703. Administration through Office of Native American Programs.
Sec. 704. Definitions.

Subtitle A—Block Grants and Grant Requirements

Sec. 711. Block grants.
Sec. 712. Local housing plans.
Sec. 713. Review of plans.
Sec. 714. Treatment of program income and labor standards.
Sec. 715. Environmental review.
Sec. 716. Regulations.
Sec. 717. Effective date.
Sec. 718. Authorization of appropriations.

Subtitle B—Affordable Housing Activities

Sec. 721. National objectives and eligible families.
Sec. 722. Eligible affordable housing activities.
Sec. 723. Required affordable housing activities.
Sec. 724. Types of investments.
Sec. 725. Low-income requirement and income targeting.
Sec. 726. Certification of compliance with subsidy layering requirements.
Sec. 727. Lease requirements and tenant selection.
Sec. 728. Repayment.
Sec. 729. Continued use of amounts for affordable housing.

Subtitle C—Allocation of Grant Amounts

Sec. 741. Annual allocation.
Sec. 742. Allocation formula.

Subtitle D—Compliance, Audits, and Reports

Sec. 751. Remedies for noncompliance.
Sec. 752. Replacement of recipient.
Sec. 753. Monitoring of compliance.
Sec. 754. Performance reports.
Sec. 755. Review and audit by Secretary.

Sec. 756. GAO audits.
Sec. 757. Reports to Congress.

Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs

Sec. 761. Termination of Indian public housing assistance under United States Housing Act of 1937.
Sec. 762. Termination of new commitments for rental assistance.
Sec. 763. Termination of youthbuild program assistance.
Sec. 764. Termination of HOME program assistance.
Sec. 765. Termination of housing assistance for the homeless.
Sec. 766. Savings provision.
Sec. 767. Effective date.

Subtitle F—Loan Guarantees for Affordable Housing Activities

Sec. 771. Authority and requirements.
Sec. 772. Security and repayment.
Sec. 773. Payment of interest.
Sec. 774. Treasury borrowing.
Sec. 775. Training and information.
Sec. 776. Limitations on amount of guarantees.
Sec. 777. Effective date.

Subtitle G—Other Housing Assistance for Native Americans

Sec. 781. Loan guarantees for Indian housing.
Sec. 782. 50-year leasehold interest in trust or restricted lands for housing purposes.
Sec. 783. Training and technical assistance.
Sec. 784. Effective date.

TITLE VIII—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE

Sec. 801. Short title; reference.
Sec. 802. Statement of purpose.
Sec. 803. Definitions.
Sec. 804. Federal manufactured home construction and safety standards.
Sec. 805. Abolishment of National Manufactured Home Advisory Council.
Sec. 806. Public information.
Sec. 807. Inspection fees.
Sec. 808. Elimination of annual report requirement.
Sec. 809. Effective date.

SEC. 2. DECLARATION OF POLICY TO RENEW AMERICAN NEIGHBORHOODS.

The Congress hereby declares that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) the Federal Government cannot through its direct action alone provide for the housing of every American citizen, or even a majority of its citizens, but it is the responsibility of the Government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods;

(3) the Federal Government should act where there is a serious need that private citizens or groups cannot or are not addressing responsibly;

(4) housing is a fundamental and necessary component of bringing true opportunity to people and communities in need, but providing physical structures to house low-income families will not by itself pull generations up from poverty;

(5) it is a goal of our Nation that all citizens have decent and affordable housing; and

(6) our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments, and by promoting and protecting the independent and collective actions of private citizens, organizations, and the private sector to develop housing and strengthen their own neighborhoods.

TITLE I—GENERAL PROVISIONS

SEC. 101. STATEMENT OF PURPOSE.

The purpose of this Act is to promote safe, clean, and healthy housing that is affordable to low-income families, and thereby contribute to the supply of affordable housing, by—

(1) deregulating and decontrolling public housing agencies, which in this Act are referred to as "local housing and management authorities", and thereby enable them to perform as property and asset managers;

(2) providing for more flexible use of Federal assistance to local housing and management authorities, allowing the authorities to leverage and combine assistance amounts with amounts obtained from other sources;

(3) facilitating mixed income communities;

(4) increasing accountability and rewarding effective management of local housing and management authorities;

(5) creating incentives and economic opportunities for residents of dwelling units assisted by local housing and management authorities to work, become self-sufficient, and transition out of public housing and federally assisted dwelling units;

(6) recreating the existing rental assistance voucher program so that the use of vouchers and relationships between landlords and tenants under the program operate in a manner that more closely resembles the private housing market; and

(7) remedying troubled local housing and management authorities and replacing or revitalizing severely distressed public housing developments.

SEC. 102. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) DISABLED FAMILY.—The term "disabled family" means a family whose head (or his or her spouse), or whose sole member, is a person with disabilities. Such term includes 2 or more persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(2) DRUG-RELATED CRIMINAL ACTIVITY.—The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

(3) ELDERLY FAMILIES AND NEAR ELDERLY FAMILIES.—The terms "elderly family" and "near-elderly family" mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(4) ELDERLY PERSON.—The term "elderly person" means a person who is at least 62 years of age.

(5) FAMILY.—The term "family" includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

(6) INCOME.—The term "income" means, with respect to a family, income from all sources of each member of the household, as determined in accordance with criteria prescribed by the applicable local housing and management authority and the Secretary, except that the following amounts shall be excluded:

(A) Any amounts not actually received by the family.

(B) Any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act.

(7) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term "local housing and management authority" is defined in section 103.

(8) LOCAL HOUSING MANAGEMENT PLAN.—The term "local housing management plan" means, with respect to any fiscal year, the plan under section 107 of a local housing and management authority for such fiscal year.

(9) LOW-INCOME FAMILY.—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(10) LOW-INCOME HOUSING.—The term "low-income housing" means dwellings that comply with the requirements—

(A) under subtitle B of title II for assistance under such title for the dwellings; or

(B) under title III for rental assistance payments under such title for the dwellings.

(11) NEAR-ELDERLY PERSON.—The term "near-elderly person" means a person who is at least 55 years of age.

(12) PERSON WITH DISABILITIES.—The term "person with disabilities" means a person who—

(A) has a disability as defined in section 223 of the Social Security Act; or

(B) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for public housing under title II of this Act, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(13) PUBLIC HOUSING.—The term "public housing" means housing, and all necessary appurtenances thereto, that—

(A) is low-income housing or low-income dwelling units in mixed income housing (as provided in section 221(c)(2)); and

(B)(i) is subject to an annual block grant contract under title II; or

(ii) was subject to an annual block grant contract under title II (or an annual contributions contract under the United States Housing Act of 1937) which is not in effect, but for which occupancy is limited in accordance with the requirements under section 222(a).

(14) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

(15) STATE.—The term "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the

Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States and Indian tribes.

(16) VERY LOW-INCOME FAMILY.—The term "very low-income family" means a low-income family whose income does not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

SEC. 103. ORGANIZATION OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES.

(a) REQUIREMENTS.—For purposes of this Act, the terms "local housing and management authority" and "authority" mean any entity that—

(1) is—

(A) a public housing agency that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

(B) authorized under this Act to engage in or assist in the development or operation of low-income housing by any State, county, municipality, or other governmental body or public entity;

(C) an entity authorized by State law to administer choice-based housing assistance under title III; or

(D) an entity selected by the Secretary, pursuant to subtitle B of title IV, to manage housing; and

(2) complies with the requirements under subsection (b).

The term does not include any entity that is Indian housing authority for purposes of the United States Housing Act of 1937 (as in effect before the enactment of this Act) or a tribally designated housing entity, as such term is defined in section 704.

(b) GOVERNANCE.—

(1) BOARD OF DIRECTORS.—Each local housing and management authority shall have a board of directors or other form of governance as prescribed in State or local law. No person may be barred from serving on such board or body because of such person's residency in a public housing development or status as an assisted family under title III.

(2) RESIDENT MEMBERSHIP.—

(A) IN GENERAL.—Except as provided in subparagraph (B), in localities in which a local housing and management authority is governed by a board of directors or other similar body, the board or body shall include not less than 1 member who is an elected public housing resident member (as such term is defined in paragraph (5)). If the board includes 2 or more resident members, at least 1 such member shall be a member of an assisted family under title III.

(B) EXCEPTIONS.—The requirement in subparagraph (A) with respect to elected public housing resident members and resident members shall not apply to—

(i) any State or local governing body that serves as a local housing and management authority for purposes of this Act and whose responsibilities include substantial activities other than acting as the local housing and management authority, except that such requirement shall apply to any advisory committee or organization that is established by such governing body and whose responsibilities relate only to the governing body's functions as a local housing and management authority for purposes of this Act;

(ii) any local housing and management authority that owns or operates less than 250 public housing dwelling units (including any authority that does not own or operate public housing);

(iii) any local housing and management authority in a State in which State law specifically precludes public housing residents or assisted families from serving on the board of directors or other similar body of an authority; or

(iv) any local housing and management authority in a State that requires the members of the board of directors or other similar body of a local housing and management authority to be salaried and to serve on a full-time basis.

(3) FULL PARTICIPATION.—No local housing and management authority may limit or restrict the capacity or offices in which a member of such board or body may serve on such board or body solely because of the member's status as a resident member.

(4) CONFLICTS OF INTEREST.—The Secretary shall establish guidelines to prevent conflicts of interest on the part of members of the board or directors or governing body of a local housing and management authority.

(5) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

(A) ELECTED PUBLIC HOUSING RESIDENT MEMBER.—The term "elected public housing resident member" means, with respect to the local housing and management authority involved, an individual who is a resident member of the board of directors (or other similar governing body of the authority) by reason of election to such position pursuant to an election—

(i) in which eligibility for candidacy in such election is limited to individuals who—

(I) maintain their principal residence in a dwelling unit of public housing administered or assisted by the authority; and

(II) have not been convicted of a felony and do not reside in a household that includes an individual convicted of a felony;

(ii) in which only residents of dwelling units of public housing administered by the authority may vote; and

(iii) that is conducted in accordance with standards and procedures for such election, which shall be established by the Secretary.

(B) RESIDENT MEMBER.—The term "resident member" means a member of the board of directors or other similar governing body of a local housing and management authority who is a resident of a public housing dwelling unit owned, administered, or assisted by the authority or is a member of an assisted family (as such term is defined in section 371) assisted by the authority.

(c) ESTABLISHMENT OF POLICIES.—Any rules, regulations, policies, standards, and procedures necessary to implement policies required under section 107 to be included in the local housing management plan for a local housing and management authority shall be approved by the board of directors or similar governing body of the authority and shall be publicly available for review upon request.

SEC. 104. DETERMINATION OF ADJUSTED INCOME AND MEDIAN INCOME.

(a) ADJUSTED INCOME.—For purposes of this Act, the term "adjusted income" means, with respect to a family, the difference between the income of the members of the family residing in a dwelling unit or the persons on a lease and the amount of any income exclusions for the family under subsections (b) and (c), as determined by the local housing and management authority.

(b) MANDATORY EXCLUSIONS FROM INCOME.—In determining adjusted income, a local housing and management authority shall exclude from the annual income of a family the following amounts:

(1) ELDERLY AND DISABLED FAMILIES.—$400 for any elderly or disabled family.

(2) MEDICAL EXPENSES.—The amount by which 3 percent of the annual family income is exceeded by the sum of—

(A) unreimbursed medical expenses of any elderly family;

(B) unreimbursed medical expenses of any nonelderly family, except that this subparagraph shall apply only to the extent approved in appropriation Acts; and

(C) unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.

(3) CHILD CARE EXPENSES.—Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

(4) MINORS, STUDENTS, AND PERSONS WITH DISABILITIES.—$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is under 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

(5) CHILD SUPPORT PAYMENTS.—Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under this paragraph may not exceed $480 for each child for whom such payment is made.

(c) PERMISSIVE EXCLUSIONS FROM INCOME.—In determining adjusted income, a local housing and management authority may, in the discretion of the authority, establish exclusions from the annual income of a family. Such exclusions may include the following amounts:

(1) EXCESSIVE TRAVEL EXPENSES.—Excessive travel expenses in an amount not to exceed $25 per family per week, for employment- or education-related travel.

(2) EARNED INCOME.—An amount of any earned income of the family, established at the discretion of the local housing and management authority, which may be based on—

(A) all earned income of the family,

(B) the amount earned by particular members of the family;

(C) the amount earned by families having certain characteristics; or

(D) the amount earned by families or members during certain periods or from certain sources.

(3) OTHERS.—Such other amounts for other purposes, as the local housing and management authority may establish.

(d) MEDIAN INCOME.—In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this Act, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portion of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties.

SEC. 105. OCCUPANCY LIMITATIONS BASED ON ILLEGAL DRUG ACTIVITY AND ALCOHOL ABUSE.

(a) INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED CRIMINAL ACTIVITY.—Any tenant evicted from housing assisted under title II or title III by reason of drug-related criminal activity (as such term is defined in section 102) shall not be eligible for any housing assistance under title II or title III during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a

rehabilitation program approved by the local housing and management authority (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).

(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a local housing and management authority shall establish standards for occupancy in public housing dwelling units and housing assistance under title II—

(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) if the local housing and management authority determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the local housing and management authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

(2) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to paragraph (1), to deny occupancy or assistance to any person based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, a local housing and management authority may consider whether such person—

(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(c) OTHER SCREENING.—A local housing and management authority may deny occupancy as provided in section 642 of the Housing and Community Development Act of 1992.

(d) LIMITATION ON ADMISSION OF PERSONS CONVICTED OF DRUG-RELATED OFFENSES.—Notwithstanding any other provision of law, each local housing and management authority shall prohibit admission and occupancy to public housing dwelling units by, and assistance under title III to, any person who, after the date of the enactment of this Act, has been convicted of illegal possession with intent to sell any controlled substance (as such term is defined in the Controlled Substances Act). This subsection may not be construed to require the termination of tenancy or eviction of any member of a household residing in public housing, or the termination of assistance of any member of an assisted family, who is not a person described in the preceding sentence.

SEC. 106. COMMUNITY WORK AND FAMILY SELF-SUFFICIENCY REQUIREMENT.

(a) REQUIREMENT.—Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult member of the family shall contribute not less than 8 hours of work per month within the community in which the family resides. The requirement under this subsection shall be incorporated in the terms of the tenant self-sufficiency contract under subsection (b).

(b) TENANT SELF-SUFFICIENCY CONTRACT.—

(1) REQUIREMENT.—Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult member of the family who has custody of, or is responsible for, a minor living in his or her care shall enter into a legally enforceable self-sufficiency contract under this section with the authority.

(2) CONTRACT TERMS.—The terms of a self-sufficiency contract under this subsection shall be established pursuant to consultation between the authority and the family and shall include a plan for the resident's or family's residency in housing assisted under this Act that provides—

(A) a date specific by which the resident or family will graduate from or terminate tenancy in such housing;

(B) specific interim and final performance targets and deadlines relating to self-sufficiency, which may relate to education, school participation, substance and alcohol abuse counseling, mental health support, jobs and skills training, and any other factors the authority considers appropriate; and

(C) any resources, services, and assistance relating to self-sufficiency to be made available to the resident or family.

(3) INCORPORATION INTO LEASE.—A self-sufficiency contract under this subsection shall be incorporated by reference into a lease under section 226 or 324, as applicable, and the terms of such contract shall be terms of the lease for which violation may result in—

(A) termination of tenancy, pursuant to section 226(4) or 325(a)(1), as applicable; or

(B) withholding of assistance under this Act. The contract shall provide that the local housing and management authority or the resident who is a party to the contract may enforce the contract through an administrative grievance procedure under section 111.

(4) PARTNERSHIPS FOR SELF-SUFFICIENCY ACTIVITIES.—A local housing and management authority may enter into such agreements and form such partnerships as may be necessary, with State and local agencies, nonprofit organizations, academic institutions, and other entities who have experience or expertise in providing services, activities, training, and other assistance designed to facilitate low- and very-low income families achieving self-sufficiency.

(5) CHANGED CIRCUMSTANCES.—A self-sufficiency contract under this subsection shall provide for modification in writing and that the local housing and management authority may for good cause or changed circumstances waive conditions under the contract.

(6) MODEL CONTRACTS.—The Secretary shall, in consultation with organizations and groups representing resident councils and residents of housing assisted under this Act, develop a model self-sufficiency contract for use under this subsection. The Secretary shall provide local housing and management authorities with technical assistance and advice regarding such contracts.

(c) EXEMPTIONS.—A local housing and management authority shall provide for the exemption, from the applicability of the requirements under subsections (a) and (b)(1), of each individual who is—

(1) an elderly person and unable, as determined in accordance with guidelines established by the Secretary, to comply with the requirement;

(2) a person with disabilities and unable (as so determined) to comply with the requirement;

(3) working, attending school or vocational training, or otherwise complying with work requirements applicable under other public assistance programs, and unable (as so determined) to comply with the requirement; or

(4) otherwise physically impaired, as certified by a doctor, and is therefore unable to comply with the requirement.

SEC. 107. LOCAL HOUSING MANAGEMENT PLANS.

(a) IN GENERAL.—In accordance with this section, the Secretary shall provide for each local housing and management authority to submit to the Secretary a local housing management plan under this section for each fiscal year that describes the mission of the local housing and management authority and the goals, objectives, and policies of the authority to meet the housing needs of low-income families in the jurisdiction of the authority.

(b) PROCEDURES.—The Secretary shall establish requirements and procedures for submission and review of plans and for the contents of such plans. Such procedures shall provide for local housing and management authorities to, at the option of the authority, submit plans under this section together with, or as part of, the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the relevant jurisdiction and for concomitant review of such plans.

(c) CONTENTS.—A local housing management plan under this section for a local housing and management authority shall contain the following information relating to the upcoming fiscal year for which the assistance under this Act is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the authority that includes—

(A) a description of the financial resources available to the authority;

(B) the uses to which such resources will be committed, including eligible and required activities under section 203 to be assisted, housing assistance to be provided under title III, and administrative, management, maintenance, and capital improvement activities to be carried out; and

(C) an estimate of the market rent value of each public housing development of the authority.

(2) POPULATION SERVED.—A statement of the policies of the authority governing eligibility, admissions, and occupancy of families with respect to public housing dwelling units and housing assistance under title III, including—

(A) the requirements for eligibility for such units and assistance and the method by which eligibility will be determined and verified;

(B) the requirements for selection and admissions of eligible families for such units and assistance, including any preferences established under section 223 or 321(e) and the criteria for selection under section 222(b) and (c);

(C) the procedures for assignment of families admitted to dwelling units owned, operated, or assisted by the authority;

(D) any standards and requirements for occupancy of public housing dwelling units and units assisted under title III, including conditions for continued occupancy, termination of tenancy, eviction, and termination of housing assistance under section 321(g);

(E) the criteria under subsection (f) of section 321 for providing and denying housing assistance under title III to families moving into the jurisdiction of the authority;

(F) the fair housing policy of the authority; and

(G) the procedures for outreach efforts (including efforts that are planned and that have been executed) to homeless families and to entities providing assistance to homeless families, in the jurisdiction of the authority.

(3) RENT DETERMINATION.—A statement of the policies of the authority governing rents charged for public housing dwelling units and rental contributions of assisted families under title III, including—

(A) the methods by which such rents are determined under section 225 and such contributions are determined under section 322;

(B) an analysis of how such methods affect—

(i) the ability of the authority to provide housing assistance for families having a broad range of incomes;

(ii) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(iii) the availability of other financial resources to the authority.

(4) QUALITY STANDARDS FOR MAINTENANCE AND MANAGEMENT.—A statement of the standards and policies of the authority governing maintenance and management of housing owned and operated by the authority, and management of the local housing and management authority, including—

(A) housing quality standards in effect pursuant to sections 232 and 328 and any certifications required under such sections;

(B) routine and preventative maintenance policies for public housing;

(C) emergency and disaster plans for public housing;

(D) rent collection and security policies for public housing;

(E) priorities and improvements for management of public housing; and

(F) priorities and improvements for management of the authority, including improvement of electronic information systems to facilitate managerial capacity and efficiency.

(5) GRIEVANCE PROCEDURE.—A statement of the grievance procedures of the authority under section 111.

(6) CAPITAL IMPROVEMENTS.—With respect to public housing developments owned or operated by the authority, a plan describing—

(A) the capital improvements necessary to ensure long-term physical and social viability of the developments; and

(B) the priorities of the authority for capital improvements based on analysis of available financial resources, consultation with residents, and health and safety considerations.

(7) DEMOLITION AND DISPOSITION.—With respect to public housing developments owned or operated by the authority—

(A) a description of any such housing to be demolished or disposed of under subtitle E of title II;

(B) a timetable for such demolition or disposition; and

(C) any information required under section 261(h) with respect to such demolition or disposition.

(8) DESIGNATION OF HOUSING FOR ELDERLY AND DISABLED FAMILIES.—With respect to public housing developments owned or operated by the authority, a description of any developments (or portions thereof) that the authority has designated or will designate for occupancy by elderly and disabled families in accordance with section 227 and any information required under section 227(d) for such designated developments.

(9) CONVERSION OF PUBLIC HOUSING.—With respect to public housing owned or operated by the authority, a description of any building or buildings that the authority is required under section 203(b) to convert to housing assistance under title III, an analysis of such buildings showing that the buildings meet the requirements under such section for such conversion, and a statement of the amount of grant amounts under title II to be used for rental assistance under title III.

(10) HOMEOWNERSHIP ACTIVITIES.—A description of any homeownership programs of the authority under subtitle D of title II or section 329 for the authority and the requirements and assistance available under such programs.

(11) COORDINATION WITH WELFARE AND OTHER APPROPRIATE AGENCIES.—A description of how the authority will coordinate with State welfare agencies and other appropriate Federal, State, or local government agencies or nongovernment agencies or entities to ensure that public housing residents and assisted families will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency.

(12) SAFETY AND CRIME PREVENTION.—A description of the policies established by the authority that increase or maintain the safety of public housing residents, facilitate the authority undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase public housing resident safety by coordinating crime prevention efforts between the authority and Federal, State, and local law enforcement officials. Furthermore, to assure the safety of public housing residents, the requirements will include use of trespass laws by the authority to keep evicted tenants or criminals out of public housing property.

(13) POLICIES FOR LOSS OF HOUSING ASSISTANCE.—A description of policies of the authority requiring the loss of housing assistance and tenancy under titles II and III, pursuant to sections 222(e) and 321(g).

(d) 5-YEAR PLAN.—Each local housing management plan under this section for a local housing and management authority shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) STATEMENT OF MISSION.—A statement of the mission of the authority for serving the needs of low-income families in the jurisdiction of authority during such period.

(2) GOALS AND OBJECTIVES.—A statement of the goals and objectives of the authority that will enable the authority to serve the needs identified pursuant to paragraph (1) during such period.

(3) CAPITAL IMPROVEMENT OVERVIEW.—If the authority will provide capital improvements for public housing developments during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the authority to meet its goals, objectives, and mission.

(e) CITIZEN PARTICIPATION.—

(1) IN GENERAL.—Before submitting a plan under this section or an amendment under section 108(f) to a plan, a local housing and management authority shall make the plan or amendment publicly available in a manner that affords affected public housing residents and assisted families under title III, citizens, public agencies, entities providing assistance and services for homeless families, and other interested parties an opportunity, for a period not shorter than 60 days and ending at a time that reasonably provides for compliance with the requirements of paragraph (2), to examine its content and to submit comments to the authority.

(2) CONSIDERATION OF COMMENTS.—A local housing and management authority shall consider any comments or views provided pursuant to paragraph (1) in preparing a final plan or amendment for submission to the Secretary. A summary of such comments or views shall be attached to the plan, amendment, or report submitted. The submitted plan, amendment, or report shall be made publicly available upon submission.

(f) LOCAL REVIEW.—Before submitting a plan under this section to the Secretary, the local housing and management authority shall submit the plan to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and approval.

(g) PLANS FOR SMALL LHMA'S AND LHMA'S ADMINISTERING ONLY RENTAL ASSISTANCE.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to housing and management authorities that own or operate less than 250 public housing dwelling units and shall establish requirements for such submission and information applicable to authorities that only administer housing assistance under title III (and do not own or operate public housing). Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such agencies.

SEC. 108. *REVIEW OF PLANS.*

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing management plan submitted to the Secretary to ensure that the plan is complete and complies with the requirements of section 107. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each local housing and management authority submitting a plan whether the plan complies with such requirements not later than 75 days after receiving the plan. If the Secretary does not notify the local housing and management authority, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this Act, to have been determined to comply with the requirements under section 107 and the authority shall be considered to have been notified of compliance upon the expiration of such 75-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 107, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 107.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 107 only if—

(1) the plan is incomplete in significant matters required under such section;

(2) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(3) the Secretary determines that the plan does not comply with Federal law or violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) the plan plainly fails to adequately identify the needs of low-income families for housing assistance in the jurisdiction of the authority;

(5) the plan plainly fails to adequately identify the capital improvement needs for public housing developments in the jurisdiction of the authority;

(6) the activities identified in the plan are plainly inappropriate to address the needs identified in the plan; or

(7) the plan is inconsistent with the requirements of this Act.

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a local housing and management authority shall be considered to have submitted a plan under this section if the authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1994. The Secretary shall provide specific procedures and requirements for such authorities to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 107.

(e) ACTIONS TO CHANGE PLAN.—A local housing and management authority that has submitted a plan under section 107 may change actions or policies described in the plan before submission and review of the plan of the authority for the next fiscal year only if—

(1) in the case of costly or nonroutine changes, the authority submits to the Secretary an amendment to the plan under subsection (f) which is reviewed in accordance with such subsection; or

(2) in the case of inexpensive or routine changes, the authority describes such changes in such local housing management plan for the next fiscal year.

(f) AMENDMENTS TO PLAN.—

(1) IN GENERAL.—During the annual or 5-year period covered by the plan for a local housing and management authority, the authority may submit to the Secretary any amendments to the plan.

(2) REVIEW.—The Secretary shall conduct a limited review of each proposed amendment submitted under this subsection to determine whether the plan, as amended by the amendment, complies with the requirements of section 107 and notify each local housing and management authority submitting the amendment whether the plan, as amended, complies with such requirements not later than 30 days after receiving the amendment. If the Secretary determines that a plan, as amended, does not comply with the requirements under section 107, such notice shall indicate the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 107. If the Secretary does not notify the local housing and management authority as required under this paragraph, the plan, as amended, shall be considered, for purposes of this section, to comply with the requirements under section 107.

(3) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan, as amended by a proposed amendment, does not comply with the requirements under section 107 only if—

(A) the plan, as amended, would be subject to a determination of noncompliance in accordance with the provisions of subsection (c); or

(B) the Secretary determines that—

(i) the proposed amendment is plainly inconsistent with the activities specified in the plan; or

(ii) there is evidence that challenges, in a substantial manner, any information contained in the amendment; or

(3) the Secretary determines that the plan, as amended, violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) AMENDMENTS TO EXTEND TIME OF PERFORMANCE.—Notwithstanding any other provision of this subsection, the Secretary may not determine that any amendment to the plan of a local housing and management authority that extends the time for performance of activities assisted with amounts provided under this title fails to comply with the requirements under section 107 if the Secretary has not provided the amount of assistance set forth in the plan or has not provided the assistance in a timely manner.

SEC. 109. REPORTING REQUIREMENTS.

(a) PERFORMANCE AND EVALUATION REPORT.—Each local housing and management authority shall annually submit to the Accreditation Board established under section 401, on a date determined by such Board, a performance and evaluation report concerning the use of funds made available under this Act. The report of the local housing and management authority shall include an assessment by the authority of the relationship of such use of funds made available under this Act, as well as the use of other funds, to the needs identified in the local housing management plan and to the purposes of this Act. The local housing and management authority shall certify that the report was available for review and comment by affected tenants prior to its submission to the Board.

(b) REVIEW OF LHMA'S.—The Accreditation Board established under section 401 shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each local housing and management authority receiving assistance under this section—

(1) has carried out its activities under this Act in a timely manner and in accordance with its local housing management plan;

(2) has a continuing capacity to carry out its local housing management plan in a timely manner; and

(3) has satisfied, or has made reasonable progress towards satisfying, such performance standards as shall be prescribed by the Board.

(c) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require, in such form and in accordance with such schedule as the Board may establish.

SEC. 110. PET OWNERSHIP.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), a resident of a public housing dwelling unit or an assisted dwelling unit (as such term is defined in section 371) may own common household pets or have common household pets present in the dwelling unit of such resident to the extent allowed by the local housing and management authority or the owner of the assisted dwelling unit, respectively.

(b) FEDERALLY ASSISTED RENTAL HOUSING FOR THE ELDERLY OR DISABLED.—Pet ownership in housing assisted under this Act that is federally assisted rental housing for the elderly or handicapped (as such term is defined in section 227 of the Housing and Urban-Rural Recovery Act of 1983) shall be governed by the provisions of section 227 of such Act.

(c) ELDERLY FAMILIES IN PUBLIC AND ASSISTED HOUSING.—Responsible ownership of common household pets shall not be denied any elderly or disabled family who resides in a dwelling unit in public housing or an assisted dwelling unit (as such term is defined in section 371), subject to the reasonable requirements of the local housing and management authority or the owner of the assisted dwelling unit, as applicable. This subsection shall not apply to units in public housing or assisted dwelling units that are located in federally assisted rental housing for the elderly or handicapped referred to in subsection (b).

SEC. 111. ADMINISTRATIVE GRIEVANCE PROCEDURE.

(a) REQUIREMENTS.—Each local housing and management authority receiving assistance under this Act shall establish and implement an administrative grievance procedure under which residents of public housing will—

(1) be advised of the specific grounds of any proposed adverse local housing and management authority action;

(2) have an opportunity for a hearing before an impartial party (including appropriate employees of the local housing and management authority) upon timely request within a reasonable period of time;

(3) have an opportunity to examine any documents or records or regulations related to the proposed action;

(4) be entitled to be represented by another person of their choice at any hearing;

(5) be entitled to ask questions of witnesses and have others make statements on their behalf; and

(6) be entitled to receive a written decision by the local housing and management authority on the proposed action.

(b) EXCLUSION FROM ADMINISTRATIVE PROCEDURE OF GRIEVANCES CONCERNING EVICTIONS FROM PUBLIC HOUSING.—A local housing and management authority shall exclude from its procedure established under subsection (a) any grievance concerning an eviction from or termination of tenancy in public housing in any State which requires that, prior to eviction, a resident be provided a hearing in court which the Secretary determines provides the basic elements of due process.

(c) INAPPLICABILITY TO CHOICE-BASED RENTAL HOUSING ASSISTANCE.—This section may not be construed to require any local housing and management authority to establish or implement an administrative grievance procedure with respect to assisted families under title III.

SEC. 112. HEADQUARTERS RESERVE FUND.

(a) ANNUAL RESERVATION OF AMOUNTS.—Notwithstanding any other provision of law, the Secretary may retain not more than 3 percent of the amounts appropriated to carry out title II for any fiscal year for use in accordance with this section.

(b) USE OF AMOUNTS.—Any amounts that are retained under subsection (a) or appropriated or otherwise made available for use under this section shall be available for subsequent allocation to specific areas and communities, and may only be used for the Department of Housing and Urban Development and—

(1) unforeseen housing needs resulting from natural and other disasters;

(2) housing needs resulting from emergencies, as certified by the Secretary, other than such disasters;

(3) housing needs related to a settlement of litigation, including settlement of fair housing litigation;

(4) providing technical assistance, training, and electronic information systems for the Department of Housing and Urban Development, local housing and management authorities, residents, resident councils, and resident management corporations to improve management of such authorities, except that the provision of assistance under this paragraph may not involve expenditure of amounts retained under subsection (a) for travel;

(5)(A) providing technical assistance, directly or indirectly, for local housing and management authorities, residents, resident councils, resident management corporations, and nonprofit and other entities in connection with implementation of a homeownership program under section 251, except that grants under this paragraph may not exceed $100,000; and (B) establishing a public housing homeownership program data base; and

(6) needs related to the Secretary's actions regarding troubled local housing and management authorities under this Act.

Housing needs under this subsection may be met through the provision of assistance in accordance with title II or title III, or both.

SEC. 113. LABOR STANDARDS.

(a) IN GENERAL.—Any contract for grants, sale, or lease pursuant to this Act relating to public housing shall contain the following provisions:

(1) OPERATION.—A provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all contractors and persons employed in the operation of the low-income housing development involved.

(2) PRODUCTION.—A provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a–276a-5), shall be paid to all laborers and mechanics employed in the production of the development involved.

The Secretary shall require certification as to compliance with the provisions of this section before making any payment under such contract.

(b) EXCEPTIONS.—Subsection (a) and the provisions relating to wages (pursuant to subsection (a)) in any contract for grants, sale, or lease pursuant to this Act relating to public housing, shall not apply to any of the following individuals:

(1) VOLUNTEERS.—Any individual who—

(A) performs services for which the individual volunteered;

(B)(i) does not receive compensation for such services; or

(ii) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(C) is not otherwise employed at any time in the construction work.

(2) RESIDENTS EMPLOYED BY LHMA.—Any resident of a public housing development who (A) is an employee of the local housing and management authority for the development, (B) performs services in connection with the operation of a low-income housing project owned or managed by such authority, and (C) is not a member of a bargaining unit represented by a union that has a collective bargaining agreement with the local housing and management authority.

(3) RESIDENTS IN TRAINING PROGRAMS.—Any individuals participating in a job training program or other program designed to promote economic self-sufficiency.

(c) DEFINITION.—For purposes of this section, the terms "operation" and "production" have the meanings given the term in section 273.

SEC. 114. NONDISCRIMINATION.

(a) IN GENERAL.—No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with amounts made available under this Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) CIVIL RIGHTS COMPLIANCE.—Each local housing and management authority that receives grant amounts under this Act shall use such amounts and carry out its local housing management plan approved under section 108 in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Americans With Disabilities Act of 1990, and shall affirmatively further fair housing.

SEC. 115. PROHIBITION ON USE OF FUNDS.

None of the funds made available to the Department of Housing and Urban Development to carry out this Act, which are obligated to State or local governments, local housing and management authorities, housing finance agencies, or other public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.

SEC. 116. INAPPLICABILITY TO INDIAN HOUSING.

Except as specifically provided by law, the provisions of this title, and titles II, III, and IV shall not apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority or to housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996.

SEC. 117. EFFECTIVE DATE AND REGULATIONS.

(a) EFFECTIVE DATE.—The provisions of this Act and the amendments made by this Act shall take effect and shall apply on the date of the enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability on another date certain.

(b) REGULATIONS.—The Secretary may issue any regulations necessary to carry out this Act.

(c) RULE OF CONSTRUCTION.—Any failure by the Secretary to issue any regulations authorized under subsection (b) shall not affect the effectiveness of any provision of this Act or any amendment made by this Act.

TITLE II—PUBLIC HOUSING

Subtitle A—Block Grants

SEC. 201. BLOCK GRANT CONTRACTS.

(a) IN GENERAL.—The Secretary shall enter into contracts with local housing and management authorities under which—

(1) the Secretary agrees to make a block grant under this title, in the amount provided under section 202(c), for assistance for low-income housing to the local housing and management authority for each fiscal year covered by the contract; and

(2) the authority agrees—

(A) to provide safe, clean, and healthy housing that is affordable to low-income families and services for families in such housing;

(B) to operate, or provide for the operation, of such housing in a financially sound manner;

(C) to use the block grant amounts in accordance with this title and the local housing management plan for the authority that complies with the requirements of section 107;

(D) to involve residents of housing assisted with block grant amounts in functions and decisions relating to management and the quality of life in such housing;

(E) that the management of the public housing of the authority shall be subject to actions authorized under subtitle B of title IV;

(F) that the Secretary may take actions under section 205 with respect to improper use of grant amounts provided under the contract; and

(G) to otherwise comply with the requirements under this title.

(b) MODIFICATION.—Contracts and agreements between the Secretary and a local housing and management authority may not be amended in a manner which would—

(1) impair the rights of—

(A) leaseholders for units assisted pursuant to a contract or agreement; or

(B) the holders of any outstanding obligations of the local housing and management authority involved for which annual contributions have been pledged; or

(2) provide for payment of block grant amounts under this title in an amount exceeding the allocation for the authority determined under section 204.

Any rule of law contrary to this subsection shall be deemed inapplicable.

(c) CONDITIONS ON RENEWAL.—Each block grant contract under this section shall provide, as a condition of renewal of the contract with the local housing and management authority, that the authority's accreditation be renewed by the Housing Foundation and Accreditation Board pursuant to review under section 433 by such Board.

SEC. 202. GRANT AUTHORITY, AMOUNT, AND ELIGIBILITY.

(a) AUTHORITY.—The Secretary shall make block grants under this title to eligible local housing and management authorities in accordance with block grant contracts under section 201.

(b) PERFORMANCE FUNDS.—

(1) IN GENERAL.—The Secretary shall establish 2 funds for the provision of grants to eligible local housing and management authorities under this title, as follows:

(A) CAPITAL FUND.—A capital fund to provide capital and management improvements to public housing developments.

(B) OPERATING FUND.—An operating fund for public housing operations.

(2) FLEXIBILITY OF FUNDING.—A local housing and management authority may use up to 10 percent of the amounts from a grant under this title that are allocated and provided from the capital fund for activities that are eligible under section 203(a)(2) to be funded with amounts from the operating fund.

(c) AMOUNT OF GRANTS.—The amount of the grant under this title for a local housing and management authority for a fiscal year shall be the amount of the allocation for the authority determined under section 204, except as otherwise provided in this title and subtitle B of title IV.

(d) ELIGIBILITY.—A local housing and management authority shall be an eligible local housing and management authority with respect to a fiscal year for purposes of this title only if—

(1) the Secretary has entered into a block grant contract with the authority;

(2) the authority has submitted a local housing management plan to the Secretary for such fiscal year;

(3) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(4) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(5) the authority is exempt from local taxes, as provided under subsection (e), or receives a contribution, as provided under such subsection;

(6) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony;

(7) the authority has entered into an agreement providing for local cooperation in accordance with subsection (f); and

(8) the authority has not been disqualified for a grant pursuant to section 205(a) or subtitle B of title IV.

(e) PAYMENTS IN LIEU OF STATE AND LOCAL TAXATION OF PUBLIC HOUSING DEVELOPMENTS.—

(1) EXEMPTION FROM TAXATION.—A local housing and management authority may receive a block grant under this title only if—

(A)(i) the developments of the authority (exclusive of any portions not assisted with amounts provided under this title) are exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision; and

(ii) the local housing and management authority makes payments in lieu of taxes to such taxing authority equal to 10 percent of the sum, for units charged in the developments of the authority, of the difference between the gross rent and the utility cost, or such lesser amount as is—

(I) prescribed by State law;

(II) agreed to by the local governing body in its agreement under subsection (e) for local cooperation with the local housing and management authority or under a waiver by the local governing body; or

(III) due to failure of a local public body or bodies other than the local housing and management authority to perform any obligation under such agreement; or

(B) the authority complies with the requirements under subparagraph (A) with respect to public housing developments (including public housing units in mixed-income developments), but the authority agrees that the units other than public housing units in any mixed-income developments (as such term is defined in section 221(c)(2)) shall be subject to any otherwise applicable real property taxes imposed by the State, city, county or other political subdivision.

(2) EFFECT OF FAILURE TO EXEMPT FROM TAXATION.—Notwithstanding paragraph (1), a local housing and management authority that does not comply with the requirements under such paragraph may receive a block grant under this title, but only if the State, city, county, or other political subdivision in which the development is situated contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed 10 percent of the gross rent and utility cost charged in the development.

(f) LOCAL COOPERATION.—In recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise, the Secretary may not make any grant under this title to a local housing and management authority unless the governing body of the locality involved has entered into an agreement with the authority providing for the local cooperation required by the Secretary pursuant to this title.

(g) EXCEPTION.—Notwithstanding subsection (a), the Secretary may make a grant under this title for a local housing and management authority that is not an eligible local housing and management authority but only for the period necessary to secure, in accordance with this title, an alternative local housing and management authority for the public housing of the ineligible authority.

SEC. 203. ELIGIBLE AND REQUIRED ACTIVITIES.

(a) ELIGIBLE ACTIVITIES.—Except as provided in subsection (b) and in section 202(b)(2), grant amounts allocated and provided from the capital fund and grant amounts allocated and provided from the operating fund may be used only for the following activities:

(1) CAPITAL FUND ACTIVITIES.—Grant amounts from the capital fund may be used for—

(A) the production and modernization of public housing developments, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the production of mixed-income developments;

(B) vacancy reduction;

(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

(D) planned code compliance;

(E) management improvements;

(F) demolition and replacement under section 261;

(G) tenant relocation;

(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

(I) capital expenditures to improve the security and safety of residents.

(2) OPERATING FUND ACTIVITIES.—Grant amounts from the operating fund may be used for—

(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

(B) activities to ensure a program of routine preventative maintenance;

(C) anti-crime and anti-drug activities, including the costs of providing adequate security for public housing tenants;

(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

(E) activities to provide for management and participation in the management of public housing by public housing tenants;

(F) the costs associated with the operation and management of mixed-income developments;

(G) the costs of insurance;

(H) the energy costs associated with public housing units, with an emphasis on energy conservation;

(I) the costs of administering a public housing work program under section 106, including the costs of any related insurance needs; and

(J) activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchasing housing, or the provision of financial assistance to resident management corporations or resident councils to obtain training, technical assistance, and educational assistance to promote homeownership opportunities.

(b) REQUIRED CONVERSION OF ASSISTANCE FOR PUBLIC HOUSING TO RENTAL HOUSING ASSISTANCE.—

(1) REQUIREMENT.—A local housing and management authority that receives grant amounts under this title shall provide assistance in the form of rental housing assistance under title III, or appropriate site revitalization or other appropriate capital improvements approved by the Secretary, in lieu of assisting the operation and modernization of any building or buildings of public housing, if the authority provides sufficient evidence to the Secretary that the building or buildings—

(A) are on the same or contiguous sites;

(B) consist of more than 300 dwelling units;

(C) have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;

(D) are identified as distressed housing for which the local housing and management authority cannot assure the long-term viability as public housing through reasonable revitalization, density reduction, or achievement of a broader range of household income; and

(E) have an estimate cost of continued operation and modernization as public housing that exceeds the cost of providing choice-based rental assistance under title III for all families in occupancy, based on appropriate indicators of cost (such as the percentage of the total development cost required for modernization).

Local housing and management agencies shall identify properties that meet the definition of subparagraphs (A) through (E).

(2) USE OF OTHER AMOUNTS.—In addition to grant amounts under this title attributable (pursuant to the formulas under section 204) to the building or buildings identified under paragraph (1), the Secretary may use amounts provided in appropriation Acts for choice-based housing assistance under title III for families residing in such building or buildings or for appropriate site revitalization or other appropriate capital improvements approved by the Secretary.

(3) ENFORCEMENT.—The Secretary shall take appropriate action to ensure conversion of any building or buildings identified under paragraph (1) and any other appropriate action under this subsection, if the local housing and management authority fails to take appropriate action under this subsection.

(4) FAILURE OF LHMA'S TO COMPLY WITH CONVERSION REQUIREMENT.—If the Secretary determines that—

(A) a local housing and management authority has failed under paragraph (1) to identify a building or buildings in a timely manner,

(B) a local housing and management authority has failed to identify one or more buildings which the Secretary determines should have been identified under paragraph (1), or

(C) one or more of the buildings identified by the local housing and management authority pursuant to paragraph (1) should not, in the determination of the Secretary, have been identified under that paragraph,

the Secretary may identify a building or buildings for conversion and take other appropriate action pursuant to this subsection.

(5) CESSATION OF UNNECESSARY SPENDING.—Notwithstanding any other provision of law, if, in the determination of the Secretary, a building or buildings meets or is likely to meet the criteria set forth in paragraph (1), the Secretary may direct the local housing and management authority to cease additional spending in connection with such building or buildings, except to the extent that additional spending is necessary to ensure safe, clean, and healthy housing until the Secretary determines or approves an appropriate course of action with respect to such building or buildings under this subsection.

(6) USE OF BUDGET AUTHORITY.—Notwithstanding any other provision of law, if a building or buildings are identified pursuant to paragraph (1), the Secretary may authorize or direct the transfer, to the choice-based or tenant-based assistance program of such authority or to appropriate site revitalization or other capital improvements approved by the Secretary, of—

(A) in the case of an authority receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such building or buildings pursuant to section 14 of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act;

(B) in the case of an authority receiving public housing modernization assistance by formula pursuant to such section 14, any amounts provided to the authority which are attributable pursuant to the formula for allocating such assistance to such building or buildings;

(C) in the case of an authority receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of such building or buildings pursuant to section 5(j)(2) of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act; and

(D) in the case of an authority receiving assistance pursuant to the formulas under section 204, any amounts provided to the authority which are attributable pursuant to the formulas for allocating such assistance to such building or buildings.

(c) EXTENSION OF DEADLINES.—The Secretary may, for a local housing and management authority, extend any deadline established pursuant to this section or a local housing management plan for up to an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

(d) COMPLIANCE WITH PLAN.—The local housing management plan submitted by a local housing and management authority (including any amendments to the plan), unless determined under section 108 not to comply with the requirements under section 107, shall be binding upon the Secretary and the local housing and management authority and the authority shall use any grant amounts provided under this title for eligible activities under subsection (a) in accordance with the plan. This subsection may not be construed to preclude changes or amendments to the plan, as authorized under section

108(e) or any actions authorized by this Act to be taken without regard to a local housing management plan.

SEC. 204. DETERMINATION OF GRANT ALLOCATION.

(a) IN GENERAL.—For each fiscal year, after reserving amounts under section 112 from the aggregate amount made available for the fiscal year for carrying out this title, the Secretary shall allocate any remaining amounts among eligible local housing and management authorities in accordance with this section, so that the sum of all of the allocations for all eligible authorities is equal to such remaining amount.

(b) ALLOCATION AMOUNT.—The Secretary shall determine the amount of the allocation for each eligible local housing and management authority, which shall be—

(1) for any fiscal year beginning after the enactment of a law containing the formulas described in paragraphs (1) and (2) of subsection (c), the amount determined under such formulas; or

(2) for any fiscal year beginning before the expiration of such period, the sum of—

(A) the operating allocation determined under subsection (d)(1) for the authority; and

(B) the capital improvement allocation determined under subsection (d)(2) for the authority.

(c) PERMANENT ALLOCATION FORMULAS FOR CAPITAL AND OPERATING FUNDS.—

(1) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the capital fund for a fiscal year. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned or operated by the local housing and management authority, the characteristics and locations of the developments, and the characteristics of the families served and to be served (including the incomes of the families);

(B) the need of the local housing and management authority to carry out rehabilitation and modernization activities, and reconstruction, production, and demolition activities related to public housing dwelling units owned or operated by the local housing and management authority, including backlog and projected future needs of the authority;

(C) the cost of constructing and rehabilitating property in the area; and

(D) the need of the local housing and management authority to carry out activities that provide a safe and secure environment in public housing units owned or operated by the local housing and management authority.

(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the operating fund for a fiscal year. The formula may take into account such factors as—

(A) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the public housing developments and characteristics of the families served and to be served (including the incomes of the families), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing development;

(B) the number of public housing dwelling units owned or operated by the local housing and management authority; and

(C) the need of the local housing and management authority to carry out anti-crime and anti-drug activities, including providing adequate security for public housing residents.

(3) DEVELOPMENT UNDER NEGOTIATED RULEMAKING PROCEDURE.—The formulas under this subsection shall be developed according to procedures for issuance of regulations under the negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code, except that the formulas shall not be contained in a regulation.

(4) REPORT.—Not later than the expiration of the 18-month period beginning upon the enactment of this Act, the Secretary shall submit a report to the Congress containing the proposed formulas established pursuant to paragraph (3) that meets the requirements of this subsection.

(d) INTERIM ALLOCATION REQUIREMENTS.—

(1) OPERATING ALLOCATION.—

(A) APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for operating allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The operating allocation under this subsection for a local housing and management authority for a fiscal year shall be an amount determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of operating subsidies for fiscal year 1995 to public housing agencies (as modified under subparagraph (C)) under section 9 of the United States Housing Act of 1937, as in effect before the enactment of this Act.

(C) TREATMENT OF CHRONICALLY VACANT UNITS.—The Secretary shall revise the formula referred to in subparagraph (B) so that the formula does not provide any amounts, other than utility costs and other necessary costs (such as costs necessary for the protection of persons and property), attributable to any dwelling unit of a local housing and management authority that has been vacant continuously for 6 or more months. A unit shall not be considered vacant for purposes of this paragraph if the unit is unoccupied because of rehabilitation or renovation that is on-schedule.

(D) INCREASES IN INCOME.—The Secretary may revise the formula referred to in subparagraph (B) to provide an incentive to encourage local housing and management authorities to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families with a broad range of incomes, including families whose incomes have increased while in occupancy and newly admitted families. Any such incentive shall provide that the local housing and management authority shall derive the full benefit of an increase in nonrental income, and such increase shall not directly result in a decrease in amounts provided to the authority under this title.

(2) CAPITAL IMPROVEMENT ALLOCATION.—

(A) APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The capital improvement allocation under this subsection for an eligible local housing and management authority for a fiscal year shall be determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of modernization assistance for fiscal year 1995 to public housing agencies under section 14 of the United States Housing Act of 1937, as in effect before the enactment of this Act, except that Secretary shall establish a method for taking into consideration allocation of amounts under the comprehensive improvement assistance program.

(e) ELIGIBILITY OF UNITS ACQUIRED FROM PROCEEDS OF SALES UNDER DEMOLITION OR DISPOSITION PLAN.—If a local housing and management authority uses proceeds from the sale of units under a homeownership program in accordance with section 251 to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the authority under this section until sale by the authority, but in any case no longer than 5 years.

SEC. 205. SANCTIONS FOR IMPROPER USE OF AMOUNTS.

(a) IN GENERAL.—In addition to any other actions authorized under this title, if the Secretary finds pursuant to an annual financial and performance audit under section 432 that a local housing and management authority receiving grant amounts under this title has failed to comply substantially with any provision of this title, the Secretary may—

(1) terminate payments under this title to the authority;

(2) withhold from the authority amounts from the total allocation for the authority pursuant to section 204;

(3) reduce the amount of future grant payments under this title to the authority by an amount equal to the amount of such payments that were not expended in accordance with this title;

(4) limit the availability of grant amounts provided to the authority under this title to programs, projects, or activities not affected by such failure to comply;

(5) withhold from the authority amounts allocated for the authority under title III; or

(6) order other corrective action with respect to the authority.

(b) TERMINATION OF COMPLIANCE ACTION.—If the Secretary takes action under subsection (a) with respect to a local housing and management authority, the Secretary shall—

(1) in the case of action under subsection (a)(1), resume payments of grant amounts under this title to the authority in the full amount of the total allocation under section 204 for the authority at the time that the Secretary first determines that the authority will comply with the provisions of this title;

(2) in the case of action under paragraph (2), (5), or (6) of subsection (a), make withheld amounts available as the Secretary considers appropriate to ensure that the authority complies with the provisions of this title; or

(3) in the case of action under subsection (a)(4), release such restrictions at the time that the Secretary first determines that the authority will comply with the provisions of this title.

Subtitle B—Admissions and Occupancy Requirements

SEC. 221. LOW-INCOME HOUSING REQUIREMENT.

(a) PRODUCTION ASSISTANCE.—Any public housing produced using amounts provided under a grant under this title or under the United States Housing Act of 1937 shall be operated as public housing for the 40-year period beginning upon such production.

(b) OPERATING ASSISTANCE.—No portion of any public housing development operated with amounts from a grant under this title or operating assistance provided under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this Act.

(c) CAPITAL IMPROVEMENTS ASSISTANCE.—Amounts may be used for eligible activities under section 203(a)(2) only for the following housing developments:

(1) LOW-INCOME DEVELOPMENTS.—Amounts may be used for a low-income housing development that—

(A) is owned by local housing and management authorities;

(B) is operated as low-income rental housing and produced or operated with assistance provided under a grant under this title; and

(C) is consistent with the purposes of this title.

Any development, or portion thereof, referred to in this paragraph for which activities under section 203(a)(2) are conducted using amounts from a grant under this title shall be maintained and used as public housing for the 20-year period beginning upon the receipt of such grant. Any public housing development, or portion thereof, that received the benefit of a grant pursuant to section 14 of the United States Housing Act of 1937 shall be maintained and used as public housing for the 20-year period beginning upon receipt of such amounts.

(2) MIXED INCOME DEVELOPMENTS.—Amounts may be used for mixed-income developments, which shall be a housing development that—

(A) contains dwelling units that are available for occupancy by families other than low-income families;

(B) contains a number of dwelling units—

(i) which units are made available (by master contract or individual lease) for occupancy only by low- and very low-income families identified by the local housing and management authority;

(ii) which number is not less than a reasonable number of units, including related amenities, taking into account the amount of the assistance provided by the authority compared to the total investment (including costs of operation) in the development;

(iii) which units are subject to the statutory and regulatory requirements of the public housing program, except that the Secretary may grant appropriate waivers to such statutory and regulatory requirements if reductions in funding or other changes to the program make continued application of such requirements impracticable;

(iv) which units are specially designated as dwelling units under this subparagraph, except the equivalent units in the development may be substituted for designated units during the period the units are subject to the requirements of the public housing program; and

(v) which units shall be eligible for assistance under this title; and

(C) is owned by the local housing and management authority, an affiliate controlled by it, or another appropriate entity.

Notwithstanding any other provision of this title, to facilitate the establishment of socioeconomically mixed communities, a local housing and management authority that uses grant amounts under this title for a mixed income development under this paragraph may, to the extent that income from such a development reduces the amount of grant amounts used for operating or other costs relating to public housing, use such resulting savings to rent privately developed dwelling units in the neighborhood of the mixed income development. Such units shall be made available for occupancy only by low-income families eligible for residency in public housing.

SEC. 222. FAMILY ELIGIBILITY.

(a) IN GENERAL.—Dwelling units in public housing may be rented only to families who are low-income families at the time of their initial occupancy of such units.

(b) INCOME MIX WITHIN DEVELOPMENTS.—A local housing and management authority may establish and utilize income-mix criteria for the selection of residents for dwelling units in public housing developments that limit admission to a development by selecting applicants having incomes appropriate so that the mix of incomes of families occupying the development is proportional to the income mix in the eligible population of the jurisdiction of the authority, as adjusted to take into consideration the severity of housing need. Any criteria established under this subsection shall be subject to the provisions of subsection (c).

(c) INCOME MIX.—

(1) LHMA INCOME MIX.—Of the public housing dwelling units of a local housing and management authority made available for occupancy after the date of the enactment of this Act not less than 35 percent shall be occupied by low-income families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary, may for purposes of this subsection, establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(2) PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES.—A local housing and management authority may not comply with the requirements under paragraph (1) by concentrating very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing developments or certain buildings within developments. The Secretary may review the income and occupancy characteristics of the public housing developments, and the buildings of such developments, of local housing and management authorities to ensure compliance with the provisions of this paragraph.

(d) WAIVER OF ELIGIBILITY REQUIREMENTS FOR OCCUPANCY BY POLICE OFFICERS.—

(1) AUTHORITY AND WAIVER.—To provide occupancy in public housing dwelling units to police officers and other law enforcement or security personnel (who are not otherwise eligible for residence in public housing) and to increase security for other public housing residents in developments where crime has been a problem, a local housing and management authority may, with respect to such units and subject to paragraph (2)—

(A) waive—

(i) the provisions of subsection (a) of this section and section 225(a);

(ii) the applicability of—

(I) any preferences for occupancy established under section 223;

(II) the minimum rental amount established pursuant to section 225(b) and any maximum monthly rental amount established pursuant to such section;

(III) any criteria relating to project income mix established under subsection (b);

(IV) the income mix requirements under subsection (c); and

(V) any other occupancy limitations or requirements; and

(B) establish special rent requirements and other terms and conditions of occupancy.

(2) CONDITIONS OF WAIVER.—A local housing and management authority may take the actions authorized in paragraph (1) only if authority determines that such actions will increase security in the public housing developments involved and will not result in a significant reduction of units available for residence by low-income families.

(e) LOSS OF ASSISTANCE FOR TERMINATION OF TENANCY.—A local housing and management authority shall, consistent with policies described in the local housing management plan of the authority, establish policies providing that a family residing in a public housing dwelling unit whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued occupancy in public housing under this title; and

(2) immediately become ineligible for admission to public housing under this title or for housing assistance under title III—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; or

(B) for other terminations, for a reasonable period of time as determined period of time as determined by the local housing and management authority.

SEC. 223. PREFERENCES FOR OCCUPANCY.

(a) AUTHORITY TO ESTABLISH.—Any local housing and management authority may establish a system for making dwelling units in public housing available for occupancy that provides preference for such occupancy to families having certain characteristics.

(b) CONTENT.—Each system of preferences established pursuant to this section shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

SEC. 224. ADMISSION PROCEDURES.

(a) ADMISSION REQUIREMENTS.—A local housing and management authority shall ensure that each family residing in a public housing development owned or administered by the authority is admitted in accordance with the procedures established under this title by the authority and the income limits under section 222.

(b) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for, or tenants of, public housing as provided in section 646 of the Housing and Community Development Act of 1992.

(c) NOTIFICATION OF APPLICATION DECISIONS.—A local housing and management authority shall establish procedures designed to provide for notification to an applicant for admission to public housing of the determination with respect to such application, the basis for the determination, and, if the applicant is determined to be eligible for admission, the projected date of occupancy (to the extent such date can reasonably be determined). If an authority denies an applicant admission to public housing, the authority shall notify the applicant that the applicant may request an informal hearing on the denial within a reasonable time of such notification.

(d) CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family in public housing that was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(e) TRANSFERS.—A local housing and management authority may apply, to each public housing resident seeking to transfer from one development to another development owned or operated by the authority, the screening procedures applicable at such time to new applicants for public housing.

SEC. 225. FAMILY RENTAL PAYMENT.

(a) RENTAL CONTRIBUTION BY RESIDENT.—

(1) IN GENERAL.—A family shall pay as monthly rent for a dwelling unit in public housing the amount that the local housing and management authority determines is appropriate with respect to the family and the unit, which shall be—

(A) based upon factors determined by the authority, which may include the adjusted income of the resident, type and size of dwelling unit, operating and other expenses of the authority, or any other factors that the authority considers appropriate; and

(B) an amount that is not less than the minimum monthly rental amount under subsection *(b)(1) nor more than any maximum monthly rental amount established for the dwelling unit pursuant to subsection (b)(2).*

Notwithstanding any other provision of this subsection, the amount paid by an elderly family or a disabled family for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income. Notwithstanding any other provision of this subsection, the amount paid by a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income. In determining the amount of the rent charged under this paragraph for a dwelling unit, a local housing and management authority shall take into consideration the characteristics of the population served by the authority, the goals of the local housing management plan for the authority, and the goals under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction.

(2) EXCEPTIONS.—Notwithstanding any other provision of this section, the amount paid for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is residing in any dwelling unit in public housing and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) has an income that does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

(b) ALLOWABLE RENTS.—

(1) MINIMUM RENTAL.—Each local housing and management authority shall establish, for each dwelling unit in public housing owned or administered by the authority, a minimum monthly rental contribution toward the rent (which rent shall include any amount allowed for utilities), which—

(A) may not be less than $25, nor more than $50; and

(B) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly rental contribution in effect for the preceding year.

Notwithstanding the preceding sentence, a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

(2) MAXIMUM RENTAL.—Each local housing and management authority may establish, for each dwelling unit in public housing owned or administered by the authority, a maximum monthly rental amount, which shall be an amount determined by the authority which is based on, but does not exceed—

(A) the average, for dwelling units of similar size in public housing developments owned and operated by such authority, of operating expenses attributable to such units;

(B) the reasonable rental value of the unit; or

(C) the local market rent for comparable units of similar size.

(c) INCOME REVIEWS.—If a local housing and management authority establishes the amount of rent paid by a family for a public housing dwelling unit based on the adjusted income of the family, the authority shall review the incomes of such family occupying dwelling units in public housing owned or administered by the authority not less than annually.

(d) REVIEW OF MAXIMUM AND MINIMUM RENTS.—

(1) RENTAL CHARGES.—If the Secretary determines, at any time, that a significant percentage of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(2) POPULATION SERVED.—If the Secretary determines, at any time, that less than 40 percent of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households whose incomes do not exceed 30 percent of the area median income, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(3) MODIFICATION OF MAXIMUM AND MINIMUM RENTAL AMOUNTS.—If, pursuant to review under this subsection, the Secretary determines that the maximum and minimum rental amounts for a large local housing and management authority are not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking into consideration the financial resources and costs of the authority), as identified in the approved local housing management plan of the authority, the Secretary may require the authority to modify the maximum and minimum monthly rental amounts.

(4) LARGE LHMA.—For purposes of this subsection, the term "large local housing and management authority" means a local housing and management authority that owns or operates 1250 or more public housing dwelling units.

(e) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family residing in a dwelling unit in public housing upon the date of the enactment of this Act, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon initial applicability of this title is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (b)(1)(A) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 226. LEASE REQUIREMENTS.

In renting dwelling units in a public housing development, each local housing and management authority shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) obligate the local housing and management authority to maintain the development in compliance with the housing quality requirements under section 232;

(3) require the local housing and management authority to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or local housing and management authority employees is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the local housing and management authority may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, State, or local law, or for other good cause;

(5) provide that the local housing and management authority may terminate the tenancy of a public housing resident for any activity, engaged in by a public housing resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the local housing and management authority or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off such premises;

(6) provide that any occupancy in violation of the provisions of section 105 shall be cause for termination of tenancy; and

(7) specify that, with respect to any notice of eviction or termination, notwithstanding any State law, a public housing resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records or regulations directly related to the eviction or termination.

SEC. 227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES

(a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a local housing and management authority for which the information required under subsection (d) is in effect may provide public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy as provided in paragraph (1), the local housing and management authority may make units in such developments (or portions) available only to the types of families for whom the development is designated.

(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a local housing and management authority determines that there are insufficient numbers of elderly families to fill all the units in a development (or portion of a development) designated under paragraph (1) for occupancy by only elderly families, the authority may provide that near-elderly families may occupy dwelling units in the development (or portion).

(b) STANDARDS REGARDING EVICTIONS.—Except as provided in section 105(b)(1)(B), any tenant who is lawfully residing in a dwelling unit in a public housing development may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) pursuant to this section or because of any action taken by the Secretary or any local housing and management authority pursuant to this section.

(c) RELOCATION ASSISTANCE.—A local housing and management authority that designates any existing development or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the authority and the person or family;

(2) access to comparable housing (including appropriate services and design features), which may include choice-based rental housing assistance under title III, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(d) REQUIRED INCLUSIONS IN LOCAL HOUSING MANAGEMENT PLAN.—A local housing and management authority may designate a development (or portion of a development) for occupancy under subsection (a)(1) only if the authority, as part of the authority's local housing management plan—

(1) establishes that the designation of the development is necessary—

(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

(B) to meet the housing needs of the low-income population of the jurisdiction; and

(2) includes a description of—

(A) the development (or portion of a development) to be designated;

(B) the types of tenants for which the development is to be designated;

(C) any supportive services to be provided to tenants of the designated development (or portion);

(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended occupants; and

(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the development were not restricted pursuant to this section.

For purposes of this subsection, the term 'supportive services' means services designed to meet the special needs of residents. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering designation of a development pursuant to this section.

(e) EFFECTIVENESS.—

(1) Initial 5-year effectiveness.—The information required under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under section 108(a) of the local housing and management authority that the information complies with the requirements under section 107 and this section.

(2) RENEWAL.—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an authority may extend the effectiveness of the designation and information for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the information. The Secretary may not limit the number of times a local housing and management authority extends the effectiveness of a designation and information under this paragraph.

(3) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this section, a local housing and management authority shall be considered to have submitted the information required under this section if the authority has submitted to the Secretary an application and allocation plan under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) that has not been approved or disapproved before such date of enactment.

(4) TRANSITION PROVISION.—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) before such date of enactment shall be considered to be the information required to be submitted under this section and that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(g) INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.—No resident of a public housing development shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing development or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

(h) USE OF AMOUNTS.—Any amounts appropriated pursuant to section 10(b) of the Housing Opportunity Program Extension Act of 1996 (Public Law 104–120) may also be used for choice-based rental housing assistance under title III for local housing and management authorities to implement this section.

Subtitle C—Management

SEC. 231. MANAGEMENT PROCEDURES.

(a) SOUND MANAGEMENT.—A local housing and management authority that receives grant amounts under this title shall establish and comply with procedures and practices sufficient to ensure that the public housing developments owned or administered by the authority are operated in a sound manner.

(b) ACCOUNTING SYSTEM FOR RENTAL COLLECTIONS AND COSTS.—

(1) ESTABLISHMENT.—Each local housing and management authority that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project and operating cost center (as determined by the Secretary).

(2) ACCESS TO RECORDS.—Each local housing and management authority shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

(3) EXEMPTION.—The Secretary may permit authorities owning or operating fewer than 500 dwelling units to comply with the requirements of this subsection by accounting on an authority-wide basis.

(c) MANAGEMENT BY OTHER ENTITIES.—Except as otherwise provided under this Act, a local housing and management authority may contract with any other entity to perform any of the management functions for public housing owned or operated by the local housing and management authority.

SEC. 232. HOUSING QUALITY REQUIREMENTS.

(a) IN GENERAL.—Each local housing and management authority that receives grant amounts under this Act shall maintain its public housing in a condition that complies—

(1) in the case of public housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(2) in the case of public housing located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in paragraph (1), with the housing quality standards established under subsection (b).

(b) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that public housing dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 328(b). The Secretary shall differentiate between major and minor violations of such standards.

(c) DETERMINATIONS.—Each local housing and management authority providing housing assistance shall identify, in the local housing management plan of the authority, whether the authority is utilizing the standard under paragraph (1) or (2) of subsection (a).

(d) ANNUAL INSPECTIONS.—Each local housing and management authority that owns or operates public housing shall make an annual inspection of each public housing development to determine whether units in the development are maintained in accordance with the requirements under subsection (a). The authority shall submit the results of such inspections to the Secretary and the Inspector General for the Department of Housing and Urban Development and such results shall be available to the Housing Foundation and Accreditation Board established under title IV and any auditor conducting an audit under section 432.

SEC. 233. EMPLOYMENT OF RESIDENTS.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through the end and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs."; and

(B) in subparagraph (B)(ii), by striking "managed by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(2) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through "section 14 of that Act" and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs"; and

(B) in subparagraph (B)(ii), by striking "operated by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996".

SEC. 234. RESIDENT COUNCILS AND RESIDENT MANAGEMENT CORPORATIONS.

(a) RESIDENT COUNCILS.—The residents of a public housing development may establish a resident council for the development for purposes of consideration of issues relating to residents, representation of resident interests, and

coordination and consultation with a local housing and management authority. A resident council shall be an organization or association that—

(1) is nonprofit in character;

(2) is representative of the residents of the eligible housing;

(3) adopts written procedures providing for the election of officers on a regular basis; and

(4) has a democratically elected governing board, which is elected by the residents of the eligible housing on a regular basis.

(b) RESIDENT MANAGEMENT CORPORATIONS.—

(1) ESTABLISHMENT.—The residents of a public housing development may establish a resident management corporation for the purpose of assuming the responsibility for the management of the development under section 235 or purchasing a development.

(2) REQUIREMENTS.—A resident management corporation shall be a corporation that—

(A) is nonprofit in character;

(B) is organized under the laws of the State in which the development is located;

(C) has as its sole voting members the residents of the development; and

(D) is established by the resident council for the development or, if there is not a resident council, by a majority of the households of the development.

SEC. 235. MANAGEMENT BY RESIDENT MANAGEMENT CORPORATION.

(a) AUTHORITY.—A local housing and management authority may enter into a contract under this section with a resident management corporation to provide for the management of public housing developments by the corporation.

(b) CONTRACT.—A contract under this section for management of public housing developments by a resident management corporation shall establish the respective management rights and responsibilities of the corporation and the local housing and management authority. The contract shall be consistent with the requirements of this Act applicable to public housing development and may include specific terms governing management personnel and compensation, access to public housing records, submission of and adherence to budgets, rent collection procedures, resident income verification, resident eligibility determinations, resident eviction, the acquisition of supplies and materials and such other matters as may be appropriate. The contract shall be treated as a contracting out of services.

(c) BONDING AND INSURANCE.—Before assuming any management responsibility for a public housing development, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the local housing and management authority against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

(d) BLOCK GRANT ASSISTANCE AND INCOME.—A contract under this section shall provide for—

(1) the local housing and management authority to provide a portion of the block grant assistance under this title to the resident management corporation for purposes of operating the public housing development covered by the contract and performing such other eligible activities with respect to the development as may be provided under the contract;

(2) the amount of income expected to be derived from the development itself (from sources such as rents and charges);

(3) the amount of income to be provided to the development from the other sources of income of the local housing and management authority (such as interest income, administrative fees, and rents); and

(4) any income generated by a resident management corporation of a public housing development that exceeds the income estimated under the contract shall be used for eligible activities under section 203(a).

(e) CALCULATION OF TOTAL INCOME.—

(1) MAINTENANCE OF SUPPORT.—Subject to paragraph (2), the amount of assistance provided by a local housing and management authority to a public housing development managed by a resident management corporation may not be reduced during the 3-year period beginning on the date on which the resident management corporation is first established for the development.

(2) REDUCTIONS AND INCREASES IN SUPPORT.—If the total income of a local housing and management authority is reduced or increased, the income provided by the local housing and management authority to a public housing development managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the authority, except that any reduction in block grant amounts under this title to the authority that occurs as a result of fraud, waste, or mismanagement by the authority shall not affect the amount provided to the resident management corporation.

SEC. 236. TRANSFER OF MANAGEMENT OF CERTAIN HOUSING TO INDEPENDENT MANAGER AT REQUEST OF RESIDENTS.

(a) AUTHORITY.—The Secretary may transfer the responsibility and authority for management of specified housing (as such term is defined in subsection (h)) from a local housing and management authority to an eligible management entity, in accordance with the requirements of this section, if—

(1) such housing is owned or operated by a local housing and management authority that is—

(A) not accredited under section 433 by the Housing Foundation and Accreditation Board; or

(B) designated as a troubled authority under section 431(a)(2); and

(2) the Secretary determines that—

(A) such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;

(B) such housing is occupied predominantly by families with children who are in a severe state of distress, characterized by such factors as high rates of unemployment, teenage pregnancy, single-parent households, long-term dependency on public assistance and minimal educational achievement;

(C) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and

(D) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) through (C) can be remedied by an entity that has a demonstrated capacity to manage, with reasonable expenses for modernization.

Such a transfer may be made only as provided in this section, pursuant to the approval by the Secretary of a request for the transfer made by a majority vote of the residents for the specified housing, after consultation with the local housing and management authority for the specified housing.

(b) BLOCK GRANT ASSISTANCE.—Pursuant to a contract under subsection (c), the Secretary shall require the local housing and management authority for specified housing to provide to the manager for the housing, from any block grant amounts under this title for the authority, fair and reasonable amounts for operating costs for the housing. The amount made available under this subsection to a manager shall be determined by the Secretary based on the share for the specified housing of the total block grant amounts for the local housing and management authority transferring the housing, taking into consideration the operating and capital improvement needs of the specified housing, the operating and capital improvement needs of the remaining public housing units managed by the local housing and management authority, and the local housing management plan of such authority.

(c) CONTRACT BETWEEN SECRETARY AND MANAGER.—

(1) REQUIREMENTS.—Pursuant to the approval of a request under this section for transfer of the management of specified housing, the Secretary shall enter into a contract with the eligible management entity.

(2) TERMS.— A contract under this subsection shall contain provisions establishing the rights and responsibilities of the manager with respect to the specified housing and the Secretary and shall be consistent with the requirements of this Act applicable to public housing developments.

(d) COMPLIANCE WITH LOCAL HOUSING MANAGEMENT PLAN.—A manager of specified housing under this section shall comply with the approved local housing management plan applicable to the housing and shall submit such information to the local housing and management authority from which management was transferred as may be necessary for such authority to prepare and update its local housing management plan.

(e) DEMOLITION AND DISPOSITION BY MANAGER.—A manager under this section may demolish or dispose of specified housing only if, and in the manner, provided for in the local housing management plan for the authority transferring management of the housing.

(f) LIMITATION ON LHMA LIABILITY.—A local housing and management authority that is not a manager for specified housing shall not be liable for any act or failure to act by a manager or resident council for the specified housing.

(g) TREATMENT OF MANAGER.—To the extent not inconsistent with this section and to the extent the Secretary determines not inconsistent with the purposes of this Act, a manager of specified housing under this section shall be considered to be a local housing and management authority for purposes of this title.

(h) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) ELIGIBLE MANAGEMENT ENTITY.—The term "eligible management entity" means, with respect to any public housing development, any of the following entities that has been accredited in accordance with section 433:

(A) NONPROFIT ORGANIZATION.—A public or private nonprofit organization, which shall—

(i) include a resident management corporation or resident management organization and, as determined by the Secretary, a public or private nonprofit organization sponsored by the local housing and management authority that owns the development; and

(ii) not include the local housing and management authority that owns the development.

(B) FOR-PROFIT ENTITY.—A for-profit entity that has demonstrated experience in providing low-income housing.

(C) STATE OR LOCAL GOVERNMENT.—A State or local government, including an agency or instrumentality thereof.

(D) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—A local housing and management authority (other than the local housing and management authority that owns the development). The term does not include a resident council.

(2) MANAGER.—The term "manager" means any eligible management entity that has entered into a contract under this section with the Secretary for the management of specified housing.

(3) NONPROFIT.—The term "nonprofit" means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(4) PRIVATE NONPROFIT ORGANIZATION.—The term "private nonprofit organization" means any private organization (including a State or locally chartered organization) that—

(A) is incorporated under State or local law;

(B) is nonprofit in character;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income families.

(5) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term "local housing and management authority" has the meaning given such term in section 103(a).

(6) PUBLIC NONPROFIT ORGANIZATION.—The term "public nonprofit organization" means any public entity that is nonprofit in character.

(7) SPECIFIED HOUSING.—The term "specified housing" means a public housing development or developments, or a portion of a development or developments, for which the transfer of management is requested under this section. The term includes one or more contiguous buildings and an area of contiguous row houses, but in the case of a single building, the building shall be sufficiently separable from the remainder of the development of which it is part to make transfer of the management of the building feasible for purposes of this section.

SEC. 237. RESIDENT OPPORTUNITY PROGRAM.

(a) PURPOSE.—The purpose of this section is to encourage increased resident management of public housing developments, as a means of improving existing living conditions in public housing developments, by providing increased flexibility for public housing developments that are managed by residents by—

(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For purposes of this section, the term "public housing development" includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

(b) PROGRAM REQUIREMENTS.—

(1) RESIDENT COUNCIL.—As a condition of entering into a resident opportunity program, the elected resident council of a public housing development shall approve the establishment of a resident management corporation that complies with the requirements of section 234(b)(2). When such approval is made by the elected resident council of a building or row house area, the resident opportunity program shall not interfere with the rights of other families residing in the development or harm the efficient operation of the development. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council.

(2) PUBLIC HOUSING MANAGEMENT SPECIALIST.—The resident council of a public housing development, in cooperation with the local housing and management authority, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the development.

(3) MANAGEMENT RESPONSIBILITIES.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the local housing and management authority, shall enter into a contract with the authority establishing the respective management rights and responsibilities of the corporation and the authority. The contract shall be treated as a contracting out of services and shall be subject to the requirements under section 234 for such contracts.

(4) ANNUAL AUDIT.—The books and records of a resident management corporation operating a public housing development shall be audited annually by a certified public accountant. A written report of each such audit shall be forwarded to the local housing and management authority and the Secretary.

(c) COMPREHENSIVE IMPROVEMENT ASSISTANCE.—Public housing developments managed by resident management corporations may be provided with modernization assistance from grant amounts under this title for purposes of renovating such developments. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the local housing and management authority involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.

(d) WAIVER OF FEDERAL REQUIREMENTS.—

(1) WAIVER OF REGULATORY REQUIREMENTS.—Upon the request of any resident management corporation and local housing and management authority, and after notice and an opportunity to comment is afforded to the affected residents, the Secretary may waive (for both the resident management corporation and the local housing and management authority) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing development.

(2) WAIVER TO PERMIT EMPLOYMENT.—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such development to volunteer a portion of their labor.

(3) EXCEPTIONS.—The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 222, rental payments under section 225, tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

(e) OPERATING ASSISTANCE AND DEVELOPMENT INCOME.—

(1) CALCULATION OF OPERATING SUBSIDY.—Subject only to the exception provided in paragraph (3), the grant amounts received under this title by a local housing and management authority used for operating costs under section 203(a)(2) that are allocated to a public housing development managed by a resident management corporation shall not be less than per unit monthly amount of such assistance used by the local housing and management authority in the previous year, as determined on an individual development basis.

(2) CONTRACT REQUIREMENTS.—Any contract for management of a public housing development entered into by a local housing and management authority and a resident management corporation shall specify the amount of income expected to be derived from the development itself (from sources such as rents and charges) and the amount of income funds to be provided to the development from the other sources of income of the authority (such as operating assistance under section 203(a), interest income, administrative fees, and rents).

(f) RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.—

(1) FINANCIAL ASSISTANCE.—To the extent budget authority is available under this title, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing developments, and the securing of such support. In addition, the Secretary may provide financial assistance to resident management corporations or resident councils for activities sponsored by resident organizations for economic uplift, such as job training, economic development, security, and other self-sufficiency activities beyond those related to the management of public housing. The Secretary may require resident councils or resident management corporations to utilize local housing and management authorities or other qualified organizations as contract administrators with respect to financial assistance provided under this paragraph.

(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection with respect to any public housing development may not exceed $100,000.

(3) PROHIBITION.—A resident management corporation or resident council may not, before the award to the corporation or council of a grant amount under this subsection, enter into any contract or other agreement with any entity to provide such entity with amounts from the grant for providing technical assistance or carrying out other activities eligible for assistance with amounts under this subsection. Any such agreement entered into in violation of this paragraph shall be void and unenforceable.

(4) FUNDING.—Of any amounts made available for financial assistance under this title, the Secretary may use to carry out this subsection $15,000,000 for fiscal year 1996.

(5) LIMITATION REGARDING ASSISTANCE UNDER HOPE GRANT PROGRAM.—The Secretary may not provide financial assistance under this subsection to any resident management corporation or resident council with respect to which assistance for the development or formation of such entity is provided under title III of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

(6) TECHNICAL ASSISTANCE AND CLEARINGHOUSE.—The Secretary may use up to 10 percent of the amount made available pursuant to paragraph (4)—

(A) to provide technical assistance, directly or by grant or contract, and

(B) to receive, collect, process, assemble, and disseminate information,

in connection with activities under this subsection.

(g) ASSESSMENT AND REPORT BY SECRETARY.—Not later than 3 years after the date of the enactment of the United States Housing Act of 1996, the Secretary shall—

(1) conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing; and

(2) submit to the Congress a report setting forth the findings of the Secretary as a result of the evaluation and assessment and including any recommendations the Secretary determines to be appropriate.

(h) APPLICABILITY.—Any management contract between a local housing and management authority and a resident management corporation that is entered into after the date of the enactment of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 shall be subject to this section and any regulations issued to carry out this section.

Subtitle D—Homeownership

SEC. 251. RESIDENT HOMEOWNERSHIP PROGRAMS.

(a) IN GENERAL.—A local housing and management authority may carry out a homeownership program in accordance with this section and the local housing management plan of the authority to make public housing dwelling units, public housing developments, and other housing projects available for purchase by low-income families. An authority may transfer a unit only pursuant to a homeownership program approved by the Secretary. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan regarding a homeownership program pursuant to this section.

(b) PARTICIPATING UNITS.—A program under this section may cover any existing public housing dwelling units or projects, and may include other dwelling units and housing owned, operated, or assisted, or otherwise acquired for use under such program, by the local housing and management authority.

(c) ELIGIBLE PURCHASERS.—

(1) LOW-INCOME REQUIREMENT.—Only low-income families assisted by a local housing and management authority, other low-income families, and entities formed to facilitate such sales by purchasing units for resale to low-income families shall be eligible to purchase housing under a homeownership program under this section.

(2) OTHER REQUIREMENTS.—A local housing and management authority may establish other requirements or limitations for families to purchase housing under a homeownership program under this section, including requirements or limitations regarding employment or participation in employment counseling or training activities, criminal activity, participation in homeownership counseling programs, evidence of regular income, and other requirements. In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within 5 years from the date of its acquisition of the units. The entity shall use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

(d) FINANCING AND ASSISTANCE.—A homeownership program under this section may provide financing for acquisition of housing by families purchasing under the program or by the local housing and management authority for sale under this program in any manner considered appropriate by the authority (including sale to a resident management corporation).

(e) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—Each family purchasing housing under a homeownership program under this section shall be required to provide from its own resources a downpayment in connection with any loan for acquisition of the housing, in an amount determined by the local housing and management authority. Except as provided in paragraph (2), the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase.

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(f) OWNERSHIP INTERESTS.—A homeownership program under this section may provide for sale to the purchasing family of any ownership interest that the local housing and management authority considers appropriate under the program, including ownership in fee simple, a condominium interest, an interest in a limited dividend cooperative, a shared appreciation interest with a local housing and management authority providing financing.

(g) RESALE.—

(1) AUTHORITY AND LIMITATION.—A homeownership program under this section shall permit the resale of a dwelling unit purchased under the program by an eligible family, but shall provide such limitations on resale as the authority considers appropriate (whether the family purchases directly from the authority or from another entity) for the authority to recapture—

(A) from any economic gain derived from any such resale occurring during the 5-year period beginning upon purchase of the dwelling unit by the eligible family, a portion of the amount of any financial assistance provided under the program by the authority to the eligible family; and

(B) after the expiration of such 5-year period, only such amounts as are equivalent to the assistance provided under this section by the authority to the purchaser.

(2) CONSIDERATIONS.—The limitations referred to in paragraph (1) may provide for consideration of the aggregate amount of assistance provided under the program to the family, the contribution to equity provided by the purchasing eligible family, the period of time elapsed between purchase under the homeownership program and resale, the reason for resale, any improvements to the property made by the eligible family, any appreciation in the value of the property, and any other factors that the authority considers appropriate.

(h) INAPPLICABILITY OF DISPOSITION REQUIREMENTS.—The provisions of section 261 shall not apply to disposition of public housing dwelling units under a homeownership program under this section, except that any dwelling units sold under such a program shall be treated as public housing dwelling units for purposes of subsections (e) and (f) of section 261.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

SEC. 261. REQUIREMENTS FOR DEMOLITION AND DISPOSITION OF DEVELOPMENTS.

(a) AUTHORITY AND FLEXIBILITY.—A local housing and management authority may demolish, dispose of, or demolish and dispose of nonviable or nonmarketable public housing developments of the authority in accordance with this section.

(b) LOCAL HOUSING MANAGEMENT PLAN REQUIREMENT.—A local housing and management authority may take any action to demolish or dispose of a public housing development (or a portion of a development) only if such demolition or disposition complies with the provisions of this section and is in accordance with the local housing management plan for the authority. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering demolition or disposition pursuant to this section.

(c) PURPOSE OF DEMOLITION OR DISPOSITION.—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority provides sufficient evidence to the Secretary that—

(1) the development (or portion thereof) is severely distressed or obsolete;

(2) the development (or portion thereof) is in a location making it unsuitable for housing purposes;

(3) the development (or portion thereof) has design or construction deficiencies that make cost-effective rehabilitation infeasible;

(4) assuming that reasonable rehabilitation and management intervention for the development has been completed and paid for, the anticipated revenue that would be derived from charging market-based rents for units in the development (or portion thereof) would not cover the anticipated operating costs and replacement reserves of the development (or portion) at full occupancy and the development (or portion) would constitute a substantial burden on the resources of the local housing and management authority;

(5) retention of the development (or portion thereof) is not in the best interests of the residents of the local housing and management authority because—

(A) developmental changes in the area surrounding the development adversely affect the health or safety of the residents or the feasible operation of the development by the local housing and management authority;

(B) demolition or disposition will allow the acquisition, development, or rehabilitation of other properties which will be more efficiently or effectively operated as low-income housing; or

(C) other factors exist that the authority determines are consistent with the best interests of the residents and the authority and not inconsistent with other provisions of this Act;

(6) in the case only of demolition or disposition of a portion of a development, the demolition or disposition will help to ensure the remaining useful life of the remainder of the development; or

(7) in the case only of property other than dwelling units—

(A) the property is excess to the needs of a development; or

(B) the demolition or disposition is incidental to, or does not interfere with, continued operation of a development.

(d) CONSULTATION.—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority notifies and confers regarding the demolition or disposition with—

(1) the residents of the development (or portion); and

(2) appropriate local government officials.

(e) USE OF PROCEEDS.—Any net proceeds from the disposition of a public housing development (or portion of a development) shall be used for—

(1) housing assistance for low-income families that is consistent with the low-income housing needs of the community, through acquisition, development, or rehabilitation of, or homeownership programs for, other low-income housing or the provision of choice-based assistance under title III for such families;

(2) supportive services relating to job training or child care for residents of a development or developments; or

(3) leveraging amounts for securing commercial enterprises, on-site in public housing developments of the local housing and management authority, appropriate to serve the needs of the residents.

(f) RELOCATION.—A local housing and management authority that demolishes or disposes of a public housing development (or portion of a development thereof) shall ensure that—

(1) each family that is a resident of the development (or portion) that is demolished or disposed of is relocated to other safe, clean, healthy, and affordable housing, which is, to the maximum extent practicable, housing of the family's choice or is provided with choice-based assistance under title III;

(2) the local housing and management authority does not take any action to dispose of any unit until any resident to be displaced is relocated in accordance with paragraph (1); and

(3) each resident family to be displaced is paid relocation expenses, and the rent to be paid initially by the resident following relocation does

not exceed the amount permitted under section 225(a).

(g) Right of First Refusal for Resident Organizations and Resident Management Corporations.—

(1) In general.—A local housing and management authority may not dispose of a public housing development (or portion of a development) unless the authority has, before such disposition, offered to sell the property, as provided in this subsection, to each resident organization and resident management corporation operating at the development for continued use as low-income housing, and no such organization or corporation purchases the property pursuant to such offer. A resident organization may act, for purposes of this subsection, through an entity formed to facilitate homeownership under subtitle D.

(2) Timing.—Disposition of a development (or portion thereof) under this section may not take place—

(A) before the expiration of the period during which any such organization or corporation may notify the authority of interest in purchasing the property, which shall be the 30-day period beginning on the date that the authority first provides notice of the proposed disposition of the property to such resident organizations and resident management corporations;

(B) if an organization or corporation submits notice of interest in accordance with subparagraph (A), before the expiration of the period during which such organization or corporation may obtain a commitment for financing to purchase the property, which shall be the 60-day period beginning upon the submission to the authority of the notice of interest; or

(C) if, during the period under subparagraph (B), an organization or corporation obtains such financing commitment and makes a bona fide offer to the authority to purchase the property for a price equal to or exceeding the applicable offer price under paragraph (3).

The authority shall sell the property pursuant to any purchase offer described in subparagraph (C).

(3) Terms of offer.—An offer by a local housing and management authority to sell a property in accordance with this subsection shall involve a purchase price that reflects the market value of the property, the reason for the sale, the impact of the sale on the surrounding community, and any other factors that the authority considers appropriate.

(h) Information for Local Housing Management Plan.—A local housing and management authority may demolish or dispose of a public housing development (or portion thereof) only if it includes in the applicable local housing management plan information sufficient to describe—

(1) the housing to be demolished or disposed of;

(2) the purpose of the demolition or disposition under subsection (c) and why the demolition or disposition complies with the requirements under subsection (c);

(3) how the consultations required under subsection (d) will be made;

(4) how the net proceeds of the disposition will be used in accordance with subsection (e);

(5) how the authority will relocate residents, if necessary, as required under subsection (f); and

(6) that the authority has offered the property for acquisition by resident organizations and resident management corporations in accordance with subsection (g).

(i) Site and Neighborhood Standards Exemption.—Notwithstanding any other provision of law, a local housing and management authority may provide for development of public housing dwelling units on the same site or in the same neighborhood as any dwelling units demolished, pursuant to a plan under this section, but only if such development provides for significantly fewer dwelling units.

(j) Treatment of Replacement Units.—In connection with any demolition or disposition of public housing under this section, a local housing and management authority may provide for other housing assistance for low-income families that is consistent with the low-income housing needs of the community, including—

(1) the provision of choice-based assistance under title III; and

(2) the development, acquisition, or lease by the authority of dwelling units, which dwelling units shall—

(A) be eligible to receive assistance with grant amounts provided under this title; and

(B) be made available for occupancy, operated, and managed in the manner required for public housing, and subject to the other requirements applicable to public housing dwelling units.

(k) Permissible Relocation Without Plan.—If a local housing and management authority determines that public housing dwelling units are not clean, safe, and healthy or cannot be maintained cost-effectively in a clean, safe, and healthy condition, the local housing and management authority may relocate residents of such dwelling units before the submission of a local housing management plan providing for demolition or disposition of such units.

(l) Consolidation of Occupancy Within or Among Buildings.—Nothing in this section may be construed to prevent a local housing and management authority from consolidating occupancy within or among buildings of a public housing development, or among developments, or with other housing for the purpose of improving living conditions of, or providing more efficient services to, residents.

(m) De Minimis Exception to Demolition Requirements.—Notwithstanding any other provision of this section, in any 5-year period a local housing and management authority may demolish not more than the lesser of 5 dwelling units or 5 percent of the total dwelling units owned and operated by the local housing and management authority, without providing for such demolition in a local housing management plan, but only if the space occupied by the demolished unit is used for meeting the service or other needs of public housing residents or the demolished unit was beyond repair.

SEC. 262. DEMOLITION, SITE REVITALIZATION, REPLACEMENT HOUSING, AND CHOICE-BASED ASSISTANCE GRANTS FOR DEVELOPMENTS.

(a) Purposes.—The purpose of this section is to provide assistance to local housing and management authorities for the purposes of—

(1) reducing the density and improving the living environment for public housing residents of severely distressed public housing developments through the demolition of obsolete public housing developments (or portions thereof);

(2) revitalizing sites (including remaining public housing dwelling units) on which such public housing developments are located and contributing to the improvement of the surrounding neighborhood; and

(3) providing housing that will avoid or decrease the concentration of very low-income families; and

(4) providing choice-based assistance in accordance with title III for the purpose of providing replacement housing and assisting residents to be displaced by the demolition.

(b) Grant Authority.—The Secretary may make grants available to local housing and management authorities as provided in this section.

(c) Contribution Requirement.—The Secretary may not make any grant under this section to any applicant unless the applicant certifies to the Secretary that the applicant will supplement the amount of assistance provided under this section with an amount of funds from sources other than this section equal to not less than 5 percent of the amount provided under this section, including amounts from other Federal sources, any State or local government sources, any private contributions, and the value of any in-kind services or administrative costs provided.

(d) Eligible Activities.—Grants under this section may be used for activities to carry out revitalization programs for severely distressed public housing, including—

(1) architectural and engineering work, including the redesign, reconstruction, or redevelopment of a severely distressed public housing development, including the site on which the development is located;

(2) the demolition, sale, or lease of the site, in whole or in part;

(3) covering the administrative costs of the applicant, which may not exceed such portion of the assistance provided under this section as the Secretary may prescribe;

(4) payment of reasonable legal fees;

(5) providing reasonable moving expenses for residents displaced as a result of the revitalization of the development;

(6) economic development activities that promote the economic self-sufficiency of residents under the revitalization program;

(7) necessary management improvements;

(8) leveraging other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the development that will benefit future residents of the site;

(9) replacement housing and housing assistance under title III;

(10) transitional security activities; and

(11) necessary supportive services, except that not more than 10 percent of the amount of any grant may be used for activities under this paragraph.

(e) Application and Selection.—

(1) Application.—An application for a grant under this section shall contain such information and shall be submitted at such time and in accordance with such procedures, as the Secretary shall prescribe.

(2) Selection criteria.—The Secretary shall establish selection criteria for the award of grants under this section, which shall include—

(A) the relationship of the grant to the local housing management plan for the local housing and management authority and how the grant will result in a revitalized site that will enhance the neighborhood in which the development is located;

(B) the capability and record of the applicant local housing and management authority, or any alternative management agency for the authority, for managing large-scale redevelopment or modernization projects, meeting construction timetables, and obligating amounts in a timely manner;

(C) the extent to which the local housing and management authority could undertake such activities without a grant under this section;

(D) the extent of involvement of residents, State and local governments, private service providers, financing entities, and developers, in the development of a revitalization program for the development; and

(E) the amount of funds and other resources to be leveraged by the grant.

The Secretary shall give preference in selection to any local housing and management authority that has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

(f) COST LIMITS.—Subject to the provisions of this section, the Secretary—

(1) shall establish cost limits on eligible activities under this section sufficient to provide for effective revitalization programs; and

(2) may establish other cost limits on eligible activities under this section.

(h) DEMOLITION AND REPLACEMENT.—Any severely distressed public housing demolished or disposed of pursuant to a revitalization plan and any public housing produced in lieu of such severely distressed housing, shall be subject to the provisions of section 261.

(i) ADMINISTRATION BY OTHER ENTITIES.—The Secretary may require a grantee under this section to make arrangements satisfactory to the Secretary for use of an entity other than the local housing and management authority to carry out activities assisted under the revitalization plan, if the Secretary determines that such action will help to effectuate the purposes of this section.

(j) WITHDRAWAL OF FUNDING.—If a grantee under this section does not proceed expeditiously, in the determination of the Secretary, the Secretary shall withdraw any grant amounts under this section that have not been obligated by the local housing and management authority. The Secretary shall redistribute any withdrawn amounts to one or more local housing and management authorities eligible for assistance under this section or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the revitalization plan of the original grantee.

(k) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPLICANT.—The term "applicant" means—

(A) any local housing and management authority that is not designated as troubled or dysfunctional pursuant to section 431(a)(2);

(B) any local housing and management authority or private housing management agent selected, or receiver appointed pursuant, to section 438; and

(C) any local housing and management authority that is designated as troubled pursuant to section 431(a)(2)(D) that—

(i) is so designated principally for reasons that will not affect the capacity of the authority to carry out a revitalization program;

(ii) is making substantial progress toward eliminating the deficiencies of the authority; or

(iii) is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(2) PRIVATE NONPROFIT CORPORATION.—The term "private nonprofit organization" means any private nonprofit organization (including a State or locally chartered nonprofit organization) that—

(A) is incorporated under State or local law;

(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to very low-income families.

(3) SEVERELY DISTRESSED PUBLIC HOUSING.—The term "severely distressed public housing" means a public housing development (or building in a development)—

(A) that requires major redesign, reconstruction or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems and other deficiencies in the physical plant of the development;

(B) is a significant contributing factor to the physical decline of and disinvestment by public and private entities in the surrounding neighborhood;

(C)(i) is occupied predominantly by families who are very low-income families with children, are unemployed, and dependent on various forms of public assistance; and

(ii) has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area;

(D) cannot be revitalized through assistance under other programs, such as the public housing block grant program under this title, or the programs under sections 9 and 14 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), because of cost constraints and inadequacy of available amounts; and

(E) in the case of individual buildings, the building is, in the Secretary's determination, sufficiently separable from the remainder of the development of which the building is part to make use of the building feasible for purposes of this section.

(4) SUPPORTIVE SERVICES.—The term "supportive services" includes all activities that will promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing development involved, including literacy training, job training, day care, and economic development activities.

(l) ANNUAL REPORT.—The Secretary shall submit to the Congress an annual report setting forth—

(1) the number, type, and cost of public housing units revitalized pursuant to this section;

(2) the status of developments identified as severely distressed public housing;

(3) the amount and type of financial assistance provided under and in conjunction with this section; and

(4) the recommendations of the Secretary for statutory and regulatory improvements to the program established by this section.

(m) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section $480,000,000 for each of fiscal years 1996, 1997, and 1998.

(2) TECHNICAL ASSISTANCE.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use not more than 0.50 percent for technical assistance. Such assistance may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by or to officials of the Department of Housing and Urban Development, of local housing and management authorities, and of residents.

(n) SUNSET.—No assistance may be provided under this section after September 30, 1998.

SEC. 263. VOLUNTARY VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) IN GENERAL.—A local housing and management authority may convert any public housing development (or portion thereof) owned and operated by the authority to a system of choice-based rental housing assistance under title III, in accordance with this section.

(b) ASSESSMENT AND PLAN REQUIREMENT.—In converting under this section to a choice-based rental housing assistance system, the local housing and management authority shall develop a conversion assessment and plan under this subsection, in consultation with the appropriate public officials and with significant participation by the residents of the development (or portion thereof), which assessment and plan shall—

(1) be consistent with and part of the local housing management plan for the authority;

(2) describe the conversion and future use or disposition of the public housing development, including an impact analysis on the affected community;

(3) include a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing choice-based rental housing assistance under title III for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing development proposed for conversion for the remaining useful life of the development; and

(4) identify the actions, if any, that the local housing and management authority will take with regard to converting any public housing development or developments (or portions thereof) of the authority to a system of choice-based rental housing assistance under title III.

(c) STREAMLINED ASSESSMENT AND PLAN.—At the discretion of the Secretary or at the request of a local housing and management authority, the Secretary may waive any or all of the requirements of subsection (b) or otherwise require a streamlined assessment with respect to any public housing development or class of public housing developments.

(d) IMPLEMENTATION OF CONVERSION PLAN.—

(1) IN GENERAL.—A local housing and management authority may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

(A) will not be more expensive than continuing to operate the public housing development (or portion thereof) as public housing; and

(B) will principally benefit the residents of the public housing development (or portion thereof) to be converted, the local housing and management authority, and the community.

(2) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or there is reliable information and data available to the Secretary that contradicts that conversion assessment.

(e) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the local housing and management authority to provide choice-based rental housing assistance under title III shall be added to the housing assistance payment contract administered by the local housing and management authority or any entity administering the contract on behalf of the local housing and management authority.

(f) SAVINGS PROVISION.—This section does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937 (as such section existed immediately before the enactment of this Act).

Subtitle F—General Provisions

SEC. 271. CONVERSION TO BLOCK GRANT ASSISTANCE.

(a) SAVINGS PROVISIONS.—Any amounts made available to a public housing agency for assistance for public housing pursuant to the United States Housing Act of 1937 (or any other provision of law relating to assistance for public housing) under an appropriation for fiscal year 1996 or any previous fiscal year shall be subject to the provisions of such Act as in effect before the enactment of this Act, notwithstanding the repeals made by this Act, except to the extent the Secretary provides otherwise to provide for the conversion of public housing and public housing assistance to the system provided under this Act.

(b) MODIFICATIONS.—Notwithstanding any provision of this Act or any annual contributions contract or other agreement entered into by the Secretary and a public housing agency pursuant to the provisions of the United States Housing Act of 1937 (as in effect before the enactment of this Act), the Secretary and the agency may by mutual consent amend, supersede, modify any such agreement as appropriate to provide for assistance under this title, except

that the Secretary and the agency may not consent to any such amendment, supersession, or modification that substantially alters any outstanding obligations requiring continued maintenance of the low-income character of any public housing development and any such amendment, supersession, or modification shall not be given effect.

SEC. 272. PAYMENT OF NON-FEDERAL SHARE.

Rental or use-value of buildings or facilities paid for, in whole or in part, from production, modernization, or operation costs financed under this title may be used as the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs which provide social, educational, employment, and other services to the residents in a project assisted under this title.

SEC. 273. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) ACQUISITION COST.—The term "acquisition cost" means the amount prudently expended by a local housing and management authority in acquiring property for a public housing development.

(2) DEVELOPMENT.—The terms "public housing development" and "development" mean—

(A) public housing; and

(B) the improvement of any such housing.

(3) ELIGIBLE LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term "eligible local housing and management authority" means, with respect to a fiscal year, a local housing and management authority that is eligible under section 202(d) for a grant under this title.

(4) GROUP HOME AND INDEPENDENT LIVING FACILITY.—The terms "group home" and "independent living facility" have the meanings given such terms in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act.

(5) OPERATION.—The term "operation" means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a public housing development, including the financing of resident programs and services.

(6) PRODUCTION.—The term "production" means any or all undertakings necessary for planning, land acquisition, financing, demolition, construction, or equipment, in connection with the construction, acquisition, or rehabilitation of a property for use as a public housing development, including activity in connection with a public housing development that is confined to the reconstruction, remodeling, or repair of existing buildings.

(7) PRODUCTION COST.—The term "production cost" means the costs incurred by a local housing and management authority for production of public housing and the necessary financing for production (including the payment of carrying charges and acquisition costs).

(8) RESIDENT COUNCIL.—The term "resident council" means an organization or association that meets the requirements of section 234(a).

(9) RESIDENT MANAGEMENT CORPORATION.—The term "resident management corporation" means a corporation that meets the requirements of section 234(b).

(10) RESIDENT PROGRAM.—The term "resident programs and services" means programs and services for families residing in public housing developments. Such term includes (A) the development and maintenance of resident organizations which participate in the management of public housing developments, (B) the training of residents to manage and operate the public housing development and the utilization of their services in management and operation of the development, (C) counseling on household management, housekeeping, budgeting, money management, homeownership issues, child care, and similar matters, (D) advice regarding resources for job training and placement, education, welfare, health, and other community services, (E) services that are directly related to meeting resident needs and providing a wholesome living environment; and (F) referral to appropriate agencies in the community when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

SEC. 274. AUTHORIZATION OF APPROPRIATIONS FOR BLOCK GRANTS.

There are authorized to be appropriated for grants under this title, the following amounts:

(1) CAPITAL FUND.—For the allocations from the capital fund for grants, $2,500,000,000 for each of fiscal years 1997, 1998, 1999, and 2000; and

(2) OPERATING FUND.—For the allocations from the operating fund for grants, $2,800,000,000 for each of fiscal years 1997, 1998, 1999, and 2000.

SEC. 275. AUTHORIZATION OF APPROPRIATIONS FOR OPERATION SAFE HOME.

There is authorized to be appropriated, for assistance for relocating residents of public housing under the operation safe home program of the Department of Housing and Urban Development (including assistance for costs of relocation and housing assistance under title III), $700,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000. The Secretary shall provide that families who are residing in public housing, who have been subject to domestic violence, and for whom provision of assistance is likely to reduce or eliminate the threat of subsequent violence to the members of the family, shall be eligible for assistance under the operation safe home program.

TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

SEC. 301. AUTHORITY TO PROVIDE HOUSING ASSISTANCE AMOUNTS.

To the extent that amounts to carry out this title are made available, the Secretary may enter into contracts with local housing and management authorities for each fiscal year to provide housing assistance under this title.

SEC. 302. CONTRACTS WITH LHMA'S.

(a) CONDITION OF ASSISTANCE.—The Secretary may provide amounts under this title to a local housing and management authority for a fiscal year only if the Secretary has entered into a contract under this section with the local housing and management authority, under which the Secretary shall provide such authority with amounts (in the amount of the allocation for the authority determined pursuant to section 304) for housing assistance under this title for low-income families.

(b) USE FOR HOUSING ASSISTANCE.—A contract under this section shall require a local housing and management authority to use amounts provided under this title to provide housing assistance in any manner authorized under this title.

(c) ANNUAL OBLIGATION OF AUTHORITY.—A contract under this title shall provide amounts for housing assistance for 1 fiscal year covered by the contract.

(d) ENFORCEMENT OF HOUSING QUALITY REQUIREMENTS.—Each contract under this section shall require the local housing and management authority administering assistance provided under the contract—

(1) to ensure compliance, under each housing assistance payments contract entered into pursuant to the contract under this section, with the provisions of the housing assistance payments contract included pursuant to section 351(c)(4); and

(2) to establish procedures for assisted families to notify the authority of any noncompliance with such provisions.

SEC. 303. ELIGIBILITY OF LHMA'S FOR ASSISTANCE AMOUNTS.

The Secretary may provide amounts available for housing assistance under this title pursuant to the formula established under section 304(a) to a local housing and management authority only if—

(1) the authority has submitted a local housing management plan to the Secretary for such fiscal year and applied to the Secretary for such assistance;

(2) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(3) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(4) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony; and

(5) the authority has not been disqualified for assistance pursuant to subtitle B of title IV.

SEC. 304. ALLOCATION OF AMOUNTS.

(a) FORMULA ALLOCATION.—

(1) IN GENERAL.—When amounts for assistance under this title are first made available for reservation, after reserving amounts in accordance with subsections (b)(3) and (c), and section 112, the Secretary shall allocate such amounts, only among local housing and management authorities meeting the requirements under this title to receive such assistance, on the basis of a formula that is established in accordance with paragraph (2) and based upon appropriate criteria to reflect the needs of different States, areas, and communities, using the most recent data available from the Bureau of the Census of the Department of Commerce and the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction. The Secretary may establish a minimum allocation amount, in which case only the local housing and management authorities that, pursuant to the formula, are provided an amount equal to or greater than the minimum allocation amount, shall receive an allocation.

(2) REGULATIONS.—The formula under this subsection shall be established by regulation issued by the Secretary. Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, any proposed regulation containing such formula shall be issued pursuant to a negotiated rulemaking procedure under subchapter of chapter 5 of such title and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.

(b) ALLOCATION CONSIDERATIONS.—

(1) LIMITATION ON REALLOCATION FOR ANOTHER STATE.—Any amounts allocated for a State or areas or communities within a State that are not likely to be used within the fiscal year for which the amounts are provided shall not be reallocated for use in another State, unless the Secretary determines that other areas or communities within the same State (that are eligible for amounts under this title) cannot use the amounts within the same fiscal year.

(2) EFFECT OF RECEIPT OF TENANT-BASED ASSISTANCE FOR DISABLED FAMILIES.—The Secretary may not consider the receipt by a local housing and management authority of assistance under section 811(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, or the amount received, in approving amounts under this title for the authority or in determining the amount of such assistance to be provided to the authority.

(3) EXEMPTION FROM FORMULA ALLOCATION.—The formula allocation requirements of subsection (a) shall not apply to any assistance under this title that is approved in appropriation Acts for uses that the Secretary determines are incapable of geographic allocation, including funding for the headquarters reserve fund under section 112, amendments of existing housing assistance payments contracts, renewal of such contracts, assistance to families that would otherwise lose assistance due to the decision of the project owner to prepay the project mortgage or not to renew the housing assistance payments contract, assistance to prevent displacement from public or assisted housing or to provide replacement housing in connection with the demolition or disposition of public housing, assistance for relocation from public housing, assistance in connection with protection of crime witnesses, assistance for conversion from leased housing contracts under section 23 of the United States Housing Act of 1937 (as in effect before the enactment of the Housing and Community Development Act of 1974), and assistance in support of the property disposition and portfolio management functions of the Secretary.

(c) RECAPTURE OF AMOUNTS.—

(1) AUTHORITY.—In each fiscal year, from any budget authority made available for assistance under this title or section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that is obligated to a local housing and management authority but remains unobligated by the authority upon the expiration of the 8-month period beginning upon the initial availability of such amounts for obligation by the authority, the Secretary may deobligate an amount, as determined by the Secretary, not exceeding 50 percent of such unobligated amount.

(2) USE.—The Secretary may reallocate and transfer any amounts deobligated under paragraph (1) only to local housing and management authorities in areas that the Secretary determines have received less funding than other areas, based on the relative needs of all areas.

SEC. 305. ADMINISTRATIVE FEES.

(a) FEE FOR ONGOING COSTS OF ADMINISTRATION.—

(1) IN GENERAL.—The Secretary shall establish fees for the costs of administering the choice-based housing assistance program under this title.

(2) FISCAL YEAR 1996.—

(A) CALCULATION.—For fiscal year 1996, the fee for each month for which a dwelling unit is covered by a contract for assistance under this title shall be—

(i) in the case of a local housing and management authority that, on an annual basis, is administering a program for not more than 600 dwelling units, 7.65 percent of the base amount; and

(ii) in the case of an authority that, on an annual basis, is administering a program for more than 600 dwelling units—

(I) for the first 600 units, 7.65 percent of the base amount; and

(II) for any additional dwelling units under the program, 7.0 percent of the base amount.

(B) BASE AMOUNT.—For purposes of this paragraph, the base amount shall be the higher of—

(i) the fair market rental established under section 8(c) of the United States Housing Act of 1937 (as in effect immediately before the date of the enactment of this Act) for fiscal year 1993 for a 2-bedroom existing rental dwelling unit in the market area of the authority, and

(ii) the amount that is the lesser of (I) such fair market rental for fiscal year 1994 or (II) 103.5 percent of the amount determined under clause (i),

adjusted based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary. The Secretary may require that the base amount be not less than a minimum amount and not more than a maximum amount.

(3) SUBSEQUENT FISCAL YEARS.—For subsequent fiscal years, the Secretary shall publish a notice in the Federal Register, for each geographic area, establishing the amount of the fee that would apply for local housing and management authorities administering the program, based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary.

(4) INCREASE.—The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

(b) FEE FOR PRELIMINARY EXPENSES.—The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(1) the costs of preliminary expenses, in the amount of $500, for a local housing and management authority, but only in the first year that the authority administers a choice-based housing assistance program under this title, and only if, immediately before the date of the enactment of this Act, the authority was not administering a tenant-based rental assistance program under the United States Housing Act of 1937 (as in effect immediately before such date of enactment), in connection with its initial increment of assistance received;

(2) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

(3) extraordinary costs approved by the Secretary.

(c) TRANSFER OF FEES IN CASES OF CONCURRENT GEOGRAPHICAL JURISDICTION.—

(1) IN GENERAL.—In each fiscal year, if any local housing and management authority provides tenant-based rental assistance under section 8 of the United States Housing Act of 1937 or housing assistance under this title on behalf of a family who uses such assistance for a dwelling unit that is located within the jurisdiction of such authority but is also within the jurisdiction of another local housing and management authority, the Secretary shall take such steps as may be necessary to ensure that the local housing and management authority that provides the services for a family receives all or part of the administrative fee under this section (as appropriate).

SEC. 306. AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated for providing local housing and management authorities with housing assistance under this title, $1,861,668,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000.

(b) ASSISTANCE FOR DISABLED FAMILIES.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, for choice-based housing assistance under this title to be used in accordance with paragraph (2), $50,000,000 for fiscal year 1997, and such sums as may be necessary for each subsequent fiscal year.

(2) USE.—The Secretary shall provide amounts made available under paragraph (1) to local housing and management authorities only for use to provide housing assistance under this title for nonelderly disabled families (including such families relocating pursuant to designation of a public housing development under section 227 and other nonelderly disabled families who have applied to the authority for housing assistance under this title).

(3) ALLOCATION OF AMOUNTS.—The Secretary shall allocate and provide amounts made available under paragraph (1) to local housing and management authorities as the Secretary determines appropriate based on the relative levels of need among the authorities for assistance for families described in paragraph (1).

SEC. 307. CONVERSION OF SECTION 8 ASSISTANCE.

(a) IN GENERAL.—Any amounts made available to a local housing and management authority under a contract for annual contributions for assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that have not been obligated for such assistance by such authority before such enactment shall be used to provide assistance under this title, except to the extent the Secretary determines such use is inconsistent with existing commitments.

(b) EXCEPTION.—Subsection (a) shall not apply to any amounts made available under a contract for housing constructed or substantially rehabilitated pursuant to section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

SEC. 321. ELIGIBLE FAMILIES AND PREFERENCES FOR ASSISTANCE.

(a) LOW-INCOME REQUIREMENT.—Housing assistance under this title may be provided only on behalf of a family that—

(1) at the time that such assistance is initially provided on behalf of the family, is determined by the local housing and management authority to be a low-income family; or

(2) qualifies to receive such assistance under any other provision of Federal law.

(b) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 50 percent shall be families whose incomes do not exceed 60 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(c) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 40 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(d) REVIEWS OF FAMILY INCOMES.—

(1) IN GENERAL.—Reviews of family incomes for purposes of this title shall be subject to the provisions of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 and shall be conducted upon the initial provision of housing assistance for the family and thereafter not less than annually.

(2) PROCEDURES.—Each local housing and management authority administering housing assistance under this title shall establish procedures that are appropriate and necessary to ensure that income data provided to the authority and owners by families applying for or receiving housing assistance from the authority is complete and accurate.

(e) PREFERENCES FOR ASSISTANCE.—

(1) AUTHORITY TO ESTABLISH.—Any local housing and management authority that receives amounts under this title may establish a system for making housing assistance available on behalf of eligible families that provides preference for such assistance to eligible families having certain characteristics.

(2) CONTENT.—Each system of preferences established pursuant to this subsection shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

(f) PORTABILITY OF HOUSING ASSISTANCE.—

(1) NATIONAL PORTABILITY.—An eligible family that is selected to receive or is receiving assistance under this title may rent any eligible dwelling unit in any area where a program is being administered under this title. Notwithstanding the preceding sentence, a local housing and management authority may require that any family not living within the jurisdiction of the local housing and management authority at the time the family applies for assistance from the authority shall, during the 12-month period beginning on the date of initial receipt of housing assistance made available on behalf of the family from that authority, lease and occupy an eligible dwelling unit located within the jurisdiction served by the authority. The authority for the jurisdiction into which the family moves shall have the responsibility for administering assistance for the family.

(2) SOURCE OF FUNDING FOR A FAMILY THAT MOVES.—For a family that has moved into the jurisdiction of a local housing and management authority and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another authority, the authority for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary or through reimbursement from the other authority under that authority's contract.

(3) AUTHORITY TO DENY ASSISTANCE TO CERTAIN FAMILIES WHO MOVE.—A family may not receive housing assistance as provided under this subsection if the family has moved from a dwelling unit in violation of the lease for the dwelling unit.

(4) FUNDING ALLOCATIONS.—In providing assistance amounts under this title for local housing and management authorities for any fiscal year, the Secretary may give consideration to any reduction or increase in the number of resident families under the program of an authority in the preceding fiscal year as a result of this subsection.

(g) LOSS OF ASSISTANCE UPON TERMINATION OF TENANCY.—A local housing and management authority shall, consistent with the policies described in the local housing management plan of the authority, establish policies providing that an assisted family whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued housing assistance; and

(2) immediately become ineligible for housing assistance under this title or for admission to public housing under title II—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; and

(B) for other terminations, for a reasonable period of time as determined by the local housing and management authority.

(h) CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family receiving housing assistance who was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(i) DENIAL OF ASSISTANCE TO CRIMINAL OFFENDERS.—In making assistance under this title available on behalf of eligible families, a local housing and management authority may deny the provision of such assistance in the same manner, for the same period, and subject to the same conditions that an owner of federally assisted housing may deny occupancy in such housing under subsections (b) and (c) of section 642 of the Housing and Community Development Act of 1992.

(j) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for housing assistance under this title and assisted families under this title to the same extent an owner of federally assisted housing may obtain such records regarding an applicant for or tenant of federally assisted housing under section 646 of the Housing and Community Development Act of 1992.

SEC. 322. RESIDENT CONTRIBUTION.

(a) AMOUNT.—

(1) IN GENERAL.—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the local housing and management authority determines is appropriate with respect to the family and the unit, but shall not be less than the minimum monthly rental contribution determined under subsection (d).

(2) EXCEPTIONS FOR CERTAIN CURRENT RESIDENTS.—Notwithstanding paragraph (1), the amount paid by an assisted family for monthly rent for an assisted dwelling unit, may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is an assisted family and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) has an income that does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

Any amount payable under paragraph (3) shall be in addition to the amount payable under this paragraph.

(3) EXCESS RENTAL AMOUNT.—In any case in which the monthly rent charged for a dwelling unit pursuant to the housing assistance payments contract exceeds the applicable payment standard (established under section 353) for the dwelling unit, the assisted family residing in the unit shall contribute (in addition to the amount of the monthly rent contribution otherwise determined under paragraph (1) or (2) of this subsection for such family) such entire excess rental amount.

(b) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family that is an elderly family or a disabled family, for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, may not exceed 30 percent of the family's adjusted monthly income.

(c) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located may not exceed 30 percent of the family's adjusted monthly income.

(d) MINIMUM MONTHLY RENTAL CONTRIBUTION.—

(1) IN GENERAL.—The local housing and management authority shall determine the amount of the minimum monthly rental contribution of an assisted family (which rent shall include any amount allowed for utilities), which—

(A) shall be based upon factors including the adjusted income of the family and any other factors that the authority considers appropriate;

(B) shall be not less than $25, nor more than $50; and

(C) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly contribution in effect for the preceding year.

(2) HARDSHIP EXCEPTION.—Notwithstanding paragraph (1), a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any assisted family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

(e) TREATMENT OF CHANGES IN RENTAL CONTRIBUTION.—

(1) NOTIFICATION OF CHANGES.—A local housing and management authority shall promptly notify the owner of an assisted dwelling unit of any change in the resident contribution by the assisted family residing in the unit that takes effect immediately or at a later date.

(2) COLLECTION OF RETROACTIVE CHANGES.—In the case of any change in the rental contribution of an assisted family that affects rental payments previously made, the local housing and management authority shall collect any additional amounts required to be paid by the family under such change directly from the family and shall refund any excess rental contribution paid by the family directly to the family.

(f) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family that is receiving tenant-based rental assistance under section 8 of the United States Housing Act of 1937 upon the initial applicability of the provisions of this title to such family, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon such initial applicability is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (d)(1)(B) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 323. RENTAL INDICATORS.

(a) IN GENERAL.—The Secretary shall establish and issue rental indicators under this section periodically, but not less than annually, for existing rental dwelling units that are eligible

dwelling units. The Secretary shall establish and issue the rental indicators by housing market area (as the Secretary shall establish) for various sizes and types of dwelling units.

(b) AMOUNT.—For a market area, the rental indicator established under subsection (a) for a dwelling unit of a particular size and type in the market area shall be a dollar amount that reflects the rental amount for a standard quality rental unit of such size and type in the market area that is an eligible dwelling unit.

(c) EFFECTIVE DATE.—The Secretary shall cause the proposed rental indicators established under subsection (a) for each market area to be published in the Federal Register with reasonable time for public comment, and such rental indicators shall become effective upon the date of publication in final form in the Federal Register.

(d) ANNUAL ADJUSTMENT.—Each rental indicator in effect under this section shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so that the indicators will be current for the year to which they apply, in rents for existing rental dwelling units of various sizes and types in the market area suitable for occupancy by families assisted under this title.

SEC. 324. LEASE TERMS.

Rental assistance may be provided for an eligible dwelling unit only if the assisted family and the owner of the dwelling unit enter into a lease for the unit that—

(1) provides for a single lease term of 12 months and continued tenancy after such term under a periodic tenancy on a month-to-month basis;

(2) contains terms and conditions specifying that termination of tenancy during the term of a lease shall be subject to the provisions set forth in section 325; and

(3) is set forth in the standard form, which is used in the local housing market area by the owner and applies generally to any other tenants in the property who are not assisted families, together with any addendum necessary to include the many terms required under this section.

A lease may include any addenda appropriate to set forth the provisions under this title.

SEC. 325. TERMINATION OF TENANCY.

(a) GENERAL GROUNDS FOR TERMINATION OF TENANCY.—Each housing assistance payments contract under section 351 shall provide that the owner of any assisted dwelling unit assisted under the contract may, before expiration of a lease for a unit, terminate the tenancy of any tenant of the unit, but only for—

(1) violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; or

(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off such premises.

(b) MANNER OF TERMINATION.—Each housing assistance payments contract shall provide that the owner shall conduct the termination of tenancy of any tenant of an assisted dwelling unit under the contract in accordance with applicable State or local laws, including providing any notice of termination required under such laws.

SEC. 326. ELIGIBLE OWNERS.

(a) OWNERSHIP ENTITY.—Rental assistance under this title may be provided for any eligible dwelling unit for which the owner is any public agency, private person or entity (including a cooperative), nonprofit organization, agency of the Federal Government, or local housing and management authority.

(b) INELIGIBLE OWNERS.—

(1) IN GENERAL.—Notwithstanding subsection (a), a local housing and management authority—

(A) may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations;

(B) may prohibit, or authorize the termination or suspension of, payment of housing assistance under a housing assistance payments contract in effect at the time such debarment, suspension, or limited denial of participation takes effect.

If the local housing and management authority takes action under subparagraph (B), the authority shall take such actions as may be necessary to protect assisted families who are affected by the action, which may include the provision of additional assistance under this title to such families.

(2) PROHIBITION OF SALE TO RELATED PARTIES.—The Secretary shall establish guidelines to prevent housing assistance payments for a dwelling unit that is owned by any spouse, child, or other party who allows an owner described in paragraph (1) to maintain control of the unit.

SEC. 327. SELECTION OF DWELLING UNITS.

(a) FAMILY CHOICE.—The determination of the dwelling unit in which an assisted family resides and for which housing assistance is provided under this title shall be made solely by the assisted family, subject to the provisions of this title and any applicable law.

(b) DEED RESTRICTIONS.—Housing assistance may not be used in any manner that abrogates any local deed restriction that applies to any housing consisting of 1 to 4 dwelling units. Nothing in this section may be construed to affect the provisions or applicability of the Fair Housing Act.

SEC. 328. ELIGIBLE DWELLING UNITS.

(a) IN GENERAL.—A dwelling unit shall be an eligible dwelling unit for purposes of this title only if the local housing and management authority to provide housing assistance for the dwelling unit determines that the dwelling unit—

(1) is an existing dwelling unit that is not located within a nursing home or the grounds of any penal, reformatory, medical, mental, or similar public or private institution; and

(2) complies—

(A) with applicable State or local laws, regulations, standards, or codes regarding habitability of residential dwellings that—

(i) are in effect for the jurisdiction in which the dwelling unit is located;

(ii) provide protection to residents of the dwellings that is equal to or greater than the protection provided under the housing quality standards established under subsection (b); and

(iii) that do not severely restrict housing choice; or

(B) in the case of a dwelling unit located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), with the housing quality standards established under subsection (c).

Each local housing and management authority providing housing assistance shall identify, in the local housing management plan for the authority, whether the authority is utilizing the standard under subparagraph (A) or (B) of paragraph (2) and, if the authority utilizes the standard under subparagraph (A), shall certify in such plan that the applicable State or local laws, regulations, standards, or codes comply with the requirements under such subparagraph.

(b) DETERMINATIONS.—

(1) IN GENERAL.—A local housing and management authority shall make the determinations required under subsection (a) pursuant to an inspection of the dwelling unit conducted before any assistance payment is made for the unit.

(2) EXPEDITIOUS INSPECTION.—Inspections of dwelling units under this subsection shall be made before the expiration of the 15-day period beginning upon a request by the resident or landlord to the local housing and management authority. The performance of the authority in meeting the 15-day inspection deadline shall be taken into account in assessing the performance of the authority.

(c) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that assisted dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 232(b). The Secretary shall differentiate between major and minor violations of such standards.

(d) ANNUAL INSPECTIONS.—Each local housing and management authority providing housing assistance shall make an annual inspection of each assisted dwelling unit during the term of the housing assistance payments contracts for the unit to determine whether the unit is maintained in accordance with the requirements under subsection (a)(2). The authority shall retain the records of the inspection for a reasonable time and shall make the records available upon request to the Secretary and the Inspector General for the Department of Housing and Urban Development, the Housing Foundation and Accreditation Board established under title IV, and any auditor conducting an audit under section 432.

(e) INSPECTION GUIDELINES.—The Secretary shall establish procedural guidelines and performance standards to facilitate inspections of dwelling units and conform such inspections with practices utilized in the private housing market. Such guidelines and standards shall take into consideration variations in local laws and practices of local housing and management authorities and shall provide flexibility to authorities appropriate to facilitate efficient provision of assistance under this title.

(f) RULE OF CONSTRUCTION.—This section may not be construed to prevent the provision of housing assistance in connection with supportive services for elderly or disabled families.

SEC. 329. HOMEOWNERSHIP OPTION.

(a) IN GENERAL.—A local housing and management authority providing housing assistance under this title may provide homeownership assistance to assist eligible families to purchase a dwelling unit (including purchase under lease-purchase homeownership plans).

(b) REQUIREMENTS.—A local housing and management authority providing homeownership assistance under this section shall, as a condition of an eligible family receiving such assistance, require the family to—

(1) demonstrate that the family has sufficient income from employment or other sources (other than public assistance), as determined in accordance with requirements established by the authority; and

(2) meet any other initial or continuing requirements established by the local housing and management authority.

(c) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—A local housing and management authority may establish minimum downpayment requirements, if appropriate, in connection with loans made for the purchase of dwelling units for which homeownership assistance is provided under this section. If the authority establishes a minimum downpayment requirement, except as provided in paragraph (2) the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase.

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section subject to a downpayment requirement, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(d) INELIGIBILITY UNDER OTHER PROGRAMS.—A family may not receive homeownership assistance pursuant to this section during any period when assistance is being provided for the family under other Federal homeownership assistance programs, as determined by the Secretary, including assistance under the HOME Investment Partnerships Act, the Homeownership and Opportunity Through HOPE Act, title II of the Housing and Community Development Act of 1987, and section 502 of the Housing Act of 1949.

SEC. 330. ASSISTANCE FOR RENTAL OF MANUFACTURED HOMES.

(a) AUTHORITY.—Nothing in this title may be construed to prevent a local housing and management authority from providing housing assistance under this title on behalf of a low-income family for the rental of—

(1) a manufactured home that is the principal residence of the family and the real property on which the home is located; or

(2) the real property on which is located a manufactured home, which is owned by the family and is the principal residence of the family.

(b) ASSISTANCE FOR CERTAIN FAMILIES OWNING MANUFACTURED HOMES.—

(1) AUTHORITY.—Notwithstanding section 351 or any other provision of this title, a local housing and management authority that receives amounts under a contract under section 302 may enter into a housing assistance payment contract to make assistance payments under this title to a family that owns a manufactured home, but only as provided in paragraph (2).

(2) LIMITATIONS.—In the case only of a low-income family that owns a manufactured home, rents the real property on which it is located, and to whom housing assistance under this title has been made available for the rental of such property, the local housing and management authority making such assistance available shall enter into a contract to make housing assistance payments under this title directly to the family (rather than to the owner of such real property) if—

(1) the owner of the real property refuses to enter into a contract to receive housing assistance payments pursuant to section 351(a);

(2) the family was residing in such manufactured home on such real property at the time such housing assistance was initially made available on behalf of the family;

(3) the family provides such assurances to the agency, as the Secretary may require, to ensure that amounts from the housing assistance payments are used for rental of the real property; and

(4) the rental of the real property otherwise complies with the requirements for assistance under this title.

A contract pursuant to this subsection shall be subject to the provisions of section 351 and any other provisions applicable to housing assistance payments contracts under this title, except that the Secretary may provide such exceptions as the Secretary considers appropriate to facilitate the provision of assistance under this subsection.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

SEC. 351. HOUSING ASSISTANCE PAYMENTS CONTRACTS.

(a) IN GENERAL.—Each local housing and management authority that receives amounts under a contract under section 302 may enter into housing assistance payments contracts with owners of existing dwelling units to make housing assistance payments to such owners in accordance with this title.

(b) LHMA ACTING AS OWNER.—A local housing and management authority may enter into a housing assistance payments contract to make housing assistance payments under this title to itself (or any agency or instrumentality thereof) as the owner of dwelling units (other than public housing), and the authority shall be subject to the same requirements that are applicable to other owners, except that the determinations under section 328(a) and 354(b) shall be made by a competent party not affiliated with the authority, and the authority shall be responsible for any expenses of such determinations.

(c) PROVISIONS.—Each housing assistance payments contract shall—

(1) have a term of not more than 12 months;

(2) require that the assisted dwelling unit may be rented only pursuant to a lease that complies with the requirements of section 324;

(3) comply with the requirements of section 325 (relating to termination of tenancy);

(4) require the owner to maintain the dwelling unit in accordance with the applicable standards under section 328(a)(2); and

(5) provide that the screening and selection of eligible families for assisted dwelling units shall be the function of the owner.

SEC. 352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

(a) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located—

(1) the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 322(a)(1);

(2) in the case only of families described in paragraph (2) of section 322(a), the amount by which such payment standard exceeds the lesser of the resident contribution determined in accordance with section 322(a)(1) or 30 percent of the family's adjusted monthly income;

(3) in the case of an assisted family that is an elderly family or a disabled family, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the lesser of the amount of the resident contribution determined in accordance with section 322 or 30 percent of the family's adjusted monthly income; or

(4) in the case of a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act), the lesser of the amount of such resident contribution or 30 percent of the family's adjusted monthly income.

(b) SHOPPING INCENTIVE FOR UNITS HAVING GROSS RENT NOT EXCEEDING PAYMENT STANDARD.—In the case of an assisted family renting an eligible dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the following requirements shall apply:

(1) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of the monthly assistance payment for housing assistance under this title on behalf of the assisted family shall be the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution.

(2) ESCROW OF SHOPPING INCENTIVE SAVINGS.—An amount equal to 50 percent of the difference between payment standard and the gross rent for the dwelling unit shall be placed in an interest bearing escrow account on behalf of such family on a monthly basis by the local housing and management authority. Amounts in the escrow account shall be made available to the assisted family on an annual basis.

(3) DEFICIT REDUCTION.—The local housing and management authority making housing assistance payments on behalf of such assisted family in a fiscal year shall reserve from amounts made available to the authority for assistance payments for such fiscal year an amount equal to the amount described in paragraph (2). At the end of each fiscal year, the Secretary shall recapture any such amounts reserved by local housing and management authorities and such amounts shall be covered into the General Fund of the Treasury of the United States.

For purposes of this section, in the case of a family receiving homeownership assistance under section 329, the term "gross rent" shall mean the homeownership costs to the family as determined in accordance with guidelines of the Secretary.

SEC. 353. PAYMENT STANDARDS.

(a) ESTABLISHMENT.—Each local housing and management authority providing housing assistance under this title shall establish payment standards under this section for various areas, and sizes and types of dwelling units, for use in determining the amount of monthly housing assistance payment to be provided on behalf of assisted families.

(b) USE OF RENTAL INDICATORS.—The payment standard for each size and type of housing for each market area shall be an amount that is not less than 80 percent, and not greater than 120 percent, of the rental indicator established under section 323 for such size and type for such area.

(c) REVIEW.—If the Secretary determines, at any time, that a significant percentage of the assisted families who are assisted by a local housing and management authority and are occupying dwelling units of a particular size are paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the payment standard established by the authority for such size dwellings. If, pursuant to the review, the Secretary determines that such payment standard is not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking into consideration rental costs in the area), as identified in the approved community improvement plan of the authority, the Secretary may require the local housing and management authority to modify the payment standard.

SEC. 354. REASONABLE RENTS.

(a) ESTABLISHMENT.—The rent charged for a dwelling unit for which rental assistance is provided under this title shall be established pursuant to negotiation and agreement between the assisted family and the owner of the dwelling unit.

(b) REASONABLENESS.—

(1) DETERMINATION.—A local housing and management authority providing rental assistance under this title for a dwelling unit shall,

before commencing assistance payments for a unit (with respect to initial contract rents and any rent revisions), determine whether the rent charged for the unit exceeds the rents charged for comparable units in the applicable private unassisted market.

(2) UNREASONABLE RENTS.—If the authority determines that the rent charged for a dwelling unit exceeds such comparable rents, the authority shall—

(A) inform the assisted family renting the unit that such rent exceeds the rents for comparable unassisted units in the market; and

(B) refuse to provide housing assistance payments for such unit.

SEC. 355. PROHIBITION OF ASSISTANCE FOR VACANT RENTAL UNITS.

If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance payments contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

Subtitle D—General and Miscellaneous Provisions

SEC. 371. DEFINITIONS.

For purposes of this title:

(1) ASSISTED DWELLING UNIT.—The term "assisted dwelling unit" means a dwelling unit in which an assisted family resides and for which housing assistance payments are made under this title.

(2) ASSISTED FAMILY.—The term "assisted family" means an eligible family on whose behalf housing assistance payments are made under this title or who has been selected and approved for housing assistance.

(3) CHOICE-BASED.—The term "choice-based" means, with respect to housing assistance, that the assistance is not attached to a dwelling unit but can be used for any eligible dwelling unit selected by the eligible family.

(4) ELIGIBLE DWELLING UNIT.—The term "eligible dwelling unit" means a dwelling unit that complies with the requirements under section 328 for consideration as an eligible dwelling unit.

(5) ELIGIBLE FAMILY.—The term "eligible family" means a family that meets the requirements under section 321(a) for assistance under this title.

(6) HOMEOWNERSHIP ASSISTANCE.—The term "homeownership assistance" means housing assistance provided under section 329 for the ownership of a dwelling unit.

(7) HOUSING ASSISTANCE.—The term "housing assistance" means assistance provided under this title on behalf of low-income families for the rental or ownership of an eligible dwelling unit.

(8) HOUSING ASSISTANCE PAYMENTS CONTRACT.—The term "housing assistance payments contract" means a contract under section 351 between a local housing and management authority (or the Secretary) and an owner to make housing assistance payments under this title to the owner on behalf of an assisted family.

(9) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The terms "local housing and management authority" and "authority" have the meaning given such terms in section 103, except that the terms include—

(A) a consortia of local housing and management authorities that the Secretary determines has the capacity and capability to administer a program for housing assistance under this title in an efficient manner;

(B) any other entity that, upon the date of the enactment of this Act, was administering any program for tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), pursuant to a contract with the Secretary or a public housing agency; and

(C) with respect to any area in which no local housing and management authority has been organized or where the Secretary determines that a local housing and management authority is unwilling or unable to implement this title, or is not performing effectively—

(i) the Secretary or another entity that by contract agrees to receive assistance amounts under this title and enter into housing assistance payments contracts with owners and perform the other functions of local housing and management authority under this title; or

(ii) notwithstanding any provision of State or local law, a local housing and management authority for another area that contracts with the Secretary to administer a program for housing assistance under this title, without regard to any otherwise applicable limitations on its area of operation.

(10) OWNER.—The term "owner" means the person or entity having the legal right to lease or sublease dwelling units. Such term includes any principals, general partners, primary shareholders, and other similar participants in any entity owning a multifamily housing project, as well as the entity itself.

(11) RENT.—The terms "rent" and "rental" include, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

(12) RENTAL ASSISTANCE.—The term "rental assistance" means housing assistance provided under this title for the rental of a dwelling unit.

SEC. 372. RENTAL ASSISTANCE FRAUD RECOVERIES.

(a) AUTHORITY TO RETAIN RECOVERED AMOUNTS.—The Secretary shall permit local housing and management authorities administering housing assistance under this title to retain, out of amounts obtained by the authorities from tenants that are due as a result of fraud and abuse, an amount (determined in accordance with regulations issued by the Secretary) equal to the greater of—

(1) 50 percent of the amount actually collected; or

(2) the actual, reasonable, and necessary expenses related to the collection, including costs of investigation, legal fees, and collection agency fees.

(b) USE.—Amounts retained by an authority shall be made available for use in support of the affected program or project, in accordance with regulations issued by the Secretary. If the Secretary is the principal party initiating or sustaining an action to recover amounts from families or owners, the provisions of this section shall not apply.

(c) RECOVERY.—Amounts may be recovered under this section—

(1) by an authority through a lawsuit (including settlement of the lawsuit) brought by the authority or through court-ordered restitution pursuant to a criminal proceeding resulting from an authority's investigation where the authority seeks prosecution of a family or where an authority seeks prosecution of an owner;

(2) through administrative repayment agreements with a family or owner entered into as a result of an administrative grievance procedure conducted by an impartial decisionmaker in accordance with section 111; or

(3) through an agreement between the parties.

SEC. 373. STUDY REGARDING GEOGRAPHIC CONCENTRATION OF ASSISTED FAMILIES.

(a) IN GENERAL.—The Secretary shall conduct a study of the geographic areas in the State of Illinois served by the Housing Authority of Cook County and the Chicago Housing Authority and submit to the Congress a report and a specific proposal, which addresses and resolves the issues of—

(1) the adverse impact on local communities due to geographic concentration of assisted households under the tenant-based housing programs under section 8 of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) and under this title; and

(2) facilitating the deconcentration of such assisted households by providing broader housing choices to such households.

The study shall be completed, and the report shall be submitted, not later than 90 days after the date of the enactment of this Act.

(b) CONCENTRATION.—For purposes of this section, the term "concentration" means, with respect to any area within a census tract, that—

(1) 15 percent or more of the households residing within such area have incomes which do not exceed the poverty level; or

(2) 15 percent or more of the total affordable housing stock located within such area is assisted housing.

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES

Subtitle A—Housing Foundation and Accreditation Board

SEC. 401. ESTABLISHMENT.

There is established an independent agency in the executive branch of the Government to be known as the Housing Foundation and Accreditation Board (in this title referred to as the "Board").

SEC. 402. MEMBERSHIP.

(a) IN GENERAL.—The Board shall be composed of 12 members appointed by the President not later than 180 days after the date of the enactment of this Act, as follows:

(1) 4 members shall be appointed from among 10 individuals recommended by the Secretary of Housing and Urban Development.

(2) 4 members shall be appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) 4 members appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking and Financial Services of the House of Representatives.

(b) QUALIFICATIONS.—

(1) REQUIRED REPRESENTATION.—The Board shall at all times have the following members:

(A) 2 members who are residents of public housing or dwelling units assisted under title III of this Act or the provisions of section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(B) at least 2, but not more than 4 members who are executive directors of local housing and management authorities.

(C) 1 member who is a member of the Institute of Real Estate Managers.

(D) 1 member who is the owner of a multifamily housing project assisted under a program administered by the Secretary of Housing and Urban Development.

(2) REQUIRED EXPERIENCE.—The Board shall at all times have as members individuals with the following experience:

(A) At least 1 individual who has extensive experience in the residential real estate finance business.

(B) At least 1 individual who has extensive experience in operating a nonprofit organization that provides affordable housing.

(C) At least 1 individual who has extensive experience in construction of multifamily housing.

(D) At least 1 individual who has extensive experience in the management of a community development corporation.

(E) At least 1 individual who has extensive experience in auditing participants in government programs.

A single member of the board with the appropriate experience may satisfy the requirements of more than 1 subparagraph of this paragraph. A single member of the board with the appropriate qualifications and experience may satisfy the requirements of a subparagraph of paragraph (1) and a subparagraph of this paragraph.

(c) POLITICAL AFFILIATION.—Not more than 6 members of the Board may be of the same political party.

(d) TERMS.—

(1) IN GENERAL.—Each member of the Board shall be appointed for a term of 4 years, except as provided in paragraphs (2) and (3).

(2) TERMS OF INITIAL APPOINTEES.—As designated by the President at the time of appointment, of the members first appointed—

(A) 3 shall be appointed for terms of 1 year;

(B) 3 shall be appointed for terms of 2 years;

(C) 3 shall be appointed for terms of 3 years; and

(D) 3 shall be appointed for terms of 4 years;

(3) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made.

(e) CHAIRPERSON.—The Board shall elect a chairperson from among members of the Board.

(f) QUORUM.—A majority of the members of the Board shall constitute a quorum for the transaction of business.

(g) VOTING.—Each member of the Board shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Board.

(h) PROHIBITION ON ADDITIONAL PAY.—Members of the Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board.

SEC. 403. FUNCTIONS.

The purpose of this subtitle is to establish the Board as a nonpolitical entity to carry out the following functions:

(1) EVALUATION OF DEEP SUBSIDY PROGRAMS.—Measuring the performance and efficiency of all "deep subsidy" programs for housing assistance administered by the Secretary of Housing and Urban Development, including the public housing program under title II and the programs for tenant- and project-based rental assistance under title III and section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(2) ESTABLISHMENT OF LHMA PERFORMANCE BENCHMARKS.—Establishing standards and guidelines under section 431 for use by the Secretary in measuring the performance and efficiency of local housing and management authorities and other owners and providers of federally assisted housing in carrying out operational and financial functions.

(3) IMPROVEMENT OF INDEPENDENT AUDITS.—Providing for the development of effective means for conducting comprehensive financial and performance audits of local housing and management authorities under section 432 and, to the extent provided in such section, providing for the conducting of such audits.

(4) ACCREDITATION OF LHMA'S.—Establishing a procedure under section 431(b) for accrediting local housing and management authorities to receive block grants under title II for the operation, maintenance, and production of public housing and amounts for housing assistance under title III, ensuring that financial and performance audits under section 432 are conducted annually for each local housing and management authority, and reviewing such audits for purposes of accreditation.

(5) CLASSIFICATION OF LHMA'S.—Classifying local housing and management authorities, under to section 434, according to the performance categories under section 431(a)(2).

SEC. 404. INITIAL ESTABLISHMENT OF STANDARDS AND PROCEDURES FOR LHMA COMPLIANCE.

(a) DEADLINE.—Not later than the expiration of the 12-month period beginning upon the completion of the appointment, under section 402, of the initial members of the Board, the Board shall organize its structure and operations, establish the standards, guidelines, and procedures under sections 431, and establish any fees under section 406. Before issuing such standards, guidelines, and procedures in final form, the Board shall submit a copy to the Congress.

(b) PRIORITY OF INITIAL EVALUATIONS.—After organization of the Board and establishment of standards, guidelines, and procedures under sections 431, the Board shall commence evaluations under section 433(b) for the purpose of accrediting local housing and management authorities and shall give priority to conducting evaluations of local housing and management authorities that are designated as troubled public housing agencies under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) pursuant to section 431(d).

(c) ASSISTANCE FROM NATIONAL CENTER FOR HOUSING MANAGEMENT.—

(1) IN GENERAL.—During the period referred to in subsection (a), the National Center for Housing Management established by Executive Order 11668 (42 U.S.C. 3531 note) shall, to the extent agreed to by the Center, provide the Board with ongoing assistance and advice relating to the following matters:

(A) Organizing the structure of the Board and its operations.

(B) Establishing performance standards and guidelines under section 431(a).

Such Center may, at the request of the Board, provide assistance and advice with respect to matters not described in paragraphs (1) and (2) and after the expiration of the period referred to in subsection (a).

(2) ASSISTANCE.—The assistance provided by such Center shall include staff and logistical support for the Board and such operational and managerial activities as are necessary to assist the Board to carry out its functions during the period referred to in subsection (a).

SEC. 405. POWERS.

(a) HEARINGS.—The Board may, for the purpose of carrying out this subtitle, hold such hearings and sit and act at such times and places as the Board determines appropriate.

(b) RULES AND REGULATIONS.—The Board may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Board may secure directly from any department or agency of the Federal Government such information as the Board may require for carrying out its functions, including local housing management plans submitted to the Secretary by local housing and management authorities under title II. Upon request of the Board, any such department or agency shall furnish such information. The Board may acquire information directly from local housing and management authorities to the same extent the Secretary may acquire such information.

(2) GENERAL SERVICES ADMINISTRATION.—The Administrator of General Services shall provide to the Board, on a reimbursable basis, such administrative support services as the Board may request.

(3) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—Upon the request of the chairperson of the Board, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary, detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Board in carrying out its functions under this subtitle.

(4) HUD INSPECTOR GENERAL.—The Inspector General of the Department of Housing and Urban Development shall serve the Board as a principal adviser with respect to all aspects of annual financial and performance audits of local housing and management authorities under section 432. The Inspector General may advise the Board with respect to other activities and functions of the Board.

(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Board may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with private firms, institutions, and individuals for the purpose of conducting evaluations under section 404(b), audits of local housing and management authorities as provided under section 432, research, and surveys necessary to enable the Board to discharge its functions under this subtitle, and may enter into contracts with the National Center for Housing Management to conduct the functions assigned to the Center under this title.

(f) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Board shall appoint an executive director of the Board, who shall be compensated at a rate fixed by the Board, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) OTHER PERSONNEL.—In addition to the executive director, the Board may appoint and fix the compensation of such personnel as the Board considers necessary, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates. Such personnel may include personnel for assessment teams under section 431(b).

SEC. 406. FEES.

(a) ACCREDITATION FEES.—The Board may establish and charge fees for the accreditation of local housing and management authorities as the Board considers necessary to cover the costs of the operations of the Board relating to establishing standards, guidelines, and procedures for evaluating the performance of local housing and management authorities, performing comprehensive reviews relating to the accreditation of such authorities, and conducting audits of authorities under section 432.

(b) FUND.—Any fees collected under this section shall be deposited in an operations fund for the Board, which is hereby established in the Treasury of the United States. Amounts in such fund shall be available, to the extent provided in appropriation Acts, for the expenses of the Board in carrying out its functions under this subtitle.

SEC. 407. REPORTS.

(a) REPORT ON COORDINATION WITH HUD FUNCTIONS.—Not later than the expiration of the 12-month period beginning upon the date of the enactment of this Act, the Board shall submit a report to the Congress that—

(1) identifies and describes the processes, procedures, and activities of the Department of Housing and Urban Development which may duplicate functions of the Board, and makes recommendations regarding activities of the Department that may no longer be necessary as a

result of improved auditing of authorities pursuant to this title;

(2) makes recommendations for any changes to Federal law necessary to improve auditing of local housing and management authorities; and

(3) makes recommendations regarding the review and evaluation functions currently performed by the Department of Housing and Urban Development that may be more efficiently performed by the Board, and those that should continue to be performed by the Department.

(b) ANNUAL REPORTS.—The Board shall submit a report to the Congress annually describing, for the year for which the report is made—

(1) any modifications made by the Board to the standards, guidelines, and procedures issued under section 431 by the Board;

(2) the results of the assessments, reviews, and evaluations conducted by the Board under subtitle B;

(3) the types and extent of assistance, information, and products provided by the Board; and

(4) any other activities of the Board.

SEC. 408. GAO AUDIT.

The activities and transactions of the Board shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Board that are necessary to facilitate an audit.

Subtitle B—Accreditation and Oversight Standards and Procedures

SEC. 431. ESTABLISHMENT OF PERFORMANCE BENCHMARKS AND ACCREDITATION PROCEDURES.

(a) PERFORMANCE BENCHMARKS.—

(1) PERFORMANCE AREAS.—The Housing Foundation and Accreditation Board established under section 401 (in this subtitle referred to as the "Board") shall establish standards and guidelines, for use under section 434, to measure the performance of local housing and management authorities in all aspects relating to—

(A) operational and financial functions;

(B) providing, maintaining, and assisting low-income housing—

(i) that is safe, clean, and healthy, as required under sections 232 and 328;

(ii) in a manner consistent with the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act, if appropriate;

(iii) that is occupied by eligible families; and

(iv) that is affordable to eligible families;

(C) producing low-income housing and executing capital projects, if applicable;

(D) administering the provision of housing assistance under title III;

(E) accomplishing the goals and plans set forth in the local housing management plan for the authority;

(F) promoting responsibility and self-sufficiency among residents of public housing developments of the authority and assisted families under title III; and

(G) complying with the other requirements of the authority under block grant contracts under title II, grant agreements under title III, and the provisions of this Act.

(2) PERFORMANCE CATEGORIES.—In establishing standards and guidelines under this section, the Board shall define various levels of performance, which shall include the following levels:

(A) EXCEPTIONALLY WELL-MANAGED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as exceptionally well-managed, which shall indicate that the authority functions exceptionally.

(B) WELL-MANAGED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as well-managed, which shall indicate that the authority functions satisfactorily.

(C) AT RISK OF BECOMING TROUBLED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as at risk of becoming troubled, which shall indicate that there are elements in the operations, management, or functioning of the authority that must be addressed before they result in serious and complicated deficiencies.

(D) TROUBLED.—A minimum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as a troubled authority, which shall indicate that the authority functions unsatisfactorily with respect to certain areas under paragraph (1), but such deficiencies are not irreparable.

(E) DYSFUNCTIONAL.—A maximum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as dysfunctional, which shall indicate that the authority suffers such deficiencies that the authority should not be allowed to continue to manage low-income housing or administer housing assistance.

(3) ACCREDITATION STANDARD.—In establishing standards and guidelines under this section, the Board shall establish a minimum acceptable level of performance for accrediting a local housing and management authority for purposes of authorizing the authority to enter into a new block grant contract under title II or a new grant agreement under title III.

(b) ACCREDITATION PROCEDURE.—The Accreditation Board shall establish procedures for—

(1) reviewing the performance of a local housing and management authority over the term of the expiring accreditation, which review shall be conducted during the 12-month period that ends upon the conclusion of the term of the expiring accreditation;

(2) evaluating the capability of a local housing and management authority that proposes to enter into an initial block grant contract under title II or an initial grant agreement under title III; and

(3) determining whether the authority complies with the standards and guidelines for accreditation established under subsection (a)(3).

The procedures for a review or evaluation under this subsection shall provide for the review or evaluation to be conducted by an assessment team established by the Board, which shall review annual financial and performance audits conducted under section 432 and obtain such information as the Board may require.

(c) IDENTIFICATION OF POTENTIAL PROBLEMS.—The standards and guidelines under subsection (a) and the procedure under subsection (b) shall be established in a manner designed to identify potential problems in the operations, management, functioning of local housing and management authorities at a time before such problems result in serious and complicated deficiencies.

(d) INTERIM APPLICABILITY OF PHMAP.—Notwithstanding any other provision of this subtitle, during the period that begins on the date of the enactment of this Act and ends upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under this section and section 432, the Secretary shall assess the management performance of local housing and management authorities in the same manner provided for public housing agencies pursuant to section 6(j) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) and may take actions with respect to local housing and management authorities that are authorized under such section with respect to public housing agencies.

SEC. 432. FINANCIAL AND PERFORMANCE AUDITS.

(a) REQUIREMENT.—A financial and performance audit under this section shall be conducted for each local housing and management authority for each fiscal year that the authority receives grant amounts under this Act, as provided under one of the following paragraphs:

(1) LHMA PROVIDES FOR AUDIT.—If neither the Secretary nor the Board takes action under paragraph (2) or (3), the Secretary shall require the local housing and management authority to have the audit conducted. The Secretary may prescribe that such audits be conducted pursuant to guidelines set forth by the Department.

(2) SECRETARY REQUESTS BOARD TO PROVIDE FOR AUDIT.—The Secretary may request the Board to contract directly with an auditor to have the audit conducted for the authority.

(3) BOARD PROVIDES FOR AUDIT.—The Board may notify the Secretary that it will contract directly with an auditor to have the audit conducted for the authority.

(b) OTHER AUDITS.—Pursuant to risk assessment strategies designed to ensure the integrity of the programs for assistance under this Act, which shall be established by the Inspector General for the Department of Housing and Urban Development in consultation with the Board, the Inspector General may request the Board to conduct audits under this subsection of local housing and management authorities. Such audits may be in addition to, or in place of, audits under subsection (a), as the Board shall provide.

(c) SUBMISSION OF RESULTS.—

(1) SUBMISSION TO SECRETARY AND BOARD.—The results of any audit conducted under this subsection shall be submitted to the local housing and management authority, the Secretary, and the Board.

(2) SUBMISSION TO LOCAL OFFICIALS.—

(A) REQUIREMENT.—A local housing and management authority shall submit each audit conducted under this section to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and comment. Any such comments shall be submitted, together with the audit, to the Secretary and the Board and the Secretary and the Board shall consider such comments in reviewing the audit.

(B) TIMING.—An audit shall be submitted to local officials as provided in subparagraph (A)—

(i) in the case of an audit conducted under subsection (a)(1), not later than 60 days before the local housing and management authority submits the audit to the Secretary and the Board; or

(ii) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), not later than 60 days after the authority receives the audit.

(d) PROCEDURES.—The requirements for financial and performance audits under this section shall—

(1) be established by the Board, in consultation with the Inspector General of the Department of Housing and Urban Development;

(2) provide for the audit to be conducted by an independent auditor selected—

(A) in the case of an audit under subsection (a)(1), by the authority; and

(B) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), by the Board;

(3) authorize the auditor to obtain information from a local housing and management authority, to access any books, documents, papers, and records of an authority that are pertinent

to this Act and assistance received pursuant to this Act, and to review any reports of an authority to the Secretary;

(4) impose sufficient requirements for obtaining information so that the audits are useful to the Board in evaluating local housing and management authorities; and

(5) include procedures for testing the reliability of internal financial controls of local housing and management authorities.

(e) PURPOSE.—Audits under this section shall be designed to—

(1) evaluate the financial performance and soundness and management performance of the local housing and management authority board of directors (or other similar governing body) and the authority management officials and staff;

(2) assess the compliance of an authority with all aspects of the standards and guidelines established under section 431(a)(1);

(3) provide information to the Secretary and the Board regarding the financial performance and management of the authority and to determine whether a review under section 225(d) or 353(c) is required; and

(4) identify potential problems in the operations, management, functioning of a local housing and management authority at a time before such problems result in serious and complicated deficiencies.

(f) INAPPLICABILITY OF SINGLE AUDIT ACT.—Notwithstanding the first sentence of section 7503(a) of title 31, United States Code, an audit conducted in accordance with chapter 75 of such title shall not exempt any local housing and management authority from conducting an audit under this section. Audits under this section shall not be subject to the requirements for audits under such chapter. An audit under this section for a local housing and management authority for a fiscal year shall be considered to satisfy any requirements under such chapter for such fiscal year.

(g) WITHHOLDING OF AMOUNTS FOR COSTS OF AUDIT.—

(1) LHMA RESPONSIBLE FOR AUDIT.—If the Secretary requires a local housing and management authority to have an audit under this section conducted pursuant to subsection (a)(1) and determines that the authority has failed to take the actions required to submit an audit under this section for a fiscal year, the Secretary may—

(A) arrange for, and pay the costs of, the audit and withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); or

(B) request the Board to conduct the audit pursuant to subsection (a)(2) and withhold amounts pursuant to paragraph (2) of this subsection.

(2) BOARD RESPONSIBLE FOR AUDIT.—If the Board is responsible for an audit for a local housing and management authority pursuant to paragraph (2) or (3) of subsection (a), subsection (b), or paragraph (1)(B) of this subsection, the Secretary shall—

(A) withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the audit, but in no case more than the reasonable cost of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); and

(B) transfer such amounts to the Board.

SEC. 433. ACCREDITATION.

(a) REVIEW UPON EXPIRATION OF PREVIOUS ACCREDITATION.—The Accreditation Board shall perform a comprehensive review of the performance of a local housing and management authority, in accordance with the procedures established under section 431(b), before the expiration of the term for which a previous accreditation was granted under this subtitle.

(b) INITIAL EVALUATION.—

(1) IN GENERAL.—Before entering into an initial block grant contract under title II or an initial contract pursuant to section 302 for assistance under title III with any local housing and management authority, the Board shall conduct a comprehensive evaluation of the capabilities of the local housing and management authority.

(2) EXCEPTION.—Paragraph (1) shall not apply to an initial block grant contract or grant agreement entered into during the period beginning upon the date of the enactment of this Act and ending upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under section 431 with any public housing agency that received amounts under the United States Housing Act of 1937 during fiscal year 1995.

(c) DETERMINATION AND REPORT.—Pursuant to a review or evaluation under this section, the Board shall determine whether the authority meets the requirements for accreditation under section 431(a)(3), shall accredit the authority if it meets such requirements, and shall submit a report on the results of the review or evaluation and such determination to the Secretary and the authority.

(d) ACCREDITATION.—An accreditation under this section shall expire at the end the term established by the Board in granting the accreditation, which may not exceed 5 years. The Board may qualify an accreditation placing conditions on the accreditation based on the future performance of the authority.

SEC. 434. CLASSIFICATION BY PERFORMANCE CATEGORY.

Upon completing the accreditation process under section 433 with respect to a local housing and management authority, the Housing Finance and Accreditation Board shall designate the authority according to the performance categories under section 431(a)(2). In determining the classification of an authority, the Board shall consider the most recent financial and performance audit under section 432 of the authority and accreditation reports under section 433(c) for the authority.

SEC. 435. PERFORMANCE AGREEMENTS FOR AUTHORITIES AT RISK OF BECOMING TROUBLED.

(a) IN GENERAL.—Upon designation of a local housing and management authority as at risk of becoming troubled under section 431(a)(2)(C), the Secretary shall seek to enter into an agreement with the authority providing for improvement of the elements of the authority that have been identified. An agreement under this section shall contain such terms and conditions as the Secretary determines are appropriate for addressing the elements identified, which may include an on-site, independent assessment of the management of the authority.

(b) POWERS OF SECRETARY.—If the Secretary determines that such action is necessary to prevent the local housing and management authority from becoming a troubled authority, the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which may be selected by existing tenants through administrative procedures established by the Secretary), for any case in which such agents may be needed for managing all, or part, of the housing or functions administered by the authority; or

(2) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction management, for any case in which such authorities or firms may be needed to oversee implementation of assistance made available for capital improvement for public housing of the authority.

SEC. 436. PERFORMANCE AGREEMENTS AND CDBG SANCTIONS FOR TROUBLED LHMA'S.

(a) IN GENERAL.—Upon designation of a local housing and management authority as a troubled authority under section 431(a)(2)(D), the Secretary shall seek to enter into an agreement with the authority providing for improving the management performance of the authority.

(b) CONTENTS.—An agreement under this section between the Secretary and a local housing and management authority shall set forth—

(1) targets for improving performance, as measured by the guidelines and standards established under section 431(a)(1) and other requirements within a specified period of time, which shall include targets to be met upon the expiration of the 12-month period beginning upon entering into the agreement;

(2) strategies for meeting such targets;

(3) sanctions for failure to implement such strategies; and

(4) to the extent the Secretary deems appropriate, a plan for enhancing resident involvement in the management of the local housing and management authority.

(c) LOCAL ASSISTANCE IN IMPLEMENTATION.—The Secretary and the local housing and management authority shall, to the maximum extent practicable, seek the assistance of local public and private entities in carrying out an agreement under this section.

(d) DEFAULT UNDER PERFORMANCE AGREEMENT.—Upon the expiration of the 12-month period beginning upon entering into an agreement under this section with a local housing and management authority, the Secretary shall review the performance of the authority in relation to the performance targets and strategies under the agreement. If the Secretary determines that the authority has failed to comply with the performance targets established for such period, the Secretary shall take the action authorized under subsection (b)(2) or (b)(5) of section 438.

(e) CDBG SANCTION AGAINST LOCAL GOVERNMENT CONTRIBUTING TO TROUBLED STATUS OF LHMA.—If the Secretary determines that the actions or inaction of any unit of general local government within which any portion of the jurisdiction of a local housing and management authority is located has substantially contributed to the conditions resulting in the authority being designated under section 431(a)(2)(D) as a troubled authority, the Secretary may redirect or withhold, from such unit of general local government any amounts allocated for such unit under section 106 of such Act.

SEC. 437. OPTION TO DEMAND CONVEYANCE OF TITLE TO OR POSSESSION OF PUBLIC HOUSING.

(a) AUTHORITY FOR CONVEYANCE.—A contract under section 201 for block grants under title II (including contracts which amend or supersede contracts previously made (including contracts for contributions)) may provide that upon the occurrence of a substantial default with respect to the covenants or conditions to which the local housing and management authority is subject (as such substantial default shall be defined in such contract) or upon designation of the authority as dysfunctional pursuant to section 431(a)(2)(E), the local housing and management authority shall be obligated, at the option of the Secretary, to—

(1) convey title in any case where, in the determination of the Secretary (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this Act; or

(2) deliver to the Secretary possession of the development, as then constituted, to which such contract relates.

(b) OBLIGATION TO RECONVEY.—Any block grant contract under title II containing the provisions authorized in subsection (a) shall also provide that the Secretary shall be obligated to reconvey or redeliver possession of the development, as constituted at the time of reconveyance or redelivery, to such local housing and management authority or to its successor (if such local housing and management authority or a successor exists) upon such terms as shall be prescribed in such contract, and as soon as practicable after—

(1) the Secretary is satisfied that all defaults with respect to the development have been cured, and that the development will, in order to fulfill the purposes of this Act, thereafter be operated in accordance with the terms of such contract; or

(2) the termination of the obligation to make annual block grants to the authority, unless there are any obligations or covenants of the authority to the Secretary which are then in default.

Any prior conveyances and reconveyances or deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the development to the Secretary pursuant to subsection (a) upon the subsequent occurrence of a substantial default.

(c) CONTINUED GRANTS FOR REPAYMENT OF BONDS AND NOTES UNDER 1937 ACT.—If—

(1) a contract for block grants under title II for an authority includes provisions that expressly state that the provisions are included pursuant to this subsection, and

(2) the portion of the block grant payable for debt service requirements pursuant to the contract has been pledged by the local housing and management authority as security for the payment of the principal and interest on any of its obligations, then—

(A) the Secretary shall (notwithstanding any other provisions of this Act), continue to make the block grant payments for the authority so long as any of such obligations remain outstanding; and

(B) the Secretary may covenant in such a contract that in any event such block grant amounts shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the development for the purpose at the time such block grant payments are made, will suffice for the payment of all installments of principal and interest on the obligations for which the amounts provided for in the contract shall have been pledged as security that fall due within the next succeeding 12 months.

In no case shall such block grant amounts be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.

SEC. 438. REMOVAL OF INEFFECTIVE LHMA'S.

(a) CONDITIONS OF REMOVAL.—The actions specified in subsection (b) may be taken only upon—

(1) the occurrence of events or conditions that constitute a substantial default by a local housing and management authority with respect to (A) the covenants or conditions to which the local housing and management authority is subject, or (B) an agreement entered into under section 436;

(2) designation of the authority as dysfunctional pursuant to section 431(a)(2)(E);

(3) in the case only of action under subsection (b)(1), failure of a local housing and management authority to obtain reaccreditation upon the expiration of the term of a previous accreditation granted under this subtitle; or

(4) submission to the Secretary of a petition by the residents of the public housing owned or operated by a local housing and management authority that is designated as troubled or dysfunctional pursuant to section 431(a)(2).

(b) REMOVAL ACTIONS.—Notwithstanding any other provision of law or of any block grant contract under title II or any grant agreement under title III, in accordance with subsection (a), the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which, in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary) and, if appropriate, provide for such agents to manage all, or part, of the housing administered by the local housing and management authority or all or part of the other functions of the authority;

(2) take possession of the local housing and management authority, including any developments or functions of the authority under any section of this Act;

(3) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction management and, if appropriate, provide for such authorities or firms to oversee implementation of assistance made available for capital improvements for public housing;

(4) require the authority to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and assisted families under title III for managing all, or part of, the public housing administered by the authority or the functions of the authority; or

(5) petition for the appointment of a receiver for the local housing and management authority to any district court of the United States or to any court of the State in which any portion of the jurisdiction of the local housing and management authority is located, that is authorized to appoint a receiver for the purposes and having the powers prescribed in this section.

(c) EMERGENCY ASSISTANCE.—The Secretary may make available to receivers and other entities selected or appointed pursuant to this section such assistance as is fair and reasonable to remedy the substantial deterioration of living conditions in individual public housing developments or other related emergencies that endanger the health, safety and welfare of public housing residents or assisted families under title III.

(d) POWERS OF SECRETARY.—If the Secretary takes possession of an authority, or any developments or functions of an authority, pursuant to subsection (b)(2), the Secretary—

(1) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification, but only after efforts to renegotiate such contracts have failed;

(2) may demolish and dispose of assets of the authority in accordance with subtitle E of title II;

(3) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities;

(4) may consolidate the authority into other well-managed local housing and management authorities with the consent of such well-managed authorities;

(5) shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impede correction of the substantial default or improvement of the classification; and

(6) shall have such additional authority as a district court of the United States has the authority to confer under like circumstances upon a receiver to achieve the purposes of the receivership.

The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the Secretary's responsibility under this paragraph for the administration of a local housing and management authority. The Secretary may delegate to the administrative receiver any or all of the powers of the Secretary under this subsection. Regardless of any delegation under this subsection, an administrative receiver may not require the establishment of one or more new local housing and management authorities pursuant to paragraph (3) unless the Secretary first approves such establishment. For purposes of this subsection, the term "local housing and management authority" includes any developments or functions of a local housing and management authority under any section of this title.

(e) RECEIVERSHIP.—

(1) REQUIRED APPOINTMENT.—In any proceeding under subsection (b)(5), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the local housing and management authority in a manner consistent with this Act and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another local housing and management authority, a private management corporation, the Secretary, or any other appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

(2) POWERS OF RECEIVER.—If a receiver is appointed for a local housing and management authority pursuant to subsection (b)(5), in addition to the powers accorded by the court appointing the receiver, the receiver—

(A) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification;

(B) may demolish and dispose of assets of the authority in accordance with subtitle E of title II;

(C) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities, to the extent permitted by State and local law; and

(D) except as provided in subparagraph (C), shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impede correction of the substantial default or improvement of the classification.

For purposes of this paragraph, the term "local housing and management authority" includes any developments or functions of a local housing and management authority under any section of this title.

(3) TERMINATION.—The appointment of a receiver pursuant to this subsection may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the local housing and management authority will be able to make the same amount of progress in correcting the management of the housing as the receiver.

(f) LIABILITY.—If the Secretary takes possession of an authority pursuant to subsection (b)(2) or a receiver is appointed pursuant to subsection (b)(5) for a local housing and management authority, the Secretary or the receiver shall be deemed to be acting in the capacity of the local housing and management authority (and not in the official capacity as Secretary or other official) and any liability incurred shall

be a liability of the local housing and management authority.

(g) Effectiveness.—The provisions of this section shall apply with respect to actions taken before, on, or after the effective date of this Act and shall apply to any receivers appointed for a public housing agency before the date of enactment of this Act.

SEC. 439. MANDATORY TAKEOVER OF CHRONICALLY TROUBLED PHA'S.

(a) Removal of Agency.—Notwithstanding any other provision of this Act, not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary shall take one of the following actions with respect to each chronically troubled public housing agency:

(1) Contracting for Management.—Solicit competitive proposals for the management of the agency pursuant to section 437(b)(1) and replace the management of the agency pursuant to selection of such a proposal.

(2) Takeover.—Take possession of the agency pursuant to section 437(b)(2) of such Act.

(b) Definition.—For purposes of this section, the term "chronically troubled public housing agency" means a public housing agency that, as of the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency and has been so designated continuously for the 3-year period ending upon such date of enactment; except that such term does not include any agency that owns or operates less than 1250 public housing dwelling units and that the Secretary determines can, with a reasonable amount of effort, make such improvements or remedies as may be necessary to remove its designation as troubled within 12 months.

SEC. 440. TREATMENT OF TROUBLED PHA'S.

(a) Effect of Troubled Status on CHAS.—The comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the State or unit of general local government in which any troubled public housing agency is located shall not be considered to comply with the requirements under section 105 of the Cranston-Gonzalez National Affordable Housing Act unless such plan includes a description of the manner in which the State or unit will assist such troubled agency in improving its operations to remove such designation.

(b) Definition.—For purposes of this section, the term "troubled public housing agency" means a public housing agency that—

(1) upon the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency; and

(2) is not a chronically troubled public housing agency, as such term is defined in section 439(b) of this Act.

SEC. 441. MAINTENANCE OF AND ACCESS TO RECORDS.

(a) Keeping of Records.—Each local housing and management authority shall keep such records as may be reasonably necessary to disclose the amount and the disposition by the authority of the proceeds of assistance received pursuant to this Act and to ensure compliance with the requirements of this Act.

(b) Access to Documents.—The Secretary, the Inspector General for the Department of Housing and Urban Development, and the Comptroller General of the United States shall each have access for the purpose of audit and examination to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

SEC. 442. ANNUAL REPORTS REGARDING TROUBLED LHMA'S.

The Secretary shall submit a report to the Congress annually, as a part of the report of the Secretary under section 8 of the Department of Housing and Urban Development Act, that—

(1) identifies the local housing and management authorities that are designated as troubled or dysfunctional under section 431(a)(2) and the reasons for such designation;

(2) identifies the local housing and management authorities that have lost accreditation pursuant to section 433; and

(3) describes any actions that have been taken in accordance with sections 433, 434, 435, 436, and 438.

SEC. 443. APPLICABILITY TO RESIDENT MANAGEMENT CORPORATIONS.

The Secretary shall apply the provisions of this subtitle to resident management corporations in the same manner as applied to local housing and management authorities.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

SEC. 501. REPEALS.

(a) In General.—The following provisions of law are hereby repealed:

(1) United States Housing Act of 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.).

(2) Assisted Housing Allocation.—Section 213 of the Housing and Community Development Act of 1974 (42 U.S.C. 1439).

(3) Public Housing Rent Waivers for Police.—Section 519 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437a–1).

(4) Occupancy Preferences and Income Mix for New Construction and Substantial Rehabilitation Projects.—Subsection (c) of section 545, and section 555, of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(5) Treatment of Certificate and Voucher Holders.—Subsection (c) of section 183 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(6) Excessive Rent Burden Data.—Subsection (b) of section 550 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(7) Section 8 Disaster Relief.—Sections 931 and 932 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note).

(8) Moving to Opportunity for Fair Housing.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(9) Report Regarding Fair Housing Objectives.—Section 153 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(10) Section 8 Community Investment Demonstration.—Section 6 of the HUD Demonstration Act of 1993 (42 U.S.C. 1437f note).

(11) Special Projects for Elderly or Handicapped Families.—Section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438).

(12) Access to PHA Books.—Section 816 of the Housing Act of 1954 (42 U.S.C. 1435).

(13) Miscellaneous Provisions.—Subsections (b)(1), (c), and (d) of section 326 of the Housing and Community Development Amendments of 1981 (Public Law 97–35, 95 Stat. 406; 42 U.S.C. 1437f note).

(14) Payment for Development Managers.—Section 329A of the Housing and Community Development Amendments of 1981 (42 U.S.C. 1437j–1).

(15) Purchase of PHA Obligations.—Section 329E of the Housing and Community Development Amendments of 1981 (12 U.S.C. 2294a).

(16) Procurement of Insurance by PHA's.—

(A) In the item relating to "ADMINISTRATIVE PROVISIONS" under the heading "MANAGEMENT AND ADMINISTRATION" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991, the penultimate undesignated paragraph of such item (Public Law 101–507; 104 Stat. 1369).

(B) In the item relating to "ADMINISTRATIVE PROVISIONS" under the heading "MANAGEMENT AND ADMINISTRATION" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992, the 19th through 23d undesignated paragraphs of such item (Public Law 102–139; 105 Stat. 758).

(17) Public Housing Childhood Development.—Section 222 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z–6 note).

(18) Indian Housing Childhood Development.—Section 518 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z–6 note).

(19) Public Housing Comprehensive Transition Demonstration.—Section 126 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(20) Public Housing One-Stop Perinatal Services Demonstration.—Section 521 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note).

(21) Public Housing MINCS Demonstration.—Section 522 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(22) Public Housing Energy Efficiency Demonstration.—Section 523 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437g note).

(23) Omaha Homeownership Demonstration.—Section 132 of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 stat. 3712).

(24) Public and Assisted Housing Youth Sports Programs.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a).

(b) Savings Provision.—The repeals made by subsection (a) shall not affect any legally binding obligations entered into before the date of the enactment of this Act. Any funds or activities subject to a provision of law repealed by subsection (a) shall continue to be governed by the provision as in effect immediately before such repeal.

SEC. 502. CONFORMING AND TECHNICAL PROVISIONS.

(a) Allocation of Elderly Housing Amounts.—Section 202(l) of the Housing Act of 1959 (12 U.S.C. 1701q(l)) is amended by adding at the end the following new paragraph:

"(4) Consideration in Allocating Assistance.—Assistance under this section shall be allocated in a manner that ensures that the awards of the assistance are made for projects of sufficient size to accommodate facilities for supportive services appropriate to the needs of frail elderly residents.".

(b) Eligibility for Assisted Housing.—

(1) General.—Notwithstanding any other provision of law, for purposes of determining eligibility for admission to assisted housing, a person shall not be considered to have a disability or a handicap solely because of the prior or current illegal use of a controlled substance (as defined in section 102 of the Controlled Substances Act) or solely by reason of the prior or current use of alcohol.

(2) Definition.—For purposes of this subsection, the term "assisted housing" means housing designed primarily for occupancy by elderly persons or persons with disabilities that is assisted pursuant to this Act, the United States Housing Act of 1937, section 221(d)(3) or 236 of

the National Housing Act, section 202 of the Housing Act of 1959, section 101 of the Housing and Urban Development Act of 1965, or section 811 of the Cranston-Gonzalez National Affordable Housing Act.

(3) CONTINUED OCCUPANCY.—This subsection may not be construed to prohibit the continued occupancy of any person who is a resident in assisted housing on the date of enactment of this Act.

(c) AMENDMENT TO HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983.—Section 227(d)(2) of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701r–1(d)(2)) is amended by inserting "the United States Housing Act of 1996," after "the United States Housing Act of 1937,".

(d) REVIEW OF DRUG ELIMINATION PROGRAM CONTRACTS.—

(1) REQUIREMENT.—Notwithstanding the repeal under section 501(a)(26), the Secretary of Housing and Urban Development shall investigate all security contracts awarded by grantees under the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) that are public housing agencies that own or operate more than 4,500 public housing dwelling units—

(A) to determine whether the contractors under such contracts have complied with all laws and regulations regarding prohibition of discrimination in hiring practices;

(B) to determine whether such contracts were awarded in accordance with the applicable laws and regulations regarding the award of such contracts;

(C) to determine how many such contracts were awarded under emergency contracting procedures;

(D) to evaluate the effectiveness of the contracts; and

(E) to provide a full accounting of all expenses under the contracts.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the investigation required under paragraph (1) and submit a report to the Congress regarding the findings under the investigation. With respect to each such contract, the report shall (A) state whether the contract was made and is operating, or was not made or is not operating, in full compliance with applicable laws and regulations, and (B) for each contract that the Secretary determines is in such compliance in a personal certification of such compliance by the Secretary of Housing and Urban Development.

(3) ACTIONS.—For each contract that is described in the report under paragraph (2) as not made or not operating in full compliance with applicable laws and regulation, the Secretary of Housing and Urban Development shall promptly take any actions available under law or regulation that are necessary—

(A) to bring such contract into compliance; or

(B) to terminate the contract.

(e) REFERENCES.—Except as provided in section 271 and 501(b), any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to—

(1) public housing or housing assisted under the United States Housing Act of 1937 is deemed to refer to public housing assisted under title II of this Act;

(2) to assistance under section 8 of the United States Housing Act of 1937 is deemed to refer to assistance under title III of this Act; and

(3) to assistance under the United States Housing Act of 1937 is deemed to refer to assistance under this Act.

(f) CONVERSION OF PROJECT-BASED ASSISTANCE TO CHOICE-BASED RENTAL ASSISTANCE.—

(1) SECTION 8 PROJECT-BASED CONTRACTS.—Upon the request of the owner of a multifamily housing project for which project-based assistance is provided under a contract entered into under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project and shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(2) SECTION 236 CONTRACTS.—Upon the request of the owner of a multifamily housing project for which assistance is provided under a contract for interest reduction payments under section 236 of the National Housing Act, notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project. The amount of the interest reduction payments made on behalf of the owner shall be reduced by a fraction for which the numerator is the aggregate basic rent for the units which are no longer assisted under the contract for interest reduction payments and the denominator is the aggregate basic rents for all units in the project. The requirements of section 236(g) of the National Housing Act shall not apply to rental charges collected with respect to dwelling units for which assistance in terminated under this paragraph. Such reduction shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(3) ELIGIBLE UNITS.—A unit may be removed from coverage by a contract pursuant to paragraph (1) or (2) only—

(A) upon the vacancy of the unit; and

(B) in the case of—

(i) units assisted under section 8 of the United States Housing Act of 1937, if the contract rent for the unit is not less than the applicable fair market rental established pursuant to section 8(c) of such Act for the area in which the unit is located; or

(ii) units assisted under an interest reduction contract under section 236 of the National Housing Act, if the reduction in the amount of interest reduction payments on a monthly basis is less than the aggregate amount of fair market rents established pursuant to section 8(c) of such Act for the number and type of units which are removed from coverage by the contract.

(4) RECAPTURE.—Any budget authority that becomes available to a local housing and management authority or the Secretary pursuant to this section shall be used to provide choice-based rental assistance under title III, during the term covered by such contract.

SEC. 503. AMENDMENTS TO PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT OF 1990.

(a) SHORT TITLE, PURPOSES, AND AUTHORITY TO MAKE GRANTS.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et seq.) is amended by striking the chapter heading and all that follows through section 5123 and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME

"SEC. 5121. SHORT TITLE.

"This chapter may be cited as the 'Community Partnerships Against Crime Act of 1996'.

"SEC. 5122. PURPOSES.

"The purposes of this chapter are to—

"(1) improve the quality of life for the vast majority of law-abiding public housing residents by reducing the levels of fear, violence, and crime in their communities;

"(2) broaden the scope of the Public and Assisted Housing Drug Elimination Act of 1990 to apply to all types of crime, and not simply crime that is drug-related; and

"(3) reduce crime and disorder in and around public housing through the expansion of community-oriented policing activities and problem solving.

"SEC. 5123. AUTHORITY TO MAKE GRANTS.

"The Secretary of Housing and Urban Development may make grants in accordance with the provisions of this chapter for use in eliminating crime in and around public housing and other federally assisted low-income housing projects to (1) local housing and management authorities, and (2) private, for-profit and nonprofit owners of federally assisted low-income housing.".

(b) ELIGIBLE ACTIVITIES.—

(1) IN GENERAL.—Section 5124(a) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(a)) is amended—

(A) in the matter preceding paragraph (1), by inserting "and around" after "used in";

(B) in paragraph (3), by inserting before the semicolon the following: ", including fencing, lighting, locking, and surveillance systems";

(C) in paragraph (4), by striking subparagraph (A) and inserting the following new subparagraph:

"(A) to investigate crime; and";

(D) in paragraph (6)—

(i) by striking "in and around public or other federally assisted low-income housing projects"; and

(ii) by striking "and" after the semicolon; and

(E) by striking paragraph (7) and inserting the following new paragraphs:

"(7) providing funding to nonprofit public housing resident management corporations and resident councils to develop security and crime prevention programs involving site residents;

"(8) the employment or utilization of one or more individuals, including law enforcement officers, made available by contract or other cooperative arrangement with State or local law enforcement agencies, to engage in community- and problem-oriented policing involving interaction with members of the community in proactive crime control and prevention activities;

"(9) programs and activities for or involving youth, including training, education, recreation and sports, career planning, and entrepreneurship and employment activities and after school and cultural programs; and

"(10) service programs for residents that address the contributing factors of crime, including programs for job training, education, drug and alcohol treatment, and other appropriate social services.".

(2) OTHER LHMA-OWNED HOUSING.—Section 5124(b) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(b)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking "drug-related crime in housing owned by public housing agencies" and inserting "crime in and around housing owned by local housing and management authorities"; and

(ii) by striking "paragraphs (1) through (7)" and inserting "paragraphs (1) through (10)"; and

(B) in paragraph (2)—

(i) by striking "public housing agency" and inserting "local housing and management authority"; and

(ii) by striking "drug-related" and inserting "criminal".

(c) GRANT PROCEDURES.—Section 5125 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11904) is amended to read as follows:

"SEC. 5125. GRANT PROCEDURES.

"(a) LHMA'S WITH 250 OR MORE UNITS.—

"(1) GRANTS.—In each fiscal year, the Secretary shall make a grant under this chapter from any amounts available under section 5131(b)(1) for the fiscal year to each of the following local housing and management authorities:

"(A) NEW APPLICANTS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and has—

"(i) submitted an application to the Secretary for a grant for such fiscal year, which includes a 5-year crime deterrence and reduction plan under paragraph (2); and

"(ii) had such application and plan approved by the Secretary.

"(B) RENEWALS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and for which—

"(i) a grant was made under this chapter for the preceding Federal fiscal year;

"(ii) the term of the 5-year crime deterrence and reduction plan applicable to such grant includes the fiscal year for which the grant under this subsection is to be made; and

"(iii) the Secretary has determined, pursuant to a performance review under paragraph (4), that during the preceding fiscal year the agency has substantially fulfilled the requirements under subparagraphs (A) and (B) of paragraph (4).

"(2) 5-YEAR CRIME DETERRENCE AND REDUCTION PLAN.—Each application for a grant under this subsection shall contain a 5-year crime deterrence and reduction plan. The plan shall be developed with the participation of residents and appropriate law enforcement officials. The plan shall describe, for the local housing and management authority submitting the plan—

"(A) the nature of the crime problem in public housing owned or operated by the local housing and management authority;

"(B) the building or buildings of the local housing and management authority affected by the crime problem;

"(C) the impact of the crime problem on residents of such building or buildings; and

"(D) the actions to be taken during the term of the plan to reduce and deter such crime, which shall include actions involving residents, law enforcement, and service providers.

The term of a plan shall be the period consisting of 5 consecutive fiscal years, which begins with the first fiscal year for which funding under this chapter is provided to carry out the plan.

"(3) AMOUNT.—In any fiscal year, the amount of the grant for a local housing and management authority receiving a grant pursuant to paragraph (1) shall be the amount that bears the same ratio to the total amount made available under section 5131(b)(1) as the total number of public dwelling units owned or operated by such authority bears to the total number of dwelling units owned or operated by all local housing and management authorities that own or operate 250 or more public housing dwelling units that are approved for such fiscal year.

"(4) PERFORMANCE REVIEW.—For each fiscal year, the Secretary shall conduct a performance review of the activities carried out by each local housing and management authority receiving a grant pursuant to this subsection to determine whether the agency—

"(A) has carried out such activities in a timely manner and in accordance with its 5-year crime deterrence and reduction plan; and

"(B) has a continuing capacity to carry out such plan in a timely manner.

"(5) SUBMISSION OF APPLICATIONS.—The Secretary shall establish such deadlines and requirements for submission of applications under this subsection.

"(6) REVIEW AND DETERMINATION.—The Secretary shall review each application submitted under this subsection upon submission and shall approve the application unless the application and the 5-year crime deterrence and reduction plan are inconsistent with the purposes of this chapter or any requirements established by the Secretary or the information in the application or plan is not substantially complete. Upon approving or determining not to approve an application and plan submitted under this subsection, the Secretary shall notify the local housing and management authority submitting the application and plan of such approval or disapproval.

"(7) DISAPPROVAL OF APPLICATIONS.—If the Secretary notifies an authority that the application and plan of the authority is not approved, not later than the expiration of the 15-day period beginning upon such notice of disapproval, the Secretary shall also notify the authority, in writing, of the reasons for the disapproval, the actions that the authority could take to comply with the criteria for approval, and the deadlines for such actions.

"(8) FAILURE TO APPROVE OR DISAPPROVE.—If the Secretary fails to notify an authority of approval or disapproval of an application and plan submitted under this subsection before the expiration of the 60-day period beginning upon the submission of the plan or fails to provide notice under paragraph (7) within the 15-day period under such paragraph to an authority whose application has been disapproved, the application and plan shall be considered to have been approved for purposes of this section.

"(b) LHMA'S WITH FEWER THAN 250 UNITS AND OWNERS OF FEDERALLY ASSISTED LOW-INCOME HOUSING.—

"(1) APPLICATIONS AND PLANS.—To be eligible to receive a grant under this chapter, a local housing and management authority that owns or operates fewer than 250 public housing dwelling units or an owner of federally assisted low-income housing shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require. The application shall include a plan for addressing the problem of crime in and around the housing for which the application is submitted, describing in detail activities to be conducted during the fiscal year for which the grant is requested.

"(2) GRANTS FOR LHMA'S WITH FEWER THAN 250 UNITS.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(2), make grants under this chapter to local housing and management authorities that own or operate fewer than 250 public housing dwelling units and have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraph (4).

"(3) GRANTS FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(3), make grants under this chapter to owners of federally assisted low-income housing that have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraphs (4) and (5).

"(4) CRITERIA FOR APPROVAL OF APPLICATIONS.—The Secretary shall determine whether to approve each application under this subsection on the basis of—

"(A) the extent of the crime problem in and around the housing for which the application is made;

"(B) the quality of the plan to address the crime problem in the housing for which the application is made;

"(C) the capability of the applicant to carry out the plan; and

"(D) the extent to which the tenants of the housing, the local government, local community-based nonprofit organizations, local tenant organizations representing residents of neighboring projects that are owned or assisted by the Secretary, and the local community support and participate in the design and implementation of the activities proposed to be funded under the application.

In each fiscal year, the Secretary may give preference to applications under this subsection for housing made by applicants who received a grant for such housing for the preceding fiscal year under this subsection or under the provisions of this chapter as in effect immediately before the date of the enactment of the United States Housing Act of 1996.

"(5) ADDITIONAL CRITERIA FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In addition to the selection criteria under paragraph (4), the Secretary may establish other criteria for evaluating applications submitted by owners of federally assisted low-income housing, except that such additional criteria shall be designed only to reflect—

"(A) relevant differences between the financial resources and other characteristics of local housing and management authorities and owners of federally assisted low-income housing; or

"(B) relevant differences between the problem of crime in public housing administered by such authorities and the problem of crime in federally assisted low-income housing.".

(d) DEFINITIONS.—Section 5126 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11905) is amended—

(1) by striking paragraphs (1) and (2);

(2) in paragraph (4)(A), by striking "section" before "221(d)(4)";

(3) by redesignating paragraphs (3) and (4) (as so amended) as paragraphs (1) and (2), respectively; and

(4) by adding at the end the following new paragraph:

"(3) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term 'local housing and management authority' has the meaning given the term in title I of the United States Housing Act of 1996.".

(e) IMPLEMENTATION.—Section 5127 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11906) is amended by striking "Cranston-Gonzalez National Affordable Housing Act" and inserting "United States Housing Act of 1996".

(f) REPORTS.—Section 5128 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11907) is amended—

(1) by striking "drug-related crime in" and inserting "crime in and around"; and

(2) by striking "described in section 5125(a)" and inserting "for the grantee submitted under subsection (a) or (b) of section 5125, as applicable".

(g) FUNDING AND PROGRAM SUNSET.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 is amended by striking section 5130 (42 U.S.C. 11909) and inserting the following new sections:

"SEC. 5130. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this chapter such sums as may be necessary for fiscal years 1997 and 1998.

"(b) ALLOCATION.—Of any amounts available, or that the Secretary is authorized to use, to carry out this chapter in any fiscal year—

"(1) 85 percent shall be available only for assistance pursuant to section 5125(a) to local housing and management authorities that own or operate 250 or more public housing dwelling units;

"(2) 10 percent shall be available only for assistance pursuant to section 5125(b)(2) to local housing and management authorities that own or operate fewer than 250 public housing dwelling units; and

"(3) 5 percent shall be available only for assistance to federally assisted low-income housing pursuant to section 5125(b)(3).".

(h) CONFORMING AMENDMENTS.—The table of contents in section 5001 of the Anti-Drug Abuse Act of 1988 (Public Law 100–690; 102 Stat. 4295) is amended—

(1) by striking the item relating to the heading for chapter 2 of subtitle C of title V and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME";

(2) by striking the item relating to section 5122 and inserting the following new item:

"Sec. 5122. Purposes.";

(3) by striking the item relating to section 5125 and inserting the following new item:

"Sec. 5125. Grant procedures.";

and

(4) by striking the item relating to section 5130 and inserting the following new item:

"Sec. 5130. Funding.".

(i) TREATMENT OF NOFA.—The cap limiting assistance under the Notice of Funding Availability issued by the Department of Housing and Urban Development in the Federal Register of April 8, 1996, shall not apply to a local housing and management authority within an area designated as a high intensity drug trafficking area under section 1005(c) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504(c).

SEC. 504. TREATMENT OF CERTAIN PROJECTS.

Rehabilitation activities undertaken by Pennrose Properties in connection with 40 dwelling units for senior citizens in the Providence Square development located in New Brunswick, New Jersey, are hereby deemed to have been conducted pursuant to the approval of and an agreement with the Secretary of Housing and Urban Development under clauses (i) and (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

SEC. 505. AMENDMENTS RELATING TO COMMUNITY DEVELOPMENT ASSISTANCE.

(a) ELIGIBILITY OF METROPOLITAN CITIES.—Section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) is amended—

(1) by striking the second sentence and inserting the following new sentence: "Any city that was classified as a metropolitan city for at least 1 year after September 30, 1989, pursuant to the first sentence of this paragraph, shall remain classified as a metropolitan city by reason of this sentence until the first year for which data from the 2000 Decennial Census is available for use for purposes of allocating amounts this title."; and

(2) by striking the fifth sentence and inserting the following new sentence: "Notwithstanding that the population of a unit of general local government was included, after September 30, 1989, with the population of an urban county for purposes of qualifying for assistance under section 106, the unit of general local government may apply for assistance under section 106 as a metropolitan city if the unit meets the requirements of the second sentence of this paragraph.".

(b) PUBLIC SERVICES LIMITATION.—Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking "through 1997" and inserting "through 1998".

SEC. 506. AUTHORITY TO TRANSFER SURPLUS REAL PROPERTY FOR HOUSING USE.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end the following new subsection:

"(r)(1) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for homeless individuals or families, such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(2) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for low-income individuals or families such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(3) In making transfers under this subsection, the Administrator shall take such action, which shall include grant agreements with an organization receiving a grant, as may be necessary to ensure that—

"(A) assistance provided under this subsection is used to facilitate and encourage homeownership opportunities through the construction of self-help housing, under terms which require that the person receiving the assistance contribute a significant amount of labor toward the construction; and

"(B) the dwellings constructed with property transferred under this subsection shall be quality dwellings that comply with local building and safety codes and standards and shall be available at prices below the prevailing market prices.

"(4)(A) Where the Administrator has transferred a significant portion of a surplus real property, including buildings, fixtures, and equipment situated thereon, under paragraph (1) or (2) of this subsection, the transfer of the entire property shall be deemed to be in compliance with title V of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411 et seq.).

"(B) For the purpose of this paragraph, the term 'a significant portion of a surplus real property' means a portion of surplus real property—

"(i) which constitutes at least 5 acres of total acreage;

"(ii) whose fair market value exceeds $100,000; or

"(iii) whose fair market value exceeds 15 percent of the surplus property's fair market value.

"(5) The provisions of this section shall not apply to buildings and property at military installations that are approved for closure under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) and shall not supersede the provisions of section 2(e) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (10 U.S.C. 2687 note).".

SEC. 507. RURAL HOUSING ASSISTANCE.

The last sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by inserting before the period the following: ", and the city of Altus, Oklahoma, shall be considered a rural area for purposes of this title until the receipt of data from the decennial census in the year 2000".

SEC. 508. TREATMENT OF OCCUPANCY STANDARDS.

(a) NATIONAL STANDARD PROHIBITED.—The Secretary of Housing and Urban Development shall not directly or indirectly establish a national occupancy standard.

(b) STATE STANDARD.—If a State establishes an occupancy standard—

(1) such standard shall be presumed reasonable for purposes of any laws administered by the Secretary; and

(2) the Secretary shall not suspend, withdraw, or deny certification of any State or local public agency based in whole or in part on that State occupancy standard or its operation.

(c) ABSENCE OF STATE STANDARD.—If a State fails to establish an occupancy standard, an occupancy standard of 2 persons per bedroom established by a housing provider shall be presumed reasonable for the purposes of any laws administered by the Secretary.

(d) DEFINITION.—

(1) GENERAL RULE.—Except as provided in paragraph (2), the term "occupancy standard" means a law, regulation, or housing provider policy that establishes a limit on the number of residents a housing provider can properly manage in a dwelling for any 1 or more of the following purposes—

(A) providing a decent home and services for each resident;

(B) enhancing the livability of a dwelling for all residents, including the dwelling for each particular resident; and

(C) avoiding undue physical deterioration of the dwelling and property.

(2) EXCEPTION.—The term "occupancy standard" does not include a Federal, State, or local restriction regarding the maximum number of persons permitted to occupy a dwelling for the sole purpose of protecting the health and safety of the residents of a dwelling, including building and housing code provisions.

(e) EFFECTIVE DATE.—This section shall take effect January 1, 1996.

SEC. 509. IMPLEMENTATION OF PLAN.

(a) IMPLEMENTATION.—Within 120 days after the enactment of this Act, the Secretary of Housing and Urban Development shall implement the Ida Barbour Revitalization Plan of the City of Portsmouth, Virginia, in a manner consistent with existing limitations under law. The Secretary shall consider and make any waivers to existing regulations consistent with such plan to enable timely implementation of such plan.

(b) REPORT.—Such city shall submit a report to the Secretary on progress in implementing the plan not later than 1 year after the date of the enactment of this Act and annually thereafter through the year 2000. The report shall include quantifiable measures revealing the increase in homeowners, employment, tax base, voucher allocation, leverage ratio of funds, impact on and compliance with the city's consolidated plan, identification of regulatory and statutory obstacles which have or are causing unnecessary delays in the plan's successful implementation or are contributing to unnecessary costs associated with the revitalization, and any other information as the Secretary considers appropriate.

SEC. 510. INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS.

(a) HOME INVESTMENT PARTNERSHIPS.—The Cranston-Gonzalez National Affordable Housing Act is amended as follows:

(1) DEFINITIONS.—In section 104(10) (42 U.S.C. 12704(10))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(2) INCOME TARGETING.—In section 214(1)(A) (42 U.S.C. 12744(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(3) RENT LIMITS.—In section 215(a)(1)(A) (42 U.S.C. 12745(a)(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(b) CDBG.—Section 102(a)(20) of the Housing and Community Development Act of 1974 (42

U.S.C. 5302(a)(20)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

"(B) The Secretary may—

"(i) with respect to any reference in subparagraph (A) to 50 percent of the median income of the area involved, establish percentages of median income for any area that are higher or lower than 50 percent if the Secretary finds such variations to be necessary because of unusually high or low family incomes in such area; and

"(ii) with respect to any reference in subparagraph (A) to 80 percent of the median income of the area involved, establish a percentage of median income for any area that is higher than 80 percent if the Secretary finds such variation to be necessary because of unusually low family incomes in such area.".

SEC. 511. AMENDMENTS RELATING TO SECTION 236 PROGRAM.

Section 236(f)(1) of the National Housing Act (12 U.S.C. 1715z-1) (as amended by section 405(d)(1) of The Balanced Budget Downpayment Act, I, and by section 228(a) of The Balanced Budget Downpayment Act, II) is amended—

(1) in the second sentence, by striking "the lower of (i)";

(2) in the second sentence, by striking "(ii) the fair market rental established under section 8(c) of the United States Housing Act of 1937 for the market area in which the housing is located, or (iii) the actual rent (as determined by the Secretary) paid for a comparable unit in comparable unassisted housing in the market area in which the housing assisted under this section is located,"; and

(3) by inserting after the second sentence the following: "However, in the case of a project which contains more than 5,000 units, is subject to an interest reduction payments contract, and is financed under a State or local program, the Secretary may reduce the rental charge ceiling, but in no case shall the rent be below basic rent. For plans of action approved for capital grants under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the provisions of the Emergency Low Income Housing Preservation Act of 1987, the rental charge for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the lower of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the actual rent paid for a comparable unit in comparable unassisted housing in the market area in which the housing is located, as represents 30 percent of the tenant's adjusted income, but in no case shall the rent be below basic rent.".

SEC. 512. PROSPECTIVE APPLICATION OF GOLD CLAUSES.

Section 5118(d)(2) of title 31, United States Code, is amended by adding at the end the following new sentence: "This paragraph shall continue to apply to any obligations issued on or before October 27, 1977, notwithstanding any assignment and/or novation of such obligations after such date, unless all parties to the assignment and/or novation specifically agree to include a gold clause in the new agreement.".

SEC. 513. MOVING TO WORK DEMONSTRATION FOR THE 21ST CENTURY.

(a) PURPOSE.—The purpose of this demonstration under this section is to give local housing and management authorities and the Secretary of Housing and Urban Development the flexibility to design and test various approaches for providing and administering housing assistance that—

(1) reduce cost and achieve greater cost effectiveness in Federal expenditures;

(2) give incentives to families with children where the head of household is working, seeking work, or preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and

(3) increase housing choices for low-income families.

(b) PROGRAM AUTHORITY.—

(1) SELECTION OF PARTICIPANTS.—The Secretary of Housing and Urban Development shall conduct a demonstration program under this section beginning in fiscal year 1997 under which local housing and management authorities (including Indian housing authorities) administering the public or Indian housing program and the choice-based rental assistance program under title III of this Act shall be selected by the Secretary to participate. In the first year of the demonstration, the Secretary shall select 100 local housing and management authorities to participate. In each of the next 2 years of the demonstration, the Secretary shall select 100 additional local housing and management authorities per year to participate. During the first year of the demonstration, the Secretary shall select for participation any authority that complies with the requirement under subsection (d) and owns or administers more than 99,999 dwelling units of public housing.

(2) TRAINING.—The Secretary, in consultation with representatives of public housing interests, shall provide training and technical assistance during the demonstration and conduct detailed evaluations of up to 30 such agencies in an effort to identify replicable program models promoting the purpose of the demonstration.

(3) USE OF HOUSING ASSISTANCE.—Under the demonstration, notwithstanding any provision of this Act, an authority may combine operating assistance provided under section 9 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), modernization assistance provided under section 14 of such Act, assistance provided under section 8 of such Act for the certificate and voucher programs, assistance for pubic housing provided under title II of this Act, and choice-based rental assistance provided under title III of this Act, to provide housing assistance for low-income families and services to facilitate the transition to work on such terms and conditions as the authority may propose.

(c) APPLICATION.—An application to participate in the demonstration—

(1) shall request authority to combine assistance refereed to in subsection (b)(3);

(2) shall be submitted only after the local housing and management authority provides for citizen participation through a public hearing and, if appropriate, other means;

(3) shall include a plan developed by the authority that takes into account comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for—

(A) establishing a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent; and

(B) assuring that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary; and

(4) may request assistance for training and technical assistance to assist with design of the demonstration and to participate in a detailed evaluation.

(d) SELECTION CRITERIA.—In selecting among applications, the Secretary shall take into account the potential of each authority to plan and carry out a program under the demonstration and other appropriate factors as reasonably determined by the Secretary. An authority shall be eligible to participate in any fiscal year only if the most recent score for the authority under the public housing management assessment program under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) is 90 or greater.

(e) APPLICABILITY OF CERTAIN PROVISIONS.—

(1) Section 261 of this Act shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

(2) Section 113 of this Act shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

(f) EFFECT ON PROGRAM ALLOCATIONS.—The amount of assistance received under titles II and III by a local housing and management authority participating in the demonstration under this section shall not be diminished by its participation.

(g) RECORDS, REPORTS, AND AUDITS.—

(1) KEEPING OF RECORDS.—Each authority shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, to ensure compliance with the requirements of this section, and to measure performance.

(2) REPORTS.—Each authority shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

(A) document the use of funds made available under this section;

(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and

(C) describe and analyze the effect of assisted activities in addressing the objectives of this part.

(3) ACCESS TO DOCUMENTS BY THE SECRETARY.—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(4) ACCESS TO DOCUMENTS BY THE COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(h) EVALUATION AND REPORT.—

(1) CONSULTATION WITH LHMA AND FAMILY REPRESENTATIVES.—In making assessments throughout the demonstration, the Secretary shall consult with representatives of local housing and management authorities and residents.

(2) REPORT TO CONGRESS.—Not later than 180 days after the end of the third year of the demonstration, the Secretary shall submit to the Congress a report evaluating the programs carried out under the emonstration. The report shall also include findings and recommendations for any appropriate legislative action.

SEC. 514. OCCUPANCY SCREENING AND EVICTIONS FROM FEDERALLY ASSISTED HOUSING.

(a) OCCUPANCY SCREENING.—Section 642 of the Housing and Community Development Act of 1992 (42 U.S.C. 13602)—

(1) by inserting "(a) GENERAL CRITERIA.—" before "In"; and

(2) by adding at the end the following new subsections:

"(b) AUTHORITY TO DENY OCCUPANCY FOR CRIMINAL OFFENDERS.—In selecting tenants for occupancy of dwelling units in federally assisted housing, if the owner of such housing determines that an applicant for occupancy in the housing or any member of the applicant's household is or was, during the preceding 3

years, engaged in any activity described in paragraph (2)(C) of section 645, the owner may—

"(1) deny such applicant occupancy and consider the applicant (for purposes of any waiting list) as not having applied for such occupancy; and

"(2) after the expiration of the 3-year period beginning upon such activity, require the applicant, as a condition of occupancy in the housing or application for occupancy in the housing, to submit to the owner evidence sufficient (as the Secretary shall by regulation provide) to ensure that the individual or individuals in the applicant's household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such 3-year period.

"(c) AUTHORITY TO REQUIRE ACCESS TO CRIMINAL RECORDS.—An owner of federally assisted housing may require, as a condition of providing occupancy in a dwelling unit in such housing to an applicant for occupancy and the members of the applicant's household, that each adult member of the household provide the owner with a signed, written authorization for the owner to obtain records described in section 646(a) regarding such member of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

"(d) DEFINITION.—For purposes of subsections (b) and (c), the term 'federally assisted housing' has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).".

(b) TERMINATION OF TENANCY.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended by adding at the end the following new section:

"SEC. 645. TERMINATION OF TENANCY.

"Each lease for a dwelling unit in federally assisted housing (as such term is defined in section 642(d)) shall provide that—

"(1) the owner may not terminate the tenancy except for violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; and

"(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

"(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or other manager of the housing,

"(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises, or

"(C) is criminal activity (including drug-related criminal activity) on or off the premises,

shall be cause for termination of tenancy.".

(c) AVAILABILITY OF CRIMINAL RECORDS FOR TENANT SCREENING AND EVICTION.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended adding after section 645 (as added by subsection (b) of this section) the following new section:

"SEC. 646. AVAILABILITY OF RECORDS.

"(a) IN GENERAL.—

"(1) PROVISION OF INFORMATION.—Notwithstanding any other provision of law other than paragraph (2), upon the request of an owner of federally assisted housing, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the owner of federally assisted housing information regarding the criminal conviction records of an adult applicant for, or tenants of, the federally assisted housing for purposes of applicant screening, lease enforcement, and eviction, but only if the owner requests such information and presents to such Center, department, or agency with a written authorization, signed by such applicant, for the release of such information to such owner.

"(2) EXCEPTION.—The information provided under paragraph (1) may not include any information regarding any criminal conviction of an applicant or resident for any act (or failure to act) for which the applicant or resident was not treated as an adult under the laws of the convicting jurisdiction.

"(b) CONFIDENTIALITY.—An owner receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer or employee of the owner. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to an owner is used, and confidentiality of such information is maintained, as required under this section.

"(c) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance for federally assisted housing on the basis of a criminal record, the owner shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(d) FEE.—An owner of federally assisted housing may be charged a reasonable fee for information provided under subsection (a).

"(e) RECORDS MANAGEMENT.—Each owner of federally assisted housing that receives criminal record information under this section shall establish and implement a system of records management that ensures that any criminal record received by the owner is—

"(1) maintained confidentially;

"(2) not misused or improperly disseminated; and

"(3) destroyed, once the purpose for which the record was requested has been accomplished.

"(f) PENALTY.—Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or resident of, federally assisted housing pursuant to the authority under this section under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term 'person' as used in this subsection shall include an officer or employee of any local housing and management authority.

"(g) CIVIL ACTION.—Any applicant for, or resident of, federally assisted housing affected by (1) a negligent or knowing disclosure of information referred to in this section about such person by an officer or employee of any owner, which disclosure is not authorized by this section, or (2) any other negligent or knowing action that is inconsistent with this section, may bring a civil action for damages and such other relief as may be appropriate against any owner responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or resident resides, in which such unauthorized action occurred, or in which the officer or employee alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

"(h) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) ADULT.—The term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(2) FEDERALLY ASSISTED HOUSING.—The term 'federally assisted housing' has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).".

(d) DEFINITIONS.—Section 683 of the Housing and Community Development Act of 1992 (42 U.S.C. 13643) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking "section 3(b) of the United States Housing Act of 1937" and inserting "section 102 of the United States Housing Act of 1996";

(B) in subparagraph (B), by inserting before the semicolon at the end the following: "(as in effect before the enactment of the United States Housing Act of 1996)";

(C) in subparagraph (F), by striking "and" at the end;

(D) in subparagraph (G), by striking the period at the end and inserting "; and"; and

(E) by adding at the end the following new subparagraph:

"(H) for purposes only of subsections (b) and (c) of sections 642, and section 645 and 646, housing assisted under section 515 of the Housing Act of 1949.";

(2) in paragraph (4), by striking "public housing agency" and inserting "local housing and management authority"; and

(3) by adding at the end the following new paragraph:

"(6) DRUG-RELATED CRIMINAL ACTIVITY.—The term 'drug-related criminal activity' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act).".

SEC. 515. USE OF AMERICAN PRODUCTS.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 516. LIMITATION ON EXTENT OF USE OF LOAN GUARANTEES FOR HOUSING PURPOSES.

Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308) is amended by inserting after subsection (h) the following new section:

"(i) LIMITATION ON USE.—Of any amounts obtained from notes or other obligations issued by an eligible public entity or public agency designated by an eligible public entity and guaranteed under this section pursuant to an application for a guarantee submitted after the date of the enactment of the Housing and Community Development Act of 1992, the aggregate amount used for the purposes described in clauses (2) and (4) of subsection (a), and for other housing activities under the purposes described in clauses (1) and (3) of subsection (a), may not exceed 50 percent of such amounts obtained by the eligible public entity or agency.".

SEC. 517. CONSULTATION WITH AFFECTED AREAS IN SETTLEMENT OF LITIGATION.

In negotiating any settlement of, or consent decree for, any litigation regarding public housing or rental assistance (under title III of this Act or the United States Housing Act of 1937, as in effect before the enactment of this Act) that involves the Secretary and any local housing and management authority or any unit of general local government, the Secretary shall consult with any units of general local government *and local housing and management authorities having jurisdictions that are adjacent to the jurisdiction of the local housing and management authority involved.*

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

SEC. 601. ESTABLISHMENT.

There is established a commission to be known as the National Commission on Housing Assistance Programs Cost (in this title referred to as the "Commission").

SEC. 602. MEMBERSHIP.

(a) APPOINTMENT.—The Commission shall be composed of 9 members, who shall be appointed not later than 90 days after the date of the enactment of this Act. The members shall be as follows:

(1) 3 members to be appointed by the Secretary of Housing and Urban Development;

(2) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the Senate; and

(3) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the House of Representatives.

(b) QUALIFICATIONS.—The 3 members of the Commission appointed under each of paragraphs (1), (2), and (3) of subsection (a)—

(1) shall all be experts in the field of accounting, economics, cost analysis, finance, or management; and

(2) shall include—

(A) 1 individual who is an elected public official at the State or local level;

(B) 1 individual who is a distinguished academic engaged in teaching or research;

(C) 1 individual who is a business leader, financial officer, management or accounting expert.

In selecting members of the Commission for appointment, the individuals appointing shall ensure that the members selected can analyze the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no member of the Commission has a personal financial or business interest in any such program.

SEC. 603. ORGANIZATION.

(a) CHAIRPERSON.—The Commission shall elect a chairperson from among members of the Commission.

(b) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number may hold hearings.

(c) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(d) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(e) PROHIBITION ON ADDITIONAL PAY.—Members of the Commission shall serve without compensation.

(f) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

SEC. 604. FUNCTIONS.

(a) IN GENERAL.—The Commission shall —

(1) analyze the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs, and shall conduct the analysis on a nationwide and regional basis and in a manner such that accurate per unit cost comparisons may be made between Federal assisted housing programs; and

(2) estimate the future liability that will be borne by taxpayers as a result of activities under the Federal assisted housing programs before the date of the enactment of this Act.

(b) DEFINITION.—For purposes of this section, the term "Federal assisted housing programs" means—

(1) the public housing program under the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(2) the public housing program under title II of this Act;

(3) the certificate program for rental assistance under section 8(b)(1) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(4) the voucher program for rental assistance under section 8(o) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(5) the programs for project-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(6) the rental assistance payments program under section 521(a)(2)(A) of the Housing Act of 1949;

(7) the program for housing for the elderly under section 202 of the Housing Act of 1959;

(8) the program for housing for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(9) the program for financing housing by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(10) the program under section 236 of the National Housing Act;

(11) the program for constructed or substantial rehabilitation under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983; and

(12) any other program for housing assistance administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture, under which occupancy in the housing assisted or housing assistance provided is based on income, as the Commission may determine.

(c) FINAL REPORT.—Not later than 18 months after the Commission is established pursuant to section 602(a), the Commission shall submit to the Secretary and to the Congress a final report which shall contain the results of the analysis and estimates required under subsection (a).

(c) LIMITATION.—The Commission may not make any recommendations regarding Federal housing policy.

SEC. 605. POWERS.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such. times and places as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Commission may request from any department or agency of the United States, and such department or agency shall provide to the Commission in a timely fashion, such data and information as the Commission may require for carrying out this title, including—

(A) local housing management plans submitted to the Secretary of Housing and Urban Development under section 107;

(B) block grant contracts under title II;

(C) contracts under section 302 for assistance amounts under title III; and

(D) audits submitted to the Secretary of Housing and Urban Development under section 432.

(2) ADMINISTRATIVE SUPPORT.—The General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(3) PERSONNEL DETAILS AND TECHNICAL ASSISTANCE.—Upon the request of the chairperson of the Commission, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary—

(A) detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this title; and

(B) provide the Commission with technical assistance in carrying out its duties under this title.

(d) INFORMATION FROM LOCAL HOUSING AND MANAGEMENT AUTHORITIES.—The Commission shall have access, for the purpose of carrying out its functions under this title, to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(f) CONTRACTING.—The Commission may, to the extent and in such amounts as are provided in appropriations Acts, enter into contracts necessary to carry out its duties under this title.

(g) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) PERSONNEL.—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(3) LIMITATION.—Paragraphs (1) and (2) shall be effective only to the extent and in such amounts as are provided in appropriations Acts.

(4) SELECTION CRITERIA.—In appointing an executive director and staff, the Commission shall ensure that the individuals appointed can conduct any functions they may have regarding the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no such individual has a personal financial or business interest in any such program.

(h) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 606. FUNDING.

Of any amounts made available for policy, research, and development activities of the Department of Housing and Urban Development, there shall be available for carrying out this title $750,000, for fiscal year 1997. Any such amounts so appropriated shall remain available until expended.

SEC. 607. SUNSET.

The Commission shall terminate upon the expiration of the 18-month period beginning upon *the date that the Commission is established pursuant to section 602(a).*

TITLE VII—NATIVE AMERICAN HOUSING ASSISTANCE

SECTION 701. SHORT TITLE.

This title may be cited as the "Native American Housing Assistance and Self-Determination Act of 1996".

SEC. 702. CONGRESSIONAL FINDINGS.

The Congress hereby finds that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) there exists a unique relationship between the Government of the United States and the governments of Indian tribes and a unique Federal responsibility to Indian people;

(3) the Constitution of the United States invests the Congress with plenary power over the field of Indian affairs, and through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a trust responsibility to protect Indian tribes;

(4) the Congress, through treaties, statutes, and the general course of dealing with Indian tribes, has assumed the responsibility for the protection and preservation of Indian tribes and for working with tribes and their members to improve their socio-economic status so that they are able to take greater responsibility for their own economic condition;

(5) providing affordable and healthy homes is an essential element in the special role of the United States in helping tribes and their members to achieve a socio-economic status comparable to their non-Indian neighbors;

(6) the need for affordable and healthy homes on Indian reservations, in Indian communities, and in Native Alaskan villages is acute and the Federal Government should work not only to provide housing assistance, but also, to the extent practicable, to assist in the development of private housing finance mechanisms on Indian lands to achieve the goals of economic self-sufficiency and self-determination for tribes and their members; and

(7) Federal assistance to meet these responsibilities should be provided in a manner that recognizes the right of tribal self-governance by making such assistance available directly to the tribes or tribally designated entities.

SEC. 703. ADMINISTRATION THROUGH OFFICE OF NATIVE AMERICAN PROGRAMS.

The Secretary of Housing and Urban Development shall carry out this title through the Office of Native American Programs of the Department of Housing and Urban Development.

SEC. 704. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) AFFORDABLE HOUSING.—The term "affordable housing" means housing that complies with the requirements for affordable housing under subtitle B. The term includes permanent housing for homeless persons who are persons with disabilities, transitional housing, and single room occupancy housing.

(2) FAMILIES AND PERSONS.—

(A) SINGLE PERSONS.—The term "families" includes families consisting of a single person in the case of (i) an elderly person, (ii) a disabled person, (iii) a displaced person, (iv) the remaining members of a tenant family, and (v) any other single persons.

(B) FAMILIES.—The term "families" includes families with children and, in the cases of elderly families, near-elderly families, and disabled families, means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, or persons with disabilities, respectively. The term includes, in the cases of elderly families, near-elderly families, and disabled families, 2 or more elderly persons, near-elderly persons, or persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(C) ABSENCE OF CHILDREN.—The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size for purposes of this title.

(D) ELDERLY PERSON.—The term "elderly person" means a person who is at least 62 years of age.

(E) PERSON WITH DISABILITIES.—The term "person with disabilities" means a person who—

(i) has a disability as defined in section 223 of the Social Security Act,

(ii) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (I) is expected to be of long-continued and indefinite duration, (II) substantially impedes his or her ability to live independently, and (III) is of such a nature that such ability could be improved by more suitable housing conditions, or

(iii) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

(F) DISPLACED PERSON.—The term "displaced person" means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

(G) NEAR-ELDERLY PERSON.—The term "near-elderly person" means a person who is at least 50 years of age but below the age of 62.

(3) GRANT BENEFICIARY.—The term "grant beneficiary" means the Indian tribe or tribes on behalf of which a grant is made under this title to a recipient.

(4) INDIAN.—The term "Indian" means any person who is a member of an Indian tribe.

(5) INDIAN AREA.—The term "Indian area" means the area within which a tribally designated housing entity is authorized to provide assistance under this title for affordable housing.

(6) INDIAN TRIBE.—The term "Indian tribe" means—

(A) any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975; and

(B) any tribe, band, nation, pueblo, village, or community that—

(i) has been recognized as an Indian tribe by any State; and

(ii) for which an Indian housing authority is eligible, on the date of the enactment of this title, to enter into a contract with the Secretary pursuant to the United States Housing Act of 1937.

(7) LOCAL HOUSING PLAN.—The term "local housing plan" means a plan under section 712.

(8) LOW-INCOME FAMILY.—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(9) MEDIAN INCOME.—The term "median income" means, with respect to an area that is an Indian area, the greater of—

(A) the median income for the Indian area, which the Secretary shall determine; or

(B) the median income for the United States.

(10) RECIPIENT.—The term "recipient" means the entity for an Indian tribe that is authorized to receive grant amounts under this title on behalf of the tribe, which may only be the tribe or the tribally designated housing entity for the tribe.

(11) TRIBALLY DESIGNATED HOUSING ENTITY.—The terms "tribally designated housing entity" and "housing entity" have the following meaning:

(A) EXISTING IHA'S.—For any Indian tribe that has not taken action under subparagraph (B) and for which an Indian housing authority—

(i) was established for purposes of the United States Housing Act of 1937 before the date of the enactment of this title that meets the requirements under the United States Housing Act of 1937,

(ii) is acting upon such date of enactment as the Indian housing authority for the tribe, and

(iii) is not an Indian tribe for purposes of this title,

the terms mean such Indian housing authority.

(B) OTHER ENTITIES.—For any Indian tribe that, pursuant to this Act, authorizes an entity other than the tribal government to receive grant amounts and provide assistance under this title for affordable housing for Indians, which entity is established—

(i) by exercise of the power of self-government of an Indian tribe independent of State law, or

(ii) by operation of State law providing specifically for housing authorities or housing entities for Indians, including regional housing authorities in the State of Alaska,

the terms mean such entity.

A tribally designated housing entity may be authorized or established by one or more Indian tribes to act on behalf of each such tribe authorizing or establishing the housing entity. Nothing in this title may be construed to affect the existence, or the ability to operate, of any Indian housing authority established before the date of the enactment of this title by a State-recognized tribe, band, nation, pueblo, village, or community of Indian or Alaska Natives that is not an Indian tribe for purposes of this title.

(12) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development, except as otherwise specified in this title.

Subtitle A—Block Grants and Grant Requirements

SEC. 711. BLOCK GRANTS.

(a) AUTHORITY.—For each fiscal year, the Secretary shall (to the extent amounts are made available to carry out this title) make grants under this section on behalf of Indian tribes to carry out affordable housing activities. Under

such a grant on behalf of an Indian tribe, the Secretary shall provide the grant amounts for the tribe directly to the recipient for the tribe.

(b) CONDITION OF GRANT.—

(1) IN GENERAL.—The Secretary may make a grant under this title on behalf of an Indian tribe for a fiscal year only if—

(A) the Indian tribe has submitted to the Secretary a local housing plan for such fiscal year under section 712; and

(B) the plan has been determined under section 713 to comply with the requirements of section 712.

(2) WAIVER.—The Secretary may waive the applicability of the requirements under paragraph (1), in whole or in part, if the Secretary finds that an Indian tribe has not complied or can not complied with such requirements because of circumstances beyond the control of the tribe.

(c) AMOUNT.—Except as otherwise provided under subtitle B, the amount of a grant under this section to a recipient for a fiscal year shall be—

(1) in the case of a recipient whose grant beneficiary is a single Indian tribe, the amount of the allocation under section 741 for the Indian tribe; and

(2) in the case of a recipient whose grant beneficiary is more than 1 Indian tribe, the sum of the amounts of the allocations under section 741 for each such Indian tribe.

(d) USE FOR AFFORDABLE HOUSING ACTIVITIES.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities under subtitle B.

(e) EFFECTUATION OF LHP.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities that are consistent with the approved local housing plan under section 713 for the grant beneficiary on whose behalf the grant is made.

(f) ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—The Secretary shall, by regulation, authorize each recipient to use a percentage of any grant amounts received under this title for any administrative and planning expenses of the recipient relating to carrying out this title and activities assisted with such amounts, which may include costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this title and expenses of preparing a local housing plan under section 712.

(2) CONTENTS OF REGULATIONS.—The regulations referred to in paragraph (1) shall provide that—

(A) the Secretary shall, for each recipient, establish a percentage referred to in paragraph (1) based on the specific circumstances of the recipient and the tribes served by the recipient; and

(B) the Secretary may review the percentage for a recipient upon the written request of the recipient specifying the need for such review or the initiative of the Secretary and, pursuant to such review, may revise the percentage established for the recipient.

(g) PUBLIC-PRIVATE PARTNERSHIPS.—Each recipient shall make all reasonable efforts, consistent with the purposes of this title, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in implementing the approved local housing plan for the tribe that is the grant beneficiary.

SEC. 712. LOCAL HOUSING PLANS.

(a) IN GENERAL.—

(1) SUBMISSION.—The Secretary shall provide for an Indian tribe to submit to the Secretary, for each fiscal year, a local housing plan under this section for the tribe (or for the tribally designated housing entity for a tribe to submit the plan under subsection (e) for the tribe) and for the review of such plans.

(2) LOCALLY DRIVEN NATIONAL OBJECTIVES.—A local housing plan shall describe—

(A) the mission of the tribe with respect to affordable housing or, in the case of a recipient that is a tribally designated housing entity, the mission of the housing entity;

(B) the goals, objectives, and policies of the recipient to meet the housing needs of low-income families in the jurisdiction of the housing entity, which shall be designed to achieve the national objectives under section 721(a); and

(C) how the locally established mission and policies of the recipient are designed to achieve, and are consistent with, the national objectives under section 721(a).

(b) 5-YEAR PLAN.—Each local housing plan under this section for an Indian tribe shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) LOCALLY DRIVEN NATIONAL OBJECTIVES.—The information described in subsection (a)(2).

(2) CAPITAL IMPROVEMENT OVERVIEW.—If the recipient will provide capital improvements for housing described in subsection (c)(3) during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the recipient to meet its goals, objectives, and mission.

(c) 1-YEAR PLAN.—A local housing plan under this section for an Indian tribe shall contain the following information relating to the upcoming fiscal year for which the assistance under this title is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the recipient for the tribe that includes—

(A) identification and a description of the financial resources reasonably available to the recipient to carry out the purposes of this title, including an explanation of how amounts made available will leverage such additional resources; and

(B) the uses to which such resources will be committed, including eligible and required affordable housing activities under subtitle B to be assisted and administrative expenses.

(2) AFFORDABLE HOUSING.—For the jurisdiction within which the recipient is authorized to use assistance under this title—

(A) a description of the estimated housing needs and the need for assistance for very low-income and moderate-income families;

(B) a description of the significant characteristics of the housing market, indicating how such characteristics will influence the use of amounts made available under this title for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units;

(C) an description of the structure, means of cooperation, and coordination between the recipient and any units of general local government in the development, submission, and implementation of their housing plans, including a description of the involvement of any private industries, nonprofit organizations, and public institutions;

(D) a description of how the plan will address the housing needs identified pursuant to subparagraph (A), describing the reasons for allocation priorities, and identify any obstacles to addressing underserved needs;

(E) a description of any homeownership programs of the recipient to be carried out with respect to affordable housing assisted under this title and the requirements and assistance available under such programs;

(F) a certification that the recipient will maintain written records of the standards and procedures under which the recipient will monitor activities assisted under this title and ensure long-term compliance with the provisions of this title;

(G) a certification that the recipient will comply with title II of the Civil Rights Act of 1968 in carrying out this title, to the extent that such title is applicable;

(H) a statement of the number of families for whom the recipient will provide affordable housing using grant amounts provided under this title;

(I) a statement of how the goals, programs, and policies for producing and preserving affordable housing will be coordinated with other programs and services for which the recipient is responsible and the extent to which they will reduce (or assist in reducing) the number of households with incomes below the poverty line; and

(J) a certification that the recipient has obtain insurance coverage for any housing units that are owned or operated by the tribe or the tribally designated housing entity for the tribe and assisted with amounts provided under this Act, in compliance with such requirements as the Secretary may establish.

(3) INDIAN HOUSING DEVELOPED UNDER UNITED STATES HOUSING ACT OF 1937.—A plan describing how the recipient for the tribe will comply with the requirements under section 723 relating to low-income housing owned or operated by the housing entity that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, which shall include—

(A) a certification that the recipient will maintain a written record of the policies of the recipient governing eligibility, admissions, and occupancy of families with respect to dwelling units in such housing;

(B) a certification that the recipient will maintain a written record of policies of the recipient governing rents charged for dwelling units in such housing, including—

(i) the methods by which such rents are determined; and

(ii) an analysis of how such methods affect—

(I) the ability of the recipient to provide affordable housing for low-income families having a broad range of incomes;

(II) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(III) the availability of other financial resources to the recipient for use for such housing;

(C) a certification that the recipient will maintain a written record of the standards and policies of the recipient governing maintenance and management of such housing, and management of the recipient with respect to administration of such housing, including—

(i) housing quality standards;

(ii) routine and preventative maintenance policies;

(iii) emergency and disaster plans;

(iv) rent collection and security policies;

(v) priorities and improvements for management of the housing; and

(vi) priorities and improvements for management of the recipient, including improvement of electronic information systems to facilitate managerial capacity and efficiency;

(D) a plan describing—

(i) the capital improvements necessary to ensure long-term physical and social viability of such housing; and

(ii) the priorities of the recipient for capital improvements of such housing based on analysis of available financial resources, consultation with residents, and health and safety considerations;

(E) a description of any such housing to be demolished or disposed of, a timetable for such demolition or disposition, and any information

required under law with respect to such demolition or disposition;

(F) a description of how the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency; and

(G) a description of the requirements established by the recipient that promote the safety of residents of such housing, facilitate the housing entity undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase resident safety by coordinating crime prevention efforts between the recipient and tribal or local law enforcement officials.

(4) INDIAN HOUSING LOAN GUARANTEES AND OTHER HOUSING ASSISTANCE.—A description of how loan guarantees under section 184 of the Housing and Community Development Act of 1992, and other housing assistance provided by the Federal Government for Indian tribes (including grants, loans, and mortgage insurance) will be used to help in meeting the needs for affordable housing in the jurisdiction of the recipient.

(5) DISTRIBUTION OF ASSISTANCE.—A certification that the recipient for the tribe will maintain a written record of—

(A) the geographical distribution (within the jurisdiction of the recipient) of the use of grant amounts and how such geographical distribution is consistent with the geographical distribution of housing need (within such jurisdiction); and

(B) the distribution of the use of such assistance for various categories of housing and how use for such various categories is consistent with the priorities of housing need (within the jurisdiction of the recipient).

(d) PARTICIPATION OF TRIBALLY DESIGNATED HOUSING ENTITY.—A plan under this section for an Indian tribe may be prepared and submitted on behalf of the tribe by the tribally designated housing entity for the tribe, but only if such plan contains a certification by the recognized tribal government of the grant beneficiary that such tribe has had an opportunity to review the plan and has authorized the submission of the plan by the housing entity.

(e) COORDINATION OF PLANS.—A plan under this section may cover more than 1 Indian tribe, but only if the certification requirements under subsection (d) are complied with by each such grant beneficiary covered.

(f) PLANS FOR SMALL TRIBES.—

(1) SEPARATE REQUIREMENTS.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to small Indian tribes and small tribally designated housing entities. Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such tribes and housing entities.

(2) SMALL TRIBES.—The Secretary shall define small Indian tribes and small tribally designated housing entities based on the number of dwelling units assisted under this subtitle by the tribe or housing entity or owned or operated pursuant to a contract under the United States Housing Act of 1937 between the Secretary and the Indian housing authority for the tribe.

(g) REGULATIONS.—The requirements relating to the contents of plans under this section shall be established by regulation, pursuant to section 716.

SEC. 713. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing plan submitted to the Secretary to ensure that the plan complies with the requirements of section 712. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each Indian tribe for which a plan is submitted and any tribally designated housing entity for the tribe whether the plan complies with such requirements not later than 45 days after receiving the plan. If the Secretary does not notify the Indian tribe, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this title, to have been determined to comply with the requirements under section 712 and the tribe shall be considered to have been notified of compliance upon the expiration of such 45-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 712, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 712.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 712 only if—

(1) the plan is not consistent with the national objectives under section 721(a);

(2) the plan is incomplete in significant matters required under such section;

(3) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(4) the Secretary determines that the plan violates the purposes of this title because it fails to provide affordable housing that will be viable on a long-term basis at a reasonable cost; or

(5) the plan fails to adequately identify the capital improvement needs for low-income housing owned or operated by the Indian tribe that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937.

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a plan shall be considered to have been submitted for an Indian tribe if the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this title) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1997. The Secretary shall provide specific procedures and requirements for such tribes to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 712.

(e) UPDATES TO PLAN.—After a plan under section 712 has been submitted for an Indian tribe for any fiscal year, the tribe may comply with the provisions of such section for any succeeding fiscal year (with respect to information included for the 5-year period under section 712(b) or the 1-year period under section 712(c)) by submitting only such information regarding such changes as may be necessary to update the plan previously submitted.

SEC. 714. TREATMENT OF PROGRAM INCOME AND LABOR STANDARDS.

(a) PROGRAM INCOME.—

(1) AUTHORITY TO RETAIN.—Notwithstanding any other provision of law, a recipient may retain any program income that is realized from any grant amounts under this title if—

(A) such income was realized after the initial disbursement of the grant amounts received by the recipient; and

(B) the recipient has agreed that it will utilize the program income for affordable housing activities in accordance with the provisions of this title.

(2) PROHIBITION OF REDUCTION OF GRANT.—The Secretary may not reduce the grant amount for any Indian tribe based solely on (1) whether the recipient for the tribe retains program income under paragraph (1), or (2) the amount of any such program income retained.

(3) EXCLUSION OF AMOUNTS.—The Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with the requirements of this subsection would create an unreasonable administrative burden on the recipient.

(b)(1) IN GENERAL.—Any contract for the construction of affordable housing with 12 or more units assisted with grant amounts made available under this Act shall contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a—276a–5), shall be paid to all laborers and mechanics employed in the development of affordable housing involved, and recipients shall require certification as to the compliance with the provisions of this section prior to making any payment under such contract.

(2) EXCEPTIONS.—Subsection (a) shall not apply if the individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and such persons are not otherwise employed at any time in the construction work.

(3) WAIVER.—The Secretary may waive the provisions of this subsection.

SEC. 715. ENVIRONMENTAL REVIEW.

(a) IN GENERAL.—In order to ensure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of grant amounts provided under this title, and to ensure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of amounts for particular projects to recipients of assistance under this title who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were the Secretary to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality. The regulations shall provide—

(1) for the monitoring of the environmental reviews performed under this section;

(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

(3) for the suspension or termination of the assumption of responsibilities under this section.

The Secretary's duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a recipient of grant amounts with respect to any particular release of funds.

(b) PROCEDURE.—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, at least 15 days prior to such approval and prior to any commitment of funds to such projects the recipient of grant amounts has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of subsection (c). The Secretary's approval of any such certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 and *such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.*

(c) CERTIFICATION.—A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary,

(2) be executed by the chief executive officer or other officer of the recipient of assistance under this title qualified under regulations of the Secretary,

(3) specify that the recipient has fully carried out its responsibilities as described under subsection (a), and

(4) specify that the certifying officer (A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or such other provisions of law apply pursuant to subsection (a), and (B) is authorized and consents on behalf of the recipient of assistance and such officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities as such an official.

SEC. 716. REGULATIONS.

(a) INTERIM REQUIREMENTS.—Not later than 90 days after the date of the enactment of this title, the Secretary shall, by notice issued in the Federal Register, establish any requirements necessary to carry out this title in the manner provided in section 717(b), which shall be effective only for fiscal year 1997. The notice shall invite public comments regarding such interim requirements and final regulations to carry out this title and shall include general notice of proposed rulemaking (for purposes of section 564(a) of title 5, United States Code) of the final regulations under paragraph (2).

(b) FINAL REGULATIONS.—

(1) TIMING.—The Secretary shall issue final regulations necessary to carry out this title not later than September 1, 1997, and such regulations shall take effect not later than the effective date under section 717(a).

(2) NEGOTIATED RULEMAKING.—Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, the final regulations required under paragraph (1) shall be issued according to a negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code. The Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations, which shall include representatives of Indian tribes.

SEC. 717. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b) and as otherwise specifically provided in this title, this title shall take effect on October 1, 1997.

(b) INTERIM APPLICABILITY.—For fiscal year 1997, this title shall apply to any Indian tribe that requests the Secretary to apply this title to such tribe, subject to the provisions of this subsection, but only if the Secretary determines that the tribe has the capacity to carry out the responsibilities under this title during such fiscal year. For fiscal year 1997, this title shall apply to any such tribe subject to the following limitations:

(1) USE OF ASSISTANCE AMOUNTS AS BLOCK GRANT.—Amounts shall not be made available pursuant to this title for grants under this title for such fiscal year, but any amounts made available for the tribe under the United States Housing Act of 1937, title II or subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993 shall be considered grant amounts under this title and shall be used subject to the provisions of this title relating to such grant amounts.

(2) LOCAL HOUSING PLAN.—Notwithstanding section 713 of this title, a local housing plan shall be considered to have been submitted for the tribe for fiscal year 1997 for purposes of this title only if—

(A) the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 or under the comprehensive improvement assistance program under such section 14;

(B) the Secretary has approved such plan before January 1, 1996; and

(C) the tribe complies with specific procedures and requirements for amending such plan as the Secretary may establish to carry out this subsection.

(c) ASSISTANCE UNDER EXISTING PROGRAM DURING FISCAL YEAR 1997.—Notwithstanding the repeal of any provision of law under section 501(a) and with respect only to Indian tribes not provided assistance pursuant to subsection (b), during fiscal year 1997—

(1) the Secretary shall carry out programs to provide low-income housing assistance on Indian reservations and other Indian areas in accordance with the provisions of title II of the United States Housing Act of 1937 and related provisions of law, as in effect immediately before the enactment of this Act;

(2) except to the extent otherwise provided in the provisions of such title II (as so in effect), the provisions of title I of such Act (as so in effect) and such related provisions of law shall apply to low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority; and

(3) none of the provisions of title I, II, III, or IV, or of any other law specifically modifying the public housing program that is enacted after the date of the enactment of this Act, shall apply to public housing operated pursuant to a contract between the Secretary and an Indian housing authority, unless the provision explicitly provides for such applicability.

SEC. 718. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for grants under subtitle A $650,000,000, for each of fiscal years 1998, 1999, 2000, and 2001.

Subtitle B—Affordable Housing Activities

SEC. 721. NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.

(a) PRIMARY OBJECTIVE.—The national objectives of this title are—

(1) to assist and promote affordable housing activities to develop, maintain, and operate safe, clean, and healthy affordable housing on Indian reservations and in other Indian areas for occupancy by low-income Indian families;

(2) to ensure better access to private mortgage markets for Indian tribes and their members and to promote self-sufficiency of Indian tribes and their members;

(3) to coordinate activities to provide housing for Indian tribes and their members with Federal, State, and local activities to further economic and community development for Indian tribes and their members;

(4) to plan for and integrate infrastructure resources for Indian tribes with housing development for tribes; and

(5) to promote the development of private capital markets in Indian country and to allow such markets to operate and grow, thereby benefiting Indian communities.

(b) ELIGIBLE FAMILIES.—

(1) IN GENERAL.—Except as provided under paragraph (2), assistance under eligible housing activities under this title shall be limited to low-income Indian families on Indian reservations and other Indian areas.

(2) EXCEPTION TO LOW-INCOME REQUIREMENT.—A recipient may provide assistance for model activities under section 722(6) to families who are not low-income families, if the Secretary approves the activities pursuant to such subsection because there is a need for housing for such families that cannot reasonably be met without such assistance. The Secretary shall establish limits on the amount of assistance that may be provided under this title for activities for families who are not low-income families.

(3) NON-INDIAN FAMILIES.—A recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this title for a non-Indian family on an Indian reservation or other Indian area if the recipient determines that the presence of the family on the Indian reservation or other Indian area is essential to the well-being of Indian families and the need for housing for the family cannot reasonably be met without such assistance.

(4) PREFERENCE FOR INDIAN FAMILIES.—The local housing plan for an Indian tribe may require preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this title on behalf of such tribe, to be given (to the extent practicable) to Indian families who are members of such tribe, or to other Indian families. In any case in which the applicable local housing plan for an Indian tribe provides for preference under this subsection, the recipient for the tribe shall ensure that housing activities that are assisted with grant amounts under this title for such tribe are subject to such preference.

(5) EXEMPTION.—Title VI of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 shall not apply to actions by Indian tribes under this subsection.

SEC. 722. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.

Affordable housing activities under this subtitle are activities, in accordance with the requirements of this subtitle, to develop or to support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) INDIAN HOUSING ASSISTANCE.—The provision of modernization or operating assistance for housing previously developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(2) DEVELOPMENT.—The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other related activities.

(3) HOUSING SERVICES.—The provision of housing-related services for affordable housing, such as housing counseling in connection with rental or homeownership assistance, energy auditing, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

(4) HOUSING MANAGEMENT SERVICES.—The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

(5) CRIME PREVENTION AND SAFETY ACTIVITIES.—The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

(6) MODEL ACTIVITIES.—Housing activities under model programs that are designed to

carry out the purposes of this title and are specifically approved by the Secretary as appropriate for such purpose.

SEC. 723. REQUIRED AFFORDABLE HOUSING ACTIVITIES.

(a) MAINTENANCE OF OPERATING ASSISTANCE FOR INDIAN HOUSING.—Any recipient who owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall, using amounts of any grants received under this title, reserve and use for operating assistance under section 722(1) such amounts as may be necessary to provide for the continued maintenance and efficient operation of such housing.

(b) DEMOLITION AND DISPOSITION.—This title may not be construed to prevent any recipient (or entity funded by a recipient) from demolishing or disposing of Indian housing referred to in such subsection. Notwithstanding section 116, section 261 shall apply to the demolition or disposition of Indian housing referred to in subsection (a).

SEC. 724. TYPES OF INVESTMENTS.

(a) IN GENERAL.—Subject to section 723 and the local housing plan for an Indian tribe, the recipient for such tribe shall have—

(1) the discretion to use grant amounts for affordable housing activities through equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, leveraging of private investments under subsection (b), or any other form of assistance that the Secretary has determined to be consistent with the purposes of this title; and

(2) the right to establish the terms of assistance.

(b) LEVERAGING PRIVATE INVESTMENT.—A recipient may leverage private investments in affordable housing activities by pledging existing or future grant amounts to assure the repayment of notes and other obligations of the recipient issued for purposes of carrying out affordable housing activities.

SEC. 725. LOW-INCOME REQUIREMENT AND INCOME TARGETING.

Housing shall qualify as affordable housing for purposes of this title only if—

(1) each dwelling unit in the housing—

(A) in the case of rental housing, is made available for occupancy only by a family that is a low-income family at the time of their initial occupancy of such unit; and

(B) in the case of housing for homeownership, is made available for purchase only by a family that is a low-income family at the time of purchase; and

(2) except for housing assisted under section 202 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), each dwelling unit in the housing will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this title, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action (A) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure, and (B) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary.

SEC. 726. CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.

With respect to housing assisted with grant amounts provided under this title, the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall be considered to be satisfied upon certification by the recipient of the assistance to the Secretary that the combination of Federal assistance provided to any housing project is not any more than is necessary to provide affordable housing.

SEC. 727. LEASE REQUIREMENTS AND TENANT SELECTION.

(a) LEASES.—Except to the extent otherwise provided by or inconsistent with tribal law, in renting dwelling units in affordable housing assisted with grant amounts provided under this title, the owner or manager of the housing shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) require the owner or manager to maintain the housing in compliance with applicable housing codes and quality standards;

(3) require the owner or manager to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or employees of the owner or manager is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the owner or manager may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, tribal, State, or local law, or for other good cause; and

(5) provide that the owner or manager may terminate the tenancy of a resident for any activity, engaged in by the resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity).

(b) TENANT SELECTION.—The owner or manager of affordable rental housing assisted under with grant amounts provided under this title shall adopt and utilize written tenant selection policies and criteria that—

(1) are consistent with the purpose of providing housing for low-income families;

(2) are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease; and

(3) provide for (A) the selection of tenants from a written waiting list in accordance with the policies and goals set forth in the local housing plan for the tribe that is the grant beneficiary of such grant amounts, and (B) the prompt notification in writing of any rejected applicant of the grounds for any rejection.

SEC. 728. REPAYMENT.

If a recipient uses grant amounts to provide affordable housing under activities under this subtitle and, at any time during the useful life of the housing the housing does not comply with the requirement under section 725(a)(2), the Secretary shall reduce future grant payments on behalf of the grant beneficiary by an amount equal to the grant amounts used for such housing (under the authority under section 751(a)(2)) or require repayment to the Secretary of an amount equal to such grant amounts.

SEC. 729. CONTINUED USE OF AMOUNTS FOR AFFORDABLE HOUSING.

Any funds for programs for low-income housing under the United States Housing Act of 1937 that, on the date of the applicability of this title to an Indian tribe, are owned by, or in the possession or under the control of, the Indian housing authority for the tribe, including all reserves not otherwise obligated, shall be considered assistance under this title and subject to the provisions of this title relating to use of such assistance.

Subtitle C—Allocation of Grant Amounts

SEC. 741. ANNUAL ALLOCATION.

For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this title for the fiscal year, in accordance with the formula established pursuant to section 742, among Indian tribes that comply with the requirements under this title for a grant under this title.

SEC. 742. ALLOCATION FORMULA.

The Secretary shall, by regulations issued in the manner provided under section 716, establish a formula to provide for allocating amounts available for a fiscal year for block grants under this title among Indian tribes. The formula shall be based on factors that reflect the need of the Indian tribes and the Indian areas of the tribes for assistance for affordable housing activities, including the following factors:

(1) The number of low-income housing dwelling units owned or operated at the time pursuant to a contract between an Indian housing authority for the tribe and the Secretary.

(2) The extent of poverty and economic distress within Indian areas of the tribe.

(3) Other objectively measurable conditions as the Secretary may specify.

The regulations establishing the formula shall be issued not later than the expiration of the 12-month period beginning on the date of the enactment of this title.

Subtitle D—Compliance, Audits, and Reports

SEC. 751. REMEDIES FOR NONCOMPLIANCE.

(a) ACTIONS BY SECRETARY AFFECTING GRANT AMOUNTS.—Except as provided in subsection (b), if the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this title has failed to comply substantially with any provision of this title, the Secretary shall—

(1) terminate payments under this title to the recipient;

(2) reduce payments under this title to the recipient by an amount equal to the amount of such payments which were not expended in accordance with this title;

(3) limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply; or

(4) in the case of noncompliance described in section 752(b), provide a replacement tribally designated housing entity for the recipient, under section 752.

If the Secretary takes an action under paragraph (1), (2), or (3), the Secretary shall continue such action until the Secretary determines that the failure to comply has ceased.

(b) NONCOMPLIANCE BECAUSE OF TECHNICAL INCAPACITY.—If the Secretary makes a finding under subsection (a), but determines that the failure to comply substantially with the provisions of this title—

(1) is not a pattern or practice of activities constituting willful noncompliance, and

(2) is a result of the limited capability or capacity of the recipient,

the Secretary may provide technical assistance for the recipient (directly or indirectly) that is *designed to increase the capability and capacity of the recipient to administer assistance provided under this title in compliance with the requirements under this title.*

(c) REFERRAL FOR CIVIL ACTION.—

(1) AUTHORITY.—In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if the Secretary has reason to believe that a recipient has failed to comply substantially with any provision of this title, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) CIVIL ACTION.—Upon such a referral, the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this title which was not expended in accordance with it, or for mandatory or injunctive relief.

(d) REVIEW.—

(1) IN GENERAL.—Any recipient who receives notice under subsection (a) of the termination, reduction, or limitation of payments under this title may, within 60 days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) PROCEDURE.—The Secretary shall file in the court record of the proceeding on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) DISPOSITION.—The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify the Secretary's findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and the Secretary shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file the Secretary's recommendation, if any, for the modification or setting aside of the Secretary's original action.

(4) FINALITY.—Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United State Code.

SEC. 752. REPLACEMENT OF RECIPIENT.

(a) AUTHORITY.—As a condition of the Secretary making a grant under this title on behalf of an Indian tribe, the tribe shall agree that, notwithstanding any other provision of law, the Secretary may, only in the circumstances set forth in subsection (b), require that a replacement tribally designated housing entity serve as the recipient for the tribe, in accordance with subsection (c).

(b) CONDITIONS OF REMOVAL.—The Secretary may require such replacement tribally designated housing entity for a tribe only upon a determination by the Secretary on the record after opportunity for a hearing that the recipient for the tribe has engaged in a pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements under this title.

(c) CHOICE AND TERM OF REPLACEMENT.—If the Secretary requires that a replacement tribally designated housing entity serve as the recipient for a tribe (or tribes)—

(1) the replacement entity shall be an entity mutually agreed upon by the Secretary and the tribe (or tribes) for which the recipient was authorized to act, except that if no such entity is agreed upon before the expiration of the 60-day period beginning upon the date that the Secretary makes the determination under subsection (b), the Secretary shall act as the replacement entity until agreement is reached upon a replacement entity; and

(2) the replacement entity (or the Secretary, as provided in paragraph (1)) shall act as the tribally designated housing entity for the tribe (or tribes) for a period that expires upon—

(A) a date certain, which shall be specified by the Secretary upon making the determination under subsection (b); or

(B) the occurrence of specific conditions, which conditions shall be specified in written notice provided by the Secretary to the tribe upon making the determination under subsection (b).

SEC. 753. MONITORING OF COMPLIANCE.

(a) ENFORCEABLE AGREEMENTS.—Each recipient, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this title. Such measures shall provide for (1) enforcement of the provisions of this title by the grant beneficiary or by recipients and other intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) PERIODIC MONITORING.—Not less frequently than annually, each recipient shall review the activities conducted and housing assisted under this title to assess compliance with the requirements of this title. Such review shall include on-site inspection of housing to determine compliance with applicable requirements. The results of each review shall be included in the performance report of the recipient submitted to the Secretary under section 754 and made available to the public.

SEC. 754. PERFORMANCE REPORTS.

(a) REQUIREMENT.—For each fiscal year, each recipient shall—

(1) review the progress it has made during such fiscal year in carrying out the local housing plan (or plans) for the Indian tribes for which it administers grant amounts; and

(2) submit a report to the Secretary (in a form acceptable to the Secretary) describing the conclusions of the review.

(b) CONTENT.—Each report under this section for a fiscal year shall—

(1) describe the use of grant amounts provided to the recipient for such fiscal year;

(2) assess the relationship of such use to the goals identified in the local housing plan of the grant beneficiary;

(3) indicate the recipient's programmatic accomplishments; and

(4) describe how the recipient would change its programs as a result of its experiences.

(c) SUBMISSION.—The Secretary shall establish dates for submission of reports under this section, and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this title.

(d) PUBLIC AVAILABILITY.—A recipient preparing a report under this section shall make the report publicly available to the citizens in the recipient's jurisdiction in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the recipient may determine. The report shall include a summary of any comments received by the grant beneficiary or recipient from citizens in its jurisdiction regarding its program.

SEC. 755. REVIEW AND AUDIT BY SECRETARY.

(a) ANNUAL REVIEW.—The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) whether the recipient has carried out its eligible activities in a timely manner, has carried out its eligible activities and certifications in accordance with the requirements and the primary objectives of this title and with other applicable laws, and has a continuing capacity to carry out those activities in a timely manner;

(2) whether the recipient has complied with the local housing plan of the grant beneficiary; and

(3) whether the performance reports under section 754 of the recipient are accurate.

Reviews under this section shall include, insofar as practicable, on-site visits by employees of the Department of Housing and Urban Development.

(b) REPORT BY SECRETARY.—The Secretary shall submit a written report to the Congress regarding each review under subsection (a). The Secretary shall give a recipient not less than 30 days to review and comment on a report under this subsection. After taking into consideration the comments of the recipient, the Secretary may revise the report and shall make the recipient's comments and the report, with any revisions, readily available to the public not later than 30 days after receipt of the recipient's comments.

(c) EFFECT OF REVIEWS.—The Secretary may make appropriate adjustments in the amount of the annual grants under this title in accordance with the Secretary's findings pursuant to reviews and audits under this section. The Secretary may adjust, reduce, or withdraw grant amounts, or take other action as appropriate in accordance with the Secretary's reviews and audits under this section, except that grant amounts already expended on affordable housing activities may not be recaptured or deducted from future assistance provided on behalf of an Indian tribe.

SEC. 756. GAO AUDITS.

To the extent that the financial transactions of Indian tribes and recipients of grant amounts under this title relate to amounts provided under this title, such transactions may be audited by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such tribes and recipients pertaining to such financial transactions and necessary to facilitate the audit.

SEC. 757. REPORTS TO CONGRESS.

(a) IN GENERAL.—Not later than 90 days after the conclusion of each fiscal year in which assistance under this title is made available, the Secretary shall submit to the Congress a report that contains—

(1) a description of the progress made in accomplishing the objectives of this title; and

(2) a summary of the use of such funds during the preceding fiscal year.

(b) RELATED REPORTS.—The Secretary may require recipients of grant amounts under this title to submit to the Secretary such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs

SEC. 761. TERMINATION OF INDIAN PUBLIC HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.

(a) IN GENERAL.—After September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997 and pursuant to a commitment entered into before September 30, 1997.

(b) TERMINATION OF RESTRICTIONS ON USE OF INDIAN HOUSING.—Except as provided in section 723(b) of this title, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual contributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this title.

SEC. 762. TERMINATION OF NEW COMMITMENTS FOR RENTAL ASSISTANCE.

After September 30, 1997, financial assistance for rental housing assistance under the United States Housing Act of 1937 may not be provided to any Indian housing authority or tribally designated housing entity, unless such assistance is provided pursuant to a contract for such assistance entered into by the Secretary and the Indian housing authority before such date.

SEC. 763. TERMINATION OF YOUTHBUILD PROGRAM ASSISTANCE.

(a) IN GENERAL.—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is amended—

(1) by redesignating section 460 as section 461; and

(2) by inserting after section 459 the following new section:

"SEC. 460. INELIGIBILITY OF INDIAN TRIBES.

"Indian tribes, Indian housing authorities, and other agencies primarily serving Indians or Indian areas shall not be eligible applicants for amounts made available for assistance under this subtitle for fiscal year 1997 and fiscal years thereafter.".

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 764. TERMINATION OF HOME PROGRAM ASSISTANCE.

(a) IN GENERAL.—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 217(a)—

(A) in paragraph (1), by striking "reserving amounts under paragraph (2) for Indian tribes and after"; and

(B) by striking paragraph (2); and

(2) in section 288—

(A) in subsection (a), by striking ", Indian tribes,";

(B) in subsection (b), by striking ", Indian tribe,"; and

(C) in subsection (c)(4), by striking ", Indian tribe,".

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 765. TERMINATION OF HOUSING ASSISTANCE FOR THE HOMELESS.

(a) MCKINNEY ACT PROGRAMS.—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended—

(1) in section 411, by striking paragraph (10);

(2) in section 412, by striking ", and for Indian tribes,";

(3) in section 413—

(A) in subsection (a)—

(i) by striking ", and to Indian tribes,"; and

(ii) by striking ", or for Indian tribes" each place it appears;

(B) in subsection (c), by striking "or Indian tribe"; and

(C) in subsection (d)(3)—

(i) by striking ", or Indian tribe" each place it appears; and

(ii) by striking ", or other Indian tribes,";

(4) in section 414(a)—

(A) by striking 'or Indian tribe" each place it appears; and

(B) by striking ", local government," each place it appears and inserting "or local government";

(5) in section 415(c)(4), by striking "Indian tribes,";

(6) in section 416(b), by striking "Indian tribe,";

(7) in section 422—

(A) in by striking "Indian tribe,"; and

(B) by striking paragraph (3);

(8) in section 441—

(A) by striking subsection (g);

(B) in subsection (h), by striking "or Indian housing authority"; and

(C) in subsection (j)(1), by striking ", Indian housing authority";

(9) in section 462—

(A) in paragraph (2), by striking ", Indian tribe,"; and

(B) by striking paragraph (4); and

(10) in section 491(e), by striking ", Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974),".

(b) INNOVATIVE HOMELESS DEMONSTRATION.—Section 2(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note) is amended—

(1) in paragraph (3), by striking " 'unit of general local government', and 'Indian tribe' " and inserting "and 'unit of general local government' "; and

(2) in paragraph (4), by striking "unit of general local government (including units in rural areas), or Indian tribe" and inserting "or unit of general local government".

(c) EFFECTIVE DATE AND APPLICABILITY.—The amendments under subsections (a) and (b) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and section 2 of the HUD Demonstration Act of 1993, respectively, for fiscal year 1998 and fiscal years thereafter.

SEC. 766. SAVINGS PROVISION.

Except as provided in sections 761 and 762, this title may not be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement lawfully entered into before October 1, 1997, under the United States Housing Act of 1937, subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993.

SEC. 767. EFFECTIVE DATE.

Sections 761, 762, and 766 shall take effect on the date of the enactment of this title.

Subtitle F—Loan Guarantees for Affordable Housing Activities

SEC. 771. AUTHORITY AND REQUIREMENTS.

(a) AUTHORITY.—To such extent or in such amounts as provided in appropriation Acts, the Secretary may, subject to the limitations of this subtitle and upon such terms and conditions as the Secretary may prescribe, guarantee and make commitments to guarantee, the notes or other obligations issued by Indian tribes or tribally designated housing entities, for the purposes of financing affordable housing activities described in section 722.

(b) LACK OF FINANCING ELSEWHERE.—A guarantee under this subtitle may be used to assist an Indian tribe or housing entity in obtaining financing only if the Indian tribe or housing entity has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing consistent with the timely execution of the program plans without such guarantee.

(c) TERMS OF LOANS.—Notes or other obligations guaranteed pursuant to this subtitle shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The Secretary may not deny a guarantee under this subtitle on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) LIMITATION ON OUTSTANDING GUARANTEES.—No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the issuer's total outstanding notes or obligations guaranteed under this subtitle (excluding any amount defeased under the contract entered into under section 772(a)(1)) would thereby exceed an amount equal to 5 times the amount of the grant approval for the issuer pursuant to title III.

(e) PROHIBITION OF PURCHASE BY FFB.—Notes or other obligations guaranteed under this subtitle may not be purchased by the Federal Financing Bank.

(f) PROHIBITION OF GUARANTEE FEES.—No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this subtitle.

SEC. 772. SECURITY AND REPAYMENT.

(a) REQUIREMENTS ON ISSUER.—To assure the repayment of notes or other obligations and charges incurred under this subtitle and as a condition for receiving such guarantees, the Secretary shall require the Indian tribe or housing entity issuing such notes or obligations to—

(1) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed under this subtitle;

(2) pledge any grant for which the issuer may become eligible under this title;

(3) demonstrate that the extent of such issuance and guarantee under this title is within the financial capacity of the tribe and is not likely to impairment the ability to use of grant amounts under subtitle A, taking into consideration the requirements under section 723(a); and

(4) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this title or dispositions proceeds from the sale of land or rehabilitated property.

(b) REPAYMENT FROM GRANT AMOUNTS.—Notwithstanding any other provision of this title—

(1) the Secretary may apply grants pledged pursuant to subsection (a)(2) to any repayments due the United States as a result of such guarantees; and

(2) grants allocated under this title for an Indian tribe or housing entity (including program income derived therefrom) may be used to pay principal and interest due (including such servicing, underwriting, and other costs as may be

specified in regulations issued by the Secretary) on notes or other obligations guaranteed pursuant to this subtitle.

(c) Full Faith and Credit.—The full faith and credit of the United States is pledged to the payment of all guarantees made under this subtitle. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

SEC. 773. PAYMENT OF INTEREST.

The Secretary may make, and contract to make, grants, in such amounts as may be approved in appropriations Acts, to or on behalf of an Indian tribe or housing entity issuing notes or other obligations guaranteed under this subtitle, to cover not to exceed 30 percent of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing entity or agency of such obligations. The Secretary may also, to the extent approved in appropriation Acts, assist the issuer of a note or other obligation guaranteed under this subtitle in the payment of all or a portion of the principal and interest amount due under the note or other obligation, if the Secretary determines that the issuer is unable to pay the amount because of circumstances of extreme hardship beyond the control of the issuer.

SEC. 774. TREASURY BORROWING.

The Secretary may issue obligations to the Secretary of the Treasury in an amount outstanding at any one time sufficient to enable the Secretary to carry out the obligations of the Secretary under guarantees authorized by this subtitle. The obligations issued under this section shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Secretary issued under this section, and for such purposes may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which such securities may be issued under such chapter are extended to include the purchases of the Secretary's obligations hereunder.

SEC. 775. TRAINING AND INFORMATION.

The Secretary, in cooperation with eligible public entities, shall carry out training and information activities with respect to the guarantee program under this subtitle.

SEC. 776. LIMITATIONS ON AMOUNT OF GUARANTEES.

(a) Aggregate Fiscal Year Limitation.—Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this subtitle, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this subtitle with an aggregate principal amount of $400,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(b) Authorization of Appropriations for Credit Subsidy.—There is authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees under this subtitle, $40,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(c) Aggregate Outstanding Limitation.—The total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to this subtitle shall not at any time exceed $2,000,000,000 or such higher amount as may be authorized to be appropriated for this subtitle for any fiscal year.

(d) Fiscal Year Limitations on Tribes.—The Secretary shall monitor the use of guarantees under this subtitle by Indian tribes. If the Secretary finds that 50 percent of the aggregate guarantee authority under subsection (c) has been committed, the Secretary may—

(1) impose limitations on the amount of guarantees any one Indian tribe may receive in any fiscal year of $50,000,000; or

(2) request the enactment of legislation increasing the aggregate limitation on guarantees under this subtitle.

SEC. 777. EFFECTIVE DATE.

This subtitle shall take effect upon the enactment of this title.

Subtitle G—Other Housing Assistance for Native Americans

SEC. 781. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) Definition of Eligible Borrowers to Include Indian Tribes.—Section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1515z–13a) is amended—

(1) in subsection (a)—

(A) by striking "and Indian housing authorities" and inserting ", Indian housing authorities, and Indian tribes,"; and

(B) by striking "or Indian housing authority" and inserting ", Indian housing authority, or Indian tribe"; and

(2) in subsection (b)(1), by striking "or Indian housing authorities" and inserting ", Indian housing authorities, or Indian tribes".

(b) Need for Loan Guarantee.—Section 184(a) of the Housing and Community Development Act of 1992 is amended by striking "trust land" and inserting "lands or as a result of a lack of access to private financial markets".

(c) LHP Requirement.—Section 184(b)(2) of the Housing and Community Development Act of 1992 is amended by inserting before the period at the end the following: "that is under the jurisdiction of an Indian tribe for which a local housing plan has been submitted and approved pursuant to sections 712 and 713 of the Native American Housing Assistance and Self-Determination Act of 1996 that provides for the use of loan guarantees under this section to provide affordable homeownership housing in such areas".

(d) Lender Option to Obtain Payment Upon Default Without Foreclosure.—Section 184(h) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (1)(A)—

(A) in the first sentence of clause (i), by striking "in a court of competent jurisdiction"; and

(B) by striking clause (ii) and inserting the following new clause:

"(ii) No foreclosure.—Without seeking foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a request to assign the obligation and security interest to the Secretary in return for payment of the claim under the guarantee. The Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Upon assignment, the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.";

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(e) Limitation of Mortgagee Authority.—Section 184(h)(2) of the Housing and Community Development Act of 1992, as so redesignated by subsection (e)(3) of this section, is amended—

(1) in the first sentence, by striking "tribal allotted or trust land," and inserting "restricted Indian land, the mortgagee or"; and

(2) in the second sentence, by striking "Secretary" each place it appears, and inserting "mortgagee or the Secretary".

(f) Limitation on Outstanding Aggregate Principal Amount.—Section 184(i)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking "1993" and all that follows through "such year" and inserting "1997, 1998, 1999, 2000, and 2001 with an aggregate outstanding principal amount note exceeding $400,000,000 for each such fiscal year".

(g) Authorization of Appropriations for Guarantee Fund.—Section 184(i)(7) of the Housing and Community Development Act of 1992 is amended by striking "such sums" and all that follows through "1994" and inserting "$30,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001".

(h) Definitions.—Section 184(k) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (4), by inserting after "authority" the following: "or Indian tribe";

(2) in paragraph (5)—

(A) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) is authorized to engage in or assist in the development or operation of—

"(i) low-income housing for Indians; or

"(ii) housing subject to the provisions of this section; and"; and

(B) by adding at the end the following:

"The term includes tribally designated housing entities under the Native American Housing Assistance and Self-Determination Act of 1996."; and

(3) by striking paragraph (8) and inserting the following new paragraph:

"(8) The term 'tribe' or 'Indian tribe' means any Indian tribe, band, notation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975.".

(i) Principal Obligation Amounts.—Section 184(b)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking clause (i) and inserting the following new clause:

"(i) 97.75 percent of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75 percent if the value of the property is $50,000 or less); and".

(j) Availability of Amounts.—

(1) Requirement of Appropriations.—Section 184(i)(5) of the Housing and Community Development Act of 1992 is amended by striking subparagraph (A) and inserting the following new subparagraph:

"(A) Requirement of Appropriations.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year to the extent or in such amounts as are or have been provided in appropriations Acts, without regard to the fiscal year for which such amounts were appropriated.".

(2) Costs.—Section 184(i)(5)(B) of the Housing and Community Development Act of 1992 is amended by adding at the end the following new sentence: "Any amounts appropriated pursuant to this subparagraph shall remain available until expended.".

(k) GNMA Authority.—The first sentence of section 306(g)(1) of the Federal National Mortgage Association Charter Act (12 U.S.C.

1721(g)(1)) is amended by inserting before the period at the end the following: "; or guaranteed under section 184 of the Housing and Community Development Act of 1992".

SEC. 782. 50-YEAR LEASEHOLD INTEREST IN TRUST OR RESTRICTED LANDS FOR HOUSING PURPOSES.

(a) AUTHORITY TO LEASE.—Notwithstanding any other provision of law, any restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for residential purposes.

(b) TERM.—Each lease pursuant to subsection (a) shall be for a term not exceeding 50 years.

(c) OTHER CONDITIONS.—Each lease pursuant to subsection (a) and each renewal of such a lease shall be made under such terms and regulations as may be prescribed by the Secretary of the Interior.

(d) RULE OF CONSTRUCTION.—This section may not be construed to repeal, limit, or affect any authority to lease any restricted Indian lands that—

(1) is conferred by or pursuant to any other provision of law; or

(2) provides for leases for any period exceeding 50 years.

SEC. 783. TRAINING AND TECHNICAL ASSISTANCE.

There is authorized to be appropriated for assistance for the a national organization representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities $2,000,000, for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

SEC. 784. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect upon the enactment of this title.

TITLE VIII—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE

SEC. 801. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This title may be cited as the "National Manufactured Housing Construction and Safety Standards Act of 1996".

(b) REFERENCE.—Whenever in this title an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Housing and Community Development Act of 1974.

SEC. 802. STATEMENT OF PURPOSE.

Section 602 (42 U.S.C. 5401) is amended by striking the first sentence and inserting the following: "The Congress declares that the purposes of this title are to reduce the number of personal injuries and deaths and property damage resulting from manufactured home accidents and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.".

SEC. 803. DEFINITIONS.

(a) IN GENERAL.—Section 703 (42 U.S.C. 5402) is amended—

(1) in paragraph (2), by striking "dealer" and inserting "retailer";

(2) in paragraph (12), by striking "and" at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following new paragraphs:

"(14) 'consensus committee' means the committee established under section 604(a)(7); and

"(15) 'consensus standards development process' means the process by which additions and revisions to the Federal manufactured home construction and safety standards shall be developed and recommended to the Secretary by the consensus committee.".

(b) CONFORMING AMENDMENTS.—

(1) OCCURRENCES OF "DEALER".—The Act (42 U.S.C. 5401 et seq.) is amended by striking "dealer" and inserting "retailer" in each of the following provisions:

(A) In section 613, each place such term appears.

(B) In section 614(f), each place such term appears.

(C) In section 615(b)(1).

(D) In section 616.

(2) OTHER AMENDMENTS.—The Act (42 U.S.C. 5401 et seq.) is amended—

(A) in section 615(b)(3), by striking "dealer or dealers" and inserting "retailer or retailers"; and

(B) by striking "dealers" and inserting "retailers" each place such term appears—

(i) in section 615(d);

(ii) in section 615(f); and

(iii) in section 623(c)(9).

SEC. 804. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.

Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

"(a) ESTABLISHMENT.—

"(1) AUTHORITY.—The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards. Each such Federal manufactured home standard shall be reasonable and shall meet the highest standards of protection, taking into account existing State and local laws relating to manufactured home safety and construction. The Secretary shall issue all such orders pursuant to the consensus standards development process under this subsection. The Secretary may issue orders which are not part of the consensus standards development process only in accordance with subsection (b).

"(2) CONSENSUS STANDARDS DEVELOPMENT PROCESS.—Not later than 180 days after the date of enactment of the National Manufactured Housing Construction and Safety Standards Act of 1996, the Secretary shall enter into a cooperative agreement or establish a relationship with a qualified technical or building code organization to administer the consensus standards development process and establish a consensus committee under paragraph (7). Periodically, the Secretary shall review such organization's performance and may replace the organization upon a finding of need.

"(3) REVISIONS.—The consensus committee established under paragraph (7) shall consider revisions to the Federal manufactured home construction and safety standards and shall submit revised standards to the Secretary at least once during every 2-year period, the first such 2-year period beginning upon the appointment of the consensus committee under paragraph (7). Before submitting proposed revised standards to the Secretary, the consensus committee shall cause the proposed revised standards to be published in the Federal Register, together with a description of the consensus committee's considerations and decisions under subsection (e), and shall provide an opportunity for public comment. Public views and objections shall be presented to the consensus committee in accordance with American National Standards Institute procedures. After such notice and opportunity public comment, the consensus committee shall cause the recommended revisions to the standards and notice of its submission to the Secretary to be published in the Federal Register. Such notice shall describe the circumstances under which the proposed revised standards could become effective.

"(4) REVIEW BY SECRETARY.—The Secretary shall either adopt, modify, or reject the standards submitted by the consensus committee. A final order adopting the standards shall be issued by the Secretary not later than 12 months after the date the standards are submitted to the Secretary by the consensus committee, and shall be published in the Federal Register and become effective pursuant to subsection (c). If the Secretary—

"(A) adopts the standards recommended by the consensus committee, the Secretary may issue a final order directly without further rulemaking;

"(B) determines that any portion of the standards should be rejected because it would jeopardize health or safety or is inconsistent with the purposes of this title, a notice to that effect, together with this reason for rejecting the proposed standard, shall be published in the Federal Register no later than 12 months after the date the standards are submitted to the Secretary by the consensus committee;

"(C) determines that any portion of the standard should be modified because it would jeopardize health or safety or is inconsistent with the purposes of this title—

"(i) such determination shall be made no later that 12 months after the date the standards are submitted to the Secretary by the consensus committee;

"(ii) within such 12-month period, the Secretary shall cause the proposed modified standard to be published in the Federal Register, together with an explanation of the reason for the Secretary's determination that the consensus committee recommendation needs to be modified, and shall provide an opportunity for public comment in accordance with the provisions of section 553 of title 5, United States Code; and

"(iii) the final standard shall become effective pursuant to subsection (c).

"(5) FAILURE TO ACT.—If the Secretary fails to take final action under paragraph (4) and publish notice of the action in the Federal Register within the 12-month period under such paragraph, the recommendations of the consensus committee shall be considered to have been adopted by the Secretary and shall take effect upon the expiration of the 180-day period that begins upon the conclusion of the 12-month period. Within 10 days after the expiration of the 12-month period, the Secretary shall cause to be published in the Federal Register notice of the Secretary's failure to act, the revised standards, and the effective date of the revised standards. Such notice shall be deemed an order of the Secretary approving the revised standards proposed by the consensus committee.

"(6) INTERPRETIVE BULLETINS.—The Secretary may issue interpretive bulletins to clarify the meaning of any Federal manufactured home construction and safety standards, subject to the following requirements:

"(A) REVIEW BY CONSENSUS COMMITTEE.—Before issuing an interpretive bulletin, the Secretary shall submit the proposed bulletin to the consensus committee and the consensus committee shall have 90 days to provide written comments thereon to the Secretary. If the consensus committee fails to act or if the Secretary rejects any significant views recommended by the consensus committee, the Secretary shall explain in writing to the consensus committee, before the bulletin becomes effective, the reasons for such rejection.

"(B) PROPOSALS.—The consensus committee may, from time to time, submit to the Secretary proposals for interpretive bulletins under this subsection. If the Secretary fails to issue or rejects a proposed bulletin within 90 days of its receipt, the Secretary shall be considered to have approved the proposed bulletin and shall immediately issue the bulletin.

"(C) EFFECT.—Interpretative bulletins issued under this paragraph shall become binding without rulemaking.

"(7) CONSENSUS COMMITTEE.—

"(A) PURPOSE.—The consensus committee referred to in paragraph (2) shall have as its purpose providing periodic recommendations to the Secretary to revise and interpret the Federal manufactured home construction and safety standards and carrying out such other functions assigned to the committee under this title. The committee shall be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions.

"(B) MEMBERSHIP.—The consensus committee shall be composed of 25 members who shall be appointed as follows:

"(i) APPOINTMENT BY PROCESS ADMINISTRATOR.—Members shall be appointed by the qualified technical or building code organization that administers the consensus standards development process pursuant to paragraph (2), subject to the approval of the Secretary.

"(ii) BALANCED MEMBERSHIP.—Members shall be appointed in a manner designed to include all interested parties without domination by any single interest category.

"(iii) SELECTION PROCEDURES AND REQUIREMENTS.—Members shall be appointed in accordance with selection procedures for consensus committees promulgated by the American National Standards Institute, except that the American National Standards Institute interest categories shall be modified to ensure representation on the committee by individuals representing the following fields, in equal numbers under each of the following subclauses:

"(I) Manufacturers.

"(II) Retailers, insurers, suppliers, lenders, community owners and private inspection agencies which have a financial interest in the industry.

"(III) Homeowners and consumer representatives.

"(IV) Public officials, such as those from State or local building code enforcement and inspection agencies.

"(V) General interest, including academicians, researchers, architects, engineers, private inspection agencies, and others.

Members of the consensus committee shall be qualified by background and experience to participate in the work of the committee, but members by reason of subclauses (III), (IV), and (V), except the private inspection agencies, may not have a financial interest in the manufactured home industry, unless such bar to participation is waived by the Secretary. The number of members by reason of subclause (V) who represent private inspection agencies may not constitute more than 20 percent of the total number of members by reason of subclause (V). Notwithstanding any other provision of this paragraph, the Secretary shall appoint a member of the consensus committee, who shall not have voting privileges.

"(C) MEETINGS.—The consensus committee shall cause advance notice of all meetings to be published in the Federal Register and all meetings of the committee shall be open to the public.

"(D) AUTHORITY.—Sections 203, 205, 207, and 208 of title 18, United States Code, shall not apply to the members of the consensus committee. Members shall not be considered to be special government employees for purposes of part 2634 of title 5, Code of Federal Regulations. The consensus committee shall not be considered an advisory committee for purposes of the Federal Advisory Committee Act.

"(E) ADMINISTRATION.—The consensus committee and the administering organization shall operate in conformance with American National Standards Institute procedures for the development and coordination of American National Standards and shall apply to such Institute to obtain accreditation.

"(F) STAFF.—The consensus committee shall be provided reasonable staff resources by the administering organization. Upon a showing of need and subject to the approval of the Secretary, the administering organization shall furnish technical support to any of the various interest categories on the consensus committee.

"(b) OTHER ORDERS.—The Secretary may issue orders that are not developed under the procedures set forth in subsection (a) in order to respond to an emergency health or safety issue, or to address issues on which the Secretary determines the consensus committee will not make timely recommendations, but only if the proposed order is first submitted by the Secretary to the consensus committee for review and the committee is afforded 90 days to provide its views on the proposed order to the Secretary. If the consensus committee fails to act within such period or if the Secretary rejects any significant change recommended by the consensus committee, the public notice of the order shall include an explanation of the reasons for the Secretary's action. The Secretary may issue such orders only in accordance with the provisions of section 553 of title 5, United States Code.";

(2) by striking subsection (e);

(3) in subsection (f), by striking the matter preceding paragraph (1) and inserting the following:

"(e) CONSIDERATIONS IN ESTABLISHING AND INTERPRETING STANDARDS.—The consensus committee, in recommending standards and interpretations, and the Secretary, in establishing standards or issuing interpretations under this section, shall—";

(4) by striking subsection (g);

(5) in the first sentence of subsection (j), by striking "subsection (f)" and inserting "subsection (e)"; and

(6) by redesignating subsections (h), (i), and (j) as subsections (f), (g), and (h), respectively.

SEC. 805. ABOLISHMENT OF NATIONAL MANUFACTURED HOME ADVISORY COUNCIL.

Section 605 (42 U.S.C. 5404) is hereby repealed.

SEC. 806. PUBLIC INFORMATION.

Section 607 (42 U.S.C. 5406) is amended—

(1) in subsection (a)—

(A) by inserting "to the Secretary" after "submit"; and

(B) by adding at the end the following new sentence: "Such cost and other information shall be submitted to the consensus committee by the Secretary for its evaluation.";

(2) in subsection (d), by inserting ", the consensus committee," after "public,"; and

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 807. INSPECTION FEES.

Section 620 (42 U.S.C. 5419) is amended to read as follows:

"SEC. 620. (a) AUTHORITY TO ESTABLISH FEES.—In carrying out the inspections required under this title and in developing standards pursuant to section 604, the Secretary may establish and impose on manufactured home manufacturers, distributors, and retailers such reasonable fees as may be necessary to offset the expenses incurred by the Secretary in conducting such inspections and administering the consensus standards development process and for developing standards pursuant to section 604(b), and the Secretary may use any fees so collected to pay expenses incurred in connection therewith. Such fees shall only be modified pursuant to rulemaking in accordance with the provisions of section 553 of title 5, United States Code.

"(b) DEPOSIT OF FEES.—Fees collected pursuant to this title shall be deposited in a fund, which is hereby established in the Treasury for deposit of such fees. Amounts in the fund are hereby available for use by the Secretary pursuant to subsection (a). The use of these fees by the Secretary shall not be subject to general or specific limitations on appropriated funds unless use of these fees is specifically addressed in any future appropriations legislation. The Secretary shall provide an annual report to Congress indicating expenditures under this section. The Secretary shall also make available to the public, in accordance with all applicable disclosure laws, regulations, orders, and directives, information pertaining to such funds, including information pertaining to amounts collected, amounts disbursed, and the fund balance.".

SEC. 808. ELIMINATION OF ANNUAL REPORT REQUIREMENT.

Section 626 (42 U.S.C. 5425) is hereby repealed.

SEC. 809. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of enactment of this Act, except that the amendments shall have no effect on any order or interpretative bulletin that is published as a proposed rule pursuant to the provisions of section 553 of title 5, United States Code, on or before that date.

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SPECIAL ORDERS

The SPEAKER pro tempore (Mr. LATHAM). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

MRS. CLINTON'S FINGERPRINTS ON BILLING RECORDS II

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, last week I spoke about the new revelations that Mrs. Clinton's fingerprints were found on the billing records found in the White House. These records had been under subpoena by the special prosecutor for over 2 years, and they could not be found, and they turned up in the private living quarters of the First Lady and the President.

Today I would like to expand on this topic and raise some of the many, many unanswered questions that remain to be resolved. According to the Washington Post, the documents that were found in the Clinton's personal residence were copies and not the originals. The originals disappeared during the campaign for President in 1992. This raises a very serious question: Where are the originals? Who has the originals? Why were they removed from the Rose law firm files and never replaced? They disappeared right after reporters started asking questions about the Whitewater Development Corp.

It is widely believed that the billing records were removed from the law firm by Vincent Foster. The copies found in the White House residence had handwritten notes in the handwriting of both Mr. Foster and the First Lady. It is now well known that after Mr. Foster's death, a box full of documents were removed from his office and locked up in the Clinton's personal residence at the White House. This was done by Mrs. Clinton's chief of staff, Maggie Williams. We are told that the records, the Clinton's personal records, were later turned over to their lawyer, David Kendall, but the question remains, did these also include these phone records, these billing records, that were later found, 2 years later, up at the White House residence?

This also raises numerous other questions. Were the billing records in Vince Foster's office before he died? Were they originals or were they copies? Did Maggie Williams, the First Lady's personal secretary, remove these billing records from his office and take them to the Clinton's residence along with the other information? Were either the originals or copies of the billing records turned over to Mr. Kendall with the Clinton's other personal records? Who else's fingerprints were found on these records?

It has been reported in Newsweek that Maggie Williams was recalled to testify before the grand jury after these records were turned over to the Independent Counsel. Here is a very interesting point: After the billing records were found in January, White House aides insisted to reporters that the records definitely did not come from Vince Foster's office. However, they also told reporters that they did not know how the records got into the personal residence of the First Lady and the President, and we are still trying to determine the chain of custody.

Now, if these White House aides had no idea how the records got into the personal residence in the first place, how could they be so sure they did not come from Vince Foster's office? The important thing to remember is that whoever knew that these records were in the White House and did not turn them over to the independent counsel is guilty of obstruction of justice. Whoever knew these records were in the White House and did not turn them over to the congressional committees that had subpoenaed them is guilty of contempt of Congress.

One more point: The Washington Post reported that David Kendall was called to the White House after the records were discovered. He and White House lawyer Jane Sherburne discussed the fact that the FBI would probably want to check the records for fingerprints. However, they went ahead after they may have had this discussion and photocopied every single page of the documents. Did these two lawyers intentionally make it more difficult for the FBI to obtain fingerprints from the pages of the documents by handling these documents and photocopying them?

It is very important to remember that these records contain information that casts serious doubts about Mrs. Clinton's sworn statements about her legal work for Madison Guaranty. There are two central questions that must be resolved: First, is it plausible that these records were found in Mrs. Clinton's personal residence, had her fingerprints on them, and her handwriting on them, and she had not seen them since 1992? Second, who has the originals of these billing records? These questions must be answered and answered very quickly.

THE NEW BUDGET: DEJA VU ALL OVER AGAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, the Republican budget released in the last 2 days is truly a throwback to the Republican budget that was rejected overwhelmingly by the American people just last year.

Last year, the American people examined the Republican proposals to cut Medicare, to pay for tax breaks for the privileged few, for wealthy Americans, and the American people said, "These are not our values. These are not our priorities. This is not what we want to see. We don't want to see the funding for education, for environment, for Medicare and Medicaid, slashed." And because the American people really spoke out, they rose up against this budget last year, Congress in the end passed a budget that protects our Nation's priorities.

Yesterday, when the congressional majority, when their leadership unveiled their new budget, it was as Yogi Berra once said, deja vu all over again. We see the same skewed priorities, the same skewed values, and a willingness to do harm to working middle-class families in this country.

One of the most disturbing parts of this budget is the way that it undercuts medical protection for our Nation's seniors. Republicans propose cutting $168 billion from Medicare, once again they propose, and their proposals and these Medicare cuts will result in less choice for seniors in choosing their doctors, the potential for closing down hospitals in this country, and for creating a second rate health care system for seniors in the United States of America.

The $168 billion they want to cut from Medicare is not, do not let them fool you, is not necessary to make the Medicare system solvent. They may say that, but again, do not let them fool you, and do not buy it, the way you did not buy it in the last go-round.

The money that is being cut is not going to be put back into the Medicare trust fund. Once again, it is going to pay for tax breaks. The President proposed extending the solvency of Medicare for the same amount of time without making the same deep cuts in the Medicare system.

They are using the money from these Medicare cuts to fund $176 billion in unnecessary tax breaks.

If you want to know the real agenda of the Republican leadership on Medicare, all you need to do is to recall the words of House Speaker NEWT GINGRICH on Medicare not too many months ago. Not years ago, but not too many months ago. The Speaker said, "Now we don't get rid of it in round one, because we don't think that is the politically smart thing to do, and we do not think that is the right way to go through a transition. But we believe it is going to wither on the vine, because we think people are voluntarily going to leave it."

The majority leader of the other body said that he was proud to have voted in 1965 against Medicare because "it is a system that does not work." These people truly believe that Medicare is a wrong system, a bad system, and that it needs to be destroyed. Do not let them kid you in the direction they want to take the Medicare system. That is what the Republicans really want to do to Medicare. They want it to wither on the vine.

The Republican assault on health care for seniors does not stop with Medicare. In their budget they also propose cutting Medicaid by $72 billion. That cut, combined with the block grant approach, will jeopardize the guarantee of coverage for folks who are in nursing homes. Most people do not understand what Medicaid is about. It is seniors who are in nursing homes that Medicaid covers.

In addition to cuts in Medicare and Medicaid, they propose including risky medical savings accounts in the Medicare system, a system that would allow wealthy seniors to operate out of the Medicare system, thereby weakening the program, allowing those who are most ill, most frail, to stay in traditional insurance programs, driving those premiums up, and not allowing people to be able to get health care.

To sum up, what this new Republican budget amounts to is yet another assault on the health care system for our Nation's seniors. Unless they withdraw this budget and rework their proposals, I expect that they will ignite, and I certainly hope they do, the same firestorm that forced their retreat last year. Their proposal is wrong and irresponsible.

ALASKAN OIL SALES RESPONSIBLE FOR GASOLINE PRICE HIKES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, last week the President of the United

States ordered oil to be pumped from the strategic petroleum reserve in an effort to counter rising gasoline prices. What is behind all this? Why are gasoline prices soaring, and why now? Why are price increases most dramatic on the West Coast?

Many factors can impact the price of oil. In this case, two Government actions are pushing up the price of gasoline. First, of course, the President's gas tax is making a bad situation worse. The gas tax hits the low-income working families the hardest and should be repealed immediately.

But just last week, at the same time that he ordered additional oil out of our strategic reserves, the President authorized the export of Alaskan oil to Asia. At a time when gas prices are soaring, he chose to send United States gasoline to Asian nations instead of to American consumers.

We had a ban on exporting Alaskan oil. The ban was part of an agreement that allowed the building of the pipeline in the first place. In fact, the pipeline would not have been built without that agreement. This agreement should never have been broken. As we face soaring oil prices at home, we are preparing to reduce domestic supplies of oil by shipping it overseas.

I saw it coming. Everyone should have seen this coming. During congressional consideration of that legislation to end the ban on export of Alaskan oil, I vigorously warned of higher gasoline prices, opposing even members of my own party. The majority of Congress argued that if we allow this oil to be exported, higher prices will be charged, with the result of revenue increase to the Treasury. But higher oil prices mean higher gasoline prices. That is not very complicated. It does not take a rocket scientist to figure that out. Legislation was then passed allowing the President to export the oil at his discretion.

Did not the Congress and the President realize that reducing the oil supply from Alaska would dramatically raise gas prices, especially on the West Coast? Of course price increases in the United States were sure to follow, as markets reacted in anticipation of falling supply and increasing demand.

The President's decisions contradict each other. He is opening the strategic petroleum reserve to lower the price of oil. At the same time this President allows shipments of American oil to Asian consumers. He is making the problem worse than it needs to be, and, as usual, working people and their families are paying the price.

It makes no sense to release our strategic reserves at the same time we are exporting needed Alaskan oil. Mr. President, please be consistent and stop playing politics with the price of gasoline.

TRIBUTE TO THOSE INVOLVED IN THE SEARCH FOR WILLIAM E. COLBY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, all of Washington and the Nation watched over some 7 days as America wondered what happened to the former Director of the CIA, William Colby. William Colby served his country in war and in peace. He served it with integrity and with commitment.

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Tragically, his body was found 7 days after his canoe was discovered. He had drowned.

I had the opportunity of talking to his widow, Sally Shelton Colby, and when I talked to her, she was thankful for the volunteers and paid personnel of so many agencies who had throughout her vigil exercised their skill and their judgment in the search for an answer to why he was missing.

Therefore, Mr. Speaker, I rise today to recognize the efforts of more than 100 individuals, both paid and volunteer, who spent many hours in the cold waters and on the shoreline of the Wicomico River searching for the late William Colby.

The search ended early Monday morning after his body was discovered near the shoreline, ending, Mr. Speaker, an intense search that began on the 28th of April. There were many agencies and organizations involved in the search, as is always the case when neighbors get in trouble. That search was headed by the Maryland Department of Natural Resources Police. They did an outstanding job, and I want to recognize not only them but all the participants in this search, including the sheriff of Charles County, MD, Fred Davis, and the men and women of the Charles County Sheriff's Department who handled press inquiries, protected the Colby residence, and facilitated in the search.

The search involved countless volunteer hours and assistance from the Maryland State Police, aviation division; the Charles County dive team, who were the first divers in the search; the Cobb Island Volunteer Fire Department and emergency medical team; the 7th District Volunteer Fire Department, Boat 5 from the home county of myself, St. Mary's County; the Marbury Volunteer Fire Department, using their rescue boat and dive team; the Bel Alton Volunteer Fire Department; the St. Mary's County Sheriff's Department dive team, led by Sheriff Voorhaar; the Calvert County dive team; the U.S. Coast Guard; the Prince George's County dive team, Companies 22, 49, and 56; the LaPlata Volunteer Fire Department; the Sardom search and rescue dogs; the Cobb Island Volunteer Fire Department Ladies Auxiliary.

Let me stop at the Cobb Island Ladies Auxiliary. I had the opportunity to talk to Gilda Farrell Wednesday night. Talked to her about the efforts of herself and the members of the auxiliary, and told her that Sally Shelton Colby expressed to me how persons who did not know her or her family were so warm in a time of crisis, were so uplifting at a time of tragedy, and how they had related to the entire Colby family at this time and given them comfort as well as aid.

In addition, the Charles County Communications Department; the Virginia State Marine Police; the Naval Surface Warfare Center EOD dive team and the rescue squad dive team from Dahlgren, VA; and numerous local citizens who volunteered in many, many different ways.

I ask my colleagues to join me today in recognizing the efforts of the paid and volunteer members of this very special community. These individuals engage in hundreds of hours of specialized training and continuing education to enhance life-saving skills, just to be ready for emergency rescue calls and searches. Charles County and other communities across America benefit daily from the services of these dedicated professionals who are ready 24 hours a day, 7 days a week, and they deserve our continued thanks.

Mr. Speaker, I know that you share my pride at the efforts of the volunteer fire and rescue service personnel and other agencies involved in the intense search for Mr. Colby, which lasted more than 7 days.

ADMINISTRATION'S FAILURE TO DEAL EFFECTIVELY WITH INTERNATIONAL HUMAN RIGHTS

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentleman from Virginia [Mr. WOLF] is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, I rise to speak on the matter of human rights. Perhaps the most basic of these rights is just to be able to exist or to live. And I am compelled to speak on America's role in protecting and promoting these basic rights.

Like it or not, we are the nation to which the world turns for leadership and direction, especially in the area of human rights. Quite frankly, our Government is just not doing a good job here. It isn't measuring up.

The administration has failed to exercise leadership all around the globe in the area of human rights. There has been a total collapse of will, of spine, of backbone in dealing with terrible things happening to people in every corner of the world. Events that we could alter—that we, in the past, have altered—by standing up to tough guy dictators who treat their own with brutality and terrorism.

I wish it wasn't necessary to talk about this right now because this is the campaign season and honest criticism and frustration are sometimes discounted as just more candidate bashing. But I'm not bashing the administration. I want President Clinton to succeed in promoting human rights. In his State of the Union speech on January 25, 1994, he stood right there and said "as we build a more constructive relationship with China, we must continue to insist on clear signs of improvement in that nation's human rights record." I alone arose from my seat over there to applaud his courageous intentions.

But he didn't follow through. And the men and women in China are worse off today for our failure to lead. Just as the men and women in southern Sudan are worse off, and the Nagorno-Karabach, Turkey, Tibet, Burundi, even Vietnam and elsewhere. But this afternoon, I want to focus on Chechnya, a fractious part of the Russian Federation of States, which I visited last year, and where unbelievably brutal events are unfolding. Chechnya could be the catalyst that results in a Russian Federation dominated by communism again.

It should have been enough to count the dead men, women, and children to see something must be done about Chechnya. But if it were not, it should then be enough to also see the villages and hamlets across the land that have been ravaged. But if that were still not enough add the once thriving capital city of Grozny which has been leveled, where few buildings remain standing; only hollow skeletons amid huge piles of rubble. That scene surely calls for remedy.

To give the administration some credit, perhaps they wanted to do something helpful there. But faulty and sporadic rhetoric have only made things worse. At one point the administration said Chechyna is an internal or civil problem. Russia then took this to mean that we would look the other way while they embarked on an effort to crush Chechyna. When the tragedy of war became too apparent to bear in silence, our Government began to urge President Yeltsin to bring this conflict to an end. Each time a high level delegation from the United States, either the President, Secretary of State or other high official, was scheduled to meet with the Yeltsin government, they would intensify their war effort to crush the Chechens hoping to claim the problem had been solved and peace is being restored even before our Government delegation arrived and could raise the issue.

This cat and mouse brand of diplomacy had the effect of ratcheting up the killing and bombing and shelling. And more Chechens died. But more Russian soldiers continued to die as well. The Chechens are fierce fighters and good soldiers comfortable in their homeland which they know like the back of their hand. They, too, can be ruthless and are not pushovers. They have taken a grueling toll on the Russian troops. This, coupled with the hemorrhage of rubles to wage this war, the humiliating realization by the Russian people that their army may be only a paper tiger that cannot over-run even tiny Chechnya, and the stingingly negative world opinion showering down on the Yeltsin government, has made this a key issue in the upcoming June elections.

What is at stake in these elections is the soul of Russia. And the major candidates to control its soul are President Boris Yeltsin on one hand and the Communist leaders on the other. President Yeltsin himself has said he may not win re-election if the Chechnya war continues. Let me say that again. The Russian people, tired of and embarrassed by the war in Chechnya, could turn away from President Yeltsin and re-embrace communism as, perhaps, the lesser among evils.

Russia could return to communism as we stand idly, too timid or too confused to force the Chechen issue. Now I absolutely do not suggest this is something which should involve U.S. forces. That would clearly be irresponsible. What we have is two belligerents engaged in a struggle which neither side knows how to end. Like two feuding family members unable and unwilling to stop fighting even when both recognize continuing conflict is worse than any resolution available. Sometimes it takes an outsider to demand a truce. I don't want to trivialize this conflict but it is not unlike two small boys whaling away at one another and both are secretly delighted when someone steps between them.

I have, again and again, written the President and others in his administration—and Mr. Speaker, I ask unanimous consent to insert in the RECORD copies of these letters—urging that our Government offer and encourage both sides, Russian and Chechen, to accept the offer of an American statesman of high stature and achievement to help search for peace. A broker or negotiator or arbitrator—choose a title—but someone with wisdom, experience and diplomacy to help find an accord where neither side is a loser, killing and destruction end and people can begin rebuilding lives. The administration barely even acknowledges my letters, which would be OK if they were pursuing another workable outcome. They are not. They again arrange a high level meeting with the Yeltsin government which spurs the Russians toward a renewed offensive to stamp out the Chechens. More killing and destruction result; time passes; frustration and bitterness grow and the cycle begins anew.

This is not diplomacy. This is not international leadership. This is folly. It seems that our Government is abdicating its role as a world leader. A role no other power can assume. And the void is being filled around the world with brush fires and geographically contained arenas of terror and terrorism.

But the stakes in Chechnya may be higher. Communism might be the winner in this round. And if it is, it will not only be the Russians who are the losers. It will be every free nation and those who thirst for freedom. And surely, America will be among the losers if this happens. And that will be the biggest shame of all because we had, in our grasp, the ability to try to lead the world into a tomorrow of relative peace and tranquility.

Even if a resurgence of communism did not hinge on the resolution of the conflict in Chechnya, and Mr. Speaker, the political picture in Russia is such a tangled web no one could predict with any certainty the outcome at the Russian ballot box on June 16, the administration should still prod the Russian Government into finding peace. Isn't peace and the end of killing and the destruction of a society a worthy goal in itself? Of course it is and it is one our Government ought to resolutely pursue with dispatch. I implore the administration to not let this slip through their fingers.

Mr. Speaker, I include for the RECORD the letters I referered to above.

The information referred to follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 26, 1996.

Hon. WILLIAM J. CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: The brutal conflict in Chechnya is now in its second month. Gruesome images of the fighting emerge day after day. Thousands of Chechnyans have died in the fighting, including many innocent women and children.

While the U.S. position has been that this is an "internal Russian affair," the American people certainly have an interest in bringing an end to the fighting. Besides the obvious human tragedy occurring as men, women and children continue to die, Russia is a major recipient of U.S. foreign aid. This war is causing many in the Congress to consider whether Russia is deserving of such aid and whether the entire U.S.-Russian relationship should be re-examined, particularly our close ties to President Yeltsin. Continuation of this conflict will have major implications for the future of the Yeltsin government, the Russian economy and Russia's already fragile relationship with its neighbors. I believe our government should use its diplomatic leverage now to help bring peace to the region.

I am writing to propose that you appoint former President George Bush, or possibly former Secretary of State James Baker, as special emissary for this purpose; to go to Moscow, meet with President Yeltsin and other Russian leaders, and present your viewpoint on the importance of quickly ending the Chechnyan conflict. I believe President Bush could be very helpful in ending the fighting and stopping the killing.

Mr. President, I hope you will give careful consideration to this proposal and move quickly in sending an emissary to Russia. Thank you.

Sincerely,

FRANK R. WOLF,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 21, 1996.

Hon. WILLIAM J. CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: As you know, I traveled to Chechnya in May of last year to view the ravages of war in that part of the world. I have enclosed a copy of my trip report.

It has been frustrating to see this conflict drag on for over a year and the fighting and hostage-taking flare up again in recent weeks. The Russians seem to be getting more militaristic, but I understand that President Yeltsin recently acknowledged the importance of dealing with the conflict before the elections. The U.S. should strongly support President Yeltsin in any of his efforts to bring peaceful resolution to the conflict and, if necessary, serve as the catalyst for peace in the region. Perhaps the U.S. could help bring the sides together or serve as a mediator.

The U.S. should use every opportunity to strongly encourage the Russian government to end this conflict peacefully. It's in the best interest of Russia, and ultimately, the best interest of the United States.

Sincerely,

FRANK R. WOLF,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 4, 1996.

Hon. WARREN CHRISTOPHER,
Secretary of State, Washington, DC.

DEAR MR. SECRETARY: I am writing to again raise the tragic situation in Chechnya. Some 40,000 civilians are dead, hundreds of thousands are homeless and, yet, this was not even a topic of discussion during your recent visit to Moscow. Why should the United States step in? Each time a high-level U.S. delegation has visited Moscow, President Yeltsin, seemingly in an attempt to put this issue aside, steps up the intensity of the military action and more Chechen civilians get pummeled.

President Yeltsin now seems to be making efforts to establish peace. He has called a cease-fire and the fighting has died down somewhat. We all hope his efforts are sincere, lasting and fruitful. But like a family trying to work out solutions to irreconcilable problems, sometimes the issues are too difficult to resolve alone. Feelings run too high and past wrongs have seared too vivid a memory to bring about resolution. Families often need to bring in outside help to provide counsel and objectivity, defuse tensions, arbitrate unresolvable differences and provide a fresh outlook. This is a mediation role only the United States can play in resolving this brutal conflict. I ask that you consider offering to both sides the use of a high-level negotiator of unquestionable stature: someone, perhaps, who has held at least a cabinet position in our government.

When I visited Grozny last May, there seemed little of the town left to destroy. Yet reports of death and destruction continue. What can we lose by offering to negotiate between the parties? Things could grow even worse after the June elections if the winner of the presidential race senses a mandate to end the conflict in Chechnya by any means.

I hope the U.S. will lend its weight to seek a speedy resolution. Please consider appointing a high-level negotiator to shuttle between the sides and push for peace. Our neutrality should cease to be indifference and we should use our voice, our experience and our economic power to stridently work for peace in Russia.

It's not too late. But too many have died. I urge you to take decisive action.

Sincerely,

FRANK R. WOLF,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 25, 1996.

Hon. WILLIAM J. CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: Thank you for your response to my last letter expressing concern over Chechnya. I have been in Chechnya, seen the results of the war, met with the people there and have a sense of their resolve, their bitterness and their anger. They are a hearty, robust and proud people. Chechens are good fighters and will not yield in this situation, not as long as even a few have the means to resist.

I believe more must be done and time is running out. Time has already run out for too many Chechen men, women and children as well as for too many Russian soldiers and their families. Though not intended, each time you meet with President Yeltsin or visit Russia . . . with the purpose of propping him up or lending stature to his presidency . . . the opposite and undesired outcome results. Before your meetings, he tries, once again, to clean up events in Chechnya with a renewed and vigorous military onslaught causing more Chechens and more Russian soldiers to die, and the two sides become even more deeply mired in the conflict. President Yeltsin's attempt to make Chechnya disappear from the radar screen before you meet has the opposite and unwanted result of more killing, more conflict and a diminished way out of this mess. He has apparently even found it necessary to lie to you. According to the enclosed Reuters report, the Russian military attacks which resulted in Dzhokhar Dudayev's death were occurring even as President Yeltsin assured you that he was pursuing a peaceful resolution in Chechnya.

President Yeltsin's history here is one of reacting badly in Chechnya each time you and he are to meet. The outcome inevitably is an even more difficult problem for him and may result in his downfall in the June elections. He may not win reelection without resolving this Chechnya situation.

I agree that our interests and Russia's as well are better served with Mr. Yeltsin as president when compared to other likely candidates. If he loses, Russia and their federation of states will take a giant stride backward. So I believe America must do all it can to bring resolution to the Chechen conflict, for them, certainly, but for us as well.

No one, least of all me, wants US involvement on the ground in that region. But America, as no other, is a respected and trusted force standing for freedom and justice. Our leadership alone can drive a peace solution. As I have asked before, and copies of all my earlier letters on this issue are enclosed to refresh your memory, please offer to President Yeltsin . . . and urge him to accept . . . the appointment of an American of considerable stature to negotiate and to search for a peaceful end to this tragedy in Chechnya. I know there are many good candidates, perhaps a retired flag or general officer or a statesman on the order of former Secretary Holbrooke.

Mr. President, when I first wrote on this issue, our interest was one of bringing a humanitarian end to a needless war in Chechnya. With the passing of time and evolving political fortunes in Russia, our own national interests could be also affected by fall-out from this matter, especially if it results in the return of communism to Russia. This would be bad for America and for the world.

I believe we must quickly do something here. I respectfully submit these recommendations and will do anything I can to help. If I can persuade you on this matter, I will come over on a moments notice.

Please act, Mr. President. Thank you and best regards.

Sincerely,

FRANK R. WOLF,
Member of Congress.

REPORT: RUSSIAN 'COPTERS ATTACK CHECHEN TOWN

MOSCOW.—Russian helicopter gunships attacked rebel positions in the Chechen town of Shali on Thursday, a day after slain separatist leader Dzhokhar Dudayev was buried.

General Vyacheslav Tikhomirov, commander of Russian forces in Chechnya, told Interfax news agency that the gunships had made two "pinpoint strikes" on guerrilla positions in Shali, about 25 miles southeast of the regional capital Grozny.

The attacks were in response to rebel fighters firing on Wednesday at Russian helicopters which flew over Shali on a reconnaissance mission, he said.

Interfax said civilians had been killed and wounded in the attacks, though it gave no casualty figure.

It said seven people were killed when Russian ground forces opened fire on a civilian convoy trying to flee the town which had been sealed off by Russian troops in six days.

A Shali police official, quoted by Interfax, said the Russian attacks had caused considerable destruction. "People have been killed and wounded," he said.

The renewed Russian air raids followed the death of Dudayev last Sunday in a rocket attack from the air at Gekhi-Chu, about 20 miles south-west of Grozny, as he stood in an open field speaking by satellite telephone.

Dudayev, '52, unchallenged leader of the rebellion against Russian rule, was buried on Wednesday at a secret location in the south of the territory.

Russian military involvement in killing Dudayev, to whom President Boris Yeltsin had offered indirect talks to end the 16-month conflict, was mired in controversy.

Tikhomirov was quoted by Interfax as saying his troops had not conducted any special operation to assassinate Dudayev.

But an Interior Ministry source said on Wednesday he had been killed in retribution for an ambush last week in which Chechen fighters killed up to 90 Russian soldiers.

In a more detailed report, Interfax quoted another source as saying Dudayev had been deliberately targeted by a rocket fired from the air which homed in on him by following the signal of his satellite telephone.

This source said it was the fifth attempt in the past two or three months to destroy Dudayev by this means.

The first four had failed, the source said, because the Chechen leader ended his telephone conversation before the rockets could target him.

Tikhomirov called the report of retribution "madness and an attempt to pass on to the federal troops the blame for a possible disruption of a peace settlement in Chechnya."

He said his forces had stuck to Yeltsin's order to halt military operations and only responded to rebel attacks.

Yeltsin ordered troops into Chechnya in December 1994 to crush its independence drive.

Over 30,000 people, mostly civilians, are believed to have died and Yeltsin is trying to end the conflict to boost his chances of winning a second term as president in a June poll.

He unveiled a peace plan on March 31 which included a halt to Russia's military offensive, partial withdrawal of troops and indirect talks with Dudayev. But the plan allowed "special operations against terrorists."

It was not clear how the killing of Dudayev and his replacement by Zelimkhan Yandarbiyev, a hardline pro-independence ideologist, could affect peace efforts.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 7, 1996.

Hon. WILLIAM J. CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I am, once again, writing to point out that conditions for the men, women and children in Chechnya continue to deteriorate as hopelessness and hatred battle one another. Did you see the enclosed Washington Times piece reporting the views of Duma Member, Mr. Aoushev, who is also the deputy chairman of their parliament's national security committee? He makes several thoughtful points which should give us pause about a "see nothing—do nothing" policy.

He notes: military action could spread from Chechyna to next door neighbor Ingushetia. Not only would this bring senseless killing, destruction, and misery to a new region that is, today, relatively tranquil, it would deny an existing haven to many Chechens who have fled from the daily terrors of their homeland. When I recently visited that region, I went to an Ingushetian refugee camp for Chechens, mostly women, children and the aged. They do not need another turn in a war zone.

The conflict in Chechnya will not continue at its present level. It cannot get better so it will only become worse. Not only will pain and suffering intensify with continued fighting but the opportunity for reconciliation or consensual peace will recede further into the realm of the improbable.

The Clinton Administration (Mr. Aoushev's term) is ignoring human rights violations by Russian military and has not done enough to use its influence to end the conflict.

I hope you will consider what Mr. Aoushev has to say and I reiterate my earlier and often made suggestion that you should offer to both sides an American negotiator of principle and stature whose task is to urge and prod the parties to this senseless conflict to stop it. How could it hurt? It might help. Continuing to do nothing is to accept or even to encourage more inhumane acts on helpless people.

Please work to stop this senselessness. Thank you for your time.

Sincerely,

FRANK R. WOLF,
Member of Congress.

HONORING MOTHERS AND WOULD-BE MOTHERS ON MOTHER'S DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, on Sunday, we will celebrate Mother's Day.

As a grandmother and mother, each year I look forward to this special day, this honored celebration.

But, Mother's Day is not just about fancy flowers, fruit baskets and pretty greeting cards.

Mother's Day is not about colorful scarves, chocolate candy or an evening out.

Mother's Day is about family and the role of women in the family.

Mother's Day is about respect, dignity and self-esteem—the same qualities that come from having a job, working at a decent and fair wage and making a contribution.

Mother's Day is not only about reverence, but it is also not about ridicule and contempt.

Mothers are ridiculed and held in contempt when women workers are not paid a decent and fair wage and when Congress tries to cut programs for women.

Yet, mothers and would-be-mothers are being ridiculed and held in contempt by a Congress that does not seem to care.

It would appear that our colleagues did not listen or perhaps did not hear during consideration of the fiscal year 1996 budget.

On Medicare, Medicaid, education funding, the earned income tax credit and other areas, they are proposing the same kind of cuts this time that were rejected last time.

Yet, while proposing these cuts—many of which were vetoed by the President—our colleagues on the right want to give tax breaks amounting to $176 billion, including a capital gains tax cut for the wealthiest Americans.

And, while proposing a tax cut for the wealthy, they are opposing a wage increase the for lowest income workers.

There are 117,000 workers in the State of North Carolina working at or below the Federal minimum wage.

Who are they?

They are primarily adults.

More than 7 out of 10 of all minimum wage workers are adults over the age of 20.

Also, they are primarily women.

More than 6 out of 10 of all minimum-wage workers are female.

And, of great significance to my State, they are primarily from rural communities.

It is twice as likely that a minimum wage worker will be from a rural community than from an urban community.

But, even more disturbingly, as we are poised to pause and celebrate Mother's Day, almost 4 out of 10 of all minimum wage workers are the sole wage earner in a family.

Single, female heads of households make up a large part of the minimum wage work force.

As a result, 58 percent of all poor children come from families whose parent or parents who work full time.

Twelve million minimum wage workers in America; most of them are women, many with children.

Mother's Day is about food on the table, a roof over one's head, money to pay the doctor and money to get to the doctor's office.

Mother's Day is about a warm place to sleep in winter and a safe place in summer, clean clothing to wear and comfortable shoes with which to walk.

To those who oppose a modest increase in the minimum wage, I would say, if you truly want to honor and pay tribute to mothers, allow them to earn extra pay for a year's work, an amount that you earn in a few days time.

An increase of 90 cents in the minimum wage is an additional $1800 for a minimum-wage worker. That modest increase could mean a livable wage to those mothers.

A livable wage is the best incentive to encourage work over welfare.

When a woman works, she has self-respect.

When a woman has a job, she has pride.

When a woman earns a wage that allows her to live and to help support her family, she has dignity.

This week, Congress could have made Mother's Day 1996 a day to remember.

Congress could have given millions of America's women the self-respect, pride and dignity they deserve on Mother's day.

Congress could have increased the minimum wage this week.

That's what Mother's Day is about.

On Sunday, we celebrate Mother's Day.

But, Mother's Day is not about honoring women one day out of the year.

Mother's Day is about honoring women 365 days each year.

I invite each of my colleagues to join this grandmother and mother in making sure that we observe Mother's Day, every day.

□ 1430

WHITE HOUSE CLAIM OF EXECUTIVE PRIVILEGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, I rise today with no sense of pride, with actually a sense of trepidation to a certain degree, because I want to talk about something that has been happening and developing over the last year, actually, which culminated yesterday in a vote in the Committee on Government Reform and Oversight on some of the actions taken by this administration by the committee.

I think the American people need to understand what has happened and why. Yesterday the Committee on Government Reform and Oversight voted out a resolution to hold several high ranking members of this White House in contempt of Congress. This is an action which has happened only a handful of times in this century. I do not think anyone who serves on that committee wanted to see events lead to that.

But I think that the people need to understand and I think the Members need to understand how patient Chairman CLINGER and the committee have been with the administration in terms of getting to the bottom of this matter, and I am referring to the White House Travel Office and the scandal that has surrounded that issue since 6 innocent Federal employees were terminated and ultimately humiliated in public for actions which they were later found to be not guilty of.

The story is a seamy story that involves abuse of power. It probably involves the abuse of the FBI, the IRS, and perhaps even the Justice Department. All we really want to do is get the facts and all of the documents out on the table and try to bring this matter to a final conclusion.

Chairman CLINGER has been after this for over 3 years. In fact, after finally saying that, after hearing again and again that the White House would cooperate, the committee issued a subpoena back in January, and let me just read for you what some of the President's words were and what some of the actions have been. And not only in our words, because I think now that folks on the other side of the aisle are framing this only as a partisan political witchhunt. Frankly, I think most of us would have preferred to have this whole matter put behind us many months ago.

But early on in this investigation the President said, and I quote, "the Attorney General is in the process of reviewing any matters related to the travel office and you can be assured that the Attorney General will have the administration's full cooperation in investigating those matters which the department wishes to review."

That is a letter that the President sent to the former chairman of the Government Operations Committee. Here is what he said just this year in January, January 12, 1996, he said, and I quote, "We have told everybody, we are in the cooperation business. That is what we want to do. We want to get this over with."

That is what the President said in January. But I think people need to compare that with what has actually happened. Not what I am saying, not what Republican staffers are saying, but, for example, here is what Nancy Kingsbury of the General Accounting Office said, July 2, 1993, when she testified before our committee. She said, and I quote "As a practical matter, we depend on and usually receive the candor and cooperation of agency officials and other important parties and have access to all their records. In candor, I can't say that there was quite the generous outpouring of cooperation in this case as might have been desirable."

Let me just read a quote from Michael Shaheen, who heads the Office of Professional Responsibility for the President's own Justice Department, when he learned that there was a notebook that had been concealed for over 2 years that Vince Foster had put together that had extensive notes on the whole White House travel office affair. This is what Mr. Shaheen said, and I quote, "We were stunned to learn of the existence of this document since it so obviously bears directly upon the inquiry we were directed to undertake in late July and August of 1993. We believe that our repeated requests to the White House personnel and counsel for any information that could shed light on Mr. Foster's statement regarding the FBI clearly covered the notebook and that even a minimum level of cooperation by the White House should have resulted in its disclosure to us at the outset of our investigation."

Again, that is not a Republican staffer saying that. That is somebody from Clinton's own Justice Department.

Later on one of the other officials that testified before us, Jack Keeney, who is reporting to the Acting Criminal Division Director, he said, and I quote, "At this point we are not confident that the White House has produced to us all the documents in its possession relating to the Thomason allegations. The White House's incomplete production greatly concerns us because the integrity of our review is entirely dependent upon our securing all relevant documents."

Mr. Speaker, let me close by saying this: Seldom in the course of American history have so many in the White House done so much to provide so little. Sunshine is the best antiseptic. Let us get all the documents on the table and let us get this matter behind us.

BUSINESS AS USUAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BENTSEN] is recognized for 5 minutes.

Mr. BENTSEN. Mr. Speaker, I took this time today in part as a point of personal privilege. Earlier today, while I was with some students from Crafton Academy, which is in my district in Houston, having taken them to the Senate Chamber and then to the House Chamber and then to Statutary Hall and walking out, our colleague, the gentleman from Pennsylvania [Mr. WALKER], felt the need to take the floor and seek to smear the reputation of eight of the other Members of this body, myself included.

Mr. Speaker, I assume Mr. WALKER was attempting to infer that somehow Democratic freshmen sought to hide links to organized crime and organized labor because of contributions we may have received from members of labor unions or, worse, to try and tie the members themselves to organized crime.

Of course, both are incorrect. But a more troubling problem exists.

This all started last week when the eight Democratic freshmen brought to light a memorandum dated April 23 from Mr. WALKER and the gentleman from Iowa, Mr. NUSSLE, who is part of the Republican leadership, asking committees to use official time to root out information on the Clinton administration on labor union bosses and corruption in order to expose anecdotes that amplify these areas so that these could be used for political purposes.

First, the memo which Mr. WALKER authored, along with Mr. NUSSLE, would appear to constitute a violation of House rules prohibiting the use of taxpayer resources for political purposes. Let me quote from the House ethics manual, which says, under campaign activity by House employees, chapter 5, page 201, "no campaign activities should be performed in a manner that utilizes any official resources."

Of course, all of us agree that our committees should be looking for fraud, waste, and abuse. They should not have to be told to do that. That is a charge of the committees. But it appears that the Republican leadership now wants to use them for political purposes.

I suppose that we can investigate Mr. WALKER's contributions over his long tenure in the House and fabricate all sorts of false accusations and inferences if we wished to do that.

Unfortunately, Mr. Speaker, we see a continuing pattern on the part of the Republican majority, the Republican leadership who so fervently disavowed the business as usual practices of the past 40 years with their so-called Contract With America. Now they seem intent upon engaging in such behavior. Mr. WALKER seeks to evade his potential infraction by engaging in a smear of his detractors.

Our majority leader, the gentleman from Texas [Mr. ARMEY], told the Houston Chronicle that the freshman Democrats who called this behavior into question overreached and simply do not understand how things work up here. Today we read that the gentleman from Ohio [Mr. BOEHNER], chairman of the House Republican Conference, was handing out checks from tobacco PAC's. I do not care what kind of PAC's they are, whether they are tobacco PAC's or labor PAC's, but was handing out checks from tobacco PAC's to Republican Members on the floor of this the people's House. It was reported that one Republican member stated that, "If it is not illegal, it should be." And it should.

Mr. Speaker, The Houston Chronicle summed up this problem correctly in an editorial this week entitled "Politics as Usual" where it stated, "the voters did not hand control of the Congress to the Republicans so they could engage in the sins of their predecessors."

I believe they are right on mark with that.

Mr. Speaker, the other problem that exists today and is underscored by Mr. WALKER's actions is the increasing lack of comity and decorum among Members of the House. History tells us that at one time it was the greatest dishonor to insult another Member on the floor of the House. But today it has become all too commonplace.

Mr. Speaker, I find it hard to believe that Mr. WALKER believes in a society where one is judged not by their ability to work together and get along but, rather, to attack and tear down and smear your rivals where any means justifies the ends.

I came from business, from the private sector, unlike many of my colleagues on both sides of the aisle. I relish competition and a good fight, but I respect my competitors. I am not so sure that this House wants to follow such practices anymore.

Mr. WALKER should review again our letter and the comments that we made to the press. We did not ask for an investigation. We just said, stop it. Apologize. Pay back the taxpayers if you used any of their money. But most of all, follow the rules.

We teach our children, do unto others as you would do unto them. That is how I raised my children. That is how I was raised. Perhaps that is how this House ought to operate so we can get back some decorum and comity and get away from the slash and burn politics which is destroying it.

BABE DAVIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, one of the true benefits and best parts about serving in public office is getting to know so many people.

The constituents in Georgia's First Congressional district are an outstanding example of great Americans who have made this Nation the wonderful country that it is. One of the examples is Mr. Babe Davis. He's a friend of mine, a Georgia hero, and truly a great American.

In 1940, Woodrow Wilson "Babe" Davis, a resident of Odum, GA, gave up professional baseball, but to this day, baseball fans haven't forgotten about him. In the late 1930's, Davis pitched to Lou Gehrig and Joe DiMaggio, yet in 1996, he still receives up to 5 or 6 autograph requests a week.

Davis says he got his start in baseball by throwing sticks and corn cobs as a small child. When he was in grade school he would always carry his glove and a ball and bat with him wherever he went. One teacher commented that she saw him carrying his gear so much that she was going to start calling him "Babe" after Babe Ruth. She did and the name stuck.

Davis received a baseball scholarship to attend Brewton-Parker Institute before he had completed the 11th grade and following his success pitching at Nicholls High School. He struck out 23 batters in one game at Brewton-Parker.

Davis signed his first professional contract with the Cleveland Indians in 1934, making $250 per month for their farm team. During his 7-year professional baseball career, the Cincinnati Redlegs and the Toronto Maple Leafs picked up his contract.

Davis' career began to wind down when he injured his arm during a one-hitter he pitched for Toronto against Rochester in 1937. After playing for teams in Jacksonville, FL, and Valdosta, GA, Davis gave up the game for good. While starting another career with the Georgia Department of Revenue, Davis kept his love for the game alive. For the last 25 years, he has been spearheading "Babe's Mighty Mites," a children's baseball instructional program that touches the lives of 320 youngsters in Odum.

Babe Davis epitomizes the love and dedication of the people of the First District of Georgia. We are all proud to have him as a neighbor and a friend. He crossed paths with some of baseball's all-time greats. And while his professional baseball career may have been short-lived, Davis' enthusiasm for the sport has not. Just ask 320 children in Odum, GA.

PRESIDENT REAGAN COMMANDS US—REMEMBER OUR HEROES, REMEMBER OUR PAST

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes as the designee of the majority leader.

Mr. DORNAN. Mr. Speaker, today is my, one of my brother's birthdays, May 10. He has two sons out of five sons currently on active duty. One is an intelligence officer with the Forth Fighter Wing, one of the world's greatest fighter wings flying the F–15E Strike Eagle. He is their intelligence officer, just back from Saudi Arabia for the second time.

The other son is over in the Pentagon, Don, Jr., the other one is Matthew. Another name, MacArthur, after General MacArthur. And the older brother of the two is Don Dornan, Jr., a lieutenant commander over in the Pentagon. Important job over there. Had over 30, 35 missions in the Gulf as an AWACS controller on an E–2 Hawkeye with the Sundowners.

Mr. Speaker, this is the 51st anniversary plus 2 days of the end of the war in Europe, the great crusade, as General, soon-to-be-President, Eisenhower said, that began with some commando raids across the beaches of Hitler's Fortress Europe and then, with the great Normandy invasion, proceeded inland and with amazing speed and great loss of life on all sides brought freedom to Europe. And 99 days later in the mid of August, 1945, the Japanese warlords conceded defeat and we had a cease-fire with a total, unconditional surrender of all of the Axis forces on the deck of the U.S.S. *Missouri*. Clinton had the wrong end of the ship when he talked about it on the anniversary in Hawaii.

□ 1445

But I grew up, as did my older brother, Don, and my younger brother, Dick, who is a high school teacher for 30 years, in what President Reagan called "a very different America than today." In a 1-minute speech a little while ago I said that I was going to pay tribute to a living legend in the United States Navy, 55 years on active duty. He only retired in 1989. I had the honor of spending some wonderful moments with him at Normandy, which I spoke about on this House floor. Adm. John D. Bulkeley told me to go out into the beautiful Coeur de Vie Sur Mer Cemetery on the bluffs above bloody Omaha Beach. Those bluffs were themselves drenched in the blood of our young Americans as they fought their way over the edge of the cliffs and across the fields of France into the hedgerows of Normandy. And Admiral Bulkeley, who passed on a few weeks ago, told me, "Go out and find the graves, Congressman, of the Roosevelt brothers, young Quentin, who died at 20 in World War I, when his airplane was shot down, and his older brother, who died 26 years later, winning the Medal of Honor on D-day plus 36, won the Medal of Honor for his courage and intrepidity on D-day itself and a few days following, and he died with his enlisted men in their chow line on D-Day plus 36, Teddy Roosevelt, Jr." Also, two sons on active duty out of five sons, like my older brother, Don.

And, if you are watching, happy birthday, Don.

This gentleman, called the Seawolf, will consume most of my 1-hour special order today, a tribute to Admiral Bulkeley, Medal of Honor winner, Distinguished Service Cross holder, Navy Cross holder, Purple Hearts and every decoration that a warrior could ever get from not just his own beloved naval service but from the other services, including the then Army Air Corps, Air Force, Air Corps when they only had 6

PT boats in the Philippines and 6 beat-up P–40 fighters.

Now I want to do a prologue to Admiral Bulkeley. Out of the mouth of one of my heroes as a President, modern hero Ronald Reagan, to set this up, I understand with some good fortune, certainly by videotape, Mr. Speaker, that Admiral Bulkeley's older son, John Jr., may be watching, a great organist, played the organ at his father's funeral, that his next son, Peter, may be watching, who is an active-duty Navy captain, also assigned to the Pentagon, like my nephew, Don, and that the three wonderful sisters may be watching: the oldest, Joan, I got to know at Normandy, was with her dad; the other two sisters I got to know at their dad's beautiful funeral and reception a week ago last Friday.

I want to do this tribute to him because President Reagan told me to do this. He did not tell me specifically about Admiral Bulkeley, but he told me to do it specifically about Jimmy Doolittle, another flag officer, three-star general, and I did it, and I did more than one for General Doolittle, and I had the honor of knowing him personally.

As I laid in ambush once in the lobby of the Waldorf Astoria Hotel, where General MacArthur lived out his last years, and had the opportunity of approaching him slowly and respectfully so that no Secret Service, whatever protection he had, and I did not see any, would think it was someone making an unkind advance on him or had the honor of shaking his hand. I had the honor of going to his funeral, going down in April of 1964 to the then brandnew Douglas MacArthur Museum down in Norfolk, the old city hall building. It was the only town that that Army brat, son of another Medal of Honor winner, General Arthur MacArthur, could figure out was his hometown.

His father, a Medal of Honor winner, Douglas MacArthur a Medal of Honor winner, Admiral Bulkeley, a Medal of Honor winner. When I went to Admiral Bulkeley's funeral, I sat next to two Medal of Honor winners. I am going to do a tribute to them, tribute to both of them, from the Vietnam war, one Army, one Marine.

Remember that President Harry Truman, served many years in the Senate, said he would rather have the Medal of Honor than be President of the United States.

So here is the prologue, why I am doing this tribute to John Bulkeley, who at one time was called the wild man of the Philippines, and for his family and my family and for another special person watching who works with us here on the Hill. Mr. Speaker, our colleague from Florida, CLAY SHAW, has working for him as one of his legislative assistants the son of one of the six PT boat skippers that were under Lieutenant John Bulkeley. He was the squadron commander, a reduced squadron of only six PT boats (and most people only know about PT boats from John F. Kennedy's Navy cross incident, where he was hit in the middle of the night by a Japanese destroyer, never even knew what hit him) a crew of 13, an enlarged crew, two men were killed.

Kennedy was never proud of losing his boat on his very first mission, almost his only mission, but he certainly performed heroically as a good swimmer to save one of the men who was unconscious and badly burned.

But that is what most Americans know about PT boats. They do not know about heroes in Manila or off the Normandy coast or along the New Guinea northern coast, or up in the straits at the battle of Leyte Gulf. They know nothing about the PT boat commanders who had hundreds of missions, lost boats and did not have a severe back injury like Kennedy, who were able to come back.

But here on this Hill, which shows how closely connected to history we are, is the son, George Cox Jr., of the commander of the actual PT boat that took MacArthur off Corregidor. For the man who was actually at the helm, it was his boat, Ensign George Cox, not too young an ensign, about 25 or 26 years old. Had George Jr., the third brother like my family, three brothers, late in life, (lucky guy to have a son that young when he passed on a few years ago) but George Cox, Jr. serves on this Hill, and his dad was the skipper of PT–41, with the squadron commander, Admiral Bulkeley, Medal of Honor winner. Of course, George's dad, George Cox Sr., got the Navy Cross. They got and attempted to give him a Medal of Honor, too, along with his squadron commander.

Now, here is how Ronald Reagan told me and all of us to do this type of tribute on the House floor. And I would hope that you are a school child and you are having a bowl of cereal at 3 o'clock, or you are home early, or sick if it is in Chicago or two o'clock, or Denver and one o'clock in the afternoon; in L.A., it is coming up on noon. Some people may be home for lunch, particularly schoolchildren. Stay with me here for a minute. I may even bring tears to your eyes. I know I choke myself up every time I read Reagan's words. If you are out in Hawaii, it is only 10 o'clock in the morning. Be a few minutes late for work. President Reagan would tell you to stay. He would tell me to order you to stay and listen to this tribute.

Here is one of the best speeches I have ever heard in my life by anybody, right up there with John F. Kennedy's stirring January 20, 1961, speech. Reagan's is a winter speech, January 11, 1989; so that is 28 years after Kennedy. It was Reagan's farewell address to the Nation. It is what I call the "Freedom Man" speech because in his opening paragraphs he talked beautifully about American ships rescuing pathetic boat people who we had deserted in this struggle for freedom in Indochina. Talked about a carrier up on the Midway, one of the lower decks, and a man on the choppy seas spying this one sailor on the decks staring down at him. He stood up and pointed to the sailor. In broken English he said, "Hello, American sailor. Hello, freedom man."

So that is why I call it the "Freedom Man" speech.

Reagan says in the early moments of this speech, delivered 9 days before George Bush's inaugural speech, he first talked about the economy a little bit, says that a lot of his ideas were called "radical," and he said that they were sometimes called dangerous, but he feels they were desperately needed, and then I start quoting Reagan directly. He says:

> In all of that time I want a nickname.

Over those 8 years, he means.

> The great communicator. But I never thought it was my style or the words I used that made a difference. I believe it was the content. I was not a great communicator. But I communicated great things, and they did not spring full-blown from my brow. They came from the heart of a great Nation, from our experience, our wisdom, our belief in the principles that have guided us for over two centuries. They called it the Reagan revolution. Well, I will accept that. But for me it always seemed more like the great discovery, a rediscovery of our values and our common sense.

It just keeps getting better, page after page. I was glued to the TV. You did not have to be Irish on both sides like me to shed tears. And I still, being an Irishman, choke myself up when I read his close, and I learned a lesson a few tragic months ago, back in November, from a little 17-year-old child.

There is a lot of young people in the gallery now, and I will pass on this advice to them, Mr. Speaker, from young Noah, the granddaughter of the assassinated, the martyred, Jacob Yitzhak Rabin of Israel. When I watch her delivering a eulogy in front of many leaders of the world, including Mr. Clinton, on the evening news, and forgot about all the trained politicians and eloquent speakers, and the news focused on young Noah, freckle face, going into the service, wearing the uniform where her dad had been the commander and then the minister of defense, prime minister, president, everything. I watched her at the funeral looking at her grandfather's grave, fighting back tears, breaking down crying. I watched this 17-year-old. I thought of my 10 grandchildren. The oldest is 15, almost 15. I knew that some of them could not do this. I said how is she going to get through this? And she taught this old communicator a trick. Every time she choked herself up, she would stop and take a big, quick, deep breath, and then she was able to go right on.

So I am going to follow that example of young 17-year-old Noah, because this always chokes me up.

President Reagan said in his final message to the American people, those of us who are over 35 or so years of age and who grew up in a different America. We were taught very directly what it means to be an American, and we absorbed, almost in the air, a love of country and an appreciation of its institutions. If you did not get these things from your family, you got them from the neighborhood, or from the father down the street who fought in Korea. And, Mr. Speaker, a week ago this afternoon I was up at the University of Maryland, where they have given a huge piece of their beautiful real estate to the National Archives, the extension of our great Archives Building on Constitution Avenue, and I looked at film for hours of captured young American men, some of them boys, from Korea in 1950 and 1951, a terrible forgotten war with a beautiful memorial down near the Lincoln Memorial, a war where we left thousands of unaccounted-for men and 389 men known alive.

God bless Ronald Reagan in his final words for talking about that father down the street who fought or maybe disappeared or was left behind alive in vicious communist captivity in Korea.

□ 1500

Reagan continues: "Or the family who lost someone at Anzio, where we were trapped in 1944 and could not break out in that rough Italian winter of 1943–1944. Or you could get a sense of patriotism from school, or if all else failed, you could get a sense of patriotism from popular culture. The movies celebrated democratic values and implicitly reinforced the idea that America was special." Early TV was like that, too, up through the mid 1960's, the beginning of the so-called sexual revolution.

More great paragraphs I have to skip over. Young students must get this speech. They must read it slowly in its fulsome patriotic impact.

I jump forward. President Reagan says: "So we've got to teach history based not on what is in fashion, but on what is important: why the pilgrims came here, who Jimmy Doolittle was." There is his order to me to do a tribute to General Jimmy Doolittle. And who knows "30 Seconds Over Tokyo"? How many young people in the gallery tonight, Mr. Speaker, know what "30 Seconds over Tokyo" means, unless they saw Spencer Tracy and Van Johnson on the late show last night or last year?

"You know," Reagan continues, "4 years ago, on the 40th anniversary of D-Day", and we are coming up soon on the 52d anniversary, "I read a letter from a young woman writing to her late father, who had fought on Omaha Beach," bloody Omaha. "Her name was Lisa Zanatta Henn." She said, and this is Reagan quoting Lisa, "We will always remember Dad. We will never forget what the boys," men, "of Normandy did." That includes John Bulkeley, Commander than. "We will never forget what the men of Normandy did."

"Well," President Reagan continues, "Let's help her keep her word. If we forget what they did, what we did, we won't know who we are. I'm warning of an eradication of the American memory that could result ultimately in an erosion of the American spirit." Hear President Reagan's words, Mr. Speaker, an erosion of the American spirit.

I have before me the remarks of Billy Graham in the Rotunda when this Congress, House and Senate, in joint resolution, gave him the Congressional Gold Medal. In his speech on the second page, and it is in today's RECORD for May 9, yesterday, I put it in the RECORD, read Billy Graham's speech. It should be taught in every school. On page 2 he says, "We are a society poised on the brink of self-destruction." That is the Reverend Billy Graham, who has given half a century to spreading the word of our Savior, the Son of Man.

We are poised on the brink of self-destruction. Mr. Speaker, you and I know he is not talking about the gas tax, whether to repeal it or not, or how many B–2 spirit bombers we are going to build. He is talking about the social issues that we will be discussing on the defense authorization bill next Wednesday. He is talking about what this era is doing to these children up here in the gallery, tearing their innocence away from them. Read Billy Graham's words and weep.

I come back to Reagan: "An erosion of the American spirit. Let's start with some basics: more attention to American history and a greater emphasis on civic ritual. Let me offer lesson No. 1 about our America: All great change in America begins at the dinner table."

Or the luncheon table in Hawaii or California, at this moment. "So tomorrow night in the kitchen, I hope the talking begins. And children, if your parents haven't been teaching you what it means to be an American, let them know, and nail them on it. That would be a very American thing to do."

There are orders from the "Great Communicator" for you young people to tell your parents to teach you about American history and what makes this great nation different than any other Nation extant now or in the history of mankind.

"That is about all I have to say tonight," Reagan says, "except for one thing. The past few days when I have been at that window upstairs, I thought a bit of that shining city upon a hill," the phrase from John Winthrop, first Governor of Massachusetts, his son first Governor of Connecticut. Winthrop wrote to describe the America he imagined. What he imagined was important because he was an early pilgrim, an early freedom man. He journeyed here on what today we would call a little wooden boat, kind of like a PT boat. Like the other pilgrims, he was looking for a home that would be free. "I've spoken of the shining city all my political life, but I don't know if I ever quite communicated what I saw when I said it. In my mind, it was a tall, proud city, built on rocks stronger than the oceans, windswept, God-blessed, and teeming with people of all kinds living in harmony and peace, a city with free ports," I wish all our presidential candidates had remembered this, "that hummed with commerce and creativity. And if there have to be city walls, the walls had doors, and the doors were open to anyone with the will and the heart to get here. That is how I saw it, and see it still."

Out of respect to Admiral Bulkeley, I must jump forward to the close, and skip over more powerful, moving words. Ronald Reagan says, "We have done our part. As I walk off into the city streets," to fight a tough disease, he didn't say that, I did, "a final word to the men and women of the Reagan revolution, the men and women across America who for 8 years did the work that brought America back." Admiral Bulkeley told me he heard one of my special orders talking about this. I hope he is watching from heaven.

"My friends," Reagan says, "we did it. We weren't just marking time. We made a difference. We made the city stronger. We made the city freer. We left her in good hands," and he meant Navy carrier attack pilot with 58 combat missions at 20 years of age, George Bush; we left it in good hands. "All in all, not bad. Not bad at all."

Well, you can tell Dutch Reagan, Mr. Speaker, we are blowing it here. We are blowing the Reagan revolution, because we are not listening to Billy Graham. Not everything is the bottom line. I am tired of Republicans turning on one another and forgetting the legacy that we have here in Reagan and Bush, bringing this city back to a city of honor and character, character like Jimmy Doolittle and John Bulkeley.

I said to Admiral Bulkeley on D-day, "Tell me Clinton didn't take that wreath away from you and throw it in the channel, since you were picked to represent all the men who died at sea, trying to put the young men on the beach." I said, "Hilliary was going to be given that honor, and taken away from you. Tell me it didn't happen, Admiral".

He says, "Well, we both held onto it, Mr. Clinton and myself, but I threw it in, and God knows about those things. God can sort that out." Get the CONGRESSIONAL RECORD, my friends, my colleagues, people listening across

America, yesterday, Billy Graham's words. In there you will see two other Dornan inserts.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair must remind all Members that remarks in debate must be addressed to the Chair and not to an audience that may be viewing the proceedings on television or in the gallery.

Mr. DORNAN. Mr. Speaker, tell everybody, tell your friends, tell everybody from sea to shining sea, Mr. Speaker, to get yesterday's RECORD. Also, there are two other Dornan inserts in there. One is an interview with Dr. Geoffrey Satinover, a psychiatrist, an M.D., Jewish heritage, convert to Catholic Christianity, at one time head of the Carl Jung Foundation. He talks about the horror, terror of young people having homosexuality glorified to them.

Then there is another article in here about the debauchery at one of our Federal buildings down the street; a pretty good RECORD to have, Mr. Speaker, from the 9th.

Now I come to this incredible American, this Medal of Honor legend, John Bulkeley. If you are looking for those patriotic films that Ronald Reagan spoke about, look for this one with Robert Montgomery and John Wayne. John Wayne was not yet the top billing in the early 1940's; "They Were Expendable," from this book. I had this book and lost it when my family moved in 1943 to New York. It is a 1942 book. I am handling it gently because it is from the treasured collection of George Cox, Jr. "They were expendable." It is an easy-to-read book, double-spaced. I read it all the way through last night and went to bed about 4 a.m. It just brought back all my childhood memories.

At age 9, right after Bataan, Corregidor, fighting in the North African desert, I read this late in that year, and I will get it back to our Hill legislative assistant, Mr. Cox, in good shape for his dad. He told me his dad never spoke of his heroic exploits in the Pacific.

When Admiral Bulkeley was alive and among us, after he had been down in the George Washington crypt area in the bottom floor, Donn Anderson, the wonderful Clerk of the House when the Democrats were in the majority, set up with a lot of hard work and some small support from me, the Medal of Honor tribute, with the original Medal of Honor given to young Jacob Parrott for an amazing behind-the-lines special operations, Seal-type advanced air insert team-type mission today, a real Delta Force Army Ranger mission behind the lines of the confederacy, stealing a train; half of them, all of them were captured, half executed. The leading officer was executed. Five were transferred. In the White House, Lincoln gave them the Medal of Honor and the Jacob Parrott medal held in his family for over a century and a third. He, the family, gives it to us, and it is down there. You can see it right now. I hope, Mr. Speaker, people visiting Capitol Hill will go look at it.

So Admiral Bulkeley was down there as the recipient. He is just an incredible person. I told him I wanted to bring him over here to lunch to meet the new freshmen. Why do we always keep those promises to ourselves? He is gone now, but not his memory. So the freshmen never had lunch with him. I was having a big PT boat made, a model boat, George Cox's boat, PT–41. It got delayed. I just wanted to have Admiral Bulkeley sign the deck, so I will have George, Junior, sign the deck.

But I have read this chapter from "Devil Boats." George brought this by my office. I do have two of these, one in California, one here, "Devil Boats," the PT war against the Japanese. Just a short mention of all the great PT work Bulkeley did off the Normandy coast. Here is what I read 2 years ago with Admiral Bulkeley watching on C-Span, Mr. Speaker.

"The Wild Man of the Philippines" is chapter 3 of "Devil Boats." When Lt. John Bulkeley reported to his Corregidor headquarters, still designated grandly as 16th Naval District, on January 18, 1942, he was handed a tersely written order by Capt. Herbert Ray, Adm. Rockwell's chief of staff: Army reports four enemy ships in or lying off Port Benonga. Force may include one destroyer, one large transport, filled with soldiers. Send two boats, attack between dusk and dawn. Returning to their base, the PT boat base at Sisiman Cove, Bulkeley began preparing for the night's mission.

By now his daring, his courage, his seemingly unlimited supply of nervous energy, and his swashbuckling exploits had gained him a widely known nickname: "Wild Man of the Philippines." A striking physical appearance strengthened that label. He looked like—and before I read this, his big picture at his funeral of his Annapolis graduation picture the year I was born, 1933, was handsomer than any of these little teenage heartthrobs today, Rob Lowe, Tom Cruise, Brad Pitt. None of them were as handsome as he when he was not commissioned in Annapolis, but told to wait a year, Congress has given us no money, we will pick you up later. He went to pilot training and they ran out of money. He had a few wired-together biplanes. He ended up this hero in the Philippines.

Here is his description, this handsome young man, a few years later, just turned 30 years of age. "A striking physical appearance strengthened the label Wild Man of the Philippines. He looked like a cross between a bloodthirsty buccaneer and a shipwrecked survivor just rescued from months spent marooned on a desolate island. His shirt and trousers were soiled, wrinkled, and torn. He wore a long, black, unruly beard and his green eyes were bloodshot and red-rimmed from endless nights without sleep while out patrolling the coasts in the PT boats. On each hip he carried a menacing pistol, and he clutched a tommygun in a manner that caused others to believe he was itching to locate a Japanese to use it on."

Bulkeley indeed was a wild man, a wild man on his way to a Medal of Honor. "For that night's raid he selected PT 31, skippered by Ed Billong, and PT 34's temporary captain was Ensign Baron Chandler. These men knew they were expendable. He was pinchhitting for Bob Kelly." That is the one whom John Wayne played in the movie.

It goes on with the most desperate fight of the coast, with him jumping on a Japanese barge, picking up all these oil- and blood- and water-soaked documents, bringing them back, because he had done intelligence work in his twenties for the Navy. He brings them back to MacArthur's command headquarters, and it is Japanese invasion plans to ironically run a MacArthur Korean-type Inchon amphibious landing around behind our forces, the way MacArthur got behind the Korean Communist forces, and land behind our men at Bataan, and the whole thing would have collapsed in January or February, instead of tragically on April 9, 1942, with the Bataan Death March.

□ 1515

Fast forward, and why funerals sometimes are uplifting experiences, besides all the beautiful patriotism and seeing his lovely two sons and three daughters and his grandkids, one of whom gave a beautiful eulogy, exactly like Noah to her grandpa, Yitzhak Rabin.

At the funeral afterward at the hotel near Arlington Cemetery, I bump into his helmsman when he commanded a destroyer, the *Endicott*. I met his helmsman. That would be August 1944, off the southern coast of France. That is 52 years later, so Joe Cain was 52 plus whatever he was as a young sailor.

He told me that Admiral Bulkeley, then a commander, kept those same guns on a cowboy belt, two pearl-handled Peacemakers, Colt Peacemakers. He kept them on his commander's chair on the bridge of the destroyer. When he was out, Joe Cain, turning into a 23-year-old right before my eyes, said:

"Congressman, we would take those guns off his chair and put them on and we would try fast drawing and somebody would say, 'The skipper's coming' and we would quickly get them back.

He would walk in, and he knew everybody's name and nickname.

"He said to me, 'Cain, you going on shore the next liberty?'

'Yes, sir, I am, Skipper.'

"Not with those sideburns, you're not."

A stickler for good appearance, in spite of his desperate early days. Beloved by his men. Then I heard this story, both in his son's eulogy and from the very eyewitnesses from the crew of the destroyer *Endicott*, Operation Dragon off the coast.

He said that none other than Douglas Fairbanks, Jr., one of my boyhood heroes from "DAWN PATROL" and "GUNGA DIN," is an American naval officer with the British. He was always an Anglophile with an affected British accent but Hollywood-born.

Doug Fairbanks, Jr., is on a British barge that is shelling the cost. Gunships, they call them. Gun barges.

He called, "'German E-boats are here after us. Help us." He actually said, "For God's sake help us."

Here comes Bulkeley to the rescue and the *Endicott*. All Bulkeley's big guns, the 5-inchers, were burned up from shelling the French coast all night covering Audie Murphy and the 3d Division and our men landing in southern France in August to relieve the men fighting their way through the hedgerows up north from the Normandy invasion. All their guns were burned up. All they had was a 20-millimeter small cannon.

They have a gun duel with these two German E-boats, Corvettes, right there and sink them both. The crews jump off and they pick up both the German commanders. He brings one of the German skippers up on the deck and Bulkeley from up on the bridge says, "Salute the colors," a naval tradition. The German officer says, "Nein." They both spoke English so he probably said, "Hell, no."

Bulkeley says, "Throw him back in." They pitched him over the side into the water.

The German starts pleading, "Bitte, bitte." "Okay." They bring him up.

"Salute the flag." "Nein," the German said.

"Throw him over again. Get set to get underway." Back the German goes in the water.

I said, "Joe, I have never even seen anything better than this in a movie. It didn't happen a third time, did it?"

He said, "It could have."

They finally dragged him up, on the deck again. He was properly chastised and humbled. He saluted. Not a Hitler salute. Their navy were not all Hitlerites. A salute to our salute, the U.S. Old Glory flying over the *Endicott*.

Then he took the two German commanders into a room, and he got two of his young kids from the Bronx, both Jewish in heritage, and Cain remembered their names. "Gottlieb," he said, and either "Rosenberg" or "Rosenstein," and he gave his two young Jewish sailors submachine guns, Thompsons.

Bulkeley says, "You understand English, right?" These two guys are from the Bronx, or Brooklyn, and they are kind of proud of their Jewish heritage. "Don't move or you'll be sorry." And he left these two young Jewish American sailors with their Thompsons on him.

Now to the eulogies.

I hope I can get through all this. If I cannot, Mr. Speaker, I want young people and not so young people to get this special order so they get the full eulogy of son/active-duty Capt. Peter Bulkeley, and a CNO who from the ranks as a 16 or 17-year-old seaman, Admiral Boorda. Adm. John M. Boorda, Chief of Naval Operations, senior ranking naval officer on active duty.

His remarks made on April 19, Patriot's Day, he was the highest-ranking person there. They brought me forward, I kind of slipped in the back; somebody recognized me, and asked me to come forward.

No, I will stay back here. No, come forward.

Here is a row for Cabinet officers. Empty. High-ranking administration people, active-duty military over here. Here is a row for Congressmen or Senators, empty, empty, empty. No Medal of Honor winner from the Senate. No Navy Cross winners from the Senate. No former Secretary of the Navy; from the Senate, no Senators.

Some people in the House felt bad there were not enough people at Ron Brown's funeral. I wanted to go to Ron Brown's funeral. I was caught in California. Ron Brown hosted me at Patton's grave as the only Congressman or Senator who showed up December 16 in Europe for the 50th anniversary of the Battle of the Bulge. I do not know what is wrong with this Chamber and the other body that we did not have tributes all during World War II to a not particularly memorable day in October. We had great World War II heroes, SONNY MONTGOMERY, 101st Airborne paratrooper SAM GIBBONS and HENRY HYDE on our side. Just a few World War II guys said wonderful things one day but nothing from Pearl Harbor, to that day in October, after the 50th anniversary of the end of the war. I just do not understand why people are not listening to what Reagan said.

So Admiral Boorda begins his remarks, "You may cast off when ready, Johnny." Those were MacArthur's words to Squadron Commander Bulkeley. I am sure Bulkeley, as I discussed with George Jr., turned to Ensign Cox and said, "Georgie, let's move it out of here. Anchors aweigh."

Admiral Boorda began.

"Will Rogers said that we can't all be heroes."

By the way, he beautifully delivered this, Mr. Speaker. "Some of us have to stand on the curb and clap as they go by." Or salute.

"When he made that statement, Will Rogers could only have had one type of person in mind, John Bulkeley."

"We gather here today." This is the new chapel at Fort Myer, in this place, on the bluff above Arlington.

"In this place meant for heroes and applaud a true American hero as he passes by. And we come together here as the rest of America stands up and cheers for a man who symbolizes the very best about our Nation. While we are saddened to no longer have the great John Bulkeley with us, it is not a day of sorrow. He would not have liked or allowed that. Today is a day meant to remember, to give thanks."

He goes on with page after page telling about his early years in the Navy, the film, They Were Expendable, America's leading man, John Wayne; America's sweetheart, Donna Reed. Do not forget Eisenhower's communications coach, Robert Montgomery. But most of all it was a great story about unbelievable courage and sacrifice.

He talked about how Admiral Bulkeley was famous in the end of that great 55-year legendary career for memos. He would send a one-paragraph memo, sign it and put a P.S. that would go on for pages and pages and he always ended, and I would like to end this speech in advance this way, "Just thought you'd like to know," Mr. Speaker. Great speech, Admiral Boorda.

"Admiral Bulkeley lived his life for our Navy and our country. He did so with guts and heart and most importantly with honor. His service stands as a tribute to every sailor, every American, every person on this earth who cherishes freedom. His life touched more than just us. It touched the world. And so today America says, 'Thank you, shipmate, for giving us the very best.' And while we know that you were always too special, too extraordinary to ever need our thanks, we just thought you'd like to know."

He paid great tribute to Alice Bulkeley whom I met. Beautiful young English girl whom he met in China during some very dark days after the Panay. He was then assigned to the *Sacramento*, the last coal-burning ship in the U.S. Navy. He married her and no sooner were they married than he had to leave her alone on their honeymoon with a Colt .45 under her pillow to go off on secret assignments for the Navy in China itself.

He comes to the end, Admiral Boorda, our CNO. He says, "Alice, I know that John loved you with every fiber of his being. And that while he's no longer here, he's still with you and your family in every way. I can feel it in this chapel. I can see it in the faces of your beautiful family. The wonderful children that John helped you raise: John Jr.; Joan; Peter, our Navy captain; Regina."

I have a daughter by that name, Kathleen Regina. Regina told me her nickname is Gina.

"And Diana," the youngest, "and your lovely grandchildren are each a testimony to the tremendous husband and father that he was and always will be in your hearts. John's life was a full and fulfilled life. He did what he wanted to do and in the way he wanted to do it. He had a special wife, a great family, and the undying love of a grateful Nation. And he knew he couldn't ask for more than that. In remembering, in giving thanks for Admiral John Duncan Bulkeley, we should be happy and heartened, for he was a man who truly gave it all and who truly had it all. So when the time came, when he once again heard a familiar voice calmly say, 'You may cast off when ready, Johnny,' he had prepared his ship well. He had passed the most important inspection. He was ready for his final voyage."

Then after that beautiful eulogy and the beautiful eulogies that I should have asked for from his grandchildren—they also read scripture, one grandson, one granddaughter—his handsome son Peter got up. Capt. Peter Bulkeley, and he said:

"Admiral Boorda, thank you for your very kind remarks. As our Chief of Naval Operations and as a personal friend of the Bulkeley family, we really appreciate your deep concern, your compassion, and personal kindness from all of us. Thank you again. For everyone, please sit back and relax and let me tell you a story about a very special man. Typical of the Admiral, he would want me to come to the point, so this is what he really wanted you to know. He had no regrets of his life, that he lived a long time, married the woman he loved, raised a family to be proud of, and served a Navy second to none."

Mr. Speaker, I pause here in Peter Bulkeley's opening eulogy to remind you and anyone listening to this Chamber proceeding that Ronald Reagan asked me to do things like this, that I may have my weird detractors who do not understand why I am concerned about the social decay of our country, why I want even defense publications like Armed Forces Journal International, or Roll Call, or the Hill, Marty, why I want you to pay attention to what Billy Graham said, poised on the edge of self-destruction. That is why I am doing this. I want people to hear these words about a real hero. Why no one showed up from this administration, unbelievably. The Army did send their No. 2 man, General Reimer's deputy.

I went to another tribute a few weeks later. It was not written up in the Hill or Armed Forces Journal International. It was not written up there. But I went to a ceremony at Arlington last Sunday where I was given some small piece of thank-you for getting 5,000 warriors—men and plenty of women—the Armed Forces Expeditionary Medal for what they did in El Salvador. No Senators, no Congressmen except myself, nobody from the administration. As a matter of fact, the Senate and some strange blockage at the highest levels of the Pentagon did not want these 5,000 male and female warriors to get that medal. And now I have kicked open the door and we are going to get some Bronze Stars and some combat infantry badges and combat medical badges for these people. Nobody showed up there. A beautiful Sunday, playing taps from the grave of Army Colonel Pickett. I got to meet his dad, a retired Army Colonel Picket.

How did Colonel Picket die? On his knees with a Communist bullet from the FMLN shot into the back of his head, killed this young enlisted man lying wounded on the ground, the copilot Captain Dawson was already dead in the cockpit of their helicopter.

When did that take place? January 1991. Nobody noticed because a week later the air war of Desert Storm started.

I will close without any more interruptions, just sit back, as Peter Bulkeley says, and listen to this story of a man who was a legend, and when I told BUCK MCKEON of our House that I could not believe nobody was there, he said, "You mean he outlived his fame."

He said, "If Ron Brown had lived to be Admiral Bulkeley's age, in his eighties, would anybody have remembered him or his less than 4 years as Commerce Secretary?"

□ 1530

No, I guess if you die young, on the line, you get buildings named after you. But if God gives you a good long life and a beautiful family, only a few remember and show up to say goodbye.

Peter continues:

When I pressed dad on 'no regrets,' he sheepishly told me with a twinkle in his eye that that wasn't quite altogether true. And he finally said, I do have one regret, Pete. I should have gotten a bigger boat. A destroyer is not too bad, but he was the kind of guy who could have handled a super carrier. So if you are contemplating a bigger boat, you know what to do.

I will not have in my lifetime a greater honor than today as an officer in our Navy and as his son, because I get to talk about my dad. Admiral Boorda, Admiral Larson, Superintendent at Annapolis, Admiral Trost, General Dubia, the number two man in the Army, General Blott, Assistant Secretary Perry, Assistant Secretary, Medal of Honor recipients, two of them from Army, Vietnam, another cause for freedom that Reagan and I both believed in, and so did Admiral Bulkeley, representatives of the Senate, none were there, and the House, one, members of the diplomatic corps, a couple, allied representatives from France, they were there, Philippines, Great Britain, members of our armed forces, all of them in uniform, friends from Hacketstown, New Jersey, and around the globe, all of those who served and knew Admiral John Bulkeley, and most especially my mom, my sisters, Joan, Regina and Diana and their husbands, my brother at the organ, beautiful, my wife, all eight of the Admiral's grandchildren, we have come together to honor a great man, a patriot, a legend, a hero in the truest sense. A husband, a father, a friend; a simple man that did his duty as God gave him the ability to do, and the man that tried to keep a low profile, but somehow always ended up in the limelight of life.

Admiral John Bulkeley is a legend. He devoted his entire life to his country and to his Navy. Six decades of his life were spent in the active defense of America. Even after retirement in 1988, he remained engaged in the direction of our Navy and our country. He represented the Navy and the veterans at Normandy during the D-Day celebrations, laying wreaths and flowers of his and our fallen comrades. He provided inspirational speeches to our youth and our leadership. He believed in America.

My dad believed in a strong defense. He believed in a Navy he loved more than his own life. John Bulkeley's destiny may have been cast long before he sought the salt spray of the open ocean. His ancestors that preceded him, like Richard Bulkeley, brought aboard HMS *Victory* by Lord Nelson just prior to the battle of Trafalgar, and with my son Mark, I stood on the spot on the deck of the *Victory* where Admiral Nelson was hit.

We went down below decks. I stood on the spot and touched the deck where he died. That is down at Portsmouth. But at the British Naval Museum in Greenwich, I then saw his uniform where the French sniper's bullet entered at the top of his epaulette.

Mr. Speaker. So I am with the history of Peter Bulkeley's words at this point.

Then there is John Bulkeley of HMS *Wager* under Captain Bliegh, who sailed with Anson's squadron to raid Spanish silver ships of the New World, and Charles Bulkeley, raising the Union Jack for the first time on an American warship, the *Alfred*, commanded by John Paul Jones. All this influenced his intense love of the sea.

He was born in New York City, as I was, grew up on a farm in Hacketstown, NJ, and wrote his high school class poem in 1928, if you can believe that. A poet, and he loved opera. And they played his favorites in the background, Mr. Speaker, all during the reception after the funeral.

He loved animals, and took great care of feeding and caring for any that sought his help. He was compassionate to those needs. He loved his black cat.

His love of the sea however was his dream and destiny. Unable to gain an appointment to Annapolis from his home State of New Jersey, his determination led him to Washington, and after knocking on doors, he gained an appointment from the State of Texas.

As America dealt with the depression, his dream of going to sea, however, received a setback. Only half of the 1933 Academy class that graduated received a commission. John Bulkeley, noted early on for his intense interest in engineering, went on and joined the Army Air Corps, I stand corrected. Like the crazy flying machines of the day, he landed hard more than once, and after a year, he left flying for the deck of a cruiser, the *Indianapolis*, as a commissioned officer in the U.S. Navy. That was an ill-fated ship.

In a recent message to the Navy, the Chief of Naval Operations recounted a story about the Admiral, cautioning all that read the message there are thousands of John Bulkeley stories. I have been fortunate enough to have heard a lot of them, but I am sure not all, as cards and letters continue to come forth to this day, with just another story to top the previous received one.

Many will, and do move with pride and love, respect, and maybe in some cases almost disbelief. Stories, as we all know, can grow. But I have also had the benefit of talking personally with the men and women that were there with the Admiral when history was being made. And the stories stand the test of time. I will only mention a few today.

Ensign John Bulkeley chartered an interesting course in his early years, and was recognized early on by the Navy's leadership. A new ensign in the mid-thirties, he took the initiative to remove the Japanese ambassadors's briefcase from a stateroom aboard a Washington-bound steamer, delivering the same to Naval Intelligence a short swim later. This bold feat, of which there were to be many more in his life, did not earn him any medals, but it did get him a safe one-way ticket out of the country, and a new assignment as chief engineer of a coal burning gun boat, the Sacramento, also known in those parts as the Galloping Ghost of the China Coast.

Picture in your minds the movie *Sand Pebbles*. That is it. There he was to meet a young attractive English girl at a dinner party aboard the HMS Diana. Alice Wood, later my mom, and the handsome swashbuckling John Bulkeley, would in the short period of courtship, live an incredible story together.

In China they would witness the invasion of Swatow and Shanghai by Japanese troops, the bombing of U.S.S. Panay. The were strafed by warring planes and, watching from a hotel, soldiers at war in the street below. John Bulkeley, with a uncanny propensity to stir things up, often took the opportunity to bait the occupying Japanese soldiers, dashing with his bride to be into no-man's lands, chased by Japanese soldiers, and once in a while shooting them with a BB gun air pistol only their back sides, "just for fun." He fit the mold of Indiana Jones, hat, coat and all, and not necessarily a commissioned officer in fore and aft cap of the day.

But John Bulkeley learned a lot from this experience, as a chief engineer, and also what war was all about and what an enemy invading force was capable of doing.

At the dawn of World War II, and now a Fleet Lieutenant commanding motor torpedo boats, John Bulkeley hit his stride as a daring, resourceful and courageous leader, determined to fight to the last against enemy forces attacking the Philippines. His exploits have made legends as well as movies.

As a young lieutenant, he would, "Say no one knows what war is about, until you are in it." Fearless in battle, resourceful and daring, that was Bulkeley. Men like George Cox, skipper of PT-41 would write in 1944, "I would follow this man to hell if asked." A lot of others would agree.

And General of the Army Douglas MacArthur, after being ordered out of the Philippines and arriving at Mindanao following a 600 mile open ocean escape, Mr. Speaker, aboard a 77 foot motor torpedo boat through enemy lines, would say, "You have taken me out of the jaws of death. I shall never forget it." He probably added "Johnny."

John Bulkeley's daring exploits will never be forget even. By the way, MacArthur said that to George Cox, Sr., too.

Hard as leather on the outside, he was also a man with compassion and a love for his fellow man. Reflecting to me a month ago, just before his death, about those terrible early days of World War II, dad wept over the decision that his men and our Army at Bataan were left behind to face an enemy of overwhelming strength.

Imagine, Mr. Speaker, this tough 55 year active duty seawolf still brought to the tears to his own son remembering the men we left behind at Bataan, like Colonel Eugene Holmes, who Clinton used so shamelessly in the summer of 1969. That is the ROTC commander at the University of Arkansas, Fayetteville.

But he also acknowledged that when the coach calls possible you to bunt, then sacrifice you do, with all the strength and conviction you can muster, for the overall victory cannot be achieved unless we are prepared to give it will our all. From the Pacific campaign, where he would command another squadron of PT boats, he would go to the European theater, just in time for norm and difficult. At the recent 50 day celebration, my sister and I, that would be Joan, along with our spouses, had the honor to accompany the Admiral and my mother. And what a beautiful spouse, Navy wife, Peter's wife is.

Many a time I heard from a Navy veterans, "thank you for saving my life. I would not be here were it not for you." He would hear them say that to his dad.

Let me reminisce a minute. As we were leaving Charles deGaulle Airport, another World War II vet, recognizing the Admiral, engaged him in conversation. As they departed, my dad said to this vet, "see you in the next war." Upon hearing this, the veteran quickly came to attention, rendered a snappy salute and responded, "I will be there, sir. Ready to fight." Where do we find such men? Peter is quoting Michener there. It is probably in his subconscious.

John Bulkeley led naval forces and torpedo boats and mine sweepers in clearing all the lanes to Utah Beach, keeping German E boats, who, Mr. Speaker, had killed almost 900 men near Slapsand, England in Operation Tiger in April, less than two months before D-Day, and it was kept secret for 25 years that more men died because of German E boats at the end of April of '44 than died on the beaches of Normandy in the waters of Normandy.

The German E boats were to be kept back from attacking the landing ships along what they called the Mason Line, running parallel to Utah Beach, and picking up wounded soliders from the sinking minesweeper Tide and the Destroyer Cory.

His World War II exploits would not be complete without the mention of his love for destroyers, of which he would command many in his years to come. As Normandy operations wound up, he got his first large ship, the Destroyer Endicott, a month after D-Day. I told this story about the British gunboats, the two German Corvettes charging in as dawn's light broke. I told that story. I want to use every minute here. Peter tells it better than I did.

When I asked about dad about that action, he said "What else could I do but engage? You fight, you win. That is the reputation of our Navy, then, now, and in the future. You fight, you win."

Let me pause. The Admiral was a strong believer in standards.

Mr. Speaker, my Reagan prologue was so long, I have 12 more beautiful eulogy remarks of Peter Bulkeley. I will submit them for the RECORD. I think it is important enough that on one of the 3-hour special orders I have next week, and I ask permission for those special orders right now, Monday, Tuesday, Wednesday, and Thursday, I will finish Peter's remarks, picking up with the Southern France invasion support and refer to today's May 10th RECORD, so people can get it. That gets Peter's dad an extra mention on the House floor.

Mr. Speaker, I include for the RECORD the remainder of Capt. Peter W. Bulkeley's eulogy for his father, Adm. John D. Bulkeley.

Let me pause—The Admiral was a strong believer in standards, some may say, from the old school, as the enemy Captain of one of the corvettes soon learned. Coming up from the sea ladder, he would not salute the colors of the Endicott, and was promptly tossed back into the sea. The third time, did the trick and he was taken prisoner and allowed on deck. I had heard this story a long time ago, but last year, I had the privilege of attending the Endicott ship's reunion, and was told this same tale, over and over again by the crew that served and loved their Captain, John Bulkeley.

World War Two closed and the Admiral emerged as one of the Navy's and America's most decorated heros—Having been awarded the Medal of Honor, The Navy Cross, The Army Distinguished Service Cross with Oak Leaf Cluster in lieu of a Second Award, Two Silver Stars, The Legion of Merit with Combat V and The Purple Heart twice over, the Philippine Distinguished Conduct Star and from France, The French Croix de Guerre. Asked about his many decorations, John Bulkeley would only comment, "Medals and Awards don't mean anything, it's what's inside you, how you feel about yourself that counts".

With an eye to the future John Bulkeley, looked forward to the day he would become an Admiral in the Navy he loved so much.

As President Kennedy in early months of his administration dealt with an ever increasing crisis over Cuba, the Admiral got his wish and for a quarter of a century would serve as a Flag Officer in the Navy.

Challenged in his first assignment as Commander of the Guantanamo Naval Base, he met and defeated the challenge of Fidel Castro's threats of severing the water supplies of the base. Today, Guantanamo, stands as a symbol of American resolve because men like John Bulkeley stood up and refused to bend, and took the initiative to stare down belligerent threats of lessor men, not friendly with America. Perhaps a tribute of the time, was the wanted poster, offering 50,000 Peso's for him, dead or alive by the communist leadership of Cuba along with a description, "a guerrilla of the worst species". . .

At Guantanomo, for those that have visited, there is a hill that overlooks the Northeast Gate, a Gate, with a sign that reads "Cuba, Land Free From America". I stood with my dad on that hill almost 32 years ago. Cuban troops began moving about, his 19 year old driver, a Marine Lance Corporal came running up and stood directly in front of the Admiral, ready and willing to take the bullet that would end the life of his Commander. The Admiral loved his Marines, the Marines loved and respected him in return. He would be with them day and night, in fatigues, ready to conduct war if necessary but more to defend Americans and The Land of the Free against the Communist yoke of tyranny. As COL Steven's, the former Commanding Officer of the Marine Barracks at Guantanamo wrote recently, adding three more stories to the Legend of John Bulkeley. The Admiral had the compassion for the men in the field, taking time again and again to bring them relief, whether cookies on Christmas morning or visiting them at odd hours of the night to ease their nerves, they loved this man. The Admiral would construct on that hill, the largest Marine Corps Insignia in the world, as a quiet reminder, that the United States Marine Corps stood vigilance over the base. And in tribute, a Marine would write: "John Bulkeley, Marine in Sailors clothing". Camp Bulkeley is still there in Guantanamo today and the Marine anchor and globe has a fresh coat of paint.

John Bulkeley never forgot his early years, the hard iron like discipline, the poor material condition of the fleet and the need to always be ready. In his own words, to be able to conduct prompt, sustained, combat operations at sea. Assigned as the President of the Board of Inspection and Survey, a post held by many distinguished Naval Officers since its inception almost since the beginning of the Navy, his boundless energy would find him aboard every ship in the Navy, from keel to top of the mast, from fire control system to inside a boiler, discussing readiness and sharing sea stories and a cup of coffee with the men who operate our ships, planes and submarines. He was relentless in his quest to improve the safety and material condition of the fleet and the conditions for the health and well being of those that manned them. He conducted his inspections by the book in strict accordance with standards as many a man well knows, but his love for the sailors always came through. His "Just thought you'd like to know letters", was another invention of his, that was designed to be "an unofficial report" but of course were often greeted by a groan by the recipient in the Navy's leadership, knowing that John Bulkeley had another concern that needed attention and the number of information addrees receiving the same "Just thought you'd like to know" letters, often was longer than the letter itself. The Admiral would laugh about his informal invention less than thirty days ago.

After fifty-five years of Commissioned service, John Bulkeley retired to private life. I was there at his retirement ceremony with Admiral Trost, then Chief of Naval Operations. John Bulkeley as you recall, did not like notoriety and wanted to keep a low profile, throughout his life, even his last day in his Navy. His ceremony as requested was brief and to the point. Held in the CNO's office, with family present, all he sought after giving his entire life to his country and his service was to have the CNO's Flag Lieutenant, open the door so he could slip his mooring line and leave quietly.

Today we celebrate the final journey of a Great American, John Bulkeley, and let him sail away. We should not mourn for he would not want that, preferring we celebrate his long life, fruitful life and a life he chooses to lead. When asked to describe his own life; He said: "Interesting, Fascinating and Beneficial to the United States."

The spirit of John Bulkeley, is here. You can see it everywhere. You can see it in the faces of our young sailors and marines, the midshipmen and our junior officers who will be challenged to live up to his standards of integrity, loyalty, bravery and dedicated service to country and to service.

John Bulkeley's career and service to the nation spanned six turbulent decades of this century, he saw first hand desperate times and the horrors of war. Yet he was also a father, marrying the woman he loved and in his own words, "it was the best thing I ever did". And raised a family he could be proud of. Because we're proud of him. Mom, you were his right arm, his closest friend for a long and full life. You gave him your love and your support. You truly were the Wind Beneath His Wings. Yellow roses and his Colt 45 that he gave to you on your wedding night, while he stood watch out in Swatow Harbor provide us comfort of this love for you and his service to country. Before he passed away, *his family*, every member, child and grandchild, sons and daughters-in-law all came to be with him in his last days. This by itself, is testimony of the legacy he leaves behind and the love his family had for him.

Today we face a different challenge that what John Bulkeley did. Old enemies are our allies, but now there are new foes who challeage our country's interests and our way of life sometimes even inside our own borders. Admiral Bulkeley's efforts and sacrifices for a better world, a free world, his integrity and honor, and a combat ready fleet, ready to conduct prompt, sustained combat operations are his legacy to our nation.

Seated before me, are many of the warriors that fought alongside the Admiral, shared in his beliefs, his determination, his losses, his grief and his unfailing love of family, service and country.

With his passing, the watch has been relieved. A new generation takes the helm and charts the course. His Navy, he shaped for so many years is at sea today, strong and better because of him, operating forward in far away places, standing vigilant and engaged in keeping peace and helping our fellow man, but ready for war.

In his own words he leaves this with you. "Be prepared! Your day will come, (heaven forbid), where you will be called to go forward to defend our great nation. Your leadership, bravery and skill will be tested to the utmost!"

"You should never forget that America's Torch of Freedom has been handed down to you by countless others that answered their country's call and often gave their lives to preserve freedoms so many take for granted. This torch is now in your hands. You have a great responsibility to uphold: Duty, Honor and Country. God Bless each of you and protect you."

Just though you'd like to know!

So, we gather together today to say farewell to a man we love, respect and cherish. A man that did his duty, that made his mark in life and left the world a better and safer place. God bless you Dad. All lines are clear.

A BAD TIME FOR FAMILIES

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, this week we will end it with the celebration of Mother's Day on Sunday. I think it has been a bad week for mothers and a bad week for families and a bad week for children. We had a Republican housing bill which passed, which greatly reduced the participation of the Federal Government in the provision of housing for the poorest people in America; bad for families, bad for children, bad for mothers.

One of the highlights of the debate on this bill was the offering of an amendment which would have just kept the present provision in the bill which says that no family should be made to pay more than 30 percent of their income for rent in public housing. No family should be made to pay more than 30 percent. That was removed by the Republican majority, and the amendment which was attempting to put that back into the legislation was voted down by the Republican majority.

It means it was telling poor families in America that you should pay more than 30 percent, be prepared. But no Member of Congress pays more than 30 percent of their income for housing, I assure you. Very few people in America pay 30 percent or more of their income for housing. That is not the way budgets for families are constructed. Yet we are saying that poor people should pay more than 30 percent. So it was not a good action to benefit families and mothers.

Next week we are looking at a situation we are going to be voting on the defense authorization. We are told that $13 billion is being added to the defense budget; $13 billion being added. How is that going to benefit families and children and mothers in America?

□ 1545

Beyond that, we have no hope next week of voting for the increase in the minimum wage. The increase in the minimum wage calls for a mere 45-cent increase in 1 year and a 45-cent increase the next year, a total over a 2-year period of an increase of 90 cents, which would bring the minimum wage up to $5.15 per hour.

Mr. Speaker, that would be good for families, families that are at the very bottom who are working, who find that, although they are working, they cannot make ends meet, cannot live on $4.25 an hour, which is the present minimum wage. So we would do a great deal for families, for mothers and children, if we were to move next week to pass an increase in the minimum wage.

But that is not on the horizon. What we are going to do instead is pass a bill to increase the defense budget by $13 billion. The authorization to increase the defense budget is for $13 billion additional.

Next week we will probably have the Republican budget on the floor, and of course the Republican budget will be passed because the Republican majority has the numbers to pass it. The Republican majority this year, this fiscal year, has already cut $23 billion out of the budget. That $23 billion, a large part of those cuts were in housing, and many of the cuts were in job training.

Activities and programs that are very needed, very much needed by the American people in general and certainly by families, by mothers and children, and yet they were cut. In this coming Republican budget we can expect more of the same kinds of cuts. In fact, the cuts in Medicaid and Medicare are back on the table. It was a retreat from those, but they are back on the table. So there will be an even larger cut in this year's budget than we had last year; $23 billion was just a beginning.

More important for families and for children is the fact that we are going to have in the next 10 or 15 days the Medicaid entitlement on the chopping block. Medicaid entitlement means that Medicaid, which had only existed for a little more than 30 years, it was part of Lyndon Johnson's Great Society program, created a little more than 30 years ago. The Medicaid entitlement says that, if you are poor, if you can pass a means test which shows your family is poor, then you are entitled to Medicaid, which is federally funded. The Federal Government will make certain that you get the aid you need in order to take care of your health needs.

Now, that is an entitlement. It means that no matter how many people are in need in a given year, the Federal Government stands behind the process by which they shall be taken care of. They have a right to the care, and the Government will provide the Federal share of the dollars. That entitlement now is being threatened. The Governors, both Democratic and Republican, have voted that they would like to have the Medicaid entitlement removed, not have the Federal Government stand behind the provision of health care for poor people. The States will instead take care of it on a finite basis. No entitlement. That means that there will be a certain amount of money available, and all of the people who get sick after the money is spent will not be taken care of. The entitlement is gone.

Mr. Speaker, the entitlement for nursing home care will be gone because two-thirds of Medicaid money goes to finance care for people in nursing homes. Two-thirds. Only one-third goes to poor families. Two-thirds goes to people in nursing homes. So that is threatened. That will be removed. That is not good for families, not good for mothers, not good for children.

In fact, the movement of the Medicaid entitlement will mean a first step toward genocide, in my opinion. We are going to give it to the States. That means it will be decentralized genocide, a first step toward decentralized genocide. I will talk more about that later.

Mr. Speaker, I want to talk about all of those items, but let me just talk about a few things that are nice that happened this week. National Library Week was this week, and it was an occasion where the libraries celebrated 50 years of the Washington office of the American Library Association. They were quite happy that the Federal Government has given anything to libraries.

We had a banquet where they were celebrating the 50th anniversary of the American Library Association, Washington office, and they honored some Members of Congress who had helped with libraries over the years. As I sat there and listened to the celebration, it occurred to me that never have so many applauded so lustily for so little. Never have so many applauded so lustily for so little.

The Federal Government has done very little for libraries over the years. Over the 50-year history of the national ALA Washington office, they have received very little help from the Federal Government relatively speaking.

In fact we have a bill which is pending now in the Senate which will authorize $150 million in aid to libraries; $50 million is what the Senate has, and I think the House of Representatives has $110 million. There is some kind of talk there will be agreement whereby the higher figure may be accepted, and we will have $150 million in aid to libraries. Well, that is down from where it was just 5 years ago. At one point we got as high as $217 million.

Aid to libraries has gone down instead of up. This has happened at a time when we are talking about the need to increase our level of education for families and for children.

So it is good that National Library Week took place. It is good the librarians are happy and celebrating the fact that we have gotten an agreement almost to maintain the level of Federal funding for libraries at $150 million a year. The authorization now will go down. The authorization was open-ended, but now the authorization will set a ceiling that no more than $150 million will be available to all of the thousands of libraries across America who need some kind of assistance.

Of course, State and local governments provide most of the money for libraries, but that is the way it is. Why should it be that way if education is a national concern and our national security is dependent on education? Then you would think libraries would be getting far more than they get now in terms of aid from the Federal Government.

Libraries are the biggest bargain the Government has for the millions of people served. The dollars, which are pennies per person, are quite great indeed. So the value of what we spend for libraries is unexcelled in any other area of expenditures in education. But that was a mixed blessing. I am not happy with what the Federal Government has done in this critical area, but we celebrated.

We also had a mixed victory in terms of people with disabilities. I spoke last week about the fact that the bill which provides aid to children with disabilities, it is called IDEA, Individuals

With Disabilities Education Act, that act is what is in existence right now, they are trying to replace it with another act, which would be a new authorization, and they are chipping away, I said, at the Federal Government's commitment to children with disabilities.

There are many ways in which the Federal Government in that legislation would reduce its level of commitment. I am happy to report that the committee I serve on, the Committee on Economic and Educational Opportunities, postponed the markup. The markup was to take place on Wednesday, the 8th, and now it has been postponed.

And one of the reasons it was postponed is because the numerous groups that are concerned and involved with trying to help improve this legislation have all indicated that I was correct; that when they looked at the bill closely there was a withdrawal of the Federal commitment in a very basic way.

For years, the Federal Government has committed itself to picking up the cost of the excess, part of the cost of the excess. It costs a certain amount to educate a child in a school system. And whatever the additional cost was to educate a child because they had disabilities, that cost went up. The authorization language was that it would pick up 40 percent of the excess cost; 40 percent.

Now, we have never actually appropriated enough money to reach the goal of 40 percent of the excess cost, but we did get up to 7 percent; 7 percent. In the new legislation that was being proposed we were backing away from that commitment and zero percent was committed. We thought that was a big step backward, and I am glad to hear that we have postponed the markup. That is good news for mothers, it is good news for children.

There was also good news occurring today. We have in the Capitol a rally of thousands of nurses. Nurses have come because they feel they are shut out of the whole process by which health care is being reengineered. Health care in America, the system, is undergoing some revolutionary changes. The biggest change relates to the health maintenance organizations, health maintenance organizations which will be providing service to people on a per capita basis.

They will have each individual family pay a certain amount of money and they will provide service for that individual, for that family, for a year on the basis of that per capita amount.

They are changing the way health care is provided because with the dollar figure placed on each family, the incentive for the HMO is to try to keep the cost of the health care down. That is a laudable goal. We do not want to spend any more for health care than we have to spend. But we find excesses have started to develop where HMO's, given no kind of regulatory controls, have been pushing the quality of health care steadily downward because they want to keep the costs down.

That has resulted in legislative action in many States. Some States have said we cannot push a mother with a baby out of a hospital after 24 hours. HMO's have started to do that. The HMO's have been saying 24 hours is enough if a woman has a baby in a hospital; she has to go. So some States have said, no, it is 48 hours.

It used to be the doctors and the nurses and the people taking care of the mother who had the child that made the judgment as to when that mother could go safely home with the child. So here is something that gets to the heart of what Mother's Day is all about. The nurses are here to say that that kind of activity, either by hospitals or by health maintenance organizations, endangers the quality of life of the child and the mother. They are here to say that as nurses they want the opportunity to be able, as professionals, to say when wrong decisions are being made about the care of patients.

Nurses are our experts on the front line in health care. They see more of patients than doctors. Nurses are closer to the situation. They read the vital signals on a day-to-day basis. When we are in the hospital we see more of nurses than we see of doctors. When young children come into the world, most children are born in hospitals in this country, nurses are one of the first experiences they will encounter, even if they do not realize it. And often, of course, if we are fortunate to live a long life, as we live longer and life becomes more complicated in terms of physical maintenance, we are going to spend more time in hospitals. And nurses, at the end of our lives, are probably going to be one of the last set of people that we have experiences with.

So I want to congratulate and thank the nurses who have come today to Washington by the thousands and say that they are very much a part of what Mother's Day is all about. Many of them may be individual mothers, of course, and we certainly applaud that, but certainly in terms of keeping mothers together at a very critical time in their lives, taking care of infants at a very critical time of their lives, nurses are very much on the front line.

It is Mother's Day, and I hope that on Sunday, as we reflect on Mother's Day, we will stop and think about what the Nation is doing for mothers and what the Nation is doing for children, what the Nation is doing for families. Among Members of Congress there is a lot of rhetoric this year about family values. Everybody talks about family values. And when one hears the dialog, we think that family values are all about whether or not children will be allowed to see pornography on the Internet or whether we will take a stronger step about getting pornography off the TV sets or getting violence off the TV sets.

I think that is important. We should get rid of pornography and violence. Certainly violence is pervasive on our TV sets. Our children see hundreds and hundreds of murders. By the time a child reaches high school, they have seen thousands of murders on TV. So we should deal with that, and that is part of what family values are all about. I am certainly not criticizing that. But it is just a tiny part of what support for family values has to be all about.

□ 1600

Support for family values and support for families ought to be about so much more. It ought to be about food, clothing, shelter, providing educational opportunity. It ought to be about providing jobs that have wages that are large enough, wages that are high enough to guarantee that when people work they earn enough money to make a living.

But in celebration of Mother's Day, I just want to digress for a moment and say that in March 1990, when we had a day care bill before us and the talk about mothers and children and what the Federal role should be in trying to guarantee that poor mothers who go to work have an opportunity to have their children get day care coverage, it was a long debate.

During that debate I got very angry about the way the Members of the House were dragging their feet. Indeed, Members of both Houses were dragging their feet on a concrete answer to the problem of day care for working mothers, poor working mothers. I wrote a rap poem because I was very impressed at that time by the fact that rap poems had become, rap music had become very popular. I was not happy with the kind of content that the rap music had, what they were saying, the substance of rap music was not impressive. But I was impressed with the possibility of rap as an art form. I was impressed with the possibility of rap as a poetry form, a literary form. I still am an exponent of rap as a literary form that ought to be developed. I think that like the sonnet, it has a lot of potential for expressing strong feelings.

The first rap that I wrote and put into the CONGRESSIONAL RECORD was called "Let the Mothers Lead the Fight." It is all about the fight for mothers to get public policies which are conducive to the improvement of the quality of life for families. At that particular time it was day care.

There are many others that, many other public policies that do relate to families. I dedicated this rap poem to Marian Wright Edelman, because Marian Wright Edelman at that time was very much in the middle of a fight to get better day care for families, for poor families.

Marian Wright Edelman, as you know, is the head of the Children's Defense Fund. The Children's Defense Fund is going to have a stand for children here in Washington on June 1. And the same issues that we were discussing, in March 1990, are very much on the agenda today in May of 1996. In fact, the situation is more serious now because we did not have a threat of Medicaid being taken away in 1990. Now Medicaid may be taken away from families in 1996. So I think the rap poem is appropriate. I will read it again here. I will read it for the first time on the floor because the first time I just submitted it into the RECORD. It is called "Let the Mothers Lead the Fight."

I dedicate this to all the mothers on Mother's Day. It is very significant that when I first put this in the RECORD, a local newspaper in my district ran the poem on the front page of the newspaper that weekend just before Mother's Day. So I want to note that it is not the first time that it has been pulled from the pages of the CONGRESSIONAL RECORD. We did have it run in one of our local weekly newspapers back in 1990:

Let the mothers lead the fight-
Sisters snatch the future from the night
Dangerous dumb males have made a mess on the right
Macho mad egos on the left swollen out of sight

Let the mothers lead the fight!
Drop the linen-throw away the lace
Stop the murder-sweep out the arms race
Let the mothers lead the fight:

Use your broom
Sweep out the doom
Don't fear the mouse
Break out of the house-
Rats are ruining the world!
Let the mothers lead the fight!

Fat cats want to buy your soul
Saving the children is the mothers role:
Cook up some cool calculations
Look up some new recipes
Lock the generals tight down in the deep freeze.
Let the mothers lead the fight!

Human history is a long ugly tale
Tragedy guided by the frail monster male:
Babies bashed with blind bayonets
Daughters trapped in slimy lust nets,
Across time hear our loud terrified wail-
Holocaust happens when the silly males fail.
Let the mothers lead the fight!

Snatch the future back from the night
Storm the conference rooms with our rage
Focus X-rays on the Washington stage.
The world is being ruined by rats!
Rescue is in the hands of the cats:

Scratch out their lies
Put pins in smug rat eyes
Hate the fakes
Burn rhetoric at the stakes
Enough of this endless selfish night
Let the mothers lead the fight!

Holocaust happens when the silly males fail!
March now to end this long ugly tale
Let the mothers lead the fight!
Stand up now to the frail monster male!
Let the mothers lead the fight:
Snatch the future back from the night!
Let the mothers lead the fight?

I was told later on that that is a little too angry. It is a little too antimale. It is a little too hostile, but that was in March of 1990. That was before the attack on Aid to Families with Dependent Children. We are almost certain to end Aid to Families with Dependent Children as a Federal program as an entitlement. That is almost certain. I am not even going to bring up, get up anybody's hopes that we can hold on to that.

What we are fighting now is to hold on to the entitlement for Medicare, something which mothers and families, children cannot survive without. Poor families need Medicaid. If the mothers do not lead the fight, it appears that the silly males who are in control of policies and power are going to move to take away the Medicaid entitlement. That is going to be a first step toward what I call decentralized genocide.

The nurses were here today, the nurses were here to talk about health care. The nurses were here to talk about the fact that there is a health care industrial complex that is being developed. What do I mean by that when I say a health care industrial complex? I mean that health care instead of being primarily a service is going to be primarily an industry, a vehicle for making profits.

Health care has always been an industry, a service and an industry, a very vital service, but it is an industry. It employs people. Income is earned. Capital is made, is required to build hospitals. All kind of auxiliary companies feed in, the laboratories and the companies that build health care machinery, the drug companies that do the research and earn tremendous amounts of money on the drugs that they develop. It is an industry. It has always been an industry. There is nothing wrong with it being an industry. It is an industry that large amounts of public funds are put into. Taxpayers money goes into the health care industry.

I have said many times, I can think of no more noble way to spend taxpayer money on than to spend it on helping people to stay healthy and helping people who are already ill, helping people who are elderly, who need nursing home care.

There is no more noble way to expend Federal dollars than in the health care industry. The problem now is that the health care is becoming too much of an industry, more industry than service, whereas service was a primary goal before. And the patient and the people and the health care was first.

Now the industry goal of profits, how much money can we make, has become the most important goal. Large insurance companies are buying health maintenance organizations. Pharmaceutical companies are buying health maintenance organizations. The stock market has health maintenance organizations on the stock market. There is a great deal of pressure on every stock market company to produce profits. You have to produce more and more and higher and higher profits.

Where are the profits going to come from? The profits have to come out of giving less care to patients because in many cases these health care maintenance, these health maintenance organizations are being funded by government, the Federal, State and local governments, or they are being funded by industry that wants a lower cost.

The industry wants to spend less money on health care. The government wants to spend less money on health care, and you cannot get profits by raising the price that you charge industry or government. The only way you can make money and increase your profits in health care is to decrease the kind of service you provide to the patient.

Well, that is not exactly true. You might get rid of some waste. There may be waste in the way service is provided. Too many people may be doing the same kinds of things. There may be waste in the amount of money you pay for equipment or waste in the amount of money you pay for drugs.

It is possible that you can legitimately save money and increase profits. But we see too many examples where the easiest course of action by the health maintenance organizations has been to decrease service. That is the easiest way to make the greatest amount of profit.

I am not here to lead a charge against health maintenance organizations. I am not here to try to cover up the fact that in my community, many of my communities, poor communities, Brownsville, East New York, Bedford Stuyvesant, parts of Crown Heights and Brooklyn, New York, people have suffered for years without HMOs being there. The Medicaid mills and the abuses of doctors who were taking exorbitant fees and giving little service, health care has always been a problem.

So health care may be improved through health maintenance organizations. It is possible. I am not going to be dogmatic enough that health maintenance organizations represent some kind of evil that ought to be stopped. No. The argument here is that as you reengineer the health care system, as you restructure it, then do not just restructure it to maximize profits. Restructure it to give better health care. And in the process of restructuring it, include the nurses in the dialogue. Let the nurses give us advice as to how we can restructure health care to make it more effective and at the same time less costly.

When you restructure health care, let the patients be involved. When you restructure health care, by all means, do not push the doctors out on the fringes. There are doctors organizations, medical organizations of doctors complaining about the fact that their decision-making powers have been taken away, that they are second-guessed by people who are accountants, that accountants are now running the show who never went to medical school, many of them who did not take a biology course in high school. But they are looking at the costs, and they want to know how badly were people bleeding when they went to the emergency room. If they are not bleeding so many liters, then do not give them emergency care. Send them home.

Reductio ad absurdum, absurd situations like that are almost occurring where people are being told in the emergency room, you have to call your HMO, check with them. And if they say we cannot give you emergency care, then you have to go home. We cannot deal with it. A doctor on the scene in the emergency room to be able to make the judgment, does this person need emergency care or not, and a health maintenance organization should be required, mandated to follow through on the doctor's decision that a person needs the health care.

So we are into a situation now where the most intimate kind of thing that affects families, that affects children, that affects mothers, their health care, the most intimate kind of care is now a matter of public policy.

Public policy has to defend the patients and defend the mothers and defend the children from the possibility that they will be abused by people who are trying to maximize profits. That is the kind of situation we find ourselves in.

Mother's Day, this Sunday, has to be a day of reflection on what is happening in health care, about health care in America. Mother's Day has to be a day where you deal with some of the issues that I have raised in a piece of legislation that I am drafting which got called the Patient and Health Care Professional Protection Act.

Mother's Day has to be a concern of some of the activities that are taking place around the country other than here in Washington. In New York, on next Sunday, May 19, there is going to be rallies at 5 different hospitals to deal with health care. It is called Hospital Support Sunday.

On May 19, in New York, there will be in each one of the 5 boroughs people of all walks of life getting together to come out to show their support for maintaining proper care at the hospitals. New York, we have threatened hospitals that may be closed. Hospitals may be sold. Hospitals may be leased. A number of problems are being generated by the fact that they are trying to make maximum profits off of hospitals and set up a situation where they can maximize the amount of money being paid off the patients.

So in unison with nurses and doctors, people will be coming out on May 19 at 5 different hospital sites to let it be known that the people care about health care.

In this bill that I have, we have 2 major sections. One is to protect the rights of the health care consumer, the patient. It establishes a Federal mechanism for the emergency investigation of the most egregious cases involving death or life-threatening situations. We have situations now where the Federal Government does investigate and survey hospitals. They have come up with reports on the death rate at hospitals that are receiving Medicare and Medicaid funds. But that is after the fact. It is a survey, a study undertaken, sometimes years after the deaths have occurred because they are looking at statistics and how many people in a given area, people in the health care, the heart care surgery section or people who are suffering from asthma, how many deaths in those categories are recorded on the records of the hospital. They have come up with a pattern.

□ 1615

That has been very useful in determining that some hospitals have patterns of improper care. But it has not been useful in dealing with emergency situations that might save some lives by stopping immediately practices which are dangerous. So a mechanism would be built in here to do that.

We also outlaw what is called the gag order. There are contracts being forced on nurses now where the nurses have to sign a gag order which says you cannot discuss the care being given in this hospital with anybody outside the hospital, you cannot discuss it even with the patient's family. So that is a process that is ongoing that nurses have to deal with.

They are taking care of people, they see things happening not good for the patient, they see things happening that may endanger the patient, but they cannot talk to the family about it. They cannot complain to anybody else about it. It mandates that the gag order of this kind will no longer be there; the Federal Government will make that illegal.

My legislation mandates that there must be a compilation of uniform national patient outcome data collection and analysis to make sure that patients are taken care of, are systematically receiving quality care based on sound evidence. That is a systematic analysis of what happens when patients go to hospitals: Do they have to come back for the same treatment? Do they get infected while they were in the hospital? What pattern is there in this hospital which relates to the patient outcome, directly related to the patient? Hospitals often evaluate it now based on what kind of machinery do they have or what kind of procedures do they undertake, or what are the qualifications of the medical staff; but not on a basic activity like what is happening with the patients.

So there are other mechanisms also which deal with patients.

Most important of all, I insist in this legislation that we create an office of consumer advocacy for health at the State level, and then we insist that there be independent patient advisory committees created at the level of the HMO. That is, every health maintenance organization would have a percentage of its funds paid into a statewide fund that is used to fund health advisory organizations, patient advisory organizations, that would be run by patient groups, a certain percentage. I put in 1 percent; 1 percent of the gross spent on health care should be set aside so that patient advocacy, patient advisory organizations can be funded on a regular basis.

Yes, there will be relief and appeal mechanisms built in. But unless you have the opportunity for patients to organize and have their own group process, they will have no chance against the establishment, medical care establishment, when they have a grievance. So we want patients to have the same kind of activities, mechanism to defend themselves.

And then, of course, we are protecting the health care professionals against any further harassments by having a mechanism for developing nationwide guidelines established. We want to prohibit the discharge and the demotion or harassment of any nurse, doctor, or any other health care professional who assists in an investigation of the hospital or of his or her employer.

We want to guarantee compensation for victims of whistleblower retaliations. We have a whistleblower program for people to inform about abuses in Medicare, waste and corruption in Medicare, but we do not have whistleblower mechanisms which inform about abuses of patients. Nurses need to be protected and compensated if there are retaliations when they report these kinds of abuses.

This is just a brief summary. I do not want to go into details here because I think it is very important to note there is a political process that is beginning. The patients and the nurses, the doctors, all the people who really care about health care more than they care about profits, they outnumber the people who want to make money. So they have a political advantage in our democracy. And what they need to understand is that this is going to be an ongoing political debate for years to come.

It will take us 10 or 15 years to straighten out this new reengineered health care system. In the process of straightening it out, we must have the people who are the experts on the front line there. We first must open up the situation so that they are respected and they are allowed to come to the table and they are allowed to help decide how we are going to reengineer and restructure the system.

In New York State we just had yesterday an announcement made by Governor Pataki. And Governor Pataki is a Republican. I seldom have praise for Republicans. But Republicans, too, can do some good, and I want to praise the Governor for having taken a definitive step in solving some problems related to HMO's in New York State.

A lot of different people have been complaining. The State assembly has a bill which is trying to regulate and improve the care of health maintenance organizations. The State Senate has a bill, the Governor brought them altogether, he brought in the health maintenance organizations, he brought in representatives of the health plans, the Blue Cross/Blue Shield. He brought in certain groups that say they represent patients: New Yorkers for accessible Care, Coalition of Health Care Consumer Organizations. But a lot of different people.

I do not see nurses there. I do not see nurses particularly represented in the groups that are specified here, and that is unfortunate. And I am not sure that the health care consumer organizations really represent consumers, because there is no grassroots consumer organization. Nobody in my community has ever belonged to any of these New York Accessible Care organizations, but at least it was a beginning, and I want to applaud the Governor for making the beginning, and they think they have a bill, they have an agreement, which all parties will agree to and they can have legislation develop as a result.

That is a beginning. It is important to get that legislation out, it is important to have it start on a positive foot. It is a positive move forward, but there needs to be a lot of refinement, there needs to be a lot of new input from nurses. There needs to be a lot of input from patients. There needs to be a lot of input from city council people, from assemblymen, from State senators, from Congress people.

We have said that what we want is a freeze. In New York we are asking for a freeze on the situation. One of the demands for health care support certainly which is going to take place on this next Sunday, May 19, is that there be a freeze to stop the health care industry from stampeding us into a situation which will make the health care system more difficult to improve. We want to freeze so that profits will not be the utmost consideration; freeze everything for 6 months, do not do anything until more people have a chance to have input into the systems that are being proposed for change. Do not sell any hospitals.

We have a mayor, a Republican mayor, who is obsessed with privatization; any privatization is good. So he wants to move forward and privatize. They have a situation now where $43 million was given to, a contract was given to, an organization, and they were in such a hurry to privatize until the total contracting process was illegal. They signed the contract with a staff member, and the board had never approved it. They found out that members of the mayor's own staff had family that was later employed by this company that got the $43 million contract. That kind of conflict of interest and nepotism was rampant. So they withdrew the contract, and now the FBI is in New York investigating the way the mayor's office puts out these contract.

So privatization, moving at breakneck speed, will generate a lot of problems for government and for the taxpayers. Let us freeze the selling of hospitals, let us freeze the granting of contracts, let us freeze the privatization process for 6 months.

Then we are asking that we have a disclosure of current and long-term plans. Whatever the mayor has on the drawing table for his municipal hospitals, let it put it out publicly, let us see it, let us have full disclosure, let us see what the current plans are, let us see what the long-term plans are, and let us all take a look at it and have a chance to comment on it.

This is just simple democracy, the kind of democracy we used to have here in the House of Representatives. When the minority Republicans were in the minority, the Democrats shared information and we had hearings and we did not push bills through without notification. That old-fashioned democracy that we used to have here, we need it at the level of city government and we need it at the level of State government, in the health care areas. So we want full disclosure and an opportunity to comment.

And the final item is we want inclusion in the process, recognize some of the nursing organizations, and the patient organizations and the doctor organizations, recognize them officially and accept from them alternative proposals for the way the health care system is going to be restructured, accept alternative proposals and accept a process of negotiation. If the alternative proposals that are prepared by citizens groups, and we were going to set up a commission in New York, a citizens commission with representatives from the unions that are in hospitals and representatives from the patients, representatives from the nurses and other medical professionals and representatives from community leaders. With all three of those, all those groups represented, four, plus additional people, senior citizens and groups that are impacted most intentionally by health care services, if all of them are represented in the process, then we think we can negotiate systems that benefit everybody.

There is not going to be an overnight process. We know it is going to go on for a large number of years. We know that there are going to be a lot of tensions. We know we will be up against the health care industrial complex. But here is an opportunity for our health care industrial complex to show us that it can be in the interests of the people, a health care industrial complex can act to improve health care in America.

You know, I think the older I get the more I understand how America runs, and if you do not have one of these complexes, you are not going to get very far in terms of government.

We have a military industrial complex that is totally out of control and obsolete, but very powerful, and it still commands the greater part of the budget. It is now going to get an increase of $13 billion. A military industrial complex is the kind of complex that we have to have in order to defeat Hitler's Germany. If we had not had a military industrial complex operating effectively and efficiently when it was needed, we would not have won the war, we would not have been able to stop the spread of communism. So the military industrial complex made a great contribution. It costs too much, it abused its power, it charged too much, it spent too much, and even now when the danger is over, communism is collapsed, and we have no wars of the magnitude of World War II, they want to continue to spend money and use the taxpayers' funds to make profits when it is just not moral anymore, it is not needed.

But let us salute them for what they did. Let us understand that they have to be brought under control by the taxpayers, they have to be brought under control by the Members of Congress and other legislators. It is out of control, and it is obsolete. But we need a health care—if we are going to have a health care industrial complex to move things, let us make sure the abuses that took place with the military industrial complex do not take place with the health care industrial complex, that it does not become an oppressive force dominating the budget and forcing us to cut our libraries.

We cut the budget for libraries, we cut the budget for title I, cut the budget for Head Start. Let us not cut the budgets of all these programs to keep our health care industrial complex going because we want to increase the profits. Let us make certain it is trim so that we have a complex that is providing maximum service and maybe some people will make some money, maybe they will not. Possibly they will.

Maybe we need an industrial complex in order to offset the other industrial complexes like military industrial complex and the health care industrial complex when we really need librarians, teachers, and educators, and publishers, and manufacturers of computers for schools and school construction companies.

□ 1630

You ought to get all involved in the education industrial complex. We need industrial complexes to offset industrial complexes. Maybe the future of the American economy and the future of our whole political society has a lot to do with how we balance off these complexes.

There is a banking industrial complex. The banking industrial complex is probably the wealthiest, and they have done the most harm to our society in terms of taking money out of taxpayers' pockets. The banking industrial complex pulled the largest swindle in the history of mankind. The banking industrial complex is responsible for the savings and loan swindle. The savings and loan association swindle has cost the American taxpayers already about $300 billion. Taxpayers have paid $300 billion to prop up the banks that were destroyed in the savings and loan banking swindles. It was not just savings and loan banks, but also other banks.

So we have the banking industrial complex that really should be brought under control, we have the military industrial complex that ought to be brought under control. Now we have a new health care industrial complex that we ought to try to get control of before it runs away and destroys large segments of the society and misuses money. But that is the way it is. These complexes are going to be there, one way or another. We have to face up to that and start looking at them with clear eyes, at what runs America.

These complexes have a lot to do with how America runs. There is an oil industrial complex. The gulf war was all about making certain that the oil industrial complex did not get put into a position where it was begging Saddam Hussein. That was a good move in terms of the fact that, in hindsight, Saddam Hussein had to be stopped.

But let us understand what is happening. Let us understand that a health care industrial complex is dangerous if it gets to the point where their drive to make money is destroying lives in America on a day-to-day basis, and therefore it must be brought under control.

One of the good things that happened this week was that the nurses came to Washington today. The nurses are here. That was good. That is in line with making America safer and more acceptable for mothers and for children and for families, very much in line. On May 19, back in New York, we are going to, again, try to get the input of the nurses, the input of the doctors, the input of the patients into the restructuring of health care in New York City.

There are rallies being held in all five boroughs. In Brooklyn the rally is going to take place at Kingsborough Hospital on Clarkson Avenue. In Queens, it is at the Queens Hospital Center, Grand Central Parkway. In Manhattan, it is at the Harlem Hospital. In Staten Island, it is at the Staten Island University Hospital. In the Bronx, it is at Lincoln Hospital. People are getting involved.

What Americans are saying in New York, in California, in Massachusetts, and in a few other places is that we understand now what is happening. Our first demand is that you let us make democracy work. Let us get involved. Let us make certain that whatever new system is being developed is for the benefit of all the people.

I want to close by asking that all groups all across America take the time out to focus in the next few days on health care, take the time out to focus specifically on Medicaid as a part of our health care system. Medicare is a kingpin of the American health care system. Medicare is the forward step in the American health care system, Medicaid. Medicaid is the forward step, Medicare and Medicaid, but Medicaid is the forward step toward universal health care. Medicaid is for people who cannot afford health care. It is the only step our Government has taken to reach out there and say that we take responsibility for what is most basic: whether you can live and breathe and be healthy.

Medicaid is for poor people. You have to show that you are poor through a means test. The farmers who get subsidies in Kansas and other western States, they do not have to show a means test. They do not have to show they are poor. They get lots of money. The average in Kansas, I think in the last 5 years, has been $40,000 to $50,000 that has been given to every farm family, at least $40,000 to $50,000, without any strings attached in terms of you have to prove you are poor.

The Freemen in Montana, the group out there with the FBI surrounding them, they are angry because the Government wants its money back. The Freeman, the guy who heads that whole operation, owes the Government $830,000, almost $1 million; $830,000-some. His ranch has been repossessed because he had a farmers home loan mortgage. He is angry and ready to kill somebody because he got away with that for so long, he received Government largesse for so long that be began to believe he had a right to it. If you tried to take it away, he would kill you.

It is that mixed up out there, out west, where the Agriculture Department has forgiven about $11 billion in loans. That was on the front page of the Washington Post, that $11 billion had been forgiven, $11 billion forgiven. So Medicaid is for people who prove they are poor.

There are some Federal subsidies, some taxpayer giveaways, that have nothing to do with you proving you are poor. You just get it because you have the right kind of connections: your are a farmer and you live in Kansas, Montana, or New Mexico, you get it. But Medicaid is for people who prove that you are poor. You have to prove that you are poor.

One-third of Medicaid funds go to poor families. Two-thirds of Medicaid funds go to nursing homes. People in nursing homes have to prove they are poor. Many people who go into nursing homes were middle-class people before they became poor enough to qualify for Medicaid. They got sick, they had problems, they had to spend a large amount of money on doctors and medicine, so they lost their income and they become eligible then to go into nursing homes, so two-thirds of the money for Medicaid goes to nursing homes. So when you get rid of Medicaid, you are getting rid of health care for poor families and you are getting rid of health care for the elderly, people in nursing homes.

There is a threat now that the Medicaid entitlement will be taken away. They are going to have block grants that go to the States. The States say, we want the money, but with the block grant there will be a limited amount of money. It will not be that every person that gets sick, every family that is poor and needs health care will get it because the Federal Government stands behind it as a right, but it will be in accordance with the amount of money available.

When the State runs out of money, if you are sick, you do not get any help. When the State runs out of money, if you need to go into a nursing home, you will not be able to go into a nursing home. The States will be in charge. There will be all kinds of new forms of corruption and all kinds of new forms of waste, because State government is the worst-run government in America.

We have had a lot of talk on the floor of this House about States should be allowed to do certain things because they are closer to the people. They are closer to the people, but they are the least visible forms of government. There are all kinds of things that go on in State governments that never get exposed, you never get to hear about. State governments usually do not keep a record of their legislative proceedings that is made available to the public. Yes, they have minutes and you can get them, but most State governments, it costs money to buy the minutes of the proceedings of the State legislature. Here you get a record every day of what is happening on the floor of this House.

The Federal Government is very visible. The Federal Government is complicated but highly visible. There are certain things done at the State level that can never go on at the Federal Government level. There are all kinds of favor-granting, all kinds of nepotism, all kinds of things happen, all kinds of granting of contracts that would be illegal at the Federal level. But we are going to hand all this to the State government. The care of our health will be handed to the State government. State governments will be able to decide which people have disabilities. The Federal Government in the legislation that is being proposed has not defined what a disability is. A person with a disability will have to have his disability defined by the State government.

There is a conflict of interest, because the State wants to save money. They do not want to have too many people with disabilities that cost a great deal of money to take care of in terms of health care, so they will, in their attempt to save money, define away many legitimate disabilities.

State governments have a history. If you look closely at some of the monumental cases of corruption in American public life, they have happened at the State government level.

I want to close by acknowledging that on public radio this morning, National Public Radio, they talked about a State Senator in Alabama who said that "Slavery was good for black people. Slavery was good, and slavery was a form of States rights at its best. It is the best form of States' rights." That is a good example of what we are talking about. Slavery is praised as a form of States rights at its best. The States had the power to do what they wanted to do. Of course, beyond the States you had the planters and plantation owners, and anybody who owned the slave had the power to do whatever they wanted to do with a human life.

What you have, if you push the power of life and death down to the State level, is the beginning of what I call decentralized genocide. Health care is a life and death matter. If you put that in the hands of people who cannot be watched, who are not held to any Federal standard, if you put it in the hands of people who are making decisions to save money instead of providing maximum health care, if you put it into a situation where every State will be trying to outdo the other in terms of lowering its benefits, they are ratcheted down. The State with the lowest benefits will be the guide for all the other States. No State will want to have higher health care benefits than another, because if you have better health care benefits in one State than you do in another, they will say that people are going to tend to move into the State with the better health care benefits, so everybody is going to go down to the level of the lowest common denominator.

A lot of lives will be lost in the process of going down to the level of the lowest common denominator. We will have the beginning of decentralized genocide.

There is a story in the paper about Brazil having put on trial policemen who went out and shot poor kids in the streets every night. They kept finding bodies of children. This is Mother's Day coming up. Mothers always make you think of children. Mothers and children are inseparable. Think of this, as a closing thought. In Brazil the policemen were going out to shoot down the children because the children were poor children who ran around the city all day long picking pockets, making havoc. The store owners did not like them, nobody liked them. Policemen started killing them. Now you have the policemen on trial, and the policemen are saying that they were doing what the public wanted them to do by shooting down poor children.

These are poor children who have no health care. These are poor children who have no welfare, because there is no welfare system. There is no Aid to Families with Dependent Children. When you take these steps by changing public policy so there is no aid to people who are in desperate straits, you throw them onto the streets, you create a situation where, in the end, the apparatus of the State, the police, will begin to be used to destroy people. It is a very serious matter.

As we go into Mother's Day, and really care about mothers and really care about children, we ought to resolve that we ought to take another look at the policies that are being generated on the floor of this House. We ought to take a hard look at the proposals in next week's budget that are going to cut Medicaid and Medicare. We ought to take a hard look at the effort to get rid of Medicaid as an entitlement. If Medicaid goes as an entitlement, it is the first step into systematic decentralized genocide in America.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HOLDEN (at the request for Mr. GEPHARDT), for today, on account of a death in the family.

Mr. GEJDENSON (at the request of Mr. GEPHARDT), for today, on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BENTSEN) to revise and extend their remarks and include extraneous material:)

Ms. DELAURO, for 5 minutes, today.

Mr. HOYER, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. VOLKMER, for 5 minutes, today.

Mr. BENTSEN, for 5 minutes, today.

Mr. KANJORSKI, for 5 minutes, today.

(The following Members (at the request of Mr. BURTON of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. METCALF, for 5 minutes, today.

Mr. MCINTOSH, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. RIGGS, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes each day on May 13, 14, 15, and 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BENTSEN) and to include extraneous matter:)

Mr. SERRANO.

Mr. LEVIN.

Mr. TORRES.

Mr. HALL of Ohio.

Mr. KENNEDY of Massachusetts.

Mr. HAMILTON.

Mr. SCHUMER.

Mr. DINGELL.

Mrs. MEEK of Florida.

Mr. LAFALCE.

Mr. BARRETT of North Carolina.

Mr. UNDERWOOD.

Mr. MCHALE.

Mrs. MALONEY in two instances.

Mr. MENENDEZ in two instances.

(The following Members (at the request of Mr. BURTON of Indiana) and to include extraneous material:)

Mr. GOODLING.

Mr. LINDER.

Mr. DORNAN in two instances.

Mr. SENSENBRENNER.

Mr. GILMAN.

Mr. DUNCAN.

Mr. BAKER of California.

Mr. ZELIFF.

Mr. BEREUTER.

Mr. TIAHRT.

(The following Members (at the request of Mr. OWENS) and to include extraneous matter:)

Mr. BEREUTER.

Mr. DORNAN.

Mr. LATOURETTE.

Mr. UNDERWOOD.

Mr. MCHALE.

Mr. SMITH of Michigan in 10 instances.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2137. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to require the release of relevant information to protect the public from sexually violent offenders.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly, under its previous order, the House adjourned until Tuesday, May 14, 1996, at 12:30 p.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2938. A letter from the Chair, National Commission on Libraries and Information Science, transmitting the 24th annual report of the activities of the Commission covering the period October 1, 1994, through September 30, 1995, pursuant to 20 U.S.C. 1504; to the Committee on Economic and Educational Opportunities.

2939. A letter from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Valuation of Plan Benefits in Single-Employer Plans; Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal; Amendments Adopting Additional PHGC Rates (29 CFR Parts 2619 and 2676) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Economic and Educational Opportunities.

2940. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Use of Electronic Media by Broker-Dealers, Transfer Agents, and Investment Advisers for Delivery of Information; Additional Examples Under the Securities Act of 1933, Securities Exchange Act of 1934, and Investment Company Act of 1940—received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2941. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Use of Electronic Media for Delivery Purposes (RIN: 3235-AG67) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2942. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially to the International Telecommunications Satellite Organization [INTELSAT] (Transmittal No. DTC-25-96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2943. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 96-22: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on International Relations.

2944. A letter from the Chairman, Federal Maritime Commission, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 1, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) Sec. 5(b); to the Committee on Government Reform and Oversight.

2945. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled the "Relocation Benefits Reinvention Act of 1996"; to the Committee on Government Reform and Oversight.

2946. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation entitled the "Federal Employment Reduction Assistance Act of 1996"; to the Committee on Government Reform and Oversight.

2947. A letter from the Secretary of Agriculture, transmitting notification of the Secretary's intention to award specific watershed restoration contracts on National Forest System lands outside the standard full and open competition procedures required by the Competition in Contracting Act of 1984, pursuant to 41 U.S.C. 253(c)(7); to the Committee on Government Reform and Oversight.

2948. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Marine Mammal Special Exception Permits to Take, Import and Export Marine Mammals; Update of Office of Management and Budget (RIN: 0648-AD11) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2949. A letter from the Assistant Attorney General, Department of Justice, transmitting the Department's final rule—Final Guidelines for the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration (RIN: 1105-AA36) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

2950. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace, Hollister, CA—Docket No. 95-AWP-13 (RIN: 2120-AA66) (1996-0017) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2951. A letter from the Acting General Counsel, Department of Commerce, transmitting a draft of proposed legislation entitled the "Weather Service Modernization Streamlining Act of 1996"; to the Committee on Science.

2952. A letter from the Deputy Assistant Administrator for Ocean Services and Coastal Zone Management, National Ocean Service, transmitting the Service's final rule—Ocean Thermal Energy Conservation Licensing Program (RIN: 0648-AI42) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

2953. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Medical; VA Health Professional Scholarship Program, Correction (RIN: 2900-AH99) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2954. A letter from the Director, Bureau of Alcohol, Tobacco and Firearms, transmitting the Bureau's final rule—Technical Amendments—received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2955. A letter from the Chief, Regulations Unit, Department of the Treasury, transmitting the Department's final rule—Information Reporting and Backup Withholding (RIN: 1545-AL99) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2956. A letter from the Chairman, International Trade Commission, transmitting a draft of proposed legislation to provide authorization of appropriations for the U.S. International Trade Commission for fiscal year 1998, pursuant to 31 U.S.C. 1110; to the Committee on Ways and Means.

2957. A letter from the General Counsel, Department of Transportation, transmitting copies of the fiscal year 1997 budget requests of the Federal Aviation Administration to the Department, including requests for facilities and equipment and research, engineering, and development, pursuant to 49 U.S.C. app. 2205(f); jointly, to the Committees on Transportation and Infrastructure and Science.

2958. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to provide for the participation of the United States in the Bank for Economic Cooperation and Development in the Middle East and North Africa; jointly, to the Committees on Banking and Financial Services, the Judiciary, and Commerce.

2959. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation entitled the "Department of Defense Civilian Intelligence Personnel Reform Act"; jointly, to the Committees on Intelligence (Permanent Select), National Security, and Government Reform and Oversight.

2960. A letter from the Director, Central Intelligence Agency, transmitting a draft of proposed legislation entitled the "Intelligence Authorization Act for Fiscal Year 1997," pursuant to 31 U.S.C. 1110; jointly, to the Committees on Intelligence (Permanent Select), Naational Security, the Judiciary, and Government Reform and Oversight.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STUMP: Committee on Veterans' Affairs. H.R. 1483. A bill to amend title 38, United States Code, to allow revision of veterans benefits decisions based on clear and unmistakable error (Rept. 104-571). Referred to the Committee of the Whole House on the State of the Union.

Mr. STUMP: Committee on Veterans' Affairs. H.R. 3373. A bill to amend title 38, United States Code, to improve certain veterans' benefits programs, and for other purposes (Rept. 104-572). Referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X, the following action was taken by the Speaker:

H.R. 3107. Referral to the Committee on Ways and Means extended for a period ending not later than May 17, 1996.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SMITH of New Jersey:

H.R. 3433. A bill to prohibit the Secretary of Defense from authorizing payment under defense contracts for restructuring costs of a merger or acquisition; to the Committee on National Security.

By Mr. CANADY (for himself, Mr. Frank of Massachusetts, Mr. Zimmer, Ms. Kaptur, Mr. Upton, and Mr. English of Pennsylvania):

H.R. 3434. A bill to amend section 207 of title 18, United States Code, to further restrict Federal officers and employees from representing or advising foreign entities after leaving Government service, and for other purposes; to the Committee on the Judiciary.

By Mr. CANADY (for himself and Mr. Frank of Massachusetts):

H.R. 3435. A bill to make technical amendments to the Lobbying Disclosure Act of 1995; to the Committee on the Judiciary.

By Mr. DINGELL:

H.R. 3436. A bill to protect the health of mothers and newborns against the premature termination of inpatient care based on denial of health coverage; to the Committee on Commerce, and in addition to the Committee on Economic and Educational Opportunities, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HOEKSTRA:

H.R. 3437. A bill to amend the Small Business Act to exempt subcontracts for dredging activities from local buy requirements under the business development program authorized by section 8(a) of that Act; to the Committee on Small Business.

By Mr. HOEKSTRA:

H.R. 3438. A bill to suspend temporarily the duty on desmedipham; to the Committee on Ways and Means.

H.R. 3439. A bill to suspend temporarily the duty on phenmedipham; to the Committee on Ways and Means.

H.R. 3440. A bill to suspend temporarily the duty on ethofumesate; to the Committee on Ways and Means.

By Mr. HUTCHINSON (for himself, Mr. Ballenger, Mr. Armey, Mr. Talent, Mr. Goss, Mr. Largent, Mr. Graham, Mr. Pete Geren of Texas, Mr. Hoekstra, Mr. Zeliff, Mr. Norwood, Mr. Baker of California, Mr. Coble, Mr. Calvert, Mr. Sensenbrenner, and Mr. Doolittle):

H.R. 3441. A bill to amend the Internal Revenue Code of 1986 to reform and rename the earned income tax credit; to the Committee on Ways and Means.

By Mr. LaTOURETTE:

H.R. 3442. A bill to authorize the Pyramid of Remembrance Foundation to establish a memorial in the District of Columbia or its environs to soldiers who have died in foreign conflicts other than declared wars; to the Committee on Resources.

By Mrs. LOWEY (for herself, Mr. Cardin, Mr. Durbin, Mr. Engel, Mr. Fazio of California, Mr. Filner, Mr. Gonzalez, Mr. Gutierrez, Mrs. Kennelly, Mr. Lipinski, Ms. Lofgren, Mrs. Maloney, Mr. McDermott, Mrs. Mink of Hawaii, Mrs. Morella, Ms. Norton, Ms. Pelosi, Mrs. Schroeder, Mr. Watt of North Carolina, and Mr. Waxman):

H.R. 3443. A bill to amend the Public Health Service Act to extend the program of research on breast cancer; to the Committee on Commerce.

By Mr. SANDERS:

H.R. 3444. A bill to amend section 818 of the National Defense Authorization Act for Fiscal Year 1995 to repeal certain provisions and revise certain reporting requirements relating to payment of restructuring costs under defense contracts; to the Committee on National Security.

By Mr. SCHUMER:

H.R. 3445. A bill to make changes in Federal juvenile justice proceedings, and to foster youth development and prevent juvenile crime and delinquency; to the Committee on the Judiciary, and in addition to the Committee on Economic and Educational Opportunities, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STOCKMAN:

H.R. 3446. A bill to amend the Clean Air act and certain other environmental laws to provide regulatory relief and preserve jobs, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TATE:

H.R. 3447. A bill to amend title 5, United States Code, to provide for the forfeiture of retirement benefits in the case of a Member of Congress convicted of a felony, and for other purposes; to the Committee on House Oversight, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FRISA (for himself, Mr. King, Mr. Tauzin, Mr. Coburn, Mr. Fields of Texas, Mr. Klink, and Mr. Weller):

H. Con. Res. 175. Concurrent resolution expressing the intention of the Congress with respect to the collection of fees or other payments from the allocation of toll-free telephone numbers; to the Committee on Commerce.

By Mr. DORNAN (for himself, Mr. Stump, Ms. Lofgren, and Mr. Bilirakis):

H. Con. Res. 176. Concurrent resolution expressing the sense of the Congress concerning the maltreatment of United States military and civilian prisoners by the Japanese during World War II; to the Committee on International Relations, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ZELIFF:

H. Con. Res. 177. Concurrent resolution expressing the sense of the Congress that family members and others should support all individuals affected by breast cancer; to the Committee on Commerce.

By Mr. HAYWORTH (for himself, Mr. Taylor of North Carolina, Mr. Hostettler, Mr. Dornan, Mr. Stump, Mr. Brownback, Mr. Hoke, Mr. Doolittle, Mr. Pombo, and Mr. Baker of Louisiana):

H. Res. 431. Resolution expressing the sense of the House of Representatives concerning the constitutional duty of the Congress; to the Committee on the Judiciary.

By Ms. RIVERS (for herself and Mr. Luther):

H. Res. 432. Resolution amending the Code of Official Conduct in the Rules of the House of Representatives to prohibit a Member from soliciting or accepting campaign contributions in the hall of the House, rooms leading thereto, or the cloakrooms; to the Committee on Standards of Official Conduct.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 218: Mr. Saxton.

H.R. 620: Mr. Markey.

H.R. 969: Mr. Fazio of California.

H.R. 1000: Mr. Campbell.

H.R. 1023: Mr. Flake and Mr. Burr.

H.R. 1042: Mr. Stump, Mrs. Kelly, and Mr. Barton of Texas.

H.R. 1050: Mrs. Mink of Hawaii.

H.R. 1210: Mr. Clyburn.

H.R. 1483: Mr. Cooley.

H.R. 1504: Mrs. Lincoln.

H.R. 1892: Mr. Klug, Mr. Kim, and Mr. Emerson.

H.R. 1951: Mr. Klink.

H.R. 2009: Mr. Campbell.

H.R. 2244: Mr. Manzullo and Mr. Dickey.

H.R. 2246: Mr. Jackson and Ms. McKinney.

H.R. 2247: Mr. Abercrombie, Mr. Boehlert, Mr. Payne of Virginia, Ms. Slaughter, Mr. Tanner, and Mr. Towns.

H.R. 2270: Mr. Souder, Mr. Hansen, Mr. Barton of Texas, Mr. Chrysler, and Mr. Istook.

H.R. 2306: Mr. Schaefer, Mr. Richardson, and Mr. Smith of Texas.

H.R. 2669: Mr. Hyde, Mr. Emerson, Mr. Lipinski, Mr. Young of Alaska, Mr. Hutchinson, Mr. Rohrabacher, Mr. Kingston, Mr. Baker of Louisiana, Mr. Taylor of North Carolina, Mr. Istook, and Mr. Stockman.

H.R. 2705: Mr. Bonior, Mr. Clay, Mr. Dellums, Mr. Filner, Mr. Foglietta, Mr. Ford, Mr. Kanjorski, Ms. McCarthy, Mr. McHale, Mr. Payne of New Jersey, Mr. Richardson, Mr. Watt of North Carolina, Ms. Brown of Florida, Mr. Dixon, Ms. Eshoo, Mr. Farr, Mr. Fazio of California, Mr. Flake, Mr. Olver, Mr. Serrano, Mr. Stokes, Mr. Thompson, Mr. Ward, and Mr. Wynn.

H.R. 2749: Mr. Hastings of Washington.

H.R. 2807: Mr. Jackson, Mr. Faleomavaega, Mr. Gibbons, Mr. Shays, and Mr. Solomon.

H.R. 2856: Ms. DeLauro.

H.R. 2911: Mr. Canady, Mr. McCrery, and Mr. Saxton.

H.R. 2922: Mr. Baker of Louisiana and Mr. Manton.

H.R. 2943: Mr. Lipinski.

H.R. 3076: Mr. Sanford, Mr. Minge, Mr. English of Pennsylvania, Mr. Pete Geren of Texas, Mr. Horn, Mr. Davis, Mr. Luther, and Mr. Thornberry.

H.R. 3090: Mr. Dellums and Mr. Porter.

H.R. 3114: Mr. Graham, Mr. Lantos, Mr. Sam Johnson, and Mr. Ramstad.

H.R. 3118: Mr. Everett, Mr. Buyer, Mr. Bachus, Mr. Stearns, Mr. Fox, Mr. Flanagan, Mr. Barr, Mr. Cooley, Mr. Evans, Mr. Kennedy of Massachusetts, Mr. Clement, Mr. Filner, Mr. Bishop, Mr. Baldacci, and Mr. Camp.

H.R. 3144: Mr. Baker of California, Mr. Bereuter, Mr. Boehner, Mr. Bunn of Oregon, Mr. Buyer, Mr. Crane, Mrs. Cubin, Mr. Diaz-Balart, Mr. Doolittle, Mr. Dreier, Mr. English of Pennsylvania, Mr. Fields of Texas, Mr. Gallegly, Mr. Gilchrest, Mr. Gutknecht, Mr. Hastert, Mr. Hayes, Mr. Heineman, Mr. Inglis of South Carolina, Mr. Istook, Mr. Sam Johnson, Mrs. Kelly, Mr. King, Mr. Lightfoot, Mr. McCrery, Mr. McDade, Mrs. Meyers of Kansas, Mr. Parker, Mr. Portman, Ms. Pryce, Mr. Roberts, Mr. Salmon, Mrs. Seastrand, Mr. Shadegg, Mr. Smith of New Jersey, Mr. Stearns, Mr. Tauzin, Mr. Thomas, Mr. Torkildsen, Mr. Walker, Mr. Walsh, and Mr. Wolf.

H.R. 3153: Mr. Watts of Oklahoma and Mr. Weldon of Florida.

H.R. 3173: Mr. Manton and Mr. Thompson.

H.R. 3195: Mr. Riggs.

H.R. 3199: Mrs. CHENOWETH and Mrs. CUBIN.

H.R. 3226: Mr. JOHNSON of South Dakota.

H.R. 3241: Mr. TORRES and Mr. STARK.

H.R. 3246: Mr. WAXMAN.

H.R. 3253: Mr. CANADY, Mr. BARRETT of Wisconsin, Mr. HAYWORTH, Mr. HOBSON, Mr. LIPINSKI, Mr. BACHUS, Mrs. KENNELLY, Mr. ACKERMAN, and Mr. ENGLISH of Pennsylvania.

H.R. 3263: Mrs. COLLINS of Illinois and Mr. UNDERWOOD.

H.R. 3272: Mr. HALL of Texas.

H.R. 3280: Mr. BEILENSON, Mr. RUSH, Ms. ESHOO, Mrs. MALONEY, Mr. FILNER, Mr. MILLER of California, Mr. FARR, Ms. SLAUGHTER, Mr. BONIOR, Mr. COLEMAN, Mr. DELLUMS, and Mr. CARDIN.

H.R. 3345: Mr. LEWIS of Georgia.

H.R. 3373: Mr. BILIRAKIS, Mr. HUTCHINSON, Mr. BUYER, Mr. STEARNS, Mr. FLANAGAN, Mr. COOLEY, Mr. CLEMENT, Mr. FILNER, Mr. BISHOP, and Mr. MASCARA.

H.R. 3376: Mr. SMITH of New Jersey, Mr. BILIRAKIS, Mr. EVERETT, Mr. BUYER, Mr. STEARNS, Mr. FLANAGAN, Mr. WELLER, Mr. CLEMENT, Mr. FILNER, Mr. BISHOP, and Mr. MASCARA.

H.R. 3379: Mr. MONTGOMERY.

H.R. 3392: Mr. DEFAZIO, Mr. JACOBS, Mr. HINCHEY, Ms. VELAZQUEZ, and Mr. NADLER.

H.R. 3393: Ms. WOOLSEY.

H.R. 3421: Mr. OBERSTAR, Mrs. COLLINS of Illinois, Mr. GALLEGLY, Mr. YATES, Ms. GREENE of Utah, Mr. FUNDERBURK, Mr. MEEHAN, Mr. KENNEDY of Massachusetts, Mr. DIAZ-BALART, Mr. CONYERS, Mr. HOYER, Mr. KASICH, and Ms. SLAUGHTER.

H.R. 3422: Mr. COBLE.

H.R. 3423: Mr. FOX and Mr. BOEHLERT.

H. Con. Res. 47: Mr. OLVER, Mr. ROHRABACHER, Mr. STEARNS, Mr. FLAKE, and Mr. SCOTT.

H. Con. Res. 139: Mr. BEILENSON.

H. Res. 429: Ms. ESHOO.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1972: Mr. FROST.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 12 by Mrs. SMITH of Washington On House Resolution 373: Nancy L. Johnson.

EXTENSIONS OF REMARKS

A TRIBUTE TO WILLIAM E. COLBY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and times, the trials and tribulations, and the heroism that is so closely associated with the late William E. Colby. I also would like to express my heartfelt condolences to his surviving family.

Mr. Speaker, as we all know, Bill Colby was a dedicated public servant who spent 30 years in the U.S. intelligence service, including a 2-year stint as CIA Director during one of the more turbulent periods in its history. Mr. Colby began his most remarkable career as an officer with the U.S. Office of Strategic Services—the predecessor of the CIA. During World War II, Mr. Colby parachuted behind enemy lines into France and Norway where he helped organize resistance forces and ran sabotage operations against Nazi strongholds. His heroism earned him the Silver Star Medal.

As a seasoned intelligence officer, Mr. Colby served in South Vietnam from 1959 to 1962 and again in 1968 where he was responsible for managing the pacification program and where he played a key role in America's recruitment of Laotian Hmong fighters. Mr. Colby took a personal interest in the Hmong's valiant battle against the North Vietnamese who, in violation of the 1962 Geneva agreements calling for Laos's neutrality, kept their troops in Laos. Following the war, many Hmong fighters were resettled in the United States and Mr. Colby, as an act of loyalty, kept in touch with them during their period of assimilation.

Under Mr. Colby's astute leadership as Director of the Central Intelligence Agency, from 1973 to 1975, he was almost singlehandedly responsible for raising and addressing the numerous operational abuses that had become manifest within the Agency. As a professional intelligence officer Mr. Colby was, both emotionally and intellectually, able and willing to confront the not so pleasant ambiguities that are often characteristic of the natural world of espionage. In the end, he succeeded in protecting the mission of intelligence (so absolutely vital to our national security) while at the same time ensuring that the Agency was held accountable to the highest standards of professionalism and as an integral part of our democratic heritage.

I know my colleagues will join me in honoring the contributions and achievements of an American hero, William E. Colby.

TRIBUTE TO JOEL P. JERGER

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. GILLMOR. Mr. Speaker, I would like to take this opportunity to recognize an exceptional young man from my district who has recently accepted his appointment as a member of the class of 2000 at the U.S. Air Force Academy.

The son of Denise Jerger, Joel P. Jerger will graduate from Montpelier High School later this month. While in high school, Joel distinguished himself as a leader among his peers. He has earned a 3.93 grade point average while earning varsity letters in football and baseball. In addition, he was the freshman class president, participated in Buckeye Boys State, and is a member of the National Honor Society. He is an outstanding citizen and patriot.

Mr. Speaker, one of the most important responsibilities of Members of Congress is to identify outstanding young men and women and to nominate them for admission to the U.S. service academies. While at the academy, they will be the beneficiaries of one of the finest educations available, so that in the future, they might be entrusted with the very security of our Nation.

I am confident that Joel Jerger has both the ability and the desire to meet this challenge. I ask my colleagues to join me in congratulating him for his accomplishments to date and to wish him the best of luck as he begins his career in service to our country.

MICHAEL BUSH, LEGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known that it is with great respect for the outstanding record of excellence he has compiled in academics, leadership, and community service, that I am proud to salute Michael Bush, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Michael is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Michael Bush is an exceptional student at Columbia Central High School and possesses an impressive high school record. A member of the National Honor Society, Michael excelled academically and served as a class officer, chairperson for float building and homecoming committees, and cochairperson for the prom committee. Additionally, Michael was all-conference in both football and wrestling, and did local volunteer work.

In special tribute, therefore, I am proud to join with his many admirers in extending my highest praise and congratulations to Michael Bush for his selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support, and active participation contributed to his success. To this remarkable young man, I extend my most heartfelt good wishes for all his future endeavors.

SPURGEON CLOCK COMES TO LIFE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. DORNAN. Mr. Speaker, I rise today to celebrate the rededication of the Spurgeon Clock which will be held in downtown Santa Ana on May 16, 1996. As Californians, we have precious few pieces of architecture that predate the start of World War I. The Spurgeon Clock is one of those prized remnants of our past that once overlooked the vast orange groves of Orange County.

William H. Spurgeon, the founder of Santa Ana, had built a series of buildings downtown. The last building erected was graced with a bell tower and an exquisite turn-of-the-century clock. Sometime during the 1970's the 3-foot-long hands on the Spurgeon Clock stopped working.

After all these decades of neglect and decay, the sheer determination of many volunteers and organizations ensured the restoration of the Spurgeon Clock. Through very successful fundraising efforts and the enlisting of volunteer help from clock and construction professionals, this monumental task was completed. The replacement motor to the clock was purchased from the original company, the Electric Time Co., of Medfield, MA. The electrical system was replaced and upgraded by a local craftsman, and a musical carillon was obtained from the South Coast Plaza and installed in the clock. So now the people of Santa Ana will be able to hear the chime and beauty of this historical town clock.

On behalf of the citizens of Santa Ana and of Orange County, I sincerely wish to thank all of the citizens who volunteered their time and expertise. I especially want to thank Tim Rush, who organized the fundraising requirements of this renovation project, Don Krotee of the Downtown Santa Ana Business Association

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[DSABA], Dick Pridharn of the National Association of Watch and Clock Collectors [NAWCC], Bob Patterson of Patterson & Associates, Raul Gonzales and the Ray Wilson Co., and Dave Morton of Morrow Meadows Electrical.

I would also like to thank the efforts of the following companies and organizations who were very involved in the restoration efforts: First American Title and Trust Co.; Waste Management of Orange County; Santa Ana's Fireman's Benevolent Association; Chapter 69 of NAWCC; Santa Ana Host Rotary Club; Downtown Santa Ana Business Association; the International Brotherhood of Electrical Workers; the Ray Wilson Co.; Perrini Building Co.; Orange County Wholesale Electric; Hubbell Lighting Co.; Brown Colonial Mortuary; Andres and Andres; the Wilshire Square, Washington Square, French Park, and West Floral Park Neighborhood associations; and C.J. Segerstrom & Sons.

Finally, we all owe thanks to Ann Berkery, a local artist who has donated her rendition of the Spurgeon Tower as a lithograph, which is given to those who made a generous contribution.

IN HONOR OF RUBEN PABON, JR.

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to Ruben Pabon, Jr., for his distinguished and dedicated service to the community. Mr. Pabon will be honored today by the Cabinet of Lions District 16–E, the Newark Borinquen Lions Club, the Newark Pan American Lions Club, and the Elizabeth Cubanos Lions Club, the Newark Portuguese Lions Club. The gala dinner dance being held in Newark, NJ, will pay tribute to this unique individual.

Today's commemoration recognizes the numerous contributions Mr. Pabon has made to the community. Born in New York City, Mr. Pabon served as a sergeant in the Armed Forces during the Korean war. He was stationed in Germany where he served his country with courage and distinction. After his career in the Armed Forces, he pursued a career that placed him in contact with the community.

Mr. Pabon's community involvement began in 1981, when he joined the Newark Boriquen Lions Club. The club serves the large Hispanic community of the city of Newark. While a member of the club, Mr. Pabon began to get involved with various community issues, including his advocacy for the Association for Retarded Citizens, Bergen-Passaic County unit. He also serves on a Bergen County task force working to establish a multicultural center for Hispanic senior citizens.

Mr. Pabon serves as a fourth degree member of the Knights of Columbus, Chapter 1345 of Dumont-Bergenfield and as a treasurer of the Spanish-American Cultural Association. He has been honored on special occasions for his wonderful work with the Lion's Club. Among his many awards are: the Governor's Award; the International Presidents Award; and the Ramiro Collazo Award.

Ruben Pabon, Jr., has distinguished himself with his contributions to the elderly and disabled citizens of New Jersey. I ask that my colleagues join me in honoring this outstanding individual.

MINIMUM OBSTETRICAL MEDICAL SECURITY ACT OF 1996

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. DINGELL. Mr. Speaker, I am pleased today to introduce the MOMS Act, the Minimum Obstetrical Medical Security Act of 1996.

The legislation would guarantee that insurers provide coverage for new mothers and their newborn children to remain in the hospital for a minimum of 48 hours after a normal delivery and 96 hours after a Caesarean section, unless the attending provider and the mother together decide that this is not the best course of action.

This bill responds to the concerns of pregnant women and their physicians in my district who have become increasingly concerned about the risks involved for mothers and their children when they are sent home from the hospital too soon. This is happening more and more frequently because insurance companies are deciding that an early hospital discharge is in their best interest—even if both the doctor and the new mother believe that the longer stay is medically appropriate. Length of stay for new mothers and their babies ought not to be based on the financial concerns of an insurer, but on the health and welfare of the new mother and her new baby. Studies have shown that early release of infants can result in feeding problems, respiratory difficulties, mental retardation, brain damage, and infections of the ears, eyes, and navel cords. Premature hospital discharge also puts mothers at risk for hemorrhaging, infected episiotomies, urinary tract infections, and exhaustion.

The American Medical Association has urged hospitals and insurance companies to allow the discharge of mothers and infants to be determined by the clinical judgment of attending physicians, not by economic considerations. Over 80,000 physicians in the American College of Obstetrics and Gynecologists and the American Academy of Pediatricians have endorsed legislative measures addressing these same concerns.

This bill would prevent insurance company policies that result in the premature hospital discharge of mothers and their newborns. The increasing reluctance of some insurance plans to adequately cover obstetric hospital stays in accordance with current medical society guidelines has, and will continue to have, serious implications for the health and well-being of many mothers and newborns.

The bill does not preempt responsible State legislation that either meets or exceeds the minimum requirements of this bill or guidelines established by the American College of Obstetricians and Gynecologists, the American Academy of Pediatrics, or other medical professional associations. I commend this legislation to my colleagues and urge its passage.

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title: The act is named the "Minimum Obstetrical Medical Security Act of 1996", or MOMS Act.

Section 2. Findings: The findings section states that: (1) the length of post-delivery inpatient care should be based on unique characteristics of each mother and her newborn child, and (2) the decision to discharge a mother and newborn from the hospital should be made by the attending provides in consultation with the mother.

Section 3. Required Coverage for Minimum Hospital Stay Following Birth: This section requires health plans that provide maternity benefits, including benefits for childbirth, to provide coverage to mothers and their newborns for at least 48 hours of inpatient stay following a normal vaginal delivery and at least 96 hours following a caesarean section without requiring the attending provider to obtain authorization from the health plan. Health plans are *not* required to provide coverage for the 48 or 96 hour period if two conditions are met: (1) the attending provides, in consultation with the mother, decides to discharge the mother earlier, and (2) the health plan provides coverage for post-delivery follow-up care.

Section 4. Post-Delivery Follow-up Care: Where a mother and newborn are discharged from the hospital prior to 48 hours following a normal vaginal delivery or 96 hours following a caesarean section, health plans are required to provide post-delivery follow-up care not more than 72 hours following the discharge. Such care is to be provided by a registered nurse, physician, osteopathic physician, nurse practitioner, nurse midwife, or physician assistant experienced in maternal and child health. Care may be provided at home, hospital, doctor's office, birthing center, intermediate care facility, federally qualified health center, State health department maternity clinic, or other setting determined appropriate by the attending provider and the mother, mothers must be given the option of receiving care in the home.

Section 5. Prohibitions: Health plans are prohibited from: (1) denying enrollment, renewal, or continued coverage to mothers and newborns on compliance with this Act; (2) providing monetary payments or rebates to mothers to encourage them to request fewer than 48/96 hours of stay; (3) penalizing doctors because they comply with the Act; or (4) providing incentives to doctors to induce them to provide treatment in a manner inconsistent with the Act.

Section 6. Notice: Insurers and employer-sponsored plans are required to notify plan participants and policy holders of the coverage required by this Act.

Section 7. Applicability: This section, which works in conjunction with Section 8 on "Enforcement," clarifies that States have primary responsibility for enforcing the requirements of this Act with respect to insurers and HMO's—as they do under current law—that the Secretary of Labor has sole responsibility for ensuring that the requirements of the Act are met by employer-sponsored ERISA plans, and that nothing in this Act should be construed to affect or modify the preemption provisions of ERISA.

Section 8. Enforcement: This section specifies that States enforce the requirements of the Act with respect to insurers and HMOs, and they may apply whatever penalties for non-compliance they wish. Employer-sponsored plans may be subject to civil enforcement penalties contained in sections 502, 504, 506, and 510 of ERISA. If a State fails to "substantially" enforce the requirements of the Act, the Secretary of HHS will enforce the requirements with respect to insurers and HMOs using penalties similar to the sanctions provided under ERISA. This construct is necessary to ensure enforcement.

Section 9. Definitions: This section defines the terms "attending provider," "beneficiary," "employee health benefit plan," "group purchaser," "health plan," "health plan issuer," "participant," and "secretary."

Section 10. Preemption: The Act does not preempt State laws that (1) provide greater protection to patients and policyholders; (2) require health plans to provide coverage for at least 48/96 hours; (3) require health plans to provide coverage in accordance with guidelines established by the American College of Obstetricians and Gynecologists, the American Academy of Pediatrics, or other appropriate professional medical associations; or (4) leave decisions about length of stay entirely to the doctor in consultation with the mother. With regard to follow-up care, the Act does not preempt State laws providing greater protection to patients and policyholders or providing an option of timely follow-up care in the home.

Section 11. Effective Date: The Act is effective on the first day of the plan year or contract year beginning on or after January 1, 1997.

FINANCIAL DISCLOSURE

HON. F. JAMES SENSENBRENNER, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SENSENBRENNER. Mr. Speaker, through the following statement, I am making my financial net worth as of March 31, 1996, a matter of public record. I have filed similar statements for each of the sixteen preceding years I have served in the Congress.

ASSETS

REAL PROPERTY

Single family residence at 609 Ft. Williams Parkway, City of Alexandria, VA, at assessed valuation. (Assessed at $631,600). Ratio of assessed to market value: 100% (encumbered)	$631,600
Condominium at N76 W14726 North Point Drive, Village of Menomonee Falls, Waukesha County, WI, at assessor's estimated market value (encumbered)	83,900
Undivided 25/44ths interest in single family residence at N52 W32654 Maple Lane, Village of Chenequa, Waukesha County, WI, at 25/44ths of assessor's estimated market value of $539,000	306,250
Total real property	1,021,750

Common and preferred stock	Number of shares	Dollar per share	Value
Firstar Corp	676	44.75	$30,251.00
American Telephone & Telegraph	533.552	61.13	32,613.37
Ameritech	372.59	54.50	20,306.16
Bell Atlantic Corp	247.612	61.88	15,320.99
Bell South Corp	557.9373	37.00	20,643.68
NYNEX, Inc	266.753	49.88	13,304.31
Pacific Telesis, Inc	148	27.75	4,107.00
SBC Communications	370.125	52.63	19,477.83
U.S. West, Inc	264.171	25.63	6,769.38
Tenneco Corp	795.015	55.88	44,421.46
Newell Corp	1676	26.75	44,833.00
General Mills, inc	1440	56.38	81,180.00
Kellogg Corp	1600	75.75	121,200.00
Dunn & Bradstreet, Inc	2500	60.63	151,562.50
Halliburton Co	1000	56.88	56,875.00
Kimberly-Clark Corp	26,204	74.63	1,955,473.50
Minnesota Mining & Manufacturing	1000	64.63	64,625.00
Exxon Corp	2432	81.50	198,208.00
Amoco Corp	1362	72.25	98,404.50
Eastman Kodak	1080	71.00	76,680.00
General Electric Co	2600	77.88	202,475.00
General Motors Corp	304	53.25	16,188.00
Merck & Co., Inc	15,639	62.25	973,527.75
Warner Lambert Co	1134	103.25	117,085.50
Sears Roebuck & Co	200	48.75	9,750.00
Ogden Corp	910	19.50	17,745.00
Sandusky Voting Trust	26	85.00	2,210.00
Monsanto Corp	1672	153.50	256,652.00
E.I. DuPont de Nemours Corp	600	83.00	49,800.00
Wisconsin Energy Corp	1022	28.63	29,254.75
Abbott Laboratories, Inc	6100	40.75	248,575.00
Bank One Corp	3127	35.63	111,399.38
Unisys, Inc. Preferred	100	29.50	2,950.00
Benton County mining Co	333	0.00	0.00
Houston Industries	300	21.63	6,487.50
Pacific Gas & Electric	175	22.38	3,915.63
Eastman Chemical Co	270	69.00	18,630.00
Dean Whitter Discover	78	57.25	4,465.50
Airtouch Communications	148	31.13	4,606.50
Allstate Corp	185	42.00	7,770.00
Darden Restaurants, Inc	1440	13.50	19,440.00
Highlands Insurance Group, Inc	100	19.75	1,975.00
Chenequa Country Club Realty Co	1	0.00	0.00
Total common and preferred stocks and bonds			5,161,159.17

Life insurance policies	Face	Surrender
Northwestern Mutual #4378000	$12,000.00	$31,675.03
Northwestern Mutual #4574061	30,000.00	75,794.50
Massachusetts Mutual #4116575	10,000.00	6,185.79
Massachusetts Mutual #4228344	100,000.00	133,465.26
Old Line Life Ins. #5–1607059L	175,000.00	24,029.24
Total life insurance policies		271,149.82

	Balance
Banks and Savings & Loan accounts:	
Bank One, Milwaukee, N.A., checking account	$4,023.01
Bank One, Milwaukee, N.A., preferred savings	3,555.49
Bank One, Milwaukee, N.A., regular savings	756.76
M&I Lake Country Bank, Hartland, WI, checking account	1,505.33
M&I Lake Country Bank, Hartland, WI, savings	319.13
Burke & Herbert Bank, Alexandria, VA, checking account	1,082.08
Firstar, FSB, Butler, WI, IRA accounts	54,380.27
Total Bank and Savings & Loan Accounts	65,622.07

	Value
Miscellaneous:	
1985 Pontiac 6000 automobile—blue book retail value	2,000.00
1991 Buick Century automobile—blue book retail value	6,875.00
Office furniture & equipment (estimated)	1,000.00
Furniture, clothing & personal property (estimated)	135,000.00
Stamp collection (estimated)	43,000.00
Interest in Wisconsin retirement fund	65,074.38
Deposits in Congressional Retirement Fund	97,282.47
Deposits in Federal Thrift Savings Plan	71,144.22
Traveller's checks	7,750.00
20 ft. Manitou pontoon boat & 35 hp Force outboard motor (estimated)	5,000.00
17 ft Boston Whaler boat & 70 hp Johnson outboard motor (estimated)	7,000.00
1994 Melges X Boat with sails	5,000.00
Total miscellaneous	446,126.07
Total assets	6,965,807.13

LIABILITIES

Nations Bank Mortgage Company, Louisville, KY, on Alexandria, VA, residence, loan #39758–77	141,207.49
Miscellaneous charge accounts (estimated)	2,000.00
Total liabilities	143,207.49
Net worth	6,822,599.64

STATEMENT OF 1995 TAXES PAID

Federal income tax	115,399.00
Wisconsin income tax	23,080.00
Menomonee Falls, WI, property tax	2,170.51
Chenequa, WI, property tax	14,721.19
Alexandria, VA, property tax	6,951.00

I further declare that I am trustee of a trust established under the will of my late father, Frank James Sensenbrenner, Sr., for the benefit of my sister, Margaret A. Sensenbrenner, and of my two sons, F. James Sensenbrenner, III, and Robert Alan Sensenbrenner. I am further the direct beneficary of two trusts, but have no control over the assets of either trust. My wife, Cheryl Warren Sensenbrenner, and I are trustees of separate trusts established for the benefit of each son under the Uniform Gifts to Minors Act. Also, I am neither an officer nor a director of any corporation organized under the laws of the State of Wisconsin or of any other state or foreign country.

F. JAMES SENSENBRENNER, Jr.,
Members of Congress.

DIANNA FROBEL LeGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known that is with great respect for the outstanding record of excellence she has compiled in academics, leadership, and community service, that I am proud to salute Dianna Frobel, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Dianna is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Dianna Frobel is an exceptional student at Reading High School and possesses an impressive high school record. Dianna was the president of the National Honor Society and has earned the DAR Good Citizen Award, and was listed in "Who's Who Among American High School Students." She was the senior class vice-president, and the quizbowl captain. She has been involved with SADD and has spent much of her time volunteering for a variety of other local activities.

In special tribute, therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Dianna Frobel for her selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support, and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

TRIBUTE HONORING BRUSHPRIDE DAY

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to rise today and bring attention to a civic event being held in Elmore, OH, on June 13. This is the 10th annual BrushPride Day sponsored by the Brush Wellman Corp. The theme for this year's event is "BrushPride—Community Wide."

This Ohio company and its subsidiaries supply worldwide markets with beryllium products, alloy products, ceramic products, precious metal products, and speciality metal systems. As their mission statement so aptly states:

> We are committed to on time delivery of defect free competitive products and services to all of our customers by always performing to requirements.

The company is not only a world class performer on the international stage, but a model citizen in its own community.

BrushWellman is a company renowned for its civic pride and commitment to service. This year's event will highlight the good works BrushWellman employees contribute to their community. Anniversaries are a time to reflect upon a steadfast tradition of service. The 10th annual BrushPride Day is also a time to look toward new horizons. BrushWellman employees have made it their responsibility to serve those in need by keeping pace with the ever increasing challenges facing mankind.

Mr. Speaker, it is obvious that Ohio has greatly benefited from the efforts of the employees of BrushWellman. I ask my colleagues to join me today in recognizing the achievements of these dedicated achievers and encourage them to continue to uphold what has become the standard for excellence in Ohio.

WES PRUDEN ON A HERO FROM KANSAS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. DORNAN. Mr. Speaker, I commend the following editorial to my colleagues. Wes Pruden always seems to hit the mark.

[From the Washington Times, May 9, 1996]

SOMEWHERE THERE'S A HERO FROM KANSAS

(By Wesley Pruden)

Now that someone from Kansas has to stand up to the wizard behind the curtain, where's Dorothy?

The wizard, without even popping a sweat, has sent the Republicans into a tailspin a lot like the crash of George Bush in 1992, when his eye-popping poll numbers fell from 92 percent in the wake of the war in the Gulf to 38 percent in the ruins of November.

One loud "boo!" from the nation's most famous draft dodger and the entire regiment of Republicans who only yesterday imagined they should be posing for recruiting posters, went flying for cover, crawling up under the nearest front porch to hide with the dogs. Bill Clinton, who's never met a woman he didn't run after or a man he didn't run from, was the most astonished pol in town.

When the president found someone to throw the first punch at New Gingrich, he never imagined that nobody would strike back. When he found someone to throw the second punch, he never imagined that the Republicans themselves would join in piling on.

The campaign to demonize the speaker was simple and brutish: Throw out lies and distortions and scream even louder when the Republicans fire back. The lies got louder, but the Republicans never fired back.

The speaker's aims were not radical, unless most of us are radical: Cut down the size of government, shrink the budget on which big government feeds, crack down on criminals, throttle welfare cheaters, strengthen the military, roll back the regulatory bureaucracy, cut the throat of the trial-lawyer lobby before everyone but the lawyers are bankrupt, limit the terms of congressmen so they can return home to productive jobs, take the necessary steps to preserve the medical-care safety net—and cut taxes. Some radicalism.

So radical, in fact, that President Clinton adopted most of these goals himself, beginning with his assertion that "the era of big government is over." None of his own troops, liberals all, believe he really means it. Sen. Bob Kerrey of Nebraska, the Vietnam war hero whose contempt for the organizer of Vietnam anti-war rallies is obvious, calls him "an accomplished liar," and in this case the president's big-government allies feel reassured.

Some the speaker's erstwhile allies in the bravura of the morning after the November '94 blowout likened their mighty victory to the D-Day landings at Normandy. The analogy, for a bunch of guys who mostly spent the Vietnam war at the Student Union, sounded a little farfetched to some aging ears, but if some of these warriors had been barreling across France in the summer of '44 they would have braked cold on hearing Axis Sally's first diatribe against that ol' meanie Georgie Patton, and looked for a barn to hide in. Second Lt. Al D'Amato would have wanted the Germans to understand that he never really liked that Patton fella, anyway.

Who can be surprised that the clouds of pink and baby blue floating over the White House are made of gauze and giddiness? Bill Clinton hasn't had a stroke of luck like the Republican collapse since Monroe Schwarzlose, a turkey farmer so obscure that even Mrs. Schwarzlose wasn't sure who he was, turned up as his only serious opponent in a Democratic gubernatorial primary back home. (Mr. Clinton won, but not by much.)

The moral is that the Republicans can make a race of it in '96, too, if they can figure out which end of the gun you shoot with, and how to tell a foot from foe.

For weeks everyone in Washington was trying to figure out whether Bob Dole was asleep, or merely dead, and now they're trying to figure out whether Al D'Amato is the hit man from Cleveland, dispatched by Mr. Dole, or whether he's just a slap-happy, showing off.

What the Republicans seem to have lost sight of—and Bill Clinton hasn't—is that the conservative tide is still running, and gaining momentum. The great risk to Republican fortunes is that the voters will conclude that the Grand Old Partypoopers never had the convictions it seemed to have the courage of only a few months ago. Bill Clinton has no convictions, either, but he knows better than anyone else how to fake it.

Mike McCurry, his press agent, remarked yesterday that the pendulum measuring the Clinton fortunes is groaning against the rope, close to reaching its apogee. Soon everything that has been breaking in the president's favor may begin breaking the other way.

But maybe not. Iron laws govern politics, but not the iron laws of physics. The Republicans think they've got the character issue cold, and maybe they do, but in a street fight and a presidential campaign raw courage can count for more than character.

The wizard, trembling behind the curtain, understood that. So did a little girl from Kansas.

IN SEARCH OF A CHINA POLICY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. BEREUTER. Mr. Speaker, this Member heartily commends the distinguished senior Senator from Kansas, Senator ROBERT DOLE, for his first-rate analysis of the failures of the Clinton administration in Asia and the Pacific. The Senator's speech yesterday at the Center for Strategic and International Studies in Washington, DC, however, went beyond criticism and outlined key policy principles that would drive the policy and actions of a Dole administration in this strategic and dynamic region of the world. This Member, for one, would welcome the opportunity to serve as chairman of the Subcommittee on Asia and the Pacific working with a Dole White House guided by the principles enunciated yesterday in the Senate majority leader's speech. This Member shares the concerns expressed by Senator DOLE that the "weak leadership, vacillation and inconsistency" of the Clinton White House have brought American credibility in Asia to new lows and resulted in challenges to American interests with impunity.

On the Korean Peninsula, we must put the interests of our allies first. We must hold North Korea to its long-standing commitment for North-South talks. We must work with our allies in Seoul, Tokyo, and elsewhere to formulate a coordinated response to security challenges from Pyongyang—yes, challenges—without allowing ourselves to be so focused on the nuclear issue that the conventional threat and proliferation threats presented by the North are ignored.

This Member's greatest frustration, however, is with American policy toward China. Senator DOLE said it right when he commented that "extending MFN is not, in itself, a China policy." The President needs to articulate a coherent strategy for dealing with the many challenges—as well as opportunities—presented by China and then engage with the American people and the Congress to explain how MFN fits into that strategy. We in the majority need to warn the White House that they cannot continue to hide behind us on controversial trade issues, as they did on NAFTA and WTO, to ensure that Congress does the right thing. It is time for President Clinton to make the case, to invest the time and energy necessary to convince the American people that China must be engaged, not isolated, and to take the political heat from implementing this policy.

SPECIALIST PETER NARTIA, SOLDIER OF THE YEAR, U.S. ARMY, PACIFIC COMMAND

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. UNDERWOOD. Mr. Speaker, the sons and daughters of Guam in military service have distinguished themselves for more than a hundred years. A Spanish military Governor of Guam in the 19th century wrote fervently of the gallantry and dedication of the natives of Guam in service to the Spanish Navy. In this century, many American naval governors and military officers have sung the praises of Guamanian men and women in the armed services. We, in Guam, are proud of the fine record of accomplishments established by a long line of military men and women from our island.

Today I'd like to add another name to the list. Specialist Peter Nartia, of the Guam Army National Guard, was recently named the U.S. Army Pacific Command Soldier of the Year. Specialist Nartia is the first Guam Guardsman to win the reserve component competition, which was held at Fort Shafter, HI, earlier this month. Specialist Nartia joined the Guam Army National Guard in July, 1991 and is currently a vehicle dispatcher. In his civilian role, Specialist Nartia works as a storekeeper in the Guam Department of Education Supply Office. He is a 1986 graduate of John F. Kennedy High School.

Specialist Nartia will come here, to the Nation's capital, to represent the Army Pacific Command in the All-Army Command competition next month. I look forward to welcoming him and to wishing him good luck. Whatever the outcome of the competition, Specialist Nartia already has brought honor to the Guam Army National Guard and to the people of Guam.

That all may know of his contribution to the good name of Guam, I herewith enter the name of Specialist Peter P. Nartia, Soldier of the Year of the U.S. Army Pacific Command, into the CONGRESSIONAL RECORD.

NICHOLAS EBINGER, LEGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that is with great respect for the outstanding record of excellence she has compiled in academics, leadership and community service, that I am proud to salute Nicholas Ebinger, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Nicholas is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Nichiolas Ebinger is an exceptional student at Jackson High School and possesses an impressive high school record. Nicholas was the captain of the quizbusters team, and participated in Model United Nations. He was co-editor-in-chief of the yearbook and the youngest student ever accepted by Jackson Community College. Nicholas also excelled academically as the most valuable player on the undefeated conference championship academic team.

In special tribute, therefore, I am proud to join with his many admirers in extending my highest praise and congratulations to Nicholas Ebinger for his selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong and active participation contributed to his success. To this remarkable young man, I extend my most heartfelt good wishes for all his future endeavors.

RECOGNIZING TRENT EDWARDS

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. BAKER of California. Mr. Speaker, on June 23, 1995, Victoria A. Olivarez was in a terrible accident that left her extended through the windshield of her van. As the van became engulfed in flames, a man named Trent Edwards stopped to help. Trent is from Pleasanton, CA, a lovely community in my district. He is a retired technical school employee.

With utter disregard for his personal safety, Trent attempted to drag Ms. Olivarez through her windshield. Joined by another man, Trent was ultimately successful in bringing Ms. Olivarez to safety. Although taken to the hospital, she tragically died several hours later while being treated for her injuries.

Trent Edwards was hospitalized, as well. He suffered first- and second-degree burns to his face, head, and arms from the scorching heat of the burning van. One thing I failed to mention earlier: Trent Edwards is 80 years old.

For his remarkable act, Trent has been awarded a Carnegie Medal for Extraordinary Heroism by the Carnegie Hero Fund Commission of Pittsburgh, PA. Accompanying this award was a $2,500 grant and the recognition due an act of undaunted courage.

In my term as a public servant, I have seldom come across any American more richly deserving of the thanks of our country than Trent Edwards. His bravery and decency are an example for all of us. I am honored to bring him to the attention of my colleagues in the CONGRESSIONAL RECORD, and am proud to count him as a constituent and fellow citizen of our great country.

NATIONAL NURSES WEEK

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. ANDREWS. Mr. Speaker, this week has been designated National Nurses Week. As Congress faces several important items affecting health delivery in the United States, it is a good time to reflect on the importance of nurses to our health care system.

The issues affecting the nursing profession continue to have a profound impact on the quality of health care our constituents receive. Many in other professions seek to exclude nurses from performing duties for which they are qualified. As licensed practitioners, nurses are just as capable as other professionals of performing high quality services—often at much lower cost. We must find ways to use their talents.

The nursing profession as a whole is being besieged by reductions in public and private budgets, as well as by changes in hospital staffing policies. We must support continued funding for nursing education. We must support measures to allow nurses to practice in their own specialties rather than floating between hospital wards. Finally, we must oppose any move by health insurers to allow unlicensed practitioners to assume the nurses' role.

If we want to maintain the high quality of health care in the United States, we must examine every part of the caregiving network for savings and efficiency. I believe our investment in the education and utilization of nurses will continue to prove sound.

TRIBUTE TO THOMAS NAPOLITANO

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mrs. MALONEY. Mr. Speaker, today I rise to pay tribute to a dedicated professional who is deserving of our honor and respect. Mr. Thomas Napolitano has served the public for many years and, I am pleased to report, will continue to do so for many years into the future.

Thomas Napolitano currently serves as vice president of the School Settlement, a position he has held since 1992. During these years, he has also been a member of the board of directors. He is being honored today by the school settlement for his years of dedicated commitment to his community and to the public.

A pharmacist by profession, Mr. Napolitano has owned his own retail pharmacy since 1981. In 1988, however, he returned to the Williamsburg section of Brooklyn, NY, to contribute to the local economy of his hometown. He refurbished an existing pharmacy which is known as Napolitano Pharmacy and currently serves residents of Williamsburg.

The story of Thomas Napolitano is not complete without mention of his miraculous recovery from a brain tumor. In 1993, Mr. Napolitano was diagnosed with this very serious form of cancer. Through the love, support and prayers of the community and his patrons, he received the courage and strength to overcome this hurdle and return to the road of good health.

Thomas Napolitano was born in Williamsburg, Brooklyn on June 6, 1952. Raised in Howard Beach in Queens, New York, he attended St. Francis Preparatory School, and graduated in 1975 from St. John's University School of Pharmacy. In the same year, he married his wife Cathy and recently celebrated his 20th anniversary. Thomas and Cathy Napolitano have two teenage children, Thomas and Michelle.

Mr. Speaker, I ask my colleagues to join with me today to honor Thomas Napolitano who has served his community of Williamsburg for many years. I am happy to say that we can expect many, many more years of dedicated service to his patrons and his community.

TOM BEVILL'S 30 YEARS OF DISTINGUISHED SERVICE

HON. GLEN BROWDER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. BROWDER. Mr. Speaker, Members of the House will have many occasions this year to express themselves on the distinguished career of our friend and colleague, TOM BEVILL of Alabama. TOM will be retiring at the end of this year after 30 years in the House. We all know his dedication and his sincere interest in the betterment of this Nation has meant much to many of our districts throughout the country.

Tonight, in Alabama, we are going to get a head start in paying tribute to TOM and his lovely wife, Lou, for all they have meant to the people of Alabama and the rest of the country. Many of Alabama's leading citizens will be at a dinner in honor of TOM at Bevill State Community College in Sumiton, AL.

On this special day, we pause to enter into the CONGRESSIONAL RECORD our appreciation for TOM BEVILL's high standard of public service.

ANDREW BURKE, LeGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that it is with great respect for the outstanding record of excellence she has compiled in academics, leadership and community service, that I am proud to salute Andrew Burke, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Andrew is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Andrew Burke is an exceptional student at Lansing Catholic Central High School and possesses an impressive high school record. He has been involved with the National Honor Society and the Eagle Scouts. Andrew was also a National Merit semi-finalist and has received numerous academic awards. He was a member of the band and the quiz bowl team. Outside of school Andrew, has been a member of the Lansing Concert High School Honors Band and has earned the order of the Arrow Brotherhood member.

In special tribute, therefore, I am proud to join with his many admirers in extending my highest praise and congratulations to Andrew Burke for his selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong and active participation contributed to his success. To this remarkable young man, I extend my most heartfelt good wishes for all his future endeavors.

TRIBUTE TO JOHN P. WAGGONER

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. GILLMOR. Mr. Speaker, I would like to take this opportunity to recognize an exceptional young man from my district who has recently accepted his appointment as a member of the Class of 2000 at the U.S. Naval Academy.

John P. Waggoner will graduate Margaretta High School later this month after 4 years of outstanding academic achievement as well as extracurricular involvement. While in high school John has distinguished himself as a leader among his peers. He is first in his class with a 4.00 grade point average and a varsity letter winner in football, baseball, and track. In addition, he was president of the National Honor Society, participated in Buckeye Boys State and is an active volunteer for the YMCA. He is an outstanding student and patriot.

Mr. Speaker, one of the most important responsibilities of Members of Congress is to identify outstanding young men and women and to nominate them for admission to the U.S. service academies. While at the Academy, they will be the beneficiaries of one of the finest educations available, so that in the future, they might be entrusted with the very security of our Nation.

I am confident that John Waggoner has both the ability and the desire to meet this challenge. I ask my colleagues to join me in congratulating him for his accomplishments to date and to wish him the best of luck as he begins his career in service to our country.

IN HONOR OF MAGILL PROPERTY MANAGEMENT FOR THEIR WONDERFUL CONTRIBUTION TO THE COMMUNITY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to Magill Property Management for their wonderful contribution to the community. They will be holding a ribbon cutting ceremony on Monday May 13, 1996, to unveil 11-unit affordable housing complex at 800 East Jersey Street in Elizabeth, NY.

In 1987, Magill Property Management began work on its first property. Through the years, the business grew and flourished into a well respected enterprise. Magill Property Management is a certified minority business that strives to help the community. Angel Magill combines a strong sense of community with a shrewed business sense. When Mr. Magill undertakes an enterprise the whole community profits, not just himself.

Magill Property Management is marking a great achievement. Angel Magill built this affordable housing project on the ashes of a dilapidated old building. He was aided in his efforts by the Elizabeth Home Improvement Program, which secured the funding from various sources including the Home Investment Partnership Program [HOME] and the low income housing tax credits [LIHTC].

Affordable housing units are more than bricks and mortar. They are a place where dreams come true for low income families, where people can rebuild their lives, and where they can take steps to build a financially secure future. Mr. Magill and his firm make these dreams turn into reality.

Magill Property Management has done its part for the community. I ask my colleagues to join me in honoring Magill Property Management for their efforts to provide comfortable and affordable housing for low-income families.

TRIBUTE TO ST. NICHOLAS GREEK ORTHODOX CHURCH

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. LEVIN. Mr. Speaker, I rise today to recognize the congregation of St. Nicholas Greek Orthodox Church in Troy on the dedication of their new church Sunday, May 19, 1996. Founded in 1936 by a small group of Greek immigrants in Detroit, this congregation now numbers 700 families drawn from around the metropolitan Detroit area and is one of the leading Greek Orthodox parishes in the United States.

The history of this church mirrors the history of many of the ethnic congregations of southeast Michigan. The original parish was known as the Greek Orthodox Church of the north side. They pooled their resources and talents and met in a converted bank building to worship in the faith of their fathers and celebrate the culture of their homeland. As they prospered and grew their facilities became inadequate. In 1953 Archbishop Michael, head of the Greek Orthodox Church in North and South America, consecrated a new facility in Palmer Park during a 3-day observance. An outstanding example of Byzantine architecture, the church was designed in the shape of a cross, and its size and majesty both awed and inspired parishioners and visitors.

As the size and vision of the congregation grew there was a need to relocate again, and in 1987 land was purchased in Troy and another ambitious building project was begun. Architect Constantine George Pappas was commissioned to design a modern church which expressed the ancient tradition. Sculptor Michael Kapetan received the commission to design and execute the icon screen; he, too, was challenged to create this essential religious artifact combining new ideas with the form and style of the past. This rotunda facility, already the winner of five State and local honor awards for distinguished architecture, engineering, and masonry, will be consecrated on May 19 by His Grace, Bishop Maximos, bishop of the diocese of Detroit.

The congregation, led by Father Nicholas Harbatis, now includes third and fourth generation descendants of the founding members. In addition to religious studies, Greek language studies for children and adults, folk dancing, and classes in other Greek cultural traditions are offered by the parish. The Greek festival, held annually in the summer, is a celebration enjoyed by parishioners and the public. This summer the cultural exhibit will honor the centennial of the modern Olympics, founded on the ancient Greek contest. The new church and cultural center represent completion of phase I and II of a plan which includes a future gymnasium for youth and retirement complex for senior adults.

Guided by philosophies and principles which are unchanged over 2,000 years, St. Nicholas Greek Orthodox Church is a true representation of the continuing faith of orthodoxy in America and a spiritual fulfillment for the community. The design of the church building, itself, is an icon for the community, just as the symbolic interior decoration is an icon for the faithful. And this complex represents an ethnic tie and a bond with Greek immigrants and their homeland.

The consecration of this new house of worship is indeed a tribute to the faith and vitality of the members of St. Nicholas Greek Orthodox parish and the Greek American community. I share their joy on this auspicious occasion and wish them well in future years.

PYRAMID OF REMEMBRANCE FOR THE FORGOTTEN ONES ACT OF 1996

HON. STEVE C. LaTOURETTE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. LATOURETTE. Mr. Speaker, today I wish to draw your attention to the efforts of some extraordinary young people from my district who have embarked on an ambitious and unique project. They want to erect a monument in Washington, DC, to pay tribute to our sons and daughters who have lost their lives while serving their country, but not in the arena of war. I have introduced a bill, the Pyramid of Remembrance for the Forgotten Ones Act of 1996, to help them realize their dream.

Our country is home to many war memorials—from the Civil War to Vietnam. Some of these memorials are located in our hometowns, some are located here in our Nation's Capital. What we do not have, however, is one collective memorial for those whose sacrifice does not fit into a one tidy category—one that honors those whose lives were lost in undeclared conflicts.

The Pyramid of Remembrance will fill that void.

This will be the monument to honor our sons and daughters in the Army, Navy, Air Force, Marines, and Coast Guard. It will honor those who lost their lives in places like Somalia and Bosnia, and in peacetime training missions. While we may not perceive these as combat fatalities in a technical sense, the loss of these lives is just as great, as is the service and devotion to country from these young men and women.

Three years ago, the students of Mary Porter's art concept class at Riverside High School in Painesville, OH, began work on this project. The students were haunted by images of the body of a United States soldier being dragged through the streets of Mogadishu, Somalia, and decided to design a monument to honor the victims of such tragedies. Several proposals were presented, but the students settled on a 30-foot high, four-sided pyramid made of red or porphyry marble.

One side of the monument will feature engraved symbols for the Army, Navy, Air Force, Marines, and Coast Guard; the others will have the words "Faith, Honor and Remembrance" etched into them. At all times, water will stream down the sides of the pyramid to symbolize that this is a living monument.

While the students who initially planned the monument have all graduated and moved onto college, the underclassmen at Riverside High School have been unwilling to let this project die. They have enlisted the support of area veterans groups, have had architectural renderings of their monument completed, and have set up a Pyramid of Remembrance Foundation to assist in fundraising efforts.

The students I have met with do not want this to simply be a Riverside High School project, or an Ohio project. They intend to enlist the assistance of high school and college students and young people across the country in 21st century style, via the Internet and the power of MTV. They want this to be a monument inspired and created by the youth of America, a tangible contribution from their generation. They see this as a way of proving that our Nation's youth—Generation X—has a deep commitment to country and community service. No Federal funds will be used for the establishment of this monument.

These students realize they face an uphill battle, and that many obstacles stand in their way. But they are undeterred and accept the challenge that every great American success story began with the same four words: It can't be done.

I leave you with the thoughts of these special students, the kind of young people America should be proud to call its own:

> The purpose of the Pyramid of Remembrance is to acknowledge the supreme sacrifice made by military personnel when engaged in non-combat situations. The lives of these men and women are just as valuable to our nation and their families as those heroes that died in armed conflicts. It matters not whether a military life is lost in basic training or in a peacekeeping mission abroad; a life was still lost in service to the United States of America.

CAROLINE DUGOPOLSKI, LeGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that is with great respect for the outstanding record of excellence she has compiled in academics, leadership, and community service, that I am proud to salute Caroline Dugopolski, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Caroline is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Caroline Dugopolski is an exceptional student at Grand Ledge High School and possesses an impressive high school record. Caroline has been involved with the National Honor Society, earned the D.A.R. Good Citizen Award, and was listed in "Who's Who Among American High School Students." She attended the American Legion Auxiliary Girl's State and has been active in band and tennis. Outside of school, Caroline has spent much of her time as a community volunteer.

In special tribute, therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Caroline Dugopolski for her selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support, and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

EVERY WORKER DESERVES EQUAL TREATMENT UNDER OUR LABOR LAWS

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. BARRETT of Wisconsin. Mr. Speaker, during the debate on H.R. 2406, the Housing Act of 1996, I had planned to introduce an amendment to improve the labor standards section of the bill. Specifically, my amendment proposed to delete the section of the bill which exempts residents of public housing from the labor protections provided in the bill.

H.R. 2406 includes provisions that would require that the prevailing wage be paid to all contractors, laborers, and mechanics employed by a local housing authority. The bill, however, exempts residents of public housing, such as nonunion maintenance workers, from these important labor protections.

Why should workers at the same worksite, living in the same community, doing the same job make less than their fellow workers? We should not be penalizing American citizens because they happen to live in public or assisted housing.

Furthermore, paying public housing residents less than the prevailing wage for identical work would limit the income of those who are employed by local housing authorities, thus also reducing their contribution to the project.

Chairman LAZIO has indeed made some very constructive changes in the manager's amendment including adding language that would protect residents who are members of a labor union. But, these changes don't go far enough.

Although I decided to withdraw my amendment, I intend to work diligently with other members of the House Banking Committee to improve this bill so that every worker employed by a local housing authority is granted equal rights under the labor standards section. I encourage my colleagues in the House to support me in this effort.

WES PRUDEN ON THE AIDS LOBBY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. DORNAN. Mr. Speaker, I commend the following editorial to my colleagues. Wes Pruden ranks at the top of all commentary writers.

INFLATING THE LIE CAN BE WORTH MILLIONS

(By Wesley Pruden)

Some lies are so big they inevitably topple over, like the fat lady on a windy day at the beach.

One of the biggest lies of recent times is the terrifying whopper, promulgated and promoted by the U.S. government, that anyone can get AIDS. The corollary of "anyone," of course, is "everyone." Maybe even Mother Teresa.

Nobody has pushed this lie harder than the public-health officials appointed by Bill Clinton. Joycelyn Elders, the condomander-in-chief in the first years of the Clinton interrregnum, pushed it hardest of all.

The Wall Street Journal reported this week that the Centers for Disease Control (CDC) has routinely and deliberately exaggerated the risks to heterosexuals because government officials who lobby Congress for federal research money think it's easier to get money for "straights."

Naturally the government's lobbyists insist that such chicanery is the furthest thing from noble bureaucratic minds. Dr. Helene Gayle, director of the CDC's National Center for HIV, says it was only the "trends," not something as gritty as politics, that "guide the way we develop interventions." By "interventions," the lady means strategies for scarfing up dollars.

The CDC, under pressure from the politicians pandering to the lavender lobby, has been lying about AIDS for years. This newspaper, surveying a wide range of government researchers, reported in 1987, when the government scare offensive was first organized, that heterosexuals who lived ordinary lives—*i.e.*, just about all of us—were at small risk of contracting AIDS. The exceptions were those who receive blood transfusions—such risk now is tiny, indeed—and who inject intravenous drugs with needles shared with the neighborhood hophead.

We relied on CDC figures, suspect then as now, about who was getting AIDS. The CDC reports that as of Dec. 31, 1995, a total of 513,486 cases have been tabulated since June 1981. Of those, 51 percent are homosexual or bisexual males, 25 percent are druggies, and 8 percent are heterosexuals. This doesn't add up to 100 percent, and the rest are a mixture of men or women who live with druggies or either aren't sure or lie about who they are. The heterosexual percentage is thought to be inflated.

CDC spokesmen, stung by the new publicity, conceded yesterday that the money spent on countering the AIDS "epidemic" had been spent in the wrong places, targeting the wrong people, and now it intends to funnel more AIDS money to those who need it most. "We've got to make sure we follow the trends," said the spokesman, with a straight face, "and at this time young gay men, minority gay men and [mostly minority] women who are partners of IV drug users are increasingly at risk." What the CDC won't say is that these are the people who always have been at risk.

The Wall Street Journal concludes that, for most heterosexuals, the risk of AIDS is something less than the risk of getting hit by lightning. For children, whom the government frightens most of all, the risk is about that of getting hit by a meteor.

But the government lie, that anyone/everyone catches it, certainly was effective. The media eager to promote the homosexual agenda, sensationalized the threat until soon nearly everyone imagined that Elizabeth Taylor would one day wear a little ribbon for all of us. Only last year, Redbook magazine ran a story titled, provocatively, "Could I Have AIDS?" The author, an obscure hysteric, concluded: "My mind automatically telescopes to AIDS every time I get sick."

John Ward, chief of AIDS tracking for the government, told the Wall Street Journal: "I don't see much downside in slightly exaggerating the risk of AIDS." Well, the risk to him and his agency is that there's no reason now for any of us to believe anything he says.

But it wasn't just the government. Many parents, despairing of instilling anything as quaint as moral values in their children, were eager to frighten their randy offspring into careful, if not moral, behavior. The homosexual lobby, despairing of legitimate reckless behavior and reckoning that the public regards them as being in deep doo-doo anyway, wanted to reduce the stigma of sexual practices most people regarded as repulsive. And certain moralists, with little human kindness in their hearts, insisted that God had just downloaded the e-mail message that AIDS was divine retribution. Some of them even seemed pleased.

I once asked Joycelyn Elders, who eagerly lectured Americans that they should quit smoking because it's bad for their health even though it might feel good, whether she would be willing to tell homosexual lovers to knock off the anal intercourse because it's bad for their health even if feels good. She just changed the subject.

FAA AGE 60 RULING

HON. WILLIAM H. ZELIFF, JR.

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. ZELIFF. Mr. Speaker, Federal Aviation Administration regulations currently prohibit anyone age 60 or older from piloting commercial aircraft carrying 30 or more passengers. The Age 60 Rule was implemented in 1959, 8 years before the enactment of the Age Discrimination in Employment Act of 1967. Over the past 35 years, thousands of highly experienced and medically healthy individuals have been forced to retire well before the Social Security retirement age of 65 due to this rule. Now, after three decades of efforts to establish age equality in aviation, the Federal Aviation Administration on December 11, 1995, made a final ruling to maintain the 60 years age limit for part 121 pilots and to extend that age limit to pilots of part 135 commercial aircraft carrying 30 or fewer passengers. FAA's ruling merely maintains the status quo discrimination against those healthy and experienced pilots 60 years of age and older.

When considering raising the mandatory retirement age for commercial passenger aircraft pilots, public safety is of course the most important consideration. Under current FAA regulations, part 121 pilots are required to undergo two physicals a year and continual proficiency checks. These exams ensure that all pilots are physically able to safely operate commercial flights. The existing medical exams work well for 59-year-old pilots and would work just as well for those pilots age 60 and above. Medical technology has advanced significantly since 1959, and potentially disabling health conditions can be detected, diagnosed and treated much more quickly and effectively than in past decades. In addition, individuals are leading longer and healthier lives because of a greater awareness of the importance of proper diet and exercise in daily life.

The FAA has based its decision to maintain the mandatory retirement age for pilots of part 121 aircraft in part on recent studies on the impact of age in aircraft flight safety. However, none of the studies have conclusively proven what, if any, airline safety problems are the result of age. A 1981 National Institute on Aging [NIA] study concluded that "no medical significance could be attached to age 60 as a mandatory retirement." And the authors of the 1990 FAA Hilton study, a 2-year study to consolidate accident data and correlate it with flying experience and age of pilots, found "no hint of an increase in accident rates for pilots of scheduled air carriers as they neared their 60th birthday." It is particularly interesting to note that National Transportation Safety Board data does not cite "sudden incapacitation" or "subtle incapacitation," that have been cited by FAA in defense of maintaining the Age 60 Rule, as a contributing factor in part 121 accidents. Instead, NTSB accident investigations have found inexperience, rather than age, to be a factor in aviation accidents. In fact, post-age-60 pilots have captained part 135 aircraft for years without safety problems, and it is arguably more demanding to pilot part 135 aircraft because of the large numbers of takeoffs and landings. In short, to mandate retirement on the basis of age, without any consideration of the individual pilot's continued ability to safely operate the aircraft, amounts to nothing more than age discrimination.

TRIBUTE TO DR. PASQUALE JOHN SCOTTI

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mrs. MALONEY. Mr. Speaker, today I rise to pay tribute to Dr. Pasquale John Scotti. Dr. Scotti, general practice physician, has served the local residents of the Williamsburg section of Brooklyn, NY, for many years as a self described "old fashioned practitioner." He is being appropriately honored today by the Settlement School for his many years of selfless service to his native Brooklyn.

Dr. Scotti attributes his interest in medicine to his dedication to the residents of Williamsburg to an excellent role model, his uncle John, also a physician. Dr. Scotti admired his uncle and saw in his practice a strong involvement in the welfare of his patients, many of them neighbors and friends. This exposure led Dr. Scotti to medicine and to the fulfillment of his dream of a neighborhood practice. He has served this community for 22 years.

Aside from a neighborhood practice, Dr. Scotti served in the U.S. Army Medical Corp as well. He spent a year in Vietnam, which left him with first hand knowledge of illnesses rarely diagnosed in the United States. The year's experience in Vietnam allowed him, upon his discharge, to open his local practice in October 1974.

Pasquale John Scotti was born on October 14, 1941 at home on Skillman Avenue in Brooklyn. As a youngster he attended P.S. 17 and Boys High School. He received his bachelor of science degree from Fordham University and his medical degree from New York Medical College. He interned in internal medicine and completed a pulmonary fellowship at Metropolitan Hospital Center. He has been married to his wife Lydia since October 1978. They are blessed with two children, Melissa-Ann and Pasquale, Jr.

Mr. Speaker, I ask my colleagues to join with me today in honoring Dr. Scotti, a very rare breed of physician. His neighborhood practice has served the local residents for many dedicated and committed years. We recognize and salute his contribution and hope he may continue to provide a local practice to his many proud patients.

PENNY HAMSTRA, LEGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that is with great respect for the outstanding record of excellence she has compiled in academics, leadership and community service, that I am proud to salute Penny Hamstra, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Penny is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Penny Hamstra is an exceptional student at Battle Creek Academy High School and possesses an impressive high school record. Penny has been involved with the National Honor Society as the secretary and treasurer. She has also been active in student government serving as secretary, treasurer and president. She is a member of the yearbook staff and has received numerous academic awards. Outside of school, Penny has been involved in a variety of local activities.

In special tribute, therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Penny Hamstra for her selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

INTERNATIONAL CHRONIC FATIGUE AND IMMUNE DYSFUNCTION SYNDROME AWARENESS DAY

HON. PAUL McHALE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. MCHALE. Mr. Speaker, I take this opportunity to honor and recognize May 12, as International Chronic Fatigue and Immune Dysfunction Syndrome Awareness Day. This proclamation was presented to the Chronic Fatigue Syndrome Association with the Lehigh Valley:

> PROCLAMATION—INTERNATIONAL CHRONIC FATIGUE AND IMMUNE DYSFUNCTION SYNDROME AWARENESS DAY
>
> Whereas, the Chronic Fatigue Syndrome Association of the Lehigh Valley join the CFIDS Association of America in observing May 12, 1996, as International Chronic Fatigue and Immune Dysfunction Syndrome Awareness Day; and,
>
> Whereas, chronic fatigue and immune dysfunction syndrome (CFIDS), also known as chronic fatigue syndrome, is a complex illness which affects many different body systems and is characterized by neurological, rheumatological and immunological problems, incapacitating fatigue and numerous other symptoms that can be severely deliberating; and,
>
> Whereas, conservative estimates suggest that hundreds of thousands of American adults and children have CFIDS; and,
>
> Whereas, it is imperative that education and training of health professionals regarding CFIDS be expanded and that public awareness of this serious health problem be increased.
>
> Now, Therefore, Congressman Paul McHale does recognize Sunday, May 12, 1996, as International Chronic Fatigue and Immune Dysfunction Syndrome Awareness Day, and pays tribute to the Chronic Fatigue Syndrome Association of the Lehigh Valley for its efforts to conquer CFIDS on behalf of those battling this disabling illness.
>
> Signed and Sealed this Sixth Day of May, One Thousand Nine Hundred and Ninety-six.

DOLLARS FOR SCHOLARS

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. GOODLING. Mr. Speaker, I rise today to extend my congratulations and best wishes to the volunteers and supporters of Dollars for Scholars who will converge on Boston later this month to help celebrate the 35th anniversary of this outstanding national organization. The 35th anniversary events are part of a year-long initiative—"Year of the Scholar"—which Dollars for Scholars is using to expand its grassroots financial and academic support for students throughout the country.

From its founding in New England, Dollars for Scholars has become a national grassroots citizens movement, providing academic and financial support for students through more 760 community scholarship foundations in 40 States. Last year, Dollars for Scholars chapters raised more than $15.8 million and provided scholarships to some 15,400 students.

I'm proud, Mr. Speaker, that some of Dollars for Scholars oldest and newest chapters are located in Lancaster and York Counties in Pennsylvania. The Lancaster County chapter was founded in 1961, following an enthusiastic visit by Dr. Irvin Fradkin, the Fall River, MA optometrist who founded Dollars for Scholars and is still an active volunteer. The Lancaster County Dollars for Scholars chapter has grown and flourished over the years, assisting thousands of its local students in the process.

Much more recently, new Dollars for Scholars chapters have been established in York County, including chapters serving the Spring Grove, Dallastown, and northeastern school districts. There is also strong interest in starting new Dollars for Scholars chapters in the York City and eastern school districts.

Just over a month ago, Mr. Speaker, I had the pleasure of attending a special banquet sponsored by the Dallastown Dollars for Scholars chapter and heard an inspiring message from Dr. William Nelsen, the president of Dollars for Scholars national organization.

Dr. Nelson noted that the York County chapters have received strong encouragement from the York Foundation and its executive director of development, Eugene C. Struckhoff. The York Foundation has been especially helpful to several of the York County Dollars for Scholars chapter in establishing endowments. Taken together, the York County chapters have already raised some $800,000. Earnings from these endowments will assure a continuing source of funds for scholarships—supplemented each year by grassroots fundraising by local volunteers.

Mr. Speaker, these Dollars for Scholars chapters in Pennsylvania and all across the country as sending a powerful message to young people about the value they place on education. I commend those efforts and extend my best wishes for even greater success to these outstanding organizations in the future.

WOMEN, THEIR RIGHTS AND NOTHING LESS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. LAFALCE. Mr. Speaker, for some months now, the House has left unresolved an issue of importance to many of us in the Congress and across the Nation—namely, moving the statue of suffragists Susan B. Anthony, Lucretia Mott, and Elizabeth Cady Stanton from the crypt of the Capitol to the rotunda.

The sculpture, known as the Portrait Monument, was presented in 1921 as a gift to the Capitol from the National Woman's Party. After a dedication ceremony in the rotunda, the statue was moved to the crypt, leaving, to this day, no statues in the rotunda honoring women.

By a vote of 100 to 0, the Senate last July approved the concurrent resolution authorizing placement of the statue in the rotunda. However, when the Resolution came up for consideration in the House last October, it was derailed by a group of Members who objected to the use of taxpayer money to relocate the statue. I found this objection puzzling since public funds are routinely used to acquire and maintain works of art in the Capitol complex. But I find it even more puzzling why the House leadership and those objecting to using taxpayer money did not turn then—or in the 7 months since—to the privately raised funds available for this purpose through the Capitol Preservation Commission. There is no reason for this situation to be at a standstill.

Mr. Speaker, the inscription that was originally on the Portrait Monument—and which was, unbelievably, painted over within months of the sculpture's arrival at the Capitol—is brief and inspiring and includes the phrase "women, their rights and nothing less." Last year was the 75th anniversary of women's suffrage. It would have been most fitting for the monument to be moved then, but it was not because of this unnecessary dispute. We have also heard suggestions to place in the rotunda a substitute display honoring women suffragists. But it is the sculpture of Anthony, Mott, and Stanton that is the meaningful and appropriate tribute. Mr. Speaker, let us act without further delay and move the Portrait Monument. Nothing less.

This issue has generated a great deal of attention in my district. Representative of this interest is a resolution passed by the Buffalo Federation of Women's Clubs, which I would like printed with my statement as further testimony of the support that exists around the country for moving the Portrait Monument.

BUFFALO FEDERATION OF WOMEN'S CLUBS

RESOLUTION

Whereas, the Seventy-Fifth Anniversary of the final approval of the Nineteenth Amendment to the Constitution of the United States, granting suffrage to women, or the Woman's Right to Vote Amendment, is being celebrated this year, and

Whereas, The Buffalo Federation Of Woman's Clubs is supporting the New York State Federation of Women's Clubs restoration of the Susan B. Anthony House project in Rochester, New York, and

Whereas, The Buffalo Federation of Women's Clubs has been made aware that a piece of statuary comprised of the figures of Susan B. Anthony Lucretia Mott and Elizabeth Stanton, known as the "Pioneer Suffrage State" reposes in the crypt of the Capitol in Washington, D.C., and

Whereas, efforts to move the statute into the Rotunda of the Capitol during this celebratory year, to join the multitude of memorials to historical forefathers, have been unsuccessful,

Now, Therefore, The Buffalo Federation of Women's Clubs goes on record as requesting that the "Pioneer Suffrage Statue" be forthwith moved to a place of Honor in the Rotunda of the Capitol, to honor all those who fought for Woman's suffrage and to encourage women today and tomorrow to continue to share in the universal electoral process basic to America's Freedom.

ADOPTION PROMOTION AND STABILITY ACT

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. POMEROY. Mr. Speaker, I rise today to make a statement regarding the passage of H.R. 3238, the Adoption Promotion and Stability Act. Specifically, I will address my remarks to title III of the bill which amends the Indian Child Welfare Act.

The Indian Child Welfare Act was designed to protect the rights of Indian tribes to make decisions on the placement of their children. However, over the years, we have seen certain cases in which this law has not served the interests of children waiting for adoption nor has it treated some adoptive parents fairly. This causes me great concern. Adoptive parents and children have been faced with the threat that their children may be removed from the only home they have known. On the other hand, legitimate concerns have been raised by the native American community which must be taken in consideration.

As the debate continues in the Senate and ultimately in conference committee, I will work with Congresswoman PRYCE, the native American community and others in resolving the question raised in regards to this language and any further considerations of amending the Indian Child Welfare Act.

SARAH SHAUB, LEGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that it is with great respect for the outstanding record of excellence she has compiled in academics, leadership, and community service, that I am proud to salute Sarah Shaub, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Sarah is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Sarah Shaub is an exceptional student at Lenawee Christian High School and possesses an impressive high school record. Sarah was the president of the National Honor Society, has earned several academic awards, and was listed in "Who's Who Among American High School Students." She has also been involved with student government serving as secretary and treasurer. She has been active in band, choir, and drama. Outside of school, Sarah has spent much of her time volunteering for a variety of local activities.

In special tribute, therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Sarah Shaub for her selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support, and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

TRIBUTE TO SHARON WARNER

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mrs. MEEK of Florida, Mr. Speaker, on Saturday, May 11, 1996, friends and relatives of Sharon Warner will gather to pay tribute to her on-going, remarkable efforts made in the face of adversity. Diagnosed only months ago with leukemia, Ms. Warner and her friends have taken it upon themselves to educate and assist others.

When she learned of her illness, Ms. Warner began the search for a bone marrow transplant donor. She soon found that the national pool of potential donors, especially minority ones, was very small.

And when she approached various public agencies for financial assistance after using all sick leave made available by her employer, she found the red tape to be overwhelming.

Ever the crusader, Ms. Warner did not give up. She spread the message of the need for minority bone marrow donors through local media outlets. She also formed the Helping Hands Organization to direct others seeking financial assistance through the maze of governmental bureaucracy.

I am sure that my colleagues across the United States will join me in honoring the work of Sharon Warner. Her efforts will certainly make a difference for years to come. Sharon Warner is a shining example of bravery and tenacity, and she deserves our admiration, our respect, and our support.

TRIBUTE TO CH2M HILL

HON. JOHN LINDER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. LINDER. Mr. Speaker, it is my pleasure to recognize a company employing many of my constituents—the employee-owned, international project delivery and consulting engineering firm of CH2M HILL—for their current role as the environmental adviser to the 1996 Olympic games in Atlanta. Much of the Olympic work is being performed from CH2M HILL's long-established Atlanta office, one of the firm's 122 locations worldwide. CH2M HILL will supply on-call environmental counsel before, during, and after the games to the Atlanta Committee for the Olympic games [ACOG] as they complete the environmental framework for staging the largest peacetime event in history.

Thus far, the firm's activities have included: documenting innovative environmental approaches and achievements during venue planning and construction; assessing the impact of the games on environmental media—air, water, solid waste; linking sponsors to environmental management planning and addressing any sponsor-related circumstances, for example, heat, air quality, and supplying support in the areas of solid waste management, indoor air quality at the Olympic Village, and transportation operations. CH2M HILL will also develop an official environmental summary document for the 1996 games that will provide benchmark environmental data for future Olympic and other large sporting events.

To put CH2M HILL's involvement in context, when the International Olympic Committee [IOC] awarded the Olympic Games to Atlanta in 1990, environmental management was not a component of the Olympic bid process. One year later in 1991, the IOC in partnership with the United Nations Environmental Programme (UNEP) formally highlighted the importance of environmentalism as a new Olympic ideal. Atlanta is only the second host city to voluntarily address Olympic environmentalism in any pragmatic or operational manner. The 1996 Olympic games are being held in the United States, a nation with some of the highest environmental standards in the world. When you add Atlanta's contribution of sound environmental management in a sport setting to the above, there is little doubt that the environmental measure for future Olympic games has been significantly raised.

CH2M HILL is an innovator in environmental technology and integrated project delivery. The firm serves a diverse portfolio of public- and private-sector clients throughout the world in the fields of water, environment, transportation, industrial facilities, infrastructure, and facility operations. The year 1996 marks the employee-owned firm's 50th year in business.

I congratulate CH2M HILL for their involvement as the environmental adviser to the largest peacetime event in history and recognize the important role our Nation plays in championing environmental stewardship and helping to preserve the planet for future generations.

TRIBUTE TO SHELDON STIEFELD

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SCHUMER. Mr. Speaker, I rise today to honor an outstanding educator and mentor in Brooklyn, Mr. Sheldon (Shelly) Stiefeld, who is retiring after 34 years of service to New Yorks' public schools. Thousands of youngsters have learned a great deal from Shelly and his wife, Florence who is also retiring. The tireless work and energy exhibited by the education careers of Shelly and Florence Stiefeld has done much to ensure the success of Brooklyn students.

I am especially familiar with Shelly's outstanding teaching abilities as he was my world history teacher at James Madison High School in Brooklyn. As a fifth grader, I was dazzled by his animated lectures and became entranced by his knowledge of different cultures and traditions. I am deeply grateful to him for giving me a strong basis for a future career in Government.

It gives me great pleasure to join all the parents, students and friends in honor of Shelly Stiefeld's commitment to public education and academic excellence. My educational training under Shelly left me with a positive view of Brooklyn public schools. My own children follow the same path, as they also attend public schools. The retirement of both Shelly and Florence will certainly come as a loss to those who were fortunate enough to grow under his tutelage.

TRIBUTE TO WILLIE JAMES

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SERRANO. Mr. Speaker, I rise to pay tribute to Mr. Willie James, president of the Transport Workers Union of Greater New York, who will be honored tonight for his outstanding service to the community by members of the Society of African American Transit Employees at a dinner dance in the Bronx, NY.

Mr. Speaker, Willie James was born in Harlem Hospital, in New York City. He started working as a bus operator in 1967 for the Manhattan and Bronx Surface Transit Operating Authority. This position marked the beginning of his involvement with the labor movement.

Prior to his appointment as president, Mr. James served the transport union as director of education and training and later on as financial secretary-treasurer. Under his leadership in education and training, Mr. James developed training programs that enabled cleaning workers to advance their skills and attain higher paid positions within the industry.

Mr. James currently serves as vice president of the New York State AFL–CIO and vice president of the New York City Central Labor Council. He is also an executive board member of the New York Branch of the National Association for the Advancement of Colored People, an executive board member of the Black Trade Union Leadership Committee, and a member of the board of directors of the Municipal Credit Union, on which he served as president from 1985 through 1991.

Throughout his life, Mr. James' philosophy has been one of helping those in need without expecting anything in return. He would often say: "Just ask that person who you are helping to pass the baton of love and concern to others in this race of life."

Besides his commitment to the labor movement, Mr. James was ordained deacon of the Harmon Baptist Church, and often serves as a soloist. He is married to Rosabelle and has two children, Daysey Moyd and Charles James.

Mr. Speaker, I ask my colleagues to join me in recognizing Mr. Willie James for his outstanding contribution to the advancement of the labor movement and of the African-American community.

EILEEN ROCCHIO LEGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that it is with great respect for the outstanding record of excellence she has compiled in academics, leadership, and community service, that I am proud to salute Eileen Rocchio, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Eileen is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Eileen Rocchio is an exceptional student at Coldwater High School and possesses an impressive high school record, President of both the National Honor Society, and her class, Eileen was also listed in "Who's Who Among American High School Students." She was cocaptain of the girl's basketball team, and was the 1995 homecoming queen. Outside of school Eileen has been very involved with Girl Scouts of America and received the Gold Award.

In special tribute, therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Eileen Rocchio for her selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support, and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

HONORING SARITA SPIWAK, WIZO WOMAN OF THE YEAR

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. TORRES. Mr. Speaker, I rise today to pay tribute to Sarita Spiwak, a special woman who has dedicated herself to many humanitarian causes, most notably to the work of the Women's International Zionist Organization [WIZO]. This organization, founded in 1920, sets out to promote the welfare of women, children, the elderly, and immigrants, with the belief that this will strengthen and improve the quality of life for everyone in the State of Israel.

For her many years of hard work and commitment to the ideals of the WIZO, this Saturday, May 11, 1996, the organization will show its appreciation to Sarita by honoring her as its "Woman of the Year."

Sarita was born and raised in Bogota, Colombia. She married Dr. Jose Spiwak in 1967. In 1969, she and Jose moved to Israel with their newborn daughter, Daniela, fulfilling their Zionist dream. While in Israel, they studied and worked and also enjoyed the arrival of their second daughter, Yael, in 1971. Following Yael's birth, the Spiwaks moved back to Colombia. One year later, in 1972, the family moved to the United States. In 1976, their son, Allan, was born. Two years later, in 1978, Sarita, Jose, and their three children settled in Los Angeles.

In 1987, Sarita was asked, along with 10 other women, to begin a WIZO chapter in Los Angeles. For nearly a decade, Sarita's work with WIZO has led her to dedicate her time and resources to various other projects that support women, children and the elderly in Israel and throughout the world. She is a tireless advocate of efforts to preserving the State of Israel and an integral and prominent member of California's Jewish community.

Mr. Speaker, it is with pride that I ask my colleagues to join with me in saluting this champion of human rights, Sarita Spiwak, for her commitment to the welfare of the less fortunate. I ask my colleague to congratulate her on being honored as the "Woman of the Year" by the Women's International Zionist Organization.

BALANCING THE BUDGET

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. PACKARD. Mr. Speaker, as my Republican colleagues and I continue to work on the fiscal year 1997 budget resolution, we are committed to our course—a balanced budget.

The Republican budget plan will balance by the year 2002. It will protect priority programs with proven track records. It will privatize, eliminate, and reduce others that are inefficient and ineffective. It will provide middle-class families and small businesses with much-needed tax relief. And, it will take the power, money and influence out of Washington, emphasizing local solutions to local problems.

In contrast, President Clinton's budget only balances by raising taxes—on top of his historic 1993 tax hike. He would spend billions more of America's hard-earned dollars, perpetuating the big Government tax-and-spend policies that have characterized this administration. In fact, the President's budget creates at least 14 new Government programs and continues status quo welfare programs. If the current deficit was not enough, the President's budget would saddle future generations with at least $119 billion more in deficit spending.

Mr. Speaker, the President's budget amounts to nothing more than higher taxes, more spending and bigger Government. American families do not want more added to their already unwieldy tax bill. They want smaller Government. They want less intrusive Government. Most of all, they want to keep their money—the money they work hard for so they can take care of their families, not the Government.

UNFUNDED MANDATES AND CBO ESTIMATES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. HAMILTON. Mr. Speaker, the Unfunded Mandates Reform Act of 1995 was intended to assist Congress in its consideration of proposed legislation by providing information about the nature and size of possible mandates in those proposals. The Congressional Budget Office is directed by that statute to help in developing such information.

I wrote to the Congressional Budget Office to express my concerns about serious problems with the unfunded mandates information CBO provided on the conference report on H.R. 1561, the America Overseas Interest Act. That correspondence appears in the CONGRESSIONAL RECORD of March 22, 1996, at 6055.

I would now like to submit the CBO response to my earlier letter. I am pleased that CBO acknowledges that it would be more useful to the Congress for CBO to provide the full cost estimate for any bill at one time, rather than in select parts, and that three of the four provisions in the conference report on H.R. 1561 would in fact increase costs to the States. I hope that in the future CBO will include such information in a single estimate at the time a bill is under consideration.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 18, 1996.

Hon. LEE H. HAMILTON,
Ranking Minority Member, Committee on International Relations, U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN: I am writing in response to your letter of March 20, 1996, concerning CBO's intergovernmental mandates cost statement for the conference report on H.R. 1561, the Foreign Relations Authorization Act for Fiscal Years 1996 and 1997. Our mandates statement concluded that the conference report contained no intergovernmental mandates as defined by the Unfunded Mandates Reform Act of 1995 (Public Law 104-4).

In your letter, you raised two major concerns about CBO's estimate. First, you suggested that separating the mandates cost statement from the federal cost estimate for a bill or conference report diminishes the usefulness of the information for Members. I fully agree. As a general rule, CBO attempts to send out all information on a bill—the federal cost estimate, the intergovernmental mandate statement, and the private sector mandate statement—at the same time. Sometimes, however, we cannot complete all those statements at once, and in the interest of providing information in a timely manner, we send them separately.

Second, you questioned CBO's conclusion that H.R. 1561 would impose no intergovernmental mandates. Because the definition of mandate in Public Law 104-4 is a narrow one, a bill can increase costs for states and localities without imposing a mandate upon them. In fact, H.R. 1561 is just such a case. As you suggest, states would face additional costs if more refugees enter the United States and receive benefits from AFDC, Medicaid, or other public programs. CBO's estimate should have indicated the likelihood of such costs, even though they would not be the direct result of new mandates imposed on the states.

The Unfunded Mandates Reform Act defines a federal intergovernmental mandate as any provision in legislation, statute, or regulations that would impose an enforceable duty upon state, local or tribal governments, except as a condition of federal assistance or a duty arising from participation in a voluntary federal program. Under the act, a provision that related to large federal entitlement grant programs constitutes a mandate only if that provision would increase the stringency of conditions of assistance to state, local, and tribal governments under those programs, and only if the affected governments lack authority under that program to amend their financial or programmatic responsibilities to continue providing required services that are affected by the provision. Furthermore, section 4 of Public Law 104-4 specifically excludes from CBO's analysis certain kinds of legislative provisions, including any provision that "is necessary for the national security or the ratification or implementation of international treaty obligations."

Three of the provisions cited in your letter as having the potential to expand the states' burden of caring for refugees (sections 1104, 1253, and 1255) do not meet the definition of an intergovernmental mandate in Public Law 104-4. These provisions relate instead to the operation of the State Department's refugee and migration assistance programs. While states would face additional costs if more refugees and asylees are allowed to remain in this country, these costs would result either from state public assistance requirements that are not controlled by the federal government, or from an increase in the number of people eligible for federal entitlement programs. Because the bill would not increase the stringency of conditions for these entitlement programs, these provisions do not constitute mandates under the law.

Section 1256, the remaining provision of the conference agreement cited in your letter, falls within the section 4 exclusion, because it is necessary for the implementation of the international obligations of the United States under the Convention Against Torture and Other Cruel, Inhuman, and Degrading Treatment or Punishment. Therefore, pursuant to the provisions of the act, CBO did not analyze its potential impact on state, local, and tribal governments.

Please let me know if you have further questions or concerns about this estimate or about the implementation of the Unfunded Mandates Reform Act. The CBO staff contact is Pepper Santalucia, who can be reached at 225-3220

Sincerely,

JUNE E. O'NEILL,
Director.

DAMON WILLIAMS, LEGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that it is with great respect for the outstanding record of excellence he has compiled in academics, leadership, and community service, that I am proud to salute Damon Williams, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Damon is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Damon Williams is an exceptional student at Homer High School and possesses an impressive high school record. Damon has been a member of the National Honor Society, and was listed in "Who's Who Among American High School Students". He has excelled academically and athletically. He participated in both the Science Olympiad and Quiz Bowl Team. Damon was a member of the track team, Future Farmers of America, and 4-H.

In special tribute, therefore, I am proud to join with his many admirers in extending my highest praise and congratulations to Damon Williams for his selection as a winner of a LeGrand Smith Scholarship. The honor is also a testament to the parents, teachers, and others whose personal interest, strong support, and active participation contributed to his success. To this remarkable young man, I extend my most heartfelt good wishes for all his future endeavors.

TRIBUTE TO ANGELO PETRINO

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. KENNEDY of Massachusetts. Mr. Speaker, one of the pleasures of serving this legislative body is the opportunity we occasionally get to publicly acknowledge the outstanding individuals of our communities. I rise today to recognize one such individual, Angelo Petrino of Massachusetts, who was named "Man of the Year" of the Belmont Men's Lodge #1094.

Mr. Petrino is a leading member of the Italian community in the Greater Boston area and has played an important role in preserving and promoting appreciation of Italian culture. His civic and community service is a testament to his rich Italian heritage and community spirit. He is an example of how one individual can truly make a difference in the lives of others. Mr. Petrino has always displayed exceptional dedication to helping those in need, and he will continue to be an inspiration to all.

Mr. Speaker, it is indeed an honor and a pleasure for me to have this opportunity to recognize this outstanding humanitarian. I am sure I speak on behalf of many members of the community who have either worked with Mr. Petrino, or have experienced the benefits of his hard work, when I offer him my heartfelt congratulations.

COMBATING CHILDHOOD HUNGER

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. HALL of Ohio. Mr. Speaker, I rise today in honor of 10 organizations which are doing outstanding work to combat childhood hunger in our Nation. These organizations are the recipients of the Third Annual Victory Against Hunger Awards, presented by the Congressional Hunger Center and Victory Wholesale Grocers. Victory Wholesale Grocers is based in my district of Dayton, OH, and founded by my good friend, Milt Kantor.

Each organization receiving this tribute was nominated by a Member of Congress, and chosen from a pool of nominations by a panel at the Congressional Hunger Center. The following winners were selected based on their community participation, effective delivery of service, geographic diversity, and innovative ideas.

The Hunger Connection, of Rockford, IL, nominated by Representative DON MANZULLO, is a food bank and food rescue program, provides food baskets to families in exchange for a modest fee and community service. It also has distributed more than 17 million dollars' worth of donated food, free of charge, since it was founded 11 years ago.

The Hunger Task Force of Milwaukee, WI, nominated by Representative TOM BARRETT, distributes food through its Emergency Food Pantry and facilitates long-term solutions to the problem of hunger. It feeds children in cooperation with the School Breakfast Program, and its Kids to Kids Program provides antihunger and nutrition education.

The Free Market, of Los Angeles, CA, was nominated by Representative MAXINE WATERS. In this establishment families and individuals receive vouchers of up to $350 to shop for groceries free of charge. The market in the neighborhood of Watts was burned down in the recent riot and had to be rebuilt. I am pleased that the Free Market's founders, Reverend Bynum and his wife, and five others were on hand to receive this well-deserved honor.

Food-PATCH S.T.E.P.S., nominated by Representative SUE KELLY, is a program which uses forward-looking strategies to feed families in Millwood, NY. They seek to help parents, particularly single mothers, achieve self-sufficiency by teaching them practical life skills, and providing nutrition education, parenting sessions and donations of bags of groceries.

American Culinary Federation Food Source Network, of Myrtle Beach, SC, was recommended by Representative MARK SANFORD. A group of chefs concocted this food rescue program, which assists local nonprofit organizations and educates families regarding nutrition.

Food Link, Inc. is a food rescue program located in Annapolis, MD. This group, nominated by Representative WAYNE GILCHREST, delivers fresh produce to food distribution centers, cares for children with HIV and AIDS, and is in the process of establishing a nutrition education program for children.

Hearts to Nourish Hope, Inc., of Riverdale, GA, was nominated by Representative JOHN LEWIS. It takes a unique approach to the problem of local hunger by enlisting juvenile delinquents to distribute food and increase community awareness about the problem of hunger. This service opportunity enriches the lives of the youths involved while simultaneously meeting needs in the Riverdale community.

P.R.I.D.E. in Logan County, a 29-year old organization located in Logan, WV, was nominated by Representative NICK JOE RAHALL. This group works to feed some of the Nation's poorest children in the Appalachian region. It combats hunger through the provision of meals, nutrition education, and transportation to feeding sites. I am pleased that Alvin Queen was here to personally receive this honor.

Wayside Christian Mission's Family Shelter, operating since 1984 in Louisville, KY, was nominated by Representative MIKE WARD. This shelter provides three meals a day to homeless families with children, and places them in a healthy, nurturing environment.

Kid's Cafes, a project of the Food Bank of Coastal Georgia in Savannah, was nominated by both Representative JACK KINGSTON and Representative CYNTHIA MCKINNEY. This innovative program uses rescued food and volunteers to provide over 650 meals weekly to hungry children. It serves as a model for after-school feeding programs and is being duplicated across the country. We are delighted that Natalie Alwan could be here to receive this award.

The accomplishments of these organizations, and the determination of the people whose work has made these organizations successful, are inspiring. I hope that these awards serve to draw attention to the issue of hunger within our country.

The congressional Hunger Center is a bipartisan, nonprofit organization whose mission is to lead, speak, and act on behalf of the hungry, the poor, and victims of humanitarian crises. Representative BILL EMERSON and I serve as co-Chairs of this organization. On behalf of the board of directors of the Congressional Hunger Center I congratulate all the winners of this award, and encourage them to continue their work.

LINDA BURDICK AND CAROL BONNONO: TWO SPECIAL OREGON NURSES

HON. ELIZABETH FURSE

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Ms. FURSE. Mr. Speaker, this week is National Nurses Week when we recognize the good work of nurses all across America. I rise before the House today to honor two nurses who have made special contributions in Oregon. Their hard work and dedication deserves national attention.

Linda Burdick is one of these special nurses. Linda has served the community as a public health nurse for 20 years. Linda recognized that Oregon's low immunization rates were a barrier for healthy childhood development and wellness. In response, Linda helped to obtain grant funding and recruited nurse volunteers to begin a monthly clinic in a Portland neighborhood where many children are at risk. With the help of the Oregon Nurse Association, Linda has taught over 500 registered nurses how to immunize.

Thanks to her work, the number of providers who may now administer vaccinations has risen dramatically—and so has the number of children who have been immunized. Under her leadership, over 800 children have been immunized over the last 15 months. In December 1995, Linda received the "Every Child By Two Award" in recognition of her work—the only registered nurse to have received it.

I would also like to commend the work of another nurse in Oregon, Carol Bonnono. In 1993, Carol came into my office in Washington, DC, to talk about health care. After 20 minutes, we began talking about her other passion: helping stop drunk drivers. Carol told me how she was actually prohibited by law from releasing to the police the blood alcohol levels of crash victims. In fact, a study conducted in my district showed that 86 percent of drunk drivers who go through emergency rooms are released without being charged for their offense. I was instantly impressed by her passion and her dedication to making a difference.

For 5 years, Carol doggedly pursued her goal of changing the law in Oregon. Last year, her efforts paid off and Carol's bill was signed into law by Oregon Governor John Kitzhaber. I was proud when the television program "Dateline NBC" told her story this March. In Carol's honor, I was proud to introduce in Congress the "Carol Bonnono Act," H.R. 1982, which would help make the Oregon initiative the law of the land all across America.

Carol and Linda are both dedicated professional nurses who, like the thousands of nurses across America, serve their communities everyday. Their extraordinary efforts, however, are worthy of national recognition during National Nurses Week. I commend them for their good work, and all Oregonians should be proud of their success.

MEGAN LARSON, LEGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that it is with great respect for the outstanding record of excellence she has compiled in academics, leadership, and community service, that I am proud to salute Megan Larson, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Megan is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Megan Larson is an exceptional student at Jackson County Western High School and possesses an impressive high school record. Megan has been involved with the National Honor Society and has earned several academic awards. She has also served as student government secretary and president. Megan has excelled athletically receiving the coach's award in basketball and track. She was also a snowfest princess and a homecoming queen candidate. Outside of school, Megan has spent much of her time volunteering for a variety of local activities.

In special tribute, therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Megan Larson for her selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

SENATE—*Monday, May 13, 1996*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by Rev. Richard B. Foth, Assemblies of God, Arlington, VA.

PRAYER

The guest Chaplain, Rev. Richard B. Foth, Assemblies of God, Arlington, VA, offered the following prayer:

Gracious Father, we come to You on this magnificent spring day with grateful hearts for the ways in which You speak to us. With all creation shouting "new life," we ourselves ask for refreshing and vigor from Your spirit as we begin a new week.

Each Senator here carries more burdens, personal and corporate, than most of us can fathom. The challenge of carrying a vision for the Nation, while holding in concert the philosophy of party and the needs of particular States is always with them. Help these chosen men and women, whom You have gifted, to be firmly grounded in principle while dealing on every hand with issues that insist on pragmatic solutions.

We acknowledge on this Monday in May that we cannot enact enough laws to solve the deepest challenges of every American, but we can have open hearts toward You and toward each other. In these Chambers, where battles of philosophy and budget can wear public servants out, let trust that nurtures life keep knocking at the door.

In the name of Him who gives us life and that more abundantly, we pray these things. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator LOTT, is recognized.

Mr. LOTT. Mr. President, we thank the distinguished guest Chaplain for his prayer this morning.

SCHEDULE

Mr. LOTT. Mr. President, there will be a period for morning business until the hour of 3:30 p.m. Following morning business, the Senate will resume consideration of H.R. 2937, which is the White House Travel Office legislation. There will be no rollcall votes today. Senators are reminded that a cloture motion was filed on the pending Dole amendment to H.R. 2937, with that vote occurring on Tuesday at 2:15 p.m.

This week it is hoped that the Senate can complete action on the White House Travel Office bill, resolve the gas tax repeal issue, the minimum wage bill, and the TEAM Act issues, as well as consider the budget resolution. In order to achieve all of that this week, Senators should be on notice that there will be votes throughout the week, with the strong possibility of late-night sessions so that we can complete a very aggressive agenda.

Again, I know the distinguished majority leader has been meeting with the minority leader, and they are working to come up with a process whereby these very important issues can all be considered during this week.

Mr. President, I am prepared to yield the floor, and I observe the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FRIST). Without objection, it is so ordered.

Mr. BYRD. What is the time limitation?

The PRESIDING OFFICER. The time until 2 o'clock is under the control of the Democratic leader.

MORNING BUSINESS

Mr. BYRD. Is the Senate in a period of morning business?

The PRESIDING OFFICER. Yes, it is, morning business.

Mr. BYRD. Are Senators permitted to speak therein?

The PRESIDING OFFICER. For 5 minutes.

Mr. BYRD. I thank the Chair.

Mr. President, I may take just a little longer than 5 minutes. I ask unanimous consent that I may proceed for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

"TINKER" AND ELNORA ST. CLAIR

Mr. BYRD. Mr. President, I was deeply saddened by the recent death of Elnora Hall St. Clair, a loving mother, a doting grandmother, and the devoted wife of Arthur M. "Tinker" St. Clair, an important individual in our Senate family and a man whom I have been long glad to count as my friend.

Elnora Hall was born in Waiteville, in southern West Virginia, deep in the heart of mining country. Like my own wife, Erma, Elnora was a coal miner's daughter. She grew up among solid, hard-working, faithful people—mountain people—in the hollows of my State. She graduated from Gary High School in McDowell County. On May 25, 1940, she married Tinker St. Clair, a lucky day for each of us whose lives that this couple has touched.

Elnora was a homemaker, and that is a noble occupation that is vastly undervalued today. In addition to her membership in the Eastern Star of Welch, WV, and the Parent Teachers Association, she was active in the Democratic Party. Her interest in politics—Democratic politics—was one of the many passions that she and Tinker shared.

With Elnora at his side, Tinker—after several years of driving a school bus and a company bus—became a deputy sheriff in McDowell County. He served as a court bailiff, the criminal investigator for the county's prosecuting attorney, and later became a justice of the peace.

In 1965, Tinker was elected county clerk of McDowell County and Elnora pitched in whenever she could be of help. In 1971, well satisfied with his performance of his duties, the people of McDowell County selected him again to serve another 6-year term.

But in 1979, Elnora informed Tinker that she wanted to go to Washington and she wanted to go to stay and she would not be coming back. "The grandchildren are there," she told him, and she wanted to be near them. So, in July of that year, Tinker retired as county clerk of McDowell County, and he was appointed by me to serve as a doorkeeper in the U.S. Senate. Thus, this pair of southern West Virginians ended up here in Washington, where they would be close to their grandchildren and could watch them grow.

While Elnora and Tinker set up house here, they never severed their ties to their West Virginia home. In all the years that they lived in the Washington area, Tinker rarely missed a Jefferson/Jackson Day dinner back in Charleston. He is a life member of the Brown's Creek Democratic Committee, and in election years, he still travels along the winding mountain roads of southern West Virginia, going up and down the hills and back into the hollows nailing up the campaign posters and spreading the Democratic word. Elnora accompanied him on many of those "politicking" trips. Whenever possible, they would drive back to Welch and visit with long-time friends, and when it came time to lay her to rest, Tinker took Elnora back home to West Virginia, back in Mercer County.

Mr. President, on May 25, Tinker and Elnora would have celebrated 56 years

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

of marriage. How blessed they were that God would give them so many years together. Indeed, how blessed many of us have been by their long union.

They made quite a pair. Elnora was lively and animated. She loved to hear a good joke and she had a knack for telling them. She complemented Tinker very well. He, the more serious, you would think, more reserved of the two, delighted in her ways. They cajoled and kidded each other. She would tease him about his thrifty ways. He would tell folks of his plans to hand her a toothpick and take her to the Price Club for Sunday brunch. They looked after each other. She would fiddle with his twisted suspenders. They loved each other.

In addition to Tinker, Elnora is survived by two daughters, Patty St. Clair and Linda Pence, and three grandchildren, Kimberly George, and Eddie and Mack Pence. Also surviving is one great grandson, Nicholas George, in whom Elnora revelled.

And so Erma and I extend our sympathies to this wonderful family, and especially to Tinker, a diligent and loyal Senate staffer—one who reveres this institution—a solid citizen, a compassionate, honorable man, an outstanding West Virginian.

And on a personal note, I would say to Tinker, you have the promise of seeing Elnora again. She knows of your grief today. I lost a loving grandson about 14 years ago, and I felt that Michael knew of my grief and I was sustained, as I walked through the deep valley, by the hope that some day I might see Michael again, because we are taught by the Bible to believe in a life beyond the grave.

William Jennings Bryan perhaps said it best when he said:

> If the Father deigns to touch with divine power the cold and pulseless heart of the buried acorn to make it burst forth from its prison walls, again the mighty oak, will he leave neglected in the cold and silent grave, the soul of man, made in his own image? And if he stoops to give to the rosebush, whose withered blossoms float upon the Autumn breeze, the sweet assurance of another springtime, will he refuse the words of hope to the Sons of Men when the frosts of winter come? And if matter, mute and inanimate, though changed by the forces of nature into a multitude of forms, can never be destroyed, then will the imperial spirit of man suffer annihilation after a brief visit like a royal guest to this tenement of clay? No, I prefer to believe that He, who, in His apparent prodigality, created nothing without a purpose and wasted not a single atom in all of his vast creation, has made provision for a future life in which man's universal longing for immortality shall achieve its realization. I am as sure that we will live again, as I am sure that we live today.

That was William Jennings Bryan in his book "The Prince of Peace."

I should like to think, in closing, of a bit of verse written by someone—I know not whom—which conveys a comforting thought that I would like to dedicate to Tinker and his daughters and grandchildren.

Near a shady wall a rose once grew,
Budded and blossomed in God's free light,
Watered and fed by morning dew,
Shedding its sweetness day and night.

As it grew and blossomed fair and tall,
Slowly rising to loftier height,
It came to a crevice in the wall,
Through which there shone a beam of light.

Onward it crept with added strength,
With never a thought of fear or pride.
It followed the light through the crevice's length,
And unfolded itself on the other side.

The light, the dew, the broadening view
Were found the same as they were before,
And it lost itself in beauties new,
Spreading its fragrance more and more.

Shall claim of death cause us to grieve,
And make our courage faint or fall?
Nay! Let us hope and faith receive:
The rose still grows beyond the wall.

Scattering fragrance far and wide,
And just as it did in days of yore,
Just as it did on the other side,
And just as it will forevermore.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. BINGAMAN pertaining to the introduction of S. 1743 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, it was on Friday, February 23, 1996, that the Federal debt broke the $5 trillion sound barrier for the first time in history. The records show that on that day, at the close of business, the debt stood at $5,017,056,630,040.53.

Twenty years earlier, in 1976, the Federal debt stood at $629 billion, after the first 200 years of America's history, including two world wars. The total 1976 Federal debt, I repeat, stood at $629 billion.

Then the big spenders really went to work and the interest on the Federal debt really began to take off—and, presto, during the past two decades the Federal debt has soared into the stratosphere, increasing by more than $4 trillion in two decades—from 1976 to 1996.

So, Mr. President, as of the close of business Friday, May 10, 1996, the Federal debt stood—down-to-the-penny—at $5,092,815,215,705.75. On a per capita basis, every man, woman, and child in America owes $19,230.19 as his or her share of that debt.

This enormous debt is a festering, escalating burden on all citizens and especially it is jeopardizing the liberty of our children and grandchildren. As Jefferson once warned, "to preserve [our] independence, we must not let our leaders load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude." Isn't it about time that Congress heeded the wise words of the author of the Declaration of Independence?

JUSTICE FLORENCE K. MURRAY—40 YEARS OF EXCELLENCE

Mr. PELL. Mr. President, I rise to share with my colleagues the good news of a major landmark in Rhode Island history and in the life of Justice Florence Kerins Murray. This month we celebrated the 40th anniversary of her appointment as the first woman justice in Rhode Island history.

I have known and admired Justice Murray for much of my life, and I would like to share some of the many highlights of this remarkable woman's dramatic career with you.

She was born in Newport on October 21, 1916, educated in Newport public schools and received her B.A. from Syracuse University. After a brief teaching career at the Prudence Island School, she earned her LL.B. in 1942 from Boston University Law School and was admitted to the Massachusetts Bar.

With World War II in progress, Justice Murray enlisted in the Women's Army Corps, and was commissioned as a second lieutenant in 1942. Serving in a variety of posts she left the corps as a lieutenant colonel at war's end, only to be recalled to duty for a special assignment in 1947.

Returning to Rhode Island, she sat for the State bar, was admitted, and practiced law alone and in association with her husband, Paul F. Murray, to whom she was married in 1943 at St. Mary's Church, Newport. They are the parents of a son, Paul M. Murray.

She began her distinguished political career in 1948, serving simultaneously on the Newport School Committee and in the Rhode Island State Senate until 1956. She focused on issues ranging from the welfare of children and youth to facilities for the elderly.

In 1956, Florence Murray was appointed by Governor Dennis J. Roberts as an associate justice of the Rhode Island Superior Court, the first woman justice in Rhode Island history.

Twenty-two years later she became the first woman presiding justice of that court. In 1979, she was elected to her present position on the Rhode Island Supreme Court, one of the first women to serve on a State court of last resort in the United States.

Justice Murray's career is marked by service and leadership in the regional and national Trial Judges Association, and the National Judicial College—where she served as chair of the board of directors of the college.

The recipient of numerous awards for outstanding service, including nine honorary doctorates, Justice Murray was honored at a ceremony 6 years ago in which the Newport County Courthouse was rededicated as the Florence Kerins Murray Judicial Complex.

Once again, it was a first. The program notes from the ceremony state the rededication "marks the first time that a major court facility in the United States has been designated in honor of a woman jurist."

Justice Murray is truly a wonderful, remarkable individual who has earned her place in the history of both Rhode Island and the Nation. I know that I reflect the thoughts of countless Rhode Islanders as we wish her well on the 40th anniversary of her appointment as a Rhode Island State Justice.

VIETNAM HUMAN RIGHTS DAY

Mr. KENNEDY. Mr. President, this past Saturday was Vietnam Human Rights Day, and I join in urging all Members of the Senate to express their support for it. Six years ago, on May 11, 1990, one of Vietnam's foremost human rights advocates, Dr. Nguyen Dan Que, published the Manifesto of the Non-Violent Movement for Human Rights in Vietnam. Vietnam Human Rights Day marks that historic occasion. The manifesto calls on the Vietnamese Government to respect basic human rights, establish a multiparty system of government, and allow free and fair elections.

Tragically, Dr. Que's appeal led to his arrest and imprisonment in 1990. He was sentenced to 20 years of hard labor, and he has spent the past 2 years in solitary confinement.

Last November, Dr. Que and Prof. Doan Viet Hoat, a leading Vietnamese dissident who has also been imprisoned, were recipients of the Robert F. Kennedy Human Rights Award. At that time, I called on the Vietnamese Government to release Dr. Que and Professor Hoat and all political prisoners in Vietnam. Today, 6 months later, Dr. Que and Professor Hoat and other political prisoners remain in prison, and their plight and the future of human rights in Vietnam remain bleak.

I take this opportunity on Vietnam Human Rights Day to call on the Government of Vietnam to respect fundamental human rights and release their political prisoners. The people of Vietnam have waited too long for these basic changes to take place.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FUTURE OF THE ATLANTIC ALLIANCE

Mr. KYL. Mr. President, this weekend there was an important conference in Prague, the Czech Republic, in which both Europeans and Americans discussed the future of the Atlantic alliance.

. I wanted to report briefly on that and submit statements for the RECORD later.

First, let me ask unanimous consent to have printed in the RECORD an op-ed piece written by our colleague, the Senator from Mississippi, Senator COCHRAN, relating to the subject of missile defense.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 8, 1996]

UNREADY FOR ROGUE THREATS

(By Thad Cochran)

When it comes to thinking about ballistic missile defense (BMD), most opponents of defending America are mired in the logic of the Cold War. Critics would do well to consider new ideas, as their old logic is inadequate for the emerging security environment.

It was suggested in an op-ed piece by Michael Krepon [The Last 15 Minutes, March 27] that the START process of reducing the number of Russian nuclear weapons should be a preferred alternative to national missile defense. This argument is, in fact, a staple from the past. The ability to defend against Soviet missiles was considered anathema to achieving U.S.-Soviet strategic arms control agreements, and therefore it was sacrificed for the goal of reducing Soviet nuclear arms through negotiation.

This position, questionable at the time, now ignores reality. It misses one of the primary features of the changed world: the proliferation of missiles and nuclear weapons to rogue states outside the old East Bloc. The central point of the Defend America Act now before Congress is that American cities must be protected against those rogues now bent on acquiring long-range missiles and nuclear, biological and chemical weapons. The START process does not help us here—it doesn't even apply.

START II, ratified by the Senate with overwhelming bipartisan support, cannot and does not pretend to take a single missile or mass-destruction weapon out of the hands of countries such as North Korea, Iran and Libya. The Defend America Act calls for defenses against the limited missile arsenals existing and sought by such rogue states.

The notion is also put forward that we should focus on various multilateral and nonproliferation measures instead of national missile defense. Again, the old Cold War debating tactic of pitting diplomatic efforts against BMD shines through. And again, it does not fit the new world. We know that diplomatic efforts to prevent the spread of missile technology alone are inadequate to address the proliferation threat.

Despite some modest diplomatic successes, such as with the Missile Technology Control Regime, the list of countries acquiring missiles and mass-destruction weapons continues to grow. Rogue states have proven themselves capable of sidestepping our diplomatic nonproliferation measures. For example, inspections in Iraq, the world's most heavily inspected regime, have been on the ground for years, yet we are regularly surprised by new revelations of previously unknown Iraqi proliferation efforts.

Diplomatic efforts to help slow the pace of proliferation must continue. But nobody should be fooled into believing that arms control agreements alone can solve the problem; and nobody should be fooled by the old Cold War argument that missile defense must be sacrificed to pursue various arms control efforts. This is not an either/or choice, as the critics would like us to believe.

It should be common knowledge, but it isn't, that America has no operational national missile defense system. Consequently, because we cannot be confident in our various diplomatic efforts to stop missiles before the "last 15 minutes" of their deadly flight, it makes sense to focus attention and resources now on the capability to intercept missiles and warheads before they reach their targets. The proliferation of missiles and mass-destruction weapons now makes missile defenses essential to American security.

Some argue that there is no missile threat to the United States for the foreseeable future. This notion comes on the heels of statements by Chinese officials to American officials that the United States would not support Taiwan in a crisis because of the Chinese capability to rain nuclear bombs on Los Angeles. It also ignores the fact that, according to U.S. intelligence estimates and private accounts, the North Koreans have in development a missile that, when operations, will be able to target parts of the United States. In the past, the North Koreans have sold missiles to anybody with the cash to pay. How far and wide might this missile be sold? Nobody inside or outside the intelligence community knows.

We do know that North Korea has sold its missiles to rogue states in the past, including Iran. We also know that Libya's Qadhafi and Saddam Hussein have both expressed their longing for missiles and nuclear weapons with which to threaten the United States, and willing sources of technology and brain power exist to help them.

For America to delay moving ahead on BMD until multiple rogue missile threats emerge—and there is consensus in the intelligence community that such is the case—carries high risks that Americans need not be vulnerable to.

Some think tanks may be able to convince American leaders that they should not worry about emerging missile threats, but providing the common defense is a constitutional responsibility those in authority dare not forfeit or ignore. That is why I support the Defend America Act and that is why the president should sign it.

Mr. KYL. Mr. President, the conference to which I referred was to discuss the future of the Atlantic alliance given the fact that the Central European nations of Europe have not yet been taken into either the economic or the political organizations to which the Western European nations have belonged since the end of World War II. Specifically, would these countries be taken into NATO, and would they be taken into the community of European nations in terms of the economic arrangements that currently exist? The answer to those questions by most of the members at this conference was that it was time for the Western European nations, including the United States, to reach out to the Central European countries like the Czech Republic, Poland, Hungary, and others who wished to be a part of the alliance both to develop stronger economic ties and also to provide for common security arrangements. The basis for this conclusion was primarily philosophical, not practical, though the practical benefits of the arrangement are clear for all to see.

From a practical standpoint, it goes without saying that exports and imports benefit all nations participating, that there are benefits to common defense, and certainly from the United States' perspective a forward defense by having friends in Europe as preferable to an isolationist position. But the philosophical reasons were the ones that were dwelt upon by the participants in this Atlantic alliance conference because of the understanding that the Western nations, among others in the world, share a common set of values, a common heritage, and an understanding that mankind should be free, that government should protect that freedom and independence based upon the philosophical and moral values of the Western nations. There is a sense that we do not have an option to be apart but rather must continue to work together to advance that philosophy.

Why is that so? Mr. President, it is important for the people of the United States to see the advantages of democracy in the world. If I could sum up in one sentence what our national interest is abroad, it would be to advance the cause of democracy for the peoples who share that common value with us.

As I said, it benefits the United States from a philosophical point of view because, if there is conflict in the world, the United States is less free not only from a military point of view but from the point of view of the rights that we exercise as American citizens. We know from the depths of the cold war that Americans were less free at home because of the commitments that we had to make abroad.

That is why, both from a practical and a philosophical point of view, it is important for the United States to participate with our Western European allies and why it is important for all of us to try to advance the cause of freedom by extending the number of democratic states in the world.

There is another important point that was reached by most participants in the conference. That was that of all of the threats that face the civilized nations of the world today, as Lady Margaret Thatcher said in one of the key addresses at the conference, the most critical threat of all is the threat of weapons of mass destruction and the missiles to deliver those weapons. That same theme was articulated by others at the conference as well.

The conclusion of the policy statement at the conference was that a concerted action by the alliance leaders to develop and to deploy an effective ballistic missile defense for all of the democratic peoples of the world was an important goal for us to be achieving, and that, if we could achieve that goal, we would no longer have to answer the question of why NATO continued to have a purpose in the world today.

Conceived as an organization to protect Western Europe from the threat of communism and the expansion of communism, some have felt that NATO has no more purpose because that ideological threat no longer exists. That is true; but what does exist is the threat from rogue nations, whether ideologically oriented or not, rogue nations who are, one could say, the world's criminal element because they have no regard for the democratic rights of other nations and have exhibited aggressive tendencies. Iraq and Iran are two of the most recent examples. These are nations, along with others like North Korea, who have acquired or are acquiring both weapons of mass destruction and the missiles, the means, to deliver them, and who can use those missiles not only in military activity against the Western alliance such as in the gulf war but also in conduct of their foreign policy to blackmail states such as the Western European nations and the United States.

Let me conclude with this point. As Margaret Thatcher pointed out to the conference, the threat is primarily against nations of the so-called civilized world attempting to advance legitimate foreign policy goals by making threats with the use of ballistic missiles. If Iraq, for example, had had a nuclear capability and we knew that, the question that I posed in the conference was, would the United States have, and would the United States conference have voted to use military action against Saddam Hussein? It was a close enough question in the conference even knowing that we could defeat Saddam Hussein, but if Saddam Hussein had had a nuclear warhead, or if we knew that he would use chemical or biological weapons, would the United States Congress have voted to thwart his actions after he invaded Kuwait? For that matter, would the European nations have joined the grand coalition if they knew that they were vulnerable to a missile attack from Saddam Hussein?

Asking that question raises the point of the use of these weapons for blackmail, because a nation which can blackmail, others obviously is a criminal nation and a nation who can expand its foreign policy goals and thwart ours. But with the development and deployment of effective missile defenses, that ability to blackmail is gone because the United States and the Western European allies, who would have such an effective defense at that point, would be able to say to Saddam Hussein or to the rulers of Iran or North Korea or Syria, whatever country it might be, "You cannot push us around; you cannot threaten the nations of Europe; you cannot threaten your neighbors with these ballistic missiles because, as you know, we can destroy them; we have a defense against them."

So, Mr. President, I think it is an important development that, at this Atlantic alliance, leaders there concluded by and large that it was important for us to develop in a concerted way—our European allies as well as the United States—an effective ballistic missile defense to thwart this blackmail use of weapons of mass destruction by the outlaw or so-called rogue regimes of the world.

I will just conclude by saying that the importance of the United States proceeding with this and bringing it to the floor in the next couple of weeks, along with the budget that we will be debating later this week and the authorization bill for the Armed Services Committee which the distinguished Presiding Officer sits on—as we debate this bill we will be discussing specifically the issue of whether or not we will continue to adequately fund and to begin deployment of an effective missile defense system.

That will be a matter of great debate on this Senate floor, and I hope my colleagues, in consideration of that, will pause and reflect upon the conclusions of this Atlantic alliance which, as I said, has now come much farther along the path of agreeing that in the end there should be a coordinated, combined effort. It would not just be the United States, but it would be our Atlantic allies as well participating with us in some kind of effective global ballistic missile defense system.

Mr. President, I will at a future time insert in the RECORD some of the statements that were made at this important conference. For the moment, I simply wanted to alert my colleagues to the fact that, as we begin this budget debate and as we begin the debate on the Defense authorization bill, a consensus is developing around the world, and the United States needs to lead in this effort. I know the distinguished Presiding Officer and I will be involved in that debate in a significant way as it unfolds in the next few days.

Thank you, Mr. President. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMITH). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

Under the previous order, the time until 3:30 shall be under the control of the Senator from Georgia.

Mr. COVERDELL. I thank the Chair. It is my understanding that before the Senate we have a cloture motion against the travel provision against which lays the majority leader's proposal to repeal the administration's 4.3-cent gas tax inaugurated in August 1993. Is that correct?

The PRESIDING OFFICER. The motion the Senator talks about will be voted on tomorrow.

Mr. COVERDELL. At what time, if I might ask the Chair?

The PRESIDING OFFICER. It is set for 2:15 p.m.

GAS TAX AND THE BUDGET

Mr. COVERDELL. Mr. President, for an extended period of time, we have been engaged in an attempt to repeal the President's and this administration's imposition of a 4.3-cent gas tax that was imposed on the country in August 1993. The President has now said that he will sign the repeal of this gas tax, and he gave several suggestions as to how it should be funded. The other side of the aisle for the last week has been standing in front of our attempt to repeal this gas tax; it has gotten caught up in the minimum wage, whereupon the majority leader came forward with new suggestions about the new workplace. That was objected to by the other side of the aisle.

We are now in the midst of having to file a cloture motion to see if we can end debate on the majority leader's suggestion and proposal to repeal the gas tax. As the Chair has suggested, there will be a vote at 2:15 p.m. tomorrow on whether or not we can come to cloture, whether or not we can end debate, whether or not we can stop day after day after day of standing in the way of the repeal which is so important to America's average working families.

The specific amendment offered by Senator DOLE, repeals the 4.3-cent-per-gallon gas tax until December 31, 1996, although there are many of us—this is the interim repeal—who, in the budget, want to repeal it permanently. It expresses the sense of Congress that 4.3 cents per gallon should be passed on to the customers.

There has been a lot of discussion about whether or not this would actually get to the pump and that the price was lowered in the midst of these very large gasoline prices at the pumps all across the country. So this has a sense of the Congress that this reduction in tax we expect to see occur at the pump. It authorizes a study by the Comptroller General as to whether the 4.3-cents-per-gallon savings were passed through to the consumer. That report would be due January 31, 1997.

The repeal does not add to the deficit. It specifically pays for it. This has been modified; $800 million of this tax relief will come in reduced expenditures at the Department of Energy in their administrative overhead; $2.5 billion of this tax relief will come from the spectrum auction completed by March 1997, and $1.7 billion in the offset from the bank insurance fund and the savings association insurance fund, raising the revenues to capitalize that fund, reduce pressure on the general fund, bringing $1.7 billion in additional tax relief.

So, as you can see here, it is about $4.5 billion worth of tax reductions on the average working families in our country.

With regard to the suggestions which began to surface last week that this was an exercise in futility because the American people would never see it, you will note that it commissions the Comptroller General to certify that the consumers got it. It has a sense of the Congress suggesting that it must be passed on to the consumers.

In addition to this, when Senator DOLE spoke late last week, he introduced into the RECORD letters from Arco, Texaco, and Exxon. Here is one:

> ARCO Chairman and CEO, Mike R. Bowlin, said today that "if the Federal Government reduces the gasoline excise tax by 4.3 cents per gallon, ARCO will immediately reduce its total price at its company-operated stations and to its dealers by 4.3 cents per gallon."

A similar letter from Texaco, Incorporated; a letter to Senator DOLE from the American Bus Association:

> DEAR SENATOR DOLE: On behalf of the American Bus Association, I thank you once again for your proposal to repeal the 4.3 cents per gallon deficit reduction fuel tax. We fully support your efforts in this regard.

From Carol Hallett, the Air Transport Association:

> DEAR MR. LEADER: We have been asked whether the reduction in the 4.3 cents-per-gallon transportation fuels tax will result in lower air fares to consumers. As you know, the Air Transport Association has no role in the setting of air fares. Moreover, we do not suggest or take any action which may result in our member carriers adjusting fares. However, notwithstanding those limits, I would like to address your inquiry.

It goes on to say that it would, indeed, reduce air fares.

So air fares, bus fares, cab fares, the working family, the car pool, this effort puts additional and very much needed funds into the checking account of every working family, every working business, all those who depend on public transportation and private transportation. It has a positive effect that is reached all across the board.

So, I am very hopeful that this week we will see a conclusion and a positive step taken on behalf of American families and businesses all across our land as we begin the process of reducing the economic burden on those families.

Mr. President, I understand the Presiding Officer would like to speak on this proposal. I am prepared to yield up to 10 minutes to the Presiding Officer to match with his schedule, and then I will assume the role of Presiding Officer during the remarks of the Senator from Wyoming.

(Mr. COVERDELL assumed the chair.)

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming.

Mr. THOMAS. Mr. President, I would like to take advantage of the 10 minutes you granted to talk a little bit about this tax decrease that is on our menu today. We have talked about it for some time, but I think it is always useful to refresh ourselves about exactly what we are talking about, as the Senator from Georgia indicated, and I appreciate him bringing together this time to talk about it.

We are talking about 4.3-cent tax cut on the gas tax. The average gas tax in this country is about 38 cents, about half of which is Federal, half of which is State. We had a chart the other day at a hearing that we held. It showed the cost of crude, the cost of refining, and the cost of taxes. The three of them were nearly equal. So we have substantial tax on fuel. The unique thing about this 4.3 cents, that I think everyone needs to understand, is that it is the only part of the gas tax that does not go to the maintenance and preparation of highways. This was added onto highway users and to drivers for other purposes—to go to social programs, to go to general spending. I think that is a problem. I think that is a problem in direction. We have always tied together the gas tax to the preparation of highways and the maintenance of highways, to building the Federal highway program to serve all States. Here, now, we deviate from that and use this source—we take it away from what gas taxes were really intended to be for and to use them for general spending. I think that is a mistake. Why should it not be 10 cents more or 15 cents more, when some believe we need the money?

The reduction would be, temporarily at least, until the end of this calendar year. That is what we are talking about. We are talking about a tax that was part of the President's tax increase in 1993, the largest tax increase in the history of this country, $260 billion of tax increase. The President has indicated when he had his tax increase he was going to tax the rich. Let me tell you, a gas tax does not tax the rich. A gas tax taxes everyone. Selfishly, I have to tell you, it taxes people in my State twice as much as it does the people in the District of Columbia because we are the ninth largest State—100,000 square miles and 50,000 people. We drive a lot. We have no public transportation.

So it is an unfair tax regionally. It is an unfair tax in terms of income. It is paid by everyone, despite their income. In fact, the lower one-fifth of earners in this country pay 4½ times as much in this tax as do the top fifth, because it is not related to income.

Mr. President, I have never favored the tax. I voted against it, as you did, and all Republicans did; partly because I am not one who thinks we ought to look for more taxes. I believe strongly in what I think was the message of the 1994 election, that the Federal Government is too big and it costs too much and we are overregulated. So we ought to be looking at ways to find efficiency, we ought to be looking at ways to reduce the expenditures, as opposed to finding more taxes so we can continue to grow.

By the way, there is a great deal of talk, and I am pleased for that, that the deficit is down. It is down because we have more taxes. Spending is up. Spending continues to go up. I think we ought to be going the other way.

Some say a reduction in taxes by 4.3 cents will not go to the consumer. I think it will. I do not think it should be done necessarily because gas prices are high. That does focus on it and gives us an opportunity to talk about it, but I think it should be done regardless of where gas prices are. When the money does not go to highways, when it is an increase in taxes to the lowest income-earners in our country, then I think we ought to change that.

I ran into this in the House a couple of years ago. When we talk about the details of issues—in that case it happened to be land use issues, in this case it happens to be taxes—we can go on and on about the details of why you should do it or why you should not do it. The fact is, it is basically a philosophical question. My friend on the other side of the aisle who talks quite often comes from a Western State and is against the repeal. He is against the repeal and I am for it because he and I differ in philosophy. He likes more Government. I would like to have some less. If you like more Government you need more taxes. If you think the Government is better at spending people's money than having them keep it for themselves, then more taxes are the appropriate thing to do, and I understand that. It is a legitimate point of view. It does not happen to be mine. My only point is, when we get into the details of some of these things, the details really are not the issue. The issue is the philosophy. The issue is the philosophy.

If you want more Government, if Government is the best answer to all of our problems, then you should be for more taxes because you certainly ought to pay for at least a portion of the program you have. If you believe Government can spend the money better than the people who earn it, and more efficiently—and there are those who do—then you should be for more taxes.

The argument that is used is: It harms the deficit. Let me tell you something, spending next year will be $1,600 billion, $1.6 trillion. In that budget, if we cannot find offsets of $4 billion in programs that ought to be reduced, indeed ought to be eliminated, I will—almost anybody can find them. The Presiding Officer has outlined most of them. They will be used for offsets.

The other argument is it will not be used for consumers. I do not believe that. As competitive as this industry is, if I have a service station on one corner and I reduce the price, you do not think everyone else on the other corners is going to? Of course they are. Furthermore, they have said they would.

So, I think this is an issue that really reaches in the direction we have been going. I think the Presiding Officer talked a little bit about the frustration of the slowness of action on this particular issue. We have been talking about it now for 2 weeks. Our friends on the other side of the aisle will not let it move and have adopted a very defensive position about everything that is sought to be done.

I just want to say a little bit, off that subject. I have thought about this a little bit, and frankly I am a little frustrated. This is my second year in the Senate. I am pretty frustrated with the fact we do not move, we do not decide to take up an issue and vote on it. That is what voting is for, to make those decisions. Instead, we use the system to procrastinate.

But, as I reflected on it, I am really pleased in what has happened over the last year and a half. We have seen a total redirection in this Senate. We have seen a total redirection from what has been going on for 40 years—and that has been one of the difficulties. We have been going along with pretty much of a New Society, Great Society Program started with Lyndon Johnson. How long ago was that? Each year we have come here and we have said, "How much more will we spend on these same programs?" For the first time in 25 years, we talked about balancing the budget. We are going to balance the budget. We are going to commit ourselves to it.

We have changed the whole direction of the discussion from how much more do you add to balancing the budget and doing it by reducing the size of Government and reducing taxes, by transferring some functions to States, doing away with some functions, putting some functions in the private sector, but continuing then to look for efficient ways to deliver those services that are essential, that do need to be there. Let me tell you, there are plenty of them that are not that essential and many that are.

So I am delighted that we have done that. We have done a lot of things. We have the line-item veto; we have congressional accountability; we passed unfunded mandates reform; we reduced congressional spending; we have small business regulatory reform; a telecommunications bill; lobbying reform; gift ban; a farm bill that moves it back to the marketplace for the first time in how many years? Fifty. Securities litigation reform.

So, Mr. President, I think we get frustrated, and we should. On the other hand, we have changed the whole complexion of this place in 1 year, and it is going to take longer than that to change 40 years of habits. But this is one of the ways that I think you begin, by saying, "Look, gas taxes ought to be dedicated to highways and highway construction." We have one here that is not. We have one here that is designed to keep the Government going as it was. We have an opportunity to reduce spending for the American families. We have a chance to do that.

I am very hopeful that the other side of the aisle will give us an opportunity to vote on the gas tax reduction and give us a chance to vote on some of the other issues that are there as well so we can move forward. The fact there is now a Presidential election going on does not mean that we should stop doing something, that everything has to be tied to the Presidential election. Things ought to be talked about on the merits. I understand there is a difference of view, and I recognize that.

I guess that is really what I have been trying to say. There is a philosophical difference about the size of Government, a philosophical difference about how people ought to spend their own money, a philosophical difference about taxation. And that is where we are.

I support strongly the idea of reducing this tax of 4.3 cents, continuing to reduce it in the budget and finding some places in this $1.6 trillion budget that we can offset this and continue to do that, continue to make programs more efficient, more responsive, more close to people by involving the States.

Mr. President, I appreciate you giving me this opportunity. I appreciate what you are doing on the floor. I think we need to talk about these issues. People need to know what they are. People need to know this is a different gas tax than the other 14, 15 cents that is there. This was designed for a specific purpose, and this is a great opportunity to change it.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I am convinced if Thomas Jefferson, or any of our august Founders were here today, they would be absolutely aghast to find that this Nation, that the workers—and it is better to characterize workers as working families today, because virtually 80 percent of what has happened in the workplace has been about working families. It is no longer a breadwinner with the family at home; it is the whole family in the workplace. Not only are both spouses in the workplace, often children of the spouses are in the workplace.

We did not have a celebration but we had a revelation last week when we were here on the floor on May 8—May 8—to acknowledge that that would be the first day that these working families would have the right to keep their paychecks. Every day prior to that—May 7, 6, 5, 4, all the way back to January 1—their paychecks belonged to the Government. It is almost unfathomable that we would have come to the point that a family would work from January 1 to May 7 and forfeit all of those wages to the Government before they had the first dime for themselves to take care of those very special needs that we charge the American family to do—house, educate, transport, feed, health, prepare the Nation for the future, to get America up the next day and to school and to work, to get them home, to get ready for the next week, the next month, the next generation. January 1 to May 7 before they get to keep their first check—that is hard to fathom.

Just to put this in perspective, and I am going to in a moment recognize the distinguished Senator from Texas, but in 1992, the President, in his campaign for Presidency, said the gas tax was a bad thing to do. He was right. The gas tax, he said, would punish the poor inordinately and the elderly. He was right. But when he got to the White House, he adopted this 4.3-cent gas tax, and as the Chair has acknowledged, the tax did not even go to build better highways or safer highways; it was put into new Federal spending—out of the pocket, out of the checking accounts of working America into the checking account of the Treasury.

Here we are 3 years later and we are simply trying to fulfill what the President said when he campaigned. We are trying to get rid of this tax that he has called an improper tax, one that is particularly hard on the poor, particularly hard on the elderly. It is exceedingly difficult for the poor. The lowest 20 percent are faced with having to pay somewhere between 7 and 8 percent of all their disposable income on gasoline. So it is entirely appropriate that this regressive tax be repealed.

With that, Mr. President, I yield up to 10 minutes to my distinguished colleague from Texas.

The PRESIDING OFFICER. The distinguished Senator from Texas.

Mrs. HUTCHISON. Thank you, Mr. President. I thank the Senator from Georgia for taking this time to talk about this gas tax and why we are still talking about it.

We had this bill on the floor last week. We have been trying to make tax cuts throughout this Congress. Every time we submit a tax cut to the President, it comes back with a big veto on it.

I think we need to talk a little bit about the philosophy of why we want tax cuts. A lot of people say, "Well, why do you want tax cuts when you have a deficit?" The reason is twofold. One is, if you are going to lower the rate of growth of spending by the Government, tax cuts put more money into the economy.

But the second reason is who makes the decision about how to spend the people's hard-earned money. That is the question here. So when someone says, why tax cuts? it is because we believe that the people of this country who are working so hard to make a living for themselves and for their families should have the ability to spend their money that they earn rather than sending it to Washington for someone to decide whether this program is more important to your family than going on a family vacation or buying food to eat or having a new dress for the senior prom. Whatever the decision for a family is, we believe that family ought to be able to decide how they spend their money. That is why we are trying so hard to provide tax cuts for the middle class.

This is something that the President promised in 1992. He promised it in his election campaign in the book "Putting People First." He said his would pass tax cuts for the middle class. But instead, what the middle-class people of this country got was the largest tax increase in the history of America. That is what happened in 1993. There were no tax cuts for the middle class in 1993 or 1994 or 1995.

The only tax bills that have been passed have been tax increases. In the 1993 President Clinton budget he increased taxes, including a 4.3-cent-per-gallon increase in gasoline taxes. This was a different kind of gasoline tax than we have seen in the past. In the past, a gasoline tax has automatically gone into the highway trust fund. It has gone as a user fee to finish and maintain our National Highway System. But not the 4.3-cent-per-gallon tax of 1993. No. That was a tax increase that was supposed to go against the deficit. 4.3 cents per gallon just went into the general fund. So we have been trying to repeal this tax since the time we voted against passing it in the first place. In fact, every Republican in the U.S. Congress and the U.S. Senate voted against this tax increase in 1993.

We are now trying to repeal the gas tax. We believe the American family is quite capable of making the decision on how that family spends its money, and so we oppose all tax increases. We think the family is more capable of making good decisions about what is right for them than somebody in Washington, DC. In my home State of Texas or in Senator COVERDELL's home State of Georgia, we believe the people who earn the money can make the decisions.

So that is why we are fighting so hard against the Democrat filibuster for this gasoline tax cut, because we believe it is very important for the working people. It is especially important in a State like mine, where people have to drive so much because there are wide open spaces and they have to go so far to get to work and to school. We think that this tax cut will be very beneficial to the working families and particularly the families that are barely making ends meet and have to drive long distances to go to work or for the essential needs for themselves and for their families.

So, Mr. President, we are trying very hard to stay consistent. We did not vote for this tax increase in the first place. Now that gasoline prices are so high, we want to take this opportunity to give a little relief to the people who are using their cars for the essentials of life, or even if it is for recreation—that is important in a family, too—we want people to have a little relief from these high gasoline prices.

We think 4.3 cents per gallon is a good place to start. I heard it said the other day say that somebody in California was trying to make the decision on whether to pay their home mortgage this month or fill up the van with gasoline. That is not a serious statement, but a joke, but it is getting to be more and more serious when it costs $60 to fill up a van. That will make a dent in a working person's salary and their expendable income.

So, Mr. President, I hope that the people who are going to be voting on the floor of the Senate tomorrow on this very important measure will consider the working people of this country and the tax relief that they were promised, and I hope they will make their promise good because I think it is about time that the people in Washington, DC, started thinking about the people who are out there earning a living, hoping that Government will not continue to encroach on their lives to a greater extent than is absolutely necessary.

That is what we are trying to do, Mr. President. So I appreciate the Senator from Georgia. I hope that people will think about the 4.3 cents per gallon for somebody who is filling up a car every 4 days or so. It may not seem like a lot, but it is a lot if you are barely making ends meet. This determines what disposable income is and whether you are able to do some of those extra things that you would like to do for your own family.

The bottom line is, Mr. President, we want the working people of this country to have as much of the money they earn as we can possibly let them keep. That is the difference between Congress and the President. The President would rather have Washington make these decisions.

He does not like the gas tax cut. As I understand it, he has now said that he would sign it because he is hoping to have this with the minimum wage increase as well, but it is clear that it was not his first choice. He has said on many occasions he does not want this tax cut. But, Mr. President, I hope this is just the first of many tax cuts.

I hope that we will enact the tax cuts for families in this country that were vetoed last year because that is what is going to make a difference for American families—the $500 per child tax credit, homemaker IRA's, so the women who are staying home and raising their children will have the same opportunities for retirement security that anyone who works outside the home has. That is in the bill we sent to the President that he vetoed along with the $500 per child tax credit and lessening the marriage penalties so families would not have to pay such a great price for getting married.

All of these things will help the American family keep the money they earn. That is the bright red line of difference between the President and this Congress. We want people to keep the money they earn for their families. We think that will make the American family stronger.

So, Mr. President, I hope that everyone will think about how much this could mean to the people of this country. I yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I am going to yield in a moment to my distinguished colleague from Idaho, but I do want to make a point about this. When President Clinton campaigned for the highest office in the land, he told America that he was going to lower—lower—the pressure—I want to thank my colleague from Texas for her remarks here today; I appreciate her very much, all that she does; and she alluded to this as well—but that he was going to lower the economic pressure on the working family. And I just said a moment ago that Americans work from January 1 to May 7, and every paycheck they get for every one of those days goes to the Government.

The point I want to make before I yield to the Senator from Idaho is that when President Clinton came to the White House, they earned their first check on May 6. So he has added 3 more days because of his policies—3 more days that American families have to work in addition. That is going in the wrong direction, particularly when you promised you were going to reduce the number of days that they had to work. And then we turn around and we have American families working even more. Just another example of the campaign pledge that got jettisoned in the White House.

With that, Mr. President, I yield up to 10 minutes to the Senator from Idaho.

Mr. CRAIG. Mr. President, let me thank the Senator from Georgia for, once again, taking time to bring us to the floor of the Senate to debate what has become a very important issue to Americans—America's consumers and America's driving public.

As has been said by our colleague from Texas, there are those of us who live in rural States where it is literally hundreds of miles between communities, where people commute 60, 70 miles a day, where business occurs and goods and services are provided by long distances of transportation. Any time we raise the cost of delivery of goods and services, or the cost it takes the individual consumer to provide for themselves and their families in the normal course of daily activity, we have impaired the economy of our country. That is exactly what has happened here with the kind of tax that President Clinton pushed through several years ago, of which a part was the 4.3 cent gas tax that we are talking about today and that I hope the Senate will vote to repeal this week.

Unique to this gas tax increase was the fact that, up until that time, in a temporary way, we had only had one small gas tax that had ever gone to the general fund. All the rest of the permanent increases, like this particular increase, had gone to the highway or transportation trust funds of our country, which then were dedicated to the building of roads and bridges and transportation infrastructure. As a result of that, we have an excellent highway and transportation system, because we have always been smart enough and clear enough in our direction as a country to recognize that citizens would be willing to pay dedicated taxes to dedicated funds for specific purposes. And that has always largely been true of raises or increases in the fuel or gas tax when it was dedicated. I know it has certainly been true in my State of Idaho.

While our citizens are concerned about taxes and believe, as I do, that they are much too high, they have always largely been willing to support the kind of taxes that were dedicated to a broad, general purpose like transportation. And as a result of it, we have had and seen built excellent transportation systems.

This is different—substantially different. Our President said that he would oppose increasing a gas tax as a candidate in 1992. He said it was regressive and unfair to working families. And he was right. In fact, I have a letter here from the International Brotherhood of Teamsters, Ron Carey, general president, asking the Senate of the United States and the Congress to repeal the 4.3-cent tax. The reason is exactly the kind of reason I have just given. Not only does it affect the working men and women of the Brotherhood of Teamsters, but based on the average trucker purchasing 14,000 gallons per year of diesel fuel, it is estimated that a repeal of the 4.3-cent tax per gallon will save trucking companies $600 per vehicle per year—largely a $600 cost that must be passed through to the goods and services that the trucking industry sends around our country.

That, of course, is exactly, I think, the concern that many of us have. Once you start a tax like this, unless it is truly a dedicated tax, it simply begins the snowballing effect of being added onto the cost of consuming in this country and to the costs that our families must bear up under as they go about their daily lives. Certainly, in the farming and ranching business of my State, where all goods and services must be transported over long distances to get to the home operation, this kind of tax increase has a substantial impact upon the working families of my State.

It is said that the tax-and-spend attitude of this administration, and this tax, coupled with the largest tax increase in history that was pushed through by a Democrat Congress and by this President several years ago, has destroyed over 1.2 million jobs in our country, and that the cost to the average American family has been $2,600 a year in higher taxes and lower earnings. We have heard of the frustration that the working families of our country have this year, and that the average citizen has, that somehow their wage increases do not translate into greater spendable income. Mr. President, here is one of the reasons why. Immediately, they have to pay more dollars at the pump on an annual basis, and their cost of living and providing for their families, as a result, goes up. That has clearly been a part of the reason that we have seen the rather flat growth in the U.S. economy, as a result of the Clinton tax increase. Now I think all of us recognize it as truly the Clinton crunch on the working men and women of our country.

In Idaho alone, repeal of this gas tax increase would represent a $32 million savings to consumers, to people who stop nearly two times a week at the gas pump to fill up because of their long-distance commuting.

There is something else that is interesting. I serve, as does the Presiding Officer, on the Energy and Natural Resources Committee here in the Senate. Just last week, we went through a morning of hearings looking at why we are in the gas price spiral that the consuming public is now experiencing, and what it was doing, and whether we could anticipate some leveling off of it, and what the general impact is of what is happening.

Here is a chart that came out of that hearing that I thought was most significant. It begins to explain part of the overall picture of what the average consumer pays for at the gas pump. The real cost of raw materials is 42 percent of what you pay for at the pump. But the thing I found most interesting was this figure over here—that motor fuel taxes represents over 30 percent of every dollar spent at the fuel pump. That is both State and Federal. You know, Mr. President, I know of no other consumer good in our country where within the cost of the purchase of that good is built in a 30-percent tax. While I think all of us would agree that some of these taxes over the years built into the cost of fuel have been very positive—I have already talked about the roads, bridges, interstate transportation system, and now some of the inner-city rail that is receiving the benefits of this tax—but none of it ever went in a permanent way—I repeat, a permanent way—to welfare, to food stamps, to the general fund expenditures of the Federal Government, until President Clinton pushed through this tax a couple of years ago. This tax had always been dedicated to the general economic well-being of our country. By that I mean the constant ability to improve the transportation systems that allow the flow of our economy to improve on an aggressive basis. Clearly, our wealth as a nation has been our ability to move goods and services at low costs, and that is why we were always committed to this kind of a tax.

That is why I stood on the floor of the Senate, having opposed this tax when it was passed and now supporting its repeal because instead of it going into the pool that builds the roads and bridges, it is now being used in a way where it should not be. And, yet, the American people are led to believe, because of the historic use, that it is part of this mix.

I think 30 percent of any good in the market going to taxes is extremely high, and is in this instance much, much too high.

I hope that the Senate will agree with us this week and support a full repeal of the 4.3-cent gas tax.

Mr. President, I ask unanimous consent that the letter from the president of the International Brotherhood of Teamsters be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL BROTHERHOOD
OF TEAMSTERS, AFL–CIO,
Washington, DC, May 7, 1996.

DEAR SENATOR: The International Brotherood of Teamsters supports the repeal of the 4.3 cents per gallon gas tax. Almost three-hundred thousand of our members who work in the trucking industry are directly affected by the recent upward spiral of gasoline prices. And, all of our 1.5 million members and their families, as consumers, are paying much higher prices for gas at the pump than a few weeks ago.

The trucking industry, in particular the less-than-truckload (LTL) sector, has experienced a severe decline in recent years due to industry overcapacity and the severe erosion of rates. Deregulation of intrastate trucking in January 1995 has produced a wave of discounting as regional carriers expanded aggressively into new shortfall markets, while demand for trucking services softened because of slower economic growth. Those trucking companies hanging on for survival are now experiencing increased costs because of the jump in gas prices at a time when they can least afford it.

Based on the average trucker purchasing 14,000 gallons per year of diesel fuel, it is estimated that a repeal of the 4.3 cents per gallon gas tax will save trucking companies $600 per vehicle per year. For many, that means the difference between surviving the current downturn in the industry or going out of business. Teamsters and other truck drivers face a "double whammy." They may not only lose their jobs, but they also suffer from the regressive nature of a gas tax at the pump.

While repeal of this gas tax would mean a loss of revenue of over $5 billion a year, the Teamsters offer this solution—put real "fairness" back in the tax code. A good first step would be to repeal or modify the oil depletion allowance, which lets oil companies claim tax deductions that are worth more than the cost of their investments. That would more than make up for this shortfall! We urge you to support the repeal of the 4.3 cents per gallon gas tax.

Sincerely,

RON CAREY,
General President.

Mr. CRAIG. Mr. President, let me close by saying that the billions of dollars that the consuming public now pays in the form of this tax—the $32.1 million that Idahoans pay—does nothing to improve or stimulate the economy of our country. It is not building a road. It is not building a bridge. It is not patching a pothole. It is being spent on day-to-day costs of our Government through the general fund. This is the first time in our history that we have done this.

It is now time that in a little but most significant way we can drop the price of gas at the pump by repealing this tax and, as importantly, righting the wrong that occurred several years ago when President Clinton passed this tax through. I hope once we correct this, we will say that never again will we ever put a dedicated fuel tax into the general fund of our country, that, if we are going to continue to increase this part of the dollar purchasing pie of the American consumer, when it comes to transportation costs of fuel, that it go to serve the transportation needs of our country and to continue to build and maintain that infrastructure that has served us so well.

Having said those words, I believe it is so important that we respond now and as soon as the Senate can to this issue. I heard from a good many of my constituents who think the Senate is clearly moving in the right direction to repeal this tax. I hope we respond this week.

I yield the floor.

Mr. COVERDELL. Mr. President, I thank the Senator from Idaho for his very informative demonstration of the distribution of the cost of gasoline. I wonder before he leaves the Chamber if I might borrow the letter that he entered into the RECORD for discussion maybe a little bit later on this afternoon.

At this time, Mr. President, I am going to yield to my colleague from Arizona up to 10 minutes on the issue of repeal of the gasoline tax.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Thank you, Mr. President. I thank the Senator from Georgia for yielding the time and for bringing us to the floor to talk about this most important matter.

In my State of Arizona, people drive long distances, as they do in the State of Idaho. The gas tax, therefore, is a very important matter to us. Most Arizonans, by the way, are very much in favor of the repeal of this Clinton gas tax.

I want to start by quoting from Bill Clinton, who was then a candidate for President. When he ran for office, he said, "I oppose Federal excise gas tax increases." Then, of course, about 2½ years later, he included a Federal gasoline excise tax as part of the biggest tax increase in the history of this country, which he and the majority of the Members of Congress imposed upon our taxpayers.

The point that I would like to begin with is that, as much as the President talks about trying to protect the poorer in our society, the gasoline tax is a tax that hits the poor the hardest. As a matter of fact, according to the Bureau of Labor Statistics, in 1987, it shows that the poorest 20 percent of Americans devote 8.8 percent of their expenditures to gasoline and motor oil while the wealthiest 20 percent devote only 3.1 percent of their expenditures to such things.

So when we talk about a tax that really hits those who are the poorest in our society, it is the gasoline tax that stands right up there as one of the harshest taxes on the poor. That is one of the reasons why Republicans are so dedicated right now to trying to repeal this 4.3-cent gas tax because of the harm that it does to the poorest in our society.

Taxes are a lot like Federal spending programs. They are very difficult to cut, and once they are in place they are almost impossible to repeal. Repealing this Clinton gas tax is illustrative of the efforts that we have had underway here to change the status quo in Washington and to begin to send power back to the people. It is very hard to do. But it is a question of whom you trust. Who would you rather have spending the money—the people of the country, the taxpayers, or the bureaucrats here in Washington? We believe that repealing this Clinton gas tax of 4.3 cents per gallon is a small but necessary step toward reducing the overall tax burden imposed upon the American people. It represents a ratcheting down of the size of the Government. It reduces taxes and it reduces spending.

Mr. President, I want to make the point. Opponents of repealing the gas tax said, "Well, Republicans are just trying to make a political issue out of this. It is not very much money," to which there are two or three answers.

First, if it is not very much money, then why are you so concerned about it? Why are you opposing our efforts to repeal the tax if it is not a big deal?

Second, if it is not very much money, then we certainly do not have to worry about what it does to our efforts to balance the budget. As a matter of fact, we can balance the budget very easily, as I will point out in a minute. Our budget for this next year assumes the repeal of the gas tax. We do not need that money to run the Federal Government. It seems to me that there is not a good argument against reducing the——

Mr. COVERDELL. Mr. President, will the Senator yield?

Mr. KYL. I am happy to yield to my friend from Georgia.

Mr. COVERDELL. The Senator from Arizona is clarifying a point that I did not mention effectively in the beginning—that, while the majority leader's proposal for the repeal is through December, the new budget revision is a permanent repeal, as the Senator just alluded to.

Am I not correct?

Mr. KYL. The Senator is absolutely correct. According to the budget which we will be taking up here in the next couple of days, revenues to the Treasury are expected to exceed $1.7 trillion in the 1997 fiscal year. This amount factors in the proposed repeal of the Clinton gas tax.

I also note that that figure compares to $1.05 trillion collected by the Government just 5 years ago. In other words, Mr. President, the Treasury is flush with a 40-percent increase in revenues in just the last 5 years. We hardly need the revenue from this 4.3-cent gas tax.

I talked in the beginning about the effect on the State of Arizona where motorists have to travel fairly large distances to get where they are going. I note that in my own State, in the city of Phoenix, for example, the price of regular unleaded gas is now about $1.39 to $1.45 a gallon. Super is about $1.63 gallon. So clearly this spike in gasoline prices is hurting motorists.

One thing we can do. The Congress cannot repeal the law of supply and demand. We cannot directly affect the market by what we do. At least, we should not try to. Clearly, the market is working here. But if we can have an effect on the tax burden imposed by the gas tax and reduce that by 4.3 cents, that is an additional savings for the people in my State which would certainly help them. It may not be a big deal, as some of the opponents are talking about here, but it does add up.

As a matter of fact, I point out that the Heritage Foundation recently estimated that the cost of the Clinton gas tax on a State-by-State basis—in this case for the State of Arizona—will result in motorists paying an additional $78 million in 1996. To some opponents of the gas tax, $78 million may not seem like a lot of money. But, frankly, to the people of the State of Arizona, $78 million out of their pockets is a fair amount of money. Repeal will put that much money back into the pockets of the citizens of Arizona, whom I trust to make better decisions on how to spend that money than I do bureaucrats back here in Washington, DC.

It was also pointed out by the Senator from Idaho that no part of this 4.3-cent levy goes toward transportation costs, which most motorists think is happening to their money. It goes instead to the general fund of the Treasury where the President would like to use it to finance additional Government spending rather than to be used for deficit reduction.

In order to satisfy the President's demand for more spending, Congress recently had to add $5 billion to the omnibus appropriations bill. Although the additional spending was ostensibly offset by savings in other areas, Congress had in fact counted on using much of that savings to implement the balanced budget that it passed last year. Using the offsets to finance the President's additional spending instead will, in effect, make it $5 billion harder to achieve the balanced budget.

Mr. President, as I said a moment ago, the real question here is, Whom do you trust to spend the money the best? Is it the people who earn it, who would like to spend it on their families back home, or is it bureaucrats back here in Washington, DC? This money is not being used to build more highways. It goes into the general fund where the President wants to use it to spend more money. I believe, and we Republicans believe, that this is the time and the place to start by cutting.

For those who say it is not much, I say a long journey starts with the first step. Every little bit will help. If we can cut out this 4.3-cent gas tax that was part of the Clinton increase of 2 years ago, No. 1, it will help reduce the price of gasoline a little bit; No. 2, it will help restore some balance to our budget because we will be cutting the size of Government rather than using this money to spend on Government programs. And third, and perhaps most importantly, it will begin to further our efforts to put more trust in the American people—let them keep what they earn rather than sending money back here to Washington to be spent by Washington bureaucrats.

Mr. President, I thank the Senator from Georgia for yielding this time.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from Georgia.

Mr. COVERDELL. Mr. President, I wish to underscore one more time that the majority leader's amendment to this legislation repeals it through December 1996 but that the intent is to repeal the 4.3-cent gas tax not only through December but thereafter, which is being shaped, as the new Presiding Officer alluded to, through the new budgets that the majority will be bringing forward very shortly.

With that, I should like to yield up to 15 minutes to the majority whip, the distinguished Senator from Mississippi.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LOTT. I thank the distinguished Senator from Georgia for arranging for us to have this time to talk about the gas tax repeal and, frankly, about other opportunities to return taxes to the people who are working and earning those wages and our desire to see them be able to keep the fruits of their labor. It is important we have this discussion this afternoon under the leadership of the distinguished Senator from Georgia because there has been a lot of misunderstanding and misinformation that has been put out with regard to what we are trying to accomplish.

First, let me sum up where we are in terms of considering this issue. When the Senate resumes consideration this afternoon of the White House Travel Office employee reimbursement, the pending amendment will be the Dole amendment to repeal President Clinton's gas tax increase. There has been a great deal of confusion over exactly what that amendment does, so let me take a brief moment to explain that.

Two weeks ago, Senator DOLE proposed that we repeal the 4.3-cent gas tax which was implemented by the Congress in 1993. And I emphasize, that was done by the Democrats in the Congress. Not one Republican voted for it because, as has been pointed out by the Senator from Arizona, we thought it was a mistake to turn what has traditionally been a user fee going into the highway trust fund into just another tax being put into the deep dark hole of the General Treasury, in fact, in my opinion, not really reducing the deficit and maybe even contributing to it because, once again, it puts a damper on the ability of people to work and keep their own money. Any time you take money in taxes away from people, I think it hurts the enterprise of those people to do their job.

With gasoline costs rising, though, the majority leader proposed to help Americans by cutting part of the taxes levied back in 1993 on American consumers. Last week, many Democrats, including President Clinton, conceded that they would support this tax rollback. In response to this, Senator DOLE offered an amendment to repeal the gas tax as part of a package that included the minimum wage increase and the so-called TEAM Act, which is a bill that would allow employers and employees to work together for more safety and productivity in America's workplace.

Despite weeks, then, of claiming that all they wanted was a straight up-or-down vote on the Kennedy minimum wage amendment, there was an objection offered by Senator DASCHLE saying that that was not sufficient. Even though they would have a straight up-or-down vote on the minimum wage, they did not like it because it was connected to these other very important issues, the repeal of the gas tax and allowing us to have cooperation in the workplace. They objected to that.

So Senator DOLE offered the minority a straight up-or-down vote on the minimum wage, on the gas tax repeal, and on the TEAM Act, and again that was objected to. Now you are talking about obstructionist tactics. As a matter of fact, the majority leader has had to file more cloture motions in this Congress than the other two Congresses combined, the 102d and 103d. Sixty-three times cloture motions have had to have been filed to cut off filibusters.

So now we find ourselves where the people who are saying, yes, we think maybe we will be for a gas tax repeal, they are now filibustering that very issue.

As a matter of fact, I have the statistics here now. In the 102d and 103d Congresses, we had a total of 87 cloture motions. In the 104th Congress alone, which has just been 1 year and 4 months, we have already had to file 64 cloture motions to cut off these obstructionist efforts to keep us from getting a straight vote on these issues.

Why is this happening? Because they now have an outside partner, outside of this institution; the President will not allow the Senate to work together to reach a compromise, a fair compromise to move beyond this parliamentary impasse. The Senate's Democrats do not want to vote on repealing the gas tax if it is in any way combined with these other issues. And so they have objected.

Now we are trying to see if there is some other way that we could move this issue forward.

On Thursday, Senator DOLE withdrew his original amendment and offered a new one which now contains the gas tax repeal only. It has been disconnected from the other two issues I have been talking about. The pending business is the gas tax repeal only. Senator DOLE did so to accommodate President Clinton and other Members in the Senate who said they wanted to support the gas tax, but they will only do it as a separate bill. So he has now set it up that way.

The majority leader further accommodated the President by changing the amendment's offset to use an issue which President Clinton has been very aggressively advocating, and that is the BIF–SAIF issue. It is not the way I would prefer to go, but it is one that has been promoted by the President. The Secretary of the Treasury is sending letters to the Senate saying we want to get this done. So now the argument that maybe it is not paid for or they did not like the offset, that has even been addressed.

Now the Senate is scheduled to vote on the gas tax repeal amendment on Tuesday at 2:15 so that we can get beyond the filibuster and get to a direct vote. This should not be a partisan vote. The President said he is for it. Many Democrats say they support repeal of the gas tax. The question is, will they vote that way?

The national awareness of the direct impact of that 1993 gas tax increase and what it is doing to taxpayers today is affecting this issue. That is why it is picking up momentum. President Clinton has admitted that he had raised the people's taxes too much in 1993, with his own words, and he, too, has indicated he would support this rollback. So I think it is time that we do it.

Now, in a typical Washington, inside-the-beltway mentality, you hear various and sundry complaints about why we should not repeal this tax. They say, well, it should not have been added to the general Treasury, maybe it should have gone in the highway trust fund, but it will affect the deficit if you take it away. Well, it is paid for. It is offset. It will not contribute to the increase of the deficit directly or indirectly. I think, in fact, by repealing that gas tax you will have more revenue coming into the Treasury. But that is the kind of attitude you get: Well, it is not much.

As a part of the big 1993 tax increase—$265 billion, the biggest in the history of this country—maybe this is a small amount, but when you ask the people out in the real world it is not small. First of all, it is about $25 billion over the next 6 years, and it affects middle-class working people. I understand that about 23 percent of this gas tax repeal will go to people making under $20,000 a year.

Mr. President, $35 or $40 a year to a family that is only making $20,000 a year, that makes a difference. But it is more than that.

Let me just tell you what it means to the poor State that I have the great honor of representing, the State of Mississippi. As a matter of fact, it would reduce the fuel costs for the average Mississippi automobile $38 over the course of a year. But it affects much more than that. Many of the people in my State have their own trucking rigs. They have their own commercial truck. They contract with others but they are the driver and they drive their own truck. For that commercial truck driver in my State it would mean over $766 in a year. That is an impact. Remember, this is not just automobile gas. We are also talking about diesel fuel for farmers, for inland waterways, for jet fuel. By the time you add it all up, once again in my State, the estimated revenue that will be raised in 1996 from this 4.3-cent-per-gallon Federal gas tax, it will cost our State $86 million. This is not insignificant. This is a real tax burden on the American people.

When you couple it with all the other taxes, again they say it is such a small part—yes, it is. When you consider Federal taxes, payroll taxes, State income taxes, property taxes, capital gains taxes, gasoline taxes, death taxes—there is no end to this. In my State, when you couple the Federal gas tax with the State gas tax you are talking about 36.3 cents per gallon. In other States it is more than that. I understand the average nationally is 39.9 percent, or something like that—40 cents a gallon in taxes, Federal and State.

Also, when you live in California and some other States, gasoline prices have gone up to $2 a gallon. If you could roll back a little bit on the Federal gas tax, maybe a little bit on the State gas tax, you will see this does add up to real money. Plus I do not view this as an end-all, of all of our problems—no. This is a first small step. It is a downpayment. What we need to do is give the people some real tax relief on their payroll taxes. What we need is across-the-board tax relief for the American people who are working and paying all these taxes. What we really need is genuine tax reform. The income tax system is the worst possible tax. Then you add on top of that the payroll tax. The working people are really getting hammered.

Unfortunately we made a sincere effort last year to get tax relief for the American people and it was vetoed by the President. We tried to get $400 per child tax credit for families with children. We tried to give spouses working in the home the opportunity to have an individual retirement account. We tried to give an adoption tax credit. It looks like maybe we will get that now that the President signed on board to that. We tried to give relief from the marriage penalty. We tried to give relief to the American workers from the unfairness of the Tax Code and also take some action to provide a little growth in the economy with capital gains relief.

We also tried to raise the earnings of our seniors who are retired. Why in the world do we want to make people who are between 65 and 70 years old pay, really, for continuing to work if they make over $11,500 a year? Of course we have now raised that, thank goodness. We are getting it up to $30,000, and I hope that is a step toward eliminating the penalty on Social Security if you are between 65 and 70 and you want to keep working. You are productive. You want to pay into the General Treasury. You make more money and you pay taxes on it.

There is a terrible disincentive in America to work hard and be productive so you can provide for your children, for your family, for the needs in your community and in your churches and synagogues. There is a mentality in this city that Washington knows best. We will bring it to Washington in every form of tax increase known to the minds of men and then we will decide how your children will be taken care of, what money will go for what education programs.

That is wrongheaded. We should begin tomorrow by eliminating this gas tax increase. I appreciate this opportunity to address this issue. I believe the American people are overwhelmingly with us on this issue and, as a matter of fact, on overall fairness in the Tax Code and some relief so they can keep more of their money and invest it or save it or use it to help their children in a way that, frankly, will help the future economy of our country.

I yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. I thank the majority whip, the distinguished Senator from Mississippi, for the contributions he has made to this debate, laying it out, underscoring the pressures that this tax has put on the American working family.

Just as an aside, the third paragraph of the letter that was referred to by the Senator from Idaho a few moments ago is very interesting. It has been printed for the RECORD but I want to underscore it:

> Based on the average trucker purchasing 14,000 gallons per year of diesel fuel, it is estimated that a repeal of the 4.3 cents per gallon tax will save trucking companies $600 per vehicle per year.

Across the board—we have been talking about what it means to the average family. We have seen figures from $50-plus to nearly $200 per year that the average working family will save, that will stay in their checking account instead of being sent to the Treasury. But the thing we have not heard a great deal about is that when you lower the cost to operate that truck $600 per year, when you lower the cost to operate the sales fleet thousands of dollars, when you lower the cost of every form of public transportation—of jet fuel, taxicab gasoline, the public bus—what happens is throughout the economy the costs come down so the consumer will ultimately save, not only their own direct costs, which is what we have heard so much about, but the indirect saving. Somewhere down the line the cost of goods is less. It does not cost as much to ship the jar of peanut butter. So somewhere down the line there is a saving that works its way through the entire economic system.

We have had a lot of discussion about: This is just a beginning. Unfortunately, that is the case. But it is going in the right direction. A few moments ago I said every working family gave their paycheck to the Government from January 1 to May 7 and that it was May 8 before they got to keep their first paycheck. Maybe this repeal will start moving it back towards May 6, keeping in mind that, as far as the American people are concerned, we need to move that day all the way back to March 1. That is the date. January 1st to March 1 is the period of time which every segment of American society is prepared to contribute to the Government for the services they receive. Every day after March 1, March 2, 3, 4, 5—all the way through May 7, the American people feel is an excessive burden. And they are right. I am going to come back to that in just a moment.

President Clinton in his book, "Putting People First," declared, "I oppose Federal excise gas tax increases." Earlier that year, reacting to Paul Tsongas, who was also a candidate for President, and who had proposed increasing the gas tax, President Clinton, then candidate Clinton said: "It sticks it to the lower income and middle income retired people in the country and it is wrong." He was right. It is wrong. But then the President was elected and in August of the next year he proposed the largest tax increase in American history, which included raising gas taxes—diesel fuel, jet fuel—4.3 cents per gallon.

There was a lot of debate at that time, just like there is right now. All these facts that have been pointed out by all these Senators on the floor were made clear then. But the President sided with those in his administration who wanted very much to impose this new tax increase.

This is a statement that I find uniquely interesting:

> "A buck a week"—

Mr. President, I want to repeat that.

> "A buck a week," Clinton scoffed at those who suggested he was hurting the very middle class he had promised to help.

He scoffed at it; it is only a buck a week.

I will tell you what, Mr. President, about 2 years ago, the Georgia Legislature, responding to a request from the Governor's office, imposed a license on auto tags, a new fee. It ranged from $10 to $15 per tag. That is $1 a month, not $1 a week; just $1 a month, and we almost had another Boston Tea Party in Georgia. That was repealed very quickly. A buck a month.

Of course, as we now know, it is not just a buck a week, but say it was. You do not scoff at this, and the reason you do not is because the American working family has been pushed to the wall—pushed to the wall—in their ability to do those things which we ask them to do.

To revisit it, a Georgia working family earns on an average $45,000 a year. They have two parents working and two kids. Their total Federal tax on income comes to $9,511. The total State and local tax is $5,234. The estimated cost of Federal regulation to the family—and this is a number most Americans are not appreciative of—is $6,615.

Incidentally, Mr. President, if you add the cost of regulatory burdens, you do not really get to keep your paycheck on May 8. That is just taxes. You really—and it is a unique date—you really do not get to keep your first paycheck until—it is an interesting day—July 4th, Independence Day. That is really the first day when you add on regulatory burdens.

But this average family, then, in Georgia is basically paying 52 percent of their gross income to the government, to regulatory burdens, and it is no wonder they have become so anxiety ridden. It is no wonder that they are so worried about fulfilling their responsibilities for their family, their community and their country.

As I said when I began these remarks, Thomas Jefferson, if he were here today, would wonder if we are still free. He would pose the question: "Can a country be free when the governments that run it confiscate and take over half the wages of the bread earner?"

If you read through Thomas Jefferson's work, he alludes to this throughout his work. It was the nature of government to grow, and it is the nature of government to consume the wages of those who deserve it, those who work for it. He warned us not to do that. This repeal of the gas tax is the first step of a long, arduous journey. It is at the core of fundamentally sound policy that we begin to return the fruits of labor to those who work for it and that we quit interfering with their rights to determine their own priorities for their own family, for their own dreams.

This is an elegant work, Mr. President. It is an allegiance to the founding principles of this country, to the work of Thomas Jefferson, Adams, Monroe, and Franklin. They never would have envisioned—ever—that this country would be governed in such a way as to absolutely take from the bread earner half of what they earned. They would never in their wildest dreams have imagined that we could come to that kind of condition.

In Georgia alone, this fuel tax, which has been described by some on the other side of the aisle as inconsequential, removes from the State nearly a quarter of a billion dollars. This 4.3 cents takes $168 million out of the checking accounts of the working families and businesses in motor fuel. It takes $28.5 million out of the State in new taxes for diesel fuel. It takes $27.5 million out of the State in jet fuel. It takes it out of those local accounts and moves it to the Treasury for an expanding Federal Government.

It was wrong when it was imposed. It is a regressive tax, uniquely hard on the elderly and the poor. It was appropriated from users to expand Federal spending. It was not even used to make better highways and safer highways for the people who use them. It was used to expand Federal spending. It hurts the working family, it hurts the economy, and it raises costs of all goods, because energy is built into the cost of all goods.

So, Mr. President, as I said, the American family cannot keep their first check until May 8. Maybe we can save them a day and give them 1 more day's pay by getting this money back into their checking accounts where it belongs.

OBSERVANCE OF 1 MINUTE OF SILENCE

Mr. COVERDELL. Mr. President, on behalf of, I know, public officials throughout the country, but particularly those from Georgia where ValuJet is headquartered, I ask unanimous consent that the Senate fall into silence for 1 minute in acknowledgment of the deaths of the people from across our land as a result of this very tragic airplane crash in the Everglades coming out of Miami.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senate will observe 1 minute of silence in accordance with the wishes of the Senator from Georgia.

[A minute of silence was observed.]

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. As with all of these occurrences, you never really can appreciate the far reach that it has. My young press assistant's fiancee, in Atlanta, is an honor graduate at Emory University. Her grandparents were on the flight, on their way to attend her graduation. I am sure, of course, that story is repeated 109 times, multiplied to all the families of these 104 passengers and 5 crewmembers.

Atlanta is an airline town. Any time anything like this happens, it is a grief felt very widely throughout our city and State. I, on behalf of all in our State, extend our condolences to the families wherever they are that were affected by this tragic crash.

Mr. President, I ask unanimous consent that I be given up to 5 minutes to speak to an issue that has occurred on the borders between our country and Mexico with regard to drug smuggling.

The PRESIDING OFFICER. Without objection, it is so ordered.

DRUG SMUGGLING

Mr. COVERDELL. Mr. President, the Los Angeles Times ran an article today, May 13, 1996, and it is just a stunning article.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, May 13, 1996]

DRUG RUNNERS ARRESTED AT BORDER OFTEN GO FREE

(By H.G. Reza)

SAN DIEGO.—During the federal government's yearlong narcotics crackdown along the Southwest border; hundreds of suspected smugglers have been allowed to go free after U.S. authorities arrested them with substantial quantities of drugs at ports of entry in California.

In the past year, about 2,300 suspected traffickers were taken into custody for bringing drugs across the border but, according to records and interviews, more than one in four were simply sent home to Mexico because of jail overcrowding and prosecutorial discretion.

Two suspects with 32 pounds of methamphetamine, and another with 37,000 Quaalude tablets, were simply "excluded" from the United States after their drugs and vehicles were confiscated.

The handling of drug cases at the border, most involving at least 50 pounds of marijuana, reflects shifting and sometimes conflicting pressures on the federal law enforcement community.

The threshold for prosecutions, drug agents say, has risen as the government has stepped up narcotics interdiction at border crossings and made more seizures. In addition, they say there often is no room for drug suspects at the federal jail here because it is overflowing with people awaiting trial on immigration law violations and other charges.

After a seizure of 158 pounds of cocaine, one defendant was cited and released because there was no room at the federal jail, said the woman's attorney. The charges against her were dropped, the attorney added.

Officials at the U.S. attorney's office confirm that under a program quietly adopted two years ago, an increasing number of suspected traffickers have been sent back to Mexico without arrest or prosecution in either federal or state court. Instead, they are prohibited from returning to this country pending an immigration hearing.

Government figures show that more than 1,000 smuggling suspects have been processed this way since 1994 after seizures by the U.S. Customs Service and the Border Patrol.

The number of such cases rose from 215 in 1994 to 636 last year at San Ysidro, Tecate and Otay Mesa. There were 288 cases in the first four months of 1996—and officials project that the total will reach more than 800 for the year.

"This is, in our opinion, a powerful prosecutorial tool," Assistant U.S. Atty. John Kramer said in an interview, "Immigration exclusion cases principally involve first-time offenders who face the sanction of losing permanent residency in the United States or their border crossing cards."

Justice Department and U.S. Customs Service officials have reported unprecedented drug seizures in the first year of Operation Hard Line, an anti-drug program along the entire border with Mexico. Last year, they said, total drug seizures from vehicles, cargo containers and pedestrians at all ports were up 25% over the previous year.

"To the extent that drug seizures are up, there is perhaps the perception that we're not doing more in the prosecuting area [but] more felony cases have been filed than ever before," Kramer said.

The overall number of felony drug prosecutions originating from border arrests more than doubled in San Diego County, Kramer said, with almost two-thirds prosecuted in state court.

The government's "exclusion policy" has caused frustration among some Customs inspectors, who are making increasing numbers of seizures. After two Mexican women with 32 pounds of methamphetamine and 24 pounds of marijuana were sent back across the border, one inspector wrote in an Aug. 13, 1995, report:

"Lack of enforcement is not because inspectors aren't trying. It's because of the policy coming from upstairs."

Anyone caught smuggling drugs, even a single marijuana cigarette, can be charged with a felony offense, carrying a minimum of two years in prison, or a misdemeanor, carrying up to a year in jail.

But since the early 1990s, the U.S. attorney's office has struggled with its inability to prosecute all drug cases—especially marijuana cases—because of inadequate resources. Officials previously had set loose guidelines for deciding whether to seek misdemeanor or felony charges, depending on the amount of marijuana.

Now, officials say the U.S. Customs Service is operating under guidelines limiting any prosecution—including misdemeanors—to cases involving 125 pounds of marijuana or more.

And Mexican nationals who are first-time offenders usually are taken before an immigration judge and given the option of being excluded from the country, pending an immigration appeal, or of being prosecuted. So far, officials said, no one has chosen prosecution.

"Generally prosecution is deferred if the amount is below 125 pounds, or if the defendant is a Mexican citizen, or if in the opinion of the prosecutor, it's not a strong case," said Jeff Casey, Customs deputy special agent in charge in San Diego.

However, Kramer said, suspects who escape prosecution for their first seizure will automatically be charged if they are caught a second time, regardless of the drug type or quantity.

U.S. Customs Service records reviewed by The Times show that some smugglers have been caught two or more times—even in the same week—yet still were not jailed or prosecuted. In addition, no action was taken against a number of suspected smugglers captured with more than 125 pounds of marijuana.

One 58-year-old U.S. citizen, according to seizure records, was arrested three times this year at the border—in January with 53 pounds of marijuana, in February with 51 pounds and this month with 41 pounds. Although he had a criminal history that stretched back four decades and included an alien smuggling charge, he was not prosecuted for the first two seizures, according to a law enforcement source.

In one case that exceeded the threshold, records show that two U.S. citizens arrested Oct. 22, 1995, for smuggling 151 pounds of marijuana were not prosecuted. And neither was a 21-year-old U.S. citizen arrested March 16 with 386 pounds of marijuana who had been caught a week earlier with a smaller amount.

Citing privacy concerns, the U.S. attorney's office declined to state the reasons why specific cases were not prosecuted.

"If a person is arrested at the border and a case isn't filed, sometimes there are legitimate law enforcement reasons to do that," Kramer said. "The point is, there are a number of reasons other than not wanting to go forward with the case."

Some federal law enforcement officials have complained that lack of jail space has forced them to release drug suspects outright or issue them citations, which are also promises to appear in court.

Kramer acknowledged that prosecutors and law enforcement agents are sometimes "forced to make hard decisions because of a lack of bed space" at the jail. But, he added, "If there is a belief that our emphasis on immigration prosecutions has detracted us from felony prosecutions of drug cases, that assumption is incorrect."

One cause of the overcrowding, critics say, is Operation Gatekeeper, a controversial crackdown on illegal immigration that has helped fill the local federal jail.

Last week, 49% of the 930 inmates housed at the Metropolitan Correction Center were charged with immigration law violations, while 36% were being held for drug offenses, said a spokeswoman.

Mario Conte, head of the Federal Defenders of San Diego Inc., alleged that U.S. Atty. Alan Bersin, the Clinton administration's border czar, is pursuing a tough prosecution policy on illegal immigration to score political points for the White House.

"He's created a crisis by his policy, which has led to overcrowding at [the federal jail]," said Conte, whose group of attorneys represents indigent defendants in U.S. District Court.

Bersin denied that the immigration prosecutions are politically motivated, noting that most of the defendants have previous convictions for serious crimes. "By targeting people with substantial criminal histories, we have not only helped reduce crime . . . but have stopped targeting economic migrants who were previously filling the jail," he said.

The jail has an approved capacity of 950 but until recently housed an average of 1,200 inmates each month. To ease overcrowding, officials sent 174 inmates facing immigration charges to Miramar Naval Air Station, where they rioted and burned part of the brig in March.

In examining federal court records for 30 of the biggest seizure cases at San Ysidro, The Times found that felony charges are often plea-bargained to misdemeanors, and those convicted seldom do more than six months in jail. Many other cases are settled, with federal attorneys agreeing not to prosecute if the suspect does not commit attention offenses for a year.

Customs inspectors and federal drug agents said narcotics rings know that chances are slim that a marijuana courier will be prosecuted. So, they say, traffickers have no trouble recruiting people and paying them $200 to drive small loads of marijuana through the port, time and again.

"There is virtually no risk [to smugglers] as long as they keep quantities down. First of all, the chances of getting caught are slim, and the chances of prosecution are almost zero if you get caught with a small quantity and if you're a Mexican national," said a veteran Drug Enforcement Administration agent who requested anonymity.

Even when smuggled in small amounts, marijuana generates huge profits for dealers, said the agent. A Jamaican drug ring recently was buying Mexican marijuana in San Diego at $500 per pound—purchasing 20 pounds to 50 pounds at a time—and selling it in Rhode Island for $1,500 a pound, the agent added.

Cases are turned over to the district attorney here for prosecution when the suspect or vehicle owner lives in San Diego County, or the drugs are destined for the county. Officials said that in the last two years, 1,462 cases were referred to local prosecutors, compared to 1,030 handled by the federal government.

Deputy Dist. Atty. Joan Stein said that in almost every case the defendant pleads guilty to a single felony count. Usually, she said, defendants are first-time offenders and are given light sentences by judges.

Mr. COVERDELL. The headline reads, "Drug Runners Arrested at Border Often Go Free."

Smuggling: Crackdown leads to more seizures, but jail overcrowding and clashing priorities force suspects' release.

During the Federal Government's yearlong narcotics crackdown along the Southwest border.

I know this will be of interest to the Presiding Officer.

Hundreds of suspected smugglers have been allowed to go free after U.S. authorities arrested them with substantial quantities of drugs at ports of entry in California.

In the past year, about 2,300 suspected traffickers were taken into custody for bringing drugs across the border but, according to records and interviews, more than one in four were simply sent home to Mexico because of jail overcrowding. . .

Two suspects with 32 pounds of methamphetamine, and another with 37,000 Quaalude tablets, were simply "excluded" from the United States after their drugs and vehicles were confiscated.

After a seizure of 158 pounds of cocaine, one defendant was cited and released because there was no room at the federal jail, said the women's attorney. The charges against her were dropped, the attorney added.

Mr. President, it is just one travesty after another.

One 58-year-old U.S. citizen, according to seizure records, was arrested three times this year at the border—in January with 53 pounds of marijuana, in February with 51 pounds and this month with 41 pounds.

Customs inspectors and federal drug agents said narcotic rings know that chances are slim that a marijuana courier will be prosecuted. So, they say, traffickers have no trouble recruiting people and paying them $200 to drive small loads of marijuana through the port, time and again.

Mr. President, in the last 36 months drug use among our children age 8 to 13 has doubled—doubled. We are in the midst of a drug epidemic that threatens our youth from Georgia to Arizona to California. The fact that this condition is not immediately rectified is deplorable. Interdiction has been decimated, and this is the result we get from it. Interdiction is a key component, not the only one.

We need to be supporting parent and community groups and education because children today have not had a proper role model. The White House has been silent on this, and does not think drugs are a problem. We have to turn that around. But we must get this straightened out, Mr. President.

I will be entering remarks in the RECORD later today. We will immediately begin looking for amendments and funding so that this condition simply will not be tolerated by U.S. authorities on our side of the border. I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 2937, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2937) for the reimbursement of attorney fees and costs incurred by former employees of the White House Travel Office with respect to the termination of their employment in that office on May 19, 1993.

The Senate resumed the consideration of the bill.

Pending:

Dole amendment No. 3952, in the nature of a substitute.

Dole amendment No. 3953 (to amendment No. 3952), to provide for an effective date for the settlement of certain claims against the United States.

Dole amendment No. 3954 (to amendment No. 3953), to provide for an effective date for the settlement of certain claims against the United States.

Dole motion to refer the bill to the Committee on the Judiciary with instructions to report back forthwith.

Dole amendment No. 3955 (to the instructions to the motion to refer), to provide for an effective date for the settlement of certain claims against the United States.

Dole amendment No. 3961 (to amendment No. 3955), to provide for the repeal of the 4.3 cent increase in fuel tax rates enacted by the Omnibus Budget Reconciliation Act of 1993.

Mr. COVERDELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRAIG). Without objection, it is so ordered.

RECESS

Mr. KYL. Mr. President, I ask unanimous consent that the Senate stand in recess until 5 p.m..

There being no objection, the Senate, at 4:08 p.m., recessed until 5:04 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. CRAIG).

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Idaho, notes the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COVERDELL). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session in the Presiding Officer laid before the Senate messages from the President of the United States submitting two withdrawals and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on May 10, 1996, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill:

H.R. 2137. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to require the release of relevant information to protect the public from sexually violent offenders.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

MESSAGES FROM THE HOUSE

At 12:02 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of the reading clerks, announced that pursuant to the provisions of 22 U.S.C. 276d, the Speaker appoints the following Members on the part of the House to the United States Delegation of the Canada-United States Interparliamentary Group: Mr. DREIER of California, Mr. UPTON of Michigan, Mr. GIBBONS of Florida, Mr. DE LA GARZA of Texas, Mr. OBERSTAR of Minnesota, Mr. JOHNSTON of Florida, Mr. PETERSON of Minnesota, Ms. DANNER of Missouri, Mr. UNDERWOOD of Guam, and Mr. FRAZER of the Virgin Islands.

The message also announced that the House having proceeded to reconsider the bill (H.R. 956) to establish legal standards and procedures for product liability litigation, and for other purposes, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, that the said bill do not pass, two-thirds of the House of Representatives not agreeing to pass the same.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 1296) to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer, and asks a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. YOUNG of Alaska, Mr. HANSEN, Mr. ALLARD, Mr. HAYWORTH, Mrs. CUBIN, Mr. MILLER of California, Mr. RICHARDSON, and Mr. VENTO as the managers of the conference on the part of the House.

The message also announced that the House insists upon its amendments to the bill (S. 1260) to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs for the Federal Government to States and localities, and for other purposes, and asks a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. LEACH, Mr. LAZIO, Mr. BEREUTER, Mr. BAKER of Louisiana, Mr. CASTLE, Mr. GONZALEZ, Mr. VENTO, and Mr. KENNEDY of Massachusetts as the managers of the conference on the part of the House.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3286. An act to help families defray adoption costs, and to promote the adoption of minority children.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 3286. An act to help families defray adoption costs, and to promote the adoption of minority children; to the Committee on Finance.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2568. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the report of five proposed rescissions of budget authority; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to Committee on the Budget, and the Committee on Armed Services.

EC–2569. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AH83); to the Committee on Veterans Affairs.

EC–2570. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AH05); to the Committee on Veterans Affairs.

EC–2571. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AG65); to the Committee on Veterans Affairs.

EC–2572. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AH87); to the Committee on Veterans Affairs.

EC–2573. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AH16); to the Committee on Veterans Affairs.

EC–2574. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AE41); to the Committee on Veterans Affairs.

EC–2575. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AH59); to the Committee on Veterans Affairs.

EC–2576. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AE50); to the Committee on Veterans Affairs.

EC–2577. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AH74); to the Committee on Veterans Affairs.

EC–2578. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN2900–AI02); to the Committee on Veterans Affairs.

EC–2579. A communication from the Director of Office Relations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule

(RIN2900–AI08); to the Committee on Veterans Affairs.

EC–2580. A communication from the Assistant General Counsel for Regulation, Department of Education, transmitting, pursuant to law, the report of a rule relative to Training Personnel for the Education of Individuals with Disabilities Program and Program for Children and Youth with Serious Emotional Disturbance; to the Committee on Labor and Human Resources.

EC–2581. A communication from the Assistant General Counsel for Regulation, Department of Education, transmitting, pursuant to law, the report of a rule relative to the State Vocational Rehabilitation Services Program (RIN1820–AB13); to the Committee on Labor and Human Resources.

EC–2582. A communication from the Director of Regulations Policy Management Staff, Office of Policy Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule relative to medical devices; to the Committee on Labor and Human Resources.

EC–2583. A communication from the Director of Regulations Policy Management Staff, Office of Policy Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule relative to medical devices; to the Committee on Labor and Human Resources.

EC–2584. A communication from the Director of Regulations Policy Management Staff, Office of Policy Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule relative to Cold, Cough, Allergy, Bronchodilator, and Antiasthmatic Drug Products for Over-the-Counter Human Use; to the Committee on Labor and Human Resources.

EC–2585. A communication from the Assistant Secretary for Occupational Safety and Health, Department of Labor, transmitting, pursuant to law, the report of rule (RIN1218–AA71); to the Committee on Labor and Human Resources.

EC–2586. A communication from the Director of the ADEA Division of the U.S. Equal Employment Opportunity Commission, transmitting, pursuant to law, the report of a final rule; to the Committee on Labor and Human Resources.

EC–2587. A communication from the Labor Member of the Railroad Retirement Board, transmitting, the report of Dissent of Labor of the Board concerning majority of the Board's proposal to amend the Railroad Retirement Act to change the state of limitations that applies to the creditability of compensation under the Act; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Governmental Affairs, with amendments:

S. 1579. A bill to streamline and improve the effectiveness of chapter 75 of title 31, United States Code (commonly referred to as the "Single Audit Act") (Rept. No. 104–266).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

S. 1745. An original bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes (Rept. No. 104–267).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1025. A bill to provide for the exchange of certain federally owned lands and mineral interests therein, and for other purposes (Rept. No. 104–268).

By Mr. HATCH, from the Committee on the Judiciary:

Report to accompany the bill (S. 1624) to reauthorize the Hate Crime Statistics Act, and for other purposes (Rpt. 104–269).

By Mr. ROTH, from the Committee on Finance, with an amendment in the nature of a substitute:

H.R. 3074. A bill to amend the United States-Israel Free Trade Area Implementation Act of 1985 to provide the President with additional proclamation authority with respect to articles of the West Bank or Gaza Strip or a qualifying industrial zone (Rept. No. 104–270).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN (for himself, Mr. DOMENICI, and Mr. DASCHLE):

S. 1743. A bill to provide temporary emergency livestock feed assistance for certain producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 1744. A bill to permit duty free treatment for certain structures, parts, and components used in the Gemini Telescope Project; to the Committee on Finance.

By Mr. THURMOND:

S. 1745. An original bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; from the Committee on Armed Services; placed on the calendar.

By Mr. GRAMM:

S. 1746. A bill to correct the marking requirements for American-made hand tools; to the Committee on Finance.

By Mr. GRAMM (for himself and Ms. MOSELEY-BRAUN):

S. 1747. A bill to correct the marking requirements for American-made feather and down-filled products; to the Committee on Finance.

By Mr. SIMPSON (by request):

S. 1748. A bill to permit the Secretary of Veterans Affairs to reorganize the Veterans Health Administration notwithstanding the notice and wait requirements of section 510 of title 38, United States Code, and to amend title 38, United States Code, to facilitate the reorganization of the headquarters of the Veterans Health Administration; to the Committee on Veterans' Affairs.

S. 1749. A bill to amend title 38, sections 8101(2) and 8109(h)(3)(B), United States Code, to delete the references therein to "working drawings" and substitute therefor the words "construction documents," and to further delete the references therein to "preliminary plans" and to substitute therefor the words "design development."; to the Committee on Veterans' Affairs.

S. 1750. A bill to amend title 38, United States Code, to modify disbursement agreement authority to include residents and interns serving in any Department facility providing hospital care or medical services; to the Committee on Veterans' Affairs.

S. 1751. A bill to amend title 38, United States Code, to revise the procedures for providing claimants and their representatives with copies of Board of Veterans' Appeals decisions and to protect the right of claimants to appoint veterans' service organizations as their representatives in claims before the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

S. 1752. A bill to amend title 38, United States Code, to exempt full-time registered nurses, physician assistants, and expanded-function dental auxiliaries from restrictions on remunerated outside professional activities; to the Committee on Veterans' Affairs.

S. 1753. A bill to amend title 38, United States Code, to expand the authority of the Secretary of Veterans Affairs to suspend a special pay agreement for physicians and dentists who enter residency training programs; to the Committee on Veterans' Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself, Mr. DOMENICI and Mr. DASCHLE):

S. 1743. A bill to provide temporary emergency livestock feed assistance for certain producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE TEMPORARY EMERGENCY LIVESTOCK FEED ASSISTANCE ACT OF 1996

Mr. BINGAMAN. Mr. President, my home State of New Mexico is currently experiencing a very severe drought, as is much of the Southwest. As with any drought, many of my State's citizens are experiencing severe hardships.

Saturday, 2 days ago, I saw what fire had done to the Carson National Forest in my State. This is one of several major fires that New Mexico has experienced this year. The fire in the Carson National Forest was designated the Hondo fire. To date, over 20,000 acres have burned in our State. People have been burned out of their homes, Bandelier National Monument, Questa, Red River, NM, have all had their existence threatened, and the community of Lama in northern New Mexico has been utterly destroyed.

The size of these fires can be directly attributed to the lack of rain in our State for a very long period of time. And if the current weather conditions continue and no relief is in sight, the rest of this year will be tense and dangerous.

Mr. President, I am here today to talk about another danger that is posed by this same lack of rain, and it is a threat to the finances and the livelihood of those who depend on the rain to make the grass that feeds their herds.

The bill that I am introducing today along with my cosponsors, Senator

DOMENICI and Senator DASCHLE, is entitled the "Temporary Emergency Livestock Feed Assistance Act of 1996." It is intended to help those ranchers who otherwise cannot afford to feed their cattle during this time of drought. With terrible range conditions, the options available to a rancher have become very limited.

The rancher can either buy feed or he can sell the livestock that he owns at market prices. Neither option is very desirable at this time. Feed prices are extremely high, and cattle prices are the lowest that they have been for over a decade. The situation places the rancher in dire straits. In Lea County in southeastern New Mexico, ranchers usually budget about $125 to raise a cow. Now the cost has risen to about $250 to $300 per head because of the high cost of feed.

In Curry County on the eastern side of New Mexico, the local paper reported that winter wheat crop faces an 80 to 90 percent loss. That crop is usually about 2.5 million bushels that are harvested. All parts of New Mexico are suffering. For the third year in a row, we have had less than our average rainfall in the northwest part of the State. Near Window Rock, AZ, we had 2.1 inches of precipitation during the period from October to March, the driest for that period since the year 1904. In the western part of our State, in Quay County, we have reported much less than average amounts of rainfall. In the south, Las Cruces usually receives about 8.5 inches a year, which I know would be a drought for most parts of the country even if we were to receive that, but for the past 3 years Las Cruces has consistently received less than that amount.

This bill, this Temporary Emergency Livestock Feed Assistance Act of 1996, is not meant to be a permanent solution to the current problem. The bill revives the livestock feed program for a 1-year period. That is 1996. The program was suspended in the recently enacted farm bill. Under the provisions of this act, those who raise cattle or sheep or goats would be eligible for assistance.

Funding for the old program was through the Commodity Credit Corporation, and this bill changes that funding mechanism. It restricts the program to $18 million, specifically identifies a fund that already has 1996 appropriations dedicated to it.

If market conditions remain, the funds that are targeted for use by this particular bill we are introducing today will otherwise remain unspent at the end of the fiscal year. So given the current crisis, it is clear to me that this money will be best utilized in helping the ranchers to survive the situation they face.

Several provisions have been placed into the bill to ensure against abuses of the program. For example, a rancher will have to have owned or leased the livestock for at least 180 days. If the rancher has not owned or leased the livestock for the required time, there are certain exceptions that the Secretary of Agriculture will have to approve. This will ensure that additional livestock are not purchased for the sole purpose of benefiting from this program we are proposing to enact.

Also, there is language that allows the Secretary to determine the quantities of forage sufficient to maintain livestock, based on the normal carrying capacity of the land. This language is intended to discourage a person from overstocking the land above the carrying capacity and receiving assistance for that effort. This will help to ensure that long-term damage to the land does not occur.

Another important provision concerns the commodities reserve program. The bill asks the Secretary to examine using the Department's millions of bushels of stored grain for the emergency that we now face. The Secretary is asked to report back to Congress within 30 days of enactment of this bill. If the reserve can be used, the ranchers will be able to receive grain at lower than market prices.

After examining the facts, I am confident that my colleagues here in Congress will agree that the current emergency situation demands immediate action. This legislation extends the program—for only 1 year—that was suspended permanently by the farm bill. Consistently in times of need, the rancher has turned to this program. Clearly, ranchers are in need of this program one more time.

The reintroduction of this program will not dramatically alter the budget that was agreed upon in the farm bill. Instead, this legislation will spend funds that have already been appropriated for fiscal year 1996 and in all likelihood will go unspent this year if this bill is not enacted.

Mr. President, a former Member of this Senate and a former President, Harry Truman, used to state that the facts should determine the conclusion that we reach. In this matter, the severe conditions of the drought warrant immediate action by Congress. I urge serious consideration of this legislation and expeditious passage of this legislation.

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 1744. A bill to permit duty free treatment for certain structures, parts, and components used in the Gemini telescope project; to the Committee on Finance.

THE GEMINI TELESCOPE PROJECT ACT OF 1996

Mr. INOUYE. Mr. President, I rise today to introduce legislation that is of great importance to the entire international scientific community and to the State of Hawaii. This legislation grants tariff relief to the Gemini project, an international astronomical project.

The Gemini project, which is run by the Association of Universities for Research in Astronomy [AURA] on behalf of the National Science Foundation [NSF] and several foreign nations, consists of two 8-meter optical telescopes to be constructed over the next few years on Mauna Kea, HI, and on Cerro Pachon, Chile.

AURA is a private, nonprofit consortium of United States and foreign affiliated education and other nonprofit institutions that operate several world-class astronomical observatories throughout the world. The Gemini project is an international partnership and draws funding from the Governments of the United States, the United Kingdom, Canada, Chile, Argentina, and Brazil. Fifty percent of the project's cost is borne by the United States and 50 percent by the project's foreign partners.

Because of the international cooperation involved in the Gemini project, the specific partner countries have been assigned work packages and bids for components of the telescope have been requested from both United States and international suppliers. For example, Corning Glass Works in New York produced the 8-meter mirrors required for the telescopes and then shipped them to France for polishing. Once this polishing is completed, the mirrors will be sent to Hawaii for installation.

Gemini's international cooperation is a model for major scientific projects in the future. We all realize that we must reduce the Federal deficit, and that will mean belt-tightening across Government. The Gemini model offers an innovative way to do significant scientific research in such a climate because the United States and its international partners share the cost of construction, and, in turn, benefit by shared use of the telescopes once they are constructed.

However, this international cooperation has presented a problem for AURA. Although all non-U.S. partner countries have already waived all taxes and duties related to the Gemini project, the U.S. Customs Service has initially ruled that the mirror is subject to duties upon reentry into the United States. The Customs Service classifies the mirror as a component of the telescope. This initial ruling appears to negate the terms of the "Florence Agreement," an international trade agreement from the 1950's which permits scientific instruments duty-free entry when used by a nonprofit organization.

The customs duties for the importation of all Gemini project, components basically means that one Federal Government agency—the NSF—will end up paying another Federal Government agency—the U.S. Customs Service—for an import duty which, I believe, clearly violates the terms of the "Florence Agreement."

Not only will the Customs Service's tariff ruling cause a problem with cost and schedule for the Gemini project, but it will also threaten future international scientific collaborations because of the potential problem it poses to such a project's cost. It would appear that as these international partnerships become more crucial in this era of ever-tightening budgets, the Customs Service's position will undermine the viability of these kinds of scientific arrangements.

Mr. President, I am pleased to advise my colleagues that there is a strong precedent for the Congress to enact legislation that would provide relief for the Gemini project. In the Omnibus Trade and Competitiveness Act of 1988—Public Law 100-418, the Congress agreed with the same arguments I have described here today and provided tariff relief for the W.M. Keck Observatory project administered by the California Association for Research in Astronomy. This legislation is comparable in scope to the 1988 provision, except for the fact that the Keck Observatory was a privately funded telescope whereas the Gemini project carries an official designation as a U.S.-owned and operated facility.

Time is critical to the successful completion of the Gemini project. Key components of the telescope are scheduled for arrival in the United States early next year, and it does not appear that the U.S. Customs Service will provide any specific relief for the Gemini project. As a result, this legislation is vital to avoiding serious cost or schedule disruption to the Gemini Program.

I urge my colleagues on the Finance Committee to take up this important legislation at the earliest possible opportunity so that the Gemini project may proceed on schedule and within budget.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1744

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN STRUCTURES, PARTS AND COMPONENTS USED IN THE GEMINI TELESCOPES PROJECT, MAUNA KEA, HAWAII.

(a) IN GENERAL.—The Secretary of the Treasury is authorized and directed to admit free of duty after March 31, 1997, the following articles for the use of the Association of Universities for Research in Astronomy, Inc. in the construction of the Gemini North Telescope, Mauna Kea, Hawaii, as part of the international Gemini 8-Meter Telescopes Project:

(1) The telescope enclosure, produced by Coast Steel Fabricators, Ltd., Port Coquitlam, British Columbia, Canada.

(2) The telescope structure assemblies, produced by G.I.E. Telas, Cannes le Bocca, France.

(3) The telescope mirror coating plant, produced by the Royal Greenwich Observatories, Cambridge, United Kingdom.

(4) The telescope primary mirror, polished by REOSC, Saint-Pierre-du-Perray, France.

(5) The telescope secondary mirror, produced by Carl Zeiss, Oberkochen, Germany.

(6) The telescope acquisition, guiding, and wavefront sensing equipment, produced by the Royal Greenwich Observatories, Cambridge, United Kingdom.

(b) RELIQUIDATION.—If the liquidation of the entry of any article described in subsection (a) has become final before April 1, 1997, the entry shall, notwithstanding any other provision of law, be reliquidated on April 1, 1997, in accordance with the provisions of this section and the appropriate refund of duty made at time of such reliquidation.

By Mr. SIMPSON (by request):

S. 1748. A bill to permit the Secretary of Veterans Affairs to reorganize the Veterans Health Administration notwithstanding the notice and wait requirements of section 510 of title 38, United States Code, and to amend title 38, United States Code, to facilitate the organization of the headquarters of the Veterans Health Administration; to the Committee on Veterans' Affairs.

VETERANS' LEGISLATION

• Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 1748, a bill to facilitate the reorganization of the headquarters of the Veterans Health Administration [VHA], Department of Veterans Affairs. The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated June 22, 1995. That letter was referred to the Committee on Veterans' Affairs on July 20, 1995.

This measure, Mr. President, also requests that the Congress authorize a VHA reorganization notwithstanding the notice and wait provisions of section 510 of title 38, United States Code. By the time that this request had been referred to the Committee on Veterans' Affairs, July 20, 1995, the waiting period specified under section 510 of title 38, United States Code, had nearly expired and, thus, those provisions were, for practical purposes, moot at the time the committee received this request. Nonetheless, I have introduced this bill in its entirety today since it contains provisions which are not related directly to the reorganization which is now being implemented.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all Administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter and the enclosed analysis of the draft legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1748

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. (a) The Secretary of Veterans Affairs may proceed with the reorganization described in subsection (b) of this section without regard to section 510 of title 38, United States Code.

(b) The administrative reorganization referred to in subsection (a) is the reorganization of the Veterans Health Administration of the Department of Veterans Affairs as that reorganization and related activity are described in a letter dated March 17, 1995, and the detailed plan and justification enclosed therewith, submitted by the Secretary to the Committees on Veterans' Affairs of the Senate and the House of Representatives pursuant to section 510 of title 38, United States Code.

SEC. 3. Section 7305 is amended to read as follows:

"The Veterans Health Administration shall include the Office of the Under Secretary for Health and such professional and auxiliary services as the Secretary may find to be necessary to carry out the functions of the Administration.".

SEC. 4. Section 7306 is amended—

(a) in subsection (a)—

(1) by striking "and who shall be a qualified doctor of medicine" in paragraph (2);

(2) by striking paragraphs (5) and (6) and redesignating paragraphs (7), (8), and (9) as paragraphs (5), (6), and (7).

(b) by amending subsection (b) to read as follows:

"(b) Of the Assistant Under Secretaries for Health appointed under subsection (a)(3), not more than two may be persons qualified in the administration of health services who are not doctors of medicine, dental surgery, or dental medicines.".

THE SECRETARY OF VETERANS AFFAIRS,
Washington, June 22, 1995.

Hon. AL GORE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill, "To permit the Secretary of Veterans Affairs to reorganize the Veterans Health Administration notwithstanding the notice and wait requirements of section 510 of title 38, United States Code, and to amend title 38, United States Code, to facilitate the reorganization of the headquarters of the Veterans Health Administration." We request that it be referred to the appropriate committee for prompt consideration and enactment.

The draft bill contains several provisions intended to assist VA in its reorganization of the Veterans Health Administration (VHA). The first provision would waive the waiting period otherwise required by 38 U.S.C. §510 for the planned VHA reorganization which the Department reported to its oversight committees on March 17, 1995. Enactment would permit the Department to begin implementing the reorganization immediately, and would assist the Under Secretary for Health to more rapidly achieve the improvements and advantages of that plan, as discussed extensively in our report. By sending a signal of Congressional support for this new direction for the VA health-care system, enactment would give strong impetus to implementation of the plan, and would assist the Under Secretary to achieve the "culture change" within VHA which is essential to fully realize its benefits.

The other provisions in the draft bill are aimed at facilitating the reorganization of VHA's headquarters. The current centralized management model for VHA, which is in part required by statute, impedes the system's ability to adapt to the rapidly changing health-care environment. The statutory structure limits the Department's flexibility to establish functions and offices in the organizational structure that are most necessary, and that are located in the geographic setting that best supports the goals of the health-care system.

To enhance organizational flexibility in VHA headquarters, the draft bill would eliminate the statutory requirement that VHA have a centralized Medical Service, Dental Service, Podiatric Service, Optometric Service, and Nursing Service. It would also eliminate a legal requirement that VHA have Directors for each of those services. The bill would additionally eliminate statutory requirements that VHA have an Assistant Under Secretary for Health who is a dentist, and an Assistant Under Secretary for Health with expertise and training in geriatrics. The Department does not plan to eliminate the functions of those offices and positions. Rather, the Department seeks the flexibility to determine which office and which position in the organization can best provide management direction to assure that those functions are appropriately carried out.

As a final matter, the draft bill would eliminate the requirement that the Associate Deputy Under Secretary for Health be a doctor of medicine. That change would provide the Veterans Health Administration with greater management flexibility by allowing the appointment to that position of an individual whose training and experience may be primarily in management, budgeting, or some other administrative area, rather than in medicine.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,

JESSE BROWN.

SECTION-BY-SECTION ANALYSIS

Section 2 would waive the notice and wait requirements of 38 U.S.C. §510 with respect to an administrative reorganization of the Veterans Health Administration. The reorganization is one described in a letter dated March 17, 1995, and the detailed plan and justification enclosed therewith, submitted by the Secretary to the Committees on Veterans' Affairs of the Senate and the House of Representatives pursuant to section 510 of title 38, United States Code.

Section 3 would amend 38 U.S.C. §7305 to delete the current statutory requirement that the Veterans Health Administration include a centralized Medical Service, Dental Service, Podiatric Service, Optometric Service, and Nursing Service. It would provide the Administration with greater flexibility to provide the functions those services now provide in the most appropriate setting and geographic location.

Section 4 would amend 38 U.S.C. §7306. It would first eliminate the legal requirement that the Veterans Health Administration have Directors for each of the services deleted from 38 U.S.C. §7305 by section 3 of the draft bill. Section 4 would also eliminate a requirement in section 7306 that the Veterans Health Administration have an Assistant Under Secretary for Health who is a dentist, and an Assistant Under Secretary for Health with expertise and training in geriatrics. Finally, section 4 would delete the requirement in section 7306 that the Associate Deputy Under Secretary for Health be a doctor of medicine. The proposed amendments would all facilitate reorganization of the headquarters of the Veterans Health Administration.•

By Mr. SIMPSON (by request):

S. 1749. A bill to amend title 38, sections 8101(2) and 8109(h)(3)(B), United States Code, to delete the references therein to "working drawings" and substitute therefor the words "construction documents," and to further delete the references therein to "preliminary plans" and to substitute therefor the words "design development."; to the Committee on Veterans' Affairs.

VETERANS' LEGISLATION

• Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 1749, a bill to amend certain provisions of title 38, United States Code, first, to delete references to "working drawings" and substitute therefor the words "construction documents;" and second, to delete references to "preliminary plans" and substitute therefor the words "design development." The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated September 18, 1995.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter and the enclosed analysis of the draft legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1749

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8101(2) and section 8109(h)(3)(B) of title 38, United States Code, are amended—

SEC. 2. By striking the words "working drawings" each time they appear and to substitute therefor in each instance the words "construction documents."

SEC. 3. By striking the words "preliminary plans" each time they appear to substitute therefor in each instance the words "design development."

THE SECRETARY OF
VETERANS AFFAIRS,
Washington, September 18, 1995.

Hon. ALBERT GORE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill, "To amend title 38, sections 8101(2) and 8109(h)(3)(B), United States Code, to delete the references therein to "working drawings" and substitute therefor the words "construction documents," and to further delete the references therein to "preliminary plans" and to substitute therefor the words "design development." It is requested that the bill be referred to the appropriate committee and that it be favorably considered for enactment.

This draft bill would simply change terminology used in reference to design activities to bring the Department of Veterans Affairs in line with the terminology used in the private design and construction industry. These proposed changes are a result of the Department's Office of Construction Management's restructuring its design activities to follow those used by private industry.

This proposal will not result in any additional costs to, or savings for, the Department. The requested changes will result only in greater uniformity of construction project terminology between the Department and private industry.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,

JESSE BROWN.

Enclosures.

SECTION-BY-SECTION ANALYSIS

Section 1 of the draft bill provides that section 8101(2) and section 8109(h)(3)(B) of title 38 shall be amended.

Section 2 of the draft bill would change the design document references in sections 8101(2) and 8109(h)(3)(B), from "working drawings" to "construction documents." Enactment of this change would represent a terminology change only, which would result in terminology used within the Department of Veterans Affairs paralleling that used within the private design industry.

Section 3 of the draft bill would change the design document references in section 8101(2) from "preliminary plans" to "design development." Enactment of this change would represent a terminology change only, which would result in terminology used within the Department of Veterans Affairs paralleling that used within the private design industry.•

By Mr. SIMPSON (by request):

S. 1750. A bill to amend title 38, United States Code, to modify disbursement agreement authority to include residents and interns serving in any Department facility providing hospital care or medical services; to the Committee on Veterans' Affairs.

VETERANS' LEGISLATION

• Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 1750, a bill to modify the disbursement agreement authority to the Department of Veterans Affairs [VA] to include residents and interns who are serving in any VA facility providing hospital care or medical services. The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated September 26, 1995.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter and the enclosed analysis of the draft legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1750

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. Section 7406(c) is amended—

(a) by striking "Department hospital" wherever it appears and inserting in lieu thereof "Department facility furnishing hospital care or medical services".

(b) in paragraph 4(C) by striking "hospital" after "participating" and inserting in lieu thereof "facility".

(c) in paragraph 5 by striking "hospital" both places it appears and inserting in lieu thereof "facility".

DEPARTMENT OF VETERANS AFFAIRS,
September 26, 1995.

The Honorable AL GORE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill, "To amend title 38, United States Code, to modify disbursement agreement authority to include residents and intense serving in any Department facility providing hospital care or medical services." We request that it be referred to the appropriate committee for prompt consideration and enactment.

Typically, residents and interns are trained at a number of medical institutions and each institution is individually responsible for paying the residents and interns serving there. As a result, residents and interns often receive differing levels of pay and fringe benefits from institution to institution, which sometimes creates confusion and morale problems. Under disbursement agreements, medical institutions that participate in training residents and interns designate one institution to pay all residents and interns a set amount. Thus, pay and fringe benefits do not change when residents and interns rotate among participating institutions.

The enclosed draft bill would authorize VA to enter into disbursement agreements with participating medical institutions for the centralized administration of pay and other employee benefits to residents and interns training at any Department facility providing hospital care or medical services. Section 7406(c) of title 38, United States Code, currently provides for such agreements only "for the period that such intern or resident serves in a Department hospital." The law does not authorize VA to enter into such agreements to provide pay and fringe benefits for residents and interns serving in VA outpatient clinics, nursing homes or other VA medical facilities.

This draft bill would allow VA facilities which are not hospitals, such as outpatient clinics and nursing homes, to receive the cost saving and other benefits provided by disbursement agreements. These facilities are an increasingly important component of the VA health care delivery system. With greater emphasis being placed on primary care, the training of residents and interns takes place in nonhospital settings such as outpatient clinics and nursing homes. This draft bill is particularly important in the case of two of our hospitals in California (Martinez and Sepulveda) which, due to earthquakes, have been modified into clinics. Both facilities have had long-standing academic affiliates and residency training programs with disbursement agreements. There are not costs to VA associated with this draft bill.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,

JESSE BROWN.

ANALYSIS OF PROPOSED BILL

The bill would expand VA authority to enter into disbursement agreements with participating medical institutions for the central administration of pay and other employee benefits for residents and interns who train at Department facilities. Currently, the law authorizes the use of disbursement agreements only for residents and interns serving in Department hospitals, but not those serving in outpatient clinics, nursing homes or other Department medical facilities. The bill would eliminate this restriction and provide authority for VA to enter into disbursement agreements for the central administration of pay and other employee benefits for interns and residents serving in any Department facility providing hospital care or medical services, including outpatient clinics and nursing homes.•

By Mr. SIMPSON (by request):

S. 1751. A bill to amend title 38, United States Code, to revise the procedures for providing claimants and their representatives with copies of Board of Veterans' Appeals decisions and to protect the right of claimants to appoint veterans' service organizations as their representatives in claims before the Department of Veterans Affairs; to the Committee on Veterans Affairs".

VETERANS' LEGISLATION

• Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 1751, a bill to revise the procedures for providing claimants and their representatives with copies of Board of Veterans' Appeals decisions and to protect the right of claimants to appoint veterans service organizations as their representatives in claims before the Department of Veterans Affairs. The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated October 11, 1995.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROVISION OF COPIES OF BOARD OF VETERANS' APPEALS DECISIONS.

(a) PROVIDING THE DECISIONS.—Section 7104(e) of title 38, United States Code, is amended by—

(1) striking out "mail" and inserting in lieu thereof "send"; and

(2) adding at the end of that subsection the following:

"For the purposes of this subsection, the Board may send a copy of its written decision by any means reasonably calculated to provide the claimant and the claimant's authorized representative (if any) with a copy of the decision within the same time a copy of the decision sent by first-class mail would be expected to reach them.".

(b) BEGINNING OF THE APPEAL PERIOD.—Section 7266(a)(1) of title 38, United States Code, is amended by—

(1) striking out "person" and inserting in lieu thereof "claimant";

(2) striking out "mailed" and inserting in lieu thereof "sent"; and

(3) inserting "to the claimant's authorized representative or, if none, to the claimant" following "title".

SEC. 2. APPOINTMENT OF A VETERANS SERVICE ORGANIZATION AS A CLAIMANT'S REPRESENTATIVE.

(a) POWER OF ATTORNEY NAMING A VETERANS SERVICE ORGANIZATION.—Section 5902 of title 38, United States Code, is amended by—

(1) redesignating subsection (c) as subsection (d); and

(2) inserting the following new subsection (c):

"(c)(1) Unless a claimant specifically indicates his or her desire to appoint only a recognized representative of an organization listed in or approved under subsection (a) of this section, the Secretary may, for any purpose, treat a claimant's power of attorney naming such an organization, a specific office of such an organization, or a recognized representative of such an organization as an appointment of the entire organization.

"(2) Whenever the Secretary is required or permitted to notify a claimant's representative, and the claimant has named in a power of attorney an organization listed in or approved under subsection (a) of this section, a specific office of such an organization, or a recognized representative of such an organization without specifically indicating a desire to appoint only a recognized representative of the organization, the Secretary shall notify the organization at the address designated by the organization for the purpose of receiving each kind of notification.".

(b) APPLICABILITY.—The amendments made by this section apply to any power of attorney filed with the Department of Veterans Affairs regardless of the date of its execution.

THE SECRETARY OF VETERANS AFFAIRS,
Washington, October 11, 1995.

Hon. ALBERT GORE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Transmitted herewith is a draft bill to amend title 38, United States Code, to revise the procedures for providing claimants and their representatives with copies of Board of Veterans' Appeals (Board) decisions and to protect the right of claimants to appoint veterans service organizations as their representatives in claims before the Department of Veterans Affairs (VA). This legislation would permit the Board to provide copies of its appellate decisions to claimants' representatives reasonably and efficiently. It would also permit VA to continue a longstanding method of claimant representation which has proven efficient and beneficial to claimants. I request that this draft bill be referred to the appropriate committee for prompt consideration and enactment.

PROVISION OF COPIES OF BOARD DECISIONS

Section 7104(e) of title 38, United States Code, specifies that "the Board shall promptly mail a copy of its written decision to the claimant and the claimant's authorized representative (if any)." In the past, the Board's method of representative (if any)." In the past, the Board's method of "mailing" a copy of a decision to a representative depended on where the representative was located. For a representative at the Board's offices in Washington, D.C., a contractor hand-delivered the Board decision to the representative. For a representative at a VA regional office, the Board gave the decision to the contractor, who "bundled" mail for the 58 VA regional offices and delivered the bundles to the United States Postal Service. After the United States Postal Service delivered the bundles to the VA regional offices, each regional office sorted its bundled mail and distributed any Board decision to the appropriate representative at that regional office. For a representative not at an office at a VA facility, the Board mailed its decision directly to the representative.

This past practice made sense considering the number of Board decisions and the number of representatives who have offices at VA facilities. The Board decides more than 25,000 cases per year. In more than 85 percent of those cases, one of the various veterans service organizations represents the claimant. Often, as authorized by 38 U.S.C. §5902(a)(2), the service organization occupies free office space in either a VA regional office or at the Board's offices in Washington, D.C. Thus, the Board's past practice of distributing decisions to representatives was flexible and efficient.

This past practice, however, was invalidated by the Court of Veterans Appeals. In *Trammell* v. *Brown*, 6 Vet. App. 181 (1994), the Court of Veterans Appeals held that an apparently late notice of appeal was timely filed because the Board's decision-distribution procedure did not accord with 38 U.S.C. §7104(e). In *Davis* v. *Brown*, 7 Vet. App. 298 (1995), the court held that the phrase "the Board shall promptly mail" in section 7104(e) means that the Board decision "must be correctly addressed, stamped with the proper postage, and delivered directly by the [Board] into the custody of the U.S. Postal Service." Id. at 303. The court then concluded that the apparently late notice of appeal in Davis was timely filed. Id. at 304.

The court's interpretation of section 7104(e) creates problems with logistical solutions the Board has developed over the years to provide representatives with copies of its decisions. Indeed, it leads to some absurd results. For example, instead of a Board employee (or a contractor) simply walking down the hall to deliver a Board decision to a service organization representative on the same floor, now the employee, not a contractor, must place the decision in an envelope, affix proper postage, and deliver it directly into the United States Postal Service's custody. We understand that the Postal Service takes this mail to Maryland for sorting, then returns it to the District of Columbia for delivery. The Postal Service delivers VA mail to the VA building across the street from the Board's offices, where a contractor sorts it for international delivery. The contractor must then carry the Board decision across the street to the building housing the Board and the service organization representative and deliver it to the representative.

The Board should be permitted to provide representatives with copies of its decisions sensibly. Thus, we propose this legislation to permit the Board to "send" its decisions to claimants and their representatives by any means reasonably calculated to provide them with a copy of the decision within the same time a copy of the decision sent by first-class mail would be expected to reach them.

Section 1(b) of this draft bill would also make a corresponding change to 38 U.S.C. §7266(a)(1), which currently provides that, to obtain review by the Court of Veterans Appeals, a person adversely affected by a final Board decision must file a notice of appeal within 120 days after the date on which notice of the decision is mailed pursuant to section 7104(e). Our proposed amendment would require that a notice of appeal be filed within 120 days after the date on which notice of the Board decision is sent pursuant to section 7104(e) to the representative or, if none, to the claimant.

APPOINTMENT OF A VETERANS SERVICE ORGANIZATION AS A CLAIMANT'S REPRESENTATIVE

Current law authorizes the Secretary to recognize individuals to prepare, present, and prosecute claims for VA benefits on behalf of claimants. Section 5904(a) of title 38, United States Code, authorizes the Secretary to recognize any individual as an agent or attorney for the preparation, presentation, and prosecution of VA benefit claims. Section 5903 of title 38, United States Code, authorizes the Secretary to recognize any individual for the preparation, presentation, and prosecution of any particular VA benefit claim. In addition, section 5902(a)(1) of title 38, United States Code, authorizes the Secretary to recognize representatives of certain veterans service organizations in the preparation, presentation, and prosecution of VA benefit claims.

With respect to representatives of veterans service organizations, VA's policy and practice has been to recognize any accredited representative of an approved service organization if a claimant files a power of attorney in favor of the organization itself, a specific office of the organization, or a particular representative of the organization. This practice affords several advantages. First, it allows different representatives of an organization to handle a particular claim at different stages of the claim, without the claimant having to file a separate power of attorney for each representative. For example, a representative of an organization at a VA field office can prosecute a claim there and initiate an appeal. Another representative of the same organization at the organization's national office can then argue the claim on appeal before the Board in Washington, D.C. Second, it allows different representatives of the organization to handle a particular claim at different locations and times, without the claimant having to file another power of attorney. For example, if a claimant moves from New York to Los Angeles while his or her claim is pending, a representative of an organization at a local office in New York can initially handle the claim there, and another representative of the organization at a local office in Los Angeles can subsequently pursue the claim at the location. Similarly, a second representative of an organization can assume responsibility for the prosecution of a claim if the original representative of that organization moves, becomes incapacitated, or leaves the organization. Third, the practice allows VA to notify a claimant's representative in a manner best suited to assure notice is received. For example, the Board can mail a copy of its decision to a representative of a given organization in Washington, D.C., as well as to a local representative at a field station, thereby doubling the likelihood that the claimant's representative will actually receive notice.

Cases pending before or recently decided by the Court of Veterans Appeals are imperiling VA's longstanding practice of recognizing any accredited representative of a veterans service organization in a particular claim. In *Leo v. Brown*, U.S. Vet. App. No. 93–844 (June 16, 1995), the court again held that an apparently late notice of appeal was timely filed because the Board's decision-distribution procedure did not accord with 39 U.S.C. §7104(e). In this case, the claimant executed a power of attorney in which, in the space for designation of a representative, he entered the American Legion and the address of the Greenville, South Carolina, Veterans Affairs Office, where the American Legion had a local representative. The Greenville office stated that it had no record of having received a copy of the Board's decision on the veteran's claim. The court ruled that actual receipt of a copy of the decision by the American Legion's national office in Washington, D.C., did not cure the failure to mail a copy to the claimant's designated representative, "i.e., the Greenville, South Carolina, office."

Based on inquiries from the court in cases currently pending, we are concerned that the court may go further and hold that, based on the plain meaning of 38 U.S.C. §5902(A)(1), a claimant may appoint only an individual, not an organization, to prepare, present, and prosecute a claim before VA on the claimant's behalf. Such a holding would play havoc with the traditional role of veterans service organizations in the claim process and inject additional technical demands into that process. If a claimant could appoint only an individual, the claimant would have to file another power of attorney each time it became necessary or expedient for another accredited representative to assist with his or her claim. VA could not allow another representative of the same organization access to the claimant's files or mail another representative a copy of a Board decision without risking violation of the Privacy Act. Under the Leo decision, similar problems would frequently arise in the cases of claimants who designate a particular office of an organization on their power-of-attorney forms.

A recent survey at the Board showed that 79 percent of appellants who designated a veterans service organization on their power-of-attorney form (which, as noted above, occurs in more than 85 percent of the 25,000 cases that pass through the Board each year) designated only the organization, not a specific office or an individual representative of the organization. Thus, if the court were to invalidate VA's practice of recognizing organizations rather than individuals, it would cast doubt on the validity and meaning of nearly 16,800 powers of attorney in cases coming before the Board alone over one year. It would delay decisions on numerous claims while VA tried to clarify what individual representative, if any, each appellant wanted to represent him or her.

The impact on the Compensation and Pension Service (C&P) would be even greater. Last year, C&P completed action on 2,127,265 compensation and pension claims. As of December 31, 1994, national veterans service organizations represented approximately 36 percent of the beneficiaries receiving monthly compensation or pension payments from C&P. It would be fair to conclude that veterans service organizations represented approximately 36 percent of the compensation or pension claimants whose cases were handled in 1994. Although C&P does not have statistics on the number of claimants who designate only an organization (as opposed to a specific office or recognized representative of an organization), let us assume that, as at the Board, approximately 79 percent of claimants represented by service organizations designated only an organization on their powers of attorney. Thus, an "individuals only" holding by the court would cast doubt on the validity and meaning of nearly 605,000 powers of attorney coming before C&P during one year.

An "individuals only" rule would require extensive and costly reprogramming of the Veterans Benefits Administration's (VBA) automated data processing system and greatly increase VBA's annual postage costs. In connection with claim development, award notification, and routine communications concerning awards, VBA's regional offices annually produce more than 3 million letters for veterans service organizations representing claimants or beneficiaries. Currently, the Hines, Illinois, computer center prepares and mails one copy of each letter to the claimant or beneficiary and ships three copies to the appropriate regional office, where one copy is filed in the claim folder and two are delivered through internal mail to the organization. If required to notify individual representatives of organizations by mail, VBA would have to reprogram the computer system and, most likely, mail the representatives' copies from Hines. Postage costs alone could approach $1 million annually. We think that such a procedure would waste limited resources, particularly since the current procedure provides an efficient means of notifying organizations.

An "individuals only" rule would also probably force VBA to curtail or eliminate veterans service organizations' access to veterans' computer records. Currently, an accredited representative of an organization may access the records of any veteran represented by that organization. Under an "individuals only" system, however, VBA would have to restrict a representative's access to only the files of those veterans whose powers of attorney designate that representative. The cost of establishing appropriate security for the computer files in a system that includes over 6,000 individual representatives would probably be too great to justify continued access to the records. The Board would also face a similar problem with access it provides veterans service organizations to its computer records.

Section 2 of the draft bill would address these problems. Section 2(a) would authorize the Secretary to treat a power of attorney naming an organization, a specific office of an organization, or a recognized representative of an organization as an appointment of the entire organization, unless the claimant specifically indicated his or her desire to appoint only a recognized representative of the organization. Under this amendment, whether a claimant's power of attorney is executed in favor of an approved organization, a local office of that organization, or an individual representative of the organization, the claimant could rest assured of the assistance of an accredited representative of the organization at every stage of the claim or appeal before VA, regardless of location or the inability of a particular individual to continue representation, without having to file additional powers of attorney.

Section 2(a) of the draft bill would also require the Secretary, when required or permitted to notify a claimant's representative, and when the claimant has in effect appointed a veterans service organization as representative, to notify the organization at the address designated by the organization for the purpose of receiving each kind of notification.

Under section 2(b) of the draft bill, the amendments made by section 2(a) would apply to any power of attorney filed with VA regardless of the date of its execution.

COSTS AND SAVINGS

We estimate that the savings from enactment of the provision authorizing the sending of Board decisions would be insignificant, i.e., administrative savings of less than $100,000 per year. Depending on how the Court of Veterans Appeals interprets current 38 U.S.C. § 5902(a), enactment of the provision regarding the appointment of veterans service organizations as claimants' representatives could result in cost avoidance in excess of $1 million annually.

We have been advised by the Office of Management and Budget that there is no objection to the submission of this draft bill to Congress from the standpoint of the Administration's program.

Sincerely yours,

JESSE BROWN.•

By Mr. SIMPSON (by request):

S. 1752. A bill to amend title 38, United States Code, to exempt full-time registered nurses, physician assistants, and expanded-function dental auxiliaries from restrictions on remunerated outside professional activities; to the Committee on Veterans' Affairs.

VETERANS' LEGISLATION

• Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 1752, a bill to amend certain provisions of title 38, United States Code, to exempt full-time registered nurses, physician assistants, and expanded-function dental auxiliaries from restrictions on remunerated outside professional activities. The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated February 21, 1996.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter and the enclosed analysis of the draft legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1752

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. Section 7423 is amended—

(a) in subsection (b) by striking paragraph (1) and redesignating paragraphs (2), (3), (4), (5), and (6) as paragraphs (1), (2), (3), (4), and (5);

(b) by redesignating subsections (c), (d), (e), and (f) as subsections (d), (e), (f), and (g); and

(b) by inserting after subsection (b) the following new subsection (c):

"(c) A physician, dentist, podiatrist, or optometrist appointed as a full-time employee under this title (other than an intern or resident appointed pursuant to section 7406 of this title) may not assume responsibility for the medical care of any patient other than a patient admitted for treatment at a Department facility, except in those cases where the appointee, upon request and with the approval of the Under Secretary for Health, assumes such responsibilities to assist communities or medical practice groups to meet medical needs which would not otherwise be met for a period not to exceed 180 calendar days, which may be extended by the Under Secretary for Health for additional periods not to exceed 180 calendar days each.".

THE SECRETARY OF VETERANS AFFAIRS,
Washington, February 21, 1996.
Hon. AL GORE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: We are transmitting a draft bill, "To amend title 38, United States Code, to exempt full-time registered nurses, physician assistants, and expanded-function dental auxiliaries from restrictions on remunerated outside professional activities." We request that it be referred to the appropriate committee for prompt consideration and enactment.

This draft bill would amend section 7423 to exempt VHA full-time registered nurses, physician assistants (PA's) , and expanded-function dental auxiliaries (EFDA's) from the restriction on moonlighting applicable to all title 38 employees. Specifically, the draft bill would exempt these professional groups from the prohibition in subsection (b) of that section against assuming responsibility for the medical care of any patient not admitted to a VA facility. The registered nurses, PA's, and EFDA's would continue to be subject to conflict of interest restrictions on outside remuneration for the performance of official duties. In addition, the draft bill would correct a technical flaw in the recodification of title 38 by reimposing the remunerated outside activity restriction on VA Central Office executive physicians, dentists, podiatrists and optometrists.

Congress enacted the outside professional activities restrictions to assure the availability of health care professionals who are responsible for around the clock care of VA patients. This availability primarily concerns physicians, who must be on-call 24 hours a day, 7 days a week, to meet patient care needs. The moonlighting restriction is unnecessary as to nurses, PA's and EFDA's because VA has considerable flexibility to assure adequate coverage by these professional groups without it.

* * * * *

The Office of Management and Budget has advised that there is no objection to the submission of this draft bill and that its enactment would be consistent with the Administration's program.

Sincerely yours,
JESSE BROWN.

ANALYSIS OF DRAFT BILL

The draft bill would amend section 7423 by: 1. adding a new subsection (c); 2. in subsection (b), deleting paragraph (1), and redesignating paragraphs (2), (3), (4), (5), and (6), as paragraphs (1), (2), (3), (4), and (5), and respectively; and 3. redesignating subsections (c), (d), (e), and (f) as subsections (d), (e), (f), and (g), respectively.

The new subsection (c) would exempt full-time registered nurses, physician assistants, and expanded-function dental auxiliaries from restrictions on remunerated outside professional employment. Instead, new subsection (c) would apply the restrictions on remunerated outside professional employment only to physicians, dentists, podiatrists and optometrists. The registered nurses would continue to be subject to restrictions on outside remuneration for the performance of official duties. New subsection (c) also would correct a technical flaw in the recodification of title 38 by reimposing these restrictions on VA Central Office executive physicians, dentists, podiatrists and optometrists, by broadening its application so as to cover all title 38 Veterans Health Medical Administration professionals. Current law limits the restrictions to Veterans Health Administration professionals appointed under Chapter 74. Executive medical professionals are appointed under Chapters 3 and 73.•

By Mr. SIMPSON (by request):

S. 1753. A bill to amend title 38, United States Code, to expand the authority of the Secretary of Veterans Affairs to suspend a special pay agreement for physicians and dentists who enter residency training programs; to the Committee on Veterans' Affairs.

VETERANS' LEGISLATION

• Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 1753, a bill to expand the authority of the Secretary of Veterans' Affairs to suspend special pay agreements for physicians and dentists who enter residency training programs. The Secretary of Veterans' Affairs submitted this legislation to the President of the Senate by letter dated October 18, 1995.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter and the enclosed analysis of the draft legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1753

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. Subsection 7432 (b)(2) is amended:

(a) by inserting "A" after "(2)" before "The", and

(b) adding a new subsection to read as follows:

"(B) The Secretary may, in the case of physician or dentist who enters a residency training program, suspend the special pay agreement. When the physician or dentist completes, withdraws from or is no longer a participant in the program, the special pay agreement shall be reinstated. During such suspension the physician or dentist shall not be subject to the refund requirement of paragraph 1.

SECRETARY OF VETERANS AFFAIRS,
Washington, October 18, 1995.
Hon. AL GORE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill "To amend title 38, United States Code, to expand the authority of the Secretary of Veterans Affairs to suspend special pay agreements for physicians and dentists who enter residency training programs." We request that it be referred to the appropriate committee for prompt consideration and enactment.

Under current law, in order to recruit and retain highly qualified physicians and dentists in the Veterans Health Administration, the Secretary is authorized to provide them special pay. This special pay is provided under an agreement that stipulates a period of service in return for receipt of special pay and, in the event of a breach, the amount of special pay paid to the recipient under the agreement must be refunded. The special pay is in addition to any other pay and allowances the recipient of the special pay is entitled to receive.

However, a physician or dentist entering a residency training program must convert to a special appointment category that is excluded from receipt of special pay. Therefore, accepting a residency training position or entering a non-VA sponsored residency program prior to the expiration of the terms of the special pay agreement constitutes a breach of the agreement triggering an obligation to repay the special pay received in that year.

This proposal would amend subsection 7432(b)(2) of title 38, United States Code to authorize VA to suspend the special pay agreement of a physician or dentist who enters a residency training program, VA sponsored or not. When the physician or dentist completes, withdraws from or is no longer a participant in the program, the special pay agreement shall be reinstated. During such suspension the physician or dentist shall not be subject to the refund requirement of paragraph 1.

The refund requirement penalty fixed in law for those choosing to enter residency training programs is punitive and counterproductive to VA's medical mission to provide veterans the services of highly qualified and trained health care professionals. In keeping with VA's mission, this proposal would remove the imposition of adverse financial consequences for those wishing to enter residency training programs and would allow them to pursue educational opportunities designed to increase and develop their professional knowledge and skills.

The Office of Management and Budget has advised that there is no objection to the submission of this draft bill from the standpoint of the Administration's program.

Sincerely yours,
JESSE BROWN.

ANALYSIS OF DRAFT BILL

This draft bill would amend subsection 7432(b)(2) of title 38, United States Code by adding a new subsection "B" that would expand the authority of the Secretary of Veterans Affairs to suspend a special pay agreement for physicians and dentists who enter residency training programs. When they complete, withdraw from or are no longer participants in the program, the special pay agreement shall be reinstated. During such suspension the physician or dentist shall not be subject to the refund requirement of paragraph 1.

Under existing law, a physician or dentist who enters a residency training program is converted to a special appointment category that is excluded from receipt of special pay. Entering a residency training position constitutes a breach of the agreement and triggers the obligation to repay the special pay the recipient received in that year.

The amendment would temporarily suspend the special pay agreement during residency training and allow the return of the physician or dentist to VA employment without incurring a special pay refund obligation. If the physician or dentist does not return, then a repayment obligation would arise.●

ADDITIONAL COSPONSORS

S. 722

At the request of Mr. DOMENICI, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 722, a bill to amend the Internal Revenue Code of 1986 to restructure and replace the income tax system of the United States to meet national priorities, and for other purposes.

S. 1150

At the request of Mr. SANTORUM, the names of the Senator from Virginia [Mr. WARNER], the Senator from Rhode Island [Mr. PELL], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 1150, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the Marshall plan and George Catlett Marshall.

S. 1400

At the request of Mrs. KASSEBAUM, the names of the Senator from Wyoming [Mr. SIMPSON] and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 1400, a bill to require the Secretary of Labor to issue guidance as to the application of the Employee Retirement Income Security Act of 1974 to insurance company general accounts.

S. 1493

At the request of Mr. LAUTENBERG, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1493, a bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals.

At the request of Mr. LAUTENBERG, the name of the Senator from Minnesota [Mr. GRAMS] was withdrawn as a cosponsor of S. 1493, supra.

S. 1623

At the request of Mr. WARNER, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1623, a bill to establish a National Tourism Board and a National Tourism Organization, and for other purposes.

S. 1647

At the request of Mr. PRESSLER, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1647, a bill to amend the Federal Land Policy and Management Act of 1976 to provide that forest management activities shall be subject to initial judicial review only in the United States district court for the district in which the affected land is located, and for other purposes.

S. 1661

At the request of Mr. PRESSLER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1661, a bill to specify that States may waive certain requirements relating to commercial motor vehicle operators under chapter 313 of title 49, United States Code, with respect to the operators of certain farm vehicles, and for other purposes.

S. 1724

At the request of Mr. THOMAS, the names of the Senator from Mississippi [Mr. COCHRAN] and the Senator from Washington [Mr. GORTON] were added as cosponsors of S. 1724, a bill to require that the Federal Government procure from the private sector the goods and services necessary for the operations and management of certain Government agencies, and for other purposes.

S. 1729

At the request of Mrs. HUTCHISON, the names of the Senator from Maine [Ms. SNOWE], the Senator from South Carolina [Mr. THURMOND], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 1729, a bill to amend title 18, United States Code, with respect to stalking.

S. 1737

At the request of Mr. BUMPERS, the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of S. 1737, a bill to protect Yellowstone National Park, the Clarks Fork of the Yellowstone National Wild and Scenic River, and the Absaroka-Beartooth Wilderness Area, and for other purposes.

SENATE RESOLUTION 226

At the request of Mr. DOMENICI, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Resolution 226, a resolution to proclaim the week of October 13 through October 19, 1996, as "National Character Counts Week."

NOTICES OF HEARINGS

SPECIAL COMMITTEE ON AGING

Mr. COHEN. Mr. President, I wish to announce that the Special Committee on Aging will hold a forum on Tuesday, May 14, 1996, at 10 a.m., in room 106 of the Dirksen Senate Office Building. The forum will discuss the shortage of geriatricians in the Nation's health care system.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Subcommittee on Oversight and Investigations of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, May 14, 1996, for purposes of conducting a subcommittee hearing which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to receive testimony on the management and costs of class action lawsuits at Department of Energy facilities.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, May 15, 1996, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this meeting is to consider pending calendar business.

SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, May 16, 1996, for purposes of conducting a subcommittee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to consider S. 621, a bill to amend the National Trails System Act to designate the Great Western Trail for potential addition to the National Trails System; H.R. 531, a bill to designate the Great Western Scenic Trail as a study trail under the National Trails System Act, S. 1049, a bill to amend the National Trails System Act to designate the route from Selma to Montgomery as a National Historic Trail, S. 1706, a bill to increase the amount authorized to be appropriated for assistance for highway relocation with respect to the Chicamauga and Chattanooga National Military Park in Georgia; S. 1725, a bill to amend the National Trails System Act to create a third category of long-distance trails to be known as national discovery trails and to authorize the American Discovery Trail as the first national discovery trail.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the oversight field hearing regarding the Tongass Land Management Plan and the Administration of Timber Sale Contracts scheduled for Tuesday, May 28 in Ketchikan, AK, will begin at 1 p.m. instead of 10:30 a.m., as previously announced.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will hold a full committee hearing to consider the possible need for changes to the Commodity Exchange Act. The hearing will be held on Wednesday, June 5, 1996, at 9:30 a.m., in SR–332.

ADDITIONAL STATEMENTS

INDIANA WINNERS OF THE 1995–96 EIGHTH GRADE YOUTH ESSAY CONTEST

• Mr. LUGAR. Mr. President, I rise today to congratulate a group of young Indiana students who have shown great educative achievement. I would like to bring to the attention of my colleagues the winners of the 1995–96 Eighth Grade Youth Essay Contest, which I sponsor in association with the Indiana Farm Bureau and Bank One of Indianapolis. These students have displayed strong writing abilities and have proven themselves to be outstanding young Hoosier scholars. I submit their names for the CONGRESSIONAL RECORD because they demonstrate the capabilities of today's students and are fine representatives of our Nation.

This year, Hoosier students wrote on the theme, "Farming for the Future." Students were encouraged to consider and creatively express what future they envision for Indiana agriculture. I submit for the RECORD the winning essays of Kimberly Bogue of Howard County and Brent M. Frey of Carroll County. As State winners of the Youth Essay Contest, these two outstanding students were recognized on Friday, May 10, 1996, during a visit to our Nation's Capital.

The essays follow:

FARMING FOR THE FUTURE

(By Kimberly Bogue, Howard County)

I woke up to the sound of the robotic maid at my door. When I let her in, she gave me my breakfast. After I ate, I got dressed and went outside. I sat in my tree condo and just started thinking how different the farm is now from what it has been over the last fifty years. . . .

Then, they had families working on their own farms. Next, 25 years ago, they had corporations. That was a failure. They had big factories and people worked at minimum wages. Now, we are back to family farms. I know Dad likes it better.

Ever since Purdue pioneered the genetic engineering of seed, plants have been growing a lot better. Now they are more resistant to diseases and stress factors. The new oil plant is a big accomplishment. Now we don't have to buy oil from other countries. Instead, we can grow it in Indiana. This new plant is one of our main crops, along with corn and soybeans.

Fifty years ago, there were rolling hills in the country. Now the towns are expanding into each other. The houses are packed tight, along with mega-malls and office buildings. There are fewer farms, but more products per acre are produced than were fifty years ago.

Recently, we bought the perfect cow. It was an exact replica of a cow from my grandparents' day, but this one was cloned. Now, cloning is common since Purdue discovered the safe way to clone animals. . .

Just then, I saw a fire in the field. A neighbor's EHM (electronic harvest machine) was burning. Suddenly, there were neighbors all around helping. I'm glad that's something that hasn't changed. When a neighbor is in trouble, we still all go together and do what we can to help. I hope it will always be that way.

FARMING FOR THE FUTURE

(By Brent M. Frey, Carroll County)

The year is 2045. Imagine going to work at your 50 acre self-contained climate controlled field of corn. You set the temperature at a warm 70 degrees, perfect for your newest variety of geneticly engineered high oil corn. This corn oil will be used for gasoline and biodegradable plastics. Tomorrow's weather will be programmed to be a humid 78 degrees with an inch of light rainfall.

As the 90 day perfect growing season is coming to an end we are getting ready to begin harvesting, with our computer controlled hovering combine. It reduces compaction by floating above the corn and using a suction device to pull the corn up into the combine. The corn is sent straight to the elevator where it is processed into plastic and shipped out the same day. Next, you replant your field with high-protein soybeans to be used for human and animal consumption.

Later that day you go to your off-site farrowing hog building to do chores. You walk in and at the press of a button the sows are fed. You do this in all 150 farrowing barns. This is not uncommon because the smallest hog operation around has more than one 175,000 sows. Today you are selling pigs. You drive the pigs straight out of the finishing building into your own personal consumer packing plant. The pigs are killed and packaged within one hour of arrival reducing the risk of contamination.

Fifty years ago in 1995 we never would have imagined the technological advances we have made.

1995–96 DISTRICT WINNERS

District 1: Lyndsey Hazen, Bill Bohling.
District 2: Jessica Monique Lieffring, Andy Rummel.
District 3: Rachel Carlson, Brent M. Frey.
District 4: Kimberly Bogue, Paul Vaughn.
District 5: Beth Rhodes, Jim Champlin.
District 6: Sarah Prange, Tom Nicholson.
District 7: Betsy Ann Villwock, Robert Morris.
District 8: Gillian Robertson, David M. Kuhns.
District 9: Jenny Gogel, Brent D. Williams.
District 10: Corinne Beiersdorfer, Mack Dyer.

1995–96 COUNTY WINNERS

Allen: Angie Mann, Matthew Hallien.
Bartholomew: Gillian Robertson, David M. Kuhns.
Boone: Mary Gibbs, Sean Strawmyer.
Carroll: Brent Frey.
Cass: Rachel Carlson, Matthew Blume.
Clay: Braiden Jackson, Robert Morris.
Dearborn: Corinne Beiersdorfer, Michael Heffelmire.
Decatur: Leah Nahmias, Jesse Abell.
Delaware: Kindra Harvey, Hans Buckey.
Dubois: Jenny Gogel, Alvin Boeglin.
Elkhart: Andy Rummel.
Fayette: Kate Muggleworth, Leighton Wood.
Franklin: Andrea Meyer.
Fulton: Lyndsey Hazen.
Gibson: John Kiefer.
Greene: Jacob Pirtle.
Hamilton: Tom Nicholson.
Hancock: Sarah Prange.
Howard: Kimberly Bogue.
Huntington: Sara Beaver.
Jackson: Jamie Lambring, Justin Steward.
Jay: Martina Caldwell, Paul Vaughn.
Jefferson: Erin B. Geyman, John Adam Hoffman.
Knox: Betsy Ann Villwock, Drew Hecht.
Kosciusko: Jessica Monique Lieffring, Kurt Kammerer.
Lake: Becky Cochran, Peter Felus.
LaPorte: Amanda Yeakey, Chris Smith.
Madison: Christy McDermit, Billy Kessinger.
Marion: April Grant, Michael O'Keefe.
Marshall: Emely Ryan, Wesley Myers.
Montgomery: Beth Rhodes, Jacob Brown.
Morgan: Jim Champlin.
Newton: Lea Stoller, Justin Pruitt.
Noble: Jillian Bolen, Justin Bradley.
Pike: Jennifer Lloyd.
Porter: Beth Doshan, Bill Bohling.
Posey: Laura DeShields, Brian Clem.
Rush: Marla Lynn Bacon, Jeremy Waits.
St. Joseph: Dawn Nagy, Neil Herceg.
Scott: Jessamine Cutshall.
Spencer: Stacy Kern, Nick Frey.
Starke: Regina Yost, Kenton Altman.
Switzerland: Jessica McCord, Mack Dyer.
Vanderburgh: Lesley Keil, Brent D. Williams.
Wabash: Noelle Myers.
Warrick: Amanda Kaiser, Andy Emmons.
Washington: Mary Pavey, Cameron England.•

COMMENDING ENDANGERED SPECIES NEGOTIATIONS

• Mr. REID. Mr. President, for the past 2½ years Congress has debated the reauthorization of the Endangered Species Act. The issues have been divisive and controversial. The issues have been so volatile that for over a year there was a moratorium on the listing of species, which the proponents argued was necessary to reform a flawed listing process. Obviously, others of us disagreed over the impact of the moratorium and we fought to have it repealed.

Even more telling is the intense polarization that has existed among the many different interests, including large land owners, environmental groups, State and local governments, and public service organizations. For too long the disputing sides in this controversy have devoted more of their energies to furthering that polarization than to finding workable solutions to real problems.

For the past 1½ years, I have indicated to the Environment and Public Works Committee chairman, Senator CHAFEE; the ranking member, Senator BAUCUS; the Drinking Water, Fisheries and Wildlife Subcommittee chairman, Senator KEMPTHORNE, that I want to see the Endangered Species Act reauthorized with necessary reasonable reforms. Clearly as different pieces of legislation were offered in both Chambers of Congress, no progress was made for some time.

However, in a Herculean effort, some organizations representing all of the many different perspectives and interests sat down in a series of meetings and have actually come up with a reform package to the Endangered Species Act. The following were part of the process, the Environmental Defense Fund, the Center for Marine Conservation, the World Wildlife Fund, the Nature Conservancy, the National Realty Committee, and the Western Urban Water Association, and two very significant companies, Georgia Pacific and Plum Creek Co. They were joined from time to time in their discussions by representatives of the International Association of Fish and Wildlife Agencies and the Western Governors Association. These groups began their talks about the same time that we in the committee began our bipartisan discussions. I don't know at this point whether all that this private compromise accomplished will be incorporated into legislation; but I do know that their effort, in fact, assisted our process here.

When Members of the Senate of opposite parties start meeting over legislation, we call it responsible compromise. When some of the private interests sat down to work out compromises on the Endangered Species Act, they were isolated and scorned by the right and left. Consequently, these groups have suffered because they tried to assist the larger public good. And isn't the public good exactly why we are here?

Ultimately, the only way to overcome the polarization that has characterized this debate about the Endangered Species Act is to do what these folks have done. They reached across the considerable gulf that separates the environmental and regulated communities in a good faith effort to find common ground.

Whether we are able to incorporate all of the substance that they arrived at is still uncertain, but I do know that it is true compromise and a respectable effort at finding consensus. This process these organizations have engaged in will be immensely helpful to Senator CHAFEE, myself, and others who are searching for good, creative ideas on this highly charged issue.

So, I have committed myself to a sincere examination of their work in light of the negotiations we are conducting in the Environment and Public Works Committee. I hope that their good faith effort may be a model for dialog and communication to build the consensus necessary to build even stronger support for an effective endangered species conservation effort.●

DOROTHY RABINOWITZ

● Mr. MOYNIHAN. Mr. President, on Saturday morning last, Nat Hentoff devoted his ever-insightful column to a tribute to Dorothy Rabinowitz. Much deserved; beautifully accomplished. I ask that Mr. Hentoff's column be printed in the RECORD.

The column follows:

[From the Washington Post, May 11, 1996]

SHE LISTENED TO THE CHILDREN—AND HAD SOME DOUBTS

(By Nat Hentoff)

I.F. Stone, one of my mentors in this business, used to tell young reporters: "If you intend to use the First Amendment to change the world, forget it. If you're lucky, you may be able, over time, to make small, incremental changes."

Once in a while, however, a journalists does make a big difference, even rescuing innocent people from prison—and changing the way many other journalists cover a particular kind of story.

For much of the past 10 years, Dorothy Rabinowitz has been rigorously investigating cases of preschool teachers and others around the country who have been convicted of sexual child abuse. She first became involved in the New Jersey sentencing of Kelly Michaels to 47 years in prison on 115 counts of bizarrely molesting 20 children from the ages of 3 to 5. (One child testified that Michaels had turned her into a mouse. Others said the teacher made them eat a "cake" of her feces.)

The press at the time found the testimony of the accusers entirely convincing, and a Pulitzer Prize winner, Anna Quindlen, then a columnist for the New York Times, urged her readers to "believe the children."

Rabinowitz interviewed everyone she was able to reach, including the furious parents of the allegedly abused children. She also obtained transcripts of the state's "investigators" who questioned the children until the kids gave the required answers.

I also had those transcripts. The manipulation and intimidation of the children was so obvious that if the trail had not been about sexual violations of kids, the charges would have been dismissed. The prosecution did not introduce a single piece of physical evidence to support the charges and the children's stories.

After five years in prison, Michaels was released because lawyers who had read Dorothy Rabinowitz's investigative pieces volunteered to prove her innocence. By then, most of the press had come to the belated conclusion that somehow an injustice had been done, but there were no apologies.

Rabinowitz had joined the Wall Street Journal by then, writing commentary. But an inveterate reporter, she bases her commentaries on research that comes from legwork.

Although she writes on other issues, Rabinowitz continues to confront prosecutors and juries who have convicted defendants accused by children—coached by therapists and law enforcement "specialists" in sexual abuse. As Alan Kors, a history professor at the University of Pennsylvania, notes: "What Rabinowitz has disclosed to full public scrutiny and understanding is sadly reminiscent of Europe's witch-craze—a jurisprudence of leading questions, sociopathology, disregard of evidence and logic, and careerism joined to fanaticism."

In the Massachusetts Amiraults' case, Rabinowitz's persistent stories finally led to the release from prison of two of the three defendants. She has not given up on the third. In the Boston Globe, critic at large Ed Siegel emphasizes that Rabinowitz was "the first journalist to provide in-depth reporting on the case" and "her series had a ripple effect." And Malcolm Gladwell noted in The Post that "the Amiraults' case became a national cause celebre because of doubts about the veracity of the children's testimony against them." Those doubts came largely from stories in the Wall Street Journal.

A movie could be made about Dorothy Rabinowitz, journeying alone, to the city of Wenatchee in the state of Washington, where many have been charged and imprisoned on the testimony of children in a nightmarish setting that resembled a fusion of the TV series "Picket Fences" and a Stephen King novel.

A local television reporter, Tom Grant, told me he had to fight to get air time to report the story, which he nonetheless did with much courage in a town that had aspects of 17th-century Salem, Mass. This year, Grant received a George Polk Award for local television reporting.

He says, however, that Wenatchee became a national concern because of Dorothy Rabinowitz. "Six months after I started on the story," he said to me, "Dorothy came and everything exploded. Then the other media came."

Rabinowitz was a finalist for a Pulitzer Prize in commentary this year, but was not considered worthy. Some members of the ultimate Pulitzer Board had been told—as one of them assured Tucker Carlson of the Standard—that she had had no effect on the local situations she wrote about. So much for accuracy of reporting on high.

In 1965, when the august Pulitzer board overruled a music jury award to Duke Ellington, he said: "Fate doesn't want me to be too famous too young." Ellington easily survived the ignorance of the Pulitzer Board. And Dorothy Rabinowitz also knows she is worth a lot more than one of its prizes.●

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

DR. PHILIP M. BLATT

● Mr. BIDEN. Mr. President, few of us are ever called upon by our genes to bear a burden comparable to that which is borne by those in lifelong contention with the condition known as hemophilia. Even fewer of us, I believe, whatever physical burdens we may be obliged to bear, ever encounter a physician such as my friend and neighbor in Delaware, Dr. Philip M. Blatt, a hematologist who treats many patients suffering from hemophilia.

On Wednesday, May 15, Dr. Blatt will be honored by the Delaware Valley Chapter of the National Hemophilia Foundation, not merely for applying his medical skills to helping his patients survive, but especially for the warm, human, caring manner in which he does so.

Hemophilia, which affects the ability of the blood to coagulate and thus can make even a minor injury into a major threat from the uncontrollable loss of blood, tends, in a sense, to isolate its victims. They know that they must manage their lives with an uncommon degree of caution and avoidance. They know that what might be a negligible scratch for someone else can, in their case, become a life-threatening wound. And because of the fragility of their blood, they must often undergo constant treatment—and that necessity, in the years before the effect of the AIDS virus was known, placed many of them innocently at risk to that deadly disease.

It would be very easy, Mr. President, for any victims of hemophilia to suffer as much from the psychic as from the physical effects of their condition—to perceive themselves as put upon through no fault of their own, to think of themselves as the outcast victims of a genetic condition totally beyond their control—but not so easy if they are Philip Blatt's patients.

Dr. Blatt knows that his hemophilia patients suffer from a condition that has an almost all-consuming effect on their lives, but goes to great lengths to make sure it does not consume their spirits. He knows that their hemophilia makes them relative rarities among the general run of people, but he never forgets that they are—first, foremost, and always—people, with the same general inheritance of strengths and deficiencies we all share, with the same rights and responsibilities, with the same dreams and aspirations.

Philip Blatt is not a doctor who simply treats his patients' frailties, but a physician in the classic tradition who treats them as whole persons, and who cares not only about saving their lives but also about helping them keep their lives whole and rewarding. He practices medicine in its finest sense, and it is that quality, Mr. President, for which the Delaware Chapter of the National Hemophilia Society will honor him this week, as I do today here on the floor of the U.S. Senate.•

THE BATTLE OF ADWA

• Mr. SIMON. Mr. President, recently I was catching up on my reading and I read in a bulletin published by the Embassy of Ethiopia the speech of President Negasso Gidada on the 100th anniversary of the battle of Adwa.

Frankly I had never heard of the battle of Adwa before reading this speech but because of its insight into this historic event as well as insights into Ethiopia I ask to have it printed in the RECORD after my remarks.

Ethiopia and its neighbor Eritrea, who divided into two countries peacefully after years of struggle, are both making progress.

It is good to see the progress that Ethiopia is making and I congratulate President Negasso Gidada and the people of Ethiopia on their steps forward.

The address follows:

ADDRESS BY HIS EXCELLENCY DR. NEGASSO GIDADA ON THE 100TH ANNIVERSARY CELEBRATION OF THE BATTLE OF ADWA

[The following are selected excerpts from the speech of President Negasso Gidada on March 2, 1996, in Addis Ababa]

Dear Peoples of Ethiopia, Invited Guests and Friends of Our Country:

At the outset, I wish on behalf of all the peoples of Ethiopia, to express my heartfelt joy as we celebrate the 100th anniversary of the Victory of Adwa, an event that is accorded a special place of honor in our long history of struggle to safeguard our independence.

A hundred years have passed since the victory of the battle of Adwa, a victory which is a source of pride not only to us Ethiopians, but to those peoples of Africa and other continents who suffered under colonial rule. Today, all over our country we are celebrating with great joy the one hundredth anniversary of the victory achieved at Adwa by our heroic fathers who, with their fervent patriotism, halted the invasion designed to subjugate us under the colonial yoke forced upon our African brothers at the end of the last century.

This victory achieved by our heroic fathers over Italian colonialists at Adwa, the centenary of which we celebrate with great color today, had special significance not only for Ethiopia but for the anti-colonial struggle of all the African peoples.

It is to be recalled that it was in the last quarter of the previous century that the rich European countries decided to divide up Africa among themselves to satisfy their demand for raw materials and markets. Following their decision, European powers invaded all parts of Africa. They deployed highly organized armies equipped with modern arms with the objective of subjugating under direct colonial rule the African countries, most of which were relatively at low levels of development. Africa and her peoples sank into the darkness of colonialism.

The colonial powers keen to exploit the wealth and labor that Africa provided them, sought to insure that no country remained free in Africa and began planning to bring Ethiopia under their control. After having labored to weaken our country earlier through various smaller acts of aggression, they eventually launched an all out invasion in 1896. The invading force deployed by Italian colonialists was, however, dealt a crushing blow by our gallant forebears on March 2, 1989 at Adwa. Ethiopia and her peoples were saved from falling under colonial rule. The colonialists suffered great humiliation.

The historic victory scored at Adwa, coming at a time when our continent was suffering from foreign domination, had the strong effect of marking a new chapter in the anti-colonial struggle of the African peoples. The victory of Adwa provided a great example for our African brothers to rekindle their struggle to regain their freedom with new vigor and hope. The victory of Adwa contributed greatly to the intensification of the struggle of black peoples all over the world for their right to live in dignity and equality. Adwa provided a vivid example not only for Africa but for peoples the world over suffering under colonialism and racism to revitalize their struggle.

It is because of these features signaling light at the end of the dark tunnel of colonialism to the peoples of Africa that we say that the victory of Adwa, beyond being a war between Italian invaders and Ethiopia, had a special meaning and dimension for Africa.

The victory of Adwa enabled us to ensure that after the battle our country remained sovereign and free. The victory provided great morale for the resistance of our patriots when the colonialists returned to Ethiopia in strength 40 years later to invade the country for a second time. The generation that struggle valiantly for five years to put to shame the fascist forces who launched the second Italian invasion was the beneficiary of the patriotic legacy of our fathers who defeated the invaders of Adwa.

Furthermore the proud struggle and sacrifice of the present generation against the seventeen year traitorous dictatorship which provided foreign forces the opportunity to interfere in our affairs, is proof that the victory of our fathers in Adwa continues to be passed on from one generation to the other.

The century old victory of Adwa which left a legacy of patriotism and resistance to the generation that followed would not have succeeded had it not been for the decisive participation of all the peoples of Ethiopia. If all our peoples had not arisen as one and not demonstrated their readiness to resist the invading army, Ethiopia would not have been saved from colonialism, and either would her people have been spared from humiliation. Thanks to all the heroes of Ethiopia, the victory of Adwa ensured that we were bequeathed a free country.

Peoples of Our Country,

It is difficult for us Ethiopians to have a clear understanding of the situation in which we find ourselves as well as the struggle that awaits us, unless the victories registered in the struggle to resist foreign invaders and our proud history of resistance are seen against the backdrop of the life we have lived in other aspects of our existence. Although the courage that prevailed over repeated external attempts to humiliate our country guaranteed the survival of our independence and kept our flag flying, it also should be borne in mind that there was another side of our existence that had persisted for a long time. This other side has been marked by lack of social liberty and development and by a system that denied us the opportunities for progress, for peace and consolidating strong national unity.

The stark reality until recently was that all the peoples of our country had been subjugated under a system in which their democratic and human rights were stifled and their destinies decided by dictators. Being anti-democratic the system denied the peoples the freedom to uphold their national rights and consigned them to national oppression as well as humiliation. Although our peoples are hard working and our country is endowed with abundant natural resources, we have been exposed to abject poverty and associated social hardships because our economy has remained stagnant. Because we have been denied the opportunity to address these and other related problems democratically, our country and its peoples have suffered from continuous internal conflicts.

After a long and bitter struggle, our country has embarked upon a path that will extricate it from these and related difficulties. Nevertheless, poverty and backwardness, oppression and national subjugation still remain today the lot of most of us Africans. Therefore, it is incumbent upon us in Africa to re-dedicate our resolve that had enabled us to achieve independence in the direction of extricating our continent from poverty and related social ills.

At the regional level, side by side with the responsibility of promoting growth and prosperity in each country, our mission calls for strict observance of the obligation to adhere to the recognition and mutual interests in order to promote cooperative endeavors to achieve prosperity freeing the continent from its multitude of problems.

In recognition of the imperative need to strengthen the economic and democratic foundations of our country's sovereignty and independence, Ethiopia has chosen its path of democratic and economic development. It has taken numerous steps in this direction during the transition period and continues to do more along the same lines. The prevalence of peace and democracy in our country today as well as the development activities in which the whole population participates are concrete evidence that our aspirations are unfolding. Our strong conviction is that the path of peace, democracy and economic growth on which we have embarked will steer our country towards the realization of a fully-fledged and sustainable democratic system.

Peace in our country has steadily taken root because our nations and nationalities have worked to make it sustainable. Democracy has become a means through which the peoples address their problems. The constitution of dictatorship has been replaced with a democratic constitution through the active participation and efforts of all our population. This is a clear demonstration of the sustainability of democracy in our country.

The lesson to be drawn from the development efforts being exerted by regional governments elected by the peoples and that have taken advantage of the wide and extensive powers they have attained and the prevailing democratic and peaceful conditions, is that any effort on the road we have chosen cannot succeed in the absence of the extensive and active support of our population.

All the peoples of our country, therefore, should mobilize their energies that are characteristic of their traditional culture of hard work, for the implementation of the programs of peace, development and democracy drawn up by the government. I would like to take this opportunity to call on the peoples of our country to dedicate their energies that constitute the engine of growth towards the implementation of our plans, thereby fulfilling the creation of the requisite internally conducive environment.

I thank you.•

JERUSALEM 3000

• Mr. MOYNIHAN. Mr. President, last Tuesday evening several thousand New Yorkers gathered at New York City's Battery Park for a gala celebration of the city of Jerusalem's trimillenium. This magnificent reception was hosted by New York State Gov. George E. Pataki and cosponsored by the Jewish Community Relations Council of New York.

Senators will recall that a similar ceremony was held in the rotunda of the Capitol on October 25, 1995. The main address on that occasion was given by a heroic son of Jerusalem, Israeli Prime Minister Yitzchak Rabin, in what would prove to be his last visit to Washington and to the Congress. It was thus all the more appropriate that Governor Pataki chose to dedicate New York State's official celebration of Jerusalem's trimillenium to Yitzchak Rabin's memory.

I ask that Governor Pataki's moving remarks at the Jerusalem celebration be printed in the RECORD.

The remarks follow:

REMARKS BY GOV. GEORGE PATAKI ON JERUSALEM 3000 CELEBRATION

Good evening ladies and gentlemen and welcome to New York State's celebration of the 3000th anniversary of the City of Jerusalem. Today we are truly making history, as we gather together in a display of unity and solidarity between the people of the State of New York and the people of the State of Israel.

We all agree that now, more than ever, Israel needs our support and help. Like so many times when the United States relied on Israel for help, today we return the favor with an unprecedented showing of support for Jerusalem and the State of Israel. We are aware that Israel has sacrificed much in their support of our country. One need only to recall the Gulf War, when Israel respected the wish of the United States Government that Israel exercise restraint so as not to disrupt Operation Desert Storm.

In 1003 B.C., the Bible records that King David moved the Capital of Israel to Jerusalem. Since that monumental event 3000 years ago, Jerusalem has been a beacon of hope to all those who cherish religion and spirituality. All of the major religions have a special connection to this city.

For 3000 years, people have traveled from all over the world to visit this majestic city. Poets, artists, religious figures, heads-of-state, and people from all walks of life have been captivated by Jerusalem and its beauty, and so have we.

Today we are extremely honored to have guests who have traveled from all of New York State, and from around the world. I am particularly grateful to our most esteemed guests, the Foreign Minister of Israel, General Ehud Barak, Mayor Ehud Olmert of Jerusalem, and John Cardinal O'Connor for taking the time out of their schedules to join us here for this historic occasion, and other great men and women who we heard from today.

To the others from the various Jewish communities and other communities, who have traveled from as far away as Syracuse, Albany, Buffalo, and from throughout our great State and elsewhere, we welcome you and thank you for joining us here this evening.

As the invitation for this event indicated, this evening's celebration is dedicated to the memory and legacy of a great hero of the State of Israel, Yitzhak Rabin. All of us here today, Jew and non-Jew alike, recognize Prime Minister Rabin not just as a great statesman, but as a man who gave his life attempting to bring peace and security to his nation.

I still find it sad that my first trip to the Holy Land and Jerusalem was for the purpose of paying my last respects to this great man. Tonight's celebration would not be complete without us taking a moment to remember his dream of a secure and peaceful Israel. We miss him greatly.

As I indicated earlier, Jerusalem is significant to many religions. This is why we have asked leaders of the various faiths to join with us here today to show their unity with Israel. I think we can all agree that never has there been more accommodation, access and respect for sites holy to all faiths and religions than through the care and consideration of the government of Israel.

For those who have had the privilege to visit Jerusalem, there is no denying its beauty, its spirituality and an indescribable feeling of magic. Who could forget a trip to Western Wall? How can one put into words the history that surrounds the old City? I think that the Babylonian Talmud described it best when it said that "Ten Measures of beauty were bestowed upon the world; nine were taken by Jerusalem, and one by the rest of the world."

As we rejoice this evening, I would be remiss if I did not mention something about the Holocaust and the lessons taught to us by that darkest moment in history, particularly in view of the site upon which we stand today—adjacent to New York's Holocaust Museum, which is under construction behind us.

New York is home to one of the world's largest number of Holocaust survivors. New York State understands the importance of remembering and teaching about the Holocaust. Toward that end, I am proud of the fact that New York State has allocated $10 million dollars to the construction of the New York Holocaust museum. And many of us will be returning next month for the formal dedication of this museum. Israel has meant rebirth for the Jewish people. It is for this reason that I know George Klein was right when he suggested that we celebrate Israel and Jerusalem right her, next to this museum.

Once again, I would like to thank all of you for coming, and may we all hope and pray for a peaceful and secure Jerusalem for another 3000 years and for all time to come. May God bless you all.•

APPOINTMENT OF CONFEREES—H.R. 2202

Mr. LOTT. Mr. President, I ask unanimous consent that with respect to H.R. 2202, the immigration bill, the Senate insist on its amendment, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. COVERDELL) appointed Mr. HATCH, Mr. SIMPSON, Mr. GRASSLEY, Mr. KYL, Mr. SPECTER, Mr. THURMOND, Mr. KENNEDY, Mr. LEAHY, Mr. SIMON, Mr. KOHL, and Mrs. FEINSTEIN conferees on the part of the Senate.

ORDERS FOR TUESDAY, MAY 14, 1996

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m. on Tuesday, May 14; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date; no resolutions come over under the rule; the call of the calendar be dispensed with; and the morning hour be deemed to have expired; and there then be a period for morning business until the hour of 10:30 a.m. with Senators permitted to speak for up to 5 minutes each with the following exceptions: Senator GRAMS for 10 minutes, Senator GORTON for 10 minutes, and Senator BURNS for 5 minutes; that following morning business, the Senate resume consideration of H.R. 2937, the White House Travel Office legislation.

Further, I ask that the Senate stand in recess between the hours of 12:30 p.m. and 2:15 p.m. on Tuesday to accommodate the respective party luncheons.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. LOTT. Mr. President, Senators are reminded that a cloture vote on the pending Dole amendment No. 3961 to the White House Travel Office bill will occur at 2:15 p.m. tomorrow, unless an agreement can be reached on the gas tax, minimum wage, and TEAM Act issues. However, votes are expected on Tuesday, and it is hoped that a unanimous-consent agreement can be reached with respect to the pending White House Travel Office legislation.

Also, it is the intention of the majority leader to begin consideration of the budget resolution as early as Wednesday of this week. Therefore, late night sessions can be anticipated probably each night.

AUTHORITY FOR BUDGET COMMITTEE TO FILE REPORT

Mr. LOTT. Mr. President, I ask unanimous consent that the Budget Committee have until 7 p.m. this evening to file their report to accompany the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment as under the previous order.

There being no objection, the Senate, at 6:03 p.m., adjourned until Tuesday, May 14, 1996, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate May 13, 1996:

DEPARTMENT OF STATE

HAROLD WALTER GEISEL, OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SEYCHELLES.

NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD

Reynaldo Flores Macias, of California, to be a Member of the National Institute for Literacy Advisory Board for a term expiring September 22, 1998, vice Helen B. Crouch, term expired.

WITHDRAWALS

Executive messages transmitted by the President to the Senate on May 13, 1996, withdrawing from further Senate consideration the following nominations:

THE JUDICIARY

BRUCE W. GREER, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA, VICE JAMES W. KEHOE, RETIRED, WHICH WAS SENT TO THE SENATE ON AUGUST 1, 1995.

CHARLES R. STACK, OF FLORIDA, TO BE U.S. CIRCUIT JUDGE FOR THE ELEVENTH CIRCUIT, VICE PETER T. FAY, RETIRED, WHICH WAS SENT TO THE SENATE ON OCTOBER 27, 1995.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, May 14, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 15

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine how the Commodity Futures Trading Commission oversees markets in times of volatile prices and tight supplies.

SR–332

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Department of the Interior.

SD–138

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD–366

Governmental Affairs

Permanent Subcommittee on Investigations

To hold hearings to examine Russian organized crime in the United States.

SD–342

10:00 a.m.

Appropriations

Defense Subcommittee

Closed briefing on F-22, F-18 and Joint Strike Fighter Programs.

S–407, Capitol

Appropriations

Commerce, Justice, State, and the Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the National Institute of Standards and Technology, Department of Commerce.

S–146, Capitol

Judiciary

To hold hearings to examine issues relative to combatting violence against women.

SD–226

Rules and Administration

To resume hearings on prosals to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate primary and general election campaigns, to limit contributions by multicandidate political committees, and to reform the financing of Federal elections and Senate campaigns.

SR–301

Special Committee To Investigate Whitewater Development Corporation and Related Matters

To continue hearings to examine certain issues relative to the Whitewater Development Corporation.

SH–216

2:00 p.m.

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Department of Health and Human Services.

SD–192

Appropriations

Commerce, Justice, State, and the Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Bureauof the Census, Department of Commerce.

S–146, Capitol

Appropriations

Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Executive Office of the President and the Office of Personnel Management.

SD–138

Foreign Relations

African Affairs Subcommittee

To hold hearings to update United States policy toward Nigeria.

SD–419

MAY 16

9:30 a.m.

Appropriations

Commerce, Justice, State, and the Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Federal Bureau of Investigation and the Drug Enforcement Administration, Department of Justice.

S–146, Capitol

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings to examine NASA's Mission to Planet Earth program.

SR–253

Energy and Natural Resources

Parks, Historic Preservation and Recreation Subcommittee

To hold hearings on S. 621, to designate the Great Western Trail for potential addition to the National Trail System; H.R. 531, to designate the Great Western Scenic Trail as a study trail under the National Trails System Act; S. 1049, to designate the route from Selma to Montgomery as a National Historic Trail, S. 1706, to increase the amount authorized to be appropriated for assistance for highway relocation with respect to the Chickamauga and Chattanooga National Military Park in Georgia; and S. 1725, to create a third category of long-distance trails to be known as national discovery trails and to authorize the American Discovery Trail as the first national discovery trail.

SD–366

Foreign Relations

International Economic Policy, Export and Trade Promotion Subcommittee

To hold hearings to examine commercial diplomacy for a changing international business environment.

SD–419

Labor and Human Resources

To hold oversight hearings on the healthy start demonstration project.

SD–430

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for foreign assistance programs, focusing on the New Independent States.

SD–106

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the United States Coast Guard.

SD–192

Governmental Affairs

Business meeting, to mark up S. 1488, to convert certain excepted service positions in U.S. Fire Administration to competitive service positions; S. 88, Local Empowerment and Flexibility Act; S. 94, Prohibition on the Consideration of Retroactive Tax Increases; S. 1376, Corporate Study, Review, Reform and Termination Act; S. 1130, Accounting Standarization Act; S. 356; Language of Government Act; S. 1018, Private Relief for Clarence P. Stewart; and H.R. 2739, House of Representatives Administrative Reform.

SD–342

Judiciary

Business meeting, to consider pending calendar business.

SD–226

Special Committee To Investigate Whitewater Development Corporation and Related Matters

To continue hearings to examine certain issues relative to the Whitewater Development Corporation.

SH–216

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

2:00 p.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the National Aeronautics and Space Administration.

SD–192

Appropriations

Commerce, Justice, State, and the Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Department of State.

S–146, Capitol

MAY 17

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Corporation for National and Community Service.

SD–192

MAY 21

2:00 p.m.

Judiciary

Administrative Oversight and the Courts Subcommittee

To hold hearings on S. 582, to provide that certain voluntary disclosures of violations of Federal laws made pursuant to an environmental audit shall not be subject to discovery or admitted into evidence during a Federal judicial or administrative proceeding.

SD–226

MAY 22

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings on S. 1166, to improve the registration of pesticides, to provide minor use crop protection, and to improve pesticide tolerances to safeguard infants and children.

SR–328A

Rules and Administration

To resume hearings on issues with regard to the Government Printing Office.

SR–301

MAY 23

10:00 a.m.

Appropriations

Legislative Branch Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Congressional Budget Office and the Capitol Police.

S–128, Capitol

Judiciary

Business meeting, to consider pending calendar business.

SD–226

MAY 24

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Environmental Protection Agency.

SD–192

JUNE 5

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine proposals to reform the Commodity Exchange Act.

SR–328A

10:00 a.m.

Judiciary

To hold hearings on S. 1237, to revise certain provisions of law relating to child pornography.

SD–226

JUNE 18

9:30 a.m.

Agriculture, Nutrition, and Forestry

Research, Nutrition, and General Legislation Subcommittee

To hold hearings to review a report to the Department of Agriculture by the Advisory Committee on Agricultural Concentration, and to examine other livestock industry issues.

SR–328A

SEPTEMBER 17

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.

334 Cannon Building

SENATE—*Tuesday, May 14, 1996*

The Senate met at 10 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by Rev. Bill Hall of Geronimo, OK. We are very pleased to have Reverend Hall with us.

PRAYER

The guest Chaplain, Rev. Bill Hall, offered the following prayer:

Let us join together in prayer this morning.

Our Father, at the beginning of this session, we want to join together to offer thanks for this great Nation and for the privilege of being a citizen of the United States of America.

We do approach Thy throne of grace today and ask for divine guidance. Let us become aware of Thy divine presence in this place at this hour.

At this time we ask that You will give each of these elected servants the wisdom and the courage that they will need to perform their duties today.

We also join together to pray for peace and security for our citizens. We pray Thy blessings to be bestowed upon our homes, on our schools and, indeed, throughout our Nation today. Let us be reminded that righteousness exalteth a nation but sin is a reproach to people. This morning together we make our petition and offer our thanks in the precious name of our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

Mr. LOTT. Mr. President, I am pleased to yield to the distinguished Democratic leader this morning to recognize our guest Chaplain; it has a special meaning to him and to all of us.

Mr. DASCHLE addressed the Chair.

The PRESIDENT pro tempore. The minority leader is recognized.

REV. BILL HALL

Mr. DASCHLE. Let me thank the distinguished majority whip, my friend from Mississippi, for giving me the opportunity to recognize a person very important to my family and to me. Rev. Bill Hall is my father-in-law, and it is an honor to have him offer the prayer that opens up the Senate this morning.

By having him here, we share with the rest of the world what my wife and I have known for a long time. He is a man of dedication, and a man of spiritual strength. For many decades he has had the good fortune to share his strength and his spirituality with parishes throughout Oklahoma and Kansas. We have watched in great awe and admiration his remarkable work with people in towns small and large, in families broken and healed, and in parishes of all sizes.

As we begin this special day, it is a unique honor for me and a very important occasion to recognize his contribution to the many, many people who have benefited from his wisdom and from his leadership as pastor of his churches. I commend his message to the Senate and to the country as we begin this day.

I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDENT pro tempore. The able Senator from Mississippi is recognized.

Mr. LOTT. Again, Mr. President, I join our distinguished colleague and friend from South Dakota in welcoming to our body the Reverend Billy Hall. We thank him for his beautiful prayer for our people and our country today. We know how proud he is of his son-in-law, TOM DASCHLE, and we are very proud of TOM and Linda.

We are deeply honored to have Reverend Hall here today.

We thank him very much.

SCHEDULE

Mr. LOTT. Mr. President, this morning there will be a period for morning business until the hour of 10:30 a.m. Following morning business, the Senate will resume consideration of H.R. 2937, the White House Travel Office legislation. The Senate will stand in recess from 12:30 p.m. until 2:15 p.m. today to accommodate the respective party luncheons. Senators are reminded that a vote on the motion to invoke cloture on the pending Dole amendment No. 3961 to H.R. 2937 will occur at 2:15 p.m. today unless a unanimous-consent agreement with respect to further consideration of H.R. 2937, the gas tax repeal, and other related issues can be reached. Therefore, other votes are possible today in relation to those items just mentioned or any other items cleared for action.

The majority leader had indicated yesterday that there is a likelihood of votes throughout the day today, Wednesday, and Thursday, with the budget resolution being taken up, I believe, probably on Wednesday morning, and we can expect votes probably at night on each of these 3 days.

Mr. President, I yield the floor.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. SANTORUM). Under the previous order, there will now be a period for the transaction of morning business for a period of time not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Minnesota [Mr. GRAMS] is recognized to speak up to 10 minutes.

(The remarks of Mr. GRAMS pertaining to the submission of Senate Resolution 254 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. CONRAD] is recognized to speak for up to 10 minutes.

THE GASOLINE TAX REPEAL

Mr. CONRAD. Mr. President, I rise today to discuss the effort to roll back the 4.3-cent-per-gallon gasoline tax that was part of the 1993 deficit reduction package. I seriously question the wisdom of repealing the 4.3-cent-per-gallon gasoline tax at this time.

I think it is important to remember how we got this 4.3-cent-per-gallon gasoline tax. We got this as a result of the 1993 deficit reduction package. It was a time when there was an understanding that there was great urgency to reduce the budget deficit in this country. At that time, when President Clinton came into office, the budget deficit for the previous year had been $290 billion. Since that time, after we passed the 1993 budget plan, the deficit has been reduced to $145 billion this year. In other words, the deficit was cut in half. It was cut in half because some of us voted for a package to cut spending and, yes, to raise taxes, primarily on the wealthiest among us, in order to get our fiscal house in order.

Now we have a proposal before us to reduce the gasoline tax by 4.3 cents. Most people think it is a political move. Most people think it is politically popular. But sometimes what is politically popular, at least for the moment, does not stand much scrutiny. I believe that is the case with this proposal. I just had 40 members of the rural electric cooperatives from my State in my office, and I asked them, "What should we do? How would you vote if you were here representing North Dakota?" By 38 to 2 they said, "Keep the gasoline tax and if there is a proposal to offset the revenue lost by

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

repealing the gas tax, take those funds and reduce the deficit. That should be the priority in this country."

I think those folks from North Dakota have it exactly right. The top priority ought to be to continue to reduce the deficit. Yes, it is true we have cut it in half since 1993, but the job is not done, and we ought to complete that job. We ought to get it done.

Some are saying that this 4-cent-a-gallon gasoline tax is the reason gas prices have gone up. That defies common sense and it defies logic. Clearly, a 4-cent gasoline tax put into effect in 1993 has nothing to do with rising gas prices experienced in the spring of 1996. In fact, when that tax went into effect in October 1993, gas prices went down. They did not go up, they went down.

The recent rise in gas prices has been caused by a number of factors totally unrelated to gasoline taxes: an unusually cold and longer than average winter that drove up demand for home heating fuel; refinery breakdowns across the country; more low-mileage sport utility vehicles that are on the road that increase the demand for fuel; the speed limit has been increased, again increasing the demand for fuel; and oil companies are holding lower than average inventories, moving to just-in-time inventory management in order to save money. But even with all of that occurring, driving up the price of gasoline in the spring, the price of gasoline is now showing signs of coming down.

In my home State of North Dakota, the price for a gallon of regular unleaded gasoline in Fargo, ND, the biggest city in my State, is now about $1.25, down about 4 cents in the past 2 weeks.

It is not just in North Dakota that we have seen gas prices come down. As this news story from the Los Angeles Times indicates—the story ran last week—a major headline: "Gas Prices Show Signs of Decline as Production Surges."

Los Angeles, CA, we all know, has been the hardest hit by increases in gasoline prices.

> Average cost at the pump falls half a cent, and state officials predict more reductions. . . . After lagging, refineries again operating at close to normal output.

Mr. President, that is what has happened. Gas prices are starting to come down because of market forces.

Additionally, the price of gasoline in the United States is very low in comparison to other industrialized countries.

Saturday's Washington Post included a column comparing gas prices in other countries. I thought it was an excellent graphic that compared what folks are paying in other countries versus what we are paying. It is $4.66 a gallon in the Netherlands; $4.49 a gallon in France; $4.39 in Italy; $3.68 in Britain; $1.30 in the United States.

We have the lowest gas prices of any industrialized country in the world. Now we are talking about taking off 4 cents instead of applying it to deficit reduction, deficit reduction that over 7 years amounts to $30 billion?

I really do not understand why we dig the hole deeper before we start filling it in. The people that I represent believe the highest priority is to eliminate these deficits so we can start to see this economy grow.

Mr. President, there is also a question of whether this repeal would ever benefit consumers. The whole theory has been if you take off the 4-cent gasoline tax, that is going to benefit consumers.

The Washington Post last week had a headline that says: "Experts Say Gas Tax Cut Wouldn't Reach the Pumps. Oil Industry Called Unlikely To Pass on Savings to Consumers."

Mr. President, these are not my views. These are not views of other Members of the Congress or other Members of the U.S. Senate. These are the views of oil industry experts.

I go to one energy expert, Mr. Verleger, who is quoted in the story as saying:

> The Republican-sponsored solution to the current fuels problem . . . is nothing more and nothing less than a refiners' benefit bill.

He makes the point these reductions in the gas tax will not be passed on to consumers, but the real beneficiaries will be the folks that refine the gasoline. Those are the folks that will get the benefit of any repeal of the 4-cent gas tax.

The president of the conservative Cato Institute, a former member of President Reagan's Council of Economic Advisors, said:

> I don't think there is anything the Republicans can credibly do to guarantee that the tax reduction gets passed through to the consumer.

Mr. President, I think he is right. We have not only had the testimony of those energy experts, but we have heard from the oil industry itself. The CEO of ARCO, Mike Bowlin, said last week:

> There are other market forces that clearly will overwhelm that relatively small decrease in the price of gasoline. . . . People's expectations will be that the minute the tax is removed, they want to see gas prices go down 4.3 cents, and that won't happen.

Mr. President, what could be more clear? I think these three experts have said it about as clearly as it can be stated. There is no way that this reduction in the gas price can be assured to be passed on to consumers. But what we can be assured of—what we can be assured of—is this is going to blow a $30 billion hole in the plans to reduce the budget deficit in this country.

I believe deficit reduction is more important than taking off the 4-cent-per-gallon gasoline tax that we have no assurance will be passed through to consumers anyway. I understand the majority leader has provided offsets to pay for the gas tax repeal, at least for the next several months.

Mr. President, I would like to offer an amendment that would take his offsets and, instead of repealing the gas tax, apply it to reducing the budget deficit that is still $145 billion this year. That is what we ought to do if we are, instead of playing politics, serious about managing the fiscal affairs of this country.

If we are really serious about helping families, I think we ought to look at the benefit of reducing the deficit in comparison to the benefit of repealing this 4-cent gasoline tax.

This chart shows the benefit to a typical family of balancing the budget versus what a typical family would gain from repealing the 4-cent-a-gallon gasoline tax, and that is assuming every penny got passed on to consumers. We already know, from what I have already presented, that that gas tax repeal is unlikely to get passed on to consumers. But let us just look at what happens, what the benefits are of balancing the budget to the average family versus what the gas tax repeal would do.

Balancing the budget, balancing the unified budget, would reduce the home mortgage for a typical family in the United States by $917 a year. That is because interest rates would be reduced; a car loan savings would be $97 a year; student loan savings $56 a year; in comparison to what the gas tax would mean to a family, $42 a year.

Mr. President, it seems to me very clear that the priority ought to be in further reduction of the deficit rather than in a repeal of the gas tax, which is unlikely to ever be passed through to consumers. The benefit to consumers, the benefit to families, lies in further deficit reduction.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized for 5 minutes.

Mr. BURNS. Mr. President, I thank the Chair.

AMERICA ON MY MIND

Mr. BURNS. Mr. President, I rise today with America on my mind to applaud our favorite Republican Senators and Republican Congressmen who have worked so diligently in trying to present a budget that stays in balance and would balance the budget in 6 years and still would not raise taxes.

It is interesting that my colleague from North Dakota would also put in there that he likes the balanced budget. We would like to see him vote for one. Take-home pay, if the budget is balanced, will increase, predictability in the marketplace, predictability of jobs. That is what worries people today: "Will I have my job in a year?"

Government has to be more responsible when it comes to spending. I look here at this cartoon. "What are you looking at?" He says, "Our paychecks!" He takes a magnifying glass to see it.

The Republican budget will balance by the year 2002 and does it by living within its means without raising taxes. This budget provides real welfare reform, real welfare reform that the President and the administration has called for but has vetoed. It provides tax relief for job expansion, predictability in the workplace, and, more importantly, it gets us on the road of saving and preserving Medicare for future generations, of which our colleagues, some of them, have stuck their heads in the sand.

Mr. CONRAD. Will the Senator yield?

Mr. BURNS. It looks out for the long term, not just the short term.

Mr. CONRAD. Will the Senator yield for a question?

Mr. BURNS. I would like to make my statement, and then I have a committee meeting to go to, if the Senator does not mind.

Balancing the budget, without raising taxes, and deals also with Federal spending. You know, spending money, especially other people's money, is sort of like alcoholism. A fellow asked, "Does he have a drinking problem?" And he says, "No, he has a stopping problem." That is what we have in this Government. But if we deal with the spending problem, here is what has to happen. Families have to balance their budget. Government does not have an income problem. It has a spending problem. Mr. President, 38.2 percent of the family's income right now goes for taxes. So there is no doubt about it, a balanced budget will put more money in the pockets of Americans, not just a selected few, all Americans—single-income taxpayer, double-income taxpayer, newlyweds, farmers, ranchers, high tech, low tech. Everybody wins with a balanced budget.

The best way to increase our take-home pay, not only earn more but save more, to keep more in your pocket at the end of the month—it is better than any other program—is to go with a balanced budget. I applaud my colleagues who have worked so hard on this budget, presenting it to this Congress later on this week. I stand in support of that budget. I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I ask unanimous consent we extend morning business so I may be permitted to make a 10-minute presentation that is accounted for in the previous order of the Senate.

Mr. BOND. Mr. President, I ask if the Senator would be so kind to extend that for another 5 minutes so I may have 5 minutes when he concludes his 10-minute presentation.

Mr. DORGAN. Mr. President, let me further amend the unanimous consent, if I might. My colleague, Senator CONRAD, had wanted to respond. Let me ask if we might add 2 minutes to respond because the previous speaker spoke of Senator CONRAD and refused to yield to him. I make a unanimous-consent request that Senator CONRAD be accorded 2 minutes. I continue to seek my 10 minutes, and I am happy to accommodate the Senator from Missouri.

The PRESIDING OFFICER. Without objection, it is so ordered.

A BALANCED BUDGET PLAN

Mr. CONRAD. Mr. President, the Senator from Montana, in his presentation, said that he would like the Senator from North Dakota to vote for a balanced budget plan. I do not know where the Senator from Montana has been. Not only have I voted for a balanced budget plan, I have presented three in the U.S. Senate in the last year.

I presented the fair share balanced budget plan last year; got 39 votes. It was the most ambitious deficit reduction plan that has been presented by anybody in either House—got 39 votes in the U.S. Senate.

No. 2, I cosponsored with Senator SIMON last year the commonsense balanced budget plan. We got 19 votes in the U.S. Senate for that plan. That plan was the second most ambitious deficit reduction plan that anybody has presented in the U.S. Congress.

Third, I have been involved in the centrist coalition, which will have a substitute to the Republican plan that we will offer this week, which is a 7-year balanced budget plan that 22 of us have put together—11 Democrats and 11 Republicans. Not only have I voted for balanced budget plans, I have helped author them, or in some cases authored them in their entirety. I just want to set the record straight.

I thank my colleague from North Dakota for this opportunity to respond.

The PRESIDING OFFICER (Mr. COATS). The Senator from North Dakota.

SETTING THE RECORD STRAIGHT

Mr. DORGAN. Mr. President, I watched yesterday. We had, I think, six of my colleagues from the other side of the aisle come to the floor. We have seen six or seven of them virtually every day come to the floor of the Senate and describe to us what is wrong with the President's agenda and what is right about their agenda.

Yesterday, specifically, the discussion was about the proposed reduction in the gasoline tax of 4.3 cents a gallon. The point was repeatedly made that the gasoline tax was increased in 1993 in order to accommodate more Federal spending. That, of course, is not the case. The gas tax increase of 4.3 cents a gallon was a result of it being included in a very large package of spending cuts and, yes, some tax increases, in order to reduce the Federal budget deficit. It is worth noting that since that time, the Federal budget deficit has been reduced by 50 percent on a unified budget basis.

Last week, on Thursday, we faced the spectacle at that point of having a proposal brought to the floor of the Senate to reduce the gasoline taxes by 4.3 cents a gallon and to pay for it with kind of a Byzantine scheme of telecommunications spectrum sales beginning in 1998, and some other things that the Office of Management and Budget said would increase the Federal deficit by $1.7 billion next year. In other words, a proposal was brought to the floor of the Senate that said, "Let's reduce the gasoline taxes by 4.3 cents a gallon."

The experts say there is no guarantee that the consumers will see the benefit of that, or that it will be passed through for a reduced pump price to the consumers. However, we would then see a $1.7 billion increase in Federal deficit in the next year as a result of it.

In the very next breath, we are told that there is something wrong with others in the Chamber who do not support a balanced budget. I do not know who those others are, but somehow those who bring a proposal to the floor to increase the Federal budget deficit, even as they repeal the 4.3-cent gasoline tax, are accusing others of not supporting a balanced budget. It is an interesting paradox in political dialogue.

I thought it would be useful today, just for a couple of minutes, to talk about some of these proposals more generally. Those who bring the proposed cut in the gas tax to the floor of the Senate, I suspect, think it is very popular, and it may be popular for someone to bring a bill to the floor to say, "Let's repeal all taxes. Let's have no one any longer be a taxpayer. Let's get rid of all taxpayers." But, of course, we provide for the common defense. That costs some money. We build roads in this country. We provide for schools. We hire police and firefighters. We do all the things necessary to govern.

Then we have people come and say, "Today is tax freedom day; it is the day beyond which no one ever has to support government again," suggesting, somehow, that the taxes that have been paid earlier in the year to invest in Social Security, Medicare, a police department, a fire department, or a Defense Department or the Centers for Disease Control, somehow none of that mattered, and all of that was squandered and wasted.

I guess I do not understand some of the logic. But the same people will bring to the floor apparently next week a proposal for a $40 to $60 billion national defense plan, a new iteration of star wars. These same people who propose a balanced budget amendment to the Constitution that, by the way, would raid the Social Security trust fund, now say, "Let's embark on a new program called national missile defense." They say, "On the little issues, we insist that the Pentagon does not know what it ought to spend. We demand that the generals and admirals spend $12 billion more than they ask for. We insist they buy planes they do not ask for, they buy trucks they do not need, they buy submarines they do not want. We insist they buy all of that because generals and admirals do not know how much they want to spend. We in Congress know better," and then insist they spend $12 billion more than the Pentagon has asked for.

On top of that, we insist on a new, expensive, gold-plated star wars program now named "national missile defense." Oh, it is not star wars, they say. Oh, yes, it is. The bill suggests that we build space-based lasers. Of course it is star wars. Will it cost a lot of money? You bet your life it will cost a lot of money—$40 to $60 billion. The tragedy is this: There is relatively little likelihood of a rogue nation getting hold of an ICBM missile in order to put a nuclear tip on the top of it and threaten the United States. There is so little likelihood of that. There is so great a likelihood of some terrorist nation, some rogue nation, some band of independent terrorists getting a nuclear device and putting it in the trunk of a rusty Yugo and parking it on a New York City dock, or a glass vial that big with the deadliest biological agents known to mankind to threaten a major metropolitan area, or, yes, even a rental truck with a fertilizer bomb.

We understand about terrorism and about the threat to this country. The threat is not a rogue nation having a sophisticated intercontinental ballistic missile. It is the threat of terrorists with deadly biological agents and suitcase bombs, including suitcase nuclear devices that will threaten this country. Yet, we are told a national missile defense star wars program is what this country needs.

My colleague this morning said the issue is paychecks, the issue is paychecks and jobs. I agree with that. There is no social program in this country that has the value of a good job that pays well. That is one of the reasons I would like to do a number of things. I would like to straighten out our trade mess in this country. Our trade deficit is unforgivable. We ought not have a $30 billion trade deficit with China and then have them, when they need to buy airplanes, tell us, "You either make them in China or we will not buy them from you." We ought not have a recurring $60 billion annual trade deficit, a $30 billion combined trade deficit with Mexico and Canada. Jobs leave America.

The second point is we ought to have the courage in this Chamber to shut off the tax incentive that exists in our tax laws telling firms, "Move your jobs overseas and we will give you a tax break." I am still waiting for one person to stand up and say, "I support that provision," but we cannot get it repealed.

We have a tax incentive to move jobs overseas. Finally, another step of paycheck and jobs issues is the minimum wage. Yes, we care about the minimum wage. The fact is, a whole lot of folks in this country work for minimum wage and have now been, for 5 years, at the bottom rung of the economic ladder without a 1-cent increase.

The last time the minimum wage was increased, on April 1, 1991, the stock market was at 2881. It is now almost double that. The minimum wage has not moved a cent. But CEO's at the top of the economic ladder got a 23-percent increase in their compensation last year—an average of $11,000-a-day compensation for the CEO's at the top of the ladder. But it is $8,800 a year, full-time minimum wage, for the folks at the bottom. They have not had an adjustment for 5 years.

I say to some, if you do not believe in the minimum wage, bring a bill to the floor to try to repeal it. If you believe there ought to be a minimum wage, then you ought to believe in an adjustment at some point. The question is how much and when. Let us discuss that.

If I might, in the last minute, read again a letter I received last week from a young woman who has four children, has had a tough life. She has had setbacks almost every minute, every time they turn around, it seems. Their trailer house burns and they lose everything, or there are operations or medical problems with the four children. She, in a four-page letter, says:

> How can we make it like this. I wish somebody in an official capacity could be the one to tell my boys they can't play baseball this summer because I can't afford the $25 fee for each of them, let alone the money for bats and gloves they would need. We don't spend our money on alcohol or drugs. We don't go out on the town. Our lives revolve around trying to make ends meet. Our dream of owning a home is long gone. We are better off, I know, than a lot of others who have to live on the street, but how far are we from that? One check maybe?
>
> We are in that forgotten group of people called the working poor, the people that fall through the cracks of Government. We want to have something to show for working hard every day instead of slipping further in the hole. We are suffocating, and the future looks dim for us. I beg you shamelessly, for the sake of my children, to please help us find a glimmer of hope to help us dig our way out of this hopelessly grim situation.

This is from a woman and her husband who work at the minimum wage, are unskilled, and have suffered setback after setback and cannot find a way at the bottom to pull themselves up. They, for 5 years, have had their wages frozen because there has not been a one-penny adjustment in the minimum wage. During that time, the stock market has doubled. CEO's are doing great. They got a 23-percent increase last year alone.

The folks at the bottom deserve some kind of adjustment. They are the voiceless that we ought to give a voice to. They are the hopeless that we ought to offer hope to, as we work in the U.S. Senate, and say we care about you and we are going to try to do something to offer some help to those on the bottom rung of the economic ladder. I hope we can do that together in a bipartisan way in this Chamber in the coming weeks.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Missouri to speak for up to 5 minutes.

CUTS IN THE VETERANS' ADMINISTRATION

Mr. BOND. Thank you, Mr. President. I rise today to make the basic and simple point that numbers do not lie. I am chairman of the Veterans' Affairs/HUD Appropriations Subcommittee. I have been very much concerned about making sure that the people who serve this country in the military get the kind of care that has been promised by the Veterans' Administration.

The VA deals, primarily, with those who have suffered war-related injuries, and who are medically indigent now. Yes, there are efficiencies that can be made and there are certain steps being taken within the VA to operate more soundly. But I was shocked when I saw the President's proposal for Veterans' Administration spending for the next 6 years.

The President now says he wants to balance the budget. But how does he do it? Well, Mr. President, he takes it out of the vitally important medical care and health care services for the veterans. I joined with Chairman PETE DOMENICI to beat back efforts by our Democratic colleagues in the subcommittee to substitute the President's budget, which he claims gets us to balance. I thought it was so serious that I wanted to speak on the floor. I spoke this weekend back home in Missouri, talking about the tremendous decline that the Clinton budget proposes for Veterans' Administration spending over the next 6 years, which is almost 23 percent.

Mr. President, the Veterans' Administration cannot live with that kind of cut. That is the kind of cut that the President proposes the VA will have to follow to get to a balanced budget for the entire Government in the year 2002. At least the President agrees that we need to get to a balanced budget. But does he really mean this budget?

Well, Mr. President, it was very interesting to me to read in the newspaper on Saturday morning—in the St. Louis newspaper—a report by political correspondent, Jo Mannies, who called the White House after I presented this information and she says: "A White House aide replied that Bond was misrepresenting the facts."

Misrepresenting the facts? Mr. President, here are the facts. Under the Clinton budget, the Veterans' Administration have a budget authority that goes from $17.3 billion in 1997, to $15.9 billion in 1998, to $14.5 billion, to $13.0 billion, to $13.29 billion, to $13.8 billion. That comes out to be a $12.979 billion cut in Veterans' Administration funding in that 6-year period.

Can the VA live with that? No. Secretary Jesse Brown said, when I asked him before the Appropriations Committee, "Are you planning to live within this budget?" He said, "I am not planning to live with it. I am not planning to live with your budget to green line"—which at that time was a flat line—"nor am I planning to live with the President's line." Secretary Brown went on to say, "I think his budget means something to me because he has given his word that he is going to negotiate with the veterans' community."

Really? Does the President not mean what he said when he presented the balanced budget that shows these cuts? The interesting part of the story, the White House aide Jo Mannies referred to was Lawrence Haas of the White House Office of Management and Budget. He said the Republicans were misrepresenting their plans and the President when it comes to spending for veterans.

President Clinton's 1997 budget plan contains an outline for reaching a balanced budget by 2002. "The outline cites across-the-board spending cuts of equal percentages for most discretionary programs, including the VA," he said. "The outline is not a hard and fast proposal for any of the programs," he said, "because the President and the Congress review discretionary programs each year." He said that he expected changes for many of the specific programs. He said, "If past practices continue, the VA would be treated well and wouldn't experience much, if any, of a cut."

Mr. President, we have the President presenting a budget showing that he gets to balance by making a 23-percent cut in the Veterans Administration. Oh, incidentally, it is not an across-the-board cut because the President, at the same time, proposes a 28-percent increase in the spending on AmeriCorps, our national service.

Mr. President, we are left with the amazing proposition that the White House official spokesperson said that it is the official policy of the Clinton administration that you should not believe the official policy of the Clinton administration. The Clinton administration sent up a budget that shows a 23-percent cut, a $12.9 billion cut over 6 years.

Mr. President, that is how they get there—a budget that I think has misplaced priorities. It does not make the cuts needed in Medicaid and in welfare spending, so they have to slash things like Veterans' Administration. Either they mean this and they are going to get to a balanced budget and the veterans are going to be unhappy, but they have an Office of Management and Budget saying they do not mean it. They have told the Secretary of Veterans Affairs they do not mean it.

So, Mr. President, we are left with this real question: Which numbers are lying—the numbers they presented in the budget, or the numbers they are telling the Veterans' Administration they are going to get?

I intend to work with my colleagues to make sure that the Veterans' Administration is adequately funded.

Mr. President, I yield the floor.

TRIBUTE TO DR. W. JAMES RIVERS

Mr. THURMOND. Mr. President, it is no secret that a career dedicated to the service of others is a calling that garners minimal financial reward and often little recognition. Individuals will labor their whole lives working to make the world a slightly better place, only to receive few, if any, accolades or commendations. Today, I want to take this opportunity to recognize one person who has dedicated his life to God and his fellow man, Dr. W. James Rivers, and whose commitment to both has made South Carolina a better place to live.

Dr. Rivers' calling to the ministry did not come until he was in his thirties, but he knew early on that he wanted to dedicate his life to serving others. Upon his graduation from the University of South Carolina, he earned a commission in the United States Air Force and found himself on the Korean Peninsula, where the United States and the United Nations were waging a war against the expansionist Communists of North Korea and China. The fighting in this conflict was brutal and it was not long before the young officer was in the thick of it, and during his time in Korea, he flew 50 combat missions against our enemies. When a cease-fire agreement was finally reached, and the shooting finally stopped, James Rivers decided to remain in the Air Force and climbed to the rank of captain; however, in 1958, he heard the Lord's call, resigned his commission, and began the process of becoming a minister.

After returning to school, Dr. Rivers began his second career of service, this time to God, which began with a 4-year stint ministering at Dutch Fork Baptist Church. In 1967, Dr. Rivers moved from Columbia, SC, to my hometown of Aiken, where he became the pastor of Millbrook Baptist Church. For the past 29 years, he has ministered to the needs of his flock with great compassion, and has proven to be an effective leader for his church, performing more than 1,400 baptisms, and more than 1,000 marriages. Additionally, under his direction, Millbrook Baptist Church has more than trebled in size, added both a Christian Activities Center and educational building, and has established three mission churches in other States. It takes a man of great spirit, ability, and energy to accomplish such impressive tasks.

Mr. President, Dr. W. James Rivers will be retiring from his career as a minister on May 19, and in recognition of his many years of selfless service, the mayor of Aiken has set aside that Sunday as Jim Rivers Day. I am pleased to join my fellow Aikenites and South Carolinians in recognizing and thanking Dr. W. James Rivers for all his contributions to our State. We are grateful for all his hard work and proud to claim him as a leader of our community.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 2937, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2937) for the reimbursement of attorney fees and costs incurred by former employees of the White House Travel Office with respect to the termination of their employment in that office on May 19, 1993.

The Senate resumed consideration of the bill.

Pending:

Dole amendment No. 3952, in the nature of a substitute.

Dole amendment No. 3953 (to amendment No. 3952), to provide for an effective date for the settlement of certain claims against the United States.

Dole amendment No. 3954 (to amendment No. 3953), to provide for an effective date for the settlement of certain claims against the United States.

Dole motion to refer the bill to the Committee on the Judiciary with instructions to report back forthwith.

Dole amendment No. 3955 (to the instructions to the motion to refer), to provide for an effective date for the settlement of certain claims against the United States.

Dole amendment No. 3961 (to amendment No. 3955), to provide for the repeal of the 4.3-

cent increase in fuel tax rates enacted by the Omnibus Budget Reconciliation Act of 1993.

Mr. BOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas.

Mr. GRAMM. Mr. President, I want to talk today about repealing the gasoline tax, and I want to talk about it from two angles:

No. 1, the gasoline tax we adopted in 1993, where the money went to general revenue, was an unfair and discriminatory tax that should be repealed.

No. 2, I want to talk briefly about gasoline prices, something that all of Washington talks about but no one actually does anything about. By passing the pending amendment, by repealing the 4.3-cent-a-gallon tax on gasoline, we can bring the price of gasoline down by about $1 a tank whenever you fill up your car, your truck, or your van.

Historically, Government has understood that gasoline taxes are inherently discriminatory since the level of gasoline usage varies greatly depending on where you live. The average resident of a State like Texas spends almost twice as much money on gasoline as the average resident of a State like New York. People who live in rural areas, by the very nature of their living in rural areas, travel great distances and use a lot of gasoline and diesel in their cars and trucks. As a result, government has concluded that taxing gasoline as a source of general revenue is inherently discriminatory. It discriminates against people who live in rural areas as compared to urban areas, it discriminates against people who have to travel great distances to work, and it discriminates against people who live in the Western part of the country where you have more open spaces and people generally drive more.

To try to deal with the inherently unfair nature of a gasoline tax as a source of general revenue, what we have normally done is to dedicate the gasoline tax to pay for roads and bridges. Since the 1950's, it has in essence become a user fee: the people who use the roads the most pay the most gasoline taxes, and they are the largest beneficiaries.

Before we adopted the Clinton gas tax, we had never, since we started the highway trust fund, imposed a permanent gasoline tax that was not dedicated to highway building. The Clinton gas tax is unique in that it is a permanent tax on gasoline where the money goes not to road building, so that the people who are paying the taxes are the principal beneficiaries, but instead goes to the general revenue. In fact, if you look at the Clinton budget since 1993, you will see that the money basically goes to social programs and social welfare. In 1993, through the Clinton gasoline tax, we imposed a new general tax on gasoline—paid for by people who have to drive their cars and their trucks great distances to earn a living—in order to pay for benefits going to people who by and large do not work.

We, therefore, created through this gasoline tax an incredible redistribution of income and wealth—the Clinton gasoline tax imposed a new burden on people who drive to work for a living in order to subsidize people who by and large do not go to work.

We have an opportunity in the pending amendment to solve this problem by repealing this gasoline tax thereby eliminating this burden on people that have to drive their cars and trucks great distances to earn a living. In my State, it is not uncommon for someone to live 40 miles from where they work and, as a result, a gasoline tax imposes a very heavy burden on them.

We have an opportunity to eliminate that inequity by repealing the 4.3-cent-a-gallon tax on gasoline, a permanent gas tax that, for the first time ever, went into general revenues to fund social programs instead of paying for highway construction.

Now, everybody is talking about rising gasoline prices—the President has asked for an investigation by the Justice Department and we are holding hearings all over Capitol Hill. Yet, we all know one thing for certain: if we really want to lower the price of gasoline this week, there is only one thing that we can do—repeal the Clinton gasoline tax.

If we repeal the gasoline tax today in the Senate, if the House passed it tomorrow, and if the President signed it on Thursday, on Friday morning every filling station in America would lower their posted price by 4.3 cents a gallon and everybody in America who fills up their car, their truck, or their van with gasoline would save about $1 a tank. This is something that we can do, it is something that we have the power to do, but the question is: Do we have the will to do it?

I would like to remind my colleagues, and I would like to remind anybody who is listening, that I offered the amendment to repeal the Clinton gasoline tax 19 days ago. My effort to offer that amendment was stopped by the Democratic leadership in the Senate who decided not to allow this amendment to come up for a vote.

The President now says he would sign the bill repealing his gasoline tax and our Democratic colleagues in the Senate say that they too are for it. My guess is, if we had a vote today, 80 Members of the Senate would vote to repeal this gasoline tax. Yet, for 19 days we have denied lower gas prices to the American people. We have denied the equity that would come from repealing this gasoline tax which, for the first time since the creation of the highway trust fund, taxes people who drive their cars and trucks to work in order to subsidize welfare for people who do not work. For 19 days, despite the fact that almost everybody agrees this is something we should do, we have not done it.

Unless some kind of an agreement is worked out, at 2:15 p.m. today we are going to vote on breaking the Democratic filibuster of the gasoline tax repeal amendment.

If you want to repeal the gasoline tax, then you should vote to end debate and let us have a vote on actually repealing the gasoline tax.

I hope the American people will make note of how individual Senators vote, and will remember that people who want to repeal the gasoline tax are going to vote to end the debate. After 19 days of stalling, after 19 days of perpetuating an inequitable tax, after 19 days of artificially holding up gasoline prices, I hope our Democratic colleagues in the Senate are ready to let this Senate do its will.

I believe the Senate is ready to repeal the gasoline tax and I am confident that we will vote to repeal it if the Democrats will just let us. After 19 days of the Democrats stalling, I am ready to vote, and I am sure the American people are also ready for us to vote.

I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from California.

Mrs. BOXER. Thank you very much, Mr. President. Some of the things that Senators are saying about the gas tax are being perceived as grandstanding positions in my state of California. The people of California know, because the experts in the industry have told them, that they may never see the effect of the tax repeal. As Senator CONRAD has stated, the experts believe the benefit will go to the refiners. What could happen is that we would lose $30 billion from deficit reduction.

It seems to me most people understand this. I think it is really important to find out the causes of this runup in prices. I have written to Hazel O'Leary and asked her to undertake an investigation. The President acted to sell some of the Strategic Petroleum Reserve in an effort to add to the supply. There was an article in the Los Angeles Times that traced the increase in prices, and it concluded that prices kept rising regardless of inventories.

So I think the American people are a lot smarter than some would believe in this Senate. I think they understand that repealing this 4-cent tax has could result in huge deficit increases. I think they understand that the gas price runup has many causes. Repealing the 4-cent tax does not guarantee that the people will see any benefit.

What is interesting to me is the way my Republican friends want to pay for this repeal. It seems it has seen various proposals come forward. The first one was the majority leader on the other side, DICK ARMEY, who suggested we cut education to pay for this gas tax repeal. Thank goodness that proposal was shot down. It seems to me unbelievable to cut back in education when we know that the future of our Nation depends upon how well our children are educated and that the best jobs go to the best educated. So that Republican idea seems to be buried.

Then we were going to sell broadcast spectrum, but then they found out that any income generated by the auction would not be seen for many years.

And now there is a proposal to place a charge on banks and savings institutions, to better prepare them in case there is another crisis in savings and loans and bank failures.

So I think every plan that I have seen is quite wanting. There are a lot of tax loopholes out there I would like to see closed. Let us look at some of those.

So I think as we get to this vote on the gas tax it is going to be interesting to hear the debate. What is the most important thing for the country, a repeal of a 4-cent tax that may never see its way to the consumers pockets?

I would love to be able to guarantee that it would go to the consumers' pockets. It would be an interesting proposal to try to work on something like that. But let us hear the debate.

It is a very important issue, I think in many ways symbolic of whether our actions match our rhetoric around here. So I am looking forward to the debate.

Mr. President, I also heard that the Senator from Missouri was attacking the President on funding for veterans, and I find that very, very interesting since the President vetoed the appropriations bill that included veterans' funding because of unwise policy riders inserted by the Congress. Also, the President felt this Congress was not being fair to veterans because it cut hospital programs promised by previous administrations. I have a case in point in my own State where we are supposed to build a veterans hospital at Travis Air Force Base and this Republican Congress deleted those funds. The President has it in his budget.

I would be happy to join with the Senator from Missouri to make sure our veterans are taken care of. I would love to start with the hospital at Travis, which the veterans need to have and the President has supported.

So I find it interesting that colleagues from the other side come down and blast the President for not supporting this country and not presenting a budget that meets this country's needs when, in fact, if you look at the President's budget versus the budget of the Republicans that just got through the Budget Committee on which I serve, what you see very clearly is that the Republicans go after Medicare; they go after Medicaid; they go after the earned income tax credit, resulting in a tax increase on the working middle income and poor; and that the Democrats, behind this President, are willing to make investments, investments in education, investments in the environment, investments in medical research and in advanced technology research. That is what the future is about. So I look forward to all these debates and I hope we will have them soon.

At this time I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, the bill before us has amendments which have been debated involving a great number of very important issues including issues relative to the gas tax repeal, minimum wage, and the so-called TEAM bill. The fact that those are much more public issues and have been the subject of much greater public debate has caused many to overlook the substance of the underlying bill to reimburse the attorney fees of former Travel Office employees.

There have been some comments made on the floor that the underlying bill, H.R. 2937, is an important bill because it is fair, right, and remedial. Some have said it is noncontroversial. Then the debate moves on to the more publicly debated issues—the gas tax, the minimum wage, and the TEAM Act, which have had greater public notice. Then little is said further about the Travel Office bill.

I have questions about the implications of what we would be doing if we passed this Travel Office bill. As best as I can determine, if we pass this bill, it would be the first time in our history that we will have passed legislation to pay the attorney fees of someone who has been indicted. In order to be indicted, a grand jury has to determine that there is probable cause that the person committed the alleged crime. It is a system that we use thousands of times a year across this country. In order to be indicted, a prosecutor must present evidence to a grand jury to show that there is probable cause that a crime has been committed and that the person at issue is the one who committed the crime. That is what has happened in the case, or what did happen in the case of Billy Dale. The grand jury determined that there was probable cause that he committed a crime against the United States and that he should stand trial.

Once a person is indicted, the prosecutor must meet a higher standard of proof—proof beyond a reasonable doubt the indicted individual committed the crime. That is the way the system works. Then it goes to a trial. A judge is usually presented with a motion for a directed verdict, or might be presented with a motion for a directed verdict, arguing that there is insufficient evidence before the court to permit a reasonable juror to find that person is guilty of the crime beyond a reasonable doubt. It is my understanding that there was a motion for a directed verdict in Billy Dale's case and that the judge denied the motion for a directed verdict.

With this legislation, what we are then doing is taking the unprecedented step of saying that in this case we believe that the prosecutor who presented a case to a grand jury and the judge who denied a motion for a directed verdict was so wrong that the taxpayers should pay Billy Dale's attorney fees. If we do that in this case, there is no reason why we will not be asked to do that in hundreds of other cases.

What is the precedent that we are setting for evaluating whether or not we should be paying attorney fees in cases where persons are indicted and whose cases go to a jury? In other words, where there is a motion for a directed verdict which is denied and who are then acquitted.

We have not had 1 hour of hearings in the Senate on this bill. There is no Senate committee report on this bill. The committee report that is before us is a House committee report which does not even discuss the nature of the indictment, the facts surrounding the indictment, nor the basis for it. It just ignores some very critical facts.

There are about 5,000 Federal criminal defendants each year who are either acquitted or have their cases dismissed after indictment. Do we want to open ourselves to the possibility of reviewing each and every one of those cases to decide whether or not the grand jury and the U.S. attorney acted properly, and whether a judge was correct in denying the motion for a directed verdict? Are we going to set up a special subcommittee of the Judiciary Committee to consider attorney fees for indicted but acquitted individuals? Will we have some criteria to guide us in the future?

I do not want to get into a litany of the recent acquittals that would make many of us blush in equating them with unfair prosecution. But the fact that somebody is acquitted does not mean that a prosecution was unfair.

Some may argue, "Well, here the acquittal came in a matter of a few hours, and that confirms the unfairness of the situation." Is that the standard—quick acquittals? Are we then going to subject the Treasury of the United States to claims for attorney fees?

For the past 15 years or so, I, along with Senator COHEN, have been sponsoring reauthorizations of the independent counsel law. That law has a provision in it for payment of attorney fees for persons who are investigated. But it has a very clear and explicit condition—in fact, a couple of them.

First, the attorney fees would be paid only if they would have been incurred but for the use of the independent counsel.

Second, they will not be paid to any person who has been indicted. It is explicit in the independent counsel law. Attorney fees are not available to persons who have been indicted by the independent counsel.

When we added that provision in 1982, there was no question by any witness at our hearing or any advocate for the statute about paying attorney fees for indicted individuals, and yet in this bill, this underlying bill, we are crossing a very significant line. We are talking about using taxpayer dollars to do it. To the best of our information, it is the first time it will be done, and it is being done without a Senate hearing or a Senate committee report laying forth criteria as to what will be the future standards.

Some people say, well, this bill is just for a half-million dollars. We closed down an agency of the Government last year that had a total budget of $1.2 million. That was the Administrative Conference of the United States. We said we could not afford the $1.2 million for that agency. So we cannot treat this expenditure as if it does not matter. It does.

And also problematical is the fact that there is no requirement that the taxpayer pay only reasonable attorney fees. For instance, if the citizen Billy Dale here paid $500 an hour for his attorney, should we be reimbursing him at that rate? I cannot support that. But the bill is silent in terms of reasonableness of attorney fees. We have limits on attorney fees in all the other statutes that I know about. In the independent counsel law we require that the court determine that the fees paid to eligible persons be reasonable and market rate.

And by the way, as I mentioned before, the independent counsel law does not permit an attorney fee to be paid to someone who has been indicted. But where the attorney fee is permitted there is a requirement that the attorney fee be reasonable and market rate. That requirement is not present here. In the Equal Access to Justice Act we limit the amount paid to an attorney to $150 an hour, and that act applies where a court determines that a government's civil case against a small business had no substantial justification. There is no requirement like that in this bill. I think that is a disservice to the American taxpayers as well.

In addition, there is no ceiling in this bill on the overall total. If Mr. Dale's attorneys are going to say that they worked 100 hours, we are going to presumably sock the taxpayers for 100 hours even though there has been no judgment as to whether or not the 100 hours was an appropriate length of time, and maybe it only should have been 50 hours.

In an earlier bill that was introduced, Senator HATCH did have a ceiling on the amount the taxpayers would have to pay. But the bill before us does not do that. There is no ceiling. It is unlimited. So let us look again at what the underlying bill does. First, it authorizes the use of taxpayer dollars to reimburse the legal expenses of an individual indicted for the commission of a Federal crime.

Congress has never, to the best of my knowledge, authorized that type of payment. Second, the bill authorizes the payment of all legal expenses incurred without any requirement that the expenses were necessary, appropriate or reasonable in amount. The bill does not place a ceiling on the amount of money that may be paid. It creates an open-ended entitlement.

So even though the amount may seem small, we are opening a wide door here to the Federal Treasury and we should take more care before we are doing so.

At this point, I would make a parliamentary inquiry of the Chair.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. LEVIN. I ask the Chair whether or not the bill before us is a private bill?

The PRESIDING OFFICER. It is a private bill.

Mr. LEVIN. Mr. President, the Senate is at a regrettable impasse. For several weeks now, Democrats have been trying to bring an increase in the minimum wage to a vote on the Senate floor. We were repeatedly blocked by parliamentary maneuvers. The majority insisted on lumping a number of unrelated matters together and resisted the right of the minority to offer any amendments to any of matters involved. This is a very unfortunate circumstance. We should deal with each of these matters, the minimum wage increase, the TEAM Act, the proposed repeal of the gasoline tax, and the matter related to the White House Travel Office separately, debate them, amend them according to the will of the Senate, and then pass or defeat each. Instead, in an effort to score political points in a contest with the President, the majority has used parliamentary rules to produce distorted results. First, four different bills were bundled together in one, and if the effort to shut off debate had succeeded, with no ability to amend except very narrowly. For example, it might have proven impossible to offer an amendment to the gas tax repeal provision to try to assure that the benefit goes to the consumer and not to the oil companies. It might also have proven impossible to amend the provision to attempt to assure that the repeal is adequately paid for and does not increase the federal deficit. Now, we face yet another amendment without the ability to amend it and yet another effort to cut off debate.

The minimum wage issue is straightforward. It's about whether or not we are truly committed to helping working people earn a living wage. Recently, we have begun to hear more concern expressed about jobs and wages for the working family in America. Some have newly discovered the problems that working families face today: The declining purchasing power of their wages, increasing health care costs, and the high cost of child care are among those most important. But, for some of us, and for the American people, these are not new issues.

The last time we gave minimum wage workers a raise was 5 years ago April 1. The current minimum wage is $4.25. In the last 5 years, because of inflation, the buying power of that wage has fallen 50 cents and is now 29 percent lower than it was in 1979—17 years ago.

With this amendment, the hourly minimum wage would rise to $4.70 this year, and to $5.15 next year. Close to 12 million American workers would take a step forward toward a more equitable living wage.

Remarkably, there are some in this Congress who not only oppose an increase to a fair level: Some would eliminate the minimum wage completely. But, I thing that they comprise a tiny extreme minority. The last increase had overwhelming bipartisan support. On November 8, 1989, the Senate passed the increase by a vote of 89 to 8. Supporting that increase were the current GOP and Democratic leaders. In the House, this bill passed by a vote of 382 to 37. Voting "yes" were the current Speaker of the House and the Democratic leader. And, the bill was signed into law by President George Bush.

Discounting inflation, a Rand study shows that the median income of families fell more then $2,700 over 4 years to about $27,000 in 1993. But people at the lower rungs of the economic ladder have it the worst.

Rand's researchers found that between 1989 and 1993, the top fifth of the economic spectrum earned nearly 10 times what those in the bottom fifth earned. The gap between the top and the bottom is very wide—and getting wider.

These figures illustrate that although our economy is growing and unemployment is relatively low, working families are confronting difficult and uncertain times. This amendment would provide a modest boost in earnings for many of these households.

A higher minimum wage could help reverse the growing wage inequality that has occurred since the 1970's especially among women.

While some claim a moderate increase in the minimum wage will cost jobs, leading economists find little evidence of loss of employment. Instead, they find that a ripple effect could expand the impact beyond the immediate minimum wage work force. Some workers in low-wage jobs who currently earn more than the minimum wage may see an increase in their earnings as minimum wages rise.

As the richest nation on Earth, our minimum wage should be a living wage. But it isn't close. When a father or mother works full-time, 40 hours a week, year-round, they should be able to lift their family out of poverty.

The current minimum wage is actually about $2 an hour less than what a family of four needs to live above the poverty line. At $4.25 an hour, you earn $680 a month, gross. That is $8,160 per year.

Adults who support their families would be the prime beneficiaries of our proposal to raise the minimum wage. Nearly two-thirds of minimum wage earners are adults and more than one-third are the sole breadwinners. Nearly 60 percent of the full-time minimum wage earners are women. Often these are women bringing home the family's only paycheck.

In 32 States over 10 percent of the work force would benefit directly from an increase in the minimum wage. In Michigan, 324,000 workers, almost 12 percent of the work force are making the minimum wage. Some 435,000 workers earn less than $5.15 per hour.

Mr. President, the bottom line is work should pay, and the current minimum wage is not enough to live on. The minimum wage is a floor beneath which no one should fall. But we should make sure that standing on the floor, a person can reach the table. A full-time minimum wage job should provide a minimum standard of living in addition to giving workers the dignity that comes with a paycheck. Hard-working Americans deserve a fair deal.

Mr. President, it is ironic that many who are the strongest line-item veto proponents and who, last year, indeed were proposing a version of line-item veto which would have caused bills to be carved up into hundreds of separate bills for the President's signature or veto, now are trying to do the reverse. They are taking clearly unrelated matters and lumping them together while blocking important relevant amendments. We need to get on with the business of the Nation. We should address the gas tax proposal, the minimum wage increase, and the other matters before the Senate in separate bills, allow Senators to propose their amendments, debate the issues, vote, and send legislation to the President for his signature or veto. The only reason this is being wrapped up in one big package and hamstrung it with parliamentary entanglements, is Presidential politics. I predict it will not benefit those who concocted the strategy. Our Nation deserves better.

Mr. President, I did want to spend a few minutes this morning pointing out some of the difficulties that I think will be created if we pass this underlying bill without criteria being established, without a Senate committee report, without a requirement that fees be reasonable, without a limit on the amount of the authorization here, the obligation of the Federal Treasury. There are some precedents that are being set here if we pass this bill as is, which should not be set without further deliberation by the Senate because of the implications to the Treasury of thousands of people who have been indicted who are either then acquitted or whose cases are dismissed who might also be able to make claims under the precedent that could arguably be set by this bill.

I yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—H.R. 2202

Mr. LOTT. Mr. President, I ask unanimous consent the Secretary of the Senate be directed to request the House of Representatives to return to the Senate H.R. 2202, the illegal immigration reform bill, so that the Senate's actions of yesterday, requesting the conference and appointing conferees, can be executed.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. LOTT. Mr. President, I move the Senate now recess under the previous order until the hour of 2:15 p.m.

The motion was agreed to, and, at 12:15 p.m., the Senate recessed until 2:16 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Jeffords).

WHITE HOUSE TRAVEL OFFICE LEGISLATION

The Senate continued with the consideration of the bill.

CLOTURE MOTION

The PRESIDING OFFICER. Under a previous order, the clerk will report the cloture motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the Dole amendment, No. 3961:

Bob Dole, Trent Lott, Craig Thomas, Larry E. Craig, R.F. Bennett, Mark Hatfield, Ben N. Campbell, Spencer Abraham, Nancy Landon Kassebaum, Don Nickles, Chuck Grassley, Conrad Burns, John Ashcroft, Jim Inhofe, P. Gramm, W.V. Roth, Jr.

CALL OF THE ROLL

The PRESIDING OFFICER. The mandatory quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on amendment No. 3961 shall be brought to a close? The yeas and nays are required. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Delaware [Mr. Biden], the Senator from Nebraska [Mr. Kerrey], and the Senator from Rhode Island [Mr. Pell] are necessarily absent.

I further announce that the Senator from Rhode Island [Mr. Pell] is absent on official business.

The PRESIDING OFFICER (Ms. Snowe). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 54, nays 43, as follows:

[Rollcall Vote No. 112 Leg.]

YEAS—54

Abraham
Ashcroft
Baucus
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—43

Akaka
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan

Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone
Wyden

NOT VOTING—3

Biden
Kerrey
Pell

The PRESIDING OFFICER. On this vote, the ayes are 54, the nays are 43. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

MORNING BUSINESS

Mr. DOMENICI. Madam President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Ms. MOSELEY-BRAUN. I thank the Chair.

(The remarks of Ms. MOSELEY-BRAUN pertaining to the introduction of S. 1756 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Chair.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 1755 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Iowa.

REDUCING THE GASOLINE TAX

Mr. GRASSLEY. Mr. President, even though we are in morning business, I want to address the issue that was on the floor prior to the vote that we just had. That vote on cloture was our attempt, on the majority side, to stop a filibuster and to get to a vote on reducing the gasoline tax by 4.3 cents.

Once again we have run up against the minority's unwillingness to allow us to have a vote on President Clinton's gas tax. We know it would pass overwhelmingly. The President has already said he would sign it. It seems to me it is something we ought to do.

We had 54 votes—I think that is 53 Republicans and one Democrat vote—to stop debate so we could get to a vote on final passage. We would have more than 51 votes to pass it. So it would pass, but we needed six more votes from the Democratic side to make cloture happen. We did not get them. So we are at a standstill here on this piece of legislation. It is needlessly being held up, and those holding it up are needlessly causing the taxpayers of this country, those people who drive cars, to pay more tax while the price of gasoline continues at a very high level. Consequently, I hope we can bring the repeal of President Clinton's gas tax to a vote. I particularly would like to repeal it because the repeal is something that can be passed very quickly. We know that this is true because it is something that the President said he would sign.

We Republicans strongly feel that President Clinton's gas tax should be repealed because we, en bloc, voted against President Clinton's tax bill of 1993. We knew it was the biggest tax hike in the history of the country, and we felt it would do harm to the economy. We are finding out that it is doing harm to the economy. Even though we have had a recovery, we could have created 3 million more jobs in this recovery, compared to other recoveries, had President Clinton not increased taxes. These are jobs that are not being created because of the damper on the economy that the biggest tax increase in the history of the country has given us, of which the 4-cent gas tax increase was a major part.

I thank the majority leader for calling this bill up that repeals the Clinton gas tax, and for his bringing it to the immediate attention of the Senate.

If I can begin by way of conclusion, I believe the Senate should join the House Committee on Ways and Means in passing a swift repeal of the Clinton gas tax increase of 1993. In 1993 the Committee on Ways and Means, then controlled by Democrats, estimated what this bill would cost the drivers of the various States. They figured what they think it would cost my Iowans, based on the assumption that Iowans drive 12,396 miles per year. I think that this estimate is probably a number that is smaller than what Iowans truly drive. I do not think these estimates by the economists for the Ways and Means Committee include the fact that farmers and many other people in rural America have to drive long distances, not only for their business, but also to get their kids to school and back home every day and all the other things associated with a family. I think the 12,396 miles that was estimated by the Committee on Ways and Means in 1993 is probably too small.

Nonetheless, the Committee went on to say that if you take that 12,396 miles that Iowans would drive on average per automobile, and multiply that times the Clinton gasoline tax increase of 4.3 cents, it is going to cost Iowans an extra $26.66 per year to drive a car. That is assuming a one-driver family. Most families are two-driver families and then would expend twice that amount of money at $53.32.

I think families with children have better use for their $53.32 fuel tax expense than funding the President's big spending habits that were part of his 1993 budget and tax increase. For example, $53.32 for the average family would buy any of the following items in a typical Iowa farm town: 24 gallons of milk at $2.15 a gallon, 67 pounds of apples at 79 cents a pound, 71 cans of tomato soup at 75 cents a can, 14 boxes of breakfast cereal at $3.69 a box, 44 dozen eggs at $1.19 a dozen, 53 loaves of bread at 99 cents a loaf, 60 pounds of hot dogs at 89 cents a pound, and 106 boxes of macaroni and cheese at 50 cents a box.

Alternately, if a family wants to have summer activity for children, $53.32 will buy either three unlimited summer children's passes at the swimming pool or two activity fees for the youth little league baseball program.

These are real opportunity costs affecting real families in my State because we have this gas tax increase that has been a damper on the economy and families. Because Iowa families have been paying the Clinton fuel tax for all of 1993 and all of 1994, you must readily see that President Clinton has denied these families some of these necessities. He has done so, not only once, but he has done it twice.

Now, in 1996, Iowa families desperately need Congress to repeal the President's 1993 fuel tax increase. The American Farm Bureau Federation, which speaks for a lot of people in rural America, agrees with the need for the repeal of the tax. The American Farm Bureau notes that President Clinton's gas tax increase is the first time in which fuel taxes have ever been used for anything other than transportation funding.

The highway trust funds are important to farmers because Iowa farmers need someone to improve rural bridges and roads, not only for getting a family back and forth to town, but also to get their inputs into their farming operations as well as the grain and other products that they produce to market. We find in our State that many of our roads and bridges used by farmers do not currently meet safety engineering standards.

If we need to have a gas tax, then I say let it be spent on roads and highways and bridges to move people. It is a user fee. It ought to be used for that purpose.

This 4.3-cent gas tax increase in 1993 went into the general fund. As Senator ASHCROFT, of Missouri, said better than any of us can say, it is a Clinton gas tax increase paid for by people going to work. It goes into a fund that is going to go to programs for those people that do not go to work.

If we are going to tax working people 4 more cents for gas, it ought to go into the road fund so that it is going for the people that are using the roads. So if we take this 4 cents out, and

President Clinton still feels that this money ought to be spent on some of these programs with the general fund as their source of revenue, then the President should agree to cut spending elsewhere in the budget rather than taking money that ought to go to build better roads, safer roads, and safer bridges. But his act of 1993 does not build any roads or bridges with his fuel tax.

So the President had an opportunity to cut spending when we passed the Balanced Budget Act of 1995. I like to remind people that because some are cynical about Congress' ability to pass legislation to balance the budget that the Republican Congress succeeded in doing it.

Mr. President, if I am running out of time, I ask unanimous consent for 5 more minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I am sorry that I went over time, but I will make this last point.

The President in December vetoed the Balanced Budget Act of 1995. This 1,800-page bill that we sent to the President was the product of about 8 months of work by the Senate and the House. It was the product of 13 different committees. Every committee had to change the programs that are under its jurisdiction to fit into the effort. That effort was the policy to balance the budget. Our bill did that.

So, once in awhile, I like to reconsider our now vetoed Balanced Budget Act of 1995, because I have been working with other people in the Congress for a long time and we said that we could balance the budget. But, quite frankly, until last year we never delivered on that promise.

We tend to overpromise in Congress which can be wrong. We should be careful not to overpromise. We should perform in office commensurate with the rhetoric of our campaign.

We had promised to balance the budget over so many years in the 1970's and 1980's and early 1990's—the last time we had a balanced budget was in 1969—but we did not succeed, and yet we had promised it. That is why some people are so cynical about some of us in public office.

I suppose if you would have asked me 12 months ago, would we ever have gotten to a balanced budget, I would have been cynical myself about our ability to succeed. I would have said, "Well, no. It's a good goal, but we'll never get it done." I never said that at the time, but that is what I thought. Yet, I am on the committees that have to deliver on it. We were able to produce a budget that the nonpartisan Congressional Budget Office declared balanced. And the President vetoed it.

We are going to be able to start, maybe tomorrow morning, to put together another balanced budget act. This will be the balanced budget act of 1996. We will still have a lot of tough decisions to make, but at least now we have the President on record as saying that he was for a balanced budget. He said he was for a balanced budget, only he would do it in 10 years even though our's did it in 7 years. The new one to be taken up soon will do it in 6 years. It will ultimately balance because we said 12 months ago we were going to balance it. At least now we have the President saying he is for a balanced budget. I hope he really is. After June of last year, he said he was for a balanced budget. We passed it, and he still vetoed it.

So the process starts over again. I am not cynical about whether or not we can balance the budget now because we proved to the public we could do it. Most importantly, we had to prove it to ourselves that we could do it, and we did.

So I think that the President has an opportunity now to hopefully reject this business that you can tax people with a gas tax for money that ought to go into the road fund to build safer highways. Currently, President Clinton's gas tax is going to fund a bunch of programs with gasoline user fees that have nothing to do with the people that are using the highways. Here is a way that he could help repeal that. He said he would do it. I hope he sends a message to the minority party up here on the Hill that he will do it.

I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

THE DEFICIT

Mr. BUMPERS. Mr. President, I have listened very carefully to the Senator from Iowa's speech, as I have listened virtually to every member of the Republican Party of the Senate who has consistently lamented the deficit-reduction package of 1993. I did not enjoy voting to raise taxes in 1993 any more than I enjoyed cutting spending in 1993. But to set the record straight, that deficit-reduction package was intended to reduce the deficit compared to what it would otherwise be, by $500 billion over a period of 5 years.

It was a very dramatic time in the Senate. Fifty Democrats voted aye. Every single Republican voted no. And Vice President GORE, who was seated in the chair that day, voted aye and broke the tie. And so the $500 billion deficit-reduction package became law. At least two Senators on this side of the aisle lost their reelection campaigns because they voted aye, a very courageous and responsible vote.

The Office of Management and Budget estimates that rather than produce $500 billion in savings, but because interest rates came down as a result of that package and because economic activity went up, the 1993 Clinton budget bill will actually reduce the deficit by $800 billion over the same 5-year period, 1993 to 1998.

So I ask my Republican colleagues who find that deficit-reduction bill passed by 50 very courageous Democrats in 1993, I ask them to tell all Americans as we start to work on the budget tomorrow, where you would get that $800 billion if we had not acted so responsibly?

The budget we will debate tomorrow, which I have absolutely no intention of voting for, again, has substantial cuts in Medicare and Medicaid, and—listen to this—a $60 billion cut in education over the next 6 years.

Who gets the money? Why, the Republican budget provides for an $11.3 billion increase next year alone in defense spending. Now, Mr. President, for the edification of anybody who cares, out of a roughly $1.7 trillion budget, less than one-third of that is for what we call domestic discretionary spending—education; the environment; medical research; medical care and a whole host of other things.

Mr. President, $515 billion is provided for discretionary spending, but defense gets the bulk of that, including a nice, handsome $11-plus billion increase, and everything else that makes us a great country worth defending goes down. The environment, including funding for EPA's enforcement, takes a whopping hit. In 1970, 65 percent of the lakes and streams in this country were neither swimmable nor fishable. In 1995, 65 percent of the lakes and streams in this Nation are swimmable and are fishable because EPA, through their enforcement acts, made people quit dumping their sewage into the rivers and streams and made the soap manufacturers come up with cleaner soaps without chemicals in them.

How does the Republican budget respond to that kind of progress? Why, they cut EPA's enforcement because they argue the business community just cannot take it. I am the first to admit that some regulations are crazy and do not make sense. But nobody, Republican or Democrat alike, in their heart of hearts wants to turn the clock back on cleaning up the lakes and streams of this Nation, or polluting the air we breathe, which is much, much cleaner now, principally because we made the automobile industry put catalytic converters in their cars.

So when the Republicans talk about that big tax hike in 1993, what is their answer? Maybe in their heart of hearts they are feeling a little badly about having voted against cutting the deficit by an honest-to-God $800 billion—not over 7 years; over a 5-year period. What is their answer to it? Cut the gasoline tax 4.3 cents. I thought my good colleague from Louisiana, Senator BREAUX, had a great line. That is like spitting in the ocean and trying to make it rise.

The gas tax did not cause the gasoline price increase and it is not going to contribute to reducing it. It will go into the pockets of the oil companies. Everybody says that by October, gas prices will be back where they started from and we will be sitting here with $3 billion added to the deficit.

What is it with the Republicans? They will not vote for deficit reduction, they keep on increasing defense spending, they keep wanting to repeal the gas tax. And their budget has an enormous billion tax cut. I am not voting for any tax cuts until we get the deficit under control.

You know what is really paradoxical about the proposed tax cut that gives families a credit for each child? Listen to this: Six to nine million people in this country work for anywhere from $4.25 an hour to $6 and $7 an hour, 6 to 9 million of them. We give them a little check at the end of the year called the earned income tax credit because we believe that is preferable to their quitting work and going on welfare. So we say we will give you up to $2,800 at the end of the year if you will just stay on the job. That is a lot cheaper than $9,000 a year on welfare. It is a good investment for us.

What does the Republican budget do? It cuts investment tax credit by approximately $20 billion. What does this mean to the 6 to 9 million people who are working for essentially minimum wages, up to $7 an hour? Effectively, they get a tax increase because the earned income tax credit has been cut.

Do you know what else is really ironic about it? Those people do not pay taxes. They do not make enough to pay taxes. So you know what? They do not get a child tax credit. They are getting a tax increase by cutting the earned-income tax credit, and they get nothing to offset it because it is only if you pay taxes that you can offset the tax cut for each child.

What kind of lunacy is this? What do the American people expect from us? They expect a little decency and they expect fairness.

Mrs. BOXER. Will the Senator yield?

Mr. BUMPERS. I am happy to yield to the Senator.

Mrs. BOXER. Mr. President, first, I want to say to the Senator from Arkansas, thank you for coming to the floor today and talking to us and to whoever is watching here. As the Senator has a way of doing, he finds the truth. He finds the truth in all of this. The truth that he pointed out—and then I will ask a question—when you get through with this Republican budget, what you realize is that it hurts the people of this country. It hurts the hardest working people of this country. We will bring that out in the next few days.

The question I want to ask the Senator is this: We know when the Government shut down and we had that crisis, it was because the President of the United States stood up and said to this Republican Congress, "I'm not going to back down. I'm going to stand up for Medicare and the elderly who rely on it. I'm going to stand up for Medicaid and the poorest children who rely on it, and the poorest seniors in nursing homes who rely on it." He was going to stand up, and he did, for the environment and for education.

I say to my friend, has he looked at this Republican budget that they have just unveiled with great fanfare, and that budget which the President vetoed, and does he see similarities between the two?

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be allowed to proceed for 4 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Let me say to the Senator from California, this question reminds me of something Franklin Roosevelt said. My father taught us when we died we were going to Franklin Roosevelt's. He was the only one who ever did anything for us.

This budget is a manifestation of almost total disdain for people trying to reach for the first rung on the ladder. It is protectionism at its worst of those who have much. Franklin Roosevelt once said, and I know the Senator is familiar with the quote, "The groans of the full pocketbooks of the wealthy are louder than the churning of the empty stomachs of hungry people." That is not so true now as it was during the Depression, but the principle in this budget is the same.

You think about cutting education $60 billion. You think of how many children will not be educated as a result of that. I have said time and time again if it had not been for the GI bill waiting for me when I got out of the service, I would not be standing here right now.

And that applies to millions and millions of people. There was a very poignant story in the Post this morning about a woman who said, "I wouldn't be in this position if it hadn't been for student loans and student grants." So what are we doing? We are cutting education $60 billion. Everybody wants clear air and clean water. So what are we doing? Cutting the environment. Nobody wants to see a child go without health care. So we are cutting Medicaid. I could go on and on. But I find this budget almost identical to the budget we debated last year——

Mrs. BOXER. That is right.

Mr. BUMPERS. The one followed by a reconciliation which the President had the good sense and the courage to veto. Had he not vetoed it, we would be on our way to third-world status right now. That is how bad I felt it was.

Mr. President, I know my time has about expired. Every time I think of the fact that two of my very best friends and best Senators in the U.S. Senate lost their seats because they cast a very courageous vote here in 1993, it makes me sad.

So, Mr. President, there are going to be a limited number of amendments. I have a number that I wish I could offer on the budget, but I know time constraints will not permit that. However, I will offer a few. One amendment would keep the U.S. Government from selling assets to balance the budget. Think about selling the power marketing systems. Think about selling the Elk Hills Petroleum Reserve. Sell everything. What do you do for an encore when everything is gone?

A woman once said her husband came home from the law office and said, "I had a great day today." She said, "What happened?" He said, "I sold my desk." That is what we are doing in this budget. I am not going to vote for it. I am going to vigorously speak against it, and there will be 53 Republicans that will vote for it. We are starting down the same road we just left.

I yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

GAS TAX REPEAL

Mr. COVERDELL. Mr. President, a few moments ago, the other side of the aisle effectively blocked the efforts to repeal President Clinton's August 1993 increase on gasoline, diesel fuel, and jet fuel. Now, just to put this in perspective, when the President was running for the office he now holds, he said, in unequivocal terms, that a gas tax was the wrong thing to do, he said it was egregious for low income, and he said it was harmful to the elderly, all of which is true. It is as regressive a tax as one can find because the lowest income families in America pay the highest share of their disposable incomes. It ranges as high as 8 percent of their disposable income that has to be invested in the purchase of gasoline.

So those that have the least resources are those for which this tax causes the most difficulty, which, as I am sure, is why the President said it was the wrong thing to do. Nevertheless, on arrival at the White House, an increase in gasoline taxes was put in his tax increase on America, which, as we all know, was the largest tax increase in American history. These policies have had the effect of costing America's average families, all of them put together, about $2,000 to $3,000 in lost income.

Some people around here do not seem to think that is a lot of money. But for the average family in Georgia, let me try to put it in perspective. An average family in Georgia makes $45,000 a year.

Both parents have to work to get that. In fact, in many cases today, the kids have to work, too, to make ends meet. By the time this average family in Georgia pays their Federal taxes, FICA, Social Security, Medicare, State and local taxes—their share of the regulatory apparatus in our country, which is at an all-time high—they have 48 percent of their gross income left to do everything that we have asked them to do. That is unbelievable.

If Thomas Jefferson were here today, or any of the other Founders, they would absolutely be stunned that we have grown up the Government so large that it takes over half the resources from labor, leaves them with less than half of what they earned to do what they have to do, to promote their own dreams, to educate, to house, to feed, to clothe, to transport, to provide for the health of their families and their communities. No wonder there is so much anxiety in the workplace today, so much anxiousness among our people. We have literally pushed the American family to the wall.

So, suddenly, there is a phenomenon that makes everybody focus on the price of gasoline. The prices have been skyrocketing because there is a refinery shortage, because there was a bad winter, because the price of the crude product costs much more today. And so some Members came to the floor and said let us at least, in the face of this, get rid of that burden. Let us repeal that gas tax. Let us remember what the President said when he ran for President. And then even the President said, "Yes, I agree. I would sign a repeal of the gas tax."

But when we tried to do it in these last 5 or 6 days, with us saying it should be done, with the President finally agreeing, remembering his remarks during the campaign that it was a wrong tax, a regressive tax, a tax hard on low income, a tax that is hard on senior citizens—so we had the majority and the President both agreeing. But the other side will not let it come to a vote. They will not even allow this modest reduction of economic pressure on the American family.

In the face of vast public support, a modest attempt to put a few more dollars in the checking accounts of these American families, for which—to step back a moment, Mr. President, last week we acknowledged, just for taxes—forget the regulatory reform—an American family, a Georgia family in my case, works today from January 1 to May 7 for the Government, and May 8 is the first day they get to keep their paycheck. For Heaven's sake, a family in America has to work from January 1 to May 7, and on May 8 gets to keep their first paycheck.

I might add that, under this administration, the date you get to keep your check is the latest in the year that it has ever been. These policies have added 3 more days that a family has to work for the Government before they can keep their own earnings.

We just heard remarks from the Senator from Arkansas bemoaning attempts to try to lower that impact. The last balanced budget that the Congress sent to the President would have put $2,000 to $3,000 in the checking account of that average Georgia family I was talking about. That is the equivalent of a 10- to 20-percent pay raise. Now, if you are currently having over half of your resources taken, just think what an important event it would be to be able to keep another $2,000 to $3,000 in the checking account of that average family. A phenomenal impact.

As I said, it is almost not comprehensible. I would never have believed while growing up that I would be in the U.S. Senate at a time when a family has to work from January 1 to May 7 before they get to keep their first paycheck.

If we ask Americans what would be a fair tax level, no matter their circumstances, they will tell us 25 percent. That would be working from January 1 to March 1, and then on March 2 you get to keep your paycheck. But no. No. Now it is May 8 before you get to keep your paycheck.

We came forward and said, "Look, the President has vetoed all this tax relief. But let us at least at a minimum take this gas tax burden off the backs of the working families." I might point out that it would mean somewhere around $100 to $200 that would be left in the checking account. Several people on the other side have suggested that is too little money to be concerned about. Well, if it is such a small amount, why are we in such an argument about returning it to the families that earned it? Let us go ahead and give it back to them. If it does not matter to them, why does it matter to us?

I remember several years ago in my State when we raised the fee on the license tag $10 to $15, and it almost created a revolution, from my mother to every neighborhood. "Why am I paying this additional $5?" We got rid of that in a hurry, and we ought to get rid of this gas tax. We ought to leave that money in the checking account for those who earned it.

In my State alone, the gas tax removed $238 million annually from the economy. That is an enormous sum of money. Removing that money from the State, taking it out of the families that earned it and the businesses that earned it and shipping it up here to the Treasury so some Washington wonder wonk can decide where to spend it makes no sense under the current conditions that we face.

But even this modest attempt to lower taxes even the slightest amount has found stiff opposition from the other side, and they have consistently refused to allow this measure—which now their own President says he is willing to sign—they will not let it get passed; deadlocked; cannot end the debate; another filibuster, which I might point out is a 60-to-50 effort to stop a filibuster, more than any other session in contemporary history.

Whenever we get into these tax questions, Mr. President, I always get back to this average family. I asked for a snapshot of that family about 3 months ago. It has been absolutely fascinating. I do not think many people in America, even those paying this burden, understand that half of what they earn is being taken right out of their checking account and shipped up here so that another set of priorities can be imposed.

That is an inordinate burden, and there is no institution in America that has had a more profound effect on the American family and its behavior than their own Government—more than Hollywood, more than all these cultural issues that we talk about all the time. There is no institution other than our own Government that has had such a profound effect. I mean, what else can sweep through your home and take half the resources you earn?

When I was a youngster, I was told that the largest single investment that I would ever make was my home. Wrong. The largest single investment I make and all my fellow citizens make is the Government. We have long since surpassed the investment in the home with the Government. The Government now takes more than your mortgage, clothing, and transportation combined—the Government.

Back in 1950 when the quintessential family was Ozzie and Harriet, Ozzie was sending 2 cents to Washington out of his paycheck. If he were here today, he would be sending a quarter; 2 cents to a quarter in 50 years. Do you know that Harriet would not be at home either? She would be in the workplace. She would have to be in the workplace so that they could maintain what they are charged to do for their family and deal with the tax burden.

Several months ago I took a chart from 1950 to 1996 and tracked the tax burden, which has grown and grown from 2 cents to 25 cents federally. I tracked a number of families in which both parents had to be in the workplace, and you will not be surprised, Mr. President, they track each other identically right on the line. As the tax burden went up, another set of families had to have both parents in the workplace.

I know there are many other features of our new world—the desire for professional accomplishment, the lifting of the glass ceiling. There are many factors that are in the workplace. But I argue that the most significant reason is tax pressure. In fact, there was a recent study that asked the other spouse, "Are you pleased to be in the workplace?" You will not be surprised, Mr.

President, a third of them do not want to be there at all, a third of them want to be there as volunteers, and another third of them would work just part time. But the economic pressures that time and this new era have put on those families has literally pressured a total realignment of who is in the workplace.

Families today are in the workplace, husband, wife, and children, just to keep their standard of living in place. The tax burden, Mr. President, has had a more profound effect on the workplace than any other single event in the last 25 years.

Mr. President, I am going to conclude my remarks. But let me just say I am absolutely stunned that even a slight attempt, a modest effort, to go in the correct direction of relieving the tax pressure on the American working family is opposed by the other side of the aisle—attacks in the road, and the barricades across the road to relieving America's families of the enormous tax burden they bear today. They work from January 1 to May 7, and finally on May 8, get to keep 1 day's paycheck. We try to push that clock back just the slightest degree and are railed against by the other side of the aisle. It is perplexing, Mr. President, and I am sure it is to America's families across our land as well.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMPSON). Without objection, it is so ordered.

Mr. THOMAS. Mr. President, I ask unanimous consent to speak as in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE GAS TAX, THE BUDGET, AND OBSTRUCTIONISM

Mr. THOMAS. Mr. President, I want to talk a little bit about several things. I am not the one who is, of course, engaging in the obstruction of the gas tax repeal that we have been going through now for nearly a week. I would like to comment just a bit on the budget. Even though we are not into the budget debate, there are comments that have been made this afternoon that I think require some little comment. Finally, just a little comment on where we have been this year in terms of obstructionism and holding us back.

It is kind of frustrating, maybe more so for those of us who are new here, and I think very frustrating for the people in the country, to see the Senate not able to move forward on issues that certainly cause disagreement. Nevertheless, we do have a system for that, and that is called voting. If the issue gets more votes than it does not get, then it passes. It if does not, it does not. That is the concept of most of us on how to run things. So it is a little frustrating finding yourself in the position of not moving when there are things to be done, when there are things that are important to families in this country.

One of the other things I think is particularly frustrating is we have here, and very proudly so, a government of the people and by the people, where people make the final decisions on how they stand, how they believe on issues. But, to do that, it is necessary to have the facts. Increasingly in our society, I think, and it troubles me a bit—we have more ability now to communicate than we have ever had. We have the opportunity now, regardless of what happens here or what happens around the world, to know about it instantly through this communications system. Yet, at the same time, despite that system, we find ourselves with more noninformation all the time. It is not the province of any one particular party, it is not the province of any one person, but we find ourselves, I think, with more and more information that is spun to make a point and that is not, frankly, accurate. I think that is too bad. It is really difficult to make decisions with respect to policies and issues if the information we have is distorted. I think we see that increasingly happen to us.

Talking about the budget, a little bit ago there was discussion on the floor about the budget that will be brought out and talked about tomorrow. Among other things it was said EPA takes a whopping cut. The fact of the matter is discretionary spending at the EPA would remain at the level provided in the recently signed appropriations bill. It is not a cut. It stays as it is.

The allegation was also made that education would be cut. Education will increase from $47.8 to $52 billion. That is not a cut. Last year we got into this business about Medicare and talking about the cuts. There were no cuts. What it was was reducing the level of growth so we could maintain that program. If you like Medicare, if you like health care for the elderly, then you have to do something. We thought then that you had to do something by about 2005 or whatever. Now it has been refined to where you have to make some changes by 2001 or the system will go broke. That is no one's projection except the trustees, three of whom are appointed by the President.

The resolution, as a matter of fact, would increase the spending for beneficiaries from $4,800 in 1995 to $7,000. That is not a cut. Yet we hear, and the media continues to utilize that word, "cut."

So it is very difficult, it seems to me, to really deal with this. There is a legitimate difference of view. I understand that. Much of the conversation that goes on here, even though we talk about details, is basically a philosophical difference. A little bit ago one of our associates on the other side of the aisle was talking about the benefits of tax increases because they helped reduce the deficit. Of course they do. But the philosophical question is, do you want to reduce the deficit by controlling spending and reducing the level of spending, the rate of spending which would balance the budget, or do you want to continue to spend at the same level and raise taxes to offset it? That is a philosophical difference. That is basically what we talk about here.

It is a defining choice. I suspect everyone, even though it does not happen, says: Yes, let us balance the budget. We have talked about a constitutional amendment here, talked about it this year—everybody, when they initially stood, said, "I am going to balance the budget. We do not need a constitutional amendment. We can do it."

Yes, we can. We have not done it for 25 years, however. So it does seem to me a constitutional amendment is something reasonable. But further than that, and at least as important, is what is the philosophy of doing it? Do you want to continue to grow at the rate we have in the past, which is like 8 percent a year faster than the growth in the economy? Or do we want to reduce that level, that rate of growth, and balance the budget that way? I happen to favor that idea.

I think voters said, in 1994, the Federal Government is too big, it is too costly, we need to do something to contain it. I think we should do that. So that is the great debate. To have that debate, you have to have some facts there. You have to talk about the same numbers. Then we argue about the philosophical difference, because there is one.

The idea, somehow, the statement that "I am not going to vote for any tax cuts" does not seem to me to be the kind of thing that I support. I think we ought to have tax cuts. I think we ought to be able to leave more money in the pockets of American families. About 40 percent, on average, of our income goes to some level of taxation. I do not think anybody ever intended for that to be the case.

Of course, there are functions of Government that we all support. There are functions of Government that we need to fund and finance, but I do not think anyone had the notion that we would be doing it at the level of 40 percent of our income.

So I hope as we go through this budget—and it is more apparent in budgets than anything else—that we can say: Here are the basic sets of facts. We ought to start there. Then if you disagree, fine. Disagreement is what it is all about.

Let me talk a minute about the gas tax filibuster. We have been trying to do that for a while. What are we talking about? First of all, the bill that is on the floor has to do with Travelgate reimbursement, reimbursing those employees who were unjustly taken to court, who had worked at the White House, to pay their legal fees. That is the basic issue.

The amendments to that included a gas tax reduction of 4.3 cents. It has to do with the minimum wage, a controversial issue, but a valid issue, useful. It has to do with the TEAM concept of allowing employers and employees to be able to come together to use some of the new techniques that have been developed in management, to allow employers to call upon employees to find better ways to do things. We have seen this happen around the world. I come from Cody, WY. The guy who started that kind of management in Japan came from Cody, WY, of all places. And it works. But we do not allow that to happen unless there is a change.

The minimum wage is a legitimate issue. Interestingly enough, it came up here in the Senate about a month ago and had not been talked about for 3 years. But when the AFL–CIO was here and promised $35 million for the election, suddenly it became an issue. It is a legitimate issue. We ought to talk about it.

The gas tax, however, the 4.3 cents—the average gas tax paid in this country is about 38 cents. About half is Federal, about half State. I come from Wyoming where people drive a good deal more. Someone mentioned their family, when using their car, would save about $20. Ours is about $70, because we do drive a great deal more. So it is a little unfair regionally. I have a parochial concern about that.

I think one of the interesting things, though, is that this 4.3 cents, out of the 18 cents, is the only portion of the gas tax that does not go to the maintenance and building of highways. It goes into the general fund. I think it would be a mistake to begin to tax this commodity generally for nonhighway uses. That is what we have done. So we have an opportunity now to change that.

One of the reasons it comes up, of course, is because of the extraordinary recent prices in gasoline over the last month or less. Is this the answer to that? No, of course not. But this needs to be repealed under any circumstances. It provides an opportunity to talk about it, some way to say, "Well, the 4.3 cents will never get to the consumer."

I do not believe that. First of all, it has such a high level of visibility that it surely will have to go there. Second, there is great competition, as you know. If I have a gas station on one corner and you have one on the other, and I lower mine, you are going to lower yours, too. That is going to happen. Competition has a great deal to do with that.

We had a hearing this week and took a look at the costs of gasoline, and it is roughly a third—about a third for crude oil, about a third in the refining and marketing, and about a third in taxes. Not many commodities are taxed that high. So we ought to do that.

I am very disappointed that instead of voting on it, instead of following the advice of the President, who over the years has indicated that he was opposed to a gas tax, who indicated during his campaign that that was not a good tax because it taxed the poor at a much higher level of a percentage of their income than the rich—it is true—now supports it, brought it to us. So we need to change that. Why do we not? Because our friends on that side of the aisle will not let it come up.

Filibuster. This is not the classic filibuster where people stand up and talk all night and bring their sleeping bag and cook dinner out in the back. This is the kind where it is simply obstructionism that will not let it come to the floor, and it continues.

So we need to change that, Mr. President. We need to move forward. Let these issues stand for all as they will.

Finally, I think there has been some frustration, at least on my part, this year in that this is not the first time or the only time it has happened. My friend from Georgia just indicated that some 60 times this has happened this year, more than any other time in recent history. We have set about to make some changes this year.

I think those of us who just came last year in the last election are maybe more aware of the need for change, feel more of a mandate to make a change. I think, to a large extent, we have succeeded in causing that change to happen. We have not come to closure on as many things as I wish we would have and could have, but I can tell you that we have changed the debate here.

Now we are talking about how do you balance the budget, arguing about which aspects of the budget we can change to balance it. For 25 years we did not talk about balancing the budget at all. Now we are. Now we are talking about ways to make Government more efficient and more effective and, indeed, to move some of the functions of Government back closer to people, the States and the counties. That is a new idea. Not since the Great Society with Lyndon Johnson have we talked about making it smaller rather than larger. So there have been a lot of things that this same sort of obstructionism has caused not to happen.

Tort reform. A lot of people believe that we ought to do something in our legal system, do something about litigation so that we do not have this constant pressure. We cannot do that because there is obstruction from the White House.

Regulatory reform. Almost everybody understands and recognizes that we are overregulated. Sure, we need regulations, but they need to be the kind that are efficient and effective and not so costly. We did not get regulatory reform because it was obstructed.

The balanced budget amendment to the Constitution failed by one vote in the Senate. As I mentioned, people argue, "Well, we don't need to do that." The evidence is we do. We do it in my State. We do it in most of our States. We do it in about 43 States, I think. There is a constitutional amendment that you cannot spend more than you take in. That makes sense. It is morally and fiscally responsible. We ought to do that.

Welfare reform. Almost everybody believes that we need to help people who need help, but we need to help them back into the work force, and we need to make some changes so that can happen. We need to move that much more to the States. Certainly the delivery system in Wyoming for welfare needs to be different than it is in Pennsylvania. We have 100,000 miles and 475,000 people, half of what is in Fairfax County across the river. Our system has to be different. We need to let the States devise that delivery system.

Health care reform is stalled right now. It is not an extensive health care reform, but it has to do with portability; it has to do with accessibility to insurance. It is hung up now. We cannot move forward.

I have been involved, as have many of us, with Superfund reform. Everybody knows Superfund reform has to come about. One of the main contributors to cleaning up Superfund sites are insurance dollars, and 85 percent of those dollars go to legal fees, not to cleaning up Superfund sites. That needs to be changed. We need to reduce spending. Talk about balancing the budget—spending has continued to grow.

So, Mr. President, those are some of the effects, it seems to me, of sort of obstructing moving forward. This one is more pronounced than most. We cannot move on the gas tax. But it has been going on all year. That apparently is the strategy to move into this election, to make sure we do not do anything. I think that is too bad.

So, Mr. President, I hope that we can do something about it. I hope we can make a move. I think the 4.3-cent gas tax needs to be repealed and needs to be returned. I hope, as we move into the debate on the budget, that we can at least talk about facts, put the numbers out there as they really are, and then argue about whether you like it or not. I hope that we can move forward on a great many of the issues that

I believe people would like to see considered and would like to see passed.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, parliamentary inquiry. Are we in morning business?

The PRESIDING OFFICER. We are in morning business.

CLINTON ADMINISTRATION POLICY ON DRUG SMUGGLERS

Mr. DOLE. Mr. President, after reading a May 13 report in the Los Angeles Times, I wrote to Attorney General Reno expressing my shock at reports that Clinton administration officials are letting drug smugglers go free as a matter of official policy.

Although I have not yet heard back from Attorney General Reno, this is a disturbing matter that requires action now. Drug use among our children is on the rise and is contributing to the rise in juvenile crime.

Therefore, tomorrow I plan to offer a sense-of-the-Senate resolution calling on Attorney General Reno to investigate this matter and report back to Congress in 30 days, and calling on the Attorney General to ensure that any policy that allows drug smugglers to go free is stopped and that all such persons be vigorously prosecuted.

Mr. President, the Clinton administration has been indifferent, at best, to the war on drugs right from the beginning when President Clinton largely dismantled the drug czar's office. I hope my colleagues will join me in sending a strong message that, for the sake of our children today and tomorrow, we believe we must aggressively put these drug smugglers—who are nothing more than merchants of death—where they belong, behind bars.

I will point out a few statistics. These are not Senator DOLE's facts. These are facts given to us by people who are experts in the area. The number of young people between 12 and 17 using marijuana has increased from 1.6 million in 1992 to 2.9 million in 1994. That has probably increased a lot more since the end of 1994. And the category of "recent marijuana use" has increased a staggering 200 percent among 14- to 15-year-olds. About one in three high school students uses marijuana, and 12- to 17-year-olds who use marijuana are 85 percent more likely to graduate to cocaine than those who abstain from marijuana. Juveniles who reach age 21 without ever having used drugs almost never try them later in life. If you make the first 21 years without using drugs, then you are probably not going to be addicted.

The latest results from the Drug Abuse Warning Network shows that marijuana-related episodes jumped 39 percent and are running at 155 percent above the 1990 level. Another frightening figure is that between February 1993 and February 1995, the retail price of a gram of cocaine fell from $172 to $137 and a gram of heroin also fell from $2,032 to $1,278, which means it is going to be more accessible and readily available because it costs less. The number of defendants prosecuted for violations of the Federal drug laws has dropped from 25,033 in 1992 to 22,926 in 1995.

So it seems to me that we have a very serious problem on our hands. It is not a partisan issue. It is not politics at all, as far as I know. So I hope my colleagues will have an opportunity here.

I ask unanimous consent that the resolution and the letter I sent Attorney General Reno be printed in the RECORD, which I send to the desk.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENSE-OF-THE-SENATE RESOLUTION ON THE ADMINISTRATION'S PRACTICE REGARDING THE PROSECUTION OF DRUG SMUGGLERS

Whereas, drugs use is devastating to the nation, particularly among juveniles, and has led juveniles to become involved in interstate gangs and to participate in violent crime;

Whereas, drug use has experienced a dramatic resurgence among our youth;

Whereas, the number of youths aged 12-17 using marijuana has increased from 1.6 million in 1992 to 2.9 million in 1994, and the category of "recent marijuana use" increased a staggering 200% among 14- to 15-year-olds over the same period;

Whereas, since 1992, there has been a 52% jump in the number of high school seniors using drugs on a monthly basis, even as worrisome declines are noted in peer disapproval of drug use;

Whereas, 1 in 3 high school students use marijuana;

Whereas, 12- to 17-year-olds who use marijuana are 85% more likely to graduate to cocaine than those who abstain from marijuana;

Whereas, juveniles who reach 21 without ever having used drugs almost never try them later in life;

Whereas, the latest results from the Drug Abuse Warning Network show that marijuana-related episodes jumped 39% and are running at 155% above the 1990 level, and that methamphetamine cases have risen 256% over the 1991 level;

Whereas, between February 1993 and February 1995 the retail price of a gram of cocaine fell from $172 to $137, and that of a gram of heroin also fell from $2,032 to $1,278;

Whereas, it has been reported that the Department of Justice, through the United States Attorney for the Southern District of California, has adopted a policy of allowing certain foreign drug smugglers to avoid prosecution altogether by being released to Mexico;

Whereas, it has been reported that in the past year approximately 2,300 suspected narcotics traffickers were taken into custody for bringing illegal drugs across the border, but approximately one in four were returned to their country of origin without being prosecuted;

Whereas, it has been reported that the U.S. Customs Service is operating under guidelines limiting any prosecution in marijuana cases to involving 125 pounds of marijuana or more;

Whereas, it has been reported that suspects possessing as much as 32 pounds of methamphetamine and 37,000 Quaalude tablets, were not prosecuted but were, instead, allowed to return to their countries of origin after their drugs and vehicles were confiscated;

Whereas, it has been reported that after a seizure of 158 pounds of cocaine, one defendant was cited and released because there was no room at the federal jail and charges against her were dropped;

Whereas, it has been reported that some smugglers have been caught two or more times—even in the same week—yet still were not prosecuted;

Whereas, the number of defendants prosecuted for violations of the federal drug laws has dropped from 25,033 in 1992 to 22,926 in 1995;

Whereas, the efforts of law enforcement officers deployed against drug smugglers are severely undermined by insufficiently vigorous prosecution policies of federal prosecutors;

Whereas, this Congress has increased the funding of the Federal Bureau of Prisons by 11.7% over the 1995 appropriations level;

Whereas, this Congress has increased the funding of the Immigration and Naturalization Service by 23.5% over the 1995 appropriations level: Therefore be it

Resolved, That it is the Sense of the Senate that the Attorney General promptly should investigate this matter and report, within 30 days, to the Chair of the Senate and House Committees on the Judiciary;

That the Attorney General should change the policy of the United States Attorney for the Southern District of California in order to ensure that cases involving the smuggling of drugs into the United States are vigorously prosecuted; and

That the Attorney General should direct all United States Attorneys vigorously to prosecute persons involved in the importation of illegal drugs into the United States.

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, May 13, 1996.

Hon. JANET RENO,
U.S. Department of Justice, 10th Street and Constitution Ave., NW., Washington, DC.

DEAR ATTORNEY GENERAL RENO: I am writing to request your response to a disturbing Los Angeles Times story ("Drug Runners Arrested at Border Often Go Free," May 13, 1996) that suggests that U.S. Attorney Alan Bersin has adopted an official policy allowing some drug smugglers to return to Mexico without prosecution.

According to the Times article, officials at the U.S. Attorney's office "confirm that under a program quietly adopted two years ago, an increasing number of suspected traffickers have been sent back to Mexico without arrest or prosecution in either federal or state court" and "more than 1,000 smuggling suspects have been processed in this way since 1994." More specifically, the Times article reports that:

Two suspects with 32 pounds of methamphetamine, and another with 37,000 Quaalude tablets, were simply "excluded" from the United States after their drugs and vehicles were confiscated.

After a seizure of 158 pounds of cocaine, one defendant was cited and released because there was no room at the federal jail and the charges against her were dropped.

U.S. Customs Service records show that some drug smugglers have been apprehended two or more times—even in the same week—and have not been jailed or prosecuted.

No prosecutorial action has been taken against a number of drug smugglers captured with more than 125 pounds of marijuana.

According to one Drug Enforcement Administration agent cited in the article, "there is virtually no risk [to smugglers] as long as they keep quantities down. First of all, the chances of getting caught are slim, and the chances of prosecution are almost zero if you get caught with a small quantity and if you're a Mexican national."

Attorney General Reno, my questions to you are simple ones: Is the Los Angeles Times story accurate? And if so, do the policies of the U.S. Attorney's office in Los Angeles represent the policies of the Justice Department and the Clinton Administration?

With teenage drug use on the rise here in the United States and with the ascendancy of Mexico as a major U.S. supplier of cocaine, marijuana, and methamphetamine, the American people would rightfully expect that we would be hard at work strengthening our fight against the Mexican drug trade, not weakening it, as the Los Angeles Times story suggests.

Thank you for your prompt attention to this important matter. I have attached a copy of the full Los Angeles Times article for your review.

Sincerely,

BOB DOLE,
Senate Majority Leader.

Mr. DOLE. Mr. President, I yield the floor.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, I think so often of that November evening long ago, in 1972, when the television networks reported that I had won the Senate race in North Carolina. It was 9:17 in the evening and I recall how stunned I was.

I had never really anticipated that I would be the first Republican in history to be elected to the U.S. Senate by the people of North Carolina. When I got over that, I made a commitment to myself that I would never fail to see a young person, or a group of young people, who wanted to see me.

I have kept that commitment and it has proved enormously meaningful to me because I have been inspired by the estimated 60,000 young people with whom I have visited during the 23 years I have been in the Senate.

A large percentage of them are greatly concerned about the total Federal debt which back in February exceeded $5 trillion for the first time in history. Congress created this monstrous debt which coming generations will have to pay.

Mr. President, the young people who visit with me almost always are inclined to discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 25, 1992. I decided that it was important that a daily record be made of the precise size of the Federal debt which, at the close of business yesterday, Monday, May 13, 1996, stood at $5,094,150,618,714.59. On a per capita basis, the existing Federal debt amounts to $19,234.76 for every man, woman, and child in America on a per capita basis.

The increase in the national debt in the 24 hours since my report yesterday—which identified the total Federal debt as of close of business on Friday, May 10, 1996—shows an increase of more than $1 billion—$1,335,403,008.84, to be exact. That 1-day increase alone is enough to match the total amount needed to pay the college tuition for each of the 198,015 students for 4 years.

TRIBUTE TO CHUCK LOWE

Mr. THURMOND. Mr. President, America is a nation that has a fascination with pop culture, especially the movies and television, and individuals often form their opinions about issues based on what they see on screens in their living room or in a theater. Unfortunately, this practice often leads to misimpressions about the facts of life. Take for example organized crime. So often in movies and television shows, those who are involved in organized crime are depicted as sharp dressed and honorable men who simply choose to make their money and live their lives outside the law. One cannot help but have a romanticized and idealized notion of what it is like to be a wiseguy.

To those of us who understand and study such issues, we know that nothing could be further from the truth. The real faces of organized crime are the heartless killers and goons who put a stranglehold on trucking, rackets, and unions, they are not manicured, honorable men; they are the outlaw bikers who peddle methamphetamines and dabble in white slavery, they are not fun loving rebels who just want to ride motorcycles; they are the gangs from our cities' ghettos who wholesale crack and terrorize neighborhoods with their indiscriminate violence, they are not misunderstood youths; and, they are the "new mafias" from places such as Russia, Mexico, and Vietnam, men and women who prefer intimidation and criminal enterprise to hard work, unlike their honest immigrant peers who are fighting to realize the American dream. Organized crime is about as an ideal lifestyle as having a terminal disease, and it is just as deadly and destructive. Simply put, in a nation of laws, there is no room to tolerate organizations whose sole reason for existence is to commit crime and victimize hard working and honest Americans.

In the last 30 years, the Federal Government has begun to take the fight against organized crime right to the enemy's doorstep. Through statutes such as RICO, the allocation of resources dedicated to combating organized crime, and intensified cooperation between law enforcement agencies, we are making real progress in subduing our Nation's criminal classes. Today, I want to take a moment to salute an individual who has devoted his life to this fight, Mr. Charles D. "Chuck" Lowe, who serves as the Director of the Regional Organized Crime Information Center.

Chuck Lowe began his career in law enforcement back in the late 1950's as a member of the U.S. Coast Guard's New York City Port Security Unit. In that position, he worked closely with the New York Police Department, the Customs Service, and the Immigration and Naturalization Service. Certainly it must have been his time fighting crime in the city that never sleeps where he found the career he loved and he learned the importance and effectiveness of cooperation between enforcement agencies. In the years following Chuck's enlistment in the Coast Guard, he served ably and capably with the Washington, DC, Metropolitan Police Department as a plainclothes detective, and then with the Bureau of Alcohol, Tobacco and Firearms. During his 22-year career with BATF, Chuck was involved in a multitude of interesting and dangerous cases, he helped to protect the President, and he held a number of key leadership positions within that agency. His efforts as a Federal agent earned him numerous citations and recognitions, including awards for superior performance, case preparation, and training.

In 1988, Chuck left the BATF to join the Regional Organized Crime Information Center [ROCIC], an organization committed to collecting, evaluating, analyzing, and disseminating information concerning white-collar career criminals, narcotics violators, gangs, and other violent offenders. As he had done in his previous assignments, Chuck immediately threw himself into his work, and it was a surprise to no one when he became the Director of ROCIC in 1991, only 3 short years after joining the organization.

Under his supervision, ROCIC has grown tremendously, more than tripling the number of agencies it serves, and it has greatly expanded the services it provides to its 1,157 members. His efforts to modernize ROCIC have improved morale at that agency, made it more efficient, and has given law enforcement officers a potent tool with which to coordinate their efforts against organized crime.

Mr. President, it is with regret that I report that Chuck Lowe has decided to hang up his badge and gun and retire from his distinguished career as a law enforcement leader. In his more than 30-year career as a cop, Chuck has contributed much to keeping our streets safe. We are proud of the work he has done and we wish him well in the years to come.

INTELLECTUAL PROPERTY RIGHTS

Mr. THOMAS. Mr. President, I come to the floor this afternoon to very briefly follow up on a rather lengthy statement I made on May 3 regarding the present intellectual property rights dispute with the People's Republic of China. Since then, I have read a number of reports in the Chinese media regarding their view of the present situation which I feel bear examination and call for some response.

First, I am struck by the fact that the Chinese Government's position on its level of compliance with the IPR agreement appears to be somewhat schizophrenic. On the one hand, I have seen statements from both the Foreign Ministry and Ministry of Foreign Trade and Economic Cooperation stating, for example, that "the Chinese side has fully and conscientiously carried out its duties as stipulated in [the] Sino-U.S. IPR Agreement." On the other hand, I have also read statements from the same spokesmen for the same ministries tacitly acknowledging that China has not adhered to the letter of the agreement but falling back on the excuse that "demanding that a developing country such as China do a perfect job [in regards to enforcing the terms of the Agreement] within a short few years is not practical as well as unfair."

Well, Mr. President, which is it? I, and most other observers I believe, would credit the latter as being closer to the truth. Starting from that premise, I would remind the Chinese that we are not asking that they do a perfect job of rooting out IPR piracy. We are simply asking that they adhere to an agreement that they signed; we are simply asking that they live up to their voluntarily assumed responsibilities. If, as the Chinese assert, it is unfair for us to assume that they can try to stem IPR piracy in only a few years, then why on Earth did they sign the agreement to do so in the first place? How can it be unfair to hold the Chinese to their own word?

It is sort of like two ranchers who sign a contract, one agreeing to buy 10 head of cattle from another. The buyer takes the 10 head, but gives the seller only one-third of the agreed-on payment. When the seller complains, the buyer says that it's unfair to blame him for not living up to the agreement in full because he doesn't have enough money to pay for all 10 head. Well, the buyer knew going into the deal that he couldn't live up to his side of the agreement, but went ahead in spite of that and signed it anyway. So who is the guilty party, Mr. President, certainly not the aggrieved seller.

Second, the Chinese have repeatedly stated that they are opposed to our imposition of sanctions because economic and trade disputes "should be settled through consultations in the spirit of mutual respect, equality, and mutual benefit." Well Mr. President, we have tried consultations, only to have the Chinese side continually promise adherence but fail to carry through. As the Chinese are so fond of saying, "deeds speak louder than words"; and their deeds clearly show that they are not living up to the agreement. We have tried mutual respect, but there is no mutual respect when one side systematically fails to live up to an agreement. We have tried mutual benefit, but there is no mutual benefit when IPR piracy in the People's Republic of China costs United States' companies in excess of $2 billion in lost revenue per year.

Third, as I noted in my last statement, I have noticed a tendency on the part of some Chinese officials when faced with statements regarding the lack of Chinese adherence to the agreement to attempt to deflect the criticism by taking the offensive and claiming that the United States has not held up its side of the agreement. Unfortunately, Mr. President, when pressed for specific examples of that alleged noncompliance, my Chinese friends have grown somewhat vague and noncommittal.

Mr. President, as the two sides continue 11-hour talks on this impasse, I hope that the Chinese side will remember that it is the United States, and not them, that is the aggrieved party.

THE 35TH ANNIVERSARY OF DOLLARS FOR SCHOLARS

Mr. KENNEDY. Mr. President, on May 16 in Boston and Fall River in Massachusetts, volunteers and supporters from throughout the Nation will gather to commemorate the 35th anniversary of the Dollars for Scholars program. It is fitting that this celebration take place in Massachusetts. Our State is the home of the Nation's first Dollars for Scholars chapter, which was founded in Fall River by Dr. Irving Fradkin, a local optometrist. Thirty-five years ago this month, the Dollars for Scholars parent organization was formally incorporated in Boston. From its roots in Massachusetts, Dollars for Scholars has grown to 760 chapters in 40 States. Last year, chapters across the country raised a total of $15.8 million and helped over 15,000 students achieve greater educational opportunity.

Massachusetts has some of the most successful Dollars for Scholars chapters in the country. Its 68 chapters last year alone awarded more than $1.5 million in college scholarships to over 2,500 students. In Boston, Holyoke, Worcester, Middleboro, Gloucester, and other communities, local citizens are reaching out to young men and women with a powerful message about the importance of education. Since its founding in Fall River, Dollars for Scholars chapters in Massachusetts have had a significant impact in our State—distributing a total of $17.5 million in scholarships to more than 37,000 students.

The 35th anniversary events being held in Boston and Fall River this week are part of the Year of the Scholar activities across the country. The Year of the Scholar salutes the 30,000 volunteers who have helped colleges and communities across the country work cooperatively to confront the rising costs of higher education. It celebrates the success of student scholars who have been able to go college with the help of the Dollars for Scholars Program. Dollars for Scholars deserves great credit for its extraordinary work in helping students fulfill their dream of a college education.

Education is the key to the work force of the future and the Nation's role in the global economy. Access to quality education for all citizens is a national priority. All children deserve an opportunity to learn and fulfill their potential. We must continue to improve our schools and make college education more accessible and affordable, in order to build a stronger economy and maintain a strong democracy.

I commend the citizens of Massachusetts for their long-standing commitment to education for all, and I am honored to take this opportunity to congratulate the Dollars for Scholars volunteers for their impressive work on this auspicious anniversary.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, what is the state of the business before the Senate?

The PRESIDING OFFICER. The Senate is in morning business.

PREVENTING A VOTE ON REPEAL OF THE GAS TAX

Mr. GORTON. Mr. President, in connection with the debate, which I suspect will soon be superseded by debate on a budget agreement, a few points are still very, very much in order.

No. 1, there is a concerted effort here on the floor of the Senate to prevent a vote on a reduction in the gas tax, a reduction triggered by the rapid runup in the price of a commodity of vital importance to every American. But I think often overlooked in this debate is the fact that this is not just any run-of-the-mill gas or motor vehicle fuel tax.

This tax, imposed about 3 years ago at the time of President Clinton's first budget, represented an unprecedented change in the use of motor vehicle fuel tax. Always previously here in the Congress—and for all practical purposes almost always in our States—motor vehicle fuel taxes were used for transportation purposes, generally for the construction and maintenance of highways, but more frequently in the recent past for mass transit systems, whether bus related or on fixed rails.

As such, motor vehicle fuel taxes were usually less objected to by the vast majority of people than was the case with many others taxes because they could see what they were getting for their money, because one paid in proportion to one's use of those very transportation facilities.

President Clinton, however, flouted that convention in 1993 and determined that this gas tax was to be used for various social purposes. As the junior Senator from Missouri so eloquently put it a couple of days ago, the net result was that people who must use their automobiles to get back and forth to work were paying a tax to pay welfare to people who were not working at all and, in some cases, had no intention of doing so.

So, Mr. President, the concentration on the removal of this tax is not only based on the proposition that the American people are too heavily taxed as it is but on the fact that this one is peculiarly unfair and peculiarly unprecedented. Nevertheless, the vote was taken a couple of hours ago on this floor. Once again there was an eloquent statement on the part of the President's party that they would not allow this repeal to come to a vote.

The second element of that filibuster is directed at the TEAM Act, an act absolutely essential to validate the new sense of cooperation which is gaining wider and wider acceptance in labor-management relations across the United States and, indeed, is necessary if we are to meet the competitive pressures of the present economic world. Close to 90 percent of American workers in the private sector are not unionized and have chosen not to be. Yet, they are prohibited from entering into voluntary relationships with their employers to discuss matters of common interest, of morale, of productivity, of the very future of their jobs by a recent ruling of the Supreme Court enforced by the National Labor Relations Board.

A TEAM Act to encourage that cooperation will be of great importance in enhancing American competitiveness and in making many American workplaces happier and more interesting places for the vast majority of Americans to spend their working hours.

Because of their distaste for each of these proposals, the President's party, ironically enough, they are filibustering an increase in the minimum wage, a proposition made out to be of urgent and vital importance, more important than anything else before this body. Their actions speak louder than their words in this connection. They are not willing to let the majority of this body make a judgment on a gas tax repeal and on the TEAM Act while at the same time increasing the minimum wage if those issues are joined together, though, of course, it was originally their idea to join the minimum wage to an immigration bill to which it had no relationship whatsoever.

Finally, of course, Mr. President, underlying all of this bill is a modest, House-passed piece of legislation to provide overdue and just relief to those wrongfully fired from the White House Travel Office 2 years ago and, in one case, prosecuted for actions determined not to have been remotely criminal by a jury.

So three significant matters are now being filibustered by the President's party in order to protect the President from the embarrassing situation that, in order to get three pieces of legislation which he has said he would sign, he would also have to take one vehemently opposed by the chiefs of organized labor but supported by the overwhelming majority of American men and women who are a part of these labor-management teams at the present time.

Mr. President, my advice to the majority leader is to continue on his course of action, that it is appropriate to say that we should look at a larger world and the relationships on these pieces of legislation, that we should not say to the President we will not ask you to do anything embarrassing, we will simply send legislation to you that you have already fully endorsed both publicly and privately and anything that might be a bit controversial we will allow it to be killed by filibusters in the U.S. Senate. No, Mr. President, their pairing is an appropriate pairing.

I hope we will continue until we and, not at all incidentally, the American people succeed in getting the relief to which they are overwhelmingly entitled.

Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABRAHAM). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATIONAL EMERGENCY RELATIVE TO NUCLEAR, BIOLOGICAL, AND CHEMICAL WEAPONS—MESSAGE FROM THE PRESIDENT—PM 143

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a report on the national emergency declared by Executive Order No. 12938 of November 14, 1994, in response to the threat posed by the proliferation of nuclear, biological, and chemical weapons ("weapons of mass destruction") and of the means of delivering such weapons.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 14, 1996.*

REPORT OF REVISED DEFERRAL OF BUDGETARY RESOURCES—MESSAGE FROM THE PRESIDENT—PM 144

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to the order of January 1, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, and to the Committee on Foreign Relations.

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one revised deferral of budgetary resources, totaling $1.4 billion. The deferral affects the International Security Assistance program.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 14, 1996.*

MEASURES REFERRED

The following bill, previously received from the House of Representatives for the concurrence of the Senate, was read the first and second times by unanimous consent and referred as indicated:

H.R. 2974. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims; to the Committee on the Judiciary.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2588. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a final rule (received on May 6, 1996) relative to Florida Grapefruit, Oranges, Tangelos, and Tangerines; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2589. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a final rule (received on May 9, 1996) relative to marketing orders; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2590. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a final rule (received on May 9, 1996) relative to milk in the New York-New Jersey and Middle Atlantic Marketing Area; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2591. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a final rule (received on May 9, 1996) relative to melons grown in South Texas; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2592. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of two final rules (received on May 9, 1996) relative to the Sheep Promotion, Research, and Information Program; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2593. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a final rule (received on May 6, 1996) relative to sweet onions grown in Walla Walla Valley of Southeast Washington and Northeast Oregon; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2594. A communication from the Administrator of the Foreign Agricultural Service, transmitting, pursuant to law, the report of a final rule (RIN0051–AA24) received on May 9, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2595. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 96–01; to the Committee on Appropriations.

EC–2596. A communication from the Chief of the Office of Legislative Liaison (Programs and Legislative Division), Department of the Air Force, transmitting, pursuant to law, the report of a cost comparison study relative to Military Family Housing Maintenance Andersen Air Force Base (AFB), Guam; to the Committee on Armed Services.

EC–2597. A communication from the Chief of the Office of Legislative Liaison (Programs and Legislative Division), Department of the Air Force, transmitting, pursuant to law, the report of a cost comparison study relative to refuse collection at Andersen Air Force Base (AFB), Guam; to the Committee on Armed Services.

EC–2598. A communication from the Chief of the Office of Legislative Liaison (Programs and Legislative Division), Department of the Air Force, transmitting, pursuant to law, the report of a cost comparison study relative to the transportation function at Kirtland Air Force Base (AFB), New Mexico; to the Committee on Armed Services.

EC–2599. A communication from the Chief of the Office of Legislative Liaison (Programs and Legislative Division), Department of the Air Force, transmitting, pursuant to law, the report of a cost comparison study relative to Logistics function at Wright-Patterson Air Force Base (AFB), Ohio; to the Committee on Armed Services.

EC–2600. A communication from the Chief of the Office of Legislative Liaison (Programs and Legislative Division), Department of the Air Force, transmitting, pursuant to law, the report of a cost comparison study relative to the Base Supply function at Edwards Air Force Base (AFB), California; to the Committee on Armed Services.

EC–2601. A communication from the Chief of the Office of Legislative Liaison (Programs and Legislative Division), Department of the Air Force, transmitting, pursuant to law, the report of a cost comparison study relative to the supply function at Kirtland Air Force Base (AFB), New Mexico; to the Committee on Armed Services.

REPORT OF COMMITTEE SUBMITTED DURING ADJOURNMENT

Pursuant to the order of the Senate of May 13, 1996, the following report was submitted on May 13, 1996, during the adjournment of the Senate:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Con. Res. 57: An original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002 (Rept. No. 104–271).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environmental and Public Works:

*Hubert T. Bell, Jr. of Alabama, to be Inspector General, Nuclear Regulatory Agency.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. THURMOND, from the Committee on Armed Services:

The following-named officer for reappointment to the grade of lieutenant general in the U.S. Army while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Lt. Gen. Daniel W. Christman, [redacted], U.S. Army.

The following-named officers for promotion in the Navy of the United States to the grade indicated under title 10, United States Code, section 624:

UNRESTRICTED LINE

To be rear admiral

Rear Adm. (lh) James F. Amerault, [redacted], U.S. Navy.

Rear Adm. (lh) Lyle G. Bien, [redacted], U.S. Navy.

Rear Adm. (lh) Richard A. Buchanan, [redacted], U.S. Navy.

Rear Adm. (lh) William V. Cross II, [redacted], U.S. Navy.

Rear Adm. (lh) Walter F. Doran, [redacted] U.S. Navy.

Rear Adm. (lh) James O. Ellis, Jr., [redacted], U.S. Navy.

Rear Adm. (lh) William J. Fallon, [redacted], U.S. Navy.

Rear Adm. (lh) Thomas B. Fargo, [redacted], U.S. Navy.

Rear Adm. (lh) Dennis V. McGinn, [redacted] U.S. Navy.

Rear Adm. (lh) Joseph S. Mobley, [redacted], U.S. Navy.

Rear Adm. (lh) Edward Moore, Jr., [redacted], U.S. Navy.

Rear Adm. (lh) Daniel J. Murphy, [redacted], U.S. Navy.

Rear Adm. (lh) Rodney P. Rempt, [redacted], U.S. Navy.

Rear Adm. (lh) Norbert R. Ryan, Jr., [redacted], U.S. Navy.

Rear Adm. (lh) Raymond C. Smith, Jr., [redacted]

RESTRICTED LINE

To be rear admiral

Rear Adm. (lh) George P. Nanos, Jr., [redacted], U.S. Navy.

Rear Adm. (lh) Craig E. Steidle, [redacted], U.S. Navy.

Rear Adm. (lh) James L. Taylor, [redacted], U.S. Navy.

Rear Adm. (lh) Patricia A. Tracey, [redacted], U.S. Navy.

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. THURMOND. Mr. President, for the Committee on Armed Services, I report favorably 3 nomination lists in the Air Force and Marine Corps which were printed in full in the Congressional Records of April 19 and May 9, 1996, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Records of April 19 and May 9, 1996, at the end of the Senate proceedings.)

In the Air Force there are 6 appointments to the grade of second lieutenant (list begins with Ryan C. Berry). (Reference No. 1036.)

In the Marine Corps there are 163 appointments to the grade of second lieutenant (list begins with Craig R. Abele). (Reference No. 1083.)

In the Marine Corps there are 255 appointments to the grade of second lieutenant (list begins with Carlton W. Adams). (Reference No. 1084.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 1754. A bill to designate the United States Courthouse at 235 North Washington Avenue in Scranton, Pennsylvania, as the "William J. Nealon United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 1755. A bill to amend the Federal Agriculture Improvement and Reform Act of 1996 to provide that assistance shall be available under the noninsured crop assistance program for native pasture for livestock, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Ms. MOSELEY-BRAUN (for herself, Ms. SNOWE, Mrs. MURRAY, Mr. KERRY, MR. Wellstone, Mr. DASCHLE, and Ms. MIKULSKI):

S. 1756. A bill to provide additional pension security for spouses and former spouses, and for other purposes; to the Committee on Finance.

By Mr. FRIST (for himself and Mr. HARKIN):

S. 1757. A bill to amend the Developmental Disabilities Assistance and Bill of Rights act to extend the Act, and for other purposes; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolution was read on May 13, 1996:

By Mr. DOMENICI:

S. Con. Res. 57. An original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated on May 14, 1996:

By Mr. GRAMS:

S. Res. 254. A resolution to express the sense of the Senate regarding the reopening of Pennsylvania Avenue; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 1754. A bill to designate the United States Courthouse at 235 North Washington Avenue in Scranton, PA, as the "William J. Nealon United States Courthouse"; to the Committee on Environment and Public Works.

THE WILLIAM J. NEALON U.S. COURTHOUSE DESIGNATION ACT OF 1996

Mr. SPECTER. Mr. President, I am introducing legislation today to name the new U.S. courthouse being constructed in Scranton, PA, for one of Pennsylvania's most distinguished Federal judges, Judge William Nealon.

Judge Nealon was born and raised in Scranton and attended its public schools. After service in the Marine Corps during the Second War, Judge Nealon graduated from Villanova University and then received a law degree from Catholic University here in Washington. Returning to Scranton to practice law, he became a widely respected trial lawyer. When a vacancy opened up on the Lackawanna County Court of Common Pleas, Judge Nealon was appointed by President Kennedy to serve as U.S. district judge for the Middle District of Pennsylvania. At the time of his appointment, Judge Nealon was the youngest Federal judge in the Nation.

Judge Nealon has served the people of the middle district of Pennsylvania for almost 34 years since then, including over 12 years chief judge of the court. He has been widely respected among the bar of the middle district for his intelligence, dedication, and judicial demeanor. Throughout his long career, he has been considered by many to be the model of a trial judge.

Judge Nealon has been active in many efforts to improve the administration of justice across the Nation. He served as the representative of the third circuit to the Committee on the Administration of the Criminal Law of the Judicial Conference of the United States for 6 years. For 4 years he served as a member of the Third Circuit Judicial Council, and for 3 years, from 1987 to 1990, he was elected by the other district judges in the third circuit to serve as a member of the Judicial Conference of the United States, the policymaking body that oversees the Federal courts.

To this record of distinction in his professional career, Judge Nealon can add a record a community involvement matched by few others. It can truly be said that Scranton is a better place because of Judge Nealon. He is a former chairman of the board of Mercy Hospital in Scranton, of the Scranton Catholic Youth Center, and of the University of Scranton. He has also served as a member of the board of Lackawanna Junior College, St. Michael's School for Boys, the Everhart Museum, and the Scranton-Lackawanna Health and Welfare Authority. He has received the Distinguished Service Award from the Boy Scouts of America and was the 1995 recipient of the Champion of Youth Award of the Boys & Girls Clubs of Scranton, in addition to numerous awards from legal and academic institutions.

One would think that this lengthy record of accomplishment would be enough for any one person, but Judge Nealon has also raised an outstanding family. He and his wife Jean have 10 children and 26 grandchildren.

Earlier this year, I sponsored Senate passage of a bill introduced in the House by Representative KANJORSKI to name the U.S. Courthouse in Wilkes-Barre after Judge Max Rosenn of the third circuit, Wilkes-Barre's leading jurist. I can think of no one more deserving than Judge Nealon of the honor of having the new U.S. Courthouse in Scranton named after him.

I am pleased to introduce this legislation. I hope my colleagues will support it and that the Senate will adopt it this year.

I ask unanimous consent that a copy of the bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1754

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The United States Courthouse at 235 North Washington Avenue in Scranton, Pennsylvania, shall be known and designated as the "William J. Nealon United States Courthouse".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the "William J. Nealon United States Courthouse".

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 1755. A bill to amend the Federal Agriculture Improvement and Reform Act providing that insurance shall be available under the Noninsured Crop Assistance Program for native pasture for livestock, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE FEDERAL AGRICULTURE IMPROVEMENT AND REFORM ACT OF 1996 AMENDMENT ACT OF 1996

Mr. DOMENICI. Mr. President, fellow Senators, we are having a drought in the State of New Mexico that is about as serious a situation as we have had. We have read about the forest fires. Obviously, the forest is dry, but, also, the grazing land is dry. The ranchers are unable to graze cattle. That is a very important part of our life in New Mexico.

Today, I am introducing a bill. Yesterday, I introduced one with Senator BINGAMAN. He was the prime sponsor. Today he joins me in this one, which would take some of the assistance that is given for other crops in the event of a disaster and make that apply to the forage that goes for cattle. We think maybe it was intended, but it is not clear.

So this would provide emergency relief to some of the cattle people in our State and in the arid parts of America where we are having a disaster with drought. It makes some of this available to them. Because of the forage they use for the cattle, it would make that subject to the same kind of emergency assistance as other crops when those crops are in a drought situation.

Mr. President, yesterday, Senator BINGAMAN and I introduced a bill that would provide short-term assistance for our cattle producers in New Mexico and across the United States.

Cattle producers are suffering economically due to historically low cattle prices, and high feed costs.

In New Mexico, these conditions are made even worse by extensive drought conditions, which have had an impact on some areas of the State for 3 years.

The Bingaman-Domenici bill would provide $18 million in feed assistance, by extending the authority of the for the Emergency Livestock Feed Program through the end of this calendar year.

This assistance is extremely urgent for livestock producers in drought-affected areas.

In some parts of States like New Mexico, producers typically harvest and store feed reserves for the coming winter during the summer months, while their livestock graze on high country summer pastures.

Many of these summer ranges are located on Federal land, and in order to prevent overuse during the drought, many of these areas will not be available for grazing this year.

In order to maintain enough livestock to remain in business, many producers will be forced to graze areas that would normally be set aside for hay and winter feed production, leaving them little or no forage to get them through the coming winter.

The temporary extension of this program through December will allow the Secretary to provide these individuals with assistance in obtaining these needed feed resources.

Mr. President, today, I am introducing a bill that will provide a more permanent solution.

This bill would clarify in law, as is currently the case in USDA regulations, that native pasture for grazing livestock would qualify under the Noninsured Crop Assistance Program [NAP].

Specifically, the bill would amend the law to read:

> The term "eligible crop" shall include floricultural, ornamental nursery and Christmas tree crops, turfgrass sod, seed crops, aquaculture (including ornamental fish), native pasture for livestock, and industrial crops.

NAP was created under the Federal Crop Insurance Act of 1994 and amended in the Federal Agricultural Improvement and Reform Act of 1966 [FAIR].

The NAP is a disaster program for noninsured crops. Following a major crop loss, it provides benefits similar to those for insurable crops, but only at the catastrophic level.

This is by no means a windfall for livestock producers; on the contrary, catastrophic coverage provides a minimal benefit in a disaster, or emergency cases of the most dire need.

This bill has not been scored by the Congressional Budget Office [CBO], however, if CBO scores a cost with the bill I will provide an offset to ensure that it remains budget neutral.

I understand that the current regulations provide NAP catastrophic coverage for improved and native pasture.

I am concerned, however, that without the clarification provided by this legislation, the inclusion of native pasture may be at risk as the administration promulgates its new regulations under the FAIR Act.

Mr. President, I believe that failing to provide assistance to our ranchers today will cost us tomorrow. Many communities in New Mexico depend on the cattle industry.

In fact, livestock products accounted for $1.1 billion of cash receipts for all agricultural commodities in New Mexico in 1994.

The support we give our livestock industry during this period of drought, low prices, and high feed costs will save numerous small, family-owned business in these devastated areas.

Mr. President, I urge my colleagues to support this clarification to existing law.

By Ms. MOSELEY-BRAUN (for herself, Ms. SNOWE, Mrs. MURRAY, Mr. KERRY, Ms. MIKULSKI, Mr. WELLSTONE, and Mr. DASCHLE):

S. 1756. A bill to provide additional pension security for spouses and former spouses, and for other purposes; to the Committee on Finance.

THE WOMEN'S PENSION EQUITY ACT OF 1996

Ms. MOSELEY-BRAUN. Mr. President, pension policy decisions will determine, in no small part, the kind of life Americans will live in their older years. The amount invested in retirement savings has an important impact on our national savings rate, our economy generally, and the kind of life every American lives today. Now, more than ever, therefore, all Americans need to consider the role that pensions play in determining the quality of life for retirees, and the implications of pension policy decisions for our society as a whole.

Pension issues are convoluted yet critically important. I am reminded of a poem written by the late Karl Llewellyn, a professor at my alma mater, the University of Chicago, in connection with an introduction to the study of the law.

Entitled "The Bramble Bush," the poem said: "I jumped into the bramble bush and scratched my eyes out; I jumped out of the bramble bush and scratched my eyes in again." As a student, I had no idea what he was talking about. Later in life, I understood that he meant the bramble bush as an analogy to the law. One had to master the complexities and details of it—by jumping in—in order to reach understanding of the whole—upon jumping out.

And so it is, I think, with pension reform. The subject has been called esoteric, abstruse, mysterious, even eye glazing, but in the final analysis it is really about whether our society will arrange a system of security for people who have gone past their earning and working years, or whether our society will make retirement a determinant of a widening income gap between the rich and the poor. It is about fairness and gender equity and economic power. It goes to the heart of our challenge to treat the end of life as the golden years rather than the disposable years. It is about the permanence of the American dream.

The importance of retirement savings and investment to our Nation's economy, as well as to individuals, cannot be overstated. We should encourage private saving, and our pension laws should reflect that policy goal. It is equally important that these laws be reality based, and that reform should address the elimination of historical and institutional inequities and unfairness. Fairness is fundamental. Women, however, have traditionally been the overlooked and silent unintended beneficiaries of policy decisions which reinforce institutional sexism.

Our pension system was not designed for working women, either those in the work force or in the home. Countless statistics show that women are far more likely to spend the final years of their lives in poverty. Women make up 60 percent of seniors over 65 years old, but 75 percent of the elderly poor. An elderly woman is twice as likely as a man to live below the poverty line. These women are more likely than not to live alone. The demographics of mortality differences between men and women were never adequately addressed in the development of policy for retirement security. That a woman is more likely to be widowed, or divorced in retirement was similarly not taken into account. Pension policy making has traditionally been predicated on a fictionalized model of women's role in the society and the economy.

Over a lifetime, women earn about two-thirds of a man's income. Since pensions are based on a formula which combine the number of years of work and salary earned, women suffer a gender gap that carries over into retirement. As a result, women are far more likely to receive inadequate pension support. Moreover, because women are more often called upon to interrupt jobs in order to raise children or care for sick relatives, pension security is a more illusive objective for us.

A 25-year-old man—on average—will spend 70 percent of his adult life in the work force, while a woman will spend less than 45 percent of her adult life in the work force. What this can mean is that a woman with a 40-year career who takes 7 years out of the work force may get half of the pension benefits she might have enjoyed with continuous employment. Our real support for the care-giving role of women in our society is more accurately reflected in this fact than in all of the platitudes given "family values."

For women who never enter the work force, the jeopardy of divorce or widowhood can mean the difference between security and penury. It is estimated that nearly 80 percent of women who are poor as widows were not poor before their husbands died.

These are costs not just borne by the individual affected directly, but by our society as a whole, as the widening income gap occasioned and influenced by pension inequities shows up as increased demand for transfer payments and public support.

Retirement security has been likened to a three-legged stool. Social Security, private pensions, and personal savings constitute the basis of an income stream for the later years of life.

Social Security, contrary to popular opinion, is not now nor has it ever been adequate to support a comfortable retirement. The average Social Security benefit earned by a woman who worked outside the home today provides about $538 a month, less than the minimum wage. Social Security provides about 40 percent of a workers' income while working. Our system assumes the other legs of the stool will help make up the difference.

However, only one third of private sector retirees receive a private pension. Of those, there are essentially two variants: the defined benefit plan and the defined contribution plan. The former is structured around the guaranteed payout or benefit upon retirement. The latter is structured around the treatment of payments into the plan during the working years. It is probably a commentary on the change in the climate of policy making that the traditional benefit plan is being overtaken as the approach of choice by the newer products associated with contribution plans.

As to personal savings, we have in this country the lowest private savings rate in the industrialized world, a source of great hand wringing among economists and policy makers. Given that the baby boom is about to become the elder explosion—with a baby boomer turning 50 every 7 seconds this year—efforts to promote personal frugality are among the policy challenges of the pension debate.

And yet, pensions represent a major part of the wealth of our Nation. There are 700,000 private pension plans in this country worth $3.4 trillion dollars (one trillion equals $1 per second for 32,000 years). The Federal Government provides about $75 billion annually in tax incentives to encourage pension savings, a tax expenditure which has never really been coordinated with the direct investment in Social Security. Pension contributions now total roughly $42 billion annually, making them the single largest source of private investment capital.

A playing field this vast has got to be fair to the whole community, and so the need for equity for women has never been greater.

The Congress has taken steps to correct the inequities facing women. In particular, the Retirement Equity Act of 1984 made several important changes, requiring that workers receive the consent of their spouses with regard to retirement benefits after death. It also required that private pension plans honor State court orders to divide pension benefits in divorce proceedings. This legislation made pensions accessible to millions of workers, widows, and divorced homemakers, but only if they understand the law or the legal forms. These, and other reforms, have made a difference. However, the issues continue to confound us, and further change is essential.

Pension maintenance, particularly in the context of divorce and widowhood, remains a challenge. In 10 years the IRS has not come up with clear guidance for the circumstances under which one can sign away pension rights. It is time to provide for informed decisionmaking, and for the equitable division of such rights in case of divorce. Similarly, the rules pertaining to pension distribution among Government employees—both military and civil service—should not penalize the divorced or widowed spouse.

I am here today to introduce legislation which will begin to address the problems women face as they try to hold on to their pension for their retirement. The Women's Pension Equity Act of 1996:

It creates a simple model of the form that a woman must sign in order to waive her benefits if she survives her husband.

And by the way, I point out that the language of the bill is gender neutral, so in that regard it would refer to men as well.

It creates a model of the form that couples must use if they wish to divide a pension upon divorce that includes contingencies for pre- and post-retirement survivors benefits.

It allows a widow or divorced widow to collect their husband's civil service pension if he dies after leaving his civil service job and before collecting his pension benefits.

It allows a court that awards a woman part of her husband's civil service pension upon divorce, to extend that award to any lump sum payment made if the husband dies before collecting benefits.

It extends the military pension benefits awarded to a spouse upon divorce in cases where the husband rolled that pension over into a civil service pension.

It allows a spouse to continue receiving Tier II railroad retirement benefits awarded upon divorce, upon the death of her husband.

I should like to take a moment to further describe what these provisions do and give some examples of the problems this legislation solves.

Sometimes a woman buries her husband only to discover that she has nothing. Her husband did not understand—and neither did she—that if they signed the survivor benefits waiver, she would get nothing if he died.

As one woman wrote:

> My husband . . . died 12/11/91. [He] and I were together for 40 years . . . At . . . retirement he opt[ed] to get the maximum. I know that he didn't realize what he had did because he kept telling everyone that his wife would be independent if he predeceased me. . . .
>
> Till the day before he passed he must have know something was happening to him. He told me "you have nothing to worry about." I was shocked when his job told, "I would get nothing".

That was an actual quote, and you can see that the Syntax and the grammar were a little fractionated in the letter.

This woman is not educated. She and her husband counted on his pension to carry them through retirement. When they signed some pension forms from the company, the forms did not state clearly enough that she would lose her pension if he died.

This happens, unfortunately, all too frequently it is a very sad situation to face.

Women also unknowingly give up their future right to a share of their husbands' pension benefits when they divorce and do not sign a complete Qualified Domestic Relations Order, QDRO. Pensions are often the most valuable asset a couple owns—earned together during their years of marriage.

Judy Horstman of Joliet, IL, was divorced in October 1989, after 23 years of marriage. She was awarded half of her husbands pension from his 18 years of service with General Motors. Her husband continued to work in the plant until he died in November 1990. When he died, she received no pension from General Motors. She was informed that she was no longer entitled to any of his benefits because her divorce decree only referred to joint and survivor's benefits, not pre-retirement benefits in case he died. Because he died before retirement and not after, and because her lawyer forgot to put one line in writing, she lost her rights to a pension.

Judy Horstman lost her right to retain part of her husbands pension because her lawyer did not know the right questions to ask. They missed something when they wrote the Qualified Domestic Relations Order and so now, 7 years later, Judy still has no pension benefits from her 24 years of marriage.

This bill simplifies the spousal consent form so that average women can read and understand it. It also simplifies the QDRO for women, lawyers, and businesses so everyone knows what to consider and include in a divorce decree.

And it also includes provisions to correct some of the most illogical parts of pension laws that are unduly harmful for women. Let me give you four examples of the problems the bill will fix.

First, when a couple is married for 30 years, and the husband is in the military, upon divorce the court can ensure that the wife receives 50 percent of the pension benefits.

If, however, the husband leaves the military after the divorce, enters the civil service, and rolls his military pension over into his Government pension, his wife loses any claim on her spouse's pension. This legislation ensures that this kind of injustice will not occur in the future.

Second, a husband working in the civil service leaves his job to work outside the Government. He does not begin collecting his pension yet, because he has not yet retired.

If he dies after leaving the civil service and before collecting pension benefits, his widow receives nothing. If he died while working in the civil service or after retirement, she would receive a survivor's pension from the Federal Government. This legislation ensures that this kind of injustice will not occur in the future.

Third, a husband dies before retirement and his civil service pension is rolled over into a lump sum payment to whomever he names as his beneficiary.

The courts cannot require that he name his ex-wife as a partial beneficiary even if the court awarded her a portion of his pension. This legislation ensures that this kind of injustice will not occur in the future.

Fourth, an ex-wife has been awarded a portion of her husbands tier II railroad retirement benefits. The tier II benefits are the equivalent of a private pension for the railroad retirees. The ex-husband dies and her Tier II benefits cease immediately.

In other words, at the moment he dies her private pension rights die with him.

This legislation ensures that this kind of injustice will not occur in the future.

These are just some examples of the kinds of unjust, ridiculous, confusing, and harmful pension laws this legislation addresses. These initiatives help bring about equity in the pension system for married women.

I am keenly aware that we must address broader issues as well. And we will address them. We should focus on making participation in private pension plans easier, and not the game of roulette which all too often leaves people surprised at their retirement. Women, particularly, should not be penalized for career interruptions by vesting rules which require long-term employment. Current vesting rules depend on 5 years of continuing employment. The average job tenure for women is around 4 years—again, going in and out of the work force because of family demands very often. Women should not be penalized for taking care of their families.

Portability, an issue which is even now being debated in the Congress in the context of health security, remains a hurdle for retirement security.

The President's recently unveiled Retirement Savings and Security Act addresses portability in regards to the popular 401(k) plans, and is a welcomed advance in this area. We need to continue to address the ability of workers to transfer earned pensions.

Women who have spent many years in the work force should be able to count on their own pension income during retirement. It is important that we both improve the situation for women after a divorce or the death of a spouse, and the situation for women entering the work force. It is important to recognize that these issues of financial security go hand in hand. I will continue to work with my colleagues to bring pension equity to all aspects of the nation's pension laws.

Retirement security is not an expense we cannot afford. It is an investment we cannot avoid. Our economy will benefit. Our society will benefit. Our people will benefit if we undertake the macro and micro challenges of this issue.

The Bramble Bush illustrates that we are all in this together, and, if with Grace, we live long enough to retire it ought not be a punishment of longevity. The haves and have nots share an equal stake in the outcome of pension reform. That advocacy, in my opinion, is patriotism in the most classic sense, seeking to preserve the American dream for future generations.

There is no reason that this legislation cannot be enacted right away. The benefits are obvious and the changes simple.

I urge every one of my colleagues to support the rapid adoption of the Pension Equity Act of 1996. This legislation is being cosponsored by Senator Olympia Snowe, Senator Patty Murray, and Senator John Kerry.

I ask unanimous consent that a copy of the bill and a summary of its provisions be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Women's Pension Equity Act of 1996".

SEC. 2. MODEL SPOUSAL CONSENT FORM AND QUALIFIED DOMESTIC RELATIONS ORDER.

(a) Model Spousal Consent Form.—

(1) Amendment to Internal Revenue Code.—Section 417(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(7) Consent form.—The Secretary shall develop a form not later than January 1, 1997, for the spousal consent required under paragraph (2) which—

"(A) is written in a manner calculated to be understood by the average person, and

"(B) discloses in plain form whether—

"(i) the waiver is irrevocable, and

"(ii) the waiver may be revoked by a qualified domestic relations order.".

(2) Amendment to ERISA.—Section 205(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055(c)) is amended by adding at the end the following new paragraph:

"(8) The Secretary of the Treasury shall develop a form not later than January 1, 1997, for the spousal consent required under paragraph (2) which—

"(A) is written in a manner calculated to be understood by the average person, and

"(B) discloses in plain form whether—

"(i) the waiver is irrevocable, and

"(ii) the waiver may be revoked by a qualified domestic relations order.".

(b) Model Qualified Domestic Relations Order.—

(1) Amendment to ERISA.—Section 206(d)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(d)(3)) is amended by adding at the end the following new subparagraph:

"(O) The Secretary shall develop a form not later than January 1, 1997, for a qualified domestic relations order—

"(i) which meets all the requirements of subparagraph (B)(i), and

"(ii) the provisions of which focus attention on the need to consider the treatment of any lump sum payment, qualified joint and survivor annuity, or qualified preretirement survivor annuity.".

(2) Amendment to Internal Revenue Code.—Section 414(p) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(13) The Secretary of Labor shall develop a form not later than January 1, 1997, for a qualified domestic relations order which—

"(A) which meets all the requirements of paragraph (1)(A), and

"(B) the provisions of which focus attention on the need to consider the treatment of any lump sum payment, qualified joint and survivor annuity, or qualified preretirement survivor annuity.".

(c) Publicity.—The Secretary of the Treasury and the Secretary of Labor shall include publicity for the model forms required by the amendments made by this section in the pension outreach efforts undertaken by each Secretary.

SEC. 3. EXTENSION OF TIER II RAILROAD RETIREMENT BENEFITS TO SURVIVING FORMER SPOUSES PURSUANT TO DIVORCE AGREEMENTS.

(a) In General.—Section 5 of the Railroad Retirement Act of 1974 (45 U.S.C. 231d) is amended by adding at the end the following new subsection:

"(d) Notwithstanding any other provision of law, the payment of any portion of an annuity computed under section 3(b) to a surviving former spouse in accordance with a court decree of divorce, annulment, or legal separation or the terms of any court-approved property settlement incident to any such court decree shall not be terminated upon the death of the individual who performed the service with respect to which such annuity is so computed unless such termination is otherwise required by the terms of such court decree.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 4. SURVIVOR ANNUITIES FOR WIDOWS, WIDOWERS, AND FORMER SPOUSES OF FEDERAL EMPLOYEES WHO DIE BEFORE ATTAINING AGE FOR DEFERRED ANNUITY UNDER CIVIL SERVICE RETIREMENT SYSTEM.

(a) BENEFITS FOR WIDOW OR WIDOWER.—Section 8341(f) of title 5, United States Code, is amended—

(1) in the matter preceding paragraph (1) by—

(A) by inserting "a former employee separated from the service with title to deferred annuity from the Fund dies before having established a valid claim for annuity and is survived by a spouse, or if" before "a Member"; and

(B) by inserting "of such former employee or Member" after "the surviving spouse";

(2) in paragraph (1)—

(A) by inserting "former employee or" before "Member commencing"; and

(B) by inserting "former employee or" before "Member dies"; and

(3) in the undesignated sentence following paragraph (2)—

(A) in the matter preceding subparagraph (A) by inserting "former employee or" before "Member"; and

(B) in subparagraph (B) by inserting "former employee or" before "Member".

(b) BENEFITS FOR FORMER SPOUSE.—Section 8341(h) of title 5, United States Code, is amended—

(1) in paragraph (1) by adding after the first sentence "Subject to paragraphs (2) through (5) of this subsection, a former spouse of a former employee who dies after having separated from the service with title to a deferred annuity under section 8338(a) but before having established a valid claim for annuity is entitled to a survivor annuity under this subsection, if and to the extent expressly provided for in an election under section 8339(j)(3) of this title, or in the terms of any decree of divorce or annulment or any court order or court-approved property settlement agreement incident to such decree."; and

(2) in paragraph (2)—

(A) in subparagraph (A)(ii) by striking "or annuitant," and inserting "annuitant, or former employee"; and

(B) in subparagraph (B)(iii) by inserting "former employee or" before "Member".

(c) PROTECTION OF SURVIVOR BENEFIT RIGHTS.—Section 8339(j)(3) of title 5, United States Code, is amended by inserting at the end the following:

"The Office shall provide by regulation for the application of this subsection to the widow, widower, or surviving former spouse of a former employee who dies after having separated from the service with title to a deferred annuity under section 8338(a) but before having established a valid claim for annuity.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply only in the case of a former employee who dies on or after such date.

SEC. 5. COURT ORDERS RELATING TO FEDERAL RETIREMENT BENEFITS FOR FORMER SPOUSES OF FEDERAL EMPLOYEES.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—

(1) IN GENERAL.—Section 8345(j) of title 5, United States Code, is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following new paragraph:

"(3) Payment to a person under a court decree, court order, property settlement, or similar process referred to under paragraph (1) shall include payment to a former spouse of the employee, Member, or annuitant.".

(2) LUMP-SUM BENEFITS.—Section 8342 of title 5, United States Code, is amended—

(A) in subsection (c) by striking "Lump-sum benefits" and inserting "Subject to subsection (j), lump-sum benefits"; and

(B) in subsection (j)(1) by striking "the lump-sum credit under subsection (a) of this section" and inserting "any lump-sum credit or lump-sum benefit under this section".

(b) FEDERAL EMPLOYEES RETIREMENT SYSTEM.—Section 8467 of title 5, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) Payment to a person under a court decree, court order, property settlement, or similar process referred to under subsection (a) shall include payment to a former spouse of the employee, Member, or annuitant.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 6. PREVENTION OF CIRCUMVENTION OF COURT ORDER BY WAIVER OF RETIRED PAY TO ENHANCE CIVIL SERVICE RETIREMENT ANNUITY.

(a) CIVIL SERVICE RETIREMENT AND DISABILITY SYSTEM.—(1) Subsection (c) of section 8332 of title 5, United States Code, is amended by adding at the end the following:

"(4) If an employee or Member waives retired pay that is subject to a court order for which there has been effective service on the Secretary concerned for purposes of section 1408 of title 10, the military service on which the retired pay is based may be credited as service for purposes of this subchapter only if, in accordance with regulations prescribed by the Director of the Office of Personnel Management, the employee or Member authorizes the Director to deduct and withhold from the annuity payable to the employee or Member under this subchapter, and to pay to the former spouse covered by the court order, the same amount that would have been deducted and withheld from the employee's or Member's retired pay and paid to that former spouse under such section 1408.".

(2) Paragraph (1) of such subsection is amended by striking out "Except as provided in paragraph (2)" and inserting "Except as provided in paragraphs (2) and (4)".

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—(1) Subsection (c) of section 8411 of title 5, United States Code, is amended by adding at the end the following:

"(5) If an employee or Member waives retired pay that is subject to a court order for which there has been effective service on the Secretary concerned for purposes of section 1408 of title 10, the military service on which the retired pay is based may be credited as service for purposes of this chapter only if, in accordance with regulations prescribed by the Director of the Office of Personnel Management, the employee or Member authorizes the Director to deduct and withhold from the annuity payable to the employee or Member under this subchapter, and to pay to the former spouse covered by the court order, the same amount that would have been deducted and withheld from the employee's or Member's retired pay and paid to that former spouse under such section 1408.".

(2) Paragraph (1) of such subsection is amended by striking out "Except as provided in paragraph (2) or (3)" and inserting "Except as provided in paragraphs (2), (3), and (5)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1997.

WOMEN'S PENSION EQUITY ACT OF 1996

PRIVATE PENSIONS

Require the IRS to create a model form for spousal consent with respect to survivor annuities.

Background—In 1984, Congress passed the Retirement Equity Act (REA) which provided, among other things, that survivor annuities were to apply automatically and any opt-out could be obtained only with spousal consent.

Problem—The consent forms are not in plain language and do not contain sufficient explanation, i.e. that the decision is irrevocable even in the event of divorce. For the past 10 years, the IRS, at the urging of the GAO, has been preparing a model consent form for couples that choose to take a larger annuity during the husband's life and give up the survivor annuity—but that form has never been completed.

Require the Department of Labor to create a model QDRO form.

Background—The 1984 REA required pension plans to honor court orders dividing pensions upon divorce. But the law does not protect spouses automatically. The divorced woman, or her lawyer, must ask for a court order specifically including the pensions in the divorce settlement. Without a qualified domestic relations order (QDRO) spelling out how, to whom, and when the pension should be paid, plans don't have to pay the divorced spouse a dime.

Problem—(1) Many lawyers do not know to ask for a QDRO. (2) There are no model QDRO's for lawyers, or couples who divorce without a lawyer, and pension plans will not honor the orders unless they are complete. (3) Pre- and post-retirement survivor benefits are often forgotten.

CIVIL SERVICE RETIREMENT SYSTEM

Make widow or divorced widow benefits payable no matter when the ex-husband dies or starts collecting his benefits.

Background—If the husband dies after leaving the government (either before or after retirement age) and before starting to collect retirement benefits, no retirement or survivor benefits are payable to the spouse or former spouse.

Problem—The widow or divorced wife loses everything: the ex-wife's benefits never start because he didn't choose to or didn't live to start collecting his benefits, and the widow's benefits are canceled because he wasn't working in the federal government at the time of his death.

Authorize courts to order the ex-husband to name his former wife as the beneficiary of all or a portion of any refunded contributions.

Background—In the case of a husband dying before collecting benefits, his contributions to the CSRS are paid to the person named as the "beneficiary." The employee may name anyone as the beneficiary.

Problem—A divorce court cannot order him to name his former spouse as the beneficiary to receive a refund of contributions upon his death, even if she was to receive a portion of his pension.

MILITARY RETIREMENT SYSTEM

Transfer the pension benefits awarded during divorce from a military to a civil service pension, if the spouse rolls the military pension into a civil service pension.

Background—The Uniformed Services Former Spouses' Protection Act of 1982 (USFSPA) provides that a court may treat only the member's "disposable" retired pay as marital property. The definition of disposable now includes, among other deductions, government salary or pension.

Problem—The allowed deductions can leave former wives with little if any pension. For example, if an ex-husband leaves the military and enters the civil service, he can roll over his military pension into his civil service pension and the ex-wife loses the military pension awarded to her during the divorce settlement.

RAILROAD RETIREMENT BOARD

Allow payment of a Tier 2 survivor annuity after divorce.

Background—The Tier 1 benefits under the Railroad Retirement Board take the place of social security. The Tier 2 benefits take the place of a private pension.

Problem—Unlike the nondivorced widow, the divorced widow loses any Tier 2 benefits she may have been receiving while her ex-husband was alive, leaving her with only a Tier 1 annuity.

Mrs. MURRAY. Mr. President, I am pleased to join Senator MOSELEY-BRAUN today in cosponsoring the Women's Pension Equity Act of 1996. This legislation addresses one of the most important issues facing women today—retirement security. Of course, both men and women share many of the same concerns about growing old and planning for the future. But, the fact is that women face a unique set of circumstances that put us at a disadvantage for living comfortably in our retirement.

We are all very aware of the anxiety being felt by our friends and neighbors as they see and hear about the wave of corporate downsizing taking place in many of America's largest industries. American workers no longer expect to hold down one or two jobs throughout their working careers. Rather, most Americans expect to hold five or six different jobs throughout their careers.

This job insecurity ripples through every aspect of our lives and impacts the way one determines how to afford a home, pay for a child's education, and set aside savings for retirement.

This anxiety is real and it is justified. Working families throughout Washington State are telling me they are worried about their futures and that of their children. My constituents recognize the skyrocketing costs of long-term health care, doubt whether they can ensure a successful and prosperous life for their children, and are losing faith in the Social Security system.

We all know that women often play the role of caregiver for sick parents or children. In this role, they are forced to leave their jobs and, in turn, jeopardize their own future security. As the daughter of two aging parents, I understand this anxiety and want to do all I can to ensure women are not penalized for doing the right thing—for taking care of their families.

In today's world, it takes two incomes to raise a family. This is not solely an issue of improving the security of retired women. This is about providing stability and peace of mind for working families and their children. It is about opportunities for the future and strengthening the resources that families can depend on tomorrow. This is about ensuring that both parents' hard work is rewarded.

The Women's Pension Equity Act corrects current pension laws, which often fail to account for the special pattern in a women's working life. Our employment patterns differ from our male counterparts in the work force. Women's tenures tend to be shorter—4.8 years compared with 6.6 years for men. Many women leave their jobs before they reach the required years of service to qualify for employer retirement plans; usually 5 to 7 years.

Also, under current law, if a woman's husband dies after leaving Government service but before starting to collect retirement benefits, no retirement or survivor benefits are payable to the spouse. This bill, among other things, will amend the Civil Service retirement system to make sure the spouse doesn't lose the benefits to which her family is entitled.

We can alleviate some of the anxiety Americans are experiencing. For instance, we can help Americans save for their future by expanding pension opportunities for the employees of small businesses. Only 24 percent of all employees in small businesses have pension plans, while 76 percent of employees in large businesses have pension plans. Or we could widen the scope of Individual Retirement Accounts. For instance, I am a cosponsor of S. 287, a bill that allows spouses who work at home to get a full IRA deduction.

Congress has the ability to improve the savings opportunities for millions of Americans, and Senator MOSELEY-BRAUN's bill will do so for millions of working and retired women. This legislation makes sense and successfully highlights the discrepancy that exists between male and female retirees and it lays out several ways to narrow the income divide that exists between them.

The facts are clear. Older women are twice as likely as older men to be poor. According to the Older Women's League, more than 70 percent of nearly 4 million persons over 65 living in poverty are women. Fewer than 25 percent of older women receive any pension income. And in 1993, the median pension benefit received by new female retirees was half that of men. Given all this, we must keep in mind that once they reach 65 women live on average 4 years longer than men.

This bill helps Americans save for the future, and it will make retirement life more secure for millions of women. It is an important first step to addressing the many obstacles which women face as they try to plan for their futures and those of their children. I commend Senator MOSELEY-BRAUN for her leadership on this issue, and I look forward to working with her on behalf of working families across our Nation.

Mr. KERRY. Mr. President, I rise today to express my support for the Women's Pension Equity Act of 1996, and to thank Senator MOSELEY-BRAUN and Senators MIKULSKI, MURRAY, BOXER, and FEINSTEIN for their leadership on this important issue.

Mr. President, women are five times as likely to live out their final years below the poverty line. Research also indicates that almost 80 percent of widows living in poverty were not poor because their husbands died—while the same is not generally true of men, according to the General Accounting Office.

I am proud to say that my wife, Teresa Heinz, contributed important work toward this bill. In April, she sponsored a conference in Boston entitled "Women, Widows, and Pensions—The Unfinished Agenda." Senator MOSELEY-BRAUN was the keynote speaker and I believe many of the insights from the conference contributed to this bill.

But I also want to highlight a letter from a woman named Marian from Attleboro, MA. She wrote me recently that she just turned 81 years old and worked from 1934 to 1994. Because of family responsibilities, she had to take a total of 7 years off from work to raise her children. She said that since her various jobs paid less than what a man would make, she now receives a worker's benefit that is less than one-half the benefit that was earned by her husband when he was alive.

Mr. President, current pension laws do not take into account the circumstances of women in the work force. This bill takes an important step toward correcting pension inequities and helps to redress the overwhelming poverty suffered by older women.

The bill would require the IRS to create a model form for spousal consent for survivor annuities so that couples understand the consequences of taking a larger annuity during the husband's life and giving up the survivor annuity. The bill would also require the Department of Labor to create a model order so divorced spouses get the pensions they deserve.

Ultimately, we need fundamental reforms to address these pressing issues. Fewer women than men receive pensions and they receive less because they have fewer years in the work force: the average woman spends 11.5 years out of the work force largely due to greater time spent in nonpaying caregiving roles. Additionally, women earn less than men and are more likely to change jobs frequently and be affected by lack of pension portability and high vesting hurdles.

But, Mr. President, along with the President's recent pension initiative the Retirement Savings and Security Act, this bill will move toward a day when the laws governing our Nation's pension system are truly gender neutral and older women are not faced with living their final years in poverty.

By Mr. FRIST (for himself and Mr. HARKIN):

S. 1757. A bill to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the act, and for other purposes; to the Committee on Labor and Human Resources.

EXTENSION OF THE DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT

• Mr. FRIST. Mr. President, today I am introducing a simple extension of the Developmental Disabilities Assistance and Bill of Rights Act. This act is the result of more than 25 years of national bipartisan collaboration to secure basic rights for our Nation's most vulnerable citizens.

Before the Developmental Disabilities Act was signed in 1970, Americans who happened to be born with developmental disabilities such as mental retardation and severe physical disabilities often lived and died in institutions where many were subjected to unspeakable conditions far worse than conditions found in any American prison.

As a nation, we had a lot to learn about how we could help people with developmental disabilities live more independent and more productive lives. We had a lot to learn about: How to help families find the strength to bring up their children with developmental disabilities in their family home; how to teach children with developmental disabilities in our schools; how to make room for these citizens to live and work in the heart of our communities; and how to ensure safe and humane living environments for those citizens with developmental disabilities who remain in residential facilities.

It has taken courage to face the fact that we had so much to learn. Because of the Developmental Disabilities Act, we have made tremendous progress across the Nation in all of these areas—education, living arrangements, and meaningful participation in community activities for many individuals with developmental disabilities. We are still learning.

When we reauthorize the Developmental Disabilities Act, we show that we support programs that help people with developmental disabilities continue to live independent and productive lives—and with as little bureaucracy and government intrusion as possible.

This goal was almost unthinkable two decades ago. New technology, new services, new professional practices, and new ways of thinking about Americans who have the most severe and lifelong disabilities have created opportunities beyond what we thought possible. Research has shown that the DD Act programs make significant contributions to this progress, and they do it with minimal Federal control.

The DD Act programs are flexible and responsive to the needs of consumers—people with developmental disabilities and their families—in each State. Federal funding is limited, so successful programs must leverage Federal funds by seeking State grants and training contracts, and grants from other sources. The programs have demonstrated that they can be cost-effective while attaining good results for the people who use them.

Since the DD Act was originally authorized, it has created a lean infrastructure of programs including, in each state, a university affiliated program to educate university students in developmental disabilities-related fields and to conduct research and training to meet the needs of State agencies; a Developmental Disabilities Council appointed by the Governor of each State to define and carry out State initiatives; and a protection and advocacy organization to provide legal assistance to persons with developmental disabilities, especially those who are living in institutions.

DD Act networks have been successful at creating new service models for people with developmental disabilities without creating new bureaucracies. With the 1994 amendments, made only 2 years ago, we can reauthorize it as it stands today and know that the continuous improvements we expect will be sought. As a nation, we are now able to create opportunities for many Americans with developmental disabilities to live and work in our communities, where services are decentralized and cost-effective. From this success, we have identified new challenges, and we still need to work to improve these community-based programs so they can meet any client's needs.

Clearly, our work is not finished. The simple and fundamental rights shared by every American citizen—to life, liberty and the pursuit of happiness—are not yet secure for those of us who have developmental disabilities. For this reason, it is essential that we extend the Developmental Disabilities Assistance and Bill of Rights Act this year. We must not forget the rights of Americans with developmental disabilities this year, or ever again.•

ADDITIONAL COSPONSORS

S. 615

At the request of Mr. AKAKA, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 615, a bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war.

S. 953

At the request of Mr. DOLE, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 953, a bill to require the Secretary of the Treasury to mint coins in commemoration of black revolutionary war patriots.

S. 984

At the request of Mr. GRASSLEY, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 984, a bill to protect the fundamental right of a parent to direct the upbringing of a child, and for other purposes.

S. 1150

At the request of Mr. SANTORUM, the names of the Senator from Kansas (Mrs. KASSEBAUM) and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of S. 1150, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the Marshall Plan and George Catlett Marshall.

S. 1563

At the request of Mr. SIMPSON, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1563, a bill to amend title 38, United States Code, to revise and improve eligibility for medical care and services under that title, and for other purposes.

S. 1669

At the request of Mr. LOTT, the names of the Senator from Alabama (Mr. SHELBY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. FORD), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 1669, a bill to name the Department of Veterans Affairs medical center in Jackson, Mississippi, as the "G.V. (Sonny) Montgomery Department of Veterans Affairs Medical Center."

S. 1689

At the request of Mr. GRAMM, the name of the Senator from Wyoming (Mr. SIMPSON) was added as a cosponsor of S. 1689, a bill to provide regulatory fairness for crude oil producers, and to prohibit fee increases under the Hazardous Materials Transportation Act without the approval of Congress.

SENATE RESOLUTION 254—RELATIVE TO PENNSYLVANIA AVENUE

Mr. GRAMS submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. RES. 254

Resolved,

SECTION 1. FINDINGS.

The Senate makes the following findings:

(1) In 1791, President George Washington commissioned Pierre Charles L'Enfant to draft a blueprint for America's capital city; they envisioned Pennsylvania Avenue as a bold, ceremonial boulevard physically linking the U.S. Capitol building and the White House, and symbolically the Legislative and Executive branches of government.

(2) An integral element of the District of Columbia, Pennsylvania Avenue stood for 195 years as a vital, working, unbroken roadway, elevating it into a place of national importance as "America's Main Street".

(3) 1600 Pennsylvania, the White House, has become America's most recognized address and a primary destination of visitors to the Nation's Capital; "the People's House" is host to 5,000 tourist daily, and 15,000,000 annually.

(4) As home to the President, and given its prominent location on Pennsylvania Avenue and its proximity to the People, the White House has become a powerful symbol of freedom, openness, and an individual's access to their government.

(5) On May 20, 1995, citing possible security risks from vehicles transporting terrorist bombs, President Clinton ordered the Treasury Department and the Secret Service to close Pennsylvania Avenue to vehicular traffic for two blocks in front of the White House.

(6) By impeding access and imposing undue hardships upon tourists, residents of the District, commuters, and local business owners and their customers, the closure of Pennsylvania Avenue, undertaken without the counsel of the government of the District of Columbia, has replaced the former openness of the area surrounding the White House with barricades, additional security checkpoints, and an atmosphere of fear and distrust.

(7) In the year following the closure of Pennsylvania Avenue, the taxpayers have borne a tremendous burden for additional security measures along the Avenue near the White House.

(8) While the security of the President is of grave concern and is not to be taken lightly, the need to assure the President's safety must be balanced with the expectation of freedom inherent in a democracy; the present situation is tilted far too heavily toward security at freedom's expense.

SEC. 2 SENSE OF THE SENATE.

It is the sense of the Senate that the President should order the immediate, permanent reopening to vehicular traffic of Pennsylvania in front of the White House, restoring the Avenue to its original state and returning it to the People.

Mr. GRAMS. Mr. President, in just 6 days, the closing of Pennsylvania Avenue in front of the White House will mark its 1-year anniversary.

I rise today to speak for the 15 million tourists who visit the Nation's Capital each year, the local businessmen and women whose livelihoods depend upon open access, the government of the District of Columbia, the commuters who rely on our roads, and the people who call Washington, DC, home. On their behalf, I am submitting a resolution expressing the sense of the Senate that Pennsylvania Avenue be reopened to traffic and returned to its historic use. The May 20th closing is one anniversary we should not have to commemorate.

This resolution has the support of many with strong ties to the Washington community. I am grateful to have the endorsement of District of Columbia Mayor Marion Barry, and I am also proud that D.C. Council Chairman David Clarke and Councilmember Frank Smith support this effort. I ask unanimous consent that statements from Mayor Barry and Chairman Clarke and Councilmember Smith be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRAMS. In addition, my resolution has the strong support of more than a dozen of the area's residential, business, and historical organizations representing thousands of job providers and the District's half million residents. I ask unanimous consent to submit this list and supporting letters for printing in the RECORD.

Mr. President, I have come to the floor several times over the past year to voice my concerns about the closure of Pennsylvania Avenue.

I have talked about the damage it has done to Washington's business community, and the fear that it is scaring off new jobs and prompting potential retail and commercial tenants to stay away from the downtown area. I have talked about the damage it has done to Washington's business community, and the fear that it's scaring off new jobs and prompting potential retail and commercial tenants to stay away from the downtown area. I have discussed the hardships caused by the closing for anyone whose paycheck depends on access to the avenue, people like cab drivers and tour bus operators. I have outlined problem after problem the closing has created for the District itself, which had one of its major arteries unilaterally severed by the Federal Government without any consultation. I have discussed the inconvenience of our tourists, especially the elderly and disabled, many of whom are now being deprived of a close look at the White House. And I have talked about the tremendous cost for the taxpayers, a cost which has already reached into the millions of dollars.

I have raised each of those aspects of the closing because they are all relevant and pressing concerns. But that is not what I want to discuss today. There is another side to this issue that is easy to overlook amid all the other more obvious problems: the question of what the closing of Pennsylvania Avenue has done to the psyche of this city, and what we give up when we give in to fear.

The air was thick with fear in the weeks following April 19, 1995, when terrorists attacked the Federal building in Oklahoma City. How could something like this happen within our own borders, people wondered. And fear took hold. That was certainly the atmosphere in Washington—an atmosphere of suspicion and distrust that prompted the Treasury Department to close down two blocks of Pennsylvania Avenue a month after the tragic Oklahoma City bombing.

Now, obviously, protecting the President and those who work and visit the White House must be a primary concern, a matter never to be taken lightly. The occupant of the Oval Office deserves every reasonable measure of security we can provide. So if the Secret Service had information that the White House was a terrorist target and the President was in danger, then it was absolutely prudent at the time to close Pennsylvania Avenue.

But that was an entire year ago, and a decision that may have appeared prudent then strikes many as regrettable and short-sighted today. Rather than helping the Nation face down our fear, the Government's decision to close Pennsylvania Avenue—and keep it closed—has only perpetuated it.

This is the White House today. Not a pretty sight, is it? The stretch of Pennsylvania Avenue that stood for 195 years as "America's Main Street" is empty of any traffic—more a vacant lot than a working street.

Gone is the thrill for visitors of driving by the White House for the first time—the concrete barricades, traffic sawhorses, and ever-present patrol vehicles and armed officers have put an end to that.

Gone, too, is the sense of openness that inspired generations of visitors to feel close to the Presidency and their Government when they visited the Executive Mansion.

Today, there is an ominous atmosphere at the White House that you feel nowhere else in Washington. Visitors seem more to be tolerated than welcomed, and the fortress-like effect they discover there is unnerving.

I have no doubt that the place is secure—as secure as a bunker. But the price we have paid for all this security is immense because it has come at the expense of freedom.

Was it not Benjamin Franklin who warned against "giving up essential liberty to obtain a little temporary safety"? And liberty is precisely what we have given up by closing off Pennsylvania Avenue.

While we may have obtained some temporary safety, we have surrendered to fear in order to get it, even though one of the first lessons we teach our young people in their American history classes is that freedom cannot coexist with fear.

Mr. President, a visit to the Nation's capital can have a profound impact on the schoolchildren who visit here every year. It is a place where history comes alive, and every monument, museum, and historic site they visit is a page right out of the textbooks.

The feeling they get by being immersed in history can not be duplicated in a classroom, and I know that a trip to Washington, DC has inspired many, many young people to seek careers in public service.

But how confused they must be when they visit the White House. Before travelling here, they have studied the Revolutionary War.

They have read the Declaration of Independence and the U.S. Constitution. They have been taught that the foundation upon which this Nation was built was our absolute right to be free from oppression. It is that freedom, we tell them—a freedom we hold sacred, and treasure above all else—that makes this Nation so different from any other.

So what do you suppose goes through their minds when they at last visit the home of their President and find it barricaded behind all that concrete?

The preamble to the Constitution, with its talk of securing the blessings of liberty, must ring awfully hollow if this is what liberty really looks like.

What lesson are we teaching them about the freedom we claim to value so highly? What kind of message are we sending our children when they discover that the very center of the free world is not so very free after all?

I can tell you what they are thinking. I visit the White House two or three times a month, and I have heard their comments and seen the disappointment in their faces. They tell me it is shameful, it is disappointing, and it is wrong.

If there is a compelling reason to keep Pennsylvania Avenue permanently closed, I hope someone will step forward and make their case. I have been asking the question for nearly a year now, and have not yet heard a reasonable answer.

The monetary cost of shutting Pennsylvania Avenue down has been enormous Mr. President, but the emotional cost of keeping it closed forever would be devasting.

We may only be talking about two, short blocks, but those two blocks have represented freedom and access since nearly the birth of this Nation.

While we must never allow ourselves to become reckless about our security, it is equally true that we must never allow ourselves to become reckless about our freedom, either, especially when freedom is represented by such a visible symbol as the White House.

The way Pennsylvania Avenue looks today, well, that is just not the America, envisioned by our Founding Fathers. It is certainly not the America John Kennedy spoke of in his 1961 inaugural address:

> Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, in order to assure the survival and success of liberty.

That resolve may have softened on Pennsylvania Avenue, but it is not too late to rekindle that spirit.

I believe that good sense will prevail and the avenue will reopen. And someday, Mr. President, when they are old enough to appreciate what it all means, I will take my grandchildren to the White House.

I will show them the home of the Presidents—great leaders like Thomas Jefferson and Abraham Lincoln, who defined liberty for a young Nation and ensured that this would forever be a place where freedom could flourish.

And when they realized that the President lives in a house just like they do, along a street a lot like theirs, my grandchildren will smile.

Castles and kings require moats and crocodiles, but Presidents, well, they make their homes in houses, set on busy streets, in the hearts of busy cities. Open and accessible. And that is just the way Presidents ought to live.

My grandchildren may not understand just what liberty and freedom really mean, but they will feel its powerful presence and I hope they will be inspired.

There are a thousand good reasons to reopen Pennsylvania Avenue, Mr. President, but only one reason I can see for keeping it closed, and that is fear. We cannot allow fear to claim this victory.

We cannot allow the 1-year anniversary of the closing of Pennsylvania Avenue to pass without this Senate taking a stand on the side of freedom.

I urge my colleagues to support this resolution.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WE SUPPORT THE SENATE RESOLUTION CALLING FOR THE REOPENING OF PENNSYLVANIA AVENUE IN FRONT OF THE WHITE HOUSE

District of Columbia Mayor Marion Barry.
D.C. Council Chairman David A. Clarke.
D.C. Councilmember Frank Smith.
AAA Potomac.
American Bus Association.
Apartment and Office Building Association of Metropolitan Washington, Inc.
Association of Oldest Inhabitants of D.C.
District of Columbia Building Industry Association.
District of Columbia Preservation League.
DuPont Circle Advisory Neighborhood Commission 2B.
Federation of Citizens Association.
Frontiers of Freedom.
Greater Washington Board of Trade.
International Downtown Association.
Arthur Cotton Moore Associates.
Washington Cab Association.
Washington D.C. Historical Society.
Washington D.C. Restaurant and Beverage Association.

THE DISTRICT OF COLUMBIA,
Washington, DC, May 13, 1996.

Hon. ROD GRAMS,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR GRAMS: I want to thank you for your continued interest in the closing of Pennsylvania Avenue and the impact it has had on the District of Columbia. The effects on traffic patterns and drivers' convenience, business income, parking revenue, and most important, public access to the White House, have all been significant.

I hope that your legislation expressing the sense of the Senate that Pennsylvania Avenue be reopened in front of the White House can be approved. I would appreciate your conveying my support for such legislation to your colleagues.

Please contact me or my staff if you have any questions or requests that I can help with. Again, thank you for your understanding and appreciation of the consequences of the blockades.

Sincerely,

MARION BARRY, JR.,
Mayor.

STATEMENT OF D.C. COUNCIL CHAIRMAN DAVID A. CLARKE AND D.C. COUNCILMEMBER FRANK SMITH

We wholeheartedly support and applaud the effort by Senator ROD GRAMS and others to reopen Pennsylvania Avenue in front of the White House to vehicular traffic—and thereby restore this most public of public streets to its historic use.

District of Columbia residents, businesses and visitors have suffered for one year with the constant traffic gridlock, uncompensated economic costs, and loss of freedom from this vehicular barricade between the east and west ends of America's historic main street and our downtown. We call upon the federal government to pay for the entire cost of identifying and mitigating every adverse impact which has resulted from the federal government's vehicular restrictions in the economic and historic heart of the nation's capital.

In July 1995 the Council of the District of Columbia unanimously adopted a resolution expressing concerns about the restriction of vehicular access to streets around the White House, which now also applies to restrictions placed upon other streets around certain Congressional and other federal buildings in Washington. Appended to this statement is the full text of the resolution which we co-authored.

THE GREATER WASHINGTON
BOARD OF TRADE,
Washington, DC, May 13, 1996.

Hon. ROD GRAMS,
U.S. Senate, Senate Dirksen Office Building,
Washington, DC.

DEAR SENATOR GRAMS: On behalf of the Greater Washington Board of Trade's membership, I applaud your efforts to reopen the 1600 block of Pennsylvania Avenue and offer whatever assistance this organization might provide. As a representative of over 1,000 businesses located in the greater Washington region, we have heard from many of our members about the impact that the street closing has had on their businesses. In short, the closing of Pennsylvania Avenue, paired with the closing of the parallel section of E Street between 15th and 17th Streets, has resonated throughout the District of Columbia's road system. The resulting gridlock is, at best, impeding the mobility of business people, residents and tourists.

Of even greater concern is the likelihood that this is just the beginning of an imposing security trend; already we have heard rumors that additional street closings will occur Street closings cannot be an appropriate solution to security concerns; rather, they are nothing more than a "cure by amputation." Already, the Pennsylvania Avenue experiment has demonstrated the crippling effect such a policy has on traffic flow, and additional street closings would further exacerbate the difficulty of doing business in the District of Columbia.

In your April 29th letter to President Clinton, you cite the rich history of Pennsylvania Avenue as "America's Main Street" and its symbolism of freedom, openness and access to government. But equally important are the more direct economic impacts that the street closing has imposed on the operation of the District of Columbia. Traffic on surrounding streets has reportedly increased far beyond capacity, despite efforts by the local government and the Federal Highway Administration to create one way corridors traveling east and west to improve traffic flow. And while rush hour traffic has always been difficult, travel times across the downtown business district have more than doubled even during the mid-day hours.

Although many people consider Washington, DC to be only the home of the federal government, the City has a significant private sector community. A large number of those businesses are service oriented, requiring them to remain accessible to clients and customers. Thus, the closing of Pennsylvania Avenue is creating a hardship on the city's private sector, and in many cases, forcing them to reconsider whether they must relocate their operation outside of the District. In a city that is struggling to cope with dwindling revenues and the skyrocketing costs of human services, this is just one more factor contributing to the problems faced by the local government, the Congressionally appointed financial control board, and inevitably, the Congress in its role as steward of the Nation's Capital.

The business community recognizes that the safety of the President of the United States must be the top priority in decisions such as these. We believe, however that there may be more appropriate alternatives that would sufficiently mitigate potential security risks without shutting down the Nation's Capital piece by piece.

A decision to reopen Pennsylvania Avenue would go a long way to toward restoring mobility in the Nation's Capital. This is important to the people who live and work here every day, but it is also important to the millions of visitors who come from all 50 states. Should there be a decision to revisit the closing of Pennsylvania Avenue, the Greater Washington Board of Trade would be happy to work with Congress, the Executive Branch and the local government to identify more realistic options for improving security in the Nation's Capital. Thank you for your efforts.

Sincerely,

JOSEPH T. BOYLE,
Chair, KPMG Peat Marwick.
JOHN MILLIKEN,
Chair, Venable, Baetjer and Howard.

DISTRICT OF COLUMBIA
BUILDING INDUSTRY ASSOCIATION,
Washington, DC, May 6, 1996.

Hon. WILLIAM J. CLINTON,
President of the United States,
The White House, Washington, DC.

DEAR PRESIDENT CLINTON: I am writing to you in my capacity as president of the District of Columbia Building Industry Association. Our Association represents several thousand business people in the District of Columbia.

It has been almost one year since the executive order of the Secretary of the Treasury was issued restricting traffic on Pennsylvania Avenue, State Place and Executive Avenue. We understand that this was a very difficult directive for you to sign and that you had resisted several efforts by the Secret Service to restrict traffic in the vicinity of the White House in the past. While we in the Washington, D.C. business community were concerned about the process whereby this major traffic conduit was closed, the business community and citizens generally did not object to this action given the circumstances at that time.

In the past year, we have had time to experience the results of this action and feel it is time to reexamine this situation. Of course, your safety and the safety of the First Family and your staff are of paramount importance to all of us as citizens of the United States. However, the rerouting of traffic around the White House has resulted in serious traffic congestion on a daily basis, and exacerbated traffic problems during special events which are constant in Washington, DC, such as the Cherry Blossom Festival. Moreover, it has divided our city into an East and a West side causing both commerce and tourism to suffer negative economic consequences at the same time they are impacted by the City's debilitating fiscal crisis. These combined circumstances have had a disastrous effect on business and trade in DC.

While the emergency temporary restriction of traffic on these streets was warranted by the unique circumstances at that time, we do not feel this should be viewed and accepted as the long term solution to these security issues. Right now, there is a team of architects employed by the U.S. Government meeting to discuss alternatives for closing Pennsylvania Avenue prior to the official, legal closing of the street itself. We believe that alternative methods to provide long term improved security to the White House, such as structural reinforcements, improved fencing, electronic surveillance, limited traffic on adjacent streets to cars only, etc. should be reconsidered now. These alternatives may actually be more economical than the closing of these streets and certainly will be less costly in terms of diminished national prestige.

With the end of the Cold War five years ago, our country is more secure than at any time in this century. Since this time of relative peace is due in large part to American leadership, it is truly ironic that symbolically we are retreating by further limiting access to and around the White House. One could only imagine the outcry by Parisians if the French Government closed the Champs-Elysees in front of the Presidential Palace. Washingtonians have been very patient and understanding with the temporary closing of Pennsylvania Avenue, the most important street in the L'Enfant Plan. But now is the time to search for a better long term solution.

Just as we are sure you would reject suggestions that you limit your personal interaction with the American people such as your daily jogging, town meetings and other high-risk interactions with the public, we urge you to reconsider this highly visible statement to the American people and international tourists and reopen Pennsylvania Avenue.

So while we fully support the temporary measures taken by your administration to restrict traffic around the White House, we urge you to set up a task force to find alternate means of providing adequate security for the White House with the ultimate goal of reopening these streets by Inauguration Day 1997. Our Association is prepared to participate in this task force and provide whatever resources are necessary in order to accomplish this goal.

Sincerely yours.

THOMAS W. WILBUR,
President.

DISTRICT OF COLUMBIA
BUILDING INDUSTRY ASSOCIATION,
Washington, DC, May 9, 1996.

Re Closure of a Section of Pennsylvania Avenue, N.W., Secretary of the Treasury's Order dated May 19, 1995.

Hon. ROBERT E. RUBIN,
Secretary, Department of the Treasury, Washington, DC.

DEAR SECRETARY RUBIN: I am writing to you in my capacity as Chairman of the Legislative and Governmental Affairs Committee of the District of Columbia Building Industry Association ("DCBIA").

For your information, DCBIA is comprised of over 275 member organizations and over 1,000 individuals ranging from lenders, property owners, developers, property managers, construction companies, contractors, subcontractors, architects, engineers, lawyers, accountants, and others involved in the real estate industry. In other words, those who finance, own, develop, renovate, upgrade, improve and manage real property in the District, together with all of the providers of the additional services necessary to the real estate industry.

May 19, 1996 will mark the first anniversary of your directive to the Director of the United States Secret Service to close a portion of Pennsylvania Avenue, N.W. and certain other streets. This emergency, temporary directive was intended to enhance the perimeter security of the White House. Under applicable federal law, your authority to prohibit vehicular traffic on public streets is temporary in nature, and is predicated on certain findings of fact which must be applicable at the time of the initial directive and at all times thereafter while the directive remains in effect.

DCBIA believes that now is an appropriate time to undertake a number of endeavors, including but not limited to, reexamining the factual determinations of one year ago, confirming that the Department of the Treasury is in compliance with the requirements of the National Environmental Policy Act, the Advisory Council on Historic Preservation, the Department of Transportation's Federal Highway Administration, the Department of the Interior's Comprehensive Design Plan for the White House, the National Park Service, the National Capital Planning Commission, and all other applicable local and Federal requirements.

Now is also an appropriate time to reexamine the economic, physical and psychological impact of the street closures on the many thousands of American citizens that have had to bear the direct and immediate impact of your directive. Some of these people travel to the Nation's capital daily for their jobs and businesses, while others are visitors from places near and far. All of them have shared the serious and significant delays, detours and related problems of the street closures. The serious negative impact upon the local business community has become difficult if not impossible to accurately assess.

The directive has simply divided our city to the detriment of all, and has fostered a "bunker mentality" among the citizens of the city, many of whom observe, on a daily basis, the barricades, uniformed Secret Service personnel and similar indicia of a city under siege directly in front of the Presidential residence.

DCBIA wishes to be absolutely clear on the issue of the safety of the President and the First Family. It is not a question of whether or not any of us doubt the supreme importance of protecting the President of the United States. We assert emphatically that the security of the President is and should be of profound importance to every American citizen, and every person who loves freedom and democracy. But at the same time, the directive issued in the name of safety and security is quite simply killing the city. When people cannot move freely and easily it impacts productivity and commerce. But the impact does not stop there. Eventually there are psychological and spiritual effects that are no less real or important. The District of Columbia cannot afford to make it more difficult than it already is to work, play and live here. The directive issued almost one year ago is doing just that.

DCBIA urges you and your staff, in conjunction with other public officials, to reopen the entire issue of the street closures for full and fair consideration. DCBIA seeks to be an active participant in this process and is committed to using its resources to help reopen Pennsylvania Avenue.

We look forward to your response and appreciate having this opportunity to raise this matter with you.

Sincerely,

NELSON F. MIGDAL,
Chairman, Legislative/Governmental Affairs Committee.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 2 p.m. on Tuesday, May 14, 1996, in executive session, to certain military nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Tuesday, May 14, 1996, session of the Senate for the purpose of conducting a hearing on reauthorization of the Federal Aviation Administration and the Airport Improvement Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. LOTT. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet Tuesday, May 14, at 2:15 p.m., in S–216, the Capitol, to consider the nomination of Hubert T. Bell, Jr., nominated by the President to be Inspector General, Nuclear Regulatory Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Tuesday, May 14, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, May 14, 1996, at 10 a.m. to hold a hearing on "The False Statements Statute After *Hubbard v. United States*: assessing the need for revision."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a subcommittee hearing on Confronting the Challenges Presented by an Aging Population, during the session of the Senate on Tuesday, May 14, 1996, at 9 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SPECIAL COMMITTEE TO INVESTIGATE WHITEWATER DEVELOPMENT CORPORATION AND RELATED MATTERS

Mr. LOTT. Mr. President, I ask unanimous consent that The Special Committee to Investigate Whitewater Development and Related Matters be authorized to meet during the session of the Senate on Tuesday, May 14, Wednesday, May 15, and Thursday, May 16, 1996 to conduct hearings pursuant to S. Res. 120.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

Mr. LOTT. Mr. President, I ask unanimous consent that the Subcommittee on Oversight and Investigations of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, May 14, 1996, for purposes of conducting a subcommittee hearing which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to receive testimony on the management and costs of class action lawsuits at Department of Energy facilities.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

IN RECOGNITION OF CFIDS AWARENESS DAY

• Mr. SANTORUM. Mr. President, I'd like to take a few minutes of Senate business today to talk about chronic fatigue and immune dysfunction syndrome [CFIDS].

Mr. President, this past Sunday, May 12, marked the observance of International CFIDS Awareness Day. While the CFIDS Association of America coordinated a national awareness and educational campaign with respect to CFIDS, I'd like to make particular mention of the efforts of an organization in Pennsylvania, the Chronic Fatigue Syndrome Association of the Lehigh Valley.

The severity of chronic fatigue syndrome is largely unknown to the American public, and the observance on May 12th served as a very important and worthwhile opportunity to inform, educate, and increase the awareness of the illness. I commend the Lehigh Valley organization for their tireless efforts in combating CFIDS and for their participation and coordination of activities on May 12. In recognition of their efforts, I would like to bring to the attention of my colleagues the following proclamation, and I encourage the Senate's consideration and endorsement.

PROCLAMATION

Whereas, the Chronic Fatigue Syndrome Association of the Lehigh Valley joins the CFIDS Association of America in observing May 12, 1996 as International Chronic Fatigue and Immune Dysfunction Syndrome Awareness Day; and

Whereas, chronic fatigue syndrome is a complex illness affecting many different body systems and is characterized by neurological, rheumatological and immunological problems; incapacitating fatigue; and numerous other long-term severely debilitating symptoms; and

Whereas, while there has been increased activity at the national, State and local levels, continued education and training of health professionals is imperative in garnering greater public awareness of this serious health problem and in supporting patients and their families; and

Whereas, although research has been strengthened by the efforts of the Centers for Disease Control, the National Institutes of Health, and other private research institutions, the CFS Association of the Lehigh Valley recognizes that much more must be done to encourage further research so that the mission we share with the CFIDS Association of America, "to conquer CFIDS and related disorders", can be achieved. Therefore, be it *Resolved*, that the United States Senate hereby commends the designation of May 12, 1996 as CFIDS Awareness Day and applauds the efforts of those battling the illness.

I appreciate the Senate's consideration of this issue, and thank my colleagues for their attention.•

ADVISORY BOARD ON WELFARE INDICATORS APPOINTED

• Mr. MOYNIHAN. Mr. President, just last week, on May 7, the House of Representatives appointed its four members of the Advisory Board on Welfare Indicators, as provided by the Welfare Indicators Act of 1994, incorporated in the Social Security Act amendments of that year. The measure was introduced on the first day of the 103d Congress, January 31, 1993, the first legislative day that is, and signed just at the end of that Congress. In a floor statement at the time of introduction, I noted that the measure was directly modeled on the Employment Act of 1946. This was a statement of a large national goal, accompanied by provision for an annual assessment of progress toward that goal. Congress declared it to be the continuing policy and responsibility of the Federal Government to promote maximum employment, production, and purchasing power. Words at first, but great consequences followed in our ability to measure and understand these purposes. I stated on the floor:

> Mr. President, I rise today to introduce the Welfare Dependency Act of 1993. The purpose of the bill, which is directly modeled on the Employment Act of 1946, is to declare it the policy and the responsibility of the Federal Government to strengthen families and promote their self-sufficiency. To this end, the bill directs the Secretary of Health and Human Services to conduct a study to determine which statistics, if collected and analyzed on a regular basis, would be most useful in tracking and predicting welfare dependency. Within 2 years, the Secretary would report the conclusions to Congress, and, a year later, would submit a first report on dependency. Thereafter, reports would be submitted annually. These reports would include annual numerical goals for recipients and expenditures within each public welfare program. For the interim, the bill establishes a goal of reducing dependency to 10 percent of families with children.
>
> For the first time in American history the largest proportion of persons in poverty are to be found among children, not among adults or among the aged. This is new. When we first began to notice this trend in the 1960's, it seemed that we had discovered something uniquely American. Then we began to get the returns of the Luxembourg Income Survey. Children, it seems, are poorer than adults in all manner of places: Australia, Canada, Germany, England, as well as the United States. For too long we have been trying to measure a postindustrial phenomenon—dependency—with statistics designed to track industrial-era phenomena.
>
> We used to know something about how to predict welfare dependency. In the early 1960's when I was Assistant Secretary in the Department of Labor for Policy, Planning, and Research, we found that there was an extraordinary correlation between male unemployment and new welfare cases from the period starting in 1946 up to about 1958–59. Then the correlation weakened, until finally in 1963 the lines crossed and the relationship became negative—the lower the unemployment rate, the higher the number of AFDC cases. Now, even during prosperous periods for our Nation, a shockingly high percentage of our children are dependent on public support.
>
> We do have some data on the magnitude of this problem, if not its origins. Back in the 1960's the Office of Economic Opportunity had the good sense to put up money for a longitudinal study of families at the Institute for Social Research at the University of Michigan. The researchers computed the incidence of welfare dependency among children born in the late 1960's. The findings are dismaying. Almost one quarter—22.1 percent—of these children were dependent on AFDC for at least 1 year before reaching their 18th birthday. That's 72.3 percent of black and 15.7 percent of nonblack children.
>
> But these findings on the extent of the problem tell us little about what causes it or how to address it. Certainly some part of this explosion in welfare dependency can be attributed to changes in family structure. Three decades ago there was nothing notably amiss with the traditional family. American divorce rates were high, but stabilizing. The traditional family of parents with children was the norm. As recently as 1970, 40 percent of the Nation's households were made up of a married couple with one or more children. The proportion dropped to 31 percent in the next decade. It is now around a quarter of all families. Simultaneously, the proportion of families headed by a single mother has exploded. In 1970, 11.5 percent of all families with children were headed by a single mother. In 1980, 19.4 percent. In 1990, 24.2 percent. Now a quarter of all live births are out of wedlock.
>
> Our data collection needs to become more systematic and institutionalized. As we did earlier in this century for the problem of unemployment when we enacted the Employment Act of 1946, we need to define welfare dependency as a national problem and to begin to measure, analyze, and address it. Since 1946 unemployment has hardly disappeared but neither is it ignored, much less denied. I am introducing this bill on the first day of the new Congress because I believe that its passage would represent one of the most important moments in social welfare policy since Aid to Families with Dependent Children was enacted as part of the Social Security Act of 1935.

It might be noted here that in 1946 it was commonly assumed that with the war over, the Depression of the 1930's would resume. Western society had been stunned by that catastrophic and protracted economic crisis, a crisis which was interrupted by world war, but which was widely thought to be systemic, and which would accordingly resume. No one seemed to know how to make a modern industrial economy work. Some economists had ideas about this, but these were not widely subscribed to. A more common view was that industrial democracies were inherently unstable and would necessarily disappear. It helps in this time of vast unease associated with the breakdown of family structure to recollect with some tranquillity that capitalism was deemed doomed not a half century ago.

Here are the specifics for the statute:

> (a) CONGRESSIONAL POLICY.—The Congress hereby declares that—(1) it is the policy and responsibility of the Federal Government to reduce the rate at which and the degree to which families depend on income from welfare programs and the duration of welfare receipt, consistent with other essential national goals; (2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and that the life prospects of children are improved, and to underscore the responsibility of parents to support their children; (3) the Federal Government should help welfare recipients as well as individuals at risk of welfare receipt to improve their education and job skills, to obtain child care and other necessary support services, and to take such other steps as may be necessary to assist them to become financially independent; and (4) it is the purpose of this section to provide the public with generally accepted measures of welfare receipt so that it can track such receipt over time and determine whether progress is being made in reducing the rate at which and, to the extent feasible, the degree to which, families depend on income from welfare programs and the duration of welfare receipt.
>
> (b) DEVELOPMENT OF WELFARE INDICATORS AND PREDICTORS.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") in consultation with the Secretary of Agriculture shall—(1) develop—(A) indicators of the rate at which and, to the extent feasible, the degree to which, families depend on income from welfare programs and the duration of welfare receipt; and (B) predictors of welfare receipt; (2) assess the data needed to report annually on the indicators and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs . . . [The Welfare Indicators Act of 1994, as incorporated in the Social Security Act Amendments of 1994, P.L. 103–432].

No notice was taken of the measure at the time of enactment, and so it is not inappropriate to do so now that the appointments to the Advisory Board are completed. An interim report is due from the Secretary by next October 31, 2 years from enactment, as provided in the statute, with a regular annual report to be prepared thereafter. I would note that the measure was a long time coming; indeed, that we seemed somehow reluctant to learn too much about this subject. In March 1991, the Subcommittee on Social Security and Family Policy of the Senate Committee on Finance held hearings at which a number of the Nation's most respected social scientists, including several experts who are now members of the Advisory Board, commented on the subject of "Welfare Dependency." Many urged the need for a continuing Federal assessment of this matter, as baffling in our time as was the issue of unemployment a half century ago. That eminent scholar, Douglas J. Besharov of the American Enterprise Institute, noted that "There used to be a National Center for Social Statistics * * * . It was a Federal agency and had a client. Its client was the * * * Social and Rehabilitative Service." But when that program was reorganized there was no client to support the Center and it simply faded away. Now, however, we have the responsibility firmly lodged with the Secretary of Health and Human Services. We can expect diligent attention from the distinguished incumbent, Donna Shalala, and from her ingenious, industrious and committed associate, Wendell Primus, Deputy Assistant Secretary for Human Service Policy.

The Secretary will receive, I cannot doubt, great good counsel from this Advisory Board, now finally constituted. Its distinguished members are as follows:

Appointed by the Senate majority leader are Jo Anne B. Barnhart, political director, National Republican Senatorial Committee; Martin H. Gerry, director of the Center for Study of Family, Neighborhood, and Community Policy, University of Kansas; Gerald H. Miller, Director, Michigan Department of Social Services.

Appointed by the Senate minority leader is Paul E. Barton, director of the Policy Information Center, Educational Testing Service.

Appointed by the President are Judith M. Gueron, president, Manpower Demonstration Research Corporation; Kristin A. Moore, executive director of Child Trends, Inc.; Joan M. Reeves, Commissioner, Department of Human Services, city of Philadelphia; Gary J. Stangler, Director, Missouri Department of Social Services.

Appointed by the Speaker of the House of Representatives are Eloise Anderson, Director, California Department of Social Services; Wade F. Horn, director, National Fatherhood Initiative; Marvin H. Costers, resident scholar and director of Economic Policy Studies, American Enterprise Institute.

Appointed by the minority leader, House of Representatives is Robert Greenstein, executive director, Center on Budget and Policy Priorities.

I am sure the Senate will join me in congratulating the board members and in expressing our expectation that the first welfare dependency report, due next fall, will mark the onset of a new age of information in this troubled area of social policy.•

TRIBUTE TO SISTER MARY BENITA O'CONNOR, R.S.M.

• Mr. BOND. Mr. President, I rise today to pay a special tribute to Sister Mary Benita O'Connor, R.S.M. It is a great pleasure to recognize Sister Mary Benita for her 60th anniversary in the religious profession and for her lifelong dedication to serving others.

A former member of St. Munchin's Parish in Cameron, MO, Sister Mary Benita entered the Sisters of Mercy novitiate in Council Bluffs, IA, on August 6, 1933. She made her first vows in March, 1936, and in August of the same year was assigned to teach business education, English, and religion classes at St. Mary's High School in Independence, MO. Following teaching assignments at Glennon High School, Kansas City, and the College of St. Mary's in Omaha, NE, Sister Mary Benita was once again assigned to St. Mary's, Independence.

After completing 40 years of teaching, Sister Mary Benita became active in St. Mary's Parish Council where she served as parish ministries coordinator. As director of social ministries for the parish, she coordinated St. Vincent de Paul's outreach to the poor, the Legion of Mary's evangelization efforts, youth service activities, the Over 50 Club and Marian ministry. She continues her ministry to the hospitalized and homebound.

Sister Mary Benita has been an active member of the Neighborhood Council, a board member on Meals on Wheels, has participated in neighborhood education programs and has held a continued interest in St. Mary's High School Alumni activities.

Currently, Sister Mary is sponsoring faith development groups and is the librarian for the parish library. It is an honor to congratulate Sister Mary Benita on her long-lasting faithfulness to the Church and the Independence community. I wish her the best of luck on May 19, 1996 at her celebratory Mass of Thanksgiving at St. Mary's, and also in all of her future pursuits.•

HOUSE INVESTIGATION OF IRANIAN ARMS SHIPMENTS TO BOSNIA

• Mr. KERREY. Mr. President, last week the House of Representatives decided on an almost strict party line vote to create a special subcommittee to investigate the Clinton administration's decision not to stop Iran from shipping weapons to the Bosnian Government in violation of the arms embargo. And they voted to spend an additional $995,000 above their planned budget to conduct this investigation. $995,000. While not technically correct, I hope you can indulge me if I just round up and call it an even million. That's really what it is.

Mr. President, while I believe Congress should look into this matter, we also need to be concerned about how we conduct our investigations.

The Senate Select Committee on Intelligence has already held five hearings on the administration's decision not to intervene and prohibit the shipment of Iranian arms into Bosnia. Chairman SPECTER, myself, and the other members of the committee are well into our investigation at this point and will press on expeditiously to finish in a timely manner. It is important to note, however that we have conducted these hearings and will conduct further hearings as part of our normal oversight responsibilities using our regular committee staff fully within our regular committee budget for fiscal year 1996. And we have done this with the cooperation of both sides of the aisle.

Mr. President, this is why I find the House Republican's actions so disconcerting. We on this side of the Capitol can investigate this matter with the cooperation of both parties, and without additional space, staffing, funding, and committees. Meanwhile, our House Republican counterparts have voted to spend an additional $1 million above their normal budget to acquire more space, to hire more staff, and to form another subcommittee to investigate this same issue. Knowing how difficult it is to start up a new organization, I'd bet we on the Senate Select Committee on Intelligence will probably finish our investigation before the House's special subcommittee gets moved into its new offices.

I know the House is just as concerned as the Senate about the cost of performing necessary Government functions in these times of billion dollar budget deficits. The new Republican House leadership took some important, difficult measures to cut the cost of running Congress when they took control in 1994. I believe that was the right thing to do. So why spend a million dollars unnecessarily? Especially in this election year, you do not have to be a cynic to believe it was for political reasons. But even a cynic would be dumbfounded trying to figure out why the House Republicans went this extra, excessive step to try to try and make a political point.

Mr. President, when you talk day-in and day-out about billion dollar weapons systems, hundreds of billion dollar deficits, and trillion dollars budgets, a one with just six zeroes after it doesn't seem to be very much. And I guess 9-9-5 plus three zeroes looks even smaller. But it takes 135 average Nebraska families working full time for 3 months to produce $1 million dollars in tax revenue. When there's already a committee structure, staffing, and budget to do the job, the $1 million House Special Committee to investigate Iranian arms flow into Bosnia is a prime example of superfluous Government spending.

Mr. President, I say, let's perform our legislative oversight responsibilities, let's look for the truth in this matter, let's determine who did what when and whether their actions were within the letter and spirit of the law. But let's do it the way we are already organized to do it and within the budgets we set for ourselves. Let's live within out means like we expect or citizens to do.•

BERTHA M. GLOTZBACH—55 YEARS OF GOVERNMENT SERVICE

• Mrs. KASSEBAUM. Mr. President, too often we are ready to criticize those who work for the Government but rarely recognize individuals who have dedicated their lives to public service. That is why, today, I would like to pay tribute to Bertha Glotzbach of the U.S. Agency for International Development [USAID]. On April 23, 1996, Ms. Glotzbah completed 55 years of Government service.

Born on the Fourth of July raised in my home State of Kansas, Ms. Glotzbach attended Strickler's Business College in Topeka. Her Government career began just before World War II on April 23, 1941, with the Department of Labor. Ms. Glotzbach first worked for the Bureau of Labor Statistics and later with the Special Assistant for International Relations to the Secretary of Labor.

In 1949, Ms. Glotzbach joined the Economic Cooperation Agency, which Congress created in 1948 to administer the Marshall plan. She has worked continuously for foreign assistance agencies ever since. In addition to the numerous awards and commendations Ms. Glotzbach has received over the years, her service with USAID and its predecessor agencies sets a 47-year record.

Mr. President, it is with great pleasure and gratitude that I rise today with USAID, to honor and congratulate Ms. Glotzbach for her dedicated service to the Nation.•

SELFRIDGE AIR NATIONAL GUARD AND RESERVES

• Mr. LEVIN. Mr. President, in my home State of Michigan, we are both proud and fortunate to have Selfridge Air National Guard Base located in Harrison Township, Macomb County. Though the base started as an Air Force Base and was transferred in 1971 to the Michigan Air National Guard, it is the home of many diversified branches of the U.S. military. "Team Selfridge" takes pride in being the only Reserve Forces base to have permanently assigned units from all five of the uniformed services: Army, Air Force, Marine Corps, Navy, and the Coast Guard, including the Air Force Reserve as well as the Air National Guard. This feature makes Selfridge unique among U.S. military bases.

On May 18, 1996, the 927th Air Refueling Wing will be celebrating Bosses Day. Each year, the 927th pays tribute to local employers who support their Reserve employees. Reservists invite their employers to Selfridge so that they can gain an up-close view of the patriotic and unselfish manner in which reservists are serving their community and Nation. The 927th first arrived at Selfridge in 1963. For nearly 33 years it has depended on the flexibility and support of local employers for much of its success.

National Guard and Reserve Forces will play an even greater and more diverse role in the times ahead, as the Nation comes to rely more on them in peacetime and in war. It is the vital support of America's employers that enables the National Guard and Reserves to continue to strengthen our Nation's security. We owe these employers our gratitude for being part of our national security team.

This celebration of Bosses Day on May 18 will be particularly appropriate because that is the day this country will be observing Armed Forces Day, a day when we recognize and honor the service and sacrifice of our Armed Forces. On that day we can give our thanks to the men and women in the Armed Forces, as well as to the employers who support the Guard and Reserve members.•

MONTGOMERY ACADEMY FORENSICS TEAM WINS ALABAMA FORENSICS CHAMPIONSHIP

• Mr. SHELBY. Mr. President, I would like to take a moment today to share with my Senate colleagues the outstanding accomplishments of a very talented group of students from Montgomery. On April 13, the Montgomery Academy Forensics Team won the State forensics championship at the Alabama Forensic Educators Association State Tournament. While this is wonderful achievement, it was an even more impressive showing, for this is the second consecutive year the Montgomery Academy team has won this award.

For the past 5 years, the team has been led my Mr. James W. Rye III. Mr. Rye founded the forensics program at Montgomery Academy, and in those 5 years, the team has grown in both size and strength, and I would like to congratulate and commend him for his efforts today.

Mr. President, I would also like to extend my congratulations to the young men and women from Montgomery Academy who performed so well at this year's tournament. To win two consecutive State championships is an impressive accomplishment, and I wanted to share their success with my colleagues. The Montgomery Academy Forensics Team has certainly earned their award, and I would wish them the best of luck in next year's competition and in all of their future endeavors.•

PUBLIC BUILDING REFORM ACT

• Mr. WARNER. Mr. President, I rise today in support of S. 1005 as reported by the Senate Committee on Environment and Public Works. I believe that this bill incorporates many valuable concepts which would save the Federal Government money by imposing controls on the design and costs of Federal buildings, and in particular courthouses.

When I became chairman of the Subcommittee on Transportation and Infrastructure, I presented some broad principles which I felt the committee should use to prioritize General Services Administration projects. At that time, the Administrative Office of the Courts had never sent to our committee a priority ranking of courthouse projects making authorization on the basis of need very difficult.

Today, at my request, I am pleased to report that the Judicial Conference has approved a 5-year plan, which is a step in the right direction. However, additional reforms in the area of public buildings are still needed.

Under S. 1005, the General Services Administration and the Administrative Office of the Courts will be required to submit triennial plans in order of priority. Courthouse prospectuses will be required to include the current number of Federal judges and courtrooms as of the date of submissions, and the projected number of Federal judges and courtrooms expected to be accommodated by the proposed project.

These projected figures will then be justified by further information on the authorized positions of Federal judges and the number of judges expected to take senior status, as well as the level of security risk at the current courthouse as determined by the Administrative Office of the Courts.

If a courthouse is not part of the triennial plan for a given fiscal year, it is not my expectation that the committee will approve that particular project.

Mr. President, S. 1005 also addresses ongoing concerns over the U.S. Courts Design Guide. Many of you have heard about Foley Square and the Boston Courthouse, as well as many other costly courthouse construction projects which have been built in the last several years. S. 1005 will require the General Services Administration to rewrite the design guide in consultation with the courts and the Fine Arts Commission. It is my expectation that this will enable the General Services to ultimately control courthouse construction costs with the input of the courts.

S. 1005, not only addresses concerns raised over courthouse construction, but it also will require the General Services Administration to file a biennial public buildings plan, to help the committee to evaluate and set priorities for all projects that require construction, alteration, or leased space—whether it is a courthouse, Federal building, border station et cetera.

In this time of Government downsizing, our Federal agencies will have to justify their priority ranking or request for additional space needs for ultimate approval by both the House and the Senate.

The biennial plan will include a 5-year strategic capital asset management plan. Under the plan, the GSA would be able to take advantage of market changes that affect building construction and availability, thereby potentially saving our American taxpayer dollars.

In light of the austere budget environment we are currently operating under, we need reforms in the area of public buildings. As the chairman of the Subcommittee on Transportation and Infrastructure, I strongly support S. 1005, and urge its swift passage.•

A TRIBUTE TO BILL NAITO, 1925–96

• Mr. HATFIELD. Mr. President, Portland, OR, has long been hailed as a city of innovation and vigor. While all denizens of the city bask in that community energy, there are a handful of people who can be credited with fostering Portland's uncommon spirit. Through visionary imagination and bold leadership, they have made Portland the progressive city it is today. Bill Naito, who died last week, was one of those leaders.

Naito was a Portland businessman who combined his business acumen with a deeply-felt sense of civic obligation. Working with his brother, he started his career in 1962 as the proprietor of a bustling import business. The brothers soon bought the building that housed their business, and thus began Bill Naito's long legacy as a property developer. Over the next three decades, he repeatedly built thriving developments in areas shunned by other businessmen. Skid Road, home of the Naito brothers Import Plaza, grew into revitalized Historic Old Town. An abandoned department store building became the Galleria shopping center, the 1980's anchor of Portland's commercial revitalization. He turned an old warehouse district into the McCormick Pier apartments, luring middle-income residents into downtown Portland.

While he prospered personally from his business initiatives, Bill Naito was generous with his time and assets, and his sense of civic responsibility enriched Portland endlessly. In addition to serving on countless boards and civic organizations, he donated space in office buildings to nonprofit or public agencies. He was a founder of Artquake, a long-running annual arts festival. He also donated land to help launch Saturday Market, a weekly showcase of local performers and artisans that has drawn tourists and suburbanites to downtown Portland for a generation. He was perhaps most popularly noted for preserving the White Stag landmark when the company moved out of Portland. Thanks to Bill Naito's sense of whimsy, each Christmas season west-bound motorists enjoy the White Stag reindeer's illuminated red nose.

Though he was never one to trumpet his own accomplishments, it was clear that Naito took the greatest pride in the creation of the Japanese-American Historical Plaza in Tom McCall Waterfront Park. Naito is the son of Japanese immigrants, and his family was forced to relocate to Utah in 1942 to avoid the internment forced on Portland's Japanese community. Though he seemed to carry little personal bitterness from those war years—in fact, he joined the Army himself in 1944—he worked the rest of his life to make sure that Oregonians wouldn't forget the lessons learned from the Japanese internment. The memorial he spearheaded, dedicated in 1990, is a moving tribute to the families interned during World War II, and serves as a reminder of the guarantees the Bill of Rights provides for us all.

The accomplishments I have enumerated only begin to convey the varied contributions Bill Naito made to Portland throughout his life. This 70-year-old, who worked long days at an age when most men are content in retirement, spent a lifetime fusing community and business pursuits. Bill Naito seemed the image of hard-working vigor and energy when cancer snuck up on him, and he died just a week after being diagnosed. His death saddens those he touched personally, and he enriched the lives of many more Oregonians who live, work, and visit the city to which he brought so much life. The nose of the White Stag reindeer burned red last week in tribute to Bill Naito. Portland has truly lost a treasure, Mr. President, and I want to pay tribute to him again here today.●

UNANIMOUS-CONSENT AGREEMENT—SENATE CONCURRENT RESOLUTION 57

Mr. COCHRAN. Mr. President, at the request of the Republican leader, I ask unanimous consent that at 9:30 a.m., on Wednesday, May 15, the Senate begin consideration of the budget resolution, Senate Concurrent Resolution 57.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. COCHRAN. Mr. President, at the request of the Republican leader, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Executive Calendar nomination Nos. 543 through 548, and all nominations placed on the Secretary's desk in the Coast Guard.

Mr. President, I further ask unanimous consent that the nominations be confirmed en bloc; that the motions to reconsider be laid upon the table en bloc; that any statements relating to the nominations appear at the appropriate place in the RECORD; that the President be immediately notified of the Senate's action; and that the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed en bloc, as follows:

COAST GUARD

The following regular officers of the United States Coast Guard for promotion to the grade of rear admiral:

John E. Shkor
Paul E. Busick
John D. Spade
Douglas H. Teeson
Edward J. Barrett

The following regular officers of the United States Coast Guard for promotion to the grade of rear admiral (lower half):

Joseph J. McClellan, Jr.
John L. Parker
Paul J. Pluta
Thad W. Allen

Vice Adm. James M. Loy, U.S. Coast Guard to be chief of staff, U.S. Coast Guard, with the grade of vice admiral while so serving.

Vice. Adm. Richard D. Herr, U.S. Coast Guard, to be vice commander, U.S. Coast Guard, with the grade of admiral while so serving.

Vice Adm. Kent H. Williams, U.S. Coast Guard, to be commander, Atlantic Area. U.S. Coast Guard, with the grade of vice admiral while so serving.

Rear Adm. Roger T. Rufe, Jr., U.S. Coast Guard, to be commander, Pacific Area, U.S. Coast Guard, with the grade of vice admiral while so serving.

The following officer of the U.S. Coast Guard Reserve for promotion to the grade of rear admiral:

Richard W. Schneider

The following officer of the U.S. Coast Guard Reserve for promotion to the grade of rear admiral (lower half):

Jan T. Riker

Coast Guard nominations beginning Michael S. Fijalka, and ending Kimberly J. Nettles, which nominations were received by the Senate and appeared in the Congressional Record of November 28, 1995.

Coast Guard nominations beginning George J. Santa Cruz, and ending Kevin M. Pratt, which nominations were received by the Senate and appeared in the Congressional Record of January 22, 1996.

Coast Guard nominations beginning Steven D. Poole, and ending Kevin J. Macnaughton, which nominations were received by the Senate and appeared in the Congressional Record of February 9, 1996.

Coast Guard nomination of Sherry A. Comar, which was received by the Senate and appeared in the Congressional Record of February 20, 1996.

Coast Guard nominations beginning Gerald E. Anderson, and ending Constantina A. Stevens, which nominations were received by the Senate and appeared in the Congressional Record of March 5, 1996.

Coast Guard nominations beginning Stephen Adler, and ending Kimberly Zust, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 1996.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY, MAY 15, 1996

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m., Wednesday, May 15, further that immediately following the prayer, the Journal of proceedings be approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, and the morning hour be deemed to have expired, and the Senate then begin consideration of Senate Concurrent Resolution 57, the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. So the Senate will begin tomorrow morning discussion of the budget resolution. That resolution is limited to a 50-hour statutory time. So we can expect late night sessions and votes throughout the remainder of the week.

ORDER FOR ADJOURNMENT

Mr. DOLE. Mr. President, I ask unanimous consent that after I make a brief statement and the Senator from Mississippi makes a statement and Senator DASCHLE makes a statement that the Senate stand in adjournment under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I will take just a minute of the Senate's time to express my disappointment that we were unable to agree on any of the unanimous-consent requests that we presented to my colleagues on the other side with respect to the pending gas tax repeal, the TEAM Act, minimum wage, taxpayer bill of rights, and the White House travel legislation.

It was my hope that we could reach an understanding. I thought, based on conversations, we might be able to work out some procedure to ensure that the three main issues—the gas tax repeal, the TEAM Act, and the minimum wage were split into three separate bills—that the Senate would be able to reach an agreement on an overall consent that would include these issues in a relatively short timeframe. But unfortunately that does not seem to be the case.

I think it is fair to say that we have offered pretty much what my colleagues had requested, with some minor changes, a consent agreement that does, in fact, divide the three issues into separate bills and limits time on each issue. I think they could be concluded in as little as 5 or 6 hours.

But now I understand that there are additional requests to not only separate the issues, but also to require the approval of the final language that the House is marking up in the committee today relative to the minimum wage. Obviously, I cannot dictate what the House does with minimum wage and cannot ensure what might finally come out of the conference.

But it seems to me that what we should do is move ahead before Memorial Day, resolve these three issues, as well as the taxpayer bill of rights, which I understand there is no opposition to.

The gas tax repeal is being held hostage because of the demands about the minimum wage. The so-called TEAM Act is unacceptable to my colleagues on the other side. I understand there will be a filibuster on that issue. I guess the bottom line is, we have been trying to figure out some way to resolve this issue. We have not reached it yet.

I do not believe we will ever be in a position to say to my colleagues on the other side that we will guarantee, notwithstanding it is a Republican House of Representatives and a Republican Senate, that you draft the minimum wage proposal. I do not think that will happen because we have some ideas, amendments for the minimum wage. I do not know what my House colleagues have in mind, but they may report that out later on today.

So I just suggest that we continue to work with the Democratic leader, Senator DASCHLE. Time is running. I hope that we can act on all these issues prior to Memorial Day. But this week we will probably be on the budget. Next week we hope to do the missile defense measure, along with the DOD authorization bill. That would not leave a lot of time for these three issues.

So I just want to report to the Senate that we have not given up. But I do not believe we can ever agree that, in effect, we first have to clear it with the President before we pass it. I am not certain that will ever happen.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, let me associate myself with the remarks made by the distinguished majority leader as to the desire to find a way to finish our work on all of these important matters prior to Memorial Day. I am relatively optimistic that is possible.

The majority leader indicated that it is very difficult to make some assumption with regard to what the House may do on minimum wage. I understand what is normally a difficult set of circumstances in anticipating anything that the House would or would not do, but I am all the more confident that it is possible, given what has just happened on the budget.

The distinguished majority leader asked if we could go to the budget in an expeditious way tomorrow. We are prepared to do that. I have indicated to him after consulting with a number of my colleagues that is possible. I want to go back to that point in a moment.

That entire budget was preconferenced by Senate and House Republicans. Every single detail of the budget we are going to get tomorrow was preconferenced with the House. They decided what the defense number was. They decided what the discretionary number was. They decided what the tax number was. They decided what the entitlement numbers were. They decided what the overall budget plan would be. All of it was done.

It seems to me if we can negotiate an entire budget for 6 years with the House of Representatives, certainly we could find our way to do one tiny little bill on the minimum wage. I hope we could find a way with which to address that. We have been working in good faith with the majority leader to find a way to make that happen. I feel we are making progress in that regard. All we are asking is one tiny little bill. The minimum wage is a tiny bill. But it has profound repercussions for the economic well being, the lives of millions and millions of people.

As the majority leader made reference last week to rocket scientists, it does not take a rocket scientist to recognize the House could come up with a package surrounding the minimum wage increase that might be unacceptable. To declare this agreement acceptable, without any assurance of what the House would do—the House could come up with a package that we have to vote against, that the President would have to veto—that is no agreement, Mr. President. That is not what we are attempting to do. We want to find a way to accommodate the concerns of the majority in dealing with this tax issue in spite of the fact we have very serious misgivings on our side. We will have some amendments to address those misgivings.

The Travel Office legislation—again, some of us have very serious misgivings in terms of the precedent it would set. We want to deal with that. Obviously, there is the TEAM Act, about which we have extraordinary misgivings. We will deal with that. Then there is the taxpayer bill of rights for which there is apparently some consensus. We will deal with that. Those are four pieces of legislation the majority wants to deal with. We say we want one, the minimum wage. All we ask is that we are not going to be embarrassed in coming to an agreement that ultimately allows us this freestanding vote that we all say we want but then the President will have to veto. That is not acceptable. Everybody understands that. That is all we are saying—continue to work, ensure we know what the House's intentions are. If we can do it on a complete budget agreement, it seems to me we can do it on one little bill, the minimum wage bill. That is what we are talking about.

Now, with regard to the budget, as I said, I have agreed to go to the budget resolution early tomorrow, after consultation with our caucus at noon and with individual Members who raised some very serious concerns and even though we have not yet been allowed to see the report. We are not going to make a big deal of the fact we do not have a report. Our colleagues on the Budget Committee were not even allowed to write it. No minority report. That was not allowed. There was no consultation with Democrats, at all—locked out completely.

This proposal is the most partisan budget we have seen in many, many years. In fact, at the news conference I recall, the Nation was told this is a Bob Dole budget. It was not the Senate Budget Committee document. We were told, "This is the Bob Dole budget." I must say, with all this interest in bipartisanship and accommodation and cooperation, when it came to the budget, we are not getting a great deal of it. We have not seen much yet. What goes around comes around.

In spite of the fact that we have not been given very much, if any, consideration with regard to the budget so far procedurally, and it is going to get worse, we will go to the budget resolution and, eventually, to the three reconciliation bills that in my view are flatout illegal. We will have to face all of that in the future. We will go to the budget tomorrow, because in good faith we are trying to work through these things. We will try to deal with the budget. And we are trying to deal with these five bills. But we will not be pushed.

I have had to assure my colleagues we will take all the time we need to have a good debate, to offer amendments. We will do all of that. We will go to the floor tomorrow as requested of us in order to accommodate the majority in what we know to be a very full schedule. I hope we can continue to work. I am very hopeful we can achieve all that I know the distinguished majority leader wants to accomplish prior to the time we get into the Memorial Day recess.

Mrs. BOXER. Will the Senator yield?

Mr. DASCHLE. I am happy to yield to the Senator.

Mrs. BOXER. My question, just so I am fully in tune with the points you were making, the majority leader is telling us that he cannot accommodate us in terms of the minimum wage; he says he cannot have any control over the way it is handled in the House. What I heard my leader say is when it comes to the budget, which is a huge document and is actually a 6-year budget, that, in fact, there was cooperation between the Senate Republicans and the House Republicans. They did, in fact, preconference many of these issues so that they were in step.

Am I right in assuming when it comes to the minimum wage, the majority leader says: Gee, he just cannot control it, so we could agree to all the other measures. You point out this caucus on this side is split on something because we so much want to see the minimum wage take effect and start helping people, millions of people. I might say the majority of them are women, and we talk a lot about the gender gap around here. I think the women in this country know who is fighting for them.

When it comes to this, we could give away our position, our leverage, and wind up with all the other bills and not the minimum wage increase. Is that the fear that has been expressed by the Democrat leader?

Mr. DASCHLE. The Senator from California says it so ably and succinctly. That is our concern. She used the word "cooperation" between the House and the Senate. It was cooperation. But I did not go further. It was absolute unanimity, agreement right down the line, word for word, paragraph for paragraph, provision for provision. There was no disagreement. The joint news conferences by the chairs of both the House and the Senate Budget Committees certainly made that point. There was no disagreement whatsoever. Normally you would expect cooperation. This was lockstep agreement on every single detail of a 6-year budget agreement.

It seems to me with that kind of precedent there ought to be an opportunity for one little bill, this minimum wage bill, which has such a profound effect on so many people all through the country. That is all we are hoping to do. I intend to work with the majority leader to ensure that happens. I yield the floor.

GAS TAX REPEAL, MINIMUM WAGE, AND THE BUDGET

Mr. COCHRAN. Mr. President, it is unfortunate, indeed, that we are not getting a vote on the repeal of the gasoline tax that was imposed in 1993, the 4.3-cent gasoline tax that has been debated and discussed here on the floor for these past 2 weeks now.

When the Senate came back into session following the recent recess, the majority leader indicated to the Senate that the order of business would be that we would debate and dispose of the so-called taxpayer bill of rights, legislation that has been reported from the Senate Finance Committee, that had been discussed for some time over a period of the last several years; as a matter of fact, a priority of Senators on both sides of the aisle. I can recall when my good friend from Arkansas, Senator PRYOR, introduced legislation along that line some time ago and invited Senators to cosponsor. I joined in cosponsoring the legislation.

There have been enactments of similar legislation in the past but this seemed to address the current problems. It had bipartisan support. To that legislation, the majority leader proposed to add a temporary repeal of the gasoline tax that had been imposed at the President's request, and with the opposition, the active opposition of all Republicans in the Congress.

The fact of the matter is, this was a part of the initial deficit reduction package proposed by President Clinton soon after he came into office. It was opposed by Republicans because for the first time there would be Federal taxation of gasoline that would not be earmarked for road and bridge construction under the Highway Trust Fund Act.

Gasoline, tires, batteries, and accessories had been taxed in the past, at the initiative of President Eisenhower some time ago, to try to build a national defense highway system. It was thought at the time that the American people would support that, if the highway users could support and pay for it through Federal taxes on gasoline, oil, batteries, and the like, those things that would be purchased by the users of the Nation's highways, those funds would be dedicated for that purpose.

Now, President Clinton comes into office as President and, for the first time, suggests that there be a Federal tax on gasoline that would go into the General Treasury, which would not be a part of the highway trust fund. There was strong objection to that. We had a rollcall vote in the Congress, and Republicans unanimously voted against that tax. With gasoline prices rising, with people finding it more and more difficult to operate their trucks and cars with these new, high prices, it was appropriate, in the view of this side of the aisle, that we act to repeal, temporarily, that gasoline tax.

Mrs. BOXER. Will my friend yield for a question?

Mr. COCHRAN. I am happy to yield for a question.

Mrs. BOXER. I have a question because my friend made a statement that President Clinton was the first President to suggest that gasoline taxes be used to reduce the deficit. In 1990, under George Bush, there was a tax put in until 1995 on gasoline which was used to reduce the deficit. It was part of an agreement under the leadership of President Bush. So I just wanted to know whether my friend was aware of that.

Mr. COCHRAN. I would like to respond by saying I do not think that was a suggestion by President Bush. I think at the time of that summit——

Mrs. BOXER. He signed onto it. It happened under his administration, and he signed the bill.

Mr. COCHRAN. I do not yield further, Mr. President. I am responding to the Senator's question. I will continue to respond. That summit meeting was held for a lot of purposes, to try to deal with a lot of issues that had been brought up in the Congress. The gasoline tax was not proposed by President Bush.

I stand by what I said. President Clinton is the first President who suggested an addition to the gasoline tax that would not be used as a part of the highway trust fund.

The fact is, the Republican leader in the Senate proposed that there be a repeal of this 1993 tax. He stated the reasons for it. It had almost unanimous support on this side of the aisle and, I think, support on the Democratic side as well. What happened next was, the Democrats offered an amendment that they wanted to have voted on before the gasoline tax repeal would be voted on, which was to increase the minimum wage. Now, it is not unusual to have some Senator offer an amendment on a completely different subject from the legislation that is pending before the Senate. It is one of the unique characteristics of the Senate that any Senator on either side of the aisle, at any time, can offer an amendment to any bill or any other amendment and discuss the merits of that proposal without interruption for as long as that Senator seeks to do so, or at least until 60 Senators vote to impose cloture and cut off debate. That is one of the unique features of this body. So I am not criticizing Senators who seek to use the rules to call to the attention of the Senate a matter of some urgency that needs the immediate consideration of the U.S. Congress.

What is curious about that proposal and that amendment, though, was that, for 2 years, the Democrats controlled both Houses of Congress and the administration. President Clinton came into office talking about giving a middle-class tax cut, talking about helping working people meet their goals and achieve their ambitions. Not once did a committee chaired by a Democratic Senator report out legislation to increase the minimum wage. Not once did a Democratic Senator offer an amendment to any bill to increase the minimum wage and call this to the attention of the Senate as some matter of urgency or something that would have merit and ought to be considered by the Congress. But it was advanced as a way to prevent a vote on the repeal of a tax, a temporary repeal of a gasoline tax. It was suggested that this was of such grave national urgency—the increase in the minimum wage—that it ought to be considered in advance of any other issue that could be brought before or considered or voted on by the U.S. Senate.

Now, if that is not political posturing and grandstanding, I do not know what is. The fact is, for 2 long years, the Democrats—suggesting that they are the friends of the working man, they are going to do what they can to help make life better for those who work for a living—never suggested through legislative proposals on this floor of this Senate that the minimum wage should be increased.

But at a time when there was a matter brought up by the Republican leader, who is in charge of the schedule of the Senate, for the orderly consideration of legislation that there be a repeal of the gasoline tax that this President requested be imposed and which the Democrats had agreed to impose, there was this cry to, "Wait, you cannot even vote on that in the Senate until you not only vote on, but commit yourself to and enact an increase in the minimum wage." There is a difference between a vote on an amendment, or debate of an amendment, and a vote on a motion to table that amendment or a vote on that amendment as amended.

Any Senator has the right, as I said, under the rules—and we are not criticizing that right—to suggest a change in the law, to suggest a discussion on any subject at any time. The purpose for that is so that no one party, no one leader, no one region, no one faction can keep the Senate from considering an issue that is of importance to the national interest. No one can keep that from happening. No one is that powerful in the U.S. Senate. No party is that powerful, no majority so great that that is prohibited or frustrated. That is why the Senate is so unique.

In the House of Representatives, for example, on the other hand, if a Member of that body wanted to offer an amendment or call to the attention of the House of Representatives some issue, it would have to be approved by the Rules Committee, first of all. The Rules Committee is dominated by members of one party. That is the way it is. The Rules Committee is an arm of the leadership of the House of Representatives. In my experience as a member of the other body, even if you are a Member of the legislative standing committee and would like to offer an amendment in that committee for consideration, you have very little chance of success, if the chairman of that committee is intent on defeating your amendment, in getting an amendment approved by that legislative committee and then finding its way to the floor as a part of a bigger bill.

Now, I will admit that, in recent years and since I have been in the Senate, those rules have been modified somewhat, I am told. But I can recall when it was nigh unto impossible to bring an issue to the attention of the House of Representatives on the floor of the House—except in a 1-minute speech, but I am talking about in a vehicle that could be voted on or enacted—without the permission of the higher-ups, the leadership, the people who control the House.

Well, that is not the case in the Senate. We are all members of the Rules Committee here. Every Senator has a right to say what should be discussed or debated or considered by the U.S. Senate and can bring that issue up at any time there is a legislative issue on the floor of the Senate. So that is what the Democrats did and took advantage of for the opportunity to bring to the attention of the Senate the minimum wage issue. But what needs to be remembered in all of this as we proceed now to consider the budget resolution instead of the taxpayer bill of rights, which has been on the schedule and scheduled for consideration by the leader, is that this is being used as a device to prevent the Senate from conducting the business that was proposed to be conducted by the Republican leader. He has sought to reach an agreement for consideration of a minimum wage amendment, and he has done that in a variety of different configurations—that there be three separate bills, that there be separate votes on amendments. There have been negotiations now for the last 2 weeks, and a strong effort has been made by the Democratic leader, I must say—and I agree that he has made every effort—to resolve some of these differences about how we proceed to consider the gas tax repeal, the minimum wage issue, and other labor related issues. The TEAM Act has been discussed as well.

I might say that the Democratic leader suggested that now it is a part of the requirement that is being made for proceeding by the other side that the bill, as passed by the House containing the minimum wage increase, must be subject to review before any agreement for consideration of that issue can be made here in the Senate for the purpose of ensuring that whatever amendment is adopted here would not cause that bill, as passed by the House, to be vetoed by the President.

So what is being sought is not an opportunity to debate an issue of some national urgency, not an effort to vote on an issue to put Senators on record, but to enact a change in the law. That sounds sort of like extortion, does it not? It sounds like extortion. It may not technically and legally be extortion but it sounds like it to me.

Well, where we are now is, with the agreement of the Democrats, we are proceeding next to consider the budget resolution which we ought to do. And we all agree, Republicans and Democrats alike, that we ought to proceed to the consideration of the budget resolution because it is a matter of high priority. And in the orderly course of legislative process following the budget resolution we will be able to then take up bills to reconcile the law with the resolution, requiring reductions in spending, or changes in the law so that we can achieve the goals set forth in the budget resolution, and so that the appropriations bills can be enacted consistent with the limits that will be contained in the budget resolution.

So as we begin the funding process for the departments of the Government for the fiscal year that begins on October 1, we will not see—I hope we will not see—what we saw last year. And that was a logjam of activities that frustrated the orderly funding and authorization of Government programs so that there were shutdowns, there were conflicts—some serious—between the House and Senate, between Senators and among Congressmen of both parties, and with the President that we had the frustrating experience of seeing the Government actually having to shut down because of the inability of the Congress and the President to agree on the levels of funding for various activities.

So it is with the hope that we will avoid that result this year that we can agree quickly on a resolution on the budget, then move to the timely consideration of reconciliation bills and appropriations bills, and conclude this session of the Congress in a way that serves the collective interests of the American people. That is my hope. I did not say that "serves" the interest of a political party. I think there has been too much consideration in this body this year and last of what serves the interests of the political factions and not what proposals are really going to solve the problems this country faces.

Some of us think the gasoline tax repeal would help solve a problem, that taxes are too high. Republicans are on record wanting to vote on that right now and to take up other tax reduction measures, too, as a part of the budget resolution, and we will get to that.

But I am hopeful that the beginning of the debate on the budget resolution may signal a turn, a change in direction, at least in emphasis between political posturing and a good-faith committed effort toward achieving goals like reducing the deficit, tax reform, welfare reform, making Government more efficient, eliminating unnecessary and wasteful uses of tax dollars and all the rest that go into making for good Government and Government that is one that restores the confidence of the American people in our political system. That is important.

Mr. President, I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I note the order is to go out. I ask unanimous consent that I be recognized for up to 15 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mrs. BOXER. Thank you, very much, Mr. President.

I listened carefully to my friend and to my colleagues on the other side as well as to the Democratic leader. I would like to put a little bit of perspective on where I see we are as my friends have done; my friend from Mississippi.

First, I would like to bring out—in my question to him he was very kind enough to yield to me on—that in fact this is not the first time the gas tax has been used to reduce the deficit. Actually it came about under a Republican President, George Bush, a temporary tax for 5 years to reduce the deficit.

My friend made the point, Well, it was not George Bush's idea. I do not know whose idea it was. Although I served at that time on the Budget Committee of the House, I was not at Andrews Air Force Base. But the President then, President Bush, a Republican President, agreed that we needed to reduce the deficit, and that was part of the plan. So this is not the first time gas taxes have been used to reduce the deficit.

I have to say that what is so interesting to me is the passion that we see coming from the other side of the aisle on this reduction of the gas tax of 4.5 cents, a passion that goes so deeply that they do not even have anything in their bill that would make sure it goes back to the drivers. We have experts from all over the country saying that in fact it is very probable that the decrease in the tax would go into the pockets of the oil refiners, and we are going to try on this side—and we hope this comes up; we are all supporting bringing these bills up—that we can amend it in such a way to ensure that the oil companies have to give it back.

So I find the passion on the other side about returning $27 a year to the average driver without any guarantee that they will get it—I find it interesting since there is a lack of passion when it comes to an increase in minimum wage, which is at a 40-year low in terms of its buying power, an increase in wages for millions of people to the tune of $1,800 a year. And it would make a difference because I have met some of those working people. They work hard, and they have a hard time getting health insurance and paying for it. They have a hard time meeting their obligations. Sometimes they have to choose between going to a doctor or forgoing that for food on the table. These are real people, and where is the passion on that side? It is not there, and God bless the American people. Seventy percent of them agree that we ought to have an increase in the minimum wage.

And my friend says, "Where are the Democrats? Why didn't they bring it up before?" We probably should have, you know. We miscalculated. We brought up the health care issue because we wanted to help working people, and we decided that we made an error in that regard to go with health care first. And we know we overreached, and we all know that we made a mistake. I am not afraid to admit mistakes.

Now I hope we can get to the Kennedy bill to start addressing the issue of health care. But the fact of the matter is we postponed it, and that makes it all the more important to get it done now, Mr. President, because inflation continues to move. It is at a low level. But still, it moves. The minimum wage is not tied to inflation, as we all know. Congress can make it better. It has been my privilege to vote for the increases before—the last one under George Bush, where we came together as Republicans and Democrats.

All we are asking on this side of the aisle is that you are passionate about the repeal of the gas tax, most of which is going to go to the oil companies. How about showing a little compassion and action for the people who work so hard for a minimum wage?

If you have that same commitment with us, let us pass both bills. Let us get them to the President's desk. He says he will sign them both. He says he will sign them both. So instead of working at cross purposes, let us work together. It simply is not enough to say, well, we cannot guarantee what the House will do. I served over there for a long time, and my friend is right. There are different rules over there. But it turned out in the budget, in a document that addresses the issues for the next 6, 7 years in our country, there was no problem between the majority here and the majority there. Every issue, every detail was talked out before, and everyone here knows what the budget is going to look like. We are going to debate that tomorrow, and I cannot wait to debate that budget. I cannot wait to point out the differences between the two sides, but I will wait until tomorrow to do that, because we see huge differences in the parties in that document, which is really the vision of the future for this country.

The point that the Democratic leader was making, I thought quite eloquently, is this, simply, that if a budget that is so complicated and so large and so encompassing, with so many issues, can be preconferenced between the House and Senate Republicans, why can they not come up with a clearly defined way to assure us that a minimum wage bill will get to the President's desk. You know on the other side how strongly we feel about that.

Mr. COCHRAN. Mr. President, will the distinguished Senator yield for a question?

Mrs. BOXER. Yes, I will be glad to yield.

Mr. COCHRAN. My question is whether or not the Senator is aware that today the leadership on the House side, the Speaker and the majority leader, sent a letter to the Republican leader here—a copy was given to the Democratic leader—which says as follows:

> In the next 2 weeks, the House will consider H.R. 2391 to allow low wage earners

greater choice and flexibility in their work schedules. At that time, the Rules Committee will make in order an amendment to increase the minimum wage as well as other amendments to create jobs, expand worker training and education opportunities, and increase take-home pay for low wage workers. It complements our belief that a first job is the best training for life-long success in the world of work. We look forward to taking this measure to conference with the Senate and getting legislation to the President's desk.

Is the Senator aware that that commitment has been made?

Mrs. BOXER. Absolutely. And let me tell the Senator, that is exactly the problem. What we are asking for is a clean minimum wage bill. We agreed to a clean, temporary repeal of the gas tax. We want a clean bill that increases the minimum wage. That is all we want.

What my friend read makes the point of why the Democratic leader is not going to go down this road with you. I have been around this place for a while. We do not even know what all those things mean—a guarantee of greater take-home pay. We do not know what all these things mean. You could cut Social Security and you might wind up with a bigger paycheck, too. We do not know what that means.

So the bottom line is, my friend made my point. A vague promise that in 2 weeks there will be another bill to which they will attach an amendment on minimum wage is not the vehicle. The President wants to break the logjam. He said: Send me a clean repeal of the gas tax and send me a clean increase on the minimum wage.

I think the Democratic leader has laid it out. That is what we want, and that is not what we are getting. So I think we have a capability of coming together here. We are friends. I think we can come together as legislators. It is pretty easy. Let us make sure we have a package that results in a separate bill going to the President's desk on minimum wage and a separate bill on the gas tax.

My friend mentioned other issues that are important to his side. We are willing to let those go through if we have an opportunity to amend, and so on, even though some of us have reservations about them. But that is not what has happened. So I think you are going to see Democrats in the Senate stand pretty firm. We are willing to give and give and give. We want to get a little. And when I say a little, I mean a little.

We are talking about a minimum wage bill. We think it is good for the country. We know that workers are under stress today. We know there is downward pressure on wages. We know the minimum wage is at a 40-year low. We know that 58 percent of the people on minimum wage are women who are struggling. The majority leader says he wants to get hold of that gender gap and make it smaller. He has a shot at doing that, it seems to me, if he would embrace this idea. If we could send a clean bill to the President, that is going to be good for the country, good for women, good for families.

So I think we are really close to an agreement, I say to my friend. We are getting there. And I think if the majority leader would work with the leadership in the House the way he did on the budget, getting certain guarantees, getting agreement on how both Houses would handle it and do the same thing on minimum wages, we will be here passing that minimum wage, addressing the issue of the gas tax and the other issues that my friend is anxious to address.

So I look forward to seeing us move together. I think the American people want us to reach across the party aisle. They are really crying out for that. And we have an opportunity to do it. I think the President gave us the way. He said: Send me a clean bill on the gas tax; send me a clean bill on minimum wage.

I think we can make that happen. And if we do, everyone has fulfilled his or her responsibility, it seems to me, to his or her constituencies.

So I am not overly pessimistic at the turn of events because I think we are making some progress, but I think we can really do better. I look forward to the budget debate that is coming tomorrow. I look forward to debating my friend again on some of those issues—Medicare, Medicaid, education, environment, deficit reduction, earned income tax credit. These are so important to the well-being of the people.

With an increase in the minimum wage, I have to say that can do more to change the lives of working people for the better than almost anything else we can do. And I hope we will see it done. I hope we will cross party lines to do it. I might note that we have been blocked from doing it. A majority of the Senate has voted to increase the minimum wage. The majority leader has filled the tree to block us from offering it on certain bills. I just look forward to the day when the majority here, the majority of Senators here, get to vote on that minimum wage and we do the business of the people.

I thank the Presiding Officer very much.

Mr. President, as I understand it, this has completed the Senate's business.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate now stands in adjournment until 9:30 tomorrow morning.

Thereupon, the Senate, at 5:58 p.m., adjourned until Wednesday, May 15, 1996, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 14, 1996:

IN THE NAVY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

VICE ADM. J. PAUL REASON [redacted]

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. (SELECTEE) PATRICIA A TRACEY [redacted]

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. (SELECTEE) JAMES O. ELLIS, JR [redacted]

IN THE AIR FORCE

THE FOLLOWING-NAMED AIR NATIONAL GUARD OFFICERS FOR APPOINTMENT AS RESERVE OF THE AIR FORCE IN THE GRADE INDICATED UNDER THE PROVISIONS OF SECTIONS 12203 AND 12212, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES AS INDICATED.

DENTAL CORPS

To be lieutenant colonel

THOMAS R. BIRD [redacted]
WILLIAM A. DYKES, JR. [redacted]

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 12203 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 12203 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE.

LINE

WARREN J. ANDERSEN [redacted]
PHILIP M. BENDER [redacted]
MICHAEL F. BROWN [redacted]
ROGER C. CHENOWETH [redacted]
RAFAEL A. ROVIRA [redacted]
RAYMOND R. TERRY [redacted]
KIMBERLY A. TOWNSEND [redacted]
BARCLAY A. TREHAL [redacted]

JUDGE ADVOCATE GENERALS DEPARTMENT

To be lieutenant colonel

GRANT V. BERGGREN [redacted]
ESTHER A. RADA [redacted]

CHAPLAIN CORPS

To be lieutenant colonel

STEVEN P. CORUM [redacted]
RALPH S. ENGLISH [redacted]
JULIUS JEFFERSON [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

PETER J. GOODMAN [redacted]

MEDICAL CORPS

To be lieutenant colonel

DOUGLAS T. CROMACK [redacted]
ERIK L. JOHNSON [redacted]
LEROY H. PARKS [redacted]

DENTAL CORPS

To be lieutenant colonel

MARK S. JOHNSON [redacted]

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION TO THE GRADE INDICATED IN THE RESERVE OF THE U.S. AIR FORCE UNDER SECTION 307 OF TITLE 32, UNITED STATES CODE, AND SECTIONS 12203 AND 8363 OF TITLE 10, UNITED STATES CODE.

To be colonel

LINE

KENNETY D. ALLEN, JR. [redacted]
MYRON G. ASHCRAFT [redacted]
ANTHONY AUGELLO [redacted]
PATRICK A. AYRES [redacted]
RONALD D. BALL [redacted]
TERRY R. BISTODEAU [redacted]

GERARD A. BRANGENBERG [redacted]
BRADLEY H. COPELAND [redacted]
GARY A. CORBETT [redacted]
WILLIAM R. COTNEY [redacted]
BILL J. COX [redacted]
THOMAS N. EDMONDS [redacted]
RONALD G. ELLIOTT [redacted]
JAMES H. FLYNN [redacted]
DAVID V. GARDNER [redacted]
LARS G. GRANATH [redacted]
JAMES B. HAMILTON [redacted]
ELWYN R., HARRIS, JR [redacted]
WILLIE D. HARRIS II [redacted]
EMIL D. HARVEY, JR [redacted]
RICHARD C. HASTINGS, JR. [redacted]
WILLARD G. HILL [redacted]
ROBERT E. HORSTMAN [redacted]
CHARLES V. ICKES II [redacted]
STEPHEN A. JAMESON [redacted]
PETER M. JANAROS [redacted]
ROBERT J. JARECKE [redacted]
DAVID L. JONES [redacted]
WALTER K. KANEAKUA, JR. [redacted]
JAMES C. KAPITAN [redacted]
RONALD A. KEITH [redacted]
DAVID D. KIRTLEY [redacted]
CARL J. KOCK [redacted]
CRAIG L. LARCOM [redacted]
ALEXANDER T. MAHON [redacted]
MARION J. MARTIN [redacted]
VERNON D. MARTIN [redacted]
DAVID V. MASSEY [redacted]
HOWARD F. MAY [redacted]
DONALD E. MCKELVEY, JR. [redacted]
CLINTON E. MCNABB [redacted]
RONALD G. MOORE [redacted]
KEVIN L. MORRIS [redacted]
MARK R. MUSICK [redacted]
ROGER C. NAFZIGER [redacted]
VICTOR S. NATIELLO [redacted]
PETER S. PAWLING [redacted]
MANUEL G. PEREIRA [redacted]
JESS B. PITTS [redacted]
WILLIAM K. RICHARDSON [redacted]
ROBERT B. ROESSLER [redacted]
EUGENE SALANIUK [redacted]
WILLIAM N. SEARCY [redacted]
GARY M. SHANNON [redacted]
HOMER A. SMITH [redacted]
DERLE M. SNYDER [redacted]
RALPH B. STEWART, JR [redacted]
CHARLES W. WARREN [redacted]
HERBERT C. WHEELER [redacted]
LAWRENCE H. WOODBURY [redacted]
JAMES R. WYNNE [redacted]

CHAPLAIN CORPS

GEORGE F. ZECK [redacted]

JUDGE ADVOCATE

ROLAND F. BERLINGO [redacted]
WILLIAM H. ELLIS, JR [redacted]
ROBERT I. GRUBER [redacted]
ALEXANDER S. NICHOLAS [redacted]
JAMES E. THOMPSON [redacted]
FANK A. TITUS [redacted]

MEDICAL CORPS

MICHAEL N. BROTHERS [redacted]
JAMES D. FEARL [redacted]
EARL R. HARRISON JR. [redacted]
CLARENCE J. HINDMAN [redacted]
CHARLES E. KELLY [redacted]
ROGER W. KEMP [redacted]
MICHAEL J. PALETTA [redacted]
RICHARD B. TERRY [redacted]

NURSE CORPS

SUSAN J. AUGUSTUS [redacted]
CAROL ANN FAUSONE [redacted]

BIOMEDICAL SCIENCES CORPS

ALBERT L. SHERBURNE [redacted]

CONFIRMATIONS

Executive Nominations Confirmed by the Senate May 14, 1996:

IN THE COAST GUARD

VICE ADMIRAL RICHARD D. HERR, U.S. COAST GUARD TO BE VICE COMMANDANT, U.S. COAST GUARD, WITH THE GRADE OF ADMIRAL WHILE SO SERVING.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE FOLLOWING REGULAR OFFICERS OF THE U.S. COAST GUARD FOR PROMOTION TO THE GRADE OF REAR ADMIRAL:

JOHN E. SHKOR
PAUL E. BUSICK
JOHN D. SPADE
DOUGLAS H. TEESON
EDWARD J. BARRETT

THE FOLLOWING REGULAR OFFICERS OF THE U.S. COAST GUARD FOR PROMOTION TO THE GRADE OF REAR ADMIRAL (LOWER HALF):

JOSEPH J. MCCLELLAND, JR.
JOHN L. PARKER
PAUL J. PLUTA
THAD W. ALLEN

VICE ADMIRAL JAMES M. LOY, U.S. COAST GUARD TO BE CHIEF OF STAFF, U.S. COAST GUARD, WITH THE GRADE OF VICE ADMIRAL WHILE SO SERVING.

VICE ADMIRAL KENT H. WILLIAMS, U.S. COAST GUARD TO BE COMMANDER ATLANTIC AREA, U.S. COAST GUARD, WITH THE GRADE OF VICE ADMIRAL WHILE SO SERVING.

REAR ADMIRAL ROGER T. RUFE, JR., U.S. COAST GUARD, TO BE COMMANDER, PACIFIC AREA, U.S. COAST GUARD, WITH THE GRADE OF VICE ADMIRAL WHILE SO SERVING.

COAST GUARD NOMINATIONS BEGINNING MICHAEL S. FIJALKA, AND ENDING KIMBERLY J. NETTLES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 28, 1995.

COAST GUARD NOMINATIONS BEGINNING GEORGE J. SANTA CRUZ, AND ENDING KEVIN M. PRATT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JANUARY 22, 1996.

COAST GUARD NOMINATIONS BEGINNING STEVEN D. POOLE, AND ENDING KEVIN J. MACNAUGHTON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 9, 1996.

COAST GUARD NOMINATION OF SHERRY A. COMAR, WHICH NOMINATION WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 20, 1996.

COAST GUARD NOMINATIONS BEGINNING GERALD E. ANDERSON, AND ENDING CONSTANTINA A. STEVENS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 5, 1996.

COAST GUARD NOMINATIONS BEGINNING STEPHEN ADLER, AND ENDING KIMBERLY ZUST, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 1996.

COAST GUARD NOMINATIONS BEGINNING RICHARD W. SCHNEIDER, AND ENDING JAN T. RIKER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JANUARY 22, 1996.

HOUSE OF REPRESENTATIVES—*Tuesday, May 14, 1996*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore [Mr. FOLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 14, 1996.

I hereby designate the Honorable MARK FOLEY to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leader limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK] for 5 minutes.

LEGISLATION NEEDED TO COMBAT UNSCRUPULOUS BUSINESS PRACTICE

Mr. FRANK of Massachusetts. It is a pleasure to again be able to address Speaker FOLEY.

Mr. Speaker, I want to talk about a subject in which I plan soon to introduce legislation. It has to do with the practice of large, wealthy entities using a combination of their wealth but also the laws of this country, the securities laws, the tax laws, accounting principles to acquire companies when their intention in acquiring the companies is to shut them down.

In particular, I am addressing the situation in New Bedford, MA, where, to my great dismay, the firm of Kohlberg, Jerome Kohlberg and James Kohlberg, bought a company which had a plant in New Bedford, MA, a plant that has been in existence for over 100 years, that is profitable today as it was profitable when they bought it, making various forms of fasteners, shoe eyelets, and they bought it apparently to close it down. They bought it because given the tax advantages that were available to them when they borrowed money for the purchase, given other kinds of accounting questions as to what things are valued at, it enriches them more, because they are very wealthy people—we are not talking about anyone fighting for survival—it enriches them more to close it down.

I want to make a distinction because I have had people say to me, "Well, don't the owners of private property have a right to do things? In some cases closing down a plant that's faltering is the only thing to do."

Yes; sadly that is the case. But I want to make this important distinction. I am not, in the legislation I will be preparing, seeking to restrict someone who is in business, who has owned a business, who is trying to make a product, who decides that he or she can no longer profitably do that, that his or her capital would produce a better return elsewhere. I am not talking about disturbing the business decisions of long-term owners. That is a different issue. I will address that in another context. I am talking here about the case of Jerome Kohlberg and James Kohlberg acquiring this business for the purpose of shutting it down.

If it were a business that was dying because of a lack of profitability, the question would be a different one. If it were a business that were losing its suppliers, that was being even outcompeted by others, the case would be a different one. What I want to do is to examine the tax laws, the corporate laws, the accounting practices in this country that make it profitable for people to buy a company and shut it down.

The Kohlbergs, having paid, they tell us, $16 million for this company as they account for it, and I am skeptical of how exactly they got to that number, will not accept bona fide offers that were made for the company. I want to stress that again. We are not talking about forcing someone to keep open an unprofitable enterprise. There are responsible businesspeople in the city of New Bedford. They have worked with the United Electrical Workers Union, which has been very statesmanlike in this regard; they have worked with the mayor of New Bedford and her Economic Development Commission. And people who know the business, people who have made manufacturing work in New Bedford, have come in and said, "Please sell us this at a reasonable price," and they have been refused. Indeed, the Kohlbergs did not want to even entertain offers of a sale. We pressured them so they said they would entertain offers but they did it in so unrealistic a fashion that we had no chance to succeed.

What happens? What happens is they use various laws so they can buy up a company just to shut it down. More than 100 people are thrown out of work. Their families will be in distress. Costs will be imposed on the city of New Bedford, on the State of Massachusetts, on banks, on schools, on auto dealers. These are hardworking Americans who suddenly find themselves bereft of an income at a time and a place where it is not going to be easy for them to replace it, so that Jerome Kohlberg and James Kohlberg, who are already quite wealthy, can get wealthier.

Again, I want to stress, this is a case where they bought this place to shut it down. People have said, "Do you want to interfere with private property?"

Well, yes; I do want to reduce the incentive people have to buy a going concern that was in no danger, that we know of, of shutting down just so they can shut it down and get richer. We had in this case people ready to step forward. If the owner wanted to sell, a fair price would have been offered. There were people ready to say, "Here's your money and we will take over and we will keep this place running."

We are not talking about confiscating private property. We are not talking about interfering with a legitimate business decision that says, "This is no longer a profitable enterprise. I'm taking my capital elsewhere." We are talking about a set of laws in this country and regulations and accounting practices, and these need to be looked at further, that incentivize someone buying a plant solely for shutting it down. That is something that must be changed.

WE TOLD YOU SO

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. STEARNS] is recognized during morning business for 5 minutes.

Mr. STEARNS. Mr. Speaker, last year, after a long and passionate debate, the United States joined the World Trade Organization. The WTO, as it is known, is an international body based in Geneva with 120 nation members. In simple terms, the WTO is the police force of international commerce and trade, a mechanism for enforcement of the world's trade laws.

Supporters of the WTO promoted entry as a means toward a fair and free

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

trade policy. It was, they argued, a way for the United States to knock down other nation's protectionist trade barriers.

Opponents, who came from all political spectrums, foresaw a different world. Citizen's groups predicted a situation where other countries would pressure the WTO into weakening America's world-leading environmental, health, and safety laws. Economists warned that the WTO would penalize the forward-looking United States to the advantage of the mercantilist nations of East Asia and of the European Union. Nationalists were terrified of an organization that held the United States as equal to the other 120 member nations, for we would have no veto power, despite our obvious stature.

Many of us in Congress worked diligently to defeat the ill-advised entry into this Organization. I believed then, and still maintain, that our sovereignty is endangered by our membership in the WTO. Simply put, we are not equal to other nations. We have the world's most powerful econony, the world's most desirable markets, and the world's most advanced and forward-looking environmental, health, and safety laws. In other words, we have the most to lose. Entry into the WTO made no sense to us; we saw it as a means toward the demise of our sovereignty, the weakening of our standards and laws, and as a means toward the subversion of our already precarious trading position.

Unfortunately for all Americans, we were right.

The WTO handed down its first decision in January, and guess who came out the loser? If you said the United States, you're right. The case, which was brought against the United States by Venezuela and Brazil, challenged a 1993 EPA rule on gasoline standards. Specifically, the rule required America's dirtiest cities to improve their gasoline by 15 percent over 1990 levels. The two plaintiffs argued that this rule put their fuel at unfair disadvantage, that they would be held to higher standards than domestic producers because they didn't have adequate 1990 data. The case was decided by a panel of three trade experts from Finland, Hong Kong, and New Zealand, who unanimously ruled in favor of the plaintiffs.

The WTO ruling granted America three choices as retribution: First, we can change the EPA rule and let in dirtier gasoline; second, we can keep the regulation in place and face $150 million in annual trade sanctions, such as tariffs on U.S. exports; or third, we can negotiate the terms of the sanctions and perhaps compensate the plaintiffs with lower tariffs on their exports. Regardless of which plan we pick, we lose. U.S. oil refiners, who have invested millions of dollars to come into compliance by producing cleaner fuel and by adequately reporting their data, will be forced to compete with dirtier, cheaper gasoline imports. Of course, the worse part of the ruling is the establishment of the WTO jurisprudence over a wide array of U.S. laws.

The ruling affirmed the fears of everyone who opposed America's entry into the WTO. It deemed our environmental policy too stringent; it provided two weaker nations a means to unfairly enter our market; and worst of all, the ruling undercuts our sovereignty.

Our laws and policies are made through a democratic process. And although we may not always agree with the laws and rules that govern us, we at least have the benefit of representation. Obviously, through this process we hope to balance the concerns of all involved parties. We hope, ultimately, to maintain a modicum of fairness.

The WTO ruling has proven to be the antithesis of the democratic process. We as a nation have been forced to comply with the decisions of a body, whose main interest seems to be the forced opening of our markets. The WTO, in their ruling, subverted our laws and our legitimate trade barriers. They determined that we as a sovereign nation have no right to bar entry into our markets, regardless of the merits and regardless of another nation's failure to meet our democratically set standards.

My colleagues, this is dangerous stuff. The WTO's ruling sets a scary precedent. It sends a message to the nations of the world that U.S. policy can be thwarted, that our democratic process means nothing, and that our standards mean even less. Furthermore, the ruling puts our own industries at a disadvantage, for they must continue to play by the rules.

They must continue to obey the standards and rules of production and dissemination.

In the end, America is the only loser. Our involvement in this Organization creates an unfair advantage for our trading partners, who don't have to live up to the same standards as U.S. firms. It forces American businesses, who must comply with stricter standards to compete with companies from countries with weak policies and a strong entry mechanism in the WTO.

As is becoming the standard with our trade policy, the WTO will ultimately force American jobs overseas and force our country to weaken our environmental and health standards. This, of course, undermines the trust of our trade policy, which should serve as a job creation mechanism and as a tool to force other countries to come into compliance with out higher standards. Our involvement in the WTO is, unfortunately, the explication of all that is wrong with our current trade policy.

Mr. Speaker, my colleagues, I am afraid that we will continually be forced into inequitable positions by the WTO, that the Organization will serve only as a tool for other nation's to bypass our sovereignty. America is the only loser in this game, and this, my colleagues is game we can't afford to play.

Let me conclude, Mr. Speaker, by saying, this first ruling by the WTO forbodes a dark future for our Nation. I ask that we reconsider our entry into the WTO.

SACRED COW DISEASE ALIVE AND WELL IN DEFENSE AUTHORIZATION BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized during morning business for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I am here to talk a bit about what we are getting ready to do today. We are getting ready to go into the Defense Department authorization and I want to know, where are the budget hawks? Where are all these people who have been talking about the deficit? Because when we look at where we are, it is really very, very troubling.

Let me show my colleagues some charts. Everybody has their charts and I did not come unprepared. If we look at this and we look at the United States, which is the blue line, that is where we are spending. If we look at the red line, that is where Russia is spending. As we can see, when the cold war ended, their spending melted down. Not us. We keep right on spending. Even though we talk about the deficit, we do not do anything when it comes to the defense bill.

Then we look at threat potentials, at the United States and what we are spending on defense, here is what Russia spends, here is what China spends, and here is what a whole range of other countries spend: Iran, Iraq, Libya, North Korea, Cuba. Either we are not spending very well or something is really wrong. We are spending an awful lot of money on stuff that there is some question about.

What do I think the real problem is? In Great Britain they are talking about mad cow disease. This Congress has sacred cow disease. They see the Defense Department as the biggest sacred cow around here, and they will not allow anybody to touch their sacred cow. So, everybody, watch. This is our wonderful Republican colleagues pulling the sacred cow back in.

The bill we are taking up today will not allow any cuts at all, even though it is 5 percent above what the administration asked for. Any number of us requested the ability to at least offer cuts to bring it down to what the Chairman of the Joint Chiefs said was enough, what the Commander in Chief said was enough, but, no, we are not even being allowed to debate that here. We are totally gagged.

Do the Members know what we are going to debate here today? Today this body is going to become the moral police for the military. The people who represent us in the military, we do not want them to have the rights other Americans have, that they defend. Other Americans will get the Constitution defending their rights. People in the military get the Congress. Ask the average American, "Who do you want defending your rights, the Constitution or the Congress?" I think most of them will go with the Constitution. The Constitution looks a whole lot better today.

But that sacred cow, I cannot even touch it today. I had an amendment to try to bring down the numbers. Any number of Members had amendments to bring down the numbers. I have been on the Committee on Armed Services for 24 years, and they are not going to allow us to touch the sacred cow. So sacred cow disease is alive and well.

What are we doing today? We are charging it all to our kids. That is basically what we are doing. Anybody who votes for this bill today and tells us that they are a deficit hawk, that they really want to bring the deficit down, is absolutely wrong. What they are really saying is they will do everything they can to spend money on weapons systems.

I guess that to me is the saddest part of all, because it is even coming out in the military. I just saw their new poster, their new poster that has nothing on it but fancy dandy toys, new toys for the boys from the Congress. These are all cold war weapons. They do not really fit any of the kind of missions that we are on today. But are we not happy to have them?

I am so old, I remember that when we had Armed Forces Day, we celebrated the men and women who were in the Armed Forces. That is who we celebrated. None of these weapons are worth anything if we are not paying attention to the men and women in the Armed Forces and their families.

So I find this a very sad day as we begin the debate on my last defense bill, because I am leaving. But in fact we have been gagged, we cannot mention one cut. We are going to spend hours here debating whether women should have the same reproductive rights as American women. We are going to have all sorts of stuff about HIV, sexual preference, what kind of magazines they can read, where they can read them, when they can read them, what they can do about them and on and on and on and on. We are encouraging a culture all driven by the industrial complex. This is sad, and I hope America wakes up.

DEFENSE AUTHORIZATION BILL MEETS NATION'S COMMITMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. HUNTER] is recognized during morning business for 5 minutes.

Mr. HUNTER. Mr. Speaker, I think it is appropriate that I get a chance to follow my esteemed colleague from Colorado, Mrs. SCHROEDER, because I want to show her some of what she calls wasteful spending on the part of the Republican majority for defense.

I have with me an ammunition pouch. It is an empty ammunition pouch. It was issued by the U.S. Marine Corps and it symbolizes some of the increased defense spending that we are going to be engaged in as we pass this bill through the House. It manifests some of the $12 billion plus in defense spending which, as the gentlewoman said, is a little less than a 5-percent increase over what the Clinton administration asked for.

This year I had a meeting with the services, and I had the ranking member, the Democrat, my good colleague from Missouri, Mr. SKELTON, the ranking member on the procurement subcommittee that I chair, participate in this meeting with me. We asked the services to come in. We asked the Marine Corps and the Army and the Navy and the Air Force to come in.

I had a basic question for them: "Do you have enough ammunition, basic bullets for your troops, to fight the two-war scenario that we request you to fight, that President Clinton has said you must be able to meet?" That means if we should have a problem in the Middle East, like Desert Storm, and at the same time perhaps have a problem in the Korean Peninsula, if the North Koreans should take advantage of our being tied up in the Middle East and start moving down the Korean peninsula, and we had to move there and fight basically two contingencies at the same time, would we have enough basic ammo to fight that two-war contingency under the Clinton administration's defense budget?

The answer from the Marines—and, incidentally, the Marines are always the most candid, perhaps they are the worst politicians in Washington but they are always the most candid—they said, "Congressman, we don't have enough bullets to fight the two-war contingency that we are charged with."

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I yield briefly to my colleague, although I did not ask her to yield, but go ahead.

Mrs. SCHROEDER. Mr. Speaker, I think the gentleman knows I was not going to make any amendment that would attack extra ammunition. That is not the point. The point was about some of the weapons that I think even the gentleman might agree we did not need to add.

Mr. HUNTER. I thank my friend but I want to tell her, as chairman of the Subcommittee on Military Procurement, what my jurisdiction includes and what we are adding money for. I want to go through the list, but the most basic one, the one that I charged our staff with first, was to make sure that the troops have enough bullets in their guns to be able to defend the country. That was the first priority that we gave on this $6 billion add-on.

To get back to my point, I asked the Marines what it would take to fill their ammunition pouches and to add all the mortar rounds, the howitzer rounds and everything else, starting with basic M–16 bullets for infantrymen. What did they need beyond what President Clinton is providing them in his budget? They said, "Congressman, we are about 96 million M–16 bullets short. That means we run out. That means our ammo pouches are empty when we get to that point."

So the first thing we put in this budget was enough money for 96 million M–16 bullets, and we put that in the budget this year. They then gave me a list. I said, "Give me a list of what it is going to take you to be able to handle the two-war scenario." They gave us that list and it came to about $360 million. That was the first addition that we made.

We then went to the Chiefs of the respective services, because last year when the Republicans added defense money it was charged, "You're adding stuff that the President doesn't want, you're adding stuff that the Pentagon doesn't want, that his Chiefs in the services don't want." So we asked the Chiefs to come before us. We did that because we got a memorandum from the Chairman of the Joint Chiefs of Staff, General Shalikashvili, that said we need to spend for modernization, that is for new equipment for our soldiers, $60 billion a year.

Even President Clinton in 1995 when he was projecting the 1997 defense budget, which is what we are debating today, said "In fiscal year 1997," that is this year's defense budget, "I want to have almost $50 billion spent on modernization." Yet when he came through with the budget, it was $10 billion less than what he said he was going to be asking for a couple of years ago. So it did not even fit the President's blueprint. It was $10 billion under the President's blueprint for defense spending this year.

So we asked the service Chiefs to come in. We said, "What do you need to make sure that the men and women of the services have the best equipment?" They came up with a list of $15 billion. In the defense bill today we are going to be able to go over those systems and tell the Members exactly what they are. We did improve the safety requirements for the Marines also. We are adding 24 Harrier safety upgrades, in light of the 3 crashes that occurred in the last few months. We will describe this in greater detail in the defense debate.

PLIGHT OF THE KASHMIRI PANDITS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Ohio [Mr. BROWN] is recognized during morning business for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, the President might have delinked human rights from trade, but that should not be taken as a signal by other countries that the U.S. Congress no longer cares about human rights.

Indeed, concern for human rights in our own country and around the world remains a prominent concern on both sides of the aisle. Congresswoman PELOSI, Congressman LANTOS, Congressman SMITH of New Jersey and Congressman WOLF are just four of the many Members who have made human rights a burning concern.

I want to add my voice today to the concern about human rights in a part of the world about which we hear very little: Kashmir.

Indeed, Kashmir is one of the main trouble spots in the world today. India and Pakistan have fought two wars over Kashmir, and it remains a sore spot in Indo-Pakistani relations. Pakistan has taken every opportunity to destabilize the situation in Kashmir.

Soon after I took office in 1993, I received a group of activists from the Kashmiri Pandit community. The Pandits are not well known in this country.

They are Hindus who have been made refugees in their own country.

They are also a proud people with a special place in the history of India and the subcontinent. I might note that as India struggles to form a new government in the wake of the historic defeat suffered by the Congress Party, the Pandit community has made enormous contributions to Indian culture, including Jawaharlal Nehru.

Listening to the Pandits, I was touched by their story.

And I was shocked by the human rights abuses that have been perpetrated in Kashmir against the Hindus.

Indeed, the Pandits have been the target of a campaign of ethnic cleansing.

They have been brutalized and killed because they are Hindus.

Many of them have been forced from their ancestral homeland and now live in squalid camps.

Their future is uncertain.

I believe the Pandits are truly the forgotten people of Kashmir.

The State Department recently included a mention of the Pandits' plight in the annual "country reports" on human rights. That is at least a start—a recognition of a human rights problem.

We must not look the other way while Pandit people are killed, raped, abducted, brutalized and exiled. We must not accept the fact that they have been exiled in their own country.

We must pay attention to the plight of internally displaced people, a status that is becoming all too familiar in our new world.

I urge other Members to look below the surface of the conflict in Kashmir and focus on the human cost.

In the refugee camps there is a growing sense of unease, even panic, at the thought of being forgotten by the rest of the world.

As we have shown in Bosnia and other places, the United States is not the type of country that turns its back on people who are in dire straits.

That hope is what keeps the Kashmiri Pandits and other internally displaced people from lapsing into despair at their predicament.

They look to the West for the hope of a better future. We must not look the other way.

PROTECTING SOCIAL SECURITY—WILL AMERICA GROW UP BEFORE IT GROWS OLD?

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Michigan [Mr. SMITH] is recognized during morning business for 6 minutes.

Mr. SMITH of Michigan. Mr. Speaker, earlier today I attended a Social Security forum. One of the presenters at that forum said Social Security could be taking in less money from FICA taxes than it is required to pay Social Security checks by the year 2005. By the year 2005, Social Security under that definition could be broke. There is no real trust fund. That is why, Mr. Speaker, I have entitled my remarks for this morning "Protecting Social Security—Will America Grow Up Before It Grows Old?"

In 1983 Congress passed historic legislation to save Social Security. At that time the Social Security Administration warned that the system had an unfunded liability equal to 1.82 percent of payroll. In other words, the taxes would have to be increased by 1.82 in order to accommodate the requirements for survival for Social Security.

A 1983 law eliminated this liability temporarily. However, the actuaries today now say that the unfunded liability is 2.17 percent of taxable payroll, 19 percent worse than in 1983, and yet, Mr. Speaker, we do nothing. Some people have called it a third rail. Some people say, do not touch Social Security because you might not be reelected, because seniors do not want their Social Security interrupted or considered. I do not believe that is true. I believe most senior citizens today want to protect Social Security for their kids and their grandkids.

Let me tell my colleagues about the existing liability that equals $4 trillion in Social Security. Put another way, under the current system every beneficiary for the next 75 years will have to absorb a 14-percent cut in benefits for the system to balance. The other alternative is that we raise taxes by 16 percent on the already overburdened American worker.

Traditionally Congress waits until the last minute or the last moment to solve these kinds of problems, using a crisis environment to convince our constituents and ourselves that sacrifices could be made. If that happens, probably what Congress would do first is to look at reducing COLA's for existing retirees.

That is not the right way to solve this problem. I think, no matter how we try under current law, there will only be two workers paying into the system for each retiree drawing benefits by the time that we reach the 2010 to 2020 era. When we started this program, there were 38 workers for every 1 retiree. Today there are 3 workers for every retiree. When we hit the catastrophic era of 2010 to 2020, there will only be two workers for each retiree.

I am introducing legislation this year, and it offers a way out and I believe it justifies consideration. Part one of my bill eliminates the unfunded liability of the trust funds by slowing the growth of benefits in two basic ways.

Under the bill initial benefits will still rise after inflation, but they will not double as they do now under current law. It also imposes some modest means testing of benefits. This proposal holds harmless low-income workers and also existing retirees. I repeat, my proposal holds harmless the low-income workers and also existing retirees. Furthermore, this proposal gradually raises the retirement age, then indexes it to life expectancy. These two reforms more than eliminate the unfunded liability of this system, according to the Social Security's actuaries.

The Social Security Administration has scored this bill and found that each worker could invest between 1.8 percent of what they earn in payroll and 10 percent of their paycheck in a personal retirement savings account that is going to be their personal passbook savings account, their property, so at least for those funds they do not have to be worrying about a government that is going to use these moneys up and eventually not pay those payments.

Over time, the assets in workers' accounts will grow very rapidly, producing genuine retirement security. The balances grow so rapidly that it seems only fair to ask these successful investors to agree to lower Social Security benefits. Thus, worker/investors will still receive Social Security checks, although they will be smaller than those defined under part 1, as well as full ownership rights to their plans. However, the benefits flowing from their personal retirement savings accounts will more than make up the difference. Furthermore, account balances will belong to workers and will be passed on to their heirs, improving the financial security of wives, husbands and their children. Personal retirement savings accounts are a very good deal.

With some guidelines I believe it should be up to each worker to determine how his funds will be invested or if he wants to fund a personal retirement savings account at all. In fact, workers may elect to remain in the existing system if they wish and collect only Social Security benefits. It will be their option alone whether to place a portion of their paychecks in the hands of professional money managers. However, eligible investments in accounts include only assets now eligible for investment in individual retirement accounts [IRA's]. Also, under the proposal, managed investment accounts will have to meet investment and reporting requirements.

Another important benefit of this proposal is that it will stabilize fiscal policy. This year, Social Security will take in $75 billion more than it distributes. By 2005, the annual cash flow surplus will rise to $135 billion. But in 2025 and beyond, there will be annual cash deficits of $330 billion and rising as far as the eye can see. Under this plan, cash flow in and out of the Social Security System will always be equal. Pressure to cut other spending or to raise taxes will not be required by cash flow problems. Social Security will be depoliticized—as it should be.

I plan to introduce this bill soon and invite my colleagues to cosponsor. Together, we can restore the solvency of America's most popular program and make it even better.

THE TRAGEDY OF FLIGHT 592

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized during morning business for 4 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, first of all I would like to associate myself with the remarks of the gentlewoman from Colorado [Mrs. SCHROEDER]. Knowing her long years of service in the area of our defense appropriations and spending, I simply want to pose the question to my Republican colleagues, what kind of House are we when we are not allowed to debate fully a reduction in the defense budget, a fair, open discussion about how best to utilize the precious dollars that we have in this country to serve America?

However, Mr. Speaker, I have come to the floor for another concern. Before I start, let me say to my colleagues that I am a former member of the city of Houston's Aviation Committee. I think if my colleagues review my record, they will find me a strong and active advocate for the aviation industry.

I also will say that I believe that those who work in the aviation industry are some of the more dedicated workers and employees and individuals committed to service. But this is not about questioning the integrity of our industry and who works in the industry. It is, of course, raising a question about a terrible loss of life just 1 day before Mother's Day in Flight 592. We realize that many mothers lost sons and daughters, and families were destroyed and devastated.

But the question becomes, when we come to the U.S. Congress, I always thought that we should be problem solvers and not dart throwers. It was interesting to listen to the expose of Rush Limbaugh. He always gives us such pointed dialog, sometimes greatly erroneous, as I thought his comments were in giving us a gravity study and a gravity talk about how wonderful it is that airplanes float and fly and how we should marvel at that, and why is there such hysteria and emotion around the loss of 109 lives?

Well, I will tell you, Rush, because America is a humanitarian Nation. And yes, we lose lives in violence, gun violence and car crashes, but every time there is a tragedy like Flight 592, we raise our voices because we want to ask the question why, and does it have to happen again? Rush, I am not interested in your debate and comment on flotation and the marvel of aviation. I understand that. The question becomes, why did we lose those 109 lives?

First, this particular airline or airplane was some 30 years old, almost. Its maiden voyage for this particular airline was in 1993 but it was actually purchased in 1969. I am not against old airplanes, but I am for maintaining them.

In addition, some seven times this particular airplane was forced back to the gate to return for some mechanical problems over a 2-year period. The question becomes, to FAA Administrator David Hinson, "What kind of job is the Federal Aviation Administration doing? What kind of safety measures are you providing for the American people?"

I am now asking for a full report on inspection procedures that are done by the FAA. I want to find out the status of staffing, the expertise of those who inspect, the years of experience and what kind of criteria they use to inspect our Nation's airplanes.

I would like to know whether or not we in this Congress have provided sufficient resources so that the planes we travel in can be in fact inspected. And, yes, I will be exploring legislation that requires that when a plane has been pulled back for mechanical violations a certain number of times, it be retired, out of commission, until that plane meets all safety standards.

Yes, I am in pain about the loss of 109 lives, just as each and every one of us each time we lose an American through such a terrible tragedy. I think it is a travesty for us to make excuses about what should have been done and not do it.

Oh, yes, Rush, next time I hear from you, I look forward to hearing a discussion about flotation, but I am going to stand on the side of saving American lives.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to address the Chair and not others outside the Chamber.

REPUBLICAN LEADERS WANT MEDICARE TO WITHER ON THE VINE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized during morning business for 4 minutes.

Mr. PALLONE. Mr. Speaker, Medicare provides quality health care benefits for over 32 million senior citizens, but the Republican leadership wants to transform Medicare into a program of substandard care.

The Republican leadership says that Medicare is in crisis—that it is now running at a deficit. I would argue that minor adjustments, not a major overhaul, could ensure Medicare's solvency. When Democrats were in the majority, we made sure that Medicare was being adequately funded. In 1982, the Medicare trustees predicted that the Medicare trust fund would run out of money by 1986. Obviously that did not happen.

Democrats protected Medicare and maintained a level of quality care for senior citizens into the 1990's.

Now the Republicans are scaring seniors by saying that Medicare is again going to go bankrupt in the early part of the next decade and using the words like "reform" to disguise their efforts to destroy the Medicare Program. Senior citizens are not in danger of not receiving health care, but Speaker GINGRICH still claims that a major overhaul is necessary.

His real motives lie in an earlier speech he gave during last year's Medicare debate, where the Speaker said he wanted to see Medicare wither on a vine. Only minor adjustments need to be made to ensure Medicare solvency. When Democrats were in the majority, Medicare never ran deficits. It is a sign of the misguided Republican leadership that Medicare has run its first ever deficit in its 31 years as a health care program for senior citizens. Enough is enough with Speaker GINGRICH and his band trying to dismantle Medicare yet one more time.

The new Republican budget calls for over $168 billion cuts, reductions, or whatever you want to call them, in the Medicare Program. Basically, the Republican leadership is proposing to take money out of the Medicare Program for their $176 billion tax break for wealthy individuals.

Although the amount of money being taken from Medicare is significant, the devil is really in the details, because the Republican leadership is proposing a major overhaul of Medicare to make it less efficient and more costly for seniors. Their proposed calls for coopting senior citizens into managed care. I do not have a problem with managed care per se, but I do not believe in Speaker GINGRICH's attempts to force seniors into managed care and call it "Medicare Choices."

The only choice that the Republican leadership is giving to seniors under this radical Medicare plan is the choice to receive substandard health care.

Where Medicare historically offered patients their own choice of doctor, protected against high out-of-pocket costs, and offered a guaranteed level of coverage, the Republican leadership's proposal would take it all away.

In addition, the Republicans are again proposed to incorporate medical savings accounts—or healthy wealthy tax breaks—into the Medicare overhaul. Last year, the nonpartisan Congressional Budget Office stated that these tax breaks would actually cost Medicare several billion dollars. This proposal is largely untested and very controversial.

Unfortunately, this is all a repeat of the failed Republican attempts to overhaul Medicare last year. I would urge my colleagues to vote against this impractical budget proposal on Thursday and urge senior citizens to call on Congress to protect Medicare from further raids by Speaker GINGRICH.

DEFENSE AUTHORIZATION BILL DOES NOT PROMISE REAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Oregon [Ms. FURSE] is recognized during morning business for 4 minutes.

Ms. FURSE. Mr. Speaker, I have brought here a chart that shows what we do with the money that the Congress has discretion over and over half the red part is Pentagon spending. The other part is everything else, education, income security, health, environment.

The House Committee on National Security has increased defense spending this year by $12.9 billion more than the President requested and more than the Pentagon even asked for. Republican and Democrat Members went to the Rules Committee with 5 different amendments to cut some Pentagon spending, from $1 to $13 billion, in between. We were not allowed to bring those to the floor and the leadership refused to allow us to discuss this most vital issue.

What does it mean when we increase Pentagon spending by $13 billion? It means that we have to cut everything else, all these other things. Cuts, cuts, cuts, cuts.

What does that mean to the American people? It means that we are putting our citizens' security in jeopardy. How? For instance, in the State of Oregon that I represent a district in, last year 38 children died from child abuse or neglect. One of the reasons they died was there were no shelters there for their mother to bring those children into a safe, secure home. Why is there no money for shelters? Because we are spending all our additional money on huge weapons systems that we really do not need now that the cold war is over.

Mr. Speaker, I believe that the time has finally come when we must put common sense back in the U.S. budget, when we must say what is real security? Is it having police in our streets? Is it having places where our children can go to be safe? Is it a whole security? Or are we only putting our security into cold-war weaponry?

Mr. Speaker, I ask the leadership to allow us to vote on amendments that would cut some of this additional $13 billion that the President did not ask for and, most significantly, that the Pentagon did not ask for.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12, rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 1 o'clock and 14 minutes p.m.), the House stood in recess until 2 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. COMBEST] at 2 p.m.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May the beauty of the day remind us, O God, of the beauty of Your blessings to us; may the majesty of Your creation remind us of the majesty of Your power; may the growth of the blossoms that surround us remind us of the nurture we receive by Your hand; may the splendor of the Sun remind us of the warmth of Your presence in our lives and may the opportunities of this new day remind us that we should serve others with grace, with dignity, and with justice. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. TRAFICANT] come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

THE COMMUNITY RENEWAL ACT

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, today, under the leadership of my good friends, the gentleman from Oklahoma [Mr. WATTS] and the gentleman from Missouri [Mr. TALENT], a bipartisan coalition will introduce the American Community Renewal Act of 1996.

The bill reflects a critically important understanding that government must stop being the enemy of the family. Nowhere has the destructive power of the arrogant Federal bureaucracy caused greater harm than in our heavily urban areas, such as my district in Cincinnati.

The Federal Government cannot be a substitute for strong families and vibrant neighborhoods. Instead, we must work to unleash the creative energies and the talents of all Americans, including especially those Americans least equipped to overcome government-erected barriers to economic success. The Community Renewal Act will provide parents of needy children greater choice in education. It will recognize that religious groups can be valuable colleagues in arms in the war against drugs, and it will help to promote individual entrepreneurship in areas where government heretofore has smothered it.

Mr. Speaker, I applaud the introduction of the legislation and encourage its adoption.

RICHARD SPECK'S EASY TIME IN PRISON FOR MURDERING EIGHT NURSES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, 30 years ago Richard Speck killed eight nurses in Chicago. Opponents of the death penalty said Richard Speck should get life in prison. That is much harder time and much more punishment.

Well, check this out. News reports now confirm that while in the Illinois State Prison, Richard Speck had total freedom, all the cocaine and marijuana he wanted, and sex parties. In fact, it was such a hard time, Richard Speck, with two other inmates, made a 2-hour video, a porno video, in the prison TV studio. Two hours. And listen to what Speck says on the tape. He says, "If those squares knew what a good time I was having, they would actually turn me loose."

Beam me up, Mr. Speaker. Eight nurses are rolling over in their graves. The only free thing that Richard Speck should have gotten was 50,000 volts. Is it any wonder America has more murder than any other country on the planet?

All the politicians down here are worried about the rights of criminals. I think they better start being concerned about the rights of the American people.

DEMOCRAT PARTY THE PARTY OF HIGHER TAXES AND BIG GOVERNMENT

(Mr. FUNDERBURK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUNDERBURK. Mr. Speaker, no matter how hard they try, no matter how much help they get from the liberal media to convince people otherwise, the Democrat Party is and remains the party of higher taxes and bigger government.

Just look at Bill Clinton's 1997 budget. This budget has tax increases and creates more Government programs. Surprise, surprise.

Mr. Speaker, it is almost reflexive that the Democrats want to raise taxes and spend more money in Washington. Bill Clinton creates 14 new Government programs in his budget and does not even begin to cut domestic spending until 1998. In fact, 76 percent of his spending cuts come after the year 2000.

Mr. Speaker, this budget gives the American people more of what they do not want: Higher taxes, higher spending, and bigger Government. It also provides that liberal Democrats are unwilling to do what it takes to balance the budget and do the right thing for America's children.

LET THOSE WHO PAID BE REPAID

(Mr. FILNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FILNER. Mr. Speaker, much has been said about the on-going gasoline price crisis and the proposed repeal of the 4.3-cent gas tax.

I would like to offer my three-point plan for this repeal.

First, we must guarantee that this repeal is directly returned to the consumer in the form of lower prices at the gas pump. We must not simply feed the profit margin of big oil companies. We cannot repeal this fee and naively assume that gas prices will decline accordingly. Let those who paid be repaid.

Second, we must pay for this repeal. I have a bill, H.R. 1497, the Insurance Tax Fairness and Small Company Economic Growth Act, that will collect almost $2 billion every year, simply by closing a tax loophole that only benefits the 18 largest mutual life insurance companies.

Third, this Congress must provide answers for the American people about the cause of these price increases. Congress must hold hearings and conduct an investigation. The American people deserve answers from their elected officials and it is our duty to provide those answers.

Mr. Speaker, I say again, the consumer must benefit from our actions—let those who paid be repaid.

MINIMUM WAGE QUOTES

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, now the President wants to "make work pay" by raising the minimum wage. Yet just 2 years ago he said that raising the minimum wage is "the wrong way to raise the income of low-wage earners."

President Clinton knows that upgrading worker skills results in an increase in wages. He has said that "what you earn depends on what you learn; the most effective way to help is to make workers more productive because wages reflect the value of what people produce."

"After all, most minimum wage workers are not poor." That is Secretary Reich to President Clinton.

"An increased minimum wage often takes from the poor to help the middle class." That is economist Robert Shapiro, friend of Bill Clinton's.

UNDERSTAND THE DEBATE ON MEDICARE

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the House is expected to consider another budget resolution this time around. It would seem to me my Republican colleagues would have learned a lesson from the last budget experience. At that time the American public said "no" to severe cuts in Medicare and Medicaid, in education, in the environment.

Although we fought that battle and staved off those cuts, the congressional majority is back here again to cut Medicare. We are looking at a $168 billion cut in Medicare. Cuts of this magnitude force rural hospitals to close and will limit the ability of senior citizens to choose their own doctor.

What are our priorities? What are our values in this Nation? We now have 99 percent of our seniors covered for health care through the Medicare system. Why would we want to dismantle Medicare?

It was the gentleman from Georgia [Mr. GINGRICH] who said not too long ago that what he wanted to see with Medicare was to have it wither on the vine.

The money they cut from Medicare does not go into the Medicare trust fund. Do not let them kid you with that argument. What they will do is one more time pay for tax breaks for the wealthiest Americans. The tax break package is $180 billion, and the cut in Medicare is $168 billion. Understand the debate.

PASS THE CLINTON GAS TAX REPEAL ACT

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEATRAND. Mr. Speaker, in AL GORE's book, "Earth in the Balance," the Vice President peers into his crystal ball and cheerfully foresees the end of the automobile as America's primary transportation. If he and his Democrat colleagues are attempting to force the automobile out of existence through excessive gas tax hikes, Americans had better fasten their seatbelt, we are in for a wild ride.

While the rest of the Nation averaged just over a 1 cent increase in gas prices, the families on California's central coast witnessed some prices closing in on the $2 mark for a gallon of gas. The American people are tired of unnecessary burdensome taxes to feed the coffers of Washington benefactors. Last week, I introduced H.R. 3415, the Clinton Gas Tax Repeal Act, which will stop this mindless taxation.

The Republican prescription for gas relief is to put money back into the pockets of every working American family. The Democrats prescription for gas relief is a Gas-X tablet and an election year nap. Americans deserve better. Pass H.R. 3415.

TREAT ALL SIDES FAIRLY WITH BUDGET CUTS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, as we listen to the Republicans talk about budget, budget, balance the budget, balance the budget, well, we will get a chance today to see how serious they are, because we are taking up the defense bill.

I want to tell you, as I said earlier, the British may be having trouble with mad cow disease, but the Republicans are having trouble with sacred cow disease. This is the biggest scared cow you have ever seen, this defense budget. Everybody else is downsizing. Not us. They had to add more than the President asked for. In my entire time of being here, I have never seen that.

So it is very interesting that the people who on the civilian side of the budget say cut, cut, cut, on the defense side say spend, spend, spend. Even if they did not ask for it, spend, spend, spend. It is very hard to listen to those people talk about being serious about the budget. Both sides should be treated the same, and I hope they will.

CONCERNS ABOUT 1997 BUDGET

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, we've now had a look at the Republican's 1997 budget, and I have several major concerns.

It appears that many of the cuts proposed last year have reappeared in the new budget. These include cuts in Medicare and Medicaid, cuts in the earned income tax credit, and in education.

I am greatly concerned about the impact of these cuts on seniors, on rural health programs, on student loan programs.

I also worry about extremist positions on these budget areas which will lead once again to Government shutdowns, disruption of service to Americans, and a tremendous waste of time and money.

Mr. Speaker, we have the means to reach agreement on a plan to balance the budget in 7 years.

In discussions earlier this year, Republicans and the President agreed on certain cuts, enough to realize $711 billion in savings.

At the time of the discussion, only $635 billion in cuts was needed to balance the budget by the year 2002. More recent figures show similar areas of agreement.

Let's build on areas where we agree. Let's balance the budget while protecting essential programs for Americans—education, the environment, Medicaid, and Medicare.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON APPROPRIATIONS

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Appropriations:

CONGRESS OF THE UNITED STATES,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, May 10, 1996.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule L (50) of the Rules of the House of Representatives, that Jim Dyer, currently the staff director of the Appropriations Committee and formerly a staff assistant for Congressman Joseph McDade of Pennsylvania, has been served with a subpoena issued by the U.S. District Court for the Eastern District of Pennsylvania in the case of United States versus McDade.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena is consistent with the precedents and privileges of the House.

Sincerely,

BOB LIVINGSTON,
Chairman.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV. Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 5 p.m. today.

HEALTHY MEALS FOR CHILDREN ACT

Mr. GOODLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2006) to amend the National School Lunch Act to provide greater flexibility to schools to meet the Dietary Guidelines for Americans under the school lunch and school breakfast programs, as amended.

The Clerk read as follows:

H.R. 2066

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Healthy Meals for Children Act".

SEC. 2. INCREASED FLEXIBILITY FOR SCHOOLS TO MEET THE DIETARY GUIDELINES FOR AMERICANS UNDER THE NATIONAL SCHOOL LUNCH ACT.

Section 9(f)(2) of the National School Lunch Act (42 U.S.C. 1758(f)(2)) is amended by striking subparagraph (D) and inserting the following:

"(D) USE OF ANY REASONABLE APPROACH.—

"(i) IN GENERAL.—A school food service authority may use any reasonable approach, within guidelines established by the Secretary in a timely manner, to meet the requirements of this paragraph, including—

"(I) using the school nutrition meal pattern in effect for the 1994—1995 school year; and

"(II) using any of the approaches described in subparagraph (C).

"(ii) NUTRIENT ANALYSIS.—The Secretary may not require a school to conduct or use a nutrient analysis to meet the requirements of this paragraph.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MILLER] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

□ 1415

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of H.R. 2066 which amends the School Lunch Program to provide schools flexibility in demonstrating how they have met the dietary guidelines for Americans.

This bill not only has bipartisan support in Congress, it has the support of the American School Food Service Association, the American Association of School Administrators, the National School Boards Association, and the Association of School Business Officials.

During the 103d Congress, the National School Lunch Program was modified to require schools to meet the dietary guidelines for Americans under the school lunch and breakfast programs. I supported this change.

The law permitted schools to use nutrient-based menu planning, assisted nutrient-based menu planning or a food-based menu system, which was the only method of menu planning used under prior law, as long as they met the dietary guidelines. On Tuesday, June 13, 1995, the Department of Agriculture published their final regulations on the school meal initiatives for healthy Americans. Unfortunately, these regulations did not meet congressional intent with respect to providing schools with flexibility in how they demonstrated they were in compliance with the dietary guidelines.

Schools throughout the Nation expressed concern about the implementation of these final regulations. Of special concern were changes to the food-based menu system which had the potential of adding from 5 to 10 cents to the cost of school meals. The reason for the increased cost was a requirement that schools add additional servings of grains, bread, and fruits and vegetables to school meals. Even schools currently meeting the dietary guidelines under the previous food-based menu plan would have to enact such changes. The alternative would be to use the nutrient standard menu plan, which would require schools to make a significant investment in computer hardware and require extensive training and technical assistance to implement the new software and procedures associated with this plan.

On July 1995, I introduced H.R. 2066 with my colleague on the committee, GEORGE MILLER. H.R. 2066 will not change, in any way, the requirement that school meals meet the dietary guidelines for Americans. It will, however, permit schools to use any reasonable approach to meet the dietary guidelines, including those contained in the regulations issued by the Department. Adding additional fruits, vegetables, and grains is certainly one way to ensure the dietary guidelines are met. However, schools could choose to bake instead of fry certain food items or use low-fat alternatives to some food items. There are not just one or two ways to meet the dietary guidelines.

Nothing in this act affects the ability of States to determine if schools have met the dietary guidelines. Compliance reviews will continue to take place. There will still be State and Federal audits and corrective action will still be required for schools not meeting the dietary guidelines.

According to the American School Food Service Association, "We support giving schools the maximum flexibility in planning their menus so that they can best meet local taste preferences and maintain maximum control over program costs while improving the nutritional quality of their meals."

We need to allow schools the flexibility to serve meals students will eat. Only 50 percent of low-income students Participate in the School Lunch Program and 46 percent of middle and upper income children participate. As long as schools are serving healthy, nutritious meals, it shouldn't matter how individual schools meet the dietary guidelines.

The bottom line is that schools know best what children will eat. We need to free their hands to do the job that they know how to do best.

I urge my colleagues to support H.R. 2066.

Mr. Speaker, I reserve the balance of my time.

Mr. MILLER of California. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of H.R. 2066 and want to commend the gentleman from Pennsylvania for moving this important bill through committee and to the floor.

This bill is good for the School Lunch Program and for the children it serves.

H.R. 2066 confirms that reason will be applied in the implementation of the requirement we enacted in the School Lunch Act last Congress that school breakfasts and lunches meet the dietary guidelines for Americans. We must enable schools to meet this requirement both with efficiency and in as cost effect manner as possible and this legislation will see that this happens. I firmly believe that such flexibility also will result in more children actually eating the nutritious meals that schools provide.

This legislation in no way retreats from our commitment to ensuring that school meals meet the dietary guidelines for Americans, nor does it compromise the timelines established for schools to provide balanced nutritious meals beginning this fall under these guidelines.

I am grateful to the American School Food Service Association for its assistance and support on this measure. I think the comfort level of the school food service community is important, since they are the ones throughout this Nation who are committed to seeing that the guidelines are reached in school menus. But I also think it is important to recognize the other major education groups that are behind this effort—the National School Board Association, the American Association of School Administrators, and the Association of School Business Officials—all sharing the common goal of having well-fed children ready to learn.

I am most pleased that the administration supports the enactment of this bill, and worked with us in crafting substitute language to ensure that a reasonable accountability mechanism is in place for schools.

Mr. Speaker, I would like to ask the gentleman from Pennsylvania if he would mind engaging in a colloquy at this point.

The amendment to the committee-reported bill is a welcome addition to this legislation. It would have the Secretary of Agriculture establish general guidelines for school food authorities to turn to for help when crafting the approach they will use to meet the dietary guidelines.

I would ask the gentleman from Pennsylvania, am I correct that it is the intent of this amendment that the Secretary exercise this authority sparingly, so that schools will have maximum control over how they meet the dietary guidelines and not be limited only to federally prescribed approaches.

Mr. GOODLING. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Yes, the gentleman is correct. School food authorities must have maximum flexibility to plan menus that adhere to the dietary guidelines, meet children's preferences, and take account of food, planning, and preparation costs. While the amended language recognizes some Federal oversight is advisable, the guidelines to be issued by the Secretary must ensure that school food authorities may choose among the widest possible range of reasonable approaches consistent with their responsibility to serve meals that comply with the dietary guidelines. The Secretary's guidelines are to help schools in designing their meal programs, not micromanage them. They should set outer bounds and clearly impermissible practices, not prescribe a list of approved approaches or simply add some options to the three choices already in regulations. The committee continues to believe that the primary method of assuring accountability is, as already incorporated in regulations, periodic review of schools' meals to see whether they live up to the dietary guidelines and follow-up corrective actions if necessary. The Secretary's guidelines should not be used to unnecessarily prejudge schools' menu planning approaches, especially when many schools are already meeting the dietary guidelines using their food-based menu systems.

Mr. MILLER of California. If I might ask the gentleman one other question, and that is, would the Secretary's guidelines limit schools that already use or want to use a food-based menu system to the options in current regulations and the 1994–95 school year meal pattern as added by the bill?

Mr. GOODLING. No, they would not. It should be clearly understood that the Secretary's guidelines are to recognize school food authorities' right to develop their own approach to complying with the dietary guidelines using their best judgment. This could mean using their current meal patterns, already designed alternatives, the options in current regulations, the 1994–95 meal pattern, or any other reasonable approach within the general bounds set by the Secretary. They could, for example, make adjustments to the food-based system in current regulations to better recognize children's preferences or control costs, or take suggestions from the Department's options to revise their own system. The bottom line is that the basic responsibility for developing reasonable approaches to meeting the dietary guidelines is with the school food authorities, with Federal guidance and oversight but not a panoply prescriptive rules or preset options.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman very much for those clarifications.

I yield such time as she may consume to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise in strong support for the Healthy Meals for Children Act and urge its immediate adoption. I applaud my colleagues, the gentleman from Pennsylvania, Chairman BILL GOODLING, and the gentleman from California, Congressman GEORGE MILLER, for their commitment to the healthy development of kids in this country, and their ability to work together in a bipartisan fashion to bring this important bill to the floor.

The Healthy Meals for Children Act provides schools with more flexibility in how they meet the dietary guidelines for school meals was required by the National School Lunch Act. This bill in no way, it in no way changes the dietary guidelines or erodes the nutritional content of school breakfasts or lunches. This measure allows school administrators and food service staff to make nutritious affordable meals that our kids will eat.

The school lunch program provides man of our children with the one balanced meal that they eat all day. In my home State of Connecticut this legislation will ensure more nutritious meals or over half a million children. In the largest city in my district, New Haven, CT, over half of the children in public schools qualify for either free meals or reduced priced meals through the school lunch program.

Hungry or malnourished children cannot perform at their highest capability in the classroom or in their lives. By giving schools more flexibility to meet the national dietary guidelines, we are improving the health, the life and the performance of children in and out of our classrooms.

Last year the congressional majority made school lunches for our Nation's kids the first item on the chopping block; and, fortunately, the American people fought back and the school lunch program was saved. I am pleased that the bipartisanship of my colleagues has produced this sensible progressive legislation which I support. My hope is that we can achieve this kind of bipartisan legislation and sensible legislation in the areas of Medicare and Medicaid and education and our environment.

The Healthy Meals for Children Act is supported by the administration, the American Association of School Administrators, an the National School Board Association, among others, Passing this legislation provides food and service workers with flexibility to design meals that children will eat and that meet the dietary guidelines at the same time.

I thank my colleagues for their hard work on this legislation and urge the immediate adoption of the Healthy Meals for Children Act.

Mr. MILLER of California. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. GUNDERSON] who realizes that computers will never give us the nutritional value that milk does.

Mr. GUNDERSON. Mr. Speaker, let me begin by saying I am delighted to be on the floor dealing with a school nutrition issue other than milk. The fact is, however, Mr. Chairman, that I rise in strong support of this bill but I think it is important as I do so that we understand part of the problem that we faced over the last couple of years.

This is not the first time we have had to deal with all of this. A couple of years ago this whole attempt to regulate through administrative regulations the nutrient standards, et cetera, created such an uproar that we had to take legislative action at that time to make clear that that did not happen.

Many of my colleagues will recall about a year ago, when we were asking the question about whether or not we ought to literally block grant our school nutrition programs, give the money and give the authority back to the schools and let them design a program based on the proper meal plan, and, obviously, the nutrition standards that we all sought, that there was all kind of concern that if we let that happen there would be all kinds of problems.

Well, I think what we are doing today is we are witnessing the problems on the other side once again. Anybody who believes that a one-size-fits-all Washington mentality is going to be able to deal with this issue, does not understand the real life of school nutrition. We looked at this issue in many of our schools in western Wisconsin the last time it was around and we literally discovered that the cost of computers and training was more than what many of these schools spent on salaries for the school dietitians that provided the meals for the children, and we recognized how absurd that was; that we were going to lose everything in the process.

And, frankly, schools were seriously asking me the question.

□ 1430

I remember one school administrator, she called me up and she said: We are trying to decide. We are going to build a new school. We are trying to decide whether we should even build a hot lunchroom, because the regulations from Washington are getting so complex and so costly, there is simply no way in our small school system we can meet them.

Well, we were able to put that off once, and now we are back here today to put that off a second time and say let us not jeopardize the nutrition goals for our school children because of our love in Washington for regulations and mandates.

So I support the legislation. I commend the chairman for bringing it forth.

Mr. GOODLING. Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

Mr. MILLER of California. Mr. Speaker, I yield back the balance of my time.

Mr. McKEON. Mr. Speaker, I rise in support of H.R. 2066, the Healthy Meals for Children Act.

Last June, after the publication of the final regulations for the Healthy Meals for Healthy Americans Act, I was contacted by school food service providers from my congressional district. One particular individual, Richard Deburgh, director of food services for the Glendale Unified School District, expressed his concern about the regulations in a letter urging that we "support the dietary guidelines but oppose dietary commandments."

This sentiment was echoed by others who contacted me to express their concern that the regulations would affect their ability to prepare meals which were not only healthy and met the dietary guidelines, but which children would eat.

As we all know, the same foods do not appeal to all children in all areas of the country. It is important to allow local school food service providers the freedom to provide students with meals they will eat.

Mr. Speaker, those individuals who work with children each day in local schools know best what they will eat. They live in the local community, talk to the children each day as they pass through the cafeteria line, and have a vested interest in the health of these children. We need to provide them with the flexibility to design and serve healthy meals which children will eat.

H.R. 2066 provides schools with this flexibility and at the same time, maintains the requirement that such meals meet the dietary guidelines for Americans.

I urge my colleagues to support this important legislation.

Mr. CUNNINGHAM. Mr. Speaker, I am pleased to support H.R. 2066, the Healthy Meals for Children Act. This legislation would offer school food service providers greater flexibility in meeting the national dietary guidelines in school lunch and breakfast programs.

We are moving this bipartisan legislation because the USDA Food and Consumer Service under the direction of Ellen Haas is out of control. In the name of advancing good nutrition for children, the USDA is burying our schools in bureaucratic paperwork and regulatory micromanagement. The USDA mandates not just that schools meet the national dietary guidelines, but that they demonstrate their compliance in two or three different ways, as required by prescriptive and needless regulation.

Here is what school food service directors are saying about the USDA's June 1995, regulation on School Meal Initiatives for Healthy Americans, and about our bill:

Richard DeBurgh, Glendale, CA: "I believe that this bill is essential to stop the ever-increasing bureaucracy associated with school lunch."

Helen Kerrian, National City, CA: "The final regulations published by the Department of Agriculture are very prescriptive. They mandate additional costs * * * even in districts which are meeting the dietary guidelines today."

Sharon Briel, Glendora, CA: "I believe this bill is necessary because USDA has been unresponsive to the concerns of the school food service industry."

This kind of big government run amok will add 10 to 17 cents to the cost of every school lunch, according to the National School Food Service Association—and for nothing. It's time for government and bureaucrats to take less, and for America's needy children to get more.

I am proud that this Congress has been uncompromising in its support for excellent school lunch and breakfast programs in our schools. As part of this historic Congress, Chairman GOODLING and I have approached this issue from two solid principles that all of us can agree upon. First, hungry children cannot learn. And second, because needless bureaucratic paperwork literally steals from families, from taxpayers, and from the mouths of hungry children, we need to act to cut the red tape.

H.R. 2066 does just that. Schools will still offer nutritious meals that meet the dietary guidelines. They just won't have to tell USDA about it in triplicate, when simpler compliance will do.

I understand that H.R. 2066 has the support of the American School Food Service Association, and from Congressman GEORGE MILLER. I have enclosed letters of support from a number of school food service directors in my State. It was adopted by voice vote in the Opportunities Committee May 1. And I am proud to be a cosponsor of the chairman's excellent bill, and I urge its adoption without amendments. I yield back the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 2066, the Healthy Meals for Children Act to allow schools greater flexibility in meeting dietary guidelines under the school lunch and school breakfast programs. A proper nutritional diet is essential to a child's mental and physical development. Schools need to provide nutritious and wholesome food to nourish growing children at the same time that schools work to nourish the students' minds and spirits with education.

I believe that our local schools should be given the flexibility to offer food that the students will actually like to eat. I support this Healthy Meals for Children Act because it will give schools the discretion to meet the goal of offering nutritious and wholesome food to our children.

Furthermore, I am concerned about the cost of wasting food in our schools. Food is essential nourishment for everyone, and I support policies that would allow the Houston Independent School District [HISD] to design a nutritional program. In the HISD school system, schools can provide students with nutritious meals while giving students food that they like to eat, and then designing a program to allow the Houston schools to donate the extra food to feed the homeless. I encourage the formation of such a program by HISD and I encourage other districts to adopt this innovative and beneficial program. Hunger in America warrants continued efforts to stomp out hunger.

In closing, I urge all of my colleagues to vote in support of the Healthy Meals for Children Act.

Mrs. COLLINS of Illinois. Mr. Speaker, in the 53 years since the Federal Government began supporting lunch programs in schools, 25 laws have been passed by Congress making changes in the form and goals of Federal school lunch assistance. The history of school lunches is an interesting one, with its beginnings in World War II and depression-era programs to help the farmer. The war years also saw Federal support for lunch programs justified by the growing numbers of women in the work force.

When I first came to the House of Representatives, 23 years ago, public schools provided a basic lunch to students. In the 1970's Congress began to focus on the operational needs of school lunch programs. Congress enacted a series of laws that established guaranteed cash and commodity reimbursements for each school lunch served and inflation adjustments in these reimbursements. This so-called performance funding feature was designed to encourage program expansion by assuring schools an amount of Federal funding they would receive. Later, Congress established uniform meal reimbursements for all lunches served and varied the financial support for different types of lunches according to their nutritional content.

Over time, educators showed us that students learned better, behaved better, and were more attentive when they weren't hungry. Social services providers have shown us that the lunch children received in school was the most nutritious meal of the day for many children. Breakfasts are now offered in many communities before the school day begins.

In fiscal year 1995, a national total of over 4.2 billion lunches were served under the School Lunch Program. Of these, 1.8 billion were served free, and 300 million lunches were served at a reduced price of no more than 40 cents each. In Illinois alone, a total of 156 million lunches were served—62 million free and 9 million at a reduced rate.

Over the years Congress continued to support school lunches by providing commodities to supplement the local education agency's lunch menu. Also over the years, the ideas of dietary requirements have changed. The Healthy Meals for Healthy Americans Act of 1994, Public Law 103–448, addressed concerns raised by the 1993 school nutrition dietary assessment study concerning levels of fat, sodium, and carbohydrates in meals served under the School Lunch Program.

A 1994 law, Public Law 103–448, established a new set of nutritional requirements for school lunch programs, largely to reduce the amount of fat content in the lunches served to our schoolchildren every schoolday. This bill under consideration today, H.R. 2066, the Healthy Meals for Children Act, will provide increased flexibility for schools to meet the standards required for reimbursement. This bill was designed to clear up confusion about what nutritional standards may be used in order to comply with Federal guidelines, and will make it easier for schools to meet new dietary guidelines for school lunch programs.

American schoolchildren are fortunate to have national standards that are available to be used to assure the families and children that the food they are provided in school will be safe, healthful, and nutritionally beneficial to their growing minds and bodies. I urge my colleagues to support this measure.

Mr. ROBERTS. Mr. Speaker. I am pleased to rise in support of H.R. 2066, the Healthy Meals for Children Act of 1996. I know the Chairman of the Economic and Educational Opportunities Committee, Mr. GOODLING, has sought a remedy for the problems caused by the implementation of the Healthy Meals for Healthy Americans Act of 1994 and this bill represents that corrective action.

When Congress passed and the President signed the 1994 amendments, we all believed that schools would be allowed to use a food-based system to meet the dietary guidelines for the school meals programs. Unfortunately, the regulations implementing the 1994 amendments did not provide this flexibility to schools.

Local school employees involved in the planning and preparation of school meals work very hard to make sure that the meals are nutritious and good tasting. A meal not eaten provides no benefit to anyone. Their challenge is to balance good nutrition with what children will eat.

The bill under consideration today provides for the flexibility and I am pleased to support it.

When these regulations were proposed in 1994, a hearing was held in the Committee on Agriculture. Members of the committee made it clear that the proposed rules would tie the hands of local schools and impose financial hardships on these schools, especially those in rural areas. Despite the concerns expressed, the Department of Agriculture went ahead and finalized the rules. Since that time local schools have continued to express their concerns.

Therefore it was necessary to bring a second bill to the House to ensure that local schools are provided with the flexibility that will allow them to prepare nutritious meals that meet the dietary guidelines.

There is a practical case to be made that local schools administrators should be able to decide how best to meet the needs of children participating in the School Lunch Program. No Federal regulation can guarantee that a nutritious school lunch will be consumed by children in school. No school lunch, no matter how nutritious, improves the diets of children if that lunch is not eaten. This bill represents a commonsense approach to health and nutritious meals in our schools.

Mr. Speaker, I am informed that the administration fully supports this bill and I urge all Members to support H.R. 2066.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GOODLING] that the House suspend the rules and pass the bill, H.R. 2066, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2066, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REREFERRAL OF H.R. 3387, J. PHIL CAMPBELL, SENIOR NATURAL RESOURCE CONSERVATION CENTER

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that the Committee on Resources be discharged from further consideration of the bill, H.R. 3387, to designate the Southern Piedmont Conservation Research Center located at 1420 Experimental Station Road in Watkinsville, GA, as the J. Phil Campbell, Senior Natural Resource Conservation Center, and that the bill be rereferred to the Committee on Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

SELMA TO MONTGOMERY NATIONAL HISTORIC TRAIL

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1129) to amend the National Trails Systems Act to designate the route from Selma to Montgomery as a national historic trail, as amended.

The Clerk read as follows:

H.R. 1129

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(a) of the National Trails System Act (16 U.S.C. 1244(a)) is amended by adding at the end thereof the following new paragraph:

"( ) The Selma to Montgomery National Historic Trail, consisting of 54 miles of city streets and United States Highway 80 from Brown Chapel A.M.E. Church in Selma to the State Capitol Building in Montgomery, Alabama, traveled by voting rights advocates during March 1965 to dramatize the need for voting rights legislation, as generally described in the report of the Secretary of the Interior prepared pursuant to subsection (b) of this section entitled 'Selma to Montgomery' and dated April 1993. Maps depicting the route shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior. The trail shall be administered in accordance with this Act, including section 7(h). The Secretary of the Interior, acting through the National Park Service, which shall be the lead Federal agency, shall cooperate with other Federal, State and local authorities to preserve historic sites along the route, including (but not limited to) the Edmund Pettus Bridge and the Brown Chapel A.M.E. Church.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] and the gentleman from New Mexico [Mr. RICHARDSON] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

(Mr. HANSEN asked and was given permission to revise and extend his remarks.)

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1129 designates the route from Selma to Montgomery, AL, as a national historic trail. This route is the site of one of the most significant protest demonstrations of the modern civil rights movements, which led directly to the passage of the Voting Rights Act of 1965. The National Park Service, pursuant to a previous act of Congress, has studied the trail and found that it merits designation as a national historic trail. It is important to note that the National Park Service felt the events which took place at this site were so significant that it warranted waiving the customary 50-year waiting period for designation of historic sites.

The language including in the bill by the subcommittee makes it clear that by enactment of this legislation, Congress will not be establishing the Selma to Montgomery Trail as a new unit of the National Park System. Only 2 of the approximately 15 congressionally designated trails are currently units of the park system. However, the definition of what constitutes a unit of the park system is so unclear, that the other trails could be easily added at a later date by administrative action. In this case, there are no Federal lands in the area, and it makes good sense of the NPS to work with other co-operators in the administration of this trail. It is important to point out that in making this amendment, it is not my intention that this trail should receive any less financial or administrative support than any other trail where the NPS currently serves as the lead agency.

This is an important bill, and I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield 6 minutes to the distinguished gentleman from Georgia [Mr. LEWIS], the hero of the civil rights struggle, the author of this bill.

Mr. LEWIS of Georgia. Mr. Speaker, let me just say that I am pleased and delighted to stand here today as this bill is voted on. I want to thank the Chairman YOUNG and Chairman HANSEN for their support of this bill. I also want to thank the ranking members of the committee, Mr. MILLER and Mr. RICHARDSON. I also want to recognize Mr. HILLIARD who represents Selma and Montgomery. I also want to recognize Mr. VENTO for all of his help since we began this process. I want to thank all of you for your help and support.

This bill is very important to me and to many others. I believe that designating the route from Selma to Montgomery as a National Historic Trail is very fitting and appropriate. The march from Selma to Montgomery was a turning point in the journey to the Voting Rights Act of 1965. It was a long and difficult journey.

Before the civil rights movement, most blacks in the South could not vote. There were certain political subdivisions in the South—from Virginia to Texas—where 50 to 80 percent of the population was black, but there was not a single black registered voter. The few who were allowed to register were harassed, intimidated, and even beaten when they tried to exercise their precious right to vote.

In Lowndes County, AL, between Selma and Montgomery, the county was more than 80 percent black, and there was not a single registered black voter. In Selma, the county seat of majority black Dallas County, only 2.1 percent of voting age blacks were registered to vote.

So, to dramatize the need for voting rights legislation, a peaceful, nonviolent march from Selma to Montgomery was planned.

On Sunday, March 7, 1965, in the afternoon, a group of people left the Brown Chapel A.M.E. Church, walking in two's. It was a silent, nonviolent, peaceful protest, walking through the streets of Selma.

When we reached the apex of the Edmund Pettus Bridge, we saw a sea of blue—Alabama State troopers. The Governor of Alabama, at that time, George Wallace, had issued a statement the day before saying the march would not be allowed. The sheriff of Dallas County, a man by the name of Jim Clark, on the night before the march, had requested that all white men over the age of 21 come down to the Dallas County Courthouse to be deputized to become part of his posse to stop the march.

As we cross over the bridge on that Sunday afternoon, we faced the State troopers and a man identified himself and said:

> I am Major John Cloud of the Alabama State Troopers. I give you 3 minutes to disperse and go back to your church. This is an unlawful march, and it will not be allowed to continue.

In less than 1½ minutes, Major John Cloud said, "Troopers advance," and we saw the troopers put on their gas masks. They came toward us, beating us with nightsticks, bullwhips, trampling us with horses, and using tear gas.

That day became known as Bloody Sunday. There was a sense of righteous indignation all across the country. People could not understand what they saw on television and read in the paper.

Two days later, the marchers, joined by religious leaders from around the country, made a second attempt but turned back to avoid more bloodshed. After that march, a young white minister from Boston, James Reed, was beaten by the Klan and later died.

One week later, President Lyndon Johnson addressed the Nation and called for passage of the Voting Rights Act. He said:

> I speak tonight for the dignity of man and the destiny of democracy. At times, history and fate meet at a single time in a single place to shape a turning point in man's unending search for freedom. So it was at Lexington and Concord. So it was a century ago in Appomattox. And so it was last week in Selma, Alabama.

It was one of the most moving speeches I ever heard an American President make.

Finally, on March 21, 1965, the marchers were allowed to proceed. However, during that week of marching, Viola Liuzzo, a housewife from Detroit, was shot and killed.

As a direct result of these events, the Voting Rights Act was signed into law on August 6, 1965.

The history along this route is precious. It is imperative that we preserve and interpret this history. Even more than 30 years later, standing at the apex of the Edmund Pettus Bridge is a powerful experience. The trail reminds us of where we were in 1965 and how far we have come as a Nation and as a people.

Today, too few people cherish the right to vote. In the 1992 Presidential election, only 56 percent of the voting age population voted. In 1994, in the congressional elections, only 38 percent voted.

This trail will remind people that Americans—black and white, young and old, from the North and South—shedded blood. Some even gave their lives—to win the right for every American to vote.

It is my hope and belief that the history told along this trail will inspire more people to become involved in the democratic process.

By designating the route from Selma to Montgomery as a national historic trail, we will help educate and remind people of the right and responsibility to vote. We will also give well-deserved recognition to the men and women who sacrificed so much for voting rights for all Americans.

So I urge my colleagues to vote for this bill to designate the trail and help preserve the important sites along the trail for future generations.

Mr. HANSEN. Mr. Speaker, I hope the body realizes the gentleman from Georgia was actually there and part of it, so it is a very historic time for the gentleman from Georgia.

Mr. Speaker, I reserve the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield 4 minutes to the gentleman from Alabama [Mr. HILLIARD], in whose district we are celebrating today.

Mr. HILLIARD. Mr. Speaker, of course we realize that this fantastic event took place about 50 years ago. This is a bill that would help memorialize this event and give it some national historical impact so that everyone will be able to realize that it is a part of history. I wish to thank the gentleman from Georgia [Mr. LEWIS] for his forethought and his tenacity in continuing this effort to make this bill one that will pay recognition to all of those who marched with him from Selma to Montgomery.

The communities of Selma and Montgomery began this project years ago in recognition of the importance of this 50-mile stretch from the steps of Brown Chapel in Selma to the Alabama State Capitol Building. The struggle of those brave men and women, numbering almost 25,000 near the end, inspired this Nation and in fact inspired this Congress to start righting the wrongs of the past. That journey has already begun and significant progress has been made. Today we hope to reaffirm that progress by remembering the beginning.

Mr. Speaker, it is important that we show all Americans, as well as visitors to our great Nation, our belief in those who came before us and for what they did. This trail will cement a place in history for the leaders of our movement. Selma and Montgomery will become historical designations, along with Philadelphia, Gettysburg, and even Washington, DC, to be surveyed by historians in the future. They will come and study. Hopefully they will learn about our mistakes so that those mistakes will never be repeated again, so that the future will be able to be from those mistakes what it ought to be and what we hope it to be.

Mr. Speaker, by allowing this vote, we have demonstrated an awareness and appreciation for this cause. In passing this bill, we grant these communities the means by which to carry out their mission of commemorating the past and honoring the men and women who brought us a better future.

I am very happy to serve in Congress not only with JOHN LEWIS, who marched behind Dr. King and who became a part of history and who made this country what it is today. Hopefully with this bill we will be able to commemorate an event that has a significant place in our national history.

□ 1445

Mr. HANSEN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Speaker, I thank the gentleman for yielding this time to me, and I rise in strong support of designating the road from Selma to Montgomery as a national historic trail. I thank the gentleman for allowing the bill to come to a vote, the bill sponsored by the gentleman from Georgia [Mr. LEWIS] and the gentleman from Alabama [Mr. HILLIARD].

We have a lot to thank people from 30 years ago. I was working in Washington at that time right across the street at the Library of Congress. I could not believe what I saw on television, saw the gentleman from Georgia [Mr. LEWIS] and others beaten badly, saw the sacrifices that were made, and turned to my colleagues and said what is going on there? All people are asking for are equal rights, the right to vote, the most precious vote, the most precious freedom that we have.

So several of us said that sacrifices that those people were making in Alabama deserve support from people all around the Nation. Thousands of people joined them. I joined the gentleman from Georgia [Mr. LEWIS] a few miles outside of Montgomery. Thousands of people marched into Montgomery. It was an incredible testimony to people who saw that democracy could be made better in this Nation, that the right to vote was something literally that one struggled to die for.

That march, as we know, bore great fruit; the Voting Rights Act was passed a few months later, resulting in the largest increase in democratic rights in this country in about 50 years.

We have, as I said, Mr. Speaker, a lot to thank for the sacrifices that those at the Edmond Pettus Bridge, as the gentleman from Georgia [Mr. LEWIS] was at, for sparking all of us into a consciousness and a realization of what was going on. That march, I think, inspired democracy all over this Nation because it showed that people taking direct action could, in fact, move Congress, and in different Congresses, to taking the right and moral actions.

So, we designate this trail from Selma to Montgomery as a national monument, we dedicate that trail to the lives of people who were sacrificed, we dedicate ourselves and recommit ourselves to the democracy to which they took action, and we will remember that terrible price that people had to pay for all of us to have democracy in this Nation, for all of us to have the right to vote, and we have to remind all of us every time.

So, Mr. Speaker, I thank my colleagues for allowing us to rededicate ourselves to increasing democracy in America for all our citizens.

Mr. RICHARDSON. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. CUMMINGS].

Mr. CUMMINGS. Mr. Speaker, I thank the gentleman from New Mexico for yielding this time to me, and I commend his work and leadership on this piece of legislation.

Mr. Speaker, the trail that Dr. Martin Luther King walked when he led a march for black voting rights in 1965 is as meaningful as the route Paul Revere took when he rode through Boston, it is as historic and symbolic as the expedition led by Lewis and Clark. I am pleased that the Selma to Montgomery path has been recognized as a national historic trail. This trail is a testament to the courage that Dr. King and the civil rights marchers exemplified. It will stand as a monument to their tireless efforts to provide and extend fundamental civil rights to all Americans regardless of their gender, race or creed.

The young people in my district of Baltimore and across this great country will walk the steps of these civil rights marchers. They will cross the Edmond Pettus Bridge, and they will remember the blood, sweat and tears and determination that the marchers embodied so that all generations will enjoy freedoms and rights that the Founders of this great Nation envisioned.

The route from Selma to Montgomery, Mr. Speaker, is 54 miles long. Each step that Dr. King and the marchers took brought freedom closer. In 1965 freedom was 54 miles away. Today the distance is shorter, but there are still civil rights injustices to overcome. It is my sincere hope that one day there will be no distance between the citizens of this great country, that all will be afforded basic enumerated freedoms without prejudice.

Mr. Speaker, I urge the swift passage of this bill and am hopeful that we in the Congress of the United States of America will recognize the need to provide full funding for this historic and important landmark.

Mr. HANSEN. Mr. Speaker, I yield 2 minutes to my friend, the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, I thank the gentleman for yielding me this time. I had not intended to speak; I am not one to speak very often on the floor, but when I heard the words of our colleague from Georgia, I simply had to rise to pay tribute to him as a leader in that march and in that movement and to pay tribute to the gentleman from Utah who pointed out the historical significance of what the gentleman from Georgia and what his colleagues did at that time.

I was a young person also, like my colleague from California, working in Washington at the time. I was among many hundreds from Washington who chartered a train to go from Union Station to Montgomery. Some of my colleagues may remember that train was stopped in Atlanta, and the crew walked off when they discovered why it was we were headed to Alabama, and they were promptly ordered back on by the Attorney General of the United States, Robert Kennedy, and for a young white man who had grown up in an overwhelmingly, almost totally, white environment in New England, it was, to put it mildly, an eye opener. For the first time in my life to feel safe only in the company of black people and to have spent two nights in a black church in the outskirts of Montgomery and to make the final 2 days of that walk into the city led by men such as Martin Luther King and our colleague from Georgia was an extraordinary experience.

I hope Members understand that in this Hall, where language is so often cheapened and demeaned and overused and where there is a shortage of masters of the spoken word, that we are in the presence of one gentleman from Georgia, that these words are real, and they are historic.

I would also finally close by citing the gentleman from Maryland, our newest Member here, who pointed out that the chapters of civil rights, there are some that still remain to be written, and I want to pay a particular tribute again to the gentleman from Georgia, who has focused not only on the struggle over the centuries of his own race and people of color, it was 102 years after President Lincoln signed the Emancipation Proclamation that that bridge was crossed, literally and figuratively, and that march was made and that bill was signed.

Fourteen years after that, I would just say to my colleagues, the first march on Washington for lesbian and gay rights occurred, and I was a Member of Congress, and I was too frightened to even go near it. A lot has changed; there is still a chapter to be written.

I would like to pay special tribute to the gentleman from Georgia [Mr. LEWIS] for being a champion and leader in that fight as well. All of these fights belong to all of us, and I hail the gentleman from Georgia and those who have been with him.

Mr. RICHARDSON. Mr. Speaker, I yield 2 minutes to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. FALEOMAVAEGA. Mr. Speaker, I first would like certainly to commend the gentleman from Utah, the chairman of the Subcommittee on National Parks and Public Lands, for his leadership and working cooperatively with the Members of this side of the aisle, for bringing this very important piece of legislation for the Members to consider and approve. I also offer my commendation to the gentleman from New Mexico, who is our ranking member of the subcommittee, but certainly the author of the legislation now before us, the gentleman from Georgia.

I want to say to my colleagues that 6 years ago I was, along with other Members of the Congress, going to Selma, AL, to commemorate the 25th anniversary of that historic march that took place in 1965. Mr. Speaker, I realize that coming from the other part of the world, I guess those islands out there in the Pacific are somewhat isolated at times, where we out in the Pacific do not seem to know what is going on in the continental United States. But seeing the extent of what had happened in watching this on television and seeing that one of our Members here, as the author of this very important legislation who participated in this important march knows, I want to share with my colleagues that one of the most spiritual experiences I have had was going down there to Selma, AL, and participating in a church service of that little chapel where it all started. All I was thinking of was the great and the late Martin Luther King, Jr., the advocate and certainly the leader of that momentous occasion and where our own Member, the gentleman from Georgia [Mr. LEWIS] was part of that great march, and I hope that every Member of this Chamber will have an opportunity to go to Selma, AL, and see what it was like and to feel the problems and inequities that existed in the civil rights, not only of our black brothers and sisters, but certainly for all Americans. I think this is what this legislation is all about, to serve as a reminder that there are inequities despite what it says in the Constitution. We still have problems that are human, and as I certainly endorse the comments made by the gentleman from Massachusetts, we need to look a little deeper in terms of the problems that we still face in this Nation.

Again I commend the gentlemen from Georgia [Mr. LEWIS] for sponsoring this legislation, and I urge my colleagues to support it.

Mr. HANSEN. Mr. Speaker, I have no further speakers on this side. I commend the gentlemen from Georgia and New Mexico, and I yield back the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, we have heard orally the courage of men like the gentleman from Georgia [Mr. LEWIS] today, but graphically, too. I would like to commend to my colleagues the National Trail Study that was done by the Park Service, Selma to Montgomery, and there are captions in this book that capture what we are doing here today. There is a photograph, 1965, Selma, highway patrolmen attack JOHN LEWIS, and other peaceful marchers, with clubs and tear gas on Bloody Sunday, March 7, 1965, UPI photo.

Mr. Speaker, what we are doing here is marking an important historical event for this country, a significant milestone in the civil rights movement. This was the impetus for the Voting Rights Act; again the hero of the Voting Rights Act, the gentleman from Georgia [Mr. LEWIS], and it is only fitting that we commemorate this event with this trail study, and I want to commend the gentleman from Utah [Mr. HANSEN] for the speed with which he undertook this legislation.

It is also fitting that the sponsor of this important legislation is the gentleman from Georgia [Mr. LEWIS], probably an authentic hero here in the U.S. Congress before he came to Congress and now also as a Member of this body.

When the civil rights marchers were attacked on the Edmond Pettus Bridge on March 7, 1965, JOHN was there suffering serious injury at the hands of law enforcement officials, and what the Nation saw that day, a day that has been known as Bloody Sunday, had a profound effect on American society. The gentleman from Georgia [Mr. LEWIS] and the many other marchers, men and women like the gentleman from California [Mr. FILNER] and others, the gentleman from Massachusetts [Mr. STUDDS], remembering the impact that this day had on him, has been an inspiration to us all.

Mr. Speaker, although 31 years have passed since the march, time has not diminished the importance of this event. Rather its importance continues to grow. The National Historical Trail designation contained in this bill will provide an ongoing tribute to the struggle for voting rights in this country. It will also help serve to educate new generations to the work of men like the gentleman from Georgia [Mr. LEWIS] and others in standing up for our most basis freedoms.

Mr. Speaker, I urge the unanimous support of this House for this historic bill.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise today in strong support for H.R. 1129, to amend the National Trails System Act to designate the route from Selma to Montgomery, AL, as a national historic trail.

For the moment let us forget the fact that this bill meets all the criteria for historic trail designation under the National Trails System Act of 1968, and instead, let me focus on the extraordinary significance of that historic march led by one of the world's greatest advocates for human and civil rights, the Reverend Dr. Martin Luther King, Jr.

On March 7, 1965, as Dr. King attempted to lead a voting rights march from Selma to Montgomery, AL, he was confronted by a sheriff's posse and State troopers on the Edmond Pettus Bridge. After first blocking the path of the marchers, law enforcement officials drove the marchers from the bridge in an attack which we now know as Bloody Sunday.

A later march was scheduled to afford Dr. King and others with Federal protection by an order of President Lyndon B. Johnson. On August 6, 1965, less than 5 months after the Selma to Montgomery march, the Voting Rights Act of 1965 was signed into law.

While this 54-mile route remains essentially unchanged from its appearance in 1965, its impact has dramatically altered the American political landscape. This march illustrated to Congress and to all America that after almost a century blacks were still being denied the right to vote in most southern States or parts of these States.

When this 1965 law was enacted, the States of Alabama, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Virginia, were still using the literacy test as a mean-spirited device to restrict black voting. Since their emancipation from slavery, blacks have encountered both public and private resistance to their efforts to exercise their rights as citizens and members of the American community. The right to vote has always ranked high on the list of disenfranchised Americans, even though throughout the years, to exercise this right, for blacks, was often met with violence.

Mr. Speaker, had Dr. King and many others not made that historic and dangerous walk from Selma to Montgomery, perhaps I would not be standing before this body today. And, perhaps, neither would any of my distinguished African-American colleagues, women, and other minorities be here either.

Historic trail designation has more typically been associated with westward expansion and exploration. We have blazed this trail of human rights. Existing criteria require that in order to determine that an event or building is historically significant, it be at least 50 years old or of extraordinary significance. How much more extraordinary can this event be perceived before it is given its due? The National Park Service recommends the trail be designated by Congress. Therefore, given this recommendation, given the blood that was shed for American civil rights, Mr. Speaker, I urge all my colleagues on both sides of the aisle to vote in favor of H.R. 1129, designating the route from Selma to Montgomery, AL, to be a national historic trail.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to commend and support the commemoration of this Nation's civil rights movement through the designation of a national historic trail.

This legislation will recognize a turning point in the history of this country's struggle for civil rights. The well-documented story of how Dr. Martin Luther King, Jr., began a peaceful and historic march for black voting rights from Selma, AL, on March 7, 1965, can be appreciated by each of us. We know that when the marchers attempted to leave Selma they were beaten by law enforcement officers as they crossed the Edmund Pettus Bridge.

Two weeks later, under the protection of the Alabama National Guard, Dr. King was able to lead the march successfully, and in August of that same year President Johnson signed into law the Voting Rights Act of 1965.

This legislation will make a 54-mile route, beginning at the Brown Chapel A.M.E. Church in Selma and ending at the State Capitol Building in Montgomery, a part of the National Historic Trail Registry.

With the support of this body, generations to come can know and appreciate those early steps in the civil rights movement that began the road to making the Constitution of this country extend its rights and protections to all of its citizens. For some this will be freedom at last. Freedom from that bloody day to the recognition of today.

The SPEAKER pro tempore (Mr. COMBEST). The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 1129, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1500

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1129, the bill just passed.

The SPEAKER pro tempore (Mr. COMBEST). Is there objection to the request of the gentleman from Utah?

There was no objection.

ADDITION OF LANDS TO GOSHUTE INDIAN RESERVATION

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2464) to amend Public Law 103-93 to provide additional lands within the State of Utah for the Goshute Indian Reservation, and for other purposes.

The Clerk read as follows:

H.R. 2464

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITION OF CERTAIN UTAH STATE LANDS TO GOSHUTE INDIAN RESERVATION.

The Utah Schools and Lands Improvement Act of 1993 (107 Stat. 995) is amended—

(1) by redesignating section 11 as section 12; and

(2) by inserting after section 10 the following new section:

"SEC. 11. ADDITIONAL GOSHUTE INDIAN RESERVATION LANDS.

"(a) FURTHER ADDITIONS TO GOSHUTE RESERVATION.—In addition to the lands described in section 3, for the purpose of securing in trust for the Goshute Indian Tribe certain additional public lands and lands belonging to the State of Utah, which comprise approximately 8,000 acres of surface and subsurface estate, as generally depicted on the map entitled 'Additional Utah-Goshute Exchange', dated July 1, 1994, such public lands and State lands are hereby declared to be part of the Goshute Indian Reservation in the State of Utah effective upon the completion of conveyance of the State lands from the State of Utah and acceptance of title by the United States.

"(b) AUTHORIZATION.—The Secretary of the Interior is authorized to acquire through exchange those lands and interests in land described in subsection (a) which are owned by the State of Utah, subject to valid existing rights.

"(c) APPLICATION OF PRIOR PROVISIONS.—(1) Except as provided in paragraph (2), the remaining provisions of this Act which are applicable to the lands to be transferred to the Goshute Indian Tribe pursuant to section 3 shall also apply to the lands subject to this section.

"(2) The Goshute Indian Tribe will be responsible for payment of the costs of appraisal of the lands to be acquired pursuant to this section, which costs shall be paid prior to the transfer of such lands.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Utah Schools and Lands Improvement Act, Public Law 103-93, which passed in 1993, is an important bill to all Utahns. After much hard work, we were able to pass legislation that was meant to help play a vital role in paying for the education of Utah's children. The act provided the framework for a proposed exchange of lands between the Federal Government and the Utah school trust.

H.R. 2464 would amend Public Law 103-93 to correct a boundary problem on the southern edge of the Goshute Indian Reservation located about 60 miles south of Wendover, UT. It places approximately 8,000 acres of land located within the boundaries of the Goshute Indian Reservation in trust for the Goshute Tribe. Approximately 7,000 acres of this land are currently owned by the State, and will become part of the reservation upon acquisition by the United States.

The State and Federal Government will simply ask the existing team of appraisers, both surface and mineral, to look at these additional properties. The appraisers are already collecting comparables, so the marginal cost of appraising these lands should be relatively small. Once appraised, and agreement on value is reached, the State school trust will be compensated out of the properties identified elsewhere in Public Law 103–93.

This bill will allow for the school trust to receive fair compensation for their ground as well as improve the ability of the tribe to manage their lands and clear-up an ongoing problem with their southern border. H.R. 2466 is noncontroversial and enjoys the support of the BLM, the State of Utah, Juab County, and the Goshute Tribe.

Mr. Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before us today would amend Public Law 103–93, the Utah Schools and Land Improvement Act, which transferred land between the Federal Government and the State of Utah. At the time the bill was under consideration, we were approached by the Confederated Tribes of the Goshute Reservation, which is located along the border of Utah and Nevada. Their request was to correct some boundary problems along the southern edge of the reservation in Utah. Due to the current configuration of that boundary and the remoteness of the area, proper management of the land has been very difficult. The State of Utah and the Bureau of Land Management and the tribe have been unable to prevent persistent problems with trespassing and poaching on the land.

Some are concerned that stopping action on the Utah Schools and Land Improvement Act to deal with the needs of the Goshute Tribe could be detrimental to the passage of this legislation. It was, therefore, agreed that the tribe would withdraw its request, with the promise that their needs would be addressed at a later date.

Mr. Speaker, I am glad to say that we are here today to keep our promise to the Goshute Tribe. This bill will transfer approximately 8,000 acres of State and 400 of BLM land to the tribe, resulting in a much clearer boundary definition for the tribe to manage.

This bill is supported by the tribe, the administration, the board of trustees for the school and Institutional Trust Lands Administration of Utah, Juab County, UT, and the Utah Wilderness Coalition.

Mr. Speaker, I thank the gentleman from Utah [Mr. HANSEN] the author of this piece of legislation. He is certainly to be commended for his tireless efforts to bring all the appropriate parties to negotiate an agreeable arrangement of land boundaries between the tribe and the State of Utah and the Federal Government. I also want to commend the gentleman from New Mexico [Mr. RICHARDSON], the ranking member of the subcommittee, for his review and close collaboration with the interested parties and organizations to bring this bill now up for full consideration by the House.

I want to say, Mr. Speaker, that this is what I would consider a model piece of legislation, where there has truly been the spirit of bipartisanship in certainly the leadership exemplified by the gentleman from Utah in bringing this now to the forefront and before the body.

Mr. Speaker, this is a good bill and I urge my colleagues to support it.

Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I thank the gentleman from American Samoa for his kind words, and handling the bill on this side. I ask my colleagues to vote for this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 2464.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 2464, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

CARBON HILL NATIONAL FISH HATCHERY CONVEYANCE ACT

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2982) to amend the Water Resources Research Act of 1984 to extend the authorizations of appropriations through fiscal year 2000, and for other purposes.

The Clerk read as follows:

H.R. 2982

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Carbon Hill National Fish Hatchery Conveyance Act".

SEC. 2. CONVEYANCE OF CARBON HILL NATIONAL FISH HATCHERY TO THE STATE OF ALABAMA.

(a) CONVEYANCE REQUIREMENT.—Within 180 days after the date of the enactment of this Act, the Secretary of the Interior shall convey to the State of Alabama without reimbursement, all right, title, and interest of the United States in and to the property described in subsection (b), for use by the Game and Fish Division of the Alabama Department of Conservation and Natural Resources, as part of the State of Alabama fish culture program.

(b) PROPERTY DESCRIBED.—The property referred to in subsection (a) is the property known as the Carbon Hill National Fish Hatchery, located on County Road 63 at Carbon Hill, Alabama, in Walker County, Alabama, consisting of 67 acres (more or less), and all improvements and related personal property under the control of the Secretary that is located on that property, including buildings, structures, equipment, and all easements, leases, and water rights relating to that property.

(c) USE AND REVERSIONARY INTEREST.—The property conveyed to the State of Alabama pursuant to this section shall be used by the State for purposes of fishery resources management and fisheries-related activities, and if it is used for any other purpose detrimental to those purposes and activities, all right, title, and interest in and to all property conveyed pursuant to this section shall revert to the United States. The State of Alabama shall ensure that the property reverting to the United States is in substantially the same or better condition as at the time of transfer.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Massachusetts [Mr. STUDDS] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support H.R. 2982, introduced by our colleague, TOM BEVILL, to convey the Carbon Hill National Fish Hatchery to the State of Alabama.

This legislation is virtually identical to measures enacted into law last year which transferred three Federal fish hatcheries to the States of Arkansas, Iowa, and Minnesota.

Under the terms of H.R. 2982, the Secretary of the Interior will convey within 180 days of enactment all rights, title, and interest to this 67-acre facility to the Alabama Department of Conservation and Natural Resources. The bill also contains the standard reversionary clause the stipulates that the property will be returned to the Federal Government if it is used for any purpose other than the State's fish cultural program.

This hatchery, which has been in operation for nearly 60 years, produces about one million fish each year which are used to restock ponds, lakes, and rivers throughout the Southeast.

For the past 2 years, the Clinton administration has proposed to provide title to the State because Carbon Hill is no longer essential to the U.S. Fish and Wildlife Service's nationwide hatchery program. In fact, the facility is already being operated by the State under a long-term memorandum of agreement.

By enacting H.R. 2982, the Federal Government will save thousands of dollars a year in operating costs, a Federal-State partnership will be fostered, and Carbon Hill will continue to produce thousands of bluegill, channel catfish, striped bass, and walleye for recreational, stocking, and restoration efforts.

I urge an aye vote on H.R. 2982.

Mr. Speaker, I reserve the balance of my time.

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from New Jersey has said it all, although I must say, at inexplicable length. This bill is without controversy. Except for the astonishing assertion that there might be striped bass in Alabama, I find no objection whatsoever on this.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SAXTON. Mr. Speaker, I yield back the balance of my time.

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2982.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 2982.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING ACQUISITION OF PROPERTY FOR INCLUSION IN AMAGANSETT NATIONAL WILDLIFE REFUGE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1836) to authorize the Secretary of the Interior to acquire property in the town of East Hampton, Suffolk County, NY, for inclusion in the Amagansett National Wildlife Refuge, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Page 2, after line 14, insert:

SEC. 2. CORRECTIONS TO COASTAL BARRIER RESOURCES MAP.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall make such corrections to the map described in subsection (b) as are necessary—

(1) to move the eastern boundary of the excluded area covering Ocean Beach, Seaview, Ocean Bay Park, and part of Point O'Woods to the western boundary of the Sunken Forest Preserve; and

(2) to ensure that the depiction of areas as "otherwise protected areas" does not include any area that is owned by the Point O'Woods Association (a privately held corporation under the laws of the State of New York).

(b) MAP DESCRIBED.—The map described in this subsection is the map that is included in a set of maps entitled "Coastal Barrier Resources System", dated October 24, 1990, that relates to the unit of the Coastal Barrier Resources System entitled "Fire Island Unit NY–59P".

Mr. SAXTON (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from New Jersey?

Mr. STUDDS. Mr. Speaker, reserving the right to object, I do not have the slightest intention of objecting. I would simply give the gentleman from New Jersey [Mr. SAXTON] the opportunity to explain, as briefly as possible, the substance of this request.

Mr. SAXTON. Mr. Speaker, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, once again I am pleased to present to the House H.R. 1836, a bill introduced by the gentleman from New York, MIKE FORBES, to add a 98-acre oceanfront parcel of land to the Long Island National Wildlife Refuge.

Mr. Speaker, it is obvious this bill was passed by the House on another occasion. It was sent over to the Senate, and it is back with an amendment. Mr. Speaker, I urge passage of the bill in its current form.

Mr. Speaker, I am pleased to once again present to the House H.R. 1836, a bill introduced by Congressman MIKE FORBES to add a 98-acre ocean-front parcel of land to the Long Island National Wildlife Refuge.

This legislation was overwhelmingly adopted in the House on April 23 of this year, and was approved by the other body on May 3. While the other body had no objection to the provisions of H.R. 1836, the text of H.R. 2005 was added to this measure and it is, therefore, necessary for the House to once again act affirmatively before sending this proposal to the President.

H.R. 2005 was unanimously approved by the House on October 30, 1995, and this noncontroversial measure will correct a mapping error in the Coastal Barrier Resources System.

In 1982, when unit NY–59P was created, a portion of privately owned land was incorrectly mapped as being part of an adjacent "otherwise protected area", the Fire Island National Seashore. This 88-acre tract is owned by a private homeowners group, the Point O'Woods Association, and has never been part of the National Seashore. This small, but important change in the Coastal Barrier Resources System has broad bipartisan support and has been endorsed by the administration.

Finally, I would like to compliment the gentleman from New York [MIKE FORBES] for his outstanding leadership in this matter. MIKE is the author of both H.R. 1836 and H.R. 2005 and he has done an outstanding job of not only gaining support for these measures but also representing his constituents in a most effective manner.

I urge an aye vote on H.R. 1836.

Mr. FORBES. Mr. Speaker, as a young man growing up on Long Island I have known of and visited Shadmoor. Purchasing this property is of great importance to me and my neighbors on Long Island.

The Shadmoor property consists of 98 acres of dramatic oceanfront property at Montauk, in the town of East Hampton, NY. Shadmoor supports one of the largest and most viable populations of the endangered and federally listed sandplain gerardia, New York State's rarest plant. Once widespread along the Northeast coast, sandplain gerardia is now known to inhabit fewer than 10 sites in the world, 5 of those on Long Island.

This important population of sandplain gerardia grows on privately owned property. The U.S. Fish and Wildlife Service [USFWS] targeted this site for acquisition in its 1991 Northeast Coastal Areas Study. But so far, money has not been provided. Meanwhile, the property owners are very close to obtaining final approval for a subdivision that would lead to development of home lots at Shadmoor, effectively ending years of effort to save this population of sandplain gerardia.

H.R. 1836 is a bill authorizing the Fish and Wildlife Service to include Shadmoor in the Amagansett National Wildlife Refuge. Shadmoor is currently threatened by creeping development at its edges and if action is not taken promptly it could be lost.

Over the last 20 years, Long Island, and New York State, have received almost no Federal dollars for the acquisition of lands to protect endangered species. Nationally, few Federal dollars have been used to protect the habitat of critically imperiled plant species, while tens of millions have been spent for other purposes. Saving this property would go a long way toward correcting this inequity.

Shadmoor represents a unique combination of habitat for federally and State endangered species, offering a half mile of Atlantic Ocean coastline and having historical significance. Adjacent to 17 acres of East Hampton Town Parkland, the Northeast Coastal Areas Study prepared by the U.S. Fish and Wildlife Service [USFWS] in 1991 targeted the Shadmoor property for protection.

The USFWS believes it is critical for local entities to contribute to our important effort and recently the Town Board of East Hampton passed a resolution supporting the Federal acquisition of Shadmoor and agreeing to consider appropriating town money to help acquire the tract. The Nature Conservancy has also pledged funds to help purchase Shadmoor.

Mr. Speaker, I would like to take this opportunity to thank Sara Davison and Stuart Lowrie of the Nature Conservancy, Carol Morrison of the Concerned Citizens of Montauk, and Cathy Lester supervisor of the town of East Hampton for all of their hard work to protect Shadmoor.

Mr. Speaker, I would also like to bring to your attention H.R. 2005, the bill I introduced to make technical corrections in coastal barrier resources systems map that is also being considered today as an amendment to H.R. 1836. H.R. 2005 is a bill of great importance to the residents of the Point O'Woods community on Long Island. It passed the House under unanimous consent on October 29, 1995. This legislation corrects the mapping error that designated private property on Fire Island as an otherwise protected area on the coastal barrier resources system [CBRS] map of the Fire Island national seashore, making individuals ineligible for flood insurance for new constructions or relocated houses. This designation prevented the Point O'Woods community from proceeding with their 30-year land use plan.

There was never any reason to believe that the mapping error was anything but inadvertent. In any event, common sense and equity dictated that this error be corrected and because CBRS boundaries cannot be adjusted without congressional approval, this legislation solves the problem.

Point O'Woods is a unique community in that it has worked with the town of Brookhaven and FEMA to move up to 17 houses from the beach, and to permit the rebuilding of the dunes for future protection of the community.

Mr. Speaker, H.R. 1836 and H.R. 2005 are very important to the residents of Long Island and I want to thank you, Chairman YOUNG of the Resources Committee, Chairman SAXTON of the Resources Subcommittee on Fisheries, Wildlife and Oceans for your support of these bills and for bringing them to the floor expeditiously for a vote.

Mr. STUDDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1836 and the Senate amendment thereto.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

WATER RESOURCES RESEARCH ACT OF 1984 AUTHORIZATION EXTENSION

Mr. DOOLITTLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1743) to amend the Water Resources Research Act of 1984 to extend the authorizations of appropriations through fiscal year 2000, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER pro tempore. The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate Amendment: Strike out all after the enacting clause and insert:

SECTION 1. FINDINGS.

Section 102 of the Water Resources Research Act of 1984 (42 U.S.C. 10301) is amended—

(1) in paragraph (2), by inserting ", productivity of natural resources and agricultural systems," after "environmental quality";

(2) in paragraph (6), by striking "and" at the end;

(3) in paragraph (7), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(8) long-term planning and policy development are essential to ensure the availability of an abundant supply of high quality water for domestic and other uses; and

"(9) the States must have the research and problem-solving capacity necessary to effectively manage their water resources.".

SEC. 2. PURPOSE.

Section 103 of the Water Resources Research Act of 1984 (42 U.S.C. 10302) is amended—

(1) in paragraph (5)—

(A) by striking "to"; and

(B) by striking "and" at the end;

(2) in paragraph (6), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(7) encourage long-term planning and research to meet future water management, quality, and supply challenges.".

SEC. 3. GRANTS; MATCHING FUNDS.

Section 104(c) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(c)) is amended by striking "one non-Federal dollar" and all that follows through "thereafter" and inserting "2 non-Federal dollars for every 1 Federal dollar".

SEC. 4. GENERAL AUTHORIZATIONS OF APPROPRIATIONS.

Section 104(f)(1) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(f)(1) is amended by striking "of $10,000,000 for each of the fiscal years ending September 30, 1989, through September 30, 1995," and inserting "of $5,000,000 for fiscal year 1996, $7,000,000 for each of fiscal years 1997 and 1998, and $9,000,000 for each of fiscal years 1999 and 2000".

SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH FOCUSED ON WATER PROBLEMS OF INTERSTATE NATURE.

The first sentence of section 104(g)(1) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(g)(1)) is amended by striking "of $5,000,000 for each of the fiscal years 1991, 1992, 1993, 1994, and 1995" and inserting "of $3,000,000 for each of fiscal years 1996 through 2000".

SEC. 6. COORDINATION.

Section 104 of the Water Resources Research Act of 1984 (42 U.S.C. 10303) is amended by adding at the end the following:

"(h) COORDINATION.—

"(1) IN GENERAL.—To carry out this Act, the Secretary—

"(A) shall encourage other Federal departments, agencies (including agencies within the Department of the Interior), and instrumentalities to use and take advantage of the expertise and capabilities that are available through the institutes established by this section, on a cooperative or other basis;

"(B) shall encourage cooperation and coordination with other Federal programs concerned with water resources problems and issues;

"(C) may enter into contracts, cooperative agreements, and other transactions without regard to section 3709 of the Revised Statutes (41 U.S.C. 5);

"(D) may accept funds from other Federal departments, agencies (including agencies within the Department of the Interior), and instrumentalities to pay for and add to grants made, and contracts entered into, by the Secretary;

"(E) may promulgate such regulations as the Secretary considers appropriate; and

"(F) may support a program of internships for qualified individuals at the undergraduate and graduate levels to carry out the educational and training objectives of this Act.

"(2) REPORT.—The Secretary shall report to Congress annually on coordination efforts with other Federal departments, agencies, and instrumentalities under paragraph (1).

"(3) RELATIONSHIP TO STATE RIGHTS.—Nothing in this Act shall preempt the rights and authorities of any State with respect to its water resources or management of those resources.".

Mr. DOOLITTLE (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California.

There be no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from California?

Mr. STUDDS. Mr. Speaker, reserving the right to object, I do so to yield to the gentleman from California [Mr. DOOLITTLE] for a brief explanation of the matter.

Mr. DOOLITTLE. Mr. Speaker, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from California.

Mr. DOOLITTLE. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, the primary intent of H.R. 1743 is to extend the authorization for the State Water Resources Research Institutes. There are 54 of these institutes located at the land grant university in each of the 50 States and several of the territories. These institutes are a primary link between the academic community, the water-related personnel, and the Federal and State governments and the private sector.

H.R. 1743 would expand the act's findings and focus on the need for long-term planning and policy development and maintaining productivity of national resources and agricultural systems. In the fiscal year 1996 interior appropriations conference, there was a request to introduce an additional element of competition into this program. Subsequent discussions resulted in the USGS crafting a competitive element of the program, which takes funding out of the grants to the States and creates a competitive regional program.

Unfortunatly, it did not leave adequate base funding for the State program. While the House-passed version of H.R. 1743 authorizing the program does not require a competitive element, the senate amended this bill to specifically reauthorize the separate competitive regional program which had historically been a part of this program, thereby leaving the State-based program authorized by the House intact. We concur with this approach, and in adopting the Senate-passed language, endorse that approach, providing a competitive element to this program.

Mr. Speaker, I would like to thank the minority for the extensive cooperation we have had from their side on this very broadly based, bipartisan-supported bill. I would urge my colleagues to support this legislation.

Mr. STUDDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DOOLITTLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1743.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

URANIUM MILL TAILINGS RADIATION CONTROL ACT OF 1978 AUTHORIZATION EXTENSION

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2967) to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REFERENCE.

Whenever in this Act (other than in section 3) an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Uranium Mill Tailings Radiation Control Act of 1978.

SEC. 2. TERMINATION; AUTHORIZATION.

Section 112(a) (42 U.S.C. 7922(a)) is amended to read as follows:

"(a)(1) The authority of the Secretary to perform remedial action under this title shall terminate on September 30, 1998, except that—

"(A) the authority of the Secretary to perform groundwater restoration activities under this title is without limitation, and

"(B) the Secretary may continue operation of the disposal site in Mesa County, Colorado (known as the Cheney disposal cell) for receiving and disposing of residual radioactive material from processing sites and of byproduct material from property in the vicinity of the uranium milling site located in Monticello, Utah, until the Cheney disposal cell has been filled to the capacity for which it was designed, or September 30, 2023, whichever comes first.

"(2) For purposes of this subsection, the term 'byproduct material' has the meaning given that term in section 11e.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)(2)).".

SEC. 3. REMEDIAL ACTION AT ACTIVE PROCESSING SITES.

(a) SECTION 1001.—Section 1001 of the Energy Policy Act of 1992 (42 U.S.C. 2296a) is amended—

(1) in subsection (b)(2)(A), by striking "$5.50" and inserting "$6.25";

(2) in subsection (b)(2)(B), by striking "$270,000,000" and inserting "$350,000,000";

(3) in subsection (b)(2)(C), by striking "$40,000,000" and inserting "$65,000,000";

(4) in subsection (b)(2)(E)(i), by striking "$5.50" and inserting "$6.25"; and

(5) in subsection (b)(2)(E)(ii), by striking "$5.50" and inserting "$6.25".

(b) SECTION 1003.—Section 1003 of such Act (42 U.S.C. 2296a-2) is amended by striking "$310,000,000" and inserting "$415,000,000".

SEC. 4. REMEDIAL ACTION FOR THE DISPOSAL OF RADIOACTIVE MATERIALS.

(a) SECTION 104.—Section 104(d) (42 U.S.C. 4914(d)) is amended by adding at the end the following: "For purposes of this subsection, the term 'site' does not include any property described in section 101(6)(B) which is in a State which the Secretary has certified has a program which would achieve the purposes of this subsection.".

(b) SECTION 108.—Section 108(a)(1) (42 U.S.C. 7918(a)(1)) is amended by adding at the end the following: "Residual radioactive material from a processing site designated under this title may be disposed of at a facility licensed under title II under the administrative and technical requirements of such title. Disposal of such material at such a site in accordance with such requirements shall be considered to have been done in accordance with the administrative and technical requirements of this title."

(c) SECTION 115.—Section 115(a) (42 U.S.C. 7925(a)) is amended by adding at the end the following: "This subsection does not prohibit the disposal of residual radioactive material from a processing site under this title at a site licensed under title II or the expenditure of funds under this title for such disposal.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] each will be recognized for 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2967 reauthorizes the Uranium Mill Tailings Radiation Control Act, the 1978 law which has been cleaning up the radioactive contamination created by uranium milling operations. The program has been a valuable and generally successful endeavor, and has already completed remediation at a number of uranium milling sites, many of which had been abandoned and at which mill tailings were simply left out on the open ground.

At title I sites, all of the contamination was generated by Federal activities. For the most part, the tailings were created in the process of obtaining supplies of uranium for the Manhattan Project, which produced America's first nuclear weapons. It is fitting that the Federal Government should be responsible for cleaning up these wastes, and the statute maintains a 90 percent Federal, 10 percent State split for remediation of these sites. Title II sites encompass a range of areas which have combined tailings of both Federal and private responsibility. At those sites, the private owners remediated the contamination, then are reimbursed by the Government for that share of tailings which can be traced to Federal activities.

The bill before us extends the authority for title I cleanup from 1996 to 1998. DOE is confident that all its title I sites can be cleaned up by that time. The bill also incorporates a number of changes to ensure that the program can continue to function in an efficient and responsible manner. First, the bill includes an authorization for DOE to keep one of its title I disposal cells open for the receipt of additional tailings from its Grand Junction and Monticello sites. Second, it increases the authorization of expenditures for the Government's share of its costs at title II sites, so that the Federal Government bears a more equitable share of its financial responsibility at these sites. Third, the bill clears up an ambiguity in the current statute to ensure that title I tailings can be disposed of at licensed title II sites. Finally, H.R. 2967 gives the DOE flexibility with the current statute's deed annotation requirement if the affected State has a sufficient program of landowner notification already in place. All of these changes will be of great benefit to the program, and were worked out in a very bipartisan manner within the Commerce Committee. In that regard, I would especially like to thank Mr. DINGELL and the ranking member of the Energy and Power Subcommittee, Mr. PALLONE, for their efforts to move this bill forward. I would also like to thank Mr. HASTERT for his contributions and involvement in this important issue.

Without this legislation DOE will be unable to continue its cleanup of the remaining title I sites. H.R. 2967 is a responsible measure—a positive measure—which allows the Federal Government to continue to clean up its environmental liabilities at uranium mill sites. I strongly recommend the bill's approval by the House.

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Mr. Speaker, I reserve the balance of my time.

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to offer my support for H.R. 2967. The legislation was considered in the Committee on Commerce and voted out with full support from both sides of the aisle.

I did have some concerns about provisions affecting deed records so that potential homeowners would know whether or not a property had been polluted and, if so, whether the problem had been remediated. Fortunately, we were able to work this out to everyone's satisfaction in the committee.

I want to thank Chairman SCHAEFER for his assistance in perfecting this legislation. I am very happy to support it today.

Mr. RICHARDSON. Mr. Speaker, I support H.R. 2967 because it reauthorizes the remediation activities of environmental damage created at uranium mill sites. Without this legislation, the current authorization for cleanup will expire on September 30, 1996.

Uranium mill tailings were created as a result of Federal Government activities to secure supplies of uranium for the Manhattan project—a top-secret activity designed to build the world's first nuclear weapon—located in my congressional district in New Mexico. This development lead to continued production of nuclear weapons and the use of nuclear energy production for electric generation.

The milling process separates high-grade uranium from low-grade surrounding rock. These high volume sand-like leftovers emit low levels of radioactivity and consequently need to be disposed of properly by the Department of Energy.

The original Uranium Mill Tailings Control Act of 1978 provided for the cleanup of 22 title I sites—abandoned and inactive sites which were used primarily for Federal purposes.

Due to the significant volume of tailings to be remediated and more strict cleanup standards imposed after the 1978 act, more time and additional funds are necessary to complete the Department of Energy's activities.

H.R. 2967 will allow the Department an additional 2 years to safely complete the cleanup process. This is a good piece of legislation which will address public health and environmental concerns in many western States. I urge you to vote in favor of H.R. 2967.

Mr. ALLARD. Mr. Speaker, I rise in strong support of H.R. 2967, a bill to extend the authorization of the Uranium Mill Tailings Radiation Control Act [UMTRCA] through 1998.

This bill is sound environmental cleanup legislation, and it marks the final chapter of the cold war. The mill tailings date back to the Manhattan project of 1942 and the national security purchases of uranium by the Federal Government from 1947 to 1970. During this period, there were no environmental cleanup standards for mill sites, nor were any standards enacted into law until the 1970's. The United States and the free world benefited from this program; therefore, it is just that the Federal Government pay for its share of cleanup costs.

Of particular note is the environmental reclamation project at Uravan on Colorado's western slope. The mill tailings date back to Madam Curie's radium research at the turn of the century. In 1942, as part of the war effort, the Manhattan Army Engineering District contracted with UMETCO Minerals Corp. for uranium produced at the site.

Today, UMETCO is in the process of restoring the environment to its former natural beauty. This has been a true success story for the Department of Energy, State of Colorado, local government entities, and UMETCO. The accomplishments of this project clearly demonstrate that the public and private sector can work together to preserve the environment.

In closing, I would also like to point out that the UMTRCA legislation is fiscally responsible. In Colorado, $100,000,000 will be saved by keeping the Cheney disposal facility near Grand Junction open so that the mill tailings that are uncovered in future road and nearby utility repair work can be disposed of in the future.

Mr. Speaker, this piece of legislation is effective in preserving the environment and should be promptly enacted into law.

I commend my good friend from Colorado [Mr. SCHAEFER] on this sound environmental legislation which takes into account the needs of Colorado communities and the budgetary constraints of the Federal Government.

Mr. Speaker, I yield back the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. COMBEST). The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 2967, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2967, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

OVERSEAS CITIZENS VOTING RIGHTS ACT OF 1996

Mr. EHLERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3058) to amend the Uniformed and Overseas Citizens Absentee Voting Act to extend the period for receipt of absentee ballots, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3058

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Overseas Citizens Voting Rights Act of 1996".

SEC. 2. EXTENSION OF PERIOD FOR RECEIPT OF ABSENTEE BALLOTS.

Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1) is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(4) permit absentee ballots to be received at least until the close of polls on election day.".

SEC. 3. EXTENSION OF FEDERAL WRITE-IN ABSENTEE BALLOT PROVISIONS TO SPECIAL, PRIMARY, AND RUNOFF ELECTIONS.

(a) IN GENERAL.—Section 103(a) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–2(a)) is amended—

(1) by inserting after "general" the following: ", special, primary, and runoff"; and

(2) by striking out "States," and inserting in lieu thereof "State".

(b) SPECIAL RULES.—Section 103(c) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–2(c)) is amended—

(1) in paragraph (1), by inserting after "candidate or" the following: ", with respect to a general or special election,"; and

(2) in paragraph (2), by inserting after "candidate or" the following: "with respect to a general election".

(c) USE OF APPROVED STATE ABSENTEE BALLOT IN PLACE OF FEDERAL WRITE-IN ABSENTEE BALLOT.—Section 103(e) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–2(e)) is amended by striking out "a general" and inserting in lieu thereof "an".

(d) CERTAIN STATES EXEMPTED.—Section 103(f) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–2(f)) is amended by striking out "general" each place it appears.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections taking place after December 31, 1996.

SEC. 4. USE OF ELECTRONIC RETURN OF ABSENTEE BALLOTS.

(a) IN GENERAL.—Section 104 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–3) is amended—

(1) by striking out "and" at the end of paragraph (8);

(2) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(10) in consultation with the Presidential designee, consider means for providing for expeditious methods for the return of absentee ballots, including return by electronic transmittal, with maximum regard for ballot secrecy, audit procedures, and other considerations relating to the integrity of the election process.".

(b) SECRECY AND VERIFICATION OF ELECTRONICALLY TRANSMITTED BALLOTS.—Section 104 of the Uniformed and Overseas Citizens

Absentee Voting Act (42 U.S.C. 1973ff–3) is amended—

(1) by striking out "To afford" and inserting in lieu thereof "(a) In General.—To afford"; and

(2) by adding at the end the following new subsection:

"(b) Secrecy and Verification of Electronically Transmitted Ballots.—No electronic transmittal or related procedure under subsection (a)(10) that is paid for, in whole or in part, with Federal funds may be carried out in any manner that (1) permits any person other than the voter to view a completed ballot, or (2) otherwise compromises ballot secrecy. At the earliest possible opportunity, the original of each completed ballot that is transmitted electronically shall be submitted in a secrecy envelope to the applicable location in the State involved."

SEC. 5. ELECTRONIC TRANSMITTAL OF BALLOTING MATERIALS.

(a) In General.—The Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.) is amended by adding at the end the following new sections:

"SEC. 108. ELECTRONIC TRANSMITTAL OF BALLOTING MATERIALS.

"(a) In General.—Each State, in cooperation with the Presidential designee, shall establish a system for electronic transmittal of balloting materials for overseas voters. The system shall provide for—

"(1) electronic transmittal as an alternative method for transmittal of balloting materials to overseas voters;

"(2) use of the format of the official post card form prescribed under section 101 (or the format of any other registration form provided for under State law) for purposes of absentee voter registration application and absentee ballot application, with the condition that a State may require receipt of a form with an original signature before the ballot of the voter is counted;

"(3) furnishing of absentee ballots by electronic transmittal, from locations within the State, as selected by the chief State election official, to overseas voters who request such transmittal; and

"(4) special alternative methods of transmittal of balloting materials for use only when required by an emergency declared by the President or the Congress.

"(b) Funding Requirement.—The requirements of subsection (a) shall apply to a State with respect to an election—

"(1) if there is full payment by the Federal Government of any additional cost incurred by the State after the date of the enactment of this Act for the implementation of such subsection (a), with such costs to be determined by the Presidential designee and the chief State election official, acting jointly; or

"(2) in any case of less than full payment, as described in paragraph (1), if the State, in the manner provided for under the law of the State, agrees to the application of such requirements.

"SEC. 109. NOTIFICATION REQUIREMENT FOR APPROVAL OF ELECTRONIC TRANSMITTAL METHOD.

"The Presidential designee may not approve use of any method of electronic transmittal for purposes of this Act, unless, not later than 90 days before the effective date of the approval, the Presidential designee submits to the Congress a detailed report describing the method.".

(b) Definition Amendment.—Section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6) is amended—

(1) by striking out "and" at the end of paragraph (7);

(2) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(9) the term 'electronic transmittal' means, with respect to balloting materials, transmittal by facsimile machine or other electronic method approved by the Presidential designee.".

(c) Effective Date.—The amendments made by this section shall apply with respect to elections taking place after December 31, 1996.

SEC. 6. REPORT PROVISION.

Section 101(b)(6) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–(b)(6)) is amended—

(1) by striking out "participation and" and inserting in lieu thereof "participation,"; and

(2) by inserting before the period at the end the following: ", and a separate analysis of electronic transmittal of balloting materials".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan [Mr. Ehlers] and the gentleman from California [Mr. Fazio] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. Ehlers].

Mr. EHLERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before us amends the Uniform and Overseas Citizens Absentee Voting Act. It was unanimously passed in committee on March 12, 1996.

Currently, 6 million citizens are covered by the provisions of the original act passed in 1986, a decade ago. This includes 1.5 million U.S. military personnel in and out of the United States, their families, and over 3 million U.S. citizens living overseas.

This measure will make it easier for overseas citizens to cast absentee ballots in a timely fashion, and help to guarantee ballot integrity for all those covered in the act by requiring ballot secrecy and the return of the original paper ballots to the State where the ballots are counted. A manager's amendment strengthens the guarantee of ballot secrecy in the bill by providing for ballot confidentiality throughout the federally funded transmission process, not just at the voting location.

I would emphasize, also, that the Federal Government will be paying the full cost of this program, particularly that required to electronically transmit ballot materials. Therefore, this is not an unfunded mandate being imposed on local units of government.

A great many States already provide for electronic transmission of ballot applications and some do for ballots as well. This bill would encourage all States to ensure that all American citizens everywhere throughout the world have speedy access to the voting box.

Mr. Speaker, I urge that we suspend the rules and pass this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. FAZIO of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join the gentleman from Michigan, Mr. Ehlers, and Chairman Thomas in cosponsoring H.R. 3058, to amend the Uniformed and Overseas Citizens Absentee Voting Act.

This is a small, but important, step forward in trying to make it easier for American citizens to register and vote.

The Federal Voting Assistance Program, which administers the law and which operates under the Secretary of Defense, has been very successful over the years in working with the States to facilitate registration and voting by our military personnel, their families, and the several million American citizens who live abroad.

The program has been responsible for a number of innovative ideas in the elections area, including the promotion of electronically transmitted ballot materials which were essential during the Gulf war, with so many military personnel in a combat area during the election period.

Because of its established organization and lines of authority, the military portion of the voting assistance program has run well and has achieved voting participation rates well in excess of the overall population.

But the several million overseas American civilians are widely dispersed, often isolated, and can be found anywhere around the globe. Many are nowhere near an embassy or consulate but do have access to a fax machine. These amendments, by allowing registration and voting materials to be sent and received electronically while ensuring their security and integrity, will provide a much greater opportunity for those Americans living abroad to participate in our most important democratic responsibility.

This legislation is strongly supported by the Department of Defense and by the various organizations representing citizens abroad. I urge my colleagues to support passage of H.R. 3058.

Mr. Speaker, having no requests for time, I yield back the balance of my time.

Mr. EHLERS. Mr. Speaker, I yield myself such time as I may consume.

I want to thank the gentleman from California for his support of this legislation and for his comments. He points out very clearly the need to update this legislation to ensure that every citizen, whether serving in the military or as a civilian overseas, has the opportunity to express their opinion, and voice their opinion at the ballot box. I appreciate the support of the gentleman from California [Mr. Fazio].

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. EHLERS] that the House suspend the rules and pass the bill, H.R. 3058, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Edwin Thomas, one of his secretaries.

QUESTION OF PERSONAL PRIVILEGE

Mr. GUNDERSON. Mr. Speaker, I rise on a question of personal privilege.

The SPEAKER pro tempore. The Chair is aware of the insertion into the CONGRESSIONAL RECORD and believes the gentleman raises a question of personal privilege.

The gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 1 hour.

Mr. GUNDERSON. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GUNDERSON asked and was given permission to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, last week, in a "Dear Colleague" communication with the Members of Congress and in an extension of remarks printed in the CONGRESSIONAL RECORD and, again, in remarks included in a special order at the end of congressional business, Congressman BOB DORNAN raised questions about me and my sponsorship of an event in a Federal Government building.

The gentleman from California has every right to dislike me if he so chooses. But he has no right to misrepresent the facts, nor the motives of others in this, his latest, attempt to smear the gay community. Today, I take this time to set the record straight. I apologize to my colleagues for using valuable floor time in a busy legislative week, but in this circumstance, I have no choice. This is a much bigger issue than a personal or ideological dispute. This is a question of whether individuals in American society should be able to intentionally misrepresent the facts, question others' motives, and intentionally falsify information in an attempt to discredit other elements of society. If there is to remain any element of mutual respect in a diverse society, we must reject intentional efforts to personally destroy those with whom we might disagree.

Mr. DORNAN uses an article by a freelance journalist Marc Marano and a video tape produced by the Family Research Council to portray a recent series of events held in this town, in government buildings, as a party of numerous illegal activities. Nothing could be further from the truth. Here is the entire story, with the facts.

Early this year, four young professional men from the Washington-Baltimore area decided they wanted to "do something to make a difference." These gentlemen, in their twenties, are Kenny Eggerl, a producer and owner of KSE Productions—a sales meetings, special events, and fashion show company; David Parham, a director of public policy and education for the Urban Land Institute; Ryan Peal, an account executive with Hill & Knowlton; and Bill Pullen, a manager of rehab services at Mid Atlantic Medical Services, Inc. They felt the younger generation was not yet doing its part, especially in the fight against AIDS. Their generation is unable financially to support most large fund raising dinners in this town. So they decided to create a weekend of low-dollar events which many could afford. Because of the popularity of dance events, they chose this avenue for the focus of their activities. Because the availability of buildings centered around the weekend of April 12–14, they called the event Cherry Jubilee in honor of the cherry blossoms decorating this town at the time.

Tickets for the events met these financial concerns. Individual tickets were $20 for the Friday night dance; $35 for the Saturday night dance; and $25 for the Sunday morning brunch. In the end approximately $130,000 was raised. Expenses, I am told, will finalize at between $70,000 and $80,000. The net proceeds then will be $50,000 to $60,000 raised for two AIDS service organizations: Whitman-Walker Health Clinic, and Food and Friends. Most citizens should be very proud of these efforts and the services they will provide. This was a gift of love, not a weekend of illegal activity. It was a human response of charity, not a call for more Federal funds. It should be an undertaking that both Democrats and Republicans are proud of. I dare say if more such events were held across the country, we could find ways to meet the needs of our fellow man while still balancing the Federal budget!

Friday night, April 12 kicked off the weekend with a dance at a club called Diversite'. Approximately 800 attended. There were no reports of violence or illegal activity.

Saturday night—April 13; the main event was held at the Mellon Auditorium part of the Department of Commerce. This place had been recommended to the sponsors by a mutual friend. All of the proper paper work required by the Department was completed and the arrangements were finalized. A liability contract was signed for the evening. A total of nine security personnel were obtained. Security was primarily contracted through a security agency approved by the Commerce Department. The final security detail included nine individuals; two Federal security personnel, six security officers approved by the Department through private contract, and an off-duty policeman. The auditorium was rented by the hour, for a total cost of $7,500 plus $1,600 for cleaning afterward. In addition, a building engineer and a building representative were on duty during the entire time.

Approximately 2,000 attended the dance. In addition to the security detail mentioned above, approximately 30 event volunteers assisted the sponsors in managing the event. Food and Friends provided eight individuals to assist with tickets and such at the entrance. Whitman-Walker, who served as the fiscal agent, provided three individuals to collect and handle the money throughout the night.

Sunday morning, a brunch was held in the Rayburn Courtyard. I had been asked if I would obtain a space that might be used as a part of the weekend's activities to benefit Whitman-Walker and Food and Friends. Because these events were in Washington, and some of the attendees would be from out of town, the sponsors desired a place which helped to portray our Nation's Capitol. I was happy to be of assistance. The event was held from 1 to 4 p.m. on Sunday, April 14th in the Courtyard of the Rayburn Office Building. Approximately 500 attended the event. Capitol Hill uniformed police frequently walked through the event. Absolutely no trouble occurred or was reported by anyone. The sponsors made sure everyone understood they were in the offices of the U.S. Congress. Proper dress and decorum were maintained at all times.

Mr. DORNAN refers to an article written by Marc Marano as the basis for his allegations. Some things should be understood. Mr. Marano is a free lance journalist who often works as a material source for so-called conservative journalists. To our knowledge, no mainstream press ran Mr. Marano's story. He never once tried to interview me or any of the event's sponsors. Nor did he talk to any of the security personnel, nor the responsible authorities at the Department of Commerce. Throughout his entire story, not one source is ever identified or quoted. The only knowledge we have of the story being published is in Human Events, and as a basis for a column by columnist Armstrong Williams. According to that column, Mr. Marano was hired by the Family Research Council to do the investigation. The Family Research Council produced a video tape regarding the event.

There is no record that Mr. Marano purchased tickets for any of the events. He clearly did not use his own name and address at any time. Nor did he seek to obtain any press credentials for the events. Rather he chose to go undercover, unaccounted for, and free to discover his own story. Personally, I am disappointed that he chose to misrepresent himself, and his profession in an attempt to find material to use against others in society. I wish he had the courage, honesty, and decency to simply buy the tickets under his own name, or pursue the story through legitimate journalistic procedures.

Mr. Marano says in his story, he "proceeded on assignment into the gay world for an undercover investigation." I also wish the Family Research Council had been willing to honestly ask for press credentials and cover the weekend. Honesty is something this town and this debate both need.

But fact is not the basis for the story. Rather hate and prejudice are the motives by which Mr. Marano and Mr. Williams sought to totally misrepresent the fund raising events and their purpose. Allow me to respond to specific allegations in Mr. Marano's article published and circulated by Mr. DORNAN.

Allegation: "The dance party featured public nudity, illegal sexual activity, and evidence of illegal drugs."

The facts: Absolutely no one other than Mr. Marano makes such allegations. Not one complaint was filed by a security officer, nor were any complaints lodged with them. Security personnel had been given full authority to remove anyone for misconduct; not one person was asked to leave. There is no evidence of even a fight among the 2,000 dance attendees.

The sponsors intentionally took steps to prevent even the atmosphere conducive to illegal activity. The security personnel and volunteers were strategically placed throughout the entire room to make sure nothing happened. Three foot by four foot posters were placed throughout the auditorium and the restrooms with the message: The possession or use of illegal substances is strictly prohibited. A $14,000 lighting system was purchased to make sure the room was both decorative and well-lit. I would point out to those who watched parts of the Family Research video that the filming occurred without any camera lighting. This should make clear there was no place dark enough for the alleged illegal activity to occur. Nor does the video show any illegal activity. If the video was produced undercover, without lights, is there any doubt such illegal activity would have been filmed if it actually occurred? I don't think so.

Allegation: "A Federal building, the Andrew Mellon Auditorium played host to the dance and was the backdrop for the illegal activity."

The facts: Again, there is no evidence by anyone, including all security personnel and authorities at the Department of Commerce, of any illegal activity.

Allegation: "The sponsors included Gay Republican STEVE GUNDERSON of Wisconsin."

The facts: The four individuals mentioned earlier, were the sponsors through a nonprofit organization called Friends Being Friends. Numerous corporations sponsored part of the financial costs of the weekend. My sole role was to serve as the congressional host for the Sunday brunch by requesting a space in my name. Publicity for the event gave special thanks to me, and to 17 others, for their assistance.

On Friday and Saturday, I was actually in Wisconsin. I returned to Washington Saturday night, but did not attend the dance. On Sunday morning, if you want to know, I attended church. In the afternoon, Rob Morris and I attended the brunch. We brought a close friend, and former Capitol Hill staffer, who now has AIDS. We purchased our tickets for this event.

Allegation: "The homosexual community's credo seems to be 'Die young and leave a pretty corpse'."

The facts: This is the journalism of bigotry and prejudice. It has no place in American society in the 1990's. It has nothing to do with an event organized to raise private funds for AIDS Care Organizations, or a story of the event. People with AIDS don't die pretty—they suffer the worst possible pain and illness, as their bodies wither away to nothing. One would hope that 15 years and over 300,000 deaths into this epidemic, we would all have a better understanding of the disease. I invite Mr. Marano, and Mr. DORNAN, to come visit the victims of this disease. In so doing, they will learn these are not some faceless pretty corpses. Rather, they are the sons, and brothers, and uncles, and lovers, and friends of the greater American family. Tragically, in increasing numbers they are also the mothers, and sisters, and daughters of America, as well.

Allegation: "At about 4 a.m., two men proceeded to engage in illicit sexual behavior in the main auditorium."

The facts: Absolutely no one but Mr. Marano claims to have seen this incident. But one must wonder why he did not film it. One must wonder why he did not report it to security. Sexual acts are not instantaneous occurrences. Why is no one willing to come forth as witness to this event other than Mr. Marano, who admits to being on an assignment? According to the organizers, security and the volunteers were placed at every possible place in the auditorium to prevent even the remote possibility of this type of incident from happening.

Allegation: "A battle between security and partygoers erupted over the restroom lights."

The facts: The main restrooms for the event were in the basement. Because of this, security personnel were placed there from the beginning of the event and throughout the evening to prevent any kind of occurrence. Security reported no fights, no harassment, no drugs, no smoking, nor any sexual activity. Security made no reports of illegal activity or trouble. At my request, the organizers of the event contacted the responsible authority at the Department of Commerce just yesterday to confirm this information.

Second, the security system for the evening included person-to-person communication through headsets so that each security guard might know anything that was happening. At no time during the entire event, did a complaint come over the headsets indicating a problem between partygoers and security.

Allegation: "Despite the flaunting of public nudity, illicit sexual activity, illegal drug use, and pornography * * * law enforcement never intervened."

The facts: Conveniently, only Mr. Marano claims to have seen this illegal activity. He feels compelled to discuss a S/M conference that apparently occurred in 1993 in the same building. He then links that unconnected event to the dance and concludes that the same activities occurred during both events. According to those who attended, the allegation of pornography at the dance is without basis. Given the purpose of the dance event, discussion of S/M or pornography has no place in an article summarizing the weekend's activities.

As mentioned numerous times before, law enforcement never intervened because there was no basis for intervention.

Allegation: "Every conceivable isolated spot became a dilemma for security. Security officers had to dilegently watch the outside courtyard stairwell in the smoking area. The steps led to a dark alley on the side of the building where many of the men were congregating. * * * Orange cones were erected to close the area off, as a security officer was assigned to stand watch."

The facts: If Mr. Marano had interviewed any of the event sponsors before writing his story, he would have discovered the total error of his perceptions. First, the dance event was sold out. Fire code would not allow any more in the auditorium. Accordingly, security monitored the back entrance to prevent people from entering without tickets. Second, the orange cones alluded to were placed there by a construction company to block access to their construction. They had nothing to do with the dance. Finally, security guards were placed in the alley, near the far door for two reasons. First, this was the room where all the money was being handled and stored. Second, this entrance was also used for supplies and garbage. Thus, there was much traffic in and out during the evening. Security was there to make sure only the right people used this entrance, and no one without credentials had access to the money room.

Mr. Speaker, the gentleman from California has sought to question my integrity and that of the sponsors of Cherry Jubilee through misrepresentation of the facts and distortion of the events surrounding that weekend, and their purposes. He has every right in a free society to pursue his opposition to those of us who happen to be gay. He has no right to misrepresent the facts, nor distort information, in a desperate attempt to smear an element of society he dislikes.

While I am proud of the efforts of these four young men to raise private funds for people in need, my personal involvement in this weekend was very limited. I secured the space for the Sunday brunch. My partner and I attended the brunch, first to support the cause, and second to make sure we could refute any ill-founded allegations if they were to come forth. I would point out to my colleagues that the Rayburn Courtyard is consumed in sunlight between the hours of 1 and 4 in the afternoon. I would further point out that the space is created by four walls with oversized windows on six floors. On one side alone, there exist 45 oversized windows. There was certainly no attempt to hide anything, or in anyway misuse Federal property.

I rise today, in a question of privilege, not for myself but for others. First, I rise in defense of the four young men who worked tirelessly throughout the spring to produce this event. They are all professionals, in their own right, who did this out of their concern for, and love for, those suffering from AIDS. They raised $60,000 in new resources that we won't have to finance with Federal funds. Every conservative and every Republican should applaud such efforts.

Their efforts do not deserve to be misrepresented as they have been by Mr. DORNAN, Mr. Marano, and Mr. Williams. The facts simply state otherwise.

Second, I rise in defense of those in need of these services. We often talk in this chamber about the declining morals of American society. I would remind my colleagues of those words from the New Testament, "Thou shalt love thy Lord, they God, with all thy heart, thy soul, and mind. This is the greatest of all commandments. And thou shalt love thy neighbor as thyself. This is the second greatest commandment of all."

The Greater Washington area, today, unfortunately has the largest concentration of HIV positive people in the country. This is at the same time, a city suffering from financial bankruptcy. Few, if any, have suffered from this financial mismanagement as have the AIDS service organizations. No place in America needs the charity and help of the individual citizens more than in this area, for this cause.

Cherry Jubilee represented the best of the American tradition; it was the classic public private-partnership to help those who cannot help themselves.

Cherry Jubilee represented the best of the American family. If family means "unconditional love" then no group has rallied to care for its own, more than the American gay community. When others cast the AIDS victims out of their houses, out of their communities, and out of their churches; the gay community raised unparalleled funds to meet the needs of its victims.

Cherry Jubilee represented the best of America's Judao-Christian ethic. They saw the least of these among us, who needed food, and clothing, and shelter. And through such events as this, they tried to provide it. They became the love of God personified, as they became their brothers' keepers.

And yes, Mr. DORNAN, they pursued a Republican solution to a domestic problem. They didn't demonstrate on the steps of the Capitol for more Federal funds. They didn't ask for more Federal mandates upon the local community. Rather, they took it upon themselves to become a part of the solution. They did it on their own. They were one of George Bush's thousand points of light. They were one of NEWT GINGRICH's shining lights upon a hill. They heard BOB DOLE tell them to "do all they could, and then some." And that is what they did.

This country desperately needs its people to stop the yelling, and simply ask, "How can I help?" May I suggest that to begin, we stop questioning other people's motives. Second, may I suggest that we seek the facts, all the facts, before we make unfounded accusations. The sponsors of these events are willing to do it again, if there is support. But if all this should reap is misrepresentation, controversy, and lies, they will simply stop. In that case, either we at the Federal level must increase our financial payments, or the victims must suffer even more.

Let us as leaders set the right example by our words, and our conduct. And I hope that in a small way, this time has served to correct the inaccuracies and distortions about this event, its activities, and my role therein.

□ 1545

REPORT ON NATIONAL EMERGENCY IN RESPONSE TO THREAT POSED BY PROLIFERATION OF WEAPONS OF MASS DESTRUCTION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 104–210)

The SPEAKER pro tempore (Mr. COMBEST) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a report on the national emergency declared by Executive Order No 12938 of November 14, 1994, in response to the threat posed by the proliferation of nuclear, biological, and chemical weapons ("weapons of mass destruction") and of the means of delivering such weapons.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 14, 1996.*

REVISED DEFERRAL OF BUDGETARY RESOURCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 104–211)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one revised deferral of budgetary resources, totaling $1.4 billion. The deferral affects the International Security Assistance program.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 14, 1996.*

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The SPEAKER pro tempore. Pursuant to House Resolution 430 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3230.

□ 1555

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes, with Mr. BARRETT of Nebraska in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] will each control 1 hour.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

ALTERING ORDER OF CONSIDERATION OF AMENDMENTS

Mr. SPENCE. Mr. Chairman, pursuant to section 4(c) of House Resolution 430, I request that during the consideration of H.R. 3230, amendments Nos. 1 and 2 printed in part A of House Report 104–570 be considered after all other amendments printed in that part of the report.

The CHAIRMAN. The gentleman's request is noted.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 3230 continues an effort we began last year to revitalize this country's national defenses after a decade of spending decline and force structure reductions. For the second consecutive year, and in a bipartisan fashion, the National Security Committee has reported a bill that I believe considers the future more realistically, and address shortfalls and shortcomings in the present more aggressively, than does the administration. Moreover, the committee's efforts have been undertaken within the broader context and constraints of a commitment to balance the budget by the year 2002.

The primary mission of our military forces has not changed very much since the fall of the Berlin Wall—it remains the protection and promotion of vital U.S. interests around the world. Despite the end of the cold war, the events of just the past year clearly demonstrate that new challenges to U.S. global interests are emerging on many fronts.

China, as an emerging power, has demonstrated a disturbing willingness to use military force as a tool of coercion as it threatens stability, prosperity and the growth of democracy in East Asia. The administration's decision last week to waive sanctions against the Chinese for their export of nuclear sensitive technology to Pakistan undermines this country's commitment to nonproliferation in the eyes of much of the world, and seemingly rewards Beijing's leaders for their increasingly assertive and aggressive diplomacy throughout the region.

Russia, as a disintegrating military superpower, careens back and forth from extreme nationalism to unreconstructed communism as it struggles to hold itself together in the post-cold-war world. As it does, it wages a bloody war in Chechnya, threatens the use of nuclear weapons in response to NATO expansion and sells advanced weaponry of all kinds—including nuclear technologies—to anyone willing to pay cash. We spend United States taxpayer's dollars to assist Russia and other countries of the former Soviet Union to dismantle their nuclear weapons, yet Moscow maintains its nuclear forces at cold war levels of readiness and continues to invest scarce resources in further strategic modernization.

And throughout the world, America confronts a lengthening list of failed and failing states, terrorism, proliferation of weapons of mass destruction and ethnic, tribal, and religious conflict. The events of the past year and the range of U.S. peacekeeping and humanitarian missions testifies to the rise of ethnic violence, terrorism and other challenges to the evolving post-cold-war world.

The administration's underfunding of U.S. military forces stands in stark contrast to this troubling strategic landscape, as does its extensive use of the military on missions of peripheral U.S. national interest. The gap between our national military strategy and the resources this administration has decided to commit to executing that strategy, estimated by some to be greater than $100 billion, continues to widen. So the result is a Department of Defense that has been designed to carry out one set of missions, is being called upon to execute an entirely different set of missions, and is inadequately funded for either. The result is a deepening sense of confusion, frustration, and disarray in our military.

Consequently, H.R. 3230 once again attempts to address the shortfalls and shortcomings created by the internal contradictions of the administration's defense program. Beginning last year, the committee focused its efforts on the four key pillars of a sound national defense; improving the quality of military life; sustaining core readiness; revitalizing an underfunded modernization plan; reforming and innovating the Pentagon. H.R. 3230 builds on last year's efforts in these four key areas.

The bill provides $266.7 billion in budget authority for Department of Defense and Department of Energy programs and is $600 million below the spending levels set by the Budget Committee for the national security budget function in fiscal year 1997. The bill provides for $2.4 billion more than current fiscal year 1996 authorized spending which, when adjusted for inflation, represents a real decline of approximately 1.5 percent in spending and not an increase. The fact that this bill authorizes defense spending at a level that is $12.4 billion greater than the President's request, yet still reflects spending decline, speaks volumes about the extent to which the President is underfunding the military.

I will leave discussion of the many important initiatives in the bill to my colleagues on the National Security Committee who have worked very hard since late February to get this bill to the floor this early in the year. In particular, I would like to recognize the diligence and dedication of the subcommittee and panel chairman and ranking members. Unlike most committees in the House, the National Security Committee's seven subcommittees and panels are each responsible for producing discreet pieces of the broader bill. From the outset of the process, ensuring that the bill comes together in a coherent product requires a lot of planning, coordination and teamwork, all of which I have consistently been able to count on.

Because our fiscal year 1996 defense authorization bill was not enacted until this past February, the National Security Committee had no chance to pause before launching into the fiscal year 1997 hearing and mark-up process in order to get the bill to the floor this early in the legislative cycle. I applaud the efforts of my colleagues on the committee, all or who are responsible for us being here today.

In particular, I would like to recognize the contributions of the gentleman from California, the committee's ranking member, Mr. DELLUMS. He is one of this institution's most articulate Members as well as strongest proponents of the deliberative process. The committee's work, and this bill, are that much better because of it.

And finally, Mr. Chairman, I would like to thank the staff. This bill authorizes funding for approximately 50 percent of the Federal Government's discretionary budget. To say it is a lot of work is an understatement. We have a small staff relative to the size of the committee and the magnitude of our oversight responsibilities, so the work gets done only through great dedication and effort.

In sum, Mr. Chairman, I urge strong bipartisan support for this bipartisan bill. The Constitution makes raising and maintaining the military one of Congress's most fundamental responsibilities. H.R. 3230 clearly demonstrates the extent to which the National Security Committee has taken this responsibility seriously.

□ 1600

Mr. Chairman, I reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I yield myself 11 minutes.

Mr. Chairman, I take a few moments to express my concerns with H.R. 3230, the National Defense Authorization Act for fiscal year 1997. I would begin at the outset by thanking my distinguished colleague for his very kind and generous remarks with respect to this gentleman in his opening remarks.

Second, I would like to thank the gentleman from South Carolina, Chairman SPENCE, again for a more bipartisan approach to this year's bill, both at the staff and member level. But I would hasten to add, Mr. Chairman, civility, collegiality and some effort at bipartisanship notwithstanding, there remain many issues that caused me to vote against the bill in committee and to offer additional and dissenting views on its reports.

I refer my colleagues who are interested to those views and will request that at the appropriate time they be approved for inclusion into the RECORD.

Let me enumerate some of my concerns. First, Mr. Chairman, the unwarranted, I underscore, unwarranted addition of nearly $13 billion to the defense topline is justified primarily to meet a notional modernization crisis. The hue and cry over modernization reminds me of last year's readiness crisis, another purported crisis that quickly evaporated before conference was concluded on last year's bill.

Careful thinking would conclude that there is no modernization crisis. The leadership of the Department of Defense has offered a cogent and calm viewpoint demonstrating that the drawdown of our forces has allowed for a slower replacement of our weapon systems. The carefully crafted future years defense plan adequately meets modernization requirements while allowing us to fund other important accounts in our overall budget.

In many cases, it would appear that the committee adds were made with little consideration to the ability to sustain the program, which will cause disruptive program instabilities and forestall our ability to meet future program needs.

Rather than, Mr. Chairman, buying more hardware now, we should invest in technologies of the future, both the direct military technologies, including innovative nonlethal weapons technology more appropriate to operations other than war, to operations such as operations that are being carried out in Bosnia, humanitarian efforts in other parts of the world and into those dual-use technologies that will give our economy a leg up as we move into the next century. Our failure to plan and invest wisely for the future because of hyperbolic claims about a modernization crisis will harm our national security in both the short and long term.

Mr. Chairman, it is true as well that failure to fund the domestic education and economic development programs that form a critical element of our national security strategy is contrary to our long-term national interests.

Second, the bill fails to take advantage of the opportunities to move further beyond the nuclear abyss, Mr. Chairman, whether it is in the form of constraints on the cooperative threat reduction program, euphemistically referred to as the Nunn-Lugar program, that destroys nuclear weapons in the former Soviet Union or the needless acceleration of Department of Energy weapons programs or the continuing restrictions on retiring strategic systems, these are all missed opportunities.

Third, the bill contains the funding for an overly aggressive and unnecessary national missile defense program that would be noncompliant with the ABM Treaty.

The combination of all these three issues, when combined with the prospect of near-term NATO expansion, has contributed dramatically, in this gentleman's view, to destabilizing our relationship with Russia. In turn, it has reduced the prospect that we can work with democratic forces in Eastern Europe to achieve long-term stability in Europe, stability based upon a respect for human rights, economic development and a nonthreatening balance of military power in the region.

Fourth, the bill grabs hold of numerous hot button cultural issues. The Committee, without hearings, Mr. Chairman, negated the do not ask do not tell policy in its markup and returns us to an era in which capable, willing gay men and lesbians are completely denied the opportunity to serve their Nation in uniform.

The committee, again without hearings, required the discharge of personnel who test positively for HIV-1 virus, which is neither medically nor militarily necessary. It flies in the face, Mr. Chairman, it flies in the face of Congress's very recent appeal of such a policy before it even went into effect. Our service personnel, who have served this Nation with honor, with distinction and professionalism, need better treatment from their Government than this.

The committee refused to return the right of secure safe abortion to servicewomen serving overseas. The committee trampled on the Constitution's first amendment protections by embracing overly broad and vague language in an effort to suppress lascivious literature and other media.

Mr. Chairman, before I conclude, let me just say that I believe that because all of these reasons, in order to make it in order that we be able to more successfully fix the problems that are in this bill, I urge the committee to reject this bill as reported by the committee.

With whatever time I have remaining, I would like to point out to my colleagues that, as I said before, the top line in this budget increases President Clinton's budget request by nearly $13 billion, no small sum at all. That is what makes politics. That is why there is a Republican Party and a Democratic Party, left, right and center on the political perspective.

What is tragic to this gentleman, who has always attempted to take the floor of this body not to challenge on the basis of partisanship, not to challenge on the basis of personality but to be prepared to challenge any Member of Congress on the issues of the day, on the critical, vital issues of our time, we ought to be able to debate, win or lose. The tragedy is that the rule that governed this bill did not allow, Mr. Chairman, not one single amendment to reduce the overall level of the military budget in a post-cold-war environment.

Some may rationalize the inclusion of 13 additional billion dollars. But there are some of us in this body who are prepared to discuss rationally, intelligently and cogently and substantively that there is no rational military requirement to add $13 billion in a post-cold war so-called balanced budget limited dollar environment. But we were denied the opportunity.

For the first time in my 25-plus years in the Congress, denied outright any opportunity to cut the budget, rendering those of us who believe that $13 billion additional in the budget is virtually obscene, rendered us impotent in our capacity to challenge on behalf of constituencies in this country who believe that there is no need for $13 billion additional. No opportunity whatsoever.

Mr. Chairman, if we look at the amendments that were made in order, it does not allow us not only to break into the topline, we cannot even get at the priorities. Of the six major amendments that have been made in order, two of them are not going to be offered. So we are down to four. Of the 35 minor amendments that were primarily language amendments, noncontroversial, seeking studies and reports, most of those 35 amendments will be rolled into two omnibus amendments, bipartisan, noncontroversial. So for a military budget of close to $170 billion, we will move across this floor with a degree of alacrity that staggers the imagination, in this gentleman's opinion, is frightening.

In the atmosphere of a balanced budget, we ought to pay more attention to nearly $270 billion. In a post-cold-war environment, where we are not moving into an era of change and transition and challenge and opportunity, we ought to be able to talk about a rational military budget that walks us into the 21st century with pride and dignity and competence and capability. But to deny that in the rule means that when my colleagues adopted the rule, they adopted this budget. With rare exception we could have given the rule, and what I am saying to my colleagues is, with rare exception, this military budget, $267 billion, could have been offered on the suspension calendar. There are no major amendments here; there are no amendments that take $1 out of this budget. There are no amendments, with rare exception, that make any major policy changes.

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Something is wrong with this process. I did not labor marching uphill to find us in a post-cold war environment with great opportunities for 25 years, to come to the floor, rendered totally impotent, in my capacity to try to shake the reality, along with my colleagues, of the billions of dollars we are spending on defense and to move us in a direction that makes sense.

I conclude that I will oppose this bill for all the reasons that I have enunciated. I urge my colleagues to reject this bill. Let us go back to committee and fix the problems.

Mr. Chairman, I include the following material for the RECORD:

ADDITIONAL AND DISSENTING VIEWS OF RONALD V. DELLUMS

I offer dissenting views because I am deeply troubled by several aspects of the authorization bill and its report, most especially by its overall focus and directions. I remain convinced that the authorization top line is significantly higher than required for the military aspects of our national security strategy. It may be true that the committee marked to a top line that it anticipates in the coming fiscal year 1997 budget resolution. Despite this, I believe it had the opportunity to make prudent reductions in the overall program authorization, thereby providing guidance to the Committee on the Budget as to how better to meet deficit reduction goals. Moreover, I remain convinced that the significant plus-up over the President's request has caused a lack of focus and a lack of discipline in our procurement and research and development accounts, a point to which I will return later.

Despite the collegial and effective working relationship between the committee's majority leadership and the minority, there has at times been a troubling partisan appearance to some of the committee's business and is reflected in the committee report as well. Most troubling has been an unwillingness to hear from administration witnesses on important policy issues before the committee. It is certainly true that outside experts provide important insight into the policy choices and strategic circumstances we confront, but we owe ourselves the responsibility to hear also from government experts and responsible officials. What is especially troubling is that we have failed to request the traditional intelligence threat briefing which has provided a cogent perspective on the strategic requirements that we face. Given our rapidly changing world, this annual review is even more important now than it was during the period of the Cold War.

A small but important additional example of this problem is the committee's determination to plumb the conclusions reached by the Intelligence Community in a National Intelligence Estimate (NIE) on the ballistic missile threat to the United States. Whether or not there is a legitimate concern about the development of the NIE and whatever questions one has regarding the validity of its conclusions, it is unconscionable that we have failed to have the Intelligence Community before the committee to testify on the NIE's contents and its methodology. I have requested such a committee hearing on several occasions, and am disappointed that this has not occurred. While I am willing to support the provisions contained in the committee report asking the Director of Central Intelligence to review both the matter of the NIE and to develop an updated and expanded assessment, and while I accept the majority's interest in having an alternative analysis analysis rendered, it concerns me that we have gotten to this point without a full committee deliberation on the substance and development of the IN.

While the fiscal year 1997 authorization bill reported by the committee does not itself contain highly contentious provisions on the command and control of U.S. armed forces participating in peacekeeping operations, the issue arises in a free-standing piece of legislation marked-up the same day by the committee and reported as H.R. 3308 just three months after the Congress sustained the President's veto of the National Defense Authorization Act for Fiscal Year 1996 on this issue, among other reasons.

The same point can be made for the committee's decision to report out H.R. 3144, a national missile defense program guideline clearly calculated to breach the ABM Treaty and return the United States to pursuit of a "star wars" missile defense program. A less extreme formulation for national missile defense program activity was met with a Presidential veto on last year's defense authorization bill. As with the command and control issue, it strikes this gentleman that there is a little legislative reason to have decided to push forward an even more extreme ballistic missile defense program, given that it is surely destined to meet a Presidential veto as well. Our committee must achieve its policy goals through legislation, and obviously that activity must be bound by the constraints of our Constitution's separation of powers between the Branches. Pursuing legislation knowing that it will be vetoed, when nothing has occurred to change the imaginable outcome seems a political rather than a legislative course.

But the national ballistic missile defense issue is also embedded in the committee recommendation and report on H.R. 3230 in important ways. And there is much more commonality between the administration and the Congress on this issue than the political rhetoric would suggest. Many of the differences between the two approaches are rooted on a perception of the timing of the appearance of a threat to which we would need such a response. This is essentially a function of risk management, and how to determine what type of "insurance policy" we wish to purchase against such a future contingency. What is less focused on but should be very central to the debate, is the cost and character of the alternative "insurance policies" that are available to the Nation. And this is where the parties diverge.

The administration's current national ballistic missile defense plan can provide for an affordable defense against limited ballistic missile threats before those threats will emerge. It does so in a way that anticipates likely changes in the threat from today's estimates. It also does so in a way that avoids becoming trapped in a technological cul-de-sac by a premature deployment of a potentially misdirected system.

The committee recommendation and its report would unfocus U.S. efforts by pursuing space-based interceptors without regard to ABM Treaty requirements, START treaty considerations and the threat reduction and strategic stability goals that the treaties promise.

This course of action commits us as well to an incredibly expensive and ultimately unaffordable path. Both the department's 3+3 program and the Spratt substitute to H.R. 3144, provide for a more capable missile defense system when deployed, and one that is affordable within current budget projections. It blends arms control and counterproliferation activities with deterrence and missile intercept capabilities. It thus pursues the most effective approach to missile defense, preventing missiles from being deployed at all, while providing a prudent "insurance policy" against limited but as of yet non-existent threats.

The overreliance by the committee on a "hardware" solution to intercept incoming missiles in the final minutes of their flight time, risks constructing a very expensive 21st Century Maginot Line. Such a defense strategy may well prove as ineffective to the 21st Century threats we might face as the original Maginot Line was in defending France during World War II.

Returning now to refocus on the issue of the size of the top line and its impact on our procurement choices, I am reminded of echoes from last year's debate on the fiscal year 1996 authorization bill.

During that debate, we heard a hue and cry that there existed a readiness crisis in the services. Foregone training and maintenance, as well as "optempo" stress were all allegedly impacting adversely on the U.S. armed force's ability to perform its principal missions. This hue and cry was raised despite assurances by the top military leadership that the force was receiving historically high levels of operational funding and was as ready a force as we had ever had. Facts have borne out their more sober assessment and, indeed, one can say that the relatively modest increased investment that the fiscal year 1996 defense authorization conference in the end committed to the readiness accounts confirmed the view that a "crisis" did not really exist. The small increase in the readiness account proposed in the fiscal year 1997 authorization bill lends additional credence to this assessment.

This year's hue and cry is that there is a "modernization" crisis, with much displaying of data to support the view that low levels of procurement spending must equate with an insufficient modernization strategy. What is so remarkably similar about this debate with last year's debate on readiness are three things.

First, the services generally agree that they could all "use" more money for procurement this year, but that they could meet their requirements with what had been budgeted as long as long-term trends supported their needs. This sounds very much like "we're missing some training" but "we're as ready as we've ever been."

Second, the leadership of the Department of Defense has offered a cogent and calm viewpoint that the drawdown of the force structure from its Cold War levels allowed them one more year's grace before they needed to begin to replace equipment that had been procured in large numbers during the 1980s for a much larger force. In other words, they had a plan, it was being managed, and they could perform their mission. And they could more appropriately use defense resources in other accounts and reserve for the future year's defense plan a significant increase in procurement dollars.

Third, while the committee invited the service chiefs to submit their "wish list" for additional procurement items, it has not followed the Secretary of Defense's plea to limit procurement additions to those items needed by the services. By my calculation approximately half of the procurement plus-up does not meet that qualification.

Not satisfied with this explanation the committee recommendation would spend an additional $7.5 billion on procurement, and as I noted above much of that on requirements not established by the service chiefs. I believe that this unsolicited largess is imprudent and will have significant adverse impact on our ability to meet real future requirements. It will provoke budget and program disruptions in the near term and it will preempt important opportunities into the future.

In many cases it would appear that these adds were made with little consideration to the ability to sustain the program in the next year. The disruptive business and human implications of creating program instabilities by "spiking" procurement for one or two years could haunt the military industrial base for years to come. This is a costly and ineffective way to approach long-term modernization requirements. In addition, it would also appear that program risks, indeed even assessing the department's ability to even execute a program, may not have been given adequate consideration in determining authorization levels.

Equally important and worse, the committee recommendation throws much of this money into systems that were designed "to fight the last war." This is a common failing that is so easily avoidable. In addition, the procurement "theme" to solve the "crisis" appears to be only to buy more, and often not more of what the service chiefs requested. This binge in procurement both purchases needlessly redundant weapons capabilities and does so in excessive amounts. With regard to the former, we will end making purchases of too many different systems, rather than making choices and sticking with the best choice. With regard to the latter, we are spending our investment capital to buy unneeded equipment for today that will prevent us from purchasing the right equipment when it becomes available tomorrow.

Rather than buying more hardware now, we should invest in the technologies of the future, both the direct military technologies, including innovative non-lethal weapons technology more appropriate to operations other than war, and into those dual-use technologies that will give our economy a leg up as we move into the next century. Our failure to plan and invest wisely for the future because of hyperbolic claims about a modernization "crisis" will harm our national security in both the short and long term.

Much more could be said about this particular problem. Let me summarize my views in this area by saying that this extravagant level of spending is neither needed for our current military requirements nor prudent for meeting the needs of the future. In addition, it contributes to a defense authorization top line that needlessly consumes resources from the two other elements of our national security triad: our economy and our foreign policy program that can dampen the circumstances that give rise to war. And, unlike money put into the operations and maintenance accounts, it is not easily or efficaciously diverted to other priorities when hindsight establishes that the perceived requirement in fact does not exist.

There are other issues and problems in this report other than with its dollar level and the procurement choices. They deserve illumination as well.

Foremost among them are the several issues that erupted in the personnel title of the bill and report. While I do not support the current "don't ask, don't tell" policy on gays and lesbians serving in the military, I more strongly reject the committee's view that we should return to an era in which capable and willing gay men and lesbians were denied the opportunity to serve their nation in uniform. I support a policy that would allow individuals to serve regardless of sexual orientation. Clearly "don't ask, don't tell" has not provided the protections to such individuals that its crafters felt it would; but a return to an era of repression and intolerance is not the solution.

By way of explanation of the necessity for the change in policy under section 566 of this legislation, the committee elsewhere in this report cites at length the decision in the case by the United States Court of Appeals for the Fourth Circuit in the case of Paul G. Thomasson, Lieutenant, United States Navy, *Plaintiff-Appellant*, v. *William J. Perry*, Secretary of Defense; John H. Dalton, Secretary of the Navy, *Defendants-Applies*.

It is useful to note that this case is but one of several that are expected to be heard before the United States Supreme Court later this year on the issue of the Administration's "don't ask, don't tell" policy. No fewer than eight other cases on the policy are presently before the federal courts. In the last year, judges in two of those cases reached the opposite view of the judges in the *Thomasson* case, yet the committee does not make reference to those decisions.

The committee has not held a single hearing on the issue of gays and lesbians in the military in either the first or second session of the 104th Congress—the period during which the current policy has been implemented. Though the committee obviously feels that it is of utmost importance to change the current policy, it did not choose to expend any time or effort to get the views of witnesses from the military, the administration or the public on the issue. Instead, it relies on the decision on one court case to base a major change to military policy.

If the committee is to make an informed and thoughtful decision on this matter, it should make the effort to shed light on the competing views and experiences that represent all sides on this complex and important issue through the committee hearing process. The committee avoids the subject by relying instead on the judicial branch for justification and to explain Congressional intent. By including legislative provisions in the subcommittee chairman's mark without any discussion of the matter, the committee demonstrates a lack of faith in the hearing process, betrays a lack of confidence that its provision would prevail under scrutiny, and abuses the prerogatives of the majority.

Similarly the committee's recommendation to discharge personnel who test positive for the HIV-1 virus is medically and militarily unnecessary and flies in the face of the Congress's very recent determination to rescind such a policy even before it went into effect. Of even greater concern than having established a policy for which there is no military requirement, the committee's recommendation pretends that it has protected the medical disability rights of personnel who will face discharge under its provisions. This is a disingenuous formulation given that the committee was fully apprised that in order to do so in legislative language, which it refused to do because of the direct spending implications that would have forced funding cuts in other accounts. Our service personnel who have served this nation with honor, distinction and professionalism need better from their government than this.

In language on section 567, elsewhere in this report, the committee directs the Secretary of Defense to "deem separating service members determined to be HIV-positive as meeting all other requirements for disability retirement * * *."

While giving the appearance of providing for medical retirement, the fact is that such language had to be stripped from the bill by amendment in the full committee markup because of direct spending implications. The Congressional Budget Office has scored this provision as costing $27 million over the next five years, and it could not be enacted without identifying an offset to pay for it. The committee could not accomplish this and, instead, decided to foist the problem off on the Department of Defense as an unfunded mandate, and then take credit for supposedly providing the medical retirement benefit.

Worse yet, it turns out that the Secretary of Defense may not have the statutory authority to fund such a mandate "out of hide" in any case. 10 U.S.C. §1201 and 1204 direct DoD to use the Department of Veterans Affairs rating schedule. While the tables currently indicate that a servicemember who is symptomatic of AIDS is eligible for medical retirement, it rates a servicemember who has asymptomatic HIV with a zero percent disability rating. Consequently, they would not be entitled to disability retired pay.

Under these circumstances, and since the law which would be reinstated by this section was repealed, the member who is discharged under section 567 would have no medical or retirement benefits at all, nor would the members of his or her family. He or she would be promptly discharged within two months of testing positive for HIV-1 virus. It would be the height of irresponsibility to enact such a provision without first clearing up these discrepancies.

The committee's refusal to return the right to secure safe abortion services to servicewomen serving overseas is an additional reason why I could not support the bill being reported. Of equal concern to our servicewomen should be the committee's apparent view of the role of women in combat-related specialties and the important equal-opportunity problems that its position raises.

On another social issue, the committee has trampled on the Constitution's First Amendment protections by embracing overly broad and vague language in an effort to suppress pornographic literature and other media. Despite the obviously degrading and sexist imagery of such media, those who would publish, sell or purchase them enjoy the protection of the Constitution. Surely better ways exist to overcome these problems than by legislating overly broad and unconstitutional attacks on the problem.

The committee's decision to weigh in on these cultural battles in this manner will, I believe, be to the ultimate detriment of the morale and welfare of our service personnel. We are a diverse society, with varying views on these issues. As such, we should decline as a legislature to impose a narrow view that fails to account fully for the human dignity of all in our society. Civility, morality and the Constitution all argue for such restraint. Failure to yield to the natural progression of expanded civil and human rights will only result in further turmoil, which will be adverse to the national security interests of our nation.

In this regard, let me note my appreciation for the committee's action to confront in a purposeful and reasonable manner the problem of hate crime in the military. Obviously, we are a multi-racial, multi-ethnic and multi-cultural society, a society with varying religious traditions. With a Constitution committed to the equality of each person, we seek to vindicate the promise of that equality. The provision in the committee recommendation helps to build upon the military's successes in moving toward making that principle a reality, and should help to overcome the shortcomings where they have occurred.

The committee's treatment of international, peacekeeping and arms control issues displays a continuing resistance to realign our requirements and resources to the realities emerging in this new strategic era. It has become apparent that operations other than war, such as our participation in the peacekeeping effort in Bosnia-Herzegovina, will become more and more common. Yet the image of the U.S. servicemember as peacekeeper is new and it does not yet fit comfortably in the view of the committee. As a result, the committee attempts to micromanage the services, and the Commander in Chief, as I noted above, as they seek to implement these efforts at which we are relatively new participants. The report language requiring probing insight into military plans to withdraw from what is thus far a highly successful effort in Bosnia, for example, is both insulting to our service leadership and potentially dangerous in what it could reveal about our planning process.

The committee and the Congress surely have an oversight responsibility; but it is equally clear that we do not have management responsibility, and the Framers of our Constitution clearly viewed it that way. I would have hoped that we could have demonstrated more confidence in our service leaderships and their ability to develop and implement an appropriate plan for the withdrawal of the U.S. forces in Bosnia. Similarly, the committee's recommendations concerning humanitarian demining and amending the prospective land-mine use moratorium are disturbing and will unduly constrain our theater CINCS in pursuing demining programs that are an essential part of their overall strategy in their area of responsibility.

On another positive note, let me support the determination reached in this bill that the environmental management and restoration programs operated by the Department of Defense and the Department of Energy are important and integral parts of our military requirements. I am pleased that we have not had the same struggle over both funding levels and authority that I believe plagued last year's effort and I look forward to continuing to work with the committee to fashion effective programs for accelerating clean-up, making environmental management more effective and efficient and for saving money on these accounts as a result.

I remain concerned though with the funding levels and program direction of the nuclear weapons program accounts of Title XXXI. The addition of funds to the requested levels for stockpile stewardship and management seem unnecessary given the still pending Programmatic Environmental Impact Statement on Stockpile Stewardship and Management. While I appreciate the committee's responsiveness in establishing a modest fence around the stewardship increase, I do not believe that the committee has taken sufficient time to inquire fully into the opportunities available for a more fundamental reassessment of our nuclear weapons policy.

The permanent extension of the Non Proliferation Treaty concluded last year was achieved in part because of the U.S. reaffirmation of its adherence to the Treaty's Article VI requirement to reduce our arsenal towards elimination. Despite the fact, that this is, and remains, the policy of our government, we are not proceeding outside of our bilateral discussions with Russia under the START process to pursue further reductions. I am concerned that such a failure will lead to lost opportunities that seemed so promising only a year and a half ago, when President Clinton and Russian President Yeltsin jointly declared that each nation would consider pursuing such unilateral initiatives.

Finally, let me note that, despite my disagreements with the committee report, I applaud the chairman and my colleagues for their willingness to work cooperatively where possible to find common ground on the important issues covered in the recommended bill and its accompanying report. I am concerned that, despite this collegiality, we may have produced a committee recommendation that remains vulnerable to a Presidential veto because of the weight of the many contentious matters that it contains.

Mr. DELLUMS. Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HUNTER] who is chairman of our Subcommittee on Procurement.

Mr. HUNTER. Mr. Chairman, let me start off by giving also my congratulations to our chairman, the gentleman from South Carolina [Mr. SPENCE] who has done a superb job of working on this defense bill, walking us through the hearings that we had to have in rapid fire order, marshaling this great staff that we have got on the majority side and the minority side to put this bill together, answering the tough questions and the tough issues that we had to answer this year in bringing it to the floor. Let me thank him.

Let me also thank the ranking member the gentleman from California [Mr. DULLUMS], and let me tell my colleagues as we go through the debate, and Mr. DELLUMS reminded us that we have had in the past some long debates on defense issues, I remember the 6-week debate we had on the nuclear freeze that we Republicans enjoyed, quite frankly, and the great times that we have had engaging. I wish myself that we had more time to discuss the top line because I think it is a great debate; I agree with the gentleman that it is an important issue for the country.

Let me answer what I think are three important questions that the American people have about this bill. First, do we need this level of spending? And this level of spending is a little over $12 million above what the President has asked for. The answer, I think is yes, and I think our hearings showed that we need this level of spending.

When we asked the Secretary of Defense if he wanted to get to $60 billion in modernization spending instead of the $38.9 billion that we have got this year in the President's budget, he said yes. He said I want to get there as soon as possible. General Shalikashvili said, yes, I want to get there as soon as possible. They had recommended initially having that level of spending in 1998, $60 billion in spending instead of $38.9. When President Clinton put his defense budget together 2 years ago in 1995 and said here is what I am going to want in 1997, here is a blueprint, his blueprint for this year was $50 billion. Well, we have gone up from $38.9 billion $6.2 billion. We have added an additional $6.2. We asked the services to come in and tell us what equipment they needed; they gave us a list. This is the uniformed services of the Clinton administration, gave us a list for about $15 billion, and when we decided on the new equipment we were going to put in, the things that we have put in for additions in terms of modernized equipment were 95 percent in commonality with what the services asked for.

So if the question is did the services ask for this equipment, the answer is, yes, the services asked for this equipment, and if somebody could throw me down that Marine ammo belt that I have been carrying around for the past couple of days, some people told me that is a silly prop, but I think that is the essence of this defense bill because this Marine ammo belt symbolizes the meeting that I had with the Marines and with the other services, with all of the people who are in charge of ammunition supply for the services. The Marines looked us in the eye and said, Mr. Chairman, Congressman, we cannot fight the two-war scenario that the President has given us the responsibility to fight, and they said we are short of M–16 bullets and a lot of other ammo. We found out they were 96 million M–16 bullets short. That means they run out unless they borrow from somebody else, and if that other service has their minimum requirement, then they are out of ammunition.

So we plussed up over $300 million for Marine ammunition. That was the M–16 and mortar rounds and many other things that they needed.

So, yes, we do safety upgrade the Marine Harriers, the AV–8B's the crashes. They said that they would like to have those 24 Harriers that the administration did not plan to upgrade safety upgraded to give those pilots a better chance of surviving. We did provide ammunition, and we did help to modernize the forces across the board.

We have done the right thing for America. This is a good defense bill, and I ask every Member to support this work that the committee has done.

Mr. DELLUMS. Mr. Chairman, I yield 4 minutes to my distinguished colleague, the gentleman from Mississippi [Mr. MONTGOMERY], the ranking member, the senior Democrat on our side.

Mr. MONTGOMERY. Mr. Chairman, I would like to thank the gentleman from California [Mr. DELLUMS] for yielding me this time and to thank him, for over the years he has been my chairman, for many years, for the support he has given me; sometimes, not that much, we have disagreed on military matters, but he is always considerate and fair to me, and I certainly want this to appear in the RECORD today. And Chairman SPENCE I thank for our cooperation over the years, and I have enjoyed working with him very,

very much, as to as well the committee and also to the staff.

Now, Mr. Chairman, I rise in support of the defense authorization bill. The National Guard, and I know I am taking some by surprise that I will talk about the National Guard and Reserve, they have done very well in this legislation. We have tried to improve the readiness, modernization and standard of living in this bill. We have added $805 million for Guard and Reserve equipment, modernization, above the President's budget. We have increased the good year retirement points for the Reserves from 60 points to 75 points. This had not been changed since 1948. There is a 3-percent military pay raise for both the active and reserve forces. We have allowed active guard and reserve enlisted members to retire at the highest rank that they will obtain. Officers can do that now.

However, I am disappointed that the Defense Department provided the Guard and Reserve $294 million for military construction. Now, Mr. Chairman, this is only 3 percent of the total funds for construction for all the military, and the Guard and Reserve, I point this out, have 40 percent of the mission. We have inserted in this bill asking the military to give us a report of actually what the Guard and Reserve need for military construction and armory construction, and I might say that the chairman from Colorado [Mr. HEFLEY] and ranking member, the gentleman from Texas [Mr. ORTIZ] were very fair to us. They tried to help.

We have added the funding to keep the air guard fighters at 15 in a squadron instead of dropping the level to less effective 12 planes per squadron. By adopting the amendment that will mean en bloc reservists will have a second chance to take out mobilization insurance if they decide to go into the Guard or the Reserve.

We have done many other things. We have a revitalization for the Guard and Reserve, and finally, Mr. Chairman, I am very glad that my good friend, the gentleman from New Jersey [Mr. SAXTON] will not be offering his amendment to this bill. Now there is strong feeling on both sides whether the Army Reserve should report to two commanders or one commander. We prefer the one commander, just like the other reserve services do. The committee has supported our position on this throughout the debate. We are trying, Mr. Chairman, to improve the Army Reserve, not tear it down, and I am pleased that this amendment will not be offered and we can work out this disagreement in conference.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, I might add this particular point. As a lot of people realize, the gentleman from Mississippi [Mr. MONTGOMERY] is retiring after this year, and personally I would like to offer him my gratitude for all he has meant to this committee and to this country for his service here over the years. I know of no one who stood stronger and taller for national defense than the gentleman from Mississippi [Mr. MONTGOMERY], and he is going to be going down in history and known as Mr. National Guard and Reserve, and we are going to miss you, SONNY.

Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, less than 2 years ago, the National Security Committee brought to light the downward trend in readiness throughout the military services resulting from defense spending cuts, diversion of funds to meet unbudgeted contingency operations, force structure reductions, and a high pace of operations. Routine training was being canceled. We also heard reports of deferred maintenance, spare parts shortages, and a quality of life for our servicemembers which was suffering. under the strong leadership of Chairman SPENCE, the committee undertook a multifaceted strategy to maintain readiness which has helped to address the unacceptable trends in short-term readiness.

Readiness is a perishable commodity which demands our constant attention. The root causes which led to the readiness problems less than 2 years ago still exist. Defense spending is being cut, force structure is being reduced, and the pace of operations is still high. Adding to my concern is what I view as the administration trying to squeeze defense requirements into a topline driven budget which does not satisfy the current and future needs of our military forces. This has resulted in a juggling exercise that unfortunately pits near-term readiness against modernization. This should not be an either-or-proposition.

H.R. 3230, the National Defense Authorization Act for Fiscal Year 1997 continues last year's work, achieving the goals that we all share: providing the necessary resources to ensure force readiness and improving the quality of life for the men and women of our Armed Forces.

H.R. 3230 fully funds the military services' operations and training accounts, and adds significant resources to other important readiness activities which have been underfunded by the Department of Defense in the fiscal year 1997 budget request, including real property maintenance to address health, safety, and mission critical deficiencies; depot maintenance to reduce backlogs; base operations support to address shortfalls in programs which sustain mission capability, quality of life and work force productivity, mobility enhancements to help deploy U.S. forces more rapidly and efficiently, and reserve component training.

The bill also contains several provisions in the area of civilian employees to provide the Department of Defense better tools for managing the work force and for saving resources.

I would like to thank the ranking member of the Readiness Subcommittee, my colleague from Virginia, Mr. SISISKY for his outstanding cooperation, knowledge, and leadership through the year on the many issues which came before the Readiness Subcommittee.

Mr. Chairman, H.R. 3230 is a responsible, meaningful bill that will provide adequate resources for the continued readiness of our military forces. I urge my colleagues to vote yes on the bill.

□ 1630

Mr. DELLUMS. Mr. Chairman, I yield 5 minutes to my distinguished colleague, the gentleman from Virginia [Mr. SISISKY], the ranking member of the Subcommittee on Military Readiness of the Committee on National Security.

Mr. SISISKY. Mr. Chairman, I ask my colleagues to support the DOD authorization bill.

This bill will go a long way toward supporting and sustaining our U.S. military forces.

As ranking member of the Readiness Subcommittee, I want to commend our chairman, HERB BATEMAN.

He continues to have the foresight necessary to address some of the long-term issues we have identified.

We worked together to add nearly $2 billion to O&M accounts, from $89 billion to $91 billion.

We added $1 billion to real property maintenance, $190 million to depots, $190 million to base ops, $100 million to mobility, and $90 million for reserve component training.

But what we did not do may be just as important.

We did not authorize DOD to go forward with their privatization plan.

As one who represents significant public and private sector interests, let me tell you why.

DOD recognizes that they save money through public-private competition.

Nevertheless, DOD wants to eliminate the public sector as a competitor.

DOD believes the private sector can do anything better and cheaper.

I'm here to tell you that I've "been there, done that"—and "it ain't necessarily so."

We've got to responsibly pick and choose where and when we give someone a monopoly.

We've got to have the business sense to recognize that two overheads cost more than one—whether you talk about air logistics centers, or working on 5-inch guns in Louisville.

It's simple arithmetic, but when you factor in brac politics, it comes out as new math nobody understands.

I don't think anyone opposes it, but we oppose going into it blind—with such a vague roadmap of the future.

Our silence on the privatization issue tells DOD they need to go back to the drawing board on this one.

The issue is far too important to risk national security by going too far, too fast. We need to be careful.

HERB BATEMAN and I also worked to reform DOD financial management, specifically the defense business operating fund—or DBOF.

DBOF has long been a thorn in the side of some of the most dedicated proponents of better business practices at DOD.

Centralized cash management and standardized cost accounting is absolutely necessary to run an organization as big as DOD.

However, to create an $80 billion slush fund to pay for unfunded contingencies—as they did early on—or to hide the real cost of brac—or maybe even environmental clean-up—behind the fig leaf of DBOF cannot be allowed to continue.

Our bill says DOD will develop a plan to improve DOD cash management by the end of September, 1997.

They will implement those plans and terminate DBOF by October 1, 1998.

Bill language outlines nine specific elements of any new plan—such as rates that more accurately reflect real operating costs—as opposed to surcharges tacked on to replenish losses in entirely unrelated areas.

As is often the case, had DOD been willing to do this in the first place, legislation wouldn't be necessary.

In conclusion, I think the bill, on balance, achieves many of the goals Members of both parties have said they wanted to reach at DOD.

I think it is a good bill, it deserves strong bipartisan support with a few exceptions and I ask my colleagues to support the bill.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WELDON], chairman of our Subcommittee on Military Research and Development of the Committee on National Security, has just returned from Moscow, where he met with all the senior Russian military people. He can give us a report on it.

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise and thank the distinguished chairman of our full committee and the ranking member, two fine gentlemen who have worked together with us to achieve this piece of legislation. While we may disagree in certain elements, we certainly come together and respect each other's views. In the end, hopefully we will have a bill that all of us can support.

In terms of the Subcommittee on Research and Development, Mr. Chairman, I would like to thank the ranking member, the gentleman from South Carolina [Mr. SPRATT] for his cooperation and support. The request by the administration was $34.7 billion, $1.5 billion less than the fiscal year 1996 request. Because of the request by the service chiefs, which amounted to $20 billion of additional funding in the R&D area alone, we increase slightly the R&D account to a level of $35.5 billion.

As I said, Mr. Chairman, the service chiefs asked us for an additional $20 billion that we just could not provide. It is somewhat discouraging, Mr. Chairman, that we were criticized very heavily last year by both the White House and the Secretary of Defense's office for plusing up the defense budget, but then in this year's hearings, the Secretary came in and showed us charts taking credit for flattening out the acquisition downturn; in effect, taking credit for funds that we were criticized for putting in last year. The same thing is happening this year, Mr. Chairman. That is somewhat disheartening to me, as someone who tries to support the administration and their defense requests, and the requests of the service chiefs.

In particular, we have plused up some specific priorities that were raised in our hearings, and by the members of our subcommittee, including chemical biological defense, $44 million to address shortfalls as a result of the General Accounting Office report, a very needed effort in the area of chem-bio defense that all of us feel strongly about; $43 million of additional money for the countermine program, especially important for our troops on the ground in Bosnia and around the world. This Congress has taken a leadership role in plusing up funding to find solutions to protect our troops from the threat of mines in any hostile environment.

Dual use technology. We reinvigorated a program that will allow the Defense Department and the services to control where dual use applications can occur. There will be no outside agency interference. We have funded it to the level of $350 million, including a special allocation at the office of the Secretary and at Dr. Kaminski's level to oversee as aggressively as possible the efforts toward dual use technology and off-the-shelf acquisition.

We have also added an initiative that we are currently working on with two other committees, the Committee on Resources and the Committee on Science, in terms of consolidating oceanographic efforts. The Navy has been the lead agency in this area, and we in fact give them a further coordinating role with a $30 million allocation to expand partnerships that first of all have a defense implication, but secondarily have an implication for both the environment and for economic opportunities with the oceans.

Mr. Chairman, the real change here in R&D is in missile defense. We will debate that this week. Mr. Chairman, the key difference between this administration and this Congress was and will be this year, the area of missile defense. After a robust series of hearings, after a detailed analysis of what is occurring throughout the world, including those countries that are trying to get missile technology, we have crafted very carefully, with the full cooperation of General O'Neill, a missile defense program that we feel very confident with.

We have plused up national missile defense, theater missile defense, brillian eyes, so we have a space-based sensor program as well as our cruise missile defense. All of these initiatives, Mr. Chairman, we feel are vitally important. We have even put $20 million in this year's bill for joint Russian-United States missile defense initiatives, so we can show that we are not about just sticking it in the eye of the Russians; that we in fact want to work with them in jointly exploring missile defense capabilities.

We no longer live in a biopolar world. We know the North Koreans and the Chinese are developing capabilities. We know Iraq has achieved some technologies from Russia. We know the threat is there, and it is there now. We must meet that threat. This bill does that.

Mr. DELLUMS. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Missouri [Mr. SKELTON], the ranking member of the Subcommittee on Military Procurement of the Committee on National Security.

Mr. SKELTON. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, for our men and women in uniform, I ask for support of this authorization bill. For our soldiers in the U.S. Army in places like Sinai, Ecuador, Peru, South Korea, Haiti, and the Balkans, I ask for support of increased spending for equipment and maintenance accounts. For our sailors and Marines off the coast of Liberia and places such as the Arabian Gulf Coast, East China Sea, and the Adriatic, I ask for support of increased pay and benefits. For U.S. Air Force airmen, 81,000 of whom are deployed abroad and 9,300 are on temporary duty, I ask for support to improve operations and eliminate fatigue.

For the talented and highly specialized men and women of our Special Operations Forces currently deployed in over 60 nations, some in excess of 200 days during the past year, I ask for support of the modernization priorities contained in this bill. If we must talk about quality of life, let us speak of providing the most capable and modern equipment available as we ask our troops to go into harm's way.

For the past 2 years I have testified before the Committee on the Budget in favor of increased defense spending.

This year, while readiness and quality of life remains pressing issues, I feel the lack of military modernization has reached a critical level. Our subcommittee chairman, the gentleman from California, DUNCAN HUNTER, has worked hard to correct this modernization problem. I have enjoyed working as ranking member of that subcommittee.

Let me commend the chairman, the gentleman from South Carolina [Mr. SPENCE], for his leadership in writing legislation to address this trend. This bill, with almost $13 billion in new spending, is a step in the right direction.

Let me also point out that the ranking member, the gentleman from California, RON DELLUMS, has shown again his unwavering commitment to caring for our troops. I thank him for that.

Mr. Speaker, I fear we have reached the danger point, the point of breaking our forces with high operational tempo rates. The Army's pace of operations has increased 300 percent, with over 25 deployments in the past 6 years. Gen. George Joulwan has noted that his European command has experienced the highest tempo rate in its history. The Air Force has averaged 3 to 4 times the level of overseas deployment as during the cold war. Air crews abroad AWAC's, JSTARS, and EF-111's are in especially high demand. Naval and marine personnel are abroad so often that back-to-back temporary assignments away from home are no longer uncommon. Our carrier battle groups, intent on providing deterrence with continued presence, are straining to guard against aggressive acts throughout the world's oceans.

Members of our special forces, trained in specialties such as language, carpentry, electricity, and cultural affairs, have been the first to answer our Nation's call in Bosnia, Haiti, and Liberia. Although few in number, together they are great in influence, deploying in adverse conditions, day or night, and often assisting local officials with tasks traditionally nonmilitary in nature.

As I ask my colleagues for support for the priorities in this bill, I also ask for support for improvements. I would have preferred language to continue research and development of the CORPS SAM/MEADS theater missile defense system, the only system designed to protect our frontline highly mobile troops from missile attack. This threat is upon our troops today, and threatened our troops during Operation Desert Storm in 1991. I am disappointed, Mr. Chairman, sorely disappointed, that the Committee on Rules did not allow my amendment in order to address this and look to conference for improvement.

Mr. Chairman, from the Bosnian theater, Maj. Gen. Bill Nash recently said, "The number one thing we've used so far that has allowed us to enforce the peace is a weapons system called the American soldier." On behalf of that soldier, I ask for support of this bill, and I ask for continued commitment to this excellent weapons system as we move to conference with the Senate.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Colorado [Mr. HEFLEY], chairman of our Subcommittee on Military Construction.

Mr. HEFLEY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in strong support of H.R. 3230. As the chairman of the Subcommittee on Military Installations and Facilities, I want to focus my remarks on the important bipartisan initiatives we are bringing to the House today concerning the military construction program for fiscal 1997.

H.R. 3230 would continue the bipartisan effort of the Congress to rebuild and enhance our crumbling military infrastructure, and I want to express my appreciation to the ranking member of the subcommittee, the gentleman from Texas, SOLOMON ORTIZ, for his tireless efforts to help to put this bill together.

Based on the hearing record, we know the military services have a steep backlog of construction and maintenance requirements that will take decades to resolve unless we accelerate the program. That backlog has serious implications for operational readiness and impairs the quality of life for men and women and their families who volunteer to serve the Nation.

□ 1645

Mr. Chairman, it is unacceptable to me and it should be unacceptable to this House that 20 percent of the Army's facilities are considered unsuitable due to either deteriorated conditions or an inability to meet mission requirements and that roughly two-thirds of the barracks, dormitories and military family housing units in the service's inventory are considered unsuitable. These are just two glaring examples of the impact of years of neglect.

But where is the administration?

The President proposes to spend 18 percent less than current levels on military construction and, amazingly, 5 percent less than he told us he would spend in fiscal year 1997 when he submitted budget estimates in February of 1995.

In every major category of direct benefit to the modernization of military facilities, the President proposes a cut. This chart shows the problem and how we propose to fix it: MILCON for the active forces and reserve components cut, family housing cut, troop housing cut. troop housing cut. The child development centers, this is one that is truly unbelievable and virtually defunded. It is fashionable in this administration to say it takes a village to raise children. Evidently the President does not believe that sense of community support should extend to our military families.

This bill adds funding to every one of these major categories.

Even those programs which Secretary Perry has placed great emphasis upon, quality of life, family housing, do not fare well under this President.

The next chart will explain the point better than I can. Two years ago, with great fanfare, the President announced a $25 billion plus-up for defense and made a big deal out of his commitment to improve the quality of life for our military personnel. The President said that we ask much of our military and we owe much to them in return. Everyone apparently agrees, except the President's budget does not support that rhetoric.

Mr. Chairman, just 2 months ago, senior administration officials were on the Hill trying to defend the budget request. Secretary Perry admitted that it would be a lot easier to deal with the military housing crisis if we simply had more money. Mr. Hamre seemed equally at a loss to explain the administration's position.

This is a good bill, I urge the Members to support H.R. 3230.

Mr. DELLUMS. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Texas [Mr. ORTIZ], the ranking member of the Subcommittee on Military Installations and Facilities.

Mr. ORTIZ. Mr. Chairman, I rise in support of this legislation, and would like to lend my strong endorsement of the military construction title of the bill.

I want to express my great appreciation to the leadership of both sides of the aisle in compiling what I believe to be a truly bipartisan legislative package to address our Nation's military construction backlog.

The military construction portion of this bill places a very strong emphasis on quality of life initiatives and addresses our military's need for modernization.

I am extremely pleased that as a committee, we have been successful in allocating to quality of life programs approximately 70 percent of the additional funds which have been made available for military construction this year.

During committee deliberations, we were careful to fund those projects that were identified by the military services as a top priority.

I think this portion of the defense authorization bill makes a strong statement of congressional concern for our military and bolsters our commitment to maintaining readiness and modernization.

Furthermore, this bill continues the pledge made by Congress last year to stretch housing dollars by increasing the funds available to the military services for public/private partnership initiatives.

On balance, I believe that this is a good bill that emphasizes readiness and quality of life projects, and I congratulate Chairman HEFLEY, Chairman SPENCE, and our distinguished ranking minority member for the full committee, Congressman DELLUMS, for a job well done.

Again, I urge my colleagues to join me in supporting this bill.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Chairman, whether we talk about acquisition or research and development to keep our forces modern or quality of life, one thing was very evident to us at the outset of this process. That is that the President again severely underfunded with his request.

Make no mistake about it. The principle upon which we guided our actions this year was that we needed to do more for our military. We simply were tired of an administration which was trying to talk the talk without walking the walk. The administration is eager to sing the praises of our military but is simply unwilling to provide the necessary support needed to ensure that we continue to have a capable, modern force.

Just last year, the Committee on National Security received testimony from the General Accounting Office and from the CBO. Both organizations stated that the administration's defense plan was underfunded to the tune of $120 to $150 billion over the next 5 to 7 years. The White House's response? Request $30 billion less this year. With respect to military construction alone and family housing, as the gentleman from Colorado [Mr. HEFLEY] just pointed out, the budget was 18 percent less than current funding for this year.

Mr. Chairman, some Members are quick to point out that the cold war is over, and I agree. Yes, it is, and the world is different today than it was in the 1980's, but not necessarily safer.

The list of post-war operations grows daily. Think about the headlines that describe places our soldiers and airmen and sailors are, all over the world: carrier groups off Taiwan, mass evacuations by United States special forces in Liberia, 22,000 troops in Bosnia, actions in Haiti, in Somalia, in Panama, in the Middle East. The list goes on and on. It is our duty, Mr. Chairman, at least in my opinion, it is our duty to properly finance these men and women who go around the world to do the great job that they have been tasked to do.

Mr. DELLUMS. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Florida [Mr. PETERSON], a member of the committee.

Mr. PETERSON of Florida. I thank the gentleman for yielding time.

Mr. Chairman, I want to thank the gentleman from South Carolina, Chairman SPENCE, and the gentleman from California, Mr. DELLUMS, the ranking member, for putting together what is generally a very good bill. We worked very hard to address the issues that were facing the military in outyears, and I think we have done a pretty good job with that.

Mr. Chairman, it is not a perfect bill. Clearly there are far too many social mandates contained in this bill that could invite a veto. But it also contains a provision prohibiting R&D funding for the JASTOVL variant.

While I am adamantly opposed to the bill's provision which would kill the Marine Corps' advanced short takeoff and vertical landing aircraft, I have been assured by senior members that this language would be satisfactorily resolved in conference. Those assurances have been bolstered by additional discussions between committee leaders, Marine Corps representatives and key committee staffers. I appreciate my colleagues' support on this issue.

For the record, I would like to make the following points;

The ASTOVL variant of the Joint Strike Fighter is crucial to the Marine Corps long-range plan. That criticality is based on the Marine Corps' strong dependence upon the use of integrated air assets in its combined arms scheme of warfare. It is this air support that allows the Marines to maintain their expeditionary nature by radically reducing their dependence upon armor and artillery, and in doing so, has helped ensure that they have the strategic mobility necessary to remain the "Nation's 9–1–1 Force."

What needs to be perfectly clear is that cancellation of the program would not affect only the Marine Corps. The Air Force is looking at purchasing the variant as well. The ASTOVL is in fact an integral leg in the three-legged Joint Strike Fighter program which links Air Force, Navy, and Marine Corps aircraft development into a single design that can be modified to individual military branch needs. This element of commonality consolidates numerous fixed-wing programs and provides enormous cost savings. Those cost savings will disappear with the removal of participation by either the Marine Corps, Air Force, or Navy.

One final issue of note is that without the protection provided by ASTOVL, the Marine Corps would be forced to substantially increase its amphibious lift because of a need for Marine Corps ground forces to increase their artillery forces to compensate for the lack of air cover. This is a costly solution financially and puts an unconscionable number of warriors at risk, who otherwise could be protected by an aircraft manned by a one-or-two man crew.

Recognizing that there is no more logical choice than for this program to go forward, I join my colleagues in their efforts to resolve this issue in conference.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN], a valuable member of our committee.

Mr. TORKILDSEN. Mr. Chairman, I am pleased to rise in support of this measure. The gentleman from South Carolina [Mr. SPENCE] and his extremely capable staff, led by Andrew Ellis, have brought to this floor a sound bill that strengthens our Nation's defense in an increasingly unstable world.

While I support the measure, I have strong reservations regarding many of the social policies adopted in the military personnel section of the bill. As my colleagues are well aware, I am personally opposed to limiting the right of servicewoman to choose whether or not to have an abortion. Additionally, I am opposed to changing the Pentagon's current policy regarding HIV positive service members.

Consequently, I will support the amendment of the gentlewoman from Connecticut [Ms. DELAURO], but I will decline to offer my amendment on the issue of personnel who test positive for the HIV virus. I have had many conversations with Members in the other body and am confident that we can resolve this issue more appropriately in conference than on the floor of the House.

My overall support for this authorization bill is based upon my confidence that it adequately sustains the core capabilities of our military. Indeed, the Clinton budget request, once again, has passed the buck and declined to preserve vital elements of our national security apparatus.

The bill before us addresses fundamental defense issues like readiness, modernization, and military housing. Key aspects of disagreement between the administration and Congress regarding missile defense and U.N. command and control have been removed and will be addressed at a later time. I believe this strategy is wise and does not weigh down the larger work represented in this measure to maintain our troops.

I urge my colleagues to support passage of this bill.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, I appreciate the hard work of the able gentleman from California, and I appreciate very much his yielding time to me.

Outrageously, this bill revisits and denies choice for women in the Armed Forces who have made the choice to serve their country.

There is a tag line on the end of a Republican ad on television attacking the President for his gas tax proposal. I say, what is sauce for the goose should be sauce for Republicans.

We get lots of lip service on children, for example, with disproportionate cuts; on families with disproportionate cuts. Now what we get for military women is patriotism and abandonment overseas if they happen to need an abortion.

Imagine. A woman in the armed service, in Bosnia, or Haiti, who needs an abortion. Are we prepared to guarantee a safe abortion in those countries or in any one of the trouble spots in which women now serve their country?

What are we going to do if a woman ends up dead or injured because an abortion was performed in a Third World country where safe abortions are unavailable? Does a woman lose her constitutional right to pay American medical personnel to perform a legal procedure simply by singing up for the armed services? Join the armed service and lose your constitutional rights. That ought to be the tag line on the next commercial.

Mr. Chairman, words of patriotism are nice, but women in the armed services want actions that speak louder than words, to quote my distinguished colleagues on the other side of the aisle.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. THORNBERRY], another very valuable member of our committee.

Mr. THORNBERRY. I thank the gentleman for yielding me the time.

Mr. Chairman, this is a good bill. It enhances the security of the United States in ways that are going to get very little notice today. One of those ways is in people issues. The bill has a pay raise for our troops and it increases their housing allowance substantially. It also fills a $500 million shortfall in the administration's request for health care. Although more work is needed here so that we provide the health care we promise to those who serve and those who had served, there is a lot to be proud of.

Another key issue in this bill is the safety and effectiveness of our nuclear weapons. Making sure that our nuclear arsenal is safe and reliable and effective is as important now as it has ever been. We received testimony that at least $4 billion a year is required to ensure that our nuclear arsenal works without nuclear testing. Yet here again the administration request was severely short.

Mr. Chairman, we should not forget some basic facts. First, our nuclear weapons were designed to last about 20 years. We are about at the end of that design life. Someday soon we are going to have to build weapons again, to modernize and replace those that are getting out of date.

Second, we are going from 18 facilities down to 8 facilities in our nuclear weapons complex. We are going to have to modernize those 8 facilities to do the job of 18, to make sure they can do the job and do it safely and effectively.

Third, to make sure that our weapons work well without nuclear testing is going to be an expensive proposition. All those fancy machines we have got to buy to replace testing is expensive. It is absolutely essential that we get and keep the best people we can at the labs and at the production facilities, and we should not forget them.

With the Communists threatening to return to power in Russia, with China, North Korea, and other places, nuclear weapons is not the place to be penny wise and pound foolish. This bill takes steps in the right direction, but more work will be needed.

□ 1700

Mr. DELLUMS. Mr. Chairman, I yield 1 minute to my distinguished colleague, the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, we are here today not to debate the size of the military budget, but to debate which arms manufacturers will get more of taxpayers' dollars.

How is it that we can find an extra $13 billion to give away to defense contractors, but we can't find the money to increase education funding?

As this chart demonstrates, Mr. Chairman, we spend more on the military than Russia, China, Iran, Iraq, Syria, Libya, North Korea, and Cuba combined.

It appears that we are paying an extra $13 billion so that companies like Lockheed-Martin can send around these cassette tapes of radio programs to all the Members of Congress. Why, Mr. Chairman, must we throw another $13 billion at the largest and most wasteful bureaucracy in the world? The answer is simple, more Pentagon pork for military contractors means more campaign contributions for big defense defenders. Just one more example of the GOP's new and improved cash-and carry government.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentlewoman from Jacksonville, FL [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, when President Clinton sent us his fiscal year 1997 budget, he requested the lowest level of spending for defense procurement in nearly 50 years. He reduced operations and maintenance funding by $1.5 billion. And he reduced military construction dollars by 18 percent.

President Clinton did this despite the fact the Joint Chiefs say we need a $60 billion modernization budget if we want to meet the needs of the 21st century, and despite reports from the Defense science board that over 60 percent of military housing is unsuitable.

H.R. 3230 restores balance to this request. It adds $8 billion for new weapons, consistent with the need to invest in modernization now. It restores O&M funding to assure readiness. It funds the advanced technologies necessary to meet our security needs, including $350 million more for national missile defense. And it increases military pay and housing allowances, providing the quality of life necessary to keep the best and the brightest in our military.

I congratulate the Chairman for bringing forward this urgently needed legislation, and urge its adoption.

Mr. DELLUMS. Mr. Chairman, I yield 7 minutes to my distinguished colleague, the gentleman from South Carolina [Mr. SPRATT], the ranking member of the Subcommittee on Research and Development.

Mr. SPRATT. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this authorization bill may be the last of the big time spenders. It does plus up the President's request by a substantial amount, $12.9 billion, but it takes up defense spending next year by only $2.6 billion over the current fiscal year. From next year onward, defense spending, according to the budget program, does not go up in any year more than $2 to $3 billion. We are going into a future of very constrained defense budgets after this year.

So the question that should concern us greatly in this debate as we add $12.9 billion to the Pentagon's request, is whether we can sustain, finish, in the out years what we are starting beefing up and speeding up next year. This question looms in particular over ballistic missile defense, national and theater, which was increased by $940 million in this bill. There are, as a consequence, out-year funding requirements which we simply may not be able to meet in a defense budget programmed to go up by no more than $2 to 3 billion a year.

I rise to speak to just one small piece of that partly to illustrate the problem, but also to illustrate a very important problem, which I think needs correcting, and I will offer an amendment to that effect. The piece that I want to speak about is something called space and missile tracking system. I have an amendment that will deal with this, and let me explain the reason for it and the problem that we have in this bill.

When deployed, these so-called SMTS, once called Brilliant Eyes, now called SMTS for space missile and tracking system, is a constellation of 18 to 24 satellites, all of them in low-earth orbit. They compliment satellites in higher orbit, including the DSP and geosynchronous orbit, which serve to spot missiles which might be launched against us and then hand off the data to the SMTS.

These SMTS missiles circling the globe in low-earth orbit will acquire the incoming missiles or reentry vehicles, track them for a period of time, feed that data to ground-based radars and battle management computers, and these in turn will cue the ground-based interceptors and give them their initial target vectors to go get the oncoming missiles.

All of these are components of what is called the space-based infra-red system, or SBIR's. They are vital programs, vitally important, and they have my full support.

The Air Force, which manages the SMTS on behalf of the other services, first planned to deploy it in the year 2006, because they thought at that time it could be optimized and serve several different missions rather than just one. But last year in conference, the defense bill was changed to mandate deployment by the year 2003. We legislatively mandated an IOC, an initial operational capability. There were no hearings, there was no debate, there was no discussion of the consequences.

Here are the consequences which we never weighed. First of all, by forcing the deployment schedule to a much earlier date, SMTS has to be downscoped in the words of the Air Force. For example, the more sensors can sense or see an object, trying to track it, the more accurate a track they can get on the object. This frequency is referred to as a revisit rate. The more often you ping it, the better the data you get back. By forcing deployment in the year 2003, the acquisition sensor revisit rate rate will be less than half the rate which was originally specified for mission effectiveness.

Point two: The SMTS works well by itself, but it works best as part of an integrated system, high earth orbit satellites, geosynchronous satellites, ground-based radar. By forcing deployment in the year 2003, the data rate for crosslinking and downlinking information has to be reduced by 80 percent. Some call this dumbing down the system.

Furthermore, the requiring that the system be deployed early, we will probably rob from it one of its essential missions. We wanted it to do three things: Provide sensors, infrared sensors in space for theater ballistic missile defense, provide sensors for national missile defense, and also through this network of low earth orbit satellites encircling the globe, provide technical intelligence data that we could use for battlefield characterization all over the world, vastly enhancing our technical intelligence sources. All three missions were to be wrapped into one system, but this cannot be done if we force the deployment in 2003, rather than waiting for the system to be developed.

The design life of the satellites if we force early deployment will be cut nearly in half. The mean mission duration drops from 8.5 years to 5 years. Although everyone agrees, everybody agrees, that theater missile defense is the most immediate and pressing threat, national missile defense capabilities, because of last year's bill, are given priority over theater missile defense and these other roles and missions of this particular satellite system are simply put on the back burner. They will have to wait until later.

To cap it off, to buy this diminished system, we will have to spend $2 billion more between now and 2003 to accelerate the program to meet the deadline that we legislated last year.

Mr. Chairman, in general, I am opposed. I think we should all be opposed to Congress thinking it knows best and trying to legislate deployment dates or IOC's. We take the technical risk in increasing, we place mission cam capabilities in jeopardy, and we put program managers in untenable positions. They either break the law or field a system that is less than optimal.

Last year's conference requirement is especially shaky. It not only usurped the Services' role in determining what was the right acquisition schedule, it ignored the Air Force's suggestions for accelerating this program.

Last fall the Air Force proposed a faster schedule, one that would field the original design, the baseline system, in the year 2005. To meet the conference requirements, the Air Force will now attempt to field a limited system in 2004 at the expense of delaying full fielding of the baseline system until the year 2009. In a rush to deploy something, we are on line to get our best system 4 years late, in order to get a limited system 1 year early.

The opponents of my amendment say it is an attack on the high segment of the space based infrared system. They are wrong. We do not mention that. They are still an integral part of it, just like a fully capable SMTS is an integral part of the overall system.

Opponents also say it will disrupt or delay the acquisition system. It will not. My amendment does not direct the Air Force to change anything. If the services are dissatisfied with the block one capabilities, they can proceed with it.

I thank the gentleman for the opportunity to explain this amendment.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. Lewis], a very valuable member of our committee.

Mr. LEWIS of Kentucky. Mr. Chairman, I rise today in support of H.R. 3230—the 1997 National Defense Authorization Act.

I'd like to address the first of the four main goals of the House National Security Committee:

Improving the quality of life for military personnel and their families.

Our all-volunteer service men and women choose to join the military. And each few years, they will choose whether or not to stay in uniform.

If these folks don't have a decent place to live and work, they're not going to choose to stay. We need these people, and their experience. Too many are leaving, too soon.

Mr. Chairman, I'm privileged to represent Fort Knox, in Kentucky's Second District.

In order to keep men and women in uniform, our defense authorization bill includes $20.5 million for new enlisted barracks at Fort Knox along with a wide variety of quality-of-life improvements, and a 3-percent pay raise for our service men and women.

Let me close by saying I also support the 13 million urban combat training center at Fort Knox included on the Senate side.

Soldiers from nearly every armed service, as well as National Guardsmen and civilian police, would train there. It's likely that more and more future battles will be fought in urban areas—consider our experiences in Somalia and Haiti.

When it comes time to go to conference, I hope the Members of this body will give that project consideration as well.

Mr. DELLUMS. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, at this time I would like to underscore the comments of two of my colleagues, first the gentlewoman from Georgia [Ms. McKinney]. What the gentlewoman was attempting to point out is something that we have to reiterate over and over until we get the point.

Mr. Chairman, American people need to know and understand that America's military budget is roughly equal to all of the combined budgets in the rest of the world. That in and of itself is awesome. But what the gentlewoman went further to point out was that when you combine the military budget of the United States and its allies, its friends, that budget exceeds 80 percent of the world's military budget.

We have to keep repeating, less than 20 percent of the military budget is being spent in that so-called reservoir of nations that can potentially be adversaries, which means we outspend, the United States and its allies, the rest of the world 4 to 1.

So it ought to place it in some proper context when we understand exactly what it means to plus up a military budget beyond the administration's request by $13 billion and not allow this body to have any access to challenging that figure.

The second point that I would like to make is to underscore a very significant point offered by the gentleman from South Carolina [Mr. Spratt]. This year's budget pluses up the military budget by $13 billion. But if you look at the Republican's budget over the several out years of their balanced budget, their own figures only increase the military budget each year after this year. Each year after this year, by your own figures, you only increase the military budget by slightly over $2 billion a year.

Now, that money could be eaten up in inflation costs alone. I reiterate the point I made in my opening remarks: In many cases it would appear that the committee adds were made with little consideration to the ability to sustain the program, which will cause disruptive program instabilities and forestall our ability to meet future program needs.

The point is simple: Are we starting programs that we cannot finance in the out years? I believe the answer is yes. Are we now starting programs in this $13 billion spike in the budget that will preclude our ability to reach into the future and develop and purchase new technologies that are better suited as we march into the 21st century on activities other than war, peacekeeping, humanitarian assistance?

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I think the answer to all of those questions is yes. So while it might make people feel good that they put $13 billion in this year's military budget, the question we ought to be addressing as we carry out our fiduciary responsibilities to the voters and to the taxpayer is, is this a rational way to do business and can we fund these matters in the outyears?

My prediction, underscore it, Mr. Chairman is that this budget will produce instability and it will be extraordinarily disruptive because we are purchasing equipment to fight last year's wars and we are maintaining a budget to produce jobs, the most expensive way we can produce jobs, when we ought to be investing in our people and investing in our economy and investing in the strategies of economic conversion that move us into a peace oriented economy so that we do not have to spend billions of dollars building weapon system that we do not field.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 4 minutes and 15 seconds to the gentleman from California [Mr. DORNAN] who is chairman of our Subcommittee on Military Personnel.

Mr. DORNAN. Mr. Chairman, when the Republicans took the leadership helm of this, the world's greatest legislative body, and with unanimity looked forward to the leadership of the gentleman from South Carolina, Navy Capt. FLOYD SPENCE, at the chairmanship of this committee, we reduced the subcommittee chairmanships from six to five. We figured that each of the five areas of responsibility, procurement, R&D, readiness, personnel, and installations could do their own oversight.

So when the five subcommittee chairman met, we said how can we refer to ourselves with one term? I suggested we were going to be the marshals for Sheriff SPENCE. And as the marshal of military personnel, I am very, very proud of the Democrats on our subcommittee, of our staff on both sides, particularly the hard work John Chapla, our chief of staff, and Michael Higgins and Donna Hoffmeier have done on our staff in all the areas that we rather quickly call quality of life.

Now, I have taken a lot of heat and some heavy-duty press, big artillery, on what I tried to do about the culture of degradation in our military. I would tell the gentleman from California [Mr. DELLUMS] directly, and I know this appeals not only to his keen intellect but also to his heart, young Americans on Okinawa are going to spend the rest of their adult lives rotting in Japanese prisons because they raped not a teenager but a 12-year-old, and kidnaped her and tied her up and degraded her. That must stop.

We have also seen the collapse of brilliant naval combat careers, flag officers to be, because of an unfair, too far extension of what came to be called the Tailhook scandal. But I sat in that committee with five four-stars in front of me, the gentleman from California was there, and I said if my daughter was a naval officer, or one of any nieces, as two of my nephews are officers in the Air Force and the Navy, and she had gotten off an elevator on the third floor at the Hilton in Vegas, and I was on the next elevator up, it would have all been elbows and feet and karate chops as I defended the honor of my daughter.

So I am not making light of what is called Tailhook, but it has gone too far, and it comes out of the culture of degradation.

And the hits I have taken on homosexuals in the military, keeping people with a fatal venereal disease, a regiment of them, on active duty; or the abortion in the military, which is public law as of February 10, DORNAN initiated and supported in the majority in this House, public law which was going to be discussing in a few minutes; or taking Hustler, read today's paper where Larry Flint from his drug soaked wheelchair, his own daughter damns her father's whole rotten life, that is all under the culture of degradation.

And because I have taken hits on that, I have not had a chance to talk about the quality of life things we did. So here it is, and I will put in the RECORD what we have done on the Military Personnel Subcommittee with health care, with raises, with basic allowance for quarters. These personnel readiness and quality of life provisions were the product of a bipartisan effort for which I thank all my colleagues and thank the gentleman from California [Mr. DELLUMS] on his side.

I believe that as a result of all the input of the Committee on National Security and the support of this entire legislative package that we are about to consider, that therein are many provisions designed to redress major shortcoming in Mr. Clinton's defense budget request.

I will only get a chance to probably mention one out of seven key points here.

First, his budget sets the stage for a continued personnel drawdown beginning in 1998 below their own Bottom-Up Review levels. The army will shrink by 20,000 and the Air Force by 6,000. This despite public testimony by Clinton officials that the drawdown is just about over, quote-unquote.

Second, touts strong quality of life programs providing a 3-percent military pay raise. However, after browbeating Mr. Clinton into giving us this 3-percent pay raise, it largely reneges on the promise made by Secretary of Defense Perry last year to continue a 6-year effort to reduce military personnel out-of-pocket costs. And as others have said before me, it goes on and on and on what we have done for our men and women in uniform.

I submit the rest for the RECORD, Mr. Chairman.

Listen to this, Mr. Chairman, 2 weeks ago, the House National Security Committee reported out H.R. 3230—a bill that contains a strong package of legislation that, in my opinion, does more than any other part of the fiscal year 1997 National Defense Authorization Act to directly improve the personnel readiness and quality of life of the people who serve in our military forces.

These personnel readiness and quality of life provisions were the product of a bi-partisan effort for which I thank my colleagues. I believe that as a result of their input and support the legislative package that we are about to consider contains many provisions designed to redress the major shortcomings of the President's defense budget request. Specifically the President's budget:

Sets the stage for a continued personnel drawdown beginning in fiscal year 1998 below the administration's own Bottom-Up Review levels. The Army will shrink by 20,000, the Air Force by 6,000. This despite public testimony by administration officials that "the drawdown is just about over."

Touts strong quality of life programs and provides a 3-percent military pay raise. However, it largely reneges the promise made by the Secretary of Defense last year to continue a 6-year effort to reduce military personnel out-of-pocket housing costs.

Does nothing to reduce the 30-percent out-of-pocket costs born by service members and their families each time they make a permanent change of station move in response to military orders.

Underfunds the defense health program by nearly $500 million, a move undertaken in order to stretch an inadequate budget to fund modernization.

In response to these areas of concern, the H.R. 3230 takes several major initiatives, including:

A 4.6-percent basic allowance for quarters buyback instead of the 3-percent BAQ increase contained in the President's budget.

Restrictions on end-strength reductions below the floors set in 1996.

A package of enhanced reimbursements for permanent change of station moves.

Restoration of the defense health fund shortfall.

H.R. 3230 also provides force structure additions for National Guard fighter squadrons and Navy P3C maritime patrol aircraft. It also adds full-time support personnel for the Army Reserve, and increases recruiting funding for the Army Reserve and the U.S. Marine Corps.

Even more to the point that the administration's defense budget request is clearly insufficient to meet the needs of the services, H.R. 3230 adds nearly $150 million to the Army's military personnel accounts to solve continuing manpower readiness shortfalls.

In reporting out H.R. 3230, the full committee also approved two other major initiatives. The first initiative would restore the Department's regulations and policy regarding homosexuals that were in effect on January 19, 1993. The second initiative would require the discharge of persons who become HIV-positive while also providing for the medical retirement of HIV-positive service members. Medical retirement would guarantee full health care for discharged service personnel and their dependents, as well as an income.

Overall, I consider H.R. 3230 to be a strong defense bill, the product of a bipartisan consensus. I urge my colleagues to support it.

Mr. DELLUMS. Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. HOSTETTLER].

Mr. HOSTETTLER. Mr. Chairman, I rise in strong support of this bill.

I thank Chairman SPENCE and the subcommittee chairman for their good work. Despite difficult fiscal times, this bill is evidence of a careful keeping of the constitutional duty to provide for defense—a duty which we all took an oath to fulfill.

I am especially appreciative of the initiatives taken to improve the quality of life of our Armed Forces.

The 3-percent pay raise—the 50-percent increase over the President's budget for housing allowance. The many additions for quality of life projects such as family housing, barracks, and child care facilities. These were all desperately needed by the men and women serving their country.

I believe that a continued emphasis on quality of life is critical if we are to recruit and maintain a highly competent voluntary service.

This bill obviously benefits those already serving. Less obvious, but equally important, by improving the quality of life of our Armed Forces we will continue to attract the very best to serve.

The Armed Forces of the United States are the best in the world. This bill will help to keep it that way.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. CHAMBLISS].

Mr. CHAMBLISS. Mr. Chairman, this bill does many of the things very necessary for the modernization of our Nation's military. I would like to personally thank my friend, Chairman SPENCE, and my friend, ranking member DELLUMS, the subcommittee chairman and the other ranking members that have worked together to prioritize and lead the committee into the authorization of these programs that will protect this country as we enter a new century.

I am very encouraged by what I see in this bill. Chairman SPENCE's consultation with priorities outlined by the individual services has resulted in the creation of a good bill that has America's national security interests at its very heart.

I have heard the concern expressed by a few Members that balancing the budget must come first. Nobody in this body wants to balance the budget of this country more than I do, and I would remind those Members that this bill fits within the balanced budget plan that this House passed last year by some $600 million.

In fact, this authorization represents a real decline in spending of 1.5 percent. To roll spending back even further would do a serious disservice to the brave Americans that pledge their lives to the defense of this Nation.

There are two other issues extremely important to me. One is the issue of quality of life. We compete in the services every day with the private sector for the highest quality of young men and women that we produce in our high schools and our colleges.

We need that 3-percent pay raise. We need to upgrade the quality of living in dorms and housing. We need to upgrade the medical and dental service treatment that we give our men and women, in order to attract those men and women and to keep those men and women once we get them in the services.

The second thing I wanted to address is the two MRC scenario we constantly hear about. We have talked and we have heard folks complain that we are upping the President's budget by $13 billion. If we are going to be able to put our troops in harm's way to defend two MRC's, we have to do that. I urge support of this bill.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. HILLEARY], another valuable member of our committee.

Mr. HILLEARY. Mr. Chairman, I rise in strong support of H.R. 3230, the National Defense Authorization Act for Fiscal Year 1997. As a veteran of Desert Storm and Desert Shield, I had the honor of serving my country in a major conflict. I felt secure in the knowledge that we had the best equipment, the best training, and the best leadership in the world.

I consider it my sacred duty to do everything in my power to make sure that in any current or future military operation our brave men and women will have the same support. With this bill, I believe Congress is doing its part to make sure we maintain that kind of fighting force.

Under President Clinton's budget proposal for fiscal year 1997, defense spending would continue on its dangerous descent. As a percentage of gross domestic product, defense spending is now at its lowest level since World War II. As a result, our military preparedness has fallen to a dangerously low level.

Last year's budget was a good start toward stabilizing and reversing the rapid downward spiral in spending and readiness. We must stay the course, not because it is easy in this time of budgetary crisis, but because we must be ready to meet the challenges of an increasingly volatile world.

The world is still a dangerous place. We cannot forget about Saddam Hussein or North Korea and their quest to try to get nuclear weapons. We cannot forget about China in its drive for improved weapons of mass destruction and to become a major world military power. If we continued with the budget President Clinton proposed, I am very concerned that it would leave the United States ill-prepared to defend our national security interests.

The President's procurement request for fiscal year 1997 was $38.9 billion, a level that is at its lowest in real terms in nearly 50 years, and $5 billion below what he was recommending only 1 year ago.

Through research and development, we must continue to strive to maintain our technical advantage which was so evident in the gulf war. In this bill we continue to support our troops with a 3-percent pay raise and 4.6-percent increase in basic allowance for quarters.

This is the second consecutive year we have had to try to stabilize the defense spending decreases. I urge my colleagues to support this bill.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. JONES], who is the son of a distinguished former Member of this body.

Mr. JONES. Mr. Chairman, I rise today in strong support of this bill. This bill is a bipartisan bill that has been skillfully put together by Chairman FLOYD SPENCE of my neighboring State of South Carolina.

As a Representative of the Third District of North Carolina, I represent such well-known facilities as the Marine Corps Air Station Cherry Point, Camp Lejeune, and Seymour-Johnson Air Force Base. Improving quality of life is extremely important to me. I am, therefore, pleased that this bill provides for a 3-percent pay raise, increases housing allowances 50 percent over the President's request, and authorizes $900 million above the President's request for military construction.

This bill also appropriately addresses our military modernization. As my colleagues know, we must continue to provide our soldiers, sailors, airmen, and marines with the technological edge to dominate on the new world battlefield.

I urge my colleagues to support the men and women who bravely serve our country in uniform by voting in favor of H.R. 3230.

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Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM], our top gun on the committee.

Mr. CUNNINGHAM. Mr. Chairman, this bill came out of our committee 49 to 2. That is Republicans and Democrats voting for a bill 49 to 2. But yet the far left still wants more and more defense cuts. This President has devastated national security and defense cuts, but yet he tries to stand up and say he is a strong defense President, national security. A bill that comes out 49 to 2, and this President threatens to veto it? This is Republicans and Democrats, just like the bipartisan two-time welfare bill that the President vetoed.

My colleagues have gone through and described what is in this bill and why it is good. We need to provide for our men and women in service. We have decimated the 1980 buildup that we had in national security, that is leaving our forces without equipment that are upgraded. For example, the AV–8 that the Marines are flying, a simple fix increases the safety record by over 50 percent. But yet it was not funded. The F–144's that we have lost, simple fixes like flight controls, we added the money to fix those. A system called Argonne, in Vietnam we used a Shriek missile, fought against Sampson surface-to-air missiles. When the enemy turns off his radar, the missile goes stupid so we had another system called Harm, could only be carried on a certain A–6 and F–111 and a very low kill probability.

Now we have a system called Argonne. It uses the latest technology called GPS. When the enemy turns on its radar like in the case of Captain O'Grady, that radar site would be gone and those pilots would be safe. But yet this President continues to cut defense. It has devastated California by over a million jobs. Between BRAC and defense cuts, he is diminishing national security hurting California.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague from Virginia [Mr. PICKETT], the ranking member of the Subcommittee on Military Personnel.

Mr. PICKETT. Mr. Chairman, I thank the chairman for yielding me the time.

Mr. Chairman, the military personnel provisions of H.R. 3230 evolved in a manner that gave fair consideration to minority concerns. I want to thank Chairman DORNAN for that. I also want to thank the staff for their efforts.

H.R. 3230 solidly enhances quality of life and readiness efforts, reflecting this committee's continued support of our military service members through significant enhancements in these areas.

To highlight just a few of the more significant personnel initiatives contained in H.R. 3230, I would begin by mentioning a 3-percent military pay raise, requested by the President, as well as a 4.6-percent increase in the basic allowance for quarters [BAQ]. This increase in BAQ will fully fund a 1 percent reduction in out-of-pocket housing expenses for service members.

Once again, the military personnel titles of H.R. 3230 provide the Secretary of Defense with the authority to establish a minimum variable housing allowance so that even very junior services members can acquire safe and adequate housing in high cost areas. Additionally, the military personnel provisions include several enhancements to the reimbursements for permanent change of station moves. Military members shouldn't be required to use their personal savings to offset the cost of a government-directed move.

To minimize the readiness impact of continued shortfalls in the Army military personnel account, this bill includes nearly $150 million more than the President's budget request for the Army military personnel account.

H.R. 3230 also restores the nearly half a billion dollar shortfall in the Defense Health Program. Medical care consistently rates as a top quality of life issue. Not correcting this problem would have had disruptive and adverse consequences for active-duty family members and retirees who have a difficult enough time already trying to obtain medical care in military facilities. It would have been perceived as a significant breach of faith with our military members and retirees.

I am disappointed, however, that H.R. 3230 does not include a demonstration program for Medicare subvention in the military personnel titles. CBO has contrived, without any basis in fact, to score demonstration legislation that is specifically and clearly budget neutral as having direct spending implications. The Parliamentarian has ruled that this matter falls under the primary jurisdiction of the Ways and Means Committee and the Commerce Committee. Everyone in this body should urge members of these two committees to consider acting on this important matter.

Mr. Chairman, in closing, let me say that overall I believe the military personnel provisions of this bill represent an integrated approach to improving the quality of life of our military men and women while ensuring a well-trained, ready force. It exemplifies our commitment to readiness, training and taking care of the men and women who serve in our armed forces.

I urge my colleagues to support passage of H.R. 3230.

Mr. DELLUMS. Mr. Chairman, I yield such time as he may consume to my distinguished colleague, the gentleman from Pennsylvania [Mr. MCHALE], a member of our committee.

Mr. MCHALE. Mr. Chairman, I rise in support of the bill, and insert in the RECORD a statement concerning section 220 and the future participation of the Marine Corps in the JAST program.

Mr. Chairman, H.R. 3230, as currently written, contains a provision—subsection (b) of section 220—which precludes the Marine Corps from pursuing an advanced short takeoff and vertical landing variant under the JAST program—the future of Marine Corps aviation. I had submitted an amendment to the Rules Committee—along with my colleagues Congressman Longley, and Congressman Peterson of Florida—to strike this language, but our amendment was not allowed under the rule. However, based on firm assurances given to me by the chairman of the Rules Committee, and senior members of the National Security Committee, I am confident that subsection (b) of section 220 will be satisfactorily modified in conference.

Subsection (b), of section 220 of the bill, as currently written would deliver a crippling blow to the future of Marine Corps aviation. It would effectively bar the Marine Corps from any participation in the development of our Nation's next generation of fighter aircraft, the JAST program.

I am a member of both the National Security Committee and the Research and Development Subcommittee. The language of section 220, now contained in the bill, was inserted without notice to the committee members. There was no debate. There was no consideration of the issue at either the committee or subcommittee levels. There was no prior notice to the Marine Corps. In short, this attack upon Marine Corps aviation came completely without warning, without Member involvement, and without service consultation.

In light of the foregoing information and the importance of this issue, I will rely on assurances given to me, Congressman Longley, and Congressman Peterson, and will anticipate a final conference report which presents no barriers to Marine Corps ASTOVL development under the JAST program. Whether some young marine, on some future battlefield, has the air support he needs, when he needs it, may well turn upon the wisdom of the deliberations of the appointed conferees. Relying upon the assurances given to me, I will trust in their judgment.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. WELDON].

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank our distinguished chairman of the full committee for yielding me the time to talk in general about this bill and one of the major problems that I have with this administration when it comes to defense spending.

There have been a number of evidences, Mr. Chairman, of hypocrisy as we walk through the defense process that I want to talk about today. As I mentioned earlier, Mr. Chairman, it started last year when in a combined conference of the House and the Senate, we added approximately $7 billion to the authorization bill in the authorization process. We were severely criticized by the President and by Secretary Perry for putting money in that they said was not necessary, even though we put money in for such things as cruise missile defense, money in for pay raises for the military personnel, improving housing, qualify of housing initiatives for military personnel around the country, including money for countermine measures.

What really aggravated me, Mr. Chairman, was when Secretary Perry came before our committee, and I respect the gentleman and respect the position that he took last year that the add-ons that we made were unnecessary. But in presenting to use the flow charts that talked about how much money the Clinton administration was requesting for acquisition, what was interesting is that the line was bottomed out. Secretary Perry said to us in the committee, as you can see, there are no further cuts requested in terms of acquisition. In fact, the bottoming out has occurred and we are actually starting to increase.

Mr. Chairman, what the Secretary was doing was taking credit for money that we put in last year that he criticized us for. Mr. Chairman, we cannot have it both ways. If we really feel that we added too much money in, that is fine. I respect the gentleman if that is in fact his position. But do not come back this year and then take credit for that and say we have really done the service well in terms of maintaining the acquisition levels.

Now more specifically, Mr. Chairman, unlike many of my colleagues on this side, I opposed the B-2 bomber. I felt it was a technology that I like but we just cannot afford. The President railed about the B-2 bomber, said it was unnecessary. The conference put money in for the B-2, and what did the President do? He goes out to southern California to the areas where the B-2 bomber is built and he stands up and says, I am going to build one more B-2 bomber. I am going to use the technology available to reconfigure one that we have left, one more platform to go to 20.

Obviously that is well received by all those workers. But then he goes on to say, and I am going to commission a study of deep-strike bomber capabilities. And oh, by the way, that study probably will not be out until after the November election.

Mr. Chairman, that is outrageous. If we are against the B-2 bomber, then we are against the B-2 bomber in Pennsylvania and in California, regardless of who we are talking to.

Now, Mr. Chairman, we added $7 billion last year. Much of that money has gone to pay for the missions that this President has assigned our troops, to Somalia, to Haiti, around the world. But what really aggravates me, Mr. Chairman, is that here is a President criticizing us for putting more money in but not willing to tell the American people that some of the money that is being asked to be reprogrammed is going to be used to train the Haitian police force. And it is going to be used for travel costs for the Haitian police force. Now, I have got some police in Philadelphia who could use some training, and I have got some police who could use some travel expenses. But the President does not want to talk about that because he asked for that money. He wants to use the money for those purposes that he feels are priorities that in my mind are not militarily significant.

Mr. Chairman, this bill is a good bill. We take the priorities that the Joint Chiefs have given us in terms of adding on additional dollars for key issues. Our troops in Bosnia need more money for countermine measures. Our troops around the world need more money and support for understanding a threat from chemical and biological weapons.

Mr. Chairman, let me really get to the heart of what this debate is all about. I read the veto message put out by the President where in the end, after saying he is going to veto the bill, he talks about the Nautilus program, the program that we are doing to help Israel. Mr. Chairman, I want our colleagues to listen to this, because this President went before AIPAC and he told AIPAC at their national convention, I urge my colleagues to read his statement, that he is committed to an agreement to expand our theater missile defense program so that we will have the ability to detect and destroy incoming missiles. That way Israel will not only have the advantage it needs today, but will be able to defeat the threats of tomorrow, which is basically the Nautilus program.

This President is all for it and so is Secretary Perry. But like every other defense priority, what did this President do, Mr. Chairman? When the funding requests were made, what we are talking about, the high energy laser program, which is in fact the Nautilus program, in fiscal year 1994, the Clinton budget was $4.8 million. This Congress put in $24.8 million. In fiscal year 1995, this President, who had the audacity to go before AIPAC and say I support you and the high energy laser program must go forward, asked for zero money. He zeroed the program out. Not one dime of money. Yet he is taking credit for that initiative in front of every person concerned about Israel's security across the world.

What did they ask for it this year before there was an incident of the Katyusha rockets being fired? They asked for $3 million, starvation of the program.

Mr. Chairman, the time for the demagoguery of this administration on defense spending has got to come to an end. This President can no longer get away with saying one thing and doing something else, whether it is the Nautilus program, whether it is the B-2 bomber or whether it is missile defense.

Mr. Chairman, let me say we are not about tweaking Russia in this bill. In my conversations with key Russian leaders over the weekend with Senator BILL BRADLEY, we did not hear one word about missile defense. What do we hear in terms of jeopardizing the START II talks? We heard about this administration's plan to expand NATO. But we never hear the President talk about that, because that is a key priority. That is the only thing the Russians talked about the entire time we were there. In fact, I said to them, I have heard more about NATO expansion in 2 days than I have heard on the floor of the Congress in 2 years. But this administration does not talk about that, because it is not consistent with their position.

In fact, Mr. Chairman, under the leadership of this full committee chairman, we have reached out to the Russians in a way that has never been done before; $20 million of joint missile defense initiatives with the Russians so that we can continue the Ramos project, the Skipper project and do joint technology work. Under the leadership of this chairman, we have reached out to the Russians to show them that we want to work together.

Mr. Chairman, let me also say we are not going to be shortchanged by looking at a military leadership in Russia that was the same when it was the former Soviet Union. While democracy is occurring over there and economic reform and stability and hopefully the elections will turn out well next month, the military leadership is the same. Mr. Chairman, I would ask my colleagues if they would get a copy of what is called the Sirikov document, an internal document circulated among the Russian Ministry of Defense that shows some of the military thought about what their posture should be with the United States.

This is not my document, Mr. Chairman. This was circulated in the Russian media 2 short months ago. I had it translated. What does it say? It says that Russia should look at the United States militarily as a long-term adversary. That Russia should look at the United States in a way that allows them, if they are backed into a corner, to share technology and missile defense capability and offensive missile technology with Iraq, Iran, and Syria.

It further states that the Baltic States of Estonia, Latvia, and Lithuania are rogue nations run by mafiosi. Mr. Chairman, that is the problem. We are not talking about Boris Yelstin. We are not talking about those leaders like Mr. Lukin who definitely want better relations. We are talking about a military that we still have to be prepared to deal with. I urge my colleagues to support this important bill.

Mr. Chairman, we are committed to work with Russia. We are committed to work with the leaders. The current efforts that are being put forth by the Utah Russian Institute to establish a working relationship with those members of the Russian Duma who want us to work together cooperatively. Under Speaker GINGRICH's leadership we have established a new landmark process that will allow us for the first time to have the Speaker of the Russian Duma, Mr. Seleznyov and the Speaker of this Congress to come together twice a year where our Members who are interested in key issues can get to know their colleagues, both in the Russian Duma and in this American Congress.

□ 1745

Mr. Chairman, what we are saying is we want to work with the Russians, we want to reach out to them, we want to share technology. But in the end we do not want to shortchange the American people. This administration will have us believe that arms control agreements are the end all and the cure all. I do not disagree with arms control agreements, but when I see the administration ignore a violation of the missile control technology regime, as they did in December, and not even call the Russians for it, when I see not even calling the Russians on a nuclear test that occurred in Nove Zamky, I wonder how we can say we base our relationship on arms control agreements when we do not want to call the Russians when they violate those same agreements.

What we are saying, Mr. Chairman, is we have a solid approach to work with the Russians, to show that we no longer live in a bipolar world, that we must, first of all, protect and defend the American people.

It is so ironic, Mr. Chairman, with all the rhetoric of the administration that both the Air Force and the Army have said they can give us an ABM Treaty compliant missile defense capability, not for the tens of billions of dollars that President Clinton cites in his veto message, but for between $2 and $5 billion.

These are the administration's leaders in the Pentagon who are telling us we can give the American people something they do not now have, and that is a protection against what? Five incoming missiles. What is so outrageous is that while we try to give the American people this protection, the Russians have had an operational ABM system for the past 20 years that protects 80 percent of their population.

Mr. Chairman, I ask our colleagues to support this bill.

Mr. DELLUMS. Mr. Chairman, I yield myself 9½ minutes.

First, let me say, Mr. Chairman, that with respect to premature expansion of NATO I would tend to agree with the gentleman from Pennsylvania [Mr. WELDON], but I would remind my colleague that in the context of H.R. 7, Contract for America, there was a great deal of very poignant, strident remarks with respect to the issue of the expansion of NATO, and it is slightly disingenuous to make that attack at this point when those remarks were contained in the Republican sponsored H.R. 7.

Second, I tried to listen very carefully to the distinguished gentleman from Pennsylvania [Mr. WELDON], who pointed out that they could purchase a missile, a national missile defense, from between $2 and $3 billion. That is not the missile defense system that is contained in the freestanding piece of legislation that will come to the floor over the next several days. As a matter of fact, as I understand it, the Congressional Budget Office, in costing the potential of the freestanding piece of legislation dealing with nationalistic defense, would more approximate $8 billion, and that is if we just keep it on the ground. If we go into space with Brilliant Pebbles, et cetera, we could be talking about a missile system well in excess of $30 billion, maybe approaching even $40 billion. So this $2 or $3 billion does not square with the reality.

Now, there are several comments that have been made during the course of this debate that I think we need to clarify. With respect to this so-called modernization crisis and the need for procurement, my colleagues on this side of the aisle plused up the procurement budget by $7.5 billion, an incredible amount of money. Now, their argument is that we had a procurement crisis, a modernization crisis. Mr. Chairman, the simple facts are as follows:

In the context of a post-cold-war environment we began to downsize our military force structure. In downsizing our military force structure after the $300 billion per year spending that characterized the 1980's, we had an incredible inventory of resources designed to serve a much larger force structure.

Now, one does not have to be a rocket scientist to understand that if we got inventory to support a force structure here and we are downsizing to a force structure here, that that excess inventory can handle this force structure. So for several years obviously the procurement budget went down as we drew from these excesses in the inventory. The thought was that down the road, they ran back up as we move beyond this so-called procurement holiday, saving taxpayers billions of dollars. That was rational, that was calm, that was cogent, that was responsible. But we are adding $7.5 billion over and above all of that.

Next comment: We are now operating on the basis of the Bottom-Up Review that justifies a military budget to carry out two major regional contingencies. I would suggest, Mr. Chairman, that that Bottom-Up Review was more a first cautious step away from the end of the cold war than it was a bold step into the future, and I asked Secretary Perry should the Bottom-Up Review be perceived as a dynamic living document and not a static document? His answer was, yes, that we are presently looking at the world through a glass darkly, and as we gain greater knowledge about the world, we must then begin to change the assumptions upon which we build a military budget.

I believe we are beginning to develop that kind of analysis. I have said over and over and continue to believe that there is much less chance that we would engage in some major regional war than it is we would be involved in the Somalias, the Haitis, the Rwandas, and the Bosnias of the world, activities other than war. But we are building a military budget to fight the last war. We still cling tenaciously to the notions of the cold war. Even one of my colleagues used an antiquated term like the far left. I thought we were beyond that, Mr. Chairman. The cold war is over.

Old labels make no sense. Old ideas make no sense. Old paradigms make no sense. We have to strip those labels, strip those ideas, strip those paradigms and come to the table intellectually honest enough to develop a military budget based on the realities of the emerging world, and we ought to be challenging each other intellectually, we ought to be challenging each other with respect to our fiduciary responsibilities to the taxpayer. Spending $267 billion in the context of the cold war, post-cold-war, is obscene when we are challenging education budgets, welfare budgets, jobs budgets, health budgets and other budgets, finding money to balance the budget. But some kind of way we found $13 billion to build the military budget. Who are we afraid of in the world? Some Third World country?

When we fought in Desert Storm, the President told us we were fighting the fourth largest military in the world. The Soviet Union vanished. The Warsaw Pact evaporated. We were spending over 200 and some odd billion dollars per year to wage war, potentially wage war, on two entities that no longer exist.

Mr. Chairman, we do not need this military budget.

Finally, let me say this. I was hoping that we would come to this floor to explore the realities of what we ned in a post-cold-war environment. None of us could have anticipated this moment. Historians will decide who won the cold war and how it ended. I do not have time for that. It is real, it is here, it is now, and we must step up to the plate and address it.

I believe the end of the cold war allows us to develop a new national security strategy with three components: First, a healthy vibrant economy, which means that we invest in our people and we invest in our country, where we have an intelligent, enlightened, educated, informed, and well-trained society. Healthy, where we invest in technologies and research that enhance the quality of human life as we march into the 21st century at the end of the post-cold-war world, the end of the cold war.

The second element is a foreign policy based upon the notion that it is a heck of a lot more responsible to attempt to prevent war than it is to walk cocky into war. The problems of the world do not necessarily lend themselves to a military solution. The problems of the world are political and economic and social and cultural and need to be resolved in that context. We ought to be about prevention, political solution, dialog, sitting at the peace table.

Why have we produced peace in Bosnia? Because people came to the negotiating table. Diplomacy was the order of the day, not building more bombs and more missiles and more weapons so that we stride across the world prepared to wage war. The world has changed, and we must change with it.

The third element is a properly sized, properly trained, properly equipped military to meet the national security needs into the 21st century. I do not believe this budget does that. We have not taken the time to review the bottom-up review and come up with a new one if we do not think it works. We have not taken the time to sit down to develop a national security strategy so that our children and our children's children inherit a world that is indeed worthy of them.

That is why we are paid to be here, to grapple with each other, to debate beyond that, to think and to have the audacity to think new and to think fresh and to think boldly. But we are marching cautiously away from the cold war, funding weapon systems that we do not need.

In conclusion, we are doing it because of unemployment. We are doing it because we know that people work on these weapon systems, and I understand that. Each of us has to get up each day and pay our bills and pay our rent and educate our children, house our family. So I am not cavalier about jobs. But there is a better way to produce jobs in this country than for the military budget to be a jobs bill. Our strategy ought to be a strategy that embraces full employment, that embraces economic conversion, that invests in people and invests in our society, but not use the military budget because we lack the courage and lack the willingness to move boldly into the future.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, we look back at history. What is being said today on both sides of the aisle is not a whole lot different from what we experienced before. if we look back at history, we always have found people who thought we were doing too much in defense of our country, and we also found people who thought that we were not doing enough, and somehow or another we have been able to overcome those arguments from people who refuse to see the threats that we face in the world, our freedom, and we have remained free because of it.

The fight is a continuing fight, it has always been here, it is always going to be here. Today is rehash of the same thing.

We have a dangerous world. Our obligation is to keep our country free, what we are trying to do.

Mr. Chairman, I yield 2 minutes to the gentleman from Pensacola, FL [Mr. SCARBOROUGH].

Mr. SCARBOROUGH. Mr. Chairman I want to make a couple quick comments.

The ranking member talked about how the world had changed, and I have a great deal of respect for the gentleman from California [Mr. DELLUMS], but I will agree with him on this point. The world has changed.

□ 1800

The cold war world is over. We are no longer a bipolar world. Unfortunately, we have gone from being a bipolar world to becoming a singularly polar world. For the first time since the end of the fifth century, we are the sole superpower on the planet. There is only one superpower for the first time since the end of the Roman Empire.

If we are going to be the world's policeman, as the gentleman argued that we should have been in Bosnia and in Haiti and in Somalia and around the four corners of the globe while taking care of our troops, we are going to have to make an investment. If we want to ensure that our men and women who are enlisted can serve this country without the fear of having to be on food stamps, then we have to make an adequate investment.

If we want to make sure that service families do not continue to deteriorate and fall apart because the President has fired 300,000 people in the military, and he is still asking them to do more with less and more with less, year in and year out and year in and year out, then we are going to have to make an investment.

If we want to ensure that we can protect this country at least from a ballistic missile from an emerging Third World country, or if we want to be prepared for the great China threat, and Mr. Chairman, it is coming, the 21st century may not be the China century but there is a good chance it is going to be the Asian century, if we are going to look forward and protect against those threats, then we have to make the investment. This bill does it. I support it.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Missouri [Mr. SKELTON] for a combined 5 minutes, to allow them to enter into a colloquy.

Mr. SAXTON. Mr. Chairman, I would like to enter into a discussion with the distinguished gentleman from Missouri [Mr. SKELTON]. As the gentleman knows, I had planned to offer an amendment which would keep in place the administrative command structure for the Army Reserve. As a senior member of the Subcommittee on Military Personnel which has jurisdiction over this matter, I think it would be beneficial to the Members if the gentleman could explain the impact of the provisions and whereby you support the provision as it is currently written in keeping the U.S. Army Reserve Command as it currently exists.

Mr. SKELTON. Mr. Chairman, I thank my good friend, the gentleman from New Jersey, and I appreciate the opportunity to speak on this important issue of Army Reserve.

Title XII of H.R. 3230, the reserve forces revitalization, is intended to set forth the administrative and organizational structure of our Nation's reserve forces. This provision was not contained in the chairman's original mark but was included following a spirited debate on the issue. Several subcommittee members and I remain particularly concerned about the language that would change the command structure of the Army Reserve.

The U.S. Army Reserve Command is responsible for providing well trained and equipped soldiers to augment active duty forces during times of conflict. Currently the Army Reserve Command reports to the Chief of Staff to the Army through the Army's Forces Command. Since Forces Command is the provider of ground forces to the war-fighting Commanders-in-Chief, this relationship seems both appropriate and beneficial. The adopted provision would alter this command organization by making the United States Army Reserve Command a wholly separate command and have the Reserve commander report directly to the Chief of Staff. Under this structure the U.S. Army Reserve Command would have to advocate for needed resources without the benefit of the commanding general of Forces Command, an influential four-star general.

Mr. Chairman, I am concerned with this change on two accounts. First, the current command relationship is operating well and making good progress towards addressing noted weaknesses. While it is true that in the past, Reserve forces seem to be last in line to receive needed resources, significant changes have been made which make restructuring unnecessary at this time.

In the words of the current Chief of Staff of the Army Reserve, Maj. Gen. Max Barantz, from a letter addressed to me on May 3, 1996: "Because 100 percent of the Army Reserve line units and 92 percent of the support units are utilized in the CINCs' current warfighting plans, I believe it is a good idea between peacetime and war to work directly for the people one will fight with. We have been under this system for 4 years and our readiness has increased during this time as a direct result of this command relationship.

Second, in the Military Personnel Subcommittee markup, I offered language which would allow the Army's leadership to determine whether or not to restructure. This seemed a better approach than to mandate what is essentially a military decision.

Mr. SAXTON. Mr. Chairman, I thank the gentleman for providing the Members with that insight. I share the gentleman's views on the issue. In fact, it was in response to those concerns that I proposed my amendment to keep the situation the way it is.

In addition to the points which the gentleman has raised, I would like to add two other points. First, as the gentleman knows, within the Pentagon the budget battles are ultimately decided by four-star generals. Left unchanged, H.R. 3230 would set up a command structure which puts the commander of the Army Reserve, a two-star general, in competition with generals that wear four stars. I am concerned that in that arrangement, the U.S. Army Reserve will inevitably end up with the short end of the stick.

In addition, I know of no other command within the military which has been the subject of such congressional oversight and attention as the Army Reserve has. The Army Reserve Command is a relatively new command established in 1991. In 1994 Congress mandated a significant change in the command structure. Both actions require time to fully implement and to determine whether further changes are necessary.

Mr. Chairman, I believe that, at this time, mandating a change in the U.S. Army Reserve Command structure is premature. My amendment was intended to keep all options open to retain the current command structure, yet permit the change to take place should it be necessary. I have elected to withdraw my amendment, understanding that this issue will be taken up in conference.

Mr. DELLUMS. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman for yielding time to me. I want to thank the gentleman from New Jersey for withdrawing that amendment. I would point out that this colloquy is not what is in the bill. The bill is the amendment that we sponsored that said the Army Reserve commander would only report to one person, the Chief of Staff. That is the biggest difference between this amendment they are talking about. They want two people that the Army Reserve chief has to report to.

The Army Reserve commander is the only one that has to report to two chiefs. The Army Guard, the Air Guard, the Air Reserve, the Marine Reserve, the Naval Reserve, their commanders go directly to those Chiefs of Staff. It is simple. It makes a lot of sense to do it that way.

Mr. Chairman, I have five letters from former commanders of the Army Reserve. I will read part of one from General Ward, who was former chief of the Army Reserve. He said: "Having two bosses is something less than ideal. The conflicts that arise are frequent and not easily resolved as you attempt to advise and comply with the guidance of two superiors whose points of view are different."

Really, he says that this is inefficient, ineffective, and flies in the face of logic. He says we need common sense. We only need one commander that the Army Reserve reports to. That is what is in the bill. We hope it stays in there.

Mr. SPENCE. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Chairman, I rise in support of this bill, and offer compliments to the chairman, the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield the remainder of my time to the gentleman from New York, Mr. JERRY SOLOMON, chairman of the Committee on Rules.

The CHAIRMAN. The gentleman from New York [Mr. SOLOMON] is recognized for three-quarters of a minute.

Mr. SOLOMON. Mr. Chairman, I wanted to rise to commend the chairman of the committee and the ranking member, because they have done an outstanding job with probably the most important legislation that ever will come before this body each year, and also to call attention to my amendment that will be first up tomorrow morning dealing with the Nunn-Lugar issue. I hope every Member comes over, listens to the debate, and supports my amendment.

With that, Mr. Chairman, I commend the chairman and his staff for a job well done.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, many in the new majority seem determined to do anything they possibly can to interfere with a woman's privacy rights and freedom of choice about abortion. They even want to turn this bill into a battleground on that issue. This bill should be about defending the country, not making war on a woman's right to choose.

Mr. Chairman, we will soon be taking up the DeLauro amendment, which would protect the rights of U.S. servicewomen abroad by allowing them to exercise the same constitutional rights available to women here at home. I ask my colleagues to support it. I ask them in the strongest possible terms.

It is ironic, I think, that when we ask members of the U.S. Armed Forces serving abroad, women members of the Armed Forces to defend this country and its Constitution, we at the same time, if the language in the bill is retained, deny them the fundamental rights accorded every other woman in this society under the very Constitution they are being asked to defend. Of all people for us to single out, of all the people to deny the fundamental protections of the Constitution, rights to privacy and freedom of choice, we certainly should not be doing it to those women in uniform willing to risk their lives to defend this country and the rest of us.

Mr. Chairman, I urge the majority in this body to leave these soldiers alone. Do not target them for this very ill-advised and I think ill-considered act of ideological retribution. They have enough to worry about as they go about doing their jobs without having to face the prospect that in an unfortunate situation, their only choice is to rely on suspect and frequently dangerous clinics in a strange land to deal with the most anguished personal problem they might face.

Many in the new majority seem determined to do anything to interfere with a woman's privacy rights and freedom of choice about abortion. They even want to turn Defense authorization into an ideological battle ground on this issue. This bill should be about defending the country, not making war on a woman's right to choose.

Mr. Chairman, we will soon take up the DeLauro amendment to protect the rights of U.S. service women overseas by allowing them to exercise their constitutional rights in the same way as women at home. I ask my colleagues to support it.

The U.S. Constitution guarantees women the right to privacy and to choose whether to have an abortion or not. Without the DeLauro amendment, the bill before us makes a mockery of that right by denying access to safe, sanitary reproductive health care to women who have volunteered to serve their country in uniform.

Imagine your sister or daughter in a strange land struggling with what may well be the most difficult decision of her life. Why shouldn't she have access—at her own expense—to military hospitals and health care? Why should the country for which she is willing to risk her life deny her the same rights and choices all other American women have?

As members of the U.S. armed services abroad, military women defend this country and its Constitution. Without the DeLauro amendment, this bill will deny them the fundamental rights accorded every other American woman under the very Constitution they defend.

Of all people for this body to single out—of all people to deny fundamental rights—those willing to risk their lives to defend the United States should be the last.

I urge the majority in this body to leave these soldiers alone; find another ideological target. These soldiers have enough to worry about as they go about their jobs without having to worry about relying on suspect, possibly dangerous, clinics in strange lands in one of the most difficult and anguished circumstances they'll ever face.

Vote "yes" on the DeLauro amendment.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the ranking member for yielding time to me.

Mr. Chairman, to the chairman of the committee and to the ranking member, let me first say that I hope as we proceed with this very important discussion that we will unshackle ourselves from the definition of doves and hawks. We now move into the 21st century, when all of us have claimed the birthright of a safe and secure nation. To categorize those of us who have come to this floor to ask that we have a reasonable debate on reducing this defense budget is inaccurate and unfair.

Let me simply say that I believe in defense as well, and am proud of the men and women who serve in the U.S. military; equally more proud of the African-Americans who lost their lives who will now be honored by this authorization bill.

But I come honestly to say have we done the right thing by our children and by America, for the fact that we did not allow one single amendment that would discuss the reducing of a $13 billion excess, even to half it, as I had offered in the Committee on Rules? The real thing is we are doing good things for the military personnel by including a percentage for a raise. We are including a percentage for a housing allowance. We are recognizing the value of human resources.

But I must share the remarks of my ranking member, the gentleman from California [Mr. DELLUMS], who made a very vital point: This is a new world order. We will not fight, as we can imagine, the kind of massive war we have fought in the past. We hope that we will again sit down to the table of peace and be able to resolve the Bosnia's and the Haiti's and the Rwanda's and the Somalia's, and yes, maybe a South Africa. What we must understand is that this country must be a leader in defense, yes; I do not deny that, but we must also be a leader in peace. Therefore, our strategy of defense must be one carved with the details of peace and negotiation in showing the readiness of our military, providing housing, securing fairness to all, but yet not overburdening this budget.

Mr. Chairman, I ask that we defeat this authorization and recognize that we can go back to the table.

Mr. DELLUMS. Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts [Mr. MEEHAN], my distinguished colleague and a member of the committee.

Mr. MEEHAN. Mr. Chairman, as we close general debate on the fiscal 1997 national defense authorization bill, I wonder what sort of message we are sending to the citizens of this country. For months the American public has heard nothing but the dangers of the growing deficit and the need to tighten our belts and balance the budget. Frankly, I could not agree more.

□ 1815

Unfortunately, today we are considering a bill that adds $13 billion to the Pentagon's request. That is right, $13 billion more than the Pentagon asked for. The same Congress that shut down the Government twice in the name of balancing the budget is sending a Government agency $13 billion more than it wants. Congress is sinking $13 billion into defense, and we will not even be discussing the final cost to the defense budget during this debate because the Republican-controlled leadership has refused to put a single amendment in order that would cut this budget.

We added $7 billion in the fiscal year. Now we are adding $13 billion in this fiscal year. The defense budget is half of all discretionary spending we have in this country. If half of discretionary spending, we are going to tell the Government they need to spend more, $20 billion over 2 years, how in the world are we going to make the investments in education, in student loans, in children?

We are not making that investment because we do not have the courage to make the difficult choices when it comes to the defense budget in this country. This is an outrage, that we cannot even have an amendment before this House, the people's House, to determine whether or not we should add $13 million to a budget where the Pentagon said they already had enough.

The American public ought to be outraged that we are actually coming before this House. I urge us not to vote for this bill.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today to argue for eliminating the Defense authorization provisions requiring that members of the armed services who are diagnosed with HIV be discharged from the service. The systematic discharge of those personnel that are HIV-positive is discriminatory and unnecessary.

Defense Secretary Perry, General Shalikashvili, Chairman of the Joint Chiefs of Staff, and other military leaders have all successfully urged repeal of the requirement that HIV personnel be discharged. If military personnel are able to perform their duties, we cannot in good conscience discharge them when we have no justifiable reason to do so.

I oppose provisions to summarily discharge someone based on their medical condition. This violates our sense of fairness and justice. We should not be punishing someone for contracting HIV, or any other disease. We do not systematically discharge personnel who have contracted cancer or diabetes. These military personnel have served honorably and are prepared in heart and body to defend and protect our Nation. I think we do a great disservice to all of the armed services when we support a discriminatory policy to those who would sacrifice their lives for our Nation.

As this legislation proceeds through the House and Senate and to the conferences, I expect that the right decision will be made and these strikingly discriminatory provisions that disregard the service of our military personnel, who are infected with HIV, will be rejected.

Ms. HARMAN. Mr. Chairman, as we have added funds to the Pentagon's budget, we have unfortunately neglected, until this year, changing the mindset of the military on how it makes purchasing decisions. Regardless of how much Congress provides, we must ensure that all of the dollars are spent wisely.

As my colleagues know, I am a strong and vocal advocate for creating an industrial base that can meet both commercial and military requirements. It is clear that we cannot afford to maintain two distinct industrial bases—one for defense, one for commercial applications—as we have had the luxury of maintaining in the past.

Instead, we must pursue policies and develop programs that encourage cooperative ventures in which defense and commercial expertise and technology complement and support each other. As such, I want to commend Mr. WELDON, chairman of the research and development subcommittee, and bring to my colleagues' attention section 203 of the bill.

Section 203 creates an innovative and robust dual-use technology program. It does this by elevating within the Department of Defense an emphasis on integrating commercial technologies into current and future military systems. It devotes over the next 4 fiscal years increasing percentages of the DOD science and technology budget for dual use applications. And it encourages program managers to use these funds to develop and acquire technologies with both military and commercial applications, rather than purchasing more expensive milspec items. And it does this while sharing the costs of development with industry.

I strongly believe that the dual use program authorized in the bill will make defense dollars stretch farther while sustaining critical components of our Nation's industrial base. I will fight for it in conference and trust Mr. WELDON will join me.

Mr. Chairman, I also want to bring to my colleagues' attention another provision which I believe is widely supported by this body.

As you know, on April 28, the Secretary of Defense and the Prime Minister of Israel entered into an agreement for the joint development of the Nautilus Laser/Theater High Energy Laser Program.

This program will lead to the development of a ballistic-missile defense system for Israel—a goal which in itself will ensure continued stability and peace for the Middle East.

Unfortunately, at the time of our subcommittee markup, the administration had still not forwarded its funding request nor identified offsets to pay the estimated $40 to $50 million U.S. share.

As a result, the subcommittee included at my request, and with the full support of all members, a statement expressing strong congressional support for the Nautilus Program and encouraging the Secretary to send up a funding request.

I am hopeful that by the time the House and Senate conference on the defense bill, we will be in a position to authorize the funds necessary to develop this critical missile defense program.

I am pleased that committee also authorized funds to continue several badly-needed weapons programs. Ten C–17's, for example, were funded and the 6-year procurement of 80 aircraft approved. By buying the transport aircraft in this fashion, the taxpayers save nearly $1 billion.

The committee also added $290 million to improve the conventional mission capability of the B–2 strategic bomber and $49 million for similar improvements to the B–1. Both recommendations deserve the support of this body.

Mr. Chairman, I am hopeful that there will be some changes and modifications to the bill in conference, including the repeal of the abortion language, the HIV-discharge requirement, other discriminatory provision affecting gays and lesbians, and the unconstitutional restrictions on the sale and rental of materials at military PXs.

I would hope that a clean prodefense bill will pass this House this week, pass the Senate soon, be reported by a Senate-House conference and signed into law by the President. Our national security, our military, and our industrial base depend on it.

Mr. MCKEON. Mr. Speaker, I rise in support of H.R. 3230, the Department of Defense Authorization Act. As many Members know, the decline in defense spending that began in the aftermath of the cold war has drastically accelerated under the Clinton administration. Troop levels, air wings, and naval vessels have all been impacted. At the same time, demands on our military are increasing and we must ensure that our military can effectively respond to these demands.

I want to inform Members who might be concerned about the modernization levels in the bill that the President cut these levels after promising last year that modernization spending would rise. In fact, the Chairman of the Joint Chiefs of Staff testified in support of a $60 million funding level for modernization accounts. Because we are reducing our overall troop levels and forward military presence, it is critical to finance these needs. H.R. 3230 will arm our bombers and fighters with smart weapons and protect our ships from missile attack. I urge support for this legislation.

Mr. EVERETT. Mr. Chairman, the Clinton administration's national security strategy is based on being able to fight two regional contingencies [MRC's] simultaneously, yet the administration has underfunded this strategy by as much as $150 billion over the next 5 years. The national Defense authorization bill for fiscal year 1997 before us today will help shore up the inadequacies of Clinton's defense budget.

In staying with the congressional Republican commitment to prevent the hollowing of the Nation's military, the National Security Committee added nearly $13 billion to Clinton's request of $255 billion which is consistent with Congress' plan to balance the budget by 2002. These additional funds are primarily focused on three areas, to include quality of life enhancements for service members and their families, maintaining military readiness, and modernizing outdated weapon systems. All three of these areas are crucial if America wants to maintain a highly motivated and highly capable military, and I feel this defense keeps the country moving in this direction.

While I am supportive of most provisions contained in this legislation, I am concerned about the lack of a cogent depot maintenance policy in the bill. Last year, the House supported the elimination of the 60/40 policy with the hope that the Pentagon would arrive at a sensible maintenance policy that preserves an in-house capability to support the CORE workload requirements, but also utilizes the private sector industrial base for DOD's remaining maintenance workload.

This already complex industrial base/military readiness matter involving outsourcing and privatization became embroiled in Presidential politics in the aftermath of the 1995 Base Realignment and Closure Act. President Clinton's unwise, and in my view, flagrant abuse of the base closure process resulted in the privatization in place concept at Kelly and McClellan Air Force Logistics Centers for political expediency in Texas and California. The Pentagon has done little to clarify this matter.

Last month, Department of Defense officials testified before the National Security Committee and failed to put forth a balanced depot maintenance policy. In fact, the comments about wholesale depot privatization enraged committee members and lent credence to the 60/40 policy. Rather than clear up any confusion or ambiguity, the Pentagon's unfocused testimony forced the committee to withhold any action until conference negotiations with the Senate.

The 60/40 depot-level maintenance policy is archaic and based on a public/private worksharing arrangement that has no relevance to readiness or military capability. I believe the $15 billion that the taxpayer pays annually for this purpose can be pared significantly if a sound maintenance policy is put in place.

From a private sector industrial base perspective, I have a specific example in my district of just how harmful the current policy is. A private helicopter remanufacturing company has tried repeatedly to bid on depot-level maintenance for Army Blackhawk helicopters. They have a long history of performing very good work on UH–60 and CH–53E helicopters.

But as a result of the Army's interpretation of this 60/40 policy, the 40 percent of the work this firm can actually bid on is being largely consumed by organizational and intermediate-level maintenance for fixed-wing aircraft.

Not only is the firm in my district, that specializes in helicopter work, inhibited from competing for depot-level maintenance work on Blackhawks, but the 40 percent share set aside for the private sector is nearly fully consumed by fixed-wing work comprised of emptying ashtrays and changing windshield wiper blades. The ramifications of this haphazard policy yield virtually no industrial base benefits to support rotary-wing, or for that matter fixed-wing, aircraft. This is not a cogent industrial base policy for our national defense.

Mr. Chairman, the 60/40 workload split makes even less sense today than it did when it was first adopted, and I hope this maintenance issue is examined thoroughly when the House and Senate go to conference on this legislation.

Mr. BROWDER. Mr. Chairman, the Chemical Stockpile Emergency Preparedness Program [CSEPP] was established in 1988 to assist communities near the eight chemical weapons storage sites in the United States. The program, currently managed jointly by the Army and FEMA, provides States and local governments funding and technical assistance to improve emergency response capabilities for an accident involving the chemical stockpile.

Although the Federal Government has spend $387 million on CSEPP, communities near the storage sites are not fully prepared to respond to a chemical emergency. Since 1993, GAO reports have attributed CSEPP's lack of progress to Federal management weaknesses including fragmented responsibilities, poor guidance, and inadequate financial controls. The amendment I am offering today to H.R. 3230, 1997 National Defense authorization bill, seeks to rectify this situation.

Efforts are ongoing between the Army, FEMA, and the States to establish site specific integrated product and process teams as a management tool for the CSEPP portion of the Chemical Demilitarization Program. In view of CSEPP's past management difficulties, I encourage the expeditious establishment of the IPT's. My amendment requires the Army to report within 120 days of enactment on the success of the IPT process.

But if at the end of the 120-day period the Army and FEMA have been unsuccessful in implementing site-specific IPT's with each of the affected States, my amendment authorizes the Army to assume full control and responsibility for CSEPP, eliminating FEMA's role as joint program manager. This will allow the Army to negotiate directly with the States regarding program requirements, implementation schedules, training and exercise requirements, and funding in the form of direct grants for program support.

Mr. Chairman, during consideration of H.R. 3230 by the House National Security Committee, I called on the committee to schedule full and open hearings next year on the stockpile program. We as a nation need to answer three central questions about our aging chemical weapons stockpile: First, do we really need to destroy these weapons; second, how should we destroy these weapons; and third, how much are we willing to pay to destroy these weapons?

The price tag for the destruction program has already climbed above $12 billion, making it one of DOD's largest procurement programs. If this were an airplane or a ship or a missile, my colleagues in the House, the media, and the American public would be screaming from the rooftops about the outrageous cost and mismanagement of this program. But because it involves chemical weapons, it isn't sexy enough to merit more than lip service from our Nation's highest officials.

I ask your support of my amendment to H.R. 3230 as we attempt to try to bring some sanity and fiscal constraint to CSEPP and the Chemical Stockpile Destruction Program.

Mr. TAYLOR of North Carolina. Mr. Chairman, I rise at this time to speak about an issue which I believe to be very important. I requested that the committee consider including language in the fiscal year 1997 Defense authorization bill authorizing additional funds for the purchase of combat boots during fiscal year 1997 and directing the Defense Personnel Support Center [DPSC], a unit of the Defense Logistics Agency [DLA], to procure a minimum of 85 percent of the anticipated consumption of combat boots. Over a period of 3 years this plan would provide a reduction in inventories of 557,000 pairs. At the end of that time, this country would have a 38-week peacetime supply of combat boots—including a 20-week mobilization stock. This supply, only a few weeks of boots at Desert Storm consumption rates, compares to an 18-week supply currently planned by the DPSC.

Late last year the Military Boot Manufacturers Association [MBMA], which is comprised of the four manufacturers of combat boots for the military services, brought to my attention the fact that the DPSC planned to continue its reduction in inventory of combat boots over the next 3 years from the present 65-week supply to an 18-week supply of boots. By letter dated December 19, 1995, Congressmen HEFNER, COSTELLO, LEWIS, ROMERO-BARCELÓ, KINGSTON, and I wrote to the Department of Defense and expressed concern about the DPSC's plan to purchase between 579,000 and 869,000 boots per year, when the annual consumption of boots is expected to be 1.2 million, resulting in an inventory decrease of approximately 380,000 pairs per year, or 1.14 million pairs over a 3-year period.

While I recognize and appreciate the need to reduce inventories to the lowest practical level, the 18-week supply contemplated by the DPSC may be insufficient in the event of a national emergency or mobilization and could impair the viability of our producers. Moreover, in view of the fact that 90 percent of the footwear in the United States is imported, the Department of Defense has recognized the importance of preserving the small industrial base represented by the MBMA.

The January 30, 1996, response we received from Brig. Gen. Carl H. Freeman of the DPSC, confirmed the statistics cited in our letter but asserted that "DPSC is no longer authorized to carry mobilization stocks, only to maintain safety levels." According to the DPSC, due to the need to prioritize limited funding and to comply with a September 5, 1991, Department of Defense comptroller decision which requires DPSC to reduce mobilization stocks to "safety levels," DPSC plans to continue purchasing reduced numbers of boots over the next 3 years unless it receives additional funding specified for boots and an authorization to carry additional inventory.

Mr. Chairman, I also wish to bring to the committee's attention an innovative distribution plan for combat boots which the MBMA members recently proposed to the DPSC. Under the plan, boots would be shipped by contractors directly to recruit induction centers and other boot consumers, bypassing the present Government depots and saving the Government freight and administrative costs. Each contractor would provide quick response shipment upon receipt of Government delivery orders transmitted via electronic data interchange [EDI]. The plan is consistent with the DLA's goal of lowering costs and improving customer service through director vendor delivery [DVD] and EDI. Inventories would be reduced at a rate of 15 percent of consumption per year rather than the more drastic reduction in inventory contemplated by DPSC. I hope that the committee will encourage the DLA to give careful consideration to the plan as a means of ensuring an adequate supply of combat boots in the event of a national emergency or mobilization and preserving a fragile industrial base.

Thank you Mr. Chairman and I look forward to working with you and the DLA on this crucial matter.

Mr. ZELIFF. Mr. Chairman, the amendment under discussion is being offered in response to the discovery, in late 1995 and early 1996, of serious mismanagement by the White House Communications Agency, and those who share responsibility for oversight of that agency, including the White House Military Office, headed by Mr. Alan Sullivan, and the White House Office of Administration and Management, headed by Jodie Torkelson.

For those who do not know—and most do not know this—the White House Communications Agency is formally charged with providing telecommunications support to the President, and has existed since the late 1940's. However, today this once small office now spends more than $ 100 million annually and employs more than 900 persons.

Recent mismanagement of this office has been significant, and necessitates serious reform. Findings and recommendations are detailed in two inspector general reports that were issued in November 1995 and April 1996. Chairman CLINGER's committee, and this subcommittee, have been investigating this office for almost 2 years. And we are planning a hearing on Thursday, May 16 on this very issue.

What we have now had confirmed to us, after extensive efforts by the White House last year to block any congressional oversight, is this.

The White House Communications Agency, which is funded through the Defense Department's Information Systems Agency, has been unchecked and has wasted millions of taxpayer dollars between 1993 and 1995. White House personnel responsible for oversight have been asleep at the switch, and the Defense Information Systems Agency has been timid in questioning the White House practices.

In particular, the IG's reports reveal that the White House Communications Agency budgets have been unreviewed; the White House Communications Agency annual performance plan has failed to meet Department of Defense standards; acquisition planning has been inadequate, and has included an unwillingness to put millions of dollars' worth of contracts out to bid, essentially ignoring Federal procurement law; wasteful purchases have been made, including the purchase in 1994 of a $4.9 million piece of mobile communications equipment that the White House now admits—and this is something out of the keystone cops—will not fit on the C–141 airplane that transports such equipment for the President, and was also made incompatible with most hotel electricity units; and the White House Communications Agency has also purchased goods and services without legal authority, and without binding contracts.

In short, this has been a black hole, over at the White House, into which we have been pouring nearly $100 million annually without any executive branch oversight. It has also become a pot of money devoted to many things that have nothing to do with telecommunications or the President.

For example, the White House deploys Department of Defense moneys to fund an elaborate frame shop in the basement of the White House, which frames any personal picture with the President or anything else a White House staffer brings in to be framed. It funds stenographic services, audiovisual services, photos, and emblems, podiums and other nontelecommunications expenditures.

What this amendment would do is put an end to the broadranging mission creep that has occurred, and start us back toward a degree of accountability.

Now, as a footnote to all this, I must say that I am also greatly disappointed in the White House, frankly. After learning of this level of mismanagement and waste, my subcommittee invited them—in particular, Mr. Sullivan, and Ms. Torkelson—who recently herself negotiated a memorandum of understanding permitting this broad mission—to testify before the subcommittee on Thursday.

They were asked to respond to the IG's reports. They were asked because they are operational and have oversight responsibility—or have had until now. –Instead of complying, as has been the track record of this White House on other matters, they are declining to even appear.

I will, therefore, once more ask them—before other measures are considered—to appear and testify on Thursday. In the meantime, I urge support for this narrowing amendment.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of the amendment offered by Congressman TORKILDSEN and Congresswoman HARMAN which moves to restore sanity, and bipartisan reality to the U.S. Congress. Last year, the radical GINGRICH-ARMEY Republicans prevailed in inserting their radicalism into the Defense Department authorization and forced upon the U.S. military that it had to kick out valuable experienced, trained U.S. military personnel if and when they were diagnosed as being HIV-positive.

Upon signing the DOD bill for fiscal year 1996, President Clinton instructed the military that it would be the policy of his administration to not enforce that provision. A bipartisan omnibus appropriations conference committee supported President Clinton's position by including a provision to override the discharge mandate. The current DOD authorization bill for fiscal year 1997 has a rerun of the radically conservative, homophobic and punitive measure that is really only designed to further harass persons because of their sexual orientation. It has been widely publicized that the 1,000 plus active military personnel currently known to be HIV-positive reflect a broad cross-section of American life. There are married men and women, single men and women, gays and straights, mothers and fathers among the HIV-positive currently serving in our military, just like there are all across our great land.

The Americans with Disabilities Act [ADA] passed by Congress and implemented into helpful law all across America, prohibits discrimination against and provides for accommodation for persons who are HIV-positive among the many listed disabilities. Our dedicated military personnel deserve the same fair and culturally competent support as any other person afflicted with a physical or medical disability. Logical persons understand that a person can be HIV-positive for 20 or more years without developing AIDS or any further symptom or manifestation of HIV/AIDS. Reasonable persons have learned that HIV is a sexually transmitted disease that cannot be contracted by simple human contact.

In supporting this Torkildsen/Harman amendment, my colleagues are in good company. Let me just list a few of the people and organizations my colleagues have advised us are in support of this amendment: The American Medical Association [AMA]; the Air Force Association; the Veterans of Foreign Wars [VFW]; Disabled American Veterans [DAV]; the Human Rights Campaign; former Senator and former Senate Armed Services Committee chairman Barry Goldwater; Secretary of Defense William Perry; Secretary of Veterans Affairs Jesse Brown; and Gen. John Shalikashvili, Chairman of the Joint Chiefs.

I urge my colleagues to support the Torkildsen/Harman amendment that eliminates the current bill language requiring that military personnel who are HIV-positive be discharged from the service, and to support fairness for all U.S. citizens, including our dedicated military service members.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 3230

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Authorization Act for Fiscal Year 1997".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Defense Inspector General.
Sec. 107. Chemical Demilitarization Program.
Sec. 108. Defense health programs.

Subtitle B—Army Programs

Sec. 111. Repeal of limitation on procurement of certain aircraft.
Sec. 112. Multiyear procurement authority for Army programs.

Subtitle C—Navy Programs

Sec. 121. Nuclear attack submarine programs.
Sec. 122. Cost limitations for Seawolf submarine program.
Sec. 123. Pulse Doppler Radar modification.
Sec. 124. Reduction in number of vessels excluded from limit on purchase of vessels built in foreign shipyards.
Sec. 125. T-39N trainer aircraft for the Navy.

Subtitle D—Air Force Programs

Sec. 141. Repeal of limitation on procurement of F-15E aircraft.
Sec. 142. C-17 aircraft procurement.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.
Sec. 203. Dual-use technology programs.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Space launch modernization.
Sec. 212. Live-fire survivability testing of V-22 aircraft.
Sec. 213. Live-fire survivability testing of F-22 aircraft.
Sec. 214. Demilitarization of conventional munitions, rockets, and explosives.
Sec. 215. Research activities of the Defense Advanced Research Projects Agency relating to chemical and biological warfare defense technology.
Sec. 216. Limitation on funding for F-16 tactical manned reconnaissance aircraft.
Sec. 217. Unmanned aerial vehicles.
Sec. 218. Hydra-70 rocket product improvement program.
Sec. 219. Space-Based Infrared System program.
Sec. 220. Joint Advanced Strike Technology (JAST) program.
Sec. 221. Joint United States-Israeli Nautilus Laser/Theater High Energy Laser program.
Sec. 222. Nonlethal weapons research and development program.

Subtitle C—Ballistic Missile Defense Programs

Sec. 231. Funding for Ballistic Missile Defense programs for fiscal year 1997.
Sec. 232. Certification of capability of United States to defend against single ballistic missile.
Sec. 233. Policy on compliance with the ABM Treaty.
Sec. 234. Requirement that multilateralization of the ABM Treaty be done only through treaty-making power.
Sec. 235. Report on ballistic missile defense and proliferation.
Sec. 236. Revision to annual report on Ballistic Missile Defense programs.
Sec. 237. ABM Treaty defined.
Sec. 238. Capability of National Missile Defense system.

Subtitle D—Other Matters

Sec. 241. Uniform procedures and criteria for maintenance and repair at Air Force installations.
Sec. 242. Requirements relating to Small Business Innovation Research Program.
Sec. 243. Extension of deadline for delivery of Enhanced Fiber Optic Guided Missile (EFOG-M) system.
Sec. 244. Amendment to University Research Initiative Support program.
Sec. 245. Amendments to Defense Experimental Program To Stimulate Competitive Research.
Sec. 246. Elimination of report on the use of competitive procedures for the award of certain contracts to colleges and universities.
Sec. 247. National Oceanographic Partnership Program.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.

Subtitle B—Depot-Level Activities

Sec. 311. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.
Sec. 312. Exclusion of large maintenance and repair projects from percentage limitation on contracting for depot-level maintenance.

Subtitle C—Environmental Provisions

Sec. 321. Repeal of report on contractor reimbursement costs.
Sec. 322. Payments of stipulated penalties assessed under CERCLA.

Sec. 323. Conservation and Readiness Program.
Sec. 324. Navy compliance with shipboard solid waste control requirements.
Sec. 325. Authority to develop and implement land use plans for Defense Environmental Restoration Program.
Sec. 326. Pilot program to test alternative technologies for limiting air emissions during shipyard blasting and coating operations.
Sec. 327. Navy program to monitor ecological effects of organotin.

Subtitle D—Civilian Employees and Nonappropriated Fund Instrumentality Employees

Sec. 331. Repeal of prohibition on payment of lodging expenses when adequate Government quarters are available.
Sec. 332. Voluntary separation incentive pay modification.
Sec. 333. Wage-board compensatory time off.
Sec. 334. Simplification of rules relating to the observance of certain holidays.
Sec. 335. Phased retirement.
Sec. 336. Modification of authority for civilian employees of Department of Defense to participate voluntarily in reductions in force.

Subtitle E—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 341. Contracts with other agencies and instrumentalities for goods and services.
Sec. 342. Noncompetitive procurement of brand-name commercial items for resale in commissary stores.
Sec. 343. Prohibition of sale or rental of sexually explicit material.

Subtitle F—Performance of Functions by Private-Sector Sources

Sec. 351. Extension of requirement for competitive procurement of printing and duplication services.
Sec. 352. Requirement regarding use of private shipyards for complex naval ship repair contracts.

Subtitle G—Other Matters

Sec. 360. Termination of Defense Business Operations Fund and preparation of plan regarding improved operation of working-capital funds.
Sec. 361. Increase in capital asset threshold under Defense Business Operations Fund.
Sec. 362. Transfer of excess personal property to support law enforcement activities.
Sec. 363. Storage of motor vehicle in lieu of transportation.
Sec. 364. Control of transportation systems in time of war.
Sec. 365. Security protections at Department of Defense facilities in National Capital Region.
Sec. 366. Modifications to Armed Forces Retirement Home Act of 1991.
Sec. 367. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 368. Retention of civilian employee positions at military training bases transferred to National Guard.
Sec. 369. Expansion of authority to donate unusable food.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Permanent end strength levels to support two major regional contingencies.
Sec. 403. Authorized strengths for commissioned officers on active duty in grades of major, lieutenant colonel, and colonel and Navy grades of lieutenant commander, commander, and captain.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the reserves.
Sec. 413. End strengths for military technicians.

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Personnel Management

Sec. 501. Authorization for senior enlisted members to reenlist for an indefinite period of time.
Sec. 502. Authority to extend entry on active duty under the Delayed Entry Program.
Sec. 503. Permanent authority for Navy spot promotions for certain lieutenants.
Sec. 504. Reports on response to recommendations concerning improvements to Department of Defense Joint Manpower Process.
Sec. 505. Frequency of reports to Congress on Joint Officer Management Policies.
Sec. 506. Repeal of requirement that commissioned officers be initially appointed in a reserve grade.
Sec. 507. Continuation on active status for certain reserve officers of the Air Force.

Subtitle B—Reserve Component Matters

Sec. 511. Individual Ready Reserve activation authority.
Sec. 512. Training for reserves on active duty in support of the reserves.
Sec. 513. Clarification to definition of active status.
Sec. 514. Appointment above grade of 0–2 in the Naval Reserve.
Sec. 515. Report on number of advisers in active component support of reserves pilot program.
Sec. 516. Sense of Congress and report regarding reemployment rights for mobilized reservists employed in foreign countries.

Subtitle C—Jurisdiction and Powers of Courts-Martial for the National Guard When Not in Federal Service

Sec. 531. Composition, jurisdiction, and procedures of courts-martial.
Sec. 532. General courts-martial.
Sec. 533. Special courts-martial.
Sec. 534. Summary courts-martial.
Sec. 535. Repeal of authority for confinement in lieu of fine.
Sec. 536. Approval of sentence of bad conduct discharge or confinement.
Sec. 537. Authority of military judges.
Sec. 538. Statutory reorganization.
Sec. 539. Effective date.
Sec. 540. Conforming amendments to Uniform Code of Military Justice.

Subtitle D—Education and Training Programs

Sec. 551. Extension of maximum age for appointment as a cadet or midshipman in the Senior Reserve Officers' Training Corps and the service academies.
Sec. 552. Oversight and management of Senior Reserve Officers' Training Corps program.
Sec. 553. ROTC scholarship student participation in simultaneous membership program.
Sec. 554. Expansion of ROTC advanced training program to include graduate students.
Sec. 555. Reserve credit for members of Armed Forces Health Professions Scholarship and Financial Assistance Program.
Sec. 556. Expansion of eligibility for education benefits to include certain Reserve Officers' Training Corps (ROTC) participants.
Sec. 557. Comptroller General report on cost and policy implications of permitting up to five percent of service academy graduates to be assigned directly to reserve duty upon graduation.

Subtitle E—Other Matters

Sec. 561. Hate crimes in the military.
Sec. 562. Authority of a reserve judge advocate to act as a notary public.
Sec. 563. Authority to provide legal assistance to Public Health Service officers.
Sec. 564. Excepted appointment of certain judicial non-attorney staff in the United States Court of Appeals for the Armed Forces.
Sec. 565. Replacement of certain American theater campaign ribbons.
Sec. 566. Restoration of regulations prohibiting service of homosexuals in the Armed Forces.
Sec. 567. Reenactment and modification of mandatory separation from service for members diagnosed with HIV–1 virus.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Military pay raise for fiscal year 1997.
Sec. 602. Availability of basic allowance for quarters for certain members without dependents who serve on sea duty.
Sec. 603. Establishment of minimum monthly amount of variable housing allowance for high housing cost areas.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. Extension of certain bonuses for reserve forces.
Sec. 612. Extension of certain bonuses and special pay for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. Extension of authority relating to payment of other bonuses and special pays.
Sec. 614. Special incentives to recruit and retain dental officers.

Subtitle C—Travel and Transportation Allowances

Sec. 621. Temporary lodging expenses of member in connection with first permanent change of station.
Sec. 622. Allowance in connection with shipping motor vehicle at government expense.
Sec. 623. Dislocation allowance at a rate equal to two and one-half months basic allowance for quarters.
Sec. 624. Allowance for travel performed in connection with leave between consecutive overseas tours.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

Sec. 631. Increase in annual limit on days of inactive duty training creditable towards reserve retirement.

Sec. 632. Authority for retirement in grade in which a member has been selected for promotion when a physical disability intervenes.
Sec. 633. Eligibility for reserve disability retirement for reserves injured while away from home overnight for inactive-duty training.
Sec. 634. Retirement of reserve enlisted members who qualify for active duty retirement after administrative reduction in enlisted grade.
Sec. 635. Clarification of initial computation of retiree colas after retirement.
Sec. 636. Technical correction to prior authority for payment of back pay to certain persons.
Sec. 637. Amendments to the Uniformed Services Former Spouses' Protection Act.
Sec. 638. Administration of benefits for so-called minimum income widows.
Sec. 639. Nonsubstantive restatement of Survivor Benefit Plan statute.

Subtitle E—Other Matters

Sec. 651. Technical correction clarifying ability of certain members to elect not to occupy Government quarters.
Sec. 652. Technical correction clarifying limitation on furnishing clothing or allowances for enlisted National Guard technicians.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

Sec. 701. Medical and dental care for reserve component members in a duty status.

Subtitle B—TRICARE Program

Sec. 711. Definition of TRICARE program.
Sec. 712. CHAMPUS payment limits for TRICARE prime enrollees.
Sec. 713. Improved information exchange between military treatment facilities and TRICARE program contractors.

Subtitle C—Uniformed Services Treatment Facilities

Sec. 721. Definitions.
Sec. 722. Inclusion of designated providers in uniformed services health care delivery system.
Sec. 723. Provision of uniform benefit by designated providers.
Sec. 724. Enrollment of covered beneficiaries.
Sec. 725. Application of CHAMPUS payment rules.
Sec. 726. Payments for services.
Sec. 727. Repeal of superseded authorities.

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Sec. 731. Authority to waive CHAMPUS exclusion regarding nonmedically necessary treatment in connection with certain clinical trials.
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Sec. 2302. Family housing.
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Sec. 2402. Military housing planning and design.
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TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

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Subtitle C—Land Conveyances

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PART III—AIR FORCE CONVEYANCES

Sec. 2841. Conveyance of primate research complex, Holloman Air Force Base, New Mexico.
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Sec. 2851. Land conveyance, Tatum Salt Dome Test Site, Mississippi.
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Sec. 2861. Easements for rights-of-way.
Sec. 2862. Authority to enter into cooperative agreements for the management of cultural resources on military installations.
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Sec. 2902. Withdrawal and reservation of lands at Fort Carson Military Reservation.
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Sec. 2904. Maps and legal descriptions.
Sec. 2905. Management of withdrawn lands.
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Sec. 2907. Hunting, fishing, and trapping.
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Sec. 2912. Amendment to Military Lands Withdrawal Act of 1986.
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Subtitle B—El Centro Naval Air Facility Ranges Withdrawal

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Sec. 2924. Management of withdrawn lands.
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Sec. 2926. Continuation of ongoing decontamination activities.
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DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

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Sec. 3141. Report on nuclear weapons stockpile memorandum.
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Sec. 3152. Covered defense nuclear facilities.
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TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

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Sec. 3301. Definitions.
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Sec. 3311. Biennial report on stockpile requirements.
Sec. 3312. Notification requirements.
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TITLE XXXIV—NAVAL PETROLEUM RESERVES

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TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Appropriations

Sec. 3501. Short title.
Sec. 3502. Authorization of expenditures.
Sec. 3503. Purchase of vehicles.
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Subtitle B—Amendments to Panama Canal Act of 1979

Sec. 3521. Short title; references.
Sec. 3522. Definitions and recommendation for legislation.
Sec. 3523. Administrator.
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Sec. 3525. Office of Ombudsman.
Sec. 3526. Appointment and compensation; duties.
Sec. 3527. Applicability of certain benefits.
Sec. 3528. Travel and transportation expenses.
Sec. 3529. Clarification of definition of agency.
Sec. 3530. Panama Canal Employment System; merit and other employment requirements.
Sec. 3531. Employment standards.
Sec. 3532. Repeal of obsolete provision regarding interim application of Canal Zone Merit System.
Sec. 3533. Repeal of provision relating to recruitment and retention remuneration.
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Sec. 3536. Applicability of certain laws.
Sec. 3537. Repeal of provision relating to transferred or reemployed employees.
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Sec. 3539. Panama Canal Revolving Fund.
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Sec. 3549. Repeal of Panama Canal Code.
Sec. 3550. Miscellaneous clerical and conforming amendments.

SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means—

(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

(2) the Committee on National Security and the Committee on Appropriations of the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Army as follows:

(1) For aircraft, $1,556,615,000.

(2) For missiles, $1,027,829,000.

(3) For weapons and tracked combat vehicles, $1,334,814,000.

(4) For ammunition, $1,160,728,000.

(5) For other procurement, $2,812,240,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Navy as follows:

(1) For aircraft, $6,668,952,000.

(2) For weapons, including missiles and torpedoes, $1,305,308,000.

(3) For shipbuilding and conversion, $5,479,930,000.

(4) For other procurement, $2,871,495,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Marine Corps in the amount of $546,748,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for procurement of ammunition for Navy and the Marine Corps in the amount of $599,239,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Air Force as follows:

(1) For aircraft, $7,271,928,000.

(2) For missiles, $4,341,178,000.

(3) For ammunition, $303,899,000.

(4) For other procurement, $6,117,419,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1997 for Defense-wide procurement in the amount of $1,890,212,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $118,000,000.

(2) For the Air National Guard, $158,000,000.

(3) For the Army Reserve, $106,000,000.

(4) For the Naval Reserve, $192,000,000.

(5) For the Air Force Reserve, $148,000,000.

(6) For the Marine Corps Reserve, $83,000,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Inspector General of the Department of Defense in the amount of $2,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 1997 the amount of $799,847,000 for—

(1) the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and

(2) the destruction of chemical warfare materiel of the United States that is not covered by section 1412 of such Act.

SEC. 108. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $269,470,000.

Subtitle B—Army Programs

SEC. 111. REPEAL OF LIMITATION ON PROCUREMENT OF CERTAIN AIRCRAFT.

(a) Apache Helicopters.—Section 132 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1383) is repealed.

(b) OH–58D Armed Kiowa Warrior Helicopters.—Section 133 the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1383) is repealed.

SEC. 112. MULTIYEAR PROCUREMENT AUTHORITY FOR ARMY PROGRAMS.

(a) Avenger Air Defense Missile System.—Notwithstanding the limitation in subsection (k) of section 2306b of title 10, United States Code, relating to the maximum duration of a multiyear contract under the authority of that section, the Secretary of the Army may extend the multiyear contract in effect during fiscal year 1996 for the Avenger Air Defense Missile system through fiscal year 1997 and may award such an extension.

(b) Army Tactical Missile System.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract, beginning with the fiscal year 1997 program year, for procurement of the Army Tactical Missile System (Army TACMS).

Subtitle C—Navy Programs

SEC. 121. NUCLEAR ATTACK SUBMARINE PROGRAMS.

(a) Amounts Authorized From SCN Account.—Of the amount authorized by section 102 to be appropriated for Shipbuilding and Conversion, Navy, for fiscal year 1997—

(1) $699,071,000 is available for continued construction of the third vessel (designated SSN–23) in the Seawolf attack submarine class, which shall be the final vessel in that class;

(2) $296,186,000 is available for long-lead and advance construction and procurement of components for construction of a submarine (previously designated by the Navy as the New Attack Submarine) beginning in fiscal year 1998 to be built by Electric Boat Division; and

(3) $504,000,000 is available for long-lead and advance construction and procurement of components for construction of a second submarine (previously designated by the Navy as the New Attack Submarine) beginning in fiscal year 1999 to be built by Newport News Shipbuilding.

(b) Amounts Authorized From Navy RDT&E Account.—(1) Of the amount authorized to be appropriated by section 201 for Research, Development, Test, and Evaluation, Navy, $489,443,000 is available for the design of the submarine previously designated by the Navy as the New Attack Submarine. Such funds shall be available for obligation and expenditure under contracts with Electric Boat Division and Newport News Shipbuilding to carry out the provisions of the "Memorandum of Agreement Among the Department of the Navy, Electric Boat Corporation (EB) and Newport News Shipbuilding and Drydock Company (NNS) Concerning the New Attack Submarine", dated April 5, 1996, relating to design data transfer, design improvements, integrated process teams, updated design base, and other research and development initiatives related to the design of such submarine.

(2)(A) Of the amount authorized to be appropriated by section 201(2), $60,000,000 is available to address the inclusion on future nuclear attack submarines of the specific advanced technologies that are identified by the Secretary of Defense (in the report of the Secretary entitled "Report on Nuclear Attack Submarine Procurement and Submarine Technology", submitted to Congress on March 26, 1996) as those technologies the maturation of which the Submarine Technology Assessment Panel recommended be addressed in its March 15, 1996, final report to the Assistant Secretary of the Navy for Research, Development, and Acquisition, as follows: hydrodynamics, alternative sail designs, advanced arrays, electric drive, external weapons and active controls and mounts.

(B) Of the amount referred to in subparagraph (A), $20,000,000 shall be equally divided between the two shipyards for the purpose of ensuring that the shipyards are principal participants in the process of addressing the inclusion of technologies referred to in subparagraph (A). The Secretary of the Navy shall ensure that those shipyards have access for such purpose (under procedures prescribed by the Secretary) to the Navy laboratories and the Office of Naval Intelligence and (in accordance with arrangements to be made by the Secretary) to the Defense Advanced Research Projects Agency.

(3) Of the amount authorized to be appropriated by section 201(2), $38,000,000 is available to begin funding those Category I and Category II advanced technologies described in Appendix C of the report of the Secretary of Defense referred to in paragraph (2).

(4) Of the amount authorized to be appropriated by section 201(2), $40,000,000 is available to provide funds for the design improvements in accordance with subsection (f), to be equally divided between the two shipyards.

(5)(A) Of the amount authorized to be appropriated by section 201(2), $50,000,000 is available to initiate the design of a new, next-generation nuclear attack submarine, the design of which is not intended to be an outgrowth of the submarine program described in section 131 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 208). Those funds shall be equally divided between the two shipyards and shall provide alternatives to the design or designs to be derived in accordance with subsection (f). The Secretary of the Navy shall compete those alternative designs with the design or designs to be derived in accordance with subsection (f) for serial production beginning not earlier than fiscal year 2003.

(B) The design under subparagraph (A) should proceed from, but not be limited to, the technology specified in paragraph (2)(A), especially with respect to hydrodynamics concepts and technologies. The Secretary shall require the two shipyards to submit to the Secretary an annual report on the progress of the design work under subparagraph (A) and shall transmit each such report to the committees specified in subsection (d)(1).

(c) Contracts Authorized.—(1) The Secretary of the Navy is authorized, using funds available pursuant to paragraphs (2) and (3) of subsection (a), to enter into contracts with Electric Boat Division and Newport News Shipbuilding, and suppliers of components, during fiscal year 1997 for—

(A) the procurement of long-lead components for the fiscal year 1998 submarine and the fiscal year 1999 submarine under this section; and

(B) advance construction of such components and other components for such submarines.

(2) The Secretary may enter into a contract or contracts under this section with the shipbuilder of the fiscal year 1998 submarine only if the Secretary enters into a contract or contracts under this section with the shipbuilder of the fiscal year 1999 submarine.

(d) Limitations.—(1) Of the amounts specified in subsection (a), not more than $50,000,000 may be obligated until the Secretary of Defense certifies in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that procurement of nuclear attack submarines to be constructed after four submarines are procured as provided for in the plan described in section 131(c) of the National Defense Authorization Act for fiscal year 1996 will be under one or more contracts that are entered into after competition between Electric Boat Division and Newport News Shipbuilding in which the Secretary of the Navy solicits competitive proposals and awards the contract or contracts on the basis of best value to the Government.

(2) Of the amounts specified in subsection (a), not more than $50,000,000 may be obligated until the Under Secretary of Defense for Acquisition and Technology submits to the congressional committees specified in paragraph (1) a report in writing detailing the following:

(A) The Under Secretary's oversight activities to date, and plans for the future, for the development and improvement of the nuclear attack submarine program of the Navy as required by section 131(b)(2)(C) of the National Defense Authorization Act for Fiscal Year 1996.

(B) The implementation of, and activities conducted under, the program required to be established by the Director of the Defense Advanced Research Projects Agency by section 131(i) of the National Defense Authorization Act for Fiscal Year 1996 for the development and demonstration of advanced submarine technologies and a rapid prototype acquisition strategy for both land-based and at-sea subsystem and system demonstrations of such technologies.

(C) A description of all research, development, test, and evaluation programs, projects, or activities within the Department of Defense which are designed to or which could, in the opinion of the Under Secretary, contribute to the development and demonstration of advanced submarine technologies leading to a more capable, more affordable nuclear attack submarine, specifically identifying ongoing involvement, and plans for future involvement, in any such program, project or activity by either Electric Boat Division, Newport News Shipbuilding, or both.

(3) Of the amount specified in subsection (b)(1), not more than $50,000,000 may be obligated or expended until the Under Secretary of Defense (Comptroller) certifies in writing to the congressional committees specified in paragraph (1) that the Department has complied with section 132 of the National Defense Authorization Act for Fiscal Year 1996 and that the funds specified in paragraphs (2), (3), and (4) of subsection (b), have been obligated.

(e) Acquisition Simplification.—(1) In furtherance of the direction provided by subsection (d) of section 131 of the National Defense Authorization Act for Fiscal Year 1996 to the Secretary of Defense regarding the application of acquisition reform policies and procedures to the submarine program under that section, the Secretary shall direct the Secretary of the Navy to

implement for the submarine programs of the Navy the acquisition reform initiatives begun by the Secretary of the Air Force in May 1995 referred to as the "Lightning Bolt" initiatives. The Secretary of the Navy shall, not later than March 31, 1997, submit to the congressional committees specified in subsection (d)(1) a report on the results of the implementation of such initiatives.

(f) DESIGN RESPONSIBILITY.—(1) The Secretary of the Navy shall carry out the submarine program described in section 131 of the National Defense Authorization Act for Fiscal Year 1996 in a manner that ensures that neither of the two shipyards has the lead responsibility for submarine design under the program. Each of the two shipyards involved in the design and construction of the four submarines described in that section shall be allowed to propose to the Secretary any design improvement that shipyard considers appropriate for the submarines to be built at that shipyard as part of those four submarines. Control of the configuration of each of the four submarines shall be separately maintained, and there shall be no single design to compete for serial production with those designs derived from the design work under subsection (b)(5), such competition to occur not earlier than fiscal year 2003.

(2) The Secretary of the Navy shall submit an annual report to the committees specified in subsection (d)(1) on the design improvements proposed by the two shipyards under paragraph (1) for incorporation on any of the four submarines using the funds specified in subsection (b)(4). Each annual report shall set forth each design improvement proposed and whether that proposal was—

(A) reviewed, approved, and funded by the Navy;

(B) reviewed and approved, but not funded; or

(C) not approved, in which case the report shall include the reasons therefor and any views of the shipyard making the proposal.

SEC. 122. COST LIMITATIONS FOR SEAWOLF SUBMARINE PROGRAM.

(a) FIRST TWO SUBMARINES.—The total amount obligated or expended for procurement of the first two Seawolf-class submarines (designated as SSN–21 and SSN–22) may not exceed $4,793,557,000.

(b) THIRD SUBMARINE.—The total amount obligated or expended for procurement of the third Seawolf-class submarine (designated as SSN–23) may not exceed $2,430,102,000.

(c) AUTOMATIC INCREASE IN SSN–21 AND SSN–22 LIMITATION AMOUNT.—The amount of the limitation set forth in subsection (a) is increased by the following amounts:

(1) The amounts of outfitting costs and post-delivery costs incurred for the submarines referred to in that subsection.

(2) The amounts of increases in costs for those submarines attributable to economic inflation after September 30, 1995.

(3) The amounts of increases in costs for those submarines attributable to compliance with changes in Federal, State, or local laws enacted after September 30, 1995.

(d) AUTOMATIC INCREASE IN SSN–23 LIMITATION AMOUNT.—The amount of the limitation set forth in subsection (b) is increased by the following amounts:

(1) The amounts of outfitting costs and post-delivery costs incurred for the submarine referred to in that subsection.

(2) The amounts of increases in costs for that submarine attributable to economic inflation after September 30, 1995.

(3) The amounts of increases in costs for that submarine attributable to compliance with changes in Federal, State, or local laws enacted after September 30, 1995.

(e) REPEAL OF SUPERSEDED PROVISION.—Section 133 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 211) is repealed.

SEC. 123. PULSE DOPPLER RADAR MODIFICATION.

The Secretary of the Navy shall, to the extent specifically provided in an appropriations Act enacted after the date of the enactment of this Act, spend $29,000,000 solely for development and procurement of the Pulse Doppler Upgrade modification to the AN/SPS–48E radar system, to be derived by the Secretary from amounts appropriated for Other Procurement, Navy, for fiscal years before fiscal year 1997 that are unobligated and remain available for obligation.

SEC. 124. REDUCTION IN NUMBER OF VESSELS EXCLUDED FROM LIMIT ON PURCHASE OF VESSELS BUILT IN FOREIGN SHIPYARDS.

Section 1023 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2838) is amended by striking out "three ships" and inserting in lieu thereof "one ship".

SEC. 125. T–39N TRAINER AIRCRAFT FOR THE NAVY.

(a) PROCUREMENT.—The Secretary of the Navy shall, using funds appropriated for fiscal year 1996 for procurement of T–39N trainer aircraft for the Navy that remain available for obligation for such purpose, enter into a contract only for the acquisition of not less than 17 T–39N aircraft for naval flight officer training that are suitable for low-level training flights. The Secretary shall use procurement procedures authorized under section 2304(c) of title 10, United States Code, for a contract under subsection (a). The Secretary shall enter into such a contract not later than 15 days after the date of the enactment of this Act.

(b) CONFORMING REPEAL.—Subsection (a) of section 137 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 212) is repealed.

Subtitle D—Air Force Programs

SEC. 141. REPEAL OF LIMITATION ON PROCUREMENT OF F–15E AIRCRAFT.

Section 134 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1383) is repealed.

SEC. 142. C–17 AIRCRAFT PROCUREMENT.

The Secretary of the Air Force may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract under the C–17 aircraft program for the procurement of a total of not more than 80 aircraft. Such a contract may (notwithstanding subsection (k) of such section 2306b) be entered into for a period of six program years, beginning with fiscal year 1997.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,669,979,000.

(2) For the Navy, $8,189,957,000.

(3) For the Air Force, $13,271,087,000.

(4) For Defense-wide activities, $9,406,377,000, of which—

(A) $252,038,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $21,968,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 1997.—Of the amounts authorized to be appropriated by section 201, $4,088,043,000 shall be available for basic research and applied research projects.

(b) BASIC RESEARCH AND APPLIED RESEARCH DEFINED.—For purposes of this section, the term "basic research and applied research" means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

SEC. 203. DUAL-USE TECHNOLOGY PROGRAMS.

(a) DESIGNATION OF OFFICIAL FOR DUAL-USE PROGRAMS.—The Secretary of Defense shall designate a senior official in the Office of the Secretary of Defense whose sole responsibility is developing policy relating to, and ensuring effective implementation of, dual-use programs and the integration of commercial technologies into current and future military systems for the period beginning on October 1, 1996, and ending on September 30, 2000. Such official shall report directly to the Under Secretary of Defense for Acquisition and Technology.

(b) FUNDING REQUIREMENT.—Of the amounts appropriated for the Department of Defense for science and technology programs for each of fiscal years 1997 through 2000, at least the following percentages of such amounts shall be available in the applicable fiscal year only for dual-use programs of the Department of Defense:

(1) For fiscal year 1997, five percent.

(2) For fiscal year 1998, seven percent.

(3) For fiscal year 1999, 10 percent.

(4) For fiscal year 2000, 15 percent.

(c) LIMITATION ON OBLIGATIONS.—(1) Except as provided in paragraph (2), funds made available pursuant to subsection (b) may not be obligated until the senior official designated under subsection (a) approves the obligation.

(2) Paragraph (1) does not apply with respect to funds made available pursuant to subsection (b) to the Department of the Air Force or to the Defense Advanced Research Projects Agency.

(d) TRANSFER AUTHORITY.—The Secretary of Defense may transfer funds made available pursuant to subsection (b) for a dual-use program from a military department or defense agency to another military department or defense agency to ensure efficient implementation of the program. The Secretary may delegate the authority provided in the preceding sentence to the senior official designated under subsection (a).

(e) FEDERAL COST SHARE.—(1) The share contributed by the Secretary of a military department for the cost of a dual-use program during the fiscal years 1997, 1998, 1999, and 2000 may not be greater than 50 percent.

(2) In calculating the share of the costs of a dual-use program contributed by a military department or a non-Government entity, the Secretaries of the military departments may not consider in-kind contributions.

(f) DEFINITIONS.—In this section:

(1) The term "dual-use program" means a program of a military department—

(A) under which research or development of a dual-use technology (as defined in section 2491 of title 10, United States Code) is carried out; and

(B) the costs of which are shared between the Department of Defense and non-Government entities.

(2) The term "science and technology program" means a program of a military department under which basic research, applied research, or advanced technology development is carried out.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. SPACE LAUNCH MODERNIZATION.

(a) ALLOCATION OF FUNDS.—Of the amount appropriated pursuant to the authorization in section 201(3), $50,000,000 shall be available for a competitive reusable launch vehicle technology program (PE 63401F).

(b) LIMITATION.—Funds made available pursuant to subsection (a)(1) may be obligated only to the extent that the fiscal year 1997 current operating plan of the National Aeronautics and Space Administration allocates at least an equal

amount for its Reusable Space Launch Vehicle program.

SEC. 212. LIVE-FIRE SURVIVABILITY TESTING OF V-22 AIRCRAFT.

(a) AUTHORITY FOR RETROACTIVE WAIVER.—The Secretary of Defense may exercise the waiver authority in section 2366(c) of title 10, United States Code, with respect to the application of survivability testing to the V–22 aircraft system, notwithstanding that such system has entered engineering and manufacturing development.

(b) REPORT TO CONGRESS.—In exercising the waiver authority in section 2366(c), the Secretary shall submit to Congress a report explaining how the Secretary plans to evaluate the survivability of the V–22 aircraft system and assessing possible alternatives to realistic survivability testing of the system.

(c) ALTERNATIVE SURVIVABILITY TESTING REQUIREMENTS.—If the Secretary of Defense submits a certification under section 2366(c)(2) of such title that live-fire testing of the V–22 aircraft system under such section would be unreasonably expensive and impractical, the Secretary shall require that sufficiently large and realistic components and subsystems that could affect the survivability of the V–22 aircraft system be made available for any alternative live-fire testing of such system.

(d) FUNDING.—The funds required to carry out any alternative live-fire testing of the V–22 aircraft system shall be made available from amounts appropriated for the V–22 program.

SEC. 213. LIVE-FIRE SURVIVABILITY TESTING OF F-22 AIRCRAFT.

(a) AUTHORITY FOR RETROACTIVE WAIVER.—The Secretary of Defense may exercise the waiver authority in section 2366(c) of title 10, United States Code, with respect to the application of survivability testing to the F–22 aircraft system, notwithstanding that such system has entered engineering and manufacturing development.

(b) ALTERNATIVE SURVIVABILITY TESTING REQUIREMENTS.—If the Secretary of Defense submits a certification under section 2366(c)(2) of such title that live-fire testing of the F–22 aircraft system under such section would be unreasonably expensive and impractical, the Secretary of Defense shall require that sufficiently large and realistic components and subsystems that could affect the survivability of the F–22 aircraft system be made available for any alternative live-fire testing of such system.

(c) FUNDING.—The funds required to carry out any alternative live-fire testing of the F–22 aircraft system shall be made available from amounts appropriated for the F–22 program.

SEC. 214. DEMILITARIZATION OF CONVENTIONAL MUNITIONS, ROCKETS, AND EXPLOSIVES.

(a) ESTABLISHMENT OF CONVENTIONAL MUNITIONS, ROCKETS, AND EXPLOSIVES DEMILITARIZATION PROGRAM.—The Secretary of Defense shall establish an integrated program for the development and demonstration of technologies for the demilitarization and disposal of conventional munitions, rockets, and explosives in a manner that complies with applicable environmental laws.

(b) DURATION OF PROGRAM.—The program established pursuant to subsection (a) shall be in effect for a period of at least five years, beginning with fiscal year 1997.

(c) FUNDING.—Of the amount authorized to be appropriated in section 201, $15,000,000 is authorized to be appropriated for the program established pursuant to subsection (a). The funding request for the program shall be set forth separately in the budget justification documents for the budget of the Department of Defense for each fiscal year during which the program is in effect.

(d) REPORTS.—The Secretary of Defense shall submit to Congress a report on the plan for the program established pursuant to subsection (a) at the same time the President submits to Congress the budget for fiscal year 1998. The Secretary shall submit an updated version of such report, setting forth in detail the progress of the program, at the same time the President submits the budget for each fiscal year after fiscal year 1998 during which the program is in effect.

SEC. 215. RESEARCH ACTIVITIES OF THE DEFENSE ADVANCED RESEARCH PROJECTS AGENCY RELATING TO CHEMICAL AND BIOLOGICAL WARFARE DEFENSE TECHNOLOGY.

(a) AUTHORITY.—Section 1701(c) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1853; 50 U.S.C. 1522) is amended—

(1) by inserting "(1)" before "The Secretary"; and

(2) by adding at the end the following new paragraph:

"(2) The Director of the Defense Advanced Research Projects Agency may conduct a program of basic and applied research and advanced technology development on chemical and biological warfare defense technologies and systems. In conducting such program, the Director shall seek to avoid unnecessary duplication of the activities under the program with chemical and biological warfare defense activities of the military departments and defense agencies and shall coordinate the activities under the program with those of the military departments and defense agencies.".

(b) FUNDING.—Section 1701(d) of such Act is amended—

(1) in paragraph (1), by striking out "military departments" and inserting in lieu thereof "Department of Defense";

(2) in paragraph (2), by inserting after "requests for the program" in the first sentence the following: "(other than for activities under the program conducted by the Defense Advanced Research Projects Agency under subsection (c)(2))";

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following new paragraph (3):

"(3) The program conducted by the Defense Advanced Research Projects Agency under subsection (c)(2) shall be set forth as a separate program element in the budget of that agency.".

SEC. 216. LIMITATION ON FUNDING FOR F-16 TACTICAL MANNED RECONNAISSANCE AIRCRAFT.

(a) LIMITATION.—Effective on the date of the enactment of this Act, not more than $50,000,000 (in fiscal year 1997 constant dollars) may be obligated or expended for—

(1) research, development, test, and evaluation for, and acquisition and modification of, the F–16 tactical manned reconnaissance aircraft program; and

(2) costs associated with the termination of such program.

(b) EXCEPTION.—The limitation in subsection (a) shall not apply to obligations required for improvements planned before the date of the enactment of this Act to incorporate the common data link into the F–16 tactical manned reconnaissance aircraft.

SEC. 217. UNMANNED AERIAL VEHICLES.

(a) PROHIBITION.—(1) The Secretary of Defense may not enter into a contract for the Joint Tactical Unmanned Aerial Vehicle project, and no funds authorized to be appropriated by this Act may be obligated for such project, until a period of 30 days has expired after the date on which the Secretary of Defense submits to Congress a certification that the reconnaissance programs of the Department of Defense—

(A) are justified on the basis of the projected national security threat;

(B) have been subjected to a roles and missions determination;

(C) are supported by an overall national, joint, and tactical reconnaissance plan;

(D) are affordable within the budget of the Department of Defense as projected by the future-years defense program; and

(E) are fully programmed for in the future-years defense program.

(2) In this subsection, the term 'reconnaissance programs of the Department of Defense' means programs for tactical unmanned aerial vehicles, endurance unmanned aerial vehicles, airborne reconnaissance, manned reconnaissance, and distributed common ground systems that—

(A) are described in the budget justification documents of the Defense Airborne Reconnaissance Office;

(B) are included in the funding request for the Department of Defense; or

(C) are certified as acquisition reconnaissance requirements by the Joint Requirements Oversight Council for the future-years defense program.

(b) PROCUREMENT FUNDING REQUEST.—The funding request for procurement for unmanned aerial vehicles for any fiscal year shall be set forth under the funding requests for the military departments in the budget of the Department of Defense.

(c) TRANSFER OF PROGRAM MANAGEMENT.—Program management for the Predator Unmanned Aerial Vehicle, and programmed funding for such vehicle for fiscal years 1998, 1999, 2000, 2001, and 2002 (as set forth in the future-years defense program), shall be transferred to the Department of the Air Force, effective October 1, 1996, or the date of the enactment of this Act, whichever is later.

(d) PROHIBITION ON PROVIDING OPERATING CAPABILITY FROM NAVAL VESSELS.—No funds authorized to be appropriated by this Act may be obligated for purposes of providing the capability of the Predator Unmanned Aerial Vehicle to operate from naval vessels.

(e) FUNDING.—Of the amounts authorized to be appropriated by section 201 for program element 35154D, $10,000,000 shall be available only for an advanced concepts technology demonstration of air-to-surface precision guided munitions employment using a Predator, Hunter, or Pioneer unmanned aerial vehicle and a nondevelopmental laser target designator.

SEC. 218. HYDRA-70 ROCKET PRODUCT IMPROVEMENT PROGRAM.

(a) FUNDING AUTHORIZATION.—Of the amount authorized to be appropriated under section 201(1) for the Army for Other Missile Product Improvement Programs, $15,000,000 is authorized as specified in subsection (b) for completion of the Hydra–70 product improvement program authorized for fiscal year 1996.

(b) AUTHORIZED ACTIONS.—Funding is authorized to be appropriated for the following:

(1) Procurement for test and flight qualification of at least one nondevelopmental item 2.75-inch composite rocket motor type, along with other nondevelopmental item candidate motors that use composite propellent as the propulsion component and that have passed initial insensitive munition criteria tests.

(2) Platform integration, including additional quantities of the motor chosen for operational certification on the Apache attack helicopter.

(c) DEFINITION.—In this section, the term "nondevelopmental item" has the meaning provided in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403) and also includes an item the flight capability of which has been demonstrated from a current Hydra–70 rocket launcher.

SEC. 219. SPACE-BASED INFRARED SYSTEM PROGRAM.

(a) FUNDING.—Funds appropriated pursuant to the authorization of appropriations in section

201(3) are authorized to be made available for the Space-Based Infrared System program for purposes and in amounts as follows:

(1) For Space Segment High, $180,390,000.

(2) For Space Segment Low (the Space and Missile Tracking System), $247,221,000.

(3) For Cobra Brass, $6,930,000.

(b) Limitation.—None of the funds authorized under subsection (a) to be made available for the Space-Based Infrared System program may be obligated or expended until the Secretary of Defense certifies to Congress that the requirements of section 216(a) of Public Law 104–106 (110 Stat. 220) have been carried out.

(c) Program Management.—Before the submission of the President's budget for fiscal year 1998, the Secretary of Defense shall conduct a review of the appropriate management responsibilities for the Space and Missile Tracking System, including whether transferring such management responsibility from the Air Force to the Ballistic Missile Defense Organization would result in improved program efficiencies and support.

SEC. 220. JOINT ADVANCED STRIKE TECHNOLOGY (JAST) PROGRAM.

(a) Allocation of Funds.—Of the amounts authorized to be appropriated pursuant to the authorizations in section 201, $589,069,000 shall be available only for advanced technology development for the Joint Advanced Strike Technology (JAST) program. Of that amount—

(1) $246,833,000 shall be available only for program element 63800N in the budget of the Department of Defense for fiscal year 1997;

(2) $263,836,000 shall be available only for program element 63800F in the budget of the Department of Defense for fiscal year 1997; and

(3) $78,400,000 shall be available only for program element 63800E in the budget of the Department of Defense for fiscal year 1997.

(b) Limitation.—None of the funds authorized to be appropriated pursuant to the authorizations in section 201 may be used for Advanced Short Takeoff and Vertical Landing aircraft development.

(c) Force Structure Analysis.—Of the amount made available under subsection (a), up to $10,000,000 shall be available for the conduct of an analysis by the Institutes of Defense Analysis of the following:

(1) The weapons systems force structure requirements to meet the projected threat for the period beginning on January 1, 2000, and ending on December 31, 2025.

(2) Alternative force structures, including, at a minimum, JAST derivative aircraft; remanufactured AV–8 aircraft; F–18C/D, F–18E/F, AH–64, AH–1W, F–14, F–16, F–15, F–117, and F–22 aircraft; and air-to-surface and surface-to-surface weapons systems.

(3) Affordability, effectiveness, commonality, and roles and missions alternatives related to the alternative force structures analyzed under paragraph (2).

(d) Cost Review.—The cost analysis and improvement group of the Office of the Secretary of Defense shall review cost estimates made under the analysis conducted under subsection (c) and shall provide a sensitivity analysis for the alternatives evaluated under paragraphs (2) and (3) of subsection (c).

(e) Deadline.—The Secretary of Defense shall submit to the congressional defense committees a copy of the analysis conducted under subsection (c) and the review conducted under subsection (d) not later than February 1, 1997.

SEC. 221. JOINT UNITED STATES-ISRAELI NAUTILUS LASER/THEATER HIGH ENERGY LASER PROGRAM.

The Congress strongly supports the Joint United States-Israeli Nautilus Laser/Theater High Energy Laser programs and encourages the Secretary of Defense to request authorization to develop these programs as agreed to on April 28, 1996, in the statement of intent signed by the Secretary of Defense and the Prime Minister of the State of Israel.

SEC. 222. NONLETHAL WEAPONS RESEARCH AND DEVELOPMENT PROGRAM.

Of the amounts authorized to be appropriated by section 201 for program element 63640M, $3,000,000 shall be available for the Nonlethal Weapons Research and Development Program.

Subtitle C—Ballistic Missile Defense Programs

SEC. 231. FUNDING FOR BALLISTIC MISSILE DEFENSE PROGRAMS FOR FISCAL YEAR 1997.

Of the amount appropriated pursuant to section 201(4), not more than $3,258,982,000 may be obligated for programs managed by the Ballistic Missile Defense Organization.

SEC 232. CERTIFICATION OF CAPABILITY OF UNITED STATES TO DEFEND AGAINST SINGLE BALLISTIC MISSILE.

Not later than 15 days after the date of the enactment of this Act, the President shall submit to Congress a certification in writing stating specifically whether or not the United States has the military capability (as of the time of the certification) to intercept and destroy a single ballistic missile launched at the territory of the United States.

SEC. 233. POLICY ON COMPLIANCE WITH THE ABM TREATY.

(a) Policy Concerning Systems Subject to ABM Treaty.—Congress finds that, unless and until a missile defense system, system upgrade, or system component is flight tested in an ABM-qualifying flight test (as defined in subsection (c)), such system, system upgrade, or system component—

(1) has not, for purposes of the ABM Treaty, been tested in an ABM mode nor been given capabilities to counter strategic ballistic missiles; and

(2) therefore is not subject to any application, limitation, or obligation under the ABM Treaty.

(b) Prohibitions.—(1) Funds appropriated to the Department of Defense may not be obligated or expended for the purpose of—

(A) prescribing, enforcing, or implementing any Executive order, regulation, or policy that would apply the ABM Treaty (or any limitation or obligation under such Treaty) to research, development, testing, or deployment of a theater missile defense system, a theater missile defense system upgrade, or a theater missile defense system component; or

(B) taking any other action to provide for the ABM Treaty (or any limitation or obligation under such Treaty) to be applied to research, development, testing, or deployment of a theater missile defense system, a theater missile defense system upgrade, or a theater missile defense system component.

(2) This subsection applies with respect to each missile defense system, missile defense system upgrade, or missile defense system component that is capable of countering modern theater ballistic missiles.

(3) This subsection shall cease to apply with respect to a missile defense system, missile defense system upgrade, or missile defense system component when that system, system upgrade, or system component has been flight tested in an ABM-qualifying flight test.

(c) ABM-Qualifying Flight Test Defined.—For purposes of this section, an ABM-qualifying flight test is a flight test against a ballistic missile which, in that flight test, exceeds (1) a range of 3,500 kilometers, or (2) a velocity of 5 kilometers per second.

SEC. 234. REQUIREMENT THAT MULTILATERALIZATION OF THE ABM TREATY BE DONE ONLY THROUGH TREATY-MAKING POWER.

Any addition of a new signatory party to the ABM Treaty (in addition to the United States and the Russian Federation) constitutes an amendment to the treaty that can only be agreed to by the United States through the treaty-making power of the United States. No funds appropriated or otherwise available for any fiscal year may be obligated or expended for the purpose of implementing or making binding upon the United States the participation of any additional nation as a party to the ABM Treaty unless that nation is made a party to the treaty by an amendment to the Treaty that is made in the same manner as the manner by which a treaty is made.

SEC. 235. REPORT ON BALLISTIC MISSILE DEFENSE AND PROLIFERATION.

The Secretary of Defense shall submit to Congress a report on ballistic missile defense and the proliferation of weapons of mass destruction, including nuclear, chemical, and biological weapons, and the missiles that can be used to deliver them. The report shall be submitted not later than December 31, 1996, and shall include the following:

(1) An assessment of how United States theater missile defenses contribute to United States efforts to prevent proliferation, including an evaluation of the specific effect United States theater missile defense systems can have on dissuading other states from acquiring ballistic missiles.

(2) An assessment of how United States national missile defenses contribute to United States efforts to prevent proliferation.

(3) An assessment of the effect of the lack of national missile defenses on the desire of other states to acquire ballistic missiles and an evaluation of the types of missiles other states might seek to acquire as a result.

(4) A detailed review of the linkages between missile defenses (both theater and national) and each of the categories of counterproliferation activities identified by the Secretary of Defense as part of the Defense Counterproliferation Initiative announced by the Secretary in December 1993.

(5) A description of how theater and national ballistic missile defenses can augment the effectiveness of other counterproliferation tools.

SEC. 236. REVISION TO ANNUAL REPORT ON BALLISTIC MISSILE DEFENSE PROGRAM.

Section 224(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (10 U.S.C. 2431 note) is amended—

(1) by striking out paragraphs (3), (4), and (10);

(2) by redesignating paragraphs (5) and (6) as paragraphs (3) and (4), respectively;

(3) by redesignating paragraph (7) as paragraph (5) and in that paragraph by striking out "of the Soviet Union" and "for the Soviet Union";

(4) by redesignating paragraph (8) as paragraph (6); and

(5) by redesignating paragraph (9) as paragraph (7) and in that paragraph—

(A) by striking out "of the Soviet Union" in subparagraph (A);

(B) by striking out subparagraphs (C) through (F); and

(C) by redesignating subparagraph (G) as subparagraph (C).

SEC. 237. ABM TREATY DEFINED.

For purposes of this subtitle, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, and signed at Moscow on May 26, 1972, and includes the Protocols to that Treaty, signed at Moscow on July 3, 1974.

SEC. 238. CAPABILITY OF NATIONAL MISSILE DEFENSE SYSTEM.

The Secretary of Defense shall ensure that any National Missile Defense system deployed by the United States is capable of defeating the threat posed by the Taepo Dong II missile of North Korea.

Subtitle D—Other Matters

SEC. 241. UNIFORM PROCEDURES AND CRITERIA FOR MAINTENANCE AND REPAIR AT AIR FORCE INSTALLATIONS.

The Secretary of the Air Force shall apply uniform procedures and criteria to allocate funds authorized to be appropriated pursuant to this title and title III of this Act for maintenance and repair of real property at military installations of the Department of the Air Force.

SEC. 242. REQUIREMENTS RELATING TO SMALL BUSINESS INNOVATION RESEARCH PROGRAM.

(a) MANAGEMENT AND EXECUTION BY PROGRAM MANAGER.—The Secretary of Defense, in conducting within the Department of Defense the Small Business Innovation Research Program (as defined by section 2491(13) of title 10, United States Code), shall ensure that the Program is managed and executed, for each program element for research and development for which $20,000,000 or more is authorized for a fiscal year, by the program manager for that element.

(b) REPORT.—Not later than March 30, 1997, the Comptroller General shall submit to Congress and to the Secretary of Defense a report setting forth an assessment of whether there has been a demonstrable reduction in the quality of research performed under funding agreements awarded by the Department of Defense under the Small Business Innovation Research Program since fiscal year 1995.

SEC. 243. EXTENSION OF DEADLINE FOR DELIVERY OF ENHANCED FIBER OPTIC GUIDED MISSILE (EFOG-M) SYSTEM.

Section 272(a)(2) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 239) is amended by striking out "September 30, 1998," and inserting in lieu thereof "September 30, 1999,".

SEC. 244. AMENDMENT TO UNIVERSITY RESEARCH INITIATIVE SUPPORT PROGRAM.

Section 802(c) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1701; 10 U.S.C. 2358 note) is amended by striking out "fiscal years before the fiscal year in which the institution submits a proposal" and inserting in lieu thereof "most recent fiscal years for which complete statistics are available when proposals are requested".

SEC. 245. AMENDMENTS TO DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Section 257(d) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2705; 10 U.S.C. 2358 note) is amended—

(1) in paragraph (1)—

(A) by striking out "Director of the National Science Foundation" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology"; and

(B) by striking out "and shall notify the Director of Defense Research and Engineering of the States so designated"; and

(2) in paragraph (2)—

(A) by striking out "Director of the National Science Foundation" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology";

(B) by striking out "as determined by the Director" and inserting in lieu thereof "as determined by the Under Secretary";

(C) in subparagraph (A), by striking out "(to be determined in consultation with the Secretary of Defense);" and inserting in lieu thereof "; and";

(D) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period; and

(E) by striking out subparagraph (C).

SEC. 246. ELIMINATION OF REPORT ON THE USE OF COMPETITIVE PROCEDURES FOR THE AWARD OF CERTAIN CONTRACTS TO COLLEGES AND UNIVERSITIES.

Section 2361 of title 10, United States Code, is amended by striking out subsection (c).

SEC. 247. NATIONAL OCEANOGRAPHIC PARTNERSHIP PROGRAM.

(a) FINDINGS.—Congress finds the following:

(1) The oceans and coastal areas of the United States are among the Nation's most valuable natural resources, making substantial contributions to economic growth, quality of life, and national security.

(2) Oceans drive global and regional climate. Hence, they contain information affecting agriculture, fishing, and the prediction of severe weather.

(3) Understanding of the oceans through basic and applied research is essential for using the oceans wisely and protecting their limited resources. Therefore, the United States should maintain its world leadership in oceanography as one key to its competitive future.

(4) Ocean research and education activities take place within Federal agencies, academic institutions, and industry. These entities often have similar requirements for research facilities, data, and other resources (such as oceanographic research vessels).

(5) The need exists for a formal mechanism to coordinate existing partnerships and establish new partnerships for the sharing of resources, intellectual talent, and facilities in the ocean sciences and education, so that optimal use can be made of this most important natural resource for the well-being of all Americans.

(b) PROGRAM REQUIRED.—(1) Subtitle C of title 10, United States Code, is amended by adding after chapter 663 the following new chapter:

"CHAPTER 665—NATIONAL OCEANOGRAPHIC PARTNERSHIP PROGRAM

"Sec.
"7901. National Oceanographic Partnership Program.
"7902. National Ocean Research Leadership Council.
"7903. Ocean Research Partnership Coordinating Group.
"7904. Ocean Research Advisory Panel.

"§7901. National Oceanographic Partnership Program

"(a) ESTABLISHMENT.—The Secretary of the Navy shall establish a program to be known as the 'National Oceanographic Partnership Program'.

"(b) PURPOSES.—The purposes of the program are as follows:

"(1) To promote the national goals of assuring national security, advancing economic development, protecting quality of life, and strengthening science education and communication through improved knowledge of the ocean.

"(2) To coordinate and strengthen oceanographic efforts in support of those goals by—

"(A) identifying and carrying out partnerships among Federal agencies, academia, industry, and other members of the oceanographic scientific community in the areas of data, resources, education, and communication; and

"(B) reporting annually to Congress on the program.

"§7902. National Ocean Research Leadership Council

"(a) COUNCIL.—There is a National Ocean Research Leadership Council (hereinafter in this chapter referred to as the 'Council').

"(b) MEMBERSHIP.—The Council is composed of the following members:

"(1) The Secretary of the Navy, who shall be the Chairman of the Council.

"(2) The Administrator of the National Oceanic and Atmospheric Administration, who shall be the Vice Chairman of the Council.

"(3) The Director of the National Science Foundation.

"(4) The Administrator of the National Aeronautics and Space Administration.

"(5) The Deputy Secretary of Energy.

"(6) The Administrator of the Environmental Protection Agency.

"(7) The Commandant of the Coast Guard.

"(8) The Director of the Geological Survey of the Department of the Interior.

"(9) The Director of the Defense Advanced Research Projects Agency.

"(10) The Director of the Minerals Management Service of the Department of the Interior.

"(11) The President of the National Academy of Sciences, the President of the National Academy of Engineering, and the President of the Institute of Medicine.

"(12) The Director of the Office of Science and Technology.

"(13) The Director of the Office of Management and Budget.

"(14) One member appointed by the Chairman from among individuals who will represent the views of ocean industries.

"(15) One member appointed by the Chairman from among individuals who will represent the views of State governments.

"(16) One member appointed by the Chairman from among individuals who will represent the views of academia.

"(17) One member appointed by the Chairman from among individuals who will represent such other views as the Chairman considers appropriate.

"(c) TERM OF OFFICE.—The term of office of a member of the Council appointed under paragraph (14), (15), (16), or (17) of subsection (b) shall be two years, except that any person appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(d) RESPONSIBILITIES.—The Council shall have the following responsibilities:

"(1) To establish the Ocean Research Partnership Coordinating Group as provided in section 7903.

"(2) To establish the Ocean Research Advisory Panel as provided in section 7904.

"(3) To submit to Congress an annual report pursuant to subsection (e).

"(e) ANNUAL REPORT.—Not later than March 1 of each year, the Council shall submit to Congress a report on the National Oceanographic Partnership Program. The report shall contain the following:

"(1) A description of activities of the program carried out during the fiscal year before the fiscal year in which the report is prepared. The description also shall include a list of the members of the Ocean Research Partnership Coordinating Group, the Ocean Research Advisory Panel, and any working groups in existence during the fiscal year covered.

"(2) A general outline of the activities planned for the program during the fiscal year in which the report is prepared.

"(3) A summary of projects continued from the fiscal year before the fiscal year in which the report is prepared and projects expected to be started during the fiscal year in which the report is prepared and during the following fiscal year.

"(4) A description of the involvement of the program with Federal interagency coordinating entities.

"(5) The amounts requested, in the budget submitted to Congress pursuant to section 1105(a) of title 31 for the fiscal year following the fiscal year in which the report is prepared, for the programs, projects, and activities of the program and the estimated expenditures under such programs, projects, and activities during such following fiscal year.

"§7903. Ocean Research Partnership Coordinating Group

"(a) ESTABLISHMENT.—The Council shall establish an entity to be known as the 'Ocean Research Partnership Coordinating Group' (hereinafter in this chapter referred to as the 'Coordinating Group').

"(b) MEMBERSHIP.—The Coordinating Group shall consist of members appointed by the Council, with one member appointed from each Federal department or agency having an oceanographic research or development program.

"(c) CHAIRMAN.—The Council shall appoint the Chairman of the Coordinating Group.

"(d) RESPONSIBILITIES.—Subject to the authority, direction, and control of the Council, the Coordinating Group shall have the following responsibilities:

"(1) To prescribe policies and procedures to implement the National Oceanographic Partnership Program.

"(2) To review, select, and identify and allocate funds for partnership projects for implementation under the program, based on the following criteria:

"(A) Whether the project addresses critical research objectives or operational goals, such as data accessibility and quality assurance, sharing of resources, education, or communication.

"(B) Whether the project has broad participation within the oceanographic community.

"(C) Whether the partners have a long-term commitment to the objectives of the project.

"(D) Whether the resources supporting the project are shared among the partners.

"(E) Whether the project has been subjected to adequate peer review.

"(3) To promote participation in partnership projects by each Federal department and agency involved with oceanographic research and development by publicizing the program and by prescribing guidelines for participation in the program.

"(4) To submit to the Council an annual report pursuant to subsection (i).

"(e) PARTNERSHIP PROGRAM OFFICE.—The Coordinating Group shall establish, using competitive procedures, and oversee a partnership program office to carry out such duties as the Chairman of the Coordinating Group considers appropriate to implement the National Oceanographic Partnership Program, including the following:

"(1) To establish and oversee working groups to propose partnership projects to the Coordinating Group and advise the Group on such projects.

"(2) To manage peer review of partnership projects proposed to the Coordinating Group and competitions for projects selected by the Group.

"(3) To submit to the Coordinating Group an annual report on the status of all partnership projects and activities of the office.

"(f) CONTRACT AND GRANT AUTHORITY.—The Coordinating Group may authorize one or more of the departments or agencies represented in the Group to enter into contracts and make grants, using funds appropriated pursuant to an authorization for the National Oceanographic Partnership Program, for the purpose of implementing the program and carrying out the Coordinating Group's responsibilities.

"(g) FORMS OF PARTNERSHIP PROJECTS.—Partnership projects selected by the Coordinating Group may be in any form that the Coordinating Group considers appropriate, including memoranda of understanding, demonstration projects, cooperative research and development agreements, and similar instruments.

"(h) ANNUAL REPORT.—Not later than February 1 of each year, the Coordinating Group shall submit to the Council a report on the National Oceanographic Partnership Program. The report shall contain, at a minimum, copies of any recommendations or reports to the Coordinating Group by the Ocean Research Advisory Panel.

"§7904. Ocean Research Advisory Panel

"(a) ESTABLISHMENT.—The Council shall appoint an Ocean Research Advisory Panel (hereinafter in this chapter referred to as the 'Advisory Panel') consisting of not less than 10 and not more than 18 members.

"(b) MEMBERSHIP.—Members of the Advisory Panel shall be appointed from among persons who are eminent in the fields of marine science or marine policy, or related fields, and who are representative, at a minimum, of the interests of government, academia, and industry.

"(c) RESPONSIBILITIES.—(1) The Coordinating Group shall refer to the Advisory Panel, and the Advisory Panel shall review, each proposed partnership project estimated to cost more than $500,000. The Advisory Panel shall make any recommendations to the Coordinating Group that the Advisory Panel considers appropriate regarding such projects.

"(2) The Advisory Panel shall make any recommendations to the Coordinating Group regarding activities that should be addressed by the National Oceanographic Partnership Program that the Advisory Panel considers appropriate.".

(2) The tables of chapters at the beginning of subtitle C of title 10, United States Code, and at the beginning of part IV of such subtitle, are each amended by inserting after the item relating to chapter 663 the following:

"665. National Oceanographic Partnership Program .... 7901".

(c) INITIAL APPOINTMENTS OF COUNCIL MEMBERS.—The Secretary of the Navy shall make the appointments required by section 7902(b) of title 10, United States Code, as added by subsection (b)(1), not later than December 1, 1996.

(d) INITIAL APPOINTMENTS OF ADVISORY PANEL MEMBERS.—The National Ocean Research Leadership Council established by section 7902 of title 10, United States Code, as added by subsection (b)(1), shall make the appointments required by section 7904 of such title not later than January 1, 1997.

(e) FIRST ANNUAL REPORT OF NATIONAL OCEAN RESEARCH LEADERSHIP COUNCIL.—The first annual report required by section 7902(e) of title 10, United States Code, as added by subsection (b)(1), shall be submitted to Congress not later than March 1, 1997. The first report shall include, in addition to the information required by such section, information about the terms of office, procedures, and responsibilities of the Ocean Research Advisory Panel established by the Council.

(f) AUTHORIZATION.—Of the amount authorized to be appropriated to the Department of Defense in section 201, $30,000,000 is authorized for the National Oceanographic Partnership Program established pursuant to section 7901 of title 10, United States Code, as added by subsection (b)(1).

(g) REQUIRED FUNDING FOR PROGRAM OFFICE.—Of the amount appropriated for the National Oceanographic Partnership Program for fiscal year 1997, at least $500,000, or 3 percent of the amount appropriated, whichever is greater, shall be available for operations of the partnership program office established pursuant to section 7903(e) of title 10, United States Code, for such fiscal year.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $18,436,929,000.

(2) For the Navy, $20,433,797,000.

(3) For the Marine Corps, $2,524,677,000.

(4) For the Air Force, $17,982,955,000.

(5) For Defense-wide activities, $10,375,368,000.

(6) For the Army Reserve, $1,155,436,000.

(7) For the Naval Reserve, $858,927,000.

(8) For the Marine Corps Reserve, $106,467,000.

(9) For the Air Force Reserve, $1,504,553,000.

(10) For the Army National Guard, $2,297,477,000.

(11) For the Air National Guard, $2,688,473,000.

(12) For the Defense Inspector General, $136,501,000.

(13) For the United States Court of Appeals for the Armed Forces, $6,797,000.

(14) For Environmental Restoration, Defense, $1,333,016,000.

(15) For Drug Interdiction and Counter-drug Activities, Defense-wide, $682,724,000.

(16) For Medical Programs, Defense, $9,831,288,000.

(17) For Cooperative Threat Reduction programs, $302,900,000.

(18) For Overseas Humanitarian, Disaster, and Civic Aid programs, $60,544,000.

(19) For payment to Kaho'olawe Island, $10,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Business Operations Fund, $947,900,000.

(2) For the National Defense Sealift Fund, $1,123,002,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1997 from the Armed Forces Retirement Home Trust Fund the sum of $57,300,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $250,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1997 in amounts as follows:

(1) For the Army, $83,334,000.

(2) For the Navy, $83,333,000.

(3) For the Air Force, $83,333,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

Subtitle B—Depot-Level Activities

SEC. 311. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425(e) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1684) is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

SEC. 312. EXCLUSION OF LARGE MAINTENANCE AND REPAIR PROJECTS FROM PERCENTAGE LIMITATION ON CONTRACTING FOR DEPOT-LEVEL MAINTENANCE.

Section 2466 of title 10, United States Code, is amended by inserting after subsection (a) the following new subsection:

"(b) TREATMENT OF CERTAIN LARGE PROJECTS.—If a single maintenance or repair project contracted for performance by non-Federal Government personnel accounts for five percent or more of the funds made available in a fiscal year to a military department or a Defense Agency for depot-level maintenance and repair workload, the project and the funds necessary for the project shall not be considered when applying the percentage limitation specified in subsection (a) to that military department or Defense Agency.".

Subtitle C—Environmental Provisions

SEC. 321. REPEAL OF REPORT ON CONTRACTOR REIMBURSEMENT COSTS.

Section 2706 of title 10, United States Code, is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

SEC. 322. PAYMENTS OF STIPULATED PENALTIES ASSESSED UNDER CERCLA.

The Secretary of Defense may pay, from funds appropriated pursuant to section 301(14), the following:

(1) Stipulated civil penalties, to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986, in amounts as follows:

(A) Not more than $34,000 assessed against the United States Army at Fort Riley, Kansas, under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(B) Not more than $55,000 assessed against the Massachusetts Military Reservation, Massachusetts, under such Act.

(C) Not more than $10,000 assessed against the F.E. Warren Air Force Base, Wyoming, under such Act.

(D) Not more than $30,000 assessed against the Naval Education and Training Center, Newport, Rhode Island, under such Act.

(E) Not more than $37,500 assessed against Lake City Army Ammunition Plant, under such Act.

(2) Not more than $500,000 to carry out two environmental restoration projects, as part of a negotiated agreement in lieu of stipulated penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against the Massachusetts Military Reservation, Massachusetts.

SEC. 323. CONSERVATION AND READINESS PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense may establish and carry out a program to be known as the "Conservation and Readiness Program".

(b) PURPOSE.—The purpose of the Conservation and Readiness Program is to conduct and manage in a coordinated manner those conservation and cultural activities that have regional, multicomponent, or Department of Defense-wide significance and are necessary to meet legal requirements or to support military operations. These activities include the following:

(1) The development of ecosystem-wide land management plans.

(2) The conduct of wildlife studies to ensure the safety of military operations.

(3) The identification and return of Native American human remains and cultural items in the possession or control of the Department of Defense, or discovered on land under the jurisdiction of the Department of Defense, to the appropriate Native American tribes.

(4) The control of invasive species that may hinder military activities or degrade military training ranges.

(5) The establishment of a regional curation system for artifacts found on military installations.

(c) COOPERATIVE AGREEMENTS AND GRANTS.—The Secretary of Defense may negotiate and enter into cooperative agreements with, and award grants to, public and private agencies, organizations, institutions, individuals, or other entities to carry out the Conservation and Readiness Program.

(d) EFFECT ON OTHER LAWS.—Nothing in this section shall be construed or interpreted as preempting any otherwise applicable Federal, State, or local law or regulation relating to the management of natural and cultural resources on military installations.

SEC. 324. NAVY COMPLIANCE WITH SHIPBOARD SOLID WASTE CONTROL REQUIREMENTS.

(a) AMENDMENT TO THE ACT TO PREVENT POLLUTION FROM SHIPS.—Subsection (c) of section 3 of the Act to Prevent Pollution from Ships (33 U.S.C. 1902(c)) is amended—

(1) in paragraph (1), by inserting ", except as provided in paragraphs (4) and (5) of this subsection" before the period at the end;

(2) by striking out paragraph (4); and

(3) by adding at the end the following new paragraphs:

"(4) A vessel owned or operated by the Department of the Navy for which the Secretary of the Navy determines under the compliance plan submitted under paragraph (2) that, due to unique military design, construction, manning, or operating requirements, full compliance with paragraph (1) would not be technologically feasible, would impair the vessel's operations, and would impair the vessel's operational capability, is authorized to discharge garbage consisting of either of the following:

"(A) A slurry of seawater, paper, cardboard, and food waste that does not contain more than the minimum amount practicable of plastic, if such slurry is discharged not less than 3 nautical miles from the nearest land and is capable of passing through a screen with openings of no greater than 12 millimeters.

"(B) Metal and glass garbage that has been shredded and bagged to ensure negative buoyancy and is discharged not less than 12 nautical miles from the nearest land.

"(5) Not later than December 31, 2000, the Secretary of the Navy shall publish in the Federal Register—

"(A) a list of those surface ships planned to be decommissioned between January 1, 2001, and December 31, 2005; and

"(B) standards to ensure, so far as is reasonable and practicable, without impairing the operations or operational capabilities of such ships, that such ships act in a manner consistent with the special area requirements of Regulation 5 of Annex V to the Convention.".

(b) GOAL TO ACHIEVE FULL COMPLIANCE.—It shall be the goal of the Secretary of the Navy to achieve full compliance with Annex V to the International Convention for the Prevention of Pollution from Ships, 1973, as soon as practicable.

SEC. 325. AUTHORITY TO DEVELOP AND IMPLEMENT LAND USE PLANS FOR DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.

(a) AUTHORITY.—The Secretary of Defense may, to the extent possible and practical, develop and implement, as part of the Defense Environmental Restoration Program provided for in chapter 160 of title 10, United States Code, a land use plan for any defense site selected by the Secretary under subsection (b).

(b) SELECTION OF SITES.—The Secretary may select up to 10 defense sites, from among sites where the Secretary is planning or implementing environmental restoration activities, for which land use plans may be developed under this section.

(c) REQUIREMENT TO CONSULT WITH REVIEW COMMITTEE OR ADVISORY BOARD.—In developing a land use plan under this section, the Secretary of Defense shall consult with a technical review committee established pursuant to section 2705(c) of title 10, United States Code, a restoration advisory board established pursuant to section 2705(d) of such title, a local land use redevelopment authority, or another appropriate State agency.

(d) 50-YEAR PLANNING PERIOD.—A land use plan developed under this section shall cover a period of at least 50 years.

(e) IMPLEMENTATION.—For each defense site for which the Secretary develops a land use plan under this section, the Secretary shall take into account the land use plan in selecting and implementing, in accordance with applicable law, environmental restoration activities at the site.

(f) DEADLINES.—For each defense site for which the Secretary of Defense intends to develop a land use plan under this section, the Secretary shall develop a draft land use plan by October 1, 1997, and a final land use plan by March 15, 1998.

(g) DEFINITION OF DEFENSE SITE.—For purposes of this section, the term "defense site" means (A) any building, structure, installation, equipment, pipe or pipeline (including any pipe into a sewer or publicly owned treatment works), well, pit, pond, lagoon, impoundment, ditch, landfill, storage container, motor vehicle, rolling stock, or aircraft under the jurisdiction of the Department of Defense, or (B) any site or area under the jurisdiction of the Department of Defense where a hazardous substance has been deposited, stored, disposed of, or placed, or otherwise come to be located; but does not include any consumer product in consumer use or any vessel.

(h) REPORT.—Not later than December 31, 1998, the Secretary of Defense shall submit to Congress a report on the land use plans developed under this section and the effect such plans have had on environmental restoration activities at the defense sites where they have been implemented. The report shall include recommendations on whether such land use plans should be developed and implemented throughout the Department of Defense.

(h) SAVINGS PROVISIONS.—(1) Nothing in this section or in a land use plan developed under this section with respect to a defense site shall be construed as requiring any modification to a land use plan that was developed before the date of the enactment of this Act.

(2) Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

SEC. 326. PILOT PROGRAM TO TEST ALTERNATIVE TECHNOLOGIES FOR LIMITING AIR EMISSIONS DURING SHIPYARD BLASTING AND COATING OPERATIONS.

(a) PILOT PROGRAM.—The Secretary of the Navy shall establish a pilot program to test an alternative technology designed to capture and destroy or remove particulate emissions and volatile air pollutants that occur during abrasive blasting and coating operations at naval shipyards. In conducting the test, the Secretary shall seek to demonstrate whether the technology is valid, cost effective, and in compliance with environmental laws and regulations.

(b) REPORT.—Upon completion of the test conducted under the pilot program, the Secretary of the Navy shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth in detail the results of the test. The report shall include recommendations on whether the alternative technology merits implementation at naval shipyards and such other recommendations as the Secretary considers appropriate.

SEC. 327. NAVY PROGRAM TO MONITOR ECOLOGICAL EFFECTS OF ORGANOTIN.

(a) MONITORING REQUIREMENT.—The Secretary of the Navy shall, in consultation with the Administrator of the Environmental Protection Agency, develop and implement a program to monitor the concentrations of organotin in the water column, sediments, and aquatic organisms of representative estuaries and near-coastal waters in the United States, as described in section 7(a) of the Organotin Antifouling Paint Control Act of 1988 (33 U.S.C. 2406(a)). The program shall be designed to produce high-quality data to enable the Environmental Protection Agency to develop water quality criteria concerning organotin compounds.

(b) REPORT.—Not later than June 1, 1997, the Secretary of the Navy shall submit to Congress a report containing the following:

(1) A description of the monitoring program developed pursuant to subsection (a).

(2) An analysis of the results of the monitoring program as of the date of the submission of the report.

(3) Information about the progress of Navy programs, referred to in section 7(c) of Organotin Antifouling Paint Control Act of 1988 (33 U.S.C. 2406(c)), for evaluating the laboratory toxicity and environmental risks associated with the use of antifouling paints containing organotin.

(4) An assessment, developed in consultation with the Administrator of the Environmental Protection Agency, of the effectiveness of existing laws and rules concerning organotin compounds in ensuring protection of human health and the environment.

(c) SENSE OF CONGRESS.—It is the sense of Congress that the Administrator of the Environmental Protection Agency, in consultation with the Secretary of the Navy, should develop, for purposes of the national pollutant discharge elimination system, a model permit for the discharge of organotin compounds at shipbuilding and ship repair facilities. For purposes of this subsection, the term "organotin" has the meaning provided in section 3 of the Organotin Antifouling Paint Control Act of 1988 (33 U.S.C. 2402).

Subtitle D—Civilian Employees and Nonappropriated Fund Instrumentality Employees

SEC. 331. REPEAL OF PROHIBITION ON PAYMENT OF LODGING EXPENSES WHEN ADEQUATE GOVERNMENT QUARTERS ARE AVAILABLE.

(a) REPEAL.—Section 1589 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to section 1589.

SEC. 332. VOLUNTARY SEPARATION INCENTIVE PAY MODIFICATION.

(a) IN GENERAL.—Section 5597(g) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(5) If the employment is without compensation, the appointing official may waive the repayment.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to employment accepted on or after the date of the enactment of this Act.

SEC. 333. WAGE-BOARD COMPENSATORY TIME OFF.

(a) IN GENERAL.—Section 5543 of title 5, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) The head of an agency may, on request of an employee, grant the employee compensatory time off from his scheduled tour of duty instead of payment under section 5544 or section 7 of the Fair Labor Standards Act of 1938 for an equal amount of time spent in irregular or occasional overtime work.".

(b) CONFORMING AMENDMENT.—Section 5544(c) of title 5, United States Code, is amended by inserting "and the provisions of section 5543(b)" before "shall apply".

SEC. 334. SIMPLIFICATION OF RULES RELATING TO THE OBSERVANCE OF CERTAIN HOLIDAYS.

Section 6103 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) For purposes of this subsection—

"(A) the term 'compressed schedule' has the meaning given such term by section 6121(5); and

"(B) the term 'adverse agency impact' has the meaning given such term by section 6131(b).

"(2) An agency may prescribe rules under which employees on a compressed schedule may, in the case of a holiday that occurs on a regularly scheduled non-workday for such employees, and notwithstanding any other provision of law or the terms of any collective bargaining agreement, be required to observe such holiday on a workday other than as provided by subsection (b), if the agency head determines that it is necessary to do so in order to prevent an adverse agency impact.".

SEC. 335. PHASED RETIREMENT.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8344 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(m)(1) In order to promote the retention of employees having knowledge, skills, or expertise needed by the Department of Defense, in a manner consistent with ongoing downsizing efforts, the Secretary of Defense or his designee may waive the application of subsection (a), with respect to reemployed annuitants of the Department of Defense, under this subsection.

"(2) A waiver under this subsection—

"(A) may not be granted except upon appropriate written application submitted and approved not later than the date of separation on which entitlement to annuity is based;

"(B) shall be contingent on the reemployment commencing within such time as the Secretary or his designee may require, may remain in effect for a period of not to exceed 2 years, and shall not be renewable; and

"(C) may be granted and thereafter remain in effect only if, with respect to the position in which reemployed, the number of regularly scheduled hours in each week or other period is at least ½ but not more than ¾ those last in effect for the individual before the separation referred to in subparagraph (A).

"(3)(A) In no event shall the sum of the rate of basic pay for, plus annuity allocable to, any period of service as a reemployed annuitant under this subsection exceed the rate of basic pay that would then be in effect for service performed during such period if separation had not occurred.

"(B) If the limitation under subparagraph (A) would otherwise be exceeded, an amount equal to the excess shall be deducted from basic pay for the period involved (but not to exceed total basic pay for such period), and any amount so deducted shall be deposited in the Treasury of the United States to the credit of the Fund.

"(4) The number of reemployed annuitants under this subsection at any given time may not, when taken together with the then current number under section 8468(j), exceed a total of 50.

"(5) All waivers under this subsection shall cease to be effective after September 30, 2001.".

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8468 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(j)(1) In order to promote the retention of employees having knowledge, skills, or expertise needed by the Department of Defense, in a manner consistent with ongoing downsizing efforts, the Secretary of Defense or his designee may waive the application of subsections (a) and (b), with respect to reemployed annuitants of the Department of Defense, under this subsection.

"(2) A waiver under this subsection—

"(A) may not be granted except upon appropriate written application submitted and approved not later than the date of separation on which entitlement to annuity is based;

"(B) shall be contingent on the reemployment commencing within such time as the Secretary or his designee may require, may remain in effect for a period of not to exceed 2 years, and shall not be renewable; and

"(C) may be granted and thereafter remain in effect only if, with respect to the position in which reemployed, the number of regularly scheduled hours in each week or other period is at least ½ but not more than ¾ those last in effect for the individual before the separation referred to in subparagraph (A).

"(3)(A) In no event shall the sum of the rate of basic pay for, plus annuity allocable to, any period of service as a reemployed annuitant under this subsection exceed the rate of basic pay that would then be in effect for service performed during such period if separation had not occurred.

"(B) If the limitation under subparagraph (A) would otherwise be exceeded, an amount equal to the excess shall be deducted from basic pay for the period involved (but not to exceed total basic pay for such period), and any amount so deducted shall be deposited in the Treasury of the United States to the credit of the Fund.

"(4) The number of reemployed annuitants under this subsection at any given time may not, when taken together with the then current number under section 8344(m), exceed a total of 50.

"(5) All waivers under this subsection shall cease to be effective after September 30, 2001.".

(c) REPORTING REQUIREMENT.—Not later than December 31, 2000, the Secretary of Defense shall submit to each House of Congress and the Office of Personnel Management a written report on the operation of sections 8344(m) and 8468(j) of title 5, United States Code, as amended by this section. Such report shall include—

(1) recommendations as to whether or not those provisions of law should be continued beyond September 30, 2001, and, if so, under what conditions or constraints; and

(2) any other information which the Secretary of Defense may consider appropriate.

SEC. 336. MODIFICATION OF AUTHORITY FOR CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE TO PARTICIPATE VOLUNTARILY IN REDUCTIONS IN FORCE.

Section 3502(f) of title 5, United States Code, is amended to read as follows:

"(f)(1) The Secretary of Defense or the Secretary of a military department may—

"(A) separate from service any employee who volunteers to be separated under this subparagraph even though the employee is not otherwise subject to separation due to a reduction in force; and

"(B) for each employee voluntarily separated under subparagraph (A), retain an employee in a similar position who would otherwise be separated due to a reduction in force.

"(2) The separation of an employee under paragraph (1)(A) shall be treated as an involuntary separation due to a reduction in force.

"(3) An employee with critical knowledge and skills (as defined by the Secretary concerned) may not participate in a voluntary separation under paragraph (1)(A) if the Secretary concerned determines that such participation would impair the performance of the mission of the Department of Defense or the military department concerned.

"(4) The regulations prescribed under this section shall incorporate the authority provided in this subsection.

"(5) No authority under paragraph (1) may be exercised after September 30, 2001.".

Subtitle E—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 341. CONTRACTS WITH OTHER AGENCIES AND INSTRUMENTALITIES FOR GOODS AND SERVICES.

(a) Contracts to Promote Efficient Operation and Management.—Chapter 147 of title 10, United States Code, is amended by adding at the end the following new section:

"§2490b. Contracts with other agencies and instrumentalities for goods and services

"An agency or instrumentality of the Department of Defense that supports the operation of the exchange or morale, welfare, and recreation systems of the Department of Defense may enter into a contract or other agreement with another department, agency, or instrumentality of the Department of Defense or another Federal agency to provide goods and services beneficial to the efficient management and operation of the exchange or morale, welfare, and recreation systems.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2490b. Contracts with other agencies and instrumentalities for goods and services.".

SEC. 342. NONCOMPETITIVE PROCUREMENT OF BRAND-NAME COMMERCIAL ITEMS FOR RESALE IN COMMISSARY STORES.

(a) Clarification of Exception to Competitive Procurement.—Section 2486 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) The Secretary of Defense may not use the exception provided in section 2304(c)(5) of this title regarding the procurement of a brand-name commercial item for resale in commissary stores unless the commercial item is regularly sold outside of commissary stores under the same brand name as the name by which the commercial item will be sold in commissary stores.".

(b) Effect on Existing Contracts.—The amendment made by subsection (a) shall not affect the terms, conditions, or duration of any contract entered into by the Secretary of Defense before the date of the enactment of this Act for the procurement of commercial items for resale in commissary stores.

SEC. 343. PROHIBITION OF SALE OR RENTAL OF SEXUALLY EXPLICIT MATERIAL.

(a) In General—(1) Chapter 147 of title 10, United States Code, is amended by adding after section 2490b, as added by section 341, the following new section:

"§2490c. Sale or rental of sexually explicit material prohibited

"(a) Prohibition of Sale or Rental.—The Secretary of Defense may not permit the sale or rental of sexually explicit written or videotaped material on property under the jurisdiction of the Department of Defense.

"(b) Prohibition of Officially Provided Sexually Explicit Material.—A member of the armed forces or a civilian officer or employee of the Department of Defense acting in an official capacity for sale, remuneration, or rental may not provide sexually explicit material to another person.

"(c) Regulations.—The Secretary of Defense shall prescribe regulations to implement this section.

"(d) Definitions.—In this section:

"(1) The term 'sexually explicit material' means an audio recording, a film or video recording, or a periodical with visual depictions, produced in any medium, the dominant theme of which depicts or describes nudity, including sexual or excretory activities or organs, in a lascivious way.

"(2) The term 'property under the jurisdiction of the Department of Defense' includes commissaries, all facilities operated by the Army and Air Force Exchange Service, the Navy Exchange Service Command, the Navy Resale and Services Support Office, Marine Corps exchanges, and ship stores.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2490b, as added by section 341, the following new item:

"2490c. Sale or rental of sexually explicit material prohibited.".

(b) Effective Date.—Subsection (a) of section 2490c of title 10, United States Code, as added by subsection (a) of this section, shall take effect 90 days after the date of the enactment of this Act.

Subtitle F—Performance of Functions by Private-Sector Sources

SEC. 351. EXTENSION OF REQUIREMENT FOR COMPETITIVE PROCUREMENT OF PRINTING AND DUPLICATION SERVICES.

(a) Extension.—Section 351(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 266) is amended by striking out "fiscal year 1996" and inserting in lieu thereof "fiscal years 1996 and 1997".

(b) Reporting Requirements.—Such section is further amended by adding at the end the following new subsection:

"(c) Reporting Requirements.—(1) Not later than 90 days after the end of each fiscal year in which the requirement of subsection (a) applies, the Secretary of Defense shall submit to Congress a report—

"(A) describing the extent of the compliance of the Secretary with the requirement during that fiscal year;

"(B) specifying the total volume of printing and duplication services procured by Department of Defense during that fiscal year—

"(i) from sources within the Department of Defense;

"(ii) from private-sector sources; and

"(iii) from other sources in the Federal Government; and

"(C) specifying the total volume of printed and duplicated material during that fiscal year covered by the exception in subsection (b).

"(2) The report required for fiscal year 1996 shall also include the plans of the Secretary for further implementation of the requirement of subsection (a) during fiscal year 1997.".

SEC. 352. REQUIREMENT REGARDING USE OF PRIVATE SHIPYARDS FOR COMPLEX NAVAL SHIP REPAIR CONTRACTS.

(a) In General.—(1) Chapter 633 of title 10, United States Code, is amended by adding at the end the following new section:

"§7315. Use of private shipyards for complex ship repair work: limitation to certain shipyards

"(a) Limitation on Repair Locations.—Whenever a naval vessel (other than a submarine) is to undergo complex ship repairs and the Secretary of the Navy determines that a private shipyard contractor is to be used for the work required, such work—

"(1) may be performed only by a qualifying shipyard contractor; and

"(2) shall be performed at the shipyard facility of the contractor selected unless the Secretary determines that the work should be conducted elsewhere in the interest of national security.

"(b) Qualifying Shipyard Contractor.—For the purposes of this section, a qualifying shipyard contractor, with respect to the award of any contract for ship repair work, is a private shipyard that—

"(1) is capable of performing the repair and overhaul of ships with a displacement of 800 tons or more;

"(2) performs at least 55 percent of repairs with its own facilities and work force;

"(3) possesses or has access to a dry-dock and a pier with the capability to berth a ship with a displacement of 800 tons or more; and

"(4) has all the facilities and organizational elements needed for the repair of a ship with a displacement of 800 tons or more.

"(c) Complex Ship Repairs.—In this section, the term 'complex ship repairs' means repairs to a vessel performed at a shipyard that are estimated (before work on the repairs by a shipyard begins) to require expenditure of $750,000 or more.

"(d) Exception Regarding Pacific Coast.—This section shall not apply in the case of complex ship repairs to be performed at a shipyard facility located on the Pacific Coast of the United States.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"7315. Use of private shipyards for complex ship repair work: limitation to certain shipyards.".

(b) Effective Date.—Section 7315 of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts for complex ship repairs that are awarded after the date of the enactment of this Act.

Subtitle G—Other Matters

SEC. 360. TERMINATION OF DEFENSE BUSINESS OPERATIONS FUND AND PREPARATION OF PLAN REGARDING IMPROVED OPERATION OF WORKING-CAPITAL FUNDS.

(a) Repeal of Defense Business Operations Fund.—(1) Section 2216 of title 10, United States Code, as added by section 371(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 277), is repealed.

(2) The table of sections at the beginning of chapter 131 of title 10, United States Code, is amended by striking out the item relating to such section.

(3) The amendments made by this subsection shall take effect on October 1, 1998.

(b) Plan for Improved Operation of Working-Capital Funds.—Not later than September

30, 1997, the Secretary of Defense shall submit to Congress a plan to improve the management and performance of the industrial, commercial, and support type activities of the military departments or the Defense Agencies that are currently managed through the Defense Business Operations Fund.

(c) ELEMENTS OF PLAN.—The plan required by subsection (b) shall address the following issues:

(1) The ability of each military department to set working capital requirements and set charges at its own industrial and supply activities.

(2) The desirability of separate business accounts for the management of both industrial and supply activities for each military department.

(3) Liability for operating losses at industrial and supply activities.

(4) Reimbursement to the Department of Defense for each military department's fair share of the costs of legitimate common business support services provided by the Department of Defense (such as accounting and financial services and central logistics services).

(5) The role of the Department of Defense in setting charges or imposing surcharges for activities managed by the military department business accounts (except for the common business support costs described in paragraph (4)), and what such charges should properly reflect.

(6) The appropriate use of operating profits arising from the operations of the industrial and supply activities of a military department.

(7) The ability of military departments to purchase industrial and supply services from, and provide such services to, other military departments.

(8) Standardization of financial management and accounting practices employed by military department business accounts.

(9) Reporting requirements related to actual and projected performance of military department business management account activities.

SEC. 361. INCREASE IN CAPITAL ASSET THRESHOLD UNDER DEFENSE BUSINESS OPERATIONS FUND.

Section 2216 of title 10, United States Code, as added by section 371(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 227), is amended in subsection (i)(1) by striking out "$50,000" and inserting in lieu thereof "$100,000".

SEC. 362. TRANSFER OF EXCESS PERSONAL PROPERTY TO SUPPORT LAW ENFORCEMENT ACTIVITIES.

(a) TRANSFER AUTHORITY.—(1) Chapter 153 of title 10, United States Code, is amended by inserting after section 2576 the following new section:

"§2576a. Excess personal property: sale or donation for law enforcement activities

"(a) TRANSFER AUTHORIZED.—(1) Notwithstanding any other provision of law and subject to subsection (b), the Secretary of Defense may transfer to Federal and State agencies personal property of the Department of Defense, including small arms and ammunition, that the Secretary determines is—

"(A) suitable for use by the agencies in law enforcement activities, including counter-drug activities; and

"(B) excess to the needs of the Department of Defense.

"(2) The Secretary shall carry out this section in consultation with the Attorney General and the Director of National Drug Control Policy.

"(b) CONDITIONS FOR TRANSFER.—The Secretary may transfer personal property under this section only if—

"(1) the property is drawn from existing stocks of the Department of Defense; and

"(2) the transfer is made without the expenditure of any funds available to the Department of Defense for the procurement of defense equipment.

"(c) CONSIDERATION.—Personal property may be transferred under this section without cost to the recipient agency.

"(d) PREFERENCE FOR CERTAIN TRANSFERS.—In considering applications for the transfer of personal property under this section, the Secretary shall give a preference to those applications indicating that the transferred property will be used in the counter-drug activities of the recipient agency.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2576 the following new item:

"2576a. Excess personal property: sale or donation for law enforcement activities.".

(b) CONFORMING AMENDMENTS.—(1) Section 1208 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 10 U.S.C. 372 note) is repealed.

(2) Section 1005 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1630) is amended by striking out "section 1208 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (10 U.S.C. 372 note) and section 372" and inserting in lieu thereof "sections 372 and 2576a".

SEC. 363. STORAGE OF MOTOR VEHICLE IN LIEU OF TRANSPORTATION.

(a) STORAGE AUTHORIZED.—(1) Section 2634 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g)(1) In lieu of transportation authorized by this section, if a member is ordered to make a change of permanent station to a foreign country and the laws, regulations, or other restrictions imposed by the foreign country or the United States preclude entry of a motor vehicle described in subsection (a) into that country, or would require extensive modification of the vehicle as a condition to entry, the member may elect to have the vehicle stored at the expense of the United States at a location approved by the Secretary concerned.

"(2) If a member is transferred or assigned to duty at a location other than the permanent station of the member for a period of more than 30 consecutive days, but the transfer or assignment is not considered a change of permanent station, the member may elect to have a motor vehicle described in subsection (a) stored at the expense of the United States at a location approved by the Secretary concerned.

"(3) Authorized expenses under this subsection include costs associated with the delivery of the motor vehicle for storage and removal of the vehicle for delivery to a destination approved by the Secretary concerned.".

(2)(A) The heading of such section is amended to read as follows:

"§2634. Motor vehicles: transportation or storage for members on change of permanent station or extended deployment".

(B) The item relating to such section in the table of sections at the beginning of chapter 157 of title 10, United States Code, is amended to read as follows:

"2634. Motor vehicles: transportation or storage for members on change of permanent station or extended deployment.".

(b) CONFORMING AMENDMENT.—Section 406(h)(1) of title 37, United States Code, is amended by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraph:

"(B) in the case of a member described in paragraph (2)(A), authorize the transportation of one motor vehicle, which is owned or leased by the member (or a dependent of the member) and is for the personal use of a dependent of the member, to that location by means of transportation authorized under section 2634 of title 10 or authorize the storage of the motor vehicle pursuant to subsection (g) of such section.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1997.

SEC. 364. CONTROL OF TRANSPORTATION SYSTEMS IN TIME OF WAR.

(a) RESPONSIBILITY OF SECRETARY OF DEFENSE.—Chapter 157 of title 10, United States Code is amended by adding at the end the following new section:

"§2644. Control of transportation systems in time of war

"In time of war, the President, acting through the Secretary of Defense, may take possession and assume control of all or any part of a system of transportation to transport troops, war material, and equipment, or for other purposes related to the emergency. So far as necessary, the Secretary may use the transportation system to the exclusion of other traffic.".

(b) CONFORMING REPEALS.—Sections 4742 and 9742 of title 10, United States Code are repealed.

(c) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 447 of such title is amended by striking out the item relating to section 4742.

(2) The table of sections at the beginning of chapter 947 of such title is amended by striking out the item relating to section 9742.

(3) The table of sections at the beginning of chapter 157 of such title 10 is amended by inserting after the item relating to section 2643 the following new item:

"2644. Control of transportation systems in time of war.".

SEC. 365. SECURITY PROTECTIONS AT DEPARTMENT OF DEFENSE FACILITIES IN NATIONAL CAPITAL REGION.

(a) EXPANSION OF AUTHORITY.—Subsection (b) of section 2674 of title 10, United States Code, is amended by striking out "at the Pentagon Reservation" and inserting in lieu thereof "in the National Capital Region".

(b) CLERICAL AMENDMENT.—(1) The heading of such section is amended to read as follows:

"§2674. Operation and control of Pentagon Reservation and defense facilities in National Capital Region".

(2) The item relating to such section in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"2674. Operation and control of Pentagon Reservation and defense facilities in National Capital Region.".

SEC. 366. MODIFICATIONS TO ARMED FORCES RETIREMENT HOME ACT OF 1991.

(a) TERM OF OFFICE.—Section 1515 of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 415) is amended—

(1) in subsection (e), by adding at the end the following:

"(3) The chairman of the Retirement Home Board may appoint a member of the Retirement Home Board for a second consecutive term. The chairman of a Local Board may appoint a member of that Local Board for a second consecutive term."; and

(2) by striking out subsection (f) and inserting in lieu thereof the following:

"(f) EARLY EXPIRATION OF TERM.—A member of the Armed Forces or Federal civilian employee who is appointed as a member of the Retirement Home Board or a Local Board may serve as a board member only so long as the member of the Armed Forces or Federal civilian employee is assigned to or serving in the duty position that gave rise to the appointment as a board member.".

(b) DISPOSAL OF REAL PROPERTY.—Section 1516(d) of such Act (24 U.S.C. 416(d)) is amended

by striking out "(d)" and all that follows through the end of paragraph (1) and inserting in lieu thereof the following:

"(d) DISPOSAL OF REAL PROPERTY.—(1) The Retirement Home Board may dispose of real property of the Retirement Home by sale or otherwise, except that the disposal may not occur until after the end of a period of 30 legislative days or 60 calendar days, whichever is longer, beginning on the date on which the Retirement Home Board notifies the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of the proposed disposal. The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411), and any other provision of law or regulation relating to the handling or disposal of real property by the United States shall not apply to the disposal of real property by the Retirement Home Board.".

(c) ANNUAL EVALUATION OF DIRECTORS.—Section 1517 of such Act (24 U.S.C. 417) is amended by striking out subsection (f) and inserting in lieu thereof the following:

"(f) ANNUAL EVALUATION OF DIRECTORS.—The chairman of the Retirement Home Board shall annually evaluate the performance of the Directors and shall make such recommendations to the Secretary of Defense as the chairman considers appropriate in light of the evaluation.".

(d) EFFECT OF AMENDMENT.—The amendment made by subsection (a)(2) shall not affect the staggered terms of members of the Armed Forces Retirement Home Board or a Local Board of the Retirement Home under section 1515(f) of such Act, as in effect before the date of the enactment of this Act.

SEC. 367. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) CONTINUATION OF DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 1997.—Of the amounts authorized to be appropriated in section 301(5)—

(1) $50,000,000 shall be available for providing educational agencies assistance (as defined in subsection (d)(1)) to local educational agencies; and

(2) $8,000,000 shall be available for making educational agencies payments (as defined in subsection (d)(2)) to local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 1997, the Secretary of Defense shall—

(1) notify each local educational agency that is eligible for educational agencies assistance for fiscal year 1997 of that agency's eligibility for such assistance and the amount of such assistance for which that agency is eligible; and

(2) notify each local educational agency that is eligible for an educational agencies payment for fiscal year 1997 of that agency's eligibility for such payment and the amount of the payment for which that agency is eligible.

(c) DISBURSEMENT OF FUNDS.—The Secretary of Defense shall disburse funds made available under paragraphs (1) and (2) of subsection (a) not later than 30 days after the date on which notification to the eligible local educational agencies is provided pursuant to subsection (b).

(d) DEFINITIONS.—In this section:

(1) The term "educational agencies assistance" means assistance authorized under section 386(b) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(2) The term "educational agencies payments" means payments authorized under section 386(d) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(3) The term "local educational agency" has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

SEC. 368. RETENTION OF CIVILIAN EMPLOYEE POSITIONS AT MILITARY TRAINING BASES TRANSFERRED TO NATIONAL GUARD.

(a) MILITARY TRAINING INSTALLATIONS AFFECTED.—This section applies with respect to each military training installation that—

(1) was approved for closure in 1995 under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note);

(2) is scheduled for transfer during fiscal year 1997 to National Guard operation and control; and

(3) will continue to be used, after such transfer, to provide training support to active and reserve components of the Armed Forces.

(b) RETENTION OF EMPLOYEE POSITIONS.—In the case of a military training installation described in subsection (a), the Secretary of Defense shall retain civilian employee positions of the Department of Defense at the installation after transfer to the National Guard to facilitate active and reserve component training at the installation.

(c) MAXIMUM POSITIONS RETAINED.—The maximum number of civilian employee positions retained at an installation under this section shall not exceed 20 percent of the Federal civilian workforce employed at the installation as of September 8, 1995.

(d) REMOVAL OF POSITION.—The requirement to maintain a civilian employee position at an installation under this section shall terminate upon the later of the following:

(1) The date of the departure or retirement of the civilian employee initially employed or retained in a civilian employee position at the installation as a result of this section.

(2) The date on which the Secretary certifies to Congress that a civilian employee position at the installation is no longer required to ensure that effective support is provided at the installation for active and reserve component training.

SEC. 369. EXPANSION OF AUTHORITY TO DONATE UNUSABLE FOOD.

(a) AUTHORITY FOR DONATIONS FROM DEFENSE AGENCIES.—Section 2485 of title 10, United States Code, is amended by striking out "Secretary of a military department" in subsections (a) and (b) and inserting in lieu thereof "Secretary of Defense".

(b) EXPANSION OF ELIGIBLE RECIPIENTS.—Such section is further amended—

(1) in subsection (a), by striking out "authorized charitable nonprofit food banks" and inserting in lieu thereof "entities specified under subsection (d)"; and

(2) in subsection (d), by striking out "may only be made" and all that follows and inserting in lieu thereof the following: "may only be made to an entity that is one of the following:

"(1) A charitable nonprofit food bank that is designated by the Secretary of Defense or the Secretary of Health and Human Services as authorized to receive such donations.

"(2) A State or local agency that is designated by the Secretary of Defense or the Secretary of Health and Human Services as authorized to receive such donations.

"(3) A chapter or other local unit of a recognized national veterans organization that provides services to persons without adequate shelter and is designated by the Secretary of Veterans Affairs as authorized to receive such donations.

"(4) A not-for-profit organization that provides care for homeless veterans and is designated by the Secretary of Veterans Affairs as authorized to receive such donations.".

(c) CLARIFICATION OF FOOD THAT MAY BE DONATED.—Subsection (b) of such section is further amended by inserting "rations known as humanitarian daily rations (HDRs)," after "(MREs),".

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1997, as follows:

(1) The Army, 495,000.

(2) The Navy, 407,318.

(3) The Marine Corps, 174,000.

(4) The Air Force, 381,100.

SEC. 402. PERMANENT END STRENGTH LEVELS TO SUPPORT TWO MAJOR REGIONAL CONTINGENCIES.

Section 691 of title 10, United States Code, is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The budget for the Department of Defense for any fiscal year as submitted to Congress shall include amounts for funding for each of the armed forces (other than the Coast Guard) at least in the amounts necessary to maintain the active duty end strengths prescribed in subsection (b), as in effect at the time that such budget is submitted.

"(d) No funds appropriated to the Department of Defense may be used to implement a reduction of the active duty end strength for any of the armed forces (other than the Coast Guard) for any fiscal year below the level specified in subsection (b) unless the reduction in end strength for that armed force for that fiscal year is specifically authorized by law.".

SEC. 403. AUTHORIZED STRENGTHS FOR COMMISSIONED OFFICERS ON ACTIVE DUTY IN GRADES OF MAJOR, LIEUTENANT COLONEL, AND COLONEL AND NAVY GRADES OF LIEUTENANT COMMANDER, COMMANDER, AND CAPTAIN.

(a) REVISION IN ARMY, AIR FORCE, AND MARINE CORPS LIMITATIONS.—The table in paragraph (1) of section 523(a) of title 10, United States Code, is amended to read as follows:

"Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in the grade of:		
	Major	Lieutenant Colonel	Colonel
Army:			
35,000	8,922	6,419	2,163
40,000	9,614	6,807	2,347
45,000	10,305	7,196	2,530
50,000	10,997	7,584	2,713
55,000	11,688	7,973	2,897
60,000	12,380	8,361	3,080
65,000	13,071	8,750	3,264
70,000	13,763	9,138	3,447
75,000	14,454	9,527	3,631
80,000	15,146	9,915	3,814
85,000	15,837	10,304	3,997
90,000	16,529	10,692	4,181
95,000	17,220	11,081	4,364
100,000	17,912	11,469	4,548
110,000	19,295	12,246	4,915
120,000	20,678	13,023	5,281
130,000	22,061	13,800	5,648
170,000	27,593	16,908	7,116
Air Force:			
35,000	9,216	7,090	2,125
40,000	10,025	7,478	2,306
45,000	10,835	7,866	2,487
50,000	11,645	8,253	2,668
55,000	12,454	8,641	2,849
60,000	13,264	9,029	3,030

"Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in the grade of:		
	Major	Lieutenant Colonel	Colonel
65,000	14,073	9,417	3,211
70,000	14,883	9,805	3,392
75,000	15,693	10,193	3,573
80,000	16,502	10,582	3,754
85,000	17,312	10,971	3,935
90,000	18,121	11,360	4,115
95,000	18,931	11,749	4,296
100,000	19,741	12,138	4,477
105,000	20,550	12,527	4,658
110,000	21,360	12,915	4,838
115,000	22,169	13,304	5,019
120,000	22,979	13,692	5,200
125,000	23,789	14,081	5,381
Marine Corps:			
10,000	2,525	1,480	571
12,500	2,900	1,600	592
15,000	3,275	1,720	613
17,500	3,650	1,840	633
20,000	4,025	1,960	654
22,500	4,400	2,080	675
25,000	4,775	2,200	695."

(b) REVISION IN NAVY LIMITATIONS.—The table in paragraph (2) of such section is amended to read as follows:

"Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in grade of:		
	Lieutenant commander	Commander	Captain
Navy:			
30,000	7,331	5,018	2,116
33,000	7,799	5,239	2,223
36,000	8,267	5,460	2,330
39,000	8,735	5,681	2,437
42,000	9,203	5,902	2,544
45,000	9,671	6,123	2,651
48,000	10,139	6,343	2,758
51,000	10,606	6,561	2,864
54,000	11,074	6,782	2,971
57,000	11,541	7,002	3,078
60,000	12,009	7,222	3,185
63,000	12,476	7,441	3,292
66,000	12,944	7,661	3,398
70,000	13,567	7,954	3,541
90,000	16,683	9,419	4,254."

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on September 1, 1997, except that with the approval of the Secretary of Defense the Secretary of a military department may prescribe an earlier date for that Secretary's military department. Any such date shall be published in the Federal Register.

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) FISCAL YEAR 1997.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1997, as follows:

(1) The Army National Guard of the United States, 366,758.

(2) The Army Reserve, 215,179.

(3) The Naval Reserve, 96,304.

(4) The Marine Corps Reserve, 42,000.

(5) The Air National Guard of the United States, 108,843.

(6) The Air Force Reserve, 73,281.

(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may vary the end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component for a fiscal year shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1997, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 22,798.

(2) The Army Reserve, 11,729.

(3) The Naval Reserve, 16,603.

(4) The Marine Corps Reserve, 2,559.

(5) The Air National Guard of the United States, 10,378.

(6) The Air Force Reserve, 625.

SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS.

(a) AUTHORIZATION FOR FISCAL YEAR 1997.—The minimum number of military technicians as of the last day of fiscal year 1997 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 6,799.

(2) For the Army National Guard of the United States, 25,500.

(3) For the Air Force Reserve, 9,802.

(4) For the Air National Guard of the United States, 22,906.

(b) INFORMATION TO BE PROVIDED WITH FUTURE AUTHORIZATION REQUESTS.—Section 10216 of title 10, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) INFORMATION REQUIRED TO BE SUBMITTED WITH ANNUAL END STRENGTH AUTHORIZATION REQUEST.—(1) The Secretary of Defense shall include as part of the budget justification documents submitted to Congress with the budget of the Department of Defense for any fiscal year the following information with respect to the end strengths for military technicians requested in that budget pursuant to section 115(g) of this title, shown separately for each of the Army and Air Force reserve components:

"(A) The number of dual-status technicians in the high priority units and organizations specified in subsection (a)(1).

"(B) The number of technicians other than dual-status technicians in the high priority units and organizations specified in subsection (a)(1).

"(C) The number of dual-status technicians in other than high priority units and organizations specified in subsection (a)(1).

"(D) The number of technicians other than dual-status technicians in other than high priority units and organizations specified in subsection (a)(1).

"(2)(A) If the budget submitted to Congress for any fiscal year requests authorization for that fiscal year under section 115(g) of this title of a military technician end strength for a reserve component of the Army or Air Force in a number that constitutes a reduction from the end strength minimum established by law for that reserve component for the fiscal year during which the budget is submitted, the Secretary of Defense shall submit to the congressional defense committees with that budget a justification providing the basis for that requested reduction in technician end strength.

"(B) Any justification submitted under subparagraph (A) shall clearly delineate—

"(i) in the case of a reduction that includes a reduction in technicians described in subparagraph (A) or (C) of paragraph (1), the specific force structure reductions forming the basis for such requested technician reduction (and the numbers related to those force structure reductions); and

"(ii) in the case of a reduction that includes reductions in technicians described in subparagraphs (B) or (D) of paragraph (1), the specific force structure reductions, Department of Defense civilian personnel reductions, or other reasons forming the basis for such requested technician reduction (and the numbers related to those reductions).".

(c) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by striking out "section 115" and inserting in lieu thereof "section 115(g)"; and

(2) in subsection (c), as redesignated by subsection (b)(1), by striking out "after the date of the enactment of this section" both places it appears and inserting in lieu thereof "after February 10, 1996,".

Subtitle C—Authorization of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1997 a total of $70,206,030,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1997.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Personnel Management

SEC. 501. AUTHORIZATION FOR SENIOR ENLISTED MEMBERS TO REENLIST FOR AN INDEFINITE PERIOD OF TIME.

Subsection (d) of section 505 of title 10, United States Code, is amended to read as follows:

"(d)(1) For a member with less than 10 years of service, the Secretary concerned may accept a reenlistment in the Regular Army, Regular Navy, Regular Air Force, Regular Marine Corps, or Regular Coast Guard, as the case may be, for periods of at least two but not more than six years.

"(2) At the discretion of the Secretary concerned, a member with 10 or more years of service who reenlists in the Regular Army, Regular Navy, Regular Air Force, Regular Marine Corps, or Regular Coast Guard, as the case may be, and who meets all qualifications for continued service, may be accepted for reenlistment of an unspecified period of time.".

SEC. 502. AUTHORITY TO EXTEND ENTRY ON ACTIVE DUTY UNDER THE DELAYED ENTRY PROGRAM.

Section 513(b) of title 10, United States Code, is amended—

(1) by adding after the first sentence the following new sentence: "The Secretary concerned may extend the 365-day period for any person for up to an additional 180 days if the Secretary considers such extension to be warranted on a case-by-case basis."; and

(2) in the last sentence, by striking out "the preceding sentence" and inserting in lieu thereof "under this subsection".

SEC. 503. PERMANENT AUTHORITY FOR NAVY SPOT PROMOTIONS FOR CERTAIN LIEUTENANTS.

Section 5721 of title 10, United States Code, is amended by striking out subsection (g).

SEC. 504. REPORTS ON RESPONSE TO RECOMMENDATIONS CONCERNING IMPROVEMENTS TO DEPARTMENT OF DEFENSE JOINT MANPOWER PROCESS.

(a) SEMIANNUAL REPORT.—The Secretary of Defense shall submit to Congress a semiannual report on the status of actions taken by the Secretary to implement the recommendations made by the Department of Defense Inspector General in the report of November 29, 1995, entitled "Inspection of the Department of Defense Joint Manpower Process" (Report No. 96–029). The first such report shall be submitted not later than February 1, 1997.

(b) ADDITIONAL MATTER FOR FIRST REPORT.—As part of the first report under subsection (a), the Secretary shall include the following:

(1) The Secretary's assessment as to the need to establish a joint, centralized permanent organization in the Department of Defense to determine, validate, approve, and manage military and civilian manpower requirements resources at joint organizations.

(2) The Secretary's assessment of the Department of Defense timeline and plan to increase the capability of the joint professional military education system (including the Armed Forces Staff College) to overcome the capacity limitations cited in the report referred to in subsection (a).

(3) The Secretary's plan and timeline to provide the necessary training and education of reserve component officers.

(c) GAO ASSESSMENT.—The Comptroller General of the United States shall assess the completeness and adequacy of the corrective actions taken by the Secretary with respect to the matters covered in the report referred to in subsection (a) and shall submit a report to Congress, not later than one year after the date of enactment of this Act, providing the Comptroller General's findings and recommendations.

SEC. 505. FREQUENCY OF REPORTS TO CONGRESS ON JOINT OFFICER MANAGEMENT POLICIES.

(a) CHANGE FROM SEMIANNUAL TO ANNUAL REPORT.—Section 662(b) of title 10, United States Code, is amended by striking out "REPORT.—The Secretary of Defense shall periodically (and not less often than every six months) report to Congress on the promotion rates" and inserting in lieu thereof "ANNUAL REPORT.—Not later than January 1 of each year, the Secretary of Defense shall submit to Congress a report on the promotion rates during the preceding fiscal year".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Such section is further amended—

(1) in the first sentence, by striking out "clauses" and inserting in lieu thereof "paragraphs"; and

(2) in the second sentence—

(A) by inserting "for any fiscal year" after "such objectives"; and

(B) by striking out "periodic report required by this subsection" and inserting in lieu thereof "report for that fiscal year".

SEC. 506. REPEAL OF REQUIREMENT THAT COMMISSIONED OFFICERS BE INITIALLY APPOINTED IN A RESERVE GRADE.

Section 532 of title 10, United States Code, is amended by striking out subsection (e).

SEC. 507. CONTINUATION ON ACTIVE STATUS FOR CERTAIN RESERVE OFFICERS OF THE AIR FORCE.

(a) AUTHORITY.—Section 14507 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) TEMPORARY AUTHORITY TO RETAIN CERTAIN OFFICERS DESIGNATED AS JUDGE ADVOCATES.—(1) Notwithstanding the provisions of subsections (a) and (b), the Secretary of the Air Force may retain on the reserve active-status list any reserve officer of the Air Force who is designated as a judge advocate and who obtained the first professional degree in law while on an educational delay program subsequent to being commissioned through the Reserve Officers' Training Corps.

"(2) No more than 50 officers may be retained on the reserve active-status list under the authority of paragraph (1) at any time.

"(3) No officer may be retained on the reserve active-status list under the authority of paragraph (1) for a period exceeding three years from the date on which, but for that authority, that officer would have been removed from the reserve active-status list under subsection (a) or (b).

"(4) The authority of the Secretary of the Air Force under paragraph (1) expires on September 30, 2003.".

(b) EFFECTIVE DATE.—Subsection (c) of section 14507 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1996.

Subtitle B—Reserve Component Matters

SEC. 511. INDIVIDUAL READY RESERVE ACTIVATION AUTHORITY.

(a) IRR MEMBERS SUBJECT TO ORDER TO ACTIVE DUTY OTHER THAN DURING WAR OR NATIONAL EMERGENCY.—Section 10144 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "Within the Ready Reserve"; and

(2) by adding at the end the following:

"(b)(1) Within the Individual Ready Reserve of each reserve component there is a mobilization category of members, as designated by the Secretary concerned, who are subject to being ordered to active duty involuntarily in accordance with section 12304 of this title. A member may not be placed in that mobilization category unless—

"(A) the member volunteers for that category; and

"(B) the member is selected for that category by the Secretary concerned, based upon the needs of the service and the grade and military skills of that member.

"(2) A member of the Individual Ready Reserve may not be carried in the mobilization category of members under paragraph (1) after the end of the 24-month period beginning on the date of the separation of the member from active service.

"(3) The Secretary shall designate the grades and critical military skills or specialities of members to be eligible for placement in such mobilization category.

"(4) A member in such mobilization category shall be eligible for benefits (other than pay and training) as are normally available to members of the Selected Reserve, as determined by the Secretary of Defense.".

(b) CRITERIA FOR ORDERING TO ACTIVE DUTY.—Subsection (a) of section 12304 of title 10, United States Code, is amended by inserting after "of this title)," the following: "or any member in the Individual Ready Reserve mobilization category and designated as essential under regulations prescribed by the Secretary concerned,".

(c) MAXIMUM NUMBER.—Subsection (c) of such section is amended—

(1) by inserting "and the Individual Ready Reserve" after "Selected Reserve"; and

(2) by inserting ", of whom not more than 30,000 may be members of the Individual Ready Reserve" before the period at the end.

(d) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (f), by inserting "or Individual Ready Reserve" after "Selected Reserve";

(2) in subsection (g), by inserting ", or member of the Individual Ready Reserve," after "to serve as a unit"; and

(3) by adding at the end the following new subsection:

"(i) For purposes of this section, the term 'Individual Ready Reserve mobilization category' means, in the case of any reserve component, the category of the Individual Ready Reserve described in section 10144(b) of this title.".

(e) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§12304. Selected Reserve and certain Individual Ready Reserve members; order to active duty other than during war or national emergency".

(2) The item relating to section 12304 in the table of sections at the beginning of chapter 1209 of such title is amended to read as follows:

"12304. Selected Reserve and certain Individual Ready Reserve members; order to active duty other than during war or national emergency".

SEC. 512. TRAINING FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Subsection (b) of section 12310 of title 10, United States Code, is amended to read as follows:

"(b) A Reserve on active duty as described in subsection (a) may be provided training and professional development opportunities consistent with those provided to other members on active duty, as the Secretary concerned sees fit.".

SEC. 513. CLARIFICATION TO DEFINITION OF ACTIVE STATUS.

Section 101(d)(4) of title 10, United States Code, is amended by striking out "a reserve commissioned officer, other than a commissioned warrant officer" and inserting in lieu thereof "a member of a reserve component".

SEC. 514. APPOINTMENT ABOVE GRADE OF O–2 IN THE NAVAL RESERVE.

Paragraph (3) of section 12205(b) of title 10, United States Code, is amended by inserting "or the Seaman to Admiral Program" before the period at the end.

SEC. 515. REPORT ON NUMBER OF ADVISERS IN ACTIVE COMPONENT SUPPORT OF RESERVES PILOT PROGRAM.

(a) REPORT ON NUMBER OF ACTIVE COMPONENT ADVISERS.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee

on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth the Secretary's determination as to the appropriate number of active component personnel to be assigned to serve as advisers to reserve components under section 414 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 12001 note). If the Secretary's determination is that such number should be a number other than the required minimum number in effect under subsection (c) of such section, the Secretary shall include in the report an explanation providing the Secretary's justification for the number recommended.

(b) TECHNICAL AMENDMENT.—Section 414(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 12001 note) is amended by striking out "During fiscal years 1992 and 1993, the Secretary of the Army shall institute" and inserting in lieu thereof "The Secretary of the Army shall carry out".

SEC. 516. SENSE OF CONGRESS AND REPORT REGARDING REEMPLOYMENT RIGHTS FOR MOBILIZED RESERVISTS EMPLOYED IN FOREIGN COUNTRIES.

(a) SENSE OF CONGRESS.—Congress is concerned about the lack of reemployment rights afforded Reserve component members who reside in foreign countries and either work for United States companies that maintain offices or operations in foreign countries or work for foreign employers. Being outside the jurisdiction of the United States, these employers are not subject to the provisions of chapter 43 of title 38, United States Code, known as the Uniformed Services Employment and Reemployment Rights Act (USERRA). The purpose of that Act is to provide statutory employment protections that include reinstatement, seniority, status, and rate of pay coverage for Reservists who are ordered to active duty for a specified period of time, including involuntary active duty in support of an operational contingency. While most Reserve members are afforded the protections of that Act (which covers reemployment rights in their civilian jobs upon completion of military service), approximately 2,000 members of the Selected Reserve reside outside the United States and its territories and, not being guaranteed the job protection envisioned by the USERRA, are potentially subject to reemployment problems after release from active duty. During Operation Joint Endeavor, a number of Reservists who are currently living and working abroad and who were involuntarily ordered to active duty in support of that operation did in fact face reemployment problems with their civilian employers. This situation poses a continuing personnel management challenge for the reserve components.

(b) RECOGNITION OF PROBLEM.—Congress, while recognizing that foreign governments and companies located abroad, not being within the jurisdiction of the United States, cannot be required to comply with the provisions of the Uniformed Services Employment and Reemployment Rights Act, also recognizes that there is a need to provide assistance to Reservists in the situation described in subsection (a), both in the near term and the long term.

(c) REPORT REQUIREMENT.—Not later than April 1, 1997, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report that sets forth recommended actions to help alleviate reemployment problems for Reservists who are employed outside the United States and its territories by United States companies that maintain offices or operations in foreign countries or by foreign employers. The report shall include recommendations on the assistance and support that may be required by other organizations of the Government, including the Defense Attaché Offices, the Department of Labor, and the Department of State. The report shall be prepared in consultation with the Secretary of State and the Secretary of Labor.

Subtitle C—Jurisdiction and Powers of Courts-Martial for the National Guard When Not in Federal Service

SEC. 531. COMPOSITION, JURISDICTION, AND PROCEDURES OF COURTS-MARTIAL.

Section 326 of title 32, United States Code, is amended—

(1) by inserting "(a)" at the beginning of the text of the section;

(2) by striking out the second sentence and inserting in lieu thereof the following: "They shall follow substantially the forms and procedures provided for those courts and shall provide accused members of the National Guard the rights and protections provided in those courts."; and

(3) by adding at the end the following:

"(b) Courts-martial of the National Guard not in Federal service do not have jurisdiction over those persons who are subject to the jurisdiction of a court-martial pursuant to section 802 of title 10.

"(c) A court-martial of the National Guard not in Federal service shall have such jurisdiction and powers, consistent with the provisions of this chapter, as may be provided by the law of the State or Territory, Puerto Rico, or District of Columbia in which the court-martial is convened.".

SEC. 532. GENERAL COURTS-MARTIAL.

(a) CONVENING AUTHORITY.—Subsection (a) of section 327 of title 32, United States Code, is amended by inserting "or adjutant general" after "governor".

(b) PUNISHMENTS.—Subsection (b) of such section is amended to read as follows:

"(b) A general court-martial may sentence an accused, upon conviction, to any of the following punishments:

"(1) A fine of not more than $500 for a single offense.

"(2) Forfeiture of pay and allowances in an amount of not more than $500 for a single offense or any forfeiture of pay for not more than six months.

"(3) A reprimand.

"(4) Dismissal, bad conduct discharge, or dishonorable discharge.

"(5) In the case of an enlisted member, reduction to a lower grade.

"(6) Confinement for not more than 180 days.

"(7) Any combination of the punishments specified in paragraphs (1) through (6).".

(c) LIMITATION ON PUNITIVE DISCHARGES.—Such section is further amended by adding at the end the following new subsection:

"(c)(1) A dismissal or bad conduct or dishonorable discharge may not be adjudged unless counsel was detailed to represent the accused and a military judge was detailed to the trial.

"(2) In a case in which the sentence adjudged includes dismissal or a bad conduct or dishonorable discharge, a verbatim record of the proceedings shall be made.".

SEC. 533. SPECIAL COURTS-MARTIAL.

(a) CONVENING AUTHORITY.—Subsection (a) of section 328 of title 32, United States Code, is amended by inserting ", if a National Guard officer," after "the commanding officer".

(b) PUNISHMENTS.—Subsection (b) of such section is amended to read as follows:

"(b) A special court-martial may sentence an accused, upon conviction, to any of the following punishments:

"(1) A fine of not more than $300 for a single offense.

"(2) Forfeiture of pay and allowances in an amount of not more than $300 for a single offense, but adjudged forfeiture of pay may not exceed two-thirds pay per month and forfeitures may not extend for more than six months.

"(3) A reprimand.

"(4) Bad conduct discharge.

"(5) In the case of an enlisted member, reduction to a lower grade.

"(6) Confinement for not more than 100 days.

"(7) Any combination of the punishments specified in paragraphs (1) through (6).".

(c) LIMITATION ON BAD CONDUCT DISCHARGES.—Subsection (c) of such section is amended to read as follows:

"(c)(1) A bad conduct discharge may not be adjudged unless counsel was detailed to represent the accused and a military judge was detailed to the trial.

"(2) In a case in which the sentence adjudged includes a bad conduct discharge, a verbatim record of the proceedings shall be made.".

SEC. 534. SUMMARY COURTS-MARTIAL.

(a) CONVENING AUTHORITY.—Subsection (a) of section 329 of title 32, United States Code, is amended—

(1) by inserting ", if a National Guard officer," after "the commanding officer"; and

(2) by inserting after the first sentence the following new sentence: "Summary courts-martial may also be convened by superior authority.".

(b) JURISDICTION.—Subsection (a) of such section is further amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following:

"(2) A summary court-martial may not try a commissioned officer.".

(c) PUNISHMENTS.—Subsection (b) of such section is amended to read as follows:

"(b) A summary court-martial may sentence an accused, upon conviction, to any of the following punishments:

"(1) A fine of not more than $200 for a single offense.

"(2) Forfeiture of pay and allowances in an amount of not more than $200 for a single offense, but not to exceed two-thirds of one month's pay.

"(3) Reduction to a lower grade.

"(4) Any combination of the punishments specified in paragraphs (1) through (3).".

(d) CONSENT OF ACCUSED FOR SUMMARY COURT-MARTIAL.—Such section is further amended by adding at the end the following new subsection:

"(c) An accused with respect to whom summary courts-martial have jurisdiction may not be brought to trial before a summary court-martial if the accused objects thereto. If an accused so objects to trial by summary court-martial, the convening authority may order trial by special or general court-martial, as may be appropriate.".

SEC. 535. REPEAL OF AUTHORITY FOR CONFINEMENT IN LIEU OF FINE.

Section 330 of title 32, United States Code, is repealed.

SEC. 536. APPROVAL OF SENTENCE OF BAD CONDUCT DISCHARGE OR CONFINEMENT.

(a) IN GENERAL.—Section 331 of title 32, United States Code, is amended by striking out "or dishonorable discharge" and inserting in lieu thereof ", bad conduct discharge, dishonorable discharge, or confinement for three months or more".

(b) CONFORMING AMENDMENT.—The heading of such section is amended to read as follows:

"§331. Sentences requiring approval of governor".

SEC. 537. AUTHORITY OF MILITARY JUDGES.

Section 332 of title 32, United States Code, is amended by inserting "or military judge" after "the president".

SEC. 538. STATUTORY REORGANIZATION.

(a) NEW TITLE 32 CHAPTER.—(1) Title 32, United States Code, is amended by inserting after section 325 the following:

"CHAPTER 4—COURTS-MARTIAL FOR THE NATIONAL GUARD WHEN NOT IN FEDERAL SERVICE

"Sec.
"401. Courts-martial: composition, jurisdiction, and procedures.
"402. General courts-martial.
"403. Special courts-martial.
"404. Summary courts-martial.
"405. Sentences requiring approval of governor.
"406. Compelling attendance of accused and witnesses.
"407. Execution of process and sentence.".

(2) The table of chapters at the beginning of such title is amended by inserting after the item relating to chapter 3 the following new item:

"4. Courts-Martial for the National Guard When not in Federal Service 401".

(3) The table of sections at the beginning of chapter 3 of such title is amended by striking out the items relating to sections 326 through 333.

(b) REDESIGNATION OF SECTIONS.—The following sections of title 32, United States Code (as amended by this subtitle), are redesignated as follows:

Section	Redesignated section
326	401
327	402
328	403
329	404
331	405
332	406
333	407

(c) SECTION HEADINGS.—The headings for sections 401, 402, 403, and 404 of title 32, United States Code, as redesignated by subsection (b), are amended by striking out "**of National Guard not in Federal service**".

SEC. 539. EFFECTIVE DATE.

The amendments made by this subtitle shall take effect on the date of the enactment of this Act, except that for an offense committed before that date the maximum punishment shall be the maximum punishment in effect at the time of the commission of the offense.

SEC. 540. CONFORMING AMENDMENTS TO UNIFORM CODE OF MILITARY JUSTICE.

(a) ARTICLE 20.—Section 820 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "Subject to";

(2) by striking out the second and third sentences and inserting in lieu thereof the following:

"(b) An accused with respect to whom summary courts-martial have jurisdiction may not be brought to trial before a summary court-martial if the accused objects thereto. If an accused so objects to trial by summary court-martial, the convening authority may order trial by special or general court-martial, as may be appropriate."; and

(3) by designating as subsection (c) the sentence beginning "Summary courts-martial may,".

(b) ARTICLE 54.—Section 854(c)(1) of such title is amended by striking out "complete record of the proceedings and testimony" and inserting in lieu thereof "verbatim record of the proceedings".

Subtitle D—Education and Training Programs

SEC. 551. EXTENSION OF MAXIMUM AGE FOR APPOINTMENT AS A CADET OR MIDSHIPMAN IN THE SENIOR RESERVE OFFICERS' TRAINING CORPS AND THE SERVICE ACADEMIES.

(a) SENIOR RESERVE OFFICERS' TRAINING CORPS.—Sections 2107(a) and 2107a(a) of title 10, United States Code, are amended—

(1) by striking out "25 years of age" and inserting in lieu thereof "27 years of age"; and

(2) by striking out "29 years of age" and inserting in lieu thereof "30 years of age".

(b) UNITED STATES MILITARY ACADEMY.—Section 4346(a) of such title is amended by striking out "twenty-second birthday" and inserting in lieu thereof "twenty-third birthday".

(c) UNITED STATES NAVAL ACADEMY.—Section 6958(a)(1) of such title is amended by striking out "twenty-second birthday" and inserting in lieu thereof "twenty-third birthday".

(d) UNITED STATES AIR FORCE ACADEMY.—Section 9346(a) of such title is amended by striking out "twenty-second birthday" and inserting in lieu thereof "twenty-third birthday".

SEC. 552. OVERSIGHT AND MANAGEMENT OF SENIOR RESERVE OFFICERS' TRAINING CORPS PROGRAM.

(a) ENROLLMENT PRIORITY TO BE CONSISTENT WITH PURPOSE OF PROGRAM.—(1) Section 2103 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) An educational institution at which a unit of the program has been established shall give priority for enrollment in the program to students who are eligible for advanced training under section 2104 of this title.".

(2) Section 2109 of such title is amended by adding at the end the following new subsection:

"(c)(1) A person who is not qualified for, and (as determined by the Secretary concerned) will not be able to become qualified for, advanced training by reason of one or more of the requirements prescribed in paragraphs (1) through (3) of section 2104(b) of this title shall not be permitted to participate in—

"(A) field training or a practice cruise under section 2106(b)(6) of this title; or

"(B) practical military training under subsection (a).

"(2) The Secretary of the military department concerned may waive the limitation in paragraph (1) under procedures prescribed by the Secretary.".

(b) WEAR OF THE MILITARY UNIFORM.—Section 772(h) of such title is amended by inserting before the period at the end the following: "if the wear of such uniform is specifically authorized under regulations prescribed by the Secretary of the military department concerned".

SEC. 553. ROTC SCHOLARSHIP STUDENT PARTICIPATION IN SIMULTANEOUS MEMBERSHIP PROGRAM.

Section 2103 of title 10, United States Code, is amended by adding after subsection (e), as added by section 552, the following new subsection:

"(f) The Secretary of Defense shall ensure that, in carrying out the program, the Secretaries of the military departments permit any person who is receiving financial assistance under section 2107 of this title simultaneously to be a member of the Selected Reserve.".

SEC. 554. EXPANSION OF ROTC ADVANCED TRAINING PROGRAM TO INCLUDE GRADUATE STUDENTS.

(a) IN GENERAL.—Section 2107(c) of title 10, United States Code, is amended by inserting before the last sentence the following new sentence: "The Secretary of the military department concerned may provide similar financial assistance to a student enrolled in an advanced education program beyond the baccalaureate degree level if the student also is a cadet or midshipman in an advanced training program.".

(b) DEFINITIONAL CHANGE.—Paragraph (3) of section 2101 of title 10, United States Code, is amended by inserting "students enrolled in an advanced education program beyond the baccalaureate degree level or to" after 'instruction offered in the Senior Reserve Officers' Training Corps to".

SEC. 555. RESERVE CREDIT FOR MEMBERS OF ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

(a) SERVICE CREDIT.—Section 2126 of title 10, United States Code, is amended—

(1) by striking out "Service performed" and inserting in lieu thereof "(a) GENERAL RULE AGAINST PROVISION OF SERVICE CREDIT.—Except as provided in subsection (b), service performed"; and

(2) by adding at the end the following:

"(b) SERVICE CREDIT FOR CERTAIN PURPOSES.—(1) This subsection applies with respect to a member of the Selected Reserve who—

"(A) completed a course of study under this subchapter as a member of the program;

"(B) completed the active duty obligation imposed under section 2123(a) of this title; and

"(C) possesses a specialty designated by the Secretary concerned as critically needed in wartime.

"(2) Upon satisfactory completion of a year of service in the Selected Reserve by a member of the Selected Reserve described in paragraph (1), the Secretary concerned may credit the member with a maximum of 50 points creditable toward the computation of the member's years of service under section 12732(a)(2) of this title for one year of participation in a course of study under this subchapter. Not more than four years of participation in a course of study under this subchapter may be considered under this paragraph.

"(3) In the case of a member of the Selected Reserve described in paragraph (1), the Secretary concerned may also credit the service of the member while pursuing a course of study under this subchapter, but not to exceed a total of four years, for purposes of computing years of service creditable under section 205 of title 37.

"(c) LIMITATIONS.—(1) A member of the Selected Reserve relieved of any portion of the minimum active duty obligation imposed under section 2123(a) of this title may not receive any point or service credit under subsection (b).

"(2) A member of the Selected Reserve awarded points or service credit under subsection (b) shall not be considered to have been in an active status, by reason of the award of the points or credit, while pursuing a course of study under this subchapter for purposes of any provision of law other than section 12732(a)(2) of this title and section 205 of title 37.".

(b) RETROACTIVITY BARRED.—A member of the Selected Reserve is not entitled to any retroactive award or increase in pay or allowances as a result of the amendments made by subsection (a).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals receiving financial assistance under section 2107 of title 10, United States Code, after September 30, 1996.

SEC. 556. EXPANSION OF ELIGIBILITY FOR EDUCATION BENEFITS TO INCLUDE CERTAIN RESERVE OFFICERS' TRAINING CORPS (ROTC) PARTICIPANTS.

(a) ACTIVE DUTY SERVICE.—Section 3011(c) of title 38, United States Code, is amended—

(1) by striking out "or upon completion of a program of educational assistance under section 2107 of title 10" in paragraph (2); and

(2) by adding at the end the following:

"(3) An individual who after December 31, 1976, receives a commission as an officer in the Armed Forces upon completion of a program of educational assistance under section 2107 of title 10 is not eligible for educational assistance under this section if the individual enters on active duty—

"(A) before October 1, 1996; or

"(B) after September 30, 1996, and while participating in such program received more than $2,000 for each year of such participation.".

(b) Selected Reserve.—Section 3012(d) of title 38, United States Code, is amended—

(1) by striking out "or upon completion of a program of educational assistance under section 2107 of title 10" in paragraph (2); and

(2) by adding at the end the following:

"(3) An individual who after December 31, 1976, receives a commission as an officer in the Armed Forces upon completion of a program of educational assistance under section 2107 of title 10 is not eligible for educational assistance under this section if the individual enters on active duty—

"(A) before October 1, 1996; or

"(B) after September 30, 1996, and while participating in such program received more than $2,000 for each year of such participation.".

SEC. 557. COMPTROLLER GENERAL REPORT ON COST AND POLICY IMPLICATIONS OF PERMITTING UP TO FIVE PERCENT OF SERVICE ACADEMY GRADUATES TO BE ASSIGNED DIRECTLY TO RESERVE DUTY UPON GRADUATION.

(a) Report Required.—The Comptroller General of the United States shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report providing an analysis of the cost implications, and the policy implications, of permitting up to 5 percent of each graduating class of each of the service academies to be placed, upon graduation and commissioning, in an active status in the appropriate reserve component (without a minimum period of obligated active duty service), with a corresponding increase in the number of ROTC graduates each year who are permitted to serve on active duty upon commissioning.

(b) Information on Current Academy Graduates in Reserve Components.—The Comptroller General shall include in the report information (shown in the aggregate and separately for each of the Armed Forces and for graduates of each service academy) on—

(1) the number of academy graduates who at the time of the report are serving in an active status in a reserve component; and

(2) within the number under paragraph (1), the number for each reserve component and, of those, the number within each reserve component who are on active duty under section 12301(d) of title 10, United States Code, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components.

(c) Submission of Report.—The report shall be submitted not later than six months after the date of the enactment of this Act.

(d) Service Academies.—For purposes of this section, the term "service academies" means—

(1) the United States Military Academy;

(2) the United States Naval Academy; and

(3) the United States Air Force Academy.

Subtitle E—Other Matters

SEC. 561. HATE CRIMES IN THE MILITARY.

(a) Human Relations Training.—(1) The Secretary of Defense shall ensure that the Secretary of each military department conducts ongoing programs for human relations training for all members of the Armed Forces under the jurisdiction of the Secretary. Matters to be covered by such training include race relations, equal opportunity, opposition to gender discrimination, and sensitivity to "hate group" activity. Such training shall be provided during basic training (or other initial military training) and on a regular basis thereafter.

(2) The Secretary of Defense shall also ensure that unit commanders are aware of their responsibilities in ensuring that impermissible activity based upon discriminatory motives does not occur in units under their command.

(b) Information To Be Provided to Prospective Recruits.—The Secretary of Defense shall ensure that each individual preparing to enter an officer accession program or to execute an original enlistment agreement is provided information concerning the meaning of the oath of office or oath of enlistment for service in the Armed Forces in terms of the equal protection and civil liberties guarantees of the Constitution, and each such individual shall be informed that if supporting those guarantees is not possible personally for that individual, then that individual should decline to enter the Armed Forces.

(c) Annual Survey.—(1) Section 451 of title 10, United States Code, is amended to read as follows:

"§451. Race relations, gender discrimination, and hate group activity: annual survey and report

"(a) Annual Survey.—The Secretary of Defense shall carry out an annual survey to measure the state of racial, ethnic, and gender issues and discrimination among members of the armed forces serving on active duty and the extent (if any) of activity among such members that may be seen as so-called 'hate group' activity. The survey shall solicit information on the race relations and gender relations climate in the armed forces, including—

"(1) indicators of positive and negative trends of relations among all racial and ethnic groups and between the sexes;

"(2) the effectiveness of Department of Defense policies designed to improve race, ethnic, and gender relations; and

"(3) the effectiveness of current processes for complaints on and investigations into racial, ethnic, and gender discrimination.

"(b) Implementing Entity.—The Secretary shall carry out each annual survey through the entity in the Department of Defense known as the Armed Forces Survey on Race/Ethnic Issues.

"(c) Reports to Congress.—Upon completion of biennial survey under subsection (a), the Secretary shall submit to Congress a report containing the results of the survey.".

(2) The item relating to such section in the table of sections at the beginning of chapter 22 of such title is amended to read as follows:

"451. Race relations, gender discrimination, and hate group activity: annual survey and report.".

SEC. 562. AUTHORITY OF A RESERVE JUDGE ADVOCATE TO ACT AS A NOTARY PUBLIC.

(a) Notary Public Authority to Include Reserve Lawyers of the Armed Forces.—Section 1044a(b) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "on active duty or performing inactive-duty training" and inserting in lieu thereof ", including reserve judge advocates not on active duty";

(2) in paragraph (3), by striking out "adjutants on active duty or performing inactive-duty training" and inserting in lieu thereof "adjutants, including reserve members not on active duty"; and

(3) in paragraph (4), by striking out "persons on active duty or performing inactive-duty training" and inserting in lieu thereof "members of the armed forces, including reserve members not on active duty,".

(b) Ratification of Prior Notarial Acts.—Any notarial act performed before the enactment of this Act, the validity of which has not been challenged or negated in a case pending before or decided by a court or administrative agency of competent jurisdiction, on or before the date of the enactment of this Act, is hereby confirmed, ratified, and approved with full effect as if such act was performed after the enactment of this Act.

SEC. 563. AUTHORITY TO PROVIDE LEGAL ASSISTANCE TO PUBLIC HEALTH SERVICE OFFICERS.

(a) Legal Assistance Available.—Subsection (a) of section 1044 of title 10, United States Code, is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) Officers of the commissioned corps of the Public Health Service who are on active duty or entitled to retired or equivalent pay.

"(4) Dependents of members and former members described in paragraphs (1), (2), and (3).".

(b) Limitation on Assistance.—Subsection (c) of such section is amended—

(1) by striking out "armed forces" and inserting in lieu thereof "uniformed services described in subsection (a)"; and

(2) by inserting "such" after "dependent of".

(c) Clarifying Amendments.—Subsection (a) of such section is further amended by striking out "under his jurisdiction" in paragraphs (1) and (2).

(d) Stylistic Amendments.—Subsection (a) of such section is further amended—

(1) in the matter preceding paragraph (1), by striking out "to—" and inserting in lieu thereof "to the following persons:";

(2) by capitalizing the first letter of the first word of paragraphs (1) and (2);

(3) by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period; and

(4) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period.

SEC. 564. EXCEPTED APPOINTMENT OF CERTAIN JUDICIAL NON-ATTORNEY STAFF IN THE UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES.

Section 943(c) of title 10, United States Code, is amended—

(1) in the heading for the subsection, by inserting "AND CERTAIN OTHER" after "ATTORNEY"; and

(2) in paragraph (1), by inserting "and non-attorney positions on the personal staff of a judge" after "Court of Appeals for the Armed Forces".

SEC. 565. REPLACEMENT OF CERTAIN AMERICAN THEATER CAMPAIGN RIBBONS.

(a) Replacement Ribbons.—The Secretary of the Army, pursuant to section 3751 of title 10, United States Code, may replace any World War II decoration known as the American Theater Campaign Ribbon that was awarded to a person listed in the order described in subsection (b).

(b) Ribbons Properly Awarded.—Any person listed in the document titled "General Order Number 1", issued by the Third Auxiliary Surgical Group, APO 647, United States Army, dated February 1, 1943, shall be considered to have been properly awarded the American Theater Campaign Ribbon for service during World War II.

SEC. 566. RESTORATION OF REGULATIONS PROHIBITING SERVICE OF HOMOSEXUALS IN THE ARMED FORCES.

(a) Termination of Existing Administrative Policy.—Effective on the date of the enactment of this Act, the following measures of the executive branch are rescinded and shall cease to be effective:

(1) The memorandum of the Secretary of Defense to the Secretaries of the military departments and the Chairman of the Joint Chiefs of Staff dated July 19, 1993, that stated its subject to be: "Policy on Homsexual Conduct in the Armed Forces".

(2) The four-page document entitled "Policy Guidelines on Homsexual Conduct in the Armed Forces" that was issued by the Secretary of Defense as an attachment to the memorandum referred to in paragraph (1).

(3) The revisions to Department of Defense directives 1332.30, 1332.14, and 1304.26 that were

directed to be made by the General Counsel of the Department of Defense by memorandum dated February 28, 1994, to the Director of Administration and Management of the Department of Defense.

(b) REINSTATEMENT OF FORMER REGULATIONS.—Immediately upon the enactment of this Act and effective as of the date of the enactment of this Act—

(1) the Secretary of Defense shall reinstate the regulations (including Department of Defense directives) of the Department of Defense regarding service of homosexuals in the Armed Forces that were in effect on January 19, 1993; and

(2) the Secretary of each military department shall reinstate the regulations of that military department regarding service of homosexuals in the Armed Forces that were in effect on January 19, 1993.

(c) REVISION PROHIBITED.—The regulations (including Department of Defense directives) reinstated pursuant to subsection (b), insofar as they relate to the service of homosexuals in the Armed Forces, may not be revised except as specifically provided by a law enacted after the enactment of this Act.

(d) RULE OF CONSTRUCTION.—In the case of a conflict between the regulations required to be prescribed by subsection (b) and the provisions of section 654 of title 10, United States Code, or any other provision of law, the requirements of such provision of law shall be given effect.

(e) RESTORATION OF QUESTIONING OF NEW ENTRANTS INTO MILITARY SERVICE.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall issue instructions for the resumption of questioning of potential new entrants into the Armed Forces as to homosexuality in accordance with the policy and practices of the Department of Defense as of January 19, 1993 (as reinstated pursuant to subsection (b)).

(2) Section 571(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1673; 10 U.S.C. 654 note) is repealed.

SEC. 567. REENACTMENT AND MODIFICATION OF MANDATORY SEPARATION FROM SERVICE FOR MEMBERS DIAGNOSED WITH HIV–1 VIRUS.

(a) REENACTMENT AND MODIFICATION.—(1) Chapter 59 of title 10, United States Code, is amended by inserting after section 1176 the following:

"§1177. Members infected with HIV–1 virus: mandatory discharge or retirement

"(a) MANDATORY SEPARATION.—(1) A member of the Army, Navy, Air Force, or Marine Corps who is HIV-positive and who on the date on which the medical determination is made that the member is HIV-positive has less than 15 years of creditable service shall be separated. Such separation shall be made on a date determined by the Secretary concerned, which shall be as soon as practicable after the date on which the medical determination is made that the member is HIV-positive and not later than the last day of the second month beginning after such date.

"(2) In determining the years of creditable service of a member for purposes of paragraph (1)—

"(A) in the case of a member on active duty or full-time National Guard duty, the member's years of creditable service are the number of years of service of the member as computed for the purpose of determining the member's eligibility for retirement under any provision of law (other than chapter 61 or 1223 of this title); and

"(B) in the case of a member in an active status, the member's years of creditable service are the number of years of service creditable to the member under section 12732 of this title.

"(b) FORM OF SEPARATION.—The characterization of the service of the member shall be determined without regard to the determination that the member is HIV-positive.

"(c) SEPARATION TO BE CONSIDERED INVOLUNTARY.—A separation under this section shall be considered to be an involuntary separation for purposes of any other provision of law.

"(d) COUNSELING ABOUT AVAILABLE MEDICAL CARE.—A member to be separated under this section shall be provided information, in writing, before such separation of the available medical care (through the Department of Veterans Affairs and otherwise) to treat the member's condition. Such information shall include identification of specific medical locations near the member's home of record or point of discharge at which the member may seek necessary medical care.

"(e) HIV-POSITIVE MEMBERS.—A member shall be considered to be HIV-positive for purposes of this section if there is serologic evidence that the member is infected with the virus known as Human Immunodeficiency Virus–1 (HIV–1), the virus most commonly associated with the acquired immune deficiency syndrome (AIDS) in the United States. Such serologic evidence shall be considered to exist if there is a reactive result given by an enzyme-linked immunosorbent assay (ELISA) serologic test that is confirmed by a reactive and diagnostic immunoelectrophoresis test (Western blot) on two separate samples. Any such serologic test must be one that is approved by the Food and Drug Administration.".

(2) The table of sections at the beginning of chapter 59 of such title is amended by inserting after the item relating to section 1176 the following new item:

"1177. Members infected with HIV–1 virus: mandatory discharge or retirement.".

(b) EFFECTIVE DATE.—Section 1177 of title 10, United States Code, as added by subsection (a), applies with respect to members of the Army, Navy, Air Force, and Marine Corps determined to be HIV-positive before, on, or after the date of the enactment of this Act. In the case of a member of the Army, Navy, Air Force, or Marine Corps determined to be HIV-positive before such date, the deadline for separation of the member under subsection (a) of such section shall be determined from the date of the enactment of this Act (rather than from the date of such determination), except that no such member shall be separated by reason of such section (without the consent of the member) before October 1, 1996.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1997.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1997 shall not be made.

(b) INCREASE IN BASIC PAY AND BAS.—Effective on January 1, 1997, the rates of basic pay and basic allowance for subsistence of members of the uniformed services are increased by 3 percent.

(c) INCREASE IN BAQ.—Effective on January 1, 1997, the rates of basic allowance for quarters of members of the uniformed services are increased by 4.6 percent.

SEC. 602. AVAILABILITY OF BASIC ALLOWANCE FOR QUARTERS FOR CERTAIN MEMBERS WITHOUT DEPENDENTS WHO SERVE ON SEA DUTY.

(a) AVAILABILITY OF ALLOWANCE.—Section 403(c)(2) of title 37, United States Code, is amended—

(1) by striking out "A member" in the first sentence and inserting in lieu thereof "(A) Except as provided in subparagraph (B) or (C), a member";

(2) by striking out the second sentence; and

(3) by adding at the end the following new subparagraphs:

"(B) Under regulations prescribed by the Secretary concerned, the Secretary may authorize the payment of a basic allowance for quarters to a member of a uniformed service under the jurisdiction of the Secretary when the member is without dependents, is serving in pay grade E–5, and is assigned to sea duty. In prescribing regulations under this subparagraph, the Secretary concerned shall consider the availability of quarters for members serving in pay grade E–5.

"(C) Notwithstanding section 421 of this title, two members of the uniformed services in a pay grade below pay grade E–5 who are married to each other, have no other dependents, and are simultaneously assigned to sea duty are entitled to a single basic allowance for quarters during the period of such simultaneous sea duty. The amount of the allowance shall be based on the without dependents rate for the pay grade of the senior member.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on July 1, 1997.

SEC. 603. ESTABLISHMENT OF MINIMUM MONTHLY AMOUNT OF VARIABLE HOUSING ALLOWANCE FOR HIGH HOUSING COST AREAS.

(a) MINIMUM MONTHLY AMOUNT OF ALLOWANCE.—Subsection (c) of section 403a of title 37, United States Code, is amended by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1) The monthly amount of a variable housing allowance under this section for a member of a uniformed service with respect to an area is equal to the greater of the following amounts:

"(A) An amount equal to the difference between—

"(i) the median monthly cost of housing in that area for members of the uniformed services serving in the same pay grade and with the same dependency status as that member; and

"(ii) 80 percent of the median monthly cost of housing in the United States for members of the uniformed services serving in the same pay grade and with the same dependency status as that member.

"(B) An amount equal to the difference between—

"(i) the adequate housing allowance floor determined by the Secretary of Defense for all members of the uniformed services in that area entitled to a variable housing allowance under this section; and

"(ii) the monthly basic allowance for quarters for members of the uniformed services serving in the same pay grade and with the same dependency status as that member.".

(b) ADEQUATE HOUSING ALLOWANCE FLOOR.—Such subsection is further amended by adding at the end the following new paragraph:

"(7)(A) For purposes of paragraph (1)(B)(i), the Secretary of Defense shall establish an adequate housing allowance floor for members of the uniformed services in an area as a selected percentage, not to exceed 85 percent, of the cost of adequate housing in that area based on an index of housing costs selected by the Secretary of Defense from among the following:

"(i) The fair market rentals established annually by the Secretary of Housing and Urban Development under section 8(c)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)(1)).

"(ii) An index developed in the private sector that the Secretary of Defense determines is comparable to the fair market rentals referred to in clause (i) and is appropriate for use to determine the adequate housing allowance floor.

"(B) The Secretary of Defense shall carry out this paragraph in consultation with the Secretary of Transportation, the Secretary of Commerce, and the Secretary of Health and Human Services.".

(c) EFFECT ON TOTAL AMOUNT AVAILABLE FOR ALLOWANCE.—Subsection (d)(3) of such section is amended in the second sentence by striking out "the second sentence of subsection (c)(3)" and inserting in lieu thereof "paragraph (1)(B) of subsection (c) and the second sentence of paragraph (3) of that subsection".

(d) CONFORMING AMENDMENTS.—Subsection (c) of such section is further amended—

(1) in paragraph (3), by striking out "this subsection" in the first sentence and inserting lieu thereof "paragraph (1)(A) or the minimum amount of a variable housing allowance under paragraph (1)(B)"; and

(2) in paragraph (5), by inserting "or minimum amount of a variable housing allowance" after "costs of housing".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997, except that the Secretary of Defense may delay implementation of the requirements imposed by the amendments to such later date as the Secretary considers appropriate upon publication of notice to that effect in the Federal Register.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. EXTENSION OF CERTAIN BONUSES FOR RESERVE FORCES.

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(b) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(c) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(d) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(e) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(i) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

SEC. 612. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

SEC. 613. EXTENSION OF AUTHORITY RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998,".

(b) SPECIAL PAY FOR HEALTH CARE PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(c) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(d) ENLISTMENT BONUSES FOR CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(e) SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(f) SPECIAL PAY FOR NUCLEAR QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(g) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(h) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out "October 1, 1997" and inserting in lieu thereof "October 1, 1998".

(i) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking out "October 1, 1997" and inserting in lieu thereof "October 1, 1998".

SEC. 614. SPECIAL INCENTIVES TO RECRUIT AND RETAIN DENTAL OFFICERS.

(a) VARIABLE, ADDITIONAL, AND BOARD CERTIFIED SPECIAL PAYS FOR ACTIVE DUTY DENTAL OFFICERS.—Section 302b(a) of title 37, United States Code is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking out "$1,200" and inserting in lieu thereof "$3,000";

(B) in subparagraph (B), by striking out "$2,000" and inserting in lieu thereof "$7,000"; and

(C) in subparagraph (C), by striking out "$4,000" and inserting in lieu thereof "$7,000";

(2) in paragraph (4), by striking out subparagraphs (A), (B), and (C) and inserting in lieu thereof the following:

"(A) $4,000 per year, if the officer has less than three years of creditable service.

"(B) $6,000 per year, if the officer has at least three but less than 14 years of creditable service.

"(C) $8,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(D) $10,000 per year, if the officer has at least 18 or more years of creditable service."; and

(3) in paragraph (5), by striking out subparagraphs (A), (B), and (C) and inserting in lieu thereof the following:

"(A) $2,500 per year, if the officer has less than 10 years of creditable service.

"(B) $3,500 per year, if the officer has at least 10 but less than 12 years of creditable service.

"(C) $4,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

"(D) $5,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(E) $6,000 per year, if the officer has 18 or more years of creditable service.".

(b) RESERVE DENTAL OFFICERS SPECIAL PAY.—Section 302b of title 37, United States Code, is amended by adding at the end the following new subsection:

"(h) RESERVE DENTAL OFFICERS SPECIAL PAY.—(1) A reserve dental officer described in paragraph (2) is entitled to special pay at the rate of $350 a month for each month of active duty, including active duty in the form of annual training, active duty for training, and active duty for special work.

"(2) A reserve dental officer referred to in paragraph (1) is a reserve officer who—

"(A) is an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer; and

"(B) is on active duty under a call or order to active duty for a period of less than one year.".

(c) ACCESSION BONUS FOR DENTAL SCHOOL GRADUATES WHO ENTER THE ARMED FORCES.—(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 302g the following new section:

"§302h. Special pay: accession bonus for dental officers

"(a) ACCESSION BONUS AUTHORIZED.—(1) A person who is a graduate of an accredited dental school and who, during the period beginning on the date of the enactment of this section, and ending on September 30, 2002, executes a written agreement described in subsection (c) to accept a commission as an officer of the armed forces and remain on active duty for a period of not less than four years may, upon the acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

"(2) The amount of an accession bonus under paragraph (1) may not exceed $30,000.

"(b) LIMITATION ON ELIGIBILITY FOR BONUS.—A person may not be paid a bonus under subsection (a) if—

"(1) the person, in exchange for an agreement to accept an appointment as an officer, received financial assistance from the Department of Defense to pursue a course of study in dentistry; or

"(2) the Secretary concerned determines that the person is not qualified to become and remain certified and licensed as a dentist.

"(c) AGREEMENT.—The agreement referred to in subsection (a) shall provide that, consistent with the needs of the armed service concerned, the person executing the agreement will be assigned to duty, for the period of obligated service covered by the agreement, as an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer.

"(d) REPAYMENT.—(1) An officer who receives a payment under subsection (a) and who fails to become and remain certified or licensed as a dentist during the period for which the payment is made shall refund to the United States an amount equal to the full amount of such payment.

"(2) An officer who voluntarily terminates service on active duty before the end of the period agreed to be served under subsection (a) shall refund to the United States an amount that bears the same ratio to the amount paid to the officer as the unserved part of such period bears to the total period agreed to be served.

"(3) An obligation to reimburse the United States imposed under paragraph (1) or (2) is for all purposes a debt owed to the United States.

"(4) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or this subsection. This paragraph applies to any case commenced under title 11 after the date of the enactment of this section.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302g the following new item:

"302h. Special pay: accession bonus for dental officers.".

(3) Section 303a of title 37, United States Code, is amended by striking out "302g" each place it appears and inserting in lieu thereof "302h".

(d) REPORT ON ADDITIONAL ACTIVITIES TO INCREASE RECRUITMENT OF DENTISTS.—Not later than April 1, 1997, the Secretary of Defense shall submit to Congress a report describing the feasibility of increasing the number of persons enrolled in the Armed Forces Health Professions Scholarship and Financial Assistance program who are pursuing a course of study in dentistry in anticipation of service as an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer.

(e) STYLISTIC AMENDMENTS.—Section 302b of title 37, United States Code, is amended—

(1) in subsection (a), by inserting "VARIABLE, ADDITIONAL, AND BOARD CERTIFICATION SPECIAL PAY.—" after "(a)";

(2) in subsection (b), by inserting "ACTIVE-DUTY AGREEMENT.—" after "(b)";

(3) in subsection (c), by inserting "REGULATIONS.—" after "(c)";

(4) in subsection (d), by inserting "FREQUENCY OF PAYMENTS.—" after "(d)";

(5) in subsection (e), by inserting "REFUND FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—" after "(e)";

(6) in subsection (f), by inserting "EFFECT OF DISCHARGE IN BANKRUPTCY.—" after "(f)"; and

(7) in subsection (g), by inserting "DETERMINATION OF CREDITABLE SERVICE.—" after "(g)".

Subtitle C—Travel and Transportation Allowances

SEC. 621. TEMPORARY LODGING EXPENSES OF MEMBER IN CONNECTION WITH FIRST PERMANENT CHANGE OF STATION.

(a) PAYMENT OR REIMBURSEMENT AUTHORIZED.—Section 404a(a) of title 37, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) in paragraph (2), by inserting "or" after "Alaska;"; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) from home of record or initial technical school to first duty station;".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 1997.

SEC. 622. ALLOWANCE IN CONNECTION WITH SHIPPING MOTOR VEHICLE AT GOVERNMENT EXPENSE.

(a) ALLOWANCE AUTHORIZED.—Section 406(b)(1)(B) of title 37, United States Code, is amended by adding at the end the following: "If clause (i)(I) applies to the transportation by the member of a motor vehicle from the old duty station, the monetary allowance under this subparagraph shall also cover return travel to the old duty station by the member or other person transporting the vehicle. In the case of transportation described in clause (ii), the monetary allowance shall also cover travel from the new duty station to the port of debarkation to pick up the vehicle.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1997.

SEC. 623. DISLOCATION ALLOWANCE AT A RATE EQUAL TO TWO AND ONE-HALF MONTHS BASIC ALLOWANCE FOR QUARTERS.

(a) Section 407(a) of title 37, United States Code, is amended in the matter preceding the paragraphs by striking out "two months" and inserting in lieu thereof "two and one-half months".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1997.

SEC. 624. ALLOWANCE FOR TRAVEL PERFORMED IN CONNECTION WITH LEAVE BETWEEN CONSECUTIVE OVERSEAS TOURS.

(a) ADDITIONAL DEFERRAL.—Section 411b(a)(2) of title 37, United States Code, is amended by adding at the end the following: "If the member is unable to undertake the travel before the end of such one-year period as a result of the participation of the member in a critical operational mission, as determined by the Secretary concerned, the member may defer the travel, under the regulations referred to in paragraph (1), for a period not to exceed one year after the date on which the member's participation in the critical operational mission ends.".

(b) APPLICATION OF AMENDMENT.—The amendment made by subsection (a) shall apply to members of the uniformed services participating, on or after November 1, 1995, in critical operational missions designated by the Secretary of Defense.

Subtitle D—Retired Pay, Survivior Benefits, and Related Matters

SEC. 631. INCREASE IN ANNUAL LIMIT ON DAYS OF INACTIVE DUTY TRAINING CREDITABLE TOWARDS RESERVE RETIREMENT.

(a) INCREASE IN LIMIT.—Section 12733(3) is amended by inserting before the period at the end the following: "before the year in which the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997 occurs and not more than 75 days in any subsequent year".

(b) TRACKING SYSTEM FOR AWARD OF RETIREMENT POINTS.—To better enable the Secretary of Defense and Congress to assess the cost and the effect on readiness of the amendment made by subsection (a) and of other potential changes to the Reserve retirement system under chapter 1223 of title 10, United States Code, the Secretary of Defense shall require the Secretary of each military department to implement a system to monitor the award of retirement points for purposes of that chapter by categories in accordance with the recommendation set forth in the August 1988 report of the Sixth Quadrennial Review of Military Compensation.

(c) RECOMMENDATIONS TO CONGRESS.—The Secretary shall submit to Congress, not later than one year after the date of the enactment of this Act, the recommendations of the Secretary with regard to the adoption of the following Reserve retirement initiatives recommended in the August 1988 report of the Sixth Quadrennial Review of Military Compensation:

(1) Elimination of membership points under subparagraph (C) of section 12732(a)(2) of title 10, United States Code, in conjunction with a decrease from 50 to 35 in the number of points required for a satisfactory year under that section.

(2) Limitation to 60 in any year on the number of points that may be credited under subparagraph (B) of section 12732(a)(2) of such title at two points per day.

(3) Limitation to 360 in any year on the total number of retirement points countable for purposes of section 12733 of such title.

SEC. 632. AUTHORITY FOR RETIREMENT IN GRADE IN WHICH A MEMBER HAS BEEN SELECTED FOR PROMOTION WHEN A PHYSICAL DISABILITY INTERVENES.

Section 1372 of title 10, United States Code, is amended by striking out "his physical examination for promotion" in paragraphs (3) and (4) and inserting in lieu thereof "a physical examination".

SEC. 633. ELIGIBILITY FOR RESERVE DISABILITY RETIREMENT FOR RESERVES INJURED WHILE AWAY FROM HOME OVERNIGHT FOR INACTIVE-DUTY TRAINING.

Section 1204(2) of title 10, United States Code, is amended by inserting before the semicolon at the end the following: "or is incurred in line of duty while remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training, if the site is outside reasonable commuting distance from the member's residence".

SEC. 634. RETIREMENT OF RESERVE ENLISTED MEMBERS WHO QUALIFY FOR ACTIVE DUTY RETIREMENT AFTER ADMINISTRATIVE REDUCTION IN ENLISTED GRADE.

(a) ARMY.—(1) Chapter 369 of title 10, United States Code, is amended by inserting after section 3962 the following new section:

"§3963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A Reserve enlisted member of the Army described in subsection (b) who is retired under section 3914 of this title shall be retired in the highest enlisted grade in which the member served on active duty satisfactorily (or, in the case of a member of the National Guard, in which the member served on full-time duty satisfactorily), as determined by the Secretary of the Army.

"(b) This section applies to a Reserve enlisted member who—

"(1) at the time of retirement is serving on active duty (or, in the case of a member of the National Guard, on full-time National Guard duty) in a grade lower than the highest enlisted grade held by the member while on active duty (or full-time National Guard duty); and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Army.

"(c) This section applies with respect to Reserve enlisted members who are retired under section 3914 of this title after September 30, 1996.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3962 the following new item:

"3963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct.".

(b) NAVY AND MARINE CORPS.—(1) Chapter 571 of title 10, United States Code, is amended by adding at the end the following new section:

"§6336. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A member of the Naval Reserve or Marine Corps Reserve described in subsection (b) who is transferred to the Fleet Reserve or the Fleet Marine Corps Reserve under section 6330 of this title shall be transferred in the highest enlisted grade in which the member served on active duty satisfactorily, as determined by the Secretary of the Navy.

"(b) This section applies to a Reserve enlisted member who—

"(1) at the time of transfer to the Fleet Reserve or Fleet Marine Corps Reserve is serving on active duty in a grade lower than the highest enlisted grade held by the member while on active duty; and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Navy.

"(c) This section applies with respect to enlisted members of the Naval Reserve and Marine

Corps Reserve who are transferred to the Fleet Reserve or the Fleet Marine Corps Reserve after September 30, 1996.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"6336. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct.".

(c) AIR FORCE.—(1) Chapter 869 of title 10, United States Code, is amended by inserting after section 8962 the following new section:

"§8963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A Reserve enlisted member of the Air Force described in subsection (b) who is retired under section 8914 of this title shall be retired in the highest enlisted grade in which the member served on active duty satisfactorily (or, in the case of a member of the National Guard, in which the member served on full-time duty satisfactorily), as determined by the Secretary of the Air Force.

"(b) This section applies to a Reserve enlisted member who—

"(1) at the time of retirement is serving on active duty (or, in the case of a member of the National Guard, on full-time National Guard duty) in a grade lower than the highest enlisted grade held by the member while on active duty (or full-time National Guard duty); and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Air Force.

"(c) This section applies with respect to Reserve enlisted members who are retired under section 8914 of this title after September 30, 1996.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8962 the following new item:

"8963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct.".

(d) COMPUTATION OF RETIRED AND RETAINER PAY BASED UPON RETIRED GRADE.—(1) Section 3991 of such title is amended by adding at the end the following new subsection:

"(c) SPECIAL RULE FOR RETIRED RESERVE ENLISTED MEMBERS COVERED BY SECTION 3963.—In the case of a Reserve enlisted member retired under section 3914 of this title whose retired grade is determined under section 3963 of this title and who first became a member of a uniformed service before October 1, 1980, the retired pay base of the member (notwithstanding section 1406(a)(1) of this title) is the amount of the monthly basic pay of the member's retired grade (determined based upon the rates of basic pay applicable on the date of the member's retirement), and that amount shall be used for the purposes of subsection (a)(1)(A) rather than the amount computed under section 1406(c) of this title.".

(2) Section 6333 of such title is amended by adding at the end the following new subsection:

"(c) In the case of a Reserve enlisted member whose grade upon transfer to the Fleet Reserve or Fleet Marine Corps Reserve is determined under section 6336 of this title and who first became a member of a uniformed service before October 1, 1980, the retainer pay base of the member (notwithstanding section 1406(a)(1) of this title) is the amount of the monthly basic pay of the grade in which the member is so transferred (determined based upon the rates of basic pay applicable on the date of the member's transfer), and that amount shall be used for the purposes of the table in subsection (a) rather than the amount computed under section 1406(d) of this title.".

(3) Section 8991 of such title is amended by adding at the end the following new subsection:

"(c) SPECIAL RULE FOR RETIRED RESERVE ENLISTED MEMBERS COVERED BY SECTION 8963.—In the case of a Reserve enlisted member retired under section 8914 of this title whose retired grade is determined under section 8963 of this title and who first became a member of a uniformed service before October 1, 1980, the retired pay base of the member (notwithstanding section 1406(a)(1) of this title) is the amount of the monthly basic pay of the member's retired grade (determined based upon the rates of basic pay applicable on the date of the member's retirement), and that amount shall be used for the purposes of subsection (a)(1)(A) rather than the amount computed under section 1406(e) of this title.".

SEC. 635. CLARIFICATION OF INITIAL COMPUTATION OF RETIREE COLAS AFTER RETIREMENT.

(a) IN GENERAL.—Section 1401a of title 10, United States Code, is amended by striking out subsections (c) and (d) and inserting in lieu thereof the following new subsections:

"(c) FIRST COLA ADJUSTMENT FOR MEMBERS WITH RETIRED PAY COMPUTED USING FINAL BASIC PAY.—

"(1) FIRST ADJUSTMENT WITH INTERVENING INCREASE IN BASIC PAY.—Notwithstanding subsection (b), if a person described in paragraph (3) becomes entitled to retired pay based on rates of monthly basic pay that became effective after the last day of the calendar quarter of the base index, the retired pay of the member or former member shall be increased on the effective date of the next adjustment of retired pay under subsection (b) only by the percent (adjusted to the nearest one-tenth of 1 percent) by which—

"(A) the price index for the base quarter of that year, exceeds

"(B) the price index for the calendar quarter immediately before the calendar quarter in which the rates of monthly basic pay on which the retired pay is based became effective.

"(2) FIRST ADJUSTMENT WITH NO INTERVENING INCREASE IN BASIC PAY.—If a person described in paragraph (3) becomes entitled to retired pay on or after the effective date of an adjustment in retired pay under subsection (b) but before the effective date of the next increase in the rates of monthly basic pay, the retired pay of the member or former member shall be increased, effective on the date the member becomes entitled to that pay, by the percent (adjusted to the nearest one-tenth of 1 percent) by which—

"(A) the base index, exceeds

"(B) the price index for the calendar quarter immediately before the calendar quarter in which the rates of monthly basic pay on which the retired pay is based became effective.

"(3) MEMBERS COVERED.—Paragraphs (1) and (2) apply to a member or former member of an armed force who first became a member of a uniformed service before August 1, 1986, and whose retired pay base is determined under section 1406 of this title.

"(d) FIRST COLA ADJUSTMENT FOR MEMBERS WITH RETIRED PAY COMPUTED USING HIGH-THREE.—Notwithstanding subsection (b), the retired pay of a member or former member of an armed force who first became a member of a uniformed service before August 1, 1986, and whose retired pay base is determined under section 1407 of this title shall be increased on the effective date of the first adjustment of retired pay under subsection (b) after the member or former member becomes entitled to retired pay by the percent (adjusted to the nearest one-tenth of 1 percent) equal to the difference between the percent by which—

"(1) the price index for the base quarter of that year, exceeds

"(2) the price index for the calendar quarter immediately before the calendar quarter during which the member became entitled to retired pay.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply only to adjustments of retired and retainer pay effective after the date of the enactment of this Act.

SEC. 636. TECHNICAL CORRECTION TO PRIOR AUTHORITY FOR PAYMENT OF BACK PAY TO CERTAIN PERSONS.

Section 634 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 366) is amended—

(1) in subsection (b)(1), by striking out "Island of Bataan" and inserting in lieu thereof "peninsula of Bataan or island of Corregidor"; and

(2) in subsection (c), by inserting after the first sentence the following: "For the purposes of this subsection, the Secretary of War shall be deemed to have determined that conditions in the Philippines during the specified period justified payment under applicable regulations of quarters and subsistence allowances at the maximum special rate for duty where emergency conditions existed.".

SEC. 637. AMENDMENTS TO THE UNIFORMED SERVICES FORMER SPOUSES' PROTECTION ACT.

(a) MANNER OF SERVICE OF PROCESS.—Subsection (b)(1)(A) of section 1408 of title 10, United States Code, is amended by striking out "certified or registered mail, return receipt requested" and inserting in lieu thereof "facsimile or electronic transmission or by mail".

(b) SUBSEQUENT COURT ORDER FROM ANOTHER STATE.—Subsection (d) of such section is amended by adding at the end the following new paragraph:

"(6)(A) The Secretary concerned may not accept service of a court order that is an out-of State modification, or comply with the provisions of such a court order, unless the court issuing that order has jurisdiction in the manner specified in subsection (c)(4) over both the member and the spouse or former spouse involved.

"(B) A court order shall be considered to be an out-of-State modification for purposes of this paragraph if the order—

"(i) modifies a previous court order under this section upon which payments under this subsection are based; and

"(ii) is issued by a court of a State other than the State of the court that issued the previous court order.".

SEC. 638. ADMINISTRATION OF BENEFITS FOR SO-CALLED MINIMUM INCOME WIDOWS.

(a) PAYMENTS TO BE MADE BY SECRETARY OF VETERANS AFFAIRS.—Section 4 of Public Law 92–425 (10 U.S.C. 1448 note) is amended by adding at the end the following new subsection:

"(e)(1) Payment of annuities under this section shall be made by the Secretary of Veterans Affairs. If appropriate for administrative convenience (or otherwise determined appropriate by the Secretary of Veterans Affairs), that Secretary may combine a payment to any person for any month under this section with any other payment for that month under laws administered by the Secretary so as to provide that person with a single payment for that month.

"(2) The Secretary concerned shall annually transfer to the Secretary of Veterans Affairs such amounts as may be necessary for payments by the Secretary of Veterans Affairs under this section and for costs of the Secretary of Veterans Affairs in administering this section. Such transfers shall be made from amounts that would otherwise be used for payment of annuities by the Secretary concerned under this section. The authority to make such a transfer is in addition to any other authority of the Secretary concerned to transfer funds for a purpose other than the purpose for which the funds were originally made available. In the case of a transfer by the Secretary of a military department, the provisions of section 2215 of this title do not apply.

"(3) The Secretary concerned shall promptly notify the Secretary of Veterans Affairs of any change in beneficiaries under this section.".

(b) EFFECTIVE DATE.—Subsection (e) of section 4 of Public Law 92–425, as added by subsection (a), shall apply with respect to payments of benefits for any month after June 1997.

SEC. 639. NONSUBSTANTIVE RESTATEMENT OF SURVIVOR BENEFIT PLAN STATUTE.

Subchapter II of chapter 73 of title 10, United States Code, is amended to read as follows:

"SUBCHAPTER II—SURVIVOR BENEFIT PLAN

"Sec.
"1447. Definitions.
"1448. Application of Plan.
"1449. Mental incompetency of member.
"1450. Payment of annuity: beneficiaries.
"1451. Amount of annuity.
"1452. Reduction in retired pay.
"1453. Recovery of amounts erroneously paid.
"1454. Correction of administrative errors.
"1455. Regulations.

"§1447. Definitions

"In this subchapter:

"(1) PLAN.—The term 'Plan' means the Survivor Benefit Plan established by this subchapter.

"(2) STANDARD ANNUITY.—The term 'standard annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(A) of this title.

"(3) RESERVE-COMPONENT ANNUITY.—The term 'reserve-component annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(B) of this title.

"(4) RETIRED PAY.—The term 'retired pay' includes retainer pay paid under section 6330 of this title.

"(5) RESERVE-COMPONENT RETIRED PAY.—The term 'reserve-component retired pay' means retired pay under chapter 1223 of this title (or under chapter 67 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act).

"(6) BASE AMOUNT.—The term 'base amount' means the following:

"(A) FULL AMOUNT UNDER STANDARD ANNUITY.—In the case of a person who dies after becoming entitled to retired pay, such term means the amount of monthly retired pay (determined without regard to any reduction under section 1409(b)(2) of this title) to which the person—

"(i) was entitled when he became eligible for that pay; or

"(ii) later became entitled by being advanced on the retired list, performing active duty, or being transferred from the temporary disability retired list to the permanent disability retired list.

"(B) FULL AMOUNT UNDER RESERVE-COMPONENT ANNUITY.—In the case of a person who would have become eligible for reserve-component retired pay but for the fact that he died before becoming 60 years of age, such term means the amount of monthly retired pay for which the person would have been eligible—

"(i) if he had been 60 years of age on the date of his death, for purposes of an annuity to become effective on the day after his death in accordance with a designation made under section 1448(e) of this title.

"(ii) upon becoming 60 years of age (if he had lived to that age), for purposes of an annuity to become effective on the 60th anniversary of his birth in accordance with a designation made under section 1448(e) of this title.

"(C) REDUCED AMOUNT.—Such term means any amount less than the amount otherwise applicable under subparagraph (A) or (B) with respect to an annuity provided under the Plan but which is not less than $300 and which is designated by the person (with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title) providing the annuity on or before—

"(i) the first day for which he becomes eligible for retired pay, in the case of a person providing a standard annuity, or

"(ii) the end of the 90-day period beginning on the date on which he receives the notification required by section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay, in the case of a person providing a reserve-component annuity.

"(7) WIDOW.—The term 'widow' means the surviving wife of a person who, if not married to the person at the time he became eligible for retired pay—

"(A) was married to the person for at least one year immediately before the person's death; or

"(B) is the mother of issue by that marriage.

"(8) WIDOWER.—The term 'widower' means the surviving husband of a person who, if not married to the person at the time she became eligible for retired pay—

"(A) was married to her for at least one year immediately before her death; or

"(B) is the father of issue by that marriage.

"(9) SURVIVING SPOUSE.—The term 'surviving spouse' means a widow or widower.

"(10) FORMER SPOUSE.—The term 'former spouse' means the surviving former husband or wife of a person who is eligible to participate in the Plan.

"(11) DEPENDENT CHILD.—

"(A) IN GENERAL.—The term 'dependent child' means a person who—

"(i) is unmarried;

"(ii) is (I) under 18 years of age, (II) at least 18, but under 22, years of age and pursuing a full-time course of study or training in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution, or (III) incapable of self support because of a mental or physical incapacity existing before the person's eighteenth birthday or incurred on or after that birthday, but before the person's twenty-second birthday, while pursuing such a full-time course of study or training; and

"(iii) is the child of a person to whom the Plan applies, including (I) an adopted child, and (II) a stepchild, foster child, or recognized natural child who lived with that person in a regular parent-child relationship.

"(B) SPECIAL RULES FOR COLLEGE STUDENTS.—For the purpose of subparagraph (A), a child whose twenty-second birthday occurs before July 1 or after August 31 of a calendar year, and while regularly pursuing such a course of study or training, is considered to have become 22 years of age on the first day of July after that birthday. A child who is a student is considered not to have ceased to be a student during an interim between school years if the interim is not more than 150 days and if the child shows to the satisfaction of the Secretary of Defense that the child has a bona fide intention of continuing to pursue a course of study or training in the same or a different school during the school semester (or other period into which the school year is divided) immediately after the interim.

"(C) FOSTER CHILDREN.—A foster child, to qualify under this paragraph as the dependent child of a person to whom the Plan applies, must, at the time of the death of that person, also reside with, and receive over one-half of his support from, that person, and not be cared for under a social agency contract. The temporary absence of a foster child from the residence of that person, while a student as described in this paragraph, shall not be considered to affect the residence of such a foster child.

"(12) COURT.—The term 'court' has the meaning given that term by section 1408(a)(1) of this title.

"(13) COURT ORDER.—

"(A) IN GENERAL.—The term 'court order' means a court's final decree of divorce, dissolution, or annulment or a court ordered, ratified, or approved property settlement incident to such a decree (including a final decree modifying the terms of a previously issued decree of divorce, dissolution, annulment, or legal separation, or of a court ordered, ratified, or approved property settlement agreement incident to such previously issued decree).

"(B) FINAL DECREE.—The term 'final decree' means a decree from which no appeal may be taken or from which no appeal has been taken within the time allowed for the taking of such appeals under the laws applicable to such appeals, or a decree from which timely appeal has been taken and such appeal has been finally decided under the laws applicable to such appeals.

"(C) REGULAR ON ITS FACE.—The term 'regular on its face', when used in connection with a court order, means a court order that meets the conditions prescribed in section 1408(b)(2) of this title.

"§1448. Application of plan

"(a) GENERAL RULES FOR PARTICIPATION IN THE PLAN.—

"(1) NAME OF PLAN; ELIGIBLE PARTICIPANTS.—The program established by this subchapter shall be known as the Survivor Benefit Plan. The following persons are eligible to participate in the Plan:

"(A) Persons entitled to retired pay.

"(B) Persons who would be eligible for reserve-component retired pay but for the fact that they are under 60 years of age.

"(2) PARTICIPANTS IN THE PLAN.—The Plan applies to the following persons, who shall be participants in the Plan:

"(A) STANDARD ANNUITY PARTICIPANTS.—A person who is eligible to participate in the Plan under paragraph (1)(A) and who is married or has a dependent child when he becomes entitled to retired pay, unless he elects (with his spouse's concurrence, if required under paragraph (3)) not to participate in the Plan before the first day for which he is eligible for that pay.

"(B) RESERVE-COMPONENT ANNUITY PARTICIPANTS.—A person who (i) is eligible to participate in the Plan under paragraph (1)(B), (ii) is married or has a dependent child when he is notified under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay, and (iii) elects to participate in the Plan (and makes a designation under subsection (e)) before the end of the 90-day period beginning on the date he receives such notification.

A person described in clauses (i) and (ii) of subparagraph (B) who does not elect to participate in the Plan before the end of the 90-day period referred to in that clause remains eligible, upon reaching 60 years of age and otherwise becoming entitled to retired pay, to participate in the Plan in accordance with eligibility under paragraph (1)(A).

"(3) ELECTIONS.—

"(A) SPOUSAL CONSENT FOR CERTAIN ELECTIONS RESPECTING STANDARD ANNUITY.—A married person who is eligible to provide a standard annuity may not without the concurrence of the person's spouse elect—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or "(iii) to provide an annuity for a dependent child but not for the person's spouse.

"(B) SPOUSAL CONSENT FOR CERTAIN ELECTIONS RESPECTING RESERVE-COMPONENT ANNUITY.—A married person who elects to provide a reserve-component annuity may not without the concurrence of the person's spouse elect—

"(i) to provide an annuity for the person's spouse at less than the maximum level; or

"(ii) to provide an annuity for a dependent child but not for the person's spouse.

"(C) EXCEPTION WHEN SPOUSE UNAVAILABLE.—A person may make an election described in subparagraph (A) or (B) without the concurrence of the person's spouse if the person establishes to the satisfaction of the Secretary concerned—

"(i) that the spouse's whereabouts cannot be determined; or

"(ii) that, due to exceptional circumstances, requiring the person to seek the spouse's consent would otherwise be inappropriate.

"(D) CONSTRUCTION WITH FORMER SPOUSE ELECTION PROVISIONS.—This paragraph does not affect any right or obligation to elect to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2).

"(E) NOTICE TO SPOUSE OF ELECTION TO PROVIDE FORMER SPOUSE ANNUITY.—If a married person who is eligible to provide a standard annuity elects to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2), that person's spouse shall be notified of that election.

"(4) IRREVOCABILITY OF ELECTIONS.—

"(A) STANDARD ANNUITY.—An election under paragraph (2)(A) not to participate in the Plan is irrevocable if not revoked before the date on which the person first becomes entitled to retired pay.

"(B) RESERVE-COMPONENT ANNUITY.—An election under paragraph (2)(B) to participate in the Plan is irrevocable if not revoked before the end of the 90-day period referred to in that paragraph.

"(5) PARTICIPATION BY PERSON MARRYING AFTER RETIREMENT, ETC.—

"(A) ELECTION TO PARTICIPATE IN PLAN.—A person who is not married and has no dependent child upon becoming eligible to participate in the Plan but who later marries or acquires a dependent child may elect to participate in the Plan.

"(B) MANNER AND TIME OF ELECTION.—Such an election must be written, signed by the person making the election, and received by the Secretary concerned within one year after the date on which that person marries or acquires that dependent child.

"(C) LIMITATION ON REVOCATION OF ELECTION.—Such an election may not be revoked except in accordance with subsection (b)(3).

"(D) EFFECTIVE DATE OF ELECTION.—The election is effective as of the first day of the first calendar month following the month in which the election is received by the Secretary concerned.

"(E) DESIGNATION IF RCSBP ELECTION.—In the case of a person providing a reserve-component annuity, such an election shall include a designation under subsection (e).

"(6) ELECTION OUT OF PLAN BY PERSON WITH SPOUSE COVERAGE WHO REMARRIES.—

"(A) GENERAL RULE.—A person—

"(i) who is a participant in the Plan and is providing coverage under the Plan for a spouse (or a spouse and child);

"(ii) who does not have an eligible spouse beneficiary under the Plan; and

"(iii) who remarries,

may elect not to provide coverage under the Plan for the person's spouse.

"(B) EFFECT OF ELECTION ON RETIRED PAY.—If such an election is made, reductions in the retired pay of that person under section 1452 of this title shall not be made.

"(C) TERMS AND CONDITIONS OF ELECTION.—An election under this paragraph—

"(i) is irrevocable;

"(ii) shall be made within one year after the person's remarriage; and

"(iii) shall be made in such form and manner as may be prescribed in regulations under section 1455 of this title.

"(D) NOTICE TO SPOUSE.—If a person makes an election under this paragraph—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse,

the person's spouse shall be notified of that election.

"(E) CONSTRUCTION WITH FORMER SPOUSE ELECTION PROVISIONS.—This paragraph does not affect any right or obligation to elect to provide an annuity to a former spouse under subsection (b).

"(b) INSURABLE INTEREST AND FORMER SPOUSE COVERAGE.—

"(1) COVERAGE FOR PERSON WITH INSURABLE INTEREST.—

"(A) GENERAL RULE.—A person who is not married and does not have a dependent child upon becoming eligible to participate in the Plan may elect to provide an annuity under the Plan to a natural person with an insurable interest in that person. In the case of a person providing a reserve-component annuity, such an election shall include a designation under subsection (e).

"(B) TERMINATION OF COVERAGE.—An election under subparagraph (A) for a beneficiary who is not the former spouse of the person providing the annuity may be terminated. Any such termination shall be made by a participant by the submission to the Secretary concerned of a request to discontinue participation in the Plan, and such participation in the Plan shall be discontinued effective on the first day of the first month following the month in which the request is received by the Secretary concerned. Effective on such date, the Secretary concerned shall discontinue the reduction being made in such person's retired pay on account of participation in the Plan or, in the case of a person who has been required to make deposits in the Treasury on account of participation in the Plan, such person may discontinue making such deposits effective on such date.

"(C) FORM FOR DISCONTINUATION.—A request under subparagraph (B) to discontinue participation in the Plan shall be in such form and shall contain such information as may be required under regulations prescribed by the Secretary of Defense.

"(D) WITHDRAWAL OF REQUEST FOR DISCONTINUATION.—The Secretary concerned shall furnish promptly to each person who submits a request under subparagraph (B) to discontinue participation in the Plan a written statement of the advantages and disadvantages of participating in the Plan and the possible disadvantages of discontinuing participation. A person may withdraw the request to discontinue participation if withdrawn within 30 days after having been submitted to the Secretary concerned.

"(E) CONSEQUENCES OF DISCONTINUATION.—Once participation is discontinued, benefits may not be paid in conjunction with the earlier participation in the Plan and premiums paid may not be refunded. Participation in the Plan may not later be resumed except through a qualified election under paragraph (5) of subsection (a).

"(2) FORMER SPOUSE COVERAGE UPON BECOMING A PARTICIPANT IN THE PLAN.—

"(A) GENERAL RULE.—A person who has a former spouse upon becoming eligible to participate in the Plan may elect to provide an annuity to that former spouse.

"(B) EFFECT OF FORMER SPOUSE ELECTION ON SPOUSE OR DEPENDENT CHILD.—In the case of a person with a spouse or a dependent child, such an election prevents payment of an annuity to that spouse or child (other than a child who is a beneficiary under an election under paragraph (4)), including payment under subsection (d).

"(C) DESIGNATION IF MORE THAN ONE FORMER SPOUSE.—If there is more than one former spouse, the person shall designate which former spouse is to be provided the annuity.

"(D) DESIGNATION IF RCSBP ELECTION.—In the case of a person providing a reserve-component annuity, such an election shall include a designation under subsection (e).

"(3) FORMER SPOUSE COVERAGE BY PERSONS ALREADY PARTICIPATING IN PLAN.—

"(A) ELECTION OF COVERAGE.—

"(i) AUTHORITY FOR ELECTION.—A person—

"(I) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child (even though there is no beneficiary currently eligible for such coverage), and

"(II) who has a former spouse who was not that person's former spouse when that person became eligible to participate in the Plan,

may (subject to subparagraph (B)) elect to provide an annuity to that former spouse.

"(ii) TERMINATION OF PREVIOUS COVERAGE.—Any such election terminates any previous coverage under the Plan.

"(iii) MANNER AND TIME OF ELECTION.—Any such election must be written, signed by the person making the election, and received by the Secretary concerned within one year after the date of the decree of divorce, dissolution, or annulment.

"(B) LIMITATION ON ELECTION.—A person may not make an election under subparagraph (A) to provide an annuity to a former spouse who that person married after becoming eligible for retired pay unless—

"(i) the person was married to that former spouse for at least one year, or

"(ii) that former spouse is the parent of issue by that marriage.

"(C) IRREVOCABILITY, EFFECTIVE DATE, ETC.—An election under this paragraph may not be revoked except in accordance with section 1450(f) of this title. Such an election is effective as of the first day of the first calendar month following the month in which it is received by the Secretary concerned. This paragraph does not provide the authority to change a designation previously made under subsection (e).

"(D) NOTICE TO SPOUSE.—If a person who is married makes an election to provide an annuity to a former spouse under this paragraph, that person's spouse shall be notified of the election.

"(4) FORMER SPOUSE AND CHILD COVERAGE.—A person who elects to provide an annuity for a former spouse under paragraph (2) or (3) may, at the time of the election, elect to provide coverage under that annuity for both the former spouse and a dependent child, if the child resulted from the person's marriage to that former spouse.

"(5) DISCLOSURE OF WHETHER ELECTION OF FORMER SPOUSE COVERAGE IS REQUIRED.—A person who elects to provide an annuity to a former spouse under paragraph (2) or (3) shall, at the time of making the election, provide the Secretary concerned with a written statement (in a form to be prescribed by that Secretary and signed by such person and the former spouse) setting forth—

"(A) whether the election is being made pursuant to the requirements of a court order; or

"(B) whether the election is being made pursuant to a written agreement previously entered into voluntarily by such person as a part of, or incident to, a proceeding of divorce, dissolution, or annulment and (if so) whether such voluntary written agreement has been incorporated in, or ratified or approved by, a court order.

"(c) PERSONS ON TEMPORARY DISABILITY RETIRED LIST.—The application of the Plan to a person whose name is on the temporary disability retired list terminates when his name is removed from that list and he is no longer entitled to disability retired pay.

"(d) COVERAGE FOR SURVIVORS OF RETIREMENT-ELIGIBLE MEMBERS WHO DIE ON ACTIVE DUTY.—

"(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a member who dies on active duty after—

"(A) becoming eligible to receive retired pay;

"(B) qualifying for retired pay except that he has not applied for or been granted that pay; or

"(C) completing 20 years of active service but before he is eligible to retire as a commissioned officer because he has not completed 10 years of active commissioned service.

"(2) DEPENDENT CHILD ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a member described in paragraph (1) if there is no surviving spouse or if the member's surviving spouse subsequently dies.

"(3) MANDATORY FORMER SPOUSE ANNUITY.—If a member described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the member had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) PRIORITY.—An annuity that may be provided under this subsection shall be provided in preference to an annuity that may be provided under any other provision of this subchapter on account of service of the same member.

"(5) COMPUTATION.—The amount of an annuity under this subsection is computed under section 1451(c) of this title.

"(e) DESIGNATION FOR COMMENCEMENT OF RESERVE-COMPONENT ANNUITY.—In any case in which a person electing to participate in the Plan is required to make a designation under this subsection, the person making such election shall designate whether, in the event he dies before becoming 60 years of age, the annuity provided shall become effective on—

"(1) the day after the date of his death; or

"(2) the 60th anniversary of his birth.

"(f) COVERAGE OF SURVIVORS OF PERSONS DYING WHEN ELIGIBLE TO ELECT RESERVE-COMPONENT ANNUITY.—

"(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a person who is eligible to provide a reserve-component annuity and who dies—

"(A) before being notified under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay; or

"(B) during the 90-day period beginning on the date he receives notification under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay if he had not made an election under subsection (a)(2)(B) to participate in the Plan.

"(2) DEPENDENT CHILD ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a person described in paragraph (1) if there is no surviving spouse or if the person's surviving spouse subsequently dies.

"(3) MANDATORY FORMER SPOUSE ANNUITY.—If a person described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the person had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) COMPUTATION.—The amount of an annuity under this subsection is computed under section 1451(c) of this title.

"(g) ELECTION TO INCREASE COVERAGE UPON REMARRIAGE.—

"(1) ELECTION.—A person—

"(A) who is a participant in the Plan and is providing coverage under subsection (a) for a spouse or a spouse and child, but at less than the maximum level; and

"(B) who remarries,

may elect, within one year of such remarriage, to increase the level of coverage provided under the Plan to a level not in excess of the current retired pay of that person.

"(2) PAYMENT REQUIRED.—Such an election shall be contingent on the person paying to the United States the amount determined under paragraph (3) plus interest on such amount at a rate determined under regulations prescribed by the Secretary of Defense.

"(3) AMOUNT TO BE PAID.—The amount referred to in paragraph (2) is the amount equal to the difference between—

"(A) the amount that would have been withheld from such person's retired pay under section 1452 of this title if the higher level of coverage had been in effect from the time the person became a participant in the Plan; and

"(B) the amount of such person's retired pay actually withheld.

"(4) MANNER OF MAKING ELECTION.—An election under paragraph (1) shall be made in such manner as the Secretary shall prescribe and shall become effective upon receipt of the payment required by paragraph (2).

"(5) DISPOSITION OF PAYMENTS.—A payment received under this subsection by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other payment received under this subsection shall be deposited in the Treasury as miscellaneous receipts.

"§1449. Mental incompetency of member

"(a) ELECTION BY SECRETARY CONCERNED ON BEHALF OF MENTALLY INCOMPETENT MEMBER.—If a person to whom section 1448 of this title applies is determined to be mentally incompetent by medical officers of the armed force concerned or of the Department of Veterans Affairs, or by a court of competent jurisdiction, an election described in subsection (a)(2) or (b) of section 1448 of this title may be made on behalf of that person by the Secretary concerned.

"(b) REVOCATION OF ELECTION BY MEMBER.—

"(1) AUTHORITY UPON SUBSEQUENT DETERMINATION OF MENTAL COMPETENCE.—If a person for whom the Secretary has made an election under subsection (a) is later determined to be mentally competent by an authority named in that subsection, that person may, within 180 days after that determination, revoke that election.

"(2) DEDUCTIONS FROM RETIRED PAY NOT TO BE REFUNDED.—Any deduction made from retired pay by reason of such an election may not be refunded.

"§1450. Payment of annuity: beneficiaries

"(a) IN GENERAL.—Effective as of the first day after the death of a person to whom section 1448 of this title applies (or on such other day as that person may provide under subsection (j)), a monthly annuity under section 1451 of this title shall be paid to the person's beneficiaries under the Plan, as follows:

"(1) SURVIVING SPOUSE OR FORMER SPOUSE.—The eligible surviving spouse or the eligible former spouse.

"(2) SURVIVING CHILDREN.—The surviving dependent children in equal shares, if the eligible surviving spouse or the eligible former spouse is dead, dies, or otherwise becomes ineligible under this section.

"(3) DEPENDENT CHILDREN.—The dependent children in equal shares if the person to whom section 1448 of this title applies (with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title) elected to provide an annuity for dependent children but not for the spouse or former spouse.

"(4) NATURAL PERSON DESIGNATED UNDER 'INSURABLE INTEREST' COVERAGE.—The natural person designated under section 1448(b)(1) of this title, unless the election to provide an annuity to the natural person has been changed as provided in subsection (f).

"(b) TERMINATION OF ANNUITY FOR DEATH, REMARRIAGE BEFORE AGE 55, ETC.—

"(1) GENERAL RULE.—An annuity payable to the beneficiary terminates effective as of the first day of the month in which eligibility is lost.

"(2) TERMINATION OF SPOUSE ANNUITY UPON DEATH OR REMARRIAGE BEFORE AGE 55.—An annuity for a surviving spouse or former spouse shall be paid to the surviving spouse or former spouse while the surviving spouse or former spouse is living or, if the surviving spouse or former spouse remarries before reaching age 55, until the surviving spouse or former spouse remarries.

"(3) EFFECT OF TERMINATION OF SUBSEQUENT MARRIAGE BEFORE AGE 55.—If the surviving spouse or former spouse remarries before reaching age 55 and that marriage is terminated by death, annulment, or divorce, payment of the annuity shall be resumed effective as of the first day of the month in which the marriage is so terminated. However, if the surviving spouse or former spouse is also entitled to an annuity under the Plan based upon the marriage so terminated, the surviving spouse or former spouse may not receive both annuities but must elect which to receive.

"(c) OFFSET FOR AMOUNT OF DEPENDENCY AND INDEMNITY COMPENSATION.—

"(1) REQUIRED OFFSET.—If, upon the death of a person to whom section 1448 of this title applies, the surviving spouse or former spouse of that person is also entitled to dependency and indemnity compensation under section 1311(a) of title 38, the surviving spouse or former spouse may be paid an annuity under this section, but only in the amount that the annuity otherwise payable under this section would exceed that compensation.

"(2) EFFECTIVE DATE OF OFFSET.—A reduction in an annuity under this section required by paragraph (1) shall be effective on the date of *the commencement of the period of payment of such dependency and indemnity compensation under title 38.*

“(d) LIMITATION ON PAYMENT OF ANNUITIES WHEN COVERAGE UNDER CIVIL SERVICE RETIREMENT ELECTED.—If, upon the death of a person to whom section 1448 of this title applies, that person had in effect a waiver of that person's retired pay for the purposes of subchapter III of chapter 83 of title 5, an annuity under this section shall not be payable unless, in accordance with section 8339(j) of title 5, that person notified the Office of Personnel Management that he did not desire any spouse surviving him to receive an annuity under section 8341(b) of that title.

“(e) REFUND OF AMOUNTS DEDUCTED FROM RETIRED PAY WHEN DIC OFFSET IS APPLICABLE.—

“(1) FULL REFUND WHEN DIC GREATER THAN SBP ANNUITY.—If an annuity under this section is not payable because of subsection (c), any amount deducted from the retired pay of the deceased under section 1452 of this title shall be refunded to the surviving spouse or former spouse.

“(2) PARTIAL REFUND WHEN SBP ANNUITY REDUCED BY DIC.—If, because of subsection (c), the annuity payable is less than the amount established under section 1451 of this title, the annuity payable shall be recalculated under that section. The amount of the reduction in the retired pay required to provide that recalculated annuity shall be computed under section 1452 of this title, and the difference between the amount deducted before the computation of that recalculated annuity and the amount that would have been deducted on the basis of that recalculated annuity shall be refunded to the surviving spouse or former spouse.

“(f) CHANGE IN ELECTION OF INSURABLE INTEREST OR FORMER SPOUSE BENEFICIARY.—

“(1) AUTHORIZED CHANGES.—

“(A) ELECTION IN FAVOR OF SPOUSE OR CHILD.—A person who elects to provide an annuity to a person designated by him under section 1448(b) of this title may, subject to paragraph (2), change that election and provide an annuity to his spouse or dependent child.

“(B) NOTICE.—The Secretary concerned shall notify the former spouse or other natural person previously designated under section 1448(b) of this title of any change of election under subparagraph (A).

“(C) PROCEDURES, EFFECTIVE DATE, ETC.—Any such change of election is subject to the same rules with respect to execution, revocation, and effectiveness as are set forth in section 1448(a)(5) of this title (without regard to the eligibility of the person making the change of election to make such an election under that section).

“(2) LIMITATION ON CHANGE IN BENEFICIARY WHEN FORMER SPOUSE COVERAGE IN EFFECT.—A person who, incident to a proceeding of divorce, dissolution, or annulment, is required by a court order to elect under section 1448(b) of this title to provide an annuity to a former spouse (or to both a former spouse and child), or who enters into a written agreement (whether voluntary or required by a court order) to make such an election, and who makes an election pursuant to such order or agreement, may not change that election under paragraph (1) unless, of the following requirements, whichever are applicable in a particular case are satisfied:

“(A) In a case in which the election is required by a court order, or in which an agreement to make the election has been incorporated in or ratified or approved by a court order, the person—

“(i) furnishes to the Secretary concerned a certified copy of a court order which is regular on its face and which modifies the provisions of all previous court orders relating to such election, or the agreement to make such election, so as to permit the person to change the election; and

“(ii) certifies to the Secretary concerned that the court order is valid and in effect.

“(B) In a case of a written agreement that has not been incorporated in or ratified or approved by a court order, the person—

“(i) furnishes to the Secretary concerned a statement, in such form as the Secretary concerned may prescribe, signed by the former spouse and evidencing the former spouse's agreement to a change in the election under paragraph (1); and

“(ii) certifies to the Secretary concerned that the statement is current and in effect.

“(3) REQUIRED FORMER SPOUSE ELECTION TO BE DEEMED TO HAVE BEEN MADE.—

“(A) DEEMED ELECTION UPON REQUEST BY FORMER SPOUSE.—If a person described in paragraph (2) or (3) of section 1448(b) of this title is required (as described in subparagraph (B)) to elect under section 1448(b) of this title to provide an annuity to a former spouse and such person then fails or refuses to make such an election, such person shall be deemed to have made such an election if the Secretary concerned receives the following:

“(i) REQUEST FROM FORMER SPOUSE.—A written request, in such manner as the Secretary shall prescribe, from the former spouse concerned requesting that such an election be deemed to have been made.

“(ii) COPY OF COURT ORDER OR OTHER OFFICIAL STATEMENT.—Either—

“(I) a copy of the court order, regular on its face, which requires such election or incorporates, ratifies, or approves the written agreement of such person; or

“(II) a statement from the clerk of the court (or other appropriate official) that such agreement has been filed with the court in accordance with applicable State law.

“(B) PERSONS REQUIRED TO MAKE ELECTION.—A person shall be considered for purposes of subparagraph (A) to be required to elect under section 1448(b) of this title to provide an annuity to a former spouse if—

“(i) the person enters, incident to a proceeding of divorce, dissolution, or annulment, into a written agreement to make such an election and the agreement (I) has been incorporated in or ratified or approved by a court order, or (II) has been filed with the court of appropriate jurisdiction in accordance with applicable State law; or

“(ii) the person is required by a court order to make such an election.

“(C) TIME LIMIT FOR REQUEST BY FORMER SPOUSE.—An election may not be deemed to have been made under subparagraph (A) in the case of any person unless the Secretary concerned receives a request from the former spouse of the person within one year of the date of the court order or filing involved.

“(D) EFFECTIVE DATE OF DEEMED ELECTION.—An election deemed to have been made under subparagraph (A) shall become effective on the first day of the first month which begins after the date of the court order or filing involved.

“(4) FORMER SPOUSE COVERAGE MAY BE REQUIRED BY COURT ORDER.—A court order may require a person to elect (or to enter into an agreement to elect) under section 1448(b) of this title to provide an annuity to a former spouse (or to both a former spouse and child).

“(g) LIMITATION ON CHANGING OR REVOKING ELECTIONS.—

“(1) IN GENERAL.—An election under this section may not be changed or revoked.

“(2) EXCEPTIONS.—Paragraph (1) does not apply to—

“(A) a revocation of an election under section 1449(b) of this title; or

“(B) a change in an election under subsection (f).

“(h) TREATMENT OF ANNUITIES UNDER OTHER LAWS.—Except as provided in section 1451 of this title, an annuity under this section is in addition to any other payment to which a person is entitled under any other provision of law. Such annuity shall be considered as income under laws administered by the Secretary of Veterans Affairs.

“(i) ANNUITIES EXEMPT FROM CERTAIN LEGAL PROCESS.—Except as provided in subsection (l)(3)(B), an annuity under this section is not assignable or subject to execution, levy, attachment, garnishment, or other legal process.

“(j) EFFECTIVE DATE OF RESERVE-COMPONENT ANNUITIES.—

“(1) PERSONS MAKING SECTION 1448(e) DESIGNATION.—An annuity elected by a person providing a reserve-component annuity shall be effective in accordance with the designation made by such person under section 1448(e) of this title.

“(2) PERSONS DYING BEFORE MAKING SECTION 1448(e) DESIGNATION.—An annuity payable under section 1448(f) of this title shall be effective on the day after the date of the death of the person upon whose service the right to the annuity is based.

“(k) ADJUSTMENT OF SPOUSE OR FORMER SPOUSE ANNUITY UPON LOSS OF DEPENDENCY AND INDEMNITY COMPENSATION.—

“(1) READJUSTMENT IF BENEFICIARY 55 YEARS OF AGE OR MORE.—If a surviving spouse or former spouse whose annuity has been adjusted under subsection (c) subsequently loses entitlement to dependency and indemnity compensation under section 1311(a) of title 38 because of the remarriage of the surviving spouse, or former spouse, and if at the time of such remarriage the surviving spouse or former spouse is 55 years of age or more, the amount of the annuity of the surviving spouse or former spouse shall be readjusted, effective on the effective date of such loss of dependency and indemnity compensation, to the amount of the annuity which would be in effect with respect to the surviving spouse or former spouse if the adjustment under subsection (c) had never been made.

“(2) REPAYMENT OF AMOUNTS PREVIOUSLY REFUNDED.—

“(A) GENERAL RULE.—A surviving spouse or former spouse whose annuity is readjusted under paragraph (1) shall repay any amount refunded under subsection (e) by reason of the adjustment under subsection (c).

“(B) INTEREST REQUIRED IF REPAYMENT NOT A LUMP SUM.—If the repayment is not made in a lump sum, the surviving spouse or former spouse shall pay interest on the amount to be repaid. Such interest shall commence on the date on which the first such payment is due and shall be applied over the period during which any part of the repayment remains to be paid.

“(C) MANNER OF REPAYMENT; RATE OF INTEREST.—The manner in which such repayment shall be made, and the rate of any such interest, shall be prescribed in regulations under section 1455 of this title.

“(D) DEPOSIT OF AMOUNTS REPAID.—An amount repaid under this paragraph (including any such interest) received by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other amount repaid under this paragraph shall be deposited into the Treasury as miscellaneous receipts.

“(l) PARTICIPANTS IN THE PLAN WHO ARE MISSING.—

“(1) AUTHORITY TO PRESUME DEATH OF MISSING PARTICIPANT.—

“(A) IN GENERAL.—Upon application of the beneficiary of a participant in the Plan who is missing, the Secretary concerned may determine for purposes of this subchapter that the participant is presumed dead.

“(B) PARTICIPANT WHO IS MISSING.—A participant in the Plan is considered to be missing for purposes of this subsection if—

"(i) the retired pay of the participant has been suspended on the basis that the participant is missing; or

"(ii) in the case of a participant in the Plan who would be eligible for reserve-component retired pay but for the fact that he is under 60 years of age, his retired pay, if he were entitled to retired pay, would be suspended on the basis that he is missing.

"(C) REQUIREMENTS APPLICABLE TO PRESUMPTION OF DEATH.—Any such determination shall be made in accordance with regulations prescribed under section 1455 of this title. The Secretary concerned may not make a determination for purposes of this subchapter that a participant who is missing is presumed dead unless the Secretary finds that—

"(i) the participant has been missing for at least 30 days; and

"(ii) the circumstances under which the participant is missing would lead a reasonably prudent person to conclude that the participant is dead.

"(2) COMMENCEMENT OF ANNUITY.—Upon a determination under paragraph (1) with respect to a participant in the Plan, an annuity otherwise payable under this subchapter shall be paid as if the participant died on the date as of which the retired pay of the participant was suspended.

"(3) EFFECT OF PERSON NOT BEING DEAD.—

"(A) TERMINATION OF ANNUITY.—If, after a determination under paragraph (1), the Secretary concerned determines that the participant is alive—

"(i) any annuity being paid under this subchapter by reason of this subsection shall be terminated; and

"(ii) the total amount of any annuity payments made by reason of this subsection shall constitute a debt to the United States.

"(B) COLLECTION FROM PARTICIPANT OF ANNUITY AMOUNTS ERRONEOUSLY PAID.—A debt under subparagraph (A)(ii) may be collected or offset—

"(i) from any retired pay otherwise payable to the participant;

"(ii) if the participant is entitled to compensation under chapter 11 of title 38, from that compensation; or

"(iii) if the participant is entitled to any other payment from the United States, from that payment.

"(C) COLLECTION FROM BENEFICIARY.—If the participant dies before the full recovery of the amount of annuity payments described in subparagraph (A)(ii) has been made by the United States, the remaining amount of such annuity payments may be collected from the participant's beneficiary under the Plan if that beneficiary was the recipient of the annuity payments made by reason of this subsection.

"§1451. Amount of annuity

"(a) COMPUTATION OF ANNUITY FOR A SPOUSE, FORMER SPOUSE, OR CHILD.—

"(1) STANDARD ANNUITY.—In the case of a standard annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the beneficiary is under 62 years of age or is a dependent child when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 55 percent of the base amount.

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the beneficiary (other than a dependent child) is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 35 percent of the base amount.

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).

"(2) RESERVE-COMPONENT ANNUITY—In the case of a reserve-component annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the beneficiary is under 62 years of age or is a dependent child when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the beneficiary (other than a dependent child) is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount that—

"(I) is less than 35 percent; and

"(II) is determined under subsection (f).

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).

"(b) INSURABLE INTEREST BENEFICIARY.—

"(1) STANDARD ANNUITY.—In the case of a standard annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to 55 percent of the retired pay of the person who elected to provide the annuity after the reduction in that pay in accordance with section 1452(c) of this title.

"(2) RESERVE-COMPONENT ANNUITY.—In the case of a reserve-component annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to a percentage of the retired pay of the person who elected to provide the annuity after the reduction in such pay in accordance with section 1452(c) of this title that—

"(A) is less than 55 percent; and

"(B) is determined under subsection (f).

"(3) COMPUTATION OF RESERVE-COMPONENT ANNUITY WHEN PARTICIPANT DIES BEFORE AGE 60.—For the purposes of paragraph (2), a person—

"(A) who provides an annuity that is determined in accordance with that paragraph;

"(B) who dies before becoming 60 years of age; and

"(C) who at the time of death is otherwise entitled to retired pay,

shall be considered to have been entitled to retired pay at the time of death. The retired pay of such person for the purposes of such paragraph shall be computed on the basis of the rates of basic pay in effect on the date on which the annuity provided by such person is to become effective in accordance with the designation of such person under section 1448(e) of this title.

"(c) ANNUITIES FOR SURVIVORS OF CERTAIN PERSONS DYING DURING A PERIOD OF SPECIAL ELIGIBILITY FOR SBP.—

"(1) IN GENERAL.—In the case of an annuity provided under section 1448(d) or 1448(f) of this title, the amount of the annuity shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the person receiving the annuity is under 62 years of age or is a dependent child when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the person receiving the annuity (other than a dependent child) is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).

"(2) DIC OFFSET.—An annuity computed under paragraph (1) that is paid to a surviving spouse shall be reduced by the amount of dependency and indemnity compensation to which the surviving spouse is entitled under section 1311(a) of title 38. Any such reduction shall be effective on the date of the commencement of the period of payment of such compensation under title 38.

"(3) OFFICER WITH ENLISTED SERVICE WHO IS NOT YET ELIGIBLE TO RETIRE AS AN OFFICER.—In the case of an annuity provided by reason of the service of a member described in section 1448(d)(1)(B) or 1448(d)(1)(C) of this title who first became a member of a uniformed service before September 8, 1980, the retired pay to which the member would have been entitled when he died shall be determined for purposes of paragraph (1) based upon the rate of basic pay in effect at the time of death for the grade in which the member was serving at the time of death, unless (as determined by the Secretary concerned) the member would have been entitled to be retired in a higher grade.

"(4) RATE OF PAY TO BE USED IN COMPUTING ANNUITY.—In the case of an annuity paid under section 1448(f) of this title by reason of the service of a person who first became a member of a uniformed service before September 8, 1980, the retired pay of the person providing the annuity shall for the purposes of paragraph (1) be computed on the basis of the rates of basic pay in effect on the effective date of the annuity.

"(d) REDUCTION OF ANNUITIES AT AGE 62.—

"(1) REDUCTION REQUIRED.—The annuity of a person whose annuity is computed under subparagraph (A) of subsection (a)(1), (a)(2), or (c)(1) shall be reduced on the first day of the month after the month in which the person becomes 62 years of age.

"(2) AMOUNT OF ANNUITY AS REDUCED.—

"(A) 35 PERCENT ANNUITY.—Except as provided in subparagraph (B), the reduced amount of the annuity shall be the amount of the annuity that the person would be receiving on that date if the annuity had initially been computed under subparagraph (B) of that subsection.

"(B) SAVINGS PROVISION FOR BENEFICIARIES ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—In the case of a person eligible to have an annuity computed under subsection (e)

and for whom, at the time the person becomes 62 years of age, the annuity computed with a reduction under subsection (e)(3) is more favorable than the annuity with a reduction described in subparagraph (A), the reduction in the annuity shall be computed in the same manner as a reduction under subsection (e)(3).

"(e) SAVINGS PROVISION FOR CERTAIN BENEFICIARIES.—

"(1) PERSONS COVERED.—The following beneficiaries under the Plan are eligible to have an annuity under the Plan computed under this subsection:

"(A) A beneficiary receiving an annuity under the Plan on October 1, 1985, as the surviving spouse or former spouse of the person providing the annuity.

"(B) A spouse or former spouse beneficiary of a person who on October 1, 1985—

"(i) was a participant in the Plan;

"(ii) was entitled to retired pay or was qualified for that pay except that he had not applied for and been granted that pay; or

"(iii) would have been eligible for reserve-component retired pay but for the fact that he was under 60 years of age.

"(2) AMOUNT OF ANNUITY.—Subject to paragraph (3), an annuity computed under this subsection is determined as follows:

"(A) STANDARD ANNUITY.—In the case of the beneficiary of a standard annuity, the annuity shall be the amount equal to 55 percent of the base amount.

"(B) RESERVE COMPONENT ANNUITY.—In the case of the beneficiary of a reserve-component annuity, the annuity shall be the percentage of the base amount that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(C) BENEFICIARIES OF PERSONS DYING DURING A PERIOD OF SPECIAL ELIGIBILITY FOR SBP.—In the case of the beneficiary of an annuity under section 1448(d) or 1448(f) of this title, the annuity shall be the amount equal to 55 percent of the retired pay of the person providing the annuity (as that pay is determined under subsection (c)).

"(3) SOCIAL SECURITY OFFSET.—An annuity computed under this subsection shall be reduced by the lesser of the following:

"(A) SOCIAL SECURITY COMPUTATION.—The amount of the survivor benefit, if any, to which the surviving spouse (or the former spouse, in the case of a former spouse beneficiary who became a former spouse under a divorce that became final after November 29, 1989) would be entitled under title II of the Social Security Act (42 U.S.C. 401 et seq.) based solely upon service by the person concerned as described in section 210(l)(1) of such Act (42 U.S.C. 410(l)(1)) and calculated assuming that the person concerned lives to age 65.

"(B) MAXIMUM AMOUNT OF REDUCTION.—40 percent of the amount of the monthly annuity as determined under paragraph (2).

"(4) SPECIAL RULES FOR SOCIAL SECURITY OFFSET COMPUTATION.—

"(A) TREATMENT OF DEDUCTIONS MADE ON ACCOUNT OF WORK.—For the purpose of paragraph (3), a surviving spouse (or a former spouse, in the case of a person who becomes a former spouse under a divorce that becomes final after November 29, 1989) shall not be considered as entitled to a benefit under title II of the Social Security Act (42 U.S.C. 401 et seq.) to the extent that such benefit has been offset by deductions under section 203 of such Act (42 U.S.C. 403) on account of work.

"(B) TREATMENT OF CERTAIN PERIODS FOR WHICH SOCIAL SECURITY REFUNDS ARE MADE.—In the computation of any reduction made under paragraph (3), there shall be excluded any period of service described in section 210(l)(1) of the Social Security Act (42 U.S.C. 410(l)(1))—

"(i) which was performed after December 1, 1980; and

"(ii) which involved periods of service of less than 30 continuous days for which the person concerned is entitled to receive a refund under section 6413(c) of the Internal Revenue Code of 1986 of the social security tax which the person had paid.

"(f) DETERMINATION OF PERCENTAGES APPLICABLE TO COMPUTATION OF RESERVE-COMPONENT ANNUITIES.—The percentage to be applied in determining the amount of an annuity computed under subsection (a)(2), (b)(2), or (e)(2)(B) shall be determined under regulations prescribed by the Secretary of Defense. Such regulations shall be prescribed taking into consideration the following:

"(1) The age of the person electing to provide the annuity at the time of such election.

"(2) The difference in age between such person and the beneficiary of the annuity.

"(3) Whether such person provided for the annuity to become effective (in the event he died before becoming 60 years of age) on the day after his death or on the 60th anniversary of his birth.

"(4) Appropriate group annuity tables.

"(5) Such other factors as the Secretary considers relevant.

"(g) ADJUSTMENTS TO ANNUITIES.—

"(1) PERIODIC ADJUSTMENTS FOR COST-OF-LIVING.—

"(A) INCREASES IN ANNUITIES WHEN RETIRED PAY INCREASED.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), each annuity that is payable under the Plan shall be increased at the same time.

"(B) PERCENTAGE OF INCREASE.—The increase shall, in the case of any annuity, be by the same percent as the percent by which the retired pay of the person providing the annuity would have been increased at such time if the person were alive (and otherwise entitled to such pay).

"(C) CERTAIN REDUCTIONS TO BE DISREGARDED.—The amount of the increase shall be based on the monthly annuity payable before any reduction under section 1450(c) of this title or under subsection (c)(2).

"(2) ROUNDING DOWN.—The monthly amount of an annuity payable under this subchapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.

"(h) ADJUSTMENTS TO BASE AMOUNT.—

"(1) PERIODIC ADJUSTMENTS FOR COST-OF-LIVING.—

"(A) INCREASES IN BASE AMOUNT WHEN RETIRED PAY INCREASED.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), the base amount applicable to each participant in the Plan shall be increased at the same time.

"(B) PERCENTAGE OF INCREASE.—The increase shall be by the same percent as the percent by which the retired pay of the participant is so increased.

"(2) RECOMPUTATION AT AGE 62.—When the retired pay of a person who first became a member of a uniformed service on or after August 1, 1986, and who is a participant in the Plan is recomputed under section 1410 of this title upon the person's becoming 62 years of age, the base amount applicable to that person shall be recomputed (effective on the effective date of the recomputation of such retired pay under section 1410 of this title) so as to be the amount equal to the amount of the base amount that would be in effect on that date if increases in such base amount under paragraph (1) had been computed as provided in paragraph (2) of section 1401a(b) of this title (rather than under paragraph (3) of that section).

"(3) DISREGARDING OF RETIRED PAY REDUCTIONS FOR RETIREMENT BEFORE 30 YEARS OF SERVICE.—Computation of a member's retired pay for purposes of this section shall be made without regard to any reduction under section 1409(b)(2) of this title.

"(i) RECOMPUTATION OF ANNUITY FOR CERTAIN BENEFICIARIES.—In the case of an annuity under the Plan which is computed on the basis of the retired pay of a person who would have been entitled to have that retired pay recomputed under section 1410 of this title upon attaining 62 years of age, but who dies before attaining that age, the annuity shall be recomputed, effective on the first day of the first month beginning after the date on which the member or former member would have attained 62 years of age, so as to be the amount equal to the amount of the annuity that would be in effect on that date if increases under subsection (h)(1) in the base amount applicable to that annuity to the time of the death of the member or former member, and increases in such annuity under subsection (g)(1), had been computed as provided in paragraph (2) of section 1401a(b) of this title (rather than under paragraph (3) of that section).

"§1452. Reduction in retired pay

"(a) SPOUSE AND FORMER SPOUSE ANNUITIES.—

"(1) REQUIRED REDUCTION IN RETIRED PAY.—Except as provided in subsection (b), the retired pay of a participant in the Plan who is providing spouse coverage (as described in paragraph (5)) shall be reduced as follows:

"(A) STANDARD ANNUITY.—If the annuity coverage being providing is a standard annuity, the reduction shall be as follows:

"(i) DISABILITY AND NONREGULAR SERVICE RETIREES.—In the case of a person who is entitled to retired pay under chapter 61 or chapter 1223 of this title, the reduction shall be in whichever of the alternative reduction amounts is more favorable to that person.

"(ii) MEMBERS AS OF ENACTMENT OF FLAT-RATE REDUCTION.—In the case of a person who first became a member of a uniformed service before March 1, 1990, the reduction shall be in whichever of the alternative reduction amounts is more favorable to that person.

"(iii) NEW ENTRANTS AFTER ENACTMENT OF FLAT-RATE REDUCTION.—In the case of a person who first becomes a member of a uniformed service on or after March 1, 1990, and who is entitled to retired pay under a provision of law other than chapter 61 or chapter 1223 of this title, the reduction shall be in an amount equal to 6½ percent of the base amount.

"(iv) ALTERNATIVE REDUCTION AMOUNTS.—For purposes of clauses (i) and (ii), the alternative reduction amounts are the following:

"(I) FLAT-RATE REDUCTION.—An amount equal to 6½ percent of the base amount.

"(II) AMOUNT UNDER PRE-FLAT-RATE REDUCTION.—An amount equal to 2½ percent of the first $421 (as adjusted under paragraph (4)) of the base amount plus 10 percent of the remainder of the base amount.

"(B) RESERVE-COMPONENT ANNUITY.—If the annuity coverage being provided is a reserve-component annuity, the reduction shall be in whichever of the following amounts is more favorable to that person:

"(i) FLAT-RATE REDUCTION.—An amount equal to 6½ percent of the base amount plus an amount determined in accordance with regulations prescribed by the Secretary of Defense as a premium for the additional coverage provided through reserve-component annuity coverage under the Plan.

"(ii) AMOUNT UNDER PRE-FLAT-RATE REDUCTION.—An amount equal to 2½ percent of the first $421 (as adjusted under paragraph (4)) of the base amount plus 10 percent of the remainder of the base amount plus an amount determined in accordance with regulations prescribed

by the Secretary of Defense as a premium for the additional coverage provided through reserve-component annuity coverage under the Plan.

"(2) ADDITIONAL REDUCTION FOR CHILD COVERAGE.—If there is a dependent child as well as a spouse or former spouse, the amount prescribed under paragraph (1) shall be increased by an amount prescribed under regulations of the Secretary of Defense.

"(3) NO REDUCTION WHEN NO BENEFICIARY.—The reduction in retired pay prescribed by paragraph (1) shall not be applicable during any month in which there is no eligible spouse or former spouse beneficiary.

"(4) PERIODIC ADJUSTMENTS.—

"(A) ADJUSTMENTS FOR INCREASES IN RATES OF BASIC PAY.—Whenever there is an increase in the rates of basic pay of members of the uniformed services effective after January 1, 1996, the amounts under paragraph (1) with respect to which the percentage factor of 2½ is applied shall be increased by the overall percentage of such increase in the rates of basic pay. The increase under the preceding sentence shall apply only with respect to persons whose retired pay is computed based on the rates of basic pay in effect on or after the date of such increase in rates of basic pay.

"(B) ADJUSTMENTS FOR RETIRED PAY COLAS.—In addition to the increase under subparagraph (A), the amounts under paragraph (1) with respect to which the percentage factor of 2½ is applied shall be further increased at the same time and by the same percentage as an increase in retired pay under section 1401a of this title effective after January 1, 1996. Such increase under the preceding sentence shall apply only with respect to a person who initially participates in the Plan on a date which is after both the effective date of such increase under section 1401a and the effective date of the rates of basic pay upon which that person's retired pay is computed.

"(5) SPOUSE COVERAGE DESCRIBED.—For the purposes of paragraph (1), a participant in the Plan who is providing spouse coverage is a participant who—

"(A) has (i) a spouse or former spouse, or (ii) a spouse or former spouse and a dependent child; and

"(B) has not elected to provide an annuity to a person designated by him under section 1448(b)(1) of this title or, having made such an election, has changed his election in favor of his spouse under section 1450(f) of this title.

"(b) CHILD-ONLY ANNUITIES.—

"(1) REQUIRED REDUCTION IN RETIRED PAY.—The retired pay of a participant in the Plan who is providing child-only coverage (as described in paragraph (4)) shall be reduced by an amount prescribed under regulations by the Secretary of Defense.

"(2) NO REDUCTION WHEN NO CHILD.—There shall be no reduction in retired pay under paragraph (1) for any month during which the participant has no eligible dependent child.

"(3) SPECIAL RULE FOR CERTAIN RCSBP PARTICIPANTS.—In the case of a participant in the Plan who is participating in the Plan under an election under section 1448(a)(2)(B) of this title and who provided child-only coverage during a period before the participant becomes entitled to receive retired pay, the retired pay of the participant shall be reduced by an amount prescribed under regulations by the Secretary of Defense to reflect the coverage provided under the Plan during the period before the participant became entitled to receive retired pay. A reduction under this paragraph is in addition to any reduction under paragraph (1) and is made without regard to whether there is an eligible dependent child during a month for which the reduction is made.

"(4) CHILD-ONLY COVERAGE DEFINED.—For the purposes of this subsection, a participant in the Plan who is providing child-only coverage is a participant who has a dependent child and who—

"(A) does not have an eligible spouse or former spouse; or

"(B) has a spouse or former spouse but has elected to provide an annuity for dependent children only.

"(c) REDUCTION FOR INSURABLE INTEREST COVERAGE.—

"(1) REQUIRED REDUCTION IN RETIRED PAY.—The retired pay of a person who has elected to provide an annuity to a person designated by him under section 1450(a)(4) of this title shall be reduced as follows:

"(A) STANDARD ANNUITY.—In the case of a person providing a standard annuity, the reduction shall be by 10 percent plus 5 percent for each full five years the individual designated is younger than that person.

"(B) RESERVE COMPONENT ANNUITY.—In the case of a person providing a reserve-component annuity, the reduction shall be by an amount prescribed under regulations of the Secretary of Defense.

"(2) LIMITATION ON TOTAL REDUCTION.—The total reduction under paragraph (1) may not exceed 40 percent.

"(3) DURATION OF REDUCTION.—The reduction in retired pay prescribed by this subsection shall continue during the lifetime of the person designated under section 1450(a)(4) of this title or until the person receiving retired pay changes his election under section 1450(f) of this title.

"(4) RULE FOR COMPUTATION.—Computation of a member's retired pay for purposes of this subsection shall be made without regard to any reduction under section 1409(b)(2) of this title.

"(d) DEPOSITS TO COVER PERIODS WHEN RETIRED PAY NOT PAID.—

"(1) REQUIRED DEPOSITS.—If a person who has elected to participate in the Plan has been awarded retired pay and is not entitled to that pay for any period, that person must deposit in the Treasury the amount that would otherwise have been deducted from his pay for that period.

"(2) DEPOSITS NOT REQUIRED WHEN PARTICIPANT ON ACTIVE DUTY.—Paragraph (1) does not apply to a person with respect to any period when that person is on active duty under a call or order to active duty for a period of more than 30 days.

"(e) DEPOSITS NOT REQUIRED FOR CERTAIN PARTICIPANTS IN CSRS.—When a person who has elected to participate in the Plan waives that person's retired pay for the purposes of subchapter III of chapter 83 of title 5, that person shall not be required to make the deposit otherwise required by subsection (d) as long as that waiver is in effect unless, in accordance with section 8339(i) of title 5, that person has notified the Office of Personnel Management that he does not desire a spouse surviving him to receive an annuity under section 8331(b) of title 5.

"(f) REFUNDS OF DEDUCTIONS NOT ALLOWED.—

"(1) GENERAL RULE.—A person is not entitled to refund of any amount deducted from retired pay under this section.

"(2) EXCEPTIONS.—Paragraph (1) does not apply—

"(A) in the case of a refund authorized by section 1450(e) of this title; or

"(B) in case of a deduction made through administrative error.

"(g) DISCONTINUATION OF PARTICIPATION BY PARTICIPANTS WHOSE SURVIVING SPOUSES WILL BE ENTITLED TO DIC.—

"(1) DISCONTINUATION.—

"(A) CONDITIONS.—Notwithstanding any other provision of this subchapter but subject to paragraphs (2) and (3), a person who has elected to participate in the Plan and who is suffering from a service-connected disability rated by the Secretary of Veterans Affairs as totally disabling and has suffered from such disability while so rated for a continuous period of 10 or more years (or, if so rated for a lesser period, has suffered from such disability while so rated for a continuous period of not less than 5 years from the date of such person's last discharge or release from active duty) may discontinue participation in the Plan by submitting to the Secretary concerned a request to discontinue participation in the Plan.

"(B) EFFECTIVE DATE.—Participation in the Plan of a person who submits a request under subparagraph (A) shall be discontinued effective on the first day of the first month following the month in which the request under subparagraph (A) is received by the Secretary concerned. Effective on such date, the Secretary concerned shall discontinue the reduction being made in such person's retired pay on account of participation in the Plan or, in the case of a person who has been required to make deposits in the Treasury on account of participation in the Plan, such person may discontinue making such deposits effective on such date.

"(C) FORM FOR REQUEST FOR DISCONTINUATION.—Any request under this paragraph to discontinue participation in the Plan shall be in such form and shall contain such information as the Secretary concerned may require by regulation.

"(2) CONSENT OF BENEFICIARIES REQUIRED.—A person described in paragraph (1) may not discontinue participation in the Plan under such paragraph without the written consent of the beneficiary or beneficiaries of such person under the Plan.

"(3) INFORMATION ON PLAN TO BE PROVIDED BY SECRETARY CONCERNED.—

"(A) INFORMATION TO BE PROVIDED PROMPTLY TO PARTICIPANT.—The Secretary concerned shall furnish promptly to each person who files a request under paragraph (1) to discontinue participation in the Plan a written statement of the advantages of participating in the Plan and the possible disadvantages of discontinuing participation.

"(B) RIGHT TO WITHDRAW DISCONTINUATION REQUEST.—A person may withdraw a request made under paragraph (1) if it is withdrawn within 30 days after having been submitted to the Secretary concerned.

"(4) REFUND OF DEDUCTIONS FROM RETIRED PAY.—Upon the death of a person described in paragraph (1) who discontinued participation in the Plan in accordance with this subsection, any amount deducted from the retired pay of that person under this section shall be refunded to the person's surviving spouse.

"(5) RESUMPTION OF PARTICIPATION IN PLAN.—

"(A) CONDITIONS FOR RESUMPTION.—A person described in paragraph (1) who discontinued participation in the Plan may elect to participate again in the Plan if—

"(i) after having discontinued participation in the Plan the Secretary of Veterans Affairs reduces that person's service-connected disability rating to a rating of less than total; and

"(ii) that person applies to the Secretary concerned, within such period of time after the reduction in such person's service-connected disability rating has been made as the Secretary concerned may prescribe, to again participate in the Plan and includes in such application such information as the Secretary concerned may require.

"(B) EFFECTIVE DATE OF RESUMED COVERAGE.—Such person's participation in the Plan under this paragraph is effective beginning on the first day of the month after the month in which the Secretary concerned receives the application for resumption of participation in the Plan.

"(C) RESUMPTION OF CONTRIBUTIONS.—When a person elects to participate in the Plan under this paragraph, the Secretary concerned shall begin making reductions in that person's retired pay, or require such person to make deposits in the Treasury under subsection (d), as appropriate, effective on the effective date of such participation under subparagraph (B).

"(h) INCREASES IN REDUCTION WITH INCREASES IN RETIRED PAY.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), the amount of the reduction to be made under subsection (a) or (b) in the retired pay of any person shall be increased at the same time and by the same percentage as such retired pay is so increased.

"(i) RECOMPUTATION OF REDUCTION UPON RECOMPUTATION OF RETIRED PAY.—When the retired pay of a person who first became a member of a uniformed service on or after August 1, 1986, and who is a participant in the Plan is recomputed under section 1410 of this title upon the person's becoming 62 years of age, the amount of the reduction in such retired pay under this section shall be recomputed (effective on the effective date of the recomputation of such retired pay under section 1410 of this title) so as to be the amount equal to the amount of such reduction that would be in effect on that date if increases in such retired pay under section 1401a(b) of this title, and increases in reductions in such retired pay under subsection (h), had been computed as provided in paragraph (2) of section 1401a(b) of this title (rather than under paragraph (3) of that section).

"§1453. Recovery of amounts erroneously paid

"(a) RECOVERY.—In addition to any other method of recovery provided by law, the Secretary concerned may authorize the recovery of any amount erroneously paid to a person under this subchapter by deduction from later payments to that person.

"(b) AUTHORITY TO WAIVE RECOVERY.—Recovery of an amount erroneously paid to a person under this subchapter is not required if, in the judgment of the Secretary concerned and the Comptroller General—

"(1) there has been no fault by the person to whom the amount was erroneously paid; and

"(2) recovery of such amount would be contrary to the purposes of this subchapter or against equity and good conscience.

"§1454. Correction of administrative errors

"(a) AUTHORITY.—The Secretary concerned may, under regulations prescribed under section 1455 of this title, correct or revoke any election under this subchapter when the Secretary considers it necessary to correct an administrative error.

"(b) FINALITY.—Except when procured by fraud, a correction or revocation under this section is final and conclusive on all officers of the United States.

"§1455. Regulations

"(a) IN GENERAL.—The President shall prescribe regulations to carry out this subchapter. Those regulations shall, so far as practicable, be uniform for the uniformed services.

"(b) NOTICE OF ELECTIONS.—Regulations prescribed under this section shall provide that before the date on which a member becomes entitled to retired pay—

"(1) if the member is married, the member and the member's spouse shall be informed of the elections available under section 1448(a) of this title and the effects of such elections; and

"(2) if the notification referred to in section 1448(a)(3)(E) of this title is required, any former spouse of the member shall be informed of the elections available and the effects of such elections.

"(c) PROCEDURE FOR DEPOSITING CERTAIN RECEIPTS.—Regulations prescribed under this section shall establish procedures for depositing the amounts referred to in sections 1448(g), 1450(k)(2), and 1452(d) of this title.

"(d) PAYMENTS TO GUARDIANS AND FIDUCIARIES.—

"(1) IN GENERAL.—Regulations prescribed under this section shall provide procedures for the payment of an annuity under this subchapter in the case of—

"(A) a person for whom a guardian or other fiduciary has been appointed; and

"(B) a minor, mentally incompetent, or otherwise legally disabled person for whom a guardian or other fiduciary has not been appointed.

"(2) AUTHORIZED PROCEDURES.—The regulations under paragraph (1) may include provisions for the following:

"(A) In the case of an annuitant referred to in paragraph (1)(A), payment of the annuity to the appointed guardian or other fiduciary.

"(B) In the case of an annuitant referred to in paragraph (1)(B), payment of the annuity to any person who, in the judgment of the Secretary concerned, is responsible for the care of the annuitant.

"(C) Subject to subparagraphs (D) and (E), a requirement for the payee of an annuity to spend or invest the amounts paid on behalf of the annuitant solely for benefit of the annuitant.

"(D) Authority for the Secretary concerned to permit the payee to withhold from the annuity payment such amount, not in excess of 4 percent of the annuity, as the Secretary concerned considers a reasonable fee for the fiduciary services of the payee when a court appointment order provides for payment of such a fee to the payee for such services or the Secretary concerned determines that payment of a fee to such payee is necessary in order to obtain the fiduciary services of the payee.

"(E) Authority for the Secretary concerned to require the payee to provide a surety bond in an amount sufficient to protect the interests of the annuitant and to pay for such bond out of the annuity.

"(F) A requirement for the payee of an annuity to maintain and, upon request, to provide to the Secretary concerned an accounting of expenditures and investments of amounts paid to the payee.

"(G) In the case of an annuitant referred to in paragraph (1)(B)—

"(i) procedures for determining incompetency and for selecting a payee to represent the annuitant for the purposes of this section, including provisions for notifying the annuitant of the actions being taken to make such a determination and to select a representative payee, an opportunity for the annuitant to review the evidence being considered, and an opportunity for the annuitant to submit additional evidence before the determination is made; and

"(ii) standards for determining incompetency, including standards for determining the sufficiency of medical evidence and other evidence.

"(H) Provisions for any other matter that the President considers appropriate in connection with the payment of an annuity in the case of a person referred to in paragraph (1).

"(3) LEGAL EFFECT OF PAYMENT TO GUARDIAN OR FIDUCIARY.—An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to paragraph (1) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

Subtitle E—Other Matters

SEC. 651. TECHNICAL CORRECTION CLARIFYING ABILITY OF CERTAIN MEMBERS TO ELECT NOT TO OCCUPY GOVERNMENT QUARTERS.

Effective July 1, 1996, section 403(b)(3) of title 37, United States Code, is amended by striking out "A member" and inserting in lieu thereof "Subject to the provisions of subsection (j), a member".

SEC. 652. TECHNICAL CORRECTION CLARIFYING LIMITATION ON FURNISHING CLOTHING OR ALLOWANCES FOR ENLISTED NATIONAL GUARD TECHNICIANS.

Section 418(c) of title 37, United States Code, is amended by striking out "for which a uniform allowance is paid under section 415 or 416 of this title", and inserting in lieu thereof "for which clothing is furnished or a uniform allowance is paid under this section".

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

SEC. 701. MEDICAL AND DENTAL CARE FOR RESERVE COMPONENT MEMBERS IN A DUTY STATUS.

(a) AVAILABILITY OF MEDICAL AND DENTAL CARE.—(1) Section 1074a of title 10, United States Code, is amended to read as follows:

"§1074a. Medical and dental care: reserve component members in a duty status

"(a) HEALTH CARE DESCRIBED.—A person described in subsection (b) is entitled to the medical and dental care appropriate for the treatment of the injury, illness, or disease of the person until the person completes treatment and is physically able to resume the military duties of the person or has completed processing in accordance with chapter 61 of this title.

"(b) MEMBERS ENTITLED TO CARE.—Under joint regulations prescribed by the administering Secretaries, the following persons are entitled to the benefits described in this section:

"(1) Each member of a reserve component who incurs or aggravates an injury, illness, or disease in the line of duty while performing—

"(A) active duty, including active duty for training and annual training duty, or full-time National Guard duty; or

"(B) inactive-duty training, regardless of whether the member is in a pay or nonpay status.

"(2) Each member of a reserve component who incurs or aggravates an injury, illness, or disease while traveling directly to or from the place at which that member is to perform or has performed—

"(A) active duty, including active duty for training and annual training duty, or full-time National Guard duty, or

"(B) inactive-duty training, regardless of whether the member is in a pay or nonpay status.

"(3) Each member of a reserve component who incurs or aggravates an injury, illness, or disease in the line of duty while remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training, if the site of inactive-duty training is outside reasonable commuting distance from the member's residence.

"(c) ADDITIONAL BENEFITS.—(1) At the request of a person described in paragraph (1)(A) or (2)(A) of subsection (b), the person may continue on active duty or full-time National Guard duty during any period of hospitalization resulting from the injury, illness, or disease.

"(2) A person described in subsection (b) is entitled to the pay and allowances authorized in accordance with subsections (g) and (h) of section 204 of title 37.

"(d) LIMITATION.—A person described in subsection (b) is not entitled to benefits under this section if the injury, illness, or disease, or aggravation of the injury, illness, or disease, is the result of the gross negligence or misconduct of the person.".

(2) The item relating to such section in the table of sections at the beginning of chapter 55 of title 10, United States Code, is amended to read as follows:

"1074a. Medical and dental care: reserve component members in a duty status.".

(b) ANNUAL MEDICAL AND DENTAL SCREENINGS AND CARE FOR CERTAIN SELECTED RESERVE MEMBERS.—Section 10206 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) The Secretary of the Army shall provide to members of the Selected Reserve of the Army who are assigned to units scheduled for deployment within 75 days after mobilization the following medical and dental services:

"(A) An annual medical screening.

"(B) For members who are over 40 years of age, a full physical examination not less often than once every two years.

"(C) An annual dental screening.

"(D) The dental care identified in an annual dental screening as required to ensure that a member meets the dental standards required for deployment in the event of mobilization.

"(2) The services provided under this subsection shall be provided at no cost to the member.".

Subtitle B—TRICARE Program

SEC. 711. DEFINITION OF TRICARE PROGRAM.

For purposes of this subtitle, the term "TRICARE program" means the managed health care program that is established by the Secretary of Defense under the authority of chapter 55 of title 10, United States Code, principally section 1097 of such title, and includes the competitive selection of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.

SEC. 712. CHAMPUS PAYMENT LIMITS FOR TRICARE PRIME ENROLLEES.

Section 1079(h)(4) of title 10, United States Code, is amended in the second sentence by striking "emergency".

SEC. 713. IMPROVED INFORMATION EXCHANGE BETWEEN MILITARY TREATMENT FACILITIES AND TRICARE PROGRAM CONTRACTORS.

(a) UNIFORM INTERFACES.—With respect to the automated medical information system being developed by the Department of Defense and known as the Composite Health Care System, the Secretary of Defense shall ensure that the Composite Health Care System provides for uniform interfaces between information systems of military treatment facilities and private contractors under managed care programs of the TRICARE program. The uniform interface shall provide for a full electronic two-way exchange of health care information between the military treatment facilities and contractor information systems, including enrollment information, information regarding eligibility determinations, provider network information, appointment information, and information regarding the existence of third-party payers.

(b) AMENDMENT OF EXISTING CONTRACTS.—To assure a single consistent source of information throughout the health care delivery system of the uniformed services, the Secretary of Defense shall amend each TRICARE program contract, with the consent of the TRICARE program contractor and notwithstanding any requirement for competition, to require the contractor—

(1) to use software furnished under the Composite Health Care System to record military treatment facility provider appointments; and

(2) to record TRICARE program enrollment through direct use of the Composite Health Care System software or through the uniform two-way interface between the contractor and military treatment facilities systems, where applicable.

(c) PHASED IMPLEMENTATION.—The Secretary of Defense shall test the uniform version of the Composite Health Care System required under subsection (a) in one region of the TRICARE program for six months before deploying the information system throughout the health care delivery system of the uniformed services.

Subtitle C—Uniformed Services Treatment Facilities

SEC. 721. DEFINITIONS.

In this subtitle:

(1) The term "administering Secretaries" means the Secretary of Defense, the Secretary of Transportation, and the Secretary of Health and Human Services.

(2) The term "agreement" means the agreement required under section 722(b) between the Secretary of Defense and a designated provider.

(3) The term "capitation payment" means an actuarially sound payment for a defined set of health care services that is established on a per enrollee per month basis.

(4) The term "covered beneficiary" means a beneficiary under chapter 55 of title 10, United States Code, other than a beneficiary under section 1074(a) of such title.

(5) The term "designated provider" means a public or nonprofit private entity that was a transferee of a Public Health Service hospital or other station under section 987 of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35; 95 Stat. 603) and that, before the date of the enactment of this Act, was deemed to be a facility of the uniformed services for the purposes of chapter 55 of title 10, United States Code. The term includes any legal successor in interest of the transferee.

(6) The term "enrollee" means a covered beneficiary who enrolls with a designated provider.

(7) The term "health care services" means the health care services provided under the health plan known as the TRICARE PRIME option under the TRICARE program.

(8) The term "Secretary" means the Secretary of Defense.

(9) The term "TRICARE program" means the managed health care program that is established by the Secretary of Defense under the authority of chapter 55 of title 10, United States Code, principally section 1097 of such title, and includes the competitive selection of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.

SEC. 722. INCLUSION OF DESIGNATED PROVIDERS IN UNIFORMED SERVICES HEALTH CARE DELIVERY SYSTEM.

(a) INCLUSION IN SYSTEM.—The health care delivery system of the uniformed services shall include the designated providers.

(b) AGREEMENTS TO PROVIDE MANAGED HEALTH CARE SERVICES.—(1) After consultation with the other administering Secretaries, the Secretary of Defense shall negotiate and enter into an agreement with each designated provider, under which the designated provider will provide managed health care services to covered beneficiaries who enroll with the designated provider.

(2) The agreement shall be entered into on a sole source basis. The Federal Acquisition Regulation, except for those requirements regarding competition, issued pursuant to section 25(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)) shall apply to the agreements as acquisitions of commercial items.

(3) The implementation of an agreement is subject to availability of funds for such purpose.

(c) EFFECTIVE DATE OF AGREEMENTS.—(1) Unless an earlier effective date is agreed upon by the Secretary and the designated provider, the agreement shall take effect upon the later of the following:

(A) The date on which a managed care support contract under the TRICARE program is implemented in the service area of the designated provider.

(B) October 1, 1997.

(2) Notwithstanding paragraph (1), the designated provider whose service area includes Seattle, Washington, shall implement its agreement as soon as the agreement permits.

(d) TEMPORARY CONTINUATION OF EXISTING PARTICIPATION AGREEMENTS.—The Secretary shall extend the participation agreement of a designated provider in effect immediately before the date of the enactment of this Act under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1587) until the agreement required by this section takes effect under subsection (c).

(e) SERVICE AREA.—The Secretary may not reduce the size of the service area of a designated provider below the size of the service area in effect as of September 30, 1996.

(f) COMPLIANCE WITH ADMINISTRATIVE REQUIREMENTS.—(1) Unless otherwise agreed upon by the Secretary and a designated provider, the designated provider shall comply with necessary and appropriate administrative requirements established by the Secretary for other providers of health care services and requirements established by the Secretary of Health and Human Services for risk-sharing contractors under section 1876 of the Social Security Act (42 U.S.C. 1395mm). The Secretary and the designated provider shall determine and apply only such administrative requirements as are minimally necessary and appropriate. A designated provider shall not be required to comply with a law or regulation of a State government requiring licensure as a health insurer or health maintenance organization.

(2) A designated provider may not contract out more than five percent of its primary care enrollment without the approval of the Secretary, except in the case of primary care contracts between a designated provider and a primary care contractor in force on the date of the enactment of this Act.

SEC. 723. PROVISION OF UNIFORM BENEFIT BY DESIGNATED PROVIDERS.

(a) UNIFORM BENEFIT REQUIRED.—A designated provider shall offer to enrollees the health benefit option prescribed and implemented by the Secretary under section 731 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 1073 note), including accompanying cost-sharing requirements.

(b) TIME FOR IMPLEMENTATION OF BENEFIT.—A designated provider shall offer the health benefit option described in subsection (a) to enrollees upon the later of the following:

(1) The date on which health care services within the health care delivery system of the uniformed services are rendered through the TRICARE program in the region in which the designated provider operates.

(2) October 1, 1996.

(c) ADJUSTMENTS.—The Secretary may establish a later date under subsection (b)(2) or prescribe reduced cost-sharing requirements for enrollees.

SEC. 724. ENROLLMENT OF COVERED BENEFICIARIES.

(a) FISCAL YEAR 1997 LIMITATION.—(1) During fiscal year 1997, the number of covered beneficiaries who are enrolled in managed care plans offered by designated providers may not exceed the number of such enrollees as of October 1, 1995.

(2) The Secretary may waive the limitation under paragraph (1) if the Secretary determines that additional enrollment authority for a designated provider is required to accommodate covered beneficiaries who are dependents of members of the uniformed services entitled to health care under section 1074(a) of title 10, United States Code.

(b) PERMANENT LIMITATION.—For each fiscal year after fiscal year 1997, the number of enrollees in managed care plans offered by designated

providers may not exceed 110 percent of the number of such enrollees as of the first day of the immediately preceding fiscal year. The Secretary may waive this limitation as provided in subsection (a)(2).

(c) RETENTION OF CURRENT ENROLLEES.—An enrollee in the managed care program of a designated provider as of September 30, 1997, or such earlier date as the designated provider and the Secretary may agree upon, shall continue receiving services from the designated provider pursuant to the agreement entered into under section 722 unless the enrollee disenrolls from the designated provider. Except as provided in subsection (e), the administering Secretaries may not disenroll such an enrollee unless the disenrollment is agreed to by the Secretary and the designated provider.

(d) ADDITIONAL ENROLLMENT AUTHORITY.—Other covered beneficiaries may also receive health care services from a designated provider, except that the designated provider may market such services to, and enroll, only those covered beneficiaries who—

(1) do not have other primary health insurance coverage (other than medicare coverage) covering basic primary care and inpatient and outpatient services; or

(2) are enrolled in the direct care system under the TRICARE program, regardless of whether the covered beneficiaries were users of the health care delivery system of the uniformed services in prior years.

(e) SPECIAL RULE FOR MEDICARE-ELIGIBLE BENEFICIARIES.—If a covered beneficiary who desires to enroll in the managed care program of a designated provider is also entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.), the covered beneficiary shall elect whether to receive health care services as an enrollee or under part A of title XVIII of the Social Security Act. The Secretary may disenroll an enrollee who subsequently violates the election made under this subsection and receives benefits under part A of title XVIII of the Social Security Act.

(f) INFORMATION REGARDING ELIGIBLE COVERED BENEFICIARIES.—The Secretary shall provide, in a timely manner, a designated provider with an accurate list of covered beneficiaries within the marketing area of the designated provider to whom the designated provider may offer enrollment.

SEC. 725. APPLICATION OF CHAMPUS PAYMENT RULES.

(a) APPLICATION OF PAYMENT RULES.—Subject to subsection (b), the Secretary shall require a private facility or health care provider that is a health care provider under the Civilian Health and Medical Program of the Uniformed Services to apply the payment rules described in section 1074(c) of title 10, United States Code, in imposing charges for health care that the private facility or provider provides to enrollees of a designated provider.

(b) AUTHORIZED ADJUSTMENTS.—The payment rules imposed under subsection (a) shall be subject to such modifications as the Secretary considers appropriate. The Secretary may authorize a lower rate than the maximum rate that would otherwise apply under subsection (a) if the lower rate is agreed to by the designated provider and the private facility or health care provider.

(c) REGULATIONS.—The Secretary shall prescribe regulations to implement this section after consultation with the other administering Secretaries.

(d) CONFORMING AMENDMENT.—Section 1074 of title 10, United States Code, is amended by striking out subsection (d).

SEC. 726. PAYMENTS FOR SERVICES.

(a) FORM OF PAYMENT.—Unless otherwise agreed to by the Secretary and a designated provider, the form of payment for services provided by a designated provider shall be full risk capitation. The capitation payments shall be negotiated and agreed upon by the Secretary and the designated provider. In addition to such other factors as the parties may agree to apply, the capitation payments shall be based on the utilization experience of enrollees and competitive market rates for equivalent health care services for a comparable population to such enrollees in the area in which the designated provider is located.

(b) LIMITATION ON TOTAL PAYMENTS.—Total capitation payments to a designated provider shall not exceed an amount equal to the cost that would have been incurred by the Government if the enrollees had received their care through a military treatment facility, the TRICARE program, or the medicare program, as the case may be.

(c) ESTABLISHMENT OF PAYMENT RATES ON ANNUAL BASIS.—The Secretary and a designated provider shall establish capitation payments on an annual basis, subject to periodic review for actuarial soundness and to adjustment for any adverse or favorable selection reasonably anticipated to result from the design of the program.

(d) ALTERNATIVE BASIS FOR CALCULATING PAYMENTS.—After September 30, 1999, the Secretary and a designated provider may mutually agree upon a new basis for calculating capitation payments.

SEC. 727. REPEAL OF SUPERSEDED AUTHORITIES.

(a) REPEALS.—The following provisions of law are repealed:

(1) Section 911 of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c).

(2) Section 1252 of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d).

(3) Section 718(c) of the National Defense Authorization Act for Fiscal year 1991 (Public Law 101–510; 42 U.S.C. 248c note).

(4) Section 726 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 42 U.S.C. 248c note).

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1997.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

SEC. 731. AUTHORITY TO WAIVE CHAMPUS EXCLUSION REGARDING NONMEDICALLY NECESSARY TREATMENT IN CONNECTION WITH CERTAIN CLINICAL TRIALS.

(a) WAIVER AUTHORITY.—Paragraph (13) of section 1079(a) of title 10, United States Code, is amended—

(1) by striking out "any service" and inserting in lieu thereof "Any service";

(2) by striking out the semicolon at the end and inserting in lieu thereof a period; and

(3) by adding at the end the following: "Pursuant to an agreement with the Secretary of Health and Human Services and under such regulations as the Secretary of Defense may prescribe, the Secretary of Defense may waive the operation of this paragraph in connection with clinical trials sponsored or approved by the National Institutes of Health if the Secretary of Defense determines that such a waiver will promote access by covered beneficiaries to promising new treatments and contribute to the development of such treatments.".

(b) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in the matter preceding paragraph (1), by striking out "except that—" and inserting in lieu thereof "except as follows:";

(2) by capitalizing the first letter of the first word of each of paragraphs (1) through (17);

(3) by striking out the semicolon at the end of each of paragraphs (1) through (15) and inserting in lieu thereof a period; and

(4) in paragraph (16), by striking out "; and" and inserting in lieu thereof a period.

SEC. 732. AUTHORITY TO WAIVE OR REDUCE CHAMPUS DEDUCTIBLE AMOUNTS FOR RESERVISTS CALLED TO ACTIVE DUTY IN SUPPORT OF CONTINGENCY OPERATIONS.

Section 1079(b) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively;

(2) by inserting "(1)" after "(b)";

(3) in subparagraph (B), as so redesignated, by striking out "clause (3)" and inserting in lieu thereof "subparagraph (C)";

(4) in subparagraph (D), as so redesignated—

(A) by striking out "this clause" and inserting in lieu thereof "this subparagraph"; and

(B) by striking out "clauses (2) and (3)" and inserting in lieu thereof "subparagraphs (B) and (C)"; and

(5) by adding at the end the following new paragraph:

"(2) The Secretary of Defense may waive or reduce the deductible amounts required by subparagraphs (B) and (C) of paragraph (1) in the case of the dependents of a member of a reserve component of the uniformed services who serves on active duty in support of a contingency operation under a call or order to active duty of less than one year.".

SEC. 733. EXCEPTION TO MAXIMUM ALLOWABLE PAYMENTS TO INDIVIDUAL HEALTH-CARE PROVIDERS UNDER CHAMPUS.

Section 1079(h) of title 10, United States Code, is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) Except in an area in which the Secretary of Defense has entered into an at-risk contract for the provision of health care services, the Secretary may authorize the commander of a facility of the uniformed services, the lead agent (if other than the commander), and the health care contractor to modify the payment limitations under paragraph (1) for certain health care providers when necessary to ensure both the availability of certain services for covered beneficiaries and costs lower than standard CHAMPUS for the required services.".

SEC. 734. CODIFICATION OF ANNUAL AUTHORITY TO CREDIT CHAMPUS REFUNDS TO CURRENT YEAR APPROPRIATION.

(a) CODIFICATION.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1079 the following new section:

"§1079a. CHAMPUS: treatment of refunds and other amounts collected

"All refunds and other amounts collected in the administration of the Civilian Health and Medical Program of the Uniformed Services shall be credited to the appropriation supporting the program in the year in which the amount is collected.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1079 the following new item:

"1079a. CHAMPUS: treatment of refunds and other amounts collected.".

(b) CONFORMING REPEAL.—Section 8094 of the Department of Defense Appropriations Act, 1996 (Public Law 104–61; 109 Stat. 671), is repealed.

SEC. 735. EXCEPTIONS TO REQUIREMENTS REGARDING OBTAINING NONAVAILABILITY-OF-HEALTH-CARE STATEMENTS.

(a) REFERENCE TO INPATIENT MEDICAL CARE.—(1) Section 1080(a) of title 10, United States Code, is amended by inserting "inpatient" before "medical care" in the first sentence.

(2) Section 1086(e) of such title is amended in the first sentence by striking out "benefits" and inserting in lieu thereof "inpatient medical care".

(b) WAIVERS AND EXCEPTIONS TO REQUIREMENTS.—(1) Section 1080 of such title is amended by adding at the end the following new subsection:

"(c) WAIVERS AND EXCEPTIONS TO REQUIREMENTS.—(1) A covered beneficiary enrolled in a managed care plan offered pursuant to any contract or agreement under this chapter for the provision of health care services shall not be required to obtain a nonavailability-of-health-care statement as a condition for the receipt of health care.

"(2) The Secretary of Defense may waive the requirement to obtain nonavailability-of-health-care statements following an evaluation of the effectiveness of such statements in optimizing the use of facilities of the uniformed services.".

(2) Section 1086(e) of such title is amended in the last sentence by striking out "section 1080(b)" and inserting in lieu thereof "subsections (b) and (c) of section 1080".

(c) CONFORMING AMENDMENT.—Section 1080(b) of such title is amended—

(1) by striking out "NONAVAILABILITY OF HEALTH CARE STATEMENTS" and inserting in lieu thereof "NONAVAILABILITY-OF-HEALTH-CARE STATEMENTS; and

(2) by striking out "nonavailability of health care statement" and inserting in lieu thereof "nonavailability of health care statement".

SEC. 736. EXPANSION OF COLLECTION AUTHORITIES FROM THIRD-PARTY PAYERS.

(a) EXPANSION OF COLLECTION AUTHORITIES.—Section 1095 of title 10, United States Code, is amended—

(1) in subsection (g)(1), by inserting "or through" after "provided at";

(2) in subsection (h)(1), by inserting before the period at the end of the first sentence the following: "and a workers' compensation program or plan"; and

(3) in subsection (h)(2)—

(A) by striking "organization and" and inserting in lieu thereof "organization,"; and

(B) by inserting before the period at the end the following: ", and personal injury protection or medical payments benefits in cases involving personal injuries resulting from operation of a motor vehicle".

(b) INCLUSION OF THIRD PARTY PAYER IN COLLECTION EFFORTS.—Section 1079(j)(1) of such title is amended by inserting after "or health plan" the following: "(including any plan offered by a third-party payer (as defined in section 1095(h)(1) of this title))".

Subtitle E—Other Matters

SEC. 741. ALTERNATIVES TO ACTIVE DUTY SERVICE OBLIGATION UNDER ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM AND UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.—Subsection (e) of section 2123 of title 10, United States Code, is amended to read as follows:

"(e)(1) A member of the program who is relieved of the member's active duty obligation under this subchapter before the completion of that active duty obligation may be given, with or without the consent of the member, any of the following alternative obligations, as determined by the Secretary of the military department concerned:

"(A) A service obligation in a component of the Selected Reserve for a period not less than twice as long as the member's remaining active duty service obligation.

"(B) A service obligation as a civilian employee employed as a health care professional in a facility of the uniformed services for a period of time equal to the member's remaining active duty service obligation.

"(C) With the concurrence of the Secretary of Health and Human Services, transfer of the active duty service obligation to an obligation equal in time in the National Health Service Corps under section 338C of the Public Health Service Act (42 U.S.C. 254m) and subject to all requirements and procedures applicable to obligated members of the National Health Service Corps.

"(D) Repayment to the Secretary of Defense of a percentage of the total cost incurred by the Secretary under this subchapter on behalf of the member equal to the percentage of the member's total active duty service obligation being relieved, plus interest.

"(2) The Secretary of Defense shall prescribe regulations describing the manner in which an alternative obligation may be given under paragraph (1).".

(b) UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.—Section 2114 of title 10, United States Code is amended by adding at the end the following new subsection:

"(h) A graduate of the University who is relieved of the graduate's active-duty service obligation under subsection (b) before the completion of that active-duty service obligation may be given, with or without the consent of the graduate, an alternative obligation comparable to the alternative obligations authorized in subparagraphs (A) and (B) of section 2123(e)(1) of this title for members of the Armed Forces Health Professions Scholarship and Financial Assistance program.".

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply with respect to individuals who first become members of the Armed Forces Health Professions Scholarship and Financial Assistance program or students of the Uniformed Services University of the Health Sciences on or after October 1, 1996.

(d) TRANSITION PROVISION.—(1) In the case of any member of the Armed Forces Health Professions Scholarship and Financial Assistance program who, as of October 1, 1996, is serving an active duty obligation under the program or is incurring an active duty obligation as a participant in the program, and who is subsequently relieved of the active duty obligation before the completion of the obligation, the alternative obligations authorized by the amendment made by subsection (a) may be used by the Secretary of the military department concerned with the agreement of the member.

(2) In the case of any person who, as of October 1, 1996, is serving an active-duty service obligation as a graduate of the Uniformed Services University of the Health Sciences or is incurring an active-duty service obligation as a student of the University, and who is subsequently relieved of the active-duty service obligation before the completion of the obligation, the alternative obligations authorized by the amendment made by subsection (b) may be implemented by the Secretary of Defense with the agreement of the person.

SEC. 742. EXCEPTION TO STRENGTH LIMITATIONS FOR PUBLIC HEALTH SERVICE OFFICERS ASSIGNED TO DEPARTMENT OF DEFENSE.

Section 206 of the Public Health Service Act (42 U.S.C. 207) is amended by adding at the end the following new subsection:

"(f) In computing the maximum number of commissioned officers of the Public Health Service authorized by law or administrative determination to serve on active duty, there may be excluded from such computation officers who are assigned to duty in the Department of Defense.".

SEC. 743. CONTINUED OPERATION OF UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) CLOSURE PROHIBITED.—In light of the important role of the Uniformed Services University of the Health Sciences in providing trained health care providers for the uniformed services, Congress reaffirms the requirement contained in section 922 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat 2829) that the Uniformed Services University of the Health Sciences may not be closed.

(b) BUDGETARY COMMITMENT TO CONTINUATION.—It is the sense of Congress that the Secretary of Defense should budget for the operation of the Uniformed Services University of the Health Sciences during fiscal year 1998 at a level at least equal to the level of operations conducted at the University during fiscal year 1995.

SEC. 744. SENSE OF CONGRESS REGARDING TAX TREATMENT OF ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

It is the sense of Congress that the Secretary of Defense should work with the Secretary of the Treasury to interpret section 117 of the Internal Revenue Code of 1986 so that the limitation on the amount of a qualified scholarship or qualified tuition reduction excluded from gross income does not apply to any portion of a scholarship or financial assistance provided by the Secretary of Defense to a person enrolled in the Armed Forces Health Professions Scholarship and Financial Assistance program under subchapter I of chapter 105 of title 10, United States Code.

SEC. 745. REPORT REGARDING SPECIALIZED TREATMENT FACILITY PROGRAM.

Not later than April 1, 1997, the Secretary of Defense shall submit to Congress a report evaluating the impact on the military health care system of limiting the service area of a facility designated as part of the specialized treatment facility program under section 1105 of title 10, United States Code, to not more than 100 miles from the facility.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Management

SEC. 801. AUTHORITY TO WAIVE CERTAIN REQUIREMENTS FOR DEFENSE ACQUISITION PILOT PROGRAMS.

(a) AUTHORITY.—The Secretary of Defense may waive sections 2399, 2403, 2432, and 2433 of title 10, United States Code, in accordance with this section for any defense acquisition program designated by the Secretary of Defense for participation in the defense acquisition pilot program authorized by section 809 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2340 note).

(b) OPERATIONAL TEST AND EVALUATION.—The Secretary of Defense may waive the requirements for operational test and evaluation for such a defense acquisition program as set forth in section 2399 of title 10, United States Code, if the Secretary—

(1) determines (without delegation) that such test would be unreasonably expensive or impractical;

(2) develops a suitable alternate operational test program for the system concerned;

(3) describes in the test and evaluation master plan, as approved by the Director of Operational Test and Evaluation, the method of evaluation that will be used to evaluate whether the system will be effective and suitable for combat; and

(4) submits to the congressional defense committees a report containing the determination

that was made under paragraph (1), a justification for that determination, and a copy of the plan required by paragraph (3).

(c) CONTRACTOR GUARANTEES FOR MAJOR WEAPONS SYSTEMS.—The Secretary of Defense may waive the requirements of section 2403 of title 10, United States Code, for such a defense acquisition program if an alternative guarantee is used that ensures high quality weapons systems.

(d) SELECTED ACQUISITION REPORTS.—The Secretary of Defense may waive the requirements of sections 2432 and 2433 of title 10, United States Code, for such a defense acquisition program if the Secretary provides a single annual report to Congress at the end of each fiscal year that describes the status of the program in relation to the baseline description for the program established under section 2435 of such title.

SEC. 802. EXCLUSION FROM CERTAIN POST-EDUCATION DUTY ASSIGNMENTS FOR MEMBERS OF ACQUISITION CORPS.

Section 663(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The Secretary of Defense may exclude from the requirements of paragraph (1) or (2) an officer who is a member of an Acquisition Corps established pursuant to 1731 of this title if the officer—

"(A) has graduated from a senior level course of instruction designed for personnel serving in critical acquisition positions; and

"(B) is assigned, upon graduation, to a critical acquisition position designated pursuant to section 1733 of this title.".

SEC. 803. EXTENSION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

(a) AUTHORITY.—Section 845(a) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1721) is amended by inserting after "Agency" the following: ", the Secretary of a military department, or any other official designated by the Secretary of Defense".

(b) PERIOD OF AUTHORITY.—Section 845(c) of such Act is amended by striking out "3 years after the date of the enactment of this Act" and inserting in lieu thereof "on September 30, 1999".

(c) CONFORMING AND TECHNICAL AMENDMENTS.—Section 845 of such Act is further amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking out "(c)(2) and (c)(3) of such section 2371, as redesignated by section 827(b)(1)(B)," and inserting in lieu thereof "(e)(2) and (e)(3) of such section 2371"; and

(B) in paragraph (2), by inserting after "Director" the following: ", Secretary, or other official"; and

(2) in subsection (c), by striking out "of the Director".

SEC. 804. INCREASE IN THRESHOLD AMOUNTS FOR MAJOR SYSTEMS.

Section 2302(5) of title 10, United States Code, is amended—

(1) by striking out "$75,000,000 (based on fiscal year 1980 constant dollars)" and inserting in lieu thereof "$115,000,000 (based on fiscal year 1990 dollars)";

(2) by striking out "$300,000,000 (based on fiscal year 1980 constant dollars)" and inserting in lieu thereof "$540,000,000 (based on fiscal year 1990 constant dollars)"; and

(3) by adding at the end the following: "The Secretary of Defense may adjust the amounts and the base fiscal year provided in clause (A) on the basis of Department of Defense escalation rates. An adjustment under this paragraph shall be effective after the Secretary transmits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a written notification of the adjustment.".

SEC. 805. REVISIONS IN INFORMATION REQUIRED TO BE INCLUDED IN SELECTED ACQUISITION REPORTS.

Section 2432 of title 10, United States Code, is amended—

(1) in subsection (c)—

(A) by striking out "and" at the end of subparagraph (B);

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) the current procurement unit cost for each major defense acquisition program included in the report and the history of that cost from the date the program was first included in a Selected Acquisition Report to the end of the quarter for which the current report is submitted; and"; and

(2) in subsection (e), by striking out paragraph (8) and redesignating paragraph (9) as paragraph (8).

SEC. 806. INCREASE IN SIMPLIFIED ACQUISITION THRESHOLD FOR HUMANITARIAN OR PEACEKEEPING OPERATIONS.

Section 2302(7) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(7)";

(2) by inserting after "contingency operation" the following: "or a humanitarian or peacekeeping operation"; and

(3) by adding at the end the following:

"(B) In subparagraph (A), the term 'humanitarian or peacekeeping operation' means a military operation in support of the provision of humanitarian or foreign disaster assistance or in support of a peacekeeping operation under chapter VI or VII of the Charter of the United Nations. The term does not include routine training, force rotation, or stationing.".

SEC. 807. EXPANSION OF AUDIT RECIPROCITY AMONG FEDERAL AGENCIES TO INCLUDE POST-AWARD AUDITS.

(a) ARMED SERVICES ACQUISITIONS.—Subsection (d) of section 2313 of title 10, United States Code, is amended to read as follows:

"(d) LIMITATION ON AUDITS RELATING TO INDIRECT COSTS.—The head of an agency may not perform an audit of indirect costs under a contract, subcontract, or modification before or after entering into the contract, subcontract, or modification in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results of an audit that was conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Subsection (d) of section 304C of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254d) is amended to read as follows:

"(d) LIMITATION ON AUDITS RELATING TO INDIRECT COSTS.—An executive agency may not perform an audit of indirect costs under a contract, subcontract, or modification before or after entering into the contract, subcontract, or modification in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results of an audit that was conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.".

(c) GUIDELINES FOR ACCEPTANCE OF AUDITS BY STATE AND LOCAL GOVERNMENTS RECEIVING FEDERAL ASSISTANCE.—The Director of the Office and Management and Budget shall issue guidelines to ensure that an audit of indirect costs performed by the Federal Government is accepted by State and local governments that receive Federal funds under contracts, grants, or other Federal assistance programs.

SEC. 808. EXTENSION OF PILOT MENTOR-PROTEGE PROGRAM.

Paragraphs (1) and (2) of section 831(j) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2302 note) are each amended by striking out "1996" and inserting in lieu thereof "1997".

Subtitle B—Other Matters

SEC. 821. AMENDMENT TO DEFINITION OF NATIONAL SECURITY SYSTEM UNDER INFORMATION TECHNOLOGY MANAGEMENT REFORM ACT OF 1995.

Section 5142(a) of the Information Technology Management Reform Act of 1996 (division E of Public Law 104–106; 110 Stat. 689; 40 U.S.C. 1452) is amended—

(1) by striking out "or" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new paragraph:

"(6) involves the storage, processing, or forwarding of classified information and is protected at all times by procedures established for the handling of classified information.".

SEC. 822. PROHIBITION ON RELEASE OF CONTRACTOR PROPOSALS UNDER FREEDOM OF INFORMATION ACT.

(a) ARMED SERVICES ACQUISITIONS.—Section 2305 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) PROHIBITION ON RELEASE OF CONTRACTOR PROPOSALS.—(1) A proposal in the possession or control of the Department of Defense may not be made available to any person under section 552 of title 5.

"(2) In this subsection, the term 'proposal' means any proposal, including a technical, management, or cost proposal, submitted by a contractor in response to the requirements of a solicitation for a competitive proposal.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended by adding at the end the following new subsection:

"(m) PROHIBITION ON RELEASE OF CONTRACTOR PROPOSALS.—(1) A proposal in the possession or control of an executive agency may not be made available to any person under section 552 of title 5.

"(2) In this subsection, the term 'proposal' means any proposal, including a technical, management, or cost proposal, submitted by a contractor in response to the requirements of a solicitation for a competitive proposal.".

SEC. 823. REPEAL OF ANNUAL REPORT BY ADVOCATE FOR COMPETITION.

Section 20(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 418(b)) is amended—

(1) by striking out "and" at the end of paragraph (3)(B);

(2) by striking out paragraph (4); and

(3) by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

SEC. 824. REPEAL OF BIANNUAL REPORT ON PROCUREMENT REGULATORY ACTIVITY.

Subsection (g) of section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) is repealed.

SEC. 825. REPEAL OF MULTIYEAR LIMITATION ON CONTRACTS FOR INSPECTION, MAINTENANCE, AND REPAIR.

Paragraph (14) of section 210(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(a)) is amended by striking out "for periods not exceeding three years".

SEC. 826. STREAMLINED NOTICE REQUIREMENTS TO CONTRACTORS AND EMPLOYEES REGARDING TERMINATION OR SUBSTANTIAL REDUCTION IN CONTRACTS UNDER MAJOR DEFENSE PROGRAMS.

(a) ELIMINATION OF UNNECESSARY REQUIREMENTS.—Section 4471 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102–484; 10 U.S.C. 2501 note) is amended—

(1) by striking out subsection (a);

(2) by striking out subsection (f), except paragraph (4);

(3) by redesignating subsections (b), (c), (d), (e), and (g) as subsections (a), (b), (c), (d), and (f), respectively; and

(4) by redesignating such paragraph (4) as subsection (e).

(b) NOTICE TO CONTRACTORS.—Subsection (a) of such section, as redesignated by subsection (a)(3), is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) shall identify each contract (if any) under major defense programs of the Department of Defense that will be terminated or substantially reduced as a result of the funding levels provided in that Act; and

"(2) shall ensure that notice of the termination of, or substantial reduction in, the funding of the contract is provided—

"(A) directly to the prime contractor under the contract; and

"(B) directly to the Secretary of Labor.".

(c) NOTICE TO SUBCONTRACTORS.—Subsection (b) of such section, as redesignated by subsection (a)(3), is amended—

(1) by striking out "As soon as" and all that follows through "that program," in the matter preceding paragraph (1) and inserting in lieu thereof "Not later than 60 days after the date on which the prime contractor for a contract under a major defense program receives notice under subsection (a),";

(2) in paragraph (1)—

(A) by striking out "for that program under a contract" and inserting in lieu thereof "for that prime contract for subcontracts"; and

(B) by striking out "for the program"; and

(3) in paragraph (2)(A), by striking out "for the program under a contract" and inserting in lieu thereof "for subcontracts".

(d) NOTICE TO EMPLOYEES AND STATE DISLOCATED WORKER UNIT.—Subsection (c) of such section, as redesignated by subsection (a)(3), is amended by striking out "under subsection (a)(1)" and all that follows through "a defense program," in the matter preceding paragraph (1) and inserting in lieu thereof "under subsection (a),".

(e) CROSS REFERENCES AND CONFORMING AMENDMENTS.—(1) Subsection (d) of such section, as redesignated by subsection (a)(3), is amended—

(A) by striking out "a major defense program provided under subsection (d)(1)" and inserting in lieu thereof "a defense contract provided under subsection (c)(1)"; and

(B) by striking out "the program" and inserting in lieu thereof "the contract".

(2) Subsection (e) of such section, as redesignated by subsection (a)(4), is amended—

(A) by striking out "ELIGIBILITY" and inserting in lieu thereof "ELIGIBILITY"; and

(B) by striking out "under paragraph (3)" and inserting in lieu thereof "or cancellation of the termination of, or substantial reduction in, contract funding".

(3) Subsection (f) of such section, as redesignated by subsection (a)(3), is amended in paragraph (2)—

(A) by inserting "a defense contract under" before "a major defense program"; and

(B) by striking out "contracts under the program" and inserting in lieu thereof "the funds obligated by the contract".

SEC. 827. REPEAL OF NOTICE REQUIREMENTS FOR SUBSTANTIALLY OR SERIOUSLY AFFECTED PARTIES IN DOWNSIZING EFFORTS.

Sections 4101 and 4201 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1850, 1851; 10 U.S.C. 2391 note) are repealed.

SEC. 828. TESTING OF DEFENSE ACQUISITION PROGRAMS.

(a) IN GENERAL.—Section 2366 of title 10, United States Code, is amended—

(1) by striking out "survivability" each place it appears (including in the section heading) and inserting in lieu thereof "vulnerability"; and

(2) in subsection (b)—

(A) by striking out "Survivability" and inserting in lieu thereof "Vulnerability"; and

(B) by inserting after paragraph (2) the following new paragraph:

"(3) Testing should begin at the component, subsystem, and subassembly level, culminating with tests of the complete system configured for combat.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 139 of such title is amended to read as follows:

"2366. Major systems and munitions programs: vulnerability testing and lethality testing required before full-scale production.".

SEC. 829. DEPENDENCY OF NATIONAL TECHNOLOGY AND INDUSTRIAL BASE ON SUPPLIES AVAILABLE ONLY FROM FOREIGN COUNTRIES.

(a) NATIONAL SECURITY OBJECTIVES FOR NATIONAL TECHNOLOGY AND INDUSTRIAL BASE.—Section 2501(a) of title 10, United States Code, is amended by adding at the end the following:

"(5) Providing for the development, manufacture, and supply of items and technologies critical to the production and sustainment of advanced military weapon systems with minimal reliance on items for which the source of supply, manufacture, or technology is outside of the United States and Canada and for which there is no immediately available source in the United States or Canada.".

(b) ASSESSMENT OF EXTENT OF UNITED STATES DEPENDENCY ON FOREIGN SOURCE ITEMS.—Subsection (c) of section 2505 of such title is amended to read as follows:

"(c) ASSESSMENT OF EXTENT OF DEPENDENCY ON FOREIGN SOURCE ITEMS.—Each assessment under subsection (a) shall include a separate discussion and presentation regarding the extent to which the national technology and industrial base is dependent on items for which the source of supply, manufacture, or technology is outside of the United States and Canada and for which there is no immediately available source in the United States or Canada. The discussion and presentation shall include the following:

"(1) An assessment of the overall degree of dependence by the national technology and industrial base on such foreign items, including a comparison with the degree of dependence identified in the preceding assessment.

"(2) Identification of major systems (as defined in section 2302 of this title) under development or production containing such foreign items, including an identification of all such foreign items for each system.

"(3) An analysis of the production or development risks resulting from the possible disruption of access to such foreign items, including consideration of both peacetime and wartime scenarios.

"(4) An analysis of the importance of retaining domestic production sources for the items specified in section 2534 of this title.

"(5) A discussion of programs and initiatives in place to reduce dependence by the national technology and industrial base on such foreign items.

"(6) A discussion of proposed policy or legislative initiatives recommended to reduce the dependence of the national technology and industrial base on such foreign items.".

(c) TIME FOR COMPLETION OF NEXT DEFENSE CAPABILITY ASSESSMENT.—Notwithstanding the schedule prescribed by the Secretary of Defense under subsection (d) of section 2505 of title 10, United States Code, the National Defense Technology and Industrial Base Council shall complete the next defense capability assessment required under such section not later than March 1, 1997.

SEC. 830. SENSE OF CONGRESS REGARDING TREATMENT OF DEPARTMENT OF DEFENSE CABLE TELEVISION FRANCHISE AGREEMENTS.

It is the sense of Congress that the United States Court of Federal Claims should transmit to Congress the report required by section 823 of Public Law 104–106 (110 Stat. 399) on or before the date specified in that section.

SEC. 831. EXTENSION OF DOMESTIC SOURCE LIMITATION FOR VALVES AND MACHINE TOOLS.

Subparagraph (C) of section 2534(c)(2) is amended by striking out "1996" and inserting in lieu thereof "2001".

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. ADDITIONAL REQUIRED REDUCTION IN DEFENSE ACQUISITION WORKFORCE.

Section 906(d) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 405) is amended—

(1) in paragraph (1), by striking out "during fiscal year 1996" and all that follows and inserting in lieu thereof "so that—

"(A) the total number of such positions as of October 1, 1996, is less than the baseline number by at least 15,000; and

"(B) the total number of such positions as of October 1, 1997, is less than the baseline number by at least 40,000."; and

(2) by adding at the end the following new paragraph:

"(3) For purposes of this subsection, the term 'baseline number' means the total number of defense acquisition personnel positions as of October 1, 1995.".

SEC. 902. REDUCTION OF PERSONNEL ASSIGNED TO OFFICE OF THE SECRETARY OF DEFENSE.

(a) PERMANENT LIMITATION ON OSD PERSONNEL.—Effective October 1, 1999, the number of OSD personnel may not exceed 75 percent of the baseline number.

(b) PHASED REDUCTION.—The number of OSD personnel—

(1) as of October 1, 1997, may not exceed 85 percent of the baseline number; and

(2) as of October 1, 1998, may not exceed 80 percent of the baseline number.

(c) BASELINE NUMBER.—For purposes of this section, the term "baseline number" means the number of OSD personnel as of October 1, 1994.

(d) OSD PERSONNEL DEFINED.—For purposes of this section, the term "OSD personnel" means military and civilian personnel of the Department of Defense who are assigned to, or employed in, functions in the Office of the Secretary of Defense (including Direct Support Activities of that Office and the Washington Headquarters Services of the Department of Defense).

(e) LIMITATION ON REASSIGNMENT OF FUNCTIONS.—In carrying out reductions in the number of personnel assigned to, or employed in, the Office of the Department of Defense in order to comply with this section, the Secretary of Defense may not reassign functions solely in order to evade the requirements contained in this section.

(f) FLEXIBILITY.—If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (b) with respect to any fiscal year would adversely affect United States national security, the limitation under that subsection with respect to that fiscal year may be waived. If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (a) during fiscal year 1999 would adversely affect United States national security, the limitation under that subsection with respect to that fiscal year may be waived. The authority under this subsection may be used only once, with respect to a single fiscal year.

(g) REPEAL OF PRIOR REQUIREMENT.—Section 901(d) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 410) is repealed.

SEC. 903. REPORT ON MILITARY DEPARTMENT HEADQUARTERS STAFFS.

(a) REVIEW BY SECRETARY OF DEFENSE.—The Secretary of Defense shall conduct a review of the size, mission, organization, and functions of the military department headquarters staffs. This review shall include the following:

(1) An assessment on the adequacy of the present organization structure to efficiently and effectively support the mission of the military departments.

(2) An assessment of options to reduce the number of personnel assigned to the military department headquarters staffs.

(3) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and the military department headquarters staffs.

(4) An assessment of the possible benefits that could be derived from further functional consolidation between the civilian secretariat of the military departments and the staffs of the military service chiefs.

(5) An assessment of the possible benefits that could be derived from reducing the number of civilian officers in the military departments who are appointed by and with the advice and consent of the Senate.

(b) REPORT.—Not later than March 1, 1997, the Secretary of Defense shall submit to the congressional defense committees a report containing—

(1) the findings and conclusions of the Secretary resulting from the review under subsection (a); and

(2) a plan for implementing resulting recommendations, including proposals for legislation (with supporting rationale) that would be required as result of the review.

(c) REDUCTION IN TOTAL NUMBER OF PERSONNEL ASSIGNED.—In developing the plan under subsection (b)(2), the Secretary shall make every effort to provide for significant reductions in the overall number of military and civilian personnel assigned to or serving in the military department headquarters staffs.

(d) MILITARY DEPARTMENT HEADQUARTERS STAFFS DEFINED.—For the purposes of this section, the term "military department headquarters staffs" means the offices, organizations, and other elements of the Department of Defense comprising the following:

(1) The Office of the Secretary of the Army.

(2) The Army Staff.

(3) The Office of the Secretary of the Air Force.

(4) The Air Staff.

(5) The Office of the Secretary of the Navy.

(6) The Office of the Chief of Naval Operations.

(7) Headquarters, Marine Corps.

SEC. 904. EXTENSION OF EFFECTIVE DATE FOR CHARTER FOR JOINT REQUIREMENTS OVERSIGHT COUNCIL.

Section 905(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 404) is amended by striking out "January 31, 1997" and inserting in lieu thereof "January 31, 1998".

SEC. 905. REMOVAL OF SECRETARY OF THE ARMY FROM MEMBERSHIP ON THE FOREIGN TRADE ZONE BOARD.

The first section of the Act of June 18, 1934 (Public Law Numbered 397, Seventy-third Congress; 48 Stat. 998) (19 U.S.C. 81a), popularly known as the "Foreign Trade Zones Act", is amended—

(1) in subsection (b), by striking out "the Secretary of the Treasury, and the Secretary of War" and inserting in lieu thereof "and the Secretary of the Treasury"; and

(2) in subsection (c), by striking out "Alaska, Hawaii,".

SEC. 906. MEMBERSHIP OF THE AMMUNITION STORAGE BOARD.

Section 172(a) of title 10, United States Code, is amended by striking out "a joint board of officers selected by them" and inserting in lieu thereof "a joint board selected by them composed of officers, civilian officers and employees of the Department of Defense, or both".

SEC. 907. DEPARTMENT OF DEFENSE DISBURSING OFFICIAL CHECK CASHING AND EXCHANGE TRANSACTIONS.

Section 3342(b) of title 31, United States Code, is amended—

(1) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon;

(2) by striking out "and" at the end of paragraph (5);

(3) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; or"; and

(4) by adding at the end the following new paragraph:

"(7) a Federal credit union that at the request of the Secretary of Defense is operating on a United States military installation in a foreign country, but only if that country does not permit contractor-operated military banking facilities to operate on such installations.".

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1997 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.

(a) STATUS OF CLASSIFIED ANNEX.—The Classified Annex prepared by the Committee on National Security of the House of Representatives to accompany the bill H.R. 3230 of the One Hundred Fourth Congress and transmitted to the President is hereby incorporated into this Act.

(b) CONSTRUCTION WITH OTHER PROVISIONS OF ACT.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

(d) DISTRIBUTION OF CLASSIFIED ANNEX.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. AUTHORITY FOR OBLIGATION OF CERTAIN UNAUTHORIZED FISCAL YEAR 1996 DEFENSE APPROPRIATIONS.

(a) AUTHORITY.—The amounts described in subsection (b) may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1996 defense appropriations.

(b) COVERED AMOUNTS.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1996 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1996 defense authorizations.

(c) DEFINITIONS.—For the purposes of this section:

(1) FISCAL YEAR 1996 DEFENSE APPROPRIATIONS.—The term "fiscal year 1996 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1996 in the Department of Defense Appropriations Act, 1996 (Public Law 104–61).

(2) FISCAL YEAR 1996 DEFENSE AUTHORIZATIONS.—The term "fiscal year 1996 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1996 in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106).

SEC. 1004. AUTHORIZATION OF PRIOR EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1996.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 1996 in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134).

SEC. 1005. FORMAT FOR BUDGET REQUESTS FOR NAVY/MARINE CORPS AND AIR FORCE AMMUNITION ACCOUNTS.

Section 114 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) In each budget submitted by the President to Congress under section 1105 of title 31, amounts requested for procurement of ammunition for the Navy and Marine Corps, and for procurement of ammunition for the Air Force, shall be set forth separately from other amounts requested for procurement.".

SEC. 1006. FORMAT FOR BUDGET REQUESTS FOR DEFENSE AIRBORNE RECONNAISSANCE PROGRAM.

(a) REQUIREMENT.—The Secretary of Defense shall ensure that in the budget justification documents for any fiscal year there is set forth separately amounts requested for each program, project, or activity within the Defense Airborne Reconnaissance Program, with a unique program element provided for funds requested for research, development, test, and evaluation for each such program, project, or activity and a unique procurement line item provided for funds requested for procurement for each such program, project, or activity.

(b) DEFENSE BUDGET.—For purposes of subsection (a), the term "budget justification documents" means the supporting budget documentation submitted to the congressional defense committees in support of the budget of the Department of Defense for a fiscal year as included in the budget of the President submitted under section 1105 of title 31, United States Code, for that fiscal year.

Subtitle B—Reports and Studies

SEC. 1021. ANNUAL REPORT ON OPERATION PROVIDE COMFORT AND OPERATION ENHANCED SOUTHERN WATCH.

(a) ANNUAL REPORT.—Not later than March 1 of each year, the Secretary of Defense shall submit to Congress a report on Operation Provide Comfort and Operation Enhanced Southern Watch.

(b) MATTERS RELATING TO OPERATION PROVIDE COMFORT.—Each report under subsection (a) shall include, with respect to Operation Provide Comfort, the following:

(1) A detailed presentation of the projected costs to be incurred by the Department of Defense for that operation during the fiscal year in which the report is submitted and projected for the following fiscal year, together with a discussion of missions and functions expected to be performed by the Department as part of that operation during each of those fiscal years.

(2) A detailed presentation of the projected costs to be incurred by other departments and agencies of the Federal Government participating in or providing support to that operation during each of those fiscal years.

(3) A discussion of options being pursued to reduce the involvement of the Department of Defense in those aspects of that operation that are not directly related to the military mission of the Department of Defense.

(4) A discussion of the exit strategy for United States involvement in, and support for, that operation.

(5) A description of alternative approaches to accomplishing the mission of that operation that are designed to limit the scope and cost to the Department of Defense of accomplishing that mission while maintaining mission success.

(6) The contributions (both in-kind and actual) by other nations to the costs of conducting that operation.

(7) A detailed presentation of significant Iraqi military activity (including specific violations of the no-fly zone) determined to jeopardize the security of the Kurdish population in northern Iraq.

(c) MATTERS RELATING TO OPERATION ENHANCED SOUTHERN WATCH.—Each report under subsection (a) shall include, with respect to Operation Enhanced Southern Watch, the following:

(1) The expected duration and annual costs of the various elements of that operation.

(2) The political and military objectives associated with that operation.

(3) The contributions (both in-kind and actual) by other nations to the costs of conducting that operation.

(4) A description of alternative approaches to accomplishing the mission of that operation that are designed to limit the scope and cost of accomplishing that mission while maintaining mission success.

(5) A comprehensive discussion of the political and military objectives and initiatives that the Department of Defense has pursued, and intends to pursue, in order to reduce United States involvement in that operation.

(6) A detailed presentation of significant Iraqi military activity (including specific violations of the no-fly zone) determined to jeopardize the security of the Shiite population in southern Iraq.

(d) TERMINATION OF REPORT REQUIREMENT.—The requirement under subsection (a) shall cease to apply with respect to an operation named in that subsection upon the termination of United States involvement in that operation.

(e) DEFINITIONS.—For purposes of this section:

(1) OPERATION ENHANCED SOUTHERN WATCH.—The term "Operation Enhanced Southern Watch" means the operation of the Department of Defense that as of October 30, 1995, is designated as Operation Enhanced Southern Watch.

(2) OPERATION PROVIDE COMFORT.—The term "Operation Provide Comfort" means the operation of the Department of Defense that as of October 30, 1995, is designated as Operation Provide Comfort.

SEC. 1022. REPORT ON PROTECTION OF NATIONAL INFORMATION INFRASTRUCTURE.

(a) REPORT REQUIREMENT.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report setting forth the national policy on protecting the national information infrastructure against strategic attacks.

(b) MATTERS TO BE INCLUDED.—The report shall include the following:

(1) A description of the national policy and plans to meet essential Government and civilian needs during a national security emergency associated with a strategic attack on elements of the national infrastructure the functioning of which depend on networked computer systems.

(2) The identification of information infrastructure functions that must be performed during such an emergency.

(3) The assignment of responsibilities to Federal departments and agencies, and a description of the roles of Government and industry, relating to indications and warning of, assessment of, response to, and reconstitution after, potential strategic attacks on the critical national infrastructures described under paragraph (1).

(c) OUTSTANDING ISSUES.—The report shall also identify any outstanding issues in need of further study and resolution, such as technology and funding shortfalls, and legal and regulatory considerations.

SEC. 1023. REPORT ON WITNESS INTERVIEW PROCEDURES FOR DEPARTMENT OF DEFENSE CRIMINAL INVESTIGATIONS.

(a) SURVEY OF MILITARY DEPARTMENT POLICIES AND PRACTICES.—The Comptroller General of the United States shall conduct a survey of the policies and practices of the military criminal investigative organizations with respect to the manner in which interviews of suspects and witnesses are conducted in connection with criminal investigations. The purpose of the survey shall be to ascertain whether or not investigators and agents from those organizations engage in illegal, unnecessary, or inappropriate harassment and intimidation of individuals being interviewed.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report concerning the survey under subsection (a). The report shall specifically address the following:

(1) The extent to which investigators of the military criminal investigative organizations engage in illegal or inappropriate practices in connection with interviews of suspects in or witnesses to crimes.

(2) The extent to which the interview policies established by the Department of Defense directive or service regulation are adequate to instruct and guide investigators in the proper conduct of subject and witness interviews.

(3) The desirability and feasibility of requiring the video and audio recording of all interviews.

(4) The desirability and feasibility of making such recordings or written transcriptions of interviews, or both, available on demand to the subject or witness interviewed.

(5) The extent to which existing directives or regulations specify a prohibition against the display by agents of those organizations of weapons during interviews and the extent to which agents conducting interviews inappropriately display weapons during interviews.

(6) The extent to which existing directives or regulations forbid agents of those organizations from making judgmental statements during interviews regarding the guilt of the interviewee or the consequences of failing to cooperate with investigators, and the extent to which agents conducting interviews nevertheless engage in such practices.

(7) Any recommendation for legislation to ensure that investigators and agents of the military criminal investigative organizations use legal and proper tactics during interviews in connection with Department of Defense criminal investigations.

(c) RESULTS OF INTERVIEWS AND SURVEYS.—The Comptroller General shall include in the report under subsection (b) the results of interviews and surveys conducted under subsection (a) with persons who were witnesses or subjects in investigations conducted by military criminal investigative organizations.

(d) DEFINITION.—For the purposes of this section, the term "military criminal investigative organization" means any of the following:

(1) The Army Criminal Investigation Command.

(2) The Air Force Office of Special Investigations.

(3) The Naval Criminal Investigative Service.

(4) The Defense Criminal Investigative Service.

Subtitle C—Other Matters

SEC. 1031. INFORMATION SYSTEMS SECURITY PROGRAM.

(a) ALLOCATION.—Of the amounts appropriated for the Department of Defense for the Defense Information Infrastructure for each of fiscal years 1998 through 2001, the Secretary of Defense shall allocate to an information systems security program, under a separate program element, amounts as follows:

(1) For fiscal year 1998, 2.5 percent.

(2) For fiscal year 1999, 3.0 percent.

(3) For fiscal year 2000, 3.5 percent.

(4) For fiscal year 2001, 4.0 percent.

(b) RELATIONSHIP TO OTHER AMOUNTS.—Amounts allocated under subsection (a) are in addition to amounts appropriated to the National Security Agency and the Defense Advanced Research Projects Agency for information security development, acquisition, and operations.

(c) ANNUAL REPORT.—The Secretary of Defense shall submit to the congressional defense committee and congressional intelligence committees a report not later than April 15 of each year from 1998 through 2002 that describes information security objectives of the Department of Defense, the progress made during the previous year in meeting those objectives, and plans of

the Secretary with respect to meeting those objectives for the next fiscal year.

SEC. 1032. AVIATION AND VESSEL WAR RISK INSURANCE.

(a) AVIATION RISK INSURANCE.—(1) Chapter 931 of title 10, United States Code, is amended by adding at the end the following new section:

"§9514. Indemnification of Department of Transportation for losses covered by defense-related aviation insurance

"(a) PROMPT INDEMNIFICATION REQUIRED.—In the event of a loss that is covered by defense-related aviation insurance, the Secretary of Defense shall promptly indemnify the Secretary of Transportation for the amount of the loss. The Secretary of Defense shall make such indemnification—

"(1) in the case of a claim for the loss of an aircraft hull, not later than 30 days following the date of the presentment of the claim to the Secretary of Transportation; and

"(2) in the case of any other claim, not later than 180 days after the date on which the claim is determined by the Secretary of Transportation to be payable.

"(b) SOURCE OF FUNDS FOR PAYMENT OF INDEMNITY.—The Secretary may pay an indemnity described in subsection (a) from any funds available to the Department of Defense for operation and maintenance, and such sums as may be necessary for payment of such indemnity are hereby authorized to be transferred to the Secretary of Transportation for such purpose.

"(c) NOTICE TO CONGRESS.—In the event of a loss that is covered by defense-related aviation insurance in the case of an incident in which the covered loss is (or is expected to be) in an amount in excess of $1,000,000, the Secretary of Defense shall submit to Congress—

"(1) notification of the loss as soon after the occurrence of the loss as possible and in no event more than 30 days after the date of the loss; and

"(2) semiannual reports thereafter updating the information submitted under paragraph (1) and showing with respect to losses arising from such incident the total amount expended to cover such losses, the source of those funds, pending litigation, and estimated total cost to the Government.

"(d) IMPLEMENTING MATTERS.—(1) Payment of indemnification under this section is not subject to section 2214 or 2215 of this title or any other provision of law requiring notification to Congress before funds may be transferred.

"(2) Consolidation of claims arising from the same incident is not required before indemnification of the Secretary of Transportation for payment of a claim may be made under this section.

"(e) CONSTRUCTION WITH OTHER TRANSFER AUTHORITY.—Authority to transfer funds under this section is in addition to any other authority provided by law to transfer funds (whether enacted before, on, or after the date of the enactment of this section) and is not subject to any dollar limitation or notification requirement contained in any other such authority to transfer funds.

"(f) DEFINITIONS.—In this section:

"(1) DEFENSE-RELATED AVIATION INSURANCE.—The term 'defense-related aviation insurance' means aviation insurance and reinsurance provided through policies issued by the Secretary of Transportation under chapter 443 of title 49 that pursuant to section 44305(b) of that title is provided by that Secretary without premium at the request of the Secretary of Defense and is covered by an indemnity agreement between the Secretary of Transportation and the Secretary of Defense.

"(2) LOSS.—The term 'loss' includes damage to or destruction of property, personal injury or death, and other liabilities and expenses covered by the defense-related aviation insurance.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"9514. Indemnification of Department of Transportation for losses covered by defense-related aviation insurance.".

(b) VESSEL WAR RISK INSURANCE.—(1) Chapter 157 of title 10, United States Code, is amended by adding after section 2644, as added by section 364(a), the following new section:

"§2645. Indemnification of Department of Transportation for losses covered by vessel war risk insurance

"(a) PROMPT INDEMNIFICATION REQUIRED.—In the event of a loss that is covered by vessel war risk insurance, the Secretary of Defense shall promptly indemnify the Secretary of Transportation for the amount of the loss. The Secretary of Defense shall make such indemnification—

"(1) in the case of a claim for a loss to a vessel, not later than 90 days following the date of the adjudication or settlement of the claim by the Secretary of Transportation; and

"(2) in the case of any other claim, not later than 180 days after the date on which the claim is determined by the Secretary of Transportation to be payable.

"(b) SOURCE OF FUNDS FOR PAYMENT OF INDEMNITY.—The Secretary may pay an indemnity described in subsection (a) from any funds available to the Department of Defense for operation and maintenance, and such sums as may be necessary for payment of such indemnity are hereby authorized to be transferred to the Secretary of Transportation for such purpose.

"(c) DEPOSIT OF FUNDS.—(1) Any amount transferred to the Secretary of Transportation under this section shall be deposited in, and merged with amounts in, the Vessel War Risk Insurance Fund as provided in the second sentence of section 1208(a) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1288(a)).

"(2) In this subsection, the term 'Vessel War Risk Insurance Fund' means the insurance fund referred to in the first sentence of section 1208(a) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1288(a)).

"(d) NOTICE TO CONGRESS.—In the event of a loss that is covered by vessel war risk insurance in the case of an incident in which the covered loss is (or is expected to be) in an amount in excess of $1,000,000, the Secretary of Defense shall submit to Congress—

"(1) notification of the loss as soon after the occurrence of the loss as possible and in no event more than 30 days after the date of the loss; and

"(2) semiannual reports thereafter updating the information submitted under paragraph (1) and showing with respect to losses arising from such incident the total amount expended to cover such losses, the source of such funds, pending litigation, and estimated total cost to the Government.

"(e) IMPLEMENTING MATTERS.—(1) Payment of indemnification under this section is not subject to section 2214 or 2215 of this title or any other provision of law requiring notification to Congress before funds may be transferred.

"(2) Consolidation of claims arising from the same incident is not required before indemnification of the Secretary of Transportation for payment of a claim may be made under this section.

"(f) CONSTRUCTION WITH OTHER TRANSFER AUTHORITY.—Authority to transfer funds under this section is in addition to any other authority provided by law to transfer funds (whether enacted before, on, or after the date of the enactment of this section) and is not subject to any dollar limitation or notification requirement contained in any other such authority to transfer funds.

"(g) DEFINITIONS.—In this section:

"(1) VESSEL WAR RISK INSURANCE.—The term 'vessel war risk insurance' means insurance and reinsurance provided through policies issued by the Secretary of Transportation under title XII of the Merchant Marine Act, 1936 (46 U.S.C. App. 1281 et seq.), that is provided by that Secretary without premium at the request of the Secretary of Defense and is covered by an indemnity agreement between the Secretary of Transportation and the Secretary of Defense.

"(2) LOSS.—The term 'loss' includes damage to or destruction of property, personal injury or death, and other liabilities and expenses covered by the vessel war risk insurance.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2644, as added by section 364(c)(3), the following new item:

"2645. Indemnification of Department of Transportation for losses covered by vessel war risk insurance.".

SEC. 1033. AIRCRAFT ACCIDENT INVESTIGATION BOARDS.

(a) INDEPENDENCE AND OBJECTIVITY OF BOARDS.—(1) Chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§2255. Aircraft accident investigation boards: independence and objectivity

"(a) REQUIRED MEMBERSHIP OF BOARDS.—Whenever the Secretary of a military department convenes a aircraft accident investigation board to conduct an accident investigation of an accident involving an aircraft under the jurisdiction of the Secretary, the Secretary shall select the membership of the board so that—

"(1) a majority of the voting members of the board are selected from units outside the chain of command of the mishap unit; and

"(2) at least one voting member of the board is an officer or an employee assigned to the relevant service safety center.

"(b) DETERMINATION OF UNITS OUTSIDE SAME CHAIN OF COMMAND.—For purposes of this section, a unit shall be considered to be outside the chain of command of another unit if the two units do not have a common commander in their respective chains of command below a position for which the authorized grade is major general or rear admiral.

"(c) MISHAP UNIT DEFINED.—In this section, the term 'mishap unit', with respect to an aircraft accident investigation, means the unit of the armed forces (at the squadron level or equivalent) to which was assigned the flight crew of the aircraft that sustained the accident that is the subject of the investigation.

"(d) SERVICE SAFETY CENTER.—For purposes of this section, a service safety center is the single office or separate operating agency of a military department that has responsibility for the management of aviation safety matters for that military department.".

(2) The table of sections at the beginning of subchapter II of such chapter is amended by adding at the end the following new item:

"2255. Aircraft accident investigation boards: independence and objectivity.".

(b) EFFECTIVE DATE.—Section 2255 of title 10, United States Code, as added by subsection (a), shall apply with respect to any aircraft accident investigation board convened by the Secretary of a military department after the end of the six-month period beginning on the date of the enactment of this Act.

SEC. 1034. AUTHORITY FOR USE OF APPROPRIATED FUNDS FOR RECRUITING FUNCTIONS.

(a) AUTHORITY.—Chapter 31 of title 10, United States Code, is amended by adding at the end the following new section:

"§520c. Recruiting functions: use of funds

"Under regulations prescribed by the Secretary concerned, funds appropriated to the Department of Defense may be expended for small meals and snacks during recruiting functions for the following persons:

"(1) Persons who have entered the Delayed Entry Program under section 513 of this title and other persons who are the subject of recruiting efforts.

"(2) Persons in communities who assist the military departments in recruiting efforts.

"(3) Military or civilian personnel whose attendance at such functions is mandatory.

"(4) Other persons whose presence at recruiting functions will contribute to recruiting efforts.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"520c. Recruiting functions: use of funds.".

SEC. 1035. AUTHORITY FOR AWARD OF MEDAL OF HONOR TO CERTAIN AFRICAN AMERICAN SOLDIERS WHO SERVED DURING WORLD WAR II.

(a) INAPPLICABILITY OF TIME LIMITATIONS.—Notwithstanding the time limitations in section 3744(b) of title 10, United States Code, or any other time limitation, the President may award the Medal of Honor to the persons specified in subsection (b), each of whom has been found by the Secretary of the Army to have distinguished himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of duty while serving in the United States Army during World War II.

(b) PERSONS ELIGIBLE TO RECEIVE THE MEDAL OF HONOR.—The persons referred to in subsection (a) are the following:

(1) Vernon J. Baker, who served as a first lieutenant in the 370th Infantry Regiment, 92nd Infantry Division.

(2) Edward A. Carter, who served as a staff sergeant in the 56th Armored Infantry Battalion, Twelfth Armored Division.

(3) John R. Fox, who served as a first lieutenant in the 366th Infantry Regiment, 92nd Infantry Division.

(4) Willy F. James, Jr., who served as a private first class in 413th Infantry Regiment, 104th Infantry Division.

(5) Ruben Rivers, who served as a staff sergeant in the 761st Tank Battalion.

(6) Charles L. Thomas, who served as a first lieutenant in the 614th Tank Destroyer Battalion.

(7) George Watson, who served as a private in the 29th Quartermaster Regiment.

(c) POSTHUMOUS AWARD.—The Medal of Honor may be awarded under this section posthumously, as provided in section 3752 of title 10, United States Code.

(d) PRIOR AWARD.—The Medal of Honor may be awarded under this section for service for which a Distinguished-Service Cross, or other award, has been awarded.

SEC. 1036. COMPENSATION FOR PERSONS AWARDED PRISONER OF WAR MEDAL WHO DID NOT PREVIOUSLY RECEIVE COMPENSATION AS A PRISONER OF WAR.

(a) AUTHORITY TO MAKE PAYMENTS.—The Secretary of the military department concerned shall make payments in the manner provided in section 6 of the War Claims Act of 1948 (50 U.S.C. App. 2005) to (or on behalf of) any person described in subsection (b) who submits an application for such payment in accordance with subsection (d).

(b) ELIGIBLE PERSONS.—This section applies with respect to a member or former member of the Armed Forces who—

(1) has received the prisoner of war medal under section 1128 of title 10, United States Code; and

(2) has not previously received a payment under section 6 of the War Claims Act of 1948 (50 U.S.C. App. 2005) with respect to the period of internment for which the person received the prisoner of war medal.

(c) AMOUNT OF PAYMENT.—The amount of the payment to any person under this section shall be determined based upon the provisions of section 6 of the War Claims Act of 1948 that are applicable with respect to the period of time during which the internment occurred for which the person received the prisoner of war medal.

(d) ONE-YEAR PERIOD FOR SUBMISSION OF APPLICATIONS.—A payment may be made by reason of this section only in the case of a person who submits an application to the Secretary concerned for such payment during the one-year period beginning on the date of the enactment of this Act. Any such application shall be submitted in such form and manner as the Secretary may require.

SEC. 1037. GEORGE C. MARSHALL EUROPEAN CENTER FOR STRATEGIC SECURITY STUDIES.

(a) ACCEPTANCE OF CONTRIBUTIONS.—The Secretary of Defense may accept, on behalf of the George C. Marshall European Center for Security Studies, from any foreign nation any contribution of money or services made by such nation to defray the cost of, or enhance the operations of, the George C. Marshall European Center for Security Studies. Such contributions may include guest lecturers, faculty services, research materials, and other donations through foundations or similar sources.

(b) NOTICE TO CONGRESS.—The Secretary of Defense shall notify Congress if total contributions of money under subsection (a) exceed $2,000,000 in any fiscal year. Any such notice shall list the nations and the amounts of each such contribution.

(c) MARSHALL CENTER ATTENDANCE AND REPORTING REQUIREMENT.—(1) The Secretary of Defense may authorize participation by a European or Eurasian nation in Marshall Center programs if—

(A) the Secretary determines, after consultation with the Secretary of State, that such participation is in the national interest of the United States; and

(B) the Secretary determines that such participation (notwithstanding any other provision of law) by that nation in Marshall Center programs will materially contribute to the reform of the electoral process or development of democratic institutions or democratic political parties in that nation.

(2) The Secretary of Defense shall notify Congress of such determination not less than 90 days in advance of any such participation by such nation pursuant to the determination concerning that nation.

(3) The Secretary of Defense shall submit to Congress an annual report on the participation of European and Eurasian nations in programs of the Marshall Center.

(d) MARSHALL CENTER BOARD OF VISITORS.—(1) In the case of any United States citizen invited to serve without compensation on the Marshall Center Board of Visitors, the Secretary of Defense may waive any requirement for financial disclosure that would otherwise be applicable to that person by reason of service on such Board of Visitors.

(2) Notwithstanding section 219 of title 18, United States Code, a non-United States citizen may serve on the Board even though registered as a foreign agent.

SEC. 1038. PARTICIPATION OF MEMBERS, DEPENDENTS, AND OTHER PERSONS IN CRIME PREVENTION EFFORTS AT INSTALLATIONS.

(a) CRIME PREVENTION.—The Secretary of Defense shall prescribe regulations intended to require members of the Armed Forces, dependents of members, civilian employees of the Department of Defense, and employees of defense contractors performing work at military installations to report to an appropriate military law enforcement agency any crime or criminal activity that the person reasonably believes occurred on a military installation.

(b) SANCTIONS.—As part of the regulations, the Secretary shall consider the feasibility of imposing sanctions against a person described in subsection (a), particularly a member of the Armed Forces, who fails to report the occurrence of a crime or criminal activity as required by the regulations.

(c) REPORT REGARDING IMPLEMENTATION.—Not later than February 1, 1997, the Secretary shall submit to Congress a report describing the plans of the Secretary to implement this section.

SEC. 1039. TECHNICAL AND CLERICAL AMENDMENTS.

(a) CORRECTIONS IN STATUTORY REFERENCES.—

(1) REFERENCE TO COMMAND FORMERLY KNOWN AS THE NORTH AMERICAN AIR DEFENSE COMMAND.—Section 162(a) of title 10, United States Code, is amended by striking out "North American Air Defense Command" in paragraphs (1), (2), and (3) and inserting in lieu thereof "North American Aerospace Defense Command".

(2) REFERENCES TO FORMER NAVAL RECORDS AND HISTORY OFFICE AND FUND.—(A) Section 7222 of title 10, United States Code, is amended in subsections (a) and (c) by striking out "Office of Naval Records and History" each place it appears and inserting in lieu thereof "Naval Historical Center".

(B)(i) The heading of such section is amended to read as follows:

"§7222. Naval Historical Center Fund".

(ii) The item relating to such section in the table of sections at the beginning of chapter 631 of title 10, United States Code, is amended to read as follows:

"7222. Naval Historical Center Fund.".

(C) Section 2055(g) of the Internal Revenue Code of 1986 is amended by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) For treatment of gifts and bequests for the benefit of the Naval Historical Center as gifts or bequests to or for the use of the United States, see section 7222 of title 10, United States Code.".

(3) CHEMICAL DEMILITARIZATION CITIZENS ADVISORY COMMISSIONS.—Section 172 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2341; 50 U.S.C. 1521 note) is amended by striking out "Assistant Secretary of the Army (Installations, Logistics, and Environment)" in subsections (b) and (f) and inserting in lieu thereof "Assistant Secretary of the Army (Research, Development and Acquisition)".

(b) MISCELLANEOUS AMENDMENTS TO TITLE 10, United States Code.—Title 10, United States Code, is amended as follows:

(1) Section 129(a) is amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "February 10, 1996,".

(2) Section 401 is amended—

(A) in subsection (a)(4), by striking out "Armed Forces" both places it appears and inserting in lieu thereof "armed forces"; and

(B) in subsection (e), by inserting "any of the following" after "means".

(3) Section 528(b) is amended by striking out "(1)" after "(b)" and inserting "(1)" before "The limitation".

(4) Section 1078a(a) is amended by striking out "Beginning on October 1, 1994, the" and inserting in lieu thereof "The".

(5) Section 1161(b)(2) is amended by striking out "section 1178" and inserting in lieu thereof "section 1167".

(6) Section 1167 is amended by striking out "person" and inserting in lieu thereof "member".

(7) The table of sections at the beginning of chapter 81 is amended by striking out "Sec." in the item relating to section 1599a.

(8) Section 1588(d)(1)(C) is amended by striking out "Section 522a" and inserting in lieu thereof "Section 552a".

(9) Chapter 87 is amended—

(A) in section 1723(a), by striking out the second sentence;

(B) in section 1724, by striking out ", beginning on October 1, 1993," in subsections (a) and (b);

(C) in section 1733(a), by striking out "On and after October 1, 1993, a" and inserting in lieu thereof "A"; and

(D) in section 1734—

(i) in subsection (a)(1), by striking out ", on and after October 1, 1993,"; and

(ii) in subsection (b)(1)(A), by striking out ", on and after October 1, 1991,".

(10) Section 2216, as added by section 371 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 107 Stat. 277), is redesignated as section 2216a, and the item relating to that section in the table of sections at the beginning of chapter 131 is revised so as to reflect such redesignation.

(11) Section 2305(b)(6) is amended—

(A) in subparagraph (B), by striking out "of this section" and "of this paragraph";

(B) in subparagraph (C), by striking out "this subsection" and inserting in lieu thereof "subparagraph (A)"; and

(C) in subparagraph (D), by striking out "pursuant to this subsection" and inserting in lieu thereof "under subparagraph (A)".

(12) Section 2306a(h)(3) is amended by inserting "(41 U.S.C. 403(12))" before the period at the end.

(13) Section 2323a(a) is amended by striking out "section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note)" and inserting in lieu thereof "section 2323 of this title".

(14) Section 2534(c)(4) is amended by striking out "the date occurring two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "February 10, 1998".

(15) The table of sections at the beginning of chapter 155 is amended by striking out the item relating to section 2609.

(16) Section 2610(e) is amended by striking out "two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "on February 10, 1998".

(17) Sections 2824(c) and 2826(i)(1) are amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "February 10, 1996".

(18) Section 3036(d) is amended by striking out "For purposes of this subsection," and inserting in lieu thereof "In this subsection,".

(19) The table of sections at the beginning of chapter 641 is amended by striking out the item relating to section 7434.

(20) Section 10542(b)(21) is amended by striking out "261" and inserting in lieu thereof "12001".

(21) Section 12205(a) is amended by striking out "After September 30, 1995, no person" and inserting in lieu thereof "No person".

(c) AMENDMENTS TO PUBLIC LAW 104–106.—The National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 186 et seq.) is amended as follows:

(1) Section 561(d)(1) (110 Stat. 322) is amended by inserting "of such title" after "Section 1405(c)".

(2) Section 903(e)(1) (110 Stat. 402) is amended—

(A) in subparagraph (A), by striking out "paragraphs (6) and (8)" and inserting in lieu thereof "paragraph (6)"; and

(B) in subparagraph (B), by inserting "(8)," after "(7)," and by striking out "and (9)," and inserting in lieu thereof "(9), and (10),".

(3) Section 1092(b)(2) (110 Stat. 460) is amended by striking out the period at the end and inserting in lieu thereof "; and".

(4) Section 4301(a)(1) (110 Stat. 656) is amended by inserting "of subsection (a)" after "in paragraph (2)".

(5) Section 5601 (110 Stat. 699) is amended—

(A) in subsection (a), by inserting "of title 10, United States Code," before "is amended"; and

(B) in subsection (c), by striking out "use of equipment or services, if" in the second quoted matter therein and inserting in lieu thereof "use of the equipment or services".

(d) PROVISIONS EXECUTED BEFORE ENACTMENT OF PUBLIC LAW 104–106.—

(1) Section 533(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 315) shall apply as if enacted as of December 31, 1995.

(2) The authority provided under section 942(f) of title 10, United States Code, shall be effective as if section 1142 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 467) had been enacted on September 29, 1995.

(e) AMENDMENTS TO OTHER ACTS.—

(1) The last section of the Office of Federal Procurement Policy Act (41 U.S.C. 434), as added by section 5202 of Public Law 104–106 (110 Stat. 690), is redesignated as section 38, and the item appearing after section 34 in the table of contents in the first section of that Act is transferred to the end of such table of contents and revised so as to reflect such redesignation.

(2) Section 1412(g)(2) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(g)(2)), is amended—

(A) in the matter preceding subparagraph (A), by striking out "shall contain—" and inserting in lieu thereof "shall include the following:";

(B) in subparagraph (A)—

(i) by striking out "a" before "site-by-site" and inserting in lieu thereof "A"; and

(ii) by striking out the semicolon at the end and inserting in lieu thereof a period; and

(C) in subparagraphs (B) and (C), by striking out "an" at the beginning of the subparagraph and and inserting in lieu thereof "An".

(f) COORDINATION WITH OTHER AMENDMENTS.—For purposes of applying amendments made by provisions of this Act other than provisions of this section, this section shall be treated as having been enacted immediately before the other provisions of this Act.

SEC. 1040. PROHIBITION ON CARRYING OUT SR–71 STRATEGIC RECONNAISSANCE PROGRAM DURING FISCAL YEAR 1997.

The Secretary of Defense may not carry out any aerial reconnaissance program during fiscal year 1997 using the SR–71 aircraft.

TITLE XI—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

SEC. 1101. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) IN GENERAL.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in subsection (b).

(b) SPECIFIED PROGRAMS.—The programs referred to in subsection (a) are the following programs with respect to states of the former Soviet Union:

(1) Programs to facilitate the elimination, and the safe and secure transportation and storage, of nuclear, chemical, and other weapons and their delivery vehicles.

(2) Programs to facilitate the safe and secure storage of fissile materials derived from the elimination of nuclear weapons.

(3) Programs to prevent the proliferation of weapons, weapons components, and weapons-related technology and expertise.

(4) Programs to expand military-to-military and defense contacts.

SEC. 1102. FISCAL YEAR 1997 FUNDING ALLOCATIONS.

Of the amount appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For planning and design of a chemical weapons destruction facility in Russia, $74,500,000.

(2) For elimination of strategic offensive weapons in Russia, Ukraine, Belarus, and Kazakhstan, $52,000,000.

(3) For nuclear infrastructure elimination in Ukraine, Belarus, and Kazakhstan, $47,000,000.

(4) For planning and design of a storage facility for Russian fissile material, $46,000,000.

(5) For fissile material containers in Russia, $38,500,000.

(6) For weapons storage security in Russia, $15,000,000.

(7) For activities designated as Defense and Military-to-Military Contacts in Russia, Ukraine, Belarus, and Kazakhstan, $10,000,000.

(8) For activities designated as Other Assessments/Administrative Support $19,900,000.

SEC. 1103. PROHIBITION ON USE OF FUNDS FOR SPECIFIED PURPOSES.

None of the funds appropriated pursuant to the authorization in section 301 for Cooperative Threat Reduction programs, or appropriated for such programs for any prior fiscal year and remaining available for obligation, may be obligated or expended for any of the following purposes:

(1) Conducting with Russia any peacekeeping exercise or other peacekeeping-related activity.

(2) Provision of housing.

(3) Provision of assistance to promote defense conversion.

(4) Provision of assistance to promote environmental restoration.

(5) Provision of assistance to promote job retraining.

SEC. 1104. LIMITATION ON USE OF FUNDS UNTIL SPECIFIED REPORTS ARE SUBMITTED.

None of the funds appropriated pursuant to the authorization in section 301 for Cooperative Threat Reduction programs may be obligated or expended until 15 days after the date which is the latest of the following:

(1) The date on which the President submits to Congress the determinations required under subsection (c) of section 211 of Public Law 102–228 (22 U.S.C. 2551 note) with respect to any certification transmitted to Congress under subsection (b) of that section before the date of the enactment of this Act.

(2) The date on which the Secretary of Defense submits to Congress the first report under section 1206(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 471).

(3) The date on which the Secretary of Defense submits to Congress the report for fiscal year 1997 required under section 1205(c) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2883).

SEC. 1105. AVAILABILITY OF FUNDS.

Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

TITLE XII—RESERVE FORCES REVITALIZATION

SEC. 1201. SHORT TITLE.

This title may be cited as the "Reserve Forces Revitalization Act of 1996".

SEC. 1202. PURPOSE.

The purpose of this title is to revise the basic statutory authorities governing the organization and administration of the reserve components of the Armed Forces in order to recognize the realities of reserve component partnership in the Total Force and to better prepare the American citizen-soldier, sailor, airman, and Marine in time of peace for duties in war.

Subtitle A—Reserve Component Structure

SEC. 1211. RESERVE COMPONENT COMMANDS.

(a) ESTABLISHMENT.—(1) Part I of subtitle E of title 10, United States Code, is amended by inserting after chapter 1005 the following new chapter:

"CHAPTER 1006—RESERVE COMPONENT COMMANDS

"Sec.
"10171. Army Reserve Command.
"10172. Naval Reserve Force.
"10173. Marine Forces Reserve.
"10174. Air Force Reserve Command.

"§10171. Army Reserve Command

"(a) ESTABLISHMENT OF COMMAND.—The Secretary of the Army, with the advice and assistance of the Chief of Staff of the Army, shall establish a United States Army Reserve Command. The Army Reserve Command shall be operated as a separate command of the Army.

"(b) COMMANDER.—The Chief of Army Reserve is the commander of the Army Reserve Command. The commander of the Army Reserve Command reports directly to the Chief of Staff of the Army.

"(c) ASSIGNMENT OF FORCES.—The Secretary of the Army—

"(1) shall assign to the Army Reserve Command all forces of the Army Reserve stationed in the continental United States other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Army specified in section 3013 of this title, shall assign all such forces assigned to the Army Reserve Command under paragraph (1) to the commanders of the combatant commands in the manner specified by the Secretary of Defense.

"§10172. Naval Reserve Force

"(a) ESTABLISHMENT OF COMMAND.—The Secretary of the Navy, with the advice and assistance of the Chief of Naval Operations, shall establish a Naval Reserve Force. The Naval Reserve Force shall be operated as a separate command of the Navy.

"(b) COMMANDER.—The Chief of Naval Reserve shall be the commander of the Naval Reserve Force. The commander of the Naval Reserve Force reports directly to the Chief of Naval Operations.

"(c) ASSIGNMENT OF FORCES.—The Secretary of the Navy—

"(1) shall assign to the Naval Reserve Force specified portions of the Naval Reserve other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Navy specified in section 5013 of this title, shall assign to the combatant commands all such forces assigned to the Naval Reserve Force under paragraph (1) in the manner specified by the Secretary of Defense.

"§10173. Marine Forces Reserve

"(a) ESTABLISHMENT.—The Secretary of the Navy, with the advice and assistance of the Commandant of the Marine Corps, shall establish in the Marine Corps a command known as the Marine Forces Reserve.

"(b) COMMANDER.—The Marine Forces Reserve is commanded by the Commander, Marine Forces Reserve. The Commander, Marine Forces Reserve, reports directly to the Commandant of the Marine Corps.

"(c) ASSIGNMENT OF FORCES.—The Commandant of the Marine Corps—

"(1) shall assign to the Marine Forces Reserve the forces of the Marine Corps Reserve stationed in the continental United States other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Navy specified in section 5013 of this title, shall assign to the combatant commands (through the Marine Corps component commander for each such command) all such forces assigned to the Marine Forces Reserve under paragraph (1) in the manner specified by the Secretary of Defense.

"§10174. Air Force Reserve Command

"(a) ESTABLISHMENT OF COMMAND.—The Secretary of the Air Force, with the advice and assistance of the Chief of Staff of the Air Force, shall establish an Air Force Reserve Command. The Air Force Reserve Command shall be operated as a separate command of the Air Force.

"(b) COMMANDER.—The Chief of Air Force Reserve is the Commander of the Air Force Reserve Command. The commander of the Air Force Reserve Command reports directly to the Chief of Staff of the Air Force.

"(c) ASSIGNMENT OF FORCES.—The Secretary of the Air Force—

"(1) shall assign to the Air Force Reserve Command all forces of the Air Force Reserve stationed in the continental United States other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Air Force specified in section 8013 of this title, shall assign to the combatant commands all such forces assigned to the Air Force Reserve Command under paragraph (1) in the manner specified by the Secretary of Defense.".

(2) The tables of chapters at the beginning of part I of such subtitle and at the beginning of such subtitle are each amended by inserting after the item relating to chapter 1005 the following new item:

"1006. Reserve Component Commands 10171".

(b) CONFORMING REPEAL.—Section 903 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 3074 note) is repealed.

(c) IMPLEMENTATION SCHEDULE.—Implementation of chapter 1006 of title 10, United States Code, as added by subsection (a), shall begin not later than 90 days after the date of the enactment of this Act and shall be completed not later than one year after such date.

SEC. 1212. RESERVE COMPONENT CHIEFS.

(a) CHIEF OF ARMY RESERVE.—Section 3038 of title 10, United States Code, is amended by adding at the end the following new subsections:

"(d) BUDGET.—The Chief of Army Reserve is the official within the executive part of the Department of the Army who, subject to the authority, direction, and control of the Secretary of the Army and the Chief of Staff, is responsible for justification and execution of the personnel, operation and maintenance, and construction budgets for the Army Reserve. As such, the Chief of Army Reserve is the director and functional manager of appropriations made for the Army Reserve in those areas.

"(e) FULL-TIME SUPPORT PROGRAM.—The Chief of Army Reserve manages, with respect to the Army Reserve, the personnel program of the Department of Defense known as the Full Time Support Program.

"(f) ANNUAL REPORT.—(1) The Chief of Army Reserve shall submit to the Secretary of Defense, through the Secretary of the Army, an annual report on the state of the Army Reserve and the ability of the Army Reserve to meet its missions. The report shall be prepared in conjunction with the Chief of Staff of the Army and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Chief of Army Reserve under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(b) CHIEF OF NAVAL RESERVE.—(1) Chapter 513 of such title is amended by inserting after section 5142a the following new section:

"§5143. Office of Naval Reserve: appointment of Chief

"(a) ESTABLISHMENT OF OFFICE: CHIEF OF NAVAL RESERVE.—There is in the executive part of the Department of the Navy, on the staff of the Chief of Naval Operations, an Office of the Naval Reserve, which is headed by a Chief of Naval Reserve. The Chief of Naval Reserve—

"(1) is the principal adviser on Naval Reserve matters to the Chief of Naval Operations; and

"(2) is the commander of the Naval Reserve Force.

"(b) APPOINTMENT.—The President, by and with the advice and consent of the Senate, shall appoint the Chief of Naval Reserve from officers who—

"(1) have had at least 10 years of commissioned service;

"(2) are in a grade above captain; and

"(3) have been recommended by the Secretary of the Navy.

"(c) GRADE.—(1) The Chief of Naval Reserve holds office for a term determined by the Chief of Naval Operations, normally four years, but may be removed for cause at any time. He is eligible to succeed himself.

"(2) The Chief of Naval Reserve, while so serving, has a grade above rear admiral (lower half), without vacating the officer's permanent grade.

"(d) BUDGET.—The Chief of Naval Reserve is the official within the executive part of the Department of the Navy who, subject to the authority, direction, and control of the Secretary of the Navy and the Chief of Naval Operations, is responsible for preparation, justification, and execution of the personnel, operation and maintenance, and construction budgets for the Naval Reserve. As such, the Chief of Naval Reserve is the director and functional manager of appropriations made for the Naval Reserve in those areas.

"(e) ANNUAL REPORT.—(1) The Chief of Naval Reserve shall submit to the Secretary of Defense, through the Secretary of the Navy, an annual report on the state of the Naval Reserve and the ability of the Naval Reserve to meet its missions. The report shall be prepared in conjunction with the Chief of Naval Operations and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Chief of Naval Reserve under paragraph (1) to Congress, together with such comments on the report as the Secretary *considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".*

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5142a the following new item:

"5143. Office of Naval Reserve: appointment of Chief.".

(c) CHIEF OF MARINE FORCES RESERVE.—(1) Chapter 513 of such title is amended by inserting after section 5143 (as added by subsection (b)) the following new section:

"§5144. Office of Marine Forces Reserve: appointment of Commander

"(a) ESTABLISHMENT OF OFFICE; COMMANDER, MARINE FORCES RESERVE.—There is in the executive part of the Department of the Navy an Office of the Marine Forces Reserve, which is headed by the Commander, Marine Forces Reserve. The Commander, Marine Forces Reserve is the principal adviser to the Commandant on Marine Forces Reserve matters.

"(b) APPOINTMENT.—The President, by and with the advice and consent of the Senate, shall appoint the Commander, Marine Forces Reserve, from officers of the Marine Corps who—

"(1) have had at least 10 years of commissioned service;

"(2) are in a grade above colonel; and

"(3) have been recommended by the Secretary of the Navy.

"(c) TERM OF OFFICE; GRADE.—(1) The Commander, Marine Forces Reserve, holds office for a term determined by the Commandant of the Marine Corps, normally four years, but may be removed for cause at any time. He is eligible to succeed himself.

"(2) The Commander, Marine Forces Reserve, while so serving, has a grade above brigadier general, without vacating the officer's permanent grade.

"(d) ANNUAL REPORT.—(1) The Commander, Marine Forces Reserve, shall submit to the Secretary of Defense, through the Secretary of the Navy, an annual report on the state of the Marine Corps Reserve and the ability of the Marine Corps Reserve to meet its missions. The report shall be prepared in conjunction with the Commandant of the Marine Corps and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Commander, Marine Forces Reserve, under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5143 (as added by subsection (b)) the following new item:

"5144. Office of Marine Forces Reserve: appointment of Commander.".

(d) CHIEF OF AIR FORCE RESERVE.—Section 8038 of such title is amended by adding at the end the following new subsections:

"(d) BUDGET.—The Chief of Air Force Reserve is the official within the executive part of the Department of the Air Force who, subject to the authority, direction, and control of the Secretary of the Air Force and the Chief of Staff, is responsible for preparation, justification, and execution of the personnel, operation and maintenance, and construction budgets for the Air Force Reserve. As such, the Chief of Air Force Reserve is the director and functional manager of appropriations made for the Air Force Reserve in those areas.

"(e) FULL TIME SUPPORT PROGRAM.—(1) The Chief of Air Force Reserve manages, with respect to the Air Force Reserve, the personnel program of the Department of Defense known as the Full Time Support Program.

"(f) ANNUAL REPORT.—(1) The Chief of Air Force Reserve shall submit to the Secretary of Defense, through the Secretary of the Air Force, an annual report on the state of the Air Force Reserve and the ability of the Air Force Reserve to meet its missions. The report shall be prepared in conjunction with the Chief of Staff of the Air Force and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Chief of Air Force Reserve under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(e) CONFORMING AMENDMENT.—Section 641(1)(B) of such title is amended by inserting "5143, 5144," after "3038,".

SEC. 1213. REVIEW OF ACTIVE DUTY AND RESERVE GENERAL AND FLAG OFFICER AUTHORIZATIONS.

(a) REPORT TO CONGRESS.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing any recommendations of the Secretary (together with the rationale of the Secretary for the recommendations) concerning the following:

(1) Revision of the limitations on general and flag officer grade authorizations and distribution in grade prescribed by sections 525, 526, and 12004 of title 10, United States Code.

(2) Statutory designation of the positions and grades of any additional general and flag officers in the commands and offices created by sections 1211 and 1212.

(b) MATTERS TO BE INCLUDED.—The Secretary shall include in the report under subsection (a) the Secretary's views on whether current limitations referred to in subsection (a)—

(1) permit the Secretaries of the military departments, in view of increased requirements for assignment of general and flag officers in positions external to their organic services, to meet adequately both internal and external requirements for general and flag officers;

(2) adequately recognize the significantly increased role of the reserve components in both service-specific and joint operations; and

(3) permit the Secretaries of the military departments and reserve components to assign general and flag officers to active and reserve component positions with grades commensurate with the scope of duties and responsibilities of the position.

(c) EXEMPTIONS FROM ACTIVE-DUTY CEILINGS.—(1) The Secretary shall include in the report under subsection (a) the Secretary's recommendations regarding the merits of exempting from any active-duty ceiling (established by law or administrative action) the following officers:

(A) Reserve general and flag officers assigned to positions specified in the organizations created by this title.

(B) Reserve general and flag officers serving on active duty, but who are excluded from the active-duty list.

(2) If the Secretary determines under paragraph (1) that any Reserve general or flag officers should be exempt from active duty limits, the Secretary shall include in the report under subsection (a) the Secretary's recommendations for—

(A) the effective management of those Reserve general and flag officers; and

(B) revision of active duty ceilings so as to prevent an increase in the numbers of active general and flag officers authorizations due solely to the removal of Reserve general and flag officers from under the active duty authorizations.

(3) If the Secretary determines under paragraph (1) that active and reserve general officers on active duty should continue to be managed under a common ceiling, the Secretary shall make recommendations for the appropriate apportionment of numbers for general and flag officers among active and reserve officers.

(d) RESERVE FORCES POLICY BOARD PARTICIPATION.—The Secretary of Defense shall ensure that the Reserve Forces Policy Board participates in the internal Department of Defense process for development of the recommendations of the Secretary contained in the report under subsection (a). If the Board submits to the Secretary any comments or recommendations for inclusion in the report, the Secretary shall transmit them to Congress, with the report, in the same form as that in which they were submitted to the Secretary.

(e) GAO REVIEW.—The Comptroller General of the United States shall assess the criteria used by the Secretary of Defense to develop recommendations for purposes of the report under this section and shall submit to Congress, not later than 30 days after the date on which the report of the Secretary under this section is submitted, a report setting forth the Comptroller General's conclusions concerning the adequacy and completeness of the recommendations made by the Secretary in the report.

SEC. 1214. GUARD AND RESERVE TECHNICIANS.

(a) IN GENERAL.—Section 10216 of title 10, United States Code, as amended by section 413, is amended—

(1) by redesignating subsections (a), (b), and (c) as subsections (b), (c), and (d), respectively;

(2) by inserting after the section heading the following new subsection (a):

"(a) IN GENERAL.—Military technicians are Federal civilian employees hired under title 5 and title 32 who are required to maintain dual-status as drilling reserve component members as a condition of their Federal civilian employment. Such employees shall be authorized and accounted for as a separate category of dual-status civilian employees, exempt as specified in subsection (b)(3) from any general or regulatory requirement for adjustments in Department of Defense civilian personnel."; and

(3) in paragraph (3) of subsection (b), as redesignated by paragraph (1), by striking out "in high-priority units and organizations specified in paragraph (1)".

Subtitle B—Reserve Component Accessibility

SEC. 1231. REPORT TO CONGRESS ON MEASURES TO IMPROVE NATIONAL GUARD AND RESERVE ABILITY TO RESPOND TO EMERGENCIES.

(a) REPORT.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report regarding reserve component responsiveness to both domestic emergencies and national contingency operations. The report shall set forth the measures taken, underway, and projected to be taken to improve the timeliness, adequacy, and effectiveness of reserve component responses to such emergencies and operations.

(b) MATTERS RELATED TO RESPONSIVENESS TO DOMESTIC EMERGENCIES.—The report shall address the following:

(1) The need to expand the time period set by section 12301(b) of title 10, United States Code, which permits the involuntary recall at any time to active duty of units and individuals for up to 15 days per year.

(2) The recommendations of the 1995 report of the RAND Corporation entitled "Assessing the State and Federal Missions of the National Guard", as follows:

(A) That Federal law be clarified and amended to authorize Presidential use of the Federal

reserves of all military services for domestic emergencies and disasters without any time constraint.

(B) That the Secretary of Defense develop and support establishment of an appropriate national level compact for interstate sharing of resources, including the domestic capabilities of the national guards of the States, during emergencies and disasters.

(C) That Federal level contingency stocks be created to support the National Guard in domestic disasters.

(D) That Federal funding and regulatory support be provided for Federal-State disaster emergency response planning exercises.

(c) MATTERS RELATED TO PRESIDENTIAL RESERVE CALL-UP AUTHORITY.—The report under this section shall specifically address matters related to the authority of the President to activate for service on active duty units and members of reserve components under sections 12301, 12302, and 12304 of title 10, United States Code, including—

(1) whether such authority is adequate to meet the full range of reserve component missions for the 21st century, particularly with regard to the time periods for which such units and members may be on active duty under those authorities and the ability to activate both units and individual members; and

(2) whether the three-tiered set of statutory authorities (under such sections 12301, 12302, and 12304) should be consolidated, modified, or in part eliminated in order to facilitate current and future use of Reserve units and individual reserve component members for a broader range of missions, and, if so, in what manner.

(d) MATTERS RELATED TO RELEASE FROM ACTIVE DUTY.—The report under this section shall include findings and recommendations (based upon a review of current policies and procedures) concerning procedures for release from active duty of units and members of reserve components who have been involuntarily called or ordered to active duty under section 12301, 12302, or 12304 of title 10, United States Code, with specific recommendations concerning the desirability of statutory provisions to—

(1) establish specific guidelines for when it is appropriate (or inappropriate) to retain on active duty such reserve component units when active component units are available to perform the mission being performed by the reserve component unit;

(2) minimize the effects of frequent mobilization of the civilian employers, as well as the effects of frequent mobilization on recruiting and retention in the reserve components; and

(3) address other matters relating to the needs of such members of reserve components, their employers, and (in the case of such members who own businesses) their employees, while such members are on active duty.

(e) RESERVE FORCES POLICY BOARD PARTICIPATION.—The Secretary of Defense shall ensure that the Reserve Forces Policy Board participates in the internal Department of Defense process for development of the recommendations of the Secretary contained in the report under subsection (a). If the Board submits to the Secretary any comments or recommendations for inclusion in the report, the Secretary shall transmit them to Congress, with the report, in the same form as that in which they were submitted to the Secretary.

(f) GAO REVIEW.—The Comptroller General of the United States shall assess the criteria used by the Secretary of Defense to develop recommendations for purposes of the report under this section and shall submit to Congress, not later than 30 days after the date on which the report of the Secretary under this section is submitted, a report setting forth the Comptroller General's conclusions concerning the adequacy and completeness of the recommendations made by the Secretary in the report.

SEC. 1232. REPORT TO CONGRESS CONCERNING TAX INCENTIVES FOR EMPLOYERS OF MEMBERS OF RESERVE COMPONENTS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth a draft of legislation to provide tax incentives to employers of members of reserve components in order to compensate employers for absences of those employees due to required training and for absences due to performance of active duty.

SEC. 1233. REPORT TO CONGRESS CONCERNING INCOME INSURANCE PROGRAM FOR ACTIVATED RESERVISTS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth legislative recommendations for changes to chapter 1214 of title 10, United States Code. Such recommendations shall in particular provide, in the case of a mobilized member who owns a business, income replacement for that business and for employees of that member or business who have a loss of income during the period of such activation attributable to the activation of the member.

SEC. 1234. REPORT TO CONGRESS CONCERNING SMALL BUSINESS LOANS FOR MEMBERS RELEASED FROM RESERVE SERVICE DURING CONTINGENCY OPERATIONS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth a draft of legislation to establish a small business loan program to provide members of reserve components who are ordered to active duty or active Federal service (other than for training) during a contingency operation (as defined in section 101 of title 10, United States Code) low-cost loans to assist those members in retaining or rebuilding businesses that were affected by their service on active duty or in active Federal service.

Subtitle C—Reserve Forces Sustainment

SEC. 1251. REPORT CONCERNING TAX DEDUCTIBILITY OF NONREIMBURSABLE EXPENSES.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth a draft of legislation to restore the tax deductibility of nonreimbursable expenses incurred by members of reserve components in connection with military service.

SEC. 1252. CODIFICATION OF ANNUAL AUTHORITY TO PAY TRANSIENT HOUSING CHARGES OR PROVIDE LODGING IN KIND FOR MEMBERS PERFORMING ACTIVE DUTY FOR TRAINING OR INACTIVE-DUTY TRAINING.

(a) CODIFICATION.—Section 404(j) of title 37, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking out "annual training duty" and inserting in lieu thereof "active duty for training"; and

(B) by striking out "the Secretary concerned may" and all that follows through the period and inserting in lieu thereof the following "the Secretary concerned—

"(A) may reimburse the member for housing service charge expenses incurred by the member in occupying transient government housing during the performance of such duty; or

"(B) if transient government quarters are unavailable, may provide the member with contract quarters as lodging in kind as if the member were entitled to such an allowance under subsection (a)."; and

(2) in paragraph (3), by inserting "and expenses for contract quarters" after "service charge expenses".

(b) CONFORMING REPEAL.—Section 8057 of the Department of Defense Appropriations Act, 1996 (Public Law 104–61; 109 Stat. 663), is repealed.

SEC. 1253. SENSE OF CONGRESS CONCERNING QUARTERS ALLOWANCE DURING SERVICE ON ACTIVE DUTY FOR TRAINING.

It is the sense of Congress that the United States should continue to pay members of reserve components appropriate quarters allowances during periods of service on active duty for training.

SEC. 1254. SENSE OF CONGRESS CONCERNING MILITARY LEAVE POLICY.

It is the sense of Congress that military leave policies in effect as of the date of the enactment of this Act with respect to members of the reserve components should not be changed.

SEC. 1255. COMMENDATION OF RESERVE FORCES POLICY BOARD.

(a) COMMENDATION.—The Congress commends the Reserve Forces Policy Board, created by the Armed Forces Reserve Act of 1952 (Public Law 82–476), for its fine work in the past as an independent source of advice to the Secretary of Defense on all matters pertaining to the reserve components.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Reserve Forces Policy Board and the reserve forces policy committees for the individual branches of the Armed Forces should continue to perform the vital role of providing the civilian leadership of the Department of Defense with independent advice on matters pertaining to the reserve components.

SEC. 1256. REPORT ON PARITY OF BENEFITS FOR ACTIVE DUTY SERVICE AND RESERVE SERVICE.

No later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report providing recommendations for changes in law that the Secretary considers necessary, feasible, and affordable to reduce the disparities in pay and benefits that occur between active component members of the Armed Forces and reserve component members as a result of eligibility based on length of time on active duty.

TITLE XIII—ARMS CONTROL AND RELATED MATTERS

Subtitle A—Miscellaneous Matters

SEC. 1301. ONE-YEAR EXTENSION OF COUNTERPROLIFERATION AUTHORITIES.

Section 1505 of the Weapons of Mass Destruction Control Act of 1992 (title XV of Public Law 102–484; 22 U.S.C. 5859a) is amended—

(1) in subsection (d)(3), by striking out "or" after "fiscal year 1995," and by inserting ", or $15,000,000 for fiscal year 1997" before the period at the end; and

(2) in subsection (f), by striking out "1996" and inserting in lieu thereof "1997".

SEC. 1302. LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

(a) LIMITATION ON USE OF FUNDS.—Funds available to the Department of Defense may not be obligated or expended during fiscal year 1997 for retiring or dismantling, or for preparing to retire or dismantle, any of the strategic nuclear delivery systems specified in subsection (b).

(b) SPECIFIED SYSTEMS.—Subsection (a) applies with respect to the following systems:

(1) B–52H bomber aircraft.

(2) Trident ballistic missile submarines.

(3) Minuteman III intercontinental ballistic missiles.

(4) Peacekeeper intercontinental ballistic missiles.

SEC. 1303. CERTIFICATION REQUIRED BEFORE OBSERVANCE OF MORATORIUM ON USE BY ARMED FORCES OF ANTIPERSONNEL LANDMINES.

Any moratorium imposed by law (whether enacted before, on, or after the date of the enactment of this Act) on the use of antipersonnel *landmines by the Armed Forces may be implemented only if (and after) the Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff, certifies to Congress that—*

(1) the moratorium will not adversely affect the ability of United States forces to defend against attack on land by hostile forces; and

(2) the Armed Forces have systems that are effective substitutes for antipersonnel landmines.

SEC. 1304. DEPARTMENT OF DEFENSE DEMINING PROGRAM.

Section 401(c) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2) In the case of assistance described in subsection (e)(5), expenses that may be paid out of funds appropriated pursuant to paragraph (1) include—

"(A) expenses for travel, transportation, and subsistence of members of the armed forces participating in activities described in that subsection; and

"(B) the cost of equipment, supplies, and services acquired for the purpose of carrying out or directly supporting activities described in that subsection.".

SEC. 1305. REPORT ON MILITARY CAPABILITIES OF PEOPLE'S REPUBLIC OF CHINA.

(a) REPORT.—The Secretary of Defense shall prepare a report, in both classified and unclassified form, on the future pattern of military modernization of the People's Republic of China. The report shall address both the probable course of military-technological development in the People's Liberation Army and the development of Chinese military strategy and operational concepts.

(b) MATTERS TO BE INCLUDED.—The report shall include analyses and forecasts of the following:

(1) Trends that would lead the People's Republic of China toward the development of advanced intelligence, surveillance, and reconnaissance capabilities, including gaining access to commercial or third-party systems with military significance.

(2) Efforts by the People's Republic of China to develop highly accurate and stealthy ballistic and cruise missiles, particularly in numbers sufficient to conduct attacks capable of overwhelming projected defense capabilities in the region.

(3) Development by the People's Republic of China of command and control networks, particularly those capable of battle management of long-range precision strikes.

(4) Programs of the People's Republic of China involving unmanned aerial vehicles, particularly those with extended ranges or loitering times.

(5) Exploitation by the People's Republic of China of the Global Positioning System or other similar systems for military purposes, including commercial land surveillance satellites, particularly those signs indicative of an attempt to increase accuracy of weapons or situational awareness of operating forces.

(6) Development by the People's Republic of China of capabilities for denial of sea control, such as advanced sea mines or improved submarine capabilities.

(7) Continued development by the People's Republic of China of follow-on forces, particularly those capable of rapid air or amphibious assault.

(c) SUBMISSION OF REPORT.—The report shall be submitted to Congress not later than February 1, 1997.

SEC. 1306. UNITED STATES-PEOPLE'S REPUBLIC OF CHINA JOINT DEFENSE CONVERSION COMMISSION.

None of the funds appropriated or otherwise available for the Department of Defense for fiscal year 1997 or any prior fiscal year may be obligated or expended for any activity associated with the United States-People's Republic of China Joint Defense Conversion Commission until 15 days after the date on which the first semiannual report required by section 1343 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 487) is received by Congress.

SEC. 1307. AUTHORITY TO ACCEPT SERVICES FROM FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS FOR DEFENSE PURPOSES.

Section 2608(a) of title 10, United States Code, is amended by inserting before the period at the end the following: "and may accept from any foreign government or international organization any contribution of services made by such foreign government or international organization for use by the Department of Defense".

SEC. 1308. REVIEW BY DIRECTOR OF CENTRAL INTELLIGENCE OF NATIONAL INTELLIGENCE ESTIMATE 95–19

(a) REVIEW.—The Director of Central Intelligence shall conduct a review of the underlying assumptions and conclusions of the National Intelligence Estimate designated as NIE 95–19 and entitled "Emerging Missile Threats to North America During the Next 15 Years", released by the Director in November 1995.

(b) METHODOLOGY FOR REVIEW.—The Director shall carry out the review under subsection (a) through a panel of independent, nongovernmental individuals with appropriate expertise and experience. Such a panel shall be convened by the Director not later than 45 days after the date of the enactment of this Act.

(c) REPORT.—The Director shall submit the findings resulting from the review under subsection (a), together with any comments of the Director on the review and the findings, to Congress not later than three months after the appointment of the Commission under section 1321.

Subtitle B—Commission to Assess the Ballistic Missile Threat to the United States

SEC. 1321. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the "Commission to Assess the Ballistic Missile Threat to the United States" (hereinafter in this subtitle referred to as the "Commission").

(b) COMPOSITION.—The Commission shall be composed of nine members appointed by the Director of Central Intelligence. In selecting individuals for appointment to the Commission, the Director should consult with—

(1) the Speaker of the House of Representatives concerning the appointment of three of the members of the Commission;

(2) the majority leader of the Senate concerning the appointment of three of the members of the Commission; and

(3) minority leader of the House of Representatives and the minority leader of the Senate concerning the appointment of three of the members of the Commission.

(c) QUALIFICATIONS.—Members of the Commission shall be appointed from among private United States citizens with knowledge and expertise in the political and military aspects of proliferation of ballistic missiles and the ballistic missile threat to the United States.

(d) CHAIRMAN.—The Speaker of the House of Representatives, after consultation with the majority leader of the Senate and the minority leaders of the House of Representatives and the Senate, shall designate one of the members of the Commission to serve as chairman of the Commission.

(e) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(f) SECURITY CLEARANCES.—All members of the Commission shall hold appropriate security clearances.

(g) INITIAL ORGANIZATION REQUIREMENTS.—(1) All appointments to the Commission shall be made not later than 45 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting not later than 30 days after the date as of which all members of the Commission have been appointed, but not earlier than October 15, 1996.

SEC. 1322. DUTIES OF COMMISSION.

(a) REVIEW OF BALLISTIC MISSILE THREAT.—The Commission shall assess the nature and magnitude of the existing and emerging ballistic missile threat to the United States.

(b) COOPERATION FROM GOVERNMENT OFFICIALS.—In carrying out its duties, the Commission should receive the full and timely cooperation of the Secretary of Defense, the Director of Central Intelligence, and any other United States Government official responsible for providing the Commission with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

SEC. 1323. REPORT.

The Commission shall, not later than six months after the date of its first meeting, submit to the Congress a report on its findings and conclusions.

SEC. 1324. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this subtitle, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense, the Central Intelligence Agency, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this subtitle.

SEC. 1325. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum other than for the purpose of holding hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission.

(c) COMMISSION.—The Commission may establish panels composed of less than full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this subtitle.

SEC. 1326. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—Members of the Commission shall serve without pay by reason of their work on the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The chairman of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The appointment of a staff director shall be subject to the approval of the Commission.

(2) The chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title and the rate of pay for other personnel may not exceed the maximum rate payable for grade GS–15 of the General Schedule.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the chairman of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its duties.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

SEC. 1327. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Director of Central Intelligence shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

SEC. 1328. FUNDING.

Funds for activities of the Commission shall be provided from amounts appropriated for the Department of Defense for operation and maintenance for Defense-wide activities for fiscal year 1997. Upon receipt of a written certification from the Chairman of the Commission specifying the funds required for the activities of the Commission, the Secretary of Defense shall promptly disburse to the Commission, from such amounts, the funds required by the Commission as stated in such certification.

SEC. 1329. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the date of the submission of its report.

TITLE XIV—SIKES ACT IMPROVEMENT

SEC. 1401. SHORT TITLE.

This title may be cited as the "Sikes Act Improvement Amendments of 1996".

SEC. 1402. DEFINITION OF SIKES ACT FOR PURPOSES OF AMENDMENTS.

In this title, the term "Sikes Act" means the Act entitled "An Act to promote effectual planning, development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations", approved September 15, 1960 (16 U.S.C. 670a et seq.), commonly referred to as the "Sikes Act".

SEC. 1403. CODIFICATION OF SHORT TITLE OF ACT.

The Sikes Act (16 U.S.C. 670a et seq.) is amended by inserting before title I the following new section:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'Sikes Act'.".

SEC. 1404. INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS.

(a) PLANS REQUIRED.—Section 101(a) of the Sikes Act (16 U.S.C. 670a(a)) is amended—

(1) by striking out "is authorized to" and inserting in lieu thereof "shall";

(2) by striking out "in each military reservation in accordance with a cooperative plan" and inserting in lieu thereof the following: "on military installations. Under the program, the Secretary shall prepare and implement for each military installation in the United States an integrated natural resource management plan";

(3) by inserting after "reservation is located" the following: ", except that the Secretary is not required to prepare such a plan for a military installation if the Secretary determines that preparation of such a plan for the installation is not appropriate"; and

(4) by inserting "(1)" after "(a)" and adding at the end the following new paragraph:

"(2) Consistent with essential military requirements to enhance the national security of the United States, the Secretary of Defense shall manage each military installation to provide—

"(A) for the conservation of fish and wildlife on the military installation and sustained multipurpose uses of those resources, including hunting, fishing, and trapping; and

"(B) public access that is necessary or appropriate for those uses.".

(b) CONFORMING AMENDMENTS.—Title I of the Sikes Act is amended—

(1) in section 101(b) (16 U.S.C. 670a(b)), in the matter preceding paragraph (1) by striking out "cooperative plan" and inserting in lieu thereof "integrated natural resource management plan";

(2) in section 101(b)(4) (16 U.S.C. 670a(b)(4)), by striking out "cooperative plan" each place it appears and inserting in lieu thereof "integrated natural resource management plan";

(3) in section 101(c) (16 U.S.C. 670a(c)), in the matter preceding paragraph (1) by striking out "a cooperative plan" and inserting in lieu thereof "an integrated natural resource management plan";

(4) in section 101(d) (16 U.S.C. 670a(d)), in the matter preceding paragraph (1) by striking out "cooperative plans" and inserting in lieu thereof "integrated natural resource management plans";

(5) in section 101(e) (16 U.S.C. 670a(e)), by striking out "Cooperative plans" and inserting in lieu thereof "Integrated natural resource management plans";

(6) in section 102 (16 U.S.C. 670b), by striking out "a cooperative plan" and inserting in lieu thereof "an integrated natural resource management plan";

(7) in section 103 (16 U.S.C. 670c), by striking out "a cooperative plan" and inserting in lieu thereof "an integrated natural resource management plan";

(8) in section 106(a) (16 U.S.C. 670f(a)), by striking out "cooperative plans" and inserting in lieu thereof "integrated natural resource management plans"; and

(9) in section 106(c) (16 U.S.C. 670f(c)), by striking out "cooperative plans" and inserting in lieu thereof "integrated natural resource management plans".

(c) CONTENTS OF PLANS.—Section 101(b) of the Sikes Act (16 U.S.C. 670a(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C), by striking out "and" after the semicolon;

(B) in subparagraph (D), by striking out the semicolon at the end and inserting in lieu thereof a comma; and

(C) by adding at the end the following new subparagraphs:

"(E) wetland protection and restoration, and wetland creation where necessary, for support of fish or wildlife,

"(F) consideration of conservation needs for all biological communities, and

"(G) the establishment of specific natural resource management goals, objectives, and timeframes for proposed actions;";

(2) by striking out paragraph (3);

(3) by redesignating paragraph (2) as paragraph (3);

(4) by inserting after paragraph (1) the following new paragraph:

"(2) shall for the military installation for which it is prepared—

"(A) address the needs for fish and wildlife management, land management, forest management, and wildlife-oriented recreation,

"(B) ensure the integration of, and consistency among, the various activities conducted under the plan,

"(C) ensure that there is no net loss in the capability of installation lands to support the military mission of the installation,

"(D) provide for sustained use by the public of natural resources, to the extent that such use is not inconsistent with the military mission of the installation or the needs of fish and wildlife management,

"(E) provide the public access to the installation that is necessary or appropriate for that use, to the extent that access is not inconsistent with the military mission of the installation, and

"(F) provide for professional enforcement of natural resource laws and regulations;"; and

(5) in paragraph (4)(A), by striking out "collect the fees therefor," and inserting in lieu thereof "collect, spend, administer, and account for fees therefor,".

(d) PUBLIC COMMENT.—Section 101 of the Sikes Act (16 U.S.C. 670a) is amended by adding at the end the following new subsection:

"(f) PUBLIC COMMENT.—The Secretary of Defense shall provide an opportunity for public comment on each integrated natural resource management plan prepared under subsection (a).".

SEC. 1405. REVIEW FOR PREPARATION OF INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS.

(a) REVIEW OF MILITARY INSTALLATIONS.—

(1) REVIEW.—The Secretary of each military department shall, by not later than nine months after the date of the enactment of this Act—

(A) review each military installation in the United States that is under the jurisdiction of that Secretary to determine the military installations for which the preparation of an integrated natural resource management plan under section 101 of the Sikes Act, as amended by this title, is appropriate; and

(B) submit to the Secretary of Defense a report on those determinations.

(2) REPORT TO CONGRESS.—The Secretary of Defense shall, by not later than 12 months after the date of the enactment of this Act, submit to the Congress a report on the reviews conducted under paragraph (1). The report shall include—

(A) a list of those military installations reviewed under paragraph (1) for which the Secretary of Defense determines the preparation of an integrated natural resource management plan is not appropriate; and

(B) for each of the military installations listed under subparagraph (A), an explanation of the reasons such a plan is not appropriate.

(b) DEADLINE FOR INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS.—Not later than two years after the date of the submission of the report required under subsection (a)(2), the Secretary of Defense shall, for each military installation for which the Secretary has not determined under subsection (a)(2)(A) that preparation of an integrated natural resource management plan is not appropriate—

(1) prepare and begin implementing such a plan mutually agreed to by the Secretary of the Interior and the head of the appropriate State agencies under section 101(a) of the Sikes Act, as amended by this title; or

(2) in the case of a military installation for which there is in effect a cooperative plan under section 101(a) of the Sikes Act on the day before the date of the enactment of this Act, complete negotiations with the Secretary of the Interior and the heads of the appropriate State agencies regarding changes to that plan that are necessary for the plan to constitute an integrated natural resource plan that complies with that section, as amended by this title.

(c) PUBLIC COMMENT.—The Secretary of Defense shall provide an opportunity for the submission of public comments on—

(1) integrated natural resource management plans proposed pursuant to subsection (b)(1); and

(2) changes to cooperative plans proposed pursuant to subsection (b)(2).

SEC. 1406. ANNUAL REVIEWS AND REPORTS.

Section 101 of the Sikes Act (16 U.S.C. 670a) is amended by adding after subsection (f) (as added by section 1404(d)) the following new subsection:

"(g) REVIEWS AND REPORTS.—

"(1) SECRETARY OF DEFENSE.—The Secretary of Defense shall, by not later than March 1 of each year, review the extent to which integrated natural resource management plans were prepared or in effect and implemented in accordance with this Act in the preceding year, and submit a report on the findings of that review to the committees. Each report shall include—

"(A) the number of integrated natural resource management plans in effect in the year covered by the report, including the date on which each plan was issued in final form or most recently revised;

"(B) the amount of moneys expended on conservation activities conducted pursuant to those plans in the year covered by the report, including amounts expended under the Legacy Resource Management Program established under section 8120 of the Act of November 5, 1990 (Public Law 101–511; 104 Stat. 1905); and

"(C) an assessment of the extent to which the plans comply with the requirements of subsection (b)(1) and (2), including specifically the extent to which the plans ensure in accordance with subsection (b)(2)(C) that there is no net loss of lands to support the military missions of military installations.

"(2) SECRETARY OF THE INTERIOR.—The Secretary of the Interior, by not later than March 1 of each year and in consultation with State agencies responsible for conservation or management of fish or wildlife, shall submit a report to the committees on the amount of moneys expended by the Department of the Interior and those State agencies in the year covered by the report on conservation activities conducted pursuant to integrated natural resource management plans.

"(3) COMMITTEES DEFINED.—For purposes of this subsection, the term 'committees' means the Committee on Resources and the Committee on National Security of the House of Representatives and the Committee on Armed Services and the Committee on Environment and Public Works of the Senate.".

SEC. 1407. TRANSFER OF WILDLIFE CONSERVATION FEES FROM CLOSED MILITARY INSTALLATIONS.

Section 101(b)(4)(B) of the Sikes Act (16 U.S.C. 670a(b)(4)(B)) is amended by inserting before the period at the end the following: ", unless that military installation is subsequently closed, in which case the fees may be transferred to another military installation to be used for the same purposes".

SEC. 1408. FEDERAL ENFORCEMENT OF INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS AND ENFORCEMENT OF OTHER LAWS.

Title I of the Sikes Act (16 U.S.C. 670a et seq.) is amended—

(1) by redesignating section 106, as amended by section 1404(b), as section 109; and

(2) by inserting after section 105 the following new section:

"SEC. 106. FEDERAL ENFORCEMENT OF OTHER LAWS.

"All Federal laws relating to the conservation of natural resources on Federal lands may be enforced by the Secretary of Defense with respect to violations of those laws which occur on military installations within the United States.".

SEC. 1409. NATURAL RESOURCE MANAGEMENT SERVICES.

Title I of the Sikes Act (16 U.S.C. 670a et seq.) is amended by inserting after section 106 (as added by section 1408) the following new section:

"SEC. 107. NATURAL RESOURCE MANAGEMENT SERVICES.

"The Secretary of each military department shall ensure that sufficient numbers of professionally trained natural resource management personnel and natural resource law enforcement personnel are available and assigned responsibility to perform tasks necessary to comply with this Act, including the preparation and implementation of integrated natural resource management plans.".

SEC. 1410. DEFINITIONS.

Title I of the Sikes Act (16 U.S.C. 670a et seq.) is amended by inserting after section 107 (as added by section 1409) the following new section:

"SEC. 108. DEFINITIONS.

"In this title:

"(1) MILITARY INSTALLATION.—The term 'military installation'—

"(A) means any land or interest in land owned by the United States and administered by the Secretary of Defense or the Secretary of a military department; and

"(B) includes all public lands withdrawn from all forms of appropriation under public land laws and reserved for use by the Secretary of Defense or the Secretary of a military department.

"(2) STATE FISH AND WILDLIFE AGENCY.—The term 'State fish and wildlife agency' means an agency of State government that is responsible under State law for managing fish or wildlife resources.

"(3) UNITED STATES.—The term 'United States' means the States, the District of Columbia, and the territories and possessions of the United States.".

SEC. 1411. COOPERATIVE AGREEMENTS.

(a) COST SHARING.—Section 103a(b) of the Sikes Act (16 U.S.C. 670c–1(b)) is amended by striking out "matching basis" each place it appears and inserting in lieu thereof "cost-sharing basis".

(b) ACCOUNTING.—Section 103a(c) of the Sikes Act (16 U.S.C. 670c–1(c)) is amended by inserting before the period at the end the following: ", and shall not be subject to section 1535 of that title".

SEC. 1412. REPEAL OF SUPERSEDED PROVISION.

Section 2 of the Act of October 27, 1986 (Public Law 99–651; 16 U.S.C. 670a–1), is repealed.

SEC. 1413. CLERICAL AMENDMENTS.

Title I of the Sikes Act, as amended by this title, is amended—

(1) in the heading for the title by striking out "MILITARY RESERVATIONS" and inserting in lieu thereof "MILITARY INSTALLATIONS";

(2) in section 101(a) (16 U.S.C. 670a(a)), by striking out "the reservation" and inserting in lieu thereof "the installation";

(3) in section 101(b)(4) (16 U.S.C. 670a(b)(4))—

(A) in subparagraph (A), by striking out "the reservation" and inserting in lieu thereof "the installation"; and

(B) in subparagraph (B), by striking out "the military reservation" and inserting in lieu thereof "the military installation";

(4) in section 101(c) (16 U.S.C. 670a(c))—

(A) in paragraph (1), by striking out "a military reservation" and inserting in lieu thereof "a military installation"; and

(B) in paragraph (2), by striking out "the reservation" and inserting in lieu thereof "the installation";

(5) in section 102 (16 U.S.C. 670b), by striking out "military reservations" and inserting in lieu thereof "military installations"; and

(6) in section 103 (16 U.S.C. 670c)—

(A) by striking out "military reservations" and inserting in lieu thereof "military installations"; and

(B) by striking out "such reservations" and inserting in lieu thereof "such installations".

SEC. 1414. AUTHORIZATIONS OF APPROPRIATIONS.

(a) PROGRAMS ON MILITARY INSTALLATIONS.—Subsections (b) and (c) of section 109 of the Sikes Act (as redesignated by section 1408) are each amended by striking out "1983" and all that follows through "1993," and inserting in lieu thereof "1983 through 1998,".

(b) PROGRAMS ON PUBLIC LANDS.—Section 209 of the Sikes Act (16 U.S.C. 670o) is amended—

(1) in subsection (a), by striking out "the sum of $10,000,000" and all that follows through "to enable the Secretary of the Interior" and inserting in lieu thereof "$4,000,000 for each of fiscal years 1997 and 1998, to enable the Secretary of the Interior"; and

(2) in subsection (b), by striking out "the sum of $12,000,000" and all that follows through "to enable the Secretary of Agriculture" and inserting in lieu thereof "$5,000,000 for each of fiscal years 1997 and 1998, to enable the Secretary of Agriculture".

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1997".

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Total
Arizona	Fort Huachuca	$21,000,000
California	Army project, Naval Weapons Station, Concord	$27,000,000

Army: Inside the United States—Continued

State	Installation or location	Total
	Camp Roberts	$5,500,000
	Fort Irwin	$7,000,000
Colorado	Fort Carson	$17,550,000
District of Columbia	Fort McNair	$6,900,000
Georgia	Fort Benning	$53,400,000
	Fort McPherson	$9,100,000
	Fort Stewart, Hunter Army Air Field	$6,000,000
Kansas	Fort Riley	$26,000,000
Kentucky	Fort Campbell	$51,100,000
	Fort Knox	$20,500,000
New Jersey	Picatinny Arsenal	$7,500,000
New Mexico	White Sands Missile Range	$10,000,000
New York	Fort Drum	$11,400,000
North Carolina	Fort Bragg	$14,000,000
Texas	Fort Hood	$52,700,000
Virginia	Fort Eustis	$3,550,000
Washington	Fort Lewis	$54,600,000
CONUS Classified	Classified Location	$4,600,000
	Total	$409,400,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Total
Germany	Lincoln Village	$7,300,000
	Spinelli Barracks	$8,100,000
	Taylor Barracks	$9,300,000
Italy	Camp Ederle, Vincenza	$3,100,000
Korea	Camp Casey	$16,000,000
	Camp Red Cloud	$14,000,000
Overseas Classified	Classified Location	$64,000,000
	Total	$121,800,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation	Purpose	Total
Alabama	Redstone Arsenal	70 Units	$8,000,000
Hawaii	Schofield Barracks	54 Units	$10,000,000
North Carolina	Fort Bragg	88 Units	$9,800,000
Pennsylvania	Tobyhanna Army Depot	200 Units	$890,000
Texas	Fort Bliss	85 Units	$12,000,000
	Fort Hood	140 Units	$18,500,000
		Total:	$59,190,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $2,963,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in sections 2104(a)(6)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $114,450,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,037,653,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $409,400,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $121,800,000.

(3) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $8,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $54,384,000.

(5) For demolition of excess facilities under section 2814 of title 10, United States Code, as added by section 2802, $10,000,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $176,603,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,257,466,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2105. CORRECTION IN AUTHORIZED USES OF FUNDS, FORT IRWIN, CALIFORNIA.

In the case of amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337) and section 2104(a)(1) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106) for a military construction project for Fort Irwin, California, involving the construction of an air field for the National Training Center at Barstow-Daggett, California, the Secretary of the Army may use such amounts for the construction of a heliport at the same location.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Navy Detachment, Camp Navajo	$3,920,000
	Marine Corps Air Station, Yuma	$14,600,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	$4,020,000
	Marine Corps Air Station, Camp Pendleton	$6,240,000
	Marine Corps Base, Camp Pendleton	$51,630,000
	Naval Air Station, North Island	$86,502,000
	Naval Facility, San Clemente Island	$17,000,000
	Naval Station, San Diego	$7,050,000
	Naval Command Control & Ocean Surveillance Center, San Diego	$1,960,000
Connecticut	Naval Submarine Base, New London	$13,830,000
District of Columbia	Naval District, Washington	$19,300,000
Florida	Naval Air Station, Key West	$2,250,000
	Naval Station, Mayport	$2,800,000
Georgia	Marine Corps Logistics Base, Albany	$1,630,000
	Naval Submarine Base, Kings Bay	$1,550,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	$20,080,000
	Naval Station, Pearl Harbor	$19,600,000
	Naval Submarine Base, Pearl Harbor	$35,890,000
Idaho	Naval Surface Warfare Center, Bayview	$7,150,000
Illinois	Naval Hospital, Great Lakes	$15,200,000
	Naval Training Center, Great Lakes	$22,900,000
Indiana	Naval Surface Warfare Center, Crane	$5,000,000
Maryland	Naval Air Warfare Center, Patuxent River	$1,270,000
Nevada	Naval Air Station, Fallon	$16,200,000
North Carolina	Marine Corps Air Station, Cherry Point	$1,630,000
	Marine Corps Air Station, New River	$20,290,000
	Marine Corps Base, Camp LeJeune	$20,750,000
Pennsylvania	Philadelphia Naval Shipyard	$8,300,000
South Carolina	Marine Corps Recruit Detachment, Parris Island	$4,990,000
Texas	Naval Station, Ingleside	$16,850,000
	Naval Air Station, Kingsville	$1,810,000
Virginia	Armed Forces Staff College, Norfolk	$12,900,000
	Fleet Combat Training Command, Dam Neck	$7,000,000
	Marine Corps Combat Development Command, Quantico	$14,570,000
	Naval Station, Norfolk	$56,120,000
	Naval Surface Warfare Center, Dahlgren	$8,030,000
Washington	Naval Station, Everett	$25,740,000
	Naval Undersea Warfare Center	$6,800,000
CONUS Various	Defense access roads	$300,000
	Total	$583,652,000

(b) O*UTSIDE THE* U*NITED* S*TATES*.—*Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:*

Navy: Outside the United States

Country	Installation or location	Amount
Bahrain	Administrative Support Unit, Bahrain	$5,980,000
Greece	Naval Support Activity, Souda Bay	$11,050,000
Italy	Naval Air Station, Sigonella	$15,700,000
	Naval Support Activity, Naples	$8,620,000
United Kingdom	Joint Maritime Communications Center, St. Mawgan	$4,700,000
	Total	$46,050,000

SEC. 2202. FAMILY HOUSING.

(a) C*ONSTRUCTION AND* A*CQUISITION*.—*Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(6)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:*

Navy: Family Housing

State	Installation	Purpose	Amount
Arizona	Marine Corps Air Station, Yuma	Ancillary Facility	$709,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	Ancillary Facility	$2,938,000
	Marine Corps Base, Camp Pendleton	202 Units	$29,483,000
	Naval Air Station, Lemoore	276 Units	$39,837,000
	Navy Public Works Center, San Diego	466 Units	$63,429,000
Florida	Naval Station, Mayport	100 Units	$10,000,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	54 Units	$11,676,000
	Navy Public Works Center, Pearl Harbor	264 Units	$52,586,000
Maine	Naval Air Station, Brunswick	92 Units	$10,925,000
Maryland	Naval Air Warfare Center, Patuxent River	Ancillary Facility	$1,233,000
North Carolina	Marine Corps Base, Camp LeJeune	Ancillary Facility	$845,000
	Marine Corps Base, Camp LeJeune	125 Units	$13,360,000
South Carolina	Marine Corps Air Station, Beaufort	200 Units	$19,110,000
Texas	Corpus Christi Naval Complex	156 Units	$17,425,000
	Naval Air Station, Kingsville	48 Units	$7,550,000
Virginia	AEGIS Combat Systems Center, Wallops Island	20 Units	$2,975,000
	Naval Security Group Activity, Northwest	Ancillary Facility	$741,000
Washington	Naval Station, Everett	100 Units	$15,015,000
	Naval Submarine Base, Bangor	Ancillary Facility	$934,000
		Total	$300,771,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(6)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $22,552,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(6)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $209,133,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,309,273,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $583,652,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $46,050,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $8,115,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $50,959,000.

(5) For demolition of excess facilities under section 2814 of title 10, United States Code, as added by section 2802, $10,000,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $532,456,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $1,058,241,000.

(7) For the construction of a bachelor enlisted quarters at the Naval Construction Batallion Center, Port Hueneme, California, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 525), $7,700,000.

(8) For the construction of a Strategic Maritime Research Center at the Naval War College, Newport, Rhode Island, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3031), $8,000,000.

(9) For the construction of the large anachoic chamber facility at the Patuxent River Naval Warfare Center, Aircraft Division, Maryland, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2590), $10,000,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (9) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $12,000,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2205. BEACH REPLENISHMENT, NAVAL AIR STATION, NORTH ISLAND, CALIFORNIA.

(a) COST-SHARING AGREEMENT.—With regard to the portion of the military construction project for Naval Air Station, North Island, California, authorized by section 2201(a) and involving on-shore and near-shore beach replenishment, the Secretary of the Navy shall endeavor to enter into an agreement with the State of California and local governments in the vicinity of the project, under which the State and local governments agree to cover not less than 50 percent of the cost incurred by the Secretary to carry out the beach replenishment portion of the project.

(b) ACTIVITIES PENDING AGREEMENT.—The Secretary shall not delay commencement of, or activities under, the construction project described in subsection (a), including the beach replenishment portion of the project, pending the execution of the cost-sharing agreement, except that, within amounts appropriated for the project, Federal expenditures may not exceed $9,630,000 for beach replenishment.

SEC. 2206. LEASE TO FACILITATE CONSTRUCTION OF RESERVE CENTER, NAVAL AIR STATION, MERIDIAN, MISSISSIPPI.

(a) LEASE OF PROPERTY FOR CONSTRUCTION OF RESERVE CENTER.—(1) The Secretary of the Navy may lease, without reimbursement, to the State of Mississippi (in this section referred to as the "State"), approximately five acres of real property located at Naval Air Station, Meridian, Mississippi. The State shall use the property to construct a reserve center of approximately 22,000 square feet and ancillary supporting facilities.

(2) The term of the lease under this subsection shall expire on the same date that the lease authorized by subsection (b) expires.

(b) LEASEBACK OF RESERVE CENTER.—(1) The Secretary may lease from the State the property and improvements constructed pursuant to subsection (a) for a five-year period. The term of the lease shall begin on the date on which the improvements are available for occupancy, as determined by the Secretary.

(2) Rental payments under the lease under paragraph (1) may not exceed $200,000 per year, and the total amount of the rental payments for the entire period may not exceed 20 percent of the total cost of constructing the reserve center and ancillary supporting facilities.

(3) Subject to the availability of appropriations for this purpose, the Secretary may use funds appropriated pursuant to an authorization of appropriations for the operation and maintenance of the Naval Reserve to make rental payments required under this subsection.

(c) EFFECT OF TERMINATION OF LEASES.—At the end of the lease term under subsection (b), the State shall convey, without reimbursement, to the United States all right, title, and interest of the State in the reserve center and ancillary supporting facilities subject to the lease.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the leases under this section as the Secretary considers appropriate to protect the interests of the United States.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$7,875,000
Alaska	Elmendorf Air Force Base	$21,530,000
Arizona	Davis–Monthan Air Force Base	$9,920,000
	Luke Air Force Base	$6,700,000
Arkansas	Little Rock Air Force Base	$18,105,000
California	Beale Air Force Base	$14,425,000
	Edwards Air Force Base	$20,080,000
	Travis Air Force Base	$16,230,000
	Vandenberg Air Force Base	$3,290,000
Colorado	Buckley Air National Guard Base	$17,960,000
	Falcon Air Force Station	$2,095,000
	Peterson Air Force Base	$20,720,000
	United States Air Force Academy	$12,165,000
Delaware	Dover Air Force Base	$7,980,000
Florida	Eglin Air Force Base	$4,590,000
	Eglin Auxiliary Field 9	$6,825,000
	Patrick Air Force Base	$2,595,000
	Tyndall Air Force Base	$3,600,000
Georgia	Robins Air Force Base	$22,645,000
Idaho	Mountain Home Air Force Base	$15,845,000
Kansas	McConnell Air Force Base	$15,580,000
Louisiana	Barksdale Air Force Base	$4,890,000
Maryland	Andrews Air Force Base	$5,990,000
Mississippi	Keesler Air Force Base	$14,465,000
Nevada	Indian Springs Air Force Auxiliary Air Field	$4,690,000
New Jersey	McGuire Air Force Base	$8,080,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
North Carolina	Pope Air Force Base	$5,915,000
	Seymour Johnson Air Force Base	$11,280,000
North Dakota	Grand Forks Air Force Base	$12,470,000
	Minot Air Force Base	$3,940,000
Ohio	Wright–Patterson Air Force Base	$7,400,000
Oklahoma	Tinker Air Force Base	$9,880,000
South Carolina	Charleston Air Force Base	$37,410,000
	Shaw Air Force Base	$5,665,000
Tennessee	Arnold Engineering Development Center	$12,481,000
Texas	Brooks Air Force Base	$5,400,000
	Dyess Air Force Base	$12,295,000
	Kelly Air Force Base	$3,250,000
	Lackland Air Force Base	$9,413,000
	Sheppard Air Force Base	$9,400,000
Utah	Hill Air Force Base	$3,690,000
Virginia	Langley Air Force Base	$8,005,000
Washington	Fairchild Air Force Base	$18,155,000
	McChord Air Force Base	$57,065,000
Wyoming	F. E. Warren Air Force Base	$3,700,000
	Total	$525,684,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Ramstein Air Force Base	$5,370,000
	Spangdahlem Air Base	$1,890,000
Italy	Aviano Air Base	$10,060,000
Korea	Osan Air Base	$9,780,000
Turkey	Incirlik Air Base	$7,160,000
United Kingdom	Croughton Royal Air Force Base	$1,740,000
	Lakenheath Royal Air Force Base	$17,525,000
	Mildenhall Royal Air Force Base	$6,195,000
Overseas Classified	Classified Locations	$18,395,000
	Total	$78,115,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State	Installation	Purpose	Amount
Alaska	Eielson Air Force Base	72 units	$21,127,000
	Eielson Air Force Base	Ancillary Facility	$2,950,000
California	Beale Air Force Base	56 units	$8,893,000
	Los Angeles Air Force Base	25 units	$6,425,000
	Travis Air Force Base	70 units	$8,631,000
	Vandenberg Air Force Base	112 units	$20,891,000
District of Columbia	Bolling Air Force Base	40 units	$5,000,000
Florida	Eglin Auxiliary Field 9	1 units	$249,000
	MacDill Air Force Base	56 units	$8,822,000
	Patrick Air Force Base	Ancillary Facility	$2,430,000
	Tyndall Air Force Base	42 Units	$6,000,000
Georgia	Robins Air Force Base	46 units	$5,252,000
Louisiana	Barksdale Air Force Base	80 units	$9,570,000
Maryland	Hanscom Air Force Base	32 units	$5,100,000
Missouri	Whiteman Air Force Base	68 units	$9,600,000
Nevada	Nellis Air Force Base	50 units	$7,955,000
New Mexico	Kirtland Air Force Base	50 units	$5,450,000
North Dakota	Grand Forks Air Force Base	66 units	$7,784,000
	Minot Air Force Base	46 units	$8,740,000
Texas	Lackland Air Force Base	132 units	$11,500,000
	Lackland Air Force Base	Ancillary Facility	$800,000
Washington	McChord Air Force Base	50 units	$5,659,000
		Total	$168,828,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $9,590,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $125,650,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,823,456,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $525,684,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $78,115,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $12,328,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $47,387,000.

(5) For demolition of excess facilities under section 2814 of title 10, United States Code, as added by section 2802, $10,000,000.

(6) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $304,068,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $840,474,000.

(7) For the construction of a corrosion control facility at Tinker Air Force Base, Oklahoma, authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 530), $5,400,000.

(b) Limitation on Total Cost of Construction Projects.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) Inside the United States.—Using amounts appropriated pursuant to the authorization of appropriations in section 2406(a)(1), and, in the case of the projects described in paragraphs (2) and (3) of section 2406(b), other amounts appropriated pursuant to authorizations enacted after this Act for such projects, the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization Program	Pueblo Chemical Activity, Colorado	$179,000,000
Defense Finance & Accounting Service	Charleston, South Carolina	$6,200,000
	Gentile Air Force Station, Ohio	$11,400,000
	Griffiss Air Force Base, New York	$10,200,000
	Loring Air Force Base, Maine	$6,900,000
	Naval Training Center, Orlando, Florida	$2,600,000
	Norton Air Force Base, California	$13,800,000
	Offutt Air Force Base, Nebraska	$7,000,000
	Rock Island Arsenal, Illinois	$14,400,000
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia	$6,790,000
Defense Logistics Agency	Altus Air Force Base, Oklahoma	$3,200,000
	Andrews Air Force Base, Maryland	$12,100,000
	Barksdale Air Force Base, Louisiana	$4,300,000
	Defense Construction Supply Center, Columbus, Ohio	$600,000
	Defense Distribution, San Diego, California	$15,700,000
	Elmendorf Air Force Base, Alaska	$18,000,000
	McConnell Air Force Base, Kansas	$2,200,000
	Naval Air Facility, El Centro, California	$5,700,000
	Naval Air Station, Fallon, Nevada	$2,100,000
	Naval Air Station, Oceana, Virginia	$1,500,000
	Shaw Air Force Base, South Carolina	$2,900,000
	Travis Air Force Base, California	$15,200,000
Defense Medical Facility Office	Andrews Air Force Base, Maryland	$15,500,000
	Charleston Air Force Base, South Carolina	$1,300,000
	Fort Bliss, Texas	$6,600,000
	Fort Bragg, North Carolina	$11,400,000
	Fort Hood, Texas	$1,950,000
	Marine Corps Base, Camp Pendleton, California	$3,300,000
	Maxwell Air Force Base, Alabama	$25,000,000
	Naval Air Station, Key West, Florida	$15,200,000
	Naval Air Station, Norfolk, Virginia	$1,250,000
	Naval Air Station, Lemoore, California	$38,000,000
Special Operations Command	Fort Bragg, North Carolina	$14,000,000
	Fort Campbell, Kentucky	$4,200,000
	MacDill Air Force Base, Florida	$9,600,000
	Naval Amphibious Base, Coronado, California	$7,700,000
	Naval Station, Ford Island, Pearl Harbor, Hawaii	$12,800,000
	Total	$509,590,000

(b) Outside the United States.—Using amounts appropriated pursuant to the authorization of appropriations in section 2406(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Defense Logistics Agency	Moron Air Base, Spain	$12,958,000
	Naval Air Station, Sigonella, Italy	$6,100,000
Defense Medical Facility Office	Administrative Support Unit, Bahrain, Bahrain	$4,600,000
	Total	$23,658,000

SEC. 2402. MILITARY HOUSING PLANNING AND DESIGN.

Using amounts appropriated pursuant to the authorization of appropriation in section 2406(a)(14)(A), the Secretary of Defense may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $500,000.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriation in section 2406(a)(14)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $3,871,000.

SEC. 2404. MILITARY HOUSING IMPROVEMENT PROGRAM.

(a) Availability of Funds for Credit to Family Housing Improvement Fund.—(1) Of the amount authorized to be appropriated pursuant to section 2406(a)(14)(C), $35,000,000 shall be available for credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code.

(2) Of the amount authorized to be appropriated pursuant to section 2406(a)(14)(D), $10,000,000 shall be available for credit to the Department of Defense Military Unaccompanied Housing Improvement Fund established by section 2883(a)(2) of such title.

(b) Use of Funds.—(1) The Secretary of Defense may use funds credited to the Department of Defense Family Housing Improvement Fund under subsection (a)(1) to carry out any activities authorized by subchapter IV of chapter 169 of such title with respect to military family housing.

(2) The Secretary of Defense may use funds credited to the Department of Defense Military Unaccompanied Housing Improvement Fund under subsection (a)(2) to carry out any activities authorized by subchapter IV of chapter 169 of such title with respect to military unaccompanied housing.

SEC. 2405. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2406(a)(12), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2406. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $3,431,670,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $346,487,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $23,658,000.

(3) For military construction projects at Naval Hospital, Portsmouth, Virginia, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1640), $24,000,000.

(4) For military construction projects at Walter Reed Army Institute of Research, Maryland, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2599), $72,000,000.

(5) For military construction projects at Fort Bragg, North Carolina, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (106 Stat. 2599), $89,000,000.

(6) For military construction projects at Pine Bluff Arsenal, Arkansas, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of the Public Law 103–337; 108 Stat. 3040), $46,000,000.

(7) For military construction projects at Umatilla Army Depot, Oregon, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (108 Stat. 3040), $64,000,000.

(8) For military construction projects at Defense Finance and Accounting Service, Columbus, Ohio, authorized by section 2401(a) of the Military Construction Authorization Act of Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 535), $20,822,000.

(9) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $16,874,000.

(10) For unspecified minor construction projects under section 2805 of title 10, United States Code, $9,500,000.

(11) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $12,239,000.

(12) For energy conservation projects under section 2865 of title 10, United States Code, $47,765,000.

(13) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $2,507,476,000.

(14) For military family housing functions:

(A) For improvement and planning of military family housing and facilities, $4,371,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $30,963,000, of which not more than $25,637,000 may be obligated or expended for the leasing of military family housing units worldwide.

(C) For credit to the Department of Defense Family Housing Improvement Fund as authorized by section 2404(a)(1) of this Act, $35,000,000.

(D) For credit to the Department of Defense Military Unaccompanied Housing Improvement Fund as authorized by section 2404(a)(2) of this Act, $10,000,000.

(E) For the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $36,181,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $161,503,000 (the balance of the amount authorized under section 2401(a) of this Act for the construction of a chemical demilitarization facility at Pueblo Army Depot, Colorado); and

(3) $1,600,000 (the balance of the amount authorized under section 2401(a) of this Act for the construction of a replacement facility for the medical and dental clinic, Key West Naval Air Station, Florida).

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Security Investment Program as authorized by section 2501, in the amount of $177,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1996, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $41,316,000; and

(B) for the Army Reserve, $50,159,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $33,169,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $118,394,000; and

(B) for the Air Force Reserve, $51,655,000.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 1999; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2000.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 1999; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2000 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Infrastructure program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1994 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1880), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2102, 2201, 2301, or 2601 of that Act, shall remain in effect until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1994 Project Authorizations

State	Installation or location	Project	Amount
New Jersey	Picatinny Arsenal	Advance Warhead Development Facility	$4,400,000
North Carolina	Fort Bragg	Land Acquisition	$15,000,000
Wisconsin	Fort McCoy	Family Housing Construction (16 units)	$2,950,000

Navy: Extension of 1994 Project Authorizations

State or Location	Installation or location	Project	Amount
California	Camp Pendleton Marine Corps Base	Sewage Facility	$7,930,000
Connecticut	New London Naval Submarine Base	Hazardous Waste Transfer Facility	$1,450,000
New Jersey	Earle Naval Weapons Station	Explosives Holding Yard	$1,290,000
Virginia	Oceana Naval Air Station	Jet Engine Test Cell Replacement	$5,300,000
Various Locations	Various Locations	Land Acquisition Inside the United States	$540,000
Various Locations	Various Locations	Land Acquisition Outside the United States	$800,000

Air Force: Extension of 1994 Project Authorizations

State	Installation or Location	Project	Amount
Alaska	Eielson Air Force Base	Upgrade Water Treatment Plant	$3,750,000
	Elmendorf Air Force Base	Corrosion Control Facility	$5,975,000
California	Beale Air Force Base	Educational Center	$3,150,000
Florida	Tyndall Air Force Base	Base Supply Logistics Center	$2,600,000
Mississippi	Keesler Air Force Base	Upgrade Student Dormitory	$4,500,000
North Carolina	Pope Air Force Base	Add To and Alter Dormitories	$4,300,000
Virginia	Langley Air Force Base	Fire Station	$3,850,000

Army National Guard: Extension of 1994 Project Authorizations

State	Installation or Location	Project	Amount
Alabama	Birmingham	Aviation Support Facility	$4,907,000
Arizona	Marana	Organizational Maintenance Shop	$553,000
	Marana	Dormitory/Dining Facility	$2,919,000
California	Fresno	Organizational Maintenance Shop Modification	$905,000
	Van Nuys	Armory Addition	$6,518,000
New Mexico	White Sands Missile Range	Organizational Maintenance Shop	$2,940,000
		Tactical Site	$1,995,000
		MATES	$3,570,000
Pennsylvania	Indiantown Gap	State Military Building	$9,200,000
	Johnstown	Armory Addition/Flight Facility	$5,004,000
	Johnstown	Armory	$3,000,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1993 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2602), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2301, or 1601 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 541), shall remain in effect until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1993 Project Authorization

State	Installation or location	Project	Amount
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Support Facility	$15,000,000

Air Force: Extension of 1993 Project Authorization

Country	Installation or location	Project	Amount
Portugal	Lajes Field	Water Wells	$865,000

Army National Guard: Extension of 1993 Project Authorizations

State	Installation or Location	Project	Amount
Alabama	Tuscaloosa	Armory	$2,273,000
	Union Springs	Armory	$813,000

SEC. 2704. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535), authorizations for the projects set forth in the table in subsection (b), as provided in section 2201 of that Act and extended by section 2702(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3047) and section 2703(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 543), shall remain in effect until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Oregon	Umatilla Army Depot	Ammunition Demilitarization Support Facility	$3,600,000

Army: Extension of 1992 Project Authorizations—Continued

State	Installation or location	Project	Amount
	Umatilla Army Depot	Ammunition Demilitarization Utilities	$7,500,000

SEC. 2705. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1996; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction and Military Family Housing

SEC. 2801. NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM.

(a) CHANGE IN REFERENCE TO EARLIER PROGRAM.—(1) Section 2806(b) of title 10, United States Code, is amended by striking out "North Atlantic Treaty Organization Infrastructure program" and inserting in lieu thereof "North Atlantic Treaty Organization Security Investment Program".

(2) Section 2861(b)(3) of such title is amended by striking out "North Atlantic Treaty Organization Infrastructure program" and inserting in lieu thereof "North Atlantic Treaty Organization Security Investment Program".

(b) CLERICAL AMENDMENTS.—(1) The heading of section 2806 of such title is amended to read as follows:

"§2806. Contributions for North Atlantic Treaty Organization Security Investment Program".

(2) The item relating to such section in the table of sections at the beginning of subchapter I of chapter 169 of such title is amended to read as follows:

"2806. Contributions for North Atlantic Treaty Organization Security Investment Program.".

SEC. 2802. AUTHORITY TO DEMOLISH EXCESS FACILITIES.

(a) DEMOLITION AUTHORIZED.—Subchapter I of chapter 169 of title 10, United States Code, is amended by adding at the end the following new section:

"§2814. Demolition of excess facilities

"(a) DEMOLITION USING MILITARY CONSTRUCTION APPROPRIATIONS.—Within an amount equal to 125 percent of the amount appropriated for such purpose in the military construction account, the Secretary concerned may carry out the demolition of a facility on a military installation when the facility is determined by the Secretary concerned to be—

"(1) excess to the needs of the military department or Defense Agency concerned; and

"(2) not suitable for reuse.

"(b) DEMOLITIONS USING OPERATIONS AND MAINTENANCE FUNDS.—Using funds available to the Secretary concerned for operation and maintenance, the Secretary concerned may carry out a demolition project involving an excess facility described in subsection (a), except that the amount obligated on the project may not exceed the maximum amount authorized for a minor construction project under section 2805(c)(1) of this title.

"(c) ADVANCE APPROVAL OF CERTAIN PROJECTS.—(1) A demolition project under this section that would cost more than $500,000 may not be carried out under this section unless approved in advance by the Secretary concerned.

"(2) When a decision is made to demolish a facility covered by paragraph (1), the Secretary concerned shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include—

"(A) the justification for the demolition and the current estimate of its costs, and

"(B) the justification for carrying out the project under this section.

"(3) The demolition project may be carried out only after the end of the 21-day period beginning on the date the notification is received by such committees.

"(d) CERTAIN PROJECTS PROHIBITED.—(1) A demolition project involving military family housing may not be carried out under the authority of this section.

"(2) A demolition project required as a result of a base closure action authorized by title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) or the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) may not be carried out under the authority of this section.

"(3) A demolition project required as a result of environmental contamination shall be carried out under the authority of the environmental restoration program under section 2701(b)(3) of this title.

"(e) DEMOLITION INCLUDED IN SPECIFIC MILITARY CONSTRUCTION PROJECT.—Nothing in this section is intended to preclude the inclusion of demolition of facilities as an integral part of a specific military construction project when the demolition is required for accomplishment of the intent of that construction project.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

"2814. Demolition of excess facilities.".

SEC. 2803. IMPROVEMENTS TO FAMILY HOUSING UNITS.

(a) AUTHORIZED IMPROVEMENTS.—Subsection (a)(2) of section 2825 of title 10, United States Code, is amended—

(1) by inserting "major" before "maintenance"; and

(2) by adding at the end the following: "Such term does not include day-to-day maintenance and repair.".

(b) LIMITATION.—Subsection (b) of such is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) In determining the applicability of the limitation contained in paragraph (1), the Secretary concerned shall include as part of the cost of the improvement the following:

"(A) The cost of major maintenance or repair work (excluding day-to-day maintenance and repair) undertaken in connection with the improvement.

"(B) Any cost, beyond the five-foot line of a housing unit, in connection with—

"(i) the furnishing of electricity, gas, water, and sewage disposal;

"(ii) the construction or repair of roads, drives, and walks; and

"(iii) grading and drainage work.".

Subtitle B—Defense Base Closure and Realignment

SEC. 2811. RESTORATION OF AUTHORITY FOR CERTAIN INTRAGOVERNMENT TRANSFERS UNDER 1988 BASE CLOSURE LAW.

Section 204(b)(2) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), is amended—

(1) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph:

"(D) The Secretary of Defense may transfer real property or facilities located at a military installation to be closed or realigned under this title, with or without reimbursement, to a military department or other entity (including a nonappropriated fund instrumentality) within the Department of Defense or the Coast Guard.".

SEC. 2812. CONTRACTING FOR CERTAIN SERVICES AT FACILITIES REMAINING ON CLOSED INSTALLATIONS.

(a) 1988 LAW.—Section 204(b)(8)(A) of the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100–526; 10 U.S.C. 2687 note), is amended by inserting "or at facilities remaining on installations closed under this title" after "under this title".

(b) 1990 LAW.—Section 2905(b)(8)(A) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), is amended by inserting "or at facilities remaining on installations closed under this part" after "under this part".

SEC. 2813. AUTHORITY TO COMPENSATE OWNERS OF MANUFACTURED HOUSING.

(a) 1988 LAW.—Section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100–526; 10 U.S.C. 2687 note), is amended by adding at the end the following new subsection:

"(f) ACQUISITION OF MANUFACTURED HOUSING.—(1) In closing or realigning any military installation under this title, the Secretary may purchase any or all right, title, and interest of a member of the Armed Forces and any spouse of the member in manufactured housing located at a manufactured housing park established at an installation closed or realigned under this title, or make a payment to the member to relocate the manufactured housing to a suitable new site, if the Secretary determines that—

"(A) it is in the best interests of the Federal Government to eliminate or relocate the manufactured housing park; and

"(B) the elimination or relocation of the manufactured housing park would result in an unreasonable financial hardship to the owners of the manufactured housing.

"(2) Any payment made under this subsection shall not exceed 90 percent of the purchase price of the manufactured housing, as paid by the member or any spouse of the member, plus the cost of any permanent improvements subsequently made to the manufactured housing by the member or spouse of the member.

"(3) The Secretary shall dispose of manufactured housing acquired under this subsection through resale, donation, trade or otherwise within one year of acquisition.".

(b) 1990 LAW.—Section 2905 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), is amended by adding at the end the following new subsection:

"(g) ACQUISITION OF MANUFACTURED HOUSING.—(1) In closing or realigning any military installation under this part, the Secretary may purchase any or all right, title, and interest of a member of the Armed Forces and any spouse of the member in manufactured housing located at a manufactured housing park established at an installation closed or realigned under this part, or make a payment to the member to relocate the manufactured housing to a suitable new site, if the Secretary determines that—

"(A) it is in the best interests of the Federal Government to eliminate or relocate the manufactured housing park; and

"(B) the elimination or relocation of the manufactured housing park would result in an unreasonable financial hardship to the owners of the manufactured housing.

"(2) Any payment made under this subsection shall not exceed 90 percent of the purchase price of the manufactured housing, as paid by the member or any spouse of the member, plus the cost of any permanent improvements subsequently made to the manufactured housing by the member or spouse of the member.

"(3) The Secretary shall dispose of manufactured housing acquired under this subsection through resale, donation, trade or otherwise within one year of acquisition.".

SEC. 2814. ADDITIONAL PURPOSE FOR WHICH ADJUSTMENT AND DIVERSIFICATION ASSISTANCE IS AUTHORIZED.

Section 2391(b)(5) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(5)"; and

(2) by adding at the end the following new subparagraph:

"(B) The Secretary of Defense may also make grants, conclude cooperative agreements, and supplement other Federal funds in order to assist a State in enhancing its capacities—

"(i) to assist communities, businesses, and workers adversely affected by an action described in paragraph (1);

"(ii) to support local adjustment and diversification initiatives; and

"(iii) to stimulate cooperation between statewide and local adjustment and diversification efforts.".

SEC. 2815. PAYMENT OF STIPULATED PENALTIES ASSESSED UNDER CERCLA IN CONNECTION WITH LORING AIR FORCE BASE, MAINE.

From amounts in the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), the Secretary of Defense may expend not more than $50,000 to pay stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against Loring Air Force Base, Maine.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2821. TRANSFER AND EXCHANGE OF JURISDICTION, ARLINGTON NATIONAL CEMETERY, ARLINGTON, VIRGINIA.

(a) TRANSFER OF CERTAIN SECTION 29 LANDS.—(1) The Secretary of the Interior shall transfer to the Secretary of the Army administrative jurisdiction over the following lands located in section 29 of the unit of the National Park System known as Arlington National Cemetery, Virginia:

(A) The lands known as the Arlington National Cemetery Interment Zone.

(B) The lands known as the Robert E. Lee Memorial Preservation Zone, except those lands in the preservation zone that the Secretary of the Interior determines to retain because of the historical significance of the lands.

(2) The transfer of lands under paragraph (1) shall be carried out in accordance with the Interagency Agreement entered into by the Secretary of the Army and the Secretary of the Interior on February 22, 1995.

(b) EXCHANGE OF ADDITIONAL LAND.—(1) The Secretary of the Interior shall transfer to the Secretary of the Army administrative jurisdiction over a parcel of land, including any improvements thereon, consisting of approximately 2.43 acres, located in the Memorial Drive entrance area to Arlington National Cemetery.

(2) In exchange for the transfer under paragraph (1), the Secretary of the Army shall transfer to the Secretary of the Interior administrative jurisdiction over a parcel of land, including any improvements thereon, consisting of approximately 0.17 acres, located at Arlington National Cemetery, and known as the Old Administrative Building site. The Secretary of the Army shall grant to the Secretary of the Interior a perpetual right of ingress and egress to the parcel transferred this paragraph.

(c) LEGAL DESCRIPTION.—The exact acreage and legal descriptions of the lands to be transferred pursuant to this section shall be determined by surveys satisfactory to the Secretary of the Interior and the Secretary of the Army. The costs of the surveys shall be borne by the Secretary of the Army.

SEC. 2822. LAND CONVEYANCE, ARMY RESERVE CENTER, RUSHVILLE, INDIANA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Rushville, Indiana (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of excess real property, including improvements thereon, that is located in Rushville, Indiana, and contains the Rushville Army Reserve Center.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the City retain the conveyed property for the use and benefit of the Rushville Police Department.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2823. LAND CONVEYANCE, ARMY RESERVE CENTER, ANDERSON, SOUTH CAROLINA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the County of Anderson, South Carolina (in this section referred to as the "County"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 805 East Whitner Street in Anderson, South Carolina, and contains an Army Reserve Center.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the County retain the conveyed property for the use and benefit of the Anderson County Department of Education.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

PART II—NAVY CONVEYANCES

SEC. 2831. RELEASE OF CONDITION ON RECONVEYANCE OF TRANSFERRED LAND, GUAM.

(a) IN GENERAL.—Section 818(b)(2) of the Military Construction Authorization Act, 1981 (Public Law 96–418; 94 Stat. 1782), relating to a condition on disposal by Guam of lands conveyed to Guam by the United States, shall have no force or effect and is repealed.

(b) EXECUTION OF INSTRUMENTS.—The Secretary of the Navy and the Administrator of General Services shall execute all instruments necessary to implement this section.

SEC. 2832. LAND EXCHANGE, ST. HELENA ANNEX, NORFOLK NAVAL SHIPYARD, VIRGINIA.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey to such private person as the Secretary considers appropriate (in this section referred to as the "transferee") all right, title, and interest of the United States in and to a parcel of real property that is located at the Norfolk Naval Shipyard, Virginia, and, as of the date of the enactment of this Act, is a portion of the property leased to the Norfolk Shipbuilding and Drydock Company pursuant to the Department of the Navy lease N00024–84–L–0004, effective October 1, 1984, as extended.

(2) Pending completion of the conveyance authorized by paragraph (1), the Secretary may lease the real property to the transferee upon such terms as the Secretary considers appropriate.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), including any interim lease authorized by such subsection, the transferee shall—

(1) convey to the United States all right, title, and interest to a parcel or parcels of real property, together with any improvements thereon, located in the area of Portsmouth, Virginia, which are determined to be acceptable to the Secretary; and

(2) pay to the Secretary an amount equal to the amount, if any, by which the fair market value of the parcel conveyed by the Secretary under subsection (a) exceeds the fair market value of the parcel conveyed to the United States under paragraph (1).

(c) USE OF RENTAL AMOUNTS.—The Secretary may use the amounts received as rent from any lease entered into under the authority of subsection (a)(2) to fund environmental studies of the parcels of real property to be conveyed under this section.

(d) IN-KIND CONSIDERATION.—The Secretary and the transferee may agree that, in lieu of all or any part of the consideration required by subsection (b)(2), the transferee may provide and the Secretary may accept the improvement, maintenance, protection, repair, or restoration of real property under the control of the Secretary in the area of Hampton Roads, Virginia.

(e) DETERMINATION OF FAIR MARKET VALUE AND PROPERTY DESCRIPTION.—The Secretary shall determine the fair market value of the parcels of real property to be conveyed under subsections (a) and (b)(1). The exact acreage and legal description of the parcels shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the transferee.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2833. LAND CONVEYANCE, CALVERTON PINE BARRENS, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, CALVERTON, NEW YORK.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the Department of Environmental Conservation of the State of New York (in this section referred to as the "Department"), all right, title, and interest of the United States in and to the Calverton Pine Barrens located at the Naval Weapons Industrial Reserve Plant, Calverton, New York.

(b) EFFECT ON OTHER CONVEYANCE AUTHORITY.—The conveyance authorized by this subsection shall not affect the transfer of jurisdiction of a portion of the Calverton Pine Barrens

authorized by section 2865 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 576).

(c) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the Department agree—

(1) to maintain the conveyed property as a nature preserve, as required by section 2854 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2626), as amended by section 2823 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3058);

(2) to designate the conveyed property as the "Otis G. Pike Preserve"; and

(3) to continue to allow the level of sporting activities on the conveyed property as permitted at the time of the conveyance.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Department.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(f) CALVERTON PINE BARRENS DEFINED.—In this section, the term "Calverton Pine Barrens" has the meaning given that term in section 2854(d)(1) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2626).

PART III—AIR FORCE CONVEYANCES

SEC. 2841. CONVEYANCE OF PRIMATE RESEARCH COMPLEX, HOLLOMAN AIR FORCE BASE, NEW MEXICO.

(a) CONVEYANCE AUTHORIZED.—Notwithstanding any other provision of law, the Secretary of the Air Force may dispose of all right, title, and interest of the United States in and to the primate research complex at Holloman Air Force Base, New Mexico. The conveyance may include the colony of chimpanzees owned by the Air Force that are housed at or managed from the primate research complex. The conveyance may not include the real property on which the primate research complex is located.

(b) COMPETITIVE PROCEDURES REQUIRED.—The Secretary shall use competitive procedures in making the conveyance authorized by subsection (a).

(c) CARE AND USE STANDARDS.—As part of the solicitation of bids for the conveyance authorized by subsection (a), the Secretary shall develop standards for the care and use of the primate research complex, and of chimpanzees. The Secretary shall develop the standards in consultation with the Secretary of Agriculture and the Director of the National Institutes of Health.

(d) CONDITIONS OF CONVEYANCE.—The conveyance authorized by subsection (a) shall be subject to the followings conditions:

(1) That the recipient of the primate research complex—

(A) utilize any chimpanzees included in the conveyance for scientific research or medical research purposes; or

(B) retire and provide adequate care for such chimpanzees.

(2) That the recipient of the primate research complex assume from the Secretary any leases at the primate research complex that are in effect at the time of the conveyance.

(e) DESCRIPTION OF COMPLEX.—The exact legal description of the primate research complex to be conveyed under subsection (a) shall be determined by a survey or other means satisfactory to the Secretary. The cost of any survey or other services performed at the direction of the Secretary under the authority in the preceding sentence shall be borne by the recipient of the primate research complex.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2842. LAND CONVEYANCE, RADAR BOMB SCORING SITE, BELLE FOURCHE, SOUTH DAKOTA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Belle Fourche School District, Belle Fourche, South Dakota (in this section referred to as the "District"), all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately 37 acres located in Belle Fourche, South Dakota, which has served as the location of a support complex and housing facilities for Detachment 21 of the 554th Range Squadron, an Air Force Radar Bomb Scoring Site located in Belle Fourche, South Dakota. The conveyance may not include any portion of the radar bomb scoring site located in the State of Wyoming.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the District—

(1) use the property and facilities conveyed under such subsection for education, economic development, and housing purposes; or

(2) enter into an agreement with an appropriate public or private entity to sell or lease the property and facilities to such entity for such purposes.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the District.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

PART IV—OTHER CONVEYANCES

SEC. 2851. LAND CONVEYANCE, TATUM SALT DOME TEST SITE, MISSISSIPPI.

(a) TRANSFER.—The Secretary of Energy may convey, without compensation, to the State of Mississippi (in this section referred to as the "State") the property known as the Tatum Salt Dome Test Site, as generally depicted on the map of the Department of Energy numbered 301913.104.02 and dated June 25, 1993.

(b) CONDITION ON CONVEYANCE.—The conveyance under this section shall be subject to the condition that the State use the conveyed property as a wilderness area and working demonstration forest.

(c) DESIGNATION.—The property to be conveyed is hereby designated as the "Jamie Whitten Wilderness Area".

(d) RETAINED RIGHTS.—The conveyance under this section shall be subject to each of the following rights to be retained by the United States:

(1) Retention by the United States of the subsurface estate below a specified depth. The specified depth shall be 1000 feet below sea level unless a lesser depth is agreed upon by the Secretary and the State.

(2) Retention by the United States of rights of access, by easement or otherwise, for such purposes as the Secretary considers appropriate, including access to monitoring wells for sampling.

(3) Retention by the United States of the right to install wells additional to those identified in the remediation plan for the property to the extent such additional wells are considered necessary by the Secretary to monitor potential pathways of contaminant migration. Such wells shall be in such locations as specified by the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2852. LAND CONVEYANCE, WILLIAM LANGER JEWEL BEARING PLANT, ROLLA, NORTH DAKOTA.

(a) AUTHORITY TO CONVEY.—The Administrator of General Services may convey, without consideration, to the Job Development Authority of the City of Rolla, North Dakota (in this section referred to as the "Authority"), all right, title, and interest of the United States in and to a parcel of real property, with improvements thereon and all associated personal property, consisting of approximately 9.77 acres and comprising the William Langer Jewel Bearing Plant in Rolla, North Dakota.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the Authority—

(1) use the real and personal property and improvements conveyed under that subsection for economic development relating to the jewel bearing plant;

(2) enter into an agreement with an appropriate public or private entity or person to lease such property and improvements to that entity or person for such economic development; or

(3) enter into an agreement with an appropriate public or private entity or person to sell such property and improvements to that entity or person for such economic development.

(c) PREFERENCE FOR DOMESTIC DISPOSAL OF JEWEL BEARINGS.—(1) In offering to enter into agreements pursuant to any provision of law for the disposal of jewel bearings from the National Defense Stockpile, the President shall give a right of first refusal on all such offers to the Authority or to the appropriate public or private entity or person with which the Authority enters into an agreement under subsection (b).

(2) For the purposes of this section, the term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98(c)).

(d) AVAILABILITY OF FUNDS FOR MAINTENANCE AND CONVEYANCE OF PLANT.—Notwithstanding any other provision of law, funds available in fiscal year 1995 for the maintenance of the William Langer Jewel Bearing Plant in Public Law 103–335 shall be available for the maintenance of that plant in fiscal year 1996, pending conveyance, and for the conveyance of that plant under this section.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Administrator. The cost of the survey shall be borne by the Administrator.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under this section as the Administrator determines appropriate to protect the interests of the United States.

Subtitle D—Other Matters

SEC. 2861. EASEMENTS FOR RIGHTS-OF-WAY.

Section 2668(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (9);

(2) by redesignating paragraph (10) as paragraph (12);

(3) in paragraph (12), as so redesignated, by striking out "or by the Act of March 4, 1911 (43 U.S.C. 961)"; and

(4) by inserting after paragraph (9) the following new paragraph:

"(10) poles and lines for the transmission and distribution of electrical power;

"(11) poles and lines for communication purposes, and for radio, television, and other forms of communication transmitting, relay, and receiving structures and facilities; and".

SEC. 2862. AUTHORITY TO ENTER INTO COOPERATIVE AGREEMENTS FOR THE MANAGEMENT OF CULTURAL RESOURCES ON MILITARY INSTALLATIONS.

(a) AGREEMENTS AUTHORIZED.—Chapter 159 of title 10, United States Code, is amended by inserting after section 2683 the following new section:

"§2684. Cooperative agreements for management of cultural resources

"(a) AUTHORITY.—The Secretary of Defense or the Secretary of a military department may enter into a cooperative agreement with a State, local government, or other entity for the preservation, management, maintenance, and improvement of cultural resources on military installations and for the conducting of research regarding the cultural resources. Activities under the cooperative agreement shall be subject to the availability of funds to carry out the cooperative agreement.

"(b) APPLICATION OF OTHER LAWS.—Section 1535 and chapter 63 of title 31 shall not apply to a cooperative agreement entered into under this section.

"(c) CULTURAL RESOURCE DEFINED.—In this section, the term 'cultural resource' means any of the following:

"(1) Any building, structure, site, district, or object included in or eligible for inclusion in the National Register of Historic Places under section 101 of the National Historic Preservation Act (16 U.S.C. 470a).

"(2) Cultural items, as defined in section 2(3) of the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001(3)).

"(3) An archaeological resource, as defined in section 3(1) of the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470bb(1)).

"(4) Archaeological artifact collections and associated records, as defined in section 79 of title 36, Code of Federal Regulations.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2683 the following new item:

"2684. Cooperative agreements for management of cultural resources.".

SEC. 2863. DEMONSTRATION PROJECT FOR INSTALLATION AND OPERATION OF ELECTRIC POWER DISTRIBUTION SYSTEM AT YOUNGSTOWN AIR RESERVE STATION, OHIO.

(a) AUTHORITY.—The Secretary of the Air Force may carry out a demonstration project to assess the feasibility and advisability of permitting private entities to install, operate, and maintain electric power distribution systems at military installations. The Secretary shall carry out the demonstration project through an agreement under subsection (b).

(b) AGREEMENT.—(1) In order to carry out the demonstration project, the Secretary shall enter into an agreement with an electric utility or other company in the Youngstown, Ohio, area, consistent with State law, under which the utility or company installs, operates, and maintains (in a manner satisfactory to the Secretary and the utility or company) an electric power distribution system at Youngstown Air Reserve Station, Ohio.

(2) The Secretary may not enter into an agreement under this subsection until—

(A) the Secretary submits to the congressional defense committees a report on the agreement to be entered into, including the costs to be incurred by the United States under the agreement; and

(B) a period of 30 days has elapsed from the date of the receipt of the report by the committees.

(c) LICENSES AND EASEMENTS.—In order to facilitate the installation, operation, and maintenance of the electric power distribution system under the agreement under subsection (b), the Secretary may grant the utility or company with which the Secretary enters into the agreement such licenses, easements, and rights-of-way, consistent with State law, as the Secretary and the utility or company jointly determine necessary for such purposes.

(d) OWNERSHIP OF SYSTEM.—The agreement between the Secretary and the utility or company under subsection (b) may provide that the utility or company shall own the electric power distribution system installed under the agreement.

(e) RATE.—The rate charged by the utility or company for providing and distributing electric power at Youngstown Air Reserve Station through the electric power distribution system installed under the agreement under subsection (b) shall be the rate established by the appropriate Federal or State regulatory authority.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in the agreement under subsection (b) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2864. DESIGNATION OF MICHAEL O'CALLAGHAN MILITARY HOSPITAL.

(a) DESIGNATION.—The Nellis Federal Hospital, a Federal building located at 4700 North Las Vegas Boulevard, Las Vegas, Nevada, shall be known and designated as the "Michael O'Callaghan Military Hospital".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in subsection (a) shall be deemed to be a reference to the "Michael O'Callaghan Military Hospital".

TITLE XXIX—MILITARY LAND WITHDRAWALS

Subtitle A—Fort Carson-Pinon Canyon Military Lands Withdrawal

SEC. 2901. SHORT TITLE.

This subtitle may be cited as the "Fort Carson-Pinon Canyon Military Lands Withdrawal Act".

SEC. 2902. WITHDRAWAL AND RESERVATION OF LANDS AT FORT CARSON MILITARY RESERVATION.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this subtitle, the lands at the Fort Carson Military Reservation, Colorado, that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, the mineral and geothermal leasing laws, and the mineral materials disposal laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army—

(1) for military maneuvering, training and weapons firing; and

(2) for other defense related purposes consistent with the uses specified in paragraph (1).

(c) LAND DESCRIPTION.—The lands referred to in subsection (a) comprise 3,133.02 acres of public land and 11,415.16 acres of federally-owned minerals in El Paso, Pueblo, and Fremont Counties, Colorado, as generally depicted on the map entitled "Fort Carson Proposed Withdrawal—Fort Carson Base", dated February 6, 1992, and published in accordance with section 4.

SEC. 2903. WITHDRAWAL AND RESERVATION OF LANDS AT PINON CANYON MANEUVER SITE.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this subtitle, the lands at the Pinon Canyon Maneuver Site, Colorado, that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, the mineral and geothermal leasing laws, and the mineral materials disposal laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army—

(1) for military maneuvering and training; and

(2) for other defense related purposes consistent with the uses specified in paragraph (1).

(c) LAND DESCRIPTION.—The lands referred to in subsection (a) comprise 2,517.12 acres of public lands and 130,139 acres of federally-owned minerals in Las Animas County, Colorado, as generally depicted on the map entitled "Fort Carson Proposed Withdrawal—Fort Carson Maneuver Area—Pinon Canyon site", dated February 6, 1992, and published in accordance with section 2904.

SEC. 2904. MAPS AND LEGAL DESCRIPTIONS.

(a) PREPARATION OF MAPS AND LEGAL DESCRIPTION.—As soon as practicable after the date of the enactment of this subtitle, the Secretary of the Interior shall prepare maps depicting the lands withdrawn and reserved by this subtitle and publish in the Federal Register a notice containing the legal description of such lands.

(b) LEGAL EFFECT.—Such maps and legal descriptions shall have the same force and effect as if they were included in this subtitle, except that the Secretary of the Interior may correct clerical and typographical errors in such maps and legal descriptions.

(c) AVAILABILITY OF MAPS AND LEGAL DESCRIPTION.—Copies of such maps and legal descriptions shall be available for public inspection in the offices of the Colorado State Director and the Canon City District Manager of the Bureau of Land Management and in the offices of the Commander of Fort Carson, Colorado.

(d) COSTS.—The Secretary of the Army shall reimburse the Secretary of the Interior for the costs of implementing this section.

SEC. 2905. MANAGEMENT OF WITHDRAWN LANDS.

(a) MANAGEMENT GUIDELINES.—

(1) MANAGEMENT BY SECRETARY OF THE ARMY.—Except as provided in section 6, during the period of withdrawal, the Secretary of the Army shall manage for military purposes the lands covered by this subtitle and may authorize use of the lands by the other military departments and agencies of the Department of Defense, and the National Guard, as appropriate.

(2) ACCESS RESTRICTIONS.—When military operations, public safety, or national security, as determined by the Secretary of the Army, require the closure of roads and trails on the lands withdrawn by this subtitle commonly in public use, the Secretary of the Army is authorized to take such action, except that such closures shall be limited to the minimum areas and periods required for the purposes specified in this subsection. Appropriate warning notices shall be kept posted during closures.

(3) SUPPRESSION OF FIRES.—The Secretary of the Army shall take necessary precautions to prevent and suppress brush and range fires occurring within and outside the lands as a result of military activities and may seek assistance from the Bureau of Land Management in suppressing such fires. The memorandum of understanding required by this section shall provide

for Bureau of Land Management assistance in the suppression of such fires, and for a transfer of funds from the Department of the Army to the Bureau of Land Management as compensation for such assistance.

(b) MANAGEMENT PLAN.—

(1) DEVELOPMENT REQUIRED.—The Secretary of the Army, with the concurrence of the Secretary of the Interior, shall develop a plan for the management of acquired lands and lands withdrawn under sections 2902 and 2903 for the period of withdrawal. The plan shall—

(A) be consistent with applicable law;

(B) include such provisions as may be necessary for proper resource management and protection of the natural, cultural, and other resources and values of such lands; and

(C) identify those withdrawn and acquired lands, if any, which are to be open to mining or mineral and geothermal leasing, including mineral materials disposal.

(2) TIME FOR DEVELOPMENT.—The management plan required by this subsection shall be developed not later than 5 years after the date of the enactment of this subtitle.

(c) IMPLEMENTATION OF MANAGEMENT PLAN.—

(1) MEMORANDUM OF UNDERSTANDING REQUIRED.—The Secretary of the Army and the Secretary of the Interior shall enter into a memorandum of understanding to implement the management plan developed under subsection (b).

(2) DURATION.—The duration of any such memorandum of understanding shall be the same as the period of withdrawal specified in section 8(a).

(3) AMENDMENT.—The memorandum of understanding may be amended by agreement of both Secretaries.

(d) USE OF CERTAIN RESOURCES.—The Secretary of the Army is authorized to utilize sand, gravel, or similar mineral or mineral material resources from the lands withdrawn by this subtitle when the use of such resources is required for construction needs of the Fort Carson Reservation or Pinon Canyon Maneuver Site.

SEC. 2906. MANAGEMENT OF WITHDRAWN AND ACQUIRED MINERAL RESOURCES.

Except as provided in section 2905(d), the Secretary of the Interior shall manage all withdrawn and acquired mineral resources within the boundaries of the Fort Carson Military Reservation and Pinon Canyon Maneuver Site in the same manner as provided in section 12 of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3466) for mining and mineral leasing on certain lands withdrawn by that Act from all forms of appropriation under the public land laws.

SEC. 2907. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn and reserved by this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code.

SEC. 2908. TERMINATION OF WITHDRAWAL AND RESERVATION.

(a) TERMINATION DATE.—The withdrawal and reservation made by this subtitle shall terminate 15 years after the date of the enactment of this subtitle.

(b) DETERMINATION OF CONTINUING MILITARY NEED.—

(1) DETERMINATION REQUIRED.—At least three years before the termination under subsection (a) of the withdrawal and reservation established by this subtitle, the Secretary of the Army shall advise the Secretary of the Interior as to whether or not the Department of the Army will have a continuing military need for any of the lands after the termination date.

(2) METHOD OF MAKING DETERMINATION.—If the Secretary of the Army concludes under paragraph (1) that there will be a continuing military need for any of the lands after the termination date established by subsection (a), the Secretary of the Army, in accordance with applicable law, shall—

(A) evaluate the environmental effects of renewal of such withdrawal and reservation;

(B) hold at least one public hearing in Colorado concerning such evaluation; and

(C) file, after completing the requirements of subparagraphs (A) and (B), an application for extension of the withdrawal and reservation of such lands in accordance with the regulations and procedures of the Department of the Interior applicable to the extension of withdrawals for military uses.

(3) NOTIFICATION.—The Secretary of the Interior shall notify the Congress concerning a filing under paragraph (3)(C).

(c) EARLY RELINQUISHMENT OF WITHDRAWAL.—If the Secretary of the Army concludes under subsection (b) that before the termination date established by subsection (a) there will be no military need for all or any part of the lands withdrawn and reserved by this subtitle, or if, during the period of withdrawal, the Secretary of the Army otherwise decides to relinquish any or all of the lands withdrawn and reserved under this subtitle, the Secretary of the Army shall file with the Secretary of the Interior a notice of intention to relinquish such lands.

(d) ACCEPTANCE OF LANDS PROPOSED FOR RELINQUISHMENT.—Notwithstanding any other provision of law, the Secretary of the Interior, upon deciding that it is in the public interest to accept jurisdiction over the lands proposed for relinquishment, may revoke the withdrawal and reservation established by this subtitle as it applies to the lands proposed for relinquishment. Should the decision be made to revoke the withdrawal and reservation, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(1) terminate the withdrawal and reservation;

(2) constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which the lands will be opened to the operation of the public land laws, including the mining laws if appropriate.

SEC. 2909. DETERMINATION OF PRESENCE OF CONTAMINATION AND EFFECT OF CONTAMINATION.

(a) DETERMINATION OF PRESENCE OF CONTAMINATION.—

(1) BEFORE RELINQUISHMENT NOTICE.—Before filing a relinquishment notice under section 2908(c), the Secretary of the Army shall prepare a written determination as to whether and to what extent the lands to be relinquished are contaminated with explosive, toxic, or other hazardous materials. A copy of the determination made by the Secretary of the Army shall be supplied with the relinquishment notice. Copies of both the relinquishment notice and the determination under this subsection shall be published in the Federal Register by the Secretary of the Interior.

(2) UPON TERMINATION OF WITHDRAWAL.—At the expiration of the withdrawal period made by this Act, the Secretary of the Interior shall determine whether and to what extent the lands withdrawn by this subtitle are contaminated to an extent which prevents opening such contaminated lands to operation of the public land laws.

(b) PROGRAM OF DECONTAMINATION.—

(1) IN GENERAL.—Throughout the duration of the withdrawal and reservation made by this subtitle, the Secretary of the Army, to the extent funds are made available, shall maintain a program of decontamination of the lands withdrawn by this subtitle at least at the level of effort carried out during fiscal year 1992.

(2) DECONTAMINATION OF LANDS TO BE RELINQUISHED.—In the case of lands subject to a relinquishment notice under section 2908(c) that are contaminated, the Secretary of the Army shall decontaminate the land to the extent that funds are appropriated for such purpose if the Secretary of the Interior, in consultation with the Secretary of the Army, determines that—

(A) decontamination of the lands is practicable and economically feasible, taking into consideration the potential future use and value of the land; and

(B) upon decontamination, the land could be opened to the operation of some or all of the public land laws, including the mining laws.

(c) AUTHORITY OF SECRETARY OF THE INTERIOR TO REFUSE CONTAMINATED LANDS.—The Secretary of the Interior shall not be required to accept lands proposed for relinquishment if the Secretary of the Army and the Secretary of the Interior conclude that—

(1) decontamination of any or all of the lands proposed for relinquishment is not practicable or economically feasible;

(2) the lands cannot be decontaminated sufficiently to allow them to be opened to the operation of the public land laws; or

(3) insufficient funds are appropriated for the purpose of decontaminating the lands.

(d) EFFECT OF CONTINUED CONTAMINATION.—If the Secretary of the Interior declines under subsection (c) to accept jurisdiction of lands proposed for relinquishment or if the Secretary of the Interior determines under subsection (a)(2) that some of the lands withdrawn by this subtitle are contaminated to an extent that prevents opening the contaminated lands to operation of the public land laws—

(1) the Secretary of the Army shall take appropriate steps to warn the public of the contaminated state of such lands and any risks associated with entry onto such lands;

(2) after the expiration of the withdrawal, the Secretary of the Army shall undertake no activities on such lands except in connection with decontamination of such lands; and

(3) the Secretary of the Army shall report to the Secretary of the Interior and to the Congress concerning the status of such lands and all actions taken under paragraphs (1) and (2).

(e) EFFECT OF SUBSEQUENT DECONTAMINATION.—If the lands described in subsection (d) are subsequently decontaminated, upon certification by the Secretary of the Army that the lands are safe for all nonmilitary uses, the Secretary of the Interior shall reconsider accepting jurisdiction over the lands.

(f) EFFECT ON OTHER LAWS.—Nothing in this subtitle shall affect, or be construed to affect, the obligations of the Secretary of the Army, if any, to decontaminate lands withdrawn by this subtitle pursuant to applicable law, including the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

SEC. 2910. DELEGATION.

The functions of the Secretary of the Army under this subtitle may be delegated. The functions of the Secretary of the Interior under this subtitle may be delegated, except that the order referred to in section 2908(d) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

SEC. 2911. HOLD HARMLESS.

Any party conducting any mining, mineral, or geothermal leasing activity on lands comprising the Fort Carson Reservation or Pinon Canyon Maneuver Site shall indemnify the United States against any costs, fees, damages, or other liabilities (including costs of litigation) incurred by the United States and arising from or relating to such mining activities, including costs of mineral materials disposal, whether arising *under the Comprehensive Environmental Response Compensation and Liability Act of 1980, the Solid Waste Disposal Act, or otherwise.*

SEC. 2912. AMENDMENT TO MILITARY LANDS WITHDRAWAL ACT OF 1986.

(a) USE OF CERTAIN RESOURCES.—Section 3(f) of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3461) is amended by adding at the end the following new paragraph:

"(2) Subject to valid existing rights, the Secretary of the military department concerned may utilize sand, gravel, or similar mineral or material resources when the use of such resources is required for construction needs on the respective lands withdrawn by this Act.".

(b) TECHNICAL CORRECTION.—Section 9(b) of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3466) is amended by striking "section 7(f)" and inserting in lieu thereof "section 8(f)".

SEC. 2913. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this subtitle.

Subtitle B—El Centro Naval Air Facility Ranges Withdrawal

SEC. 2921. SHORT TITLE AND DEFINITIONS.

(a) SHORT TITLE.—This subtitle may be cited as the "El Centro Naval Air Facility Ranges Withdrawal Act".

(b) DEFINITIONS.—In this subtitle:

(1) The term "El Centro" means the Naval Air Facility, El Centro, California.

(2) The term "cooperative agreement" means the cooperative agreement entered into between the Bureau of Land Management, the Bureau of Reclamation, and the Department of the Navy, dated June 29, 1987, with regard to the defense-related uses of Federal lands to further the mission of El Centro.

(3) The term "relinquishment notice" means a notice of intention by the Secretary of the Navy under section 2928(a) to relinquish, before the termination date specified in section 2925, the withdrawal and reservation of certain lands withdrawn under this subtitle.

SEC. 2922. WITHDRAWAL AND RESERVATION OF LANDS FOR EL CENTRO.

(a) WITHDRAWALS.—Subject to valid existing rights, and except as otherwise provided in this subtitle, the Federal lands utilized in the mission of the Naval Air Facility, El Centro, California, that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, but not the mineral leasing or geothermal leasing laws or the mineral materials sales laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for the use by the Secretary of the Navy—

(1) for defense-related purposes in accordance with the cooperative agreement; and

(2) subject to notice to the Secretary of the Interior under section 2924(e), for other defense-related purposes determined by the Secretary of the Navy.

(c) DESCRIPTION OF WITHDRAWN LANDS.—The lands withdrawn and reserved under subsection (a) are—

(1) the Federal lands comprising approximately 46,600 acres in Imperial County, California, as generally depicted in part on a map entitled "Exhibit A, Naval Air Facility, El Centro, California, Land Acquisition Map, Range 2510 (West Mesa)" and dated March 1993 and in part on a map entitled "Exhibit B, Naval Air Facility, El Centro, California, Land Acquisition Map Range 2512 (East Mesa)" and dated March 1993; and

(2) and all other areas within the boundaries of such lands as depicted on such maps that may become subject to the operation of the public land laws.

SEC. 2923. MAPS AND LEGAL DESCRIPTIONS.

(a) PUBLICATION AND FILING REQUIREMENTS.—As soon as practicable after the date of the enactment of this subtitle, the Secretary of the Interior shall—

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved under this subtitle; and

(2) file maps and the legal description of the lands withdrawn and reserved under this subtitle with the Committee on Energy and Natural Resources of the Senate and with the Committee on Resources of the House of Representatives.

(b) LEGAL EFFECT.—The maps and legal description prepared under subsection (a) shall have the same force and effect as if they were included in this subtitle, except that the Secretary of the Interior may correct clerical and typographical errors in the maps and legal description.

(c) AVAILABILITY FOR PUBLIC INSPECTION.—Copies of the maps and legal description prepared under subsection (a) shall be available for public inspection in—

(1) the Office of the State Director, California State Office of the Bureau of Land Management, Sacramento, California;

(2) the Office of the District Manager, California Desert District of the Bureau of Land Management, Riverside, California; and

(3) the Office of the Commanding Officer, Marine Corps Air Station, Yuma, Arizona.

(d) REIMBURSEMENT.—The Secretary of Navy shall reimburse the Secretary of the Interior for the cost of implementing this section.

SEC. 2924. MANAGEMENT OF WITHDRAWN LANDS.

(a) MANAGEMENT CONSISTENT WITH COOPERATIVE AGREEMENT.—The lands and resources shall be managed in accordance with the cooperative agreement, revised as necessary to conform to the provisions of this subtitle. The parties to the cooperative agreement shall review the cooperative agreement for conformance with this subtitle and amend the cooperative agreement, if appropriate, within 120 days after the date of the enactment of this subtitle. The term of the cooperative agreement shall be amended so that its duration is at least equal to the duration of the withdrawal made by section 2925. The cooperative agreement may be reviewed and amended by the managing agencies as necessary.

(b) MANAGEMENT BY SECRETARY OF THE INTERIOR.—

(1) GENERAL MANAGEMENT AUTHORITY.—During the period of withdrawal, the Secretary of the Interior shall manage the lands withdrawn and reserved under this subtitle pursuant to the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable laws, including this subtitle.

(2) SPECIFIC AUTHORITIES.—To the extent consistent with applicable laws, Executive orders, and the cooperative agreement, the lands withdrawn and reserved under this subtitle may be managed in a manner permitting—

(A) protection of wildlife and wildlife habitat;

(B) control of predatory and other animals;

(C) the prevention and appropriate suppression of brush and range fires resulting from nonmilitary activities; and

(D) geothermal leasing and development and related power production, mineral leasing and development, and mineral material sales.

(3) EFFECT OF WITHDRAWAL.—The Secretary of the Interior shall manage the lands withdrawn and reserved under this subtitle, in coordination with the Secretary of the Navy, such that all nonmilitary use of such lands, including the uses described in paragraph (2), shall be subject to such conditions and restrictions as may be necessary to permit the military use of such lands for the purposes specified in the cooperative agreement or authorized pursuant to this subtitle.

(c) CERTAIN ACTIVITIES SUBJECT TO CONCURRENCE OF NAVY.—The Secretary of the Interior may issue a lease, easement, right-of-way, or other authorization with respect to the nonmilitary use of the withdrawn lands only with the concurrence of the Secretary of the Navy and under the terms of the cooperative agreement.

(d) ACCESS RESTRICTIONS.—If the Secretary of the Navy determines that military operations, public safety, or national security require the closure to public use of any road, trail, or other portion of the lands withdrawn under this subtitle, the Secretary may take such action as the Secretary determines necessary or desirable to effect and maintain such closure. Any such closure shall be limited to the minimum areas and periods which the Secretary of the Navy determines are required to carry out this subsection. Before and during any closure under this subsection, the Secretary of the Navy shall keep appropriate warning notices posted and take appropriate steps to notify the public concerning such closures.

(e) ADDITIONAL MILITARY USES.—Lands withdrawn under this subtitle may be used for defense-related uses other than those specified in the cooperative agreement. The Secretary of the Navy shall promptly notify the Secretary of the Interior in the event that the lands withdrawn under this subtitle will be used for additional defense-related purposes. Such notification shall indicate the additional use or uses involved, the proposed duration of such uses, and the extent to which such additional military uses of the withdrawn lands will require that additional or more stringent conditions or restrictions be imposed on otherwise-permitted nonmilitary uses of all or any portion of the withdrawn lands.

SEC. 2925. DURATION OF WITHDRAWAL AND RESERVATION.

The withdrawal and reservation made under this subtitle shall terminate 25 years after the date of the enactment of this subtitle.

SEC. 2926. CONTINUATION OF ONGOING DECONTAMINATION ACTIVITIES.

Throughout the duration of the withdrawal and reservation made under this subtitle, and subject to the availability of funds, the Secretary of the Navy shall maintain a program of decontamination of the lands withdrawn under this subtitle at least at the level of decontamination activities performed on such lands in fiscal year 1995. Such activities shall be subject to applicable laws, such as the amendments made by the Federal Facility Compliance Act of 1992 (Public Law 102–386; 106 Stat. 1505) and the Defense Environmental Restoration Program established under section 2701 of title 10, United States Code.

SEC. 2927. REQUIREMENTS FOR EXTENSION.

(a) NOTICE OF CONTINUED MILITARY NEED.—Not later than five years before the termination date specified in section 2925, the Secretary of the Navy shall advise the Secretary of the Interior as to whether or not the Navy will have a continuing military need for any or all of the lands withdrawn and reserved under this subtitle after the termination date.

(b) APPLICATION FOR EXTENSION.—If the Secretary of the Navy determines that there will be a continuing military need for any or all of the withdrawn lands after the termination date specified in section 2925, the Secretary of the Navy shall file an application for extension of the withdrawal and reservation of the lands in accordance with the then existing regulations and procedures of the Department of the Interior applicable to extension of withdrawal of lands for military purposes and that are consistent with this subtitle. Such application shall be

filed with the Department of the Interior not later than four years before the termination date.

(c) Extension Process.—The withdrawal and reservation established by this subtitle may not be extended except by an Act or Joint Resolution of Congress.

SEC. 2928. EARLY RELINQUISHMENT OF WITHDRAWAL.

(a) Filing of Relinquishment Notice.—If, during the period of withdrawal and reservation specified in section 2925, the Secretary of the Navy decides to relinquish all or any portion of the lands withdrawn and reserved under this subtitle, the Secretary of the Navy shall file a notice of intention to relinquish with the Secretary of the Interior.

(b) Determination of Presence of Contamination.—Before transmitting a relinquishment notice under subsection (a), the Secretary of the Navy, in consultation with the Secretary of the Interior, shall prepare a written determination concerning whether and to what extent the lands to be relinquished are contaminated with explosive, toxic, or other hazardous wastes and substances. A copy of such determination shall be transmitted with the relinquishment notice.

(c) Decontamination and Remediation.—In the case of contaminated lands which are the subject of a relinquishment notice, the Secretary of the Navy shall decontaminate or remediate the land to the extent that funds are appropriated for such purpose if the Secretary of the Interior, in consultation with the Secretary of the Navy, determines that—

(1) decontamination or remediation of the lands is practicable and economically feasible, taking into consideration the potential future use and value of the land; and

(2) upon decontamination or remediation, the land could be opened to the operation of some or all of the public land laws, including the mining laws.

(d) Decontamination and Remediation Activities Subject to Other Laws.—The activities of the Secretary of the Navy under subsection (c) are subject to applicable laws and regulations, including the Defense Environmental Restoration Program established under section 2701 of title 10, United States Code, the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.), and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(e) Authority of Secretary of the Interior To Refuse Contaminated Lands.—The Secretary of the Interior shall not be required to accept lands specified in a relinquishment notice if the Secretary of the Interior, after consultation with the Secretary of the Navy, concludes that—

(1) decontamination or remediation of any land subject to the relinquishment notice is not practicable or economically feasible;

(2) the land cannot be decontaminated or remediated sufficiently to be opened to operation of some or all of the public land laws; or

(3) a sufficient amount of funds are not appropriated for the decontamination of the land.

(f) Status of Contaminated Lands.—If, because of the condition of the lands, the Secretary of the Interior declines to accept jurisdiction of lands proposed for relinquishment or, if at the expiration of the withdrawal made under this subtitle, the Secretary of the Interior determines that some of the lands withdrawn under this subtitle are contaminated to an extent which prevents opening such contaminated lands to operation of the public land laws—

(1) the Secretary of the Navy shall take appropriate steps to warn the public of the contaminated state of such lands and any risks associated with entry onto such lands;

(2) after the expiration of the withdrawal, the Secretary of the Navy shall retain jurisdiction over the withdrawn lands, but shall undertake no activities on such lands except in connection with the decontamination or remediation of such lands; and

(3) the Secretary of the Navy shall report to the Secretary of the Interior and to the Congress concerning the status of such lands and all actions taken under paragraphs (1) and (2).

(g) Subsequent Decontamination or Remediation.—If lands covered by subsection (f) are subsequently decontaminated or remediated and the Secretary of the Navy certifies that the lands are safe for nonmilitary uses, the Secretary of the Interior shall reconsider accepting jurisdiction over the lands.

(h) Revocation Authority.—Notwithstanding any other provision of law, upon deciding that it is in the public interest to accept jurisdiction over lands specified in a relinquishment notice, the Secretary of the Interior may revoke the withdrawal and reservation made under this subtitle as it applies to such lands. If the decision be made to accept the relinquishment and to revoke the withdrawal and reservation, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(1) terminate the withdrawal and reservation;

(2) constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which the lands will be opened to the operation of the public land laws, including the mining laws, if appropriate.

SEC. 2929. DELEGATION OF AUTHORITY.

(a) Department of the Navy.—The functions of the Secretary of the Navy under this subtitle may be delegated.

(b) Department of Interior.—The functions of the Secretary of the Interior under this subtitle may be delegated, except that an order described in section 2928(h) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

SEC. 2930. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn under this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code.

SEC. 2931. HOLD HARMLESS.

Any party conducting any mining, mineral, or geothermal leasing activity on lands withdrawn and reserved under this subtitle shall indemnify the United States against any costs, fees, damages, or other liabilities (including costs of litigation) incurred by the United States and arising from or relating to such mining activities, including costs of mineral materials disposal, whether arising under the Comprehensive Environmental Response Compensation and Liability Act of 1980, the Solid Waste Disposal Act, or otherwise.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) Stockpile Stewardship.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for stockpile stewardship in carrying out weapons activities necessary for national security programs in the amount of $1,676,767,000, to be allocated as follows:

(1) For core stockpile stewardship, $1,250,907,000 for fiscal year 1997, to be allocated as follows:

(A) For operation and maintenance, $1,162,570,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $88,337,000, to be allocated as follows:

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $19,250,000.

Project 96–D–103, ATLAS, Los Alamos National Laboratory, Los Alamos, New Mexico, $15,100,000.

Project 96–D–104, processing and environmental technology laboratory (PETL), Sandia National Laboratories, Albuquerque, New Mexico, $14,100,000.

Project 96–D–105, contained firing facility addition, Lawrence Livermore National Laboratory, Livermore, California, $17,100,000.

Project 95–D–102, Chemical and Metallurgy Research Building upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $15,000,000.

Project 94–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase V, various locations, $7,787,000.

(2) For inertial fusion, $366,460,000, to be allocated as follows:

(A) For operation and maintenance, $234,560,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $131,900,000 to be allocated as follows:

Project 96–D–111, national ignition facility, TBD, $131,900,000.

(3) For technology transfer and education, $59,400,000.

(b) Stockpile Management.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for stockpile management in carrying out weapons activities necessary for national security programs in the amount of $1,923,831,000, to be allocated as follows:

(1) For operation and maintenance, $1,829,470,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $94,361,000, to be allocated as follows:

Project 97–D–121, consolidation pit packaging system, Pantex Plant, Amarillo, Texas, $870,000.

Project 97–D–122, nuclear materials storage facility renovation, LANL, Los Alamos, New Mexico, $4,000,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $1,400,000.

Project 97–D–124, steam plant wastewater treatment facility upgrade, Y–12 plant, Oak Ridge, Tennessee, $600,000.

Project 96–D–122, sewage treatment quality upgrade (STQU), Pantex Plant, Amarillo, Texas, $100,000.

Project 96–D–123, retrofit HVAC and chillers for ozone protection, Y–12 Plant, Oak Ridge, Tennessee, $7,000,000.

Project 96–D–125, Washington measurements operations facility, Andrews Air Force Base, Camp Springs, Maryland, $3,825,000.

Project 95–D–122, sanitary sewer upgrade, Y–12 Plant, Oak Ridge, Tennessee, $10,900,000.

Project 94–D–124, hydrogen fluoride supply system, Y–12 Plant, Oak Ridge, Tennessee, $4,900,000.

Project 94–D–125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $5,200,000.

Project 94–D–127, emergency notification system, Pantex Plant, Amarillo, Texas, $2,200,000.

Project 93–D–122, life safety upgrades, Y–12 Plant, Oak Ridge, Tennessee, $7,200,000.

Project 93–D–123, complex-21, various locations, $14,487,000.

Project 88–D–122, facilities capability assurance program, various locations, $21,940,000.

Project 88–D–123, security enhancement, Pantex Plant, Amarillo, Texas, $9,739,000.

(c) PROGRAM DIRECTION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for program direction in carrying out weapons activities necessary for national security programs in the amount of $334,404,000.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) ENVIRONMENTAL RESTORATION.—Subject to subsection (i), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for environmental restoration in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,812,194,000, of which $376,648,000 shall be allocated to the uranium enrichment decontamination and decommissioning fund.

(b) WASTE MANAGEMENT.—Subject to subsection (i), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for waste management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,536,653,000, to be allocated as follows:

(1) For operation and maintenance, $1,448,326,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $88,327,000, to be allocated as follows:

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $7,584,000.

Project 96–D–408, waste management upgrades, various locations, $11,246,000.

Project 95–D–402, install permanent electrical service for the Waste Isolation Pilot Plant, Carlsbad, New Mexico, $752,000.

Project 95–D–405, industrial landfill V and construction/demolition landfill VII, Y–12 Plant, Oak Ridge, Tennessee, $200,000.

Project 94–D–404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $6,345,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $12,600,000.

Project 93–D–182, replacement of cross-site transfer system, Richland, Washington, $8,100,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $20,000,000.

Project 89–D–174, replacement high-level waste evaporator, Savannah River Site, Aiken, South Carolina, $11,500,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $10,000,000.

(c) NUCLEAR MATERIALS AND FACILITIES STABILIZATION.—Subject to subsection (i), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for nuclear materials and facilities stabilization in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,269,290,000 to be allocated as follows:

(1) For operation and maintenance, $1,151,718,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $117,572,000, to be allocated as follows:

Project 97–D–450, Actinide packaging and storage facility, Savannah River Site, Aiken, South Carolina, $7,900,000.

Project 97–D–451, B-Plant safety class ventilation upgrades, Richland, Washington, $1,500,000.

Project 97–D–470, environmental monitoring laboratory, Savannah River, Aiken, South Carolina, $2,500,000.

Project 97–D–473, health physics site support facility, Savannah River, Aiken, South Carolina, $2,000,000.

Project 96–D–406, spent nuclear fuels canister storage and stabilization facility, Richland, Washington, $60,672,000.

Project 96–D–461, electrical distribution upgrade, Idaho National Engineering Laboratory, Idaho, $6,790,000.

Project 96–D–464, electrical and utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $10,440,000.

Project 96–D–471, CFC HVAC/chiller retrofit, Savannah River Site, Aiken, South Carolina, $8,541,000.

Project 95–E–600, hazardous materials management and emergency response training center, Richland, Washington, $7,900,000.

Project 95–D–155, upgrade site road infrastructure, Savannah River, South Carolina, $4,137,000.

Project 95–D–456, security facilities consolidation, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $4,645,000.

Project 94–D–401, emergency response facility, Idaho National Engineering Laboratory, Idaho, $547,000.

(d) PROGRAM DIRECTION.—Subject to subsection (i), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $375,511,000.

(e) TECHNOLOGY DEVELOPMENT.—Subject to subsection (i), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for technology development in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $303,771,000.

(f) POLICY AND MANAGEMENT.—Subject to subsection (i), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for policy and management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $23,155,000.

(g) ENVIRONMENTAL SCIENCE PROGRAM.—Subject to subsection (i), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for the environmental science program in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $62,136,000.

(h) ENVIRONMENTAL MANAGEMENT PRIVATIZATION.—Subject to subsection (i), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for environmental management privatization in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $185,000,000.

(i) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (h) reduced by the sum of—

(1) $150,400,000, for use of prior year balances; and

(2) $8,000,000 for Savannah River Pension Refund.

SEC. 3103. DEFENSE FIXED ASSET ACQUISITION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for the defense fixed asset acquisition/privatization program in the amount of $182,000,000.

SEC. 3104. OTHER DEFENSE ACTIVITIES.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for other defense activities in carrying out programs necessary for national security in the amount of $1,487,800,000, to be allocated as follows:

(1) For verification and control technology, $399,648,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $194,919,000.

(B) For arms control, $169,544,000.

(C) For intelligence, $35,185,000.

(2) For nuclear safeguards and security, $47,208,000.

(3) For security investigations, $22,000,000.

(4) For emergency management, $16,794,000.

(5) For program direction, nonproliferation, and national security, $95,622,000.

(6) For environment, safety, and health, defense, $63,800,000.

(7) For worker and community transition assistance, $67,000,000.

(8) For fissile materials disposition, $93,796,000, to be allocated as follows:

(A) For operations and maintenance, $76,796,000.

(B) For the following plant project (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto):

Project 97–D–140, consolidated special nuclear materials storage facility, site to be determined, $17,000,000.

(9) For naval reactors development, $681,932,000, to be allocated as follows:

(A) For operation and infrastructure, $649,330,000.

(B) For program direction, $18,902,000.

(C) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $13,700,000, to be allocated as follows:

Project 97–D–201, advanced test reactor secondary coolant refurbishment, Idaho National Engineering Laboratory, Idaho, $400,000.

Project 95–D–200, laboratory systems and hot cell upgrades, various locations, $4,800,000.

Project 95–D–201, advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, Idaho, $500,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors facility, Idaho, $8,000,000.

SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $200,000,000.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $1,000,000 more than the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $2,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same period as the authorizations of the Federal agency to which the amounts are transferred.

(b) TRANSFER WITHIN DEPARTMENT OF ENERGY; LIMITATIONS.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than five percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than five percent by a transfer under such paragraph.

(3) The authority provided by this section to transfer authorizations—

(A) may only be used to provide funds for items relating to weapons activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(B) may not be used to provide authority for an item that has been denied funds by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT FOR CONCEPTUAL DESIGN.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than $2,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for such design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including those funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making such activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriations Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. STOCKPILE STEWARDSHIP PROGRAM.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101, $100,000,000 shall be available to carry out the following activities within the stockpile stewardship program:

(1) $20,000,000 for enhanced surveillance involving the nuclear production plants and the nuclear weapons design laboratories.

(2) $15,000,000 for a production capability assurance program for critical non-nuclear components.

(3) $25,000,000 for an accelerated capability to produce prototype war reserve-quality plutonium pits.

(4) $20,000,000 for dual revalidation of warheads in the nuclear weapons stockpile.

(5) $20,000,000 for the stockpile life extension program.

(b) REPORT.—Not later than October 15, 1996, the Secretary of Energy shall submit to the congressional defense committees a report on the obligations the Secretary has incurred, and plans to incur, during fiscal year 1997 for the stockpile stewardship program.

SEC. 3132. MANUFACTURING INFRASTRUCTURE FOR NUCLEAR WEAPONS STOCKPILE.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101, $125,000,000 shall be available to carry out the stockpile manufacturing infrastructure program.

(b) REQUIRED CAPABILITIES.—The manufacturing infrastructure established under the program shall include the capabilities listed in subsection (b) of section 3137 of Public Law 104–106 (110 Stat. 620).

(c) REPORT.—Not later than October 15, 1996, the Secretary of Energy shall submit to the congressional defense committees a report on the obligations the Secretary has incurred, and plans to incur, during fiscal year 1997 for the stockpile manufacturing infrastructure program.

(d) STOCKPILE MANUFACTURING INFRASTRUCTURE PROGRAM.—In this section, the term "stockpile manufacturing infrastructure program" means the program carried out pursuant to section 3137 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 620).

SEC. 3133. PRODUCTION OF HIGH EXPLOSIVES.

The manufacture and fabrication of high explosives and energetic materials for use as components in nuclear weapons systems shall be carried out at the Pantex Plant, Amarillo, Texas. No funds appropriated or otherwise made available to the Department of Energy may be *used to move, or prepare to move, the manufacture and fabrication of high explosives and energetic materials for use as components in nuclear weapons systems from the Pantex Plant to any other site or facility of the Department of Energy.*

SEC. 3134. LIMITATION ON USE OF FUNDS BY LABORATORIES FOR LABORATORY-DIRECTED RESEARCH AND DEVELOPMENT.

(a) REDUCTION OF FUNDING.—Section 3132(c) of Public Law 101–510 (104 Stat. 1832) is amended by striking out "6 percent" and inserting in lieu thereof "2 percent".

(b) LIMITATION.—None of the funds provided in a fiscal year, beginning with fiscal year 1997, by the Secretary of Energy to be used by laboratories for laboratory-directed research and development pursuant to section 3132(c) of Public Law 101–510 (42 U.S.C. 7257a(c)) may be obligated or expended by such laboratories until a period of 15 days has expired after the Secretary of Energy submits to the congressional defense committees a report setting forth in detail information about the manner in which such funds are planned to be used during that fiscal year. The report shall include a description and justification of the planned uses of the funds.

SEC. 3135. PROHIBITION ON FUNDING NUCLEAR WEAPONS ACTIVITIES WITH PEOPLE'S REPUBLIC OF CHINA.

(a) FUNDING PROHIBITION.—Funds authorized to be appropriated to, or otherwise available to, the Department of Energy for fiscal year 1997 may not be obligated or expended for any activity associated with the conduct of cooperative programs relating to nuclear weapons or nuclear weapons technology, including stockpile stewardship, safety, and use control, with the People's Republic of China.

(b) REPORT.—(1) The Secretary of Energy shall prepare, in consultation with the Secretary of Defense, a report containing a description of all discussions and activities between the United States and the People's Republic of China regarding nuclear weapons matters that have occurred before the date of the enactment of this Act and that are planned to occur after such date. For each such discussion or activity, the report shall include—

(A) the authority under which the discussion or activity took or will take place;

(B) the subject of the discussion or activity;

(C) participants or likely participants;

(D) the source and amount of funds used or to be used to pay for the discussion or activity; and

(E) a description of the actions taken or to be taken to ensure that no classified or restricted data were or will be revealed, and a determination of whether classified or restricted data was revealed in previous discussions.

(2) The report shall be submitted to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than October 15, 1996.

SEC. 3136. INTERNATIONAL COOPERATIVE STOCKPILE STEWARDSHIP PROGRAMS.

(a) FUNDING PROHIBITION.—Funds authorized to be appropriated to, or otherwise available to, the Department of Energy for fiscal year 1997 may not be obligated or expended to conduct any activities associated with international cooperative stockpile stewardship.

(b) EXCEPTION.—Subsection (a) does not apply with respect to such activities conducted between the United States and the United Kingdom, and between the United States and France.

SEC. 3137. TEMPORARY AUTHORITY RELATING TO TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of the office to another such program or project. Any such transfer may be done only one time in a fiscal year to or from each program or project, and the amount transferred to or from the program or project may not exceed $5,000,000 in a fiscal year.

(b) DETERMINATION.—A transfer may not be carried out by a manager of a field office pursuant to the authority provided under subsection (a) unless the manager determines that such transfer is necessary to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at that field office.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary of Energy, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such a transfer occurs.

(e) LIMITATION.—Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(f) DEFINITIONS.—In this section:

(1) The term "program or project" means, with respect to a field office of the Department of Energy, any of the following:

(A) A project listed in subsection (b) or (c) of section 3102 being carried out by the office.

(B) A program referred to in subsection (a), (b), (c), (e), (g), or (h) of section 3102 being carried out by the office.

(C) A project or program not described in subparagraph (A) or (B) that is for environmental restoration or waste management activities necessary for national security programs of the Department of Energy, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term "defense environmental management funds" means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(g) DURATION OF AUTHORITY.—The authority provided under subsection (a) to a manager of a field office shall be in effect from the date of the enactment of this Act to September 30, 1997.

SEC. 3138. MANAGEMENT STRUCTURE FOR NUCLEAR WEAPONS PRODUCTION FACILITIES AND NUCLEAR WEAPONS LABORATORIES.

(a) LIMITATION ON DELEGATION OF AUTHORITY.—(1) The Secretary of Energy, in carrying out national security programs, may delegate specific management and planning authority over matters relating to site operation of the facilities and laboratories covered by this section only to the Assistant Secretary of Energy for Defense Programs. Such Assistant Secretary may redelegate such authority only to managers of area offices of the Department of Energy located at such facilities and laboratories.

(2) Nothing in this section may be construed as affecting the delegation by the Secretary of Energy of authority relating to reporting, management, and oversight of matters relating to the Department of Energy generally, or safety, environment, and health at such facilities and laboratories.

(b) REQUIREMENT TO CONSULT WITH AREA OFFICES.—The Assistant Secretary of Energy for Defense Programs, in exercising any delegated authority to oversee management of matters relating to site operation of a facility or laboratory, shall exercise such authority only after direct consultation with the manager of the area office of the Department of Energy located at the facility or laboratory.

(c) REQUIREMENT FOR DIRECT COMMUNICATION FROM AREA OFFICES.—The Secretary of Energy, acting through the Assistant Secretary of Energy for Defense Programs, shall require the head of each area office of the Department of Energy located at each facility and laboratory covered by this section to report on matters relating to site operation other than those matters set forth in subsection (a)(2) directly to the Assistant Secretary of Energy for Defense Programs, without obtaining the approval or concurrence of any other official within the Department of Energy.

(d) DEFENSE PROGRAMS REORGANIZATION PLAN AND REPORT.—(1) The Secretary of Energy shall develop a plan to reorganize the field activities and management of the national security functions of the Department of Energy.

(2) Not later than 120 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the plan developed under paragraph (1). The report shall specifically identify all significant functions performed by the operations offices relating to any of the facilities and laboratories covered by this section and which of those functions could be performed—

(A) by the area offices of the Department of Energy located at the facilities and laboratories covered by this section; or

(B) by the Assistant Secretary of Energy for Defense Programs.

(3) The report also shall address and make recommendations with respect to other internal streamlining and reorganization initiatives that the Department could pursue with respect to military or national security programs.

(e) DEFENSE PROGRAMS MANAGEMENT COUNCIL.—The Secretary of Energy shall establish a Defense Programs Management Council to advise the Secretary on policy matters, operational concerns, strategic planning, and development of priorities relating to the national security functions of the Department of Energy. The Council shall be composed of the directors of the facilities and laboratories and shall report directly to the Assistant Secretary of Energy for Defense Programs.

(f) COVERED SITE OPERATIONS.—For purposes of this section, matters relating to site operation of a facility or laboratory include matters relating to personnel, budget, and procurement in national security programs.

(g) COVERED FACILITIES AND LABORATORIES.—This section applies to the following facilities and laboratories of the Department of Energy:

(1) The Kansas City Plant, Kansas City, Missouri.

(2) The Pantex Plant, Amarillo, Texas.

(3) The Y–12 Plant, Oak Ridge, Tennessee.

(4) The Savannah River Site, Aiken, South Carolina.

(5) Los Alamos National Laboratory, Los Alamos, New Mexico.

(6) Sandia National Laboratories, Albuquerque, New Mexico.

(7) Lawrence Livermore National Laboratory, Livermore, California.

(8) The Nevada Test Site, Nevada.

Subtitle D—Other Matters

SEC. 3141. REPORT ON NUCLEAR WEAPONS STOCKPILE MEMORANDUM.

(a) SUBMISSION OF COPY OF MEMORANDUM.—Not less than 15 days after the date of the enactment of this Act, the President shall submit to the congressional defense committees a copy of the Nuclear Weapons Stockpile Memorandum approved by the President in April 1996.

(b) SUBMISSION OF COPY OF MEMORANDUM AND REPORT.—Not less than 30 days after the President has approved any update to the Nuclear Weapons Stockpile Memorandum, the President shall submit to the congressional defense committees a copy of that Memorandum, together with a report describing the changes to the Memorandum compared to the previous submission.

(c) FORM.—The submissions required by this section shall be in classified and unclassified form.

SEC. 3142. REPORT ON PLUTONIUM PIT PRODUCTION AND REMANUFACTURING PLANS.

(a) REPORT REQUIREMENT.—The Secretary of Energy shall submit to the congressional defense committees a report on plans for achieving the capability to produce and remanufacture plutonium pits. The report shall include a description of the baseline plan of the Department of Energy for achieving such capability, including the following:

(1) The funding necessary, by fiscal year, to achieve the capability.

(2) The schedule necessary to achieve the capability, including important technical and programmatic milestones.

(3) Siting, capacity for expansion, and other issues included in the baseline plan.

(b) DEADLINE.—The report required by subsection (a) shall be submitted not later than 60 days after the date of the enactment of this Act.

SEC. 3143. AMENDMENTS RELATING TO BASELINE ENVIRONMENTAL MANAGEMENT REPORTS.

Section 3153 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160;107 Stat. 1950) is amended—

(1) in subsection (b)—

(A) by striking out the first word in the heading and inserting in lieu thereof "BIENNIAL"; and

(B) in paragraph (2)(B), by inserting before "year after 1995" the following: "odd-numbered"; and

(2) in subsection (d)—

(A) by striking out the first word in the heading and inserting in lieu thereof "BIENNIAL"; and

(B) in paragraph (1)(B), by striking out "in each year thereafter" and inserting in lieu thereof "in each odd-numbered year thereafter".

SEC. 3144. REQUIREMENT TO DEVELOP FUTURE USE PLANS FOR ENVIRONMENTAL MANAGEMENT PROGRAM.

(a) AUTHORITY TO DEVELOP FUTURE USE PLANS.—The Secretary may develop future use plans for any defense nuclear facility at which environmental restoration and waste management activities are occurring.

(b) REQUIREMENT TO DEVELOP FUTURE USE PLANS.—The Secretary of Energy shall develop a future use plan for each of the following defense nuclear facilities:

(1) Hanford Site, Richland, Washington.

(2) Rocky Flats Plant, Golden, Colorado.

(3) Savannah River Site, Aiken, South Carolina.

(4) Idaho National Engineering Laboratory, Idaho.

(c) FUTURE USE ADVISORY BOARD.—(1) At a defense nuclear facility where the Secretary of Energy intends to develop a future use plan and no citizen advisory board has been established, the Secretary shall establish a future use advisory board.

(2) The Secretary may prescribe regulations regarding the establishment, characteristics, composition, and funding of future use advisory boards pursuant to this subsection.

(3) The Secretary may authorize the manager of a defense nuclear facility for which a future use plan is developed (or, if there is no such manager, an appropriate official of the Department of Energy designated by the Secretary) to pay routine administrative expenses of a future use advisory board established for that site. Such payments shall be made from funds available to the Secretary for program direction in carrying out environmental restoration and waste management activities necessary for national security programs.

(d) REQUIREMENT TO CONSULT WITH FUTURE USE ADVISORY BOARD.—In developing a future use plan under this section with respect to a defense nuclear facility, the Secretary of Energy shall consult with a future use advisory board established pursuant to subsection (c) or a similar advisory board already in existence as of the date of the enactment of this Act for such facility, affected local governments (including any local future use redevelopment authorities), and other appropriate State agencies.

(e) 50-YEAR PLANNING PERIOD.—A future use plan developed under this section shall cover a period of at least 50 years.

(f) DEADLINES.—For each site listed in subsection (b), the Secretary shall develop a draft plan by October 1, 1997, and a final plan by March 15, 1998.

(g) REPORT.—Not later than 60 days after completing development of a final plan for a site listed in subsection (b), the Secretary of Energy shall submit to Congress a report on the plan. The report shall describe the plan and contain such findings and recommendations with respect to the site as the Secretary considers appropriate.

(h) SAVINGS PROVISIONS.—(1) Nothing in this section or in a future use plan developed under this section with respect to a defense nuclear facility shall be construed as requiring any modification to a future use plan that was developed before the date of the enactment of this Act.

(2) Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

Subtitle E—Defense Nuclear Environmental Cleanup and Management

SEC. 3151. PURPOSE.

The purpose of this subtitle is to provide for the expedited environmental restoration and waste management of Department of Energy defense nuclear facilities through the use of cost-effective management mechanisms and innovative technologies.

SEC. 3152. COVERED DEFENSE NUCLEAR FACILITIES.

(a) APPLICABILITY.—This subtitle applies to any defense nuclear facility of the Department of Energy for which the fiscal year 1996 environmental management budget was $350,000,000 or more.

(b) DEFENSE NUCLEAR FACILITY DEFINED.—In this subtitle, the term "defense nuclear facility" means a former or current defense nuclear production facility that is owned and managed by the Department of Energy.

SEC. 3153. SITE MANAGER.

(a) APPOINTMENT.—The Secretary of Energy shall expeditiously appoint a Site Manager for each Department of Energy defense nuclear facility (in this subtitle referred to as the "Site Manager").

(b) SCOPE.—(1) In addition to other authorities provided for in this Act, the Secretary of Energy may delegate to the Site Manager of a defense nuclear facility authority to oversee and direct environmental management operations at the facility, including the authority to—

(A) enter into and modify contractual agreements to enhance environmental restoration and waste management at the facility;

(B) request that the Department of Energy headquarters submit to Congress a reprogramming package shifting funds among accounts in order to facilitate the most efficient and timely environmental restoration and waste management of the facility, and, in the event that the Department headquarters does not act upon the request within 60 days, submit such request to the appropriate congressional committees for review;

(C) subject to paragraph (2), negotiate amendments to environmental agreements for the Department of Energy;

(D) manage Department of Energy personnel at the facility;

(E) consider the costs, risk reduction benefits, and other benefits for the purposes of ensuring protection of human health and the environment or safety, with respect to any environmental remediation activity the cost of which exceeds $25,000,000; and

(F) have assessments prepared for environmental restoration activities (in several documents or a single document, as determined by the Site Manager).

(2) In using the authority described in paragraph (1)(C), a Site Manager may not negotiate an amendment that is expected to result in additional significant life cycle costs to the Department of Energy without the approval of the Secretary of Energy.

(3) In using any authority described in paragraph (1), a Site Manager of a facility shall consult with the State where the facility is located and the advisory board for the facility.

(4) The delegation of any authority pursuant to this subsection shall not be construed as restricting the Secretary of Energy's authority to delegate other authorities as necessary.

(c) INFORMATION TO SECRETARY OF ENERGY.—The Site Manager of a defense nuclear facility shall regularly inform the Secretary of Energy, Congress, and the advisory board for the facility of the progress made by the Site Manager to achieve the expedited environmental restoration and waste management of the facility.

SEC. 3154. DEPARTMENT OF ENERGY ORDERS.

An order imposed after the date of the enactment of this Act relating to the execution of environmental restoration, waste management, or technology development activities at a defense nuclear facility under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) may be imposed by the Secretary of Energy at the defense nuclear facility only if the Secretary finds that the order is necessary for the protection of human health and the environment or safety, or the fulfillment of current legal requirements.

SEC. 3155. DEPLOYMENT OF TECHNOLOGY FOR REMEDIATION OF DEFENSE NUCLEAR WASTE.

(a) IN GENERAL.—The Secretary of Energy shall encourage the Site Manager of each defense nuclear facility to promote the deployment of innovative environmental technologies for remediation of defense nuclear waste at the facility.

(b) CRITERIA.—To carry out subsection (a), the Secretary shall encourage the Site Manager of a defense nuclear facility to establish a program at the facility to enhance the deployment of innovative environmental technologies at the facility. The Secretary may require the Site Manager, in establishing such a program—

(1) to establish a simplified, standardized, and timely process for the acceptance and deployment of environmental technologies;

(2) to solicit applications to deploy environmental technologies suitable for environmental

restoration and waste management activities at the facility, including prevention, control, characterization, treatment, and remediation of contamination;

(3) to enter into contracts and other agreements with other public and private entities to deploy environmental technologies at the facility; and

(4) to include incentives, such as product performance specifications, in contracts to encourage the implementation of innovative environmental technologies.

SEC. 3156. PERFORMANCE-BASED CONTRACTING.

(a) PROGRAM.—The Secretary of Energy shall develop and implement a program for performance-based contracting for contracts entered into for environmental remediation at defense nuclear facilities. The program shall ensure that, to the maximum extent practicable and appropriate, such contracts include the following:

(1) Clearly stated and results oriented performance criteria and measures.

(2) Appropriate incentives for contractors to meet and exceed the performance criteria effectively and efficiently.

(3) Appropriate criteria and incentives for contractors to seek and engage subcontractors who may more effectively and efficiently perform either unique and technologically challenging tasks or routine and interchangeable services.

(4) Specific incentives for cost savings.

(5) Financial accountability.

(6) When appropriate, allocation of fee or profit reduction for failure to meet minimum performance criteria and standards.

(b) CRITERIA AND MEASURES.—Performance criteria and measures should take into consideration, at a minimum, the following: managerial control; elimination or reduction of risk to public health and the environment; workplace safety; financial control; goal-oriented work scope; use of innovative and alternative technologies and techniques that result in cleanups being performed less expensively, more quickly, and within quality parameters; and performing within benchmark cost estimates.

(c) CONSULTATION.—In implementing this section, the Secretary of Energy shall consult with interested parties.

(d) DEADLINE.—The Secretary of Energy shall implement this section not later than October 1, 1997, unless the Secretary submits to Congress before that date a report with a schedule for completion of action under this section.

SEC. 3157. DESIGNATION OF DEFENSE NUCLEAR FACILITIES AS NATIONAL ENVIRONMENTAL CLEANUP DEMONSTRATION AREAS.

(a) DESIGNATION.—The Secretary of Energy, upon receipt of a request from a Governor of a State in which a defense nuclear facility is situated, may designate the facility as a "National Environmental Cleanup Demonstration Area" to carry out the purposes of this subtitle.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Federal and State regulatory agencies, members of the community surrounding the facilities designated under subsection (a), and other affected parties should work to develop expedited and streamlined processes and systems for cleaning up the facilities, to eliminate unnecessary bureaucratic delay, and to proceed expeditiously with environmental restoration activities.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1997, $17,000,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Subtitle A—Authorization of Disposals and Use of Funds

SEC. 3301. DEFINITIONS.

In this title:

(1) The term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term "National Defense Stockpile Transaction Fund" means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 1997, the National Defense Stockpile Manager may obligate up to $60,000,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)).

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

Subtitle B—Programmatic Change

SEC. 3311. BIENNIAL REPORT ON STOCKPILE REQUIREMENTS.

(a) NATIONAL EMERGENCY PLANNING ASSUMPTIONS.—Section 14 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–5) is amended—

(1) by redesignating subsection (c) as subsection (e); and

(2) by striking out subsection (b) and inserting in lieu thereof the following new subsection:

"(b) Each report under this section shall set forth the national emergency planning assumptions used by the Secretary in making the Secretary's recommendations under subsection (a)(1) with respect to stockpile requirements. The Secretary shall base the national emergency planning assumptions on a military conflict scenario consistent with the scenario used by the Secretary in budgeting and defense planning purposes. The assumptions to be set forth include assumptions relating to each of the following:

"(1) The length and intensity of the assumed military conflict.

"(2) The military force structure to be mobilized.

"(3) The losses anticipated from enemy action.

"(4) The military, industrial, and essential civilian requirements to support the national emergency.

"(5) The availability of supplies of strategic and critical materials from foreign sources during the mobilization period, the military conflict, and the subsequent period of replenishment, taking into consideration possible shipping losses.

"(6) The domestic production of strategic and critical materials during the mobilization period, the military conflict, and the subsequent period of replenishment, taking into consideration possible shipping losses.

"(7) Civilian austerity measures required during the mobilization period and military conflict.

"(c) The stockpile requirements shall be based on those strategic and critical materials necessary for the United States to replenish or replace, within three years of the end of the military conflict scenario required under subsection (b), all munitions, combat support items, and weapons systems that would be consumed or exhausted during such a military conflict.

"(d) The Secretary shall also include in each report under this section an examination of the effect that alternative mobilization periods under the military conflict scenario required under subsection (b), as well as a range of other military conflict scenarios addressing potentially more serious threats to national security, would have on the Secretary's recommendations under subsection (a)(1) with respect to stockpile requirements.".

(b) CONFORMING AMENDMENT.—Section 2 of such Act (50 U.S.C. 98a) is amended by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) The purpose of the National Defense Stockpile is to serve the interest of national defense only. The National Defense Stockpile is not to be used for economic or budgetary purposes.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1996.

SEC. 3312. NOTIFICATION REQUIREMENTS.

(a) PROPOSED CHANGES IN STOCKPILE QUANTITIES.—Section 3(c)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(c)(2)) is amended—

(1) by striking out "effective on or after the 30th legislative day following" and inserting in lieu thereof "after the end of the 45-day period beginning on"; and

(2) by striking out the last sentence.

(b) WAIVER OF ACQUISITION AND DISPOSAL REQUIREMENTS.—Section 6(d)(1) of such Act (50 U.S.C. 98e(d)(1)) is amended by striking out "thirty days" and inserting in lieu thereof "45 days".

(c) TIME TO BEGIN DISPOSAL.—Section 6(d)(2) of such Act (50 U.S.C. 98e(d)(2)) is amended by striking out "thirty days" and inserting in lieu thereof "45 days".

SEC. 3313. IMPORTATION OF STRATEGIC AND CRITICAL MATERIALS.

Section 13 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–4) is amended—

(1) by striking out "as a Communist-dominated country or area"; and

(2) by striking out "such Communist-dominated countries or areas" and inserting in lieu thereof "a country or area listed in such general note".

TITLE XXXIV—NAVAL PETROLEUM RESERVES

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated to the Secretary of Energy $149,500,000 for fiscal year 1997 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves (as defined in section 7420(2) of such title). Funds appropriated pursuant to such authorization shall remain available until expended.

SEC. 3402. PRICE REQUIREMENT ON SALE OF CERTAIN PETROLEUM DURING FISCAL YEAR 1997.

Notwithstanding section 7430(b)(2) of title 10, United States Code, during fiscal year 1997, any sale of any part of the United States share of petroleum produced from Naval Petroleum Reserves Numbered 1, 2, and 3 shall be made at a price not less than 90 percent of the current sales price, as estimated by the Secretary of Energy, of comparable petroleum in the same area.

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Appropriations

SEC. 3501. SHORT TITLE.

This subtitle may be cited as the "Panama Canal Commission Authorization Act, Fiscal Year 1997".

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to use amounts in the Panama Canal Commission Revolving Fund to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, improvement, and administration of the Panama Canal for fiscal year 1997.

(b) LIMITATIONS.—For fiscal year 1997, the Panama Canal Commission may expend funds in the Panama Canal Commission Revolving Fund not more than $73,000 for reception and representation expenses, of which—

(1) not more than $18,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) not more than $10,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) not more than $45,000 may be used for official reception and representation expenses of the Administrator of the Commission.

SEC. 3503. PURCHASE OF VEHICLES.

Notwithstanding any other provisions of law, the funds available to the Commission shall be available for the purchase and transportation to the Republic of Panama, of passenger motor vehicles built in the United States, including large, heavy-duty vehicles.

SEC. 3504. EXPENDITURES ONLY IN ACCORDANCE WITH TREATIES.

Expenditures authorized under this subtitle may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

Subtitle B—Amendments to Panama Canal Act of 1979

SEC. 3521. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This subtitle may be cited as the "Panama Canal Act Amendments of 1996".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).

SEC. 3522. DEFINITIONS AND RECOMMENDATION FOR LEGISLATION.

(a) IN GENERAL.—In section 3 (22 U.S.C. 3602)—

(1) the heading is amended to read as follows:

"DEFINITIONS

(2) in subsection (b), by inserting "and" after the semicolon at the end of paragraph (4), by striking the semicolon at the end of paragraph (5) and inserting a period, and striking paragraphs (6) and (7); and

(3) by striking subsection (d).

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended in the item relating to section 3 by striking "and recommendation for legislation".

SEC. 3523. ADMINISTRATOR.

(a) IN GENERAL.—Section 1103 (22 U.S.C. 3613) is amended to read as follows:

"ADMINISTRATOR

"SEC. 1103. (a) There shall be an Administrator of the Commission who shall be appointed by the President, by and with the advice and consent of the Senate, and shall hold office at the pleasure of the President.

"(b) The Administrator shall be paid compensation in an amount, established by the Board, not to exceed level III of the Executive Schedule.".

(b) SAVINGS PROVISIONS.—Nothing in this section (or section 3549(3)) shall be considered to affect—

(1) the tenure of the individual serving as Administrator of the Commission on the day before subsection (a) takes effect; or

(2) until modified under section 1103(b) of the Panama Canal Act of 1979, as amended by subsection (a), the compensation of the individual so serving.

SEC. 3524. DEPUTY ADMINISTRATOR AND CHIEF ENGINEER.

(a) IN GENERAL.—Section 1104 (22 U.S.C. 3614) is amended to read as follows:

"DEPUTY ADMINISTRATOR

"SEC. 1104. (a) There shall be a Deputy Administrator of the Commission who shall be appointed by the President. The Deputy Administrator shall perform such duties as may be prescribed by the Board.

"(b) The Deputy Administrator shall be paid compensation at a rate of pay, established by the Board, which does not exceed the rate of basic pay in effect for level IV of the Executive Schedule, and, if eligible, shall be paid the overseas recruitment and retention difference provided for in section 1217 of this Act.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended in the item relating to section 1104 by striking "and Chief Engineer".

(c) SAVINGS PROVISIONS.—Nothing in this section shall be considered to affect—

(1) the tenure of the individual serving as Deputy Administrator of the Commission on the day before subsection (a) takes effect; or

(2) until modified under section 1104(b) of the Panama Canal Act of 1979, as amended by subsection (a), the compensation of the individual so serving.

SEC. 3525. OFFICE OF OMBUDSMAN.

Section 1113 (22 U.S.C. 3623) is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

SEC. 3526. APPOINTMENT AND COMPENSATION; DUTIES.

Section 1202 (22 U.S.C. 3642) is amended to read as follows:

"APPOINTMENT AND COMPENSATION; DUTIES

"SEC. 1202. (a) In accordance with this chapter, the Commission may appoint, fix the compensation of, and define the authority and duties of officers and employees (other than the Administrator and Deputy Administrator) necessary for the management, operation, and maintenance of the Panama Canal and its complementary works, installations, and equipment.

"(b) Individuals serving in any Executive agency (other than the Commission) or the Smithsonian Institution, including individuals in the uniform services, may, if appointed under this section or section 1104 of this Act, serve as officers or employees of the Commission.".

SEC. 3527. APPLICABILITY OF CERTAIN BENEFITS.

(a) IN GENERAL.—Section 1209 (22 U.S.C. 3649) is amended to read as follows:

"APPLICABILITY OF CERTAIN BENEFITS

"SEC. 1209. Chapter 81 of title 5, United States Code, relating to compensation for work injuries, chapters 83 and 84 of such title 5, relating to retirement, chapter 87 of such title 5, relating to life insurance, and chapter 89 of such title 5, relating to health insurance, are applicable to Commission employees, except any individual—

"(1) who is not a citizen of the United States;

"(2) whose initial appointment by the Commission occurs after October 1, 1979; and

"(3) who is covered by the Social Security System of the Republic of Panama pursuant to any provision of the Panama Canal Treaty of 1977 and related agreements.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended by striking the item relating to section 1209 and inserting the following:

"Sec. 1209. Applicability of certain benefits.".

SEC. 3528. TRAVEL AND TRANSPORTATION EXPENSES.

Section 1210 (22 U.S.C. 3650) is amended to read as follows:

"TRAVEL AND TRANSPORTATION EXPENSES

"SEC. 1210. (a) Subject to subsections (b) and (c), the Commission may pay travel and transportation expenses for employees in accordance with subchapter II of chapter 57 of title 5, United States Code.

"(b) For an employee to whom section 1206 applies, the Commission may pay travel and transportation expenses associated with vacation leave for the employee and the immediate family of the employee notwithstanding requirements regarding periods of service established by subchapter II of chapter 57 of title 5, United States Code, or the regulations promulgated thereunder.

"(c) For an employee to whom section 1206 does not apply, the Commission may pay travel and transportation expenses associated with vacation leave for the employee and the immediate family of the employee notwithstanding requirements regarding a written agreement concerning the duration of a continuing service obligation established by subchapter II of chapter 57 of title 5, United States Code or the regulations promulgated thereunder.".

SEC. 3529. CLARIFICATION OF DEFINITION OF AGENCY.

Subparagraph (B) of section 1211(1) (22 U.S.C. 3651(1)(B)) is amended to read as follows:

"(B) any other Executive agency or the Smithsonian Institution, to the extent of any election in effect under section 1212(b) of this Act;".

SEC. 3530. PANAMA CANAL EMPLOYMENT SYSTEM; MERIT AND OTHER EMPLOYMENT REQUIREMENTS.

(a) IN GENERAL.—Section 1212 (22 U.S.C. 3652) is amended to read as follows:

"PANAMA CANAL EMPLOYMENT SYSTEM; MERIT AND OTHER EMPLOYMENT REQUIREMENTS

"SEC. 1212. (a) The Commission shall establish a Panama Canal Employment System and prescribe the regulations necessary for its administration. The Panama Canal Employment System shall—

"(1) be established in accordance with and be subject to the provisions of the Panama Canal Treaty of 1977 and related agreements, the provisions of this chapter, and any other applicable provision of law;

"(2) be based on the consideration of the merit of each employee or candidate for employment and the qualifications and fitness of the employee to hold the position concerned;

"(3) conform, to the extent practicable and consistent with the provisions of this Act, to the policies, principles, and standards applicable to the competitive service;

"(4) in the case of employees who are citizens of the United States, provide for the appropriate interchange of those employees between positions under the Panama Canal Employment System and positions in the competitive service; and

"(5) not be subject to the provisions of title 5, United States Code, unless specifically made applicable by this Act.

"(b)(1) The head of any Executive agency (other than the Commission) and the Smithsonian Institution may elect to have the Panama

Canal Employment System made applicable in whole or in part to personnel of that agency in the Republic of Panama.

"(2) Any Executive agency (other than the Commission) and the Smithsonian Institution, to the extent of any election under paragraph (1), shall conduct its employment and pay practices relating to employees in accordance with the Panama Canal Employment System.

"(c) The Commission may exclude any employee or position from coverage under any provision of this subchapter, other than the interchange rights extended under subsection (a)(4).".

(b) SAVINGS PROVISIONS.—The Panama Canal Employment System and all elections, rules, regulations, and orders relating thereto, as last in effect before the amendment made by subsection (a) takes effect, shall continue in effect, according to their terms, until modified, terminated, or superseded under section 1212 of the Panama Canal Act of 1979, as amended by subsection (a).

SEC. 3531. EMPLOYMENT STANDARDS.

Section 1213 (22 U.S.C. 3653) is amended in the first sentence by striking "The head of each agency" and inserting "The Commission".

SEC. 3532. REPEAL OF OBSOLETE PROVISION REGARDING INTERIM APPLICATION OF CANAL ZONE MERIT SYSTEM.

(a) REPEAL.—Section 1214 (22 U.S.C. 3654) is repealed.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended by striking the item relating to section 1214.

SEC. 3533. REPEAL OF PROVISION RELATING TO RECRUITMENT AND RETENTION REMUNERATION.

Section 1217(d) (22 U.S.C. 3657(d)) is repealed.

SEC. 3534. BENEFITS BASED ON BASIC PAY.

Section 1218(2) (22 U.S.C. 3658(2)) is amended to read as follows:

"(2) benefits under subchapter III of chapter 83 and subchapter II of chapter 84 of title 5, United States Code, relating to retirement;".

SEC. 3535. VESTING OF GENERAL ADMINISTRATIVE AUTHORITY OF COMMISSION.

(a) IN GENERAL.—Section 1223 (22 U.S.C. 3663) is amended to read as follows:

"CENTRAL EXAMINING OFFICE

"SEC. 1223. The Commission shall establish a Central Examining Office. The purpose of the office shall be to implement the provisions of the Panama Canal Treaty of 1977 and related agreements with respect to recruitment, examination, determination of qualification standards, and similar matters relating to employment of the Commission.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended by striking the item relating to section 1223 and inserting the following:

"Sec. 1223. Central Examining Office.".

SEC. 3536. APPLICABILITY OF CERTAIN LAWS.

(a) IN GENERAL.—Section 1224 (22 U.S.C. 3664) is amended to read as follows:

"APPLICABILITY OF TITLE 5, UNITED STATES CODE

"SEC. 1224. The following provisions of title 5, United States Code, apply to the Panama Canal Commission:

"(1) Part I of title 5 (relating to agencies generally).

"(2) Chapter 21 (relating to employee definitions).

"(3) Section 2302(b)(8) (relating to whistleblower protection) and all provisions of title 5 relating to the administration or enforcement or any other aspect thereof, as identified in regulations prescribed by the Commission in consultation with the Office of Personnel Management.

"(4) All provisions relating to preference eligibles.

"(5) Section 5514 (relating to offset from salary).

"(6) Section 5520a (relating to garnishments).

"(7) Sections 5531-5535 (relating to dual pay and employment).

"(8) Subchapter VI of chapter 55 (relating to accumulated and accrued leave).

"(9) Subchapter IX of chapter 55 (relating to severance and back pay).

"(10) Chapter 57 (relating to travel and transportation).

"(11) Chapter 59 (relating to allowances).

"(12) Chapter 63 (relating to leave).

"(13) Section 6323 (relating to military leave; Reserves and National Guardsmen).

"(14) Chapter 71 (relating to labor relations).

"(15) Subchapters II and III of chapter 73 (relating to employment limitations and political activities, respectively) and all provisions of title 5 relating to the administration or enforcement or any other aspect thereof, as identified in regulations prescribed by the Commission in consultation with the Office of Personnel Management.

"(16) Chapter 81 (relating to compensation for work injuries).

"(17) Chapters 83 and 84 (relating to retirement).

"(18) Chapter 85 (relating to unemployment compensation).

"(19) Chapter 87 (relating to life insurance).

"(20) Chapter 89 (relating to health insurance).".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended by striking the item relating to section 1224 and inserting the following:

"Sec. 1224. Applicability of title 5, United States Code.".

SEC. 3537. REPEAL OF PROVISION RELATING TO TRANSFERRED OR REEMPLOYED EMPLOYEES.

Section 1231(a)(3) (22 U.S.C. 3671(a)(3)) is repealed.

SEC. 3538. ADMINISTRATION OF SPECIAL DISABILITY BENEFITS.

(a) IN GENERAL.—Section 1245 (22 U.S.C. 3682) is amended by striking so much as precedes subsection (b) and inserting the following:

"ADMINISTRATION OF CERTAIN DISABILITY BENEFITS

"SEC. 1245. (a)(1) The Commission, or any other United States Government agency or private entity acting pursuant to an agreement with the Commission, under the Act entitled 'An Act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act', approved July 8, 1937 (50 Stat. 478; 68 Stat. 17), may continue the payments of cash relief to those individual former employees of the Canal Zone Government or Panama Canal Company or their predecessor agencies not coming within the scope of the former Canal Zone Retirement Act whose services were terminated prior to October 5, 1958, because of unfitness for further useful service by reason of mental or physical disability resulting from age or disease.

"(2) Subject to subsection (b), cash relief under this subsection may not exceed $1.50 per month for each year of service of the employees so furnished relief, with a maximum of $45 per month, plus the amount of any cost-of-living increases in such cash relief granted before October 1, 1979, pursuant to section 181 of title 2 of the Canal Zone Code (as in effect on September 30, 1979), nor be paid to any employee who, at the time of termination for disability prior to October 5, 1958, had less than 10 years' service with the Canal Zone Government, the Panama Canal Company, or their predecessor agencies on the Isthmus of Panama.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended by striking the item relating to section 1245 and inserting the following:

"Sec. 1245. Administration of certain disability benefits.".

SEC. 3539. PANAMA CANAL REVOLVING FUND.

Section 1302 of the Panama Canal Act of 1979 (22 U.S.C. 3712) is amended to read as follows:

"PANAMA CANAL REVOLVING FUND

"SEC. 1302. (a) There is established in the Treasury of the United States a revolving fund to be known as 'Panama Canal Revolving Fund'. The Panama Canal Revolving Fund shall, subject to subsection (b), be available to the Commission to carry out the purposes, functions, and powers authorized by this Act, including for—

"(1) the hire of passenger motor vehicles and aircraft;

"(2) uniforms or allowances therefor;

"(3) official receptions and representation expenses of the Board, the Secretary of the Commission, and the Administrator;

"(4) the operation of guide services;

"(5) a residence for the Administrator;

"(6) disbursements by the Administrator for employee and community projects;

"(7) the procurement of expert and consultant services;

"(8) promotional activities, including the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, film, or other media presentation designed to promote the Panama Canal as a resource of the world shipping industry; and

"(9) the purchase and transportation to the Republic of Panama of passenger motor vehicles built in the United States, including large, heavy-duty vehicles.

"(b)(1) There shall be deposited in the Panama Canal Revolving Fund, on a continuing basis, toll receipts (other than amounts of toll receipts deposited into the Panama Canal Commission Dissolution Fund under section 1305) and all other receipts of the Commission. Except as provided in section 1303, no funds may be obligated or expended by the Commission in any fiscal year unless such obligation or expenditure has been specifically authorized by law.

"(2) No funds may be authorized for the use of the Commission, or obligated or expended by the Commission in any fiscal year, in excess of—

"(A) the amount of revenues deposited in the Panama Canal Revolving Fund and the Panama Canal Dissolution Fund during such fiscal year, plus

"(B) the amount of revenues deposited in the Panama Canal Revolving Fund before such fiscal year and remaining unobligated at the beginning of such fiscal year; plus

"(C) the $100,000,000 borrowing authority provided for in section 1304 of this Act.

Not later than 30 days after the end of each fiscal year, the Secretary of the Treasury shall report to the Congress the amount of revenues deposited in the Panama Canal Revolving Fund during such fiscal year.

"(c) With the approval of the Secretary of the Treasury, the Commission may deposit amounts in the Panama Canal Revolving Fund in any Federal Reserve bank, any depository for public funds, or such other place and in such manner as the Commission and the Secretary may agree.

"(d)(1) It is the sense of the Congress that the additional costs resulting from the implementation of the Panama Canal Treaty of 1977 and related agreements should be kept to the absolute minimum level. To this end, the Congress declares appropriated costs of implementation to be borne by the taxpayers over the life of such Treaty should be kept to a level no greater than the March 1979 estimate of those costs ($870,700,000) presented to the Congress by the executive branch during consideration of this Act by the Congress, less personnel retirement costs of $205,000,000, which were subtracted and charged to tolls, therefore resulting in net taxpayer cost of approximately $665,700,000, plus appropriate adjustments for inflation.

"(2) It is further the sense of the Congress that the actual costs of implementation be consistent with the obligations of the United States to operate the Panama Canal safely and efficiently and keep it secure.".

SEC. 3540. PRINTING.

(a) IN GENERAL.—Title I is amended in chapter 3 (22 U.S.C. 3711 et seq.) by adding at the end of subchapter I the following new section:

"PRINTING

"SEC. 1306. (a) Section 501 of title 44, United States Code, shall not apply to direct purchase by the Commission for its use of printing, binding, and blank-book work in the Republic of Panama when the Commission determines that such direct purchase is in the best interest of the Government.

"(b) This section shall not affect the Commission's authority, under chapter 5 of title 44, United States Code, to operate a field printing plant.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended by inserting after the item relating to section 1305 the following new item:

"Sec. 1306. Printing.".

SEC. 3541. ACCOUNTING POLICIES.

Section 1311 (22 U.S.C. 3721), the first sentence in subsection (a) is amended to read as follows: "The Commission shall establish and maintain its accounts in accordance with chapter 91 of title 31, United States Code, and the provisions of this chapter.".

SEC. 3542. INTERAGENCY SERVICES; REIMBURSEMENTS.

Section 1321(e) (22 U.S.C. 3731(e)) is amended by adding at the end the following sentence: "Notwithstanding section 5924 of title 5, United States Code, the Commission shall by regulation determine the extent to which costs of educational services may be defrayed under this subsection.".

SEC. 3543. POSTAL SERVICE.

Section 1331 (22 U.S.C. 3741) is amended to read as follows:

"POSTAL SERVICE

"SEC. 1331. (a) The Commission shall take possession of and administer the funds of the Canal Zone postal service and shall assume its obligations.

"(b) Effective December 1, 1999, neither the Commission nor the United States Government shall be responsible for the distribution of any accumulated unpaid balances relating to Canal Zone postal-savings deposits, postal-savings certificates, and postal money orders.

"(c) Mail addressed to the Canal Zone from or through the continental United States may be routed by the United States Postal Service to the military post offices of the United States Armed Forces in the Republic of Panama. Such military post offices shall provide the required directory services and shall accept such mail to the extent permitted under the Panama Canal Treaty of 1977 and related agreements. The Commission shall furnish personnel, records, and other services to such military post offices to assure wherever appropriate the distribution, rerouting, or return of such mail.".

SEC. 3544. INVESTIGATION OF ACCIDENTS OR INJURY GIVING RISE TO CLAIM.

Section 1417(1) (22 U.S.C. 3777(1)) is amended to read as follows:

"(1) an investigation of the accident or injury giving rise to the claim has been completed, which shall include a hearing by the Board of Local Inspectors of the Commission; and".

SEC. 3545. OPERATIONS REGULATIONS.

Section 1801 (22 U.S.C. 3811) is amended by striking "President" and inserting "Commission".

SEC. 3546. MISCELLANEOUS REPEALS.

(a) REPEALS.—The following provisions are repealed:

(1) Section 1605 (22 U.S.C. 3795), relating to interim toll adjustment.

(2) Section 1701 (22 U.S.C. 3801), relating to the authority of the President to prescribe certain regulations.

(3) Section 1702 (22 U.S.C. 3802), relating to the authority of the Panama Canal Commission to prescribe certain regulations.

(4) Title II (22 U.S.C. 3841–3852), relating to the Treaty transition period.

(5) Chapter 1 of title III (22 U.S.C. 3861), relating to cemeteries.

(6) Section 1246, relating to appliances for certain injured employees.

(7) Section 1251, relating to leave for jury or witness service.

(8) Section 1301, relating to Canal Zone Government funds.

(9) Section 1313(c), relating to audits.

(b) CLERICAL AMENDMENTS.—Section 1 is amended in the table of contents by striking each of the items relating to a title, chapter, or section repealed by subsection (a).

SEC. 3547. EXEMPTION.

(a) IN GENERAL.—Section 3302 is amended to read as follows:

"EXEMPTION

"SEC. 3302. The Commission is exempt from the provisions of subchapter II of chapter 6 of title 15, United States Code.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended by striking the item relating to section 3302 and inserting the following:

"Sec. 3302. Exemption.".

SEC. 3548. MISCELLANEOUS CONFORMING AMENDMENTS TO TITLE 5, UNITED STATES CODE.

Title 5, United States Code, is amended—

(1) in section 3401(1) by striking clause (v) and redesignating clauses (vi) through (viii) as clauses (v) through (vii), respectively;

(2) in section 5102(a)(1) by striking clause (vi) and redesignating clauses (vii) through (xi) as clauses (vi) through (ix), respectively;

(3) in section 5315 by striking "Administrator of the Panama Canal Commission.";

(4) in section 5342(a)(1) by striking subparagraph (G) and redesignating subparagraphs (H) through (L) as subparagraphs (G) through (K), respectively;

(5) in section 5343(a)(5) by striking "the areas and installations" and all that follows through "Panama Canal Act of 1979),";

(6) in section 5348—

(A) by striking subsection (b) and redesignating subsection (c) as subsection (b); and

(B) in subsection (a) by striking "subsections (b) and (c)" and inserting "subsection (b)";

(7) in section 5373 by striking paragraph (1) and redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively;

(8) in section 5537(c) by striking "the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands." and inserting "the District Court of Guam and the District Court of the Virgin Islands.";

(9) in section 5541(2)(xii)—

(A) by inserting "or" after "Services Administration,"; and

(B) by striking ", or a vessel employee of the Panama Canal Commission";

(10) in section 7901 by amending subsection (f) to read as follows:

"(f) The health programs conducted by the Tennessee Valley Authority are not affected by this section.";

(11) in section 5102(c) by repealing paragraph (12);

(12) in section 5924(3) by striking the last sentence thereof; and

(13) in section 6322(a) by striking ", or the Republic of Panama".

SEC. 3549. REPEAL OF PANAMA CANAL CODE.

Section 3303 (22 U.S.C. 3602 note) is amended by adding at the end the following new subsection:

"(c) The Panama Canal Code is repealed effective on the date of the enactment of the Panama Canal Act Amendments of 1996.".

SEC. 3550. MISCELLANEOUS CLERICAL AND CONFORMING AMENDMENTS.

(a) CLERICAL AMENDMENTS.—The table of contents in section 1 is amended in the items relating to sections 1101, 1102a, 1102b, and 1313 by inserting "Sec." before the section number.

(b) CONFORMING AMENDMENT.—Section 1303 (22 U.S.C. 3713) is amended by striking "section 1302(c)(1)" each place it appears and inserting "section 1302(b)(1)".

The CHAIRMAN. No amendments to the committee amendment in the nature of a substitute are in order except amendments printed in House Report 104–570 and amendments en bloc described in section 3 of House Resolution 430.

Except as specified in section 4 of the resolution, the amendments shall be considered in the order printed, may be offered only by a Member designated in the report, shall be considered read and shall not be subject to a demand for a division of the question.

Unless otherwise specified in the report, each amendment shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent of the amendment, and shall not be subject to amendment, except that the chairman and ranking minority member of the Committee on National Security each may offer one pro forma amendment for the purpose of further debate on any pending amendment.

By virtue of notice given pursuant to section 4(c) of the resolution, amendments A–1 and A–2 of part A of the report will be considered after other amendments in part A of the report have been disposed of. Consideration of those amendments shall begin with an additional period of general debate, confined to the subject of cooperative threat reduction with the states of the former Soviet Union. That period of debate shall not exceed 40 minutes, equally divided and controlled by the chairman and ranking minority member.

It shall be in order at any time for the chairman of the Committee on National Security or a designee to offer amendments en bloc consisting of amendments printed in part B of the report or germane modifications of any such amendment.

Amendments en bloc shall be considered as read, except that modifications shall be reported, shall be debatable for 20 minutes, equally divided and controlled by the chairman and ranking minority member, shall not be subject to amendment, and shall not be subject to a demand for a division of the question.

The original proponent of an amendment included in amendments en bloc may insert a statement in the CONGRESSIONAL RECORD immediately before disposition of the amendments en bloc.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment made in order by the resolution and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

The Chairman of the Committee of the Whole may recognize for consideration of any amendment made in order by the resolution out of the order printed, but not sooner than 1 hour after the chairman of the Committee on National Security or a designee announces from the floor a request to that effect.

Pursuant to section 4(c) of the resolution, it is now in order to consider amendment No. A-3 printed in Part A of House Report 104-570.

AMENDMENT NO. A-3 OFFERED BY MS. DELAURO

Ms. DELAURO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. DELAURO:

At the end of title VII (page 298, after line 24), insert the following new section:

SEC. . RESTORATION OF PRIOR POLICY REGARDING RESTRICTIONS ON USE OF DEPARTMENT OF DEFENSE MEDICAL FACILITIES.

Section 1093 of title 10, United States Code, is amended—

(1) by striking out "(a) RESTRICTION ON USE OF FUNDS.—"; and

(2) by striking out subsection (b).

The CHAIRMAN. Pursuant to the rule, the gentlewoman from Connecticut [Ms. DELAURO] and a Member opposed, each will control 20 minutes.

The Chair recognizes the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I offer this bipartisan amendment on behalf of myself, the gentleman from Massachusetts [Mr. TORKILDSEN], the gentlewoman from California [Ms. HARMAN], and the gentleman from Kentucky [Mr. WARD].

Our amendment strikes language adopted in last year's defense bills that would prohibit privately funded abortions from being performed at overseas military hospitals. This amendment restores the right to choose for female military personnel and dependents and it ensures that they are not denied safe medical care simply because they are assigned to duties in another country.

I want to emphasize several points about our amendment. First, it simply restores the previous policy that allowed women to use their own funds, let me repeat that, their own funds to pay for abortions in overseas military hospitals.

Second, no medical providers will be forced to perform abortions. This amendment preserves the conscience clause that already exists in the military services.

Third, this is not a new policy. Privately funded abortions were allowed at overseas military facilities from 1973 to 1988, including all but a few months of the Reagan administration, and from 1993 to 1996.

I am a strong supporter of our Nation's defenses, and deeply regret that efforts to advance an extreme social agenda have jeopardized funding for important defense priorities. This amendment simply restores previous policy and assures that women who serve in the Armed Forces have access to safe medical care. I urge support for this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. DORNAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from California [Mr. DORNAN] will control 20 minutes.

Mr. DORNAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there were some statements prior to now, not by the gentlewoman from Connecticut [Ms. DELAURO] but prior to that, that said we should not be discussing abortion yet again on the House floor and that they did not want this in a defense bill.

Mr. Chairman, it is public law. Clinton signed this type of legislation on last year's defense authorization. It went through several appropriations committees and several conferences and he signed it into law and did not even gripe about it. He was busy griping about other things.

It undid one of his five, what the Pope has called, culture of death Executive orders on his first day in office after the inauguration—and then finding their desks the second day—on the 20th anniversary of the fraudulent Roe versus Wade decision based on a rape that never happened and an abortion that never happened, Clinton signed an Executive order allowing abortions in all military hospitals, overseas and domestic, and, yes, it was a Dornan amendment in last year's defense authorization that caused him with his own pen to undo his own order of death. It is a done deed.

So here comes an amendment from the minority on the floor to discuss something they claim they do not want to discuss. Well, then, why are we doing it?

Because there are three other social issues on the defense bill that this chairman of the Subcommittee on Personnel did put in the chairman's mark, going back to the George Washington through Reagan-Bush policy that homosexuality is incompatible with military service. That is in there. No vote in full committee. No vote on the House floor.

The HIV amendment with merciful honorable discharge and even more medical benefits is back again. This is something that America would want if they studied it. A vote where it was like 39 to 13 or 14 in committee. No vote on the House floor. The gentleman from Massachusetts [Mr. TORKILDSEN] announced today they will try and resolve that in star chamber, secret conference but this is not a continuing appropriations conference. This is going to be the type of authorization defense conference that it survived in three weekends of hand-to-hand sort of verbal combat over this.

But the biggest of all, no homosexual in the military, and the amendment of the gentleman from Maryland [Mr. BARTLETT] that they would not vote in full committee on no Hustler magazine on our PX's a facilitator to the tune of almost $20 billion of pushing this kind of pornography, no vote on the House floor on that. Again they think they are going to roll us in conference on this.

So it comes down to one social issue debate, a 40-minute long debate on something that is already public law. They know they are going to lose. They are going to lose by something like in the 230's to 240's to 190 something. Why will they suffer this loss? Because they think that it will widen the gender gap.

But, Mr. Chairman, everybody who is advancing this, with the exception of the gentleman from Massachusetts [Mr. TORKILDSEN], voted for what the Vatican called a brutal act of aggression, infanticide, the so-called partial-birth execution-Mafia-style attack to the base of the baby's brain when it is 80 percent out of the mother's body, that which has been condemned by Rev. Billy Graham to Clinton's face on May 1 of this year and then he alluded to it in his beautiful remarks of May 2 where he said, and I read from where I put it in the CONGRESSIONAL RECORD—and his full remarks will be in the RECORD today—on the occasion of his getting the Gold Congressional Medal, he says, "We are a society poised on the brink of self-destruction."

Mr. Chairman, Mr. TORKILDSEN, everybody in this Chamber, Mr. DELLUMS, do you think the Pope was talking about minimum wage? Do you think Billy Graham is talking about minimum wage when he says we are poised on the brink of self-destruction? Is he talking about the B-2 bomber? Is he talking about a 4.3-cent tax on every gallon of gas? He is talking about the culture of death and the culture of degradation that we have imposed upon ourselves.

Thirty-three people that put Catholic in their bios voted for a brutal act of aggression on this House floor. Not the gentleman from Massachusetts [Mr. TORKILDSEN]. Not any Catholic who has the honor to put it in his biography on this side of the aisle. This abortion issue is wrecking our society. It is a brutal act of aggression against living human life with an immortal soul and not a single military doctor, male or female, has written to this chairman, not once, but I have had doctors write to me that we are to defend life in the military, we are here to keep our peace and provide for the common defense of our country, not to snuff out life in mother's wombs. That should not be a part of our defense budget and it is not, thanks to my amendment passing all the way through a star chamber appropriations process and an authorization process last year.

Mr. Chairman, I have more speakers than I can accommodate on our side. I will begin that line-up of speakers starting with Army doctors who are now serving on this side who watched this culture of death in the military and saw it happily ended finally at the end of the Reagan years and during the Bush years.

Ms. DELAURO. Mr. Chairman, I yield myself such time as I may consume.

First of all let me just repeat, this simply restores previous policy allowing women to use their own funds. This was current law from 1973 through 1988, a full 7 years under the Reagan administration. Despite what the chairman would like to talk about in terms of new policy, this would restore us to what was current policy before the chairman introduced this into a defense authorization bill. No medical providers are forced to perform abortions. There is a conscience clause that already exists in the military services. This is about denying female members of the military and their dependents what their constitutional rights are in the United States.

If we were to follow what the chairman would like us to follow in doing, we would ask women who served in the military, who give of their time, their effort, their dedication to this Nation, to park their constitutional rights at the water's edge and go to foreign stations and perform their duty without safe and adequate health care and medical care.

Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN]. I am delighted to have his support on this issue.

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Mr. TORKILDSEN. Mr. Chairman, I thank the gentlewoman for taking the initiative on this issue and for offering this amendment.

I think the overall defense bill is basically a good bill. It includes things like $428 million more than President Clinton asked for for family housing. But there are some problems in the bill, as I mentioned earlier, and the provision that the woman's amendment seeks to address is one of them. We all understand, whether we agree or not, that safe and legal access to abortion is the law of the land. It is shameful that this Congress has denied thousands of servicewomen, spouses of servicemen, and dependents who serve overseas, the basic law of our country.

The previous Department of Defense policy did not contribute any taxpayer funds for abortion services, and that is important. Also, as has been mentioned, any military personnel could refuse to perform or participate in this procedure.

I am a supporter of the Hyde amendment and I agreed with that previous Department of Defense policy. This amendment before us will simply allow women to use their own funds, let me repeat that, to use their own funds if they personally choose to seek an abortion. It is nothing more and nothing less than that.

Mr. Chairman, let us stop the policy that treats our women in uniform like second class citizens. Let us support this amendment and return common sense in this one very personal area back to our defense policy.

Mr. DORNAN. Mr. Chairman, I happily yield 1 minute to the gentleman from the beautiful State of Maryland, Mr. ROSCOE BARTLETT, a fellow grandfather of 10. He and I are in a dead heat here.

Mr. BARTLETT of Maryland. Mr. Chairman, I rise today in strong opposition to the amendment offered by my friend and fellow committee member, Ms. DELAURO. Last year, H.R. 1530, the defense authorization bill, returned us to the policy that stood during the Reagan-Bush years that prohibited abortions from being performed at military hospitals. Today's amendment would strike this section of existing law and restore the radical change to this policy by Bill Clinton when he became President.

Mr. Chairman, it boggles my mind that we are even here today debating such an amendment. The purpose of our military is to save lives, not to take them. Most military doctors believe this so strongly it is next to impossible to find a military doctor who will perform an abortion. But to get around this policy, the pro-abortion forces are attempting to bring civilians into military facilities, who they will pay large sums of money, to perform abortions. Most members of the military medical corps are so outraged by this procedure that they do not feel comfortable being on the same base where abortions are being performed.

Bill Clinton tried social experimentation with the military once before and lost. Let us not make a similar mistake. Let us save innocent life, not take it. Let us abort the DeLauro amendmenmt.

Ms. DELAURO. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I thank the gentlewoman for her leadership on this, and I must say here comes the Congress acting as the moral policeman for our military people. You know, our military people cannot have the Constitution like everybody else. Oh, no, no, no. They are going to get the Congress. The Congress is going to tell them what to read, what to do, how to behave, everything.

But especially women. There is even in here they want to study women again. But if a woman is sent overseas and she is raped or if a woman is sent overseas and becomes seriously ill during her pregnancy, well, too bad. If she thinks she has a Constitution to protect her, no way. She has got the Congress saying she cannot even spend her own money in military installations overseas to deal with those kind of reproductive health programs. I think that is why there is a gender gap. This finger in your face to women constantly saying you may think you have rights, but none if you are in the military, we in the Congress are going to run your life 24 hours a day, that is what this amendment is about, treating them as second class citizens. And I think women are very tired of it.

We hear about the medical profession. As the gentlewoman from Connecticut has said over and over and over again, there is a conscience clause. No military person is ever forced to do something if it is against their conscience. But for crying out loud, why do you force women to check their constitutional rights, to say we totally surrender what you in Congress say we are going to have, and become second class citizens just for joining the military? This is wrong. Vote for the amendment.

Mr. DORNAN. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, out of respect for my worthy adversary, Mrs. SCHROEDER, she opened by saying here we go again preaching for morality to the military, or something like that. You mean like Tailhook, PAT, where I joined you on that? Like your name on a filthy sign at the Top Cat Follies at the beer mart where I joined you in defense of that? You bet we are discussing morality.

Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today to voice my emphatic opposition to the DeLauro amendment. This amendment would establish the practices of elective abortions in our military facilities overseas. Frankly, Mr. Chairman, I think it is a shame that we have to revisit this issue, since we have addressed it just this last February. In fact, the House has voted three times to prohibit abortions overseas in medical military facilities. Three times, Mr. Chairman. When it comes to this amendment's sponsors, what do you not understand, or what part of it do you not understand?

Mr. Chairman, we should not drag our service men and women into the abortion battle. Our military heroes need places of caring, healing, and strengthening. They need hospitals, not abortion clinics.

Ms. DELAURO. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, the honorable women who serve in the military need safe medical care, and they take care of this without any taxpayer expense. They pay $361 to the Office of the Treasury before any procedure. What we need to be concerned about is the health and safety of American women when they serve overseas.

Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Chairman, I rise to urge my colleagues to support the DeLauro amendment. When the 1996 Defense authorization bill became law, it banned privately funded abortion to U.S. military hospitals overseas, except in the case of rape or incest. The DeLauro amendment simply strikes this language.

Mr. Chairman, I understand that many of my colleagues disagree that a woman has a right to choose. I also understand many of my colleagues believe that Government funds should not be used to pay for abortions. But, Mr. Chairman, this is not a debate about abortion, and not a debate about Government subsidizing abortion. This is a debate about the safety of our soldiers in our armed services and their dependents.

The issue here is whether we are going to give a woman who is overseas, because we sent her there, her right to use a safe U.S. military medical facility. If a woman can freely use these facilities when she has the flu or appendicitis, why can she not go there for a legal procedure, particularly when she is using her own funds?

Now, the reality is, many of our women are stationed in countries where these medical procedures may be prohibited or where adequate medical facilities are not available. If we deny a woman adequate medical care on base, we may force her to an unsafe facility.

This ban does not make any sense. It makes a difficult decision even more difficult, and it needlessly risks the safety and health of women who are serving our country. I urge my colleagues to support the DeLauro amendment.

Mr. DORNAN. Mr. Chairman, I mentioned earlier we have former Army doctors serving with us on this side, and I yield 1 minute to the gentleman from Florida [Mr. WELDON], also an Army doctor.

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, as was alluded to earlier, this is old ground we are going over today. This amendment has been defeated three times previously, and it is up again. I would urge all my colleagues to vote "no" on the DeLauro amendment.

I will say what I have said in the past. I am a former Army physician. I went into the military in 1981, and I can tell you that when I went in, we were very, very pleased with the Reagan administration policy banning abortions at military hospitals. The reason for that is because most doctors, even if they are pro-choice, most nurses, even if they are pro-choice, do not want to have anything to do with this procedure, because once you see it, you know exactly what it is. It is morally wrong to do it.

People go into the military because they want to defend their country. They do not want to be involved with this business. I think it is really wrong to be dragging our military into this debate.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. WARD], who is a cosponsor of the bill.

Mr. WARD. Mr. Chairman, let me first in response to the gentleman's assertion that people do not want to have anything to do with this procedure remind the gentleman and remind the House that no one has to be involved in this procedure. We have drawn into the law the opportunity for people to opt out, for medical professionals not to be involved in this procedure if they choose not to.

But I rise in support of our women in uniform serving overseas. This amendment allows women stationed overseas to obtain safe health care at military hospitals with their own money. If enacted, this amendment would reinstate Department of Defense policy that was in place from 1973 until 1988, and was reinstated in 1993, and then banned in last year's authorization bill.

Our military servicewomen and military dependents deserve protection from foreign back alleys by allowing safe, legal, and comprehensive reproductive services.

Mr. DORNAN. Mr. Chairman, I yield 2½ minutes to the gentleman from New Jersey [Mr. SMITH], one of our subcommittee chairmen.

Mr. SMITH of New Jersey. Mr. Chairman, the recent debate on legislation to ban partial-birth abortion was America's wake-up call on the inherent violence of abortion. Somehow, the euphemisms and attempts to sanitize the killing of unborn kids did not work as well that time as it has in the past.

Somehow, the seemingly benign, always self-assured pro-abortion lobby, including the folks at Planned Parenthood and NARAL, did not look so humane or caring as most in the Congress and a huge majority of American public reacted with shock, dismay and disgust when they learned that some abortionists were routinely delivering babies most of the way, only to stab the child in the back of the head with scissors and then suck the brains out of his or her head.

Most of us recognize child abuse when we see it, which brings me to the DeLauro amendment. When President Clinton issued an Executive order on January 22, 1993, to turn DOD health care facilities into abortion mills, every military obstetrician, nurse, and anesthesiologist refused to comply. In other words, they refused to destroy unborn babies.

That, Mr. Chairman, is moral courage. They, too, recognize child abuse when they see it, because the methods of abortion, the methods of extermination, are not really different from the violence used to kill a child in a partial-birth abortion.

In a suction abortion, Mr. Speaker, the so-called doctor cuts and dismembers the unborn baby with a loop shaped knife connected to a high powered suction device which is between 20 to 30 times more powerful than a household vacuum cleaner. Both the D&C abortion method and a D&E abortion also relies on dismemberment of the child's fragile little body. Limb by limb of an unborn baby, the neck, the torso, are all cut and dismembered—it's shocking and its child abuse.

In a saline abortion, a high concentration salt solution is injected into the baby's amniotic sack. The child breathes in that salt solution—the unborn child "breathes" amniotic fluid to develop his or her lungs—and the baby swallows it, and about 2 hours later the baby dies from the corrosive and toxic effects of the salt.

That is a child abuse, I say to my friends. The DeLauro amendment would facilitate the killing of unborn babies by dismemberment and by chemical poisoning.

I urge Members to vote down this misguided amendment, and keep the current law—the Dornan amendment—which allows abortions in military hospitals only in cases of rape, incest, or life of the mother.

Ms. DELAURO. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, first of all, once again, no personnel has to perform the procedure, because there is a conscience clause that exists. Understand that the Constitution of the United States of America allows women the right to an abortion. There is no reason why women who serve in the military have to leave their constitutional rights behind when they are sent overseas to serve this country, and they do it valiantly, and that they are not allowed to have the proper and adequate and safe health care.

Mr. Chairman, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

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Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentlewoman from Connecticut and her cosponsors for the wisdom of this amendment.

There is no way, Mr. Chairman, that we could resolve this in an emotionally charged debate, which my colleagues on the Republican side of the aisle are attempting to do. This is a fair and evenhanded amendment that simply restores the rights of our military women who are serving this country and dedicating their lives to our freedom, to secure a legal abortion. This is simply a plain and evenhanded manner in which to allow them to use their own funds to protect their bodies and to protect their health.

It is crucial, Mr. Chairman, that we allow those who are in this particular condition to be treated fairly, and to likewise be treated as fairly as we would want those civilians who are not in the United States military.

Mr. Chairman, I simply say to my colleagues who have decided to give us a very descriptive detailing of procedures that are not even included in this particular amendment, that they would do well to be fair to American military women. Give them the right of all women, the right to choose.

Mr. Chairman, I rise in strong support of the DeLauro amendment. This amendment simply ensures that female military personnel and dependents stationed overseas can exercise the same constitutional right to choose that is available to all women in this country. In its present form the ban discriminates against women who have volunteered to serve their country by prohibiting them from exercising their legally protected right to choose simply because they are stationed overseas.

This ban may also cause a woman stationed overseas who is facing an unintended pregnancy to be forced to delay the procedure for several weeks until she can travel to a location where safe, adequate care is available. For each week an abortion is delayed, the risks to the women's health increases.

Furthermore, prohibiting women from using their own funds to obtain an abortion at overseas military facilities endangers their health. Women stationed overseas depend on their base hospitals for medical care, and are often situated in areas where local facilities are inadequate or unavailable. The current policy may force women facing pregnancy to seek out an illegal, unsafe abortion procedure.

The DeLauro amendment does not in any way, shape or form provide any Federal funds to pay for abortions. It is the patient, not the Federal Government, that would pay for the needed procedure.

Furthermore, this amendment will not force military doctors and health providers to perform abortions if it is in conflict with their beliefs.

This is not a new policy, it was in effect most of the Reagan administration. Mr. Chairman, I urge my colleagues to do the right thing—vote for the DeLauro amendment and restore this reasonable and healthy policy.

Mr. DORNAN. Mr. Chairman, I yield 15 seconds to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, the D and C, the D and E, which are late-term dismemberment abortion methods, and the saline abortion method are routinely done in abortion mills in this country. There's nothing obscure about that, as suggested by the last speaker. If this language is approved, if the DeLauro amendment is approved, these methods of killing will begin in our military hospitals, turning them into abortion mills. That would be an outrage.

Let's not facilitate abortion. Vote 'no" on the DeLauro amendment.

Mr. DORNAN. God forbid it.

Mr. Chairman, I yield 1 minute to the distinguished gentleman from Indiana, JOHN HOSTETTLER.

Mr. HOSTETTLER. Mr. Chairman, I rise in strong opposition to this amendment.

The Supreme Court has told us that we have to allow the killing of preborn children. It has not, however, told us that Government has an obligation to provide this service.

This amendment would obligate the United States to make sure abortion services and facilities are available at U.S. military bases.

It is the obligation that I believe the House soundly rejected last year on so many occasions, and for good reason we should reject it again.

For example, despite the assurances from the other side, I believe it is hard to argue there is no subsidy of abortion by U.S. taxpayers in this case.

There is a subsidy, though it may be indirect, because everything in our military medical systems is taxpayer-funded—from the doctor's and nurse's education and availability, to the electricity powering the facility's equipment, to the very building itself.

In addition, abortion remains a very divisive practice, and allowing abortions to be performed on military installations would bring that discord and dissension right onto our military bases, complete with pickets and the like.

I think that the core principle at issue today—whether the Government is obligated to provide a right—is a serious issue with significant ramifications.

Does the freedom of the press guaranteed by the first amendment obligate the Federal Government to provide every interested American with a printing press? I think not.

Congress has the clear responsibility under the Constitution to provide for the rules and regulations of the military. We must not make it the policy of the United States to use its military facilities to destroy an innocent preborn life.

I urge a "no" vote on this amendment.

Ms. DELAURO. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, this was national policy between 1973 through 1988. There were no abortion mills. There was no picketing. This was what the law was in this country, and it resumed again in 1993 through 1996.

This is not a new policy. It goes back to what was policy under the Reagan administration.

Mr. Chairman, I yield 1 minute to the gentleman from California, [Mr. FARR].

Mr. FARR of California. Mr. Chairman, I rise in the debate on the DeLauro amendment. I think this debate is really not about abortion. I think it is about our national security.

National security assumes that you will have personal security. Existing law puts women in uniform at risk with their own health care. This amendment corrects that injustice which prohibits these same women in uniform from access to health care when they are in service abroad, even if they use their own money.

Think about it. Women in uniform have pledged to uphold the Constitution of this country, which grants those women choice in these procedures. But because of existing misguided law, when they serve overseas it is taken away from them. We must not discriminate against women simply because they serve in the defense of our country.

I urge support of the DeLauro-Harman-Ward amendment.

Mr. DORNAN. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Kentucky [Mr. LEWIS].

Mr. LEWIS of Kentucky. Mr. Chairman, I rise to speak against the DeLauro amendment to the national defense authorization bill.

One of President Clinton's first actions was an executive order that ended the Reagan-Bush ban on abortions in military hospitals overseas.

As I said last year, so much for Mr. Clinton's promise to make abortion safe, legal and rare.

Mr. Chairman, there are profound differences on this issue—in this country, and in this body. I believe abortion is the taking of an innocent life. Others feel differently.

But who believes taxpayers should have to fund military operating facilities that deliver babies in one room and kill them in the next?

Why should military doctors, who sacrifice many productive and lucrative years to serve their country, be put in this position?

Proponents of this bill say doctors can decline to perform abortions—and I'm sure many will. But will that display of conscience hurt their careers? Perhaps.

Our military doctors nurses, and corpsmen did not join the armed services to become abortionists.

While our service men and women may have to take a life in the defense of our country—they should never have to take the life of an innocent baby.

I urge my colleagues to vote "no" on the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. HARMAN], a sponsor of the bill.

Ms. HARMAN. Mr. Chairman, I commend my colleague and friend, the gentlewoman from Connecticut, [Ms. DELAURO] for her leadership on this issue and stand here once again in defense of a woman's right to choose.

I have always been and continue to be a strong supporter of a strong national defense and I believe that, on balance, this bill contributes to achieving that goal.

But I regret that in crafting it, the committee expended as much as half of its markup time and energies debating divisive social issues, access to abortions, the sale of adult publications and videotapes on military bases, and whether to discharge HIV-infected service personnel.

I believe that the disproportionate amount of time debating these provisions distracted the committee from the central debate on how best to address, with the limited resources available, the serious defense needs our Nation faces as we approach the 21st century. I fear that the house is now embarked on a similar course.

Mr. Chairman, women who volunteer to serve in our Armed Forces already give up many freedoms, forego privacy, and risk their lives to defend our country. They should not have to sacrifice their privacy, their careers, their health, and perhaps even their lives to a policy with no valid military purpose.

Often times, local facilities are not equipped to handle a procedure or medical standards much worse than those in the United States. We are putting some of our own at risk. Even where safe abortions are available in the local economy, a servicewoman needs a leave from duty. The process of obtaining permission to seek nonmilitary medical care grossly violates normal boundaries of medical privacy. She must inform her immediate supervisor and others in the chain of command.

A combination of military regulations and practical hurdles mean that a pregnant servicewoman who needs an abortion may face lengthy travel, serious delays, high expenses, substandard medical options, restricted information, compromised privacy, and career consequences.

This constitutes an undue burden on the woman's right to choose. In Planned Parenthood versus Casey, judges used the term undue burden to analyze what kinds of Government restrictions on abortion improperly interfere with a woman's exercise of her right to choose. The judges defined undue burden as having the purpose or effect of placing a substantial obstacle in the path of a woman seeking an abortion. *Casey*, 505 U.S. at 877. Barring medical military facilities from these procedures definitely places a substantial obstacle in the way of the servicewoman.

To unnecessarily jeopardize readiness in potentially hostile overseas engagements in order to return a servicewoman to the United States, or to force a woman who chooses to bravely serve her country and defend American interests to carry an unintended pregnancy to term, is irrational if not cruel.

This is bad policy—and likely unconstitutional law—and ought to be repealed.

Support the DeLauro amendment.

Mr. DORNAN. Mr. Chairman, it is not provision, it is law, and I yield 30 seconds to the gentleman from Florida, Mr. CLIFF STEARNS, who says he can get the truth done in half a minute.

Mr. STEARNS. Mr. Chairman, I rise this evening in strong opposition to the DeLauro-Harman-Ward amendment.

Let me pose this question for the citizens that are watching on television and let me pose this question to the people here in the Chamber. Do we want to be a facilitator for abortions at taxpayers' expense at our military hospitals? That is what the whole question is. Do we want to be facilitators or do we not?

I think the question is that over there, they want to facilitate abortions at taxpayers' expense in military hospitals and the majority of people on this side do not agree. It is that simple.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would apprise the gentleman and other speakers that they are to address the Chair and not the television audience.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, I thank the gentlewoman for yielding me this time.

American women should not have to check their reproductive rights at the door once they enlist in the U.S. military. This amendment would simply allow U.S. servicewomen to spend their own money should they require an abortion.

Thousands of our servicewomen are stationed in countries like Saudi Arabia where abortions are illegal. This leaves them no choice but to have their abortions performed at a U.S. military facility. Why should our servicewomen have their bodies governed by Saudi law and not American law?

If men were the ones getting pregnant, Mr. Chairman, I am certain none of us would even be here right now. We need to pass the DeLauro amendment.

Mr. DORNAN. Mr. Chairman, I yield 1 minute to the gentleman from Kansas, Mr. TODD TIAHRT, a valuable member of my subcommittee.

Mr. TIAHRT. Mr. Chairman, I rise in opposition to the gentlewoman's amendment. The amendment requires the American people to subsidize facilities for the taking of life of the most helpless among us, the unborn child. Most of the American people do not want to go out of their way to ensure a preborn child is killed, let alone paying for the medical facility in which the abortion is committed.

Our views often do not agree on this issue, but one thing the vast majority do agree on, and that is they do not want their tax dollars going to fund abortions. The Reagan and Bush administrations did not allow abortions in overseas hospitals, Congress has voted three times to prohibit it, once in the DOD appropriations bill and twice in the national security appropriations bill.

I urge my colleagues to once again vote no on the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield myself 15 seconds.

There is no taxpayer money involved in this. The women pay for the services themselves. This was law under 7 years of the Reagan administration. This is not new policy. It goes back to what was current policy in this country.

Mr. Chairman, I yield 30 seconds to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, we must not deny our servicewomen their legal rights when they leave the U.S. soil. The current ban on abortions in military hospitals makes military women second class citizens.

Now, whether we like it or not, abortion is legal. Roe versus Wade is the law of the land, and all women have the right to access a safe abortion, and that includes military women.

For the health and safety of our servicewomen, I urge support for the DeLauro amendment.

Mr. DORNAN. Mr. Chairman, how much time do we have remaining?

The CHAIRMAN. The gentleman from California [Mr. DORNAN] has 5 minutes remaining, and the gentlewoman from Connecticut [Ms. DELAURO] has 5½ minutes remaining.

Mr. DORNAN. Mr. Chairman, I yield myself 1 minute to clear up a point here.

Every person who has spoken today, except one, voted for Mafia execution-style assault to the base of the brain so-called partial birth infanticide. So I do not mind telling my colleagues what they are not telling them today, and that is that military hospitals are federally funded. Everything in there from the electricity to the equipment is taxpayer financed.

And, Mr. Chairman, when Clinton ordered the military in 1993 to make abortions available, the Pentagon started looking into hiring civilian abortionists to perform the killing procedure, which means the Clinton administration, a pro abortion, on demand for any reason or no reason at all administration, actually planned on hiring new personnel at our taxpayer expense.

Those are the facts, Jack, Mr. Chairman.

Mr. Chairman, I yield 1 minute to my colleague, the gentleman from San Diego, CA, Mr. DUNCAN HUNTER.

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Mr. HUNTER. Mr. Chairman, I thank my friend for yielding me the time.

Mr. Chairman, I think one of the most important points that has been made in this debate was the statement by Mr. WELDON, who was a military doctor, to the effect that having the abortions in military hospitals was demoralizing. It was demoralizing to the nurses. It was demoralizing to the doctors. And I would say even if we bring in outside doctors, introducing the specter of abortion in military hospitals is going to demoralize the military.

Every great general has talked about the importance of military morale and being fair to soldiers, allowing them to have their own moral code and moral culture. If the gentlewoman says, and I heard her say that stopping abortion is not militarily relevant, I would simply answer to her that abortion itself is not militarily relevant. If we have abortions at the sacrifice of morale, then we have done an injustice to the fighting man. We have done an injustice to the military system.

I hope that my colleagues would vote against this amendment.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I rise in strong support of the DeLauro amendment and commend the gentlewoman from Connecticut [Ms. DELAURO] for her leadership and courage in bringing this amendment to the floor.

I am pleased to join a long line of women Members of Congress for this amendment to strike the prohibition prohibiting the honorable women serving overseas from using their own funds, I repeat, their own funds to obtain full reproductive rights at military medical facilities, full reproductive services.

Mr. Chairman, addressing the concern expressed by our colleague about the morale in the armed services, what about the morale of the women in the armed services? There was no lessening of morale from 1973 to 1988, when this very policy was in effect. There was no lessening of morale, lowering of morale from 1993 to 1996, when this same policy was in effect.

Mr. Chairman, when a woman chooses to serve her country, she volunteers to risk her life for her country. Her bravery should not be met by a danger to her health and a violation of her constitutional rights.

I urge our colleagues to support the DeLauro amendment.

Mr. DORNAN. Mr. Chairman, I yield myself 1 minute and 15 seconds.

Mr. Chairman, I want to point out again that, if those on our side had failed last year to make this public law—I wish I had the line and verse where it is public law—and the Congress had not changed the leadership on November 8, 1994, and we are trying to ban partial birth execution style infanticide in military hospitals, the same players would be on the floor with the exception of one who has spoken so far making that case of brutal act of aggression, what Billy Graham said causes us to be poised on the brink of self-destruction, which he told Clinton in the Oval Office on May 1.

Ms. PELOSI. Mr. Chairman, will the gentleman yield?

Mr. DORNAN. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, what is the gentleman suggesting? I believe in this body we all respect each other's opinions, and we all respect our rights to have differing opinions. Is the gentleman questioning the morality of Members of Congress?

Mr. DORNAN. No, Mr. Chairman. What I am suggesting is that we crossed the Rubicon into infanticide, as Billy Graham suggests, Mother Teresa, the Pope, great bishops of the Protestant faith and every single Catholic bishop. We now have a new issue on this floor, Mafia style execution abortion of a living child.

Mr. Chairman, I yield 30 second to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, just to respond briefly to my friend, the gentlelady from California. Ms. PELOSI's argument is that prolifers who assert that abortion is morally wrong are trying to set themselves up as being morally superior. Her argument has surface appeal, and is a very nice ploy and distraction, but it does not carry any weight and misses the mark completely.

I believe that our position, not me personally but our position, in favor of defending innocent lives from dismemberment, chemical poisoning and other brutal, violent methods employed by the abortionists is right and moral and I make absolutely no apologies for that.

I judge no one. I look at the deed—killing babies—and make judgments about the deed and whether this Congress should facilitate this unethical deed.

Ms. PELOSI. Is the gentleman questioning the morality of those who disagree with him?

Mr. SMITH of New Jersey. On this issue, I question the morality of your position to facilitate the killing of unborn babies.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise in strong support of the DeLauro amendment, which would restore the guarantee that women serving in our Armed Forces can exercise their full range of constitutionally protected rights.

This amendment is not about using U.S. taxpayers dollars to finance abortion. Rather, it is an effort to assure that servicewomen based in countries that do not allow abortion will be able to access the medical facilities which we provide for them to attend to their own medical needs as they see fit. Even if women are serving in developing countries where abortion is legal, they are not likely to find the same high standards of cleanliness, safety, and medical expertise available at a U.S. facility.

The DeLauro amendment would simply allow servicewomen to obtain the same range of health services at those facilities that they can now obtain at home. This is not a complicated issue. The amendment would assure that women of our Armed Forces that they need not sacrifice their constitutional rights in order to serve their country. It would also assure our military men that their spouses would retain their full rights.

I urge members to support the DeLauro amendment.

Mr. DORNAN. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, both before and after the dreaded and horrific Dred Scott decision, it was constitutional law in this country to steal people's whole lives and keep them in chains. It was called slavery. In Nazi Germany, it was legal to slaughter men, women, and children according to their religious heritage.

There are things that are legal in this country that are tearing us apart and bringing us, to quote Dr. Graham again, to the brink of self-destruction.

Mr. Chairman, I reserve the balance of my time.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Chairman, I thank the gentlewoman for yielding me the time, and I rise in strong support of the DeLauro amendment.

Mr. Chairman, what we have before us today is yet another attempt to repeal choice, procedure by procedure. The new Republican majority has passed 17 separate antichoice pieces of legislation, chipping away at a woman's right to choose. Today the radical right wants to deny U.S. servicewomen serving overseas the same freedoms they enjoy in the United States: The freedom to pay out of their own pockets to have an abortion. In other words, American servicewomen are overseas protecting our freedom while Congress is busy at home repealing their freedom and constitutional right to have choice.

Enough is enough. Support the DeLauro amendment.

Mr. DORNAN. Mr. Chairman, I yield myself such time as I may consume.

My staff has helped me, for those who follow these proceedings, Mr. Chairman, tell the world and the whole country, sea to shining sea, it is number 10 U.S. Code, 1093B. That is Public Law 104–106. It is law.

If I am an extremist, so are most of the bishops in this country, all the Catholic bishops, Mother Teresa, the Pope, and Billy Graham.

Why did everybody on that side of the aisle who maintains this is extremism vote the gold Congressional Medal to Billy Graham, who says this issue is one of many that brings us to the edge of self-destruction?

Mr. Chairman, I reserve the balance of my time.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, today I rise in support of the DeLauro-Harman amendment and all women who want to exercise their constitutional right to choose. American women are simply sick and tired of men who want to control our bodies, including the Catholic bishops. Our military women are not second-class citizens who can be denied the right to pay for their own abortions.

Mr. Chairman, these women serve our country. It is hypocritical to ask them to defend our Nation but restrict their rights while they are doing it. A military woman may find herself in a position of having no other medical facility available except our own military hospital. If she is willing to pay for abortion services, they certainly should be made available. I know of no medical services that are denied to men. Support the DeLauro amendment. Servicewomen stationed overseas must have the same access to abortion services as do women in the United States.

The CHAIRMAN. The gentleman from California, [Mr. DORNAN] has 15 seconds remaining and has the right to close, and the gentlewoman from Connecticut [Ms. DELAURO] has 1½ minutes remaining.

Ms. DELAURO. Mr. Chairman, I yield 1 minutes to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Chairman, I rise in strong support of the DeLauro-Torkildsen-Ward-Harman amendment. This amendment does not impact or require the use of State funds. What this amendment does is put the health of our military women at risk.

Many of these women are stationed in countries where there is no access to safe and legal abortions outside of the military hospitals. A woman forced to seek an abortion at local facilities or forced to wait to travel to acquire safe abortion services faces tremendous health risks. It is unimaginable to me and to the American people that we would reward American servicewomen who have volunteered to serve this Nation by violating their constitutional right to a safe abortion.

Mr. Chairman, I urge Members to support the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield 30 seconds to the gentlewoman from California [Ms. MILLENDER-MCDONALD].

Ms. MILLENDER-MCDONALD. Mr. Chairman, I rise in strong support of the DeLauro-Harman amendment. I am proud of the women who serve as members of our Nation's military service. Enough is enough. Women in service who do a job for our Nation should be given the opportunity to receive the same legal, medical services as women at home.

Mr. Chairman, I urge my colleagues to support the DeLauro-Harman amendment.

The CHAIRMAN. The gentleman from California [Mr. DORNAN] has 15 seconds remaining for the purpose of closing the debate.

Mr. DORNAN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, just in one service, almost 1,300 women became pregnant during Desert Storm or Desert Shield. They were all sent home to either give birth or kill the fetus inside of them. There was no problem there, no one was put at medical risk.

I urge my colleagues to once again join me in opposition to taxpayer-financed, funded abortions.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the DeLauro amendment. At the outset, let me read what I perceive to be an important legal memorandum: Government regulation of abortion may not constitute an undue burden on the right to choose abortion. The joint opinion in Planned Parenthood versus Casey, adjudicated in 1992, defines an undue burden as having the purpose or effect of placing a substantial obstacle in the path of a woman seeking an abortion. For a law to pass muster, it must have a valid purpose, one not designed to strike at the right itself. It also must not impose a serious barrier to access.

Mr. Chairman, closing military medical facilities to abortion clearly places a substantial obstacle in the path of a servicewoman who needs this procedure. A combination of military regulations and practical hurdles means that a pregnant servicewoman who needs an abortion may now face lengthy travel, serious delays, high expenses, substandard medical options, restricted information, compromised privacy, career consequences, and an almost complete absence of free choice throughout her decisionmaking process.

Given these circumstances, the facilities ban unconstitutionally burdens the right to choose of American servicewomen.

What I believe this says, Mr. Chairman, beyond the obvious constitutional implications, is that, while the matter that triggers this debate is one of abortion, it is this gentleman's opinion that this is not about abortion. This is an issue of simple fairness.

Mr. Chairman, as I said last year, we applaud women who go into service. We applaud their patriotism. We applaud their courage. We applaud their service to this country.

□ 1915

But when it comes down to their rights and prerogatives, they then become second class citizens.

I think there is something contradictory and hypocritical, unconstitutional and unfair about that. This is an issue of fairness, not about abortions; make no mistake about that. Members have many platforms to debate and to discuss this issue. But the few times we come here to discuss the matter of fairness, we ought to discuss the matter of fairness.

I hope my colleagues will vote in favor of the DeLauro amendment on the basis of fairness and the basis of integrity and applaud the servicewomen who serve this country with great brilliance and great courage.

Mr. Chairman, I yield the balance of my time to the distinguished gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I thank the ranking member of the Committee on National Security for yielding. Let me just say to my colleagues in closing that I want to emphasize that this amendment is not about public funding, nor is it about special treatment. As the ranking member has said, this is a matter of simple fairness. It is about preserving the right to choose and save health care for American military women, women who are far from home, far from their families and who sacrifice, sacrifice their lives every single day, for the United States of America. They are protected under the Constitution of the United States, and if they were to serve their time in this country the right to choose would be protected.

We have said to them, "We will send you overseas. Fight for the United States, for its freedom and its democracy," and yet we would take that freedom and democracy away from them.

We ask them to leave their constitutional rights at the border. It is wrong. It is about upholding the Constitution, and it is letting military women and their dependents maintain those rights. It is about fairness for military women.

I urge the support of this amendment, and I would just say to my colleagues this is antiwomen. Make no mistake about what is being done here. We have an obligation and we have a commitment to those who serve on our behalf, men and women. Do not deny women in this country their constitutional rights because they want to serve and they willingly serve on our behalf.

This is at their own expense. There is a conscience clause. No doctor, no nurse has to provide this kind of a service. The women pay for it themselves. We have made sure that not a dime of taxpayers' money is being spent on their behalf. They make their checks out to the U.S. Treasury.

Let us protect women's rights, let us make sure they have safe and healthy health care when they are abroad.

Mr. SPENCE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Chairman, I have the vote on the DeLauro amendment last year when she was beaten 230 to 196, and this amendment became, my amendment became, public law to protect human life. The vote was 230 to 196. We know it is not going to change much. I know we are engaging in Presidential politics here, trying to widen the gender gap. But I think that if people will listen to a repeat of my former remarks that I ask unanimous consent to insert in the RECORD at this point, which answers all of the taxpayer funding provisions, all of the safety provisions for women getting military air transport to come home and do what they will, it solves all of those problems.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. COBURN].

Mr. COBURN. Mr. Chairman, I would like to make one point.

I have talked to hundreds of military doctors, and the fact is they do not care to perform abortions, they do not want to perform abortions. This is the practice today, that we do not do this in military hospitals. Military physicians do not wish to perform this procedure, and so it should be stopped there. People who perform abortions in this country do it because they so want to, and physicians as a group, the military physicians, have chosen not to perform this procedure.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Chairman, I will not use all of my 2 minutes. I would like to yield again to one of the many Republican women from the freshman class on this side to make a very brief point. But first I want to read in slight detail Dr. Billy Graham's words in the rotunda when by a unanimous vote he got the Gold Medal of Freedom from Congress. He says:

> Tensions threaten to rip apart our cities and neighborhoods. Crime and violence is of epidemic proportions in most of our cities among the young. Children take weapons to school. Broken families, poverty, drugs, teenage pregnancy, corruption; the list is almost endless.

Would the first recipients of the congressional award and he referred to George Washington in his opening, even recognize our society that they sacrificed to establish? Doctor Graham says:

> I fear not. We have confused liberty with license, and we are paying the awful price. We are a society poised on the brink of self destruction.

The culture of death involving abortion, Mr. chairman, is why this country is unraveling.

Mr. SPENCE. How much time do I have remaining, Mr. Chairman?

Mr. CHAIRMAN. The gentleman from South Carolina has 1½ minutes remaining.

Mr. SPENCE. Mr. Chairman, I yield the balance of our time to the gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. chairman, I thank the gentleman for yielding.

In response to a comment made by the gentlewoman from Connecticut [Ms. DELAURO], I just wanted to say that this issue is not an issue that is antiwoman. I am a freshman woman, and I want the RECORD to show that this is not an antiwoman issue. This issue is plain and simple. This is an issue that asks the question do we want Federal taxpayers' money paying for abortions in military hospitals overseas?

Mr. NADLER. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Connecticut and ask unanimous consent to revise and extend my remarks.

Mr. Chairman, this amendment poses a question of single justice and decency for the members of this House: should the women in our armed forces, who willing place their lives on the line to defend our freedom be entitled to the same rights as everyone else?

These women are not asking for any special privileges, or for publicly funded abortions. All they seek is the right to use their own personal money, and receive medical services which are the constitutionally protected right of every American woman.

Now I know that this is an election year.

I know that some of our colleagues need to do a little grandstanding for the extremist right.

I know that American service women are not a potent voting or fundraising bloc.

But for all the loud rhetoric we hear from the self-styled patriots day after day on this floor, you would think a little respect, and a little decency, might creep into their actions.

Honor our women in uniform with more than just rhetoric. Leave politics at the door just this once. Support the DeLauro amendment.

Ms. WOOLSEY. Mr. Chairman, I would like to remind this Congress that the Constitution applies to all Americans, including women in the Armed Forces.

But, current law prohibits women in the armed services from paying for abortions in military hospitals. This is an assault on the spirit of Roe. Plain and simple.

Roe versus Wade is the law of the land. In spite of that, military policy states that if you are a woman, and you need an abortion, but happen to serve our country in the military overseas—tough luck.

To all my colleagues, regardless of your position on choice, ask yourself a question. What would you want for your daughter, or your sister, or your wife? If she were stationed overseas, wouldn't you want her to go to the hospital of her choice? Wouldn't you want her to go to an American military hospital?

Vote yes on the DeLauro amendment, and cast a vote for women in the military.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of the DeLauro, Torkildsen, Harman, and Ward amendment to the Defense Department authorization fiscal year 1997 that would reinstate the rights of American citizens to make decisions about their personal and reproductive health when they are overseas and to otherwise receive their medical care at a U.S. military medical facility.

This amendment will correct a provision inserted in the Defense Department authorization fiscal year 1996 by the radically conservative Republicans that prohibited U.S. military facilities overseas from performing certain medical procedures for servicewomen or a female military dependent. Even if these U.S. citizens would pay for the procedure out of their own pocket, military doctors were prevented from assisting these women in receiving the same medical care and attention that they would be entitled to by law if they were in the United States.

This amendment will only permit the use of private funds by the U.S. citizen in exercising her rights to determine her own health choices. All costs to the Federal Government for use of the facilities will be compensated. No medical provider will be forced to perform abortions. This amendment restores previous DOD policy. This amendment protects military servicewomen and military dependents from foreign back alleys by allowing safe, legal, and comprehensive health services to be provided by U.S. medical personnel in U.S. facilities.

This is a bipartisan amendment to protect U.S. citizens overseas. I urge my colleagues to support the DeLauro amendment.

Ms. BROWN of Florida. Mr. Chairman, as a member of the House Veterans' Affairs Committee, I am constantly appalled by the discrimination that women veterans experience. This issue is just another example of how women are treated differently than men. There is never a discussion of cost for health care for men, but only for women. When it's women we're talking about we get all kinds of attention and charts, and so forth.

The military is not the appropriate place for this Congress to play moral policeman. Let's leave these women alone. Let's, instead, focus the debate on military readiness—and the best way to prepare the military to protect and defend our Nation.

Let's put fairness back in the system. Let's treat men and women the same. I urge my colleagues to support the DeLauro amendment.

This bill contains a provision to continue the practice of restricting a woman's access to a safe abortion while she is stationed at an overseas military facility. I believe that this is wrong.

In 1993, President Clinton signed an Executive order declaring that a woman who was stationed overseas could obtain an abortion if she paid for it privately. With the recently enacted fiscal year 1996 Defense bill, this Congress overturned the President's Executive order. This bill continues the same wrongheaded rule. Congresswoman DELAURO will offer an amendment to overturn this provision, so that the law reflects the President's Executive order.

The military is not the appropriate place for this Congress to play moral policeman. Let's leave these women alone. Let's, instead, focus the debate on military readiness—and the best way to prepare the military to protect and defend our Nation.

The potential danger in requiring a long wait for a woman to return to the United States to receive medical care may adversely affect our readiness. If a woman wants to use private funds to pay for an abortion, it is our responsibility to ensure that she can get a safe one at a military facility.

The bottom line is very clear: Prohibiting a woman from obtaining an abortion if she is stationed overseas will not improve military readiness.

I support women having the ability to exercise their constitutional right to have an abortion while serving in the military overseas. Especially if she is willing to use her own private money. It is the right thing to do. It was the Clinton administration policy. It was the Reagan administration policy. It made sense then. It makes sense now. I urge my colleagues to support the DeLauro amendment.

Mr. EMERSON. Mr. Chairman, I rise today in opposition to the DeLauro amendment.

It is my hope that today with the support of my colleagues we will continue to show our support for the Reagan-Bush policy, reinstated last year, prohibiting the performance of abortions at overseas U.S. military medical facilities, except when the life of the mother is in danger. I strongly oppose spending my fellow citizens tax dollars on abortions in the United States and cannot see sending their money to military medical facilities across the world that perform abortions.

Ms. DELAURO claims no Federal money is involved because the abortion procedure is paid for by the woman. She must realize, however, that the military hospitals that perform abortions are federally funded and procedures at these facilities are subsidized by the U.S. Government with our tax dollars. I strongly oppose the DeLauro amendment and urge my colleagues to do the same.

Over the past few years military doctors stationed at these overseas facilities have been forced to perform abortions no matter what their personal beliefs may be. No one should be coerced into doing something as unethical and immoral as taking the life of an unborn child, especially a military doctor whose purpose and duty is to preserve life. I do not believe U.S. taxpayers should be coerced into subsidizing abortions both in this country or in its military medical facilities overseas. I urge my colleagues to support the Dornan amendment, and oppose the DeLauro substitute.

Mr. SPENCE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Connecticut [Ms. DELAURO].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Ms. DELAURO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 192, noes 225, not voting 16, as follows:

[Roll No. 167]

AYES—192

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Beilenson
Bentsen
Berman
Bishop
Boehlert
Bonior
Bono
Boucher
Brewster
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Campbell
Cardin
Castle
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Coyne
Cramer
Cummings
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dunn
Durbin
Edwards
Ehrlich
Engel
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Ford
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Klug
Kolbe
Lantos
Leach
Levin
Lewis (GA)
Lofgren
Longley
Lowey
Luther
Maloney
Markey
Martinez
Martini
Matsui
McCarthy
McDermott
McHale
McInnis
McKinney
Meehan
Meek
Menendez
Meyers
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moran
Morella
Nadler
Obey
Olver
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Porter
Ramstad
Rangel
Reed
Richardson
Rivers
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Schumer
Scott
Shays
Sisisky
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Tanner
Thomas
Thompson
Thurman
Torkildsen
Torres
Torricelli
Traficant
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
White
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zeliff

NOES—225

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Borski
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Ehlers
Emerson
English
Ensign
Everett
Ewing
Fields (TX)
Flanagan
Forbes
Fox
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kildee
Kim
King
Kingston
Kleczka
Klink
Knollenberg
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manton
Manzullo
Mascara
McCollum
McCrery
McDade
McHugh
McIntosh
McKeon
McNulty
Metcalf
Mica
Moakley
Montgomery
Moorhead
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Peterson (MN)
Petri
Pombo
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Regula
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thornberry
Tiahrt
Upton
Volkmer
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—16

de la Garza
Hayes
Holden
Laughlin
Lincoln
Molinari
Mollohan
Oberstar
Paxon
Pryce
Riggs
Serrano
Shaw
Thornton
Towns
Zimmer

☐ 1943

The Clerk announced the following pairs:

On this vote:

Ms. Pryce for, with Mr. Riggs against.

Mr. Serrano for, with Mr. Paxon against.

Mr. ENSIGN and Mr. ORTIZ changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1945

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in part A of House Report 104-570.

Does the gentleman from Massachusetts [Mr. TORKILDSEN] wish to offer amendment No. 4?

If not, it is now in order to consider amendment No. 5 printed in part A of the report.

Does the gentleman from New Jersey [Mr. SAXTON] wish to offer amendment No. 5?

If not, it is now in order to consider amendment No. 6 printed in part A of the report.

AMENDMENT NO. A-6 OFFERED BY MR. SHAYS

Mr. SHAYS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SHAYS:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. . DEFENSE BURDENSHARING.

(a) FINDINGS.—Congress makes the following findings:

(1) Although the Cold War has ended, the United States continues to spend billions of dollars to promote regional security and to make preparations for regional contingencies.

(2) United States defense expenditures primarily promote United States national security interests; however, they also significantly contribute to the defense of our allies.

(3) In 1993, the gross domestic product of the United States equaled $6,300,000,000,000, while the gross domestic product of other NATO member countries totaled $7,200,000,000,000.

(4) Over the course of 1993, the United States spent 4.7 percent of its gross domestic product on defense, while other NATO members collectively spent 2.5 percent of their gross domestic product on defense.

(5) In addition to military spending, foreign assistance plays a vital role in the establishment and maintenance of stability in other nations and in implementing the United States national security strategy.

(6) This assistance has often prevented the outbreak of conflicts which otherwise would have required costly military interventions by the United States and our allies.

(7) From 1990-1993, the United States spent $59,000,000,000 in foreign assistance, a sum which represents an amount greater than any other nation in the world.

(8) In 1995, the United States spent over $10,000,000,000 to promote European security, while European NATO nations only contributed $2,000,000,000 toward this effort.

(9) With a smaller gross domestic product and a larger defense budget than its European NATO allies, the Untied States shoulders an unfair share of the burden of the common defense.

(10) Because of this unfair burden, the Congress previously voted to require United States allies to bear a greater share of the costs incurred for keeping United States military forces permanently assigned in their countries.

(11) As a result of this action, for example, Japan now pays over 75 percent of the nonpersonnel costs incurred by United States military forces permanently assigned there, while our European allies pay for less than 25 percent of these same costs. Japan signed a new Special Measures Agreement this year which will increase Japan's contribution toward the cost of stationing United States troops in Japan by approximately $30,000,000 a year over the next five years.

(12) These increased contributions help to rectify the imbalance in the burden shouldered by the United States for the common defense.

(13) The relative share of the burden of the common defense still falls too heavily on the United States, and our allies should dedicated more of their own resources to defending themselves.

(b) EFFORTS TO INCREASE ALLIED BURDENSHARING.—The President shall seek to have each nation that has cooperative military relations with the United States (including security agreements, basing arrangements, or mutual participation in multinational military organizations or operations) take one or more of the following actions:

(1) For any nation in which United States military personnel are assigned to permanent duty ashore, increase its financial contributions to the payment of the nonpersonal costs incurred by the United States Government for stationing United States military personnel in that nation, with a goal of achieving the following percentages of such costs:

(A) By September 30, 1997, 37.5 percent.

(B) By September 30, 1998, 50 percent.

(C) By September 30, 1999, 62.5 percent.

(D) By September 30, 2000, 75 percent.

An increase in financial contributions by any nation under this paragraph may include the elimination of taxes, fees, or other charges levied on United States military personnel, equipment, or facilities stationed in that nation.

(2) Increase its annual budgetary outlays for national defense as a percentage of its gross domestic product by 10 percent or at least to a level commensurate to that of the United States by September 30, 1997.

(3) Increase its annual budgetary outlays for foreign assistance (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights) by 10 percent or at least to a level commensurate to that of the United States by September 30, 1997.

(4) Increase the amount of military assets (including personnel, equipment logistics, support and other resources) that it contributes, or would be prepared to contribute, to multinational military activities worldwide, including United Nations or regional peace operations.

(c) AUTHORITIES TO ENCOURAGE ACTIONS BY UNITED STATES ALLIES.—In seeking the actions described in subsection (b) with respect to any nation, or in response to a failure by any nation to undertake one or more of such actions, the President may take any of the following measures:

(1) Reduce the end strength level of members of the Armed Forces assigned to permanent duty ashore in that nation.

(2) Impose on that nation taxes, fees, or other charges similar to those that such nation imposes on United States forces stationed in that nation.

(3) Reduce (through rescission, impoundment, or other appropriate procedures as authorized by law) the amount the United States contributes to the NATO Civil Budget, Military Budget, or Security Investment Program.

(4) Suspend, modify, or terminate any bilateral security agreement the United States has with that nation.

(5) Reduce (through rescission, impoundment or other appropriate procedures as authorized by law) any United States bilateral assistance appropriated for that nation.

(6) Take any other action the President determines to be appropriate as authorized by law.

(d) REPORT ON PROGRESS IN INCREASING ALLIED BURDENSHARING.—Not later than March 1, 1997, the Secretary of Defense shall submit to Congress a report on—

(1) steps taken by other nations to complete the actions described in subsection (b);

(2) all measures taken by the President, including those authorized in subsection (c), to achieve the actions described in subsection (b); and

(3) the budgetary savings to the United States that are expected to accrue as a result of the steps described under paragraph (1).

(e) REPORT ON NATIONAL SECURITY BASES FOR FORWARD DEPLOYMENT AND BURDENSHARING RELATIONSHIPS.—(1) In order to ensure the best allocation of budgetary resources, the President shall undertake a review of the status of elements of the United States Armed Forces that are permanently stationed outside the United States. The review shall include an assessment of the following:

(A) The alliance requirements that are to be found in agreements between the United States and other countries.

(B) The national security interests that support permanently stationing elements of the United States Armed Forces outside the United States.

(C) The stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(D) The alternatives available to forward deployment (such as material prepositioning, enhanced airlift and sealift, or joint training operations—to meet such alliance requirements or national security interests, with such alternatives identified and described in detail.

(E) The costs and force structure configurations associated with such alternatives to forward deployment.

(F) The financial contributions that allies of the United States make to common defense efforts (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights).

(G) The contributions that allies of the United States make to meeting the stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(H) The annual expenditures of the United States and its allies on national defense, and the relative percentages of each nation's gross domestic product constituted by those expenditures.

(2) The President shall submit to Congress a report on the review under paragraph (1). The report shall be submitted not later than March 1, 1997, in classified and unclassified form.

The CHAIRMAN. Pursuant to the rule, the gentleman from Connecticut [Mr. SHAYS] and a Member opposed will each control 15 minutes.

The Chair recognizes the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Chairman, I yield half my time to the gentleman from Massachusetts [Mr. FRANK] and ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume to briefly describe this amendment.

Mr. Chairman, I offer this amendment on behalf of a number of colleagues on both sides of the aisle. This is an amendment designed to encourage the administration to ask our allies in Europe to pay more of the nonsalaried costs of our troops in Europe. Presently we have 116,000 troops in Europe. The nonpersonnel cost is $8.3 billion. Our allies contribute about $2 billion in in-kind and cash, but their cash contribution is $46 million. In contrast, we have 45,000 troops in Japan. The total nonpersonnel cost is $5.8 billion. The contribution of the Japanese is $4.6 billion.

In Europe our allies contribute $2 billion to an $8 billion cost. In Japan our allies contribute $4.6 billion out of a $5.8 billion cost. In cash contributions to the United States from Japan, we receive $3.8 billion. Our European allies contribute $46 million in cash contribution.

An amendment similar to this passed the House last year, 273–156. The year before it passed 268–144. It has clear support in the House but has not passed the Senate and has not been in a conference report.

This is an attempt to take the considerations of our colleagues in the Senate and have an amendment we think that they also can support. It would not reduce the number of troops in Europe but would enable the President to allow for four different types of assistance on the part of the Europeans, that they contribute more, and more to the indirect costs of our troops in Europe, that if they cannot do that, increase their own defense spending or their own foreign aid assistance or their own military contributions to other countries but bear a bigger burden of sharing the cost of defending the free world, and it gives the President four basic options. One is to reduce the level of troops but not require a reduction in the number of troops.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentlemen from South Carolina [Mr. SPENCE] will control 15 minutes.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in reluctant opposition to the amendment offered by my colleagues. I commend them for their efforts to address many of the concerns that have been voiced over previous formulations on this issue, and for coming forward for what is clearly a better provision than those offered in the past.

But, however well intentioned, these provisions still suffer from the basic problems of previous amendments. This amendment is still based on a fundamental misunderstanding of America's alliances and their purpose, which is to advance our own security interests. Also, the amendment reflects a skewed perspective on the relative value between humanitarian, peacekeeping, and foreign assistance contributions and military coalition efforts. Finally, it still resorts to the use of legislated statistical formulas as the principal measure of the worth and value of our security alliances.

Mr. Chairman, I find it ironic that many of my colleagues who have the highest hopes for peace in this turbulent, post-cold-war world would work to weaken some of the key instruments that have brought us this peace and are the best hope for preserving it in the future.

Alliances are, by their very nature, fragile. Napoleon said that he always preferred to fight against coalitions, observing that the often contradictory policies of his enemies worked to devalue whatever combined military forces they could mount against him. Yet, despite the inherent weaknesses of alliances, the United States was able to maintain a durable global coalition for five long decades of cold war. If we are to maintain the health of these instruments of peace and American security in these uncertain times, we must not try to fashion our alliances into things they were not designed to be.

Let me elaborate on these three objections I have just raised. First, the purpose of our alliances must be to further American national security interests and those of our partners. While the rhetoric in this debate may lead one to believe that we have a presence in Europe solely to benefit our NATO Allies, the fact remains that we maintain a sizable forward deployed force in Europe principally to serve legitimate and important American security interests.

Second, this amendment places too much value on the activities that are secondary to principal security concerns, like peacekeeping and humanitarian operations. Under the formula advanced in the amendment, a staunch ally such as Great Britain, whose troops regularly fight alongside American troops, might be exposed to burdensharing penalties while other nations, content to participate in U.N. operations, might be exempt.

This leads me to the third objection. A true measure of an ally's worth is difficult to quantify, especially when measured simply in dollars. Consider the case of the Saudis, who have run considerable domestic political risk to allow American troops to be stationed and operate on their soil. If the Saudis cut back on their substantial financial contribution to this effort, would we truly want to withdraw from that region? We simply cannot take an accountant's approach to security strategy and expect to continue to emphasize American leadership around the world.

Mr. Chairman, let me again commend the sponsors of this amendment for their continuing efforts on this issue, but despite these efforts I must still urge a "no" vote.

Mr. Chairman, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I am very pleased to be able to yield 3 minutes to the gentleman from Missouri [Mr. GEPHARDT], the democratic leader and a man who had a lot to do with drafting this amendment.

Mr. GEPHARDT. Mr. Chairman, I urge a large bipartisan vote for this amendment. We have had burdensharing amendments in the past and I am afraid they have not gotten the result that all of us want. The progress that we have made in this area has been not enough in my view. This is a new amendment that we have worked on in a bipartisan way. It broadens the traditional approach that we have taken to burdensharing. We are asking our allies not merely to pay more but to do more, to play an active role in their own defense and in their region's affairs.

This bill is intended to increase burdensharing in four critical areas: financial support, defense spending, participation in multinational military operations, and foreign aid. We believe it gives the President the leverage he needs to achieve that goal, and it gives the Congress the information it needs to take action unilaterally if our allies do not rise to the challenge.

I believe this amendment is a much better approach than the one that we have used in the past. We will not simply reduce over presence overseas if our allies do not do more, because in some cases that hurts us more than it hurts them. Instead, we will provide the incentives to make it in our allies' clear interests to play a greater role, as they should. If that fails, we can take serious unilateral action. And, believe me, we should do that if we do not get the result that we have been asking for.

The new world order demands a new world partnership. And at a time of smaller governments here at home, it makes sense to share our burdens all around the world.

I urge every Member, Democrat and Republican, to vote for this amendment to make clear that America can lead the world without always paying all of the bill, and to ensure that just as all nations share the blessings of peace and security, we should all bear the burdens as well.

I urge every Member to vote for this amendment to send a signal to our administration that we want them to take this most seriously and, more importantly, that our allies should take it seriously as well.

I commend the gentleman from Connecticut and others on the Republican side with my friend from Massachusetts, who has led on this effort for taking this effort on and improving this amendment in such important ways.

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Mr. SPENCE. Mr. Chairman, I yield 2½ minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, I rise in opposition to the amendment. Certainly, every responsible American wants and expects our allies to shoulder their fair share of the burden of defense. Unfortunately, however, this amendment helps perpetuate an underlying misconception regarding the rationale for the forward-basing of U.S. military forces.

As the legislation itself acknowledges, U.S. defense expenditures primarily promote U.S. national security interests. The promotion of these interests are also the primary reason for the stationing of U.S. forces overseas. The fact that their presence also benefits our key allies is a secondary but important benefit to us. To risk a conflict in any of the regions where our personnel are now stationed—even those countries far from our borders—would mean jeopardizing U.S. lives and commerce, and contribute to global instability.

This amendment's citation of Japan's burdensharing figure of 75 percent of nonpersonnel costs as a role model for other allies to emulate is very misleading. Following World War II, the United States compelled the Japanese to adopt the Peace Constitution, whereby they abandoned all but the most limited and parochial security responsibilities. For 50 years, we have been the guarantor of Japanese security. Our European partners, on the other hand, are full allies with a commitment to fight side-by-side to defend our common vital interests.

What is the difference? The difference, Mr. Chairman, could be clearly seen when the United States sent two carrier battle groups to the Taiwan Strait and because of their Peace Constitution our Japanese friends stood back and watched. On the other hand, our NATO Allies are on the ground in Bosnia, forming the bulk of IFOR, and they were there before us as a part of UNPROFOR. This is a significant difference, one that this Member hopes his colleagues would recognize.

There are also numerous extenuating circumstances at play in determining the appropriate allied burdensharing responsibility. This includes the expense that has been shouldered by many of our European allies on other allied priorities, including peacekeeping—responsibilities not yet significantly assumed by the Japanese. In addition, disparities in construction and housing costs also factor into the burdensharing disparities between Japan and European allies.

Finally, the amendment grants far-reaching discretionary authority to the President, who would be free to impose such measures as troop reductions and suspension of bilateral agreements in response to an individual country's failure to meet specified arbitrary goals. Mr. Chairman, such actions are unlikely to be in our national interest, and could in the long run result in considerable expenditure of U.S. lives and treasure.

Mr. Chairman, I urge my colleagues to reject the Shays-Frank amendment.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, as in the past, I rise in support of the Shays amendment. First of all, foreign nations should pay more. They should do more. And yes, national security for the United States and economic benefit helps from those allies. But it also helps our allies. You are telling me that we cannot ask them to do more and share more of the burden? I disagree. Yes, we can.

One thing I do disagree with, though: I absolutely do not want a new world order. I do not want the United Nations to be at the head of our troops. I want a strong military, but not a one world order. But that does not mean that foreign nations cannot pay their fair share.

I look at the case of Japan. We give billions of dollars to Japan, the trade deficit we have, and then they spend $3 billion a year subsidizing their shipbuilding and ship repair industry. And we have our ships in their ports doing the same thing. And they have nearly forced our workers and our ship builders out of work here in this country.

They can pay more. Other nations can pay more. I fully support the Shays amendment and ask for its passage.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Chairman, I rise in opposition to the amendment of my friend and colleague from Connecticut [Mr. SHAYS]. I do so because I feel it would jeopardize the ability of the United States to defend its own national security interests. U.S. troops are not for sale. If it is in our interests to have troops located somewhere in the world, they should be located there. If it is not in our interests, they should not be, no matter how much money another country is willing to pay us. It just should not be that way.

The United States must defend its own interests, whether maintaining peace in a hostile part of the world or here at home. It should not rely on payments from a foreign nation.

Another point that was brought up earlier underscores why this amendment, though well-intentioned, misses the point. Troops located in Germany do not only defend Germany. They do not only defend Europe. Troops in Europe were used most recently in Operation Desert Storm. And what does this amendment say when our troops are going to be sent around the world? Our troops are every bit in danger, but they are every bit fighting for our national interests. We should not hold them hostage. We should not hold our own policy hostage to a policy that says one country has to pay, even though our troops are there to help nations around the world, help democracy around the world, and help our own U.S. interests. This amendment is well-intentioned, but it is misguided. I would hope all Members would vote against it and support the very rational policy articulated by the gentleman from South Carolina.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Oregon [Ms. FURSE], one of the cosponsors and a long supporter of this.

Ms. FURSE. Mr. Chairman, for 3 years I have joined my distinguished colleague from Massachusetts in sponsoring this amendment to require greater burdensharing of our allies. Now that the cold war is over, we can no longer afford to bear the full cost of our allies' defense. As we struggle to balance the budget at home, it is only fair that our allies pick up the cost of their defense.

Here in the United States, we spend 4.7 percent of our GNP on the military. NATO countries in Europe spend just 2.7 percent and Japan spends 1 percent. It simply is not fair.

We have a choice: We can invest in our jobs, safety on our streets, our education, or we can pick up the billions of dollars for our allies' defense while they invest in their own citizens' health care and education.

I would say the choice is simple. Our amendment is about fairness and common sense, and that is why it is endorsed by Citizens Against Government Waste, National Taxpayers Union, and the Concord Coalition. Our amendment will save over $11 billion. By bringing this money home, we begin to give our own constituents a break. My constituents and all Americans deserve nothing less.

Vote yes on our burdensharing amendment. Vote yes on the Frank-Shays amendment.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I join the chairman of the full committee in opposing this amendment, but I must say if the House gave an award to the most improved amendment writing, the authors of this amendment would certainly win that award. It is a vast improvement over the burden sharing amendments of prior sessions.

But it still has the same fundamental flaw. It proceeds from the notion that our forces stationed and deployed abroad are there in defense of Englishmen, Frenchmen, Germans, Belgians or someone else. They are there in the interests of the national security of the United States. They are not mercenaries.

The amendment is totally simplistic in seeking to say, in effect, we will unilaterally define what fair share burdens will be. You will pay it or otherwise sanctions will be imposed. How are we going to determine that Portugal should be paying the same share as a France or Germany?

The amendment simply does not have a practical underpinning to support it, and should be resisted.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. MARTINI].

Mr. MARTINI. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise today in support of this important amendment. Like most of my colleagues, I am committed to ensuring that the United States military is the finest fighting force in the world. We certainly owe this to our brave men and women who serve their country in uniform. However, I am also very concerned about the fiscal crisis facing America. With a $5 trillion public debt, we must look to reduce unnecessary Federal spending everywhere we can.

During the cold war, the forward presence of U.S. troops on the European continent was necessary to neutralize the impending Soviet threat. But the time has come for our European allies to contribute to the cost of freedom. In the Pacific arena, Japan already assumes 79 percent and Korea 63 percent of the non-personnel costs for United States troops deployed in these countries. Yet, astonishingly, our European friends contribute less than 25 percent of the non-personnel costs. That this occurs in 1996 is simply wrong.

Our European allies must step up to the plate. This broad amendment will offer our friends several options to meet their share of U.S. support. According to CBO, our proposal would save the American taxpayers in excess of $7 billion over the next 4 years.

Let us do the right thing and pass this important amendment today.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in support of the Spence en bloc amendment to the 1997 National Defense Authorization Act, and I also want to voice my strong support for this entire bill. I am pleased with the priorities that we have established for funding, that ensures our soldiers have access to the best information possible through the best technology available.

Mr. Chairman, there is nothing more important in terms of what the Federal Government should be doing than defending this country from foreign invasion. And within that concept, there is nothing more important than sending our men and women to combat with the best, most sophisticated technology that we can afford them. I do not mean just by dollars, I mean by a national commitment.

One such commitment is the field emissions display unit that the chairman included in his en bloc amendment that was brought in by this Member. This unit would allow for a fraction of the cost to be spent for this display unit to be installed in the M-1 tanks, and the new display unit would be far more effective.

Mr. Chairman, again, I want to say that there is nothing more important that this body can do than to provide for the proper defense.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 1 minute to the gentlewoman from Colorado [Mrs. SCHROEDER], who actually will speak on this amendment.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman. I urge everybody to support this amendment. I have been the room-clearer at more international conferences, because I have been talking about this for 20 years. It is amazing how your allies clear out. And I have been on this floor over and over arguing for different amendments, and have had many of you stand there and tell me if my amendment passed, it would the end of everything, that it would be over.

Guess what? We are down to about 100,000 in Europe, and it is going well. We pushed the Japanese and we pushed the Japanese, and they are doing a great job. Now what this amendment is saying is we ought to have the Europeans do the same thing.

Let me tell you about doom and gloom. The new doom and gloom is the threat of the debt. We are not allowed any cutting amendments on the floor but this one. This is the only chance, and this says that we are recognizing the fact our military allies are also trading competitors. And by our paying for all their defense, we put ourselves at a terrible global disadvantage.

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Vote for this amendment, it is about time.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to my colleague the gentleman from Michigan [Mr. UPTON]

Mr. UPTON. Mr. Chairman, I care deeply about the deficit and maintaining a strong national defense. Next year we will be spending more just on the interest servicing the $5.5 trillion national debt than all of the Defense Department budget and foreign aid put together; and, consequently, we need to look under every rock and stone for savings.

Last year a similar amendment passed this body 273 to 176. Our amendment this year provides flexibility to offset the cost of our troops overseas by our European NATO Allies. If we can ask Americans to tighten their belts on a whole host of issues, is there any reason why we cannot ask our European allies to do the same?

This amendment can save the taxpayers $11 billion. That is certainly worth a "yes" vote.

Mr. SPENCE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, how much time is remaining on our side?

The CHAIRMAN. The Chair advises the gentleman there are 2 minutes remaining on his side.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself the balance of my time.

This is a very clear-cut issue. Members have said American troops are not there to defend other countries, they are there to defend us, but the fact is that they are doing both. No one thinks that we have no role in defending other countries. The question is not whether we should pay. We will. Even under this amendment the American taxpayers pay the great bulk of this. What we are talking about is whether or not these other nations should get a free ride. We will spend most of the money.

People have said, gee, if we do not put out all the extra money, we will lose out on all our allies. How come we have to constantly bribe them to let us defend them? The way people argue, you would think America was the baby that was so ugly one had to put a lamb chop around its neck so the dog would play with it.

Apparently, the notion is that we would be so bereft of helping people, that if we did not bribe people by picking up their defense budgets they would not do it.

People say it worked in Japan but not here. The very same people are trying to kill this amendment today voted against us when we imposed it on Japan. They used the same arguments.

We are performing a task in the common defense. It is not just for us, it is for them. What is not common is the burden. We are picking up all the tab and they are getting all the benefit for free. What we need to do is to share the burden, and that is what this calls for.

We are going to run into, as Members of this House, an increasing crunch if we get to a zero deficit. There will be a terrible crunch on other discretionary spending. This is a chance to say to the beneficiaries of American fighting people on American tax dollars that they can make a reasonable small contribution. We ought to do it.

And for people who say we can never accept money under those circumstances, then we owe a lot of people a lot of money for the gulf war. We took money to fight the gulf war in the common interest. We got money from our allies because we were bearing that burden, and it worked very well.

The only thing we accomplish by voting "no" is to have the American taxpayer continue to pick up the tab for the rest of the world.

Mr. Chairman, I yield back the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield myself the remainder of my time.

I want to thank first my colleague, the gentleman from Massachusetts [Mr. FRANK], who has been working on this issue for so many years, and colleagues on both sides of the aisle who are trying to provide a workable solution to a very real problem.

The last I heard, our country had a financial crisis. The last I heard, Members on this side of the aisle believe we need to get our financial house in order and balance our Federal budget. We are cutting domestic spending, we are cutting foreign aid, we are freezing defense spending, and we are slowing the growth of entitlements. We are asking every part of our Government to recognize that we have to get our financial house in order.

We need to ask our allies in Europe to do what our allies in Korea and Japan are doing. Our allies in Japan are paying $3.8 billion in direct payments to help us defray the cost of our troops in Japan, $3.8 billion. Our allies in Europe are paying $46 million. We are asking our colleagues to do their part in this effort.

This amendment in the past was opposed by the State Department and the Defense Department. Because of the work of the gentleman from Missouri [Mr. GEPHARDT] and the gentleman from Massachusetts [Mr. FRANK] and others, it has received their support, and certainly not their opposition.

I encourage my colleagues to recognize this amendment passed last year and it was a stronger amendment then, 273 to 156; the year before 268 to 144. This amendment has had the support of our colleagues on both sides of the aisle in the past. It is an amendment that will help us get our financial house in order, and I urge its adoption.

Mr. Chairman, I yield back the balance of my time.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as one of the sponsors and drafters of the amendment, I obviously rise in support of it. I tried to listen very carefully during the course of the debate to those persons who rose in opposition to this amendment. I would like to respond to a few of their remarks as I noted their comments.

One of my colleagues, the gentleman from Virginia, indicated that this was the most improved amendment. The gentleman is correct. Last year the Department of defense opposed the burden-sharing amendment. This year the Department of Defense generally supports the amendment, and I quote verbatim:

> After detailed review, analysis and consideration of the provisions of the amendment, the Department believes it provides a solid basis upon which to proceed in future discussions and negotiations with our allies around the world to attain greater respensibility sharing in defense and security issues of national concern.

Second, with respect to the improved amendment, this has, over the years, been a controversial amendment. I have had conversations with the gentleman from Connecticut and the gentleman from Massachusetts saying that we ought to update the burden-sharing amendment so that it speaks to the realities of the post-cold war world and not the cold war. They were receptive to those ideas. So we are here with an amendment that corresponds to a post-cold war environment as we march toward the 21st century.

Several of my colleagues on the other side of the aisle in opposition to the amendment say there is a misperception about why American troops are forward deployed. It is not either/or. Wake up. They are forward deployed because of shared security reasons. That means the other countries' concerns and our concerns. Therefore, we have a right to enter into a process that says our burden-sharing ought to reach some accommodation that speaks to equity.

Now, Mr. Chairman, for those Members who oppose it, read the amendment. The amendment in part says:

> In efforts to increase allied burden-sharing, the President shall seek to have each nation that has cooperative military relationships with the United States, including security agreements, basing arrangements, or mutual participation in multinational military organizations or operations, to take one or more of the following actions.

Action No. 1, to attempt to reach as a goal a percentage of the investment. Second, to increase their military outlays in order to provide an opportunity for increased sharing of the cost. A third could be that they increase their annual budgetary outlays for foreign assistance to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally organized human rights. So that is a third.

The fourth, the gentleman from Nebraska [Mr. BEREUTER], raised and I want to respond to that. Increase the amount of military assets, including personnel, equipment, logistic support, and other resources that it contributes or would be prepared to contribute to multinational military activities worldwide, including United Nations or regional peace operations.

The gentleman spoke to IFOR and UNPROFOR. That is exactly, Mr. Chairman, what this fourth provision provides the President an option to deal with. It is not one option, it is several options. And if people stop long enough to read the legislation and not react to last year's amendment, then they will understand that the arguments are not well founded.

Finally, one of my colleagues said that the amendment is well intended but misguided. I would suggest that what is misguided are the arguments in opposition to the amendment. I urge my colleagues on both sides of the aisle on a bipartisan basis to overwhelmingly adopt the proposition before the body.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. SHAYS].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 353, noes 62, not voting 18, as follows:

[Roll No. 168]

AYES—353

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barrett (WI)
Barton
Bass
Becerra
Bentsen
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Burr
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooley
Costello
Cox

Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Durbin
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Harman
Hastert
Hastings (FL)
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Horn
Hoyer
Hutchinson

Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kingston
Klink
Klug
LaFalce
LaHood
Lantos
Largent
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDade
McDermott
McHale
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Montgomery
Moorhead
Moran
Morella
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)

Pelosi
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sanford
Sawyer
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Tejeda
Thomas
Thompson
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Williams

Wilson
Wise

Wolf
Woolsey

Wynn
Young (FL)

NOES—62

Baker (CA)
Baker (LA)
Barr
Barrett (NE)
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Bateman
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Bereuter
Berman
Bonilla
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Burton
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Chrysler
Combest
DeLay
Dicks
Doolittle
Edwards
Funderburk
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Geren
Gilman
Hansen
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Hayworth
Hostettler
Houghton
Hunter
Hyde
Johnson (CT)
Johnson, Sam
Jones
King
Knollenberg
Kolbe
Latham
Laughlin
Livingston
McCrery
McHugh
Mica

Murtha
Packard
Peterson (FL)
Pickett
Rogers
Salmon
Saxton
Scarborough
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Spence
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NOT VOTING—18

Boehner
Buyer
Clinger
de la Garza
Dornan
Fields (TX)

Hayes
Holden
Johnston
Kleczka
Lincoln
Molinari

Mollohan
Paxon
Pryce
Serrano
Yates
Zimmer

□ 2046

The Clerk announced the following pair:

On this vote:

Mr. Serrano for, with Mr. Paxon against.

Messrs. JONES, LAUGHLIN, BARR of Georgia, FUNDERBURK, and EDWARDS changed their vote from "aye" to "no."

Messrs. SMITH of Texas, WILLIAMS, and LAZIO of New York and Mrs. FOWLER changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SERRANO. Mr. Speaker, I was unavoidably detained May 14, 1996, and missed two votes on amendments to H.R. 3230, the national defense authorization bill for fiscal year 1997.

Had I been present I would have voted in favor of Congresswoman DELAURO's amendment to delete provisions that prohibit privately funded abortions at Defense Department hospitals overseas. I would also have voted in favor of Congressman SHAYS' amendment to require the President to seek increased cash contributions from U.S. allies to fund the nonsalary costs of U.S. troops permanently stationed in their countries.

PERSONAL EXPLANATION

Mr. CLINGER. Mr. Speaker, on Tuesday, May 14th, I was unavoidably detained and missed Rollcall Vote 168—An amendment to provide authorities to the President to achieve increases in burdensharing by U.S. allies. Had I been present, I would have voted "AYE."

Last year, as I had done in previous years, I opposed an effort to increase burdensharing by our allies, primarily due to concerns that the proposal put forth would have required the withdrawal of U.S. troops abroad. As my voting history demonstrates, I have supported amendments urging the President to enter into burdensharing negotiations, but I have opposed proposals that mandate a reduction in troop levels.

The Shays-Frank-Upton amendment to the Fiscal Year 1997 National Defense Authorization Act has been drafted in a way that provides more flexibility and latitude to the president in seeking increases in defense burdensharing by U.S. allies. For example, the president may impose taxes or fees similar to those imposed on our forces in foreign countries, and may reduce U.S. contributions to the NATO budget or other bilateral accounts. In addition, the amendment gives the president and the Secretary of Defense more than a year to negotiate increased contributions from our allies who benefit from U.S. troops stationed abroad. Given these modifications to past burdensharing amendments, I support the Shay-Frank-Upton amendment.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SOLOMON. If I understand it correctly, Mr. Chairman, this group of en bloc amendments will either go by a voice vote or the vote will be rolled until tomorrow. Therefore, we do not expect any other votes tonight.

It that correct?

The CHAIRMAN. That is the Chair's understanding at this point.

AMENDMENTS EN BLOC, AS MODIFIED, OFFERED BY MR. SPENCE

Mr. SPENCE. Mr. Chairman, pursuant to section 3 of House Resolution 430, I offer en bloc amendments consisting of amendments, 1, 2, 3, 5, 6, 8, 9, 10, 11, amendment No. 12, as modified, amendments 15, 18, 21, 22, 23, 24, 25, amendment No. 26, as modified, and amendments 27, 29, 30 and 33 printed in part B of House Report 104–570.

The CHAIRMAN. The Clerk will designate the amendments en bloc and report the modifications.

The Clerk designated the amendments en bloc and proceeded to read the modifications.

Amendments en bloc, as modified, consisting of amendments 1, 2, 3, 5, 6, 8, 9, 10, 11, as modified, 15, 18, 21, 22, 23, 24, 25, 26 as modified, 27, 29, 30 and 33, offered by Mr. SPENCE:

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. MCINNIS OF COLORADO (AMDT. B–1 OF HOUSE REPORT 104–570)

In section 107 (page 20, beginning on line 9)———

(1) insert "(a) AUTHORIZATION.—" before "There is hereby authorized"; and

(2) add the following at the end:

(b) AMOUNT FOR ALTERNATIVE TECHNOLOGY AND APPROACHES PROJECT.—Of the amount specified in subsection (a), $21,000,000 shall be available for the Alternative Technology and Approaches Project.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. HUNTER OF CALIFORNIA OR MRS. CHENOWETH OF IDAHO (AMDT. B–2 OF HOUSE REPORT 104–570)

At the end of title II, (page 70, after line 15), add the following new section:

SEC. 248. FUNDING INCREASE FOR FIELD EMISSION FLAT PANEL TECHNOLOGY.

(a) INCREASE.—The amount authorized in section 201(1) for the Combat Vehicle Improvement Program for M1 Tank Upgrade (program element 23735A DD30) is here by increased by $10,000,000 to assist in funding the development of field emission flat panel technology.

(b) OFFSET.—The amount authorized in section 101 is hereby decreased by $10,000,000.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. WELDON OF PENNSYLVANIA OR MR. SPRATT OF SOUTH CAROLINA (AMDT. B-3 OF HOUSE REPORT 104-570)

In section 203, add at the end of subsection (c) (page 36, after line 6) the following new paragraph:

(3) Funds made available pursuant to subsection (b) may be used for dual-use program only if the contract, cooperative agreement, or other transaction by which the program is carried out is entered into through the use of competitive procedures.

Add at the end of section 203 (page 37, after line 11) the following new subsection:

(g) REPEAL.—Section 2371(e) of title 10, United States Code, is amended—

(1) by inserting "and" after the semicolon at the end of paragraph (1);

(2) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period; and

(3) by striking out paragraph (3).

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. CUNNINGHAM OF CALIFORNIA (AMDT B-5 IN HOUSE REPORT 104-570)

At the end of subtitle B of title II (page 50, after line 6), insert the following new section:

SEC. 223. HIGH ALTITUDE ENDURANCE UNMANNED AERIAL RECONNAISSANCE SYSTEM.

Any funds authorized to be appropriated under this title to develop concepts for an improved Tier III Minus (High Altitude Endurance Unmanned Aerial Reconnaissance System) that would increase the unit flyaway cost above the established contracted for amount must be awarded through competitive acquisition procedures.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. TAYLOR OF MISSISSIPPI (AMDT B-6 IN HOUSE REPORT 104-570)

At the end of subtitle B of title II (page 50, after line 6), insert the following new section:

SEC. 223. CERTIFICATION OF CAPABILITY OF UNITED STATES TO PREVENT ILLEGAL IMPORTATION OF NUCLEAR, BIOLOGICAL, OR CHEMICAL WEAPONS.

Not later than 15 days after the date of the enactment of this Act, the President shall submit to Congress a certification in writing stating specifically whether or not the United States has the capability (as of the date of the certification) to prevent the illegal importation of nuclear, biological, or chemical weapons into the United States and its possessions.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. HANSEN OF UTAH (AMDT B-8 OF HOUSE REPORT 104-570)

At the end of title II (page 70, after line 15), insert the following new section:

SEC. 248. NATURAL RESOURCES ASSESSMENT AND TRAINING DELIVERY SYSTEM.

Of the amount authorized to be appropriated by section 201(4) for program element 65804D, funding shall be available for a proposed natural resources assessment and training delivery system to enhance the ability of the Department of Defense to mitigate the environmental impact of its operational training of forces and testing of weapons systems on military installations where problems are most acute.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. DELLUMS OF CALIFORNIA (AMDT B-9 IN HOUSE REPORT 104-570)

At the end of subtitle C of title III (page 84, after line 25), insert the following new section:

SEC. 328. AGREEMENTS FOR SERVICES OF OTHER AGENCIES IN SUPPORT OF ENVIRONMENTAL DEMONSTRATION AND VALIDATION.

(a) AUTHORITY.—The Secretary of Defense may enter into a cooperative agreement with an agency of a State or local government to obtain assistance in demonstrating, validating, and certifying environmental technologies.

(b) TYPES OF ASSISTANCE.—The types of assistance that may be obtained under subsection (a) include the following:

(1) Data collection and analysis.

(2) Technical assistance in conducting a demonstration of an environmental technology, including the implementation of quality assurance and quality control programs.

(c) SERVICE CHARGES.—The cooperative agreement may provide for the payment by the Secretary of service charges to the agency if the charges are reasonable, non-discriminatory, and do not exceed the actual or estimated cost to the agency of providing the service.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. MC KEON OF CALIFORNIA (AMDT B-10 IN HOUSE REPORT 104-570)

At the end of subtitle A of title V (page 129, after line 7), insert the following new section:

SEC. 508. CLARIFICATION OF APPLICABILITY OF CERTAIN MANAGEMENT CONSTRAINTS ON MAJOR RANGE AND TEST FACILITY BASE STRUCTURE.

Section 129 of title 10, United States Code, is amended—

(1) in subsection (c)(1), by inserting after "industrial-type activities" the following: ", the Major Range and Test Facility Base,"; and

(2) by adding at the end the following new subsection:

"(e) Subsections (a), (b), and (c) apply to the Major Range and Test Facility Base (MRTFB) at the installation level. With respect to the MRTFB structure, the term "funds made available" includes both direct appropriated funds and funds provided by MRTFB customers.".

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. MONTGOMERY OF MISSISSIPPI (AMDT B-11 IN HOUSE REPORT 104-570)

At the end of subtitle B of title V (page 136, after line 8), insert the following new section:

SEC. 517. ELIGIBILITY FOR ENROLLMENT IN READY RESERVE MOBILIZATION INCOME INSURANCE PROGRAM.

Section 12524 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) MEMBERS OF INDIVIDUAL READY RESERVE.—Notwithstanding any other provision of this section, and pursuant to regulations issued by the Secretary, a member of the Individual Ready Reserve who becomes a member of the Selected Reserve shall not be denied eligibility to purchase insurance under this chapter upon becoming a member of the Selected Reserve unless the member previously declined to enroll in the program of insurance under this chapter while a member of the Selected Reserve.".

MODIFICATION TO THE AMENDMENT OFFERED BY MR. OBERSTAR OF MINNESOTA (AMDT B-12 IN HOUSE REPORT 104-570)

The amendment as modified is as follows:

At the end of subtitle A of title VII (page 274, after line 15), insert the following new section:

SEC. 702. PREVENTIVE HEALTH CARE SCREENING FOR COLON AND PROSTATE CANCER.

(a) MEMBERS AND FORMER MEMBERS.—(1) Subsection (a) of section 1074d of title 10, United States Code, is amended—

(A) by inserting "(1)" before "Female"; and

(B) by adding at the end the following new paragraph:

"(2) Male members and former members of the uniformed services entitled to medical care under section 1074 or 1074a of this title shall also be entitled to preventive health care screening for colon or prostate cancer at such intervals and using such screening methods as the administering Secretaries consider appropriate.".

(2)(A) The heading of such section is amended to read as follows:

"§ 1074d. Primary and preventive health care services

(B) The item relating to such section in the table of sections at the beginning of chapter 55 of such title is amended to read as follows:

"1074d. Primary and preventive health care services.".

(b) DEPENDENTS.—(1) Section 1077(a) of such title is amended by adding at the end the following new paragraph:

"(14) Preventive health care screening for colon or prostate cancer at the intervals and using the screening methods prescribed under section 1074d(a)(2) of this title.".

Section 2079(a)(2) of such title is amended—

(A) in the matter preceding subparagraph (A), by inserting "the schedule and method of colon and prostate cancer screenings," after "pap smears and mammograms,"; and

(B) in subparagraph (B), by inserting "or colon and prostate cancer screenings" after "pap smears and mammograms".

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. FARR OF CALIFORNIA (AMDT B-15 IN HOUSE REPORT 104-570)

At the end of title VIII (page 316, after line 14), insert the following new section:

SEC. . DEMONSTRATION PROJECT FOR PURCHASE OF FIRE, SECURITY, POLICE, PUBLIC WORKS, AND UTILITY SERVICES FROM LOCAL GOVERNMENT AGENCIES.

(a) EXTENSION OF DEMONSTRATION PROJECT.—Section 816 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2820) is amended by adding at the end the following new subsection:

"(c) DURATION OF PROJECT.—The authority to purchase services under the demonstration project shall expire on September 30, 1998.".

(b) REPORTING REQUIREMENTS.—Subsection (b) of such section is amended by striking out ", 1996" and inserting in lieu thereof "of each of the years 1997 and 1998".

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. OBERSTAR OF MINNESOTA (AMDT B-18 IN HOUSE REPORT 104-570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. AUTHORITY TO TRANSPORT HEALTH PROFESSIONALS SEEKING TO PROVIDE HEALTH-RELATED HUMANITARIAN RELIEF SERVICES.

Section 402 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) Notwithstanding any other provision of law, and subject to paragraph (2), the Secretary of Defense may transport to any country, without charge, health professionals who are traveling in order to furnish health-care related services as part of a humanitarian relief activity. Such transportation may be provided only on an invitational space-required noninterference basis.

"(2) Any expenses incurred as a direct result of providing such transportation shall be paid out of funds specifically appropriated to the Department of Defense for Overseas Humanitarian, Disaster, and Civic Aid (OHDACA) programs of the Department.".

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. SCARBOROUGH OF FLORIDA (AMDT. B–21 IN HOUSE REPORT 104–570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. TREATMENT OF EXCESS DEFENSE ARTICLES OF COAST GUARD UNDER FOREIGN ASSISTANCE ACT OF 1961.

(a) DEFINITION OF EXCESS DEFENSE ARTICLE.—Section 644(g) of the Foreign Assistance Act of 1961 (22 U.S.C. 2403(g)) is amended by adding at the end the following new sentence: "Such term includes excess property of the Coast Guard.".

(b) CONFORMING AMENDMENT.—Section 517 of such Act (22 U.S.C. 2321k) is amended by striking out subsection (k).

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. PICKETT OF VIRGINIA (AMDT. B–22 IN HOUSE REPORT 104–570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. . FORFEITURE OF RETIRED PAY OF MEMBERS WHO ARE ABSENT FROM THE UNITED STATES TO AVOID PROSECUTION.

(a) DEVELOPMENT OF FORFEITURE PROCEDURES.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall develop uniform procedures under which the Secretary of a military department may cause to be forfeited the retired pay of a member or former member of the uniformed services who willfully remains outside the United States to avoid criminal prosecution or civil liability. The types of offenses for which the procedures shall be used shall include the offenses specified in section 8312 of title 5, United States Code, and such other criminal offenses and civil proceedings as the Secretary of Defense considers to be appropriate.

(b) REPORT OF CONGRESS.—The Secretary of Defense shall submit to Congress a report describing the procedures developed under subsection (a). The report shall include recommendations regarding changes to existing law, including section 8313 of title 5, United States Code, that the Secretary determines are necessary to fully implement the procedures.

(c) RETIRED PAY DEFINED.—In this section, the term "retired pay" means retired pay, retirement pay, retainer pay, or equivalent pay, payable under a statute to a member or former member of a uniformed service.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. BROWDER OF ALABAMA (AMDT. B–23 IN HOUSE REPORT 104–570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. CHEMICAL STOCKPILE EMERGENCY PREPAREDNESS PROGRAM.

(a) REPORT.—Not later than 120 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report assessing the implementation and success of the establishment of site-specific Integrated Product and Process Teams as a management tool for the Chemical Stockpile Emergency Preparedness Program.

(b) CONTINGENT MANDATED REFORMS.—If at the end of the 120-day period beginning on the date of the enactment of this Act the Secretary of the Army and the Director of the Federal Emergency Management Agency have been unsuccessful in implementing a site-specific Integrated Product and Process Team with each of the affected States, the Secretary of the Army shall—

(1) assume full control and responsibility for the Chemical Stockpile Emergency Preparedness Program (eliminating the role of the Director of the Federal Emergency Management Agency as joint manager of the program);

(2) establish programmatic agreement with each of the affected States regarding program requirements, implementation schedules, training and exercise requirements, and funding (to include direct grants for program support);

(3) clearly define the goals of the program; and

(4) establish fiscal constraints for the program.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MS. MCKINNEY OF GEORGIA (AMDT. B–24 IN HOUSE REPORT 104–570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. QUARTERLY REPORTS REGARDING COPRODUCTION AGREEMENTS.

(a) QUARTERLY REPORTS ON COPRODUCTION AGREEMENTS.—Section 36(a) of the Arms Export Control Act (22 U.S.C. 2776(a)) is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (11) the following new paragraph:

"(12) a report on all concluded government-to-government agreements regarding foreign coproduction of defense articles of United States origin and all other concluded agreements involving coproduction or licensed production outside of the United States of defense articles of United States origin (including coproduction memoranda of understanding or agreement) that have not been previously reported under this subsection, which shall include—

"(A) the identity of the foreign countries, international organizations, or foreign firms involved;

"(B) a description and the estimated value of the articles authorized to be produced, and an estimate of the quantity of the articles authorized to be produced;

"(C) a description of any restrictions on third party transfers of the foreign-manufactured articles; and

"(D) if any such agreement does not provide for United States access to and verification of quantities of articles produced overseas and their disposition in the foreign country, a description of alternative measures and controls incorporated in the coproduction or licensing program to ensure compliance with restrictions in the agreement on production quantities and third party transfers.".

(b) EFFECTIVE DATE.—Paragraph (12) of section 36(a) of the Arms Export Control Act, as added by subsection (a)(3), does not apply with respect to an agreement described in such paragraph entered into before the date of the enactment of this Act.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. SOLOMON OF NEW YORK (AMDT. B–25 IN HOUSE REPORT 104–570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. FAILURE TO COMPLY WITH VETERANS' PREFERENCE REQUIREMENTS TO BE TREATED AS A PROHIBITED PERSONNEL PRACTICE.

(a) IN GENERAL.—An employee of the Department of Defense who has authority to take, direct others to take, recommend, or approve any personnel action, shall not, with respect to such authority, take or fail to take any personnel action with respect to an employee or applicant for employment if the taking of or failure to take such action would violate any law, rule, or regulation implementing, or directly concerning, veterans' preference.

(b) EFFECT OF NONCOMPLIANCE.—A failure to comply with subsection (a) shall be treated as a prohibited personnel practice.

(c) REPORTING REQUIREMENT.—The Secretary of Defense shall, not later than 6 months after the date of the enactment of this Act, submit a written report to each House of Congress with respect to—

(1) the implementation of this section; and

(2) the administration of veterans' preference requirements by the Department of Defense generally.

(d) DEFINITIONS.—For the purpose of this section, the terms "personnel action" and "prohibited personnel practice" shall have the respective meanings given them by section 2302 of title 5, United States Code.

MODIFICATION TO THE AMENDMENT OFFERED BY MR. MARKEY OF MASSACHUSETTS (AMENDMENT B–26 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. SENSE OF CONGRESS AND PRESIDENTIAL REPORT REGARDING NUCLEAR WEAPONS PROLIFERATION AND POLICIES OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) FINDINGS.—The Congress finds that—

(1) intelligence investigations by the United States have revealed transfers from the People's Republic of China to Pakistan of sophisticated equipment important to the development of nuclear weapons;

(2) the People's Republic of China acceded to the Treaty on the Non-Proliferation of Nuclear Weapons (hereafter in this section referred to as the "NPT") as a nuclear-weapon state on March 9, 1992;

(3) Article I of the NPT stipulates that a nuclear-weapon state party to the treaty shall not in any way encourage, assist, or induce any non-nuclear-weapon state to manufacture or otherwise acquire nuclear weapons;

(4) the NPT establishes a non-nuclear-weapon state as one which has not manufactured and exploded a nuclear weapon by January 1, 1967;

(5) Pakistan had not manufactured and exploded a nuclear weapon by January 1, 1967;

(6) Article III of the NPT requires each party to the treaty not to provide to any non-nuclear-weapon state equipment or material designed or prepared for the processing, use, or production of special fissionable

material, unless the material is subject to the safeguards stipulated in the treaty;

(7) Pakistan has not acceded to the NPT, and nuclear-related equipment and material provided to Pakistan is not subject to international safeguards;

(8) under the NPT, assisting a non-nuclear-weapon state to acquire unsafeguarded nuclear material important to the manufacture of nuclear weapons is a violation of Articles I and III of the NPT;

(9) this transfer constitutes the latest example in a consistent pattern of nuclear weapon-related exports by the People's Republic of China to non-nuclear-weapon states in violation of international treaties and agreements and United States laws relating to the nonproliferation of nuclear weapons;

(10) failure to enforce the applicable sanctions available under United States law in this case compromises vital security interests and undermines the credibility of United States and international efforts to discourage commerce in nuclear-related equipment, technology, and materials;

(11) recent claims by senior Chinese officials that the Government of the People's Republic of China was unaware of any transfers of ring magnets by a goverment-owned entity, if true, call into question the reliability and effectiveness of Chinese export controls; and

(12) recent exports of sophisticated nuclear-related technologies reduce the credibility of previous assurances by the People's Republic of China concerning its nonproliferation policies since the ratification of the NPT.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that in responding to the transfer from the People's Republic of China to Pakistan of equipment important to the development of a nuclear weapons program—

(1) the President should not have decided that there was not a sufficient basis to warrant a determination that sanctionable activity occurred under section 2(b)(4) of the Export-Import Bank Act of 1945, as amended by section 825 of the Nuclear Proliferation Prevention Act of 1994; and

(2) the President should have imposed the strongest possible sanctions available under United States law on all Chinese official and commercial entities associated directly or indirectly with the research, development, sale, transportation, or financing of any nuclear or military industrial product or service made available for export since March 9, 1992.

(c) REPORT.—Not later than 60 days after the date of the enactment of this Act, the President shall submit to the Congress a report on the response of the United States to the transfer from the People's Republic of China to Pakistan of equipment important to the development of a nuclear weapons program. The President shall include in the report the following:

(1) The specific justification of the Secretary of State for determining that there was not sufficient basis for imposing sanctions under section 2(b)(4) of the Export-Import Bank Act of 1945, as amended by section 825 of the Nuclear Proliferation Prevention Act of 1994, by reason of such transfer from the People's Republic of China to Pakistan.

(2) What commitment the United States Government is seeking from the People's Republic of China to ensure that the People's Republic of China establishes a fully effective export control system that will prevent transfers (such as the Pakistan sale) from taking place in the future.

(3) Whether, in light of the recent assurances provided by the People's Republic of China, the President intends to make the certification and submit the report required by section 902(a)(6)(B) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (22 U.S.C. 2151 note), and make the certification and submit the report required by Public Law 99–183, relating to the approval and implementation of the agreement for nuclear cooperation between the United States and the People's Republic of China, and, if not, why not.

(4) Whether the Secretary of State considers the recent assurances and clarifications provided by the People's Republic of China to have provided sufficient information to allow the United States to determine that the People's Republic of China is not in violation of paragraph (2) of section 129 of the Atomic Energy Act of 1954, as required by Public Law 99–183.

(5) If the President is unable or unwilling to make the certifications and reports referred to in paragraph (3), a description of what the President considers to be the significance of the clarifications and assurances provided by the People's Republic of China in the course of the recent discussions regarding the transfer by the People's Republic of China of nuclear-weapon-related equipment to Pakistan.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. MILLER OF CALIFORNIA (AMENDMENT B–27 IN HOUSE REPORT 104–570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. TRANSFER OF U.S.S. DRUM TO CITY OF VALLEJO, CALIFORNIA.

(a) TRANSFER.—The Secretary of the Navy shall transfer the U.S.S. Drum (SSN–677) to the city of Vallejo, California, in accordance with this section and upon satisfactory completion of a ship donation application. Before making such transfer, the Secretary of the Navy shall remove from the vessel the reactor compartment and other classified and sensitive military equipment.

(b) FUNDING.—As provided in section 7306(c) of title 10, United States Code, the transfer of the vessel authorized by this section shall be made at no cost to the United States (beyond the cost which the United States would otherwise incur for dismantling and recycling of the vessel).

(c) APPLICABLE LAW.—The transfer under this section shall be subject to subsection (b) of section 7306 of title 10, United States Code, but the provisions of subsection (d) of such section shall not be applicable to such transfer.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. CHAMBLISS OF GEORGIA (AMENDMENT B–29 IN HOUSE REPORT 104–570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. EVALUATION OF DIGITAL VIDEO NETWORK EQUIPMENT USED IN OLYMPIC GAMES.

(a) EVALUATION.—The Secretary of Defense shall evaluate the digital video network equipment used in the 1996 Olympic Games to determine whether such equipment would be appropriate for use as a test bed for the military application of commercial off-the-shelf advanced technology linking multiple continents, multiple satellites, and multiple theaters of operations by compressed digital audio and visual broadcasting technology.

(b) REPORT.—Not later than December 31, 1996, the Secretary of Defense shall submit to Congress a report on the results of the evaluation conducted under subsection (a).

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. SPENCE OF SOUTH CAROLINA (AMENDMENT B–30 IN HOUSE REPORT 104–570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. . MISSION OF THE WHITE HOUSE COMMUNICATIONS AGENCY.

The Secretary of Defense shall ensure that the activities of the White House Communications Agency (or any successor agency) in providing support services for the President from funds appropriated for the Department of Defense for any fiscal year (beginning with fiscal year 1997) are limited to the provision of telecommunications support to the President and Vice President and related elements (as defined in regulations of that agency and specified by the President with respect to particular individuals within those related elements).

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. PORTER OF ILLINOIS (AMENDMENT B–33 IN HOUSE REPORT 104–570)

At the end of part I of subtitle C of title XXVIII (page 462, after line 25), insert the following new section:

SEC. 2824. REAFFIRMATION OF LAND CONVEYANCES, FORT SHERIDAN, ILLINOIS.

As soon as practicable after the date of the enactment of this Act, the Secretary of the Army shall complete the land conveyances involving Fort Sheridan, Illinois, required or authorized under section 125 of the Military Construction Appropriations Act, 1996 (Public Law 104–32; 109 Stat. 290).

Mr. SPENCE (during the reading). Mr. Chairman, I ask unanimous consent that the modifications be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. Pursuant to the rule, the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] each will control 10 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SOLOMON] the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Chairman, I thank Chairman SPENCE and the National Security Committee for accepting my amendment dealing with veterans' preference as part of this en bloc amendment.

Mr. Chairman, it is unclear whether managers, not necessarily within the Department of Defense but throughout this Government, are fully aware of the proper hiring procedures when it comes to giving veterans a priority.

My amendment seeks to remedy enforcement problems when it comes to veterans' preference that might be rooted within the Federal bureaucracy.

It does that by holding those managers and supervisors in a position to hire and fire directly responsible for failing to implement veterans preference procedures.

In other words, failure to do so is defined as a prohibited personnel practice, and will be punishable by DOD procedures reserved for those found guilty of engaging in such prohibited practices.

Mr. Chairman, I will be offering the same amendment to all bills reauthorizing each department of Government as we proceed through this session of Congress.

This amendment has the endorsement of the American Legion and the Veterans of Foreign Wars and I urge all of my colleagues to support my amendment and America's veterans.

Mr. DELLUMS. Mr. Chairman, I submit for the RECORD at this point the comments of the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, I am pleased to join with my distinguished colleague Congressman GERRY SOLOMON in offering a bipartisan which we hope will put China and other would-be proliferators on notice that the United States will punish nations that trample our arms control laws and violate international treaties designed to curb the spread of nuclear weapons.

China is a pathological proliferator, plain and simple. Over the years, Beijing's rulers have compiled a mile-long radioactive rapsheet of weapons offenses that make China the Al Capone of atomic commerce.

Despite rock solid evidence that China broke United States law by selling nuclear-related equipment to Pakistan and cruise missiles to Iran, the State Department has decided to let Beijing off the hook. No sanctions will be imposed in response to China's latest violations.

The amendment which Congressman SOLOMON and I are offering today expresses the sense of the Congress that sanctions should have been imposed on China for its most recent illegal sales.

Our amendment also contains a tough reporting requirement. Within 60 days after the enactment of the authorization bill, the amendment requires the President to report to Congress on what commitment our Government is seeking from China to ensure that China establishes an effective border enforcement system to prevent future transfers such as the Pakistan sale from taking place.

The reporting requirement also directs the President to explain the significance of China's assurances made last week that it won't misbehave again.

This bipartisan amendment has the support of Members on both sides of the aisle, and I urge its adoption.

Mr. DELLUMS. Mr. Chairman, I yield 1 minute to the gentlewoman from Georgia [Ms. MCKINNEY], my distinguished colleague.

Ms. MCKINNEY. Mr. Chairman, I rise to thank the distinguished chairman and ranking member of the National Security Committee for their cooperation in accepting my co-production reporting amendment.

The committee bill devotes significant additional resources to modernization, because in the words of the committee, “the U.S. military's technical superiority depends on a steady investment in modernization of new and upgraded weapons systems and equipment.”

The taxpayers' investment in modernization and new military technologies should be carefully guarded just as we seek to protect patented products and intellectual property from pirating overseas.

Mr. Chairman, Congress and the public must be fully informed about our arms production technologies being exported abroad. My co-production reporting amendment would do just that with a simple reporting requirement on all co-production agreements between the United States and foreign countries.

Again I thank the distinguished chairman and the ranking member.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Chairman, I rise tonight to speak on two amendments that are in the en bloc. First is the McInnis amendment on chem demil. I rise in strong support of the McInnis amendment to add $5 million to the chemical demilitarization technology approaches on that project.

Mr. Chairman, the U.S. stockpile consists of 30,000 tons of chemical weapons. Four percent of its total is stored in my district, the Newport Army ammunition plant in Indiana. To destroy this stockpile the Army has undertaken a 12-year plan to incinerate this material at an estimated cost of $12.5 billion. I expect this figure to rise dramatically as the program proceeds.

Alternative technologies to safe incineration could offer us—alternative technologies to incineration could offer a safe, effective, and more cost efficient method of destroying certain agents and material in the stockpile, such as bulk nerve gas stored at Newport. Currently the Army and the National Research Council are evaluating five alternative technologies to incineration. A decision to proceed with this pilot program will be made later this year. This additional $5 million will help accelerate this process.

Mr. Chairman, I commend my colleague for offering this amendment and urge a “yes” vote on his amendment which will be offered en bloc.

The other for which I rise in strong support is on the Solomon amendment with regard to veterans preference. I serve as chairman on the Subcommittee on Veterans Affairs with regards to the veterans preference issue. I am very concerned right now and I lay most of my concerns at the feet of a professional bureaucracy within the Federal Government which seems dedicated to routing out veterans through an avoidance of proper hiring and downsizing procedures. Veterans preference must remain the first criteria in hiring, promotion, and retention. To me, veterans preference is blind as to race, gender, age, and religion, and I believe that America understands the sacrifices of veterans and that we must maintain veterans preference in regard to our hiring of veterans in the country.

Mr. DELLUMS. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Alabama [Mr. BROWDER] a member of the committee.

Mr. BROWDER. Mr. Chairman, I want to speak on this amendment, particularly the part dealing with the chemical stockpile emergency preparedness program. We have got chemical weapons stored all around this country. They need to be destroyed. We need to get some focus to this program. We need to ask ourselves, first, do we really want to get rid of these weapons and why; second, how do we want to get rid of them; and, thirds, what are we willing to pay to get rid of them?

Those questions have not been adequately addressed by this country, and this amendment would cause us to stop and focus on this issue.

Mr. SPENCE. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER] for the purposes of a colloquy.

Mr. BEREUTER. Mr. Chairman, this Member would like to take a brief moment to raise a point associated with a portion of the en bloc amendment, the amendment offered by the distinguished gentleman from California [Mr. FARR]. The gentleman's amendment addresses legitimate concerns related to problems experienced at a military facility in his district; specifically, unnecessary regulatory requirements that impede the implementation of more cost-effective alternatives to providing municipal services at the facility.

These problems are not unique to California. A military facility in this Member's district, the Lincoln Municipal Airport, has experienced cost-ineffective practices related to fire services. Although a commonsense solution exists to solve the problems involving the international guard unit, this Member has been told that their cost-saving initiative has been stalled at the national level of the National Guard. Clearly this is an issue that merits examination.

This Member would ask the chairman of the National Security Committee, the distinguished gentleman from South Carolina [Mr. SPENCE], to work with him to address these concerns in a constructive manner.

Mr. SPENCE. Mr. Chairman, if the gentleman will yield, I would be pleased to work with the gentleman on this issue.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for that assurance.

Mr. DELLUMS. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Mississippi [Mr. TAYLOR], a member of the committee.

Mr. TAYLOR of Mississippi. Mr. Chairman, I want to thank the distinguished ranking minority member of the committee for yielding this time to me. I rise in support of the en bloc amendment. Contained in it is language that would require the President of the United States within 15 days to certify to Congress whether or not this Nation possesses the ability to detect the smuggling or importation of nuclear, biological, or chemical weapons into our country.

Mr. Chairman, there are 4 million cargo containers a year that come into this country, 40-foot container equivalents. There are also between 20 and 30 nations that possess either nuclear, biological, or chemical weapons. While the gentleman from Pennsylvania [Mr. WELDON], and the gentleman from California [Mr. HUNTER], in particular have done a great job of making the Nation aware of our Nation's vulnerability to the two nations that possess ballistic missiles that can strike our Nation, there are at least 5 rogue nations—including Iran, Iraq, Libya, Cuba and North Korea—that possess chemical weapons, biological weapons and, some fear, nuclear weapons, that could smuggle them into our country. The purpose of this amendment is to make the commander in chief, the Department of Defense, and this administration aware of that threat to our Nation, and hopefully in next year's defense bill that is presented to the Congress, they will take some steps to address that threat to the people of this country.

□ 2100

In my opinion, it is a bigger threat to this country than the threat of ballistic attack.

Mr. SPENCE. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. EVERETT].

Mr. EVERETT. Mr. Chairman, I rise to engage our distinguished chairman of the Subcommittee on Military Procurement, the gentleman from California [Mr. HUNTER], in a brief colloquy regarding the Army's Hellfire II missile. It is my understanding that the Army's fiscal year 1997 budget request contains $108 million for 1,800 Hellfire II missiles. This is the first year of a plan for 7,569 missiles over a 5-year period, is that correct?

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. EVERETT. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, the very distinguished gentleman from Alabama is correct in his understanding. The Subcommittee on Military Procurement recommended, as did the full committee, approval of the request for Hellfire II procurement.

Mr. EVERETT. I also understand that the Army proposed fiscal year 1997 as a stand-alone year, followed by a 4-year multiyear procurement of the balance of the 5,769 Hellfire II missiles. Does the chairman support the Army's acquisition plan for Hellfire II and will he give full consideration of a proposed 4-year multiyear procurement Hellfire II next year?

Mr. HUNTER. I acknowledge that the Chairman of the Joint Chiefs has recommended that the modernization of the semiactive laser Hellfire inventory be continued, and I support the Army's proposed procurement to achieve that goal. The gentleman from Alabama has my assurance that the subcommittee will give full consideration to any proposed multiyear plan submitted with the fiscal year 1998 budget.

Mr. EVERETT. I thank the distinguished chairman for his comments and his support.

Mr. HUNTER. We thank the gentleman for his hard work on this program.

Mr. SPENCE. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. BARTLETT] for the purpose of a colloquy.

Mr. BARTLETT of Maryland. Mr. Chairman, I would ask the gentleman from California [Mr. HUNTER], chairman of the Subcommittee on Military Procurement, during the committee's markup of this defense authorization bill we discussed the urgent requirements facing the Navy's FA-18C/D aircraft to prove their self-detection capability. Following the shootdown of the F-16 over Bosnia last June, Secretary Perry directed the installation of the limited numbers of the ALQ-165 jammer on Navy and Marine Corps F/A-18-C/D's operating in the Bosnia theater. It is my understanding that without this jammer, the Navy and Marine Corps' F/A-18-C/D aircraft have no electronic self-detection against pulse doppler or continuous wave radar threats which characterize the most widely deployed air-to-air and surface-to-air threats to tactical aircraft.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT of Maryland. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, the gentleman is correct.

Mr. BARTLETT of Maryland. Mr. Chairman, the committee is concerned that the limited number of ALQ-165 systems in the Navy's inventory could prevent the Navy from providing adequate self-protection for its F-18-C/D aircraft in future contingencies.

For this reason, the committee added $50 million to the budget request for common ECM equipment in the aircraft procurement Navy account to be used to purchase ALQ-165 jammers. Is that correct?

Mr. HUNTER. The gentleman is correct, and we are grateful to the gentleman for his leadership in this area.

Mr. BARTLETT of Maryland. Mr. Chairman, I thank the gentleman very much for the clarification.

Mr. SPENCE. Mr. Chairman, I am pleased to yield such time as he may consume to the gentleman from Florida [Mr. MICA] for a colloquy.

Mr. MICA. Mr. Chairman, I rise to engage the chairman of the Committee on National Security in a colloquy.

Mr. Chairman, it is my understanding that the fiscal year 1997 defense authorization bill includes a provision which would permit the Secretary of Defense to waive certain requirements for full-scale live fire testing of the V-22 tiltrotor and F-22 fighter aircraft.

I know the gentleman agrees that the live-fire test program plays a critical role in assuring the operational suitability of new equipment for use by our Armed Forces.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from South Carolina.

Mr. SPENCE. Mr. Chairman, the gentleman is correct.

Mr. MICA. The Defense Department is making great uses of advances in modeling and simulation technologies of our military services, defense agencies, industry, and academia. These advances are being used for a wide range of activities, including development of new materiel, testing and evaluation, manufacturing, training, and operational planning.

I believe the application of these technologies to the Department's live-fire test program would permit more thorough and realistic evaluation of new equipment for our Armed Forces and would reduce testing costs and time. Their transfer to the private sector would also increase the fidelity of testing in the automotive, aircraft, and other industrial sectors.

Mr. Chairman, I would ask the gentleman from South Carolina if he would assist me in working with the Department of Defense to extend the advanced modeling and simulation technology to the live-fire test program, and if possible, would he address this potential issue with the other body as we complete the defense authorization bill?

Mr. SPENCE. I thank the gentleman from Florida, Mr. Chairman, for his observations, and agree that the Department's advances in development, modeling, and simulation technology may hold significant promise for more cost-effective and comprehensive tests and evaluation of new materiel for our Armed Forces, including live-fire testing. I would be pleased to work with the gentleman from Florida and the Department of Defense in this area.

Mr. MICA. Mr. Chairman, I thank the gentleman for his assistance.

Mr. SPENCE. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Chairman, I thank the chairman for his outstanding leadership in moving forward the National Defense Authorization Act. This bill is very important because it supports troops and their families by ensuring quality medical care for military families and enhances military readiness by increasing key underfunded readiness accounts. It funds key modernization programs identified by the service chiefs and, Mr. Chairman, it also builds a smarter Pentagon for innovation reform.

Finally, I think what is very important for our colleagues and our constituents, it ensures veterans preference protection. I believe that this legislation is very much one that should be embraced by both sides of the aisle, and I look forward to its passage.

Mr. CLINGER. Mr. Chairman, I appreciate the gentleman's yielding and rise in strong support of the Spence en bloc amendment and the bill.

Let me begin, Mr. Chairman, by once again thanking Chairman SPENCE for his hard work on the significant procurement reforms our committees have achieved in the past 2 years. I would also like to offer my support for the report language he has included in H.R. 3230 on the acquisition process. The report recognizes that the work of Congress in enacting new reforms is winding down and that the burden for continuing has now shifted to the executive branch. In addition, the report clarifies the intent of Congress with respect to the Government's audit rights for commercial pricing data. Although we believe that Congress has spoken clearly on Truth in Negotiations Act audit rights, the report's language should eliminate any remaining doubts as to congressional intent.

Turning to the gentleman's en bloc amendment, I commend him for including as part of that amendment much-needed reforms to the White House Communications Agency.

The Committee on Government Reform and Oversight initiated a review of the management and operations of the White House Communications Agency nearly 3 years ago. Our inquiry began after discussions with White House staff indicated that WHCA maintained a very broad, but ill-defined role in the Executive Mansion. WHCA's own staff admitted to being uncomfortable with the breadth of services they were sometimes asked to provide and with the Agency's lack of clear mission control. Those concerns led me to ask first the GAO, and then the Department of Defense inspector general to review WHCA's mission, role and activities.

Last month, the DOD IG issued its final WHCA report showing an agency rife with mismanagement, lacking in oversight, and suffering mission creep. The IG found that although a military unit within DOD, WHCA has functioned outside the Department's operational control and with little or no Defense Department oversight. The IG concluded that WHCA's budgets have gone largely unreviewed; its annual performance plan has failed to meet DOD standards; its acquisition planning has been inadequate and resulted in wasteful purchases; and that the agency has ignored Federal procurement law, purchasing goods and services without contracts or legal authority. The IG further reported that inadequate financial controls have resulted in excess and sometimes duplicate payment of unverified bills. Finally, the IG concluded that WHCA is providing the White House with services and equipment outside the scope of its mission of telecommunications support to the President.

The Assistant Secretary of Defense concurred with the IG's findings. He promised corrective action in the areas of budgeting, management, acquisition and oversight. The administration disagreed, however, with the IG's recommendation that unauthorized services be stopped. This sole remaining area of disagreement is the subject of the Spence amendment.

The Spence WHCA amendment simply reaffirms the Agency's traditional role by limiting its use of DOD appropriations to providing telecommunications support to the President, the Vice President, and others specified by the President. Adoption of the amendment will refocus WHCA's mission and prohibit the improper funding of nontelecommunications activities through Defense dollars. Those activities will be returned to the White House for executive funding, management, and control.

While Chairman SPENCE, Subcommittee Chairman ZELIFF, and I had hoped to pursue this correction informally, we have been stymied by the administration's refusal to address the problem. The White House has even prohibited its witnesses from appearing at the oversight hearing which Mr. ZELIFF will chair on Thursday. Because the administration has rejected the inspector general's recommendation and refused to discuss informal correction, we have no choice but to proceed with the amendment.

I appreciate the gentleman's sponsorship of this small, but important reform, commend him on his work, and urge the amendment's adoption.

Mr. DELLUMS. Mr. Chairman, I yield back the balance of my time.

Mr. SPENCE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments en bloc, as modified, offered by the gentleman from South Carolina [Mr. SPENCE].

The amendments en bloc, as modified, were agreed to.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. CHABOT) having assumed the chair, Mr. BARRETT of Nebraska, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3230.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

PERMISSION FOR COMMITTEE ON THE BUDGET TO FILE REPORT ON AND PROVIDING FOR CONSIDERATION OF CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1997

Mr. HOBSON. Mr. Speaker, I ask unanimous consent that the Committee on the Budget may have until midnight tonight to file a report on the concurrent resolution on the budget for fiscal year 1997, and that it be in order on Wednesday, May 15, 1996, to consider that concurrent resolution under the following terms:

One, the Speaker may declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the concurrent resolution;

Two, the first reading of the concurrent resolution shall be dispensed with;

Three, all points of order against consideration of the concurrent resolution shall be waived;

Four, general debate shall be confined to the congressional budget and shall not exceed 3 hours, including 1 hour on the subject of economic goals and policies, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget;

Five, after general debate, the Committee shall rise without motion;

And six, no further consideration of the concurrent resolution shall be in order except pursuant to a subsequent order of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

NOTIFICATION OF INTENT TO OFFER HOUSE RESOLUTION 303 RAISING A QUESTION OF PRIVILEGE

Mr. MOAKLEY. Mr. Speaker, pursuant to clause 4(C) of rule XI, I announce my intention to call up House Resolution 303 as a question of privilege. The resolution was reported on December 13, 1995.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE AVIATION SAFETY PROTECTION ACT OF 1996

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. CLYBURN] is recognized for 5 minutes.

Mr. CLYBURN. Mr. Speaker, I regret the crash of ValuJet flight 592 was the catalyst for renewed attention on airline safety. However, I hope that a productive dialog on the future safety of the aviation industry will result from this tragedy.

For me, a similar tragedy brought home the need for greater air safety measures. July 4th weekend, 1994, a USAir flight that originated in my hometown, of Columbia, SC, crashed just outside of Charlotte, NC. Several of my constituents were among the victims. That single event heightened my awareness of aviation safety concerns and prompted me to begin a search for solutions.

That search led me to the first step of what I believe is the long journey to restoring public confidence in air travel—the enactment of the Aviation Safety Protection Act of 1996 (H.R. 3187). I introduced this legislation on March 28 to provide whistle-blower protection for airline employees who supply information to the Federal Government relating to air safety.

The intent of this legislation is to encourage airline employees to become actively involved in the safety of airline passengers and to feel free to come forward if they believe that safety is being jeopardized due to negligence or oversight. The same job protections afforded to most of the work force should be extended to the airline industry, especially since lives are at stake.

Under the legislation, an employee who believes he or she has been fired or otherwise retaliated against for reporting air safety violations may file a complaint with the U.S. Secretary of Labor. If the employee's claim is found to be valid he or she would be entitled to reinstatement and compensatory damages.

On the other hand, if the Secretary of Labor determines that the complaint has been filed frivolously, the offending employee will be required to pay up to $5,000 of the employer's legal fees.

This is an issue of safety and fairness. The Aviation Safety Protection Act of 1996 will provide security for airline employees who may be afraid to report safety violations for fear of losing their jobs and the income they need to support their families.

In addition, the Federal Aviation Administration has recently recognized the need to require the same safety standards for commuter airlines as for major carriers. Commuter planes carry an estimated 60 million passengers annually. With the tremendous growth of commuter flights in recent years, we must do everything we can to ensure the safety of those passengers.

Due to the growing competitiveness among airlines, the number of aircraft of all sizes that have entered the market is growing exponentially. At the same time, the limited FAA budget is already strapped. The Aviation Safety Protection Act would enable airline employees to aid the FAA in ensuring air travel remains safe without fear of reprisal.

The checkered safety record of ValuJet Airlines is just now coming to light. One can only wonder if this tragedy could have been prevented if an employee had come forward earlier to report safety concerns.

In light of this American tragedy, I urge Congress to expedite approval of the Aviation Safety Protection Act, so that we can begin to rebuild the public's confidence in our aviation industry.

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ELIMINATING THE DEPARTMENT OF COMMERCE IS NOT THE WAY TO GO

The SPEAKER pro tempore (Mr. CHABOT). Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, the bill that has been under consideration on the floor of the House for the past few hours has been dealing with the defense of our Nation, and no one in this Chamber would think of unilaterally disarming our country militarily. So why is it, then, that the Republican leadership now proposes to eliminate in the budget debates coming up during the next 2 days the Department of Commerce and so unilaterally disarm us economically? Because this Department of Commerce under, first, Secretary Ron Brown and now his successor, this Department of Commerce has been turned into an efficient juggernaut advancing U.S. interests here and abroad economically.

Mr. Speaker, if I were a business leader in this country, a small- or midsize business leader particularly, but also a CEO of a large corporation, I would be very, very concerned about this move to take the one agency in the Federal Government that has become very effective at promoting U.S. commerce and jobs and exports and dismantling it and eliminating some of its functions and shipping some of the functions off to other agencies and departments where there is not a smooth fit.

For instance, what would be eliminated or phased out? The advanced technology program. Well, certainly we do not need technology in our economy, do we? The manufacturing extension partnerships is like the old agricultural extension program for rural areas. This is manufacturing extension, and it can be for rural areas but urban areas as well, particularly benefiting small-and mid-size businesses.

They would eliminate the U.S. Travel and Tourism Administration. Tourism is becoming one of the fastest growing industries in our country. The National Telecommunications and Information Administration. They would take the Economic Development Administration, which has been crucial in my State of West Virginia as well as every State in this country, they would take it and move it to the Small Business Administration, believing it would take only 25 employees to administer its many millions of dollars worth of grants.

The irony to this of course is the SBA, the Small Business Administration, and the EDA are not a compatible fit. The Small Business Administration deals with small business, and individual small businesses. The EDA, the Economic Development Administration, deals with the infrastructure that is necessary to help businesses grow. But it is not the same function at all.

Mr. Speaker, as I say, the business community should be greatly concerned. It should be greatly concerned at the idea that the International Trade Administration could be greatly phased down. For instance, it is estimated that half the State offices would have to be eliminated. It would reduce the support for the U.S. business community. It would terminate domestic services in one-half the States. It would lessen the ability to protect U.S. industries against unfair practices, such as dumping.

There are many, many areas of the Department of Commerce which would be, of course, either phased out or phased down or eliminated under this proposal.

Mr. Speaker, I think it is important to look at the achievements that the United States Department of Commerce, this department that is now sought to be eliminated over the next couple of days in the Republican leadership budget, I think it is very important to look at some of the accomplishments. Ron Brown was a heck of a leader for the United States and for the Department of Commerce. He created the first-ever national export strategy which brought $80 billion worth of business deals, that is right, deals, contracts signed, jobs created, on the bottom line. That is what the Department of Commerce has been doing these last 3 years.

He championed the role of civilian technology by entering into $1.5 billion of public-private partnerships, roughly a 50-50 split, 220 of these, to advance technology, increase the number of manufacturing extension centers in this country from 7 to 60. They benefit small- and mid-size businesses. U.S. merchandise exports went up 26 percent in 3 years, from 1993 to 1995.

He hosted the first-ever White House conference on travel and tourism. This is what you want a Department of Commerce to be doing. This is what you want a Government agency to be doing, to be working in public-private partnerships, to be bringing home the bacon, to be creating jobs, working with the private sector. That is what our Department of Commerce has been doing.

So, what is the solution? What is the answer? Well, the bean counters on the other side now say eliminate the Department of Commerce, eliminate the Economic Development Administration, which, with its $2.5 million of assistance to the Swearingen project in Martinsburg, WV, helped leverage $130 million of investment so that the first jet manufacturing center in this country in many, many years is under construction right now and will create 800 jobs, good-paying jobs, when it is created.

That is what the Department of Commerce can do and is doing across this country. Their answer? Eliminate it, phase it out, break it up, ship it off. We do not like coordinated approaches. We do not like efficiency. We do not like somebody going out and actually bringing home the business. That is what this is about.

Mr. Speaker, I understand the motivations; there are no bad motivations. It may be a philosophical difference. Maybe they do not like success. Maybe it is just that they think that Government should not be involved in this type of activity. Eliminating the Department of Commerce is not the way to go.

TRIBUTE TO FORMER CIA DIRECTOR WILLIAM COLBY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. BARR] is recognized for 5 minutes.

Mr. BARR of Georgia. Mr. Speaker, I rise tonight to remind my colleagues and remind the American people of a great American, a spy who has come in from the cold, William Colby. Mr. Colby was memorialized today in a service that I had the honor of attending at the National Cathedral and sitting there among so many hundreds of family members, friends, world leaders, former colleagues of his and probably many average American citizens who had read about him in the newspaper, believed in what he had done, recognized him for the greatness that he embodied and simply came in and attended the memorial service.

As I sat there, I was reminded of the time that I have spent, that I have known Mr. Colby, first as a junior officer for several years during my tenure at the CIA. I had the honor of serving under him during the years that he served as DCI or Director of Central Intelligence. At the time I knew him probably simply by reputation as the boss, the man that headed the agency. I knew him by reputation for the long years of service that he had put in serving his country at the CIA and, prior to that, in the OSS and in the military during the war. But it was really in the years after I left my service at the CIA, entered the private practice of law in Georgia, served as the U.S. Attorney in Georgia, and now as a Member of Congress that I have really come to know the William Colby that was such a tribute to his country, to his family and to his friends.

Mr. Colby's passing, of course, is the signal of the passing of an era in some ways. The tremendous years, decades of service to his country, the selfless service that he embodied, the service that forsook the lucrative call of private practice for many years, that drew him away from his family for many years, that kept him apart indeed in many ways from his fellow citizens for many years because of the very nature of his work, the secrecy of it, are the sorts of things that we see far too infrequently in public life nowadays.

Mr. Speaker, something else about Mr. Colby that I know from personal experience that is, if not unique, certainly something that we again do not see too often. That is the fact that, despite the man's tremendous intellect, despite the tremendous responsibilities that he continued to carry with him, even after leaving Government service, despite the fact that he could be jetting around the world anywhere at a moment's notice and meeting with world leaders, meeting with business leaders, large and small, he would always, and I emphasize always, find the time to take a call from a friend, to chat for a few minutes, to answer a question, to promise to get back to that old friend, that former junior colleague of his with an answer that might help with providing some information to an American citizen contemplating traveling abroad and who wanted to learn something about the inside scoop on a foreign nation.

In listening to the tributes today at the National Cathedral to my old friend, Bill Colby, I really was struck by the depth of public service embodied in this man. It is something that I cherish very much, and I commend to my colleagues here in this House and to the American people to learn about this man, to study him, to take heart in the selfless public service, the nonpartisan public service. In all the years that I knew Bill Colby, and he supported me politically, he supported me in many ways, I never asked him whether he was a Republican or a Democrat, and I do not know. It is not something that he demanded as a litmus test of anybody, and probably most people never demanded it of him.

Mr. Speaker, he responded to me as he responded to American citizens, many of whom he never knew, because he was that kind of man. He was a man that would constantly reach out, give of himself whether it was simply answering a question or whether it was parachuting behind enemies lines in World War II or serving this country very valiantly for many years in Vietnam. Mr. Colby truly was the professional's professional. He was the patriot's patriot for this country. He has indeed now come in from the cold, for he is now in the bosom of our Lord. I commend him to the American people.

GOLDEN EAGLE AND CORPORATE VULTURE AWARDS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, last month as a cochair of the Jobs and Fair Trade Caucus, I proudly presented our group's first monthly Golden Eagle Award to Malden Mills in Methuen, MA.

If you will recall, the Gold Eagle Award recognizes fine U.S. companies that exemplify the best that is in us as a nation, companies which treat their workers with dignity while making decent profits, companies which contribute to strengthening their communities, companies which charge a reasonable price for their products and remain and prosper in these United States. When all of these practices are undertaken by one company, that company deserves our praise as a Golden Eagle U.S. company.

On the other hand, the Corporate Vulture designation, like the scavenger it represents, is given to a company in need of vast improvement, a company which exploits our marketplace yet downsizes its work force in America and outsources most of its production to foreign countries using sweatshop labor abroad. These firms then import their transhipped products back to the United States while keeping their prices high here at home and maintaining all of the benefits of being called an American company.

□ 2130

Corporate vultures deserve the consumers' disdain. Now, let me acknowledge this month's Golden Eagle company. The March 18 issue of Business Week detailed the unprecedented stock ownership of the company we all know as United Airlines, our Nation's leading airline company. Tonight, the Jobs and Fair Trade Caucus awards the employee owners of United Airlines our Golden Eagle Award and this new U.S. flag flown over the Capitol for your leadership, your rising productivity, and the example you set for all other companies in these United States.

United Airlines and its employee owners fit our description of a golden Eagle company in every respect. In the 18 months since United employees bought 55 percent of their company for $5 billion, United Airlines has confounded all the skeptics by their success. The Nation's No. 1 airline is outperforming most of its rivals, gaining markets share from the other top two airlines. The company is posting fatter operating margins and higher stock gains, with the stock price more than doubling since the purchase of the company.

The American workers of United and its chief executive officer Gerry Greenwald have made the company the success it is. By taking a huge risk in accepting pay cuts of 15 percent or more in the short term, United employees have shown that hard work over the long haul pays dividends. Operating revenue per worker jumped by 10 percent last year. Employee complaints, down by over half, have turned into new ideas about how to better work together with management. And unlike many large corporatios these days, which relentlessly downsize their work force, United is a job creator, hiring 7,000 new people since the buyout.

In marked contrast to our Golden Eagle Award, this month's Corporate Vulture designation goes to Hershey Foods, a company no longer so sweet to America. Hershey Foods, America's largest producer of chocolate, continues to outsource its production to countries like Mexico and cut its U.S. work force. Last fall, Hershey Foods announced layoffs of approximately 500 workers and then announced the company was moving the production line of its giant kiss from Hershey, PA, to its plant in Guadalajara, Mexico, which employs approximately 260 workers. The U.S. workers laid off were earning $15.40 an hour, and as one old-timer stated, as a part of that enjoyed health insurance, dental, eye, along with a pension plan.

Hershey's Mexican workers are paid 50 cents an hour with almost no benefits. The chief executive officer of Hershey Foods, Chairman Kenneth Wolfe, says he understands the pain he has caused the workers and their families in Hershey, PA. I frankly find that hard to believe. Chairman Wolfe earned an annual compensation of $1.2 million in 1994, not counting his stock options. Moreover, Hershey Foods is earning increased profits. The latest annual report shows that Hershey Foods enjoyed a net profit of $184 million, while total sales have increased to $3.6 billion. A company and a chief executive officer earning millions of dollars every year have no idea what it means to lose your job and worry about your family's future.

Economists will claim that Hershey's move to Mexico is good for American consumers. After all, when you are only paying your Mexican workers a few cents an hour and earning millions of dollars, your product will be cheaper, right? Take a look at the shelf. Hershey prices on chocolate have gone up in bars. So this evening, this month, Hershey Foods definitely fits the bill as this month's Corporate Vulture, May 1996.

COMMENTS ON REPUBLICAN BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized for 30 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight I would like to once again talk about the proposed Republican cuts in Medicare and Medicaid that are included in the budget, which we are most likely going to be voting on this Thursday in the House of Representatives.

I had the opportunity on Monday of this week, just this past Monday in fact, to speak before the Edison Senior Center. Edison is the largest municipality in my district in New Jersey, and there must have been 100 senior citizens at the Edison Senior Center when I was there.

I talked to them about what the Republican leadership was proposing to do with Medicare and Medicaid once again, and how similar the proposals in this budget we will be voting on are to the cuts and fundamental changes in Medicare and Medicaid that the Republican leadership proposed last year, and which the President and which the Democrats in the House of Representatives fought so hard to keep from becoming law.

We were successful. We were successful in stopping those changes to Medicare and Medicaid last year, and many of the seniors at the Edison Senior Center, I indicated to them I felt very strongly that they and the seniors throughout the country were a big part in our effort to try to stop those changes in Medicare, because many of them wrote to their Congressmen or Congresswomen and wrote to their Senators and said they did not like the changes that the Republicans were proposing.

So I asked them to once again start a writing campaign, and talk to other seniors that they know and their family members to say we do not want these radical changes being proposed by the Republicans.

Now, as we know, this current budget plan, this current Republican plan would cut Medicare by $168 billion over the next 6 or 7 years, and cut Medicaid by $72 billion. Most of the Medicare cuts this time would be in hospital care. That is particularly important to the State of New Jersey, because many of the hospitals in New Jersey, particularly in urban areas, but also in suburban and rural areas, are having a very difficult time making ends meet. Many of them are more than 50 percent, sometimes 60 percent dependent on Medicare and Medicaid, to keep their operations going. A significant cut in either of those programs really could cause many of those hospitals to close, particularly in the urban areas.

The whole reason we started the Medicare program that was started under President Johnson back in 1963 is because many seniors did not have health insurance, and found it difficult because of lack of funds or because of their condition, their physical condition, to buy health insurance. I think a lot of times we forget what it was like prior to Medicare coming into existence, how many senior citizens did not have health insurance, how many basically were so poor and had to pay money out of their pocket if they wanted health care, so they just basically delayed it, did not go to the hospital or the doctor.

We do not want to go back to that era, the era when seniors were impoverished in order to provide health care for themselves, or when so many of them did not have any health insurance coverage.

One of the things that I told the seniors in my district on Monday is that we are not just talking about money here. I think the money aspect is important, because essentially these large cuts in Medicare and Medicaid are being used to finance tax breaks for mostly wealthy Americans. So the money is an important part of this.

But there are also some fundamental changes in the Medicare program and the Medicaid program that are being proposed here by the Republican leadership that go way beyond the monetary aspect. Essentially what it amounts to is choice, the fact that senior citizens are going to have less choices of doctors and less choices of hospitals. Because what is happening is the way that Republicans have structured these changes in Medicare and Medicaid, they are pushing more and more seniors into HMO's or managed care, where often times they do not have the choice of doctors. They cannot go to the doctor, the specialist they traditionally go to, or sometimes cannot even go to the hospital that they traditionally go to that may be nearby.

I guess one of the things that really bothers me about the Republican rhetoric on the Medicare issue is they keep stressing what they are doing with Medicare is providing more choices. That somehow choice is sort of the linchpin, if you will, of their recommendation. And I would maintain that just the opposite is true, that the way the reimbursement rate is set up is so that seniors, basically a higher reimbursement rate goes to managed and

HMO's, and less to traditional fee for service, where you have your choice of doctors or hospitals. That means seniors are going to have less choices as more and more are pushed into managed care.

I am being joined here tonight by the gentlewoman from Connecticut [Ms. DELAURO] and I wanted to yield some time to her. But I did want to mention, because there was one thing before I do yield, that there was an article in the New York Times this Sunday, that although it did not mention what was happening here in the House with regard to Medicare and Medicaid per se, I think is relevant, and I mention it because they specifically mention our two States, New Jersey and Connecticut.

The article is entitled "The high cost of plugging the gaps in Medicare." Basically what the article says is that Medigap insurance, which is the insurance that seniors buy in order to cover the health care programs or the health care costs that are not covered by Medicare, and about 50 percent of the seniors in this country have Medigap because they want additional coverage, that the cost of Medigap insurance is skyrocketing.

They mentioned the AARP, which has a policy sold by Prudential, that will go up an average of 26 percent more this year. They specifically mention that in New York, the average premium of the five largest Medigap insurers soared 11 percent in a year, a rate equalled or topped in Connecticut or New Jersey. In both our States, we are talking about increases in Medigap insurance that are at least 11 percent in 1 year.

I think that this is directly related to what is happening in Washington with Medicare, because as you make cuts in Medicare, and, of course, the Republicans are talking about much deeper cuts than the President or anything that the Democrats have put forward, as you make these huge cuts in Medicare, and also in Medicaid, what is going to happen is that you are going to find less services that are covered or quality of services that are covered, more out-of-pocket expenses for senior citizens, and I think that that is going to be reflected more and more in higher Medigap premiums.

The other thing it will result in is that more and more people again will be pushed into managed care or HMO's, where they do not have a lot of choices because they will opt for that, rather than have to pay for the large premium increases in the Medigap program.

I would like to yield at this time to Ms. DELAURO, who has been an outspoken advocate of protecting the Medicare program, and I believe has had a lot of impact over the last year when we were fighting these terrible Republican leadership proposals to try to significantly change the Medicare program.

Ms. DELAURO. I would like to say thank you to my good friend, the gentleman from New Jersey [Mr. PALLONE], who continues to demonstrate tireless, and I mean tireless, leadership on the health care issue, and obviously as it affects America's seniors. I think we ought to be having this debate and discussion, and I am sure we will continue it.

But May is Older Americans Month. I think it is a very fitting time for us to be talking about how what we do here in a budget can truly impact the lives in a very profound way of America's seniors. We saw that from last year's budget. There was an enormous outcry across this country as to what was happing to seniors.

I am a little perplexed that given the outcry that we saw and the public's feelings, if you recall, the public said to the President, veto the budget. Sixty percent of the public said veto the budget that was proposed last year, because of the severe cuts in Medicare and in Medicaid, education and the environment as well, but Medicare and Medicaid, and what that meant for the lives of seniors.

You are absolutely right about the article that was in the New York Times. MediGap was supposed to help to supplement Medicare. And what we are beginning to look at is the beginning, if you will. I mean, there are gaps in Medicare, therefore Medigap is to assist people. What we are looking at, instead of trying to figure out a way in which to make the Medicare system stronger, because people know that no system is perfect. And what we need to do is to make changes, to make it a better program, which we have said all along. Let us fix what is wrong with it, and let us build on it, in the sense that it has truly been a lifesaver for seniors in this country, who not too many years ago, less than half of our seniors had any kind of health care or protection at all. Today 99 percent of seniors have health care coverage, and the difference has been Medicare.

Instead of taking a look at that system, where you can build on the opportunity for long-term care, for home health care, for prescription drug assistance, which we all know is truly one of the areas that affects everyone, but it affects seniors particularly, because many times what seniors do is they do not get the prescription filled. They get it half filled, or they fill it and then they go without eating for a couple of days. But in any of those circumstances, it clearly is not good for their health.

So that we are now going to embark on a new budget proposal that will in fact erode this health care system that we have for seniors today, and I think we both agree and all of us who are engaged in this debate agree that the United States has the best quality health care in the world.

□ 2145

That is not at issue. The question is its affordability and a variety of other questions. If we continue to erode the Medicare System, as is being proposed by the Republican majority in this House, we will then create a second-rate health care system for our seniors. That is not what we ought to be about.

I think there are a couple of interesting things. Over this past weekend the Speaker of the House, NEWT GINGRICH, attacked the Democrats on Medicare, and he told the Republican Convention that the battle over how much money should be spent on Medicare is the most important question facing voters in 1996.

I think that that is probably right, because Medicare is not just a program. Medicare is not just a program. Medicare symbolizes a decent and a dignified retirement to people who have spent a lifetime playing by the rules, working hard, doing all that they can for their family, paying into a system, wanting to make sure that at the end of their lives, in the remaining years of their lives, if they need health care coverage, that they will have it, and that they are not going to get crippled financially by a particular illness. No one decides to get sick. It happens.

I think that the Speaker's partisan attack is unfortunate. We disagree about Medicare but I do think, as I said, that the question of funding Medicare is a critical one. Again, this is part of our value system. Medicare is a priority, and how we define our priorities is how our values are defined and what kind of a Nation we want to try to be.

That is why this issue is so critical and so important, and why we have to continue to focus our time and attention on it.

If we go back to what the Speaker is talking about, it was not too many months ago where he said, and the quote is clear, that the Medicare system should wither on the vine. The majority leader in the Senate bragged about how pleased he was and how proud he was of a vote that he cast in 1965, voting against the Medicare system because it is a system that does not work.

This is recent evidence of people who are in leadership positions in the House of Representatives and in the Senate, who would like to convey to the public that what they want to try to do is to slow the growth of Medicare, when in essence they do not truly believe in a Medicare system and its value and what it means in terms of a decent and secure and safe environment for seniors in this country. That is what the issue is about. That is what the debate is about.

We can deal with numbers, but numbers are not at issue. With this second budget proposal that has been made, to quote Yogi Berra, it is deja vu all over again. We are going back essentially to where we were in last year's debate, and that is what the public needs to know about. We are talking about $168 billion in Medicare cuts. We are talking about roughly, once again, in terms of the debate that we had over the last year and a half almost, it is $168 billion in Medicare cuts, it is now $176 billion in a tax break for the wealthiest Americans.

It is the very same debate, and that is why we have to continue to focus our time and attention on the issue. The question is, will we put hard-working families first or are we going to put special interests first? That is what the debate ultimately comes down to.

Let me say to my colleague, and I know he feels the same way, if we were assured that the money that was being cut was going to go into the solvency, as they talk about, of the Medicare trust fund, we could make an argument for this. But that is not the case. That is not the case at all.

The danger is that we are going to see funds for hospitals cut. In some rural parts of our country we will see that hospitals will close. Once again, deductibles will go up, premiums will go up, the choice of doctor is at risk again. So it is, in fact, the same debate all over again.

We have to be tireless, in my view, as my colleague from New Jersey has said, in continuing to make the case and raising once again the profile of this issue. I compliment my colleague in visiting a senior center over the weekend and getting people to come out once again, to do the writing, to do the calling, to be engaged in signing the questionnaires, et cetera. I will be doing the same thing myself to let the people that I represent know that the battle is on once again.

We have to be indefatigable. We have to be tireless, and the American public needs to speak up all over again on this issue.

Mr. PALLONE. I agree, and I appreciate the remarks the gentlewoman has made, if I could just follow up on two points that she made.

One is when I was at the senior center in Edison on Monday, one of the very first things the gentlewoman discussed was prescription drugs and the cost of prescription drugs, and how some seniors simply cannot afford to buy them or they will not get a refill if they need it. It is amazing to me, because when we talk to seniors when we are in our districts, these issues in many ways are very plain to them.

Many of the seniors in the audience in Edison said to me, "Well, Congressman PALLONE, I don't understand. What Medicare should do," and this is almost a direct quote from one of the individuals, "what Medicare should do is to be expanded to include preventive care." He talked about prescription drugs, because he said, "A lot of times I go to the doctor and he prescribes a drug to me, and Medicare is covering the cost of the doctor visit but it is not covering the drug. So I get the prescription but I go home and I never fill it."

What good is that? The point is that if Medicare were expanded to cover certain kinds of preventive care, like prescription drugs or like home health care visits, we would actually save a lot of money. We should be thinking of creative ways to expand Medicare, deal with prevention, and then save money in the long run.

That is what I was kind of hoping we were going to be doing when we started to talk about Medicare in the beginning of this Congress. But, obviously, I was very naive, and I think I was naive because I did not understand what the gentlewoman brought up, the basic idea, which is that this Republican leadership, both in the Senate and here in the House, really does not like the Medicare program. They have an ideological problem with the Medicare program, and that is why we are getting these quotes from Speaker GINGRICH saying that we will deal with it piece by piece and it will wither on the vine, or from the Republican presidential candidate saying that he is proud of the fact that when he was in the House of Representatives he did not vote for Medicare. They are not really interested in creative ways of trying to save money and expanding the money to help seniors. They just basically want it to go away.

The other thing the gentlewoman mentioned and I thought was so important, she talked about the dangers of Medicare becoming a second rate health care system, and I think we have talked about that a little tonight. But there is also sort of a corollary to that, the notion of a divided system, sort of a class battle, if you will, between the wealthier seniors and the middle class or poorer seniors.

I see that happening, for example, with Medigap. We mentioned that about half the seniors have Medigap and half do not. That means that a lot of seniors, even those who are on Medicare now, increasingly are not able to get certain kinds of health care services because they cannot pay out-of-pocket, because they do not have Medigap. So already we have a two-tiered system.

Now, in this Republican budget, one of the things we did not mention tonight, but I think we should, is that they have brought up again the Medical Savings Accounts, the so-called MSA's, which I call the tax break for the healthy and wealthy. Basically what they are suggesting, and the gentlewoman knows is the case, is that seniors opt into a situation where they get catastrophic coverage. If something really terrible happens to them and they have to go to the hospital for a long stay, they are covered, but they are not covered for anything else.

The money that the Federal Government puts up for Medicare, like a voucher, is put into some sort of savings account, and if they have to go to a doctor or they have something that only takes a relatively small degree of care, then they have to pay all that out-of-pocket.

But if an individual has a very high deductible, or are essentially only covered for catastrophic care, the only people that will be able to afford that are the healthy and wealthy, so to speak, because they will say, "Well, that is fine, I will opt for that."

So what do we do? Once these medical savings accounts become part of the Medicare system, we will have a two-tiered system, in essence. The cost for those who do not have the MSA's will probably go up, because they will be the ones that have less money and are more of a burden on the system. So the cost of the system will go up.

I know the gentlewoman has been very concerned about that issue, so if the gentlewoman wants to talk about that I would yield to her.

Ms. DELAURO. It is incredible, and this is a corollary, if you will, because we have the budget proposal now that once again makes this tremendous hit on the Medicare system, juxtaposed with the tax break for the wealthiest Americans; and then we have had an opportunity in this body over the last several months, in a bipartisan way, to look at health care reform or some first steps in terms of health care reform through the Kennedy-Kassebaum bill, and the Roukema bill on the House side that deals with two important issues, the prohibition on preexisting condition and the ability for people to change jobs and still maintain health insurance; things that people would very, very much like.

There again, rather than taking good pieces of legislation and trying to get them passed, and the President said he would sign the bill, and the authors of the bill said let us move forward, again very bipartisan, they add this concept that the gentleman has talked about, the medical savings account, which creams the healthy off the top, leaves the most frail, the most ill in the traditional health insurance policies, thereby taking the opportunity to bring some relief to people on health care, helping to try to then even lower the cost of health care, and what happens? More people uninsured, we drive the premiums up, and we completely reverse the intent of what we are trying to do by this concept of these savings accounts that healthy people will take advantage of. But the more sick an individual is, the more frail an individual is, they will wind up in the traditional systems.

Those premiums will go up. Less people will be able to afford them. More people will be uninsured. It is quite remarkable.

Then we take that and look at a budget, another one coming in where we have fought this battle and now we have to refight it, or it is just a continuation, quite honestly. It is just a continuation where we are going to see once again the medical savings accounts introduced and Medicare on the chopping block again.

Again, we need to mention over and over again, people need to understand, Medicaid, a $72 billion cut. Less than what it was, no question. Nevertheless, this is a system that helps to ensure the health of seniors in nursing homes. We are going to find people who are in nursing homes now, whose families will have to make a decision to take them in or do something else in order to provide health care for them.

I wanted to make one point, because our colleagues on the other side of the aisle will talk about how they want to slow the rate of growth. A noble cause; one that I support, and I know my colleague from New Jersey supports. However, what they do not talk about is how many more people are going into the system every year. No accounting for that and what the increased costs are; no accounting for inflation at all. It is as if the system is dead in the water, stagnant, does not move, is not dynamic, is not fluid, and it is just where it will be today.

□ 2200

We know that is not the case. It is not the case on anything that we deal with. It is changing. It is changing. But they try to say that they are lowering the rate of growth.

We need to lower that rate of growth. I just need to make the point on this that we made in the past. Where are you and where are my Republican colleagues on lowering the rate of growth in private insurance, as we were talking about Medigap policies? Those premiums are going up. Where are we lowering the rate of growth in the cost of prescription drugs? Where are we lowering the rate of growth in other parts of the health system? Why is it that we only want to attack seniors in this process? That is, I think, a question that our colleagues have got to answer.

Mr. PALLONE. If I could reclaim my time, I just want to follow up on what you said about Medicaid, particularly this issue of the rate of growth and not taking into consideration what is actually happening out there in the real world.

What they are proposing for Medicaid, which, as you mentioned, the majority of the people think Medicaid is just for poor people, the reality is the majority of Medicaid funds are used for senior citizens in nursing homes.

One of the things that I mentioned in the past, going back to last year, was that we are going to have a crisis. There was an article in the New York Times back in November that says, "Critics say Republican budget will create shortage of nursing home beds for elderly. The reason for that is exactly what you said, which is that the number of people who are over 85, the over 85 population is growing dramatically and will be over the next 10 or 20 years."

So the numbers that the Republicans are using for Medicaid, and they are going to block grant them to the States, do not take into account how many more seniors are going to be out there that are going to need nursing home care. It completely ignores it. So we know there is going to be a shortage of beds in nursing homes.

The same thing with regard to children. Medicaid historically over the last 5 or 10 years has been able to absorb the number of children who are no longer covered by private health insurance. In other words, ever since the late 1980's, with all the downsizing and we had large unemployment then and we continue to have an unemployment problem, a lot of parents, when they lost their health insurance, their children were not covered. Because the Congress, under the Democratic leadership, had actually expanded the opportunities where Federal money went to the States, particularly to cover children, and States were encouraged to match those funds on a one-to-one basis, most of the children who were taken off health insurance, because their parents lost it when they lost their jobs or changed jobs, were actually covered by Medicaid. Because as those numbers of children without health insurance grew, Medicaid took up the slack and expanded.

This is a survey that was done by the Journal of the American Medical Association, published again in November's Washington Post, at a time when we were having the big budget battle here. They point out again that that is going to be completely reversed.

If you block grant this money to the States and give them leeway and you cut the rate of growth, so to speak, as the Republicans put it, a lots of States will just cut back on the number of children that are covered. And we will see a lot of children that are simply not covered by Medicaid or by any kind of health insurance whatsoever.

I know that we want to yield the rest of our time to one of our other colleagues. I appreciate the fact that you came, that Ms. DELAURO is on the floor here joining me on this. I know that she and I share the concern about what would happen with Medicare and Medicaid if this Republican budget goes through. Even though it is coming up Thursday and is going to be voted on, we will continue to fight this battle to the end.

Ms. DELAURO. I thank my colleague from New Jersey.

LIBERTY, JUSTICE, AND AN INDEPENDENT JUDICIARY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized for 30 minutes as the designee of the minority leader.

Ms. NORTON. Mr. Speaker, I want to particularly thank the gentleman from New Jersey [Mr. PALLONE] for his great kindness in yielding me some of his time this evening. I had wanted this time to speak on liberty, justice, and an independent judiciary.

I come forward because I believe it is my obligation to do so, not as a lawyer, although I happen to be a lawyer, not as a law professor, although I am still a law professor because I continue to teach a seminar at Georgetown Law Center, but as a Member of Congress.

I am moved to come forward this evening because of recent attacks on the judiciary. Those attacks cannot be answered by the judiciary and they have come from this branch. I come forward this evening to make a plea to my colleagues that the cynicism toward Government which has infected the executive branch and the legislative branch, as Americans regard us, stops at the courthouse door.

Recently, from the legislative branch and the executive branch, there have been troubling signals that we may be willing to pull the judiciary into the polarized politics of the 104th Congress and the Presidential campaign. I agree with the dean of the Fordham University Law School, John Furick, who has said, and may I quote him,

> We are at a juncture where we all need to step back, including our President, Congress, governor and mayor, and here he means the governor and mayor of New York, and consider what is at stake when we make our judiciary part of the politics of the present day.

I want to cite two cases that have drawn us into this controversy. They are decisions where I profoundly disagree with what results the courts have reached. One involves Judge Harold Baer. This is the case where the judge initially found that there was an unlawful search and seizure. He threw out the evidence because he found that the police had searched the car when they saw bags being loaded into the car and men running away. And most of us wondered what in the world the judge could be talking about when he said it was reasonable for black men to run away from the cops in this upper Manhattan neighborhood. Thank you very much. As a Member who represents many African Americans, I can tell you that we do not expect people to run away from cops upon seeing them.

New evidence came forward, and the judge reversed himself. Before that happened, Mr. DOLE allowed as how the judge should be impeached because of his initial decision while it was still pending, mind you, and the President stopped short of that but himself criticized the judge very profoundly while the matter was still pending.

This already has had an effect upon the court. The lawyer for the defense himself, and I want to quote his statement, said to the judge in court, asking him to recuse himself, again, I am quoting,

> Never before have the President of the United States, the Speaker of the House, 140 Members of Congress and a Presidential candidate sat in on a case and said that a Federal judge should be impeached or resign.

The defense lawyer then called upon Judge Baer to recuse himself entirely from the case saying, and I am quoting,

> It would appear you may have been influenced by outside forces.

Thus, when the judge heard new evidence, heard evidence that corroborated the initial evidence of the policemen involved, the defense lawyer said, there is still the appearance of impropriety and you should recuse yourself. I am not sure that the judge can ever get that stain off of himself, although it is clear that there was enough evidence before, frankly, and certainly afterward.

There is a second case from New York where I also disagree with the judge. That was one in which Governor Pataki, himself a lawyer, I believe also Mayor Giuliani called for the removal of a criminal court judge. His name was Lauren Duckman. Judge Duckman had lowered the bail of a suspect allowing the suspect to get out of prison and the suspect proceeded to kill his former girlfriend and it was harassment of his former girlfriend that got him in jail in the first place.

I do not think I need to tell anybody who knows me in this body where I stand on that case. The governor said that if the State commission did not remove this judge within 60 days, then he would ask the State Senate to begin removal proceedings.

Judges are often attacked and as public officials should be open to caustic attack, but I can tell you, Mr. Speaker, I have seldom, if ever, seen these kinds of attacks come from the top of the Government.

I am here this evening to say, stop it. Stop it. This is an attack upon our system of Government. It is difficult for judges to respond.

To his credit, from the top of the judiciary, the Chief Judge, the Chief Justice, Mr. Rehnquist, has in his own way responded, in a speech at the American University Law School. He responded in very lawyer-like fashion, referring to precedent, particularly the impeachment in 1805 of Justice Samuel Chase because of the way he handled three cases. The Senate, however, refused to convict and convictions must take place in the Senate.

Mr. Rehnquist noted the precedent and its viability for more than 200 years, for almost 200 years, and indicated he thought that precedent should stand. He also cited the infamous case of President Franklin Roosevelt who attempted but failed to pack the Supreme Court with extra justices when he thought, frankly, that the Republic was going to fall because the New Deal programs designed to save us from a catastrophic depression were put in jeopardy by the response of the judiciary. Even given the seriousness of those cases and the seriousness of the Baer case and the Duckman case which I have just alluded to, there is no case so serious that it is worth the attacks we have recently seen. I believe Mr. DOLE has pulled back. I believe President Clinton has pulled back. I am here to say, let us all pull back.

Judges must be subject to the same kind of criticism that other public servants are, except that restraint is necessary because, unlike the executive and unlike the legislature, the courts must be entirely independent, free from outside influence. And that depends upon the way we, especially we in public office, behave.

Justice Breyer was in Russia in 1992 and sat in on a meeting between President Yeltsin and 500 Russian judges. And the justices reports that Mr. Yeltsin said to the 500 Russian justices, there are going to be changes made in the judiciary in Russia. For one thing, the prosecutor is not always going to win.

The prosecutor always wins; indeed, the parliament always wins in totalitarian regimes. I do not speak as Justice Rehnquist did as a judge. I have no desire to be a judge. I speak as a legislator. Understanding that the Judiciary is dependent upon the self-imposed restraint that this body and the Executive has almost always exercised for more than 200 years, the system demands restraint by us. Otherwise the judiciary itself is undermined, but, much more importantly, our Democratic form of government is undermined.

□ 2215

That is exactly what Alexander Hamilton said in a terse, but piercing, statement, and I quote Hamilton:

> There is no liberty, he said, if the power of judging be not separated from the legislative and executive power.

Are we going to go back to Henry VII, when it is said he ruled his law with his judges?

We can have very little to do with judges except insofar as the President and the Senate participate in their appointment.

One commentator recently has written that the recent controversy about these cases, and I am quoting, should have dispelled any lingering doubt that the Judiciary and the nominating process for judges are destined to be entangled in partisan politics this election year possibly in a way not seen before, end quote.

Oh no, let us not pierce the separation of powers during the 104th Congress. We have polarized the country and this body enough. We push the envelope way too far when we draw judges and courts into our partisan disputes.

It is fair game to criticize decisions, it is fair game to criticize judges. It takes judgment to know when to stop. It takes discipline in this body and in the Executive to know when to stop.

This is a part of our history that is most revered. It begins before our forbears came to these shores. It took hundreds of years in England for the parliament to wrest its own superiority from the king. That was the beginning of English democracy. But the judges were still subservient to the parliament, so the parliament got greater democracy by pulling power from the monarch, but had no intention whatsoever of creating an independent judiciary initially. It took those who framed our Constitution to truly develop the notion of an independent, totally untainted, totally nonpartisan judiciary.

The Founders therefore took the British legacy, which included parliamentary supremacy, several steps further. The British had no written constitution. The Framers insisted upon a written constitution. But in order for the Constitution to matter, to guard the new Nation and its processes and its citizens, somebody had to be in charge of interpreting it. That was the role of an independent judiciary, and in order to make sure that liberty was guarded, nobody could tamper with the judges whose job it was to interpret the Constitution and the rights that flow from it.

So, as one commentator has said, if, meaning if the judges, were not entirely independent, and I am quoting, the Constitution's promise of a government of limited powers could be broken with utter impunity. The Founders thus rendered Federal jusges independent of the political departments not only with respect to their tenure and salary, but, more importantly, in their source of judicial authority.

It is this additional step, inconceivable in England, that made the American Constitution truly revolutionary. Without the judges there untouched and untouchable, the whole thing known as American democracy, the whole thing known as our former government, collapses in your laps. What has kept if from collapsing thus far? Amazingly, self-restraint. Self-restraint in this body and in the other body, self-restraint of the Executive; that is all that has done it. That is what separates us from the juntas and the banana republics and the totalitarian regimes.

Separation of powers is not a cliche, but it is a very ambiguous concept.

What in the world does separation of powers truly mean? When you consider the supremacy of the legislature in our form of government, what separation of powers means is certainly not absolute. We, or the Senate, confirms judges. The President appoints judges, so clearly they do not spring from somebody's forehead. They are, in fact, touched by us initially. At the other end they can be removed only by impeachment, and we cannot reduce their compensation.

One writer has said that there is a twilight zone in between. You can appoint them, you can confirm them, and you can remove them for high crimes and misdemeanors, which is why Mr. DOLE'S comment was totally out of order, because whatever these judges had done did not amount to high crime, it amounted to a wrong decision.

If you can bring them in, and you can put them out with lots of safeguards attached to both ends, what can you do in between, the so-called twilight zone? A lot, and not very much. Public servants, whether they serve on the bench in the executive or in the Congress, are subject to public criticism and public scrutiny. But we are all different. We are different from the Executive, we are different from the judiciary. But the Executive and the legislature are much more alike than the judiciary is like either of us.

This is not a civic lesson, my colleagues. This is a warning from one of your Members. It is up to us to raise this point. It is up to us to signal that we do not mean to cross over the line to pierce the wall of separation of powers. That is not our intent, I do not believe it is the intent of any Member of this body, I do not believe it is the indent of the President of the United States, but I do believe that in the heat of argument it is very easy to do. Step back, step back.

The courts have been utterly principled on the separation of powers. The courts have defended our separate power. The courts have consistently, using the speech and debate clause, prevented any interference with out deliberations and have given the most liberal interpretation to the speech and debate clause, coining even the principle of legislative independence.

Each branch is coequal, but we are very different, and those differences must be respected or the 104th Congress will go down not only as the most calamitous, boisterous, raucous Congress, but as a Congress that lost respect for our form of government and helped to bring shame upon it. That is not the intent of any Member of this body.

I go very far and thought I should leave you with some examples of just how far I go when it comes to allowing, indeed encouraging, criticism of the judiciary. On March 18, 1986, Senator CHARLES GRASSLEY, a Republican of Iowa, mailed a questionnaire to article 3 judges, and it makes some of them very uncomfortable; does not make me uncomfortable. Lots of controversy about it. He asked them about their workloads, he asked them to fill out a questionnaire. These are sitting judges, they are article 3 judges. Everybody got it except the Supreme Court Justices. They were supposed to talk about their workloads, the use of law clerks and their outside teaching activities, their travel to conferences. I found most of it pretty mundane. What had not happened before is a sitting Member sending a questionnaire to judges.

Look, we get the money, we appropriate money. I do not know we cannot know something about the way in which courts operate. Some of the questions might have made some people uncomfortable; for example including does your court have a procedure for certifying opinions for publication? Or a motion of a party? Some have suggested that court policies regarding the publication of opinion and withdrawal of published opinions foster a number of problems, including an unfairness to litigants, a loss of judicial accountability and uncertainty about Presidential status and actual judicial economy. What is your view of these suggestions? Are you involved in extracurricular activities such as teaching, lecturing, writing law review articles and making public opinions? If so, how much time do you spend on these activities, including preparation and travel?

Some people would say, hey, it is an independent judiciary. You are in the Congress. When you ask them questions, people may think you are trying to intimidate them. I do not think so. I think that if we are appropriating article 3 courts every year that we have a right to know something about their activities.

I leave a very large space for criticism and inquiry.

Mr. DOLE and Mr. Clinton have had an exchange. Mr. DOLE has criticized the ABA. I profoundly disagree with that. Just because you do not like the fact that some liberal judges have escaped, have gotten through, the scrutiny of the ABA because all this was a dupe, frankly, is to tell us about competence. I do not know why you want to throw the ABA out because it does not stop judges at the courthouse door if they happen not to meet your ideological tests. Nevertheless, Mr. DOLE has made an issue of the ABA. He has also made an issue of President Clinton's nominees. He has said that, and he used their caustic language, that it was a bunch of liberal judges and that they disregard the law, and he said some pretty excoriating things.

□ 2230

"A startling number of Mr. Clinton's lower court appointees have demonstrated an outright hostility to law enforcement."

Fair criticism. I do not agree with it, but fair criticism. In return, Mr. Clinton has said that 67 of his appointees have received the highest rating of the ABA, compared to 52 percent of George Bush's nominees, 53 percent of Ronald Reagan's, and 57 percent of Jimmy Carter's; so he says, "Look, this is all about qualifications. So far my judges are the highest qualified. That is all you can look at." Moreover, he said Mr. DOLE voted for 182 out of 185 of his nominees.

Mr. DOLE responds, "Hey, I voted for them because of your prerogative. You cannot pin those judges on me." They can go back and forth like this during the entire presidential campaign and not offend me at all, not offend the separation of powers, not offend an independent judiciary. But when you call for impeachment of a judge, you send a chill through every judge in the United States. When you say you had better start impeachment proceedings, you who are an independent commission, or we the Governor, or we the legislature are going to do it, you send a chill. Neither of those chills is deserved. Both of those chills the entire system of government that is the United States.

Mr. Speaker, judges are controversial for a very important reason. That is because, as de Tocqueville said, "Hardly any question arises in the United States that is not resolved sooner or later in a judicial question." If that was true in the 19th century, imagine how much more true it is today. Yes, this is a high stakes game. Yes, judges in our system of government have much more power than judges generally have. But yes, we can tolerate it. We know where to stop. We love this system, and the last thing any Member wants to do is to destroy it.

The principle of separation of powers, of an independent judiciary, of limited government, and of constitutional government are more important than Judge Baer's decision in the New York City case, are more important than Judge Duckman's decision in the case of the woman who was murdered. Yes, judges are human and they will make mistakes, and some of them will be profound, and some others of them will be outrageous. But we will not throw away 200 years of a magnificent constitutional system because two judges make a mistake. We will not do this. This Member comes to the floor to announce that she believes she is speaking for Members of the House and Senate and the President of the United States when she says we will not do this.

We will carry on the 1996 campaign with a lot more vigor and raunchiness than I would like, but it is going to happen. It is going to be a nasty, ugly campaign. So be it. That can happen between the two branches, and in a

Presidential campaign. I do not like it. There is nothing illegal about it. There is nothing about it that risks our system of government. If we must punch each other out, as we have all during the 104th Congress, so be it. I ask my colleagues only one thing: As we go at one another, just leave the judges and the courts out of it.

Mr. Speaker, I yield to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. If I could, Mr. Speaker, I will sum up a statement on the arms transfer to Pakistan and the United States response to Chinese nuclear transports. This is with regard to events taking place over the weekend.

I wanted to express my strong concern about these two recent developments that will affect the proliferation of nuclear and conventional arms in the South Asia region. First, after months of negotiations, it was announced last Friday that the United States will not punish the People's Republic of China for its sale to Pakistan of 5,000 ring magnets, devices used for the production of weapons-grade enriched uranium, in direct violation of provisions of the nonproliferation Act.

The official rationale for taking no action against the Chinese was that Beijing had committed itself not to make any such transfers in the future and that the Chinese would help us to stop the spread of nuclear weapons and consult with us on export control policies.

Secretary of State Christopher indicated that the United States had no hard evidence to counter China's denials of any knowledge of the transfers to Pakistan, even though there is strong evidence that the particular Chinese companies that sold the ring magnets have in fact been identified.

Mr. Speaker, I rise to express my strong concern about two recent developments that will affect the proliferation of nuclear and conventional arms in the South Asia region.

First, after months of negotiations, it was announced last Friday that the United States will not punish the People's Republic of China for its sale to Pakistan of 5,000 ring magnets, devices used for the production of weapons-grade enriched uranium—in direct violation of provisions of the Non-Proliferation Act. The official rationale for taking no action against the Chinese was that Beijing had committed itself not to make any such transfers in the future, and that the Chinese would help us to stop the spread of nuclear weapons and consult with us on export control policies. Secretary of State Christopher indicated that the United States had no hard evidence to counter China's denials of any knowledge of the transfers to Pakistan—even though there is strong evidence that the particular Chinese companies that sold the ring magnets have, in fact, been identified.

Interestingly, in last Saturday's New York Times, accompanying the article about the decision not to sanction China for the nuclear equipment transfers, was an article entitled "Tread Carefully With China, Business Leaders Urge U.S." Leaders of the Business Council, meeting with government officials in Williamsburg, VA, urged that differences with China over not only nuclear proliferation, but also a wide range of human rights concerns and piracy of American music, movies, and software, should not get in the way of our economic relationship with China.

Now, in today's Washington Post we read that there may have been even less to the Chinese pledge of cooperation than initially met the eye. In the official Chinese statement, there was no specific reference to future sales of ring magnets, nor was there any specific pledge that sales of similar, nuclear-related gear to would-be nuclear proliferators would not recur. In a clever bit of diplomatic slight of hand, our diplomats essentially said that they thought the Chinese meant to make these promises, and as long as the Chinese didn't publicly contradict our statement, it would look like we had a deal. I fear that we got nothing more than another empty promise from the Chinese leadership.

Mr. Speaker, I recognize that this administration has sought to expand American trade and investment in the emerging markets of the world, and there is much that is positive about this strategy. But, when it comes to China, I believe we had to draw a line—particularly with regard to this reckless Chinese policy of assisting the nuclear weapons development program of Pakistan, a country that has repeatedly shown itself to be unstable, a country that has trained and financed terrorist movements, a country that has openly shown itself to be hostile to United States and Western interests.

Sadly, it appears that the Clinton administration is pursuing the same policy as the Bush administration pursued with regard to China, arguing that increased business links would help modify Chinese behavior. This policy has essentially forced us to sweep one outrage after another under the rug, with the nuclear proliferation issue being only the latest in a series of outrages.

Mr. Speaker, in another issue that could have lasting effects on security in the strategically important South Asia region, I regret to point out that the administration is also going forward with the shipment of $368 million worth of sophisticated conventional arms to Pakistan. Plans call for shipping the weapons to Pakistan after the completion of the elections in India—the logic being, apparently, to avoid making the arms transfer an issue in the elections, despite the fact that it has been widely known for weeks that the shipment would happen. This ill-advised proposal that will only contribute to instability and weapons proliferation in the region.

A provision in the fiscal year 1996 foreign operations appropriations authorizes the transfer of $368 million in sophisticated conventional weaponry, including three Navy P-3C antisubmarine aircraft, 28 Harpoon missiles, 360 AIM-9L missiles, and other Army and Air Force equipment. This provision, known as the Brown amendment, after its Senate sponsor, passed the Senate last year. Although the provision was never debated in the House, it carried in conference. I drafted a letter to the conferees, which was signed by 40 other Members from both sides of the aisle urging that this provision not be included in the bill. But, owing in large part to the support of the administration and the influence of the pro-Pakistan lobby, the provision was included in the bill and became law.

As far back as last summer, many of us in Congress—Democrats and Republicans, Members of both bodies—argued that providing these weapons to Pakistan was a bad idea, given Pakistani behavior. About a year ago, it was reported that Pakistan received Chinese M-11 missiles, in direct violation of the Missile Technology Control Regime. These missiles, in direct violation of the Missile Technology Control Regime. These missiles are capable of carrying nuclear warheads, and can strike cities within a 275-mile radius. It was also reported last year that Pakistan developed its nuclear weapons from a blueprint provided by the PRC, and Pakistan then gave this blueprint to Iran. Pakistan remains an unstable nation, where the military does not seem to be under strong civilian control, a country which supports the embargo of Israel and does not recognize the State of Israel.

Yet here we are, Mr. Speaker, forgiving the outrageous behavior of both Pakistan and China.

It is important to recognize that Pakistan has not agreed to do anything in exchange for the release of the arms—the shipment of which was seized pursuant to the Pressler amendment. Named for its Senate sponsor, the Pressler amendment, mandates an annual Presidential certification that Pakistan does not possess a nuclear explosive device. If such a certification cannot be made, under the law, all United States military assistance to Pakistan must be ended—including weapons already paid for but not delivered. In 1993, President Clinton did offer to return all or some of the weapons in the pipeline if Pakistan would agree to cap its nuclear program. Pakistan rejected this offer. In fact, by receiving the ring magnets from China, Pakistan was continuing to act—in defiance of the United States—to further its nuclear ambitions.

Finally, the administration came up with a compromise: while 28 F-16 fighter jets would not be delivered to Pakistan—they already have 40 F-16's—the $368 million worth of military equipment would be delivered with no strings attached.

Thus, Mr. Speaker, Pakistan gets its weapons—our weapons—and we receive nothing in return.

Mr. Speaker, the delivery of these weapons to Pakistan will be seen by India as a slap in the face. India, the world's second most populous country, is in the process of completing the largest exercise in democracy in world history. India's elections, despite a few isolated incidents of violence, were conducted very smoothly. While the implications of the election results are somewhat unclear, what is clear is that this election represents the free expression of hundreds of millions of citizens in a vast, diverse, and free nation. Contrast these democratic elections with the dictatorship in China. Contrast the ability of hundreds of millions of people to express their views without fear of reprisals with the ongoing atmosphere of political violence that continues to tear Pakistan apart.

In addition to sharing our democratic values, India has also been pursuing a historic free-market economic reform. In fact, the United States has in the past few years become India's largest trading partner.

Mr. Speaker, I urge the administration to end this tilt toward Pakistan and China. We must work to promote not only free markets, which are an extremely important consideration, but also democracy. Based on these criteria, we should be working for improved relations with India.

IMPORTANT ISSUES WHICH DEFINE THE DIFFERENCES BETWEEN REPUBLICANS AND DEMOCRATS IN THE 104TH CONGRESS

The SPEAKER pro tempore (Mr. CHABOT). Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. RIGGS] is recognized for 60 minutes as the designee of the majority leader.

Mr. RIGGS. Mr. Speaker, I appreciate this opportunity to address my colleagues in this obviously empty Chamber, even at this late hour, because I am going to be discussing some issues that I think are of paramount importance and which define the differences between the Republican and Democratic Parties in the 104th Congress.

In fact, Mr. Speaker, I happened to hear the first half hour of the last hour, which involved comments by my good friend, the gentleman from New Jersey [Mr. PALLONE], regarding our budget proposal, which will be coming to the House floor here in the next couple of days. This is the budget proposal for the coming Federal fiscal year which will begin on October 1 of this year.

As is very typical, he made very disparaging remarks about our plans to save Medicare from bankruptcy and our plans to reform Medicaid into a block grant program for the States. These tactics are not isolated to the gentleman from New Jersey [Mr. PALLONE] alone. They run rampant through the national Democratic Party today, as the Democratic Party has seized on this particular issue to frighten and scare Americans in the hopes that they can, by employing these kinds of tactics, regain control of the House and Senate in the November elections.

Mr. Speaker, what we get, instead of constructive debate on the House floor, are what I would prefer to call drive-by special orders. In fact, the gentleman from New Jersey [Mr. PALLONE] is still present. He is standing toward the rear of the Chamber, grinning. I would invite him to return to this very podium where he made his comments and engage in actual debate, rather than stand up and demagogue on these issues.

The first thing, Mr. Speaker, the American people need to know is that the Republican and Democratic Party, if you use President Clinton's budget proposal as their blueprint for reforming Medicare, are roughly $30 billion apart. In the context of a 6-year balanced budget plan, that is a very small difference between the Republican and Democratic Parties.

But again, we would never know that to listen to my Democratic colleagues, who insist on demagoguing this issue, and who, frankly, never mention that President Clinton, the leader of their party, has put forward a plan to reform Medicare by reducing the growth in Medicare expenditures.

Another way of putting that is that both the Republicans and Democrats want, at least, again, if you use President Clinton's proposal and not the comments of the far left wing of his party in the House and Senate, if you use his proposal, we both want to increase Medicare spending but at a slower rate, at a sustainable rate, in order to save the program from bankruptcy.

Before he might have to depart, I yield to my good friend, the gentleman from South Carolina [Mr. KINGSTON].

Mr. KINGSTON. Mr. Speaker, even though there are only a few of us present now, I am going to pose a pop quiz to the House. The question is who made the following statement:

> Today, Medicaid and Medicare are going up at three times the rate of inflation. We propose to let it go up at two times the rate of inflation. That is not, I repeat, not a Medicare or Medicaid cut. And we have kept private sector increases so they won't go up as much. So only in Washington do people believe that no one can get by on twice the rate of inflation. So when you hear all this business about cuts, let me caution you, that is not what is going on.

Now, who made those comments: President Clinton or NEWT GINGRICH, the Speaker of the House? If you guessed President Clinton, you were right. He made those comments on October 5, 1993. On May 16, 1995, more recently, he said, "I believe we have to slow the growth of Medicare."

Mr. Speaker, compare the comments of President Clinton to what you hear tonight on the House floor from people like the gentleman from New Jersey [Mr. PALLONE]. Then think for a moment on this particular quote. This is a quote by the former Democrat Governor of Colorado, Gov. Richard Lamb, in Newsweek May 13, so just the other day: "I am awed by his," referring to President Clinton, "I am awed by his understanding of this insolvency of Medicare, which just makes his demagoguing worse. He knows what is happening, yet he is poisoning the well. Medicare is not as bad off as the Republicans said, it's must worse."

So that is what we hear nightly out here during special orders, is Democrats demagoguing this issue and poisoning the well, and ruining any chance of a bipartisan proposal, a bipartisan solution to save Medicare from bankruptcy.

Mr. Speaker, I will be happy to yield to the gentleman from New Jersey [Mr. PALLONE], as well. I do want to continue in the vein of a pop quiz, since it is getting near the end of the school year, and since there are a lot of kids there, students who are picking up the brunt of this huge, massive debt.

Let me give you a number. As of today, by the way, our debt is $5,092,815,215,000. To help senior citizens, to help the middle class, to help the young folks, we have to get our head out of the sand and say, OK, it is time to act like we do have a debt out there after all, and let us be responsible and work together in a bipartisan fashion and quit all this election year sniping, which apparently is so addictive and tempting these days.

The pop quiz. I would say to the gentleman from California [Mr. RIGGS], your final exam: Which number is larger, $179 billion, or $304 billion. Which one is larger?

Mr. RIGGS. I think I can answer that one, even though I do not pretend to be any kind of mathematics expert, but obviously the $300 billion figure is much larger.

Mr. KINGSTON. You are doing well so far. Question No. 2: If the House raised Medicare from $179 billion to $304 billion, would they be increasing Medicare, decreasing Medicare, or leaving it level?

Mr. RIGGS. They obviously would be increasing.

Mr. KINGSTON. Increasing. So why do you suppose there are Members of the House who say increasing Medicare from $179 to $304 billion is a cut? Can you explain that? That is the discussion question.

Mr. RIGGS. It is. In fact, let me just add, to personalize it a little bit more for our colleagues and for any Americans, our fellow Americans who might be listening to us, our plan to save Medicare from bankruptcy, while increasing Medicare spending and increasing Medicare health care choices, increasing Medicare spending per senior citizen from $4,800 per citizen per year in 1996 to $7,300 per senior citizen in 6 years. Obviously when you go from $4,800 today to $7,300 over the next 6 years, you are increasing Medicare spending per senior citizen. No matter which way you slice it, that happens to be an increase.

Let me stop and see if the gentleman from New Jersey [Mr. PALLONE] would like to join me at this point in time.

I yield to the gentleman from New Jersey [Mr. PALLONE.]

Mr. PALLONE. I certainly would like to debate these issues, Mr. Speaker. I appreciate the gentleman yielding to me. I do not think the issue really is whether we are talking about a cut in the increase or an overall cut after inflation. To me the problem here is——

Mr. KINGSTON. A cut is not the issue at all. As a matter of fact, we just said, beyond a doubt, that if you, if I could point out——

Mr. RIGGS. I yield the gentleman from South Carolina.

Mr. KINGSTON. If we want to have a discussion, let us get on the concrete foundation that the figure $179 is smaller than the number $304, and remove from the discussion that Medicare is cut. Could we agree that $304 is bigger than $179?

□ 2245

Mr. PALLONE. I would like the gentleman to yield me some time if I could talk about this. If not, there is no point, if I am not going to be given a couple of minutes or so to respond.

Mr. RIGGS. Mr. Speaker, I want to give the gentleman a chance to respond, but I appreciate the statement of my colleague from Georgia and again we hope that you can perhaps tell us what your proposal is to save Medicare from bankruptcy.

Mr. PALLONE. Mr. Speaker, that is a very good question. If I could have a couple of minutes to respond.

Mr. RIGGS. I yield to the gentleman.

Mr. PALLONE. I thank the gentleman. First of all, I would point out that the level of cuts that the Republicans are talking about in this budget are not necessary for Medicare solvency. Basically what the Republicans are proposing are cuts that are $44 billion more for Medicare than what President Clinton has proposed in his budget.

Let us keep in mind that the President proposed a budget earlier this year, and now the Republican budget that is coming up this Thursday for a vote is basically a counterproposal to that. The President acknowledges, as every Democratic Congress has in the past, that it is necessary to deal with the Medicare program and make sure that the trust continues to be solvent. That is why he has proposed a certain level of cuts in Medicare. But those are strictly to keep the trust fund solvent.

Mr. Speaker, the level of cuts that the Republicans are proposing, which is significantly more than the President, these are the things that I have a problem with, and I believe that those are being used primarily to pay for tax breaks. More important than that, and I stressed earlier this evening, is that the very nature of the Medicare program changes with this Republican proposal. Basically what you are doing is cutting down and eliminating choices. You are pushing a lot more seniors, in fact I think eventually all seniors, into managed care or HMO's where oftentimes they are not going to have a choice of doctors or even hospitals. You are allowing for a different reimbursement system, basically providing a higher level of reimbursement for HMO's or managed care than the traditional fee-for-service system where you can choose your own doctor, and then you allow balanced billing. In other words, doctors can charge more for people who stay in the traditional Medicare so there will be a larger out-of-pocket expense for those who continue to stay in the traditional fee-for-service program where they have their choice of doctors.

In addition to that, you have introduced this notion of medical savings accounts, which basically establishes a catastrophic health insurance policy which only the healthiest and the wealthiest senior citizens are going to be able to afford.

So three major points in the existing Medicare Program have existed essentially for the last 30 years. One is unlimited choice of doctors and hospitals. Second is a limit, I think it is 15 percent, on the amount that can be charged as a co-payment by the physician beyond Medicare, plus the guarantee that if you are in Medicare, you are going to have a certain level of health services that are provided for. All three of those things are negatively impacted by the Republican proposal.

What I am saying is that those are not necessary in order to guarantee the solvency of the program, if you simply implement the level of cuts that the President has proposed, and then you will keep the Medicare Program solvent.

Mr. Speaker, we are going to have a choice Thursday. It is going to be the Republican budget. There is going to be the President's budget, and there may be a lot of other alternatives. What I am saying is the President's budget is far superior and solves the problem of solvency. So, the Republicans in raising this issue of solvency are using it as an excuse to cover all the other changes that they are suggesting to make in the Medicare Program.

Mr. RIGGS. Let me reclaim my time and give the gentleman a chance to catch his breath.

Mr. Speaker, let me first of all point out that our plan very clearly says right on its face that no older American who is currently receiving Medicare health care benefits will be forced out of the traditional fee-for-service program. It does provide other options for health care, and the gentleman from New Jersey mentioned a couple, managed care, and medical savings accounts. We think those are both progressive ideas, designed to build more flexibility into the program, ultimately give more choice to Medicare recipients and frankly to empower them to be more involved with decisions having to do with their own personal health care.

Let me point out that, second, a fact that the gentleman kind of skipped over. Let me back up for just a moment.

Let me also stipulate that our plan requires that any savings from reducing the rate of growth in Medicare expenditures must stay in the Medicare Program. As a consequence, the Congressional Budget Office says that our program will extend the life or the solvency of the hospital insurance trust fund to the year 2008, which is 3 years more than the President's proposal.

So, yes, we are bolder because we are trying to think not just of the needs of today's seniors but the needs of the next generation of Medicare recipients as well. But I want to come back to one point because I really want to understand this in terms of the gentleman's position.

Do I understand correctly that your position is that the roughly $120 billion I believe that is in Medicare savings that the President proposed is OK? That is to say, you are comfortable with that? You can support that level of savings? You will vote on this floor if you have the opportunity for that level of savings? But you object to our figure which is roughly now, and I know we are talking ballpark figures here, but our figure is roughly $30 billion more in savings, which you characterize as cuts.

Mr. PALLONE. If the gentleman will yield further, let me say this. I am not in charge of the rules process but I believe that there will be an opportunity on Thursday to vote on the President's budget as an alternative and, yes, I will vote for that assuming that that is in order and that we have that opportunity. I am also concerned about the level of cuts in the President's budget but obviously I think it is far preferable to what the Republican leadership has proposed and I will support it. The concern I have is that the level of cuts, and obviously even more aggravated in terms of what the Republican leadership has proposed, is going to have a very negative impact on hospitals. In other words, if you look at the level of cuts in the Republican budget, most of the money that is proposed to be cut comes out of Part A which is of course primarily paying or reimbursement for hospital care. We know, because that same level is basically what was proposed in 1995, that many hospitals will not be able to absorb that level of cut primarily because they are 50, 60 in some cases better than 60 percent dependent on Medicare. So I do think that there is a danger and that we are kidding ourselves here if we think that we can continue to make these level of cuts that you propose. I know it is a little better than 1995 overall but it is not really better in terms of Part A and what that means for the Nation's hospitals.

I would venture to say that the President's proposal is significantly less in terms of the level of cuts to hospitals and that is far preferable because it will mean that many of these hospitals, and I think in particular of my home State, will be able to survive with that level of cuts, whereas they may not be able to, or most likely will not be able to under what the Republican leadership has proposed.

But even beyond that again it is the changes in the Medicare Program that you are proposing that bother me the most. I think it is going to significantly change the nature of the Medicare Program and not provide the guarantee that seniors have had for the last 30 years in terms of the unlimited choice of doctors and being protected against additional costs that would be charged by physicians.

Mr. RIGGS. Let me reclaim my time and state to the gentleman again so he is absolutely clear on this point, we have made, I think emphatically clear to the American people from day one that anyone presently in the Medicare Program under the traditional fee-for-service arrangement could stay in that program. That is explicitly built into the legislation.

I also want to make the point, then I am going to yield to the gentleman from Georgia, and I hope the gentleman will stay because I will yield him more time, but I also want to point out that the Democrat plan does not contain the same incentives for rooting out waste, fraud, and abuse, not the same aggressive incentives that ours have, including a financial incentive to those Medicare recipients who do report waste, fraud, and abuse in the system, and I think we all know that there is rampant waste, fraud, and abuse, almost endemic to the system.

Second, it does not provide the same flexibility in choices that we have offered Medicare recipients in our plan. I am a Californian, I admit California is on the cutting edge of the Nation in terms of introducing the idea of managed care on an outpatient basis for all age groups, not just older Americans, and I am absolutely convinced that managed care is a viable health care alternative for those Medicare recipients who are either already enrolled in managed care programs that are quite satisfactory in terms of their needs, in their opinion, meeting their needs, and, second, in terms of giving Americans again more say, more of a role, in making their own health care decisions.

We are not forcing anyone out of the program. We are trying to bring a 1950's style program into the 1990's. Again I say to the gentleman, he insists on continuing to use the term cuts to describe our program. But as that gap between the Republican proposal and the Clinton proposal narrow, at what point do you cease to describe our program as a cut? That was the question posed to the President at the press conference last week, and he sort of hemmed and hawed. He ultimately, as many times he does when he is pinned down, he ultimately blamed the media for introducing the use of the term cuts into the debate, and nothing could be further from the truth.

Mr. Speaker, the truth is that that term has been used out on this floor of the other body repeatedly. I believe it has been identified by the Democratic Party strategists as the key wedge issue to be used as a political football, if you will, to try to regain control of the House and the Senate.

Mr. KINGSTON. If the gentleman will yield, there is no question that this is the liberal Washington keep the status quo propaganda machine using the word cut. And the gentleman from New Jersey, who I respect, I think maybe it is a reflection of the New Jersey school system when he refers to going from $304 billion from $179 billion as a cut, where all the rest of the States across the country would call that an increase.

Moving on, though, with his concern about hospitals, I am concerned about hospitals but only after I am concerned about patients and senior citizens. I think that the patients, you have to put the patients first. I am sorry about the hospital system in New Jersey, but again I am more concerned about the patients.

My mother, as I believe your parents are, as well, is on Medicare. It is a 1964 Blue Cross/Blue Shield plan. I like the idea of mom having choices because I trust her and I trust other people's parents and their children's ability to choose what health care plan fits them best. Right now it is Medicare or Medicare, period. Under the proposal they would have a physicians service network as an option. They would have a managed care plan as an option. They would have traditional Medicare as an option. They would have medical savings accounts as an option.

Mr. Speaker, all these are actuarially worked into the formula that increases the benefit from around $5,000 to $7,200. The numbers vary slightly, but the fact is that it does give more choices while cracking down on fraud and abuse.

My dad lives in a condominium complex in Athens, GA, where there are a number of other seniors. My dad has macular degeneration, is legally blind, he has diabetes. But all the seniors in his complex work together and go over each other's bills, medical, food needs, and so forth. He says just about without exception when they go to the hospital for a head cold, they get billed for x rays or something just totally ridiculous. I do not think it is all fraud, but it is just a general sloppiness that Medicare is paying for it, so do not worry about it. We have got to crack down on that abuse because it is right out of our seniors' pockets.

One other thing that the gentleman from New Jersey mentioned was this tax cut thing, and maybe we could just at this point agree that we disagree on Medicare. We want to save and protect it one way, and the President wants to keep patching it up another way until the next election. I think that it is important—and one of our great challenges, where he saves the program until 2008, we need to save it ad infinitum but at least get beyond the election cycle.

I note with interest that one of the things about the Clinton budget is that 74 percent of the reductions, the deficit reductions in the overall budget come the last 2 years, which is 2 years after he is out of office if he was to be reelected. So here we have got the pain, as usual, coming later, whereas the Republican budget overall reduces spending and savings, consolidates the size of Government over a 6-year period of time. It is more fair and more equitable that way.

Mr. Speaker, the thing, though, our profamily budget also calls for a tax credit of $500 per child for families under $110,000. I have always thought of New Jersey as having higher incomes than Georgia; $110,000, you can live well. But the fact is that is a combined income, and that still in many cases is very middle class.

I would like to ask our friend from New Jersey when we talk about tax cuts for the wealthy, which I have heard him and many of his colleagues expound on over and over again, who are the wealthy that we are talking about in this budget that would benefit and maybe even why it is so bad to do anything for the wealthy. I would like to just throw that question out to the gentleman.

□ 2300

Mr. RIGGS. Let me pose that question to him, and then maybe the gentleman from New Jersey will also tell us where he stands on the repeal of the Clinton Democratic gas tax increase, which will be coming to this House floor early next week. I will yield to the gentleman from New Jersey.

Mr. PALLONE. Well, you are probably asking the wrong person, because I did not vote for the original gas tax increase, and I would have no problem and would certainly vote for the repeal.

I only mentioned the tax breaks because of my concern over the fact that the Medicare cuts as well as the Medicaid cuts I believe will be used to finance them. I know that one of the things that the gentleman said before, which I am very concerned about, he said we were going to have a guarantee that you could stay in the traditional fee-for-service plan and that whatever cuts were implemented by the Republican leadership would stay in the Medicare Program.

I would say that those promises are not real. First of all, because in 1995, when we discussed the issue, we tried to put an amendment in the budget that would say that all the money that was saved in Medicare and Medicaid would only be used for those programs. That amendment was actually defeated on the floor of this House. I voted for it. So I think it is a false promise.

Second, when you talk about the guarantee that you will be able to stay in the fee-for-service or traditional Medicare Program, again, the guarantee does not mean anything if you build into your proposed changes in Medicare a different reimbursement rate for managed care and HMO's versus the traditional fee-for-service program where you can choose your own doctor.

That is the problem here. You are building in incentives that basically make people or force people to go into HMO's, because the reimbursement rate because of the caps will be higher for HMO's and managed care and lower for the traditional fee-for-service system. Under the traditional fee-for-service system you are going to allow balanced billing. You are saying the doctors can charge more than the 15 percent now allowed under current law. Basically what is going to happen here, even though there may be something written in the legislation that says you can stay in the traditional Medicare system, the reimbursement rate, and money drives everything, is going to push people into managed care and into HMO's.

I am not saying managed care and HMO's are always bad. There are some that are very good. The bottom line is a lot of seniors are used to having their own choice of doctors, and depending on the area, they may not be able to get into an HMO or managed care system where their doctor is covered by that system. So this notion of choice, that somehow the Republican leadership plan is going to guarantee choice or provide lots of other choices, I think is a false promise, and particularly when you talk about the MSA's.

I believe you brought up the issue of the medical savings accounts. That is nothing more than catastrophic health care coverage. What I think is going to happen is once again the healthy and wealthy people will choose that because they can afford to put the money aside and not worry about whether they are going to have to pay out of pocket for the health care and just have this catastrophic coverage.

The people remaining in the Medicare system are going to be the sicker and probably the poorer people. That is going to drive up the cost for the Government for those that remain in the system. I am fearful what you are doing here is creating a sort of two-tiered system, pushing certain seniors into managed care, having a lot of them opt out for this catastrophic coverage that they may not necessarily know what they are getting into.

When you say you are still going to be able to have your traditional Medicare, the bottom line is you really are not, because you are creating incentives that will make it more difficult for that to happen.

I also wanted to address the issue of fraud. This was a big issue for the Democrats in the last Congress. Again, I was in the Committee on Commerce, I am a member of the Committee on Commerce, and we specifically tried to change the language that was in the Republican bill that made it easier for those who were committing fraud or were basically abusing the Medicare system to get away with it.

The standard of proof that was put into place in that budget last year, and I suspect it is the same this year unless you show me differently, was actually watered down, so it would be more difficult to prosecute those who were violating Medicare and abusing the system.

I am 100 percent for trying to crack down on fraud and abuse. I think you can save a significant amount of money if you do that. Do not weaken the standard of proof and make it more difficult for the Justice Department and others to go after those committing the fraud and abuse. Otherwise you will have a worse system in terms of prosecuting those people.

Lastly, I do not want to get into semantics. I have said over and over, I think the gentleman from Georgia was here when I said it in 1995, we are talking about a cut in the growth of the program. I keep using the term "cut." Maybe you do not like the term "cut" in growth, but I will say one thing, I use it for both the President and for the Republican proposal. The bottom line is that if you do not have enough money in Medicare to continue to service to the growing number of people who are going to be in the system, because we know there are going to be more seniors, the baby-boomer generation is getting older and there are going to be more and more seniors in the system, if you do not have enough money to cover that growth, in reality what you are doing is cutting the amount of money to be available to these people and the need is going to be there and there is not going to be the money to take care of the growing number of seniors.

I do not see this as a political issue. I know that has been raised many times on the floor. I am someone who has cared about seniors for a long time. I have worked for protective services for the elderly in various capacities. There is a lot of politics in this House of Representatives. The bottom line is we have to look at the substance of what is going on here. We are talking about the substantive changes of what would happen, what changes would exist in the Medicare Program, if this Republican proposal goes through.

That is why I think we need to continue to fight against it. Even if it passes on Thursday, which I suspect it will, I will be continuing to speak out against it as I have tonight.

I appreciate the time that you gentlemen have given me this evening.

Mr. KINGSTON. The gentleman does not want to talk about taxes?

Mr. PALLONE. I will be glad to talk about taxes.

Mr. RIGGS. I am going to reclaim my time. We will talk about taxes in a moment. The point I want to make is that House Republicans and Senate Republicans have acted responsibly in this session of Congress. We sent the President a viable piece of legislation known as the Medicare Preservation Act and he vetoed that legislation. What is coming to the House floor, I believe the gentleman said Wednesday or Thursday, later this week, is a budget resolution for the Federal fiscal year 1997. It assumes a certain amount of savings in the Medicare Program, but it is not a comprehensive plan to preserve and protect Medicare from bankruptcy, such as the legislation the President vetoed.

I also want to make a point, and that is the gentleman repeatedly refers to HMO's. But I am perplexed, because there are literally thousands of older Americans today who are already in Medicare health maintenance organizations. I hear from many of them, I am sure the gentleman must have heard from some of them, that there is a high level of satisfaction for the most part with the services that they are receiving through those HMO's. After all, no one has forced them into those HMO's. They still have the option of relying on the traditional fee-for-service arrangement, yet they have voluntarily opted to enroll in Medicare health maintenance organizations.

So I believe that that is evidence that HMO's or managed care can be introduced alongside the traditional fee-for-service arrangement, with again the ironclad guarantee that we built into the legislation, which is that no older American currently receiving Medicare benefits would be forced out of the traditional fee-for-service program.

I also want to point out to the gentleman that I hope he is committed, and he makes some constructive suggestions, it sounds like he would like to, if we could agree on the ultimate level of savings to be achieved, to help us fine tune this legislation. But I want to point out that if we do not act, we will be remiss in our leadership responsibilities as elected officials, at least in my view, especially since we now know, every Member of this body, every Member of the other body, knows that Medicare will be bankrupt no later than the year 2001, just 5 years from now, and that is a year sooner than the Medicare trustees warned Congress a year ago last month, April 1995. As both gentlemen know, several of those Medicare trustees are members of the President's Cabinet.

Now, those estimates of Medicare going bankrupt sooner than we had projected come from the nonpartisan Congressional Budget Office. So let us assume that because of the partisan wrangling, because of those who are more interested in preserving Medicare as an issue for the fall election campaign than in actually preserving Medicare for the next generation, let us assume nothing happens and we continue down that road with Medicare going bankrupt. And I should point out at this juncture that this is not FRANK RIGGS, Republican, speaking now. Of course, these warnings are coming from not just the Congressional Budget Office, as I just mentioned, but from the mainstream media.

For Pete's sake, the Washington Post, not exactly a conservative publication, editorialized on April 29, just a short time ago, "By the end of the fiscal year 2001, the trust fund will have a deficit of $2.9 billion because of rising costs. In other words, the fund will be bankrupt a year earlier than projected last year by Medicare program actuaries."

They go on to say, "According to the Congressional Budget Office figures, the trust fund will be in the red by $331.6 billion by the end of fiscal year 2005."

You heard me right, a $331 billion deficit, $100 billion worse than the cumulative deficit forecast a year ago by the CBO, the $150 billion worse than the cumulative deficit projected by the Medicare actuaries last year.

The last comment I wanted to quote, "The new numbers appear to lend support to Republican charges that the Medicare hospital tust fund is deteriorating faster than had been realized and that steps must be taken quickly to arrest the decline."

So, if the gentleman happens to share those sentiments, I think he has an obligation to contribute constructively to the debate, rather than to come down here and do, as I suggested earlier, sort of join with the President in, to use the terms of former Colorado Democrat Governor Richard Lamb, poisoning the well. Because make no mistake about it, colleagues and the American people, the alternative, if we allow this program to go bankrupt, is a substantial increase in payroll taxes on the backs of every working American. The Medicare trustees and actuaries estimated roughly a 40-percent payroll tax would be necessary to replenish the hospital insurance trust fund if we did nothing, or we would be looking at the possibility of rationing health care benefits. In fact, by law, of Medicare goes bankrupt, no benefits can be paid, and therefore no services rendered or received.

So I really want to urge the gentleman and his Democratic colleagues to start contributing constructively. If you have suggestions for how to save Medicare from bankruptcy, on how to modify or fine tune the Medicare Preservation Act which President Clinton vetoed, then, by all means, please put them on the table and stop poisoning the well.

Mr. PALLONE. If the gentleman will yield further, I have said over and over again that the President's budget which came out earlier this year guarantees the life of the Medicare trust fund in my opinion for as long as the Republican proposal. What I am saying is the additional Republican cuts, this additional $44 billion more in Medicare cuts, is not necessary for Medicare solvency.

There is over $120 billion remaining in the trust fund. Although it did not perform as well as projected in 1995, the difference between the actual and projected performance was within the typical margin of error.

The fund comes out with a report every year. In 1993 the President made certain corrections and signed into law a bill extending the life of the trust fund for 3 years. Now, he had an additional proposal to extend the life of the fund. We are not talking about his agreement about the fact that Medicare has a problem that needs to be tinkered with. I am saying these Republican proposals go much further than that and are not necessary and are proposals to change radically the nature of the Medicare Program. If we adopted the President's position and budget, we would solve the solvency problem, just like the Republican budget does as well.

I wanted to say one more thing in closing. I know the gentleman mentioned there are some seniors in HMO's. But they are still a relatively small percentage. My point only is we should not be pushing seniors into HMO's establishing a different reimbursement rate and providing a financial incentive to go into HMO's.

In my home State of New Jersey, there happen to be very few seniors in HMO's. Some of them are good. I think there are a lot of problems with HMO's in terms of disclosure, advertising, in terms of seniors and people in general not knowing what they are getting into.

I would say one thing. You are right when you talk about the budget we are going to be voting on this Thursday basically being a skeleton. I know once that is adopted, and I am not going to support the Republican budget, that over the next few months we are going to be hammering out the details as to how this is going to be implemented until we get to reconciliation in the fall.

The point I am making tonight is let us not in trying to hammer out that budget end the details, because the devil is in the details. Do not do the types of things that the Republicans proposed last year in terms of changing the Medicare Program, because I think that, going beyond the financial aspects and the level of cuts, that would be the most damaging thing that could be done to Medicare as we know it.

But, again, I want to thank the gentlemen for giving me some of their time tonight to participate in this debate.

Mr. KINGSTON. Let me ask the gentleman this: Having been turned down getting time from you guys last Thursday when you controlled the time, would you, in the sense of fairness, make it a practice and tell your Democrat colleagues that Republicans do yield time and it would be very, very appreciative if Democrats would yield us time? Could you maybe take the lead on that, because I see there is some reluctance on your side.

Mr. PALLONE. Let me say this: I think there are times when having a debate like this back and forth is valuable, and there are other times when it is available to just have one side represented for 1 hour and the other side for another hour. Why do we not see how it goes.

Mr. KINGSTON. It is valuable if you believe in what you are saying. If you are saying stuff, as a couple of your colleagues were the other night about NEWT GINGRICH's statement regarding HCFA, and trying to imply that was a Medicare statement, which the people who were using that knew that to be a total lie on the House floor incidentally, I would say I would not want to yield the floor either if I was lying. But if I was truthing, I would yield the floor.

I hope you will yield the floor and encourage your colleagues to yield the floor, not because of Republicans and Democrats, and one might look better than the other, but because we have problems in America. We all have parents and children and folks back home dependent on us.

□ 2315

I read a statistic the other day that something like only 10,000 people in the history of the United States have served in Congress, and indeed there are only 435 of us right now. Folks curse Congress and kick Congress and laugh at politicians, rightly so, and yet they still depend on us to do this job, which is to work together and put the needs of American people and Government first, and not Republican or Democrat problems. I think it is always important to back up a step and remember what our job mission is and who our boss is.

Mr. RIGGS. I appreciate the gentleman making that point. In fact, I was going to make a similar point, just reminding the gentleman from New Jersey that I think the exchange, and I think it has been a very civil and polite conversation that we have had tonight, is much more constructive for both our colleagues and for the American people.

I do not want to violate House rules. We have to be respectful of those rules, but I think we should acknowledge at any given time we have a vast viewing audience watching the proceedings on this House floor. I think we have duty to inform and instruct them, and in the process I think we can still make clear the distinct differences between the two political parties in the House of Representatives.

Again, I want to thank the gentleman for his comments and participation tonight. I get the last word because I control the time, and I will just conclude this section of our special order, before we turn our attention to the budget, by quoting from the nonpartisan American Academy of Actuaries form December 21 of last year.

They said—now, bear in mind these are nonpartisan actuaries, people who do this kind of financial forecasting for a living—they said that the President's budget does not protect Medicare from bankruptcy, and went on to say:

> It is similar to the quick fixes enacted in the past that have allowed the Medicare program to fall into its current financial state. This proposal also includes accounting tricks. In the long run these tricks undermine the economic discipline of the trust fund.

So I hope our colleagues will realize that we are interested in preserving Medicare. We are interested in addressing, forthrightly and immediately, the problem of the Medicare trust fund going bankrupt, as projected by the Medicare trustees and by the American Academy of Actuaries.

For the 37 million Americans, older Americans and disabled Americans who rely on Medicare, exploiting Medicare as a campaign issue is, in my mind, well, it is a very cynical thing to do. We ought to get about our business in the 44-some-odd legislative days remaining in this session of Congress, the 104th meeting of Congress in our Nation's history, with a plan to protect Medicare from bankruptcy.

Again, I thank the gentleman for joining me tonight. I challenge him and all my Democratic colleagues to join us in doing the right thing.

Now, speaking of cynicism, I want to take a moment more because I think it is a logical segue of sorts. We have been talking about some of the facts behind the so-called mediscare campaign that has been waged by the National Democratic Party against our plans to preserve Medicare from bankruptcy, and that is part of what I believe will be viewed ultimately as a legacy of cynicism left behind by President Clinton when he leaves office.

For the past 4 years the American people have witnessed President Clinton say one thing, then turn around and do something completely different, beginning of course with his promise to cut middle class taxes, which he made the centerpiece of his economic plan in the 1992 campaign called "Putting People First."

At first these promises might have been attributed to inexperience, a new President getting started in office. They were certainly fodder for a lot of jokes around Washington. But over time the President's utter failure to be true to his word on anything has worn very thin.

Just last week the President held a news conference and said, with a straight face, "The main point is that we are not yet in an election, at least we shouldn't be." Yet as he spoke his political party, the National Democratic Party, the Democratic National Committee I guess is actually what it is called, they were airing an advertisement that reeks of electioneering at its worse.

In fact the Democratic National Committee attack ad against Senator DOLE is a phony attack, not supported by the facts whatsoever.

In fact, one media commentator, Brooks Jackson of CNN, went so far as to call these television advertising spots false advertising. He described the Democratic strategy as one, "not to let the facts get in the way of pro-Clinton political spin." That was on CNN's Inside Politics show on April 4.

So the President is continuing with mediscare, with these Democratic National Committee ads, a very cynical approach to this year's election which overlooks one fact: The American people are a lot smarter than he or his party give them credit for, and they will not be fooled by deceptive advertising that distorts his opponents' records.

Now, let us do a quick reality check. I know the Democrats supposedly have their truth squad, or whatever it is called, instant response, but here is what the Democratic National Committee ad currently airing around the country says. The announcer said:

> The facts? The President proposes a balanced budget protecting Medicare, education, the environment. But Dole is voting no. Well, here is the reality behind that claim. President Clinton has never proposed a detailed budget plan. He never proposed a plan until he was forced to do so by the new Republican majority in Congress.

Senator DOLE of course voted "yes" for the first balanced budget plan in 26 years, the first balanced budget proposal put forward by a Congress in 26 years, and as we all know, the President vetoed that legislation.

As I just mentioned a moment ago, and as my good friend the gentleman from Georgia mentioned, the President's so-called balanced budget plan is backloaded. Most of the spending cuts, which occur in one-third of the Federal budget, which is discretionary spending, occur in years 5 and 6, after the President would be out of office, assuming that we wins reelection. And of course, as the American Academy of Actuaries has told us, the President's plan does not protect Medicare from bankruptcy. Again, they describe it as accounting tricks and quick fixes such as those that have been enacted in the past.

Mr. KINGSTON. If the gentleman would yield.

Mr. RIGGS. I yield to the gentleman.

Mr. KINGSTON. I would also like to join in this. The President's budget calls for 14 new Federal Government programs. What a way to end the era of big Government. He also has a tax increase in his budget that is only there until the year 2000. Again, conveniently, if the President were reelected, right when he gets out the tax cut, which he has $129 billion in tax cuts, I guess for the wealthy also, our colleague from the other side of the aisle did not define wealthy a minute ago, but the President calls for tax cuts, and then only temporarily. Once he gets out of office, the taxes go back up.

And I would tell the gentleman that 15,800 new Federal employees are added to the rolls under the President and 451 to the Department of Labor. For the Secretary of Labor alone, 83 new positions. That is not ending the era of big government.

There is a spending increase on 75 different programs, including a 248 percent increase for the EPA, 277 percent of the community development group, 66 percent for bilingual education, which, to me, that is a State issue not a Federal issue, but a 66 percent increase on it.

This is a budget, as the gentleman and I have both pointed out, where all the savings are on the back end. It is a phony election year budget, and it is right on the wake where the President actually, on May 8, called for a 90-day freeze on politics. Right when he was doing an $11 million fund raiser, incidentally.

Mr. RIGGS. I appreciate the gentleman's points. They are so well made and taken. He mentioned the President's proposed tax cut. In these nationwide television ads run by the Democratic National Committee, the ad goes on to say the President cuts taxes for 40 million Americans, DOLE votes "no."

Well, any observer of Washington these last 17 months knows that President Clinton never proposed cutting taxes until Republicans won control of Congress. To the contrary, in 1993, President Clinton, who, as a candidate, promised a middle class tax cut, raised taxes $258 billion, the largest tax increase in history, which impacted every American household or some 260 million Americans.

As we know now, that tax increase, the 1993 Clinton Democratic tax increase, and I say Clinton Democratic because not a single Republican in the House or the other body voted in support of that Clinton tax and budget plan, but that Clinton Democratic tax increase included the 4.3-cent-per-gallon gas tax that we will repeal on this House floor next week, in time to give American motorists a little tax relief before Memorial Day.

It also included the increase on Social Security benefits. And if we were really interested in demagogueing, we would probably be coming down to this well every day and night reminding our fellow Americans that the President and congressional Democrats increased taxes by $258 billion, including a gas tax increase, including a Social Security tax increase.

In fact, now the President admits that he raised them, referring to the taxes, too much. That is what he said in Houston on October 17 of last year to a gathering of prominent donors. And as the gentleman from Georgia pointed out just a moment ago, his new budget increases taxes by more than $60 billion, according to the Senate Committee on the Budget.

We all know Senator DOLE voted yes on tax cuts for working families and for economic growth, and that, ultimately, the President vetoed those tax cuts.

Mr. KINGSTON. If the gentleman will yield. Here we have a President who in 1992 did run on a middle-class tax cut. In fact, one of his ads said, "Hi, I am Bill Clinton, I believe you deserve a change, that is why I have a plan to get the economy moving again, starting with a middle-class tax cut." And that ad ran from New Jersey to Iowa.

Then, of course, when the middle-class tax cut package that DOLE supported and worked to get out of the Senate, when it got to the White House Oval Office it was vetoed.

Medicare. The President says let us save Medicare. Well, on a bipartisan basis we worked very hard to try to save, protect, and preserve Medicare. BOB DOLE worked for it. When it got to Bill Clinton's desk, it was vetoed.

On welfare reform the President promised to end welfare as we know it. Now, he may have promised to extend welfare as we know it. We were not sure. As we look back, that is exactly what has happened. But let us say he did say end welfare as we know it. We had a bipartisan welfare bill that just passed the Senate 87 to 12.

I mean the Senate has been his biggest ally. Frankly, Republicans and Democrats alike in many respects. President Clinton has worked with the liberals over there to twist the system and throw a monkey wrench in the process and so forth, but Senator DOLE worked very hard to get this major reform out, and got it out and it was vetoed again, even in bipartisan fashion.

Product liability reform, something that American businesses need to keep their competitive edge internationally up. So important these days with NAFTA and GATT and so forth. Passed the Senate in a bipartisan fashion. Senator DOLE worked for it, President Clinton vetoed it.

And the balanced budget. Passed the House, bipartisan fashion. Passed the Senate. Senator DOLE worked very hard to get it out of the Senate. Got to the White House and it was vetoed. Dead on arrival.

□ 2330

So a major difference, between BOB DOLE tax relief, BOB DOLE saving Medicare, BOB DOLE reforming welfare, BOB DOLE balancing the budget, Bill Clinton vetoing tax relief, Bill Clinton vetoing Medicare reform, Bill Clinton vetoing welfare reform, Bill Clinton vetoing a balanced budget. You have a very clear choice.

It is interesting that people say to us, why are you not getting the word out? I tell you one thing, a clue came out the other day: 92 percent of the press admitted to voting for Bill Clinton in 1992.

Mr. RIGGS. That is the Washington-based press corps.

Mr. KINGSTON. I could not report objectively on, let us say, my son or daughter if they were in elected office. I went to a school play this weekend. My daughter had a small role in it. I loved it. I tell you what, that was the most important role in the play. But all the other parents probably thought their child's role was just as important.

That is the relationship that you have with the press and the liberal Washington status quo community. It is not an arms's length objective relationship. The press has totally lost credibility because they are so cozy with the liberal Democrats, and they are doing everything they can to keep Bill Clinton in office because they do not want to change the status quo.

Mr. RIGGS. Mr. Speaker, reclaiming my time, of course that press bias, which was so clearly pronounced in that survey released the other day, has been reinforced by these Democrat National Committee ads and by the big labor union bosses who have also been spending millions and millions of dollars in the mediscare campaign.

The gentleman from Georgia mentioned welfare reform. That is the other claim made in the Democrat National Committee television ads. The ad concludes by saying, President Clinton demands work for welfare, while protecting kids; DOLE says no to the Clinton plans.

Well, President Clinton, Mr. Speaker, has never submitted a serious welfare proposal to the Congress. The one he submitted, in 1994, exempted half of American adults on welfare from work, the work requirements for able-bodied welfare recipients, in exchange for their welfare benefits. And the President himself later agreed with well known national columnist Ben Wattenberg that his welfare proposal had been "soft and weak." That was the quote that Ben Wattenberg attributed to President Clinton.

President Clinton, as the gentleman from Georgia points out, vetoed bipartisan welfare reform not once but twice and now he is threatening to veto a plan endorsed by all 50 of the Nation's Governors. Unanimity, that is truly remarkable for this town. You have all 50 of the Nation's Governors, big State, little State, Republican and Democrat alike, all endorsing welfare reforms. And now the President is saying that he is going to veto that plan.

Senator DOLE said yes to genuine welfare reform. As the gentleman from Georgia points out, President Clinton, who as candidate Clinton in 1992 promised to end welfare as we know it, President Clinton said no. I thank the gentleman from Georgia for his comments.

Mr. KINGSTON. If you think about it, how many people do you know in your district in California have been able to provide for their family based on a 20-hour work week. I would be willing to bet zero. I asked this question of an audience in Georgia recently: How many of you pay for your kids, your house with 20 hours work a week? Nobody.

Yet the President vetoed welfare reform because we required in the bill 20 hours worth of work each week for able-bodied recipients, 20 hours. That is all. But it was too much for the President. No tough love here. Veto, giveaway, giveaway, giveaway. That is all he seems to want to protect is the status quo giveaway system. We think he should have some tough love out there. Give a helping hand to those who need it. Give a little push, a living push to those who need that. But it is not fair to America's middle class to be shouldering the burden for those who could be working and contributing.

Mr. RIGGS. I thank the gentleman for his comments. I know that the time for our special order is concluded.

I would end by noting that as President, BOB DOLE will sign a balanced budget which will allow Americans to earn more and keep more of what they earn so that they can do more for themselves, for their families, for their communities and for their churches. That is, again, one of the distinct differences between the two political parties.

I want to thank the gentleman from Georgia for his participation in this special order. I want to thank the speaker and our wonderful House staff.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. MOLINARI (at the request of Mr. ARMEY), for today and for the balance of the week, on account of maternity leave.

Mr. HOLDEN (at the request of Mr. GEPHARDT), for today and tomorrow, May 15, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. PRYCE) to revise and extend their remarks and include extraneous material:)

Mr. MEEHAN, for 5 minutes, today.

Mr. CLYBURN, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

(The following Members (at the request of Mr. HOBSON) to revise and extend their remarks and include extraneous material:)

Mr. GOODLING, for 5 minutes each day, on May 15 and 16.

Mr. MCKEON, for 5 minutes each day, on May 15 and 16.

Mr. BARR of Georgia, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. PRYCE) and to include extraneous material:)

Mr. FILNER.

Mr. PALLONE.

Mr. SCHUMER.

Mr. COYNE.

Mr. FROST.

Mr. GORDON in 10 instances.

Mr. LIPINSKI in two instances.

Mr. UNDERWOOD in two instances.

Mrs. SCHROEDER.

Mr. GUTIERREZ.

Mr. ANDREWS in two instances.

Mr. WARD.

Mr. KANJORSKI.

Mrs. MEEK of Florida.

Mr. STARK in three instances.

(The following Members (at the request of Mr. HOBSON) and to include extraneous material:)

Mr. RADANOVICH.

Mr. COLLINS of Georgia in two instances.

Mr. DORNAN.

Mr. SHUSTER.

Mr. SOLOMON.

Mr. ALLARD.

Mr. BURTON of Indiana.

Mr. WELDON of Pennsylvania.

Mr. PORTMAN.

Mr. DICKEY.

Mr. BARTON of Texas.

Mr. LATHAM.

Mr. SAM JOHNSON of Texas.

(The following Members (at the request of Mr. KINGSTON) and to include extraneous matter:)

Mr. SMITH of Michigan.

Mr. DUNCAN.

Mr. GEKAS.

Mr. RICHARDSON.

Mr. MCINNIS.

Mr. COSTELLO.

Mrs. EDDIE BERNICE JOHNSON of Texas.

Mrs. MCCARTHY.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 811. An act to authorize research into the desalinization and reclamation of water and authorize a program for States, cities, or qualifying agencies desiring to own and operate a water desalinization or reclamation facility to develop such facilities, and for other purposes; to the Committees on Science and Transportation and Infrastructure.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On May 13, 1996:

H.R. 2137. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to require the release of relevant information to protect the public from sexually violent offenders.

ADJOURNMENT

Mr. KINGSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 36 minutes p.m.) under its previous order, the House adjourned until Wednesday, May 15, 1996, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2961. A letter from the Administrator, Cooperative State Research, Education, and Extension Service, transmitting the Service's final rule—Small Business Innovation Research Grants Program; Administrative Provisions (RIN: 0524–AA08) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2962. A letter from the Administrator and Executive Vice President, Farm Service Agency, transmitting the Agency's final rules—(1) Final Rule: 1995—Crop Sugarcane and Sugar Beets Price Support Loan Rates (RIN: 0560–AE44) and (2) Final Rule: Dairy Indemnity Payment Program (RIN: 0560–AE57) received May 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2963. A communication from the President of the United States; transmitting an amendment to the fiscal year 1997 appropriations request for the Department of Energy, with respect to spent nuclear fuel activities in North Korea, pursuant to 31 U.S.C. 1107(H. Doc. No. 104–212); to the Committee on Appropriations and ordered to be printed.

2964. A communications from the President of the United States; transmitting his request to make available appropriations totaling $100 million in budget authority for the Forest Service of the Department of Agriculture, and to designate the amount made available as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, pursuant to 31 U.S.C. 1107 (H. Doc. No. 104–213); to the Committee on Appropriations and ordered to be printed.

2965. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Coast Guard Board for Correction of Military Records: Procedural Regulation (RIN: 2105–AC31) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

2966. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Low-Income Public Housing—Performance Funding System [Docket No. FR–3760–F–01] (RIN: 2577–AB50) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2967. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Environmental Review Procedures for Recipients and Responsible Entities Assuming HUD Responsibilities [Docket No. FR–3514–F–04] (RIN: 2501–AB67) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2968. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—HUD Acquisition Regulation; Field Reorganization, Streamlining, and Simplification [Docket No. FR–3887–F–02] (RIN: 2535–AA23) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2969. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Title I Property Improvement and Manufactured Home Loan Insurance Programs Interim Rule [Docket No. FR–3718–I–01] (RIN: 2502–AG32) received May 13, 1996, pursuant to 5 U.S.C. 801(a))1)(A); to the Committee on Banking and Financial Services.

2970. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Public/Private Partnerships for the Mixed–Finance Development of Public Housing Units [Docket No. FR–3919–I–01] (RIN: 2577–AB54) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2971. A letter from the Acting Director, Office of Thrift Supervision, transmitting the Office of Thrift Supervision's 1995 Annual Report to Congress on the Preservation of Minority Savings Institutions, pursuant to Public Law 101–73, section 301 (103 Stat. 279); to the Committee on Banking and Financial Services.

2972. A letter from the Secretary of Education, transmitting final regulations—The State Vocational Rehabilitation Services Program—Order of Selection, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Economic and Educational Opportunities.

2973. A letter from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Disclosure to Participants (RIN: 1212–AA77) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Economic and Educational Opportunities.

2974. A letter from the Secretary of the Interior, transmitting the annual report on the Youth Conservation Corps Program in the Department for fiscal year 1995, pursuant to 16 U.S.C. 1705; to the Committee on Economic and Educational Opportunities.

2975. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Notice of Deletion of Washington County Landfill Superfund Site from the National Priorities List [NPL] (FLR–5505–2) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2976. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; PA; Approval of Source-Specific VOC and NO_x RACT and Synthetic Minor Permit Conditions, and 1990 Baseyear Emissions for One Source (FRL–5467–6) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2977. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plan; Ohio (FLR–5500–5) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2978. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Final Interim Approval of Operating Permit Program; New Jersey (FLR–5505–7) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2979. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Oregon (FLR–5504–8) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2980. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Allyl Isoothicyanate as a Component of Food Grade Oil of Mustard; Exemption From the Requirement of a Tolerance (FLR–5366–4) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2981. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Implementation Plans; Alaska (FLR–5465–2) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2982. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Cornell, WI) [MM Docket No. 95–164] received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2983. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Coolidge and Gilbert, AZ) [MM Docket No. 95–109] received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2984. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Citizens Utilities Company Permanent Cost Allocation Manual for the Separation of Regulated and Nonregulated Costs (AAD 94–6) May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2985. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Cable Act Reform Provisions of the telecommunications Act of 1996 [CS Docket No. 95–85] received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2986. A letter from the Director, Regulations Policy Management Staff, Food and Drug Administration, transmitting the Administration's final rule—Warning Statements For Products Containing or Manufactured with Chlorofluorocarbons and other Ozone-Depleting Substances (Docket No. 93N–0442) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2987. A letter from the Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule—Freedom of Employees in the Nuclear Industry to Raise Safety Concerns Without Fear of Retaliation; Policy Statement—received May 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2988. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule—Termination or Transfer of Licensed Activities: Recordkeeping Requirements (RIN: 3150–AF17) received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2989. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance [LOA] to Greece for defense articles and services (Transmittal No. 96–18), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2990. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to the Taipei Economic and Cultural Representative Office [TECRO] for defense articles and services (Transmittal No. 96–34), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2991. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Bahrain for defense articles and services (Transmittal No. 96–41), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2992. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Taipei Economic and Cultural Representative Office [TECRO] for defense articles and services (Transmittal No. 96–40), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2993. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Morocco for defense articles and services (Transmittal No. 96–44), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2994. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Denmark for defense articles and services (Transmittal No. 96–38), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2995. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Greece for defense articles and services (Transmittal No. 96–20), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2996. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Egypt for defense articles and services (Transmittal No. 96–43), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2997. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Singapore for defense articles and services (Transmittal No. 96–42), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2998. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "Compliance Review of the District of Columbia Insurance Administration for Fiscal Years 1994 and 1995," pursuant to D.C. Code, section 47–117(d); to the Committee on Government Reform and Oversight.

2999. A letter from the Executive Director, Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting the Committee's final rule—Additions to the Procurement List—received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

3000. A letter from the Executive Director, District of Columbia Financial Responsibility and Management Assistance Authority, transmitting the Authority's report entitled "Final Report on the Mayor's District of Columbia FY 1997 Budget and Multiyear Plan," adopted by the District of Columbia Financial Responsibility and Management Assistance Authority on May 8, 1996, pursuant to Public Law 104–8, section 202(d) (109 Stat. 113); to the Committee on Government Reform and Oversight.

3001. A letter from the Chairman, Federal Housing Finance Board, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3002. A letter from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting the Administration's final rule—General Services Administration Acquisition Regulation; Acquisition of Leasehold Interests in Real Property (RIN: 3090–AF92) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

3003. A letter from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting the Administration's final rule—Federal Travel Regulations; Privately Owned Vehicle Mileage Reimbursement (RIN: 3090–AF88) received May 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

3004. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Atlantic Mackerel, Squid, and Butterfish Fisheries; Amendment 5 [Docket No. 951208293–6065–02; I.D. 110995B] (RIN: 0648–AF01) received May 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3005. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pacific cod in the Central Regulatory Area [Docket No. 960129018–6018–01; I.D. 050396B] received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3006. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Ocean Salmon Fisheries Off the Coasts of Washington, Oregon, and California; 1996 Management Measures and Technical Amendment [Docket No. 960429120–6120–01; I.D. 042496C] (RIN: 0648–AI35) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3007. A letter from the Executive Director, American Chemical Society, transmitting the Society's annual report for the calendar year 1995 and the comprehensive report to the Board of Directors of the American Chemical Society on the examination of their books and records for the year ending December 31, 1995, pursuant to 36 U.S.C. 1101(2) and 1103; to the Committee on the Judiciary.

3008. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Special Food or Meals (RIN: 1120–AA37) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3009. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Intensive Confinement Center Program (RIN: 1120–AA11) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3010. A letter from the Secretary of Transportation, transmitting the Department's study on tanker navigation safety standards: Tanker Inspection Standards, pursuant to Public Law 101–380, section 4111(c) (104 Stat. 516); to the Committee on Transportation and Infrastructure.

3011. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–300, –400, and –500 Series Airplanes (Docket No. 95–NM–117) (RIN: 2120–AA64) (1996–0059) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3012. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron, Inc. Model 47B, 47B–3, 47D, 47D–1, 47G, 47G–2, 47G–2A, 47G–2A–1, 47G–3, 47G–3B, 47G–3B–1, 47G–3B–2, 47G–3B–2A, etc. (Docket No. 96–SW–01) (RIN: 2120–AA64) (1996–0060) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3013. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Jetstream Model 4101 Airplanes (Docket No. 95–NM–95) (RIN: 2120–AA64) (1996–0062) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3014. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–9–80 Series Airplanes and Model MD–88 Airplanes (Docket No. 95–NM–127) (RIN: 2120–AA64) (1996–0049) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3015. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Helicopter Systems Model 369, 369A, 369D, 369E, 369FF, 369H, 369HM, 369HS, and 500N Helicopters (Docket No. 96–SW–02) (RIN: 2120–AA64) (1996–0061) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3016. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Prohibition Against Certain Flights Within the Territory and Airspace of Afghanistan (RIN: 2120–AG10) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3017. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class D and E2 Airspace and Establishment of Class E4 Airspace (RIN: 2120–AA66) (1996–0021) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3018. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Visalia, CA (RIN: 2120–AA66) (1996–0020) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3019. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airspace Actions; Establishment of Class E Airspace; San Andreas, CA (RIN: 2120–AA66) (1996–0019) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3020. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Transportation for Individuals With Disabilities (Misc. Amendments) (RIN: 2105–AC13) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3021. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: National Ethnic Coalition of Organizations Fireworks, Upper New York Bay, NY and NJ (RIN: 2115–AA97) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3022. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: U.S.S. *JOHN F. KENNEDY*, Fleet Week 1996, Port of NY and NJ (RIN: 2115–AA97) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3023. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: fleet Week 1996 Parade of Ships, Port of New York and New Jersey (RIN: 2115–AA97) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3024. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Greenwood Lake Powerboat Race, Greenwood Lake, NJ (RIN: 2115–AA97) received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3025. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Part 80 of the Commission's Rules Regarding the Inspection of Great Lakes Agreement Ships [CI Docket No. 95–54] received May 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3026. A letter from the Chief, Regulations Branch, United States Customs Service, transmitting the Service's final rule—Removal of Customs Regulations Relating to the Steel Voluntary Restraint Arrangement Program (RIN: 1515–AB04) received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on the Judiciary. H.R. 2297. A bill to codify without substantive change laws related to transportation and to improve the United States Code; with an amendment (Rept. 104–573). Referred to the House Calendar.

Mr. STUMP: Committee on Veterans' Affairs. H.R. 3376. A bill to authorize major medical facility projects and major medical facility leases for the Department of Veterans Affairs for fiscal year 1997, and for other purposes; with an amendment (Rept. 104–574). Referred to the Committee on the Whole House on the State of the Union.

Mr. KASICH: Committee on the Budget. House Concurrent Resolution 178. Resolution establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002 (Rept. 104–575). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

Mr. ARCHER:

H.R. 3448. A bill to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, and for other purposes; to the Committee on Ways and Means.

By Mr. SKEEN (for himself and Mr. JOHNSON of South Dakota):

H.R. 3449. A bill to provide emergency livestock feed assistance in 1996 to livestock producers whose operations are located in areas that were approved for such assistance in 1994 and 1995 as a result of drought and in which drought conditions continue in 1996; to the Committee on Agriculture.

By Mr. CLINGER (for himself, Mr. ENGLISH of Pennsylvania, Mr. FOX, Mr. Gekas, Mr. Greenwood, Mr. Klink, Mr. McDade, Mr. Shuster, Mr. Walker, and Mr. Mascara):

H.R. 3450. A bill to provide for modification of the State agreement under title II of the Social Security Act with the State of Pennsylvania with respect to certain students; to the Committee on Ways and Means.

By Mr. GEKAS:

H.R. 3451. A bill to amend the Internal Revenue Code of 1986 to exempt from certain reporting requirements certain amounts paid to election officials and election workers; to the Committee on Ways and Means.

By Mr. MICA (for himself, Mr. Clinger, Mr. Horn, Mr. Bachus, Mrs. Seastrand, Mr. Solomon, Mr. Norwood, Mr. Weldon of Florida, Mr. Kingston, Mr. Hayworth, Mr. Burr, Mr. Ensign, Mr. Sam Johnson, Mr. Duncan, Mr. Gilman, Mr. Bass, Ms. Greene of Utah, Mr. Kolbe, Mr. Wamp, Mr. Zeliff, Mr. Inglis of South Carolina, Mr. Hostettler, Mr. LaHood, Mr. Chambliss, Mrs. Kelly, Mr. English of Pennsylvania, Mr. Schiff, Mr. McCollum, Mr. Cox, Mr. Chrysler, Mr. Christensen, Mr. Lazio of New York, Mr. Forbes, Mr. Lewis of Kentucky, Mr. Coble, Mr. Miller of Florida, Mr. Saxton, Mr. Barton of Texas, Ms. Pryce, Mr. Riggs, Mr. Pombo, Mr. Collins of Georgia, Mr. Everett, Mr. Doolittle, Mr. Lightfoot, Mr. Ehlers, Mr. Talent, Mr. Skeen, Mr. Watts of Oklahoma, Mr. Castle, Mr. Dreier, Mr. Hastert, Mr. Emerson, Mr. Smith of Michigan, Mr. Upton, Mr. Deal of Georgia, Mr. Calvert, Mr. Livingston, Mr. Torkildsen, Mr. McCrery, Mr. Tate, Mr. Hoke, Mr. Hayes, Mr. Funderburk, Mr. Cooley, Mr. Bartlett of Maryland, Mr. Crapo, Mr. Campbell, Mr. Manzullo, Mr. Hastings of Washington, Mr. Dornan, Mr. Jones, Mr. Portman, Mr. Fawell, Mr. Burton of Indiana, Mr. Roberts, Mr. Sanford, Mr. Tiahrt, Mr. McIntosh, Mr. Shadegg, Mr. Heineman, Mr. Brownback, Mr. Rohrabacher, Mr. Bryant of Tennessee, Mr. Largent, Mr. Souder, Mr. Davis, Mr. Roth, Mr. Tauzin, Mr. Graham, Mr. Baker of California, Mr. Nethercutt, Mr. McDade, Mrs. Meyers of Kansas, Mr. Fox, Mrs. Johnson of Connecticut, Mr. Neumann, Mr. Kim, Mr. Foley, Mr. Allard, Mr. Herger, Mr. Stearns, Mr. Lipinski, Mr. Schaefer, Mr. Diaz-Balart, Mr. Shays, and Mr. Taylor of North Carolina):

H.R. 3452. A bill to make certain laws applicable to the Executive Office of the President, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committees on Economic and Educational Opportunities, the Judiciary, and Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. ROUKEMA (for herself, Mr. Pomeroy, and Mr. Blute):

H.R. 3453. A bill to provide for the more effective enforcement of child support orders; to the Committee on Ways and Means, and in addition to the Committees on Banking and Financial Services, the Judiciary, National Security, Transportation and Infrastructure, International Relations, Economic and Educational Opportunities, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCHUMER:

H.R. 3454. A bill to provide enhanced penalties for discharging or possessing a firearm during a crime of violence or drug trafficking crime, and for discharging or using a firearm to cause serious bodily injury during such a crime; to the Committee on the Judiciary.

By Mr. TORRICELLI (for himself, Mrs. Lowey, and Mr. Foglietta):

H.R. 3455. A bill to prohibit persons convicted of a crime involving domestic violence from owning or possessing firearms, and for other purposes; to the Committee on the Judiciary.

By Mr. ZIMMER (for himself, Mr. Bonilla, Ms. Dunn of Washington, Mr. Gutknecht, and Mr. Deal of Georgia):

H.R. 3456. A bill to provide for the nationwide tracking of convicted sexual predators, and for other purposes; to the Committee on the Judiciary.

By Mr. MORAN:

H. Res. 433. Resolution amending the Rules of the House of Representatives to prohibit a Member, officer, or employee of the House from distributing campaign contributions in the Hall of the House; to the Committee on Standards of Official Conduct.

By Mr. RANGEL:

H. Res. 434. Resolution expressing the sense of the House of Representatives that children are America's greatest assets; to the Committee on Economic and Educational Opportunities.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 218: Mr. Smith of New Jersey and Mr. Everett.

H.R. 351: Mr. LaHood, Mr. Knollenberg, and Mr. Jones.

H.R. 357: Mrs. Kelly.

H.R. 359: Mr. Miller of Florida.

H.R. 635: Mr. Portman, Mr. Mascara, Mr. Taylor of Mississippi, Mr. Dickey, Mr. Rahall, Mr. Hutchinson, Mr. Manzullo, Mr. Largent, Mr. Nussle, Mr. Bliley, Mr. Stenholm, Mr. Emerson, Mr. Stump, Mr. Bilbray, Mr. Young of Alaska, Mr. Weldon of Florida, Mr. Laughlin, Ms. Woolsey, Mrs. Vucanovich, Mr. Schaefer, Mr. Hefley, and Mr. Lewis of California.

H.R. 713: Mr. Kildee.

H.R. 777: Mr. Fields of Louisiana, Mr. Jefferson, and Mr. Frisa.

H.R. 778: Mr. Fields of Louisiana, Mr. Jefferson, Mr. Frisa, and Mr. Thornberry.

H.R. 779: Mr. Torkildsen and Mr. Moran.

H.R. 780: Mr. Torkildsen and Mr. Moran.

H.R. 1073: Mr. Bartlett of Maryland, Mr. Payne of New Jersey, and Mr. Hefner.

H.R. 1074: Ms. Lofgren, Mr. Bartlett of Maryland, Mr. Payne of New Jersey, Mr. Borski, and Mr. Hefner.

H.R. 1154: Mr. Blute.

H.R. 1210: Ms. Brown of Florida and Mr. Solomon.

H.R. 1325: Mr. Farr, Mr. Canady, Mr. Duncan, and Mr. Evans.

H.R. 1618: Mr. Stockman and Mr. Foley.

H.R. 1776: Mr. Murtha, Mr. Burton of Indiana, Mrs. Kelly, Ms. Dunn of Washington, Mr. Fazio of California, Mr. Packard, Mr. Martinez, Mr. Skeen, and Mr. Hamilton.

H.R. 1998: Mr. Bereuter, Mr. Sanders, and Mr. Metcalf.

H.R. 2167: Mr. Evans.

H.R. 2200: Mr. Goodlatte and Mr. Hefley.

H.R. 2244: Mr. Greenwood and Mr. Johnson of South Dakota.

H.R. 2286: Mr. Radanovich, Mr. Solomon, and Mr. Everett.

H.R. 2320: Mr. Thornberry, Mr. Hall of Texas, and Mr. Portman.

H.R. 2508: Mr. Solomon and Mr. Fazio of California.

H.R. 2536: Mr. Ensign, Mr. Klug, Mr. Frank of Massachusetts, Mr. Bachus, and Mr. LoBiondo.

H.R. 2545: Ms. Brown of Florida.

H.R. 2634: Mr. Hansen.

H.R. 2651: Mr. Volkmer and Ms. DeLauro.

H.R. 2697: Mrs. Mink of Hawaii, Mrs. Maloney, Mr. Vento, Mr. Nadler, Mr. Horn, Mr. Gonzalez, Ms. Eshoo, Mr. Borski, Mr. Olver, Ms. Brown of Florida, Mr. Thompson, Mr. Barrett of Wisconsin, Mr. Stokes, Mr. Brown of Ohio, Mr. Shays, Mr. Boucher, and Mr. Clay.

H.R. 2764: Mr. Condit and Mr. Ensign.

H.R. 2779: Mr. Bereuter, Mrs. Seastrand, Mr. Schiff, and Mr. Boehner.

H.R. 2798: Mr. Ramstad.

H.R. 2900: Mr. Stearns, Mr. Thompson, Mr. Emerson, Mr. Wise, Mr. Edwards, Mr. Lucas, Mr. Kleczka, Mr. Quillen, Mr. Souder, Mr. Taylor of North Carolina, Mr. LaTourette, Mr. Gillmor, and Mr. Gordon.

H.R. 2925: Mr. Johnson of South Dakota, Mr. Frost, Mrs. Cubin, and Mr. Collins of Georgia.

H.R. 2951: Mr. Smith of New Jersey, Mr. Pallone, Mr. Bachus, Mr. Waxman, and Mr. Evans.

H.R. 2994: Mr. Tejeda, and Mr. Johnston of Florida.

H.R. 3084: Ms. Lofgren and Mr. Diaz-Balart.

H.R. 3106: Mr. Evans and Mr. Manton.

H.R. 3111: Mr. Young of Alaska, Mr. Hansen, Mr. McCollum, Mr. Kennedy of Massachusetts, Mr. Bonior, Ms. McKinney, Mrs. Collins of Illinois, Mrs. Lowey, Mr. Rangel, Mr. Livingston, Mr. Gejdenson, Mr. Bereuter, Mr. Abercrombie, and Mr. Frost.

H.R. 3130: Ms. Slaughter.

H.R. 3135: Mr. Rangel.

H.R. 3142: Mr. Bachus, Ms. Kaptur, Mr. Ackerman, Mrs. Clayton, Mr. Dickey, Mr. Volkmer, Mr. Chapman, Mr. Bateman, and Mr. Bryant of Tennessee.

H.R. 3161: Mr. Hamilton.

H.R. 3180: Mr. Ackerman and Mr. Horn.

H.R. 3199: Mr. Hilleary, Mr. Cramer, and Mr. Thomas.

H.R. 3226: Mr. Johnston of Florida, Mr. Kildee, Mr. Poshard, Ms. Dunn of Washington, Mr. Bentsen, and Mrs. Roukema.

H.R. 3246: Mr. Watt of North Carolina.

H.R. 3252: Mr. Dellums, Mr. Lipinski, Mr. Evans, Mr. Hilliard, and Mr. Thompson.

H.R. 3266: Mr. Condit, Mr. Blute, and Ms. McCarthy.

H.R. 3267: Mr. Durbin, Mr. Barrett of Wisconsin, and Mr. LaFalce.

H.R. 3270: Mr. Frost and Mr. Faleomavaega.

H.R. 3303: Mr. Cunningham.

H.R. 3310: Mr. Hayworth, Mr. Chrysler, Mr. Shays, and Mr. Porter.

H.R. 3332: Mr. Ackerman, Mr. Fazio of California, Ms. Furse, Mr. Torres, Mrs. Clayton, Mr. Filner, Mr. Frost, and Mr. Hilliard.

H.R. 3348: Mr. Ackerman.

H.R. 3372: Mr. Clyburn.

H.R. 3392: Mr. Yates, Mr. Pallone, Ms. Eshoo, Mr. Johnson of South Dakota, Mr. Frank of Massachusetts, and Mr. Matsui.

H.R. 3396: Mr. COBURN, Mr. GRAHAM, Mr. BACHUS, Mr. BARTON of Texas, Mr. SOUDER, Mr. HEFLEY, Mr. HANCOCK, Mr. WELDON of Florida, Mr. INGLIS of South Carolina, Mr. BARTLETT of Maryland, Mr. SMITH of New Jersey, Mr. BARRETT of Nebraska, Mr. WATTS of Oklahoma, Mr. TAYLOR of North Carolina, and Mr. ROHRABACHER.

H.R. 3401: Mr. FILNER, Mr. LIPINSKI, Mr. SANDERS, Mr. FRAZER, Mr. COBURN, Mrs. LOWEY, Mrs. KELLY, Ms. WATERS, Mr. MCHALE, and Mr. BARRETT of Wisconsin.

H.R. 3421: Mr. TORRES, Mr. PAYNE of New Jersey, Mrs. SEASTRAND, and Mr. FOLEY.

H.J. Res. 100: Mr. MCCOLLUM and Mr. CAMPBELL.

H. Con. Res. 10: Mr. JOHNSTON of Florida.

H. Con. Res. 47: Mr. RANGEL and Mr. HEINEMAN.

H. Con. Res. 51: Mr. ROYCE.

EXTENSIONS OF REMARKS

A TRIBUTE TO BISHOP AND MRS. COUSIN OF THE BRIDGE STREET A.M.E. CHURCH AS THEY HOST THE 174TH NEW YORK CONFERENCE OF THE AFRICAN METHODIST EPISCOPAL CHURCH

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. SCHUMER. Mr. Speaker, I rise today to honor Philip Robert Cousin, Sr., the 96th Bishop of the African Methodist Episcopal denomination as he joins over 100,000 congregants from throughout New York State and the Nation to celebrate their religious and cultural heritage, while also attending worship and legislative sessions. Founded in 1787, the African Methodist Episcopal church is the oldest of its kind in the United States and has grown up to 7,000 churches nationwide. Bishop Cousin has worked tirelessly to mobilize African-American communities throughout the United States with his spiritual strength and courageous leadership. The people of Brooklyn and New York have benefitted a great deal from Bishop Cousin and the Bridge Street A.M.E. church as he hosts another spiritually enlightening conference.

I would also like to honor Mrs. Margaret Joan Cousin for her work in expanding AIDS education and awareness within the African-American community in the United States. As a dedicated leader and educator, Mrs. Cousin was responsible for developing the national standard for a curriculum in African-American culture, education and history—a model that has been adopted by academic institutions nationwide. Her work as a teacher in North Carolina has earned her the esteemed honor of Teacher of the Year, and was awarded Supervisor of Quadrennium by the Women's Missionary Society from 1987 to 1991. Mrs. Cousin has brought boundless energy and vision to the Eleventh and First Episcopal Districts of the African Methodist Episcopal Church with her focus on AIDS education.

It pleases me greatly to participate in this historic conference. I wish all the friends, families, ministers, community leaders and supporters of the Bridge Street African Methodist Episcopal Church abundant success in organizing the New York annual conference.

KATHRYN SOSINSKI, LeGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known, that it is with great respect for the outstanding record of excellence she has compiled in academics, leadership and community service, that I am proud to salute Kathryn Sosinski, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Kathryn is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Kathryn Sosinski is an exceptional student at Bronson High School and possesses an impressive high school record. Kathryn's involvement in student government and school activities began her freshman year and continued through her senior year as the class president. She is a member of the National Honor Society and the Varsity Club. Kathryn was a member of the homecoming court and attended Girl's State. Outside of school, Kathryn has spent much of her time volunteering for several local organizations.

In special tribute, therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Kathryn Sosinski for her selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support, and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

NATIONAL COALITION OF TITLE I/CHAPTER 1 PARENTS—REGION II 22d ANNUAL IN-SERVICE PARENT TRAINING CONFERENCE

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. PALLONE. Mr. Speaker, on Friday, May 31, 1996, at the Sheraton Hotel in Eatontown, NJ, the National Coalition of Title I/Chapter 1 Parents—Region II will hold its 22d Annual In-Service Parent Training Conference.

It is with great honor that I pay tribute to the National Coalition of Title I/Chapter 1 Parents and proclaim this day as "Title I Day". Title I is the largest federally funded elementary and secondary education program. Evolving from President Lyndon Johnson's Elementary and Secondary Education Act of 1965, Title I has provided academic assistance to economically and educationally disadvantaged children. In a time when spending cuts for educational programs are threatening the futures of our children, I have stood up to defend and maintain the educational system in this country. It is a welcome relief to see the fine work that this organization is responsible for and to know that parents everywhere are receiving the necessary assistance for improving the quality of their children's education.

Mr. Speaker, this 22d annual conference is an important event and one that should remind us all of the importance of a sound educational system and the future of our children that we hold in our hands.

TEN YEARS OF SERVICE BY THE INTERFAITH SHELTER NETWORK

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. FILNER. Mr. Speaker, I rise to celebrate 10 years of dedicated service by 10,000 volunteers of the Interfaith Shelter Network in San Diego County, CA.

Ten years ago, the Network began as an idea in the minds of several people who were trying to resolve some problems of the homeless in the region. In 1985, the Network was formed as a joint effort between San Diego County community, civic, and religious leaders—and it started on a small scale, with approximately a dozen congregations.

The Network offers 8 to 10 weeks of shelter for each participating guest who is referred by a social service agency. Congregations provide sleeping accommodations and meals as the guests work on transitional plans with their social service agencies to get back into their own housing. Participating congregations have developed a family-style environment where the volunteers become an important extended family for their guests.

Responding to the need with rapid growth, the Interfaith Shelter Network now includes more than 130 Christian, Jewish, and Baha'i congregations in seven regions of San Diego County. More than 4,100 people have been provided with over 81,000 nights of shelter—and more than half of the 4,100 guests have left the Network's shelters for their own housing. When the program started, many of the people served were single men. Two years ago, families became the largest group served, as they also became the fastest growing segment of the homeless population.

The Network, administered by the Ecumenical Council of San Diego County under the supervision of Executive Director Glenn Allison, began its second program in 1990—the Transitional Housing Program. To date, this new program has assisted more than 25 families, including 110 people, with education and counseling.

The 10th anniversary of the Interfaith Shelter Network will be commemorated with an anniversary service and Thank-You Picnic this coming Sunday, May 19. On this joyous occasion, I commend the Ecumenical Council, the

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

city and county of San Diego, and the many private donors who, with their donations and other means of support, have made the idea of the Network a reality.

I commend the guests of this program who have enriched the lives of their host congregations and those who, with determination, have left the ranks of the homeless.

And I commend the thousands of volunteers from the Christian, Jewish, and Baha'i communities who, with their generosity of time and spirit, have made the Network work.

So often, we look around at the problems overwhelming our cities and despair that nothing can be done. In contrast, the Interfaith Shelter Network is an example of how people can make a positive difference in their communities.

REV. BILLY GRAHAM: A SOCIETY POISED ON THE BRINK OF SELF-DESTRUCTION

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. DORNAN. Mr. Speaker, I commend to you and our colleagues the following transcript from the marvelous speech by the Rev. Billy Graham delivered in a jam-packed rotunda on May 2, 1996. I urge everyone to heed its words.

THE HOPE FOR AMERICA

(By Dr. Billy Graham)

Mr. Vice President; Speaker Newt Gingrich; Majority Leader Bob Dole; Senator Strom Thurmond; Members of the House of Representatives and the Senate; distinguished guests and friends.

Ruth and I are overwhelmed by the very kind words that have been spoken today, and especially by the high honor you have just bestowed on both of us. It will always be one of the high points of our lives, and we thank you from the bottom of our hearts for this unforgettable event. We are grateful for all of you in the Senate and House who have had a part in it; and President Clinton for his support in signing the resolution.

As we read the list of distinguished Americans who have received the Congressional Gold Medal in the past—beginning with George Washington in 1776—we know we do not belong in the same company with them, and we feel very unworthy. One reason is because we both know this honor ought to be shared with those who have helped us over the years—some of whom are here today. As a young boy I remember gazing at that famous painting of Washington crossing the Delaware. Only later did it occur to me that Washington did not get across that river by himself. He had the help of others—and that has been true of us as well. Our ministry has been a team effort, and without our associates and our family we never could have accomplished anything.

I am especially grateful my wife Ruth and I are both being given this honor. No one has sacrificed more than Ruth has, or been more dedicated to God's calling for the two of us.

However, I would not be here today receiving this honor if it were not for an event that happened to me many years ago as a teenager on the outskirts of Charlotte, North Carolina. An evangelist came through our town for a series of meetings. I came face-to-face with the fact that God loved me, Billy Graham, and had sent His Son to die for my sin. He told how Jesus rose from the dead to give us hope of eternal life.

I never forgot a verse of Scripture that was quoted. "As many as received him, to them gave he power to become the sons of God, even to them that believe on his name" (*John 1:12*, KJV). That meant that *I* must respond to God's offer of mercy and forgiveness. I had to repent of my own sins and receive Jesus Christ by faith.

When the preacher asked people to surrender their lives to Christ, I responded. I had little or no emotion; I was embarrassed to stand with a number of other people when I knew some of my school peers saw me; but I meant it. And that simple repentance and open commitment to Jesus Christ changed my life. If we have accomplished anything at all in life since then, however, it has only been because of the grace and mercy of God.

As Ruth and I receive this award we know that some day we will lay it at the feet of the One we seek to serve.

As most of you know, the President has issued a proclamation for this day, May 2, 1996, to be a National Day of Prayer. Here in Washington you will see and hear of people throughout the District of Columbia praying today. It is encouraging and thrilling that here, and across the country people have committed themselves to pray today for our leaders, our nation, our world, and for ourselves as individuals. I am so glad that before business each morning, both the House of Representatives and the Senate have a prayer led by Chaplain Ogilvie of the Senate, who has had so much to do with this event today, and Chaplain Jim Ford, who used to be chaplain at West Point when I went almost every year to bring a message to the cadets.

Exactly 218 years ago today—on May 2, 1778—the first recipient of this award, George Washington, issued a General order to the Amrican people. He said, "The . . . instances of Providential Goodness which we have experienced and have now almost crowned our labors with complete success demand from us . . . the warmest returns of Gratitude and Piety to the Supreme Authority of all Good." It was a message of hope and trust, and it also was a challenge for the people to turn to God in repentance and faith.

We are standing at a similar point in our history as less than four years from now the world will enter the Third Millennium. What will it hold for us? Will it be a new era of unprecedented peace and prosperity? Or will it be a continuation of our descent into new depths of crime, oppression sexual immorality, and evil?

Ironically, many people heralded the dawn of the 20th Century with optimism. The steady march of scientific and social progrsss, they believed would vanquish our social and economic problems. Some optimistic theologian even predicted the 20th Century would be "The Christian Century", as humanity followed Jesus' exhortation to love your neighbor as yourself. But no other century has been ravaged by such devastating wars, genocides and tyrannies. During this century we have witnessed the outer limtis of human evil.

Our mood on the brink of the 21st Century is far more somber. Terms like "ethnic cleansing" "random violence" and "suicide bombing" have become part of our daily vocabulary.

Look at our own society. There is much, of course, that is good about America, and we thank God for our heritage of freedom and our abundant blessings. America has been a nation that has shown a global compassion that the rest of the world seemingly does not understand. After World War II because we had the Atom Bomb, we had the opportunity to rule the world, but America turned from that and instead helped rebuild the countries of our enemies.

Nevertheless, something has happened since those days and there is much about America that is no longer good. You know the problems as well as I do; racial and ethnic tensions that threaten to rip apart our cities and neighborhoods; crime and violence of epidemic proportions in most of our cities; children taking weapons to school; broken families; poverty; drugs; teenage pregnancy; corruption; the list is almost endless. Would the first recipients of this award even recognize the society they sacrificed to establish? I fear not. We have confused liberty with license—and we are paying the awful price. We are a society poised on the brink of self-destruction.

But what is the real cause? We call conferences and consultations without end, frantically seeking solutions to all our problems; we engage in shuttle diplomacy; and yet in the long run little seems to change. Why is that? What is the problem? The real problem is within ourselves.

Almost three thousand years ago King David, the greatest king Israel ever had, sat under the stars and contemplated the reasons for the human dilemma. He listed three things that the world's greatest scientists and sociologists have not been able to solve, and it seems the more we know, and the greater our technology, the more difficulties we are in. In perhaps the best-known passage of the Old Testament, Psalm 23, he touches on the three greatest problems of the human race.

First, David said, is the problem of emptiness. David wrote: "The Lord is my shepherd; I shall not want." He was not talking just about physical want, but spiritual want.

I stood on the campus of one of our great universities some time ago, and I asked the Dean, "What is the greatest problem on your campus?" He replied in one word: "Emptiness." The human heart craves for meaning, and yet we live in a time of spiritual emptiness that haunts millions.

"Nirvana" is the Hindu word for someone who has arrived into the state of perpetual bliss. Media reports said that Kurt Cobain, the NIRVANA rock group's leader, was the pacesetter for the nineties, and the "savior of rock and roll." But he said the song in the end which best described his state of mind was "I hate myself and I want to die!" And at age 27 he committed suicide with a gun.

Second, is the problem of guilt. David wrote: "He restoreth my soul, he leadeth me in the paths of righteousness." Down inside we all know that we have not measured up even to our own standards, let alone God's standard.

Third, David pointed to the problem of death. "Yea, though I walk through the valley of the shadow of death, I will fear no evil: for thou art with me." Death is the one common reality of all human life. Secretary of Commerce Ron Brown did not realize his time had come when he stepped on that plane in Croatia a few weeks ago.

From time to time I have wandered through Statuary Hall and looked at all those statues of some of the greatest men and women in our nation's history. But one thing is true of every one of them: They are all dead.

Yes, these three things—emptiness, guilt, and the fear of death—haunt our souls. We frantically seek to drown out their voices, driving ourselves into all sorts of activities—from sex to drugs or tranquilizers—and yet they are still there.

But we must probe deeper. Why is the human heart this way? The reason is because we are alienated from our Creator. That was the answer David found to these three problems: "The Lord is my shepherd." This is why I believe the fundamental crisis of our time is a crisis of the spirit. We have lost sight of the moral and spiritual principles on which this nation was established—principles drawn largely from the Judeo-Christian tradition as found in the Bible.

What is the cure? Is there any hope?

Ruth and I have devoted our lives to the deep conviction that the answer is yes. There is hope! Our lives can be changed, and our world can be changed. The Scripture says, "You must be born again." You could have a spiritual rebirth right here today.

What must be done? Let me briefly suggest three things.

First, we must repent. In the depths of the American Civil War, Abraham Lincoln called for special days of public repentance and prayer. Our need for repentance is no less today. What does repentance mean? Repentance means to change our thinking and our way of living. It means to turn from our sins and to commit ourselves to God and His will. Over 2700 years ago the Old Testament prophet Isaiah declared: "Seek the Lord while he may be found: call on him while he is near. Let the wicked forsake his way, and the evil man his thoughts. Let him turn to the Lord, and he will have mercy on him, and to our God, for he will freely pardon" (Isaiah 55:6-7, NIV). Those words are as true today as they were over two and a half millennia ago.

Second, we must commit our lives to God, and to the moral and spiritual truths that have made this nation great. Think how different our nation would be if we sought to follow the simple and yet profound injunctions of the Ten Commandments and the Sermon on the Mount. But we must respond to God, Who is offering us forgiveness, mercy, supernatural help, and the power to change.

Third, our commitment must be translated into action—in our homes, in our neighborhoods, and in our society.

Jesus taught there are only two roads in life. One is the broad road that is easy and well-traveled, but which leads to destruction. The other, He said, is the narrow road of truth and faith that at times is hard and lonely, but which leads to life and salvation.

As we face a new millennium, I believe America has gone a long way down the wrong road. We must turn around and go back and change roads. If ever we needed God's help, it is now. If ever we needed spiritual renewal, it is now. And it can begin today in each one of our lives, as we repent before God and yield ourselves to Him and His Word.

What are YOU going to do?

The other day I heard the story of a high school principal who held an assembly for graduating seniors, inviting a recruiter from each branch of the service: Army, Navy, Air Force, Marines to each give a twelve minutes presentation on career opportunities they offered to the students. He stressed the importance of each staying within their allocated time.

The Army representative went first, and was so eloquent that he got a standing ovation, but went eighteen minutes. Not to be outdone, the Navy presentation was equally superb, but took nineteen minutes. Air Force then gave a sterling presentation, which lasted twenty minutes. By now, the principal was irate, and admonished the Marine recruiter that he had only three minutes before the students had to leave for the next class!

During the first two minutes of his shortened time, the Marine didn't say a word, but individually and carefully studied the faces of each student. Finally, he said, "I've looked across this crowd and I see three or four individuals who have what it takes to be a United States Marine. If you think you are one of them, I want to see you down front immediately after the assembly."

Who do you think drew the biggest crowd!

This afternoon, as I look out across this distinguished group gathered here, I see more than a few men and women who have what it takes, under God to lead our country forward "through the night" into the next millenium—individuals who represent civic and governmental authority—as well as doctors, lawyers, clergy, artists and media.

Again, Ruth and I are deeply humbled by this award, and we thank you for all that it represents.

We pledge to continue the work that God has called us to do as long as we live.

Thank you.

HONORING THE FLYNNS LICK VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Flynns Lick Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

IN CELEBRATION OF NFPA'S CENTENNIAL

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to pay tribute to the National Fire Protection Association [NFPA] as it celebrates its 100th anniversary. Organized in 1896, the NFPA is an international nonprofit organization with headquarters in Quincy, MA. Over 68,000 members and 300 employees are dedicated to helping all Americans reduce the burden of fire on the quality of life by advocating scientifically based consensus codes and standards, research and education for fire and related safety issues.

The NFPA's national consensus codes and standards are respected worldwide. Over 5,300 individuals serve voluntarily on technical committees that develop over 300 safety codes and standards which are widely adopted and enforced throughout the land. Among the most widely used codes are the "National Electric Code," the "Life Safety Code," the "Flammable and Combustible Liquids Code," the "Standard for the Installation of Sprinkler Systems," the "Standard for the Storage and Handling of Liquefied Petroleum Gases," "National Fire Alarm Code," and the "Standard for Health Care Facilities." These documents, when adopted by Federal, State, or local government make our daily lives safer. From the buildings we live in to the training of the firefighters who dedicate themselves to protecting lives and preserving property, the NFPA has been the leader in advocating fire safety throughout its 100 years.

NFPA presents its public education programs about fire safety in a positive, nonthreatening manner to children. The "Learn Not to Burn [LNTB]" curriculum stresses how to prevent fires and teaches basic fire safety behavior. This successful program is used by schools in all 50 States and is credited with saving over 300 lives.

At the Eighth Annual Fire and Emergency Services Dinner on April 30, NFPA was honored with the Congressional Fire Services Institute's Partnership Award. This award recognizes NFPA's outstanding commitment to the fire service community and its many contributions to fire safety.

I would like to invite the U.S. Congress to join me in congratulating NFPA on this historic anniversary. As the association enters its second century, its dedicated membership will continue to make the United States a safe place for all Americans.

I urge my colleagues to join me in congratulating NFPA on its 100th anniversary.

ALICESON ROBINSON, LEGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known that it is with great respect for the outstanding record of excellence she has compiled in academics, leadership, and community service, that I am proud to salute Aliceson Robinson, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Aliceson is being honored for demonstrating that same generosity of spirit, intelligence, responsible citizenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Aliceson Robinson is an outstanding student at Homer High School and her high school record is exceptional. President of the National Honor Society, Aliceson has also earned the Jackson Citizen Patriot Class Act Award, the Albion College Sleight Leadership Award, and was listed in "Who's Who Among American High School Students." As captain of the Quiz Bowl Team, a science olympiad participant, she has excelled academically. Aliceson has also been involved with student government and a member of SADD and other community organizations.

In special tribute, therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Aliceson Robinson for her selection as a winner of a LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support, and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

HONORING THE FAIRGROUNDS VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Fairgrounds Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These fireman must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

HONORING THE FAIRVIEW VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Fairview Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

HONORING THE FRANKLIN VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Franklin Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school at Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

HONORING THE FORKS RIVER VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Forks River volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These fireman must have an overwhelming desire to do for others while expecting nothing in return."

Preparaton includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

KELLY BUNCH, LEGRAND SMITH SCHOLARSHIP WINNER

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. SMITH of Michigan. Mr. Speaker, let it be known that it is with great respect for the outstanding record of excellence she has compiled in academics, leadership and community service, that I am proud to salute Kelly Bunch, winner of the 1996 LeGrand Smith Scholarship. This award is made to young adults who have demonstrated that they are truly committed to playing important roles in our Nation's future.

As a winner of the LeGrand Smith Scholarship, Kelly is being honored for demonstrating that same generosity of spirit, intelligence, responsible citenship, and capacity for human service that distinguished the late LeGrand Smith of Somerset, MI.

Kelly Bunch is an exceptional student at Tecumseh High School and possesses an impressive high school record. A member of the National Honor Society, Kelly has also been a student council representative and the treasurer of her senior class. She was nominated to National Young Leaders Conference, and was listed in "Who's Who Among American High School Students." Kelly also was a member of the softball team and the varsity volleyball team. Outside of school, Kelly was involved with the Fellowship of Christian Athletes.

In special tribute, therefore, I am proud to join with her many admirers in extending my highest praise and congratulations to Kelly Bunch for her selection as a winner of the LeGrand Smith Scholarship. This honor is also a testament to the parents, teachers, and others whose personal interest, strong support and active participation contributed to her success. To this remarkable young woman, I extend my most heartfelt good wishes for all her future endeavors.

HONORING THE FLAT CREEK VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Flat Creek Volunteer Fire Department. These brave, civic minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

TRIBUTE TO THE WINNERS OF THE JOHN F. KUBIK HUMANITARIAN AWARD

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. LIPINSKI. Mr. Speaker, I would like to extend my congratulations to the winner of this year's John F. Kubik Humanitarian Award, Ms. Vlasta Sneberger.

Ms. Sneberger, a regional branch manager for MidAmerica Federal Savings Bank in Berwyn, IL, was presented with the award last month by the Sequin Retarded Citizens Association at their annual award dinner.

Ms. Sneberger was recognized for her tireless service to the community. The John F. Kubik Award, named for a local newspaper journalist and publisher, was established to embody the community spirit and dedication of its namesake.

Mr. Speaker, I commend Ms. Sneberger on receiving this award and wish her many more years of service to her community.

IN HONOR OF THE GIBBSTOWN FIRE CO.

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. ANDREWS. Mr. Speaker, I take this opportunity to honor the volunteers of the Gibbstown Fire Co. These brave individuals risk their lives every day protecting the citizens of Gibbstown. I commend all of them for their invaluable services to our community.

On May 11, 1996, the company dedicated the opening of their new fire station. The firemen themselves helped with the cost of the building by raising $140,000. The new station has the capability to house up to five firemen, is completely computerized, and handicapped accessible. Along with the countless hours of training and dedication required to serve as a fireman, this building will help save lives.

I ask my colleagues to stand with me and applaud the selfless efforts of the Gibbstown Fire Co., and all fire companies for that matter. These heroes sacrifice their own lives to make our communities a safer place.

HONORING THE FOSTERVILLE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Fosterville Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

HONORING THE HILB, ROGAL, & HAMILTON CO. OF NEW JERSEY

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. ANDREWS. Mr. Speaker, I am very proud to rise today in honor of a special group from my district in New Jersey. Over the past 5 years the Hilb, Rogal, & Hamilton Co. of New Jersey has devoted itself in serving our communities. They have generously supported local churches and youth organizations by donating their volunteer services and materials to veterans and young people throughout the State of New Jersey.

Therefore, I congratulate Arthur C. Hanebury, C.P.C.U., president and the entire Hilb, Rogal, & Hamilton Co. for their honorable work and dedication. Hence, I officially proclaim March 16, 1996, to be Hilb, Rogal, & Hamilton Co. Day in the First Congressional District of New Jersey. Speaking not only for my district, but for the State of New Jersey as well, we are very fortunate to have such a charitable group gracing our State.

HONORING THE EAST CLAY VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the East Clay Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteer, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

THE 100TH ANNIVERSARY OF THE JEWISH FEDERATION OF CINCINNATI

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. PORTMAN. Mr. Speaker, I would like to take this opportunity to commemorate the 100th anniversary of the Jewish Federation of Cincinnati. The federation has a proud history. Its predecessor organization was founded in 1896 to help those many immigrants from Central and Eastern Europe who fled repressive policies and practices of their native countries. Its efforts to help refugees and immigrants continued through the events leading up to and following the Holocaust in Europe in the 1940's and have been renewed in this decade as a result of the opening of the borders of the former Soviet States and the Eastern bloc countries. As Jewish immigrants stream out of Eastern Europe, the Jewish Federation has helped local agencies provide relocation and resettlement services in the Cincinnati area and in Israel. Since 1989, the federation has assisted with the resettlement of more than 1,200 Jewish immigrants and refugees in Cincinnati alone. During the same period, the federation has supported programs to help over 600,000 Jewish immigrants who have taken refuge in Israel.

Over time, the Jewish Federation has expanded its activities to include educational, cultural, and humanitarian programs for all members of the community. For example, it works with community organizations to provide services for Jewish youth and the elderly. The federation should also be commended for its commitment to improve interfaith and intergroup relations in Cincinnati and around the world.

I would like to offer my warmest congratulations to the Jewish Federation for 100 years of excellent and meaningful contributions to the Jewish community and to the promotion of international human rights. I wish the Jewish Federation of Cincinnati and all its members continued success in the coming century.

TRIBUTE TO MICHAEL PIEKARSKI AND DARLENE SOBCZAK

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. LIPINSKI. Mr. Speaker, I would like to pay tribute to two outstanding guardians of public safety from Cicero, IL. Firefighter Michael Piekarski and Police Detective Darlene Sobczak, who were recently recognized by the Cicero Lions Club on Lions Club World Service Day.

Firefighter Piekarski and Detective Sobczak were honored for their outstanding contributions as part of the Lions Clubs' effort to recognize those who risk their lives to protect their fellow citizens.

Mr. Speaker, I, too, congratulate these two fine public servants on this award and extend thanks on behalf of all my fellow citizens for their efforts and those of their colleagues who protect our lives and property.

SCOTT KNUDSON, GUAM'S REPRESENTATIVE TO THE 1996 GEOGRAPHY BEE

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. UNDERWOOD. Mr. Speaker, I have always considered myself an educator first and foremost. This is why I always welcome with great pleasure students who take the time to visit my office. Sometime this month, I highly anticipate meeting a student from Guam. He is Scott Knudson, the winner of this year's Guam Geography Bee.

On March 29, finalists from 12 elementary and middle schools competed in this event open to students from grades four to six. Since Scott was the winner of the competition, he will be representing the island of Guam in the National Geography Bee competition that will be held here in Washington on May 28 and 29.

Scott, the son of Marilyn Knudson and the late Kenneth Knudson, is a sixth-grade student at Inarajan Middle School. His achievements have brought much pride to his family, school and community. I am sure that all his hard work will once again be exhibited in the national competition.

I would like to congratulate Scott for winning the Guam Geography Bee competition and wish him the best in the national competition. In addition, I would also like to commend all who participated in the competition and recognize the efforts of Mr. James Szafranski for organizing this year's event. I urge everyone to keep up the good work.

THE SOUTHEASTERN POWER ADMINISTRATION

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. COLLINS of Georgia. Mr. Speaker, the Georgia State Senate recently adopted a resolution that urges the Congress of the United States to reject the proposal to sell the facilities used to generate electric power marketed by the Southeastern Power Administration. For the RECORD I submit a copy of the resolution adopted by the Georgia State Senate on February 13, 1996.

A RESOLUTION

Urging the United States Congress to reject the proposal to sell the facilities used to generate electric power marketed by the Southeastern Power Administration; and for other purposes.

Whereas, a proposal has been made to the United States Congress to sell facilities used by the Southeastern Power Administration (SEPA) which is headquartered in Elbert County, Georgia; and

Whereas, these facilities, which include nine hydroelectric dams, provide electric power and reservoirs for Georgia; and

Whereas, all of these facilities, operated by the United States Army Corps of Engineers, also provide the public with needed fish and wildlife resources, municipal, industrial, and agricultural water supplies, flood control, reservoir, and downstream recreational uses, and river water level regulation; and

Whereas, such proposed sale would give too little assurance that these assets will be administered with due consideration to the purposes of the facilities not related to power production, such as water supply, flood control, navigation, recreation, and environmental protection; and

Whereas, the revenue from the electricity generated by the hydroelectric dams exceeds the retirement obligations of the construction bonds and costs of operation and maintenance for these facilities; and

Whereas, many Georgians served by these facilities could likely experience significant rate increases in electricity and water as a result of this sale.

Now, therefore, be it resolved by the Senate that the members of this body urge the United States Congress to reevaluate the negative impacts of this proposal and avoid any transfer of federal dams, resources, turbines, generators, transmission lines, and related power marketing association facilities.

Be it further resolved that the Secretary of the Senate is authorized and directed to transmit an appropriate copy of this resolution to the Speaker of the United States House of Representatives, the presiding officer of the United States Senate, and members of the Georgia congressional delegation.

HONORING THE FAIRVIEW VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Fairview Volunteer Fire Department. These brave, civil-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for other while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

CONGRATULATIONS TO MR. JOEL COTTON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. McINNIS. Mr. Speaker, it is an honor for me to bring to the attention of my colleagues in the U.S. House of Representatives the accomplishments of Mr. Joel Cotton, a high school teacher in Rifle, CO.

Mr. Cotton is 1 of 100 teachers and 100 students from across the United States to be awarded a Tandy Technology Scholar prize. These scholars were chosen for the excellence in computer science, math, and science.

Mr. Cotton has worked diligently to educate his students by using innovative classroom techniques. He has written his own math programs, including Design a Ranch and Gliding Through Algebra on Mountain Bikes. He has also been named Colorado Teacher of the Week twice, and also teaches computer science at the Colorado Mountain College.

He plans to unselfishly use his prize money to purchase a more powerful computer and software, to design new programs for teaching computer science and math.

Mr. Cotton is a dedicated professional, and the children of the Third Congressional District will be better off because of him.

TRIBUTE TO THE ALL-PUERTO RICAN 65TH INFANTRY REGIMENT

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GUTIERREZ. Mr. Speaker, I rise today to honor the all-Puerto Rican 65th Infantry Regiment that fought in the Korean war.

The 65th regiment, nicknamed the "the Borinqueneers" became one of the most decorated units during the Korean conflict. One hundred twenty-five soldiers of the 65th were awarded the Silver Star and four received the Distinguished Service Cross.

The heroism of the 65th brought the unit admiration and accolades from our Nation's highest-ranking military officers. The most famous and important letter came from General Douglas MacArthur.

The 65th had been ordered to do reconnaissance behind the enemy front lines and relocated to the command post of the Third U.S. Infantry Division. One night the command post was attacked by more than one thousand North Korean regulars who had penetrated U.S. lines without detection. The 65th was alerted to the threat and went into action to protect vital U.S. supply lines. Their quick reaction enabled them to counter and destroy the North Korean force, thereby saving the Third Division Commander, staff and troops from being captured or killed.

In response to the actions of the 65th, General MacArthur, who had rejected the 65th for combat in World War II, wrote in 1951:

> The Puerto Ricans forming the ranks of the gallant 65th Infantry on the battlefields of Korea by valor, determination and a resolute will to victory give daily testament to their invincible loyalty to the United States and the fervor of their devotion to those immutable standards of human relations to which Americans and Puerto Ricans are in common dedicated. They are writing a brilliant record of achievement in battle and I am proud indeed to have them in this command. I wish that we might have many more like them.

Other triumphs of note for the 65th were the rescue of the First Marine Division from Hagaru-ri where the division had been surrounded by Chinese military forces. The 65th provided a safe corridor for the Marines to escape and formed the protective rear guard on their road to Hungnam.

In his book, "Puerto Rico's Fighting 65th Infantry," Brigadier General W.W. Harris (Ret.) writes:

> I have not encountered any people more dedicated and zealous in support of the democratic principles for which the United States stands. Many Puerto Ricans have fought to the death to uphold them.

General Harris commanded the 65th during the Korean War.

On March 29, 1996, at Puerto Rican Affirmation Day ceremonies in Washington, thousands of people gathered at the Vietnam Memorial to pay tribute to veterans of Puerto Rican heritage and in particular to the 65th Infantry that fought so courageously in the Korean war. Secretary of Veterans Affairs Jesse Brown praised the 65th, much as Generals MacArthur and Harris had in the 1950's.

So today, I rise to pay tribute to these valiant soldiers for democracy and freedom and to honor their contributions to our Nation and to the people of Puerto Rico. The memory of the 65th Infantry should never be allowed to fade.

HELP DECISIONMAKERS UNDERSTAND THE IMPORTANCE OF LEARNING ANOTHER LANGUAGE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mrs. SCHROEDER. Mr. Speaker, I would like to include in the CONGRESSIONAL RECORD the following excerpts from essays by Colorado students who participated in the first essay contest sponsored by the Colorado Congress of Foreign Language Teachers. Their theme was, "Help Decisionmakers Understand the Importance of Learning Another Language." Students from kindergarten through university level participated. I commend these students for their efforts.

"Learning a foreign language weakens barriers that some use to justify resentment."—Karin Wangberg, grade 11, Aurora

"By learning another language, you can discover a whole new world."—Anne Cook, grade 8, Littleton

"Many of today's stereotypes and hostilities between nations lie in a misunderstanding and lack of appreciation for cultures outside of one's own. Learning a foreign language inspires a respect and an understanding of each other's uniqueness."—Tiffiny Shea Wine, college student, Federal Heights

"It is good to know how to speak another language to help others who don't know your language. You can teach other people too and they could help other people."—Heaven Tapia, grade 2, Denver

"I think kids should get a good education, and foreign languages are part of a good education. It is just as important as math, writing and spelling, etc. It is fun, interesting, exciting and educational."—Caroline Lea, grade 4, Lakewood.

CONGRATULATIONS TO THE RIGHT REVEREND FATHER MOUSHEGH MARDIROSSIAN

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. RADANOVICH. Mr. Speaker, on Saturday May 3, 1996, in Los Angeles the Right Reverend Father Moushegh Mardirossian, Locum Tenens was elected as Prelate of the Western Prelacy of the Armenian Apostolic Church of America. I wish to add my sincere congratulations to Prelate Mardirossian upon his elevation.

Prelate Mardirossian studied at the Armenian Seminary of the Great House of Cilicia in Antellias, Lebanon. Upon graduation from the clerical college of the seminary in June 1974 he was ordained deacon.

He served in the Catholicosate as vice sacristan-sexton and secretary to Catholicos Khoren I and Catholicos Karekin II in the chancery. In the seminary he served as administrator and an educator, while teaching courses.

In 1979, he was assigned pastor to the Armenian Community of Thessalonika of Greece. When in Thessalonika, he attended classes in Greek language and philosophy at the Aristotelian University.

For his thesis on a translation and critical analysis of John's Gospel, he earned a doctorate of the Armenian Church, in December 1979.

Beginning in 1982, he served as assistant to the Prelate and held pastoral positions in the Prelacy of the Armenian Apostolic Church of North America. In recognition of his service, in 1987, he was elevated to the rank of Father Superior and was ordained. In the same year, he was assigned to the post of dean of the Forty Martyrs Armenian Apostolic Church of Orange County.

With the Western Prelacy he has been a member of the National Representative Assembly and member and chairperson of the Religious Council. Since 1991, he has served as vicar general to the Prelate.

Prelate Mardirossian is currently pursuing a master's degree at Fuller Theological Seminary.

On November 17, 1995, the Joint Session of the Religious and Executive Councils of the Western Prelacy of the Armenian Apostolic Church of America unanimously elected the Right Reverend Moushegh Mardirossian Locum Tenens of the Prelacy.

On May 3, 1996, in Los Angeles, he was elected to the position of Prelate of the Western Prelacy of the Armenian Apostolic Church of America and for this honor I sent my sincere congratulations. I wish Prelate Mardirossian every continued success in his new position serving the Armenian Church and the Armenian people, many of whom I have the honor of representing in California's 19th District.

WOMAN OF SPIRIT: CAROL ANTON MURPHY

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. COYNE. Mr. Speaker, I rise today to pay tribute to Carol Anton Murphy, a life-long resident of the Pittsburgh community, who was recently recognized as a Carlow College Woman of Spirit.

Carlow College created the Woman of Spirit Award to highlight women in the Pittsburgh area who personify the college's ideals of a Catholic liberal arts education: to involve young women in a process of self-directed, life-long learning which will free them to think clearly and creatively, to challenge or affirm cultural and aesthetic values, to respond reverently and sensitively to God and others, and to render competent and compassionate service in personal and professional life. The college has certainly fulfilled the purposes of the award in the admirable life of Carol Anton Murphy.

Carol Anton began a career of service after graduating from Carlow College in 1957 as a speech therapist for the Allegheny County School System and later for the Dioceses of Pittsburgh. Carol Anton married Maurice "Mossie" Murphy in 1959. Together, they started a family in 1964. Today, Carol and Mossie Murphy are the proud parents of 7 children and 15 grandchildren. A model family woman, Carol was the first recipient of the Commitment to Family Award by Carlow College in 1974.

Carol Murphy has demonstrated constant commitment to community and church through volunteer work. At St. Philomena, Carol delivered communion and prayer on Sundays. Along with fellow St. Philomena parishioners, Carol started Eucharist Ministers for the Sick and House Bound. She has also volunteered at Presbyterian Hospital as an Eucharistic Minister delivering communion to hospital patients.

A strong supporter of education and the right of every child to a quality education, Carol has been an active fundraiser for many Pittsburgh schools. She has worked on the behalf of St. Philomena's Guild, Central Catholic Mother's Guild, and Duquesne University Women's Advisory Board. She has also had an active history on the Carlow College Alumnae Board, serving as chair of the student alumnae parties, board president, and co-chair of the annual fund.

Carol Anton Murphy knows her Carlow College education prepared her to be an active Christian woman and taught her the importance of service and commitment to her community and the city of Pittsburgh. Carol Anton Murphy has led an exemplary life and is unquestionably a Woman of Spirit. I want to congratulate Carol Anton Murphy for receiving this prestigious award.

A TRIBUTE TO BARBARA GIBILISCO

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to pay tribute to Barbara Gibilisco, a student a Neumann College in Aston, PA, Ms. Gibilisco is the recipient of the Pennsylvania Association for Adult and Continuing Education 1996 Award Recognizing Outstanding Adult Students in Higher Education.

Criteria for judging undergraduate nominees are: contributions to institution and community; clearly defined goals; grades; innovative approaches to meeting educational needs; overcoming difficult circumstances in order to pursue higher education; sensitizing the institution to the needs of adult students; success in coping with numerous roles; support of others returning to school; and strength of nomination material.

Those criteria, while impressive and difficult to meet, do not capture the courage, the commitment, nor the generosity of this woman. Barbara Gibilisco is a wheelchair mobile student graduating from Neumann College in May 1996, with a bachelor's degree in liberal studies. Even though Barbara lives independently with her mother, she attends classes at Inglis House, a wheelchair community in West Philadelphia which serves as an extension site campus for Neumann College. She has maintained a perfect 4.0 grade point average throughout her career.

In addition to being a student, Barbara Gibilisco owns and operates a home-based answering service; tutors the residents of Inglis House on the pre-GED and adult basic education level in reading, math, and computer literacy; is a certified Gateway tutor for the mayor's commission on literacy; is a party-time learning therapist for the Department of Education; and acts as a spokesperson for the Muscular Dystrophy Association and the Orleans Vocational Center. As a hobby, she is a licensed class amateur radio operator.

After graduation, Barbara Gibilisco plans to work full-time to support herself and her mother. Her personal objectives are to design computer software programs related to compliance with the Americans With Disabilities Act; to serve as a consultant to small businesses and firms that seek to comply with the mandates of the Americans With Disabilities Act; and to work in an educational setting as a mentor, teacher, or small group leader with students in need of adult basic literacy education.

Obviously, Barbara Gibilisco is deserving of this award. The courage and commitment she has brought to fulfilling her goals for a college education combined with a generosity of spirit reflected in her efforts to bring education to others makes Barbara Gibilisco a role model for all.

TRIBUTE TO VFW POST 7337 OF CASTLETON, NY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. SOLOMON. Mr. Speaker, as you know, one group I have a particular admiration for is our veterans. It was one of the reasons I asked for a seat on the Veterans Affairs Committee in my first term, and it's one of the reasons I fought so hard to have the Veterans' Administration elevated to a full, Cabinet-level department.

And one group was always right beside me in such efforts, Veterans of Foreign Wars. I can think of no group has done more to promote the interests of our Nation's veterans. Today, I'd like to single out one VFW post, a very special one which is typical of VFW posts across the country.

VFW Post 7337 of Castleton, NY, is celebrating its 50th anniversary this year. Think of that, Mr. Speaker. It's first members were, of course, the boys just returning from Europe and the Pacific and every other theater of World War II. Then, in the early fifties, they were joined by veterans from the Korean war. In another 15 years, the veterans of the Vietnam war arrived on the scene. And finally, in this decade, we've seen those who served in the Persian Gulf join their older comrades.

From its beginning, Post 7337 was made up of citizen heroes, who left their homes and loved ones to undergo incredible hardships and sacrifices, including the supreme sacrifice, in defense of our freedoms. But the majority survived to return home, complete their educations, find jobs, raise families, and become the most respected members of their communities.

I've met many of the members of Post 7337. I was thinking of them and of other veterans like them when Ronald Reagan signed into law my measure making the Veterans' Administration a Cabinet department in 1988. With that signature, we made sure the interests of veterans would always have the ear of the U.S. President.

It is to those same interests that Post 7337 has so faithfully applied itself for 50 years.

Mr. Speaker, with the approach of Memorial Day, that special day for all veterans, I ask you and all members to join me in a special salute to VFW Post 7337 of Castleton, NY, as it celebrates its 50th year.

POST-COLD-WAR COOPERATION

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GEKAS. Mr. Speaker, I come before the House to praise the spirit of unity and cooperation between two nations, the United States and the Republic of Lithuania, whose peoples just a few short years ago knew very little about each other. This spirit has been fostered by the men and women of the Pennsylvania National Guard's Military Support Division. Under the leadership and guidance of Maj. Gen. James W. Mac Vay, the Adjutant General of the Pennsylvania National Guard, the Military Support Division oversees the Guard's State Partnership Program [SPP] with the Republic of Lithuania.

The State Partnership Program with Lithuania began in May 1993, increasing in size and scope over the past years. The mission of the State Partnership Program, one of the many that the Military Support Division fulfills, is to conduct a bilateral military outreach program with Lithuania designed to assist that nation in the building of an essential military infrastructure compatible with the traditions of a democratic society. Since July 1994, soldiers of the Pennsylvania National Guard have visited with their Lithuanian counterparts 22 times, providing valuable expertise on a variety of issues. In addition, Lithuanian experts visit Pennsylvania and learn first hand how our military and government agencies work together.

These visits have fostered tremendous goodwill between members of both delegations. There is an American military liaison team chief in Lithuania who works very closely with the U.S. Ambassador to Lithuania, the Lithuanian military, the European Command and National Guard Bureau. Today, in fact, we were honored to have three members of the Lithuanian delegation visit our Nation's Capitol. It was a joy to see the delight in their faces as they walked through these hallowed halls and sat in the gallery of this body. Col. Algirdas Stulginskis, Lt. Col. Romualdas Kiseliunas, and Maj. Vidas Astrauskas have learned much about our country during their stay here; not simply technical aspects about government agencies and emergency programs, but about the spirit of freedom and all for which America stands.

Groups of Lithuanian soldiers have visited Pennsylvania a total of 20 times. Every visit consists of meetings with members of Pennsylvania communities and learning about how a democratic society operates. American and Lithuanian visits are crucial to the success of the democratization of eastern Europe, and the fact that they are conducted by citizen soldiers from both countries cannot be ignored. During this time of military downsizing, we are asking our men and women of the Reserves and National Guard to do far more than ever before. The simple fact is that these dedicated people are doing their jobs exceedingly well with no complaints.

The men and women of the Pennsylvania National Guard can teach us all something about sacrifice and commitment to the principles which made our Nation what it is today—a shining example of freedom and democracy. We thank our Lithuanian visitors for their dedication to the cause of democracy and welcome them back to learn more about the beauty of our wonderful form of government. We look forward to learning from them as well, since they are all too familiar with how easily freedom can be lost.

INTELLECTUAL PROPERTY RIGHTS

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. FROST. Mr. Speaker, I was pleased to read on the front page of the Washington Post that the administration is finally considering imposing sanctions on China for the piracy of United States intellectual property rights.

The flagrant and illegal piracy of United States intellectual property rights continues to flourish in many parts of the globe, most notably in China. USRT has estimated that the piracy of U.S. patents and copyrights and the counterfeiting of our trademarks costs the U.S. economy billions of dollars annually.

Piracy undermines our ability to compete in the global marketplace by denying U.S. companies access to new markets. Such unfair trading practices ultimately result in the loss of jobs here at home.

The piracy of intellectual property rights is an issue which I have followed for several years. I, along with many of my Texas colleagues, have written the United States Trade Representative on several occasions requesting that strong action be taken against China for the piracy of United States intellectual property rights.

in fact, this week, I agreed to cosponsor a measure soon to be introduced by Congresswoman PELOSI to impose sanctions against China for their intellectual property rights violations.

I firmly believe that the United States Government must take forceful action to convince China to crack down on this piracy. The United States simply cannot tolerate the theft of its industries' valuable intellectual property. I urge the Clinton administration to follow through on their warnings and impose stiff sanctions on China.

EBIL MATSUTARO, WINNER OF THE 1996 GUAM SCRIPPS HOWARD SPELLING BEE

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. UNDERWOOD. Mr. Speaker, students representing schools from Guam, the Republic of Palau, and the Commonwealth of Northern Mariana Islands recently gathered in Guam to participate in the local competition of the Scripps-Howard Spelling Bee. Originally open only to Guam students, the annual event allowed contestants from the Federated States of Micronesia, the Republic of Palau, the Commonwealth of the Northern Mariana Islands, and the Marshall Islands in 1989. This year marks the first time a student from Palau is declared the first place winner.

Ebil Matsutaro, this year's winner, will be our representative in this year's National Spelling Bee competitions to be held here in Washington. She is the daughter of Francis and Lucy Matsutaro. An eighth grade student at the Seventh Day Elementary School in Korror, Palau, this active 13-year-old is a member of the yearbook staff, the secretary of her class, and has a 4.0 GPA. She also has a brother, Ngerbol, and a sister, Erbai.

I congratulate Ebil for being the first Guam Scripps-Howard Spelling Bee to hail from the Republic of Palau and wish her the best in the national competition. In the same respect, all of this year's participants deserve special recognition. On behalf of the sponsors, the Pacific Daily News and the Rotary Club of Guam, I commend Ebil and the contestants of this year's Spelling Bee competition.

WHAT I LEARNED ABOUT HOW WE PICK OUR PRESIDENT

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. DUNCAN. Mr. Speaker, Lamar Alexander has written a very insightful article for the Weekly Standard about what he learned during his run for the Presidency. Our electoral process would be better if every American would read this article. I would like to call this piece to the attention of my colleagues and other readers of the RECORD.

[From the Weekly Standard, Mar. 25, 1996]

WHAT I LEARNED ABOUT HOW WE PICK A PRESIDENT

(By Lamar Alexander)

While my wounds are fresh, let me offer several ways to fix how we nominate presidents. First, for those who only see it on Inside Politics, let me describe what running for president really feels like (especially when you have just lost). It is like scaling a cliff for three years in the dark to earn the privilege of shooting one NBA-range three-point shot, i.e., the New Hampshire primary. It is like walking above Niagara Falls on a swaying tightrope as the wind blows and the crowd shouts, "FALL!" This by itself is one reason to salute Bob Dole for making his way so well through such an obstacle course.

Now, to fix the process (although I should proclaim up front and loudly that it is the candidate who must accept responsibility for losing, not the process):

Report on those who are actually running for president. It sometimes seemed that 90 percent of the political news during 1995 was about numerous Americans, estimable as they may have been, who had no intention of running or who couldn't win even if they did.

Ban the phrase "the motley crew." Referring to those of us actually running, this phrase usually begins to appear after several months of stories about those who aren't running. Isn't it time after 200-plus years of presidential elections to realize that any American looks better rocking on the porch than he (or she) does trudging through the mud buck-naked with spotlights turned on (another way to describe participation in the current presidential nominating process)?

Raise the limits on individual giving to campaigns from $1,000 to $5,000. The well-intentioned $1,000 limit, placed into the federal law after Watergate, was meant to reduce the influence of money in politics. As with many federal laws, it has done just the opposite. For example, to raise $10 million in 1995 for my campaign, I attended 250 fund-raising events. This took about 70 percent of my time. I became unusually well acquainted with a great many good Americans capable of giving $1,000 (who probably represent a cross section of one percent of all the people in the country). Wouldn't I have been a better candidate—and the country better off had I been elected—if I had spent more time traveling around America and visiting our allies abroad? (I actually did this during 1994, when I was not meeting nice people who could give $1,000.)

Remove the state spending limits. This is step two in the crusade to deal with the phenomenon of the zillionaire in politics. Think of it this way: Say the fifth-grade teacher organizes a contest for class president with water pistols as the weapon of choice; then some kid arrives with a machine gun. Either take away the new kid's machine gun (Bill Bradley suggests a constitutional amendment to limit what individuals can spend on their own campaigns) or give the rest of the fifth graders the freedom to raise and spend enough money to buy their own machine guns. In one week just before the New Hampshire primary, Steve Forbes bought 700 ads on one Boston television station in one week, most of them negative adverting against Dole (plus a few gentler ads against me). Forbes, let us remember, spent almost no time raising his money and had no limits on what he spent per state. The rest of us did. If New Hampshire is most of the ballgame in the presidential primaries, why shouldn't we be permitted to defend ourselves even if we use up all the money the government allows us to spend during the entire campaign?

Deregulate the election process. The Federal Election Commission is full of competent people trying to do their jobs (several of whom are about to audit my campaign, which, if everything works out perfectly, will only take only about three years. I am not kidding). The campaigns are grossly overregulated. of the $10 million our campaign raised during 1995, about $1 million went for accountants and lawyers for compliance with the federal rules. Is it really necessary, for example, for the federal government to decide that a candidate's campaign T-shirts need not bear the "Paid for by . . ." disclaimer? Fewer rules and full disclosure should be the bywords here.

Start the coverage earlier. From the moment the networks began to cover the campaign (this year it was not until late January), you could feel the lift. As a candidate, you can also feel the collapse. I cannot help but think that there are ways—even many months out—to relate the day's news about, say, the failure of the Hartford school system's private-management contract to what the presidential candidates say about how schools should be run.

Spread it out. At a breakfast in Washington in November, I said this to my friends in the news media: "If you guys were sportswriters, you would arrive during the last quarter of the Final Four championship game and claim you had covered the entire basketball season." You can imagine how many friends I made with this statement, but I was right. By my count, the news media covered the presidential race aggressively for just 21 days, from the Iowa caucus on February 10 until the South Carolina primary on March 2. Most of what went before consisted of asking people like me, "Why are you behind Bob Dole 72–3 in the polls?" at a time when everyone knew Dole and no one had ever heard of me. After South Carolina, the most frequently asked question was, "When are you going to get out?" So, most of us did. Let us hope the national political writers never decide to become umpires. The World Series wouldn't last more than one inning.

Now, in defense of the media, it is hard to cover a 21-day wild rollercoaster ride, which is what the nominating process has become: 38 primaries in 25 days. Let's change this: Let Iowa and New Hampshire go it alone in February. Then, require all the other states to hold their primaries on the second Tuesday of March, April, or May. This would give winners a chance to capitalize on successes, voters a chance to digest new faces, and candidates a chance to actually meet voters. What do you think would have happened this year if after the surprising New Hampshire primary (Buchanan winning, Dole stumbling, me surging, Forbes falling) there had been three weeks to campaign before a March 12 primary in a bunch of states? Then another month until another set of primaries? Lots more interesting—and lots more conductive to sound judgment by the voters, too.

Create a new C–SPAN channel to cover the country outside Washington. Chief executives from outside Washington sometimes make the best chief executives in the country. Why not a cable channel devoted entirely to Michigan governor John Engler's charter schools, San Antonio county executive Cyndi Krier's crime program, Milwaukee's school-choice program? Give these leaders as much C–SPAN face-time as members of Congress. This will give the public more exposure to state and local politicians who might then have a better chance of winning national office.

Let the candidates speak more often for themselves. Praise the media here. C-SPAN's Road to the White House on Sunday nights set the pace. I was astonished how many told me they saw C-SPAN's 50-minute coverage in July of my walk across New Hampshire. The New York Times printed excerpts from candidates' speeches, even some very long excerpts. The networks all showed unedited stump speeches of the major candidates.

Find the good and praise it. These were always the words of my friend the late Alex Haley. I can find the good easily about this process, even with its flaws. During the last year I walked across New Hampshire meeting several hundred people a day, spent 80 days in Iowa in maybe 200 meetings that ranged from 20 to 300 people, and had at least 50 meetings in Florida with the delegates to the Presidency III straw poll. During most of these meetings I was little known and unencumbered by news media. At least the news media presence was so small it did not disrupt the flow of the session.

I remember wishing time after time that anybody who had any sense of cynicism about our presidential selection process could be with me, as a fly on the wall—because they could not be cynical after hearing and seeing and feeling what I saw. The audience always listened carefully. Their questions went straight to the heart of what kind of country we could have, of our jobs, our schools, our neighborhoods, and our families. In meeting after meeting, I came away certain that this is a nation hungry for a vision contest, not one willing to tolerate a trivial presidential election. There is a great market in the American electorate for a full-fledged discussion about what kind of country we can have in the year 2000 and beyond.

The reason to make certain we have a properly functioning presidential nominating process is that the presidency itself is our most important institution as we go into the new century, and the debate about who should be that president is our most useful national discussion.

HONORING THE DRY HOLLOW VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Dry Hollow Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These fireman must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

MEDICAL SAVINGS ACCOUNTS

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. COLLINS of Georgia. Mr. Speaker, the Georgia State Senate recently adopted a resolution that encourages the Congress of the United States to enact health care reform measures that include Medical Savings Accounts [MSA's]. State legislators realize that MSA's will eliminate barriers to health insurance and increase access for millions of Americans. For the record I submit a copy of the resolution adopted by the Georgia State Senate on March 5, 1996.

A RESOLUTION

Encouraging the Congress of the United States to enact legislation to provide for medical savings accounts; and for other purposes.

Whereas, it is estimated 37 million Americans are without health insurance, many while between jobs, and more are underinsured because of the effects of rising health care costs and spending. The costs of health care are escalating, forcing employers to trim the level and availability of health care benefits to their employees; and

Whereas, overutilization of health care services for relatively small claims is one of the most significant causes of health care cost and spending increases. Currently, more than two-thirds of all insurance claims for medical spending are less than $3,000.00 per family per year in this country; and

Whereas, in response to the runaway cost increases on health care spending in this country, the private sector has developed the concept of medical savings accounts. This initiative is designed to ensure health insurance availability for Americans. It is predicated on providing incentives to eliminate unnecessary medical treatment and encourage competition in seeking health care; and

Whereas, through employer-funded medical savings account arrangements and reduced cost qualified higher deductible insurance policies, millions of Americans could insure themselves for both routine and major medical services. Under the concept of medical savings accounts, an employer currently providing employee health care benefits would purchase instead a low cost, high deductible major medical policy on each employee. The employer may then set aside the saved premium differential in a medical savings account arrangement. The participating employees would use the money in the account to pay their medical care expenses up to the deductible. However, any account money unspent by the participating employees in a plan year would then belong to the employees to save, spend on medical care, or use otherwise. This would be a strong incentive for people not to abuse health expenditures and to institute "cost-shopping" for medical care services; and

Whereas, by setting aside money for employees to spend on health care, employees could change jobs and use the money they had so far earned to buy interim health insurance or to cover health care expenses, thereby eliminating the problems of uninsureds between jobs and helping to reduce "job-lock"; and

Whereas, by making medical care decisions the employee's prerogative, individual policyholders have a strong stake in reducing costs. This simple financial mechanism will expand health insurance options to others who presently have no insurance. Most importantly, this move to decrease health care cost burdens in this country would require no new federal bureaucracy and would be revenue neutral to employers.

Now, Therefore, be it Resolved by the Senate that the members of this body encourage the Congress of the United States to enact legislation swiftly and in good faith to enable Americans to establish medical savings accounts.

Be it further Resolved that the Secretary of the Senate is authorized and directed to transmit an appropriate copy of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and all members of the Georgia congressional delegation.

OLIVER SETH TRIBUTE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. RICHARDSON. Mr. Speaker, it is with great respect and admiration that I honor today a great New Mexican and a great American.

Oliver Seth, who served on the Tenth Circuit Court of Appeals for more than 30 years, died on March 27, 1996, at 80 years of age.

Judge Seth was born and raised in New Mexico. He later graduated from Stanford and then Yale Law School, returning to Santa Fe to join his father's reputable law firm, Seth and Montgomery, now Montgomery and Andrews. At the outbreak of World War II, Judge Seth joined the Army and was subsequently shipped to the European front, where he participated in the Normandy Invasion and the Battle of the Bulge. He achieved the rank of major and was decorated by the French Government.

After World War II, Judge Seth returned to Santa Fe and his father's firm. He married Jean MacGillivrary, who, along with two daughters, Laurel and Sandy, and brother, Jim, survive him. Many prominent New Mexicans became Judge Seth's clients, including the late artist, Georgia O'Keeffe. He remained with his father's firm until being appointed to the bench in 1962, serving simultaneously on numerous boards and organizations in Santa Fe and helping found Santa Fe Preparatory School. He is fondly remembered by the law clerks for whom he served as mentor, many of whom became New Mexico attorneys and judges.

Oliver Seth was highly respected as an attorney, as a judge and as a kind, thoughtful and dignified human being. He will be greatly missed by many in New Mexico as well as around the nation. I respectfully invite all my colleagues to join me in giving tribute to this highly esteemed New Mexican.

PERSONAL EXPLANATION

HON. JAY DICKEY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. DICKEY. Mr. Speaker, I was excused from official business the evening of Thursday, May 9, 1996, and Friday, May 10, 1996. I am proud to say that I was absent in order to be present for my daughter's graduation. Had I been present my votes would have been cast as indicated below:

Rollcall No.	*Vote cast*
159	Yes
160	No
161	Yes
162	Yes
163	Yes
164	No
165	Yes
166	Yes

"HIGHWAYS AND YOU: THE ROAD TO OUR FUTURE"

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. SHUSTER. Mr. Speaker, I rise today to insert the following article entitled "Highways and You: The Road to Our Future" into the CONGRESSIONAL RECORD. This superb article was written by an old friend and respected colleague of mine by the name of Paul C. Mellott, Jr. Paul is the chairman of the board and executive vice president of H.B. Mellott Estate Inc. and the current chairman of the board of the National Stone Association. His remarks represent a keen insight into what the future of transportation policy holds and the exciting challenges that lie ahead for us as a Nation. Paul's words speak loud and clear to all of us who understand that an investment in infrastructure is an investment in the future prosperity of our country.

HIGHWAYS AND YOU: THE ROAD TO OUR FUTURE

(By Paul C. Mellott, Jr.)

As we approach the millennium and the impending 21st Century, a formidable array of new and exciting challenges loom on the horizon. Many of these issues could in varying degrees, after the way which aggregate producers do business as well as impacting on the ultimate future well-being of our industry.

While emerging technology continues to open windows of opportunity for streamlining the production techniques and general administration of quarry business, the ever growing impact of government legislation and regulation overshadows virtually everything on our agenda.

The effectiveness with which our industry interacts with government will be a major determining factor in building the road to our future in the aggregates industry. It entails such crucial aspects as determining the future levels of federal investment in the highway program and other infrastructure activities.

Because of the central role which government affairs is destined to play in our future, the Association will—during my tenure as NSA Chairman—be placing a major focus on augmenting and upgrading the Government Affairs Program. However, it is important to point out that this emphasis is not intended in any way to detract from any of our other ongoing programs, such as our effort to emphasize the value inherent in aggregate products, our industry recognition activities, environmental stewardship, improved safety and health in the workplace, and the whole range of membership services which NSA provides on a day-to-day basis.

A SPLENDID TRACK RECORD

NSA's Government Affairs Division had a splendid track record in 1995. Our top accomplishment was securing enactment of legislation designating the 160,000-mile National Highway System (NHS) late in the first Congressional session. This "crown jewel" of NSA's legislative program establishes an enduring federal presence in the nation's highway network and will provide $13 billion in federal aid for the NHS over the next two years.

This success certainly was a major milestone in the road to our future. As an added bonus, the NHS bill also contained a provision, strongly advocated by our industry, repealing the mandated use of crumb rubber in asphalt pavement—a provision that had been a part of the original Intermodal Surface Transportation Efficiency Act (ISTEA).

As a result of the Transportation Appropriations legislation, funding for the core Federal Aid Highway Program grew by $400 million and highway spending for the current year was set at $19.9 billion. Therefore, our strategy to work toward expanding highway appropriations in a year of declining federal spending on transportation proved to be successful. Furthermore, we believe that this offers tangible proof that Congress realized the inherent value of highway mobility to all Americans.

But seasoned Capitol Hill observers readily concede that there are no "final victories" in Washington. Indeed, there is little time—if any—for complacency and savoring our 1995 wins, because there is much to be done in the second season of the 104th Congress in preparation for such crucial issues as ISTEA reauthorization and taking the Highway Trust Fund off-budget.

DIVISION RE-ENGINEERING

A centerpiece of our government affairs emphasis activity will be a "re-engineering" of NSA's Government Affairs Division, which will be implemented on my watch as Chairman, I wish to emphasize at the outset that this revamping was not generated by any shortfall in meeting legislative goals and expectations. It is a recommendation that was generated from within the Division, and is intended simply to involve substantially more of our industry's leaders in developing policies and positions regarding legislation. Another important aspect of the re-engineering effort is to significantly broaden involvement of industry laymen in the political process via our rapidly growing Grassroots Network.

The initial step in re-engineering the Government Affairs Division was to create an expanded Steering Committee. This 30-member unit consists of a broad cross-section of leaders throughout the industry. The Steering Committee—headed by Government Affairs Division Chairman Craig Bearn of the Melvin Stone Company—will provide leadership for the Association's legislative, political action and government affairs programs. It also will serve as the mechanism for developing NSA policy and positions on key issues facing the industry in areas such as transportation infrastructure, federal spending, tax policy, labor/management relations and regulatory reform.

Our plan is for the Steering Committee to meet semiannually—once at the spring Government Affairs Conference, in Washington, and once at the call of the Chairman. A key element in the success of the Steering Committee concept is vigorous member participation. By agreeing to serve on this group, the participants are making a solemn commitment to the industry—either to participate in Committee deliberations personally, or by designating a senior representative from the company as an alternate.

The Steering Committee Chairman will appoint a limited number of ad hoc Task Forces on specific legislative issues especially crucial to aggregates industry interests, such as the upcoming ISTEA reauthorization and/or the percentage depletion allowance, both of which are high on the Congressional agenda in 1996.

Besides the Steering Committee, our re-engineering master plan calls for only one other standing committee—the Grassroots Network Committee, chaired by Bill Sandbrook of Tilcon New York Inc. I am extremely enthusiastic about NSA's Grassroots program, because I have long felt that the key to successful lobbying is grassroots member involvement.

There is a definite role for lobbyists in the legislative process and NSA has utilized its lobbying staff very effectively. Lobbyists can cite facts and figures and articulate policies and positions, but Congressmen want to hear from the folks back home. Often, when it comes time for the lawmaker to cast his vote on a critical issue his thinking can be tempered by strong constituent response. As the late Speaker of the House "Tip" O'Neill so aptly observed "All politics are local!"

EMPLOYEE PARTICIPATION

Currently, NSA's Grassroots Network has grown to more than 550 individuals who are committed to contacting their Congressmen and Senators on issues vital to the aggregates industry when the need arises. In 1995 alone we made more than 1,500 Congressional contacts on issues ranging from the National Highway System to the pending Ballenger Bill on regulatory reform.

This provided an excellent start for getting the Grassroots program off the ground. But I am hopeful that our 1995 effort is just the beginning.

Successful recruitment into the Grassroots Network is not a matter that is limited to the NSA staff. I firmly believe that in a $7.75 billion industry, which employs some 80,000 people throughout the nation, the number of participants in the Grassroots Network ought to be at least several times its current size.

It is incumbent on each member producer to encourage broad employee participation in the Grassroots effort. Because of the ultimate potential of this program, I believe that it is something that an employer would want to encourage all of his employees—and members of their families—to seriously consider participating in.

FY 1997 APPROPRIATIONS TESTIMONY: ARGUING FOR RELIABILITY AND CONSISTENCY

During my appearance before the House Appropriations Subcommittee on Transportation on February 29th, I urged Congress to apply the basic formula of I=P=SL/QL in allocating funding for the nation's future surface transportation mobility needs: an upgraded infrastructure (I) equals increased productivity (P), which in turn paves the way to an increased American standard of living (SL) and quality of life (QL).

We further urged that, in evaluating competing funding requests, Congress recognize the basic fact that highways are the way we move the vast majority of people and goods in America. Citing research by noted economist Dr. David Aschauer, which clearly demonstrates the role of infrastructure investment in enhancing productivity and job growth, NSA maintained that both equity and practicality argue for increased federal user-fee financed programs to focus their attention on the most productive infrastructure investments—highways, airport runways and waterways.

My testimony strongly emphasized the need for reliability and consistency in the overall funding process for infrastructure. I pointed out that 40 to 60 percent of any quarry's market typically comes from road and construction repair. It is important for us to receive accurate and reliable forecasts for the future Federal Aid Highway Program so that we can prepare our business plans accordingly.

HIGHWAY INVESTMENT: THE ROAD TO OUR FUTURE

In our legislative deliberations with Capitol Hill, NSA has increasingly articulated the need for American investment in transportation infrastructure as a necessary requisite for securing the United States' position in a global economy. And simultaneously we have clearly stated our own industry's need for a reliable source of infrastructure funding in order to successfully carry out our role in ensuring our nation's mobility.

Our message has been clearly articulated, but because of a growing number of competing interests, it must be perpetually reinforced—on an almost daily basis. It must be reinforced by NSA's own lobbyists: it must be reinforced through participation in coalitions which share our mutual interests; and it must be reinforced by our Association's own members, via our Grassroots NSA work.

I urge everyone to participate, because highway investment is truly the road to our future!

RAISING THE MINIMUM WAGE HAS TOO MANY COSTS

HON. WAYNE ALLARD

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. ALLARD. Mr. Speaker, with the political season winding into high gear, Republicans and Democrats are facing off over another highly-charged issue: raising the minimum wage. As the rhetoric and accusations fly, let's not lose sight of the real goal at hand: to put more money in our workers' paychecks.

Some people think we can do that by boosting the minimum wage by 90 cents in 2 years. I think we can raise take-home pay by reducing the tax burden on our citizens in a number of ways, foremost by balancing our national budget. Another boost would be the $500-per-child tax credit.

The effects of raising the minimum wage have been analyzed by countless economists, and the results vary widely, often according to the political leaning of the experts. We have to ask ourselves what risks are we willing to take, and do the benefits outweigh them?

After looking over different estimates and analyses, I am concerned that raising the minimum wage will have more negative effects.

I know firsthand the effects of raising the wage. When I owned my veterinary clinic, I had to let go of a part-time worker when the wage was increased. I know other small business owners will not be able to maintain their current levels of employment if the wage is raised.

Instead of earning an extra $36 a week, some workers will be laid off and end up earning nothing, or have their hours cut and earn less.

Raising the wage is also likely to force owners and managers to raise wages at other levels as well. Unless they keep salaries proportionate, owners may sow worker discontent and salary inequity. Raising everyone's salary, however, could lead to an inflationary spiral, and offset the gains made by increasing the bottom wage.

A number of people in the service industry are likely to be laid off as well. Instead of paying people the minimum wage to pump gas, for example, we now rely on self-service. I can see this happening in other industries as well, such as cleaning and lawn care, and even such simple jobs as washing animals in a pet hospital.

Although small businesses and the private sector are going to be hit by a minimum wage increase, they are not the only ones who will feel the effects. One reliable study estimates that State and local governments will have to pay an additional $1 billion from 1996 to 2000 in salaries if the increase is approved. Unless Federal assistance is provided to offset these added expenditures, Congress will be forcing another unfunded mandate on the States in violation of a new law.

Who makes minimum wage? In 1994, roughly 4.8 million workers were paid at or below $4.25 an hour. All these workers were over 16, and 63 percent of them were over 20. Of these, 58 percent were women and 47 percent of them held full-time jobs. Today, about 12 million people make less than $5.15 an hour.

In fact, a vast majority of economists agree that the Democrat plan to raise the minimum wage will hurt the people most in need: low-skilled workers, women, and inner-city residents.

Historically, we can see how raising the minimum wage affects the economy and unemployment.

In the past 20 years, the minimum wage has been increased nine times, each time phased in over 2 years. During every 2-year period the wage was increased since 1973, unemployment also increased. This happened regardless of whether the economy was growing or shrinking.

The only exception was in 1977–79, when the economy grew at a rate of 5.6 percent. We are looking at a 21-percent increase in the minimum wage over 2 years now. The economy's annual rate of growth was 2.8 percent in the first quarter of 1996, and 2 percent for all of 1995.

That kind of growth doesn't appear strong enough to support such a high wage increase without causing more unemployment.

On the surface, raising the minimum wage might look like a nice thing to do for those workers at the bottom of the pay scale. But only on the surface. The potential effects on the economy overall, not to mention on the people we are purporting to help, could be devastating.

Instead of trying to score easy political points, we should institute policies that will have a lasting, positive effect on everyone in the economy. Balancing the budget would have the most profound lasting effect, by lowering interest rates on homes, cars, and credit cards.

Furthermore, we can also approve the $500 per child tax credit, marriage penalty relief, adoption tax credits, and reduce the Federal gas tax.

That's the kind of relief we need, and the kind of relief President Clinton has vetoed.

INDIAN ELECTION-RIGGING

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. BURTON of Indiana. Mr. Speaker, I recently had the opportunity to meet with several prominent Kashmiri leaders to discuss the Indian Government's intentions to force elections upon the people of Indian-occupied Kashmir on May 23 and May 30, 1996. While I was not surprised to hear that Indian security forces are continuing to commit numerous human rights abuses against innocent Kashmiris, I was astonished to learn of how far the Indian Government is going to deceive the outside world into believing that Kashmiris actually support the upcoming elections.

I have been informed that the Indian Army is going door to door telling Kashmiris that they were legally bound to participate in the election and threatening physical retaliation against Kashmiris who fail to vote. Buses are being diverted from their normal routes to transport people to rallies supposedly in favor of elections. I have also been told that the Indian Government has organized 50,000 people to pose as Kashmiris and to travel throughout Kashmir on election day casting votes at every stop all under the watchful eyes and cameras of a select few reporters chosen by India to paint the elections as a great success.

Mr. Speaker, it is quite well known by everyone who follows the Kashmir issue that the only vote people of Indian-occupied Kashmir desire is a vote which includes the option of independence from India. This option, while promised on numerous occasions by the United Nations, has been continually denied by the brutal Government of India. Why is self-determination deemed an inalienable right for so many peoples of the world, yet so taboo when talk turns to Kashmir? Are the peoples of Estonia, Latvia, Lithuania, Ukraine, Turkmenistan, Tajikistan, Armenia, and Azerbaijan more capable or worthy of self-government than the people of Kashmir? Historically, Kashmir has been ruled as a princely state far longer than it has been part of India—a country which has existed less than 50 years. Its claims to independence are just as strong as those of the former Republics of the Soviet Union.

Mr. Speaker, I have heard some political theorists argue that granting the Kashmiris their independence would prove destabilizing to South Asia and could facilitate the breakup of India. Hogwash! What could be more stabilizing for India than to give the Kashmiris, who clearly do not want Indian rule, their freedom. No longer would India have to devote hundreds of thousands of troops and huge amounts of money to suppressing the Kashmiris. Even if the transition to independence proved turbulent, would it be any more turbulent than the transition of the former Soviet Republics to New Independent States? Is avoiding potential instability a higher goal than freeing people from an oppressive ruler?

Mr. Speaker, I hope everyone in the United States will be watching the upcoming elections in Kashmir very carefully. It is obvious that the Indian Government wants the world to stop asking these tough questions and wants the world's eyes to turn away from this troubled part of the world. That is why the Indian Government is going to such extremes to stage these elections. However, this should not come as a surprise to anyone who has had an opportunity to see what India is willing to do here in the United States to shield itself from United States congressional scrutiny. I encourage all my colleagues in the Congress to read the Thursday, May 9, 1996, Baltimore Sun article which documents how the Indian Embassy recently funneled $46,000 in illegal campaign contributions to United States congressional candidates whom it perceived to be sympathetic to India. Such tampering in United States electoral politics by the Indian Embassy cannot be tolerated.

[From the Baltimore Sun, May 9, 1996]

CAMPAIGN FUND-RAISER ADMITS GUILT

(By Jim Hanker and Mark Matthews)

A prominent fund-raiser for Maryland Democrats pleaded guilty yesterday to election fraud in a scheme to launder at least $46,000 in illegal campaign contributions he received from an official at the embassy of India in 1994.

Lalit H. Gadhia—a 57-year-old immigration lawyer and former campaign treasurer to Gov. Parris N. Glendening—confessed in U.S. District Court in Baltimore to his role in the scheme to influence congressional lawmakers involved in foreign-policy decisions affecting India.

An immigrant from Bombay, India, who was active in Baltimore's early civil rights movement, Gadhia now faces up to five years in prison and $250,000 in fines. Sentencing is scheduled for this summer.

Prosecutors say the case against Gadhia is one of only a handful of cases in which foreign citizens or governments have been linked to illegal campaign contributions in a U.S. political race, and may be the first time an official of a foreign embassy has been implicated.

"The fact that the money came from the Indian Embassy and that so many people were manipulated into participating in the scheme takes this case to a higher level than we normally see in these kind of investigations," said U.S. Attorney Lynn A. Battaglia. "Obviously, we have not seen a case like this in Baltimore before."

Among those who received the illegal funds were four members of the Maryland delegation and congressmen in Pennsylvania, New

York and Ohio. According to documents filed in the case, federal authorities could find no evidence that any of the recipients was aware of the true source of the contributions.

"The campaign assumed that these were appropriate contributions," said Jesse Jacobs, press secretary for Sen. Paul S. Sarbanes, the Marylander who is the third-ranking Democrat on the Foreign Relations Committee. Mr. Sarbanes received $4,500 of the questionable contributions.

Other Maryland Democrats who received $3,000 contributions each were Reps. Benjamin L. Cardin and Steny H. Hoyer and former Rep. Kweisi Mfume.

In all, 19 Democratic candidates nationwide got the money shortly before the 1994 elections through a network of prominent Indian-American businessmen in Maryland, their families and employees of their companies. The donors then were reimbursed by Gadhia, who admitted yesterday that he used money from a minister at the Embassy of India in Washington.

Under Foreign Election Commission rules, it is illegal for noncitizens to make political contributions or for anyone to make donations in another person's name. But Gadhia never informed donors that the money was coming from India—or told them that it was a crime to accept reimbursement for a donation.

"The vast majority of people in the Indian-American community nationally are going to be appalled by this," said Subodh Chandra, 28, a Los Angeles lawyer who heads a political action committee that unwittingly received at least $31,400 of the illegal contributions from Gadhia.

"We can only hope at this point that these were the acts of a lone bumbler or group of bumblers and not some sort of international intrigue involving the Indian government. Whatever the case may be, it has harmed an immigrant community in this country that has worked hard for political recognition," Chandra said.

The scheme first came to light last year after a two-month investigation by The Sun into Chandra's PAC, the Indian-American Leadership Investment Fund. Federal campaign finance records showed that almost all of the group's money came from Baltimore donors with ties to Gadhia, who then was Glendening's campaign treasurer.

Donating mostly in $1,000 and $500 increments, contributors ranged from prominent Indian-American engineers and doctors to cooks, busboys, students and secretaries who never before had made a political donation.

A half-dozen contributors interviewed said they were paid by Gadhia or his nephew to write the checks, but had no idea the practice was illegal.

Satish Bahl, a part owner of the Akbar Restaurant on Charles Street—where kitchen employees made $13,500 in bogus contributions—echoed other Baltimore donors in saying he now feels badly used by his former friend.

"I had no idea—absolutely no idea," he said yesterday. "We were not aware of the consequences. We were only involved third-hand. We never thought about how far this could go."

Gadhia denied the allegations at the time of The Sun's investigation. But the case against him continued to build last summer as FBI agents issued subpoenas to those who gave to the PAC or who attended fund-raisers held by Gadhia for Maryland congressional candidates, Baltimore Mayor Kurt L. Schmoke and presidential aspirants Bill Clinton and Michael S. Dukakis.

FORMER MD OFFICIAL

Gadhia was at the height of his political influence, having been rewarded by Glendening with an $80,000-a-year post as his deputy secretary of international economic development. Within days, the governor demanded his resignation.

The allegations of wrongdoing stunned Baltimore's close-knit Indian-American community because Gadhia was its de facto political leader—the man with the golden Rolodex who could produce thousands of dollars in contributions with a round of telephone calls.

Then, on May 8, 1995, FBI agents seized documents from Gadhia's Charles Street office that quickly expanded the investigation beyond the PAC contributions.

According to records released yesterday by the U.S. attorney's office in Baltimore, the courier bill was addressed to a minister named Devendra Singh at the "Embassy of India" and it contained checks not only to the PAC but to 12 Democratic lawmakers.

The records enabled the FBI to trace some $46,000 in illegal contributions back to Singh at the embassy, Battaglia said.

Singh, who now is a high-ranking police official in Rajasthan state in India, was minister for personnel and community affairs at the embassy at the time. Among his duties was to reach out to prominent Americans who had immigrated from India and seek their support for the government.

NO SUCH CONTRIBUTION

The current minister for community affairs, Wajahat Habibullah, denied that the embassy is involved in trying to influence U.S. foreign policy through campaign contributions.

"I have not made any such contribution," he said, adding that diplomats at the embassy have a budget for entertaining dignitaries but not for political donations. "Certainly it is not part of our work."

But it is not the first time the issue has come up.

India's current ambassador has been in Washington only since April. But his predecessor, Siddhartha Ray, who is now running for Parliament in India, drew harsh criticism from Indiana Republican Rep. Dan Burton for his statements backing certain members of Congress who were known to be strong supporters of India.

"We are very concerned about political activities at the Indian Embassy," Burton's chief of staff, Kevin Binger, said of the Gadhia guilty plea. "We feel very strongly that it should stay out of political races. Any allegation that this is going on should be investigated and made an issue with the Indian government."

Said embassy spokesman Shiv Mukherjee: "The Indian Embassy operates fully within the bounds of diplomatic propriety."

Officially, the State Department had no comment. Privately, however, officials chalked up the illegal contributions that were funneled through Gadhia's Maryland political network to a lack of sophistication in how to influence the American political system.

One official said the Indians had made a fumbling start in their attempt to copy the formidable clout wielded on Capitol Hill by such countries as Greece and Israel, which are aligned with powerful and well-financed Washington lobbies.

India and its supporters in Washington have been extremely vocal in trying to limit U.S. military assistance to India's longtime adversary, Pakistan—most recently, the sale of 38 F-16 fighters.

As the Clinton administration has tried to improve trade and political ties with India while not damaging relations with Pakistan, much of this debate has played itself out before the Senate Foreign Relations Committee and House International Relations Committee.

Federal Election Commission records show that the committee members have become magnets for campaign contributions from Pakistani and Indian immigrants living in the United States—and for Gadhia's laundered contributions.

In addition to Sarbanes, other Democratic committee members targeted were Sen. Charles S. Robb of Virginia, $2,000; Rep. Gary L. Ackerman of New York, $3,000; Rep. Sherrod Brown of Ohio, $3,000; Rep. Lee H. Hamilton of Indiana, $3,000; Rep Eliot L. Engel of New York, $3,000; Robert E. Andrews of New Jersey, $3,000; and Rep. Howard L. Berman of California, $2,800.

State Department officials said yesterday's revelations were unlikely to do serious damage to U.S.-Indian relations. Nor does the Gadhia case appear to rise to the level of other campaign financing scandals involving foreign nationals.

The Justice Department is investigating the campaign finances of Rep. Kim, a California Republican and the first Korean-American member of Congress.

Since December, four Korean companies—Hyundai Motor America, Korean Air Lines, Daewoo International (America) Corp. and Samsung America—have paid a total of $1.2 million in fines in connection with illegal campaign contributions to Kim that were laundered through company employees.

In 1994, a number of Japanese citizens and corporations paid a $162,225 civil penalty to the FEC for making more than $300,000 in illegal contributions in Hawaii during the 1980s.

Perhaps the most famous episode of foreign intervention in recent history was the Korean scandal of the 1970s, in which a wealthy South Korean businessman funneled hundreds of thousands of dollars in bribes and contributions to U.S. politicians.

Among those caught in the scandal, which implicated more than 30 members of Congress, was Hancho C. Kim, a Maryland businessman. He was sentenced to six years in prison in 1978 for accepting $600,000 in funds from the Korean government to influence members of Congress.

HOW THE MONEY MOVED

Aug. 16, 1993. Indian American Leadership Investment Fund registers as a political action committee (PAC) with the Federal Election Commission. In first 13 months, it raises $700.

October 1994. Lalit H. Gadhia sends 41 checks totaling $34,900 written by various individuals to the PAC. Between Oct. 30 and Nov. 3 the PAC sends $34,800 to 14 congressional candidates and to the Massachusetts. Democratic Party's Victory '94 fund. Federal prosecutors say that Gadhia selected the candidates to receive contributions and that he reimbursed the authors of most of the checks, using money obtained from an official at the Indian Embassy in Washington.

October–November 1994. Another $16,000 in contributions from individuals is made directly to 12 candidates, including eight who also received money from the PAC. The contributors are reimbursed by Gadhia, using money from the Indian Embassy official.

Dec. 1, 1994: Gadhia sends a report on the use of the campaign funds to the embassy official, Devendra Singh.

May 3, 1995. Gadhia resigns as Gov. Parris N. Glendening's campaign treasurer following a report in The Sun describing his fundraising activities. He also takes leave of absence from his $80,000 post as assistant secretary of international economical development in the Maryland Department of Economic and Employment Development.

May 8, 1995: FBI searches Gadhia's law office and finds evidence of the scheme to launder illegal campaign contributions.

June 30, 1995: Gadhia resigns his state job.

Yesterday: Gadhia appears in federal court and admits his role in the scheme.

MEDICAL SAVINGS ACCOUNTS: DELTA DENTAL EXPLAINS WHY THEY ARE ABOUT AS GOOD FOR HEALTH CARE AS AN ABSCESSED TOOTH

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. STARK. Mr. Speaker, following is a letter in opposition to medical savings plans from Delta Dental, the large dental health care plan that serves about 27 million Americans.

MAY 3, 1996.

Hon. FORTNEY PETE STARK,
U.S. House of Representatives, Cannon Building, Washington, DC.

DEAR REPRESENTATIVE STARK: I am writing to urge you to oppose the inclusion of Medical Savings Accounts (MSAs) in healthcare reform legislation currently pending in Congress (HR3103).

As you know, Delta Dental Plan of California is the state's oldest and largest dental health plan, covering almost 12 million people in our commercial and government programs throughout California and the nation. We are a member of the nationwide Delta Dental Plans Association, which serves more than 27 million Americans and includes participation of 67 percent of the nation's dentists.

Delta Dental Plan of California supports the primary objectives of the current incremental healthcare reform legislation to provide portability and limit preexisting medical exclusions. It is important to note that dental coverage plays an essential role in our nation's healthcare system. In fact, dental benefits embody the qualities being sought in healthcare reform by emphasizing primary care and preventive services, holding patients responsible for a portion of the services they receive and controlling costs. According to the Institute of Medicine, regular dental care dramatically reduces dental disease, saving $4 billion annually. As a share of national health expenditures, dental costs have actually declined over the past three decades—from 7.4 percent in 1960 to 5.3 percent in 1990. While medical care costs were skyrocketing, the cost of dental care rose at a rate less than half that of physicians' services and one-third the rate of hospital costs.

While MSAs may help lower healthcare costs for some, they run counter to the principles of a sound dental care program.

MSAs discourage preventive care. Unlike physicians, dentists have an extensive, cost-effective set of preventive procedures to draw upon. By emphasizing preventive services, dental insurance helps improve health and lower treatment costs. MSAs, on the other hand, tend to discourage preventive, routine services. I am concerned that individuals will treat MSAs as cash savings and be more likely to regard dental care as something that can be postponed. By delaying routine care until dental problems are at more advanced stages, the eventual cost of treatment will be higher.

MSAs are less cost-effective. MSAs may actually result in higher employer benefit costs. Most healthcare dollars are spent on a small portion of the population in high amounts. Yet under an MSA option, individuals who are otherwise low utilizers to healthcare would be eligible to receive the full MSA contribution from their employers.

MSAs could lead to adverse selection and higher premiums. Young, healthy and financially well-off individuals are more likely to choose MSAs, leaving the poorer, sicker individuals in the insured population. Under those circumstances, employer premium costs would increase significantly.

I urge you to oppose the inclusion of MSAs in the final healthcare legislation. Should you have any questions or need further information, please feel free to call me.

Thank you for your time and consideration.

Sincerely,

WILLIAM T. WARD,
President and Chief Executive Officer, Delta Dental Plan of California.

DALLAS LOSES A COMMITTED CITIZEN

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, sadly today, I must report the loss of a friend, supporter, and committed citizen, Elsie Cohen Pearle. Mrs. Pearle, passed away at her Dallas home this past week following a battle with cancer.

Born as Elsie Cohen in Pittsburgh, she graduated from Schenley High School. Shortly afterward, she met and married Stanley Pearle. The couple moved to Texas after Dr. Pearle graduated from optometry school and she became very involved in the family's optometry businesses, which preceded the founding of Pearle Vision optical stores. She worked as an executive for the firm and handled all of the advertising.

Elsie Cohen Pearle was a charter life member of the National Council of Jewish Women, Greater Dallas section and she has been described by her friends and associates as a tireless and inspiring leader in the fundraising efforts of that organization. In Dallas, however, Mrs. Pearle was best known for her love of art and her support of numerous organizations. She was a member of the Dallas Jewish Historical Society, the League of Women Voters, the National Organization for Women, and Emily's List. She also chaired the women's division campaign of the Jewish Federation of Greater Dallas. She has also been active in every national political campaign since 1960. She attended State Democratic conventions and cochaired breakfasts, luncheons, and art shows on behalf of many political candidates.

In 1988 she was honored with the Israel Bonds Woman of Valor Award, and she and her husband were awarded the Torch of Conscience Award by the Dallas Chapter of the American Jewish Congress. Mrs. Pearle formerly served on the aesthetics committee of Temple Emanu-El, where she also served on the board of the music committee. She was to have been honored in November as the first honorary chairwoman of the National Council of Jewish Women's Gala Affair in Dallas.

Elsie, you will be missed.

TRIBUTE TO MARIAN KLEBANOFF

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Ms. McCARTHY. Mr. Speaker, I rise today to honor Marian Klebanoff who will receive the State of Israel's Heritage Award on Sunday, May 19, 1996, in Wichita, KS. Marian has dedicated her life to her family and to her community and to the State of Israel.

Marian was born in 1916 in Kansas City, MO, the second child of Edith and Benjamin Bell. She graduated from Linwood Elementary School and Central High School. Marian attended the Kansas City Art Institute, the University of Kansas, and the University of Tulsa. In 1940 she married Nathan Wedlan of Kansas City where they lived most of their married life. The had two daughter, Myrna who is married to David Lyons and Bobbi who is married to Larrie Weil.

Marian first visited Israel in 1973 with her husband who died later that year. In 1978 she moved to Wichita, KS, to marry Joseph Klebanoff who has two sons, Gary and Alan. She and Joe have been blessed with seven wonderful grandchildren: Jonathan Wedlan Lyons, Brett Harrison Lyons, Parker Anders Weil, Sarah Marion Weil, Sarah Annie Klebanoff, David James Klebanoff, and Kara Klebanoff.

Marian's devotion to her family is equaled only by her commitment to helping others. She began her public service as a high school student when she volunteered at Congregation Beth Shalom in Kansas City, MO, as a librarian. A great lover of children, Marian taught Sunday school and nursery school and was camp director at Beth Shalom.

Marian has lived several places during her adult life and has always been actively involved in her community. In Kansas City Marian served as the director of Jewish education and art gallery coordinator for the Jewish Community Center; she also was a board member of Congregation Beth Shalom Sisterhood, National Council of Jewish Women, Hadassah, and Jewish Federation. While living in Tulsa, OK, Marian was president of the National Council of Jewish Women and served on the board of directors of Hadassah, Jewish Federation, and ORT.

.More recently Marian has served on the board of directors of Jewish Federation of Wichita, Temple Emanu-El Temple, Temple Emanu-El Sisterhood, Hadassah, and B'nai N'rith Women. She has been president of Temple Emanu-El Sisterhood and also has served as chairperson of the Education and Anti-Defamation League communities as well co-chair of the women's division of the Jewish

Federation. Marian is also a member of the Wichita Gardens Botanica, Wichita Art Museum, Wichita Center for the Arts, Wichita Symphony Association, Wichita-Sedgwick County Historical Museum, American Civil Liberties Union, and the Mainstream Coalition.

I am proud to list the many organizations with which Marian has worked, but Marian's life has been much more than the sum of all the wonderful parts. The Hebrew language has no word which directly corresponds to the English word "charity." The closest word for "charity" in Hebrew is "Tzedakah" which is a Judiac admonition to be righteous, compassionate, and, above all, help one's fellow man. Marian is a most perfect example of this combination of community service and responsibility.

I am honored to rise before this distinguished body to recognize Marian Wedlan Klebanoff who has earned my respect and that of her family and her friends. She is a worthy recipient of the State of Israel's Heritage Award for her devotion to her family, to her synagogue, to her community, and to the State of Israel.

A TRIBUTE TO DAVID M. MARSHALL, JR.

HON. MIKE WARD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. WARD. Mr. Speaker, I rise today in tribute to an outstanding citizen in my district, Mr. David M. Marshall, Jr. Mr. Marshall has been a loyal employee of the Louisville Naval Ordnance Station for 38 years and retired as of May 3, 1996.

Mr. Marshall's long years serving at the Naval Ordnance Station are a credit to his dedication to the United States and its Armed Forces. During his long tenure, he was key in developing many defense technologies. His talents as a mechanical engineer will surely be missed. I would like to personally thank him for his commitment and to extend my best wishes to him and his family as they celebrate his retirement this weekend.

POLISH-AMERICAN WAR VETERANS

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. COSTELLO. Mr. Speaker, I rise today in tribute to the Polish-American War veterans in my congressional district, who are celebrating their 50th Anniversary as a veterans organization in the Metro East and will celebrate that distinguished anniversary on June 1, 1996.

This local Polish-American War veterans organization was formed immediately after World War II, when so many local Polish-Americans living in Southwestern Illinois left their homes and families to fight to free Europe and preserve democracy here in America. Upon their return, these veterans decided to form their own local PAWV organization.

According to the local organization, these original ideas were nurtured at the S.M. (Steve Mizulski) Tavern in East St. Louis, where planning sessions took place. The PAWV was subsequently chartered in May 1946 by the State of Illinois. The first officers were Stanley Gula, President; Stanley Boryczko, Vice-President; Joseph Skowron, Secretary; Michael Bartosz, Treasurer; and Adam Wondolowski, Sergeant-at-Arms. Other active leaders were Walter Kolczak, Les Kloczak, Aloysius Szablowski, Edward Cich, Ed Wondolowski, as well as John Radon, Ted Skrabacz, and Ben Nieciecki.

Over the years, events were staged throughout the Metro East, with its 25th Anniversary celebrated on October 2, 1971, at the Catholic Knights and Ladies Hall in Belleville. Under the leadership of Albert (Butch) Rolek and other committed members, a permanent site for the PAWV was found in 1979 on North 81st Street in Caseyville.

The PAWV sponsors a variety of community events every year, including the annual Father's Day program, ethnic celebrations, children's events, as well as national and State holiday observations. The Ladies Auxiliary, a group of dedicated wives and mothers, supports the activities and continues to work to foster an understanding and love of the Polish community.

Mr. Speaker, I urge my colleagues to join me in congratulating the PAWV on its 50th Anniversary.

BLOOMFIELD CITIZENS COUNCIL AWARDS

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. COYNE. Mr. Speaker, I rise today to pay tribute to a number of Pittsburgh residents who were honored on May 3 with Bloomfield Citizens Council awards. Every year, the citizens council grants these awards to members of the community who have made a significant contribution to the quality of life in Bloomfield.

For decades of countless volunteer hours and for her tireless dedication as the editor of the Spirit of Bloomfield newsletter, Janet Scullion was presented for the first time in the history of the council with a dual award, receiving both the Mary Cercone Outstanding Citizen Award and the Distinguished Leadership Award.

For her dedication to the education and spiritual commitment of two generations of Bloomfield children, Sister Mary John Cook is being honored with the Lifetime Achievement Award, Sister Mary John has served as the principal of Immaculate Conception School for 16 years.

Two community members received recognition for their commitment to athletics and were jointly awarded the Outstanding Athletic Leadership Award. Dan Brannigan worked tirelessly for several years to develop and support basketball and volleyball programs for young people in the Bloomfield community. George Savarese has given his heart and soul to the success of the hockey league program which helps Bloomfield boys build character and self-discipline.

For knowing the streets and encouraging everyone to join together and work with the police, the Public Safety Award was bestowed upon BILL BRADLEY.

Never refusing to help his community through countless hours of service with the Bloomfield Lions Club, the St. Joseph Nursing Home, and the Meals on Wheels Program—and for always being willing to go the extra mile—Emil Del Cimmuto was recognized with the Extra Mile Award.

An impressive record of attendance at meetings, hearings, and hundreds of volunteer hours of committee work on everything from youth to seniors made the selection of Phyllis McQuillan as the recipient of the Community Commitment Award unquestionable.

City Council President Jim Ferlo, longtime community activist, was the founder and driving force behind such organizations as the Patient's Right Program, the Pennsylvania Alliance for Jobs & Energy, and the Save Nabisco Action Coalition. For his numerous community activities, and because Jim is always there as a loyal friend with an optimistic vision when the citizens of Bloomfield needed him, Jim Ferlo has been honored with the Neighborhood Loyalty Award.

A dedicated and outspoken 15-year-old who volunteers at West Penn Hospital, Kristen DiGiacomo has been honored with the Junior Patriotism Award. This remarkable young woman is truly a model for all young people in the city of Pittsburgh.

For his partnership with the Bloomfield Citizens Council to advance the educational opportunities for Bloomfield children at Immaculate Conception School with microscopes, lab equipment, and computers, Charles O'Brien was honored with the Academic Advancement Award.

Greg Feigel and Larry Camerota are the two recipients of the Outstanding Athletic Achievement Award.

The recipients of the posthumous awards this year were Mary Lou Johnson and Gilda Zolabinski. Mary Lou's life was marked by her dedication to family, friends, and community. Gilda also had a deep commitment to the people she loved, and to the quality of life in Bloomfield.

For his creative display of more than 6,000 lights and different winter scenes which are admired by everyone, Jack Rice received the Creative Christmas Award.

For their admirable effort, the following people received an honorable mention for the Creative Christmas Award: Michael Armenti, Gary Caldwell, Humphrey DiGiacomo, John Fugil, and Michael Magliocco.

All of these individuals have made significant contributions to the people and community of Bloomfield in Pittsburgh. It is only through such efforts that the quality of life in our communities can be maintained. They deserve our thanks and commendation. I salute them.

GIRL SCOUT GOLD AWARD RECIPIENTS

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mrs. MEEK of Florida. Mr. Speaker, today I would like to salute a group of outstanding young women who will be honored on May 22, 1996, by Tropical Florida Girl Scout Council in Miami, FL, for earning the highest achievement in U.S. Girl Scouting. They are Julie Vilaboy of Girl Scout Troop No. 52, Jessica Tejera, Rusonda Solomon of Girl Scout Troop No. 79, Lauren Schwartz of Troop No. 75, Laura Santos of Troop No. 52, Marisa Key of Troop No. 535, Carrie Hoffman of Troop No. 79, Jennifer Harvey of Troop No. 79, Luvy Delgado of Troop No. 140, Alicia Castellanos of Troop No. 52, Jessica Bernabei of Troop No. 140, Maria Beotequi of Troop No. 140, and Tracey Adams of Troop No. 711.

The Girl Scout Gold Award symbolizes outstanding accomplishments in the areas of leadership, community service, career planning, and personal development. The award can be earned by girls aged 14 to 17, or in grades 9 through 12.

Girl Scouts of the U.S.A., an organization serving over 2.5 million girls, has awarded more than 20,000 Girl Scout Awards to Senior Girl Scouts since the inception of the program in 1980.

To receive the award, a Girl Scout must earn four interest project patches, the Career Exploration Pin, the Senior Girl Scout Leadership Award, and the Senior Girl Scout Challenge, as well as design and implement a Girl Scout Award project. A plan for fulfilling these requirements is created by the Senior Girl Scout and is carried out through close cooperation between the girl and an adult Girl Scout volunteer.

As members of the Tropical Florida Girl Scout Council, these outstanding young women began working toward the Girl Scout Award as early as September of last year. They completed their projects in programs such as self-awareness/self-help, youth monitoring, and education and community service.

I know that my colleagues will join with me in extending to these outstanding young women our congratulations for a job well done and for their service to our community and our country.

ARTHRITIS FOUNDATION HONORS NATHAN N. SCHIOWITZ

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. KANJORSKI. Mr. Speaker, I rise today to recognize Nathan N. Schiowitz, who has been selected by the Northeastern Pennsylvania Unit of The Arthritis Foundation as its 1996 Community Leader of the Year. I am pleased to recognize Mr. Schiowitz as he receives this honor on May 15, 1996.

The Arthritis Foundation gives the Community Leader Award to those community leaders who demonstrate outstanding leadership qualities in their communities and who have selflessly given of themselves for the betterment of others. Nathan Schiowitz fulfills, and surpasses, these requirements. He is truly deserving of this award.

Nathan Schiowitz began his professional career in 1924 when he joined his father's company, the General Supply and Paper Co., located in Wilkes-Barre, PA. He quickly became a leader in the business, and rose to the position of president before his retirement in 1975.

As Nathan's leadership qualities grew with his experiences at the General Supply and Paper Co., he shared those qualities with his community. From 1925 until 1940, Nathan served on the Jewish Welfare Agency's Board of Directors. In 1972, he served on the Flood Recovery Committee and worked to provide assistance to victims of the Hurricane Agnes flood which devastated much of the Wyoming Valley.

Currently, Mr. Schiowitz is president of the Congregation of Ohav Zedek, and serves on the board of the Jewish Community Center. He is vice president and treasurer of the Jewish Federation of Greater Wilkes-Barre, and is also treasurer of the Jewish Community Center's Trustee Board. He has been named honorary chairman of the United Hebrew Institute and serves on Jewish Family Service Board.

Nathan Schiowitz's leadership does not stop with these positions. He also serves as the treasurer of the Ecumenical Enterprise Corporation and is operations chairman of the Meadows Nursing Home Board. He is also a member of several Masonic organizations including the Irem Temple Mystic Shrine.

For his leadership roles, Nathan has been honored extensively. He has received the Ohav Zedek Endowment Award and was recognized in 1982 by the Jewish Federation of Greater Wilkes-Barre USA Campaign and the United Hebrew Institution 25th Anniversary Endowment Campaign. Nathan was honored with the National Council of Jewish Federations Endowment Acknowledgement in 1986 and received a Community Service Award from the B'nai B'rith in 1988. In 1991, he was honored by Wilkes University at the dedication of the Schiowitz Hall.

With his active participation in so many organizations, Nathan Schiowitz has become an outstanding leader throughout the Wyoming Valley. His capabilities and character have resulted in the innumerable accomplishments and successes. His interaction with others has been responsible for improving the lives of so many people.

Mr. Speaker, Nathan N. Schiowitz is truly deserving of The Arthritis Foundation's 1996 Community Leader of the Year Award. On behalf of his community, I would like to thank him for all that he has done to better the lives of others, and wish him continued success in all that he does on behalf of others.

IN HONOR OF RUTH JERNIGAN

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. STARK. Mr. Speaker, I rise today to recognize the achievements of Ms. Ruth Jernigan. She retired on April 1, 1996, after a total of 44 years of tireless service as a community and legislative advocate.

Ruth began working in 1952 at McDonnell Douglas in Long Beach, CA, where she was employed until 1978. In 1978, she began 18 years of service to the United Auto Workers [UAW] as a UAW international representative, where she has served as a coordinator for the UAW Western Region Political and Legislative Program. Her territory included part of northern California from Fresno to Oregon, the States of Oregon and Washington, and parts of northern Nevada. Her responsibilities included serving as the direct liaison between the UAW and city, county, State, and Federal elected officials and advocating for legislative issues on behalf of UAW members, their families, and the community.

Throughout her long career, Ruth also served with distinction on several commissions. She was a commissioner for the Department of Water and Power in Los Angeles where her duties included planning and developing new programs for the department. She served as a commissioner on the Los Angeles County Commission for Women. In this capacity, she planned and developed programs to promote women to the highest levels of management in every department of the county of Los Angeles. She also served as a commissioner for Industrial Innovation for the State of California, an organization which provides a forum for debate and policy guidance for the Governor and the legislature on the role of technical innovation in maintaining California's leadership in the Nation's economy.

Ruth was also a founding member of the 100 Black Women Organization of Los Angeles County, a member of NAACP, the Urban League, and the Black Women Forum.

Mr. Speaker, I ask that you and my colleagues join me in recognizing Ruth Jernigan for all of her years of dedicated service. I wish her much happiness and success in her future endeavors.

THANK YOU SAM GIBBONS

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise not to say goodbye but say thank you to a good friend and wonderful legislator who truly cares about the people he represented in Congress. I am speaking of Congressman SAM GIBBONS from Florida who is retiring from the House of representatives. I am sad to see him leave because I know how much he helped and how much he gave of his time to make sure that everyone in his district and in the Nation was heard.

He is a true public servant who worked to better his district in the State of Florida and the Nation as a whole. His 30-plus years of dedicated service to the House of Representatives has not only made the Congress a better place, it has overwhelmingly enhanced all Members of Congress who have had the pleasure to serve with him.

Senior citizens in my district know who SAM GIBBONS is because of his stand this year on

Medicare and Medicaid issues. He stood up and made his voice heard for those seniors who could not come to Congress and speak to their own Representatives.

But, in his tenure in Congress he worked diligently to make the voice of the underdog heard. His senior position as ranking member on the Ways and Means Committee gave him the ability to keep in touch with issues that matter to everyone.

Mr. Speaker, I will greatly miss SAM GIBBONS when he leaves at the end of this Congress for all his strength, power, and wisdom. Congress is losing one of its best, an American hero, and I know in some capacity SAM will continue to work for the Nation.

THE TELECOMMUNICATIONS REVOLUTION

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. BARTON of Texas. Mr. Speaker, few pieces of legislation pass this body with the bipartisan support that the Telecommunications Act of 1996 enjoy. Last month I held a telecommunications conference in my district with the goal in mind of letting my constituents of the Sixth District of Texas know how this bill will positively change their lives for the better. I believe it is important that people understand the importance and the magnitude of this legislation. The keynote speech was delivered by the President of the National Cable Television Association, Decker Anstrom. The speech he delivered that day seemed to translate the importance of this bill quite well. I would like to respectfully submit that speech for the RECORD.

REMARKS OF NCTA PRESIDENT DECKER ANSTROM BEFORE CONGRESSMAN JOE BARTON'S CONFERENCE IN DALLAS, TEXAS

Thank you, Congressman Barton for inviting me here today. I know I speak for not just the cable industry, but for the entire communications industry, in expressing my appreciation for your unwavering commitment to telecommunications reform and for your firm determination to make it happen.

As you all probably know, Joe was quite a baseball pitcher, with a hard fastball. Now, in Washington, he's the Nolan Ryan of telecommunications, and will strike out any pointed-head regulator who dares to get in the way of competitive, deregulated markets.

It's great to be back in Texas, which, as the TV commercial says, is just like a "whole another country." Of course, Washington, DC, is it's own world: 60 square miles surrounded by reality. But Texas is the real world.

In any event, it's only fitting that you should be focusing on the future of telecommunications, since telecommunications will have such a significant influence on the way we work, learn and live.

Today, you've heard from a wide range of leaders in telecommunications, representing the diverse and competitive nature of the industries. If you reflect on what they've said, there's little doubt that we're entering a period of significant change—and great opportunity.

Indeed, it's not an exaggeration to say that we are entering a revolutionary time in American telecommunications.

What I'd like to try to do this afternoon is to put this revolution a little broader context by asking the question: what forces have come together to shape the telecommunications revolution now underway? And to try to answer the most important question: what will this revolution mean for communities, families and businesses?

So, let me start with the first question: why a revolution now?

I'd point to three major factors: dramatic changes in technology; dramatic changes in consumer demand; and the dramatic change in law and regulation.

First, technology. Now I'm no engineer. In fact, I still can't tell you how TV signals can go through a solid wall—although if it's any comfort to others in my predicament, I've asked senior engineers and they confirmed my guess: it's magic!

But I can tell you that the competitive opportunities you heard about this morning are being fueled by the 0's and 1's of the digital age, tiny computer chips, and fiber optics.

When we refer to digital technology we're really talking about technology that employs the language of computers—they communicate in digits, 0s and 1s. Until about 1990, we could only use that language to transmit data between computers.

But then, researchers discoverd a way to break down TV pictures and sounds into those same 0's and 1's computer language. That meant that a telephone call, an E-Mail message, or a movie could all be transmitted using 0's and 1's—rather than using sound waves. Those 0's and 1's don't take up much room, in the air or inside a wire. The result: we can move lots of information very efficiently and quickly.

Just think, only a few 0's and 1's gives you a chance to see and hear Roseanne perform while getting data on her weight and cholesterol levels at the same time! That's revolutionary—or maybe cause for a revolution!

Meanwhile, those thin little electronic chips that run computers and other gizmos have continued to get tinier and tinier—while their capabilities have improved dramatically and their costs have plunged. And all that, in turn, has made it increasingly cheaper and easier to not only build computers that are smarter and faster, but also the telecommunications networks and electronics that use them.

Further helping speed the development of the telecommunications revolution has been the rapid deployment of fiber optic wires, particularly in the cable industry. Through fiber optic cable, we can move those 0's and 1's at the speed of light. And as we all know, nothing moves faster than the speed of light. Except, of course, for Deion Sanders.

The second major factor driving the telecommunications revolution is the revolution in consumer demand. This is a force that companies ignore at their peril. The plain fact is, of course, that the engineers can design all the widgets they can dream of—but without consumer demand, those widgets will remain on factory loading docks.

Now, I don't propose to review thoroughly the profound changes that have been underway for at least a decade that are reshaping consumers' expectations and desires. But here are three significant economic, social and cultural changes that have affected us all and have helped drive the telecommunications revolution:

One: average Americans appear to have less time for their personal lives and leisure—making them demand more products and services that are more convenient to use, when they want to use them. In particular, we'd like to go to one place for a package of services. That's why we like shopping malls.

Two: continued inflation, coupled with sluggish growth in average wages, has turned most of us into more picky and choosy consumers—we're more price-sensitive and value-conscious when we buy things.

An three: the explosion of personal freedom and independence in our society has made people more discontented with limited choices in the marketplace—we want options in what we buy.

Think about how these forces have already been reflected in telecommunications just during the past 10–15 years:

In 1980, most consumers could choose from just three broadcast networks; today there are more than 100 cable and broadcast networks to choose from.

In the early 1980's, only 7 percent of U.S. households and a personal computer; today 40 percent do so.

In 1980, only 2 percent of U.S. TV households had a VCR; today it's nearly 80 percent.

And hold your hats on this one: In 1985, wireless phones were used by about 340,000 persons; that figure has since skyrocketed to 34 million!

These trends all point to one inescapable conclusion: consumers and businesses no longer will stand still for shoddy service, or poor price/value, or no choices.

If a telecommunications company can step in to address these concerns, they will win customers. With technology now enabling that to happen, that's why telecommunications markets like local phone service and cable, that historically have been characterized by a single provider, will change.

Which brings me to the third major factor fueling the telecommunications revolution: the dramatic change in law and regulation, represented by the Telecommunications Act of 1996.

The telecommunications reform legislation enacted in February replaces a crazy-quilt-patchwork of judicial decisions and laws and regulations that limited competition and hampered telecommunications' firms development with a new deregulated policy that will stimulate growth and development.

It's hard to believe, but the enactment of this legislation marked the first fundamental rewrite of federal communications laws in some 60 years. Not since 1934! Think about how very long ago that was. So long ago that the Dallas Cowboys were known only as people who rode horses and worked with cattle. So long ago that the New York Yankees were "America's team"

As you all know, the new law lifts state and local legal barriers to competition in telecommunications. It's designed to make sure this competition is sustained—and kept on a level playing field—by requiring that local phone monopolies open their networks to competitors.

And once the local phone monopolies do show that they've opened their networks to competitors, they get the green light to enter the long distance market. And, of direct interest those of us in the cable industry, the second the legislation was signed by the President into law, telephone companies got the OK to offer video programming directly to their customers—as well as to manufacture telecommunications equipment and to continue to offer information services.

In short—everyone's market has been opened to competition.

The bottom line: telecommunications law has finally caught up with technology and consumer demand.

Now that the new telecommunications reform law has stripped away major competitive barriers, the path is clear for the digital revolution to pick up real steam. What will that mean for consumers and businesses? Fundamentally, it means competition and choices. But things may be confused and messy for a few years.

Clearly, now that telecommunications reform is fact, we can expect competition to take off in many places. Today's local phone monopolies, including the dominant Regional Bell Companies, will face competition for the first time—from cable companies, long distance companies, and other Bell companies.

For example, here in Texas, cable company Time Warner recently received approval from the state public utilities commission to offer local phone service. Teleport, which is fully owned by cable companies, has also received a green light to provide local phone services in Dallas.

In the long distance market, Bell companies will offer new competition to long distance companies like AT&T, MCI, and Sprint.

The television marketplace will become more competitive, too. The cable industry will continue to face fast-growing competition from direct broadcast satellite (DBS) firms, microwave-based cable systems (MMDS), and, of course, from telephone companies who will offer cable service. In Richardson, SBC Communications already is providing cable service in competition with the cable company, TCI.

But if I can add a parochial note here: Like those tough football linebackers from small Texas towns, we cable guys may be smaller than the bigger kids from Dallas and Houston, but we're faster and leaner—and we'll give the telephone companies a run for their money as we move to compete with them for phone service.

This new competition won't come easily. To construct new facilities, develop and market new services and continue to strengthen core businesses will cost telecommunications companies tens of billions of dollars in the next decade. And companies will need to acquire new marketing and technical expertise.

For many, the best route for entering new markets will be to seek out allies who have that missing ingredient necessary for competitive leadership—the right experience, the right technology, the right programming, or the right marketing know-how needed to obtain that prized competitive edge, not to mention the access to more capital!

So with the competition growing fiercer, expect all sorts of arrangements, alliances and mergers as companies battle for the hearts and minds of consumers and businesses. In some cases, it may involve consolidation within one sector, such as the just-announced merger between the two Bell companies, PacTel and SBC Communications. In other cases, it may involve mergers across sectors, such as the recently announced merger between phone giant U.S. West and Continental Cablevision.

There will also be partnerships and ventures across industry lines to help each company compete in new markets. Sprint, for example now has a partnership with three leading cable companies, TCI, Cox and Comcast, to provide local phone services, in combination with Sprint's long distance service.

Cooperative arrangements won't be limited to the biggest companies, however. For example, cable company TLCA, based in Tyler, Texas, is now reselling long distance phone services at competitive rates through an alliance with a small independent telephone company in Texas, Lufkin Conroe Telecommunications.

At first blush, all these mergers and alliances may seem to be anti-competitive. After all, aren't big companies simply getting bigger? Yes—but: keep your eye on the end-game. It's not to protect business-as-usual. Rather, these alliances are designed to build up the muscle needed for the competitive clashes ahead.

The ultimate goal of all these companies will be to become consumers' and businesses' first choice for one-stop shopping for voice, video and data services. And consumers and businesses will win—with firms offering convenient, often discounted packages of telecommunications services we can't even imagine today.

This competition won't be pretty. In the next few years you'll see plenty of confusion as consumers try to make heads or tails out of what's going on. We'll need a scorecard to know who's offering what—at what prices.

And be ready to have your dinner hour interrupted and your mailbox stuffed. We will undoubtedly be saturated by high-octaine marketing campaigns out to sign up customers for new packages of communications services. Remember when AT&T began to face heated competition from MCI and Sprint? A once quiet marketplace suddenly turned into the telecommunications industry's equivalent of the New Hampshire primary—with TV ads and mail solicitations from the long distance competitors seemingly appearing almost daily. That may be tame to the marketing that we will see for all communications services!

Consumers may find it frustrating, at first, to try to sort out all the dramatic changes coming in this industry. But the telecommunications revolution, by providing competition and choices, will make consumers the ultimate winner. This revolution will have particular meaning in business, education, and technology.

Business, big and small, will benefit from increased efficiencies and worker productivity provided by enhanced communications services. New wireless paging systems and other communications devices will make business traveling easier and more productive. Video conferencing will reduce the need for it. Many will be increasingly able to work from home. And, lower local and long distance phone rates brought on by competition will help everyone's bottom line.

In education, through high-speed Internet access, students will increasingly have the means to connect, at the speed of light, to the world's best libraries—such as the Library of Congress—and top research centers. Television will make long-distance learning a reality. Quite simply, the telecommunications revolution will enable us to bring the world into every classroom.

Finaly, the digital revolution will not just provide consumers with far more choices in the home, but also help give them more control over how their families use those services. In our mass culture, families increasingly want—and need—to be able to control what their children experience. Through new viewer discretion technologies such as the v-chip, and other digital applications, and the new TV ratings system that cable and the broadcasters will introduce by early 1997, parents will have more tools to make more informed, smarter decisions about what their children see on TV and use on the Internet.

In conclusion, I want to again thank Congressman Barton for his leadership that made telecommunications reform law—and thereby created a deregulated marketplace that will allow the telecommunications revolution to flourish.

Like Texas, this revolution will be limited only by our imaginations.

THE LEWIS AND CLARK RURAL WATER SYSTEM

HON. TOM LATHAM

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1996

Mr. LATHAM. Mr. Speaker, before me is a copy of Senate Concurrent Resolution No. 107 as adopted on April 24, 1996, by the Iowa 76th General Assembly. It is a concurrent resolution urging the U.S. Congress to authorize construction of the Lewis and Clark Rural Water System. I ask that the State assembly's resolution concerning this important project be entered into the CONGRESSIONAL RECORD.

SENATE CONCURRENT RESOLUTION NO. 107

(By Kibbie and Rensink)

A Concurrent Resolution urging the United States Congress to authorize construction of the Lewis and Clark rural water system.

Whereas, the Lewis and Clark rural water system was envisioned and organized to supply a safe and adequate drinking water supply to 180,000 residents of northwestern Iowa, southeastern South Dakota, and southwestern Minnesota; and

Whereas, five communities and two rural water systems in northwest Iowa, representing 24,000 residents of Iowa, joined the Lewis and Clark rural water system in hope of solving existing problems relating to inadequate supplies and poor quality of drinking water; and

Whereas, the 1993 Session of the Iowa General Assembly enacted legislation authorizing federal, state, and local governments to cooperate in managing and administering rural water districts; and

Whereas, federal legislation authorizing construction of the Lewis and Clark rural water system and federal, state, and local government cost-sharing to assist project sponsors in building the project has been introduced in the United States Congress; Now therefore,

Be it resolved by the Senate, the House of Representatives concurring, That the 1996 Session of the Iowa General Assembly is committed to supporting the Lewis and Clark rural water system and urges congressional approval of federal legislation authorizing the construction of the Lewis and Clark rural water system.

Be it further resolved, That copies of this resolution be sent by the Secretary of the Senate to the members of Iowa's congressional delegation.

LEONARD L. BOSWELL,
President of the Senate.
RON J. CORBETT,
Speaker of the House.

I hereby certify that this Resolution originated in the Senate and is known as Senate Concurrent Resolution 107, Seventy-sixth General Assembly.

JOHN F. DWYER,
Secretary of the Senate.

SENATE—*Wednesday, May 15, 1996*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Cast your burden on the Lord and He shall sustain you.—Psalm 55:22.

Gracious Father, we respond to this uplifting promise with gratitude. Each of us has burdens. Some of them are profoundly personal. We carry the burden of our failures. In the quiet we hear You say, "You are forgiven; peace be with you." We also carry the burden of worry over our families and friends. You remind us that You love the people about whom we are concerned and so we turn our anxiety about the needs of people over to You. In our work we are burdened by the unfinished and the unresolved. Help us to do the very best we can each day and leave the results to You. As leaders of our Nation, we are troubled by the drift of our society from Your righteousness and truth. The burden of leadership rests heavily on our shoulders. We hear Your whisper in our souls, "I will never leave you or forsake you."

Dear God, bless the Senators, their families, staffs, and all who are part of the extended Senate family here in the Capitol. Whatever burdens each carries today, we ask You to lift them by Your grace and provide for them out of Your boundless resources. Then help us to lift each other's burdens by being as encouraging as You have been to us.

Today we join with the Nation in honoring and expressing our gratitude for peace officers. Thank You for those gallant officers who have given their lives in the line of duty.

In the name of our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from New Mexico is recognized.

SCHEDULE

Mr. DOMENICI. Mr. President, on behalf of the leader, I make the following statement to the Senate.

This morning the Senate will immediately begin consideration of Senate Concurrent Resolution 57, the concurrent budget resolution. There is a 50-hour statutory time limitation on the budget, therefore Senators can expect late sessions this week and rollcall votes throughout in order to complete action on the budget this week.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDING OFFICER (Mr. INHOFE). Under the previous order, the Senate will now proceed to consideration of Senate Concurrent Resolution 57, which the clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

The Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The Senator from New Mexico.

PRIVILEGE OF THE FLOOR

Mr. DOMENICI. Mr. President, I send to the desk a list of majority and minority staff members and ask unanimous consent they be granted the privilege of the floor at various times at the option of the manager and the ranking member.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

MAJORITY STAFF

Brian Benczkowski, Jim Capretta, Amy Call, Lisa Cieplak, Christy Dunn, Beth Felder, Alice Grant, Jim Hearn, Keith Hennessey, William Hoagland.

Carol McGuire, Anne Miller, Mieko Nakabayashi, Denise G. Ramonas, Cheri Reidy, Ricardo Rel, Karen Ricoy, J. Brian Riley, Mike Ruffner.

Melissa Sampson, Andrea Shank, Amy Smith, Austin Smythe, Bob Stevenson, Beth Wallis, Winslow Wheeler (detailee).

MINORITY STAFF

Amy Abraham, Kenneth Colling (fellow), Bill Dauster, Tony Dresden, Jodi Grant, Matt Greenwald, Joan Huffer, Phil Karsting, Jim Klumpner, Soo Jin Kwon.

Daniela Mays, Sue Nelson, Jon Rosenwasser (fellow), Jerry Slominski, Barry Strumpf.

Mr. DOMENICI. Mr. President, again in behalf of the majority leader, I ask unanimous consent that the presence of small electronic calculators be permitted on the floor of the Senate during consideration of the 1997 concurrent resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Now, Mr. President, as I understand it, there are 50 hours of debate on this resolution. Unless it is agreed to add additional time, each amendment is given 1 hour for the amendment, 1 hour in opposition to the amendment. Amendments to the amendments have one-half hour, and one-half hour in opposition.

The Budget Act prescribes that opening statements will utilize 4 hours on economics, and that will be the opening of the budget debate. I am not so sure we are going to use all that time, but I would like to engage in a dialog with the ranking member, if he would, at this point.

Senator EXON, I note, and I think you would concur, this is a rather exceptional year in that there are three full budgets that will be offered to the Senate: There is the Republican budget that is pending, encapsulated in the resolution; there is a bipartisan proposal, led by Senators CHAFEE and BREAUX, which is a full substitute for the Republican proposal; and then there is a third proposal, which I assume you or someone on your side will offer, which is the President's budget, which, again, is a full substitute for the Republican plan. Also, obviously, there are many amendments that Members on your side and our side would like to offer, either to the Republican budget resolution or to one or the other of the other full budgets that I have just briefly described.

It had been my hope, and I share this with you to see what your thoughts are, that we could use the 4 hours allowed for economic discussion, 2 on each side, and then proceed with amendments to the Republican budget for the remainder of the day—we ought to get a lot of them in if we can do that—and that we then, late this evening, take an accounting for ourselves and see where we are, and that at a later time in this debate we take the full budgets that are offered as full substitutes to the Domenici mark. So at some point you would offer the President's and, some time thereafter, Senators CHAFEE and BREAUX, or BREAUX and CHAFEE, would offer theirs.

I think we had a very good spirit of cooperation in the committee. I am just hoping that between us we can get our Members to start sending their amendments to us so we will know where we are going. I can say unequivocally—I heard from the leader yesterday and I read a statement this morning—we are going to finish this this week. I see no reason to go into Friday night and Saturday if we can work together to kind of organize, as best we can, our colleagues in their presentations.

I yield at this point for your thoughts or observations, if you would share them with me.

Mr. EXON. I thank my friend, the chairman of the committee, for his remarks and outline. Generally speaking, I do not know that I have any serious reservations. I think the chairman of the committee has basically stated what should be the procedure. I have a

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

caveat to that that I will mention in just a moment. I simply say that I agree that even though we have 25 hours on each side—and while you have not said that, I understand the intent is the 25 hours on your side would be controlled by the majority leader or his designee, which would normally be you, and the same thing would be true on our side with the minority leader and myself as the ranking Democrat on the Budget Committee. Is that the way? Would we follow usual procedures in that regard?

Mr. DOMENICI. Yes.

Mr. EXON. I see no reason why we should not head for, and very likely can, finish this by Friday late, if not sooner. I say to my friend, in the 4 hours set aside for economic discussions, I do not anticipate we would use all of our 2 hours on this side, although no one ever knows what happens for sure in the U.S. Senate.

I simply say, as I listened to the opening remarks from the chairman of the committee, if he felt we would likely only have amendments to the Republican measure today, I had intended at a very early time to offer the President's budget, which we offered very early in the procedure in the committee, as you will remember, and we would not agree in advance to any extensive delay in our desire to offer the President's budget, which very likely would be the first action on this side. And so I would like to advise the leader of that.

Mr. DOMENICI. First of all, let me indicate, the leader has already indicated that I am his designee to manage this bill and allocate the time. From time to time, as you will, I will give that to some other Senator who will manage in my stead.

Mr. EXON. We will follow the same procedure here.

Mr. DOMENICI. Let me tell you one thing I failed to mention by way of trying to reach some accord. It is my commitment and desire, and I hope you will cooperate—I think there is no reason why we should not do this. Senator GRASSLEY has requested and I have agreed that his amendment with reference to defense will be the first amendment offered, and it addresses the pending resolution.

So sometime after our opening remarks and some discussions on the economics, I will clearly ask that he be the first one, and I think you will not have any objection.

Mr. EXON. I think it should be a foregone conclusion that whatever the procedure, that you on that side and myself on this side will make the final determination of what will be the order of filing amendments. Certainly you have every right to recognize Senator GRASSLEY for the first remarks on that side.

What I have indicated is when our time comes, it is very likely that the first action on this side will be the offering of the President's budget as a substitute. I just want to alert you to that.

Mr. DOMENICI. You do not intend to have other amendments that address themselves either to our budget or other things before you offer the full budget?

Mr. EXON. That is my present plan, although we have not locked in anything.

Mr. DOMENICI. I just thought it might be interesting, from the standpoint of understanding, if we got some of the amendments out of the way and we were looking at three full budgets and debating them in a sequence which would permit us to see them all kind of one, two, three. But you have every right to do that. So why do we not proceed.

Parliamentary inquiry, Mr. President: Is it correct, under the Budget Act, that there are now 4 hours equally divided, minus the time we have used, I guess, after the opening statements?

The PRESIDING OFFICER. Yes, that is correct.

Mr. EXON. May I inquire further along those lines. If, after the opening statements by the managers, and we are into the 4-hour period that has just been referenced by the leader of the committee, we jointly agree or should jointly agree to yield back any remaining time—in other words, suppose we have an hour on each side or an hour on that side and half an hour on this side, whatever it is, we can hopefully work to expedite the procedures——

Mr. DOMENICI. Absolutely.

Mr. EXON. And I am sure you would agree.

Mr. DOMENICI. I agree.

Mr. EXON. If we can take that 4 hours and get it down to 1 or 1½, that is our goal.

Mr. DOMENICI. We are going to try to make it less than the 4 hours. We have a few Senators who want to speak on this subject, and they are going to be given that opportunity. And then we will get off that as soon as we can.

I thank Senator EXON for his cooperative spirit this morning. I hope we can do that all the way through the next 3 days.

Mr. President, we begin again today a debate that some might think has not yet ended and others might think never ends. To my friend, the ranking member of the Budget Committee, I know this is the last budget resolution he will manage on the Senate floor. I will have more to say about Senator EXON at the end of these remarks, but he knows the work we are about today and probably for the rest of this week. It is very serious work. It is work that will directly affect our country's future.

In many ways, the work we are about today is a continuation of our efforts of the last year to find a way to balance our Federal budget early in the next century and, in doing that, to look through the budget of the United States and find some areas where we are going to have real trouble down the line if we do not make some reforms and changes now.

In other ways, the work we are about here today builds on the successful efforts last year to reduce spending and put us on a path to a balanced budget. I think the fact has been lost in the heated debates last winter that we did reduce spending on appropriated accounts to the levels assumed in last year's budget resolution.

Largely because of those successes in the appropriated accounts, we are able to continue our goal of reaching balance in 2002 as originally planned. Obviously, our work is to achieve that goal, that goal which would have been made easier had the President signed the Balanced Budget Act of 1995 instead of vetoing it last December. But because the President vetoed that legislation, which we worked so hard to enact last year, we find ourselves back here today. A little discouraged perhaps, but not daunted at all in our effort and our endeavor, because this issue is not going to go away and the American public demands that we balance spending and revenues at the earliest possible time.

While some things will surely seem not to have changed from last year as the debate progresses, in other ways things will have changed significantly since 1 year ago.

First, one big change is that the President, after nine attempts, has now, at least on paper, with some major gimmicks, figured out a way to present what he claims to be a balanced budget plan. We will have a lot more to say about the President's so-called balanced budget plan, and I sincerely look forward to debating it.

But let me say at the outset, however, that I have known smoke-and-mirrors budgets and I have known real budget plans, and I do not hesitate to award the President, the President's so-called balanced budget plan this year with an Oscar for the best acting in fiction.

Second, another big change this year, we will have a third budget plan to debate. I think that is exciting. The bipartisan budget plan to be offered by Senators CHAFEE and BREAUX is a real budget plan. Again, I look forward to debating that plan.

Unlike the President's, which is a hoax of a budget, I want to compliment the group of Senators who have worked hard this last year to put together a real budget, certainly not a smoke-and-mirrors budget like the President's plan. Unfortunately, the bipartisan plan does not achieve balance in 2002, and I have some concerns about elements of that plan that we will debate later. But this is a welcome change from a year ago when Republicans stood here on the floor alone and offered the only real balanced plan for the American people, the only one to be on the floor of the Senate in almost four decades.

Mr. President, the Senate-reported budget resolution, the one before us today, Senate Concurrent Resolution 57, offers America hope. It is real—no smoke and mirrors. It recognizes the need to set priorities, it makes tough decisions, or at least says to those who will follow after it with legislation that they are compelled to make some tough decisions, and it is realistic. It can be done. It needs to be done. This is a budget designed to help working American families, to make them more secure, secure in their homes, in their communities, and in their jobs.

It offers them a more efficient Government, one dedicated to economic growth and security, support for our children and lower taxes on American families.

The resolution before us today recognizes the very simple notion that our Government cannot simply go on spending our children's money. It is good medicine for our Nation and it is designed to prevent America's children from having to swallow a poison pill of mounting Federal debt. It is designed to prevent our Medicare system from going bankrupt in just 5 years. It is designed to prevent a future of a crushing tax burden on those just starting out in life.

The resolution before us, Mr. President, will strengthen America, it will continue to build on our successes of last year, and change the way our Government works, to make it more efficient, more responsive, and less expensive.

Most importantly, it is a budget plan that will ensure a better future for our children and our Nation. I said that last year; I believed it then; I continue to believe it now. True leadership cannot simply postpone this difficult work because it is an election year. The problem will not go away simply because there is an election this fall.

The second balanced budget plan the Republicans have proposed in this Congress is designed to return our Nation to fiscal reality and preserve America as the land of opportunity, not only for now but for future generations. In short, it reflects our commitment to fiscal responsibility, generating economic growth, creating family wage jobs and protecting the American dream for all our citizens young and old.

This budget will restore America's fiscal equilibrium. It will balance the budget by the year 2002 without touching Social Security, by ratcheting down the deficit by slowing the growth of Government spending. But let me emphasize, Government spending will continue to grow over the next 6 years. It is a budget which will reverse the tide of 50 years of power that flowed from the rest of the country to Washington.

We want to provide more freedom and opportunity to people at the local level so they might have more control over the decisions on the programs that affect their lives, affect their children, and affect their communities.

Key changes are proposed to shrink the Federal bureaucracy to terminate duplication in Government, to consolidate programs to improve efficiency, and prioritize the limited resources we have. But at the same time, we continue to support programs which provide needed services to our citizens. We have been careful to preserve a safety net for those truly in need.

We support programs aimed at keeping America safe, safe in their homes, their schools, and their neighborhoods, by funding needed crime programs and funding those parts of the U.S. Government that are engaged day by day in fighting crime across America, such as the FBI, the DEA, Border Patrol and the like.

The budget before us today provides $6.5 billion for environmental protection, including increases of nearly $1 billion in the safe drinking, Superfund and the environmental enforcement programs of EPA. So in 1997 it cannot be said that this budget cuts environmental spending. It does not. It increases environmental spending.

This budget moves toward protecting America's senior citizens. It makes the Medicare trust fund solvent for 10 years, 1 decade. I regret that I cannot stand here and say to the senior citizens of the United States, we are going to make the trust fund solvent for 50 years. The truth of the matter is, it is difficult to make it solvent for 10. And we must at least do that.

I mention that the President's stated goal in his budget is solvency of the trust fund through 2006, 10 years, the same goal as we have in this budget resolution. The way we have solved it—that is, the budget before us and the President's—is very different. We will have more to say about this issue, a lot more during the debate.

But the Congressional Budget Office tells us very simply—question: How much must we save in the trust fund to keep it solvent for 10 years? Their answer is: You need $123 billion of savings in the trust funded portion of Medicare to meet the President's goal of 10 years. That is what we have done. We have said, Medicare will be changed, reformed, but there for every senior that wants it just like it is, but the providers in that system, and through changing the program to offer options, we must save $123 billion.

The President's budget, I regret to say, does not meet his goal. He only extends the life of the trust fund for 1 additional year. This is the President's first big gimmick, an unbelievable cruel hoax on senior citizens, particularly those who depend upon home health care as part of this system.

We protect, preserve and keep Medicare solvent for one decade. For Medicare part B—all should know that when you speak of Medicare, there are two pieces. One is a trust fund. Every working American puts money in that trust fund. That is essentially the part that is an encapsulated trust fund for the protection of senior citizens and their health programs related to hospitalization and long-term home health care. That is the part that is going bankrupt, and we will be there in 5 years unless we fix it. We have been told, to fix that part you must reform it to save $123 billion.

The other part, frequently called part B, is an insurance program for the rest of health care that is not provided in the trust fund. This program is funded by general tax dollars, and there is no trust fund. Seniors pay a portion of the insurance premium, and essentially it is an insurance policy.

I want to make it absolutely clear, for part B we have taken the President's proposed savings, $44 billion—we have heard all we can take about Republicans and Medicare—and this year it is clear that we are responding with 44 billion dollar's worth of savings in part B, exactly the same number as the President. But we are making the trust fund solvent in a real way with no gimmicks and absolute integrity.

In our budget, so that everyone will understand the dimension of this issue, we provide $1.46 trillion of Medicare spending over the next 6 years—$1.46 trillion. We propose to increase on each Medicare beneficiary the amount of money spent from $5,300 per person today to $7,000 per person in 2002. How can that be called a cut? You do the arithmetic and it is a huge increase. If we were to provide these kinds of increases anywhere else in any budget it would be impossible to sustain it. In the case of seniors, we have a commitment. We want to save the fund and maximize their coverage.

Our budget throws the Medicare trust fund a life preserver. The President's budget throws Medicare overboard. We will have more to say about how the President gets to his statement of 10 years of solvency in part A of the trust fund as we move along.

Medicaid: Now, so everybody will understand, Medicare is for seniors; Medicaid is a program of the U.S. Government, or I should say, a composite of 23 programs that are put together to help poor people by giving them health care, by paying their health care bills with certain limitations and certain exceptions. This budget assumes we will spend $731 billion on Medicaid over the next 6 years. This budget assumes the implementation of the Medicaid reform plan as recommended unanimously by a bipartisan group of Governors—that is, 48 Governors. We have added back $54 billion in Medicaid spending compared with last year's resolution. Mr. President, that is $36 billion of Medicaid spending, compared with the Balanced Budget Act vetoed by the President. We are anxious to get this Medicaid reform done. With the support of Democrat and Republican Governors it can be done. The amount proposed for savings is truly achievable.

Medicaid spending, Mr. President, will increase under this budget 46 percent over the next 6 years. How can that be called a cut? Medicaid spending in this budget will increase by 46 percent over the next 6 years. This budget recognizes the need to overhaul America's deteriorated welfare system. Funding levels in this resolution allow Congress to send power back to the States as requested by the National Governors' Association, by converting a failed AFDC Program, Aid for Dependent Children Program, sometimes called the welfare program, into a block grant with certain guarantees.

The resolution before the Senate assumes reforms in the food stamp and child nutrition programs to slow the growth rate of spending in those programs but maintains the entitlement to preserve a nutrition safety net for children. It assumes funding targets on the severely disabled in Supplemental Security Income Program.

This budget assumes funding from reforms to child enforcement programs, to make deadbeat dads support their children instead of making the Government, the taxpayer, hard-working families trying to make a living, instead of asking them to do the supporting with tax dollars. This assumes we will change the law, truly make deadbeat dads pay their legally responsible child care and support.

This resolution assumes savings from restricting immigrants the access to Government assistance programs to ensure that sponsors live up to their promise not to allow immigrants to become a public charge. Actually, very few Americans, and until lately, very few Senators, knew that under our generous policy of family unification, for the last 15 years or so, American citizens have been busy bringing their relatives, most of them elderly mothers, fathers and grandparents, to our country, under our policy of unification, sign a certificate of support, for we do not invite the unification so that the taxpayers can pay for the support of these people that are brought to America to join in our society and be part of their family.

It is incredible how that approach has degenerated into a program where billions of American tax dollars are going to legal immigrants who are brought here purposefully to avoid the certificate of support and become wards of the Government. It is American history from our inception. We have held a policy that we are not bringing aliens to America to become wards of the public. That has fallen apart. We put it back together in our assumptions here. Many of the assumptions were realized in the votes on the immigration bill, Mr. President, as we voted numerous times last week and the week before.

Finally, this budget provides $122 billion in tax relief for American families through a $500 per child family tax credit. This will aid 52 million American children in 28 million families. I want to repeat, in this budget resolution, the resolution itself says we will reduce the amount of tax we take into the Treasury by $122 billion because we are going to give 28 million American families, 52 million American children, a chance to keep more of their money and spend it on their needs. If ever the Tax Code of America went amiss and became antifamily, it was when we lost our way and let the deduction for a dependent child wither away from where it was in my day to where it is today. What can be deducted as an expense of rearing a child is a mere shadow of what it was in years past. Yet, we wonder why there is so much strain and stress in families. We will not even be returning it to its more wholesome day of profamily taxes, but we will make a giant step when we say every parent with children under 18 will get a tax deduction of $500. Their taxes will be reduced by $500 for each child. What is wrong with that?

For those who want to stand on the floor of the Senate and talk about this budget cutting something so we can pay for tax cuts, let me just say I am very, very proud that we have made room in this budget for this $500 child tax credit. For those who accuse us, let them stand up and say they do not want to give the $500 tax credit. Under our plan, I repeat, a family with two children under age 18 would receive $1,000 of permanent tax relief.

In summary, on the $122 billion tax proposal in this resolution, we have reduced Government spending from what it would be by $712 billion. In doing that, we feel very positive about being able to say $122 billion is given back to the people rather than spent on more Government.

In closing, let me say that I hope we can move, during the next 2½ days, to enact this resolution, and then move toward implementing it in the months of June and July. I believe this can be done. But if, for some reason, we fail again to get the job done, I can only say that I think the tide is turning, and we will be back again and, clearly, sooner rather than later, we will do what is right.

Finally, I wish it were possible to have my friend and ranking member, Senator EXON, join me in support of this last budget resolution and his last budget resolution on the floor of the Senate. That is not possible. But he will be convinced, maybe, on its merits, and as we move through this debate, I just want to say that he has been a very good ranking member and has spoken his party's case extremely well. I believe it is fair to say that the two of us have done that, with little rancor and, in my case, with great respect and admiration, regardless of how it turns out in terms of where Senator EXON ends up 2½ days from now. I know that he feels very strongly about the need to find a balance in Federal spending. He has been a long-time supporter of the constitutional amendment for a balanced budget. He supported the line-item veto legislation that was enacted recently. He supported the unfunded mandates legislation voted out of our Budget Committee earlier this year.

Obviously, in the years to come, if it is my privilege to be here on the floor, I will miss him and I wish him well. We will have more to say about that soon.

At this time, I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER (Mr. CAMPBELL). The Chair recognizes the ranking minority member, the Senator from Nebraska [Mr. EXON].

Mr. EXON. I thank the Chair. I thank my friend and colleague from New Mexico for his most kind remarks. I appreciate them more than he knows.

When I came here 18 years ago, I sought a seat on the Budget Committee and was granted one. I have served on the Budget Committee the entire time I have been here. One of the stalwarts on that committee on the other side of the aisle, whom I got to know initially very well that first year on the Budget Committee, was PETE DOMENICI. What he has just said means a great deal, and I thank Senator DOMENICI for that. I have the highest respect for his ability and his integrity, and I appreciate what he said about my support.

I feel the same way about the Senator from New Mexico. We do not always agree, and we cannot in this body. Sometimes it may be difficult for people who do not understand the U.S. Senate to recognize and realize that we can disagree on policy, we can disagree on numbers, and we can speak very forcefully about that. That is the process. But as far as personal esteem is concerned, there is no one in the U.S. Senate whom I hold in more high personal esteem than I do my chairman, the Republican Member, and the excellent floor manager of the measure before us.

So in spite of what is said after that, I certainly want Senator DOMENICI to know, as he already knows, that we are good friends, who have high regard for each other personally. And in the difficult tasks that face the Nation, here is where we come to some disagreement as to how to reach the proper end that we both are seeking.

As Senator DOMENICI has said, Mr. President, this is the last budget resolution that I shall manage on the floor of the U.S. Senate. I remember well my first budget resolution 18 years ago. It was in the spring of 1979, and our dear and late colleague, Senator Ed Muskie of Maine, was the chairman of the Budget Committee, and the distinguished Senator from Oklahoma, Henry Bellmon, was the ranking minority member. The projected deficit for fiscal year 1980 was less than $20 billion. It does not seem possible, but that is what it was. I had high hopes, as a freshman Senator, that we would see the end of deficit spending. I said so in my first speech. But those hopes were dashed, Mr. President, during the Reagan-Bush years when deficits were piled upon deficits. President Reagan's Office of Management and Budget Director, David Stockman—in case he has been forgotten—later described that period of time under Reagan-Bush as "fiscal carnage." The fiscal carnage that took place at that time is what we are attempting to deal with here today, as we were last year. Four years ago, President Clinton began the arduous task of drawing a narrowing circle on the deficit, and he succeeded beyond all expectations, with no help, Mr. President, from those on that side of the aisle.

I will simply cite the difficulties that we are in and how we are going to get out of them, and the significant contribution that President Clinton has made to the possibility of balancing the budget by the year 2002.

The graph that I have behind me here is entitled "Budget Deficits, CBO Estimates." These are Congressional Budget Office estimates of where they were going. You will see the year 1980 to the year 2000 across the bottom of the chart, and the billions of dollars in deficits on the left side. If you will notice, halfway up the chart, before the dotted lines start, is where President Bill Clinton came into office. At that time, you will notice that the annual deficits were about $300 billion a year. I would like to make a point here that I think all too many Americans do not fully appreciate or grasp. They hear "deficits," they hear "national debt," and all too often I think the difference between the two becomes blurred. So, once again, for the RECORD, let me state that the deficits we talk about are the annual shortfalls where we spend in Government more than we take in. The annual deficits were running wild.

I just stated in my opening remarks that when I was here in my first year, we were facing an annual deficit of $20 billion. When Bill Clinton became President of the United States, we were facing annual deficits not of $20 billion but of $300 billion.

I hear attacks again and again that are not factual, indicating that the President of the United States is not sincere, that he is trying to use smoke and mirrors. The smoke and mirrors in this chart shows what has happened. This bottom line is that President Bill Clinton—without help from or even one vote on that side of the aisle in the U.S. Senate or over in the House of Representatives—has driven that $300 billion deficit down. That is the annual deficit as opposed to the trillion-dollar, multitrillion-dollar debt of the United States of America. That is something that I think people overlook.

At the end of each year when the deficit is $20 billion, as it was when I came here, or up to $300 billion when Bill Clinton came here as President of the United States, those deficits at the end of each and every year are piled upon, and we start all over at the end of each year. Those deficits magically go away, I guess. What we do is pile them onto the national debt, which has risen since I came here—before the Reagan-Bush years from under $1 trillion; today, to over $5 trillion—and are going up even under the projections of the Republicans to at least $6 trillion, before we balance the budget, hopefully by the year 2002.

The point I want to make again, Mr. President, is that when Bill Clinton became President of the United States we were running deficits of $300 billion. Notice the lower line where they have come down now to where the Congressional Budget Office projects they will be under $150 billion next year. Bill Clinton, therefore, is not even given credit by those on that side of the aisle for more than cutting in half the annual deficits of the United States of America. That is a remarkable achievement. But you do not hear much about it from that side of the aisle.

The lower part of this President's budget takes the budget down to balance by the year 2002 as opposed to what the Congressional Budget Office projections said they would be on that up line before Bill Clinton—BBC, Before Bill Clinton. I submit for the RECORD that I do not think anyone can refute it, that unless we had followed the fiscal responsibility of Bill Clinton when he became President of the United States that has more than cut the annual deficits in half, we would not be standing here today pretending, or hoping, that we could balance the budget by the year 2002 because we would have been way up here on the upper part of this chart. And had we continued to follow the policies that those on the other side of the aisle, evidently by their votes, wanted to follow we would not be standing here today talking about reaching balance in 2002.

Before Bill Clinton, BBC, we were in deep trouble, and we are still in very deep trouble. But unless Bill Clinton had taken a stand and unless the Democrats, by a tie, or one vote, had the courage to stand up and say, "We have to stop it," we would not be in a position today, even under the Republican proposal to balance the budget by the year 2002. So let us give Bill Clinton at least some credit.

We thought, Mr. President, that we had a chance last year to build on the President's success. Under his leadership, we would have reduced our Federal deficit to use some other figure by a projected $846 billion through fiscal year 1998. We had a rare opportunity to balance the budget last year, but that opportunity was squandered by the radical right. Here we are yet with another year and with yet another Republican budget that does not fairly do what this Senator and most on this side of the aisle and most of the American people want to do: balance the budget in a fair and equitable manner.

During the opening remarks by my friend and colleague from New Mexico, and I think I can quote the manager of the bill correctly, he said the President claims that he will balance the budget. But he indicated in his remarks that it was fictional. Let me say, Mr. President, that all during that debate that followed the budget last year and the failure of the Republicans even to meet with the President to work out a proposition, it is clear to see where the responsibility lies.

Despite the claims, despite the statements, June O'Neill, the Republican-appointed head of the Congressional Budget Office, testified in front of the Budget Committee, and I quote June O'Neill: "The President's budget proposals and policies, as estimated by the Congressional Budget Office, would balance the budget by the year 2002."

Let me repeat that again. Contrary to what you have heard, contrary to what you are going to hear, the Republican-appointed head of the Congressional Budget Office says the President's budget policies will balance the budget by the year 2002.

Mr. President, we also heard a great deal so far today—and I am sure that we will hear more about it in the future—that the President of the United States is not being honest with regard to the Medicare trust fund. Mr. President, I cite a letter, and hereby request it be printed in the RECORD of May 9, 1996, from June O'Neill, the Republican-appointed head of the Congressional Budget Office, to me, the Honorable JAMES EXON, ranking member, Committee on the Budget:

> DEAR SENATOR: At your request, the Congressional Budget Office has examined the effects of the administration's budgetary proposals on the hospital insurance trust fund. Under current law, the hospital insurance trust fund is projected to become insolvent by the year 2001. CBO estimates that the administration's proposal would postpone this date to the year 2005.

Enough is enough is enough. I do not think we accomplish a great deal by plotting against other people's motives when the leader of the CBO has certified that the President is being honest and that the President and his administration are being straightforward.

Mr. President, I ask unanimous consent that the letter I just referenced be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EXON. Here we are, Mr. President, with yet another Republican budget. But after 18 months of extremism and demagoguery, after two shutdowns and a threat of a dozen more, I must say that I expected something better. True—and I congratulate and thank my friend from New Mexico—true, there is some degree of dulling the knife's edge from last year's disastrous Republican budget proposal that was not appreciated by the vast majority of the people of the United States once they understood it.

But I ask, is this latest Republican budget kinder? Is it a gentler budget than the Republicans had promised the American people? I think not. Yes, it is somewhat better, I would say, than last year. Primarily that is possible because the Congressional Budget Office in the estimating of what is going to happen in the future has come up with a healthier economic growth than they had previously. I thank Senator DOMENICI and the Republicans for wisely using that to alleviate some of the hit that many Americans not as fortunate as the rest of us would have taken.

We hear time and time again about how the Republicans are going to spend more money on these programs than in the past. You have heard already and you will hear more about the fact that the Republicans are spending more money than in the past, especially with regard to Medicare programs. Yet the facts are that the additional money the Republicans are saying they are going to spend, therefore saying, piously, that it is not a cut, even though the rate of increase that the Republicans are proposing for the average Medicare recipient is less than the projected increased costs of health care for the public at large will not be sufficient for the seniors that need Medicare. So another way of saying it, oh, yes, they are providing more money but they are not providing the money that seniors need for Medicare, if you look at the projections of what the increased costs will be for the public at large.

One need only go in this area to the materials issued on May 8 by the House Budget Committee and the joint House-Senate press conference that followed. You will see the same venomous policy and skewed priorities that were proposed in last year's budget included in this new Republican budget, although I hasten to add it is an improvement over last year.

The direct student loan program would be eliminated. The Goals 2000 Program would be terminated. That is a key educational function. The earned income tax credit would be slashed by $17 billion, $7 billion above what the bipartisan Governors found was acceptable.

So that there will be no misunderstanding, the earned income tax credit was first proposed, I believe, by President Ford, and the earned income tax credit is designed for the very lowest of the low-paid people of the United States of America. It is designed to get them out of poverty by giving them an earned income tax credit. It was a Ford-Republican proposal that we Democrats in a bipartisan fashion recognized was good, and we have taken up the mantle. They, the other side of the aisle, are devastating that earned income tax credit that goes right to the heart and throat of many people living near that economic edge.

The programs that they advocate also eliminate the Department of Commerce, and Energy would be either eliminated or deep sixed to the place where they could not function. Even the slightly better off Senate Republican budget cuts $65 billion more in discretionary spending than the President's plan, and discretionary spending is something that we all agree now is a major concern for the future welfare of America. I suppose this warms the cold hearts of Speaker GINGRICH and Mr. ARMEY and the Republican freshman class over on the other side of the Hill, but it is of little consolation to the American people who had expected moderation and imagination and teamwork.

I say to my good friend, the distinguished chairman of the Budget Committee, I compliment his leadership on that side of the aisle in many areas, and I listened with great interest and had a tendency to stand up and applaud when Senator DOMENICI was talking about the need to make changes in the immigration policy. I happen to agree that we have gone way too far and allowed way too many people into the United States of America. Not all of the immigrants but far too many are coming in here to take advantage of our safety net that is already overcrowded, and we are not doing a very good job of maintaining it. We cannot have immigrants coming into this country primarily to take advantage of our safety net.

I hope and think my friend from New Mexico appreciates the fact that during the recent debate on this measure, this particular Senator voted almost without exception with the distinguished Senator from Wyoming [Mr. SIMPSON], the leader of the effort. I think we will find that we did not do everything we wanted to do, but I think we made some good strides under the excellent leadership primarily of Senator SIMPSON and, of course, on our side Senator KENNEDY. Immigration is still a major problem and causes us great difficulty when we try to come up with what is the right thing to do.

Once again, I compliment Senator DOMENICI for his leadership in this area and in many others. Yet we are faced with those in our party and he on his side in his party among many who feel that some kind of compromise is something bad.

Compromise is the only way we have to bring 100 dedicated, strong-willed people into some kind of coalition so that we can get things done.

I must say that I look at this budget resolution, Mr. President, that this budget resolution, while some improvement over the last, still fails in many ways. Most of all, this budget fails the American people. I do not think putting frosting over a bad cake makes it any better. It still divides our great country when we should be striving to unite it. It still casts blight when we should be providing shade and comfort for the elderly, the disabled and especially our children. It still extracts the most from those who have the least when we should be asking for a fair and shared sacrifice. This is where President Clinton's budget succeeds. That is why I will be offering to use the Clinton budget, which balances the budget by the year 2002 as certified by the Republican appointee to the Congressional Budget Office.

This is where the Republican budget, in my view, fails the test of fairness. The Republican budget promises many things. As far as I can see, the Republican budget may achieve balance. I agree that it would achieve balance, as does the President's budget, in the year that they claim it will. But at what cost to the American people under the Republican budget? What sacrifices, many of them unfair in the view of this Senator, are we going to make? As far as the rest of the loud promises are concerned, they are gusty winds of propaganda. This Republican budget delivers least when it promises to do most.

The Republican majority would like Americans to believe that they are saving Medicare for future generations. "Preserve and protect," was their poster-tested public relations slogan. But when $167 billion—I repeat, Mr. President, when $167 billion is lopped off the projected spending for Medicare over the next 6 years, $50 billion more than in the President's budget, I am not so sure it will be the same first-class health care system that exists today. It is this first-class system—and it is a first-class system—more than just a trust fund that we are trying to protect and preserve.

Despite the attacks from the other side, I cite back once again to the letter that I received from June O'Neill, the Republican-appointed CBO chief, that the President is right in his projections.

The Republican budget would reduce Medicare spending growth per beneficiary far below—far below the projected private sector growth rate. I mentioned this earlier. It is right to say we are increasing the spending, but if we are increasing the spending for Medicare less than the cost of health care delivery in the private sector, then that is not an increase.

I am very fearful that what the Republicans are doing here will, without question, diminish the quality and the access to health care for millions of middle-class Americans. Doctors and hospitals will be able to charge seniors for the entire balance of the charges above the Medicare payment. Hear this again. Under the proposal, the Republican proposal that they claim is fair and reasonable, doctors and hospitals would be able to charge seniors for the entire balance of the charges above the Medicare payment. The danger here, and Americans should understand it, and they will not have the wool pulled over their eyes—is the Republican majority may assert——

Mr. DOMENICI. Will the Senator yield?

Mr. EXON. I will yield at conclusion of my remarks.

The Republican majority may assert that premiums are not going up, but they cannot make the same claim about seniors' out-of-pocket expenses to pay their medical bills. The $123 billion reduction in the growth of the Medicare hospital insurance spending will particularly devastate rural and urban hospitals. The Republicans assert that it is necessary to preserve the solvency of the trust fund through the year 2006. Not true, Mr. President. President Clinton's budget proposal extends the life of the trust fund without such deep reductions as the Republicans are proposing. The Republican-appointed CBO Director has certified, and I say this again, that the administration's proposal would extend the life of the Medicare hospital insurance trust fund until the year 2005.

What about Medicaid? What about Medicaid reform? Reform was the Republican rallying cry, but instead of attempting to reform Medicaid in a manner that would be acceptable to mainstream America, the Republican majority paddled up one of their right-wing tributaries and came out with something new. I believe you would take the whole Nation by surprise if you told them that the Republican Medicaid reform might mean that middle-class working American families might have to pay thousands of dollars out of their own pockets for nursing home care for their loved ones, or that millions of low-income children might have their health care jeopardized, or that enforcement of nursing home standards might not be as vigilant as it is today.

In other words, "reform" means "conform," to their way of thinking, even if it means taking out a second mortgage on your home to pay for nursing home care for a sick or elderly parent. With a $72 billion reduction in Medicaid from the projected spending combined with a block grant approach, that may well be the scenario.

In closing, I want to talk for a moment about tax breaks. My colleagues know that I oppose all tax breaks until we get the deficit under control. But, of course, that is not going to prevail. This is just one conservative Senator's opinion, that we should not be talking about tax breaks until we get the budget finally and completely under control. But that is not the way it is going to be, because this is a political year. It is not easy to say "no" to tax cuts. It is a painful, unpopular vote. But that is what we should be doing, in the opinion of this conservative Democratic Senator.

This year the Senate Republicans claim a net tax cut of $122 billion. This figure is going to be talked about a great deal during this debate. But let me repeat that. This year the Senate Republicans claim a net tax cut of $122 billion. But no one should be fooled into believing that the Republicans intend to limit their tax breaks merely to that. The gross cuts will be much larger. The House Budget Committee and its chairman boast that this budget will provide at least $180 billion in permanent new tax relief.

There is something amiss here. The Republicans are certifying and claiming that they have only $122 billion in tax cuts in the Senate proposal and yet those who consulted with the Republicans in the Senate, their counterparts over in the House of Representatives, claim that the same numbers will add up to $180 billion in tax cuts, and have said so publicly. There is something wrong. Their budget also provides for a list of tax cuts that could include nearly every item included in last year's totally failed budget that was rejected by the President and rejected by the American people. Just so no one has forgotten, the tax cuts in that bill would have gone primarily to the wealthiest Americans. So much for the little guy in a Republican proposed budget.

I provide this side-by-side comparison for a good reason. I ask my colleagues to remember what happened last year. The Senate Republican budget had $170 billion in tax breaks and the House Republican budget lavished even more at $347 billion in tax breaks, largely for the wealthy. In the end, the conferees agreed to $245 billion in tax breaks. So experience tells us to be wary of Republican promises of how much or how little tax breaks will be, and who in the end will benefit from them.

The Republican budget also does not call upon special interests, who assume few if any of the burdens of balancing our budget. While President Clinton has proposed that $40 billion—$40 billion be raised from corporate reform and loophole closing, the Republican budget lists no savings from these categories.

When I mentioned that President Clinton has proposed $40 billion be raised from corporate tax giveaways and reforms and loophole closings, I only say, referring back to the chart I have in back of me that I referenced earlier, the President, Bill Clinton, knows what he is doing with regard to being a fiscal leader.

Having said that, I must admit that I would not have stood on the floor of the U.S. Senate and said that a year ago in January when the President sent his group down here to explain to us on the Budget Committee his budget for last year. At the time, I said it was a bad budget, I did not support it, I would not support it. But through the influence of Senators like myself and others, we have helped Bill Clinton make the firm decisions that he made to accomplish the goal of reducing the annual deficit from $300 billion when he took office down to $150 billion.

The President is now on the right course. I did not salute him when he came up with a budget last year that I did not think made any sense. I salute him for what he has done now. He is on the right course. The figures prove that he is on the right course. Let us get behind the President and support him.

Chairman DOMENICI made it clear, however, that the tax increases can be used by and maybe increased by the Finance Committee to offset additional tax breaks. If the past is any guide, the Republicans will soon be proposing to raid the pension funds for working families to pay for tax breaks that will primarily benefit those earning over $100,000 a year.

I do not believe, Mr. President, that my friend and colleague, Senator DOMENICI, wants that. But he has to deal with some people on the other side of the Hill who plainly want that, and the Republicans in the Senate need and have to have the cooperation and the support for their Republican counterparts on the other side of the Hill.

I simply say that there is an alternative. There is an alternative to this rehashed and repackaged Republican budget. It is the President's budget. In my 18 years in the Senate, this is the first Presidential budget of either a Republican President or a Democratic President that this Senator has supported, and I support it in the form that is submitted. Not that I agree with all of it, and I hope that if we were using the President's mark, the President's budget, we would adopt some changes. But from the standpoint of starting and setting up something to amend, we would be far better off to work from the President's budget with some flaws than the Republican proposal with many, many, many more flaws.

The President's budget reflects his values and the priorities. It makes difficult choices, but it makes them fairly. It balances fiscal responsibility with caring and compassion for our seniors, the young and the neediest among us.

At the appropriate time—sometime today—I will offer the President's budget as a substitute for the Republican budget that is presently before us. There is a clear distinction between these two budgets, a distinction that is not lost on the American people. We should have the opportunity to debate and vote on these two distinct visions for the future of our Nation, and we will.

Mr. President, let me conclude by saying to the chairman of the Budget Committee, once again, that I know he had a very difficult time putting this budget resolution together, and I suspect he would be the first to admit that there are some things in here that he is not enthusiastic about. But, once again, the art of being a leader in the U.S. Senate, regardless of which side of the aisle you are on, has to take into consideration what you can do, what you can accomplish, building a coalition. Certainly, in this case, the Senator from New Mexico has built a coalition of what most of the Republicans would like to see.

I join with my chairman and thank him for mentioning the fact that Senator BREAUX and Senator CHAFEE, and several of our comrades on both sides of the aisle, have come up with a budget that is worthy of some consideration. Likewise, there are some parts of that budget that I do not agree with, but at least it is something that we should take a hard look at and possibly, in the end, incorporate some of those concepts and those ideas of those thoughtful Senators, both Democrats and Republicans, who are trying, in my opinion, to be helpful.

I had hoped one day in my Senate career I would be able to say to my good friend, for whom I have said before I have high respect and admiration, that I support his budget. Unfortunately, that day has not come. But I really enjoy working with him, and I hope that the debate that follows will be as factual as possible, will be as short as possible, and, once again, I tell him that I will try in every way I can to cooperate with him, as I did in the committee, not to have this go on and on and on.

I thank the Chair, and I yield the floor.

EXHIBIT 1

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 9, 1996.

Hon. J. JAMES EXON,
Ranking Minority Member, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR: At your request, the Congressional Budget Office (CBO) has examined the effects of the Administration's budgetary proposals on the Hospital Insurance (HI) trust fund. Under current law, the HI trust fund is projected to become insolvent in 2001. CBO estimates that the Administration's proposals would postpone this date to 2005.

Sincerely,

JUNE E. O'NEILL,
Director.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico [Mr. DOMENICI], is recognized.

Mr. DOMENICI. Mr. President, shortly, I am going to yield as much time to Senator MACK as he desires. Senator SPENCER ABRAHAM will come to the floor probably during Senator MACK's discussion. On the record, I want to state that I am going to designate Senator ABRAHAM in my stead to control the time on this side, at least until noon or 12:30.

Mr. President, I want to make two very brief comments with reference to the statements of the distinguished Senator from Nebraska. First, if the Senator is suggesting that Republicans are for lower taxes, we are going to plead guilty. We are for lower taxes. If the Senator suggests that we are going to cut taxes for families with children, we plead guilty. We are going to do that.

Second, the President of the United States entered into his office as President at a point in time when a number of things were happening and, as a matter of fact, he was very, very fortunate, as was the country, that these events occurred. I personally believe the President's budget and the President's conduct had nothing whatsoever to do with them. They were in play.

Let me just put up one little chart. You see, Senator EXON says that this budget deficit CBO estimates—let me see if I can meander over there a little bit.

Does the Senator mind if I use his chart?

Mr. EXON. No. The Senator is welcome to.

Mr. DOMENICI. The Senator would make a point that at this point in history the budget starts turning down, and it would have gone up; and, therefore, President Bill Clinton has done a masterful job of controlling the expenditures of our country and being fiscally responsible.

Let us just look. This is not me. This says the Congressional Budget Office. It is not the Senator from New Mexico. We asked them, what did this? How did this happen? Lo and behold, here is what they said: Taxes were raised, and that made up 38.3 percent of getting this down.

So the American people right off should know, yes, the Democrats got the deficit down. And 38 percent was because they increased taxes. Most interesting, 50 percent—50 percent—of this reduction, from this line to this line, had nothing whatsoever to do with any action by anyone. They are merely reestimates of the expenditure of Government to adjust them to the reality instead of the estimate, such things as the savings and loan fund to pay for the bailout. We overestimated the amount of money, and it was sitting there in the budget, a huge amount of money. I cannot believe that anybody is going to claim that the President did that or the Democrats, by voting for a tax-loaded budget-deficit package, did that. That is a huge amount of money.

Others are estimates in the expenditure costs of programs. The estimated increases did not come out as high as the budget projected. I must say, in all deference, it did not matter who was elected President. That 50 percent occurred from no action on the part of the executive branch or the Congress. So that is 50 percent; plus 38 percent of the reduction in the deficit.

Over here we had economic changes amounting to $13 billion. We will just put that up there. If they want to argue about that $13 billion—that the President deserves credit for that—then we can talk about that. But the thing that we must be worried about—that we must be worried about—is that the Congressional Budget Office told us that through 1995 the total cuts in spending were $1 billion, the total cuts in spending were $1 billion.

Frankly, in all deference and with all of the gentleness that I can muster, this is not a deficit-reduction package that is calculated to permanently reduce the size of Government, which everyone says is the cause of the deficit. Nobody says we are being taxed too low—strike that. Somebody does. Most people do not think we have to raise taxes and spend more. They think we should cut the expenditures of Government to get to fiscal equilibrium. This is the history of those lines.

Having said that, I want to just make one last point. Senior citizens, senior citizens, the President of the United States has pulled off in his budget a huge hoax—a huge hoax—for which, because of other things in his budget, as I said in my opening remarks, he truly deserves the Academy Award for fiction on his budget.

Let me just tell you about Medicare. Medicare in the entrusted fund, the trust fund, Mr. President, has been assuring and paying seniors for long-term—long-term—home health care. Let me repeat, in the trust fund, seniors, you have been getting your long-term home health care paid for by this guaranteed fund.

Second point. It is the fastest growing item in Medicare. Fact—the President chooses to take that program out of the trust fund. That program is $55 billion, home health care for seniors.

What a hoax. You take out something you are providing them, and say, "We're saving the trust fund." Now the question is, how does he pay for it, the home health care for the seniors? Interesting. He does not pay for it. He puts it right on the backs of the taxpayers of America. One might even say, you raise the taxes $55 billion, because the truth of the matter is, the insurance premiums that the seniors pay for, everything other than what is in the trust fund, other than hospitalization and long-term care, the insurance premiums, the President says we are not going to add the $55 billion to the premiums. So magically he has made the trust fund more solvent by taking away some of its responsibility and also diminishing the assuredness of that coverage for seniors and at the same time does not pay for it.

He just says, add it to the expenditures of the Government. I believe it is at risk. I believe it was safe in that trust fund. I believe it is at risk when you take it out and you do not pay for it and you just say, the taxpayers will pay for it, and Congress will see to that.

That is the truth of the difference in our solvency of the trust fund and the President's. He has this magic $55 billion solvency by saying what we have been giving you out of that trust fund we are not going to give you any longer. But we have made it solvent.

So frankly that is the only difference between the President and the Republicans. That is a big difference. That is a difference that, when it is understood, will turn the tables on who is really worried about making sure the senior citizens get their care and protection.

At this point I yield to Senator MACK.

Mr. EXON addressed the Chair.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER (Mr. COATS). The Senator from Nebraska, as manager of the bill, is recognized.

Mr. EXON. I yield myself whatever time is necessary off of my time.

Mr. President, I listened very carefully to my friend and colleague, and as near as I can tell, when he uses charts to show how we are falsely trying to take credit for reducing the annual deficit, and giving that credit where I think it logically belongs, to President Bill Clinton, I simply say, well, it is tomfoolery.

I also suggest, regardless of the charts and percentages that we talk about, one of the reasons that we are making significant progress is the fact that under President Bill Clinton we are having a good economy, a growing economy, the stock market reaching record proportions.

I simply say, at least I hope my Republican colleagues would agree that we should give President Clinton the credit that he deserves for the good economic news, the growing economy without inflation that we are experiencing under the leadership of Bill Clinton.

I would hate to think what the Republicans would be saying if we were here debating this resolution at a time when the economy was not going well, if the confidence of Americans was not as healthy as it is. I am sure that under those conditions my Republican colleagues would not be blaming President Clinton for those downturns. That is facetious and at best it is an understatement.

One other thing on Medicare. The Republicans always seem to keep moving the goalposts. Last year, how many times did we hear, "Mr. President, just give us a balanced budget that will be scored and balanced by CBO, and we can come to an agreement." The President did that at the urging of myself and others who thought that his earlier budget proposal last year was not sound. He made dramatic changes. He changed many things, all for the good.

Finally, believe it or not, we got CBO to approve a budget plan that the President had offered. Then, rather than sealing the agreement that they had made—if you could come to a balanced budget agreement certified by CBO, we could get together—they started moving the goal post.

On Medicare, the Republicans always seem to be moving the goal post once again. All last year, the Republicans called for preserving the Medicare hospital insurance trust fund. All year, time and time again, that is what they wanted. Now, Mr. President, now that the President has come up with a plan, certified again by the Republican appointee, the head of the Congressional Budget Office, they are moving the goal post. They said 2005 is not enough, we have to go beyond that. It is like they are moving the budget, and every time we meet their goal and reach their goal line, they move the goal post. That may be political. I think it is. At least, it seems to me, it is not realistic.

I simply say, as somewhat of a football expert, Nebraska could not possibly have won two national championships if we moved the goal post every time we got close to the goal line. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. ABRAHAM. How much time remains on our side?

The PRESIDING OFFICER. The Senator would be advised there are 24 hours 15 minutes.

Mr. ABRAHAM. Is there a limit on opening statement time?

The PRESIDING OFFICER. There is no limit.

Mr. ABRAHAM. I yield such time as he may consume to the Senator from Florida.

Mr. MACK. Thank you, Mr. President. I am going to focus my remarks this morning not so much on the specifics of the budget, as others will during the next several days, rather I will focus on the economic conditions that surround this debate.

The distinguished Senator from Nebraska who a minute ago said he hoped that we Republicans would give President Clinton credit for good economic news, may be disappointed in what I have to say, because it certainly is not my intention to give the President high marks for what is happening in the economy.

I ask people to reflect first on my very strong feelings about the Office of President of the United States, an office that all of us hold in high regard, when we think back across our history to some of the great leaders who have held that position. But today, as I discuss the economy, I find it difficult, frankly, to hold in high regard the comments made by the President of the United States with respect to what is happening with the economy, what is happening with growth, what is happening with opportunity.

In his State of the Union Address this year, President Clinton said this is the strongest economy in three decades. Last year, fourth quarter to fourth quarter, the economy grew at an anemic 1.3 percent. Over the entire time that President Clinton has been in office, we have seen economic growth of only 2.4 percent a year. Compare that to the 10 years prior to President Clinton's administration, when economic growth in America averaged 3.4 percent a year. I do not believe this economy is something that we should brag about.

Now, some economists cite statistics and say to us, "Well, things are really kind of OK, not to worry." Let me tell you who I pay attention to. It may be all right for the President to pay attention to those economists and maybe try to hide behind the numbers—2.8 percent annual real growth in the first quarter of this year—while ignoring the fact that in 1995 we had only 1.3 percent real growth; or to say the unemployment rate is at 5.4 percent, while failing to say at the same time that there were no net jobs created in the private sector last month—none, zero. What does that mean? No opportunity. No opportunity to find a new job, no opportunity to leave one job to advance to another. No jobs created.

When I want to know about the state of the economy, I pay attention to the people back home, people who come up to me and tell me they are worried about their future. In fact, it is interesting to ask people these days, how many of you believe that you are better off than your parents were at your age? Almost every hand in every audience goes up, agreeing that they are better off than the previous generation. But when you then ask how many believe their children will be better off when they are your age, maybe four or five hands go up. It appears that for the first time in a long, long time, we have a generation of Americans that thinks the next generation will not do as well as they have done. That is what is causing the tremendous anxiety that exists in America today.

Still, President Clinton wants to claim the strongest economy in three decades—on the basis of 1.3 percent growth. It is interesting to remember that in 1992, when he was campaigning for the Presidency, he called the economy the worst in 50 years, even though the economy that year grew at 3.7 percent. It is a little difficult to understand the President's line of thinking: one day he talks about 3.7 percent growth as being a very weak economy, and then a few years later and he is President, and the economy is growing at only 1.3 percent, or even 2.4 percent, to say we have the strongest economy in three decades. It is very difficult for me, frankly, to give this administration, or this President, credit for a strong economy.

I think we ought to, again, listen to what the people back home are saying to us. One example. I recently heard a story about a woman recalling that her husband had said to her on two separate occasions, "You better not go out today. I may have to call and tell you to come pick me up, because I may not have a job when this day ends." I think about the mother telling her children she would not be home in the evening because she had to get a second job to make ends meet.

One piece of statistical data that has not made the headlines is that, since January 1994, the number of individuals holding a second job has increased 17 percent. Now, the economists might tell working people not to worry. The President may tell working people not to worry, that everything is fine. But I can tell you that the people back home do not agree. They are very anxious about their future, and their ability to make ends meet.

As a matter of fact, a recent poll asked, "How worried are you about your ability to make ends meet?" The response indicated that some 20 million American families a year say their ability to make ends meet is their No. 1 concern. Now there are 30 million families who are concerned about their ability to make ends meet. The anxiety question is real. Economists can say whatever they want, but the people in the State of Florida are concerned about the future.

A couple of other statistics point to why people are feeling anxious. Real median family income has declined in 4 out of the last 5 years. And many other indicators suggest that trend will continue. Real compensation—that is, wages and benefits—grew only four-tenths of a percent in 1995, the slowest in 14 years. Between 1982 and 1989, real income per person grew three times as fast as it has since 1993, when President Clinton took office.

The real issue before us is, how can we help create higher levels of growth? Should America be satisfied with 2.4 percent real growth, or worse? I say the answer is absolutely not.

From the end of World War II to the beginning of the Clinton administration in 1993, economic growth averaged nearly 4 percent a year. Today, we are told we are doing well with growth of only 1.6 percent. Where are the jobs going to come from that will ensure prosperity and opportunity tomorrow?

Not long ago, the President of the United States was in Florida, and there was debate over the future of the sugar industry in the Everglades. Protesters opposed to the administration's plan said they were going to lose their jobs. In essence, the President responded: "Don't worry, we will see that anyone who loses their job will get another one." I wonder how many times he has made that comment around the country. But where does he think these jobs come from? Government doesn't create jobs. They come from the private sector, and they come as a result of Government getting out of the way and allowing for investment to take place.

So we must begin this discussion, Mr. President, with the understanding that the economy is weak, not strong, that job creation has slowed. While the administration wants to brag about the 8.5 million jobs created since they came into office, they neglect to mention that if job formation took place at the same rate as in previous recoveries, there would have been 11.5 million jobs created in America, and we are really 3 million jobs short. Furthermore, of the 8.5 million jobs that have been created, many are second and part-time jobs going to families that need second jobs just to make ends meet. That does not make for a growing economy.

I think it is also important that, when we debate the budget, we must remember who is paying the bills. I think about the people at home who come up and tell me about their tax burden, what they are being asked to pay for Government. I think of the young couple, the husband who works two jobs all week long, from early in the morning until late at night, five days a week, and then stays at home on Saturday and Sunday to take care of his little ones while their mom is out on her job over the weekend in order to make ends meet. I think about the couple that gets up at the crack of dawn and commutes long distances to work, and does not get home at night until well after dark, who cannot spend time with their kids, yet are being asked to pay more and more and more to the Federal Government.

Do you know what really frustrates them? It is that they are being asked to work longer and harder to pay more taxes to support programs that they know have failed and to support individuals who are not working. That is the central theme that runs all through the debate. For example, with respect to the 4.3-cent rollback of the gasoline tax. Every time workers pull up to the gas pump, that 4.3 cents in gasoline taxes goes not to build more roads or to build more bridges, but to fund Federal programs they know have failed, and support people who refuse to work. That is why support for activities here in Washington, DC, has been so deeply undermined in America.

So, Mr. President, I believe our debate should not be so much concerned about this budget itself, but about what needs to happen in order to spur growth of this country, and thereby provide more hope and opportunity for more Americans.

Let me make one other point about productivity growth. Prior to the mid-1970's, productivity in America grew approximately 2.1 percent a year. In the last 10 years, that rate declined to about 1.1 percent. And now, during the 3 years of the Clinton administration, productivity growth has averaged only three-tenths of a percent. If productivity does not increase in a meaningful way, there is no way to pass on higher wages to employees.

What is causing productivity to decline? More taxes, more spending, more Government, and less freedom, including taking away the freedom to pursue greater creativity, to spur American ingenuity, and to provide opportunity. With higher taxes, more regulation, and more interference from Washington, there is less opportunity for American business to be more productive, more competitive, and to create jobs.

So, Mr. President, I say that, at this point, this economy is weak. There is no sign that, in the long run, we are going to achieve higher levels economic activity or offer hope and opportunity to future generations of Americans unless we follow far different policies than the ones offered by the administration. Those politicians who believe that today's economic statistics indicate opportunity are making a grave mistake. The debate on this budget should be about America's future, about the ability to create jobs and opportunity through more investment, job creation, and business formation.

Mr. President, I yield the floor.

(Mr. ABRAHAM assumed the chair.)

Mr. COATS. Mr. President, I asked the Senator from Michigan if he would assume the chair so I could take the opportunity to come down to the floor to compliment my colleague, Senator MACK from Florida. He outlined for the Senate, and for those who are observing, the real concern and the deep anxiety that exists among many Americans today about their future and their family's future. A concern that I think is now becoming almost universally shared about the impact of the decisions, or lack of decisions, that Washington has made. This inability of Congress and the President to make decisions impact their future in a negative way.

We have not faced up to some of the difficult choices that clearly must be made if we are going to put our economy on an upward path, and if we are going to offer and provide opportunity for the young people of the next generation of America, not to mention this current generation that is struggling with that economic anxiety. The Senator from Florida put his finger on the most immediate items that we in this Congress and with this President can address in answering these particular problems. We can provide immediate relief to Americans today by doing what they have asked us to do, and that is examine the role, the function, the scope, and the size of Government. We can address what virtually a universe of Americans now believe—this Government tries to do too much, it is too big, it spends too much. Americans see the results of this Government and they are simply not the kind of return on investment that Americans are asking for. They are working harder in order to pay more taxes to fuel and feed a Government spending effort that is not addressing the basic needs of Americans in an effective way, and they are saying "scale it back." If we could do so and make the appropriate decisions in doing so, we can provide them with an immediate increase in their wages. We can give them immediate salary or hourly wage increase by giving them tax relief from the excessive burden of taxes now being imposed.

This whole question about the gas tax is not really to move the price of gasoline which I paid this morning $1.65.9 a gallon. The question is, and the issue is, that the Congress has not been straight and fair with the American people on the issue of gas taxes and on a whole range of other taxes. The Clinton 4.3-cent gas tax increase was not applied to building roads and bridges, which most motorists in Indiana and, I think, across the country believe. When Americans pay extra money to cover gasoline increases, I know they at least think it goes to build roads and bridges and to help ease their commute to work, or their travel across the country. But no. This gas tax increase went to general revenues in order to feed the excessive and seemingly unabated spending habits of Congress.

So just in the gas tax alone we are talking about more than a reduction at the pump. We are talking about being honest with the American taxpayer in terms of how their money is being used and giving them some relief. The budget that we are debating today is designed to put us on a path toward fiscal responsibility that will allow us then to take the savings that occur over and above balancing the budget which can occur in outyears and return it to the American people in the form of tax relief so they do not have to work so hard and do not have to take that extra job simply to pay taxes to fuel Government.

The Senator from Florida has accurately addressed the issue. And I wanted to take the opportunity to step down from the Chair to thank him for his contributions and for reminding us and keeping our eyes focused on the real picture.

The second point I would make is simply that we as a Congress and the President of the United States must address the tough choices and the priority choices that we all know have to be addressed if we are going to get a handle on this budget.

This idea of deferring for some future Congress the questions about mandatory spending and entitlements is simply postponing the inevitable and bringing us closer to a day of cataclysmic budget collapse. We cannot continue to run up the deficit as we have. We cannot continue to pretend that there are not problems in the mandatory spending programs that need to be addressed.

It reminds me of the old commercial where the fellow picks out the dripping carburetor leaking with oil and says, "You've got two choices. You can pay me now or you can pay me later. If you pay me now, we can make this a lot less expensive and a lot less painful. But, if you wait, the whole engine is going to fall apart."

If we keep postponing this decision, the whole engine is going to fall apart. Republicans have attempted to come forward with budget after budget addressing these questions in an honest way even at considerable political risk only to find that President Clinton ducks his head in the sand, or slips and slides his way through the political minefield, the end result of which is to do nothing.

Mr. MACK. Will the Senator yield?

Mr. COATS. Yes. I am happy to yield to the Senator.

Mr. MACK. I think it would be helpful if we put this debate in terms that citizens around the country can associate themselves with. I remember last year when we were going through this debate, we talked about what would happen if we got a balanced budget. We said that interest rates would come down and that would mean lower mortgage payments, lower automobile payments, and more affordable student loans. I think it is important to look closely at what has happened since we did not get an agreement on a balanced budget. Long-term interest rates have risen by a percentage point. What does that mean to the average consumer, to the couple who is out there today closing on the purchase of their first home? For the average home in America, that higher interest rate means they will pay about $650 more each year in payments, or another $100 a year for a car.

So there are real consequences to this debate and for failing to get a balanced budget proposal through the Congress and signed by the President of the United States.

Real families, real individuals, hard working men and women of America, are paying hundreds of dollars more each year because of the failure to come to an agreement on a balanced budget.

I thank the Senator for yielding.

Mr. COATS. I thank the Senator for those comments.

I will close by quoting what has already been quoted on the floor today probably, the piece written in the Washington Post by Robert Samuelson, who is an economist and writer that I greatly respect because he speaks with great candor, and I think speaks about the thrust that this Congress and that the President needs to address. Just to quote part of this. He says, "As a moral matter, Americans deserve candor."

Americans deserve to hear the truth about the financial situation in which we find ourselves. We are debating in the Senate this week the budget for the next fiscal year and a budget which lays out a plan to achieve a balance in the future. We are debating about these very issues, the issues of how we spend taxpayer dollars, and how we establish priorities. And there is no better time to talk about it than this particular week in the Senate.

Samuelson said, "As a moral matter, Americans deserve candor. As we debate this issue, they deserve what we believe to be the truth. They deserve candor about the situation in which we find ourselves. When you look at the mandatory spending in just the Social Security and Medicare areas, it is an unassailable fact that longer lives, steep health costs, and an aging baby boom will inevitably make Social Security and Medicare unbearably expensive in the next century."

The next century sounds like a long way away. We have plenty of time to worry about it. This is 1996 approaching 1997. We will be at the next century before we know it.

He uses the word "unbearably expensive." "We are facing a crisis of fiscal proportions that this Nation has never faced in its history. It will be unbearably expensive, if we do not address it, and address it now."

He goes on to say, "At some point, spending and benefits will be cut to avoid costs that seem politically intolerable. But the trouble is that the longer changes are delayed the more abrupt and unfair those changes will be, and that's why silence is irresponsible."

We are today hearing silence on this issue from the White House. We are seeing gimmicks, budgetary gimmicks, as the Senator from New Mexico just outlined, to fool, or attempt to fool the American people about the status of the Medicare trust fund by shifting $55 billion out of that trust fund to the general revenues to either put the benefit program at risk, or to add additional costs to the taxpayer, or to drive us deeper into debt.

Samuelson says "This is a relevant character issue about the President. Question: Does he have the moral fiber to help America make difficult choices?"

We are trying to make difficult choices. This budget requires difficult choices. But it is time that we stood up and began to tell the American people the truth about those difficult choices and not postpone the inevitable. At great risk to this economy, at great risk to the future of this generation, and an extraordinarily unbearable risk to the future generation.

So I hope we will use this time to make these discussions relevant, to talk about them in an honest way, and to quit the posturing and the pretending and to end the practice of saying, "Well, we cannot do it now because there is an election just months away." I have served in this body for some time, and every 2 years the excuse is "we will do it after the next election." The time to do it after is running out. The risk is extraordinary; the results are unbearable; and I hope we could face up to these decisions and honestly put it before the American people.

Frankly, I think they are ready for the truth. Frankly, I think they will reward truth and reward candor, and I hope this can be a major part of this debate in the Presidential election and in the Senate and congressional elections, and I hope we can initiate the debate this week.

Mr. President, I thank you for your patience. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COATS). Without objection, it is so ordered.

Mr. ABRAHAM. I yield myself such time as I may need.

Mr. President, once again, we have before the Senate the budget resolution that was passed by the Budget Committee under the leadership of Senator DOMENICI. This budget resolution achieves balance in the year 2002. It accomplishes this feat by reducing the size of Government and slowing the growth of various governmental programs. At the same time, it preserves and protects Medicare, provides full funding for education and environmental programs, and increases funding for Federal crime programs over previous levels.

Mr. President, let me begin by saying I am happy that this year we are dealing with a belief that we should balance the budget. One year ago in this budget process the President was talking about $200 billion a year deficits as far as the eye could see. This year the President is talking about balancing the budget and attempting, we would argue not successfully but at least attempting, to present a budget that does bring us into balance.

The differences though are considerable. The accomplishments of the Republican budget contrast strongly with the President's budget submitted earlier this year. Where we rely on tough economics and tough choices, the President's budget relies on rosy scenarios, gimmicks and deferred savings. Where we employ new ideas to help curb the growth of our entitlement programs, ideas like choice in Medicare and returning our welfare programs back to the States where they belong, the President relies on tried and, I believe, failed policies that guarantee our entitlement programs will continue to spiral out of control. Where we put our faith in individuals and families by encouraging economic growth so they can earn more, reduce the size and scope of government so they can keep more, and in the process do more for themselves and their families, the President's budget simply puts his faith in more government.

The differences are these. We are offering a budget that gets to balance and achieves it by making some tough choices, choices that have to be made if we are to truly have a balanced budget.

The President's budget, on the other hand, in effect says we can achieve a balanced budget painlessly, without anybody really having to suffer. That is, in my judgment, impossible. Obviously, we have to constrain the growth of government. We have to do it in a way that is fair and equitable. To say that we can accomplish this where tough choices are not needed is wrong.

Other Members have already addressed the important details of the Republican budget. How it reduces overall growth in Federal spending by over $440 billion through the year 2002 while increasing funding for education, the environment and crime fighting programs. How it protects veterans' health care and homeless programs from the devastating cuts included in the President's budget. And how it protects Medicare home health care programs by keeping the program within the part A portion of Medicare where it belongs.

Today, I would like just to focus on one difference between the two budgets. That is the area of tax cuts and how the Republican approach contrasts with that of the President.

First, let me put the tax picture in perspective. According to the Tax Foundation, more than one-third of the average American worker's wages go to taxes. For working parents that meant they had to work until May 7 just to pay their taxes this year. The Tax Foundation calls this tax freedom day, and May 7 is the latest it has ever been recognized.

Other indicators are just as ominous. Columnist Bruce Bartlett pointed out recently that State, local and Federal revenues now consume more of our national income than ever—31.3 percent of everything Americans earned last year. At the Federal level, taxes are also at near record levels. Last year, they consumed 20.4 percent of our national income. This marks only the second period in which the Federal tax burden has exceeded 20 percent of the gross domestic product of the United States. The last period was at the end of President Carter's administration, just prior to President Reagan's tax cut proposals of 1981.

President Clinton has played a very active role in helping achieve this record tax burden. As a candidate, he campaigned on a platform of middle-class tax cuts. At that time he stated, "We will lower the tax burden on middle-class Americans." He even argued against raising gasoline taxes, telling voters, "I oppose Federal excise gas tax increases." Why? Because a gas tax "sticks it to lower income and middle-income retired people in the country, and it's wrong."

That is the campaign rhetoric of 1992, but it is not consistent with his performance thereafter. As we all know, President Clinton pushed through the Congress in 1993 the largest tax increase in history: $265 billion over 5 years. Gas taxes were raised during that budget battle. The President also raised taxes on senior citizens. He raised taxes on the largest corporations, and he raised taxes on thousands of the smallest businesses. He raised taxes on the living and he even raised taxes on the dead. Then he turned around and told a Houston audience, "You might be surprised to find * * * I think I raised your taxes too much."

That is true. The fact is, the tax burden has been raised higher than it has ever been before, except for one point in American history. More significantly, by ranking tax burdens according to Presidents, you can see that this President has presided over the highest average tax burden of any President in the history of the country, 19.933 percent of national income.

In a nutshell, the President has succeeded in completely reversing the progress made during previous administrations in moving us toward a simpler, fairer, flatter Tax Code. The Tax

Code now is more burdensome, it is more complex, and it is more costly as well.

What does that mean to average Americans? We can talk about numbers and percentages, as we often do on the floor here, to the point where we lose sight of its impact on real people. But what it means is this. Last year Americans paid to Uncle Sam $87.2 billion more than they would have under previous policies. For the average American family, that's over $800 taken out of their pocket each year and handed over to the Federal Government.

The Balanced Budget Act which President Clinton vetoed last year would have provided partial relief from these record tax burdens. The bill would have reduced the tax burden on Americans by a modest amount, on average about $36 billion a year. In other words, the tax relief vetoed by President Clinton last fall was less than half the increased tax burdens that Americans have experienced since he took office in 1993. President Clinton vetoed the Balanced Budget Act and deprived Americans of middle-class tax relief, like the $500-per-child family tax credit, marriage penalty relief, expand IRA's, spousal IRA's, and estate tax reforms that would have given small business and family farm owners the opportunity to pass on their enterprises to their families in a way that is not feasible right now because of the high inheritance taxes.

Which brings us to this year. In the President's State of the Union Address, Mr. Clinton announced that "the era of big Government was over." He then sent to Congress a budget which would ensure that Government spending and income taxes remains at record levels.

Once again, however, we have to look beyond the rhetoric. When the President released his budget in March, he claimed he was providing Americans with $99 billion in tax relief, enough to pay for a watered-down child tax credit.

On closer inspection, however, the President also included $62 billion in tax loophole closing and other increased revenues, which means the net tax relief is only $36 billion.

Finally, in an attempt to make the budget reach balance in the year 2002, President Clinton has to terminate his tax cuts in the year 2000, which reduces the total tax relief provided in the Clinton budget between 1996 and 2002 to something around $6 billion.

Think about that. We are talking about net tax relief over 6 years of about $1 billion per year. There are 250 million-plus Americans. That means the President's tax cut, spread over six years, averages out to about $4 per American per year. This amount is hardly consistent with the promise that was made during Clinton's election campaign for significant middle-class tax relief. In fact, Mr. President, as I think about it, it probably means one extra trip to McDonald's per year for the average American family.

But that is not the worst part. The worst part is that, while President Clinton terminates his tax cuts, his tax increases are permanent. They go on forever. The net effect is another tax increase on Americans. Between 1996 and 2006, President Clinton's budget would raise taxes on Americans by $50 billion. Add this new tax increase to the previous tax increases, and this Presidency will have cost Americans 465 billion additional dollars through the year 2002.

Contrast this tax increase with the Republican budget. Our budget includes funding for the full-sized, permanent, $500-per-child family tax credit. Our goal is to reduce the tax burden for those taxpayers who need it the most—parents attempting to raise young children. For a family earning $30,000 per year in my home State, Michigan, with two children, the child tax credit would reduce their 1996 Federal income tax burden 51 percent. That is real relief from what, under President Clinton, has become the highest tax burden on families in the history of this country.

That is the difference between the direction that we perceive Americans wanting to go and the direction they would have under the President's proposals. Our goal is to let American families earn more and keep more. Our goal is to give American families a chance to keep more of the dollars that they earn and to be able to use those dollars to help their families, particularly those families in the middle class who are struggling to make ends meet, working hard and playing by the rules.

I think the choice before the Senate is clear. On the one hand, you have a resolution that is responsive to the American voters and taxpayers in their desire to see a smaller, more effective Government with its books balanced, and, on the other hand, you have the President's budget which is responsive to the status quo and inside-the-beltway interests.

I would like to just close by thanking Senator DOMENICI for his leadership on this issue. This is my second opportunity to vote for a budget resolution. Thanks to Chairman DOMENICI's resolve and guidance, I am once again proud to support and back a document that brings this Government's budget into balance. It has been 25-plus years since the Congress was able to do that, and it is under the leadership of Senator DOMENICI and the Republican majority that we accomplished this goal.

Last year we took this goal as close as we could to the finish line by making sure that Congress ultimately passed a budget that was in balance. Unfortunately, the President chose to veto that budget. He chose to veto tax cuts for working families. He chose to veto reform of the Medicare Program to help ensure the solvency of the Medicare trust fund. And, he choose to veto a budget that will give Americans relief from the high interest rates that result from uninterrupted Federal budget deficits. years.

Hopefully this year, when a balanced budget is presented to the President, we will have a different result. I hope he will sign that budget, and I hope he will agree with us that it is time to truly put the era of Big Government to rest and move in a different direction.

The President's budget does not really accomplish that. The budget which the Senate Budget Committee passed last week does. I look forward to working to see its adoption here on the floor of the Senate.

I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER (Mr. ASHCROFT). The Senator from California.

Mrs. BOXER. Mr. President, I am pleased to be here today as a member of the Budget Committee to talk about the differences between President Clinton's budget, which I voted for in the Budget Committee, and the Republican budget that passed on a partisan vote.

First, I wanted to point out that the Senator from Michigan complains about the size of Government as a share of the economy, but he only tells half the story, if that. What he did not know is that President Clinton has reduced the size of Government. There are fewer people working for the Government now than at any time since John Kennedy was President.

Let me repeat that: There are fewer people working for the Government now than at any time since John Kennedy.

Spending by the Federal Government now is 22 percent of the economy. But what the Senator did not know is that this is the lowest percentage since the 1970's—lower than it was when we had Republican Presidents. As a matter of fact, the record level was set during the Reagan administration.

So I think when we talk about this budget and the situation today, we ought to put it into the context of where we have come from. We have come from a time when there were hardly any new jobs created to a point where President Clinton has fulfilled his commitment to create more than 8 million new jobs. We have come from a time where we talked about deficit reduction but ran up more debt during George Bush and Ronald Reagan than all the years since George Washington through Jimmy Carter. Now we have seen deficit reduction 4 years in a row.

There are many other facts about this economy that are important. The misery index is at the lowest point. That is a combination of unemployment and inflation. It is at a very low point. As I said, we have fewer Government employees than at any time since John Kennedy.

Does that mean everything is perfect? No, it does not mean everything is perfect. We have a long way to go. We should have started yesterday by passing an increase in the minimum wage. That is what we should be doing. We should be reaching across the aisle to make life better for millions and millions of working people who have seen that minimum wage go to a 40-year low in terms of its purchasing power. Seventy percent of the American people think it is an issue of fairness, and we have a Republican leader over in the House who says he really does not believe there ought to be any minimum wage—there ought to be no minimum wage. Can you believe it?

The thinking that has taken over this Congress since 1994 never fails to amaze me. Yesterday, I said the passion that is being expressed on the other side about reducing 4 cents on the gas tax should be matched by a passion to increase the minimum wage for our people.

We already know from the experts that the oil refiners will probably get that 4 cents a gallon. When that issue comes before us, we are going to work hard on the Democratic side to make sure that money does go into the pockets of consumers, but even with that, we cannot ensure it. Let us say they got every penny, that is $27 a year, and the deficit will go up. If it is made a permanent repeal, it will go up by $30 billion.

So how do the people view this Republican Congress when deficit reduction is supposed to be No. 1 and then we repeal a gas tax, which will probably go into the pockets of the oil companies, and then we are going to have to find out how we are going to make up that money? The latest plan is to do a one-time fee on banks. But the fact is, that fee on banks is supposed to be put aside in case there are bank or savings and loan failures, not to be used up on a gas tax repeal.

What does that all have to do with the budget? I think in many ways it is symbolic of the kind of budgets we are going to see presented. One, in my view—and that is President Clinton's budget—really does put people first, and the other, the Republican budget, I do not think puts people first. Of course, it is up to the American people to decide.

I am going to just show the differences in the budget, as I see them. I will use a chart to do that, because I think it is one thing to talk about how we feel about the budget, which we all will do, it is another thing to put the numbers behind our statements.

So I have tried to highlight from my perspective as a Budget Committee member some of the most important differences in the two budgets. I want to talk about education and job training.

If people from another country were to ask me what makes our country great, I would say it is because we have a great middle class and everyone has a chance at the American dream.

And then if they asked, "Why do people have a chance at the American dream," I would say, "If I had to say one thing, it would be education."

I happen to be a product of public schools, all the way from kindergarten through college. I was very fortunate to have a good education in public schools. In college, I went to the State university. It cost me $12 a semester. It was amazingly affordable. Of course, as I go around my State, the people who like me say, "Look at that Senator, she's a product of public schools." Of course, the ones who do not say, "See what public schools can do; look at that Senator."

The fact of the matter is, it is education that is the key to the American dream, and today it is more than education, it is education and job training. As our President has said, many of us will have seven and eight jobs in a lifetime, and we need the constant retraining, the reeducation. I know people of my generation have had to learn how to use the computer. It is not that easy, but it can be done.

The fact is, if you look at the two budgets, the President's budget and the Republican budget, the President adds $56 billion more to education and training than does the Republican budget. That is a fact. Both budgets balance in the timeframe of 6 years. Both budgets balance. So we do not have to argue about that. That is resolved. The question is, what are your priorities? What do you want to invest in? And I think that this Democratic President is correct in saying we must invest in education.

What the Republicans do is actually, compared to 1996 levels, decrease by $3.2 billion over the next 6 years what is spent on education. I just have to say, if there were no other differences in this budget, no other differences than this first point, $56 billion more to education and job training in President Clinton's budget than in the Republican budget, if there was not one iota of difference other than that, I would say vote for President Clinton's budget, which is, of course, what I intend to do.

There are more important things as well—Environmental Protection Agency enforcement. I see the Senator from Arkansas is on the floor, and yesterday I thought he made a spectacular statement about the importance of clean air and clean water and an environment we can hand down to our children that is at least as beautiful as the one we inherited. You cannot do that without enforcement.

We had this argument in the 1970's when, under President Nixon, we set up the Environmental Protection Agency. That was bipartisan. What has happened to the environmental issue? We cannot find support for environmental protection on the Republican side of the aisle.

It takes inspectors to enforce the laws, to make sure that companies are not polluting and that when they do, they pay to clean it up. It takes dollars to clean up Superfund sites, most of which are very close to our populated cities.

I visited one of them in San Bernardino, CA. The cleanup was stopped because of the Government shutdown. We could not get the money to clean it up, and the pollution and the toxic waste was about to penetrate into the water table. Thank goodness we were able to get those funds after the Government reopened to begin cleaning up that site. That is just one small example of the problems that we have.

Years ago we did not know that some of these chemicals were very dangerous, that they could sink down into the water table. But we know it now, and if we do not pay the price now, we will pay it later. How wise it is to clean up those pollutants now before they get into the water table and people cannot drink the water, and if they do, they get sick. I just read a recent report that they have traced chemical pollution in the water supply to childhood leukemia.

The fact of the matter is, it is shortsighted to shortchange the Environmental Protection Agency, and that is a difference in our budget.

Let us get to the issue of Medicare. I thought we had the fight over Medicare in the sixties, and we decided it was shameful and morally reprehensible that half of our senior citizens had no health insurance.

We passed a good law, the Medicare law. It has worked. Do we have to make sure that the Medicare system is sound? Do we have to make corrections and reforms? We do. And the President does in his budget. He makes that fund safe until at least 2005.

But what does the Republican budget do? It cuts $50 billion more out of Medicare than does President Clinton's budget—$50 billion more. It is hard to imagine what $50 billion would look like. But taking $50 billion out of Medicare more than the President—more than the President—and saying that system can survive is simply not so. As I understand it, all of the costs would be put on to the hospitals in this particular plan, and hospitals will start closing; we will lose emergency rooms and we will be in big trouble. I think our senior citizens deserve better.

Republicans cut $18 billion more than the President out of Medicaid. I hope to have an amendment to talk about the Medicaid issue. Who is on Medicaid? The poor children, the poor families, and two-thirds of our senior citizens in nursing homes are on Medicaid, our grandmothers and our grandfathers.

What do you suppose is going to happen when you take $18 billion more than the President did out of Medicaid? Nothing good will happen, I can assure you. We have already had the scandals in the nursing homes in the 1980's. I do not want to live through that again. We cannot take these kinds of dollars out of Medicare and Medicaid and have a system that functions and a system that works. Then if you do the medical savings accounts on top of that, which is also, as I understand, assumed in this budget, the healthiest and the wealthiest will leave a lot of our plans, including Medicare, and it is going to make matters far worse when the healthiest and the wealthiest leave the big insurance pool.

The earned income tax credit. Republicans cut $12 billion more than the President in the earned income tax credit. What is the earned income tax credit? It is a credit given to those in our community who work very, very hard for very low wages. And the purpose of it is to ensure that they do not have to go on welfare. And it is really a very important, very important tax credit for those at the bottom of the scale who work so hard and do not want to be on welfare. Yet, the earned income tax credit, which was really praised highly by President Reagan, President Bush, bipartisan, is hurt deeply in the Republican budget.

However, there is one area where the Republicans spend more. Guess what it is? It is the Pentagon. They spend $11 billion more than the Department of Defense asked for. Let me repeat that. In this budget, if you vote for it, you are voting for $11 billion more than the Department of Defense, the admirals and the generals, asked for. I do not get it. I do not get it.

We have the strongest military in the world, and we should keep it that way. We spend more than any other nation. I am going to tell you exactly what we spend compared to other countries.

Here is a chart that shows that the U.S. military budget spends more than the next five countries combined. I want to thank Senator SIMON for sharing this chart with me. He had used it in the Budget Committee. So here we see the United States, $264 billion; Russia, $98 billion; Japan, $54 billion; France, $41 billion; the United Kingdom, $35 billion; and Germany, $34 billion.

Let me make a point. Let us just say for purposes of this that Russia is not our friend. Of course, the cold war is over and she would like to join NATO. But for the purposes of this conversation, let us say Russia was not our friend, because there are elections coming up and we are nervous about it, I understand. All the other countries—Japan, France, the United Kingdom, and Germany—are our very close allies. So if you take what America spends, and you add what our best friends spend, I mean, we are up there in the stratosphere. We do not have to lose sleep at night about the size of our military budget.

And the fact of the matter is, the kinds of threats we now face are very different than the threats that we faced in the height of the cold war, when we worried about intercontinental ballistic missiles and we worried about nuclear weapons. Thank goodness times have changed. Are they risky times? Yes. Are they dangerous times? Yes. We can never not be vigilant. But the threats are different. And the costs should reflect the different types of threat.

We are far more threatened by terrorism, for example, than we are from an intercontinental ballistic missile. And you need different things to prepare for that than you do that type of a star wars threat that we used to feel in the cold war days. So with all of this information, the Republican budget adds yet another $11 billion.

I want to hearken back to what Dwight Eisenhower said, general and President, a Republican. He said, it is very important to educate our children; that the defense of our Nation is not only in the size of its arsenal, but how educated our children are. He is the one who brought to the Congress in the 1950's the National Defense Education Act. He called it the National Defense Education Act because he knew, if we are going to be strong, if we are to defend America and its principles and its democracy, it takes an intelligent country and it takes young people who are ready to learn.

I will tie that into a conversation I had with the entrepreneurs in the Silicon Valley. I am so proud to represent them here in the U.S. Senate. When I went to see them when I was running for the Senate back in 1992, I said, "Tell me the one thing I could do for you if I become your Senator." I fully expected them to say something like, "Well, cut our taxes." They did not say that. They said, "If you become our Senator, get us an educated work force. Get us an educated work force." Today they are hiring foreign workers because they are not getting the skills here that they need. The answer lies in this budget.

That is why this debate is so exciting and so important. It can sound a little boring when you talk about technical terms such as "real freezes" and "hard freezes" and all the rest and technical assumptions, "CBO" and "OMB," and all the things we talk about in our budget meetings.

But behind all those words is reality. The reality is, what do we believe in? What do we believe will make us great? If we can, in our budget, invest in those things that will make us great, in the context of a balanced budget, because we need to do that—we need to do that. We are wasting so much on interest payments on the debt. We have to get a handle on that. And we do in both of the budgets before us. The debate can now focus on these differences, these things.

So, Mr. President, it is indeed an honor for me to partake in the debate. I want to thank Senator EXON, our Democratic ranking member, for all the hard work that he has done and the staff has done. I want to thank the President of the United States for giving us a budget that I think we can be very proud to vote for. It is fiscally responsible. It makes the tough and hard choices. It comes to balance, but it does it in a way that makes the right investments: Education, environment, Medicare, Medicaid, the earned income tax credit, and a sensible number for defense.

You put that altogether, and I think you have a pretty good roadmap into the next century, one in which America will truly be the economic leader of the world, and also the moral leader of the world.

Thank you very much, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I rise today as a member of the Budget Committee in strong support of the 1997 balanced budget resolution. I want to commend the diligent work of our chairman on that committee in moving this legislation to the floor of the U.S. Senate.

As we begin our debate, I hope we will keep our Federal debt in perspective. As of today, the Federal Government is $5 trillion in debt, more than $19,000 for every man, woman, and child in America. The whole concept of $1 trillion is so difficult to understand. An analogy I use to explain how much a trillion is, I go back to a very simple way of thinking about it. That is, if you started a business on the day that Jesus Christ was born, almost 2,000 years ago, and on the day he was born you lost $1 million and you lost $1 million every day since the day he was born—$1 million every day—you still would not have lost $1 trillion.

We in this country have a $5 trillion debt. Looking at this problem from another angle, a child born today owes $187,000 just on interest on the debt over his or her lifetime. We clearly cannot sustain this course of unrestricted, unrestrained Federal spending. That is why we are here today to introduce a balanced budget which will protect those children and that opportunity for an American dream for those children.

It really boils down to the whole concept of long-term thinking. We, in this town, too often think in terms of 1 year or 2 years. It is time for all of us to come together and think in terms of that long term. In my own career of medicine, before coming to this body, you do an operation to possibly get through a short-term, acute problem, but you do it for the long-term quality of life for that individual. It is this long-term thinking that all of us need to engage, bring to the table in this budget debate.

Long-term thinking clearly means reducing spending and reforming entitlements, something that is tough to do—and this is a political year—really any year. All of us are dependent on reaching out to the public. Telling the public, broadly, that entitlements, or benefits established by law and paid to any eligible beneficiary—and we define that the eligibility requirements, regardless of cost, are what are driving this country to higher and higher debt and larger deficits over time —it is the result of the automatic-pilot spending that causes entitlements to be the largest and fastest growing portion of our Federal budget.

On this chart—and it is a familiar chart to many of us on the budget committee, but it is one that is worth imprinting in our minds because it shows the problem that we have, not just in 1996 and 1997, but on into the next century. The chart is very simple. It shows Federal spending; that is the height of each of the bars. It starts in 1970 and comes to where we are right now, 1990, then to the year 2000, and on into the next century, the year 2030.

The green line is the revenue that comes in to Washington, DC, the taxpayer dollars, the amount of money that is coming in. We can see, over time, as a percent of GDP—gross domestic product—that is constant. It has been constant for decades and will be for decades, right at 19 or 20 percent of GDP. We can see, of interest, that the income coming in, the revenues, matched in 1970—the last time it matched—Federal spending. Why? We have not had a balanced budget in almost three decades in this country.

We can see through the 1980's and the 1990's that the Federal spending outpaced the revenues. That is why we have the deficit each time. We add up each of the deficits, and we get the $5 trillion debt. In red are the entitlements. There are basically five entitlements—there are really more than that: Social Security, Medicare, Medicaid, pensions, and welfare spending.

Look at the dramatic increase, historically, over time, to where we are today, in the red, in entitlements. They are on autopilot. The interest is the amount of money, the interest on the Federal debt. It is the amount of money that we are paying each year we have to pay on the $5 trillion debt that is out there. As the debts increase, the amount of increase over time has increased.

In the blue, looking at 1970, we have discretionary spending. Discretionary spending is that spending that is for the sorts of things that we just talked a little bit about earlier. That is our national parks, defense of this country, education, roads and infrastructure. Notice how, over time, the blue is getting smaller as the red gets larger on autopilot.

What is frightening—and the reason why I want to show this chart—is what happens in 4 years, 10 years, in the year 2000, 2010, and 2020. Revenues stay the same and there is a huge growth in overall Federal spending. Unless we do something, this is inevitable. This is agreed to in a bipartisan way. These are data that are generated by a number of sources that, again, both sides of the aisle accept. It is inevitable. The reason it is inevitable in some part is because of our aging population, because we had a baby boom back 30 years ago now which will be traveling through, which at the year 2010 will hit.

Now, 2010 sounds a long way away, but in truth it is 14 years away. You can see in the year 2010, 14 years away, that entitlements, in the red, and on the debt, in the yellow, consume all Federal revenues in 14 years unless we do something. The last year and a half we have not done anything. Unless we do something, we will have no money left over for the discretionary spending. This is education, national parks, research, science, and defense of this country. That is why we must come together and act in a reasonable way.

The growth of mandatory spending we can look at differently to drive home the problems that we have. That is really in this second chart. Mandatory spending—what we spend if we do nothing—on entitlements and interest on the debt are consuming an increasing portion of our Federal budget pie. This chart, I think, describes that and explains that very well. We have mandatory spending in 1965, overall spending in 1965; overall spending in 1995 is shown by the middle pie; and then looking on into the future. This is our overall budget. The red is entitlements; the yellow is interest on the debt; and the discretionary spending is in the light blue.

Look what happens between 1965 and 1995: Entitlements and interest on the debt in 1965 consumed about one-third of our overall budget; by 1995, the discretionary spending and the mandatory spending have flipped. We can see entitlements and interest on the debt now consume almost two-thirds of the overall budget, with the discretionary spending having consumed before two-thirds, now only one-third. We must act.

Again, why do we need to act today for the long term and not just the short term? Because if we look out again in 14 or 15 years, in the year 2012, the entire Federal budget will be spent for entitlements and interest on the debt, with absolutely no money left over for defense, medical research, roads, national park, and infrastructure. This is what happens if we do not act, if we do not act in this body, in a bipartisan coming-together, in a reasonable way.

Clearly, we face a monumental fiscal crisis if we do nothing. This 1997 balanced budget resolution, which came out of the Budget Committee, begins to solve this long-term problem by reducing spending growth and reforming entitlements. Over the next 6 years, our resolution will slow spending by $441 billion. More importantly, 85 percent of these spending reductions target mandatory programs, those automatic pilot entitlements that are driving us deeper and deeper into debt.

Our budget, unlike the President's budget, addresses this problem of growth in entitlements and interest over time, which ultimately eliminates discretionary spending. Now, long-term thinking also means strengthening and improving programs that are critical to the health care of our Nation.

Of the 400 entitlement programs in the budget, I want to briefly comment on two—Medicare and Medicaid. It is the long-term decisions that we make about these programs that are crucial because it is they that are the fastest growing entitlements, and it is they that provide the critical health care services that over 37 million senior citizens depend upon and over 30 million people below the poverty level. It is a little disappointing because I have been in this body about a year and a half to 2 years, and we have made absolutely no headway in saving, strengthening, and simplifying Medicare. Yet, the problem has been laid out for us now almost 2 years ago.

Politicians all too often have been negligent in telling people the truth about Medicare's really precarious financial situation. Let me say at the outset that, as a physician, I have taken care of thousands of Medicare patients personally, day in and day out. It is the world's largest insurance program. It is hugely popular among 37 million participating Americans. It is giving seniors and individuals with disabilities unprecedented access to the great health care system that we have today. It has prolonged and improved the lives of millions and millions of Americans. Thus, we must work together to strengthen and save this program.

The truth is depicted again in this chart, though. This is the Medicare hospital trust fund, the so-called part A trust fund. It started going broke last year. If I were to come into any small business and say, "You are going broke right now," what would they do? They would react, go back and develop a strategic plan. They would react on that day. Yet, we sit in this body and have not yet done one thing to reverse Medicare going broke in a few short years.

This chart shows overall assets of the trust fund in billions of dollars. You can see that we were spending more than we were taking in beginning last year. This is 1994. In 1995, we went into the red in the Medicare trust fund spending, the actual cash flow going in and out. That deficit spending has increased this year, will increase this year, the year after that, and the year after that. Meanwhile, this trust fund is going down, down, and down, where in 4 to 5 years the trust fund will be bankrupt.

I should add that these projections have gotten worse over the last year. Last year, we said it is not going to start going bankrupt for a year and will not really go bankrupt until 2002. Well, over the last 14 months of doing nothing in the U.S. Congress, Medicare is going bankrupt more quickly.

This chart shows this whole concept. We sort of looked at cash flow in the last part, how much is coming in and going out. If we look at actual bankruptcy—I took a chart that we used last year, based on the Medicare trustees' report of last April, and updated that chart. This chart looks at, in billions of dollars, how much the trust fund has in assets. When it gets down to this line, Medicare is actually going bankrupt. This is 1985 to 1995. It projects out to the year 2004. The line that I used last year, which was in the Medicare trustees' report, was the blue line. From 1985 to 1995, as you can see, the Medicare part A trust fund looked better and better and better. However, we saw, beginning last year—not this year, and we saw it on the previous chart—we started deficit spending. This is what we projected last year. This is 1995. That is, Medicare would be bankrupt in the year 2002. I should add, when Medicare goes bankrupt, by law, no hospitals can be paid. So when it goes bankrupt, that means that care will actually be denied. That is inevitable, unless we act. Well, last year, we presented a plan to the President of the United States that would save Medicare, would change the course of this line on out into the future. Yet, it was vetoed by the President. Now we have yet another opportunity to salvage, to save and strengthen Medicare.

Look what has happened in the course of the last year and a half of doing nothing. That is where I have updated this chart. That is where the red line comes in. Based on the predictions by the Congressional Budget Office, we see that Medicare is not going to go bankrupt in the year 2002. But now it is going to be going bankrupt in the year 2000—and nothing else has changed—unless we act. In this balanced budget resolution, I will show you, shortly, how we will extend these lines out and preserve Medicare.

Surely, we must save and strengthen and simplify this program. We have to lay aside the politics and focus on protecting those Americans. I think of those thousands of patients who I have taken care of myself, and who were treated for heart disease, lung disease, emphysema, and had lung cancers taken out, and who have gone through coronary bypass surgery. Those are the people I have seen and the people we have to be responsible to in preserving this program.

This chart shows the Medicare hospital insurance trust fund with what we have before us today in this balanced budget resolution, with what the President has proposed and will be talking about later today, and what we will discuss on this floor today and tomorrow. Under current law, again, this shows that Medicare will be going bankrupt in the year 2000 if we do nothing. That is the red line. Well, the President, in his proposal—once you get rid of the gimmicks of moving home health care and part A of the trust fund elsewhere, which is a gimmick—if you put that aside, you can see that under the President's proposal, in green on the chart, the hospital trust fund is extended for 1 year.

We have to get away from this short-term thinking and look on into the next century. The baby boom does not even hit until 2008. We have to be prepared for the year 2008 and extend solvency for 10 years. That is what our balanced budget proposal does. The balanced budget proposal—the one we will be debating and discussing—extends the life of the part A trust fund, which is the heart of Medicare, out for 10 years. That is an objective that the President said he would like to see out there. It is something I feel strongly about. Remember, out in the year 2006, we are going to have a whole new set of problems we have to address. In the proposal before us, we extend for 10 years the solvency. The President extends it only for 1 year. If we do nothing, it will be going bankrupt in the year 2000.

With regard to Medicaid, which is the second area I want to discuss, I think we have a historic opportunity to work together to preserve what has become and needs to be a real safety net for women, children, senior citizens, and our disabled population.

Let me, again, say that about 35 percent of the people who I have transplanted hearts into are below the poverty level and benefited by having Medicaid. So, again, my experience with this whole health care issue is pretty real in that 35 percent of all the people I have transplanted benefited by having Medicaid, which served them very well. The problem is that Medicaid, today, takes up 6 percent of total Federal spending and about one-fifth of State spending. Unless we act, we will see about a 155-percent increase in just 10 years.

This increase in Medicaid spending, if you look at it just from last year to this year, is more than we spent in whole on mass transit, on all criminal investigations, on pollution control and abatement, and on the National Science Foundation. That is just how much the increase has been. Unfortunately, Medicaid, with this inexorable growth, is bankrupting our State budgets, who have Medicaid being the largest single entity in the States' budgets, driving out spending on other very useful causes, like police, crime, and education.

Let me say at the outset that nothing in our balanced budget resolution constitutes a cut in Medicaid—absolutely nothing.

President Clinton and Republicans both attempted to rein in growth and spending and protect the eligible population. The differences are going to be hammered out in the committee. But let me just say what we started with.

We started with the bipartisan cooperation in working with the Nation's Governors, 48 of whom got together and passed out unanimously a proposal that we agree with. Their plan was designed to protect all current law eligibles and included in the umbrella a fund for emergencies.

To preserve the important safety net which must be there, Medicaid spending under our plan, our proposal, will increase 25 percent over the next 6 years. There are $54 billion more in our bill than in last year's budget resolution. It is not a cut. The program will continue to grow at a rate of about 6.5 percent under our proposal, which is important—two times the rate of inflation—and it will grow a total of 46 percent from 1996 to the year 2002.

Let me also add that as we strengthen Medicare, improve Medicare, and save Medicare for the future, and as we improve, simplify, and strengthen the Medicaid programs, we must also recognize that biomedical research must and will remain a priority for our Nation's long-term health care needs, again going back to the importance of thinking long term and not just short term. In this field of biomedical research, shortsightedness would only yield some quick remedies that would really, I think personally and based on my experience, potentially endanger lifesaving breakthroughs from continuing research.

The 1997 budget resolution allows us to maintain funding for the NIH, the National Institutes of Health, at the level of funding secured last year and an increase of 8.8 percent, or almost $1 billion, more per year than in last year's budget resolution. Their commitment will help to preserve our position as a world leader in biomedical research.

Finally, Mr. President, long-term thinking means avoiding budget gimmicks. Earlier I spoke very quickly about a gimmick that I find very troubling in the administration's budget of transferring home health care, which is growing at about 17 percent a year, from one part of Medicare to another to make us feel better about part A. Medicare is part A, the hospital trust fund we have talked about, and part B, which is physician services, we focused on a lot over the last year and a half.

Part A, the hospital trust fund, and the data that we just talked about, is the hospital part A trust fund. We cannot solve that problem without some fundamental reform. What the President has done, unfortunately, is take assets out of the part A trust fund, move them elsewhere and say, now the trust fund is going to be solved long term. It is just not right. It is just not true. That is a gimmick. We have to have fundamental structural reform if we are going to look at the long-term solvency of that part A trust fund.

I guess I want to comment lastly on the President's "spend now, save later," proposals for discretionary spending. This chart looks just to the nondefense discretionary outlays, the spending that is out there. The red is the President's plan. The green is the Senate-reported plan that we have on the table now. It is $270 billion in overall spending, fiscal year 1996, where we are today, going out to the year 2002 over the next 6 years. The difference in this plan is very clear—increased spending in these early years by the President's plan in nondefense discretionary spending where we have real numbers coming in addressing the problem today, not focusing on just the first 2 years, but the long term.

The President has certain trigger proposals which will come into play these last few years, and I think they really defy common sense. The American people need to recognize these proposals as gimmicks that are antithetical to our efforts to balance the budget. No American family or individual would conduct their financial affairs in this manner, and their Government should not either. The problem is now. Let us address the problem now, not increase spending hoping, hoping, that it will be addressed in the future.

I look forward to offering a sense-of-the-Senate amendment on the floor that will oppose these discretionary triggers and support commonsense budgeting.

Our constituents deserve nothing less than a courageous forward thinking leadership here in Washington. All of us know that today they want us to balance the budget. Today they want us to save Medicare from bankruptcy, which is inevitable if we do not act. They want us to reform Medicaid to return welfare to workfare, to provide tax relief without resorting to budgetary gimmicks. We do need to transform Washington from that 2-year town that looks to the next election to a 20-year town that looks to the next generation.

We can start that today as we get this whole budget discussion underway this morning and in the afternoon, over the next 50 hours, by eventually passing this 1997 balanced budget resolution.

I would like to briefly yield time, if I might, out of my time to Senator GRAMS, my friend from Minnesota.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I would like to briefly respond to the remarks and comments of my friend and colleague from Tennessee.

Could I see that chart that he just had there about the trust fund going broke?

Mr. President, here is one of the things that I am most concerned about. I think we all recognize that we have a problem, and we all are trying to work together to solve it. I do not think it is particularly helpful for us to show on television charts that scare the devil out of the senior citizens of America.

The Medicare fund is not going to go broke. Everybody knows it is not going to go broke because the Congress, whatever it has to do, is going to step in and stop it. The fact of the matter is that while we keep criticizing what the President of the United States has done, as I demonstrated by charts earlier on today—listening to people on the floor of the U.S. Senate that have recently come into the Congress, you would think they are the only ones who have any expertise or knowledge on how to balance the Federal budget—as I showed vividly with charts this morning, it was the President of the United States, Bill Clinton, who has come on board and at the urging of some of us who have been fiscal conservatives for a long, long time and very much concerned about the skyrocketing budget deficits annualized at about $300 billion, Bill Clinton is the one who has reversed that course. For the first time since man's mind runneth to the contrary, we have seen a dramatic turnaround in the annual deficits of the United States of America.

I only say, once again, that all of these things that are being thrown around by those on that side of the aisle who fought without a single Republican vote against the deficit reduction proposal advanced by the President of the United States and supported by Democrats was the only time in 30 years that we have had a turnaround in the annual deficits.

When I see people talking about the trust fund going broke, unfortunately, I feel it is a means of scaring senior citizens. I tell the senior citizens that the fund is not going to go broke. Of all the criticisms that have been made about how bad and how gimmickry the President of the United States is with his proposal, I cite once again, and, if necessary, I will read it once again.

Let me repeat what June O'Neill said on May 9, 1996, in a letter to me after I made a request for her, June O'Neill, the Republican appointee as head of the Congressional Budget Office that we all look to as a guiding light today and the umpire, if you will, on disputes between the political parties. She said, "Under the law, the trust fund is projected to become insolvent by 2002."

So we agree with that part. But when we talk about going busted, that is something else—going bankrupt, projected to go bankrupt.

June O'Neill goes on to say that the Congressional Budget Office, which, I say again, is run by the Republicans—it has a director who makes these decisions after listening to staff that are Republicans—June O'Neill says in that May 9 letter to me, "The Congressional Budget Office estimates that the administration's proposal would postpone this date," or the date when it could be in some trouble, "to the year 2005."

I simply say, Mr. President, it is not necessary for us to talk about this going broke and indicate that the Democrats and the President of the United States are doing nothing about it when that is not the case.

The Senator complains about backloading, about backloading in the President's budget. Take a look at the Republican budget. It is like the kettle calling the teapot black. There is little difference with regard to the backloading in either the Democratic plan or the Republican plan, and we should be honest about it and not mislead the American people. It seems to me you would have to agree that under my calculations, both budgets, both the Democratic budget of the President and the Republican budget, achieve exactly the same amount of deficit reduction—82 percent of it in the last 3 years.

Let me repeat that. You hear this talk about backloading. Backloading means that you do not make the cuts upfront now. You wait until the 6th and 7th year of the budget. So that is after Bill Clinton will have finished his second 4-year term as President of the United States or that is after our good friend, Senator BOB DOLE, would finish his first 4 years as President of the United States. But both are guilty of the same thing. And I wish to lay down the marker now, that when you hear about backloading, it is a plague on both of our houses.

Mr. President, 82 percent of the deficit reduction or savings in both the President's plan and the Republican plan is in the last 3 years. So I simply say that there is probably little to be gained if you want to talk honestly about who is the worst backloader.

I reserve the remainder of my time and yield the floor.

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Let me just very briefly respond because I know we have a number of colleagues here. I guess the one element that I would like to respond to is the scare tactics, because it has been a fascinating year for me. I have only been here for a year and a half, and I do not have all the answers to the budgetary problems that we have today, but if we look at the issue of scare tactics, the numbers that I showed you in terms of the chart and Medicare going bankrupt were given to us, given to this body, by the Medicare trustees, a bipartisan group, three members of President Clinton's Cabinet, and that is the chart that comes directly out of their numbers. They tell us that it is an urgent problem; it is going bankrupt—again, bipartisan.

The numbers that have been released recently are that things are getting worse, that part A—40 percent of the overall Medicare Program is part A—is going to be insolvent. We were told in 7 years. Now we know it is going to be 6 years, which, since it has been a year, is only 5 years from now. That is scary. That is scary.

But contrast that with the number of things you see on television. Every time I go back to Tennessee they say, "What are you people trying to do with our budget and Medicare, trying to slow the growth from 7 percent to 6 percent," which is what we were trying to do last year and that is what we are trying to do this year.

That scares seniors. That scares seniors. If we do not do anything, that program is going broke. It is gone. The 70-year-old people who need heart surgery, who I operate on, are not going to get it.

I have not been around that long, but maybe by the year 2000 they will come in with some huge tax increase or strip back benefits in the year 2000, but that is the only thing that will save the program. Nothing else will do it because it is inevitable; it is going bankrupt, part A, the hospital part of the trust fund.

So we have seen a lot of scare tactics out there over the past year and a half. Those scare tactics have been on television, paid advertising. They scare every senior citizen. Every person over the age of 50 will come up, because they are scared, and say, "Don't touch anything, because what we can see on the television ads, if you reform the system, we are not going to have a health care system at all."

Those are the scare tactics I am afraid of. I have just presented the facts in terms of bankruptcy. I agree with Senator EXON. We need to work together. Clearly, both budgets have their real problems. These numbers came from CBO scoring, that right now, if you look at the hospital trust fund—these are CBO numbers, Congressional Budget Office numbers, that came from June O'Neill's staff to our staff that have been released and part of the record we talked about in the Budget Committee—it is going bankrupt in 5 years—the red line—if we do nothing.

Under the President's plan, if you remove the gimmickry of the $55 billion in home health care—it is just moved to the side—CBO said it extends the life of the trust fund for 1 year.

Our proposal, according to CBO, June O'Neill's group, says we have 10 years in our report. This, again, comes from the Congressional Budget Office.

I thank the Chair. I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

UNANIMOUS-CONSENT AGREEMENT

Mr. GRAMS. Mr. President, first, in business to come before the Senate, I ask unanimous consent that the Senate stand in recess today from the hours of 1:30 to 3:30 and that the time during recess then be charged equally from the budget resolution. By the way, this does have the approval of the minority side as well.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. There is no objection on this side, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMS. Thank you very much, Mr. President.

I rise today with great pride in supporting the budget resolution for fiscal year 1997, and I commend the distinguished chairman of the Senate Budget Committee, Senator DOMENICI, and my colleagues on the committee for drafting a piece of legislation of which every American can be proud.

This bill, more than anything else, is about promises, making promises and keeping them. The American people have every reason to be cynical about political promises. They hear so many of them, and they hear them repeated so often that it is easy to begin to tune them out. Yet, something resonated with the voters when we went to the people back in November of 1994 and we promised that we would take this country in a better direction if they elected a new majority to Congress.

Last year we redefined the role of the Federal Government when we laid out a plan for the Nation's future unlike anything that the people have seen over the last 40 years. Up until then, they had always been told that big Government was good Government; that we could keep spending as much as we wanted and never get stuck with the bill; that Washington knew best.

That was nothing more than a fairy tale. Our budget pointed toward a more realistic, more responsible path, and we passed that into law only to have it vetoed by a "pie crust" President whose promises are easily made and easily broken.

Now the second installment of our balanced budget promise is before us and we have a second opportunity to take our case to the people. Our budget recognizes that we do have a responsibility to guarantee our children a debt-free future and that balancing the budget without raising taxes must be a priority of this Congress.

Mr. President, it is ironic that we begin debate on the budget resolution today, May 15. Each year, the nonpartisan Tax Foundation calculates its tax freedom day, and that is the day on which Americans stop working just to pay their State, Federal, and local taxes and actually begin keeping their earnings for themselves.

Now let us go back to 1925. Tax freedom day arrived on February 6. But this year, Americans had to wait until May 7 before they were allowed to keep the first dime of their own money. Mr. President, 1996 marked the latest arrival ever for tax freedom day. In fact, tax freedom day has just jumped ahead an entire week since President Clinton took office because under Bill Clinton's watch the Government is taking more from the paychecks of middle-class Americans than ever before.

Let me repeat that. Despite all the claims you hear about Bill Clinton doing well with the budget and the deficit, tax freedom day is a week later under Bill Clinton than ever before because, under the watch of President Bill Clinton, he is taking more money out of the pockets of American taxpayers than ever before.

I also want to make a couple of notes on some of the charges or responses we have heard today from some of our Democratic colleagues, and I will just go back to Senator EXON and some of the comments he made, that Congress will step in to save Medicare. Senator FRIST of Tennessee is more of an expert on this than I am, and he has done a good job of laying it out and trying to explain what happens, but we know the President is using smoke and mirrors when he says he is going to take $55 billion out of Medicare and move it into the general fund so it will make it look like it is solvent. And when Mr. EXON says Government or Congress will step in to save it, what does he mean? The President has ignored the issue. How they would step in and save it would be to raise your taxes.

Let us not talk about it today, but if we get the opportunity we will come in and we will raise our taxes. Also, about the claims that they passed the 1993 budget plan without a single Republican vote, we are very proud of that, that we were not part of raising taxes in 1993.

My colleague from California, a few minutes ago, was talking about a smaller Government today under President Clinton than ever before, and a higher Government level under President Reagan in the 1980's. But I think that is when you take into consideration all military personnel as well. The truth is, under this administration we have more bureaucrats and more people working in Government outside of the military than at any time in history. So they have not shrunk the size of the Federal Government. They have shrunk the size of the military in order to come up with those numbers.

Then lower deficits, the reason we have lower deficits today is because of higher taxes. They are taking more money from the average taxpayer to offset the increase in spending. Also, we have enjoyed some lower interest rates over the last couple of years. But when we are talking about spending, it continues to grow out of control, so we have not reduced the size of the Government, we have not eased the spending burden on Americans, especially when you look again at the fact that tax freedom day comes 1 week later today than it did 3 years ago.

And then the gas tax. I tell you, some just cannot stand to let go of a tax no matter how small they try to make it look. They are saying the 4.3 cents is going to go into the pockets of oil companies. That is doubtful. When they reduced the excise tax on air fares, when the Government tax went off, that was immediately passed on to the consumer in a rebate. But no matter what that question might be, we do know one thing, the $5 billion in that increased gas taxes come out of the pockets of taxpayers and it has gone into the pockets of bigger Government.

When we talk about cutting and backloading our budgets, and we are charged we do not do any better than what the President has proposed in his budget—there are some very stark differences. Our budget, over the life of 7 years, begins to trim the size and scope of the Federal Government and we will enjoy compounded savings in the fourth, fifth, sixth, and seventh year of our budget. But the President's plan takes 100 percent of its backloading reductions in the last 2 years, and it takes it directly out of discretionary spending. I do not think there is one Member of this Congress who could stand up and tell the mayors and Governors of this country and others they are going to make that deep of a cut in the last 2 years. That will not happen.

So we do have some differences in how we achieve the balanced budget. It seems they always try to find some good out of a bad situation. On the farm you would call that trying to make a silk purse out of a sow's ear. But the news is more discouraging for taxpayers of Minnesota because national tax freedom day came and went 8 days ago, but Minnesotans do not keep their own dollars until today. That is, 136 days into 1996, because of higher State and local taxes, and the differences in the Federal tax burden, Minnesota is tied with Wisconsin in having the fourth latest tax freedom day in the Nation. Only the residents of Connecticut, New York, and New Jersey pay higher taxes than we do in Minnesota. That is nearly 20 weeks, over 800 hours on the job, just to pay Uncle Sam.

By imposing his record-breaking $255 billion tax increase in 1993, again, President Clinton bears the responsibility for ever-increasing tax burdens from singles to families to seniors to job providers. Every segment of society has felt the pinch. Motorists were hit especially hard by the President's gas tax increase, which again boosted the cost of gasoline by nearly $5 billion every year.

So, whatever you call it, the Clinton crunch or the middle-class squeeze, as long as taxes keep rising, the dollars Americans have left over to provide for their families will keep falling. It must be the goal of Congress to help Americans earn more money and keep more money so they can do more for themselves, their kids, their communities, and their churches.

The budget resolution we begin debating today will go a long way toward ensuring tax freedom day arrives earlier next year for all Americans. Mr. President, its cutting taxes provisions could not come at a better time. Government has become a looming presence in the lives of the American people. Each year the people are asked to turn more responsibilities over to the Federal Government for Government regulation, for Government support. From the time they get up in the morning until they go to bed at night, there are very few aspects of American daily life that are not touched now by the hand of government.

So government has been forced to grow just to keep up. Consider that government spending at the Federal, State, and local level has jumped from 12 percent of the national income in 1930 to 42 percent today, and the burden for keeping these ever-ballooning bureaucracies in operation has fallen on the taxpayers, of course, through more and higher taxes.

The increase has been dramatic. Between 1934 and 1995, individual Federal income taxes as a percentage of gross domestic product rose 1,114 percent.

Today, the typical American family faces a tax burden from all levels of government of 38 percent, and most middle-class American families are turning more money over to the government than they are spending for their family's food, clothing, shelter, and transportation combined. Families with children are now the lowest after-tax income group in America, below elderly households, single persons and families without children.

A significant number of families are relying on a second job just to pull themselves above the poverty line and to meet their annual tax obligations. The majority of families who have reached a middle-class standard of living are families with two incomes. They are still trying to pursue the American dream, but the ever-increasing tax burden keeps pushing it out of reach.

According to the Gallup organization, 67 percent of the people say they are handing over too much of their own money to the Federal Government. They might feel differently if they were getting a fair return on the investment, but Americans see their hard-earned dollars being wasted by the Federal Government. They look at the services they are getting in return and they feel like they have been taken to the cleaners.

It has always been easy for past Congresses to be generous with somebody else's money. This Congress, however, is no longer willing to let the Government gamble away the taxpayers' hard-earned dollars. In fact, we are going to keep those dollars out of the Government's hands in the first place. The centerpiece of our balanced budget plan is the $500 per child tax credit, and I am proud this desperately needed provision remains at the heart of our legislation. The tax credit alone will allow 28 million taxpaying households to keep $23 billion of their own money each year.

In my home State of Minnesota, the tax credit would return $477 million every year to families who work hard, pay their bills, and struggle every day to care for their children without relying on the Government.

In addition another 3.5 million households nationwide will find the $500-per-child tax credit tax liability has eliminated their tax liability entirely; 3.5 million households. President Clinton has promised a middle-class tax cut of his own, but, again, it is virtually nonexistent in his 1997 budget. Let us look at what he calls for.

To qualify for the President's version of the child tax credit your child has to be under the age of 13—meaning that just about the time you need that tax relief the most, it would dry up. In addition, it would only be $300 per child for 3 of its 5 years, and then it would be abruptly terminated 2 years early. The $122 billion in tax relief Congress is offering in our budget resolution is real tax relief. It is not a paper gimmick.

The second plank of the legislation before us is the promise to balance the budget by the year 2002. Every year the Federal Government is spending billions and billions more than it takes in. Because of 4 decades of fiscal insanity, the national debt has today eclipsed $5 trillion and continues to rise. Just the interest alone on a debt that massive is accumulating at the rate of $4 million an hour. If our national debt were shared equally among all Americans, each of us would have to pay up $19,000 for every man, woman, and child in this country. Every child born today in the United States of America comes into the world already saddled with a debt of more than $19,000. The share for an average family is $75,000.

So the first, most important result of a balanced budget would be to free our children and grandchildren from the economic burden they will inherit from this generation, a burden they did not ask for and one they certainly do not deserve. Because we have been able to begin reining in spending over the past year, our budget reaches balance in 6 years, not 7 as we first proposed a year ago. By contrast, the President's 1997 budget plan never achieves balance. It achieves an annual budget deficit of $84 billion by the year 2002. Our plan achieves its goals without dramatic cuts of any kind—except in the deficit.

Spending on Medicare, Medicaid, Social Security, welfare programs, and the earned income tax credit will all continue to grow to meet this Nation's needs over the 6-year life of our budget.

Keeping promises may be considered out of style here in the Nation's Capital City, where promises are a dime a dozen among the professional politicians, but back in Minnesota a promise is something a person does not back down on, even if it was made by a politician.

With our budget resolution and its meaningful tax relief, its protections to ensure the solvency of the Medicare Program, its reform of the welfare system, its commitment to a balanced budget by the year 2002, this Congress is keeping the promises that we made to the American taxpayers.

Thank you very much, Mr. President, I yield the floor.

The PRESIDING OFFICER. If the Senator from Michigan will withhold.

APPOINTMENT BY THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, in consultation with the Democratic leader, pursuant to Public Law 102–246, appoints Julie Finley, of Washington, DC, as a member of the Library of Congress Trust Fund Board, effective June 30, 1996, vice Edwin L. Cox.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928a–1928d, as amended, appoints the following Senators as members of the Senate delegation to the North Atlantic Assembly during the second session of the 104th Congress, to be held in Vouliagmeni, Athens, Greece, May 16–20, 1996: the Senator from Colorado [Mr. BROWN]; and the Senator from Hawaii [Mr. AKAKA].

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 94–201, appoints the following individuals as members of the Board of Trustees of the American Folklife Center: James F. Hoy, of Kansas, and Charles E. Trimble, of Nebraska.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, at this time, I yield to the Senator from Missouri such time as he may need, up to 15 minutes, to speak on the bill.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, my sincere thanks to the acting floor manager and to the Chair.

A comment was made a few minutes ago when I was on the floor that maybe some of the newer Members of the Senate did not really understand how we have to balance the budget in the Federal Government.

I am one who is not new around here, and I would like to say that I appreciate very much the interest and enthusiasm and commitment brought by the acting floor manager, the previous speaker, the Senator from Minnesota; the previous acting floor manager, the Senator from Tennessee; and the occupant of the chair, a junior colleague from Missouri, all of whom have shown great dedication to the need to balance the budget and to come to this body without any preconceived notions that the old ways are the only way we can do it.

Frankly, we have broken new ground. I do a little bit of sowing of seeds, and I know how difficult it is to break new ground. If you have tried breaking up sod that has not been broken up before, you realize that is not an easy task. We have benefited a great deal by the fact that we brought in people and we have in this body new Members who represent their constituents and who believe, as our constituents overwhelmingly do, that there is no reason why the old way of spending more and more than the Federal Government takes in is good enough for the future.

Mr. President, we have put $5 trillion of debt on the backs of our children. Each year's deficit, if it is running $100 or $200 billion, adds to that debt. The interest rates build up, and our children are going to be looking at a time when they are working to pay tax dollars that could go almost exclusively to pay interest on the debt that our generation has run up because we are unable to balance the budget.

Today, we are involved in what I consider to be maybe not the most exciting but perhaps the most important series of discussions and debates we have had on this floor. How do we get our national budget back on track? How do we ensure that continuing deficits do not bankrupt the Federal Government, do not allow vital programs, like Medicare part A, to go broke and do not ruin the economy by bringing back high rates of inflation, stagflation, high unemployment, and stagnating wages?

It is very important that we be clear and that our colleagues and the people we serve understand what we are talking about.

My good friend from Nebraska, the ranking member on the Democratic side on the Budget Committee, has said that there is little difference between the numbers in the Senate committee-passed budget and the President's budget. He gave us the admonition, "Let's be honest," and I agree with him. I do not agree on the numbers that he presents, but I agree with him on the need to be honest. We both agree on the need for the St. Louis Cardinals to improve their record, but that is for another day's discussion. We do have many things in common, just a different set of figures that we are using.

What we are working from are two different sets of numbers. I came to this floor yesterday with the very simple proposition that numbers do not lie. Or do they? It is the numbers that count. We heard in the 1992 campaign, "It's the economy, stupid," but when you are talking about the budget, it is the numbers that count.

The President and his staff and the Office of Management and Budget have given us the numbers to work with. This is the budget supplement; this is the appendix. This has all the numbers the President is recommending. This puts forward the President's priorities. They are different from the priorities that have been included in the numbers in the budget passed by the Senate Budget Committee.

Even though some may say they are close, I think there are very significant differences. That is why we have these debates. We do have an independent scorekeeper to keep us honest. I well remember President Clinton's stirring call in 1993 at the State of the Union Message that we needed to find a way that we could agree on what our proposals did, and he said we should use the Congressional Budget Office as the independent, objective professional scorekeeper, and that is what we have done. In the budget proposal passed out of the Budget Committee under the direction of Chairman DOMENICI, we have produced a budget that reaches balance, according to CBO, in the year 2002.

The President sent us initially a budget which he obviously was not sure whether it was going to get to balance, because in his budget message, he included some fail-safe mechanisms. There is nothing wrong with fail-safe mechanisms, but when it comes to the point that you have to use these fail-safe mechanisms, it is important to recognize what they do.

In this book, "Budget Supplement: A Vision for the Future," page 13, it says:

> In case the new assumptions produce a deficit in 2002, the President's budget proposes an immediate adjustment to the annual limits or caps on discretionary spending, lowering them enough to reach balance in 2002. The President is committed not only to proposing a budget that reaches balance according to CBO, but reaching an agreement with Congress to enact such a budget.

I think that is very forthright and that is good. The problem is that the numbers presented by the President to CBO do not really reach a balance in the year 2002. There are almost $77 billion in cuts or increases in revenue that have to be made in the final years to get to a balance.

So the CBO, in scoring the President's budget, has assumed what the President put into his budget, and that is, he will put a tax increase for families in it, as well as a $53 billion cut in discretionary spending outlays in the years 2001 and 2002.

Let us be very clear about it. The President's budget has said, if CBO does not score us as reaching balance, then here are the automatic steps that must be taken to get to balance. CBO found, in fact, the budget did not get to balance; therefore, CBO said, we will impose the cuts he proposed as an automatic offset to the deficit. That, Mr. President, is what we need to talk about.

Some of my colleagues earlier today on the other side have presented budget charts showing the spending initially proposed by the President. It does not look like much difference. But those are not the charts that reflect what happens when the CBO performs its duty under the President's budget to cut spending to bring it to a deficit of zero in 2002.

I remind my colleagues on this side and the other side that if we are talking about the President's budget, any time a colleague puts up a budget showing the President's number, if I am on the floor, I will ask if that budget reflects the CBO cuts as directed by the President in his budget message. For those of my colleagues who may be here, I invite them to do the same thing, because I think it is very, very important that we talk about apples and apples. If we are going to get to a balanced budget as the President says, then how we get there is the vitally important number that we have to consider as we go forth and vote on these competing proposals for the budget for the next 6 years.

These are the numbers the President has proposed. These are the numbers in these books. Mr. President, unless and until he sends up to this body and to the House another set of books and releases them to the press to say that they have come up with a new budget, then this is the budget we have to work with. These are the figures that he has presented to us.

Let me take my colleagues through a description of some of the things what the Clinton budget, as scored by CBO, would actually do and see how it measures up to some of the claims that are made for it in the text.

In the description of the budget plan, a little book called, "A Citizen's Guide to the Federal Budget," this book says, "The President's 1997 budget would reach balance over the next 7 years by cutting unnecessary and lower priority spending." Remember that; "lower priority spending" is going to be cut.

It goes on to say, at the bottom of page 31, or down in the lower part of it:

> The budget saves $297 billion in discretionary spending, cutting unnecessary and lower priority spending, but investing in education and training, the environment, science and technology, law enforcement and other priorities that will raise living standards and improve the quality of American life.

Mr. President, I also serve as chairman of the Senate appropriations subcommittee dealing with a number of these important areas. I think it might be well to take a look at some of these more interesting areas and also some of the areas funded in other budgets which are handled by other subcommittees on which I serve.

Let us start off with the Food and Drug Administration. It is vitally important for ensuring safety in the food supply and drugs. This green line across the top shows what the Senate Budget Committee reported out. Essentially that is a flat line. That is tough. That is holding their feet to the fire. That is making them absorb inflationary increases, additional workload. That is tough, but that is doable.

But take a look at what happens to this spending when CBO implements its cuts. It drops from over $850 million down to just below $700 million, just above $650 million, by the year 2000. This is, I would say, about a 30 percent cut in the Food and Drug Administration. That is 25 percent. This is in the body that is supposed to keep our food supply safe and make sure we get good quality, reliable, efficacious drugs. That is something I challenge. Can we afford to cut the FDA that much? I do not think so.

Let us take another one. This one is very important. We are talking about the research that is done to deal with diseases and promoting cures for many of the diseases we have and the things that are of great concern to many people—the National Institutes of Health.

The President starts off with a nice little increase, but you can see by the year 2000, that has to fall off the table. That is almost a $2 billion cut in the budget of NIH to reach balance by the year 2002. Overall it is a 14 percent cut. Are we not going to need the research done by the National Institutes of Health in the year 2001 and 2002? I think we will. I am optimistic that we are going to discover cures. But I do not think we are going to make all the progress we can possibly make and then be able to shut down research at NIH. So I question the priority of slashing the NIH budget.

How about some of the other priorities? I have a responsibility for acting on, in our appropriations subcommittee, the budget for EPA. You all heard a great deal about the President and his support for EPA. Who would have believed just a few months ago that the President's budget would leave EPA with less money 6 years from now than it got from Congress last year, and well below the budget proposal we are presenting this year? As I have said many times over, numbers do not lie.

This is what happens to funding under our Senate-passed budget resolution. We hold EPA at a flat line. We want to work to improve the way that EPA does its business. We think that there are new ideas that are being developed both within EPA and by groups supporting EPA that can give us tremendous progress as we shift more responsibilities to State and local governments and maintain a vitally important monitoring function at the national level and using more flexible means of achieving goals.

The President said it well in his budget: "If industry can come up with a better way, a cheaper way of doing it, let's do it the most effective way." We can live with it. But take a look at what happens to the President's budget under the numbers presented by the President and as scored by CBO. This EPA budget takes a very sharp drop from just above $7.2 billion to below $6.4 billion by the year 2002.

This is a tremendous slash for the environment. He said, I thought, in his message in here that one of his priorities is making sure we take care of the environment. I do not think his budget does that. He says, "We need to invest in education, training, the environment, science and technology." I think our budget does a lot better job of doing that than his does.

Oh, yeah, by the way, science and technology. Our subcommittee also finances the National Science Foundation. We provide funding for it. Look what happens to the funding in the National Science Foundation. The Senate budget includes a slow but steady upward path. The President's budget gives us a little bump up here and then it drops off the table again because it has to. The President himself ordered that cuts be made to bring the budget in balance in the year 2002. Under CBO scoring that is the only way it is going to get to balance.

Finally, I addressed yesterday the budget of the Veterans' Administration, the agency which provides care to the medically indigent veterans and those veterans who have been injured in the service of their country, a very, very important group of people who depend solely on the Veterans' Administration.

These people would see the money devoted to their health care cut by almost 25 percent. The Clinton budget cuts $12.9 billion out of the VA budget by the year 2002. We maintain essentially level funding. That is a cut that the veterans of this country cannot live with, and we in good conscience cannot live with.

I mentioned to this body yesterday that the President's people have said, "Don't believe these numbers." The Secretary of the Veterans' Administration, Jesse Brown, when he testified before my subcommittee, said, "The President has assured me that these will not be the numbers. He is going to negotiate with us." A representative of the White House Office of Management and Budget was quoted in the papers in our home State saying these numbers that are being presented, we are misrepresenting, because we took the numbers out of the book and out of the CBO. He said, "Those are just rough general guidelines. Don't believe them."

So it is the official policy of the administration not to believe the official policy. Until they send us up new numbers, send us a new budget, that is what we have to work with. That is what the priorities are: Cutting veterans, cutting national science, EPA, NIH.

Mr. President, that is not the way to get to the balanced budget we need. We can do so by following the plan outlined by Chairman DOMENICI. I urge all my colleagues to look at the contrasting numbers and make up their mind. I hope they will support the budget supported by the Senate Budget Committee.

I thank the Chair. I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 3:30 p.m.

Thereupon, the Senate, at 1:30 p.m., recessed until 3:29 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. KEMPTHORNE].

The PRESIDING OFFICER. The Democratic leader is recognized.

TRIBUTE TO SENATOR BOB DOLE

Mr. DASCHLE. Mr. President, I just had the opportunity to listen to the majority leader make his announcement of his future. I wanted to come to the floor this afternoon to salute BOB DOLE's 35 years of dedication to this institution and to his country. No one has given more, and no one has greater admiration in this body than does BOB DOLE.

I congratulate him on his decision. I believe it was the right one. Obviously, it is never easy to leave this institution. But he does so with our good wishes. While we will have the opportunity to serve with BOB DOLE for at least the next several weeks, we wish BOB, his wife Elizabeth, and his daughter, Robin, well as they pursue their future.

Mr. President, I yield the floor and suggest the absence of the quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, as a matter of fairness, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR DOLE'S ANNOUNCEMENT

Mr. SIMON. Mr. President, I just watched Senator DOLE make his announcement. I want to join with Senator DASCHLE in his comments. I have worked with BOB DOLE from my days in the House and have come to have great respect for the huge contribution he has made here in the Senate and to our country. I think sometimes we get so partisan here that we forget the contributions that people are making.

Let me add one other thing, because media coverage is so negative all the time on candidates and officeholders that I think one thing is ignored, which is that we have a good choice between two outstanding candidates for President in Bill Clinton and BOB DOLE. For philosophical reasons, because of who might be appointed to the U.S. Supreme Court, and that type of thing, I am supporting Bill Clinton. But I am not going to buy a one-way ticket to Canada if BOB DOLE gets elected. I think the American people have a choice between two very fine, substantial candidates. That is the way our system should work.

In all the negatives that people will hear between now and November 5, the American people should not lose sight of that.

Mr. President, I suggest the absence of a quorum and ask that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

Mr. EXON. Mr. President, I yield whatever time is needed off of our time to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I appreciate the courtesy of the chairman of the committee and of the ranking member of the committee. I just want to say at the outset what an outstanding job I think the distinguished Senator from Nebraska, Senator EXON, has done with respect to the budget that we are now considering. I was privileged to be very supportive of his position in the committee, and continue to be so. I want to thank him for the leadership that he provided on our side of the aisle.

Mr. President, I want to take just a moment or two to sound what may be an alarm bell in the night and take what is perceived as not the most popular position. But I want to talk a little bit about the 150 account—that is the international affairs account in this budget—and to simply sound a warning that I think we have been reducing that 150 account in successive years in such a way that we are now impeding upon our ability to perform as a great power in the world.

The budget that is before us and that has been brought out of committee would cut the international affairs portion of the budget by more than $1 billion from the President's request. The President requested $19.2 billion, and the bill reported from the committee cuts it to $18.1 billion.

The actual international affairs spending in this particular account in the budget, which covers all of our responsibilities abroad other than the military, was $20.8 billion in fiscal year 1994, and $20.1 billion in fiscal year 1995. It is estimated at $18.5 billion for fiscal year 1996. So we are making a very significant cut from historical levels.

In other words, international affairs spending has been brought down from $20.8 billion in fiscal year 1994 to $18.1 billion in fiscal year 1997, which is a cut of almost $3 billion just in that short period of time. That represents a cut of about 15 percent in the budget that we have to carry out our responsibilities internationally.

In fact, our international affairs budget has been reduced by 50 percent in real terms over the last decade. In other words, if you adjust for inflation and take a 10-year period, we, in effect, are cutting by 50 percent our ability to carry out programs in the international arena. We are in the process now of asking the international affairs budget to do more and are providing less with which it can be done.

During the 1980's, we did not have democratic, market-oriented regimes in Eastern Europe. At that time we were building nuclear weapons instead of trying to help the Russians destroy and dismantle them. We had one Embassy to cover a country, the Soviet Union, where we now have 15 separate countries. At that time neither Jordan nor the Palestinians recognized Israel's right to exist, so we had no stake in their economic vitality. We had economic sanctions against South Africa; now we are trying to help South Africa rebuild. All of these are new responsibilities and opportunities over the last few years.

So, in fact, our responsibilities increased rather than diminished, and particularly if the arena of competition or concern shifts from the military into the political and economic arena.

Only about 1 percent of the Federal budget is spent on foreign aid, and less than half of that goes to humanitarian and development programs. In fact, the United States ranks dead last among 21 industrialized members of the OECD in the percentage of GNP that we spend on development assistance. All of these other countries have made the judgment that they have an important interest in helping the rest of the world to develop; so much so that they are prepared to commit a larger percentage of their GNP than we are to development assistance.

I know these are not popular facts to bring before the country, but I think it is important for those of us who carry the responsibility which comes with being Members of the U.S. Senate to stop and consider it because we have to square the rhetoric about being the world's leader with the reality of how that is accomplished.

In fact, there is, apparently, a great deal of misconception across the country. A nationwide poll done last January by the University of Maryland found that a majority of Americans, when asked what percentage of the budget they think is spent on foreign assistance said 15 percent or higher. The majority said 15 percent or higher. When they were asked how much they thought should be spent, they said on average about 5 percent. In fact, we spend about 1 percent. There is a tremendous disparity in perception. The majority think we spend more than 15 percent of our budget for this purpose when we in fact spend about 1 percent.

I am very frank to say to my colleagues that if the United States is going to continue to be a great power, we have to commit the resources to carry out our responsibilities as a great power. This is particularly true in the post-cold-war era, when a range of complex problems faces us. That means coming up with adequate funding for the conduct of our foreign affairs. In my view, we have already cut well below the minimum level that is necessary to sustain American leadership in the world.

I really want to sound that warning. I am persuaded that over time, if this trend continues, it will become obvious to everyone what we have done to ourselves. But I think we need to apply some analysis and attention now in order to ascertain that situation, and I am frank to say I think we have crossed the danger point and are now in the zone where our leadership ability is being eroded and undermined.

The various cuts have very detrimental effects on our ability to conduct an effective foreign policy. It would be one thing if people were saying we want a little America, something with which I do not agree. But if they say we are going to have a little America and we are going to shrink back from the responsibilities and, therefore, we are going to shrink resources, that at least would be a consistent position.

But to articulate a rhetorical position in terms of America being the world leader and playing the first and foremost role in exercising international responsibilities, and then have a huge gap between that statement and the resources with which to carry out those responsibilities, is illogical and inconsistent.

The United States now is the largest debtor at the United Nations. As the Washington Post put it in a recent editorial, we are the "global deadbeat." We are so far behind in paying our assessments to some of the international financial institutions that our arrearages exceed our scheduled annual payments. We are, indeed, exasperating and disappointing our friends and allies who desire and support American leadership. They desire and support American leadership. But we continually dictate ever longer lists of demands and provide ever shorter resources with which to carry them out.

Aid to the poorest countries has been reduced by nearly 30 percent from last year, jeopardizing the progress we have made in reversing environmental degradation, slowing population growth, preventing the spread of deadly disease, building economic self-sufficiency, promoting democracy, resolving conflicts peacefully, stemming the flow of illegal drugs and countering the threat of nuclear proliferation. All of these are very important objectives.

Consulates have been closed and embassy staffs reduced all over the world, making it impossible to provide the services that Americans abroad expect and deserve. We have closed 30 posts abroad since 1993, and 13 more are slated for closure this year.

Some of this scrubdown of posts needed to be done. But once again, I think we have gone beyond the point of diminishing returns and we now are really eroding our capacity to carry out an effective foreign policy.

While some question the importance of ambassadors and embassies in an era of CNN, supersonic travel, and instant global communication, I think this skepticism is misplaced. We need to have our ambassadors and their embassy teams on the ground, around the globe promoting human rights, conflict resolution, antiterrorism and counternarcotics cooperation, U.S. economic interests and U.S. exports, for example. Many of the embassies have significantly improved their performance by working with the American business community in a very significant and substantial way.

We need consular officers to assist U.S. visitors and business people, to issue visas, replace lost passports and cut through redtape when Americans run into difficulties abroad. We need them to spread good will, to exemplify American values and to deal with sensitive situations before they become full-blown emergencies. This experienced corps of professionals is the face of our Nation around the world.

Yet our diplomatic service is forced to rely on computer software, office equipment, buildings and services that are outmoded, unreliable, inefficient, and sometimes even unsafe. Diplomacy in the 1990's is being carried out on the technology of the 1960's and 1970's, and no relief is in sight.

These cuts are particularly troubling when juxtaposed to very large, unrequested increases in defense spending. The budget adds almost as much for defense, over and above the amount the Pentagon asked for, than is spent on the entire foreign aid budget for a year. In other words, we are cutting substantially the 150 account, our diplomacy account, our political and economic interest account, at the same time that we are increasing the military account over and above what the Pentagon sought.

It seems to me a matter of common sense that by investing a little bit in preventive diplomacy you may be able to address situations while they are amenable to economic and political solutions rather than wait until they become full-blown crises and require the presence of our military. By sacrificing investment in preventive political and economic measures, we will only be postponing and probably escalating the ultimate costs.

Of course, effective diplomacy is enhanced by a strong military and the readiness to apply it, but our military strength ought not to become our prime recourse for influencing situations in the international arena. In fact, I think the task of the next century will be to hone our diplomatic, economic, and political skills so that we can protect our interests without having to put our troops in harm's way.

It is increasingly clear that in the 21st century American interests in the world will be heavily economic and political. We need to ensure open markets and fair trade to promote American prosperity. We need to avert conflicts that will cause human suffering, refugee flows, environmental destruction, and economic dislocation. We must combat international terrorism and prevent the proliferation of weapons of mass destruction.

None of these goals can be achieved on a unilateral basis. None of them can be undertaken by military action alone. And none of them can be achieved without sufficient resources. The 150 account is important to meeting our responsibilities as a world leader. By not allocating adequate resources, we may indeed encounter disastrous consequences. Further cuts are not just ill-conceived; they are downright dangerous to our national security and to achieving American objectives around the world.

I urge my colleagues, although I know it runs against a perception of popular sentiment, to examine carefully what we are doing to our ability as a nation to carry out our responsibilities as a world leader. It cannot be done if we do not commit the resources with which to do it. And we now have reached the point where I think we have so drastically reduced our commitment in this area that we are markedly affecting our ability to act as a world leader.

Mr. President, I yield the floor, and I thank the distinguished ranking member for yielding me time.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Did the Senator want to speak at this point?

Mr. EXON. No. I was just going to try and get embodied in an agreement what we had arranged for. The Senator from Delaware would like 3 or 4 minutes on another subject. I would like time likewise. Then we had general agreement that we would go to Senator GRASSLEY with his amendment. We have all agreed to that, and I would just like to suggest it.

Mr. DOMENICI. The Senator from Delaware wanted to 2 minutes.

Mr. EXON. OK. I will follow the Senator from Delaware.

Mr. DOMENICI. I will yield 2 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 2 minutes.

THE RESIGNATION OF BOB DOLE

Mr. ROTH. Mr. President, the news by our esteemed majority leader that he will be resigning both his leadership post and his Senate seat is, indeed, bittersweet. I am sure I speak for all of my colleagues when I say that the Senate will miss BOB DOLE—his intelligence, his courage, his love for his country, and his unparalleled leadership skills. In Europe, 50 years ago, as a young lieutenant, BOB DOLE was willing to make the ultimate sacrifice for his country in war. And today for the sake of his country and the Congress, BOB DOLE is willing to leave the job he loves because he loves his country and Congress so much. This is a bold move by a man whose life has been the ultimate story of courage. America needs his courage, his moral compass, his leadership in the White House, and this move will enable him to focus much more on the road to the White House.

Because of BOB DOLE's leadership, the 104th Congress will be remembered as the Congress which finally said enough is enough. No more excuses. No more Washington gimmicks. Balance the budget. With BOB DOLE's leadership we have forever altered the debate. The question is no longer whether to balance the budget, but how; not whether to cut taxes, but how; not whether to reduce the size of the Federal bureaucracy, but how; not whether to reform welfare, but how; and not whether to return power to the States, but instead how.

Under BOB DOLE's leadership, the Congress for the first time in four decades passed legislation to balance the Federal budget. BOB DOLE's legacy of leadership in the Senate will only be surpassed by what he will do for America from the White House. I am proud to be a Member of the Dole team, and I will be even prouder to assist a Dole administration next year in carrying out BOB DOLE's agenda for America: lower, fairer, simpler taxes, less Government and a balanced budget.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, my few remarks about my friend BOB DOLE and his announcement today will be devoid of any political motivations whatsoever.

BOB DOLE has been a friend of mine ever since I came into the Senate. We have differed frequently on many issues, but we have been together on many issues. The announcement today that we heard about this morning came as a considerable shock to this Senator because whatever the future holds, the Senate in my view has lost a tremendously dedicated individual, a talented leader on the Republican side of the aisle, a man I never hesitated a moment in going to on any subject. He has always been fair to this Senator. We have clashed from time to time on issues. But fairness and confidence and being a very capable Senator and a Senate leader has been the hallmark of BOB DOLE.

I simply say that we will miss him very much in the U.S. Senate, and I would have preferred that he not take the additional step that he announced today with regard to resigning from the Senate. I recognize that in running for President of the United States, it was most difficult to be here, to be a leader. However, I thought the announcement that I read in the papers this morning with regard to Senator DOLE, recognizing that he could not do justice to his Presidential race and be a full-time leader of the Senate and the suggestion that he turn this over to other Members of the Republican majority, seemed to make sense to me. But, for whatever reason, BOB DOLE has made the decision that I think he had to make. I only thank him for the friendship.

I will value the few remaining weeks, week or two or three, that I will have the privilege of serving together with him in the U.S. Senate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do not want Senator GRASSLEY to think we are procrastinating and trying to put his amendment off. He is going to have to be absent for just a few minutes.

Mr. President, I will use just a few minutes here as in morning business. I ask my remarks be as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE RESIGNATION OF BOB DOLE

Mr. DOMENICI. Mr. President, the last 3 or 4 hours have been a time of very mixed emotions for many of us. A while ago when we were crammed, all of us Republican Senators, in BOB DOLE's office, when he told us of his desires and wishes, I can say that was a room where grown men, more than one, had a few tears in their eyes, including our distinguished majority leader.

I, for one, will miss him very, very much here in the Senate. But I think when we finally take stock of the U.S. Senate—we are now 208 years old, but if we were to take stock, now, of the 208 years of the U.S. Senate, looking for the giants of the Senate, I am not the least bit reluctant to say that whatever short list one chooses as part of history, BOB DOLE will be among the giants and the real leaders of the U.S. Senate. There is no doubt in my mind, if you take just the last 100 years, that BOB DOLE would once again show up in the top three, four, five U.S. Senators of this entire modern century.

So, obviously, you cannot take somebody like that out of here and not have a big void. We will clearly miss his leadership and his marvelous ability to tell funny stories and get us off guard and get things done. But essentially his life has been one of real sacrifice for the country. Most Americans do not know that. They have to find out.

BOB DOLE dedicated weeks and months and years to getting his body in the position where he could conduct business and be a Senator after his tragic World War II accident on the front lines. In that, he learned about determination and about fortitude and about strength, and how much strength he really had. He has been giving since then, giving and giving and giving—not to the Senate, but to the American people. And, since he has made the decision that he wants to be President, I, this Senator, wholeheartedly support what he has chosen to do. I hope it is everything he plans it to be, and I think it will be.

He will go to the American people not as the majority leader or Senator, but as a man from Kansas who has sacrificed more than once for this country and will try to do it one more time. I have nothing but great admiration and respect.

My comments to him today are: The very best to you, BOB DOLE. Hopefully, this decision will take you to the White House. If it does, it will be the greatest decision you ever made, and a great decision for America.

But, indeed, there is no question the American people are going to get to find out who BOB DOLE is and what he is all about. And if that is done, it will be a fair election. For if he cannot do that, if the people do not get to know him as he is, it will not be a fair election, not one where he will have the right kind of chance to be President.

So those are my few remarks for today. In time I will say more about him, recalling some of the things we have done together.

With that, I yield to Senator GRASSLEY for his amendment.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from Iowa.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

Mr. GRASSLEY. I yield myself as much time as I might consume, but I would like the Chair to notify me when I have 15 minutes left because I want to make sure my cosponsors get ample time to speak on the amendment as well.

Did the Senator from Nebraska want the floor?

Mr. EXON. Mr. President, could I pose a question now so we could establish this? This is the first amendment that is being offered. Do we have time agreements on amendments?

I remember in the opening remarks, the chairman of the committee indicated some time limits on the amendments. For the information of this Senator and the Senate as a whole, will the Chair please indicate how much time is allotted to the amendment, the first degree? I assume that timeframe would continue unless we get unanimous consent at some future time to change it. What is the agreement on time limits?

The PRESIDING OFFICER. On the Budget Act, there are 2 hours equally divided on first-degree amendments, 1 hour equally divided on second-degree amendments.

Mr. EXON. So there are 2 hours, and 1 hour, half an hour a side, on any amendments to it. Is that correct?

The PRESIDING OFFICER. Second-degree. The Senator is correct.

Mr. EXON. I thank the Chair, and I thank my friend from Iowa.

Mr. GRASSLEY. I assume that my time is starting right now.

The PRESIDING OFFICER. The Senator has not called up his amendment. We will not proceed until the amendment is at the desk.

AMENDMENT NO. 3963

(Purpose: To reduce defense spending)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself, Mr. EXON, Mr. KOHL, Mr. KERRY, Mr. FEINGOLD, and Mr. HARKIN, proposes an amendment numbered 3963.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, line 8, decrease the amount by $8,300,000,000.

On page 4, line 17, decrease the amount by $2,300,000,000.

On page 8, line 3, decrease the amount by $8,300,000,000.

On page 8, line 4, decrease the amount by $2,300,000,000.

On page 52, line 11, decrease the amount by $8,300,000,000.

On page 52, line 12, decrease the amount by $2,300,000,000.

On page 59, at the end of line 2, insert "This section shall not apply to defense discretionary budget authority and budget outlays caps for fiscal year 1997."

Mr. GRASSLEY. I yield myself 15 minutes, Mr. President, off of my time.

For those on the Budget Committee, this amendment attempts to do almost exactly what I did in the Budget Committee, somewhat lower numbers, but also the numbers are not fenced in the truest sense of the word because, under the budget resolution, that would be subject to a point of order, and we wanted to make sure the amendment was germane.

So to the Budget Committee members, we are still trying to reduce the deficit by the amount we are saving on defense. For the rest of the Senate, I want to say my approach is the same, the same goal, lower numbers. We are speaking about reducing the defense numbers, and we are speaking about reducing the deficit when we save money on defense. The exception to that would be the President of the United States capability of declaring that he needs more money for defense and having that be considered, in an emergency, and not having to have offsetting numbers.

It strikes a balance, I believe, between administration proposals for defense spending and that proposed in the budget resolution.

The amendment would reduce the budget authority for defense for fiscal year 1997 by $8.3 billion below the budget resolution. Outlays for defense in fiscal year 1997 would be reduced by $2.3 billion. The savings are earmarked for deficit reduction.

Some of my friends might be concerned that down the road, we will need more funds for national security. In that case, this amendment allows the President to propose emergency spending for defense without requiring offsets.

I am pleased to be joined on this amendment as my main cosponsor by Senator EXON, a member of the Armed Services Committee and ranking Democrat on the Budget Committee, as well as Senators KOHL, KERRY, FEINGOLD, and my colleague from Iowa, Senator HARKIN. I should note this amendment is supported by the National Taxpayers Union, one of the top deficit hawk groups in Washington, DC, and I ask unanimous consent to print that letter in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL TAXPAYERS UNION,
Alexandria, VA, May 15, 1996.

Hon. CHARLES GRASSLEY,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR GRASSLEY: Thank you for contacting the National Taxpayers Union (NTU) regarding the amendment you plan to offer to the FY 1997 Budget Resolution in an effort to control defense spending.

Your amendment would "fence" $11.3 billion in budget authority and $2.9 billion in outlays (the difference between the President's proposal and the Committee's mark for FY 1997), making the additional funding contingent upon the President's certification that the funds are necessary for national security. If the President fails to make that certification the funds would be used to reduce the deficit.

America's taxpayers deserve a more fiscally responsible and cost effective federal government, as well as the lower taxes that should result from spending reductions.

Your legislation will be helpful in that regard, and therefore NTU is pleased to endorse it and urge your colleagues to support it.

Sincerely,

AL CORS, Jr.,
Director, Government Relations.

Mr. GRASSLEY. Mr. President, just so everyone understands the history behind this amendment, let me call your attention to this chart. I want to call your attention to this chart because with the budget authority side of the chart, it lays out the history of where we are and where budget resolutions take us and where the President is.

Last year, the Senate budget resolution proposed that in fiscal year 1997, we should have this figure of $253.4 billion. What is important and significant about what we did last year and this year is that we had 60 Senators on a very bipartisan vote last year reject an amendment that would have increased the dollar amount of $253.4 billion, a bipartisan vote in the Senate not to go above $253.4 billion.

Now we have this budget resolution which has disregarded the Senate's action last year and disregarded last year's vote, practically the same membership in this body, and has proposed $265.6 billion for defense. That is the number in the resolution that is before us, $265.6 billion.

Simple arithmetic. That is $11.3 billion more than the President's mark. The President's mark is this middle figure. What he proposed to us in his budget this February, $254.3 billion. You can see the difference, $11 billion; $11.3 billion, to be exact.

It is also $12.2 billion more than the level voted by 60 Members of this body last year.

What the amendment offered by this Senator and my colleagues would do is provide a compromise by allowing defense to increase $3 billion above the President's mark and nearly $4 billion above the level voted by the Senate last year. That would be $4 billion above this figure of $253.4 billion.

So I hope that you realize that we are trying to do a compromise approach here, not just one of these take it or leave it, we want everything or we don't want anything approach.

It is a good compromise, I believe, that will address the concerns of those who want to ensure adequate spending for defense and also ensure that defense spending does not grow out of control.

I want to give some background and rationale for this amendment. It probably does not differ from the background and rationale that I would give for similar amendments I have offered over the many years that I have been in the Senate.

Every so often, since the 5th century B.C., some bright scholar states the obvious. The most recognized statement was by philosopher George Santayana when he said, and we have all heard it so many times:

> Those who cannot remember the past are condemned to repeat it.

He goes on to say some very crucial and insightful things about learning from our experience. He says:

> Progress . . . depends on retentiveness . . . [W]hen experience is not retained, as among savages, infancy is perpetual.

Mr. President, this body, the U.S. Senate, is coming dangerously close to what George Santayana described. We are close to acting like children. I know that might shock the public. At issue is whether the Senate is condemned to repeat the mistakes of the 1980's; specifically, whether we will pump up the defense budget with no justification and with no control over it and, in the process, we would be getting less defense than planned.

Last year during conference discussions—that is ironing out the differences between the House and the Senate on the budget resolution—we were promised Defense Department reforms. We were forced to support higher defense numbers, but the quid was that we would get reforms this year. We were told that there would be complete top-to-bottom reform of the Pentagon, so much so that it would change the Pentagon into a triangle.

Mr. President, I drive by the Pentagon each night that I go to my house that I occupy here in Washington—not my home, but my house. My home is in Iowa. Each night since last June 28 when we heard that in that conference—that is when we voted that conference report—I watched and waited. As of last night on my drive home, it is still a pentagon, it is not a triangle.

The justification for my amendment is to stop the raping and pillaging of the Treasury under the guise of national security. There is a very sophisticated con job going on with this defense budget, and I would like to describe it so that the taxpayers know exactly how it works, how the defense industrial military complex picks their pockets.

There are two facets of this con job. The first is bureaucratic; the second is congressional. Congress collaborates with defense bureaucrats in an extortion of the taxpayers who think they are paying for national security. Instead, they are paying for pork for Members of Congress.

The game the bureaucrats play is the most sophisticated. It took me a couple of years to figure this one out. First, the bureaucrats deliberately underestimate the cost of everything in the budget. That way, everything they want gets squeezed in. Nothing gets turned down. You can have it all, just like you can have your cake and eat it, too, almost. "Just get all the programs approved," the bureaucrat says, "we'll worry about the money later on."

You see, once a program gets started, programs hardly ever end. You might say they never end. Too many jobs and too many careers are at risk. When the actual bills come in, they say, "Oops, we've underestimated the costs. By gosh, we've got to do something about that. We need more money to buy all this stuff that we've committed."

That creates then constant pressure to raise the defense budget, but it does something else as well: there is not enough money to cover all the cost overruns, so we buy fewer quantities. This drives up the prices even further. Over time, because of bad management, we buy less for much more. This hurts our ability to defend our country. That is the bureaucrats' game.

Here is how it is handled when it gets to the Hill. We saw it last year, and we are seeing it again this year:

The Armed Services Committee collaborates with the Budget Committee. They find a nice fat defense number that can accommodate everyone's insatiable appetite for pork. The numbers start to move through the Budget Committee. Meanwhile, the Armed Services Committee starts to cram all their pet programs into the budget, all the way to the brim. There is even some overflowing, Mr. President.

The budget resolution then goes to the Budget Committee; from the Budget Committee to the floor. That is where we are today.

Some Senators offered amendments to squeeze the defense budget, to rid it of pork and waste, just like the Grassley amendment. But such an amendment is put at a great political disadvantage. The taxpayers are unaware of this, but members of leadership and members of the committees are busy behind the scenes twisting the arms of undecided Senators. They confront undecided Senators with a newly drafted defense bill crammed in with all the pet programs.

The undeciders are told, "If you vote to squeeze the defense budget, as Mr. GRASSLEY wants to do, we'll take program A, B, or C out of the bill. Your State will suffer. You'll lose jobs." Of course, that is intimidation. And some people are intimidated and vote then for fatter defense numbers.

What Senator wants to lose potential jobs in his or her State? These Senators might be intimidated, but for taxpayers it is extortion. They are really getting the shaft. The same thing happened last year. This year the Senate committee wised up and did the same thing as was done in the House last year. The bottom line is, bureaucratic and political games are wreaking havoc with the taxpayers' bottom line, all in the name of national security. They are conspiring against the taxpayers' interests, pure and simple.

I remind my colleagues of the promise accompanying last year's budget conference report, with the bloated defense budgets that I pointed out here—$265.6 billion. They said, you will get reforms next year. The reforms were supposed to be of infrastructure and base closures. The savings would then be used for modernization. This was the specific promise of the Secretary of Defense as well.

But we have the General Accounting Office out there, that nonpartisan group of people that are to make sure that we use honest numbers in Government. The General Accounting Office just completed a review of the infrastructure savings. The GAO's findings are truly amazing.

Despite four rounds of base closures since 1988, there are no savings. And now, despite very dramatic cuts in our force structure, there are no savings. DOD infrastructure costs are going up, not down.

On April 25, I spoke about this in detail on this floor, Mr. President, laying out all the facts. The promise was that we would have savings. The reality, Mr. President—there are no savings. It is not that there were not modest savings, the problem is, it has all been spent. It has been spent on new infrastructure projects like public affairs and headquarters and, in other words, creating more spin and fattening up headquarters. Overhead—that does not come very cheap. It soaked up all of the savings.

So as the force structure of our armed services gets smaller and smaller and smaller, headquarters gets bigger and bigger. It is still then a pentagon; it is not a triangle.

Once again, Mr. President, the Pentagon is proving that it cannot allocate money sensibly. Once again it is proving it cannot save money even with such golden opportunities given by base closures. That means that we will not have the money promised for the modernization so that we can meet the needs of our national security in this new budget environment we are in to balance the budget.

The question is, do we reward this bad management with even more money or do we hold the Department of Defense's feet to the fire? Do we support the defense budget in this resolution or do we put a meaningful constraint around it so that it will be managed better?

The PRESIDING OFFICER. The Senator has used his 15 minutes.

Mr. GRASSLEY. I yield myself 1½ more minutes.

The PRESIDING OFFICER. The Senator has that right.

Mr. GRASSLEY. That is the essence then of my amendment. It is an attempt to better manage the Pentagon's resources, because enough is enough. Promised reforms are not the same as real reforms. We shovel billions into the defense budget on the promise of reforms. Historically the reforms have failed to materialize, yet we still throw good money after bad.

If we fail to learn the lessons of the past, as George Santayana preaches to us, "We're doomed to repeat them ad nauseam." If we do that again this year, Mr. President, we will be falling into the familiar trap once again expressed by the great philosopher Georg Hegel. He said, "We learn from history that we learn nothing from history."

So I urge my colleagues to avoid repeating the mistakes of the past. I ask them to vote for the bipartisan amendment, the Grassley-Exon amendment. I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank my colleague and friend from Iowa for yielding me time. I simply say that there undoubtedly will be opposition to this Grassley-Exon amendment. I certainly do not think it is proper for me to be managing the time in opposition to an amendment that I am a cosponsor of. So I just alert Senators who are likely opposed to this amendment that they should come here, and someone should assume the responsibility for managing the time against the amendment.

First, Mr. President, I am reminded of a couple years ago when the Democrats were the majority party in the Senate. And I teamed up with Senator GRASSLEY for an Exon-Grassley amendment at that time that proposed to cut $26 billion in outlays and $42 billion in budget authority over a 5-year period. We were working on a 5-year proposition then.

Do you remember the wailings at the time? The Secretary of Defense, who is still the Secretary of Defense, the Assistant Secretary of Defense, who is now Director of the CIA, and others, moaned and groaned, and the wailing went on about how Exon-Grassley was devastating our defense budget.

Well, they did not have the horses. Exon-Grassley at that time passed. And it was a modest step at that time dedicated to reducing the deficit.

This year, with the Republicans in the majority in the Senate, I was very pleased when my friend and colleague from the neighboring State of Iowa came and asked me my advice on this amendment. It is true that Senator GRASSLEY offered in the Budget Committee on which I serve an amendment that eliminated the $11.3 billion increase over the President's budget. And I supported that in the Budget Committee. And it lost on a 12-to-12 vote.

When we conferred upon the proper course of action here, we agreed that—I think, and I think a near majority of the U.S. Senate feels, that the amount authorized over the President's budget for defense, which was $12.9 billion, $12.9 billion, I say, in the Armed Services Committee, and $11.3 billion over the President's budget, as it came out of the Budget Committee, is more than we need to spend, because it is more than the President requested; it is more than the Pentagon requested; it is more than the Chairman of the Joint Chiefs has requested. So I simply say that I think that the Grassley amendment, and others, this time is in good form and proper taste.

I suggested to my friend from Iowa, in our conversation about this, that probably rather than duplicating the effort in the Budget Committee by eliminating all of the $11.3 billion increase, that we would possibly recognize that maybe we would garner some support if we would not cut the whole $11.3 billion, but allow for a modest $3 billion increase to the President's numbers.

I have no definite word on this from the White House, but I am quite confident that the President would accept a modest $3 billion increase that we are suggesting over the recommendations that he has made. I do not know whether he would veto the defense authorization bill if faced with an $11.3 billion increase, which I think may be veto bait. I do not think this slight increase would be veto bait, and I appreciate the fact that the Senator agreed and thought that was the right figure to go with.

Certainly, I simply say the amendment, in technical terms, reduces the defense numbers in the Republican mark by $8.3 billion in budget authority and $2.3 billion in outlays. This still represents an increase, once again, of $3 billion over the President's budget request and the budget authority and $600 million additional in outlays. It seems to me this Grassley-Exon amendment has something in it for almost everyone because it is the ultimate in reality, I believe, at this time.

Let me summarize this amendment, although the Senator from Iowa has basically gone through it. This amendment does two things. First, it reduces defense numbers by $8.3 billion in budget authority and $2.3 billion in outlays. Second, it revises the budget resolution language that eliminates designating appropriations as emergency by creating an exception for defense. This allows the President and the Congress to approve increased defense funding over and above Grassley-Exon by the use of an emergency designation.

I think the Senator from Iowa stipulated what this is about. This is simply saying in another fashion that with the $3 billion over and above the defense numbers suggested by the President and the Pentagon, there is a means in the case of an emergency, if that should occur, for the President and the Congress to go up to the $11 billion figure, if such an emergency occurs.

Is that the right interpretation of this, I ask the Senator from Iowa?

Mr. GRASSLEY. Yes.

Mr. EXON. The Republican defense budget for 1997 is excessive in a time when we are desperately trying and seeking to balance the budget.

This amendment would scale back the Republican overzealous $11.3 billion increase to the President's request but still provide a modest $3 billion increase to try to satisfy some, if not all, of the priorities that have been expressed in the Congress on both sides of the Hill. At a time when we are trying to balance the budget, such an exorbitant increase of $11-plus billion is uncalled for. We cannot return to an era of just throwing money at the defense problem at will, especially when the experts in the administration and the Pentagon have not requested it.

This action recently taken by the defense authorizing committees, I think, demonstrates the point that I am trying to make. In the House National Security Committee and the Senate Armed Services Committee, the majority added $4 billion in procurement and R&D accounts that was neither in the Pentagon's 1997 request nor in the Pentagon's 5-year future years defense plan. That means that the authorizing committees approved $4 billion for programs that the Pentagon would never have bought even if it had had the money.

The real issue, Mr. President, is not how much to give defense but how to distribute it over a 6-year timeframe. Both the Republican budget resolution and the President's request propose to spend $1.6 trillion—that is $1.6 trillion on defense between 1997 through the year 2002.

The real allocation for defense differs by only $11 billion. The Republican plan increases defense dramatically in the first few years and then flattens it out in the outyears. How we will pay for the associated rise in operation and support costs and still balance the budget is a mystery. The present budget at least increases the outyears to reflect defense budget realities to the point that it is $11 billion more than the GOP plan in the year 2002. And the President still balances the budget by the year 2002, as certified by the Congressional Budget Office, as I said earlier today.

This amendment leaves open the possibility to increase defense spending, as I have outlined and as Senator GRASSLEY has outlined, if necessary. By reinstating the ability to declare supplemental appropriations of defense budget by emergency, a simple majority in Congress with the approval of the President will still be able to increase the defense budget if it truly is an emergency and truly in the national interest.

Mr. President, I have just received a letter from Director Alice Rivlin that the administration states its position on the defense numbers in the resolution that Senator GRASSLEY and I are trying to reduce. In that letter from the Office of Management and Budget, Director Alice Rivlin states: "The resolution provides $11 billion more in the defense budget than the President's budget in 1997 which commits historically high levels of resources through readiness as measured in funding for the troops. Further, in the critical years of defense modernization at the turn of the century, the resolution does not provide enough budget authority compared to the President's defense program."

Mr. President, I urge adoption of the Grassley amendment. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time have I used or has been used in opposition to the amendment?

The PRESIDING OFFICER. None at this point.

Mr. DOMENICI. I will speak for a few moments. The word should go out there are a number of Senators on our side who want to speak against the amendment. We have plenty of time, but we do not want to be here in quorum calls. We have sought not to do that once we go to work on the resolution. I hope they will come to the floor and be heard.

Mr. President and fellow Senators, let me first indicate unequivocally that Senator GRASSLEY is consistent. He has consistently called for reduced spending and he has consistently been concerned about whether or not the spending on defense is being done in the most efficient manner. In many ways, he has been successful. We have consistently reduced defense spending since 1987. Since 1987, defense spending has declined 34 percent after inflation.

On the other hand, since 1987, the rest of the discretionary programs of America have increased by 31 percent. For those who say, in the last few years, domestic spending has been cut, the truth of the matter is—and these are in constant dollars in this chart behind me—1987, this red bar is defense discretionary; domestic discretionary is the green bar; the big, big expenditure, sort of the blockbuster is the purple bar, which is entitlements.

Moving over a decade we will find in real dollars defense is down 34 percent; domestic discretionary is up 31 percent, and, of course, the entitlement programs are a 41 percent increase. So that is the story of spending as it relates to defense and domestic in the United States.

So, in a very real sense, Senator GRASSLEY's concern about getting spending down has not fallen on deaf ears. Obviously, some big events occurred in the world, but many, many things have happened for the better in the Defense Department in terms of efficiency, in terms of better contracts, less waste, less loopholes, less opportunities to take advantage of the taxpayer.

This budget resolution reduced defense spending from last year's assumption over the next 6 years by $14.3 billion. That is, over the next 6 years we have reduced defense over what we assumed last year as we produced a 7-year trend line—reduced it by $14.3 billion.

Senator GRASSLEY would reduce defense spending next year from that number that we have by $8.3 billion. That will be the 12th straight year of decline.

Now, I agree with Senator GRASSLEY in one important way. He has said in the Budget Committee—and while I was not here for his entire speech, I believe it is fair to say that the Clinton administration has played politics with this year's national security budget, the defense budget. The President has proposed a significant reduction in defense spending this year, despite his 1995 State of the Union Address that drew a line on further defense cuts.

Now, it is interesting, and the President will probably say, along with those who defend his budget, that looking out over the next 6 years, the President lets defense grow a little bit. Well, this is so typical of the budgets coming out of the White House. For domestic spending, which he wants to say he is not cutting, those go up in the first few years and then come tumbling off the wall in years 4, 5, and 6 from now. On defense, we turn it the other way and say, do not worry, we are going to cut it this year, but it is going to go up. We think both of those approaches are inconsistent with what is good for the men and women who are in the armed services, the operation and maintenance, and seeing to it that they have good equipment, as modern as possible.

Now, cut defense spending so you can show big add-ons in the nondefense budget, but then send your military chiefs of staff to the Hill. They come to the Hill and they ask for more money. In fact, our adding up of what the chiefs—the Chief of the Air Force, a four-star general; the Chief of the Marines; and the head admiral of the Navy—they have come up here and said, "Yes, we are a part of the President's budget, but we sure would like some more money, because we need it." They asked for $15 billion. We could not do that. We gave them less.

So, in a sense, I agree with the distinguished Senator, except I do not have enough confidence in trusting the President to ask for money, from now until the election, if they need it. One of my friend's—Senator GRASSLEY—ideas is let us give him his budget, and let him have to come up here and ask for more. Frankly, I do not think that will happen until after November, even if we did. I do not want to take that risk.

I figure we can just as well go ahead and analyze the requests made in the committees. The authorizing committee of the U.S. Senate, the Senate Armed Services Committee—I believe Senator EXON is a member, and if my recollection is wrong, and he can correct me—voted 20–0 to report out a Defense authorization bill that is consistent with the Republican mark and the Republican budget, not the mark or the dollar numbers the President asks for in his budget.

So maybe some would like us not to bail out the President, but I believe it is not bailing out the President. If that happens to be a side-effect of doing what is right by the Defense Department, and by the men and women of the military, who need our help—incidentally, Mr. President, when we voted in the all-volunteer military—the All-Volunteer Army and Navy and Air Force and Marines, during the Nixon era, we said we were going to pay them the equivalent wage of what they would make in the civilian sector. I am very pleased that we are having a very powerful commission evaluate this to see if we are really doing that. I merely make the point that I am quite convinced that they are going to tell us we have to pay our men and women more.

I make that rather bold pronouncement because I feel confident it is going to happen. I am not interested in seeing more than the 12,000 military men and women who are already on food stamps. In fact, I am hopeful they will tell us how to get them off of food stamps and pay them what they are entitled to. That is not a large number, you will be told, and our laws are strange on Medicaid and food stamps. But I believe that is not consistent with the pledge made when we decided to have an All-Volunteer Army. Just on its face, it is not consistent.

I also comment that many of the vehicles that the Air Force is operating under are extremely old. You recall, much is being made in the news today of a plane that is 27 years old. I think the plane that crashed was 27 or 29 years old. Many are suggesting that we better be careful when they get up there at that age.

Well, fighter aircraft, at this point, are as follows: In 2001, the Air Force pilots will be flying aircraft 15 years old, on average. This means that some of those aircraft will be 30 years old. I do not know what that means, but I have been led to believe that is getting pretty close to critical time. If it is critical on the civilian side, and if we do not want to have 30-year-old planes on the civilian side, I do not think we want a lot of our men and women in the military flying 30-year-old aircraft. We do not have any big money in this budget, nor did the President put any in, to have a systematic approach to ameliorating that situation.

I could go on. Squadrons of airplanes are shrinking. They used to be 24, and we are down to 15, in many cases, and even 12. So we have more sites for them but fewer airplanes. I understand we do not want to close down installations, but, obviously, the cost of maintaining and operating smaller units like that is very, very high in comparison to larger units. Ultimately, something will be done about that.

Now, I want to close with this. Once again, so there will be no misunderstanding, I have nothing but the highest respect for the distinguished Senator from Iowa, Senator Charles GRASSLEY. He is consistent. He believes what he says, and he works at it. He believes firmly in this position. I understand how he feels and what he is thinking. But I believe that in this case it is too risky; it is too risky for our men and women and our national defense to allow this amendment to pass. And I hope it does not.

Mr. EXON. Will the Senator yield for a question?

Mr. DOMENICI. Of course.

Mr. EXON. Mr. President, I would like to ask the chairman one thing about the chart that is up here. The 1987 that he referenced there is some kind of a benchmark. Is it not true that in 1987 there existed such a thing as a very powerful and threatening Soviet Union and a Warsaw Pact that is not here today?

Mr. DOMENICI. Absolutely.

Mr. EXON. I thank the Senator.

Mr. DOMENICI. I did not say we cut it just to eliminate waste. I said it has been cut. For those who say it is always increasing while domestic is not, I just want to say it has been coming down for 1 decade. That is all.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I want to yield 5 minutes to the Senator from Illinois.

He also would like to be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, might I inquire? Can I then ask that following in sequence Senator HUTCHISON from Texas have 5 minutes and Senator COHEN from Maine have 10 minutes in that order?

Will the Senator have additional speakers?

Mr. EXON. We will have additional speakers.

Mr. DOMENICI. Senator KYL and Senator INHOFE.

How much time does the Senator desire?

Mr. INHOFE. Four minutes.

Mr. DOMENICI. Can we agree on 5 minutes for Senator INHOFE?

Will Senator HUTCHISON control time for me for the next 15 minutes?

Mrs. HUTCHISON. Yes.

Mr. DOMENICI. I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I first want to commend my colleague from Iowa. As Senator DOMENICI said, through the years we have to be more prudent in defense spending.

I am for this amendment for two reasons: One is it reduces the deficit.

Some of us on this floor right now are members of the Budget Committee. Let me tell you without a constitutional amendment to require a balanced budget the 7 years that both sides are talking about will not result in a balanced budget. We put all the tough decisions off to the end. Not all of them but most of them. So we are not going to achieve a balanced budget without a constitutional amendment, and this at least moves in the direction of reducing the deficit.

Second, I am for it because the budget as it is constituted has an imbalance. What the Grassley amendment does is gives the Defense Department $3 billion more than they requested.

Frankly, if I were to put the budget together—for example, in yesterday's New York Times is a story, "U.N. Says North Korea Will Face Famine as Early as This Summer." And in today's Washington Post it says "No Help Set for N. Korea."

I do not think that we ought to be using hunger as a political tool. I think we would be much smarter saying we want to help feed people who are hungry whether they are Communists, anarchists, or what their background.

Mr. President, I ask unanimous consent to put these two items in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 15, 1996]

NO HELP SET FOR N. KOREA

(By Mary Jordan) Washington Post Foreign Service

TOKYO.—Reclusive North Korea will not receive any immediate new shipments of rice or other food from the United States, Japan or South Korea despite new reports of widespread malnutrition there.

"With respect to food aid and [the easing of economic] sanctions, we have no plans at this time to go forward," said U.S. Assistant Secretary of State Winston Lord, concluding two days of talks with top Japanese and South Korea officials over what policy to adopt toward the deteriorating north. "We will keep the situation under review."

The three countries issued a joint statement saying they agreed to continue efforts to persuade the North to accept four-nation peace talks proposed by Washington and Seoul last month.

The three-nation talks, held on the South Korean island of Cheju, again pointed out the difficulty these three allies have maintaining a united front to deal with the Communist regime in Pyongyang. The issue of food aid is seen as critical because some experts believe an increasingly hungry North Korea could opt to use its 1.2 million-man army to end its crisis in a hail of missiles and bullets.

Others argue that offering help only rewards the missile-exporting nation. Senate Majority Leader Robert J. Dole and others have criticized President Clinton for "coddling" this Stalinist regime whose military threat keeps 37,000 U.S. troops on its border.

Generally, the United States has favored sending food aid to ward off an immediate crisis. Even in the last few days, U.S. Ambassador James Laney and State Department spokesman Nicholas Burns indicated that the United States was considering new aid and easing sanctions.

U.N. food aid officials Monday issued fresh alerts that "food stocks are critically low," that there is "no further food assistance in the pipeline" and that peasants' rations are being cut in half.

The United States has enforced economic sanctions against North Korea since the end of the Korean War in 1953. But it has also donated more than $2.2 million in aid since floods last summer exacerbated the food crisis in the crumbling state, which lacks heat for homes and cash for imports.

South Korea, whose capital city, Seoul, lies minutes away from the missiles that North Korea has aimed at it, sees the situation differently. South Korean officials oppose food aid because they say the military will likely divert the food for its own stockpiles. They also doubt the severity of the hunger. An official in Cheju today said that although the food shortage is serious, he did not think it would lead to an "African-style famine."

The chief Japanese delegate, Deputy Foreign Minister Shunji Yanai, told reporters at the end of the talks that at the moment Japan had "no plans to extend food assistance." It had earlier sent 500,000 tons of rice. But Japanese officials have also indicated they might pursue a more independent dialogue with their unpredictable neighbor.

Lord stressed the need for talks involving the two Koreas, the United States and China to hammer out a formal peace treaty to replace the armistice that ended the 1950-53 Korean War.

Lord, Chung and Yanai agreed that such talks had the best chance of achieving stability on the Korean peninsula.

Beijing has not committed itself to the proposal, first suggested last month by President Clinton and South Korean President Kim Young Sam, but has indicated it would back the move once North Korea accepted.

North Korea, which until now has refused to discuss a peace treaty except in bilateral talks with Washington, a condition rejected by Washington and Seoul, has not agreed to the proposal.

Shortly after a similar conference among the three nations held in Hawaii earlier this year, the United States gave $2 million in food assistance to North Korea. Since then, there have been some encouraging signs in the U.S.-North Korean diplomatic relationship.

Just in the past few days, the two countries reached a breakthrough agreement that will allow the first joint effort to recover the remains of U.S. soldiers unaccounted for since the Korean War. More than 8,100 servicemen are still missing, and many of them are believed to be buried in North Korea. The recovery effort could begin before the end of the year.

[From the New York Times, May 14, 1996]

U.N. SAYS NORTH KOREA WILL FACE FAMINE AS EARLY AS THIS SUMMER

(By Nicholas D. Kristof)

TOKYO—Hunger in North Korea is growing more intense as the country's economy continues to deteriorate, so that malnutrition could become widespread in the coming months, some experts say.

In the latest sign of the country's crisis, the World Food Program and the Food and Agriculture Organization of the United Nations warned today that "the food supply is becoming increasingly desperate" in North Korea, and that without emergency food imports, "the consequences are likely to be devastating for large segments of the population."

In their statement, the two agencies said that the situation had deteriorated just in the last few months and that the shortages were likely to grow worse this summer.

"There are some cases of malnutrition, but it is not widespread at this time, as far as we can tell," Trevor Page, the country director for the World Food Program, said by telephone for the organization's office in Pyongyang, the North Korean capital. "However, with levels of rations that are now being distributed, malnutrition will develop and become widespread in the coming months unless there are substantial food aid shipments."

North Korea, with the world's last Stalinist government, remains virtually sealed off from the rest of the world, and few foreigners are allowed to visit. But many Western diplomats, business executives, academic experts and visitors to the country say there are growing signs that the economy is deteriorating.

Even in Pyongyang, which has by far the best standard of living in the country, visitors say that power outages are now routine and that water is often cut off for much of the day.

Some Western diplomats and military officials worry that North Korea's economic crisis could make it unpredictable or even lead it to attack South Korea and the American forces stationed there.

North Korea, with a population of about 24 million, was the better-endowed part of the Korean Peninsula when Japan ended its occupation in 1945. The North has a wealth of minerals and other natural resources, but it has been hobbled by its rigid Communist model, by huge spending on its 1.2 million-member armed forces, and by the collapse of trading partners in the former Communist world. Now many North Korean factories are idled by lack of oil and electricity, and collective farms are returning to draft animals because there is no fuel for tractors.

The American Ambassador to South Korea, James T. Laney, warned in a speech on Saturday of "serious risks," including the possibility that "the North may look for other ways of using the only remaining asset it possesses which commands international respect—its military might."

In a speech that seemed to signal a shifting direction in American policy, Mr. Laney suggested that the old approach of simply emphasizing deterrence against North Korean attack was no longer sufficient. Now, he said, deterrence must be augmented by inducements to get North Korea to cooperate with the West.

Senior officials from the United States, Japan and South Korea are now meeting in South Korea to discuss policy toward the North. Diplomats say that they are expected to agree on an assistance plan on condition that the North agrees to President Clinton's proposal last month for four-party peace talks involving both Koreas, the United States and China.

North Korea's economy has been deteriorating for years and was further devastated by widespread flooding last year. Rations have already been halved, and experts say that some peasants are eating bitter wild grasses and roots that have not been part of the diet since 1951, during the Korean War.

But one such emergency food, a grass called naengi, stops growing this month and so will be unavailable in the crucial summer months, until the next grain harvest is ready in the fall. This year's harvest is also expected to be poor, because bad weather delayed planting by about two weeks.

Experts say there are other signs of economic desperation, including the sale by peasants of anything they have—even human hair—to China in exchange for wheat flour. Russia is said to have cut freight train service for lack of payment of bills, and that may complicate North Korea's trade picture.

Most staple foods are distributed in North Korea by the Government, but the alert today said that this system "is perilously close to collapse." Moreover, foreign assistance—which eased the shortages over the winter—is coming to an end.

Foreign shipments averaged about 50,000 tons of grain a month since late last year, but plunged to 12,200 last month and an anticipated 9,300 this month. Next month, 2,500 tons are anticipated, and the nothing is in the pipeline.

Some North Korea watchers have suggested that the hunger could lead to a revolt or to the disintegration of the system, and there have indeed been a growing number of North Koreans who risk being shot by sneaking across the border into China. But visitors say they have seen no sign of political unrest in North Korea, perhaps the most tightly controlled society in the world.

"Although food shortages are all over, there are no signs that this will cause the political collapse of the country," Mr. Page of the world food Program said.

The food shortage in North Korea may become perennial, experts say, unless the rigid Communist economic system changes dramatically. The Government appears to be bending its rules a bit by turning a blind eye as peasants plant larger private plots than they are allowed or sell food in informal markets in some parts of the country. Likewise, in the cities some residents are planting crops on spare bits of land or raising chickens on their balconies. But North Korea has given no indication that it is contemplating any major opening.

Another problem for North Korea may be declining cash transfusions from ethnic Koreans living in Japan. Nicholas Eberstadt, a scholar at the American Enterprise Institute in Washington, has concluded that the transfusions were never as great as widely believed and have plunged since the late 1980's.

Mr. SIMON. Mr. President, let me point out what is happening in defense spending.

Here is the United States. Here are the next five countries in defense spending: Russia, Japan, France, the United Kingdom, and Germany. We are spending more on defense than the next five countries combined. The cold war is over, as Senator EXON just pointed out.

Let me take you back to the year when Senator GRASSLEY and I came to Congress, fiscal year 1975. Do you know what the defense budget was then adjusted for inflation? It was $234 billion, $32 billion less than we are requesting here. Then we faced the nuclear confrontation with the Soviets. We had a war in Vietnam, as my friend from Iowa will remember. We had all kinds of challenges. Today we do not need to spend anywhere near this amount.

If we were to cut the defense budget in half—and I do not advocate that—but if we were to do that, we would still be spending appreciably more than any other country on the face of the Earth. A little prudence as this amendment suggests is just common sense.

I hope the Senate will listen to our friend from Iowa with his amendment. I am proud to be a cosponsor of it. I think it makes sense fiscally. I think it makes sense from the viewpoint of what we ought to be doing in the defense area.

So, Mr. President, I rise in strong support of the Grassley amendment, and I hope there will be enough Senators who say let us look at our real needs. Let us look at our deficit situation. The Grassley amendment logically ought to be overwhelmingly supported. I know that is not going to be the case. If we win it will be by a narrow vote. But we ought to vote for the people of this Nation on this next vote. And I think that is a vote for the Grassley amendment.

I yield back the balance of the time to Senator GRASSLEY.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I respect Senator GRASSLEY very much. I respect Senator SIMON, and Senator EXON. But I serve on the Armed Services Committee, and I think they are wrong on this issue.

In fact, let us cut to the chase. We are not talking about allowing the President to come back in and certify that he needs more money. The President has said that he does not want the money. His budget came in $11 billion lower this year in real terms than it was last year, and that was after telling the American people in his State of the Union Message that he did not think we should cut defense spending any more.

Mr. President, we have had testimony before the Armed Services Committee from every single high ranking military and civilian official in this administration; the President's own administration. Every chief of every service has said we cannot continue to train our forces and modernize our forces if we do not have the money to do it. This is the 12th straight year of declining defense spending; the 12th straight year. Weapons procurement is down 70 percent since 1985.

It is proper after the cold war that we would draw down our military spending. But, Mr. President, we have gone far enough. If we maintain keeping the funding level that Senator GRASSLEY is suggesting that we cut, the $8.3 billion, what would it take away from our Armed Forces? What would it do to us?

First, it would stop the increasing modernization that we must have as we are drawing down our force numbers. It is essential that we have the modernization, equipment, and technology to make up for the smaller numbers of people that we will have in the field. That is what the drawdown requires if we are going to be able to fight and win two simultaneous major regional conflicts. We must have the technology and the equipment to do it.

It will pay for an improved quality of life for the men and women who risk their lives to serve our country. We are asking for a 3-percent pay raise for our military; 3 percent. These are the young men and women who volunteer to fight for the freedom and independence of our country. We must assure that they have a better quality of life that demonstrates to them that they have the complete support of the American people.

We will also not be able to increase our commitment to counter the ballistic missile threats; the threat of ballistic missiles launched at our country. The Secretary of Defense testified that we do not have a defense to ballistic missiles fired at the United States. He said that this year. The Secretary of Defense, himself, thinks that we need to go forward with the technology for a ballistic missile defense for our country. At least 30 countries throughout the world have ballistic missile technology and capabilities. Many of those have nuclear, biological and chemical weapons capability as well. So, of course, we ought to be able to defend our shores, or any of our troops in the field against incoming ballistic missiles. Yet, if you cut $8 billion that Senator GRASSLEY wants to cut, we will not be able to go forward in that technology.

Mr. President, we should have learned a lesson from our experiences in previous wars. That is what history is for—to teach us lessons. We should learn the lesson of the Korean war. We should not forget the lessons of Task Force Smith, when we had drawn down our forces after World War II, and we did not have the equipment and the training going into the Korean war, and Task Force Smith was a unit that was rushed into combat in the early days of the Korean war and were obliterated by the North Koreans. They were brave soldiers who fought courageously but because they were not equipped with up-to-date equipment and their training was woefully short they suffered terrible casualties. We cannot forget the sacrifice of those who died in Task Force Smith and now once again repeat those same mistakes today by undercutting the ability of our troops in the field to have the equipment and the training and the technology they need to do the job when they signed up to protect our freedom.

We saw in Desert Storm an almost perfectly executed war, but we had almost 6 months to prepare for that war. Our enemies will not always give us 6 months to prepare for a war. They saw what happened to Saddam Hussein when he did that. So when you talk about cutting $8 billion out of our defense budget, you are talking not about fat; you are talking about muscle and bone. You are talking about cutting the critical support for our military that we must continue to provide if we are going to maintain the strength of our military.

As President Reagan once said, we got peace through strength. Being weak and unprepared and technologically inadequate is not what America is about. If we are going to have the greatest nation on Earth and the last superpower status on Earth, we must have the equipment and the technology and the upgrading to do the job. So cutting our military budget to the level that the President asked for is certainly not going to do that.

I implore my colleagues to look at the big picture and to remember the lessons of Task Force Smith. Let us not let the deaths of those brave men go unheeded. Let us keep our freedom and our strength, and let us keep our commitment to our troops in the field for a quality of life and let us have a ballistic missile defense for our country going into the 21st century.

Now, Mr. President, according to the previous order, I yield 10 minutes to Senator COHEN.

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. Mr. President, I was interested in listening to the comments of my colleague from Illinois when he held up several press accounts that the North Koreans may be heading for starvation, and so the solution, I suppose, is to send food.

Mr. President, the North Koreans would not be headed for starvation if they were spending less on weapons, less on putting half a million people right on the DMZ, having 1.2 million under arms, and doing more to grow food.

So the word ought to be to the North Koreans, "Make food, not war." Yet we are being called upon here for us to now feed the North Korean Army, because that is where the food is going, it is not going to feed the general population.

Let me suggest to my friends who now would adopt the policy of send food and not prepare for defending South Korea that the North Koreans have not been responsive to date to these sorts of gestures. We have been sending them fuel oil so they would not go forward and build a nuclear weapons capability, and now we are being told they are on the verge of starving, so, therefore, we must cut back, we must in fact trim our procurement needs in order to accommodate the needs of the North Korean people whose military regime continues to spend them into bankruptcy.

It was also suggested with a chart over there that there are some five countries that we spend more in defense than the total of these five countries. Well, which countries are they?

Is it Russia? Is it China? Can anyone on the Senate floor tell me how much China spends on their military? Can you tell me how much Russia spends for its military? If any of you can even establish that in nominal terms?

Would you like to compare what it costs the United States taxpayer to acquire a fighter aircraft from McDonnell Douglas versus the Chinese Government?

Mr. President, there is no sense in trying to compare our expenditures to those of five countries when we cannot even identify the true costs of what those countries are spending. Assuming that you could, are we going to take the position in the Senate that we now would like to see the Japanese, for example, increase their defense spending so they can assume a greater responsibility in the field of seapower, and extend their seapower capabilities throughout that region?

Do we want to see Germany, for example, have a much greater expenditure in defense to adopt much greater responsibility than they currently have? Are we willing to see that our stabilizing presence throughout the world should be diminished with all the consequences we have seen during the history of warfare during the 20th century; that every single time the United States has cut back and cut back and cut back we have seen the seeds of future wars sewn?

Mr. President, it has been talked about here of how the peak of spending has gone down over the past 10 years. I have a chart here as well that can show very clearly how it has dropped significantly since 1985—70 percent.

We think back to our capability in World War II. I ask this question frequently: How many ships did we have during World War II? Take a wild guess. Five thousand warships. How many are we headed for today? Three hundred forty-six.

Bismarck indicated that there are only two things that do not change in life. One is history and the other is geography.

We still are required to sail the same seas. We still are required to defend this country's interests globally. That has not changed. So we now are required to cover the globe with our sea power capability with 346 ships, not 5,000. Indeed, these 346 ships are more capable than those 5,000 we had in World War II, but we have to continue to modernize them.

The fact is we are operating them at a greater operational tempo. They are wearing out faster. So what we are asking our young men and women to do is to sail in ships that are operating at a higher tempo, that are wearing out faster, that need replacement, need repairs, and we put their lives in jeopardy because we are cutting back and cutting back.

We are doing so in contradiction to what the President promised. This is what is most ironic. For years, the administration has been telling us that the procurement budget is going to turn around. Just wait until next year. It is sort of like us in New England; we keep saying about the Red Sox: Next year we are going to get the pennant. Just wait one more year.

That is precisely what has been said about the defense budget: Next year it is coming. We know it is going to an all-time low. It has to come up because we are sacrificing our qualitative edge here, folks, so it has to come up. Two years ago, Secretary Perry testified, and I am going to quote:

> We cannot sustain these low levels of procurement for long, and we are projecting an increase beginning next year, fiscal 1996.

Mr. President, it did not happen. Last year, the Clinton administration said that the upturn in the procurement budget will begin next year, in 1996. Now they say that it is not going to happen. Last year, the administration said it was going to be requesting $44 billion in fiscal 1997 for procurement. We got the budget, and it was 38.9 for procurement. Now here we go again. The administration says the procurement upturn is going to start next year, fiscal 1998. So we were promised in 1996. They broke the promise. We were promised in 1997. They broke the promise. Now they say wait, just hold on; if we can just get to 1998, it will start to upturn.

Mr. President, when is that going to happen? The reason we are here, the reason we have added this funding for our defense capability is that we cannot rely upon empty promises. We have had military adviser after military adviser come forward and say, "Yes, we support the President's budget," but when pressed, "Yes, we could use a little bit more."

Let me just quote something else for you. Last fall, General Shalikashvili, Chairman of the Joint Chiefs of Staff, began banging the drum pretty loudly for a ramp up in procurement, saying we need to get the procurement budget up from this year's $42 billion to $60 billion by fiscal 1998.

If you started reading the trade press accounts in the last couple of months, you would have seen a series of articles quoting General Shalikashvili and other senior officials saying maintaining our military edge depends on achieving $60 billion in procurement by fiscal 1998. Yet, the President's budget calls for procurement spending in 1998 essentially unchanged from this year and not reaching the $60 billion mark until after the turn of the century.

So, all told, this year's budget calls for $26 billion less for procurement over the next 5 years than the Department of Defense said just last year that it needed.

So, Mr. President, the reason we are here in opposition to this amendment is that we cannot afford to take the chance, we cannot afford to put the lives of our young men and women on the line with equipment that is wearing out, wearing down, and needs to be replaced. That equipment needs to be kept up to the best level that we can possibly maintain it.

When the call comes to go to Bosnia, we are the ones who have to go over there with the best equipment. When the call came to send two aircraft carrier battle groups over to Taiwan, when the Chinese were threatening with missiles headed toward Taiwan's territory, we were the ones who sent two aircraft carrier groups over. Every time there is an emergency that affects our interests or that of our allies, we are the ones who are called upon. Do we send our people over with deficient equipment or marginal equipment? No, we say we send them with the best. We are not going to put our people in harm's way under circumstances that put them at a great disadvantage.

Mr. President, we are asking that we reject this amendment. We think it is necessary to begin the procurement, not next year and not in fiscal 1998, but now. This is a commitment that was made by the Clinton administration 2 years ago. It was not kept. It was made again last year. It was not kept. This year we intend to see that the commitment is adhered to.

Mr. President, I ask our colleagues to reject this amendment and that we do so with an overwhelming vote.

I yield the floor.

The PRESIDING OFFICER (Mr. ABRAHAM). Who yields time?

Mr. COHEN. I yield 5 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. I thank the Senator for yielding. I also rise to oppose this amendment. I have to ask the question, what is this obsession that we seem to have around this place for cutting the military, for putting ourselves in a defenseless posture?

I am just shocked every time this discussion comes up, and hardly a day comes by when there is not talk about this. It is interesting that a President who ran on a balanced budget, ran on a strong national defense, ran on all of these things, wants to cut only defense. He has increased spending in every other program. The only area where he has suggested, in his budget, he wants dramatic cuts is in defense.

When he promised, prior to the 1994 budget, that he was going to ask for $62 billion, he ended up asking for $48 billion. For the 1995 budget, he promised he would ask for $55 billion and he only asked for $46 billion.

The Senator from Maine talked about the various missions that are taking place around the world today. I opposed it even back during the Republican administration, in December 1992, when we sent troops to Somalia, even though they sent them over for 90 days and they did not come back until after 18 of our troops were murdered and their corpses were dragged through the streets of Mogadishu. I opposed sending troops there then. I opposed sending troops to Bosnia. I opposed sending troops to Haiti. Not because I am not compassionate, not because I am not concerned for the plight of these people all around the world, it is just we do not have the military assets to go out and take care of all these social problems around the world and be able to defend ourselves.

So I think we have a twofold problem here. We are dramatically reducing, year after year after year, our military budget, and at the same time we are taking on additional responsibilities. Currently, we have more troops deployed around the world than we have had at any other time that is supposedly nonwartime, and we have taken huge cuts in our defenses. Since 1985—this is 12 years—for 12 consecutive years we have taken cuts in our Nation's defense.

What makes it even worse, it was pointed out by the Senator from Maine, our defense spending has fallen 41 percent since 1985. It is really worse than that, because procurement has dropped 72 percent since 1985. So, if overall defense spending has dropped 41 percent, procurement 72 percent, that is where the modernization is, that is where the new equipment is, that is where the accounts are that make us competitive. We have watched, year after year—1985, $405 billion using 1997 dollars, down to roughly $250 billion. We cannot afford any more cuts.

One of the things that has been stated is that the Pentagon did not make these requests. It is interesting, I heard not more than a month ago when we had testimony before the Senate Armed Services Committee—it was also before the House committee—that we had the four Chiefs all in agreement that we have to have an additional $20 billion in our readiness account in order to be competitive. Yet, that is the first time I can remember in my recollection of American history when the Chiefs themselves came out and said, "No, the President is wrong. We are sorry. He is the Ccommander in Chief, but we are the ones responsible for protecting America, and we are not able to do it."

Look what has happened. You want to talk about administrations? During the Democratic administration of 1961, President Kennedy, in the percentage of the total budget, 50 percent was for defense, 16 percent for social spending. Now it is just reversed: 17 percent for national defense, 60 percent for social spending.

The areas where we are going to be suffering are the very areas that affect our troops that are in combat situations, preparing for combat situations—quality of life, black boxes for aircraft. Time and time again I get in 141's and 130's and I look down there—I have been a commercial pilot for 40 years, and I look down and see they actually have equipment I have not seen in 20 years. We are sending our people out without GPS's, a very inexpensive piece of equipment. It is because we are cutting down those procurement accounts to a level that we are not going to adequately take care of those individuals who are in the field.

I would just make one more comment about what has been said over and over again on the floor. It was said most recently by the very distinguished Senator from Illinois, that this amendment is still $3 billion more than the Pentagon requested. All I can say is, I hope all of America knows—certainly we know in this body here—that the President speaks for the Pentagon. He is the one, and they carry out his orders. But when you stop and ask the Joint Chiefs of Staff, or the Chiefs of the services—I will quote right here, "Unless we recapitalize"—I ask unanimous consent for 2 additional minutes.

Mr. DOMENICI. Could the Senator use 2 more minutes? I yield 2 more minutes to the Senator.

Mr. INHOFE. "Unless we recapitalize, we are not going to be ready to meet the threats of the future." That is the Chief of Staff of the Air Force, Ron Fogelman, March 14, 1996.

In the same meeting: "If we do not modernize, we ultimately place future readiness at risk." That was Adm. Michael Boorda, same meeting.

"Further deferral of modernization will incur significant risks to future readiness." This is Gen. Dennis Reimer of the U.S. Army, March 13, 1996.

It is there. The Senator from Texas talked about another great problem, and that is the problem that we have cut back, as a result of the veto of the DOD bill last year, on our ability to defend ourselves from a national missile attack. We do not have a National Missile Defense System in place. Most of the people in America believe we have one, and when they find out we do not have one, it scares them to death. Why are they scared? Because such great people as Jim Woolsey, who was the CIA Director under two Democrat Presidents, said that currently we have a great threat out there. We know of 25 nations that have or are in the final stages of completion of a weapon of mass destruction, either biological, chemical, or nuclear, and are developing the missile means of delivering it.

So we are imperiled, Mr. President. We have a great deal to do to rebuild our defenses, to go back and take us out of the posture we were in in 1980 when we could not afford spare parts. What we are doing today is trying to get ourselves into a position where we have adequate spare parts, adequate procurement, so that our troops out there can be competitive with the others.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself 30 seconds, and then I will change with Senator BUMPERS.

Mr. President, I say to Senator INHOFE that I just want to congratulate him on his remarks and on his steadfastness on the Armed Services Committee. I want to compliment you for the learning that has taken place in a very short period of time. Many Senators look to you for information on the Defense Department.

My accolades go out to you because I think it is clear that you are genuinely interested, and it shows. I want to just tell you we all understand it and appreciate it very much.

I do not know what the arrangement was. Would you like Senator BUMPERS to go next? We have had two or three of ours.

Mr. BUMPERS. Just for 5 minutes if the Senator from Iowa will yield to me.

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Arkansas.

Mr. DOMENICI. Mr. President, so that we will have things lined up, after his 5 minutes, could we go 10 minutes for Senator KYL and Senator STEVENS wants 10 minutes?

Mr. STEVENS. But I will be happy to wait for someone on the other side.

Mr. DOMENICI. If there are no Democrats, they can go in between and then we can go to Senator STEVENS. I ask that be the unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Arkansas.

Mr. BUMPERS. Mr. President I want to congratulate my distinguished colleague from Iowa for a very sensible amendment, one that ought to receive the unanimous approval of this body.

This budget contains just over $500 billion in discretionary spending. I want my colleagues to think about this for a moment. We are looking at a total budget of between $1.6 trillion and $1.7 trillion and only a bit over $500 billion of that is for discretionary spending. Under this budget, about $265 billion of that is for defense. That does not leave much for programs that go to the very heart of the values of the country and the things that really make this Nation strong, like education and transportation. I can tell you that the number of explosions you can set off with weaponry is not necessarily related to the real strength of this Nation. I am always nonplused and puzzled when so many people jump under their desks every time somebody mentions cutting defense. You can savage education, which this budget does, you can savage the environment, which this budget does, you can savage the programs that people depend on for their very livelihood, earned-income tax credits, and on and on it goes, you can deal with those programs and you can ask for a whopping tax increase for the wealthiest among us, but if you ask defense to take one single dollar less, everybody goes berserk.

Now, there are some politics in this. But I want you to remember that the amendment of the Senator from Iowa is well above the administration's request. There is not any reason why Republicans ought to join in lockstep to vote against this. It is well above what the President has requested for the Pentagon, it is well above what the Defense Department says it needs.

I heard the distinguished Senator from Texas a moment ago, a woman whom I admire and respect, saying that we just simply cannot weaken our defenses. I want to ask my colleagues this: Who are the enemies you are going to spend this money for? Who are they?

Mr. DOMENICI. I did not hear the question.

Mr. BUMPERS. Pardon?

Mr. DOMENICI. What was the question?

Mr. BUMPERS. The question is, who are the enemies against whom we must spend $265 billion? Who are the enemies that we feel constrained to spend over $1.6 trillion over the next 6 years to defend against? The Senator from Illinois, [Mr. SIMON], said a moment ago that we spend as much on defense in this Nation as the top five possible adversaries, including China and Russia. It is worse than that. We spend as much as the top 10, and if you add NATO, we spend almost twice as much as the top 10 and there is not an enemy in sight.

Mr. STEVENS. Do you want to yield on that?

Mr. BUMPERS. No, I am not going to yield until I finish.

Mr. STEVENS. All right.

Mr. BUMPERS. Then the Senator from Texas proceeded to talk about how weak we could become. I will tell you how you get weak. You get weak by paying interest on a national debt that we incurred during the 1980's when defense spending went from $150 billion to $300 billion in 8 years. If we had not been so foolish, we would not be fighting about a balanced budget these days. It is because of the interest on that staggering debt increase that we cannot balance the budget.

There is not anybody here that I will yield to on supporting our defense needs. I served 3 years in the Marine Corps during World War II, and I learned a little bit about defense first hand, and now I sit on a defense appropriations subcommittee. I know how it all works, and I know how it happens. But I can tell you, this amendment will save the taxpayers of this Nation billions.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BUMPERS. Thirty seconds.

Mr. GRASSLEY. I yield 30 seconds.

Mr. BUMPERS. I have to admit that over the period of this budget resolution, there is a sum total of $11 billion difference between the Republican budget proposal and this amendment—$11 billion.

Mr. STEVENS. Will the Senator yield on my time?

Mr. BUMPERS. The President cuts back on defense spending now and the budget resolution cuts back on it later.

The PRESIDING OFFICER. The Senator's time has expired. Under the previous order, the Senator from Arizona is recognized for 10 minutes.

Mr. KYL. Thank you, Mr. President. I would like to respond to some of the challenges just raised by the Senator from Arkansas. They are good questions. They deserve a response, and I think we have the response.

Before doing that, though, let me pay a compliment to the Senator from Iowa for raising this amendment, even though I strongly oppose it. The Senator from Iowa cares very much about the spending of taxpayer dollars in this country, and he knows that there are some places in the defense budget where we could make savings, and he is right in that. But I believe it is also the case that if that money were to be cut, we would not make the savings in the places where they ought to be made, but rather would continue to cut on important research and development, on readiness and on procurement, on the things that we have to spend more money on, and that is why I will end up opposing the amendment of the Senator from Iowa.

I would like the attention of the Senator from Arkansas because he raised some important questions a moment ago. He said, "Who is our enemy?" Mr. President, the United States of America is now the only superpower in the world. We are the country to whom everyone else in the world looks to for protection, not only of themselves but for the democratic ideals that animate many countries' pretensions to become a part of the civilized world.

I just returned from a conference in Prague, the Czech Republic, in which Central European nations said to the United States, "Please continue to assist us to help bring us into the European Community, because we have the same basic ideals that you do." We cannot do that if we do not have a strong defense.

Who are our enemies? Well, it all depends. If we want to come to the defense of Kuwait, then our enemy in that situation is Iraq. If we want to protect Taiwan, then our enemy might be China. If we want to protect South Korea, then our enemy is North Korea. If we want to stand up to Qadhafi, then our enemy is Libya. If we want to stop the terrorism from coming from Teheran, then Iran may be our enemy.

The point is, there is not any other country in the world that everybody looks to to stop this kind of aggression than the United States of America.

Mr. President, I will never forget what Dick Cheney said when everyone was patting him on the back for winning the gulf war. Secretary of Defense Dick Cheney at that time said, "It wasn't Dick Cheney who won the war. It wasn't George Bush. It wasn't Norman Schwarzkopf." He said, "As great as they were, it wasn't even just our great troops that won this war. We won the gulf war because of decisions that were made by courageous members of previous administrations and previous Congresses 10 and 12 and 15 years ago to give us the weapons, the high-tech weaponry and to provide for the training of our troops," so that we would be prepared to win a conflict that nobody could have even predicted back then, could not even have predicted just a few weeks before the invasion of Kuwait, in fact, apparently was not predicted by anybody until the invasion occurred.

So the point is, Mr. President, you cannot say that until we have identified a specific enemy, in the sense that we have been attacked, we should not be spending money on defense. That argument is absolutely wrong. Dick Cheney was absolutely right. What he said is, "I hope that the decisions that I'm making as Secretary of Defense today will enable my successor's successor, maybe 10 or 12 years from now, to win a conflict that nobody today can predict but which, as surely as we're sitting here, will occur."

Mr. President, that is the challenge of all of us sitting in this body today. We cannot predict who the enemy is. But we have an obligation to provide for that basic research, that readiness, that procurement that we know will win the next conflict wherever it is. To those who say we are savaging education, savaging the environment, spending overall on those accounts has not gone down, has not gone up much, but it has not gone down.

Defense spending has gone down now for 12 straight years, the only department of Government where that has occurred. As a matter of fact, defense spending last year and this year will be less than we spent before Pearl Harbor. Either as a percentage of the Federal budget or as a percentage of gross national product, we will be spending less on defense than we did the year before Pearl Harbor.

Now we are the only acknowledged superpower in the world. We are the country that everybody else turns to. Before my time is out, Mr. President, let me simply note that there are numerous reports, statements, pieces of testimony from representatives of the administration who say that we are already spending too little. If we were to cut the Republican committee request even further, as our friend from Iowa is suggesting that we do here, we would be setting our procurement program back by years and we would not be in a position to win that kind of conflict of which I spoke.

One of the people who I think we should rely upon here is the Chairman of the Joint Chiefs of Staff, General Shalikashvili. He stated in his 1996 Force Readiness Assessment report a little bit earlier this year:

> As overall defense spending has been reduced, permanent accounts have been the bill payer for other readiness-related spending. We can no longer afford to push procurement into the outyears.

Specifically with regard to the spending and the amounts, General Shalikashvili summarized the situation this way:

> We are now fast approaching the time when we will no longer be able to rely on what we built in the 1980's, and so we must commit ourselves to a sufficient procurement goal, a goal I assess to be approximately $60 billion annually, if our force is to remain as ready tomorrow as it is today.

Mr. President, despite General Shalikashvili's assessment, the administration's 1997 request devotes less than $40 billion to procurement spending, less than at any time since the Korean war. What that means is, we are still going to be $20 billion short. Now the committee has added $11 billion back. That is still $9 billion short just with regard to procurement. If we were to adopt the amendment of the Senator from Iowa, we would be back to the point where we are at least $20 billion short just in the area of procurement, according to the Chairman of the Joint Chiefs of Staff.

Without reading the statements made by other members of the Joint Chiefs and other representatives in the military, let me just summarize it this way. There is not anybody in the military who does not believe we could make good use of the money that the Armed Services Committee has put back in. There is a list here presented by each of the services that spends more than that amount of money. They would like to have it if they could.

They are good soldiers, following the Commander in Chief, who sent his budget up and said, we are not going to spend any more than the amount requested. But if you ask them, they will give you the list of things they say they need.

That is why I conclude again by answering the question of the Senator from Arkansas. We know who our potential enemies are. We know who we have to be prepared to defend against. What we are doing, in as best a way as we can, in the budget of the Armed Services Committee, in the authorization from the Armed Services Committee, is to request the minimal amount that we think we are going to need to sustain those requirements.

To go back to what Secretary Cheney said when he was Secretary of Defense: If we have the courage today to make the kind of decisions that people 10 and 15 years ago did that permitted us to be able to win the cold war, and win the first hot war since then in Iraq, then we will be able to say that at the time that it counted we stood up and we did the right thing. We had the foresight, we had the courage, and we were willing to defend the position to spend the money necessary to fulfill the first and most important obligation of the U.S. Government, of the Federal Government, and that is to defend the people of the United States.

That is why at the end of the day I support the distinguished chairman of the Senate Armed Services Committee, Senator THURMOND, and the work of his committee in bringing forth their requests and respectfully oppose the amendment of our good friend from Iowa, Senator GRASSLEY.

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska is now recognized for 10 minutes.

Mr. THURMOND addressed the Chair.

Mr. DOMENICI. Mr. President, I say to Senator THURMOND, the previous order has Senator STEVENS to speak for 10 minutes and then the Senator from South Carolina.

Mr. STEVENS. I am happy to defer to the chairman of the Armed Services Committee, if he wishes.

Mr. THURMOND. Go ahead.

Mr. STEVENS. Mr. President, I listened with interest to the proponents of this amendment. I spent this morning, as chairman of the Defense Appropriations Committee, in a classified session, meeting with members of the Department of Defense, uniformed members, considering what we do about replacing our fighter force. The F-15 will be 30 years old in 2003, Mr. President. We have a situation where, after the turn of the century, the C-141's and the C-5's will be retired. They will be retired. They also will be about 30 years old, one of them 30-plus years old. We have to find a way to replace them, too.

I find it interesting to listen to people who propose this amendment, because they are unwilling to take the step that would be necessary to accomplish what they want to do, and that is restore the draft. Over 60 percent of our money spent for defense, sometimes almost 70 percent, depending upon the year involved, goes to pay for the Volunteer Force, the best force in the world. It is the force of a superpower, but it is an expensive force. The remainder of the money goes for research and development, for acquisition of new systems.

What this amendment will mean is the people that have come to our committee already and said they want add-ons for this budget, they want things changed in the President's budget, they will not only be denied, but a series of things that are in the budget have to be taken out because the President's budget is not an honest budget.

It does not fund for contingencies, just as last year he did not fund for Bosnia at all. We have to find $5 to $6 to $7 billion every year to pay for things this President has ordered that he spends out of the money that we provide for defense under his power as Commander in Chief.

But what we are doing right now is ignoring our duty as Members of Congress if we do not follow the Constitution, which says we must provide for the common defense. To provide for the common defense of this country requires that we make the investment now to be assured that in the next century we will be as successful as we were in the Persian Gulf war.

That Persian Gulf war demonstrated, as was just said by the Senator from Arizona, the wisdom of the decisions that were made in the 1970's and in the 1980's to acquire the F-15, to finance the Tomahawk, to produce the Stealth 117. All of those were possible because of the discretionary spending that was available then.

If the amendment of the Senator from Iowa is adopted, we lose our advantage, we lose our capability to invest in the future, to invest in the research and development that is necessary, or we have to go to a draft, we have to start drafting people. I joined Senator Goldwater in opposing the draft in peacetime. We brought about the end of the draft in peacetime.

We do not believe in drafting our people in peacetime. I hope we will never be forced to do it. But we certainly will be forced to do it if we adopt this amendment, because the testimony I heard this morning, as I said, in a classified session, demonstrates that we must have the money to invest in the systems that are being researched now, some of them in a development stage, so that we can have the systems to keep our country in a position of being No. 1 in terms of capability out into the next century.

Now, I do not know any way to do it if we constantly have erosion on this budget, as mentioned by the Senator from Arizona. There has been an erosion on the budget every year. When Jack Kennedy was President of the United States, 51 percent of the budget of the United States went to defense. It is nowhere near that because of the growth of entitlements, the growth in interest rates. We get a portion of the controllable expenses for defense. It is a sizable portion, but nowhere near what we need.

In terms of need, if we really defined need and came in here and asked for the replacement of all the systems that are aging, this budget would be much higher. It cannot go down, as was projected by the President, and maintain the defense of this country into the next century. We are not talking now. People ask, who is the enemy now? The enemy will be met with the investments we made in the 1970's and 1980's. For the next century, it will be the investments of the balance of this decade. To cut the investments means we weaken the United States in its ability to make commitments around the world to protect our interests. I cannot get more worked up about anything than the continued demand that we try to defend this budget in terms of what is the threat now.

Look at Iraq. We had sitting Members of the Senate visiting Saddam Hussein about 5 months before he moved into Kuwait. Would anyone have come to the floor and when asked to define the threat, come up with Iraq, as we debated the bill, the year before that trip? I cannot define who is going to be the next country that we have to call an enemy.

I can say to the Senate that if this amendment is adopted—I can see the Senator from Massachusetts here—I can tell you the money will not be there for Patriot. It will not be there for Patriot, which is being upgraded to a new, better system than that which we had at the time of the Persian Gulf war. It will not be there for improving the Aegis system, which will provide area defense for our Navy.

I went with the Senator from Hawaii during the last recess to Hawaii and looked at some of the systems that are being tested now. They are just being tested, Mr. President. They are not capable of going into production yet. We went to classified bases and saw some of the things they are doing. They are very good. We have to have those systems to combat what is out there now.

Russia is selling arms to the world. So is France. Many of our people are selling arms out there. We talked about this problem that happened in the Persian Gulf war when we found systems our allies were using were in the hands of Iraq at the same time.

We have to design and produce and deploy systems that are capable of meeting any challenge that you can conceive now, in the next century. The difficulty is, some of the challenges we face we might not be able to conceive. So we continue our research. We continue our basic research to develop new systems to defend this country's interests.

I think if we do not have the money called for in this budget—and I congratulate the Senator from New Mexico for his wisdom in putting it out—we will face a series of reductions in our effort before the turn of the century.

The Senator from Arkansas says, "Look at the budget. The President's budget is just $11 billion different from the budget that the Senator from New Mexico has presented over the 6-year period." That is true. That is true. But if you want to look at it in terms of defense, it declines continually until the year 2000. What is the year 2000? The end of the next Presidential term.

What happens in 2001 and 2002? Mysteriously, substantial funds are ready for defense; more money than cut in the last 5 years is ready for the Presidency, starting in 2001. Is that not a miracle? A real miracle. Whoever is President in 2001 will have to have a new monetary system to finance what is proposed in the President's budget for defense. It is a false, phony budget. We need to correct that now.

We cannot have a decline in defense over a period of 4 more years and expect in 2 years, magically, after the turn of the century, we will have an enormous increase in spending. That is false. It is fake. You cannot rely on it. You cannot rely on it in terms of the defense of this country and our interests well into the next century.

I will say in terms of the comments made by the Senator from Arkansas, we have some very basic differences even when we look out into the future, because I want systems that will be capable of meeting those threats that we can project now through analyzing what we know other countries are doing.

My area of Alaska is adjacent to the north Pacific. Six of the seven largest armies of the world are active in the Pacific region today, Mr. President. If you look at the national intelligence estimate, it says the continental United States does not have any threat for missiles for 15 years. Senator INOUYE and I say: What about Alaska and Hawaii? Well, that is another thing. North Korea and Iran have missiles that can reach our States now, and the President wants to ignore the missile defense systems of this country.

I say defeat this amendment and get back to the business of restoring the capability of our military well into the next century. That is what this amendment is all about.

Mr. WARNER. Will the Senator yield?

Mr. STEVENS. I have no time.

The PRESIDING OFFICER. The Senator from New Mexico has control of the time.

Mr. DOMENICI. Have we agreed on the order of any others?

The PRESIDING OFFICER. No. The unanimous consent has expired.

Mr. DOMENICI. Let me say to Senators, any Senator that wants to speak on the defense amendment on our side, and I think I am speaking for your side, we want to try to vote here early in the evening, not late in the evening. If they could let us know if they want to debate so we can start allocating enough time.

Senator EXON is here and is willing to take that up with his side. Senator GRASSLEY has 20 minutes left.

Mr. GRASSLEY. I promised the Senator from Massachusetts I would give him 4 minutes, but while I am standing here and have the floor, I will say I hope that if you are going to take time off of your bill, that Senator EXON would take time so we could have equal time on my amendment—if there is time coming off the bill after our time runs out.

Mr. EXON. The Senator from Iowa made a point that I would like to make. Everyone wants to know when we will vote. We have 21 minutes left on the allotted time.

Mr. GRASSLEY. I was not planning on going over.

Mr. EXON. It all depends on how much time you continue to yield in excess of the amount that was allotted to your side of the debate. We are not going to sit here and let you keep yielding time and then beat us over the head because you do not have a vote. We have 21 minutes left under the original agreement by the Senator from Iowa. I hope we intend to use that time, but no more. I will yield time off if you are going to continue to yield 10 and 15 minutes to people to speak against it. All I am asking for is fairness.

Mr. DOMENICI. Senator, it may be fair. If we need more time, you can have more time. That is fairness. We have Senators that want to speak on this amendment. We will accommodate them. There is a lot of time on this budget resolution. We will accommodate you. How much time has the majority used in opposition to the Grassley amendment?

The PRESIDING OFFICER. The majority has used 62 minutes.

Mr. DOMENICI. I have three additional speakers on our side. The chairman of the Armed Services Committee, how much time did you want?

Mr. THURMOND. Mr. President, 7 or 8 minutes.

Mr. WARNER. Mr. President, 5 minutes.

Mr. DOMENICI. Mr. President, 5 for the Senator from New Mexico, so we need 20 additional minutes. Also, Senator COHEN wants 6 minutes, so we will need 30 minutes on our side.

Senator EXON, however you want to handle it, if you want to use 30 more minutes.

Mr. EXON. If we are not going to go over that, we would allow you to continue, but it is we who are trying to expedite the matter. If Senator GRASSLEY controls the time, and, as I understand it he has 21 minutes left, if we have now reached an agreement on how much time you are going to continue to yield, I say to the chairman of the committee, then we might be able to hold to our side to 21 minutes, which I point out gives your side considerably more time in opposition to the amendment than the time we are using in support of it.

Mr. DOMENICI. Maybe, for the benefit of all the Senators, not just those on the floor, we can reach an agreement. If we need 30 minutes and the Senator has 20, if we extend that to 30, that would be an hour. Could we plan to vote at 7 o'clock? I think your side desires that. Or maybe we can make it 6:50. That is an hour. You get half an hour and we get half an hour.

Mr. KERRY. Reserving the right to object, and I will not object, I would like to inquire. Was there an order of speaking being asked for, or might we have an alternative process here, seeking proponents and opponents?

Mr. DOMENICI. We are going to work it out as fairly as we can. We do not intend to keep anybody here. Other Senators have been waiting a long time. If we can get the hour locked in, a half hour each, Senator EXON and I can work out the order.

I ask unanimous consent that there be 1 hour, equally divided, on the GRASSLEY amendment, after which we vote on or in relation to that amendment, and that we control 30 minutes, and Senator GRASSLEY and EXON control the other 30 minutes.

Mr. EXON. Does that include the 21 minutes Senator GRASSLEY has remaining?

Mr. DOMENICI. Yes; a total of 1 hour, and at 6:50 we would vote.

Mr. EXON. What the Senator is saying is that although you have used more time than we have, you want to divide the remainder of the time equally?

Mr. DOMENICI. Yes.

Mr. EXON. I object.

The PRESIDING OFFICER. Objection is heard.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa, [Mr. GRASSLEY], is recognized.

Mr. GRASSLEY. Mr. President, I yield 4 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. DOMENICI. Will the Senator from Massachusetts yield me 10 seconds?

Mr. KERRY. Yes.

Mr. DOMENICI. Mr. President, I ask unanimous consent that following the Senator from Massachusetts, the distinguished Chairman of the Armed Services Committee be recognized to speak for up to 10 minutes.

Mr. WARNER. Reserving the right to object, I request that I follow the distinguished Senator from South Carolina with 4 minutes.

Mr. DOMENICI. I so request.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Following the Senator from Massachusetts, the Senator from South Carolina will be recognized for 10 minutes, followed by the Senator from Virginia for up to 5 minutes.

The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I rise to support the amendment of the Senator from Iowa, as a cosponsor thereof. I begin my comments by saying that, like most of us here, we all care enormously about the ability of the United States to carry out its responsibilities and to have a military that is second to nobody in the world. I believe we have that military, and I think that it is vital in the post-cold-war period to begin to make a tougher set of judgments about how we are spending money, what our priorities are within the military, to guarantee that the reforms that we are promised are delivered on, and to guarantee that we are making choices about technology that are totally connected to the nature and definition of threat. I agree with the Senator from Alaska that nobody can say with specificity exactly which country will emerge, but we can make some pretty good judgments about what is happening in the world.

I have a chart here, and, regrettably, it is not blown up, but it does not take very much vision to see that there is only one significant bar on the entire graph. All of the others are very, very small compared to the expenditure of the United States in the $260-billion-plus mark.

China is the next largest expenditure in the world, with somewhere in the vicinity—it is hard to figure out exactly—of $30 billion-plus. So we have $30 billion or so in China. The People's Liberation Army today is engaged in making CD's and engaged in pirating intellectual property in order to support the military. We know that their modernization program is not, by most intelligence analysts' determination, geared for expansionism. It is geared toward modernization. Most military intelligence analyst experts do not suggest that there is, at this moment, some enormous threat. We are supplying arms to Taiwan, and I think our combined threat with respect to Taiwan is fairly significant.

China is the first of those sort of potential adversaries—if we wanted to put them in that category—that comes even close in terms of the next expenditures. But before China, the next highest expenditures in the world are Russia, now an ally; France, an ally; Japan, an ally; Germany, an ally; Britain, an ally. After China, you go to Italy, an ally; Saudi Arabia, an ally; South Korea, an ally; Taiwan, an ally; Canada, an ally; India, an ally; Spain, an ally; Australia, an ally; Turkey, an ally; Netherlands, an ally; Brazil, an ally; Israel, an ally; Sweden, an ally; and finally you get to North Korea.

So you can look at all the potential threats of the world, and when you add the expenditures of all of our allies to the United States of America, you have to stop and say to yourself, "What is it that we are really preparing for in a post-cold-war world?"

Mr. President, if you look at the potential weapons of most of these potential threats, you look at Syria, or North Korea, or China. The relative difference between Iraq, prewar, and those countries' weapons today is not really that enormous. Iraq, prewar, had 338 combat aircraft and 700 tanks. Iran, today, has less aircraft and marginally more tanks. North Korea has significantly less aircraft and maybe 3 times as many tanks. But we saw what the military of the United States was able to do in a matter of hours, let alone days, let alone weeks. The notion that we have to be proceeding to invest at a rate that is commensurate with the pre-cold-war period is simply irrational.

So, Mr. President, I suggest that all the talk about the United States' military capacity being threatened by this amendment is just talk. It has no relationship to the reality of the threat or to what is happening in the world. We in the U.S. Senate ought to make a tougher set of judgments about our military expenditures.

The PRESIDING OFFICER. Under the previous order, the Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, prior to my remarks on this bill, I commend the able Senator from New Mexico for the fine job he does on the Budget Committee, and especially his attitude and what he has done for defense.

I rise to oppose the Grassley amendment, which would reduce defense spending from the $265.6 billion of the proposed budget resolution to $257.3 billion. I understand that the amendment would, however, make additional funds available to the President if he certifies a requirement for such additional funds. This is an unprecedented approach and an unnecessary and inappropriate transfer of power and authority from the legislative branch to the executive branch.

Let me be clear, Mr. President. The amendment of the Senator from Iowa is really a nullification of 75 percent of the Budget Committee's recommended increase to the President's budget request. Why would the President, who has already submitted his budget request, certify to the Congress that he needs additional funds for quality of life, modernization or readiness programs? Further, if he did request additional funds, those funds would likely be for programs that have not been directed by the Congress. We must all remember that the Constitution gives the Congress, not the President, the power to "raise and support armies," and "to provide and maintain a navy."

Mr. President, I believe that the Budget Committee has acted wisely and prudently in recommdending an increase to the President's inadequate request for defense.

In order to buy the same level of national security in 1997 as we did in 1996, we would have to spend $273 billion. The President's request is $18.6 billion below this. The budget resolution proposes to increase the budget for defense by $11.2 billion; therefore, we are still $7.4 billion below the fiscal year 1996 level of funding in real terms. Does the Senator from Iowa believe that our Armed Forces will be asked to do less in fiscal year 1997 than they did in fiscal year 1996? I ask him to answer that.

The question we should be asking, therefore, is not whether we should increase the President's inadequate budget request by a minimal amount; rather the question should be: What risks are we taking by not adding more? Our Nation's top military leaders answer that question.

General Shalikashvili, Chairman of the Joint Chiefs, says he is "very concerned that our procurement accounts are not where they ought to be."

General Reimer, Army Chief of Staff, says that "further deferral of modernization will incur significant risk to future readiness."

Admiral Boorda, Chief of Naval Operations, says "If we do not modernize, we ultimately place future readiness at risk."

General Fogleman, Air Force Chief of Staff, says that "Unless we recapitalize, we are not going to be ready to meet the threats of the future."

And General Krulak, Marine Corps Commandant, says that "The Marine Corps * * * cannot absorb further reductions without sacrificing critical core capabilities."

These statements of our top military officers were made in open committee hearings. If they were free from political concerns, one could expect an even more candid, and dire, assessment. Even Secretary of Defense Perry has acknowledged that "we have to start increasing the modernization program or, we will start to have a real problem of obsolescence in the field." The Clinton administration has certainly achieved consensus among the services and the Department of Defense, but in a way that the Goldwater-Nichols Act never envisioned.

Our defense needs are underfunded, from both a historical and operational point of view. We are at the lowest level of defense spending since 1950. Procurement has been reduced by 70 percent since 1985, and by more than 40 percent under the Clinton administration. Programs to support our servicemen and women's quality of life are inadequate. Our ability to protect our soldiers from ballistic missile attacks suffers from lack of funding and commitment. Our military research and development is anemic. If anything, we should be considering amendments which provide floors—not ceilings—on defense funding.

I realize that our great Nation has numerous domestic and international obligations. But none—I repeat none—of these obligations rises to the level of our responsibility to provide for the common defense. Protection of our Nation's citizens is the Federal Government's first order of business. Without meeting this paramount obligation, the basic guarantees of "life, liberty and the pursuit of happiness" can easily become empty promises.

Defense spending is now at its lowest level in the second half of this century. This half century has been the era of American superpower status. Our superpower status is not something we can maintain cheaply. We won the cold war through our steadfastness and robust military capabilities. Yet, we are asked by the administration and supporters of this amendment to continue undermining our military capabilities.

I hope the Members of the Senate will agree with me that we cannot afford for our Nation to be less vigilant, less capable, and less ready. I strongly urge the Senate to vote against the Grassley amendment.

The PRESIDING OFFICER. Under the previous order, the Senator from Virginia is now recognized for up to 5 minutes.

Mr. WARNER. Thank you, Mr. President.

Mr. President, I would like to follow on the statements of the chairman of the Armed Services Committee when he said the modernization for the 1996 fiscal year decline represents the 40-year low since 1950. So I went back and I looked at a chart which shows exactly what we bought just 10 years ago. To give you an example, 10 years ago, in 1986, the number of tanks we purchased in the field was 840. This year we purchased zero tanks. In 1986, tactical aircraft, 399 tactical aircraft; this year, 1997, 34. Most alarming of all, Mr. President, is the purchase of naval ships. In 1986, we purchased 40; in 1997, a mere 6. That is a clear indication, Mr. President, of the decline in the equipment.

When the members of the Joint Chiefs came before our committee, I, together with other Senators, asked each this question: First, what is the condition, say, of the Navy today? And the answer very proudly given by the Chiefs is it is in the best condition, it is ready, and it is well equipped. Then we asked with this level of procurement, what will your successor be able to say 10 years hence? And it is 10 years from the drawing board to the operational status of most of your major weapons systems, ships, aircraft, tanks, and the like. Each and every one of those Chiefs looked at the members of the committee, and you could read their faces. "We cannot give you an answer as to what our successor a decade hence with this level of procurement would be able to testify today with respect to the Armed Forces of the United States."

Mr. President, I am quite puzzled over this amendment because it is so clear that we need these forces. We need this money.

But I went back and looked at some polling data as to how the United States say 10, or 15 years ago viewed our defense situation. And clearly about half of the people ranked up there at No. 1, or No. 2, in their concerns about the security of the United States and how that appears in polling data today. Mr. President, the top item is the balanced budget, 26 percent; morale, 14 percent; crime, 11; taxes, 10; welfare, 10; jobs, 8; national defense—only 4 percent of the people are concerned; that low level of people, directly in conflict with the information that has been discussed on this floor about the threat that is poised against the United States.

The Defense Intelligence Agency looked back 10 years and found but maybe 30 different spots of the world which we termed as "hot spots" into which our troops might be called. That was 10 years ago. Today, that is number is 60 areas of the world into which our troops might be called to defend freedom, or the security interests of the United States.

So, Mr. President, while the public may think that we are safe and secure today, the reality is this is a very troubled world. I think it is our obligation to ensure that today, tomorrow, and in the years to come we are buying adequate numbers of ships, aircraft, and other items such that the men and women of the Armed Forces will remain as they are today—the best equipped in the world. We owe no less obligation to those who volunteer to proudly wear the uniform of the United States.

This amendment would cut $8.3 billion from the defense budget number reported out by the Budget Committee, and bring us almost back down to the inadequate level of defense spending requested by the President.

We have heard a lot during this debate about the increase in the defense budget contained in the budget resolution. There is no increase. What the Budget Committee has done is simply slow the rate of decline.

But even with the defense number reported out of the Budget Committee—$265.6 billion—the defense budget will decrease in real terms from the fiscal year 1996 level by $7.4 billion. This year will mark the 12th straight year of declining defense budgets—even without the additional cuts proposed in this amendment. Enough is enough.

U.S. troops are currently deployed in 10 separate military operations overseas. From Bosnia to the Persian Gulf, from the Adriatic Sea to the Taiwan

Strait, we are calling on the men and women of the Armed Forces at an ever-increasing rate. The end of the cold war did not bring peace and harmony to the world.

It is our responsibility to provide our troops with adequate resources so they can effectively and safely perform their missions. We must not condemn them to enter the battlefield ill-prepared, with outdated equipment. As Army Chief of Staff Reimer told the Armed Services Committee in March, "In the event of a conflict, a lack of modern equipment will cost the lives of brave soldiers."

In testimony this year before the Armed Services Committee, our military leaders were candid about their assessment of funding requirements, and their concerns with the level of funding proposed by the President.

They recognize that today's military is second to none as a result of actions taken 10 years ago. I told all of the service chiefs that their challenge today is to ensure that the military leaders 10 years hence have the forces and equipment they will need to protect our Nation's interest. It was clear from their testimony that the budget submitted by the President would not provide for that capability.

Because of the Armed Services Committee's concerns with the low level of funding contained in the President's request, the committee requested each of the services to provide a list of urgent requirements that were unfunded in the administration's request. These lists totaled over $20 billion, and were used as a guide by the committee in adding $12.9 billion during our recent markup.

I was particularly concerned that the Clinton budget would continue the precipitous decline in the procurement accounts—or as Admiral Owens has called it, the crisis in procurement.

Despite promises last year from Administration officials that the modernization ramp up would begin in fiscal year 1997, the decline continues. We are now at a 40-year low—not since the start of the Korean war have we spent so little on purchasing new weapons for our troops.

To give just a few examples—in fiscal year 1986, we purchased 840 new tanks, this year, no new tanks were requested; in fiscal year 1986, we purchased almost 400 new tactical aircraft, this year, 34 new tactical aircraft were requested; and in fiscal year 1986, we purchased 40 new ships this year, only 6 new ships were requested.

Even though the Joint Chiefs of Staff unanimously recommended a procurement budget of $60 billion as soon as possible, the administration proposed a budget of only $38.9 billion for procurement in fiscal year 1997. Ten years ago, the procurement budget was over $100 billion in 1997 dollars. If the administration has its way, the $60 billion procurement budget recommended by the Joint Chiefs will not be seen until fiscal year 2001.

We cannot afford to further delay the recapitalization and modernization of our military equipment. Our troops in the field a decade hence will inherit outdated, obsolete equipment if we allow this procurement decline to continue.

During markup, the Armed Services Committee added almost $8 billion to these vital procurement accounts. This will not solve the problem, but it is a step in the right direction. We must not backslide now from our determination to adequately modernize the force.

I share my colleagues' desire for deficit reduction. But placing at risk the security of this Nation and the lives of our troops is not the way to achieve a balanced budget.

Our defense budget is already at its lowest level—in real terms—since 1950. We cannot afford to go any lower.

I urge my colleagues to vote against this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, did we not have any other agreements?

The PRESIDING OFFICER. Under the order that was the last speaker, the Senator from Virginia.

Mr. STEVENS. I am perfectly willing to wait for the Senator from Iowa, if he wants to use some of the time.

Mr. DOMENICI. That is fine.

Mr. GRASSLEY. I will be glad to do so.

Mr. President, I yield myself 10 minutes.

How much time do I have?

The PRESIDING OFFICER. Seventeen minutes.

The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, first of all, we have been hearing from a lot of very competent Senators who are members of Defense Appropriations, who are members of the Senate Armed Services Committee, who have the responsibility to make sure that we meet our defense needs.

I compliment them for doing that. We have people on the Armed Services Committee who are using budget arguments rather than national security arguments. I think if they want more money for defense, they have to be able to justify it on national security grounds. While I have these good friends of mine who are members of this committee saying why we ought to spend more, one of the reasons I feel very good about having Senator EXON as a cosponsor of my amendment is because he brings good judgment to this issue because he sits both as a senior member of the Senate Armed Services Committee and he is also the senior Democrat on the Budget Committee. So I believe that Senator EXON as well has a point of view that he can bring to this, and I thank him for doing that, but I hope that my colleagues on this side of the aisle who oppose what I am doing know that we have taken both the national security argument and the budget argument into consideration.

Senator STEVENS has suggested that the defense budget should not be defined and sized to the threat as we know it today. There may be some unknown threat out there, I would have to admit, but we do not know about it. But that is not how it is done. We always determine the size of the budget by the threat that we see today and in the future. What we see is a dramatic decrease in the threat, so why should the budget go up? The budget should not go up. That is why I have my amendment here.

I say to my good friend from New Mexico, the remarks that he made in the opening of the debate against my amendment are macrobudget arguments, not national security arguments. The fact is the Soviet threat is history. In constant dollars, we are still very close to the cold war spending average. What is more, this budget is not based on a valid national security strategy. It is based on an outdated strategy. It is a cold war strategy.

Furthermore, history shows more money does not mean defense if reforms are not made. And they have not been made despite the promises. The Secretary of Defense has said modernization would be paid for through reform savings. That would take care of the concerns of the Senator from New Mexico. But we have not seen the savings. The responsible way is to force the savings to occur so we will have the money for modernization. Otherwise, we are just throwing good money after bad.

When will we learn, I ask my colleagues, that it is not the proper way to do things, that it just encourages more abuse of the taxpayers' dollars. I guess I would beg my colleagues, particularly those on this side of the aisle, to consider the same sort of intense look at spending that you do when you look at domestic programs. You always want to make the other side of the aisle understand that throwing money at a problem does not solve the problem. We tell them, the liberals of this body, that it is how you spend the money, not how much you spend.

When are we going to learn that that same principle which fiscal conservatives use against the liberals of this town on domestic social programs also applies to the defense budget?

Those arguments that are made by my colleagues are more budget arguments than they are national security arguments, and I think that is why they miss the point. Many of my colleagues then want to keep pumping up the defense budget. I say it makes no sense at all. Not only does it make no sense; it defies reason. It defies understanding.

Threats to our national security, that is the engine that is supposed to drive the defense budget, but in this debate we do not see it driving. It is strictly a budget argument: More dollars are going to accomplish more defense. Not so. That point was brought home nicely in Colin Powell's book, "My American Journey." This is what General Powell said he learned during a tour of duty with the National Security Council, and I quote from page 340:

> Overarching all other concerns was our relationship with the Soviet Union. Our defense strategy and budget were almost wholly a reflection of Soviet capabilities and intentions as we read them. The size and the state of the Red Army were the measures against which we built our forces.

So for Senator COHEN, who raised the question of, do we know about the Soviet threat, well, Colin Powell says we know about that threat. We made our judgments based on that threat. That is the word from the last Chairman of the Joint Chiefs of Staff.

The military power of the Soviet Union was a principal driver behind our defense budget. Well, the Soviet Union is history. Russia might not be history, but things are changing there. The threat is gone. We all agree the cold war is over. Using General Powell's ruler as a guide, the defense budget should be coming down, not going up. When the Soviet Union went down, our defense budget should have come down.

Now, I know we still live in a dangerous, unstable world. I admit that. I know we have vital interests overseas that we want to be able to give direction to, and the military is one way of doing that. I suppose I have to realize the live fire maneuvers of Communist China over the Taiwan Strait is a harsh reminder of that. We need a strong defense. We can have a strong defense, but that defense has to be defined within the concept of our budget needs. It has to be defined in a way that is attainable. It is different now than it was before the fall of the Soviet Union. I think President Clinton is providing one.

For those of you who have some doubt, I have given you the benefit of that doubt. In fact, the numbers in this amendment are dictated through our cooperation with Senator EXON because, sitting on the committee, he felt that there should be maybe some leeway. I am willing to give that leeway based upon the judgment of a member of the Senate Armed Services Committee.

President Clinton has the defense budget on the right track. He has it on the right glidepath. A smaller threat requires a smaller defense budget. President Clinton's $254.3 billion request for fiscal year 1997 reflects that change in threat. His budget addresses our real defense needs in the post cold war. There is just one problem, though, with his budget. The bureaucratic machine at the Pentagon is still running on cold war inertia. Pentagon bureaucrats are trying to craft a cold war program with a post-cold-war budget. That is going to lead us to trouble. It is going to lead us to another hollow force like we had in the 1970's. The cold war warriors will have to rob the readiness account to pay for all their cold war programs. They have to rob the readiness account because the cold war programs are all underfunded. They are all underfunded because their outrageous price tags cannot be justified without a Soviet threat.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER (Mr. THOMPSON). Who yields time?

Mr. DOMENICI. Mr. President, Senator COHEN desired some additional time. How much did the Senator want?

Mr. COHEN. How much time does the Senator have?

Mr. DOMENICI. Five minutes. Does Senator STEVENS want 5 minutes.

Mr. STEVENS. I will have 5 minutes.

Mr. DOMENICI. Five minutes each, all right, in that order.

Mr. COHEN. Mr. President, it is curious, and I should say "curiouser," as I sit in the Chamber and listen to this debate. My colleague from Iowa says we are going to throw good money after bad.

Are you saying that we are throwing bad money at our systems? Is that what we tell the American people? Is that what we tell the men and women in the service, that we have been throwing bad money at them? Was it bad money that we spent on the stealth fighter aircraft that were able to take out the Iraqi defense in a matter of a few hours? Was it bad money that we spent on cruise missiles that we used to take out their weapon storage facilities? Was it wasted money we spent on Aegis destroyers, one of the most sophisticated systems that we have?

General Powell did not fight the Soviets. He fought the Iraqis in 4 days. He fought them in 4 days because we had the strategy and the capability to take down their army in that period of time with limited loss of life. I daresay, if we want to quote from pages other than page 320 of General Powell's book—we should not engage in selective quotation because a quote taken out of context can be used as a pretext. I doubt very much whether General Powell is saying that the President's budget is adequate to meet the threats of the future.

I have page after page of statements coming from our service Chiefs. The Chairman of the Joint Chiefs, "I am very concerned our procurement accounts are not where I think they ought to be * * * [We] must commit ourselves to a sufficient procurement goal, a goal I judge to be approximately $60 billion annually."

Chief of Staff of the Air Force: "Unless we recapitalize, we are not going to be ready to meet the threats of the future."

Chief of Staff of the Army, General Dennis Reimer: "Further deferral of modernization will incur significant risk to future readiness."

Adm. William Owens, Vice Chairman of the Joint Chiefs, "I want to talk about procurement because I believe it is the crisis in the defense budget today," and on and on, page after page. These are the people who are seeking to throw good money after bad?

Mr. President, it is really ironic, this whole debate. Last year we had the same thing, the same sort of approach. We have people coming up, supporting an amendment such as this—the same people who get on the floor here and vote to cut back on defense spending because they think it is too much, and yet they send us letters. I will not take the time or embarrass the Members who have sent these letters. Here is the compilation of all the letters Members sent to us, "Please, we need more money for defense."

I have talked to my colleague from Alaska. Mr. President, 60 percent of the people who wrote these letters here to the Defense Authorization Committee and the Appropriations Committee—their requests were complied with—they come on the floor and they vote against the spending. And they say, "By the way, do you think you can help us out, we think we need more assistance in these systems?" So the same people who are cutting the defense budget request here end up getting the systems funded so they can stand proudly on the floor and say, "I am for lower defense but, my God, please help spend some more money for our projects."

I think it is time we put an end to that. I think it is time we put an end to Members saying "We need more for defense" who then come to the floor and posture, saying, "We are for lower defense spending, the cold war is over."

I do not think there is anybody on the floor who can tell you what the threats are going to be in the future, 5 or 10 years out. We have to start procuring today to meet those threats as best we can. You cannot wait until the threat occurs and then decide you want to build more submarines or cruise missiles or aircraft or tanks. We have to start the procurement now.

The President of the United States said we were going to increase procurement 2 years ago, in 1996. He did not do it. He broke that promise. He said wait until next year, 1997. He broke that promise, too. Now we are told just give us until 1998 and once again procurement will go on the upswing.

It is our responsibility to listen to the service Chiefs, the Joint Chiefs of Staff, the ones who are writing us saying, "We can use more. Yes, we can live with this budget the President has submitted if we have to. We are on the ragged edge right now. We do not know what tomorrow will bring. You have to give us more assistance here. We need more assistance if you can give it to us."

That is what they have been saying. For the first time this year, as compared to all other years where they have previously said we can live within the budget, now they are saying we could use a little bit more. They have been honest about it. They have come to us.

I have a list some two pages long totaling $21.1 billion that the service Chiefs have indicated to us they could use for modernization and procurement accounts, funding that is needed to meet the future threats. Yet, sure, they will come up and swear, take an oath, and say, "We can live with it if we have to. But we are telling you we need more."

The Members who write to us saying give us more, they ought not come to the floor today and vote for this amendment and say we are going to vote to cut defense and then come back later and say we want our systems funded.

Mr. President, I can tell you from this Member's point of view, I am going to see to it that all of those requests are denied and deleted, if that is the case, because they cannot have it both ways. You cannot say you want more for defense privately and get on the floor and say we are going to cut it publicly.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I have a chart here that shows the situation in the last 10 years. We have three basic types of spending: Defense discretionary, domestic discretionary, mandatory spending. In 1987, in terms of 1997 dollars, we had almost $375 billion in defense money. The discretionary spending was considerably less than that, and this the entitlement, the mandatory spending in this year. In our budget it is down 34 percent from 1987 for defense. It is up 31 percent in terms of discretionary spending, domestic discretionary. And it is up 41 percent in terms of mandatory spending. We have, in fact, as the Senator from Iowa demanded, reduced spending. We have reduced spending by 71 percent in terms of procurement in defense. Our money for defense is 71 percent less than it was before. We have reduced manpower down. Even though it is voluntary, we still have reduced manpower by 33 percent.

I have the same comment that the Senator from Maine has made. I have here the list of last year, the requests from Members that came to the defense appropriations subcommittee, for Members' add-ons. About 20 percent of them were actually mentioned in the President's budget, but even those, most of them, the request was to increase the President's budget. This is the book of all the letters that we received from Members. We accommodated, as the Senator from Maine said, approximately 60 percent, almost every request we got from Members and, I might say, about 60 percent to the Armed Services or the Appropriations Committee were added on.

There you are, the Members who want to see how they succeeded last year in adding money to the budget, there it is. The reason we are able to do that is because we won the battle with the President. We added money last year.

This time the President has come down from even the amount that he agreed to for 1995. In any event, we are going to be cutting from the 1995 level for next year.

I agree with the Senator from Maine, there is no way that we can accept the concept of having people vote to cut the money and then come in and tell us their State absolutely needs additions to even the budget prepared by the Budget Committee. We did that. We even added to the levels of the Armed Services Committee in the appropriations process, and Members will remember that argument on the floor.

But this is unconscionable. When you look at it—just take the C–17. Right after the turn of the century the only airlift we will have to take our Armed Forces overseas will be the C–17. We originally were going to order 240 of them. The President's request comes down to 120. Mind you, that will be the only transport beyond the year 2006. I do not understand people when they say you have to cut that even further. The President's level will take it to 120. There is no way we can project our capability to defend this country with these continued changes.

The Senator from Virginia was here. He mentioned to us about the time four of us here, Senator INOUYE, myself, Senator WARNER, and Senator NUNN, sat in Israel when we awaited the incoming Scud, the missile that was shot at Tel Aviv while we were there. Thank God there was a Patriot there and thank God it did glance off that Scud and the four of us are here because of that.

But the President's budget cuts missile defense and 77 percent of the people think we now have the capability of defending this country against missiles, which is not true. Not unless we spend some of the money that is absolutely necessary.

Mr. COHEN. Will the Senator yield?

Mr. STEVENS. Did the Senator want to ask a question?

Mr. COHEN. I was just going to ask, my understanding was that the President went to California and said we needed more C–17's, not fewer. So we have people going out to the local districts, or States which are politically populous, and appealing for votes in the fall, saying, "Gee, how can we help you? Can we keep that base open? We are not going to shut down a facility in Texas or California, we are going to keep it open," in order to purchase votes. I think the time has come for us to listen to what the service Chiefs and the Chairman of the Joint Chiefs are saying, I say to my colleague from Alaska: They need more not less.

The President submitted a budget, and that budget has defined the national security needs. What the military people are really saying is, "We're at the edge. We have to start ramping up on procurement. We should have done it 2 years ago. We don't need it next year; we need it now."

I support what the Senator from Alaska is saying. We cannot afford to continue to do this. When my colleague from Massachusetts says what happens when we are spending more money than our friends from Germany, Japan, Italy, or all of our allies, when the 911 call goes out, are we going to send the British fleet to Taiwan? Are we going to send the Italian fleet or the German fleet?

The fact of the matter is, we are the superpower. If we can change that, we can say, "We don't want to be a stabilizing force in Europe or Asia." If that is the case, let us make that determination, but we ought not to do what we are doing now, and that is, constantly rob procurement in order to keep ready and then keep ready by overutilizing the ever-diminishing inventory that we have.

We have to make procurement changes. The President is unwilling to do so in an election year, saying, "Wait until next year; wait until I get by 1996; wait until 1997 or 1998." We cannot afford to do that unless we are willing to place our men and women in jeopardy.

Mr. STEVENS. Beyond that, I wonder how many people drive to work in the Senate in 30-year-old vehicles. The people who are flying our planes are flying planes made 30 years ago. By the turn of the century, every plane we have in the inventory will be 30 years old, except for the B–2 and F–117.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STEVENS. I thank the Senator from New Mexico. I have finished my comments. I urge the defeat of this amendment.

The PRESIDING OFFICER. The Senator from Iowa has 7 minutes.

Mr. GRASSLEY. I yield myself 5 minutes.

Mr. President, you just heard the last two arguments. The basis of those arguments is blue smoke. The savings promised—now I am talking about savings promised—by the Defense Department through infrastructure reforms should have occurred regardless of all these letters that have been referenced here, all the letters that my friends are referring to.

The money was supposed to go toward modernization, but it did not materialize. I will not tolerate throwing good money after bad, and that is why I am offering this amendment.

I want to elaborate just a little bit on savings promised that never materialized. I want to say that there is another good colleague of ours, Senator JOHN McCAIN, who is a member of the Armed Services Committee. He put out a white paper entitled "Ready Tomorrow: Defending America's Interest in the 21st Century." On page 23, he had this to say:

> We must, therefore, look for ways to do more with less, and we must make the hard choices to ensure the best military force within the limited resources available for defense.

That is the essence of my amendment. I am not saying Senator McCAIN is for my amendment. I am just saying Senator McCAIN is a member of the Armed Services Committee and in that one sentence and throughout his entire paper lays out a basis to end this belief that we have around here, particularly on this side of the aisle, that all you have to do is throw more money at defense and you get more defense.

If I thought that the Defense Department was trying to save money, I might feel differently about adding $11.3 billion to the defense budget. The extra $11.3 billion would be used primarily for modernization.

The weapons and equipment that the military purchased over the past 20 years obviously is starting to age. If we are to maintain our military edge in the future, then we must begin to replace all this stuff at some point. I agree, but my Republican colleagues want the extra $11.3 billion to get the ball rolling, and I do not think that ball is ever going to roll.

From day one, senior defense officials, like Secretary Perry, have been making an important promise: New weapons would be bought with savings from lower infrastructure costs.

Mr. President, all the evidence indicates that the promised savings are nowhere on the horizon. The General Accounting Office has just completed a review of the defense infrastructure costs. Infrastructure dollars are spent to maintain the bases, facilities, and activities that house and sustain the armed services. They are support costs.

In a nutshell, this is what the GAO found:

> Despite four rounds of base closures and dramatic and continuing cuts in force structure, there are no savings.

Defense infrastructure costs are going up, not down. The driving force behind the base closure effort was to save money by reducing overhead. Our base structure exceeded the needs of our sinking force structure. The whole idea was to close excess bases and to save money.

Once again, savings promised by the Pentagon have evaporated into thin air. Here was a golden opportunity to save money, and the Pentagon blew it.

I know base closings require upfront costs, in some cases substantial. But upfront costs are supposed to be followed by downstream savings. That is Mr. Perry's promise; that is Mr. Perry's testimony before the committee. He has identified $10 billion in savings. Mr. Perry promised the money would be used for the modernization that my colleagues are calling for here.

That is fine and dandy, but where is the $10 billion in savings? The GAO cannot find the money. It has audited the books and finds infrastructure costs will rise significantly in the outyears.

It is true, base closings did, in fact, produce some real savings, but underscore "did," which is past tense. Unfortunately, as soon as those savings popped up on the radar screen, Pentagon bureaucrats grabbed the money and spent it. The money is not being plowed into modernization and readiness, as Mr. Perry promised. Those savings are being diverted into new infrastructure projects, like new headquarters.

The PRESIDING OFFICER. The Senator's 5 minutes has expired.

Mr. GRASSLEY. Mr. President, I give myself 1 more minute, and the last minute I give to the Senator from Nebraska to close.

If we do not hold the Defense Department's feet to the fire, the savings will be frittered away on pork projects. Base closures and continued shrinkage in the force structure should have one inescapable result: lower infrastructure costs. I hope my colleagues on the Armed Services Committee will make sure that that happens.

I have referred to Senator McCAIN's white paper. Right at the top of Senator McCAIN's list of places to save money are infrastructure requirements. This is what he has to say:

> Infrastructure and military force structure need to be brought back into balance. Elimination of excess infrastructure would reduce operating costs and free up funds to maintain force readiness and to modernize our smaller force.

I agree with my friend from Arizona 100 percent. I only hope that when we get to the defense authorization bill, he will help me find an enforcement mechanism. We need an enforcement mechanism.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRASSLEY. I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank my friend for yielding. Everybody wants to know about when we are going to vote. As far as I am concerned, it looks like we can vote shortly after or about 6:45. I am going to take 5 or 6 minutes, whatever additional time I need, after the 1 minute allotted to me by my friend from Iowa, and I yield myself the time off the bill.

I have been listening in total amazement to the statements that have been made here. First, I want to say in answer to the statement that had been made by the chairman of the committee early on that the committee of jurisdiction for authorization, the Armed Services Committee, already voted 21 to 0 for the change that we are suggesting here now. I speak for myself and several other members of the Armed Services Committee who voted 21 to 0 for the bill, because we thought basically it was a pretty good bill, but just before that vote was taken, this Senator and others indicated that they would be offering some amendments on the floor, including amendments with regard to the level of funding over the President's mark. That is what I am doing now.

I have heard in total amazement here General Shalikashvili, the Chairman of the Joint Chiefs of Staff, who put his seal of approval on the President's budget, being quoted tonight as if you would think General Shalikashvili was for the increase. He is not. He is not for the increase.

These Senators that have been up on the floor saying, "Well, the military says they need it." You show me a military man worth his salt, and you go to him and say, "You know, what more could you use?" I would be shocked and disappointed if such a military man would not say, "Well, I want this and this and this and this."

The facts are, the President's budget has the stamp of approval of General Shalikashvili, the other members of the Joint Chiefs, and the Commander in Chief, the President of the United States. All of these comments that I have heard on the floor would lead one to believe that this is a group of people who were trying to destroy our national defense.

The amendment that I am cosponsoring with my friend from Iowa is being attacked exactly as was the Exon-Grassley amendment 2 years ago. The same type of phraseology, the same type of wording—"devastating national defense." I simply say that if you believe the President of the United States, the Chairman of the Joint Chiefs, and the Joint Chiefs themselves, and the Pentagon would put their stamp of approval on a level of defense spending outlined in the President's budget that was not sufficient, then you are indirectly accusing them of destroying the national defense of the United States of America, if you listen to some of these people on the floor tonight.

I think too much of the Chairman of the Joint Chiefs and the Joint Chiefs to think they would put their stamp of approval on something just to kowtow to the President of the United States. I think they are better, I think they are bigger men than that.

I simply say, any time you want to spend more money for defense and call in some military people and say, "If you had more money, how would you use it?" of course, they would come up with something. I would be surprised if they did not.

I simply say, also, that you would think that Senator GRASSLEY's amendment, cosponsored by myself and others, was a further cut in defense. It is an increase of $3 billion. It is an increase of $3 billion over what was recommended by the Pentagon. But you have people on this floor who are so expert, who have sacrificed themselves to be in Israel and were saved by a Patriot missile. You know, it is a little too much for this Senator, who has stood stalwart for defense spending ever since I have been here.

So what we are doing with the Grassley amendment is to provide $3 billion more than the Pentagon and the President said was needed. These people who are criticizing this amendment have decided on their own that they are the experts, that they are the ones who know how much money we should spend for defense, regardless of what the Pentagon and the Commander in Chief says. They want an $11 billion increase.

The Grassley amendment says, "All right. We don't think that much is necessary. Some of us would like to go down to what the Pentagon says is needed, but we'll go along with the $3 billion increase." But that is not enough, evidently, by what I have heard here tonight.

I also heard statements—the Senator from Texas, for example, complained that if the Grassley amendment is adopted, military personnel would not get their 3 percent pay increase, as I understand it. The fact of the matter is, that is not accurate. The facts are that the 3 percent increase to the military personnel is included in the President's budget. The Grassley amendment provides $3 billion over and above that.

I simply say that I never have been very much impressed by a group of Senators getting together saying they know more about everything, the needs of the national defense, than even the Pentagon. I want to make it clear once again that the Pentagon agreed to and gave a stamp of approval to the President's budget. It is only these people, who I know are well-intentioned—and I know of their good intentions—that have said, "No. That's terribly wrong. It will destroy our national defense. So arbitrarily we have come up with $11 billion more that we need for this." I would rather trust the real military leaders and experts in the Pentagon. But I am willing to say, OK, let us add $3 billion.

I have heard here tonight that if the Grassley amendment is not defeated, it will end all of the work that is being done on Star Wars or a version of it. I would simply point out that all of the Star Wars technology that has been paraded out here in speeches tonight would lead one to believe that Star Wars, or a version of it, would not go ahead if the Grassley amendment is adopted. But the increases that the Senate Armed Services Committee and the House National Security Committee approved above the President's request were only $300 million and $330 million, respectively.

Senator GRASSLEY and I are adding $3 billion. So everything that these people who are out here attacking the Grassley amendment as ending the star wars research is not true. We can do everything they want to do because their requests are only about $300 million in 1997 above the President's request. We could do all of what they want to do, have all the Patriots we need to protect Senators who are in Israel with the $3 billion. We could spend the $300 million that they want for Star Wars for this year and still have $2.7 billion on top of that.

I simply say, Mr. President, there is room for argument on all of these things. But there is not room, I do not think, to conclude that others are in bad faith. It is wrong to say that General Shalikashvili does not support this budget, because he does. Senator GRASSLEY and Senator EXON are saying, "OK, we give you some leeway. We'll add $3 billion on top of what the Pentagon said is needed. That should be enough." I urge the support of the Grassley amendment.

I am prepared to yield back the remainder of our time if we have any left and proceed to go to a vote.

Mr. McCAIN. Mr. President, I listened with great interest the comments made by the senior Senator from Iowa—especially those that referenced my defense white paper. For the record, I strongly oppose the Grassley amendment. And while I am flattered that he choose to quote from my paper, the report makes the clear case that funding for our Nation's military is far too little to fully meet our vital national security needs.

Even though we are seeking to add $11 billion to secure our national defense, these limited resources are being stretched to the limit. I intend to insert into the RECORD a more complete statement to rebut all of the comments made by my friend from Iowa.

In closing, let me again emphasize my strong opposition to the Grassley amendment and urge my colleagues to vote against the amendment.

Mr. KOHL. Mr. President, I join today with Senator GRASSLEY to urge my colleagues to support this very simple amendment to put some restraint in our defense budget.

In effect, our amendment accepts the higher defense spending levels for fiscal year 1997 currently in the budget resolution. However, it places a fence around $8.3 billion in budget authority and $2.3 billion in outlays. If the President certifies that, in fact, these additional funds, are required for our national security, the funds will be released. If the President does not make this certification, the funds will go toward deficit reduction.

This is a reasonable amendment. It gives the President every opportunity to use these funds for defense should there truly be a need to do so.

Last year, when the Senate passed its version of the fiscal year 1996 budget resolution, the Senate endorsed the administration's defense spending level for fiscal year 1997. When proponents of more defense spending tried to increase defense spending over the next 5 years, the Senate rebuffed that effort.

The vote last year gives me confidence that our amendment will succeed today, for there is bipartisan support for maintaining defense spending at reasonable levels. On May 23, 1995, in a strong bipartisan vote, the Senate defeated an amendment to last year's budget resolution which would have increased defense spending above the level requested by the administration. Sixty Senators voted against that amendment to increase defense spending not only for fiscal year 1996 but for fiscal year 1997 too. Unless they have changed their minds, the same 60 Senators should support this amendment. It offers another chance for the Senate to support reasonable defense spending levels.

Let us review some of the numbers for a minute, in case anyone is concerned that the proposed level of defense spending in our amendment is anything less than robust. Our amendment does not reject the $266.4 billion in budget authority and $264.6 billion in outlays as called for in the budget resolution reported out by the Budget Committee. Should the President determine that the money we fence is not needed for defense then, eventually, $8.3 billion in budget authority and $2.3 billion in outlays will be returned to the Treasury, a mere 1-percent reduction in the spending level endorsed by the Budget Committee.

Let me say a few words about inflation adjustments. Senators should realize that thanks to adjustments in the cost of doing business for the Pentagon we are really talking about an increase that surpasses the $11.3 billion added by the Budget Committee in terms of buying power.

Earlier this year, Secretary Perry announced that the Defense Department had discovered $45.7 billion in inflation savings after reestimating the defense budget for FY1997–2001 using lower inflation rates from the Bureau of Economic Analyses. The administration gave the Defense Department the green light to plow $30.5 billion of these funds back into the defense budget even though the additional buying power provided by these funds was not anticipated by the Defense Department nor was it requested. $4.3 billion of these inflation savings are built into the administration's fiscal year 1997 defense budget.

I am concerned that in the rush to increase defense spending, we have ignored the fact that in terms of buying power, the administration has already proposed significant increases which we are now building into our own numbers without any acknowledgment or discussion. Senator GRASSLEY, Senator BRADLEY, and I raised this issue with the Budget Committee earlier this year and I ask unanimous consent that a letter on this subject be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KOHL. If we are serious about reducing the deficit and achieving a balanced budget, we cannot increase spending when favorable economic conditions bring down the costs of Federal programs. We must use these savings to help pay off our burgeoning debt. Yet, here we are turning around and giving the Defense Department even more.

And with all due respect to my colleagues, there never seems to be a specific goal here: It is always just more defense spending. Two years ago, we had a readiness crisis, now we have a so-called modernization crisis. Unfortunately, the only crisis we have here is a crisis of hemorrhaging tax dollars.

No one has made an effective case as to why we must be spending even more on defense. After more than four decades of building up a defense infrastructure to respond to the menace of the Soviet Union and its Eastern bloc allies, we are now pumping even more money into this same infrastructure without any real effort to reassess the basic assumptions underlying our national security posture. Is our defense spending relevant to the threats of the future? We cannot possible answer that question for the real conundrum is that we have no idea what these threats are. And, we are having a hard enough time articulating what we need to face the current threats.

Frankly, we are facing no major threats today. When the American people talk today about insecurity, they are talking about job security, personal security, and perhaps moral security. Even the threats to our national security posed by episodes of regional instability and conflict are less likely to be resolved with military force and more likely to be resolved through political or diplomatic intervention. To be sure, we need a strong defense. We need to develop a strategy and maintain a force structure to protect and advance our interests in the new global environment. If we could start over again and create a new force structure from scratch to meet the new challenges of this era, I am confident that we would have a leaner, more mobile and more efficient force at far less cost.

I must confess, I am perplexed by arguments made that we must provide additional funds to the military because the service chiefs have said they want these funds. Of course they do. Are there any Federal agencies, when asked if they want additional funds, that would say no? I am certain that if we asked each Cabinet Secretary to lay out his or her unmet requirements we would have equally impressive shopping lists to compete with those sent over by the services.

I am also puzzled by arguments that we must front load defense spending in the early years of a 7-year plan because spending in the out years cannot be relied upon. Mr. President, the spending we vote for today—much of it devoted to new procurement and new research and development projects—lays the groundwork for increased spending down the road. Frankly, the spending proposed today ensures that reductions proposed for the out years will not occur.

If we allow this tremendous increase in defense spending to stand, we are reinforcing a disturbing trend. Last year, for the first time in 14 years, Congress ultimately increased defense spending well above the level identified by the Defense Department as necessary for our natonal security. During consideration of last year's Defense authorization bill, Senator GRASSLEY and I attempted to bring defense spending back to the level in the Senate's budget resolution by cutting $7 billion. Our amendment was endorsed by a variety of groups focussed on deficit reduction and included in the annual scores generated by the Council for a Livable World and the Concord Coalition.

Although the amendment received bipartisan support, it was narrowly defeated.

I should note that this year the National Taxpayers Union and Taxpayers for Common Sense have already endorsed our efforts. I ask unanimous consent that a letter from the Taxpayers for Common Sense be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. KOHL. Mr. President, no one has explained to me how we can maintain these high levels of defense spending and reduce the deficit. We cannot continue to spare the Defense Department from the deep regimen of cuts we are asking the rest of our society to absorb. If we are committed to reducing the deficit and balancing our budget, we must make the hard votes.

I know for some this will be a hard vote. However, I urge my colleagues to vote for this responsible approach to defense spending.

EXHIBIT 1

U.S. SENATE,
Washington, DC, April 18, 1996.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to express our strong concern about the Defense Department proposal to spend some $30.5 billion dollars in "inflation savings" realized because of lower inflation estimates over the next five years. We urge you to raise this issue during your hearings on the FY 97 budget and to direct these funds toward deficit reduction.

Inflation estimates used by the Defense Department over the years have been grossly inaccurate. In the 1980's, overestimates of inflation resulted in a $50 billion windfall. That money disappeared. Then two years ago, the Defense Department told Congress that it had underestimated inflation and needed another $20 billion to execute future defense programs. Now, just two years later, the Defense Department is telling us that it has once again overestimated inflation—this time to the tune of $45.7 billion. This history undermines the credibility of the Defense Department's financial estimates.

In its FY 97 budget submission, the Defense Department is proposing to use $30.5 billion of these inflation savings to buy more weapons systems.

We are troubled by the notion that any agency should be able to keep such a large windfall and increase its total spending because inflation estimates were inaccurate. Responsible budgeting demands that these funds be returned to the Treasury and that the Defense Department not be rewarded for changes in economic conditions.

Furthermore, purchasing more programs with inflation windfalls creates tremendous instability in program management.

If we truly intend to reduce the deficit, no area of the budget should be exempt from cuts. Cuts must be shared by all segments of our society. The Defense Department is no exception as long as threats to our national security continue to decline. In fact, given that the defense budget constitutes as much as 18 percent of the federal budget, we cannot afford to make the Defense Department an exception. And, we certainly cannot afford to give the Defense Department an unexpected $30.5 billion.

We urge you to direct these funds toward deficit reduction before the Budget Committee finalizes its FY 1997 budget.

Sincerely,

HERB KOHL,
BILL BRADLEY,
CHARLES E. GRASSLEY.

EXHIBIT 2

TAXPAYERS FOR COMMON SENSE,
May 15, 1996.

Taxpayers Say Support Grassley-Kohl Amendment on Defense Spending

DEAR SENATORS GRASSLEY AND KOHL: Taxpayers for Common Sense is pleased to support your amendment to the FY97 Budget Resolution to "put the brakes" on the Pentagon's budget. In particular, we support your amendment that would fence the Budget Committee's $11.3 billion increase to the Administration's request. We understand that the fence would apply to the FY 1997 request only.

We understand that your amendment provides that the funds would be released only if the President certified that the additional amount was necessary for national security. If that certification is not made, the funds would go to help reduce the national deficit.

According to a recent GAO report, there have been no savings in the DoD infrastructure despite several base closures and significant cuts in force structure. At this crucial time, with our nation struggling to balance its budget all government agencies must share the burden of cost cutting.

We would urge the Senate to approve your amendment.

Sincerely,

JILL LANCELOT,
Legislative Director.

Mr. FEINGOLD. Mr. President, I thank my colleague from Iowa, Mr. GRASSLEY, for offering an amendment to the fiscal year 1997 budget resolution which seeks to reign in some of the excess defense spending in the Senate budget resolution and bring a little common sense to our Nation's defense budget.

The Grassley amendment seeks to reduce $8.3 billion in new budget authority and $2.3 billion in budget outlays of the Senate Budget Committee's markup for the Department of Defense for fiscal year 1997, unless the President certifies that these additional funds are needed to ensure the national security of the United States.

Mr. President, while I feel this amendment does not go far enough in cutting all of the $11.3 billion added by the Senate Budget Committee over and above the President's fiscal year 1997 request for defense spending, I feel it is a necessary first step in beginning to bring some sanity to our Nation's defense spending. As every other budget account is on a glidepath to reduction, the largest budget of them all—the defense budget—is reversing course and moving to return to its artificially high levels. The budget resolution funds the Defense Department at a level of more than $11 billion over the Clinton Administration's fiscal year 1997 request. The Pentagon is seeking $254.3 billion in fiscal year 1997 budget authority and $260.8 billion in budget outlays in defense spending, while the Senate Budget Committee has recommended $265.6 billion and $263.7 billion, respectively. Already our military budget is more than 3 times that of Russia's; 17 times larger than the combined budgets of North Korea, Iraq, Iran, Cuba, Libya, and Syria who are most often identified as our most likely enemies; and is above the level spent by Germany, France, England, Russia, China, South Korea, India, Japan, and Australia combined.

Mr. President, this budget plan for the Department of Defense is a recipe for fiscal havoc, and the Senate should insist upon more rationality. We simply cannot afford to continue spending at current or increased rates for defense, as this budget resolution seeks to do to a tune of $11.3 billion. Nor can we afford to insulate any department, including the Defense Department, from scrutiny as we seek to reduce the Federal debt. In a year when we are cutting programs and fighting for deficit reduction, increasing the defense budget is simply irresponsible. We cannot achieve a balanced budget by bloating defense spending. Deficit reduction requires that we make very hard choices and defense programs cannot be insulated in this manner.

For these reasons, I have cosponsored Senator GRASSLEY's amendment to the budget resolution, supported by the National Taxpayers Union, which seeks to begin to bring our fiscal house in order and to budget a little more wisely for the future. We simply cannot afford to jeopardize our country's economic health and to mortgage our future by spending tens of billions of dollars in additional funding beyond that which the Pentagon and the Clinton administration have requested.

I urge my colleagues to support the Grassley amendment, and I yield the floor.

Mrs. FEINSTEIN. Mr. President, I rise to speak in opposition to the Grassley amendment to the fiscal year 1997 budget request.

The budget provides the Congress with a framework in which it must work. By overly restricting the margins of that framework, we eliminate our ability to make the broad budget decisions necessary to meet our future defense needs. Senate Concurrent Resolution 57 preserves the Senate's flexibility to consider funding for those programs in the defense budget that should be eliminated and to make increases based on military evaluations and needs for the future.

The level of funding the President requested this year has been questioned by many individuals, including the Chairman of the Joint Chiefs of Staff, Gen. John Shalikashvili and the service Chiefs. We need the flexibility in the fiscal year 1997 budget resolution to consider the additions these leaders of our Armed Forces have requested and accept or reject them on their own merits, not through a sweeping budget cut.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. BOND. Mr. President, I ask unanimous consent that a vote on or in relation to the Grassley amendment occur at 6:55, and the time between now and then be equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. That is all right.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. BOND. Mr. President, I yield 5 minutes to the Senator from Georgia.

Mr. NUNN. Mr. President, I am not sure that I need that much time. I do not believe the Senator has that much time, if I am looking at the clock correctly and dividing the time in half. I will take just a couple minutes.

Mr. President, I rise in opposition to the Grassley amendment to reduce the defense spending levels in this budget resolution.

For several years I have been expressing my concern that the projected declining budgets in defense are not sufficient from four standpoints: First, to maintain the current readiness of our forces; second, to provide the standard of living that military personnel and their families expect and deserve; third, supporting the force structure necessary to carry out the full range of missions that we expect our military to perform; and, fourth, to provide for the modernization that is the key to the future capability and future readiness of those forces. Mr. President, modernization today is our greatest deficiency.

We are living off the capital of previous investment. The men and women in the military continue to perform superbly every time they are called on. We call on them all the time, as we can see every day. We owe it to them to give them the support they need to do the job.

We also have to ensure that the men and women who will be called on 5, 10 or 20 years from now will have the same advantages vis-a-vis their potential opponents that our military forces have today, including technological superiority.

That latter point is where we are having problems today. You can live off the corpus for awhile. I think our force structure has been brought down about right. We have done a superb job in bringing it down, the military has, and keeping up the morale of our people.

The readiness of our forces is in good shape today. I do not agree with those who say that we have declined in readiness. I think our readiness is in good shape. What we are really doing, though, is borrowing from the future. We do not have enough money in the outyears of defense projections to be able to maintain the kind of research and development and procurement that we must have.

I do believe that the Budget Committee has it about right. I think this amendment would take the defense number down too low. It is important for all of us to realize that even with the Budget Committee number, which is higher than the President's, it is less in real dollar terms than last year.

When we are talking about this budget increasing defense spending, we are talking about relative to the President's budget, not relative to real dollars last year. This is still a defense cut, but it is moving toward stabilization. I think we do need to move toward stabilizing the defense budget in real dollar terms. I urge my colleagues to vote against the Grassley amendment.

While I believe the funding levels requested for readiness, military pay raises, and quality of life initiatives in the President's budget are about right, I think there are clearly insufficient funds going into modernizing our force. Modernization, for the most part, is delayed into the outyears under the current future years defense program. And we all know from experience how illusory these budget projections become 4 or 5 years down the road.

For the past few years, the Air Force has bought virtually no new fighter aircraft. The Air Force has no bomber modernization program. The Navy is not buying enough ships to modernize even a 300 ship Navy. The Marine Corps is years away from having a replacement for its aging amphibious assault vehicles. For the Army it would probably be quicker to list the modernization programs they do have left than to list the ones they don't.

The fiscal squeeze on the defense budget is already intense. As we seek to balance the budget—especially if we try to enact tax cuts at the same time, which I hope we will not do—the pressure will get even more intense. This gives me even less confidence in the outyear funding predictions that show funds for defense modernization increasing.

In my view, we need to increase the defense topline now, to restore the balance to our defense program. We also need to preserve the firewalls that the Senator from New Mexico has included in both last year's budget resolution and in the budget resolution that is before the Senate today to protect any defense increases we are able to achieve and to provide some stability in the defense budget. Firewalls have not and will not mean defense cannot be cut, but they ensure that if it is cut the savings go to reducing the deficit and not to spending on other programs.

We have been reducing the defense budget for a long time. The current buildown started during President Reagan's second term, even before the fall of the Berlin Wall, and continued, accelerated, throughout the Bush administration and the current administration. However, the time has come to stabilize the defense budget as much as possible, since the defense budget has already made a greater contribution to deficit reduction than any other part of the budget.

MODERNIZATION FUNDING SHOULD BE INCREASED

The future readiness and future capability of the Defense Department requires modernization and it requires research and development, and those are the programs that have been cut most deeply during the defense drawdown.

The pressure to achieve and maintain a balanced budget will make it very difficult to increase the defense budget above current levels, yet current levels are still somewhat artificially low as we work our back toward a normal level of procurement and a normal level of infrastructure investment.

Because we were reducing the size of the force and were able to keep the most modern equipment as we downsized, a temporary decline in procurement was appropriate. But we are now reaching the point where we have to get our modernization budget back up to a long-term level that will sustain our forces for the future. We have to start increasing the procurement budget to prevent the average age of our weapons technology from reaching unacceptable levels.

Similarly, during the BRAC era we underinvested in facilities modernization because nobody wanted to waste a lot of money modernizing facilities we might be about to shut down. But now that we have made those decisions and the BRAC process is over we are going to have to put more money in modernizing and maintaining the facilities we have left.

So our challenge will be to have a budget that is slightly larger than the ones now planned, if we are going to balance the budget it is unrealistic to plan for more than a slight increase, and the budget plan in this resolution only increases the budget by about 1 percent over the levels in the administration's request—in order to have adequate funds for capital investments in weapons and facilities.

This is why I oppose this amendment which would eliminate the increase in the defense topline number that the Armed Services Committee has recommended. This increase has gone almost entirely to modernization. I think my colleagues will find that the funds the Armed Services Committee added to the modernization accounts have gone mostly, not completely, to programs the service chiefs have requested, and generally these are things the administration was already planning to buy.

In conclusion, Mr. President, many of my colleagues share my concern that we have cut the defense budget too far, too fast and that we are mortgaging our future by sacrificing the capability of our forces 10 years down the road in order to fully fund current readiness. This amendment would eliminate our ability to fund modernization programs vital to the future capability of our military forces, and I urge my colleagues to reject it.

Mr. GRASSLEY. Mr. President, I have 2½ minutes?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRASSLEY. I yield myself that time.

I hope one thing that all my colleagues will remember comes out of this debate. We have heard the argument from the other side that dollars define our defense. That is an upside-down way of making national security policy and the budget that is necessary to carry it out.

The way we decide how much money we are going to spend in defense is to define our national security policies, define our needs, have policy to fit those needs, and finance those policies. The other side has not made that argument. They have only made an argument that we need x number of dollars more for defense. That is upside-down reasoning.

Now, the other point I hope my colleagues remember from this debate is that we have been promised savings because of reforms. The General Accounting Office has told us—the nonpartisan General Accounting Office—has told us those savings have not materialized. They have not gone into modernization. That is what Secretary Perry said he was going to do. They have gone into administrative overhead and things of that nature.

If we are going to be promised reforms, we should see those reforms before we give more money. Whatever money we give should be based upon a policy determination of carrying out our national security goals and our interests. The other side has not made the case for more money.

I yield the floor, and I yield back the balance of my time.

Mr. DOMENICI. Mr. President, I gather the consent agreement has already been arrived at that we will vote at 6:55?

The PRESIDING OFFICER. The Senator is correct. We will vote at 6:55.

Mr. DOMENICI. Mr. President, I thank all the Senators that came to the floor this evening and today. I think it was an excellent debate. I commend my friend, Senator GRASSLEY, but I do not believe we should adopt this amendment.

Obviously, he is consistent. From what I can tell, this is not the time to expect the President to ask for increases if they are needed. I believe that will not happen and we will get a budget that is politically motivated, not really one that the Joint Chiefs of Staff totally support. As evidence of that, they have come to the Hill, singularly and together and asked for an additional $15 billion. I do not think they did that lightly. I think that is what they need.

Clearly, we ought to go with the Budget Committee's number and in due course debate can occur on how we spend it. I believe it will be spent wisely.

I yield the floor, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Hawaii [Mr. INOUYE] is necessarily absent.

The PRESIDING OFFICER (Mrs. HUTCHISON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 42, nays 57, as follows:

[Rollcall Vote No. 113 Leg.]

YEAS—42

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Brown
Bryan
Bumpers
Byrd
Conrad
Daschle
Dorgan
Exon
Feingold
Glenn
Graham
Grassley
Harkin
Hatfield
Jeffords
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Mikulski
Moseley-Braun
Moynihan
Murray
Pell
Pressler
Pryor
Reid
Rockefeller
Sarbanes
Simon
Simpson
Wellstone
Wyden

NAYS—57

Abraham
Ashcroft
Bennett
Bond
Breaux
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dodd
Dole
Domenici
Faircloth
Feinstein
Ford
Frist
Gorton
Gramm
Grams
Gregg
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Johnston
Kassebaum
Kempthorne
Kyl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Robb
Roth
Santorum
Shelby
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—1

Inouye

The amendment (No. 3963) was rejected.

Mr. DOMENICI. Madam President, I move to reconsider the vote by which the amendment was rejected.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, might I say to the Senators, since there are a lot of them present here tonight, Senator EXON and I have been trying to work together to see if we can move this resolution and the amendments along. We would very much appreciate it if Senators who have amendments could begin to tell us what the amendments are by noon tomorrow and perhaps begin to turn in amendments by noon tomorrow so we can begin to schedule the amendments in some kind of sequence.

Having said that, Senator EXON and I have conferred. Senator EXON is going to lay down the President's budget at 9:30 in the morning. There will be ample time to debate. There is plenty of time on the resolution. Indeed, there is time for amendments to the President's budget, and we will have some of those ready on our side.

MORNING BUSINESS

NOTICE OF PROPOSED RULEMAKING

Mr. THURMOND. Mr. President, pursuant to section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. sec. 1384(b)), a notice of proposed rulemaking was submitted by the Office of Compliance, U.S. Congress. The notice relates to Federal service labor-management relations (Regulations under section 220(d) of the Congressional Accountability Act.)

Section 304(b) requires this notice to be printed in the CONGRESSIONAL RECORD, therefore I ask unanimous consent that the notice be printed in the RECORD.

There being no objection, the notice was ordered to be printed in the RECORD, as follows:

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS, PROTECTIONS AND RESPONSIBILITIES UNDER CHAPTER 71 OF TITLE 5, UNITED STATES CODE, RELATING TO FEDERAL SERVICE LABOR-MANAGEMENT RELATIONS (REGULATIONS UNDER SECTION 220(d) OF THE CONGRESSIONAL ACCOUNTABILITY ACT)

NOTICE OF PROPOSED RULEMAKING

Summary: The Board of Directors of the Office of Compliance is publishing proposed regulations to implement section 220 of the Congressional Accountability Act of 1995 ("CAA" or "Act"), Pub. L. 104-1, 109 Stat. 3. Specifically, these regulations are published pursuant to section 220(d) of the CAA.

The provisions of section 220 are generally effective October 1, 1996. 2 U.S.C. section 1351. Section 220(d) of the Act directs the Board to issue regulations to implement section 220. The proposed regulations set forth herein are to be applied to the Senate, the House of Representatives, and the Congressional instrumentalities and employees of the Senate, the House of Representatives, and the Congressional instrumentalities. These regulations set forth the recommendations of the Deputy Executive Director for the Senate, the Deputy Executive Director for the House of Representatives and the Executive Director, Office of Compliance, as approved by the Board of Directors, Office of Compliance. A Notice of Proposed Rulemaking under section 220(e) is being published separately.

Dates: Comments are due within 30 days of publication of this Notice in the Congressional Record.

Addressess: Submit written comments (an original and 10 copies) to the Chair of the Board of Directors, Office of Compliance, Room LA 200, John Adams Building, 110 Second Street, S.E., Washington, DC 20540-1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile ("FAX") machine to (202) 426-1913. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM-201, Law Library of Congress, James Madison Memorial Building, Washington, DC, Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For Further Information Contact: Executive Director, Office of Compliance at (202) 724-9250. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, 202-224-2705.

SUPPLEMENTARY INFORMATION

I. Background

A. Introduction

The Congressional Accountability Act of 1995 ("CAA" or "Act") was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered Congressional employees and employing offices. Section 220 of the CAA concerns the application of chapter 71 of title 5, United States Code ("chapter 71") relating to Federal service labor-management relations. Section 220(a) of the CAA applies the rights, protections and responsibilities established under sections 7102, 7106, 7111 through 7117, 7119 through 7122 and 7131 of title 5, United States Code to employing offices and to covered employees and representatives of those employees.

Section 220(d) authorizes the Board of Directors of the Office of Compliance ("Board") to issue regulations to implement section 220 and further states that, except as provided in subsection (e), such regulations "shall be the same as substantive regulations promulgated by the Federal Labor Relations Authority ["FLRA"] to implement the statutory provisions referred to in subsection (a) except-(A) to the extent that the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section; or (B) as the Board deems necessary to avoid a conflict of interest or appearance of a conflict of interest."

Section 220(e) further authorizes the Board to issue regulations on the manner and extent to which the requirements and exemptions of chapter 71 should apply to covered employees who are employed in certain specified offices, "except . . . that the Board shall exclude from coverage under [section 220] any covered employees who are employed in [the specified offices] if the Board determines that such exclusion is required because of (i) a conflict of interest or appearance of a conflict of interest; or (ii) Congress' constitutional responsibilities."

This Notice of Proposed Rulemaking sets forth proposed regulations under section 220(d) of the CAA. A Notice of Proposed Rulemaking with respect to regulations under section 220(e) is being published separately.

B. Advance Notice of Proposed Rulemaking

On March 6, 1996, the Board of Directors of the Office of Compliance ("Office") issued an Advance Notice of Proposed Rulemaking ("ANPR") that solicited comments from interested parties in order to obtain participation and information early in the rulemaking process. 142 Cong. R. S1547 (daily ed., Mar. 6, 1996). In addition to inviting comment on all relevant matters and/or specific questions arising under section 220 of the CAA, the Office sought consultation with the FLRA and the Director of the Office of Personnel Management with regard to the development of these regulations in accordance with section 304(g) of the CAA. The Office has also consulted with interested parties to further its understanding of the need for and content of appropriate regulations.

The Board received 5 comments on the ANPR: one from the Secretary of the Senate and four from various labor organizations. Based on the information gleaned from its consultations and the comments on the ANPR, the Board is publishing these proposed rules, pursuant to section 220(d) of the CAA.

1. Substantive Regulations Promulgated by the Federal Labor Relations Authority.—In the ANPR, the Board invited comment on the meaning of the term "substantive regulations" under sections 220 and 304 of the CAA and further asked commenters to identify which of the regulations promulgated by the FLRA should be considered substantive regulations within the meaning of section 220 of the CAA. In this regard, the Board noted that certain of the FLRA's regulations relate to processes that implement chapter 71, while others relate to principles or criteria for making decisions that implement chapter 71. The Board invited commenters to discuss whether, in their view, the term "substantive" as used in sections 220 and 304 of the CAA might be intended to distinguish such regulations from those that are "procedural" in nature or content. In addition, the Board specifically invited comment on whether and, if so, to what extent the Board should propose the adoption of the FLRA regulations set forth in 5 C.F.R. sections 2411-2416.

a. Summary of comments: Two commenters addressed the meaning of the term "substantive regulations." One of these two commenters suggested that the term "substantive regulations" means "only those regulations promulgated by the [FLRA] that are necessary to implement the provisions of chapter 71 made applicable" by section 220 of the CAA. In this commenter's view, the term "substantive regulations" should exclude FLRA regulations that address procedural processes already provided for by the CAA. For example, because sections 405 and 406 of the CAA and the Office's procedural rules promulgated under section 303 set forth the procedures for hearings and Board review of hearing officer's decisions, in this commenter's view, provisions of the FLRA's regulations that purport to govern those matters should not be adopted by the Board. In support of its position, the commenter cited to *Batterton v. Francis*, 432 U.S. 416, 425 n.9 (1977).

This commenter further asserted that the term "substantive regulations" should neither include FLRA regulations that are procedural in nature, such as those addressing filing procedures, nor FLRA regulations that address processes already provided for in procedural rules issued by the Office pursuant to section 303 of the CAA, because "their adoption is not necessary to implement the provisions of chapter 71 made applicable by the CAA." The commenter stated that the Board has issued regulations, pursuant to section 303, that provide procedures for submissions under Part A of the CAA; the commenter urged that, to the extent possible, the same procedures should be used for submissions under Part D (section 220) of the CAA. The commenter suggested that, if any modifications to the Office's procedural rules are required to implement section 220, the Board should issue additional procedural regulations under section 303 of the CAA, rather than adopt assertedly "non-substantive" regulations of the FLRA.

Based on these views, this commenter took the position that, with certain modifications, all regulations set forth in subchapters C and D of the FLRA's regulations are substantive and should be adopted by the Board. Within those subchapters, this commenter suggested the exclusion of those regulations that the commenter deemed "purely procedural." Finally, this commenter opined that the regulations in subchapter B, set forth at sections 2411-2416, should not be adopted by the Board as those sections do not implement provisions of chapter 71, as applied by the CAA.

The other commenter did not propose to define the term "substantive regulations." Rather, this commenter asserted that, at present, it is not necessary for the Board to decide which of the FLRA's regulations are substantive. Instead, this commenter suggested that, although the FLRA's regulations may or may not be "substantive regulations," the regulations are sound procedural guides that the Board is free to follow in the exercise of its general rulemaking authority under sections 303 and 304 of the CAA. The commenter pointed to the approach to rulemaking followed by the FLRA and the National Labor Relations Board (NLRB) as models for the Board, arguing that both the FLRA's and the NLRB's regulations include the various processes by which unfair labor practice and representation cases may be brought and considered and that neither the FLRA nor the NLRB has sought to "define substantive rights by regulation."

Finally, one other commenter, while not addressing the meaning of the term "substantive regulations," suggested that the Board should adopt all of the FLRA's regulations, including sections 2411-2416.

b. Board consideration and conclusion: The Board first examines the question of the meaning of the term "substantive regulations" under sections 220 and 304 of the Act. Under settled principles of administrative law, substantive regulations are regulations implementing an underlying statute that are issued by a regulatory body pursuant to its statutory authority. See Batterton v. Francis, 432 U.S. 416, 425 n.9 (1977). Such regulations are generally promulgated in accordance with the Administrative Procedure Act, which requires that substantive rulemaking generally be preceded by a general notice of proposed rulemaking at least thirty days before the effective date of the proposed rule, and further requires that the agency afford interested persons an opportunity to participate in the rulemaking by submitting written comments. Regulations issued pursuant to this process are substantive because they "have the force and effect of law," id., and because, among other things, they "grant rights, impose obligations, or produce other significant effects on private interests," or . . . 'effect a change in existent law or policy.'" American Hospital Assoc. v. Bowen, 834 F.2d 1037, 1044 (D.C. Cir. 1987) (citations omitted).

That regulations may arguably be procedural in content is, in the Board's view, not a legally sufficient reason for not viewing them as "substantive regulations." Procedural rules can in fact be substantive regulations. Process is frequently the substance of law and regulation; indeed, in the labor laws, process is the predominate means by which substantive regulation is effectuated. Moreover, in administrative law, it is commonplace for regulations covering procedures to be considered substantive regulations; as noted above, the Administrative Procedure Act generally treats regulation of process as substantive regulation. There is no evidence that Congress intended a different approach in the context of the CAA. Thus, it is the Board's conclusion that all regulations promulgated after a notice and comment period by the FLRA to implement chapter 71 are appropriately classified as substantive regulations for the purposes of rulemaking under sections 220 and 304 of the CAA.

In light of the foregoing, the Board has considered the regulations promulgated by the FLRA in order to determine which of the regulations are "substantive" regulations. The regulations promulgated by the FLRA "are designed to implement the provisions of chapter 71 of title 5 of the United States Code . . . [and] prescribe the procedures, basic principles or criteria under which the Federal Labor Relations Authority or the General Counsel" will carry out their functions, resolve issues and otherwise administer chapter 71. 5 C.F.R. §2420.1. In addition, these regulations were issued according to the requirements of the Administrative Procedure Act, with a public notice and comment period. Therefore, it is the Board's judgment that all the regulations promulgated by the FLRA and published at 5 C.F.R. 2411-2416, 2420-2430 and 2470-2472 are "substantive regulations" within the meaning of sections 220 and 304 of the CAA.

A review of the FLRA's regulations demonstrates, however, that not all of the FLRA's substantive regulations are ones that the Board need adopt. Certain of the FLRA's regulations were promulgated to implement provisions of statutes other than provisions of chapter 71 made applicable by the CAA. In this regard, in the ANPR, the Board noted that sections 2411-2416 of the FLRA's regulations treat, among other things, the implementation and applicability of the Freedom of Information Act, the Privacy Act and the Sunshine Act in the FLRA's processes. Although one commenter suggested that the referenced statutes and the FLRA's implementing regulations should govern the processes of the Office of Compliance, these statutes were not incorporated in the CAA and the Board thus is not proposing the adoption of sections 2411-2416 of the FLRA regulations.

Similarly, the Board does not propose to adopt either section 2430 of the FLRA's regulations, which establishes procedures for applying for awards of attorney fees and other expenses under the Equal Access to Justice Act, 5 U.S.C. 504, or section 2472, which implements provisions of section 6131 of title 5 of the United States Code. As neither 5 U.S.C. 504 nor 5 U.S.C. 6131 is applied by the CAA, sections 2430 and 2472 were not promulgated to implement statutory provisions that are applied by section 220 and, accordingly, the FLRA's regulations implementing them need not be adopted.

2. Proposed Modification of Substantive Regulations of the FLRA.—In the ANPR, the Board invited comment on whether and to what extent it should, pursuant to section 220(d) of the CAA, modify the substantive regulations promulgated by the FLRA. Section 220(d) provides that the Board shall issue regulations that are the same as applicable substantive regulations of the FLRA "except to the extent that the Board may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section" (emphasis added). Section 220(d) also provides that the Board may modify the FLRA's substantive regulations "as the Board deems necessary to avoid a conflict of interest or appearance of a conflict of interest."

a. Summary of comments: A number of commenters urged that the FLRA's substantive regulations should be adopted without change. One of these commenters particularly stressed, in its view, the need to adopt without change the regulations that treat recourse to the Federal Service Impasses Panel and the Merit Systems Protection Board. But another commenter suggested several modifications to the substantive regulations. In addition to a variety of technical changes in nomenclature and terminology, this commenter specifically suggested the following modifications:

(1) Regulations implementing provisions of chapter 71 not made applicable by the CAA

The commenter stated that section 2423.9(b) should not be adopted on the ground that it sets forth procedures implementing 5 U.S.C. section 7123(d), a section not incorporated into the CAA.

(2) Provisions inapplicable under the CAA

The commenter further suggested that the definition of the term "activity" under section 2421.5 of the FLRA's regulations should be deleted on the ground that it has no applicability in the legislative branch. Further, this commenter suggested that the term "Government-wide rule" found throughout the regulations should be changed to "Government-wide rule applicable to the Senate [Legislative Branch]" because not all government-wide rules apply to the legislative branch. Similarly, this commenter proposed the deletion of section 2425.3(b) because it relates to civil service employees, of which there are none in the legislative branch. The commenter further suggested that Section 2429.2, relating to transfer and consolidation of cases, should also be deleted because it has no applicability in light of the structure of the Office of Compliance. Finally, according to the commenter, part 2428 of the FLRA's regulations, which relates to enforcement of decisions of the Assistant Secretary of Labor for Labor-Management Relations, should not be adopted because the Assistant Secretary has no authority under the CAA and neither covered employees nor employing offices are bound by the decisions of the Assistant Secretary.

(3) Regulations addressing procedures governed by 405 and 406 of CAA

The commenter also contended that section 220 of the CAA directs that all representation and unfair labor practice matters that arise under section 220 be referred "to a hearing officer for decision pursuant to subsection (b) through (h) of section 405." Further, according to the commenter, sections 220(c)(1) and (2) require that decisions of the hearing officers be reviewed by the Board under section 406 of the CAA. Consequently, in this commenter's view, the Board should not adopt any FLRA regulation relating to the conduct of hearings on representation petitions or unfair labor practice allegations or relating to Board review of decisions. For example, this commenter suggested that sections 2422.18–22 of the FLRA's regulations should be omitted because they relate to the procedures for the conduct of pre-election investigatory hearings on representation petitions; according to the commenter, procedures for these hearings are governed by section 405 of the CAA and by the Board's procedural rules.

(4) Consultation Rights

The commenter additionally suggested that the threshold requirement in section 2426.1 of the FLRA's regulations that a labor organization hold exclusive recognition for 10% or more of the personnel of an employing office in order for that labor organization to obtain consultation rights be modified for good cause. Because of the small size of many employing offices in the legislative branch, the commenter expressed the concern that employing offices would be required to engage in consultation when only one or two employees are represented by a union. Such an obligation to consult would, in this commenter's view, "interfere with the rights of unrepresented employees because it would necessarily cause delay in implementation of new terms of employment."

(5) Posting of Materials

The commenter suggested that sections 2422.7 and 2422.23 of the FLRA's regulations be modified to prohibit the posting of any material relating to a labor organization in any area open to the public on the basis that such a display of material would create a conflict of interest "insofar as it may appear that Congress is unduly influenced by particular labor organizations."

b. Board Consideration and Response to Comments: Based upon the comments received and the Board's understanding of chapter 71 and the institutions to which it is being made applicable through the CAA, the Board is proposing to adopt the FLRA's regulations published at 5 C.F.R. 2420–29 and 2470–71 with only limited modifications. The Board has proposed to delete provisions of the FLRA's regulations that were promulgated to implement provisions of chapter 71 that are not applied by the CAA. In this regard, sections 2423.9(b)(c) and (d) have been deleted because they implement section 7123(d) of chapter 71, a provision that is not applied by the CAA. Similarly, section 2429.7 of the FLRA's regulations, relating to the issuance of subpoenas, has been deleted because it implements section 7132 of chapter 71, a section of chapter 71 that is not applied by the CAA. Finally, as statutory provisions in title 5 that permit executive branch employees to have access to the Merit Systems Protection Board (MSPB) were not applied by the CAA, references to the MSPB have also been deleted. The Board finds that there is good cause to make these modifications for the reasons herein stated.

In addition, the Board has proposed to make technical changes in definitions, nomenclature and prescribed processes so that the regulations comport with the CAA and the organizational structure of the Office of Compliance. In the Boards judgment, making such changes satisfies the Act's "good cause" requirement. However, contrary to one commenter's suggestion that the terms "activity" and "Government-wide" rule be omitted or modified, the Board is of the view that these concepts have applicability in the context of the CAA and therefore should not be deleted or modified. Of course, the Board welcomes additional comment on these issues as part of interested parties' comments on the proposed rules.

In addition to the foregoing, the Board has concluded that there is good cause to propose certain other modifications to the FLRA's regulations. These proposed modifications are discussed below.

(1) Exercise of Investigative and Adjudicatory Responsibilities

In issuing these proposed regulations to implement section 220, the Board has had to determine how it may best exercise its investigative and other authorities and responsibilities under section 220 of the CAA. In this regard, the Board notes that section 220(c)(1) of the CAA provides that the Board shall exercise the authorities of the three member Federal Labor Relations Authority (Authority) under various provisions of chapter 71 and that any "petition, or other submission that, under chapter 71 . . . would be submitted to the . . . Authority shall, . . . be submitted to the Board". The Board further notes that section 220(c)(1) provides that the Board "shall refer any matter under this paragraph to a hearing officer for decision pursuant to . . . section 405"; and yet it also states that the Board may direct that the General Counsel carry out the Board's "investigative authorities". Finally, the Board notes that section 220(c)(3) limits judicial review to Board actions on unfair labor practice complaints. As an initial matter, therefore, there is a question as to whether section 220(c)(1) should be read to require that *all* representation, arbitration, negotiability and unfair labor practice issues that come before the Board first be referred to hearing officers for decision under section 405, or only to require referral of those matters that require a formal adversary hearing (involving, among other things, discovery and adherence to formal rules of evidence) in order to resolve the matter in dispute and create a record for judicial review. After considerable reflection, the Board is persuaded that Congress did not intend in the CAA to require that all issues first be presented to a hearing officer under section 405.

By its terms, section 220(c)(1) of the CAA expressly contemplates a distinction between investigative issues and those issues requiring referral for an adversary hearing. Specifically, section 220 expressly acknowledges that the Board possesses and may exercise investigative authorities, and explicitly states that the Board may direct the General Counsel to carry out such investigative authorities. *A fortiori*, the Board does not have to refer matters involving these "investigative authorities" to a hearing officer (but rather may direct the General Counsel to carry them out or carry them out itself).

The textual reference to the Board's investigative authorities is, in fact, only one of the statutory signals that Congress did not intend to require the Board to refer all issues to a hearing officer for initial decision under Section 405. Section 220(c)(3) further specifies that there shall be judicial review of only Board actions on unfair labor practice complaints. Since one of the key purposes of the section 405 hearing process is to create a record for judicial review, this limitation of the judicial review process is another textual suggestion that Congress intended to require referral to a hearing officer of only those matters that require a hearing of the type contemplated by section 405—i.e., a formal adversary hearing that establishes a record for Board and then judicial review.

Indeed, in section 220, Congress purported to impose upon the legislative branch the labor law applicable to the executive branch. In that scheme, representation issues, negotiability of bargaining proposals, and review of arbitral awards are not subject to elaborate adversarial procedures. Rather, they are subject to different investigative and decisional process better suited to expeditious and effective resolution of the issues presented. A determination by the Board that the resolution of exceptions to arbitral awards, negotiability of bargaining proposals, and representation petitions, must first be referred to a hearing officer for an adversarial hearing under section 405 would result in an overly cumbersome system that would undermine considerably the effective implementation of Section 220. The Board would not hesitate to implement such a scheme if Congress had clearly commanded it; but, when read in context, the statutory language does not so require, and the legislative history contains no suggestion that Congress intended such a striking departure from the underlying statutory scheme that it was purporting to impose on itself. In such circumstances, the Board cannot find good cause to modify the FLRA's regulations to require formal adversarial proceedings where they are not presently required under chapter 71.

Accordingly, the Board has examined the range of investigative and adjudicatory functions carried out by the FLRA and its officials under chapter 71 and the FLRA's regulations. The Board has further examined the manner in which those functions may most effectively and appropriately be carried out by the Office under the CAA. The Board has considered the suggestions of the commenters, the differences in organizational structure between the Office of Compliance and the FLRA, and the language and underlying statutory schemes of chapter 71 and the CAA. And, having done so, the Board has concluded that, consistent with the language of section 220(c)(1) and the scheme envisioned and implemented under chapter 71, issues that are presented directly to the Authority may and should also be presented directly to the Board. Likewise, the Board has determined that issues that are submitted to administrative law judges in the chapter 71 scheme should be submitted to hearing officers in the CAA scheme. Thus, the Board will decide representation issues, negotiability issues and exceptions to arbitral awards based upon a record developed through direct submissions from the parties and, where necessary, further investigation by the Board (through the person of the Executive Director); and it will refer unfair labor practice complaints to hearing officers for initial decision under section 405 (and then review by the Board and the courts).

Contrary to one commenter's assertion, 220(c)(1) does not require that pre-election hearings on representation petitions be conducted pursuant to section 405 of the CAA. Such hearings are investigatory in nature; and they do not require formal adversarial proceedings. They are to be conducted as part of the Board's authority to investigate representation petitions pursuant to the provisions of chapter 71 that are applied by the CAA. They thus need not be conducted by hearing officers under section 405.

(2) Procedural matters

The Board has further concluded that there is good cause to modify the FLRA's substantive regulations by omitting provisions that set forth procedures which are already provided for under comparable provisions of the Office's procedural rules. There are obvious benefits to having one set of procedural rules for matters arising under the CAA. Indeed, one commenter suggested this beneficial outcome in arguing why certain rules should not be considered to be "substantive regulations" within the meaning of section 304. While the Board believes that the rules are in fact substantive regulations, it believes that the benefits of having one set of procedural rules provides the "good cause" needed to modify the FLRA's substantive regulations in this respect.

Accordingly, provisions of Part 2423 relating to the filing of complaints and the conduct of hearings on allegations of violations of section 220 have been deleted or modified, as appropriate, where there is a specific regulation on the same matters in the Office's procedural rules. Similarly, provisions of Part 2429 of the FLRA's regulations relating to such matters as service, interlocutory appeals, computation of time, and methods of filing have been deleted or modified, to the extent that they are the same as, or specifically provided for under, procedural rules already issued. Finally, section 2429.9 relating to presentations by an amicus curiae and section 2429.17, which provides procedures for seeking Board reconsideration, have also been deleted. Although these subjects are not now covered by the Office's procedural rules, they have general applicability to Board proceedings under the CAA. The Board has determined that it would be more effective for the implementation of the rights and protections under the CAA to propose and issue rules relating to amicus filings and reconsideration in all matters before the Board as part of a rulemaking under section 303 of the Act.

(3) Arbitral awards on adverse actions

The Board also agrees with the commenter who suggested the deletion of section 2425.3(b), a provision that precludes the FLRA's review of arbitration awards involving certain adverse actions. Under chapter 71, Congress generally provided for the review of arbitration awards by the FLRA. However, for awards relating to matters in which an employee has an option of either filing an appeal with the Merit Systems Protection Board (or another adjudicative body) or of filing a grievance under a negotiated grievance procedure, Congress provided for judicial review of the award under the same standards of review that would be accorded to a decision of the MSPB or another appellate body. Therefore, there is a symmetrical framework for the review of arbitration awards involving certain adverse actions in the general Federal civil service in which decisions on such matters, whether made by an arbitrator or an adjudicative body, are subject to the same judicial review. In contrast, there is no such symmetry of review under the CAA because legislative branch employees have no recourse to the MSPB or other similar administrative agencies and there is no judicial review of arbitrators' awards. If section 2425.3(b) were not deleted, employees and employing offices under the CAA would be deprived of a forum for review of arbitration awards involving certain adverse actions. Accordingly, the Board concludes that there is good cause to modify the FLRA's regulations by deleting section 2425.3(b).

(4) Consultation rights

Under section 2426.1(a) of the FLRA's regulations, an agency or an agency's primary national subdivision shall accord national consultation rights to a labor organization that "[h]olds exclusive recognition for either: (i) Ten percent (10%) or more of the total number of civilian personnel employed by the agency and the non-appropriated fund Federal instrumentalities under its jurisdiction, excluding foreign nationals; or (ii) 3,500 or more employees of the agency." The Board has determined that the 10% threshold requirement should not be modified for good cause, as one commenter suggested. The Board agrees with the commenter that the small size of many employing offices in the legislative branch must be considered. However, the FLRA considered 10% of the employees of an agency or primary national subdivision to be a significant enough proportion of the employee complement to allow for meaningful consultations, no matter the size of the agency or the number of its employees. No convincing reason has been provided by the commenter why the FLRA's judgment is not workable here, or why there should be a different threshold requirement for small legislative branch employing offices from that applicable to small executive branch agencies.

By contrast, the same concern for the small size of many employing offices has prompted the Board to conclude that good cause exists to modify the alternate threshold requirement—i.e., the requirement that a labor organization hold exclusive recognition of 3,500 or more of an agency's employees in order to be accorded national consultation rights. Although the Board has been unable through its research to determine the reasoning of the FLRA in choosing the number 3,500 as a threshold requirement, the number corresponds to the considerable size of many of the executive branch agencies. Because none of the employing offices has as many as 35,000 employees, the 3,500 employee threshold is irrelevant in light of the existence of the other threshold requirement, discussed above, of 10% of the employee complement. The Board thus finds that it is unworkable in this context and that there is good cause to delete it.

Section 2426.11(a) requires that "[a]n agency shall accord consultation rights on Government-wide rules or regulations to a labor organization that . . . [h]olds exclusive recognition for 3,500 or more employees." The Board has determined that this threshold requirement should also be deleted for good cause, since many of the employing offices in the legislative branch are considerably smaller than executive branch agencies. However, once this requirement is omitted, there is no other requirement in the regulations by which to determine whether consultation rights on Government-wide rules or regulations should be granted to a labor organization. Therefore, the Board has concluded that the 10% threshold requirement should be employed in this section as well. The 10% figure is used as an alternate criterion to 3,500 in according national consultation rights, and it is an appropriate standard to use for according consultation rights on Government-wide regulations as well.

(5) Enforcement of Decisions of the Assistant Secretary of Labor

As noted above, one commenter asserted that part 2428 of the FLRA's regulations is inapplicable under the CAA and should be omitted from the Board's regulations. Part 2428 of the FLRA's regulations provides a procedure for the Assistant Secretary of Labor for Labor-Management Relations to petition the FLRA to enforce decisions and orders of the Assistant Secretary with respect to labor organization conduct.

The Board has concluded that, although the Assistant Secretary has no enforcement authority over covered employing offices or covered employees, nothing in the CAA removes the Assistant Secretary of Labor's authority to regulate the conduct of labor organizations, even those that exclusively represent legislative branch employees. Indeed, 5 U.S.C. 7120(d) authorizes the Assistant Secretary of Labor for Labor-Management Relations to regulate the conduct of labor organizations and is specifically incorporated into the CAA. Further, nothing in the CAA would preclude the Assistant Secretary from petitioning the Board to enforce a decision and order involving a labor organization under the jurisdiction of the CAA. In this regard, the FLRA promulgated part 2428 as part of its authority under section 7105 of chapter 71 to "take such actions as are necessary and appropriate to effectively administer the provisions" of chapter 71. Under the CAA, the Board has specifically been granted the same authority to administer the provisions of chapter 71 as applied by the CAA. Accordingly, there is not good cause for the Board to omit part 2428 in its entirety or to decline to permit the Assistant Secretary to petition the Board in accordance with the procedures set forth therein.

However, the Board proposes not to adopt section 2428.3(a), which would require the Board to enforce any decision or order of the Assistant Secretary unless it is "arbitrary and capricious or based upon manifest disregard of the law." In light of section 225(f)(3) of the CAA, which states that the CAA does not authorize executive branch enforcement of the Act, the Board should not adopt a provision that would require the Board to defer to decisions of an executive branch agency. Accordingly, the Board has modified the provisions of part 2428 by omitting section 2428.3(a).

(6) Production of evidence in pre-election investigatory hearings

As noted in section I.B.2. above, section 7132 of chapter 71, which authorizes the issuance of subpoenas by various FLRA officials, was not made applicable by the CAA. Moreover, as pre-election investigatory hearings are not hearings that are conducted under section 405 of the CAA, subpoenas for documents or witnesses in such pre-election proceedings are not available under the CAA. Nonetheless, in order to properly decide disputed representation issues and effectively implement section 220 of the CAA, a complete investigatory record comparable to that developed by the FLRA under chapter 71 is necessary. Accordingly, there is good cause to modify section 2422.18 of the FLRA's regulations in order to ensure that such a record is made in the absence of the availability of subpoenas. To this end, the Board is specifically proposing the inclusion of section 2422.18(d), which provides that the parties have an obligation to produce existing documents and witnesses for the pre-election investigatory hearing in accordance with the instructions of the Executive Director; and the Board is further proposing that a willful failure to comply with such instructions may in appropriate circumstances result in an adverse inference being drawn on the issue related to the evidence sought.

(7) Selection of the unfair labor practice procedure or the negotiability procedure

The Board has determined that there is also good cause to delete the concluding sentence of sections 2423.5 and 2424.5 of the FLRA's regulations because, in the context of the CAA, they would serve improperly to deprive judicial review in certain circumstances. Generally, when an employing office asserts it has no duty to bargain over a proposal, a labor organization may seek a Board determination on the issue either through an unfair labor practice proceeding or a negotiability proceeding. However, the concluding sentences of the referenced regulations preclude a labor organization from filing an unfair labor practice charge in cases that solely involve an employing office's allegation that the duty to bargain in good faith does not extend to the matter proposed to be bargained and that do not involve actual or contemplated changes in conditions of employment. In such cases, those sentences of the regulations provide that a labor organization may only file a petition for review of a negotiability issue.

Unlike chapter 71, the CAA does not provide for direct judicial review of Board decisions and orders on petitions for review of negotiability issues. Rather, judicial review of Board determinations as to the negotiability of collective bargaining proposals is only available through an unfair labor practice proceeding involving a dispute over an employing office's duty to bargain. Accordingly, if sections 2423.5 and 2424.5 were not modified, a labor organization would, in certain circumstances, be precluded from electing to file an unfair labor practice charge and possibly obtaining judicial review of a Board decision. Rather, the labor organization would be required to file a petition for review of the negotiability issue and any unfavorable decision would be unreviewable. The Board concludes that it would be more effective for the implementation of the rights and protections under section 220 to delete the two specified sentences, thereby allowing a labor organization to use the unfair labor practice procedures in all circumstances.

(8) Official time

Section 2429.13 of the FLRA's regulations requires employing offices to grant "official time" to employees when the employees' participation in investigations or hearings is deemed necessary by hearing officers or Office officials. The Board has determined that section 2429.13 of the FLRA's regulations should be modified by striking the last sentence, which would require the payment by employing offices of transportation and per diem expenses associated with employees' participation in investigations or hearings on official time. The Board finds good cause to modify the provision in light of the decision of the United States Supreme Court in Bureau of Alcohol, Tobacco and Firearms v. Federal Labor Relations Authority, 464 U.S. 89, 104 S.Ct. 439 (1983), in which the Supreme Court held that the FLRA had exceeded its authority by requiring federal agencies to pay such per diem allowances and travel expenses. This regulatory requirement has been authoritatively and finally invalidated by the Supreme Court and thus has no applicability under the laws that have been incorporated by the CAA.

(9) The Board's exercise of the authorities of the Federal Service Impasses Panel

Section 2470 of the FLRA's regulations defines the Federal Service Impasses Panel as all members of the Panel or a quorum thereof and thus permits formal actions to be taken on behalf of the Panel by less than the Panel's full complement of members. The Federal Service Impasses Panel is composed of seven members. The Board, which will exercise the authorities of the Panel pursuant to section 220(c)(4) of the CAA, is a five-member body. It is the Board's determination that it will be more effective for the implementation of section 220(c)(4) to provide for the full Board, rather than a quorum thereof, to carry out its authorities under that section. Section 2470 of the regulation has been modified accordingly.

(10) Conflict of Interest

As noted above, one commenter asserted that sections 2422.7 and 2422.23 of the FLRA's regulations should be modified pursuant to section 220(d)(2)(B). The two referenced sections of the FLRA's regulations provide, respectively, that an employing office may be directed to post a notice advising affected employees of the filing of a representation petition and that an employing office will post a notice of election when an election is to be conducted. In both instances the notices, which in the context of the CAA will be prepared by the Office of Compliance, must be posted in places where notices are normally posted for the affected employees or they may be distributed in a manner by which notices are normally distributed. The commenter urges that these regulatory provisions be modified to prohibit the publication of any material relating to a labor organization in any area open to the public. In support of the proposed modification, the commenter states only that display of such material in public view creates, at the very least, an appearance of a conflict of interest insofar as it may appear that Congress is unduly influenced by particular labor organizations.

In the ANPR, the Board requested commenters to fully and specifically describe the conflict of interest or appearance thereof that they believe would exist were pertinent FLRA regulations not modified and to explain the necessity for avoiding the asserted conflict or appearance of conflict. The Board further asked commenters to explain how they interpret 220(d)(2)(B) and, in doing so, identify the factual and interpretive materials upon which they are relying. The commenter has not discussed section 220(d)(2)(B) or explained why the proposed modification, a specific prohibition on posting an Office of Compliance notice in a public area, is necessary to avoid an appearance of conflict; indeed, the commenter has not explained how the posting of a notice announcing the filing of a petition or an upcoming election would create the appearance of undue influence asserted by the commenter.

In the Board's view, no appearance of conflict of interest or undue influence is created by an employing office posting a notice, prepared by the Office of Compliance, advising covered employees of a pending petition or an election under a statute that Congress has specifically applied to itself, similar provisions of which apply in the private and public sectors. Nothing in the FLRA's regulations requires that notices be posted in public areas; the referenced notices must only be posted or distributed in the manner that other information affecting employees is posted or distributed. Moreover, since the notices are prepared by the Office of Compliance, which is an independent office in the legislative branch, no reasonable person could even begin to find undue influence from the posting itself.

The Board thus concludes that, contrary to the commenter's suggestion, it is not necessary to modify sections 2422.7 and 2422.23 of the FLRA's regulations to avoid a conflict of interest or appearance of conflict of interest. The Board therefore proposes to adopt those provisions with only technical changes in nomenclature.

II. Method of Approval

The Board recommends that (1) the version of the proposed regulations that shall apply to the Senate and employees of the Senate be approved by the Senate by resolution; (2) the version of the proposed regulations that shall apply to the House of Representatives and employees of the House of Representatives be approved by the House of Representatives by resolution; and (3) the version of the proposed regulations that shall apply to other covered employees and employing offices be approved by the Congress by concurrent resolution.

Signed at Washington, D.C., on this 14th day of May, 1996.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

Subchapter C

2420 Purpose and scope

2421 Meaning of terms as used in this subchapter
2422 Representation proceedings
2423 Unfair labor practice proceedings
2424 Expedited review of negotiability issues
2425 Review of arbitration awards
2426 National consultation rights and consultation rights on Government-wide rules or regulations
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Subchapter C

PART 2420—PURPOSE AND SCOPE

§2420.1 Purpose and scope.

The regulations contained in this subchapter are designed to implement the provisions of chapter 71 of title 5 of the United States Code, as applied by section 220 of the Congressional Accountability Act (CAA). They prescribe the procedures, basic principles or criteria under which the Board and the General Counsel, as applicable, will:

(a) Determine the appropriateness of units for labor organization representation under 5 U.S.C. 7112, as applied by the CAA;

(b) Supervise or conduct elections to determine whether a labor organization has been selected as an exclusive representative by a majority of the employees in an appropriate unit and otherwise administer the provisions of 5 U.S.C. 7111, as applied by the CAA, relating to the according of exclusive recognition to labor organizations;

(c) Resolve issues relating to the granting of national consultation rights under 5 U.S.C. 7113, as applied by the CAA;

(d) Resolve issues relating to determining compelling need for employing office rules and regulations under 5 U.S.C. 7117(b), as applied by the CAA;

(e) Resolve issues relating to the duty to bargain in good faith under 5 U.S.C. 7117(c), as applied by the CAA;

(f) Resolve issues relating to the granting of consultation rights with respect to conditions of employment under 5 U.S.C. 7117(d), as applied by the CAA;

(g) Conduct hearings and resolve complaints of unfair labor practices under 5 U.S.C. 7118, as applied by the CAA;

(h) Resolve exceptions to arbitrators' awards under 5 U.S.C. 7122, as applied by the CAA; and

(i) Take such other actions as are necessary and appropriate effectively to administer the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA.

PART 2421—MEANING OF TERMS AS USED IN THIS SUBCHAPTER

Sec.
2421.1 Act; CAA.
2421.2 Chapter 71.
2421.3 General Definitions.
2421.4 National consultation rights; consultation rights on Government-wide rules or regulations; exclusive recognition; unfair labor practices.
2421.5 Activity.
2421.6 Primary national subdivision.
2421.7 Executive Director.
2421.8 Hearing Officer.
2421.9 Party.
2421.10 Intervenor.
2421.11 Certification.
2421.12 Appropriate unit.
2421.13 Secret ballot.
2421.14 Showing of interest.
2421.15 Regular and substantially equivalent employment.
2421.16 Petitioner.
2421.17 Eligibility Period.
2421.18 Election Agreement.
2421.19 Affected by Issues raised.
2421.20 Determinative challenged ballots.

§2421.1 Act; CAA.

The terms "Act" and "CAA" mean the Congressional Accountability Act of 1995 (P.L. 104-1, 109 Stat. 3, 2 U.S.C. §§1301-1438).

§2421.2 Chapter 71.

The term "chapter 71" means chapter 71 of title 5 of the United States Code.

§2421.3 General Definitions.

(a) The term "person" means an individual, labor organization or employing office.

(b) Except as noted in subparagraph (3) of this subsection, the term "employee" means an individual—

(1) Who is a current employee, applicant for employment, or former employee of: the House of Representatives; the Senate; the Capitol Guide Service; the Capitol Police; the Congressional Budget Office; the Office of the Architect of the Capitol; the Office of the Attending Physician; the Office of Compliance; or the Office of Technology Assessment; or

(2) Whose employment in an employing office has ceased because of any unfair labor practice under section 7116 of title 5 of the United States Code, as applied by the CAA, and who has not obtained any other regular and substantially equivalent employment as determined under regulations prescribed by the Board, but does not include——

(i) An alien or noncitizen of the United States who occupies a position outside of the United States;

(ii) A member of the uniformed services;

(iii) A supervisor or a management official or;

(iv) Any person who participates in a strike in violation of section 7311 of title 5 of the United States Code, as applied the CAA.

(3) For the purpose of determining the adequacy of a showing of interest or eligibility for consultation rights, except as required by law, applicants for employment and former employees are not considered employees.

(c) The term "employing office" means—

(1) The personal office of a Member of the House of Representatives or of a Senator;

(2) A committee of the House of Representatives or the Senate or a joint committee;

(3) Any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; or

(4) The Capitol Guide Board, the Capitol Police Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, the Office of Compliance, and the Office of Technology Assessment.

(d) The term "labor organization" means an organization composed in whole or in part of employees, in which employees participate and pay dues, and which has as a purpose the dealing with an employing office concerning grievances and conditions of employment, but does not include—

(1) An organization which, by its constitution, or otherwise, denies membership because of race, color, creed, national origin, sex, age, preferential or nonpreferential civil service status, political affiliation, marital status, or handicapping condition;

(2) An organization which advocates the overthrow of the constitutional form of government of the United States;

(3) An organization sponsored by an employing office; or

(4) An organization which participates in the conduct or a strike against the Government or any agency thereof or imposes a duty or obligation to conduct, assist, or participate in such a strike.

(e) The term "dues" means dues, fees, and assessments.

(f) The term "Board" means the Board of Directors of the Office of Compliance.

(g) The term "collective bargaining agreement" means an agreement entered into as a result of collective bargaining pursuant to the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA.

(h) The term "grievance" means any complaint—

(1) By any employee concerning any matter relating to the employment of the employee;

(2) By any labor organization concerning any matter relating to the employment of any employee; or

(3) By any employee, labor organization, or employing office concerning—

(i) The effect or interpretation, or a claim of breach, of a collective bargaining agreement; or

(ii) Any claimed violation, misinterpretation, or misapplication of any law, rule, or regulation affecting conditions of employment.

(i) The term "supervisor" means an individual employed by an employing office having authority in the interest of the employing office to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature, but requires the consistent exercise of independent judgment, except that, with respect to any unit which includes firefighters or nurses, the term "supervisor" includes only those individuals who devote a preponderance of their employment time to exercising such authority.

(j) The term "management official" means an individual employed by an employing office in a position the duties and responsibilities of which require or authorize the individual to formulate, determine, or influence the policies of the employing office.

(k) The term "collective bargaining" means the performance of the mutual obligation of the representative of an employing office and the exclusive representative of employees in an appropriate unit in the employing office to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached, but the obligation referred to in this paragraph does not compel either party to agree to a proposal or to make a concession.

(l) The "term confidential employee" means an employee who acts in a confidential capacity with respect to an individual who formulates or effectuates management policies in the field of labor-management relations.

(m) The term "conditions of employment" means personnel policies, practices, and matters, whether established by rule, regulation, or otherwise, affecting working conditions, except that such term does not include policies, practices, and matters—

(1) Relating to political activities prohibited under subchapter III of chapter 73 of title 5 of the United States Code, as applied by the CAA;

(2) Relating to the classification of any position; or

(3) To the extent such matters are specifically provided for by Federal statute.

(n) The term "professional employee" means—

(1) An employee engaged in the performance of work—

(i) Requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital (as distinguished from knowledge acquired by a general academic education, or from an apprenticeship, or from training in the performance of routine mental, manual, mechanical, or physical activities);

(ii) Requiring the consistent exercise of discretion and judgment in its performance;

(iii) Which is predominantly intellectual and varied in character (as distinguished from routine mental, manual, mechanical, or physical work); and

(iv) Which is of such character that the output produced or the result accomplished by such work cannot be standardized in relation to a given period of time; or

(2) An employee who has completed the courses of specialized intellectual instruction and study described in subparagraph (1)(i) of this paragraph and is performing related work under appropriate direction and guidance to qualify the employee as a professional employee described in subparagraph (1) of this paragraph.

(o) The term "exclusive representative" means any labor organization which is certified as the exclusive representative of employees in an appropriate unit pursuant to section 7111 of title 5 of the United States Code, as applied by the CAA.

(p) The term "firefighter" means any employee engaged in the performance of work directly connected with the control and extinguishment of fires or the maintenance and use of firefighting apparatus and equipment.

(q) The term "United States" means the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Trust Territory of the Pacific Islands, and any territory or possession of the United States.

(r) The term "General Counsel" means the General Counsel of the Office of Compliance.

(s) The term "Assistant Secretary" means the Assistant Secretary of Labor for Labor-Management Relations.

§ 2421.4 National consultation rights; consultation rights on Government-wide rules or regulations; exclusive recognition; unfair labor practices.

(a)(1) The term "national consultation rights" means that a labor organization that is the exclusive representative of a substantial number of the employees of the employing office, as determined in accordance with criteria prescribed by the Board, shall—

(i) Be informed of any substantive change in conditions of employment proposed by the employing office; and

(ii) Be permitted reasonable time to present its views and recommendations regarding the changes.

(2) National consultation rights shall terminate when the labor organization no longer meets the criteria prescribed by the Board. Any issue relating to any labor organization's eligibility for, or continuation of, national consultation rights shall be subject to determination by the Board.

(b)(1) The term "consultation rights on Government-wide rules or regulations" means that a labor organization which is the exclusive representative of a substantial number of employees of an employing office determined in accordance with criteria prescribed by the Board, shall be granted consultation rights by the employing office with respect to any Government-wide rule or regulation issued by the employing office effecting any substantive change in any condition of employment. Such consultation rights shall terminate when the labor organization no longer meets the criteria prescribed by the Board. Any issue relating to a labor organizations eligibility for, or continuation of, such consultation rights shall be subject to determination by the Board.

(2) A labor organization having consultation rights under paragraph (1) of this subsection shall—

(i) Be informed of any substantive change in conditions of employment proposed by the employing office; and

(ii) shall be permitted reasonable time to present its views and recommendations regarding the changes.

(3) If any views or recommendations are presented under paragraph (2) of this subsection to an employing office by any labor organization—

(i) The employing office shall consider the views or recommendations before taking final action on any matter with respect to which the views or recommendations are presented; and

(ii) The employing office shall provide the labor organization a written statement of the reasons for taking the final action.

(c) The term "exclusive recognition" means that a labor organization has been selected as the sole representative, in a secret ballot election, by a majority of the employees in an appropriate unit who cast valid ballots in an election.

(d) The term "unfair labor practices" means—

(1) Any of the following actions taken by an employing office—

(i) Interfering with, restraining, or coercing any employee in the exercise by the employee of any right under chapter 71, as applied by the CAA;

(ii) Encouraging or discouraging membership in any labor organization by discrimination in connection with hiring, tenure, promotion, or other condition of employment;

(iii) Sponsoring, controlling, or otherwise assisting any labor organization, other than to furnish, upon request, customary and routine services and facilities if the services and facilities are also furnished on an impartial basis to other labor organizations having equivalent status;

(iv) Disciplining or otherwise discriminating against an employee because the employee has filed a complaint, affidavit, or petition, or has given any information or testimony under chapter 71, as applied by the CAA;

(v) Refusing to consult or negotiate in good faith with a labor organization as required by chapter 71, as applied by the CAA;

(vi) Failing or refusing to cooperate in impasse procedures and impasse decisions as required by chapter 71, as applied by the CAA;

(vii) Enforcing any rule or regulation (other than a rule or regulation implementing section 2302 of this title) which is in conflict with any applicable collective bargaining agreement if the agreement was in effect before the date the rule or regulation was prescribed; or

(viii) Otherwise failing or refusing to comply with any provision of chapter 71, as applied by the CAA;

(2) Any of the following actions taken by a labor organization—

(i) Interfering with, restraining, or coercing any employee in the exercise by the employee of any right under this chapter;

(ii) Causing or attempting to cause an employing office to discriminate against any employee in the exercise by the employee of any right under this chapter;

(iii) Coercing, disciplining, fining, or attempting to coerce a member of the labor organization as punishment, reprisal, or for the purpose of hindering or impeding the member's work performance or productivity as an employee or the discharge of the members duties as an employee;

(iv) Discriminating against an employee with regard to the terms or conditions of membership in the labor organization on the basis of race, color, creed, national origin, sex, age, preferential or nonpreferential civil service status, political affiliation, marital status, or handicapping condition;

(v) Refusing to consult or negotiate in good faith with an employing office as required by chapter 71, as applied by the CAA;

(vi) Failing or refusing to cooperate in impasse procedures and impasse decisions as required by chapter 71, as applied by the CAA;

(vii)(A) Calling, or participating in, a strike, work stoppage, or slowdown, or picketing of an employing office in a labor-management dispute if such picketing interferes with an employing office's operations; or

(B) Condoning any activity described in subparagraph (A) of this paragraph by failing to take action to prevent or stop such activity; or

(viii) Otherwise failing or refusing to comply with any provision of chapter 71, as applied by the CAA;

(3) Denial of membership by an exclusive representative to any employee in the appropriate unit represented by such exclusive representative except for failure—

(i) To meet reasonable occupational standards uniformly required for admission, or

(ii) To tender dues uniformly required as a condition of acquiring and retaining membership.

§ 2421.5 Activity.

The term "activity" means any facility, organizational entity, or geographical subdivision or combination thereof, of any employing office.

§ 2421.6 Primary national subdivision.

"Primary national subdivision" of an employing office means a first-level organizational segment which has functions national in scope that are implemented in field activities.

§ 2421.7 Executive Director.

"Executive Director" means the Executive Director of the Office of Compliance.

§ 2421.8 Hearing Officer.

The term "Hearing Officer" means any individual designated by the Executive Director to preside over a hearing conducted pursuant to section 405 of the CAA on matters within the Office's jurisdiction, including a hearing arising in cases under 5 U.S.C. 7116, as applied by the CAA, and any other such matters as may be assigned.

§ 2421.9 Party.

The term "party" means:

(a) Any labor organization, employing office or employing activity or individual filing a charge, petition, or request;

(b) Any labor organization or employing office or activity.

(1) Named as—

(i) A charged party in a charge,

(ii) A respondent in a complaint, or

(iii) An employing office or activity or an incumbent labor organization in a petition.

(2) Whose intervention in a proceeding has been permitted or directed by the Board; or

(3) Who participated as a party.

(i) In a matter that was decided by an employing office head under 5 U.S.C. 7117, as applied by the CAA, or

(ii) In a matter where the award of an arbitrator was issued; and

(c) The General Counsel, or the General Counsel's designated representative, in appropriate proceedings.

§2421.10 Intervenor.

The term "intervenor" means a party in a proceeding whose intervention has been permitted or directed by the Board, its agents or representatives.

§2421.11 Certification.

The term "certification" means the determination by the Board, its agents or representatives, of the results of an election, or the results of a petition to consolidate existing exclusively recognized units.

§2421.12 Appropriate unit.

The term "appropriate unit" means that grouping of employees found to be appropriate for purposes of exclusive recognition under 5 U.S.C. 7111, as applied by the CAA, and for purposes of allotments to representatives under 5 U.S.C. 7115(c), as applied by the CAA, and consistent with the provisions of 5 U.S.C. 7112, as applied by the CAA.

§2421.13 Secret ballot.

The term "secret ballot" means the expression by ballot, voting machine or otherwise, but in no event by proxy, of a choice with respect to any election or vote taken upon any matter, which is cast in such a manner that the person expressing such choice cannot be identified with the choice expressed, except in that instance in which any determinative challenged ballot is opened.

§2421.14 Showing of interest.

The term "showing of interest" means evidence of membership in a labor organization; employees' signed and dated authorization cards or petitions authorizing a labor organization to represent them for purposes of exclusive recognition; allotment of dues forms executed by an employee and the labor organization's authorized official; current dues records; an existing or recently expired agreement; current certification; employees' signed and dated petitions or cards indicating that they no longer desire to be represented for the purposes of exclusive recognition by the currently certified labor organization; employees' signed and dated petitions or cards indicating a desire that an election be held on a proposed consolidation of units; or other evidence approved by the Board.

§2421.15 Regular and substantially equivalent employment.

The term "regular and substantially equivalent employment" means employment that entails substantially the same amount of work, rate of pay, hours, working conditions, location of work, kind of work, and seniority rights, if any, of an employee prior to the cessation of employment in an employing office because of any unfair labor practice under 5 U.S.C. 7116, as applied by the CAA.

§2421.16 Petitioner.

"Petitioner" means the party filing a petition under Part 2422 of this Subchapter.

§2421.17 Eligibility period.

The term "eligibility period" means the payroll period during which an employee must be in an employment status with an employing office or activity in order to be eligible to vote in a representation election under Part 2422 of this Subchapter.

§2421.18 Election agreement.

The term "election agreement" means an agreement under Part 2422 of this Subchapter signed by all the parties, and approved by the Board, the Executive Director, or any other individual designated by the Board, concerning the details and procedures of a representation election in an appropriate unit.

§2421.19 Affected by issues raised.

The phrase "affected by issues raised", as used in Part 2422, should be construed broadly to include parties and other labor organizations, or employing offices or activities that have a connection to employees affected by, or questions presented in, a proceeding.

§2421.20 Determinative challenged ballots.

"Determinative challenged ballots" are challenges that are unresolved prior to the tally and sufficient in number after the tally to affect the results of the election.

PART 2422—REPRESENTATION PROCEEDINGS

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§2422.1 Purposes of a petition.

A petition may be filed for the following purposes:

(a) *Elections or Eligibility for dues allotment.* To request:

(1)(i) An election to determine if employees in an appropriate unit wish to be represented for the purpose of collective bargaining by an exclusive representative; and/or

(ii) A determination of eligibility for dues allotment in an appropriate unit without an exclusive representative; or

(2) An election to determine if employees in a unit no longer wish to be represented for the purpose of collective bargaining by an exclusive representative.

(3) Petitions under this subsection must be accompanied by an appropriate showing of interest.

(b) *Clarification or Amendment.* To clarify, and/or amend:

(1) A certification then in effect; and/or

(2) Any other matter relating to representation.

(c) *Consolidation.* To consolidate two or more units, with or without an election, in an employing office and for which a labor organization is the exclusive representative.

§2422.2 Standing to file a petition.

A representation petition may be filed by: an individual; a labor organization; two or more labor organizations acting as a joint-petitioner; an individual acting on behalf of any employee(s); an employing office or activity; or a combination of the above: *provided, however,* that (a) only a labor organization has standing to file a petition pursuant to section 2422.1(a)(1); (b) only an individual has standing to file a petition pursuant to section 2422.1(a)(2); and (c) only an employing office or a labor organization may file a petition pursuant to section 2422.1(b) or (c).

§2422.3 Contents of a petition.

(a) *What to file.* A petition must be filed on a form prescribed by the Board and contain the following information:

(1) The name and mailing address for each employing office or activity affected by issues raised in the petition, including street number, city, state and zip code.

(2) The name, mailing address and work telephone number of the contact person for each employing office or activity affected by issues raised in the petition.

(3) The name and mailing address for each labor organization affected by issues raised in the petition, including street number, city, state and zip code. If a labor organization is affiliated with a national organization, the local designation and the national affiliation should both be included. If a labor organization is an exclusive representative of any of the employees affected by issues raised in the petition, the date of the certification and the date any collective bargaining agreement covering the unit will expire or when the most recent agreement did expire should be included, if known.

(4) The name, mailing address and work telephone number of the contact person for each labor organization affected by issues raised in the petition.

(5) The name and mailing address for the petitioner, including street number, city, state and zip code. If a labor organization petitioner is affiliated with a national organization, the local designation and the national affiliation should both be included.

(6) A description of the unit(s) affected by issues raised in the petition. The description should generally indicate the geographic locations and the classifications of the employees included (or sought to be included) in, and excluded (or sought to be excluded) from, the unit.

(7) The approximate number of employees in the unit(s) affected by issues raised in the petition.

(8) A clear and concise statement of the issues raised by the petition and the results the petitioner seeks.

(9) A declaration by the person signing the petition, under the penalties of the Criminal Code (18 U.S.C. 1001), that the contents of the petition are true and correct to the best of the person's knowledge and belief.

(10) The signature, title, mailing address and telephone number of the person filing the petition.

(b) *Compliance with 5 U.S.C. 7111(e), as applied by the CAA.* A labor organization/petitioner complies with 5 U.S.C. 7111(e), as applied by the CAA, by submitting to the employing office or activity and to the Department of Labor a roster of its officers and representatives, a copy of its constitution and bylaws, and a statement of its objectives. By signing the petition form, the labor organization/petitioner certifies that it has submitted these documents to the employing activity or office and to the Department of Labor.

(c) *Showing of interest supporting a representation petition.* When filing a petition requiring a showing of interest, the petitioner must:

(1) So indicate on the petition form;

(2) Submit with the petition a showing of interest of not less than thirty percent (30%) of the employees in the unit involved in the petition; and

(3) Include an alphabetical list of the names constituting the showing of interest.

(d) *Petition seeking dues allotment.* When there is no exclusive representative, a petition seeking certification for dues allotment shall be accompanied by a showing of membership in the petitioner of not less than ten percent (10%) of the employees in the unit claimed to be appropriate. An alphabetical list of names constituting the showing of membership must be submitted.

§2422.4 Service requirements.

Every petition, motion, brief, request, challenge, written objection, or application for review shall be served on all parties affected by issues raised in the filing. The service shall include all documentation in support thereof, with the exception of a showing of interest, evidence supporting challenges to the validity of a showing of interest, and evidence supporting objections to an election. The filer must submit a written statement of service to the Executive Director.

§2422.5 Filing petitions.

(a) *Where to file.* Petitions must be filed with the Executive Director.

(b) *Number of copies.* An original and two (2) copies of the petition and the accompanying material must be filed with the Executive Director.

(c) *Date of filing.* A petition is filed when it is received by the Executive Director.

§2422.6 Notification of filing.

(a) *Notification to parties.* After a petition is filed, the Executive Director, on behalf of the Board, will notify any labor organization, employing office or employing activity that the parties have identified as being affected by issues raised by the petition, that a petition has been filed with the Office. The Executive Director, on behalf of the Board, will also make reasonable efforts to identify and notify any other party affected by the issues raised by the petition.

(b) *Contents of the notification.* The notification will inform the labor organization, employing office or employing activity of:

(1) The name of the petitioner;

(2) The description of the unit(s) or employees affected by issues raised in the petition; and,

(3) A statement that all affected parties should advise the Executive Director in writing of their interest in the issues raised in the petition.

§2422.7 Posting notice of filing of a petition.

(a) *Posting notice of petition.* When appropriate, the Executive Director, on behalf of the Board, after the filing of a representation petition, will direct the employing office or activity to post copies of a notice to all employees in places where notices are normally posted for the employees affected by issues raised in the petition and/or distribute copies of a notice in a manner by which notices are normally distributed.

(b) *Contents of notice.* The notice shall advise affected employees about the petition.

(c) *Duration of notice.* The notice should be conspicuously posted for a period of ten (10) days and not be altered, defaced, or covered by other material.

§2422.8 Intervention and cross-petitions.

(a) *Cross-petitions.* A cross-petition is a petition which involves any employees in a unit covered by a pending representation petition. Cross-petitions must be filed in accordance with this subpart.

(b) *Intervention requests and cross-petitions.* A request to intervene and a cross-petition, accompanied by any necessary showing of interest, must be submitted in writing and filed with the Executive Director before the pre-election investigatory hearing opens, unless good cause is shown for granting an extension. If no pre-election investigatory hearing is held, a request to intervene and a cross-petition must be filed prior to action being taken pursuant to §2422.30.

(c) *Labor organization intervention requests.* Except for incumbent intervenors, a labor organization seeking to intervene shall submit a statement that it has complied with 5 U.S.C. 7111(e), as applied by the CAA, and one of the following:

(1) A showing of interest of ten percent (10%) or more of the employees in the unit covered by a petition seeking an election, with an alphabetical list of the names of the employees constituting the showing of interest; or

(2) A current or recently expired collective bargaining agreement covering any of the employees in the unit affected by issues raised in the petition; or

(3) Evidence that it is or was, prior to a reorganization, the certified exclusive representative of any of the employees affected by issues raised in the petition.

(d) *Incumbent.* An incumbent exclusive representative, without regard to the requirements of paragraph (c) of this section, will be considered a party in any representation proceeding raising issues that affect employees the incumbent represents, unless it serves the Board, through the Executive Director, with a written disclaimer of any representation interest in the claimed unit.

(e) *Employing office.* An employing office or activity will be considered a party if any of its employees are affected by issues raised in the petition.

(f) *Employing office or activity intervention.* An employing office or activity seeking to intervene in any representation proceeding must submit evidence that one or more employees of the employing office or activity may be affected by issues raised in the petition.

§2422.9 Adequacy of showing of interest.

(a) *Adequacy.* Adequacy of a showing of interest refers to the percentage of employees in the unit involved as required by §§2422.3 (c) and (d) and 2422.8(c)(1).

(b) *Executive Director investigation and action.* The Executive Director, on behalf of the Board, will conduct such investigation as deemed appropriate. The Executive Director's determination, on behalf of the Board, that the showing of interest is adequate is final and binding and not subject to collateral attack at a representation hearing or on appeal to the Board. If the Executive Director determines, on behalf of the Board, that a showing of interest is inadequate, the Executive Director will dismiss the petition, or deny a request for intervention.

§2422.10 Validity of showing of interest.

(a) *Validity.* Validity questions are raised by challenges to a showing of interest on grounds other than adequacy.

(b) *Validity challenge.* The Executive Director or any party may challenge the validity of a showing of interest.

(c) *When and where validity challenges may be filed.* Party challenges to the validity of a showing of interest must be in writing and filed with the Executive Director before the pre-election investigatory hearing opens, unless good cause is shown for granting an extension. If no pre-election investigatory hearing is held, challenges to the validity of a showing of interest must be filed prior to action being taken pursuant to §2422.30.

(d) *Contents of validity challenges.* Challenges to the validity of a showing of interest must be supported with evidence.

(e) *Executive Director investigation and action.* The Executive Director, on behalf of the Board, will conduct such investigation as deemed appropriate. The Executive Director's determination, on behalf of the Board, that a showing of interest is valid is final and binding and is not subject to collateral attack or appeal to the Board. If the Executive Director finds, on behalf of the Board, that the showing of interest is not valid, the Executive Director will dismiss the petition or deny the request to intervene.

§2422.11 Challenge to the status of a labor organization.

(a) *Basis of challenge to labor organization status.* The only basis on which a challenge to the status of a labor organization may be made is compliance with 5 U.S.C. 7103(a)(4), as applied by the CAA.

(b) *Format and time for filing a challenge.* Any party filing a challenge to the status of a labor organization involved in the processing of a petition must do so in writing to the Executive Director before the pre-election investigatory hearing opens, unless good cause is shown for granting an extension. If no hearing is held, challenges must be filed prior to action being taken pursuant to §2422.30.

§2422.12 Timeliness of petitions seeking an election.

(a) *Election bar.* Where there is no certified exclusive representative, a petition seeking an election will not be considered timely if filed within twelve (12) months of a valid election involving the same unit or a subdivision of the same unit.

(b) *Certification bar.* Where there is a certified exclusive representative of employees, a petition seeking an election will not be considered timely if filed within twelve (12) months after the certification of the exclusive representative of the employees in an appropriate unit. If a collective bargaining agreement covering the claimed unit is pending employing office head review under 5 U.S.C. 7114(c), as applied by the CAA, or is in effect, paragraphs (c), (d), or (e) of this section apply.

(c) *Bar during employing office head review.* A petition seeking an election will not be considered timely if filed during the period of employing office head review under 5 U.S.C. 7114(c), as applied by the CAA. This bar expires upon either the passage of thirty (30) days absent employing office head action, or upon the date of any timely employing office head action.

(d) *Contract bar where the contract is for three (3) years or less.* Where a collective bargaining agreement is in effect covering the claimed unit and has a term of three (3) years or less from the date it became effective, a petition seeking an election will be considered timely if filed not more than one hundred and five (105) and not less than sixty (60) days prior to the expiration of the agreement.

(e) *Contract bar where the contract is for more than three (3) years.* Where a collective bargaining agreement is in effect covering the claimed unit and has a term of more than three (3) years from the date it became effective, a petition seeking an election will be considered timely if filed not more than one hundred and five (105) and not less than sixty (60) days prior to the expiration of the initial three (3) year period, and any time after the expiration of the initial three (3) year period.

(f) *Unusual circumstances.* A petition seeking an election or a determination relating to representation matters may be filed at any time when unusual circumstances exist that substantially affect the unit or majority representation.

(g) *Premature extension.* Where a collective bargaining agreement with a term of three (3) years or less has been extended prior to sixty (60) days before its expiration date, the extension will not serve as a basis for dismissal of a petition seeking an election filed in accordance with this section.

(h) *Contract requirements.* Collective bargaining agreements, including agreements that go into effect under 5 U.S.C. 7114(c), as applied by the CAA, and those that automatically renew without further action by the parties, do not constitute a bar to a petition seeking an election under this section unless a clear and unambiguous effective date, renewal date where applicable, duration, and termination date are ascertainable from the agreement and relevant accompanying documentation.

§2422.13 Resolution of issues raised by a petition.

(a) *Meetings prior to filing a representation petition.* All parties affected by the representation issues that may be raised in a petition are encouraged to meet prior to the filing of the petition to discuss their interests and narrow and resolve the issues. If requested by all parties a representative of the Office will participate in these meetings.

(b) *Meetings to narrow and resolve the issues after the petition is filed.* After a petition is filed, the Executive Director may require all affected parties to meet to narrow and resolve the issues raised in the petition.

§2422.14 Effect of withdrawal/dismissal.

(a) *Withdrawal/dismissal less than sixty (60) days before contract expiration.* When a petition seeking an election that has been timely filed is withdrawn by the petitioner or dismissed by the Executive Director or the Board less than sixty (60) days prior to the expiration of an existing agreement between the incumbent exclusive representative and the employing office or activity or any time after the expiration of the agreement, another petition seeking an election will not be considered timely if filed within a ninety (90) day period from either:

(1) The date the withdrawal is approved; or

(2) The date the petition is dismissed by the Executive Director when no application for review is filed with the Board; or

(3) The date the Board rules on an application for review; or

(4) The date the Board issues a Decision and Order dismissing the petition.

Other pending petitions that have been timely filed under this Part will continue to be processed.

(b) *Withdrawal by petitioner.* A petitioner who submits a withdrawal request for a petition seeking an election that is received by the Executive Director after the notice of pre-election investigatory hearing issues or after approval of an election agreement, whichever occurs first, will be barred from filing another petition seeking an election for the same unit or any subdivision of the unit for six (6) months from the date of the approval of the withdrawal by the Executive Director.

(c) *Withdrawal by incumbent.* When an election is not held because the incumbent disclaims any representation interest in a unit, a petition by the incumbent seeking an election involving the same unit or a subdivision of the same unit will not be considered timely if filed within six (6) months of cancellation of the election.

§2422.15 Duty to furnish information and cooperate.

(a) *Relevant information.* After a petition is filed, all parties must, upon request of the Executive Director, furnish the Executive Director and serve all parties affected by issues raised in the petition with information concerning parties, issues, and agreements raised in or affected by the petition.

(b) *Inclusions and exclusions.* After a petition seeking an election is filed, the Executive Director, on behalf of the Board, may direct the employing office or activity to furnish the Executive Director and all parties affected by issues raised in the petition with a current alphabetized list of employees and job classifications included in and/or excluded from the existing or claimed unit affected by issues raised in the petition.

(c) *Cooperation.* All parties are required to cooperate in every aspect of the representation process. This obligation includes cooperating fully with the Executive Director, submitting all required and requested information, and participating in prehearing conferences and pre-election investigatory hearings. The failure to cooperate in the representation process may result in the Executive Director or the Board taking appropriate action, including dismissal of the petition or denial of intervention.

§2422.16 Election agreements or directed elections.

(a) *Election agreements.* Parties are encouraged to enter into election agreements.

(b) *Executive Director directed election.* If the parties are unable to agree on procedural matters, specifically, the eligibility period, method of election, dates, hours, or locations of the election, the Executive Director, on behalf of the Board, will decide election procedures and issue a Direction of Election, without prejudice to the rights of a party to file objections to the procedural conduct of the election.

(c) *Opportunity for an investigatory hearing.* Before directing an election, the Executive Director shall provide affected parties an opportunity for a pre-election investigatory hearing on other than procedural matters.

(d) *Challenges or objections to a directed election.* A Direction of Election issued under this section will be issued without prejudice to the right of a party to file a challenge to the eligibility of any person participating in the election and/or objections to the election.

§2422.17 Notice of pre-election investigatory hearing and prehearing conference.

(a) *Purpose of notice of an investigatory hearing.* The Executive Director, on behalf of the Board, may issue a notice of pre-election investigatory hearing involving any issues raised in the petition.

(b) *Contents.* The notice of hearing will advise affected parties about the pre-election investigatory hearing. The Executive Director will also notify affected parties of the issues raised in the petition and establish a date for the prehearing conference.

(c) *Prehearing conference.* A prehearing conference will be conducted by the Executive Director or her designee, either by meeting or teleconference. All parties must participate in a prehearing conference and be prepared to fully discuss, narrow and resolve the issues set forth in the notification of the prehearing conference.

(d) *No interlocutory appeal of investigatory hearing determination.* The Executive Director's determination of whether to issue a notice of pre-election investigatory hearing is not appealable to the Board.

§2422.18 Pre-election investigatory hearing procedures.

(a) *Purpose of a pre-election investigatory hearing.* Representation hearings are considered investigatory and not adversarial. The purpose of the hearing is to develop a full and complete record of relevant and material facts.

(b) *Conduct of hearing.* Pre-election investigatory hearings will be open to the public unless otherwise ordered by the Executive Director or her designee. There is no burden of proof, with the exception of proceedings on objections to elections as provided for in §2422.27(b). Formal rules of evidence do not apply.

(c) *Pre-election investigatory hearing.* Pre-election investigatory hearings will be conducted by the Executive Director or her designee.

(d) *Production of evidence.* Parties have the obligation to produce existing documents and witnesses for the investigatory hearing in accordance with the instructions of the Executive Director or her designee. If a party willfully fails to comply with such instructions, the Board may draw an inference adverse to that party on the issue related to the evidence sought.

(e) *Transcript.* An official reporter will make the official transcript of the pre-election investigatory hearing. Copies of the official transcript may be examined in the Office during normal working hours. Requests by parties to purchase copies of the official transcript should be made to the official hearing reporter.

§2422.19 Motions.

(a) *Purpose of a motion.* Subsequent to the issuance of a notice of pre-election investigatory hearing in a representation proceeding, a party seeking a ruling, an order, or relief must do so by filing or raising a motion stating the order or relief sought and the grounds therefor. Challenges and other filings referenced in other sections of this subpart may, in the discretion of the Executive Director or her designee, be treated as a motion.

(b) *Prehearing motions.* Prehearing motions must be filed in writing with the Executive Director. Any response must be filed with the Executive Director within five (5) days after service of the motion. The Executive Director shall rule on the motion.

(c) *Motions made at the investigatory hearing.* During the pre-election investigatory hearing, motions will be made to the Executive Director or her designee, and may be oral on the record, unless otherwise required in this subpart to be in writing. Responses may be oral on the record or in writing, but, absent permission of the Executive Director or her designee, must be provided before the hearing closes. The Executive Director or her designee will rule on motions made at the hearing.

(d) *Posthearing motions.* Motions made after the hearing closes must be filed in writing with the Board. Any response to a posthearing motion must be filed with the Board within five (5) days after service of the motion.

§2422.20 Rights of parties at a pre-election investigatory hearing.

(a) *Rights.* A party at a pre-election investigatory hearing will have the right:

(1) To appear in person or by a representative;

(2) To examine and cross-examine witnesses; and

(3) To introduce into the record relevant evidence.

(b) *Documentary evidence and stipulations.* Parties must submit two (2) copies of documentary evidence to the Executive Director or her designee and copies to all other parties. Stipulations of fact between/among the parties may be introduced into evidence.

(c) *Oral argument.* Parties will be entitled to a reasonable period prior to the close of the hearing for oral argument. Presentation of a closing oral argument does not preclude a party from filing a brief under paragraph (d) of this section.

(d) *Briefs.* A party will be afforded an opportunity to file a brief with the Board.

(1) An original and two (2) copies of a brief must be filed with the Board within thirty (30) days from the close of the hearing.

(2) A written request for an extension of time to file a brief must be filed with and received by the Board no later than five (5) days before the date the brief is due.

(3) No reply brief may be filed without permission of the Board.

§2422.21 Duties and powers of the Executive Director in the conduct of the pre-election investigatory hearing.

(a) *Duties.* The Executive Director or her designee, on behalf of the Board, will receive evidence and inquire fully into the relevant and material facts concerning the matters that are the subject of the investigatory hearing, and may make recommendations on the record to the Board.

(b) *Powers.* During the period a case is assigned to the Executive Director or her designee for pre-election investigatory hearing and prior to the close of the hearing, the Executive Director or her designee may take any action necessary to schedule, conduct, continue, control, and regulate the pre-election investigatory hearing, including ruling on motions when appropriate.

§2422.22 Objections to the conduct of the pre-election investigatory hearing.

(a) *Objections.* Objections are oral or written complaints concerning the conduct of a pre-election investigatory hearing.

(b) *Exceptions to rulings.* There are automatic exceptions to all adverse rulings.

§2422.23 Election procedures.

(a) *Executive Director conducts or supervises election.* The Executive Director, on behalf of the Board, will decide to conduct or supervise the election. In supervised elections, employing offices or activities will perform all acts as specified in the Election Agreement or Direction of Election.

(b) *Notice of election.* Prior to the election a notice of election, prepared by the Executive Director, will be posted by the employing office or activity in places where notices to employees are customarily posted and/or distributed in a manner by which notices are normally distributed. The notice of election will contain the details and procedures of the election, including the appropriate unit, the eligibility period, the date(s), hour(s) and location(s) of the election, a sample ballot, and the effect of the vote.

(c) *Sample ballot.* The reproduction of any document purporting to be a copy of the official ballot that suggests either directly or indirectly to employees that the Board endorses a particular choice in the election may constitute grounds for setting aside an election if objections are filed under §2422.26.

(d) *Secret ballot.* All elections will be by secret ballot.

(e) *Intervenor withdrawal from ballot.* When two or more labor organizations are included as choices in an election, an intervening labor organization may, prior to the approval of an election agreement or before the direction of an election, file a written request with the Executive Director to remove its name from the ballot. If the request is not received prior to the approval of an election agreement or before the direction of an election, unless the parties and the Executive Director, on behalf of the Board, agree otherwise, the intervening labor organization will remain on the ballot. The Executive Director's decision on the request is final and not subject to the filing of an application for review with the Board.

(f) *Incumbent withdrawal from ballot in an election to decertify an incumbent representative.* When there is no intervening labor organization, an election to decertify an incumbent exclusive representative will not be held if the incumbent provides the Executive Director with a written disclaimer of any representation interest in the unit. When there is an intervenor, an election will be held if the intervening labor organization proffers a thirty percent (30%) showing of interest within the time period established by the Executive Director.

(g) *Petitioner withdraws from ballot in an election.* When there is no intervening labor organization, an election will not be held if the petitioner provides the Executive Director with a written request to withdraw the petition. When there is an intervenor, an election will be held if the intervening labor organization proffers a thirty percent (30%) showing of interest within the time period established by the Executive Director.

(h) *Observers.* All parties are entitled to representation at the polling location(s) by observers of their own selection subject to the Executive Director's approval.

(1) Parties desiring to name observers must file in writing with the Executive Director a request for specifically named observers at least fifteen (15) days prior to an election. The Executive Director may grant an extension of time for filing a request for specifically named observers for good cause where a party requests such an extension or on the Executive Director's own motion. The request must name and identify the observers requested.

(2) An employing office or activity may use as its observers any employees who are not eligible to vote in the election, except:

(i) Supervisors or management officials;

(ii) Employees who have any official connection with any of the labor organizations involved; or

(iii) Non-employees of the legislative branch.

(3) A labor organization may use as its observers any employees eligible to vote in the election, except:

(i) Employees on leave without pay status who are working for the labor organization involved; or

(ii) Employees who hold an elected office in the union.

(4) Objections to a request for specific observers must be filed with the Executive Director stating the reasons in support within five (5) days after service of the request.

(5) The Executive Director's ruling on requests for and objections to observers is final and binding and is not subject to the filing of an application for review with the Board.

§2422.24 Challenged ballots.

(a) *Filing challenges.* A party or the Executive Director may, for good cause, challenge the eligibility of any person to participate in the election prior to the employee voting.

(b) *Challenged ballot procedure.* An individual whose eligibility to vote is in dispute will be given the opportunity to vote a challenged ballot. If the parties and the Region are unable to resolve the challenged ballot(s) prior to the tally of ballots, the unresolved challenged ballot(s) will be impounded and preserved until a determination can be made, if necessary, by the Executive Director or the Board.

§2422.25 Tally of ballots.

(a) *Tallying the ballots.* When the election is concluded, the Executive Director or her designee will tally the ballots.

(b) *Service of the tally.* When the tally is completed, the Executive Director will serve the tally of ballots on the parties in accordance with the election agreement or direction of election.

(c) *Valid ballots cast.* Representation will be determined by the majority of the valid ballots cast.

§2422.26 Objections to the election.

(a) *Filing objections to the election.* Objections to the procedural conduct of the election or to conduct that may have improperly affected the results of the election may be filed by any party. Objections must be filed and received by the Executive Director within five (5) days after the tally of ballots has been served. Any objections must be timely regardless of whether the challenged ballots are sufficient in number to affect the results of the election. The objections must be supported by clear and concise reasons. An original and two (2) copies of the objections must be received by the Executive Director.

(b) *Supporting evidence.* The objecting party must file with the Executive Director evidence, including signed statements, documents and other materials supporting the objections within ten (10) days after the objections are filed.

§2422.27 *Determinative challenged ballots and objections.*

(a) *Investigation.* The Executive Director, on behalf of the Board, will investigate objections and/or determinative challenged ballots that are sufficient in number to affect the results of the election.

(b) *Burden of proof.* A party filing objections to the election bears the burden of proof by a preponderance of the evidence concerning those objections. However, no party bears the burden of proof on challenged ballots.

(c) *Executive Director action.* After investigation, the Executive Director will take appropriate action consistent with §2422.30.

(d) *Consolidated hearing on objections and/or determinative challenged ballots and an unfair labor practice hearing.* When appropriate, and in accordance with §2422.33, objections and/or determinative challenged ballots may be consolidated with an unfair labor practice hearing. Such consolidated hearings will be conducted by a Hearing Officer. Exceptions and related submissions must be filed with the Board and the Board will issue a decision in accordance with Part 2423 of this chapter and section 406 of the CAA, except for the following:

(1) Section 2423.18 of this Subchapter concerning the burden of proof is not applicable;

(2) The Hearing Officer may not recommend remedial action to be taken or notices to be posted; and,

(3) References to charge and complaint in Part 2423 of this chapter will be omitted.

§2422.28 *Runoff elections.*

(a) *When a runoff may be held.* A runoff election is required in an election involving at least three (3) choices, one of which is no union or neither, when no choice receives a majority of the valid ballots cast. However, a runoff may not be held until the objections to the election and determinative challenged ballots have been resolved.

(b) *Eligibility.* Employees who were eligible to vote in the original election and who are also eligible on the date of the runoff election may vote in the runoff election.

(c) *Ballot.* The ballot in the runoff election will provide for a selection between the two choices receiving the largest and second largest number of votes in the election.

§2422.29 *Inconclusive elections.*

(a) *Inconclusive elections.* An inconclusive election is one where challenged ballots are not sufficient to affect the outcome of the election and one of the following occurs:

(1) The ballot provides for at least three (3) choices, one of which is no union or neither and the votes are equally divided; or

(2) The ballot provides for at least three (3) choices, the choice receiving the highest number of votes does not receive a majority, and at least two other choices receive the next highest and same number of votes; or

(3) When a runoff ballot provides for a choice between two labor organizations and results in the votes being equally divided; or

(4) When the Board determines that there have been significant procedural irregularities.

(b) *Eligibility to vote in a rerun election.* A current payroll period will be used to determine eligibility to vote in a rerun election.

(c) *Ballot.* If a determination is made that the election is inconclusive, the election will be rerun with all the choices that appeared on the original ballot.

(d) *Number of reruns.* There will be only one rerun of an inconclusive election. If the rerun results in another inconclusive election, the tally of ballots will indicate a majority of valid ballots has not been cast for any choice and a certification of results will be issued. If necessary, a runoff may be held when an original election is rerun.

§2422.30 *Executive Director investigations, notices of pre-election investigatory hearings, and actions; Board Decisions and Orders.*

(a) *Executive Director investigation.* The Executive Director, on behalf of the Board, will make such investigation of the petition and any other matter as the Executive Director deems necessary.

(b) *Executive Director notice of pre-election investigatory hearing.* On behalf of the Board, the Executive Director will issue a notice of pre-election investigatory hearing to inquire into any matter about which a material issue of fact exists, where there is an issue as to whether a question concerning representation exists, and any time there is reasonable cause to believe a question exists regarding unit appropriateness.

(c) *Executive Director action.* After investigation and/or hearing, when a pre-election investigatory hearing has been ordered, the Executive Director may, on behalf of the Board, approve an election agreement, dismiss a petition or deny intervention where there is an inadequate or invalid showing of interest, or dismiss a petition where there is an undisputed bar to further processing of the petition under law, rule or regulation.

(d) *Appeal of Executive Director action.* A party may file with the Board an application for review of an Executive Director action taken pursuant to section (c) above.

(e) *Contents of the Record.* When no pre-election investigatory hearing has been conducted all material submitted to and considered by the Executive Director during the investigation becomes a part of the record. When a pre-election investigatory hearing has been conducted, the transcript and all material entered into evidence, including any posthearing briefs, become a part of the record.

(f) *Transfer of record to Board; Board Decisions and Orders.* In cases that are submitted to the Board for decision in the first instance, the Board shall decide the issues presented based upon the record developed by the Executive Director, including the transcript of the pre-election investigatory hearing, if any, documents admitted into the record and briefs and other approved submissions from the parties. The Board may direct that a secret ballot election be held, issue an order dismissing the petition, or make such other disposition of the matter as it deems appropriate.

§2422.31 *Application for review of an Executive Director action.*

(a) *Filing an application for review.* A party must file an application for review with the Board within sixty (60) days of the Executive Director's action. The sixty (60) day time limit provided for in 5 U.S.C. 7105(f), as applied by the CAA, may not be extended or waived.

(b) *Contents.* An application for review must be sufficient to enable the Board to rule on the application without recourse to the record; however, the Board may, in its discretion, examine the record in evaluating the application. An application must specify the matters and rulings to which exception(s) is taken, include a summary of evidence relating to any issue raised in the application, and make specific reference to page citations in the transcript if a hearing was held. An application may not raise any issue or rely on any facts not timely presented to the Executive Director.

(c) *Review.* The Board may, in its discretion, grant an application for review when the application demonstrates that review is warranted on one or more of the following grounds:

(1) The decision raises an issue for which there is an absence of precedent;

(2) Established law or policy warrants reconsideration; or,

(3) There is a genuine issue over whether the Executive Director has:

(i) Failed to apply established law;

(ii) Committed a prejudicial procedural error;

(iii) Committed a clear and prejudicial error concerning a substantial factual matter.

(d) *Opposition.* A party may file with the Board an opposition to an application for review within ten (10) days after the party is served with the application. A copy must be served on the Executive Director and all other parties and a statement of service must be filed with the Board.

(e) *Executive Director action becomes the Board's action.* An action of the Executive Director becomes the action of the Board when:

(1) No application for review is filed with the Board within sixty (60) days after the date of the Executive Director's action; or

(2) A timely application for review is filed with the Board and the Board does not undertake to grant review of the Executive Director's action within sixty (60) days of the filing of the application; or

(3) The Board denies an application for review of the Executive Director's action.

(f) *Board grant of review and stay.* The Board may rule on the issue(s) in an application for review in its order granting the application for review. Neither filing nor granting an application for review shall stay any action ordered by the Executive Director unless specifically ordered by the Board.

(g) *Briefs if review is granted.* If the Board does not rule on the issue(s) in the application for review in its order granting review, the Board may, in its discretion, afford the parties an opportunity to file briefs. The briefs will be limited to the issue(s) referenced in the Board's order granting review.

§2422.32 *Certifications and revocations.*

(a) *Certifications.* The Executive Director, on behalf of the Board, will issue an appropriate certification when:

(1) After an election, runoff, or rerun,

(i) No objections are filed or challenged ballots are not determinative, or

(ii) Objections and determinative challenged ballots are decided and resolved; or

(2) The Executive Director takes an action requiring a certification and that action becomes the action of the Board under §2422.31(e) or the Board otherwise directs the issuance of a certification.

(b) *Revocations.* Without prejudice to any rights and obligations which may exist under the CAA, the Executive Director, on behalf of the Board, will revoke a recognition or certification, as appropriate, and provide a written statement of reasons when an incumbent exclusive representative files, during a representation proceeding, a disclaimer of any representational interest in the unit.

§2422.33 *Relief obtainable under Part 2423.*

Remedial relief that was or could have been obtained as a result of a motion, objection, or challenge filed or raised under this subpart, may not be the basis for similar relief if filed or raised as an unfair labor practice under Part 2423 of this Chapter: *provided, however*, that related matters may be consolidated for hearing as noted in §2422.27(d) of this subpart.

§2422.34 *Rights and obligations during the pendency of representation proceedings.*

(a) *Existing recognitions, agreements, and obligations under the CAA.* During the pendency of any representation proceeding, parties are obligated to maintain existing recognitions, adhere to the terms and conditions of existing collective bargaining agreements, and fulfill all other representational and bargaining responsibilities under the CAA.

(b) *Unit status of individual employees.* Notwithstanding paragraph (a) of this section and except as otherwise prohibited by law, a party may take action based on its position regarding the bargaining unit status of individual employees, pursuant to 5 U.S.C. 7103(a)(2), 7112(b) and (c), as applied by the CAA: *provided, however*, that its actions may be challenged, reviewed, and remedied where appropriate.

PART 2423—UNFAIR LABOR PRACTICE PROCEEDINGS

Sec.

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§2423.1 *Applicability of this part.*

This part is applicable to any charge of alleged unfair labor practices occurring on or after October 1, 1996.

§2423.2 *Informal proceedings.*

(a) The purposes and policies of chapter 71, as applied by the CAA, can best be achieved by the cooperative efforts of all persons covered by the program. To this end, it shall be the policy of the Board and the General Counsel to encourage all persons alleging unfair labor practices and persons against whom such allegations are made to meet and, in good faith, attempt to resolve such matters prior to the filing of unfair labor practice charges.

(b) In furtherance of the policy referred to in paragraph (a) of this section, and noting the 180 day period of limitation set forth in section 220(c)(2) of the CAA, it shall be the policy of the Board and the General Counsel to encourage the informal resolution of unfair labor practice allegations subsequent to the filing of a charge and prior to the filing of a complaint by the General Counsel.

(c) In order to afford the parties an opportunity to implement the policy referred to in paragraphs (a) and (b) of this section, the investigation of an unfair labor practice charge by the General Counsel will normally not commence until the parties have been afforded a reasonable amount of time, not to exceed fifteen (15) days from the filing of the charge, during which period the parties are urged to attempt to informally resolve the unfair labor practice allegation.

§2423.3 *Who may file charges.*

An employing office, employing activity, or labor organization may be charged by any person with having engaged in or engaging in any unfair labor practice prohibited under 5 U.S.C. 7116, as applied by the CAA.

§2423.4 *Contents of the charge; supporting evidence and documents.*

(a) A charge alleging a violation of 5 U.S.C. 7116, as applied by the CAA, shall be submitted on forms prescribed by the General Counsel and shall contain the following:

(1) The name, address and telephone number of the person(s) making the charge;

(2) The name, address and telephone number of the employing office or activity, or labor organization against whom the charge is made;

(3) A clear and concise statement of the facts constituting the alleged unfair labor practice, a statement of the section(s) and subsection(s) of chapter 71 of title 5 of the United States Code made applicable by the CAA alleged to have been violated, and the date and place of occurrence of the particular acts; and

(4) A statement of any other procedure invoked involving the subject matter of the charge and the results, if any, including whether the subject matter raised in the charge (i) has been raised previously in a grievance procedure; (ii) has been referred to the Board under Part 2471 of these regulations, or the Federal Mediation and Conciliation Service, or (iii) involves a negotiability issue raised by the charging party in a petition pending before the Board pursuant to Part 2424 of this subchapter.

(b) Such charge shall be in writing and signed and shall contain a declaration by the person signing the charge, under the penalties of the Criminal Code (18 U.S.C. 1001), that its contents are true and correct to the best of that person's knowledge and belief.

(c) When filing a charge, the charging party shall submit to the General Counsel any supporting evidence and documents.

§2423.5 *Selection of the unfair labor practice procedure or the negotiability procedure.*

Where a labor organization files an unfair labor practice charge pursuant to this part which involves a negotiability issue, and the labor organization also files pursuant to part 2424 of this subchapter a petition for review of the same negotiability issue, the Board and the General Counsel ordinarily will not process the unfair labor practice charge and the petition for review simultaneously. Under such circumstances, the labor organization must select under which procedure to proceed. Upon selection of one procedure, further action under the other procedure will ordinarily be suspended. Such selection must be made regardless of whether the unfair labor practice charge or the petition for review of a negotiability issue is filed first. Notification of this selection must be made in writing at the time that both procedures have been invoked, and must be served on the Board, the General Counsel and all parties to both the unfair labor practice case and the negotiability case.

§2423.6 *Filing and service of copies.*

(a) An original and four (4) copies of the charge together with one copy for each additional charged party named shall be filed with the General Counsel.

(b) Upon the filing of a charge, the charging party shall be responsible for the service of a copy of the charge (without the supporting evidence and documents) upon the person(s) against whom the charge is made, and for filing a written statement of such service with the General Counsel. The General Counsel will, as a matter of course, cause a copy of such charge to be served on the person(s) against whom the charge is made, but shall not be deemed to assume responsibility for such service.

(c) A charge will be deemed to be filed when it is received by the General Counsel in accordance with the requirements in paragraph (a) of this section.

§2423.7 *Investigation of charges.*

(a) The General Counsel shall conduct such investigation of the charge as the General Counsel deems necessary. Consistent with the policy set forth in §2423.2, the investigation will normally not commence until the parties have been afforded a reasonable amount of time, not to exceed fifteen (15) days from the filing of the charge, to informally resolve the unfair labor practice allegation.

(b) During the course of the investigation all parties involved will have an opportunity to present their evidence and views to the General Counsel.

(c) In connection with the investigation of charges, all persons are expected to cooperate fully with the General Counsel.

(d) The purposes and policies of chapter 71, as applied by the CAA, can best be achieved by the full cooperation of all parties involved and the voluntary submission of all potentially relevant information from all potential sources during the course of the investigation. To this end, it shall be the policy of the Board and the General Counsel to protect the identity of individuals and the substance of the statements and information they submit or which is obtained during the investigation as a means of assuring the Board's and the General Counsel's continuing ability to obtain all relevant information.

§2423.8 *Amendment of charges.*

Prior to the issuance of a complaint, the charging party may amend the charge in accordance with the requirements set forth in §2423.6.

§2423.9 *Action by the General Counsel.*

(a) The General Counsel shall take action which may consist of the following, as appropriate:

(1) Approve a request to withdraw a charge;

(2) Refuse to file a complaint;

(3) Approve a written settlement and recommend that the Executive Director approve a written settlement agreement in accordance with the provisions of section 414 of the CAA;

(4) File a complaint;

(5) Upon agreement of all parties, transfer to the Board for decision, after filing of a complaint, a stipulation of facts in accordance with the provisions of §2429.1(a) of this subchapter; or

(6) Withdraw a complaint.

§2423.10 *Determination not to file complaint.*

(a) If the General Counsel determines that the charge has not been timely filed, that the charge fails to state an unfair labor practice, or for other appropriate reasons, the General Counsel may request the charging party to withdraw the charge, and in the absence of such withdrawal within a reasonable time, decline to file a complaint.

(b) The charging party may not obtain a review of the General Counsel's decision not to file a complaint.

§2423.11 *Settlement or adjustment of issues.*

(a) At any stage of a proceeding prior to hearing, where time, the nature of the proceeding, and the public interest permit, all interested parties shall have the opportunity to submit to the Executive Director or General Counsel, as appropriate, for consideration, all facts and arguments concerning offers of settlement, or proposals of adjustment.

Precomplaint settlements

(b)(1) Prior to the filing of any complaint or the taking of other formal action, the General Counsel will afford the charging party and the respondent a reasonable period of time in which to enter into a settlement agreement to be submitted to and approved by the General Counsel and the Executive Director. Upon approval by the General Counsel and Executive Director and compliance with the terms of the settlement agreement, no further action shall be taken in the case. If the respondent fails to perform its obligations under the settlement agreement, the General Counsel may determine to institute further proceedings.

(2) In the event that the charging party fails or refuses to become a party to a settlement agreement offered by the respondent, if the General Counsel concludes that the offered settlement will effectuate the policies of chapter 71, as applied by the CAA, the agreement shall be between the respondent and the General Counsel and the latter shall decline to file a complaint.

Post complaint settlement policy

(c) Consistent with the policy reflected in paragraph (a) of this section, even after the filing of a complaint, the Board favors the settlement of issues. Such settlements may be accomplished as provided in paragraph (b) of this section. The parties may, as part of the settlement, agree to waive their right to a hearing and agree further that the Board may issue an order requiring the respondent to take action appropriate to the terms of the settlement. Ordinarily such a settlement agreement will also contain the respondent's consent to the Board's application for the entry of a decree by the United States Court of Appeals for the Federal Circuit enforcing the Board's order.

Post complaint prehearing settlements

(d)(1) If, after the filing of a complaint, the charging party and the respondent enter into a settlement agreement, and such agreement is accepted by the General Counsel, the settlement agreement shall be submitted to the Executive Director for approval.

(2) If, after the filing of a complaint, the charging party fails or refuses to become a party to a settlement agreement offered by the respondent, and the General Counsel concludes that the offered settlement will effectuate the policies of chapter 71, as applied by the CAA, the agreement shall be between the respondent and the General Counsel. The charging party will be so informed and provided a brief written statement by the General Counsel of the reasons therefor. The settlement agreement together with the charging party's objections, if any, and the General Counsel's written statements, shall be submitted to the Executive Director for approval. The Executive Director may approve or disapprove any settlement agreement.

(3) After the filing of a complaint, if the General Counsel concludes that it will effectuate the policies of chapter 71, as applied by the CAA, the General Counsel may withdraw the complaint.

Settlements after the opening of the hearing

(e)(1) After filing of a complaint and after opening of the hearing, if the General Counsel concludes that it will effectuate the policies of chapter 71, as applied by the CAA, the General Counsel may request the Hearing Officer for permission to withdraw the complaint and, having been granted such permission to withdraw the complaint, may approve a settlement and recommend that the Executive Director approve the settlement pursuant to paragraph (b) of this section.

(2) If, after filing of a complaint and after opening of the hearing, the parties enter into a settlement agreement that contains the respondent's consent to the Board's application for the entry of a decree by the United States Court of Appeals for the Federal Circuit enforcing the Board's order, the General Counsel may request the Hearing Officer and the Executive Director to approve such settlement agreement, and upon such approval, to transmit the agreement to the Board for approval.

(3) If the charging party fails or refuses to become a party to a settlement agreement, offered by the respondent, that contains the respondent's consent to the Board's application for the entry of a decree by the United States Court of Appeals for the Federal Circuit enforcing the Board's order, and the General Counsel concludes that the offered settlement will effectuate the policies of chapter 71, as applied to the CAA, the agreement shall be between the respondent and the General Counsel. After the charging party is given an opportunity to state on the record or in writing the reasons for opposing the settlement, the General Counsel may request the Hearing Officer and the Executive Director to approve such settlement agreement, and upon such approval, to transmit the agreement to the Board for approval. The Board may approve or disapprove any such settlement agreement or return the case to the Hearing Officer for other appropriate action.

§2423.12 *Filing and contents of the complaint.*

(a) After a charge is filed, if it appears to the General Counsel that formal proceedings in respect thereto should be instituted, the General Counsel shall file a formal complaint: *Provided, however,* That a determination by the General Counsel to file a complaint shall not be subject to review.

(b) The complaint shall include:

(1) Notice of the charge;

(2) Any information required pursuant to the Procedural Rules of the Office.

(c) Any such complaint may be withdrawn before the hearing by the General Counsel.

§2423.13 *Answer to the complaint.*

A respondent shall file an answer to a complaint in accordance with the requirements of the Procedural Rules of the Office.

§2423.14 *Prehearing disclosure; conduct of hearing.*

The procedures for prehearing discovery and the conduct of the hearing are set forth in the Procedural Rules of the Office.

§2423.15 *Intervention.*

Any person involved and desiring to intervene in any proceeding pursuant to this part shall file a motion in accordance with the procedures set forth in the Procedural Rules of the Office. The motion shall state the grounds upon which such person claims involvement.

§423.16 *[Reserved]*

§423.17 *[Reserved]*

§423.18 *Burden of proof before the Hearing Officer.*

The General Counsel shall have the responsibility of presenting the evidence in support of the complaint and shall have the burden of proving the allegations of the complaint by a preponderance of the evidence.

2423.19 *Duties and powers of the Hearing Officer.*

It shall be the duty of the Hearing Officer to inquire fully into the facts as they relate to the matter before such Hearing Officer, subject to the rules and regulations of the Office and the Board.

§2423.20 *[Reserved]*

§2423.21 *[Reserved]*

§2423.22 *[Reserved]*

§2423.23 *[Reserved]*

§2423.24 *[Reserved]*

§2423.25 *[Reserved]*

§2423.26 *Hearing Officer decisions; entry in records of the Office.*

In accordance with the Procedural Rules of the Office, the Hearing Officer shall issue a written decision and that decision will be entered into the records of the Office.

§2423.27 *Appeal to the Board.*

An aggrieved party may seek review of a decision and order of the Hearing Officer in accordance with the Procedural Rules of the Office.

§2423.28 *[Reserved]*

§2423.29 *Action by the Board.*

(a) If an appeal is filed, the Board shall review the decision of the Hearing Officer in accordance with section 406 of the CAA, and the Procedural Rules of the Office.

(b) Upon finding a violation, the Board shall issue an order:

(1) To cease and desist from any such unfair labor practice in which the employing office or labor organization is engaged;

(2) Requiring the parties to renegotiate a collective bargaining agreement in accordance with the order of the Board and requiring that the agreement, as amended, be given retroactive effect;

(3) Requiring reinstatement of an employee with backpay in accordance with 5 U.S.C. 5596; or

(4) Including any combination of the actions described in paragraphs (1) through (3) of this paragraph (b), or such other action as will carry out the purpose of the chapter 71, as applied by the CAA.

(c) Upon finding no violation, the Board shall dismiss the complaint.

§2423.30 *Compliance with decisions and orders of the Board.*

When remedial action is ordered, the respondent shall report to the Office within a specified period that the required remedial action has been effected. When the General Counsel or the Executive Director finds that the required remedial action has not been effected, the General Counsel or the Executive Director shall take such action as may be appropriate, including referral to the Board for enforcement.

§2423.31 *Backpay proceedings.*

After the entry of a Board order directing payment of backpay, or the entry of a court decree enforcing such order, if it appears to the General Counsel that a controversy exists which cannot be resolved without a formal proceeding, the General Counsel may issue and serve on all parties a backpay specification accompanied by a request for hearing or a request for hearing without a specification. Upon receipt of the request for hearing, the Executive Director will appoint an independent Hearing Officer. The respondent shall, within twenty (20) days after the service of a backpay specification, file an answer thereto in accordance with the Office's Procedural Rules. No answer need be filed by the respondent to a notice of hearing issued without a specification. After the issuance of a notice of hearing, with or without a backpay specification, the hearing procedures provided in the Procedural Rules of the Office shall be followed insofar as applicable.

PART 2424—EXPEDITED REVIEW OF NEGOTIABILITY ISSUES

Subpart A—Instituting an Appeal

Sec.

2424.1 Conditions governing review.
2424.2 Who may file a petition.
2424.3 Time limits for filing.
2424.4 Content of petition; service.
2424.5 Selection of the unfair labor practice procedure or the negotiability procedure.
2424.6 Position of the employing office; time limits for filing; service.
2424.7 Response of the exclusive representative; time limits for filing; service.
2424.8 Additional submissions to the Board.
2424.9 Hearing.
2424.10 Board decision and order; compliance.

Subpart B—Criteria for Determining Compelling Need for Employing Office Rules and Regulations

2424.11 Illustrative criteria.

Subpart A—Instituting an Appeal

§ 2424.1 Conditions governing review.

The Board will consider a negotiability issue under the conditions prescribed by 5 U.S.C. 7117 (b) and (c), as applied by the CAA, namely: If an employing office involved in collective bargaining with an exclusive representative alleges that the duty to bargain in good faith does not extend to any matter proposed to be bargained because, as proposed, the matter is inconsistent with law, rule or regulation, the exclusive representative may appeal the allegation to the Board when——

(a) It disagrees with the employing office's allegation that the matter as proposed to be bargained is inconsistent with any Federal law or any Government-wide rule or regulation; or

(b) It alleges, with regard to any employing office rule or regulation asserted by the employing office as a bar to negotiations on the matter, as proposed, that:

(1) The rule or regulation violates applicable law, or rule or regulation of appropriate authority outside the employing office;

(2) The rule or regulation was not issued by the employing office or by any primary national subdivision of the employing office, or otherwise is not applicable to bar negotiations with the exclusive representative, under 5 U.S.C. 7117(a)(3), as applied by the CAA; or

(3) No compelling need exists for the rule or regulation to bar negotiations on the matter, as proposed, because the rule or regulation does not meet the criteria established in subpart B of this part.

§ 2424.2 Who may file a petition.

A petition for review of a negotiability issue may be filed by an exclusive representative which is a party to the negotiations.

§ 2424.3 Time limits for filing.

The time limit for filing a petition for review is fifteen (15) days after the date the employing office's allegation that the duty to bargain in good faith does not extend to the matter proposed to be bargained is served on the exclusive representative. The exclusive representative shall request such allegation in writing and the employing office shall make the allegation in writing and serve a copy on the exclusive representative: provided, however, that review of a negotiability issue may be requested by an exclusive representative under this subpart without a prior written allegation by the employing office if the employing office has not served such allegation upon the exclusive representative within ten (10) days after the date of the receipt by any employing office bargaining representative at the negotiations of a written request for such allegation.

§ 2424.4 Content of petition; service.

(a) A petition for review shall be dated and shall contain the following:

(1) A statement setting forth the express language of the proposal sought to be negotiated as submitted to the employing office;

(2) An explicit statement of the meaning attributed to the proposal by the exclusive representative including:

(i) Explanation of terms of art, acronyms, technical language, or any other aspect of the language of the proposal which is not in common usage; and

(ii) Where the proposal is concerned with a particular work situation, or other particular circumstances, a description of the situation or circumstances which will enable the Board to understand the context in which the proposal is intended to apply;

(3) A copy of all pertinent material, including the employing office's allegation in writing that the matter, as proposed, is not within the duty to bargain in good faith, and other relevant documentary material; and

(4) Notification by the petitioning labor organization whether the negotiability issue is also involved in an unfair labor practice charge filed by such labor organization under part 2423 of this subchapter and pending before the General Counsel.

(b) A copy of the petition including all attachments thereto shall be served on the employing office head and on the principal employing office bargaining representative at the negotiations.

(c)(1) Filing an incomplete petition for review will result in the exclusive representative being asked to provide the missing or incomplete information. Noncompliance with a request to complete the record may result in dismissal of the petition.

(2) The processing priority accorded to an incomplete petition, relative to other pending negotiability appeals, will be based upon the date when the petition is completed not the date it was originally filed.

§ 2424.5 Selection of the unfair labor practice procedure or the negotiability procedure.

Where a labor organization files an unfair labor practice charge pursuant to part 2423 of this subchapter which involves a negotiability issue, and the labor organization also files pursuant to this part a petition for review of the same negotiability issue, the Board and the General Counsel ordinarily will not process the unfair labor practice charge and the petition for review simultaneously. Under such circumstances, the labor organization must select under which procedure to proceed. Upon selection of one procedure, further action under the other procedure will ordinarily be suspended. Such selection must be made regardless of whether the unfair labor practice charge or the petition for review of a negotiability issue is filed first. Notification of this selection must be made in writing at the time that both procedures have been invoked, and must be served on the Board, the General Counsel and all parties to both the unfair labor practice case and the negotiability case.

§ 2424.6 Position of the employing office; time limits for filing; service.

(a) Within thirty (30) days after the date of the receipt by the head of an employing office of a copy of a petition for review of a negotiability issue the employing office shall file a statement

(1) Withdrawing the allegation that the duty to bargain in good faith does not extend to the matter proposed to be negotiated; or

(2) Setting forth in full its position on any matters relevant to the petition which it wishes the Board to consider in reaching its decision, including a full and detailed statement of its reasons supporting the allegation. The statement shall cite the section of any law, rule or regulation relied upon as a basis for the allegation and shall contain a copy of any internal employing office rule or regulation so relied upon. The statement shall include:

(i) Explanation of the meaning the employing office attributes to the proposal as a whole, including any terms of art, acronyms, technical language or any other aspect of the language of the proposal which is not in common usage; and

(ii) Description of a particular work situation, or other particular circumstance the employing office views the proposal to concern, which will enable the Board to understand the context in which the proposal is considered to apply by the employing office.

(b) A copy of the employing office's statement of position, including all attachments thereto shall be served on the exclusive representative.

§ 2424.7 Response of the exclusive representative; time limits for filing; service.

(a) Within fifteen (15) days after the date of the receipt by an exclusive representative of a copy of an employing office's statement of position the exclusive representative shall file a full and detailed response stating its position and reasons for:

(1) Disagreeing with the employing office's allegation that the matter, as proposed to be negotiated, is inconsistent with any Federal law or Government-wide rule or regulation; or

(2) Alleging that the employing office's rules or regulations violate applicable law, or rule or regulation or appropriate authority outside the employing office; that the rules or regulations were not issued by the employing office or by any primary national subdivision of the employing office, or otherwise are not applicable to bar negotiations under 5 U.S.C. 7117(a)(3), as applied by the CAA; or that no compelling need exists for the rules or regulations to bar negotiations.

(b) The response shall cite the particular section of any law, rule or regulation alleged to be violated by the employing office's rules or regulations; or shall explain the grounds for contending the employing office rules or regulations are not applicable to bar negotiations under 5 U.S.C. 7117(a)(3), as applied by the CAA, or fail to meet the criteria established in subpart B of this part, or were not issued at the employing office headquarters level or at the level of a primary national subdivision.

(c) A copy of the response of the exclusive representative including all attachments thereto shall be served on the employing office head and on the employing office's representative of record in the proceeding before the Board.

§2424.8 *Additional submissions to the Board.*

The Board will not consider any submission filed by any party, whether supplemental or responsive in nature, other than those authorized under §§2424.2 through 2424.7 unless such submission is requested by the Board; or unless, upon written request by any party, a copy of which is served on all other parties, the Board in its discretion grants permission to file suchsubmission.

§2424.9 *Hearing.*

A hearing may be held, in the discretion of the Board, before a determination is made under 5 U.S.C. 7117(b) or (c), as applied by the CAA. If a hearing is held, it shall be expedited to the extent practicable and shall not include the General Counsel as a party.

§2424.10 *Board decision and order; compliance.*

(a) Subject to the requirements of this subpart the Board shall expedite proceedings under this part to the extent practicable and shall issue to the exclusive representative and to the employing office a written decision on the allegation and specific reasons therefor at the earliest practicable date.

(b) If the Board finds that the duty to bargain extends to the matter proposed to be bargained, the decision of the Board shall include an order that the employing office shall upon request (or as otherwise agreed to by the parties) bargain concerning such matter. If the Board finds that the duty to bargain does not extend to the matter proposed to be negotiated, the Board shall so state and issue an order dismissing the petition for review of the negotiability issue. If the Board finds that the duty to bargain extends to the matter proposed to be bargained only at the election of the employing office, the Board shall so state and issue an order dismissing the petition for review of the negotiability issue.

(c) When an order is issued as provided in paragraph (b) of this section, the employing office or exclusive representative shall report to the Executive Director within a specified period failure to comply with an order that the employing office shall upon request (or as otherwise agreed to by the parties) bargain concerning the disputed matter.

Subpart B—Criteria for Determining Compelling Need for Employing Office Rules and Regulations

§2424.11 *Illustrative criteria.*

A compelling need exists for an employing office rule or regulation concerning any condition of employment when the employing office demonstrates that the rule or regulation meets one or more of the following illustrative criteria:

(a) The rule or regulation is essential, as distinguished from helpful or desirable, to the accomplishment of the mission or the execution of functions of the employing office or primary national subdivision in a manner which is consistent with the requirements of an effective and efficient government.

(b) The rule or regulation is necessary to insure the maintenance of basic merit principles.

(c) The rule or regulation implements a mandate to the employing office or primary national subdivision under law or other outside authority, which implementation is essentially nondiscretionary in nature.

PART 2425—REVIEW OF ARBITRATION AWARDS

Sec.

2425.1 Who may file an exception; time limits for filing; opposition; service.
2425.2 Content of exception.
2425.3 Grounds for review.
2425.4 Board decision.

§2425.1 *Who may file an exception; time limits for filing; opposition; service.*

(a) Either party to arbitration under the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA, may file an exception to an arbitrator's award rendered pursuant to the arbitration.

(b) The time limit for filing an exception to an arbitration award is thirty (30) days beginning on the date the award is served on the filing party.

(c) An opposition to the exception may be filed by a party within thirty (30) days after the date of service of the exception.

(d) A copy of the exception and any opposition shall be served on the other party.

§2425.2 *Content of exception.*

An exception must be a dated, self-contained document which sets forth in full:

(a) A statement of the grounds on which review is requested;

(b) Evidence or rulings bearing on the issues before the Board;

(c) Arguments in support of the stated grounds, together with specific reference to the pertinent documents and citations of authorities; and

(d) A legible copy of the award of the arbitrator and legible copies of other pertinent documents; and

(e) The name and address of the arbitrator.

§2425.3 *Grounds for review.*

The Board will review an arbitrator's award to which an exception has been filed to determine if the award is deficient—

(a) Because it is contrary to any law, rule or regulation; or

(b) On other grounds similar to those applied by Federal courts in private sector labor-management relations.

§2425.4 *Board decision.*

The Board shall issue its decision and order taking such action and making such recommendations concerning the award as it considers necessary, consistent with applicable laws, rules, or regulations.

PART 2426—NATIONAL CONSULTATION RIGHTS AND CONSULTATION RIGHTS ON GOVERNMENT-WIDE RULES OR REGULATIONS

Subpart A—National Consultation Rights

Sec.

2426.1 Requesting; granting; criteria.
2426.2 Requests; petition and procedures for determination of eligibility for national consultation rights.
2426.3 Obligation to consult.

Subpart B—Consultation Rights on Government-wide Rules or Regulations

2426.11 Requesting; granting; criteria.
2426.12 Requests; petition and procedures for determination of eligibility for consultation rights on Government-wide rules or regulations.
2426.13 Obligation to consult.

Subpart A—National Consultation Rights

§2426.1 *Requesting; granting; criteria.*

(a) An employing office shall accord national consultation rights to a labor organization that:

(1) Requests national consultation rights at the employing office level; and

(2) Holds exclusive recognition for ten percent (10%) or more of the total number of personnel employed by the employing office.

(b) An employing office's primary national subdivision which has authority to formulate conditions of employment shall accord national consultation rights to a labor organization that:

(1) Requests national consultation rights at the primary national subdivision level; and

(2) Holds exclusive recognition for ten percent (10%) or more of the total number of personnel employed by the primary national subdivision.

(c) In determining whether a labor organization meets the requirements as prescribed in paragraphs (a)(2) and (b)(2) of this section, the following will not be counted:

(1) At the employing office level, employees represented by the labor organization under national exclusive recognition granted at the employing office level.

(2) At the primary national subdivision level, employees represented by the labor organization under national exclusive recognition granted at the agency level or at that primary national subdivision level.

(d) An employing office or a primary national subdivision of an employing office shall not grant national consultation rights to any labor organization that does not meet the criteria prescribed in paragraphs (a), (b) and (c) of this section.

§2426.2 *Requests; petition and procedures for determination of eligibility for national consultation rights.*

(a) Requests by labor organizations for national consultation rights shall be submitted in writing to the headquarters of the employing office or the employing office's primary national subdivision, as appropriate, which headquarters shall have fifteen (15) days from the date of service of such request to respond thereto in writing.

(b) Issues relating to a labor organization's eligibility for, or continuation of, national consultation rights shall be referred to the Board for determination as follows:

(1) A petition for determination of the eligibility of a labor organization for national consultation rights under criteria set forth in §2426.1 may be filed by a labor organization.

(2) A petition for determination of eligibility for national consultation rights shall be submitted on a form prescribed by the Board and shall set forth the following information:

(i) Name and affiliation, if any, of the petitioner and its address and telephone number;

(ii) A statement that the petitioner has submitted to the employing office or the primary national subdivision and to the Assistant Secretary a roster of its officers and representatives, a copy of its constitution and bylaws, and a statement of its objectives;

(iii) A declaration by the person signing the petition, under the penalties of the Criminal Code (18 U.S.C. 1001), that its contents are true and correct to the best of such person's knowledge and belief;

(iv) The signature of the petitioner's representative, including such person's title and telephone number;

(v) The name, address, and telephone number of the employing office or primary national subdivision in which the petitioner seeks to obtain or retain national consultation rights, and the persons to contact and their titles, if known;

(vi) A showing that petitioner holds adequate exclusive recognition as required by §2426.1; and

(vii) A statement as appropriate:

(A) That such showing has been made to and rejected by the employing office or primary national subdivision, together with a statement of the reasons for rejection, if any, offered by that employing office or primary national subdivision;

(B) That the employing office or primary national subdivision has served notice of its intent to terminate existing national consultation rights, together with a statement of the reasons for termination; or

(C) That the employing office or primary national subdivision has failed to respond in writing to a request for national consultation rights made under §2426.2(a) within fifteen (15) days after the date the request is served on the employing office or primary national subdivision.

(3) The following regulations govern petitions filed under this section:

(i) A petition for determination of eligibility for national consultation rights shall be filed with the Executive Director.

(ii) An original and four (4) copies of a petition shall be filed, qtogether with a statement of any other relevant facts and of all correspondence.

(iii) Copies of the petition together with the attachments referred to in paragraph (b)(3)(ii) of this section shall be served by the petitioner on all known interested parties, and a written statement of such service shall be filed with the Executive Director.

(iv) A petition shall be filed within thirty (30) days after the service of written notice by the employing office or primary national subdivision of its refusal to accord national consultation rights pursuant to a request under §2426.2(a) or its intention to terminate existing national consultation rights. If an employing office or primary national subdivision fails to respond in writing to a request for national consultation rights made under §2426.2(a) within fifteen (15) days after the date the request is served on the employing office or primary national subdivision, a petition shall be filed within thirty (30) days after the expiration of such fifteen (15) day period.

(v) If an employing office or primary national subdivision wishes to terminate national consultation rights, notice of its intention to do so shall include a statement of its reasons and shall be served not less than thirty (30) days prior to the intended termination date. A labor organization, after receiving such notice, may file a petition within the time period prescribed herein, and thereby cause to be stayed further action by the employing office or primary national subdivision pending disposition of the petition. If no petition has been filed within the provided time period, an employing office or primary national subdivision may terminate national consultation rights.

(vi) Within fifteen (15) days after the receipt of a copy of the petition, the employing office or primary national subdivision shall file a response thereto with the Executive Director raising any matter which is relevant to the petition.

(vii) The Executive Director, on behalf of the Board, shall make such investigations as the Executive Director deems necessary and thereafter shall issue and serve on the parties a determination with respect to the eligibility for national consultation rights which shall be final: *provided, however*, that an application for review of the Executive Director's determination may be filed with the Board in accordance with the procedure set forth in §2422.31 of this subchapter. A determination by the Executive Director to issue a notice of hearing shall not be subject to the filing of an application for review.On behalf of the Board, the Executive Director, if appropriate, may cause a notice of hearing to be issued to all interested parties where substantial factual issues exist warranting an investigatory hearing. Investigatory hearings shall be conducted by the Executive Director or her designee in accordance with §2422.17 through §2422.22 of this subchapter and after the close of the investigatory hearing a Decision and Order shall be issued by the Board in accordance with §2422.30 of this subchapter.

2426.3 Obligation to consult.

(a) When a labor organization has been accorded national consultation rights, the employing office or the primary national subdivision which has granted those rights shall, through appropriate officials, furnish designated representatives of the labor organization:

(1) Reasonable notice of any proposed substantive change in conditions of employment; and

(2) Reasonable time to present its views and recommendations regarding the change.

(b) If a labor organization presents any views or recommendations regarding any proposed substantive change in conditions of employment to an employing office or a primary national subdivision, that employing office or primary national subdivision shall:

(1) Consider the views or recommendations before taking final action on any matter with respect to which the views or recommendations are presented; and

(2) Provide the labor organization a written statement of the reasons for taking the final action.

(c) Nothing in this subpart shall be construed to limit the right of any employing office or exclusive representative to engage in collective bargaining.

Subpart B—Consultation Rights on Government-wide Rules or Regulations

2426.11 Requesting; granting; criteria.

(a) An employing office shall accord consultation rights on Government-wide rules or regulations to a labor organization that:

(1) Requests consultation rights on Government-wide rules or regulations from an employing office; and

(2) Holds exclusive recognition for ten percent (10%) or more of the total number of employees employed by the employing office.

(b) An employing office shall not grant consultation rights on Government-wide rules or regulations to any labor organization that does not meet the criteria prescribed in paragraph (a) of this section.

2426.12 Requests; petition and procedures for determination of eligibility for consultation rights on Government-wide rules or regulations.

(a) Requests by labor organizations for consultation rights on Government-wide rules or regulations shall be submitted in writing to the headquarters of the employing office, which headquarters shall have fifteen (15) days from the date of service of such request to respond thereto in writing.

(b) Issues relating to a labor organization's eligibility for, or continuation of, consultation rights on Government-wide rules or regulations shall be referred to the Board for determination as follows:

(1) A petition for determination of the eligibility of a labor organization for consultation rights under criteria set forth in §2426.11 may be filed by a labor organization.

(2) A petition for determination of eligibility for consultation rights shall be submitted on a form prescribed by the Board and shall set forth the following information:

(i) Name and affiliation, if any, of the petitioner and its address and telephone number;

(ii) A statement that the petitioner has submitted to the employing office and to the Assistant Secretary a roster of its officers and representatives, a copy of its constitution and bylaws, and a statement of its objectives;

(iii) A declaration by the person signing the petition, under the penalties of the Criminal Code (18 U.S.C. 1001), that its contents are true and correct to the best of such person's knowledge and belief;

(iv) The signature of the petitioner's representative, including such person's title and telephone number;

(v) The name, address, and telephone number of the employing office in which the petitioner seeks to obtain or retain consultation rights on Government-wide rules or regulations, and the persons to contact and their titles, if known;

(vi) A showing that petitioner meets the criteria as required by §2426.11; and

(vii) A statement, as appropriate:

(A) That such showing has been made to and rejected by the employing office, together with a statement of the reasons for rejection, if any, offered by that employing office;

(B) That the employing office has served notice of its intent to terminate existing consultation rights on Government-wide rules or regulations, together with a statement of the reasons for termination; or

(C) That the employing office has failed to respond in writing to a request for consultation rights on Government-wide rules or regulations made under §2426.12(a) within fifteen (15) days after the date the request is served on the employing office.

(3) The following regulations govern petitions filed under this section:

(i) A petition for determination of eligibility for consultation rights on Government-wide rules or regulations shall be filed with the Executive Director.

(ii) An original and four (4) copies of a petition shall be filed, together with a statement of any other relevant facts and of all correspondence.

(iii) Copies of the petition together with the attachments referred to in paragraph (b)(3)(ii) of this section shall be served by the petitioner on the employing office, and a written statement of such service shall be filed with the Executive Director.

(iv) A petition shall be filed within thirty (30) days after the service of written notice by the employing office of its refusal to accord consultation rights on Government-wide rules or regulations pursuant to a request under §2426.12(a) or its intention to terminate such existing consultation rights. If an employing office fails to respond in writing to a request for consultation rights on Government-wide rules or regulations made under §2426.12(a) within fifteen (15) days after the date the request is served on the employing office, a petition shall be filed within thirty (30) days after the expiration of such fifteen (15) day period.

(v) If an employing office wishes to terminate consultation rights on Government-wide rules or regulations, notice of its intention to do so shall be served not less than thirty (30) days prior to the intended termination date. A labor organization, after receiving such notice, may file a petition within the time period prescribed herein, and thereby cause to be stayed further action by the employing office pending disposition of the petition. If no petition has been filed within the provided time period, an employing office may terminate such consultation rights.

(vi) Within fifteen (15) days after the receipt of a copy of the petition, the employing office shall file a response thereto with the Executive Director raising any matter which is relevant to the petition.

(vii) The Executive Director, on behalf of the Board, shall make such investigation as the Executive Director deems necessary and thereafter shall issue and serve on the parties a determination with respect to the eligibility for consultation rights which shall be final: *Provided, however*, that an application for review of the Executive Director's determination may be filed with the Board in accordance with the procedure set forth in §2422.31 of this subchapter. A determination by the Executive Director to issue a notice of investigatory hearing shall not be subject to the filing of an application for review. On behalf of the Board, the Executive Director, if appropriate, may cause a notice of investigatory hearing to be issued where substantial factual issues exist warranting a hearing. Investigatory hearings shall be conducted by the Executive Director or her designee in accordance with §2422.17 through §2422.22 of this chapter and after the close of the investigatory hearing a Decision and Order shall be issued by the Board in accordance with §2422.30 of this subchapter.

§2426.13 Obligation to consult.

(a) When a labor organization has been accorded consultation rights on Government-wide rules or regulations, the employing office which has granted those rights shall, through appropriate officials, furnish designated representatives of the labor organization:

(1) Reasonable notice of any proposed Government-wide rule or regulation issued by the employing office affecting any substantive change in any condition of employment; and

(2) Reasonable time to present its views and recommendations regarding the change.

(b) If a labor organization presents any views or recommendations regarding any proposed substantive change in any condition of employment to an employing office, that employing office shall:

(1) Consider the views or recommendations before taking final action on any matter with respect to which the views or recommendations are presented; and

(2) Provide the labor organization a written statement of the reasons for taking the final action.

PART 2427—GENERAL STATEMENTS OF POLICY OR GUIDANCE

Sec.
2427.1 Scope.
2427.2 Requests for general statements of policy or guidance.
2427.3 Content of request.
2427.4 Submissions from interested parties.
2427.5 Standards governing issuance of general statements of policy or guidance.

§2427.1 Scope.

This part sets forth procedures under which requests may be submitted to the Board seeking the issuance of general statements of policy or guidance under 5 U.S.C. 7105(a)(1), as applied by the CAA.

§2427.2 Requests for general statements of policy or guidance.

(a) The head of an employing office (or designee), the national president of a labor organization (or designee), or the president of a labor organization not affiliated with a national organization (or designee) may separately or jointly ask the Board for a general statement of policy or guidance. The head of any lawful association not qualified as a labor organization may also ask the Board for such a statement provided the request is not in conflict with the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA, or other law.

(b) The Board ordinarily will not consider a request related to any matter pending before the Board or General Counsel.

§2427.3 Content of request.

(a) A request for a general statement of policy or guidance shall be in writing and must contain:

(1) A concise statement of the question with respect to which a general statement of policy or guidance is requested together with background information necessary to an understanding of the question;

(2) A statement of the standards under §2427.5 upon which the request is based;

(3) A full and detailed statement of the position or positions of the requesting party or parties;

(4) Identification of any cases or other proceedings known to bear on the question which are pending under the CAA; and

(5) Identification of other known interested parties.

(b) A copy of each document also shall be served on all known interested parties, including the General Counsel, where appropriate.

§2427.4 Submissions from interested parties.

Prior to issuance of a general statement of policy or guidance the Board, as it deems appropriate, will afford an opportunity to interested parties to express their views orally or in writing.

§2427.5 Standards governing issuance of general statements of policy or guidance.

In deciding whether to issue a general statement of policy or guidance, the Board shall consider:

(a) Whether the question presented can more appropriately be resolved by other means;

(b) Where other means are available, whether a Board statement would prevent the proliferation of cases involving the same or similar question;

(c) Whether the resolution of the question presented would have general applicability under chapter 71, as applied by the CAA;

(d) Whether the question currently confronts parties in the context of a labor-management relationship;

(e) Whether the question is presented jointly by the parties involved; and

(f) Whether the issuance by the Board of a general statement of policy or guidance on the question would promote constructive and cooperative labor-management relationships in the legislative branch and would otherwise promote the purposes of chapter 71, as applied by the CAA.

PART 2428—ENFORCEMENT OF ASSISTANT SECRETARY STANDARDS OF CONDUCT DECISIONS AND ORDERS

Sec.
2428.1 Scope.
2428.2 Petitions for enforcement.
2428.3 Board decision.

§2428.1 Scope.

This part sets forth procedures under which the Board, pursuant to 5 U.S.C. 7105(a)(2)(I), as applied by the CAA, will enforce decisions and orders of the Assistant Secretary in standards of conduct matters arising under 5 U.S.C. 7120, as applied by the CAA.

§2428.2 Petitions for enforcement.

(a) The Assistant Secretary may petition the Board to enforce any Assistant Secretary decision and order in a standards of conduct case arising under 5 U.S.C. 7120, as applied by the CAA. The Assistant Secretary shall transfer to the Board the record in the case, including a copy of the transcript if any, exhibits, briefs, and other documents filed with the Assistant Secretary. A copy of the petition for enforcement shall be served on the labor organization against which such order applies.

(b) An opposition to Board enforcement of any such Assistant Secretary decision and order may be filed by the labor organization against which such order applies twenty (20) days from the date of service of the petition, unless the Board, upon good cause shown by the Assistant Secretary, sets a shorter time for filing such opposition. A copy of the opposition to enforcement shall be served on the Assistant Secretary.

§2428.3 Board decision.

The Board shall issue its decision on the case enforcing, enforcing as modified, or refusing to enforce, the decision and order of the Assistant Secretary.

PART 2429—MISCELLANEOUS AND GENERAL REQUIREMENTS

Subpart A—Miscellaneous

Sec.
2429.1 Transfer of cases to the Board.
2429.2 [Reserved]
2429.3 Transfer of record.
2429.4 Referral of policy questions to the Board.
2429.5 Matters not previously presented; official notice.
2429.6 Oral argument.
2429.7 [Reserved]
2429.8 [Reserved]
2429.9 [Reserved]
2429.10 Advisory opinions.
2429.11 [Reserved]
2429.12 [Reserved]
2429.13 Official time.
2429.14 Witness fees.
2429.15 Board requests for advisory opinions.
2429.16 General remedial authority.
2429.17 [Reserved]
2429.18 [Reserved]

Subpart B—General Requirements

2429.21 [Reserved]
2429.22 [Reserved]
2429.23 Extension; waiver.
2429.24 [Reserved]
2429.25 [Reserved]
2429.26 [Reserved]
2429.27 [Reserved]
2429.28 Petitions for amendment of regulations.

Subpart A—Miscellaneous

§2429.1 Transfer of cases to the Board.

In any unfair labor practice case under part 2423 of this subchapter in which, after the filing of a complaint, the parties stipulate that no material issue of fact exists, the Executive Director may, upon agreement of all parties, transfer the case to the Board; and the Board may decide the case on the basis of the formal documents alone. Briefs in the case must be filed with the Board within thirty (30) days from the date of the Executive Director's order transferring the case to the Board. The Board may also remand any such case to the Executive Director for further processing. Orders of transfer and remand shall be served on all parties.

§2429.2 [Reserved]

§2429.3 Transfer of record.

In any case under part 2425 of this subchapter, upon request by the Board, the parties jointly shall transfer the record in the case, including a copy of the transcript, if any, exhibits, briefs and other documents filed with the arbitrator, to the Board.

§2429.4 Referral of policy questions to the Board.

Notwithstanding the procedures set forth in this subchapter, the General Counsel, or the Assistant Secretary, may refer for review and decision or general ruling by the Board any case involving a major policy issue that arises in a proceeding before any of them. Any such referral shall be in writing and a copy of such referral shall be served on all parties to the proceeding. Before decision or general ruling, the Board shall obtain the views of the parties and other interested persons, orally or in writing, as it deems necessary and appropriate. The Board may decline a referral.

§2429.5 Matters not previously presented; official notice.

The Board will not consider evidence offered by a party, or any issue, which was not presented in the proceedings before the Executive Director, Hearing Officer, or arbitrator. The Board may, however, take official notice of such matters as would be proper.

§2429.6 Oral argument.

The Board or the General Counsel, in their discretion, may request or permit oral argument in any matter arising under this subchapter under such circumstances and conditions as they deem appropriate.

§2429.7 [Reserved]
§2429.8 [Reserved]
§2429.9 [Reserved]
§2429.10 Advisory opinions.

The Board and the General Counsel will not issue advisory opinions.

§2429.11 [Reserved]
§2429.12 [Reserved]
§2429.13 Official time.

If the participation of any employee in any phase of any proceeding before the Board under section 220 of the CAA, including the investigation of unfair labor practice charges and representation petitions and the participation in hearings and representation elections, is deemed necessary by the Board, the Executive Director, the General Counsel, any Hearing Officer, or other agent of the Board designated by the Board, such employee shall be granted official time for such participation, including necessary travel time, as occurs during the employee's regular work hours and when the employee would otherwise be in a work or paid leave status.

§2429.14 Witness fees.

(a) Witnesses (whether appearing voluntarily, or under a subpena) shall be paid the fee and mileage allowances which are paid subpenaed witnesses in the courts of the United States: *Provided*, that any witness who is employed by the Federal Government shall not be entitled to receive witness fees in addition to compensation received pursuant to §2429.13.

(b) Witness fees and mileage allowances shall be paid by the party at whose instance the witnesses appear, except when the witness receives compensation pursuant to §2429.13.

§2429.15 Board requests for advisory opinions.

(a) Whenever the Board, pursuant to 5 U.S.C. 7105(i), as applied by the CAA, requests an advisory opinion from the Director of the Office of Personnel Management concerning the proper interpretation of rules, regulations, or policy directives issued by that Office in connection with any matter before the Board, a copy of such request, and any response thereto, shall be served upon the parties in the matter.

(b) The parties shall have fifteen (15) days from the date of service of a copy of the response of the Office of Personnel Management to file with the Board comments on that response which the parties wish the Board to consider before reaching a decision in the matter. Such comments shall be in writing and copies shall be served upon the other parties in the matter and upon the Office of Personnel Management.

§2429.16 General remedial authority.

The Board shall take any actions which are necessary and appropriate to administer effectively the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA.

§2429.17 [Reserved]
§2429.18 [Reserved]

Subpart B—General Requirements

§2429.21 [Reserved]
§2429.22 [Reserved]
§2429.23 Extension; waiver.

(a) Except as provided in paragraph (d) of this section, the Board or General Counsel, or their designated representatives, as appropriate, may extend any time limit provided in this subchapter for good cause shown, and shall notify the parties of any such extension. Requests for extensions of time shall be in writing and received by the appropriate official not later than five (5) days before the established time limit for filing, shall state the position of the other parties on the request for extension, and shall be served on the other parties.

(b) Except as provided in paragraph (d) of this section, the Board or General Counsel, or their designated representatives, as appropriate, may waive any expired time limit in this subchapter in extraordinary circumstances. Request for a waiver of time limits shall state the position of the other parties and shall be served on the other parties.

(c) The time limits established in this subchapter may not be extended or waived in any manner other than that described in this subchapter.

(d) Time limits established in 5 U.S.C. 7105(f), 7117(c)(2) and 7122(b), as applied by the CAA, may not be extended or waived under this section.

§2429.24 [Reserved]
§ 2429.25 [Reserved]
§2429.26 [Reserved]
§2429.27 [Reserved]
§2429.28 Petitions for amendment of regulations.

Any interested person may petition the Board in writing for amendments to any portion of these regulations. Such petition shall identify the portion of the regulations involved and provide the specific language of the proposed amendment together with a statement of grounds in support of such petition.

SUBCHAPTER D IMPASSES

PART 2470—GENERAL

Subpart A— Purpose

Sec.
2470.1 Purpose.

Subpart B—Definitions

2470.2 Definitions.

Subpart A—Purpose

§2470.1 Purpose.

The regulations contained in this subchapter are intended to implement the provisions of section 7119 of title 5 of the United States Code, as applied by the CAA. They prescribe procedures and methods which the Board may utilize in the resolution of negotiation impasses when voluntary arrangements, including the services of the Federal Mediation and Conciliation Service or any other third-party mediation, fail to resolve the disputes.

Subpart B—Definitions

§2470.2 Definitions.

(a) The terms Executive Director, employing office, labor organization, and conditions of employment as used herein shall have the meaning set forth in Part 2421 of these rules.

(b) The terms designated representative or designee of the Board means a Board member, a staff member, or other individual designated by the Board to act on its behalf.

(c) The term hearing means a factfinding hearing, arbitration hearing, or any other hearing procedure deemed necessary to accomplish the purposes of 5 U.S.C. 7119, as applied by the CAA.

(d) The term impasse means that point in the negotiation of conditions of employment at which the parties are unable to reach agreement, notwithstanding their efforts to do so by direct negotiations and by the use of mediation or other voluntary arrangements for settlement.

(e) The term Board means the Board of Directors of the Office of Compliance.

(f) The term party means the agency or the labor organization participating in the negotiation of conditions of employment.

(g) The term voluntary arrangements means any method adopted by the parties for the purpose of assisting them in their resolution of a negotiation dispute which is not inconsistent with the provisions of 5 U.S.C. 7119, as applied by the CAA.

PART 2471—PROCEDURES OF THE BOARD IN IMPASSE PROCEEDINGS

Sec.
2471.1 Request for Board consideration; request for Board approval of binding arbitration.
2471.2 Request form.
2471.3 Content of request.
2471.4 Where to file.
2471.5 Copies and service.
2471.6 Investigation of request; Board recommendation and assistance; approval of binding arbitration.
2471.7 Preliminary hearing procedures.
2471.8 Conduct of hearing and prehearing conference.
2471.9 Report and recommendations.
2471.10 Duties of each party following receipt of recommendations.
2471.11 Final action by the Board.
2471.12 Inconsistent labor agreement provisions.

§2471.1 Request for Board consideration; request for Board approval of binding arbitration.

If voluntary arrangements, including the services of the Federal Mediation and Conciliation Services or any other third-party mediation, fail to resolve a negotiation impasse:

(a) Either party, or the parties jointly, may request the Board to consider the matter by filing a request as hereinafter provided; or the Board may, pursuant to 5 U.S.C. 7119(c)(1), as applied by the CAA, undertake consideration of the matter upon request of (i) the Federal Mediation and Conciliation Service, or (ii) the Executive Director; or

(b) The parties may jointly request the Board to approve any procedure, which they have agreed to adopt, for binding arbitration of the negotiation impasse by filing a request as hereinafter provided.

§2471.2 Request form.

A form has been prepared for use by the parties in filing a request with the Board for consideration of an impasse or approval of a binding arbitration procedure. Copies are available from the Executive Director, Office of Compliance.

§2471.3 Content of request.

(a) A request from a party or parties to the Board for consideration of an impasse must be in writing and include the following information:

(1) Identification of the parties and individuals authorized to act on their behalf;

(2) Statement of issues at impasse and the summary positions of the initiating party or parties with respect to those issues; and

(3) Number, length, and dates of negotiation and mediation sessions held, including the nature and extent of all other voluntary arrangements utilized.

(b) A request for approval of a binding arbitration procedure must be in writing, jointly filed by the parties, and include the following information about the pending impasse:

(1) Identification of the parties and individuals authorized to act on their behalf;

(2) Brief description of the impasse including the issues to be submitted to the arbitrator;

(3) Number, length, and dates of negotiation and mediation sessions held, including the nature and extent of all other voluntary arrangements utilized;

(4) Statement that the proposals to be submitted to the arbitrator contain no questions concerning the duty to bargain; and

(5) Statement of the arbitration procedures to be used, including the type of arbitration, the method of selecting the arbitrator, and the arrangement for paying for the proceedings or, in the alternative, those provisions of the parties' labor agreement which contain this information.

§2471.4 Where to file.

Requests to the Board provided for in this part, and inquiries or correspondence on the status of impasses or other related matters, should be addressed to the Executive Director, Office of Compliance.

§2471.5 Copies and service.

(a) Any party submitting a request for Board consideration of an impasse or a request for approval of a binding arbitration procedure shall file an original and one copy with the Board and shall serve a copy of such request upon all counsel of record or other designated representative(s) of parties, upon parties not so represented, and upon any mediation service which may have been utilized. When the Board acts on a request from the Federal Mediation and Conciliation Service or acts on a request from the Executive Director, it will notify the parties to the dispute, their counsel of record or designated representatives, if any, and any mediation service which may have been utilized. A clean copy capable of being used as an original for purposes such as further reproduction may be submitted for the original. Service upon such counsel or representative shall constitute service upon the party, but a copy also shall be transmitted to the party.

(b) Any party submitting a response to or other document in connection with a request for Board consideration of an impasse or a request for approval of a binding arbitration procedure shall file an original and one copy with the Board and shall serve a copy of the document upon all counsel of record or other designated representative(s) of parties, or upon parties not so represented. A clean copy capable of being used as an original for purposes such as further reproduction may be submitted for the original. Service upon such counsel or representative shall constitute service upon the party, but a copy also shall be transmitted to the party.

(c) A signed and dated statement of service shall accompany each document submitted to the Board. The statement of service shall include the names of the parties and persons served, their addresses, the date of service, the nature of the document served, and the manner in which service was made.

(d) The date of service or date served shall be the day when the matter served is deposited in the U.S. mail or is delivered in person.

(e) Unless otherwise provided by the Board or its designated representatives, any document or paper filed with the Board under these rules, together with any enclosure filed therewith, shall be submitted on 8 1/2" x 11 inch size paper.

§2471.6 Investigation of request; Board recommendation and assistance; approval of binding arbitration.

(a) Upon receipt of a request for consideration of an impasse, the Board or its designee will promptly conduct an investigation, consulting when necessary with the parties and with any mediation service utilized. After due consideration, the Board shall either:

(1) Decline to assert jurisdiction in the event that it finds that no impasse exists or that there is other good cause for not asserting jurisdiction, in whole or in part, and so advise the parties in writing, stating its reasons; or

(2) Recommend to the parties procedures, including but not limited to arbitration, for the resolution of the impasse and/or assist them in resolving the impasse through whatever methods and procedures the Board considers appropriate.

(b) Upon receipt of a request for approval of a binding arbitration procedure, the Board or its designee will promptly conduct an investigation, consulting when necessary with the parties and with any mediation service utilized. After due consideration, the Board shall either approve or disapprove the request; *provided, however*, that when the request is made pursuant to an agreed-upon procedure for arbitration contained in an applicable, previously negotiated agreement, the Board may use an expedited procedure and promptly approve or disapprove the request, normally within five (5) workdays.

§2471.7 Preliminary hearing procedures.

When the Board determines that a hearing is necessary under §2471.6, it will:

(a) Appoint one or more of its designees to conduct such hearing; and

(b) issue and serve upon each of the parties a notice of hearing and a notice of prehearing conference, if any. The notice will state: (1) The names of the parties to the dispute; (2) the date, time, place, type, and purpose of the hearing; (3) the date, time, place, and purpose of the prehearing conference, if any; (4) the name of the designated representatives appointed by the Board; (5) the issues to be resolved; and (6) the method, if any, by which the hearing shall be recorded.

§2471.8 Conduct of hearing and prehearing conference.

(a) A designated representative of the Board, when so appointed to conduct a hearing, shall have the authority on behalf of the Board to:

(1) Administer oaths, take the testimony or deposition of any person under oath, receive other evidence, and issue subpenas;

(2) Conduct the hearing in open, or in closed session at the discretion of the designated representative for good cause shown;

(3) Rule on motions and requests for appearance of witnesses and the production of records;

(4) Designate the date on which posthearing briefs, if any, shall be submitted;

(5) Determine all procedural matters concerning the hearing, including the length of sessions, conduct of persons in attendance, recesses, continuances, and adjournments; and take any other appropriate procedural action which, in the judgment of the designated representative, will promote the purpose and objectives of the hearing.

(b) A prehearing conference may be conducted by the designated representative of the Board in order to:

(1) Inform the parties of the purpose of the hearing and the procedures under which it will take place;

(2) Explore the possibilities of obtaining stipulations of fact;

(3) Clarify the positions of the parties with respect to the issues to be heard; and

(4) Discuss any other relevant matters which will assist the parties in the resolution of the dispute.

§2471.9 Report and recommendations.

(a) When a report is issued after a hearing conducted pursuant to §2471.7 and 2471.8, it normally shall be in writing and, when authorized by the Board, shall contain recommendations.

(b) A report of the designated representative containing recommendations shall be submitted to the parties, with two (2) copies to the Executive Director, within a period normally not to exceed thirty (30) calendar days after receipt of the transcript or briefs, if any.

(c) A report of the designated representative not containing recommendations shall be submitted to the Board with a copy to each party within a period normally not to exceed thirty (30) calendar days after receipt of the transcript or briefs, if any. The Board shall then take whatever action it may consider appropriate or necessary to resolve the impasse.

§2471.10 Duties of each party following receipt of recommendations.

(a) Within thirty (30) calendar days after receipt of a report containing recommendations of the Board or its designated representative, each party shall, after conferring with the other, either:

(1) Accept the recommendations and so notify the Executive Director; or

(2) Reach a settlement of all unresolved issues and submit a written settlement statement to the Executive Director; or

(3) Submit a written statement to the Executive Director setting forth the reasons for not accepting the recommendations and for not reaching a settlement of all unresolved issues.

(b) A reasonable extension of time may be authorized by the Executive Director for good cause shown when requested in writing by either party prior to the expiration of the time limits.

§2471.11 Final action by the Board.

(a) If the parties do not arrive at a settlement as a result of or during actions taken under §2471.6(a)(2), 2471.7, 2471.8, 2471.9, and 2471.10, the Board may take whatever action is necessary and not inconsistent with 5 U.S.C. chapter 71, as applied by the CAA, to resolve the impasse, including but not limited to, methods and procedures which the

Board considers appropriate, such as directing the parties to accept a factfinder's recommendations, ordering binding arbitration conducted according to whatever procedure the Board deems suitable, and rendering a binding decision.

(b) In preparation for taking such final action, the Board may hold hearings, administer oaths, and take the testimony or deposition of any person under oath, or it may appoint or designate one or more individuals pursuant to 5 U.S.C. 7119(c)(4), as applied by the CAA, to exercise such authority on its behalf.

(c) When the exercise of authority under this section requires the holding of a hearing, the procedure contained in §2471.8 shall apply.

(d) Notice of any final action of the Board shall be promptly served upon the parties, and the action shall be binding on such parties during the term of the agreement, unless they agree otherwise.

2471.12 Inconsistent labor agreement provisions.

Any provisions of the parties' labor agreements relating to impasse resolution which are inconsistent with the provisions of either 5 U.S.C. 7119, as applied by the CAA, or the procedures of the Board shall be deemed to be superseded.

UNITED STATES/UNITED KINGDOM AVIATION RELATIONS

Mr. PRESSLER. Madam President, I rise today to express my great frustration with the current state of aviation relations between the United States and the United Kingdom.

At a great cost to the United States economy, the highly restrictive United States/United Kingdom bilateral aviation agreement continues to be an enormous barrier to free and fair trade between our countries. It is a barrier British negotiators have carefully crafted over the years that, as intended, quite effectively limits competition in the United States/United Kingdom air service market. Simply put, it is an agreement which artificially manages air service trade in a way that significantly benefits British carriers.

For U.S. passenger carriers serving the transatlantic air service market, these are both the best of times and the worst of times. On the bright side, the historic open skies agreement the United States recently signed with the Federal Republic of Germany, combined with existing open skies agreements with other European countries, means that nearly half of all passengers traveling between the United States and Europe will be flying to or from European countries with open skies regimes. That truly is a remarkable statistic and great news for consumers.

Our aviation relations with the British, however, stand in disturbingly stark contrast. Although the British Government extols the virtues of transatlantic free trade, its words ring hollow with respect to the United States/United Kingdom air service market. United States carriers have proven themselves to be highly competitive in every international market they serve yet, all United States passenger carriers combined have a smaller share of the United States/United Kingdom air service market than just one British carrier, British Airways. Overall, two British carriers currently control nearly 50 percent more of the passenger traffic in that market than United States carriers. As I have said before, I do not believe market forces are responsible for this imbalance.

What adverse impacts does the highly restrictive United States/United Kingdom bilateral aviation agreement have on the United States economy? First, each year our economy is losing hundreds of millions of dollars of export revenue United States carriers might otherwise capture if the United States/United Kingdom air service market truly was competitive. Second, it is costing Americans new jobs which otherwise might be created if United States carriers could expand their services to the United Kingdom. Finally, consumer choice is badly restricted and consumers are denied the most competitive air fares.

Several months ago I announced an initiative I hoped might jump start stalled air service negotiations with the British and remedy these adverse economic impacts. Regrettably, the British spurned that attempt and other good faith efforts by the administration to restart talks. For that reason, I have decided to delay indefinitely my plans to introduce legislation increasing the permissible level of foreign ownership in the voting stock of U.S. carriers to 49 percent. That legislation was the cornerstone of my initiative. If the British exhibit a genuine willingness to seriously address our air service concerns, I will reconsider my decision.

Quite frankly, I am frustrated with the British intransigence in addressing this serious trade issue. They have long blamed a lack of reciprocal investment opportunities in the voting stock of U.S. carriers as a stumbling block to progress in our air service relationship. Finding some merit in that concern, I offered to introduce legislation to address it and help clear the way for further liberalization of our aviation relationship. The British Government's reaction, however, calls into question whether reciprocal foreign investment opportunities ever were the concern the British have long played them up to be.

To underscore that skepticism, I noticed in recent months British carriers have now moved onto criticizing United States policy on the grounds of additional wish list rights such as cabotage and direct participation in the Fly America Program.

Madam President, it has become even more apparent in recent months that British aviation policy is not driven by the goal of expanding rights for its carriers and moving forward in our aviation relationship. Instead, the overarching goal of that policy seems to be nothing less than continuing to protect British carriers from vigorous competition with United States carriers.

In particular, the British Government wants to keep in place the current system which blocks United States carriers from serving London's most popular airport, Heathrow, from most major passenger feed hubs in the United States. After all, under the current managed competition agreement, the British have totally blocked United States passenger feed to Heathrow from major United States hub airports including those located in Atlanta, Cincinnati, Dallas, Denver, Detroit, Houston, Minneapolis, Newark and St. Louis. No wonder United States carriers do not use larger aircraft as the British often chide.

Mr. President, let me conclude by saying I hope the British Government will decide to get in step with the rest of Europe by finally agreeing to take meaningful steps to liberalize the United States/United Kingdom bilateral aviation agreement. The time for such liberalization is long past due.

Let me also add that I for one believe there will come a time when the British truly want some significant aviation rights or regulatory relief from the United States. When that time comes, I fully expect the administration will use that leverage to the fullest extent possible and demand a very high price.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the Federal Government is running on borrowed money—more than $5 trillion of it. As of the close of business yesterday, May 14, 1996, the Federal debt stood at $5,096,217,391,261.73. On a per capita basis, every man, woman, and child in America owes $19,242.02 as his or her share of the Federal debt.

FOREIGN OIL CONSUMED BY THE UNITED STATES HERE'S THE WEEKLY BOX SCORE

Mr. HELMS. Madam President, the American Petroleum Institute reports that for the week ending May 10, the United States imported 8,623,000 barrels of foreign oil each day, 1,411,000 barrels more than the 7,212,000 barrels imported during the same week a year ago.

This means that Americans now rely on foreign oil for 57 percent of their needs, and there are no signs that this upward spiral will abate. Before the Persian gulf war, the United States obtained about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody interested in restoring domestic production of oil? Politicians had better ponder the economic calamity certain to occur in America if and when foreign producers shut off our oil supply—or double the already enormous cost of imported oil flowing into the United States—now 8,623,000 barrels a day.

RICHARD M. SCRUSHY AND THE SPORTS MEDICINE COUNCIL

Mr. HEFLIN. Madam President, last week, one of Alabama's outstanding citizens and great success stories came to Washington in his effort to give something back to his country. Richard Scrushy is founder, chairman, and CEO of Healthsouth Corp., the Nation's largest provider of medical rehabilitation and sports medicine. He is also founder of the Healthsouth Sports Medicine Council, a nonprofit organization whose goal is to educate young athletes and help them become champions—not only in sports, but in everyday life.

The Sports Medicine Council is made up of top professional athletes and the Nation's leading sports medicine physicians and orthopaedic surgeons. The group unites sports celebrities who know the importance of good attitude, team spirit, and competitiveness, with physicians who have studied how the human body works, how to make it strong, and how to keep it well. Under Richard Scrushy's direction, this group has crafted a program and message that ultimately will reach hundreds of thousands of school children between the ages of 8 and 18 in cities across the United States. It will teach kids the importance of receiving an education, staying away from drugs, and practicing good sportsmanship on and off the field.

Last week in Washington, the Sports Medicine Council's message reached nearly 14,000 kids through a series of field trips to Sports Medicine Council shows. They were hosted by such sports figures as Bo Jackson, Herschel Walker, Kristi Yamaguchi, Cory Everson, and Lex Luger. The shows combined high-technology, interactive entertainment with the council's message and a hands-on opportunity for kids to meet their sports heroes and play on a team with them.

In a time when many of America's youth are in urgent need of positive role models and encouragement, Richard Scrushy's Sports Medicine Council is a wonderful idea and most welcome enterprise. It represents one of the ways in which private individuals and good corporate citizens can make a difference through their own initiatives. In this way, Richard Scrushy serves as a role model for all corporate CEO's.

Richard is truly one of the great American success stories. He is a self-made man who has never forgotten his roots. Part of his vision is to give back to his community. In the 12 years since the founding of Healthsouth Corp., he has led the company to employ over 33,000 people in over 900 locations across the United States. Healthsouth is an employer of over 3,000 people in Alabama alone. The company's revenues recently rose above the $2 billion mark. Not only has Richard Scrushy been a good citizen, he has been a great asset to the State of Alabama.

He has received such awards and honors as the 1994 Arthritis Foundation Humanitarian of the Year Award. He was named National Honorary Chairman of Multiple Sclerosis for the National Multiple Sclerosis Society. He has worked as a fundraiser for such charities as United Cerebral Palsy, the Ronald McDonald House, and the American Cancer Society.

As a modern-day, "renaissance man," Richard is an accomplished musician and also a commercial multiengine instrument pilot.

I congratulate Richard Scrushy on his tremendous success and on the rapid growth and contributions of the Healthsouth Sports Medicine Council. His is a tremendous example for others in the business community to emulate.

THE GAINES FAMILY

Mr. KERRY. Madam President, as we observe National Police Week, I want to pay a special tribute to one police family in Massachusetts. For the third year in a row, a group of 46 officers and friends from Massachusetts rode the 600 miles to Washington on their bicycles to attend ceremonies at the National Law Enforcement Officers Memorial to honor those who have fallen in the line of duty. Among that group is Officer Paul Gaines and his three sons, Kevin, 10 years old; Stephen, 12; and Shawn, 14. Back at home, and missing her sons on Mother's Day is Sgt. Gladys Gaines, head of the Boston Police Department's domestic violence unit.

This remarkable family is an inspiration to all of us. While dysfunctional families who raise troubled children make the news, Paul and Gladys Gaines have obviously imparted to their children high moral values and a sense of responsibility to family and community, their own family, the family of brother and sister law enforcement officers, and the larger community of the Commonwealth. I want to pay tribute to the Gaines family and to the work they do as police officers and as parents.

TRIBUTE TO MISSOURI DEPUTY KEVIN M. MAYSE AND OTHER LAW ENFORCEMENT OFFICERS KILLED IN 1995

Mr. ASHCROFT. Madam President, I rise today to honor the heroic service of our Nation's law enforcement officers, especially those who have paid the ultimate price in the line of duty. Facing increasingly organized and violent criminals, these brave men and women constitute the first line of defense against those who threaten society. We should be thankful that they do not shrink from this challenge. In the quest for law and order, 161 of our Nation's finest citizens made the supreme sacrifice in 1995, laying down their lives so that the rest of us may enjoy peace and prosperity. It is to honor their memory that today is proclaimed National Peace Officers Memorial Day.

I wish to honor in particular a brave, young Missourian. Cass County Deputy Sheriff Kevin M. Mayse died on June 13, 1995, from injuries sustained while preserving and enhancing the quality of life enjoyed by his fellow Missourians in Cass County. Deputy Mayse left behind a widow, Scottie Sue, and four children, including his youngest daughter whom he never had the joy to meet since she was born a month after Kevin's death.

As we honor those who have fallen while protecting others, we should also honor those such as Scottie Sue and her children who have paid a very high price for our protection as well. In his autobiography, Benjamin Franklin wrote: "The most acceptable service of God is doing good to man." The Bible says that there is no greater love than "when one lays down his life for his friends." I can think of no greater service to his fellow man than that given by Deputy Sheriff Mayse.

Three Missouri peace officers who died before 1995 have also been added to the National Law Enforcement Officers Memorial. Officers George M. McCready of Richmond Heights, Max W. Smith of Moniteau County, and George Adams of St. Louis County also gave their lives in defense of their fellow citizens.

As we honor those lawmen slain in the line of duty, let us not forget those who carry on as guardians of our peace. We must protect them in turn by providing them with the tools and the laws necessary to wage the war against the ever-changing face of crime. Today, violent juvenile crime is growing at a phenomenal rate, yet our juvenile justice system is ill-prepared to cope with its dramatic rise or its brutality. Major reconstruction of the Federal and State juvenile justice systems is needed to ensure that violent and hardcore criminals, old and young, are identified, punished, and deterred. We also need to ensure that our fallen heroes, such as Deputy Sheriff Kevin Mayse, are not forgotten.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ENTITLED "SCIENCE AND ENGINEERING INDICATORS—1996"—MESSAGE FROM THE PRESIDENT—PM 145

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

As required by 42 U.S.C. 1863(j)(1), I am pleased to submit to the Congress a report of the National Science Board entitled *Science and Engineering Indicators—1996*. This report represents the twelfth in a series examining key aspects of the status of American science and engineering in a global environment.

The science and technology enterprise is a source of discovery and inspiration and is key to the future of our Nation. The United States must sustain world leadership in science, mathematics, and engineering if we are to meet the challenges of today and tomorrow.

I commend *Science and Engineering Indicators—1996* to the attention of the Congress and those in the scientific and technology communities.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 15, 1996*.

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on May 14, 1996, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House agrees to the amendment of the Senate to the bill (H.R. 1743) to amend the Water Resources Research Act of 1984 to extend the authorizations of appropriations through fiscal year 2000, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 1836) to authorize the Secretary of the Interior to acquire property in the town of East Hampton, Suffolk County, NY, for inclusion in the Amagansett National Wildlife Refuge.

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 10:50 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 1743. An act to amend the Water Resources Research Act of 1984 to extend the authorizations of appropriations through fiscal year 2000, and for other purposes.

H.R. 1836. An act to authorize the Secretary of the Interior to acquire property in the town of East Hampton, Suffolk County, NY, for inclusion in the Amagansett National Wildlife Refuge.

The enrolled bills were signed subsequently by the President pro tempore [Mr. THURMOND].

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1129. An act to amend the National Trails Systems Act to designate the route from Selma to Montgomery as a National Historic Trail.

H.R. 2066. An act to amend the National School Lunch Act to provide greater flexibility to schools to meet the Dietary Guidelines for Americans under the school lunch and school breakfast programs.

H.R. 2464. An act to amend Public Law 103-93 to provide additional lands within the State of Utah for the Goshute Indian Reservation, and for other purposes.

H.R. 2967. An act to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978, and for other purposes.

H.R. 2982. An act to direct the Secretary of the Interior to convey the Carbon Hill National Fish Hatchery to the State of Alabama.

H.R. 3058. An act to amend the Uniformed and Overseas Citizens Absentee Voting Act to extend the period for receipt of absentee ballots, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1129. An act to amend the National Trails Systems Act to designate the route from Selma to Montgomery as a National Historic Trail; to the Committee on Energy and Natural Resources.

H.R. 2464. An act to amend Public Law 103-93 to provide additional lands within the State of Utah for the Goshute Indian Reservation, and for other purposes; to the Committee on Indian Affairs.

H.R. 2967. An act to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2982. An act to direct the Secretary of the Interior to convey the Carbon Hill National Fish Hatchery to the State of Alabama; to the Committee on Environment and Public Works.

H.R. 3058. An act to amend the Uniformed and Overseas Citizens Absentee Voting Act to extend the period for receipt of absentee ballots, and for other purposes; to the Committee on Rules and Administration.

Hon. STROM THURMOND,
President pro tempore, U.S. Senate, Washington, DC.

DEAR MR. PRESIDENT: It is my understanding that S. 1745, the National Defense Authorization Act for Fiscal Year 1997, contains provisions affecting intelligence activities and programs. As you know, these are issues of significant interest to, and clearly within the jurisdiction of, the Select Committee on Intelligence. Therefore, pursuant to Senate Resolution 400, Mr. Kerrey and I hereby request that S. 1745 be referred to our Committee for consideration.

Sincerely,

ARLEN SPECTER,
Chairman.
J. ROBERT KERREY,
Vice Chairman.

S. 1745. A bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; Referred to the Select Committee on Intelligence for a period not to exceed 30 days of session, pursuant to section 3(b) of Senate Resolution 400 of the 94th Congress to report or be discharged.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2602. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the report on assistance to Red Cross for Emergency Communications Services for Members of the Armed Forces and their families; to the Committee on Armed Services.

EC-2603. A communication from the Secretary of Defense, transmitting, pursuant to law, a notice relative to the multiyear contract of the Longbow Apache program; to the Committee on the Armed Services.

EC-2604. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a description of the property to be transferred to the Republic of Panama in accordance with the Panama Canal Treaty of 1977 and its related agreements; to the Committee on Armed Services.

EC-2605. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the annual report on the Panama Canal Treaty for fiscal year 1995; to the Committee on Armed Services.

EC-2606. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a statement regarding a transaction involving U.S. exports to People's Republic of China (PRC); to the Committee on Banking, Housing, and Urban Affairs.

EC-2607. A communication from the Secretary of the U.S. Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule (RIN3235-AG48) received on May 7, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC-2608. A communication from the Secretary of the U.S. Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule (RIN3235–AG51) received on May 7, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–2609. A communication from the Secretary of the U.S. Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule (RIN3235–AG67) received on May 9, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–2610. A communication from the Secretary of the U.S. Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule on the electronic delivery interpretive release received on May 9, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–2611. A communication from the Comptroller of the Currency, transmitting, pursuant to law, the report on enforcement actions for calendar year 1995; to the Committee on Banking, Housing, and Urban Affairs.

EC–2612. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule (docket #R–0772) received on May 6, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–2613. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule (docket #R–0822) received on May 6, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–2614. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule (docket #R–0902) received on May 6, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–2615. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule (docket #R–0911) received on May 6, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–2616. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule (docket #R–0878) received on May 9, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–2617. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the annual report for calendar year 1995; to the Committee on Banking, Housing, and Urban Affairs.

EC–2618. A communication from the Under Secretary of Defense (Acquisition and Technology), transmitting, pursuant to law, a report relative to the Standard Missile 2 block IV major defense acquisition program; to the Committee on Armed Services.

EC–2619. A communication from the Director of Defense Procurement (Acquisition and Technology), Office of the Under Secretary of Defense, transmitting, pursuant to law, the report of an interim rule under the Defense Federal Acquisition Regulation Supplement Case 96–D303 received on May 9, 1996; to the Committee on Armed Services.

EC–2620. A communication from the Acting General Counsel of the Department of Defense, transmitting, a draft of proposed legislation entitled "The National Imagery and Mapping Agency Act of 1996"; to the Committee on Armed Services.

EC–2621. A communication from the General Counsel of the Department of Defense, transmitting, a draft of proposed legislation entitled "The Department of Defense Civilian Intelligence Personnel Reform Act"; to the Committee on Armed Services.

EC–2622. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation within five days of enactment; to the Committee on the Budget.

EC–2623. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, the report of the notice to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–2624. A communication from the Secretary of Agriculture, transmitting, pursuant to law, notice of the intention to award specific watershed restoration contracts on National Forest System lands; to the Committee on Energy and Natural Resources.

EC–2625. A communication from the Chief of the Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of an interim final rule entitled "Disposal of National Forest System Timber" (RIN0596–AB58) received on May 6, 1996; to the Committee on Energy and Natural Resources.

EC–2626. A communication from the Chairman of the U.S. Nuclear Regulatory Commission, transmitting, pursuant to law, the report on the nondisclosure of safeguards information for the January 1 through March 31, 1996; to the Committee on Environment and Public Works.

EC–2627. A communication from the Administrator of the U.S. Environmental Protection Agency, transmitting, pursuant to law, the report of the liner study; to the Committee on Environment and Public Works.

EC–2628. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, a draft of proposed legislation entitled "The Water Resources Development Act of 1996"; to the Committee on Environment and Public Works.

EC–2629. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of four rules (FRL–5502–5, FRL–5502–1, FRL–5500–7, FRL–5468–7) relative to reduced certification reporting requirements for new nonroad engines received on May 6, 1996; to the Committee on Environment and Public Works.

EC–2630. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of four rules (FRL–5461–6, FRL–5503–6, FRL–5503–7, FRL–5503–3) relative to hazardous air pollutants received on May 7, 1996; to the Committee on Environment and Public Works.

EC–2631. A communication from Chief (Regulations Unit), Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of revenue ruling 96–25 received on May 7, 1996; to the Committee on Finance.

EC–2632. A communication from the Chief (Regulations Unit), Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule relative to the computation of combined taxable income under the profit split method received on May 9, 1996; to the Committee on Finance.

EC–2633. A communication from the Chief (Regulations Unit), Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of final regulations on qualified cost sharing arrangements; to the Committee on Finance.

EC–2634. A communication from the Chairman of the U.S. International Trade Commission, transmitting, a draft of proposed legislation to provide authorization of appropriations for U.S. International Trade Commission for fiscal year 1998; to the Committee on Finance.

EC–2635. A communication from the Secretary of the Senate, transmitting, pursuant to law, the report of the receipts and expenditures of the Senate for the period October 1 to March 31, 1996; order to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1090. A bill to amend section 552 of title 5, United States Code (commonly known as the Freedom of Information Act), to provide for public access to information in an electronic format, and for other purposes (Rept. No. 104–272).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1605. A bill to amend the Energy Policy and Conservation Act to manage the Strategic Petroleum Reserve more effectively and for other purposes (Rept. No. 104–273).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

The following U.S. Army National Guard officers for promotion in the Reserve of the Army to the grades indicated under title 10, United States Code sections 3385, 3392 and 12203(a):

To be major general

Brig. Gen. Jerome J. Berard, xxx-xx-xxxx.
Brig. Gen. James W. Emerson, xxx-xx-xxxx.
Brig. Gen. Rodney R. Hannula, xxx-xx-xxxx.
Brig. Gen. James W. MacVay, xxx-xx-xxxx.
Brig. Gen. James D. Polk, xxx-xx-xxxx.

To be brigadier general

Col. Earl L. Adams, xxx-xx-xxxx.
Col. H. Steven Blum, xxx-xx-xxxx.
Col. Harry B. Burchstead, Jr., xxx-xx-xxxx.
Col. Larry K. Eckles, xxx-xx-xxxx.
Col. William L. Freeman, xxx-xx-xxxx.
Col. Gus L. Hargett, Jr., xxx-xx-xxxx.
Col. Allen R. Leppink, xxx-xx-xxxx.
Col. Jacob Lestenkof, xxx-xx-xxxx.
Col. Joseph T. Murphy, xxx-xx-xxxx.
Col. Larry G. Powell, xxx-xx-xxxx.
Col. Roger C. Schultz, xxx-xx-xxxx.
Col. Michael L. Seely, xxx-xx-xxxx.
Col. Larry W. Shellito, xxx-xx-xxxx.
Col. Gary G. Simmons, xxx-xx-xxxx.
Col. Nicholas P. Sipe, xxx-xx-xxxx.
Col. George S. Walker, xxx-xx-xxxx.
Col. Larry Ware, xxx-xx-xxxx.
Col. Jackie D. Wood, xxx-xx-xxxx.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PRESSLER:

S. 1758. A bill to amend the Packers and Stockyards Act, 1921, to improve the administration of the Act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Ms. MIKULSKI (for herself and Mr. SARBANES):

S. 1759. A bill to amend title 5, United States Code, to require that written notice be furnished by the Office of Personnel Management before making any substantial change in the health benefits program for Federal employees; to the Committee on Governmental Affairs.

By Ms. SNOWE (for herself, Mr. DOLE, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. SIMPSON, Mr. KERRY, and Mrs. FEINSTEIN):

S. 1760. A bill to amend part D of title IV of the Social Security Act to improve child support enforcement services, and for other purposes; to the Committee on Finance.

By Mr. LAUTENBERG (for himself and Mr. BUMPERS):

S. 1761. A bill to eliminate taxpayer subsidies for recreational shooting programs, and to prevent the transfer of federally-owned weapons, ammunition, funds, and other property to a private Corporation for the Promotion of Rifle Practice and Firemans Safety; to the Committee on Armed Services.

By Mr. PELL:

S.J. Res. 55. A joint resolution proposing an amendment to the Constitution of the United States relative to the commencement of the terms of Office of the President, Vice President, and Members of Congress; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO:

S. Con. Res. 58. A concurrent resolution expressing the intent of Congress with respect to the collection of fees or other payments from the allocation of toll-free telephone numbers; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRESSLER:

S. 1758. A bill to amend the Packers and Stockyards Act, 1921, to improve the administration of the act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE PACKERS AND STOCKYARDS IMPROVEMENT ACT OF 1996

Mr. PRESSLER. Mr. President, I am introducing legislation today that represents the first of several steps I am taking to get action on problems facing our domestic cattle industry. For the past year, I have been pressing the Clinton administration to address meatpacker concentration and utilize existing antitrust laws to make sure that cattle are sold in an open and competitive market. We have seen some action on the part of the administration to solve this problem. Frankly, its proposals offer nothing new. My bill is a necessary first step to pry open the market.

Another step in the process is to get the Senate more engaged on the issue. As part of that effort, the Senate Committee on Agriculture, Nutrition and Forestry, and the Senate Committee on Commerce, Science and Transportation will hold a series of hearings on this subject next month. Cattle producers are facing the worst economic times in recent memory. The President has the authority to order immediate Justice Department action. Antitrust laws should be enforced now.

I have been saying that for months, but my words have fallen on deaf ears. Only by taking action to enforce antitrust laws already on the books can we ensure the long-term economic viability of the U.S. cattle industry.

South Dakota ranchers know that any real solution to beef prices must include antitrust action. It took only a few days and a 14 percent increase in the price of gasoline for the President to ask the Justice Department to establish a five-person task force to investigate possible antitrust violations. The facts are these: first, cattle prices are at their lowest levels in years; second, only a handful of the top packers control nearly 85 percent the market; and third, retail prices do not reflect the dramatically reduced price paid for cattle. Something is not right.

The bill I am introducing accomplishes three things that South Dakota cattlemen have told me must be done. First, the bill would establish a livestock dealer trust. This would protect sellers from any losses when cattle are sold on commission to a dealer or market agency that goes bankrupt. This was part of the Senate-passed farm bill, but was not in the final version that was signed into law. Second, the bill would require the Packers and Stockyards Administration to include formula-priced cattle in the definition of captive supplies. During the Senate Commerce Committee hearing I held last year in Huron, SD, producers made it loud and clear that this needed to be done. Finally, the bill would require the Secretary of Agriculture to make timely reports on the numbers of livestock and livestock products that are exported and imported, and also require the reporting of prices paid for livestock.

The Senate needs to carefully review this bill and other issues confronting the U.S. cattle industry. Packer concentration, price manipulation, possible price fixing and captive supply all must be looked at and a definite course of action implemented. The introduction of this bill today is the first step in this process.

We need to keep in mind that old saying "if it ain't broke, don't fix it." Well the U.S. cattle industry is broke and it needs fixing, now. I urge my colleagues to support this bill.

By Ms. MIKULSKI (for herself and Mr. SARBANES):

S. 1759. A bill to amend title 5, United States Code, to require that written notice be furnished by the Office of Personnel Management before making any susbtantial change in the health benefits program for Federal employees; to the Committee on Governmental Affairs.

THE FEDERAL HEALTH BENEFIT CHANGE ACCOUNTABILITY ACT OF 1996

• Ms. MIKULSKI. Mr. President, I am introducing today, along with my colleague from Maryland, Senator SARBANES, the Federal Health Benefit Change Accountability Act. This bill is also being introduced in the House of Representatives by Congressman BEN CARDIN. Our legislation will ensure that Congress has an opportunity to respond to any proposed reductions in retired Federal employee health benefits.

I want to save lives, save jobs, and save money. The 1996 prescription plan for Federal retirees that Blue Cross/Blue Shield negotiated with the Office of Personnel Management [OPM] is jeopardizing jobs, and in some cases may be jeopardizing lives. I want this policy changed for 1997, and I want to make sure that Congress is well informed of any future changes in health benefits.

Our bill will protect retired federal employees from the type of attacks on their earned health benefits that we are seeing with this plan. The bill would require a new reporting process at OPM. OPM would have to provide an annual report to Congress that would describe any significant changes in Federal retiree health benefits. The report would explain how proposed changes would affect retirees—both financially and in quality of care. The report would also explain what cost savings OPM expected to achieve. Congress would have time to react if there were concerns with the changes.

This legislation is necessary because of the terrible situation our Federal retirees find themselves in today with their Blue Cross/Blue Shield prescription benefits. Retirees in this prescription plan have a new 20-percent copayment at their neighborhood pharmacies. This is forcing retirees out of neighborhood pharmacy and away from the pharmacists they know and trust. They are forced to use mail order for most of their prescription needs, where there is no copayment, and where their care consists of an 800 number and a mail box.

I've been meeting with Federal retiree groups and with pharmacy groups, and what I'm hearing about this plan has disturbed me greatly.

I'm hearing about elderly retirees who are confused about how and when to use mail order.

I'm hearing about local pharmacies that are losing as much as 30 percent of their business and that are going to have to lay off employees. I'm hearing about jobs being lost because local pharmacies are being cut out of the business of providing care to Federal retirees.

I'm not antimail order, but I think it should be used under the right circumstances. A person can't wait for mail order when a weekend ear ache or a stomach virus strikes. A local pharmacist must be available right then. That is the safety net that allows mail order to work.

As my colleagues know, retirees have special health needs that are different from the majority of younger Federal employees. They frequently take more than one medication at a time, and they have complicated medical histories.

They also need the personal drug education and counseling that local pharmacy is able to provide. When they don't get this education and counseling, studies show they end up in the hospital because of noncompliance with their drug directions.

Community pharmacy is the last health care professional a retiree will see before taking that prescription. We need to think very seriously about what that means and what the consequences are to retirees. Unfortunately, OPM did not put enough thought into these consequences when the Blue Cross/Blue Shield plan was approved.

The very people who are unable to pay the 20-percent copayment because they are on fixed incomes and are forced to use mail order, are the people who are most likely to need the face to face counseling and drug education that they cannot get at mail order pharmacy.

That's why we need a drug benefit that achieves fiscal discipline but that allows retirees choice in their pharmacy care. Otherwise we end up treating prescriptions like a commodity. We end up managing the benefit instead of managing the patient.

Federal retirees have served us honorably and we must value them. We don't value them with words, we do it with actions. They earned and deserve retirement security and health security, and I want to see this government honor the promises that were made to them when they signed up for service.

The legislation we are introducing today will help ensure that the promise of quality health care is not bargained away by the Office of Personnel Management in the future.•

By Ms. SNOWE (for herself, Mr. DOLE, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. SIMPSON, Mr. KERRY, and Mrs. FEINSTEIN):

S. 1760. A bill to amend part D of title IV of the Social Security Act to improve child support enforcement services, and for other purposes; to the Committee on Finance.

THE CHILD SUPPORT IMPROVEMENT ACT OF 1996

• Ms. SNOWE. Mr. President, I am pleased to introduce the Child Support Improvement Act of 1996.

Fourteen months ago, Senator DOLE and I introduced our bill, the Child Support Responsibility Act of 1995, which later became an important piece of the welfare reform bill. Since that time, Congress has twice passed welfare reform, and twice it has been vetoed.

And now, we are in much the same place we were 14 months ago. While it is my sincerest hope that child support will pass as part of a comprehensive welfare reform bill this year, I believe that we must seize this opportunity to move forward on child support. Because this issue is too important to the future of American children to stand by and wait any longer.

For many of our Nation's children, the American dream is a rapidly fading mirage—one that they can see but are unable to firmly grasp. I'm talking specifically about the millions of children who suffer from the neglect of deadbeat parents—those parents who help bring a child into the world and then, for whatever reasons, renege on their responsibilities as a parent to care for them and give them the tools necessary to craft a better life than the one we enjoy today.

At a time when one in four children grow up in single-parent households, the crisis of unpaid child support remains a heavy burden. It is a burden that has not only taken an emotional toll on single parents and their children, but an economic toll as well. And it is sapping the financial resources of our State governments.

While many single parents have had some success in winning child support, only half of those who succeed actually receive what is owed. The other half receives partial payments or no payments at all. And an alarming 40 percent of single parents who seek child support do not succeed in winning any order at all. That means that, while the potential for child support collections is estimated to exceed $47 billion each year, only $15 billion or so is ever collected from noncustodial parents.

Worse yet, those single parents who have never been married have a difficult time receiving any child support payments at all. Data collected from the 1990 census indicates that of all mothers who have never been married, 75 percent did not have child support orders and more than 50 percent had household incomes below the poverty level.

These statistics translate into unprecedented burdens for single parents and their children, many of whom struggle to find good child care, quality medical care, warm clothes, or simply put food on the table.

In all fairness, Congress has tried to strengthen child support enforcement mechanisms prior to this term. In 1975, Congress did pass the Child Support Enforcement and Paternity Establishment Program as part of the Social Security Act, and then it enacted further improvements to this effort by way of the 1984 Child Support Enforcement Amendments and the Family Support Act of 1988.

Despite these actions, States have been hard pressed to keep pace with the virtual tidal wave of mothers seeking child support. States are faced with the daunting task of locating parents, establishing paternity, establishing child support orders, and collecting child support payments. Yet States have been hampered by a lack of leadership and technical support from the Federal Government.

As a former Member of the House of Representatives, I have a long history of working to change and improve Federal laws governing child support enforcement, and introduced my own legislation to help relieve single parents and their children of the institutional barriers to progress on this issue. As cochair of the Congressional Caucus for Women's Issues, we made child support enforcement one of our top legislative priorities in previous Congresses, where some 30 bills were introduced to address this problem. But I believe we have come to a point where everyone agrees that child support enforcement is one of the most important aspects of our campaign to revamp the welfare system of this country. It affects every State—children at every income level—and it affects both single mothers and single fathers. As a national problem, child support enforcement merits a national solution. And we must demonstrate our leadership by providing it.

That's why I have joined forces again with the distinguished majority leader, Senator DOLE, to introduce the Child Support Improvement Act of 1996. I should add, Mr. President, that this bill has true bipartisan support, and is intended to complement the efforts of my House colleagues, Congresswomen NANCY JOHNSON and BARBARA KENNELLY, who have introduced companion legislation in the House. Together, we have introduced the same child support provisions which received overwhelming support from both parties of Congress, as well as the administration, during welfare reform.

By passing this legislation, we will send a clear signal to deadbeat parents that their days of irresponsibility are over. We will also send clear signal to States that the Federal Government will provide them with the assistance they need to collect child support on behalf of millions of American families.

The bill contains commonsense reforms which achieve the following:

To strengthen efforts to locate parents, it expands the Federal parent locator system by creating Federal and State data banks of child support orders, and allowing State-to-State access of the network. It also creates Federal and State directories of new hires, to allow for basic information supplied by employers from W–4 forms to be compared against child support data.

To ensure that collected funds go to families as soon as possible, it establishes a centralized State collections and disbursements unit, and requires employers that garnish wages from employees to pay those withheld wages to the State within 5 days.

To increase paternity establishment, our approach simplifies paternity procedures, facilitates voluntary acknowledgement, and encourages outreach.

To ensure that child support orders are fair and equitable to children, it provides for a simplified process for review and adjustment of child support orders, and requires provisions for heath care coverage to be required in child support orders. And to facilitate child support enforcement and collection, it requires States to adopt the Uniform Interstate Family Support Act, to encourage the seamless enforcement of child support orders across State lines.

Finally, this bill expands the penalties for child support delinquency to include the denial of professional, recreational and driver's license to deadbeat parents, and permits the denial of a passport for individuals who are more than $5,000 in arrears. My husband, former Gov. Jock McKernan, pioneered a similar program in Maine in 1993. This program has been an amazing success in my home State. Between August 1993 and April 1996, $44 million was collected in outstanding child support payments from 15,000 individuals. In fact, in one case, a long-haul trucker who owed the State $19,000 drove to the State capitol and paid the amount in one lump sum. In another case, a real estate agent who owed more than $11,000 in child support money contacted the State and agreed to sell off some land to pay off his debt. Clearly, it's worth taking these steps. But we can do—and should do—much more.

Mr. President, perhaps if we can replicate the successes of States like Maine on a national level, we can begin to ease and eventually lift the economic and emotional burdens caused by delinquent child support payments, and at last bring the justice, security, and equity to millions of single parents and their children.

I look forward to working with my colleagues to ensure that noncustodial parents begin to accept and bear responsibility for their children, who will reap the financial support they so justly deserve and desperately need.●

By Mr. LAUTENBERG (for himself and Mr. BUMPERS):

S. 1761. A bill to eliminate taxpayer subsidies for recreational shooting transfer of federally owned weapons, ammunition, funds, and other property to the private Corporation for the Promotion of Rifle Practice and Firearms Safety; to the Committee on Armed Services.

THE SELF-FINANCING CIVILIAN MARKSMANSHIP PROGRAM ACT OF 1996

● Mr. LAUTENBERG. Mr. President, I introduce the Self Financing Civilian Marksmanship Program Act of 1996. I'm pleased that Senator BUMPERS is joining me in introducing this legislation.

The goal of this legislation is simple: to block the transfer of a $76 million Federal endowment to American gun clubs.

The Defense Department concluded long ago that the Army-run Civilian Marksmanship Program does not serve any military purpose. Even so, until recently the program was sustained by an annual $2.5 million Federal subsidy.

To extricate the Army from this program, while ensuring a steady stream of firearms to gun enthusiasts, pro-gun Members of Congress established a so-called private nonprofit version of the program in the fiscal year 1996 Department of Defense authorization bill.

In reality, the new corporation is private in name only. In fact, Congress blessed it with a multimillion-dollar endowment.

When the corporation becomes fully operational in October 1996, it will take control of 176,218 rifles worth more than $53 million. It will receive $4.4 million in cash and be given property valued at $8.8 million. Even more remarkable, the corporation will be given control of 146 million rounds of ammunition worth $9.7 million.

The old program was a flagrant example of government waste. The new version makes even less sense, since it relinquishes government control over the program.

In 1993, the General Services Administration reconfirmed a long-standing government policy. Under that policy, the Federal Government does not sell federally owned weapons to the public.

The Congress should not make an exception for the private, nonprofit Corporation for the Promotion of Rifle Practice and Firearms Safety. The U.S. Government shouldn't be an arms merchant.

Given the plethora of weapons readily available through the private sector, guns for which the federal government no longer has a use should be destroyed, and the corporation should be abolished.

Our bill would do just that. It would abolish the so-called private corporation, block the transfer of this $76 million endowment, and end the federally run Civilian Marksmanship Program once and for all. It would not prohibit gun clubs from operation, but it would not subsidize them with federally owned weapons, ammunition, property, and cash.

This gift of millions of dollars' worth of weapons and ammunition is terrible public policy. In fact, it's outrageous. The Government must work, to stem the rising tide of gun violence in this country, not aid and abet it.

I hope the Congress will approve this legislation. I ask unanimous consent that a copy of the Washington Post article on this program and a copy of the legislation be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1761

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Self Financing Civilian Marksmanship Program Act of 1996".

SEC. 2. PRIVATE SHOOTING COMPETITIONS AND FIREARM SAFETY PROGRAMS.

Nothing in this Act prohibits any private person from establishing a privately financed program to support shooting competitions or firearms safety programs.

SEC. 3. REPEAL OF CHARTER LAW FOR THE CORPORATION FOR THE PROMOTION OF RIFLE PRACTICE AND SAFETY.

(a) REPEAL OF CHARTER.—The Corporation for the Promotion of Rifle Practice and Firearms Safety Act (title XVI of Public Law 104–106; 110 Stat. 515; 36 U.S.C. 5501 et seq.), except for section 1624 of such Act (110 Stat. 522), is repealed.

(b) RELATED REPEALS.—Section 1624 of such Act (110 Stat. 522) is amended—

(1) in paragraphs (1) and (2) of subsection (a), by striking out "and 4311" and inserting in lieu thereof "4311, 4312, and 4313";

(b) by striking out subsection (b); and

(3) in subsection (c), by striking out "on the earlier of—" and all that follows and inserting in lieu thereof "on October 1, 1996.".

[From the Washington Post, May 7, 1996]

UP IN ARMS OVER RIFLE GIVEAWAY—GUN-CONTROL ADVOCATES CALL ARMY WEAPONS A SUBSIDY FOR NRA

A provision of the defense budget that went into effect earlier this year requires the Pentagon to give away 873,000 old rifles from World War II and the Korean War, spurring protests from gun-control advocates who believe the government shouldn't add to gun commerce.

The little-noticed measure was promoted by the National Rifle Association and the congressional delegation in Ohio, home to an annual marksmanship competition that will be financed by the sale of the venerable M-1 rifles and other aged guns with a resale value of about $100 million.

The heavy, nine-pound M-1s are unlikely to be used in street crimes such as drug killings, the program's advocates say, because the main buyers have been and likely will continue to be gun collectors who must be trained in shooting rifles and pass a stringent background investigation.

But critics say the recent congressional action is in effect a subsidy to the NRA. It requires the Army to transfer control over the rifles for free to a new nonprofit corporation.

The corporation will sell them to benefit marksmanship programs and the yearly target tournament in Camp Perry, Ohio, which is managed by the NRA.

The old Army-administered program also co-sponsored the annual Ohio tournament with the NRA, and over the years the NRA used its close relationship with the project to market itself, critics of the group said.

Congress's action marked the death of the Army-administered program, called the Civilian Marksmanship Program, which critics called one of the U.S. government's oddest pork-barrel projects. The Pentagon ran it for decades but has sought to disentangle itself in recent years.

The program harkens to 1903, just after the Spanish-American War. U.S. military officials were upset to learn farm boys conscripted for that conflict were not the rustics of romantic American novels who could nail a jack rabbit from 200 yards—in fact, they couldn't hit a barn. Congress established the project, supported by U.S. military guns and money, to promote sharpshooting in future wars.

"The gift of millions of dollars worth of weapons and ammunition is terrible public policy," said Sen. Frank R. Lautenberg (D-N.J.) in a column in USA Today. "In fact, it's outrageous. The government must work to stem the rising tide of gun violence in this country, not aid and abet it."

"This program historically has been a federal subsidy to the NRA's marketing," said Josh Sugarmann, a gun-control activist and author of a 1992 book critical of the NRA. Congress's latest action, he added, is "a new funding mechanism" that also helps the NRA.

The great majority of the gun clubs that take part in the marksmanship program are affiliated with the NRA, he said. For decades, in fact, the guns' buyers had to prove to the Army they were NRA members—until a federal judge stopped the requirement in 1979.

Promoters of the 93-year-old program say it's no more sinister than the Boy Scouts, the Future Farmers of America and other youth groups that have taken part in its marksmanship training. The M-1s that are sold are not used in crimes, they said, because the strict background probes of the guns' potential buyers cull out criminals. They also point out that nine of the 10 members of America's 1992 Olympic shooting team learned marksmanship in the program.

"Any link opponents try to draw between this program and urban violence is comparable to linking Olympic boxing competition with hoodlum street fighting," said Rep. Paul E. Gillmor (R-Ohio), who sponsored the new measure and whose district draws 7,000 visitors and $10 million in revenue during the summertime rifle competition.

Gillmor added that it would cost the military $500,000 to destroy the guns, while the cost is nothing if it gives them away.

Chip Walker, a National Rifle Association spokesman, said Lautenberg and other critics of the program "don't want to promote firearms safety and responsibility." He added that it's "ironic" that gun-control advocates for years have criticized the NRA for its harsh rhetoric, urging it to stick to its traditional mission of teaching firearms safety—and now raise questions about its efforts to pursue even that goal.

Almost all the guns the Army is to give away are M-1s, the bolt-action rifle lugged by GIs onto the beaches at D-Day and Guadalcanal. Replaced in 1958 by the M-14 as standard infantry issue, and later by today's M-16, the M-1 is prized by collectors and war buffs—especially the pristine guns sold in their original boxes by the Army.

Last year the Army charged $310 each for the M-1s stored at its Anniston Army Depot in Alabama—an increase from its recent price of $250. In any case, those are discounts, because M-1s usually sell for $400 to $500. In recent years the program sold a maximum of 6,000 guns a year.

The measure recently signed into law by President Clinton in essence privatizes the program and transfers ownership of the 373,000 rifles to the new Corporation for the Promotion of Rifle Practice and Firearms Safety, whose board is to be named by the Army. It will then sell the weapons for whatever price the market will bear, and at whatever rate it chooses. (The guns will remain at the Anniston facility until they are sold.)

The law requires the Army to transfer to the new corporation $5 million in cash the Army program has on hand, $8 million in computers and other equipment, about 120 million rounds of ammunition and the 373,000 guns. It's estimated that only about 60 percent of the guns—about 224,000—are usable, and they could fetch about $100 million.

The Pentagon has sought to remove itself as administrator of the program, under which it sold 6,000 guns a year and donated $2.5 million annually to the Ohio competition, military officials said. The main reason, they said, is that they concluded that the program years ago stopped contributing to "military readiness." Moreover, Pentagon officials were uncomfortable being involved in an issue as controversial as firearms.

Finally, last year, military officials were upset by the taint the program suffered when it was learned that members of a Michigan militia had formed a gun club that became officially affiliated with the Army program. Using that affiliation, the militia members had taken target practice at a Michigan military base until they were stopped.●

By Mr. PELL:

S.J. Res. 55. A joint resolution proposing an amendment to the Constitution of the United States relative to the commencement of the terms of office of the President, Vice President, and Members of Congress; to the Committee on the Judiciary.

PRESIDENTIAL AND CONGRESSIONAL TERMS INAUGURATION DATE ADVANCE CONSTITUTIONAL AMENDMENT

Mr. PELL. Mr. President. I offer a joint resolution to amend the Constitution to advance the Inauguration dates for the President and Members of Congress from January 20th and 3rd to December 10th and 1st respectively. In offering this resolution here in the 104th Congress, I note for my colleagues that this is an effort I first began in 1981 and with each succeeding set of national elections, I believe that the rationale and wisdom for changing these dates becomes more compelling.

The current date for the Inauguration of the President was set by the 20th amendment to the Constitution in 1933. Prior to that, the Inauguration date had not changed since being fixed by an act of the Continental Congress in 1788 commencing the proceeding of the Government of the United States under the newly ratified Constitution. Under that act, March 4th was chosen simply because it happened to be the first Wednesday in March of 1789 and it was thought at the time that that amount of time was needed for each State to appoint Presidential electors to the Electoral College and for them to meet and cast their ballots. Additionally, there were practical and controlling considerations over the difficulty and length of time it took to travel to and from the Capital City, the necessity for time to allow newly elected officials to tend to the long-term organization of their private affairs prior to their extended departure from home for Washington, and the lack of sophisticated means for the verification of polling results and for communication of news. Thus, in the founding days of our country, March 4th was seen as the earliest possible date by which the Government could, in an orderly and practical manner, bring about the will of the electors as expressed in congressional and Presidential balloting from the previous November.

By 1933, however, it had become clear that it was no longer necessary to postpone the Inauguration of the President and Members of Congress until March 4th. Senator George W. Norris of Nebraska, the Champion of the 20th amendment to the Constitution which advanced the Presidential and congressional Inauguration dates to their current status, said on the Senate floor in 1932:

> When our Constitution was adopted, there was some reason for such a long intervention of time between the election and actual commencement of work by the new Congress. We had neither railroads nor telegraphic communication connecting the various States and communities of the country. Under present conditions, however, the result of elections is known all over the country within a few hours after the polls close, and the Capital City is within a few days' travel of the remotest portions of the country.
>
> . . . The only direct opportunity that the citizens of the country have to express their ideas and their wishes in regard to national legislation is the expression of their will through the election of their representatives at the general election in November. . . . In a government "by the people" the wishes of a majority should be crystallized into legislation as soon as possible after these wishes have been made known. These mandates should be obeyed within a reasonable time.

Those words ring true today. With the further advancement in travel, communications, polling, and the ascertainment of election results since 1933, their remains no justification for the present lengthy hiatus between Election Day and Inauguration Day. We now know election results within minutes of the last closing of the polls, indeed, usually before they close through news projections, and travel to Washington is an affair that can be accomplished in a day. The Electoral College could easily complete its duties within a few days time and there is no impediment to the commencement of the terms of the Members of Congress by December 1st. necessary because of the role of the House of Representatives in the ratification of the results of the Electoral College. It is clear then that no structural or logistical justification exists for delaying the implementation of the decision of the voters made at the polls in early November.

With no physical barriers to a more rapid installation of the President and Members of Congress, are there policy reasons for waiting 2 months and more before swearing them into office? In my opinion, the typical arguments of preservation of tradition and the need for time for transition organization are less than compelling. Indeed, I believe that these justifications pale in comparison to the drawbacks of the current state of affairs.

First and foremost, currently when a new President is elected, during the protracted transition period to a new administration that follows, it is unclear for almost 3 months who speaks for the United States on matters of national importance or crisis. As the undisputed leader in world affairs, and in a world ever more closely intertwined and influenced by daily events occurring throughout the international community, this is a needless peril into which we place ourselves. It is never wise not desirable for any country, particularly one with extensive power and influence such as ours, to tolerate any confusion or question about who runs and speaks for the affairs of State. Yet, whenever we elect a new President, we needlessly allow just such a situation to occur. We would substantially reduce the potential hazards of the current lengthy delay in the transition of our Government were this proposal adopted.

Another pitfall of the current lengthy interregnum is that under the present system, the next fiscal year's proposed budget is submitted by the outgoing administration only to be subject to amendment and revision once the new administration takes office. This is a needless duplication of effort and inevitably results in an unnecessary delay of the budget process. Indeed, given the record of the current Congress with regard to the Federal budget, it is clear that any additional time or lack of either redundant or pointless effort would be welcome. If the new Congress were to be sworn in on December 1 and the President on December 10, the new administration would start with a clean slate with regard to the budget and the process would be off to a much smoother and more sensible start.

Another clear benefit of an advance in the dates of inauguration for the President and Members of Congress would be that with the recently completed campaign season more fresh in the memories of the new administration and Congress, the opportunity would be greater to take quicker action on the proposals which collectively brought them to office. The populace, having listened to an extensive campaign and spoken their minds through the ballot box, deserve to have the views they supported formulated into legislation and acted upon in a reasonable and timely fashion. Waiting for 3 months to even begin the process seems to me to be simply too long.

Other reasons for advancing the Inauguration of the President and Congress, while slightly more speculative, seem likely. For example, with the advance, the President would prudently be inclined to have a good idea of who he or she would choose for key positions in the Cabinet prior to the election. Indeed, the composition of the Cabinet could well become part of the preelection debate, something which I feel would be healthy given the enormous influence Cabinet members have over the day-to-day functions of the executive branch.

Another potential benefit would be that given the much shorter period between Election Day and the commencement of the terms of the new Congress, the incentive or need to hold so-called lameduck sessions of Congress would be greatly reduced. This would produce the desirable result of discouraging the opportunity for Members who had lost at the polls to still meet, vote, and decide upon matters on behalf of the constituents who just turned them out. Again, in a democracy, it is the will of the people that should be afforded the greatest chance of being heard and reducing the likelihood of a lame-duck session of Congress would forward that goal.

For all of these reasons, I again propose the constitutional amendment. For those unfamiliar with my earlier efforts to advance the Inauguration dates, a couple of points. First, there is nothing magical about the dates of December 10th for the President and December 1st for Members of Congress. Indeed, when I first pursued this effort, I proposed earlier dates ranging from early to mid-November. However, at a hearing before the Senate Judiciary Committee in 1984, there was a general feeling that perhaps that left too little time after the election for an orderly transition. Likewise, there was resistance to interference with the Thanksgiving holiday so early December presents itself as the earliest reasonable and desirable timeframe for setting these Inauguration dates. Incidentally, for those who wish to cling to tradition, establishing a swearing-in date of December 1st for Congress would be somewhat of a return to previous practice. The Constitution originally established the meeting day for Congress on the first Monday of December and this was the practice until the 20th amendment changed it in 1933. Thus, it was not until 1934 that Congress began its sessions in early January. Under my proposal, Congress would resume the commencement of its sessions in early December.

Thus, I offer my joint resolution to advance the Presidential and congressional Inauguration dates. This proposal is good government, it makes common sense, and is both feasible and practical. Furthermore, I believe that failing to change the dates needlessly risks confusion over who speaks for the national government, facilitates undesirable legislative scenarios such as the convening of lame-duck sessions of Congress, and unnecessarily delays the chance for those chosen by the electorate to take their rightful offices and act upon the issues of the day. I urge my colleagues to take the time to carefully consider this proposal and that they join me in this effort to make these straightforward and eminently reasonable changes in our governmental process.

Mr. President, I ask unanimous consent that at this point a brief history of the 20th amendment as prepared for the Judiciary Committee in 1985 be included in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

AMENDMENTS TO THE CONSTITUTION: A BRIEF LEGISLATIVE HISTORY

AMENDMENT XX

Text of amendment

"Section 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"Sec. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"Sec. 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"Sec. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"Sec. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission."

Background

In accordance with the constitutional provisions written by the Founding Fathers in 1787, the newly established U.S. Government was to become effective when nine States ratified the Constitution.[1] After the ratification process was completed in June of 1788, the existing Congress designated March 4, 1789 as the official date when the Federal Government, as outlined in the Constitution, would begin operation. This date represented an estimate of the time needed to appoint presidential electors in each State and allow them to cast their ballots for President. In addition, the States needed time to select both Representatives and Senators to serve in the U.S. Congress. As mandated by the Constitution, the President was to serve for 4 years, Senators for 6, and Representatives for 2. All legislative and executive offices, then and in the future, would commence on March 4 and end in subsequent odd-numbered years on the same date.

The problem inherent in this system was that the Constitution, under Article I, Section 4, Clause 2, stipulated:

"The Congress shall assemble at least once in every year, and such a meeting shall be on the first Monday in December, unless they shall by Law appoint a different day."

This meant that, although Congressmen were elected to office in November of even-numbered years, they were not entitled to take office until after the terms of their predecessors expired the following March. Moreover, the new Congressmen would not assemble until the following December. This left a thirteen month lapse from the time of election until the new Congress first convened. In the meantime, defeated or retiring Congressmen would meet in their regular session in December of the election year and continue to hold office until their term expired on March 4 of the next year. This short session of Congress, from December to March, was nicknamed the "lame-duck" session, deriving its title from the stock exchange term meaning "one who was unable to meet his obligations."[2]

The "lame-duck" session of Congress was controversial for a number of reasons. For instance, if the election of the President were thrown into the House of Representatives, the election would be decided not by recently elected Congressmen, but by the "lame-duck" session. In addition, should a session of Congress require more time to conduct its business, the session could not be extended, since the terms of many legislators expired on March 4. The pending business would either have to be postponed until the following December, or a special session of the new Congress would have to be called. Consequently, the "lame-duck" session provided parliamentary advantages for the majority party in Congress. This is why constitutional amendments to eliminate the "lame-duck" session continually faced opposition in Congress.

Objections to the "lame-duck" session were heard long before proposals leading to the Twentieth Amendment were introduced. On the opening day of Congress' first "lame-duck" session in March of 1795, Aaron Burr laid before the Senate a motion introducing a constitutional amendment extending the terms of Congressmen until the first day of June.[3] Again in 1840, Millard Fillmore introduced an amendment that called for the elimination of the "lame-duck" session. Fillmore's resolution provided for the terms of Congressmen to begin on the first day of December, rather than fourth day of March.[4] Several other amendments to the Constitution, which would have altered the terms of office and dates of congressional sessions, were introduced during the last quarter of the nineteenth century. Each of them was defeated.[5]

In 1923, the first of several resolutions introduced by Senator George W. Norris of Nebraska to eliminate the "lame-duck" session was reported by the Senate Committee on Agriculture and Forestry.[6] The measure, S.J. Res. 253, easily passed the Senate on February 13, 63 to 6, 27 not voting.[7] However, as would be the case with several of Norris' resolutions, the House of Representatives defeated the proposal by delaying further action until Congress adjourned in March. The same thing happened in 1924 with S.J. Res. 22 (68th Cong.), and again in 1926 with S.J. Res. 9 (69th Cong.). In 1928, S.J. Res. 47 (70th Cong.) finally made it to a vote in the House, where it gained a majority but failed to receive the necessary two-thirds vote, 209 to 157, 66 not voting and 2 answering "present."[8]

On June 8, 1929, another Norris amendment proposal, S.J. Res. 3 (71st Cong.), passed in the Senate and was sent to the House. Once in the House, the Resolution lay on the Speaker's table until April 17, 1930, when it was finally referred to a House committee. In the meantime, a similar House Resolution, H.J. Res. 292 (7st Cong.), was introduced. This proposal, as amended by Speaker of the House Nicholas Longworth of Ohio, would have required the second session of Congress, which convened in January, to adjourn by May 4 of even-numbered years.[9] H.J. Res. 292 passed easily in the House, 290 to 93, 47 not voting and 1 answering "present."[10] In conference, representatives from the House and the Senate failed to agree on a compromise measure. As a result, hopes for an amendment to the Constitution once again expired with the adjournment of the 71st Congress.[11]

Legislative history

The elections of 1930 resulted in a Democratic landslide in the House. Unlike Longworth, the new Speaker, John N. Garner of Texas, came out in active support of an amendment to remedy the "lame-duck" problem. On January 6, 1932, the sixth Norris Amendment, S.J. Res. 14 (72nd Cong.), was reported in the Senate by the Committee on the Judiciary. During floor consideration in the Senate on January 6, one amendment to limit the second session of Congress was rejected before the Resolution passed, 63 to 7, 25 not voting.[12]

In the House, the Committee on Election of the President, Vice President, and Representatives in Congress reported S.J. Res. 14 with an amendment in the nature of a substitute measure.[13] Among numerous suggested alterations, the substitute proposed ending presidential terms on January 24 and congressional terms on January 4, providing for succession in the event of the death or lack of qualification of the President-elect or Vice President-elect, making provision in case of the death of candidates from which Congress might have to choose a President or Vice President, and setting an effective date for the first two sections of the amendment.

The House began consideration of S.J. Res. 14 under an open rule on February 12, 1932.[14] On February 13, numerous amendments to the committee substitute were offered, all of which were either rejected or withdrawn. The two amendments withdrawn by their sponsors would have required ratification of the amendment within 7 years of its submission to the States and provided that Congress could, by concurrent resolution, set an assembly date other than January 4.[15] The rejected amendments called for ratification of the Twentieth Amendment by State conventions, extension of Representatives' terms to 4 years, and limitation of the second session of Congress.

After the House debate concluded, the Election Committee's substitute was approved and recommitted to the committee, with instructions to report it back with a new section establishing a mandatory 7-year ratification period.[16] Once the Resolution was amended accordingly and again reported by the Committee on Election, it passed the House 204 to 134, 43 not voting.[17] Minor differences between the House and Senate versions were quickly resolved in conference.[18]

Ratification history

The Twentieth Amendment was sent to the States for ratification in March of 1932; and within 1 year, all 48 States had ratified. Virginia was the first State to ratify, on March 4, 1932; and on January 23, 1933, Utah became the required 36th State to approve the Amendment. The ratification dates of each of the States appear below:

Virginia, Mar. 4, 1932.
New York, Mar. 11, 1932.
Mississippi, Mar. 16, 1932.
Arkansas, Mar. 17, 1932.
Kentucky, Mar. 17, 1932.
New Jersey, Mar. 21, 1932.
South Carolina, Mar. 25, 1932.
Michigan, Mar. 31, 1932.
Maine, Apr. 1, 1932.
Rhode Island, Apr. 14, 1932.
Illinois, Apr. 21, 1932.
Louisiana, Jun. 22, 1932.
West Virginia, Jul. 30, 1932.
Pennsylvania, Aug. 11, 1932.
Indiana, Aug. 15, 1932.
Texas, Sep. 7, 1932.
Alabama, Sep. 13, 1932.
California, Jan. 4 1933.
North Carolina, Jan. 5, 1933.
North Dakota, Jan. 9, 1933.
Minnesota, Jan. 12, 1933.
Arizona, Jan. 13, 1933.
Montana, Jan. 13, 1933.
Nebraska, Jan. 13, 1933.
Oklahoma, Jan. 13, 1933.
Kansas, Jan. 16, 1933.
Oregon, Jan. 16, 1933.
Delaware, Jan. 19, 1933.
Washington, Jan. 19, 1933.
Wyoming, Jan. 19, 1933.
Iowa, Jan. 20, 1933.
South Dakota, Jan. 20, 1933.
Tennessee, Jan. 20, 1933.
Idaho, Jan. 21, 1933.
New Mexico, Jan. 21, 1933.
Georgia, Jan. 23, 1933.
Missouri, Jan. 23, 1933.
Ohio, Jan. 23, 1933.
Utah, Jan. 23, 1933.
Colorado, Jan. 24, 1933.
Massachusetts, Jan. 24, 1933.
Wisconsin, Jan. 24, 1933.
Nevada, Jan. 26, 1933.
Connecticut, Jan. 27, 1933.
New Hampshire, Jan. 31, 1933.
Vermont, Feb. 2, 1933.
Maryland, Mar. 24, 1933.
Florida, Apr. 26, 1933.

With more than the necessary number of States having ratified, the Twentieth

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Footnotes at end of article.

Amendment was certified as part of the Constitution on February 6, 1933, by Secretary of State Henry L. Stimson. Section 5 of the Amendment provided that Section 1 and 2 would become effective on October 15, 1933; therefore, the terms of newly-elected Senators and Representaties began on January 3, 1934, and the terms of the President and Vice President began on January 20, 1937.[19]

The Twentieth Amendment appears officially as 47 Stat. 2569.

FOOTNOTES

[1] United States Constitution, Article VII.

[2] Carl Brent Swisher, *American Constitutional Development* (Boston: Houghton Mifflin, Co., 1943), 723.

[3] *Annals of the Congress of the United States, 1795* (Washington, D.C.: Gales & Seaton, 1849), 5: 853.

[4] *Congressional Globe*, 26th Congress, 2nd Session, 1840, 9: 44.

[5] *Congressional Record*, 70th Congress, 2nd Session, 1928–1929, 70; 1–8; H. Doc. 551.

[6] *Congressional Record*, 67th Congress, 4th, Session, 1932, 64, Pt. 4: 3505–3507.

[7] Ibid., 3540–3541.

[8] Ibid., 70th Congress, 1st Session, 1928, 69, Pt. 4: 4430.

[9] Ibid., 71st Congress, 3rd Session, 1931, 74, Part 6: 5906–5907.

[10] Ibid., 5907–5908.

[11] For a summary of these five proposals see: *Congressional Record*, 72nd Congress, 1st Session, 1931-1932, 75.

[12] *Congressional Record*, 1372–1384.

[13] Ibid., 72nd Congress, 1st Session, 1932, 75.

[14] Ibid.

[15] Ibid., 3856–3857, 3875–3876.

[16] Ibid., 3857–78.

[17] 4059–60.

[18] Ibid.

[19] *Virginia Commission on Constitutional Government, The Constitution of the United States*, (Richmond, 1965), 36–37.

ADDITIONAL COSPONSORS

S. 1491

At the request of Mr. GRAMS, the names of the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Idaho [Mr. KEMPTHORNE], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1491, a bill to reform antimicrobial pesticide registration, and for other purposes.

S. 1521

At the request of Mr. DOLE, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1521, a bill to establish the Nicodemus National Historic Site in Kansas, and for other purposes.

S. 1532

At the request of Mr. SIMON, the names of the Senator from Virginia [Mr. ROBB] and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of S. 1532, a bill to provide for the continuing operation of the Office of Federal Investigations of the Office of Personnel Management, and for other purposes.

S. 1534

At the request of Mr. HATFIELD, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1534, a bill to amend the Public Health Service Act to provide additional support for and to expand clinical research programs, and for other purposes.

S. 1644

At the request of Mr. BROWN, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1644, a bill to authorize the extension of nondiscriminatory treatment (most-favored-nation) to the products of Romania.

S. 1646

At the request of Mr. DOMENICI, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 1646, a bill to authorize and facilitate a program to enhance safety, training, research and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, and for other purposes.

SENATE RESOLUTION 85

At the request of Mr. CHAFEE, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Resolution 85, a resolution to express the sense of the Senate that obstetrician-gynecologists should be included in Federal laws relating to the provision of health care.

SENATE RESOLUTION 215

At the request of Mr. LAUTENBERG, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of Senate Resolution 215, a resolution to designate June 19, 1996, as "National Baseball Day."

SENATE CONCURRENT RESOLUTION 58—TELEPHONE NUMBER OWNERSHIP CONCURRENT RESOLUTION OF 1996

Mr. D'AMATO submitted the following concurrent resolution; which was referred to the Committee on Commerce, Science, and Transportation.

S. CON. RES. 58

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. SHORT TITLE.

This Resolution may be cited as the "Telephone Number Ownership Resolution of 1996".

SEC. 2. FINDINGS.

The Congress finds that—

(1) under existing law, the Federal Communications Commission is the administrator, not the owner, of telephone numbers, and has no authority to auction, or impose user fees for, any number within the North American Numbering Plan, nor does any other Federal agency;

(2) auctions of toll-free numbers will increase consumer fraud and confusion by allowing competitors to profit from the established reputation associated with existing toll-free numbers;

(3) there are a total of 21 countries in the North American Numbering Plan, including the United States of America, Canada, and most Caribbean countries, and decisions affecting universally available toll-free numbers should not be made without a consensus among the participating nations;

(4) the value of a toll-free telephone number is derived solely from the efforts of the holder to create value in it; and

(5) the right of first refusal for companies with toll-free numbers that have become a unique brand identity will ensure that customers reach their intended service provider.

SEC. 3. SENSE OF THE CONGRESS.

It is the sense of the Congress that—

(1) the Federal Communications Commission lacks legal authority to conduct auctions or other revenue raising activities in connection with the allocation of any number within the North American Numbering Plan.

(2) if the Congress is to authorize such activities, procedures will be required—

(A) to protect any value attaching to new toll-free numbers by reason of a private business investment in the advertisement or public awareness of the corresponding 800 number, by granting a right of first refusal or other protection to the subscriber to that corresponding 800 number;

(B) to prevent unjust enrichment and inefficient use of toll-free numbers by measures designed to prevent speculation, hoarding, and other "gaming" of the allocation system; and

(C) to protect consumers from fraud and confusion by preventing the misrepresentation of established toll-free numbers; and

(3) the Federal Communications Commission should submit to the Congress a plan for the allocation of toll-free 888 numbers that contains procedures described in paragraph (2), together with its recommendations for legislative authorization of such allocation.

AMENDMENTS SUBMITTED

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

GRASSLEY (AND OTHERS) AMENDMENT NO. 3963

Mr. GRASSLEY (for himself, Mr. EXON, Mr. KOHL, Mr. KERRY, Mr. FEINGOLD, Mr. HARKIN, Mr. BUMPERS, Mr. SIMON, and Mr. DORGAN) proposed an amendment to the concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

On page 4, line 8, decrease the amount by $8,300,000,000.

On page 4, line 17, decrease the amount by $2,300,000,000.

On page 8, line 3, decrease the amount by $8,300,000,000.

On page 8, line 4, decrease the amount by $2,300,000,000.

On page 52, line 11, decrease the amount by $8,300,000,000.

On page 52, line 12, decrease the amount by $2,300,000,000.

On page 59, at the end of line 2, insert "This section shall not apply to defense discretionary budget authority and budget outlays caps for fiscal year 1997."

KYL AMENDMENT NO. 3964

(Ordered to lie on the table.)

Mr. KYL submitted an amendment intended to be proposed by him to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING A SUPERMAJORITY REQUIREMENT FOR RAISING TAXES.

(a) FINDINGS.—The Senate finds that—

(1) the Nation's current tax system is indefensible, being overly complex, burdensome, and severely limiting to economic opportunity for all Americans;

(2) fundamental tax reform should be undertaken as soon as practicable to produce a tax system that is fairer, flatter, and simpler; that promotes, rather than punishes, job creation; that eliminates unnecessary paperwork burdens on America's businesses; that recognizes the fact that families are performing the most important work of our society; that provides incentives for Americans who save for the future in order to build a better life for themselves and their families; that allows Americans, especially the middle class, to keep more of what they earn, but that raises enough money to fund a leaner, more efficient Federal Government; and that allows Americans to compute their taxes easily; and

(3) the stability and longevity of any new tax system designed to achieve these goals should be guaranteed with a supermajority vote requirement so that Congress cannot easily raise tax rates, impose new taxes, or otherwise increase the amount of a taxpayer's income that is subject to tax.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that this concurrent resolution on the budget assumes fundamental tax reform should be accompanied by a proposal to amend the Constitution of the United States to require a supermajority vote in each House of Congress to approve tax increases.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will meet on Tuesday, May 21, 1996, at 11 a.m., in SR–328A to conduct confirmation hearings on the following:

Brooksley E. Born, of Washington, DC, to be Chairman of the Commodity Futures Trading Commission and to be Commissioner of the Commodity Futures Trading Commission for the remainder of the term expiring April 13, 1999.

David D. Spears, of Kansas, to be Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 2000.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Wednesday, May 22, 1996, at 9:30 a.m., on Public Access to Government Information in the 21st Century, with a focus on the GPO Depository Program/Title 44.

For further information concerning this hearing, please contact Joy Wilson of the Committee staff.

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a business meeting on Wednesday, May 22, 1996, beginning at 9:30 a.m., in room 428A of the Russell Senate Office Building to vote on the nomination of Ms. Ginger Ehn Lew to be Deputy Administrator of the U.S. Small Business Administration and to markup the "Small Business Investment Company Improvement Act of 1996."

For further information, please contact Paul Cooksey.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Wednesday, May 15, 1996, at 9:30 A.M., in SR–332, to discuss how the Commodity Futures Trading Commission oversees markets in times of volatile prices and tight supplies.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, May 15, 1996, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this meeting is to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, May 15, 1996, at 10 A.M., to hold a hearing on "combating violence against women."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, May 15, 1996, beginning at 9:30 a.m., until business is completed, to hold a hearing on Campaign Finance Reform.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, May 15, 1996, beginning at 10 a.m., until business is completed, to hold a hearing on Campaign Finance Reform.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. STEVENS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, May 15, 1996 at 6 p.m., to hold a closed business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AFRICAN AFFAIRS

Mr. FRIST. Mr. President, I ask unanimous consent that the Subcommittee on African Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 15, 1996, at 2 p.m., to hold hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. FRIST. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, May 15, 1996, to hold hearings on Russian Organized Crime in the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

LET'S WORK TOGETHER TO PASS WELFARE REFORM

• Mr. HARKIN. Mr. President, President Clinton recently issued an executive order restricting welfare benefits to teenage parents. I commend the President for taking this action to change welfare as we know it. His work demonstrates his strong commitment to welfare reform. We in Congress should build on his action by quickly passing a tough bipartisan welfare reform plan.

There is no doubt about the dramatic increase in births to unmarried teens. It is clear that we must take aggressive and immediate action to address this serious problem.

The Clinton administration would change welfare policy to keep teen parents in school, require teen parents to sign personal responsibility contracts and require minor mothers to live at home. While this executive order is not the comprehensive overhaul of the welfare system that I feel is needed, it addresses a critical concern—the increase of births to unmarried teenagers. It is a good place to start.

Just last month, the Iowa welfare reform waiver was modified to institute similar changes. In the future, minor parents in Iowa will be required to stay in school and earn a high school diploma or GED and to live with their parents or another responsible adult. These changes will help build a welfare system that requires responsibility, strengthens families, and promotes independence by making families self-sufficient.

Without at least a high school education, welfare parents are unable to get decent jobs that will make the family self-sufficient. Therefore, too many young families are consigned to years of welfare dependency because the parents do not possess the basic skills necessary to get and keep a job. By requiring minor parents to stay in school to earn a diploma or GED, we begin to break this devastating cycle of dependency.

Further, too many minor parents go out and establish separate households when a child is born. Unfortunately many of these young parents are still children themselves and do not possess the skills to properly raise their children. By requiring these minors to remain with their own parents or live with another responsible adult, the young family will be in a more secure environment which will produce a stable family rather than a welfare dependent family for years to come.

Since January 1994, all Iowa welfare recipients, not just teen parents, have been required to sign family investment agreements which outline the steps the family will take to move off of welfare and a date at which time welfare benefits would end. The Clinton personal responsibility contract requirement is modeled on the family investment agreement which is working very well in Iowa.

Mr. President, as I have discussed many times before, Iowa instituted a statewide reform of the welfare system in October 1993. Since then, more families are working and earning income, the number of families on welfare has been declining and the amount of money spent on cash grant is down. In short, welfare reform is working in Iowa. In 1993 and 1995, Senator BOND and I introduced a common sense bipartisan reform plan based on the good work being done in Iowa and in Missouri on reforming welfare.

Mr. President, in February, the National Governors Association announced a bipartisan agreement on welfare reform. At that time, I viewed the proposal as the vehicle to jumpstart the congressional debate on welfare reform and restore bipartisanship to the process. This does not seem to be happening and I am very frustrated by that reality.

There is no doubt that the current welfare system is badly broken and in desperate need of repair. Further, there is no question that there is strong, bipartisan support in the U.S. Senate for welfare reform legislation. I still hold out hope that we can and will enact bipartisan welfare reform legislation during the remaining days of the 104th Congress.

The current dependency inducing welfare system must be replaced with one that promotes independence and self-sufficiency. One that sends the clear message to families on welfare that if you can work, you must work. One that requires every family to take responsibility, from day one on welfare, to begin the journey off of welfare and into self-sufficient employment.

There is overwhelming support in the Senate for this kind of commonsense welfare reform. This support was demonstrated last fall when 87 Senators voted for a bipartisan bill to reform welfare.

Mr. President, the American people desperately want us to address the major problems facing our country and stop the political game playing.

We should take the Senate passed plan backup, amend it to adhere to some of the key recommendations of the National Governors Association such as increased funding for child care, and pass it. We clearly have an overwhelming bipartisan majority to do that. That's the clearest way to get comprehensive welfare reform signed into law this year.

Leaders in the House of Representatives have spoken in favor of taking up the Senate bill. The President has said he could support the Senate bill and has said good things about the NGA plan. So it is very clear that there is a path available to us to enact welfare reform. We should take it, and quickly.

Mr. President, I am very concerned, however, that some seem to want to take a different course—one that is clearly destined to result in more gridlock, political fingerpointing and no welfare reform. The budget resolution passed out of the Budget Committee ties welfare reform to a poison pill—elimination of guarantees for elderly people in nursing homes to continued coverage of their care through Medicaid. By block granting and severely cutting Medicaid, health care for pregnant women and children would also be placed on the chopping block. And the President has rightly said that this is wrong and would force him to veto a bill that contained it.

In an effort to clear the path for enactment of welfare reform, I will be offering an amendment to the budget resolution that would take out the poison pill. My amendment will require consideration of welfare reform separate from ending guaranteed coverage for health care to millions of elderly and other Americans. This is the only hope for welfare reform this year. So I hope that all of my colleagues who share my support for comprehensive welfare reform will join me in support of this amendment.

I look forward to working with all of my colleagues on this and other important issues during the remaining of this session and ask that a summary of the executive order be printed in the RECORD.

The summary follows:

EXECUTIVE ACTION ON WELFARE REFORM

Today, President Clinton announced four measures to make responsibility the law of the land, by ensuring that teen mothers on welfare stay in school and live at home. These four executive actions include requiring all States to submit plans for requiring teen mothers to stay in school and prepare for employment; cutting through redtape to allow States to pay cash bonuses to teen mothers who finish high school; requiring all States to have teen mothers who have dropped out of school return to school and sign personal responsibility plans; and challenging all States to require minor mothers to live with a responsible adult. With these actions, we're focusing on one of the key components of welfare reform: parental responsibility. And we're putting young mothers on the right path, toward employment and self-sufficiency.

REQUIRING TEEN MOTHERS TO STAY IN SCHOOL

Currently, 26 States require teen parents to stay in school to receive assistance, 23 under waivers approved by the Clinton administration. Ohio, for example, has a model program called LEAP: Learning, Earning, and Parenting. LEAP reduces checks of teen mothers when they don't go to school, and pays them a bonus when they do. Other States are trying similar approaches with our support. For example, Delaware reduces benefits for truancy, and pays teen mothers a $50 bonus when they graduate from high school. Colorado pays bonuses when teen mothers graduate from high school or receive a GED.

These States are putting teen mothers on the right path, toward employment and self-sufficiency—and all 50 States around the country should follow their lead. That's why the President is directing all States to submit plans to require school attendance among teens who receive welfare. And to be sure they do, the Department of Health and Human Services will do annual surveys of their success.

ALLOWING STATES TO REWARD TEEN MOTHERS WHO COMPLETE HIGH SCHOOL

Today, President Clinton is also cutting through redtape to allow States to reward teen mothers who stay in school and complete high school, in addition to sanctioning those who don't. States would be able to give teen mothers cash bonuses for strong school attendance, graduating from high school, or GED receipt—without requesting a waiver.

REQUIRING TEEN MOTHERS TO SIGN PERSONAL RESPONSIBILITY PLANS

Today, the Clinton administration is requiring all 50 States to ensure that teen mothers on welfare who have dropped out of school both return to school and sign personal responsibility plans. These actions will help teen mothers plan for their futures and turn their lives around.

REQUIRING MINOR MOTHERS TO LIVE AT HOME

Under current law, States have the option to require minor mothers to live at home—but only 21 States have such requirements, 11 initiated under waivers granted by the Clinton administration and 10 adopted under the State option. Today, the Clinton administration is challenging all 50 States to put minor mothers on the right track by requiring them to live at home or with a responsible adult in order to receive assistance.

ENDING WELFARE AS WE KNOW IT

The President's goals for welfare reform are clear: requiring work, promoting responsibility, and protecting children. With this new initiative, President Clinton underscores his commitment to helping welfare recipients become—and stay—self-sufficient. President Clinton continues to call for a national welfare reform bill that gets these priorities right. Under welfare reform waivers, we've already freed 37 States from redtape to pursue innovative welfare reforms—more than under any previous administration. State welfare demonstrations approved by the Clinton administration now cover 75 percent of all welfare recipients nationwide.•

HONORING MARY WHITE

• Mr. LIEBERMAN. Mr. President, I rise today to pay tribute to a very worthy constituent, Mrs. Mary White. Mrs. White is retiring this month after years of service to both her State and her country, by working for the Immigration and Naturalization Service.

Mrs. White spent 21 years in public service. Her work for INS over the past 6 years has been exemplary, and has set a very high standard for her peers. My office, as well as many others, has enjoyed an excellent working relationship with the Immigration and Naturalization service over the years, due in large part to the cooperation we received from Mrs. White. On numerous occasions she has performed flawlessly, always keeping an attitude that focused on helping others.

My best wishes go out to Mrs. White and her family. May she enjoy this new stage in her life, and be ever mindful of the respect and esteem we hold her in.•

RECOGNIZING THE ODELSON FAMILY

• Mr. SIMON. The late Sam and Rose Odelson of Chicago had 13 children, 8 of whom served in the U.S. Armed Forces during World War II.

Four served in Europe, three in the Pacific, and one in the States. Two were injured in combat, and altogether, they earned 20 battle stars. Oscar served in the U.S. Army in Italy. Sidney, an Army veteran who landed at Omaha Beach served in France and Germany. Joe was also in the Army, serving near the tail end of the war in southern France. Irving was one of the first sent overseas, serving in the South Pacific. Julius was 89th Airborne, Roy was in the Army Air Corps, Ben served with the 13th Air Force in the South Pacific for over 2 years, and Mike was an MP in the Philippines.

All the eight Odelson boys returned home after the war. A few stayed in Chicago, the others moved out to sunny California to work in the insurance, furniture, or restaurant business.

With the recent commemoration of the 50th anniversary of World War II, it is fitting to recognize the achievements of this family. I salute these brothers and their family for their selfless commitment to our country. Every year the Odelsons gather out West in Nevada for a reunion. I am sure that they, as do we, will celebrate their contribution.•

TRIBUTE TO GEN. CALVIN A.H. WALLER

• Mr. NUNN. Mr. President, today a grateful nation paid tribute to one of its true patriots and finest soldiers, Lt. Gen. Calvin A.H. Waller, U.S. Army (Retired), who died last Thursday. I was privileged to be at the Fort Myer Chapel today for General Waller's memorial service, conducted by Chaplain (Major General) Donald W. Shea, with Chaplain (Colonel) John Kaising. The homily was presented by Chaplain Shea, and eulogy were offered by General Waller's son, Mark, and General Waller's friend Lt. Gen. Julius W. Becton, Jr., U.S. Army (Retired). General Waller was then interred in Arlington National Cemetary. It was a very moving and inspirational service.

Born in Louisiana, General Waller was a product of the Army Reserve Officer Training Corps [ROTC] program at Prairie View A&M University in Prairie View, TX. It is approximately 45 miles from the place General Waller called home—Houston. His dad was also a Prairie View graduate, and General Waller attended college to study veterinary medicine, entering in 1955. Because Prairie View was a land grant college—part of the Texas Agricultural and Mechanical College system—the first 2 years of ROTC were mandatory. In 1957, young Cal Waller signed up for Senior ROTC status. As his friend and fellow Prairie View classmate, retired Lt. Gen. Marvin Brialsford, says, "Being a senior cadet at A&M had a certain attractiveness to it; it was prestigious, and we all could put the $27.90 a month we were paid as senior cadets to good use." A life in the Army, however, was far from his mind.

After being commissioned into the chemical corps and detailed into the infantry, then-Lieutenant Waller attended the basic infantry officer's course at Fort Benning, and then served in the 8th Infantry Regiment at Fort Lewis, WA. Before his initial tour of duty was over, Lieutenant Waller had decided that the Army had the potential for a career, or, as Secretary of the Army Togo West puts it, "Fortunately for us, he took a liking to the Army."

To better utilize his love of science, Cal Waller returned to the chemical corps, serving at Fort McCellan, AL; he went on to serve in the Eighth Army in the Republic of Korea; and in the 82d Airborne Division at Fort Bragg, NC. It was in the 82d Airborne, the All American division, that the Army realized what a natural leader and exceptional planner he was. Cal was one of the youngest officers in Army history to be selected for the Army's Command and General Staff College at Fort Leavenworth, KS, and upon graduation was immediately assigned to the staff of the U.S. Military Assistance Command, Vietnam.

After a tour in Washington, then-Major Waller began his career as an armor officer—a tanker in Army jargon. He attempted to stay assigned with soldiers and combat-ready units and served in the Federal Republic of Germany, Fort Carson, CO, Fort Stewart, GA, and Fort Bragg, NC. In those assignments, his natural leadership abilities blossomed. A former Army Chief of Staff Gordon Sullivan noted, "Cal Waller loved soldiers. He had a natural touch with soldiers, and soldiers loved him. I believe there are some men who have the ability, by their very presence, to calm the waters in crisis situations. Cal Waller was such a man."

In 1987, it was time to return to the Federal Republic of Germany and command of the 8th Infantry Division (Mechanized). It was there that I first met Cal Waller. I traveled with my staff director from the Senate Armed Services Committee, Arnold Punaro, and then-Colonel Frank Norton of the Army Senate Liaison, who I am now fortunate to have on my staff. We visited General Waller in Baumholder. After visiting soldiers and observing training on the multiple launch rocket system, we then had lunch together with some local German supporters of the U.S. Army. It was obvious they held Cal Waller in high esteem. For my part, I was greatly impressed with Cal Waller's professionalism and confidence, his technical acumen, his caring attitude for his soldiers and their families, and his wonderful, self-depreciating sense of humor. We developed a friendship, and I was grateful that our paths crossed on a number of occasions during his career and each time I was with Cal, I learned from him.

After his most successful tenure as Commander of the 8th Infantry Division, General Waller returned to Fort Lewis as the Commanding General of I Corps. He continued to be assigned to I Corps while deployed from Fort Lewis to serve as Deputy commander in Chief of the U.S. Central Command, with General Norm Schwarzkopf, for Operations Desert Shield/Desert Storm. General Schwarzkopf writes of his relationship with General Waller in his autobiography "It Doesn't Take a Hero." He says (pg. 392):

> In mid-November Lieutenant General Cal Waller had reported to Riyadh as my deputy commander in chief: now I had someone to help me ride herd. Cal was a friend who had worked for me in two previous commands. Shrewd, soft-spoken, and given to quoting sayings he'd learned from his grandmother in Louisiana, he was also tough and effective. He'd been my first choice for the job: he'd come up through the Army as an armor officer and understood logistics; also I knew I didn't intimidate him at all. We trusted each other to such an extent that he could walk into my office and say point-blank, "Hey, something's all screwed up, it's your fault, and you need to know about it."

After the success of Operations Desert Shield/Desert Storm, General Waller returned to command I Corps, Washington, and began making plans to retire. His Army service spanned 32 years; he had gone from a platoon leader commanding 40 soldiers to commanding general of I Corps and Fort Lewis, where he was responsible for over 100,000 personnel.

After retiring in 1991, General Waller returned to his love of science and was active in environment restoration efforts for a number of companies. I last saw Cal in August 1995 at a conference in Aspen, CO. He drove down from Arvada, CO near Denver, where he made his home. He was, as always, in a great mood and enjoying life. We played a round of golf, and had the opportunity for a lengthy visit. He noted how he was both enjoying and contributing in his second life.

But he never really left the Army, and the Army never left him. As Army Chief of Staff Denny Reimer notes, "The performance of our soldiers throughout the world * * * have their roots in (his) concerned leadership—making sure soldiers were properly trained for the task at hand and ensuring their families were well-cared for while they were gone. He was a patriotic American, a consummate soldier and a wonderful human being."

His friend and fellow soldier, Gen. Colin Powell says, "His ability to touch the lives of so many in such meaningful ways was legendary. We will miss him greatly." I certainly agree.

Mrs. Waller and her sons Michael and Mark know better than any of us the great loss our Nation has experienced. They bear their grief with dignity and courage—I know that Cal Waller is proud of them.

His unselfish service to the Army and our Nation is a testament to Cal Waller's sense of duty and honor. Our military forces have been strengthened by his contribution, and America has been enriched by his many accomplishments. I can offer no farewell to Cal Waller better than that extended by his son mark in his eulogy: "Ride swiftly, great Buffalo soldier."•

ORDERS FOR THURSDAY, MAY 16, 1996

Mr. DOMENICI. Madam President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 9:30 a.m. on Thursday, May 16; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the Senate then resume consideration of Senate Concurrent Resolution 57. That is at 9:30 a.m. At such time, the Democrat leader, or his designee, will be recognized to offer the President's budget.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DOMENICI. Tomorrow the Senate will resume consideration of the budget resolution. Additional amendments are expected to that resolution, and it is still the intention to complete action on the budget resolution this week. All Senators can therefore expect late night sessions and rollcall votes throughout the remainder of the week.

MORNING BUSINESS

Mr. DOMENICI. I ask unanimous consent that there now be a period for morning business for Senators to pay tribute to our dear friend, the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Reserving the right to object, and I shall not object, I just want to emphasize what the Budget Committee chairman has said. There is great determination, especially on that side, to complete action this week on this budget. Whether or not that is going to be possible, we run over into Saturday or Sunday, as was indicated to me as a possibility by the chairman of the committee, I simply emphasize if people could get their amendments to us, as he has indicated, by noon tomorrow so that we would know at least preliminarily where we are on these things, then we can possibly allot and cut down some time on some of these things to expedite the proceedings which I think we all would like to do. So I endorse the statement that was made by the chairman of the committee and thank him for his cooperation.

Mr. DOMENICI. I say to all Senators, there is another full budget going to be offered by Senators CHAFEE and BREAUX in behalf of themselves and many Members from both sides in due course sometime later tomorrow or Friday. They will have an opportunity to offer that also. So there will be three total proposals that we will have considered.

ORDER FOR ADJOURNMENT

Mr. DOMENICI. Madam President, if there is no further business to come before the Senate, I now ask that following morning business, which we have just agreed to, the Senate stand in adjournment under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who seeks recognition?

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Wyoming is recognized.

Mr. SIMPSON. I thank you, Madam President.

TRIBUTE TO BOB DOLE

Mr. SIMPSON. Madam President, apparently at this point in the order of the day, it is appropriate to make some remarks about a very special man who has made a very dramatic announcement today. Let me just say that I speak from perhaps a little special vantage point because I served as the assistant leader to BOB DOLE for 10 years. Those were 10 of the finest years I have spent in public life, and I have had some very exciting times, and some less exciting times, in public life. But the 10 years serving as first lieutenant to BOB DOLE as he served as our captain were tremendously satisfying and gratifying years for me.

Let me just say that the decision he has made today is one that is typical of BOB DOLE in that he thought that thing through for a long time. He talked with people he respects and admires and cares for, and he came up with a decision which is going to be very good for him and very good for the United States of America because the greatest part of it will be that he will be out in the land and the people of America will see him and the people of America will see Liddy Dole at his side. BOB DOLE and Liddy Dole will be deeply impressive to the American people.

The greatest pleasure I have is knowing that they will get to know him in the same way that we here know him, in the same way that I know him as an extraordinarily deep, complex, competitive, compassionate, complete man, a steady man of great, great sensitivity. I have seen all those attributes. Many of us who have worked with him have.

So it is going to be a wonderful thing to see him go forward from this place where we will no longer have the usual stuff. We would pull the same tricks if we would have had the same lay of the land. It is no reflection upon the fine leadership of the minority, Senator DASCHLE. I wish to compliment him in a very class act in being there at the press conference today, along with Senator BRADLEY, along with Senator KERREY of Nebraska, along with Senator HARKIN and Senator WELLSTONE. Those were acts of political grace. We do that with ourselves and among ourselves.

You have to remember that when we do this act, and we do some of that—a little bit of theater—as I say, we would have been doing some of that had the tables been reversed, but finally it does get to be rather an exhausting process. It is like getting pecked to death by ducks and you want to get away from it as fast as you can. He has, and he is smart to do it, and now the show can start.

For me, it has a western vernacular. It is like taking the hood off of a hunting falcon and now the prey is being observed and the prey is right there at the end of 1600 Pennsylvania. That is a pretty dramatic reference, but it is like an eagle with the tether off. It is like a race horse without the leg irons, and that is BOB DOLE. Boy, I tell you, he is going to run quite a race, and the people of America are going to be very proud and very, very impressed by BOB and Liddy DOLE as they leave this particular arena and go out into the land, not as the Senator from Kansas or the majority leader of the Senate but as an American citizen from Kansas, who, as he said so very beautifully, is either headed for the White House or home. I intend to invest a great deal of my efforts in seeing that he gets to the former location rather than the latter.

I thank the Chair.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The distinguished assistant majority leader.

Mr. LOTT. Madam President, I, too, rise to join in expressing my great respect and admiration for our majority leader, BOB DOLE. We all know here in this institution of his great leadership. We know that he already holds the record of being the leader of the Republican Party longer than any other man in the history of the Senate. We know he has been in the Congress some 35 years, I believe, and that he has been elected six times to be the leader of the Republican team, having already served 11 years in that very critical position.

But there is a lot more to BOB DOLE and his career than those records. His is a remarkable career that will go down in history, I think, as one of the ones who will be remembered and pointed to as exemplary as a Senator and a leader who really loved the institution and did the job magnificently.

There are some words that come to mind when I think about what I have observed in BOB DOLE serving these past 16 months as his whip, and I have come to really appreciate the tremendous insight and leadership that he does have. So leadership clearly is one word that BOB DOLE has exhibited over all these years. He has never shied away from the tough issues, whether it was bipartisan efforts to save Social Security, to tax reform, to critical foreign policy responsibilities our Nation has had to face. Many times he stepped up and endorsed a position which might not necessarily have been the popular position in the country or here in the institution with his own colleagues, but he did what he thought was right and the responsible thing to do for our country, particularly in foreign policy.

BOB DOLE is clearly recognized on both sides of the aisle as a man of his word and a man of fairness. When BOB DOLE tells you you can count on something, whether it is in the Finance Committee or between leadership, you do not have to worry about it. He will stick to his word. Fairness is a cornerstone that I have seen.

Certainly we all know of his courage, both on the battlefields in Europe and the rough and tumble of American politics. BOB DOLE has fought the good fights. He has been a local elected official. He was in Congress. He was head of the Republican National Committee.

As a young Senator he was the patrolman back in the back of this Chamber who was willing to get involved in the fights that sometimes it takes a young Senator to wade into. Then he has had these distinguished leadership positions as minority leader, as chairman of the Finance Committee, and now as majority leader. But always he exhibited the will to fight and he showed the courage to get the job done.

Knowledge is a word that comes to my mind with BOB DOLE. I have been absolutely amazed at the awareness and the knowledge he has of the intricacies of this institution. They are not easy to understand and very difficult to master, but he has a sixth sense of how this body works, has worked, and, maybe even more important, should work. So I think his knowledge of this institution, his great reservoir of memory and experience, will be something we truly will miss.

And humor: Those across the country who do not see BOB as we see him every day may not be so familiar with that Kansas wit that he has, that crack, that moment when he says something that breaks the tension. He has a unique sense of humor and it has been greatly, mightily employed to help this place work over the years.

Now he has made another tough and courageous decision, to leave the life of public service that he has known so well and loved so much here in the Senate. As our Republican nominee, he has decided to leave the Senate and focus all of his time and attention on the quest for the Presidency, and that is as it should be. Up and out—he has taken the ultimate political risk. He has given up his Senate seat and his position of leadership to energize his efforts and to focus his attention on the needs of our Nation. It is an act of principle. He has made a personal sacrifice that we all know means a great deal to BOB DOLE and tells us so much about the man.

Serving his country in wartime and peace, BOB DOLE has sacrificed for America. He has taken a bold action and, as he said today in his speech when he announced that he was making this move: With all due respect for Congress, America has been my life.

I think that truly speaks well of what BOB DOLE has done today. I do not believe we have seen the last of BOB DOLE in the Senate or in service to our country. We will see and hear much more from him. And we all join in expressing our great love and appreciation for what he has done for us individually, for this institution, for our party, and for our country.

I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER (Mr. BROWN). The senior Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I am very pleased to be able to join my good friend and State colleague, and the distinguished Senator from Wyoming, in saying how sincerely and deeply we respect the decision that BOB DOLE has made and announced today, that he will resign his seat in the U.S. Senate to seek the Presidency of the United States.

I think this truly does signal the beginning of the race for the Presidency. Obviously, as majority leader of the Senate, BOB DOLE has had an enormous responsibility for the schedule of the Senate, for doing all the things that are required of a leader in the Senate to do. He has done them all with great skill and in a way that has reflected an enormous amount of credit on the U.S. Senate.

I am confident the decision to resign did not come easy to him. We have all had an opportunity to be with him today in meetings, first a small group in the leadership, then in the Republican conference, and then to hear his public statement that he made in the Hart Senate Office Building. Throughout all of those conversations it became obvious to us what a difficult decision it had to be. But I think it also shows the willingness of BOB DOLE to do what he has been selected to do and that is to be a candidate for President of the United States. His party has, in effect, nominated him as our candidate, and he has said, "You have my full commitment. All of my energy, all of my effort, without distractions, no more ambushes here in the U.S. Senate from our friends on the other side of the aisle, or from wherever—all of my energies and my commitment will be directed to achieving success and winning the election campaign." And I predict that he is going to win this election campaign.

We are going to miss him very much as our leader. He has been a true friend to so many of us, and certainly to me, during the time that I have had the honor of working with him here in the Senate, and even before.

I never will forget when he came to Mississippi as a new Member of the Senate to defend those who were in charge of disaster benefits after Hurricane Camille had struck our gulf coast in 1969. There were some in the Senate who were prospective candidates for President who were on the other side of the aisle who chaired the committees. They came down to investigate how our State was disbursing disaster benefits and suggested, with a lot of national attention, that we were discriminating in our State against some of our citizens in that process. And it really was blatant posturing and trying to take advantage of an emotional situation, to curry favor in the national political arena.

BOB DOLE, young, new U.S. Senator, could see through that and he defended our elected Governor and the other officials in Mississippi who were working very hard to try to take care of a situation and deal with an enormous disaster. Huge money damages had been lost, a lot of personal suffering; lives had been lost. BOB DOLE was willing to come down and stand up for what would have been a politically incorrect cause, defending the State of Mississippi. I remember that, and all of Mississippi remembers that. If they wonder why the numbers are like they are in the Presidential polls right now, you look at our State. He is way out in front and he is going to stay way out in front.

But he has been a man of courage all of his life. We are familiar with his war record and what he suffered in World War II as a young man, and it just makes your heart ache to think about what he has been through and what he has overcome, to do with his life what he has done with his life and to really give it to the United States in public service—not to privately enrich himself in any way. He said, I am not a person where Congress is my life. America has been my life and it is my life. And it truly is his life.

So it is with a great deal of respect and some heartfelt remorse, too, that he will be leaving the Senate, that I stand tonight to salute him as a great American, a great Senator, a great statesman. We are all very proud of BOB DOLE.

The PRESIDING OFFICER. Who seeks recognition? The distinguished Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, it is with a sad heart that I join these comments about the majority leader. I have known Senator DOLE for a long time and I have known him as a man whose is unquestionably a leader.

There are people who have mannerisms that come from various experiences in their lives. Whenever I think of BOB DOLE, I think of a great many men I have known in my life who were tested in war. He not only was tested but he was severely injured and really came back in a miraculous way, through the support that he got from his own townspeople in Kansas, through, really, the skill of a great surgeon in Chicago. But he came back and decided that the country that had given him that opportunity to recover from the effects of war was a country that he owed something to, and he has committed his life, really, to trying to make America a better place.

I really do not—it is not too often when I sort of puddle-up in public. When I think about BOB DOLE, I do, particularly after this decision today. I remember being with BOB DOLE when we met with people who were disabled. Everyone knows that BOB was disabled coming out of the war. But he has, because of his own experience in coming back, committed himself to help those, not only get a chance for recovery, but help those who did not have the same miracle of recovery that he had. And the disabilities laws we have now are laws that, as the preceding speaker said, future generations will look to. They will look to what we did during our watch here in the Senate and they are going to find a great many marks made by Senator BOB DOLE, even beyond being a leader.

The work that he did, along with others, in saving the Social Security System involving a bipartisan solution, although it is not totally permanent, was historic. What Senator DOLE did, working on the Finance Committee, and what that law did, in fact, preserved the Social Security system.

But Senator DOLE goes beyond that, in my mind, because I see him with the Secretary of Transportation, when she came to Alaska, standing on the back of a railroad car, the type of railroad car that former Presidents have used, or Presidents or candidates have used, as they made whistle-stop campaigns through the country. I hope BOB DOLE does that as a candidate.

Clearly, I saw the way that he met with our Alaska Native people, with Alaskans, and the way he enjoyed the outdoors and really has been quite supportive of those of us who represent our State.

The BOB DOLE I know is a man who you never have to ask him twice where he stands. You can take his word to the bank. And the decision he made today literally brings tears to my eyes, because I know that he has committed himself to service in the Congress and distinguished himself here.

He has been willing to set that aside and to tell the country, as he did, that he has two destinations after he leaves here on or before June 11: either to the White House or back to Kansas. I think that took great courage and real determination and commitment, the kind of commitment that other people may not understand, but we understand what it means to us.

I have been here when several people ran for the Presidency. They did not resign. They left their seat vacant and missed vote after vote, and there were decisions made here that should not have been reached if they had been here. I was thinking back to President Kennedy and his campaign. He was gone a long time. Lyndon Johnson was gone a long time. Many others had been out campaigning, and they had been gone and missed votes.

This candidate, as leader, has not missed many votes. But now he has decided he must commit his full time to his quest for the Presidency. He has made a very courageous decision. I salute him. I will say other things later after he does leave. Unfortunately, we sometimes wait too long to say them. But I think that BOB DOLE has a love for the Senate and the Senate has shown its love for him in responding to his leadership. We are going to miss that leadership, and I hope that those who follow him understand the Senate the way BOB DOLE does.

Thank you, Mr. President.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, by any standard, this has been the kind of day that takes your breath away, one of those days that you will always remember.

Everyone on this side of the aisle had an opportunity earlier this afternoon to sit down with the majority leader as he explained this momentous decision. I looked around the room, and I do not think there was a dry eye in the place. Not a one. Everyone sensed that this was a moment of historical significance, and, indeed, it is. We witnessed one of the great men of American history make a dramatic and important decision that virtually everyone I know thinks was the right decision, to put this magnificent congressional career behind him and to move on to the next challenge.

My oldest daughter happened to have been in town today, and I said, "Your timing couldn't have been better. Come with me. I'm going to let you experience something you will remember for the rest of your life." We walked over to this crowded room, 902, that we were all sort of huddled around in to listen to what one of the skeptical commentators, who usually finds no good in politicians, uttered tonight on the evening news was the finest speech BOB DOLE ever made.

So, Mr. President, we are here tonight to celebrate the end of a remarkable career and for many of us to look forward to the next challenge, which is BOB DOLE, unencumbered by past responsibility, stepping forward to present to the American people his plans for the next 4 years.

I would be less than candid if I did not say this is probably the most exhilarating moment that people on this side of the aisle have enjoyed in the last 3 months. It is no secret this has not exactly been the height for the Republican national campaign the last few weeks. So it has provided an opportunity to take a second look at what this man would do for America in the next 4 years.

So it is with a great deal of excitement, but also sadness, that we mark the movement of BOB DOLE on to a new plateau.

When the history books are written about this institution and they pick out the few Senators who really made a difference for America, there is not a doubt that the Senator from Kansas will be near the top of the list. We wish him Godspeed in the challenges ahead.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Washington is recognized.

Mr. GORTON. Mr. President, on December 5, 1992, President-elect William Clinton resigned his position as Governor of Arkansas. On that date, of course, he was assured of another job, after having remained as Governor through at least the full year in which he devoted very little time and attention to that governorship. On this day, May 15, 1996, Senator ROBERT DOLE announced his resignation not only as majority leader of the U.S. Senate, but as senior Senator from the State of Kansas.

Mr. President, I cannot think of any two facts taken in juxtaposition which illustrate better the respective characters of the two candidates for President of the United States, any statement of fact that can better illustrate the different direction in which ROBERT DOLE will take the United States as President.

So, for him, while some have characterized his action as principled, others as unprecedented, the word that comes most quickly to my mind is principles, the same kind of principles which have actuated his entire life—his childhood, his military service, his recovery from a terribly debilitating injury—and his entire political career.

Of course, Mr. President, from a strictly campaign point of view, this gives Senator DOLE the opportunity full time to share his vision of the future of the United States and his ideas about the widest of our public policy questions with the people of the United States who most unfortunately do not know him in the way in which you and I and our other colleagues here in this body know him. That, I believe, will be an advantage to his campaign, a clear advantage to the people of the United States and a terrible loss to all of us who serve here in this body.

We will miss his wisdom, his sound counsel, his never failing sense of humor more than any of us can possibly state on the floor of this body here this evening. But we give him up to a greater cause, the cause of sharing these qualities of character and personality and of purpose with the American people. This is the contrast, the contrast in character and the contrast in direction for America, that this day and this action have so magnificently illustrated.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Thank you, Mr. President.

Mr. President, I rise to join my colleagues in paying tribute to our leader and in just saying from our hearts how much we respect the decision that he made, this bold and courageous decision, and how much we will miss him.

As has been mentioned, there was not a dry eye in our caucus today when he made this announcement. He and Elizabeth and Robin came in, and it was just the Republican Senators, and they said, "This is like family. It's like saying good-bye to family." But this is a man that America is now going to be able to see, who is deeply rooted in this country, and who knows exactly what he wants to say to the American people.

He made the decision by himself. But he could not speak on the Senate floor, talking about amendments to amendments and quorum calls and cloture votes, and get across to the American people how very important his goals and his mission and his vision for this country are.

He knew that he had to go out into America as an American, not as a Senator, and speak from the heart. He made that decision. As usual, he always livens everything with his humor. He said to us today, "I've been thinking about this for 2 months. I made the decision about 30 days ago. The reason that it didn't get out, in a town that is known for leaking, is because I didn't tell one U.S. Senator about it." Of course, we all laughed, because that was true.

He had kept his counsel. He had made this decision, as he so often does, by himself with his wife Elizabeth. He knew it was right. When we first started hearing about it today, many of us said, "Oh, no; that must be a mistake. He's going to step down from leadership, but not from his seat." Then the more we heard about it, we thought, "Well, of course. That is BOB DOLE's genius that he would see so far ahead of the rest of us that, yes, indeed, he was going to give up his seat because he began to see that this election is a crossroads, and he must show the American people who he is, what he stands for, and what integrity and character he has." He knew that he could not do it talking about amendments to amendments. He knew it had to come from the heartland and from the heart.

So every one of us are thrilled for him, thrilled that he has made this decision because we know the mission is the highest of all. That is to make the changes in America that will give every child in this country the same benefits and opportunities that BOB DOLE himself has had by having the great good fortune to grow up in this country.

He grew up in Russell, KS, in a working family. He has known hardship. He has known tragedy. He has stood the test of extreme injury and pain, being told that he probably would not walk again, being told that if he walked, it would be with a limp, knowing that he could overcome this with the grit and determination that the great upbringing in the heartland of America would give him.

He has never forgotten that opportunity. As I go on the campaign trail with him or as I walk down the hall with him, jaunty as he is, I always see that BOB DOLE knows his bearings. He has never had anything easy in his life. He has fought hard. He has stood the tests that have been thrown at him time after time.

He wants every American child to have the same opportunity that he did. His mission is to make sure that they do. So we love him. We are going to miss him. But every one of us are going to be with him on the campaign trail talking about the message that Americans want to hear: What are you going to do for our country? What he is going to do for our country is prepare for the future, to go into the 21st century without a deficit, saving Medicare, with welfare reform, making sure that we take care of the truly needy but making sure that we look to the future for our children and grandchildren.

That is what this man is going to do. He has put that ahead of his own career and his own life, because he knows how important this is to the American people. God's speed, our friend.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The distinguished President pro tempore.

Mr. THURMOND. Mr. President, today Senator BOB DOLE announced that he will be stepping down as a Member of the U.S. Senate. He has announced his resignation. I have been in the Senate for 40 years. I have been here with many leaders, majority and minority leaders. I can say that he is one of the ablest and finest leaders that this country has ever had serving in the Congress of the United States.

He is a man of principle. He stands for what is right. He felt it his duty, since he is going to run for President, to give his full attention to that campaign. He felt he could not do both, look after the Senate's work and run for President, too.

Unlike some people who have attempted to do both, he will give up all of the power in the Senate. He, as the majority leader here, has served the longest term, I believe, of any majority leader in history.

He has made a fine record. He will give all that up because he wants to do his duty and feels he could not run for President and also look after his duties here in the Senate.

Mr. President, he knows what responsibility means. He felt he could not be responsible to run in the campaign and run the Senate, too. So what did he do? Since he is going to run for President, he decided to resign from the U.S. Senate. He is giving up all of his power, as probably the most influential Member of the U.S. Senate, in his position as majority leader, and as an able Senator giving it all up. How many people would do that? Most people would hang on, say, "Well, I can run for the Senate, I can run for the President, and stay in the Senate and still do my job." Not BOB DOLE. He is not that kind of a man. He does not do things halfway. He puts his heart and soul into whatever he does. That is the reason he resigned from the Senate.

Now, in my opinion, that shows character. I do not know of any quality about any person, man or woman, that is better than that of character. His behavior in public life and in private life has been exemplary. He does not know how to do wrong. We are proud that he is such a man. We are proud that he has lived the life he has and one with such outstanding service to this country.

He is a man of courage. In World War II he served in the armed services in Italy. He was shot in the arm and other parts of his body. They thought he was going to die but he managed to survive. So many people felt he had no chance to recover but he would not give up. He is a fighter. He kept on keeping on until he finally restored his health and then returned to private life again.

Yes, not only did he have physical courage with the enemy but he has moral courage. Sometimes I think moral courage is even greater than physical courage. He could stand up to people when he knew they were wrong and tell them so in a courteous way. I just feel that his courage was one of the strong factors in his life.

Then, too, he is a man of great capacity. He could not have done what he did here in the Senate as majority leader if he had not been a man of great capacity, a man of great ability, who has led this Senate so wise and so well for so long. Yes, his capacity has been a great asset to this Nation.

BOB DOLE is a man of conviction. He knew what he stood for and he stood for it. He knew right from wrong and he followed the right. A man whose ideals were high, a man we could all be proud of because of his exemplary conduct and ideals.

Also he is a man of compassion. He could walk with kings, yet he felt most at home with the common people. I have seen many instances in which he showed great compassion here with employees and with members of the public, with the unfortunate, with the disabled, with the troubled. Everybody at times has a problem. He took pleasure in helping people to solve their problems. He is a man of compassion and a man who loved people.

In all of these things he was courteous. In his position here as majority leader he could have been short with people and he could have said things and gotten away with it. That would not have been characteristic of BOB DOLE. He was always nice to people. He always tried to help people. For that reason, we highly respected him. Because of all these good qualities, the Senate has lost an ideal person. This country has lost a wonderful public leader.

I predict it will not be long until he will, in his campaign, be successful and become President of the United States and render an even greater service. I predict that history will record him as one of the great persons of this century and of history, known for what he has done in the past but also for what he will do as President of the United States. I am proud to claim his friendship. I am proud that he is an American. I am pleased that he took the step he did today which shows strength, courage, and principle. We look forward to his coming back to the Government as President of the United States.

BOB DOLE is blessed with a devoted and lovely wife, Elizabeth. She is a great person in her own right and serves as president of the American Red Cross, former Secretary of Labor, and former Secretary of Transportation.

She has been an inspiration in his life and will continue to be a great asset to him in every way possible in the years ahead. God bless her.

Mr. BROWN. Mr. President, I rise also to pay tribute to Leader DOLE and join my colleagues, the distinguished Senator from South Carolina, as well as others who have spoken out.

Mr. President, there can be no doubt for those of us who listen to Senator DOLE's remarks today that this was truly one of the great events in American history. One had the sense and the feel that great things were taking place.

Great, I suppose, partly because we admire and respect BOB DOLE so much, but I think truly great because what he did is so unusual. Here is someone who has achieved more success in the Senate than just about anyone who has ever served in this body. Here is someone who has been elected Republican leader more times than anyone in the history of our Nation. Here is someone who was willing to risk it all for a higher calling. It is a little like a trapeze artist who goes up to the high wire then instructs the folks to cut down the safety net. Not many people do it.

Yes, there are some, but most political leaders are happy to be secure in a job, to have the paycheck, to have the staff, to have the strength of the office while they run for another. They are not shy about using where they are at to get where they want to go.

What was so unusual about today is BOB DOLE cutting the safety net and putting it all on the line. For those who remember Rudyard Kipling's great poem "If" you are reminded of the line "and risk it on one turn of pitch and toss." That is what BOB DOLE has been doing. He has put everything he has on the line. He said it best: "I'm either going to go to the White House or I'm going to go home." It is so typical of the kind of human being that BOB DOLE is, one cannot help but be thrilled and exhilarated by the sheer determination and the courage that he shows.

This is not a normal politician. This is an extraordinary American who has left the leadership of the greatest deliberative body in the world to champion and seek out the Presidency of the United States. He is different. One cannot help but recall Lyndon Baines Johnson running both for the Senate and for Vice President at the same time. The people of Texas elected him in both offices. They understood someone's desire to have a safety net, to be secure, to be safe, to have a forum before they moved ahead.

While we did not condemn those that seem to be safe, to take the safety route, to preserve their spot, strength of power and influence, we cannot help but admire those who are willing to risk it all, whose commitment to the American purpose and the American cause is so great they put that ahead of their own safety, of their own security, and of their own beloved career. No one should doubt that BOB DOLE loves the Senate. It shows in the way he conducts himself and the things he accomplishes.

Also, it would be a mistake for anybody, anywhere, to think that BOB DOLE is not serious about the Presidency. This is someone who has not been halfhearted in his commitments. He was not halfhearted when he put his very life on the line in World War II. He was not halfhearted when he won a chest full of Purple Hearts. He was not halfhearted when he faced a lifetime of being handicapped. He was not halfhearted when he determined in his own mind and in his own heart that he would walk again and that he would move again and that he would overcome that handicap.

This is not the average person or the normal person who would take the safe way. This is someone of incredible commitment and dedication and personal courage. This is someone who threw down the gauntlet in the Presidential campaign today in a stronger, clearer way than I have ever seen before. This is someone who put behind him not only his beloved Senate, but all of his safety net, to say that what he ran for and what he sought to do for America was more important than anything that affected BOB DOLE.

It is very typical of the kind of human being that BOB DOLE is, because I believe BOB DOLE is a real thing. He is a Kansan —a Kansan who grew up in a way so that he never complains. He is a Kansan who has grown up in a way so that he does not seek excuses. He is a Kansan who grew up being taught to say what was on his mind, to say what he means and mean what he says. That is partly why he is so beloved in the U.S. Senate. Unfortunately, it is partly why he is somewhat unusual in modern American politics.

Some will say there is quite a contrast in the race that BOB DOLE has joined. I am one who thinks so. But anyone who has doubts about that race best look further than the current poll numbers, because BOB DOLE is the real thing. He was the real thing on the battlefield. He was the real thing when he faced a lifetime of being handicapped. He was the real thing when he rose to the heights of politics. Yet, he never let politics be his master.

I suppose I will remember him for his judgment, both now and in the campaign ahead. I recall, specifically, an issue that I think many of us felt very strongly about, and that is the President's commitment of troops to Bosnia. I opposed that with all my heart, and BOB DOLE opposed it as well. He spoke out frankly and honestly about the mistake of deploying American men and women in a way that we did not stand behind them. When the debate was done, and when public opinion was clearly on the side of us who were reluctant to deploy U.S. troops into that theater, and when the President, in spite of all of it, had sent American men and women into that zone, we had the chance to vote on the floor on a vote that would have embarrassed the President by undercutting the funding he would have for an action he had taken. I considered it a tough vote. I did not want to embarrass my President, but I did not want them to have to go and serve in an area where we had not made a clear commitment. I believe BOB DOLE shared my concern about the deployment. He said so, frankly and honestly. But he also was concerned about America's influence and prestige and the President's ability to deal with others around the world. He passed up a chance to embarrass the President of the United States by voting for that resolution, by voting to sustain the President on a policy that he did not like. For BOB DOLE, it was more important to support this Nation and support its Commander in Chief than it was to gain a political advantage.

Some could disagree with his vote. I did. But none could disagree with his motivation. For him, what was important was America and the viability of the Commander in Chief, even though he was someone BOB DOLE disagreed with. That kind of integrity, that kind of honesty, and that kind of commitment to our Nation are surely qualities that are not only rare, but desperately needed.

I do not know what our Maker has in mind for BOB DOLE. He has tested him in ways that many of us have never been tested. But I cannot help but believe that BOB DOLE's service is not finished yet. In an hour when our country desperately needs his integrity and character, I am glad there is a BOB DOLE—the real thing.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, I first got to know BOB DOLE well 18 years ago when I went on the Finance Committee and he was the senior Republican on the Finance Committee. The chairman at the time was Senator Russell Long, a Democratic Member, of course, from Louisiana.

During those early years on the Finance Committee, I was struck by several characteristics of BOB DOLE. I had known him to some degree when he had been running for Vice-President, but not intimately. During those early years in the Finance Committee, I had the privilege to get to know BOB DOLE and see him in action. I was struck by several things. First of all, he is very bright. Not only did he know the intricacies of the Tax Code, but when different matters would come up, it was obvious he was a quick learner.

Second, the characteristic that struck me was his seemingly inexhaustible energy. When he became chairman of the committee after several years, he would manage those bills on the floor—tax bills—and, as we all know, in those days, tax bills would sometimes last 2, 3, 4, 5 days, with all sorts of amendments coming from every direction. BOB DOLE had the capacity to stand here always looking fresh and fit, everybody else looking a little bit bedraggled as we would go late into the night, accepting amendments, rejecting those, calling for votes, tabling this, and moving on in totally admirable fashion.

And so, out of that, I came to have a great admiration for BOB DOLE as I saw him in action on the Finance Committee. Then came his leadership here in 1984, succeeding Howard Baker. And, again, BOB DOLE had exerted those extraordinary characteristics of leadership—paying attention to the needs of all of his members, his flock, as it were, and leading us with clear direction and with zest and always with good humor. I suppose there is nobody who made us, as Senators—whether we were in our caucuses, or whether on the floor here—laugh so much, with his quick wit and one-liners, as BOB DOLE.

And now, of course, he has announced this afternoon that he will be leaving the floor of the Senate, where he has served with such distinction for many years. As others have pointed out, he is the longest-serving majority leader in the history of our Nation. To me, it is not surprising that he is leaving. Yes, I was surprised, as everybody was, by the announcement that came today. But when one thought about it, there is no reason for surprise, because it seems to me that BOB DOLE's life has been marked by a sense of duty. And he saw a duty here.

He has received the nomination of the Republican Party for President. But he looked on and weighed the factors and saw he could not be serving the people of Kansas while he was still here trying to do two things at once. Nor could he serve the people of the United States in the fashion and style he felt they were deserving of. And so, in responding to this sense of duty that he give his best to the office he was seeking, while he could not continue to give his best to the people of Kansas and the United States, he chose to resign. It has been pointed out that that is a big decision. But it is a decision that I think we have all come to expect in the style of BOB DOLE.

So I join others in wishing him well, looking forward to doing whatever I can to help him, as he has helped each of us. He came to my State three times to campaign on my behalf in the different elections. I think each Senator on this side could say the same thing. So we wish him well. I share the sense of optimism that others have voiced. I know that with his tremendous energy, with his quick learning ability, with his ability of retention of matters that he has studied, and with the sense of duty I previously remarked on, he is going to conduct an absolutely marvelous campaign that is going to be a great credit to him, to all who nominated him, and a wonderful reflection on the people of the United States of America.

I thank the Chair.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair.

I know it is getting late and my colleagues would like to go home and have dinner, but I am sure that we all share in this extraordinary opportunity to say a few words about our leader, Senator BOB DOLE, and his announcement today of his resignation.

I was there, along with Mrs. Dole and BOB DOLE's daughter. I think all Senators—all 53—there was not a dry eye in the house when BOB DOLE announced his transition from majority leader, relinquishing the office that he loves so dearly. Basically, he laid out for us an all-or-nothing campaign. I think it took a great deal of courage. It was a bold action, and one that indicated, clearly, to those of us who were privileged to be there, an expression of love for this body that he holds so dearly.

I think, too, he cleared the air on the issue of some of the partisanship that we have in this body. I think it is fair to say no longer can some on the other side of the aisle use the excuse of his candidacy and majority leader as a reason for some of the issues that have not moved before this body. It is my opinion that we have lost a great leader in the Senate, but the country has gained a great opportunity to know Bob Dole as we know him.

Mr. President, over the next weeks and months Bob Dole is going to be out in America taking his campaign to the American people. I think he is going to be laying out very clearly the differences between himself and President Clinton. He is going to provide, I think, mainstream conservatives and conservatism moral leadership and will be able to point out the differences between the big Government philosophy, which is currently emanating from the White House, and that of the best Government is the closest Government to the people and most responsive.

I have had an opportunity to know Bob Dole over the 16 years I have been in this body. I first recognized him as a true American hero. He is one who has always put America first. When he was called to battle in World War II—and now, I think, as he leaves the leadership of the U.S. Senate—he certainly has shown sacrifice and what it takes basically to be President.

Bob Dole has always been there when America has called him, and America is calling him today. He is a man of courage, strength of character, and patriotism. He is gracious.

He came to Alaska to campaign for me. He has been accommodating to me during my 16 years in this body. One of the things that I have always marveled at about Bob Dole is his patience in trying to accommodate some 99 other egos that are relatively high from time to time. Some of us have encouraged that he discipline—like, perhaps, that which occurs in the 6th grade—those of us who occasionally fall off the turnip truck. But Bob has always maintained an evenhanded approach towards leadership, giving each one of us an opportunity to express ourselves regardless of how our feelings may be in conflict with his own. Instead of, in effect, chastising on occasions when leadership did not receive the support it was entitled to, Bob has always been above that and set, I think, an extraordinary example of what true leadership is all about. That is being subjected to the equivocation and the contradictions that we all have on various issues, but being able to hold fast and stand above it as tall as Bob Dole has been and will be as he campaigns for the highest office in our country.

So where are we today? This Nation will now have the privilege of seeing and knowing the Bob Dole that we have come to know and love and, in my own case, have been privileged to work with for the last 16 years. There is no question in my mind, Mr. President, that the electorate will soon be able to define the character of our two Presidential candidates and make the choice that is right for America.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, I do not believe I will ever look at the desk directly in front of me, or the podium on it, ever again without thinking of the Senator from Kansas. Senator Dole is a living American hero. He is a Senator of the century. Whenever I have been around Senator Dole, somehow I always felt that I was close to the heart and the soul of America. I used to introduce him that way. I still introduce him that way. You cannot miss it when you are near him.

I want to thank the other side. It was great seeing them standing behind this great American Senator—Senator Daschle, Senator Bradley, Senator Harkin, Senator Kerrey, and others. I think it signaled what the entire Nation feels about this man.

I loved what Senator Simpson, his great friend from Wyoming, said. He said: Now America will get a chance to know Senator Dole like his colleagues do. And I think they are going to make him President of the United States.

This has really been a magnificent day—difficult but magnificent. I think on our side we feel a little bit like a family sending off a son or daughter to work on a higher mission. I know that is how I feel.

I have enjoyed so much this evening listening to the remarks of his friends and colleagues. I join them in saying bon voyage, God bless, safe journey, and much success to the Senator from Kansas.

EXECUTIVE CALENDAR NO. 585 RE-REFERRED TO THE COMMITTEE ON ARMED SERVICES

Mr. COVERDELL. Mr. President, as in executive session, I ask unanimous consent that Executive Calendar No. 585 be rereferred to the Committee on Armed Services.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. I yield the floor.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 9:30 a.m., Thursday, May 16, 1996.

Thereupon, the Senate, at 8:28 p.m., adjourned until Thursday, May 16, 1996, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 15, 1996:

THE JUDICIARY

CHRISTINA A. SNYDER, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA VICE EDWARD RAFEEDIE, RETIRED.

THOMAS W. THRASH, JR., OF GEORGIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF GEORGIA VICE ROBERT L. VINING, JR., RETIRED.

HOUSE OF REPRESENTATIVES—*Wednesday, May 15, 1996*

The House met at 9 a.m.

The Reverend Rees F. Warring, senior pastor, Elm Park United Methodist Church, Scranton, PA, offered the following prayer:

God of all people and nations, You who created and are still creating, may we be willing partners of Your creation. Help us to be merciful and just, compassionate and caring, that this will be a more merciful and just, compassionate and caring world. We pray that the quality of all life will be better because of the way we live and work. Enable each of us to be an instrument of Your peace, working to eliminate all that separates peoples and nations from You and from each other. Free us from all bigotry and prejudice, from pride of place and status, from the lack of vision and the loss of faith. Inspire us, this and every day, to be so concerned about Your way and truth, that Your will may eventually be done on Earth as it is in heaven. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Pennsylvania [Mr. McDADE] come forward and lead the House in the Pledge of Allegiance.

Mr. McDADE led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING THE REVEREND REES F. WARRING

(Mr. McDADE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDADE. Mr. Speaker, let me begin by saying how nice it is too see so many familiar faces in the Chamber this morning. We are delighted that so many of our colleagues are here, and of course we all welcome you back to this magnificent House.

Mr. Speaker, I am privileged to welcome to this Chamber the Reverend Rees F. Warring, and I want to thank him for his beautiful opening prayer. Reverend Warring is the pastor of the Elm Park Methodist Church in the city of Scranton and has served several churches in northeastern Pennsylvania for over 30 years.

In every congressional district of this Nation—and no one knows this better than the people assembled here today—there are extraordinary people who exemplify the positive forces for good and selflessly serve their fellow man. Reverend Warring and his wife, Jean, who is with us today, are such individuals. They have tirelessly devoted their time and energy helping the less fortunate people in their community and providing spiritual solace to their congregation. Because of their good works, northeastern Pennsylvania and the Nation is a better place in which to live.

They have also raised four wonderful children, one of whom, also with us today, is their son, John, who serves as an important member of my Washington staff.

In addition to his spiritual efforts at Elm Park, Reverend Warring has been active in leading the restoration effort in Scranton to preserve the area's many historic church buildings. Elm Park serves as both an architectural landmark in downtown Scranton and as a community center for religious and civic activity. I am grateful that Reverend Warring could lead us in prayer today. He is a man who has enriched countless lives through his spiritual and community leadership.

And, my friends, on a personal note, I would like to extend on behalf of all of us a most happy 58th birthday today to Reverend Warring.

RECESS

The SPEAKER. Pursuant to clause 12 of rule I, the House will stand in recess, subject to the call of the Chair, to receive the former Members of Congress.

Accordingly (at 9 o'clock and 8 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 0908

RECEPTION OF FORMER MEMBERS OF CONGRESS

The SPEAKER of the House presided.

The SPEAKER. On behalf of the Chair and this Chamber, I consider it a high honor and a distinct personal privilege to have the opportunity of welcoming so many of our former Members and colleagues as may be present here for this occasion. I think all of us want to pause and welcome each of them.

Let me also say, if I might, that if the House will indulge me to speak from the chair for a minute, that I am particularly delighted today to be here to recognize the distinguished gentleman from Illinois, Mr. Michel, for the amount that this House owes the gentleman from Illinois for his years of service, for his sense of commitment to the representative process, to his passion for freedom, and his willingness to serve his country under a wide range of circumstances. I would say that I believe all Members of the Chamber would join me in recognizing that the gentleman from Illinois always placed the House and the country above both his own personal interest and his partisan interest.

I must say, at a personal level, that without his having been my mentor and without his having literally at times helped train me, usually with the best of cheer, but on a rare occasion with a direct and firm manner, I would not today be Speaker. While the Democrats in the Chamber may regret that part of his career, I can say, at least on behalf of the Republicans, that we are all in Mr. Michel's debt for having taught many of us a great deal about the art of leading in a free society. So it is a great honor to me to have this opportunity to be here and to state my feelings about the gentleman from Illinois.

Let me at this time yield to the gentleman from Mississippi [Mr. MONTGOMERY] on behalf of the minority.

Mr. MONTGOMERY. Mr. Speaker, on behalf of the minority leader, the gentleman from Missouri, DICK GEPHARDT, on the Democratic side, I would like to also welcome former Members to this great assembly Hall and also offer my congratulations to Bob Michel, who you will give this award to this morning. Bob Michel was minority leader for a number of years and also a war hero. As you know, you have the privileges of the floor for the rest of the day.

We will be taking up the defense authorization bill, Mr. Speaker, and now we do not go as long as we used to on the defense authorization bill. Then after that we will take up a budget resolution. I would like to point out that I and 32 other Members of the House of Representatives will be former Members about January 3 of next year, and 13 Senators, so we have some folks that add to the ranks.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Welcome to Lindy Boggs, the President of your Association. She has been honored greatly this last week, not only in Missouri but also in Mississippi. Thank you for giving me this opportunity.

The SPEAKER. If I may recognize the gentleman from Indiana [Mr. MYERS] on behalf of the majority.

Mr. MYERS of Indiana. Thank you, Mr. Speaker, and good morning to each of you. On behalf of the majority leader, who unavoidably is detained, who planned to be here, but since I am going to join your ranks this year, he said why do you not do it for me. So we are pleased to have y'all back again here in this Chamber.

I know many of you spent a good many years here, fond memories. It has not changed a whole lot that much. But we do welcome you back, and it is good to see so many look so young. You, too, Don. You know, it seemed like when we were younger that everyone aged more rapidly. But now that I am more mature, I realize that that is not true. But we do welcome you back and see so many that are still able to come back and say hello to us.

Again, there will be several of us joining you. Mr. MONTGOMERY and I will be joining you next year, and a number of us will be joining your ranks. I do not know if that will be improving your ranks, but it will improve the ranks here. A lot of Members will be pleased to have us go. Thanks for joining us again.

The years do go by fast. Welcome back to the Chamber.

The SPEAKER. Before the chair recognizes the distinguished gentleman from Florida, let me just say again as a history teacher, I particularly appreciate all of you coming back because the process of freedom is an organic process. The degree to which Members and former Members are able to educate the community, the degree to which each of you in your working life and in your chances as a citizen once you leave this place are able to reach out and help others understand this complex process that we call representative self-government is a very, very important part of the way in which we educate ourselves each generation.

So I think the fact that you have remained active and that you are back here today is a very important part of that historic chain that takes us all the way back to the very first Congress and that will carry us forward to future Congresses beyond our own service. So I appreciate very much your being here today.

The Chair now recognizes the Honorable Louis Frey, Vice President of the Association, to take the chair.

Mr. FREY (presiding). Thank you, Mr. Speaker, Congressman MONTGOMERY, and Congressman MYERS, for allowing us to be here.

There is always one thing I have wanted to say when I got up here. Everybody in favor of the balanced budget please say aye. Sorry, I waited 30 years for that.

The Clerk will now call the roll of former Members of Congress.

The Clerk called the roll of former Members of the Congress, and the following former Members answered to their name:

ROLLCALL OF FORMER MEMBERS OF CONGRESS ATTENDING THE 26TH ANNUAL SPRING MEETING, MAY 15, 1996

Lindy Boggs of Louisiana;
Daniel Brewster of Maryland;
William E. Brock III of Tennessee;
Donald G. Brotzman of Colorado;
James T. Broyhill of North Carolina;
Elford A. Cederberg of Michigan;
Charles F. Chamberlain of Michigan;
Rod Chandler of Washington;
James K. Coyne of Pennsylvania;
Robert B. Duncan of Oregon;
John Erlenborn of Illinois;
Marvin Esch of Michigan;
Louis Frey, Jr., of Florida;
Robert A. Grant of Indiana;
James M. Hanley of New York;
Robert P. Hanrahan of Illinois;
Harry Haskell, Jr., of Delaware;
William D. Hathaway of Maine;
Jeffrey Hillelson of Missouri;
George W. Hochbrueckner of New York;
William L. Hungate of Missouri;
John Jenrette, Jr., of South Carolina;
Hastings Keith of Massachusetts;
David King of Utah;
Ernest Konnyu of California;
Peter N. Kyros of Maine;
Mel David of Wisconsin;
Norman F. Lent of New York;
Wiley Mayne of Iowa;
Romano L. Mazzoli of Kentucky;
Paul N. (Pete) McCloskey of California;
Bob McEwen of Ohio;
Matthew McHugh of New York;
Lloyd Meeds of Washington;
Robert H. Michel of Illinois;
Abner J. Mikva of Illinois;
Wilmer D. Mizell of North Carolina;
John S. Monagan of Connecticut;
Frank E. Moss of Utah;
Charles H. Percy of Illinois;
Shirley N. Pettis of California;
Howard W. Pollock of Alaska;
Joel Pritchard of Washington;
Thomas F. Railsback of Illinois;
John Rhodes of Arizona;
John J. Rhodes III of Arizona;
Don Ritter of Pennsylvania;
Paul G. Rogers of Florida;
John Rousselot of California;
Donald Rumsfeld of Illinois;
George F. Sangmeister of Illinois;
Ronald A. Saracen of Connecticut;
Harold S. Sawyer of Michigan;
Richard T. Schulze of Pennsylvania;
Carlton R. Sickles of Maryland;
J. William Stanton of Ohio;
James C. Wright of Texas;
Leo C. Zeferetti of New York.

Mr. FREY (presiding). It is now my personal privilege to introduce to this group the president of the former Members, the gentlewoman from Louisiana, the Honorable Lindy Boggs. The association has just been fortunate to have as its leader such an extraordinary, wonderful person. Her energy, her drive, her vision, trying to catch up with Lindy is just about impossible. I do not know how she does it. She puts us all to shame. She can bring us all together. If we have any problems at all, we just listen to her and we just fall in place because she is such a wonderful person and a great leader.

If I had to use one word and I was forced to use one word to describe our president, I guess I would have to pick the word class. Everything that the gentlewoman has done personally, politically, in the business world, has been that that is the best in this country. We are just proud of the fact that we have been able to work with you. We thank you for everything you have done, and we turn the floor over to you.

Mrs. BOGGS. Thank you, Mr. Speaker. Thank you so much. Mr. Speaker, I thank you so very much for those beautiful remarks. And I was sitting there hoping the real Lindy Boggs would stand up. It is such a pleasure to be here.

Mr. Speaker, my colleagues and I are pleased and honored to have this opportunity to once again be on the House floor and to present our 25th, 26th annual report to the Congress. We thank you for your warm welcome, and certainly we thank the gentleman from Mississippi and the gentleman from Indiana for their beautiful welcome to us.

I have to say that the gentleman from Indiana developed that southern accent when he was the president of the Lower Mississippi Valley Flood Association. Mr. Speaker, we have without exception a warm attachment to this body, its traditions and its role in a democratic society. We welcome the opportunity to speak out on behalf of all its members. The association, over the 26 years since its inception, has grown to a membership of some 600 and an annual budget in excess of $650,000. Following the mandate of its charter, the association has developed a number of programs, both domestic and international, to promote the improved public understanding of the Congress as an institution and representative democracy as a system of government.

One of our earliest initiatives was our highly successful Congressional-Campus Fellows Program. Under this program, which was launched in 1976, former Members of Congress visit colleges, universities, and high school campuses for 2 to 5 days to have formal and informal meetings with students, faculty, and community representatives to share with them firsthand knowledge about the operations of the U.S. Congress, the executive branch, and of course the judiciary. Seventy-three (73) former Members of Congress have reached more than 100,000 students through 232 programs on 164 campuses in 49 States. The most recent visit made in this program was by Romano Mazzoli of Kentucky, who visited Denison University in Ohio last month. In this time of increasing criticism of Congress, the members of the association feel particularly strongly that this program is vital to renew the faith of the American people in its system of representative government and to instill in them the importance of their active participation in the democratic process. We have been seeking funding to reinvigorate this program so our members may reach more students and faculty, and we will continue to do so in the coming year.

The association also provides opportunities for our members to share their congressional experiences overseas. Fifteen (15) study tours have been carried out for members of the association, who, entirely at their own expenses, have participated in educational and cultural visits to China, the former Soviet Union, Western and Eastern Europe, the Middle East, South America, New Zealand, and Australia. Most recently, a group of our members visited Canada, where former Congressman Jim Blanchard of Michigan has been our distinguished Ambassador. In the coming year, we are planning to have a delegation visit Ukraine, where we support a program to assist the Ukrainian Parliament and we have a congressional fellow—a former congressional staffer—in residence. We also have been invited by the Foreign Affairs Committee of the Chinese National People's Congress to send a delegation to China.

The association cooperates with the U.S. Government and a number of nonprofit organizations which make available for educational projects the experience and perspectives of persons who have served in Congress. It has provided former Members of Congress for participation in programs sponsored by USIA's AMPARTS [American Participants] Program in Africa, Asia, Latin America, Europe, and Australia. USIA staff members hope to involve more former Members of Congress in these programs and have asked us to notify them when any of our Members who may be interested in participating in these programs are traveling abroad. So, please let us know of your travel plans.

The association currently is working with the United States Embassy in Mexico, where former Congressman Jim Jones is serving as Ambassador, to initiate an exchange program with the Parliament of Mexico. A bipartisan team of two former Members of Congress is scheduled to make a visit, under funding from the United States Information Agency, to Mexico in June to conduct a pilot project in this effort. With funding received from the Ford Foundation, a study mission to Cuba will be undertaken to assess the current situation there, as soon as conditions are more favorable. We also have been working closely with the George C. Marshall European Center for Security Studies in Garmisch, Germany, which aids defense and foreign ministries in Europe's aspiring democracies to develop national security organizations and systems that reflect democratic principles. Former Congressman Martin Lancaster of North Carolina has spoken at several of the Center's programs for parliamentarians from Central and Eastern Europe, and additional former Members will be participating in these programs in the coming year.

The association also provides opportunities for current Members of Congress to share their expertise with legislators of other countries and to learn firsthand the operations of those governments. It has continued serving as the secretariat for the Congressional Study Group of Germany, which is the largest and most active exchange program between the United States Congress and the Parliament of another country. The study group is an unofficial, informal, and bipartisan organization open to all Members of Congress. Currently, it involves approximately 120 Representatives and Senators, and provides opportunities for Members of Congress to meet with their counterparts in the German Bundestag and to facilitate better understanding and greater cooperation.

In addition to hosting a number of Members of the Bundestag and other German Government leaders at the Capitol this past year, the study group hosted its 13th Annual Congress-Bundestag Seminar in April in Cape Girardeau, MO, located in the district of Congressman BILL EMERSON. The location was chosen because the Members of the Bundestag who participated in last year's seminar in Dresden, Germany requested that this year's seminar be held in middle-America, an area of the country many of them had never visited. Accordingly, Congressman EMERSON, the 1995 chairman of the study group in the House, very kindly invited us to hold the seminar in his district. The meeting, in which Louis Frey of Florida, Martin Lancaster of North Carolina, and I were privileged to participate along with current Members of Congress and current and former Members of the Bundestag, was a resounding success. As well as having indepth discussions about many facets of United States-German relations, we took an afternoon cruise on the Mississippi River on the motor vessel Mississippi, the flagship of the Corps of Engineers, during which we learned about the effective efforts of the corps in flood control, and we had the opportunity to tour neighboring counties and to meet with a number of Americans of German descent, whose ancestors came from Germany to settle the area.

The study group program is funded principally by the German Marshall Fund of the United States. Its activities have included joint meetings of the agriculture committees of Congress and the Bundestag and visits by Members of the Bundestag to observe the Illinois presidential primary and the Iowa caucus, as well as to congressional districts throughout the country with Members of Congress to learn about the U.S. political process at the grassroots level.

The association also serves as the secretariat for the Congressional Study Group on Japan, which seeks to develop a congressional forum for the sustained study and analysis of policy options on major issues in United States-Japan relations, and to increase opportunities for Members of Congress to meet with their counterparts in the Japanese diet for frank discussions of those key issues. This unofficial, informal, and bipartisan group, which is open to all Members of Congress, has 77 members, and an additional 49 Members of Congress have asked to be kept informed of its activities. An ongoing activity of the study group is to host breakfast and/or luncheon discussion meetings with Americans and Japanese who are experts on various facets of the United States-Japan relationship. For example, in March, George Fisher, chairman, president and CEO, and chief operating Officer of Eastman Kodak Co., met with study group members for a lively discussion about the current film industry debates. The month prior to that, the study group had the opportunity to hear from the new Japanese Ambassador to the United States, His Excellency Kunihiko Saito. Major funding for this study group is provided by the Japan-United States Friendship Commission. The Ford Foundation also provided funding which assisted with the start-up operations of this group.

The association's program to assist the new democratic nations in Central and Eastern Europe and the former Soviet Union, which was begun in 1989, has continued to expand. Under funding from the United States Information Agency, the association has: Hosted delegations of Members of Parliaments of Poland, Hungary, the Czech Republic and Slovakia in the United States; sent bipartisan teams of former Members of Congress, accompanied by either a congressional or country expert, to Hungary, Poland, and Czechoslovakia; and placed a congressional fellow in Budapest for 2 years to provide technical assistance to the Members and staff of the Hungarian Parliament.

Under a grant from the Pew Charitable Trusts, in March 1994, the association placed one congressional fellow in Slovakia—Jon Holstine—and another congressional fellow in Ukraine—

Cliff Downen—for 2-year stints. Jon Holstine's tour ended last month, but Cliff Downen is remaining in Ukraine for an additional year to continue the highly successful fellowship program he began in August 1995, which brings young Ukrainians to Kiev to work with the Members and staff of the Rada Parliament for a 1-year period. The initial funding for this fellowship project was obtained from the Rule of Law Grant Program, which is funded by the U.S. Agency for International Development. The second year of the program is being funded by a grant from the Charles Stewart Mott Foundation and a new grant from AID. Former Members of Congress, Louis Frey of Florida, Lucien Nedzi of Michigan, and Don Johnson of Georgia, former House Parliamentarian William Brown and current and former congressional staff members and Congressional Research Service personnel have visited these fellows to assist them by conducting workshops and participating in seminars with Members of Parliament.

Back on the home front, the association has continued its program of hospitality for distinguished international visitors, parliamentarians, cabinet ministers, judges, academicians, and journalists here at the Capitol. This program, originally funded by the Ford Foundation, has been continued under grants from the German Marshall Fund of the United States. These grants have enabled us to host 336 events—breakfasts, luncheons, dinners, and receptions—for visitors from 85 countries and the European Parliament, and has proved to be an effective avenue for improving communication and understanding between Members of Congress and leaders of other nations.

In addition to our work with current parliamentarians, we maintain close relations with associations of former Members of the Parliaments of other countries. In this connection, Mr. Speaker, I am pleased to recognize and welcome three representatives of those associations who are with us today: Barry Turner and Hal Herbert of the Canadian Association of Former Parliamentarians and Georg Ehrnrooth of the Association of Former Members of the Parliament of Finland. These relationships have been extremely cordial. Lasting friendships have developed and, as one may expect, a better understanding and appreciation of our common democratic institutions has emerged.

I would be remiss, Mr. Speaker, if I did not salute the work of the U.S. Association of Former Members of Congress Auxiliary and express our gratitude to its membership so ably headed by Annie Rhodes and Debi Alexander, and to mention the untiring and successful efforts of Linda Reed, our executive director, and Walt Raymond, who has been responsible for most of these overseas programs, and of course of our distinguished board members and our very kind and excellent Academic Advisory Committee.

Mr. Speaker, it is now my sad duty to inform the House of those persons who have served in the Congress and who have passed away since our report last year. Those deceased Members of the Congress are:

John Joseph Allen, Jr., California;
Les Aspin, Wisconsin;
Bert A. Bandstra, Iowa;
Joseph W. Barr, Indiana;
James C. Cleveland, New Hampshire;
Williard S. Curtin, Pennsylvania;
Leonard Farbestein, New York;
Ovie Clark Fisher, Texas;
Dean A. Gallo, New Jersey;
Porter Hardy, Virginia;
John E. Henderson, Ohio;
Albert Sydney Herlong, Jr., Florida;
John C. Hinson, Mississippi;
Chet E. Holifield, California;
A. Oakley Hunter, California;
Walter B. Jones, North Carolina;
Barbara Jordan, Texas;
Edward R. Madigan, Illinois;
Thomas E. Morgan, Pennsylvania;
Edmund S. Muskie, Maine;
Joseph Mruk, New York;
Richard G. Shoup, Montana;
B.F. "Bernie" Sisk, California;
Henry P. Smith III, New York;
Margaret Chase Smith, Maine;
John C. Stennis, Mississippi;
Jesse Sumner, Illinois;
Mike Synar, Oklahoma;
Boyd Tackett, Arkansas;
Lera Thomas, Texas;
William Homer Thornberry, Texas;
Andrew Jackson Transue, Michigan;
Jamie L. Whitten, Mississippi;
William A. Winstead, Mississippi; and
Ralph W. Yarborough, Texas.

Mr. Speaker, I respectfully ask all of you for a moment of silence in their memory.

May then rest in peace. Amen.

It is now my happy duty to report that nominated to be our association's new president is our colleague who is presiding today, and of all of the nice things that he said about me, I can just reverse to say about him, Louis Frey of Florida; and, as vice president, Matthew McHugh of New York. With them at the helm, the leadership of the association will be in capable and very experienced hands.

Each year the association presents a Distinguished Service Award to an outstanding public servant. This award rotates between political parties, as do our officers also. Last year's recipient on the Democratic side was Vice President ALBERT GORE, Jr., former Representative and Senator from Tennessee. This year, the recipient on the Republican side is the distinguished former minority leader and Representative from Illinois, Robert H. Michel.

It is a special personal pleasure for me to present this award to Bob on behalf of the association as I greatly enjoyed the years that both my husband, Hale Boggs, and I were privileged to serve with him in the House and to enjoy and admire his wonderful wife, Corinne. He has certainly been an outstanding Member of Congress. He has served with his leadership, not only his constituents in Illinois, but also the U.S. public in general with great distinction through many years. I must say that we are presenting this privilege to him, we are just falling in line with a large number of other distinguished Americans. In 1994, President Clinton awarded Bob Michel our Nation's highest civilian honor, the Medal of Freedom, and he was presented at one time the Citizen's Medal, our Nation's second highest Presidential award, in 1989 by President Ronald Reagan. He has also received the VFW Congressional Award, in recognition of his outstanding service to the Nation, and, in the same year, the American Institute for Public Service presented him with the Jefferson Award for Public Service.

He has also been recognized for just a range of activities that are really remarkable, and he has received the National Security Leadership Award by the leaders of the Reserve Officers Association, the American Security Council, and a bipartisan National Security Caucus on behalf of over 100 national organizations. He has also been the recipient of the Golden Bulldog Award, presented by the Watchdogs of the Treasury, for 18 consecutive terms.

So it is a tremendous pleasure for us, of course, to be able to present this award to our colleague, and I am certain he will continue to be the very special person that he has been for so many years, for many years to come.

I know all of you share my feelings and respect and admiration in being able to present this award to Bob, and I hope that he will come forward to receive it.

The award reads: "Presented to the Honorable Robert H. Michel of the United States Association of Former Members of Congress in recognition of his exemplary service to the Republic as a decorated war hero and as the long-term Republican leader of the United States House of Representatives. In Washington, D.C., May 15, 1996."

Bob, it is so wonderful to be able to present this to you. I am also pleased to present you with this scrapbook of letters from your colleagues offering their congratulations, along with mine, for this well-deserved symbol of our love and appreciation. We will be happy to receive some remarks from you, sir.

Mr. MICHEL. Madam President and former Speaker Jim Wright and my former leader, John Rhodes, and what is it, Speaker pro tem or what up there?

Mr. FREY (presiding). Your shortstop.

Mr. MICHEL. My distinguished colleagues, I am overwhelmed to again receive such a nice honor from my colleagues. I do not know what the criteria are for the former Members choosing one for this kind of award, but as I look around this room, I would say there are many more who would be justified in receiving it than this Member. After all, I have only been out there in the afterworld of Congress, you know, for less than 2 years. I have not had a chance yet to make my mark in that world, like so many of you out there. But I will tell you, I would not change it for anything. I am happy to be out there where you all are and be a Member of the Former Members Society.

And, Lindy, may I congratulate you and the organization for all those myriad of things that the former Members are doing and participating as they are to help publicize what this institution is all about and what representative government is all about. I am very happy that all my papers are going to the Everett Dirksen, have gone to the Everett Dirksen Center for Leadership in Pekin, IL.

One of the things we are attempting to do is each year to honor one person or several persons, whomever from the press who will write something positive about the Congress. And then, too, one of our emerging programs, because our endowment now is building up that we can afford to do it, is selecting high school teachers for one week of concentrated study on what the Congress is all about, so they can go back in civics classes and teach their high school students what this institution is all about.

So I guess none of you needs any long speeches on this particular occasion, but I just have to make mention of the fact that I have always been so proud to have been a Member of this House and to serve in it, the honor that was accorded to me to be elected, reelected so many times. And then the wonderful things that have happened to me, particularly since announcing my retirement.

I would hope that each and every one of you who still have that vim and vigor and have the respect for this institution, or you would not be here today as a former Member, would just accelerate those efforts at a time when the institution, all institutions of government, it seems to me, are under attack, and we need to be more positive in telling our young people what it really means to this country.

I remember a time when I was a little apprehensive about electrifying the House of Representatives by electronically covering the proceedings of this body. You know, will there be showboating? Will it be good? Will it be bad? Well, I think in retrospect, as I look over it all, it has been a good thing for the country that C-SPAN gives it, you know, gavel-to-gavel coverge, to really educate the American people on what this institution and the other body then who followed suit, what it is really like.

Maybe just one word of caution to our sitting Members, because when you are on the outside and you are observing the proceedings of this House, yes, sometimes when I was still the leader, they were very much in evidence, we have always got to be mindful of the fact that what is said, how it is said, the deportment of the Member, is the projection to the American public of what it is all about. We have the clash of ideas and the vigorous arguments that take place on the floor of this House, and that is what it is all about. But there is a point at which you draw the line, and that is not to besmirch the character of a fellow colleague, engage in personal attacks that might diminish what you have said, because the general public gets its feeling about this institution much at a higher level when it is really considered to be the highest point at which these public issues are debated and yes, with men and women of good civil attitude and respect, not only for the institution, but for their fellow colleagues.

So I guess that would be the message I would leave with whoever might be in the listening audience here about how great this institution is and how it ought to be preserved. And those of us who have had the privilege of serving in it, I think we all feel just a little bit better when we come together on a occasion like this, share some of our experiences and views, and renew ourselves in the commitment to make absolutely sure the rest of this country understands perfectly what representative government is all about. It is the best on earth. We all ought to love it dearly for the rest of our lives. Thank you so much.

Mr. MAZZOLI. Madam President, would the gentlewoman yield for just a brief moment?

Mrs. BOGGS. I am happy to yield to the gentleman from Kentucky.

Mr. MAZZOLI. I realize we have to clear the Chamber, but I would just address two or three things. One is to add my salute to Bob Michel on a life well lived and a career well handled, and to salute the gentlewoman for her leadership, but to also mention two things: She was kind enough to mention my name in the course of her remarks and it was a great pleasure for me to go to Denison, Senator LUGAR's alma mater, to take part in that program. And I would only indicate to my colleagues, any one of you who would have an opportunity, whether by invitation or just inviting yourself, to go to one of the schools. And it was a wonderful experience, I think for the students, certainly for me. And I believe it is one wonderful opportunity we have to continue to share this information with the future generation.

Then I want to particularly thank my good friends, Abner Mikva, who helped me this past semester when I taught full time at the University of Louisville's Law School. Abner came down to visit me. It was not an easy trip for him to make, a trip to Louisville. It was wonderful for my school's students. And I would tell my friends from Illinois, he really was a trifecta, because he served here, he served in the Federal judiciary, and served in the administration, so he really kind of went to the triple play. But he was able to address all those issues and, so once again, I want to thank Abner. But I also want to indicate that that is a way we leave something behind us.

I thank the gentlewoman.

Mrs. BOGGS. Thank you very much, and thank you so much for your participation.

Well, Mr. Speaker, this concludes the 26th Annual Report to the Congress by the U.S. Association of the Former Members of Congress. We are honored, Mr. Speaker, by your warm welcome and your generous comments. We also want to thank all of the Members of the House here today for their very personal greetings. I know that for everyone in our group, being a Member of Congress was the most exciting, the most exhilarating, the most challenging period of our lives. So this is a rare and thoroughly enjoyable opportunity to greet old friends, feel for a moment the majesty of this Chamber and share with you the activities of its former Members. Finally, we want you to know this association will continue its efforts to promote greater public understanding of and appreciation for this very uniquely American legislative body, this greatest deliberative body in the modern world, the U.S. Congress. Thank you so much, Mr. Speaker.

Mr. FREY (presiding). Thank you, Madam President, for the great job and those remarks. In concluding, I just want to say I think all of us here are lucky, lucky to have been born in this country, lucky to have been a Member of this great body. And you know, what we probably have is a chance to do a lot more for this country now than maybe sometimes we had before, because it is needed out there. In some ways, we maybe have more credibility than when we were here. And I think what Bob Michel said is that we really have an obligation, and I am glad we are fulfilling it and I am sure that we will continue to fulfill it.

The House will continue in recess for 15 minutes.

Accordingly (at 9 o'clock and 55 minutes a.m.), the House continued in recess for 15 minutes.

□ 1010

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. KOLBE) at 10 o'clock and 10 minutes a.m.

NOTICE OF AVAILABILITY OF CLASSIFIED MATERIALS ACCOMPANYING H.R. 3259, FISCAL YEAR 1997 INTELLIGENCE AUTHORIZATION BILL

(Mr. COMBEST asked and was given permission to address the House for 1 minute.)

Mr. COMBEST. Mr. Speaker, I wish to announce to all Members of the House that the classified schedule of authorizations and the classified annex to the committee report accompanying the Intelligence authorization bill for fiscal year 1997, H.R. 3259, are available for review by Members at the offices of the Permanent Select Committee on Intelligence in Room H-405 of the Capitol. Staff will be available through Friday and again beginning Monday for any Members who wish to review this material. I am informed by the leadership that H.R. 3259 may be considered on the floor early next week.

It is important that Members keep in mind that clause 13 of rule XVIII of the House, adopted at the beginning of the 104th Congress, requires that before Members of the House may have access to classified information, they must sign the oath set out in that clause. The classified schedule of authorizations and the classified annex to the committee report contain the Intelligence Committee's recommendations on the intelligence budget for fiscal year 1997 and related classified information which may not be disclosed publicly. After consultation with the General Counsel to the Clerk of the House, I would advise Members wishing to have access to the classified schedule of authorizations and the classified annex that they must bring with them to the committee office a copy of the rule XLIII oath signed by them or be prepared to sign a copy of that oath when they come to see these classified materials.

I would also recommend that Members wishing to read the classified schedule of authorizations and the classified annex to the committee report first call the committee office to indicate when you plan to review the classified annex to the report. This will help assure that a member of the committee staff is available to help Members, if they wish, with their review of these classified materials. I urge Members to take some time to review these classified documents to help them better understand the actions the Intelligence Committee has recommended before the intelligence authorization is considered on the House floor next week.

□ 1015

PROVIDING FOR CONSIDERATION OF H.R. 1745, UTAH PUBLIC LANDS MANAGEMENT ACT OF 1995

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 303 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 303

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 1745) to designate certain public lands in the State of Utah as wilderness, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 2(l)(6) of rule XI or section 302(f) or 311(a) of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Resources. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Resources now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI or section 302(f) or 311(a) of the Congressional Budget Act of 1974 are waived. Before consideration of any other amendment, it shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution. That amendment may be offered only by the chairman of the Committee on Resources or his designee, shall be considered as read, shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. If that amendment is adopted, the bill, as amended, shall be considered as the original bill for the purpose of further amendment. During further consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. KOLBE). The gentleman from Georgia [Mr. LINDER] is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purposes of relevant debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume.

During consideration of the resolution, all time yielded is for relevant debate purposes only.

Mr. LINDER. Mr. Speaker, House Resolution 303 is a completely open rule providing for the consideration of H.R. 1745, the Utah Public Lands Management Act of 1995.

The rule provides for 1 hour of debate equally divided and controlled by the chairman and ranking minority member of the Resources Committee. The committee amendment in the nature of a substitute is made in order as base text for purposes of amendment under the 5-minute rule.

The rule makes in order a manager's amendment by Chairman YOUNG printed in the report on this rule, debatable for 10 minutes. If adopted, the manager's amendment becomes part of the base text for amendment purposes.

As I mentioned earlier, this is a completely open rule permitting any Member to offer any germane amendment. Members who have preprinted their amendments in the RECORD may be given priority in recognition. Finally, the rule provides for one motion to recommit, with or without instruction.

Mr. Speaker, we have called up this rule today, even though it was not scheduled for consideration this week, because the minority gave notice yesterday that it would otherwise call up this rule pursuant to clause 4(c) of rule 11 which permits any Rules Committee member to call up a rule after it has been pending on the calendar for more than 7 days.

I don't think anyone seriously believes the minority is simply interested in considering the Utah wilderness bill. This is just one more attempt to circumvent, indeed violate two House rules for ulterior motives—and that is to defeat the previous question to offer a completely unrelated and nongermane amendment to this rule that would be ruled out of order on a point of order.

Despite repeated warnings, the minority has persisted in violating House Rule 14 which requires Members to confine themselves to the question under consideration. And they have attempted to defeat the previous question on other rules to offer an amendment that would be in violation of clause 7 of rule 16, the germaneness rule—an amendment that would require the Rules Committee to report a rule on a bill completely unrelated to the subject matter of the rule.

Rules Committee Chairman SOLOMON, in a letter to Ranking Minority

Member MOAKLEY, back on May 7, urged Mr. MOAKLEY to join with him in helping to enforce House rules during consideration of special rules rather than violate House rules—specifically, clause 1 of rule 14 requiring that debate be relevant to the pending question, and clause 7 of rule 16 requiring that amendments be germane to the rules to which they are offered.

Those pleas for cooperation and adherence to the rules have obviously gone unheeded and ignored.

Mr. Speaker, while we are willing to continue the custom of granting half of our hour on debate on such rules to the minority, we would again caution and advise the minority to observe House rules on relevancy in debate and the germaneness rule on amendments to rules.

I urge the adoption of the previous question and the rule.

Mr. Speaker, I include the following letter for the RECORD:

COMMITTEE ON RULES,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 7, 1996.

Hon. JOHN JOSEPH MOAKLEY,
Ranking Minority Member, Committee on Rules,
The Capitol, Washington, DC.

DEAR JOE: The Congressional Budget Office has been kind enough to provide me with copies of its responses to your inquiries on the last two efforts to defeat the previous question on rules to offer amendments directing the Rules Committee to report back minimum wage legislation.

As CBO points out in both instances (on H. Res. 412 waiving the two-thirds vote requirement on same-day consideration of rules, and H. Res. 418, the U.S. Marshals Service Improvement Act), the proposed amendments to the rules would not constitute an unfunded mandate (being procedural in nature only), but the subsequent legislation they would direct be reported, "would impose both an intergovernmental and private sector mandate as defined in Public Law 104–4." (Letters from CBO Director O'Neill to Rep. Moakley, April 25 and May 1, 1996).

I appreciate your diligence in monitoring these potential rule violations so carefully. By the same token, however, I would respectfully ask you in the future to check with the Parliamentarian in advance on both the germaneness of such amendments to the pending rules and the relevancy of extended debate on this unrelated matter. Our own discussions with the Parliamentarian confirm that: (a) a discussion of the minimum wage was not relevant to either of the above cited rules and thus in violation of clause 1 of rule XIV (decorum in debate); and (2) the proposed amendments to the rules were not germane to the rules and thus in violation of clause 7 of rule XVI (germaneness).

Given your earlier, extensive correspondence with me on the subjects of the minimum wage, unfunded mandates, and the need for a strict adherence to House Rules, I would ask that you in turn see to it that during House debate on special rules you and the speakers you yield to observe both of these important House rules by avoiding the use of irrelevant debate on nongermane amendments that would be rule out of order even if you defeated the previous question.

As I suggested earlier, a simple check with the Parliamentarian, just as you check with CBO, would go a long way towards ensuring compliance with these two important House Rules on relevancy in debate and germaneness of amendments. I am sure you will agree with me that we do not set a good example for the House so long as we countenance such abuses of the fundamental rules of debate and amendment by mischaracterizing the previous question process and vote as something it is not.

I look forward to working closely with you in the future to ensure full compliance with House rules during House consideration of our order of business resolutions.

Sincerely,

GERALD B. SOLOMON,
Chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my colleague from Georgia for yielding me the customary 30 minutes. I appreciate the gentleman's wanting us to abide by the rules of the House. I agree. We take, for example, how they try to ram a constitutional amendment through this House here without even having a hearing in the Committee on the Judiciary. So we will operate under the same set of rules.

Mr. Speaker, once again the House Democrats are going to try it again. Today we are going to try for the fifth time this year, the fifth time this year, to give 12 million hardworking Americans a long overdue pay raise. We are hoping that our Republican colleagues will stop voting no and start voting yes. We are hoping they will join us and join 85 percent of the American people who believe that the minimum wage increase is a very, very good idea.

Some of my colleagues may wonder how it is that we are considering today's rule. Well, this rule concerning some public lands in Utah was reported out of the Committee on Rules last December. The House rules allow any member of the Committee on Rules as a matter of privilege to call up a rule which has been waiting on the House Calendar for over a week. So I used my privilege, in order to try again to convince my Republican colleagues to allow us to raise the minimum wage for 12 million Americans.

Mr. Speaker, we are not talking about a lot of money. We are talking about a very small raise for our people. Our people, who work very hard, our people, who still only make $8,400 a year. We are talking about giving a long overdue raise to 12 million Americans, who work very long hours and still live below the poverty level.

Mr. Speaker, my Democratic colleagues and I believe very strongly that American workers deserve a raise, and you probably noticed we are going to still fight until we finally get one. It has been 5 years since the last increase in the minimum wage. Its value has now dropped to a 40-year low. Working people deserve this long overdue raise, and I think we really owe it to them. So, Mr. Speaker, at the end of this debate I will oppose the previous question in order to offer an amendment which provides for an immediate vote on the minimum wage increase.

Mr. Speaker, if any of my colleagues do not think we should give a raise to the minimum wage earner, if any of my colleagues think those on minimum wage should not have it increased, they should vote yes on the previous question. But everybody else, those who think that an increase in the minimum wage is long overdue, as I do, should vote with me and oppose the previous question.

Mr. Speaker, let us make sure that hardworking Americans with full-time jobs can finally support their families on their income.

Mr. Speaker, I reserve the balance of my time.

PARLIAMENTARY INQUIRY

Mr. LINDER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LINDER. Mr. Speaker, under the House rule XIV, which requires that a Member must "confine himself to the question under debate," is it relevant to the debate on either this rule or the bill it makes in order to engage in a discussion on the merits of the minimum wage?

The SPEAKER pro tempore. The Chair acknowledges the gentleman's parliamentary inquiry, and would advise Members that under clause 1 of rule XIV, they should confine themselves to the question under debate in the House. As explained on page 529 of the House Rules and Manual, debate on a special order providing for the consideration of a bill may range to the merits of the bill to be made in order, but should not range to the merits of a measure not to be considered under that special order.

Mr. LINDER. Mr. Speaker, further parliamentary inquiry. Could the Chair enlighten us as to the subject matter of the subject under debate?

The SPEAKER pro tempore. The subject for debate in this rule is the resolution providing for consideration of the Utah Wilderness bill, and the debate should be confined to that topic.

Mr. LINDER. Mr. Speaker, for the purpose of debate only, I yield 2 minutes to the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I appreciate the gentleman yielding me time.

Mr. Speaker, I rise in favor of this rule, but I want to explain to the people of Utah and the rest of America that this procedural move is not about H.R. 1745, my Utah Wilderness bill, but is about procedural maneuvering to address unrelated issues.

Mr. Speaker, I was before the Committee on Rules last December, wherein I requested an open rule to fully debate the issues of H.R. 1745, the Utah Wilderness Act. I support this rule and urge its adoption. When Utah Wilderness does come before this body, I will be proposing several changes to H.R. 1745 that moderate this legislation significantly. I and the Utah delegation have worked hard to add significant acreage, propose release language that is very moderate, and other changes that would make this bill acceptable to everyone. An open rule on this issue will allow for an open and complete discussion of the issue.

Mr. Speaker, I understand the political maneuvering of my colleagues on the other side to use the Utah Wilderness bill as a tool to get at issues like the minimum wage, but Utah Wilderness is critical to my constituents and the people of Utah. This is an important debate, and I am hopeful that Utah Wilderness does not become a pawn, as it looks like someone is trying to do, in the larger battle that it is unrelated to.

Mr. Speaker, I urge my colleagues to support this rule, and I look forward to future debate on the Utah Wilderness bill.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to gentleman from Michigan [Mr. BONIOR], the minority whip.

Mr. BONIOR. Mr. Speaker, I thank my friend for yielding me the time.

Mr. Speaker, several months ago the Republican leadership had scheduled for a debate on this House floor a bill concerning public lands for the State of Utah, I think it was back in December or thereabouts. What happened, for those of you who are interested, is that the moderates on this side of the aisle who are concerned about the environment, who have joined with us over 25 years to preserve the environment, clean water, clean air, good public lands, looked at this bill and had some serious objections. They were concerned about the extreme agenda in which our colleagues on this side of the aisle were taking the issue of the environment, cutting enforcement funds for EPA, cutting sewer grant money, not dealing with the question of Superfund. They are very much concerned about all of that.

So what happened was they decided, the leadership on the Republican side, not to bring it up. They just kind of let this rule, which was reported out of the Committee on Rules, hang on the desk up here.

What they failed to do was to table the rule. That is what you generally do when you do not let something hang around. So they failed to table that rule, and, under the rules of the House, after a 7-day period, the minority can call up this rule for purposes of amending the rule. And that is what we are about this morning. We are calling up this rule, and we have called up this rule. The majority, taking advantage of their prerogative to move it, has done so, and now we are engaged in a debate on whether this is a proper rule to address questions of concern to the Nation.

We believe it is our prerogative at this time to get a clean vote on something that has been denied this body four separate times, and that is a vote on the minimum wage. As the gentleman from Massachusetts has eloquently stated today, these are the folks in this country today who are working for $4.25 an hour. They are the people who take care of our mothers and our fathers in nursing homes. They clean our airports. They clean our offices. They are breaking their backs every single day for their kids. And all they want in this Congress is for us to stand up and say yes or no, should we raise the minimum wage for the first time in 5 years, which has now reached a 40-year low, or shall we sort of just ignore these folks?

What we are saying on our side of the aisle is that we agree with the 100 economists in this country, the three Nobel laureates, that this is an important issue for the country.

Mr. Speaker, what happens to people who work for the minimum wage? What happens is that you cannot support a family on $8,500 a year. Two-thirds of these people are adults, and about 60 percent of them are women with children. So they end up working one job, plus overtime, with two jobs or three jobs. And, as a result of that, these individuals are not there in the evening. The mothers are not there to teach their kids right from wrong, they are not there for bedtime stories. Fathers are not there, because they are working two jobs. They are not there for Little League or soccer. They are not there for PTA or dinner conversations, and the whole fabric of civil society starts to unravel.

□ 1030

And the Members come to the floor and they argue with us about juvenile delinquency, about crime, and all these other social pathologies and maladies affecting the American public.

A good decent livable wage is important as a foundation for providing families the wherewithal to take care of the educational needs, the discipline needs and the attention needs that their kids deserve.

Mr. HANSEN. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Utah.

Mr. HANSEN. Mr. Speaker, I would ask the gentleman if he has read H.R. 1745, the Utah Wilderness bill, which he just typified as an extreme antienvironmental bill?

Mr. BONIOR. Mr. Speaker, if I did that, I did not mean to do so, because I did not want to characterize the bill from my perspective. I just wanted to characterize it in terms of what some of the Members on the Republican side of the aisle were concerned about when the bill was pulled.

Mr. HANSEN. Mr. Speaker, if the gentleman will continue to yield, I do not think that is a correct interpretation. It is not an extreme bill and I really think the gentleman should stick to what he is talking about, because that is not an extreme bill. It is a moderate reasonable bill, and I somewhat, having worked on it for 20 years, kind of resent that being said. I apologize to the gentleman.

Mr. BONIOR. Mr. Speaker, I recognize my colleague's concern and I recognize the hard work he has put on this bill. It is not my characterization, it is the characterization of some in his own party who have labeled it as such.

Mr. HANSEN. I would like to know who they are. They have not talked to me about it.

Mr. BONIOR. They obviously talked to the gentleman's leaders because it was pulled from consideration on this floor.

Mr. MOAKLEY. Mr. Speaker, I yield myself 15 seconds.

Is it my understanding the gentleman from Utah does not want to discuss the Utah Wilderness bill here, after asking us to stick to the subject?

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Michigan.

Mr. BONIOR. I would be happy if my friend would join us on the minimum wage issue. If he would like to talk about that, I would be delighted to continue to talk on the minimum wage.

Mr. LINDER. Mr. Speaker, for purposes of debate only, I yield such time as he may consume to the gentleman from Glens Falls, NY [Mr. SOLOMON], the chairman of the committee.

Mr. SOLOMON. I thank the gentleman for yielding me the time, and, Mr. Speaker, sometimes it gets pretty disheartening around here because everything seems to turn into a partisan fight.

I am just hearing my good friend from Massachusetts, Mr. MOAKLEY, and my good friend from Michigan, Mr. BONIOR, friends from the other side of the aisle, say that this bill is being held up for some reason because there is a lot of disagreement.

I have asked the chairmen of all of the standing committees to give us legislation, send it to the Committee on Rules, so that we can issue rules and have it out there so that when we do have lapses and windows here on the floor, that we can bring up issues like this. This is one of them. I wish we had 8 or 9 or 10 of these standing and waiting so that we could.

There are times when we finish the debate, like this afternoon, we are going to finish a very important bill, the defense authorization bill, which normally takes days and days and days, and we are probably going to finish it at 1 or 2 o'clock this afternoon and we would like to have standby legislation like this. The only thing is, now, if we are going to have the minority, the minute that these rules have been waiting for 7 days, jump up and call up a rule so that they can make some partisan stand, how can we do that? It interrupts the flow of this House.

Let me just tell my colleagues something. During the month of June, I think there are only 15 legislative days. We are in an election year. We are supposed to be off so that we can go home and do some campaigning for about 4 weeks starting with the first week of August and into Labor Day. We will hardly have time to deal with all of this legislation that has got to come before us, never mind the banking and campaign finance reform and all of these issues coming out to the authorizing committees. We have the budget to deal with, then we have to follow that with all of the appropriation bills and the reconciliation legislation, all of which is going to be so time consuming, and yet here we are fooling around here wasting time.

The gentleman knows that on Tuesday, and I will tell him right now, the Committee on Rules will be having a meeting and we are going to put out legislation that is going to give an up-or-down vote on the minimum wage.

I, for one, happen to think that there is a need for an increase in the minimum wage, but let me tell my friends what happened the last three weekends I went home. I was in the Adirondack Mountains in the northern end of my district, I was in the Catskill Mountains in the southern end, and all in between is the Hudson Valley, made up of apple farmers and dairy farmers. All of them asked me, "JERRY, how can you increase the minimum wage when we have such heavy regulatory burdens on us now?"

If we are going to increase the minimum wage, why can we not give small businessmen in this country a little relief to remove some of the cost off their backs so that they can afford to give the minimum wage? In the resort industries in the Adirondacks they told me that if they hire four college students, and in my district most of the college students have to work their butts off in order to get money to go to college because in my district they are not rich people. We do not have the money and kids have to pay part of their own tuition, so they have to work in the summertime. Well, if every single restaurant and motel in the Catskills and the Adirondacks are going to have to lay off one out of four people in order to have the money, what are we going to do? How will these kids make a living?

So that is what the argument has been all about. On Tuesday we will put out a rule which is going to bring this issue to the floor and have a legitimate debate. In the meantime, we are tied up here with this challenging of the previous question, which cannot go anyplace. And I wish the gentleman would withdraw it and let us get back to regular business and let us deal with the issues that are so terribly important to the American people, and I thank the gentleman for the time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume just to answer my friend and dear colleague from New York.

We, on the minority side up in the Committee on Rules, have sat back because the gentleman wanted to rush the matters before the Committee on Rules up there and said, look, when we get to the floor we can do all the debating the minority wants to do. Well, Mr. Speaker, the gentleman cannot have it both ways. He cannot stifle us in the committee and then stifle us on the floor.

So I think this is our only opportunity to vent our feelings on how we feel about some of these matters and by using the proper rules.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise this morning to urge my colleagues to defeat the previous question so that we can go back to the Committee on Rules and have a vote on raising the minimum wage.

Republican House leader DICK ARMEY is quoted in today's New York Times saying people are, and I quote, "in a panic about raising the minimum wage." The Republican leader has said in the past that he will fight an increase in the minimum wage with every fiber of his being. No wonder people are in a panic about the minimum wage.

Yet the Republican leadership is not in a panic about dealing with tax breaks for investors with enough money to own racehorses. Yesterday the Committee on Ways and Means took up the issue of a special tax break for wealthy racehorse owners, but Speaker GINGRICH says any vote on raising the minimum wage is still weeks away, at best.

This is why the hard-working families of this country do not believe that Congress is on their side, because even though the minimum wage is at a 40-year low, even though many minimum wage earners are the sole breadwinners for their families, Republicans are still stalling on bringing up a minimum wage issue for a vote.

My Republican colleagues are fond of talking about family values, personal responsibility. Well, the families working for the minimum wage are working hard and taking the responsibility to stay off welfare. Somehow this Congress can find the time to help wealthy investors who can play at the track but not the time to help the hard-working men and women struggling to pay their bills and to keep their head above water.

Some of my Republican colleagues have had the courage to break ranks, cosponsor a bill to raise the minimum wage. They cannot be missing in action today on this vote. The gentleman from New York [Mr. SOLOMON], the gentleman from Pennsylvania [Mr. ENGLISH], the gentleman from New York [Mr. LAZIO], and the gentleman from California [Mr. HORN]. We need these gentlemen. The working men and women of this country need them today.

The Republican leadership of this Congress has its priorities all wrong. Stop the stonewalling, give us a vote on raising the minimum wage.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume. Let me just say, leave it to the Democrats to suggest that elected officials can give people raises. If they want to give these people a raise, hire them and put them on their payroll, and then they can pay them anything they would like.

Of course 80 percent of America agrees other people should have raises, in the abstract. Ask the 250,000 people that the President's leading economic adviser says will lose their jobs over this how much they like it. Raising the minimum wage is income redistribution among poor people. For every four people who get a dollar raise, one person loses his job.

I wanted to tell my colleagues some of the bad effects of the minimum wage. Studies by Professor Masanori Hashimoto of Ohio State and Llad Phillips of the University of California at Santa Barbara both show increases in the minimum wage increase teenage crime. A study of professor William Beranek of the University of Georgia found the minimum wage increases employment of illegal aliens.

Research also shows the minimum wage increases welfare dependency. For example, a study by Peter Brandon of the University of Wisconsin found the average time on welfare among States that raised the minimum wage was 44 percent higher than States that did not.

Economist Carlos Bonilla of the Employment Policies Institute found a dramatic example in California after the minimum wage rose from $3.35 to $4.25. After accounting for the phaseout of AFDC, Medicaid and food stamps. and for Federal, State and local taxes, a single parent earning a minimum wage after it was increased was $1,800 worse off per year than before.

Finally, the latest research has shown increases in the minimum wage encourage high school students to drop out, enticed by the lure of higher pay, reducing their lifetime earnings and displacing lower skilled workers at the same time.

The 22-percent increase in the minimum wage in 1976 added just $200 million to the aggregate income of those in the lowest 10 percent of income distribution. Only 22,000 men, according to the Bureau of Labor Statistics, and 191,000 women nationwide maintained families on a minimum wage job in 1993. That will decline by 250,000 people in total after we raise it.

Thirty-seven percent of minimum wage workers in 1995 were teenagers. Fifty-nine percent were 24 years old or younger. Seventeen percent of minimum wage workers are spouses and are likely to be secondary earners. Sixty-six percent of minimum wage workers work only part-time, including students, the elderly with pension or Social Security income, and people simply looking for a little extra cash.

Employers also respond to this, because they are touched, really, by laying off people and cutting back on hours. This is one reason why it is difficult to find a bank teller or someone to wait on you at the local department store. Between 1963 and 1995, average weekly hours worked in retail trade, the industry most affected by the minimum wage, fell from 37.3 hours per week to 28.9, while hours worked in higher-paid industries basically unaffected by the minimum wage, such as mining and construction, increased.

Mr. Speaker, this is politics and it is mean politics, using as pawns the very people they are purporting to help to make a political point to the rest of the world on a bill the subject of which is not even germane to. Mr. Speaker, let us move forward with germane discussion of this rule and the bill this rule applies to, and have a vote on the previous question as quickly as possible.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. BONIOR], the minority leader, who could not let some statements go by without replying.

Mr. BONIOR. I thank the gentleman for yielding me the time.

Mr. Speaker, I have just listened to some of the most outrageous arguments I have ever heard with respect to the minimum wage. The gentleman from Georgia, who just talked, blamed illegal aliens coming into this country on the minimum wage; an increase in crime because of the increase in the minimum wage. He talked about students dropping out of school because of the increase in the minimum wage, and he talked about job layoffs all over the country because of the minimum wage.

Now, I have never heard of a recipe of disaster for trying to help working people who are trying to help their kids struggle through life. This last point, with respect to layoffs, I might add that he cited a number of studies. There were five recent studies done from California to New Jersey.

The New Jersey study studied the people who worked in the restaurant industry and found, in fact, Mr. Speaker, that there was not a decrease in the number of jobs, there was an increase as a result of the increase of the minimum wage in the State of New Jersey. About 10 States have increased their minimum wage since we last did it in 1991, and as a result of that there has not been any dramatic unemployment in this country.

□ 1045

In fact, unemployment numbers are down in this country. People are working. For the gentleman from Georgia to get up here and to suggest to this body and to this country that raising the minimum wage will increase crime, will increase illegal aliens, will increase the drop out of students in this country is just an absolute outrage and is wrong.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it might be pointed out that I did not make any of these claims. All these claims were made by college professors doing studies, including Ohio State, University of California, University of Georgia, University of Wisconsin. All of these are legitimate studies that are in the literature.

For someone to stand there and say that there is no evidence that increasing the minimum wage increases unemployment is someone who has not looked at the record.

In the 2-year period between 1973 and 1975, we increased the minimum wage 31 percent. Unemployment at the end was 73 percent worse off than before, from 4.9 percent to 8.5 percent. The period 1974 to 1976, when the minimum wage was increased 15 percent, unemployment went from 5.6 to 7.7 percent, 37 percent worse off. In the period between 1978 and 1980, we increased the minimum wage 17 percent, unemployment went from 6.1 to 7.1, 26 worse off.

Between 1979 and 1981, we increased the minimum wage 16 percent, unemployment went from 5.8 percent to 7.6 percent, 31 percent worse off. 1989 to 1991, we increased the minimum wage by 27 percent, unemployment rate went from 5.3 to 6.7 percent, 26 percent worse off. And in four of those five occasions, four of those five occasions GDP growth was declining after the raise.

To say that increasing the minimum wage has no impact on the economy is to say, then why be so cheesy, give them $20. Then every family will have about $40,000 a year. That it is not going to hurt anybody. Do not be so cheesy with $4.25. If it is not going to impact the economy, give them all a big raise.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I do not know who was making those allegations on the floor. It certainly was not a college professor. The gentleman from Georgia was making those assertions.

Let me just counteract his claims with respect to employment; 1967, when the wage was increased from $1.25 to $1.40, unemployment decreased from 3.8 to 3.6 percent; 1974 to 1976, an increase in the minimum wage from $1.06 to $2.30, despite a recession, retail employment increased about 5.2 percent generating 655,000 jobs in this country. And in 1990 to 1991, from $3.35 to $4.25, despite a severe recession, which I might add was the responsibility of the Republican President in the White House, despite that period of time when the wage was increased and the severe recession, the numbers of total jobs quickly leveled off in this country.

There is no empirical data that during times of increases in the minimum wage that unemployment decreases. In fact, it is just the reverse.

Mr. LINDER. Mr. Speaker, I would say that the gentleman from Michigan's words have the quality of Alice in Wonderland, seeming to say when I use a word it means exactly what I want it to do.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, may I inquire as to the time remaining for both sides?

The SPEAKER pro tempore (Mr. KOLBE). The gentleman from Georgia [Mr. LINDER] has 15 minutes remaining, and the gentleman from Massachusetts [Mr. MOAKLEY] has 16 minutes remaining.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to defeat the previous question so that we can go back to the Committee on Rules and bring up a rule dealing with increasing the minimum wage. I might say to my colleagues on the other side of the aisle, offer to say that the American people might not be interested in this debate as it relates to germaneness. They might not be interested in whether or not we need to have additional time to go back to our districts and campaign. I think they are interested in making a decent living.

Fifty-nine percent, if we are throwing out numbers, of those who are earning a minimum wage are women, working women with children. We also find that over 80 percent of the American people of all economic levels suggest that we should raise the American minimum wage. And in fact in 1969, the minimum wage at that time was comparable to $6.25. We now have a minimum wage in 1996 of $4.25.

I would simply suggest to my Republican colleagues that they, too, have Members who simply want to vote on the floor of the House and be given the opportunity to increase the minimum wage. Vigorous debate, yes, but an opportunity to do so, because there are people suffering who need an increase in the minimum wage. Let us defeat the previous question, go back to the Committee on Rules and fairly bring up a resolution rule that would allow us to do so.

I would hope that we would not engage in the bantering of statistics. We can all do that. I hope that we will look realistically at what the American people need. Working people need to be affirmed and that will not decrease the numbers of those working. It will increase the number of those working and give them a decent wage.

Mr. LINDER. Mr. Speaker, I yield myself a few seconds to instruct the gentlewoman from Texas. I hope not to sound remedial, but if we defeat the previous question, it comes immediately to the floor of the House. Whereupon, the proposed amendment would be stricken on a point of order because it is not germane.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, I rise to salute the candor, ultimately, of my colleague in Georgia, because after some parliamentary mumbo jumbo about what page of the rules book could be used to thwart the desire of the American people for a raise, he has finally come forward in his last few minutes and he has indicated that what all this parliamentary maneuvering is about is his objection to raising the minimum wage. He has told the American people, in response to my colleague from Michigan, Mr. BONIOR, that it is not himself but it is the professors that made him do it.

The American people knew that Professor GINGRICH and Professor ARMEY were ready to fight with every fiber in their body to block the legitimate desire of the American people for a raise. All this parliamentary mumbo jumbo stuff can be explained in this chart.

We have considered this issue of the minimum wage a number of times in this body. There is a strange thing that has occurred. Those Republicans who stood outside in front of the cameras and said they were for the minimum wage got their arms twisted, once they got in here at the voting box. They refused to vote to give the people of America a raise even though they said they were for it. As they begin to hear from the people, the number of those people change.

The votes against the minimum wage have been going steadily down in this body. The votes for the minimum wage have been going steadily up.

All that it will take this morning in a few minutes when we take up this previous question is five Members, five Republicans who will walk up and vote in favor of giving the people of America a raise.

If they will do that, we will achieve an increase in the minimum wage and we will do it promptly. There is no reason to wait until tomorrow. There is no reason to wait until next Tuesday to consider this issue. We will get caught up in some other issue designed to ultimately kill it. Let us do it now.

I know they think it is important to raise the wilderness in Utah, but I think the raise that the American people are interested in is in their basic living standards. Let us give it to them today.

Mr. LINDER. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DREIER], my colleague on the Committee on Rules.

Mr. DREIER. Mr. Speaker, I rise in strong support of this rule and moving the previous question. It is interesting to listen to this debate. Obviously we have gotten demagoguery, people who were trying to claim that we Republicans are opposed to working Americans because we are not out there violating the House rules to bring up, under Utah bill, the minimum wage. I mean it is preposterous.

Our colleagues on the other side of the aisle know that if we were to defeat the previous question, we could not bring this up. We could not bring it up. We are working long and hard on a compromise that will deal with increasing the take-home pay of working Americans, to deal with reducing the tax and regulatory burden which has jeopardized job creation and economic growth. The Committee on Ways and Means is working on that.

This is nothing but a ruse to have our friends on the other side of the aisle come forward and argue that somehow we are going to be able to increase the minimum wage by defeating the previous question. It ain't going to happen. It is a violation of House rules, and it is crazy to have them doing it.

So we should support the previous question, support this rule and move ahead with the way in which we can encourage opportunity for the people in this country to gain jobs and to gain the kind of standard of living which we hope very much will happen.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, I ask my colleagues to oppose the previous question. Unlike my colleagues from California, we will have an increase in the minimum wage. And the closer we get, just like the chart we saw earlier, like my colleague from Texas, we need to keep working at it.

My good friend, the gentleman from Massachusetts [Mr. MOAKLEY], from the Committee on Rules stated earlier if the previous question is defeated an amendment to the rule will be offered. Then the Committee on Rules will immediately report a resolution back to the floor with the minimum wage increase.

They take care of the germane questions within the committee. They just need to do it, to provide for the consideration of a bill to increase the minimum wage from $4.25 an hour to $5.15 an hour beginning July 4.

This is a fourth time in the last month we as Democrats and a few Republicans have stood here on the floor and tried to give hard-working Americans a raise. Four times we have tried to do this. I have been asked, why are we doing this four times in the last month? I say we are fighting for an increase in the minimum wage.

I remember a quote from Martin Luther, 475 years ago, when he stood on the steps in Germany and said, Here I stand, I can do no other. God help me, Amen.

That is why we are here. We are here 4 times and we will be here another 4 times and another 40 times until we see a clean vote on the minimum wage. Eighty-three percent of Americans favor an increase in the minimum wage. Yet this morning we have heard, and every time we hear that the majority party still argues that an increase is higher unemployment, increasing the number of welfare recipients. They claim that most minimum wage earners are teenagers. The facts point to the other direction. It is just not true.

You need to come to reality and, thank goodness, we are seeing an increase in Members from the Republican majority voting for a minimum wage increase. I hope we see that five more today because we will have an increase in the minimum wage if we only have five more Republicans join us Democrats today.

The facts agree with the need for an increase. I ask my colleagues to vote for it.

Mr. LINDER. Mr. Speaker, I yield myself 30 seconds to point out that the way you increase the standard of living for low-income people is give them more take-home pay. The way you give them more take-home pay is to reduce the governmental burden and tax burden that they bear. Telling other people what they should pay their employees is simply not the way to run the Government.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. WARD].

Mr. WARD. Mr. Speaker, I want to point something out to my colleagues here and anyone who may be paying attention to this debate; that is, what we are having to do in order to discuss the issue of the minimum wage on the floor the this House.

What we are having to do is to hold the discussion on a completely different item, H.R. 303, which has nothing to do, Mr. Speaker, with the minimum wage. But it has everything to do with the willingness of the majority to allow us to discuss and vote on the minimum wage.

What we are calling for today is a no vote on the previous question. Anybody who hears that wonders, what kind of mumbo jumbo is that? Well, it is what we have to do in order to get the Members of this body on the RECORD for or against an increase in the minimum wage.

Let us talk about who would get a raise if we increased the minimum wage in America. Remember, it is at a 40-year low next year, if we do not increase it, 40-year low in purchasing power. But who are these people?

Well, to hear many talk about it, we would have to think that they were teenagers, that they were people who did not need an increase. But we know better than that. Sixty percent of the people who would receive an increase in the minimum wage are women; 14 percent of Kentucky workers, that is over 200,000 people in my State, would increase their income because of an increase in the minimum wage. Something that I have just learned from some statistics that are in the New York Times and in the USA Today, 20,000 seniors, 20,000 people over the age of 65 in Kentucky would receive an increase in their wages.

☐ 1100

That is almost as many as there are people under 25 who would receive an increase.

Does that tell us something? Yes, it does. It tells us that we need to support an increase in the minimum wage.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. LEWIS], the deputy Democratic whip.

Mr. LEWIS of Georgia. Mr. Speaker, this morning the Democrats in the House will once again attempt to bring a minimum wage bill to the floor for a vote. I urge my colleagues, Democrats and Republicans, to support bringing this bill to the floor.

Raising the minimum wage is the right thing to do. It is more than just an economic issue, it is a moral issue. Hard-working people deserve the right to earn a livable wage. No one, but no one, can support a family on $4.25 an hour, $170 per week or less than $9,000 a year.

I know some of my Republican colleagues say they support raising the minimum wage. Well, now is the time to walk the walk, not just talk the talk.

Vote "no" on the previous question. Support an increase in the minimum wage.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Mr. Speaker, this debate about the minimum wage is about honoring work. But this issue about procedural gimmickry is about honoring one's word. The new majority has insisted that they would not bottle up bills that had popular support by using procedural gimmicks. But here we have a situation where the majority does not represent the majority. That is, everyone knows and everyone has asserted that if there were a vote on the minimum wage, it would pass. So, since the majority of the Members of the Congress would vote to raise the minimum wage, the Republican majority, not showing much maturity in this matter, has decided to use procedural gimmicks to stand in the way of allowing the Members of Congress, Democrats and Republicans, to have a clean, honest vote on raising the minimum wage.

Now, the people of our country deserve better from the majority. That is, if my colleagues are against the minimum wage, then they should vote against it, speak to the Members of the Congress on their point of view. But they should not hide behind procedural gimmicks to avoid us having a vote. It does not speak well of the majority, and this notion that somehow we can wait until another day suggests a certain passivity about the plight of working people in this country that does not speak well of the intent of the majority Members on this side of the aisle.

I would encourage all of us to vote "no" on the previous question so that we can vote "yes" on raising the minimum wage, and I would encourage my colleagues on the Republic side of the aisle to win or lose, but to stand up and have the courage of their convictions on the issue of the minimum wage rather than hide behind some procedural gimmick that disrespects and dishonors the suggestion that this is indeed the people's House.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume to question why the minority, which was in the majority in both the House and the Senate and had the White House 2 years ago, had no concern whatever for the minimum wage.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. LINDER. I yield to the gentleman from Montana.

Mr. WILLIAMS. Because, Mr. Speaker, we had an agreement with the Republican side that while health care reform was on the table and we may be burdening business with that cost, we would not raise the minimum wage.

Mr. LINDER. Mr. Speaker, at least our colleague has admitted now that they are burdening business with the cost.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, the year before, I might point out, it was Democrats, without one vote from this side of the aisle, Mr. Speaker, that successfully gave a tax cut to people under $26,000 a year, working people, and that was in lieu of the minimum wage. No support from that side.

But this is interesting that it is on the Utah Wilderness bill, this is the only way we can get it up. It is fitting, in a way. Moses wandered in the wilderness for 40 years. The minimum wage is at an all-time 40-year buying low, and indeed five good Republicans—that is all it takes now—five members of the Republican party adding their votes to ours, will pass a minimum wage increase. That is all that is needed, Mr. Speaker, for coming out of the wilderness is five more Republicans.

We have been gaining and gaining and gaining. Our colleagues cannot hide anymore behind "We will get a vote next week or the week after that or whenever."

This thing has been wandering in the wilderness for too long. It is time to bring it out. Democrats have reduced the tax burden on working people progressively through the earned income tax credit. Ironically, the other side now wants to repeal part of that. But it is time to give working people a livable wage.

Mr. LINDER. Mr. Speaker, I continue to reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, let me say that it is about time we pass the minimum wage. There have been all sorts of spurious arguments against it. Those arguments are launched by narrow ideological fuel or those who have some business interests.

Here we are on the floor unable to bring the bill directly before us and trying to go through every parliamentary maneuver to achieve democracy, and we should not have to do this. The minimum wage is one of the most talked about issues in America. Most people, if the polls are right, are for it. A vote ought to come to the floor now, and let the arguments fall where they may. We ought to do it, we ought to do it cleanly, we ought to keep the American people working. We do not want to encourage people not to work because wages are so low, and this is a simple and easy way to do it.

Again, the only people opposed to this either have an economic self-interest or are extreme ideologues.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume to point out one more time, at the risk of sounding remedial, this will not bring a vote on this floor on the minimum wage. This will bring this rule immediately to the floor with the amendment that the minimum wage will be on it, and it will be struck on a point of order.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] for yielding this time to me.

Mr. Speaker, I rise in support of an increase in the minimum wage, and in doing so I want to call attention of our colleagues to this cartoon, which is neither funny nor fair. As I call my colleagues' attention to it, Mr. Speaker, I want them to think about it.

"How long does it take to earn $8,440," it says.

On one side it says, "If you are full-time minimum-wage worker, it takes 1 year. If you are an average CEO of a large U.S. corporation, it takes one-half a day."

Think about it. God bless everyone who can make that kind of money at the high end. But why, in a great country as decent as ours, should we not reward work and for us to have a disparity this great? It is a matter of conscience and decency and a sign of a great country that we reward work.

This is an increase for necessities. Please honor American workers.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. TIAHRT].

Mr. TIAHRT. Mr. Speaker, this is not about CEO's, but it is about senior citizens. One of the things that happens when we raise the minimum wage, it is a historical fact, inflation follows, and when inflation follows, that hurts the people, people who are seniors, the worst because they have fixed incomes, they are unable to make their payments.

The second thing it does is it does cost jobs. Now, we have heard this example about New Jersey, the restaurant jobs. But that is an isolated instance.

As my colleagues know, my grandfather died when he was 94 years old, and he smoked. Does that mean that smoking is not hazardous to your health? Of course it is. That was an isolated instance.

It does cost jobs, and it does hit the minority communities the worst. So we are costing jobs, we are hurting the elderly, and yet we are pushing for a minimum-wage increase.

But the real thing, the hidden benefit to the President and to the liberals here in Congress, is that it is a tax increase. We will realize inflation. We will realize more higher taxes, more revenue. That is what happened in the early 1980's. My colleagues remember when we had the windfall tax? It was because of inflation. We had 14 percent inflation.

Mr. Speaker, we can drive inflation, we can hurt the elderly, we can hurt minorities, and we can increase taxes at their expense. But I think it is bad policy. We can, however, put more money in the pockets of the poor through earned-income tax credits, through $500-per-child tax relief, through the McIntosh-Klug-Tiahrt tax plan, which actually has more takehome pay for people who are heads of households than if we did increase the minimum wage. That is the type of policy this country needs.

Seventy-five percent of the people on minimum wage are students. They come from average household incomes of $50,000. Do they need it? No, this is bad policy. I am against the rule, and I urge my colleagues to vote against it.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me the time.

My colleagues, minimum wage first came into law in 1938, and congressional Republicans were against it back then, those almost 60 years ago. Since that time, under the insistence of the American people, the Congress of the United States has raised the minimum wage 18 times, only 18 times in those 60 years, and every single time the Republicans in the Congress, not necessarily Republicans in America, please understand, but the Republican majority in the Congress, has been against the minimum wage. Why, Republican Presidents have even vetoed the minimum wage, the last being former President Bush, who vetoed a minimum wage that passed after 3 years of struggle that passed the Congress during his Presidency.

What is it about these Republicans, so frozen in the ice of their own indifference to the working poor, that they cannot support a proven benefit fiscally to those people?

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, it is not lost on me and my colleagues on this side of the aisle that when our colleagues on the other side of the aisle had an opportunity to increase the minimum wage when they controlled both the House and the Senate they choose not to bring it up. It is simply not lost on us us that much of this debate is about politics.

The fact is this side of the aisle will have a vote on the minimum wage. But when we have a vote on the minimum wage, it will not just include the minimum wage. It will also include a tax credit for employers who hire the most disadvantaged workers, those who have been on welfare, those who have never had a job before. We will have a tax credit tied to increasing the minimum wage to help the most disadvantaged.

We will also have provisions to help small businesses most impacted by a minimum wage income. We are going to have a job creation program along with increasing the minimum wage.

I would encourage my colleagues, particularly on this side of the aisle, to vote for the previous question, and not be lured into this procedural vote that will ultimately be declared out of order.

Passage of the minimum wage should be done in a way that creates not only an increase in the wage base for those who are most disadvantaged, but also has a job creation element to help all Americans.

Mr. LINDER. Mr. Speaker, I would like to inquire if the gentleman from Massachusetts has more speakers.

Mr. MOAKLEY. The only speaker I have is myself.

Mr. LINDER. Then I will close after the gentleman from Massachusetts [Mr. MOAKLEY].

□ 1115

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

The SPEAKER pro tempore (Mr. KOLBE). The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1½ minutes.

Mr. MOAKLEY. Mr. Speaker, I urge a "no" vote on the previous question. If the previous question is defeated, I shall offer an amendment to the rule which would make in order a new section in the rule. This amendment will provide for the immediate consideration of a bill to increase the minimum wage. That bill will be introduced by my very good friend, the gentleman from Michigan [Mr. BONIOR].

This provides for a separate and immediate up or down vote on the minimum wage. Let me make it clear to my colleagues, both Democrats and Republicans, that defeating the previous question will in fact allow the House to vote on the minimum wage increase. That is what the American people want us to do. We should not delay any longer. Vote "no" on the previous question.

Mr. Speaker, I include the text of the amendment and accompanying documents for the RECORD.

The text of the amendment and information on the previous question is as follows:

At the end of the resolution add the following new section:

"SEC. _____. That immediately upon the adoption of this resolution the House shall proceed without intervention of any point of order to consider in the House a bill introduced by Representative BONIOR of Michigan on May 15, 1996 to increase the minimum wage. The bill shall be debatable for one hour equally divided and controlled by the

Chairman and ranking minority member of the Committee on Economic and Educational Opportunities. The previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit with or without instructions."

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Republican majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual:

Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule . . . When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, man offer an amendment to the rule, or yield for the purpose of amendment."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues:

Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

The vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

Mr. Speaker, I yield back the balance of my time.

Mr. LINDER. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from Georgia [Mr. LINDER] is recognized for 8½ minutes.

Mr. LINDER. Mr. Speaker, let me conclude my remarks by reminding my colleagues that defeating the previous question is an exercise in futility because the minority wants to offer an amendment that will be ruled out of order as nongermane to this rule. So the vote is without substance.

The previous question vote itself is simply a procedural motion to close debate on this rule and proceed to a vote on its adoption. The vote has no substantive or policy implications whatsoever.

Mr. Speaker, I include for the RECORD an explanation of the previous question.

The material referred to is as follows:

THE PREVIOUS QUESTION VOTE: WHAT IT MEANS

House Rule XVII ("Previous Question") provides in part that:

There shall be a motion for the previous question, which, being ordered by a majority of the Members voting, if a quorum is present, shall have the effect to cut off all debate and bring the House to a direct vote upon the immediate question or questions on which it has been asked or ordered.

In the case of special rule or order of business resolution reported from the House Rules Committee, providing for the consideration of a specified legislative measure, the previous question is moved following the one hour of debate allowed for under House Rules.

The vote on the previous question is simply a procedural vote on whether to proceed to an immediate vote on adopting the resolution that sets the ground rules for debate and amendment on the legislation it would make in order. Therefore, the vote on the previous question has no substantive legislative or policy implications whatsoever.

Mr. LINDER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. LINDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question on agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 221, nays 197, not voting 15, as follows:

[Roll No. 169]

YEAS—221

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fox
Franks (CT)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
McCollum
McCrery
McDade
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Petri
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—197

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman

Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Durbin
Edwards
Engel
English
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Forbes
Ford
Frank (MA)
Franks (NJ)
Frisa
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Leach
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—15

Bono
Brewster
Clement
Flake
Fowler
Holden
Largent
Lincoln
McHugh
Meehan
Molinari
Paxon
Peterson (FL)
Roth
Spratt

□ 1137

The Clerk announced the following pair:

On this vote:

Mr. Paxon for, with Mr. Holden against.

Mr. WILLIAMS and Mr. OWENS changed their vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. KOLBE). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. LINDER. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole under the 5-minute rule: Committee on Agriculture, Committee on Commerce, Committee on Government Reform and Oversight, Committee on International Relations, Committee on the Judiciary, Committee on Resources, Committee on Science, Committee on Small Business, and the Permanent Select Committee on Intelligence.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. LINDER. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the CONGRESSIONAL RECORD and that all Members and former Members who spoke during the recess have the privilege of revising and extending their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The SPEAKER pro tempore. Pursuant to House Resolution 430 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3230.

□ 1140

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes, with Mr. BARRETT of Nebraska in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, May 14, 1996, the en bloc amendments offered by the gentleman from South Carolina [Mr. SPENCE] had been disposed of.

By virtue of notice given pursuant to section 4(c) of the resolution, it is now in order to debate the subject matter of cooperative threat reduction with the states of the former Soviet Union.

The gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] each will control 20 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

□ 1145

Mr. Chairman, allow me to review briefly the actions taken by the National Security Committee on the Cooperative Threat Reduction [CTR] Program in H.R. 3230.

First, the committee cut the $327 million budget request by $25 million. Specifically, as based on the availability of prior-year funds, the committee cut $20 million from the fissile material storage facility in Russia. The committee also cut approximately $4 million from chemical weapons destruction-related activities in Russia. Specifically, the committee denied the DOD request to initiate a new, as yet unjustified demolition project and reduced the amount for the Chemical Weapons Destruction Support Office, an information clearinghouse located in Moscow. The committee also cut $1 million from CTR program overhead.

The bill also includes a provision that is intended to ensure that CTR funds are spent only on core dismantlement activities, such as destroying bombers, missiles, and silos. My colleagues may recall that noncore activities such as environmental restoration, job retraining, and defense conversion have been at the heart of the controversy surrounding this program in past years. This provision would prohibit use of fiscal year 1997 or prior-year, unobligated CTR funds for conducting peacekeeping activities with Russia, providing housing, performing environmental restoration, providing job retraining assistance, or for providing assistance to promote defense conversion.

I understand the distinguished gentleman from New York [Mr. GILMAN] plans to offer an amendment that would extend the prohibition on funding for defense conversion activities beyond the Department of Defense to include foreign assistance and related funding sources. I certainly support the gentleman's amendment.

Finally, the committee bill expresses deep concerns regarding the President's certification on a range of Russian behavior in the arms control and military modernization arenas. Evidence continues to mount that Russia is not adhering to its arms control obligations, including in the area of chemical and biological weapons. Likewise, it is hard to reconcile the President's certification with the fact that Russia is spending billions of dollars on a deep underground facility recently reported in the open press and on modernizing its strategic offensive forces.

The distinguished gentleman from New York [Mr. SOLOMON] also plans to offer an amendment which would prohibit the further obligation of funds for the CTR program in Russia and Belarus until the President certifies to Congress that Russia has met 10 conditions relating to arms control compliance, foreign and military policy, and arms exports. I share the gentleman's concern that the President's certifications send the wrong signal to Moscow and may actually encourage noncompliant behavior.

I look forward to today's debate and discussion, and reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I yield 3 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER], a member of the committee.

Mrs. SCHROEDER. Mr. Chairman, I thank the distinguished ranking member for yielding me time. As many know, I have served for 24 years on this committee, and, because I am retiring from the Congress, I have tried not to take a lot of the committee's time in debating these different issues, thinking others should move forward.

But I must say that I think we are engaging in one of the most serious issues that we are going to deal with in this Congress, and that is whether we continue to use our brain, engage our brain, and continue to move forward with the Nunn-Lugar proposals that denuclearize and demilitarize Russia and Belarus, or whether we go with our glands, do our chest beating, scream, holler and yell, and adopt the amendments that I think are going to derail what we have been doing and the progress we are making.

So I stand here in a very solemn mode, saying I certainly hope that the Solomon amendment is defeated, and defeated resoundly, because the reason that we are trying very hard to take down the nuclear weapons in the Soviet Union and to demilitarize the Soviet Union is for our own good, it is for NATO's good, it is for all of our allies in Asia's good.

Nuclear proliferation does not help anybody. The way I read the Solomon amendment and others is that what they are trying to pretend is like this is foreign aid; this is a big bennie for Russia.

It is not a bennie at all. This is a carrot that we are doing as part of our leadership internationally to try and make this planet a little safer.

The nuclear genie got out of the bottle in this century. We are about to close this century, and this has been a very serious effort by two of the most well thought of Members of the other body, Senator NUNN and Senator LUGAR, to try and put the nuclear genie back in the bottle, to try and demilitarize this huge colossus that we used to know as the Soviet Union.

What a phenomenal opportunity this is for our children. What a phenomenal opportunity this is for the 21st century. How shortsighted it would be to say "Oh, no, no, no, this is really just an aid bill. We are just doing this for the benefit of the Russians, and we ought to shut this off."

No; for people who really miss the cold war, I suppose they ought to vote for the Solomon amendment. I do not miss the cold war. I do not miss the old drills of duck and cover. I do not miss that kind of terror. I hope people listen to this serious debate and vote "no" on the Solomon amendment.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HUNTER], the chairman of our Subcommittee on Military Procurement.

Mr. HUNTER. Mr. Chairman, I thank the chairman for yielding me time. Let me respond to my friend who says she does not miss the cold war, the war is over, and Nunn-Lugar money is a good way to exit the war.

The problem, my colleagues, is that we apparently have not convinced the Russians that the cold war is over. We see a continuing drive to modernize their strategic systems, which costs them billions and billions of dollars, to do other things with respect to chemical systems and biological warfare systems, which again cost them in the hundreds of millions and billions of dollars. And in light of that, in light of that continued expenditure of hard dollars by the Russians, the question we have to ask is does it make sense for us to subsidize the Soviet Union to the tune of some $300 million, which is what the full committee passed, or $327 million, which is what the administration asked for, without requiring certain certifications that the Soviet Union is slowing down this drive to modernize its systems and to build this deep, underground complex, which is bigger, incidentally, than the District of Columbia, and which could be used by the Russians to carry on weapons activities after a nuclear attack.

So let me go over some of the concerns we have that the gentleman from New York [Mr. SOLOMON] meets with his amendment. First, a Yamantau Mountain underground complex, something that disturbs all of our war planners, all of our strategic thinkers, because this could be used to continue to weaponize the Soviet Union after a first strike.

Why do they have this mindset that somehow a first strike is survivable and could be survived? They are breaking chemical and biological weapons treaties. They are continuing to develop biological weapons at great costs. They are improving the SS–25 ICBM, really building what I call the SS–27 ICBM. It costs them a ton of money. They are building a new nuclear submarine, and they are selling nuclear reactors to Iran.

Mr. Chairman, let us send a message to the Soviets, back the Solomon amendment.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Chairman, I thank the chairman for yielding me this time. I want to especially thank the chairman for his acceptance in advance of the Solomon amendment, which much of the debate already has focused upon.

One of my colleagues across the aisle suggested that support for the Solomon amendment would somehow require one to long for the days of the cold war. But the truth is that the Nunn-Lugar moneys for Russia were approved in that headier, indeed giddy time after the collapse of the Berlin Wall and the Soviet Union itself, when the Congress typically sought to show its approval, its support for something, by showering money upon it.

Over $1.5 billion has now gone not to the people of Russia, but to the Government, and the Government of Russia, particularly after the next two rounds of elections in June and July, may well be back in the hands of a Communist imperialist, Gennadi Zyuganov. There was never much of a budget for these moneys to begin with. President Clinton expanded the purpose for which Nunn-Lugar aid might be spent to include housing for officers, defense conversion, and so on.

In this bill there is an attempt to address that. But what Chairman SOLOMON is talking about doing is even more important. President Clinton ought to be able to certify before the American taxpayers send a third of a billion dollars, as requested this year, President Clinton should be able to certify that Russia is complying with arms control agreements. If they are not, why should U.S. taxpayers subsidize them?

Russia should not be modernizing its nuclear arsenal at the very time we are allegedly paying for dismantling nuclear weapons. What could be more reasonable? President Clinton should be able to make that certification.

Russia should not be sharing intelligence with Cuba. If you are interested in supporting with United States taxpayer funds Russia sharing intelligence with Cuba, I do not understand that. The President should be able to certify that Russia is willing to respect the sovereignty of Lithuania.

My own concern about Russian deployment in Kalinigrad, where they have twice as many Russian troops on Lithuania's sovereign soil as American troops have deployed in all of Europe, cause me to have reservations about this.

Mr. Chairman, this is a fine amendment and I urge Members to support it.

Mr. DELLUMS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I recognize Members of Congress have many things to do, but I would like to hope that when a Member takes the floor of this body on a significant piece of legislation, they would at least take time to read the legislation so that they would not speak based upon ignorance. If my distinguished colleague, the previous speaker, had read page 362 of this bill, bill language, it points out that moneys for housing are specifically prohibited.

Second, if the gentleman had taken time to understand Nunn-Lugar in substantive intellectual terms, the gentleman would understand that no money goes to the Russian people.

This money goes to American firms providing the services to dismantle warheads that just a few years ago were aimed at the United States to destroy, maim, and kill at a level of mega death beyond people's ability to comprehend.

It defies logic. It defies logic, Mr. Chairman, to talk about issues that are of lesser significance when there ought to be one thing that we universally accept, and that is that the danger of nuclear weapons has a significance and an imperative unto itself.

□1200

The Nunn-Lugar effort is an effort to dismantle these weapons. It is an effort to dismantle chemical and biological warfare, to destroy the facilities in Russia and Belarus. They are moving diligently in that area.

It defies understanding. I believe it is almost even bizarre for Members to challenge this piece of legislation when during the decade of the 1980's we spent in excess of $300 billion a year, prepared to wage war against the Soviet Union, even contemplated the idiocy and the insanity of nuclear war and we are not prepared to spend pennies to help Russia dismantle nuclear weapons that threaten our security. This is in our interest.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Chairman, with all due respect to the ranking member, whom I have great respect for, the truth of the matter is that we are subsidizing the Russian Government to dismantle old nuclear missiles while still they are in the process of modernizing and building up other nuclear missiles.

Mr. Chairman, the Nunn-Lugar Foreign Aid Program, paying the former Soviet Union to dismantle some of their defensive missiles, was initially premised on the belief that the new Democratic States of the former Soviet Union wanted to destroy some of their massive war arsenals but were simply too poor to pay for this endeavor. That is what the initial premise was. Thus, for 5 years now it has been assumed that it was in our interest to divert some of our defense budget to help destroy some of those weapons, but not all of them. It is time to challenge that very complacent assumption, Mr. Chairman, at least in the case of Russia, and that is what my amendment does. It does not speak to Ukraine, it does not speak to Kazakhstan, it speaks to Russia.

Anyone who has been reading the papers knows that today Russia is spending billions of dollars on a host of activities that range from the legal to the illegal morally abhorrent, but all of which are contrary to our American national interests.

Mr. Chairman, and listen up over there, if Russia can cough up $5 billion to kill Chechnyans, if they can cough up $5 billion to kill them or $2 billion to produce new advanced submarines, and who knows how much to build a nuclear command bunker the size of Washington, DC, why can Russia not come up with the $200 million we have been allotting to them for the last 5 years under this program?

And let me tell my colleagues something. If we are giving them this money, it is freeing up other money to build housing for Russian officers while we are not taking care of our own American military personnel. That is outrageous. We have a 4.5 percent increase in housing in the gentleman's bill, and we are grateful that he did that, but we need a lot more.

Mr. Chairman, it is important to note that the Russia of today is not the Russia of 1992. The reformers in that country have long since been purged. That means thrown out. Since at least 1993, Russia has been pursuing foreign and military policies highly reminiscent of the old Soviet Union. Read through my list and Members will see. Mr. Chairman, obsession with whether or not the Communist party will win elections next month has led the Clinton administration to ignore that fact.

Mr. Chairman, some would say a tougher policy against Russia, such as linking our aid to their behavior, would weaken Mr. Yeltsin before the election. Proponents of this view are ignoring the reactionary and anti-western nature of Russia today, with Yeltsin as president. That is what is important, Mr. Chairman. And they are ignoring the fact that this negative trend in Russia has taken place in an atmosphere of unremitting appeasement, with unlinked foreign aid as a cornerstone of that appeasement policy.

Mr. Chairman, the defense budget of all places is no place to put this kind of money. We should save that kind of money and send them a message. Read the certifications necessary and Members will vote for the Solomon amendment.

Mr. DELLUMS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I want to have the attention of the distinguished gentleman from New York. I would like to read briefly and in part from a letter from the Secretary of Defense. It says, "I understand and share the concerns about Russian behavior that lie behind this amendment," speaking of the Solomon amendment, "but shutting down the CTR program would not be an effective method for addressing these concerns. Instead, shutting down the CTR program would severely damage our security."

Now, this is the Secretary of Defense. Damage our security. This is a dangerous amendment. We are jeopardizing American Security.

Now, to speak further,

> The CTR is directly reducing the threat to the United States from former Soviet nuclear and other weapons of mass destruction. Under CTR, the United States is directly facilitating the dismantlement of ICBM's and silos, bombers, ballistic missiles, submarines, and other weapons that were designed to destroy the United States. For example, CTR has provided critical support for the following achievements:
>
> Over 3,800 nuclear warheads have been removed from deployment, and over 800 launchers have been eliminated. Kazakhstan has become a nuclear free area and the Ukraine and Belarus will become so during 1996, halting potential proliferation brought about by the breakup of the Soviet Union. Six hundred kilograms of highly enriched uranium, a proliferator's treasure trove, were secretly removed from Kazakhstan to safe storage in the United States.

Thirty-eight hundred warheads, Mr. Chairman, this is a program that speaks to our national security, and I believe that while the gentleman from New York may very well be well intended, this is a dangerous amendment and flies in the face of American national security.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, I thank the gentleman for yielding to me.

As the gentleman knows, my amendment does not speak to Kazakhstan; it does not speak to Ukraine. Their new missiles threaten American security as far as I am concerned.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. TIAHRT], a member of the committee.

Mr. TIAHRT. Mr. Chairman, we have been trying to move to verify how these Nunn-Lugar funds are being spent. I had an incident occur in Fort Riley, KS, which is just north of my district, which we checked into the financing of.

What happened is we paid for the jet fuel for two IL–76's to bring over approximately 150 Russian soldiers. They then went to Fort Riley and we showed them our latest hardware. Then we put them on charter buses and ran them over to Topeka, KS, to show them the treasures of the czar. Then we hauled them back and eventually brought them back down to McConnell Air Force Base, near Wichita, and flew them back to Russia, all at taxpayers' expenses.

So I inquired where did these funds come from, from the Pentagon, and lo and behold some of these funds come from Nunn-Lugar. Now, whether this is a good opportunity or not, I think we should have Russians as friends rather than enemies, but these funds are not being spent as they were intended. They are not reducing the amount of chemical weapons and biological weapons and not reducing the nuclear threat as they were intended do.

So, if they are not going to do it, the administration fails to verify, where is the evidence this is actually occurring in Russia? We hear about other countries, but what about Russia?

Why should we borrow money from our children's future to fund these trips over here to America to the treasures of the czar and not let the money go for the specific purposes? That is why I am supporting the Solomon amendment, is that we do not have any verification that they are actually doing what we intended them to do and that they are misusing these funds, in my mind. If we want to do these sort of trips, then we should do it under that aspect and let it go through Congress, let us debate it and bring it up here and vote on it.

But let us make sure if we are going to spend money to reduce the nuclear threat that the money actually goes for that purpose. And I do not think it is going that way and that is why I am supporting the Solomon amendment.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. KENNEDY], my distinguished colleague.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I rise in strong opposition of the Solomon amendment and I rise in strong support of the Nunn-Lugar program. This is a program that does more to kill Russian nuclear weapons with a pen than any hope that we could every have of killing these with dollars and with nuclear weapons or any other kind of weapons ourselves.

It is an example of some of the most wrong-headed, convoluted thinking that I have ever witnessed on the House floor. Somehow we think that, or maybe some people think that there is an opportunity here to try to accuse Democrats or anyone that is in favor of Nunn-Lugar funds of being soft on communism, of being some kind of pinko Communist that is not willing to stand up to the hard Russian threat.

The truth of the matter is, these dollars go, in vast majority, to United States companies to go out and get rid of Russian nuclear weapons. It is a rough equivalent to us saying that because someone has a gun to our head, what we are going to do is pull out a six-shooter and blow off each one of our toes in order to show an example of how tough we are, and if we are not willing to blow off the other six toes then somehow we are easy or light on communism.

This is craziness. What we should do is recognize that is the United States best interest to make sure that we can get rid of as many Russian nuclear armaments as we possibly can. And if we can do that and pay U.S. companies to get the job done, then why not go forward? What are all of these strings that we want to attach?

Of course, we want to get rid of Russian threats in terms of biological weapons, of course, we want to get rid of radar systems, of course, we want them to agree to a whole range of additional issues, but this is the wrong vehicle to attach those concerns to. I am very much in support of almost every goal that the gentleman from New York [Mr. SOLOMON] puts forward in his amendment to terms of the kinds of compromises we want the Russians to agree to, but this is the wrong way to achieve those compromises.

Mr. DELLUMS. Mr. Chairman, might I inquire as to the remaining amount of time on both sides of the aisle?

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] has 11 minutes remaining, and the gentleman from South Carolina [Mr. SPENCE] has 7½ minutes remaining.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I am not sure I am understanding what is going on on the floor right now. Is it the understanding of the gentleman from California [Mr. DELLUMS] that the fundamental purpose of these Nunn-Lugar funds are to reduce the nuclear threat and the threat of weapons of mass destruction to the United States?

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. Mr. Chairman, I yield to the gentleman.

Mr. DELLUMS. Mr. Chairman, I would say to the gentleman that is exactly the purpose of Nunn-Lugar; a bipartisan amendment, I might add.

Mr. SKAGGS. The amendments pending before the House would cut funding for that unless certain other conditions are met?

Mr. DELLUMS. If the gentleman would continue to yield, Mr. Chairman, the practical effect of the amendment offered by the gentleman from New York is to put constraints and cause certifications that the President could never certify, which means we would kill the program.

Mr. SKAGGS. In other words, if we do not do what the gentleman wants to do in these categories, we are going to shoot ourselves, is the practical effect of this.

Mr. DELLUMS. I would think the gentleman's characterization is correct.

Mr. SKAGGS. Mr. Chairman, I suspect the ultimate irony of this is that in a year or two from now, if this becomes law, that we will have Members arguing that we need to increase defense spending because the nuclear threat from Russia has not been reduced, and the reason it will not have been reduced is because we have tried to attach extraneous conditions to one of the most effective programs we have ever seen in reducing the central security threat to this country.

Now, where in the world is the common sense in trying to perpetrate this kind of public policy? Does the gentleman have any idea how this could end up being helpful to our national security?

Mr. DELLUMS. If the gentleman would yield further, I do not think it is, and during the course of the earlier remarks in the general debate I quoted from a letter from the Secretary of Defense that said he believes that while he is concerned about the same issues the gentleman from New York is concerned about, he points out that this is an inappropriate vehicle to use, and at the end of the day to destroy the CTR program is to challenge America's national security.

Mr. SKAGGS. Again, as I understand it, just looking at Russia, the funds from the Nunn-Lugar program have involved removal of over 3,000 nuclear warheads in Russia.

Mr. DELLUMS. That is correct.

Mr. SKAGGS. Putting them ahead of schedule in complying with START I limits.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. SKELTON], a member of the committee.

Mr. SKELTON. Mr. Chairman, I will not take the full amount of time. But after looking at this, first I want to say, Mr. Chairman, I take a back seat to no one when it comes to a strong national defense. I also point out that the two Senators, the one from Georgia and the one from Indiana, who are the authors of the program, the Nunn-Lugar program, are also in the category of standing for a strong national defense.

What this program has done successfully is to reduce the nuclear threat, the nuclear warheads in the former Soviet Union.

□ 1215

I find myself in agreement so many times with my friend from New York. I find myself in agreement with the goals that he has set forth. But to require the President to certify things that are absolutely impossible for him to certify would gut the Nunn-Lugar program. I think that is a dangerous thing for the United States of America to do.

I find myself constrained to disagree with my friend from New York and to oppose this amendment. Though I am sure well-intentioned, it would have the unintended consequences of harming the security of the United States.

Mr. DELLUMS. Mr. Chairman, may I inquire whether the gentleman from Missouri [Mr. SKELTON] yielded back any part of the 2 minutes?

The CHAIRMAN. The gentleman from Missouri [Mr. SKELTON] yielded back 30 seconds.

Mr. DELLUMS. Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Chairman, I enjoyed the time that the gentleman from California [Mr. DELLUMS] spent on the Permanent Select Committee on Intelligence. I do not know whether it engaged him enough or what, but he only spent the better part of a year on there. I am in my eighth year on there.

I can tell my colleagues, you only have to be there a few months, read the National Intelligence Daily, and you will understand what a serious and dangerous world this is. With all the weapons that the Soviet Union has destroyed, they still keep the majority. Constantly in the open press we are reading about the danger of nuclear material and/or missile technology leaking out into the rogue nations of the world, North Korea, Iran, some unholy alliance between an oriental country and a radical Islamic terrorist state. This is a dangerous world.

When we look at the situation, the volatile situation in Russia, when they have crushed Christianity in their nation over the better part of this century and drove anti-Semitism and now they have a country that has partially lost its soul, its conscience, and they are into what I call dark capitalism, like pornography and prostitution and drug dealing and illegal corporate ripoffs, dark capitalism is ripping that country apart as they try to find their way through a free market economy.

So on this floor, I won, I think, 244 votes last year, that would cut off this Nunn-Lugar money until they certify in writing to Mr. Clinton, no more biological/chemical warfare. And they will not do it. They will not even let our auditors come over and find out what is happening to our money. What kind of madness is this?

You can take the position of the gentleman from Kansas [Mr. TIAHRT] and say, why are we giving our children's money, borrowing money, going into debt for this, but we cannot even get it audited?

I will stand and vote with Mr. SOLOMON on this, as 244 Members of this House voted with me in the last authorization bill, and then it was gutted in the star chamber of the Senate conference.

I will include my remarks for the RECORD. Biological testing is going on in Russia.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. Mr. Chairman, I will tell you the concern I have about this amendment. If you remember, the subcommittee on defense, as it was called then, is the one that funded this initially. This was not funded or authorized; they asked us to fund it in a supplemental. We put several hundred million dollars in. We put very strict interpretations on the language about how it could be spent, because we knew of the concern in the House about how this money should be spent.

I appreciate what the gentleman from New York is trying to do, but everything I have seen, and I had great concern about this amendment initially, is that this program has been successful. They are demilitarizing nuclear weapons.

I would hope we are not trying to interfere in the Soviet elections because I think that would backfire in our case. And I would hope that we would base our decision on the merits of whether this is working or not. Everything I have seen, from Secretary Perry, is that it is working.

We may need to make some changes. We made need to make some sort of certification. But I think the certification that is required in this amendment by the gentleman from New York, which has entirely good intentions, I think goes too far. So I would hope at some point we could come up with adequate restrictions but certainly not this kind of a certification.

I ask the Members to vote against the Solomon amendment at this point and see if we cannot maybe in conference work something out. I feel very strongly that what we are doing with the money we are making available to the Russians is not going to something else. It is going to the very specific purpose we have said. And if they are using other money, they just would not demilitarize their nuclear weapons. That is what it amounts to. So we are getting a tremendous benefit from the amount of money that we are spending in this area.

I ask the Members to consider very carefully voting against this amendment at this point and then later on making some sort of an adjustment in the conference to add restrictions which the President is able to adhere to.

The CHAIRMAN. The Chair advises that the gentleman from South Carolina [Mr. SPENCE] has 5½ minutes remaining, as does the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, who has the right to close debate?

The CHAIRMAN. The gentleman from South Carolina [Mr. SPENCE] has the right to close.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, with all due respect to my good friend, the gentleman from Pennsylvania [Mr. MURTHA], and he is and so are many other Members, let me tell you what they are using this money for. They are using it to dismantle the missile carriers. They have not destroyed one single warhead. You know it and I know it. So while they are destroying old, obsolete missile carriers, they are building new ones.

That is what this debate is all about. We want to be able to certify that they are not doing that.

Let us vote for the Solomon amendment, go to conference, and let us work it out then. If you do not go to conference with the Solomon amendment, it will not even be discussed. That is the problem.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. GILMAN], the chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Chairman, I believe my colleague, Mr. SOLOMON's, amendment is an important one that opens a debate that this body needs to have.

Many of us here have been supportive of the goals of the Cooperative Threat Reduction program—or Nunn-Lugar program as it is commonly known.

Few, if any, of the Members of this House have difficulty in accepting that it is in our national interest to help the states of the former Soviet Union dismantle a large portion of their weapons of mass destruction and safely store nuclear warheads and other materials.

None of us deny that the denuclearization of Ukraine, Kazakhstan, and Belarus, by lessening the number of nuclear-armed states in the world, was a real achievement.

The problem now lies in the fact that we cannot ignore other American interests that lie beyond the process of reducing weapons of mass destruction.

What my colleague's amendment does is simply make that case.

We cannot long ignore the fact that the Russian military is spending large sums on its brutal operation in the separatist region of Chechnya, or that it may be better able to defray the cost of that operation due to Nunn-Lugar assistance elsewhere in the Russian military budget.

We cannot ignore the many outstanding questions about the status of Russia's chemical and biological arsenals, or questions about the strategic facilities it is still constructing and the weapons modernization it is still pursuing despite the relative paucity of funds for its military budget.

And, once again, those costs are, inadvertently, defrayed by United States assistance for demilitarization costs in the Russian military budget.

Mr. Chairman, the problems in the United States-Russian relationship will not simply disappear.

Instead, we must have this debate, and we must make it clear to Russia that we have strong concerns—very strong concerns—about its actions. This amendment sends the right message.

I urge my colleagues to support this amendment.

Mr. DELLUMS. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. HAMILTON], distinguished colleague and ranking member of the House Committee on International Relations.

Mr. HAMILTON. Mr. Chairman, I rise against the Solomon amendment. There has been very strong bipartisan support over the past year for the Nunn-Lugar program. That program is very much in the American national interest. It is not foreign aid. It is not a gift. It is in investment in our own national security. It directly reduces the threat that the United States faces from Russia. It expedites dismantlement.

This amendment, let us be very clear about it, this amendment would kill the Nunn-Lugar program. That program has destroyed 800 bombers and missile launchers. It has removed 3,800 nuclear warheads from deployment in the former Soviet Union. I do not see how you get a bigger bang for the defense dollar than when you directly dismantle Soviet nuclear power.

This amendment would stop a program to complete the denuclearization of Ukraine, Belarus, Kazkhstan. It would stop a program that is making the biggest contribution to nonproliferation in the very part of the world which represents the greatest nonproliferation threat. It would stop a program that every single day reduces the nuclear threat to the United States.

This amendment is self-defeating. These conditions that are set out, these objectives are all very worthy. The problem is the President cannot certify many of them, if any of them. And if he is not able to certify those conditions or objectives, then the program will collapse.

If we insist that those goals become preconditions before we provide help to Russia in dismantling these nuclear weapons, we will clearly harm the national interest of the United States.

May I say to my colleagues that one of the facts missing from all of this debate is what is happening today in the Russian defense budget. It is has declined 20 percent in the past year. It is 45 percent of what it was in 1992. It is less than 20 percent of what it was at its peak. The Russian defense budget, then the Soviet defense budget, in 1988. The Russian defense budget is in a freefall. Its defense establishment is in turmoil

If we want some stability and if we want some security with regard to these nuclear weapons in Russia, then we are going to have to help provide them. May I say it is also a fact that Russia does itself contribute to the dismantlement of these programs.

I urge the defeat of the Solomon amendment. It just goes way too far and, I think, works against the American national interest.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. SISISKY], a member of the committee.

Mr. SISISKY. Mr. Chairman, I thank the gentleman for yielding time to me.

I never thought I would be here doing this. Last year I voted for it. I think I voted for it every time. But I reluctantly oppose the amendment offered by my friend, the gentleman from New York, Mr. SOLOMON, who I believe is a real patriot. We agree more often than not, but I cannot agree to gut the cooperative threat reduction or Nunn-Lugar program.

This program succeeded in moving former Soviet personnel and forces out of and away from eastern Europe. It has encouraged U.S. corporations to invest in defense conversions all over Russia. Nunn-Lugar has removed warheads, dismantled launchers, and brought nuclear material for storage in the U.S. Just think back 10 years ago, who would have dreamt that this could happen?

We won the cold war. Why snatch defeat from the jaws of victory and bring genuine progress to a halt? Make no mistake, by no stretch of the imagination have we solved all of our problems with Russia. I happen to agree with virtually everything that Mr. SOLOMON says about Russia, but effectively terminating Nunn-Lugar is precisely the wrong thing to do, the wrong signal to send, especially before the Russian elections.

It is veto bait that harms not only a good, sensible effective policy, but puts all other good things we achieve in this bill at risk.

I ask Members to oppose this amendment. We can revisit hopefully this issue in separate legislation this summer. I will try to get it out of the committee to do that. I am concerned about the Russian elections. We have a lot at stake. I would ask Members to vote against it.

□ 1230

Mr. DELLUMS. Mr. Chairman, I yield myself the balance of the time.

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] is recognized for 45 seconds.

Mr. DELLUMS. Mr. Chairman, I have tried to suggest to the gentleman from New York [Mr. SOLOMON] that some of the gentleman's conditions were beyond the ability to certify. Let me give our colleagues a couple of examples.

It says here Russia is not developing offensive chemical or biological weapons. If there is a pharmacological industry, how in the world can we certify with respect to biological weaponry? That flies in the face of reality.

Second, Russia is not modernizing its nuclear weapons. Why are we modernizing ours? For safety and reliability that are constrained by treaty, my colleagues.

Third, now, this one is extraordinarily bizarre. Mr. Chairman, it says Russia is not providing any intelligence information to Cuba. Now, how can the President of the United States certify with certainty that Russia is not providing intelligence information to Cuba? It defies logic.

This is a killer amendment to a significant piece of legislation. At the appropriate point I hope we defeat the gentleman's amendment.

Mr. SPENCE. Mr. Chairman, I yield our remaining time to the gentleman from California [Mr. HUNTER], the chairman of our Subcommittee on Procurement.

The CHAIRMAN. The gentleman from California [Mr. HUNTER] is recognized for 3 minutes.

Mr. HUNTER. Mr. Chairman, my colleagues let us go over the state of play here with exactly what we are talking about. Every single reduction in strategic systems that the gentleman from California spoke of and the gentleman from Indiana [Mr. HAMILTON] spoke of are taking place; all those reductions are taking place because we signed START I. The Russians signed START I. We signed START I. And we agreed to reduce these nuclear weapons with our own taxpayer dollars. That means the Russians agreed to reduce their systems with rubles, we agreed to reduce our systems at our expense with dollars, and we proceeded on that course to go down approximately from 12,000 nuclear weapons to about 6,000, and we have been proceeding on that course.

We never agreed that we would pay the Russians for the reduction that they were making under START I. We never agreed we would subsidize that. But in 1991 we felt that the Russians were so fragile with that new democracy and that attempted democracy that we would help them. So we implemented Nunn-Lugar, and a lot of us agreed with that; it was a good program.

The point is that the Russians need to have their feet held to the fire.

Now, it is a good deal if two neighbors agree to disarm, and if the gentleman from California Mr. DELLUMS, agrees to disarm, and I agree to disarm, and Mr. DELLUMS says, "I need a little extra money to disarm, Mr. HUNTER; could you help," that is a good deal.

But it is not a good deal if my neighbor then takes some of the money or the resources that are freed up from my subsidizing his disarmament and builds some new weapons.

We are not concerned about the new SS-25. It is extremely accurate. We are concerned about their new strategic ballistic missile submarine system. We are concerned about their biological weapons development.

Now, I assure my colleagues in the end, when the smoke clears, there is going to be some Nunn-Lugar money on the table. But we need to have some conditions on money, and this starts the process. The Solomon amendment holds the Russians' feet to the fire, and let me just say the sales of nuclear technology to Iran, the biological weapons development that we know violates the biological weapons conventions, their new strategic missiles that they are building, are not in the spirit of the reductions that we have made, if not the law.

So this holds the feet of the Russians to the fire. Vote for these certifications. We are going to end up looking like dummies. We are going to be the guys that paid money to the Soviet Union to dismantle weapons while they were building new ones. Let us not be in that position. Please support Solomon.

The CHAIRMAN. It is now in order to consider the amendments printed in part A of the report relating to cooperative threat reduction with the former Soviet Union, which shall be considered in the following order:

Amendment A-1 offered by the gentleman from New York [Mr. SOLOMON] and amendment A-2 offered by the gentleman from New York [Mr. GILMAN].

AMENDMENT A-1 OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON: In section 1104 (page 362, beginning on line 17)—

(1) insert "(a) IN GENERAL.—" before "None of the funds"; and

(2) add at the end (page 363, after line 12) the following:

(b) ANNUAL PRESIDENTIAL CERTIFICATION WITH RESPECT TO RUSSIA AND BELARUS.—None of the funds appropriated for Cooperative Threat Reduction programs for any fiscal year may be obligated for any activity in Russia or Belarus until the President submits to Congress, after such funds are appropriated, a current certification of each of the following:

(1) Russia is in compliance with all arms control agreements.

(2) Russia is not developing offensive chemical or biological weapons.

(3) Russia has ceased all construction of and operations at the underground military complex at Yamantau Mountain.

(4) Russia is not modernizing its nuclear arsenal.

(5) Russia has ceased all offensive military operations in Chechnya.

(6) Russia has begun, and is making continual progress toward, the unconditional implementation of the Russian-Moldovan troop withdrawal agreement, signed by the prime ministers of Russia and Moldova on October 21, 1994, and is not providing military assistance to any military forces in the Transdniestra region of Moldova.

(7) Russian troops in the Kaliningrad region of Russia are respecting the sovereign territory of Lithuania and othr neighboring countries.

(8) The activities of Russia in the other independent states of the former Soviet Union do not represent an attempt by Russia to violate or otherwise diminish the sovereignty and independence of such states.

(9) Russia is not providing any intelligence information to Cuba and is not providing any assistance to Cuba with respect to the signal intelligence facility at Lourdes.

(10)(A) Russia is not providing to the countries described in subparagraph (B) goods or technology, including conventional weapons, which could contribute to the acquisition by these countries of chemical, biological, nuclear, or advanced conventional weapons.

(B) The countries described in this subparagraph are Iran, Iraq, Libya, Syria, Cuba, or any country, the government of which the Secretary of State has determined, for purposes of section 6(j)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(6)(j)(1)), has repeatedly provided support for acts of international terrorism.

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. SOLOMON] and a Member opposed each will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, my amendment is simple. It would prohibit any further obligation of Nunn-Lugar aid to Russia and Belarus but allow the funds to go ahead to Ukraine and to Kazakhstan, which is fast becoming a military satellite of Russia, until or unless the President certifies that Russia is in compliance with the conditions in my amendment.

First, Russia must be in compliance with all arms control agreements. Who can disagree with that? Russia must not be producing any offensive biological or chemical weapons. Who can disagree with that?

Russia must cease the ongoing construction of the massive bunker at Yamantau, which is widely perceived to be a nuclear command center.

Russia must cease modernization of its nuclear forces, and they are at present developing new classes of weapons, and we are paying for it.

Mr. Chairman, last, Russia is not exporting goods or technology to terrorist nations that could help them acquire advanced conventional weapons or weapons of mass destruction. Mr. Chairman, this is just common sense. Russia is engaged in all of these activities, all of which are contrary to our national interests, yet the aid continues to flow.

Mr. Chairman, many of these activities are addressed in the form of conditions in the previous cooperative threat reduction legislation, but they are so vague. For instance, the law states that the President must certify that Russia is "committed to arms control compliance," and that is what he has been doing. Well, either they are complying or they are not complying, and we all know that they are not. I just read the list. Every one of our colleagues knows they are not complying.

Mr. Chairman, we have had enough vagueness and enough unlinked foreign aid. With these policies we have done nothing to stem Russia's reactionary slide over the past 2 or 3 years. We have set no boundaries on Russia's behavior whatsoever, while shelling out hundreds of millions of American taxpayer dollars, Mr. Chairman.

Mr. Chairman, let me just read to our colleagues from the GAO report, October 1994. Everybody should listen to this. Currently Nunn-Lugar officials appear to have overestimated the probable impact of similar projects in Russia. Russia can meet, without U.S. aid, its Strategic Arms Reduction Treaty obligations and eliminate thousands of strategic nuclear delivery vehicles and launchers over the next decade.

That is what their GAO says. They do not need our money; they have the money to do it.

What we are doing is financing their remodernization of a new class of weapons; they are tearing down the obsolete silos, building new ones with our money so that these warheads that they are not abolishing or doing away with can be remounted. We should not be paying for it.

I will move my amendment at the appropriate time, Mr. Chairman.

Mr. Chairman, I reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, I rise to just hope that Members on both sides of the aisle will turn down this amendment.

I realize that disarming the Soviet Union is the most important foreign policy objective we have. I think this amendment will make it harder to actually accomplish that reality that we all hope for, and I would simply remind Members, whatever their view on specific parts of this amendment, please remember there is an election in Russia next month. Can my colleagues imagine how it is in our interests to say to the Russian people that we want to stop and move back from an effort we have made together to get rid of nuclear arms as they are going to the polling booths to vote for whether they want to return to communism and to totalitarianism or whether they want to continue with democracy?

This is a bad amendment, it is a bad idea, it is bad timing, and I urge Members to vote against this amendment.

Mr. DELLUMS. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from South Carolina [Mr. SPRATT], a member of the committee.

Mr. SPRATT. Mr. Chairman, the Solomon amendment purports to condition Nunn-Lugar funding. In fact, we all know what it would do. It would stop it, stop it dead in the water, and I think that is a tragic mistake, and I strongly oppose it.

Nunn-Lugar has three laudable goals, which I do not understand how anybody can possibly oppose, to destroy and dismantle weapons that were designed, developed, and deployed, the deadliest weapons in this world, to devastate this country. It is also designed to take the components of those weapons and make sure that they do not spread, fall into the hands of other countries, terrorist groups who might use them against us. And, astutely, it is also to be used so that the knowledge and the expertise of former Soviet scientists cannot be used by these same terrorist groups or rogue nations against us.

This law is for our benefit, not for their benefit, and it is in our best interests. And let us see what it accomplished. First of all, all of the nuclear warheads deployed in the former Soviet Union, in Kazakhstan and Ukraine and Belarus, will be removed, gone from those three countries, leaving only one nuclear State in the former Soviet Union. Thirty-eight hundred warheads will be freed up, removed from the former Soviet Union, putting Russia ahead in implementation of the START–I Treaty. Thirty-two of those warheads, missiles, will be SS–18's. That is 320 SS–18 reentry vehicles, more than any RV's, reentry vehicles, that we could possibly take out with any missile defense system we are going to develop in the near future. Eight hundred strategic launchers were removed; 200 missile silos removed.

Now, what is the money that is coming in this bill? What will it do? Among other things, it will help us continue eliminating those SS–18 missiles. Thirty-two have been eliminated so far; 170 remain to go. It will help implement START–I, help ratify START–II, carry it out if it is completed.

It will help destroy 10 mobile launch pads in Belarus, seal up 30 nuclear test tunnels in Kazakhstan, provide 150 United States-made containers to transport nuclear materials to save storage.

And let me stop here and say that it is true that a lot of those components have not been destroyed. What we want to do is build a facility in Tomsk, Siberia; been built, the site has been chosen and the design is completed. It is under construction. This money will help to go toward the construction and completion of this facility where those components will be taken, they will be accurately accounted for and safely stored.

Time does not allow me to keep on going, but I could iterate point after point about how we are protecting ourselves and protecting the rest of the world in this Nunn-Lugar program. It is a program of proven success, and it has much yet to be accomplished. It would be a tragic mistake in terms of timing, but in terms of our own self-interest and the protection of our country if we pass the Solomon amendment and terminated this program which has done so much to enhance the security of this country.

Mr. SOLOMON. Mr. Chairman, I yield 1 minute to our good friend, the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Chairman, I thank the gentleman for yielding this time to me, and I speak on behalf of and am strongly supportive of the Solomon amendment.

Let us not make any mistake about what this is about. This is foreign aid to Russia, and we can cloak it in all kinds of language and we can talk about it being a particular program that has to do with the dismantling of nuclear warheads. The fact is that it is foreign aid, it is $1.2 billion, of which $500 million has already been spent, that goes from American taxpayers to Russia. It is money that Russia does not have to spend on other things. START–I requires, and we have agreed with this and Russia has agreed to it, that all of these weapons be dismantled, and it says nothing whatsoever about who will pay for that.

It speaks, I mean the assumption is, that Russia will pay for the dismantling of the Russian weapons, and the United States will pay for the dismantling of our own weapons. The fact is that we are paying for both now, and as a result of that, because, in the words that I never find better language to describe, money is fungible, that means that the money that is being spent, that is being given to Russia for this, they do not have to spend on something else.

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Mr. SOLOMON. Mr. Chairman, I yield the remainder of my time to the gentleman from Illinois, Mr. HENRY HYDE, a very valuable member of our Committee on Foreign Affairs and chairman of the Committee on the Judiciary, one of the most respected Members of this body.

The CHAIRMAN. The gentleman from Illinois [Mr. HYDE] is recognized for 1 minute.

Mr. HYDE. Mr. Chairman, I thank the gentleman for the extravagant introduction.

Mr. Chairman, I am troubled by this amendment. I do not want to vote for this, because if there is a program that is diminishing the nuclear threat to our country, no matter what other aberrational things that are going on, such as selling submarines to Iran, I think anything that diminishes a nuclear threat to our country ought to be supported.

However, I learned that the Russians are modernizing their nuclear capability. "Russia test-launched new ICBM yesterday. Missile will replace SS–18's destroyed under Nunn-Lugar," on and on about how they are modernizing the nuclear capability. How does that diminish the threat to our country? It enhances it. So with one hand we are giving them money to sweep away the old stuff, the garbage, and then free up their own money to develop and modernize a nuclear threat. Support Solomon.

Mr. DELLUMS. Mr. Chairman, I yield my remaining time to the distinguished gentleman from Mississippi [Mr. TAYLOR].

The CHAIRMAN. The gentleman from Mississippi [Mr. TAYLOR] is recognized for 1 minute.

Mr. TAYLOR of Mississippi. Mr. Chairman, in the past I have supported the Solomon amendment, but as a number of well-attended hearings of this committee pointed out, our Nation does not have the ability to stop a single missile coming from the Soviet Union, the former Soviet Union, pointed our way.

For that reason, Mr. Chairman, it makes more sense than ever to try to destroy as many of those 26,000 nuclear warheads that the gentleman from Illinois [Mr. HYDE] just told us about while they are on the ground, while they are still in the Soviet Union, before they fall into the hands of a terrorist Nation like Iraq or Iran or Libya, North Korea, or Cuba. We cannot stop them in the air and we cannot inspect the 4 million cargo containers that come into this country, should someone want to smuggle them into our country.

I would say to the gentleman from Illinois [Mr. HYDE], it would make a whole heck of a lot more sense to fix the program we have and destroy them while they are on the ground in the former Soviet Union. Therefore, until the gentleman from New York [Mr. SOLOMON] can fix some of those things that he knows the Soviets will not do, I am going to have to vote against his amendment.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to say to my distinguished colleague, the gentleman from Illinois [Mr. HYDE], whom I respect on these matters, that I respect the comment that the gentleman made; that there is adversity in this amendment.

But I would like to point out to my colleague with respect to the missiles that he spoke of, if he goes back to the START–II arrangement, it talks about the removal of SS–18's. They are trying to get rid of all of them, so we move away from virtually all, if not all, land-based missiles.

The treaty itself favors sea-based missiles. The missile to which the gentleman addressed his remarks is a sea-based missile. What constrained us were land-based missiles. What had us concerned were fixed-based ICBM's, the SS–18. That is what is being dismantled. So when we look at what they are doing in terms of modernization, we have to put that within some kind of perspective.

Staff can put a memo in front of us and say, gee, they are advancing this weapon, but ask staff to tell us what is that weapon attempting to do. It is a sea-based weapon, so all of this activity is confined within the treaty that we are party to. It is constrained by treaty.

Mr. Chairman, I pointed out earlier in my remarks that this gentleman wished we had never gone down the road toward nuclear weapons. We are the only species on the face of the Earth that have developed the capacity to destroy ourselves and all other life. But we went down that road. We went down that road to the tune of thousands of nuclear warheads and nuclear weapons. Nunn-Lugar is an effort to step back away from that. We are modernizing our weapons for several reasons: for safety and reliability I am assuming that they are doing that as well. We are doing it within the constraints of the treaties to which we have subscribed and on which we are appropriate signatories.

Finally, Mr. Chairman, let me say, the gentleman from New York has laid out a number of laudable concerns. I do not challenge the concerns. What I am saying is one does not cut off his nose to spite his face. Linkages make sense to us as politicians, but sometimes in the real world linkages do not make sense.

When we link the danger of nuclear weapons to a foreign policy consideration, it does not say the foreign policy concern is not legitimate, but it says that we have to balance these matters. We have to prioritize these matters. In our minds, it seems to me we ought to internalize the notion that nuclear weapons are dangerous, they are an imperative unto themselves. To link this unnecessarily is to destroy what it is we are trying to do.

The gentleman from South Carolina [Mr. SPRATT] eloquently and articulately laid out the three goals of the nuclear warhead program, a bipartisan effort to dismantle, ultimately to destroy, to retard this kind of development of nuclear weapons, and weapons of mass destruction, including chemical and biological.

If we have foreign policy concerns, there are other fora, there are other places where we can fight that battle. But to use the CTR program as the vehicle to challenge on all these other bases I would suggest, to underscore for emphasis, that it cuts off our noses to spite our face.

Finally, Mr. Chairman, I listened carefully to all of the debates and discussion that my colleagues have raised. They have only raised one issue, that money is fungible. Big deal. We had to come to Congress to learn that, that money is fungible? So we can create any kind of scenario for our political purposes, but the fact of the matter is that this is a serious policy program that has specific implications. We should not attempt to play the game of "money is fungible" to create this.

One of my colleagues even talked about a few Russians coming to the United States and placed that in juxtaposition to removing 3,800 warheads. It is a joke. I would be willing to challenge the gentleman anytime, anyplace, anywhere, to make that kind of assertion about taxpayers' dollars. We are talking about our children and our children's children.

It is important for us, Mr. Chairman, to reject the gentleman's amendment. This is dangerous. It flies in the face of American national security. That has been stated by the Secretary of Defense. It has been stated by a number of other persons. I would ask my colleagues on both sides of the aisle to reject this amendment. It is qualitatively different, more dangerous than the amendment offered by the gentleman from California [Mr. DORNAN] last year; make no mistake about it. I urge my colleague to reject the gentleman's amendment.

Mr. SPENCE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, for those people who are in a mood to cut money and authorization from the defense bill, now is their chance.

Mr. Chairman, I yield to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I thank the gentleman from South Carolina for yielding to me.

Mr. Chairman, let me just praise the gentleman for the work he has done on this overall bill. It is a very good bill. For those who think it is too much money, let us point out that it is only 2.4 percent more than was being spent last year. That hardly pays for the raises for our military personnel. It hardly pays for the housing improvements needed so desperately. I wanted to say that about the overall bill.

About my amendment, Mr. Chairman, 40 percent of Nunn-Lugar will continue to go ahead with or without any Presidential certification that Russia is behaving itself in these areas we have been talking about. Forty percent of that money will continue to go to countries like Ukraine, who are good citizens, and countries like Kazakhstan, who are good citizens, who are actually out there destroying missiles and warheads.

By contrast, Russia is not destroying one single warhead. Not one has been destroyed. They simply are taking them out of the old dilapidated, antiquated silos that they have now, they are laying them over here, and then they are building these new, highly state-of-the-art silos and launching systems which they will take, and these warheads, and put them back in these new silos. Where is the diminishing of a threat then?

I am not going to use all this time because we have to get on with the bill, but let me tell the Members, their nuclear missiles threaten American security. Their weapons export sales to terrorist nations like Iran and Iraq and Syria and Libya, that is what threatens security of American citizens, both overseas and right here in America.

Mr. Chairman, if Members are sincere about wanting to deal with these issues like the Russians modernizing their equipment, if Members are interested in dealing with stopping them from their biological and chemical weapons development, and if they are interested in stopping them from exporting nuclear technology to Iran and Cuba, 90 miles off out shore, they will vote for the Solomon amendment.

Then they will go to conference with the Senate and pick out the most important ones, perhaps, of my listed items here. Then we will have held the Russians' feet to the fire.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I would just say let us accept the efficacy of the gentleman's argument that the Russians are bad guys. If they are, then those are the very people we want to help dismantle the weapons, so I accept the gentleman's argument and come to a very different conclusion.

Mr. SOLOMON. Mr. Chairman, if the gentleman will yield further, I would tell the gentleman from California, accept my amendment. We will go to the Senate and we will really accomplish what both the gentleman and I want to accomplish.

Mrs. LOWEY. Mr. Chairman, I rise today in strong opposition to these attempts to block cooperative threat reduction funding to Russia.

Cooperative threat reduction, also known as Nunn-Lugar, is not foreign aid. It is an investment in United States security. This program reduces the threat to the United States from nuclear weapons and other weapons of mass destruction. Nunn-Lugar funding improves the security of these weapons to keep them out of the hands of terrorists and aids in critical denuclearization efforts in Russia, Kazakhstan, Belarus, and Ukraine.

I share many of the concerns raised in this amendment. I strongly support the sovereignty of the independent states of the former Soviet Union, and would oppose any efforts on Russia's part to violate this independence. I also want to ensure that Russia is not providing assistance to Iran, Iraq, Libya, or Syria. But this amendment is not the way to do that.

Mr. Chairman, cooperative threat reduction is strengthening U.S. security. Blocking funding for these critical programs would only hurt U.S. efforts to expedite the dismantlement of weapons of mass destruction. I urge my colleagues to defeat this destructive amendment.

Mr. STARK. Mr. Speaker, I rise today in opposition to the Solomon part A amendment to H.R. 3230, the fiscal year 1997 Defense Authorization Act. The Solomon amendment would place restrictions on the cooperative threat reduction denuclearization program in Russia. CTR is also known as the Nunn-Lugar program, after its bipartisan sponsors in the Senate.

Nunn-Lugar provides for the release of American funds to help speed the destruction of Russia's massive nuclear weapons stockpile. Russia's nuclear weapons are often poorly guarded and the threat of nuclear terrorism, either through theft or illicit sales of Russian fissile material, is all too real. The Nunn-Lugar program is a sensible approach to this serious problem, and represents one of the best investments we can make in our national security.

The Solomon amendment requires that Russia meet 10 conditions before funds could be released to Russia. While all of the conditions represent goals I would like to see reached, such as Russia's full withdrawal of troops from Chechnya and Moldova, I do not believe it is a good idea to allow Russia to maintain a large, unsecure nuclear stockpile that might reach the hands of terrorists. If anything, we should raise the amount of money allocated to destroying Russia's nuclear weapons instead of trying to eliminate funding.

The Solomon amendment is dangerous, unnecessary, and effectively guts one of the best bipartisan programs around. I urge a "no" vote on the amendment.

Ms. HARMAN. Mr. Chairman, I rise in opposition to the amendment offered by my friend from New York, Mr. SOLOMON, to condition the expenditure of funds for the Nunn-Lugar program.

Mr. Chairman, Nunn-Lugar protects American citizens from Russian missiles and nuclear warheads. Conditioning funds for this program on our ability to influence Russian leaders on specific policy goals, however admirable those goals are, is contrary to our own national interests.

Nunn-Lugar has been a successful program. Designed to meet the complex challenges which followed the break-up of the Soviet Union, it assures that weapons of mass destruction, as well as the equipment, material, and services supporting them, are dismantled. Since 1992, over 3,800 nuclear warheads have been removed from deployment, and over 800 launchers have been eliminated. That's good for America.

Because of Nunn-Lugar, Russia is ahead of schedule in meeting its obligations to reduce its number of warheads as set forth under the START agreement. That's good for America.

Nunn-Lugar has helped convert at least 17 Russian industrial facilities previously dedicated to building weapons to civilian manufacturing. And it has redirected the work for more than 11,500 former Russian weapons scientists.

As a result of this program, proliferation has been halted. Kazakstan is nuclear-free, with more than 600 kilograms of weapons-grade uranium removed to the United States.

In the Ukraine, more than 460 nuclear warheads and 46 SS–19 silos have been deactivated because Nunn-Lugar provided the necessary heavy equipment to do so. In fact, both the Ukraine and Belarus are expected to become nuclear-free later this year. That, too, is good for America.

I don't doubt my friend's sincerity in wanting to change Russian behavior on a wide range of critical issues affecting our security and that of Russia's neighbors. I agree with them.

But I believe a more effective approach to achieving the goals outlined in my friend's amendment would be to engage the Russians directly—not to cut funds on a program whose greatest beneficiary is the United States.

Let me repeat that, Mr. Chairman. We need to remember that the greatest beneficiary of the Nunn-Lugar program is the United States, not Russia. To halt progress, even temporarily, on reducing the threat represented by the remaining Russian missiles and warheads is to put our citizens, American citizens, at risk.

I respectfully urge my colleagues to vote "no" on the amendment offered by my friend from New York.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DELLUMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 202, noes 220, not voting 11, as follows:

[Roll No. 170]

AYES—202

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Bartlett
Barton
Bass
Bateman
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Chabot
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehrlich
Emerson
Ensign
Everett
Ewing
Fields (TX)
Flanagan
Foley
Forbes
Fox
Franks (CT)
Frisa
Funderburk
Gallegly
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
LaHood
Largent
Latham
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Pastor
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Tiahrt
Torkildsen
Traficant
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weller
White
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—220

Abercrombie
Ackerman
Baesler
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Campbell
Cardin
Castle
Chambliss
Clay
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Ehlers
Engel
English
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Ganske
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gunderson
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hastings (WA)
Hefner
Hilliard
Hinchey
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
Kolbe
LaFalce
Lantos
LaTourette
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Oberstar

Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Regula
Richardson
Rivers
Roemer
Rose
Roth
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Torres
Towns
Upton
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
Whitfield
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—11

Chapman
Clayton
Flake
Fowler
Holden
Johnson (CT)
McDade
Molinari
Moorhead
Paxon
Torricelli

□ 1316

The Clerk announced the following pair:

On this vote:

Mr. Paxon for, with Mr. Holden against.

Messrs. NADLER, MATSUI, FORD of Tennessee, WYNN, and CHAMBLISS changed their vote from "aye" to "no."

Mr. DOOLITTLE changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. CLAYTON. Mr. Chairman, during rollcall vote No. 170 on H.R. 3230, the Solomon amendment, I was unavoidably detained. Had I been present, I would have voted "no."

The CHAIRMAN. It is now in order to consider amendment No. A-2 printed in part A of the report.

AMENDMENT A-2 OFFERED BY MR. GILMAN

Mr. GILMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GILMAN: In section 1103 (page 362, beginning on line 1)—

(1) insert "(a) IN GENERAL.—" before "None of the funds";

(2) strike out paragraph (3) and redesignate paragraphs (4) and (5) as paragraphs (3) and (4), respectively; and

(3) add at the end (page 362, after line 16) the following:

(b) LIMITATION WITH RESPECT TO DEFENSE CONVERSION ASSISTANCE.—None of the funds appropriated pursuant to this or any other Act may be obligated or expended for the provision of assistance to Russia or any other state of the former Soviet Union to promote defense conversion, including assistance through the Defense Enterprise Fund.

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. GILMAN] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is about saving millions of taxpayer dollars from being spent in Russia and the other NIS States for dubious defense conversion projects.

The bill before us, as reported by the Committee on National Security, prohibits any DOD moneys from being spent for defense conversion in the former Soviet Union. My amendment simply broadens that prohibition to make certain that no United States funds, DOD or otherwise, can be used to promote defense conversion in the former Soviet Union.

This amendment is being offered for two significant reasons: First, because I believe it is important for the Congress to go on record on whether it wants to continue to support a profusion of aimless and uncoordinated programs for defense conversion in the former Soviet Union; and, second, because I am deeply frustrated the administration continues to try and fund the defense enterprise fund.

Let me address each of these. My colleagues, I want to make certain that you know just how many separate and overlapping programs are being utilized to implement this so-called defense conversion project.

First of all, there are already in existence several enterprise funds operating in the States of the former Soviet Union with financing provided through the Freedom Support Act Program. There is the United States-Russia Investment Fund, the Western NIS Enterprise Fund, and the Central Asian American Enterprise Fund. Let us not forget we already have the U.S. Export Bank, the U.S. Overseas Private Invest Corporation, and the U.S. Trade and Investment Agency all working in this direction.

Have I mentioned the European Bank for Reconstruction and Development, which we help fund, or the World Bank's International Finance Corporation, which works in the field of privatization and which we help fund, or our AID programs on privatization?

In short, we need to slow down, step back and ask do we need all of these programs and determine exactly what we are achieving.

I want to make certain that we appreciate the enormity of the task we are facing. One estimate is it will cost over $150 billion and will take 12 to 15 years to convert just Russia's defense industry, much less any of the other FSU States. Is that something that this Congress is prepared to take on, even in small part?

Now, with respect to the defense enterprise fund, that fund, known as DEF, is a prime example of why we should not fund defense conversion projects. The DEF is a so-called private venture capital fund whose purpose is to finance joint ventures and promote defense conversion in the former Soviet Union. The GAO reports that DOD officials believe that we need to capitalize that fund at a minimum of $120 million in order for that fund to be viable and self-sustaining. I note that the DEF has not raised one dollar in private fund raising to date.

So where are we going to find the $120 million in U.S. taxpayer subsidies? To date DOD has agreed to provide $30 million, and that is it. The Congress has made clear that no more money is coming from the defense budget for the DEF. So what did the administration do? They transferred responsibility for funding and implementation of the DEF in fiscal year 1997 from the Department of Defense to the Department of State. This follows a pattern of transferring other CTR programs to the 150 budget function, including placing the export control programs under the nonproliferation and disarmament Fund. I do not need to explain to any one here the absurdity of finding extra money in foreign assistance funds to support this fund. It is not there and it never will be.

So let us send a message to the administration that this Congress does not see how our national security interests are being served by spending our hard earned taxpayers' dollars for defense conversion. Let us put the DEF out of business once and for all. I ask my colleagues to support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I rise in opposition to the gentleman's amendment.

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] is recognized for 5 minutes.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all, the author of the amendment, the distinguished gentleman from New York, is the chairperson of the appropriate committee. This is less about dollars than it is about orderly process and procedure.

Let the Secretary come before the distinguished gentleman's committee and make the case. If the gentleman opposes what he wants to do, then zero it out. But to come here prematurely to offer a ban flies in the face of appropriate process and dignified procedure. And the gentleman is the chairperson. He has the power and the authority to call the Secretary before the committee.

Now, with the remaining time, let me make a few remarks. The Gilman amendment attacks the defense enterprise fund because of the Secretary of Defense's request that it be funded from foreign operations appropriations. Last year the Secretary was told in no uncertain terms, Mr. Chairman, and I am a member of the committee that told him that, "Do not request defense funds for this program. If you want them, then secure them from foreign aid accounts." That is what he was told by the House Committee on National Security.

Because the Committee on International Relations had not given the Secretary an opportunity to testify on this issue, it seems to me it is unfair, premature, to pass an amendment prohibiting any expenditures, when the maker of the motion has the authority to call the Secretary before the committee. Let the Secretary make his case. If the Committee on Foreign Affairs rejects the offers, then they should zero out the request.

This amendment is premature. It sends all the wrong signals to the Russians about our willingness to help them to meet our common security requirements of preventing the proliferation of the technology and information on weapons of mass destruction. I urge my colleagues to oppose this.

Mr. Chairman, let me make a few further comments. If Nunn-Lugar is designed to prevent nuclear weapons proliferation, one needs to be concerned with scientific expertise as well as the nuclear materials themselves.

It is remarkably shortsighted, Mr. Chairman, to disallow expenditures in which efforts can be made that establish such a program that would make sense to the overall program objectives. Because of the notification requirements imposed on this program, Congress will always have the opportunity, will always have the opportunity to review in advance the type of activities against which obligations are purported to be placed.

One final comment. It seems especially troublesome, now that the administration has been responsive to Congress' demand not to spend defense dollars on these types of efforts, expenditures that are fully justified in themselves as national security activities, but that was the will of the body, that the effort is now launched to close off other avenues of supporting such high priority activities.

My point is very simple: If the body said to the Secretary of Defense, "Don't spend defense dollars for this high priority matter; put them in a foreign affairs account, put them in that account," then the chairperson of the Committee on International Relations, who had the authority to bring the Secretary before the committee, have appropriate testimony, make some decisions, then comes to the defense authorization bill to offer an amendment to ban the process.

I would suggest, sir, this flies in the face of intelligent and rational process and procedure, and this is one gentleman that feels that whether we disagree on the policy matters, the place where we ought to always be willing to come together is on orderly process, intelligent procedure, and dignified activities as we debate these matters.

I think this is premature, I think it is unfair, I think it makes no sense, and I ask my colleagues to reject the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentleman is entirely correct in stating no hearings have been held on the recently submitted fiscal year 1997 budget on this issue. I would note that the Committee on International Relations has been closely involved in the Nunn-Lugar program since its inception in 1991, and has held numerous hearings in past years on the program. The issue of defense conversion, and in particular of the Defense Committee's desire to curtail funding for defense conversion and other activities such as housing, environmental restoration, are familiar to all of us.

That is why it is so frustrating to note that, without any consultation with the Congress, the responsibility for funding and implementing defense conversion activities in the former Soviet Union for fiscal year 1997 has been entirely transferred to the International Affairs budget. I do not need to convene exhaustive hearings or even one hearing to know we do not have the resources to do all of this.

Mr. DELLUMS. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] is recognized for 45 seconds.

Mr. DELLUMS. Mr. Chairman, in 45 seconds let me reiterate, the administration submits a budget request. In this instance, they submitted a budget request based upon what we asked them to do. We said "Don't spend defense dollars." The Secretary said, "OK. Whether I agree or disagree, that is what you said, that is what I will do."

Now it seems to me orderly process means that the Committee on International Relations should then, if they had any question, call the Secretary before the committee and allow the Secretary to make his case. If it does not make sense, you can zero it out. But to do it without even holding hearings, without even bringing the Secretary, who simply responded to Congress' request, does not make sense.

Again, I press my point, defeat this amendment. It makes no sense.

Mr. HAMILTON. Mr. Chairman, the Gilman amendment prohibits defense conversion. It prohibits, in particular, funds for the Defense Enterprise Fund.

To date, the Defense Enterprise Fund has received $30 million. The request for fiscal year 1997 is for $20 million. This request is not from the Defense Department budget, but from the foreign affairs (150) budget, in the jurisdiction of the International Relations Committee.

The goal of the Defense Enterprise Fund is to spark the process of defense conversion. The Fund, while small in size, serves as an important model to reorient enterprises from producing weapons of mass destruction to producing civilian goods. This Fund, and other U.S. Government activities, are a critical part of the Cooperative Threat Reduction Program.

So what has the Fund achieved to date? It has made 7 investments, and has achieved a leverage ratio of $6 of outside funds for every dollar committed by the U.S. Government. Those investments bring U.S. firms into partnership with former defense firms. Completed deals include converting nuclear sub parts to earthmovers; converting military electronics to IBM and minicomputer software; converting IBCM telemetry to civilian telecommunications; and converting nuclear weapons design to wood sterilization, to kill bugs in Russian timber.

The Defense Enterprise Fund is small, but its work is a triple win for the United States—a win for United States security, a win for United States business, and a win for the new enterprises struggling to build a free market economy in Russia.

The Gilman amendment kills funding for the Defense Enterprise Fund. Not only that, it has several other harmful impacts:

First, this amendment is so broadly written that it threatens to shut down much of the work of the United States Government in the former Soviet Union. That country was very heavily militarized. So much of what the United States does to promote economic reform in the New Independent States also has some aspect of defense conversion.

This amendment harms U.S. trade and investment. The Overseas Private Investment Corporation [OPIC] to date has approved more than $500 million in finance and insurance support for defense conversion projects, 5 of them in Russia. Under this amendment, OPIC would have to pull the plug on these projects.

The trade and development agency has approved 16 projects in the NIS related to defense conversion and the promotion of U.S. exports. Eleven of them are still in progress. Under this amendment, TDA would have to pull the plug on those projects.

This amendment harms Department of Commerce programs, including the SABIT program, which trains business leaders from the NIS to privatize and restructure enterprises, including defense enterprises.

This amendment harms the work of Commerce's BISNIS center, which helps U.S. firms find NIS partners, including former defense enterprises, for mutual economic benefit in civilian production.

This amendment harms market economic reform. It could stop the ability of the United States to help with the next stage of privatization in Russia. The next stage of privatization involves cash auctions and tender offers for shares in strategic industries. This amendment could harm United States assistance for privatization in Ukraine and the Baltic States in a similar way.

This amendment harms nonproliferation, because defense conversion is an important part of the work of the International Science and Technology Centers, where crack Russian and

Ukrainian scientists work on peaceful projects instead of weapons design.

Second, this amendment applies to all activities of the United States Government in the former Soviet Union—past, present, and future. This amendment will stop current obligations and expenditures. It will stop programs in their tracks. It will require the review and rewriting of hundreds of existing contracts. This amendment should be renamed the Paperwork Creation Act.

Third, this amendment is contrary to understandings the administration reached last year with the defense committees. Last year, those committees told the administration: "Defense conversion doesn't belong in the defense bill." The administration listened. It shifted that funding request this year to the international affairs (150) budget.

Now, the chairman of the International Relations Committee has had the administration's budget request for about a month He has not held a single hearing, or a single briefing for Members on defense conversion. He has not heard testimony on the administrations request for the New Independent States from either the State or Defense Departments.

Few members of the International Relations Committee know anything about this defense conversion request.

I am hard pressed to understand—in the context of a defense bill that is $12.4 billion above the administration's request—why the House needs to act today to block a $20 million request in the foreign affairs—150—budget in another committee's jurisdiction.

I would urge the chairman not to rush to judgment. I would urge him to withdraw this amendment, let the International Relations Committee review the request, and let the committee do its work.

Mr. UNDERWOOD. Mr. Chairman, I rise today to support a provision sponsored by Chairman GILMAN which is included in the en bloc amendment. I commend Chairman GILMAN for his work on this important issue, and for his inclusion of language in the amendment which will favorably impact on repair work at American shipyards.

The Gilman amendment is the text of H.R. 3221, which passed the House of Representatives by voice vote on April 16. Among other things, it authorizes the transfer of 10 naval vessels to six different nations, within 2 years after the enactment of the bill.

Under the provisions of the amendment, 6 of the 10 vessels will be sold or leased to three nations in the Western Pacific. New Zealand will buy one hydrographic ocean surveillance ship, Taiwan will buy three frigates and lease one tank landing ship and Thailand will buy one frigate.

As a condition of transfer, the amendment directs the Secretary of Defense to require that any necessary repair or refurbishment of such vessels will be performed at a U.S. shipyard. However, it is my understanding that the requirement to repair these vessels at an American shipyard ceases after the transfer is complete.

I would take the repair requirement a step further than the current language of the amendment. In implementing this program, I would urge the Secretary of Defense to link the transfer of these ships with their continued repair at U.S. shipyards over the lifetime of the vessel. The Secretary should request that "to the maximum extent possible" host countries repair these ships at American shipyards. Additionally, the Secretary should inform host countries that the United States will look favorably on future transfers if the repair work over the lifetime of the ships is performed at American shipyards.

As most of my colleagues know, the Defense Base Closure and Realignment Commission [BRAC] closed the ship repair facility [SRF] on Guam last year. SRF-Guam is facing a difficult transition on its way to becoming a privatized facility and is looking for repair work on which to bid. Since Guam is the only American shipyard within about 4,000 miles of New Zealand, Taiwan and Thailand, it is my hope that some of the six vessels which are transferred to them will be repaired at a newly privatized SRF-Guam.

The repair of some of these ships at SRF-Guam not only serves Guam's interest, but furthers the Pentagon's long-term national security goals in the region. The Pentagon has long-term requirements in the Western Pacific which are better served by an SRF on U.S. soil in Guam. Over the next few years, a successful transition for SRF will require a certain base workload from Naval vessels.

Guam's geographic location in the Western Pacific makes it an ideal location for the repair of vessels in the region, including the six Navy vessels being transferred to New Zealand, Taiwan and Thailand. But SRF-Guam requires Secretary Perry to go to bat for it in negotiations. I understand the Secretary has the statutory authority to request from host nations repair these vessels at U.S. shipyard. In next year's transfer bill, I look forward to working with Chairman GILMAN and other interested Members on specific provisions which will require "to the maximum extent possible" the repair of these ships at U.S. shipyards over the lifetime of the vessels.

A Secretary Perry implements this program and sets conditions for the transfer of the vessels, I strongly encourage him to link the transfer of the vessels to their continued repair and to use his leverage to benefit American workers at U.S. shipyards. Again, I thank Chairman GILMAN for his work on this issue and for offering this amendment today. I urge my colleagues to support the en bloc amendment.

☐ 1330

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GILMAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GILMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 249, noes 171, not voting 13, as follows:

[Roll No. 171]

AYES—249

Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bilbray
Bilirakis
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Pastor
Peterson (MN)
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—171

Abercrombie
Ackerman
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bishop
Bliley
Bonior
Borski
Boucher
Browder
Brown (FL)
Brown (OH)
Bryant (TX)
Campbell
Cardin
Chambliss
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro

Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Poshard
Rangel
Reed
Richardson
Rivers
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—13

Allard
Brown (CA)
Chapman
Conyers
DeLay
Ehrlich
Flake
Ford
Holden
Kaptur
McDade
Molinari
Paxon

□ 1350

The Clerk announced the following pair:

On this vote:

Mr. Paxon for, with Ms. Kaptur against.

Messrs. BOEHNER, BALDACCI, KASICH, and EDWARDS changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DELAY. Mr. Chairman, on rollcall No. 171, I was unavoidably detained. Had I been present, I would have voted "aye."

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in part B of the report. Does the gentleman from South Carolina [Mr. SPRATT] wish to offer his amendment?

If not, it is now in order to consider amendment No. 7 printed in part B of the report. Does the gentleman from Wisconsin [Mr. NEUMANN] wish to offer his amendment?

If not, it is now in order to consider amendment No. 13 printed in part B of the report. Does the gentleman from Texas [Mr. EDWARDS] wish to offer his amendment?

If not, it is now in order to consider amendment No. 14 printed in part B of the report.

AMENDMENT NO. 14 OFFERED BY MR. KLUG

Mr. KLUG. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KLUG: Strike out section 743 (page 297, line 12, through page 298, line 2), relating to continued operation of the Uniformed Services University of the Health Sciences, and insert in lieu thereof the following new section:

SEC. 743. UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES AND ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

(a) CLOSURE OF USUHS REQUIRED.—Section 2112 of title 10, United States Code, is amended—

(1) in subsection (c)—

(A) by inserting "and the closure" after "The development"; and

(B) by striking out "subsection (a)" and inserting in lieu thereof "subsections (a) and (b)"; and

(2) by striking out subsection (b) and inserting in lieu thereof the following new subsection:

"(b)(1) Not later than September 30, 2000, the Secretary of Defense shall close the University. To achieve the closure of the University by that date, the Secretary shall begin to terminate the operations of the University beginning in fiscal year 1997. On account of the required closure of the University under this subsection, no students may be admitted to begin studies in the University after the date of the enactment of this subsection.

"(2) Section 2687 of this title and any other provision of law establishing preconditions to the closure of any activity of the Department of Defense shall not apply with regard to the termination of the operations of the University or to the closure of the University pursuant to this subsection.".

(b) FINAL GRADUATION OF USUHS STUDENTS.—Section 2112(a) of such title is amended—

(1) in the second sentence, by striking out ", with the first class graduating not later than September 21, 1982." and inserting in lieu thereof ", except that no students may be awarded degrees by the University after September 30, 2000."; and

(2) by adding at the end the following new sentence: "On a case-by-case basis, the Secretary of Defense may provide for the continued education of a person who, immediately before the closure of the University under subsection (b), was a student in the University and completed substantially all requirements necessary to graduate from the University.".

(c) TERMINATION OF USUHS BOARD OF REGENTS.—Section 2113 of such title is amended by adding at the end the following new subsection:

"(k) The board shall terminate on September 30, 2000, except that the Secretary of Defense may terminate the board before that date as part of the termination of the operations of the University under section 2112(b) of this title.".

(d) PROHIBITION ON USUHS RECIPROCAL AGREEMENTS.—Section 2114(e)(1) of such title is amended by adding at the end of the following new sentence: "No agreement may be entered into under this subsection after the date of the enactment of this sentence, and all such agreements shall terminate not later than September 30, 2000.".

(e) CONFORMING AMENDMENTS REGARDING USUHS.—(1) Section 178 of such title, relating to the Henry M. Jackson Foundation for the Advancement of Military Medicine, is amended—

(A) in subsection (b), by inserting after "Uniformed Services University of the Health Sciences," the following: "or after the closure of the University, with the Department of Defense,";

(B) in subsection (c)(1)(B), by striking out "the Dean of the Uniformed Services University of the Health Sciences" and inserting in lieu thereof "a person designated by the Secretary of Defense"; and

(C) in subsection (g)(1), by inserting after "Uniformed Services University of the Health Sciences," the following: "Or after the closure of the University, the Secretary of Defense".

(2) Section 466(a)(1)(B) of the Public Health Service Act (42 U.S.C. 286a(a)(1)(B)), relating to the Board of Regents of the National Library of Medicine, is amended by striking out "the Dean of the Uniformed Services University of the Health Sciences,".

(f) CLERICAL AMENDMENTS.—(1) The heading of section 2112 of title 10, United States Code, is amended to read to read as follows:

"§ 2112. Establishment and closure of University".

(2) The item relating to such section in the table of sections at the beginning of chapter 104 of such title is amended to read as follows:

"2112. Establishment and closure of University.".

(g) ACTIVE DUTY COMMITMENT UNDER SCHOLARSHIP PROGRAM.—(1) Section 2123(a) of title 10, United States Code, is amended by striking out "one year for each year of participation in the program" and inserting in lieu thereof "seven years following completion of the program".

(2) The amendment made by paragraph (1) shall apply with respect to members of the Armed Forces Health Professions Scholarship and Financial Assistance program who first enroll in the program after the date of the enactment of this Act.

The CHAIRMAN. Pursuant to the rule, the gentleman from Wisconsin [Mr. KLUG] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KLUG].

Mr. KLUG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, what we are going to talk about for the next few minutes is the subject of military physicians. In 1972, in order to guarantee there were enough physicians in the military, we took two steps in Congress. One was to set up a scholarship program to send medical students to places like the University of Wisconsin in Madison, and to Harvard, and to Virginia, and to Stanford, and Chicago, and Nebraska, and any university you might want to pick out. At the same time, we established in Bethesda, MD, the Department of defense's very own medical school.

Now, that was 1972. Just 3 years later, in 1975, the Defense Manpower Commission reported that, quote, it was an unjustifiably costly method to meet current and future procurement and retention goals for military professional and medical personnel. Three years after the medical school in Bethesda was started, it cost $200,000 for each graduate, and the scholarship program cost each student just $34,000. Now keep in mind today as we kind of run through this list of how expensive this school is that today the school in Bethesda only provides about 11 percent of the doctors in the United States armed services.

In 1975, a House Appropriations Committee backed up the study done by the Defense Manpower Commission and said this is just too expensive to do it that way. In 1976, the General Accounting Office, just 3 years after the program was founded said the same thing, it is not cost effective for the Department of Defense to run its own medical school.

Mr. Chairman, it seems to me Republicans should be about privatization more so than anything else, and you have to ask us why today we were running for plants and printing offices and what are we doing in the medical school business? Well, that was 20 years ago.

So last year we came back one more time and asked the General Accounting Office again to take a look at the military school run by the U.S. military in Bethesda. Do my colleagues know what they came back and said? For every scholarship program student in the country, it cost $125,000. For everybody who comes out of Bethesda, it is over a half million dollars, $556,000.

Now, proponents will point out that students who go through the medical school tend to stay in the military a little bit longer than folks who come through the private scholarship program. So our amendment does a second thing as well as phasing out the medical school. It says that what we are going to do is that everybody who goes through the scholarship program also has to go make a 7-year commitment to the service the same way they are if they graduate from the DOD's medical school in Bethesda.

Mr. Chairman, we think we have a very commonsense amendment in front of us. It takes a program that is almost four times more expensive than what it cost to send people to the best medical schools in the country, phases out the medical school class, raises the scholarship program requirement for service. We think we save taxpayers money and at the same time get just as qualified a supply of military physicians in order to serve this country's needs.

Mr. Chairman, I reserve the balance of my time.

Mr. BUYER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. BUYER] is recognized for 5 minutes.

Mr. BUYER. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I applaud the gentleman from Wisconsin for his efforts to save money, but he has chosen the wrong target. There have been no hearings or an in-depth analysis of the effects of closing the university. In fact, the GAO report, which he just cited says: As Congress makes decisions regarding both physician accession programs, it will need information not only about the programs' relative costs, but also about their effects on the short- and long-term requirements for military physicians and the value of the other university activities.

Acting without an understanding of the full implications of these actions could have a devastating impact upon military medical readiness, as well as medical recruiting and retention.

The proposal to close the school is based on a very selective and misleading use of the GAO study results. While the GAO report did indeed find the Uniformed Services University of the Health Sciences to be the most expensive source of military physicians, when comparing educational costs only, it also found that when all Federal costs are considered, the cost of a university graduate is comparable to that of the scholarship program graduates.

The chart for which the gentleman just referred does not take into account all Federal costs. It does not spread out all costs on the years of service or, in fact, take in the requirement of having to militarily train these doctors. This action is premature. It would be premature to undertake an action that could have a significant impact on both the department's short-term and long-term ability to recruit and train physicians to perform the department's medical requirements.

The GAO report also relied upon the 733 study which before our Subcommittee on Military Personnel was slam-dunked. Not only was it slam-dunked by a lot of the chiefs, it was slam-dunked by the Democrats and Republicans in attendance, to also include Dr. Steven Joseph. So I think it is premature for us to act at this time.

The GAO report also, I would cite, states the alternative strategy to meet DOD's long-term enrichment needs could include an enrichment component, in other words, stretching out the tenure in which someone serves. That is much what the gentleman is requiring in his amendment. But this amendment only provides for that longer obligation.

☐ 1400

It does not include any additional benefits or training that would entice physicians to accept a longer obligation.

Mr. Chairman, I reserve the balance of my time.

Mr. KLUG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me point out to my colleague and good friend from Indiana that actually over the course of the last 20 years when this program has been in effect, there have been no more than 15 separate studies that have been done on it, including hearings in the Committee on Armed Services in 1994, 1992, and 1991.

Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, today I rise in support of the Klug amendment to phase out the Uniformed Services University of the Health Sciences, the Defense Department's very own medical school.

What this debate is about is setting priorities at the Pentagon, eliminating duplicative functions and finding more cost-effective measures to train our defense forces as we enter the 21st century and the limited Federal dollars which will be available as we prepare to balance the budget by the year 2002.

Let us make is clear that DOD currently offers tracks for training of medical personnel, and clearly one is more taxpayer-friendly. In 1995 the General Accounting Office concluded that the DOD medical school is more costly to educate and retain graduates than the health professional scholarship program run by that same organization. Clearly, from the charts, $566,000 compared to $126,000 is a clear savings to the taxpayers. Yes, $250 million will be saved over 5 years. DOD graduates from their medical school make up only 11 percent of all military school graduates while the balance comes from the scholarship program. Clearly, out of the total 987 graduates, 155 were from DOD.

I urge the passage of the Klug amendment.

Mr. BUYER. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PICKETT], the ranking member of the Subcommittee on Personnel.

Mr. PICKETT. Mr. Chairman, I thank the gentleman for yielding this time to me, and, Mr. Chairman and Members, I would say that money is not the issue here. We do not try to buy the cheapest rifles for our military; we do not try to buy the cheapest artillery. We try to buy the very best for our military people, and we want them to have this as far as health care is concerned, too.

This resource is vital to our Nation's security. Military officers who are trained in multiple care disciplines get the military culture and a military career commitment at the same time. Military officers at this school are prepared and are tuned to the needs of a joint force. They go to school, and they work together jointly so when they come out they do not have to be trained in joint activities. They also get the essential background and military doctrine and leadership, a very important component for those people who are committed to a career in military medicine.

This is a national resource that provides a center for joint medical doctrine and research, and without this backbone for the military medical community in our country we would be far less prepared and we will not have a ready force. This is an issue of readiness, it is an issue of specialization, it is an issue of commitment to quality health care for our military people.

Mr. Chairman, I urge the Members here to oppose this amendment.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise in the strongest possible opposition to this Klug amendment.

As my colleagues know, the GAO report that was quoted, I must reinterpret these figures because when all the factors are in in terms of the costs, USUHS costs $181,575 per year per student. Alternative costs are $181,169. The difference is $406; $406.

Now, what does that $406 buy? Higher retention rates; the expected service of USUHS' graduates is 1.9 times higher than the alternative, and GAO says that; better care. DOD data indicates that university graduates are cited for fewer adverse clinical privileging actions than other military physicians. That is a direct quote.

Increased readiness; all of the commanders of major military units proceed to physicians from the university, have a greater overall understanding of the military rate of commitment to the military, better preparation for operations, assignments, better leadership for leadership roles and preparation.

Support the best medical care for our troops. Vote "no" on Klug.

Mr. KLUG. Mr. Chairman, I just have 1 minute remaining. I yield myself the balance of my time.

If I could, I want to rebut a couple of arguments that have been made. My colleague from the other side of the aisle made the argument to say we need the best physicians possible for the armed services, and I do not disagree. But I think we can train them at Harvard and Stanford and Chicago and Virginia and Wisconsin and Michigan, Northwestern and any other schools across the country, and we are not sending them to bargain-rate universities. For $125,000 we can do it at the best medical schools in the United States.

Now, second, my colleague from Maryland indicated that we somehow misread the GAO numbers. This is a Congressional Budget Office analysis that says, based on figures from 1994, USUHS is the most expensive source of military physicians at $562,000 a person. By comparison, scholarships cost $125,000, and the financial assistance program and the volunteers program range in cost from $19,000 to $58,000.

Mr. Chairman, in a world in which we had all the money to spend, I think it would be a terrific idea to keep up and to maintain the Department of Defense's kind of old and private little military medical school castle, but I think at a time when we are asking every single Government agency to tighten its belt, we can no longer justify the expense.

Mr. BUYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the service Surgeon Generals have consistently testified at both House and Senate hearings that the university provides a unique medical training that cannot be readily secured at other sources.

Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. HUNTER].

The CHAIRMAN. The gentleman from California [Mr. HUNTER] is recognized for 20 seconds.

Mr. HUNTER. My colleagues, the question is what do we get for what we give? It is $556,000 per student, but we get on the average an 18-year doc for the military. It is $125,000 here if we do strictly scholarships, but we only get about 6 years of service to our country. So we are going to have an experienced doctor corps if we stay with the school.

Vote "no" on this amendment.

Mr. SPENCE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in opposition to the Klug amendment.

During the Persian Gulf war, if we would have had casualties that would have been higher or even normal, Mr. Chairman, we would have had to implement the draft of doctors. We did not have enough doctors. We did not have them then, and we do not have them now.

Now, as the gentleman from Virginia [Mr. PICKETT] has said, we want the best. Now, the Uniformed Services University, they train medical students. These medical students know how to treat wounds, and then when they graduate, they go out and train other doctors.

The American Legion and VFW have done a study. They oppose this amendment, plus 20 military retirees associations oppose the amendment, and we are talking about 5 million members in this group I have just mentioned.

Please vote against this amendment.

Mr. SPENCE. Mr. Chairman I yield to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman for yielding to me, and I believe that I can address this issue from a unique perspective in that I am a physician who participated in the health profession scholarship program. I worked my way through college, and I did not want to borrow money to go to medical school, and I was very attracted to the scholarship program. I remember distinctly sitting down in my parents' dining room and figuring out what it would cost me to borrow my way through medical school versus going into the military.

Now, I have to say the main reason I went into the military was that I really felt the Good Lord was leading me to go in and serve my country and put the uniform on. And it was the best experience, I think, in my life.

But I do not know if I would have done it if I had had a 7-year obligation, because when a doctor finishes his training and goes out into practice, he can typically pay off his student loans in about 4 years, and this 7-year requirement that the gentleman has added to his amendment, in my opinion, is going to make it very, very difficult for our armed services to recruit good quality physicians into the scholarship program.

I additionally would like to point out that perhaps the DOD would only pay this much money for the students in the scholarship program, but this is really what it costs every medical school. There is lots of other money that goes into training a doctor, grant money that comes in, State money that come in, and, yes, other Federal moneys.

So, in my opinion, this is an ill-conceived amendment, and I would encourage, as a former Army physician who participated in HPSP and worked with many of the armed services medical students, and they were some of the best doctors in the armed medical corps when I was in it, I would highly encourage all of my colleagues on both sides of the aisle to vote "no" on the Klug amendment.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Missouri [Mr. SKELTON], a very valuable member of our committee.

Mr. SKELTON. Mr. Chairman, I speak against this amendment. Uniformed Services University of the Health Sciences is a military medical school. It is one that specializes and prepares doctors, young men and young women, to stay in the military and to serve those who are injured on the battlefield and to serve their families in time of peace. I think it would be a sad mistake to terminate this medical school.

If my colleagues want a professional medical program, if my colleagues want people to stay the minimum of 18 to 20 years, keep this medical school. If we want the very best for those men and women, if we want the very best for their families, we must keep this medical school because those who go through the scholarship program are less apt to stay in and make a career of it. This is a career training ground, educational ground, for those who wish to serve their Nation as a full-time doctor.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Chairman, I think the gentleman from California, Mr. DUNCAN HUNTER, hit it right on the head, this university's graduates are expected to serve 18.5 years and about 50 percent are expected to stay on active-duty service for 20 years or longer. In comparison, regular scholarship graduates are expected to serve about 9.8 years, while deferred scholarship program graduates serve 5.3 years on average.

Now, military medical commanders also believe that the university's approach produces physicians who are at least initially better prepared than their civilian-educated peers to meet the demands of military medicine.

Additionally, the medical commanders believe that compared with other military physicians the university graduates have a better understanding of the military mission, organization, customs that are more committed to the military and to a military career.

I would also, Mr. Chairman, place into the RECORD a letter from the American Legion in support of the university, along with the Military Coalition. This is supported by not only the American Legion, the Air Force Association, the Army Aviation Association, Commissioned Officers Association, CWO, and the Enlisted Association of the National Guard.

The list goes on and on and on.

The letters referred to are as follows:

VOTE AGAINST THE KLUG AMENDMENT TO ELIMINATE THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

The Military Coalition (signatures enclosed) representing more than five million current and former members of the uniformed services, is very concerned over Representative Scott Klug's proposed amendment to the FY 97 Defense Authorization Act to close the Uniformed Services University of Health Sciences (USUHS). The rationale that it is less costly to train physicians in civilian medical schools than through USUHS is defective.

The General Accounting Office (GAO) cost estimates cited by Representative Klug are misleading in that they fail to account for the taxpayer subsidies and other resources ($4.2 billion) given in grants, research and clinical services to civilian medical schools. In fact, in its report (page 33), the GAO also concedes that the total federal costs for USUHS graduates and Armed Forces Health Professional Scholarship Program (AFHPSP) graduates are virtually identical. Aside from cost considerations, USUHS graduates a military officer who is well trained in military operations and fully prepared for joint service leadership positions. Finally, the retention rate for USUHS graduates is considerably greater than those in AFHPSP (86 percent versus 14 percent) making their education a sound investment in the future of this country.

Representative Klug proposes to increase the AFHPSP service obligation with a view toward increasing career retention in that program. However, based on past recruiting experience, an increased service obligation is expected to aggravate AFHPSP accession problems, and is not expected to materially improve the retention of enrollees in that program.

The Military Coalition strongly urges you to retain USUHS as a national training resource by voting against Representative Klug's amendment. We appreciate your support on this very important issue.

THE MILITARY COALITION

Air Force Association;
Army Aviation Assn. of America;
Commissioned Officers Assn. of the US Public Health Service, Inc.;
CWO & WO Assn. US Coast Guard;
Enlisted Association of the National Guard of the US;
Fleet Reserve Assn.;
Jewish War Veterans of the USA;
Marine Corps League;
Marine Corps Reserve Officers Assn.;
National Military Family Assn.;
Naval Enlisted Reserve Assn.;
Navy League of the US;
Reserve Officers Assn.;
The Military Chaplains Assn. of the USA;
The Retired Enlisted Assn.;
The Retired Officers Assn.;
United Armed Forces Assn.;
USCG Chief Petty Officers Assn.;
US Army Warrant Officers Assn.;
Veterans of Foreign Wars of the US.

THE AMERICAN LEGION,
Washington, DC, May 14, 1996.

DEAR REPRESENTATIVE: The American Legion is asking you to oppose an amendment to the FY 1997 DOD Authorization bill which would close the Uniformed Services University of the Health Sciences (USUHS).

Each year as the national budget is debated we are made ever more aware of how austere funds are and how acute the need for support of so many diverse programs. One program that has been mentioned for elimination, but serves a very unique purpose, is the Uniformed Services University of the Health Sciences (USUHS).

A recent GAO report concluded that the total monetary cost for USUHS compared to the Armed Forces Health Professional Scholarship Program (AFHPSP) for civilian institutions are identical. However, unlike civilian medical programs, the USUHS provides military doctors well trained in primary care medicine, as well as combat casualty care, tropical medicine, combat stress and other injuries and illnesses unique to military deployments and combat conditions. Also, according to DOD, the retention rate in the armed forces is eighty-six percent for USUHS graduates compared to fourteen percent for AFHPSP.

This very special institution is a source of military physicians for the armed forces of the United States and the Public Health Service. It provides our military with a corps of dedicated career medical officers instilled with the commitment and selflessness only found in doctors who are trained and skilled in providing combat casualty care. In addition, this facility offers a full range of instruction and care in those maladies typically suffered primarily by military personnel. These include tropical, epidemiological and parasitic ailments.

Military medical officers serve beside and in support of U.S. service personnel when our forces are deployed to conflict. This environment is harsh, chaotic and demanding. The graduates of USUHS are trained to deal with these extreme and difficult conditions and in fact, work and improvise in some of the most deplorable circumstances where U.S. military forces are stationed.

To close the Uniformed Services University of the Health Sciences would be a great disservice to our men and women in uniform. We must do everything we can to provide our armed forces with the best health and battle casualty care available.

Once again, The American Legion urges you to oppose an amendment to the FY 1997 DOD Authorization bill which would close the Uniformed Services University of Health Sciences. We appreciate your support and commitment on important veterans issues.

Sincerely,

DANIEL A. LUDWIG,
National Commander.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think that this is an important discussion, and in the spirit of fairness I would like to provide the opportunity for the author of the amendment to have a chance to respond to or rebut the arguments.

Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. KLUG] for that purpose.

Mr. KLUG. Mr. Chairman, I thank my colleague from California. Briefly, Mr. Chairman, because I also know that we have other issues we want to discuss today, I want to essentially kind of rebut some of the arguments that have been raised point by point this afternoon about this discussion about whether 22 years later the Federal Government really needs to be in the business of running a medical school. We do not run other kinds of colleges and universities, and again fundamentally we can send folks to the best medical schools in the country, in fact, the best medical schools in the world, for a fraction of the cost.

One of the arguments that has been made is that this program has not been studied and has not been analyzed, and if we somehow begin to phase out the school, it will crash the medical physician program in the U.S. military. Again, let me point out page after page after page of study dating all the way back to 1975, just 2 years after this program was established, and every single one of them concluded it costs too much money.

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It is not a bad program. It is not a bad idea. In the best of all worlds, we would love to do it. But let me remind my Republican colleagues, if we are going to cut the deficit, we have to ask the military to make tough choices.

Will there still be enough doctors in the military if we eliminate this? Keep this in mind: 89 percent of the physicians who presently serve in the Department of Defense came out of the scholarship program and other avenues. It is only 11 percent. The argument is, well, these people serve longer, so it is a better investment. But the General Accounting Office, again, and I hate to keep bringing us back to the facts, said that the main influencing factor for a graduate of either program to remain in the military is the minimum service requirement.

I expect my colleague who is a physician, the gentleman from Florida who brought up and said maybe he would not have picked the scholarship program if he had been required to serve 7 years rather than just a couple of years, but I think, given the rising cost of education, there would be a lot of people in the country who would have the opportunity to go through the DOD scholarship program, again, to go to the best medical schools in the United States and to go to the best medical schools in the world.

I think this all comes down to philosophy. That is what it really comes down to. It comes down to a simple judgment. In 1996, 24 years after this program was set up, does it really fundamentally make sense for the U.S. Government to be in the business of running a medical school? I think the answer has to be, fundamentally, no.

The argument is specialized training is needed for combat. Come on, we all know Bethesda. Where is the expertise that comes? Are we not better off if we want doctors to be trained in surgical procedures in a combat situation to send them into hospitals where they have to deal with gunshot victims and knife victims on a regular basis? We are not going to find that in Bethesda, MD.

Briefly, Mr. Chairman, let me suggest that this was a terrific program when it was first established. We have had 24 years of experience. Every program and every analysis that has come back since 1975, 3 years after this program started, said it is too expensive. We cannot maintain it. It does not make sense. Expand the scholarship program, raise the number of years of requirement, and begin to phase out the DOD military program.

Mr. DELLUMS. Mr. Chairman, I yield to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, the figures that I mentioned from the GAO report which indicate a $400 difference are if we factor in the number of years these people serve.

I would also like to point out an experience I recently had at USUHS. I was there because a medal of honor was given by the Secretary of the Navy to a man named Michael Charissis, who was the person who saved lives in the Amtrak MARC accident in Silver Spring, MD, recently. He did it quietly. They had to work to determine who it was. How did he know how to do it? The kind of training he had had equipped him for that.

I also want to remind this group, in terms of putting human faces, we had outstanding people who served in the Persian Gulf conflict. We had Rhoda Cornum, who was a graduate from there. We have had so many others, and such a distinguished group of people, and all of the military commanders who deal with medicine have come out in favor of it, all of the organizations that we know of. The American Legion, just to cite that, plus a lot of others, have all come out in favor of it. It is our only medical military university in the United States of America. I really think that we would be penny wise and pound foolish if we were to vote for this amendment, so vote against it.

Mr. DELLUMS. Mr. Chairman, I yield to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I stand in strong opposition to this amendment.

Mr. DELLUMS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KLUG].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. KLUG. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 82, noes 343, not voting 8, as follows:

[Roll No. 172]

AYES—82

Andrews
Barrett (WI)
Barton
Boehlert
Brown (CA)
Brown (FL)
Brownback
Camp
Campbell
Chenoweth
Chrysler
Coble
Conyers
Cox
Cubin
DeFazio
Dellums
Duncan
Ehlers
Foley
Forbes
Frank (MA)
Franks (NJ)
Goodlatte
Gutknecht
Hamilton
Hayworth
Hoekstra
Hoke
Houghton
Jackson (IL)
Kennedy (MA)
Kennedy (RI)
Kleczka
Klug
Largent
Lipinski
Lofgren
Luther
Martinez
McDade
McDermott
Meehan
Metcalf
Miller (CA)
Minge
Neal
Neumann
Obey
Olver
Orton
Owens
Pelosi
Peterson (MN)
Petri
Ramstad
Rangel
Reed
Roemer
Rohrabacher
Ros-Lehtinen
Roth
Royce
Sabo
Salmon
Sanford
Schroeder
Sensenbrenner
Serrano
Shadegg
Shays
Skaggs
Slaughter
Smith (MI)
Souder
Tiahrt
Upton
Visclosky
Watt (NC)
Weller
White
Zimmer

NOES—343

Abercrombie
Ackerman
Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Clay
Clayton
Clement
Clinger
Clyburn
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Cooley
Costello
Coyne
Cramer
Crane
Crapo
Cremeans
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Dunn
Edwards
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flanagan
Foglietta
Ford
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Hefner
Heineman
Herger
Hilleary
Hinchey
Hobson
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennelly
Kildee
Kim
King
Kingston
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lowey
Lucas
Maloney
Manton
Manzullo
Markey
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meek
Menendez
Meyers
Mica
Millender-McDonald
Miller (FL)
Mink
Moakley
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Nethercutt
Ney
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Peterson (FL)
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Regula
Richardson
Rivers
Roberts
Rogers
Rose
Roukema
Roybal-Allard
Rush
Sanders
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff

NOT VOTING—8

Durbin
Flake
Hilliard
Holden
Molinari
Paxon
Riggs
Talent

□ 1439

Messrs. BONO, FLANAGAN, and DEUTSCH changed their vote from "aye" to "no."

Messrs. McDERMOTT, WELLER, FORBES, NEAL of Massachusetts, BROWN of California, SKAGGS, and HOKE changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1445

PERSONAL EXPLANATION

Ms. BROWN of Florida. Mr. Chairman, on the last amendment adopted, the Klug amendment, I voted "yes." I intended to vote "no."

The CHAIRMAN. It is now in order to consider amendment No. 16 printed in part B of the report.

Does the gentlewoman from California [Ms. WATERS] wish to offer her amendment?

AMENDMENTS EN BLOC, AS MODIFIED, OFFERED BY MR. SPENCE

Mr. SPENCE. Mr. Chairman, pursuant to section 3 of House Resolution 430, I offer amendments en bloc consisting of part B amendments numbered 13; 17, as modified; 19, as modified; 20, as modified; 28; 31, as modified; 32; 34; and 35, as modified.

The CHAIRMAN. The Clerk will designate the amendments en bloc and report the modifications.

The Clerk designated the amendments en bloc and proceeded to read the modifications.

Amendments en bloc, as modified, consisting of part B amendments numbered 13; 17, as modified; 19, as modified; 20, as modified; 28; 31, as modified; 32; 34; and 35, as modified, offered by Mr. SPENCE:

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. EDWARDS OF TEXAS OR MR. GREEN OF TEXAS (AMDT B–13 IN HOUSE REPORT 104–570)

In section 733(b)(2) (page 281, line 21), relating to the time for implementation of the uniform health benefit option by Uniformed Services Treatment Facilities, strike out "October 1, 1996" and insert in lieu thereof "October 1, 1997".

MODIFICATION TO THE AMENDMENT OFFERED BY MS. WATERS OF CALIFORNIA (AMDT B–17 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of title VIII (page 316, after line 14), insert the following new section:

SEC. 832. STUDY OF EFFECTIVENESS OF DEFENSE MERGERS.

(a) STUDY.—The Secretary of Defense shall conduct a study on mergers and acquisitions in the defense sector. The study shall address the following:

(1) The effectiveness of defense mergers and acquisitions in eliminating excess capacity within the defense industry.

(2) The degree of change in the dependence by defense contractors on defense-related Federal contracts within their overall business after mergers.

(3) The effect on defense industry employment resulting from defense mergers and acquisitions occurring during the three years preceding the date of the enactment of this Act.

(b) REPORT.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of the study conducted under subsection (a).

MODIFICATION TO THE AMENDMENT OFFERED BY MR. GILMAN OF NEW YORK (AMDT B–19 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) AUTHORITY TO TRANSFER NAVAL VESSELS.—The Secretary of the Navy is authorized to transfer to other nations and instrumentalities vessels as follows:

(1) EGYPT.—To the Government of Egypt, the Oliver Hazard Perry class frigate Gallery.

(2) MEXICO.—To the Government of Mexico, the Knox class frigates Stein (FF 1065) and Marvin Shields (FF 1066).

(3) NEW ZEALAND.—To the Government of New Zealand, the Stalwart class ocean surveillance ship Tenacious.

(4) PORTUGAL.—To the Government of Portugal, the Stalwart class ocean surveillance ship Audacious.

(5) TAIWAN.—To the Taipei Economic and Cultural Representative Office in the United States (the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act)—

(A) the Knox class frigates Aylwin (FF 1081), Pharris (FF 1094), and Valdez (FF 1096); and

(B) the Newport class tank landing ship Newport (LST 1179).

(6) THAILAND.—To the Government of Thailand, the Knox class frigate Ouellet (FF 1077).

(b) FORM OF TRANSFER.—(1) Except as provided in paragraphs (2) and (3), each transfer authorized by this section shall be made on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761), relating to the foreign military sales program.

(2) The transfer authorized by subsection (a)(4) shall be made on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j), relating to transfers of excess defense articles.

(3) The transfer authorized by subsection (a)(5)(B) shall be made on a lease basis under section 61 of the Arms Export Control Act (22 U.S.C. 2796).

(c) COSTS OF TRANSFERS.—Any expense of the United States in connection with a transfer authorized by this section shall be charged to the recipient.

(d) EXPIRATION OF AUTHORITY.—The authority granted by subsection (a) shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

(e) REPAIR AND REFURBISHMENT OF VESSELS IN UNITED STATES SHIPYARDS.—The Secretary of the Navy shall require, to the maximum extent possible, as a condition of a transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

At the end of division A (page 416, after line 9), insert the following new title:

TITLE XV—DEFENSE AND SECURITY ASSISTANCE

Subtitle A—Military and Related Assistance

SEC. 1501. TERMS OF LOANS UNDER THE FOREIGN MILITARY FINANCING PROGRAM.

Section 31(c) of the Arms Export Control Act (22 U.S.C. 2771(c)) is amended to read as follows:

"(c) Loans available under section 23 shall be provided at rates of interest that are not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities.".

SEC. 1502. ADDITIONAL REQUIREMENTS UNDER THE FOREIGN MILITARY FINANCING PROGRAM.

(a) AUDIT OF CERTAIN PRIVATE FIRMS.—Section 23 of the Arms Export Control Act (22 U.S.C. 2763) is amended by adding at the end the following new subsection:

"(f) For each fiscal year, the Secretary of Defense, as requested by the Director of the Defense Security Assistance Agency, shall conduct audits on a nonreimbursable basis of private firms that have entered into contracts with foreign governments under which defense articles, defense services, or design and construction services are to be procured by such firms for such governments from financing under this section.".

(b) NOTIFICATION REQUIREMENT WITH RESPECT TO CASH FLOW FINANCING.—Section 23 of such Act (22 U.S.C. 2763), as amended by subsection (a), is further amended by adding at the end the following new subsection:

"(g)(1) For each country and international organization that has been approved for cash flow financing under this section, any letter of offer and acceptance or other purchase agreement, or any amendment thereto, for a procurement of defense articles, defense services, or design and construction services in excess of $100,000,000 that is to be financed in whole or in part with funds made available under this Act or the Foreign Assistance Act of 1961 shall be submitted to the congressional committees specified in section 634A(a) of the Foreign Assistance Act of 1961 in accordance with the procedures applicable to reprogramming notifications under that section.

"(2) For purposes of this subsection, the term 'cash flow financing' has the meaning given such term in the second subsection (d) of section 25.".

(c) LIMITATIONS ON USE OF FUNDS FOR DIRECT COMMERCIAL CONTRACTS.—Section 23 of such Act (22 U.S.C. 2763), as amended by subsection (b), is further amended by adding at the end the following new subsection:

"(h) Of the amounts made available for a fiscal year to carry out this section, not more than $100,000,000 for such fiscal year may be made available for countries other than Israel and Egypt for the purpose of financing the procurement of defense articles, defense services, and design and construction services that are not sold by the United States Government under this Act.".

(d) ANNUAL ESTIMATE AND JUSTIFICATION FOR SALES PROGRAM.—Section 25(a) of such Act (22 U.S.C. 2765(a)) is amended—

(1) by striking "and" at the end of paragraph (11);

(2) by redesignating paragraph (12) as paragraph (13); and

(3) by inserting after paragraph (11) the following new paragraph:

"(12)(A) a detailed accounting of all articles, services, credits, guarantees, or any other form of assistance furnished by the United States to each country and international organization, including payments to the United Nations, during the preceding fiscal year for the detection and clearance of landmines, including activities relating to the furnishing of education, training, and technical assistance for the detection and clearance of landmines; and

"(B) for each provision of law making funds available or authorizing appropriations for demining activities described in subparagraph (A), an analysis and description of the objectives and activities undertaken during the preceding fiscal year, including the number of personnel involved in performing such activities; and".

SEC. 1503. DRAWDOWN SPECIAL AUTHORITIES.

(a) UNFORESEEN EMERGENCY DRAWDOWN.—Section 506(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2318(a)(1)) is amended by striking "$75,000,000" and inserting "$100,000,000".

(b) ADDITIONAL DRAWDOWN.—Section 506 of such Act (22 U.S.C. 2318) is amended—

(1) in subsection (a)(2)(A), by striking "defense articles from the stocks" and all that follows and inserting the following: "articles and services from the inventory and resources of any agency of the United States Government and military education and training from the Department of Defense, the President may direct the drawdown of such articles, services, and military education and training—

"(i) for the purposes and under the authorities of—

"(I) chapter 8 of part I (relating to international narcotics control assistance);

"(II) chapter 9 of part I (relating to international disaster assistance); or

"(III) the Migration and Refugee Assistance Act of 1962; or

"(ii) for the purpose of providing such articles, services, and military education and training to Vietnam, Cambodia, and Laos as the President determines are necessary—

"(I) to support cooperative efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War; and

"(II) to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support Department of Defense-sponsored humanitarian projects associated with such efforts.";

(2) in subsection (a)(2)(B), by striking "$75,000,000" and all that follows and inserting "$150,000,000 in any fiscal year of such articles, services, and military education and training may be provided pursuant to subparagraph (A) of this paragraph—

"(i) not more than $75,000,000 of which may be provided from the drawdown from the inventory and resources of the Department of Defense;

"(ii) not more than $75,000,000 of which may be provided pursuant to clause (i)(I) of such subparagraph; and

"(iii) not more than $15,000,000 of which may be provided to Vietnam, Cambodia, and Laos pursuant to clause (ii) of such subparagraph."; and

(3) in subsection (b)(1), by adding at the end the following: "In the case of drawdowns authorized by subclauses (I) and (III) of subsection (a)(2)(A)(i), notifications shall be provided to those committees at least 15 days in advance of the drawdowns in accordance with the procedures applicable to reprogramming notifications under section 634A.".

(c) NOTICE TO CONGRESS OF EXERCISE OF SPECIAL AUTHORITIES.—Section 652 of such Act (22 U.S.C. 2411) is amended by striking "prior to the date" and inserting "before".

SEC. 1504. TRANSFER OF EXCESS DEFENSE ARTICLES.

(a) IN GENERAL.—Section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) is amended to read as follows:

"SEC. 516. AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.

"(a) AUTHORIZATION.—The President is authorized to transfer excess defense articles under this section to countries for which receipt of such articles was justified pursuant to the annual congressional presentation documents for military assistance programs, or for programs under chapter 8 of part I of this Act, submitted under section 634 of this Act, or for which receipt of such articles was separately justified to the Congress, for the fiscal year in which the transfer is authorized.

"(b) LIMITATIONS ON TRANSFERS.—The President may transfer excess defense articles under this section only if—

"(1) such articles are drawn from existing stocks of the Department of Defense;

"(2) funds available to the Department of Defense for the procurement of defense equipment are not expended in connection with the transfer;

"(3) the transfer of such articles will not have an adverse impact on the military readiness of the United States;

"(4) with respect to a proposed transfer of such articles on a grant basis, such a transfer is preferable to a transfer on a sales basis, after taking into account the potential proceeds from, and likelihood of, such sales, and the comparative foreign policy benefits that may accrue to the United States as the result of a transfer on either a grant or sales basis;

"(5) the President determines that the transfer of such articles will not have an adverse impact on the national technology and industrial base and, particularly, will not reduce the opportunities of entities in the national technology and industrial base to sell new or used equipment to the countries to which such articles are transferred; and

"(6) the transfer of such articles is consistent with the policy framework for the Eastern Mediterranean established under section 620C of this Act.

"(c) TERMS OF TRANSFERS.—

"(1) NO COST TO RECIPIENT COUNTRY.—Excess defense articles may be transferred under this section without cost to the recipient country.

"(2) PRIORITY.—Notwithstanding any other provision of law, the delivery of excess defense articles under this section to member countries of the North Atlantic Treaty Organization (NATO) on the southern and southeastern flank of NATO and to major non-NATO allies on such southern and southeastern flank shall be given priority to the maximum extent feasible over the delivery of such excess defense articles to other countries.

"(d) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DEPARTMENT OF DEFENSE EXPENSES.—Section 632(d) shall not apply with respect to transfers of excess defense articles (including transportation and related costs) under this section.

"(e) TRANSPORTATION AND RELATED COSTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), funds available to the Department of Defense may not be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of this section.

"(2) EXCEPTION.—The President may provide for the transportation of excess defense articles without charge to a country for the costs of such transportation if—

"(A) it is determined that it is in the national interest of the United States to do so;

"(B) the recipient is a developing country receiving less than $10,000,000 of assistance under chapter 5 of part II of this Act (relating to international military education and training) or section 23 of the Arms Export Control Act (22 U.S.C. 2763; relating to the Foreign Military Financing program) in the fiscal year in which the transportation is provided;

"(C) the total weight of the transfer does not exceed 25,000 pounds; and

"(D) such transportation is accomplished on a space available basis.

"(f) ADVANCE NOTIFICATION TO CONGRESS FOR TRANSFER OF CERTAIN EXCESS DEFENSE ARTICLES.—

"(1) IN GENERAL.—The President may not transfer excess defense articles that are significant military equipment (as defined in section 47(9) of the Arms Export Control Act) or excess defense articles valued (in terms of original acquisition cost) at $7,000,000 or more, under this section or under the Arms Export Control Act (22 U.S.C. 2751 et seq.) until 15 days after the date on which the President has provided notice of the proposed transfer to the congressional committees specified in section 634A(a) in accordance with procedures applicable to reprogramming notifications under that section.

"(2) CONTENTS.—Such notification shall include—

"(A) a statement outlining the purposes for which the article is being provided to the country, including whether such article has been previously provided to such country;

"(B) an assessment of the impact of the transfer on the military readiness of the United States;

"(C) an assessment of the impact of the transfer on the national technology and industrial base and, particularly, the impact on opportunities of entities in the national technology and industrial base to sell new or used equipment to the countries to which such articles are to be transferred; and

"(D) a statement describing the current value of such article and the value of such article at acquisition.

"(g) AGGREGATE ANNUAL LIMITATION.—

"(1) IN GENERAL.—The aggregate value of excess defense articles transferred to countries under this section in any fiscal year may not exceed $350,000,000.

"(2) EFFECTIVE DATE.—The limitation contained in paragraph (1) shall apply only with respect to fiscal years beginning after fiscal year 1996.

"(h) CONGRESSIONAL PRESENTATION DOCUMENTS.—Documents described in subsection (a) justifying the transfer of excess defense articles shall include an explanation of the general purposes of providing excess defense articles as well as a table which provides an aggregate annual total of transfers of excess defense articles in the preceding year by country in terms of offers and actual deliveries and in terms of acquisition cost and current value. Such table shall indicate whether such excess defense articles were provided on a grant or sale basis.

"(i) EXCESS COAST GUARD PROPERTY.—For purposes of this section, the term 'excess defense articles' shall be deemed to include excess property of the Coast Guard, and the term 'Department of Defense' shall be deemed, with respect to such excess property, to include the Coast Guard.".

(b) CONFORMING AMENDMENTS.—

(1) ARMS EXPORT CONTROL ACT.—Section 21(k) of the Arms Export Control Act (22 U.S.C. 2761(k)) is amended by striking "the President shall" and all that follows and inserting the following: "the President shall determine that the sale of such articles will not have an adverse impact on the national technology and industrial base and, particularly, will not reduce the opportunities of entities in the national technology and industrial base to sell new or used equipment to the countries to which such articles are transferred.".

(2) REPEALS.—The following provisions of law are hereby repealed:

(A) Section 502A of the Foreign Assistance Act of 1961 (22 U.S.C. 2303).

(B) Sections 517 through 520 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321k through 2321n).

(C) Section 31(d) of the Arms Export Control Act (22 U.S.C. 2771(d)).

SEC. 1505. EXCESS DEFENSE ARTICLES FOR CERTAIN EUROPEAN COUNTRIES.

Notwithstanding section 516(e) of the Foreign Assistance Act of 1961, during each of the fiscal years 1996 and 1997, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of such Act to countries that are eligible to participate in the Partnership for Peace and that are eligible for assistance under the Support for East European Democracy (SEED) Act of 1989.

Subtitle B—International Military Education and Training

SEC. 1511. ASSISTANCE FOR INDONESIA.

Funds made available for fiscal years 1996 and 1997 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.) may be obligated for Indonesia only for expanded military and education training that meets the requirements of clauses (i) through (iv) of the second sentence of section 541 of such Act (22 U.S.C. 2347).

SEC. 1512. ADDITIONAL REQUIREMENTS.

(a) GENERAL AUTHORITY.—Section 541 of the Foreign Assistance Act of 1961 (22 U.S.C. 2347) is amended in the second sentence in the matter preceding clause (i) by inserting "and individuals who are not members of the government" after "legislators".

(b) EXCHANGE TRAINING.—Section 544 of such Act (22 U.S.C. 2347c) is amended—

(1) by striking "In carrying out this chapter" and inserting "(a) In carrying out this chapter"; and

(2) by adding at the end the following new subsection:

"(b) The President may provide for the attendance of foreign military and civilian defense personnel at flight training schools and programs (including test pilot schools) in the United States without charge, and without charge to funds available to carry out this chapter (notwithstanding section 632(d) of this Act), if such attendance is pursuant to an agreement providing for the exchange of students on a one-for-one basis each fiscal year between those United States flight training schools and programs (including test pilot schools) and comparable flight training schools and programs of foreign countries.".

(c) ASSISTANCE FOR CERTAIN HIGH-INCOME FOREIGN COUNTRIES.—

(1) AMENDMENT TO THE FOREIGN ASSISTANCE ACT OF 1961.—Chapter 5 of part II of such Act (22 U.S.C. 2347 et seq.) is amended by adding at the end the following new section:

"SEC. 546. PROHIBITION ON GRANT ASSISTANCE FOR CERTAIN HIGH INCOME FOREIGN COUNTRIES.

"(a) IN GENERAL.—None of the funds made available for a fiscal year for assistance under this chapter may be made available for assistance on a grant basis for any of the high-income foreign countries described in subsection (b) for military education and training of military and related civilian personnel of such country.

"(b) HIGH-INCOME FOREIGN COUNTRIES DESCRIBED.—The high-income foreign countries described in this subsection are Austria, Finland, the Republic of Korea, Singapore, and Spain.".

(2) AMENDMENT TO THE ARMS EXPORT CONTROL ACT.—Section 21(a)(1)(C) of the Arms Export Control Act (22 U.S.C. 2761) is amended by inserting "or to any high-income foreign country (as described in that chapter)" after "Foreign Assistance Act of 1961".

Subtitle C—Antiterrorism Assistance

SEC. 1521. ANTITERRORISM TRAINING ASSISTANCE.

(a) IN GENERAL.—Section 571 of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa) is amended by striking "Subject to the provisions of this chapter" and inserting "Notwithstanding any other provision of law that restricts assistance to foreign countries (other than sections 502B and 620A of this Act)".

(b) LIMITATIONS.—Section 573 of such Act (22 U.S.C. 2349aa-2) is amended—

(1) in the heading, by striking "SPECIFIC AUTHORITIES AND";

(2) by striking subsection (a);

(3) by redesignating subsections (b) through (f) as subsections (a) through (e), respectively; and

(4) in subsection (c) (as redesignated)—

(A) by striking paragraphs (1) and (2);

(B) by redesignating paragraphs (3) through (5) as paragraphs (1) through (3), respectively; and

(C) by amending paragraph (2) (as redesignated) to read as follows:

"(2)(A) Except as provided in subparagraph (B), funds made available to carry out this chapter shall not be made available for the procurement of weapons and ammunition.

"(B) Subparagraph (A) shall not apply to small arms and ammunition in categories I and III of the United States Munitions List that are integrally and directly related to antiterrorism training provided under this chapter if, at least 15 days before obligating those funds, the President notifies the appropriate congressional committees specified in section 634A of this Act in accordance with the procedures applicable to reprogramming notifications under such section.

"(C) The value (in terms of original acquisition cost) of all equipment and commodities provided under this chapter in any fiscal year may not exceed 25 percent of the funds made available to carry out this chapter for that fiscal year.".

(c) ANNUAL REPORT.—Section 574 of such Act (22 U.S.C. 2349aa-3) is hereby repealed.

(d) TECHNICAL CORRECTIONS.—Section 575 (22 U.S.C. 2349aa-4) and section 576 (22 U.S.C. 2349aa-5) of such Act are redesignated as sections 574 and 575, respectively.

SEC. 1522. RESEARCH AND DEVELOPMENT EXPENSES.

Funds made available for fiscal years 1996 and 1997 to carry out chapter 8 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa et seq.; relating to antiterrorism assistance) may be made available to the Technical Support Working Group of the Department of State for research and development expenses related to contraband detection technologies or for field demonstrations of such technologies (whether such field demonstrations take place in the United States or outside the United States).

Subtitle D—Narcotics Control Assistance

SEC. 1531. ADDITIONAL REQUIREMENTS.

(a) POLICY AND GENERAL AUTHORITIES.—Section 481(a) of the Foreign Assistance Act (22 U.S.C. 2291(a)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively; and

(B) by inserting after subparagraph (C) the following new subparagraph:

"(D) International criminal activities, particularly international narcotics trafficking, money laundering, and corruption, endanger political and economic stability and democratic development, and assistance for the prevention and suppression of international criminal activities should be a priority for the United States."; and

(2) in paragraph (4), by adding before the period at the end the following: ", or for other anticrime purposes".

(b) CONTRIBUTIONS AND REIMBURSEMENT.—Section 482(c) of that Act (22 U.S.C. 2291a(c)) is amended—

(1) by striking "CONTRIBUTION BY RECIPIENT COUNTRY.—To" and inserting "CONTRIBUTIONS AND REIMBURSEMENT.—(1) To"; and

(2) by adding at the end the following new paragraphs:

"(2)(A) The President is authorized to accept contributions from foreign governments to carry out the purposes of this chapter. Such contributions shall be deposited as an offsetting collection to the applicable appropriation account and may be used under the same terms and conditions as funds appropriated pursuant to this chapter.

"(B) At the time of submission of the annual congressional presentation documents required by section 634(a), the President shall provide a detailed report on any contributions received in the preceding fiscal year, the amount of such contributions, and the purposes for which such contributions were used.

"(3) The President is authorized to provide assistance under this chapter on a reimbursable basis. Such reimbursements shall be deposited as an offsetting collection to the applicable appropriation and may be used under the same terms and conditions as funds appropriated pursuant to this chapter.".

(c) IMPLEMENTATION OF LAW ENFORCEMENT ASSISTANCE.—Section 482 of such Act (22 U.S.C. 2291a) is amended by adding at the end the following new subsections:

"(f) TREATMENT OF FUNDS.—Funds transferred to and consolidated with funds appropriated pursuant to this chapter may be made available on such terms and conditions as are applicable to funds appropriated pursuant to this chapter. Funds so transferred or consolidated shall be apportioned directly to the bureau within the Department of State responsible for administering this chapter.

"(g) EXCESS PROPERTY.—For purposes of this chapter, the Secretary of State may use the authority of section 608, without regard to the restrictions of such section, to receive nonlethal excess property from any agency of the United States Government for the purpose of providing such property to a foreign government under the same terms and conditions as funds authorized to be appropriated for the purposes of this chapter.".

SEC. 1532. NOTIFICATION REQUIREMENT.

(a) IN GENERAL.—The authority of section 1003(d) of the National Narcotics Control Leadership Act of 1988 (21 U.S.C. 1502(d)) may be exercised with respect to funds authorized to be appropriated pursuant to the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) and with respect to the personnel of the Department of State only to the extent that the appropriate congressional committees have been notified 15 days in advance in accordance with the reprogramming procedures applicable under section 634A of that Act (22 U.S.C. 2394).

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

SEC. 1533. WAIVER OF RESTRICTIONS FOR NARCOTICS-RELATED ECONOMIC ASSISTANCE.

For each of the fiscal years 1996 and 1997, narcotics-related assistance under part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) may be provided notwithstanding any other provision of law that restricts assistance to foreign countries (other than section 490(e) or section 502B of that Act (22 U.S.C. 2291j(e) and 2304)) if, at least 15 days before obligating funds for such assistance, the President notifies the appropriate congressional committees (as defined in section 481(e) of that Act (22 U.S.C. 2291(e))) in accordance with the procedures applicable to reprogramming notifications under section 634A of that Act (22 U.S.C. 2394).

Subtitle E—Other Provisions

SEC. 1541. STANDARDIZATION OF CONGRESSIONAL REVIEW PROCEDURES FOR ARMS TRANSFERS.

(a) THIRD COUNTRY TRANSFERS UNDER FMS SALES.—Section 3(d)(2) of the Arms Export Control Act (22 U.S.C. 2753(d)(2)) is amended—

(1) in subparagraph (A), by striking ", as provided for in sections 36(b)(2) and 36(b)(3) of this Act";

(2) in subparagraph (B), by striking "law" and inserting "joint resolution"; and

(3) by adding at the end the following:

"(C) If the President states in his certification under subparagraph (A) or (B) that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States, thus waiving the requirements of that subparagraph, the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate immediate consent to the transfer and a discussion of the national security interests involved.

"(D)(i) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.".

(b) THIRD COUNTRY TRANSFERS UNDER COMMERCIAL SALES.—Section 3(d)(3) of such Act (22 U.S.C. 2753(d)(3)) is amended—

(1) by inserting "(A)" after "(3)";

(2) in the first sentence—

(A) by striking "at least 30 calendar days"; and

(B) by striking "report" and inserting "certification"; and

(3) by striking the last sentence and inserting the following: "Such certification shall be submitted—

"(i) at least 15 calendar days before such consent is given in the case of a transfer to a country which is a member of the North Atlantic Treaty Organization or Australia, Japan, or New Zealand; and

"(ii) at least 30 calendar days before such consent is given in the case of a transfer to any other country,

unless the President states in his certification that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States. If the President states in his certification that such an emergency exists (thus waiving the requirements of clause (i) or (ii), as the case may be, and of subparagraph (B)) the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that consent to the proposed transfer become effective immediately and a discussion of the national security interests involved.

"(B) Consent to a transfer subject to subparagraph (A) shall become effective after the end of the 15-day or 30-day period specified in subparagraph (A)(i) or (ii), as the case may be, only if the Congress does not enact, within that period, a joint resolution prohibiting the proposed transfer.

"(C)(i) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.".

(c) COMMERCIAL SALES.—Section 36(c)(2) of such Act (22 U.S.C. 2776(c)(2)) is amended by amending subparagraphs (A) and (B) to read as follows:

"(A) in the case of a license for an export to the North Atlantic Treaty Organization, any member country of that Organization or Australia, Japan, or New Zealand, shall not be issued until at least 15 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 15-day period, enacts a joint resolution prohibiting the proposed export; and

"(B) in the case of any other license, shall not be issued until at least 30 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 30-day period, enacts a joint resolution prohibiting the proposed export.".

(d) COMMERCIAL MANUFACTURING AGREEMENTS.—Section 36(d) of such Act (22 U.S.C. 2776(d)) is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking "for or in a country not a member of the North Atlantic Treaty Organization"; and

(3) by adding at the end the following:

"(2) A certification under this subsection shall be submitted—

"(A) at least 15 days before approval is given in the case of an agreement for or in a country which is a member of the North Atlantic Treaty Organization or Australia, Japan, or New Zealand; and

"(B) at least 30 days before approval is given in the case of an agreement for or in any other country;

unless the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States.

"(3) If the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States, thus waiving the requirements of paragraph (4), he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate the immediate approval of the agreement and a discussion of the national security interests involved.

"(4) Approval for an agreement subject to paragraph (1) may not be given under section 38 if the Congress, within the 15-day or 30-day period specified in paragraph (2)(A) or (B), as the case may be, enacts a joint resolution prohibiting such approval.

"(5)(A) Any joint resolution under paragraph (4) shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(B) For the purpose of expediting the consideration and enactment of joint resolutions under paragraph (4), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.".

(e) GOVERNMENT-TO-GOVERNMENT LEASES.—

(1) CONGRESSIONAL REVIEW PERIOD.—Section 62 of such Act (22 U.S.C. 2796a) is amended—

(A) in subsection (a), by striking "Not less than 30 days before" and inserting "Before";

(B) in subsection (b)—

(i) by striking "determines, and immediately reports to the Congress" and inserting "states in his certification"; and

(ii) by adding at the end of the subsection the following: "If the President states in his certification that such an emergency exists, he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that the lease be entered into immediately and a discussion of the national security interests involved."; and

(C) by adding at the end of the section the following:

"(c) The certification required by subsection (a) shall be transmitted—

"(1) not less than 15 calendar days before the agreement is entered into or renewed in the case of an agreement with the North Atlantic Treaty Organization, any member country of that Organization or Australia, Japan, or New Zealand; and

"(2) not less than 30 calendar days before the agreement is entered into or renewed in the case of an agreement with any other organization or country.".

(2) CONGRESSIONAL DISAPPROVAL.—Section 63(a) of such Act (22 U.S.C. 2796b(a)) is amended—

(A) by striking "(a)(1)" and inserting "(a)";

(B) by striking out the "30 calendar days after receiving the certification with respect to that proposed agreement pursuant to section 62(a)," and inserting in lieu thereof "the 15-day or 30-day period specified in section 62(c) (1) or (2), as the case may be,"; and

(C) by striking paragraph (2).

(f) EFFECTIVE DATE.—The amendments made by this section apply with respect to certifications required to be submitted on or after the date of the enactment of this Act.

SEC. 1542. INCREASED STANDARDIZATION, RATIONALIZATION, AND INTEROPERABILITY OF ASSISTANCE AND SALES PROGRAMS.

Paragraph (6) of section 515(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321i(a)(6)) is amended by striking "among members of the North Atlantic Treaty Organization and with the Armed Forces of Japan, Australia, and New Zealand".

SEC. 1543. DEFINITION OF SIGNIFICANT MILITARY EQUIPMENT.

Section 47 of the Arms Export Control Act (22 U.S.C. 2794) is amended—

(1) in paragraph (7), by striking "and" at the end;

(2) in paragraph (8), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(9) 'significant military equipment' means articles—

"(A) for which special export controls are warranted because of the capacity of such articles for substantial military utility or capability; and

"(B) identified on the United States Munitions List.".

SEC. 1544. ELIMINATION OF ANNUAL REPORTING REQUIREMENT RELATING TO THE SPECIAL DEFENSE ACQUISITION FUND.

(a) IN GENERAL.—Section 53 of the Arms Export Control Act (22 U.S.C. 2795b) is hereby repealed.

(b) CONFORMING AMENDMENT.—Section 51(a)(4) of such Act (22 U.S.C. 2795(a)(4)) is amended—

(1) by striking "(a)"; and

(2) by striking subparagraph (B).

SEC. 1545. COST OF LEASED DEFENSE ARTICLES THAT HAVE BEEN LOST OR DESTROYED.

Section 61(a)(4) of the Arms Export Control Act (22 U.S.C. 2796(a)(4)) is amended by striking "and the replacement cost" and all that follows and inserting the following: "and, if the articles are lost or destroyed while leased—

"(A) in the event the United States intends to replace the articles lost or destroyed, the replacement cost (less any depreciation in the value) of the articles; or

"(B) in the event the United States does not intend to replace the articles lost or destroyed, an amount not less than the actual value (less any depreciation in the value) specified in the lease agreement.".

SEC. 1546. DESIGNATION OF MAJOR NON-NATO ALLIES.

(a) DESIGNATION.—

(1) NOTICE TO CONGRESS.—Chapter 2 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2311 et seq.), as amended by this title, is further amended by adding at the end the following new section:

"SEC. 517. DESIGNATION OF MAJOR NON-NATO ALLIES.

"(a) NOTICE TO CONGRESS.—The President shall notify the Congress in writing at least 30 days before—

"(1) designating a country as a major non-NATO ally for purposes of this Act and the Arms Export Control Act (22 U.S.C. 2751 et seq.); or

"(2) terminating such a designation.

"(b) INITIAL DESIGNATIONS.—Australia, Egypt, Israel, Japan, the Republic of Korea, and New Zealand shall be deemed to have been so designated by the President as of the effective date of this section, and the President is not required to notify the Congress of such designation of those countries.".

(2) DEFINITION.—Section 644 of such Act (22 U.S.C. 2403) is amended by adding at the end the following:

"(q) 'Major non-NATO ally' means a country which is designated in accordance with section 517 as a major non-NATO ally for purposes of this Act and the Arms Export Control Act (22 U.S.C. 2751 et seq.).".

(3) EXISTING DEFINITIONS.—(A) The last sentence of section 21(g) of the Arms Export Control Act (22 U.S.C. 2761(g)) is repealed.

(B) Section 65(d) of such Act (22 U.S.C. 2796d(d)) is amended—

(i) by striking "or major non-NATO"; and

(ii) by striking out "or a" and all that follows through "Code".

(b) COOPERATIVE TRAINING AGREEMENTS.—Section 21(g) of the Arms Export Control Act (22 U.S.C. 2761(g)) is amended in the first sentence by striking "similar agreements" and all that follows through "other countries" and inserting "similar agreements with countries".

SEC. 1547. CERTIFICATION THRESHOLDS.

(a) INCREASE IN DOLLAR THRESHOLDS.—The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended—

(1) in section 3(d) (22 U.S.C. 2753(d))—

(A) in paragraphs (1) and (3), by striking "$14,000,000" each place it appears and inserting "$25,000,000"; and

(B) in paragraphs (1) and (3), by striking "$50,000,000" each place it appears and inserting "$75,000,000";

(2) in section 36 (22 U.S.C. 2776)—

(A) in subsections (b)(1), (b)(5)(C), and (c)(1), by striking "$14,000,000" each place it appears and inserting "$25,000,000";

(B) in subsections (b)(1), (b)(5)(C), and (c)(1), by striking "$50,000,000" each place it appears and inserting "$75,000,000"; and

(C) in subsections (b)(1) and (b)(5)(C), by striking "$200,000,000" each place it appears and inserting "$300,000,000"; and

(3) in section 63(a) (22 U.S.C. 2796b(a))—

(A) by striking "$14,000,000" and inserting "$25,000,000"; and

(B) by striking "$50,000,000" and inserting "$75,000,000".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to certifications submitted on or after the date of the enactment of this Act.

SEC. 1548. DEPLETED URANIUM AMMUNITION.

Chapter 1 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2370 et seq.), as amended by this title, is further amended by adding at the end the following new section:

"SEC. 620G. DEPLETED URANIUM AMMUNITION.

"(a) PROHIBITION.—Except as provided in subsection (b), none of the funds made available to carry out this Act or any other Act may be made available to facilitate in any way the sale of M-833 antitank shells or any comparable antitank shells containing a depleted uranium penetrating component to any country other than—

"(1) a country that is a member of the North Atlantic Treaty Organization;

"(2) a country that has been designated as a major non-NATO ally (as defined in section 644(q)); or

"(3) Taiwan.

"(b) EXCEPTION.—The prohibition contained in subsection (a) shall not apply with respect to the use of funds to facilitate the sale of antitank shells to a country if the President determines that to do so is in the national security interest of the United States.".

SEC. 1549. END-USE MONITORING OF DEFENSE ARTICLES AND DEFENSE SERVICES.

(a) IN GENERAL.—The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended by inserting after chapter 3 the following new chapter:

"CHAPTER 3A—END-USE MONITORING OF DEFENSE ARTICLES AND DEFENSE SERVICES

"SEC. 40A. END-USE MONITORING OF DEFENSE ARTICLES AND DEFENSE SERVICES.

"(a) ESTABLISHMENT OF MONITORING PROGRAM.—

"(1) IN GENERAL.—In order to improve accountability with respect to defense articles and defense services sold, leased, or exported under this Act or the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), the President shall establish a program which provides for the end-use monitoring of such articles and services.

"(2) REQUIREMENTS OF PROGRAM.—To the extent practicable, such program—

"(A) shall provide for the end-use monitoring of defense articles and defense services in accordance with the standards that apply for identifying high-risk exports for regular end-use verification developed under section 38(g)(7) of this Act (commonly referred to as the 'Blue Lantern' program); and

"(B) shall be designed to provide reasonable assurance that—

"(i) the recipient is complying with the requirements imposed by the United States Government with respect to use, transfers, and security of defense articles and defense services; and

"(ii) such articles and services are being used for the purposes for which they are provided.

"(b) CONDUCT OF PROGRAM.—In carrying out the program established under subsection (a), the President shall ensure that the program—

"(1) provides for the end-use verification of defense articles and defense services that incorporate sensitive technology, defense articles and defense services that are particularly vulnerable to diversion or other misuse, or defense articles or defense services whose diversion or other misuse could have significant consequences; and

"(2) prevents the diversion (through reverse engineering or other means) of technology incorporated in defense articles.

"(c) REPORT TO CONGRESS.—Not later than 6 months after the date of the enactment of this section, and annually thereafter as a part of the annual congressional presentation documents submitted under section 634 of the Foreign Assistance Act of 1961, the President shall transmit to the Congress a report describing the actions taken to implement this section, including a detailed accounting of the costs and number of personnel associated with the monitoring program.

"(d) THIRD COUNTRY TRANSFERS.—For purposes of this section, defense articles and defense services sold, leased, or exported under this Act or the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) includes defense articles and defense services that are transferred to a third country or other third party.".

(b) EFFECTIVE DATE.—Section 40A of the Arms Export Control Act, as added by subsection (a), applies with respect to defense articles and defense services provided before or after the date of the enactment of this Act.

SEC. 1550. BROKERING ACTIVITIES RELATING TO COMMERCIAL SALES OF DEFENSE ARTICLES AND SERVICES.

(a) IN GENERAL.—Section 38(b)(1)(A) of the Arms Export Control Act (22 U.S.C. 2778(b)(1)(A)) is amended—

(1) in the first sentence, by striking "As prescribed in regulations" and inserting "(i) As prescribed in regulations"; and

(2) by adding at the end the following new clause:

"(ii)(I) As prescribed in regulations issued under this section, every person (other than an officer or employee of the United States Government acting in official capacity) who engages in the business of brokering activities with respect to the manufacture, export, import, or transfer of any defense article or defense service designated by the President under subsection (a)(1), or in the business of brokering activities with respect to the manufacture, export, import, or transfer of any foreign defense article or defense service (as defined in subclause (IV)), shall register with the United States Government agency charged with the administration of this section, and shall pay a registration fee which shall be prescribed by such regulations.

"(II) Such brokering activities shall include the financing, transportation, freight forwarding, or taking of any other action that facilitates the manufacture, export, or import of a defense article or defense service.

"(III) No person may engage in the business of brokering activities described in subclause (I) without a license, issued in accordance with this Act, except that no license shall be required for such activities undertaken by or for an agency of the United States Government—

"(aa) for use by an agency of the United States Government; or

"(bb) for carrying out any foreign assistance or sales program authorized by law and subject to the control of the President by other means.

"(IV) For purposes of this clause, the term 'foreign defense article or defense service' includes any non-United States defense article or defense service of a nature described on the United States Munitions List regardless of whether such article or service is of United States origin or whether such article or service contains United States origin components.".

(b) EFFECTIVE DATE.—Section 38(b)(1)(A)(ii) of the Arms Export Control Act, as added by subsection (a), shall apply with respect to brokering activities engaged in beginning on or after 120 days after the enactment of this Act.

SEC. 1551. RETURN AND EXCHANGES OF DEFENSE ARTICLES PREVIOUSLY TRANSFERRED PURSUANT TO THE ARMS EXPORT CONTROL ACT.

(a) REPAIR OF DEFENSE ARTICLES.—Section 21 of the Arms Export Control Act (22 U.S.C. 2761) is amended by adding at the end the following new subsection:

"(l) REPAIR OF DEFENSE ARTICLES.—

"(1) IN GENERAL.—The President may acquire a repairable defense article from a foreign country or international organization if such defense article—

"(A) previously was transferred to such country or organization under this Act;

"(B) is not an end item; and

"(C) will be exchanged for a defense article of the same type that is in the stocks of the Department of Defense.

"(2) LIMITATION.—The President may exercise the authority provided in paragraph (1) only to the extent that the Department of Defense—

"(A)(i) has a requirement for the defense article being returned; and

"(ii) has available sufficient funds authorized and appropriated for such purpose; or

"(B)(i) is accepting the return of the defense article for subsequent transfer to another foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act; and

"(ii) has available sufficient funds provided by or on behalf of such other foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act.

"(3) REQUIREMENT.—(A) The foreign government or international organization receiving a new or repaired defense article in exchange for a repairable defense article pursuant to paragraph (1) shall, upon the acceptance by the United States Government of the repairable defense article being returned, be charged the total cost associated with the repair and replacement transaction.

"(B) The total cost charged pursuant to subparagraph (A) shall be the same as that charged the United States Armed Forces for a similar repair and replacement transaction, plus an administrative surcharge in accordance with subsection (e)(1)(A) of this section.

"(4) RELATIONSHIP TO CERTAIN OTHER PROVISIONS OF LAW.—The authority of the President to accept the return of a repairable defense article as provided in subsection (a) shall not be subject to chapter 137 of title 10, United States Code, or any other provision of law relating to the conclusion of contracts.".

(b) RETURN OF DEFENSE ARTICLES.—Section 21 of such Act (22 U.S.C. 2761), as amended by subsection (a), is further amended by adding at the end the following new subsection:

"(m) RETURN OF DEFENSE ARTICLES.—

"(1) IN GENERAL.—The President may accept the return of a defense article from a foreign country or international organization if such defense article—

"(A) previously was transferred to such country or organization under this Act;

"(B) is not significant military equipment (as defined in section 47(9) of this Act); and

"(C) is in fully functioning condition without need of repair or rehabilitation.

"(2) LIMITATION.—The President may exercise the authority provided in paragraph (1) only to the extent that the Department of Defense—

"(A)(i) has a requirement for the defense article being returned; and

"(ii) has available sufficient funds authorized and appropriated for such purpose; or

"(B)(i) is accepting the return of the defense article for subsequent transfer to another foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act; and

"(ii) has available sufficient funds provided by or on behalf of such other foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act.

"(3) CREDIT FOR TRANSACTION.—Upon acquisition and acceptance by the United States Government of a defense article under paragraph (1), the appropriate Foreign Military Sales account of the provider shall be credited to reflect the transaction.

"(4) RELATIONSHIP TO CERTAIN OTHER PROVISIONS OF LAW.—The authority of the President to accept the return of a defense article as provided in paragraph (1) shall not be subject to chapter 137 of title 10, United States Code, or any other provision of law relating to the conclusion of contracts.".

(c) REGULATIONS.—Under the direction of the President, the Secretary of Defense shall promulgate regulations to implement subsections (l) and (m) of section 21 of the Arms Export Control Act, as added by this section.

SEC. 1552. NATIONAL SECURITY INTEREST DETERMINATION TO WAIVE REIMBURSEMENT OF DEPRECIATION FOR LEASED DEFENSE ARTICLES.

(a) IN GENERAL.—Section 61(a) of the Arms Export Control Act (22 U.S.C. 2796(a)) is amended—

(1) in the second sentence, by striking ", or to any defense article which has passed three-quarters of its normal service life"; and

(2) by inserting after the second sentence the following new sentence: "The President may waive the requirement of paragraph (4) for reimbursement of depreciation for any defense article which has passed three-quarters of its normal service life if the President determines that to do so is important to the national security interest of the United States.".

(b) EFFECTIVE DATE.—The third sentence of section 61(a) of the Arms Export Control Act, as added by subsection (a)(2), shall apply only with respect to a defense article leased on or after the date of the enactment of this Act.

SEC. 1553. ELIGIBILITY OF PANAMA UNDER ARMS EXPORT CONTROL ACT.

The Government of the Republic of Panama shall be eligible to purchase defense articles and defense services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), except as otherwise specifically provided by law.

MODIFICATION TO THE AMENDMENT OFFERED BY MR. TRAFICANT OF OHIO (AMDT B-20 IN HOUSE REPORT 104-570)

The amendment as modified is as follows:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. ANNUAL REPORT RELATING TO BUY AMERICAN ACT.

The Secretary of Defense shall submit to Congress, not later than 60 days after the end of each fiscal year, a report on the amount of purchases by the Department of Defense from foreign entities in that fiscal year. Such report shall separately indicate the dollar value of items for which the Buy American Act (41 U.S.C. 10a et seq.) was waived pursuant to any of the following:

(1) Any reciprocal defense procurement memorandum of understanding described in section 849(c)(2) of Public Law 103-160 (41 U.S.C. 10b-2 note).

(2) The Trade Agreements Act of 1979 (19 U.S.C. 2501 et seq.)

(3) Any international agreement to which the United States is a party.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. KENNEDY OF MASSACHUSETTS (AMDT B-28 IN HOUSE REPORT 104-570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. SENSE OF CONGRESS CONCERNING ASSISTING OTHER COUNTRIES TO IMPROVE SECURITY OF FISSILE MATERIAL.

(A) FINDINGS.—Congress finds the following:

(1) With the end of the Cold War, the world is faced with the need to manage the dismantling of vast numbers of nuclear weapons and the disposition of the fissile materials that they contain.

(2) If recently agreed reductions in unclear weapons are fully implemented, tens of thousands of nuclear weapons, containing a hundred tons or more of plutonium and many hundreds of tons of highly enriched uranium, will no longer be needed for military purposes.

(3) Plutonium and highly enriched uranium are the essential ingredients of nuclear weapons.

(4) Limits on access to plutonium and highly enriched uranium are the primary technical barrier to acquiring nuclear weapons capability in the world today.

(5) Several kilograms of plutonium, or several times that amount of highly enriched uranium, are sufficient to make a nuclear weapons.

(6) Plutonium and highly enriched uranium will continue to pose a potential threat for as long as they exist.

(7) Action is required to secure and account for plutonium and highly enriched uranium.

(8) It is in the national interest of the United States to—

(A) minimize the risk that fissile materials could be obtained by unauthorized parties;

(B) minimize the risk that fissile materials could be reintroduced into the arsenals from which they came, halting or reversing the arms reduction process; and

(C) strengthen the national and international control mechanisms and incentives designed to ensure continued arms reductions and prevent the spread of nuclear weapons.

(b) SENSE OF CONGRESS.—In light of the findings contained in subsection (a), it is the sense of Congress that the United States has a national security interest in assisting other countries to improve the security of their stocks of fissile material.

MODIFICATION TO THE AMENDMENT OFFERED BY MR. LEWIS OF CALIFORNIA (AMDT B-31 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. SOUTHWEST BORDER STATES ANTI-DRUG INFORMATION SYSTEM.

It is the sense of Congress that the Federal Government should support and encourage the full utilization of the Southwest Border States Anti-Drug Information System.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. TAYLOR OF MISSISSIPPI (AMDT B-32 IN HOUSE REPORT 104–570)

At the end of subtitle B of title XXVIII (page 459, after line 5), insert the following new section:

SEC. 2816. PLAN FOR UTILIZATION, REUTILIZATION, OR DISPOSAL OF MISSISSIPPI ARMY AMMUNITION PLANT.

Not later than 180 days after the date of the enactment of this Act, the Secretary of the Army shall submit to Congress a plan for the utilization, reutilization, or disposal of the Mississippi Army Ammunition Plant, Hancock County, Mississippi.

At the end of title XXVI (page 443, after line 21), insert the following new section:

SEC. 2602. NAMING OF RANGE AT CAMP SHELBY, MISSISSIPPI.

(a) NAME.—The multi Purpose Range Complex (Heavy) at Camp Shelby, Mississippi, shall after the date of the enactment of this Act be known and designated as the "G.V. (Sonny) Montgomery Range". Any reference to such range in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the G.V. (Sonny) Montgomery Range.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect at noon on January 3, 1997, or the first day on which G.V. (Sonny) Montgomery otherwise ceases to be a Member of the House of Representatives.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. HASTINGS OF WASHINGTON (AMDT B-34 IN HOUSE REPORT 104–570)

In section 3104 (title XXXI):

Insert at the end of paragraph (8) (page 519, after line 19) the following new paragraph (and renumber the next paragraph accordingly):

(9) For nuclear security/Russian production reactor shutdown, $6,000,000.

Designate the text of such section as subsection (a) and insert at the end (page 520, after line 20) the following new subsection:

(b) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsection (a) reduced by $6,000,000 for use of prior year balances.

MODIFICATION TO THE AMENDMENT OFFERED BY MR. HALL OF OHIO (AMDT B-35 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of subtitle D of title XXXI (page 543, after line 17), insert the following new section:

SEC. 3145. WORKER HEALTH AND SAFETY IMPROVEMENTS AT DEFENSE NUCLEAR COMPLEX, MIAMISBURG, OHIO.

(a) WORKER HEALTH AND SAFETY ACTIVITIES.—The Secretary of Energy shall carry out the following activities at the defense nuclear complex at Miamisburg, Ohio.

(1) Within 12 months after the date of the enactment of this Act, completion of the evaluation of pre-1989 internal radiation dose assessments for workers who may have received a dose greater than 20 rem.

(2) Installation of state-of-the-art automated personnel contamination monitors at appropriate radiation control points and facility exits, and purchase and installation of an automated personnel access control system.

(3) Upgrading of the radiological records software and integration with a radiation work permit system.

(4) Implementation of a program that will characterize the radiological conditions of the site and facilities prior to decontamination so that radiological hazards are clearly identified and results of the characterization validated.

(5) Review and improvement of the evaluation of continuous air monitoring and implementation of a personal air sampling program within 60 days after the date of the enactment of this Act.

(6) Upgrading of bioassay analytical procedures to ensure that contract laboratories are properly selected and independently validated by the Department of Energy and that quality control is assured.

(7) Implementation of bioassay and internal dose calculation methods that are specific to the radiological hazards identified at the site.

(b) FUNDING.—Of the funds authorized in section 3102(e), $5,000,000 shall be available to the Secretary of Energy to perform the activities required by subsection (a) and such other activities to improve worker health and safety at the defense nuclear complex at Miamisburg, Ohio, as the Secretary considers appropriate.

(c) SAVINGS PROVISION.—Nothing in this section shall be construed as affecting applicable statutory or regulatory requirements relating to worker health and safety.

Mr. SPENCE (during the reading). Mr. Chairman, I ask unanimous consent that the modifications be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. Pursuant to the rule, the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] each will control 10 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. NEUMANN].

Mr. NEUMANN. Mr. Chairman, I would like to engage the distinguished chairman of the Committee on National Security in a colloquy.

Mr. Chairman, I had intended to offer an amendment to eliminate the Department of Defense MANTECH program because I believe the program has serious flaws. After examining one Navy manufacturing technology center of excellence in my district, I became concerned that the taxpayer dollars were not being spent wisely. I found that despite significant Federal investment, the center had not lived up to its promises. Job promises had not been realized. overhead appeared excessive.

As an example, I read news reports of purchases of $69 tape dispensers and $6,000 conference tables. Executive compensation was, I believe, out of line with the center's responsibilities. As an example, the director received a $50,000 pay raise at the same time the company shrunk by two-thirds, increasing his compensation to $261,000 a year.

This led me to the 1992 GAO study of the MANTECH program. I would like to quote from the 1992 study. This is a direct quote.

> The Office of the Secretary of Defense does not have reasonable assurances that the MANTECH program is being effectively implemented.
>
> The cost savings or financial benefits being attributed to the MANTECH projects are not reliable.
>
> The Office of the Secretary of Defense has not established a methodology for assessing the program's impact.

In response to the 1992 GAO study, the Department of Defense expressed concern that congressional earmarks has not been evaluated against any selective criteria, no benefits had been quantified, and no analysis of cost effectiveness had been performed.

I understand that the Committee on National Security and the Congress did move in 1992 and 1994 to address some of these problems. I commend the gentleman from South Carolina and his committee for these efforts. The program has apparently been tightened up and further controls put on spending.

However, I remain concerned that Congress still lacks the complete knowledge needed to evaluate this program. The Congress still does not know if doing business through the military's centers of excellence is an effective way to get the most for the taxpayers' money.

Mr. Chairman, would the gentleman consider requesting a follow-up to the 1992 GAO report to provide the knowledge needed to further evaluate the effectiveness of this program?

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. NEUMANN. I yield to the gentleman from South Carolina.

Mr. SPENCE. Mr. Chairman, although the committee has no knowledge of the claims by the gentleman in his district, I will agree that a GAO study is timely, since the Congress has taken serious steps to ensure a strong manufacturing program in the Department of Defense.

Mr. NEUMANN. I thank the gentleman from South Carolina and look forward to working with his committee on this issue.

Mr. DELLUMS. Mr. Chairman, I yield myself 1½ minutes for the purpose of entering into a colloquy with my distinguished colleague, the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Chairman, I rise to commend the efforts of the committee to support key modernization efforts for our services and wish to compliment both Chairman SPENCE and Ranking Member DELLUMS for their efforts in meeting the needs of our armed services. However, I would like to point out some deep concern regarding the HMMWV.

The HMMWV, manufactured in South Bend, IN, is the world leader in light tactical wheeled vehicles which are needed for rapid deployment forces. Its versatility also allows it to serve as a platform for newly developed command and control, shelter, and weapons systems programs. The new UpArmored version is also critical to protecting our troops now serving in Bosnia from the extensive threat of mines. The HMMWV might also be used to help the INS patrol our borders and the U.N. keep the peace.

The HMMWV budget request for fiscal year 1997 is not sufficient to prevent a gap in both the vehicle and armoring production lines. General Reimer, Chief of Staff of the U.S. Army, placed the HMMWV near the top of his unfunded requirements priority list in testimony before Congress. An increase of $66 million above this request is required to avoid a production gap and meet priority vehicle fielding requirements. I note the Senate version of the bill includes this additional authorization for fiscal year 1997 and urge my colleagues to support this level of funding in the upcoming authorization conference in order to ensure protection of our troops in Bosnia and other hostile areas.

Mr. DELLUMS. Mr. Chairman, reclaiming my time, I share the concerns of my distinguished colleague from Indiana, and I recognize the importance of the HMMWV Program and its extensive role in meeting the services' current requirements. I would further like to assure the gentleman from Indiana that this issue will be considered during the upcoming conference, and I yield to the gentleman for a final remark.

Mr. ROEMER. Mr. Chairman, I thank the distinguished gentleman and former chairman of the committee for his support and articulate words.

Mr. DELLUMS. Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from the State of Washington [Mr. HASTINGS].

Mr. HASTINGS of Washington. Mr. Chairman, I thank the gentleman for yielding me time. I rise in support of this amendment. I applaud the committee's decision to accept my amendment in this end bloc amendment, providing funding for the Russian Reactor Conversion Program. I spite of the fact that the cold war is over, Russia continues to use many of its nuclear reactors to produce weapons grade plutonium. My amendment, which utilizes existing funding, will allow us to shut down these reactors, reducing the direct threat to the United States. Nearly everyone I talked to supports this amendment.

Mr. Chairman, I also want to take a minute to mention an issue of particular interest to my district. This bill includes provisions in the committee mark to streamline the DOE's environmental management program, including, No. 1, granting additional authority to local site managers to cut through redtape and get the cleanup job done, placing strict limits on burdensome paperwork known as DOE orders and otherwise streamlining the DOE orders, and more important, requiring performance based contracts to assure contractors are given incentives to spend our tax dollars wisely.

Mr. Chairman, I rise today to urge my colleagues to support this critical legislation.

For more than a decade, we have sat by as our Nation's defense spending has been dramatically reduced. In fact, spending on procurement has fallen by 70 percent since 1985. Thus, the committee's action to increase funding over the President's request is a welcome change—one which will ensure that our military remains the best equipped and best trained in the world.

I also want to take a minute to mention two issues that are of particular interest to my district.

First, I applaud the committee's decision to accept my amendment providing funding for the Russian Reactor Conversion Program. In spite of the fact that the cold war is over, Russia continues to use many of its nuclear reactors to produce weapons-grade plutonium.

The Department of Energy runs a small program which focuses on either shutting down these reactors, or converting them so that they will not be able to produce plutonium. The program also leverages U.S. expertise in spent nuclear fuel management, in order to prevent reprocessing.

My amendment asks for no new funding. It will fund the program out of unspent balances from prior years. Nearly everyone who I have spoken to supports the program, and the debate thus far has simply been over which Federal agency should fund it—not whether it should be funded. By authorizing the use of existing funds, my amendment will preserve an important non-proliferation initiative, without taking funding away from crucial defense programs.

A related DOE project, the International Nuclear Safety Program, works to ensure the security and safety of Russian power-producing nuclear reactors. I understand that the subcommittee chairman believes that funding for this program should come out of foreign assistance funding, rather than out of defense spending, and I would propose that we work together to see that this program is adequately funded in this manner.

Second, I applaud the committee for accepting my legislation to streamline the Department of Energy's Environmental Management Program. My bill codifies important steps that the Department has taken in the past few months, including:

Granting additional authority to local site managers to cut through the redtape and get the cleanup job done;

Allowing site managers to transfer funding to the most critical cleanup projects;

Placing strict new limits on burdensome internal paperwork requirements—also known as DOE orders;

Encouraging performance based contracts, to ensure that private contractors are given an incentive to spend our tax dollars wisely;

Encouraging streamlined approval processes for new technology; and,

Allowing budget savings at cleanup sites to be used for other key projects.

These provisions are a significant step towards fundamental reform of the DOE cleanup program. They will not only speed progress made on cleanup, but ensure that Federal resources are used effectively. As a result, I strongly urge that my colleagues support this legislation.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I once made a statement with all this "Buy American" stuff when I heard all of the arguments that we could hire generals a lot cheaper from Korea. Evidently it helped me, and in 1994, I want to give credit to then Chairman DELLUMS who had helped me pass a law that says that if in fact a foreign country discriminates against certain types of American products, then there shall be no waivers of the blanket "Buy American" Act.

I think that is a very important piece of legislation. I want to thank the gentleman from helping with that. The reason why I have asked for the time is I want to engage in a colloquy with the chairman, and I commend the chairman for the fine job he has done.

But is that, because it was authorized in 1994 as a part of the Defense authorization bill, permanent law?

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from South Carolina.

Mr. SPENCE. Mr. Chairman, the gentleman is correct. The operative provision of the gentleman's original amendment is already in law as part of the fiscal year 1994 Defense Authorization Act.

Mr. TRAFICANT. With that, Mr. Chairman, again I thank everybody. I want to thank Chairman DELLUMS because it took us some time to get that done under his leadership. He took a loot at that.

Second of all, my amendment now calls for a report. I think we must know the status of when this buy American act is waived, what are the dollar amounts and what are the goods being produced and purchased overseas.

So I want to again thank the chairman for including this in the en bloc, and I want to thank Chairman DELLUMS under his leadership for enacting this that is now permanent law.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Research and Development.

Mr. WELDON of Pennsylvania. Mr. Chairman, there is a provision in our bill about a program called Joint Advanced Strike Technology, also known to industry as the joint strike fighter, that very few Members of this body have any knowledge of.

Our committee recommendation in this bill on the Joint Advanced Strike Technology Program restricts funding and asks for further justification for the program. This action has been viewed as controversial by some because it is seen as directed at one particular military service. Others find our action controversial because they claim that the committee's action came as a surprise and without sufficient debate. I appreciate these views, however this body needs to more fully understand the basis for the committee's action on JAST.

First, let me say that while most of you have never heard of this program called JAST, CBO estimates it is a $300 billion program. Yes, I said $300 billion. That is more than 7 B–2 programs and is well over the total amount of the entire DOD budget that we are debating.

DOD wants to spend $300 billion of your money, but the Pentagon refuses to classify JAST as an acquisition program—for reasons only Pentagon lawyers can seek to justify.

Section 2430 and 2432 of title 10, United States Code that govern Defense Department major acquisition programs, define what constitutes a major defense acquisition program and require that the Pentagon provide the Congress certain reports detailing overall costs and schedules for major acquisition programs so we can meet our oversight responsibilities.

However, while the Pentagon intends to spend $300 billion of taxpayer money, it refuses to comply with the law. The Pentagon has spent $400 million already and plans to spend nearly $4 billion more during the next 6 years and ultimately $300 billion for what the Pentagon continues to call a non-acquisition program.

No one should be surprised by our committee's action.

In 1993 the committee zeroed the funding for the Navy's request for the predecessor program to JAST, called advanced short takeoff and vertical landing aircraft.

In 1994, the committee again zeroed the funding request for this program.

In 1995, the committee authorized the DOD request. However, in its report on the bill the committee stated it did so "more out of concern for the industrial base than as an endorsement of the requirement for such an aircraft."

So no one should be surprised by the committee's recommendation. The committee's views have been consistent through 4 years of Democrat and Republican leadership.

Now that more Members have expressed an interest in pursuing the details of this $300 billion program, I intend to recommend to the chairman that we come out of conference with a requirement that first, the Pentagon comply with the law and that they meet the reporting requirements of a major defense acquisition program. Second, that an independent analysis be done regarding the so-called joint requirement for this program, and finally, that we restrict obligation of funding for JAST until the Pentagon complies with these two requirements.

Mr. DELLUMS. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Chairman, I thank the distinguished ranking minority member for yielding the time.

Mr. Chairman, the amendment which I am offering is included in the chairman's en bloc amendment. The first section of my amendment contains language which requires the Army not later than 180 days after the enactment of the fiscal year 1997 defense authorization to submit to Congress a plan for the utilization, reutilization, or disposal of the Mississippi Army ammunition plant which is located in Hancock County, MS.

The second section of my amendment, which I think many will have a great interest in, would name the multipurpose range complex heavy tank training facility at Camp Shelby, MS, for Congressman G.V. "SONNY" MONTGOMERY.

As Mississippi Adj. Gen. James H. Garner wrote:

> Congressman G.V. "SONNY" MONTGOMERY has been especially supportive in the development of Camp Shelby to meet the training needs for not only the Mississippi National Guard, but the many other States using Camp Shelby for their annual training * * * I feel that it would be very appropriate, in tribute to Congressman Montgomery as he retires at the end of this year, that the multipurpose range complex be named the G.V. "SONNY" MONTGOMERY multipurpose Range. I would wholeheartedly support such legislative initiative to honor Congressman Montgomery in this way.

Just briefly, since he was first elected in 1966, Representative MONTGOMERY has steadfastly served as the voice of the citizens of Mississippi's Third District in Congress and our Nation.

The gentleman from Mississippi is a veteran of the U.S. Army in World War II, a retired National Guard General, member of the House National Security Committee, and former chairman of the Veterans' Affairs Committee. He has dedicated his life to serving the Nation both on the front lines of battle and in the Halls of Congress.

Incidentally, I would like to mention that during every single Christmas break during the Vietnam war, Chairman MONTGOMERY spent his Christmas in Vietnam with the troops.

His legislative legacy is impeccable. It includes the Montgomery G.I. bill, championing the concept of an All Volunteer military, making the Reserves truly a ready force, and equipping and strengthening the National Guard. He fought for reemployment rights for reservists and National Guard personnel who were called to active duty. He ensured that our Nation's veterans were eligible for basic benefits like healthcare, low-interest home loans, and a chance for a better education.

And, in spite of all his triumphs and personal successes, Congressman MONTGOMERY remains a kind and humble man. His successor will no doubt have huge shoes to fill.

Mr. Chairman, I am honored to have had the opportunity to serve with SONNY MONTGOMERY. I will be forever grateful for what he has done personally to assist me, the great things he has done for our State, our Nation's veterans, and our Nation. You will be missed, SONNY. Good luck in your retirement.

Mr. SPENCE. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I do so for the purpose of joining the gentleman from Mississippi, Mr. TAYLOR, in paying tribute to our colleague, SONNY MONTGOMERY, not only in naming this particular range after the gentleman from Mississippi, but for his long and distinguished service to this body.

As I said on yesterday and on other occasions too, I know of no person on either side of the aisle who has stood stronger for national defense over the years than SONNY MONTGOMERY. He is going to be sorely missed in this body and by this country when he retires.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. LAUGHLIN].

Mr. LAUGHLIN. Mr. Chairman, as an officer in the active and Reserve U.S. Army for over 30 years, I rise in support of H.R. 3230.

I would like to begin by thanking Chairman SPENCE and Chairman DORNAN for their support of title 12 of the defense authorization bill, known as the Reserve Revitalization Act of 1996.

They recognize the vitality and importance of our Reserve components in the national defense of the United States.

On behalf of my fellow reservists and guardsmen, I can tell you that their devotion to our Nation's citizen-soldiers is known and very appreciated.

In particular, I would like to express my appreciation to Congressman SONNY MONTGOMERY.

Without Mr. MONTGOMERY's support of the Revitalization Act and his years of dedication to the national security of our great land, our country would be a very different place.

I also would like to thank my friend from New Jersey, Mr. SAXTON, for withdrawing his amendment to the defense authorization bill.

I believe it is important that my fellow Members understand why it is so important that the Army Reserve report directly to the chief of Staff of the Army.

Simply stated, this will improve the readiness of the Army Reserve.

Of all the Reserve components, the U.S. Army Reserve has the lowest readiness of any of our military Reserve commands.

I agree with Mr. SKELTON that the Army Reserve readiness has improved somewhat.

But this improvement is not because of its command relationship with forscom.

It is because of congressional pressure. It is because of congressionally mandated equipment additions.

It is because of intensive oversight by this body over the years.

The Army Reserve is the only Reserve component which does not report directly to the service Chief of Staff.

During the authorization bill's markup in the Subcommittee on Personnel, this issue was specifically and thoroughly debated.

By an overwhelming vote, the subcommittee adopted the present bill language.

This language requires the commanding general of the Army Reserve to report directly to the Chief of Staff of the Army.

This arrangement mirrors the command relationships of all the other services.

It only makes sense that this will lead the Army Reserve toward the better readiness ratings earned by the Army's sister services.

The Army has resisted this change.

Unfortunately, this resistance to the will of Congress is not new.

In 1991, Congress mandated the establishment of the U.S. Army Reserve Command over the strenuous objections of the Department of the Army.

At one point, Congress was forced to threaten to withhold $100 million from the Army budget before the Army leadership would follow the orders of Congress.

The 1991 Defense Authorization Act, in section 903, directed the Army to assign the Army Reserve Command to the U.S. Atlantic Command, a warfighting commander in chief.

Instead, the Army placed the Army Reserve Command under the control of forescom.

This year's legislation, in part, is another attempt to require the Army to improve the Readiness of the Army Reserve.

All former chiefs of the Army Reserve support the current bill language, based on their years of practical experience.

You heard Mr. MONTGOMERY read one letter that expressed the sense of those past leaders of the Army Reserve.

In addition, the Chief of Staff of the Air Force, the Chief of Naval Operations and the Commandant of the Marine Corps personally were involved in drafting this important language.

Each of them supports direct reporting between the Reserve Commander and the Chief of Staff as necessary and required for Reserve readiness.

Every study which has examined the Army Reserve has emphatically recommended that the Army Reserve Commander report directly to the Chief of Staff.

This is the best way to improve the Army Reserve's readiness, because it puts the chief of the Army Reserve at the table with the Army's top decisionmakers.

This is the same organization followed by all other of our Nation's military services—the Navy, the Air Force, and the Marines.

Studies chaired by retired generals Richardson and Foss, as former commanding generals of the Army training and doctrine command, made these recommendations.

The congressionally mandated independent commission directly addressed this issue in 1992 when it recommended elimination of layering and recommended direct reporting to the Chief of Staff.

Finally, the Hay group in 1993 specifically recommended that the commanding general of U.S. Army Reserve Command, USARC, report directly to the chief.

It is high time that the consistent and repeated recommendations of several study groups be implemented by Congress.

I urge my colleagues to support this important authorization bill, and do what is right for the readiness of this Nation's active duty military members and for America's citizen-soldiers.

□ 1500

All former chiefs of the Army Reserves, as mentioned in the statement yesterday by the gentleman from Mississippi, SONNY MONTGOMERY, support this provision. This allows them to have one boss and to have one direct chain of command, and that is to the senior U.S. Army general on active duty.

It is very important that we raise the level of readiness of the Army Reserves, because they have consistently had the lowest level of readiness of our Reserves.

Mr. Chairman, I urge support of the defense authorization bill.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. WATERS], another of my distinguished colleagues.

Ms. WATERS. Mr. Chairman, I would like to thank the gentleman from South Carolina, Chairman SPENCE, and the gentleman from California, Ranking Member DELLUMS, for including my amendment in the en bloc amendment.

As in other sectors of society, the defense industry has undergone a wave of mergers in the past few years. With this much consolidation, I think it makes good sense for the Department of Defense to take a hard look at some of the consequences of this massive change.

In 1994, Northrop and Grumman merged, Loral and IBM-Federal Systems merged, and Martin Marietta merged with both General Dynamics-Space Systems and Lockheed that year.

In 1995, Loral merged with Unysis-Defense. Litton merged with Teledyne-Electronics. Raytheon merged with E-Systems, and Hughes merged with Magnavox-Electronic Systems.

Already this year, Northrop-Grumman has merged with Westinghouse-Defense Electronics and Lockheed-Martin has merged with Loral-Defense.

The Defense Department would report their findings to Congress 6 months after the date of enactment of this bill. This would give us a reasonable chance to evaluate, analyze and digest the information before we begin next year's funding cycle.

Mr. Chairman, I ask for support on the en bloc amendment. I think this addition of the en bloc will make this a better bill.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma, Mr. J.C. WATTS, our Oklahoma quarterback.

Mr. WATTS of Oklahoma. Mr. Chairman, I want to commend the ranking member, the gentleman from California [Mr. DELLUMS], and also the gentleman from South Carolina, Chairman SPENCE, for as we fought these battles in committee they both conducted themselves with great professionalism and provided leadership on both sides of the aisle, and I appreciate their efforts and their professionalism.

The National Defense Authorization Act for Fiscal Year 1997 is a well-thought-out bill that gives much-needed support to the men and women of the Armed Forces.

Today, men and women of the United States military are protecting the cause of freedom in Bosnia, the Middle East, and other areas in the world. What better way to demonstrate our support for them than to offer legislation that enhances military pay, housing, and other earned benefits.

The National Defense Authorization Act for Fiscal Year 1997 remembers our Nation's defenders. In addition to increasing their basic pay, the bill speaks to important quality of life issues by increasing the basic allowance for quarters and giving thousands of military members housing choices that were previously unavailable.

I urge and call on my colleagues to offer their support for this legislation and the en bloc amendment to the 1997 authorization act.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. HARMAN] for the purposes of engaging in a colloquy.

Ms. HARMAN. Mr. Chairman, I thank the gentleman from California, Ranking Member DELLUMS, for yielding me this time, and I would like to engage the chairman of the Subcommittee on Military Research and Development, the gentleman from Pennsylvania [Mr. WELDON] on two subjects, dual-use technology and the Nautilus program, both of which are included in this bill, and to thank him for his leadership and bipartisanship.

On the first subject, Mr. Chairman, we do not have the luxury any more of unlimited research and procurement funds in the defense budget, so saving money by using commercial products and technologies to solve military problems becomes more important than ever. Dual-use technology is an area of critical importance to us in the Congress as we work to get the most value for each tax dollar spent on defense.

Working on a bipartisan basis, we have crafted an innovative dual-use technology provision in this bill, which includes cost sharing and will make program managers in each service sector look to the commercial marketplace first for solutions to their technology needs.

I look forward to working with the gentleman from Pennsylvania to ensure this provision becomes law.

Mr. WELDON of Pennsylvania. Mr. Chairman, will the gentlewoman yield?

Ms. HARMAN. I yield to the gentleman.

Mr. WELDON of Pennsylvania. Mr. Chairman, I could not agree with the gentlewoman more. This is an innovative proposal we have worked together on. I applaud her for her leadership and look forward to fully funding this new initiative, which I am very excited about, and thank her for her leadership on this issue.

Ms. HARMAN. I thank the chairman. Second, we have plussed up the ballistic missile defense piece of this defense bill, and I am fully supportive of that, but our program will not meet the threats for some years. There are immediate threats in some theaters around the world, one of which is Israel.

I have been a strong supporter, as the gentleman knows, of our collaboration with Israel on various aspects of the ballistic missile defense budget. Just a few weeks ago the President and Prime Minister Peres signed a statement of intent providing that the Nautilus, which is a ground-based theater missile defense system, would be developed and deployed as soon as possible.

I am disappointed that the administration has not included funding in this bill for the Nautilus program, but we in our subcommittee and then in the full committee included supportive language. I would like to talk to the chairman about this bill.

Mr. SPENCE. Mr. Chairman, I yield 1½ minutes, the remainder of our time, to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Military Research and Development.

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank the gentleman for yielding me the balance of his time.

Mr. Chairman, I thank the committee chairman and I thank the gentlewoman from California [Ms. HARMAN] for her leadership on this vital issue and program.

The Nautilus program is critical, critical to our overall missile defense program and critical to the security of Israel. I pledge to her what she has said today we will fully support.

The gentleman from South Carolina, Chairman SPENCE, and I assume the gentleman from California, Mr. DELLUMS, also support this vital initiative. But I have to again mention to all of our colleagues that this administration, which talked about the importance of the high energy laser program, the Nautilus, for the past 3 years has tried to zero out the entire program.

In fact, I have to correct, Mr. Chairman, a statement I made yesterday. I said the President requested $3 million this year for the high energy laser program. What he did was requested $3 million to terminate the program; to zero it out; to end it. Thank goodness this Congress has been there to make sure the funding is in place so that we can protect Israel.

Finally, this President is seeing the light and joining with this Congress and enlightened people like the gentlewoman from California [Ms. HARMAN] in making sure that Israel's security is guaranteed by programs like the high energy laser program and missile defense technology. I applaud her, I look forward to working with her, and thank goodness, Mr. Chairman, the President has seen the light as well.

Ms. HARMAN. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentlewoman from California.

Ms. HARMAN. Mr. Chairman, I appreciate the gentleman's remarks, and I would note that I have been a long-term supporter of these initiatives and will continue to be. I am pleased that the administration at this point has proposed its collaboration with Israel.

Mr. DELLUMS. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. SPENCE. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from California [Mr. HUNTER], the chairman of our Subcommittee on Military Procurement.

Mr. HUNTER. Mr. Chairman, I want to thank the chairman of the full committee for the great job he has done in moving this bill through the committee process and through the floor, and say to my colleagues, Democrat and Republican, that we have put together an excellent bill.

I just want to take a minute, because we have had such a fast run on the House floor that I think it is important to kind of bring this thing back into the context of the total bill, and talk a little bit about what we have done overall. I see the gentleman from Pennsylvania, CURT WELDON, the chairman of the Subcommittee on Military Research and Development, and the gentleman from South Carolina, Mr. SPENCE, the full committee chairman, who both had as one of their goals to enhance missile defense.

I think it is appropriate that we have just had this discussion between the gentlewoman from California [Ms. HARMAN] who has really been an advocate of missile defense and the cooperative program with Israel, because the administration has now agreed to undertake a program that, for all practical purposes, with the Nautilus missile defense system and the Arrow defense system that we have been building with Israel for some time, that will shoot down incoming missiles that are coming into Tel Aviv or other places.

President Clinton has now agreed with the concept that we should defend the people of Israel against enemy missile attacks.

Now, that means a couple of things. First, he understands now that the possibility of those missile attacks exist. The gentleman from Pennsylvania [Mr. WELDON] and I wrote a letter some 5 or 6 years ago advising Israel and our then head of SDI that we expected to have missile attacks on Israel at some point in the future using Soviet made rockets, missiles, and that did occur. So President Clinton now agrees that missile attacks may occur in Israel and it is good to defend against them and defend the people, the population, of Israel.

Our next job is to drag this President kicking and screaming into the idea that it would also be good to defend the people of the United States against missile attacks. That is the impetus of the language that we have put forward in this bill.

We also have the 3-percent pay raise for our troops. We have ammunition, we have the heavy equipment that our troops need to deploy worldwide, and we have enhanced sealift and airlift in this bill. So we have done quality of life and we have done power projection, and I hope that everybody, Democrat and Republican, will vote for this bipartisan defense bill.

Mr. Chairman, I want to thank the gentleman from South Carolina for putting this all together, and the subcommittee chairmen, who really worked long and hard on this. I noticed the gentleman from Virginia [Mr. BATEMAN] and his counterpart in the O&M subcommittee, put in lots of money so that we will have plenty of capability in ship repair and ordnance repair and equipment repair at our depots. That is an important aspect of being able to move the Marines in short order into a forward deployed area.

Mr. Chairman, we have added some $300 plus million, including $96 million for M–16 bullets that the Marines told us they were short in terms of fighting the two-war scenario.

This is an excellent bill, Mr. Chairman, and I hope everyone will vote for this bill.

Mr. SPENCE. Mr. Chairman, reclaiming my time, I yield to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Military Research and Development.

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank the chairman for yielding to me, and I want to thank the gentleman from California [Mr. DELLUMS], for his leadership. I encourage our colleagues to vote for this important piece of legislation, I think an historic piece of legislation that deals with the quality of life issues so important to our men and women serving around the country; that ensures we protect their pay increases, their housing, their quality of life priorities.

This bill also deals, Mr. Chairman, with our priorities in terms of rebuilding our acquisition and getting on to those platforms that can replace those aging items that need to be replaced.

I applaud the chairman for his leadership in allowing us to expand out and to put in a new innovative approach with the Russians in the area of missile defense, something we have never done before and which is a formal part of this bill.

I applaud the chairman for allowing us to expand from an environmental standpoint to allow the Navy to take a leadership role in more fully understanding the oceans, to allow the CNO to coordinate efforts among the nine Federal agencies doing oceanographic work into one effort headed up by the CNO of the Navy, supported by all the major environmental groups and the 45 major oceanographic institutions nationwide.

The bill is a good bill. It is a bill every Member of this body can support, just as in our committee, and I would encourage my colleagues to look at the vote out of committee. Forty-nine to two, Mr. Chairman was the vote. Overwhelming bipartisan support from Republicans and Democrats who have made the statement that we have reached a fair compromise.

Some of us might have liked to have had more money here or more money there, but we have covered all the major requirements, from impact aid to quality of life, to modernization, to missile defense, and we have done it in a bipartisan manner. The best evidence that we can show in terms of our support of this bill is now to take this piece of legislation that passed out of our committee 49 to 2 and have an overwhelming vote to send it to the Senate so that we can reach a fair compromise and send a bill to the President that he can support.

We can clean up some of the areas that Members have concern with, but, overall, we have an outstanding bill, one that I am proud to support and one I hope my colleagues will join with us in voting "yes" on.

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Mr. DELLUMS. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from Texas, Mr. PETE GEREN.

Mr. PETE GEREN of Texas. Mr. Chairman, I rise in support of this bill, but I rise particularly to offer my support for the Taylor amendment. The Taylor amendment includes a provision that honors our colleague and friend, the Honorable SONNY MONTGOMERY. No finer gentleman has ever served in this House or lived a life more dedicated to the armed services of our Nation. This honor included in the Taylor amendment is richly deserved.

Mr. DELLUMS. Mr. Chairman, reclaiming my time, I recognize that we are attempting to fill in for a few moments while our leaders come back from other places. Let me take this opportunity to point out, Mr. Chairman and members of the committee, that there are five members of our committee for whom this is the last time they will come to the floor to debate a defense authorization bill: the Messrs. MONTGOMERY, BROWDER, PETERSON, GEREN, and Mrs. SCHROEDER of Colorado.

With respect to three of my colleagues, the gentleman from Alabama, Mr. BROWDER, is now seeking higher office in the other body; Mr. PETERSON is moving on to other things; and the gentleman from Texas, Mr. PETE GEREN, has decided to return to Texas into private life and pursue the balance of his life. For these three persons, I would like to say to them that it has been a pleasure to serve with them, to serve with them in my capacity as subcommittee chairman of various committees, full committee chairman last year, this year as the ranking Democrat. And I wish them well.

For two of my colleagues, I have been around here for a long time, Mr. Chairman. I am now in my 26th year. For the gentleman from Mississippi [Mr. MONTGOMERY] and the gentlewoman from Colorado [Mrs. SCHROEDER], I would like to lay out a couple of anecdotal bits. Mrs. SCHROEDER, as my colleagues well know, came to Congress 2 years after this gentleman. I was elected in 1970, sworn in in 1971. The gentlewoman from Colorado was sworn in in 1973. I remembered my first 2 years I served on the Foreign Affairs Committee. My second term, by a set of circumstances that is a whole other story, I managed to end up on the Armed Services Committee as the peacenik from Berkeley.

I recall that the person sitting next to me at the very bottom of the rung on the committee was the gentlewoman from Colorado [Mrs. SCHROEDER]. It was very interesting that there were two of us new Members to the committee, but the chair of the committee at that time decided that there would only be one additional chair in the hearing room. So the gentlewoman from Colorado and the gentleman from California had to sit in the same chair. So we sat cheek-to-cheek, hip-to-hip, and it took great dignity on the part of both of us to do this. We leaned into each other, recognizing what was being said to us by the humiliating effort to not allow the gentlewoman from Colorado and the gentleman from California to sit in two separate seats. But we turned to each other and we said let us do it with great dignity. Let us not give these people the luxury of thinking that they got to us. It was a difficult day, but when you are sitting cheek-to-cheek with someone, you learn a great deal about them.

Over the 20-something years that we have served together, we have learned a lot about each other. I personally will miss the services of the gentlewoman from Colorado. She has singularly fought major battles in this body to bring sanity to our military budget, to help move the world toward peace, to move us toward nuclear disarmament and toward arms control.

She has made an effort to stand on the floor of this body to challenge this Nation to a rational, coherent, and compassionate set of human priorities. I will miss the gentlewoman because sitting there with her year in and year out, fighting the same battles has given me heart, has given me courage to know that I was never standing alone, even sometimes when we were outnumbered in the Armed Services Committee.

With respect to my distinguished colleague from Mississippi, Mr. MONTGOMERY, he and I were guys who walked in, he was here before myself. We have very different politics. But it is the interesting thing about this institution that people looking from the outside rarely, even the media, rarely get a feel for that even where you can have differences of opinion, friendships develop and friendships emerge.

I knew that I had made it in this institution when I became friends with SONNY MONTGOMERY. I knew that my personal credibility was no longer being challenged in this institution.

My little story about SONNY MONTGOMERY is I remember several years ago when the Republican Party was controlling the other body, we had worked for several weeks to get through the Defense authorization bill. Every single item in the bill had been reconciled with the exception of one. The Montgomery GI bill. Every single issue, billions of dollars had been reconciled, late into the night, wee hours in the morning.

I am about to wrap it up. I am just filibustering so we can get other people back. Be lenient, I will finish this quickly, Mr. Chairman.

Everyone was leaning on the gentleman from Mississippi. SONNY, let it go, let it go, we will hold some hearings next year. And I remember they were beating hard on the gentleman from Mississippi and, I thought, in a relatively unfair way. So this junior Member from California, with left-wing politics, stepped up and stood next to the gentleman from Mississippi [Mr. MONTGOMERY] and said: Stay strong, SONNY, you can win this thing. And to the shock and amazement of the colleagues in the conference, the gentleman from Mississippi, conservative Democrat, the gentleman from California, progressive Democrat, arm in arm walked out of the conference and, walking out of that conference, allowed thousands of young people to go to college who would never have had the opportunity.

In Mr. MONTGOMERY walking out of that conference, he set a tone that said, if you are going to reconcile this bill, you are going to bring the Montgomery GI bill to fruition. He walked back in and they conceded. And that is why you now have the Montgomery GI bill that serves well thousands of young American people who can matriculate in this country.

So with those remarks, Mr. Chairman, I would like to say farewell to five very important, very significant Members who played a vital role in this Congress. I have enjoyed serving with them.

Mr. GILMAN. Mr. Chairman, the purpose of this amendment is to authorize the transfer of naval vessels to certain foreign countries pursuant to the administration's request of January 29, 1996.

Legislation authorizing the proposed transfer of these ships is required by section 7307(b)(1) of title 10, United States Code, which provides in relevant part that "a naval vessel in excess of 3,000 tons or less than 20 years of age may not be sold, leased, granted * * * or otherwise disposed of to another nation unless the disposition of that vessel is approved by law * * *" Each naval vessel proposed for transfer under this legislation displaces in excess or 3,000 tons and/or is less than 20 years of age and therefore the Congress must act.

Therefore the first part of this amendment would insert a new section in title X of the bill to authorize the transfer of 10 naval vessels—(8 sales, 1 lease, 1 grant—to the following countries:

To the Government of Egypt, one *Oliver Hazard Perry* class frigate *Gallery* (FFG 26); sale: $47.2 million.

To the Government of Mexico, two *Knox* class frigates: *Stein* (FF 1065) and *Marvin Shields* (FF 1066); sale: $5.9 million.

To the Government of New Zealand, one *Stalwart* class ocean surveillance ship: *Tenacious* (T–AGOS 17); sale: $7.7 million.

To the Government of Portugal, one *Stalwart* class ocean surveillance ship: *Audacious* (T–AGOS 11); grant: $13.7 million.

To Taiwan (the Taipai Economic and Cultural Representative Office in the United States), three *Knox* class frigates: *Aylwin* (FF 1081) *Pharris* (FF 1094), and *Valdez* (FF 1096) Sale: $8.2 million; one *Newport* class tank landing ship: *Newport* (LST 1179) lease: No rent lease.

To the Government of Thailand, one *Knox* class frigate: *Ouellet* (FF 1077); sale: $2.7 million.

According to the Department of Defense, the Chief of Naval Operations certified that these naval vessels are not essential to the defense of the United States. The United States will incur no costs for the transfer of the naval vessels under this legislation. The foreign recipients will be responsible for all costs associated with the transfer of the vessels, including maintenance, repairs, training, and fleet turnover costs. Any expenses incurred in connection with the transfers will be charged to the foreign recipients.

Through the sale of these naval vessels, this legislation generates $71.7 million in revenue for the U.S. Treasury. In addition, through repair and reactivation work, service contracts, ammunition sales, and savings generated from avoidance of storage/deactivation costs, the Navy estimates this legislation generates an additional $525 million in revenue for the U.S. Treasury and private U.S. firms.

The second purpose this amendment is to amend authorities under the Foreign Assistance Act [FAA] of 1961, as amended, and the Arms Export Control Act [AECA] to revise and consolidate defense and security assistance authorities, in particular by updating policy and statutory authorities.

This amendment is identical to H.R. 3121, which the House passed on April 16, 1996, by voice vote, continues the effort by the Committee on International Relations to amend the FAA and AECA to make improvements to defense and security assistance provisions under those Acts. The provisions included in this amendment are the product of bipartisan effort and cooperation and enjoy the strong support of the Departments of State and Defense.

This amendment would insert a new title XV in the bill and is organized by subtitle as follows:

Subtitle A modifies applicable provisions on terms and criteria of financing assistance, including drawdown authorities and a rewrite of the excess defense article authority.

Subtitle B modifies terms of assistance for the International Military Education and Training [IMET] Program.

Subtitle C clarifies current law authorities under which antiterrorism assistance is provided.

Subtitle D modifies authorities under which assistance for international narcotics is provided.

Subtitle E deals with general provisions regarding military assistance including approval of third-country transfers, standardization of congressional review procedures for arms sales, definitions, arms sales certification thresholds, designation of major non-NATO allies, end-use monitoring, and other miscellaneous issues.

I appreciate the opportunity to explain my amendment and would urge my colleagues to support it.

Mrs. LOWEY. Mr. Chairman, I rise today in strong opposition to the provision in this amendment that authorizes international military education and training assistance for Indonesia.

In 1992, we voted to end all IMET assistance for Indonesia because of that country's abysmal human rights record and their continued oppression of the people of East Timor. Despite the lack of improvement in Indonesia's human rights record, and the opposition of myself and many of my colleagues, a modified IMET program was approved for Indonesia in the Foreign Operations Appropriations Act for fiscal year 1996.

When this provision was added to the foreign aid bill last year, we said we would monitor the human rights situation in Indonesia very carefully and act accordingly this year. Well, the State Department's Country Report on Indonesia was released in March, and according to the report, "The Government continued to commit serious human rights abuses."

That doesn't sound to me as though the situation has improved.

The State Department report also said that in Indonesia "reports of extrajudicial killings, disappearances, and torture of those in custody by security forces increased." Not decreased. Not stayed the same. Increased. Should we really be authorizing IMET assistance for this government now when they have not addressed these critical human rights issues? I don't think so.

Indonesia's policy in East Timor is about the oppression of people who oppose Indonesia's right to torture, kill, and repress the people of East Timor. It is about the 200,000 Timorese who have been slaughtered since the Indonesian occupation in 1975—200,000 killed out of a population of 700,000. It is about genocide.

Mr. Chairman, this provision should be debated fully by this House, not slipped into an en bloc amendment.

Mr, EVANS. Mr. Chairman, I oppose passage of the fiscal year 1997 DOD Authorization Act because I believe it funds expensive and unneeded cold-war programs that will compete with fundamental defense spending priorities.

I am concerned that this bill, as did the fiscal year 1996 Authorization Act, puts us on a course to buy cold-war weapons systems such as the F–22, the new attack submarine and national missile defense—star wars. Funding these types of programs puts immediate spending priorities at risk. The number of big ticket and unnecessary procurement items authorized will make it difficult to fund basic defense needs in the outyears. The bow wave of increasing procurement costs that the bill establishes will make it much harder to ensure basic defense capabilities and needs.

While I agree with some of the priorities funded in this bill that help us meet new and changing threats, such as avionics upgrades and the V–22 program, I believe that the extra $7.5 billion authorized in this bill for procurement will threaten more important defense priorities. This increase will have direct consequences on specific readiness needs, such as: adequate funding to operate and maintain our forces, stable pay and benefits for our military service members, the ability to retain a steady and capable civilian work force, and the modernization of less glamorous hardware programs such as artillery systems.

Mr. CASTLE. Mr. Chairman, I must reluctantly vote against the fiscal year 1997 Department of Defense Authorization Act because I am troubled by a number of aspects of the bill. First and foremost, the overall spending level is too high. While I appreciate that the bill seeks to address a number of shortcomings in the President's defense budget, too much additional spending has been added to the bill. Our Nation's legitimate defense needs must be met, but if we are to succeed in the critical and ongoing effort to balance the budget, the defense budget cannot be exempt from spending reductions.

This year's authorization level is $2 billion over last year's level, probably significantly higher than required to meet the essential military aspects of our national security. Furthermore, I disagree with the decision to prevent amendments to the bill that might allow for a rational debate on program funding levels and some reasonable reductions.

Most of the additional funds authorized in this year's plan were for procurement—about $8 billion. This is too generous an increase over the budget request. While I believe procurement and modernization funding does need to increase in certain longlead components of major programs, this year's increase seems to avoid making the necessary choices to establish our most important priorities. This unsolicited increase is not the most rationale way to procure additional weapons, does not go far enough to reflect those items most needed by the services, and may have an adverse impact on our ability to meet real requirements in the future.

I am particularly concerned by the committee's plan to pursue what may be a premature deployment of a national ballistic missile defense system. I am not convinced that a true ballistic missile threat to our Nation from rogue nations will materialize as quickly as some have asserted. Our Nation's current missile defense plan can provide for an affordable defense against limited missile threats before those threats will emerge. I am concerned over the committee's plan to deploy a space-based "star wars" defense, and costs that would add nearly a billion dollars over the President's request to accelerate the development of both national and theater missile defense systems. This course of action commits us to a very expensive and probably unaffordable path. This attempt to accelerate missile defense deployment without a consensus on the actual threat is not sound policy.

The bill does meet important needs for operations and maintenance programs, as well as improvements in our military housing and other facilities. It is difficult for me to oppose this bill because it funds some important military construction programs in my own State of Delaware. But these worthwhile provisions are overshadowed by other problems in the bill.

The authorization bill attempts to legislate divisive social policies which will not improve our military readiness. These policies include a ban on privately funded abortions for U.S. military personnel in overseas hospitals, and mandatory separation of HIV-positive personnel without evaluation of whether they can perform their duties.

In conclusion, I think the fiscal year 1997 Defense authorization bill provides worthwhile support for our military personnel. Nevertheless, the overall funding level in the bill goes beyond what is necessary at this time, and the provisions regarding social policies are unnecessarily divisive. For these reasons, I reluctantly oppose the bill.

Mr. UNDERWOOD. Mr. Chairman, I rise today to commend Chairman SPENCE and ranking member DELLUMS for their work on this legislation and to thank them and Subcommittee Chairmen DORNAN, HEFLEY, and WELDON for their attention to Guam's priorities.

The most significant provision in H.R. 3230 for Guam is the repeal of restrictions imposed on land transferred by the Federal Government to the Government of Guam over 15 years ago. The land covers 927 acres, located in the port area and adjacent to facilities closed by the Defense Base Closure and Realignment Commission [BRAC] last year.

The repeal of restrictions will enable the Government of Guam to develop a comprehensive redevelopment plan and to attract private investors to the port area. Reuse of the port land will stimulate long-term economic growth and private sector employment. Private sector job growth is especially important in light of the loss of jobs by workers at BRAC-closed facilities near the port last year.

I am pleased that H.R. 3230 includes report language on the upgrade of the Piti Power Plant on Guam. The report language notes the continued commitment of the Navy under the Guam power agreement to transfer the Piti Power Plant to the Government of Guam in good working order, and urges the Navy to accelerate funding for the upgrade of two generators already programmed for fiscal year 1999.

The upgrade of two generators at the Piti Power Plant will fulfill a long-standing Navy commitment and greatly improve on the ability of the Guam Power Authority to provide adequate power to the island. The acceleration of the programmed funds to next year is critical, and I want to thank Chairman HEFLEY for his attention to this matter.

H.R. 3230 also includes report language on the extension of theater missile defenses [TMD] to U.S. territories. The report states that "the committee strongly supports fielding highly effective TMD systems that are capable of protecting U.S. territories from ballistic missile attack and directs the SecDef to review the TMD requirements for U.S. terrorists." It requires the Secretary of Defense [SecDef] to submit a report on the results of this review to the congressional defense committees not later than November 15, 1996.

As the majority pursues the development of a national ballistic missile defense system, I believe it should be an equal priority of the SecDef to develop a theater missile defense system which will protect U.S. territories from missile threats.

On Guam, the debate over missile attack is not academic. A few years ago, North Korea threatened Guam, which is closer to North Korea than Hawaii and Alaska, with a missile attack. This is a very real threat, and Guam deserves to receive equal consideration in the development of national missile defense systems. The report language included in H.R. 3230 will focus the Pentagon on the missile defense needs of the territories, especially the Pacific territories, which are outside the coverage of the national missile defense systems.

I am disappointed that no funds are authorized in the bill for construction of an armory for the Guam Army National Guard. As my colleagues know, the Guam Army National Guard is the only national guard unit without an armory. At the same time the Guam Army National Guard is being nationally recognized for its excellence in recruiting and retention. A readiness center to be used for training is essential to the continued excellence demonstrated by the Guam Army National Guard.

It is my hope that next year, the National Security Committee will not be forced into the same position again, and the Department of Army will request funds for armory construction in its annual budget request to Congress. Without informing Congress that armory construction is a priority to the Army, the Guam

Army National Guard and other guard units will be left without the needed facilities. I urge the Secretary of the Army to recognize the service of the National Guard and to request funds to construct new armories in next year's budget request.

In spite of this reservation, I want to reiterate my appreciation for the attention of Chairman SPENCE and Ranking Member DELLUMS to issues of importance to Guam.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise to oppose this defense authorization bill. A nation's greatness ought to be measured only in terms of the greatness of its people; not by the greatness of its ability to dominate and intimidate with military might. Excessive funding in the defense authorization budget at the expense of critical social needs gives rise to a perilous sense of artificial security and leads to a dereliction of duty to all our citizens' needs.

Therefore, I oppose this bill because it reduces and/or eliminates funding for many critical Federal programs of importance to my constituents. We do not need a defense budget that authorizes $12.4 billion over what the administration has already requested. Why must we tailor our military force for threats that simply no longer exist. Wake up people. The cold war is over.

More than half of the increase over the President's request is for additional weapons procurement. How can we justify a $6 billion increase when funds are being reduced for safe and drug-free schools, for programs for kids with disabilities; for nearly 50,000 American children from the Head Start Program are eliminated, and so forth. We can't. The justification is not there. We can't because this bill, is simply not people-friendly.

Further, this bill is flawed by self-serving adventure-fantasies catering to but a few. It ignores with extreme insensitivity the sordid impact it has upon social concerns.

One of these social concerns affecting my constituents, is this bill's requirement of the immediate discharge of service personnel infected with HIV, the virus that causes AIDS. While I respect the fact that others have a strong opinion on the topic of homosexuals in the military, I do not share views that rescinding the ban on homosexuals in the Armed Services would cause dangerous problems.

I am also concerned that this bill has an overseas ban on abortions. Ideally, men and women would have all the information they need about birth control and sociably accepted methods to ensure it would be readily accessible. Unfortunately, this is not the reality for many Americans. Therefore, I continue to strongly believe that a woman, whether in or outside the military, in consultation with her doctor, family, and/or clergy has the right to choose.

Ms. WOOLSEY. Mr. Chairman, I rise in strong support of this Shays-Frank-Gephardt amendment.

Ladies and gentlemen, I think the defense hawks need some history lessons. Lesson No. 1: the Second World War ended 50 years ago. Lesson No. 2: the cold war ended 5 years ago.

Now, a pop quiz: who won! In case some of you cold warriors forgot—we did. We defeated fascism and we defeated communism.

But this defense bill completely ignores this reality.

Right now, many of our European and Asian allies enjoy higher standards of living than our constituents, the American people. Somehow, these nations can support education, health care, child care, and so forth. Because we keep paying their military bills.

I don't know about you, but I am sick of Uncle Sam acting like Uncle Sucker.

The time has come for our allies to share the burden of their own defense. The time has come for shared responsibility. The time has come for us to reap the benefits of our hard work, and invest in our children, our seniors, and our environment.

I urge a "yes" vote on this amendment.

Mr. VENTO. Mr. Chairman, I oppose this legislation. It represents not only a continuation of the misplaced priorities but a compounding of missteps in last year's defense bill, of a much more extreme level. Last year, the Republican majority added $7 billion to the Pentagon's request. This year they added almost double this amount, over $12 billion in unnecessary spending. Even within the Republican party there are those who believe this is going too far, both in terms of spending and policy.

While the bill itself is bad policy, the process by which it is being considered is worse. In the past, open debate and opportunities to modify defense legislation have guided this process. Now we are restricted by the Republican rule in the amendments we can consider and issues that can be voted upon. Important amendments were offered but were not permitted in this debate, including a Republican amendment to reorganize the spending priorities of this out of balance defense budget.

The bill itself adds over $12 billion to the request of the Pentagon. Most of this new spending in the $267 billion bill goes to unrequested weapons systems, which one analysis points out will require an additional $50 billion in outlays in the next 6 or 7 years. How can the Republican majority maintain their balanced budget rhetoric with increased spending such as this? Unfortunately, the Republican agenda to accomplish this is through deep cuts to programs assisting American working families, seniors, students, and children. The spending on the procurement accounts of this bill alone, at about $83 billion, is more than any nation in the world will spend on their entire global defense program.

The budget offered by the majority which we will be considering this week highlights the priority problems of this Congress and this DOD authorization bill. Defense spending under the Republican's proposed overall budget plan will increase over the next 6 years, while severe funding cuts are proposed to be made to community development, infrastructure, the environment, and yes even education, I guess smart weapons but not smart soldiers is this formula, the United States will enter the next century with more weapons systems, but with seniors at-risk due to Medicare cuts, and a work force not keeping pace with technological and skills changes. If responsible cuts are to be made in the Federal budget, there should be no special dispensation for defense spending, above all spending Congress must ask the tough questions of DOD spending in 1996.

Instead of reasonable defense spending though, this authorization bill adds billions of dollars to the Pentagon's wish list. A host of new planes and helicopters, as well as submarines and ships are added, above what is justified or necessary for our military role. The additions and modifications to missile defenses waste millions of taxpayer dollars, again shifting the focus toward the discredited star wars missile defense. In addition, this legislation unilaterally alters the Anti-Ballistic Missile treaty [ABM] by imposing a definition of theater and strategic defenses. These changes to the ABM treaty circumvent the Clinton administration and past administration negotiations and commitments with Russia over this important issue.

The majority also states that the additional billions of dollars are for items the service chiefs have requested. The service chiefs were literally asked what they might do with additional funding if they had it. In response they provided a list of new and continued programs. Certainly anyone could provide a list of items they would purchase if extra funds were available. But to say that the service chiefs requested these additions to this year's bill is outrageous, this was a wish list, as if the dollars and taxes didn't matter.

In terms of requested weapons systems, the Department of Defense's own inspectors have determined that recently the Navy overstated its needs by at least $10 billion. This includes redundancy of systems and overestimation of the numbers of weapons needed. Another Defense Department report in May 1995 also indicated the Navy was seeking $14 billion in submarine technology that it did not need. More recently, the GAO released a study questioning the need for billions of dollars spent on ground attack weapons. The report found existing systems can accomplish the tasks of many of the sought after new weapons on which billions will be spent.

The problems of budgetary and defense policy in this bill are equalled by the social policy it contains. Instead of being concerned with the future direction of military policy and the role of the United States in the post-cold-war world, this bill focuses on social issues such as the discharge of HIV-positive personnel.

The Congress has already taken action on the issue of discharging HIV-positive personnel. This policy, which is not sought by the military and was formulated and carried out under Republican administrations, removes perfectly capable personnel from the military. The training and investment in these soldiers would be lost to an ill-conceived policy.

Certainly a much better bill can be crafted, one that does not include huge increases in spending beyond what the Pentagon has requested and one with an opportunity to debate the important defense issues. I urge my colleagues to vote against this bill.

Ms. PELOSI. Mr. Chairman, I rise in opposition to the Department of Defense [DOD] a authorization bill for 1997.

I oppose the bill because the legislation authorizes $12.4 billion more in defense spending than requested by the Pentagon. Later, this week we will vote on a budget resolution which proposes to spend $19 billion less than the President's request for priority domestic programs. The priorities being proposed are not consistent with the realities of challenges facing the United States.

One of the worst provisions in this bill would lead to the immediate discharge of 1,049 services members infected with HIV, the virus that causes AIDS. The Department of Defense opposes this provision and does not believe that these service members present a deployment problem. Clearly, members with HIV should be treated as any other service member with chronic, possibly fatal, medical conditions and remain on active duty until such time as they cannot perform their duties.

This provision is discriminatory because it treats people with HIV differently from any other people with other chronic diseases are treated. Thankfully, a bipartisan coalition was successful in removing this provision from last year's bill and hopefully, this same coalition will prevail before this legislation is completed.

In addition, this bill would undo the current compromise and put in statute a complete ban on lesbians and gay men from serving in the military. Clearly, lesbians and gay men have served their country with distinction as members of the armed service from the very beginning of our country. This provision is unnecessary and is part of a disturbing pattern of promoting hostility toward lesbian and gay Americans.

Mr. Chairman, for budget reasons in general, and this provision in particular, I urge a "no" vote on this legislation.

The CHAIRMAN. The question is on the amendments en bloc, as modified, offered by the gentleman from South Carolina [Mr. SPENCE].

The amendments en bloc, as modified, were agreed to.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker pro tempore (Mr. YOUNG of Florida) having assumed the chair, Mr. BARRETT of Nebraska, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes, pursuant to House Resolution 430, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. DELLUMS. I am in its present form, sir.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DELLUMS moves to recommit the bill H.R. 3230 to the Committee on National Security with instructions to report the same back to the House forthwith with the following amendment:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. REALLOCATION OF NATIONAL MISSILE DEFENSE FUNDING INCREASE.

(a) INCREASE IN AMOUNT FOR IMPACT AID.—The amount provided in section 301(5) for operation and maintenance for defense-wide activities, and the amount specified in section 367(a)(1) as the portion of such amount that is available for impact aid assistance, are each hereby increased by $53,000,000.

(b) AUTHORIZATION FOR CORPS SAM SYSTEM.—Of the amount provided in section 201(4) for research, development, test, and evaluation for defense-wide activities that is available for programs managed by the Ballistic Missile Defense Organization, not less than $56,000,000 shall be made available for the Corps Surface-to-Air Missile (SAM) system.

(c) OFFSETTING REDUCTIONS FROM AMOUNTS FOR NATIONAL MISSILE DEFENSE.—The amount provided in section 201(4) for research, development, test, and evaluation for defense-wide activities, and the amount specified in section 231 as the portion of such amount that is available for programs managed by the Ballistic Missile Defense Organization, are each hereby reduced by $53,000,000. Of the amount specified in section 231, not more than $749,437,000 may be made available for the National Missile Defense program element.

Mr. DELLUMS (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DELLUMS. Mr. Speaker, I yield to the distinguished gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS. Mr. Speaker, I rise in support of this motion to recommit because I believe it is designed to help the people we should care about most, and that is the families serving in our military and their children. Specifically, this motion to recommit puts $53 million more into the Impact Aid Program, which should be called the military children education program.

Mr. Speaker, last December at Fort Hood in my district, I met with 50 soldiers being deployed to Bosnia. The second soldier I met had missed the birth of his first child because he was in Desert Storm. He was about to miss the birth of his second child because of his service to his country in Bosnia. It was a very personal experience to me in realizing the tremendous sacrifices our military families make for our country.

If we cannot guarantee that soldier he should be paid as much as we would like him to be paid, if we cannot guarantee his family will not wait in line for hospital care, if we cannot guarantee 1996 housing, one thing we should all agree is that we ought to ensure that that soldier and others like him can know when he serves his country that his child will get a first-class education. This $53 million for impact aid will help do that.

Mr. Speaker, I appreciate the efforts of the gentleman from South Carolina, Chairman SPENCE, and the gentleman from Virginia, Mr. BATEMAN, to put $50 million in impact aid in this bill, and I support that effort. But this motion to recommit takes their good idea and takes it a step farther in making an unquestioned commitment to ensuring that the children of our military families receive a quality education. Our families deserve no less.

Mr. DELLUMS. Mr. Speaker, with the remaining amount of time, let me add some additional remarks with respect to the motion to recommit.

It would provide two opportunities to achieve what this gentleman believes to be a better balance of national security priorities. The motion would increase funding for two very important programs, would pay for these increases by reducing funding for star wars-type national missile defense programs contained in this bill.

Specifically, the bill removes $109 million from star wars funding increases. It would increase funding, as the gentleman from Texas pointed out, impact aid assistance by $53 million. It would also plus-up the Corps SAM missile program by $56 million, taking it from the national missile defense program.

The gentleman from Texas articulately discussed the matter of impact aid. I will not attempt to compete with those remarks.

On the second matter, let me note that much has been made, and appropriately so, of the urgency of being able to deploy a theater missile defense. Corps SAM is a system that we need to deploy with our troops. It will travel with our forces and provide protection to them from tactical threats in the theater, the No. 1 priority threat that we have at this particular moment.

Again, we should direct our scarce resources away from fanciful and extraordinary ideas, like star wars-type programs, and into programs of demonstrated requirements. A $56-million increase in Corps SAM is precisely an appropriate type of reordering missile defense priority.

So in summary, it does two things: $56 million for theater missile defense, which ought to be the appropriate priority in missile defense, not national. We take the money from the increases in national missile defense. Mr. Speaker, $53 million of those dollars go into impact aid. As the gentleman pointed out, this is educational assistance for the children of our service personnel who ought to have the same fine education that any of our other children outside the military have access to.

Mr. SPENCE. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, this is a good bill. As has been said on many occasions today, we have amply provided, I think, for the national security needs of this country. We reported the bill out of the committee by a vote of 49 to 2, a very bipartisan, as you can see, vote.

□ 1530

This authorization amounts to $600 million less than that budget figure allocation in our budget for 1997. This translates into 1.5 percent less, adjusted for inflation, than current spending.

From the standpoint of what we did for the military, we had a 3-percent raise for our troops, a 50 percent increase over the President's budget for housing allowance; things that are needed very much: family housing, barracks, child care facilities for our people.

We enhanced our military readiness by increasing the underfunded request. We added ammunition to the Marine Corps. They did not have enough to fight two major contingencies. We continued to add to the underfunded modernization programs. The Chairmen of the Joint Chiefs have asked for $60 billion in modernization beginning now. This administration only asked for about 39. We have added to it.

In short, we have done those things that the administration did not do.

From the standpoint of impact aid referred to in this motion to recommit, none was requested by the administration. This committee added $58 billion to impact aid. There were no amendments in the committee to do otherwise.

On theater missile defense, we added to the request that was submitted by the administration. I might add parenthetically on the matter of theater missile defense, it is a very important priority of this committee. As a matter of fact, last year we added to theater missile defense over the request of the administration, and the administration proceeded to spread out that which was authorized and somebody had appropriated. This year again we have added a third of what the administration request was for theatre missile defense, and so we do not really need to have anything more added to it even for impact aid or missile defense.

Mr. Speaker, I yield to the gentleman from California [Mr. HUNTER], the chairman of our Subcommittee on Procurement.

Mr. HUNTER. Mr. Speaker, let me just reiterate the theme that the chairman just elaborated on is, I think, a very important one for all of the Members to understand, and that is that this should not be, this bill should not be, a competition between whether or not we are going to give a pay raise to the troops or we are going to have the right equipment for them to use in a military conflict. It should not be a conflict. It should not be either-or.

What we have done in this bill is come up with an additional funding that allows us to have a 3 percent pay raise, it allows us to give the $300 million that the Marines need in ammunition to be able to fight the two war scenario, it enables us to get the 96 million M-16 bullets that they were short under the administration's budget, it enables us to have the theater defense and to start on the national defense just like the one that we are giving the State of Israel.

It enables us to do all those things that are important in terms of being able to project American military power and carry out foreign policy.

This is a complete package, and the gentleman has done a superlative job in bringing this thing together on the committee level and bringing it to the floor.

Let us pass this bill. Vote "no" on the motion to recommit.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Research and Development.

Mr. WELDON of Pennsylvania. Mr. Speaker, this is an amazing motion. We heard one of our colleagues from Texas get up and say we need money for impact aid. I have his letter from April 10 asking us to put $58 million in the bill. That is what is in the bill.

What are we talking about?

Mr. Speaker, I have heard from the colleagues on the other side saying we are spending too much money on missile defense, we have too many programs, and we need more burden sharing. What do they want to do with the motion to recommit? They want to reestablish another missile defense program that we have eliminated, and they want to do it for Europe, not for the United States, even though France has opted out of the program.

Mr. Speaker, this is amazing, it is absolutely amazing. We have heard that we want to cut programs, we have done that. We heard we want to not fund our European allies, and we have done that. So here we are being asked to support a motion to recommit to reestablish another missile defense program to protect not the United States, but the Europeans, even though one of the four partners, France, decided to opt out.

It is amazing, and I urge our colleagues do the right thing. Vote "no" on the motion to recommit and support the bill.

The SPEAKER pro tempore (Mr. YOUNG of Florida). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DELLUMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage of the bill.

The vote was taken by electronic device, and there were—yeas 185, nays 240, not voting 8, as follows:

[Roll No. 173]

YEAS—185

Abercrombie
Ackerman
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Christensen
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Montgomery
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard

Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt (NC)
Watts (OK)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NAYS—240

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Mollohan
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—8

Fields (TX)
Flake
Holden
Molinari
Paxon
Smith (NJ)
Talent
Ward

☐ 1555

The Clerk announced the following pair:

On the vote:

Mr. Ward for, with Mr. Paxon against.

Messrs. FAWELL, INGLIS of South Carolina, and TAUZIN changed their vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. YOUNG of Florida). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DELLUMS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 272, noes 153, not voting 8, as follows:

[Roll No. 174]

AYES—272

Abercrombie
Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brown (FL)
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
de la Garza
Deal
DeLauro
DeLay
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Dornan
Dreier
Dunn
Edwards
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Fazio
Fields (LA)
Flanagan
Forbes
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoke
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jefferson
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Knollenberg
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manzullo
Martinez
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Mink
Mollohan
Montgomery
Moorhead
Moran
Murtha
Myers
Myrick
Nethercutt
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Pastor
Payne (VA)
Peterson (FL)
Pickett
Pombo
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Regula
Richardson
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Torkildsen
Torres
Traficant
Visclosky
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff

NOES—153

Ackerman
Andrews
Barrett (WI)
Becerra
Beilenson
Berman
Blute
Bonior
Borski
Boucher
Brown (CA)
Brown (OH)
Bryant (TX)
Bunn
Camp
Campbell
Cardin
Castle
Chabot
Clay
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cummings
Danner
DeFazio
Dellums
Deutsch
Dingell
Dixon
Doggett
Doyle
Duncan
Durbin
Ehlers
Engel
English
Eshoo
Evans
Farr
Fattah
Filner
Foglietta
Foley
Ford
Frank (MA)
Franks (NJ)
Furse
Ganske
Gunderson
Gutierrez
Hancock
Hastings (FL)
Hilliard
Hinchey
Hoekstra
Horn
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (SD)
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kleczka
Klink
Klug
Kolbe
LaFalce
LaHood
Lantos
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Manton
Markey
Martini
Mascara
Matsui
McCarthy
McDermott
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Moakley
Morella
Nadler
Neal
Neumann
Ney
Oberstar
Obey
Olver
Owens
Pallone
Payne (NJ)
Pelosi
Peterson (MN)
Petri
Poshard
Rahall
Ramstad
Rangel
Reed
Riggs
Rivers
Roemer
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Sensenbrenner
Serrano
Shays
Skaggs
Slaughter
Stark
Stokes
Studds
Stupak
Thornton
Torricelli
Towns
Upton
Velázquez
Vento
Volkmer

Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Yates
Zimmer

NOT VOTING—8

Fields (TX)
Flake
Holden
Maloney
Molinari
Paxon
Talent
Ward

□ 1606

Ms. BROWN of Florida, Mr. FAZIO of California, and Mrs. THURMAN changed their vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes."

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, on May 15, 1996, I was unavoidably detained and missed two rollcall votes. I would like the RECORD to show that had I been present for rollcall vote No. 173, on H.R. 3230, National Defense Authorization for Fiscal Year 1997, motion to recommit, I would have voted "yes." On rollcall vote No. 174, final passage, I would have voted "yes."

PERSONAL EXPLANATION

Mrs. MALONEY. Mr. Speaker, I was unavoidably detained and was unable to cast my vote on rollcall 174, final passage of the national defense authorization bill. Had I been present, I would have voted "no."

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, during rollcall vote No. 173 and 174 on H.R. 3230 I was unavoidably detained. Had I been present, I would have voted yea on both rollcalls.

GENERAL LEAVE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. YOUNG of Florida). Is there objection to the request of the gentleman from South Carolina?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3230, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 3230, the Clerk be authorized to correct section numbers, punctuation, cross references, and to make such other technical, clerical, and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

REPORT ON RESOLUTION PROVIDING FOR FURTHER CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 178, CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1997

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–577) on the resolution (H. Res. 435) providing for further consideration of the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, which was referred to the House Calendar and ordered to be printed.

REPORT OF NATIONAL SCIENCE BOARD ENTITLED "SCIENCE AND ENGINEERING INDICATORS—1996"—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Science.

To the Congress of the United States:

As required by 42 U.S.C. 1863(j)(1), I am pleased to submit to the Congress a report of the National Science Board entitled *Science and Engineering Indicators—1996*. This report represents the twelfth in a series examining key aspects of the status of American science and engineering in a global environment.

The science and technology enterprise is a source of discovery and inspiration and is key to the future of our Nation. The United States must sustain world leadership in science, mathematics, and engineering if we are to meet the challenges of today and tomorrow.

I commend *Science and Engineering Indicators—1996* to the attention of the Congress and those in the scientific and technology communities.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 15, 1996*.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1997

The SPEAKER pro tempore. Pursuant to the order of the House of Tuesday, May 14, 1996 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution, House Concurrent Resolution 178.

□ 1609

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, with Mr. CAMP in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, May 14, 1996, the concurrent resolution is considered read the first time.

The gentleman from Ohio [Mr. KASICH] and the gentleman from Minnesota [Mr. SABO] each will control 90 minutes.

The Chair recognizes the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, for purposes of debate, I yield 11 minutes to my friend and the very distinguished gentleman from New Jersey [Mr. FRANKS].

Mr. SABO. Before my friend from New Jersey starts and lest I forget, I request unanimous consent that the last 30 minutes of debate on the minority side, which is allocated to the Joint Economic Committee, be controlled by the gentleman from Washington [Mr. MCDERMOTT], and that he have the authority to yield time to other Members.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRANKS of New Jersey. I thank the gentleman for yielding me time.

Mr. Chairman, the measure before us is not simply about thousands of individual numbers. It is not about economic assumptions. It is not about green eyeshades and sharp leaded pencils. Budgets are about people. Budgets are about ideas.

Mr. Chairman, the budget of the Federal Government speaks to who we are as a country. It looks at our hopes and our aspirations, our dreams. It looks at our challenges and our problems. It looks at our opportunities.

But no budget, Mr. Chairman, exists in a vacuum. A budget is developed against the backdrop of the environment that we find today. As family across this country are looking at their own economic circumstances, they are saying very clearly that America can and must do better. While the economy may be showing signs of improvement for some, many families are still struggling. Tens of thousands of workers continue to lose their jobs, many the victims of corporate downsizing.

In fact, between June of 1994 and June of 1995, fully half the major corporations in the United States eliminated jobs, less than a third of the workers who lost their full-time jobs found new jobs that paid as much money. On average, workers who lost their jobs had to settle for jobs that paid 8.2 percent less. And for dislocated workers between the ages of 45 and 55, their incomes declined by fully 14 percent. We have watched high-paying manufacturing jobs continue to disappear at an alarming rate. Between March of 1995 and March of this year, 326,000 manufacturing jobs were lost.

In the past 2 years, there has been a 10.2 percent increase in the number of Americans who hold two or more jobs. Today more people are working two jobs than at any time in our Nation's history.

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Yet, despite working longer and harder than ever before, too many families feel as if they are not moving ahead. They are working harder merely to stay in place, and it is no wonder. The American family has seen no increase in their wages over the past 3½ years. Meanwhile, taxes are taking a bigger and bigger bite out of the family's annual income.

It is interesting to note that back in 1950, Federal taxes consumed just 5 percent of the average family's income. Today, 26 percent of a family's income goes just to pay for Federal taxes. Most families across the country, Mr. Chairman, remember that back in 1993, just 3 years ago, President Clinton raised their taxes, bringing the tax burden to its highest level in history. The Clinton tax package increased taxes on gasoline, increased taxes on individual incomes, increased taxes on married couples, increased taxes on Social Security benefits, increased taxes on inheritances. As a result, every family, every year, is seeing their tax bill escalate. Last year, the average family with a single wageearner took home $803 less in their paycheck than they did in 1992.

What does all this mean to our children as we look to the future? If we stay on the current path and we do not stop our deficit spending, a child born today will face a very bleak future. Seventeen years from today, when that child is prepared to graduate from high school, every tax dollar sent to Washington, DC, will be consumed by just five programs: Social Security, Medicare, Medicaid, Federal employee retirement benefits, and the interest obligation on the national debt. That means that when that child gets ready to graduate and go to college, there will be no money available in the Federal budget to help with his college education, no money to keep his neighborhood safe from crime, no more Federal aid to build new roads or mass transit systems, and no money available to protect and defend our country. Over his working lifetime, that child will be paying off a huge debt, a debt he inherited from all of us. That child's lifetime obligation as his share of the interest payment on the national debt will be $18,000.

The fact is that America needs a budget that saves our children's future. Our children deserve a better and brighter future than this scenario. They deserve one filled with hope and opportunity and a chance to live out the American dream. Since the start of the Great Society programs in 1965, we have spent $5 trillion on a vast assortment of social spending programs. That is more than we spent to win World War II.

What has that enormous investment produced? The number of children living in households dependent on welfare has tripled, from 3.3 million to 9.6 million. There has been an explosion in the number of mothers, many of them children themselves, who are having children out of wedlock, a 326 percent increase over the last 30 years.

We need to make sure that Washington is there to lend a temporary hand in time of need, helping the people to get back on their feet again so they can lead independent, self-sufficient lives.

As we look ahead to the vast changes that await us in the twenty-first century, just around the corner, we must empower individuals to take advantage of new opportunities, and to do that, America needs a budget that empowers people to be self-reliant.

To accomplish that objective, we need a budget that reduces the power and influence of Washington over our everyday lives. In just 30 years, Government spending has exploded. The cost of running the Federal Government has moved from $134 billion a year to $1.5 trillion a year, and along with all this spending, we have created a wasteful and bloated bureaucracy. Every year that bureaucracy churns out thousands of pages of new rules and regulations that affect all aspects of our lives, from the food we eat to the car we drive to the houses we live in. And it is not just businesses that pay the price for all this Government redtape. Families pay, and pay quite dearly.

Government regulations cost the average family $6,800 every year. Just think about how time-consuming and confusing it is to fill out your own income tax form. That is because the IRS has 480 different tax forms, and another 280 forms to tell you how to fill them out. It is no wonder it takes the average taxpayer over 12 years just to figure out their own taxes.

America needs a budget that lowers taxes and spends less of our hard-earned money. There is something fundamentally wrong when the average American family pays more on taxes, taxes to the Federal, the State and local governments, than they spend on food, clothing and shelter combined. The average worker spends 2 hours and 47 minutes out of his 8-hour workday just to pay his tax burden. Twenty years ago, that same worker was spending half that amount of time to meet his tax burden.

Mr. Chairman, our budget plan will help America to do better. It will end 30 years of reckless deficit spending. It will shift power, money, and influence out of Washington, DC, and give it back to the American people. It trusts our neighbors and our communities to develop thoughtful and compassionate solutions to today's problems.

This budget attacks waste and inefficiency, and by lowering taxes and reshaping our Federal Government, it will help American families to move ahead so they can earn more, keep more, and do more.

Mr. SABO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, here we are again, a repeat of 1995. I represent a party that in 1993 produced real deficit reduction. We did not simply talk about it. We produced it, and the deficit has fallen in half.

We come today to face the question of how we continue to put our Federal fiscal house in order, but how to do it in a fashion that is fair and workable.

One of the most important programs that America passed some 30 years ago was Medicare, to assure that elderly Americans had adequate health care. I congratulate my Republican friends on finally making one change in your proposal. You have accepted the President's position that the base premium for part B Medicare should not exceed 25 percent of total cost, and I congratulate you on that change.

Unfortunately, as I look at the details of your program, however, I discover that while you appear to have been easing your Medicare cuts over the 6-year period before 2002, that in reality, at the end of that time, the provider cuts in the final year, 2002, will actually have to be deeper and make Medicare more vulnerable than was your program as it passed the Congress and was vetoed by the President. That is hardly progress, my friends.

We find throughout this budget a variety of sugar coating to make it look a little bit better than the radical agenda of 1995. But when we look at its long-term impact, we find that in many cases, it is as bad or worse than what the President fortunately had to veto. And Medicare is one of those cases. The cuts, let me say again, to that program in 2002 under your program of today, they are going to have to be deeper than the cuts that you were proposing just a few months ago that the President, fortunately, vetoed.

We will have some more to say on that subject, much more, as we discover that your budget of 1996 is just simply a repeat of the unfortunate program of 1995.

Mr. Chairman, I yield 4 minutes to my good friend, the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Chairman, I want to thank my colleague from Minnesota for yielding me this time.

Mr. Chairman, I rise in opposition to the Republican budget resolution and in strong support of the Democratic substitute offered by the conservative Democratic coalition. The people back home who are listening to this debate will hear echoed many of the same themes we debated in last year's budget debate. But while the Republican budget resolution has come closer to the coalition substitute in terms of numbers, it still represents a political philosophy that does not reflect the views of the American people, and one that will hurt our economy and our citizens. Because the Republicans insist on borrowing $122 billion to pay for a tax cut, their resolution achieves $142 billion less in deficit reduction than does the coalition budget.

As it did last year, the coalition substitute still represents an honest path to a balanced budget, that protects both the middle class and our most vulnerable, and nowhere is this more true than in the Medicare Program.

Last year the Republicans proposed over $28 billion in Medicare spending reuctions. This year, they are down to $16 billion. Last year the President proposed $98 billion in spending reductions, and this year he proposes $124 billion. So both sides have made substantial and significant progress forward toward a centrist compromise toward the coalition's budget. But yet while the numbers are moving closer, serious and substantive differences remain. Republicans have backed away from their radical cuts, but they have not backed away entirely from their radical policies.

The Republican plan turns Medicare managed care into a voucher program and forces seniors to pay the difference. The coalition plan prohibits from charging extra and protects seniors from unscrupulous and unfair billing.

The Republican plan spends $4.6 billion, over $7,000 a person, on medical savings accounts, at a time when the trust fund's solvency is in jeopardy. The coalition plan handles MSA's in a prudent and thoughtful way by having a test program, a demonstration project.

The Republicans spend $4.6 billion on medical savings accounts, but not one penny on preventive benefits. The coalition Medicare package spends $2 billion on benefits for prostate and colon cancer screening, mammographies and pap smears, and diabetes self-testing equipment, a preventive benefit that will save over $100 million a year for the Medicare Program when it is fully implemented.

The Republican budget cuts $123 billion from hospitals, home health agencies, and skilled nursing facilities. Under this new baseline, these cuts are even larger than those proposed by the Republicans last year, and they will devastate health care in rural areas such as mine.

The Republican Medicare plan represents the majority's misplaced priorities. It benefits some of those who manage the care, but it harms many of those who receive the care. In doing so, it cuts $22 billion more from Medicare than does the coalition's bill.

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The coalition's Medicare policy represents sensible middle ground, without gimmicks, without surprises, or without reversals in policy.

I urge my colleagues to support our Medicare reform package and to support the coalition's budget resolution and to vote against this Republican budget resolution.

Mr. FRANKS of New Jersey. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I thank my good friend from new Jersey for yielding the time. I listened with interest to the comments of the ranking member of the Committee on the Budget and to the comments of my good friend from Virginia. It is not my intent to indulge in venom or vitriol this afternoon, but, instead, I think it is a time for truth.

The gentleman from Minnesota seems to be saying, "Well, you have almost learned your lesson, new majority." Therein lies the most clear difference between the two overwhelming philosophies, for those who champion the Washington bureaucracy and the Washington approach as knowing all and knowing best put their faith in that bureaucracy instead of putting their faith in the people of America. Those of us in the new majority put our faith in the American people, not the Washington bureaucracy.

And this, Mr. Chairman, is what is truly radical, this fact, this piece of truth: That the average person pays more in taxes and the average family pays more in taxes today than it pays in food, clothing and shelter combined. That is a fact.

It is time for truth, and the truth is the largest tax increase in American history, and this is a fact that my friend from Virginia, who champions deficit reduction, gets away from. The fact is the Clinton budget and the Clinton tax increase costs every household in America $2,600 in additional taxes. We can do better.

My friend from New Jersey brought this check up. We do not need the fictional Baby Jane Doe. I can put a real name there, John Mica Hayworth, who is now 2 years of age. If we fail to resolve these problems, if we fail to live within our means, John Mica Hayworth will pay in interest on the debt over $185,000 in his lifetime. That is unconscionable.

This budget dispute is not about numbers, it is about flesh and blood and the future, and despite the rhetoric and the playground taunts, the fact is we can do better for today's seniors, for the youngsters of today, for generations yet unborn.

Say no to the Clinton crunch, yes to our new budget and yes to a new plan for the future.

Mr. SABO. Mr. Chairman, I yield myself 1 minute to simply say that was about the most inaccurate description of what has happened I have seen.

The fact is the bulk of the new revenues last year applied to changes in the income Tax Code for people with taxable incomes of over $140,000, which means they have close to a gross income of $200,000. The surcharge applies to incomes over $250,000, probably gross taxable income over $250,000, gross income of $300,000 or more.

I have to indicate also to the gentleman that the numbers he is using on this chart of average taxes assumes or averages in the Ross Perots with the rest of everyone. That is clearly inaccurate. It assumes that the cost of shelter is only 15 percent, and all of a sudden here a while ago, in the housing bill, the gentleman was trying to increase rents to over 30 percent of income for people in low-income housing. Grossly inaccurate.

Mr. Chairman, I yield 3 minutes to my friend, the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, I want to thank my friend, the gentleman from Minnesota, Mr. SABO, for yielding me this time, and really congratulate Mr. SABO for working with Members on both sides of the aisle, Democrats and Republicans, people of different persuasions, to try to get us together on a budget that will balance the Federal budget by the year 2002.

I thought we were making progress and I thought Mr. SABO had done a great job in bringing us closer together as we ended 1995. Unfortunately, as I look at the Republican budget that is being brought up under this resolution, it seems like we are no further together than we were a year ago. That is very unfortunate. A missed opportunity. The budget should speak to the framework on which we want to see the priorities of this Nation, on raising revenues and on spending priorities.

Let me just talk, if I might, in the few minutes I have, on Medicare, one part of that budget. The Medicare proposal in the Republican budget will cost my seniors more, they are going to receive less care, and it seriously jeopardizes the quality of our Medicare system.

Last year the Republicans suggested cutting $270 billion from the Medicare system in order to finance $245 billion of tax breaks. Well, we are not dealing with a 6-year budget rather than a 7-year budget, so this year the cut in Medicare is $168 billion, the tax breaks of $122 billion going basically to wealthier people.

That is not what our seniors want. That is wrong. Instead, we should be looking at ways of preserving the Medicare system, which the Republicans talk about, but by their own admission they do nothing on the long-term solvency of the Medicare system and a large part of their savings do not go into the Medicare Part A Program.

We talk about giving our seniors more choice, and they do if a person happens to be wealthy or healthy, under the Republican program. But the vast majority of my seniors do not fall into that category. They will not be able to choose a health care plan that will cover their needs.

The Republican proposal removes the protections in Medicare about the plans charging more or the doctors charging more. Sure, if an individual is wealthy they can afford that extra money, but if they are of modest income, as most seniors are, they cannot and they will be forced into a plan where they do not have choice.

We talk about people going into a private plan and returning the Medicare but we offer no protection on their Medigap plans. Most seniors rely on Medigap, and yet the Republicans have removed that from their proposal.

We do have a choice. We do have a choice in order to preserve the Medicare system. We can vote for the President's budget, we can vote for the Congressional Black Caucus' budget. I favor the coalition budget because it is a responsible way to bring down the cost of Medicare without robbing our seniors to pay for tax breaks for wealthy people. It also preserves the quality of our Medicare system.

I urge my colleagues to reject the Republican proposal and support the coalition budget.

Mr. KASICH. Mr. Chairman, I yield 2 minutes and 15 seconds to the gentleman from Arizona [Mr. HAYWORTH] and ask the gentleman if he will yield to me.

Mr. HAYWORTH. Mr. Chairman, I gladly yield to my friend, the gentleman from Ohio [Mr. KASICH], the chairman of the Committee on the Budget.

Mr. KASICH. Mr. Chairman, for those folks that are watching this debate, what the last speaker said is just so far from being accurate it almost ought to be on the Tonight Show in the opening dialog.

I think we ought to stop scaring our senior citizens, our most vulnerable people. We have massive increases in Medicare spending, the program will be enhanced, preserved and improved, and I just really wish that these scare tactics would come to an end.

The President blamed it on the press. He said, "The press made me do it," and I think he may be getting around to the point where he is going to stop, and maybe the rest of the people scaring the seniors ought to stop as well.

Mr. HAYWORTH. Mr. Chairman, I thank my friend and colleague from Ohio. It would be laughable if it were not so tragic.

My colleague from Maryland speaks of a missed opportunity. It is a missed opportunity when we fail to allow the American people to hang on to more of their hard-earned money and send less of it here to Washington, DC. That is tragic.

It is a missed opportunity when a Medicare trust fund under this administration is already $4 billion in arrears, instead of moving to solve the problem by allowing seniors the chance and the opportunity they have at every other phase of life to make their own choices, somehow try to lock them into a government bureaucracy.

Again, Mr. Chairman, it comes down to this question: Who should we trust? Should we place more trust in the hands of the Washington bureaucrats, who in the wake of that largest tax increase in American history have only delivered 49 percent of the revenues this tax increase was supposed to bring in, in our breakneck pace of spending; or do we trust the American people to make the right choices for their families and their futures?

We can play scare games all day, but in the final analysis, Mr. Chairman, we must stand at the bar of history with the American people as our judge; and, as for me and the new majority, we stand firmly in the column of the American people. We reject the outmoded notions that Washington knows best. Join us, save this country.

Mr. SABO. Mr. Chairman, I yield 3 minutes to my good friend the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Chairman, I listen to this and I think that anybody who is watching it or listening to it in their office would ask themselves, who should I believe?

Now, the last Speaker got up here and said that we ought to stop scaring the seniors. I agree with that. It was the Republican proposal that scared the seniors in the first instance. And for those individuals who know who Yogi Berra is, Yogi Berra once said, when asked about a particular event, it is kind of deja vu all over again. What we are seeing today is the same plan they rolled out here last year. They did not change anything.

Oh, they have tinkered with it a little bit. They said they are not going to fool with the senior citizens premiums. They are not going to raise it up to 31 percent; they are going to hold it at 25 percent.

Now, of course that is the House. Now, we all know it will pass out of the House and go over to the Senate. Is there any agreement with the Senate on that; does anybody know? No, there is no agreement. This is a House proposal, and we will get the same wrangle and, just watch, we will get the same jerking around.

Now, instead of the part B premiums, the House GOP is going to cut hospitals because they do not want to cut doctors. The part B, as my colleagues know, pays for the doctor bills, and they do not want to cut doctors because they made a deal with them. They said, "If you will support our plan, we will give you a couple of things, and one of them is balance billing."

Now, remember the history of balance billing. Back in 1985 we said that doctors had to accept what Medicare paid when it paid a senior citizen's bill. The doctor could not balance bill. For almost 11 years they have not been able to balance bill. But the Republicans said to the doctors, "Look, if you will support our plans to cut the daylights out of Medicare, we will let you balance bill." So whatever Medicare pays, senior citizens can expect that the doctors will pile on an additional balance bill on top of that.

Now, in addition to that, we have to remember that the Speaker said, public statement, that he expects the traditional Medicare plan to wither on the vine. Now, how do they expect to cause this withering on the vine? The traditional plan that most people are in, they simply are not going to give the kind of increases that will make it possible for doctors to stay in that, so doctors will say, we do not want any seniors, and the only place a senior will be able to get their health care is to go into a managed care plan.

Now, by doing that, that means they will have moved all senior citizens into managed care and they simply are going to squeeze people down. It is very clear the plan the laid out. It is going to cost seniors $1,000 more a year by the year 2002.

Mr. Chairman, this is the kind of scaring that has gone on. It ought to stop. This same plan is being rolled out here again, and this should be enough in itself to defeat this budget resolution.

Mr. KASICH. Mr. Chairman, I yield 3 minutes and 15 seconds to the gentlewoman from Washington [Ms. DUNN], and ask if the gentlewoman will yield to me.

Ms. DUNN of Washington. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, let me just say, you can fool some of the seniors some of the time but not all of the seniors all of the time.

This trust fund is on the road toward bankruptcy. Our program is designed to significantly increase the amount of dollars in Medicare and to guarantee that this fund will be solvent well into the next century so our senior citizens can have a very viable program.

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Ms. DUNN of Washington. Mr. Chairman, I want to switch the discussion to welfare, because welfare reform is included in this balanced budget resolution.

During the past 30 years, the Federal Government has spent more than $5 trillion on welfare programs intended to alleviate poverty, but the problem is getting worse, not better. The system is getting more and more cruel. Today one American child in seven is raised on welfare. That is what this budget debate is all about: the children and their families. The current welfare system encourages a life of dependency and weak families, and that has a devastatingly negative effect on a child's development.

Every one of us feels sick when we read in the paper, we see on television the real life stories of how the current welfare system has failed. Think of this: 19 children found together in a cold, dark Chicago apartment. Police found them sharing a bone with the family dog for food. Or the Boston family that has 14 out of its 17 adult children now living on welfare, right now, and receiving close to $1 million a year from taxpayers.

Our solutions are focused on promoting families and work, moving families into the work force and off welfare is the only way to break this cycle of dependency. Most Americans on welfare want to work, but, sadly, our Government offers them a better short-run deal to stay dependent.

To make our approach work, the amount of time someone stays on welfare must be limited. Our bill does that. The President says he supports a 5-year time limit on cash welfare benefits, but he includes so many exemptions that the current welfare system would no be significantly changed. Furthermore, under the President's plan, recipients are guaranteed noncash benefits forever.

We understand that families, especially mothers, need a helping hand in moving from welfare to work. That is why we provide over $6 billion in additional child care assistance over what is currently contained in the current welfare system. This gives parents the peace of mind to go off welfare into the work force.

We also understand that children are hurt when our system fails so pitifully in enforcing court-ordered child support. Right now today, $34 billion are owed in court-ordered child support not being paid to custodial parents from these children's own parents. Our program finds a way to locate those dollars, especially those deadbeat parents who move out of the State to avoid supporting their flesh and blood children.

Mr. Chairman, what is at stake is real welfare reform. Imagine what our country will look like in 5 years if we do not pass it. The system continues to hold millions of poor families in its grip. The problem is not the people who are involved. The problem is the failed process. The President recently asked for a welfare bill with personal responsibility, work and family. We give it to him. Sign this balanced budget proposal, Mr. President.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the hard-working gentleman from New Jersey [Mr. PALLONE], a real knowledgeable Member on health care.

Mr. PALLONE. Mr. Chairman, I just want to say the seniors in this country are scared and they have reason to be because of these Republican proposals on Medicare. There is no question in my mind what is going on here again is the same thing that we saw last year. That is that senior citizens are being made to pay for the cuts that are being proposed in this budget and that Medicare is taking a bigger hit, almost as big a hit as it did last year, and all to pay for tax breaks essentially for wealthy Americans.

Now why should a senior citizen be scared? They should be scared because when the Medicare program was established in 1963, they were basically told that they were going to have at least three things: One, they were told they were going to have an unlimited choice of doctors and hospitals. Medicare would reimburse for that. Second, they were told that they would have protection against having to pay a lot of money out of their pocket. Right now it is limited to 15 percent. And then they were told they would have guaranteed coverage of all Medicare benefits for the premium that was established by law.

All these things are at risk in this Republican budget today. First of all, because of the reimbursement rate, the fact of the matter is that seniors will be pushed into HMO's or managed care. They will not have their choice of doctors and hospitals.

Secondly, the protections against balanced billing are eliminated. The doctors, if you stay in the traditional Medicare program, can charge anything beyond the 15 percent that is provided under current law. So more money out of pocket means you do not have the health care if you cannot afford it.

Lastly, with the MSA's, with the medical savings accounts, basically seniors are going to be encouraged to go into this two-tiered system where they have only catastrophic coverage, and they have to pay out of pocket for anything short of a catastrophic health care. So why should not senior citizens be scared?

All the basic tenets, if you will, of the Medicare program are at risk under the Republican budget. They do not know for sure if they can have their doctor anymore. They could very easily have to pay a lot more out of their pocket for going to a doctor or other Medicare or other health care expenses, and they do not even know if they choose an MSA that they will be able to have a lot of the services that Medicare now provides.

I would be scared. They should be scared because of what the Republicans are doing here today.

Mr. KASICH. Mr. Chairman, I yield myself 20 seconds.

Of course the gentleman obviously has not read our program because our program would give senior citizens more choice. In fact, most senior citizens would love to be in the Arizona plan which offers them prescription drugs, eyeglass coverage with no charge, no part B premium and no deductibles. We want to give senior citizens more choice. In that system they would not have more copayments and in fact get to choose whatever kind of system they want.

Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. SANFORD].

Mr. SANFORD. Mr. Chairman, it is interesting that if one looks at the polls today, for the first time in American history when folks were asked: do you think your children will do better off or worse off than you did, they are answering "worse off." That is the absolute opposite of the American dream, because the American dream is built on the idea that I did this well, my father did a little bit poorer than that, and my children are going to be doing better than that.

One cannot build a civilization, one cannot build a country around the idea that my children are going to do worse off then I did. So I think at the core of this debate and the core of this budget, what we are really talking about is the American dream.

Mr. Chairman, I would say second what those polls show is that Americans at the gut level understand what history has well documented over the course of time. Rome fell in 476 after controlling essentially the entire known world. The Byzantine empire, the Italian renaissance came to an end, the Spanish empire came to an end, the Dutch empire came to an end, the Ottomon empire came to an end. A host of civilizations came to an end because everyone of them reached a crossroads wherein they had to decide: Do we go back to what made us competitive and a world power in the first place, or we stay on this cozy but ultimately unsustainable cycle of upward government spending and upward government taxation?

We are at that same crossroads today. A child born into America today will pay an 82-percent tax rate if we stay on the course we are on. That either means economic enslavement or it means a collapse of the financial system as we know it. It took every single personal income tax return filed west of the Mississippi River simply to pay for the interest on the national debt. A child born in America, as you saw by the check earlier, will pay $187,000 in taxes on their share of interest on the national debt if we stay on the course we are on. So we are at that crossroads.

I think what this budget does is point us at the right fork in the road, because it begins to move decisions back to people in their local communities, in their local towns, and in so doing restores the American dream, and I think has a lot to do with saving the civilization.

Ms. SLAUGHTER. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise today to express my strong opposition to the Republican budget resolution and to advise my colleagues to carefully consider the implications of this budget on domestic discretionary spending. My colleagues need to understand there is simply no growth in this budget for important programs. Defense is the only area where they have proposed real growth. It makes no investment in safe highways, airline traffic safety, safe streets, safe schools, education, health care, public safety, clean water, clean air, research and development, business development, and transportation. The tough choices we made in 1990 and 1993 controlled the growth in discretionary spending. The caps have worked and we have the discipline to control future discretionary spending. There is simply no justification for further assaults on critical domestic programs. It is also difficult to understand how my Republican colleagues could propose slowing the growth in domestic discretionary spending to such low levels that by the year 2002, the purchasing power of overall nondefense discretionary appropriations will be 26 percent below this year's level. At the same time that they plan on eliminating any real investment in our economic security, they are proposing $13 billion more for defense than requested by the Pentagon.

Let me remind my colleagues again, that these cuts are in the most basic programs. Education, environmental protection, medical research, Head Start, civilian research and development, nutritional assistance, transportation, and criminal justice. All of these programs, regardless of what you may hear will be adversely affected if we enact the domestic discretionary level proposed in the Republican budget resolution.

In addition to the funding levels proposed, my Republican colleagues are also proposing some significant changes and eliminations. Included in this budget resolution is an assumption that 25 important educational programs will be block granted; the Governors will get to decide how to spend this money. While I have yet to see the list of these 25 programs, I can tell you that in some cases, the States will not act to serve vulnerable populations of children. It was because of the refusal of the States to address the unique educational needs of homeless children that I worked to create the Homeless Education Program. States and local governments simply did not reach out to these children and I can assure my Republican friends that under the block grant proposal, homeless children will be denied basic educational services.

Once again the Republicans are proposing to dismantle the one agency whose mission is job development and growth. Did we learn nothing from last year's budget battle. We need a strong and effective Department of Commerce. The late Secretary Brown accomplished this objective and I am fully confident that Secretary Kantor will meet the same challenge.

This Republican budget resolution also proposes the elimination of the Legal Services Corporation. Guaranteeing the basic protection of a citizen's constitutional rights is one of our responsibilities as Members of Congress. We take an oath to protect and defend the Constitution. Shouldn't we be concerned about guaranteeing every citizen, regardless of their income, the right to due process and the right of fair and just representation? Apparently only those who have the ability to pay are allowed adequate legal counsel.

I am gravely concerned about the direction of this country as we enter the next century and firmly believe that this budget will not guarantee that we are prepared to meet the challenges. I urge my colleagues to vote no on the Republican budget resolution. We can balance the budget without jeopardizing our economic future.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the State of Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Chairman, there was a cultist popular humanistic theme in the 1960's that said "God is dead." I am afraid that many of my colleagues on the other side of the aisle decided that they were left in charge, and what they did was drive us into the ever-deepening quicksand of more and more Government spending without results.

Our budget resolution offers more savings so that Americans can ultimately keep more of what they earn and they can decide what is best for them, not the Government. Bottom line, in our budget we trust the American people. In their budget, they do not,

Do I hate my Government? No. I just believe that we can do better for this country and for our kids, our grandkids, working families, and seniors. We can do better than $200 plus billion annual deficits, a $5 trillion national debt. I think we can do better than an anemic welfare system that penalizes mothers for saving money and penalizes them for wanting to marry the father of their children.

Mr. Chairman, I believe we can do better by saving Medicare from bankruptcy. In this country, we expect the best from our high school, our college, and our professional athletic teams. Why should we not expect the same from our Government? We are the greatest, freest, wealthiest country in the world. I believe we can do better and we should as Americans. Red, yellow, black, and white, we should demand the best from our Government, and our budget starts us in that direction.

Am I an optimist? I am reminded of the guy who defined an optimist as going after Moby Dick in a rowboat and taking the tartar sauce with him. Am I an optimist? You bet I am. I do believe we can do better by trusting the American people and figuring out the right answers for this time in our Government.

I believe that our budget resolution starts us in that direction. Our budget gets us another year down the road of accomplishing a balanced budget in the next 6 years. If we balance the budget, it opens the gateway to the future for our kids and our grandkids. If we do not, we can only look forward to more financial despair and burdens on families, a bankrupt Medicare system and keeping the caged eagles in the poor community locked up just waiting to soar.

Mr. Chairman, I urge my colleagues to open the gateway to the future for our kids and our grandkids by voting for this budget resolution. Trust the American people.

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Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. COYNE].

Mr. COYNE. Mr. Chairman, I rise today to point out the many deficiencies in the Republican budget resolution.

The Republican budget is fundamentally flawed. It places the burden of deficit reduction on health care, education, environmental, infrastructure, and safety net programs while leaving defense spending and corporate welfare virtually untouched. It still provides a substantial tax cut at a time when the Federal Government is running a sizable deficit. Defense spending is actually increased in this budget while critical domestic needs are ignored. Finally, the Republican budget puts a whole new spin on redistribution by increasing the burden on low- and moderate-income Americans and reducing the burden on the well-to-do; the Republican budget, for example, provides a child tax credit for middle- and upper-class families while cutting earned income tax credit assistance to low- and moderate-income households.

The Republican budget also resurrects a number of policies discussed last year. It eliminates the Commerce Department, the Energy Department, AmeriCorps, the National Endowment for the Arts [NEA], the National Endowment for the Humanities [NEH], the Legal Services Corporation, and the National Institute of Occupational Safety and Health, just to name a few. These agencies provide valuable services to the people of this country. The proposals to eliminate them are shortsighted efforts to pander to the public perception that all government is bad. If you doubt that this is the case, then ask yourself why many of the functions, operations, and even the staff of the Departments of Energy and Commerce will merely be shifted to other agencies, much like the transfer of the Interstate Commerce Commission's responsibilities and staff to the Department of Transportation last year.

In addition, the Republican budget would provide more than $2 billion less than the President's budget on crimefighting programs. It is inconsistent to enact tough anticrime measures on the one hand and then deny law enforcement officials the resources that they need to carry out those measures on the other.

One of the most important investments the Federal Government can make is its investment in its human capital. And yet, the Republican budget would freeze Federal funding for job training programs at roughly 60 percent of the 1995 appropriations level for these programs. It would reduce funding for the Job Corps by nearly 10 percent as well. And it would eliminate AmeriCorps and the Direct Student Loan Program.

Despite the strong public reaction to the Republicans' antienvironment initiatives last year, the Republican budget resolution would once again undermine Federal efforts to protect the environment and improve public health. It would cut the EPA's operating budget by 11 percent for fiscal year 1997. Cuts of this magnitude would damage the agency's ability to enforce existing environmental statutes. It would also eliminate EPA programs to develop advanced environmental technologies. This budget would also phase out energy conservation programs, renewable energy research, and fossil energy research and development. Such policies are incredibly short-sighted.

One of the functions most dramatically reduced under the Republican budget proposal is community development. Funding for programs like the Community Development Block Grant Program would be reduced from $11 billion in 1996 to $6 billion in 2002. The Economic Development Administration would be eliminated altogether. Such cuts would devastate communities like Pittsburgh. Federal community development funding leverages billions of State, local, and private sector dollars into important development and revitalization efforts. Without this Federal seed money, many communities across the country will be at a loss to address many critical community needs.

American workers are also adversely affected. The Republican budget would reduce funding for programs like OSHA that ensure workplace safety. It would eliminate the National Institute of Occupational Safety and Health [NIOSH], the only Government agency that conducts research on workplace injuries. It would repeal the Davis-Bacon Act and the Service Contract Act, legislation that guarantees that employees of Federal contractors are paid locally prevailing wages for their work. And it would extract another $9.4 billion in savings from Federal civilian and military retirees, the same people who have been called upon again and again in recent years to bear a disproportionate share of the burden of balancing the budget.

The Republican budget assumes dramatic changes in Federal housing assistance programs as well. While these programs are in need of reform, current funding for these programs falls far short of meeting the need for affordable housing in this country. The Republicans would reduce spending on housing assistance from the current level of services by roughly $20 billion over the next six years.

The Republican budget would also make dramatic changes in important Federal transportation programs as well. The local matching rate for transit capital grants would be increased to 50 percent. Transit operating assistance would be phased out. And mass transit new starts would be eliminated. Research and development of advanced high speed rail would be eliminated as well. In total, transit funding would be reduced below a freeze level by more than $6.5 billion over the next six years. This policy shift would have a devastating impact on congestion, energy consumption, economic growth, and air quality in many of our urban areas.

The Republican budget would eliminate or dramatically reduce technology transfer programs like the Advanced Technology Program and the Manufacturing Extension Partnership Program, programs that provide valuable technical assistance to small manufacturers across the country and promote the development of advanced technology and innovative products. These programs help American businesses compete with foreign manufacturers. They produce an incredible return on the Federal Government's modest investment.

The Republican budget still makes dramatic changes in the Medicare and Medicaid Programs. The proposed savings are large enough to devastate these critical health care programs. It is interesting to note that the difference in Medicare savings from last year's budget resolution to this year's is roughly the same size as the reduction in the size of the tax cut that the Republicans are proposing. That would suggest to me that the Medicare savings in this budget are motivated by the Republican tax cut package, and not by concern over the future of the Medicare Program. Regardless of the motivation, it should be clear to all Americans that attempting to save $168 billion from Medicare over the next 6 years is simply irresponsible, as is the plan's reliance on medical savings accounts to cut costs and impose fiscal discipline on Medicare beneficiaries and providers.

The Republican plan would also adversely affect Medicaid beneficiaries as well. The Republican's budget resolution would garner substantial savings, $72 billion, from Medicaid by converting it to a block grant, and it would eliminate the current guarantee of health care coverage for 2.5 million low-income children between the ages of 13 and 18.

Finally, the Republican budget would pull a number of additional threads from the already fraying Federal safety net. The Republican budget would make $53 billion in savings in programs like AFDC, food stamps, and SSI, primarily by eliminating the Federal guarantee of assistance for the needy and converting them to block grants.

Where does that leave us? With a Republican budget resolution that is fundamentally flawed. I voted against this resolution when it was considered by the House Budget Committee, and I shall vote against it when it is considered by the full House.

Any of the Democratic alternatives would be preferable. The President's budget is a responsible attempt to balance serious deficit reduction with important investments in our future and the need to preserve Federal safety net programs, although I believe that it would be better to balance the budget before we cut taxes substantially. The coalition budget also deserves credit for its commitment to deficit reduction, although I also have concerns about some of the provisions it contains. I believe, however, that the Progressive Caucus-Congressional Black Caucus budget proposal provides the Federal budget strategy that best addresses the needs of this Nation over the next 6 years. This budget substitute balances the budget, invests in our communities and our human capital, and even expands Federal safety net programs. It does so by reducing defense spending to a level commensurate with the reduced military threat we face with the end of the cold war, and by eliminating corporate subsidies and tax breaks that are wasteful and inefficient.

Consequently, I urge my colleagues to reject this improvident budget resolution and to adopt the Progressive Caucus-Congressional Black Caucus budget.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the city of Cincinnati, OH [Mr. PORTMAN].

Mr. PORTMAN. Mr. Chairman, I just want to say I support this budget without reservation. It is a great budget for all the reasons we have heard up here today.

I have got three kids at home. It is about the kids, it is about the next generation. We do not want to leave them with this crushing debt, now $5 trillion. We do not want to increase their taxes to the extent we would have to in order to service that debt. We want them to have a shot at the American dream.

So this budget is at least one important step toward getting that budget under control and to get it into balance in 6 years.

But let me mention something else, and the gentleman from Ohio [Mr. KASICH] talks about it a lot. Forget the numbers. This is also about shifting power and responsibility and authority and money out of this city, out of Washington and back to our States, back to our local communities and back to people, and that is very important, and it is a big distinction between the way we have been going and the way we like to go.

For 40 years we have increasingly aggregated that power and authority here in Washington. This budget is all about getting it out. Medicaid is a good example of that. Education is a good example of that. Welfare is a great example of that. Let me give my colleagues one example in Ohio.

For years Ohio tried to get a waiver to be able to do something innovative and creative in the area of welfare to try to help people actually move from welfare rolls to payrolls. Finally we got some of the waivers. We were able, in the last 3 years, to reduce our welfare rolls in Ohio by 23 percent. We could do twice that well, maybe three times that well, if we could get real flexibility that is in this budget proposal in the area of welfare reform.

Let us trust the people that sent us here. Let us do this budget because it is the right thing to do for our kids, to get our fiscal house in order, but also let us do it because it is time to start moving some of the power and authority out of Washington where it is increasingly aggregated and reverse that trend. This is one small step and an important step toward doing that.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, there are two budgets; no, there are four budgets being considered tomorrow. The one that I support borrows $137 billion less than the majority budget. I listened to a lot of speeches today, and I do not understand how anyone can propose that borrowing $137 billion more is going to make good economic sense.

We are talking about spending cuts. I hope my colleagues from rural America take a good hard look at our colleagues' budget. Cutting 46 percent more out of the agriculture discretionary function over the next 6 years does not make good economic sense by anybody's standards. Cutting 13 percent from research extension this year, 1997, does not make good sense. Whoever proposed that, I do not understand how they could possibly come up with that.

The idea that there is that much more overhead down at USDA completely ignores the fact that we have spent the last 3 years reorganizing the U.S. Department of Agriculture. We have cut $4.2 billion from that overhead. Now to come in and say we are going to take another $695 million because somebody keeps saying there is unnecessary bureaucratic overhead downtown, they are not looking at what has already been done over the last 3 years in the current administration, and they are truly going to do irreparable harm to agriculture, rural health.

Eliminating the office of rural health in the block grant program that has allowed rural hospitals who have been struggling to just keep their doors open, the success of that program, to suggest that is going to be eliminated does not make sense.

So, a lot of cuts. Yes, we need to cut; yes, we need to make decisions along these lines. But I would say take a good hard look at rural health, and that also includes urban health because what I say about rural health applies exactly the same way to the inner cities, and there are being many decisions made in this budget in the name of cutting the bureaucracy that are going to have the opposite effect. They are going to have a devastating effect on the food supply of this Nation some day.

Mr. Chairman, as Representative for the very rural 17th District of Texas, as a founding member and former cochairman of the House Rural Health Care Coalition, and as a 16-year veteran on the House Agriculture Committee, I find the degree to which this budget resolution assaults rural America truly stunning and enormously disturbing. In the past, rural Members, which of course can be found in both parties, have always managed to put aside partisanship in rural issues for one fundamental reason: An overriding worry about the potential loss of access to quality health care, loss of business, and ultimately, loss of economic viability in rural areas.

The programs and offices which this budget targets for elimination in the health function are the very programs and offices originated by the bipartisan Rural Health Care Coalition. I realize that constituents of urban Members do not worry about whether there is going to be a doctor to deliver their babies, an emergency room to treat the tractor accidents, a nurse to treat daily illnesses. But these are things my constituents do worry about. The programs targeted by this budget certainly do not respond to all of those needs by themselves but the programs and their coordination play a vital role at the edges.

The assault on agriculture is even more remarkable, with total agricultural discretionary spending cut a staggering 46 percent from 1997 to 2002. I understand Republicans think that this nearly 50 percent reduction will come from overhead, which I find particularly interesting since the Agriculture Department has just completed a major reorganization and downsizing. Since most of those cuts are unspecified, it's hard to know whether they will be taken from the hide of research and extension programs, conservation programs, or nutrition and safety programs. What is clear, however, is that with the Ag discretionary budget virtually cut in half, the impact will be felt in each and every function of the USDA. And that means the impact will be felt in each and every rural community.

I find it hard to believe that my many friends across the aisle who serve with me on the Agriculture Committee or on the Rural Health Care Coalition have focused on the aspect of the majority's budget. I have little doubt, though, that as these numbers are implemented into policies and as constituents across the country notify their Representatives of their concerns, my friends will become as alarmed about the impact of this budget on the future of rural America as I am today.

Mr. Chairman, for this and other reasons, I urge a "no" vote on the Republican budget and a "yea" vote for the coalition substitute which approaches a balanced budget in a far more humane and reasonable manner.

Mr. KASICH. Mr. Chairman, I yield myself 1 minute.

I dearly love my colleague from Texas, but as my colleagues know, talk about a vain effort, I mean there is no one that I have yet met outside of the beltway who thinks that we have cut bureaucracy and redtape and travel expenses and supplies and equipment enough in any, virtually any, piece of this Federal Government.

This Republican majority believes that there is tons of money available in the travel allowance, the supply allowance, the equipment allowance of virtually every single department, bureau and agency of this Government, and frankly, I do not even think we started to downsize and save money.

So we are after the overhead accounts of everything in this Federal Government, and I have not yet gone home and had one taxpaying citizen say to me, "You have really cut the bureaucratic overhead too much in Washington." Not one single person has told me, and I think we are absolutely on the right track.

Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from the State of Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, at the outset of this debate, the gentleman from New Jersey laid out the case very eloquently for this budget. A budget is not really about numbers. It is not about whether we spend $1,500 billion on the Federal Government or $1,600 billion. It is not even about whether we cut a program, whether we increase a program, whether we add a program, or whether we eliminate a program.

No, Mr. Chairman, a budget is an opportunity for this body and for our political parties to make a philosophical statement about the direction we believe this country should be going. It is an opportunity for us to say something about where we think our future is. It is an opportunity for each party in Congress to set forth its vision, its vision for America, its hopes, its dreams for our future and for our children's future.

Mr. Chairman, our budget makes such a statement. It says very clearly what we believe the National Government's priorities should be. It insists that we should decide what this Government can do, what it must do, and what it should do. It says that we should reduce the burden on our children, the burden that a new child born today in this country, assumes upon his or her birth. That burden is a burden of $188,000 just to pay the interest on the national debt.

Our budget says we believe other levels of government, the private sector, and nongovernmental organizations, can perform government functions better than Washington can. We say this about education, we say this about some aspects of welfare, about some aspects of health care, we say it about such things as economic development. And, yes, most importantly, it says that we believe the burden of taxes on American citizens should be reduced. Our budget would reduce the burden of taxes on American citizens.

The gentleman from Texas talked about having to borrow more money. But we reach a balanced budget as soon as any of our other budgets that are proposed. What we do differently is leave some of the money in people's pockets, leave money in the pockets of American citizens so they can decide how to spend the money on their health care, on their education, on their schooling, on their housing, on all the needs that they have. We do this because we believe that Americans who work hard and earn it should keep it.

That is what this budget is about; that is the statement this budget makes. I urge my colleagues to support it.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I rise in opposition to the budget resolution before us and I would like to comment on the treatment of research and development therein.

Last year, the Republican budget resolution initiated an all-out ideological and budgetary attack on our Nation's R&D establishment. That resolution proposed a reduction in civilian R&D by over 30 percent in real terms by the year 2002. Moreover, the detailed but misguided assumptions imbedded in the House version of the resolution report language became an iron-clad mandate for the Committee on Science and we were forced to follow its every detail in the authorization bills that were reported out. This budget resolution renews the attack.

Overall, this budget resolution cuts the nonhealth civilian science agencies by over $3 billion below the President's request just for fiscal year 1997. Over the entire 6-year period, this resolution cuts over $15 billion from the President's request. In inflation adjusted terms, our science investment will be cut by over 25 percent by the year 2002.

These cuts come on top of extraordinary efforts on the part of the administration to identify cost savings in all of the science oriented Federal agencies. NASA, NSF, NOAA, DOE, EPA and other agencies have dramatically downsized over the past 2 years. They have eliminated thousands of jobs, they have privatized major portions of their operations and they have cut overhead through reinventing Government. This budget resolution rewards them with additional cuts that go beyond streamlining management. These reductions are emasculating the core missions of these agencies and the fundamental role of Government in supporting research and development.

This is not a matter of simply balancing the budget. Indeed, the President's budget is balanced. The Republican plan contained in this budget resolution has established a rigid set of ideological principles, set forth in the accompanying report, with which to make judgments on the value of R&D. The authors of this resolution have asserted that this blueprint represents the only acceptable way to balance the budget.

For example, a balanced budget, according to the report language, must include the elimination of one directorate—namely the Social Sciences Directorate—at the National Science Foundation. It must include the elmination of solar and renewable energy research, fossil energy research, and energy conservation research at the Department of Energy. It must include a virtual elimination of any environmental research within NASA. The list goes on.

Mr. Chairman, these are not just recommendations for balancing the budget. They are demands that we conform our thinking to the misguided views of a few. These are also the demands that will be made to the Appropriations committees in the coming months.

In general, the goals of this budget resolution are to cut back and eliminate wherever possible applied research in the Federal Government and to block any attempts to partner with the private sector. This bias towards applied research and towards technology partnerships is particularly disturbing in view of the widely acknowledged need to link our investments in R&D more closely with the goals of economic development in the coming years.

I would call the attention of my colleagues to a recent report by the Office of Technology Policy entitled Effective Partnering. This report reviews the efforts of successive Congresses and Presidents to increase the effectiveness of mission based R&D within the Government to enhance technology-based economic growth. Programs such as the Manufacturing Extension Program and the Advanced Technology Program that are slated for extinction in this budget resolution represent our best hope for the generation of future jobs. Moreover, these programs are aimed at the emerging small, high-tech industries that will form the backbone for our future economic competitiveness.

Mr. Chairman, this budget resolution is anti-science, anti-jobs, and anti-education. It will do irreparable damage to our investments and our commitments to research and development in the future. By drastically cutting clean coal and other fossil energy R&D it may stifle economic progress in important regions of our country.

I will close by stressing that these attacks have nothing to do with balancing the budget. In addition to the President's plan, there are many alternatives to balancing the budget that better preserve R&D. For example, I plan to vote for the conservative coalition budget which restores funds for investments not only in basic science, but also in NASA and in energy and conservation programs.

I urge a "no" vote on this budget resolution.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from the State of North Carolina [Mrs. MYRICK].

Mrs. MYRICK. Mr. Chairman, this debate today is about one thing and that is trust. As my colleagues know, we trust the folks back home to manage their own lives better than the bureaucrats in Washington, DC. Our budget resolution demonstrates that trust. For the last several decades Congress has said, "Hey, folks, you know, you don't know what you are doing; the Federal Government needs to tell you how to do it, how to take care of your life."

Mr. Chairman, I know from firsthand experience as a mayor of a city that the people back home do know how to take care of themselves. As my colleagues know, our city did not sit around and wait for Congress to tell us how to do it. We just got in there and did it. We believed that there is a better way.

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We say that the American people have the answers. This country was built on self-sufficiency and free enterprise, with families making their own decisions. All over this country folks are finding the answers. They are overcoming adversity. They are solving problems. They are helping one another. This budget supports that effort.

Families need our help. Do Members know that it costs the average family $6,731 a year just for Government regulations? They need tax relief as well as control of their lives. Families are hurting. Our own son and daughter-in-law, our daughter-in-law had a terrible auto accident. She is unable to work. Their earning ability has been severely limited. They know firsthand how this budget is going to help them. It will give them some relief. It is going to provide a better future for our two granddaughters, Amanda and Savannah, and for all the other families in America. We truly want to take the power out of Washington and send it back to the people, where it belongs. Let us manage our own lives.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, the Republicans have insisted once again on enormous unrequested increases in defense spending in their budget. To do it, they are taking billions of dollars from discretionary accounts, thereby killing investments that are critical in a whole series of areas. Let me mention just three of those countless areas.

First, the Republican budget wipes out energy conservation and efficiency research, and stops the further development of solar and renewable energy sources, all of which are going to be necessary if this country is going to achieve energy independence from foreign sources, and all of which would be part of creating new jobs for American workers trying to compete in an international market.

Second, this budget phases out our commitment to public transportation, which is critical to take people to their jobs, to their doctors, to recreation, all of which are investments in the construction, in the operation, of the buses that move people in urban areas, large and small, large communities and small communities, all over this country.

No. 3, it turns its back on young people and the investment in those young people seeking an education by eliminating direct student loans and national service scholarships. Such extremism, Mr. Chairman, is not necessary to balance the budget. We can do a better job, and we should go back to the drawing board and get it right.

Mr. KASICH. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from the State of Arizona [Mr. SHADEGG].

Mr. SHADEGG. Mr. Chairman, one of my colleagues came to the floor a few minutes ago and said that this debate is not about numbers, it is about philosophy. It is about vision. It is about where America is going, about whether America is going forward or going backward.

We need, America needs, a budget that saves our children's future, but that is not the budget that the Democrats will offer. The budget the Democrats will offer is a budget based on fear and class warfare. I hope my colleagues in America are listening to and watching this debate. Their budget is based on fear, misrepresentation, and class warfare. Our budget is based on hope, growth, and opportunity. The difference between these budgets is that we trust the American people to take care of themselves.

Members heard the last speaker bemoan all the different cuts. He would have us cut nothing. Indeed, he would have us grow spending more and more and more, and debt more and more and more. These two children are the grandchildren of one of my colleagues. They face a debt in their lifetime of $188,000, each of them. Look at their faces. Their answer is more debt and more spending.

What has that spending gotten us? Let us take one issue, the education issue. They would tell us, the President would tell us, that we are gutting education and that we are stealing from education funds in America. They would tell us we should spend more and more and more.

Let me say about spending: It is not true that Washington knows best, and more spending does not necessarily make better education. Since 1980, the budget for the Department of Education has more than doubled. It has grown at a pace of more than 7 percent. That is twice the growth of the economy. The United States today spends more per primary and secondary pupil than any country in the world.

What have we gotten for it? What has that side that wants to take you back to more spending done for you? What that has gotten, what their excessive spending has gotten us, is 187 different studies that show there is no significant correlation between education spending and performance.

What has their spending done? SAT scores have dropped nearly 60 points in the last three decades. Math and science scores for students in America ranked behind China, Korea, Taiwan, the former U.S.S.R., England, and Slovenia. What has failed is their centralized big government solution.

If America is to move forward, we must trust the American people. We cannot burden them with more debt. I urge my colleagues to reject the past, to reject excessive spending, and to join us in passing a budget which protects their future and does not burden them with an immoral debt.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. SHADEGG. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I understand what the gentleman is saying. The figure that the gentleman is referring to, it so happens that the President of the United States was Republican, in his party, for that period of time.

Mr. SHADEGG. The statistics I have cited are accurate.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Speaking of education, Mr. Chairman, I find it interesting to talk about this great Federal monolith, since 94 cents of every dollar in public education is at the State and local level.

Let us talk about the Department of Commerce. If you were a business person, Mr. Speaker, and I came and said to you that I have a great idea, and you asked what is that, and I said we have this agency, the Department of Commerce, that because it developed for the first time ever a national export strategy, and because it has had an aggressive Commerce Secretary, Ron Brown, and now Mickey Kantor; has generated 80 billion dollars' worth of contracts over the last 3 years; and because this department was so effective that it took $1.5 billion, half of it private money, and generated 220 public-private partnerships to promote civilian technology, and because we have this Department of Commerce that has increased exports 26 percent over the past 3 years, and because we have this Department of Commerce that has increased tourism and provided the first White House conference ever on this growing industry for much of America, and you might be saying, yes, yes, what are you going to do with this agency, their answer would be, we are going to eliminate it?

Because that is what this budget does. It eliminates the Department of Commerce, breaks up some functions and ships them off into lower categories in other agencies, sets up a whole lot of new boxes, but eliminates the one means by which business has been getting increasingly a place at the table.

Take the Economic Development Administration, for instance. Every Member has had an EDA project in their district which has helped generate many dollars over what went into it. For Swearinger Industries, for instance, in Martinsburg, WV, $2 million of EDA investment helped trigger $130 million in private sector investment, 800 new good-paying jobs, and a significant civilian increase and a technology industry boost.

Eliminating the Department of Commerce? those who speak of their children, I understand the concern about debt, but how about the future? How about opportunity, how about jobs? How about somebody that is fighting for them to make sure they get their piece of the pie as well? That is where this budget is wrong, and that is why the Department of Commerce should stay.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Chairman, I want to begin by complimenting the great chairman of the Committee on the Budget, the gentleman from Ohio, JOHN KASICH, for his leadership and dedication in moving this forward.

The debate today is really about the future of our children. It is America's children. We must be concerned not only for our own children, but all America's children.

Last week on this floor I spoke of the children growing up in public housing in Chicago's State Street corridor. In that neighborhood unemployment is almost universal. More young women become teenage parents than graduate from high school. Guns outnumber books. Children murder children. It is a community filled with despair.

Mr. Chairman, the budget we offer today is one filled with hope, hope for a brighter future for all Americans, including the children of State Street and all of our inner cities. The Republican budget keeps us on the path we started last year toward opportunity and economic growth. The 1997 budget endorses the landmark housing bill that passed the House last week, and is designed to give the people at the local level the power to deal with the problems in their communities without being strapped by Federal regulations and bureaucracy. We want to continue to shift responsibility, power, and money and influence out of Washington and back to neighborhoods, communities, and people.

House Republicans are doing what we said we would do: balancing the budget, freeing people from the trap of welfare, and providing genuine tax relief for working Americans. Who could be against a higher standard of living for our children and our grandchildren? That is exactly what this debate about the 1997 budget is all about.

There are two clear paths before us. We can return to the path we left last year and deliver a future of unsustainable spending and increase, crushing debt, huge increases in taxes that dash hopes and dreams, and that in the end promise fewer opportunities and not a good quality of life for the smallest among us who are still too young to vote. Or we can stay on the brighter path that we started last year. It will require courage, but it is filled with the hopes and aspirations that every parent has for their children.

The Republican budget for 1997 makes possible a future filled with hopes and dreams and opportunity. I urge its passage.

Ms. SLAUGHTER. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, last year our Republican colleagues, self-described Gingrich revolutionaries, caught Government shutdown fever and brought this Nation to a halt, until the country spoke up and rejected their budget. Now they are back again with the same type of zealotry that they had in 1995. I think the Four Tops wrote their theme song long before they got to Congress when they wrote "It's the same old song, just a different verse, since you have been gone," because they have not given up their revolutionary zeal to change their country in a way the country does not want to be changed.

Let me give just one example of what this budget resolution assumes and how it affects Austin, TX. Today, Austin, TX, got 10 more law enforcement officers. They are young people, just like these who graduated from our law enforcement academy last year. It brings to our community a total of over 100 law enforcement officers, over 5 million Federal dollars to support local community policing efforts.

This budget proposes to give billions of dollars to star wars. It forgets we have real wars in our streets. Our community is safer because of the commitment that this Congress made to 100,000 new police officers across this country—8,000 communities have benefited from that program. Yet this resolution assumes the termination of the cops on the street program, and some blockheaded block grant program that will not guarantee the safety of our neighborhoods and which can easily be trimmed.

Let us stand up for safe communities and reject this Republican budget.

Mr. KASICH. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, we have a very unique way in which we would put police on the street. Rather than putting police on the street in some cities that do not experience high violent crime rates, we have decided to let local people decide that police are going to be put on the streets where there is the most violent crime.

□ 1730

So where there is the greatest need is where we want the people to be. We think that makes a lot more sense than distributing police on a per capita basis. Send them where they are needed, that is our motto.

Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from the sunny State of Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Chairman, I rise in strong support of the budget resolution. This budget says to the American people, "We think you are taxed too much." Since 1981, under Democrat control, we have had 19 separate tax increases. We think the economy is growing much too slowly. We know that slow growth coupled with enormous tax rates will leave our children with a lifetime tax rate of 80 percent just to pay interest on the debt.

Why is a balanced budget so important? Americans will have more take-home pay because our budget includes a $500-per-child tax credit and a reduction in the capital gains tax which would stimulate economic growth. We also have true welfare reform, which is the No. 1 priority of most Americans.

On the present course our children and their children will be left with immense debts and a tax bill of $180,000 a year just to pay the interest on the debt. That is why we cannot buckle in the face of adversity. We must stick to our principles.

The President's plan has given the American people a tax increase of $241 billion and a deficit that will increase dramatically after the year 1997. In other words, slow growth, high taxes, and weak economic growth will continue unless we stick to our principles.

Our country needs to go in a new direction. We must cut taxes and cut spending. Currently future generations will have to deal with this soaring debt and these high taxes. Let us pass this budget.

Ms. SLAUGHTER. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. ROYBAL-ALLARD].

Ms. ROYBAL-ALLARD. Mr. Chairman, the Republican budget is shortsighted in its policy assumptions on transportation spendings.

By singling out mass transit for executive cuts in transportation programs, the Republicans retreat from the ISTEA agreement of 91 [ISTEA].

Although transit represents approximately 10 percent of the 1996 transportation budget, it receives nearly 50 percent of the cuts in outlays. And while maintaining the Federal match on highway projects at 80 percent, the majority jeopardizes mass transit by lowering the Federal match to 50 percent.

Under these revised incentives, local planners will inevitably choose highway projects at the expense of much needed mass transit.

Also, the phasing out of operating assistance will lead to fare increases, service cuts, and layoffs. This proposal would disconnect thousands of low-income workers from their jobs, isolate many elderly from their daily business and from health care.

In addition, the budget terminates funding for new start programs which provide commuting alternatives to some of our fastest growing cities.

Rail expansion in areas such as St. Louis, Los Angeles, Portland, New Jersey, and the Sunbelt States will be directly threatened by elimination of new starts funding.

The majority's budget is shortsighted and wrong in its effort to pull Federal support from transit planning and programs until the transit needs of urban America are fully met.

I urge a "no" vote.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman, who do we want to please with this budget? I think we want to please the American people. The Republican Budget Committee for the first time in many, many years held hearings across the United States the last couple of years to ask the people what kind of a budget they wanted.

They said they would like a budget that allows them to keep more of their hard-earned income in their pockets rather than paying it out in taxes. They said America needs a budget that shifts power, money, and influence out of Washington and back to the people and the States and their communities.

This budget is based on these principles. It takes less of each person's income by reducing the massive tax burden we have placed on our people. The average person in my State of Michigan now works 86 days a year just to pay their share of taxes at the local, State, and national level. Since President Clinton had his huge tax increase of 1993, my Michigan workers now have to work 7 additional days just to earn all of that money that goes in additional taxes. The Heritage Foundation estimates that the 1993 Clinton tax increase has cost Americans 1.2 million jobs, private sector jobs, and $208 billion in economic output.

This budget calls for studies, Mr. Chairman, to say to States maybe it is going to be better if they keep the Federal tax money, rather than detour it through Washington to have Washington politically decide how that money is going to be distributed, and what they do send back? They send back massive regulations and restrictions.

Andrew Jackson realized that transportation is primarily a State issue. This budget gives seniors a choice in their medical coverage. This budget reduces the deficit every year and finally balances.

Mr. ORTON. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding time. A moment ago I spoke about agriculture and rural health and was challenged by the chairman of the committee, whom I deeply respect, and I would just say that we will continue that discussion any time, any place, regarding the facts of agriculture. But now I wish to speak to the debt and the deficit.

I have seen the charts, I have seen the kids, and I have seen the accusations about this side of the aisle. But the budget that I support with the gentleman from Utah [Mr. ORTON] and others on this side, we propose to borrow $137 billion less so that those same children do not have to pay interest on that debt. I do not understand why it makes good sense to borrow $137 billion to give a tax cut. That is all we are saying. Let us confine ourselves to the spending cuts.

I want to ask the gentleman from Utah a question. Last year the budget resolution contained a provision preventing Congress from considering a tax cut until CBO certified that we had found the spending cuts to balance the budget first. Is that language in the resolution that the Committee on the Budget reported last week?

Mr. ORTON. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Utah.

Mr. ORTON. No. In fact, Mr. Chairman, the language that the gentleman from Texas [Mr. STENHOLM] is referring to was section 210 of last year's conference report on the budget resolution, which in fact was entitled Tax Reduction Contingent on Balanced Budget in the House of Representatives.

The Congressional Budget Office in describing that particular provision of the act stated, "Both procedures in the House and Senate require CBO's certification that enacting the proposed reconciliation legislation would lead up to a balanced budget in 2002 before the Senate or the House can consider proposals to cut taxes."

Both Senate Majority Leader DOLE and chairman of the Senate Committee on the Budget DOMENICI are on record with regard to this provision, Senator DOLE saying the tax cuts, quote, "do not take effect unless and until the nonpartisan CBO certifies that we are absolutely on the path to a budget that is balanced in the year 2002." That is the safety valve. They do not take effect until certified. Chairman DOMENICI said, "But let me suggest that in the final analysis we will have tax cuts for the American people only when we get a balanced budget."

These particular provisions and protections in last year's budget reconciliation act are not in this year's budget. As the gentleman knows, we attempted in the committee to amend the budget to put these provisions back in, these safeguards, and the committee refused to do so.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair must caution all Members not to make personal references to Members of the other body.

Mr. ORTON. Mr. Chairman, these were merely quotes.

Mr. STENHOLM. Mr. Chairman, let me just ask the gentleman another question. I have heard referenced today that in the tax cut proposal by my friends on the other side, that they are making provision for a $500-per-child tax credit. Is it possible, for $122 billion, to get a $500 tax credit?

Mr. ORTON. If the gentleman will yield further, not according to the Joint Committee on Taxation. They have scored that over the 6 years as costing $135 billion. If in fact you only have a $122 billion tax cut provided for in the budget, as they do, you are $13 billion short.

Mr. STENHOLM. What would happen to the deficit numbers in the Republican budget if it included a tax cut large enough to pay for the child tax credit in every year?

Mr. ORTON. They would be $13 billion additional in the hole.

Mr. STENHOLM. The resolution that is before us contains a net tax cut of $122 billion. At the same time information put out by the majority indicates they can pay for a permanent repeal of the gas tax, a cut in the capital gains, which I happen to support, estate tax relief, small business expensing, AMT relief, expansion of IRA's and extension of expiring tax credits. By my math, that is more than $122 billion.

Mr. ORTON. In fact that adds up to a total according, to the Joint Economic Committee, of $216.1 billion in cuts. If in fact you only have $122 billion provided for in tax cuts, you are $94 billion short.

Mr. KASICH. Mr. Chairman, I yield myself 2 minutes.

I think what is important for people to understand is that we laid out a program that said that we would downsize Washington and we would take the savings from downsizing Washington to pay for part of our tax relief program, which is the family tax credit. We also have said that we intend to close loopholes that large corporations' lobbyists have been able to secure during my lifetime, and we have suggested that we would close those loopholes and give some of the money that the big corporations with lobbyists in Washington, take some of their breaks away and create additional tax relief for hardworking ordinary Americans.

In our proposal, we are going to downsize government and at the same time we are going to close these loopholes that were passed by the old Democratic majority. We decided that all those loopholes that my Democratic friends have complained about for 40 years, finally some of them are going to be closed by Republicans, because we do not think lobbyists ought to win in this town.

What I have a hard time understanding is the great concern on the part of my Democratic colleagues about giving tax relief to Americans. We did not support raising taxes in 1993, and I would assume some of them who are complaining about our tax cuts did not support it then, either. We intend to systematically repeal as much of that tax increase so Americans can have more of their money in their pockets, rather than systematically taking it out of their pockets to put it into the pockets of bureaucrats. We do not favor that. We want Americans to keep more of what they earn.

We as a majority in this Congress, joined by many on the other side of the aisle, are going to systematically reduce the power, the money and the influence of this city so that the American people can have more, more empowerment, more wealth and more of their own paycheck.

Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. BROWNBACK].

Mr. BROWNBACK. Mr. Chairman, just to follow up on those excellent comments by the chairman of the Committee on the Budget, what we all can agree to that is truly excessive here in Washington is the size of the Federal debt and the size of the Government. We have got over $5 trillion in debt and a government that takes up 22 percent of the overall economy of the country. We just think the debt is too big, it has got to be smaller for our kids, and we think the Government is too big and it needs to be smaller so that we can carry it.

To put a little meat on the bones factually, the Joint Economic Committee says that if we can cut the size of government, if we can cut it slightly, get it from 22 percent of the economy to even around 19 percent of the economy, we will create a growth rate in this country that is double the current growth rate. We are going to create jobs, better jobs at higher wages, so not only do we get the size of government down, not only do we shrink the overall deficit, not only do we get to balance over a period of 6 years but we are going to create jobs, we are going to create growth in the economy. This is a win all the way around.

I would like to report to the American people, if they do not know, we have hit our first-year balanced budget targets. We wanted to get the deficit down to $158 billion. Instead it is around $150 billion. We are below the target that we wanted to hit this year. And we are now on 6 years to balance the buget, and we are doing it fairly and compassionately and predictably so this economy can grow, so the American people can do better and so that we can restore the American dream. That is what this is all about.

□ 1745

Mr. ORTON. Mr. Chairman, I yield myself 10 seconds simply to respond to the chairman. There is not great disagreement between us. What we have said is we ought to pay for the tax cuts first, before going deeper into the hole.

Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Chairman, let me sum up the Republican majority budget. They have softened some of the terrible numbers, but many of the terrible, harsh policies remain.

For example, Medicare. Balanced billing, seniors will pay more under their provision. And also hospitals in southeast Michigan, the proposal of last year would have cut them $2.3 billion. No one thought that was sustainable. This would probably be even worse.

Medicaid, block granting it. Seniors as a result will get less long-term care. EITC, look, there is one clear conclusion under their proposal: When you combine EITC as they have drafted it with their child tax credit, 3 million hard-working families with kids are going to be worse off.

Let me say a word about taxes in general, and your $122.4 billion. I have heard a lot of rhetoric on this floor about the 1993 tax increases. You do not touch a single one of them, not a single one that you complain about, except the gas tax, and that you repeal for 7 months as an election year ploy.

Why do you not in addition to your rhetoric do something? And then second, the $122.4 billion is not really that. As the gentleman from Utah [Mr. ORTON] has said, it is $60, $70, $80 billion. The New York Times caught on to you in the article of May 12. It says, "The $122 billion allotted in the budget for a tax cut is a net figure, and House leaders have said they will eventually cut an additional $60 billion or so in taxes on investors, businesses, and individuals." That raises the tax cut to $180 billion. "The added tax breaks," I continue reading, "were not plugged into the budget that was made public on Wednesday, in part because there is yet no clear way to pay for them and in part no doubt because the lower figure is a less attractive target for Democrats accusing Republicans of giving tax breaks to the rich."

So last year it was $270 billion in Medicare cuts to pay for $245 billion in tax cuts, mostly for the wealthy. Now you are $168 billion in Medicare, and what are you, $180 billion in tax cuts, $190, $200? You shake your head, Mr. SHAYS. I said at that budget meeting it was $122 billion, plus an amount you are going to give to the Committee on Ways and Means. You say it is going to be raised by closing loopholes? What loophole did you close last time? Forty billion dollars in pension assets belonging to workers, giving it back to corporations? To raise $10 billion? You call that a loophole? You were out of touch last year, you are out of touch this year.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds to correct the gentleman on a number of points.

First off, the earned income tax credit under the Republicans last year went from $19 to $25 billion. The school lunch went from $5 to $6.8 billion. The Student Loan Program went from $24 to $36 billion. Medicaid went from $89 to $127 billion. Medicare went from $178 to $289 billion.

Only in this city when you spend so much more do people call it a cut.

Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. NUSSLE].

Mr. NUSSLE. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, my friend from Michigan said that this is about numbers. This is not about numbers, this is about people and families. We can do better. Our plan helps, because we allow people to earn more. We allow families to earn more, and we allow them to keep more so they can do more.

Let me tell you about a person. We are going to talk about people. I had a woman come to one of my town meetings who I think put our budget in perspective, all these speeches we hear. She had a simple message for me. She said, "You guys out in Washington don't get it. The problem with America today is air-conditioning."

I said, "What are you talking about?"

She said, "The problem is air-conditioning." She was 90 years old. She said, "When I was a little girl, we used to sit out on our front porch to keep cool during the summertime."

In the neighborhood that she lived in, neighbors would watch neighbors. She said they would take care of one another. Her neighbors were worse to the kids in the neighborhood than their own parents. They were stricter, and would take care of one another. In Iowa, a covered dish solves about everything for a neighbor.

Obviously that is not what we are suggesting here. She was suggesting with the invention of air-conditioning, people began to move inside. They began to move away from their neighbors, to move away from their neighborhood.

For 40 years in Washington, we have been asking them to move even further away from their front porches of America. We have been asking them to move to Washington to solve problems, instead of the neighborhood, the family, the community. And we have taken from them so they cannot earn more and so they eventually cannot do more.

Let me give you an example of this. I have a town in my district hit by a twister. That is the popular movie right now. We got hit by a twister about 5 years ago, a town by the name of Worthington, IA. This town was devastated. It destroyed just about the entire town.

Most people who have been watching the movie I am sure would think after the kind of devastation you see in a town like that, that maybe people would just leave. It is a town of about 800 people.

This town decided they would pull together. With volunteer money, because they knew they could not raise taxes like the Democrats did in 1993, this town decided with volunteer help, volunteer contribution, they built a city hall, a fire department, a community center, and they even went together and put in a library. This is a community that decided to help themselves. And when asked how did the Federal Government help you, there is not a program in the world, there is not a program the world, that would have helped them. Nothing at all. They could not get any help from the Federal Government. But they decided to pull together as a community, and, with local help, they were able to get this job done.

I think that is the kind of attitude we need again in this country if we are going to solve problems. $5.3 trillion since the 1960's to solve the war on poverty. What has it gotten us? Not less poverty. It has gotten us more poverty.

But what are the community action agencies and groups doing in our communities, such as the Salvation Army, organizations that derive their strength and their spirit from individual initiative and opportunity and responsibility for others?

That is exactly the kind of spirit that we need. It gets money out of Washington. Our plan puts money back in communities and families, back to the front porches of America.

So when you look at this budget and you say to yourself, what is this really as a bottom line? It is a question do you want it at a bureaucracy, a fancy white building, downtown Washington, filled with bureaucrats, or do you want that money on the front porches of America, the great front porches, that for years in this country solved our problems and in the future will continue to solve our problems if we will just let them.

Families need to earn more, they need to be able to keep more, and, with that, they will be able to do more. And when it comes right down to it, it is a matter of who you trust. We know who Republicans trust. We trust individuals and families, because they make better decisions. In Washington, unfortunately, the opposition says bureaucracy makes better decisions.

Mr. ORTON. Mr. Chairman, I yield 1½ minutes to the gentlemen from Texas [Mr. DOGGETT.]

Mr. DOGGETT. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this budget has no true balance. It is rather only a retread of the same old Gingrich budget resolution that America rejected last year. And the understanding that the American people have of this budget is proven correct again today. You will remember, this is a budget whose main theme was how much it could cut Medicare in order to pay for tax breaks for the privileged.

Well, today's resolution proposes to cut Medicare $100 billion less than last year's resolution, and guess what? Just by coincidence, the tax breaks are $100 billion less than last year's resolution, or more or less in that range.

It demonstrates that the American people were correct in understanding that there is a direct relationship by how much Medicare gets cut, how much health security gets jeopardized, and how many tax breaks there are for the privileged.

But what does this resolution omit? It refuses to do a single thing about the billionaire expatriates who renounced their U.S. citizenship in order to avoid paying their fair share of taxes. That would have gotten us over $2 billion in revenues. It refuses to cut a single corporate tax loophole. It imposes, you might say, a means test for welfare. But if you have got the means, every one of your tax loopholes and your corporate subsidies is protected. That is the thrust of this budget resolution, and it ought to be rejected.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds, to once again correct the gentleman for his inaccurate comments.

Medicare under our bill goes from $196 billion to $283 billion. That is a 45-percent increase in spending from this year to the sixth year. Under our Medicaid Program, it grows from $95 billion to $140 billion.

Only in this city, when you spend so much more do people call it a cut. We are spending more because we need to improve this program.

Mr. Chairman, I yield 2¼ minutes to the gentleman from New Hampshire [Mr. BASS].

Mr. BASS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, the gentleman from Texas talks about tax cuts for the privileged. Of course, that is not true, and it is part of the rhetoric we have been hearing in this body now for a year and a half. It is totally unsubstantiated.

You know, we are interested in the privileged, because we consider all Americans in this country to be privileged. We are proposing a budget this year that continues along the path of balance, to relieve Americans from the tax burden that is going up and up and up year after year. And in 1995, we passed the first balanced budget in generations. Unfortunately, it was vetoed by the President. We continued to work to save taxpayers money, and we ended up with a budget that cuts over a 2-year period $43 billion. That is $668 for every American family. Those are our privileged Americans, all American taxpayers.

There are a bunch of Chicken Littles walking around over here saying the sky is going to fall, that we have got this problem and that problem. The fact is that we have passed two budgets now and changed the debate in Washington, hopefully forever. The debate now is when we will balance the budget, not whether.

Mr. Chairman, here is what we do now. We end once and for all three decades of reckless spending. We stop forcing yours and my children to continue to pay the bills. As our Federal Reserve Board chairman says, if we continue on our course, we are going to raise, and substantially, the standard of living for every American in this country. Those are the privileged people for us, working Americans.

The difference between our budget and their budget is that we trust Americans. We trust Americans. We want to send power, money and influence back to the States and localities. And long after the shrill rhetoric dies from this debate, the people who will really benefit from this budget that we pass are going to be my children and your children. They are the people that are going to be the winners in this debate.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, the debate today truly is about the future of all of our children. This budget resolution is a repeat of many of the extreme proposals from last year. Just look at the 1980's and the deficits that gave us our current $5 trillion debt. Fiscal year 1982 was the pivotal year; a huge tax cut, assurances of future spending cuts, and our Nation's very first more than $100 billion deficit.

From there the deficit exploded. It was exceeding $200 billion 3 of the next 4 years. When you begin a budget balancing plan with a big tax cut, you invite failure. They deliberately created the illusion of the necessity of extreme cuts from health care, from education, from job training, from environmental protection, from transportation, extreme cuts that Americans have said very clearly that they do not want.

□ 1800

Or they have to do things like raising $20 billion in taxes from low-wage working Americans whose only sin is to earn less than $25,000 a year.

Their tax cut has nothing to do with balancing the budget. What it does do is leave us in the year 2002 with close to $6 trillion of debt that we have no revenue to begin to pay back, and $240 billion a year in interest on that debt that is going to have to be paid year after year after year, without end, into the future of all of our children.

I urge my colleagues to reject this budget, the committee's product. It makes too many of the mistakes of a year ago.

Mr. SHAYS. Mr. Chairman, would you inform both sides how much time is available, subtracting 30 minutes from each on the Committee on Economic and Educational Opportunities. How much time does this debate have?

The CHAIRMAN. Under the previous order of the House of May 14, 1995, the 3 more provided for general debate includes 1 hour on the subject of economic goals and policy. So that is 30 minutes of the time controlled by the gentleman from Ohio [Mr. KASICH] and 30 minutes of the time controlled originally by the gentlewoman from New York [Ms. SLAUGHTER], but now the gentleman from Utah [Mr. ORTON] is reserved.

Total time remaining is 39¾ minutes for the gentleman from Ohio [Mr. KASICH] and 48½ minutes for the gentleman from Minnesota [Mr. SABO].

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. KASICH], chairman of the Committee on the Budget.

Mr. KASICH. Mr. Chairman, I want to point out to the folks watching this debate, our problem has been that we have consistently transferred resources from people who are young savers to people across the spectrum who are consumers. In our society we have destroyed the concept of savings.

When a nation does not save, a nation cannot invest. When a nation cannot invest, it cannot put the tools in the hands of the workers to compete and win, and we end up with job insecurity and stagnant wages. Mr. Broder on Sunday talked about the need to boost savings and investment and risk taking and opportunities so that our people can have the tools to win. That is what our document does.

Part of it is about huge deficits that kill the ability to save, but the other part of it is to transfer money from savers to consumers, and over time this country finds itself in a stagnated position. Our plan is designed to reward savings, to reward investment, to reward risk-taking, so that this country can have higher productivity and so that our workers can win and gain and earn more into the next century.

Mr. ORTON. Mr. Chairman, I yield 1½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, this is about our children and it is about trust. Unfortunately, we are not being as honest with the American public as we ought to be.

In 1981 we talked about supply-side economics. We passed the Republican program in 1981. I say to my Republican colleagues that we passed it as they wanted to pass it and President Reagan signed it in August 1981. He said, after passing the tax bill as well, "We will balance the budget by October 1, 1983, under my program."

That is what was said to the American public and to this House. This is what happened. We went from $945 billion in total debt, I tell the chairman of the Committee on the Budget, to $4.5 trillion in debt. Why? Because we pursued the same kind of economic program that is included in the Republican budget today. The same kind. It is a supply-side budget which created gargantuan debt for the grandchildren and children that we talk on this floor.

Yes, it is about trust, and there is a responsible budget to be offered to this House, the coalition budget, which is a bipartisan budget that creates $137.5 billion less in debt. Why? Because it is honest with the American public, and says if we are going to buy education and environmental protection and health care, we need to pay for it, not so our children pay for it.

Let us not pursue supply-side economics once again to the detriment of future generations.

I rise to join my colleagues in expressing my deep concern about the nearly $124 billion of tax breaks for the wealthy included in the Republican leadership's budget proposal.

I am a strong supporter of adding a balanced budget amendment to the Constitution and believe that we must get our fiscal house in order before we cut revenue.

The alternative budget proposed by members of the Democratic coalition and the distinguished ranking member of the Budget Committee is a responsible and genuine way to balance our budget.

By delaying tax breaks until 2002 when the budget would be balanced, the plan allows continued investment in our future.

The coalition plan provides $21 billion more for Medicare.

It includes $45 billion more than the Republican budget for education, head start, and job training.

It provides $14 billion more than the Republican plan for basic scientific research, such as NASA and its mission to Planet Earth Program, as well as energy conservation.

And I am especially pleased that the coalition does not include the unwise and unfair cuts in Federal employee benefits that are again in the Republican plan.

There is a sensible, real, CBO-scored way to balance our budget in 7 years. It does so without compromising investment in America's future and I urge every Member to support it.

Then, in 2002, when our fiscal house is in order, this Congress can approve tax reductions for all Americans-including the middle class and the poor who would be so devastated by the Republican proposal before us.

I urge a "no" vote on the Republican proposal and a "yes" vote on the coalition alternative.

Mr. ORTON. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Chairman, it is foolish and irresponsible to propose increasing the deficit as part of a plan to balance the budget, but that is exactly what the Republicans want to do. Their much touted 6-year budget plan will order the Congress to borrow $17 billion next year in order to pay for 1 year of tax cuts, tax cuts that in the end will cost $175 billion in just 6 years, even though the Republicans only have enough to pay for $124 billion.

Are we not supposed to be cutting the deficit? Every year we fail to balance the budget we add to the growing national debt. The nearly $5 trillion debt sops up national savings, leaving increasingly less money for private investment, new equipment, technology, and worker training. Balancing the budget involves some very difficult choices.

We just passed a defense authorization bill this year that added $13 billion to what the Pentagon asked for. Last year we added, that is right, we added $7 billion to what the Pentagon asked for.

We have tough choices to make. How about the $200 billion we could save in corporate welfare over a 6-year period if Republicans would forget about the special interests and really try to make the tough decisions to balance this budget? The short-term consequences of expanding free trade pale in comparison to the long-term effects of a growing national debt, lower wages, a poorly trained work force and lagging economic growth.

The Republican plan foolishly sells tax cuts to the public in exchange for increasing the debt while drastically reducing investments in technology, economic development, education and the environment, ironically the very resources we need to be competitive worldwide and to reestablish high growth rates that our next generation needs to enjoy.

Let us forget this plan and support the coalition's budget alternative. This involves tough decisions. The coalition budget does that.

Mr. ORTON. Mr. Chairman, I yield myself 1 minute.

The real issue here that we are asking is that we be honest with the American public. Section 210 in last year's conference report, titled "Tax Reduction Contingent on Balanced Budget in the House of Representatives," at least promised the people we would not cut taxes first and then abandon spending cuts and end up increasing the deficit. That is, if anything that we have learned from the decade of the 1980's, that should be it.

What is in this particular budget? We do not know. It says a net $122 billion tax cut. What is it? It does not even pay for the one item that has been identified. What about the gas tax? If we are going to repeal it more than just 6 months until the day after the election, that is going to cost an additional $30 billion. That is not paid for.

Even without the gas tax in it, the numbers are $64 billion off. Where are we going to cut spending? Where are we going to raise other revenues to make up that $64 billion? That is a giant hole in this budget resolution which no one has identified, no one has talked about. The public deserves to know what is in it or what is out of it, and the public deserves to have a promise that we will not increase the deficit.

Mr. SHAYS. Mr. Chairman, I reserve the balance of my time.

Mrs. MEEK of Florida. Mr. Chairman, the state of the budget for 19——

Mr. SHAYS. Point of order, Mr. Chairman.

The CHAIRMAN. Does the gentlewoman yield herself such time as she might consume?

Mrs. MEEK of Florida. Mr. Chairman, I yield myself 3 minutes.

The CHAIRMAN. Has the gentleman from Utah transferred control of the time?

Mr. ORTON. Mr. Chairman, the gentlewoman from Florida [Mrs. MEEK] will be controlling the remainder of the time until the 30 minutes, at which time the gentleman from Washington [Mr. MCDERMOTT] will control the time.

The CHAIRMAN. Without objection, the gentlewoman from Florida [Mrs. MEEK] is recognized for 3 minutes.

There was no objection.

Mrs. MEEK of Florida. Mr. Chairman, last Thursday the Committee on the Budget met and deliberated for quite some time, and as we deliberated I made some assumptions about what I saw going on there. It appeared that the bottom line of that budget resolution was that the Republicans had changed the budget to some extent but there was still the same theme with some variations; the same theme of being able to work very hard to be sure that we would balance the budget in 7 years.

That was done with their budget, but as they did it, it appeared that the same people who were negatively affected in the first budget were still the same in this one. They assume tax cuts of at least $176 billion, which include a cut in the tax rate on capital gains. Part of these tax cuts is paid for by cuts in the rate of growth of spending for such programs as Medicare, Medicaid, and welfare.

It goes back to my original assumption, Mr. Chairman, that the same people that were negatively impacted in the first budget resolution, well, here we are again impacting them negatively again. But another part of the tax cut for the wealthy is paid for by raising taxes on working Americans.

The theme of the entire Republican budget resolutions all the time has been to help working Americans or to save for working Americans. Here we come back and show in this budget resolution that they are now raising taxes on working Americans who are at the very bottom of the income scale.

The Republicans want to cut the earned income tax credit by $20 billion. Now, we all know that is a cash payment from the IRS to low-income working families. The total Republican cuts in entitlement spending in this resolution came to $310 billion. The Medicare cut, $158 billion, accounts for 51 percent of the total cuts in entitlements. Almost all the other entitlement cuts, 47 percent, come from the three programs that I and my colleagues are going to debate for the next 15 minutes, Medicaid, welfare, and the EITC.

Mr. Chairman, I will talk briefly and focus on the EITC. At the markup, the majority said this year's proposal on the EITC essentially is the same as last year in the so-called Balanced Budget Act of 1995, and that bill was vetoed by Mr. Clinton. That is not quite true.

We now know what this EITC proposal means for those responsible, hardworking Americans who have chosen work over welfare. A few months ago the staff of the bipartisan Joint Committee on Taxation released an analysis of the impact on working Americans of the majority's EITC proposal as set forth in last year's conference report. The Joint Committee on Taxation found that 6.3 million families with annual incomes below $30,000 will face higher taxes because of the cutbacks in the EITC.

The Joint Committee on Taxation further found that the Republican plan would have raised taxes on many working Americans even after taking account of the $500-per-child tax credit in H.R. 2491. The report of the Joint Committee on Taxation concludes that 2.8 million families with children and with annual incomes below $30,000 would be worse off under last year's proposal even after taking into account of the $500-per-child tax credit. According to the Joint Committee, these 2.8 million families with children will be worse off by $29 a year even after taking into account of the $500 child credit.

Some of you may think an average tax increase of $29 is not very much. But that $29 is an average. That means some will face a larger tax increase. Moreover, this tax increase of $29 is more than the average American family will save because of the proposed repeal of the 4.3-cent-per-gallon gas tax. So what you're giving with one hand, you're more than taking away with the other.

The current Republican attack on the EITC is somewhat surprising because the EITC has historically had bipartisan support as a way to encourage people to choose work over welfare.

The EITC was originally enacted under President Ford in 1975, when the maximum annual credit was set at $400. Five times—under each of the next four Presidents—the maximum credit was raised, and in 1986 the schedule for the EITC was also indexed to keep pace with inflation. This year the maximum annual credit for a family with two or more children is $3,564.

But on a party-line vote the Committee on the Budget rejected my amendment to limit the changes in the EITC to those designed to reduce errors and fraud. According to the Congressional Budget Office, my amendment—which would fight fraud but still protect the working poor—would save about $2 billion over 7 years. The Republican majority was primarily interested not in reducing fraud, but in balancing the budget on the backs of the poor.

I've asked the Rules Committee to make in order my amendment to give Members the opportunity to goon record in support of people who tough it out every day, working in low-paying jobs, supporting themselves and their families. I doubt the Rules Committee will grant my request.

Many Members of the majority are using the existence of the current EITC to justify their opposition to an increase in the Federal minimum wage.

For example, on April 23, the majority whip made that argument to the House of Representatives. He relied on a Congressional Research Service [CRS] study he had requested. For each State, CRS added government payments for the EITC, Food Stamps, Aid to Families with Dependent Children [AFDC], and day care to the wages of a single person working full time at the minimum wage. CRS found that a single parent with two small children living in Florida and working full time at the minimum wage would have annual gross wages of $8,840 and would pay social Security payroll taxes of $676. This parent's wages would be supplemented, according to CRS, by an EITC payment of $3,536; food stamps worth $2,992; and an AFDC payment of $1,258. So this parent's total annual income after Federal taxes is $15,950.

Living in Miami, a single parent with two small children would find it hard to provide food, shelter, full-time day care, and clothing for $15,950 a year. Cut that EITC payment, and you hurt that family terribly. If the Republican majority really wants people to choose work over welfare, they would support both an increase in the minimum wage and the current level of EITC.

During the Budget Committee debate on my amendment, the Republicans asked how I proposed paying for the $20 billion in EITC spending over 6 years that my amendment would have protected. The answer to their question is contained in their own discussion on reducing corporate tax subsidies. In explaining how the Republicans would pay for their proposed cut in the tax on capital gains, the majority's draft report on the budget resolution "assumes a reduction in provisions in the Tax Code that can be clearly identified as benefiting one industry or a limited number of corporations and derive no public benefits." The draft report goes on to say that the Committee on Ways and Means has identified such changes in the Tax Code that "raise approximately $26 billion."

It appears that the Republicans have clearly stated their preference: to use this $26 billion to pay for tax cuts for wealthy Americans rather than to avoid raising taxes on working Americans.

There are almost 1 million hard-working families in Florida who will be affected by the Republicans' proposal to cut the EITC by $20 billion over 6 years; 46,000 of these families are in my congressional district.

In conclusion, Mr. Chairman, under the current Republican budget proposal, surely the rich will get richer, and the poor will pay for it.

Mr. Chairman, I yield 3 minutes to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, one of the greatest errors made by the majority in their budget of last year were the devastating reductions they proposed in the future funding of the Medicaid Program. Unfortunately, they have done it again.

What is Medicaid? Medicaid is the joint venture of the Federal Government and State governments to meet the health care needs of children from homes falling below the poverty line, of disabled individuals unable to work and otherwise cover their health care expenses, and the long-term care costs of destitute elderly citizens. There are no more vulnerable people in this country than kids raised in poverty, disabled, and seniors who require long-term care but lack the funds to pay for it.

I am convinced much of the public reaction against last year's GOP budget was because the American people would not walk away from these kids and these seniors as they struggled to meet their health care needs.

A central problem with the GOP budget before us is that once again it clobbers kids and destitute seniors with Medicaid reductions that will dramatically reduce the quality of the health care these Americans can access.

Now, on the surface, the differences in Federal spending between the proposals may not look like much. The administration proposes a $54 billion reduction; the coalition $70 billion; the GOP budget $72 billion. The dirty little secret, however, behind the GOP proposal is that it would allow State funding toward the Medicaid program to fall off dramatically.

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The ultimate comparison is revealed on this chart and shows just how devastating their hits would be. The administration combined hit of $105 billion, coalition $125 billion, but the GOP budget, $257 billion in future expenditures, nearly at the reckless levels of their last year's budget.

The difference between the proposals means this: Under the GOP plan, fewer kids in impoverished homes will be able to get health care. The services currently available to disabled Americans will be reduced and in some cases eliminated. And the long-term care for our seniors, people like our parents and our grandparents but they do not have ability to pay for it themselves, will fall and it will fall in terms of accessibility and in terms of quality of care.

If we are to negotiate toward a historic balanced budget agreement, Mr. Chairman, we will not be able to bridge differences as great as those contained in their Medicaid proposal. I urge the majority to change their Medicaid plan, preserve the State-Federal partnership in meeting the health needs of impoverished kids and destitute elderly.

Until changes are made in this regard, however, I urge my colleagues to reject these devastating reductions in future Medicaid spending. Our kids and our seniors deserve better.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds to respond once again to the inaccuracies of my colleague.

From 1991 to 1996, we spent $463 billion on Medicaid. Under our proposal it increases. We will spend $731 billion, 463, 731. The President would spend only slightly more, 749. What is interesting is, our colleagues in the coalition budget would spend 732, $1 billion more. They call ours a cut and they call theirs an increase.

Mrs. MEEK of Florida. Mr. Chairman, I yield 15 seconds to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, Medicare is joint, State and Federal. If you look at the combined reductions in spending in the Medicaid Program, their proposal is recklessly, dangerously different than either the President or the coalition proposal.

Mrs. MEEK of Florida. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Chairman, here we go again.

As the only Member of this body to have actually been a single, working mother on welfare, I rise, once again, to make it clear that this budget is no kinder or gentler to children and families than the welfare reform plan peddled by Speaker GINGRICH and the new majority last year.

That should come as no surprise to anyone because this budget is just a rehash of the majority's same old cruel policies and skewed budget priorities that were rejected by the American people last year.

They were rejected, my friends, because the American people want real welfare reform—reform that helps families get jobs and stay off welfare for good—reform that expands the earned income tax credit; boosts the minimum wage and invests in education; job training; health care; child care and child support.

However, this budget, like all of the majority's welfare reform plans that came before it, tells children in this country: if you're poor, you had better not get sick, don't get hungry, and don't get cold, because the majority doesn't think you're important.

It says to families: Republicans in Congress don't want to provide you with a guaranteed level of health care; food; and general assistance for your children.

Just by ending the guarantee of Medicaid alone, almost 4.9 million children may lose their health coverage.

And, by its cuts to the earned income tax credit and failure to boost the minimum wage, this budget tells working parents that you might as well go on welfare because the majority doesn't think work should pay.

In fact, approximately 3 million working families will come out worse thanks to the majority's cuts to the earned income tax credit.

Mr. Chairman, this is not the way to be treating our working families, and it is certainly not the way to be treating our children.

It's time for the majority to stop recycling it's misplaced priorities and it's extreme policies.

It's time for the majority to work with us to pass a balanced budget that moves our Nation forward without leaving behind those who depend on us most—our children, our families, and our seniors.

Mr. SHAYS. Mr. Chairman, I yield 2½ minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, twice now I have heard the gentlewoman from California, the gentlewoman from Florida talk about cuts in the earned income tax credit. Let me point out to my colleagues what we are talking about here.

Here is what we have spent the last 5 years on the earned income tax credit, $109 billion. This is what we are talking about spending the next 6 years, excuse me, the last 6 years versus the next 6 years, $155 billion. It must be some very special accounting that is used here in Washington by some of my colleagues that calls an increase from 109 to 155, $1 billion over the next 6 years, as some kind of a cut.

What we are talking about changing, what we are talking about eliminating is the earned income tax credit for illegal aliens. We do not think they should be eligible for the earned income tax credit. We are talking also about eliminating payments, ending payments to persons that have substantial sources of nontaxable or unearned income: for example, Social Security, tax exempt interest, IRA distributions, child support payments, those would be counted as part of the income, not currently included there.

So, yes, for those people there would be an elimination because they have other sources, in many cases government sources, of unearned income. We are talking about ending payments to childless workers. That was not ever the original intention of the legislation to have people who are childless workers. I would like to know the logic from my colleagues on this side of the aisle as to why a couple that earned, individual who has two children, is trying to raise them, should work extra hard to pay for taxes to provide an earned income tax credit for somebody who is childless and working part time.

An individual who is working full time at the minimum wage would qualify for a total of $40 under the earned income tax credit. In other words, basically a full-time person who is childless working at the minimum wage does not qualify for it anyhow. So you are talking about part-time people anyhow.

For the first 18 years of the earned income tax credit, it was not available to childless workers. That was one of the things that was added much later.

My colleagues also often mention that this is one of Ronald Reagan's favorite programs. They ought to remember that when Ronald Reagan was President, he was talking about in 1986, the total cost of the earned income tax credit was $2 billion. Today it is $25.3 billion, that is an 1165-percent increase in just 10 years.

We are not talking about eliminating or cutting the earned income tax credit. We are talking about getting rid of some of the abuses and trying to target those who need it the most and allow working people who have families to keep some of the money in their own pocket and not have to pay for childless couples who do not really need the earned income tax credit.

Mrs. MEEK of Florida. Mr. Chairman, I yield myself 15 seconds to respond to my colleague's point of view.

I think what my colleague said did not present the whole picture of the cut that they have made in the EITC, because according to a study by the bipartisan Joint Committee on Taxation, the changes which the Republicans have recommended in their resolution would increase taxes on 6.3 million hard working families, that needs to be talked about, with an annual income below $30,000 a year.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the State of New Jersey [Mr. MARTINI].

Mr. MARTINI. Mr. Chairman, I rise today in support of the American people and in support of the fiscal year 1997 budget resolution. Two years ago Americans were restless and concerned. No longer was the status quo good enough. I shared that concern and that is why I ran for Congress in 1994.

Now, 2 years later, our record shows that we have succeeded in changing the status quo. We have taken action to make America fiscally sound once again. We have proven we can cut wasteful spending and protect our most important priorities and do so with caring and compassion while addressing the need of working families. The reason is obvious. The difference between our budget and theirs is that we trust the American people and they do not.

We know the very richness and quality of our lives is not defined solely by government but, rather, by the opportunity to be involved with our community, schools, neighbors and of course our places of worship. In my mind, these ideas are not revolutionary. Rather, they are inherent in the very role of being a Congressperson, managing the financial affairs of Government responsibly and fairly.

Yes, this Congress pushed the envelope of fiscal responsibility at the President, and we pushed that envelope again. He could no longer ignore that. It was not always pretty but real change never is.

The result has been saving the American taxpayers $43 billion, the first such reduction since World War II, a cut in deficit without an increase in taxes. Contrast this with the 1993 Clinton Democrat Congress budget of more spending, ballooning deficits, and the biggest tax increase in American history, $245 billion.

Yes, Mr. Chairman, we have come far in the last 2 years. I say to my colleagues, now is not the time to succumb to the scare and fear rhetoric that we have heard from the other side. I might add the party that for years stood for the party that said we have nothing to fear but fear itself today offers us only fear and more fear.

Now is not the time to retreat. Now is the time to go forward with courage and to continue on the path of change that we have adopted. I say we pass the budget resolution.

Mrs. MEEK of Florida. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Chairman, I would like to say that it was not too long ago that we were saying, read my lips, no tax increases. Our majority party has been saying no tax increases, we are going to have tax cuts because that is what this economy needs. Yet we know this budget resolution is going to reduce EITC by $20 billion. What does that mean for those childless families? That means a tax increase.

If they have under existing law been enjoying an EITC from the Government and suddenly this bill is passed, reducing that EITC benefit to this family because they are childless, that, my friends, is a tax increase to that family. There will be millions of families so affected.

A family without a child in the household that they can consider a dependent may suddenly be strapped by someone becoming very ill, a heart attack or a stroke or someone has to go out and work and perhaps under this devastating minimum wage not be able to survive. And the Government is going to say, now that childless couple needing the support from this Government just as poor as any other family is not going to have the EITC benefit because there is no child in the household?

We want to help all families that are poor, that are entitled to this support. I cannot believe that the majority would stand up and say that this is not a tax increase on that poor family that heretofore has had this benefit.

Mr. KASICH. Mr. Chairman, I yield myself 1 minute and 30 seconds.

Can we imagine a family where the income of two children at $30,000 who are being taxed to give benefits to a childless couple making $28,000, can we imagine the mother and father telling their children we cannot go to McDonald's tonight because we had to pay more taxes to give more benefits to a childless couple that is making $1,000 less than we are.

What does the family get who goes to work every day and is struggling to support their children? What do those people get? They do not want food stamps. They do not want housing. What they want is an opportunity. And what we aim to do is to give opportunity to those people trying to climb out of welfare.

We are trying to give benefits to those people who desperately need it. We are trying to help those people who cannot help themselves. But do my colleagues know who else we are very concerned about? Low income working Americans who give more and more and get less and less back. They are the forgotten Americans in this country. Those Americans are struggling every day to support their children, and all they ask for is an opportunity.

That is what this budget is all about, rewarding those people who get up every day and go to work, and all they ask for is a chance, and more of their money back in their paychecks for them to spend on their children. That is what is right.

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Mrs. MEEK of Florida. Mr. Chairman, I yield 30 more seconds to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Chairman, the distinguished gentleman from Ohio [Mr. KASICH], I think, misses the point. We all want to benefit working families. It was never the intention to make a distinction about a childless family. The formula currently includes benefits for childless workers because clearly there are circumstances where there are two individuals in a family, one perhaps disabled and unable to work, suffering some kind of disability where only one sole individual in that family can go out and work, and that family is as entitled to this benefit as any other family, and I do not believe the law ought to be changed. And the $20 billion that our colleagues are taking out of the program is to hurt that family. It is a tax increase.

Mr. Chairman, I rise today to ask my colleagues to take notice of a small, but important provision in this budget resolution. It expresses the sense of Congress that we should not enact or adopt any legislation that will increase the number of children who are hungry, homeless, poor, or medically uninsured, and further stipulates that Congress must revisit any legislation enacted to comply with this budget resolution which does cause an increase in the number of children who are hungry, homeless, poor, or medically uninsured.

I authored this amendment which was accepted by the Budget Committee on a voice vote. I must say that I was quite pleased when the chairman of the Budget Committee accepted my amendment without hesitation. Accepting this provision may have been easy, but I would caution this House that complying with it will be difficult given the budget proposal before us today.

As we have seen in the past, this budget seeks to sacrifice the most vulnerable in our Nation in exchange for a balanced budget by the arbitrarily chosen year of 2002.

It is difficult for me to see how we are going to prevent more children from becoming hungry, homeless, poor, or medically uninsured under this plan, which disproportionately targets those programs dedicated to assisting the poor, most of whom are children. Medicaid will be cut by $72 billion over the next 6 years, $53 billion will be taken away from welfare programs and the EITC will be cut by $20 billion. With the exception of Medicare, no other Federal program takes a larger hit in this budget than these three programs which make up the basic social safety net for our Nation's children.

It is obvious that the intention of their budget is to dismantle those very programs that work to keep children from being hungry, homeless, poor, and medically uninsured.

Most devastating is their decision again to do away with the basic guarantee, the entitlement, for children in this Nation to receive a minimum level of financial support and guaranteed health care, no matter where they live in this country, who their parents are, or the most difficult circumstances they may live in. Make no mistake, the adoption of this budget will end the Federal Government's commitment to a guaranteed safety net for our children.

We already know that if welfare legislation similar to H.R. 4 is adopted as this budget resolution suggests that at least 1.2 million more children will be thrown into poverty. This is based on analysis of the Senate version of H.R. 4 by the Department of Health and Human Services and the OMB.

Welfare reform as proposed in this document has nothing to do with giving families the tools to become self-sufficient and everything to do with cutting the budget. If we were truly interested in helping families on welfare we would be retaining the entitlement, especially for child care; increasing funding for education and job training, not decreasing it; and expanding health care for the poor, not reducing it.

In addition to the elimination of the safety net for children, this budget adds insult to injury by making it more difficult for low-income working parents to provide for their children without government assistance by cutting the earned income tax credit [EITC] by $20 billion over the next 6 years. According to the Joint Committee on Taxation, the EITC reforms proposed by the Republican budget would increase taxes for 6.3 million working families with incomes less than $30,000. We hear the Republican majority spout rhetoric about personal responsibility and the need to be self-sufficient, yet here we have a program that truly helps working families stay off welfare, and what do the Republicans do? They cut it.

Instead of supporting policies that lift people out of poverty like the EITC and an increase in the minimum wage, this budget relies on the failed policies associated with the trickle down economics. Worse, it destroys the safety net under current law for our 5 million children in welfare. To hurt these children is absolutely the wrong policy.

This budget resolution is seriously flawed. It eliminates or severely cripples some of the most important functions of the Federal Government, that which assumes our children and the most vulnerable in this Nation are cared for. The only hope we have is that provision I added in the Budget Committee which requires us to revisit this budget if it results in more children becoming hungry, homeless, poor, or medically uninsured. I ask my colleagues to reject this budget because it hurts children, it hurts the poor, the elderly, and the sick.

The gentleman from Arizona earlier said this budget is about priorities. Clearly, the majority's priorities do not lie with our children, or their families.

This budget resolution calls for the end of Americorps, terminates Goals 2000 which is local education reform, freezes Head Start, freezes WIC, cuts Job training by 25 percent below fiscal year 1996 levels, freezes funds for title I, freezes college student financial assistance programs like Pell grants, Work study cuts library funds by 20 percent, phases out legal services for the poor, phases out funds for the arts and humanities, and privatizes Corporation for Public Broadcasting, and cuts bilingual education.

Mrs. MEEK of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. THOMPSON]. He is a new member of the Committee on the Budget.

Mr. THOMPSON. Mr. Chairman, I rise today in opposition to the Republican budget due to the fact that it cuts deeply into programs that help children, seniors, and working people. This budget will have a devastating effect on my constituents in the Second Congressional District of Mississippi. Cutting $72 billion in Medicaid will decimate nursing home residents and cause many seniors to be put on the streets. This is a mean-spirited effort and is equivalent to Robin Hood in reverse.

While the Republican majority refuses to raise the minimum wage, they insist on reducing the earned income tax credit. The only help available for working-class Americans, the earned income tax credit, goes to people who work, not people relying on welfare. This is very unfair and a slap in the face. Of the persons who receive earned income tax credit in Mississippi, 234,000 had a gross income of under $15,000. This is about 25 percent of the working families in Mississippi—63,000, Mr. Chairman, live in my district.

I urge opposition to the budget.

Mr. KASICH. Mr. Chairman, I yield the balance of my time to the gentleman from Pennsylvania [Mr. FOX].

The CHAIRMAN. The gentleman from Pennsylvania [Mr. FOX] is recognized for 2¼ minutes.

Mr. FOX of Pennsylvania. Mr. Chairman, our budget plan will help America do better. We have passed the first balanced budget in a generation. While the President vetoed our balanced budget, we have changed Washington forever. The debate is no longer about whether we need a balanced budget, it is about the best way to achieve one. We fought for one, the single largest reduction in spending since World War II, a savings to taxpayers of $43 billion. This budget will help seniors, working families, and children. We end nearly decades of reckless deficit spending. We stop forcing our children to pay our bills.

As Federal Reserve Chairman Alan Greenspan says, a balanced budget would enable families to look forward to their children doing better than they did, to give States the freedom to develop welfare programs that promote personal responsibility and break the cycle of welfare dependency. It restores the authority, Mr. Chairman, and responsibility for pubic education back where it belongs, in the hands of parents, principals, and local school boards, not with the growing Federal bureaucracy.

It allows decisionmakers in the States, not Washington bureaucrats, to design Medicaid programs that are tailored to meet the special needs of the poor and elderly.

This budget helps families move ahead through a $500 per child family tax credit, a special $5,000 adoption credit, a rollback of the Clinton tax hike. American families will get to keep more of what they earned.

Our balanced budget will also lead to lower interest rates. That will lower mortgage costs, car payments, student loans, and create hundreds of new jobs. Right now the Federal Government borrows so much available long-term capital that anyone else looking to borrow money is forced to pay higher rates. Once we stop deficit spending, interest rates will drop, saving the average family $1,700, almost $1,800.

This budget also attacks waste and inefficiency and puts an end to billions of dollars in corporate subsidies and special-interest tax breaks. It helps our veterans with $5.1 billion more than the administration's funding for hospitals and medical care.

Mr. Chairman, this budget is fair, compassionate, and it helps our constituents have a better life.

Mr. KASICH. Mr. Chairman, I yield the balance of my time to the gentleman from New Jersey [Mr. SAXTON], and I ask unanimous consent that he be allowed to control the time.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mrs. MEEK of Florida. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. ROYBAL-ALLARD].

Ms. ROYBAL-ALLARD. Mr. Chairman, last year, the American people rejected the Republican budget, and the President justifiably vetoed it.

This year's Republican budget is no better. Instead of moderating their extreme policies, the majority's plan continues to hurt hard working Americans.

Raising the minimum wage is supported by over 80 percent of the American people because it will help over 7 million working adults to pay for groceries, health care, rent, or their children's education.

The majority, however, is denying Congress a clean vote to raise the minimum wage, while at the same time proposing to cut the earned income tax credit for low-paid workers.

The EITC cuts of $21.6 billion will negatively impact 60,000 families in my district alone and 6 million low-income families across this country.

It makes no sense that as Congress debates the needs and the value of America's workers, the majority proposes to raise taxes on the poorest workers.

This is an unfair and unjust budget, and I urge my colleagues to vote "no."

Mrs. MEEK of Florida. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, this fiscal year 1997 budget of the Republican majority continues the same extremism of the fiscal year 1996 budget. American people have rejected that extremism, but it goes on and on. It is an assault on the majority of the American people, starting with the poorest people who need Government most. The children, the elderly and the people with disabilities are attacked first.

The Medicaid entitlement, the removal of the Medicaid entitlement, is the thrust of that attack, which is most dangerous. Are we going to take away the possibility of life itself from many people? The Medicaid entitlement, means-tested Medicaid entitlement, is probably one of the most noble actions of our Government. As my colleagues know, it is a prolife action in the most profound sense of the concept of prolife. It is for all life. But by taking away the Medicaid entitlement, we are going to condemn people to a situation where the funds will not be there to preserve life when it is needed. We are taking a step backward from the possibility of ever realizing universal health care. This is a step forward toward decentralized genocide.

By giving it out to the States, by having the States with less money try to meet these needs, we are going to ratchet down the benefits and make more and more people suffer and more and more people will die, and eventually we are going to get into a situation where there is a whole class of people which we are throwing overboard, a whole class of people for which life itself has no meaning, the Government will not help to preserve it, and that kind of step is what this extremist budget takes us into.

Medicaid entitlement must be preserved.

Mrs. MEEK of Florida. Mr. Chairman, I yield 45 seconds to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I thank the gentlewoman for yielding this time to me.

I want to emphasize something that has already been stated, that indeed the Republicans are at it again, they are really attacking the poorest of the poor. Contrary to what they say, they are actually raising taxes on more than 6 million low-income persons. At the same time, they are giving a capital gain to the wealthy. Why not give tax breaks to all America rather than putting it all on the poor? On 7.7 million low-income people, taxes were raised in 1995. They did it in 1995; they are at it again. The poorest of the poor is being hurt.

Mrs. MEEK of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in closing, I just would like to say that the Republicans are not facing the facts. Families with children will still be worse off in this new budget resolution. The Joint Economic Committee has already revealed that the $29 that the chairman talked about, that is an average figure. That is not the figure for every family. Some families will be hit harder by that, and we will have a large tax increase.

Mr. Chairman, we can balance this budget together, the Republicans and the Democrats, but we cannot balance it unless we work both with the poor, and the near-poor, and the rich.

Mr. SAXTON. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, first let me commend the chairman of the Committee on the Budget and his colleagues and the staff of the Committee on the Budget for providing us with the opportunity to consider what I consider a very, very find budget.

This next hour will be controlled by the members of the Joint Economic Committee, and it is our function, along with deciding on what our priorities should be, to try to shed some light on the fiscal implications of our Federal budget, of our proposed Federal budget, and our past actions on the economic performance of the private sector in our country.

Mr. Chairman, I find it quite interesting to do that because over the years that I have served on the Joint Economic Committee we have found that there are certain things that happen here in Washington that have a profound effect on the American economy.

Today many middle-class Americans are deeply concerned about their lack of economic progress, and I would like to speak for just a few minutes about that because that is one of the issues that we are trying to address with this budget. Ordinary Americans in many walks of life feel that they are on a treadmill where they have to run faster and faster to stay in the same place, if not fall behind. Unfortunately, they have every reason to be concerned because not only is income growth nonexistent but taxes have gone up.

I would like to just point out that over the last 10 months we have released a number of Joint Economic Committee studies and reports documenting the middle-class income meltdown. The sad truth is that a variety of statistics show that economic well-being of the American middle class has declined or stagnated under the policies of this administration, and we are going to try to fix it.

For example, take one standard measure, median family income: This statistic charts changes in the level of middle-income families over time and can be adjusted for inflation as well. The Joint Economic Committee found that during the Clinton administration there has been no progress in inflation-adjusted median income. In other words, families that earned $40,000 3 years ago on average continue to earn $40,000 this year. This chart exemplifies that.

During the last decade, during the 8 years of the Reagan administration, each year American families could anticipate a 1.7 percent increase on average in their income. Now, if we extrapolate that out during that period of time, that means that income went up during that 8 years almost 14 percent.

Now, just to take an example of what that meant to the average American family over that 8 years, it meant that a family that started the decade of the 1980's making $50,000, by 1988 was making $57,281, and so that kind of growth took place because we had in place growth policies here in Washington.

Now, by contrast, since the present administration took office, we have had goose eggs, no growth in median family income. And so one of the things that this budget tries to address is that problem by bringing into control Government spending and lowering the thresholds that we anticipate for future Government spending as well.

Unfortunately, we know that median income did not treat all Americans the same.

□ 1845

For example, male earnings from 1992 to 1994 actually fell. In 1992 the median male income for males in this country was $31,897. It decreased by 2.2 percent by 1993 and fell to just over $31,000; and decreased another 1.1 percent in 1994 and fell to $30,854. So because of, we think, bad things that Congress did and the President did during those years, it crested a disincentive for the economy to grow.

Secretary Reich has tried to explain this away by saying that corporate profits are up; therefore, median income must be down. Not true. Not true. This chart shows what happened with corporate profits and total compensation. The red line shows what happened with corporate profits.

During the years of John Kennedy back in 1963 and 1964, corporate profits consumed or took up about 14 percent of total compensation. Today you can see over in the other end of the chart, it is only 10 percent. It has actually fallen. The black line does represent total compensation for American workers, 55 percent in 1959 and just about 55 or 56 percent today.

Mr. Chairman, I commend the gentleman from Ohio [Mr. KASICH], the chairman, for the great effort he has put into this budget to treat all Americans fairly, and yet recognize the economic implications of what it is that we have created. Naturally, I am going to urge everyone to support this budget.

Mr. Chairman, I reserve the balance of my time.

Mr. McDERMOTT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are now probably talking about what we should have started this discussion with, and that is the whole of how the economy is doing. The question we have to ask ourselves, Mr. Chairman, is whether or not anybody believes a Republican and their analysis of the economy. Most of us on our side of the aisle have some doubts, but occasionally the light goes on on the other side, and somebody makes a statement that makes sense.

In February 1996, ROBERT DOLE, who just left the Senate because he could not cope with these radicals on the other side of the aisle, said, "It is true, as some have said, that our economy is the strongest it has been in 30 years." If Members do not believe BOB DOLE, if they do not believe BOB DOLE, Members can listen to what they are now going to say. But the fact is that the economy today is the strongest that it has been in 30 years.

The second chart which I will put up here, do Members believe the Congressional Budget Office? We have had a discussion in this House over and over again as to whether or not we can balance the budget in 7 years, according to CBO numbers. Everybody on the other side said that the CBO numbers, they are absolutely correct.

Mr. Chairman, when President Clinton took over, if we follow this line, that is what CBO said was going to happen. The deficit was just going to go out of sight. As a result of the policies that the President instituted in 1993 and 1994, we now see that the deficit is coming down, and the President's projected budget will take it down in the course of 7 years to zero.

The President has done what has to be done in terms of dealing with deficit reduction. The fact is we still have real problems in this economy. The middle class, their incomes have been stagnant for 20 years. It did not start when President Clinton came in. It started 20 years ago. The lower classes have been drifting down. Their incomes have actually been falling in real money. We have serious problems. We have people out there who are permanent temporary employees: our children whom we sent to college, who accumulated debts, who have come out of those colleges in debt, and cannot find a permanent job.

The largest employer in this country is Manpower. People work 40 hours a week, they work 50 weeks a year at $10 and $15 an hour in my own city of Seattle, and they do not have health care benefits, they do not have a pension, they cannot buy a house. If you take a manpower pay stub into a bank and try to get a loan to buy a house, you are laughed out of the place. You simply cannot get a loan if you have a temporary job. There are thousands of people.

In my city, in the music industry there are no permanent jobs. Seattle rock music, everybody knows about it. They know about Nirvana, they know about Pearl Jam. They know all those companies. Those people, none of them have permanent jobs. So there are real problems in this country, because we have people with a temporary job trying to pay off school loans. It is no wonder that people are anxious.

But the problems are not solved by the policies in the Republican budget. The Republican budget wants to jerk the safety net out from under people. It wants to take away Medicare so that people in their middle years, who are trying to help a kid get through college, are suddenly going to have to help their parents with their health care bills. They want to take away Medicaid, which guarantees nursing home care for senior citizens in this country, and want to throw it back onto the families and say, "You come up with the $30,000 a year to take care of your mother in the nursing home."

Mr. Chairman, if you have to do that in the middle class, how are you going to help your kid go to a community college or pay for going to a university? Those are safety net issues.

The President said, it was a very interesting thing, he came out to Seattle a few months ago, 2 months ago, and said,

> There is enough money on the table to balance the budget. We have agreed, there has been enough agreement between the House and Senate and the Presidency on the numbers, but we will not balance the budget if your intention is to destroy the safety net.

That is the essence of this budget debate. It is not about numbers. These numbers, we could argue about numbers, $50 billion here and $25 billion there and whatever. The issue is whether or not the Federal Government is going to be able and willing to provide a social safety net for the people in this country, whether we are talking about educational loans or we are talking about Medicaid for nursing homes or Medicare for senior citizens. Whatever we are talking about, it is a question of whether the Government should be involved in providing that safety net and trying to help people make it up. We have done it in the past, we will do it again, but not with the policies that are in this budget.

Mr. Chairman, I think that this budget resolution makes no sense. The people of this House ought to reject it and go for a budget that makes some real sense in terms of helping people make it up the ladder, not pull the bottom rungs out from under them. That is what their budget actually does.

Mr. SAXTON. Mr. Chairman, I yield 3 minutes to the gentleman from Clarendon, TX [Mr. THORNBERRY], another member of the Joint Economic Committee who believes that big government acts as a drag on the economy.

Mr. THORNBERRY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, we have heard a lot about the trillions of dollars involved in the Federal Government's budget today, but I think it is also important to focus on the family budgets in this country, because in truth, the economic security of the country is only as strong as the economic security of the American family.

There may be some who think that the family budgets in this country are the strongest they have been in 30 years. That is not what I am hearing in my district. Everywhere I go people are squeezed. People are working harder and harder and having a tougher time making ends meet.

If we look at the statistics, they bear out that feeling. Since 1992, median family income in this country has gone down. Since 1992, the average Federal tax rate has gone up. The result is that Americans are left with less money in their pockets because the Federal Government is taking more and more money away from them.

Recent surveys show the American people across all lines think the Federal Government, government at all levels, should take about a quarter of what they make; it should take about a quarter of someone's income to pay for government, and yet the number today is more like 38.2 percent. That is, of course, as opposed to about 5 percent in 1950. Today parents are working harder and longer and have less time to spend with their children.

If Members do not think this country is experiencing the effects of people having to spend more time making ends meet, just to pay for food and shelter and away from their kids, I do not think they are in touch with what is happening. This budget includes a $500-per-child tax credit, so a family with two kids is going to get $1,000 more a year.

Some people say that is not enough to make a difference. I will tell the Members, that is. That $1,000 for a typical family will pay for 3 months of groceries, it will pay for 1½ months of mortgage payments, it will pay for 3½ car payments, it will pay for 14 months of health insurance.

In my district alone, it will mean $322 million more dollars over 7 years. That makes a difference in people's lives. It makes a difference at times that they need some relief.

The bill has a lot of other good things for families. It allows senior citizens to keep more of the money they earn and not be penalized on their Social Security. It repeals the gas tax and the rest. The problem with taxes is sometimes people in Washington get confused about whose money it is, but it is a fundamental issue, I think, on who can better spend the people's money; whether the Washington bureaucrats can spend it better or whether the families themselves can spend it better. I put my trust in the American people.

I think this country will be better off by letting people keep more of the money that they earn and spend it on themselves and their families and their food and their shelter and their communities and their churches, rather than sending it all to Washington. That is a lot of what is at stake here. That is a fundamental difference in this budget. It is the reason the American people need this kind of tax relief.

Mr. HINCHEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as a member of the Joint Economic Committee, I want to raise a number of objections to the GOP budget resolution for fiscal year 1997. This proposal that we have before us is little more than a rehash of the Contract With America and its assault on working families, senior citizens, students, and the environment, all of which have been rejected by the American people in each of the renditions that it has come to this House.

This budget is bad for the economy. It is bad for working people, and I believe it should be rejected. Just a few weeks ago after a year-long struggle on the budget, this body showed that it had the ability to compromise on fiscal matters and pass a budget reduction measure with support that was bipartisan. The omnibus appropriations bill cut the deficit by an additional $23 billion, while at the same time protecting our Nation's commitment to providing affordable health care, housing, and education.

The bill was the product of productive dialog between the parties; long, tough negotiations and compromise by Members on both sides of the aisle. That is why I voted for it, and that is why Democrats and Republicans alike in this House supported it and provided it with an overwhelming majority.

Now, Mr. Chairman, the majority party here in the House proposes to take several steps backwards and rehash the debate once again to limit health care services for the elderly, undercut health care providers in my district and across the Nation. We are again debating whether we should end our Nation's longstanding commitment to help provide food and medicine for those who need it, and raise the cost of education for working families. In the end, this budget would have a devastating impact on the economic security of working families across America.

Under the bill, Medicare would be cut by $168 billion. Medicaid coverage would no longer be guaranteed, and spending on education is reduced below its level of just 2 years ago. One and one-half million fewer students would be aided by Pell grants, as opposed to those who would be aided under the President's bill. In other words, the President's bill would provide Pell grants for an additional 1.5 million students over that which is proposed in the Republican budget.

In addition, the earned income tax credit would be cut by $20 billion, essentially raising taxes on thousands of working families in my district, and a total of about 6 million working families across the country. The debate on this budget plan has been a loser for the Republican majority throughout the past year. This budget promises to continue this losing tradition today, tomorrow, and on until November.

It is symbolic and ironic that on the same day the majority has rejected a modest increase in the minimum wage to help working families achieve a decent standard of living, it presents this House with a plan to raise taxes on those very same families by cutting the earned income tax credit.

□ 1900

If we cannot raise the wages of working families, then why should we also provide tax breaks for the most affluent members of this society? Why should the House vote for a budget that provides capital gains reduction that largely benefits the wealthiest 1 percent of families when we are telling working people that we cannot afford to raise the minimum wage above the lowest level it has been at in 40 years. It is time that we stand up for the economic security of working Americans instead of trampling on their standard of living.

Mr. Chairman, I urge that we reject this losing budget proposal and we vote for one of the Democratic alternatives that will be presented tomorrow.

Mr. Chairman, I reserve the balance of my time.

Mr. SAXTON. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. MANZULLO], a Member who has been particularly active this year in understanding what it means to the American family to have less income and at the same time pay higher taxes.

Mr. MANZULLO. Mr. Chairman, we all use charts in this body, and different figures are thrown out; but every day millions of Americans get up, get out of bed, they have their breakfast, they pack their lunch box, send their kids off to school. In many households both spouses work. We talk about the forgotten American, the people that go to work every day, the people in this country that are working harder and harder and taking home less money. Nobody is talking about that portion of the American people. Think about it.

The people in this country who get up every day and go to work, they say to me, "Congressman, I don't understand it. I'm working harder than ever in my entire life, and the money simply isn't enough to make the expenses. I'm not buying new cars, I'm not buying new houses, I'm just trying to do the best I can to survive in this economy."

Mr. Chairman, here is a chart. Here is the reason why. Americans today are working harder and taking home less money. Americans today are working harder and taking home less money. Americans today are working harder and taking home less money because governments of all sizes are growing and taking away the money.

The Federal Government continues to grow. The number of Federal employees declines, but the number of nongovernment employees who receive grants from the Federal Government to carry on the work of all the 10,000 Federal programs we have continues to grow. The man who gets up in the morning and packs his lunch and kisses his kids good-bye to go off to school and perhaps his wife goes off to work also, he takes home less money. And who cares about him? Who is caring about that man in America? He is down here taking home less money. Do you know why? Because government is too big. It is too intrusive. It is too pervasive. One program after another. Try to cut down the size of the Government, and the President adds AmeriCorps.

"Just give me another program. Just one more investment. Just another program. Just have this investment."

Mr. Chairman, every single one of the 10,000 programs in this Federal Government has its own constituency, its own lobbyists, its own special interests. But who cares about the man who gets up in the morning and packs his lunch and kisses his kids off to school and perhaps his wife has to go to work, also, just to make ends meet? Who cares about him?

Let me just reiterate the words I have heard this evening from the other side. The Republicans are extreme. Decentralized genocide. Mean-spirited. Cruel. Radicals on the other side. Assault on America.

Do my colleagues know where the assault is taking place? On the American family. Taxes continue to go up.

Rob Yedor runs a factory called Myco in Rockford, IL, about 125 employees. "Oh, with the great budget in 1993, we're going to raise the taxes of the rich, we're going to increase the subchapter S taxes." What happened? He pays $250,000 a year more in taxes.

Mr. Chairman, where was that money going to go? For three things for his employees: to purchase additional capital, that is new machinery, to fund more fully his 401-K retirement plan, and to increase the wages of the people who work for him. That was the 1993 Clinton budget. Do my colleagues know who got hurt by it? The man who gets up in the morning and packs his lunch and sends his kids off to school, the average American worker. Here is the chart. He is taking home less money because this Government is too big.

Mr. SAXTON. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Chairman, the gentleman from New York [Mr. QUINN] wanted to be here to add to what we have said tonight but he lost his voice today, the poor guy. What he wanted to say was that we also did a study which showed that, when the Federal Government consumes more than about 17.4 percent of GDP, every dollar that we spend after that actually has a negative impact in pulling down the productivity and the production that takes place in the American economy.

Today, as the gentleman knows, the Federal Government consumes a full 22 percent of GDP. And so the optimum level, at about 17.5 percent, has been far surpassed. We are 4.5 percent above where we should be. This budget takes a small step toward getting us back to where we should be so that the guy who gets up in the morning and packs his own lunch and maybe the lunch for his kids, as the gentleman so eloquently pointed out, does not have to look forward to a future where we see diminishing returns on work, which is what is happening in the American economy.

Mr. MANZULLO. Mr. Chairman, there is a chapter that normally appears in every budget called the generational forecast. It has not been in the last couple of budgets. That states because of the $5 trillion national debt, unless something is dramatically done, the children born after 1992 entering the work force would have a combined State, local and Federal tax rate of between 70 and 90 percent. That is unconscionable.

Mr. HINCHEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, there are many parts of the Republican's proposed budget that I find objectionable, but there is one part that is particularly inappropriate.

They propose, once again, to eliminate the Department of Commerce by abolishing certain programs and by restructuring others.

The Department of Commerce, under the able leadership of Secretary Ron Brown, has been a shining example of what good Government can do.

And with the appointment of Secretary Kantor, continued good things are promised.

Why eliminate the one agency that has aggressively expanded American exports, has effectively pursued business opportunities abroad for American companies—big and small—has helped to ease our balance of trade deficit and, most importantly, has had a big hand in creating jobs here in the United States?

I am particularly distressed by their proposal to transfer the functions, but not the resources, of the Economic Development Administration [EDA] to the Small Business Administration [SBA].

This proposal would appear to be a classic example of seeking to make change for no reason, rather than change for good reason, change for the sake of change rather than change for the better.

The Economic Development Administration has been an effective and vital resource in helping communities, especially rural communities, respond to problems of economic distress.

In my district, EDA has been working to support the Global Transpark, an innovative and creative venture that will allow the rapid transportation of goods and services from my State to markets abroad.

With similar lack of logic, they propose to eliminate the Technology Administration, the Economics and Statistics Administration, the Minority Business Development Agency, and other important parts of the Commerce Department.

Our colleagues propose to save money through this dismantling and restructuring, but their math is misplaced.

The Commerce Department has already undertaken plans to consolidate, reengineer, move operations, delete regulations, change certain policies and save.

If our Republican colleagues are serious about passing a budget resolution in a timely and bipartisan manner, that will be signed by the President, they should start with a new beginning, not with an old ending. The Department of Commerce should not be eliminated.

Indeed, the Department should be funded at a level adequate to continue its good work.

Economics require it. America needs it. Good sense demands it.

Mr. SAXTON. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. SANFORD] who is going to report on yet another Joint Economic Committee study which shows the negative effects of large Government on the free enterprise system.

Mr. SANFORD. Mr. Chairman, in this whole debate about the budget, I would remind everybody that Mother's Day was this weekend.

One of my mother's sayings was that too much of a good thing is actually a bad thing. Benjamin Franklin said, "I would rather urge moderation in all things," and farmers back in my district had this saying that you can only squeeze but so much blood out of a turnip.

What these sayings say, I guess, is a word of support for a recent Joint Economic Committee study entitled "The Impact of the Welfare State on the American Economy," by Lowell Gallaway and Richard Vedder.

Its findings were highlighted in a recent Investors Business Daily article entitled "Cut to Grow." What both the report said and what the article said was that there is a price tag to Government spending. If you look at this chart, that price tag is that you can only go so far before Government spending becomes a problem. Keynes was right up to a point that Government spending creates economic activity, up until about this 17.6 percent that the chairman alluded to, and then beyond that it is actually detrimental. Beyond that it is actually a drag on the economy.

Mr. Chairman, here we are at about 22 percent of the size of our economy right now with Government spending, and what that means is that it is actually hurting us. For every $1 of additional Government spending beyond that 17.6 percent, it slows us down by about 38 percent, or, if you were to go out and find $100 of Government cuts, you would come up with about $138 of benefit to the total economy.

So I would say that this debate in large part is about who is best at spending your money. If you think it is bureaucrats, then you probably do not want to support this budget resolution. But if you think you are best at spending your own money, this graph and this study support that idea. Therefore, I would urge us all to support this budget resolution.

Mr. Chairman, I include the article referred to for the RECORD.

PERSPECTIVE—CUT TO GROW

Many supply-siders focus on cutting taxes as the best way to lessen the load of government and raise economic growth. But a new study suggests cutting federal spending can also do the trick.

The best size of government is about 17.6% of gross domestic product, says a recent study from Congress' Joint Economic Committee.

When government is very small it can do a lot to raise economic growth, say Ohio University economists Lowell Gallaway and Richard Vedder, authors of the study.

These include providing a strong defense, fighting crime, creating courts where people can resolve disputes and building a basic infrastructure, such as roads and highways.

But more government spending faces diminishing returns. That is, each additional dollar spent brings fewer benefits than the last one.

So the bigger government gets, the less likely it is that the benefits of more spending outweigh its costs.

Eventually, the study says, spending slows economic growth as government focuses on programs that dampen output rather than help it, such as regulating businesses and redistributing incomes.

For example, in 1948 less than 10% of spending went to social programs. For the twelve years after that, 25% of added spending went to these programs. That moved up to one-third in the 1960s, and half in the 1970s.

From 1990 to 1995, the government added more money to social programs than it added to the overall budget.

As a result, from 1947 through 1951, government spent about 15% of GDP, while GDP grew at a yearly rate of 4.2%. Through 1974, government spent 19% of GDP, and the economy grew at a 3.3% rate. Since then, government has spent 22%; GDP has grown at a 2.5% rate.

The government has exceeded the 17.6% spending level every year since 1965, ignoring gains to the economy from cutting spending, says the study. This excess spending has curbed the economy by an average of about 2% year, leading a cumulative loss of about $2.3 trillion in output.

That leaves a good deal of room for today's lawmakers to raise economic growth by cutting spending.

This year the government spent about 21.4% of GDP, according to the Treasury Department. The GOP budget plan would bring spending down to 18.5% of GDP by 2002, says the Congressional Budget Office.

For every $1 of spending cuts, the private-sector economy will expand by $1.38, Gallaway and Vedder say.

If sustained for seven years, that $1 budget cut would add $2.45 to total output, they say.

Supply-siders have long urged Congress to change the way it forecasts how much revenue the government would forego if it cuts tax rates. By raising economic growth, tax cuts need not lose as much as Congress thinks, and may actually raise revenue.

This study suggests that a similar effect may also work with spending cuts, meaning that cutting spending by $1 may close the budget gap by more than $1.

This effect should hold until the government whittles the budget down to 17.6% of GDP, and perhaps further.

Gallaway and Vedder got the 17.6% figure by assuming that government spending shouldn't be treated as a cost of production. If it were treated as a cost of production, then much less spending should be justified.

Then, the best spending level for government would be between 10% and 11% of GDP, they say. But treating spending simply as a production cost may overlook other reasons for it.

Also, the numbers may not tell the whole story.

For example, what if lawmakers trimmed government back to 17.6%, but did so by getting rid of spending that Gallaway and Vedder say is good, leaving things like welfare and regulating agencies?

That's unlikely, but it suggests a different route to the same theme of less government.

Instead of focusing on numbers, perhaps we should focus on the kinds of spending government does, no matter the amount. For example, during wartime the best level of government spending may rise as it costs more to defend ourselves.

By contrast, in a peaceful world, 17.6% may be much too high. Staying at that level might require welfare programs or wasteful defense spending.

Mr. HINCHEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Georgia [Ms. MCKINNEY].

□ 1915

Ms. MCKINNEY. Mr. Chairman, here we go again. Instead of offering a budget that protects middle-class families in this changing economy, the Republican Party has once again lived up to its reputation as defender of Wall Street's barons.

Why do we need to cut Medicare, only to give $124 billion in tax breaks. Moreover, Mr. Chairman, the Republican budget does virtually nothing to go after corporate welfare. In fact, the conservative Cato Institute issued this news release today which says, "Eliminating corporate welfare would cut the deficit in half—business subsidies cost $75 billion per year, Cato study says."

Why must our seniors, schools, environment, and the poor be first in line to face cuts when we give away at least $75 billion in corporate welfare every year?

Mr. Chairman, I urge my colleagues to defeat this budget which is nothing more than the same old, same old.

In addition, Mr. Chairman, the Republicans have innovated a new form of governance. I call it kitchen sink legislation. They throw in everything—including the kitchen sink—and wait to see what survives the conference committee. This is no way to govern and we need to defeat this Republican budget.

Mr. Chairman, I include the following for the RECORD:

[From the Cato Institute News Release, May 15, 1996]

ELIMINATING CORPORATE WELFARE WOULD CUT DEFICIT IN HALF—BUSINESS SUBSIDIES COST $75 BILLION PER YEAR, CATO STUDY SAYS

"In 1995 the corporate safety net was left largely intact," says Stephen Moore, director of fiscal policy studies at the Cato Institute. "If members of Congress balk at cutting aid to dependent corporations again in 1996, they will look like fiscal frauds and fools."

In a new Cato Institute study, "How Corporate Welfare Won: Clinton and Congress Retreat from Cutting Business Subsidies," Moore and Cato fiscal policy analyst Dean Stansel note that the federal government currently spends $75 billion per year on corporate welfare—the use of government authority to confer targeted benefits on specific firms or industries. They identify the 35 "least defensible" business subsidies and show that Congress moved to cut only $2.8 billion, or 15 percent, from the 1995 level.

The Clinton administration has been hostile to even the modest corporate welfare cutbacks proposed by Congress, Moore and Stansel argue. "If Congress's performance was a disappointment, the Clinton administration's was dismal. In fact, we find that for the 35 corporate welfare programs identified in this study the administration's 1996 budget actually requested a slight increase in spending."

Moore and Stansel recommend eliminating or sharply scaling back programs including the Export Enhancement Program, Foreign Agriculture Service, Market Promotion Program, Advanced Technology Program, National Oceanic and Atmospheric Administration, Army Corps of Engineers, Bureau of Mines, Export-Import Bank and Overseas Private Investment Corporation.

"If all federal assistance to business were purged from the budget, the budget deficit could be cut in half," Moore and Stansel write. "Both the social welfare and corporate welfare states needed to be reformed with equal urgency."

Policy analysis No. 254—contact: Stephen Moore, director of fiscal policy studies, 202–789–5252 Dean Stansel, first policy analyst, 202–789–5250; Dave Quast, director of public affairs, 202–789–5266; and Peggy Ellis, director of government affairs, 202–789–5284.

Mr. SAXTON. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. INGLIS].

Mr. INGLIS of South Carolina. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I have had the opportunity now to sit here and listen to some of the comments of our colleagues between the time of the Committee on the Budget's allocated time and now the Joint Economic Committee's allocated time, and it has been very instructive. It has been instructive because particularly these very valuable studies of the Joint Economic Committee point out that this Government is a drag on our economy. It is too big and needs to be reduced in size and scope.

As the gentleman from South Carolina just said, for $100 in cuts, you get $138 in expansion of the economy. That is a god bargain, so we should listen to folks on the Joint Economic Committee and have the courage to make these changes.

The second observation I would make is really I think it is very interesting to hear some of the comments from this side of the aisle about this budget. I had hoped that maybe this year we were going to be a little bit some candid in our debate, a little bit more forthcoming; that maybe this time we would not subject seniors in America to MediScare, that we would not subject poor people in this country to Medicaid scare. But it is pretty apparent we are going to go through it one more time, round two. In fact, the gentleman on the floor a little while ago said they are going to "Take away Medicare." Take away Medicare. The gentlewoman who just spoke said there were going to be cuts to Medicare.

Well, I defy anybody in this body to describe where there are cuts to Medicare. There is a reduction in the rate of growth, and per beneficiary the spending goes from this year, 1996, $5,200, to $7,000 in 2002.

The gentleman from Washington State said we are going to take away Medicare. I wonder if that sounds to any of my colleagues like it is taking away Medicare? We are going from $5,200 per year per beneficiary to $7,000 per year in 2002. $5,200 to $7,000. That is not taking away Medicare. That is not a cut to Medicare. That is an increase in Medicare spending.

I wonder how it is that our colleagues, particularly on the other side of the aisle, have the ability to say these are cuts? I suppose they are encouraged by the polls that indicate that MediScare works. You can scare seniors in America. They get worried and they decide that they will support you and your political campaign, even though you are imperiling the future of Medicare and of the whole country.

I hope as the debate goes on that just maybe, somehow, there will be some additional candor released here in Washington, and we will be able to have an honest debate.

Mr. HINCHEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Chairman, we have come here again for the budget for 1997, and I thought we would have had an opportunity through the series of continuing resolutions that we attempted to pass in this last year and the reasonable disagreement that Democrats have had with my Republican friends, that we might have had a more bipartisan effort on this new budget.

We all recognize that it was the Reagan years when we began to use a new term in budget deficit, and that is a trillion dollars, when under President Reagan there was an attempt to cut taxes, but to continue to spend for programs that benefited many of those who did not need.

We now have a budget that portends to give money back to working Americans, but yet it damages and undermines the needs of children.

The Republican plan folds 20 separate child protection programs into two block grants, at a time when the GAO and others report current resources are failing to keep pace with the needs of a national child protection system in crisis; we cut funds that provide for reporting of abuse and neglect; and we do not give enough money to protect abused children and to protect them to make sure they are safe and in loving and permanent adoptive homes.

The plan potentially guts accountability for State child protection systems, over 20 of which are operating under court mandates. The Republican budget assumes more strict definition of disability for children, and the creation of a two-tiered system of benefits for children. Eligible children who require personal care assistance and without such assistance would require specialized care outside the home receive 100 percent of the Federal SSI benefit. However, children with disabilities who do not meet this personal care assistance test get 75 percent. This affects children with disabilities such as cerebral palsy, Down's syndrome, cystic fibrosis and AIDS. Then what we do is we do not protect the future for our children.

Through this budget we cut the Commerce Department. Then we move on to cut $330 billion out of the research and development budget for our country. It cuts the Advanced Technology Program, which is a program that has sought an opportunity for form a partnership between our small businesses and the Government.

This budget is proposed by Republicans to suggest that we give a $500 per child tax credit to low-income families. What they do not say to the American people is that the children's tax credit will not benefit 34 percent of the Nation's children.

This budget proposed by Republicans is deja vu, but it is the same old song. It takes away the future of our children. It ensures that they will not have Medicaid by making this a modified block grant, and therefore ensuring that our children will not have good health.

Mr. Chairman, I ask that we support the Democrat alternative, for this budget is not one that helps all Americans.

Mr. Chairman, the Republican leadership, just in time for Presidential election year politics is talking about a balanced budget again. The is déjà vu for the American voter who well remembers the campaign promises of Ronald Reagan who predicted that he could balance the federal budget by cutting taxes and increasing spending. Candidate George Bush called that budgetary slight of hand Voodoo Economics.

The results of two Reagan terms was a budget deficit which for the first time in any country's history used the term trillion to quantify the extent of the deficit.

In my Houston, TX district the minimum wage provides a less than minimum standard of living. For families it is not a matter of competing priorities but a matter of survival skills. These families are lead by mothers, and/or fathers who will in many cases no matter what the circumstances are will seek out a job with pay that few of us could imagine providing the sole means of support to our own families.

It is time for working families to get the raise they deserve. A few things to consider in the argument to raise the minimum wage. When adjusted for inflation, the value of the minimum wage is now 29 percent lower than it was in 1979. Raising the minimum wage from $4.25 to $5.15 an hour would lift an estimated 300,000 people out of poverty, including 100,000 children. Women make up 59 percent of minimum wage earners and nearly three-quarters of them are adults.

Taken individually each of the aforementioned facts is enough to make this a top legislative priority for the 104th Congress. My hope is that as this Congress works through its second session that this and other issues of vital importance to women and children are brought before the House for serious consideration.

We speak so often in this House about family values and protecting children. At the same time however, my colleagues on the other side of the aisle, have presented a budget package that will effectively eliminate the Federal guarantee of assistance for poor children in this country for the first time in 60 years.

The majority's plan is antifamily and antichild. It calls for unprecedented cuts in programs serving children and would remove the basic protections for hungry, abused, disabled and poor children while using the savings to offset tax breaks for wealthy individuals.

The Republican plan folds 20 separate child protection programs into 2 block grants at a time when GAO and others report current resources are failing to keep pace with the needs of a national child protection system in crisis. Under this plan, funds could be inadequate to respond to rapidly increasing reports of abuse and neglect, and insufficient to protect abused children and find them safe, loving and permanent adoptive homes. The plan potentially guts accountability for State child protection systems, over 20 of which are operating under court mandates for failing to provide adequate service to abused and neglected children.

The Republican budget assumes a more strict definition of disability for children and the creation of a two-tiered system of benefits for children. Eligible children who require personal care assistance and who, without such assistance, would require specialized care outside the home receive 100 percent of the Federal SSI benefit. However, children with disabilities who do not meet this personal care assistance test receive 75 percent of the SSI benefit amount. This system could result in a large majority of disabled children having their benefits reduced—children with disabilities such as cerebral palsy, Down syndrome, muscular dystrophy, cystic fibrosis, and AIDS.

The Republican plan would also deny most Federal, State, and local benefits—including school lunch—to illegal aliens and would deny SSI and food stamps to legal aliens until they become citizens. That plainly is an unfunded mandate on the States.

The Republic budget fails to provide adequate resources for work programs and child care which are critical to effectuate a transition from welfare to work. The Republican plan significantly increases the need for child care while reducing the resources for child care services as well as the funds available to states to improve the quality of care.

This strategy of welfare-to-work is doomed to fail. Mandatory welfare-to-work programs can get parents off welfare and into jobs, but only if the program is well designed and is given the resources to be successful. The GOP plan is punitive and wrong-headed. It will not put people to work, it will put them on the street. Any restructuring of the welfare system must move people away from dependency toward self-sufficiency. Facilitating the transition off welfare requires job training, guaranteed child care and health insurance at an affordable price.

We cannot expect to reduce our welfare rolls if we do not provide the women of this Nation the opportunity to better themselves and their families through job training and education, if we do not provide them with good quality child care and most importantly if we do not provide them with a job.

Together, welfare programs make up the safety net that poor children and their families rely on in times of need. We must not allow the safety net to be shredded. We must keep our promises to the children of this Nation. We must ensure that in times of need they receive the health care, food and general services they need to survive.

Finally, the Republican budget resolution proposes to cut the earned income tax credit [EITC] by $20 billion over the next 7 years. This cut includes eliminating the EITC for childless workers as well as families with children who have modest incomes. In fact, over 6 million families with children could receive a reduction in their EITC.

This program was designed to assist the working poor of America. The Republicans argue that in exchange for losing the earned income tax credit, many low-income families would receive the $500 per child tax credit. The fact of the matter, however, is that the children's tax credit will not benefit 34 percent of the Nation's children because they live in families that are ineligible because their income is too low.

Medicare, Medicaid, and welfare are on the top of the list for cuts right now, but I think that we can find ways to be fair and just when we make budgetary reduction decisions without shutting the Federal government down.

I would hope that this next attempt to seriously deal with this Nation's budget deficit will include compassion for the poor, our children and the elderly.

We should not play election year politics with this country's budget.

Mr. SAXTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I believe that I am at least for now our last speaker, so I just wanted to kind of recap regarding the statements that my colleagues on the Republican side of the Joint Economic Committee have made here this evening and why they are important.

Before I do that, Let me just pick upon something that the last speaker mentioned, and that was the performance or relationship between the performance of our taxing and spending during the decade of the 1980's.

Yes, it is true that there was a tax rate cut which took place in the early eighties. I believe the gentlewoman said or inferred it was because of that tax rate cut that the deficit occurred.

Well, I would just like to remind everyone, or if people do not know this to tell them this for the first time maybe, we started the decade of the eighties, before the tax cuts, with about $500 billion in revenue, half a trillion dollars in revenue, money for us to spend, decide on the priorities, $500 billion.

By 1990 that had grown, in spite of the tax cuts, I should not say in spite of, because of the tax cuts. 1990, that money grew and became twice as much, $1 trillion. that is right, from 1980. In the early eighties when we had the tax cuts, the tax cuts provided an economic stimulus, and because we had more people working, more people packing their lunch in the morning, more people going to work and coming home on Friday afternoon with paychecks, larger paychecks, I might add, 1.7 percent each year, because they had more paychecks and higher income, they paid more taxes, and our revenue doubled during the decade of the eighties.

It was not, it has been proven not to be, true that someone can point their fingers at the Reagan tax cuts and say that it why we have a deficit. The fact of the matter is that we more than doubled spending. It is Congress' function. We are in the middle of the function right now tonight of determining how much money to spend for fiscal year 1997. We will make that determination just like we did every year during the eighties, and every year during the eighties we increased spending by or 7 or 8 percent. It was not the tax cuts that did that; it was done right here in this very process that we are engaged in tonight.

Spending is the problem, folks. Spending is the problem for the folks that the gentleman from Illinois [Mr. MANZULLO] talked about also. A man goes to work, comes home, in 1992 making a median income of $31,897. It dropped down to $31,186 in 1993, and all the way down to $30,854 in 1994.

Once again, we see the effect of tax policy here, because we had a large tax increases, two large tax increases, bipartisan tax increases, one advocated by President Bush and the Democrats in this House in 1990, and the second by President Clinton and the Democrats in this House in 1993.

I just hold this up for emphasis. This is what happens when we increase taxes on the American families. It slows down the economy, less income for workers, or at least stagnant income for workers, and as a result of that, I think we can learn from history.

We were not the first people to say this. The first person to say this, and believe in this theory, was a member of your party. That was John Kennedy. He said in the State of the Union Address in 1963, "We cannot for long expect to lead the cause of peace and freedom around the world if we cease to set the economic pace at home."

He proposed massive tax cuts. Revenue grew and the economy grew, and it was the same story. So we can go back and make this a bipartisan argument.

Let me just conclude with this one chart, to reemphasize the point. Starting back in 1973, we anticipated what the American family, or have anticipated since, what the American family should have earned if we had not increased the size of government and the cost of government beyond the optimum size and the optimum cost.

If we had kept the size of government at 17.5 percent of GDP, this red line exemplifies what should have happened in terms of median income. Steady growth. Instead, we increased the cost of government to 18 and then 19 and then 20, and now 22 percent. This dotted line shows what actually happened to median family income, a large deficit of another kind that is even more meaningful to many American families than the deficit we talk about all the time.

This gap represents over the last 10 years to the average American family a loss of $106,000 in wages. So we are trying with this budget to correct a situation which we have allowed to develop here over the last several decades, Republicans and Democrats working together on the wrong path, on many occasions, and we are trying to correct that situation by slowing the rate of growth of government, because if we do not slow the rate of government and begin to consume 22.5 percent and 22.6 percent of GDP and 23 percent of GDP, this situation with wages and the long-term growth in our economy can only take one path, a negative one.

So, the gentleman from Ohio [Mr. KASICH] and his committee and his staff in my opinion have done a great service to the country in bringing this budget to the floor this evening. So I ask Members on both sides of the aisle to consider not just how much we will spend, but the priorities of what we are going to spend, and please, please, consider the effect on the pocketbook of the average American, middle class, upper class, lower class, all classes of American workers.

Mr. Chairman, I reserve the balance of my time.

Mr. HINCHEY. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. PALLONE].

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Mr. PALLONE. Mr. Chairman, I am glad that I followed my colleague from New Jersey, who I have the greatest respect for. But I think that the point that I would like to make this evening is that it is certainly true that our goal with this budget and with every budget has to be to achieve a balanced budget over the next 6 or so years, and that in the process of doing that certain types of tax breaks, if you will, if they help the average American, can be accomplished.

The President's budget does that. The President's budget achieves a balanced budget, if you will, by the year 2002. There is a family tax credit and there are education tax benefits, if you will, to pay for tuition for higher education.

So I would maintain that the difference between the President's budget and the budget that we are going to be voting on tomorrow, that has been presented by the Republican leadership, is not over which achieves a balanced budget, because they both do; or over which accomplishes giving certain tax credits or benefits for families or for education, because I beleive actually in that respect the President's accomplishes more; but rather over the priorities in spending. That is where I think the difference really lies between these two proposals, that of the President and that of the Republican leadership.

The priorities are the same priorities that Democrats articulated last year during the budget battle, and our point was then and our point again now is that we can protect senior citizens' health care, we can protect Medicare, we can protect Medicaid, and we can also protect our environment and we can protect education programs at the same time that we balance the budget. There, I think, is the major difference between what the Republican leadership has proposed and discussed tonight and what the President has proposed.

Essentially, if we look at this Republican budget, it is more of the same on the issues of Medicare, Medicaid, education, and the environment. I thas a negative impact on each of those areas for the average American.

I talked earlier this evening about the Medicare Program, and I believe strongly that the $167 billion in Medicare cuts over 6 years will definitely have a negative impact of the Medicare Program. It will cause many hospitals to close. In our own State of New Jersey, both myself and the gentleman from New Jersey [Mr. SAXTON] have hospitals that are more than 60 percent dependent on Medicare, and I believe that many of those hospitals are going to face the real possibility of closure bacause of the level of Medicare cuts in this Republican budget.

But I would also like to talk about Medicaid. Medicaid is the program that exists right now. It is a Federal and State joint program that pays for poor people, or people below a certain income, and primarily pays for mothers with dependent children, and children, as well as for senior citizens who are in nursing homes.

What the Republicans are proposing is a $72 billion cut in Medicaid funding but block granting the program, just as they did in 1995, so they are essentially sending less money in real terms back to the States and leaving it up to the States to decide who is going to be covered and what kind of coverage there will be.

So what is going to happen is that many States will simply not provide the same level of funding. They will decide not to cover certain senior citizens, perhaps certain nursing home coverage; or they will say that certain children at a certain age, for example are not covered by Medicaid; or certain families, because they do not fall below a certain level of income, will not be covered by Medicaid.

We will see a larger and larger number of people who do not have health insurance, or a crisis perhaps in the nursing home situation, where many senior citizens will either not have access to nursing home care that they need, or they will not have the quality of care that they have now because there will not be a certain amount of supervision or nurses checking on the situation in nursing homes, for example.

So we are seeing a ratcheting down, if you will, of the Medicare program and the Medicaid program, and that is the same thing that we saw last year; that is hurting average Americans, particularly the senior citizens and those who depend on Medicaid.

Now, what about on the education front? Well, on the education front, it is pretty much the same thing again. We see the elimination of the direct student loan program. In my home State of New Jersey, Rutgers has depended on this a great deal. It has expanded educational opportunities, provided more money for loans for students in various universities and colleges around the country.

We see an end to new funding for Perkins loans, another form of funding to pay for higher education for many students. We see the elimination of the AmeriCorps Program; and the Republicans have been very critical of the national service program.

So whether it is education, whether it is Medicare, Medicaid or even the environment, which once again has significant cuts, that is the difference here between those two proposals.

Mr. SAXTON. Mr. Chairman, I yield myself 1 minute.

The continued claims from the other side that there are cuts in Medicare and Medicaid are no more true this year than they were last year. My friend from New Jersey, I believe, knows that I spent untold hours in hospitals during the debate on Medicare last year. There was no thought among the hospital administrators at the conclusion of that period of time that any hospitals were going to close anywhere in New Jersey, and seniors would expect the same level of benefits that they had received before.

It is true that the rate of growth in the program would have been reduced somewhat, but there was not a single penny of cuts in that budget, nor is there in this.

Mr. HINCHEY. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I thank the gentleman from New York for yielding me the time.

Mr. Chairman, there has been much discussion about the new Republican budget and about how moderate it is, but in fact this budget is in most ways as harsh as the budget that was proposed by the Republicans last year, and which the American public said to the President of the United States, 60 percent of them, veto this budget because it does not treat seniors well. It hurts seniors, it hurts education, it hurts the environment and it hurts those who are in nursing homes.

The plain truth is that under the Republican Medicare plan, this time around, deja vu all over again, seniors end up paying more and getting less. In the end, the worst fear of all is that seniors are going to be left with a second-rate health care system.

Rural hospitals are in danger of closing. Hospitals in my district came to see me in the last budget debate·about their concern and their inability to be able to provide services.

The Republican proposal cuts Medicare by $168 billion. My Republican colleagues say they are cutting Medicare to ensure its solvency, but in fact the

President's budget protects Medicare solvency for the same number of years, but does so without making these same deep cuts.

Do not believe the argument about slowing the rate of growth. If we have more seniors in the program and we have inflation costs, and we do not meet those needs and we do provide an increase, we have left these people shortchanged and some people will not get services.

The Republican cuts in Medicare are unnecessary. So why are we proceeding with them? Could it be that they are cutting Medicare more than they need so that they can pay for some other things, like tax breaks for the wealthiest Americans? No coincidence, again, that their tax package is $175 billion.

This budget unravels 30 years of progress in protecting our seniors. That should not surprise us. We should not pass this budget.

I will finish with this quote, where we get a sense of what the Republican leadership is about. The Speaker of the House said, and I quote. "We don't get rid of it in round one because we don't think it is politically smart and we don't think that's the right way to go through a transition. But we believe it's going to wither on the vine because we think people are voluntarily going to leave it."

They would like to see it wither on the vine. Medicare should wither on the vine. That is not the value, that is not the priority, that is not a safe, secure, dignified retirement for seniors in this country who have earned it.

Mr. HINCHEY. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Chairman, we want to balance the budget. There is a Democratic plan to balance the budget. The question is this: Are we going to ask for shared sacrifice? Who is going to pay the price to balance the budget?

The budget actually increases the deficit in the first year by $17 billion. We are going to have to borrow $17 billion to pay for tax cuts in the first year of this budget.

In addition to that, we have corporate welfare cuts that would be difficult politically to institute because the special interests are supporting it in the Halls of Congress. We could do a better job of cutting corporate welfare. This budget does not do that.

This budget looks at education and again cuts education, again cuts the growth in the Medicare program. We have to make difficult decisions, Mr. Chairman. Let us make them fairly. Let us ask all Americans to share that burden.

We just passed a defense authorization budget that increases the defense budget above what the Pentagon asked for by $13 billion. Is that shared sacrifice? We should vote for a budget that is fair. This budget is not fair.

Mr. HINCHEY. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Florida, Ms. CORRINE BROWN.

Ms. BROWN of Florida. Mr. Chairman, I rise in opposition to this Republican budget which, once again, balances the budget of this country on the backs of our poor, our elderly, our veterans and our children.

This budget represents the philosophy that those who have the money make the rules. It rewards those who have, and punishes those who have not.

Instead of evenly distributing the burden of responsibility in this fiscally challenging time, the Republicans have decided to rob the poor and working people to pay the rich. In other words, more reverse Robin-Hood.

Mr. Chairman, this budget denies assistance to children if they're born into a family already on welfare. It cuts $20 billion from the earned income tax credit—which currently helps the poorest in this country who are working for a living.

It cuts Medicaid by $72 billion, so that disabled people, senior citizens, children and pregnant women will suffer unjustly. In my State alone there are more than 3 million senior citizens. They make up more than 20 percent of the population. This budget is a slap in their faces.

Another inefficient move by the Republicans is cutting job training and education programs, which will have an adverse effect on this country.

It ensures that poor people will have an even harder time getting student loans, financial aid and work study. And it guarantees that people who need the job skills won't get them. This isn't sound fiscal policy.

This isn't just a bad budget, it's a mean-spirited budget. I urge my colleagues to accept the responsibility of representing the people of this country in a fair and decent manner. Oppose this budget.

In closing, I would like to say that "To whom God has given much, much is expected."

Mr. HINCHEY. Mr. Chairman, how much time is remaining?

The CHAIRMAN. The gentleman from New Jersey [Mr. SAXTON] has 1 minute remaining, and the gentleman from New York [Mr. HINCHEY] has 2 minutes remaining, and the gentleman from New Jersey has the right to close.

Mr. HINCHEY. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, over the course of this debate we have tried to demonstrate that there are substantial differences in priorities between the Democratic party in this House and the Republican party. Nowhere are those priorities more clearly defined than in the context of budgeting, and this budget continues that clear definition.

We want to balance the budget, too, and we are in the process of doing precisely that. When I came to this Congress, coincidently when President Clinton was elected, the annual budget deficit was approximately $290 billion. If we had continued the economic policies of the Bush Administration, by the year 2002 the budget deficit would be pushing $600 billion. As a result, however, of the budget resolution of 1993, the deficit has been coming down substantially.

As a matter of fact, today the budget deficit is not $290 billion, as it was in January of 1993, it is approximately $140 billion, less than half of what it was approximately 3 years ago, and it continues to decline. We have reduced the deficit without cutting Medicare, without cutting Medicaid, without cutting education, without cutting protection for the environment, without cutting veterans benefits.

Although our friends and colleagues on the other side of the aisle protest when we claim that they are cutting it, the fact of the matter is if we follow their priorities, fewer people will get health care in this country next year and the year after that and the year after that.

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Most of them will be elderly people because mostly elderly people benefit from the programs of Medicare and Medicaid. If we follow their priorities, our educational programs will be seriously deficient. From the elementary and secondary level, in fact beginning at Head Start, right on through Pell grants, there will be less educational opportunity in this country. Middle-class people will be unable to send their children to college. We will have a country that is not benefiting from the benefits of their education.

So these are the differences. They are basic, fundamental differences. Our budget is better. Their budget is worse. We need to defeat theirs and pass ours.

Mr. SAXTON. Mr. Chairman, I yield myself the balance of my time.

Let me just say to the folks here from the other side of the aisle, our goals are twofold. The goals of this budget are twofold. One is to set the right priorities, and the second is to get our economy moving again. I have tried to talk over the last hour about the economic implications of this budget as opposed to yours. I believe all Americans will be better off if we can get the economy going again and get median income on the way up again. Where I take some umbrage with my friends from the other side of the aisle is their incorrect use of the word "cut." Anybody can see, this chart represents what our proposal is with Medicare. Over the last 7 years, we have spent $920 billion on Medicare programs. Over the next 7 years, we propose to spend $1.479 billion. If you call that a cut, you have been in Washington too long. This is an increase, not a decrease. It is a substantial increase, not a decrease. So I say to my friends, let us play fair. Let us tell it like it is.

THE PRICE OF BIG GOVERNMENT

Mr. QUINN. Mr. Chairman, recently the Joint Economic Committee released a major study on the impact of excessive Government spending on total worker pay and benefits. This study, the impact of the welfare state on workers, shows how excessive Federal spending has depressed the growth of productivity, wages, and benefits over the last two decades.

According to this JEC study, when Federal spending as a share of GDP exceeds 17.4 percent, additional Federal spending becomes literally counterproductive. These negative results are reflected in lower productivity and compensation growth. As a result of excessive Federal spending over the last two decades, the typical worker has lost a sum total of $106,800, enough money to purchase a median price new home in 1993.

At current levels, each additional $1 of Federal spending lowers the sum total of workers compensation by 26 cents. In other words, an extra $100 billion of Federal spending would lower total compensation available to American workers by $26 billion.

This study also debunks the myth advanced by Labor Secretary Robert Reich that seeks to blame the income stagnation under the Clinton administration on a recovery in business profits. This study refutes the notion that business profits cause income stagnation. And instead demonstrates that healthy business profits tend to generate compensation gains for American workers.

This study also shows that when appropriate inflation measures are used, hourly wages and benefits received by the typical worker increased about 26 percent between 1973 and 1994, after adjustment for inflation. This study demonstrates that there is a very close relationship between productivity and compensation growth during this period.

As we know, the real problem is that real median family income is stagnating under the Clinton administration. Other income measures of earnings are also flat or declining. We must do something to protect American families from the Clinton crunch. The tax relief provided in the Republican budget is a good first step.

Mr. HAMILTON. Mr. Chairman, one of the key questions facing policymakers today is what can be done to help improve the standard of living for the average American. I hear from people all the time who tell me they are working harder and longer than ever, but they feel squeezed and are just barely getting by. I believe we must make a determined effort in this country for a higher rate of economic growth. That must become one of our Nation's top priorities. Higher growth will come from more saving and investment and from greater productivity, and it will do much to improve the outlook for working Americans.

State of economy: All of us know that the overally economy is doing reasonably well. Growth and inflation are both around 2 percent. Many jobs are being created and the unemployment rate is low. The deficit is going down. Stock prices are at an all-time high. But at the same time, there is tremendous uneasiness about the economy. Layoffs and downsizing are continuing as the inevitable result of global competition and technological change. There is job insecurity, enormous income inequality, and significant pressure on families.

I believe President Kennedy was right when he talked about a rising tide lifting all boats. We must have stronger economic growth.

Economic growth: Economic growth is the rate at which the overall economy grows from each year to year. In 1994 our Nation's total output of goods and services—gross domestic product—was $7.1 trillion and in 1995 GDP was $7.25 trillion, for a growth rate last year of 2 percent.

The U.S. growth rate has slowed since the decades after World War II. Economic growth averaged a robust 3.9 percent per year in the 1950's and 4.3 percent in the 1960's, but it has dropped to 3.2 percent in the 1970's, 2.7 percent in the 1980's, and, with the 1990–91 recession, 1.8 percent so far in the 1990's. We need to do better. Many economists beleive that we should be striving for growth of around 3.5 percent per year over the long term. They believe that the structure of the economy has changed in recent years to allow that kind of growth without reigniting inflation.

Growth in the material standard of living is obviously not the sole measure of success as a society. But strong, balanced, and sustained economic growth helps in many ways. Jobs multiply and wages rise during periods of solid growth. Prior to the 1970's when we had strong economic growth, wage growth was also solid. But as the economy has slowed, wage growth has flattened out. Strong economic growth also makes it easier to balance the budget, as the growing economy boosts revenues and reduced social safety net costs, and it makes it easier for Americans to tackle a variety of domestic problems. Strong economic growth alone cannot solve the nation's problems, but without it they are likely to become increasingly difficult.

We need, in short, an economy that will provide employment for everyone willing and able to work, and an economy that will provide opportunity for a consistently higher standard of living for those employed. The only way I know to get that is with strong private sector growth. That growth will come from higher levels of investment and superior public services.

Pro-growth agenda: I believe there are several parts to a pro-growth agenda. First, we must balance the federal budget. Large Federal borrowing drains the pool of national savings available for productive private sector investment and it drives up interest rates. Progress has been made on the deficit, as it has been cut in half over the last 4 years. We need to build on that progress, put aside our partisan differences, and balance the budget.

Second, we need to reform the federal tax system so economic growth becomes a much more central objective. That means it has to do a much better job of encouraging saving and investment. How it should be restructured to achieve that is a matter of debate. We may need a variation of the flat tax, a lower tax on capital, or a system of taxing consumption instead of investment, but we must put at the top of our national agenda a search for a tax system that enhances growth.

Third, we must expand our trade opportunities and open foreign markets to U.S. products. Jobs in exporting industries tend to be higher-paying, so our companies must have fair access to the rapidly growing markets overseas. We need to continually review and adjust U.S. trade policy to make sure it is working in our national interest and is helping to expand our economy and good-paying jobs.

Fourth, we need to curb excessive and costly Government regulations. Many Federal regulations provide important health and safety protections. But overall we need to make sure their benefits exceed their cost and they are carried out in the least burdensome way. Regulations should recognize that a vibrant private sector is the best engine for economic growth and jobs.

Fifth, I also think we need higher levels of public investment in infrastructure. Federal, State, and local governments need to invest in more and better roads, bridges, highways, water systems, sewer systems, harbors, ports, airports and all the rest that helps make the private sector more productive. We also need to promote investment in research and technology, which boosts economic growth.

Finally, we need greater attention to upgrading the education and skills training of our workers. Improving educational performance is an absolute priority in today's world so all Americans—not just those at the top—can prosper as the economy grows. Education is, of course, primarily a State responsibility, but it is a national problem. Access to higher education and more skills training is a must.

I do not suggest that such changes will come about easily. We must be prepared to deal with the human problems that emerge. We should do all we can, for example, to create a system of portable pensions and portable health care to cushion the transition for people who have to move from one job to another. We must find ways of providing profit sharing and stock ownership plans for employees, not just for the top corporate management, so everyone has a greater stake in the success of our companies.

Conclusion: In sum, our objective is simple: higher growth in the American economy. That basic goal needs to become the much more central focus of what the Federal Government does on a variety of fronts—whether it be our budget or tax policy or our trade, regulatory, and public investment policy. In the end I think what is important for working people is for this economic system of ours to grow and to create more good-paying jobs. We don't know all the answers about getting higher growth, but we know some of them, and we should get about the business of implementing them.

Mr. NADLER. Mr. Chairman, I rise in opposition to this budget resolution. If a budget is a statement of priorities, this document demonstrates beyond a reasonable doubt that the Republican majority still doesn't care about average, working Americans. It is mean spirited and short sighted.

Although the Republican majority proposes to increase military spending—spending nearly $13 billion more than the Generals in the Pentagon say we need—they continue to attack programs that help the poor and the middle class, that make life better for the majority of Americans.

They want to cut $215 million from the Health Resources and Services Administration, which funds Maternal and Child Health

Block Grants, Ryan White AIDS programs, community health centers, family planning, and targeting programs for health professions.

They cut $398 million from the Department of Health and Human Services.

They freeze the National Institutes of Health at last year's level—a cut of 15.9 percent in real dollars by the year 2002.

They freeze the Special Supplemental Nutrition Program for Women, Infants and Children.

They slash housing programs by $20 billion over 6 years.

They cut libraries by 20 percent, Aid to Higher Education Institutional Development by $46 million in 1997, and Job Corps by $88 million.

While they cry crocodile tears over the working poor, they cut the Earned Income Tax Credit which helps people who earn the lowest wages and work hard to raise families get by.

They kill the NEA and the NEH.

They eliminate operating subsidies for mass transit by 2002, even though it is the cleanest, most environmentally sound transportation alternative, but they are willing to destroy the Arctic National Wildlife Refuge to drill for more oil.

We need a budget that helps low- and middle-income Americans, educates our kids, makes our infrastructure more efficient, enforces the law and preserves our environment and our health. I urge my colleagues to reject the Republican budget resolution.

Mr. BUYER. Mr. Chairman, the Federal debt is over $5 trillion. Interest alone on the Federal debt this year will cost $2,340 for every household in Indiana's Fifth Congressional District. The Federal Government will spend more than $4.3 billion each day this year; and of that amount, $446 million per day is deficit spending. Our Nation's Federal debt and yearly deficit continues to be one of America's darkest clouds. Even if we do balance the budget in 6 years, our Nation's debt will increase to over $7 trillion. The debt stymies personal economic growth, business development, job creation, and puts in doubt whether we will hand our children an opportunity for a better life that we have had.

The national debt is still manageable. We can and we must balance the budget by fixing ineffective government programs and slowing the growth of government spending. It is a commonsense approach to balancing our budget. My hope is to balance our Federal budget using a thoughtful and caring process of time, as we move to streamline Federal programs and shift functions to the State and local level. It is unfortunate the President continues to embrace a big Federal Government in the hope it can be all things to all people.

Just weeks after President Clinton told America during the State of the Union Address that the day of big government is over, he sent Congress a budget that is more of the same. Greater than 64 percent of his deficit reduction comes after he would leave office if elected to a second term, effectively "passing the buck" once again. In fact, his budget would raise the deficit from $158 billion this year to $164 billion next year. The President's budget does not reform welfare as we know it, it does not preserve and protect Medicare which is going broke at a faster rate than the President previously stated, nor does it eliminate one Federal agency.

I believe this is the wrong direction during a time when over 40 percent of all the money taxpayers earn goes to paying taxes. That's right—for every dollar the average Hoosier makes, 40 cents goes to pay local, State and Federal taxes. Taxpayers know how to better spend their money than the government does. The President's budget increases taxes on capital gains that will result in Hoosiers paying more in taxes once again. At a time when Republicans are trying to decrease the capital gains tax, the President's budget increases taxes on capital gains to a tune of $4.1 billion.

There is nothing in the President's budget that would encourage venture capitalists to put up money to provide new or existing companies with means to create and ensure Americans jobs. Wages are stagnated and more and more people believe the country is headed in the wrong direction.

In contrast, the Republican Congress has a very different agenda. We have passed a number of measures to eliminate Washington's reckless nature when it comes to spending taxpayers hard-earned dollars. In the past year and a half we have passed:

The Balanced Budget Downpayment Act II. This legislation saves the American taxpayer over $23 billion in 1996 alone. Signed by the President.

The line-item veto. This legislation will allow the next President the ability to cut wasteful spending. Signed by the President.

Tax Fairness and Deficit Reduction Act. Provides working Americans, senior citizens, farmers, and small businesses with $245 billion in tax relief. This bill was incorporated in the Balanced Budget Act. It was vetoed by the President.

Senior Citizens Right to Work Act. Allows senior citizens who need or want to work to earn income up to $30,000 without penalty to their Social Security benefits. Signed by the President.

Balanced Budget Act. It balanced the Federal budget by the year 2002 by eliminating over 163 wasteful Government programs while reducing the growth of many programs. Vetoed by President Clinton.

Unfunded Mandate Reform Act. Restricts the ability of the Congress to pass laws which impose additional costs to State and local governments, unless Congress provides funding to cover such expenses. Signed by President Clinton.

The Personal Responsibility Act. This legislation would have brought true reform to our failed welfare system. It focuses on strong work requirements, the preservation and importance of the family, the reduction of illegitimacy, and the elimination of certain benefits to noncitizens. The President vetoed this legislation.

The Republican budget resolution continues our efforts to end the fiscal madness. It shifts the power, money, and influence out of Washington and back into the hands of Hoosiers. It provides at least $176 billion in tax relief—including a middle-class tax credit, a reduction in the capital gains tax rate and other incentives for saving and investing for economic growth and job creation.

The budget resolution incorporates repeal of the 1993 Clinton gas tax, an adoption tax credit, enhanced health insurance deduction for the self-employed, medical savings account, and long-term care incentives.

The budget resolution reforms the failed welfare and Medicaid systems, promoting work and self-reliance. It assumes a 27-percent increase in funding for welfare and a 46-percent increase for Medicaid. In addition, it calls for increasing Medicare spending from $179 billion in 1996 to $304 billion in 2002—a 70-percent increase in Medicare spending. Under this plan, Medicare spending per beneficiary would increase from an average of $5,200 in 1996 to $7,000 in 2002.

The plan cuts bureaucracy by terminating the Departments of Commerce and Energy and the elimination of 130 Federal programs. It recommends the elimination of special interest corporate subsidies and tax loopholes, including the advanced technology program. National defense spending would increase $12.1 billion. It provides $4.1 billion in 1997 for the Violent Crime Reduction Trust Fund, and $5.1 billion more over 6 years in discretionary spending for veterans than the President's budget.

In education and the environment, the Republican budget resolution again calls for the elimination of Goals 2000, continued growth in student loan volume from $26.6 billion in 1996 to $37.4 billion 2002, elimination of the Government-run direct lending program, and level funding for title I programs. At the same time it calls for continued funding of Head Start, Pell grants, Aid to Disadvantaged Children, and the Drug-Free Schools Program at current levels and increases funding for total student loans. The budget resolution calls for funding to improve the quality of the Nation's parks and reform and increased funding for the Superfund Program.

Balancing the Federal budget is vitally important to our Nation's ability to be a world leader. It also has very real effects on the personal pocketbooks of Indiana families. Balancing the Federal budget means a reduction in interest rates by approximately 2 percent. As a result:

A family with an average mortgage of $75,000 will save $37,000 in interest rates over the life of the loan—an annual savings of $1,200.

A student with an average loan of $11,000—over 10 years—will save $2,160 over the life of the loan—an annual savings of $216.

A family buying a $15,000 car will save $900 in interest over the life of the car loan—an annual savings of $225.

For the first time in over 40 years, the discussion has turned from not "if" we will balance the Federal budget but to "when" we will balance the budget. This is a significant achievement. The debate has been shifted and we must now pass a balanced budget that places our goals into law.

Our current balanced budget debate involves two very different visions for America's future. The President defends the status quo of bigger government, deficit spending, and more government intrusion into our daily lives. I see a different future. Government over-regulates, has grown too big, spends too much, and taxes you too high. We must work together to achieve a balanced budget for a more prosperous future.

Mr. GOODLING. Mr. Chairman, I rise in support of the fiscal year 1997 budget resolution. This budget continues to build on the Republican promise to the American people to reign in our national deficit and to move power and influence from Washington, DC back into local communities. This is a responsible budget—one that every year while maintaining our commitment to our Nation's most precious resource: our children.

Balancing our national budget is one of the best things we can do for our children's future. It is the primary responsibility of Members of this House—and a responsibility that Republicans have proudly accepted—to ensure that we do not leave our children a legacy of massive debt.

The budget resolution before us today also returns the responsibility for a child's education back where it belongs—in the hands of parents and local communities. As chairman of the Economic and Educational Opportunities Committee, I know firsthand the size and burden of the Federal education bureaucracy. Over the past several months, my committee has identified 760 Federal education programs spread throughout 39 Federal agencies. I am pleased that the budget before us today encourages each of us to take a long, hard look at our education programs and to move the basic responsibility for our children's education back to parents and local communities.

I strongly support providing assistance to our young people to help make the dream of a college education a reality. However, I am concerned that the Department of Education, which administers the Federal student aid programs, is showing clear warning signs of mismanagement. Their recent problems in processing financial aid applications raise serious concerns about their ability to oversee the Federal Direct Loan Program. One-and-a-half million students were involved in this delay.

The fiasco should serve as a wake-up call. Can we trust this Department to issue, track, and collect loans of millions of college students, who borrow billions in taxpayer funds, when they can't effectively manage the simple input of financial data into a computer? President Clinton thinks they can, and plans to completely replace the private-sector lending programs with his Direct Loan Program. Republicans think the end of big government should start here—President Clinton's Direct Student Loan Program should end.

In conclusion, I believe this is a responsible budget which protects our children's futures and returns power to the American people. I urge my colleagues to support the budget resolution.

Mr. ALLARD. Mr. Chairman, I want to commend Chairman KASICH for his leadership on this budget. Once again, the Budget Committee is leading the way in downsizing the Federal Government.

This budget shifts power, money, and influence out of Washington and back to the people. It keeps us on the path to balance and ensures that Congress will continue to make the tough choices necessary for deficit reduction.

This budget will eliminate deficits entirely by 2002. We can then begin the very difficult task of reducing the $6 trillion debt that we will have built up by that time. Let us not forget, even when we end deficits we still have a huge bill to pay from past congressional excess.

A balanced budget is about much more than numbers. It means higher wages and more jobs. This results from the lower interest rates and the greater saving and investment that become possible when Congress exercises the necessary discipline.

This Congress has been responsible for a reduction of $40 billion in discretionary spending in 1995–96. We have already begun to see the fruits of that labor with lower interest rates. This means everything from lower mortgages to more affordable college loans for millions of American families.

One thing that I have learned in the past year and a half is that achieving a balanced budget is going to be a long hard battle. We are going to fight that battle, and we are going to win that battle. But the tremendous struggle to get to this point proves why we need a balanced budget amendment to the Constitution.

Mr. Chairman, this is a budget for our children. It is time we start thinking about them and put an end to deficits. There is no free lunch; if we do not pay the bills today, our children will pay them tomorrow.

I urge my colleagues to join me in strong support of this budget.

As I stated in the Budget Committee, I have two recommendations for improvement as this budget works its way through the process. First, our welfare reform savings are too modest. While we reduce the growth of welfare programs, these programs continue to grow and they continue to be subject to excess Federal control.

I recommend that we freeze welfare spending and then block grant all funding to the States. This would save the taxpayers far more through 2002. It would also permit the States total freedom to reform welfare. The States could require work, job training, and education, they could limit the time on welfare, and they could include a cap or other reforms designed to end welfare and move ablebodied recipients from dependency to work.

The States are where the true reforms are occurring with welfare. Unfortunately, States that now propose dramatic welfare reform must come to the Federal Government and beg for waivers. This is wrong; States should be free to design their own reforms.

The second recommendation I make is that we use a portion of these additional welfare savings to make the proposed reduction in the Federal gas tax permanent. State and Federal gas taxes now total over 40 cents a gallon. This is a tremendous burden on the middle class and working poor; it also hits particularly hard in the high mileage States out west. Repealing the 1993 increase would save taxpayers in my State of Colorado $70 million a year. Working families deserve welfare reform and they deserve tax relief.

Mr. UNDERWOOD. Mr. Chairman, the majority's budget proposal reads like a hit list of education programs from Goals 2000 to student loans to education improvement grants. If a budget proposal reflects a party's priorities, then education is the least of the concerns of the majority party. I am dismayed because my personal priority has always been education—my life's work has been in education. It is incumbent upon those of us who do understand the importance of the investment in our schools and colleges to call attention to the damage that this budget proposal will wreak on school systems.

Some of these budget cuts are downright mean-spirited and are not based on the effectiveness of a program—the bilingual education programs are targeted for elimination as a consequence of an ongoing attack on immigrants and minorities.

I remember the good old days when the majority even had a President boasting that he wanted to be the "education President". I urge my colleagues to oppose the cuts to education—if it is asking too much for us to be the "education Congress", let us at least avoid our going down in history as the "slash and burn Congress".

Ms. SLAUGHTER. Mr. Chairman, I rise today to express my concerns about the Republican efforts to radically alter the Medicare program. While the Republican budget resolution is short on details, I am assuming that they will follow the model that they proposed last year in order to meet their $168 billion reduction in Medicare spending over the next six years.

Republicans are proposing changing Medicare from a defined benefit to a defined contrition program. It does not propose controlling costs, but simply shifts those costs form the Federal Government to senior citizens and providers. It will end the prohibition against balance billing and allow doctors and hospitals to bill senior citizens for extra or added charges. It would even allow HMOs to charge seniors extra for the basic Medicare package. My Republican colleagues need to remember that 18 percent of seniors—which is about 7 million people—are living on less than $7,000 a year. Can they afford these new hidden, extra charges?

I attempted to discuss these concerns with the Budget Committee, I was told not to worry—these terrible things simply will not happen. But, with little or no details, it is hard to understand how they plan on achieving $168 billion in savings without shifting costs or forcing seniors into restrictive managed care plans. We should not move to these radical changes without detailed and thorough hearings, which have not been planned. There are too many questions and the implications are far too serious to implement a $168 billion change. Medicare has worked and has provided access to affordable, quality health care for millions of senior citizens. Do we have to jeopardize this success in the name of tax cuts for the wealthy?

The CHAIRMAN. Pursuant to the order of the House of Tuesday, May 14, 1996, the committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. NEY) having assumed the chair, Mr. CAMP, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, had come to no resolution thereon.

GENERAL LEAVE

Mr. HINCHEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Concurrent Resolution 178.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

COMMUNICATION FROM THE CHIEF ADMINISTRATIVE OFFICER OF THE HOUSE

The Speaker pro tempore laid before the House the following communication from the Chief Administrative Officer of the House of Representatives.

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER, U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, May 10, 1996.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.

Re District of Columbia versus Yvette Yolanda Jones.

DEAR MR. SPEAKER: This to formally notify you pursuant to Rule L (50) of the Rules of the House that an Office of Finance has been served with a subpoena issued by the Superior Court of the District of Columbia.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,
SCOTT M. FAULKNER,
Chief Administrative Officer.

HOUR OF MEETING TOMORROW

Mr. RAMSTAD. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 9:15 a.m. tomorrow, May 16, 1996.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE CAREERS ACT, CONCERNS VERSUS REALITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GOODLING] is recognized for 5 minutes.

Mr. GOODLING. Mr. Speaker, I am amazed at what length special groups and organizations will go to in order to stir up controversy, manufactured controversy so they can get contributions to keep their organizations going.

We are working for years on a bill called the careers bill. It started when the General Accounting Office indicated that there are 163 Federal job training programs spread over every agency downtown possible, most of which are totally ineffective. Many are duplicative, and so we set out to see what it was we could do, first of all, to consolidate these programs to eliminate those that overlap and are redundant and return the power and the authority back to the State and particularly back to the local communities so that they could plan job training programs that would actually prepare people for jobs that will exist in that particular area.

Well, as I indicated, it is amazing at what lengths some of these organizations would go to keep filling their coffers so that they can stay in business. Of course, the only way they can stay in business is to create controversy. Whether it is there or not, they create it.

Mr. Speaker, now let me mention some concerns and then some facts. First concern: Does the careers bill merge the Departments of Education and Labor? The fact: No, nothing in careers merges these Departments.

Second concern: Does careers reference Goals 2000? Fact: No, there is no reference to Goals 2000 in the bill.

The other day I almost had an accident on the Beltway because again these same groups will use any statements they want to make to prove whatever it is they are trying to prove, no matter how false it may be. So this person on the radio was saying that these sixth-grade girls were receiving examinations, physicals in school, and they were very thorough physicals. He was very upset, and it was because of Goals 2000 and outcome-based education that they were receiving these physicals.

Now, how ridiculous can anybody be. Physicals, when I was a principal of school, superintendent of school and a teacher, were required by our State, that certain grades had physicals. As a principal, the first doctor that I lost came in to me one day and said, I am not about to continue this. He said, I am not going to sign if I do not examine them, and I am not going to examine them and then have these innuendoes and so on spread all over the community. My business is too important to me.

So I had to hire another doctor who did it the way they used to do when we went through our physical in the Army, stood us at the other end of the room and said, oh, you are okay, move on. But he got paid for that.

No, nothing in this bill references Goals 2000. In fact, nowhere does the legislation require that any individual enter into a specific career track or enter into employment. In fact, special language was included to specifically guard against such abuses.

Let me read a few specific protections. "Nothing in this act shall mandate that any individual, particularly youth served under title II of this act be required to choose a specific career path or major or to meet federally funded or endorse industry-recognized skill standards or obtain federally funded endorsed skills certificates.

Second, none of the funds made available under this title shall be used to compel any youth to pursue a specific career or to obtain a federally funded or endorsed skills certificate. Youth participating in the program under this title shall be eligible to change their course of study and training.

The problem we are faced with is that people out there who somehow believe that everybody should be a college graduate. That is a great idea. What are they going to do? We now have hundreds of thousands of college graduates who either have no job or they are working at something far beneath their education. On the other hand, we have hundreds of thousands of technical jobs out there with no one to fill them in.

These same people believe that somehow or other in high schools there is an academic program or a vocational program. They forget that a large percentage are in a general program, and I got news for you; a general program in this day and age is just that. A general program is a dead-end street by all means for these people Will the CAREERS bill result in the collection of private information on individuals, especially children? No; the bill does not allow for the collection of private information on individuals, and these are some of the protections.

Specific language restating title 13 of the Census Act relating to confidentiality of information. Specific language that states nothing in the act shall violate the Family Education Rights and Privacy Act under section 249 of the General Education Provisions Act. Specific language that all labor market data is aggregated from existing sources like the census, unemployment rates, and so on.

States would not be allowed to use funds to collect data about school-age youth. Those are just a few of the corrections that should be made. In future sessions I will make all the others because again, it is sheer nonsense that is being spread out there in relationship to the CAREERS bill.

WHITEWATER INDEPENDENT COUNSEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. MEEHAN] is recognized for 5 minutes.

Mr. MEEHAN. Mr. Speaker, I come to the House floor tonight to discuss the independence of Whitewater Independent Counsel Ken Starr.

Six weeks ago, I wrote Mr. Starr a letter. I asked him to immediately take the necessary steps to assure the credibility of his position by eliminating even the appearance of conflicts of interest in his Whitewater investigation. Since that time, Mr. Starr has done nothing to rectify the situation. In face, he has not even responded.

At first, Mr. Speaker, I was surprised that Mr. Starr, who is such a highly successful attorney that he can pick and choose his clients, would decide to represent a tobacco company—a political foe of the President. However, as I began to take a closer look at Mr. Starr's career decisions, his representation of Brown & Williamson fits perfectly into a portfolio of controversial clients.

The archconservative Bradley Foundation, is another ideological client of the Independent Counsel. The Bradley Foundation hired Mr. Starr as a consultant and when Mr. Starr argued a school voucher case before the Wisconsin Supreme Court, the Bradley Foundation provided a $150,000 grant to pay State's legal fees. By defending the Wisconsin school voucher system, Mr. Starr argued directly against the Clinton administration's stance on an issue that could very well play a role in the 1996 Presidential election.

Mr. Speaker, the Bradley Foundation is one of this Nation's most conservative and partisan organizations. Each year the Bradley Foundation doles out $20 million to groups like the American Spectator, the Landmark Legal Foundation, the Free Congress Foundation, and others who attack the President and First Lady in a highly political and often personal fashion.

We can conclude then, Mr. Speaker, that Independent Counsel Ken Starr's personal wealth—he made well over $1 million dollars last year—is quite dependent on a political clientele.

Let's now look at Mr. Starr's firm, Kirkland & Ellis, and its dealings with the Resolution Trust Corporation—the key Federal agency in the Whitewater investigation.

In May 1993, nearly a year before Starr's appointment as Independent Counsel, the RTC accused Kirkland & Ellis of professional misconduct in the negligent representation of the First America Savings Bank, a failed savings and loan association. After Mr. Starr was appointed Independent Counsel, Kirkland & Ellis paid the RTC $325,000 to settle the claim.

Starr, who, as senior partner serves on Kirkland & Ellis' management committee, claims he was unaware of his firm's negotiations with the RTC. Mr. Speaker, I sincerely hope Mr. Starr was blissfully unaware of this case. Because, during this same period, Mr. Starr as Independent Counsel in the Whitewater Investigation, was questioning some of the same RTC officials who were involved with the decision to sue his law firm. Again, a reasonable person would see the appearance, if not the existence, of a serious conflict of interest.

Mr. Starr's appearance problems neither begin nor end with Brown & Williamson or the RTC.

Furthermore, Mr. Speaker, the Justice Department has launched a number of grand jury investigations into possible criminal violations on the part of tobacco companies and their executives. According to the New York Times at least five grand juries have been convened. Department of Justice's probe of the tobacco industry represents the Department's largest investigation of the manufacturer of a consumer product under the Clinton administration.

However, while parents and health advocates overwhelmingly support the President's actions on curbing youth tobacco use, cigarette manufacturers, like Brown & Williamson, have retaliated with a massive political donation campaign to thwart the FDA's common sense regulations. Political donations by tobacco interests set new records last year. They gave $4 million in PAC and soft money to the two major political parties and various congressional candidates. Tellingly, Mr. Speaker, more than $3 million went to Republicans.

The Food and Drug Administration has proposed new regulations on tobacco advertising and marketing to children. President Clinton's leadership on the FDA's regulations has been historic. Never before has an American President so boldly stood up to Big Tobacco and not backed down.

Mr. Speaker, to say that tobacco companies, like Brown & Williamson, have a contentious relationship with the Clinton administration would be a gross understatement. Never before has the tobacco industry faced so many challenges in its dealings with the Federal Government. Let me just add, as an aside, that problems for the tobacco industry are victories for America's children.

The Castano suit is the largest class action suit in history. It has been filed on behalf of all addicted smokers in the United States against the tobacco industry. If successful, the Castano suit will cost Big Tobacco millions and millions of dollars.

I could not believe that the politically savvy Mr. Starr—a former Solicitor General in the Bush administration—would be so naive as to not see a serious problem in his dual role as lead attorney for Brown & Williamson and the Whitewater investigator.

I was unnerved, to say the least, Mr. Speaker, when I turned on my television set several weeks ago and saw Mr. Starr—not in Little Rock, AR, working on Whitewater—but in New Orleans. He was there acting as the Counsel of Record, in other words, the lead attorney, for the entire tobacco industry in the Castano class action suit.

For several years now, I have worked to hold Brown & Williamson, along with the rest of the tobacco industry, accountable for manipulating the level of nicotine in cigarettes, for targeting America's children in advertising, and for misleading the Congress, Federal agencies, and the American people when it comes to the dangers of tobacco products.

Unfortunately, here is what they are getting:

Mr. Starr, while purporting to oversee and lead the Whitewater Investigation, remains actively involved in an enormous private practice, over $1 million per year. Moreover, much of his private practice is dominated by ideological foes of the President.

For example, Mr. Starr is employed by Brown & Williamson—one of this Nation's largest tobacco companies. In fact, my interest in Mr. Starr's conflicts of interest stems from his work for Brown & Williamson.

Mr. Speaker, when the sitting President of the United States is under investigation, the public demands a fair and impartial investigator. I do not believe that is too much to ask. Currently, though, we have an Independent Counsel who seems to be the servant of several masters.

Mr. Speaker, the American people deserve better than this, the Congress deserves better than this, and the President deserves better than this.

Mr. Starr fails to recognize the political context of this Whitewater investigation. If he is to serve effectively as the Independent Counsel, it is imperative that he resolve problems his large, lucrative private practice creates. His unwillingness to address these questions will ultimately taint any resolution in this case.

Mr. Speaker, when a sitting President is the subject of any kind of investigation, the public demands a fair and impartial investigator. I do not believe that is too much to ask. Currently though we have an independent counsel who seems to serve several masters.

Mr. Speaker, the American people deserve better. The President deserves better. This Congress deserves better.

□ 2000

Mr. Speaker, Mr. Starr needs to clear up this conflict of interest. You cannot serve two masters. He made a million dollars last year in private clients. Somebody who can conduct a politically charged investigation that involves potentially the President ought to be really independent. It is time, Mr. Starr. Answer these questions.

NATIONAL PEACE OFFICERS MEMORIAL DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. RAMSTAD] is recognized for 5 minutes.

Mr. RAMSTAD. Mr. Speaker, I rise today on National Peace Officers Memorial day to pay tribute to the 14,064 peace officers who have given their lives to protect our communities. The names of these 14,064 brave men and women are permanently etched on the walls of the National Law Enforcement Officers Memorial, located just a few blocks from here.

This year, Mr. Speaker, 161 new names were added in a candlelight vigil representing police offices who were killed during 1995, and anyone who attended the ceremony today saw the families of these 161 police officers had to be profoundly moved, just as they were by the President's heartfelt remarks and by the beautiful singing of Mariah Carey.

Mr. Speaker, my home State of Minnesota has suffered the loss of three police officers who have died on duty since July of 1995:

Paul Moen, a Minneapolis police officer died during a struggle; Brian Klinefelter, a St. Joseph, Minnesota police officer was killed just 3 months ago by a liquor store robber; and less than 2 weeks ago we lost Rice County Deputy John Liebenstein when his car was rammed by the teenaged driver of a stolen car.

Tragedies like these, Mr. Speaker, remind me of cop friends I have lost over the years: Sergeant J.W. Anderson of the Wayzata Police Department; Officer Jerry Haaf of the Minneapolis Police Department. Just yesterday I met with St. Paul police officers Mike and Frank O'Brien, whose brother, John, was killed in the line of duty 15 years ago.

In spite of these and many other tragic killings repeated far too often in far too many communities, we must never lose hope in the war against crime, and with the selfless dedication of law enforcement professionals like John O'Brien, like Sergeant J.W. Anderson, like Jerry Haaf, like Paul Moen, like Brian Klinefelter, like John Liebenstein, we will prevail in the war against crime, selfless, dedicated law enforcement professionals like these brave men and women honored today at the steps of the Capitol.

Mr. Speaker, there truly is no greater love than the love shown by those who lay down their lives for their friends and their fellow citizens. We must never forget the ultimate sacrifice of police officers who have laid down their lives for people they do not even know. Every single visitor to our Nation's capital should pay a visit to the Law enforcement Officers Memorial located at the Judiciary Square Metro stop. The names carved in the wall of the memorial are a powerful, powerful testament to the thousands of officers who have sacrificed their lives and the hundreds of thousands more who risk their lives every day protecting our communities.

Mr. Speaker, we honor the dead by respecting the living, and today we honor law enforcement officials and their families for their sacrifices. Every single time a police officer puts that uniform on, he or she puts their life on the line.

I also hope, Mr. Speaker, we will continue to honor the memory of our fallen heroes through our actions in this Chamber, promoting policies which prevent crime and violence and supporting our brave men and women in law enforcement.

DEBATE ON THE 1997 BUDGET PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, this morning a hearing was held before the House Small Business Committee. The topic of the hearing was the current debate over increasing the minimum wage.

During the hearing, I was struck by the testimony of Ms. Audrey Haynes, Executive Director of the Business and Professional Women/USA, an organization that represents some 70,000 working women with more than 2,000 local groups, one-third of whom are small business owners, at least one in every congressional district.

Ms. Haynes pointed out that at $8,500 a year, the "minimum wage worker" is more appropriately referred to as the "miracle worker".

The typical "miracle worker" is a single parent, with Children.

At the "miracle wage" of $4.25 per hour, each week, she brings home $182 after taxes.

She uses her "miracle wage" for child care at $50 a week; for minimal food at $65 a week; for essentials such as clothing, personal and health care products and doctor bills at $50 a week; for rent in basic housing at $85 a week; and for public transportation at $20 a week. She spends nothing on recreation or personal pleasure. And, at the end of the week, she still has a growing deficit of $88 each week.

With a modest increase in the minimum wage of ninety cents, and with the earned income tax credit, which is in some doubt because it too is under attack, the "miracle worker" can cut her deficit in half.

Mr. Speaker, I am at a loss as to how some of my colleagues can push for deficit reduction and a balanced budget, while refusing to pass a minimum wage increase that would be used by twelve million working Americans for that very same purpose.

The Small Business Administration's Office of Advocacy has assured us that the impact of a minimum wage increase would not be dramatic.

Fewer than ten percent of the Nation's small businesses would be affected.

That is because, contrary to popular belief, most minimum wage workers are employed by big business, not small business. Only 2.5 million minimum wage workers are employed by businesses with fewer than ten employees.

In addition, most small business owners already pay above the minimum wage. That is the only way to attract and keep good workers.

Moreover, businesses with receipts of less than $500,000 are exempt from minimum wage laws, unless involved in interstate commerce.

Mr. Speaker, a miracle is a mystery, a wonder, an enigma, a conundrum, a puzzle. How do these miracle workers survive at the wages they are paid? Perhaps the answer is that many do not.

Perhaps that is why drug-driven violence, teen pregnancy, homelessness and hopelessness so permeate our communities.

Ms. Haynes shared with us that twenty years ago her mother was a minimum wage worker, and today, in Columbia, KY, she still earns just above the minimum wage.

The minimum wage for many is not a training wage. It is not a temporary wage. It is not a teenage wage; it is a miracle wage.

I ask my colleagues to imagine feeding yourself and two children on $65 a week. Imagine clothing yourself, paying for personal and health care products and doctor bills on $50 a week.

You do not go to the dentist on that budget.

Perhaps if you can for one moment imagine the life of a miracle wage worker, the mystery may clear up and reality may set in.

Pass the minimum wage increase.

It does not take a miracle.

COULD PRESIDENT CLINTON HAVE WON IN 1992 IF HE RAN ON WHAT HE DELIVERED?

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. LINDER] is recognized for 25 minutes as the designee of the majority leader.

Mr. LINDER. Mr. Speaker, on the Sunday after BOB DOLE's famous "enough is enough" speech on the floor of the Senate in December, a commentator said, "At least there is one adult among them."

The media enjoyed portraying the conflict on the budget as adolescent behavior when even they must know that we are engaged in the most profound political debate since 1932. It can be defined in a few words: "Who decides—Washington or you?"

Do we continue 64 years of increasing the role of the Federal Government in making decisions on your behalf, or do we return to freedom and opportunity which made this the wealthiest, most generous nation in the history of the planet? Do we trust the bureaucrats and politicians, or do we trust you?

The Clinton victory in 1992 was the culmination of the liberal dream. It is true that he ran as a "New Democrat". It is also true that he moved sharply to the left even before he was sworn in. A promise of a middle-class tax cut became the largest tax increase in history. Ending welfare as we know it turned out to be a Government job if no other job could be found. And health care reform ended up being the largest attempted takeover of the private economy in the history of the nation. And, of course, he led off with gays in the military. It is easy to see why that was not mentioned in the campaign. Does anyone believe that Clinton would have won in 1992 if he had campaigned on what he delivered?

The Clinton philosophy was outlined best in a 1958 book entitled, "The Affluent Society," by John Kenneth Galbraith. It essentially said that Americans do not make too little money, they make too much, but they make bad choices with their dollars. It is the obligation of an educated government to tax those dollars from them and make better choices on their behalf.

If you look at the five major initiatives of the first two Clinton years—the budget, crime, welfare, education, and health care—all called for increasing taxes and increasing the numbers of decisions that would be made in Washington.

It is important to point out here that the Clintons are sincere. They truly do want to shape a future for our children and grandchildren that is warm and safe and secure and fair. If you're curious about what that future would look like, read anything that has come out of the Children's Defense Fund over the last 20 years.

Conservatives do not seek to shape the future because we do not know how. I could not satisfy 20 percent of the people in any given crowd. Each American looks to the future with different hopes and dreams and talents. I do know this, I could build a future that my daughter would love and my son would hate. So we want to leave your dollars in your pockets and you and 260 million other Americans, deciding on your own behalf hundreds of times a week, will shape the future. You will decide, not Washington. I do not have any idea what that future will look like but I will be right in there with you making my personal choices.

Now you see how deep and fundamental are the differences. Who decides?

This difference became crystal clear in the negotiations with the President over the budget. Frankly, we were not that far apart on the numbers. We want to increase spending 3 percent; the President wants to increase spending 4 percent. We want to assume a revenue increase of 5 percent; the President wants to assume a revenue increase of 5½ percent. We want to increase Medicare 62 percent over 7 years. The President wants to increase it 64 percent. Those are the differences on which the President has built his case that Republicans are proposing "extreme" cuts.

That is not where the discussions broke down. They broke down because Senator DOLE and Speaker GINGRICH were not willing to compromise on our values. We believe that giving seniors more choices in Medicare will cause them to shop their health care for the best deal and that competition will bring down costs.

Let me give you one example. One of the many meetings on transforming Medicare included Healthcare benefits managers. The John Deere Co. has formed its own health care company to control its costs. I asked the president of John Deere health care what it would cost the Federal Government if John Deere kept its retirees in their own health care system. He said $4,000 per year and he would make a profit off them. We are paying $5,200 this year per person. His offer amounted to a 25 percent savings.

Why can we not get President Clinton to agree? because the liberals will not let him loosen the Federal grip on your choices. They feel that you make selfish decisions and that bureaucrats make fair decisions. Again, who decides?

We also insisted that after spending $5.5 trillion in the war on poverty over the last 30 years, we lost the war. We want to return those Medicaid and welfare dollars to the State and local communities to aid the less fortunate.

Again, the liberals cannot let loose of the Federal grip on those decisions. If they return decisions to individuals and communities the glue that holds the coalitions that comprise the Democrat Party dissolves. That glue is the power to decide for you.

The level of invective aimed at efforts to reform the welfare state is nothing short of astonishing. Governor Engler was accused in the press of causing people to commit suicide. We have been accused of starving children. And you will hear much more.

In Thomas Sowell's new book "The vision of the Anointed," You know who the anointed are, the sensitive, the caring, the compassionate, the thoughtful, Sowell notes how the critics of the "anointed", from Malthus to Burke to Hayek, always spoke generously of the motives of the left even while questioning their policies.

Milton Friedman criticized the Great Society, but he always says it was born of noble intentions.

However, the responses from the "Anointed" to their critics were always personal. The critics's motives were questioned. They were called mean-spirited, hard-hearted, and cruel.

When Thomas Malthus criticized the vision of Godwin and Condorcet he said, "I do not question their candor or their integrity. I question their politics."

Godwin's response? A personal attack on Malthus, whom he called "the malignant man".

John Lewis has equated GINGRICH to Hitler and the Republicans in the House to Nazis. That was a new low for those who substitute name-calling for debate.

Noting has changed in over 200 years. While attacking us on personal grounds it is increasingly clear that liberals have less interest in program beneficiaries than in the power to decide. That is what the anger is about: losing power. And they will stop at nothing to regain that power, including lying.

G.K. Chesterton said, "I believe in Liberalism today as much as I ever did. But, oh, there was a happy time when I believed in liberals."

Oh, there was a happy time. It was the time between 1948 and 1968 when poverty dropped from 32 percent to 13 percent and black poverty from 90 percent to 32 percent. We witnessed the largest migration of blacks into management in the history of the country. In 1960 black illiteracy was 16 percent, and the black family was the most conservative, spiritual and family oriented segment of our society.

Then the poverty programs kicked in. $5.5 trillion later the poverty rate is 14 percent in general, and among blacks 33 percent. Illiteracy among blacks is rising rapidly. Nearly 70 percent of black babies are born out of wedlock, and the black family is under serious assault.

This is not to say that blacks are the problem. They are not. But in 1965, for the reasons we all know, a larger percentage of them were poor, and the Government helped them the most.

I grew up in a small town in northern Minnesota near two Chippewa Indian reservations. The Indian children went to school with us. Every fifth-grade class had an Indian child at the top of the class. They did not graduate: teen age pregnancies, crime, alcohol, violence, no father, in the homes.

For over a hundred years America rounded the Indians up onto reservations and bureaucrats told them where to go to school, which dentist and doctor to see, where to buy school clothes, and we paid the bill. The influence of the breadwinner was replaced by a bureaucrat with a Government check, and the breadwinner left.

I am the only white man that ever played baseball with the Inger Indians.

I was the catcher, and we had a pitcher on the team who had a curve ball that looked like it was coming at you from third base. He was offered a minor league contract that summer, but he didn't know if he should take it. I said, "Look, you're 26 years old and you've never had a job. Take the contract."

Six weeks later he was back home. I asked him what happened. He said,

> I just couldn't make it. I didn't know how to get an apartment so the owner had to help me. I kept forgetting where to change buses. I didn't know if I should get a black and white or color TV. I just couldn't make all those decisions.

At age 17 I was struck that Government paternalism steals from people the ability to make decisions about their own lives. They are all dead now. Richie Robinson, Esica Ogema, Tom Bowstring, Frank Rabbit, Johnny Wakanabo, Tom Goggleye. Dead too young. Not because Government did too little. Because Government did too much.

Having done so well with the American Indian, we have replicated the reservation in every major city in America with the very same results: Teenage pregnancies, crime, drugs, violence, no fathers in those homes. Not because Government did too little. Because Government did too much.

In spite of the total collapse of communism and socialism round the world, Liberals continue to believe that they are smarter than the people and that governments make better decisions.

They do not know, as we know, that the human being dreams, not for one more Government program but for freedom. The Soviets learned that in just 73 years.

Ilya Ehrenberg, a Russian poet, wrote, "If all the world were covered with asphalt, one day in that asphalt, a crack would appear, and in that crack grass would grow." That is the dream of the human spirit. That is the dream of freedom.

All of this is to say the following: Liberal efforts to replace your decisions with their decisions have been a colossal failure. It has been a failure for the taxpayer, but much more so for the generations of children destroyed in the process. Why is it so difficult in American politics to commit a truth?

We want to end the suffering of the poor in the care and feeding of the Federal Government. We want to rekindle the dream, to free the spirit, to let it soar.

This election is going to be the meanest election in your lifetimes. Because there is so much at stake. The Liberals know that another loss could send their party the way of the Whig Party. Like the current Democrat Party, the Whig Party was a disparate collection of groups who had only one thing in common. They hated Andy Jackson. When his presence disappeared, so did they.

The four building blocks of the Democratic Party are labor, blacks, feminists, and gays. What in the world do labor and gays have in common? They all have a thirst for the power to make your decisions for you. All four groups want power because they believe that they can gain economic advantage in Washington that they cannot gain in the neighborhood. Again the question: "Who decides? Washington or you?"

The commitment by labor unions to spend $35 million in negative television commercials is their last gasp. In addition to that, they will spend another $300 million paying the salaries of full-time campaigners in Democrat campaigns. None of that will be reported to the public the way that candidates report the money they raise and spend to the Federal Election Commission. Remember that the next time some "reformer" tells you that candidates spend too much money campaigning.

But, there is hope. Do you remember Ronald Reagan?

It is important to remember how dark the nightfall was when he began running for President. On the eve of his first run for the Presidency in 1975 he spoke at the 20th anniversary of National Review. In a somber moment he quoted something written two decades earlier by Whittaker Chambers.

Chambers wrote:

> It is idle to speak of saving Western civilization, because Western civilization is already a wreck from within. That is why we can hope to little more than snatch a fingernail off a saint on the rack or a handful of ashes from the faggots and bury them secretly in a flour pot until that day ages hence when a few men would dare to believe that there once was something else. That something else is thinkable and there were those at the great nightfall who took loving care to preserve the tokens of hope and truth.

Five years later Reagan was President promising to rekindle the American dream.

It has been said that the American dream was to own your own home. That is not the American dream. The American dream is to get your kids out of your home. And when Ronald Reagan took office, many Americans wondered if they ever could.

We had interest rates at 21 percent, inflation at 14 percent, and 11 percent unemployment.

We were also losing the cold war. Between 1970 and 1980 the Soviet Union had increased its influence in Cuba, Vietnam, Cambodia, Laos, Nicaragua, Grenada, Mozambique, Angola, Ethiopia, Afghanistan, South Yemen, Libya, Iraq, and Syria.

On top of that one-third of our planes unable to fly for lack of spare parts, one-third of our ships in dry dock, soldiers practicing with pretend bullets, and much of our enlisted corps on food stamps.

In his first inaugural address Reagan addressed our difficulties at home and abroad. Then he appealed to the best in us. He said, "We can do this, because, after all, we are Americans." The decade of the eighties was the American decade in the American century. I know that the Clinton's, during the 1992 campaign, called it the decade of greed. Maybe they thought every American was trading in cattle futures. Most Americans were not. They were starting businesses, going to church, coaching little league, teaching school, paying taxes, and giving to charity.

In less than a decade, Americans, not government, created 4 million businesses and 20 million new jobs. They doubled the size of the economy and doubled revenues to the treasury. They doubled the money they gave to charities—to strangers—because they were generous.

And if we get the burdens of high taxes and too much regulation off their backs, they will do it again.

America is great, not because of Government policies or wise politicians. America is great because ordinary people do extraordinary things. When we return decisions to the American people and responsibilities to the communities I believe that they, not the Federal Government but they, will once again recapture the greatness we have known. If we fail, America will be the next century's Soviet Union. Not because government did too little. Because government did too much.

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DORNAN REPLIES TO GUNDERSON

The SPEAKER pro tempore (Mr. Ney). Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. Dornan] is recognized for 5 minutes as the designee of the majority leader.

Mr. DORNAN. Mr. Speaker, I thank my colleague from California, Mrs. Seastrand, who will follow with 30 minutes that I think Members are going to find fascinating.

Mr. Speaker, I had 60 minutes tonight but everybody was jumping the gun and assuming that in a special order tonight at 8:30 East Coast time or later, 9:30 after the gentleman from Pennsylvania, Mr. Klink, does his special order, that I was going to respond to the Member from the Third District of Wisconsin, Steve Gunderson, on his peculiar point of personal privilege yesterday.

I have talked to the parliamentarians and my honor was impugned at several points during Mr. Gunderson's strange point of personal privilege. If I had been here, I could have taken his words down time after time and had them stricken from the Record. I stood not mesmerized but fascinated at home. I will at some point, as the parliamentarians agreed, take a point of special privilege during the middle of the day, probably earlier than he did his. He did his around 3:30. That will be done in good time, probably next week, and I will set straight the perversion of facts that took place.

I am going to include for the RECORD the reply of the reporter, a man of honor, Marc Morano, to Representative STEVE GUNDERSON, it is fascinating; I want to put in the reply of the Family Research Council, it is fascinating; and I am going to put in again Billy Graham's beautiful address in the Rotunda on May 2 that he titled "The Hope for America," where he said that we are paying an awful price for what has happened in our land with moral issues. And then he said, "We are a society poised on the brink of self-destruction."

In the few moments left, Mr. Speaker, I will read from a letter from one of the outstanding researchers over at Family Research Council, he was a stalwart at Empower America, and it was in response to a good friend of mine saying the Christian Coalition might be obsessed with the issue of homosexuality.

Likewise CATO's David Boaz used the term to attack the Family Research Council in the New York Times. Funny you don't hear anyone accused of being obsessed with taxes, defense of our country, deregulation, education, or any number of other issues no matter how passionately they argue or how often. The "obsession" tag is used specifically in the homosexual debate, and I think I know why, he continues.

Because it implies a secret, hypocritical propensity for homosexuality. It is a nifty little smear that homosexual activists use routinely. That is why I winced when I found the nameless mutual friend of Mr. Knight's and myself had used the term unknowingly at the Road to Victory conference.

We have seen a debauching of the English language, a synonym for cheerful, happy, mirthful, good-natured, the word "gay," the root word of gala, substituted for the death in their prime of life of over 300,000 young males in America who have the word "gay" and "gaiety" put in the place of "sad" and "play."

We have seen a word created that is phony. I have four years of Latin. There is no such word as homophobia. Phobia of man, homo? If they mean homosexual phobia or decadence phobia, that would be more accurate, but it is not a phobia. It may be an aversion to seeing the collapse of our society or, as Billy Graham put it, a great Nation on the brink of self-destruction. I shall be back with that theme soon.

Mr. Speaker, Fair is fair and facts are powerful. Here is Mr. Morano's powerful rebuttal to the Member from Wisconsin who will retire in less than five months, effective Jan. 3, 1996.

MARC MORANO REPLIES TO REPRESENTATIVE STEVE GUNDERSON

The following is my response to Congressman Steve Gunderson's (R-WI) point of personal privilege delivered on the House floor on May 14, 1996:

It is an outrage that a U.S. Congressman would interrupt a session of Congress and take to the House floor and slander the character of a reporter whom he never met. Congressman Steve Gunderson said on the House floor that "hate and prejudice are the motives by which Mr. Morano * * * sought to totally misrepresent the fund raising events and their purpose." He further states that I "intentionally falsif[ied] information" and that my report is "the journalism of bigotry and prejudice." How Congressman Gunderson knows all of this about me remains a mystery.

The Washington Times reported today that at least three other people who attended the night dance can corroborate my account. John Cloud, a city paper reporter said he witnessed "* * * a fair number of people using drugs." A columnist in Metro Weekly described the dance as follows: "We spent much of our time out on the dance floor trying to cop a feel, or back in the sponsors lounge trying to cop a feel, or outside in the designated smoking area trying to cop a feel and a smoke." In addition, Jim Jennings, who works for one of the sponsors of the event admitted to seeing "very provocative dancing."

The freedom of the press is a fundamental right set forth in the Constitution. Congressman Steven Gunderson's character assassination of me on the House floor has a chilling effect on free speech. Will reporters in the future now hesitate to come forth with a controversial story for fear our elected leaders will use their office to attack the reporters entire career, question their motives and engage in vicious name calling? Congressman Gunderson, by impugning my professional reputation, has proven that he is not above "questioning other peoples motives" and stereotyping whom he knows nothing about. The fact of the matter is that my report is entirely factual. I ask Congressman Gunderson to publicly apologize for his unfounded assault on my character. The dignity of his position demands that a retraction be forthcoming.

The following is a detailed response to Rep. Gunderson's point of personal privilege delivered on the House floor on May 14, 1996. First, I reaffirm that the report of my observations of the Cherry Jubilee's Main Event was totally factual and without misrepresentation. Second, Congressman Gunderson personal attack on me violates his own philosophy, which he states, "May I suggest that to begin, we stop questioning other people's motives." Third, the Congressman, who did not attend, claims to know more about the event than myself who was in attendance and personally witnessed the activities. Fourth, I was contracted to produce a video by the Family Research Council, not write a report. The report is my intellectual property not in any way commissioned by the Family Research Council.

Let us look at the allegations put forth by Congressman Gunderson in his point of personal privilege on May 14, 1996:

(1) Rep. Gunderson stated: "Throughout his [Morano's] entire story, not one source is ever identified or quoted."

The story is a personal account of what I witnessed. I was the source.

(2) Rep. Gunderson stated: "There is no record that Mr. Morano purchased tickets for any of these events. He clearly did not use his name and address at any time, nor did he seek to obtain any 'press credentials' for the events."

I did attempt to obtain "press credentials" but was told they were not issuing any. I made at least three phone calls to the organizers on the Thursday and Friday preceding the event. I was forced to purchase one ticket from someone outside the entrance and another ticket from the organizers inside the entrance. The Sunday Recovery Brunch which followed the Main Event was not open to the press. I went to the Rayburn House Office Building on Sunday to cover the event but was told no press or cameras were allowed.

(3) Rep. Gunderson claimed, "But fact is not the basis for the story. Rather hate and prejudice are the motives by which Mr. Morano . . . sought to totally misrepresent the fund raising events. . . ."

Rep. Gunderson is violating his own advice that we "stop questioning other people's motives." I reported on what I personally witnessed; to suggest otherwise is without foundation.

(4) Rep. Gunderson stated: "Nor does the video show any illegal activity . . . if there any doubt such illegal activity would have been filmed if it actually occurred? I don't think so."

I was forced to be very discreet with the video camera and did attempt to videotape the act of oral sex which occurred just off the dance floor but because of the concealment device used to hide the camera, the footage did not come out. Security eventually saw my camera and threatened to confiscate it and the tape. I was forced to hastily remove the camera from the building.

(5) Rep. Gunderson accuses me of "bigotry and prejudice" for the following sentence: "The homosexual community's credo seems to be 'Die young and leave a pretty corpse.'"

Rep. Gunderson uses this sentence taken out of context to accuse me of ignorance regarding death by AIDS. This sentence was part of an opinion piece on the event that I wrote for Chronicles Magazine. The whole context is as follows: "There were few if any men who could be described as overweight. In fact, the overwhelming majority had bodies sculpted from weight lifting. Beer and bottled water were the beverages of choice, while apples, bananas, and oranges were in plentiful supply. The image of young active health conscious men, drinking bottled water and consuming fruit is a study in contrast. The reckless lifestyle inherent in the gay experience results in a notably reduced life span. The life expectancy of a homosexual male is estimated to be no more than about 41 years old, regardless of AIDS. The homosexual community's credo seems to be "Die young and leave a pretty corpse."

I did not in any way seek to imply that people who die of AIDS "die pretty" as Rep. Gunderson infers. I was using an old expression to draw a contrast between the healthy vigorous party goers and the reality of the shortened life span of homosexual males. Rep. Gunderson takes this sentence out of context in order to accuse me of "bigotry and prejudice". Congressman Gunderson exploits the tragedy of the AIDS crisis to smear my name.

(6) Rep. Gunderson claims that the outside stairwell was closed off because of "construction."

This is simply not true. The outside stairwell was open for several hours and many people proceeded down there. One party goer, noticing people down in the stairwell referred to it as "screw alley." Security closed the stairwell down several hours after the dance began. Security erected orange cones to close it off and stationed an officer right in front of the entrance.

(7) Rep. Gunderson states that "security reported no fights, no harassment, no drugs, no smoking, nor any sexual activity. Security made no reports of illegal activity or trouble."

The question that needs to be asked is why Security did not report the activities it surely witnessed. According to the Washington Times (May 15), John Cloud, a City Paper reporter who attended the dance witnessed ". . . a fair number of people using drugs." The Washington Times also reported (May 15) that "A columnist for the Metro Weekly, a Washington homosexual newspaper, described the dance: 'The stately place was incredible—we felt like we were in a hallowed hall. We spent much of our time out on the dance floor trying to cop a feel, or back in the sponsors' lounge trying to cop a feel, or outside in the designated smoking area trying to cop a feel and a smoke.'"

Mr. Speaker, here is the inspiring act of Congress awarding to Dr. Billy Graham, and his loyal wife of 52 years, Ruth, the Congressional Gold Medal.

ONE HUNDRED FOURTH CONGRESS OF THE UNITED STATES OF AMERICA

AT THE SECOND SESSION

Begun and held at the City of Washington on Wednesday, the third day of January, one thousand nine hundred and ninety-six.

AN ACT TO AWARD A CONGRESSIONAL GOLD MEDAL TO RUTH AND BILLY GRAHAM.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress hereby finds the following:

(1) Ruth and Billy Graham have made outstanding and lasting contributions to morality, racial equality, family, philanthropy, and religion.

(2) America's most respected and admired evangelical leader for the past half century, Billy Graham's crusades have reached 100,000,000 people in person and reached over 2,000,000,000 people worldwide on television.

(3) Billy Graham, throughout his 76 years of life and his 52-year marriage to Ruth Graham, has exemplified the highest ideals of teaching, counseling, ethics, charity, faith, and family.

(4) Billy Graham's daily newspaper column and 14 books have provided spiritual counseling and personal enrichment to millions of people.

(5) Ruth and Billy Graham have been the driving force to create the Ruth and Billy Graham Children's Health Center at Memorial Mission Hospital in Asheville, North Carolina, whose vision is to improve the health and well-being of children and to become a new resource for ending the pain and suffering of children.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—The Speaker of the House of Representatives and the President pro tempore of the Senate are authorized to present, on behalf of the Congress, to Billy and Ruth Graham a gold medal of appropriate design, in recognition of their outstanding and enduring contributions toward faith, morality, and charity.

(b) DESIGN AND STRIKING.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

(c) GIFTS AND DONATIONS.—

(1) IN GENERAL.—The Secretary of the Treasury may accept, use, and disburse gifts or donations of property or money to carry out this section.

(2) NO APPROPRIATION AUTHORIZED.—No amount is authorized to be appropriated to carry out this section.

SEC. 3. DUPLICATE MEDALS.

The Secretary of the Treasury may strike and sell duplicates in bronze of the gold medal struck pursuant to section 2 under such regulations as the Secretary may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the gold medal.

SEC. 4. STATUS OF MEDALS.

(a) NATIONAL MEDALS.—The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

(b) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all medals struck under this Act shall be considered to be numismatic items.

CONSTANCE A. MORELLA,
Speaker of the House of Representatives pro tempore.
AL GORE,
Vice President of the United States and President of the Senate.

Approved February 13, 1996, William J. Clinton.

Mr. Speaker, here are the prepared remarks of Dr. Billy Graham.

A beautiful title, Mr. Speaker.

THE HOPE FOR AMERICA

Mr. Vice President; Speaker Newt Gingrich; Majority Leader Bob Dole; Senator Strom Thurmond; Members of the House of Representatives and the Senate; distinguished guests and friends * * *

Ruth and I are overwhelmed by the very kind words that have been spoken today, and especially by the high honor you have just bestowed on both of us. It will always be one of the high points of our lives, and we thank you from the bottom of our hearts for this unforgettable event. We are grateful for all of you in the Senate and House who have had a part in it; and President Clinton for his support in signing the resolution.

As we read the list of distinguished Americans who have received the Congressional Gold Medal in the past—beginning with George Washington in 1776—we know we do not belong in the same company with them, and we feel very unworthy. One reason is because we both know this honor ought to be shared with those who have helped us over the years—some of whom are here today. As a young boy, I remember gazing at that famous painting of Washington crossing the Delaware. Only later did it occur to me that Washington did not get across that river by himself. He had the help of others—and that has been true of us as well. Our ministry has been a team effort, and without our associates and our family, we never could have accomplished anything.

I am especially grateful my wife, Ruth, and I are BOTH being given this honor. No one has sacrificed more than Ruth has, or been more dedicated to God's calling for the two of us.

However, I would not be here today receiving this honor if it were not for an event that happened to me many years ago as a teenager on the outskirts of Charlotte, NC. An evangelist came through our town for a series of meetings. I came face-to-face with the fact that God loved me, Billy Graham, and had sent His Son to die for my sin. He told how Jesus rose from the dead to give us hope of eternal life.

I never forgot a verse of Scripture that was quoted, "As many as received him, to them gave he power to become the sons of God, even to them that believe on his name" (John 1:12, KJV). That meant that I must respond to God's offer of mercy and forgiveness. I had to repent of my own sins and receive Jesus Christ by faith.

When the preacher asked people to surrender their lives to Christ, I responded. I had little or no emotion; I was embarrassed to stand with a number of other people when I knew some of my school peers saw me; but I meant it. And that simple repentance and open commitment to Jesus Christ changed my life. If we have accomplished anything at all in life since then, however, it has only been because of the grace and mercy of God.

As Ruth and I receive this award we know that some day we will lay it at the feet of the One we seek to serve.

As most of you know, the President has issued a proclamation for this day, May 2, 1996, to be a National Day of Prayer. Here in Washington you will see and hear of people throughout the District of Columbia praying today. It is encouraging and thrilling that here, and across the country people have committed themselves to pray today for our leaders, our nation, our world, and for ourselves as individuals. I am so glad that before business each morning, both the House of Representatives and the Senate have a prayer led by Chaplain Ogilvie of the Senate, who has had so much to do with this event today, and Chaplain Jim Ford, who used to be chaplain at West Point when I went almost every year to bring a message to the cadets.

Exactly 218 years ago today—on May 2, 1778—the first recipient of this award, George Washington, issued a General Order to the American people. He said. "The . . . instances of Providential Goodness which we have experienced and which have now almost crowned our labors with complete success demand from us . . . the warmest returns of Gratitude and Piety to the Supreme Author of all Good." It was a message of hope and trust, and it also was a challenge for the people to turn to God in repentance and faith.

We are standing at a similar point in our history as less than four years from now the world will enter the Third Millennium. What will it hold for us? Will it be a new era of unprecedented peace and prosperity? Or will it be a continuation of our descent into new depths of crime, oppression, sexual immorality, and evil?

Ironically, many people heralded the dawn of the 20th Century with optimism. The steady march of scientific and social progress, they believed would vanquish our social and economic problems. Some optimistic theologians even predicted the 20th Century would be "The Christian Century", as humanity followed Jesus' exhortation to love your neighbor as yourself. But no other century has been ravaged by such devastating wars, genocides and tyrannies. During this century we have witnessed the outer limits of human evil.

Our mood on the brink of the 21st Century is far more somber. Terms like "ethnic cleansing" "random violence" and "suicide bombing" have become part of our daily vocabulary.

Look at our own society. There is much, of course, that is good about America, and we thank God for our heritage of freedom and our abundant blessings. America has been a nation that has shown a global compassion that the rest of the world seemingly does not understand. After World War II because we had the Atom Bomb, we had the opportunity to rule the world, but America turned form that and instead helped rebuild the countries of our enemies.

Nevertheless, something has happened since those days and there is much about America that is no longer good. You know the problems as well as I do—racial and ethnic tensions that threaten to rip apart our cities and neighborhoods; crime and violence of epidemic proportions in most of our cities; children taking weapons to school; broken families; poverty; drugs; teenage pregnancy; corruption; the list is almost endless. Would the first recipients of this award even recognize the society they sacrificed to establish? I fear not. We have confused liberty with license—and we are paying the awful price. We are a society poised on the brink of self-destruction.

But what is the real cause? We call conferences and consultations without end, frantically seeking solutions to all our problems; we engage in shuttle diplomacy; and yet in the long run little seems to change. Why is that? What is the problem? The real problem is within ourselves.

Almost three thousand years ago King David, the greatest king Israel ever had, sat under the stars and contemplated the reasons for the human dilemma. He listed three things that the world's greatest scientists and sociologists have not been able to solve, and it seems the more we know, and the greater our technology, the more difficulties we are in. In perhaps the best-known passage of the Old Testament, Psalm 23, he touches on the three greatest problems of the human race.

First, David said, is the problem of emptiness. David wrote, "The Lord is my shepherd; I shall not want." He was not talking just about physical want, but spiritual want.

I stood on the campus of one of our great universities some time ago, and I asked the Dean, "What is the greatest problem on your campus?" He replied in one word: "Emptiness." The human heart craves for meaning, and yet we live in a time of spiritual emptiness that haunts millions.

"Nirvana" is the Hindu word for someone who has arrived into the state of perpetual bliss. Media reports said that Kurt Cobain, the NIRVANA rock group's leader, was the pacesetter for the nineties, and the "savior of rock and roll." But he said the song in the end which best described his state of mind was "I hate myself and I want to die!" And at age 27 he committed suicide with a gun.

Second, is the problem of guilt. David wrote: "He restoreth my soul, he leadeth me in the paths of righteousness." Down inside we all know that we have not measured up even to our own standards, let alone God's standard.

Third, David pointed to the problem of death. "Yea, though I walk through the valley of the shadow of death, I will fear no evil: for thou art with me." Death is the one common reality of all human life. Secretary of Commerce Ron Brown did not realize his time had come when he stepped on that plane in Croatia a few weeks ago.

From time to time I have wandered through Statuary Hall and looked at all those statues of some of the greatest men and women in our nation's history. But one thing is true of every one of them: They are all dead.

Yes, these three things—emptiness, guilt, and the fear of death—haunt our souls. We frantically seek to drown out their voices, driving ourselves into all sorts of activities—from sex to drugs or tranquilizers—and yet they are still there.

But we must probe deeper. Why is the human heart this way? The reason is because we are alienated from our Creator. That was the answer David found to these three problems: "The Lord is my shepherd." This is why I believe the fundamental crisis of our time is a crisis of the spirit. We have lost sight of the moral and spiritual principles on which this nation was established—principles drawn largely from the Judeo-Christian translation as found in the Bible.

What is the cure? Is there hope?

Ruth and I have devoted or lives to the deep conviction that the answer is yes. There is hope! Our lives can be changed, and our world can be changed. The Scripture says, "You must be born again." You could have a spiritual rebirth right here today

What must be done? Let me briefly suggest three things.

First, we must repent. In the depths of the American Civil War, Abraham Lincoln called for special days of public repentance and prayer. Our need for repentance is no less today. What does repentance mean? Repentance means to change our thinking and our way of living. It means to turn from our sins and to commit ourselves to God and His will. Over 2700 years ago the Old Testament prophet Isaiah declared: "Seek the Lord while he may be found; call on him while he is near. Let the wicked forsake his way, and the evil man his thoughts. Let him turn to the Lord, and he will have mercy on him, and to our God, for he will freely pardon" (Isaiah 55:6–7. NIV). Those words are as true as they were over two and a half millennia ago.

Second, we must commit our lives to God, and to the moral and spiritual truths that have made this nation great. Think how different or nation would be if we sought to follow the simple and yet profound injunctions of the Ten Commandments and the Sermon on the Mount. But we must respond to God, Who is offering us forgiveness, mercy, supernatural help, and the power to change.

Third, our commitment must be translated into action—in our homes, in our neighborhoods, and in our society.

Jesus taught there are only two roads in life. One is the broad road that is easy and well-traveled, but which leads to destruction. The other, He said, is the narrow road of truth and faith that at times is hard and lonely, but which leads to life and salvation.

As we face a new millennium, I believe America has gone a long way down the wrong road. We must turn around and go back and change roads. If ever we needed God's help, it is now. If ever we needed spiritual renewal, it is now. And it can begin today in each one of our lives, as we repent before God and yield ourselves to Him and His Word.

What are YOU going to do?

The other day I heard the story of a high school principal who held an assembly for graduating seniors, inviting a recruiter from each branch of the service: Army, Navy, Air Force, Marines to each give a twelve minute presentation on career opportunities they offered to the students. He stressed the importance of each staying within their allotted time.

The Army representative went first, and was so eloquent that he got a standing ovation, but went eighteen minutes. Not to be outdone, the Navy presentation was equally superb, but took nineteen minutes. Air Force then gave a sterling presentation, which lasted twenty minutes. By now, the principal was irate, and admonished the Marine recruiter that he had only three minutes before the students had to leave for the next class!

During the first two minutes of his shortened time, the Marine didn't say a word, but individually and carefully studied the faces of each student. finally, he said, "I've looked across this crowd and I see three or four individuals who have what it takes to be a Untied States Marine. If you think you are one of them, I want to see you down front immediately after the assembly."

Who do you think drew the biggest crowd!

This afternoon, as I look out across this distinguished group gathered here, I see more than a few men and women who have what it takes, under God to lead our country forward "through the night" into the next millennium—individuals who represent civil and governmental authority—as well as doctors, lawyers, clergy, artists and media.

Again, Ruth and I are deeply humbled by this award, and we thank you for all that it represents.

We pledge to continue the work that God has called us to do as long as we live.

Thank you.

AMERICANS NEED GAS TAX FREEDOM

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from California [Mrs. SEASTRAND] is recognized for 40 minutes as the designee of the majority leader.

Mrs. SEASTRAND. Mr. Speaker, approximately a week ago we celebrated Tax Freedom Day. It is interesting because this year, in 1996, it is 6 days later than we celebrated Tax Freedom Day in 1993. This is the day when across America, hardworking families, moms and dads, keep their paycheck, and they have the dollars to stop funding government at all levels, and the dollars after Tax Freedom Day actually go to their families and their children and to do the things they want to do with their dollars.

Americans do not need to look any further than their 1995 tax return to see the difference between Republicans and Democrats. Republicans want Americans to keep more of their paychecks. Republicans want families to save for their futures, and they want more for the families and for our communities across this Nation.

We kept our promises to the American taxpayers by passing the first ever balanced budget in 25 years. We passed the $500-per-child tax credit and the repeal of Clinton's assault on working seniors. We want seniors to keep more of what they earn.

But unfortunately President Clinton chose to veto these key provisions which were meant to put back power to where power belongs, and that is into the hands of working taxpayers, the working families, moms and dads across this Nation.

It is interesting because Washington values here on Capitol Hill are so very much different from the folks across America, and in particular the folks on the central coast of California. I am very privileged to have the right to be voted in by constituents on the central coast of California, to represent them. I represent two wonderful counties, San Luis Obispo County and Santa Barbara County.

It is interesting to note, because in 1993 we had a severe gas tax hike. It was part of the largest tax hike. It was part of the largest tax hike in history. In fact, $4.8 billion alone went to an annual gas tax, and I want to remind everyone that that is 30 percent to the Federal gas tax, a 30-percent increase. I might also remind people that not one Republican voted for the gas tax. It was part of an overall tax increase of $268 billion, an entire package. But again, as I said, $4.8 billion was the gas tax.

When politicians raise taxes for some reason they do not seem to save the money. They spend it. People on Capitol Hill here in Washington, DC, when they can get a dollar here, a dollar there, eventually they spend it. Spending in 1992 was $1.3 trillion, almost $1.4 trillion. But spending in 1995 was $1.57 trillion, almost $1.6 trillion, an increase of $190 billion.

I know I cannot fathom what $1 billion is. It is very hard to work in these numbers. I can identify with working families on the central coast of California. We deal not in those type of numbers. Only in government do we deal in billions and trillions.

But I know that the gas tax hits the low- and middle-income Americans the most, those that need a helping hand from those of us that are trying to help them here in Washington. I want to help those people, because I know it hits them, those that we always say we care the most about.

Perhaps you have seen that famous quote of President Clinton. It was stated in Houston in October of last year, and he was talking about raising $268 billion of tax increase, and he admitted, "Even I think I raised taxes too much."

I agree, and I think we here in Washington, DC, here in this House and this Senate, and we should have the President help to roll back President Clinton's tax hikes.

We have seen definitely that there has been a gas price increase and it has been caused by market-driven events, many reasons, and it really affects the central coast of California. In fact in Santa Barbara alone, the city of Santa Barbara, we saw perhaps the highest prices in Santa Barbara than were seen across this Nation, in some instances over $2 a gallon.

So we wonder, why are the retail prices up? I have a response here from the Department of Energy. On April 30, 1996, the Department of Energy told Senate staff that the recent increases in retail gasoline and diesel prices are due to many reasons, and here are some of the factors:

First, tight world crude supplies following a colder than normal winter.

Second, lower U.S. private crude and petroleum stocks due to, well, a colder than normal winter. Market decisions by companies to hold minimal inventories of crude oil in anticipation of the United Nations agreeing to allow Iraq to begin exporting oil.

Third, higher corn prices than have reduced ethanol production.

Fourth, normal spring refinery cutbacks while they reconfigure to decrease heating oil production and increase gasoline production for the summer driving season.

And, finally, fifth, in California, my State, particular shortages because of California's required introduction of a particular form of reformulated gasoline. The shortages were due to production run problems at several California refineries.

It is interesting, just recently in the Washington Post one of the reporters said today's prices are set by the absence of refining capacity and unnecessary environmental regulations, and that really does apply to California. We are all interested in cleaner air, but there is a price to be paid.

Overall, retail prices of motor fuels in the United States have increased sharply since the winter to their highest level since 1990. Especially in California, we are preparing for the tourist season. Tourism is very important to the central coast of California and so we are preparing for that busiest season and concerned about whether the folks are going to come.

But with gas prices soaring all over the country and especially, as I said, in my own backyard, I want to do something to help ease the burden of those rising gas prices. I think we need some relief and some immediate relief.

I have introduced a bill that would temporarily repeal the Clinton gas tax until 1997 to allow the oil markets a chance to recover from a shortage in supply. The bill is H.R. 3415.

Again, the central coast of California, every time I go home, and that is every weekend, folks will tell me that they just are overtaxed. They need some relief from the paperwork and the burdens of regulation, from all levels of government, and they wholeheartedly agree that immediately they would like to see saving some of that 4.3 cents that we pay because of the Clinton tax hike. They would like to put that in their pocket. They think it would relieve California and the central coast gas pains. It is amazing the good support I am getting on the central coast of California, and I think this is typical across this Nation.

But it is interesting because we hear a lot of naysayers on Capitol Hill here in Washington, DC. They say, the attitude is, why do we have to reduce the taxes? They just do not get it. They just do not understand the needs of working folks across this Nation and especially the folks in California.

□ 2045

Here in Washington on the Hill, you can have an apartment and you just walk to the office. Some people do not even own a car. Not so, not so from where I come from. Some people make, well, they can make a 100-mile round trip just going to the supermarket. California is different. I am sure this is also true in many of our rural areas across this Nation.

Well, my proposal to repeal the Clinton gas tax and return the money where it belongs, to the hardworking taxpayers, I hope you would consider what this means, not only cutting, putting the 4.3 cents in your pocket, but what it means to the other things you have to pay for, the transportation prices. When you think about the trucking industry and what we get delivered to our cities and areas, and how important gasoline is to moving our goods and services across this Nation, well, we have to sit back and think about all the things we buy: Our food, the cattle industry, the produce industry. Or if you just want to move from one place in these United States to another, all of this is done with gas.

Again, that 4.3 cents per gallon is going to mean lower dollars, lower transportation costs. Recent studies have documented the positive effect of repealing the Clinton gas tax. It would reduce taxes by almost $5 billion a year, and $550 million in California alone.

In addition, you know, we would recoup some of the jobs lost to that tax increase. The gas tax of 1993 is responsible for the loss of 8,000 jobs in California alone, and 69,000 jobs nationwide.

Earlier this year President Clinton and many of his Democrat colleagues who serve in Congress had the opportunity to cut taxes for the working American families, but they were committed to protecting Washington spending, and I believe they should be given another opportunity to reduce the tax burden of the American people.

Let us repeal the 1993 Clinton gas tax. Retail prices of motor fuels in the United States have increased sharply since the winter, to their highest levels since 1990. The Federal excise tax on gasoline was first enacted in 1932, and 1951 for diesel fuel. We started, as usual, with initial levels of 1 and 2 cents per gallon respectively, and then the taxes were raised gradually to 4 cents by 1959. From 1983 to 1993, there were five Federal tax increases on gasoline, raising them to their present levels of 18.3 cents a gallon.

Sometimes I think we do not realize how much we pay on an average gallon of gas when we fill it up. I should say of that 18.3, 14 cents goes into the highway trust fund and the 4.3 cents, well, it just goes into the general fund.

Now, that is the Clinton tax increase of 1993. I think it is important to stop here to repeat that. Only 14 cents of the 18.3 cents of Federal taxes on each gallon of gas that you purchase at the pump, only 14 cents goes into the trust fund for the roads, the bridges, to take care of those potholes when you are traveling along the freeways.

The 4.3 cents of the tax hike went to the general fund. I get a lot of postcards because people say maybe we could keep that money and fix the pothole on the freeway that I drive every day and let us not give it back. I would rather see the pothole filled up.

But, ladies and gentlemen, the 4.3 cents, the tax hike of 1993, does not go for your highways, for building bridges. It does not go for mass transit if you like in an urban city. In fact, the tax you are paying on your airline ticket today on the aviation fuel, that does not go for helping meet your transportation needs. It just goes into the General Fund, and only again in Washington, DC, do you have people here that feed the bureaucracy for more spending. It is dedicated, the 4.3 cents is dedicated to finance Washington spending on the bureaucracy.

Let me give you an example, in Santa Barbara County. I just heard there is consideration that we may have a measure on the November ballot to raise several million dollars to offset $100 million of backlog in maintenance on our county roads.

Well, here I have 4.3 cents that is just going into the general fund, when locally now the folks in Santa Barbara County may be asked to consider raising several million dollars to take care of backlog in maintenance. Something is wrong here.

The Congressional Research Service, a nonpartisan organization, estimates that, other things being equal, repeal of the 4.3 cent fuel tax would cause refiners, importers, and terminal operators to decrease wholesale prices by about three-fourths of the overall excise tax. I would say about 3.2 cents. Retail gasoline prices would tend to decline, and any decrease in the prices of gasoline and other motor fuel would tend to increase the demand for fuel and for complementary goods and services by reducing the cost of the vehicular transportation and related travel relative to the other costs and services. Therefore, the demand for substitute goods and services such as home recreation and other activities would tend to go down.

A decrease in the gasoline tax would increase, and I underline this word, household's disposable income, reduce business costs per unit of output, and would increase total demand for goods and services, thus having an expansive effect on economic activity.

Now, there have been questions asked about the bill to repeal the tax on gas from 1993, and one in particular is that even if the Clinton gas tax is repealed, it will not necessarily be passed on to the consumer.

Well, my bill, H.R. 3415, contains language that states the benefits of the tax repeal should be passed on to the consumers, and it requires that the Comptroller General of the United States conduct a study to assure pass-through of such a repeal.

It was interesting, because a colleague on the other side of the aisle just recently brought up his concern that passing that gasoline tax repeal will simply line the pockets of the big oil companies and will not be passed on to the consumers. I understand that concern. But certainly retailers I believe will always try to slowly drop the price of gasoline. However, the Department of Energy is predicting normal supplies and prices this summer.

Moreover, both world and domestic crude prices have fallen every day since early last week, and well before the President's announcement regarding SPR sales on Monday of last week. With gasoline prices expected to decline through this summer, market competition and full supply marketplace will make it very difficult, I believe, for retailers to keep the 4.3 cents if the tax is repealed.

I would just say other questions have been raised about the costs associated with this bill, and the answer to that is that we have the offsets, and they are found in reducing the size of rampant travel and other expenses at the Department of Energy. We also are going to look to the FCC auctioning off broadcast spectrums, and the Committee on the Budget chairman, Mr. KASICH, has assured us that we are on target to balance the budget by fiscal year 2002, even with this temporary repeal of the Clinton gas tax.

Well, Mr. Speaker, I guess it is the old story, the Democrats never met a tax increase the did not like. I would like to quote the minority leader from the Senate:

> Well, it seems to me the Republicans' only issue, I am sure if you talked about the weather, they would come up with a tax cut, if you talked about heart problems, they would come up with a tax cut, and any problem that you think of in this country can be fixed with a tax cut, if you listen to Republicans. Again, we have got high prices. Let's not look at resources and supply and demand. Let's have a tax cut.

That is the Senate minority leader on April 29 of this year. Again, yes, I am looking to a tax cut, because I know how important it is for my folks to drive up to that pump, to fill up their tank and have to travel many miles on the central coast of California, and 4.3 cents in some tax relief to them is very important. And I make my case, the Democrats never met a tax increase the did not like.

From the way the Democrats are defending this tax hike, charging that its rollback will not get passed on to the consumers, it sounds like they cannot wait to increase gas taxes again.

As I said, I go home every weekend, and my constituents are telling me that they would like to see some relief. The students at U.C. Santa Barbara, the students at Cal Poly that have to travel miles, they want to see some relief. The cattlemen that take their cattle to and from market want to see relief. The produce industry, which is very big, taking the lettuce to market, it is very important and they want to see tax relief. And just the average mom and dad want to see tax relief so they can take the kids to school, get to work, get to the grocery store, get to little league, and do all the important things that are important in their life.

I believe, yes, that the best way to lower gas prices and relieve not only the central coast of California gas pains, but our Nation's gas pains, is to repeal the Clinton gas tax. It is time. It is time we let working men and women keep more of their hard-earned dollars, and not have the bureaucrats here in Washington say that they know best how to spend those hard-earned dollars.

Mr. Speaker, since its imposition in October of 1993, the gas tax has taken $613 million out of the economy. That is money that Californians could have had. Repealing the gas tax also would reduce taxes, as I said earlier before, by almost $5 billion annually. And I want to repeat this number, it would reduce taxes in California by $550 million. A repeal of the gas tax, I am summarizing here if you notice, the repeal of the gas tax would recoup the jobs most to the tax increase. If you recall, I said we lost 8,000 jobs in California, and I want to work for those 8,000 jobs, get them back, and I am going to work for the 69,000 jobs that we lost nationwide.

The Democrats love big government. They are so wedded to the old status quo that they are willing to deny American families, including those on the central coast of California, an annual $48 tax break. I think you all would remember that last year, or I should say last election, we heard slogans like "It is the economy, stupid." Well, I guess that if there was a slogan to be had this election time, we should remind people that it is the paycheck, stupid. The folks need to see more of the dollars kept in their paycheck and spend those hard-earned dollars as they best decide.

I would say, let the bureaucrats here decide how they are going to tighten their belts, and put their agency and their particular program on a diet. I would rather have the folks on Capitol Hill here in the bureaucracies decide how to tighten the belt, rather then my folks on the central coast of California.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. NEY). The Chair will remind Members to refrain from quoting individual Members of the Senate.

55TH ANNIVERSARY OF THE BATTLE OF CRETE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Pennsylvania [Mr. KLINK] is recognized for 60 minutes as the designee of the minority leader.

GENERAL LEAVE

Mr. KLINK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on this special order observing the 55th anniversary of the Battle of Crete.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KLINK. Mr. Speaker, it is late, and many Members have not been able to join us tonight who had planned to make statements. They will put their statements in the RECORD. I am sure that will not be of distress to the Speaker, that we will not go as long as had been intended.

Mr. Speaker, I do rise today to mark the 55th anniversary of the Battle of Crete. This is really an historic event. It is of great significance. It took place on the Island of Crete during World War II. This was between Nazi forces and the people of Crete who were assisted by the allied armies.

I would like to rise today also to recognize the heroic efforts of the people of Crete that were exhibited not only during the battle itself, but during the subsequent 4-year occupation of Crete by Nazi forces.

At the outset of the war, Adolf Hitler had not intended to invade the Island of Crete. It was when Italian forces were unable to overtake the Greek forces on the Greek mainland that Hitler decided he would assist. Soon after Greece fell to German forces, Hitler was convinced by others to make Crete his next target.

Let me just talk a moment about the significance of the Island of Crete. It is the largest of the Greek islands, about 160 miles long. It varies in its width from about 7.5 miles to 35 miles. At the outbreak of World War II, Crete lay at a very strategic position for both the Allies and the Axis powers. For the British, who controlled the island at the time, Crete was a very strong point on the lifeline to India. It protected both Palestine and Egypt, and they had assigned elements of the Royal Navy to be sheltered in the great natural harbor of Suda Bay.

But despite its importance, the British maintained only a small garrison there. At the time of the outbreak of this war, it consisted of only three infantry battalions, armed with several heavy and light antiaircraft guns. They had coast defense artillery and searchlights. But sensing a coming Axis attack, they began to reinforce Crete with men and supplies.

□ 2100

But it was, in fact, too late. Because of the persistent attacks by the German Luftwaffe, they could send only a few thousand tons of supply to the island. And so it was on May 1941 that Adolf Hitler turned his attention to the Island of Crete.

Hitler's elite 7th parachute division began operation Mercury. At the time this was the largest airborne invasion to that point in our entire history, that is the entire history of this world. With the aid of some 500 transport aircraft and 500 bombers and fighters, the initial wave of paratroopers, which numbered about 3,500, suffered great casualties at the hands of Crete's ground forces. These ground forces, of course, included heroic Cretan civilians who used knives and pitchforks and sickles in their hands, and sticks and rocks, as some of their only weapons.

The valiant Allied forces were eventually forced to retreat, but the battle lasted 11 days before the Germans could declare a victory, and it resulted in over 6,000 German troops listed as killed, wounded or missing in action.

The losses to the elite 7th parachute division were felt so hard by the German military and were of such significance that no large-scale airborne operation was ever attempted by Nazi Germany again for the remainder of the war.

After the Allied retreat, the people of Crete were left to fend for themselves. The Cretan resistance movement organized in an effort to thwart the German Nazi forces. For 4 years the resistance movement on Crete inflicted very heavy casualties on the Nazi army. At one point the Cretan forces even kidnapped a heavily guarded German general.

The struggle undertaken by the Cretan civilians became an example for all Europe to follow in defying German occupation and aggression. The price paid for the Cretans' valiant resistance to Nazi forces became that of thousands of lives of civilians who died from random executions, some who died from starvation, others by imprisonment. Entire communities were burned and were destroyed by the Germans as a reprisal for the Cretan resistance movement. Yet the battle of Crete, in part, was to change the final outcome of World War II.

A direct result of this battle was a delay in Hitler's plans to invade Russia. Originally Hitler had planned to move on Russia in April of 1941. But Hitler was not able to move his forces on Russia until June because of the time that was lost as the valiant people of Crete had fought off the Third Reich. The consequences of this 2-month delay was Hitler's forces facing the harsh Russian winter. And while Nazi forces were able to penetrate into Russian territory, the snow storms and the sub zero temperatures eventually stalled them before they could overtake Moscow or Leningrad. This marked the beginning of the end of the Hitler war machine.

As is so often the case in history, the battle of Crete was not the first time a small force of Greeks fought against overwhelming odds. Dr. George C. Kiriakopoulos, a noted author and professor at Columbia University, has compared the battle of Crete to the ancient battle of Thermopylae. Thermopylae, which is a very narrow passageway located in east central Greece, was the site where King Leonidas and his 300 Spartans made their final stand against King Xerxes and his Persian army of 200,000 men.

Although King Leonidas' forces were defeated by the Persians, they defended the pass long enough for the bulk of the Greek army to escape. King Xerxes, of the Persian army, was finally, when they finally overtook Attica and Athens, was finally forced to flee Greece after his navy of 1,000 vessels was destroyed by fewer than 400 Greek ships during the battle of Salamis.

So just like King Xerxes, Adolf Hitler won his battle of Thermoplyae in Crete, but that delay of 2 months cost him the war with Russia and cost him also the opportunity to eventually try to invade Great Britain.

Just last week, during his arrival ceremony for Greek President Constantinos Stephanopoulos, President Stephanopoulos stated that Greece, like the United States of America, continuously proves its commitment to the ideals of freedom of democracy and international law and order. It was because of the people of Crete and because they believed in these ideals and fought and died for these ideals that we as Americans should recognize and appreciate the historic significance of the battle of Crete.

The people of Crete themselves will always be remembered and will always remember the devastation that was brought to their island during World War II, however, I ask that all Americans observe the memory of the fallen heroes of the battle of Crete and honor the men and women of Crete, who, during World War II, fought an oppressive invader to preserve the ideals of freedom and democracy.

I would like to just mention a couple of other things about this battle for Crete, because it has been looked back upon with great amazement by many people who have analyzed it. It was the poet Calomenopoulos who said of the battle of Crete in one of his poems, "This castle you want to pillage, German, is founded on bones that are centuries old, and its foundations have drunk blood for thousands of years. It feeds on tears and sorrows make it strong. It's impregnable and it's indestructible and always stands erect. Unbendable and immovable, a bulwark of freedom. And it fights always standing and it wields the sword."

I wanted to take a look back at some of the amazing things that happened during the battle of Crete and put this great battle in significance.

Mr. DORNAN. Mr. Chairman, if the gentleman would yield for a second.

Mr. KLINK. I would glad to yield to my friend from California.

Mr. DORNAN. I enjoyed getting the gentleman from Pennsylvania's Dear Colleague. I am sorry more Members could not join us. I know on our side GEORGE GEKAS, a loyal son of Greek heritage, would dearly loved to have been here. He has done special orders just like yours.

I walked the battlefields of Crete with my oldest son, Bob Junior, on the 40th anniversary, 15 years ago, or that anniversary week, and I had not realized that at two of the major air fields that German airborne were totally repulsed and at the third field, which we visited, it was what the Iron Duke of Wellington, Arthur Wellesley, said after the battle of Waterloo: It was a close-run thing.

The New Zealand troops, with great loss of lives and wounded men, almost shut down the third major area of German paratroopers, and that is the area that the prize fighter, Max Schmeling, went into as a sergeant and a leader. Platoon sergeant. Of course, he had lucked out and beaten Joe Louis in their first encounter, and Louis, the Brown Bomber, kept his prediction that he would take him in one round. He did it in seconds of one round.

Maximum Schmeling was a good man, as I understand, not a Nazi. He did not understand Hitler's evil in the beginning and went down there, and then never again was part of any major German movement. I forget what happened to him. I am going to look it up after the order tonight.

But I appreciate the gentleman's taking this special order. I agree with your assessment that it was a key battle that probably affected everything after that. It was on the eve of Operation Barbarossa, which we are coming up on that on the 22nd of next month.

I want to make an observation and then back out of this. More Members should do what you are doing, Mr. KLINK, and try to recapture for our young people, as Ronald Reagan warned us. Just recent history with one of our mutual friends on your side, TOM LANTOS. I was down in the small rotunda on the House side, in what we are now calling the Lantos rotunda, or the Hungarian rotunda, there is Lajos Kossuth, the national hero of Hungary in the last century; died, I think in Paris in the 1890s; exiled for 47 years. And thanks to Mr. LANTOS of California we have a bust of one of the great heroes of modern times, Raoul Wallenberg.

We must study World War II. It is the watershed not only of this century, but it is an epic. It is a watershed of centuries. And when we focus in on certain battles, like the struggle for Crete, the first really massive use of paratroopers, never to be done again by Germans, as you pointed out in your Dear Colleague, I think it is a worthy subject for young Americans to study in high school.

So I will go back to my office as fast as I can and watch the rest of your special order with great interest, and then dig into my Crete books at home and relive some of my footsteps walking this heroic battlefield for the Greek people and the subcategory of the citizens of Crete who are Greek citizens. Thank you for doing this.

Mr. KLINK. I thank the gentleman from California, and indeed he is correct. I am reminded of former heavyweight champ Max Schmeling, who was one of those 7,000 elite troops.

When the 7th Parachute Division—and you have to remember, again, this was the largest airborne invasion in the history of the world at that time. The casualties that were suffered by these forces were heavier than the total number of Germans that had been killed in the war to that date.

This precious live airborne weapon had been altogether decimated moving into Crete, and not just by Allied forces or trained military, but many of them by women with pitchforks and sickles and people with sticks and rocks. The Cretan people just fought ferociously, not just during the battle of Crete but for the next 4 years.

There is a lesson here for all humankind. The people of Crete, together with the remnants of Allied forces from Britain, Australia and New Zealand, as the gentleman from California mentioned, showed the greatest valor of any of the conquered nations in Europe. The commanding general, Kurt Student, this is the German commanding general, called it "the fiercest struggle that any German formation had ever had to face."

In fact, it was Adolf Hitler who sent a message to his German general, Kurt Student, and said, "France fell in 8 days. Why is Crete still free?" It took 11 days to capture the island of Crete and only 8 days to capture the entire nation of France. That gives you an idea of the ferocity of these Greek citizens.

Moreover, the costly Cretan campaign, in the opinion of many historians, prevented Adolf Hitler from invading the British Isles. Many of his closest associates, including Marshal Goering, had suggested that they use this 7th Airborne Division to make their invasion of Britain. In fact, let me just read to you in ending some of the newspaper headlines from this period.

On the 28th of July 1941, the Times of London carried the story that 500 Cretan women were deported to Germany because they took part in the defense of their native island.

It was the Evening Standard in London on May the 24th of 1941 that said, "If Hitler takes Crete, one thing alone is certain. The next island to be assaulted is our own."

The Times in London on the 31st of May 1941 said:

> A British naval officer has now reached the hospital. He set out to cross the open sea to safety, with a Cretan girl in a rowing boat. The boat was partly stove in and flooded by machine gun attack from the air. Part of the officer's side was blown away. To stop the bleeding and the gangrene the girl forced him to lie with his wounded side in the bilgewater in the bottom of the boat and herself rowed him more than 50 miles to an allied island.

There was a German epitaph that was put on the entrance to the village of Kandanos. It says,

> On the 3rd of June 1941 the village of Kandanos was raised to the ground, never to be built again. This was an act of reprisal for the brutal murders of German parachutists, mountain forces and engineer corps, by men, women and priests who dared stand in the way of the Great Reich.

The victory at Crete cost the Germans 22,000 troops. About 400 aircraft were lost. The delaying effect of their attacks upon Greece and upon Crete not only interfered with Hitler's designs upon Syria and upon Iran, but eventually it proved disastrous in their attack upon Russia, as I mentioned earlier.

The German army reached the outskirts of Moscow in October of 1941. I think we know a little bit about the Russian winters from history. The early frost had begun to interfere with the movements of the Third Reich. Its arrival in front of Moscow 5 weeks earlier would have certainly led to capture of that city, and perhaps on to Leningrad, and history would not allow us to overexaggerate the impact that that would have had.

An eyewitness from 1941 said,

> You should have seen the womenfolk carrying the cartridge belts folded round their waists. The women emerged in Chersonissos carrying sickles, sticks and virtually anything they could lay their hands on. The Germans suffered extensive losses at the hands of these women.

Again I would appreciate all of the Members who intended to be here with me, and I understand that they thought that it was late and did not want to make it. So that would end my comments.

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Again, I would welcome Members putting their words in the RECORD and would also welcome Members to join me in cosponsoring a resolution, which I will plan to introduce next week, which would commemorate the people of Crete and their valiant efforts 55 years ago in fighting the oppression of the Third Reich.

Mr. COYNE. Mr. Speaker, I rise today to join in this special order commemorating the 55th anniversary of the battle of Crete. I am pleased to be able to celebrate the heroism and sacrifice of the Cretan people, who bravely opposed the Nazi invasion in 1941, and who suffered under Nazi occupation for the next 4 years.

In 1940 and 1941, the armies of Nazi Germany and Italy swept through much of Europe. France, the Netherlands, Denmark, Norway, Albania, Yugoslavia, and finally Greece were overrun by the Fascists. Commonwealth troops and thousands of patriotic soldiers from the fallen countries—Poland, France, and Greece, in particular—continued to fight the Fascist onslaught, and when they were hopelessly outnumbered they undertook daring seaborne withdrawals from continental Europe in order to regroup, rearm, and build up their forces to fight another day.

After securing Greece, the Fascists turned their attention to Crete. Crete's location in the Mediterranean Sea made it an important strategic objective for both the Allied and Axis forces. Crete sat astride the important British communications route between England and India that passed through Egypt via the Suez Canal. Possession of Crete made the defense of this route easier for the British. The capture of Crete was central to Hitler's plans to conquer the Middle East and sever this important British supply line.

Because the British Royal Navy still maintained a strong presence in the Mediterranean, the German assault on Crete would come primarily from the air. Elite German paratroopers and glider troops spearheaded the assault on Crete. These were the same battle-hardened troops that had made the German sweep through the lowlands on Holland and Belgium in 1940 so dramatically successful. On the morning of May 20, 1941, thousands of German paratroopers and glider troops began landing on Crete. They were supported by hundreds of bombers and fighters from the German Luftwaffe.

The Allied forces on Crete were no match for the Axis invasion forces, but they were able to exact a heavy toll on the invaders. The British garrison on Crete was initially quite small—only three battalions—but many of the Allied troops evacuated from Greece had been sent to reinforce the garrison on Crete. These soliders—British, Australians, New Zealanders, and Greeks—aided by the civilians who lived on Crete—men, women, and even children—exacted a heavy toll on the first waves of airborne troops. Men and women armed only with knives, sickles and pitchforks attacked German paratroopers landing in their fields and on the beaches.

The outcome of the battle, however, hinged on control of the island's airstrips. If the Germans could capture one or more of these facilities, they could bring in planeloads of troops. Commonwealth and Greek troops, aided by patriotic Cretans, held onto the airfield throughout the first and second days' onslaught, but on the third day, the Germans secured the airfield at Máleme and promptly began landing planes full of reinforcements and supplies at a furious rate. After that, German airpower and additional reinforcements turned the tide, and several days later the Royal Navy began evacuating the Commonwealth and Greek troops.

By early June, 18,000 troops had been evacuated and another 10,000 soldiers had been captured. The Germans began their occupation of the island, and the Cretan people began organizing an underground resistance movement. For the next 4 years, the Fascist occupation was characterized by guerrilla attacks and brutal reprisals. Villages were razed and thousands of civilians were imprisoned or executed. Yet the spirit of the people of Crete never faltered. Despite the horrible price, they continued to resist the Nazis until Crete was liberated in 1945.

Mr. Speaker, we have undertaken this special order today in order to pay tribute to the courageous men and women of Crete who, despite overwhelming odds, resisted the invasion of their homeland by the forces of prejudice and tyranny. Their struggle is a proud monument to the nobility of the human spirit and the importance that mankind places on freedom. It is only appropriate that on the 55th anniversary of the Battle of Crete, we celebrate the heroic deeds of the Cretan people.

Mr. BILIRAKIS. Mr. Speaker, I want to commend my colleague, Congressman RON KLINK of Pennsylvania, for holding this special order.

I rise today to join my colleagues in commemorating a valiant stand made more than a half-century ago on what was then the frontier of freedom. It was a stand made by a battered but brave group of individuals thrown together to halt the domination of a smaller, weaker nation by a larger, more powerful aggressor.

Greece was engulfed in conflict—along with the rest of the globe—during some of the darkest days of World War II. Indeed, in the spring of 1941, Nazi domination of the European continent was nearly complete. Following a valiant struggle against overwhelmingly superior German forces in and among the mountains to the north, Greek forces had been pushed entirely off the continent and were taking refuge on the island of Crete.

The German Army looked covetously across the sea to Crete. If captured, it would provide air and sea bases from which the Nazis could dominate the eastern Mediterranean and launch air attacks against Allied forces in northern Africa.

In fact, the Nazi high command envisioned the capture of Crete to be the first of a series of assaults leading to the Suez Canal.

On May 20, 1941, the largest German airborne attack of the war commenced against Greek, Cretan, and British forces, battle-weary and crippled after the withdrawal from the mainland. Waves of bombers pounded the Allied positions followed by a full-scale airborne assault. Elite paratroopers and glider-borne infantry units fell upon the rag-tag Allied soldiers, who valiantly stood firm in the face of certain defeat.

Watching death descend upon them from above, the brave defenders of Crete—having endured hours of vicious bombing, decimated the crack Nazi troops at two key airfields. However, the Germans managed to gain a foothold at a third airfield and soon were being resupplied and reinforced by air.

Seven days later, the defenders of Crete—though clinging to their rocky defensive positions—knew that they would soon be overrun. The evacuation order was given, and nearly 18,000 men were rescued. These valiant survivors had bought the Allies a week's precious time free of Nazi air and sea attacks based from Crete. More importantly, they inflicted severe losses on the German airborne forces, the showpieces of the Nazi Army.

Nearly, 2,000 German soldiers were killed and more than 4,000 were wounded or missing. So injured were the German units, in fact, that they never again attempted an airborne assault of the magnitude of that launched at Crete.

This month marks the 55th anniversary of the Battle of Crete, a proud day in the defense of liberty and self-rule; when the sons of Greece and Crete along with their British allies firmly answered the Nazi challenge to freedom.

In closing, Mr. Speaker, may we take inspiration from the shining example of the defenders of Crete in ensuring that this is indeed the case. We must not forget those who have sacrificed their lives to secure our freedom.

Mr. PALLONE. Mr. Speaker, I want to thank Congressman KLINK for organizing a special order to commemorate the 55th anniversary of the Battle of Crete. Throughout history, the Greek people have been champions of freedom and self determination and their actions in the Battle of Crete were instrumental in defeating fascism in the 20th century.

In October 1940, Mussolini's Italy invaded Greece, entering that country by coming through Albania. Responding to this crisis, the British rushed to Greece's aid and quickly sent Army and Royal Air Force units to Crete. With Italian troops bogged down in Greece and delaying his brutal campaign of world domination, Hitler sent German troops into Greece and directed that the Nazi war machine take control of Crete.

In May 1941 the Nazis began executing Hitler's directive and launched an airborne invasion on a scale unprecedented in history. With lightning speed, the Germans dropped some 20,000 troops on the island by air; in addition, the Germans and Italians launched a land invasion, sending troops by sea from the Greek mainland, which had fallen to the Nazis a few weeks earlier.

The ensuing battle put up by the people of Crete and other Allied forces against the superior Nazi war machine was one of the most significant of World War II. And though the Germans won the battle and took the island, they did so at the highest possible cost—they would eventually lose the war. Karl Student, the Nazi general in charge of the invasion, called the battle "the fiercest struggle any German formation had ever had to face * * *" The German High Command would never again attempt an operation of that size.

The unanticipated heroism and ferocity with which the people of Crete fought delayed Hitler's planned invasion of Russia by 3 months.

There were heavy losses on both sides. Strengthened by the knowledge that they were defending a concept—democracy—that had originated from their homeland, Cretan civilians, including women, children, and the elderly, joined the battle against the Nazis, wielding pitchforks and fashioning homemade weapons. By the battle's end, the Cretans and the Royal Air Force had inflicted so much damage on Hitler's elite 7th Air Division that it was rendered useless to the Nazi effort to conquer the Middle East.

The battle, moreover, continued long after the 11 days it took Hitler to finally take the Greek island. The Cretans organized a resistance movement, which for the remaining 4 years of the war zealously fought the occupying Nazi force. They suffered horrendously for their resistance; the Germans executed thousands of civilians and randomly decimated entire towns, villages, and communities. They did not, however, suffer in vain.

The resistance the people of Crete mounted against the invasion forced the Germans to attempt to invade Russia during the oppressive Russian winter—a task that proved to be too much for the Nazis. Their failure in Russia has since come to be recognized as the beginning of the end of Hitler's Third Reich.

We here in Congress should do our best to ensure our citizens never forget the role the citizens of Crete played in defeating fascism. Indeed, we honor ourselves by honoring them—many of those who participated in the Cretan resistance movement emigrated to the United States and became American citizens.

I am proud to have been able to participate in the remembrance of a historical event as important as the Battle of Crete. As the sacrifices the Cretans made 55 years ago demonstrate, we are indebted to Greece not only for giving the world the system upon which our country was founded, but for shedding the blood of their sons and daughters to protect that system as well. I strongly encourage all Americans to join me in honoring Greek-Americans of Cretan decent, and our friends in Greece and Crete, for their contribution to one of the most important battles of the 20th century.

Mr. KLINK. Mr. Speaker, at this time, I would yield to my good friend, BERNIE SANDERS, for the rest of my time.

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, let me begin by expressing my disappointment at the vote that took place in the House today regarding the defense budget. It seems to me that in a time when Speaker GINGRICH and his colleagues are talking about the need to move this country toward a balanced budget and are talking about the crisis of our deficit situation, that it makes no sense for the Republican leadership to be proposing a defense budget which is $13 billion more than President Clinton has request.

I find it especially hypocritical that at a time when the Republican leadership is saying that we have got to balance the budget and to do so we must make major cuts in Medicare, major cuts in Medicaid, major cuts in education and veterans' programs and environmental protection, in the fuel assistance program, and so many programs that the middle class and the working class of this country depend upon, low-income people depend upon that at the same time Mr. GINGRICH says, well, it is OK that we spend billions more for B-2 bombers that the Pentagon does not want, that we start spending billions of dollars more for the star wars program.

The budget of the U.S. Government is what this country is all about, and I think it is a sad day that we are saying that it is appropriate to spend billions more on the military, despite the end of the cold war, that we are prepared to put approximately $100 billion into defending Europe and Asia, although we do not even know who the enemy is now, but we do not have enough money to take care of our senior citizens who are in need, we do not have enough money to take care of our children.

This country has by far the highest rate of childhood poverty in the industrialized world, 22 percent of our kids in poverty. We do not have enough money to help them. We do have enough money to build B-2 bombers and star wars and things that the Pentagon does not even want. I think that is a very sad state of priorities that Mr. GINGRICH and the Republican leadership are expressing.

Mr. Speaker, what I want to concentrate on today is what I think is the most important issue facing this country, and that is the state of our economy and my very great fears that this country, in many ways, is moving toward an oligarchy, which is a nation controlled by relatively small numbers of very, very wealthy people.

What is going on in this country today is that since 1973, 80 percent of all American families have seen their incomes either decline or at best remain stagnant. What is going on in my State of Vermont and what is going on all over this country today is that we are seeing working people work longer hours for lower wages. These families look to the future. They are extremely worried about what is going to happen to their kids because it appears very likely that for the first time in the modern history of the United States, our children will have a lower standard of living than we will have.

Mr. Speaker, this, in my view, is the most important issue facing this country. I get very disappointed as an Independent, as the only Independent in the Congress, that we do not see enough discussion here on that issue, certainly from the Republican leadership. We must have more of that discussion. What is also going on in this country is, not only is the middle class shrinking, but we are seeing another phenomenon that should be of concern to all people. That is that the wealthiest people in this country are becoming much wealthier at the same time as the middle class is shrinking.

We are looking at a schizophrenic economy. How bad is the situation today facing the working men and women of this country? Let me just make a few points. Again, these are points I think that should be made over and over again. Twenty years ago, the workers of the United States were the best compensated in the entire world. We were No. 1. Today, depending upon the study that you might look at, American workers rank 13 among industrialized nations in terms of compensation and benefits.

In fact, one of the great ironies of the current economic period is that we are seeing companies from Europe and elsewhere come to the United States in search of, quote unquote, cheap labor. In my State of Vermont and throughout this country, you can get hard-working individuals who must work for $6 or $7 an hour. Those are wages that large companies cannot get workers to work for in Europe. So we are seeing for certain European companies the United States becoming what Mexico is for American companies. That is a very sad state of affairs.

Mr. Speaker, adjusted for inflation, the average pay for four-fifths of American workers plummeted by 16 percent in the 20 years between 1973 and 1993. In other words, whenever you turn on the television or whenever you read the newspapers, they talk about the booming economy. The economy is booming for someone, but it certainly is not booming for the middle class or the working people of this country.

Between 1973 and 1993, the average pay for four-fifths of American workers plummeted by 16 percent. People are working for significantly lower wages. In 1973, the average American worker earned $445 a week. Twenty years later, that worker was making $373 a week. That is the issue that should be debated here on the floor of the House, should be debated in the Senate every single day, should be debated all over this country.

How did we go from 1st to 13th in the world in terms of the wages and benefits our workers received? How did it happen that the middle class is shrinking? How did it happen that real wages are declining? That is the $64 issue that should be addressed by the President, by the leadership of the Republican and Democratic parties.

Mr. Speaker, as bad as the situation is for the middle class and middle-age, middle-class workers, the situation is far worse for young American workers. In the last 15 years, the wages for entry-level jobs for young men who are high school graduates has declined by 30 percent. Young families headed by persons younger than 30 saw their inflation-adjusted median income collapse by 32 percent from 1973 to 1990.

Young families headed by someone between 25 and 24, these are young American families, had incomes $4,000 lower in 1991 than they did in 1979. Their entry-level wages were 10-percent lower in 1991 than in 1979.

What all those statistics mean is that for young people graduating high school going out into the job market, the wages that they are earning are significantly lower than was the case just 20 years ago. So, as bad as the situation is for middle-age people, it is a lot worse for younger people. That is an issue that we must address and analyze and correct. Americans at the lower end of the wage scale are now the lowest paid workers in the entire industrialized world. One percent of American workers with full-time jobs are paid so little that their wages do not enable them to live above the poverty level.

Mr. Speaker, we hear a whole lot, we heard it from President Reagan, we heard it from President Bush, we are hearing it from President Clinton about all of the new jobs that are being created. The sad truth, however, is that the vast majority if the jobs being created are low-wage jobs. These are the jobs that pay workers $6 an hour, they pay workers $7 an hour. They often bring no health care benefits, no retirement benefits, and no time off for vacations or sick leave.

Also, one of the frightening aspects of the new economy is that more and more of the new jobs being created are part-time jobs or temporary jobs. What we are seeing is that many employers would rather hire two people for 20 hours a week or for 30 hours a week rather than one worker for 40 hours a week because the employer does not have to pay any benefits.

In fact, in 1993, one-third of the United States work force was composed of, quote unquote, contingent labor, and that is temporary labor. That means that you get a job for 4 months, for 6 months and then you have to go out looking for another job again. There was a time not so long ago in our history when a real job meant 40 hours a week with benefits, decent health care, perhaps retirement, that you moved up the ladder if you did your job well. You made more money. You had a certain sense of job security.

It seems that those days are ancient history, as many of the new jobs that are being created are part-time jobs or temporary jobs. In the past 10 years, the United States has lost 3 million white collar jobs and 1.8 million jobs in manufacturing, just in the past 5 years. Five companies, Ford, AT&T, General Electric, ITT and Union Carbide alone have laid off well over 800,000 American workers in the last 15 years. Meanwhile, while the decent-paying jobs continue to disappear, the number of involuntary part-time workers tripled between 1970 and 1993.

People might be surprised to know that the largest private sector employer in the United States today is not General Motors. It is not General Electric. It is not IBM. It is Manpower Incorporated. They are the leading supplier of temporary employees.

Now, one of the tragic results of declining wages in America is that the average American worker is now working significantly more hours than used to be the case. The number of Americans working at more than one job has almost doubled over the last 15 years. So if the average American thinks, my God, I am the only person who has to work two jobs or three jobs, wake up. It is your neighbor doing that. It is people all over this country, because as real wages decline, people are just scrambling as hard as they can. Certainly in the State of Vermont, it is not unusual to see people working two jobs, three jobs, just to pay the bills.

Furthermore, when we talk about things like family values, I think what many of us mean is the ability of a husband and a wife to spend some quality time with their kids. I remember seeing a constituent of mine in Burlington, VT, who told me—she was shopping at a grocery store, that she was working three part-time jobs. Her husband was working four part-time jobs. They hardly ever had a chance to be together or, let alone, to spend time with their child.

That is what is happening all over this country. Not only are people working longer hours, in fact the average American is now working approximately 160 hours a year more than was the case just 20 years ago. But what we are also seeing is that more and more Americans are lacking adequate medical insurance.

We had a major debate here on the floor of the House several years ago about the need for a national health care policy. Those of us who advocated the right of all Americans to have health care as exists in virtually every other industrialized nation on earth, we lost that debate. The result is that 3 years later, we are seeing more and more Americans not only without any health insurance, but we are seeing more Americans who have inadequate health insurance. By that, I mean very high premiums, large deductibles, large copayments. The situation is such that many people, even when they are sick, hesitate to go to the doctor because they just cannot afford the bill.

In terms of home ownership, which is a key part of the American dream, that home ownership is also in rapid decline for the average American worker. As a result of lower and lower incomes, an increasing number of young Americans can no longer afford to purchase their own homes. In 1980, 21 percent of Americans under 25 owned their own homes. In 1987, only 16 percent did. The answer is obvious: If you are not making decent wages, there is no way you are going to be able to put a down payment or pay the mortgage on a home.

Mr. Speaker, while the middle class is in decline or the real wages of American workers are going down, or while many of the new jobs are being created to pay people $4.50, $5 and $6 an hour, there is another aspect of our economy that must be addressed. That is, clearly not everybody is hurting. Some people are doing very, very well.

This is an issue we just do not talk about enough. I think on this floor of the House, and certainly the media does not talk about it enough, today, the United States has the dubious distinction of having the most unfair distribution of wealth and income in the entire industrialized world. I think many of us used to think that in countries like England, where you have queens and dukes the lords and barons, that those were really class countries that you had a ruling class and an upper class and you had a lower class. But the truth of the matter is that the United States of America today has a much more unfair and unequal distribution of wealth than England. We have a much more unequal distribution than any other country on earth. Hardly ever talked about, this issue, but we should.

What is going on now is that the wealthiest 1 percent of the population own 40 percent of the wealth in this Nation. That is more wealth than the bottom 90 percent.

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The richest 1 percent own more wealth than the bottom 90 percent, and that gap between the rich and the poor is growing wider.

But it is not only wealth. We also have the most unfair distribution of income in the entire industrialized world. The highest-earning 4 percent of our population make more money than do the bottom 51 percent.

Mr. Speaker, from 1979 to 1995, household incomes in the United States grew by $800 billion in real terms. But 50 percent of that sum went to the wealthiest 5 percent of households, and 97 percent of it went to the wealthiest 20 percent. The remaining 80 percent of families scrambled for the crumbs, divvying up just 3 percent of all income growth between them.

So, in other words, when we talk about the growth of the economy, what we should ask ourselves is who is gaining that income. And what is clearly going on is the lion's share, the overwhelming amount of the growth in income, is going to the very, very wealthiest people while the vast majority of the people are seeing a decline in their real incomes.

Mr. Speaker, there are a number of reasons why the United States is seeing a decline in its standard of living for its middle class and for its working people, and I think one of them certainly has to do with the decline in our industrial base, a decline of manufacturing in the United States of America. I would urge Members of Congress just to go to their local department stores in virtually any part of America and check the labels on the products that they are observing, and more and more what we are finding is that products are not manufactured in the United States, but they are manufactured in the Far East, they are manufactured in Malaysia. More and more they are manufactured in China. And we are not just talking about cheap products, but we are talking about top-of-the-line products as well.

And the reason that more and more products are being manufactured in China is that American companies are beginning, have invested tens and tens of billions of dollars in China, in Malaysia, in Latin America, in many other very poor Third World countries.

So the good news is that corporate America is creating millions of new jobs every single year. The bad news is that they are not creating those jobs in the State of Vermont or the United States of America. They are creating those jobs in China, and in Malaysia, and in Latin America.

Now, why are these companies running to these countries? Well, it does not take a Ph.D. in economics to figure it out. They are going to China because workers in China receive 20 cents an hour. There are workers in China who are 12 or 13 years of age making products that we in the United States are purchasing, and, Mr. Speaker, I might mention that I have introduced legislation which would prohibit the importation of products made in any country that is made by child labor. There are children in China, children in India, children in Pakistan, who are 10, 11, 12 years old who are working for minuscule wages, who are doing the work that American workers used to do.

It is no secret that this year we will have a trade deficit of about $160 million. That means we are importing $160 billion more in goods and services than we export. That equates to about 3 million decent manufacturing jobs

Mr. Speaker, in my view, we are not going to expand the middle class, we are not going to create decent-paying jobs for our young people unless we deal with the trade situation. I think the evidence is very clear that NAFTA has been a disaster, as many of us had feared it would be. I have very serious reservations about GATT.

We need a trade policy that is a fair trade policy, a trade policy that protects American workers, that allows us to export as well as import.

Mr. Speaker, if we are going to address the issue of raising wages in America, not only do we have to deal with the trade situation, not only do we have to become a country again which is building real products here in the United States of America, which is using our technology go create new jobs, producing real goods, but we also have to, in fact, raise the minimum wage, and I am delighted that more and more Members of Congress are beginning to understand that.

A number of years ago I brought forth legislation that would raise the minimum wage to $5.50 an hour. It was my view and is my view that if somebody in this country works for 40 hours a week, that person should not be living in poverty. That person should not be more in debt at the end of the week than he or she was in the beginning of the week. And when some of us began that crusade to raise the minimum wage, President Clinton was not on board, and many Democrats were not on board, and virtually no Republicans were on board. I am happy to say that right now we have a majority support for raising the minimum wage in the House, I believe that is the case in the Senate as well, and I certainly hope that the gentleman from Georgia, [Mr. GINGRICH] will allow a clean minimum wage bill to come up in the House so that we can vote it in and have the President sign it.

The minimum wage today is at its lowest point in 40 years. If the minimum wage today was at the same level as it was in 1970, it would be over $6 an hour. So to raise the minimum wage to $5.50 an hour, as the President would have us do in 2 years, is a conservative effort, and it is something we should do immediately.

Mr. Speaker, if we are going to turn this country around, I think it is important that we also address the tax situation in this country. The fact of the matter is that as the rich become richer, as the middle class is shrinking, and as poor people are just fighting desperately to keep their heads above water, I think what we need to do is take a hard look at progressive taxation, and that is to say that the largest corporations who are today contributing significantly less to our national coffers than they did 30 or 40 years ago, to the richest people in this country who have enjoyed significant declines in their real tax rates, that it is appropriate to ask those people whose incomes are soaring to start paying their fair share of taxes so we can provide some real tax breaks for the middle class and the working people of this country.

Mr. Speaker, one of the reasons that wages in America have declined is that the trade union movement in America has also declined. I think it will not be a surprise to most American workers to understand that employers often do not, out of the generosity of their heart, pay decent wages. They pay decent wages because there are people who are negotiating with them to get them to pay decent wages.

One of the concerns that I have right now in this country is that it is harder and harder for workers to be able to form trade unions. Very often, employers will harass those workers who are trying to develop a union, they will fire those workers under all kinds of pretenses, they will bring in high-falutin consultants to try to frighten workers, they will threaten workers that they will go to Mexico and Asia.

I think we need a new set of labor law which says that any worker in this country who wants to join a union should have the freedom, without fear, to participate in that process, and I believe that as we strengthen the labor movement in this country, that is, more and more workers join unions, they will be stronger and be able to negotiate good contracts which will not only benefit them, but it will benefit the whole country. Nonunion workers benefit substantially when we have strong unions because unions drive wages up, and employers therefore must pay nonunion workers a decent wage as well.

Mr. Speaker, I will soon be introducing a piece of legislation which I think is quite important. One of the concerns that I have increasingly in this country is the degree to which the taxpayers of our Nation are subsidizing large corporations through corporate welfare. Very conservative groups as well as progressive groups estimate that we spend about $125 billion every year on corporate welfare, which is tax breaks and subsidies that go to some of the largest corporations in America, and let me give you just one example of something that I and some of my colleagues are working on right now.

It seems to me to be very wrong that when the United States Pentagon, when our Pentagon, negotiates with various defense contractors, that some of the CEO's of those defense companies end up making huge salaries, basically at taxpayer expense, at the same time as they are laying off tens and tens of thousands of American workers. We pay the President of the United States $250,000 a year, and it seems to me to be very wrong that the taxpayers of this country should be paying the CEO's of the major defense companies substantially more.

I think the taxpayers of America should be concerned, for example that in 1994 James Miller, who is the CEO of General Dynamics, earned $11.3 million in compensation. Now, what is interesting is that General Dynamics, as a percentage of their business, does 100 percent of their business with the U.S. Government, which means that the U.S. Government is paying Mr. Miller $11.3 million in income, and I think that is wrong for at least two reasons:

First, in terms of our deficit, I do not know why we are paying CEO's who are 100 percent dependent on taxpayer money over $11 million a year in compensation. That is wrong.

But, second of all, it is wrong as an example, as a model of what this Congress should be doing. One of the more shameful aspects of the American economy at this point is that CEO's of major corporations today are earning about 200 times what their workers are making; 200 times. That is unheard of in the industrialized world. It seems to me that the U.S. Congress should not be encouraging and supporting that type of economic activity.

So we have legislation, and I have introduced legislation along with several other Members, that would say to the CEO's of the major defense companies that they cannot earn from the taxpayers of this country more than $200,000 a year in compensation.

I should point out once more that the head of General Dynamics receives $11.3 million, and as best we could understand, every single penny of that money comes from the taxpayers of this country. That does not make any sense. We are cutting back on so many programs that working people need and to say, yeah, we got $11 million to pay the head of General Dynamics makes no sense. And I should point out that this very same company has laid off over 35,000 workers between 1990 and 1995.

So these guys are making more and more money from the taxpayers at exactly the same time as they are laying off tens of thousands of American workers. That does not make any sense to me at all.

Mr. Speaker, I think you know sometimes Members of the Congress become a little bit obsessed with ourselves and we think that the end of the world is the Beltway around here. But we should pay attention to the fact that tens of millions of people are giving up on the political process, they are giving up on the two-party system. Again, it is an issue that we do not talk about too much, but maybe as the only Independent in the Congress I can raise the issue, and that is there is something fundamentally wrong with the politics of this country when in the last election, in 1994, only 38 percent of the people came out to vote. 62 percent of the people did not vote.

Mr. Speaker, there are a lot of reasons for that. But I think the major reason has to do with the fact that large numbers of people who are hurting very, very badly no longer believe that the U.S. Congress represents their interests or is capable of responding to their needs and their pain, and they are saying, hey, politics, it does not matter, we do not care what is going on in Washington, we do not pay attention to what is going on in Washington because all these people are living in another world.

I think, given the fact that so many men and women have put their lives on the line, have fought and died to defend freedom and democracy in this country, it is a very sad state of affairs that the United States has today by far the lowest voter turn out of any industrialized nation on earth.

Now how do we turn that around? How do we create a vibrant democracy where we have 70 to 80 percent of the people voting rather than 40 percent of the people or 50 percent?

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I think, frankly, the answer is that this Congress has got to show the American people that we do feel their pain, that we do understand what is going on in their lives, and we are willing to respond to their problems. If we do not respond to their problems, people are going to say, "It does not make any difference. Why do I have to get involved?"

It is a catch-22. Unless ordinary people begin to stand up and say, wait a second, the U.S. Congress, representing all of the people in this country and not just the very rich, in the United States of America we should be able to provide health insurance for every man, woman, and child, as most of the industrialized nations do; in the United States of America we should be able to make sure that every young person who has the ability is able to get a college education, as many of our industrialized neighbors do; that in the United States of America we should be able to create decent paying jobs; that unless the people make those demands on the Congress and start electing people to the Congress who are going to fight for the middle class, fight for the working people, the Congress is going to be unresponsive.

That takes us to another issue in terms of how and why the Congress is unresponsive. That takes us to campaign finance reform. Clearly there is something very much amiss when increasingly we are seeing in Congress, in State houses all over America, very wealthy people taking out their checkbooks and writing themselves large checks and saying, "Gee, I think I would like to run for President. It is kind of boring in business now, I have a midlife crisis, I would like to do something else. I will make out a check and then run for the Presidency. I will run for Governor, I will run for the Senate," so forth and so on. That is not what democracy is supposed to be about.

A democracy is not supposed to be about the Democratic and Republican Parties holding fund-raisers here in Washington, D.C. I think last month, or a couple of months ago, the Republicans raised $16 million in one night, and recently the Democrats raised $12 million in one night, money which is coming from some of the wealthiest people in the United States of America, some of the largest corporations in the United States of America. Some of these guys contribute to both political parties. Is that what democracy is supposed to be about? I think not.

I think we must move toward campaign finance reform, and the most important aspects of that is we have to limit the amount of money that people can spend in a campaign. If you limit the amount of money, you take away the advantage of the big money interests. They cannot outspend you 10 to 1.

I think we have to move toward public funding of elections, combined with incentives coming from small donations, matching small donations. In that way we will have people who are serving in Congress who come from the ranks of ordinary people and simply are not hobnobbing with the wealthy and the powerful.

Most importantly, what concerns me is that tens and tens of millions of Americans believe the political process does not matter to them. They have given up on the political process. That is very, very sad. I would suggest to people, and I say this as somebody who was the mayor of a city for 8 years and am now in my third term in the U.S. Congress, that the only solution, basically, to that situation is for ordinary people to begin to stand up and fight back and reclaim this country for the ordinary people, for the middle class, for the working people of this country, and inform the U.S. Congress that all of us have a right to a decent standard of living and a good life. All of our children have the right to a good future. That right should not just exist to the very wealthy and the very powerful, but that is not going to change unless people get involved in the political process, unless people understand what is going on at all levels of government.

Mr. Speaker, let me just simply conclude by stating that in this great country, if democracy is to survive, if all of our people are to enjoy a decent standard of living, that is not a Utopian vision, that can happen, but people have got to be involved in the political process and have got to stand up and fight for their rights.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. FOWLER (at the request of Mr. ARMEY), for today until 1:30 p.m., on account of medical reasons.

Mr. TALENT (at the request of Mr. ARMEY), after 2 p.m. today and the balance of the week, on account of awaiting the birth of Christine Lyons Talent.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HINCHEY) to revise and extend their remarks and include extraneous material:)

Mr. WISE, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. MEEHAN, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

(The following Members (at the request of Mr. RAMSTAD) to revise and extend their remarks and include extraneous material:)

Mr. RAMSTAD, for 5 minutes, today.

Mr. JONES, for 5 minutes on May 16.

Mr. FOLEY, for 5 minutes, today.

Mr. RIGGS, for 5 minutes each day on today and May 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HINCHEY) and to include extraneous matter:)

Mr. KENNEDY of Rhode Island.
Mr. ACKERMAN, in three instances.
Mr. MEEHAN.
Mr. HAMILTON.
Mr. STOKES.
Mr. NEAL of Massachusetts.
Mr. BONIOR.
Mr. CLYBURN.
Mr. ANDREWS.
Mr. TORRICELLI.
Mr. POMEROY.
Mr. FILNER.
Mr. LIPINSKI.
Mr. THOMPSON.
Mr. UNDERWOOD.

(The following Members (at the request of Mr. RAMSTAD) and to include extraneous matter:)

Mr. DAVIS.
Mr. CANADY of Florida.
Mr. GILMAN in three instances.
Mr. SHUSTER.
Mr. PACKARD.
Mr. RAMSTAD.
Mr. FORBES in two instances.
Mr. HOEKSTRA.
Mr. BAKER of California.
Mr. GOODLING.
Mr. TALENT.
Mr. MOORHEAD.
Mr. MARTINI.

(The following Members (at the request of Mr. SANDERS) and to include extraneous matter:)

Mr. DORNAN.
Mr. FRISA.
Ms. ESHOO.
Mr. FARR of California in two instances.
Mr. BARTON of Texas.
Ms. FURSE.
Mr. CARDIN.
Mrs. COLLINS of Illinois.
Mr. COYNE.
Mr. WARD.

CORRECTION TO THE RECORD OF MAY 14, 1996, OF SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 811. An act to authorize research into the desalinization and reclamation of water and authorize a program for States, cities, or qualifying agencies desiring to own and operate a water desalinization or reclamation facility to develop such facilities, and for other purposes; to the Committee on Resources and, in addition, to the Committees on Science and Transportation and Infrastructure.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1743. An act to amend the Water Resources Act of 1984 to extend the authorizations of appropriations through fiscal year 2000, and for other purposes; and

H.R. 1836. An act to authorize the Secretary of the Interior to acquire property in the town of East Hampton, Suffolk County, New York, for inclusion in the Amagansett National Wildlife Refuge.

ADJOURNMENT

Mr. SANDERS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 50 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, May 16, 1996, at 9:15 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and an amended report concerning the foreign currencies and U.S. dollars utilized by various committees of the House of Representatives during the third quarter of 1995 and the 1st quarter of 1996 in connection with official foreign travel, pursuant to Public Law 95-384, are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON NATIONAL SECURITY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1995

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Visit to Israel, Greece, Italy, and Portugal, Aug. 10–20, 1995:											
Hon. Patrick J. Kennedy	8/15	8/18	Italy				1,499.70				1,499.70
Visit to Belgium, Estonia, Romania, Norway, and Denmark, Aug. 21–Sept. 1, 1995:											
Delegation expenses	8/18	8/23	Belgium				877.72		1,799.17		2,676.89
Committee total							2,377.42		1,799.17		4,176.59

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FLOYD SPENCE, Chairman, Apr. 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Karen Thurman	2/6	2/8	Mexico		250.00		624.95				874.95
Hon. E de la Garza	2/6	2/8	Mexico		250.00		934.95				1,184.95
Hon. Sam Farr	2/6	2/8	Mexico		250.00		686.95				936.95
Hon. Mark Foley	2/6	2/8	Mexico		250.00		1,158.95				1,408.95
Hon. Tom Ewing	2/6	2/8	Mexico		250.00		325.95				575.95
Keith Pitts	2/6	2/8	Mexico		250.00		557.00				807.00
Stacy Carey	2/6	2/8	Mexico		250.00		521.00				771.00
Christin Bradshaw	2/6	2/8	Mexico		250.00		511.95				761.95
Marshall Livingston	2/6	2/8	Mexico		250.00		694.95				944.95

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Committee total					250.00		6,016.65				8,266.65

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PAT ROBERTS, Chairman, Apr. 26, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Thomas Foglietta	2/4	2/9	Italy		1,229.00						1,229.00
Commercial air transportation							404.33				404.33
Hon. Jerry Lewis	1/7	1/8	France		326.00						326.00
	1/8	1/9	Russia		338.00						338.00
Commercial air transportation							3,488.35				3,488.35
Hon. Charles Wilson	12/30	1/2	France		978.00						978.00
	1/2	1/8	Israel		1,421.00						1,421.00
	1/8	1/13	Egypt		1,012.00						1,012.00
	1/13	1/18	England		1,480.00						1,480.00
Commercial air transportation							8,094.20				8,094.20
Delacroix Davis	2/21	2/25	Panama		695.00						695.00
Commercial air transportation							1,277.95				1,277.95
Elizabeth C. Dawson	1/28	2/1	Germany		600.00						600.00
	2/1	2/4	Belgium		660.00						660.00
Commercial air transportation							3,027.55		99.00		3,306.55
Timothy L. Peterson	1/7	1/8	France		326.00						326.00
	1/8	1/9	Russia		338.00						338.00
Commercial air transportation							3,488.35				3,488.35
John G. Shank	2/26	2/27	Croatia		180.53						180.53
	2/27	3/2	Bosnia		1,049.00						1,049.00
	3/2	3/3	Croatia		280.00						280.00
	3/3	3/4	Hungary		212.00						212.00
Commercial air transportation							1,737.60				1,737.60
Deborah Weatherly	2/22	2/25	Panama		556.00.						556.00
Commercial air transportation							650.95				650.95
James Kulikowski	2/4	2/6	El Salvador		378.00.						378.00
	2/6	2/7	Mexico		257.00.						257.00
Commercial air transportation							1,008.5				1,008.95
Therese McAuliffe	2/14	2/17	Egypt		690.00.						690.00
	2/17	2/19	Italy		554.00.						554.00
	2/19	2/21	Hungary		424.00.						424.00
	2/21	2/22	Austria		262.00.		59.00				321.00
Commercial air transportation								4,271.95			4,271.95
Committee total					14,245.53			27,689.18		99.00	42,033.71
Committee on Appropriations, Surveys and Investigations staff:											
Alfred L. Esposito	1/6	1/7	Netherlands		288.50.		4,482.01		77.00		4,847.51
	1/8	1/11	Israel		876.00.						876.00
	1/12	1/12	Netherlands		125.50.						125.50
Norman H. Gardner	1/27	1/29	France		373.75.		5,922.53		410.77		6,707.05
	1/29	1/31	Cote d'Ivoire		292.50.						292.50
	1/31	2/2	Chad		308.00.						308.00
	2/2	2/7	Senegal		580.50.						580.50
	2/7	2/8	Gambia		167.50.						167.50
	2/8	2/11	Sierra Leone		441.00.						441.00
	2/17	2/20	Paraguay		386.75.		2,945.95		30.35		3,363.05
	2/20	2/22	Argentina		484.00.						484.00
	2/22	2/24	Uruguay		259.25.						259.25
Michael O. Glynn	1/6	1/7	Netherlands		288.50.		4,482.01		158.95		4,929.46
	1/8	1/11	Israel		876.00.						876.00
	1/12	1/12	Netherlands		138.00.						138.00
William P. Haynes, Jr	1/26	1/28	Netherlands		336.00		7,169.02		364.51		7,869.53
	1/28	1/30	South Africa		378.00						378.00
	1/30	1/31	Swaziland		104.00						104.00
	1/31	2/2	Mozambique		460.00						460.00
	2/2	2/5	South Africa		556.25						556.25
	2/5	2/7	Zimbabwe		362.50						362.50
	2/7	2/10	Kenya		387.75						387.75
John D. O'Shaughnessy	1/26	1/28	Netherlands		336.00		7,169.02		461.94		7,966.96
	1/28	1/30	South Africa		378.00						378.00
	1/30	1/31	Swaziland		104.00						104.00
	1/31	2/2	Mozambique		460.00						460.00
	2/2	2/5	South Africa		556.25						556.25
	2/5	2/7	Zimbabwe		362.50						362.50
	2/7	2/10	Kenya		387.75						387.75
Robert J. Reitwiesner	2/17	2/20	Paraguay		386.75		2,986.95		97.83		3,471.53
	2/20	2/22	Argentina		484.00						484.00
	2/22	2/24	Uruguay		259.25						259.25
R.W. Vandergrift, Jr	1/6	1/7	Netherlands		288.50		4,482.01		291.40		5,061.91
	1/8	1/11	Israel		766.50						766.50
	1/26	1/28	Netherlands		336.00		7,169.02		936.66		8,841.68
	1/28	1/30	South Africa		378.00						378.00
	1/30	1/31	Swaziland		104.00						104.00
	1/31	2/2	Mozambique		460.00						460.00
	2/2	2/5	South Africa		556.25						556.25
	2/5	2/7	Zimbabwe		362.50						362.50
	2/7	2/10	Kenya		387.75						387.75
T. Peter Wyman	1/27	1/29	France		373.75		5,922.53		541.67		6,837.95
	1/29	1/31	Core d'Ivoire		292.50						292.50
	1/31	2/2	Chad		308.00						308.00
	2/2	2/7	Senegal		580.50						580.50
	2/7	2/8	Gambia		167.50						167.50
	2/8	2/11	Sierra Leone		441.00						441.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	2/17	2/20	Paraguay		386.75		2,986.95		108.18		3,481.88
	2/20	2/22	Argentina		484.00						484.00
	2/22	2/24	Uruguay		259.25						259.25
Committee totals					19,117.50		55,718.00		3,479.26		78,314.76

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BOB LIVINGSTON, Chairman, Apr. 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Cass Ballenger	2/11	2/13	Mexico		[3] 70.61						70.61
	2/13	2/15	El Salvador		[3] 229.51						229.51
	2/15	2/16	Honduras		[3] 34.84						34.84
	2/16	2/19	Nicaragua		[3] 40.00						40.00
Commercial airfare							1,418.95				1,418.95
Hon. Doug Bereuter	3/8	3/10	England		[3] 134.00						134.00
Commercial airfare							3,110.45				3,110.45
Paul Berkowitz	1/12	1/18	Thailand		1,519.00						1,519.00
Commercial airfare							4,073.95				4,073.95
Hon. Eni Faleomavaega	3/21	3/26	Fiji		417.80						417.80
Commercial airfare							3,947.11				3,947.11
Robert Hathaway	2/10	2/12	Malaysia		[3] 396.00						396.00
	2/12	2/14	Indonesia		450.00						450.00
	2/14	2/16	Singapore		506.00						506.00
	2/16	2/18	Cambodia		417.75						417.75
	2/18	2/19	Hong Kong		360.00						360.00
Commercial airfare							4,308.95				4,308.95
John Heffern	2/6	2/8	Hong Kong		722.18						722.18
	2/8	2/10	Thailand		434.00						434.00
	2/10	2/12	Malaysia		406.00						406.00
	2/12	2/14	Indonesia		450.00						450.00
	2/14	2/16	Singapore		506.00						506.00
	2/16	2/18	Cambodia		417.75						417.75
Commercial airfare							4,847.95				4,847.95
David Jung	1/20	1/24	Austria		1,048.00						1,048.00
	1/24	1/26	Hungary		424.00						424.00
Commercial airfare							3,190.55				3,190.55
Hon. Tom Lantos	1/16	1/17	Syria		268.00						268.00
John Mackey	1/20	1/24	Austria		1,048.00						1,048.00
	1/24	1/26	Hungary		424.00						424.00
Commercial airfare							3,190.55				3,190.55
Roger Noriega	3/15	3/18	Nicaragua		[3] 150.00						150.00
Commercial airfare							685.95				685.95
Grover Joseph Rees	1/12	1/19	Thailand		[3] 1,448.07						1,448.07
Commercial airfare							3,535.48				3,535.48
Grover Joseph Rees	2/4	2/7	Guatemala		618.00						618.00
Commercial airfare							1,388.95				1,388.95
Hon. Chris Smith	2/4	2/7	Gutemala		618.00						618.00
Commercial airfare							1,388.95				1,388.95
Committee total					13,557.51		35,087.79				48,645.30

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Represents refund of unused per diem.

BEN GILMAN, Chairman, May 2, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON NATIONAL SECURITY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1, AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to Russia, Jan. 13–19, 1996:											
Hon. Curt Weldon	1/13	1/19	Russia		1,711.00				287.40		1,998.40
Commercial airfare							3,569.15				3,569.15
Hon. David J. Trachtenberg	1/13	1/19	Russia		1,711.00				161.67		1,872.67
Commercial airfare							3,651.15				3,651.15
Visit to Germany and Belgium, Jan. 28–Feb. 4, 1996:											
Philip W. Grone	1/28	2/1	Germany		600.00						600.00
	2/1	2/4	Belgium		600.00						660.00
Commercial airfare							3,207.55				3,207.55
Visit to Germany, Feb. 2–4, 1996:											
Hon. James B. Longley	2/2	2/4	Germany		684.00						684.00
Commercial airfare							420.00				420.00
Visit to Italy Feb. 11–16, 1996:											
Robert B. Brauer	2/2	2/4	Italy		1,190.00						1,190.00
Commercial airfare							3,185.15				3,185.15
Visit to Panama, Peru, Nicaragua, Feb. 5–10, 1996:											
Hon. Gene Taylor	2/5	2/7	Panama		378.00						378.00
	2/7	2/9	Peru		604.00						604.00
	2/9	2/10	Nicaragua		125.00						125.00
Hon. George O. Withers	2/5	2/7	Panama		378.00						378.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON NATIONAL SECURITY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1, AND MAR. 31, 1996—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
	2/7	2/9	Peru		604.00						604.00
	2/9	2/10	Nicaragua		125.00						125.00
Commercial airfare							340.09				340.09
Visit to Germany, Hungary and Italy, Feb. 11–17, 1996:											
Jeffrey M. Schwartz	2/11	2/15	Germany		850.00						850.00
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00						500.00
Commercial airfare							3,285.35				3,285.35
Peter M. Steffes	2/11	2/15	Germany		850.00						850.00
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00						500.00
Commercial airfare							3,285.35				3,285.35
Stephen O. Rossetti	2/11	2/15	Germany		850.00						850.00
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00						500.00
Commercial airfare							656.55				656.55
Dudley L. Tademy	2/11	2/15	Germany		850.00						850
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00						500.00
Commercial airfare							3,285.35				3,285.35
Donna L. Hoffmeier	2/11	2/15	Germany		850.00						850.00
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00					500.00	
Commercial airfare							3,285.35				3,285.35
Visit to Germany, Feb. 12–17, 1996:											
John D. Chapla	2/12	2/17	Germany		657.00						657.00
Commercial airfare							1,882.45				1,882.45
Visit to Switzerland and United Kingdom March 15–18, 1996:											
Hon. Curt Weldon	3/15	3/15	Switzerland		310.00						310.00
	3/15	3/15	United Kingdom		576.00						576.00
Commercial airfare							3,815.55				3,815.55
Christopher A. Williams	3/15	3/15	Switzerland		310.00						310.00
Commercial airfare							3,125.25				3,125.25
Committee Totals					13,951.00		29,773.99				43,724.99

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FLOYD SPENCE, Chairman, Apr. 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMISSION ON SECURITY AND COOPERATION IN EUROPE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Janice Helwig		1/9	United States				3,434.28				3,434.28
	1/10	3/29	Austria		13,101.83				168.41		13,270.24
Hon. Steny Hoyer		1/10	United States				3,440.05				3,440.05
	1/11	1/13	Austria		424.00						424.00
Marlene Kaufmann		1/10	United States				3,440.05				3,440.05
	1/11	1/13	Austria		363.00						363.00
		1/20	United States				3,282.75				3,282.75
	1/21	1/24	Switzerland		822.00						822.00
		3/25	United States				3,347.95				3,347.95
	3/26	3/30	Czech Republic		876.00						876.00
Samuel Wise		3/19	United States				1,063.85				1,063.85
	3/20	3/23	Czech Republic		657.00				21.00		678.00
	3/23	3/27	Austria		812.00				31.75		843.75
Committee total					17,055.83		18,008.93		221.16		35,285.92

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHRIS SMITH, Chairman, Apr. 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Bill Richardson	1/17	1/20	Caribbean		200.00		([3])				200.00
Calvin Humphrey	1/17	1/20	Caribbean		200.00		([3])				200.00
Hon. Bill Richardson	2/9	2/10	Caribbean		75.00		([3])				75.00
Calvin Humphrey	2/9	2/10	Caribbean		75.00		([3])				75.00
Hon. Bill Richardson	2/12	2/26	Europe and Asia		2,406.50				138.88		2,545.38
Commercial airfare							8,444.85				8,444.85
Calvin Humphrey, Staff	2/12	2/16	Europe and Asia		2,406.50				138.86		2,545.36
Commercial airfare							8,444.85				8,444.85
Louis Dupart, Staff	3/31	4/3	Caribbean		150.00						150.00
Commercial airfare							642.95				642.95
Committee total					5,513.00		17,532.65		277.74		23,323.39

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

LARRY COMBEST, Chairman, Apr. 30, 1996.

NOTICE OF PROPOSED RULEMAKING

U.S. CONGRESS,
OFFICE OF COMPLIANCE,
Washington, DC, May 14, 1996.

Hon. NEWT GINGRICH,
Speaker of the House, U.S. House of Representatives, The Capitol—Room H–233, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. §1384(b)), I am transmitting on behalf of the Board of Directors the enclosed notice of proposed rulemaking for publication in the Congressional Record. The notice contains the recommendation of the Deputy Executive Director for the Senate which the Board has approved and implements §220 of the Congressional Accountability Act.

The Congressional Accountability Act specifies that the enclosed notice be published on the first day on which both Houses are in session following this transmittal.

Sincerely,

GLEN D. NAGER,
Chair of the Board.

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS, PROTECTIONS AND RESPONSIBILITIES UNDER CHAPTER 71 OF TITLE 5, UNITED STATES CODE, RELATING TO FEDERAL SERVICE LABOR-MANAGEMENT RELATIONS (REGULATIONS UNDER SECTION 220(d) OF THE CONGRESSIONAL ACCOUNTABILITY ACT)

NOTICE OF PROPOSED RULEMAKING

Summary: The Board of Directors of the Office of Compliance is publishing proposed regulations to implement section 220 of the Congressional Accountability Act of 1995 (“CAA” or “Act”), Pub. L. 104-1, 109 Stat. 3. Specifically, these regulations are published pursuant to section 220(d) of the CAA.

The provisions of section 220 are generally effective October 1, 1996. 2 U.S.C. section 1351. Section 220(d) of the Act directs the Board to issue regulations to implement section 220. The proposed regulations set forth herein are to be applied to the Senate, the House of Representatives, and the Congressional instrumentalities and employees of the Senate, the House of Representatives, and the Congressional instrumentalities. These regulations set forth the recommendations of the Deputy Executive Director for the Senate, the Deputy Executive Director for the House of Representatives and the Executive Director, Office of Compliance, as approved by the Board of Directors, Office of Compliance. A Notice of Proposed Rulemaking under section 220(e) is being published separately.

Dates: Comments are due within 30 days of publication of this Notice in the Congressional Record.

Addresses: Submit written comments (an original and 10 copies) to the Chair of the Board of Directors, Office of Compliance, Room LA 200, John Adams Building, 110 Second Street, S.E., Washington, DC 20540-1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile (“FAX”) machine to (202) 426–1913. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM-201, Law Library of Congress, James Madison Memorial Building, Washington, DC, Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For Further Information Contact: Executive Director, Office of Compliance at (202) 724-9250. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, 202–224–2705.

SUPPLEMENTARY INFORMATION

I. Background

A. Introduction

The Congressional Accountability Act of 1995 (“CAA” or “Act”) was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered Congressional employees and employing offices. Section 220 of the CAA concerns the application of chapter 71 of title 5, United States Code (“chapter 71”) relating to Federal service labor-management relations. Section 220(a) of the CAA applies the rights, protections and responsibilities established under sections 7102, 7106, 7111 through 7117, 7119 through 7122 and 7131 of title 5, United States Code to employing offices and to covered employees and representatives of those employees.

Section 220(d) authorizes the Board of Directors of the Office of Compliance (“Board”) to issue regulations to implement section 220 and further states that, except as provided in subsection (e), such regulations “shall be the same as substantive regulations promulgated by the Federal Labor Relations Authority [“FLRA”] to implement the statutory provisions referred to in subsection (a) except-(A) to the extent that the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section; or (B) as the Board deems necessary to avoid a conflict of interest or appearance of a conflict of interest.”

Section 220(e) further authorizes the Board to issue regulations on the manner and extent to which the requirements and exemptions of chapter 71 should apply to covered employees who are employed in certain specified offices, “except . . . that the Board shall exclude from coverage under [section 220] any covered employees who are employed in [the specified offices] if the Board determines that such exclusion is required because of (i) a conflict of interest or appearance of a conflict of interest; or (ii) Congress' constitutional responsibilities.”

This Notice of Proposed Rulemaking sets forth proposed regulations under section 220(d) of the CAA. A Notice of Proposed Rulemaking with respect to regulations under section 220(e) is being published separately.

B. Advance Notice of Proposed Rulemaking

On March 6, 1996, the Board of Directors of the Office of Compliance (“Office”) issued an Advance Notice of Proposed Rulemaking (“ANPR”) that solicited comments from interested parties in order to obtain participation and information early in the rulemaking process. 142 Cong. R. S1547 (daily ed., Mar. 6, 1996). In addition to inviting comment on all relevant matters and/or specific questions arising under section 220 of the CAA, the Office sought consultation with the FLRA and the Director of the Office of Personnel Management with regard to the development of these regulations in accordance with section 304(g) of the CAA. The Office has also consulted with interested parties to further its understanding of the need for and content of appropriate regulations.

The Board received 5 comments on the ANPR: one from the Secretary of the Senate and four from various labor organizations. Based on the information gleaned from its consultations and the comments on the ANPR, the Board is publishing these proposed rules, pursuant to section 220(d) of the CAA.

1. Substantive Regulations Promulgated by the Federal Labor Relations Authority.—In the ANPR, the Board invited comment on the meaning of the term “substantive regulations” under sections 220 and 304 of the CAA and further asked commenters to identify which of the regulations promulgated by the FLRA should be considered substantive regulations within the meaning of section 220 of the CAA. In this regard, the Board noted that certain of the FLRA's regulations relate to processes that implement chapter 71, while others relate to principles or criteria for making decisions that implement chapter 71. The Board invited commenters to discuss whether, in their view, the term “substantive” as used in sections 220 and 304 of the CAA might be intended to distinguish such regulations from those that are “procedural” in nature or content. In addition, the Board specifically invited comment on whether and, if so, to what extent the Board should propose the adoption of the FLRA regulations set forth in 5 C.F.R. sections 2411-2416.

a. Summary of comments: Two commenters addressed the meaning of the term “substantive regulations.” One of these two commenters suggested that the term “substantive regulations” means “only those regulations promulgated by the [FLRA] that are necessary to implement the provisions of chapter 71 made applicable” by section 220 of the CAA. In this commenter's view, the term “substantive regulations” should exclude FLRA regulations that address procedural processes already provided for by the CAA. For example, because sections 405 and 406 of the CAA and the Office's procedural rules promulgated under section 303 set forth the procedures for hearings and Board review of hearing officer's decisions, in this commenter's view, provisions of the FLRA's regulations that purport to govern those matters should not be adopted by the Board. In support of its position, the commenter cited to *Batterton v. Francis*, 432 U.S. 416, 425 n.9 (1977).

This commenter further asserted that the term “substantive regulations” should neither include FLRA regulations that are procedural in nature, such as those addressing filing procedures, nor FLRA regulations that address processes already provided for in procedural rules issued by the Office pursuant to section 303 of the CAA, because “their adoption is not necessary to implement the provisions of chapter 71 made applicable by the CAA.” The commenter stated that the Board has issued regulations, pursuant to section 303, that provide procedures for submissions under Part A of the CAA; the commenter urged that, to the extent possible, the same procedures should be used for submissions under Part D (section 220) of the CAA. The commenter suggested that, if any modifications to the Office's procedural rules are required to implement section 220, the Board should issue additional procedural regulations under section 303 of the CAA, rather than adopt assertedly “non-substantive” regulations of the FLRA.

Based on these views, this commenter took the position that, with certain modifications, all regulations set forth in subchapters C and D of the FLRA's regulations are substantive and should be adopted by the Board. Within those subchapters, this commenter suggested the exclusion of those regulations that the commenter deemed purely procedural. "Finally, this commenter opined that the regulations in subchapter B, set forth at sections 2411-2416, should not be adopted by the Board as those sections do not implement provisions of chapter 71, as applied by the CAA.

The other commenter did not propose to define the term "substantive regulations." Rather, this commenter asserted that, at present, it is not necessary for the Board to decide which of the FLRA's regulations are substantive. Instead, this commenter suggested that, although the FLRA's regulations may or may not be "substantive regulations," the regulations are sound procedural guides that the Board is free to follow in the exercise of its general rulemaking authority under sections 303 and 304 of the CAA. The commenter pointed to the approach to rulemaking followed by the FLRA and the National Labor Relations Board (NLRB) as models for the Board, arguing that both the FLRA's and the NLRB's regulations include the various processes by which unfair labor practice and representation cases may be brought and considered and that neither the FLRA nor the NLRB has sought to "define substantive rights by regulation."

Finally, one other commenter, while not addressing the meaning of the term "substantive regulations," suggested that the Board should adopt all of the FLRA's regulations, including sections 2411-2416.

b. Board consideration and conclusion: The Board first examines the question of the meaning of the term "substantive regulations" under sections 220 and 304 of the Act. Under settled principles of administrative law, substantive regulations are regulations implementing an underlying statute that are issued by a regulatory body pursuant to its statutory authority. See Batterton v. Francis, 432 U.S. 416, 425 n.9 (1977). Such regulations are generally promulgated in accordance with the Administrative Procedure Act, which requires that substantive rulemaking generally be preceded by a general notice of proposed rulemaking at least thirty days before the effective date of the proposed rule, and further requires that the agency afford interested persons an opportunity to participate in the rulemaking by submitting written comments. Regulations issued pursuant to this process are substantive because they "have the force and effect of law," id., and because, among other things, they "grant rights, impose obligations, or produce other significant effects on private interests," or . . . 'effect a change in existent law or policy.'" American Hospital Assoc. v. Bowen, 834 F.2d 1037, 1044 (D.C. Cir. 1987) (citations omitted).

That regulations may arguably be procedural in content is, in the Board's view, not a legally sufficient reason for not viewing them as "substantive regulations." Procedural rules can in fact be substantive regulations. Process is frequently the substance of law and regulation; indeed, in the labor laws, process is the predominate means by which substantive regulation is effectuated. Moreover, in administrative law, it is commonplace for regulations covering procedures to be considered substantive regulations; as noted above, the Administrative Procedure Act generally treats regulation of process as substantive regulation. There is no evidence that Congress intended a different approach in the context of the CAA. Thus, it is the Board's conclusion that all regulations promulgated after a notice and comment period by the FLRA to implement chapter 71 are appropriately classified as substantive regulations for the purposes of rulemaking under sections 220 and 304 of the CAA.

In light of the foregoing, the Board has considered the regulations promulgated by the FLRA in order to determine which of the regulations are "substantive regulations." The regulations promulgated by the FLRA "are designed to implement the provisions of chapter 71 of title 5 of the United States Code . . . [and] prescribe the procedures, basic principles or criteria under which the Federal Labor Relations Authority or the General Counsel" will carry out their functions, resolve issues and otherwise administer chapter 71. 5 C.F.R. §2420.1. In addition, these regulations were issued according to the requirements of the Administrative Procedure Act, with a public notice and comment period. Therefore, it is the Board's judgment that all the regulations promulgated by the FLRA and published at 5 C.F.R. 2411–2416, 2420–2430 and 2470–2472 are "substantive regulations" within the meaning of sections 220 and 304 of the CAA.

A review of the FLRA's regulations demonstrates, however, that not all of the FLRA's substantive regulations are ones that the Board need adopt. Certain of the FLRA's regulations were promulgated to implement provisions of statutes other than provisions of chapter 71 made applicable by the CAA. In this regard, in the ANPR, the Board noted that sections 2411–2416 of the FLRA's regulations treat, among other things, the implementation and applicability of the Freedom of Information Act, the Privacy Act and the Sunshine Act in the FLRA's processes. Although one commenter suggested that the referenced statutes and the FLRA's implementing regulations should govern the processes of the Office of Compliance, these statutes were not incorporated in the CAA and the Board thus is not proposing the adoption of sections 2411–2416 of the FLRA regulations.

Similarly, the Board does not propose to adopt either section 2430 of the FLRA's regulations, which establishes procedures for applying for awards of attorney fees and other expenses under the Equal Access to Justice Act, 5 U.S.C. 504, or section 2472, which implements provisions of section 6131 of title 5 of the United States Code. As neither 5 U.S.C. 504 nor 5 U.S.C. 6131 is applied by the CAA, sections 2430 and 2472 were not promulgated to implement statutory provisions that are applied by section 220 and, accordingly, the FLRA's regulations implementing them need not be adopted.

2. *Proposed Modification of Substantive Regulations of the FLRA.*—In the ANPR, the Board invited comment on whether and to what extent it should, pursuant to section 220(d) of the CAA, modify the substantive regulations promulgated by the FLRA. Section 220(d) provides that the Board shall issue regulations that are the same as applicable substantive regulations of the FLRA "except to the extent that the Board may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section" (emphasis added). Section 220(d) also provides that the Board may modify the FLRA's substantive regulations "as the Board deems necessary to avoid a conflict of interest or appearance of a conflict of interest."

a. Summary of comments: A number of commenters urged that the FLRA's substantive regulations should be adopted without change. One of these commenters particularly stressed, in its view, the need to adopt without change the regulations that treat recourse to the Federal Service Impasses Panel and the Merit Systems Protection Board. But another commenter suggested several modifications to the substantive regulations. In addition to a variety of technical changes in nomenclature and terminology, this commenter specifically suggested the following modifications:

(1) Regulations implementing provisions of chapter 71 not made applicable by the CAA

The commenter stated that section 2423.9(b) should not be adopted on the ground that it sets forth procedures implementing 5 U.S.C. section 7123(d), a section not incorporated into the CAA.

(2) Provisions inapplicable under the CAA

The commenter further suggested that the definition of the term "activity" under section 2421.5 of the FLRA's regulations should be deleted on the ground that it has no applicability in the legislative branch. Further, this commenter suggested that the term "Government-wide rule" found throughout the regulations should be changed to "Government-wide rule applicable to the Senate [Legislative Branch]" because not all government-wide rules apply to the legislative branch. Similarly, this commenter proposed the deletion of section 2425.3(b) because it relates to civil service employees, of which there are none in the legislative branch. The commenter further suggested that Section 2429.2, relating to transfer and consolidation of cases, should also be deleted because it has no applicability in light of the structure of the Office of Compliance. Finally, according to the commenter, part 2428 of the FLRA's regulations, which relates to enforcement of decisions of the Assistant Secretary of Labor for Labor-Management Relations, should not be adopted because the Assistant Secretary has no authority under the CAA and neither covered employees nor employing offices are bound by the decisions of the Assistant Secretary.

(3) Regulations addressing procedures governed by 405 and 406 of CAA

The commenter also contended that section 220 of the CAA directs that all representation and unfair labor practice matters that arise under section 220 be referred "to a hearing officer for decision pursuant to subsection (b) through (h) of section 405." Further, according to the commenter, sections 220(c)(1) and (2) require that decisions of the hearing officers be reviewed by the Board under section 406 of the CAA. Consequently, in this commenter's view, the Board should not adopt any FLRA regulation relating to the conduct of hearings on representation petitions or unfair labor practice allegations or relating to Board review of decisions. For example, this commenter suggested that sections 2422.18–22 of the FLRA's regulations should be omitted because they relate to the procedures for the conduct of pre-election investigatory hearings on representation petitions; according to the commenter, procedures for these hearings are governed by section 405 of the CAA and by the Board's procedural rules.

(4) Consultation Rights

The commenter additionally suggested that the threshold requirement in section 2426.1 of the FLRA's regulations that a labor organization hold exclusive recognition for 10% or more of the personnel of an employing office in order for that labor organization to obtain consultation rights be modified for good cause. Because of the small size of many employing offices in the legislative branch, the commenter expressed the concern that employing offices would be required to engage in consultation when only one or two employees are represented by a union. Such an obligation to consult would, in this commenter's view, "interfere with the rights of unrepresented employees because it would necessarily cause delay in implementation of new terms of employment."

(5) Posting of Materials

The commenter suggested that sections 2422.7 and 2422.23 of the FLRA's regulations be modified to prohibit the posting of any material relating to a labor organization in any area open to the public on the basis that such a display of material would create a conflict of interest "insofar as it may appear that Congress is unduly influenced by particular labor organizations."

b. Board Consideration and Response to Comments: Based upon the comments received and the Board's understanding of chapter 71 and the institutions to which it is being made applicable through the CAA, the Board is proposing to adopt the FLRA's regulations published at 5 C.F.R. 2420–29 and 2470–71 with only limited modifications. The Board has proposed to delete provisions of the FLRA's regulations that were promulgated to implement provisions of chapter 71 that are not applied by the CAA. In this regard, sections 2423.9(b)(c) and (d) have been deleted because they implement section 7123(d) of chapter 71, a provision that is not applied by the CAA. Similarly, section 2429.7 of the FLRA's regulations, relating to the issuance of subpoenas, has been deleted because it implements section 7132 of chapter 71, a section of chapter 71 that is not applied by the CAA. Finally, as statutory provisions in title 5 that permit executive branch employees to have access to the Merit Systems Protection Board (MSPB) were not applied by the CAA, references to the MSPB have also been deleted. The Board finds that there is good cause to make these modifications for the reasons herein stated.

In addition, the Board has proposed to make technical changes in definitions, nomenclature and prescribed processes so that the regulations comport with the CAA and the organizational structure of the Office of Compliance. In the Boards judgment, making such changes satisfies the Act's "good cause" requirement. However, contrary to one commenter's suggestion that the terms "activity" and "Government-wide" rule be omitted or modified, the Board is of the view that these concepts have applicability in the context of the CAA and therefore should not be deleted or modified. Of course, the Board welcomes additional comment on these issues as part of interested parties' comments on the proposed rules.

In addition to the foregoing, the Board has concluded that there is good cause to propose certain other modifications to the FLRA's regulations. These proposed modifications are discussed below.

(1) Exercise of Investigative and Adjudicatory Responsibilities

In issuing these proposed regulations to implement section 220, the Board has had to determine how it may best exercise its investigative and other authorities and responsibilities under section 220 of the CAA. In this regard, the Board notes that section 220(c)(1) of the CAA provides that the Board shall exercise the authorities of the three member Federal Labor Relations Authority (Authority) under various provisions of chapter 71 and that any "petition, or other submission that, under chapter 71. . .would be submitted to the. . .Authority shall,. . .be submitted to the Board". The Board further notes that section 220(c)(1) provides that the Board "shall refer any matter under this paragraph to a hearing officer for decision pursuant to. . .section 405"; and yet it also states that the Board may direct that the General Counsel carry out the Board's investigative authorities". Finally, the Board notes that section 220(c)(3) limits judicial review to Board actions on unfair labor practice complaints. As an initial matter, therefore, there is a question as to whether section 220(c)(1) should be read to require that *all* representation, arbitration, negotiability and unfair labor practice issues that come before the Board first be referred to hearing officers for decision under section 405, or only to require referral of those matters that require a formal adversary hearing (involving, among other things, discovery and adherence to formal rules of evidence) in order to resolve the matter in dispute and create a record for judicial review. After considerable reflection, the Board is persuaded that Congress did not intend in the CAA to require that all issues first be presented to a hearing officer under section 405.

By its terms, section 220(c)(1) of the CAA expressly contemplates a distinction between investigative issues and those issues requiring referral for an adversary hearing. Specifically, section 220 expressly acknowledges that the Board possesses and may exercise investigative authorities, and explicitly states that the Board may direct the General Counsel to carry out such investigative authorities. *A fortiori*, the Board does not have to refer matters involving these "investigative authorities" to a hearing officer (but rather may direct the General Counsel to carry them out or carry them out itself).

The textual reference to the Board's investigative authorities is, in fact, only one of the statutory signals that Congress did not intend to require the Board to refer all issues to a hearing officer for initial decision under Section 405. Section 220(c)(3) further specifies that there shall be judicial review of only Board actions on unfair labor practice complaints. Since one of the key purposes of the section 405 hearing process is to create a record for judicial review, this limitation of the judicial review process is another textual suggestion that Congress intended to require referral to a hearing officer of only those matters that require a hearing of the type contemplated by section 405—i.e., a formal adversary hearing that establishes a record for Board and then judicial review.

Indeed, in section 220, Congress purported to impose upon the legislative branch the labor law applicable to the executive branch. In that scheme, representation issues, negotiability of bargaining proposals, and review of arbitral awards are not subject to elaborate adversarial procedures. Rather, they are subject to different investigative and decisional process better suited to expeditious and effective resolution of the issues presented. A determination by the Board that the resolution of exceptions to arbitral awards, negotiability of bargaining proposals, and representation petitions, must first be referred to a hearing officer for an adversarial hearing under section 405 would result in an overly cumbersome system that would undermine considerably the effective implementation of Section 220. The Board would not hesitate to implement such a scheme if Congress had clearly commanded it; but, when read in context, the statutory language does not so require, and the legislative history contains no suggestion that Congress intended such a striking departure from the underlying statutory scheme that it was purporting to impose on itself. In such circumstances, the Board cannot find good cause to modify the FLRA's regulations to require formal adversarial proceedings where they are not presently required under chapter 71.

Accordingly, the Board has examined the range of investigative and adjudicatory functions carried out by the FLRA and its officials under chapter 71 and the FLRA's regulations. The Board has further examined the manner in which those functions may most effectively and appropriately be carried out by the Office under the CAA. The Board has considered the suggestions of the commenters, the differences in organizational structure between the Office of Compliance and the FLRA, and the language and underlying statutory schemes of chapter 71 and the CAA. And, having done so, the Board has concluded that, consistent with the language of section 220(c)(1) and the scheme envisioned and implemented under chapter 71, issues that are presented directly to the Authority may and should also be presented directly to the Board. Likewise, the Board has determined that issues that are submitted to administrative law judges in the chapter 71 scheme should be submitted to hearing officers in the CAA scheme. Thus, the Board will decide representation issues, negotiability issues and exceptions to arbitral awards based upon a record developed through direct submissions from the parties and, where necessary, further investigation by the Board (through the person of the Executive Director); and it will refer unfair labor practice complaints to hearing officers for initial decision under section 405 (and then review by the Board and the courts).

Contrary to one commenter's assertion, 220(c)(1) does not require that pre-election hearings on representation petitions be conducted pursuant to section 405 of the CAA. Such hearings are investigatory in nature; and they do not require formal adversarial proceedings. They are to be conducted as part of the Board's authority to investigate representation petitions pursuant to the provisions of chapter 71 that are applied by the CAA. They thus need not be conducted by hearing officers under section 405.

(2) Procedural matters

The Board has further concluded that there is good cause to modify the FLRA's substantive regulations by omitting provisions that set forth procedures which are already provided for under comparable provisions of the Office's procedural rules. There are obvious benefits to having one set of procedural rules for matters arising under the CAA. Indeed, one commenter suggested this beneficial outcome in arguing why certain rules should not be considered to be "substantive regulations" within the meaning of section 304. While the Board believes that the rules are in fact substantive regulations, it believes that the benefits of having one set of procedural rules provides the "good cause" needed to modify the FLRA's substantive regulations in this respect.

Accordingly, provisions of Part 2423 relating to the filing of complaints and the conduct of hearings on allegations of violations of section 220 have been deleted or modified, as appropriate, where there is a specific regulation on the same matters in the Office's procedural rules. Similarly, provisions of Part 2429 of the FLRA's regulations relating to such matters as service, interlocutory appeals, computation of time, and methods of filing have been deleted or modified, to the extent that they are the same as, or specifically provided for under, procedural rules already issued. Finally, section 2429.9 relating to presentations by an amicus curiae and section 2429.17, which provides procedures for seeking Board reconsideration, have also been deleted. Although these subjects are not now covered by the Office's procedural rules, they have general applicability to Board proceedings under the CAA. The Board has determined that it would be more effective for the implementation of the rights and protections under the CAA to propose and issue rules relating to amicus filings and reconsideration in all matters before the Board as part of a rulemaking under section 303 of the Act.

(3) Arbitral awards on adverse actions

The Board also agrees with the commenter who suggested the deletion of section 2425.3(b), a provision that precludes the FLRA's review of arbitration awards involving certain adverse actions. Under chapter 71, Congress generally provided for the review of arbitration awards by the FLRA. However, for awards relating to matters in which an employee has an option of either filing an appeal with the Merit Systems Protection Board (or another adjudicative body) or of filing a grievance under a negotiated grievance procedure, Congress provided for judicial review of the award under the same standards of review that would be accorded to a decision of the MSPB or another appellate body. Therefore, there is a symmetrical framework for the review of arbitration awards involving certain adverse actions in the general Federal civil service in which decisions on such matters, whether made by an arbitrator or an adjudicative body, are subject to the same judicial review. In contrast, there is no such symmetry of review under the CAA because legislative branch employees have no recourse to the MSPB or other similar administrative agencies and there is no judicial review of arbitrators' awards. If section 2425.3(b) were not deleted, employees and employing offices under the CAA would be deprived of a forum for review of arbitration awards involving certain adverse actions. Accordingly, the Board concludes that there is good cause to modify the FLRA's regulations by deleting section 2425.3(b).

(4) Consultation rights

Under section 2426.1(a) of the FLRA's regulations, an agency or an agency's primary national subdivision shall accord national consultation rights to a labor organization that "[h]olds exclusive recognition for either: (i) Ten percent (10%) or more of the total number of civilian personnel employed by the agency and the non-appropriated fund Federal instrumentalities under its jurisdiction, excluding foreign nationals; or (ii) 3,500 or more employees of the agency." The Board has determined that the 10% threshold requirement should not be modified for good cause, as one commenter suggested. The Board agrees with the commenter that the small size of many employing offices in the legislative branch must be considered. However, the FLRA considered 10% of the employees of an agency or primary national subdivision to be a significant enough proportion of the employee complement to allow for meaningful consultations, no matter the size of the agency or the number of its employees. No convincing reason has been provided by the commenter why the FLRA's judgment is not workable here, or why there should be a different threshold requirement for small legislative branch employing offices from that applicable to small executive branch agencies.

By contrast, the same concern for the small size of many employing offices has prompted the Board to conclude that good cause exists to modify the alternate threshold requirement—i.e., the requirement that a labor organization hold exclusive recognition of 3,500 or more of an agency's employees in order to be accorded national consultation rights. Although the Board has been unable through its research to determine the reasoning of the FLRA in choosing the number 3,500 as a threshold requirement, the number corresponds to the considerable size of many of the executive branch agencies. Because none of the employing offices has as many as 35,000 employees, the 3,500 employee threshold is irrelevant in light of the existence of the other threshold requirement, discussed above, of 10% of the employee complement. The Board thus finds that it is unworkable in this context and that there is good cause to delete it.

Section 2426.11(a) requires that "[a]n agency shall accord consultation rights on Government-wide rules or regulations to a labor organization that . . . [h]olds exclusive recognition for 3,500 or more employees." The Board has determined that this threshold requirement should also be deleted for good cause, since many of the employing offices in the legislative branch are considerably smaller than executive branch agencies. However, once this requirement is omitted, there is no other requirement in the regulations by which to determine whether consultation rights on Government-wide rules or regulations should be granted to a labor organization. Therefore, the Board has concluded that the 10% threshold requirement should be employed in this section as well. The 10% figure is used as an alternate criterion to 3,500 in according national consultation rights, and it is an appropriate standard to use for according consultation rights on Government-wide regulations as well.

(5) Enforcement of Decisions of the Assistant Secretary of Labor

As noted above, one commenter asserted that part 2428 of the FLRA's regulations is inapplicable under the CAA and should be omitted from the Board's regulations. Part 2428 of the FLRA's regulations provides a procedure for the Assistant Secretary of Labor for Labor-Management Relations to petition the FLRA to enforce decisions and orders of the Assistant Secretary with respect to labor organization conduct.

The Board has concluded that, although the Assistant Secretary has no enforcement authority over covered employing offices or covered employees, nothing in the CAA removes the Assistant Secretary of Labor's authority to regulate the conduct of labor organizations, even those that exclusively represent legislative branch employees. Indeed, 5 U.S.C. 7120(d) authorizes the Assistant Secretary of Labor for Labor-Management Relations to regulate the conduct of labor organizations and is specifically incorporated into the CAA. Further, nothing in the CAA would preclude the Assistant Secretary from petitioning the Board to enforce a decision and order involving a labor organization under the jurisdiction of the CAA. In this regard, the FLRA promulgated part 2428 as part of its authority under section 7105 of chapter 71 to "take such actions as are necessary and appropriate to effectively administer the provisions" of chapter 71. Under the CAA, the Board has specifically been granted the same authority to administer the provisions of chapter 71 as applied by the CAA. Accordingly, there is not good cause for the Board to omit part 2428 in its entirety or to decline to permit the Assistant Secretary to petition the Board in accordance with the procedures set forth therein.

However, the Board proposes not to adopt section 2428.3(a), which would require the Board to enforce any decision or order of the Assistant Secretary unless it is "arbitrary and capricious or based upon manifest disregard of the law." In light of section 225(f)(3) of the CAA, which states that the CAA does not authorize executive branch enforcement of the Act, the Board should not adopt a provision that would require the Board to defer to decisions of an executive branch agency. Accordingly, the Board has modified the provisions of part 2428 by omitting section 2428.3(a).

(6) Production of evidence in pre-election investigatory hearings

As noted in section I.B.2. above, section 7132 of chapter 71, which authorizes the issuance of subpoenas by various FLRA officials, was not made applicable by the CAA. Moreover, as pre-election investigatory hearings are not hearings that are conducted under section 405 of the CAA, subpoenas for documents or witnesses in such pre-election proceedings are not available under the CAA. Nonetheless, in order to properly decide disputed representation issues and effectively implement section 220 of the CAA, a complete investigatory record comparable to that developed by the FLRA under chapter 71 is necessary. Accordingly, there is good cause to modify section 2422.18 of the FLRA's regulations in order to ensure that such a record is made in the absence of the availability of subpoenas. To this end, the Board is specifically proposing the inclusion of section 2422.18(d), which provides that the parties have an obligation to produce existing documents and witnesses for the pre-election investigatory hearing in accordance with the instructions of the Executive Director; and the Board is further proposing that a willful failure to comply with such instructions may in appropriate circumstances result in an adverse inference being drawn on the issue related to the evidence sought.

(7) Selection of the unfair labor practice procedure or the negotiability procedure

The Board has determined that there is also good cause to delete the concluding sentence of sections 2423.5 and 2424.5 of the FLRA's regulations because, in the context of the CAA, they would serve improperly to deprive judicial review in certain circumstances. Generally, when an employing office asserts it has no duty to bargain over a proposal, a labor organization may seek a Board determination on the issue either through an unfair labor practice proceeding or a negotiability proceeding. However, the concluding sentences of the referenced regulations preclude a labor organization from filing an unfair labor practice charge in cases that solely involve an employing office's allegation that the duty to bargain in good faith does not extend to the matter proposed to be bargained and that do not involve actual or contemplated changes in conditions of employment. In such cases, those sentences of the regulations provide that a labor organization may only file a petition for review of a negotiability issue.

Unlike chapter 71, the CAA does not provide for direct judicial review of Board decisions and orders on petitions for review of negotiability issues. Rather, judicial review of Board determinations as to the negotiability of collective bargaining proposals is only available through an unfair labor practice proceeding involving a dispute over an employing office's duty to bargain. Accordingly, if sections 2423.5 and 2424.5 were not modified, a labor organization would, in certain circumstances, be precluded from electing to file an unfair labor practice charge and possibly obtaining judicial review of a Board decision. Rather, the labor organization would be required to file a petition for review of the negotiability issue and any unfavorable decision would be unreviewable. The Board concludes that it would be more effective for the implementation of the rights and protections under section 220 to delete the two specified sentences, thereby allowing a labor organization to use the unfair labor practice procedures in all circumstances.

(8) Official time

Section 2429.13 of the FLRA's regulations requires employing offices to grant "official time" to employees when the employees, participation in investigations or hearings is deemed necessary by hearing officers or Office officials. The Board has determined that section 2429.13 of the FLRA's regulations should be modified by striking the last sentence, which would require the payment by employing offices of transportation and per diem expenses associated with employees, participation in investigations or hearings on official time. The Board finds good cause to modify the provision in light of the decision of the United States Supreme Court in Bureau of Alcohol, Tobacco and Firearms v. Federal Labor Relations Authority, 464 U.S. 89, 104 S.Ct. 439 (1983), in which the Supreme Court held that the FLRA had exceeded its authority by requiring federal agencies to pay such per diem allowances and travel expenses. This regulatory requirement has been authoritatively and finally invalidated by the Supreme Court and thus has no applicability under the laws that have been incorporated by the CAA.

(9) The Board's exercise of the authorities of the Federal Service Impasses Panel

Section 2470 of the FLRA's regulations defines the Federal Service Impasses Panel as all members of the Panel or a quorum thereof and thus permits formal actions to be taken on behalf of the Panel by less than the Panel's full complement of members. The Federal Service Impasses Panel is composed of seven members. The Board, which will exercise the authorities of the Panel pursuant to section 220(c)(4) of the CAA, is a five-member body. It is the Board's determination that it will be more effective for the implementation of section 220(c)(4) to provide for the full Board, rather than a quorum thereof, to carry out its authorities under that section. Section 2470 of the regulation has been modified accordingly.

(10) Conflict of Interest

As noted above, one commenter asserted that sections 2422.7 and 2422.23 of the FLRA's regulations should be modified pursuant to section 220(d)(2)(B). The two referenced sections of the FLRA's regulations provide, respectively, that an employing office may be directed to post a notice advising affected employees of the filing of a representation petition and that an employing office will post a notice of election when an election is to be conducted. In both instances the notices, which in the context of the CAA will be prepared by the Office of Compliance, must be posted in places where notices are normally posted for the affected employees or they may be distributed in a manner by which notices are normally distributed. The commenter urges that these regulatory provisions be modified to prohibit the publication of any material relating to a labor organization in any area open to the public. In support of the proposed modification, the commenter states only that display of such material in public view creates, at the very least, an appearance of a conflict of interest insofar as it may appear that Congress is unduly influenced by particular labor organizations.

In the ANPR, the Board requested commenters to fully and specifically describe the conflict of interest or appearance thereof that they believe would exist were pertinent FLRA regulations not modified and to explain the necessity for avoiding the asserted conflict or appearance of conflict. The Board further asked commenters to explain how they interpret 220(d)(2)(B) and, in doing so, identify the factual and interpretive materials upon which they are relying. The commenter has not discussed section 220(d)(2)(B) or explained why the proposed modification, a specific prohibition on posting an Office of Compliance notice in a public area, is necessary to avoid an appearance of conflict; indeed, the commenter has not explained how the posting of a notice announcing the filing of a petition or an upcoming election would create the appearance of undue influence asserted by the commenter.

In the Board's view, no appearance of conflict of interest or undue influence is created by an employing office posting a notice, prepared by the Office of Compliance, advising covered employees of a pending petition or an election under a statute that Congress has specifically applied to itself, similar provisions of which apply in the private and public sectors. Nothing in the FLRA's regulations requires that notices be posted in public areas; the referenced notices must only be posted or distributed in the manner that other information affecting employees is posted or distributed. Moreover, since the notices are prepared by the Office of Compliance, which is an independent office in the legislative branch, no reasonable person could even begin to find undue influence from the posting itself.

The Board thus concludes that, contrary to the commenter's suggestion, it is not necessary to modify sections 2422.7 and 2422.23 of the FLRA's regulations to avoid a conflict of interest or appearance of conflict of interest. The Board therefore proposes to adopt those provisions with only technical changes in nomenclature.

II. Method of Approval

The Board recommends that (1) the version of the proposed regulations that shall apply to the Senate and employees of the Senate be approved by the Senate by resolution; (2) the version of the proposed regulations that shall apply to the House of Representatives and employees of the House of Representatives be approved by the House of Representatives by resolution; and (3) the version of the proposed regulations that shall apply to other covered employees and employing offices be approved by the Congress by concurrent resolution.

Signed at Washington, D.C., on this 14th day of May, 1996.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

Subchapter C

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Subchapter C

PART 2420—PURPOSE AND SCOPE

§ 2420.1 Purpose and scope.

The regulations contained in this subchapter are designed to implement the provisions of chapter 71 of title 5 of the United States Code, as applied by section 220 of the Congressional Accountability Act (CAA). They prescribe the procedures, basic principles or criteria under which the Board and the General Counsel, as applicable, will:

(a) Determine the appropriateness of units for labor organization representation under 5 U.S.C. 7112, as applied by the CAA;

(b) Supervise or conduct elections to determine whether a labor organization has been selected as an exclusive representative by a majority of the employees in an appropriate unit and otherwise administer the provisions of 5 U.S.C. 7111, as applied by the CAA, relating to the according of exclusive recognition to labor organizations;

(c) Resolve issues relating to the granting of national consultation rights under 5 U.S.C. 7113, as applied by the CAA;

(d) Resolve issues relating to determining compelling need for employing office rules and regulations under 5 U.S.C. 7117(b), as applied by the CAA;

(e) Resolve issues relating to the duty to bargain in good faith under 5 U.S.C. 7117(c), as applied by the CAA;

(f) Resolve issues relating to the granting of consultation rights with respect to conditions of employment under 5 U.S.C. 7117(d), as applied by the CAA;

(g) Conduct hearings and resolve complaints of unfair labor practices under 5 U.S.C. 7118, as applied by the CAA;

(h) Resolve exceptions to arbitrators' awards under 5 U.S.C. 7122, as applied by the CAA; and

(i) Take such other actions as are necessary and appropriate effectively to administer the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA.

PART 2421—MEANING OF TERMS AS USED IN THIS SUBCHAPTER

Sec.
2421.1 Act; CAA.
2421.2 Chapter 71.
2421.3 General Definitions.
2421.4 National consultation rights; consultation rights on Government-wide rules or regulations; exclusive recognition; unfair labor practices.
2421.5 Activity.
2421.6 Primary national subdivision.
2421.7 Executive Director.
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2421.10 Intervenor.
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2421.12 Appropriate unit.
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2421.14 Showing of interest.
2421.15 Regular and substantially equivalent employment.
2421.16 Petitioner.
2421.17 Eligibility Period.
2421.18 Election Agreement.
2421.19 Affected by Issues raised.
2421.20 Determinative challenged ballots.

§2421.1 Act; CAA.

The terms "Act" and "CAA" mean the Congressional Accountability Act of 1995 (P.L. 104-1, 109 Stat. 3, 2 U.S.C. §§1301-1438).

§2421.2 Chapter 71.

The term "chapter 71" means chapter 71 of title 5 of the United States Code.

§2421.3 General Definitions.

(a) The term "person" means an individual, labor organization or employing office.

(b) Except as noted in subparagraph (3) of this subsection, the term "employee" means an individual—

(1) Who is a current employee, applicant for employment, or former employee of: the House of Representatives; the Senate; the Capitol Guide Service; the Capitol Police; the Congressional Budget Office; the Office of the Architect of the Capitol; the Office of the Attending Physician; the Office of Compliance; or the Office of Technology Assessment; or

(2) Whose employment in an employing office has ceased because of any unfair labor practice under section 7116 of title 5 of the United States Code, as applied by the CAA, and who has not obtained any other regular and substantially equivalent employment as determined under regulations prescribed by the Board, but does not include——

(i) An alien or noncitizen of the United States who occupies a position outside of the United States;

(ii) A member of the uniformed services;

(iii) A supervisor or a management official or;

(iv) Any person who participates in a strike in violation of section 7311 of title 5 of the United States Code, as applied the CAA.

(3) For the purpose of determining the adequacy of a showing of interest or eligibility for consultation rights, except as required by law, applicants for employment and former employees are not considered employees.

(c) The term "employing office" means—

(1) The personal office of a Member of the House of Representatives or of a Senator;

(2) A committee of the House of Representatives or the Senate or a joint committee;

(3) Any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; or

(4) The Capitol Guide Board, the Capitol Police Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, the Office of Compliance, and the Office of Technology Assessment.

(d) The term "labor" organization means an organization composed in whole or in part of employees, in which employees participate and pay dues, and which has as a purpose the dealing with an employing office concerning grievances and conditions of employment, but does not include—

(1) An organization which, by its constitution, or otherwise, denies membership because of race, color, creed, national origin, sex, age, preferential or nonpreferential civil service status, political affiliation, marital status, or handicapping condition;

(2) An organization which advocates the overthrow of the constitutional form of government of the United States;

(3) An organization sponsored by an employing office; or

(4) An organization which participates in the conduct or a strike against the Government or any agency thereof or imposes a duty or obligation to conduct, assist, or participate in such a strike.

(e) The term "dues" means dues, fees, and assessments.

(f) The term "Board" means the Board of Directors of the Office of Compliance.

(g) The term "collective bargaining agreement" means an agreement entered into as a result of collective bargaining pursuant to the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA.

(h) The term "grievance" means any complaint—

(1) By any employee concerning any matter relating to the employment of the employee;

(2) By any labor organization concerning any matter relating to the employment of any employee; or

(3) By any employee, labor organization, or employing office concerning—

(i) The effect or interpretation, or a claim of breach, of a collective bargaining agreement; or

(ii) Any claimed violation, misinterpretation, or misapplication of any law, rule, or regulation affecting conditions of employment.

(i) The term "supervisor" means an individual employed by an employing office having authority in the interest of the employing office to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature, but requires the consistent exercise of independent judgment, except that, with respect to any unit which includes firefighters or nurses, the term "supervisor" includes only those individuals who devote a preponderance of their employment time to exercising such authority.

(j) The term "management official" means an individual employed by an employing office in a position the duties and responsibilities of which require or authorize the individual to formulate, determine, or influence the policies of the employing office.

(k) The term "collective bargaining" means the performance of the mutual obligation of the representative of an employing office and the exclusive representative of employees in an appropriate unit in the employing office to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached, but the obligation referred to in this paragraph does not compel either party to agree to a proposal or to make a concession.

(l) The "term confidential employee" means an employee who acts in a confidential capacity with respect to an individual who formulates or effectuates management policies in the field of labor-management relations.

(m) The term "conditions of employment" means personnel policies, practices, and matters, whether established by rule, regulation, or otherwise, affecting working conditions, except that such term does not include policies, practices, and matters—

(1) Relating to political activities prohibited under subchapter III of chapter 73 of title 5 of the United States Code, as applied by the CAA;

(2) Relating to the classification of any position; or

(3) To the extent such matters are specifically provided for by Federal statute.

(n) The term "professional employee" means—

(1) An employee engaged in the performance of work—

(i) Requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital (as distinguished from knowledge acquired by a general academic education, or from an apprenticeship, or from training in the performance of routine mental, manual, mechanical, or physical activities);

(ii) Requiring the consistent exercise of discretion and judgment in its performance;

(iii) Which is predominantly intellectual and varied in character (as distinguished from routine mental, manual, mechanical, or physical work); and

(iv) Which is of such character that the output produced or the result accomplished by such work cannot be standardized in relation to a given period of time; or

(2) An employee who has completed the courses of specialized intellectual instruction and study described in subparagraph (1)(i) of this paragraph and is performing related work under appropriate direction and guidance to qualify the employee as a professional employee described in subparagraph (1) of this paragraph.

(o) The term "exclusive representative" means any labor organization which is certified as the exclusive representative of employees in an appropriate unit pursuant to section 7111 of title 5 of the United States Code, as applied by the CAA.

(p) The term "firefighter" means any employee engaged in the performance of work directly connected with the control and extinguishment of fires or the maintenance and use of firefighting apparatus and equipment.

(q) The term "United States" means the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Trust Territory of the Pacific Islands, and any territory or possession of the United States.

(r) The term "General Counsel" means the General Counsel of the Office of Compliance.

(s) The term "Assistant Secretary" means the Assistant Secretary of Labor for Labor-Management Relations.

§2421.4 National consultation rights; consultation rights on Government-wide rules or regulations; exclusive recognition; unfair labor practices.

(a)(1) The term "national consultation rights" means that a labor organization that is the exclusive representative of a substantial number of the employees of the employing office, as determined in accordance with criteria prescribed by the Board, shall—

(i) Be informed of any substantive change in conditions of employment proposed by the employing office; and

(ii) Be permitted reasonable time to present its views and recommendations regarding the changes.

(2) National consultation rights shall terminate when the labor organization no

longer meets the criteria prescribed by the Board. Any issue relating to any labor organization's eligibility for, or continuation of, national consultation rights shall be subject to determination by the Board.

(b)(1) The term "consultation rights on Government-wide rules or regulations" means that a labor organization which is the exclusive representative of a substantial number of employees of an employing office determined in accordance with criteria prescribed by the Board, shall be granted consultation rights by the employing office with respect to any Government-wide rule or regulation issued by the employing office effecting any substantive change in any condition of employment. Such consultation rights shall terminate when the labor organization no longer meets the criteria prescribed by the Board. Any issue relating to a labor organizations eligibility for, or continuation of, such consultation rights shall be subject to determination by the Board.

(2) A labor organization having consultation rights under paragraph (1) of this subsection shall—

(i) Be informed of any substantive change in conditions of employment proposed by the employing office; and

(ii) shall be permitted reasonable time to present its views and recommendations regarding the changes.

(3) If any views or recommendations are presented under paragraph (2) of this subsection to an employing office by any labor organization—

(i) The employing office shall consider the views or recommendations before taking final action on any matter with respect to which the views or recommendations are presented; and

(ii) The employing office shall provide the labor organization a written statement of the reasons for taking the final action.

(c) The term "exclusive recognition" means that a labor organization has been selected as the sole representative, in a secret ballot election, by a majority of the employees in an appropriate unit who cast valid ballots in an election.

(d) The term "unfair labor practices" means—

(1) Any of the following actions taken by an employing office—

(i) Interfering with, restraining, or coercing any employee in the exercise by the employee of any right under chapter 71, as applied by the CAA;

(ii) Encouraging or discouraging membership in any labor organization by discrimination in connection with hiring, tenure, promotion, or other condition of employment;

(iii) Sponsoring, controlling, or otherwise assisting any labor organization, other than to furnish, upon request, customary and routine services and facilities if the services and facilities are also furnished on an impartial basis to other labor organizations having equivalent status;

(iv) Disciplining or otherwise discriminating against an employee because the employee has filed a complaint, affidavit, or petition, or has given any information or testimony under chapter 71, as applied by the CAA;

(v) Refusing to consult or negotiate in good faith with a labor organization as required by chapter 71, as applied by the CAA;

(vi) Failing or refusing to cooperate in impasse procedures and impasse decisions as required by chapter 71, as applied by the CAA;

(vii) Enforcing any rule or regulation (other than a rule or regulation implementing section 2302 of this title) which is in conflict with any applicable collective bargaining agreement if the agreement was in effect before the date the rule or regulation was prescribed; or

(viii) Otherwise failing or refusing to comply with any provision of chapter 71, as applied by the CAA;

(2) Any of the following actions taken by a labor organization—

(i) Interfering with, restraining, or coercing any employee in the exercise by the employee of any right under this chapter;

(ii) Causing or attempting to cause an employing office to discriminate against any employee in the exercise by the employee of any right under this chapter;

(iii) Coercing, disciplining, fining, or attempting to coerce a member of the labor organization as punishment, reprisal, or for the purpose of hindering or impeding the member's work performance or productivity as an employee or the discharge of the members' duties as an employee;

(iv) Discriminating against an employee with regard to the terms or conditions of membership in the labor organization on the basis of race, color, creed, national origin, sex, age, preferential or nonpreferential civil service status, political affiliation, marital status, or handicapping condition;

(v) Refusing to consult or negotiate in good faith with an employing office as required by chapter 71, as applied by the CAA;

(vi) Failing or refusing to cooperate in impasse procedures and impasse decisions as required by chapter 71, as applied by the CAA;

(vii)(A) Calling, or participating in, a strike, work stoppage, or slowdown, or picketing of an employing office in a labor-management dispute if such picketing interferes with an employing office's operations; or

(B) Condoning any activity described in subparagraph (A) of this paragraph by failing to take action to prevent or stop such activity; or

(viii) Otherwise failing or refusing to comply with any provision of chapter 71, as applied by the CAA;

(3) Denial of membership by an exclusive representative to any employee in the appropriate unit represented by such exclusive representative except for failure—

(i) To meet reasonable occupational standards uniformly required for admission, or

(ii) To tender dues uniformly required as a condition of acquiring and retaining membership.

§2421.5 Activity.

The term "activity" means any facility, organizational entity, or geographical subdivision or combination thereof, of any employing office.

§2421.6 Primary national subdivision.

"Primary national subdivision" of an employing office means a first-level organizational segment which has functions national in scope that are implemented in field activities.

§2421.7 Executive Director.

"Executive Director" means the Executive Director of the Office of Compliance.

§2421.8 Hearing Officer.

The term "Hearing Officer" means any individual designated by the Executive Director to preside over a hearing conducted pursuant to section 405 of the CAA on matters within the Office's jurisdiction, including a hearing arising in cases under 5 U.S.C. 7116, as applied by the CAA, and any other such matters as may be assigned.

§2421.9 Party.

The term "party" means:

(a) Any labor organization, employing office or employing activity or individual filing a charge, petition, or request;

(b) Any labor organization or employing office or activity.

(1) Named as—

(i) A charged party in a charge,

(ii) A respondent in a complaint, or

(iii) An employing office or activity or an incumbent labor organization in a petition.

(2) Whose intervention in a proceeding has been permitted or directed by the Board; or

(3) Who participated as a party.

(i) In a matter that was decided by an employing office head under 5 U.S.C. 7117, as applied by the CAA, or

(ii) In a matter where the award of an arbitrator was issued; and

(c) The General Counsel, or the General Counsel's designated representative, in appropriate proceedings.

§2421.10 Intervenor.

The term "intervenor" means a party in a proceeding whose intervention has been permitted or directed by the Board, its agents or representatives.

§2421.11 Certification.

The term "certification" means the determination by the Board, its agents or representatives, of the results of an election, or the results of a petition to consolidate existing exclusively recognized units.

§2421.12 Appropriate unit.

The term "appropriate unit" means that grouping of employees found to be appropriate for purposes of exclusive recognition under 5 U.S.C. 7111, as applied by the CAA, and for purposes of allotments to representatives under 5 U.S.C. 7115(c), as applied by the CAA, and consistent with the provisions of 5 U.S.C. 7112, as applied by the CAA.

§2421.13 Secret ballot.

The term "secret ballot" means the expression by ballot, voting machine or otherwise, but in no event by proxy, of a choice with respect to any election or vote taken upon any matter, which is cast in such a manner that the person expressing such choice cannot be identified with the choice expressed, except in that instance in which any determinative challenged ballot is opened.

§2421.14 Showing of interest.

The term "showing of interest" means evidence of membership in a labor organization; employees' signed and dated authorization cards or petitions authorizing a labor organization to represent them for purposes of exclusive recognition; allotment of dues forms executed by an employee and the labor organization's authorized official; current dues records; an existing or recently expired agreement; current certification; employees' signed and dated petitions or cards indicating that they no longer desire to be represented for the purposes of exclusive recognition by the currently certified labor organization; employees' signed and dated petitions or cards indicating a desire that an election be held on a proposed consolidation of units; or other evidence approved by the Board.

§2421.15 Regular and substantially equivalent employment.

The term "regular and substantially equivalent employment" means employment that entails substantially the same amount of work, rate of pay, hours, working conditions, location of work, kind of work, and seniority rights, if any, of an employee prior to the cessation of employment in an employing office because of any unfair labor practice under 5 U.S.C. 7116, as applied by the CAA.

§ 2421.16 Petitioner.

"Petitioner" means the party filing a petition under Part 2422 of this Subchapter.

§ 2421.17 Eligibility period.

The term "eligibility period" means the payroll period during which an employee must be in an employment status with an employing office or activity in order to be eligible to vote in a representation election under Part 2422 of this Subchapter.

§ 2421.18 Election agreement.

The term "election agreement" means an agreement under Part 2422 of this Subchapter signed by all the parties, and approved by the Board, the Executive Director, or any other individual designated by the Board, concerning the details and procedures of a representation election in an appropriate unit.

§ 2421.19 Affected by issues raised.

The phrase "affected by issues raised", as used in Part 2422, should be construed broadly to include parties and other labor organizations, or employing offices or activities that have a connection to employees affected by, or questions presented in, a proceeding.

§ 2421.20 Determinative challenged ballots.

"Determinative challenged ballots" are challenges that are unresolved prior to the tally and sufficient in number after the tally to affect the results of the election.

PART 2422—REPRESENTATION PROCEEDINGS

Sec.

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§ 2422.1 Purposes of a petition.

A petition may be filed for the following purposes:

(a) *Elections or Eligibility for dues allotment.* To request:

(1)(i) An election to determine if employees in an appropriate unit wish to be represented for the purpose of collective bargaining by an exclusive representative; and/or

(ii) A determination of eligibility for dues allotment in an appropriate unit without an exclusive representative; or

(2) An election to determine if employees in a unit no longer wish to be represented for the purpose of collective bargaining by an exclusive representative.

(3) Petitions under this subsection must be accompanied by an appropriate showing of interest.

(b) *Clarification or Amendment.* To clarify, and/or amend:

(1) A certification then in effect; and/or

(2) Any other matter relating to representation.

(c) *Consolidation.* To consolidate two or more units, with or without an election, in an employing office and for which a labor organization is the exclusive representative.

§ 2422.2 Standing to file a petition.

A representation petition may be filed by: an individual; a labor organization; two or more labor organizations acting as a joint-petitioner; an individual acting on behalf of any employee(s); an employing office or activity; or a combination of the above: *provided, however,* that (a) only a labor organization has standing to file a petition pursuant to section 2422.1(a)(1); (b) only an individual has standing to file a petition pursuant to section 2422.1(a)(2); and (c) only an employing office or a labor organization may file a petition pursuant to section 2422.1(b) or (c).

§ 2422.3 Contents of a petition.

(a) *What to file.* A petition must be filed on a form prescribed by the Board and contain the following information:

(1) The name and mailing address for each employing office or activity affected by issues raised in the petition, including street number, city, state and zip code.

(2) The name, mailing address and work telephone number of the contact person for each employing office or activity affected by issues raised in the petition.

(3) The name and mailing address for each labor organization affected by issues raised in the petition, including street number, city, state and zip code. If a labor organization is affiliated with a national organization, the local designation and the national affiliation should both be included. If a labor organization is an exclusive representative of any of the employees affected by issues raised in the petition, the date of the certification and the date any collective bargaining agreement covering the unit will expire or when the most recent agreement did expire should be included, if known.

(4) The name, mailing address and work telephone number of the contact person for each labor organization affected by issues raised in the petition.

(5) The name and mailing address for the petitioner, including street number, city, state and zip code. If a labor organization petitioner is affiliated with a national organization, the local designation and the national affiliation should both be included.

(6) A description of the unit(s) affected by issues raised in the petition. The description should generally indicate the geographic locations and the classifications of the employees included (or sought to be included) in, and excluded (or sought to be excluded) from, the unit.

(7) The approximate number of employees in the unit(s) affected by issues raised in the petition.

(8) A clear and concise statement of the issues raised by the petition and the results the petitioner seeks.

(9) A declaration by the person signing the petition, under the penalties of the Criminal Code (18 U.S.C. 1001), that the contents of the petition are true and correct to the best of the person's knowledge and belief.

(10) The signature, title, mailing address and telephone number of the person filing the petition.

(b) *Compliance with 5 U.S.C. 7111(e), as applied by the CAA.* A labor organization/petitioner complies with 5 U.S.C. 7111(e), as applied by the CAA, by submitting to the employing office or activity and to the Department of Labor a roster of its officers and representatives, a copy of its constitution and bylaws, and a statement of its objectives. By signing the petition form, the labor organization/petitioner certifies that it has submitted these documents to the employing activity or office and to the Department of Labor.

(c) *Showing of interest supporting a representation petition.* When filing a petition requiring a showing of interest, the petitioner must:

(1) So indicate on the petition form;

(2) Submit with the petition a showing of interest of not less than thirty percent (30%) of the employees in the unit involved in the petition; and

(3) Include an alphabetical list of the names constituting the showing of interest.

(d) *Petition seeking dues allotment.* When there is no exclusive representative, a petition seeking certification for dues allotment shall be accompanied by a showing of membership in the petitioner of not less than ten percent (10%) of the employees in the unit claimed to be appropriate. An alphabetical list of names constituting the showing of membership must be submitted.

§ 2422.4 Service requirements.

Every petition, motion, brief, request, challenge, written objection, or application for review shall be served on all parties affected by issues raised in the filing. The service shall include all documentation in support thereof, with the exception of a showing of interest, evidence supporting challenges to the validity of a showing of interest, and evidence supporting objections to an election. The filer must submit a written statement of service to the Executive Director.

§ 2422.5 Filing petitions.

(a) *Where to file.* Petitions must be filed with the Executive Director.

(b) *Number of copies.* An original and two (2) copies of the petition and the accompanying material must be filed with the Executive Director.

(c) *Date of filing.* A petition is filed when it is received by the Executive Director.

§ 2422.6 Notification of filing.

(a) *Notification to parties.* After a petition is filed, the Executive Director, on behalf of the Board, will notify any labor organization, employing office or employing activity that the parties have identified as being affected by issues raised by the petition, that a petition has been filed with the Office. The Executive Director, on behalf of the Board, will also make reasonable efforts to identify and notify any other party affected by the issues raised by the petition.

(b) *Contents of the notification.* The notification will inform the labor organization, employing office or employing activity of:

(1) The name of the petitioner;

(2) The description of the unit(s) or employees affected by issues raised in the petition; and,

(3) A statement that all affected parties should advise the Executive Director in writing of their interest in the issues raised in the petition.

§2422.7 Posting notice of filing of a petition.

(a) *Posting notice of petition.* When appropriate, the Executive Director, on behalf of the Board, after the filing of a representation petition, will direct the employing office or activity to post copies of a notice to all employees in places where notices are normally posted for the employees affected by issues raised in the petition and/or distribute copies of a notice in a manner by which notices are normally distributed.

(b) *Contents of notice.* The notice shall advise affected employees about the petition.

(c) *Duration of notice.* The notice should be conspicuously posted for a period of ten (10) days and not be altered, defaced, or covered by other material.

§2422.8 Intervention and cross-petitions.

(a) *Cross-petitions.* A cross-petition is a petition which involves any employees in a unit covered by a pending representation petition. Cross-petitions must be filed in accordance with this subpart.

(b) *Intervention requests and cross-petitions.* A request to intervene and a cross-petition, accompanied by any necessary showing of interest, must be submitted in writing and filed with the Executive Director before the pre-election investigatory hearing opens, unless good cause is shown for granting an extension. If no pre-election investigatory hearing is held, a request to intervene and a cross-petition must be filed prior to action being taken pursuant to §2422.30.

(c) *Labor organization intervention requests.* Except for incumbent intervenors, a labor organization seeking to intervene shall submit a statement that it has complied with 5 U.S.C. 7111(e), as applied by the CAA, and one of the following:

(1) A showing of interest of ten percent (10%) or more of the employees in the unit covered by a petition seeking an election, with an alphabetical list of the names of the employees constituting the showing of interest; or

(2) A current or recently expired collective bargaining agreement covering any of the employees in the unit affected by issues raised in the petition; or

(3) Evidence that it is or was, prior to a reorganization, the certified exclusive representative of any of the employees affected by issues raised in the petition.

(d) *Incumbent.* An incumbent exclusive representative, without regard to the requirements of paragraph (c) of this section, will be considered a party in any representation proceeding raising issues that affect employees the incumbent represents, unless it serves the Board, through the Executive Director, with a written disclaimer of any representation interest in the claimed unit.

(e) *Employing office.* An employing office or activity will be considered a party if any of its employees are affected by issues raised in the petition.

(f) *Employing office or activity intervention.* An employing office or activity seeking to intervene in any representation proceeding must submit evidence that one or more employees of the employing office or activity may be affected by issues raised in the petition.

§2422.9 Adequacy of showing of interest.

(a) *Adequacy.* Adequacy of a showing of interest refers to the percentage of employees in the unit involved as required by §§2422.3 (c) and (d) and 2422.8(c)(1).

(b) *Executive Director investigation and action.* The Executive Director, on behalf of the Board, will conduct such investigation as deemed appropriate. The Executive Director's determination, on behalf of the Board, that the showing of interest is adequate is final and binding and not subject to collateral attack at a representation hearing or on appeal to the Board. If the Executive Director determines, on behalf of the Board, that a showing of interest is inadequate, the Executive Director will dismiss the petition, or deny a request for intervention.

§2422.10 Validity of showing of interest.

(a) *Validity.* Validity questions are raised by challenges to a showing of interest on grounds other than adequacy.

(b) *Validity challenge.* The Executive Director or any party may challenge the validity of a showing of interest.

(c) *When and where validity challenges may be filed.* Party challenges to the validity of a showing of interest must be in writing and filed with the Executive Director before the pre-election investigatory hearing opens, unless good cause is shown for granting an extension. If no pre-election investigatory hearing is held, challenges to the validity of a showing of interest must be filed prior to action being taken pursuant to §2422.30.

(d) *Contents of validity challenges.* Challenges to the validity of a showing of interest must be supported with evidence.

(e) *Executive Director investigation and action.* The Executive Director, on behalf of the Board, will conduct such investigation as deemed appropriate. The Executive Director's determination, on behalf of the Board, that a showing of interest is valid is final and binding and is not subject to collateral attack or appeal to the Board. If the Executive Director finds, on behalf of the Board, that the showing of interest is not valid, the Executive Director will dismiss the petition or deny the request to intervene.

§2422.11 Challenge to the status of a labor organization.

(a) *Basis of challenge to labor organization status.* The only basis on which a challenge to the status of a labor organization may be made is compliance with 5 U.S.C. 7103(a)(4), as applied by the CAA.

(b) *Format and time for filing a challenge.* Any party filing a challenge to the status of a labor organization involved in the processing of a petition must do so in writing to the Executive Director before the pre-election investigatory hearing opens, unless good cause is shown for granting an extension. If no hearing is held, challenges must be filed prior to action being taken pursuant to §2422.30.

§2422.12 Timeliness of petitions seeking an election.

(a) *Election bar.* Where there is no certified exclusive representative, a petition seeking an election will not be considered timely if filed within twelve (12) months of a valid election involving the same unit or a subdivision of the same unit.

(b) *Certification bar.* Where there is a certified exclusive representative of employees, a petition seeking an election will not be considered timely if filed within twelve (12) months after the certification of the exclusive representative of the employees in an appropriate unit. If a collective bargaining agreement covering the claimed unit is pending employing office head review under 5 U.S.C. 7114(c), as applied by the CAA, or is in effect, paragraphs (c), (d), or (e) of this section apply.

(c) *Bar during employing office head review.* A petition seeking an election will not be considered timely if filed during the period of employing office head review under 5 U.S.C. 7114(c), as applied by the CAA. This bar expires upon either the passage of thirty (30) days absent employing office head action, or upon the date of any timely employing office head action.

(d) *Contract bar where the contract is for three (3) years or less.* Where a collective bargaining agreement is in effect covering the claimed unit and has a term of three (3) years or less from the date it became effective, a petition seeking an election will be considered timely if filed not more than one hundred and five (105) and not less than sixty (60) days prior to the expiration of the agreement.

(e) *Contract bar where the contract is for more than three (3) years.* Where a collective bargaining agreement is in effect covering the claimed unit and has a term of more than three (3) years from the date it became effective, a petition seeking an election will be considered timely if filed not more than one hundred and five (105) and not less than sixty (60) days prior to the expiration of the initial three (3) year period, and any time after the expiration of the initial three (3) year period.

(f) *Unusual circumstances.* A petition seeking an election or a determination relating to representation matters may be filed at any time when unusual circumstances exist that substantially affect the unit or majority representation.

(g) *Premature extension.* Where a collective bargaining agreement with a term of three (3) years or less has been extended prior to sixty (60) days before its expiration date, the extension will not serve as a basis for dismissal of a petition seeking an election filed in accordance with this section.

(h) *Contract requirements.* Collective bargaining agreements, including agreements that go into effect under 5 U.S.C. 7114(c), as applied by the CAA, and those that automatically renew without further action by the parties, do not constitute a bar to a petition seeking an election under this section unless a clear and unambiguous effective date, renewal date where applicable, duration, and termination date are ascertainable from the agreement and relevant accompanying documentation.

§2422.13 Resolution of issues raised by a petition.

(a) *Meetings prior to filing a representation petition.* All parties affected by the representation issues that may be raised in a petition are encouraged to meet prior to the filing of the petition to discuss their interests and narrow and resolve the issues. If requested by all parties a representative of the Office will participate in these meetings.

(b) *Meetings to narrow and resolve the issues after the petition is filed.* After a petition is filed, the Executive Director may require all affected parties to meet to narrow and resolve the issues raised in the petition.

§2422.14 Effect of withdrawal/dismissal.

(a) *Withdrawal/dismissal less than sixty (60) days before contract expiration.* When a petition seeking an election that has been timely filed is withdrawn by the petitioner or dismissed by the Executive Director or the

Board less than sixty (60) days prior to the expiration of an existing agreement between the incumbent exclusive representative and the employing office or activity or any time after the expiration of the agreement, another petition seeking an election will not be considered timely if filed within a ninety (90) day period from either:

(1) The date the withdrawal is approved; or

(2) The date the petition is dismissed by the Executive Director when no application for review is filed with the Board; or

(3) The date the Board rules on an application for review; or

(4) The date the Board issues a Decision and Order dismissing the petition.

Other pending petitions that have been timely filed under this Part will continue to be processed.

(b) *Withdrawal by petitioner.* A petitioner who submits a withdrawal request for a petition seeking an election that is received by the Executive Director after the notice of pre-election investigatory hearing issues or after approval of an election agreement, whichever occurs first, will be barred from filing another petition seeking an election for the same unit or any subdivision of the unit for six (6) months from the date of the approval of the withdrawal by the Executive Director.

(c) *Withdrawal by incumbent.* When an election is not held because the incumbent disclaims any representation interest in a unit, a petition by the incumbent seeking an election involving the same unit or a subdivision of the same unit will not be considered timely if filed within six (6) months of cancellation of the election.

§2422.15 Duty to furnish information and cooperate.

(a) *Relevant information.* After a petition is filed, all parties must, upon request of the Executive Director, furnish the Executive Director and serve all parties affected by issues raised in the petition with information concerning parties, issues, and agreements raised in or affected by the petition.

(b) *Inclusions and exclusions.* After a petition seeking an election is filed, the Executive Director, on behalf of the Board, may direct the employing office or activity to furnish the Executive Director and all parties affected by issues raised in the petition with a current alphabetized list of employees and job classifications included in and/or excluded from the existing or claimed unit affected by issues raised in the petition.

(c) *Cooperation.* All parties are required to cooperate in every aspect of the representation process. This obligation includes cooperating fully with the Executive Director, submitting all required and requested information, and participating in prehearing conferences and pre-election investigatory hearings. The failure to cooperate in the representation process may result in the Executive Director or the Board taking appropriate action, including dismissal of the petition or denial of intervention.

§2422.16 Election agreements or directed elections.

(a) *Election agreements.* Parties are encouraged to enter into election agreements.

(b) *Executive Director directed election.* If the parties are unable to agree on procedural matters, specifically, the eligibility period, method of election, dates, hours, or locations of the election, the Executive Director, on behalf of the Board, will decide election procedures and issue a Direction of Election, without prejudice to the rights of a party to file objections to the procedural conduct of the election.

(c) *Opportunity for an investigatory hearing.* Before directing an election, the Executive Director shall provide affected parties an opportunity for a pre-election investigatory hearing on other than procedural matters.

(d) *Challenges or objections to a directed election.* A Direction of Election issued under this section will be issued without prejudice to the right of a party to file a challenge to the eligibility of any person participating in the election and/or objections to the election.

§2422.17 Notice of pre-election investigatory hearing and prehearing conference.

(a) *Purpose of notice of an investigatory hearing.* The Executive Director, on behalf of the Board, may issue a notice of pre-election investigatory hearing involving any issues raised in the petition.

(b) *Contents.* The notice of hearing will advise affected parties about the pre-election investigatory hearing. The Executive Director will also notify affected parties of the issues raised in the petition and establish a date for the prehearing conference.

(c) *Prehearing conference.* A prehearing conference will be conducted by the Executive Director or her designee, either by meeting or teleconference. All parties must participate in a prehearing conference and be prepared to fully discuss, narrow and resolve the issues set forth in the notification of the prehearing conference.

(d) *No interlocutory appeal of investigatory hearing determination.* The Executive Director's determination of whether to issue a notice of pre-election investigatory hearing is not appealable to the Board.

§2422.18 Pre-election investigatory hearing procedures.

(a) *Purpose of a pre-election investigatory hearing.* Representation hearings are considered investigatory and not adversarial. The purpose of the hearing is to develop a full and complete record of relevant and material facts.

(b) *Conduct of hearing.* Pre-election investigatory hearings will be open to the public unless otherwise ordered by the Executive Director or her designee. There is no burden of proof, with the exception of proceedings on objections to elections as provided for in §2422.27(b). Formal rules of evidence do not apply.

(c) *Pre-election investigatory hearing.* Pre-election investigatory hearings will be conducted by the Executive Director or her designee.

(d) *Production of evidence.* Parties have the obligation to produce existing documents and witnesses for the investigatory hearing in accordance with the instructions of the Executive Director or her designee. If a party willfully fails to comply with such instructions, the Board may draw an inference adverse to that party on the issue related to the evidence sought.

(e) *Transcript.* An official reporter will make the official transcript of the pre-election investigatory hearing. Copies of the official transcript may be examined in the Office during normal working hours. Requests by parties to purchase copies of the official transcript should be made to the official hearing reporter.

§2422.19 Motions.

(a) *Purpose of a motion.* Subsequent to the issuance of a notice of pre-election investigatory hearing in a representation proceeding, a party seeking a ruling, an order, or relief must do so by filing or raising a motion stating the order or relief sought and the grounds therefor. Challenges and other filings referenced in other sections of this subpart may, in the discretion of the Executive Director or her designee, be treated as a motion.

(b) *Prehearing motions.* Prehearing motions must be filed in writing with the Executive Director. Any response must be filed with the Executive Director within five (5) days after service of the motion. The Executive Director shall rule on the motion.

(c) *Motions made at the investigatory hearing.* During the pre-election investigatory hearing, motions will be made to the Executive Director or her designee, and may be oral on the record, unless otherwise required in this subpart to be in writing. Responses may be oral on the record or in writing, but, absent permission of the Executive Director or her designee, must be provided before the hearing closes. The Executive Director or her designee will rule on motions made at the hearing.

(d) *Posthearing motions.* Motions made after the hearing closes must be filed in writing with the Board. Any response to a posthearing motion must be filed with the Board within five (5) days after service of the motion.

§2422.20 Rights of parties at a pre-election investigatory hearing.

(a) *Rights.* A party at a pre-election investigatory hearing will have the right:

(1) To appear in person or by a representative;

(2) To examine and cross-examine witnesses; and

(3) To introduce into the record relevant evidence.

(b) *Documentary evidence and stipulations.* Parties must submit two (2) copies of documentary evidence to the Executive Director or her designee and copies to all other parties. Stipulations of fact between/among the parties may be introduced into evidence.

(c) *Oral argument.* Parties will be entitled to a reasonable period prior to the close of the hearing for oral argument. Presentation of a closing oral argument does not preclude a party from filing a brief under paragraph (d) of this section.

(d) *Briefs.* A party will be afforded an opportunity to file a brief with the Board.

(1) An original and two (2) copies of a brief must be filed with the Board within thirty (30) days from the close of the hearing.

(2) A written request for an extension of time to file a brief must be filed with and received by the Board no later than five (5) days before the date the brief is due.

(3) No reply brief may be filed without permission of the Board.

§2422.21 Duties and powers of the Executive Director in the conduct of the pre-election investigatory hearing.

(a) *Duties.* The Executive Director or her designee, on behalf of the Board, will receive evidence and inquire fully into the relevant and material facts concerning the matters that are the subject of the investigatory hearing, and may make recommendations on the record to the Board.

(b) *Powers.* During the period a case is assigned to the Executive Director or her designee for pre-election investigatory hearing and prior to the close of the hearing, the Executive Director or her designee may take any action necessary to schedule, conduct, continue, control, and regulate the pre-election investigatory hearing, including ruling on motions when appropriate.

§2422.22 Objections to the conduct of the pre-election investigatory hearing.

(a) *Objections.* Objections are oral or written complaints concerning the conduct of a pre-election investigatory hearing.

(b) *Exceptions to rulings*. There are automatic exceptions to all adverse rulings.

§2422.23 Election procedures.

(a) *Executive Director conducts or supervises election*. The Executive Director, on behalf of the Board, will decide to conduct or supervise the election. In supervised elections, employing offices or activities will perform all acts as specified in the Election Agreement or Direction of Election.

(b) *Notice of election*. Prior to the election a notice of election, prepared by the Executive Director, will be posted by the employing office or activity in places where notices to employees are customarily posted and/or distributed in a manner by which notices are normally distributed. The notice of election will contain the details and procedures of the election, including the appropriate unit, the eligibility period, the date(s), hour(s) and location(s) of the election, a sample ballot, and the effect of the vote.

(c) *Sample ballot*. The reproduction of any document purporting to be a copy of the official ballot that suggests either directly or indirectly to employees that the Board endorses a particular choice in the election may constitute grounds for setting aside an election if objections are filed under §2422.26.

(d) *Secret ballot*. All elections will be by secret ballot.

(e) *Intervenor withdrawal from ballot*. When two or more labor organizations are included as choices in an election, an intervening labor organization may, prior to the approval of an election agreement or before the direction of an election, file a written request with the Executive Director to remove its name from the ballot. If the request is not received prior to the approval of an election agreement or before the direction of an election, unless the parties and the Executive Director, on behalf of the Board, agree otherwise, the intervening labor organization will remain on the ballot. The Executive Director's decision on the request is final and not subject to the filing of an application for review with the Board.

(f) *Incumbent withdrawal from ballot in an election to decertify an incumbent representative*. When there is no intervening labor organization, an election to decertify an incumbent exclusive representative will not be held if the incumbent provides the Executive Director with a written disclaimer of any representation interest in the unit. When there is an intervenor, an election will be held if the intervening labor organization proffers a thirty percent (30%) showing of interest within the time period established by the Executive Director.

(g) *Petitioner withdraws from ballot in an election*. When there is no intervening labor organization, an election will not be held if the petitioner provides the Executive Director with a written request to withdraw the petition. When there is an intervenor, an election will be held if the intervening labor organization proffers a thirty percent (30%) showing of interest within the time period established by the Executive Director.

(h) *Observers*. All parties are entitled to representation at the polling location(s) by observers of their own selection subject to the Executive Director's approval.

(1) Parties desiring to name observers must file in writing with the Executive Director a request for specifically named observers at least fifteen (15) days prior to an election. The Executive Director may grant an extension of time for filing a request for specifically named observers for good cause where a party requests such an extension or on the Executive Director's own motion. The request must name and identify the observers requested.

(2) An employing office or activity may use as its observers any employees who are not eligible to vote in the election, except:

(i) Supervisors or management officials;

(ii) Employees who have any official connection with any of the labor organizations involved; or

(iii) Non-employees of the legislative branch.

(3) A labor organization may use as its observers any employees eligible to vote in the election, except:

(i) Employees on leave without pay status who are working for the labor organization involved; or

(ii) Employees who hold an elected office in the union.

(4) Objections to a request for specific observers must be filed with the Executive Director stating the reasons in support within five (5) days after service of the request.

(5) The Executive Director's ruling on requests for and objections to observers is final and binding and is not subject to the filing of an application for review with the Board.

§2422.24 Challenged ballots.

(a) *Filing challenges*. A party or the Executive Director may, for good cause, challenge the eligibility of any person to participate in the election prior to the employee voting.

(b) *Challenged ballot procedure*. An individual whose eligibility to vote is in dispute will be given the opportunity to vote a challenged ballot. If the parties and the Region are unable to resolve the challenged ballot(s) prior to the tally of ballots, the unresolved challenged ballot(s) will be impounded and preserved until a determination can be made, if necessary, by the Executive Director or the Board.

§2422.25 Tally of ballots.

(a) *Tallying the ballots*. When the election is concluded, the Executive Director or her designee will tally the ballots.

(b) *Service of the tally*. When the tally is completed, the Executive Director will serve the tally of ballots on the parties in accordance with the election agreement or direction of election.

(c) *Valid ballots cast*. Representation will be determined by the majority of the valid ballots cast.

§2422.26 Objections to the election.

(a) *Filing objections to the election*. Objections to the procedural conduct of the election or to conduct that may have improperly affected the results of the election may be filed by any party. Objections must be filed and received by the Executive Director within five (5) days after the tally of ballots has been served. Any objections must be timely regardless of whether the challenged ballots are sufficient in number to affect the results of the election. The objections must be supported by clear and concise reasons. An original and two (2) copies of the objections must be received by the Executive Director.

(b) *Supporting evidence*. The objecting party must file with the Executive Director evidence, including signed statements, documents and other materials supporting the objections within ten (10) days after the objections are filed.

§2422.27 Determinative challenged ballots and objections.

(a) *Investigation*. The Executive Director, on behalf of the Board, will investigate objections and/or determinative challenged ballots that are sufficient in number to affect the results of the election.

(b) *Burden of proof*. A party filing objections to the election bears the burden of proof by a preponderance of the evidence concerning those objections. However, no party bears the burden of proof on challenged ballots.

(c) *Executive Director action*. After investigation, the Executive Director will take appropriate action consistent with §2422.30.

(d) *Consolidated hearing on objections and/or determinative challenged ballots and an unfair labor practice hearing*. When appropriate, and in accordance with §2422.33, objections and/or determinative challenged ballots may be consolidated with an unfair labor practice hearing. Such consolidated hearings will be conducted by a Hearing Officer. Exceptions and related submissions must be filed with the Board and the Board will issue a decision in accordance with Part 2423 of this chapter and section 406 of the CAA, except for the following:

(1) Section 2423.18 of this Subchapter concerning the burden of proof is not applicable;

(2) The Hearing Officer may not recommend remedial action to be taken or notices to be posted; and,

(3) References to charge and complaint in Part 2423 of this chapter will be omitted.

§2422.28 Runoff elections.

(a) *When a runoff may be held*. A runoff election is required in an election involving at least three (3) choices, one of which is no union or neither, when no choice receives a majority of the valid ballots cast. However, a runoff may not be held until the objections to the election and determinative challenged ballots have been resolved.

(b) *Eligibility*. Employees who were eligible to vote in the original election and who are also eligible on the date of the runoff election may vote in the runoff election.

(c) *Ballot*. The ballot in the runoff election will provide for a selection between the two choices receiving the largest and second largest number of votes in the election.

§2422.29 Inconclusive elections.

(a) *Inconclusive elections*. An inconclusive election is one where challenged ballots are not sufficient to affect the outcome of the election and one of the following occurs:

(1) The ballot provides for at least three (3) choices, one of which is no union or neither and the votes are equally divided; or

(2) The ballot provides for at least three (3) choices, the choice receiving the highest number of votes does not receive a majority, and at least two other choices receive the next highest and same number of votes; or

(3) When a runoff ballot provides for a choice between two labor organizations and results in the votes being equally divided; or

(4) When the Board determines that there have been significant procedural irregularities.

(b) *Eligibility to vote in a rerun election*. A current payroll period will be used to determine eligibility to vote in a rerun election.

(c) *Ballot*. If a determination is made that the election is inconclusive, the election will be rerun with all the choices that appeared on the original ballot.

(d) *Number of reruns*. There will be only one rerun of an inconclusive election. If the rerun results in another inconclusive election, the tally of ballots will indicate a majority of valid ballots has not been cast for any choice and a certification of results will be issued. If necessary, a runoff may be held when an original election is rerun.

§2422.30 Executive Director investigations, notices of pre-election investigatory hearings, and actions; Board Decisions and Orders.

(a) *Executive Director investigation*. The Executive Director, on behalf of the Board, will make such investigation of the petition and any other matter as the Executive Director deems necessary.

(b) *Executive Director notice of pre-election investigatory hearing.* On behalf of the Board, the Executive Director will issue a notice of pre-election investigatory hearing to inquire into any matter about which a material issue of fact exists, where there is an issue as to whether a question concerning representation exists, and any time there is reasonable cause to believe a question exists regarding unit appropriateness.

(c) *Executive Director action.* After investigation and/or hearing, when a pre-election investigatory hearing has been ordered, the Executive Director may, on behalf of the Board, approve an election agreement, dismiss a petition or deny intervention where there is an inadequate or invalid showing of interest, or dismiss a petition where there is an undisputed bar to further processing of the petition under law, rule or regulation.

(d) *Appeal of Executive Director action.* A party may file with the Board an application for review of an Executive Director action taken pursuant to section (c) above.

(e) *Contents of the Record.* When no pre-election investigatory hearing has been conducted all material submitted to and considered by the Executive Director during the investigation becomes a part of the record. When a pre-election investigatory hearing has been conducted, the transcript and all material entered into evidence, including any posthearing briefs, become a part of the record.

(f) *Transfer of record to Board; Board Decisions and Orders.* In cases that are submitted to the Board for decision in the first instance, the Board shall decide the issues presented based upon the record developed by the Executive Director, including the transcript of the pre-election investigatory hearing, if any, documents admitted into the record and briefs and other approved submissions from the parties. The Board may direct that a secret ballot election be held, issue an order dismissing the petition, or make such other disposition of the matter as it deems appropriate.

§2422.31 Application for review of an Executive Director action.

(a) *Filing an application for review.* A party must file an application for review with the Board within sixty (60) days of the Executive Director's action. The sixty (60) day time limit provided for in 5 U.S.C. 7105(f), as applied by the CAA, may not be extended or waived.

(b) *Contents.* An application for review must be sufficient to enable the Board to rule on the application without recourse to the record; however, the Board may, in its discretion, examine the record in evaluating the application. An application must specify the matters and rulings to which exception(s) is taken, include a summary of evidence relating to any issue raised in the application, and make specific reference to page citations in the transcript if a hearing was held. An application may not raise any issue or rely on any facts not timely presented to the Executive Director.

(c) *Review.* The Board may, in its discretion, grant an application for review when the application demonstrates that review is warranted on one or more of the following grounds:

(1) The decision raises an issue for which there is an absence of precedent;

(2) Established law or policy warrants reconsideration; or,

(3) There is a genuine issue over whether the Executive Director has:

(i) Failed to apply established law;

(ii) Committed a prejudicial procedural error;

(iii) Committed a clear and prejudicial error concerning a substantial factual matter.

(d) *Opposition.* A party may file with the Board an opposition to an application for review within ten (10) days after the party is served with the application. A copy must be served on the Executive Director and all other parties and a statement of service must be filed with the Board.

(e) *Executive Director action becomes the Board's action.* An action of the Executive Director becomes the action of the Board when:

(1) No application for review is filed with the Board within sixty (60) days after the date of the Executive Director's action; or

(2) A timely application for review is filed with the Board and the Board does not undertake to grant review of the Executive Director's action within sixty (60) days of the filing of the application; or

(3) The Board denies an application for review of the Executive Director's action.

(f) *Board grant of review and stay.* The Board may rule on the issue(s) in an application for review in its order granting the application for review. Neither filing nor granting an application for review shall stay any action ordered by the Executive Director unless specifically ordered by the Board.

(g) *Briefs if review is granted.* If the Board does not rule on the issue(s) in the application for review in its order granting review, the Board may, in its discretion, afford the parties an opportunity to file briefs. The briefs will be limited to the issue(s) referenced in the Board's order granting review.

§2422.32 Certifications and revocations.

(a) *Certifications.* The Executive Director, on behalf of the Board, will issue an appropriate certification when:

(1) After an election, runoff, or rerun,

(i) No objections are filed or challenged ballots are not determinative, or

(ii) Objections and determinative challenged ballots are decided and resolved; or

(2) The Executive Director takes an action requiring a certification and that action becomes the action of the Board under §2422.31(e) or the Board otherwise directs the issuance of a certification.

(b) *Revocations.* Without prejudice to any rights and obligations which may exist under the CAA, the Executive Director, on behalf of the Board, will revoke a recognition or certification, as appropriate, and provide a written statement of reasons when an incumbent exclusive representative files, during a representation proceeding, a disclaimer of any representational interest in the unit.

§2422.33 Relief obtainable under Part 2423.

Remedial relief that was or could have been obtained as a result of a motion, objection, or challenge filed or raised under this subpart, may not be the basis for similar relief if filed or raised as an unfair labor practice under Part 2423 of this Chapter: *provided, however*, that related matters may be consolidated for hearing as noted in §2422.27(d) of this subpart.

§2422.34 Rights and obligations during the pendency of representation proceedings.

(a) *Existing recognitions, agreements, and obligations under the CAA.* During the pendency of any representation proceeding, parties are obligated to maintain existing recognitions, adhere to the terms and conditions of existing collective bargaining agreements, and fulfill all other representational and bargaining responsibilities under the CAA.

(b) *Unit status of individual employees.* Notwithstanding paragraph (a) of this section and except as otherwise prohibited by law, a party may take action based on its position regarding the bargaining unit status of individual employees, pursuant to 5 U.S.C. 7103(a)(2), 7112(b) and (c), as applied by the CAA: *provided, however*, that its actions may be challenged, reviewed, and remedied where appropriate.

PART 2423—UNFAIR LABOR PRACTICE PROCEEDINGS

Sec.
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§2423.1 Applicability of this part.

This part is applicable to any charge of alleged unfair labor practices occurring on or after October 1, 1996.

§2423.2 Informal proceedings.

(a) The purposes and policies of chapter 71, as applied by the CAA, can best be achieved by the cooperative efforts of all persons covered by the program. To this end, it shall be the policy of the Board and the General Counsel to encourage all persons alleging unfair labor practices and persons against whom such allegations are made to meet and, in good faith, attempt to resolve such matters prior to the filing of unfair labor practice charges.

(b) In furtherance of the policy referred to in paragraph (a) of this section, and noting the 180 day period of limitation set forth in section 220(c)(2) of the CAA, it shall be the policy of the Board and the General Counsel to encourage the informal resolution of unfair labor practice allegations subsequent to the filing of a charge and prior to the filing of a complaint by the General Counsel.

(c) In order to afford the parties an opportunity to implement the policy referred to in paragraphs (a) and (b) of this section, the investigation of an unfair labor practice charge by the General Counsel will normally not commence until the parties have been afforded a reasonable amount of time, not to exceed fifteen (15) days from the filing of the charge, during which period the parties are urged to attempt to informally resolve the unfair labor practice allegation.

§2423.3 *Who may file charges.*

An employing office, employing activity, or labor organization may be charged by any person with having engaged in or engaging in any unfair labor practice prohibited under 5 U.S.C. 7116, as applied by the CAA.

§2423.4 *Contents of the charge; supporting evidence and documents.*

(a) A charge alleging a violation of 5 U.S.C. 7116, as applied by the CAA, shall be submitted on forms prescribed by the General Counsel and shall contain the following:

(1) The name, address and telephone number of the person(s) making the charge;

(2) The name, address and telephone number of the employing office or activity, or labor organization against whom the charge is made;

(3) A clear and concise statement of the facts constituting the alleged unfair labor practice, a statement of the section(s) and subsection(s) of chapter 71 of title 5 of the United States Code made applicable by the CAA alleged to have been violated, and the date and place of occurrence of the particular acts; and

(4) A statement of any other procedure invoked involving the subject matter of the charge and the results, if any, including whether the subject matter raised in the charge (i) has been raised previously in a grievance procedure; (ii) has been referred to the Board under Part 2471 of these regulations, or the Federal Mediation and Conciliation Service, or (iii) involves a negotiability issue raised by the charging party in a petition pending before the Board pursuant to Part 2424 of this subchapter.

(b) Such charge shall be in writing and signed and shall contain a declaration by the person signing the charge, under the penalties of the Criminal Code (18 U.S.C. 1001), that its contents are true and correct to the best of that person's knowledge and belief.

(c) When filing a charge, the charging party shall submit to the General Counsel any supporting evidence and documents.

§2423.5 *Selection of the unfair labor practice procedure or the negotiability procedure.*

Where a labor organization files an unfair labor practice charge pursuant to this part which involves a negotiability issue, and the labor organization also files pursuant to part 2424 of this subchapter a petition for review of the same negotiability issue, the Board and the General Counsel ordinarily will not process the unfair labor practice charge and the petition for review simultaneously. Under such circumstances, the labor organization must select under which procedure to proceed. Upon selection of one procedure, further action under the other procedure will ordinarily be suspended. Such selection must be made regardless of whether the unfair labor practice charge or the petition for review of a negotiability issue is filed first. Notification of this selection must be made in writing at the time that both procedures have been invoked, and must be served on the Board, the General Counsel and all parties to both the unfair labor practice case and the negotiability case.

§2423.6 *Filing and service of copies.*

(a) An original and four (4) copies of the charge together with one copy for each additional charged party named shall be filed with the General Counsel.

(b) Upon the filing of a charge, the charging party shall be responsible for the service of a copy of the charge (without the supporting evidence and documents) upon the person(s) against whom the charge is made, and for filing a written statement of such service with the General Counsel. The General Counsel will, as a matter of course, cause a copy of such charge to be served on the person(s) against whom the charge is made, but shall not be deemed to assume responsibility for such service.

(c) A charge will be deemed to be filed when it is received by the General Counsel in accordance with the requirements in paragraph (a) of this section.

§2423.7 *Investigation of charges.*

(a) The General Counsel shall conduct such investigation of the charge as the General Counsel deems necessary. Consistent with the policy set forth in §2423.2, the investigation will normally not commence until the parties have been afforded a reasonable amount of time, not to exceed fifteen (15) days from the filing of the charge, to informally resolve the unfair labor practice allegation.

(b) During the course of the investigation all parties involved will have an opportunity to present their evidence and views to the General Counsel.

(c) In connection with the investigation of charges, all persons are expected to cooperate fully with the General Counsel.

(d) The purposes and policies of chapter 71, as applied by the CAA, can best be achieved by the full cooperation of all parties involved and the voluntary submission of all potentially relevant information from all potential sources during the course of the investigation. To this end, it shall be the policy of the Board and the General Counsel to protect the identity of individuals and the substance of the statements and information they submit or which is obtained during the investigation as a means of assuring the Board's and the General Counsel's continuing ability to obtain all relevant information.

§2423.8 *Amendment of charges.*

Prior to the issuance of a complaint, the charging party may amend the charge in accordance with the requirements set forth in §2423.6.

§2423.9 *Action by the General Counsel.*

(a) The General Counsel shall take action which may consist of the following, as appropriate:

(1) Approve a request to withdraw a charge;

(2) Refuse to file a complaint;

(3) Approve a written settlement and recommend that the Executive Director approve a written settlement agreement in accordance with the provisions of section 414 of the CAA;

(4) File a complaint;

(5) Upon agreement of all parties, transfer to the Board for decision, after filing of a complaint, a stipulation of facts in accordance with the provisions of §2429.1(a) of this subchapter; or

(6) Withdraw a complaint.

§2423.10 *Determination not to file complaint.*

(a) If the General Counsel determines that the charge has not been timely filed, that the charge fails to state an unfair labor practice, or for other appropriate reasons, the General Counsel may request the charging party to withdraw the charge, and in the absence of such withdrawal within a reasonable time, decline to file a complaint.

(b) The charging party may not obtain a review of the General Counsel's decision not to file a complaint.

§2423.11 *Settlement or adjustment of issues.*

(a) At any stage of a proceeding prior to hearing, where time, the nature of the proceeding, and the public interest permit, all interested parties shall have the opportunity to submit to the Executive Director or General Counsel, as appropriate, for consideration, all facts and arguments concerning offers of settlement, or proposals of adjustment.

Precomplaint settlements

(b)(1) Prior to the filing of any complaint or the taking of other formal action, the General Counsel will afford the charging party and the respondent a reasonable period of time in which to enter into a settlement agreement to be submitted to and approved by the General Counsel and the Executive Director. Upon approval by the General Counsel and Executive Director and compliance with the terms of the settlement agreement, no further action shall be taken in the case. If the respondent fails to perform its obligations under the settlement agreement, the General Counsel may determine to institute further proceedings.

(2) In the event that the charging party fails or refuses to become a party to a settlement agreement offered by the respondent, if the General Counsel concludes that the offered settlement will effectuate the policies of chapter 71, as applied by the CAA, the agreement shall be between the respondent and the General Counsel and the latter shall decline to file a complaint.

Post complaint settlement policy

(c) Consistent with the policy reflected in paragraph (a) of this section, even after the filing of a complaint, the Board favors the settlement of issues. Such settlements may be accomplished as provided in paragraph (b) of this section. The parties may, as part of the settlement, agree to waive their right to a hearing and agree further that the Board may issue an order requiring the respondent to take action appropriate to the terms of the settlement. Ordinarily such a settlement agreement will also contain the respondent's consent to the Board's application for the entry of a decree by the United States Court of Appeals for the Federal Circuit enforcing the Board's order.

Post complaint prehearing settlements

(d)(1) If, after the filing of a complaint, the charging party and the respondent enter into a settlement agreement, and such agreement is accepted by the General Counsel, the settlement agreement shall be submitted to the Executive Director for approval.

(2) If, after the filing of a complaint, the charging party fails or refuses to become a party to a settlement agreement offered by the respondent, and the General Counsel concludes that the offered settlement will effectuate the policies of chapter 71, as applied by the CAA, the agreement shall be between the respondent and the General Counsel. The charging party will be so informed and provided a brief written statement by the General Counsel of the reasons therefor. The settlement agreement together with the charging party's objections, if any, and the General Counsel's written statements, shall be submitted to the Executive Director for approval. The Executive Director may approve or disapprove any settlement agreement.

(3) After the filing of a complaint, if the General Counsel concludes that it will effectuate the policies of chapter 71, as applied by the CAA, the General Counsel may withdraw the complaint.

Settlements after the opening of the hearing

(e)(1) After filing of a complaint and after opening of the hearing, if the General Counsel concludes that it will effectuate the policies of chapter 71, as applied by the CAA, the General Counsel may request the Hearing Officer for permission to withdraw the complaint and, having been granted such permission to withdraw the complaint, may approve a settlement and recommend that the Executive Director approve the settlement pursuant to paragraph (b) of this section.

(2) If, after filing of a complaint and after opening of the hearing, the parties enter into a settlement agreement that contains the respondent's consent to the Board's application for the entry of a decree by the United States Court of Appeals for the Federal Circuit enforcing the Board's order, the General Counsel may request the Hearing Officer and the Executive Director to approve such settlement agreement, and upon such approval, to transmit the agreement to the Board for approval.

(3) If the charging party fails or refuses to become a party to a settlement agreement, offered by the respondent, that contains the respondent's consent to the Board's application for the entry of a decree by the United States Court of Appeals for the Federal Circuit enforcing the Board's order, and the General Counsel concludes that the offered settlement will effectuate the policies of chapter 71, as applied to the CAA, the agreement shall be between the respondent and the General Counsel. After the charging party is given an opportunity to state on the record or in writing the reasons for opposing the settlement, the General Counsel may request the Hearing Officer and the Executive Director to approve such settlement agreement, and upon such approval, to transmit the agreement to the Board for approval. The Board may approve or disapprove any such settlement agreement or return the case to the Hearing Officer for other appropriate action.

§ 2423.12 Filing and contents of the complaint.

(a) After a charge is filed, if it appears to the General Counsel that formal proceedings in respect thereto should be instituted, the General Counsel shall file a formal complaint: *Provided, however*, that a determination by the General Counsel to file a complaint shall not be subject to review.

(b) The complaint shall include:

(1) Notice of the charge;

(2) Any information required pursuant to the Procedural Rules of the Office.

(c) Any such complaint may be withdrawn before the hearing by the General Counsel.

§ 2423.13 Answer to the complaint.

A respondent shall file an answer to a complaint in accordance with the requirements of the Procedural Rules of the Office.

§ 2423.14 Prehearing disclosure; conduct of hearing.

The procedures for prehearing discovery and the conduct of the hearing are set forth in the Procedural Rules of the Office.

§ 2423.15 Intervention.

Any person involved and desiring to intervene in any proceeding pursuant to this part shall file a motion in accordance with the procedures set forth in the Procedural Rules of the Office. The motion shall state the grounds upon which such person claims involvement.

§ 2423.16 [Reserved]

§ 2423.17 [Reserved]

§ 2423.18 Burden of proof before the Hearing Officer.

The General Counsel shall have the responsibility of presenting the evidence in support of the complaint and shall have the burden of proving the allegations of the complaint by a preponderance of the evidence.

2423.19 Duties and powers of the Hearing Officer.

It shall be the duty of the Hearing Officer to inquire fully into the facts as they relate to the matter before such Hearing Officer, subject to the rules and regulations of the Office and the Board.

§ 2423.20 [Reserved]

§ 2423.21 [Reserved]

§ 2423.22 [Reserved]

§ 2423.23 [Reserved]

§ 2423.24 [Reserved]

§ 2423.25 [Reserved]

§ 2423.26 Hearing Officer decisions; entry in records of the Office.

In accordance with the Procedural Rules of the Office, the Hearing Officer shall issue a written decision and that decision will be entered into the records of the Office.

§ 2423.27 Appeal to the Board.

An aggrieved party may seek review of a decision and order of the Hearing Officer in accordance with the Procedural Rules of the Office.

§ 2423.28 [Reserved]

§ 2423.29 Action by the Board.

(a) If an appeal is filed, the Board shall review the decision of the Hearing Officer in accordance with section 406 of the CAA, and the Procedural Rules of the Office.

(b) Upon finding a violation, the Board shall issue an order:

(1) To cease and desist from any such unfair labor practice in which the employing office or labor organization is engaged;

(2) Requiring the parties to renegotiate a collective bargaining agreement in accordance with the order of the Board and requiring that the agreement, as amended, be given retroactive effect;

(3) Requiring reinstatement of an employee with backpay in accordance with 5 U.S.C. 5596; or

(4) Including any combination of the actions described in paragraphs (1) through (3) of this paragraph (b), or such other action as will carry out the purpose of the chapter 71, as applied by the CAA.

(c) Upon finding no violation, the Board shall dismiss the complaint.

§ 2423.30 Compliance with decisions and orders of the Board.

When remedial action is ordered, the respondent shall report to the Office within a specified period that the required remedial action has been effected. When the General Counsel or the Executive Director finds that the required remedial action has not been effected, the General Counsel or the Executive Director shall take such action as may be appropriate, including referral to the Board for enforcement.

§ 2423.31 Backpay proceedings.

After the entry of a Board order directing payment of backpay, or the entry of a court decree enforcing such order, if it appears to the General Counsel that a controversy exists which cannot be resolved without a formal proceeding, the General Counsel may issue and serve on all parties a backpay specification accompanied by a request for hearing or a request for hearing without a specification. Upon receipt of the request for hearing, the Executive Director will appoint an independent Hearing Officer. The respondent shall, within twenty (20) days after the service of a backpay specification, file an answer thereto in accordance with the Office's Procedural Rules. No answer need be filed by the respondent to a notice of hearing issued without a specification. After the issuance of a notice of hearing, with or without a backpay specification, the hearing procedures provided in the Procedural Rules of the Office shall be followed insofar as applicable.

PART 2424—EXPEDITED REVIEW OF NEGOTIABILITY ISSUES

Subpart A—Instituting an Appeal

Sec.
2424.1 Conditions governing review.
2424.2 Who may file a petition.
2424.3 Time limits for filing.
2424.4 Content of petition; service.
2424.5 Selection of the unfair labor practice procedure or the negotiability procedure.
2424.6 Position of the employing office; time limits for filing; service.
2424.7 Response of the exclusive representative; time limits for filing; service.
2424.8 Additional submissions to the Board.
2424.9 Hearing.
2424.10 Board decision and order; compliance.

Subpart B—Criteria for Determining Compelling Need for Employing Office Rules and Regulations

2424.11 Illustrative criteria.

Subpart A—Instituting an Appeal

§ 2424.1 Conditions governing review.

The Board will consider a negotiability issue under the conditions prescribed by 5 U.S.C. 7117 (b) and (c), as applied by the CAA, namely: If an employing office involved in collective bargaining with an exclusive representative alleges that the duty to bargain in good faith does not extend to any matter proposed to be bargained because, as proposed, the matter is inconsistent with law, rule or regulation, the exclusive representative may appeal the allegation to the Board when——

(a) It disagrees with the employing office's allegation that the matter as proposed to be bargained is inconsistent with any Federal law or any Government-wide rule or regulation; or

(b) It alleges, with regard to any employing office rule or regulation asserted by the employing office as a bar to negotiations on the matter, as proposed, that:

(1) The rule or regulation violates applicable law, or rule or regulation of appropriate authority outside the employing office;

(2) The rule or regulation was not issued by the employing office or by any primary national subdivision of the employing office, or otherwise is not applicable to bar negotiations with the exclusive representative, under 5 U.S.C. 7117(a)(3), as applied by the CAA; or

(3) No compelling need exists for the rule or regulation to bar negotiations on the matter, as proposed, because the rule or regulation does not meet the criteria established in subpart B of this part.

§ 2424.2 Who may file a petition.

A petition for review of a negotiability issue may be filed by an exclusive representative which is a party to the negotiations.

§ 2424.3 Time limits for filing.

The time limit for filing a petition for review is fifteen (15) days after the date the employing office's allegation that the duty to bargain in good faith does not extend to the matter proposed to be bargained is served on the exclusive representative. The exclusive representative shall request such allegation in writing and the employing office shall make the allegation in writing and serve a copy on the exclusive representative: provided, however, that review of a negotiability issue may be requested by an exclusive representative under this subpart without a prior written allegation by the employing office if the employing office has not served such allegation upon the exclusive representative within ten (10) days after the date of the receipt by any employing office bargaining representative at the negotiations of a written request for such allegation.

§2424.4 Content of petition; service.

(a) A petition for review shall be dated and shall contain the following:

(1) A statement setting forth the express language of the proposal sought to be negotiated as submitted to the employing office;

(2) An explicit statement of the meaning attributed to the proposal by the exclusive representative including:

(i) Explanation of terms of art, acronyms, technical language, or any other aspect of the language of the proposal which is not in common usage; and

(ii) Where the proposal is concerned with a particular work situation, or other particular circumstances, a description of the situation or circumstances which will enable the Board to understand the context in which the proposal is intended to apply;

(3) A copy of all pertinent material, including the employing office's allegation in writing that the matter, as proposed, is not within the duty to bargain in good faith, and other relevant documentary material; and

(4) Notification by the petitioning labor organization whether the negotiability issue is also involved in an unfair labor practice charge filed by such labor organization under part 2423 of this subchapter and pending before the General Counsel.

(b) A copy of the petition including all attachments thereto shall be served on the employing office head and on the principal employing office bargaining representative at the negotiations.

(c)(1) Filing an incomplete petition for review will result in the exclusive representative being asked to provide the missing or incomplete information. Noncompliance with a request to complete the record may result in dismissal of the petition.

(2) The processing priority accorded to an incomplete petition, relative to other pending negotiability appeals, will be based upon the date when the petition is completed not the date it was originally filed.

§2424.5 Selection of the unfair labor practice procedure or the negotiability procedure.

Where a labor organization files an unfair labor practice charge pursuant to part 2423 of this subchapter which involves a negotiability issue, and the labor organization also files pursuant to this part a petition for review of the same negotiability issue, the Board and the General Counsel ordinarily will not process the unfair labor practice charge and the petition for review simultaneously. Under such circumstances, the labor organization must select under which procedure to proceed. Upon selection of one procedure, further action under the other procedure will ordinarily be suspended. Such selection must be made regardless of whether the unfair labor practice charge or the petition for review of a negotiability issue is filed first. Notification of this selection must be made in writing at the time that both procedures have been invoked, and must be served on the Board, the General Counsel and all parties to both the unfair labor practice case and the negotiability case.

§2424.6 Position of the employing office; time limits for filing; service.

(a) Within thirty (30) days after the date of the receipt by the head of an employing office of a copy of a petition for review of a negotiability issue the employing office shall file a statement

(1) Withdrawing the allegation that the duty to bargain in good faith does not extend to the matter proposed to be negotiated; or

(2) Setting forth in full its position on any matters relevant to the petition which it wishes the Board to consider in reaching its decision, including a full and detailed statement of its reasons supporting the allegation. The statement shall cite the section of any law, rule or regulation relied upon as a basis for the allegation and shall contain a copy of any internal employing office rule or regulation so relied upon. The statement shall include:

(i) Explanation of the meaning the employing office attributes to the proposal as a whole, including any terms of art, acronyms, technical language or any other aspect of the language of the proposal which is not in common usage; and

(ii) Description of a particular work situation, or other particular circumstance the employing office views the proposal to concern, which will enable the Board to understand the context in which the proposal is considered to apply by the employing office.

(b) A copy of the employing office's statement of position, including all attachments thereto shall be served on the exclusive representative.

§2424.7 Response of the exclusive representative; time limits for filing; service.

(a) Within fifteen (15) days after the date of the receipt by an exclusive representative of a copy of an employing office's statement of position the exclusive representative shall file a full and detailed response stating its position and reasons for:

(1) Disagreeing with the employing office's allegation that the matter, as proposed to be negotiated, is inconsistent with any Federal law or Government-wide rule or regulation; or

(2) Alleging that the employing office's rules or regulations violate applicable law, or rule or regulation or appropriate authority outside the employing office; that the rules or regulations were not issued by the employing office or by any primary national subdivision of the employing office, or otherwise are not applicable to bar negotiations under 5 U.S.C. 7117(a)(3), as applied by the CAA; or that no compelling need exists for the rules or regulations to bar negotiations.

(b) The response shall cite the particular section of any law, rule or regulation alleged to be violated by the employing office's rules or regulations; or shall explain the grounds for contending the employing office rules or regulations are not applicable to bar negotiations under 5 U.S.C. 7117(a)(3), as applied by the CAA, or fail to meet the criteria established in subpart B of this part, or were not issued at the employing office headquarters level or at the level of a primary national subdivision.

(c) A copy of the response of the exclusive representative including all attachments thereto shall be served on the employing office head and on the employing office's representative of record in the proceeding before the Board.

§2424.8 Additional submissions to the Board.

The Board will not consider any submission filed by any party, whether supplemental or responsive in nature, other than those authorized under §§2424.2 through 2424.7 unless such submission is requested by the Board; or unless, upon written request by any party, a copy of which is served on all other parties, the Board in its discretion grants permission to file such submission.

§2424.9 Hearing.

A hearing may be held, in the discretion of the Board, before a determination is made under 5 U.S.C. 7117(b) or (c), as applied by the CAA. If a hearing is held, it shall be expedited to the extent practicable and shall not include the General Counsel as a party.

§2424.10 Board decision and order; compliance.

(a) Subject to the requirements of this subpart the Board shall expedite proceedings under this part to the extent practicable and shall issue to the exclusive representative and to the employing office a written decision on the allegation and specific reasons therefor at the earliest practicable date.

(b) If the Board finds that the duty to bargain extends to the matter proposed to be bargained, the decision of the Board shall include an order that the employing office shall upon request (or as otherwise agreed to by the parties) bargain concerning such matter. If the Board finds that the duty to bargain does not extend to the matter proposed to be negotiated, the Board shall so state and issue an order dismissing the petition for review of the negotiability issue. If the Board finds that the duty to bargain extends to the matter proposed to be bargained only at the election of the employing office, the Board shall so state and issue an order dismissing the petition for review of the negotiability issue.

(c) When an order is issued as provided in paragraph (b) of this section, the employing office or exclusive representative shall report to the Executive Director within a specified period failure to comply with an order that the employing office shall upon request (or as otherwise agreed to by the parties) bargain concerning the disputed matter.

Subpart B—Criteria for Determining Compelling Need for Employing Office Rules and Regulations

§2424.11 Illustrative criteria.

A compelling need exists for an employing office rule or regulation concerning any condition of employment when the employing office demonstrates that the rule or regulation meets one or more of the following illustrative criteria:

(a) The rule or regulation is essential, as distinguished from helpful or desirable, to the accomplishment of the mission or the execution of functions of the employing office or primary national subdivision in a manner which is consistent with the requirements of an effective and efficient government.

(b) The rule or regulation is necessary to insure the maintenance of basic merit principles.

(c) The rule or regulation implements a mandate to the employing office or primary national subdivision under law or other outside authority, which implementation is essentially nondiscretionary in nature.

PART 2425—REVIEW OF ARBITRATION AWARDS

Sec.
2425.1 Who may file an exception; time limits for filing; opposition; service.
2425.2 Content of exception.
2425.3 Grounds for review.
2425.4 Board decision.

§2425.1 Who may file an exception; time limits for filing; opposition; service.

(a) Either party to arbitration under the provisions of chapter 71 of title 5 of the

United States Code, as applied by the CAA, may file an exception to an arbitrator's award rendered pursuant to the arbitration.

(b) The time limit for filing an exception to an arbitration award is thirty (30) days beginning on the date the award is served on the filing party.

(c) An opposition to the exception may be filed by a party within thirty (30) days after the date of service of the exception.

(d) A copy of the exception and any opposition shall be served on the other party.

§2425.2 Content of exception.

An exception must be a dated, self-contained document which sets forth in full:

(a) A statement of the grounds on which review is requested;

(b) Evidence or rulings bearing on the issues before the Board;

(c) Arguments in support of the stated grounds, together with specific reference to the pertinent documents and citations of authorities; and

(d) A legible copy of the award of the arbitrator and legible copies of other pertinent documents; and

(e) The name and address of the arbitrator.

§2425.3 Grounds for review.

The Board will review an arbitrator's award to which an exception has been filed to determine if the award is deficient—

(a) Because it is contrary to any law, rule or regulation; or

(b) On other grounds similar to those applied by Federal courts in private sector labor-management relations.

§2425.4 Board decision.

The Board shall issue its decision and order taking such action and making such recommendations concerning the award as it considers necessary, consistent with applicable laws, rules, or regulations.

PART 2426—NATIONAL CONSULTATION RIGHTS AND CONSULTATION RIGHTS ON GOVERNMENT-WIDE RULES OR REGULATIONS

Subpart A—National Consultation Rights

Sec.
2426.1 Requesting; granting; criteria.
2426.2 Requests; petition and procedures for determination of eligibility for national consultation rights.
2426.3 Obligation to consult.

Subpart B—Consultation Rights on Government-wide Rules or Regulations

2426.11 Requesting; granting; criteria.
2426.12 Requests; petition and procedures for determination of eligibility for consultation rights on Government-wide rules or regulations.
2426.13 Obligation to consult.

Subpart A—National Consultation Rights

§2426.1 Requesting; granting; criteria.

(a) An employing office shall accord national consultation rights to a labor organization that:

(1) Requests national consultation rights at the employing office level; and

(2) Holds exclusive recognition for ten percent (10%) or more of the total number of personnel employed by the employing office.

(b) An employing office's primary national subdivision which has authority to formulate conditions of employment shall accord national consultation rights to a labor organization that:

(1) Requests national consultation rights at the primary national subdivision level; and

(2) Holds exclusive recognition for ten percent (10%) or more of the total number of personnel employed by the primary national subdivision.

(c) In determining whether a labor organization meets the requirements as prescribed in paragraphs (a)(2) and (b)(2) of this section, the following will not be counted:

(1) At the employing office level, employees represented by the labor organization under national exclusive recognition granted at the employing office level.

(2) At the primary national subdivision level, employees represented by the labor organization under national exclusive recognition granted at the agency level or at that primary national subdivision level.

(d) An employing office or a primary national subdivision of an employing office shall not grant national consultation rights to any labor organization that does not meet the criteria prescribed in paragraphs (a), (b) and (c) of this section.

§2426.2 Requests; petition and procedures for determination of eligibility for national consultation rights.

(a) Requests by labor organizations for national consultation rights shall be submitted in writing to the headquarters of the employing office or the employing office's primary national subdivision, as appropriate, which headquarters shall have fifteen (15) days from the date of service of such request to respond thereto in writing.

(b) Issues relating to a labor organization's eligibility for, or continuation of, national consultation rights shall be referred to the Board for determination as follows:

(1) A petition for determination of the eligibility of a labor organization for national consultation rights under criteria set forth in §2426.1 may be filed by a labor organization.

(2) A petition for determination of eligibility for national consultation rights shall be submitted on a form prescribed by the Board and shall set forth the following information:

(i) Name and affiliation, if any, of the petitioner and its address and telephone number;

(ii) A statement that the petitioner has submitted to the employing office or the primary national subdivision and to the Assistant Secretary a roster of its officers and representatives, a copy of its constitution and bylaws, and a statement of its objectives;

(iii) A declaration by the person signing the petition, under the penalties of the Criminal Code (18 U.S.C. 1001), that its contents are true and correct to the best of such person's knowledge and belief;

(iv) The signature of the petitioner's representative, including such person's title and telephone number;

(v) The name, address, and telephone number of the employing office or primary national subdivision in which the petitioner seeks to obtain or retain national consultation rights, and the persons to contact and their titles, if known;

(vi) A showing that petitioner holds adequate exclusive recognition as required by §2426.1; and

(vii) A statement as appropriate:

(A) That such showing has been made to and rejected by the employing office or primary national subdivision, together with a statement of the reasons for rejection, if any, offered by that employing office or primary national subdivision;

(B) That the employing office or primary national subdivision has served notice of its intent to terminate existing national consultation rights, together with a statement of the reasons for termination; or

(C) That the employing office or primary national subdivision has failed to respond in writing to a request for national consultation rights made under §2426.2(a) within fifteen (15) days after the date the request is served on the employing office or primary national subdivision.

(3) The following regulations govern petitions filed under this section:

(i) A petition for determination of eligibility for national consultation rights shall be filed with the Executive Director.

(ii) An original and four (4) copies of a petition shall be filed, qtogether with a statement of any other relevant facts and of all correspondence.

(iii) Copies of the petition together with the attachments referred to in paragraph (b)(3)(ii) of this section shall be served by the petitioner on all known interested parties, and a written statement of such service shall be filed with the Executive Director.

(iv) A petition shall be filed within thirty (30) days after the service of written notice by the employing office or primary national subdivision of its refusal to accord national consultation rights pursuant to a request under §2426.2(a) or its intention to terminate existing national consultation rights. If an employing office or primary national subdivision fails to respond in writing to a request for national consultation rights made under §2426.2(a) within fifteen (15) days after the date the request is served on the employing office or primary national subdivision, a petition shall be filed within thirty (30) days after the expiration of such fifteen (15) day period.

(v) If an employing office or primary national subdivision wishes to terminate national consultation rights, notice of its intention to do so shall include a statement of its reasons and shall be served not less than thirty (30) days prior to the intended termination date. A labor organization, after receiving such notice, may file a petition within the time period prescribed herein, and thereby cause to be stayed further action by the employing office or primary national subdivision pending disposition of the petition. If no petition has been filed within the provided time period, an employing office or primary national subdivision may terminate national consultation rights.

(vi) Within fifteen (15) days after the receipt of a copy of the petition, the employing office or primary national subdivision shall file a response thereto with the Executive Director raising any matter which is relevant to the petition.

(vii) The Executive Director, on behalf of the Board, shall make such investigations as the Executive Director deems necessary and thereafter shall issue and serve on the parties a determination with respect to the eligibility for national consultation rights which shall be final: *provided, however*, that an application for review of the Executive Director's determination may be filed with the Board in accordance with the procedure set forth in §2422.31 of this subchapter. A determination by the Executive Director to issue a notice of hearing shall not be subject to the filing of an application for review.On behalf of the Board, the Executive Director, if appropriate, may cause a notice of hearing to be issued to all interested parties where substantial factual issues exist warranting an investigatory hearing. Investigatory hearings shall be conducted by the Executive Director or her designee in accordance with §2422.17 through §2422.22 of this subchapter and after the close of the investigatory hearing a Decision and Order shall be issued by the Board in accordance with §2422.30 of this subchapter.

2426.3 Obligation to consult.

(a) When a labor organization has been accorded national consultation rights, the employing office or the primary national subdivision which has granted those rights shall, through appropriate officials, furnish designated representatives of the labor organization:

(1) Reasonable notice of any proposed substantive change in conditions of employment; and

(2) Reasonable time to present its views and recommendations regarding the change.

(b) If a labor organization presents any views or recommendations regarding any proposed substantive change in conditions of employment to an employing office or a primary national subdivision, that employing office or primary national subdivision shall:

(1) Consider the views or recommendations before taking final action on any matter with respect to which the views or recommendations are presented; and

(2) Provide the labor organization a written statement of the reasons for taking the final action.

(c) Nothing in this subpart shall be construed to limit the right of any employing office or exclusive representative to engage in collective bargaining.

Subpart B—Consultation Rights on Government-wide Rules or Regulations

2426.11 Requesting; granting; criteria.

(a) An employing office shall accord consultation rights on Government-wide rules or regulations to a labor organization that:

(1) Requests consultation rights on Government-wide rules or regulations from an employing office; and

(2) Holds exclusive recognition for ten percent (10%) or more of the total number of employees employed by the employing office.

(b) An employing office shall not grant consultation rights on Government-wide rules or regulations to any labor organization that does not meet the criteria prescribed in paragraph (a) of this section.

2426.12 Requests; petition and procedures for determination of eligibility for consultation rights on Government-wide rules or regulations.

(a) Requests by labor organizations for consultation rights on Government-wide rules or regulations shall be submitted in writing to the headquarters of the employing office, which headquarters shall have fifteen (15) days from the date of service of such request to respond thereto in writing.

(b) Issues relating to a labor organization's eligibility for, or continuation of, consultation rights on Government-wide rules or regulations shall be referred to the Board for determination as follows:

(1) A petition for determination of the eligibility of a labor organization for consultation rights under criteria set forth in §2426.11 may be filed by a labor organization.

(2) A petition for determination of eligibility for consultation rights shall be submitted on a form prescribed by the Board and shall set forth the following information:

(i) Name and affiliation, if any, of the petitioner and its address and telephone number;

(ii) A statement that the petitioner has submitted to the employing office and to the Assistant Secretary a roster of its officers and representatives, a copy of its constitution and bylaws, and a statement of its objectives;

(iii) A declaration by the person signing the petition, under the penalties of the Criminal Code (18 U.S.C. 1001), that its contents are true and correct to the best of such person's knowledge and belief;

(iv) The signature of the petitioner's representative, including such person's title and telephone number;

(v) The name, address, and telephone number of the employing office in which the petitioner seeks to obtain or retain consultation rights on Government-wide rules or regulations, and the persons to contact and their titles, if known;

(vi) A showing that petitioner meets the criteria as required by §2426.11; and

(vii) A statement, as appropriate:

(A) That such showing has been made to and rejected by the employing office, together with a statement of the reasons for rejection, if any, offered by that employing office;

(B) That the employing office has served notice of its intent to terminate existing consultation rights on Government-wide rules or regulations, together with a statement of the reasons for termination; or

(C) That the employing office has failed to respond in writing to a request for consultation rights on Government-wide rules or regulations made under §2426.12(a) within fifteen (15) days after the date the request is served on the employing office.

(3) The following regulations govern petitions filed under this section:

(i) A petition for determination of eligibility for consultation rights on Government-wide rules or regulations shall be filed with the Executive Director.

(ii) An original and four (4) copies of a petition shall be filed, together with a statement of any other relevant facts and of all correspondence.

(iii) Copies of the petition together with the attachments referred to in paragraph (b)(3)(ii) of this section shall be served by the petitioner on the employing office, and a written statement of such service shall be filed with the Executive Director.

(iv) A petition shall be filed within thirty (30) days after the service of written notice by the employing office of its refusal to accord consultation rights on Government-wide rules or regulations pursuant to a request under §2426.12(a) or its intention to terminate such existing consultation rights. If an employing office fails to respond in writing to a request for consultation rights on Government-wide rules or regulations made under §2426.12(a) within fifteen (15) days after the date the request is served on the employing office, a petition shall be filed within thirty (30) days after the expiration of such fifteen (15) day period.

(v) If an employing office wishes to terminate consultation rights on Government-wide rules or regulations, notice of its intention to do so shall be served not less than thirty (30) days prior to the intended termination date. A labor organization, after receiving such notice, may file a petition within the time period prescribed herein, and thereby cause to be stayed further action by the employing office pending disposition of the petition. If no petition has been filed within the provided time period, an employing office may terminate such consultation rights.

(vi) Within fifteen (15) days after the receipt of a copy of the petition, the employing office shall file a response thereto with the Executive Director raising any matter which is relevant to the petition.

(vii) The Executive Director, on behalf of the Board, shall make such investigation as the Executive Director deems necessary and thereafter shall issue and serve on the parties a determination with respect to the eligibility for consultation rights which shall be final: *Provided, however*, that an application for review of the Executive Director's determination may be filed with the Board in accordance with the procedure set forth in §2422.31 of this subchapter. A determination by the Executive Director to issue a notice of investigatory hearing shall not be subject to the filing of an application for review. On behalf of the Board, the Executive Director, if appropriate, may cause a notice of investigatory hearing to be issued where substantial factual issues exist warranting a hearing. Investigatory hearings shall be conducted by the Executive Director or her designee in accordance with §2422.17 through §2422.22 of this chapter and after the close of the investigatory hearing a Decision and Order shall be issued by the Board in accordance with §2422.30 of this subchapter.

§2426.13 Obligation to consult.

(a) When a labor organization has been accorded consultation rights on Government-wide rules or regulations, the employing office which has granted those rights shall, through appropriate officials, furnish designated representatives of the labor organization:

(1) Reasonable notice of any proposed Government-wide rule or regulation issued by the employing office affecting any substantive change in any condition of employment; and

(2) Reasonable time to present its views and recommendations regarding the change.

(b) If a labor organization presents any views or recommendations regarding any proposed substantive change in any condition of employment to an employing office, that employing office shall:

(1) Consider the views or recommendations before taking final action on any matter with respect to which the views or recommendations are presented; and

(2) Provide the labor organization a written statement of the reasons for taking the final action.

PART 2427—GENERAL STATEMENTS OF POLICY OR GUIDANCE

Sec.

2427.1 Scope.
2427.2 Requests for general statements of policy or guidance.
2427.3 Content of request.
2427.4 Submissions from interested parties.
2427.5 Standards governing issuance of general statements of policy or guidance.

§2427.1 Scope.

This part sets forth procedures under which requests may be submitted to the Board seeking the issuance of general statements of policy or guidance under 5 U.S.C. 7105(a)(1), as applied by the CAA.

§2427.2 Requests for general statements of policy or guidance.

(a) The head of an employing office (or designee), the national president of a labor organization (or designee), or the president of a labor organization not affiliated with a national organization (or designee) may separately or jointly ask the Board for a general statement of policy or guidance. The head of any lawful association not qualified as a labor organization may also ask the Board for such a statement provided the request is not in conflict with the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA, or other law.

(b) The Board ordinarily will not consider a request related to any matter pending before the Board or General Counsel.

§ 2427.3 Content of request.

(a) A request for a general statement of policy or guidance shall be in writing and must contain:

(1) A concise statement of the question with respect to which a general statement of policy or guidance is requested together with background information necessary to an understanding of the question;

(2) A statement of the standards under § 2427.5 upon which the request is based;

(3) A full and detailed statement of the position or positions of the requesting party or parties;

(4) Identification of any cases or other proceedings known to bear on the question which are pending under the CAA; and

(5) Identification of other known interested parties.

(b) A copy of each document also shall be served on all known interested parties, including the General Counsel, where appropriate.

§ 2427.4 Submissions from interested parties.

Prior to issuance of a general statement of policy or guidance the Board, as it deems appropriate, will afford an opportunity to interested parties to express their views orally or in writing.

§ 2427.5 Standards governing issuance of general statements of policy or guidance.

In deciding whether to issue a general statement of policy or guidance, the Board shall consider:

(a) Whether the question presented can more appropriately be resolved by other means;

(b) Where other means are available, whether a Board statement would prevent the proliferation of cases involving the same or similar question;

(c) Whether the resolution of the question presented would have general applicability under chapter 71, as applied by the CAA;

(d) Whether the question currently confronts parties in the context of a labor-management relationship;

(e) Whether the question is presented jointly by the parties involved; and

(f) Whether the issuance by the Board of a general statement of policy or guidance on the question would promote constructive and cooperative labor-management relationships in the legislative branch and would otherwise promote the purposes of chapter 71, as applied by the CAA.

PART 2428—ENFORCEMENT OF ASSISTANT SECRETARY STANDARDS OF CONDUCT DECISIONS AND ORDERS

Sec.

2428.1 Scope.
2428.2 Petitions for enforcement.
2428.3 Board decision.

§ 2428.1 Scope.

This part sets forth procedures under which the Board, pursuant to 5 U.S.C. 7105(a)(2)(I), as applied by the CAA, will enforce decisions and orders of the Assistant Secretary in standards of conduct matters arising under 5 U.S.C. 7120, as applied by the CAA.

§ 2428.2 Petitions for enforcement.

(a) The Assistant Secretary may petition the Board to enforce any Assistant Secretary decision and order in a standards of conduct case arising under 5 U.S.C. 7120, as applied by the CAA. The Assistant Secretary shall transfer to the Board the record in the case, including a copy of the transcript if any, exhibits, briefs, and other documents filed with the Assistant Secretary. A copy of the petition for enforcement shall be served on the labor organization against which such order applies.

(b) An opposition to Board enforcement of any such Assistant Secretary decision and order may be filed by the labor organization against which such order applies twenty (20) days from the date of service of the petition, unless the Board, upon good cause shown by the Assistant Secretary, sets a shorter time for filing such opposition. A copy of the opposition to enforcement shall be served on the Assistant Secretary.

§ 2428.3 Board decision.

The Board shall issue its decision on the case enforcing, enforcing as modified, or refusing to enforce, the decision and order of the Assistant Secretary.

PART 2429—MISCELLANEOUS AND GENERAL REQUIREMENTS

Subpart A—Miscellaneous

Sec.

2429.1 Transfer of cases to the Board.
2429.2 [Reserved]
2429.3 Transfer of record.
2429.4 Referral of policy questions to the Board.
2429.5 Matters not previously presented; official notice.
2429.6 Oral argument.
2429.7 [Reserved]
2429.8 [Reserved]
2429.9 [Reserved]
2429.10 Advisory opinions.
2429.11 [Reserved]
2429.12 [Reserved]
2429.13 Official time.
2429.14 Witness fees.
2429.15 Board requests for advisory opinions.
2429.16 General remedial authority.
2429.17 [Reserved]
2429.18 [Reserved]

Subpart B—General Requirements

2429.21 [Reserved]
2429.22 [Reserved]
2429.23 Extension; waiver.
2429.24 [Reserved]
2429.25 [Reserved]
2429.26 [Reserved]
2429.27 [Reserved]
2429.28 Petitions for amendment of regulations.

Subpart A—Miscellaneous

§ 2429.1 Transfer of cases to the Board.

In any unfair labor practice case under part 2423 of this subchapter in which, after the filing of a complaint, the parties stipulate that no material issue of fact exists, the Executive Director may, upon agreement of all parties, transfer the case to the Board; and the Board may decide the case on the basis of the formal documents alone. Briefs in the case must be filed with the Board within thirty (30) days from the date of the Executive Director's order transferring the case to the Board. The Board may also remand any such case to the Executive Director for further processing. Orders of transfer and remand shall be served on all parties.

§ 2429.2 [Reserved]

§ 2429.3 Transfer of record.

In any case under part 2425 of this subchapter, upon request by the Board, the parties jointly shall transfer the record in the case, including a copy of the transcript, if any, exhibits, briefs and other documents filed with the arbitrator, to the Board.

§ 2429.4 Referral of policy questions to the Board.

Notwithstanding the procedures set forth in this subchapter, the General Counsel, or theAssistant Secretary, may refer for review and decision or general ruling by the Board any case involving a major policy issue that arises in a proceeding before any of them. Any such referral shall be in writing and a copy of such referral shall be served on all parties to the proceeding. Before decision or general ruling, the Board shall obtain the views of the parties and other interested persons, orally or in writing, as it deems necessary and appropriate. The Board may decline a referral.

§ 2429.5 Matters not previously presented; official notice.

The Board will not consider evidence offered by a party, or any issue, which was not presented in the proceedings before the Executive Director, Hearing Officer, or arbitrator. The Board may, however, take official notice of such matters as would be proper.

§ 2429.6 Oral argument.

The Board or the General Counsel, in their discretion, may request or permit oral argument in any matter arising under this subchapter under such circumstances and conditions as they deem appropriate.

§ 2429.7 [Reserved]

§ 2429.8 [Reserved]

§ 2429.9 [Reserved]

§ 2429.10 Advisory opinions.

The Board and the General Counsel will not issue advisory opinions.

§ 2429.11 [Reserved]

§ 2429.12 [Reserved]

§ 2429.13 Official time.

If the participation of any employee in any phase of any proceeding before the Board under section 220 of the CAA, including the investigation of unfair labor practice charges and representation petitions and the participation in hearings and representation elections, is deemed necessary by the Board, the Executive Director, the General Counsel, any Hearing Officer, or other agent of the Board designated by the Board, such employee shall be granted official time for such participation, including necessary travel time, as occurs during the employee's regular work hours and when the employee would otherwise be in a work or paid leave status.

§ 2429.14 Witness fees.

(a) Witnesses (whether appearing voluntarily, or under a subpena) shall be paid the fee and mileage allowances which are paid subpenaed witnesses in the courts of the United States: *Provided*, that any witness who is employed by the Federal Government shall not be entitled to receive witness fees in addition to compensation received pursuant to § 2429.13.

(b) Witness fees and mileage allowances shall be paid by the party at whose instance the witnesses appear, except when the witness receives compensation pursuant to § 2429.13.

§ 2429.15 Board requests for advisory opinions.

(a) Whenever the Board, pursuant to 5 U.S.C. 7105(i), as applied by the CAA, requests an advisory opinion from the Director of the Office of Personnel Management concerning the proper interpretation of rules, regulations, or policy directives issued by that Office in connection with any matter before the Board, a copy of such request, and any response thereto, shall be served upon the parties in the matter.

(b) The parties shall have fifteen (15) days from the date of service of a copy of the response of the Office of Personnel Management to file with the Board comments on that response which the parties wish the

Board to consider before reaching a decision in the matter. Such comments shall be in writing and copies shall be served upon the other parties in the matter and upon the Office of Personnel Management.

§2429.16 General remedial authority.

The Board shall take any actions which are necessary and appropriate to administer effectively the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA.

§2429.17 [Reserved]
§2429.18 [Reserved]

Subpart B—General Requirements

§2429.21 [Reserved]
§2429.22 [Reserved]
§2429.23 Extension; waiver.

(a) Except as provided in paragraph (d) of this section, the Board or General Counsel, or their designated representatives, as appropriate, may extend any time limit provided in this subchapter for good cause shown, and shall notify the parties of any such extension. Requests for extensions of time shall be in writing and received by the appropriate official not later than five (5) days before the established time limit for filing, shall state the position of the other parties on the request for extension, and shall be served on the other parties.

(b) Except as provided in paragraph (d) of this section, the Board or General Counsel, or their designated representatives, as appropriate, may waive any expired time limit in this subchapter in extraordinary circumstances. Request for a waiver of time limits shall state the position of the other parties and shall be served on the other parties.

(c) The time limits established in this subchapter may not be extended or waived in any manner other than that described in this subchapter.

(d) Time limits established in 5 U.S.C. 7105(f), 7117(c)(2) and 7122(b), as applied by the CAA, may not be extended or waived under this section.

§2429.24 [Reserved]
§ 2429.25 [Reserved]
§2429.26 [Reserved]
§2429.27 [Reserved]
§2429.28 Petitions for amendment of regulations.

Any interested person may petition the Board in writing for amendments to any portion of these regulations. Such petition shall identify the portion of the regulations involved and provide the specific language of the proposed amendment together with a statement of grounds in support of such petition.

SUBCHAPTER D IMPASSES

PART 2470—GENERAL

Subpart A— Purpose

Sec.
2470.1 Purpose.

Subpart B—Definitions

2470.2 Definitions.

Subpart A—Purpose

§2470.1 Purpose.

The regulations contained in this subchapter are intended to implement the provisions of section 7119 of title 5 of the United States Code, as applied by the CAA. They prescribe procedures and methods which the Board may utilize in the resolution of negotiation impasses when voluntary arrangements, including the services of the Federal Mediation and Conciliation Service or any other third-party mediation, fail to resolve the disputes.

Subpart B—Definitions

§2470.2 Definitions.

(a) The terms Executive Director, employing office, labor organization, and conditions of employment as used herein shall have the meaning set forth in Part 2421 of these rules.

(b) The terms designated representative or designee of the Board means a Board member, a staff member, or other individual designated by the Board to act on its behalf.

(c) The term hearing means a factfinding hearing, arbitration hearing, or any other hearing procedure deemed necessary to accomplish the purposes of 5 U.S.C. 7119, as applied by the CAA.

(d) The term impasse means that point in the negotiation of conditions of employment at which the parties are unable to reach agreement, notwithstanding their efforts to do so by direct negotiations and by the use of mediation or other voluntary arrangements for settlement.

(e) The term Board means the Board of Directors of the Office of Compliance.

(f) The term party means the agency or the labor organization participating in the negotiation of conditions of employment.

(g) The term voluntary arrangements means any method adopted by the parties for the purpose of assisting them in their resolution of a negotiation dispute which is not inconsistent with the provisions of 5 U.S.C. 7119, as applied by the CAA.

PART 2471—PROCEDURES OF THE BOARD IN IMPASSE PROCEEDINGS

Sec.
2471.1 Request for Board consideration; request for Board approval of binding arbitration.
2471.2 Request form.
2471.3 Content of request.
2471.4 Where to file.
2471.5 Copies and service.
2471.6 Investigation of request; Board recommendation and assistance; approval of binding arbitration.
2471.7 Preliminary hearing procedures.
2471.8 Conduct of hearing and prehearing conference.
2471.9 Report and recommendations.
2471.10 Duties of each party following receipt of recommendations.
2471.11 Final action by the Board.
2471.12 Inconsistent labor agreement provisions.

§2471.1 Request for Board consideration; request for Board approval of binding arbitration.

If voluntary arrangements, including the services of the Federal Mediation and Conciliation Services or any other third-party mediation, fail to resolve a negotiation impasse:

(a) Either party, or the parties jointly, may request the Board to consider the matter by filing a request as hereinafter provided; or the Board may, pursuant to 5 U.S.C. 7119(c)(1), as applied by the CAA, undertake consideration of the matter upon request of (i) the Federal Mediation and Conciliation Service, or (ii) the Executive Director; or

(b) The parties may jointly request the Board to approve any procedure, which they have agreed to adopt, for binding arbitration of the negotiation impasse by filing a request as hereinafter provided.

§2471.2 Request form.

A form has been prepared for use by the parties in filing a request with the Board for consideration of an impasse or approval of a binding arbitration procedure. Copies are available from the Executive Director, Office of Compliance.

§2471.3 Content of request.

(a) A request from a party or parties to the Board for consideration of an impasse must be in writing and include the following information:

(1) Identification of the parties and individuals authorized to act on their behalf;

(2) Statement of issues at impasse and the summary positions of the initiating party or parties with respect to those issues; and

(3) Number, length, and dates of negotiation and mediation sessions held, including the nature and extent of all other voluntary arrangements utilized.

(b) A request for approval of a binding arbitration procedure must be in writing, jointly filed by the parties, and include the following information about the pending impasse:

(1) Identification of the parties and individuals authorized to act on their behalf;

(2) Brief description of the impasse including the issues to be submitted to the arbitrator;

(3) Number, length, and dates of negotiation and mediation sessions held, including the nature and extent of all other voluntary arrangements utilized;

(4) Statement that the proposals to be submitted to the arbitrator contain no questions concerning the duty to bargain; and

(5) Statement of the arbitration procedures to be used, including the type of arbitration, the method of selecting the arbitrator, and the arrangement for paying for the proceedings or, in the alternative, those provisions of the parties' labor agreement which contain this information.

§2471.4 Where to file.

Requests to the Board provided for in this part, and inquiries or correspondence on the status of impasses or other related matters, should be addressed to the Executive Director, Office of Compliance.

§2471.5 Copies and service.

(a) Any party submitting a request for Board consideration of an impasse or a request for approval of a binding arbitration procedure shall file an original and one copy with the Board and shall serve a copy of such request upon all counsel of record or other designated representative(s) of parties, upon parties not so represented, and upon any mediation service which may have been utilized. When the Board acts on a request from the Federal Mediation and Conciliation Service or acts on a request from the Executive Director, it will notify the parties to the dispute, their counsel of record or designated representatives, if any, and any mediation service which may have been utilized. A clean copy capable of being used as an original for purposes such as further reproduction may be submitted for the original. Service upon such counsel or representative shall constitute service upon the party, but a copy also shall be transmitted to the party.

(b) Any party submitting a response to or other document in connection with a request for Board consideration of an impasse or a request for approval of a binding arbitration procedure shall file an original and one copy with the Board and shall serve a copy of the document upon all counsel of record or other designated representative(s) of parties, or upon parties not so represented. A clean copy capable of being used as an original for purposes such as further reproduction may be submitted for the original. Service upon such counsel or representative shall constitute service upon the party, but a copy also shall be transmitted to the party.

(c) A signed and dated statement of service shall accompany each document submitted to the Board. The statement of service shall include the names of the parties and persons served, their addresses, the date of service, the nature of the document served, and the manner in which service was made.

(d) The date of service or date served shall be the day when the matter served is deposited in the U.S. mail or is delivered in person.

(e) Unless otherwise provided by the Board or its designated representatives, any document or paper filed with the Board under these rules, together with any enclosure filed therewith, shall be submitted on 8 1/2" x 11 inch size paper.

§ 2471.6 Investigation of request; Board recommendation and assistance; approval of binding arbitration.

(a) Upon receipt of a request for consideration of an impasse, the Board or its designee will promptly conduct an investigation, consulting when necessary with the parties and with any mediation service utilized. After due consideration, the Board shall either:

(1) Decline to assert jurisdiction in the event that it finds that no impasse exists or that there is other good cause for not asserting jurisdiction, in whole or in part, and so advise the parties in writing, stating its reasons; or

(2) Recommend to the parties procedures, including but not limited to arbitration, for the resolution of the impasse and/or assist them in resolving the impasse through whatever methods and procedures the Board considers appropriate.

(b) Upon receipt of a request for approval of a binding arbitration procedure, the Board or its designee will promptly conduct an investigation, consulting when necessary with the parties and with any mediation service utilized. After due consideration, the Board shall either approve or disapprove the request; *provided, however*, that when the request is made pursuant to an agreed-upon procedure for arbitration contained in an applicable, previously negotiated agreement, the Board may use an expedited procedure and promptly approve or disapprove the request, normally within five (5) workdays.

§ 2471.7 Preliminary hearing procedures.

When the Board determines that a hearing is necessary under § 2471.6, it will:

(a) Appoint one or more of its designees to conduct such hearing; and

(b) issue and serve upon each of the parties a notice of hearing and a notice of prehearing conference, if any. The notice will state: (1) The names of the parties to the dispute; (2) the date, time, place, type, and purpose of the hearing; (3) the date, time, place, and purpose of the prehearing conference, if any; (4) the name of the designated representatives appointed by the Board; (5) the issues to be resolved; and (6) the method, if any, by which the hearing shall be recorded.

§ 2471.8 Conduct of hearing and prehearing conference.

(a) A designated representative of the Board, when so appointed to conduct a hearing, shall have the authority on behalf of the Board to:

(1) Administer oaths, take the testimony or deposition of any person under oath, receive other evidence, and issue subpenas;

(2) Conduct the hearing in open, or in closed session at the discretion of the designated representative for good cause shown;

(3) Rule on motions and requests for appearance of witnesses and the production of records;

(4) Designate the date on which posthearing briefs, if any, shall be submitted;

(5) Determine all procedural matters concerning the hearing, including the length of sessions, conduct of persons in attendance, recesses, continuances, and adjournments; and take any other appropriate procedural action which, in the judgment of the designated representative, will promote the purpose and objectives of the hearing.

(b) A prehearing conference may be conducted by the designated representative of the Board in order to:

(1) Inform the parties of the purpose of the hearing and the procedures under which it will take place;

(2) Explore the possibilities of obtaining stipulations of fact;

(3) Clarify the positions of the parties with respect to the issues to be heard; and

(4) Discuss any other relevant matters which will assist the parties in the resolution of the dispute.

§ 2471.9 Report and recommendations.

(a) When a report is issued after a hearing conducted pursuant to §§ 2471.7 and 2471.8, it normally shall be in writing and, when authorized by the Board, shall contain recommendations.

(b) A report of the designated representative containing recommendations shall be submitted to the parties, with two (2) copies to the Executive Director, within a period normally not to exceed thirty (30) calendar days after receipt of the transcript or briefs, if any.

(c) A report of the designated representative not containing recommendations shall be submitted to the Board with a copy to each party within a period normally not to exceed thirty (30) calendar days after receipt of the transcript or briefs, if any. The Board shall then take whatever action it may consider appropriate or necessary to resolve the impasse.

§ 2471.10 Duties of each party following receipt of recommendations.

(a) Within thirty (30) calendar days after receipt of a report containing recommendations of the Board or its designated representative, each party shall, after conferring with the other, either:

(1) Accept the recommendations and so notify the Executive Director; or

(2) Reach a settlement of all unresolved issues and submit a written settlement statement to the Executive Director; or

(3) Submit a written statement to the Executive Director setting forth the reasons for not accepting the recommendations and for not reaching a settlement of all unresolved issues.

(b) A reasonable extension of time may be authorized by the Executive Director for good cause shown when requested in writing by either party prior to the expiration of the time limits.

§ 2471.11 Final action by the Board.

(a) If the parties do not arrive at a settlement as a result of or during actions taken under § 2471.6(a)(2), 2471.7, 2471.8, 2471.9, and 2471.10, the Board may take whatever action is necessary and not inconsistent with 5 U.S.C. chapter 71, as applied by the CAA, to resolve the impasse, including but not limited to, methods and procedures which the Board considers appropriate, such as directing the parties to accept a factfinder's recommendations, ordering binding arbitration conducted according to whatever procedure the Board deems suitable, and rendering a binding decision.

(b) In preparation for taking such final action, the Board may hold hearings, administer oaths, and take the testimony or deposition of any person under oath, or it may appoint or designate one or more individuals pursuant to 5 U.S.C. 7119(c)(4), as applied by the CAA, to exercise such authority on its behalf.

(c) When the exercise of authority under this section requires the holding of a hearing, the procedure contained in § 2471.8 shall apply.

(d) Notice of any final action of the Board shall be promptly served upon the parties, and the action shall be binding on such parties during the term of the agreement, unless they agree otherwise.

2471.12 Inconsistent labor agreement provisions.

Any provisions of the parties' labor agreements relating to impasse resolution which are inconsistent with the provisions of either 5 U.S.C. 7119, as applied by the CAA, or the procedures of the Board shall be deemed to be superseded.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3027. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Importation of Embryos from Ruminants and Swine from Countries Where Rinderpest or Foot-and-Mouth Disease Exists Disease Exists [APHIS Docket No. 94–006–2] received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3028. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Import/Export User Fees [APHIS Docket No. 92–174–2] (RIN: 0579–AA67) received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3029. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans: Ohio (FLR–5439–4) received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3030. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rules—(1) State of California; approval of Section 112(1) Authority for Hazardous Air Pollutants; Perchloroethylene Air Emission Standards for Dry Cleaning Facilities (FRL–5444–6), (2) Acid Rain Program: Continuous Emission Monitoring (FRL–5506–6), (3) Propylene Oxide; Pesticide Tolerance (PP 6E4647/R2220) (FRL–5357–8), and (4) National Oil and Hazardous Substances Pollution Contingency Plan National Priorities List (FRL–5507–3) received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3031. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Korea (Transmittal No. DTC–19–96), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3032. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting a draft of proposed legislation to authorize appropriations for the U.S. Merit

Systems Protection Board, pursuant to 31 U.S.C. 1110; to the Committee on Government Reform and Oversight.

3033. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pacific cod in the Western Regulatory Area [Docket No. 960129018–6108–01; I.D. 050396C] received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3034. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—American Lobster Fishery; Technical Amendment [Docket No. 960409108–6108–01; I.D. 040596A] (RIN: 0648–XX61) received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3035. A letter from the Chair of the Board, Office of Compliance, transmitting notice of proposed rulemaking for publication in the CONGRESSIONAL RECORD, pursuant to Public Law 104–1, section 304(b)(1) (109 Stat. 29); jointly, to the Committees on House Oversight and Economic and Educational Opportunities.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SOLOMON: Committee on Rules. House Resolution 435. Resolution providing for further consideration of the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal year 1998, 1999, 2000, 2001, 2002 (Rept. 104–577). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. COMBEST: Permanent Select Committee on Intelligence. H.R. 3259. A bill to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the U.S. Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; with an amendment; referred to the Committee on National Security for a period ending not later than May 16, 1996, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k), rule X.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. JACKSON-LEE (for herself, Mr. RANGEL, Mr. PAYNE of New Jersey, Ms. WATERS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BISHOP, Mr. ACKERMAN, Ms. BROWN of Florida, Ms. NORTON, Mr. JEFFERSON, Mr. STOKES, Mr. WATT of North Carolina, Mr. CLYBURN, Mr. LEWIS of Georgia, Mr. CONYERS, Mr. OWENS, Mr. FATTAH, Mr. HILLIARD, Mr. RICHARDSON, Mr. COLLINS of Georgia, Mr. JACKSON, Mr. DELLUMS, Mr. ANDREWS, Mr. ORTIZ, Mr. RUSH, Ms. SLAUGHTER, Mr. GIBBONS, Mr. CLAY, Ms. VELAZQUEZ, Mr. GUTIERREZ, Mrs. MINK of Hawaii, Mr. BROWN of California, and Mr. LEVIN):

H.R. 3457. A bill to amend the Internal Revenue Code of 1986 to suspend the 4.3-cent general revenue portion of the fuel excise taxes; to the Committee on Ways and Means, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EVERETT (for himself, Mr. STUMP, Mr. MONTGOMERY, and Mr. EVANS):

H.R. 3458. A bill to increase, effective as of December 1, 1996, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; to the Committee on Veterans' Affairs.

By Mr. BUYER (for himself and Mr. FILNER):

H.R. 3459. A bill to amend title 38, United States Code, to extend the enhanced loan asset sale authority of the Secretary of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. MOORHEAD (for himself, Mrs. SCHROEDER, Mr. CONYERS, Mr. SENSENBRENNER, Mr. COBLE, Mr. GOODLATTE, Mr. BERMAN, Mr. BOUCHER, Mr. GALLEGLY, Mr. HOKE, Mr. NADLER, and Ms. LOFGREN):

H.R. 3460. A bill to establish the Patent and Trademark Office as a Government corporation, and for other purposes; to the Committee on the Judiciary.

By Mr. THOMAS:

H.R. 3461. A bill to authorize appropriations for the Federal Election Commission for fiscal year 1997; to the Committee on House Oversight.

By Mr. CARDIN (for himself, Mr. WATTS of Oklahoma, Mr. GILMAN, Mr. HOYER, Mrs. MORELLA, Mr. LAFALCE, Mr. PICKETT, Mr. CRAMER, Mr. POMEROY, Mr. BREWSTER, Mr. MORAN, Mr. JOHNSON of South Dakota, Mrs. MEEK of Florida, and Mr. EHRLICH):

H.R. 3462. A bill to amend title 5, United States Code, to require that written notice be furnished by the Office of Personnel Management before making any substantial change in the health benefits program for Federal employees; to the Committee on Government Reform and Oversight.

By Mr. GUTIERREZ:

H.R. 3463. A bill to provide for a livable wage for employees under Federal contracts and subcontracts; to the Committee on Economic and Educational Opportunities, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HANCOCK:

H.R. 3464. A bill to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, MO, to exclude a small parcel of land containing improvements; to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. JOHNSON of Connecticut (for herself, Mrs. KENNELLY, Mr. SHAW, Mrs. MORELLA, Mrs. LOWEY, Mrs. CLAYTON, Mrs. CUBIN, Ms. DELAURO, Ms. DUNN of Washington, Mrs. FOWLER, Ms. GREENE of Utah, Mrs. KELLY, Ms. LOFGREN, Mrs. MEEK of Florida, Mrs. MEYERS of Kansas, Mrs. MYRICK, Ms. PRYCE, Mrs. SEASTRAND, Mrs. SCHROEDER, Mrs. VUCANOVICH, Ms. WOOLSEY, Mr. CAMP, Mr. CHRISTENSEN, Mr. COLLINS of Georgia, Mr. CRANE, Mr. ENGLISH of Pennsylvania, Mr. ENSIGN, Mr. HOUGHTON, Mr. MATSUI, Mr. MCCRERY, Mr. NEAL of Massachusetts, Mr. PORTMAN, Mr. RAMSTAD, Mr. ZIMMER, Mr. HOBSON, Mr. NUSSLE, Mr. UPTON, Mr. TORKILDSEN, Mr. FOLEY, Mr. BOEHLERT, and Mr. FRELINGHUYSEN):

H.R. 3465. A bill to amend part D of title IV of the Social Security Act to improve child support enforcement services, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Banking and Financial Services, the Judiciary, National Security, Transportation and Infrastructure, International Relations, Economic and Educational Opportunities, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MALONEY (for herself, Mr. TORRICELLI, Mr. GONZALEZ, Mr. YATES, Mr. CLAY, Mr. CONYERS, and Mr. STARK):

H.R. 3466. A bill to eliminate taxpayer subsidies for recreational shooting programs, and to prevent the transfer of federally owned weapons, ammunition, funds, and other property to a private corporation for the promotion of rifle practice and firearms safety; to the Committee on National Security.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 833: Mr. CAMPBELL.

H.R. 922: Mrs. CLAYTON.

H.R. 1023: Mr. BROWN of Ohio, Mr. RUSH, and Mr. MARTINEZ.

H.R. 1140: Mr. NADLER.

H.R. 1210: Mr. ENGLISH of Pennsylvania.

H.R. 1353: Mr. POMEROY.

H.R. 1402: Mr. CLAY.

H.R. 2011: Mr. GANSKE.

H.R. 2026: Mr. FRANK of Massachusetts, Mr. BACHUS, Mr. YOUNG of Alaska, Mr. HASTINGS of Florida, Mr. VOLKMER, Mr. SAWYER, Mr. TAYLOR of Mississippi, and Mr. GALLEGLY.

H.R. 2270: Mr. BATEMAN, Mr. CLINGER, Mr. KINGSTON, Mr. CREMEANS, Mr. BUNNING of Kentucky, Mr. KING, Mr. CAMPBELL, Mr. JONES, and Mr. BEREUTER.

H.R. 2272: Mr. NADLER and Mr. PICKETT.

H.R. 2463: Ms. SLAUGHTER.

H.R. 2508: Mr. UPTON.

H.R. 2579: Mr. LATHAM.

H.R. 2807: Mr. THORNBERRY, Mr. FATTAH, Mr. NORWOOD, and Mr. TOWNS.

H.R. 2931: Mr. WISE, Mr. BAKER of Louisiana, Mr. MANTON, Ms. MCCARTHY, and Mr. ACKERMAN.

H.R. 2976: Mr. BENTSEN, Mr. BROWN of Ohio, Mrs. CHENOWETH, Mrs. COLLINS of Illinois, Mr. DE LA GARZA, and Mr. WELDON of Florida.

H.R. 3012: Mr. COSTELLO, Mr. KINGSTON, Mr. HAYES, Mr. CLEMENT, and Ms. KAPTUR.

H.R. 3030: Mrs. THURMAN, Mr. JACKSON, and Mr. FILNER.

H.R. 3038: Mr. BLUTE and Mr. EMERSON.

H.R. 3060: Mr. FAWELL and Mr. PORTER.

H.R. 3083: Mrs. CHENOWETH, Mr. PORTER, Mr. DOOLITTLE, and Mr. DOOLEY.

H.R. 3089: Mr. FALEOMAVAEGA, Ms. ROYBAL-ALLARD, Mr. FLAKE, Mr. RICHARDSON, Mr. FILNER, Mr. FAZIO of California, and Mr. HORN.

H.R. 3090: Mr. CANADY.

H.R. 3118: Mr. BRYANT of Tennessee.

H.R. 3142: Mr. DEUTSCH, Mr. ENGEL, Mr. LUTHER, and Mr. TAYLOR of North Carolina.

H.R. 3144: Mr. COMBEST, Mr. COOLEY, Mr. ENSIGN, Mr. FRELINGHUYSEN, Mr. FRISA, Mr. HERGER, Mr. HILLEARY, Ms. MOLINARI, Mr. POMBO, Mr. RADANOVICH, Mr. RIGGS, Mr. ROGERS, Mr. ROYCE, Mr. SMITH of Texas, Mr. TAYLOR of North Carolina, Mr. ROHRABACHER, Mr. HANCOCK, Mr. CHRISTENSEN, Mr. WELLER, and Mr. SCHAEFER.

H.R. 3150: Mr. BROWN of California and Mr. LAFALCE.

H.R. 3153: Mrs. THURMAN, Mr. ROHRABACHER, Mr. PARKER, and Mr. LATHAM.

H.R. 3195: Mr. THORNBERRY.

H.R. 3199: Ms. DANNER and Mr. HEFLEY.

H.R. 3206: Mr. NEY.

H.R. 3221: Mr. HINCHEY, Ms. WATERS, Mr. BORSKI, Mr. STARK, Mr. HILLIARD, Mrs. CLAYTON, Ms. LOFGREN, and Mr. LIPINSKI.

H.R. 3226: Mr. BORSKI, Ms. PRYCE, and Mr. KLUG.

H.R. 3247: Mr. BERMAN, Mr. PALLONE, Mr. OBERSTAR, Ms. NORTON, and Mr. EVANS.

H.R. 3253: Mr. DORNAN, Mr. BROWN of California, Mr. BLUTE, and Mrs. CLAYTON.

H.R. 3258: Mr. HORN and Mr. COOLEY.

H.R. 3265: Mr. SMITH of New Jersey.

H.R. 3316: Mr. LAFALCE, Mr. LIPINSKI, and Mr. EVANS.

H.R. 3362: Mr. HILLIARD, Mr. LAFALCE, Ms. LOFGREN, Mr. MILLER of California, Mr. FROST, and Mr. MANTON.

H.R. 3379: Mr. SCARBOROUGH.

H.R. 3392: Mr. DICKS, Ms. PELOSI, Mr. WATT of North Carolina, Mrs. MINK of Hawaii, Mr. THOMPSON, Mr. MINGE, Mr. PASTOR, Mr. DIXON, and Ms. LOFGREN.

H.R. 3412: Mr. YATES.

H. Con. Res. 154: Ms. LOFGREN, Mr. MENENDEZ, Mr. BROWN of California, Mr. EDWARDS, Mr. MCNULTY, and Mr. MINGE.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. CON. RES. 178

OFFERED BY: MR. ORTON

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,107,513,000,000.
Fiscal year 1998: $1,165,720,000,000.
Fiscal year 1999: $1,214,661,000,000.
Fiscal year 2000: $1,269,637,000,000.
Fiscal year 2001: $1,330,292,000,000.
Fiscal year 2002: $1,392,543,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: $7,157,000,000.
Fiscal year 1998: $17,170,000,000.
Fiscal year 1999: $16,303,000,000.
Fiscal year 2000: $17,838,000,000.
Fiscal year 2001: $19,192,000,000.
Fiscal year 2002: $18,645,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,316,223,000,000.
Fiscal year 1998: $1,364,054,000,000.
Fiscal year 1999: $1,405,593,000,000.
Fiscal year 2000: $1,448,718,000,000.
Fiscal year 2001: $1,480,821,000,000.
Fiscal year 2002: $1,529,237,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,313,391,000,000.
Fiscal year 1998: $1,352,476,000,000.
Fiscal year 1999: $1,388,058,000,000.
Fiscal year 2000: $1,428,498,000,000.
Fiscal year 2001: $1,453,221,000,000.
Fiscal year 2002: $1,501,530,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $205,878,000,000.
Fiscal year 1998: $186,756,000,000.
Fiscal year 1999: $173,397,000,000.
Fiscal year 2000: $158,861,000,000.
Fiscal year 2001: $122,929,000,000.
Fiscal year 2002: $108,987,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,417,500,000,000.
Fiscal year 1998: $5,651,100,000,000.
Fiscal year 1999: $5,864,000,000,000.
Fiscal year 2000: $6,058,600,000,000.
Fiscal year 2001: $6,212,600,000,000.
Fiscal year 2002: $6,344,300,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,432,000,000.
Fiscal year 1998: $39,420,000,000.
Fiscal year 1999: $42,470,000,000.
Fiscal year 2000: $43,895,000,000.
Fiscal year 2001: $45,292,000,000.
Fiscal year 2002: $46,718,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $267,340,000,000.
Fiscal year 1998: $266,819,000,000.
Fiscal year 1999: $266,088,000,000.
Fiscal year 2000: $267,079,000,000.
Fiscal year 2001: $267,982,000,000.
Fiscal year 2002: $269,051,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

Fiscal year 1997:
(A) New budget authority, $259,235,000,000.
(B) Outlays, $262,484,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $800,000,000.

Fiscal year 1998:
(A) New budget authority, $263,733,000,000.
(B) Outlays, $259,351,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 1999:
(A) New budget authority, $267,996,000,000.
(B) Outlays, $261,560,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2000:
(A) New budget authority, $273,082,000,000.
(B) Outlays, $267,858,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2001:
(A) New budget authority, $272,300,000,000.
(B) Outlays, $265,703,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2002:
(A) New budget authority, $272,372,000,000.
(B) Outlays, $269,364,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

(2) International Affairs (150):

Fiscal year 1997:
(A) New budget authority, $14,178,000,000.
(B) Outlays, $15,008,000,000.
(C) New direct loan obligations, $4,342,000,000.
(D) New primary loan guarantee commitments $18,251,000,000.

Fiscal year 1998:
(A) New budget authority, $12,682,000,000.
(B) Outlays, $13,566,000,000.
(C) New direct loan obligations, $4,417,000,000.
(D) New primary loan guarantee commitments $18,628,000,000.

Fiscal year 1999:
(A) New budget authority, $11,838,000,000.
(B) Outlays, $12,552,000,000.
(C) New direct loan obligations, $4,518,000,000.
(D) New primary loan guarantee commitments $19,030,000,000.

Fiscal year 2000:
(A) New budget authority, $12,749,000,000.
(B) Outlays, $11,461,000,000.
(C) New direct loan obligations, $4,618,000,000.
(D) New primary loan guarantee commitments $19,406,000,000.

Fiscal year 2001:
(A) New budget authority, $12,879,000,000.
(B) Outlays, $11,669,000,000.
(C) New direct loan obligations, $4,739,000,000.
(D) New primary loan guarantee commitments $19,858,000,000.

Fiscal year 2002:
(A) New budget authority, $13,124,000,000.
(B) Outlays, $11,727,000,000.
(C) New direct loan obligations, $4,891,000,000.
(D) New primary loan guarantee commitments $20,431,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:
(A) New budget authority, $16,840,000,000.
(B) Outlays, $16,894,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $16,841,000,000.

(B) Outlays, $16,852,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $16,843,000,000.

(B) Outlays, $16,776,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $16,844,000,000.

(B) Outlays, $16,822,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $16,845,000,000.

(B) Outlays, $16,844,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $16,846,000,000.

(B) Outlays, $16,845,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(4) Energy (270):

Fiscal year 1997:

(A) New budget authority, $3,728,000,000.

(B) Outlays, $3,080,000,000.

(C) New direct loan obligations, $1,033,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $3,654,000,000.

(B) Outlays, $2,695,000,000.

(C) New direct loan obligations, $1,050,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $3,220,000,000.

(B) Outlays, $2,180,000,000.

(C) New direct loan obligations, $1,078,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $3,167,000,000.

(B) Outlays, $2,035,000,000.

(C) New direct loan obligations, $1,109,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $3,337,000,000.

(B) Outlays, $2,179,000,000.

(C) New direct loan obligations, $1,141,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $3,065,000,000.

(B) Outlays, $1,816,000,000.

(C) New direct loan obligations, $1,174,000,000.

(D) New primary loan guarantee commitments $0.

(5) Natural Resources and Environment (300):

Fiscal year 1997:

(A) New budget authority, $21,359,000,000.

(B) Outlays, $21,969,000,000.

(C) New direct loan obligations, $37,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $21,131,000,000.

(B) Outlays, $21,846,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $21,277,000,000.

(B) Outlays, $21,921,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $21,150,000,000.

(B) Outlays, $21,630,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $21,032,000,000.

(B) Outlays, $21,253,000,000.

(C) New direct loan obligations, $44,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $21,019,000,000.

(B) Outlays, $21,089,000,000.

(C) New direct loan obligations, $44,000,000.

(D) New primary loan guarantee commitments $0.

(6) Agriculture (350):

Fiscal year 1997:

(A) New budget authority, $12,617,000,000.

(B) Outlays, $10,778,000,000.

(C) New direct loan obligations, $7,810,000,000.

(D) New primary loan guarantee commitments $5,994,000,000.

Fiscal year 1998:

(A) New budget authority, $12,663,000,000.

(B) Outlays, $10,677,000,000.

(C) New direct loan obligations, $9,387,000,000.

(D) New primary loan guarantee commitments $6,765,000,000.

Fiscal year 1999:

(A) New budget authority, $12,481,000,000.

(B) Outlays, $10,529,000,000.

(C) New direct loan obligations, $10,808,000,000.

(D) New primary loan guarantee commitments $6,836,000,000.

Fiscal year 2000:

(A) New budget authority, $11,933,000,000.

(B) Outlays, $10,026,000,000.

(C) New direct loan obligations, $10,825,000,000.

(D) New primary loan guarantee commitments $6,909,000,000.

Fiscal year 2001:

(A) New budget authority, $10,889,000,000.

(B) Outlays, $9,081,000,000.

(C) New direct loan obligations, $10,708,000,000.

(D) New primary loan guarantee commitments $6,983,000,000.

Fiscal year 2002:

(A) New budget authority, $10,646,000,000.

(B) Outlays, $8,816,000,000.

(C) New direct loan obligations, $10,706,000,000.

(D) New primary loan guarantee commitments $7,060,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1997:

(A) New budget authority, $7,928,000,000.

(B) Outlays, $826,000,000.

(C) New direct loan obligations, $1,910,000,000.

(D) New primary loan guarantee commitments $198,096,000,000.

Fiscal year 1998:

(A) New budget authority, $9,878,000,000.

(B) Outlays, $5,381,000,000.

(C) New direct loan obligations, $1,900,000,000.

(D) New primary loan guarantee commitments $198,218,000,000.

Fiscal year 1999:

(A) New budget authority, $10,622,000,000.

(B) Outlays, $5,713,000,000.

(C) New direct loan obligations, $1,954,000,000.

(D) New primary loan guarantee commitments $198,427,000,000.

Fiscal year 2000:

(A) New budget authority, $12,421,000,000.

(B) Outlays, $6,686,000,000.

(C) New direct loan obligations, $2,015,000,000.

(D) New primary loan guarantee commitments $198,723,000,000.

Fiscal year 2001:

(A) New budget authority, $11,984,000,000.

(B) Outlays, $7,198,000,000.

(C) New direct loan obligations, $2,072,000,000.

(D) New primary loan guarantee commitments $198,876,000,000.

Fiscal year 2002:

(A) New budget authority, $12,325,000,000.

(B) Outlays, $7,837,000,000.

(C) New direct loan obligations, $2,134,000,000.

(D) New primary loan guarantee commitments $199,111,000,000.

(8) Transportation (400):

Fiscal year 1997:

(A) New budget authority, $43,944,000,000.

(B) Outlays, $39,307,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $44,651,000,000.

(B) Outlays, $38,616,000,000.

(C) New direct loan obligations, $16,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $43,544,000,000.

(B) Outlays, $36,014,000,000.

(C) New direct loan obligations, $16,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $44,240,000,000.

(B) Outlays, $35,526,000,000.

(C) New direct loan obligations, $17,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $44,854,000,000.

(B) Outlays, $34,788,000,000.

(C) New direct loan obligations, $17,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $45,582,000,000.

(B) Outlays, $34,440,000,000.

(C) New direct loan obligations, $18,000,000.

(D) New primary loan guarantee commitments $0.

(9) Community and Regional Development (450):

Fiscal year 1997:

(A) New budget authority, $8,733,000,000.

(B) Outlays, $10,409,000,000.

(C) New direct loan obligations, $1,231,000,000.

(D) New primary loan guarantee commitments $2,181,000,000.

Fiscal year 1998:

(A) New budget authority, $8,268,000,000.

(B) Outlays, $10,024,000,000.

(C) New direct loan obligations, $1,257,000,000.

(D) New primary loan guarantee commitments $2,229,000,000.

Fiscal year 1999:

(A) New budget authority, $8,556,000,000.

(B) Outlays, $9,464,000,000.

(C) New direct loan obligations, $1,287,000,000.

(D) New primary loan guarantee commitments $2,315,000,000.

Fiscal year 2000:

(A) New budget authority, $8,621,000,000.

(B) Outlays, $9,163,000,000.

(C) New direct loan obligations, $1,365,000,000.

(D) New primary loan guarantee commitments $2,369,000,000.

Fiscal year 2001:

(A) New budget authority, $8,610,000,000.

(B) Outlays, $8,671,000,000.

(C) New direct loan obligations, $1,404,000,000.

(D) New primary loan guarantee commitments $2,448,000,000.

Fiscal year 2002:

(A) New budget authority, $8,498,000,000.

(B) Outlays, $8,149,000,000.

(C) New direct loan obligations, $1,430,000,000.

(D) New primary loan guarantee commitments $2,496,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1997:

(A) New budget authority, $53,099,000,000.

(B) Outlays, $51,302,000,000.

(C) New direct loan obligations, $16,219,000,000.

(D) New primary loan guarantee commitments $15,469,000,000.

Fiscal year 1998:

(A) New budget authority, $54,914,000,000.

(B) Outlays, $53,764,000,000.

(C) New direct loan obligations, $19,040,000,000.

(D) New primary loan guarantee commitments $14,760,000,000.

Fiscal year 1999:

(A) New budget authority, $56,631,000,000.

(B) Outlays, $55,520,000,000.

(C) New direct loan obligations, $21,781,000,000.

(D) New primary loan guarantee commitments $13,854,000,000.

Fiscal year 2000:

(A) New budget authority, $57,968,000,000.

(B) Outlays, $56,675,000,000.

(C) New direct loan obligations, $22,884,000,000.

(D) New primary loan guarantee commitments $14,589,000,000.

Fiscal year 2001:

(A) New budget authority, $59,496,000,000.

(B) Outlays, $57,975,000,000.

(C) New direct loan obligations, $23,978,000,000.

(D) New primary loan guarantee commitments $15,319,000,000.

Fiscal year 2002:

(A) New budget authority, $61,089,000,000.

(B) Outlays, $59,302,000,000.

(C) New direct loan obligations, $25,127,000,000.

(D) New primary loan guarantee commitments $16,085,000,000.

(11) Health (550):

Fiscal year 1997:

(A) New budget authority, $130,271,000,000.

(B) Outlays, $129,859,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $187,000,000.

Fiscal year 1998:

(A) New budget authority, $137,102,000,000.

(B) Outlays, $136,870,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $94,000,000,000.

Fiscal year 1999:

(A) New budget authority, $146,449,000,000.

(B) Outlays, $146,486,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $155,462,000,000.

(B) Outlays, $155,232,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $163,952,000,000.

(B) Outlays, $163,535,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $174,717,000,000.

(B) Outlays, $174,167,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(12) Medicare (570):

Fiscal year 1997:

(A) New budget authority, $191,735,000,000.

(B) Outlays, $190,051,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $205,671,000,000.

(B) Outlays, $203,946,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $219,739,000,000.

(B) Outlays, $217,467,000,000.

(C) New direct loan obligations, $0

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $233,083,000,000.

(B) Outlays, $231,334,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $249,351,000,000.

(B) Outlays, $247,617,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $266,091,000,000.

(B) Outlays, $263,690,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(13) Income Security (600):

Fiscal year 1997:

(A) New budget authority, $231,135,000,000.

(B) Outlays, $238,848,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $243,312,000,000.

(B) Outlays, $247,097,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $252,613,000,000.

(B) Outlays, $256,017,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $266,923,000,000.

(B) Outlays, $268,708,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $273,393,000,000.

(B) Outlays, $273,190,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $288,716,000,000.

(B) Outlays, $286,757,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(14) Social Security (650):

Fiscal year 1997:

(A) New budget authority, $7,813,000,000.

(B) Outlays, $11,001,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $8,477,000,000.

(B) Outlays, $11,664,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $9,220,000,000.

(B) Outlays, $12,369,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $9,980,000,000.

(B) Outlays, $13,129,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $10,776,000,000.

(B) Outlays, $13,925,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $11,608,000,000.

(B) Outlays, $14,757,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1997:

(A) New budget authority, $39,074,000,000.

(B) Outlays, $39,570,000,000.

(C) New direct loan obligations, $935,000,000.

(D) New primary loan guarantee commitments $26,362,000,000.

Fiscal year 1998:

(A) New budget authority, $38,910,000,000.

(B) Outlays, $39,387,000,000.

(C) New direct loan obligations, $962,000,000.

(D) New primary loan guarantee commitments $25,925,000,000.

Fiscal year 1999:

(A) New budget authority, $39,420,000,000.

(B) Outlays, $39,603,000,000.

(C) New direct loan obligations, $987,000,000.

(D) New primary loan guarantee commitments $25,426,000,000.

Fiscal year 2000:

(A) New budget authority, $39,548,000,000.

(B) Outlays, $41,235,000,000.

(C) New direct loan obligations, $1,021,000,000.

(D) New primary loan guarantee commitments $24,883,000,000.

Fiscal year 2001:

(A) New budget authority, $39,803,000,000.

(B) Outlays, $38,655,000,000.

(C) New direct loan obligations, $1,189,000,000.

(D) New primary loan guarantee commitments $24,298,000,000.

Fiscal year 2002:

(A) New budget authority, $40,005,000,000.

(B) Outlays, $40,268,000,000.

(C) New direct loan obligations, $1,194,000,000.

(D) New primary loan guarantee commitments $23,668,000,000.

(16) Administration of Justice (750):

Fiscal year 1997:

(A) New budget authority, $22,127,000,000.

(B) Outlays, $19,930,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $22,302,000,000.

(B) Outlays, $21,162,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $23,186,000,000.

(B) Outlays, $22,241,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $23,235,000,000.

(B) Outlays, $22,944,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $22,119,000,000.

(B) Outlays, $22,461,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $22,143,000,000.

(B) Outlays, $22,085,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(17) General Government (800):

Fiscal year 1997:

(A) New budget authority, $13,655,000,000.

(B) Outlays, $13,362,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $13,661,000,000.

(B) Outlays, $13,522,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $13,311,000,000.

(B) Outlays, $13,299,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $13,149,000,000.

(B) Outlays, $13,346,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $13,086,000,000.

(B) Outlays, $13,046,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $13,147,000,000.

(B) Outlays, $13,104,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(18) Net Interest (900):

Fiscal year 1997:

(A) New budget authority, $282,011,000,000.

(B) Outlays, $281,971,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $287,083,000,000.

(B) Outlays, $286,933,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $289,332,000,000.

(B) Outlays, $289,032,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $289,637,000,000.

(B) Outlays, $289,162,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $292,873,000,000.

(B) Outlays, $292,190,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $297,178,000,000.

(B) Outlays, $296,252,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(19) Allowances (920):

Fiscal year 1997:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$6,000,000,000.

(B) Outlays, −$6,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, −$7,000,000,000.

(B) Outlays, −$7,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$8,500,000,000.

(B) Outlays, −$8,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$9,000,000,000.

(B) Outlays, −$9,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$9,500,000,000.

(B) Outlays, −$9,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1997:

(A) New budget authority, −$43,258,000,000.

(B) Outlays, −$43,258,000,000.

(C) New direct loan obligations, $7,900,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$34,878,000,000.

(B) Outlays, −$34,878,000,000.

(C) New direct loan obligations, $1,350,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, −$33,685,000,000.

(B) Outlays, −$33,685,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$35,974,000,000.

(B) Outlays, −$35,974,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$37,759,000,000.

(B) Outlays, −$37,759,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$39,435,000,000.

(B) Outlays, −$39,435,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

SEC. 4. RECONCILIATION.

(a) Not later than June 21, 1996, the House committees named in subsection (b) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(b)(1) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $2,082,000,000 in outlays for fiscal year 1997, $15,117,000,000 in outlays in fiscal years 1997 through 2001, and $18,852,000,000 in outlays in fiscal years 1997 through 2002.

(2) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $367,000,000 in outlays for fiscal year 1997, $2,428,000,000 in outlays in fiscal years 1997 through 2001, and $3,026,000,000 in outlays in fiscal years 1997 through 2002.

(3) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $10,717,000,000 in outlays for fiscal year 1997, $158,844,000,000 in outlays in fiscal years 1997 through 2001, and $226,598,000,000 in outlays in fiscal years 1997 through 2002.

(4) The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $220,000,000 in outlays for fiscal year 1997, $2,454,000,000 in outlays in fiscal years 1997 through 2001, and $3,198,000,000 in outlays in fiscal years 1997 through 2002.

(5) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $2,600,000,000 in outlays for fiscal year 1997, $40,278,000,000 in outlays in fiscal years 1997 through 2001, and $50,900,000,000 in outlays in fiscal years 1997 through 2002.

(6) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $0 in outlays for fiscal year 1997, $357,000,000 in outlays in fiscal years 1997 through 2001, and $476,000,000 in outlays in fiscal years 1997 through 2002.

(7) The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $84,000,000 in outlays for fiscal year 1997, $493,000,000 in outlays in fiscal years 1997 through 2001, and $649,000,000 in outlays in fiscal years 1997 through 2002.

(8) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $74,000,000 in outlays for fiscal year 1997, $308,000,000 in outlays in fiscal years 1997 through 2001, and $332,000,000 in outlays in fiscal years 1997 through 2002.

(9) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $19,000,000 in outlays for fiscal year 1997, $810,000,000 in outlays in fiscal years 1997 through 2001, and $885,000,000 in outlays in fiscal years 1997 through 2002.

(10) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $117,000,000 in outlays for fiscal year 1997, $2,378,000,000 in outlays in fiscal years 1997 through 2001, and $3,232,000,000 in outlays in fiscal years 1997 through 2002.

(11) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the deficit, as follows: by $14,766,000,000 in fiscal year 1997, by $172,990,000,000 in fiscal years 1997 through 2001, and by $231,595,000,000 in fiscal years 1997 through 2002.

(c) DEFINITION.—For purposes of this section, the term "direct spending" has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 5. SENSE OF CONGRESS ON DOMESTIC VIOLENCE AND FEDERAL ASSISTANCE.

(a) FINDINGS.—Congress finds that—

(1) domestic violence is the leading cause of physical injury to women; the Department of Justice estimates that over one million violent crimes against women are committed by intimate partners annually;

(2) domestic violence dramatically affects the victim's ability to participate in the workforce; a University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work;

(3) domestic violence is often intensified as women seek to gain economic independence through attending school or training programs; batterers have been reported to prevent women from attending these programs or sabotage their efforts at self-improvement;

(4) nationwide surveys of service providers prepared by the Taylor Institute of Chicago, document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 percent and 80 percent of AFDC recipients are current or past victims of domestic violence;

(5) over half of the women surveyed stayed with their batterers because they lacked the resources to support themselves and their children; the surveys also found that the availability of economic support is a critical factor in poor women's ability to leave abusive situations that threaten them and their children; and

(6) proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) no welfare reform provision shall be enacted by Congress unless and until Congress considers whether such welfare reform provisions will exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence; and

(2) any welfare reform measure enacted by Congress shall require that any welfare-to-work, education, or job placement programs implemented by the States will address the impact of domestic violence on welfare recipients.

SEC. 6. SENSE OF CONGRESS ON IMPACT OF LEGISLATION ON CHILDREN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that Congress should not adopt or enact any legislation that will increase the number of children who are hungry, homeless, poor, or medically uninsured.

(b) LEGISLATIVE ACCOUNTABILITY FOR IMPACT ON CHILDREN.—In the event legislation enacted to comply with this resolution results in an increase in the number of hungry, homeless, poor, or medically uninsured by the end of fiscal year 1997, Congress shall revisit the provisions of such legislation which caused such increase and shall, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

SEC. 7. SENSE OF CONGRESS REGARDING TAX CUTS.

It is the sense of Congress that changes in tax laws which promote job creation, economic growth, and increased savings and investment should be enacted and be offset by changes which close tax loopholes and eliminate corporate welfare.

SEC. 8. SENSE OF CONGRESS REGARDING THE DEBT.

It is the sense of Congress that eliminating the deficit by producing a balanced budget is only the first step toward the ultimate goal of reducing and eventually eliminating the public debt.

SEC. 9. SENSE OF CONGRESS REGARDING TRUST FUND SURPLUSES.

It is the sense of Congress that—

(2) all recent-year Federal budgets, as well as both fiscal year 1996 budget resolutions reported out by the Committees on the Budget of the House of Representatives and the Senate, have masked the magnitude of annual deficits by counting various trust fund surpluses; and

(2) upon reaching a balance in the Federal budget, the Government should move toward balance without consideration of trust fund surpluses.

SEC. 10. SENSE OF CONGRESS REGARDING BALANCED BUDGET ENFORCEMENT.

It is the sense of Congress that, in order to ensure that a balanced budget is achieved by fiscal year 2002 and that the budget remains in balance thereafter, title XIV of H.R. 2530 establishing strict budget enforcement mechanisms should be enacted. Such language would—

(1) require the Federal Government to reach a balanced Federal budget by fiscal year 2002 and remain in balance thereafter;

(2) establish procedures for developing honest, accurate, and accepted budget estimates;

(3) require that the President propose annual budgets that would achieve a balanced Federal budget by fiscal year 2002 and for each year thereafter, using accurate assumptions;

(4) require the Committees on the Budget of the House of Representatives and the Senate to report budget resolutions that achieve a balanced Federal budget by fiscal year 2002 and for each year thereafter, using accurate assumptions; and

(5) require Congress and the President to take action if the deficit targets in this resolution are not met.

SEC. 11. SENSE OF CONGRESS REGARDING MEDICARE REFORM.

It is the sense of Congress that any legislation reforming medicare should reflect the policies and distribution of savings contained in H.R. 2530. Specifically, that legislation should—

(1) reform policies for medicare risk contracting to expand the choice of private options available to all medicare beneficiaries, including individuals in rural areas;

(2) contain regulatory reforms to facilitate the creation of provider-sponsored networks;

(3) contain reasonable reductions in the growth of payments to providers that do not threaten the availability or quality of care;

(4) require higher income medicare beneficiaries to pay a greater portion of medicare premiums without establishing a new bureaucracy for the collection of premiums;

(5) expand coverage of preventive benefits under medicare;

(6) provide a demonstration project for Medical Savings Accounts for medicare beneficiaries; and

(7) prohibit managed care plans from charging medicare beneficiaries additional premiums beyond the part B premium.

SEC. 12. SENSE OF CONGRESS REGARDING MEDICAID REFORM.

It is the sense of Congress that any legislation changing the medicaid program pursuant to this resolution should—

(1) continue guaranteed coverage for low-income children, pregnant women, the elderly, and the disabled;

(2) continue the guarantee of an adequate benefits package for all medicaid beneficiaries;

(3) provide States with greater flexibility in the delivery of services and administration of the program;

(4) contain a financing mechanism in which the Federal Government fully shares in changes in program costs resulting from changes in caseload;

(5) require States to maintain current levels of financial effort to preserve the current joint Federal-State partnership in meeting the costs of this program;

(6) continue current restrictions on the use of provider taxes and donations and other illusory State financing schemes;

(7) continue Federal minimum standards for nursing homes;

(8) continue Federal rules that prevent wives or husbands from being required to impoverish themselves in order to obtain and keep medicaid benefits for their spouse requiring nursing home care; and

(9) continue coverage of medicaid premiums and cost sharing for low-income seniors.

SEC. 13. SENSE OF CONGRESS REGARDING WELFARE REFORM.

It is the sense of Congress that any legislation reforming welfare programs pursuant to this resolution should—

(1) impose tough work requirements on able-bodied recipients;

(2) provide sufficient resources for job training, child care, and other programs necessary to help welfare recipients make the transition from welfare to work;

(3) require States to maintain levels of financial support sufficient to operate an effective program;

(4) contain effective counter-cyclical mechanisms to assist States facing economic downturns or increases in population;

(5) include provisions holding States accountable for the use of Federal funds and the effectiveness of State programs;

(6) contain strong child support provisions; and

(7) maintain the integrity of the food stamp program as a national safety net.

H. CON. RES. 178

OFFERED BY: MR. PAYNE OF NEW JERSEY

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 2: Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,140,900,000,000.
Fiscal year 1998: $1,216,000,000,000.
Fiscal year 1999: $1,777,300,000,000.
Fiscal year 2000: $1,345,000,000,000.
Fiscal year 2001: $1,407,900,000,000.
Fiscal year 2002: $1,483,500,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: $40,500,000,000.
Fiscal year 1998: $67,500,000,000.
Fiscal year 1999: $78,900,000,000.
Fiscal year 2000: $93,200,000,000.
Fiscal year 2001: $96,800,000,000.
Fiscal year 2002: $109,700,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,338,600,000,000.
Fiscal year 1998: $1,400,600,000,000.
Fiscal year 1999: $1,448,500,000,000.
Fiscal year 2000: $1,508,000,000,000.
Fiscal year 2001: $1,548,700,000,000.
Fiscal year 2002: $1,618,600,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,325,000,000,000.
Fiscal year 1998: $1,391,100,000,000.
Fiscal year 1999: $1,436,500,000,000.
Fiscal year 2000: $1,483,000,000,000.
Fiscal year 2001: $1,525,000,000,000.
Fiscal year 2002: $1,589,200,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $184,100,000,000.
Fiscal year 1998: $175,100,000,000.
Fiscal year 1999: $159,200,000,000.
Fiscal year 2000: $138,000,000,000.
Fiscal year 2001: $117,300,000,000.
Fiscal year 2002: $105,700,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,417,500,000,000.
Fiscal year 1998: $5,651,100,000,000.
Fiscal year 1999: $5,864,000,000,000.
Fiscal year 2000: $6,058,600,000,000.
Fiscal year 2001: $6,212,600,000,000.
Fiscal year 2002: $6,344,300,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,432,000,000.
Fiscal year 1998: $39,420,000,000.
Fiscal year 1999: $42,470,000,000.
Fiscal year 2000: $43,895,000,000.
Fiscal year 2001: $44,292,000,000.
Fiscal year 2002: $46,718,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $267,340,000,000.
Fiscal year 1998: $266,819,000,000.
Fiscal year 1999: $266,088,000,000.
Fiscal year 2000: $267,079,000,000.
Fiscal year 2001: $267,982,000,000.
Fiscal year 2002: $269,051,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1997:
(A) New budget authority, $240,300,000,000.
(B) Outlays, $237,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $800,000,000.

Fiscal year 1998:
(A) New budget authority, $233,300,000,000.
(B) Outlays, $235,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 1999:
(A) New budget authority, $227,400,000,000.
(B) Outlays, $228,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2000:
(A) New budget authority, $223,400,000,000.
(B) Outlays, $220,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2001:
(A) New budget authority, $219,500,000,000.
(B) Outlays, $216,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2002:
(A) New budget authority, $219,500,000,000.
(B) Outlays, $216,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

(2) International Affairs (150):

Fiscal year 1997:
(A) New budget authority, $17,700,000,000.
(B) Outlays, $15,800,000,000.
(C) New direct loan obligations, $4,342,000,000.
(D) New primary loan guarantee commitments $18,251,000,000.

Fiscal year 1998:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $4,417,000,000.
(D) New primary loan guarantee commitments $18,628,000,000.

Fiscal year 1999:
(A) New budget authority, $18,500,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $4,518,000,000.
(D) New primary loan guarantee commitments $19,030,000,000.

Fiscal year 2000:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $19,600,000,000.
(C) New direct loan obligations, $4,618,000,000.
(D) New primary loan guarantee commitments $19,406,000,000.

Fiscal year 2001:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $20,000,000,000.
(C) New direct loan obligations, $4,739,000,000.
(D) New primary loan guarantee commitments $19,858,000,000.

Fiscal year 2002:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $20,000,000,000.
(C) New direct loan obligations, $4,891,000,000.
(D) New primary loan guarantee commitments $20,431,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $15,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1999:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $15,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2000:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2001:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2002:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

(4) Energy (270):

Fiscal year 1997:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,200,000,000.
(C) New direct loan obligations, $1,033,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:
(A) New budget authority, $3,000,000,000.
(B) Outlays, $1,800,000,000.
(C) New direct loan obligations, $1,050,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 1999:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,000,000,000.

(C) New direct loan obligations, $1,078,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $3,100,000,000.

(B) Outlays, $1,700,000,000.

(C) New direct loan obligations, $1,109,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $3,300,000,000.

(B) Outlays, $1,800,000,000.

(C) New direct loan obligations, $1,141,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $3,000,000,000.

(B) Outlays, $1,500,000,000.

(C) New direct loan obligations, $1,179,000,000,000.

(D) New primary loan guarantee commitments $0.

(5) Natural Resources and Environment (300):

Fiscal year 1997:

(A) New budget authority, $22,500,000,000.

(B) Outlays, $22,200,000,000.

(C) New direct loan obligations, $27,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $22,800,000,000.

(B) Outlays, $21,900,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $21,400,000,000.

(B) Outlays, $21,400,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $20,700,000,000.

(B) Outlays, $20,600,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $20,800,000,000.

(B) Outlays, $20,500,000,000.

(C) New direct loan obligations, $44,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $20,800,000,000.

(B) Outlays, $20,400,000,000.

(C) New direct loan obligations, $44,000,000.

(D) New primary loan guarantee commitments $0.

(6) Agriculture (350):

Fiscal year 1997:

(A) New budget authority, $12,600,000,000.

(B) Outlays, $10,900,000,000.

(C) New direct loan obligations, $7,810,000,000.

(D) New primary loan guarantee commitments $5,994,000,000.

Fiscal year 1998:

(A) New budget authority, $11,100,000,000.

(B) Outlays, $10,000,000,000.

(C) New direct loan obligations, $9,387,000,000.

(D) New primary loan guarantee commitments $6,765,000,000.

Fiscal year 1999:

(A) New budget authority, $10,900,000,000.

(B) Outlays, $8,800,000,000.

(C) New direct loan obligations, $10,808,000,000.

(D) New primary loan guarantee commitments $6,836,000,000.

Fiscal year 2000:

(A) New budget authority, $10,200,000,000.

(B) Outlays, $8,300,000,000.

(C) New direct loan obligations, $10,825,000,000.

(D) New primary loan guarantee commitments $6,909,000,000.

Fiscal year 2001:

(A) New budget authority, $8,800,000,000.

(B) Outlays, $7,100,000,000.

(C) New direct loan obligations, $10,708,000,000.

(D) New primary loan guarantee commitments $6,983,000,000.

Fiscal year 2002:

(A) New budget authority, $8,700,000,000.

(B) Outlays, $6,100,000,000.

(C) New direct loan obligations, $10,706,000,000.

(D) New primary loan guarantee commitments $7,060,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1997:

(A) New budget authority, $8,400,000,000.

(B) Outlays, $1,300,000,000.

(C) New direct loan obligations, $1,910,000,000.

(D) New primary loan guarantee commitments $198,096,000,000.

Fiscal year 1998:

(A) New budget authority, $10,200,000,000.

(B) Outlays, $5,700,000,000.

(C) New direct loan obligations, $1,900,000,000.

(D) New primary loan guarantee commitments $198,218,000,000.

Fiscal year 1999:

(A) New budget authority, $11,000,000,000.

(B) Outlays, $6,000,000,000.

(C) New direct loan obligations, $1,954,000,000.

(D) New primary loan guarantee commitments $198,427,000,000.

Fiscal year 2000:

(A) New budget authority, $12,900,000,000.

(B) Outlays, $7,100,000,000.

(C) New direct loan obligations, $2,015,000,000.

(D) New primary loan guarantee commitments $198,723,000,000.

Fiscal year 2001:

(A) New budget authority, $12,400,000,000.

(B) Outlays, $7,600,00,000.

(C) New direct loan obligations, $2,072,000,000.

(D) New primary loan guarantee commitments $198,876,000,000.

Fiscal year 2002:

(A) New budget authority, $12,700,000,000.

(B) Outlays, $8,200,000,000.

(C) New direct loan obligations, $2,134,000,000.

(D) New primary loan guarantee commitments $199,111,000,000.

(8) Transportation (400):

Fiscal year 1997:

(A) New budget authority, $42,300,000,000.

(B) Outlays, $39,000,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $43,300,000,000.

(B) Outlays, $38,100,000,000.

(C) New direct loan obligations, $16,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $43,900,000,000.

(B) Outlays, $36,800,000,000.

(C) New direct loan obligations, $16,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $44,600,000,000.

(B) Outlays, $33,900,000,000.

(C) New direct loan obligations, $17,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $45,300,000,000.

(B) Outlays, $33,800,000,000.

(C) New direct loan obligations, $17,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $46,100,000,000.

(B) Outlays, $33,700,000,000.

(C) New direct loan obligations, $18,000,000.

(D) New primary loan guarantee commitments $0.

(9) Community and Regional Development (450):

Fiscal year 1997:

(A) New budget authority, $11,000,000,000.

(B) Outlays, $11,200,000,000.

(C) New direct loan obligations, $1,230,000,000.

(D) New primary loan guarantee commitments $2,187,000,000.

Fiscal year 1998:

(A) New budget authority, $11,500,000,000.

(B) Outlays, $11,800,000,000.

(C) New direct loan obligations, $1,257,000,000.

(D) New primary loan guarantee commitments $2,229,000,000.

Fiscal year 1999:

(A) New budget authority, $2,000,000,000.

(B) Outlays, $12,200,000,000.

(C) New direct loan obligations, $1,287,000,000.

(D) New primary loan guarantee commitments $2,315,000,000.

Fiscal year 2000:

(A) New budget authority, $12,500,000,000.

(B) Outlays, $12,700,000,000.

(C) New direct loan obligations, $1,365,000,000.

(D) New primary loan guarantee commitments $2,369,000,000.

Fiscal year 2001:

(A) New budget authority, $13,700,000,000.

(B) Outlays, $13,100,000,000.

(C) New direct loan obligations, $1,404,000,000.

(D) New primary loan guarantee commitments $2,448,000,000.

Fiscal year 2002:

(A) New budget authority, $13,700,000,000.

(B) Outlays, $13,300,000,000.

(C) New direct loan obligations, $1,430,000,000.

(D) New primary loan guarantee commitments $2,496,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1997:

(A) New budget authority, $62,900,000,000.

(B) Outlays, $61,800,000,000.

(C) New direct loan obligations, $16,219,000,000.

(D) New primary loan guarantee commitments $15,469,000,000.

Fiscal year 1998:

(A) New budget authority, $64,900,000,000.

(B) Outlays, $63,700,000,000.

(C) New direct loan obligations, $69,700,000,000.

(D) New primary loan guarantee commitments $14,760,000,000.

Fiscal year 1999:

(A) New budget authority, $68,200,000,000.

(B) Outlays, $66,400,000,000.

(C) New direct loan obligations, $21,781,000,000.

(D) New primary loan guarantee commitments $13,854,000,000.

Fiscal year 2000:

(A) New budget authority, $70,500,000,000.

(B) Outlays, $68,700,000,000.

(C) New direct loan obligations, $22,884,000,000.

(D) New primary loan guarantee commitments $14,589,000,000.

Fiscal year 2001:

(A) New budget authority, $71,800,000,000.

(B) Outlays, $69,700,000,000.

(C) New direct loan obligations, $23,978,000,000.

(D) New primary loan guarantee commitments $15,319,000,000.

Fiscal year 2002:

(A) New budget authority, $73,000,000,000.

(B) Outlays, $71,100,000,000.

(C) New direct loan obligations, $25,127,000,000.

(D) New primary loan guarantee commitments $16,085,000,000.

(11) Health (550):

Fiscal year 1997:

(A) New budget authority, $140,900,000,000.

(B) Outlays, $140,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $187,000,000.

Fiscal year 1998:

(A) New budget authority, $154,200,000,000.

(B) Outlays, $153,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $94,000,000.

Fiscal year 1999:

(A) New budget authority, $168,300,000,000.

(B) Outlays, $167,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $183,000,000,000.

(B) Outlays, $182,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $198,800,000,000.

(B) Outlays, $198,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $215,500,000,000.

(B) Outlays, $214,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(12) Medicare (570):

Fiscal year 1997:

(A) New budget authority, $199,800,000,000.

(B) Outlays, $198,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $218,800,000,000.

(B) Outlays, $217,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $239,200,000,000.

(B) Outlays, $236,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $259,700,000,000.

(B) Outlays, $258,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $282,500,000,000.

(B) Outlays, $780,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $307,500,000,000.

(B) Outlays, $305,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(13) Income Security (600):

Fiscal year 1997:

(A) New budget authority, $236,700,000,000.

(B) Outlays, $244,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $253,700,000,000.

(B) Outlays, $255,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $261,400,000,000.

(B) Outlays, $267,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $282,000,000,000.

(B) Outlays, $281,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $283,200,000,000.

(B) Outlays, $287,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $305,200,000,000.

(B) Outlays, $302,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(14) Social Security (650):

Fiscal year 1997:

(A) New budget authority, $7,800,000,000.

(B) Outlays, $11,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $8,500,000,000.

(B) Outlays, $11,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $9,200,000,000.

(B) Outlays, $12,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $10,000,000,000.

(B) Outlays, $13,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $10,800,000,000.

(B) Outlays, $14,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $11,600,000,000.

(B) Outlays, $15,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1997:

(A) New budget authority, $39,600,000,000.

(B) Outlays, $40,300,000,000.

(C) New direct loan obligations, $935,000,000.

(D) New primary loan guarantee commitments $26,362,000,000.

Fiscal year 1998:

(A) New budget authority, $40,200,000,000.

(B) Outlays, $40,500,000,000.

(C) New direct loan obligations, $982,000.

(D) New primary loan guarantee commitments $25,925,000,000.

Fiscal year 1999:

(A) New budget authority, $42,100,000,000.

(B) Outlays, $42,200,000,000.

(C) New direct loan obligations, $987,000,000.

(D) New primary loan guarantee commitments $25,426,000,000.

Fiscal year 2000:

(A) New budget authority, $43,100,000,000.

(B) Outlays, $44,700,000,000.

(C) New direct loan obligations, $1,021,000,000.

(D) New primary loan guarantee commitments $24,883,000,000.

Fiscal year 2001:

(A) New budget authority, $44,000,000,000.

(B) Outlays, $42,800,000,000.

(C) New direct loan obligations, $1,189,000,000.

(D) New primary loan guarantee commitments $24,298,000,000.

Fiscal year 2002:

(A) New budget authority, $45,100,000,000.

(B) Outlays, $45,400,000,000.

(C) New direct loan obligations, $1,194,000,000.

(D) New primary loan guarantee commitments $23,668,000,000.

(16) Administration of Justice (750):

Fiscal year 1997:

(A) New budget authority, $23,400,000,000.

(B) Outlays, $21,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $24,500,000,000.

(B) Outlays, $24,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $25,400,000,000.

(B) Outlays, $24,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $25,500,000,000.

(B) Outlays, $25,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $24,700,000,000.

(B) Outlays, $25,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $24,100,000,000.

(B) Outlays, $24,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(17) General Government (800):

Fiscal year 1997:

(A) New budget authority, $15,300,000,000.

(B) Outlays, $14,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $14,900,000,000.

(B) Outlays, $14,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $14,700,000,000.

(B) Outlays, $14,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $14,700,000,000.

(B) Outlays, $14,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $15,100,000,000.

(B) Outlays, $14,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $15,400,000,000.

(B) Outlays, $15,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(18) Net Interest (900):

Fiscal year 1997:

(A) New budget authority, $281,400,000,000.

(B) Outlays, $281,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $285,600,000,000.

(B) Outlays, $285,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $287,300,000,000.

(B) Outlays, $287,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $286,800,000,000.

(B) Outlays, $286,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $289,500,000,000.

(B) Outlays, $289,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $293,500,000,000.

(B) Outlays, $293,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(19) Allowances (920):

Fiscal year 1997:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1997:

(A) New budget authority, −$43,300,000,000.

(B) Outlays, −$43,300,000,000.

(C) New direct loan obligations, $7,900,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$33,500,000,000.

(B) Outlays, −$33,500,000,000.

(C) New direct loan obligations, $8,838,000,000.

(D) New primary loan guarantee commitments $8,838,000,000.

Fiscal year 1999:

(A) New budget authority, −$31,100,000,000.

(B) Outlays, −$31,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$3,600,000,000.

(B) Outlays, −$3,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$32,600,000,000.

(B) Outlays, −$32,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$33,800,000,000.

(B) Outlays, −$33,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

SEC. 4. RECONCILIATION.

(a) Not later than June 21, 1996, the House committee named in subsection (b) shall report its recommendations to the House.

(b) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues by $40,500,000,000 in fiscal year 1997, by $377,000,000,000 in fiscal years 1997 through 2001, and by $486,600,000,000 in fiscal years 1997 through 2002.

SEC. 5. SENSE OF CONGRESS ON DOMESTIC VIOLENCE AND FEDERAL ASSISTANCE.

(a) FINDINGS.—Congress finds that—

(1) domestic violence is the leading cause of physical injury to women; the Department of Justice estimates that over one million violent crimes against women are committed by intimate partners annually;

(2) domestic violence dramatically affects the victim's ability to participate in the workforce; a University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work;

(3) domestic violence is often intensified as women seek to gain economic independence through attending school or training programs; batterers have been reported to prevent women from attending these programs or sabotage their efforts at self-improvement;

(4) nationwide surveys of service providers prepared by the Taylor Institute of Chicago, document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 percent and 80 percent of AFDC recipients are current or past victims of domestic violence;

(5) over half of the women surveyed stayed with their batterers because they lacked the resources to support themselves and their children; the surveys also found that the availability of economic support is a critical factor in poor women's ability to leave abusive situations that threaten them and their children; and

(6) proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) no welfare reform provision shall be enacted by Congress unless and until Congress considers whether such welfare reform provisions will exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence; and

(2) any welfare reform measure enacted by Congress shall require that any welfare-to-work, education, or job placement programs implemented by the States will address the impact of domestic violence on welfare recipients.

SEC. 6. SENSE OF CONGRESS ON IMPACT OF LEGISLATION ON CHILDREN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that Congress should not adopt or enact any legislation that will increase the number of children who are hungry, homeless, poor, or medically uninsured.

(b) LEGISLATIVE ACCOUNTABILITY FOR IMPACT ON CHILDREN.—In the event legislation enacted to comply with this resolution results in an increase in the number of hungry, homeless, poor, or medically uninsured by the end of fiscal year 1997, Congress shall revisit the provisions of such legislation which caused such increase and shall, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

H. CON. RES. 178

OFFERED BY: MR. SABO

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 3: Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:
Fiscal year 1997: $1,092,400,000,000.
Fiscal year 1998: $1,146,400,000,000.
Fiscal year 1999: $1,195,600,000,000.
Fiscal year 2000: $1,244,600,000,000.
Fiscal year 2001: $1,309,400,000,000.
Fiscal year 2002: $1,389,900,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:
Fiscal year 1997: −$7,929,000,000.
Fiscal year 1998: −$2,150,000,000.
Fiscal year 1999: −$2,741,000,000.
Fiscal year 2000: −$7,219,000,000.
Fiscal year 2001: −$1,721,000,000.
Fiscal year 2002: $16,024,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:
Fiscal year 1997: $1,325,000,000,000.
Fiscal year 1998: $1,374,600,000,000.
Fiscal year 1999: $1,413,100,000,000.
Fiscal year 2000: $1,454,700,000,000.
Fiscal year 2001: $1,496,300,000,000.
Fiscal year 2002: $1,528,300,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:
Fiscal year 1997: $1,321,000,000,000.
Fiscal year 1998: $1,375,700,000,000.
Fiscal year 1999: $1,408,100,000,000.
Fiscal year 2000: $1,447,200,000,000.
Fiscal year 2001: $1,466,100,000,000.
Fiscal year 2002: $1,498,400,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:
Fiscal year 1997: $228,500,000,000.
Fiscal year 1998: $229,300,000,000.
Fiscal year 1999: $212,400,000,000.
Fiscal year 2000: $202,600,000,000.
Fiscal year 2001: $156,700,000,000.
Fiscal year 2002: $108,500,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:
Fiscal year 1997: $5,441,500,000,000.
Fiscal year 1998: $5,713,700,000,000.
Fiscal year 1999: $5,964,900,000,000.
Fiscal year 2000: $6,204,600,000,000.
Fiscal year 2001: $6,395,300,000,000.
Fiscal year 2002: $6,542,900,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:
Fiscal year 1997: $45,451,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:
Fiscal year 1997: $172,005,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):
Fiscal year 1997:
(A) New budget authority, $254,300,000,000.
(B) Outlays, $260,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $229,000,000.
Fiscal year 1998:
(A) New budget authority, $258,500,000,000.
(B) Outlays, $256,300,000,000.
Fiscal year 1999:
(A) New budget authority, $263,800,000,000.
(B) Outlays, $257,800,000,000.
Fiscal year 2000:
(A) New budget authority, $270,300,000,000.
(B) Outlays, $263,300,000,000.
Fiscal year 2001:
(A) New budget authority, $279,400,000,000.
(B) Outlays, $266,600,000,000.
Fiscal year 2002:
(A) New budget authority, $287,800,000,000.
(B) Outlays, $278,200,000,000.

(2) International Affairs (150):
Fiscal year 1997:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $15,700,000,000.
(C) New direct loan obligations, $4,067,000,000.
(D) New primary loan guarantee commitments $18,624,000,000.
Fiscal year 1998:
(A) New budget authority, $14,500,000,000.
(B) Outlays, $14,900,000,000.
Fiscal year 1999:
(A) New budget authority, $13,900,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2000:
(A) New budget authority, $14,300,000,00.
(B) Outlays, $13,600,000,000.
Fiscal year 2001:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $14,100,000,000.
Fiscal year 2002:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $14,900,000,000.

(3) General Science, Space, and Technology (250):
Fiscal year 1997:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $16,600,000,000.
Fiscal year 1999:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $16,000,000,000.
Fiscal year 2000:
(A) New budget authority, $14,600,000,000.
(B) Outlays, $15,100,000,000.
Fiscal year 2001:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,500,000,000.
Fiscal year 2002:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $16,600,000,000.

(4) Energy (270):
Fiscal year 1997:
(A) New budget authority, $3,200,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $1,620,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $3,700,000,000.
(B) Outlays, $2,700,000,000.
Fiscal year 1999:
(A) New budget authority, $3,000,000,000.
(B) Outlays, $2,300,000,000.
Fiscal year 2000:
(A) New budget authority, $2,700,000,000.
(B) Outlays, $1,900,000,000.
Fiscal year 2001:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,100,000,000.
Fiscal year 2002:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $2,100,000,000.

(5) Natural Resources and Environment (300):
Fiscal year 1997:
(A) New budget authority, $21,900,000,000.
(B) Outlays, $22,200,000,000.
(C) New direct loan obligations, $36,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $22,300,000,000.
Fiscal year 1999:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $22,100,000,000.
Fiscal year 2000:
(A) New budget authority, $20,900,000,000.
(B) Outlays, $21,500,000,000.
Fiscal year 2001:
(A) New budget authority, $21,800,000,000.
(B) Outlays, $21,800,000,000.
Fiscal year 2002:
(A) New budget authority, $23,000,000,000.
(B) Outlays, $22,600,000,000.

(6) Agriculture (350):
Fiscal year 1997:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $11,100,000,000.
(C) New direct loan obligations, $7,605,000,000.
(D) New primary loan guarantee commitments, $8,150,000,000.
Fiscal year 1998:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $10,700,000,000.
Fiscal year 1999:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $10,200,000,000.
Fiscal year 2000:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $9,400,000,000.
Fiscal year 2001:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $8,700,000,000.
Fiscal year 2002:
(A) New budget authority, $10,800,000,000.
(B) Outlays, $8,900,000,000.

(7) Commerce and Housing Credit (370):
Fiscal year 1997:
(A) New budget authority, $8,600,000,000.
(B) Outlays, $1,900,000,000.
(C) New direct loan obligations, $5,536,000,000.
(D) New primary loan guarantee commitments $97,707,000,000.
Fiscal year 1998:
(A) New budget authority, $10,300,000,000.
(B) Outlays, $6,500,000,000.
Fiscal year 1999:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $6,800,000,000.
Fiscal year 2000:
(A) New budget authority, $12,900,000,000.
(B) Outlays, $8,100,000,000.
Fiscal year 2001:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $8,200,000,000.
Fiscal year 2002:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $8,500,000,000.

(8) Transportation (400):
Fiscal year 1997:
(A) New budget authority, $42,200,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $415,000,000.
(D) New primary loan guarantee commitments $571,000,000.
Fiscal year 1998:
(A) New budget authority, $36,200,000,000.
(B) Outlays, $38,600,000,000.
Fiscal year 1999:
(A) New budget authority, $33,200,000,000.
(B) Outlays, $36,900,000,000.
Fiscal year 2000:
(A) New budget authority, $30,900,000,000.
(B) Outlays, $34,600,000,000.
Fiscal year 2001:
(A) New budget authority, $34,200,000,000.
(B) Outlays, $33,700,000,000.

Fiscal year 2002:

(A) New budget authority, $37,900,000,000.

(B) Outlays, $35,300,000,000.

(9) Community and Regional Development (450):

Fiscal year 1997:

(A) New budget authority, $9,200,000,000.

(B) Outlays, $10,600,000,000.

(C) New direct loan obligations, $1,952,000,000.

(D) New primary loan guarantee commitments $2,885,000,000.

Fiscal year 1998:

(A) New budget authority, $8,800,000,000.

(B) Outlays, $10,300,000,000.

Fiscal year 1999:

(A) New budget authority, $8,300,000,000.

(B) Outlays, $9,900,000,000.

Fiscal year 2000:

(A) New budget authority, $7,800,000,000.

(B) Outlays, $9,300,000,000.

Fiscal year 2001:

(A) New budget authority, $8,700,000,000.

(B) Outlays, $8,700,000,000.

Fiscal year 2002:

(A) New budget authority, $9,400,000,000.

(B) Outlays, $8,300,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1997:

(A) New budget authority, $53,300,000,000.

(B) Outlays, $51,300,000,000.

(C) New direct loan obligations, $21,770,000,000.

(D) New primary loan guarantee commitments $19,114,000,000.

Fiscal year 1998:

(A) New budget authority, $54,500,000,000.

(B) Outlays, $53,700,000,000.

Fiscal year 1999:

(A) New budget authority, $56,300,000,000.

(B) Outlays, $55,000,000,000.

Fiscal year 2000:

(A) New budget authority, $58,000,000,000.

(B) Outlays, $56,700,000,000.

Fiscal year 2001:

(A) New budget authority, $60,700,000,000.

(B) Outlays, $58,900,000,000.

Fiscal year 2002:

(A) New budget authority, $63,400,000,000.

(B) Outlays, $61,400,000,000.

(11) Health (550):

Fiscal year 1997:

(A) New budget authority, $136,900,000,000.

(B) Outlays, $136,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $140,000,000.

Fiscal year 1998:

(A) New budget authority, $144,400,000,000.

(B) Outlays, $144,800,000,000.

Fiscal year 1999:

(A) New budget authority, $151,200,000,000.

(B) Outlays, $151,700,000,000.

Fiscal year 2000:

(A) New budget authority, $158,800,000,000.

(B) Outlays, $159,100,000,000.

Fiscal year 2001:

(A) New budget authority, $164,900,000,000.

(B) Outlays, $163,900,000,000.

Fiscal year 2002:

(A) New budget authority, $176,100,000,000.

(B) Outlays, $174,600,000,000.

(12) Medicare (570):

Fiscal year 1997:

(A) New budget authority, $193,100,000,000.

(B) Outlays, $191,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $209,300,000,000.

(B) Outlays, $207,600,000,000.

Fiscal year 1999:

(A) New budget authority, $222,600,000,000.

(B) Outlays, $220,300,000,000.

Fiscal year 2000:

(A) New budget authority, $236,600,000,000.

(B) Outlays, $234,800,000,000.

Fiscal year 2001:

(A) New budget authority, $252,700,000,000.

(B) Outlays, $250,900,000,000.

Fiscal year 2002:

(A) New budget authority, $272,300,000,000.

(B) Outlays, $269,900,000,000.

(13) Income Security (600):

Fiscal year 1997:

(A) New budget authority, $231,600,000,000.

(B) Outlays, $239,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $37,000,000.

Fiscal year 1998:

(A) New budget authority, $244,100,000,000.

(B) Outlays, $247,100,000,000.

Fiscal year 1999:

(A) New budget authority, $255,600,000,000.

(B) Outlays, $256,600,000,000.

Fiscal year 2000:

(A) New budget authority, $271,300,000,000.

(B) Outlays, $270,700,000,000.

Fiscal year 2001:

(A) New budget authority, $280,000,000,000.

(B) Outlays, $277,800,000,000.

Fiscal year 2002:

(A) New budget authority, $296,600,000,000.

(B) Outlays, $292,900,000,000.

(14) Social Security (650):

Fiscal year 1997:

(A) New budget authority, $7,800,000,000.

(B) Outlays, $10,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $8,500,000,000.

(B) Outlays, $11,600,000,000.

Fiscal year 1999:

(A) New budget authority, $9,200,000,000.

(B) Outlays, $12,300,000,000.

Fiscal year 2000:

(A) New budget authority, $10,000,000,000.

(B) Outlays, $13,000,000,000.

Fiscal year 2001:

(A) New budget authority, $10,800,000,000.

(B) Outlays, $13,900,000,000.

Fiscal year 2002:

(A) New budget authority, $11,600,000,000.

(B) Outlays, $14,800,000,000.

(15) Veterans Benefits and Services (700):

Fiscal year 1997:

(A) New budget authority, $39,000,000,000.

(B) Outlays, $39,600,000,000.

(C) New direct loan obligations, $2,344,000,000.

(D) New primary loan guarantee commitments $24,548,000,000.

Fiscal year 1998:

(A) New budget authority, $37,900,000,000.

(B) Outlays, $38,700,000,000.

Fiscal year 1999:

(A) New budget authority, $36,600,000,000.

(B) Outlays, $37,000,000,000.

Fiscal year 2000:

(A) New budget authority, $35,200,000,000.

(B) Outlays, $37,100,000,000.

Fiscal year 2001:

(A) New budget authority, $37,300,000,000.

(B) Outlays, $36,000,000,000.

Fiscal year 2002:

(A) New budget authority, $39,700,000,000.

(B) Outlays, $39,800,000,000.

(16) Administration of Justice (750):

Fiscal year 1997:

(A) New budget authority, $23,500,000,000.

(B) Outlays, $21,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $24,500,000,000.

(B) Outlays, $24,400,000,000.

Fiscal year 1999:

(A) New budget authority, $25,500,000,000.

(B) Outlays, $24,800,000,000.

Fiscal year 2000:

(A) New budget authority, $25,500,000,000.

(B) Outlays, $25,500,000,000.

Fiscal year 2001:

(A) New budget authority, $24,800,000,000.

(B) Outlays, $25,700,000,000.

Fiscal year 2002:

(A) New budget authority, $24,100,000,000.

(B) Outlays, $25,000,000,000.

(17) General Government (800):

Fiscal year 1997:

(A) New budget authority, $15,500,000,000.

(B) Outlays, $14,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $15,200,000,000.

(B) Outlays, $14,900,000,000.

Fiscal year 1999:

(A) New budget authority, $15,200,000,000.

(B) Outlays, $14,900,000,000.

Fiscal year 2000:

(A) New budget authority, $15,300,000,000.

(B) Outlays, $15,200,000,000.

Fiscal year 2001:

(A) New budget authority, $15,800,000,000.

(B) Outlays, $15,300,000,000.

Fiscal year 2002:

(A) New budget authority, $16,300,000,000.

(B) Outlays, $16,000,000,000.

(18) Net Interest (900):

Fiscal year 1997:

(A) New budget authority, $282,300,000,000.

(B) Outlays, $282,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $289,400,000,000.

(B) Outlays, $289,400,000,000.

Fiscal year 1999:

(A) New budget authority, $293,900,000,000.

(B) Outlays, $293,900,000,000.

Fiscal year 2000:

(A) New budget authority, $296,600,000,000.

(B) Outlays, $296,600,000,000.

Fiscal year 2001:

(A) New budget authority, $301,900,000,000.

(B) Outlays, $301,900,000,000.

Fiscal year 2002:

(A) New budget authority, $307,500,000,000.

(B) Outlays, $307,500,000,000.

(19) Allowances (920):

Fiscal year 1997:

(A) New budget authority, −$500,000,000.

(B) Outlays, −$500,000,000.

(C) New direct loan obligations, $106,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$0.

(B) Outlays, −$0.

Fiscal year 1999:

(A) New budget authority, −$0.

(B) Outlays, −$0.

Fiscal year 2000:

(A) New budget authority, −$0.

(B) Outlays, −$0.

Fiscal year 2001:

(A) New budget authority, −$12,900,000,000.

(B) Outlays, −$16,500,000,000.

Fiscal year 2002:

(A) New budget authority, −$36,800,000,000.

(B) Outlays, −$36,800,000,000.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1997:

(A) New budget authority, −$43,300,000,000.
(B) Outlays, −$43,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:
(A) New budget authority, −$35,400,000,000.
(B) Outlays, −$35,400,000,000.

Fiscal year 1999:
(A) New budget authority, −$35,100,000,000.
(B) Outlays, −$35,100,000,000.

Fiscal year 2000:
(A) New budget authority, −$38,200,000,000.
(B) Outlays, −$38,200,000,000.

Fiscal year 2001:
(A) New budget authority, −$41,000,000,000.
(B) Outlays, −$41,000,000,000.

Fiscal year 2002:
(A) New budget authority, −$62,200,000,000.
(B) Outlays, −$62,200,000,000.

SEC. 4. RECONCILIATION.

(a) Not later than June 21, 1996, the House committees named in subsection (b) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(b)(1) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $2,062,000,000 in outlays for fiscal year 1997, $14,816,000,000 in outlays in fiscal years 1997 through 2001, and $18,457,000,000 in outlays in fiscal years 1997 through 2002.

(2) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $3,346,000,000 in outlays for fiscal year 1997, $2,755,000,000 in outlays in fiscal years 1997 through 2001, and $3,143,000,000 in outlays in fiscal years 1997 through 2002.

(3) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $5,717,000,000 in outlays for fiscal year 1997, $128,862,000,000 in outlays in fiscal years 1997 through 2001, and $207,698,000,000 in outlays in fiscal years 1997 through 2002.

(4) The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $633,000,000 in outlays for fiscal year 1997, $4,923,000,000 in outlays in fiscal years 1997 through 2001, and $6,040,000,000 in outlays in fiscal years 1997 through 2002.

(5) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $840,000,000 in outlays for fiscal year 1997, $7,236,000,000 in outlays in fiscal years 1997 through 2001, and $9,086,000,000 in outlays in fiscal years 1997 through 2002.

(6) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $51,000,000 in outlays for fiscal year 1997, and reduce outlays by $84,000,000 in outlays in fiscal years 1997 through 2001, and $147,000,000 in outlays in fiscal years 1997 through 2002.

(7) The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $79,000,000 in outlays for fiscal year 1997, $472,000,000 in outlays in fiscal years 1997 through 2001, and $1,753,000,000 in outlays in fiscal years 1997 through 2002.

(8) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $112,000,000 in outlays for fiscal year 1997, $372,000,000 in outlays in fiscal years 1997 through 2001, and $391,000,000 in outlays in fiscal years 1997 through 2002.

(9) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $42,000,000 in outlays for fiscal year 1997, $255,000,000 in outlays in fiscal years 1997 through 2001, and $363,000,000 in outlays in fiscal years 1997 through 2002.

(10) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $148,000,000 in outlays for fiscal year 1997, $3,870,000,000 in outlays in fiscal years 1997 through 2001, and $5,284,000,000 in outlays in fiscal years 1997 through 2002.

(11) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase the deficit, as follows: by $1,024,000,000 in fiscal year 1997, and decrease the deficit by $64,619,000,000 in fiscal years 1997 through 2001, and by $117,820,000,000 in fiscal years 1997 through 2002.

(c) DEFINITION.—For purposes of this section, the term "direct spending" has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

EXTENSIONS OF REMARKS

TRIBUTE TO HANK KETCHAM

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. FARR of California. Mr. Speaker, it is my great honor to rise in recognition of a man who has brought both smiles and laughter to countless Americans. Henry (Hank) Ketcham, who created the famed "Dennis the Menace" cartoon strip, is being honored Friday with a Lifetime Achievement Award at the Carmel Arts Festival.

A resident of my congressional district, Mr. Ketcham has led a distinguished, artistic life that we all can celebrate. Born in Seattle in 1920, he first became interested in drawing at the age of 7 when a local art director and family friend drew cartoon sketches to make him laugh. With considerable talent, he parlayed this love of cartooning into a number of impressive positions throughout his career.

After entering the University of Washington as an art major in 1937, Mr. Ketcham moved to Hollywood 1 year later where he worked at the Walter Lantz animation studio, home of the "Woody the Woodpecker" cartoon series. Soon after, Mr. Ketcham was lured by the Walt Disney studios, where he worked on "Pinocchio," "Fantasia" and many other famous Disney productions until the outbreak of World War II.

Desiring to serve his country, Mr. Ketcham enlisted in the U.S. Navy and, as a chief photographer specialist, developed a variety of cartoons, magazines, posters, and animated film spots to encourage his fellow Americans to purchase war bonds. To help supplement his military pay, Mr. Ketcham also started cartooning for magazines, including the Saturday Evening Post, which bought a weekly panel.

After the war, Mr. Ketcham fully launched himself into the highly competitive world of freelance cartooning. Because of his immense talent, he quickly became one of this country's most successful artists, selling his work regularly to Collier's, the Saturday Evening Post, Ladies' Home Journal, Liberty, the New Yorker, as well as to advertising agencies. By this time, Mr. Ketcham was also married and the father of a son named, you guessed it, Dennis, whom my sister Francesca, frequently babysat.

In October 1950, the "Dennis the Menace" cartoon strip was created and, less than a year later, it was syndicated to 18 newspapers. Mr. Ketcham received the prestigious Billy deBeck Trophy as the outstanding cartoonist of 1952. Within the past 10 years, "Dennis the Menace" has been read in more than 1,000 different newspapers in 48 countries and has been translated into 19 different languages.

In the following years, Mr. Ketcham expanded his lovable character's popularity through a variety of other media, including books and television. The hit TV show that was produced from 1959 to 1963 is still widely seen around the country and was updated into a popular animation series by the CBS television network. A 2-hour prime-time live action "Dennis the Menace" broadcast was aired in September 1987 and in 114 television markets the following month.

Over the past 46 years, Mr. Ketcham has sold more than 50 million "Dennis the Menace" books, including a four-part anthology, a series of comic books from Marvel Comics and a favorite of Ketcham's, "Dennis and the Bible Kids."

Throughout the years, Dennis' civic-mindedness has also made him a popular spokesman for a number of worthy causes, including the Boy Scouts of America, UNICEF, and the International Red Cross. He has had a starring role in two important public service messages through comic books entitled "Dennis Takes a Poke at Poison" and "Coping with Family Stress."

To this day, "Dennis the Menace" continues to bring joy to children and adults alike. The comic strip is widely read throughout the world and, in fact, is delivered to my doorstep every day I am in Washington in the Washington Post. Though 46 this year, Dennis remains as youthful and entertaining as ever. Of course, this is a tribute to Hank Ketcham and his considerable talent. It is my great honor to salute him as he receives this well-deserved Lifetime Achievement Award.

TEMPLE EMANUEL OF GREAT NECK IS REDEDICATED

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. ACKERMAN. Mr. Speaker, I rise today to commemorate the rededication of Temple Emanuel of Great Neck, which occurred on May 5, 1996. This day, hereby known as Emanuel day, culminates a 10 year effort that has served to beautify the synagogue, and enhance it as an ongoing source of inspiration to its congregants and the Great Neck community. Conceived by Rabbi Robert Widom, spiritual leader or Temple Emanuel, the project evolved into the design of six stained glass windows for the synagogue's sanctuary, a new ark and eternal light. The initial project, under the direction of Rabbi Widom, undertook a search that would last for 10 years until the appropriate artist was selected and the creative plans were developed.

Through the combined efforts of the congregation's leadership team of president Lloyd Goldfarb, chair of the refurbishing committee, Paula Held Scharf, brotherhood president, John Holzer and sisterhood president, Carol Cohen, an extensive search was launched that yielded Paul Winthrop Wood, a Canadian born artist. Mr. Wood comes from a family of renowned architects and builders and brought to Temple Emanuel an innate understanding of the Old Testament and the many creative and imaginative themes that flow from it. It was his early upbringing by his mother that endowed him with a rich blend of talent and insight that would be brought to fruition by the many religious building challenges he undertook.

In rising to the challenge of bringing to the synagogue a sense of love, understanding and compassion, Mr. Wood succeeded grandly. It is with great pride and love that the trustees of Temple Emanuel of Great Neck declared Sunday, May 5, as Emanuel day. As the hundreds of congregants of Temple Emanuel gathered on that day, it was most exciting and reaffirming that in the truest tradition of the American spirit, this beautiful congregation continues to so willingly give of itself, to its members and the community.

TRIBUTE TO SARA J. WHITE

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Ms. ESHOO. Mr. Speaker, it is with great pleasure that I call to the attention of my colleagues the installation early next month of Sara J. White, M.S., as president of the American Society of Health-System Pharmacists [ASHP] at the society's 53d annual meeting in San Diego.

ASHP is the 30,000-member national professional association representing pharmacists who practice in hospitals, health maintenance organizations, long-term care facilities, homecare agencies, and other components of health care systems. The society has extensive publishing and educational programs designed to help members improve their delivery of pharmaceutical care, and it is a national accrediting organization for pharmacy residency and pharmacy technician training programs.

Since October 1992, Professor White has been director of pharmacy at Stanford University Hospital, a 500-bed academic health science center, which I am privileged to represent. She now holds this position with Stanford Health Services, a health care system formed last September. The Stanford Health Services Pharmacy has five inpatient satellites, three outpatient pharmacies, an operating room satellite, and a home pharmacy service. As director of pharmacy, she directs all financial, operational, and human resource components of a service with 100 full-time personnel serving the health care needs of more than 2 million people. She is also clinical professor of pharmacy at the University of

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

California-San Francisco School of Pharmacy. Prior to her current position, Professor White was associate director of pharmacy at the University of Kansas Medical Center from 1975 to 1992.

A prolific author on topics of pharmaceutical management and human and financial resource management, Professor White's research has appeared in more than 100 pharmacy, nursing, and medical journal articles and textbook chapters. She has been an active leader and office holder in several State and national pharmacy organizations and participates in her community through the RotaCare Free Clinic. Professor White received the degree of bachelor of science in pharmacy from Oregon State University. Both her master of science and residency in Hospital Pharmacy came from Ohio State University.

Mr. Speaker, Professor White has served her profession with distinction. I extend my best wishes to her as she takes over the leadership of the ASHP.

IN MEMORY OF THE SILENT SERVICE

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. MOORHEAD. Mr. Speaker, as Memorial Day approaches, I rise to pay tribute to the men of the silent service and their organization, the U.S. Submarine Veterans, Inc.

The goal of this organization is "to perpetuate the memory of our shipmates who gave their lives in the performance of their duties while serving their country."

These submariners, in the true tradition and fighting spirit of the U.S. Navy, have lived in silence, fought in silence, and died in silence in the cold depths. Through their dedication, deeds, and supreme sacrifice, they have left behind a legacy of the highest standards of performance and conduct. Their actions will always inspire emulation and praise.

The U.S. Submarine Veterans, which ensures the honorable tradition of the submariners in our society, is represented in southern California by Mark James Denger, a submarine veteran, reservist, and active supporter and participant in a number of significant, patriotic military organizations.

Mr. Speaker, I am pleased to pay tribute to Mr. Denger and the U.S. Submarine Veterans, Inc. They do honor to themselves, our Nation and the memory of Memorial Day.

ENHANCING OUR MILITARY

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. PACKARD. Mr. Speaker, under President Clinton's latest budget proposal, defense spending would remain on a dangerously steep decline. H.R. 3230 moves to counter the effects of the Clinton administration's cuts in defense spending within the framework of a balanced budget.

After a 10-year decline in military spending, this measure revitalizes our Nation's defense, bolstering our national security interest at home and abroad and turning back the hollow military policies of the Clinton administration. A strong, prepared military is vital for the security of this country. In this era of fiscal restraint, it is equally important to get the biggest bang for the buck—but not at the expense or readiness, modernization, or quality of life for our service personnel and their families.

The fiscal year 1997 defense authorization provides a much needed reprieve for the U.S. military from President Clinton's ill conceived budget cuts. My Republican colleagues and I remain committed to ensuring that our armed services are equipped with decent living quarters and the best, most cost efficient equipment, so that when they are called upon to defend their country, they have what they need to get the job done.

AN ARTISTIC DISCOVERY

HON. DAN FRISA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. FRISA. Mr. Speaker, I would like to recognize five very talented high school students. These students participated in my first annual congressional arts competition, "An Artistic Discovery."

Nur-e-alam Chisty of Herricks High School, Suneet Sethi of East Meadow High School and Melissa Guimaraes of Sacred Heart Academy, submitted exceptional works of art that were chosen as first, second, and third place winners.

Although everyone who participated in the competition displayed artistic talent, two students deserve special recognition. These students are Kenneth Grossman of Lawrence High School and Clarie Thomas of East Meadow High School.

I would like to congratulate these students and wish them the very best in their future endeavors.

SAILING CENTER NAMED FOR YOCUM FAMILY

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. FORBES. Mr. Speaker, I rise today to honor and celebrate one of our country's most valuable educational institutions, the U.S. Merchant Marine Academy, also known as Kings Point. Few realize that this Nation came very close to losing this vital service academy that has served this Nation in times of war and peace. Under the masterful stewardship of Adm. Thomas Matteson, Kings Point is becoming the premier maritime education institution in the world. I fought hard throughout the appropriations process to ensure that the Merchant Marine Academy received its full funding of $30.9 million for 1996 and I am prepared to take up that fight again.

For too long the extraordinary contributions of the U.S. Merchant Marine Academy have been overlooked. The Academy has always been connected to national defense as well as maritime commerce in peace and war. Today, the Academy still promotes a "can do" approach to tasks that is reminiscent of the war days, when cadets and ships were ordered to deliver, no matter how dangerous the conditions.

Thanks to the continued support and dedication of the faculty, graduates, alumni, and midshipmen, the tradition of Kings Point continues. On May 3, 1996, Kings Point christened a new legacy—the Yocum Sailing Center. The Yocum Sailing Center is the centerpiece of what will ultimately be a fully endowed midshipmen sailing and waterfront professional development program. The building, located at the water's edge with a spectacular view of the Long Island Sound and the Manhattan skyline, was named in recognition of the unprecedented support and service of James H. Yocum, a resident of Reading, PA.

Mr. Yocum graduated from the Academy in 1947. As a cadet midshipmen, he sailed with Alcoa Steamship Co., American Export Lines, and Grace Line. After graduation, he sailed as a deck officer with Moor-McCormack Lines and Grace Line. A veteran of the Korean War, Mr. Yocum served active duty in the U.S. Navy from 1952–54 in both Korea and Japan. Having become involved with the Merchant Marine Alumni Association in 1955, Mr. Yocum holds the record for the longest continuous service to this association. He has been awarded the alumni association's Outstanding Professional Achievement Award, the Meritorious Alumni Service Award and, in 1992, was chosen the "Kings Pointer of the Year."

Thanks to Mr. Yocum's enthusiasm and philanthropy to Kings Point, the Yocum Sailing Center was completed and opened in 1994. It houses the classrooms for seamanship instruction, a large boat bay for year round maintenance and repair of sail and power boats, a crew rowing tank, offices for the sailing master, the master of the T/V Kings Pointer and midshipmen staff of the Department of Waterfront Activities. The Yocum Sailing Center is dedicated to the beloved memory of Mr. Yocum's grandparents, William H. Yocum and Emma Kate "Bright" Yocum, his parents, George Lehman Yocum and Helen Yocum and, his two brothers, William Yocum II and George L. Yocum, Jr. At both the north and south entrances to the building there is a beautiful plaque that eloquently pays tribute to the Yocum Family—"So they gave their abundance to education and for that, each received recognition, reward and remembrance that will never die."

I would like to offer my congratulations to Kings Point on its newest acquisition and to Mr. Yocum for his generosity and dedication to the U.S. Merchant Marine Academy. May God bless all who pass through her portals.

HONORING ROSALIND AND JOSEPH GURWIN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. ACKERMAN. Mr. Speaker, I rise today to join with my colleagues and the members of the New York Metropolitan Region Chapter of the American Society for Technion, the Israel Institute of Technology, as they gather on Wednesday, May 15, 1996, to pay tribute to Rosalind and Joseph Gurwin.

The Gurwins have devoted a good part of their lives to the welfare of the Jewish people and the State of Israel. Recognizing the importance of technological development in Israel's future, Ros and Joe have been long time supporters of Technion, Israel's only comprehensive scientific university and center for applied research. In this vein, they have provided funding for Technion's Gurwin-I Tech-Sat satellite, a project stimulating telecommunications, meteorology and x-ray telescope technology, as well as serving as a key link in an Israeli-based computer network.

However, Mr. Speaker, Ros and Joe's philanthropic efforts extend far beyond Technion to encompass the entire New York metropolitan community. The Long Island Jewish Medical Center and UJA-Federation have benefitted greatly due to their continuing support. Furthermore, Ros and Joe's commitment to the elderly has led to the construction of the Gurwin Jewish Geriatric Center in Commack, Long Island.

Mr. Speaker, the Gurwins have come to symbolize the American spirit of volunteerism and generosity. I ask all my colleagues to rise with the grateful people of the Fifth Congressional District in extending to Rosalind and Joseph Gurwin the highest accolades of appreciation and admiration.

IN MEMORY OF LIEUTENANT COLONEL OLIVER

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. KENNEDY of Rhode Island. Mr. Speaker, I am asking my colleagues today to pause and honor the dedicated service given by the men and women in the Armed Forces. We all know that this is a dangerous and demanding task. In times of peace it is often easy, too easy, to lose sight of these facts.

For my constituents the cold reality of these truths was recently brought home when Lt. Col. Allen Oliver, a native of Bristol, RI, was killed in a helicopter crash in Columbus, GA on March 1, 1996.

Colonel Oliver was a second generation Marine. He learned the call of duty and honor of service from his father, Edward Oliver, a distinguished veteran of World War II. Lieutenant Colonel Oliver was an intelligent, hard working, man who could have pursued any career path he wanted. He chose to serve his nation.

Allen Oliver grew up in Bristol, RI, a small town where everyone is a neighbor. Allen was respected and liked by all who knew him. Whether it was helping to shovel the sidewalk of a friend in need, serving as an alter boy, or delivering papers, Allen Oliver was there. The outlines of his adult career were taking shape in those early activities.

As he grew older, Allen knew the path he wanted to take and sought admission to the service academies. While he did not get in, he continued to pursue a career in the military by enrolling in the ROTC at the University of Salt Lake, UT. He graduated with a 4.0 average and joined the Marines as a second lieutenant. The next stop for Allen was the Marine Corps flight school in Pensacola, FL from which he graduated in 1977 as a first lieutenant.

Service in the corps took Allen Oliver all over the Nation where he touched many lives. After the tragic news of Colonel Oliver's death was made public, his father was warmed by the outpouring of calls from people all across America who had known his son. This is Lieutenant Colonel Oliver's legacy.

The loss of life, especially of one so young and vital, is never easy. Words do little to capture the spirit of the person or express the depth of our loss. But I know that we can all learn something from the life and service of Lieutenant Colonel Oliver.

Our thoughts are with the Oliver family at this difficult time. The loss they have sustained can never be measured, but I hope they can draw comfort from the fact the many fine memories of time spent with Allen.

I hope my colleagues will reflect upon the life of this man and draw strength and inspiration from the example set by Lieutenant Colonel Oliver. This is the most fitting tribute we can pay to him and to his family.

A TRIBUTE TO ALLAN HANCOCK

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. SHUSTER. Mr. Speaker, not many of us would be able to accomplish much in the Congress if not for our loyal friends and supporters who have stood by us during the course of our careers in public service. I rise today to pay tribute to such a friend and supporter of mine who has dedicated his life to serving the community in which he lives. The man I am speaking of is my long-time campaign chairman, Mr. Allan G. Hancock of Altoona, PA.

Allan Hancock began his service in 1960 when he entered the insurance business. He actively became a chartered life underwriter, a chartered financial consultant, and a member of the Association for Advanced Life Underwriting. Allan went on to further his underwriting career by becoming president of the Altoona and Pennsylvania State Associations of Life Underwriters. He also served diligently as the State association's national committeeman from 1977–85.

In 1988, Allan was elected to the NALU board of trustees and was reelected in 1990. In 1992, he was elected secretary of NALU and became president of NALU in September 1994. Allan served as past vice chairman of NALU committees on associations, Federal law and legislation and health insurance. Allan also served as a trustee liaison for NALU's Education Committee and Public Service Committee. For all his hard work and dedication, Allan has been awarded both NALU's National Quality Award and the National Sales Achievement Award.

Allan's career of underwriting did not stop here. He became moderator for the Life Underwriting Training Council and served on LUTC's Advanced Sales Content and Techniques Committee. For 24 years, Allan has been a qualifying and life member of the Million Dollar Round Table where he has earned the title of Bronze Knight. He is also a life underwriters political action committee diplomat and a member of the American College's Golden Key Society.

Mr. Speaker, in addition to Allan's success in the insurance business, he has also generously served his community in many other ways. he was elected mayor of Altoona from 1980–84 and delegate to the Republican National Convention three times throughout the 1980's. In 1986, Allan was elected to and served admirably on the White House Conference on Small Business.

Whether serving his customers, his colleagues, or the citizens of Altoona, Allan Hancock has built a reputation as a man of great intellect and character. His more than three decades of work at the Principal Financial Group and in the Altoona area have distinguished him as a selfless individual who has given a great deal back to the community in which he lives. I will close, Mr. Speaker, on a personal note in thanking Allan Hancock for the many years of friendship and guidance which he has given both myself and my family.

A SPECIAL SALUTE TO ARTISTIC DISCOVERY WINNERS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. STOKES. Mr. Speaker, I am proud to rise today to salute students from my congressional district who participated in the 1996 Artistic Discovery competition. In late June, the corridors of the U.S. Capitol will be filled with beautiful art work from around the country. The Artistic Discovery competition allows Members of Congress to conduct art competitions in their congressional districts for high school students. The winning art work from each Member's district then becomes part of a national exhibition of student art on display in Washington, DC.

From its inception, the Artistic Discovery competition was designed to allow high school students to showcase their creative talents. These young artists have the unique gift of artistic expression, and they are able to produce high quality work that reflects this special talent. I am certain that each participant in the competition puts forth the highest level of ability and energy to produce artistic masterpieces that all of us can appreciate and enjoy.

Mr. Speaker, I can say with pride that this year's Artistic Discovery competition in my congressional district was the best ever. My office received a total of 356 art entries from 10 local high schools. The judge for this year's competition, Ted Sherron, who serves as vice president for student affairs at the Cleveland Institute of Art, faced a difficult task of selecting a winner from the entries submitted. The winning art work, a self portrait, was submitted by Tim McLoughlin. Tim is a resident of Shaker Heights, OH, and he attends Shaker Heights High School. I am proud to salute Tim and I look forward to welcoming him to Washington, DC, for the national exhibition.

I would like to express my appreciation to the Mayor of Cleveland Heights, Carol Edwards. As a result of her efforts and that of her staff, the student art work from the 11th district was on display at city hall during a week-long Salute to Young Artists. On Saturday, May 4, 1995, an awards ceremony was held for the students. I am also grateful to Cleveland mayor Michael White who furnished special certificates for the students. Also, I wish to acknowledge Dick Bogomolny and National Supermarkets; Ernestine and Malcolm Brown; the Cleveland Museum of Art; and other individuals and organizations throughout the community for their continued support of the Artistic Discovery competition.

Mr. Speaker, the 1996 Artistic Discovery competition was a tremendous success in my congressional district. As a supporter of the arts, I recognize the importance we must place on the arts by investing in our artists at an early age. In my opinion, it represents good sound policy. I would like to salute the students who participated in the 1996 Artistic Discovery competition. Each of these individuals are winners and should be duly acknowledged.

ARTISTIC DISCOVERY WINNERS

BEAUMONT SCHOOL

Nicole Abounader, Alyssa Adams, Amanda Amigo, Gretchen Aquilina, Amie Balbierz, Alithma Bell, Mary Ann Betsch, Missy Blakeley, Louise Burton, Yasmeen Chandler, Monique Christian, Anne Coburn, Heather Darroch, Catherine Davenport, Kathryn Dobrowski, Kristen Emancipator, Julie Engstrom, Andrea Galinski, Rachel Gilberti, Heather Gilmore, Laura Golombek, Katherine Grendell, Julie Hall, Julie Hanus, Betsy Harding, Meredith Harger, Amy Harmon, Sharia Jones, Karola Kirsanow, Molly Kohut, and Ginny Kolb.

Also, Megan Kollar, Raina Kratky, Terre Kraus, Natalie Lanese, Megan Lewicki, Diane Lloyd, Laura LoDuca, Josephine Lombardi, Lisa Lukwinski, Alicia Luton, Jennifer Martin, Regina Mastrangelo, Sarah McCormack, Katie McCullough, Andrea McDaniel, Elise McDonough, Ann McKeever, Aurora Mehlman, Erin Murphy, Collen O'Neill, Lisa Pajek, Carrie Paul, Sherry Peterson, Eileen Ryan, Ana Sancho, Maura Schmidt, Julie Shina, Valerie Sirvaitis, Maureen Standing, Nakisha Starks, Myranda Stephens, Ellen Sutheimer, Tracie Tegel, Jean Tillie, Jenni Traverse, Julia Wadsworth, and Melissa Watson.

Art teachers: Sr. Mary Lucia, O.S.U. and Ellen Carreras.

BEDFORD HIGH SCHOOL

Debra Babiak, Shannon Bakker, Kelly Benewiat, Brian Brown, Jessica Bruening, Eboni Davis, Kili Ellis, Sarah Etling, Sara Farkas, Vera Foster, Becky Frank, Russell Garganta, Monica Grevious, Greg Hodge, Richard Jastrzebski, Will Keenan, Jessica Keister, Kandice Langford, Matthew Lee, Aurora Mallin, Stephanie McCamey, Charles Minute, Steve Miracle, and Misty Neal.

Also, Cormaic O'Melia, Sarah Pinto, Erin Posanti, Michael Pritt, Quiana Redd, Mary Reichert, Brian Richardson, Rachel Roberts Stephani Rowe, Damian Salo, Amie Schade, James Schade, Susan Schmidt, Cassandra Skufca, Patrick Sweet, Heather Takacs, Jennifer Taylor, Kendra Tench, DeWayne Thomas, Talia Thomas, Cameron Tullos, Branden Vecchio, and Keytsa Warren.

Art teachers: Robert Bush, Dagmar Clements, Madelyn Koltcz, and Lou Panutsos.

CLEVELAND HEIGHTS HIGH SCHOOL

Aria Benner, Rebecca Chizeck, Larry Chy, Evan Currey, Amanda Delamatre, Melissa Hancock, Sarah Horter, Liz Isabella, Lauren Kalman, Abigail Maier, Sarah Mansbacher, Kelsey Martin-Keating, Mary McDonald, Corinne Miller, Ethan Reed, LaSaundra Robinson, Karen Rolfe, Briana Ross, Kumiko Sakura, Dylan Telgarsky, Rachel Truitt, and Naomi White.

Art teacher: Susan Hood-Cogan.

CLEVELAND SCHOOL OF THE ARTS

Mario Donner, Jean Edmonds, Theodore Ennis, Tanya Gonzalez, Nicole Gregory, Naijal Hawkins, Derrick Hill, Taria Johnson-Whitsett, Michael Mannings, Serene Marshall, Brandon Ogletree, Nikia Pollard, Tamara Thornton, Sahara Williamson, and Adam Wise.

Art teachers: Andrew Hamlett and Danny Carver.

JOHN KAY HIGH SCHOOL

David Anaya, Dayaneth Berdiel, Tandalaya Colbert, Timothy Davis, Anthony Glass, Christopher Harris, Gladys Hill, Richard Lawrence, Sharita Lumpkins, Talisha Mahone, Neftali Nieves, Pocita Norman, Rita Patterson, Alphonso Rogers, Quenisha Smith, Nyaunu Stevens, Andrew Straka, Tyrone Sykes, Mary Thomas, Shannon Turner, Terry Wallace, Theresa White, Lanithea Wright, and Monica Young.

Art teachers: Kathleen Yates, Harriet Goldner, and Richard Chappini.

LUTHERAN HIGH SCHOOL EAST

Shaunta Gates, Lana Lester, Jennifer Moore, Jamell Perry, Walter Smith, Tamiko Wheeler, Wendi Williams.

Art teacher: Kathryn Ulichney.

MAPLE HEIGHTS HIGH SCHOOL

William Abram, Andre Allen, Christopher Allen, Elliot Anderson, Sean Carano, Karen Curtis, Lakisha Dandridge, Eric Diedrich, Kimberly Filipic, Tim Fritz, Greg Gadowski, Jennifer Gedeon, Traci Helmick, Ralph Horne, Maria Kopec, Calvin Little, Sherry Morgan, Carla Ruffo, Charles Rupp, Michael Sindelar, Curtis Smith, Sean Szego, Otis Thomos, William Whoric, Justin Williams, and Kevin Workman.

Art teachers: Karen Mehling-DeMauro and Judy Wohl.

SHAKER HEIGHTS HIGH SCHOOL

Allison Beamer, Rebecca Beamer, Jessica Bilsky, Jeff Brigden, Robin Durham, Abigail DiSalvo, Patty Eppich, Erica Howaniak, Laura Kushnick, Reuben LeVine, Erica Manley, Suzannah Mathur, Tim McLoughlin, Gregory Morrison, Gilbert O'Connor, Norman Paris, Kelly Roth, Jennifer Skirball, Rokisha Smith, Meghan Thomas, Wallis Wilkinson, and Sharon Yates.

Art teachers: James Hoffman and Malcolm Brown.

SHAW HIGH SCHOOL

Clifford Allen, David Black, Faceta McMichael, Donna Parker, Byron Redmon, Travis Rock, and Krsna-Caran Short.

Art teacher: Susan Lokar.

WARRENSVILLE HEIGHTS HIGH SCHOOL

Donald Hayes, Olivia Jones, and Jermaine Powell.

Art teacher: James Evans.

DEFENSE SPENDING INCREASES UNCONSCIONABLE

HON. ELIZABETH FURSE

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Ms. FURSE. Mr. Speaker, I am disappointed with the fiscal year 1997 defense authorization adopted by the House today. I particularly object to the nearly $13 billion spending increase added by the House National Security Committee. That increase is unconscionable.

Even though five amendments reducing the increase in defense spending were offered to the Rules Committee, not one was allowed for debate on the House floor—not even my amendment calling for a reduction of $1. My amendment would have tested whether this body has the courage to cut even $1 from the largest discretionary account in the budget.

What arrogance that was on the part of lawmakers to not even allow us to debate the decision the National Security Committee made to increase defense spending $12.3 billion more than even the Pentagon asked for.

I would like to remind Speaker GINGRICH of what he said in his address to the Nation last year following the passage of the Contract With America. He told America that everything is on the table, including Pentagon spending. House Budget Chairman KASICH said on CNN last year: "I want to suggest something that will ruffle a few feathers. And that is that the Pentagon should be reviewed with the same microscope as everything else in this Federal Government should be reviewed." Apparently, no one wanted to ruffle any feathers.

I would also like to remind my colleagues what Defense Secretary Perry had to say in his March 1996 annual report to the President and the Congress: "Events since the end of the cold war have demonstrated the need for America to retain a strong global leadership role and a prudent defense posture. President Clinton's fiscal year 1997 defense budget, and the strategy and plans on which it is based, support that need while remaining fiscally responsible."

Last year, this Congress increased defense spending by $7 billion, while decreasing all other discretionary accounts. And this year, it looks like we will increase defense spending by almost twice that amount. I find it preposterous that we are considering increasing Pentagon spending at a time when we are asking seniors and students to pay more.

Last year's action was taken despite the fact that the University of Maryland conducted a nationwide poll last November that showed 77 percent of the American public opposed to Congress's addition of $7 billion to the Pentagon's defense budget request.

People can argue about how much funding the Pentagon needs to perform its important role, U.S. defense spending is roughly equal to that of the next six nations combined. We spend twice as much on our military as do all of our potential enemies combined, including Russia and China.

We need to reassess our current strategy of fighting two wars nearly simultaneously without help from our allies. There are two potential war fronts out there. One is the threat of war abroad and the other is the lack of security on our streets.

Since 1980, 1,100 of our police officers have been killed in the line of duty. In the same time period, 530 U.S. soldiers have been killed in action. As crime rates have skyrocketed in this country, spending on police protection has remained constant. As a result, Americans have less than a 10th the effective police power of 30 years ago. We have a responsibility to protect our citizens from threats at home as well as threats from abroad.

This is National Law Enforcement Recognition Week. At this time when all of us are trying so hard to balance the Federal budget, we can avoid increasing military spending without endangering U.S. national security, which must include security at home.

I am pleased that the amendment I sponsored requiring greater burden sharing by our allies worldwide passed by a wide margin, 353 to 62. This marks the third year in a row I have sponsored such an amendment. This year's legislation is a timely call for a fundamental reassessment of our international troop deployments, an evaluation that has been sorely needed ever since the cold war ended.

I will continue to work to reorder our priorities in more commonsense ways. I firmly believe in spending every penny we need for a sound national defense, but not a penny more.

HONORING THE SUFFOLK COUNTY POLICE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. ACKERMAN. Mr. Speaker, I rise today to ask all my colleagues to join me in supporting the Suffolk County police during their annual memorial service.

The Suffolk County Police Superior Officers Association, the Suffolk County Police Benevolent Association, and the Suffolk County Detectives Association, will be honoring their fellow officers who have given their lives on the line of duty. In particular, the associations will be dedicating a commemorative footstone in memory of Sgt. Timothy Henck.

Suffolk County Police Sgt. Timothy J. Henck passed away as a result of injuries received in the line of duty on August 6, 1995. Sergeant Henck sustained his injuries during a vehicle chase of a burglary suspect on the Long Island Expressway.

Sergeant Henck came from a family with a history of law enforcement and followed his father, the late Lt. Thomas Henck of the Suffolk County Police Department, into law enforcement. Sergeant Henck began his career in January 1986, as a member of the New York City Police Department, serving in Brooklyn. Later that year, Sergeant Henck joined the Suffolk County Police Department, where he was assigned to the 3d precinct and quickly won 15 departmental commendations.

In June 1994, Timothy Henck was promoted to Sergeant and earned the respect and admiration of all those who worked for and with him until his untimely death last year.

Sergeant Henck showed the full measure of his devotion to law enforcement and made the ultimate sacrifice while in the performance of his duty.

Mr. Speaker, I ask all my colleagues to join me in honoring Sergeant Henck and all the Suffolk County police officers who have given their lives in the line of duty.

SERVICE ACADEMY GRADUATES, TOP ROTC HAVE EARNED A REGULAR COMMISSION

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. UNDERWOOD. Mr. Speaker, I rise today to commend my colleagues in the House National Security Committee for their support for my amendment to H.R. 3230 in committee which restores the regular, active duty commissions to graduates of the Military Academy—West Point—Naval Academy—Annapolis—Air Force Academy and top Reserve Officer Training Corps—ROTC—graduates.

As many of my colleagues know, I introduced this amendment as a bill, H.R. 2016, of which Chairman Robert Dornan and Congressman Jack Reed are original cosponsors. I am pleased that my colleagues supported the amendment by voice vote when I offered it on May 1 in the committee.

As a result of a change in the fiscal year 1993 Department of Defense authorization bill, beginning October 1, 1996, graduates of the military service academies and top ROTC graduates will receive a Reserve commission, instead of a regular, active duty commission. At the time of the change, the rationale was that regular commissioned officers received advantages over Reserve commissioned officers during the drawdown. Subsequently, the services received permission from Congress to subject regular officers to involuntary separation on the same basis as officers with Reserve commissions.

The difference for officers between the two types of commissions has become largely honorary, but it is an important incentive. Granting regular commissions rewards the hard work and sacrifices of these top graduates. Service academy and top ROTC graduates deserve the recognition for their dedication and excellence.

The difference for Congress between the two types of commissions is significant. Since it is easier to resign with a Reserve commission, granting regular commissions to Service Academy graduates protects our investment in them. It will also save taxpayer money spent on convening boards to review the applicants for regular commission status. The academies and the ROTC programs currently do a fine job of screening unqualified officer candidates.

As the two Chambers go to conference on H.R. 3230, I urge my colleagues to support the restoration of the regular, active duty commissions. The Military Service Academy and top ROTC graduates have earned a regular commission.

NATIONAL LYME DISEASE AWARENESS MONTH

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. GILMAN. Mr. Speaker, yesterday I had the honor of participating with some of our colleagues in front of the Capitol Building to help call our country's attention to the devastating effects that Lyme disease has on so many of our citizens and particularly on our young children.

In my remarks at the rally I noted: We cannot permit the minds and bodies of those who are stricken with Lyme disease to simply waste away.

I had the pleasure of introducing as one of the principal speakers Mr. Evan White, a 17-year-old resident of Wesley Hills in Rockland County, in my own 20th Congressional District of New York. Evan was diagnosed with Lyme disease 5 years ago. In 1993, he testified before the Senate Labor and Human Relations Committee regarding the severe impact Lyme disease had on his life.

As I stated at the rally regarding Evan and others like him: The grit and courage that he and so many other young people like him have shown challenge us to ensure that the resources to conduct research into this disease are made available. For these young people, Lyme disease often cuts them down and disables them in the prime of their years. Often, they become ill and don't understand why—a condition that is very fearful for a young child.

When Evan White was first diagnosed with Lyme disease at the age of 12, his life and that of his family were turned upside down. He was confined to a wheelchair and unable to speak, read, or write for 3 years as he underwent painful rehabilitation and medical treatment.

Evan missed 4 years of schooling due to his illness, but his perseverance in the face of this adversity is a lesson to us all. His life, and the lives of others like him, challenge all of us to ensure that the resources to conduct research into Lyme disease are made available.

Speakers at the rally other than Evan underscored the importance of Lyme disease research. Dr. Stephen E. Straus of the National Institutes of Health announced the first intramural research on chronic disease and infection affecting the brain. Dr. Duane J. Gubler of the Centers for Disease Control and Prevention announced the establishment of a task force. Karen Vanderhoof-Forschner, cofounder and chair of the Lyme Disease Foundation, Dr. Joseph Burrascano of Long Island, Dr. Anthony Lionetti of New Jersey, and the psychiatrist Dr. Richard Bransfield made excellent presentations regarding progress in the fight against Lyme disease. Ira Maurer, an attorney, discussed the plight of people caught in the middle of health care containment and physicians trying to practice good medicine, and

Roberta Bethencourt, addressed the social impacts of Lyme disease. Hillary MacDonald, the daughter of a Lyme disease victim, informed us of the impact the disease had on her family.

In addition, I was joined at the podium by a host of our colleagues who had made names for themselves for their compassion and their leadership in the Lyme disease crusade: Mrs. JOHNSON and Mrs. KENNELLY of Connecticut; Mr. SMITH and Mrs. ROUKEMA of New Jersey; Mr. VENTO of Minnesota and Mrs. LOWEY of New York. In addition, we were joined by Senator LIEBERMAN of Connecticut and Senators BRADLEY and LAUTENBERG of New Jersey.

Mr. Speaker, I am inserting at this point in the RECORD the poignant remarks made at our rally by Evan White:

STATEMENT BY EVAN WHITE

Hello. My name is Evan White. I'm 17 years old, and I have Lyme Disease.

Five years ago, Lyme Disease took from me everything I had—except my spirit. At twelve years old when I was first diagnosed with Lyme, my life and my familys[1] life changed completely. Hampered by, headaches, severe neurological damage and full body atrophy, I was confined to a wheelchair and unable to speak, read or write for three years. Due to this crippling disease I spent the next three years of my life in the hospital, undergoing various painful rehabilitation and medical treatments.

As my will strengthened during this, mentally and physically draining my time, with my family's support I testified to Senator Kennedy at a senate hearing on Lyme Disease. Although I had great difficulty speaking I told the Senator, that the children with Lyme could not think or sleep and that we needed his help.

That was three years ago, after a year of antibiotic treatment and endless rehabilitation and support from my family, I'm fortunate enough to speak with you here today. After much missed school, I now attend school full time and hope to attend college in a year. Although I still have many painful symptoms of Lyme, with your support I keep fighting to someday be Lyme-free.

But I am here to talk about the children across the country who suffer from Lyme Disease as I did. These children are very sick, very scared and they need your help. The most precious years of their lives are being robbed from a disease which comes from a creature that is barely visible. They can't be with their friends, go to school, play sports or even have fun, believe me I know.

It isn't fair that such young children become so sick. It's not fair that our parents should have to fight like soldiers to ensure that our illness is taken seriously. So to Everyone here today, to everyone in the government, help us, take Lyme seriously. We have to and we can not survive without you.

The children of America are in danger! You must help us by finding a cure now! Please don't forget us!

JACKSON STATE UNIVERSITY GOLF TEAM

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. THOMPSON. Mr. Speaker, I rise today to pay special recognition to the Jackson State University [JSU] golf team. JSU is a Historically Black University located in Jackson, MS and recently won its eighth consecutive Southwestern Athletic Conference [SWAC] golf championship.

This unprecedented accomplishment is a result of hard work and determination. When JSU travels to the University of Michigan to participate in the National Collegiate Athletic Association [NCAA] District 6 Central Region playoffs later this month, they will once again be making history as the first HBCU to be invited to participate in the golf playoffs.

Eddie Payton is in his tenth year as JSU's golf coach. He currently holds a career record of 70 wins with 19 losses while compiling a 54–5 record in SWAC play, including a 52–0 record in the last eight years. He has garnered the SWAC Coach of the Year award eight times and the National Coach of the Year award twice.

Coach Payton also had a stellar football career both at Jackson State University and in the National Football League. As a member of the Detroit Lions, he once returned a punt for 89 yards for a touchdown and a kick 99 yards scoring twice in the same game while a member of the NFL's Detroit Lions.

Mr. Speaker, I ask you to join me in congratulating Coach Payton and the JSU golf team for their enormous success during the 1996 season.

USA TODAY RECOGNITION OF WAYNE VALLEY (NJ) HIGH SCHOOL DISTRICT

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. MARTINI. Mr. Speaker, I am taking this opportunity today to commend the community of Wayne, NJ and its educators for their commitment to excellence in education. In the third article of a five-part series currently running in USA Today, the Wayne Valley High School District was specifically cited as an education system worth migrating to.

This May 15, 1996, article on education in the United States focused on the importance of residential location and school districting when families make decisions on where to raise families. The story pointed out that "real estate agents, appraisers, home builders, and tax authorities overwhelmingly agree that proximity to high-quality schools is now the No. 1 factor in determining what a home is worth in any given market."

Citing schools as her top priority, the article specifically mentioned Ms. Alice Li of Wayne, NJ. Ten years ago the Li family, with very young daughter Winnie, moved from Pennsylvania to New Jersey. Although her daughter was very young, Ms. Li cited the talented and gifted program of the Wayne School District as an important factor which brought them to the 8th district.

Mr. Speaker, Ms. Li had the foresight to plan for young Winnie's future education. The result: Winnie has scored perfectly three straight years on the National Latin Exam, is the editor of the school newspaper, and will graduate Wayne Valley High with a 4.0 grade point average. It comes as no surprise that with such strong academic credentials, Winnie will attend Harvard University in the fall. I commend Winnie for her achievements and certainly wish her continued success in Cambridge, MA.

Mr. Speaker, this article is just another example of how vital quality school systems are to our communities. Without responsible teachers and challenging curricula in place, towns and cities have very little to offer parents and would be residents. Strengthening education programs remain a top priority for me and I will continue to work toward raising the standards by which our schools measure themselves. I am pleased that Wayne, NJ and one its stand-out pupils have been recognized in this capacity.

Again, I commend Ms. Alice Li, her daughter Winnie, and the Wayne Valley High School District.

ANTI-DRUG EFFORTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 15, 1996, into the CONGRESSIONAL RECORD.

PROTECTING OUR CHILDREN FROM DRUGS

An estimated 12.2 million Americans consume illegal drugs at least once a month, causing enormous human costs in terms of lost productivity, drug-related violence, and ruined lives. Over 20,000 Americans die each year in drug-related deaths. Fighting drugs is not cheap. The federal government will spend $15 billion this year, and local governments spend far more. Yet half of Americans say that they, or someone in their family, or a close friend, has used illegal drugs, and drug use is increasing among young people. We may not have lost the war on drugs, but neither are we winning it. We must reassess and revitalize our efforts.

Fighting drugs requires a systematic approach on a number of fronts. There are four key elements to drug control policy:

LAW ENFORCEMENT

There is no question that cities have felt the brunt of drug-related crime, but law enforcement officials in our small towns and rural areas express their concern that theft, domestic violence, and juvenile crimes are increasingly linked to illegal drugs. I answer letters each week from Hoosier children who are worried about drugs and violence in their schools.

In southern Indiana, federal funds support local police officers, Drug Enforcement Agency officers, and the Southern Indiana Drug Task Force for undercover operations. The National Guard and the Civil Air Patrol eradicate billions of dollars of marijuana and other plants each year. We must focus on youth, gangs, and domestic violence, and give law enforcement officers, judges, and prosecutors the resources to provide swift justice. Prosecutors must focus on key drug crime figures, and judges should be given tough but flexible sentencing guidelines to ensure that first-time offenders do not become addicts, and that drug traffickers are severely punished.

EDUCATION, PREVENTION, AND TREATMENT

Law enforcement officers tell me that, unless we reduce the demand for drugs, no level of punishment or eradication will be able to win the war on drugs. Drug education programs have helped stigmatize drug use in schools and the workplace, and treatment—when available—has proven successful in getting people off drugs. Federal funds help numerous southern Indiana drug prevention programs in schools and community agencies. Studies show that, for each $1 spent on prevention, $7 is saved on crime, health, and welfare costs. Treatment can be improved with more research, early access to treatment, and compassionate care to the victims of drug abuse. We should also consolidate and streamline the dozens of government prevention programs, working hand in hand with America's religious, community, and educational groups.

INTERDICTION AND ERADICATION

The main focus of U.S. counternarcotics efforts should be here at home, but there is a key international dimension—eradicating drug crops abroad and stopping the narcotics flow across U.S. borders. Most illegal drugs enter the U.S. along the Florida shoreline or the Mexican border. Federal interdiction efforts include border control and interception of drug planes and ships in international territory. We must use the most sophisticated intelligence, technology, and science to shield our borders from the drug threat.

SOURCE COUNTRIES

Drug traffickers can best be stopped by arresting, convicting, and incarcerating them on their own turf, and other countries must do their share. Money laundering, drug production, and organized drug cartels are international problems, and cannot be solved by the U.S. alone. We should strengthen foreign law enforcement and judicial institutions. Cooperation with Mexican authorities has improved, as demonstrated by the recent destruction of a major Mexican-American drug ring. We should reward countries that convict drug traffickers, eradicate cocaine and heroin farms, seize drug shipments, and aggressively pursue illegal drug labs. We should punish countries that do not do their share by linking drug cooperation to trade sanctions and foreign assistance. We must use the U.N. and other multilateral organizations to share the burden and the costs of narcotics control.

YOUTH DRUG USE

Previous efforts to reduce drug use have been moderately successful, but hard core drug users and drug-related violence have proven more difficult to stop. Progress has been made. The number of people who use drugs each month has fallen from 22.3 million in 1985 to 12.2 million in 1994, and drug-related homicides are down 25 percent. It is alarming, however, that drug use is increasing among young people. One in three high school seniors say they have used marijuana, and reports show this figure is rising. In southern Indiana, parents, teachers, and local officials tell me that youth drug use is spreading swiftly in small towns and rural areas.

Protecting our children from the scourge of drugs must be our top priority. Tough penalties for drug violations can help, but communities must redouble their efforts to keep kids from trying drugs in the first place. The Safe and Drug Free Schools Act provides federal funding to help local schools with drug prevention. In southern Indiana, federal COPS community policing grants have helped many law enforcement agencies expand the DARE drug education programs in schools. I oppose efforts in Congress to reduce or eliminate these programs. There are dozens of other efforts, and we should improve cooperation among parents, schools, private groups, and law enforcement to identify, punish, and treat repeat juvenile offenders.

ACTIONS

Congress should take several additional steps to improve our drug war strategy. First, we must streamline the more than 50 federal agencies involved in the drug war. Second, we should increase monitoring of legal "source chemicals", which are used to process raw drugs and to make "artificial drugs" such as methamphetamines. Third, we must ask our foreign allies to do their fair share to fight drugs. I have introduced legislation to impose trade sanctions on countries that fail to control narcotics production and trafficking. We should also strongly link foreign assistance with a country's drug control efforts. Fourth, Congress should commit the necessary resources to crack down on drug trafficking.

We must recognize, however, that domestic and international law enforcement can only do so much. As long as Americans are willing to spend billions of dollars on illegal drugs, the traffickers and pushers will find new ways to meet that demand. If parents, schools, churches, community groups, and public officials insist on personal responsibility and provide support to end the cycle of addiction, we may be able to keep the next generation of young people safe from the scourge of drugs.

TRIBUTE TO DR. TIMOTHY WINTERS

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. FILNER. Mr. Speaker, I rise today to recognize a truly remarkable leader from my 50th Congressional District in San Diego. In the Reverend Dr. Timothy Winters, we find a man who has dedicated his life to improving the socio-economic and spiritual well-being of many of our neighborhoods and communities in San Diego.

In addition to being pastor of the Bayview Baptist Church, one of the largest churches in San Diego, he also holds the position as president of the Baptist Ministers Union. While in this position, Dr. Winters has shown to be a very capable leader in guiding both his church and the ministerial organization to success and high achievement. He was instrumental in the building of the Martin Luther King Jr. School, complete with classrooms, meeting halls, and banquet facilities.

Dr. Winters is also an accomplished speaker, often called upon to speak on various problems and concerns of the African-American community and the city at large.

He lectures frequently on the matters of consumer awareness and debt-free living.

His workshops and finance seminars, which he often conducts from various churches, have helped to improve the lives of literally thousands of those who have heeded his advice and counsel.

Lately, Dr. Winters has been working with other community leaders as a part of a group to charter a new community credit union in the heart of my 50th Congressional District, another indication of his tireless dedication to the social and economic well-being of his—and my—community.

I am also proud of the many fair-lending agreements that Dr. Winters assisted in forging with the many banks, and other financial institutions in our city.

He has often been a great inspiration to me, and I look forward to working with Dr. Winters to raise the quality of life in our community. Please join me in celebrating the great contributions and achievements made to the constituents of the 50th Congressional District by Dr. Timothy Winters.

TRIBUTE TO HUGH JARVIS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to Hugh Jarvis, a constituent, good friend, and dedicated educator who retired last February after serving for nearly 15 years as president of the Michigan Federation of Teachers and School Related Personnel.

At a time when all of us are working to improve educational opportunities for American families, the work of Hugh Jarvis is an inspiration. For 36 years, Hugh has dedicated himself to improving education in Macomb County and throughout Michigan. As a respected junior high school teacher, coach, and volunteer, Hugh has worked both in and out of the classroom to achieve educational excellence for students, parents, and families in our community.

Hugh graduated from Michigan State University in 1960, and went on to get his masters degree from MSU in 1964. During that time, he started his career as a teacher in East Detroit—where I grew up—teaching junior high school social studies and working closely with students as coach for the track team.

Civic responsibility and involvement are not just ideas that Hugh Jarvis taught his students in the classroom, they are the values that he has lived by example. Quietly, without much fanfare, Hugh Jarvis worked for over three and a half decades as an activist for better education for students.

In 1985, Hugh's work in education was recognized when Michigan Governor Jim Blanchard appointed him to the board of control of Northern Michigan University—a prestigious position which allowed him to help direct NMU and its educational mission. Hugh has also volunteered his time and expertise as a member of the Michigan Public School Finance Commission.

In his distinguished career, Hugh's commitment to students and families has also led him to be a leader in the labor community, and to work for the rights of teachers and educators.

Actively involved in the Michigan Federation of Teachers and the Democratic Party since the early 1960's, Hugh was elected president of the MFT in 1981. During his tenure as president, Hugh distinguished himself as a person who worked tirelessly for better education for our children and better working conditions for the men and women who teach them.

Mr. Speaker, Hugh Jarvis' example is one that all of us should take. His quiet and unwavering commitment to education, and to giving of himself for students and families in Michigan are a testament to him and to his profession.

As we observe this milestone in Hugh Jarvis' distinguished career, I take great pride in calling him a personal friend, and in joining with my colleagues to express my deep thanks to him for his work.

RECOGNIZING JAMES R. NUNES

HON. BILL BAKER

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 15, 1996

Mr. BAKER of California. Mr. Speaker, for more than three decades, James R. Nunes has served as an officer of the law. Since 1979, he has been chief of the Pleasant Hill, CA Police Department in my home district. Now, after 37 years of service as a police officer, first with the military and then with three different cities, he is retiring from the force.

Throughout his career, Chief Nunes has worked to make our streets safer, our communities stronger, and our children's future brighter. He knows the meaning of long nights, hard work, and personal sacrifice. His many community activities further reflect his commitment to the citizens of the East Bay community, and are indicative of his devotion to the building of a better society.

It is my sincere hope that Chief Nunes will enjoy a well-deserved retirement from the force. His contributions have been both formidable and enduring, and I know all of my colleagues will join me in wishing him every good thing in the days ahead.

TRIBUTE TO BOB SLIVOVSKY AND KENNY WILLIAMS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 15, 1996

Mr. LIPINSKI. Mr. Speaker, I wish to pay tribute to two outstanding individuals who have contributed greatly to athletic competition in my district and throughout the Chicago area—Mr. Bob "Slivers" Slivovsky and Mr. Kenny Williams—who were inducted into the Illinois Basketball Coaches Hall of Fame on April 27, 1996.

Slivers Slivovsky has devoted most of his life to athletics at Morton College in Cicero, IL, first as a member of the school's baseball team in the early 1950's, and for the last 24 years as equipment manager, a job title that does not even begin to describe his responsibilities. As Morton Athletic Director George Fejt said of his prized employee: He's our facility manager, sports information director, fundraising coordinator, and goodwill ambassador.

However, it may be Slivers work outside of the school that made the difference in receiving his recognition by the hall of fame as a friend of basketball. For years, he has run and organized the Henry Vais Basketball Tournament at Morton, a two tiered competition for local grade-school players of differing skill levels that is recognized as one of he best tournaments of its kind.

The tournament is his pride and joy—no team is eliminated and the kids enjoy themselves. It provides kids with an opportunity to play and not worry about the wins and the losses, as Slivers describes it.

THE FEDERAL HEALTH PROGRAM BENEFIT CHANGE ACCOUNTABILITY ACT

HON. BENJAMIN L. CARDIN

OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 15, 1996

Mr. CARDIN. Mr. Speaker, I rise today with a bipartisan group of Representatives to introduce the Federal Health Program Benefit Change Accountability Act. This legislation would prevent the Office of Personnel Management [OPM] from making significant changes to Federal retirees' health benefits without first reporting to Congress what those changes will entail, how costs to retirees will be impacted, and how quality will be assured.

This legislation comes in direct response to OPM's decision to allow Blue Cross/Blue Shield [BC/BS] to alter the prescription drug benefit of their standard benefit package for Federal retirees on Medicare. Prior to 1996, there was no cost-sharing for prescription drugs purchased at a network retail pharmacy or through the mail order pharmacy. Starting in January 1996, BC/BS began charging Federal retirees on Medicare a new 20 percent copayment for prescriptions purchased at their network retail pharmacies. The only way this new copayment can be avoided is to use the mail order pharmacy program offered by BC/BS.

Many of us heard from constituents who opposed this change. Most seniors live on fixed incomes and are sensitive to sudden increases in the cost of prescription drugs. They are also the segment of our population that uses the most medications. At the same time, seniors tend to have long standing relationships with their local pharmacists who provide important health care services to them. A local retail pharmacist is often willing to perform services such as color-coding their prescriptions, providing special caps for easy opening, and offering important face-to-face counseling. In addition to being health care providers, local pharmacies play an important local economic role. Sending prescriptions to mail order pharmacies takes dollars and jobs out of our communities. The bottom line is that this benefit change by BC/BS hurts both our constituents' health and our local economies.

More than 70 colleagues joined me in writing to OPM in December 1995 opposing this benefit change. We are still awaiting an important report from GAO that will detail the effect of various prescription drug policies on both enrollees and community pharmacies. We asked OPM to delay implementation of this benefit change until the GAO study was complete and until other cost-savings alternatives were investigated. That letter is attached at the end of this statement.

OPM did not agree with our concerns and went ahead with implementing the benefit change as scheduled. What happened then was nothing short of chaos. The mail order pharmacy company was not prepared for the tremendous increase in business resulting from the new 20 percent copayment at retail pharmacies. We received reports of doctors attempting to submit prescriptions being told that the fax machines had been unplugged and they were not accepting new prescriptions, enrollees were reporting delays of several seeks before obtaining their prescriptions, and there were problems with incomplete or incorrect orders. A constituent of mine in Baltimore stated that she had "literally spent one month on this phone with this company." She also said that when her order finally arrived, her bottle was seven pills short, and her husband's was shy two pills.

To OPM's credit, they immediately moved to correct these severe inadequacies of the program. They allowed a limited number of enrollees to temporarily obtain their drugs at their local pharmacies without the copayment penalty. While it does appear that these extreme problems have been corrected, the fact remains that there are still problems and inequities.

Mail order pharmacies are certainly an appropriate option to make available for enrollees. However, this new copayment structure does not result in a real choice for seniors—it simply increases their out-of-pocket costs. Mail order pharmacies are not an appropriate source for acute drugs because of the length of time it takes to obtain a prescription. This new BC/BS policy imposes a new 20 percent copayment—which can be a significant cost—on enrollees needing acute prescriptions. For them, the mail order pharmacy is not a viable option to avoid this new costs. If the 20 percent copayment is a serious impediment, then the senior may use the mail order option anyway. Their health could be seriously impacted by that decision. In addition, people have been unable to obtain color-coding for their prescriptions—an important service for a frail senior taking a strong regimen of prescriptions.

I, along with several colleagues, have spent months looking into possible remedies to prevent OPM from making decisions on benefit changes in a vacuum as they do today. Our goal is to avoid any repeat performances of the problems we have seen this year. Our legislation is entitled "The Federal Health Program Benefit Change Accountability Act." It details the multiple problems resulting from OPM's decision to make this benefit change and would institute a new reporting process. OPM would be required to provide an annual report to Congress that would describe any significant changes for the upcoming year in Federal retiree health benefits. The report would also provide Congress with the details that were missing this past year. It would explain what cost savings expected to be achieved, how enrollees would be financially affected by the change, and how quality of care would be impacted. Congress would then have time to react if there were concerns with the change.

The bill has been endorsed by the National Association of Chain Drug Stores, the National Association of Retail Druggists, the National Council on Aging, and the National Council of Senior Citizens, The original cosponsors are: Representatives J.C. WATTS, HOYER, GILMAN, MORELLA, PICKETT, LAFALCE, CRAMER, POMEROY, BREWSTER, TIM JOHNSON, MORAN, MEEK, and EHRLICH. We urge our colleagues to join us in preventing OPM from making new benefits changes that negatively impact seniors' health and our local communities.

CONGRESS OF THE UNITED STATES,
Washington, DC, December 15, 1995.

JAMES B. KING,
Director, Office of Personnel Management, Washington, DC.

DEAR MR. KING: We are writing to raise concerns about the implementation of a new 20 percent copayment for prescriptions filled in local retail pharmacies under the Blue Cross/Blue Shield Federal Employees Health Benefits Program.

As you know, beginning January 1, 1996, this change will make it more costly for almost one million Federal retirees with Medicare Part B coverage if they want to continue to obtain their prescriptions at their neighborhood pharmacy. The only way for Federal retirees to avoid the imposition of this new cost-sharing will be for them to leave their neighborhood pharmacy and send their prescriptions to an out-of-state mail order firm. The rationale for this change is that it is a cost-saving measure. While we commend efforts by BC/BS to lower costs for the Federal Government and their enrollees, we question whether these savings will be passed through to enrollees.

Two aspects of these efforts are abundantly clear to us. Last year, BC/BS's use of a mail order operation diverted $400 million from our districts in sales, revenues and jobs from the local pharmacies. If this new change becomes effective, an estimated $600 million will leave our districts in 1996 and instead be invested in an out-of-state mail order firm. Many local pharmacies are small businesses that cannot afford a shift of their local business to out-of-state mail order firms. Second, Federal retirees, many of whom take multiple prescriptions that require face-to-face pharmacist counseling and close monitoring of prescription use, will lose the medical counseling of their local pharmacists when they switch to the mail order program due to financial constraints.

We have strong reservations about cost-saving solutions that place an economic penalty on the use of local pharmacies. There are alternative approaches that BC/BS could take to achieve cost-savings in the area of prescription drug use. One solution would be to implement a mandatory generic drug program. Another solution could be a reasonable copayment, such as one or two dollars, per prescription drug. Neither of these alternatives would disadvantage our neighborhood pharmacies which play important health care and economic roles in our communities.

You may be aware that the GAO has recently been asked to study the impact of BC/BS's FEHBP's prescription drug program policies on enrollees and community pharmacies. We believe that this is an important study and that the results should be known before this new policy is implemented. Therefore, we ask you to take action to postpone implementation of this change until the GAO study is complete and to consider alternative cost-saving approaches such as those mentioned in this letter.

Sincerely,
Benjamin L. Cardin and 68 Members of Congress.

TRIBUTE TO W.T. WOODSON HIGH SCHOOL CONCERT BAND OF FAIRFAX

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. DAVIS. Mr. Speaker, it gives me great pleasure to rise today and pay tribute to the W.T. Woodson Senior High School Concert Band of Fairfax, which will receive one of the most prestigious international awards for high school concert bands. On May 17, 1996, the W.T. Woodson Band will receive the John Philip Sousa Foundation's Sudler Flag of Honor, an award which recognizes high school concert bands that have demonstrated the highest standards of excellence in all respects of their activities. Under the direction of a very dedicated and talented music director, Mr. John Casagrande, it is one of only two bands from the entire United States and Canada to receive this coveted award this year.

Each year, the John Philip Sousa Foundation awards the Sudler Flag of Honor after conducting a rigorous selection process undertaken by a committee made up of nationally known band conductors. The Selection Committee chooses award recipients based on the following criteria: First, the band's music director has been incumbent in his or her position for at least 7 consecutive years; second, the band has maintained a high standard of excellence in the concert area for several years; third, the band has received a superior rating at State, regional, or national levels of competition; fourth, the band has performed at significant meetings at State, regional, and national levels; and fifth, a number of students in the band have participated in district and all-State honor bands or similar groups. There is no limit on the number of bands which can receive the Sudler Flag of Honor each year. So indeed, not only is it a remarkable accomplishment that the W.T. Woodson Band earned this honor, it is equally commendable that it is one of only two bands worthy of receiving the award in 1996.

Mr. Speaker, I know my colleagues will join me in applauding the hard work and commitment of Mr. Casagrande and this talented group of young musicians. I congratulate them on receiving this distinguished award and for making their parents, neighbors, and community proud of this exceptional achievement.

50TH ANNIVERSARY OF SACRED HEART CHURCH IN FEEDING HILLS, MA

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. NEAL. Mr. Speaker, today I would like to recognize the Parish of Sacred Heart Church in Feeding Hills, MA which will be celebrating its 50th anniversary on Sunday, May 19, 1996. For the past half century, Sacred Heart Church has been an integral part of the Springfield Catholic Diocese and a mainstay in the town of Agawam. The church began as a small mission chapel for Mount Carmel Church in Springfield and was run by the Stigimatine Fathers. In 1946, Bishop Thomas M. O'Leary declared Sacred Heart a territorial parish in Feeding Hills to be run by the Stigimatine Order.

Sacred Heart had 175 families in its parish in 1946 but its chapel could only accommodate 125 people. The need for a new larger church was immanent and the parishioners immediately began working together to raise the necessary funds for the new construction. After more than ten years of hard work, the diligence of these parishioners was rewarded in 1959 when Bishop Christopher Weldon dedicated the new Sacred Heart Church. The expansion did not end with the new church, however, and in 1964 the men of the parish built the Sacred Heart Restaurant at the Big "E" in West Springfield and the Parish Center was dedicated in 1971. During this period, an athletic program was established for the young people of the parish and a parish library was added, complete with adult bible classes. The parish had certainly blossomed into a major center for community activity in the Feeding Hills area and was a source of tremendous pride for the citizens of Agawam.

Today the parish has grown to 2,065 families and has been transferred from the Stigimatine Order back to the Springfield Diocese. This tremendous growth and the parish's continued commitment to charitable organizations and community development have made Sacred Heart one of the true gems of the Second Congressional District. I would like to salute Rev. Kenneth Tatro, the Pastor of Sacred Heart; Pastoral Minister Sister Eileen Sullivan, SSJ; Deacon James Martone; and the many dedicated parishioners who have donated so much time and energy over the years to ensure Sacred Heart's place among the most outstanding institutions in Western Massachusetts.

Sacred Heart is a tremendous source of pride for not only the Springfield Diocese but for the entire Second Congressional District. I am honored to represent the outstanding individuals who comprise Sacred Heart parish and I join with the citizens of the Second Congressional District in offering a most heartfelt congratulations on this "golden" anniversary. Sacred Heart has truly succeeded in its mission to foster a cooperative and inclusive spirit in the community and I wish Sacred Heart Church all the best for another successful 50 years.

DON'T DISCRIMINATE AGAINST THE HIV-POSITIVE

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. FARR of California. Mr. Speaker, I rise today to express strong opposition to an unfair and discriminatory provision in the National Security Authorization Act of 1996. This provision would require all HIV-positive personnel to be immediately and summarily discharged from the military.

The provision is based on prejudice and misunderstanding about HIV and the AIDS virus. Being HIV-positive does not mean being bed-ridden. It does not mean you cannot work. It does not mean you are contagious. In fact, it may take years before people who are HIV-positive show the debilitating symptoms of AIDS.

Current military policy is fair and makes sense. Those who are HIV-positive, as with those with disabilities, are not sent in combat. They are allowed to continue their service until they are too ill to serve.

But this provision would remove such persons outright, whether they are ill or healthy. The assumption is, if you have HIV, you are a threat to others, you are sick, or something is wrong with you.

All of those beliefs are false. Magic Johnson is one, more famous example, but there are tens of thousands of HIV-positive Americans who are healthy, working, and contributing to society.

We should not discriminate against men and women in uniform if they are still able—and still want—to serve their country.

50TH ANNIVERSARY OF WAKEFERN FOOD CORPORATION

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. ANDREWS. Mr. Speaker, I would like to bring to the attention of my colleagues one of the great business success stories in my State, Wakefern Food Corp. of Elizabeth, NJ.

Wakefern, which to many of us is known as ShopRite, was born in 1946. The Second World War was one of the great tragic conflicts of human history, but the peacetime economy that was created in its aftermath laid the groundwork for so many positive opportunities to come. Wakefern was created out of just such an opportunity. In Newark, NJ, eight independent grocers joined together to create a buying cooperative, Wakefern Food Corp., so they could get the benefit of buying discounts. Like so many other companies, their earliest days were filled with endless challenges and difficulties. Yet, through hard work and dedication to a dream they persevered, and the company became the success that it is today.

Today, Wakefern and its ShopRite supermarkets represent the largest retailer-owned cooperative in the United States and are New Jersey's second largest employer. Their 37 members own and operate those supermarkets employing 35,000 associates and serving 500 communities in New Jersey and more than 3 million customers each week. Throughout the region, the firm employs 15,000 more associates.

Wakefern takes its mission of excellence seriously, and it also understands that this mission can only be extended through community involvement. ShopRite's owners and Wakefern have dedicated themselves to improving educational opportunities through programs such as the supermarket careers effort for special needs students. They have worked tirelessly to fight hunger through their support of the Community Food Bank of New Jersey, and they can continuously recognize the spirit of friendship and love through their sponsorship of the New Jersey Special Olympics.

This past March, I was pleased to join with those congratulating Wakefern's general merchandise facility in Jamesburg for winning the Merit Site OSHA Award for workplace safety.

This year, Wakefern is celebrating its 50th anniversary in grand style, with commemorative ceremonies and activities at Liberty State Park and Ellis Island. While we join in this celebration and recognize the dedication of so many that have worked so hard to make Wakefern and ShopRite the outstanding corporate citizen that it has become, we also pay tribute to an individual who helped build this company from the ground up, Tom Infusino. Tom has steadfastly led Wakefern as its chairman for the last 25 years. His vision has helped transform Wakefern from a group of local grocers to the great service corporation that it is today.

Mr. Speaker, I know that my colleagues would join me today in congratulating Wakefern, its 50,000 associates and its great leadership on 50 years of success, and in wishing them 50 more years of service to our community.

CONDEMNATION OF SHOPPING CENTER OUTSIDE AUSCHWITZ

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. TORRICELLI. Mr. Speaker, I rise today to condemn, in the strongest possible terms, a proposed shopping mall to be located just outside the Auschwitz death camp in Poland.

The Auschwitz death camp has left a scar in our minds and hearts that can never be removed. It is a reminder of the depths of evil human kind is capable of. And it serves as a warning that we must never let it happen again. For anyone to commercialize Auschwitz or develop its immediate surroundings would be an affront to all of us, and to the memories of the millions of victims of the Holocaust.

Approximately 1.5 million people were killed at Auschwitz during World War II. The 50,000 people who visit the camp sites every year are there to understand the monstrous inhumanity that took place. To exploit the camps for economic gain is an insult to everyone who has worked to ensure the Holocaust's unique place in the world's history and culture.

The Polish Government recently announced that it would temporarily halt further development of the shopping center outside the Auschwitz death camp and set up a special government commission to examine the legality of the planned supermarket. The First Secretary also noted that Poland's President Aleksander Kwasniewski "strongly criticized the proposed construction." The final decision on whether to proceed with the shopping center lies with the town council of Oswiecim-Brzezinka.

There must be no equivocation on termination of this shopping center. The construction must stop permanently. A commercial endeavor so close to Auschwitz would be offensive not just to the memories of those who were murdered there but to the sense that Auschwitz stands as one of the most prominent symbols of the lesson of the Holocaust, "Never Again."

IN HONOR OF OFFICER KEITH BRADDOCK

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. POMEROY. Mr. Speaker, this week has been designated National Police Week. In conjunction with this, I would like to take a moment today to honor a North Dakota peace officer recently killed in the line of duty. Watford City police officer Keith Braddock died March 20 of this year after he was shot while responding to an incident at the American Legion Club.

Mr. Speaker, Keith Braddock was a family man. He was married and had three children. While his family must now try to move on from this horrible nightmare, I hope it provides them some comfort to know that every North Dakotan is grateful for his service to the people of our State. Cities and small towns all across America are more secure because of dedicated peace officers like Keith.

The tragedy that unfolded late that afternoon on Main Street has awakened the 1,800 residents of Watford City that they are not immune to the all-too-prevalent acts of violence occurring in our Nation's cities. Protecting citizens from harms way is a dangerous task—both in our urban centers and in rural America. Although peace officers in many small communities may know most of the folks in town, they can't be too cautious. For the most part, these officers are out there on their own—backup can be miles away.

This unfortunate situation has underscored the fact that senseless acts of violence can happen anywhere. We owe a debt of gratitude to those like Keith Braddock who put their own lives at risk to make us a little safer.

FREMONT HIGH SCHOOL STUDENTS, FREMONT, MI

HON. PETER HOEKSTRA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. HOEKSTRA. Mr. Speaker, I would like to acknowledge a bright, young group of students from Fremont, MI, who met with me yesterday. A special wish for a happy birthday is extended to Mr. T.J. Meister. A list of those representing the school follows:

Fremont High School Students, Fremont, MI: David Ammirati, Brooke Bacon, Sara Breuker, Christine Cooper, Jennifer Dueling, Jennifer Eitniear, Connie Erickson, John Hughes, Heather Kraley, T.J. Meister, Jessalynn Nieboer, Billie Jo Novak, Julie Rottman, Kari Schipper, Jenna Scott, April Smith, Kristine Stariha, Andrea Stroven, Mike Vanostenberg, and Amy Vanzant.

Baars Bultman, teacher.

MAY IS NATIONAL PHYSICAL FITNESS AND SPORTS MONTH

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. BARTON of Texas. Mr. Speaker, May is National Physical Fitness and Sports Month, conducted by the President's Council on Physical Fitness and Sports. Every American should take this opportunity to celebrate and begin a fitness routine.. The benefits from exercise are far-reaching. Studies have revealed that there is a direct connection between exercise and lower death rates from heart attacks, stroke, hypertension, non-insulin-dependent diabetes, brittle bones, anxiety, and depression. However, in lieu of this information many Americans continue to remain inactive, with little or no physical activity in their daily lives.

Even low- to moderate-intensity activities like walking, gardening, or biking can bring benefits. I realize this so I have taken the opportunity to share my love of biking with my constituents. On my home page, you will find "Biking with Barton." This is a detailed exploration on the Internet that allows you to link with other bike pages. I have included all sorts of biking information from biking events and books, to community activities, and details on how to bike to work.

I am also happy to support organizations like the National Coalition for Promoting Physical Activity. They have a long-term mission to motivate more Americans to be physically active. The national coalition is a collaborative partnership of groups who have identified physical activity and health as their primary mission and is facilitated by the American Alliance for Health, Physical Education, Recreation and Dance; the American College of Sports Medicine; and the American Heart Association. To accomplish its goals the national coalition will use its network to provide ledaership to the American public and policymakers to increase the understanding, communication, and promotion of physical activity and health. They seek to develop consistent exercise messages to clarify for Americans the confusing array of information that currently exists and coordinate education efforts between the public and private sectors.

I urge all Americans to challenge themselves this May, National Physical Fitness and Sports Month, to make physical activity a regular part of your life.

TRIBUTE TO EDEN PRAIRIE HIGH SCHOOL

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. RAMSTAD. Mr. Speaker, I rise today to praise the entire Eden Prairie High School community for being named winner of the U.S Department of Education's prestigious Blue Ribbon Award.

The Department of Education could not have selected a more deserving high school for this highly coveted honor. When it comes to a comprehensive and successful approach to excellence in teaching, student achievement, leadership and parental involvement, Eden Prairie has, for a long time, set a lofty standard.

Mr. Speaker, this high distinction was well earned. Everyone at Eden Prairie High School played a role in achieving this extraordinary level of educational excellence.

Under the visionary leadership of a most remarkable man, Principal Arne Johnson, Eden Prairie High School has flourished. Arne is always there for each and every student. He provides at all hours of the day a willing ear, an understanding shoulder and a marvelous and diverse source of advice and encouragement.

Former superintendent Jerry McCoy and new superintendent Bill Gaslin have also been instrumental in preparing the fertile ground and providing the necessary resources to grow the special love for learning that exists at Eden Prairie. The students have blossomed under their effective management.

A school board full of caring and committed citizens has selflessly devoted the time, talent and energy necessary to make Eden Prairie High School one of the best in all of America.

This historic designation was accomplished through the pioneering and innovative contributions of a truly dedicated administrative staff and dynamic collection of committed teachers. Their deep and unwavering commitment to the students forms the foundation for a very special relationship with the young people at Eden Prairie High School. The teachers and staff have gone above and beyond all reasonable expectations to help kids, from the extra hours spent coaching and teaching extracurricular events to their efforts to bolster their professional credentials through additional postsecondary education.

Mr. Speaker, another key ingredient in the overwhelming success of Eden Prairie High School has been the precedent-setting and inspiring level of involvement by parents and members of the community. In this day and age when we in Congress hear so much blame being placed on the lack of participation by parents in their children's education. Eden Prairie's parents and other residents stand out as a shining lighthouse of an example of the miracles that can happen when adults take the time to help out at their schools.

But, Mr. Speaker, the No. 1 reason Eden Prairie High School has been chosen as a Blue Ribbon Award winner is its spirited students. This student body is focused in a most impressive way on real achievement and a relentless pursuit of the highest standards of excellence. The students have worked hard to create a safe, supportive and drug-free environment. They have worked hard to establish a record of academic excellence across the board.

From student leadership to participation in public service projects to help people in need in the community, from the heavy emphasis on scholastic achievement to the enthusiastic way they revel in the success of their classmates, the students of Eden Prairie High School deserve to claim this national honor as their own. The students at Eden Prairie High School are the kind of young people any parent would be proud to call their own.

Mr. Speaker, please join me in congratulating the entire Eden Prairie High School Community on a job well done and for setting such a powerful example of what can be accomplished by a school if everyone pitches in and strives to do their best.

Today we salute Eden Prairie High School as a blue ribbon award winner and for proving that schools all across America can succeed if everyone puts their minds and hearts into the effort like they do at Eden Prairie High School.

LEWIS AND CLARK DISCOVERY EXPEDITION 1996

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. TALENT. Mr. Speaker, I rise today to recognize the Lewis and Clark Discovery Expedition 1996: the reenactment of the world's most noted expedition. This 22-stop voyage will retrace the first 6 weeks of the path of the original expedition which began from St. Charles, MO, 192 years ago.

Meriwether Lewis and William Clark's pursuit of discovery in the newly acquired Louisiana Territory revealed some 168 unknown species of flora and 128 types of animals. They used courage, hard work, and perseverance in overcoming extraordinary obstacles along their frontier exploration. The Lewis and Clark Discovery Expedition 1996, will highlight the historic, scientific, and cultural consequences of this celebrated journey. It will also examine several other important themes such as the development of the United States and the American character.

The primary vehicle for this reenactment is a replica keelboat constructed by boatwright Glen Bishop. The Keelboat, which Bishop spent 10 years constructing, will contain numerous exhibits which highlight the historical, cultural, and scientific discoveries made by Lewis and Clark. It will retrace the original voyage, making stops along the path that the explorers followed during the Missouri leg of their journey.

Mr. Speaker, I would like to take this opportunity to acknowledge this fine celebration of American history. I commend the members of the planning committee and all those involved for their hard work to help preserve the memory of this historic expedition.

TRIBUTE TO JOHN F. NOWAK

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1996

Mr. MEEHAN. Mr. Speaker, I rise today to pay tribute to an outstanding author, John F. Nowak from the city of Lowell.

Mr. Nowak is the author of "Jasiu," an autobiography honoring his education and experiences as a child and later his adult years. I know the city of Lowell, as I was born and raised there. It is a proud immigrant city, with a rich history. It was very prominent in the 19th century and was renowned for it's robust mill industry. Today, for many families, it remains a symbol for people to work hard and achieve one's goals.

I make this point, Mr. Speaker, for I feel that just as there are many families of this region who have made historic contributions to our country, Mr. Nowak has made his own contribution. Mr. Nowak served as a member of the Armed Forces and was a Federal employee to our Government. I believe that by writing and publishing "Jasiu," Mr. Nowak has achieved a lifetime goal. A goal that few of us ever achieve.

In his book, Mr. Nowak tells a number of interesting stories about his experiences as a young Polish-American boy growing up in the 1930's, his adult years in the Air Force while stationed in North Africa and his volunteer efforts working to preserve the environment. His light-hearted philosophy makes "Jasiu" a work that is spirited and entertaining, despite the trials and tribulations he encounters.

Mr. Nowak graduated from Lowell High School and after returning to civilian life, he earned an associates degree in business administration from Merrimack College. He then went on to receive two subsequent bachelor degrees—one in liberal arts from Merrimack College and the other in sociology from River College.

I commend Mr. Nowak's drive and ambition, as well as his love of learning. His sense of human understanding gives his book a genuine quality and paints a portrait of a man who has lived and accomplished much. I extend my congratulations to John Nowak on the publication of his book.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, May 16, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 17

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Corporation for National and Community Service.

SD–192

Special Committee To Investigate Whitewater Development Corporation and Related Matters

To continue hearings to examine certain issues relative to the Whitewater Development Corporation.

SH–216

10:00 a.m.

Foreign Relations

To hold hearings on the nominations of Avis T. Bohlen, of the District of Columbia, to be Ambassador to the Republic of Bulgaria, and Marisa R. Lino, of Oregon, to be Ambassador to the Republic of Albania.

SD–419

MAY 20

10:00 a.m.

Finance

Social Security and Family Policy Subcommittee

To hold hearings on proposals to create personal savings accounts under Social Security.

SD–215

MAY 21

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for foreign assistance programs, focusing on international financial institutions.

SD–138

Judiciary

To hold hearings to examine the American Bar Association and its role in the selection of Federal judges.

SD–226

2:00 p.m.

Judiciary

Administrative Oversight and the Courts Subcommittee

To hold hearings on S. 582, to provide that certain voluntary disclosures of violations of Federal laws made pursuant to an environmental audit shall not be subject to discovery or admitted into evidence during a Federal judicial or administrative proceeding.

SD–226

MAY 22

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings on S. 1166, to improve the registration of pesticides, to provide minor use crop protection, and to improve pesticide tolerances to safeguard infants and children.

SR–328A

Commerce, Science, and Transportation

To hold open and closed hearings on broadcast spectrum issues (closed in S–407, Capitol).

SR–253

Rules and Administration

To resume hearings on issues with regard to the Government Printing Office, focusing on public access to Government information in the 21st century and GPO's depository library program.

SR–301

Small Business

Business meeting, to mark up proposed legislation to strengthen, expand, and improve the Small Business Investment Company program, and to consider the nomination of Ginger Ehn Lew, of California, to be Deputy Administrator of the Small Business Administration.

SR–428A

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Department of Defense, focusing on the United States Pacific Command.

SD–192

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for foreign assistance programs, focusing on peacekeeping and international organizations and programs.

SD–G50

2:30 p.m.

Commerce, Science, and Transportation

To hold hearings on S. 1645, to regulate United States scientific and tourist activities in Antarctica and to conserve Antarctic resources, and related programs.

SR–253

MAY 23

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for foreign assistance programs.

SD–106

Appropriations

Legislative Branch Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Congressional Budget Office and the Capitol Police.

S–128, Capitol

Judiciary

Business meeting, to consider pending calendar business.

SD–226

Veterans' Affairs

To hold hearings on miscellaneous veterans bills, including S. 281, S. 749, S. 1131, S. 1342, S. 1711, S. 993, S. 994, S.

995, S. 996, S. 1748, S. 1749, S. 1750, S. 1751, S. 1752, and S. 1753.

SR–418

MAY 24

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the Environmental Protection Agency.

SD–192

JUNE 5

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine proposals to reform the Commodity Exchange Act.

SR–328A

10:00 a.m.

Judiciary

To hold hearings on S. 1237, to revise certain provisions of law relating to child pornography.

SD–226

JUNE 13

2:00 p.m.

Appropriations

Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1997 for the White House Office of National Drug Control Policy.

SD–192

JUNE 18

9:30 a.m.

Agriculture, Nutrition, and Forestry

Research, Nutrition, and General Legislation Subcommittee

To hold hearings to review a report to the Department of Agriculture by the Advisory Committee on Agricultural Concentration, and to examine other livestock industry issues.

SR–328A

SEPTEMBER 17

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.

334 Cannon Building

HOUSE OF REPRESENTATIVES—*Thursday, May 16, 1996*

The House met at 9:15 a.m. and was called to order by the Speaker pro tempore [Mr. Hastings of Washington].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

Washington, DC,
May 16, 1996.

I hereby designate the Honorable Richard "Doc" Hastings to act as Speaker pro tempore on this day.

Newt Gingrich.
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O gracious God, from whom we have come and to whom we belong, we place before You in this our prayer, our ambitions and our hopes, our dreams and our desires, asking that You bless that which is good and faithful and correct and amend what is selfish or unkind. We have so many plans for our lives and ideas for what ought to be and yet many of our wishes are not accomplished and we feel discouraged. May Your good spirit, O God, that gives life to each new day, refresh us and inspire us to go forward knowing that Your power will bless us and make us whole. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Texas [Mr. Doggett] come forward and lead the House in the Pledge of Allegiance.

Mr. DOGGETT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Secretary of the Senate be directed to request the House to return to the Senate the bill (H.R. 2202) "An Act to amend the Immigration and Nationality Act to improve deterrence of illegal immigration to the United States by increasing border patrol and investigative personnel, by increasing penalties for alien smuggling and for document fraud, by reforming exclusion and deportation law and procedures, by improving the verification system for eligibility for employment, and through other measures, to reform the legal immigration system and facilitate legal entries into the United States, and for other purposes", including the Senate amendment thereto.

The message also announced that in accordance with sections 1928a–1928d of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints Mr. Brown and Mr. Akaka as members of the Senate delegation to the North Atlantic Assembly during the 2d session of the 104th Congress, to be held in Vouliagmeni, Athens, Greece, May 16–20, 1996.

The message also announced that pursuant to Public Law 102–246, the Chair, on behalf of the majority leader, in consultation with the Democratic leader, appoints Julie Finley, of Washington, DC, as a member of the Library of Congress Trust Fund Board, effective June 30, 1996, vice Edwin L. Cox.

The message also announced that pursuant to Public Law 94–201, the Chair, on behalf of the President pro tempore, appoints James F. Hoy, of Kansas, and Charles E. Trimble, of Nebraska, as members of the Board of Trustees of the American Folklife Center.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain ten 1-minutes on each side.

A POP QUIZ

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, it is the end of the week, and in that great American school yard tradition it is time for a pop quiz. This might be hard for those suffering from left-wing brain deficiency disorder, but let us give it a go anyhow. Which sum is greater, $190 or $304 billion? On the Republican side, $304 is greater than $190 billion.

Now, if Mr. Kasich's budget increased Medicare spending from $190 to $304 billion, would he be doing, A, cutting Medicare; B, increasing Medicare; C, I am sorry, what was the question?

The answer is, of course, Mr. Kasich's budget increases Medicare from $190 to $304 billion. It is an increase. Excellent job. A little quiet over here on this side.

Student loans are increasing, Medicaid is increasing, Medicare is increasing under the Kasich budget. Yet we are going to hear over and over again cut, cut, cut. The only thing I would like for y'all to cut out today is the line. Let us be honest; both budgets increase the spending. Let us have a good dialog on this.

CONTINUING THE QUIZ

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, Bob Dole took the same quiz and he had a different answer: D, leave school before finals are over.

Desperate times demand desperate actions, and it is little wonder that Mr. Dole would decide to distance himself from this Gingrich Congress. After all, this is a Congress that does not seem to learn its lessons. It is a Congress that has failed, that failed last year when it set out to cut Medicare in order to provide tax breaks for the rich. It failed last year when it got government shutdown fever and took its political shenanigans to the extreme of costing taxpayers $1.5 billion.

It failed even yesterday when once again it refused to give America a raise. Today the failure is that it has not learned those lessons, and it is back with a bad old budget that proposes to cut Medicare, that still has tax breaks, that still has cuts in education. The real failure is the failure to learn, and it is little wonder that Bob Dole left.

PASS THE KASICH BUDGET

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute.)

Mr. HAYWORTH. Mr. Speaker, listening to my colleague from Texas brings to mind his first comment with reference to the majority leader in the other body. I think that the President should follow Senator Dole's example and he too should resign so we could have a good campaign.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

My good friend from Texas in his litany, in which he got a little bit tripped up, still follows this simple philosophy: If the Federal Government takes more of the everyday American's paycheck, it is good. If the Washington bureaucrats have more and more and more of your money, Mr. Speaker, it is good. To our friends on the other side, that is justice.

Mr. Speaker, nothing could be further from the truth. In the midst of all the arcane arguments offered by the liberal side, remember one thing. We have to save this country for today's seniors and for generations yet unborn, and we do not do so by engaging in playground taunts and failing to own up to the serious problems we confront as a nation. Pass the Kasich budget. Reject the old-style order.

DOLE LEAVES EXTREMIST CONGRESS

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, I heard what my colleague from Arizona just said. The bottom line is the President is not leaving. He is not going anywhere, because he has to stay here and protect the average American from the hurt that is being inflicted by this Republican extremist Congress. What BOB DOLE knew and we all know is that he could not stick around because, after this budget was unveiled again last week, the one we are going to be voting on again, he realized that the same old song, if you will, of cutting Medicare, cutting Medicaid, trying to cut back on education and also on environmental protection was not something that the American public wanted to hear. They realize that they are being hurt severely by this Republican plan.

Mr. Speaker, the bottom line is environmental enforcement is going to be cut back. Educational programs are not going to be cut back. Educational programs are not going to be available to the average American. Of course, for seniors, they have to suffer once again under the Republican proposal to cut back on Medicare and change Medicare so they will not have choice of doctor. They will be paying more out of their pocket or maybe they are going to be forced into a managed care system that they do not like.

So BOB DOLE had to leave; he could not live with the extremist agenda. The President will stay and protect the average American.

PROMISES KEPT

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, Bill Clinton is fooling the American people by saying that he is reforming the Government and cutting down on big Government spending.

By Clinton's own numbers, he would increase discretionary spending next year by $8 billion. Bill Clinton is increasing the size of the Government, increasing its power over your life, and he's paying for it with the taxpayer's own money.

Bill Clinton has vetoed tax cuts for working families and vetoed welfare reform twice. He claims to be for working families and for tax relief. He vetoed both of these when he vetoed the balanced budget.

Mr. Speaker, the next time you hear Bill Clinton talking about balancing the budget and cutting taxes, he is not doing this. His 1997 budget is proof that he is increasing Federal spending and raising taxes. He increases Washington bureaucracy and creates 14 new Federal programs. Bill Clinton is protecting big Government and the status quo. Whose promises has he kept?

DOLE LEAVING SCENE OF THE CRIME

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, BOB DOLE can run but he cannot hide. For the last year and a half, BOB DOLE has led this Congress to cut Medicare, cut education, destroy the environment, attack a woman's right to choose, and pander to the gun lobby.

Why is BOB DOLE leaving the scene of the crime? Because he is getting caught in the crossfire, minimum wage, health care, Medicare. He knows what he should do but he cannot. The Republican right will not let him. Senator DOLE is caught in the right wing's claws, and the reach of the right is long, and their hold is tight. Make no mistake about it. Leaving Washington will not break the Gingrich grip, BOB DOLE. BOB DOLE can run but he cannot hide.

MEDICARE

(Mr. NEY asked and was given permission to address the House for 1 minute.)

Mr. NEY. Mr. Speaker, this is not about the left wing, this is not about the right wing. Today as we stand here, it is not about BOB DOLE or NEWT GINGRICH or Bill Clinton. This is about Medicare; not mediscare, Mr. Speaker, but Medicare. We are not taxing Medicare, we are not cutting Medicare.

Mr. Speaker, let us tell the truth about Medicare. We want to stand up for the seniors because the system is going bankrupt. This debate has been so politicized and that is so wrong. We have to stand up for seniors in our country. We have to make changes in the system because it is going bankrupt.

The President just this week said, well, the press made me do it. The press made me say cut. Finally it has been acknowledged by the President we are not cutting the system. We need to change the system. We need to put aside politics. We need to quit talking about the Speaker or the majority leader or the President and stand up for senior citizens in this country, do the right thing, make some changes in the system to protect seniors.

We are increasing Medicare. We said that last year; we were telling the truth. People can distort and lie louder. We can tell the truth longer.

CORRECT THE TRADE IMBALANCE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, last year over trade ripoffs the White House threatened Japan. After the smoke cleared, Japan laughed all the way to the bank. In fact, Japan now owns all of the top 10 banks in the world. This year the White House is threatening China. The soap opera continues. Threats to Japan, threats to China.

The truth is the White House is talking like John Wayne and performing like Barney Fife. There is only one way to get the attention of these Chinese dictators that are destroying American jobs, and that is a 2 by 4 right between the eyes. Neither party will balance the budget as long as we compete for $5 an hour jobs.

REPEAL GAS TAX INCREASE

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, I strongly believe that Americans should be able to earn more, keep more and do more with their families, their churches and communities. In that regard we are looking toward relief to help working families.

Specifically, we are taking the lead in repealing the President's harmful gas tax increase, a gas tax increase which is costing taxpayers $4.8 billion a year. What is the President doing? Well, he is calling for a government investigation. But keep in mind that the era of big government is over. President Clinton said so. The increase in revenues from the President's tax increase is funding more big government spending, not the maintenance of our Nation's highways, our roads and bridges, as is historically the case.

Mr. Speaker, the worst thing is that this tax increase especially hurts lower income families. According to the Joint Economic Committee, the lowest 20 percent of taxpayers pay 7.1 percent of their income on gasoline while the top 20 percent pay only 1.6 percent. In other words, lower income families in America pay four times as much as others. I strongly urge the repeal of this tax.

ESCAPING A FAILED CONGRESS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, BOB DOLE's decision to quit the Senate to campaign full time for President is like leaving the scene of an accident. BOB DOLE and NEWT GINGRICH have been the leaders of this extremist Congress for a year and a half. Now, after 18 months of doing harm to working people in this country, cutting Medicare and Medicaid, education and the environment, Senator DOLE is desperate to disassociate himself from his own party, from his own failed Congress. It is a desperate move to escape.

Let me read a quote from Senator DOLE in Congress Daily. He says he is leaving because he is tired of the minimum wage. "My God. I'm tired of listening to minimum wage. Isn't there anything else in the world?"

Mr. Speaker, let me tell the Presidential candidate that on the road, on the campaign trail, 80 percent of the American people support a minimum wage increase. Seniors do not want to see the Medicare cuts for tax breaks for the wealthy. This is what candidate DOLE will find on the campaign trail. He cannot escape his failed Congress.

□ 0930

ADMINISTRATION'S NEW DRUG STRATEGY: OLD WINE IN NEW BOTTLES

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, the Clinton administration's latest drug strategy is nothing more than old wine in new bottles.

By emphasizing demand at the expense of supply, interdiction and eradication, while drug abuse soars among our young is a strategy destined for failure.

Spending three times as much for treatment and corrections as on interdiction and international activities, including eradication is just plain wrong.

The illicit drugs that are destroying our neighborhoods and youth, originate primarily overseas. We must eradicate these addictive substances at their source and interdict them before they reach our shorelines and cause addiction.

We need to fight both supply and demand simultaneously. We must not shortchange one for the other.

Drugs not only kill our young people, and cause violent crime, but also threaten our national security as well as the stability of democracy in many countries overseas. Let's wage a real war.

REJECT BUDGET REHASH

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, when you prepare a budget, if you do not allocate as much funds as are projected, that is called a cut. You can ask the generals when you talk about defense spending. If you do not allocate projected funds, it is called a cut.

The same is true in Medicare, and that is why once again I would say that in fact the Republicans are cutting Medicare. Their budget cuts Medicare by $167 billion. That is $44 billion more than the President's budget, and therein lies the differential. The fact of the matter is that under the Republican budget, another rehash of their last year's proposal, they will threaten seniors' health security.

They want to talk about your future. I want to talk about your parents. Your parents are going to have to pay Medicare premiums that are going to go up under the Republican budget proposal. Your parents are going to have higher out-of-pocket costs under the proposal that the Republicans are advocating. Hospitals are going to close that your parents would use because the Republicans have not allocated adequate funds. There is a difference. We should reject the Republican budget rehash.

WE MUST PROTECT MEDICARE WHILE SLOWING ITS GROWTH

(Mr. METCALF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. METCALF. Mr. Speaker, the Medicare Program is going bankrupt and the problem is worse than we were originally told. This is not a partisan issue. For me this is a personal issue. My wife and I are both senior citizens and will depend on Medicare. We must find a solution that protects Medicare for current retirees and future beneficiaries.

We all agree that we must slow the growth of Medicare. Our plan to save Medicare and the President's plan only differ by just 1.4 percent. By spending more carefully, we can find $24 billion of waste and fraud over the next years. Any senior citizen can tell you a personal illustration of waste in the Medicare Program. Seniors across America know there are problems with Medicare. They do not want us to attack each other and turn this into a partisan battle.

Seniors know that Medicare is in trouble; they expect us to fix it. They do not want a political issue; they want a Medicare solution.

LEAVING CONGRESS

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, over the last couple of weeks Senator BOB DOLE has looked at the failed record of this Republican Congress that he and Speaker GINGRICH have led for the last 18 months, and BOB DOLE is now following the American people, because the American people have looked at the record of this Congress and the intent of the Republicans in their efforts to slash Medicare, to slash Medicaid, hurting working families, refusing to raise the minimum wage, taking school lunches away from children, and savaging the environment, and the American public is running away from the Republican congress in overwhelming numbers.

BOB DOLE has now decided he is going to run away from the Republican Congress, that he is going to get away from this Congress that has represented the worst that the American people have come to expect from their Government, not the best, the Congress that seeks to continue to divide America, not bring America together.

BOB DOLE has looked at the Congress and is running away. The American people should continue to do the same.

ATTACK WASTE, FRAUD, AND ABUSE IN MEDICARE

(Mr. LONGLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LONGLEY. Mr. Speaker, we need to move beyond the harsh rhetoric, the sound bites, the slick language that emanates from focus groups. We have got to be honest. Medicine is in deeper trouble than we realized before. It began losing money last year a full 2 years earlier than anyone had thought it would, and it will be bankrupt in just 5 years unless we find a solution and begin to spend smarter.

Mr. Speaker, this is not a partisan issue. Medicare is a program that is paid for by taxes on the wages of working people and by seniors through their premiums. We must find a solution to protect it, not only for current seniors but also for future generations. We owe it to our workers and our seniors and the needs of the future generations of this country.

Mr. Speaker, the key to the solution is to attack waste, fraud, and abuse. We need to spend smarter. If we can just slow the growth of Medicare by spending smarter, we can save the system and give seniors in Maine and across the country a better program. But what we cannot do is make Medicare a partisan issue.

COMMITMENT TO A BALANCED BUDGET

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, I agree with my colleagues, we do not need to make Medicare a partisan issue. The problem that we have is that last year it was a partisan issue, and it continues to be.

Let me give you an example of how this administration is dealing with the Medicare crisis. Here in Congress we were unable to come up with an agreement on the Medicare insolvency, and yet there is a program called Operation Restore Trust not only in my State of Texas but a number of States. That program was just given over $4 million last year, and yet it returned 10 times that amount to the Medicare trust funds.

I believe this is an area that we need to devote more resources. The President has requested $597 million for antifraud activities, which is $150 million more than current spending. Let us give him that in this budget agreement we are talking about today so we can deal with Medicare fraud.

The problem we have is that they will not do it. Last year they wanted to cut the effort for Medicare fraud, and that is where the seniors know that we can get the money to protect Medicare. There is no silver bullet for balancing the budget. You have to do it every day, every year, and leaving the scene of the battle is not the way to do it.

MR. PRESIDENT, WHATEVER HAPPENED TO THAT MIDDLE-CLASS TAX CUT?

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, every now and then, I like to thumb through my copy of "Putting People First" then-candidate Bill Clinton's book of promises to the American people. And I couldn't help but notice when I last picked it up that the centerpiece of the Clinton campaign was a middle-class tax cut.

Let me read a little bit from the section entitled "Rewarding Work and Families" middle-class taxpayers will have a choice between a children's tax credit or a significant reduction in their income tax rate." That was candidate Clinton speaking.

Well, candidate Clinton became President Clinton and that one-time champion of the middle-class soon began singing an altogether different tune. This Congress passed a middle-class tax cut; 89 percent of that tax cut would go to families earning under $75,000 per year. President Clinton said no and vetoed it. He called it a tax cut for the rich.

Mr. Speaker, as President Clinton gears up to become candidate Clinton again, I think the American people might want to join me in asking him. "Mr. President, whatever happened to that middle-class tax cut?"

MAKING A DIFFERENCE BY LEAVING

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, most of America's eyes were focused on Washington yesterday, when a public servant of many years indicated he was through. Oh, yes, he is running for the Presidency of the United States of America, but, frankly, Mr. Speaker, I think he was through with a logjam Republican Congress, one that did not have the sense of temperament of a moderate approach to running this Government, of ensuring that there would be a balanced budget, but yet having the face of respect and love for senior citizens, for this budget of 1997 posed by the Republicans will cut Medicare, will make cuts of $167 billion in Medicare.

Frankly, I hope we will benefit from Senator DOLE running against this Republican Congress. In fact, instead of providing for those working poor who have made a commitment not to be on welfare, they are cutting taxes to those who are the working poor by $20 billion by decreasing the earned income tax credit. Yes; education is out again, 22 percent below the 1996 budget. Last, no more summer jobs for our youth, who want to make a difference in their lives.

Yes; I hope his leaving will make a difference in Congress.

STOP DRUG PRODUCTION AT ITS SOURCE

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

(Mr. BURTON of Indiana. Mr. Speaker, one of the major issues facing America today is drugs and crime that is caused by drugs. They say there is a war against drugs, but we really do not have a war against drugs, and if we do, we are losing it.

If we really wanted to deal with the drug problem, we would attack it not only here in our country and at the borders but at its source. In Peru and Bolivia, 90 percent of the world's coca is produced. Ninety percent, we know exactly where it is grown. We could take U.S. airplanes and use environmentally safe herbicides and fly over the fields and drop them, and within 1 to 2 weeks knock out 90 percent of the world's coca and crack. And yet we do not do it.

So today, Mr. Speaker, I would like to say to everybody in the House and administration, if we really want to have a war on drugs, let us attack it. Let us really win the war on drugs. Let us go to Peru and Bolivia and eradicate the drugs at its source. It will never get to our kids, it will not cause crime in America, and it will solve a big problem.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING 5-MINUTE RULE

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: Committee on Agriculture, Committee on Banking and Financial Services, Committee on Commerce, Committee on Government Reform and Oversight, Committee on House Oversight, Committee on International Relations, Committee on the Judiciary, Committee on Resources, Committee on Science, and Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT REGARDING AMENDMENT PROCESS FOR H.R. 3259, INTELLIGENCE AUTHORIZATION ACT, FISCAL YEAR 1997

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, the Rules Committee is planning to meet today at 1 p.m. to report a rule for the consideration of H.R. 3259, the Intelligence Authorization Act for Fiscal Year 1997.

The chairman of the Intelligence Committee has requested a rule which would require that amendments be preprinted in the CONGRESSIONAL RECORD. If this request is granted, amendments to be preprinted would need to be signed by the Member and submitted at the Speaker's table.

The amendments would still need to be consistent with House rules and would be given no special protection by being printed.

Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

It is not necessary to submit amendments to the Rules Committee or to testify as long as the amendments comply with the House rules.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1997

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 435 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 435

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for further consideration of the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002. No further general debate shall be in order. The concurrent resolution shall be considered for amendment under the five-minute rule. The concurrent resolution shall be considered as read. No amendment shall be in order except those designated in section 2 of this resolution. Each amendment may be offered only in the order designated, may be offered only by the Member designated or a designee (except that if no Member offers the amendment designated in paragraph (3) of section 2, then that amendment shall nevertheless be considered as pending at this point), shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. All points of order against the amendments designated in section 2 are waived except that the adoption of an amendment in the nature of a substitute shall constitute the conclusion of consideration of the concurrent resolution for amendment. After the conclusion of consideration of the concurrent resolution for amendment and a final period of general debate, which shall not exceed 40 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, the Committee shall rise and report the concurrent resolution to the House with such amendment as may have been adopted. The previous question shall be considered as ordered on the concurrent resolution and amendments thereto to final adoption without intervening motion except amendments offered by the chairman of the Committee on the Budget pursuant to section 305(a)(5) of the Congressional Budget Act of 1974 to achieve mathematical consistency. The concurrent resolution shall not be subject to a demand for division of the question of its adoption.

SEC. 2. The following amendments are in order pursuant to the first section of this resolution:

(1) An amendment in the nature of a substitute by Representative Payne of New Jersey printed on May 15, 1996, in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII.

(2) An amendment in the nature of a substitute by Representative Orton of Utah printed on May 15, 1996, in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII.

(3) An amendment in the nature of a substitute by Representative Sabo of Minnesota printed on May 15, 1996, in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII, which may be offered by any Member, or that failing, shall be considered as pending under the terms of the first section of this resolution.

SEC. 3. (a) If House Concurrent Resolution 178 is agreed to, then for all purposes of the Congressional Budget Act of 1974 as it applies in the House—

(1) the allocations of spending and credit responsibilities that are depicted in House Report 104-575, beginning on page 158, shall be considered as the allocations otherwise required by section 602(a) of the Congressional Budget Act of 1974 to be included in the joint explanatory statement of the managers on a conference report to accompany a concurrent resolution on the budget; and

(2) the Congress shall be considered to have adopted House Concurrent Resolution 178 in the form adopted by the House.

(b) Upon adoption by the Congress of a concurrent resolution on the budget for fiscal year 1997, subsection (a) shall cease to apply.

(c) This section supersedes section 603 of the Congressional Budget Act of 1974 with respect to the concurrent resolution on the budget for fiscal year 1997.

SEC. 4. Rule XLIX shall not apply with respect to the adoption by the Congress of a concurrent resolution on the budget for fiscal year 1997.

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The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, the purpose of this budget resolution is to set overall national priorities in how we spend the taxpayers' money. It is not the place to haggle over the details of Federal spending. The opportunity for that will come later in the appropriation bills; and, of course, the reconciliation bills that will be brought up during June and July.

Because we are balancing competing priorities, Members submitting amendments to the Committee on Rules were asked to send up only complete substitutes for the budget of the United States, and they were asked to draft budgets which would lead to a balanced budget by the year 2002.

Mr. Speaker, this is the second year in which the Committee on Rules has demanded that every single budget proposal, every alternative, balance the budget, and that is the way it is going to be until we get that budget balanced.

Three complete substitutes were presented to the Committee on Rules, one by the Black Caucus, one by the group known as the Coalition, and one by the President of the United States. I was going to offer the President's budget myself and had brought it to the desk yesterday afternoon, but the gentleman from Minnesota [Mr. SABO], the ranking Democrat on the Committee on the Budget, assured us that he would be offering the President's budget this afternoon and, therefore, I withdrew my request to present the President's budget for debate.

This rule provides for a vote on each one of those alternatives, Mr. Speaker, as well as the proposal from our Committee on the Budget. Each of the three substitutes will be debated for 1 hour with the time divided equally between the proponent and the opponent. The substitutes will not be subject to further amendment and all points of order are waived to protect them.

After each of the three substitutes are debated and voted on, there will be a final 40 minutes of debate on the budget resolution that will naturally be equally divided between the chairman and ranking member of the Committee on the Budget. This rule includes a provision stating that the budget allocations in the report accompanying that budget resolution will be considered as the allocations required—and this is very important to Members, especially chairmen of committees and subcommittees—will be required by section 602(a) of the Budget Act until the final allocations are made in the conference report.

These allocations are important because they tell the Committee on Appropriations and the other committees how much money they have to spend for the next fiscal year.

Finally, the rule includes a provision stating that House rule 49 will not apply to this year's budget resolution. House rule 49 provides for an automatic engrossment of a bill raising the debt limit when the conference report on the budget resolution is adopted. In other words, in years past that has been automatic, but we have put a stop to that.

Since the debt limit has already been set, it will not be necessary to have a further increase until at least October 1997. By that time the House will have adopted the third year budget of our glidepath to a balanced budget over a 7-year period. And if we have in any way veered off that glidepath, I, for one, will lead the fight and will refuse to vote for any increase in the debt limit. I have only done it once in 18 years and, hopefully, will never have to do it again.

Mr. Speaker, with regard to the budget resolution itself, first I want to commend the Committee on the Budget and particularly the gentleman from Ohio, Chairman KASICH, for making the tough choices necessary to keep this Government on the glidepath to a balanced budget. In the past there have been efforts to reach a balanced budget by setting statutory deficit reduction levels, for example in the Gramm-Rudman statute, but the Democrat-controlled Congress proved unable to stick to the glidepath toward a balanced budget over that 5-year period back in 1985. The urge to spend was just too strong.

But this budget, my friends, is staying on that glidepath. This budget also contrasts with the Clinton budget, which is being sold as leading to a balanced budget, but for next year the Clinton budget actually proposes a higher deficit. Can Members imagine a higher deficit than we have now?

And the worst part is, and this is what we should all pay attention to, the President's budget calls for 64 percent of the spending cuts to occur in the years 2001 and 2002, long after President Clinton will have left town, whether he is reelected this fall or not. In other words, all the cuts, almost all of them, come in the 6th and 7th year. In other words, when are we ever going to get to these cuts if we do not do it today? We do not get there.

Mr. Speaker, the House Committee on the Budget proposal has backed up a series of assumptions showing with great specificity how it is possible to implement the numbers in this resolution. For example, this budget resolution will allow for net new tax relief of at least $122 billion over the next 6 years.

What does that mean? This means there can be a $500-per-child middle-class family tax credit for hard-working American families. And believe me, they need that $500. We in the Government do not need it.

This budget provides medical care for the senior citizens of this country. Medicare is currently projected to go bankrupt by the year 2001, and we had better do something about it, and we start to do something about it in this budget.

This budget is designed to preserve Medicare. It recommends increasing Medicare spending for each beneficiary from an average of $5,200 in this budget in 1996 to $7,000 in the year 2002.

This budget also takes into consideration the debt we all owe our Nation's veterans for defending the country in time of war. I spent 10 years on the Committee on Veterans' Affairs and served as its ranking member, and this, to me, is so terribly important, particularly when we see the World War II veterans, veterans like the gentleman from Kansas, BOB DOLE, who left his job when he was a young man and went to war to save his country.

And for those that are listening, that is exactly what BOB DOLE did yesterday. He left his job to go serve his country, and we sure hope he is going to be successful. I am going to do everything I can to make sure he is.

In this budget for the veterans it recommends $5.1 billion more than President Clinton for Veterans' Affairs spending, which is principally for hospital, for outpatient care, medical care. It calls for improvements to the Veterans Administration mandatory programs, including things like an increase in auto allowances for certain severely disabled veterans and improved compensation payments for surviving spouses.

This budget resolution provides also, my friends, for a strong national defense by allocating $12.9 billion more in budget authority and $4 billion more in outlays than the President had requested for fiscal year 1997, which at least allows us in the Defense Department and the defense budget to keep up with inflation, to provide for a very small increase in the wages of those young men and women serving in our all-voluntary military today, and to give them some increase, a very small increase, in housing allowances. This will make it possible to ensure a decent quality of life for military personnel and their families, and also provide for a sound missile defense for the United States of America as well.

Mr. Speaker, this budget provides assistance to students seeking higher education. Believe me, I just finished educating five children through college and that expense is just unbelievable. This budget today before us assumes continued growth in a student loan program. The volume would increase from $26.6 billion today to $37.4 billion in the year 2002.

Mr. Speaker, this budget is also designed to protect our environment so that our children and our grandchildren can enjoy a pollution-free future. It calls for increased funding to improve the quality of our national parks. It recommends reform of the Superfund Program and boosting its funding to $2 billion a year; that is a $700 million increase.

Finally, Mr. Speaker, this budget saves money for the American taxpayer, and this, perhaps, is the most important thing that we have in this budget today. It assumes the termination or privatization of 130 Federal programs and the elimination of the Department of Commerce and the Department of Energy. These savings will help us to reach a balanced budget by the year 2002 by cutting back and shrinking the size and the power of the Federal Government, particularly that part that is inside this beltway today.

Why is a balanced budget so terribly important? I see some Members on that side of the aisle who strongly support a balanced budget, the gentleman from Utah, [Mr. ORTON] as well. It means their children and our children will not have to spend the rest of their lives under an ever-increasing crushing burden of interest payments. Today we have a $5 trillion debt that has accumulated over the years. To pay for the interest, just the annual interest, the yearly interest on that $5 trillion today is costing as much, almost, as we spend on our national defense budget. The real reason we need a Federal Government is to provide for a common defense for our States, and we spend almost as much on interest as we spend on the defense of our country, $250 billion.

Let me tell my colleagues something. Interest rates are fairly low today, compared to what they have been sometimes, and inflation is fairly low, but let me say this. If inflation goes from 3 to 4 percent up to 13 percent, the way it did in the mid-1970's, and if interest rates go from 8 or 9 or 10 percent now to 21½ percent prime the way they did in the 1970's, what happens to that interest payment that we have to make each year? It balloons from $250 billion up to $380 billion. That means $130 billion less that we will not have to spend on those priority programs, whether they be defense or whether they be social programs for the truly needy.

That is what this whole debate is all about. It means lower interest rates, since the Government will not have to be at the head of the line borrowing most of the available money; and lower interest rates means it will cost less to borrow money to buy things that the American people need.

What are those things? For example, an auto loan will cost $900 less over the course of that 3-year loan, $900 less by balancing the budget. A student loan will cost $2,200 less over the course of that 10-year span. Imagine. That is found money, $2,200, that the American people will not have to shell out, just giving the money away in too high interest payments.

More important than all, when we talk about young people being able to save enough money for a downpayment and being able to then meet those mortgage payments, and listen to this, if we can stay on this glidepath to a balanced budget, by the year 2002 we will reduce those interest payments on a mortgage. A mortgage on a small home will cost, listen to this, $37,000 less over the 30-year life span of that loan.

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Thirty-seven dollars less on a very median mortgage. A large home mortgage will result in savings of about $65,000 over the term of that loan.

Mr. Speaker, that is like found money. I just mentioned having educated five children. Let me say, if you can accumulate $65,000, whether it is to your retirement, whether it is to pay off your mortgage sooner, whether it is to educate your children, let me tell you, that is worth doing.

Mr. Speaker, that is why we need to bite the bullet today, and we need to pass this very responsible budget that we have on the floor this afternoon.

I, for one, am going to do everything I can to make sure we do that and that we succeed in passing it for the next 4 years as well so that we try to bring some fiscal sanity and an end to this sea of red ink which is literally bankrupting not only the Government but local governments as well, and the private sector even more so.

Mr. Speaker, I insert the following for the RECORD:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of May 15, 1996]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-Open[2]	46	44	68	60
Structured/Modified Closed[3]	49	47	29	25
Closed[4]	9	9	17	15
Total	104	100	114	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A structured or modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of May 15, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	A: voice vote (10/11/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231–194 A: 227–192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps	PQ: 235–184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228–191 A: 235–185 (10/26/95).
		H.R. 2491	Seven-Year Balanced Budget	

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of May 15, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 251 (10/31/95)	C	H.R. 1833	Partial Birth Abortion Ban	A: 237–190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 2546	D.C. Approps.	A: 241–181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.J. Res. 115	Cont. Res. FY 1996	A: 216–210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.R. 2586	Debt Limit	A: 220–200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: voice vote (11/14/95).
H. Res. 261 (11/9/95)	C	H.J. Res. 115	Cont. Resolution	A: 223–182 (11/10/95).
H. Res. 262 (11/9/95)	C	H.R. 2586	Increase Debt Limit	A: 220–185 (11/10/95).
H. Res. 269 (11/15/95)	O	H.R. 2564	Lobbying Reform	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.J. Res. 122	Further Cont. Resolution	A: 229–176 (11/15/95).
H. Res. 273 (11/16/95)	MC	H.R. 2606	Prohibition on Funds for Bosnia	A: 239–181 (11/17/95).
H. Res. 284 (11/29/95)	O	H.R. 1788	Amtrak Reform	A: voice vote (11/30/95).
H. Res. 287 (11/30/95)	O	H.R. 1350	Maritime Security Act	A: voice vote (12/6/95).
H. Res. 293 (12/7/95)	C	H.R. 2621	Protect Federal Trust Funds	PQ: 223–183 A: 228–184 (12/14/95).
H. Res. 303 (12/13/95)	O	H.R. 1745	Utah Public Lands.	
H. Res. 309 (12/18/95)	C	H.Con. Res. 122	Budget Res. W/President	PQ: 230–188 A: 229–189 (12/19/95).
H. Res. 313 (12/19/95)	O	H.R. 558	Texas Low-Level Radioactive	A: voice vote (12/20/95).
H. Res. 323 (12/21/95)	C	H.R. 2677	Natl. Parks & Wildlife Refuge	Tabled (2/28/96).
H. Res. 366 (2/27/96)	MC	H.R. 2854	Farm Bill	PQ: 228–182 A: 244–168 (2/28/96).
H. Res. 368 (2/28/96)	O	H.R. 994	Small Business Growth	
H. Res. 371 (3/6/96)	C	H.R. 3021	Debt Limit Increase	A: voice vote (3/7/96).
H. Res. 372 (3/6/96)	MC	H.R. 3019	Cont. Approps. FY 1996	PQ: voice vote A: 235–175 (3/7/96).
H. Res. 380 (3/12/96)	MC	H.R. 2703	Effective Death Penalty	A: 251–157 (3/13/95).
H. Res. 384 (3/14/96)	MC	H.R. 2202	Immigration	PQ: 233–152 A: voice vote (3/21/96).
H. Res. 386 (3/20/96)	C	H.J. Res. 165	Further Cont. Approps	PQ: 234–187 A: 237–183 (3/21/96).
H. Res. 388 (3/20/96)	C	H.R. 125	Gun Crime Enforcement	A: 244–166 (3/22/96).
H. Res. 391 (3/27/96)	C	H.R. 3136	Contract w/America Advancement	PQ: 232–180 A: 232–177, (3/28/96).
H. Res. 392 (3/27/96)	MC	H.R. 3103	Health Coverage Affordability	PQ: 229–186 A: Voice Vote (3/29/96).
H. Res. 395 (3/29/96)	MC	H.J. Res. 159	Tax Limitation Const. Amdmt.	PQ: 232–168 A: 234–162 (4/15/96).
H. Res. 396 (3/29/96)	O	H.R. 842	Truth in Budgeting Act	A: voice vote (4/17/96).
H. Res. 409 (4/23/96)	O	H.R. 2715	Paperwork Elimination Act	A: voice vote (4/24/96).
H. Res. 410 (4/23/96)	O	H.R. 1675	Natl. Wildlife Refuge	A: voice vote (4/24/96).
H. Res. 411 (4/23/96)	O	H.J. Res. 175	Further Cont. Approps. FY 1996	A: voice vote (4/24/96).
H. Res. 418 (4/30/96)	O	H.R. 2641	U.S. Marshals Service	PQ: 219–203 A: voice vote (5/1/96).
H. Res. 419 (4/30/96)	O	H.R. 2149	Ocean Shipping Reform	A: 422–0 (5/1/96).
H. Res. 421 (5/2/96)	O	H.R. 2974	Crimes Against Children & Elderly	A: voice vote (5/7/96).
H. Res. 422 (5/2/96)	O	H.R. 3120	Witness & Jury Tampering	A: voice vote (5/7/96).
H. Res. 426 (5/7/96)	O	H.R. 2406	U.S. Housing Act of 1996	PQ: 218–208 A: voice vote (5/8/96).
H. Res. 427 (5/7/96)	O	H.R. 3322	Omnibus Civilian Science Auth	A: voice vote (5/9/96).
H. Res. 428 (5/7/96)	MC	H.R. 3286	Adoption Promotion & Stability	A: voice vote (5/9/96).
H. Res. 430 (5/9/96)	S	H.R. 3230	DoD Auth. FY 1997	A: 235–149 (5/10/96).
H. Res. 435 (5/15/96)	MC	H. Con. Res. 178	Con. Res. on the Budget, 1997	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Mr. SOLOMON. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank my colleague from New York, Mr. SOLOMON, for yielding me the customary half hour and I yield myself such time as I may consume.

Mr. Speaker, I was hoping that my Republican colleagues would have learned their lesson. I was hoping that after the resounding "no" they got in response to their last budget that cut Medicare to pay for tax breaks for the very rich, my Republican colleagues would have quit while there were behind.

But, as today's budget bill shows, they have not.

Mr. Speaker, my Republican colleagues have not learned that the American people want something a whole lot better than the horrible budget they gave us last year.

My Republican colleagues have not learned that the American people do not want their Medicare cut under any circumstances particularly to pay for tax breaks for the very rich.

But it looks like they're at it again. This year's budget is the same old collection of bad ideas that Speaker GINGRICH came up with last year and it's still awful.

Mr. Speaker, a year may have passed but the American people still don't want Medicare cut by $168 billion to pay for tax breaks for the wealthy; they still don't want $72 billion cut from Medicaid; and they certainly don't want their children's direct student loans cut, and their Pell grants and their work study frozen.

These ideas were bad last year and they're even worse this year. This budget-for-the-special-interests is a lousy collection of cruel cuts to pay for tax breaks for the rich. It doesn't even come close to helping American families and it's an embarrassment to the Congress.

Furthermore, Mr. Speaker, if—God forbid—my Republican colleagues have their way, these cuts will have very, very bad consequences for the most needy Americans.

The $72 billion they cut from Medicaid and $168 billion they cut from Medicare will leave thousands and thousands of poor children and senior citizens without health care—all to pay for tax breaks for the rich.

As far as I'm concerned, Mr. Speaker, that's not what Government is for. Government is not here to hurt the people who need help and help the people who don't need it.

But, I'm sorry to say, that's exactly what my Republican colleagues are doing.

These Medicare and Medicaid cuts will probably also force a lot of hospitals to close.

This budget could very easily cause Medicare premiums to go up or even double. Since more than a third of American seniors get by on Social Security alone, an increase in their Medicare costs could mean serious financial trouble.

And the Republican medical savings accounts are basically health care for the healthy and wealthy once again at the expense of the seniors who remain in traditional Medicare and people who are either sick or lower income.

Mr. Speaker, as far as I'm concerned these tax cuts for the rich come at far too high a price.

I urge my colleagues to defeat the previous question to make in order the Orton amendment prohibiting tax cuts until the budget is balanced and the Meek amendment which will put back the earned income tax credit and take out the tax cuts for the rich.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Sanibel, FL [Mr. GOSS], a very valuable member of the Committee on Rules, my right arm.

Mr. GOSS. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON], my friend, the distinguished chairman of the Committee on Rules, who is well known as a tireless fighter for a balanced budget, for yielding me this time.

I rise in very strong support of this fair rule for the budget and what it brings to this House and the United States of America. The rule as advertised makes in order the fiscal year 1997 budget proposed by our Committee on the Budget under the tremendously strong leadership of the gentleman from Ohio [Mr. KASICH] who is the chairman of that committee.

The rule allows for three complete substitutes, as Chairman SOLOMON has said, all of which comply with the prerequisites of obtaining balance in the budget by the year 2002. That is wonderfully good news for Americans. We should stop and think about that for a moment. This Congress has accomplished a truly remarkable feat in changing the focus of the discussion here in Washington from if we should balance our budget to how we will balance the budget.

We made a promise to the American people that we would do just that and get the Nation's fiscal house in order, and we are delivering on that pledge today. Promises made, promises kept. We have changed the terms of the debate, and now we are going to lock into place a blueprint for matching our deeds to our words.

Mr. Speaker, the budget presented to this House by Mr. KASICH reflects balance both in terms of bottom line and in terms of its priorities, what it provides for. We find in this budget that we can save the important quality of life programs that so many Americans depend on while still increasing the Federal commitment to seniors, to children, and to those most in need in our society over the next 6 years.

Mr. Speaker, we find that we can provide relief from the excessive taxation of the Clinton administration in order to promote investment, productivity, and job creation without jeopardizing our efforts to balance the books. This budget does all that. We find that we can reduce the size and scope of Federal intrusion into our lives, bringing decisionmaking power closer to the home for every average American, without undercutting the fundamental purposes of our national government.

Mr. Speaker, what Chairman KASICH and his Committee on the Budget have shown us in this budget is a blueprint that we can make the fundamental changes in the way we run this country and we can finally begin to lighten the load, the crushing national debt that otherwise would burden our children and their children for generations to come.

Americans should not be taken in by the defenders of the big government and the Washington-knows-best crowd who undoubtedly find fault with this budget plan. They are the ones who support it and in fact cheered for the largest tax increase in history, the Clinton tax hike. They are the ones that defined the very rich as anybody who is not on welfare. The truth is that we are following through on our promise to restore fiscal sanity. That is something we all should be proud of, and most of this Chamber will be.

Finally, Mr. Speaker, I would like to reiterate my commitment to seeking ways to improve our budget process.

While I firmly believe that we cannot use process to avoid the tough substantive decisions we must make to achieve a balanced budget, I believe just as firmly that the process that we are using today can be greatly improved to help force us to make those tough decisions and to ensure they stick. I look forward to working with Chairman SOLOMON on this effort and with my friend, the Budget Committee chairman, Mr. KASICH, and all of our many colleagues who have expressed interest.

Meanwhile, I suggest we stay firmly focused on this budget, get it passed today so Americans have something to cheer about, knowing that fiscal sanity has indeed returned.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Speaker, I thank the gentleman from Massachusetts, the ranking member on the Committee on rules, for yielding me time.

First of all, let me thank the Committee on Rules for making in order one amendment which I have submitted, the amendment to offer as a substitute the coalition budget. I believe we will have adequate debate and discussion on that later in the day, and I look forward to that discussion. But I also filed an additional amendment which was not made in order. Mr. Speaker, for that reason, I am going to ask my colleagues to defeat the previous question so that we can bring that amendment to the floor.

That amendment, let me explain to my colleagues, is a very simple amendment. It does only one thing. It takes language from last year's conference budget resolution, language which the chairman of the Committee on the Budget, and in both the House and Senate, placed into the conference report during the last conference on the budget resolution. It is entitled in fact section 210 in the budget conference report on the budget resolution. The title of that section is "Tax Reduction Contingent on Balanced Budget in the House of Representatives."

Why was that section placed in the conference report last year? It was placed in the report because during last year's debate and discussion, there was much talk about tax cuts, tax cuts not as subsequent to or contingent upon a balanced budget, but simply tax cuts. Many in this body felt very strongly that we ought not to.

As the gentleman from Texas [Mr. STENHOLM], my friend says when you find yourself in the bottom of a deep hole, the first thing you do is stop digging. We ought not to continue digging ourselves deeper by generating more and more tax cuts that are not paid for. The people want a balanced budget. Well, to show the commitment to obtaining that balanced budget while providing tax cuts, the leadership in both houses, to their credit, placed a guarantee in the budget resolution that in fact there would be no tax cuts unless and until we actually had certified by the CBO that we would achieve a balanced budget, including the tax cuts.

Mr. Speaker, in fact, let me quote to Members what the CBO said about section 205 for the Senate and 210 for the House. This is a quote from CBO: "Both procedures require CBO certification that enacting the proposed reconciliation legislation would lead up to a balanced budget in 2002 before the Senate or the House can consider proposals to cut taxes." The Senate majority leader, Senator DOLE, during the debate last year, said the following in describing these sections. He said that tax cuts, "Do not take effect unless and until the nonpartisan Congressional Budget Office certifies that we are absolutely on the path to a budget that is balanced in the year 2002. That is the safety valve. They," meaning the tax cuts, "do not take effect until that has been certified," as the chairman has pointed out time after time.

The chairman of the Senate Committee on the Budget, Chairman DECONCINI, in pointing that out also said: But let me suggest that in the final analysis, we will have tax cuts for the American people only when we get a balanced budget. That is the premise of the budget resolution. We will have bills before us ready to be enacted that will get a balance before the tax cuts will be viable.

Now, it was important to have that language in the budget resolution last year. It is also important to have it in the budget resolution this year, but it is not there. I originally felt that it had been perhaps left out by oversight. So, in the Committee on the Budget markup process, I asked the Committee on the Budget to put that very language back into the budget resolution this year, simply to guarantee to the public that our ultimate goal of balancing the budget will be achieved, that we will not repeat what occurred in the decade of the 1980s where we promised, Congress promised the people that we would balance the budget.

They said: We are going to do this by cutting taxes and cutting spending. They cut the taxes. They never got around to making the tough choices on cutting spending. Three point five trillion dollars later, here we are again, saying we are going to cut taxes and it is not contingent upon cutting spending and actually getting a balanced budget. So that is why the language was put in. That is why the language ought to be in now, but it is not in. It is purposefully left out. The people have to ask why.

Mr. Speaker, I will submit the balance, and I urge my colleagues to defeat the previous question.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. SMITH], a very valuable Member of this body.

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Mr. SMITH of Texas. Mr. Speaker, I thank the chairman of the Committee on Rules for yielding me time.

Mr. Speaker, today we are faced with several very different budget proposals. First we have the Clinton plan. The Clinton plan raises the deficit in 1997 and again in 1998, but promises somehow to balance the budget after the President leaves office.

Then we have two "Washington knows best" plans. The same people who passed the largest tax increase in history now offer "business as usual" schemes with either no take relief or actual tax increases. Anyone who believes that our deficits result because families pay too little in taxes should support these budget plans.

Finally, we have the House Committee on the Budget proposal, the only plan that puts taxpayers first. This taxpayers' budget is historic because it is the only plan that reduced both the deficit and middle-class taxes. Some special interests will attack this taxpayers' plan. These Washington insiders attack returning hard-earned money to the American families. These folks actually think that it is the Government's money.

Mr. Speaker, they are wrong. It is not the Government's money to take; it is the people's money to keep. Working Americans, not politicians, produce wealth. Businessmen and women, not the Secretary of Labor, create jobs. Family income growth, not Government spending, enhances wealth.

If my colleagues want more jobs, support the budget that returns more money to small business, the House Committee on the Budget plan, the taxpayers' bill. If my colleagues want stronger families, support the proposal that returns money, power and decisions to the families, the House Committee on the Budget plan, the taxpayers' budget. Support the only proposal that puts taxpayers first, the House Committee on the Budget plan. Only the House Committee on the Budget plan remembers that it is the family's money to keep, not the Government's money to take. That is why only the House Committee on the Budget taxpayers' budget deserves our support.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] for yielding this time to me, and I thank the gentleman from New York [Mr. SOLOMON] for placing an order in the Committee on the Budget placing in order the Black Caucus/Progressive Caucus budget, which I think is the only real alternative that we are going to be hearing today and is the budget that speaks to the needs of ordinary working Americans.

When we discuss the budget situation in America today, it seems to me to be imperative to ask how did we get where we are today, how did we end up with a $5 trillion national debt? Is it because we are spending too much on health care so that all Americans have health care? I do not think so. Is it because the Federal Government is spending too much on education so that all American families could send their kids to college? Is that the reason we have the deficit? Is it because we are spending too much on affordable housing so that we have no homelessness in America, so that people are not paying 40, 50, 60 percent of their income in rent; is that why we have a $5 trillion debt? I do not think so.

Most economists understand that the reason we are in the deficit crisis we are today is that during the 1980's three things happened. First, we gave huge tax breaks to the richest people in America and to the largest corporations. Everybody knows that. What the Republican budget does today is it says, "Guess what? Let us give more tax breaks to the richest people in America and the largest corporations. That makes a lot of sense."

Second of all, during the 1980's, everybody knows this, this country spent huge amounts of money on the military, tremendous increases in defense spending. What the Republican budget says is let us spend more money today now that the cold war is over; let us spend more money, $13 billion more, on defense than the President wants. Let us build more B-2 bombers that the Pentagon does not need. Let us go into that absurd star wars program, that is really where we have to go.

Does that make sense? I do not think so.

And the third reason that we had, we created the deficit situation today, is the tremendous increase in medical spending, health care spending. During the 1980's all health care spending went up, including Medicare. But the question that we have to ask is why is it that the United States of America, today we spend far more per capita on health care than any other industrialized nation on Earth? Is it because all of our people have health insurance? Is that the reason why? I do not think so. Forty million Americans have no health insurance, millions more have inadequate health insurance.

So let us get to the root of the problem. What the Progressive Caucus and the Black Caucus say is, yes, let us move toward a balanced budget in 6 years, but let us not do it on the backs of the middle class, the working class and the low-income people in this country, and we are presenting a real alternative, and we hope to have the support of the Members in this body.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, I support a balanced budget. I voted for a balanced budget. But I rise in strong opposition to the Republican budget and the tremendous harm it would do on American families.

This Republican budget is simply a redistribution of wealth. Some, mainly the upper income, will get a tax cut, but for the family earning $28,000 or less a year this budget would actually raise their taxes by cutting the earned income tax credit.

But there is another provision in this budget that would hurt America's middle-class families. This budget, like the last Republican budget, would mandate a doubling of flood insurance premiums, costing American families around the country $1 billion. According to the Federal Emergency Management Agency, the average flood insurance premium of Houston's 25th Congressional District, which I represent, would double from $400 to almost $800 under the Republican budget. Homeowners along coastlines, rivers and bayous would see monthly mortgage payments increase in order to pay these higher premiums.

This is another example of the Republican proposals to redistribute income away from the middle-class families by doubling their insurance premiums and raising their taxes. We can balance the budget fairly; we can do so by rejecting this plan. Pass the coalition plan.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I am pleased that the rule allows for the President's budget to be considered along with some of the other options, and I think the contrast is clear between the President's budget and that of the Republican leadership. Again, the President's budget does achieve a balanced budget; it reaches a balance in 2002 that is certified by the Congressional Budget Office in the right way.

The President's budget also provides a moderate tax cut targeted to the middle class. The difference between the President's budget and the Republican leadership budget is that the President's budget preserves priorities that are important to the American people, priorities like Medicare and Medicaid, like education, particularly higher education, and also protecting the environment. The Republican budget is the same thing that we had last year. It hurts the average American because it goes against these areas that the average American is so concerned about.

When we talk about Medicare, we are talking about a $167 billion cut in Medicare in the Republican leadership budget that will force hospitals to close, that would make seniors have to pay more money out of pocket and will also move them into HMO's, into managed care systems.

On the other hand, the President's budget achieves the requirement of keeping Medicare solvent in the same way as the Republican budget, but it does not make these radical changes to Medicare that will hurt the average senior citizen.

The same could be said about education. The President's budget retains the direct student loan program, retains Goals 2000, retains the National Service Corporation, the AmeriCorps, an option which basically has allowed a lot of college students now to find another way to pay for their higher education costs. The Republican budget would either cut back or eliminate each of those programs.

And finally, on the environment, again the President's budget provides sufficient funding for environmental protection. The Republican leadership budget goes far toward cutting back on environmental protection, about a 15-percent cut in enforcement, the environmental cop on the beat. I have said over and over again on the floor, "If you can't enforce our environmental laws, then what's the use of having good environmental laws?" The same is true about the Superfund Program and others.

The bottom line is the President's budget preserves the American people's priorities, the Republican budget does not.

Mr. FROST. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. BEILENSON].

Mr. BEILENSON. Mr. Speaker, we have no objection to the rule before us; it provides for consideration of the budget resolution for fiscal year 1997 in the traditional manner, whereby only comprehensive substitutes to the committee-reported resolution are in order. Under this rule, three such alternatives may be offered, so Members will have the choice of four different plans to guide the fiscal policy of our Nation over the next several years.

In the view of this gentleman, the coalition plan to be offered by the gentleman from Texas [Mr. STENHOLM] and the gentleman from Utah [Mr. ORTON] is the best alternative among the four. But any of the three plans that will be offered by Members from this side of the aisle are a better choice than the Republican budget resolution that was reported by the Budget Committee.

In Congress and within the administration, there is now a consensus that we need to achieve a balanced budget over the next few years, which has been reached largely as a result of the Republican majority's strong efforts on this issue. However, many of us believe that there are far more fair and equitable ways to balance the budget than the Republican plan provides for.

Like the budget plan the Republican majority produced last year, this year's resolution would set the stage for a huge transfer of resources from poor- and middle-income Americans, and from children and the elderly, to more affluent Americans. It is a plan that hurts those who need the most help from Government, and helps those who need it the least.

The Republican plan would do that by cutting Medicare and Medicaid substantially; by cutting the earned income tax credit, which helps low-income working families stay off welfare; by providing a child tax credit for families with incomes of up to $110,000 a year but denying it to those that are most in need of help with the expense of raising children; by cutting dozens of educational and social service programs that keep moderate income families from sinking into poverty and give them opportunities in life that would otherwise be denied to them; and by providing for contingent tax cuts that would primarily benefit the most affluent Americans.

The Republican plan would also cut domestic discretionary spending much too deeply. Under this plan, we would spend about 25 percent less, in real terms, on domestic discretionary programs than we are spending this year—after we have already made dramatic cuts in this area. Not only are these cuts unwise; they are also unrealistic. There are growing pressures on both sides of the aisle to spend more in this area. For example, the House recently voted to take transportation programs off budget, so we could spend more on transportation; and the debate on the immigration bill showed that there is a very strong support for substantially spending more on immigration control.

In addition, virtually every one of us supports spending more in other areas of law enforcement; we have more or less reached a consensus that we're not going to gut environmental protection programs or sell off our national parks; and, despite programs that have been singled out in this resolution for termination, there is broad support for continuing the Federal Government's role in a whole range of activities—from building dams, to providing weather information, to funding scientific research and development.

These are programs that are strongly supported by the American people because they protect our Nation's high standard of living. And, as our population grows—it is growing by about 2½ million a year—the demands for more infrastructure, and more services, from all levels of government will only increase. Under these conditions, it is extremely unlikely that Congress will be able to sustain the reductions in domestic discretionary spending over the next several years that are envisioned in the Republican budget resolution. And even if Congress is able to sustain them, it would not be in the best interest of our Nation for us to do so.

Finally, Mr. Speaker, if our paramount budget objective is to balance the budget, it makes no sense to make that goal harder to reach by reducing revenues. It is only because the Republican majority continues to insist on a tax cut—one that could be as much as $175 billion over the next 6 years—that it is necessary to make devastating spending cuts in order to balance the budget.

The reason that the coalition budget is a much better alternative is that it omits tax cuts entirely, making it possible to achieve a balanced budget by 2002 without cutting valuable and popular programs nearly so deeply as the Republican plan. It also spreads the burden of deficit reduction more broadly and equitably than the Republican plan. And, the coalition plan offers the best possibility of any of the alternatives of keeping the budget balanced in the years beyond 2002.

Mr. Speaker, I urge Members to support the coalition budget plan, and to oppose the Republican plan.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Speaker, I rise in opposition to the rule.

Mr. Speaker, this rule allows the Republicans to hide a $20 billion tax increase on almost 7 million hard-working American families who have chosen work over welfare.

The majority's attack on the earned income tax credit raises taxes on 3.3 million low-income families, parents with children, who have chosen work over welfare. Low-income working people pay more even after taking account of the much ballyhooed $500 per child tax credit.

The Republican attack on the EITC will also raise taxes on 3.5 million low income families without children, the poorest of working Americans who have chosen work over welfare.

These are not Democratic statistics. These are facts from the bipartisan Joint Committee on Taxation.

The Rules Committee rejected my amendment that would have forced out into the open this plan by the Republicans to raise taxes on almost 7 million low income families who have chosen work over welfare.

Defeat the previous question. Say "no" to tax increases on poor people to pay for tax breaks for the rich.

Mr. SOLOMON. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Columbus, OH [Ms. PRYCE], a very, very valuable member of the Committee on Rules.

Ms. PRYCE. Mr. Speaker, I rise today to express my strong support for this budget resolution which we will consider under the terms of this fair and balanced rule and to commend the hard work of the Committee on the Budget led by my colleague from Ohio [Mr. KASICH]. Mr. Speaker, it is difficult to change the culture of deficit spending in Washington, but once again we are about to try.

Mr. Speaker, when I am home in my district, I talk with people from all different walks of life who are frustrated by higher taxes and by government's ever-increasing presence in their lives, but despite the enormous growth of government most Americans feel that public schools were better, our communities were safer and our Government was more responsive 30 years ago than they are today.

Has this growth in spending and Government programs kept America on the right track? I think the answer is, sadly, no. While we are ready to shrink government and return decisions back to our communities, the President's budget plan does just the opposite. It expands Government, shifts financial burden to future generations, and I am amazed that the same President who came to this Chamber in January and declared that the era of big government is over has sent us a budget that continues the Washington knows best approach to dealing with America's priorities.

Under our budget plan the era of big government will come to a close as "Washington knows best" gives way to greater State and local flexibility and as hard-working families begin working for themselves and not working to pay the high taxes that have fueled more Federal spending, that require higher taxes, that fuel more Federal spending, that require higher taxes, that fuel more Federal spending. It goes on, and on, and on.

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It is a vicious spiral. It is an upward spiral. Mr. Speaker, with all that, I am very hopeful that as we continue to move toward a balanced budget, we will also focus on reforming the budget process itself to make it less complicated, more accountable, and more understandable to the average citizen.

Mr. Speaker, we have the opportunity, a great opportunity, to restore America's stake in limited, effective government by adopting this resolution today. It is the right plan to replace Government dependency with self-reliance and individual initiative. Anything less, anything less will deprive our children of their potential and the safe prosperous future that they deserve.

Mr. Speaker, I urge my colleagues to vote "yes" on the rule and "yes" on the resolution of the Committee on the Budget.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I thank the gentleman from Texas for yielding time to me.

Mr. Speaker, this year's Republican budget will hurt average Americans just as much as the one they proposed last year. Please, do not be fooled. The budget which Republicans bring to the House floor this week contains the same harsh policy, the deep cuts that hurt seniors and children and families.

Last year the American public said to President Clinton, 60 percent of them said please veto this budget, as he did. The issue is not one of balanced budgets. The President has introduced a balanced budget, the Republicans have introduced a balanced budget. The question is who gets hurt in these budgets.

In the Republican budget, once again we are looking at hard-working, middle-class families who are going to pay the price in this budget, and not the special interests, not the wealthiest of Americans, because, Mr. Speaker, as we will see in this Republican budget, the tax breaks for wealthy Americans add up to $176 billion and maybe even a little bit more.

Is it not ironic and clearly not a coincidence that the cut in Medicare is $167 billion? The money that they cut from Medicare does not go into making Medicare a more sound and solvent system, it goes to pay for those tax breaks. Let us not let them get away with it this time like we did the last time.

In addition, with regard to Medicare, what they would do is to restructure it. They will allow medical savings accounts, which the American Academy of Actuaries, no liberal group by any stretch of the imagination, says for those people who are in traditional insurance plans, they will see a 61-percent hike in their insurance premiums. They now will take those restrictions back that we have had all these years, which say that doctors and hospitals cannot charge seniors in addition to what Medicare pays for. Do not be fooled. Do not allow this budget to go through.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to my good friend, the gentleman from Philadelphia, PA [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, it is about 100 miles west of Philadelphia where I reside, but that is all right. That is close. I still root for the Phillies.

Mr. Speaker, the budget resolution that is before us today does contain language that would preserve the funding for NIH. That is very important to every Member of the Congress and, really, to every citizen in our country because of the progressive programs already established, which need continuous funding within the NIH to provide remedies and cures and new ways of treating the ill and to save lives. That alone merits favorable consideration of the budget resolution that is before us.

We have had extensive contact with operatives of the NIH over the years, and we continuously are thrilled by the advances made by our scientific community. Most recently, in a products liability bill which was, unfortunately, vetoed by the President, we had in it a biomaterials portion of it that would have continued the steady supply of vital supplies to biomedical research types of new medical devices that save lives and improve health.

In these kinds of projects, every single American has an investment. We want to commend the content of the concurrent budget resolution.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge a "no" vote on the previous question. If the previous question is defeated, I will offer an amendment to the rule which will make in order two amendments: One by the gentleman from Utah [Mr. ORTON] and the other by the gentlelady from Florida [Mrs. MEEK].

The Orton amendment would make any tax cuts dependent upon the Congressional Budget Office certifying that the total budget would in fact be balanced by 2002. We should not be promising tax cuts until we are sure that the budget is balanced.

The Meek amendment would eliminate the earned income tax credit reductions that take $20 billion from the working poor and provide offsets by denying tax breaks to the rich. Vote "no" on the previous question.

I include the text of the amendment and accompanying documents for the RECORD at this point in the debate.

The material referred to is as follows:

PREVIOUS QUESTION AMENDMENT TEXT: H. RES. 435 FOR CONSIDERATION OF H. CON. RES. 178, BUDGET RESOLUTION FOR FY 1997

At the end of the resolution add the following new section:

"SEC. . Notwithstanding any other provision of this resolution, at the conclusion of consideration of the concurrent resolution for amendment, it shall be in order to consider, without intervention of any point of order, an amendment to be offered by Representative Orton, or his designee and an amendment to be offered by Representative Meek, or her designee. The amendments are printed in section of this resolution.

SEC. . The text of the amendments are as follows:

AMENDMENT TO H. CON. RES. OFFERED BY MR. ORTON OF UTAH

At the end, add the following new section:

SEC. 15. BUDGET SURPLUS ALLOWANCE.

(a) CBO CERTIFICATION OF LEGISLATIVE SUBMISSIONS.—

(1) SUBMISSION OF LEGISLATION.— Upon the submission of legislative recommendations pursuant to section 4 and prior to the submission of a conference report on legislation reported pursuant to section 4, the chairman of the Committee on the Budget of the Senate and of the House of Representatives (as the case may be) shall submit such recommendations to the Congressional Budget Office.

(2) BASIS OF ESTIMATES.—For the purposes of preparing an estimate pursuant to this subsection, the Congressional Budget Office shall include the budgetary impact of all legislation enacted to date, use the economic and technical assumptions underlying this resolution, and assume compliance with the total discretionary spending levels assumed in this resolution unless superseded by law.

(3) ESTIMATE OF LEGISLATION.—The Congressional Budget Office shall provide an estimate to the chairman of the Budget Committee of the Senate and of the House of Representatives (as the case may be) and certify whether the legislative recommendations would balance the total budget by fiscal year 2002.

(4) CERTIFICATION.—If the Congressional Budget Office certifies that such legislative recommendations would balance the total budget by fiscal year 2002, the chairman shall submit such certification in his respective House.

(b) PROCEDURE IN THE HOUSE.—

(1) ADJUSTMENTS.—For the purposes of points of order under the Congressional Budget Act of 1974 and this concurrent resolution on the budget, the appropriate budgetary allocations and aggregates shall be revised to be consistent with the instructions set forth in section 4(d)(12)(B) for legislation that reduces revenues by providing tax relief.

(2) REVISED AGGREGATES.—Upon the reporting of legislation pursuant to section 4 and again upon the submission of a conference report on such legislation, the chairman of the Committee on the Budget of the House shall submit appropriately revised budgetary allocations and aggregates.

(3) EFFECT OF REVISED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates submitted under paragraph (2) shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) CONTINGENCIES.—This section shall not apply unless the reconciliation legislation—

(1) complies with the sum of the reconciliation directives for the period of fiscal years 1997 through 2002 provided in section 4; and

(2) would balance the total budget for fiscal year 2002 and the period of fiscal years 2002 through 2005.

(d) DEFINITIONS.—For the purposes of this section, the term "balance the total budget" means total outlays are less than or equal to total revenues for a fiscal year or a period of fiscal years.

In section 2(1)(A), increase the recommended level of Federal revenues by $15,031,000,000 for fiscal year 1997, by $17,817,000,000 for fiscal year 1998, by $21,488,000,000 for fiscal year 1999, by $21,291,000,000 for fiscal year 2000, by $21,114,000,000 for fiscal year 2001, and by $14,466,000,000 for fiscal year 2002.

In section 2(1)(B), reduce the amounts by which the aggregate levels of Federal revenues should be changed by $15,031,000,000 for fiscal year 1997, by $17,817,000,000 for fiscal year 1998, by $21,488,000,000 for fiscal year 1999, by $21,291,000,000 for fiscal year 2000, by $21,114,000,000 for fiscal year 2001, and by $14,466,000,000 for fiscal year 2002.

In section 2(4), reduce the amounts of the deficits by $15,031,000,000 for fiscal year 1997, by $17,817,000,000 for fiscal year 1998, by $21,488,000,000 for fiscal year 1999, by $21,291,000,000 for fiscal year 2000, by $21,114,000,000 for fiscal year 2001, and by $14,466,000,000 for fiscal year 2002.

AMENDMENT TO H. CON. RES. OFFERED BY MRS. MEEK OF FLORIDA [ELIMINATION OF CUTS IN EARNED INCOME TAX CREDIT, EXCEPT ERRORS AND FRAUD)

In section 2(1)(A), increase the recommended level of Federal revenues by $1.7 billion for fiscal year 1997, by $1.8 billion for fiscal year 1998, by $1.8 billion for fiscal year 1999, by $1.8 billion for fiscal year 2000, by $1.9 billion for fiscal year 2001, and by $2 billion for fiscal year 2002.

In section 2(1)(B), reduce the amounts by which the aggregate levels of Federal revenues should be changed by $1.7 billion for fiscal year 1997, by $1.8 billion for fiscal year 1998, by $1.8 billion for fiscal year 1999, by $1.8 billion for fiscal year 2000, by $1.9 billion for fiscal year 2001, and by $2 billion for fiscal year 2002.

In section 2(2), increase the levels of total new budget authority by $1.7 billion for fiscal year 1997, by $1.8 billion for fiscal year 1998, by $1.8 billion for fiscal year 1999, by $1.8 billion for fiscal year 2000, by $1.9 billion for fiscal year 2001, and by $2 billion for fiscal year 2002.

In section 2(3), increase the levels of total budget outlays by $1.7 billion for fiscal year 1997, by $1.8 billion for fiscal year 1998, by $1.8 billion for fiscal year 1999, by $1.8 billion for fiscal year 2000, by $1.9 billion for fiscal year 2001, and by $2 billion for fiscal year 2002.

In section 3(13) (relating to income security, functional category 600), increase the levels of new budget authority by $1.7 billion for fiscal year 1997, by $1.8 billion for fiscal year 1998, by $1.8 billion for fiscal year 1999, by $1.9 billion for fiscal year 2000, by $1.9 billion for fiscal year 2001, and by $2 billion for fiscal year 2002.

In section 3(13) (relating to income security, functional category 600), increase the levels of outlays by $1.7 billion for fiscal year 1997, by $1.8 billion for fiscal year 1998, by $1.8 billion for fiscal year 1999, by $1.8 billion for fiscal year 2000, by $1.9 billion for fiscal year 2001, and by $2 billion for fiscal year 2002.

In section 4(d)(12)(A), increase outlays for fiscal year 1997 by $1.7 billion increase outlays for fiscal year 2002 by 2 billion, and increase outlays for fiscal years 1997 through 2002 by $11 billion.

In section 4(d)(12)(B), increase revenues for fiscal year 1997 by $1.7 billion, increase revenues for fiscal year 2002 by $2 billion and increase revenues for fiscal years 1997 through 2002 by $11 billion.

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describe the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House on sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who has asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Republican majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution—[and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual:

"Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule—When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues:

"Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

The vote on the previous question on a rule does have substantive policy implications. It is one for the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

Mr. FROST. Mr. Speaker, I yield back the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of my time to sum up.

Mr. Speaker, first let me just say I keep hearing on that side of the aisle tax breaks for the very, very rich. Mr. Speaker, that just bothers me. Evidently, tax breaks for the rich, the Democrats think that anybody with a job is rich, because a $500 tax credit for middle-class Americans, they are not rich people. They may be rich because they have families, but they are not rich moneywise.

A capital gains tax cut. Mr. Speaker, I represent people up and down the Hudson Valley who have worked all their lives. They may have worked for Sears Roebuck, and Sears Roebuck does not pay great wages, but they have nice stock plans. Over a period of 25 years someone working, a man and woman both working for Sears, have accumulated so much stock, and that is their life's savings. That is their retirement. Now the Federal Government wants to take away a third of it that they have worked all their lives for? So a capital gains tax cut, is that for the very, very rich? I do not think so.

A repeal of the Social Security increase tax that President Clinton put on in 1993 on Social Security earnings, is that for the rich? Removal of some of the tax penalties on Social Security, on the earnings tax, is that for the very rich?

Mr. Speaker, an adoption tax credit? Today it costs $15,000 or $20,000, we just went through this debate the other day on the floor, for young working Americans to be able to adopt a child, and we given them a tax credit. Is that for the very rich, for the very, very rich, that they like to use that kind of connotation on?

A gas tax repeal, is that going to help the very, very rich? I know in the Hudson Valley where I live and over in Connecticut where the Speaker pro tempore lives, people drive in my district about 100 miles a day to work. Is repealing that Clinton gas tax, is that for the very, very rich? I do not think so. We ought to stop all this rhetoric.

Mr. Speaker, the Democrats are going to attempt to defeat the previous question in a few minutes; but Mr. Speaker, this rule that we have been debating on the floor here makes in order four alternatives: One on this side of the aisle, a Republican alternative, and three other alternatives by President Clinton, by the Democrat Coalition, and by the Black Caucus, so it is three to one. How fair can you be? We have bent over backward to be fair.

Mr. Speaker, they are going to try to defeat the previous question so they can amend these various alternatives. I am going to tell the Members something, I made an announcement on this floor about a week or so ago that the Committee on Rules would entertain any group that wanted to bring to us an alternative. The only qualification was that it had to be balanced. Even the Black Caucus, who does not like to cut spending, came up with a balanced budget. We have made in order all of those. Anyone who came to us, we made them in order.

Should we Republicans be allowed to amend the Black Caucus budget or any of those others and water it down with what they want to do? No. They ought to have an up-or-down vote on their proposal. That is exactly what this rule calls for. So in fairness, I want everybody to come over here. I want Members to defeat this ridiculous attempt to defeat the previous question. I want Members to vote for the previous question and then vote for this very fair rule. Let us get on with the debate on this very responsible Republican budget.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 227, nays 196, not voting 10, as follows:

[Roll No. 175]

YEAS—227

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Stearns
Stockman
Stump
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—196

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bilbray
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Weller
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—10

Hayes
Kennedy (RI)
Millender-McDonald
Molinari
Paxon
Peterson (FL)
Roberts
Souder
Talent
Williams

□ 1100

The Clerk announced the following pair:

On this vote:

Mr. Paxon for, with Mr. Williams against.

Messrs. MURTHA, WYNN, SKELTON, MORAN, and HALL of Texas changed their vote from "yea" to "nay."

Mr. PETRI changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 435 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution, House Concurrent Resolution 178.

□ 1101

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, with Mr. CAMP in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, May 15, 1996, all time for general debate pursuant to the order of the House of Tuesday, May 14, 1996, had expired.

Pursuant to House Resolution 435, the concurrent resolution is considered read for amendment under the 5-minute rule.

The text of House Concurrent Resolution 178 is as follows:

H. CON. RES. 178

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,085,363,000,000.
Fiscal year 1998: $1,130,426,000,000.
Fiscal year 1999: $1,176,236,000,000.
Fiscal year 2000: $1,229,666,000,000.
Fiscal year 2001: $1,288,998,000,000.
Fiscal year 2002: $1,358,219,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: -$15,031,000,000.
Fiscal year 1998: -$17,817,000,000.
Fiscal year 1999: -$21,488,000,000.
Fiscal year 2000: -$21,291,000,000.
Fiscal year 2001: -$21,114,000,000.
Fiscal year 2002: -$14,466,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,311,284,000,000.
Fiscal year 1998: $1,357,208,000,000.
Fiscal year 1999: $1,386,338,000,000.
Fiscal year 2000: $1,428,397,000,000.
Fiscal year 2001: $1,450,450,000,000.
Fiscal year 2002: $1,497,756,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,306,921,000,000.
Fiscal year 1998: $1,350,905,000,000.
Fiscal year 1999: $1,379,428,000,000.
Fiscal year 2000: $1,413,490,000,000.
Fiscal year 2001: $1,428,809,000,000.
Fiscal year 2002: $1,463,504,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $221,558,000,000.
Fiscal year 1998: $220,479,000,000.
Fiscal year 1999: $203,192,000,000.
Fiscal year 2000: $183,824,000,000.
Fiscal year 2001: $139,811,000,000.
Fiscal year 2002: $105,285,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,434,400,000,000.
Fiscal year 1998: $5,697,600,000,000.
Fiscal year 1999: $5,938,900,000,000.
Fiscal year 2000: $6,159,000,000,000.
Fiscal year 2001: $6,332,800,000,000.
Fiscal year 2002: $6,464,900,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,353,000,000.
Fiscal year 1998: $39,179,000,000.
Fiscal year 1999: $42,287,000,000.
Fiscal year 2000: $43,200,000,000.
Fiscal year 2001: $44,359,000,000.
Fiscal year 2002: $45,532,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $266,271,000,000.
Fiscal year 1998: $264,761,000,000.
Fiscal year 1999: $261,793,000,000.
Fiscal year 2000: $261,676,000,000.
Fiscal year 2001: $262,429,000,000.
Fiscal year 2002: $262,131,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1997 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1997:
(A) New budget authority, $267,183,000,000.
(B) Outlays, $264,846,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $800,000,000.

Fiscal year 1998:
(A) New budget authority, $268,958,000,000.
(B) Outlays, $263,618,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 1999:
(A) New budget authority, $271,677,000,000.
(B) Outlays, $267,049,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $192,000,000.

Fiscal year 2000:
(A) New budget authority, $274,377,000,000.
(B) Outlays, $270,841,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $187,000,000.

Fiscal year 2001:
(A) New budget authority, $277,121,000,000.
(B) Outlays, $270,025,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $185,000,000.

Fiscal year 2002:
(A) New budget authority, $280,101,000,000.
(B) Outlays, $270,122,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $183,000,000.

(2) International Affairs (150):

Fiscal year 1997:
(A) New budget authority, $13,732,000,000.
(B) Outlays, $14,963,000,000.
(C) New direct loan obligations, $4,333,000,000.
(D) New primary loan guarantee commitments $18,110,000,000.

Fiscal year 1998:
(A) New budget authority, $11,551,000,000.
(B) Outlays, $13,484,000,000.
(C) New direct loan obligations, $4,342,000,000.
(D) New primary loan guarantee commitments $18,262,000,000.

Fiscal year 1999:
(A) New budget authority, $10,576,000,000.
(B) Outlays, $12,467,000,000.
(C) New direct loan obligations, $4,358,000,000.
(D) New primary loan guarantee commitments $18,311,000,000.

Fiscal year 2000:
(A) New budget authority, $11,089,000,000.
(B) Outlays, $11,025,000,000.
(C) New direct loan obligations, $4,346,000,000.
(D) New primary loan guarantee commitments $18,311,000,000.

Fiscal year 2001:
(A) New budget authority, $10,890,000,000.
(B) Outlays, $10,584,000,000.
(C) New direct loan obligations, $4,395,000,000.
(D) New primary loan guarantee commitments $18,409,000,000.

Fiscal year 2002:
(A) New budget authority, $11,009,000,000.
(B) Outlays, $10,281,000,000.
(C) New direct loan obligations, $4,387,000,000.
(D) New primary loan guarantee commitments $18,409,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:
(A) New budget authority, $16,537,000,000.
(B) Outlays, $16,697,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:
(A) New budget authority, $16,428,000,000.
(B) Outlays, $16,494,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1999:
(A) New budget authority, $16,313,000,000.
(B) Outlays, $16,224,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2000:
(A) New budget authority, $16,159,000,000.
(B) Outlays, $16,111,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2001:
(A) New budget authority, $15,934,000,000.
(B) Outlays, $15,943,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2002:
(A) New budget authority, $15,602,000,000.
(B) Outlays, $15,673,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

(4) Energy (270):

Fiscal year 1997:
(A) New budget authority, $2,380,000,000.
(B) Outlays, $2,729,000,000.
(C) New direct loan obligations, $1,033,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $2,441,000,000.

(B) Outlays, $2,078,000,000.

(C) New direct loan obligations, $1,039,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $2,034,000,000.

(B) Outlays, $1,327,000,000.

(C) New direct loan obligations, $1,045,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $1,697,000,000.

(B) Outlays, $815,000,000.

(C) New direct loan obligations, $1,036,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $1,782,000,000.

(B) Outlays, $740,000,000.

(C) New direct loan obligations, $1,000,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $1,430,000,000.

(B) Outlays, $231,000,000.

(C) New direct loan obligations, $1,031,000,000.

(D) New primary loan guarantee commitments $0.

(5) Natural Resources and Environment (300):

Fiscal year 1997:

(A) New budget authority, $20,529,000,000.

(B) Outlays, $21,322,000,000.

(C) New direct loan obligations, $37,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $18,902,000,000.

(B) Outlays, $19,654,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $19,713,000,000.

(B) Outlays, $20,409,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $18,399,000,000.

(B) Outlays, $18,950,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $18,994,000,000.

(B) Outlays, $19,205,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $18,860,000,000.

(B) Outlays, $18,910,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments $0.

(6) Agriculture (350):

Fiscal year 1997:

(A) New budget authority, $11,840,000,000.

(B) Outlays, $10,238,000,000.

(C) New direct loan obligations, $7,794,000,000.

(D) New primary loan guarantee commitments $5,870,000,000.

Fiscal year 1998:

(A) New budget authority, $11,750,000,000.

(B) Outlays, $9,855,000,000.

(C) New direct loan obligations, $9,346,000,000.

(D) New primary loan guarantee commitments $6,637,000,000.

Fiscal year 1999:

(A) New budget authority, $11,367,000,000.

(B) Outlays, $9,483,000,000.

(C) New direct loan obligations, $10,743,000,000.

(D) New primary loan guarantee commitments $6,586,000,000.

Fiscal year 2000:

(A) New budget authority, $10,714,000,000.

(B) Outlays, $8,843,000,000.

(C) New direct loan obligations, $10,736,000,000.

(D) New primary loan guarantee commitments $6,652,000,000.

Fiscal year 2001:

(A) New budget authority, $9,497,000,000.

(B) Outlays, $7,730,000,000.

(C) New direct loan obligations, $10,595,000,000.

(D) New primary loan guarantee commitments $6,641,000,000.

Fiscal year 2002:

(A) New budget authority, $8,964,000,000.

(B) Outlays, $7,181,000,000.

(C) New direct loan obligations, $10,570,000,000.

(D) New primary loan guarantee commitments $6,709,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1997:

(A) New budget authority, $7,838,000,000.

(B) Outlays, -$2,319,000,000.

(C) New direct loan obligations, $1,856,000,000.

(D) New primary loan guarantee commitments $197,340,000,000.

Fiscal year 1998:

(A) New budget authority, $9,464,000,000.

(B) Outlays, $5,752,000,000.

(C) New direct loan obligations, $1,787,000,000.

(D) New primary loan guarantee commitments $196,750,000,000.

Fiscal year 1999:

(A) New budget authority, $10,476,000,000.

(B) Outlays, $6,043,000,000.

(C) New direct loan obligations, $1,763,000,000.

(D) New primary loan guarantee commitments $196,253,000,000.

Fiscal year 2000:

(A) New budget authority, $12,448,000,000.

(B) Outlays, $7,320,000,000.

(C) New direct loan obligations, $1,759,000,000.

(D) New primary loan guarantee commitments $195,883,000,000.

Fiscal year 2001:

(A) New budget authority, $11,268,000,000.

(B) Outlays, $7,283,000,000.

(C) New direct loan obligations, $1,745,000,000.

(D) New primary loan guarantee commitments $195,375,000,000.

Fiscal year 2002:

(A) New budget authority, $11,598,000,000.

(B) Outlays, $7,218,000,000.

(C) New direct loan obligations, $1,740,000,000.

(D) New primary loan guarantee commitments $194,875,000,000.

(8) Transportation (400):

Fiscal year 1997:

(A) New budget authority, $41,737,000,000.

(B) Outlays, $39,007,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $43,541,000,000.

(B) Outlays, $37,635,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $43,961,000,000.

(B) Outlays, $36,111,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $44,103,000,000.

(B) Outlays, $35,236,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $44,531,000,000.

(B) Outlays, $34,526,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $45,045,000,000.

(B) Outlays, $34,042,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

(9) Community and Regional Development (450):

Fiscal year 1997:

(A) New budget authority, $6,672,000,000.

(B) Outlays, $10,149,000,000.

(C) New direct loan obligations, $1,231,000,000.

(D) New primary loan guarantee commitments $2,133,000,000.

Fiscal year 1998:

(A) New budget authority, $6,605,000,000.

(B) Outlays, $8,640,000,000.

(C) New direct loan obligations, $1,257,000,000.

(D) New primary loan guarantee commitments $2,133,000,000.

Fiscal year 1999:

(A) New budget authority, $6,559,000,000.

(B) Outlays, $7,820,000,000.

(C) New direct loan obligations, $1,287,000,000.

(D) New primary loan guarantee commitments $1,171,000,000.

Fiscal year 2000:

(A) New budget authority, $6,595,000,000.

(B) Outlays, $7,040,000,000.

(C) New direct loan obligations, $1,365,000,000.

(D) New primary loan guarantee commitments $1,171,000,000.

Fiscal year 2001:

(A) New budget authority, $6,243,000,000.

(B) Outlays, $6,655,000,000.

(C) New direct loan obligations, $1,404,000,000.

(D) New primary loan guarantee commitments $2,202,000,000.

Fiscal year 2002:

(A) New budget authority, $6,153,000,000.

(B) Outlays, $6,161,000,000.

(C) New direct loan obligations, $1,430,000,000.

(D) New primary loan guarantee commitments $2,202,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1997:

(A) New budget authority, $46,965,000,000.

(B) Outlays, $49,504,000,000.

(C) New direct loan obligations, $16,219,000,000.

(D) New primary loan guarantee commitments $15,469,000,000.

Fiscal year 1998:

(A) New budget authority, $47,416,000,000.

(B) Outlays, $48,112,000,000.

(C) New direct loan obligations, $19,040,000,000.

(D) New primary loan guarantee commitments $14,760,000,000.

Fiscal year 1999:

(A) New budget authority, $48,046,000,000.

(B) Outlays, $47,817,000,000.

(C) New direct loan obligations, $21,781,000,000.

(D) New primary loan guarantee commitments $13,854,000,000.

Fiscal year 2000:

(A) New budget authority, $48,696,000,000.

(B) Outlays, $48,209,000,000.

(C) New direct loan obligations, $22,884,000,000.

(D) New primary loan guarantee commitments $14,589,000,000.

Fiscal year 2001:

(A) New budget authority, $49,410,000,000.

(B) Outlays, $48,704,000,000.

(C) New direct loan obligations, $23,978,000,000.

(D) New primary loan guarantee commitments $15,319,000,000.

Fiscal year 2002:

(A) New budget authority, $50,092,000,000.

(B) Outlays, $49,335,000,000.

(C) New direct loan obligations, $25,127,000,000.

(D) New primary loan guarantee commitments $16,085,000,000.

(11) Health (550):

Fiscal year 1997:

(A) New budget authority, $129,918,000,000.

(B) Outlays, $130,276,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $187,000,000.

Fiscal year 1998:

(A) New budget authority, $137,726,000,000.

(B) Outlays, $138,064,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $94,000,000.

Fiscal year 1999:

(A) New budget authority, $144,995,000,000.

(B) Outlays, $145,168,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $152,961,000,000.

(B) Outlays, $152,890,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $161,114,000,000.

(B) Outlays, $160,789,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $167,926,000,000.

(B) Outlays, $167,476,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(12) Medicare (570):

Fiscal year 1997:

(A) New budget authority, $193,165,000,000.

(B) Outlays, $191,481,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $207,183,000,000.

(B) Outlays, $205,458,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $217,250,000,000.

(B) Outlays, $214,978,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $229,309,000,000.

(B) Outlays, $227,560,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $241,641,000,000.

(B) Outlays, $239,907,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $255,121,000,000.

(B) Outlays, $252,720,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(13) Income Security (600):

Fiscal year 1997:

(A) New budget authority, $232,612,000,000.

(B) Outlays, $240,107,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $241,254,000,000.

(B) Outlays, $244,185,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $244,842,000,000.

(B) Outlays, $251,716,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $262,510,000,000.

(B) Outlays, $263,060,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $262,260,000,000.

(B) Outlays, $265,271,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $281,100,000,000.

(B) Outlays, $277,213,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(14) Social Security (650):

Fiscal year 1997:

(A) New budget authority, $7,812,000,000.

(B) Outlays, $10,543,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $8,476,000,000.

(B) Outlays, $11,213,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $9,219,000,000.

(B) Outlays, $11,922,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $9,979,000,000.

(B) Outlays, $12,662,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $10,775,000,000.

(B) Outlays, $13,458,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $11,607,000,000.

(B) Outlays, $14,290,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1997:

(A) New budget authority, $39,117,000,000.

(B) Outlays, $39,654,000,000.

(C) New direct loan obligations, $935,000,000.

(D) New primary loan guarantee commitments $26,362,000,000.

Fiscal year 1998:

(A) New budget authority, $38,458,000,000.

(B) Outlays, $39,321,000,000.

(C) New direct loan obligations, $962,000,000.

(D) New primary loan guarantee commitments $25,925,000,000.

Fiscal year 1999:

(A) New budget authority, $37,712,000,000.

(B) Outlays, $38,063,000,000.

(C) New direct loan obligations, $987,000,000.

(D) New primary loan guarantee commitments $25,426,000,000.

Fiscal year 2000:

(A) New budget authority, $37,713,000,000.

(B) Outlays, $39,427,000,000.

(C) New direct loan obligations, $1,021,000,000.

(D) New primary loan guarantee commitments $24,883,000,000.

Fiscal year 2001:

(A) New budget authority, $38,002,000,000.

(B) Outlays, $36,882,000,000.

(C) New direct loan obligations, $1,189,000,000.

(D) New primary loan guarantee commitments $24,298,000,000.

Fiscal year 2002:

(A) New budget authority, $39,713,000,000.

(B) Outlays, $39,912,000,000.

(C) New direct loan obligations, $1,194,000,000.

(D) New primary loan guarantee commitments $23,668,000,000.

(16) Administration of Justice (750):

Fiscal year 1997:

(A) New budget authority, $22,125,000,000.

(B) Outlays, $19,930,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $22,302,000,000.

(B) Outlays, $21,162,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $23,186,000,000.

(B) Outlays, $22,241,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $23,235,000,000.

(B) Outlays, $22,944,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $20,746,000,000.

(B) Outlays, $20,704,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $20,740,000,000.

(B) Outlays, $20,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(17) General Government (800):

Fiscal year 1997:

(A) New budget authority, $11,372,000,000.

(B) Outlays, $11,747,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $13,314,000,000.

(B) Outlays, $13,640,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $12,592,000,000.

(B) Outlays, $12,928,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $12,987,000,000.

(B) Outlays, $13,364,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $12,549,000,000.

(B) Outlays, $12,454,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $13,020,000,000.

(B) Outlays, $12,321,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(18) Net Interest (900):

Fiscal year 1997:

(A) New budget authority, $282,653,000,000.

(B) Outlays, $282,653,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $288,947,000,000.

(B) Outlays, $288,947,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $292,607,000,000.

(B) Outlays, $292,607,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $294,004,000,000.

(B) Outlays, $294,004,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $298,041,000,000.

(B) Outlays, $298,041,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $302,443,000,000.

(B) Outlays, $302,443,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(19) Allowances (920):

Fiscal year 1997:

(A) New budget authority, $2,671,000,000.

(B) Outlays, −$1,032,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$1,934,000,000.

(B) Outlays, −$833,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, −$2,025,000,000.

(B) Outlays, −$183,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$2,038,000,000.

(B) Outlays, −$271,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$2,026,000,000.

(B) Outlays, −$1,770,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$2,182,000,000.

(B) Outlays, −$2,139,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1997:

(A) New budget authority, −$45,574,000,000.

(B) Outlays, −$45,574,000,000.

(C) New direct loan obligations, $7,900,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$35,574,000,000.

(B) Outlays, −$35,574,000,000.

(C) New direct loan obligations, $1,350,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, −$34,762,000,000.

(B) Outlays, −$34,762,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$36,540,000,000.

(B) Outlays, −$36,540,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$38,322,000,000.

(B) Outlays, −$38,322,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$40,586,000,000.

(B) Outlays, −$40,586,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

SEC. 4. RECONCILIATION.

(a) SUBMISSIONS.—

(1) WELFARE AND MEDICAID REFORM.—Not later than May 24, 1996, the House committees named in subsection (b) shall submit their recommendations to provide direct spending for welfare and medicaid reform to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2) MEDICARE PRESERVATION.—Not later than June 14, 1996, the House committees named in subsection (c) shall submit their recommendations to provide direct spending for medicare preservation to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(3) TAX RELIEF AND MISCELLANEOUS DIRECT SPENDING REFORMS.—Not later than July 12, 1996, the House committees named in subsection (d) shall submit their recommendations to provide direct spending, deficit reduction, and revenues to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(4) CONTINGENT INSTRUCTION.—In addition to any bill described in paragraph (1), (2), or (3), if the chairman of the House Committee on the Budget submits a letter to the Speaker which sets forth an additional submission date for an omnibus reconciliation bill carrying out all instructions under subsections (b), (c), and (d) and that letter is printed in the Congressional Record, then the House committees named in those subsections shall promptly submit (or resubmit) recommendations to carry out those subsections to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(b) INSTRUCTIONS FOR WELFARE AND MEDICAID REFORM.—

(1) COMMITTEE ON AGRICULTURE.—The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending for welfare reform such that the total level of direct spending for that committee does not exceed: $35,604,000,000 in outlays for fiscal year 1997, $36,597,000,000 in outlays for fiscal year 2002, and $216,199,000,000 in outlays in fiscal years 1997 through 2002.

(2) COMMITTEE ON COMMERCE.—The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending for medicaid reform such that the total level of direct spending for that committee does not exceed: $324,314,000,000 in outlays for fiscal year 1997, $476,428,000,000 in outlays for fiscal year 2002, and $2,392,181,000,000 in outlays in fiscal years 1997 through 2002.

(3) COMMITTEE ON ECONOMIC AND EDUCATIONAL OPPORTUNITIES.—The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending for welfare reform such that the total level of direct spending for that committee does not exceed: $15,812,000,000 in outlays for fiscal year 1997, $19,677,000,000 in outlays for fiscal year 2002, and $105,343,000,000 in outlays in fiscal years 1997 through 2002.

(4) COMMITTEE ON WAYS AND MEANS.—The House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending for welfare reform such that the total level of direct spending for that committee does not exceed: $382,631,000,000 in outlays for fiscal year 1997, $563,077,000,000 in outlays for fiscal year

2002, and $2,810,370,000,000 in outlays in fiscal years 1997 through 2002.

(c) INSTRUCTIONS FOR MEDICARE PRESERVATION.—

(1) COMMITTEE ON COMMERCE.—The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending for medicare preservation such that the total level of direct spending for that committee does not exceed: $317,514,000,000 in outlays for fiscal year 1997, $425,828,000,000 in outlays for fiscal year 2002, and $2,234,080,000,000 in outlays in fiscal years 1997 through 2002.

(2) COMMITTEE ON WAYS AND MEANS.—The House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending for medicare preservation such that the total level of direct spending for that committee does not exceed: $375,831,000,000 in outlays for fiscal year 1997, $512,477,000,000 in outlays for fiscal year 2002, and $2,652,269,000,000 in outlays in fiscal years 1997 through 2002.

(d) INSTRUCTIONS FOR TAX RELIEF AND MISCELLANEOUS DIRECT SPENDING REFORMS.—

(1) COMMITTEE ON BANKING AND FINANCIAL SERVICES.—(A) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: -$12,249,000,000 in outlays for fiscal year 1997, -$6,116,000,000 in outlays for fiscal year 2002, and -$42,310,000,000 in outlays in fiscal years 1997 through 2002.

(B) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that would reduce the deficit by: $0 in fiscal year 1997, $115,000,000 for fiscal year 2002, and $305,000,000 in fiscal years 1997 through 2002.

(2) COMMITTEE ON COMMERCE.—The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $316,013,000,000 in outlays for fiscal year 1997, $419,609,000,000 in outlays for fiscal year 2002, and $2,213,093,000,000 in outlays in fiscal years 1997 through 2002.

(3) COMMITTEE ON ECONOMIC AND EDUCATIONAL OPPORTUNITIES.—The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $14,968,000,000 in outlays for fiscal year 1997, $18,818,000,000 in outlays for fiscal year 2002, and $101,044,000,000 in outlays in fiscal years 1997 through 2002.

(4) COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT.—(A) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $65,130,000,000 in outlays for fiscal year 1997, $82,548,000,000 in outlays for fiscal year 2002, and $442,000,000,000 in outlays in fiscal years 1997 through 2002.

(B) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that would reduce the deficit by: $255,000,000 in fiscal year 1997, $575,000,000 for fiscal years 2002, and $2,886,000,000 in fiscal years 1997 through 2002.

(5) COMMITTEE ON INTERNATIONAL RELATIONS.—The House Committee on International Relations shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $13,025,000,000 in outlays for fiscal year 1997, $10,311,000,000 in outlays for fiscal year 2002, and $67,953,000,000 in outlays in fiscal years 1997 through 2002.

(6) COMMITTEE ON THE JUDICIARY.—The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $2,784,000,000 in outlays for fiscal year 1997, $4,586,000,000 in outlays for fiscal year 2002, and $24,982,000,000 in outlays in fiscal years 1997 through 2002.

(7) COMMITTEE ON NATIONAL SECURITY.—The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $39,787,000,000 in outlays for fiscal year 1997, $49,551,000,000 in outlays for fiscal year 2002, and $270,749,000,000 in outlays in fiscal years 1997 through 2002.

(8) COMMITTEE ON RESOURCES.—The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $2,132,000,000 in outlays for fiscal year 1997, $2,057,000,000 in outlays for fiscal year 2002, and $11,739,000,000 in outlays in fiscal years 1997 through 2002.

(9) COMMITTEE ON SCIENCE.—The House Committee on Science shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $40,000,000 in outlays for fiscal year 1997, $46,000,000 in outlays for fiscal year 2002, and $242,000,000 in outlays in fiscal years 1997 through 2002.

(10) COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE.—The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $18,254,000,000 in outlays for fiscal year 1997, $17,890,000,000 in outlays for fiscal year 2002, and $106,903,000,000 in outlays in fiscal years 1997 through 2002.

(11) COMMITTEE ON VETERANS' AFFAIRS.—The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $21,375,000,000 in outlays for fiscal year 1997, $22,217,000,000 in outlays for fiscal year 2002, and $130,468,000,000 in outlays in fiscal years 1997 through 2002.

(12) COMMITTEE ON WAYS AND MEANS.—(A) The House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee does not exceed: $373,764,000,000 in outlays for fiscal year 1997, $509,912,000,000 in outlays for fiscal year 2002, and $2,638,286,000,000 in outlays in fiscal years 1997 through 2002.

(B) The House Committee on Ways and Means shall report changes in laws within its jurisdiction such that the total level of revenues for that committee is not less than: $1,050,476,000,000 in revenues for fiscal year 1997, $1,319,852,000,000 in revenues for fiscal year 2002, and $7,047,865,000,000 in revenues in fiscal years 1997 through 2002.

(e) DEFINITION.—For purposes of this section, the term "direct spending" has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 5. SALE OF GOVERNMENT ASSETS.

(a) BUDGETARY TREATMENT.—For purposes of the Congressional Budget Act of 1974, amounts realized from sales of assets shall be scored with respect to the level of budget authority, outlays, or revenues.

(b) DEFINITION.—For purposes of this section, the term "sale of an asset" shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) TREATMENT OF LOAN ASSETS.—For purposes of this section, the sale of loan assets or the prepayment of a loan shall be governed by the terms of the Federal Credit Reform Act of 1990.

SEC. 6. CREDIT REFORM AND DIRECT STUDENT LOANS.

For the purposes of any concurrent resolution on the budget and the Congressional Budget Act of 1974, the cost of a direct loan under the Federal direct student loan program shall be the net present value, at the time when the direct loan is disbursed, of the following cash flows for the estimated life of the loan—

(1) loan disbursements;

(2) repayments of principal;

(3) payments of interest and other payments by or to the Government over the life of the loan after adjusting for estimated defaults, prepayments, fees, penalties, and other recoveries; and

(4) direct expenses, including—

(A) activities related to credit extension, loan origination, loan servicing, management of contractors, and payments to contractors, other government entities, and program participants;

(B) collection of delinquent loans; and

(C) writeoff and closeout of loans.

SEC. 7. SENSE OF CONGRESS ON BASELINES.

(a) FINDINGS.—Congress finds that:

(1) Baselines are projections of future spending if existing policies remain unchanged.

(2) Under baseline assumptions, spending automatically rises with inflation even if such increases are not mandated under existing law.

(3) Baseline budgeting is inherently biased against policies that would reduce the projected growth in spending because such policies are depicted as spending reductions from an increasing baseline.

(4) The baseline concept has encouraged Congress to abdicate its constitutional obligation to control the public purse for those programs which are automatically funded.

(b) SENSE OF CONGRESS.—It is the sense of Congress that baseline budgeting should be replaced with a budgetary model that requires justification of aggregate funding levels and maximizes congressional accountability for Federal spending.

SEC. 8. SENSE OF CONGRESS ON EMERGENCIES.

(a) FINDINGS.—Congress finds that:

(1) The Budget Enforcement Act of 1990 exempted from the discretionary spending limits and the Pay-As-You-Go requirements for entitlement and tax legislation funding requirements that are designated by Congress and the President as an emergency.

(2) Congress and the President have increasingly misused the emergency designation by—

(A) designating as emergencies funding requirements that are predictable and do not pose a threat to life, property, or national security,

(B) designating emergencies with the sole purpose of circumventing statutory and congressional spending limitations and

(C) adding to emergency legislation controversial items that would not otherwise withstand public scrutiny.

(b) SENSE OF CONGRESS.—It is the sense of Congress that in order to balance the Federal budget Congress should consider alternative approaches to budgeting for emergencies, including codifying the definition of an emergency, establishing contingency funds to pay for emergencies, and fully offsetting the costs of emergencies with rescissions of spending authority that would have been obligated but for the rescission.

SEC. 9. SENSE OF CONGRESS ON LOAN SALES.

(a) FINDINGS.—Congress finds that:

(1) The House and Senate Appropriations Subcommittees on Treasury, Postal Service, and General Government have stated that "more consideration should be given to the sale of nonperforming loans held not only by HUD, but by all Federal agencies that provide credit programs" and directed the Office of Management and Budget to direct Federal agencies to evaluate the value of their credit programs and develop a plan for the privatization of such credit programs.

(2) The Senate Appropriations Subcommittee on Commerce, Justice, State, the Judiciary, and Related Agencies has directed that the Small Business Administration should study and report to Congress on the feasibility of private servicing of SBA loan activities.

(3) The House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies previously directed the Farmers Home Administration to "explore the potential savings that might occur from contract centralized servicing."

(4) The Committee on Agriculture of the House has consistently urged the Secretary of Agriculture to explore contracting out loan servicing operations.

(5) The General Accounting Office has found that "Allowing the public and private sectors to compete for the centralized servicing (of loans) could mean reaping the benefits of the competitive marketplace - greater efficiency, increased focus on customer needs, increased innovation, and improved morale."

(6) The House Committee on Small Business has recommended "that 40 percent of the loan servicing portfolio (for Disaster Loans) be privatized."

(7) The President's Budget for Fiscal Year 1997 proposes to review options for improving the quality of loan portfolio management including contracting to the private sector.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the appropriate committees of the House and the Senate should report legislation authorizing the sale of such loan assets as they deem appropriate in order to contribute to Government downsizing, administrative cost savings, and improved services to borrowers.

SEC. 10. SENSE OF CONGRESS ON CHANGES IN MEDICAID.

It is the sense of Congress that any legislation changing the medicaid program pursuant to this resolution should—

(1) guarantee coverage for low-income children, pregnant women, the elderly, and the disabled as described in the National Governors' Association February 6, 1996, policy on reforming medicaid, which was endorsed unanimously by our Nation's governors;

(2) maintain the medicaid program as a matching program while providing a fairer and more equitable formula for calculating the matching rate;

(3) reject any illusory financing schemes;

(4) continue Federal minimum standards for nursing homes;

(5) continue Federal rules that prevent wives or husbands from being required to impoverish themselves in order to obtain and keep medicaid benefits for their spouse requiring nursing home care; and

(6) provide coverage of medicare premiums and cost-sharing payments for low-income seniors consistent with the unanimous National Governors' Association medicaid policy.

SEC. 11. SENSE OF CONGRESS ON DOMESTIC VIOLENCE AND FEDERAL ASSISTANCE.

(a) FINDINGS.—Congress finds that—

(1) domestic violence is the leading cause of physical injury to women; the Department of Justice estimates that over one million violent crimes against women are committed by intimate partners annually;

(2) domestic violence dramatically affects the victim's ability to participate in the workforce; a University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work;

(3) domestic violence is often intensified as women seek to gain economic independence through attending school or training programs; batterers have been reported to prevent women from attending these programs or sabotage their efforts at self-improvement;

(4) nationwide surveys of service providers prepared by the Taylor Institute of Chicago, document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 percent and 80 percent of AFDC recipients are current or past victims of domestic violence;

(5) over half of the women surveyed stayed with their batterers because they lacked the resources to support themselves and their children; the surveys also found that the availability of economic support is a critical factor in poor women's ability to leave abusive situations that threaten them and their children; and

(6) proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) no welfare reform provision shall be enacted by Congress unless and until Congress considers whether such welfare reform provisions will exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence; and

(2) any welfare reform measure enacted by Congress shall require that any welfare-to-work, education, or job placement programs implemented by the States will address the impact of domestic violence on welfare recipients.

SEC. 12. SENSE OF CONGRESS ON IMPACT OF LEGISLATION ON CHILDREN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that Congress should not adopt or enact any legislation that will increase the number of children who are hungry, homeless, poor, or medically uninsured.

(b) LEGISLATIVE ACCOUNTABILITY FOR IMPACT ON CHILDREN.—In the event legislation enacted to comply with this resolution results in an increase in the number of hungry, homeless, poor, or medically uninsured by the end of fiscal year 1997, Congress shall revisit the provisions of such legislation which caused such increase and shall, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

SEC. 13. SENSE OF HOUSE OF REPRESENTATIVES ON DEBT REPAYMENT.

It is the sense of the House of Representatives that—

(1) Congress has a basic moral and ethical responsibility to future generations to repay the Federal debt;

(2) Congress should enact a plan that balances the budget, and then also develops a regimen for paying off the Federal debt;

(3) after the budget is balanced, a surplus should be created which can be used to begin paying off the debt; and

(4) such a plan should be formulated and implemented so that this generation can save future generations from the crushing burdens of the Federal debt.

SEC. 14. SENSE OF CONGRESS ON COMMITMENT TO A BALANCED BUDGET BY FISCAL YEAR 2002.

It is the sense of Congress that the President and Congress should continue to adhere to the statutory commitment made by both parties on November 20, 1995, to enact legislation to achieve a balanced budget not later than fiscal year 2002 as estimated by the Congressional Budget Office.

The CHAIRMAN. No amendments are in order except those designated in section 2 of the resolution, which shall be considered only in the order designated, may be offered only by the Member designated, or a designee, except that if no Member offers the amendment designated in paragraph (3) of section 2, Then that amendment shall be considered as pending at that point, shall be considered read, shall be debatable for 1 hour, Equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

The adoption of an amendment in the nature of a substitute the conclusion of consideration of the concurrent resolution for amendment.

At the conclusion of consideration of the concurrent resolution for amendment, there will be a final period of general debate, which shall not exceed 40 minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

It is now in order to consider the amendment designated in paragraph (1) of section 2 of House Resolution 435.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. PAYNE OF NEW JERSEY

Mr. PAYNE of New Jersey. Mr. Chairman, I offer an amendment in the nature of a substitute made in order under the rule.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. PAYNE of New Jersey:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,140,900,000,000.

Fiscal year 1998: $1,216,000,000,000.

Fiscal year 1999: $1,777,300,000,000.

Fiscal year 2000: $1,345,000,000,000.

Fiscal year 2001: $1,407,900,000,000.

Fiscal year 2002: $1,483,500,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: $40,500,000,000.

Fiscal year 1998: $67,500,000,000.

Fiscal year 1999: $78,900,000,000.

Fiscal year 2000: $93,200,000,000.

Fiscal year 2001: $96,800,000,000.

Fiscal year 2002: $109,700,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,338,600,000,000.

Fiscal year 1998: $1,400,600,000,000.

Fiscal year 1999: $1,448,500,000,000.

Fiscal year 2000: $1,508,000,000,000.

Fiscal year 2001: $1,548,700,000,000.

Fiscal year 2002: $1,618,600,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,325,000,000,000.

Fiscal year 1998: $1,391,100,000,000.

Fiscal year 1999: $1,436,500,000,000.

Fiscal year 2000: $1,483,000,000,000.

Fiscal year 2001: $1,525,000,000,000.

Fiscal year 2002: $1,589,200,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $184,100,000,000.

Fiscal year 1998: $175,100,000,000.

Fiscal year 1999: $159,200,000,000.

Fiscal year 2000: $138,000,000,000.

Fiscal year 2001: $117,300,000,000.

Fiscal year 2002: $105,700,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,417,500,000,000.

Fiscal year 1998: $5,651,100,000,000.

Fiscal year 1999: $5,864,000,000,000.

Fiscal year 2000: $6,058,600,000,000.

Fiscal year 2001: $6,212,600,000,000.

Fiscal year 2002: $6,344,300,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,432,000,000.

Fiscal year 1998: $39,420,000,000.

Fiscal year 1999: $42,470,000,000.

Fiscal year 2000: $43,895,000,000.

Fiscal year 2001: $44,292,000,000.

Fiscal year 2002: $46,718,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $267,340,000,000.

Fiscal year 1998: $266,819,000,000.

Fiscal year 1999: $266,088,000,000.

Fiscal year 2000: $267,079,000,000.

Fiscal year 2001: $267,982,000,000.

Fiscal year 2002: $269,051,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1997:

(A) New budget authority, $240,300,000,000.

(B) Outlays, $237,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $800,000,000.

Fiscal year 1998:

(A) New budget authority, $233,300,000,000.

(B) Outlays, $235,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 1999:

(A) New budget authority, $227,400,000,000.

(B) Outlays, $228,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2000:

(A) New budget authority, $223,400,000,000.

(B) Outlays, $220,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2001:

(A) New budget authority, $219,500,000,000.

(B) Outlays, $216,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2002:

(A) New budget authority, $219,500,000,000.

(B) Outlays, $216,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

(2) International Affairs (150):

Fiscal year 1997:

(A) New budget authority, $17,700,000,000.

(B) Outlays, $15,800,000,000.

(C) New direct loan obligations, $4,342,000,000.

(D) New primary loan guarantee commitments $18,251,000,000.

Fiscal year 1998:

(A) New budget authority, $18,300,000,000.

(B) Outlays, $17,500,000,000.

(C) New direct loan obligations, $4,417,000,000.

(D) New primary loan guarantee commitments $18,628,000,000.

Fiscal year 1999:

(A) New budget authority, $18,500,000,000.

(B) Outlays, $17,000,000,000.

(C) New direct loan obligations, $4,518,000,000.

(D) New primary loan guarantee commitments $19,030,000,000.

Fiscal year 2000:

(A) New budget authority, $22,100,000,000.

(B) Outlays, $19,600,000,000.

(C) New direct loan obligations, $4,618,000,000.

(D) New primary loan guarantee commitments $19,406,000,000.

Fiscal year 2001:

(A) New budget authority, $22,000,000,000.

(B) Outlays, $20,000,000,000.

(C) New direct loan obligations, $4,739,000,000.

(D) New primary loan guarantee commitments $19,858,000,000.

Fiscal year 2002:

(A) New budget authority, $22,000,000,000.

(B) Outlays, $20,000,000,000.

(C) New direct loan obligations, $4,891,000,000.

(D) New primary loan guarantee commitments $20,431,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:

(A) New budget authority, $15,800,000,000.

(B) Outlays, $15,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $15,200,000,000.

(B) Outlays, $15,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $15,400,000,000.

(B) Outlays, $15,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $14,900,000,000.

(B) Outlays, $14,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $14,900,000,000.

(B) Outlays, $14,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $14,900,000,000.

(B) Outlays, $14,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(4) Energy (270):

Fiscal year 1997:

(A) New budget authority, $3,300,000,000.

(B) Outlays, $2,200,000,000.

(C) New direct loan obligations, $1,033,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $3,000,000,000.

(B) Outlays, $1,800,000,000.

(C) New direct loan obligations, $1,050,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $3,300,000,000.

(B) Outlays, $2,000,000,000.

(C) New direct loan obligations, $1,078,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $3,100,000,000.

(B) Outlays, $1,700,000,000.

(C) New direct loan obligations, $1,109,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $3,300,000,000.

(B) Outlays, $1,800,000,000.

(C) New direct loan obligations, $1,141,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $3,000,000,000.

(B) Outlays, $1,500,000,000.

(C) New direct loan obligations, $1,179,000,000,000.

(D) New primary loan guarantee commitments $0.

(5) Natural Resources and Environment (300):

Fiscal year 1997:

(A) New budget authority, $22,500,000,000.

(B) Outlays, $22,200,000,000.

(C) New direct loan obligations, $27,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $22,800,000,000.

(B) Outlays, $21,900,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $21,400,000,000.

(B) Outlays, $21,400,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $20,700,000,000.

(B) Outlays, $20,600,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $20,800,000,000.

(B) Outlays, $20,500,000,000.

(C) New direct loan obligations, $44,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $20,800,000,000.

(B) Outlays, $20,400,000,000.

(C) New direct loan obligations, $44,000,000.

(D) New primary loan guarantee commitments $0.

(6) Agriculture (350):

Fiscal year 1997:

(A) New budget authority, $12,600,000,000.

(B) Outlays, $10,900,000,000.

(C) New direct loan obligations, $7,810,000,000.

(D) New primary loan guarantee commitments $5,994,000,000.

Fiscal year 1998:

(A) New budget authority, $11,100,000,000.

(B) Outlays, $10,000,000,000.

(C) New direct loan obligations, $9,387,000,000.

(D) New primary loan guarantee commitments $6,765,000,000.

Fiscal year 1999:

(A) New budget authority, $10,900,000,000.

(B) Outlays, $8,800,000,000.

(C) New direct loan obligations, $10,808,000,000.

(D) New primary loan guarantee commitments $6,836,000,000.

Fiscal year 2000:

(A) New budget authority, $10,200,000,000.

(B) Outlays, $8,300,000,000.

(C) New direct loan obligations, $10,825,000,000.

(D) New primary loan guarantee commitments $6,909,000,000.

Fiscal year 2001:

(A) New budget authority, $8,800,000,000.

(B) Outlays, $7,100,000,000.

(C) New direct loan obligations, $10,708,000,000.

(D) New primary loan guarantee commitments $6,983,000,000.

Fiscal year 2002:

(A) New budget authority, $8,700,000,000.

(B) Outlays, $6,100,000,000.

(C) New direct loan obligations, $10,706,000,000.

(D) New primary loan guarantee commitments $7,060,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1997:

(A) New budget authority, $8,400,000,000.

(B) Outlays, $1,300,000,000.

(C) New direct loan obligations, $1,910,000,000.

(D) New primary loan guarantee commitments $198,096,000,000.

Fiscal year 1998:

(A) New budget authority, $10,200,000,000.

(B) Outlays, $5,700,000,000.

(C) New direct loan obligations, $1,900,000,000.

(D) New primary loan guarantee commitments $198,218,000,000.

Fiscal year 1999:

(A) New budget authority, $11,000,000,000.

(B) Outlays, $6,000,000,000.

(C) New direct loan obligations, $1,954,000,000.

(D) New primary loan guarantee commitments $198,427,000,000.

Fiscal year 2000:

(A) New budget authority, $12,900,000,000.

(B) Outlays, $7,100,000,000.

(C) New direct loan obligations, $2,015,000,000.

(D) New primary loan guarantee commitments $198,723,000,000.

Fiscal year 2001:

(A) New budget authority, $12,400,000,000.

(B) Outlays, $7,600,00,000.

(C) New direct loan obligations, $2,072,000,000.

(D) New primary loan guarantee commitments $198,876,000,000.

Fiscal year 2002:

(A) New budget authority, $12,700,000,000.

(B) Outlays, $8,200,000,000.

(C) New direct loan obligations, $2,134,000,000.

(D) New primary loan guarantee commitments $199,111,000,000.

(8) Transportation (400):

Fiscal year 1997:

(A) New budget authority, $42,300,000,000.

(B) Outlays, $39,000,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $43,300,000,000.

(B) Outlays, $38,100,000,000.

(C) New direct loan obligations, $16,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $43,900,000,000.

(B) Outlays, $36,800,000,000.

(C) New direct loan obligations, $16,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $44,600,000,000.

(B) Outlays, $33,900,000,000.

(C) New direct loan obligations, $17,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $45,300,000,000.

(B) Outlays, $33,800,000,000.

(C) New direct loan obligations, $17,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $46,100,000,000.

(B) Outlays, $33,700,000,000.

(C) New direct loan obligations, $18,000,000.

(D) New primary loan guarantee commitments $0.

(9) Community and Regional Development (450):

Fiscal year 1997:

(A) New budget authority, $11,000,000,000.

(B) Outlays, $11,200,000,000.

(C) New direct loan obligations, $1,230,000,000.

(D) New primary loan guarantee commitments $2,187,000,000.

Fiscal year 1998:

(A) New budget authority, $11,500,000,000.

(B) Outlays, $11,800,000,000.

(C) New direct loan obligations, $1,257,000,000.

(D) New primary loan guarantee commitments $2,229,000,000.

Fiscal year 1999:

(A) New budget authority, $2,000,000,000.

(B) Outlays, $12,200,000,000.

(C) New direct loan obligations, $1,287,000,000.

(D) New primary loan guarantee commitments $2,315,000,000.

Fiscal year 2000:

(A) New budget authority, $12,500,000,000.

(B) Outlays, $12,700,000,000.

(C) New direct loan obligations, $1,365,000,000.

(D) New primary loan guarantee commitments $2,369,000,000.

Fiscal year 2001:

(A) New budget authority, $13,700,000,000.

(B) Outlays, $13,100,000,000.

(C) New direct loan obligations, $1,404,000,000.

(D) New primary loan guarantee commitments $2,448,000,000.

Fiscal year 2002:

(A) New budget authority, $13,700,000,000.

(B) Outlays, $13,300,000,000.

(C) New direct loan obligations, $1,430,000,000.

(D) New primary loan guarantee commitments $2,496,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1997:

(A) New budget authority, $62,900,000,000.

(B) Outlays, $61,800,000,000.

(C) New direct loan obligations, $16,219,000,000.

(D) New primary loan guarantee commitments $15,469,000,000.

Fiscal year 1998:

(A) New budget authority, $64,900,000,000.

(B) Outlays, $63,700,000,000.

(C) New direct loan obligations, $69,700,000,000.

(D) New primary loan guarantee commitments $14,760,000,000.

Fiscal year 1999:

(A) New budget authority, $68,200,000,000.

(B) Outlays, $66,400,000,000.

(C) New direct loan obligations, $21,781,000,000.

(D) New primary loan guarantee commitments $13,854,000,000.

Fiscal year 2000:

(A) New budget authority, $70,500,000,000.

(B) Outlays, $68,700,000,000.

(C) New direct loan obligations, $22,884,000,000.

(D) New primary loan guarantee commitments $14,589,000,000.

Fiscal year 2001:

(A) New budget authority, $71,800,000,000.

(B) Outlays, $69,700,000,000.

(C) New direct loan obligations, $23,978,000,000.

(D) New primary loan guarantee commitments $15,319,000,000.

Fiscal year 2002:

(A) New budget authority, $73,000,000,000.

(B) Outlays, $71,100,000,000.

(C) New direct loan obligations, $25,127,000,000.

(D) New primary loan guarantee commitments $16,085,000,000.

(11) Health (550):

Fiscal year 1997:

(A) New budget authority, $140,900,000,000.

(B) Outlays, $140,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $187,000,000.

Fiscal year 1998:

(A) New budget authority, $154,200,000,000.

(B) Outlays, $153,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $94,000,000.

Fiscal year 1999:

(A) New budget authority, $168,300,000,000.

(B) Outlays, $167,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $183,000,000,000.

(B) Outlays, $182,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $198,800,000,000.

(B) Outlays, $198,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $215,500,000,000.

(B) Outlays, $214,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(12) Medicare (570):

Fiscal year 1997:

(A) New budget authority, $199,800,000,000.

(B) Outlays, $198,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $218,800,000,000.

(B) Outlays, $217,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $239,200,000,000.

(B) Outlays, $236,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $259,700,000,000.

(B) Outlays, $258,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $282,500,000,000.

(B) Outlays, $780,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $307,500,000,000.

(B) Outlays, $305,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(13) Income Security (600):

Fiscal year 1997:

(A) New budget authority, $236,700,000,000.

(B) Outlays, $244,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $253,700,000,000.

(B) Outlays, $255,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $261,400,000,000.

(B) Outlays, $267,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $282,000,000,000.

(B) Outlays, $281,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $283,200,000,000.

(B) Outlays, $287,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $305,200,000,000.

(B) Outlays, $302,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(14) Social Security (650):

Fiscal year 1997:

(A) New budget authority, $7,800,000,000.

(B) Outlays, $11,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $8,500,000,000.

(B) Outlays, $11,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $9,200,000,000.

(B) Outlays, $12,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $10,000,000,000.

(B) Outlays, $13,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $10,800,000,000.

(B) Outlays, $14,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $11,600,000,000.

(B) Outlays, $15,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1997:

(A) New budget authority, $39,600,000,000.

(B) Outlays, $40,300,000,000.

(C) New direct loan obligations, $935,000,000.

(D) New primary loan guarantee commitments $26,362,000,000.

Fiscal year 1998:

(A) New budget authority, $40,200,000,000.

(B) Outlays, $40,500,000,000.

(C) New direct loan obligations, $982,000.

(D) New primary loan guarantee commitments $25,925,000,000.

Fiscal year 1999:

(A) New budget authority, $42,100,000,000.

(B) Outlays, $42,200,000,000.

(C) New direct loan obligations, $987,000,000.

(D) New primary loan guarantee commitments $25,426,000,000.

Fiscal year 2000:

(A) New budget authority, $43,100,000,000.

(B) Outlays, $44,700,000,000.

(C) New direct loan obligations, $1,021,000,000.

(D) New primary loan guarantee commitments $24,883,000,000.

Fiscal year 2001:

(A) New budget authority, $44,000,000,000.

(B) Outlays, $42,800,000,000.

(C) New direct loan obligations, $1,189,000,000.

(D) New primary loan guarantee commitments $24,298,000,000.

Fiscal year 2002:

(A) New budget authority, $45,100,000,000.

(B) Outlays, $45,400,000,000.

(C) New direct loan obligations, $1,194,000,000.

(D) New primary loan guarantee commitments $23,668,000,000.

(16) Administration of Justice (750):

Fiscal year 1997:

(A) New budget authority, $23,400,000,000.

(B) Outlays, $21,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $24,500,000,000.

(B) Outlays, $24,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $25,400,000,000.

(B) Outlays, $24,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $25,500,000,000.

(B) Outlays, $25,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $24,700,000,000.

(B) Outlays, $25,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $24,100,000,000.

(B) Outlays, $24,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(17) General Government (800):

Fiscal year 1997:

(A) New budget authority, $15,300,000,000.

(B) Outlays, $14,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $14,900,000,000.

(B) Outlays, $14,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $14,700,000,000.

(B) Outlays, $14,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $14,700,000,000.

(B) Outlays, $14,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $15,100,000,000.

(B) Outlays, $14,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $15,400,000,000.

(B) Outlays, $15,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(18) Net Interest (900):

Fiscal year 1997:

(A) New budget authority, $281,400,000,000.

(B) Outlays, $281,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $285,600,000,000.

(B) Outlays, $285,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $287,300,000,000.

(B) Outlays, $287,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $286,800,000,000.

(B) Outlays, $286,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $289,500,000,000.

(B) Outlays, $289,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $293,500,000,000.

(B) Outlays, $293,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(19) Allowances (920):

Fiscal year 1997:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1997:

(A) New budget authority, −$43,300,000,000.

(B) Outlays, −$43,300,000,000.

(C) New direct loan obligations, $7,900,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$33,500,000,000.

(B) Outlays, −$33,500,000,000.

(C) New direct loan obligations, $8,838,000,000.

(D) New primary loan guarantee commitments $8,838,000,000.

Fiscal year 1999:

(A) New budget authority, −$31,100,000,000.

(B) Outlays, −$31,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$3,600,000,000.

(B) Outlays, −$3,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$32,600,000,000.

(B) Outlays, −$32,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$33,800,000,000.

(B) Outlays, −$33,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

SEC. 4. RECONCILIATION.

(a) Not later than June 21, 1996, the House committee named in subsection (b) shall report its recommendations to the House.

(b) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues by $40,500,000,000 in fiscal year 1997, by $377,000,000,000 in fiscal years 1997 through 2001, and by $486,600,000,000 in fiscal years 1997 through 2002.

SEC. 5. SENSE OF CONGRESS ON DOMESTIC VIOLENCE AND FEDERAL ASSISTANCE.

(a) FINDINGS.—Congress finds that—

(1) domestic violence is the leading cause of physical injury to women; the Department of Justice estimates that over one million violent crimes against women are committed by intimate partners annually;

(2) domestic violence dramatically affects the victim's ability to participate in the workforce; a University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work;

(3) domestic violence is often intensified as women seek to gain economic independence through attending school or training programs; batterers have been reported to prevent women from attending these programs or sabotage their efforts at self-improvement;

(4) nationwide surveys of service providers prepared by the Taylor Institute of Chicago, document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 percent and 80 percent of AFDC recipients are current or past victims of domestic violence;

(5) over half of the women surveyed stayed with their batterers because they lacked the resources to support themselves and their children; the surveys also found that the availability of economic support is a critical factor in poor women's ability to leave abusive situations that threaten them and their children; and

(6) proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) no welfare reform provision shall be enacted by Congress unless and until Congress considers whether such welfare reform provisions will exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence; and

(2) any welfare reform measure enacted by Congress shall require that any welfare-to-work, education, or job placement programs implemented by the States will address the impact of domestic violence on welfare recipients.

SEC. 6. SENSE OF CONGRESS ON IMPACT OF LEGISLATION ON CHILDREN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that Congress should not adopt or enact any legislation that will increase the number of children who are hungry, homeless, poor, or medically uninsured.

(b) LEGISLATIVE ACCOUNTABILITY FOR IMPACT ON CHILDREN.—In the event legislation enacted to comply with this resolution results in an increase in the number of hungry, homeless, poor, or medically uninsured by the end of fiscal year 1997, Congress shall revisit the provisions of such legislation which caused such increase and shall, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

The CHAIRMAN. Pursuant to the rule, the gentleman from New Jersey [Mr. PAYNE] and a Member opposed, each will control 30 minutes.

Mr. SHAYS. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The gentleman from Connecticut [Mr. SHAYS] will be recognized for 30 minutes in opposition.

The Chair recognizes the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as chairman of the Congressional Black Caucus, I am proud to join my distinguished colleague from New York, MAJOR OWENS, and our friends in the Progressive Caucus, in offering a budget plan to renew America by reordering our national priorities.

It has been the tradition of the Congressional Black Caucus each year to offer an alternative budget which embodies our vision for America. I am pleased that this year, our good friends from the Progressive Caucus have joined in this effort and I want to acknowledge the contributions of BERNIE SANDERS, chairman of the Progressive Caucus and PETER DEFAZIO, who heads the Budget Task Force.

After many months of hard work, we have produced a plan which is both fiscally sound and morally responsible.

Yes, we bring about a balanced budget by the year 2002. We recognize that our Nation cannot continue to carry this heavy burden of debt. During the Reagan-Bush era, we saw an unprecedented explosion of the deficit, as it first doubled, then tripled, then quadrupled. Fortunately, under President Clinton's leadership, the budget deficit has been cut dramatically and as we all know, our economy is markedly healthier than it was in 1993 when he took office. I am proud to be among those who supported his successful deficit reduction plan.

We in the Black Caucus and the Progressive Caucus want to continue to build on the President's deficit reduction success. We also want to strengthen and rebuild America by investing wisely—in education; job training; transportation and infrastructure; health care; and protection of programs on which older Americans rely—Social Security, Medicare, and Medicaid.

We reject the path taken by our Republican colleagues over these past 2 years, a path we believe the American people have also found to be dangerous and extreme. What kind of message does Congress send when it gives the Pentagon $13 billion more than it asked for next year, while at the same time proposing to cut Medicare for our seniors by $168 billion, eliminating Goals 2000, direct student loans, and State incentive grants? It is our contention that funneling resources away from sound investments like education, employment training, vocational skills, and scientific research, in order to purchase costly and unnecessary weapons will make our Nation weaker, not stronger. We need our students to be the best and the brightest as they carry America's legacy forward into the next millenium, meeting all the challenges of a dramatically changing global marketplace.

During this past Congress, we were ultimately successful in saving items in the budget which make a difference in the lives of millions of Americans—programs like the Low-Income Home Energy Assistance Program so that older people can pay their heating bills in the coldest months of the winter, and the Summer Youth Employment Program to give young people the chance to become productive wage earners.

Our caring majority budget continues these important domestic investments.

We also recognize America's role as a champion of democracy worldwide. In the area of international affairs, we provide support for emerging democracies in Eastern Europe and other nations in this post-cold-war-era. We maintain the current level of foreign assistance to Africa and support foreign aid grants to Egypt and Israel. We encourage efforts to reach a fair and just peace in places like Northern Ireland. In addition, in keeping with America's tradition of lending a helping hand to those in need, we provide humanitarian assistance through the Public Law 480 food programs.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. PAYNE of New Jersey. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I have just a brief question to the leader of the opposition of this bill. The gentleman that is opposing this bill is my good friend from Connecticut, a moderate Republican. When he takes to the well, will he kindly explain to all of his friends on this side how he ended up being designated the person to lead the opposition to one of the finest budgets that I thought I remembered he used to compliment?

Mr. PAYNE of New Jersey. Mr. Chairman, reclaiming my time, I will conclude by saying I urge my colleagues in the House to support a budget plan that will truly set us on a bold new course. We know that the policies of the 1980's brought us wasteful military spending and costly tax breaks for the affluent, while saddling our Nation with massive debt. Let us reject those worn out ideas and invest in America's people.

Mr. Chairman, I yield the balance of my time to the gentleman from New York [Mr. OWENS], chairman of the Congressional Black Caucus Budget Task Force, who worked tirelessly on this last year and this year, and I ask unanimous consent that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SHAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. NUSSLE].

Mr. NUSSLE. Mr. Chairman, I thank the gentleman for yielding me the time.

Let me start by suggesting that what we have here today is a real opportunity. I think what the Black Caucus has put together is probably the only real alternative that will be on the floor today. It balances the budget. It is a real budget, with real priorities. It is just using real numbers. What you have been able to put together is a real balanced budget.

There is no quarrel on this side I am aware of with the compliment that in fact you have done fantastic work in coming forth with that priority. I think it is maybe a way of trying to answer this gentleman's question about why we are in opposition is just a matter of priorities. Certainly that is what this debate needs to be about.

Just to set the tone, and hopefully it will work this way, hopefully you are not going to come out and say Medicare cuts. We do not cut Medicare. We can talk about reductions, we can talk about reductions in growth, we can talk about saving, we can talk about lots of things like that. But please do not come out with that, because we think we can sincerely have a debate over your budget and our budget without using the kind of rhetoric.

☐ 1115

So I start with a very sincere compliment that I think is shared by my side of the aisle with regard to the budget that you presented.

Let me also suggest this. It is different than the so-called Blue Dog budget, in that the Blue Dogs really just endorsed the status quo, and, basically, it is a reendorsement of the 1993 tax increase.

The Clinton budget does not use real numbers. The deficits go up in the first couple of years and it does not get to balance by 2002. What my Democrat colleagues have been able to put together, I say sincerely, is a great effort and I compliment them on it.

Now, where do we differ? Where we differ, quite honestly, is the comment I tried to talk a little bit about yesterday, and that is when the woman came up to me after my town meeting and said:

> You know, you have it all wrong out there in Washington. It is not more government. It is not more government programs. We have tried that. We have tried growing the government. We have tried more government programs.

She was about 90 years old, and what she told me was when she was a little girl in her neighborhood, that is where they solved problems. Now, Norman Rockwell is not around anymore. There is no way it can work exactly like that. But unless we establish a partnership between the Federal Government, the State government, the local governments and, more importantly, families, individuals and communities to solve these problems, I do not think we are going to get there.

We spent $5.3 trillion on the War on Poverty since the 1960's, and I do not think there is anybody here that is suggesting we won that war. We have not even made a dent in that war in many respects.

The second thing I would just say is, I met a gentleman in Waterloo, IA, who happens to be a black American, who in his neighborhood has established, we have all heard of Neighborhood Watch, well, this is the ultimate of Neighorhood Watch. He has gone into his community, neighborhood and community, and organized neighbors to solve poverty, drugs, crime.

This guy is walking around late at night in his community with a gang of adults and parents, and what they are doing is they are saying,

> We are not going to wait for the Federal Government. We are not going to wait for the State government. We are not going to wait for Congress to pass a bill or get its act

together or debate the budget. We are going to clean up our community today. We are going to solve local problems today.

What the Republicans want to do is give him the resources. We do not want to just hire more bureaucrats to get that job done. We do not want to just establish more status quo programs.

I say respectfully, while my colleagues' budget proposal balances, what we are concerned about is that it really continues much of this perpetuation of big government and more programs and more bureaucracy. So we have a difference of opinion. I know that is where my colleagues are coming from. Where we are coming from is that that has been tried, and we want to get it back to the local level. That is the difference between the two plans, in my estimation.

Mr. OWENS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I want to thank the chairman of the Congressional Black Caucus, the gentleman from New Jersey [Mr. PAYNE] and the chairman of the House Progressive Caucus, the gentleman from Vermont [Mr. SANDERS], for their support and development of this caring majority budget that we are presenting here today.

I also want to thank all the members of the CBC and the Progressive Caucus and their staff for their help in completing this very worthwhile project. Particularly, I want to thank members of my staff, Kenya Reid and Jacqui Ellis, for the Herculean efforts they put forth to produce this budget.

I also want to thank the gentleman from Oregon, Congressman PETER DEFAZIO, and his staff for their valuable assistance.

The caring majority budget of the Congressional Black Caucus and the House Progressive Caucus meets the mandate that we produce a balanced budget. But this budget does not produce a murder of Medicaid. It does not reduce EITC or wipe out the summer youth employment programs. The budget is again balanced by eliminating corporate welfare and closing corporate tax loopholes.

The Republican budget, on the other hand, continues in its extremism. The Republican budget is really not about money in the overall analysis. The Republican budget is about a destructive plan to destroy the New Deal programs and the great society programs. It wants to destroy safety net programs. Why else would it want to have a $13 billion increase for the defense budget at the same time it proposes to pare down government, streamline government, and to bring an end to Big Government?

By continuing to insist that the Medicaid entitlement be eliminated, the Republican budget poses a clear and present threat to the health and life of millions of Americans. By abandoning health care to the States, the Republican budget opens the door to decentralized genocide. Instead of going forward into universal health care, we will be leaving the children and the elderly to die for lack of vital health care.

As an alternative to this mean and extreme Republican budget, our caring majority budget of the Congressional Black Caucus and the Progressive Caucus is a budget of compassion which would promote the general welfare while ensuring fairness and justice for all.

Mr. SHAYS. Mr. Chairman, I yield 3½ minutes to the gentleman from California [Mr. RADANOVICH].

Mr. RADANOVICH. Mr. Chairman, I thank the gentleman for yielding me the time. I am pleased to be here, and I want to congratulate the other side of the aisle for submitting a budget that really expresses concern for the care of the poor and the needy and for the less fortunate in this country. I applaud them for their compassion, their good will, and I would like to say that we share their concern and their compassion for the care of the poor and needy and also for those less fortunate.

We share their concern in wanting to provide more opportunity for more Americans in this country, but I want to point out a couple of things. One, referring to this chart right here, if this chair was America, which I believe it is, say this chair represents America, only a fool wants to sit in a chair like this, simply because Government is way too big. This is a result of the Great Society. The chair is ready to tip over.

The Government is the Great Society in the chair and it is way too large. At the same time, look at our religious institutions, look at our business institutions, look how we have decimated the family unit over the last 30 years. This is a result of the big government approach to solving problems in this country. This is the fruit of 30 to 40 years of the Great Society, where Government steps in, identifies a problem, tries to solve it with a Government solution.

Let me say, too, that we all care about how to take care and create more opportunity in this country. The question is how do we do it. No. 1, reducing the ranks of the poor and needy; No. 2, creating more opportunity for every American.

This is a tired old system. Today a child born into America has a very little chance of having a stable family, No. 1. No. 2, Government is overregulating and overtaxing so that he or she has no opportunity to go out and create. and No. 3, we have a system or a country today where religions have been devalued in this country.

And look what they have to deal with; a value-neutral Federal Government that hands out dollars and does not provide for any stability or security in this country. I am sorry, but this is the kind of budget that we are considering now that is being offered.

What the Republican budget seeks to do is this: It seeks to equalize the legs in the chair. Government is reduced. Everybody knows that the people on this side of the aisle are trying to reduce Government, but I will tell my friends why.

It is too free up the other institutions in this country. It is to free them up so that they have more influence on the individual lives of every American, so that a child born into America today is born into strong families; is also born into a business environment that provides opportunity, not only so that that person can either get a job but that they can go out and are trained to create a job; that they are born into a country that has more significance, where more value is placed on the religious institutions in this country; and that they are born into a country where there is less Government interference in their life.

Now, this is the Republican budget that we are considering, and I would request my colleagues to join the Republicans so that we can produce a budget that cares for the poor and needy, that meets the needs of the less fortunate, but also provides more opportunity for every American.

I would ask that we reject this amended budget that was brought in and support the Republican budget and the Republican efforts to make America a better country for everybody.

Mr. OWENS. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, did the chart of the gentleman from California include the leg that added $13 billion on to defense? That is the chart we are looking for. That is the leg that is out of order here.

Where is the gentleman from California? He is not here.

Mr. OWENS. Mr. Chairman, I yield 3 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I thank my friend from New York, Mr. OWENS, and the gentleman from New Jersey, Mr. PAYNE, and say that it has been a pleasure for the Progressive Caucus to work with the Black Caucus in developing the real alternative budget.

Mr. Chairman, yes, we should move this country toward a balanced budget, but we should not be balancing the budget on the backs of the weakest and most vulnerable people in this country. To my mind, it makes no sense to give huge tax breaks to the rich when we are living in a time where the rich are getting much richer and everybody else is getting poorer.

One of the reasons we have a major deficit crisis today is that during the 1970's and 1980's we already gave huge breaks to the rich. The wealthiest 1 percent of the population now owns more wealth than the bottom 90 percent. They do not need more tax breaks. Corporate profits are soaring while workers' wages are in decline. We do not have to give large corporations more tax breaks.

Mr. Chairman, I would submit that the vast majority of the people in this country do not believe, as the Republican leadership does, that we should force the elderly to pay double what they are paying today in Medicare premiums in 7 years and then spend $13 billion more on the military at a time when the cold war is over.

Why do we make elderly people earning $8,000 a year from Social Security double their Medicare premiums so we can build B-2 bombers and star wars programs that the Pentagon does not need?

Mr. Chairman, it is immoral and it is wrong to throw millions of young people off of Medicaid. These are the children of America. We should not be throwing them off of Medicaid because of disastrous cuts in Medicaid in order to give tax breaks to the rich, in order to increase military spending.

If we are sincere about moving toward a balanced budget in a fair way, there are ways to do it, and that is what the Black Caucus and the Progressive Caucus budget does. We say no more corporate welfare for large corporations and wealthy people. Let us end the tax breaks and the subsidies that the large corporations are receiving. That is the way we can move forward a balanced budget.

We say that now that the cold war is over, let us increase funding for education, let us protect the environment. We do not need to be spending tens of billions of dollars more on military spending.

And, most importantly, what we are saying is that as America becomes more and more divided, with the rich owning a larger and larger percentage of the national wealth, we do not need to give tax breaks to the rich and then cut back on so many other programs that working people and the middle class need.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds to just correct a few points that were made by my colleague.

First, we have no increase in copayment in our Medicare, no increase in the deductible, and we keep the premium at 25 percent. There is no increase in premiums. We only increase the premium for the wealthiest in our country who make over $100,000. They may pay more in Medicare part B.

Second, there are no tax cuts for the wealthy. What we have as a tax cut is a $500 tax credit for families making less than $100,000. Families making less than $100,000 in our bill will get $500 per child, regardless of wealth, under $100,000.

Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. STEARNS].

☐ 1130

Mr. STEARNS. Mr. Chairman, I thank my colleague for yielding me the time.

Let me refresh the memory of my colleagues. Who said the era of big government is over? I think we all know President Clinton said that. Who also said the rising tide lifts all boats? Many Democrat Presidents have said that.

Let me give information from the Labor Department, February 20, 1996: It released its employment cost index showing the smallest gain in wages and benefits since the Government began keeping statistics in 1982. Surely we need tax cuts. We have had since 1981, 19 tax increases in this country. Surely the Republican budget can have a tax cut. Bob Michel was on the floor, the former leader of our party, and he used to say son of a buck, we need some kind of tax cut for the American people. We can do better. Middle-class families work hard. They deserve tax relief. And frankly, my friends, and I credit the folks on the other side for their budget, but there are no tax reductions there.

After 19 tax increases it is time we had these tax cuts, and I am glad to say the Republican budget has that. We also want to see changes in welfare. Now we have a different approach with welfare, but we believe again that we need to improve it. You keep the status quo.

So the Republicans' budget is not extreme. It is reliable, reasonable and, most importantly, the Republican budget is honest. It uses honest numbers. And we have tax reductions for American families. We can do better. We can help Americans earn more, keep more so they can do more, and that is why when President Clinton said the era of big government is over and many Democrat Presidents also said rising tides lift all boats, these Democrats understood that you can do that best by tax reductions for the middle class.

I have to say to my colleagues on that side of the aisle, your budget does not have any tax relief for these American families. The Labor Department statistics shows the smallest gain in wages and benefits since the Government began keeping these statistics in 1982. So surely, as Bob Michel used to say, son of a buck, we have to give some tax relief for American families.

Mr. OWENS. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I thank the floor manager for his generosity.

Can one of the Members on the Republican side, including the gentleman from Connecticut [Mr. SHAYS], my good friend, ever get off the rhetoric and start talking about what is in this great bill? The tax breaks are for the wealthy. There is a $13 billion increase in the military. Let us not say that Medicare or health care premiums are not going up. Let us talk specific. We have only got an hour for debate.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, one of the things that hits the poor communities most in this country is lack of access to health care. I know how sensitive my Republican colleagues are in talking about cutting the health care budget, so let me put it this way in language that they like to hear. That is that 75 percent of the savings, 75 percent of reducing the rate of increase is coming from health care. Under this particular budget that you have, any old person that goes into a hospital or goes to a doctor, they will know what Medicare charges, but no longer will they know what the doctor is going to charge.

Under this, if you push it off to the States, there is no guarantee. So it is just like having a car with full insurance, and you go in and the insurance company says, we are going to pay everything we promised, and Medicare will under the Republican bill. But what they do not pay is what the doctor can charge.

Mr. Chairman, I think it ought to be a shame on all of those that have such confidence in the Governors that will turn our older folks loose to be subjected to whatever the hospitals and whatever doctors want to charge them beyond Medicare.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds to talk real specifics and the truth about our budget.

Under Medicare, our budget goes from $196 to $284 billion. That is a 45-percent increase in spending in our program in Medicare. We have the same kind of increase in Medicaid. It goes from $95 to $140 billion. Only in this city when you spend so much more do people call it a cut.

Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. SANFORD].

Mr. SANFORD. Mr. Chairman, Rick Towne, who runs a small auto supply and parts store in Charleston, SC, came by my office yesterday. His belief was that this budget was about creating, not destroying. In fact, he talked about how is it that we get the economy growing again so that middle class, hard-working families are not hurt the way they are today?

His belief was a fairly simple two-part formula. He said first, you got to get government out of my pocket; and, second, you got to get government out of my way. I think that this budget reflects that. There is a saying back home farmers use, you can only squeeze so much blood out of a turnip that talks about taxes, and I think we all know the detrimental effect of taxes on economic growth.

So instead, I would like to focus on the second part of his formula, which was getting government out of his way. My mom used to say that too much of a good thing is actually a bad thing. Similarly, Ben Franklin urged moderation in all things. Well, there was a recent joint economic report that said if government spends too much money, it actually begins to hurt the economy, actually begins to be a drag on the economy. Above the point at about 17½ percent of the size of our economy, from that point forward, we are now spending about 22 percent.

From that point forward, it is a drag on the economy such that for every $100 of spending cut, we get about $138 of economic benefit for the Rick Townes of the world working in an auto parts store back in Charleston, SC.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Mr. Chairman, I rise in strong support of the Black Caucus-progressive caucus budget. Someone said earlier today this debate is about priorities, and that is absolutely true. Our budget is balanced over 6 years, but we have different priorities. I think we have the priorities of the American people.

The Republicans want to talk about your future, but they do not want to spend money on education. If you look at function 500 in our budget, what you will find is that we are trying to create an opportunity society. We spend money for education infrastructure. That means repairing and building new schools. We spend money on family learning centers, so that the average citizen can get on the information highway in his public library.

We spend $2 billion more on summer jobs so that young people will have opportunities to work for a living rather than engage in a life of crime. We spend money on Head Start so that every child, black, white, brown, or yellow, will have a chance to get a fair start in life.

We believe that this budget reflects the priorities of the American dream. It is a balanced budget. It solves the deficit problem, but it reflects true American values. I support this budget.

Mr. SHAYS. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. PORTER], the chairman of the Subcommittee on Labor, Health and Human Services, and Education.

Mr. PORTER. Mr. Chairman, I thank the distinguished gentleman from Connecticut for yielding me time. I want to begin by commending the gentleman from Ohio [Mr. KASICH], our colleague, and the Committee on the Budget for the magnificent job they have done in keeping us headed down the road toward balancing the budget over the period leading to 2002.

The budget of course is the place from which the appropriators start to allocate funds, to choose priorities. And let me emphasize that the process is a process that we have engaged in since we took control of the Congress last year of reviewing everything that every department, every agency, and every program in government does to evaluate it and to choose priorities and to choose what works well for people so that the money is properly spent.

The press, unfortunately, has focused, I believe, over the last year and a half, exclusively on what has been cut and eliminated, just the way our colleagues on the other side of the aisle do. But I think people should understand that Republicans have protected and enhanced good programs that work well for people.

In our own subcommittee of the Committee on Appropriations, the one that funds the Departments of Labor, Health and Human Services and Education, we raised Pell grants, that is, the money that needy students need to go to college and get a higher education, to the highest level in history with the largest increase in 1 year in history.

We protected the programs like TRIO and college work study and SEOG's that help needy students, as well. We provided an increase for Job Corps, which addressed the most at-risk youth in our society to give them an opportunity to get a job and to get ahead. We provided an increase for the Centers for Disease Control and Prevention, the public health programs of this country, where needy Americans go to receive health care, some of them their only place to receive it, where we address the problems of children, the problems of infectious diseases, all the problems of public health.

We gave a very substantial increase of 5.7 percent to the National Institutes of Health, which engage in biomedical research all across our country.

Let me say, Mr. Chairman, that the Speaker of the House gave his very, very strong support to that kind of increase for biomedical research funding that leads to cures for diseases and preventing of diseases throughout our society and indeed throughout the world. We protected funding for AIDS, both on the research side and the health care side, and we actually increased it in the final product.

We protected funding for the administration of the Social Security Administration so that they could do a better job of helping the American people. In a time of working to balance the budget, which is our job here, to take responsibility for the bottom line, we also have to choose priorities. I believe this Congress in the last year and a half has done that job very, very well. It has provided very strong support for the programs that work for people, and it has only cut those that really do not do the job or waste the taxpayers money.

Mr. Chairman, I commend our budget chairman and my friend, JOHN KASICH, for his commitment to following the path we forged last year in bringing our budget into balance by the year 2002. Without question, the deficit problem has reached crisis stage, and I believe that overall, Mr. KASICH's number is a realistic one which will impose the painful but not unbearable fiscal restraint we need if we are ever to regain a measure of control over our economic destiny.

However, there are some aspects of this proposal that I don't agree with, although it is far preferable to the administration's budget.

For my part, I would prefer that we not cut taxes by $122 million until the budget is in balance. This tax cut will make it that much more difficult to balance the budget and simply comes at the wrong time. While I agree that some carefully targeted tax relief such as reductions in capital gains are warranted, I would prefer a smaller overall impact on our deficit.

I believe that biomedical research must be one of Congress' highest priorities in allocating scarce Federal funding and I am glad that the budget committee moved away from the unwise reductions proposed in this area last year. Federally supported biomedical research creates high-skill jobs, helps retain our country's worldwide leadership in biomedical research, and supports the biotechnology industry which generates economic growth and a positive balance of trade for our country.

Research provides great hope for effectively treating, curing, and eventually preventing disease and thereby saving our country billions of dollars in annual health care costs. The development of the polio vaccine alone—one of thousands of discoveries supported by National Institutes of Health [NIH] funding—in terms of health care savings, has more than paid for our country's five decades of investment in Federal biomedical research.

Defense spending, I would also note, could share a little more in the burden of reducing our Federal deficit. While clearly the President's defense budget proposal was dangerously low, and I am glad this budget restores troop readiness, the procurement budget increase of over $6 billion is difficult to justify.

In addition, America's ability to influence the world and provide necessary leadership is at its zenith, and further cutting foreign assistance at this stage is the wrong answer. We have already reduced foreign assistance by one-third over the last 5 years. Further reductions in this area, which is less than 1 percent of our total budget, will undermine our leadership for American values of democracy, human rights, and free market economies at the exact time when their advancement is most possible.

And I also want to note that the cuts assumed for energy efficiency initiatives are unwise and should not be adopted. These initiatives make our economy more productive and competitive overseas, while saving jobs and resources. This type of activity—which is proenvironment and proeconomic growth—is what we should be supporting, not discouraging.

Finally, I support the downsizing and eliminating of departments, agencies, and programs that will assist the Government in becoming more efficient and productive. However, we should not simply do this for the sake of symbolism. There must be real savings and efficiencies generated in this process.

While I have these differences and some others, with the resolution's details, I think that JOHN KASICH and the Budget Committee deserve credit for having the courage to keep us on track to getting our economic house in order. The President, frankly, has not put forward courageous proposals that recognize the primacy of balancing the budget. This House has, and I salute this effort.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Chairman, I thank the gentleman for yielding me the time.

You know, when I look at the Republican budget and then at the budget that the Congressional Black Caucus and the Congressional Progressive Caucus have done, I feel that this country is fortunate to have a really caring majority vision for America that is presented by this budget by these two groups. Under this Congressional Black Caucus/Progressive Caucus proposal the budget would be balanced in 6 years. There would be reductions in military spending and cuts in corporate welfare. Medicare and Medicaid recipients would be protected and, yes, the middle class will get a tax cut after deficit reduction was achieved.

Now, the majority of Americans believe that the power and bulk of our great country should be shared among all the people. That is one of the foundations of the principles on which our country was built. It has already been said that corporate CEO's earn 200 times what their workers make. The stock market continues to soar, profits are unbelievably high. Almost all of the new economic growth in our country is already going to the wealthy and the Republican budget wants to give them more.

You know, what I find as a hypocrisy is that the Republicans are always talking about family friendly, and yet when it comes to families, they want to cut education. They want to cut housing. They want to cut medical care for senior citizens. What kind of family friendly is that? I mean, this is beyond all kinds of belief. The radical budget prepared by the Gingrich-Armey Republicans demonstrates only one thing to America—that they don't care about the poor, about educating children, about providing medical care for homeless families.

Last year, that same troupe gave us the balance the budget on the backs of the neediest Americans and Working Families Act, that I said on this floor then was an absolutely wrongheaded and unconscionable approach and one that the overwhelming majority of American people, including my constituents, found fault with. That mean-spirited budget of the Republicans and their use of the bully pulpit left us with multiple shutdowns of the Federal Government and proved my words. They said play with my budget or I'll leave the playing field. They stopped the game. They didn't care.

This year, all over again, the Republicans are doing it again to the American people. They don't care about what the American people want, they just want their way. But I urge them to take a good look at this alternative proposal because it has great merit and to put aside partisan politics and to vote for it. In fact, I urge all of my colleagues to vote for the Congressional Black Caucus/Progressive Caucus budget proposal.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. MILLER].

Mr. MILLER of Florida. Mr. Chairman, I thank my colleague for yielding me the time.

This is an exciting time to be debating the budget. This is my fourth year on the Committee on the Budget. I remember back in 1993, where we first had the budget, where the President had the largest tax increase in history, we talked about budget deficits of $200 billion a year as far as we knew. Now the debate has changed. Even last year the President's budget, when he presented it last February, had $200 billion deficits as far as we could see. But today the debate is about balancing the budget. It is not whether we are going to balance it. It is how to balance it. So at least the debate has shifted.

Now the problem is we have two major differences with our colleagues from the other side. One is using real numbers, and the other is shifting power and money and influence out of Washington. Because we believe we need to have real numbers that we begin on a glide path to a balanced budget over 6 years and we also believe we need to shift power and influence out of Washington.

Now, I have to give credit to the Black Caucus budget because it has real numbers. It has a big tax increase and big cuts in defense spending. It is unrealistic in today's environment. So that is not a realistic option, and it does keep power and influence in Washington. That is what we need to get out of.

When I go home to my district in Florida, people are frustrated by all the power in Washington. Whether there it is the fact that health care, Medicare is a great program, we need Medicare, but there is one size fits all.

Why should not people have some choices? Welfare, what works in Sarasota, FL, is not the same that will work in New York City or in San Francisco. Let us have some choices. That is the fundamental difference between the two proposals on the Democratic side. Keep power and influence in Washington. We want to shift it back to the State and local counties and to individuals.

□ 1145

Another important thing is we have to remember why are we balancing the budget. We are balancing the budget for our children's future. It is obscene, it is obscene, these deficits we are running every year on this debt. To think that we have over a $19,000 debt for every man, woman and child in the United States is wrong, and what we are doing is helping for the jobs and the economy and growth in this country.

That is why we are fighting for this budget, to shift power and influence out of Washington and to protect our children's future.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I rise in support of the budget proposed by the Black Caucus and the Progressive Caucus.

Over the past 14 months, our Nation has been involved in a significant debate over the role of government. What should government do? I go by the principle that government must do for people what people cannot do for themselves. Not only to the point of subsistence, but to the point of human dignity. They are the teachings of Pope John XXIII in mater majeste.

I support the Black Caucus budget because it does the best job of meeting the mandate of that principle. As the founding chairman of the Congressional Urban Caucus, I say to you that it also would do the best job of keeping our cities alive—while the majority budget would do so many things to hurt urban America.

First, and perhaps most importantly, the Black Caucus budget makes the proper investment to help people do the most for themselves. It increases spending on education and training, so that our Nation will be able to compete in the next century and so that people will be able to get good jobs at good wages.

It increases investments in job creation and urban empowerment through community development block grants and the Economic Development Administration. It would maintain our commitment to mass transit—while the majority budget would drive us toward gridlock in the year 2000. These are the kind of tools which we need to get to genuine welfare reform.

Second, it maintains the safety net. Health care for the poor and the elderly would be maintained and indeed strengthened by credible spending and sending savings back into the system—instead of sending this money on a big, fat tax cut for the wealthiest people in America.

Third, it would make a strong investment in one of the best examples of the role of government—protection against crime and providing for a common defense. It would spend $21 billion more to put more police on our streets and prevent crime.

Further, our caucus budget would pay for these important investments by supporting defense spending at safe and reliable levels—instead of taking us on the buying spree that the majority proposes—spending much more than the experts in the Pentagon have requested.

The Black Caucus budget proves that we can get to a balanced budget—as does the President's budget—without cutting the safety net to shreds and without sacrificing the principle our Government must do for people what they cannot do for themselves, alone.

I urge my colleagues to support the Black Caucus budget, as an effort toward rational, responsible, and compassionate budget cutting.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. BARTLETT].

Mr. BARTLETT of Maryland. Mr. Chairman, May 8 was a high day. I do not know how many people recognized it. It was tax freedom day. It was the last day that Americans, the average American, worked to pay their taxes. Ever since January 1, all Americans worked through May 8 to pay their taxes. But one could not breathe a sigh of relief on May 9 thinking that they could then work for themself to buy a car or pay for their home or put their children through school because they still had about 9 weeks to go to pay for the cost of unfunded Federal mandates.

Government-free day last year was on July 9. We will see what it is this year.

Clearly, clearly, with Americans spending 52 percent of their time working to pay for the cost of government, we have got to reverse that trend and turn it around. The budget under discussion here moves us in the wrong direction. People will be working more than 52 percent of their time to pay for the cost of government. Americans are demanding that we turn that trend around and move back toward sanity where they work inconspicuously less than 52 percent of their time to support government.

Please reject this Black Caucus budget and vote for a budget that moves us in the right direction.

Mr. OWENS. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. DEFAZIO], from the Progressive Caucus Task Force.

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding the time to me. I thank those speakers earlier in the well who said that this was an honest alternative and they said it was about the difference in priorities. Indeed it is.

Let us talk about something that neither the Republicans on that side of the aisle, nor the sponsors of the other alternatives that will be offered today, want to discuss. Today in America, 73 percent of the foreign corporations doing business in our country pay no Federal income tax, none, zero; profitable, huge, multinational corporations. The U.S. Tax Code is full of credits and giveaways that actually encourage our firms to move overseas and move their jobs overseas. And guess what? The Republicans are saying that the middle-income taxpayers should carry the burden; they should subsidize the foreign mining corporations for removing billions of dollars of gold from our public lands in the West without paying 1 cent in royalties to the Federal Treasury. I am talking about the billions of dollars that the Federal Government gives to profitable corporations in the forms of subsidies, tax loopholes, outright gifts. And none of the other budgets on the floor today touch those giveaways.

Darn right, we increase taxes. We are going to ask these corporate freeloaders to pay their fair share. Why do the other budgets not address this issue? Because both political parties are addicted to the corporate cash that fuels their campaigns. It is like the emperor's new clothes. Nobody will admit that the king is stark naked, and nobody around here will tell the truth to the American people about how thoroughly our political system has been bought and sold.

There are two distinct paths to the balanced budget. On the one side we have the Republican budget and its pale shadows, the President's budget and its pale shadows, the President's budget and the Coalition budget. All of those budgets operate from the premise that military spending and corporate welfare are sacred cows that cannot be touched. The arithmetic is simple. If my colleagues will not cut the cold war military budget and they do not want to upset their corporate campaign contributors, they have no choice. So they have to cut Medicare, and they have to cut other vital social programs.

The Republicans actually want to make the matter far worse because they want to increase military spending and give their wealthy friends a hefty tax cut. As a result, they make deep cuts in Medicare, education, the environment, and other programs the American people strongly support.

We in the Progressive and Black Caucuses are offering the only genuine alternative to business as usual. We demand that foreign corporations doing business here get out of the wagon, as a famous gentleman on the other side of the aisle likes to say, and start pulling with the rest of us. We close loopholes and encourage job exports to the Far East and Mexico. We make foreign mining companies pay their fair share for valuable minerals they mine on our public lands.

We have the guts to take on the biggest pork barrel in the Federal budget, the bloated spending at the Pentagon across the river. We protect Medicare without forcing hospitals out of business or making seniors pay more for their care. We increase Federal investment in education.

Mr. Chairman, let's talk about something that none of the sponsors of any of the other budgets on the floor of this House want to discuss.

Today in America 73 percent of the foreign corporations doing business on our shores pay no Federal income tax. None.

The U.S. Tax Code is full of credits and giveaways that actually encourage U.S. firms to move jobs overseas.

Middle-income taxpayers are being asked to subsidize foreign mining corporations who are removing billions of dollars worth of gold from our public lands without paying one cent in royalties to the U.S. Treasury.

I am talking about the billions and billions of dollars that the Federal Government gives to profitable corporations in the form of subsidies, tax loopholes and outright gifts and none of the other budgets on the floor today touch those giveaways.

Why? Because both political parties are addicted to the corporate cash that fuels their campaigns. It is like the emperor' new clothes: Nobody will admit the king is stark naked, and nobody around here will tell the truth to the American people about how thoroughly our political system has been bought and sold.

There are two distinct paths to a balanced budget.

On one side we have the Republican budget and its pale shadows, the President's budget, and the coalition budget.

All of those budgets operate from the premise that military spending and corporate welfare are sacred cows that cannot be touched.

The arithmetic is very simple. If they will not cut the cold war military budget and do not want to upset corporate campaign contributors, there is no choice but to make deep cuts in Medicare and other vital social programs.

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We in the Progressive and Black Caucuses are offering the only genuine alternative to business-as-usual. We demand that foreign corporations doing business here get out of the wagon and start pulling with the rest of us. We close loopholes that encourage job exports to the Far East and Mexico. We made foreign mining companies pay their share for the valuable minerals they mine on our public lands. And we have the guts to take on the biggest pork barrel in the Federal budget, the Pentagon's bloated bank account.

We protect Medicare without forcing hospitals out of business or making seniors pay more for their care. We increase Federal investment in education and job training to make American workers more competitive. We take care of veterans and we fully fund the war on crime.

We can afford to do these things because we're willing to challenge the powers-that-be, the new class of corporate robber barons whose campaign contributions and private favors have so badly corrupted this nation's political system.

This budget is a collaboration between the Black Caucus and the Progressive Caucus. Though I disagree with my colleagues in the Black Caucus who seek small increases in foreign aid, I believe we need to cut overseas assistance. This budget illustrates our priorities as well as any collaboration can.

Our budget is the only proposal on the floor today that challenges the conventional wisdom in Washington, DC, and puts the interests of American working people first. I urge the House to adopt it.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds to just point out to my colleague that on Medicare we increase it from 196 today, in billions, to $284 billion. That is Medicare. That is a 45-percent increase in the spending on Medicare. And on Medicaid we increase it from $95 billion to $140 billion. At the same time, we give seniors choice without increasing their copayment, their deductible or their premium.

Mr. Chairman, we also have a tax cut in our budget only for those who make less than $100,000; a $500 tax credit for children. That is the only tax cut we have in our budget.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Chairman, in 1993 President Clinton took money and power away from the American people and our children and gave it to the Washington bureaucracy. President Clinton gave us our highest tax increase in our Nation's history, raising taxes on the American family to its highest level in history.

Mr. Chairman, the Clinton tax bill included increased taxes on gasoline, increased taxes on family incomes, increased taxes on married couples, increased taxes on Social Security benefits, increased taxes on small business owners and increased taxes on property that parents leave their children. Today the average family pays more in taxes than it pays on food, clothing, and housing combined.

Mr. Chairman, the Republican budget, on the other hand, lowers taxes by a net $121 billion and cuts Government in Washington so that the citizens of this great Nation can earn more and can keep more of what they earn and, therefore, be able to take better care of their families.

Mr. Chairman, America needs the Republican budget before us today, a budget that shifts money and power and influence out of Washington and gives it back to the people. This is a historic debate about the role and the scope of Government in our lives, a debate of whether Washington will continue to tax more, spend more and regulate more or whether we will finally begin to reduce the size and scope and power of Washington.

Support the Republican budget.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Ms. BROWN].

Ms. BROWN of Florida. Mr. Chairman, I rise today in support of the budget presented by the Congressional Black and Progressive Caucuses.

Unlike the Republican budget, which steals from the needy in order to pad the pockets of the wealthy, this budget is fair. It achieves a balance in 6 years through shared sacrifices. And it does so without bankrupting the poor and the working people of this country.

This budget also retains two of the most important aspects of the Federal Government. They are Medicare and Housing, perhaps the most essential services our Government can offer its citizens.

By protecting our Medicare and Medicaid recipients we can do our best to assure health care for the poor, the old, the veterans and children of this country.

In my State alone there are more than 3 million senior citizens. They make up more than 20 percent of the population. The least we can do for these people is guarantee them a bed in a nursing home, and medical attention when they need it.

Another area that the caucuses' budget protects is housing. Public housing is often the last safety net that poor people have before becoming homeless.

Mr. Chairman, this is a responsible budget that champions the values of this country.

"To whom God has given much, much is expected."

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM] who risked his life in Vietnam for our defense through 300 missions and was shot down on the 300th mission.

Mr. CUNNINGHAM. Mr. Chairman, I would like to compliment the Black Caucus for at least producing a balanced budget unlike the President's budget. But I think that Colin Powell would enlighten the Congressional Black Caucus on what the needs for national security are within this country. Our committee, Republicans and Democrats, by a vote 49 to 2, 49 to 2 Republicans and Democrats, came together and said that after the cold war these are the needs of our Nation, and it was supported by the Joint Chiefs of Staff and Shalikashvili in a memo to the Presidents. When the Democrats' task is studied, the Bottom-Up Review of what we would need after the military drawdown to fight two conflicts at the same time, a level was stationed. A $50 billion cut according to Colin Powell, Dick Cheney, and then-candidate Clinton would put us into a hollow force. The President cut defense $177 billion, and then with what was left put in nondefense spending. We spend billions of dollars in Haiti, which is military operations. There is another $2 billion just in administrative costs, as the one in Haiti. Take a look at Somalia and all the other expansions. Operation Tempo has increased 150 percent over Vietnam. The Air Force has not bought a single airplane in 3 years, gentleman. The AV–8's; we are losing them, almost a third of them, the new ones with the upgrades.

We safety our pilots by over 50 percent. We pay for those safety fixes; the F–14's, the fixes because we are crashing F–14's.

The COLA. The President said that he was going to have a middle-class tax cut in 1993 and increase middle-class tax, and then he cut COLA of the military, some of these kids on food stamps. We recognized an increase for the families, the COLA.

We provide for national security in this country, well trained, well equipped, and allow our families in the military to have a fairly good life above at least a food stamp level. So I would challenge my colleagues in the Black Caucus to listen to what the real national security needs are of this country.

□ 1200

Mr. OWENS. Mr. Chairman, I yield 3 minutes to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, I am proud to rise today in support of the CBC/Progressive Caucus budget. Finally, Mr. Chairman, we have a budget on the floor that is courageous enough to say: It is time for America's corporate welfare kings and bloated military to share in the burdens of balancing the budget. Going after such sacred cows makes sense not only because it is fair, but because it was President Reagan's corporate tax giveaways and military spending that put us in this deficit hole in the first place.

Mr. Chairman, our budget is the only budget that tackles the issue of corporate tax entitlement spending. Our budget is the only budget that says, it's time for the Pentagon and military contractors to go on a diet, too.

Just like everyone else.

The CBC/Progressive Caucus budget reaches balance by the year 2002 without cutting Medicare, Medicaid, education and the environment in order to pay for tax breaks. Our tax breaks come after the budget is balanced. That is the responsible thing to do.

As this chart here demonstrates, the share of the national tax burden paid by corporations has declined steadily since the 1950's, while average Americans have continued to carry about the same share of the national tax burden. if Wall Street paid in taxes what corporations used to pay the budget would be balanced in 1 year, not 6.

Mr. Chairman, at a time when corporate profits are going through the roof, the stock Market is breaking new records and CEO salaries are making sports heroes blush, it is time that corporate America paid its fair share to balance the budget—just like everyone else.

Moreover, instead of giving the Pentagon $270 billion a year, let's ask them to make due with $220 billion a year. And why not, especially when we spend more than all of our potential enemies combined.

Mr. Chairman, I would like to demonstrate this fact with this chart. Here are all our potential enemies and what they spend on the military. And this is what we spend and then some.

Mr. Chairman, Ronald Reagan and George Bush gave us this deficit with their tax cuts for the wealthy and pork for the Pentagon. It is time to say: No longer are we going to pay McDonald's and M&M's to advertise overseas. No longer should we pay to build golf courses at military bases.

Mr. Chairman, I urge my colleagues to support this budget which protects middle class families in this changing economy. Our seniors, students, and poor should not be asked to carry the entire burden of balancing the budget. Everyone must pull the wagon, including Wall Street and defense contractors.

Support the American middle class and support the CBC/Progressive Caucus budget.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, our objective in our budget is to get our financial house in order and balance our Federal budget to save our trust funds for future generations, and to transform our caretaking social and corporate welfare state into what I would call a caring opportunity society.

That really gets at the thrust of why I am here today. As a moderate Republican, I have seen what we have done for the last 30 years. We have been caretakers instead of being caring. We are able to go back to our districts and say I did this for you and I did that for you, but the bottom line is we have been a caretaker instead of caring.

Mr. Chairman, I reserve the balance of my time.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Mr. Chairman, I rise in support of a budget for the United States of America, for it is not the Congressional Black Caucus' budget, it is a budget offered by the Congressional Black Caucus on behalf of those constituents that we represent, who know all too well that the biggest deficit that we have in this country is not the trade deficit or the budget deficit, but the human capital deficit; the fact that we want to see future Colin Powells have an opportunity to get an education, to be able to grow up in decent neighborhoods and have affordable housing.

This is a budget that we would recommend to our colleagues to truly consider in light of the need to not only have a budget that is fiscally balanced, but that is morally correct and that is focused on this Nation's needs to develop future generations.

Mr. Chairman, I would like to commend the leadership of the Congressional Black Caucus and the Progressive Caucus for offering this alternative here on the floor. I would hope that my colleagues would be able to see past their partisan and perhaps parochial concerns and see the needs of an entire Nation, striving to create a more perfect union.

Mr. Chairman, this is an opportunity for us to put behind us generations of neglect for many families in our country. I hope that we support this bill.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I do appreciate the gentleman from New York allowing me to participate.

Mr. Chairman, I rise in opposition to the Republican budget and in support of the strong point that we need a balanced budget. Any of the three substitutes offered by the Democrats indeed is better, including the bipartisan coalition budget. But the Black Caucus budget is, indeed, about our priorities of human beings. I am pleased to be an advocate for a balanced budget that balances our priorities as a nation, and we respect people and respect the honor of having an opportunity to serve people.

As we balance the budget, we should not prefer one group over another. I ask the Republicans, do they really want to be known as the party whose policies support he wealthy at the expense of working Americans or those who are less fortunate? All three of the substitute budgets make clear that these programs and policies are more important to the average American citizen than the Republican budget. All three substitutes do a better job of protecting education, protecting the environment, protecting Medicare and Medicaid, and making sure those priorities that make America strong indeed are provided for.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to my colleague, the gentleman from Arizona [Mr. HAYWORTH], to talk positively about our budget.

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, again today we have a graphic example of two differing philosophies: one philosophy which places its trust in an ever-expanding, ever more powerful Federal bureaucracy, a philosophy that somehow confuses the notion of compassion and commitment.

On the other hand, our new majority offers a budget that offers true compassion, for it faces up to the fact that if we do nothing to change our ways, and if by some miracle, the legislative equivalent of chewing gum and baling wire, this Republic endures and somehow averts the fiscal crisis that awaits it, children born today will pay in excess of $185,000 in interest on the national debt. Nothing could be more immoral. Nothing could be more egregious.

So as we move to solve the problems, let us have the courage to acknowledge that in contrast to the budget offered here, all answers do not emanate from Washington, DC. All answers do not confuse compassion and commitment. The most compassionate thing we can do for this generation of seniors, for generations yet unborn, is to adopt a sensible, rational budget that at long last has Washington live within its limits and the American people truly compassionately live within their means.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Chairman, with all respect to my friend, the gentleman from Arizona [Mr. HAYWORTH], I think he is still giving his campaign speech from 2 years ago. Every budget that is coming to this floor will balance the Federal budget, so this is not about whether we balance the Federal budget or not. We have already passed that point.

The question is what kind of priorities we set while we balance the Federal budget. Do we continue to build up a military that is already spending 100 times, 100 times more than any other country in the world? And do we do that at the expense of ordinary, average working people who need health care, who need education, who need the environment protected, who need the services that we provide to the elderly?

Mr. Chairman, anybody ought to understand that this is not about whether we balance the budget or not. It is about the priorities we set while we engage in that process. Mr. Chairman, I hope my friend will understand that that debate is over.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to my colleague, the gentleman from Iowa [Mr. GANSKE].

Mr. GANSKE. Mr. Chairman, I rise in support of the bill and against the amendment. Basically the amendment or the substitute calls for very steep cuts in defense.

Mr. Chairman, I am one of the GOP freshmen that voted against the defense authorization. I have voted against our defense bills, because I thought that some of the funding was misdirected and could be a little lower. However, I think that the substitute here goes way too far in cutting defense. I am very concerned about what I think could happen in Russia in the elections that are coming up.

I would refer my colleagues to an article that is in a journal that some may or may not read: The American Spectator. It is called, "Zyuganov, the Terrible." It is about the Russian who is leading in the polls now. He is the head of the Communist Party. Statements from his writings are very, very worrisome in terms of a very anti-West program, and very anti-Zionist remarks by this person who is leading the Russian polls now for their elections which are coming up.

I am very fearful that we may end up facing some significant increased defense expenditures. For that reason, I think that the priorities are misdirected in the substitute, and I would urge my colleagues to vote against it.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Chairman, I need to say to this country that the Congressional Black Caucus and the Progressive Caucus' budget is the best budget for all the people of America. If we watch that budget, we will see that they are going to have the older people of this country sustaining and keeping the Medicare Program where it is now, without cutting it and making it a regressive kind of cut. They are also protecting the Medicaid recipients in this country.

They also look to help the lower working class people of all this country. It does not mean only black people or minorities, it means everybody. When we work to help the lower people who are at the lower-paying jobs, then we are helping this country.

So what the Republicans have done, on one side they want to help the rich, but they want to keep the poor down. The Black Caucus' budget and the Progressive Caucus' budget combined help that segment of America. I ask Members to please vote yes on this resolution by the Black Caucus.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, yesterday in my remarks on the floor, I talked about the budget proposals that were before us. I said that I thought there was a difference in the direction of these proposals. I said the budget debate ought to be about the direction of this country, it ought to be about our different philosophies. In the various proposals we see here today we can see those differences clearly delineated.

The President, in his State of the Union Address, told us three times that the era of big government was over. Yet, the budget proposal that he has made and the other alternatives that we have before us from the Democratic side of the aisle do not reflect that the era of big government is over.

□ 1215

I want to focus on the issue of entitlement changes, because this is where we know we have to make changes if we are ever really going to balance the budget, if we are ever really going to change the direction of government. Many of our entitlement programs are not working the way they should. They are not delivering health care, they are not delivering services to people in poverty the way they should. We need to make changes to that and we think we can make those changes by giving their management back to the States, back to local governments.

Yet the alternative budget provisions and the Clinton budget make none of these changes. No fundamental changes are being made to entitlement programs. That is why we need to adopt the Republican budget proposal.

Mr. OWENS. Mr. Chairman, do I have the right to close?

The CHAIRMAN. The gentleman from Connecticut [Mr. SHAYS] has the right to close.

Mr. OWENS. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, we come to the last moments of this debate. I have stated on numerous occasions that the most significant thing that any of us do is to adopt a national budget for this country, because our budget speaks to our values, our principles, and our priorities.

Are there specific individual items in this budget or any other budget that some of us may disagree with? If we applied that test, we would vote against all the budgets, because there is no perfect budget out here.

But what is important, Mr. Chairman, is that we rise above the minutia, because those matters can be worked out. This is a starting point. What each of us in these Chambers must do is embrace that budget that in a general way speaks to our vision about the hopes and the dreams, the aspirations and the needs of the American people and vote for whichever budget we believe best does that.

Which budget in its military budget speaks to the realities of the post-cold-war world and attempts to reverse the extraordinary expenditures that characterized the cold war? I believe the budget before us does that and reverses that trend.

Which budget embraces a vision that reverses the trend toward big tax breaks and corporate giveaways? I believe this budget does that.

Which budget, Mr. Chairman, speaks to the realities of the pain and human misery and tragedy that is the reality of urban and suburban and rural America throughout this country, with young children dying in the streets of America, impoverished people, frightened senior citizens, unemployed human beings, undereducated people, and an environment that often is being raped and plundered rather than preserved in a fragile way for our children and our children's children?

Each of us must look at each one of these budgets to ascertain which one of them, not some specific item, "I can't vote for your budget because it has this." Those matters can be worked out.

We must lift ourselves to a larger vision, a larger vision about where this country ought to go as we travel to the 21st century. I believe the budget before us does that. It reverses the wrong trends and with compassion and dignity and vision and forthright thought speaks to the reality of the pain and the human misery and the needs of our people, whether they are senior citizens, whether they are middle-class human beings, whether they are farmers in rural America or whether they are young children trapped in the mire of the violence of urban America. This budget, it seems to me, does that.

I ask all of my colleagues, who can find many specific details that would allow them to bail out of any one of these budgets, to move beyond minutia, to grab hold of a much larger vision and a larger idea. I am proud to stand in support of the budget that is before us. I urge my colleagues to support it.

Mr. SHAYS. Mr. Chairman, I yield myself the balance of my time.

As a moderate Republican who has voted for a number of budgets that have taken care of people, I have seen the result of our work. The result of our work in some cases is 12-year-olds having babies, it is 14-year-olds selling drugs, it is 15-year-olds who cannot read their own diplomas, it is 24-year-olds who have never had a job, it is 30-year-old grandparents. We have a caretaking society, and it has become a caretaking society because of what we have done in the Federal Government.

When I was elected from the State government to the Federal government, I thought the Federal Government could do it better. It cannot do it better because what it does is, it adds up all the people in a room, adds up their entire shoe size, divides the number of people by the shoe size, and say, "Here is 8½, wear it. If your shoe size is 10, I'm sorry. Here is 8½, wear it." We have a society that is going in the wrong direction.

Our budget changes that. We increase the student loans, we increase Medicare, we increase Medicaid, we increase welfare payments. But ultimately what we are trying to do, as a columnist said, in the final analysis, it is not what we do for our children but what we have taught them to do for themselves that will make them successful human beings.

We are looking to transform our caretaking social and corporate welfare state into a caring opportunity society, a carying opportunity society where we teach people how to grow the seeds so they can do it for themselves. So I compliment my colleagues on the other side. There is compassion in that budget, but it is headed in the wrong direction.

Mr. CONYERS. Mr. Chairman, I rise today in opposition to the Sabo substitute to the budget resolution. Although it is much more appealing than the Republican proposal, it certainly isn't the best substitute we had the opportunity to consider today.

The Congressional Black Caucus-Progressive Caucus budget offered a 6-year balanced budget that proposed to increase investments in education, job training, infrastructure and at the same time protected Medicare and Medicaid. To pay for these investments the substitute proposed to modestly reduce the defense budget and closed tax loopholes that create corporate welfare. It made investing in the working class, the middle class, the poor, our children a priority. The CBC-Progressive Caucus budget proved that we can invest in education, job training, infrastructure, while protecting health security and still achieve a balanced budget.

The CBC-Progressive Caucus budget also provided sufficient military funding to keep national defense strong while eliminating large amounts of waste through a thorough analysis and projection for future world security and peacekeeping needs. But the Sabo substitute still spends $251 billion more than CBC-Progressive budget over 6 years. In fact, the Sabo military provision is virtually indistinguishable from the Republican defense budget. The $251 billion the CBC saves allows us to invest more in education, job training, transportation, and health care. Without the savings, we will not have the resources to make the necessary human investments, even as we move toward a balanced budget.

In the CBC-Progressive budget substitute, we proposed to invest more than $80 billion over 6 years in education and job training—to assure that we have the most advanced and competitive work force in the 21st century. We protected large job-creating programs like transportation and public works—investments that not only create work but also improve our Nation's standard of living by improving our infrastructure. We protected Medicare and Medicaid, assuring its effectiveness for our Nation's elderly population. Until we get real health care reform, spending on Medicare and Medicaid cannot be compromised. We just can't afford the cuts that the Republican budget leaders are prescribing.

Mr. Chairman, this budget debate is about priorities. I believe the CBC-Progressive Caucus defense budget fairly reflects our Nation's security needs, while offering this country the peace dividend it has earned. Without the savings realized by a more efficient Defense Department, we are not able to make the kinds of investments that will truly help working people in America.

Americans have rejected the extreme ideas of the Republican majority. Democrats have the responsibility to represent the middle class, the working class, the poor, the elderly, and our children. The CBC-Progressive Caucus budget emphasized a commitment to these priorities and deserves our support.

But yet how do we account for the fact that the CBC-Progressive budget garnered only 63 votes and the Blue-Dog Democrats were able to manage twice as many votes? I urged my Democratic colleagues to vote for the CBC-Progressive budget so we could in turn vote for the President's budget—but they refused. What kind of message does this send to 40 million people who are represented by members of the Black and Hispanic caucuses, that endorsed the CBC-Progressive budget? I ask our esteemed leader, Mr. GEPHARDT, to share with me the serious dichotomy that honestly reveals at bottom that most of the Democrats have very little vision of how we would discharge the most important responsibility as legislators, if we were in power. We're run over now, and unless things change, we will be run over when we win on November 5, 1996. I have asked Mr. GEPHARDT to meet with me on this subject at his earliest convenience.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today in support of the Congressional Black Caucus and Progressive Caucus alternative budget.

When President Reagan, in 1981, challenged anyone who did not accept his program to come up with an alternative that offered a greater chance of balancing the budget, the Congressional Black Causus sent him their answer in a month.

With that first budget they set the tone for fiscally sound, economically fair, and realistically feasible budgetary options for this country in its attempts to recover from serious economic deficits and high inflation.

The Congressional Black Caucus and Progressive Caucus have joined to offer an alternative budget for fiscal year 1997 that does not engage in the economic cannibalism of our Nation's poor, elderly, or children.

This budget opposes all attempts by the "elite conservative minority" of the Republican Party to reduce the value of Social Security. This budget would ensure that current coverage for Medicaid and Medicare is not cut or further compromised.

This budget would maintain current services, where the Republican budget would have $240 billion in Medicaid cuts.

To encourage commerce through the creation of small and women and minority owned businesses this budget would add another $300 million for each fiscal year. They would freeze Neighborhood Reinvestment Corporation moneys at fiscal year 1996 levels rather than allow it to decrease in funding.

This budget would oppose any attempts to erode the value of Social Security, including any extension of the age for eligibility.

They would balance the budget with a fair application of revenue increases through the elimination of loopholes for multinational and foreign controlled corporations, reform taxation of income of multinational corporations and capital gains reform just to mention a few. Their recommended changes would result in a total of additional revenue of $486.7 billion.

The American people need and want a reasoned and balanced plan for addressing this country's serious deficit problems, and this budget is that plan.

Mr. STOKES. Mr. Chairman, I rise today in strong support of the Congressional Black Caucus and Progressive Caucus substitute budget for fiscal year 1997. This alternative reflects the vision of a caring majority. Unlike the Republican majority budget which dramatically threatens the health of millions of Americans, the CBC and Progressive Caucus' substitute protects the health of those in the dawn of life, our children, and those in the twilight of life, our seniors.

The Republican measure continues their assault on the health of the weakest among us by gutting $158 billion from Medicare, gutting $72 billion from Medicaid, forcing seniors to pay more for less health care, denying health care services to children aged 13 to 18, and eliminating the guarantee of coverage for all low-income seniors who cannot afford Medicare. The list of pain and suffering goes on and on.

Mr. Chairman, the Congressional Black Caucus and Progressive Caucus alternative budget overturns the assault on the health of the American people, while also balancing the budget. The CBC budget increases funding for the program authorized under the Disadvantaged Minority Health Improvement Act in an effort to ensure an adequate supply of health care professionals in medically underserved areas; provides the resources necessary to adequately address the toxic waste disposal problem as outlined in the Environmental Justice Act and provides funding for historically black colleges' hospitals which have traditionally provided health care services for disadvantaged populations. To further progress in addressing the Nation's substance abuse problem, the measure increases funding to provide for a more comprehensive substance abuse treatment and prevention initiative.

With respect to Medicare and Medicaid the Congressional Black Caucus and Progressive Caucus substitute ensures that current coverage of Medicaid and Medicare is preserved and strengthened. All savings generated from these programs are reinvested into strengthening these critical health care programs, not destroying them.

To ensure continued improvements in the health of the American people, the measure also retains strong support for funding initiatives to further advances in the early detection, diagnosis, and prevention of disorders and diseases, from cancer, to diabetes, to aids, by enhancing funding for the Centers for Disease Control and the National Institutes of Health.

Mr. Chairman, I strongly urge my colleagues to vote "yes" on the Congressional Black Caucus and Progressive Caucus caring budget. I urge my colleagues to join me in supporting this substitute budget which strengthens the Nation's fiscal policy and priorities in a responsible and compassionate manner.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. PAYNE].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 63, noes 362, not voting 8, as follows:

[Roll No. 176]

AYES—63

Becerra
Bishop
Bonior
Brown (FL)
Clay
Clayton
Clyburn
Collins (IL)
Collins (MI)
Conyers
Coyne
Cummings
DeFazio
Dellums
Dixon
Engel
Evans
Fattah
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Gibbons
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E.B.
Johnston
Lewis (GA)
Markey
Martinez
McDermott
McKinney
Meek
Millender-McDonald
Moakley
Nadler
Oberstar
Owens
Payne (NJ)
Rangel
Rush
Sanders
Schroeder
Scott
Serrano
Stark
Stokes
Studds
Thompson
Torres
Velazquez
Waters
Watt (NC)
Waxman
Wynn
Yates

NOES—362

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Everett
Ewing
Farr
Fawell
Fazio
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Sabo
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—8

Bevill
Burton
Chenoweth
Hayes
Molinari
Paxon
Talent
Towns

☐ 1241

The Clerk announced the following pair:

On this vote:

Mr. Towns for, with Mr. Paxon against.

Messrs. EWING, CHRYSLER, and RADANOVICH, and Mrs. MINK of Hawaii changed their vote from "aye" to "no."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider the amendment in the nature of a substitute designated in paragraph 2 of section 2 of House Resolution 435.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ORTON

Mr. ORTON. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. ORTON.

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,107,513,000,000.
Fiscal year 1998: $1,165,720,000,000.
Fiscal year 1999: $1,214,661,000,000.
Fiscal year 2000: $1,269,637,000,000.
Fiscal year 2001: $1,330,292,000,000.
Fiscal year 2002: $1,392,543,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: $7,157,000,000.
Fiscal year 1998: $17,170,000,000.
Fiscal year 1999: $16,303,000,000.
Fiscal year 2000: $17,838,000,000.
Fiscal year 2001: $19,192,000,000.
Fiscal year 2002: $18,645,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,316,223,000,000.
Fiscal year 1998: $1,364,054,000,000.
Fiscal year 1999: $1,405,593,000,000.
Fiscal year 2000: $1,448,718,000,000.
Fiscal year 2001: $1,480,821,000,000.
Fiscal year 2002: $1,529,237,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,313,391,000,000.
Fiscal year 1998: $1,352,476,000,000.
Fiscal year 1999: $1,388,058,000,000.
Fiscal year 2000: $1,428,498,000,000.
Fiscal year 2001: $1,453,221,000,000.
Fiscal year 2002: $1,501,530,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $205,878,000,000.
Fiscal year 1998: $186,756,000,000.
Fiscal year 1999: $173,397,000,000.
Fiscal year 2000: $158,861,000,000.
Fiscal year 2001: $122,929,000,000.
Fiscal year 2002: $108,987,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,417,500,000,000.
Fiscal year 1998: $5,651,100,000,000.
Fiscal year 1999: $5,864,000,000,000.
Fiscal year 2000: $6,058,600,000,000.
Fiscal year 2001: $6,212,600,000,000.
Fiscal year 2002: $6,344,300,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,432,000,000.
Fiscal year 1998: $39,420,000,000.
Fiscal year 1999: $42,470,000,000.

Fiscal year 2000: $43,895,000,000.

Fiscal year 2001: $45,292,000,000.

Fiscal year 2002: $46,718,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $267,340,000,000.

Fiscal year 1998: $266,819,000,000.

Fiscal year 1999: $266,088,000,000.

Fiscal year 2000: $267,079,000,000.

Fiscal year 2001: $267,982,000,000.

Fiscal year 2002: $269,051,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

Fiscal year 1997:

(A) New budget authority, $259,235,000,000.

(B) Outlays, $262,484,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $800,000,000.

Fiscal year 1998:

(A) New budget authority, $263,733,000,000.

(B) Outlays, $259,351,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 1999:

(A) New budget authority, $267,996,000,000.

(B) Outlays, $261,560,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2000:

(A) New budget authority, $273,082,000,000.

(B) Outlays, $267,858,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2001:

(A) New budget authority, $272,300,000,000.

(B) Outlays, $265,703,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2002:

(A) New budget authority, $272,372,000,000.

(B) Outlays, $269,364,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $200,000,000.

(2) International Affairs (150):

Fiscal year 1997:

(A) New budget authority, $14,178,000,000.

(B) Outlays, $15,008,000,000.

(C) New direct loan obligations, $4,342,000,000.

(D) New primary loan guarantee commitments $18,251,000,000.

Fiscal year 1998:

(A) New budget authority, $12,682,000,000.

(B) Outlays, $13,566,000,000.

(C) New direct loan obligations, $4,417,000,000.

(D) New primary loan guarantee commitments $18,628,000,000.

Fiscal year 1999:

(A) New budget authority, $11,838,000,000.

(B) Outlays, $12,552,000,000.

(C) New direct loan obligations, $4,518,000,000.

(D) New primary loan guarantee commitments $19,030,000,000.

Fiscal year 2000:

(A) New budget authority, $12,749,000,000.

(B) Outlays, $11,461,000,000.

(C) New direct loan obligations, $4,618,000,000.

(D) New primary loan guarantee commitments $19,406,000,000.

Fiscal year 2001:

(A) New budget authority, $12,879,000,000.

(B) Outlays, $11,669,000,000.

(C) New direct loan obligations, $4,739,000,000.

(D) New primary loan guarantee commitments $19,858,000,000.

Fiscal year 2002:

(A) New budget authority, $13,124,000,000.

(B) Outlays, $11,727,000,000.

(C) New direct loan obligations, $4,891,000,000.

(D) New primary loan guarantee commitments $20,431,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:

(A) New budget authority, $16,840,000,000.

(B) Outlays, $16,894,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $16,841,000,000.

(B) Outlays, $16,852,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $16,843,000,000.

(B) Outlays, $16,776,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $16,844,000,000.

(B) Outlays, $16,822,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $16,845,000,000.

(B) Outlays, $16,844,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $16,846,000,000.

(B) Outlays, $16,845,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(4) Energy (270):

Fiscal year 1997:

(A) New budget authority, $3,728,000,000.

(B) Outlays, $3,080,000,000.

(C) New direct loan obligations, $1,033,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $3,654,000,000.

(B) Outlays, $2,695,000,000.

(C) New direct loan obligations, $1,050,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $3,220,000,000.

(B) Outlays, $2,180,000,000.

(C) New direct loan obligations, $1,078,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $3,167,000,000.

(B) Outlays, $2,035,000,000.

(C) New direct loan obligations, $1,109,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $3,337,000,000.

(B) Outlays, $2,179,000,000.

(C) New direct loan obligations, $1,141,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $3,065,000,000.

(B) Outlays, $1,816,000,000.

(C) New direct loan obligations, $1,174,000,000.

(D) New primary loan guarantee commitments $0.

(5) Natural Resources and Environment (300):

Fiscal year 1997:

(A) New budget authority, $21,359,000,000.

(B) Outlays, $21,969,000,000.

(C) New direct loan obligations, $37,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $21,131,000,000.

(B) Outlays, $21,846,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $21,277,000,000.

(B) Outlays, $21,921,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $21,150,000,000.

(B) Outlays, $21,630,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $21,032,000,000.

(B) Outlays, $21,253,000,000.

(C) New direct loan obligations, $44,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $21,019,000,000.

(B) Outlays, $21,089,000,000.

(C) New direct loan obligations, $44,000,000.

(D) New primary loan guarantee commitments $0.

(6) Agriculture (350):

Fiscal year 1997:

(A) New budget authority, $12,617,000,000.

(B) Outlays, $10,778,000,000.

(C) New direct loan obligations, $7,810,000,000.

(D) New primary loan guarantee commitments $5,994,000,000.

Fiscal year 1998:

(A) New budget authority, $12,663,000,000.

(B) Outlays, $10,677,000,000.

(C) New direct loan obligations, $9,387,000,000.

(D) New primary loan guarantee commitments $6,765,000,000.

Fiscal year 1999:

(A) New budget authority, $12,481,000,000.

(B) Outlays, $10,529,000,000.

(C) New direct loan obligations, $10,808,000,000.

(D) New primary loan guarantee commitments $6,836,000,000.

Fiscal year 2000:

(A) New budget authority, $11,933,000,000.

(B) Outlays, $10,026,000,000.

(C) New direct loan obligations, $10,825,000,000.

(D) New primary loan guarantee commitments $6,909,000,000.

Fiscal year 2001:

(A) New budget authority, $10,889,000,000.

(B) Outlays, $9,081,000,000.

(C) New direct loan obligations, $10,708,000,000.

(D) New primary loan guarantee commitments $6,983,000,000.

Fiscal year 2002:

(A) New budget authority, $10,646,000,000.

(B) Outlays, $8,816,000,000.

(C) New direct loan obligations, $10,706,000,000.

(D) New primary loan guarantee commitments $7,060,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1997:

(A) New budget authority, $7,928,000,000.

(B) Outlays, $826,000,000.

(C) New direct loan obligations, $1,910,000,000.

(D) New primary loan guarantee commitments $198,096,000,000.

Fiscal year 1998:

(A) New budget authority, $9,878,000,000.

(B) Outlays, $5,381,000,000.

(C) New direct loan obligations, $1,900,000,000.

(D) New primary loan guarantee commitments $198,218,000,000.

Fiscal year 1999:

(A) New budget authority, $10,622,000,000.

(B) Outlays, $5,713,000,000.

(C) New direct loan obligations, $1,954,000,000.

(D) New primary loan guarantee commitments $198,427,000,000.

Fiscal year 2000:

(A) New budget authority, $12,421,000,000.

(B) Outlays, $6,686,000,000.

(C) New direct loan obligations, $2,015,000,000.

(D) New primary loan guarantee commitments $198,723,000,000.

Fiscal year 2001:

(A) New budget authority, $11,984,000,000.

(B) Outlays, $7,198,000,000.

(C) New direct loan obligations, $2,072,000,000.

(D) New primary loan guarantee commitments $198,876,000,000.

Fiscal year 2002:

(A) New budget authority, $12,325,000,000.

(B) Outlays, $7,837,000,000.

(C) New direct loan obligations, $2,134,000,000.

(D) New primary loan guarantee commitments $199,111,000,000.

(8) Transportation (400):

Fiscal year 1997:

(A) New budget authority, $43,944,000,000.

(B) Outlays, $39,307,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $44,651,000,000.

(B) Outlays, $38,616,000,000.

(C) New direct loan obligations, $16,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $43,544,000,000.

(B) Outlays, $36,014,000,000.

(C) New direct loan obligations, $16,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $44,240,000,000.

(B) Outlays, $35,526,000,000.

(C) New direct loan obligations, $17,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $44,854,000,000.

(B) Outlays, $34,788,000,000.

(C) New direct loan obligations, $17,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $45,582,000,000.

(B) Outlays, $34,440,000,000.

(C) New direct loan obligations, $18,000,000.

(D) New primary loan guarantee commitments $0.

(9) Community and Regional Development (450):

Fiscal year 1997:

(A) New budget authority, $8,733,000,000.

(B) Outlays, $10,409,000,000.

(C) New direct loan obligations, $1,231,000,000.

(D) New primary loan guarantee commitments $2,181,000,000.

Fiscal year 1998:

(A) New budget authority, $8,268,000,000.

(B) Outlays, $10,024,000,000.

(C) New direct loan obligations, $1,257,000,000.

(D) New primary loan guarantee commitments $2,229,000,000.

Fiscal year 1999:

(A) New budget authority, $8,556,000,000.

(B) Outlays, $9,464,000,000.

(C) New direct loan obligations, $1,287,000,000.

(D) New primary loan guarantee commitments $2,315,000,000.

Fiscal year 2000:

(A) New budget authority, $8,621,000,000.

(B) Outlays, $9,163,000,000.

(C) New direct loan obligations, $1,365,000,000.

(D) New primary loan guarantee commitments $2,369,000,000.

Fiscal year 2001:

(A) New budget authority, $8,610,000,000.

(B) Outlays, $8,671,000,000.

(C) New direct loan obligations, $1,404,000,000.

(D) New primary loan guarantee commitments $2,448,000,000.

Fiscal year 2002:

(A) New budget authority, $8,498,000,000.

(B) Outlays, $8,149,000,000.

(C) New direct loan obligations, $1,430,000,000.

(D) New primary loan guarantee commitments $2,496,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1997:

(A) New budget authority, $53,099,000,000.

(B) Outlays, $51,302,000,000.

(C) New direct loan obligations, $16,219,000,000.

(D) New primary loan guarantee commitments $15,469,000,000.

Fiscal year 1998:

(A) New budget authority, $54,914,000,000.

(B) Outlays, $53,764,000,000.

(C) New direct loan obligations, $19,040,000,000.

(D) New primary loan guarantee commitments $14,760,000,000.

Fiscal year 1999:

(A) New budget authority, $56,631,000,000.

(B) Outlays, $55,520,000,000.

(C) New direct loan obligations, $21,781,000,000.

(D) New primary loan guarantee commitments $13,854,000,000.

Fiscal year 2000:

(A) New budget authority, $57,968,000,000.

(B) Outlays, $56,675,000,000.

(C) New direct loan obligations, $22,884,000,000.

(D) New primary loan guarantee commitments $14,589,000,000.

Fiscal year 2001:

(A) New budget authority, $59,496,000,000.

(B) Outlays, $57,975,000,000.

(C) New direct loan obligations, $23,978,000,000.

(D) New primary loan guarantee commitments $15,319,000,000.

Fiscal year 2002:

(A) New budget authority, $61,089,000,000.

(B) Outlays, $59,302,000,000.

(C) New direct loan obligations, $25,127,000,000.

(D) New primary loan guarantee commitments $16,085,000,000.

(11) Health (550):

Fiscal year 1997:

(A) New budget authority, $130,271,000,000.

(B) Outlays, $129,859,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $187,000,000.

Fiscal year 1998:

(A) New budget authority, $137,102,000,000.

(B) Outlays, $136,870,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $94,000,000,000.

Fiscal year 1999:

(A) New budget authority, $146,449,000,000.

(B) Outlays, $146,486,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $155,462,000,000.

(B) Outlays, $155,232,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $163,952,000,000.

(B) Outlays, $163,535,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $174,717,000,000.

(B) Outlays, $174,167,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(12) Medicare (570):

Fiscal year 1997:

(A) New budget authority, $191,735,000,000.

(B) Outlays, $190,051,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $205,671,000,000.

(B) Outlays, $203,946,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $219,739,000,000.

(B) Outlays, $217,467,000,000.

(C) New direct loan obligations, $0

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $233,083,000,000.

(B) Outlays, $231,334,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $249,351,000,000.

(B) Outlays, $247,617,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $266,091,000,000.

(B) Outlays, $263,690,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(13) Income Security (600):

Fiscal year 1997:

(A) New budget authority, $231,135,000,000.

(B) Outlays, $238,848,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $243,312,000,000.

(B) Outlays, $247,097,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $252,613,000,000.

(B) Outlays, $256,017,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $266,923,000,000.

(B) Outlays, $268,708,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $273,393,000,000.

(B) Outlays, $273,190,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $288,716,000,000.

(B) Outlays, $286,757,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(14) Social Security (650):

Fiscal year 1997:

(A) New budget authority, $7,813,000,000.

(B) Outlays, $11,001,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $8,477,000,000.

(B) Outlays, $11,664,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $9,220,000,000.

(B) Outlays, $12,369,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $9,980,000,000.

(B) Outlays, $13,129,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $10,776,000,000.

(B) Outlays, $13,925,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $11,608,000,000.

(B) Outlays, $14,757,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1997:

(A) New budget authority, $39,074,000,000.

(B) Outlays, $39,570,000,000.

(C) New direct loan obligations, $935,000,000.

(D) New primary loan guarantee commitments $26,362,000,000.

Fiscal year 1998:

(A) New budget authority, $38,910,000,000.

(B) Outlays, $39,387,000,000.

(C) New direct loan obligations, $962,000,000.

(D) New primary loan guarantee commitments $25,925,000,000.

Fiscal year 1999:

(A) New budget authority, $39,420,000,000.

(B) Outlays, $39,603,000,000.

(C) New direct loan obligations, $987,000,000.

(D) New primary loan guarantee commitments $25,426,000,000.

Fiscal year 2000:

(A) New budget authority, $39,548,000,000.

(B) Outlays, $41,235,000,000.

(C) New direct loan obligations, $1,021,000,000.

(D) New primary loan guarantee commitments $24,883,000,000.

Fiscal year 2001:

(A) New budget authority, $39,803,000,000.

(B) Outlays, $38,655,000,000.

(C) New direct loan obligations, $1,189,000,000.

(D) New primary loan guarantee commitments $24,298,000,000.

Fiscal year 2002:

(A) New budget authority, $40,005,000,000.

(B) Outlays, $40,268,000,000.

(C) New direct loan obligations, $1,194,000,000.

(D) New primary loan guarantee commitments $23,668,000,000.

(16) Administration of Justice (750):

Fiscal year 1997:

(A) New budget authority, $22,127,000,000.

(B) Outlays, $19,930,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $22,302,000,000.

(B) Outlays, $21,162,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $23,186,000,000.

(B) Outlays, $22,241,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $23,235,000,000.

(B) Outlays, $22,944,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $22,119,000,000.

(B) Outlays, $22,461,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $22,143,000,000.

(B) Outlays, $22,085,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(17) General Government (800):

Fiscal year 1997:

(A) New budget authority, $13,655,000,000.

(B) Outlays, $13,362,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $13,661,000,000.

(B) Outlays, $13,522,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $13,311,000,000.

(B) Outlays, $13,299,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $13,149,000,000.

(B) Outlays, $13,346,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $13,086,000,000.

(B) Outlays, $13,046,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $13,147,000,000.

(B) Outlays, $13,104,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(18) Net Interest (900):

Fiscal year 1997:

(A) New budget authority, $282,011,000,000.

(B) Outlays, $281,971,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $287,083,000,000.

(B) Outlays, $286,933,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, $289,332,000,000.

(B) Outlays, $289,032,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, $289,637,000,000.

(B) Outlays, $289,162,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $292,873,000,000.

(B) Outlays, $292,190,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, $297,178,000,000.

(B) Outlays, $296,252,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(19) Allowances (920):

Fiscal year 1997:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$6,000,000,000.

(B) Outlays, −$6,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, −$7,000,000,000.

(B) Outlays, −$7,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$8,500,000,000.

(B) Outlays, −$8,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$9,000,000,000.

(B) Outlays, −$9,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$9,500,000,000.

(B) Outlays, −$9,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1997:

(A) New budget authority, −$43,258,000,000.

(B) Outlays, −$43,258,000,000.

(C) New direct loan obligations, $7,900,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$34,878,000,000.

(B) Outlays, −$34,878,000,000.

(C) New direct loan obligations, $1,350,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1999:

(A) New budget authority, −$33,685,000,000.

(B) Outlays, −$33,685,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2000:

(A) New budget authority, −$35,974,000,000.

(B) Outlays, −$35,974,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, −$37,759,000,000.

(B) Outlays, −$37,759,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 2002:

(A) New budget authority, −$39,435,000,000.

(B) Outlays, −$39,435,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

SEC. 4. RECONCILIATION.

(a) Not later than June 21, 1996, the House committees named in subsection (b) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(b)(1) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $2,082,000,000 in outlays for fiscal year 1997, $15,117,000,000 in outlays in fiscal years 1997 through 2001, and $18,852,000,000 in outlays in fiscal years 1997 through 2002.

(2) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $367,000,000 in outlays for fiscal year 1997, $2,428,000,000 in outlays in fiscal years 1997 through 2001, and $3,026,000,000 in outlays in fiscal years 1997 through 2002.

(3) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $10,717,000,000 in outlays for fiscal year 1997, $158,844,000,000 in outlays in fiscal years 1997 through 2001, and $226,598,000,000 in outlays in fiscal years 1997 through 2002.

(4) The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $220,000,000 in outlays for fiscal year 1997, $2,454,000,000 in outlays in fiscal years 1997 through 2001, and $3,198,000,000 in outlays in fiscal years 1997 through 2002.

(5) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $2,600,000,000 in outlays for fiscal year 1997, $40,278,000,000 in outlays in fiscal years 1997 through 2001, and $50,900,000,000 in outlays in fiscal years 1997 through 2002.

(6) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $0 in outlays for fiscal year 1997, $357,000,000 in outlays in fiscal years 1997 through 2001, and $476,000,000 in outlays in fiscal years 1997 through 2002.

(7) The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $84,000,000 in outlays for fiscal year 1997, $493,000,000 in outlays in fiscal years 1997 through 2001, and $649,000,000 in outlays in fiscal years 1997 through 2002.

(8) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $74,000,000 in outlays for fiscal year 1997, $308,000,000 in outlays in fiscal years 1997 through 2001, and $332,000,000 in outlays in fiscal years 1997 through 2002.

(9) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $19,000,000 in outlays for fiscal year 1997, $810,000,000 in outlays in fiscal years 1997 through 2001, and $885,000,000 in outlays in fiscal years 1997 through 2002.

(10) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $117,000,000 in outlays for fiscal year 1997, $2,378,000,000 in outlays in fiscal years 1997 through 2001, and $3,232,000,000 in outlays in fiscal years 1997 through 2002.

(11) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the deficit, as follows: by $14,766,000,000 in fiscal year 1997, by $172,990,000,000 in fiscal years 1997 through 2001, and by $231,595,000,000 in fiscal years 1997 through 2002.

(c) DEFINITION.—For purposes of this section, the term "direct spending" has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 5. SENSE OF CONGRESS ON DOMESTIC VIOLENCE AND FEDERAL ASSISTANCE.

(a) FINDINGS.—Congress finds that—

(1) domestic violence is the leading cause of physical injury to women; the Department of Justice estimates that over one million violent crimes against women are committed by intimate partners annually;

(2) domestic violence dramatically affects the victim's ability to participate in the workforce; a University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work;

(3) domestic violence is often intensified as women seek to gain economic independence through attending school or training programs; batterers have been reported to prevent women from attending these programs or sabotage their efforts at self-improvement;

(4) nationwide surveys of service providers prepared by the Taylor Institute of Chicago, document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 percent and 80 percent of AFDC recipients are current or past victims of domestic violence;

(5) over half of the women surveyed stayed with their batterers because they lacked the resources to support themselves and their children; the surveys also found that the availability of economic support is a critical factor in poor women's ability to leave abusive situations that threaten them and their children; and

(6) proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) no welfare reform provision shall be enacted by Congress unless and until Congress considers whether such welfare reform provisions will exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence; and

(2) any welfare reform measure enacted by Congress shall require that any welfare-to-work, education, or job placement programs implemented by the States will address the impact of domestic violence on welfare recipients.

SEC. 6. SENSE OF CONGRESS ON IMPACT OF LEGISLATION ON CHILDREN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that Congress should not adopt or enact any legislation that will increase the number of children who are hungry, homeless, poor, or medically uninsured.

(b) LEGISLATIVE ACCOUNTABILITY FOR IMPACT ON CHILDREN.—In the event legislation enacted to comply with this resolution results in an increase in the number of hungry, homeless, poor, or medically uninsured by the end of fiscal year 1997, Congress shall revisit the provisions of such legislation which caused such increase and shall, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

SEC. 7. SENSE OF CONGRESS REGARDING TAX CUTS.

It is the sense of Congress that changes in tax laws which promote job creation, economic growth, and increased savings and investment should be enacted and be offset by changes which close tax loopholes and eliminate corporate welfare.

SEC. 8. SENSE OF CONGRESS REGARDING THE DEBT.

It is the sense of Congress that eliminating the deficit by producing a balanced budget is only the first step toward the ultimate goal of reducing and eventually eliminating the public debt.

SEC. 9. SENSE OF CONGRESS REGARDING TRUST FUND SURPLUSES.

It is the sense of Congress that—

(2) all recent-year Federal budgets, as well as both fiscal year 1996 budget resolutions reported out by the Committees on the Budget of the House of Representatives and the Senate, have masked the magnitude of annual

deficits by counting various trust fund surpluses; and

(2) upon reaching a balance in the Federal budget, the Government should move toward balance without consideration of trust fund surpluses.

SEC. 10. SENSE OF CONGRESS REGARDING BALANCED BUDGET ENFORCEMENT.

It is the sense of Congress that, in order to ensure that a balanced budget is achieved by fiscal year 2002 and that the budget remains in balance thereafter, title XIV of H.R. 2530 establishing strict budget enforcement mechanisms should be enacted. Such language would—

(1) require the Federal Government to reach a balanced Federal budget by fiscal year 2002 and remain in balance thereafter;

(2) establish procedures for developing honest, accurate, and accepted budget estimates;

(3) require that the President propose annual budgets that would achieve a balanced Federal budget by fiscal year 2002 and for each year thereafter, using accurate assumptions;

(4) require the Committees on the Budget of the House of Representatives and the Senate to report budget resolutions that achieve a balanced Federal budget by fiscal year 2002 and for each year thereafter, using accurate assumptions; and

(5) require Congress and the President to take action if the deficit targets in this resolution are not met.

SEC. 11. SENSE OF CONGRESS REGARDING MEDICARE REFORM.

It is the sense of Congress that any legislation reforming medicare should reflect the policies and distribution of savings contained in H.R. 2530. Specifically, that legislation should—

(1) reform policies for medicare risk contracting to expand the choice of private options available to all medicare beneficiaries, including individuals in rural areas;

(2) contain regulatory reforms to facilitate the creation of provider-sponsored networks;

(3) contain reasonable reductions in the growth of payments to providers that do not threaten the availability or quality of care;

(4) require higher income medicare beneficiaries to pay a greater portion of medicare premiums without establishing a new bureaucracy for the collection of premiums;

(5) expand coverage of preventive benefits under medicare;

(6) provide a demonstration project for Medical Savings Accounts for medicare beneficiaries; and

(7) prohibit managed care plans from charging medicare beneficiaries additional premiums beyond the part B premium.

SEC. 12. SENSE OF CONGRESS REGARDING MEDICAID REFORM.

It is the sense of Congress that any legislation changing the medicaid program pursuant to this resolution should—

(1) continue guaranteed coverage for low-income children, pregnant women, the elderly, and the disabled;

(2) continue the guarantee of an adequate benefits package for all medicaid beneficiaries;

(3) provide States with greater flexibility in the delivery of services and administration of the program;

(4) contain a financing mechanism in which the Federal Government fully shares in changes in program costs resulting from changes in caseload;

(5) require States to maintain current levels of financial effort to preserve the current joint Federal-State partnership in meeting the costs of this program;

(6) continue current restrictions on the use of provider taxes and donations and other illusory State financing schemes;

(7) continue Federal minimum standards for nursing homes;

(8) continue Federal rules that prevent wives or husbands from being required to impoverish themselves in order to obtain and keep medicaid benefits for their spouse requiring nursing home care; and

(9) continue coverage of medicaid premiums and cost sharing for low-income seniors.

SEC. 13. SENSE OF CONGRESS REGARDING WELFARE REFORM.

It is the sense of Congress that any legislation reforming welfare programs pursuant to this resolution should—

(1) impose tough work requirements on able-bodied recipients;

(2) provide sufficient resources for job training, child care, and other programs necessary to help welfare recipients make the transition from welfare to work;

(3) require States to maintain levels of financial support sufficient to operate an effective program;

(4) contain effective counter-cyclical mechanisms to assist States facing economic downturns or increases in population;

(5) include provisions holding States accountable for the use of Federal funds and the effectiveness of State programs;

(6) contain strong child support provisions; and

(7) maintain the integrity of the food stamp program as a national safety net.

The CHAIRMAN. Pursuant to the rule, the gentleman from Utah [Mr. ORTON] and a Member opposed each will control 30 minutes.

Mr. SHAYS. Mr. Chairman, I am opposed to the amendment. The gentleman from Ohio [Mr. KASICH] will be coming shortly, and he will be opposed.

The CHAIRMAN. The gentleman from Connecticut [Mr. SHAYS] will be recognized for 30 minutes.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, last night after general debate on the budget, I was talking with one of my constituents who after watching several hours of debate was totally confused over what the argument was all about. While the budget and alternatives may be clear to those of us here in this Chamber, the people have a hard time following us.

Therefore, as simply as I can, I will now outline the principal differences between the various budgets we are considering.

All of the budgets offered would achieved balance in 2002. The differences are in the details of how much is cut each year, how much is spent or cut from each program, and how the programs are changed to achieve these savings.

Last year, at the beginning of the budget debate, the President's budget and the Republican's budget were $600 billion different between now and 2002. The coalition budget was a centrist budget, with numbers between the President's and Republican's, designed to bridge the gap between the two and facilitate an agreement which the President could sign into law.

Since that time, in an effort to resolve their differences, both the President and the Republicans have changed their proposals significantly toward one another. In fact, their numbers on spending have collapsed to virtually mirror the coalition budget. Today, the difference between the President and the coalition is only 0.6 percent and between the Republicans and the coalition is only 0.9 percent in an $11 trillion budget over the next six years.

Being so close, then why isn't there agreement? The answer is found in the policy decisions—how you change each program to achieve the savings. Here again, the coalition budget has set forth proposed policy changes designed to bridge the gap with real commonsense solutions. In a moment, my colleagues will outline those solutions in welfare, Medicaid, Medicare, and other areas.

There is another major difference between the coalition budget and the others under consideration. That is how quickly the deficit is reduced and how much additional Government borrowing is necessary.

The coalition budget borrows $137 billion less than the Republicans and $200 billion less than the President over the next six years.

How is that done? The coalition budget cuts spending first. Both the Republicans and the President backload their spending cuts. What is backloading? That means that most of the spending cuts come in the last years of the budget. In fact 80 percent in the last 3 years. And they don't bring the deficit down below $100 billion until the next century—when some future Congress and President will have to make the tough choices of spending cuts. According to CBO the Republican deficits will go up $4 billion next year and then drop to only $1 billion below today's level in 2 years. That is a net increase in the deficit of $3 billion 2 years from now, leaving almost all of the tough decisions to the next Congress.

We have also heard a lot about tax cuts. The coalition budget does not include tax cuts, not because we oppose tax cuts, but rather we believe we should cut spending and achieve a balanced budget first. Next we should reform our tax system for fairness and simplicity. To try to combine both balancing the budget and tax cuts will guarantee neither and probably prevent either. In an effort to guarantee both, last year the budget contained the provision "Tax Reduction Contingent on Balanced Budget", but this year they refuse to include even those guarantees. Why? Because they promise tax cuts which the Joint Tax Committee says will cost $216 billion, but only provide numbers in the budget for $122 billion. That is not "truth in budgeting". The Republican plan is apparently to being a tax cut package first, an obvious benefit in an election year, and then separately try to change entitlements. This is the same approach used in the 1980's when deficits quadrupled the debt to over $4 trillion.

I urge my colleagues to support the coalition budget.

Mr. Chairman, I reserve the balance of my time.

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Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I thank my good friend from Connecticut, and I listened with interest to my colleague from Utah. I share the lament of one of his constituents, who, if I understand my friend correctly, said the argument seemed to be escaping the American people, by and large. We get caught up in too many arcane terms with reference to the budget.

So we will attempt to both respond to my colleague from Utah and to his constituent; and, indeed, Mr. Chairman, to the American people. I think there is simply this fundamental difference. It may be a matter of degrees on the liberal side of the aisle, but essentially what our friends in the coalition are saying is this: "We can change the way we spend money, but let us maintain control here in Washington, and let us maintain control," they say, "with the vast Federal bureaucracy."

Indeed, they use the same mechanisms of the past. Even in trying to have numbers meet in the middle, they have a philosophy which is more of the same: more taxing, more spending.

The budget offered by my friends who call themselves Blue Dog would raise taxes $211 billion. The budget offered by the coalition would raise spending $74 billion. And of great concern to the seniors in the Sixth District of Arizona and nationwide, the coalition budget would give seniors $51 billion less over 6 years.

The remedy is the same. It is regretable. Our colleagues who call themselves the Blue Dogs seek more of the green stuff from home. They want more of our money in taxes; they want more spending; and they want control here in Washington.

Our budget saves our children's future, empowers people to be self-reliant, and shifts the money, power, and influence out of the hands of the Washington bureaucrats and back home to Main Street, to local government, to solve problems.

With that in mind, I urge my colleagues to reject the budget of the Blue Dogs and stay with the new vision for the future.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Chairman, I thank my colleague from Utah for yielding me the time.

I want to quickly respond to my colleague from Arizona and say there are no tax increases in the coalition budget, and that we save or we have $140 billion more in deficit reduction than the Republican budget.

Mr. Chairman, I rise in opposition to that Republican budget and in strong support of the coalition substitute. The coalition substitute balances the budget in 6 years in an honest, straightforward manner, no detours, no gimmicks, and without any unnecessary tax cuts.

The coalition's budget balances our fiscal responsibility with our social responsibility, and the balance is perhaps best illustrated by our Medicare policy. The coalition budget ensures Medicare solvency for the same number of years as the Republican plan, yet without harsh Republican policies. Our Medicare plan is fair to seniors, does not allow managed care companies or doctors to extra bill them, and it only increases premiums for those with the highest incomes. It provides over $2 billion for preventive benefits for cancer screening and diabetes testing, an investment that will make sense and will save both lives and money.

Our Medicare plan is also fair to providers. It is supported by numerous health care providers as the most equitable and reasonable way to save the trust fund. Let me read from a letter I received this morning from the American Hospital Association:

> DEAR REPRESENTATIVE PAYNE: The American Hospital Association, representing 5,000 hospitals, health systems and other providers, believes the Coalition's budget alternative is the best choice available to Congress for balancing the Federal budget. We applaud your efforts and urge the Congress to adopt your fiscal year 1997 budget plan.
>
> The Coalition alternative is compatible with the Medicare and Medicaid budget principles that the American Hospital Association has consistently supported.
>
> We appreciate the thoughtful approach the Coalition has taken to deficit reduction, particularly as it pertains to Medicare and Medicaid.
>
> Signed, Rick Pollack, executive vice president.

Mr. Chairman, seniors and providers of health care support our budget as the most equitable and most responsible, and I urge my colleagues to support the coalition Medicare plan and the coalition substitute budget.

Mr. Chairman, I include the letter from the American Hospital Association for the RECORD:

AMERICAN HOSPITAL ASSOCIATION,
Washington, DC, May 15, 1996.

Hon. L.F. PAYNE,
Rayburn House Office Building,
Washington, DC.

DEAR REPRESENTATIVE PAYNE: The American Hospital Association (AHA), representing 5,000 hospitals, health systems, and other providers of care, believes the Coalition's budget alternative is the best choice available to the Congress for balancing the federal budget. We applaud your efforts and urge the Congress to adopt your fiscal year 1997 budget plan.

The Coalition alternative is compatible with the Medicare and Medicaid budget principles that the American Hospital Association has consistently supported, including:

Assuring access to care for vulnerable populations—the Coalition preserves the Medicaid program as an entitlement and guarantees reasonable payment to providers for the care they deliver to Medicaid patients.

Giving hospitals the tools they need to compete in the future health care system—the Coalition alternative contains provider-sponsored organization (PSO) language that creates real options for Medicare patients.

Providing for shared responsibility among all stakeholders in the Medicare program.

Creating an independent citizens' commission to help Congress make the tough choices for Medicare's next 30 years.

Not cutting Medicare and Medicaid too fast or too deep—the Coalition's reductions to these two critical programs, while still deeper than we might prefer, are more balanced than those in the Republican or Administration plans.

We appreciate the thoughtful approach the Coalition has taken to deficit reduction, particularly as it applies to Medicare and Medicaid.

Sincerely,

RICK POLLACK,
Executive Vice President.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. NEUMANN].

Mr. NEUMANN. Mr. Chairman, this issue of whether or not we should pass the blue dog budget is really a very, very simple matter. When put into perspective, under the blue dog budget the American people would pay $211 billion more in taxes as compared to the Republican plan that we are going to be voting on later on today.

Second, the people in Washington, DC, will spend $74 billion more over the next 6 years than under the Republican plan that we will be voting on later on today.

So it both taxes the American people more and it spends more, and our people in Wisconsin do not want to pay more taxes and they do not think the people in Washington, DC, need to spend more.

But that is not the biggest problem with the blue dog budget. The biggest problem is its impact on the Social Security benefits paid to our senior citizens. And to all of the senior citizens listening here today, I would like to caution them about some Washington jargon that should be a red flag. It is called the CPI adjustment.

Whenever anyone hears this Washington language, they need to know that what they are really talking about is reducing the amount of money that is available to be paid to our senior citizens in the future.

Let me make this very, very simple. If the blue dog budget passes today, and the CPI, that is the cost of living adjustment, would be 3 percent, under the blue dog plan it would be reduced to 2.5 percent. So instead of going up by 3 percent, an individual's Social Security payments would only go up by 2.5 percent instead.

Folks, this needs to be very, very clear; that under the blue dog budget Social Security benefits are impacted. To me, this is a very simple matter. The blue dog budget taxes more, it spends more, and it reduces the amount of money compared to current law that would be paid to our senior citizens from where we are today.

Clearly, this is a budget we should be voting against for those three reasons: It taxes more, spends more, and reduces the benefits to our senior citizens.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentlewoman from Arkansas [Mrs. BLANCH LAMBERT LINCOLN].

Mrs. LINCOLN. Mr. Chairman, today, I come and rise in strong support of the blue dog coalition budget, and I oppose the other budgets being offered. I do that as a mother expecting two youngsters soon, and I am especially proud of the coalition's work on a fair balanced budget proposal.

One of the biggest selling points, and it is very clear to everyone, is that the coalition budget has less debt burden placed on our children, my children, everyone's children, in the future. The Republican budget will run up $137 billion more in debt, which our children will have to pay; or the $200 billion in the President's budget.

Regardless of what this extra debt is used for, tax cuts, spending, whatever, it will mean higher interest payments and, therefore, less money for our children. Anyone knows that less money down on a house means a larger payment; more interest that is not even deductible.

The coalition alternative balances the budget while being more responsible. The prime example is Medicaid. We maintain guaranteed coverage for those who need it, including disabled children. We allow Medicaid dollars to follow demand, keeping costs down by focusing our dollars on individuals and their needs. We guarantee adequate benefit packages to recipients.

Our guarantees of coverage and benefits will be enforceable through the Federal Government. The Republican proposal contains enforcement loopholes. We still give the States the flexibility that they need to create the savings. We retain Federal nursing home standards to protect our elderly citizens, which the Republican plan does not. We do all of this while still slowing the rate of growth in Medicaid, creating a total savings of $70 billion over 6 years in Medicaid.

That is what the coalition budget is all about, balancing budget using common sense and fair approaches while doing all that we can to ease the burden on future Americans by taking responsibility for spending now.

If we are concerned about the future for our children, which my colleagues over here claim they are, no one can argue that ours is the only budget that leaves the least amount of debt to our children, all of our children.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. LAZIO], the chairman of the committee that is reforming housing.

Mr. LAZIO of New York. Mr. Chairman, I rise in opposition to the amendment but also to congratulate my colleagues who have put forward this amendment in an effort to try to find a constructive solution.

Let me say, ladies and gentleman, that we do not go the whole route with this alternative. In 1950, ladies and gentlemen, a family of four making an inflation-adjusted $50,000 in current dollars paid about 4 percent of their income in Federal taxes. Guess what it is now: 6, 8, 9, 10, 12, 15, 18? If Members guessed any of those, they would be wrong. Twenty-six percent in the last 40 years; a 6-fold increase in the Federal tax burden.

Is there any wonder why moms cannot spend more time with their children after school to go over homework or dads have to work overtime just to meet that Federal burden?

The Republican budget meets this challenge. It begins to say that Americans who earn more will be able to keep more so they can do more. They can make their own decisions. They can help their families. They can have more time to spend going over homework and going to clubs and organizations with their children.

In 1993 this body passed the largest tax increase in the history of our Nation. Now we are going down another path, a path where Americans can keep more of what they earn and help their families.

Alan Greenspan, the chairman of the Federal Reserve board, said in testimony before us that families can look forward to their children doing better than they, and that is the American dream.

Mr. Chairman, I urge a "no" vote on this amendment.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. SABO], the ranking member and former chairman of the Committee on the Budget.

Mr. SABO. Mr. Chairman, I thank the gentleman for yielding me time, and I congratulate the gentleman from Utah [Mr. ORTON], the gentleman from Texas [Mr. STENHOLM], and other Members of the coalition for the budget that they present. If our goal is to balance the budget by 2002, this is the alternative that might actually do it.

Mr. Chairman, we need a little humility when we project 6 years into the future. Many things can change. But if there is any plan that can actually work, it is the Orton proposal. It is tough, it is realistic, but it is also fair to people.

It means less interest costs for the Federal Government. It is the one plan that might actually result in happening what we talk about; that a young family buying a new home might actually have lower mortgage payments because of lower interest rate costs.

It is a good proposal, it is fair, it is workable, it is the one that can achieve our goals. I, in the strongest way I can, urge people to vote for this good alternative, and I congratulate the gentleman from Utah.

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Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to my colleague, the gentleman from Ohio [Mr. PORTMAN].

Mr. PORTMAN. Mr. Chairman, I want to commend my friends, the blue dogs on this side of the aisle, for bringing forth this budget today. I think it is a great improvement over the budget we are going to see next, which is the President's budget. I think the gentleman from Minnesota [Mr. SABO] is going to bring it to the floor.

I say that because the President's budget does not even balance over the 6-year period based on CBO numbers, unless you add some late year gimmicks the last 2 years on some contingencies. So I commend them for having a product that does get to balance. I have a few problems with it as I look at it.

No. 1, in the entitlement area, which is where most of our spending increases are now, they do not get at the real problems, in my view, in Medicaid. I think there could be an unfunded mandate in Medicaid because there is a lack of flexibility, as compared with the Republican approach.

With regard to Medicare, you cannot tell how long the part A trust fund remains solvent based on this approach. It looks like we have a shift from the part A trust fund to the taxpayer-paid part B trust fund.

Finally, and this is the fundamental point, it has higher taxes and higher spending than the Republican plan which gets to balance in the same time period. So why vote for something that does not have the attributes of the Republican plan in terms of entitlement reform, fundamental reforms and has higher taxes and higher spending and gets there at the same time?

I guess my view is, why not the best? We have a plan that has lower taxes and less spending that gets us to balance. That is what we need to do.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, I rise to urge my colleagues in the House to vote for the coalition budget. Let me suggest three reasons why they should.

First, there is no question that the coalition budget reduces the Federal deficit greater than any of the other proposals before us. Just compare the facts. After 3 years under the Republican budget, the deficit will be reduced by just $35 billion, from $150 billion to $115 billion. Then they would have us believe that Congress is going to jump off a cliff in the next 3 years and eliminate that $115 billion deficit.

Compare that to the coalition budget which reduces the deficit during the first 3 years by almost one half, down from $150 billion to $80 billion.

The true measure as to whether we are serious about deficit reduction is what we do up front. The coalition budget does the best job of keeping us on a glide path to really get the budget deficit over with. Over the next 6 years the Republican committee budget will increase the national debt by $140 billion more than the coalition budget. The American people want us to end the flood of red ink. The coalition budget is the serious proposal to get that done.

The CBO, OMB, and outside interest groups all agree that this is the best approach, if reducing the deficit is our top domestic priority.

The second reason I urge my colleagues to support this approach is that this approach protects the priorities that are important to the American people. It protects priorities in education, environment, and health care. It protects student loans and provides $45 billion more for education and training programs to help prepare American children and workers for the economic challenges of the future.

The third reason is that the coalition budget can pass. Democrats and Republicans can come together on the coalition budget and we can really get the job done. If we want to accomplish a balanced budget by the year 2002, this is the way to go. We can come together as Democrats and Republicans, and I urge my colleagues to support the coalition budget.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman, I thank the gentleman for yielding time to me. Very briefly, if the Democrats or the coalition or the blue dogs had presented this budget 2 years ago, I suspect most everybody on this side of the aisle would have voted for it.

The reason I suggest we should not vote for this blue dog budget is because it would replace an even better budget passed by the Budget Committee. Here is why I think the Republican budget is better. The Democrat proposal has higher taxes. It has increased spending and that means returning to a tax and spending philosophy.

We had a tax increase in 1993. All of this side of the aisle voted for the tax increase. That tax increase, according to the Heritage Foundation, cost Americans 1.2 million additional private sector jobs and $208 billion in economic output. The Democrat coalition budget continues all of the 1993 tax increases.

We have such huge budget problems. I compliment the coalition Members for looking at Social Security. That could be the next catastrophe to hit this country. We need to start dealing with it. I say we have got to have a tax change policy that encourages job expansion for more and better jobs to assist our effort to solve these budget problems.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. TANNER].

Mr. TANNER. Mr. Chairman, I thank the gentleman for yielding the time to me. I thank the gentleman from Utah [Mr. ORTON] for his leadership on the coalition on putting this budget together.

We in the coalition have struggled for this entire Congress and we had the luxury, quite frankly, of being called sometimes a minority within a minority, to put forth a public policy document free of as much partisan politics as is possible in this city of Washington, DC.

You will hear a lot of rhetoric. I will not get into it. The Republicans say this raises taxes, this does not, welfare is better or worse in our plan or yours. But my colleagues, there is one good reason why about 40 major newspapers and the Concord Coalition, which is a bipartisan group dedicated to the balancing of this Nation's budget, has endorsed the coalition plan. They have no ax to grind. They take it seriously. I really know of nobody who has credibility on this issue more in our country than the Concord Coalition. They say the blue dog budget is the way to go.

Why? No. 1, we stop borrowing money quicker. We do not keep going into debt as both the Republican and the White House budgets do. That is uncontroverted.

No. 2, we have in our plan an enforcement mechanism, the only one on the floor today.

Mr. Chairman, I was here for part of Gramm-Rudman 2. We had Gramm-Rudman 1. We had the budget summit of 1990, all well-intentioned by good-meaning people to try to get something done, and what happened? We had a big announcement that things were going to get better and because of lack of enforcement, it did not happen.

We put an enforcement mechanism in our budget. We are not interested in going out here and having a press conference and making an announcement that the budget is going to be balanced in 6 years unless it actually happens. We try to do it.

Please support our plan.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. KOLBE], my colleague on the Committee on the Budget.

Mr. KOLBE. Mr. Chairman, I would like to restore a comment that was made earlier by my colleague, the gentleman from Michigan [Mr. SMITH]. I think if this were the budget that were proposed 2 years ago, we would all be up here enthusiastically endorsing it. But that was 2 years ago today, we think there is a better alternative that is available.

The chief difference between this alternative budget proposed by the conservative Democrat coalition and the Republican budget comes in the area of tax relief for American citizens. The coalition talks about how we are going to achieve greater deficit reduction. They say their deficit reduction numbers are bigger. The Concord Coalition endorses it. That is true. It does make a faster reduction in the deficit at least initially.

Mr. Chairman, what the coalition budget does not do is give necessary relief to American taxpayers. American taxpayers are paying too much in taxes today. Whereas a few years ago, a generation ago, Americans were sending 4, 5 percent of their income to Washington, today they are sending over 20 percent. When you add in local and State taxes, for a one-income family, 36 percent of their income goes to taxes, 39 percent for a two-income family. It is too much.

We need to stimulate the economy. We need to stimulate growth by putting some money back in people's pockets. That is the difference between these two budget proposals.

We believe we can achieve a balanced budget. We get to a balanced budget at the same time as the coalition budget. We believe we can achieve a balanced budget. We can do it while giving at the same time some tax relief to American citizens.

Mr. Chairman, there is another difference. If you look at this proposal over the very long run, even longer than our budget horizon goes, you do not get the fundamental changes that you must make to entitlement programs in order to have longstanding, long lasting, budget deficit reduction.

That is one of the big differences here. We have got to change programs. We have got to make changes to entitlements if we are ever going to really see a balanced budget. For those two reasons, tax relief for American citizens and fundamental changes to entitlement programs, the Republican budget proposal should be supported.

Mr. ORTON. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in strong support of the coalition budget.

Mr. ORTON. Mr. Chairman, I yield 2½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, a number of Members have used this chart. Our plan will help Americans earn more, keep more, so they can do more. That has been the rhetoric. Let me suggest to my friends that this rhetoric was copyrighted in 1981. It was called supply-side economics. It was copyrighted at a time when we had $945 billion in debt that confronted the American public. Twelve years later, when not a nickel was spent in America that Ronald Reagan and George Bush did not approve, not a nickel, we had an additional $4 trillion in debt.

I suggest that the Republican budget is an easy budget to vote for. You get the candy without a promise of medicine later on. Politicians and people like to do that. Do it easy. It is tough to say we are going to constrain entitlements. I understand that. There has been some demagoguery, very frankly, on this side of the aisle where Social Security is being cut, although Medicare, we are slowing the growth, give me a break. How dumb do we think the American public is?

Mr. Chairman, we need to have courage. We need to be honest. We need to trust the people. I am not going to vote for the President's budget because I think, like the Republican budget, it makes early promises and early ease for long-term greater pain. That is what we did in 1981. And we did it together. Let us together be honest with the American public. The coalition budget is not perfect. No budget will be perfect because it is a consensus. We work together.

But the coalition budget is honest in that it says we have a problem. We have a deficit that is too high, that is slowing growth, undermining America's ability to grow and to earn more. Let us confront the tough questions first and then reap the benefits later. Vote for the coalition budget.

Mr. SHAYS. Mr. Chairman, I yield myself 1 minute to correct my colleague.

On Medicaid, we are increasing spending from $95 billion to $140 billion. My colleague may call that a cut but it is not. It is an increase in spending. We increased Medicare from $196 billion to $284 billion. We are increasing Medicare.

My colleague took a chart and then proceeded to mislead, in my judgment, the facts. Medicare is growing from $196 to $284 billion. That is not a cut. It is a 45-percent increase in spending. Medicaid is going from $95 billion to $104 billion. The student loan program is going from $24 billion to $36 billion. We do have a cut, $500 tax cut for children for families making under $100,000. We pay for that tax cut. It is not like 1981, like my colleague would try to imply. We pay for it. We set aside the money by making further reductions in the budget.

Mr. Chairman, this coalition budget spends more. It raises more money in revenue. It goes after senior citizens by going and paying them less in their Social Security benefits.

Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from Mississippi [Mr. PARKER].

□ 1315

Mr. PARKER. Mr. Chairman, I thank my friend, the gentleman from Connecticut [Mr. SHAYS], for yielding this time to me, and I want to join my colleague, the gentleman from Michigan [Mr. SMITH], in saying that if 2 years ago the Blue Dog Coalition budget had been offered, it would have passed in a tremendous vote of confidence with the Democrats in charge, and I will tell my colleagues the Democrats could very well still be in charge of this House if they had followed the advice of the Blue Dog Coalition.

But I will also tell my colleagues that there is a lot of rhetoric on both sides. People are made up of 99-percent water, so I think it is kind of a natural phenomenon that people, they act like water, they follow the course of least resistance, and that is what we are doing in a lot of ways around this place.

I am really struck though by the fact that everybody says we have got a choice between the President's budget, the Blue Dog budget, the Black Coalition budget and the Republican budget as though one of those plans is going to be all and end all.

Now, my personal belief is the Republican plan takes the first big step, but anyone in this Chamber, anyone in this country, who believes that the Republican plan, as draconian as all the Democrats are saying that it is, if my colleagues think that that is going to be the panacea, they are wrong. The Republican plan is just the first step.

If we are going to get this budget in balance, if we are going to control the spending of our Government and create an economy where our children and grandchildren can prosper, the only way it can be done is to take very severe steps. The Republican plan is not a severe measure in any way, shape or form. Everybody in this Chamber had better start looking at this from an adult perspective and quit playing politics. We are talking about the future of our Nation.

The Republican plan takes just the first steps. There are more drastic steps that are going to have to be taken, and I am more than willing to take those steps because I think that the payoff that we will have as a Nation, it will be more than worth it.

We need to quit playing politics. We need to vote for the Republican plan.

Mr. ORTON. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I rise in strong support of the conservative coalition budget alternative. Of all the budget alternatives the House will consider this year, this is by far the most favorable in its treatment of research and development.

I make this point not just because I happen to be an advocate of science and technology. The more important issue is that this budget alternative directly and clearly recognizes that investing in R&D will stimulate economic growth. That is, it treats R&D as an integral part of their overall plan to eliminate the deficit, create jobs, and increase productivity.

I will take a moment to contrast this with the Republican view and the Republican treatment of R&D in House Concurrent Resolution 178. That view is pervasive throughout the report accompanying that resolution. R&D, they say, is just another form of corporate welfare, it is just another expenditure that needs to be cut, the Federal Government no longer needs to spend as much money on R&D, they say. For that reason, the Republican budget resolution cuts civilian R&D by 25 percent over the next 6 years.

The coalition budget restores this funding and targets it on some very critical needs:

It maintains a healthy and stable space program and provides NASA the funding it will need to carry out its critical programs.

It increases funding for basic research in agencies such as NSF, real increases, not some distorted arithmetic such as in the Republican resolution.

It provides funding for critical energy programs in solar and renewable research, fossil energy research, and energy conservation. The coalition budget recognizes that these are critical to our energy security and a sustainable future and are not just product improvements, as the Republican budget calls them.

Finally, it provides much needed funding for various environmental research programs that will be critical in basing any future regulations on actual risk data.

Mr. Chairman, the conservative coalition budget makes many good decisions. It holds defense spending to what is actually needed, it avoids a misguided tax cut, and it puts us on the road to a healthier and more productive economic future. Investments in research and development are a major part of this equation.

I do have concerns with the CPI cuts. I will work to see that a final budget package finds another way to reach balance and to promote a healthy, growing economy without the kind of CPI cuts contained in the coalition budget.

But, overall, the coalition budget does make many wise choices. I will vote for it today and ask my colleagues to join me.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds to apologize to the gentleman from Maryland [Mr. HOYER]. He was right on one and wrong on another. We are paying for our taxes; I disagreed with him there. But he did make the point that we were allowing Medicare and Medicaid to grow, and I misunderstood his comments, and I apologize to the gentleman.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise to commend the coalition budget in one decent respect in which we must all agree at one point or another, and that is the increased funding for the health component of Government spending.

As a stalwart supporter of the National Institutes of Health, I consider the work that they do in trying to prevent disease and to cure disease alone merits the full attention of the Congress of the United States because everything that they do is for the individual betterment of the American citizen, and so I commend the coalition on that score, and I hope to be able to convince the Republican Members when we get farther down the budget process that the balancing act that we eventually have to do will take some cognizance of the coalition health funding than is now the case in the budget resolution preferred by the Republicans.

On the other hand, I want to say, in summary, of the gentleman from Maryland, I promise now that I will never say that the Democrats are interested in cutting Social Security if they will consider promising from this floor that they will never say the Republicans are interested in cutting Medicare. If we can make that kind of deal, we have gone a long way in trying to be commonsensical to the American people who, as the gentleman from Maryland says, are not stupid.

We are not cutting Medicare, they are not cutting Social Security. I wish from the President down that the Democratic side of the government will acknowledge that the Republicans at long last are not cutting Medicare.

Mr. ORTON. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, in Indiana we are known for our hard work and our common sense. This coalition budget represents hard work because it is not a pie-in-the-sky budget, it cuts spending in Washington first, and it also is known for its common sense because we do not cut a dime from student loans, we do not cut a nickel from hot lunches for poor children in Indiana or Tennessee, and we do not cut a penny from Head Start programs, one of the best investments we make.

Now, if the Republican budget stays with a $13 billion increase in defense, as that bill passed yesterday, we are going to see B-2 bombers and a host of other things that are going to require cuts in education that are not going to reflect common sense.

People in Indiana and across the country want and deserve a balanced budget. This coalition budget does it fairly and with common sense, not a pie-in-the-sky budget, but reflects the grass roots, hard work of the Midwest and other States in the Union.

I strongly support a vote for this budget.

Mr. KASICH. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Arizona [Mr. Kolbe].

Mr. KOLBE. Mr. Chairman, I want to respond to what the gentleman from Indiana [Mr. ROEMER] said about the Republican budget cutting school lunches and student loans. That just simply is not true.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman for a few seconds here. Go ahead.

Mr. ROEMER. Mr. Chairman, I would just say to the gentleman, first of all we have just been working for the last 1½ years, and the gentleman from Arizona will not deny that Head Start was cut under their first budget, student loans were cut under their first budget——

Mr. KOLBE. No, Mr. Chairman, that is simply not true.

Mr. Chairman, reclaiming my time, student loans are not being cut. First of all, Pell grant will go up, the total dollar volume of student loans will go up under the Republican budget. The only thing that we are talking about cutting is cutting the very wasteful, bureaucratic direct student loan program. We are going to reduce some of the money that goes in subsidies to bankers. But we are not cutting the number of student loans or the amount of student loans. Let us make that very clear.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from the State of New Jersey [Mr. FRANKS].

Mr. FRANKS of New Jersey. Mr. Chairman, I had the opportunity to open this discussion yesterday, and I reflected on the fact that budget proposals are indeed a reflection of our values and our priorities, and in one important respect there is something fundamentally dangerous about the budget resolution that is before us today. It seeks to impose legislatively an arbitrary so-called correction of the Consumer Price Index.

Now there is a body of economists who believe that the CPI currently overstates the impact of inflation, and I think most of us would agree that something should be done about it.

But what the blue dog budget seeks to do would not only, if adopted, reduce Social Security checks next year, but it would set the movement to try to responsibly reform the CPI back for years. We should only be tinkering with this measure of inflation after a technically competent group can arrive at some scientific measures of the most popular recognition of how we can more accurately assess the impact of inflation. To rely on a budget fix, not of a hundred million or a billion or $10 billion, but in excess of $50 billion with the CPI plug when we do not have the final analysis having been completed by either BLS or by the Senate Finance Committee's commission.

We can wait and know that we have got the scientific efficacy, the legitimacy, to make this change. To arbitrarily make it in the form of legislation will, in my judgment, set back the cause of responsibly reforming the CPI.

Mr. ORTON. Mr. Chairman, I yield myself 30 seconds just to respond with regard to the CPI.

Senate Majority Leader BOB DOLE last September, in talking about the CPI, endorsing the reduction in the CPI, said, quote, "It can only happen if we join hands. I think we ought to do it in a bipartisan way without taking political shots." Now that is a quote from the Washington Times, September 27.

Also I would remind my colleagues that 11 Republican Senators have also proposed a CPI increase twice as high as that proposed in the blue dog budget.

Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. Mr. Chairman, I thank the gentleman from Utah [Mr. ORTON] for yielding this time to me.

I am pleased once again to join in supporting the bipartisan coalition balanced budget proposal. In contrast to both the Gingrich and the President's budget proposals, cuts in this budget are balanced in each year and achieve a zero deficit without resorting to unsustainable program cuts in the outyears and an ill-timed tax cut paid for with borrowed money.

The coalition proposal is a honest compromise between the other two major proposals, and it contains policy recommendations that strengthen and preserve Medicare and Medicaid as well as critical investments in education, technology, and the environment.

I support tax cuts including a capital gains tax cut, but they should be enacted and paid for in the context of overall tax reform when we can also simplify the tax system.

If we are serious about deficit reduction, let us put spending cuts first. Let us put a plan on the table that asks the 104th Congress to make the same kind of hard decisions that we will ask of the 105th and 106th Congresses.

Vote for the coalition budget.

□ 1330

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the State of Louisiana

[Mr. MCCRERY], a member of the Committee on Ways and Means.

Mr. MCCRERY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I, too, want to commend the authors of the coalition budget. It is an excellent budget. It is not the best budget on the floor today, but it is an excellent budget. If anyone doubts the positive impact on the budget process that the new Republican majority has had, they need only look at the offerings on the floor of the House of Representatives today and compare them with the offerings of just 3 years ago. There is a marked distinction, a marked distinction in favor of future generations of Americans; in favor of dealing honestly with our Nation's fiscal problems.

I want to commend those who have brought honest budgets to the floor today. I also know, however, that some of these same authors of the coalition budget just 3 years ago voted against a tax increase. They voted against President Clinton's tax increase. Yet, they stand on the floor today, just 3 years later, and say, "Oh, well, we were against them then, but today we think they are okay." That is essentially what they are saying when they refuse to give back to the American people any portion of President Clinton's tax increase of 1993.

The Republican budget gets back for the people less than half of the tax increase that was passed by one vote in this House 3 years ago. I do not think that is too much. I would like to do more. I would like to give more of that money that we took from the American people in 1993 back to them, but at least we get a good start in the Republican budget.

The coalition budget, as good as it is, taxes more and spends more. That is the key difference between their budget and the Republican budget. Please vote no on this coalition budget. Support the Republican budget.

Mr. ORTON. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Chairman, I rise in strong support of the coalition budget, the fairest, most realistic, most achievable, and most responsible of the balanced budget plans before us.

This plan meets the goals of both the President and the Republican leadership by balancing the budget within 6 years using the conservative economic assumptions of the Congressional Budget Office. But most importantly, this is a plan that is good for our economy and good for the American people because it preserves vital investments such as health care, medical and scientific research, education, and environmental protection.

The coalition budget is superior to the other plans before us in many ways.

First, it includes $137 billion more in deficit reduction than the Republican plan, leaving less debt to burden our economy and future generations. And it achieves more deficit reduction faster than the backloaded Republican plan, making it more likely that future Congresses will stick to this plan and actually balance the budget.

Second, the coalition budget extends the solvency of the Medicare trust fund without taking away senior citizens' choice of doctors, as the Republican plan would do. The coalition budget ensures adequate funding for medical education by providing dedicated funding from managed health care plans for this important purpose.

Third, the coalition budget continues the guarantee of health care coverage for all current Medicaid beneficiaries and protects families from the devastating cost of long-term care.

The coalition budget also sets the right investment priorities. It provides $45 billion more for education programs such as student loans, elementary and secondary education, Head Start, and job training. It provides $8.7 billion more for medical research at the National Institutes of Health and other agencies. Finally, Mr. Chairman, the coalition budget is the only budget proposal which achieves a balanced budget without shifting the tax burden. The Republican budget would increase taxes for families earning $28,000 or less and double flood insurance premiums for homeowners.

Mr. Chairman, the coalition budget offers the best opportunity to put aside partisan politics and pass a commonsense balanced budget that is fair to the American people and good for our economy. I urge my colleagues to pass this budget, and I urge the President and the Republican leadership to come to agreement on a plan such as this.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. ROYCE].

Mr. ROYCE. Mr. Chairman, the reason we are fighting for a balanced budget is that it will allow young working families to save more of the money that they earn. It will boost the economy. It will increase their wages. The problem with the Clinton budget is that it taxes more and it spends more. And the problem with the Clinton budget is that it simply does not balance. It increases the deficit next year, and even more the year after that. That means more money out of the taxpayers' pockets.

Our GOP budget ends three decades of reckless deficit spending and stops forcing our children to pay our bills. Currently, the Federal Government taxes and spends on programs that in many cases simply are not effective, and that is why we provide tax relief. That is why we reform welfare. That is why we are shifting power and money and influence out of Washington and giving it back to the people whose taxes it was paid with.

For example, in this budget we terminate the Department of Energy and the Department of Commerce, chronically mismanaged agencies. We eliminate or privatize 130 wasteful or unnecessary Federal programs, saving more than $34 billion over 6 years. The Republican budget cuts corporate welfare, it implements the FAIR Act, taking us away from a command-control Federal farm program, and leading us back toward a more purely based market-based farm system.

Last, Mr. Chairman, President Clinton's budget plan avoids making the hard choices. Of all the spending cuts he recommends, 64 percent take place in the last 2 years, after he is out of office. As has been pointed out, that is like trying to lose 50 pounds over 50 weeks and waiting until the last week to lose 49 pounds. It simply will not happen.

Mr. ORTON. Mr. Chairman, I yield 1½ minutes to the gentleman from Minnesota [Mr. MINGE].

Mr. MINGE. Mr. Chairman, we are in the strange position of all agreeing that we wish to balance the budget in 7 years, but then quibbling over some of the details, and also over the design. I think it is important to put in bold relief the difference between the coalition plan and the Republican plan and the President's plan.

I think that perhaps nothing speaks more eloquently to this than the comments of the last speaker. That is, how much are we actually making in terms of sacrifices and cuts in these early years, when we are serving in Congress and we are answerable for our actions?

I submit that both under the President's plan and under the Republican plan, we are being asked to postpone the tough decisions until later, when we are perhaps not even in office. It is not responsible, I submit, to take this attitude, but instead, we should ask that realistic cuts and sacrifices be made now, in 1996, 1997, 1998. Under the Republican plan, approximately $90 billion of deficit reduction has to occur in the last 2 years.

It is unrealistic to think this will happen. We all agree that we ought to be cutting taxes, but tragically, when we attempt to cut taxes, we borrow money to finance that cut. The Republican plan has $137 billion less deficit reduction than the coalition plan, as a result. I urge support for the coalition plan.

Mr. KASICH. Mr. Chairman, I yield myself 1 minute and 30 seconds, just to point out to the gentleman that, of course, the administration and most of the Members of the majority were supporting a President's budget that would have spent $7 billion in 1996 more than what the Democrats spent in 1995.

So in other words, the Democrats in the House essentially supported, not all but the greatest number of them, supported the President's proposal to increase Washington spending by $7 billion, discretionary spending by $7 billion over 1995 and 1996. We advocated making a reduction of somewhere over $23 billion, from 1995 and 1996. We ended up with $23 billion worth of savings in Washington spending, the single greatest amount of savings in at least the last 50 years.

So to argue that our budget is backloaded is kind or absurd, because we have been able to force the greatest amount of savings in over 50 years. We accomplished that just the opposite of what the administration wanted to do. We did not backload. We got in there in the very first year, I would say to the gentleman from Virginia [Mr. SISISKY], and we made the most significant downsizing of Washington spending and Washington bureaucracy since World War II.

So let us not argue about who is doing the backloading. We are not doing any backloading. We are doing a lot of heavy lifting, and I want to compliment the House. There were only 32 votes against it, so we are in the midst of a real change in this city.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Chairman, first of all, let me thank my colleague, the gentleman from Utah, for yielding time to me, and for the good work he has done on the coalition budget.

Mr. Chairman, I think it is important to point out that the Republican budget that we are dealing with today is the same one that was tried as blackmail to force this President to sign priorities he disagreed with, and the American people disagreed with. It took two shutdowns of this Government to bring the Republican Members of Congress to their senses, so we could proceed with last year's budget.

This budget, again, is a repeat. The poor, the sick, the elderly, our students, the environment, all, once again, face drastic cuts. The elderly and the disabled will no longer be guaranteed a minimum of medical care should they be unable to afford it because Medicaid would be block granted. Rural hospitals and rural medicine would suffer because of the Office of Rural Health is eliminated, on top of many new reductions in the Department of Agriculture's programs, that go well beyond the most recently passed farm bill.

There is no question that the coalition budget is a much better way of balancing the budget. There are no cuts in education or student loans. Medicare and Medicaid growth is controlled, as it must be, but not ruthlessly slashed. The coalition budget not only balances by the year 2002, it creates a surplus. It starts doling out whatever medicine we must take now, gradually reducing the deficit over the 7-year period, rather than plusing up spending, as the Republican budget does, in a way that makes it questionable as to whether we will ever get to the other end of this road we must travel.

There is no question that the honest and up front approach has been taken by the coalition. It should serve as a basis for agreement, no only in this Congress, before we end our deliberations, but I would hope in the next Congress, when a new majority takes control. Again, I want to thank those who have worked so hard and showed courage in breaking new ground, particularly on the issue of cost-of-living adjustments.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I thank the gentleman from Utah for yielding time to me, and I also want to commend him on his work. I rise not as a member of the Blue Dogs, but I rise as a Member who thinks that the proposal that is authorized by the coalition indeed is a strong proposal, and in fact is the strongest one we have.

I also rise as one who thinks all three alternatives really are better than the Republican party's, because they, indeed, balance the priorities of this Nation. So I am pleased to say I am an advocate and supporter of a balanced budget, but I am even more pleased to say I am supporting a balanced budget that makes tough choices and shared sacrifices across the board, and it does it not at the expense of the poor or the expense of the working American.

Again, all three substitute budgets make clear the programs and policies do support the average American citizen. The coalition budget protects and preserves these fundamental values that make America strong. At the same time, it does not increase the tax burden, as, indeed, the Republican party does, and it does it at the expense of the poor, and the working Americans, when they say cuts, which, indeed, has been the motto for the Republican Party.

I think the coalition budget also has taken a strong position in saying all of us must make sacrifices, those who are senior citizens as well as the rest of America, but it does it in the most appropriate way. There are those who would like to demagog those taking this courageous step. I think they need to be complimented.

Yes; I would emphasize, all three substitutes are better than the Republican party's. I urge my colleague to reject the Republican party's alternative and vote strongly for the resolution that the coalition has put before us.

□ 1345

Mr. KASICH. Mr. Chairman, I yield 3 minutes to the gentlewoman from Washington [Ms. DUNN].

Ms. DUNN of Washington. Mr. Chairman, I would like to talk about welfare spending. Welfare spending is so huge it is tough to comprehend. One way to put it, though, is this.

On average the cost of the welfare system amounted to $3,300 for each household that paid Federal income tax in the year 1993. That means the first $3,300 of taxes from that household went into the welfare system black hole. I am sorry, but that is a lot of money for a Federal bureaucracy that has simply failed every American.

Mr. Chairman, some studies show that for every dollar that is spent in the current welfare system, 70 cents of that dollar is wasted on the Federal Government bureaucracy. That is not compassion, I would argue. The money in our Federal welfare system needs to go to those folks who really need it, not a bureaucrat inside the beltway.

Let us talk a moment about compassion, because many of the liberal Members seem to have a distorted sense of what that term means when it comes to our Nation's failed welfare policies. More taxes do not equal more compassion.

Is it compassionate to continue with the status quo that for the last three generations has only served to strip women and children of their dignity? I do not think so. Is it compassionate to prolong a system that encourages destructive behavior and greater illegitimacy plus little incentive to go to work? I do not think so. Is it compassionate to maintain a system that traps so many children in such a poor environment that it exposes them to higher rates of domestic abuse, higher rates of violent crime, and inadequate educational opportunities, so that some children never during the course of their lifetime have within their family a role model who holds a job? I do not think so.

Republicans say no. In fact, our current welfare system is anything but compassionate in reality. It is destructive. Most Americans on welfare want to go to work, but as long as the Government offers them a better deal to stay dependent and makes it tougher to move off welfare, many of them will stay on welfare. That is not compassionate.

Our proposal will bypass this outdated bureaucracy at the Federal level and it will funnel money more directly to the people who so desperately need it. Our proposal will shift the Government's current destructive incentives to incentives that promote marriage and work. And our proposal will remove the Federal Government as a surrogate parent and enable people to take personal responsibility for their lives.

Republicans want to help people break the cycle of poverty that holds down families and children of America. That is compassion. I encourage my colleagues to vote down the blue dog budget and to vote for the Republican budget that funds $6 million in child care, that goes after deadbeat parents, and that sends our welfare tax dollars back to the States and to the people who need it.

Mr. KASICH. Mr. Chairman, I yield back the balance of my time.

Mr. ORTON. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. CONDIT].

Mr. CONDIT. Mr. Chairman, I rise in support of the coalition budget, I ask all my colleagues to vote for it, and I commend the gentleman from Utah [Mr. ORTON] and the gentleman from Texas [Mr. STENHOLM] for the work they have done.

Mr. ORTON. Mr. Chairman, I yield 15 seconds to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Chairman, let me just thank my friend from Utah for yielding time.

Mr. Chairman, could the gentlewoman from Washington tell us what she means about the liberals, the so-called liberals having a distorted sense of compassion? Maybe being from Georgia, I do not quite really understand what "distortion" means.

Mr. ORTON. Mr. Chairman, I yield myself 1¼ minutes to simply say that to try to combine both balancing the budget and tax cuts will guarantee neither and probably prevent either. In an effort to guarantee both, last year the budget contained the provision called "Tax Reduction Contingent on Balanced Budget," but this year they even refuse to include those guarantees. Why? Because they promise tax cuts which the Joint Committee says will cost almost $216 billion but only provide numbers in the budget for $122 billion. That is not truth-in-budgeting. The Republican plan is apparently to bring a tax cut package first, an obvious benefit in an election year, and then separately try to change entitlements. This is the same approach used in the 1980's when deficits quadrupled the debt to over $4 trillion.

Mr. Chairman, I urge my colleagues to support the coalition plan which is the only plan which does not borrow money. I would just point out that the $122 billion of tax cuts is borrowed money. We are going to borrow money from future generations to pay it back to today's generation in a tax cut that people say they would rather use the money to balance the budget.

I urge my colleagues to support the coalition budget.

Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. STENHOLM].

The CHAIRMAN. The gentleman from Texas is recognized for 3 minutes.

Mr. STENHOLM. Mr. Chairman, I rise in support of the coalition budget, and think it would be helpful if all of us lowered the tones of our voices and stuck a little bit more to the facts before us.

The coalition budget differs from the majority budget in that we do not borrow $137 billion in order to grant all of us who need it a tax cut. The chart to my right shows the difference. The orange and the yellow lines are the difference between the majority's views of what the deficit ought to look like in 2002, the White House opinion of what it ought to be, and what the coalition believes that it ought to be.

I for one accept, and I believe I speak for every single Member that supports the coalition budget on both sides of the aisle, with the gentleman from Pennsylvania [Mr. GEKAS] that said we should stop talking about cutting, in this case the accusation from a few of the extremists on this side of the aisle that said we are cutting Social Security. We ought not to be saying that because that is not true, and we know it, and the two freshman Members that made that statement know better.

Now the end of that. I commend my colleagues on this side for saying that and helping set the record straight. No one is proposing cutting Medicare, Medicaid, Social Security. But what we are talking about doing, and there are differences of opinion, and members of the coalition, myself in particular, have major differences with the majority and how they choose to adjust Medicare and Medicaid. But we are getting very close on welfare reform, and the beautiful speech we heard a moment ago, we are there, folks, we are there. Why we keep talking about that, I do not know.

But I have to say, and I will be happy to yield at any time to anyone on this side that challenges anything that I am saying in the few seconds I have got remaining, because representing a rural area, I object strenuously to cutting 56 percent of the remaining discretionary spending for agriculture in rural America. That is not the farm program. We took care of that. Fifty-six percent.

The gentleman and the party now that suggest that we ought to eliminate 100 percent of the research on fossil fuels, at a time we are complaining about the price of gasoline, I say makes no sense whatsoever. So I differ with your policies in that regard, and let us debate those policies on the floor. But let us quit making accusations. There is bipartisan support for education, there is bipartisan support for meaningful health care.

What we suggest in the coalition budget is that we ought to be honest going into it and say if we are going to be for it, speak for it, we ought to budget for it, not come on the floor of the House and make some of the speeches that we have heard here today. That is not helpful.

But I want to say, in fairness and in closing, I appreciate the tenor of most of the debate that has come from this side today. It is helpful. And I appreciate my colleagues on our side for supporting this budget, and I urge its passage. It could be the most positive step forward for this Congress in dealing with the very real problems that both sides say that we need to address.

Ms. FURSE. I rise today during consideration of House Concurrent Resolution 178 to support of the coalition balanced budget plan. As someone who strongly supports balancing the budget, there are aspects to each proposal with which I disagree. After evaluating each approach, I support the coalition budget because it is fiscally conservative and socially responsible. It is a common sense approach that both Democrats and Republicans can support.

We need a balanced budget plan that emphasizes security in our communities and families. I believe the Republican balanced budget plan of last year was rightly rejected by the public and deserved the President's veto. Simply put, it is wrong to ask seniors and students to pay more while giving the Pentagon a $70 billion boost.

I believe the Black Caucus budget has the best priorities, because it cuts wasteful Pentagon spending by over $250 billion. Moreover, the Black Caucus budget makes education and our communities a priority. Unfortunately, it goes beyond simply cutting corporate welfare and dramatically increases taxes.

The coalition balanced budget is a common sense budget. It balances the budget through tough spending cuts, without raising taxes, but maintains our priorities. There are no education cuts in the coalition plan. It reforms Medicaid, but does not eliminate health care guarantees for children and pregnant women. It makes important changes in the welfare system, but does not punish children for the actions of their parents. It also emphasizes community health and other protections.

Again, Mr. Speaker, it is plain wrong to make seniors and students pay more to hand out tax cuts for the rich. We should make balancing the budget our number one priority—that is what the coalition budget does. This is the second year in a row that I have supported the coalition balanced budget plan, and hope we can pass it before the end of the year.

Ms. JACKSON-LEE of Texas. Mr. Chairman, no matter how you address the issue, the coalition budget is far and away, more beneficial and less extreme than the bombastic Republican budget. This Republican budget continues the policies of wanton destruction of this Nation's environment, human capital, and technological infrastructure.

May I remind my colleagues that absolutely none of the deficit reduction attempts being attempted would have been possible without the previous efforts of both Presidents Bush and Clinton. Regardless of what my Republican colleagues will tell you, getting toward a balanced budget is neither a new or distinctly Republican idea—it is an American idea. However, it is an idea which must be achieved through thoughtful and careful policies designed to make the taxpayers' money work harder without destroying the social and technological progress that this Nation has built, and the coalition budget does this.

As an example, the members of the Science Committee soundly rejected last year, the privatization of the Department of Energy's National Laboratories. We did so because Republicans and Democrats alike understood how important these precious national resources are. Mr. KASICH and his Republican colleagues obviously do not, since they would carelessly sell off these irreplaceable technological jewels to the highest bidder. It is clear that they were thinking no farther ahead than November 2, and their desire for a political trophy.

Mr. Chairman, I would venture to say that those proposing the coalition budget are even more serious about deficit reduction than the Republican proposal. The coalition budget cuts the deficit without tax cuts. The coalition budget cuts the deficit while spending more on education, economic development, and scientific research. They can do this because this budget postpones tax cuts until after the budget has been balanced.

The world is not the simplistic place that Republicans in this House would have us believe. It is a pool of economic sharks. In the globally competitive environment that American businesses and their employees are in today, the only way to survive and prosper is through investing in the things which drive the engine of economic growth: education, research and development, training and economic development. In our collective haste toward a zero deficit, let us not eat our children's seed-corn. Let us not leave them with a deficiency of educated workers, a paucity of new technology and an abundance of sick elderly and low-income citizens.

Cutting the deficit is not painless, but the coalition budget is far more reasonable and far more careful about how it applies this pain. The coalition budget is far more concerned about changing, but keeping viable, this country's safety net of Medicare, Medicaid and welfare.

Those supporting the Republican budget speak frequently of saving the future for our children and our children's children, but what future will they have living in a polluted environment? Throughout their tenure as the majority, the Republicans have fought an unyielding war against the environment. A leopard cannot change its spots and regardless of how many zoos the Speaker visits and how many nature walks Republican freshmen take, their record and their budget speak for themselves. It is only due to the cries and raised voices of anger against the Republican antienvironment agenda that they seemed to have changed their colors, but we know that the special interests are giving heavily in this campaign season and eventually we will see those environment-destroying policies surface yet again.

I ask my colleagues to vote for this coalition budget and keep intact our children's true future, the one of continued technological advancement, economic leadership, environmental stewardship and a balanced Federal budget.

Ms. ESHOO. Mr. Chairman, I rise today in support of the budget resolution introduced by the coalition to balance the budget by the year 2002, and salute my coalition colleagues for presenting a responsible, viable plan that meets the needs of our Nation today and our collective future.

I oppose provisions of the Republican budget that assume dramatic and detrimental changes in Medicare, Medicaid, welfare, and the earned income tax credit—all in the name of increased defense spending and tax breaks which we cannot afford. Block grants, medical savings accounts, higher Medicare premiums, increasing taxes on the working poor, eliminating guaranteed healthcare for children, women, and seniors, and denying benefits to legal immigrants are not solutions to our country's financial crisis.

This proposal maintains basic human services at adequate levels. The coalition budget does not eliminate bilingual education programs or the direct lending program for student loans. Nor does it privatize the Corporation for Public Broadcasting. I believe the Republican cuts to these programs would harm children, our future, and I oppose them.

Further, the Republican budget does not adequately protect our natural resources and the environment, reducing funding for these programs by 10 percent. The Department of Energy and its key research programs on alternative fuels, clean coal technology, and renewable energy would be eliminated. The coalition proposal freezes funding for natural resources and the environment at levels that are adequate to maintain the progress we have made in cleaning up our air, water, and land.

Under the Republican budget, the important work of the National Institutes of Health would be endangered. Just recently, scientists have found the gene that causes breast cancer, and they are hopeful that this information will help them develop a cure for the disease. Now is not the time to decrease funds for this type of research. The coalition budget includes an additional $8.7 billion for this and other health research functions.

Budgets always lack something. Neither includes a targeted capital gains tax cut, which I believe is critical to sustaining and increasing the level of economic growth we have enjoyed in this country. The Republican budget pays lipservice to capital gains by indicating that such a tax cut may be possible, but only if offsets can be found in the Tax Code. However, their budget resolution does not assume a capital gains tax cut. And it is clear that under the Republican proposal, there is not enough left over from savings over the 6 years to pay for such a tax cut.

There is a need to permanently extend the research and development tax credit. Our country's leadership in high technology will wither if we do not reward our companies for investment in research and development of new products. These provisions, coupled with the Republicans proposal to eliminate the Department of Commerce, will sound a deathknell for our country's preeminence in the high technology arena.

The coalition's budget is the most viable approach to deficit reduction, toward a balanced budget by 2002, with some tough medicine, and a recognition that we can retain investments in our people, and not abandon our principles to do so.

Mr. MORAN. Mr. Chairman, I rise in support of the coalition budget.

The coalition budget is a fair and steady approach toward a balanced budget in 2002.

It adds $137 billion less than the Republican plan to the debt because it does not delay the majority of the spending cuts to the last 2 years.

The resolutions before us today are just numbers, but attached to these numbers are fundamental policy assumptions.

While it is encouraging to see the Republicans abandon some of the extreme cuts in last year's budget and bring their numbers closer to the coalition's budget, they retain many of the same dangerous and radical policy assumptions.

The Republicans offer $168 billion in Medicare savings, while the coalition plan offers $146 billion in savings.

The differences, however, are more than the $21 billion would suggest.

The coalition budget achieves greater savings from means-testing the Medicare part B premium for upper income beneficiaries by using existing methods to collect the premiums. The Republican proposal assumes essentially the same provider cuts that were contained in the reconciliation bill that was vetoed last year.

Both proposals provide Medicare beneficiaries with increased choice of private options. The coalition budget, however, protects seniors in rural and other under-served areas and protects seniors from managed care plans charging beneficiaries additional amounts beyond the part B premium.

It also appropriately limits the radical medical savings account proposal to a demonstration program.

The $2 billion difference between the Republican $72 billion cut and the coalition's $70 billion cut from Medicaid masks the fact that the Republican plan permits States to cut their Medicaid funding by an additional $178 billion, seriously undermining our commitment to the poor, the disabled, and the elderly.

We can cut Medicaid growth without eliminating the guaranteed coverage to the poor, the disabled, and the elderly, and the coalition budget does.

We can balance the budget without eliminating the Departments of Commerce and Energy; and the coalition budget does so.

We can save $42 billion from welfare programs while at the same time meet the Governors' request for providing adequate funding child care so that the parents can return to work.

We can reduce fraud in the earned income tax credit without imposing a tax increase of $20 billion on the working poor.

Mr. Speaker for the those and a host of other reasons I urge my colleagues to reject the Republican budget and support the coalition budget.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Utah [Mr. ORTON].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

A record vote was ordered.

The vote was taken by electronic device, and there were—ayes 130, noes 295, not voting 8, as follows:

[Roll No. 177]

AYES—130

Andrews
Baesler
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Barton
Beilenson
Bentsen
Bereuter
Bevill
Bishop
Blute
Brewster
Browder
Brown (CA)
Brown (FL)
Campbell
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Collins (MI)
Condit
Cramer
Davis
de la Garza
Dicks
Dingell
Doggett
Dooley
Doyle
Duncan
Eshoo
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Furse
Geren
Gibbons
Gordon
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Johnston
Kennelly
Klug
LaFalce
LaHood
Lantos
Leach
Lincoln
Lofgren
Luther
Martinez
Matsui
McCarthy
McDade
McDermott
McHale
McKinney
Meehan
Meek
Metcalf
Millender-McDonald
Minge
Montgomery
Moran
Morella
Murtha
Oberstar
Olver
Ortiz
Orton
Payne (NJ)
Payne (VA)
Peterson (FL)
Peterson (MN)
Pomeroy
Porter
Poshard
Richardson
Rivers
Roemer
Rose
Roukema
Sabo
Sawyer
Schroeder
Scott
Sisisky
Skaggs
Skelton
Spratt
Stenholm
Stokes
Studds
Tanner
Tauzin
Taylor (MS)
Thompson
Towns
Vento
Visclosky
Volkmer
Wamp
Ward
Watt (NC)
Wilson
Wise
Wynn
Young (AK)

NOES—295

Abercrombie
Ackerman
Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Bartlett
Bass
Bateman
Becerra
Berman
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Combest
Conyers
Cooley
Costello
Cox
Coyne
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dixon
Doolittle
Dornan
Dreier
Dunn
Durbin
Edwards
Ehrlich
Emerson
Engel
English
Ensign
Evans
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gutierrez
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kim
King
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Largent
Latham
LaTourette
Laughlin
Lazio
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Maloney
Manton
Manzullo
Markey
Martini
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
McNulty
Menendez
Meyers
Mica
Mink
Moakley
Mollohan
Moorhead
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Owens
Oxley
Packard
Pallone
Parker
Pastor
Pelosi
Petri
Pickett
Pombo
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roybal-Allard
Royce
Rush
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schumer
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stark
Stearns
Stockman
Stump
Stupak
Tate
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Traficant
Upton
Velazquez
Vucanovich
Walker
Walsh
Waters
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wolf
Woolsey
Yates
Young (FL)
Zeliff
Zimmer

NOT VOTING—8

Ehlers
Ford
Hayes
Miller (CA)
Miller (FL)
Molinari
Paxon
Talent

□ 1415

The Clerk announced the following pair:

On this vote:

Mr. Miller of California for, with Mr. Paxon against.

Messrs. EVERETT, MOAKLEY, HORN, and SERRANO, and Ms. ROYBAL-ALLARD changed their vote from "aye" to "no."

Mr. MATSUI changed his vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

□ 1415

The CHAIRMAN. It is now in order to consider the amendment designated in paragraph 3 of section 2 of House Resolution 435.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SABO

Mr. SABO. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. SABO:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,092,400,000,000.

Fiscal year 1998: $1,146,400,000,000.

Fiscal year 1999: $1,195,600,000,000.

Fiscal year 2000: $1,244,600,000,000.

Fiscal year 2001: $1,309,400,000,000.

Fiscal year 2002: $1,389,900,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: −$7,929,000,000.

Fiscal year 1998: −$2,150,000,000.

Fiscal year 1999: −$2,741,000,000.

Fiscal year 2000: −$7,219,000,000.

Fiscal year 2001: −$1,721,000,000.

Fiscal year 2002: $16,024,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,325,000,000,000.

Fiscal year 1998: $1,374,600,000,000.

Fiscal year 1999: $1,413,100,000,000.

Fiscal year 2000: $1,454,700,000,000.

Fiscal year 2001: $1,496,300,000,000.

Fiscal year 2002: $1,528,300,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,321,000,000,000.

Fiscal year 1998: $1,375,700,000,000.

Fiscal year 1999: $1,408,100,000,000.

Fiscal year 2000: $1,447,200,000,000.

Fiscal year 2001: $1,466,100,000,000.

Fiscal year 2002: $1,498,400,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $228,500,000,000.

Fiscal year 1998: $229,300,000,000.

Fiscal year 1999: $212,400,000,000.

Fiscal year 2000: $202,600,000,000.

Fiscal year 2001: $156,700,000,000.

Fiscal year 2002: $108,500,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,441,500,000,000.

Fiscal year 1998: $5,713,700,000,000.

Fiscal year 1999: $5,964,900,000,000.

Fiscal year 2000: $6,204,600,000,000.

Fiscal year 2001: $6,395,300,000,000.

Fiscal year 2002: $6,542,900,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $45,451,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $172,005,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1997:

(A) New budget authority, $254,300,000,000.

(B) Outlays, $260,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $229,000,000.

Fiscal year 1998:

(A) New budget authority, $258,500,000,000.

(B) Outlays, $256,300,000,000.

Fiscal year 1999:

(A) New budget authority, $263,800,000,000.

(B) Outlays, $257,800,000,000.

Fiscal year 2000:

(A) New budget authority, $270,300,000,000.

(B) Outlays, $263,300,000,000.

Fiscal year 2001:

(A) New budget authority, $279,400,000,000.

(B) Outlays, $266,600,000,000.

Fiscal year 2002:

(A) New budget authority, $287,800,000,000.

(B) Outlays, $278,200,000,000.

(2) International Affairs (150):

Fiscal year 1997:

(A) New budget authority, $15,300,000,000.

(B) Outlays, $15,700,000,000.

(C) New direct loan obligations, $4,067,000,000.

(D) New primary loan guarantee commitments $18,624,000,000.

Fiscal year 1998:

(A) New budget authority, $14,500,000,000.

(B) Outlays, $14,900,000,000.

Fiscal year 1999:

(A) New budget authority, $13,900,000,000.

(B) Outlays, $14,500,000,000.

Fiscal year 2000:

(A) New budget authority, $14,300,000,00.

(B) Outlays, $13,600,000,000.

Fiscal year 2001:

(A) New budget authority, $15,600,000,000.

(B) Outlays, $14,100,000,000.

Fiscal year 2002:

(A) New budget authority, $17,100,000,000.

(B) Outlays, $14,900,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:

(A) New budget authority, $17,900,000,000.

(B) Outlays, $16,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $16,100,000,000.

(B) Outlays, $16,600,000,000.

Fiscal year 1999:

(A) New budget authority, $15,300,000,000.

(B) Outlays, $16,000,000,000.

Fiscal year 2000:

(A) New budget authority, $14,600,000,000.

(B) Outlays, $15,100,000,000.

Fiscal year 2001:

(A) New budget authority, $15,800,000,000.

(B) Outlays, $15,500,000,000.

Fiscal year 2002:

(A) New budget authority, $17,200,000,000.

(B) Outlays, $16,600,000,000.

(4) Energy (270):

Fiscal year 1997:

(A) New budget authority, $3,200,000,000.

(B) Outlays, $3,100,000,000.

(C) New direct loan obligations, $1,620,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $3,700,000,000.

(B) Outlays, $2,700,000,000.

Fiscal year 1999:

(A) New budget authority, $3,000,000,000.

(B) Outlays, $2,300,000,000.

Fiscal year 2000:

(A) New budget authority, $2,700,000,000.

(B) Outlays, $1,900,000,000.

Fiscal year 2001:

(A) New budget authority, $3,300,000,000.

(B) Outlays, $2,100,000,000.

Fiscal year 2002:

(A) New budget authority, $3,600,000,000.

(B) Outlays, $2,100,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1997:

(A) New budget authority, $21,900,000,000.

(B) Outlays, $22,200,000,000.

(C) New direct loan obligations, $36,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $21,600,000,000.

(B) Outlays, $22,300,000,000.

Fiscal year 1999:

(A) New budget authority, $21,400,000,000.

(B) Outlays, $22,100,000,000.

Fiscal year 2000:

(A) New budget authority, $20,900,000,000.

(B) Outlays, $21,500,000,000.

Fiscal year 2001:

(A) New budget authority, $21,800,000,000.

(B) Outlays, $21,800,000,000.

Fiscal year 2002:

(A) New budget authority, $23,000,000,000.

(B) Outlays, $22,600,000,000.

(6) Agriculture (350):

Fiscal year 1997:

(A) New budget authority, $13,000,000,000.

(B) Outlays, $11,100,000,000.

(C) New direct loan obligations, $7,605,000,000.

(D) New primary loan guarantee commitments, $8,150,000,000.

Fiscal year 1998:

(A) New budget authority, $12,600,000,000.

(B) Outlays, $10,700,000,000.

Fiscal year 1999:

(A) New budget authority, $12,100,000,000.

(B) Outlays, $10,200,000,000.

Fiscal year 2000:

(A) New budget authority, $11,200,000,000.

(B) Outlays, $9,400,000,000.

Fiscal year 2001:

(A) New budget authority, $10,600,000,000.

(B) Outlays, $8,700,000,000.

Fiscal year 2002:

(A) New budget authority, $10,800,000,000.

(B) Outlays, $8,900,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1997:

(A) New budget authority, $8,600,000,000.

(B) Outlays, $1,900,000,000.

(C) New direct loan obligations, $5,536,000,000.

(D) New primary loan guarantee commitments $97,707,000,000.

Fiscal year 1998:

(A) New budget authority, $10,300,000,000.

(B) Outlays, $6,500,000,000.

Fiscal year 1999:

(A) New budget authority, $11,200,000,000.

(B) Outlays, $6,800,000,000.

Fiscal year 2000:

(A) New budget authority, $12,900,000,000.

(B) Outlays, $8,100,000,000.

Fiscal year 2001:

(A) New budget authority, $12,100,000,000.

(B) Outlays, $8,200,000,000.

Fiscal year 2002:

(A) New budget authority, $12,800,000,000.

(B) Outlays, $8,500,000,000.

(8) Transportation (400):

Fiscal year 1997:

(A) New budget authority, $42,200,000,000.

(B) Outlays, $39,600,000,000.

(C) New direct loan obligations, $415,000,000.

(D) New primary loan guarantee commitments $571,000,000.

Fiscal year 1998:

(A) New budget authority, $36,200,000,000.

(B) Outlays, $38,600,000,000.

Fiscal year 1999:

(A) New budget authority, $33,200,000,000.

(B) Outlays, $36,900,000,000.

Fiscal year 2000:

(A) New budget authority, $30,900,000,000.

(B) Outlays, $34,600,000,000.

Fiscal year 2001:

(A) New budget authority, $34,200,000,000.

(B) Outlays, $33,700,000,000.

Fiscal year 2002:

(A) New budget authority, $37,900,000,000.

(B) Outlays, $35,300,000,000.

(9) Community and Regional Development (450):

Fiscal year 1997:

(A) New budget authority, $9,200,000,000.

(B) Outlays, $10,600,000,000.

(C) New direct loan obligations, $1,952,000,000.

(D) New primary loan guarantee commitments $2,885,000,000.

Fiscal year 1998:

(A) New budget authority, $8,800,000,000.

(B) Outlays, $10,300,000,000.

Fiscal year 1999:

(A) New budget authority, $8,300,000,000.

(B) Outlays, $9,900,000,000.

Fiscal year 2000:

(A) New budget authority, $7,800,000,000.

(B) Outlays, $9,300,000,000.

Fiscal year 2001:

(A) New budget authority, $8,700,000,000.

(B) Outlays, $8,700,000,000.

Fiscal year 2002:

(A) New budget authority, $9,400,000,000.

(B) Outlays, $8,300,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1997:

(A) New budget authority, $53,300,000,000.

(B) Outlays, $51,300,000,000.

(C) New direct loan obligations, $21,770,000,000.

(D) New primary loan guarantee commitments $19,114,000,000.

Fiscal year 1998:

(A) New budget authority, $54,500,000,000.

(B) Outlays, $53,700,000,000.

Fiscal year 1999:

(A) New budget authority, $56,300,000,000.

(B) Outlays, $55,000,000,000.

Fiscal year 2000:

(A) New budget authority, $58,000,000,000.

(B) Outlays, $56,700,000,000.

Fiscal year 2001:

(A) New budget authority, $60,700,000,000.

(B) Outlays, $58,900,000,000.

Fiscal year 2002:

(A) New budget authority, $63,400,000,000.

(B) Outlays, $61,400,000,000.

(11) Health (550):

Fiscal year 1997:

(A) New budget authority, $136,900,000,000.

(B) Outlays, $136,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $140,000,000.

Fiscal year 1998:

(A) New budget authority, $144,400,000,000.

(B) Outlays, $144,800,000,000.

Fiscal year 1999:

(A) New budget authority, $151,200,000,000.

(B) Outlays, $151,700,000,000.

Fiscal year 2000:

(A) New budget authority, $158,800,000,000.

(B) Outlays, $159,100,000,000.

Fiscal year 2001:

(A) New budget authority, $164,900,000,000.

(B) Outlays, $163,900,000,000.

Fiscal year 2002:

(A) New budget authority, $176,100,000,000.

(B) Outlays, $174,600,000,000.

(12) Medicare (570):

Fiscal year 1997:

(A) New budget authority, $193,100,000,000.

(B) Outlays, $191,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $209,300,000,000.

(B) Outlays, $207,600,000,000.

Fiscal year 1999:

(A) New budget authority, $222,600,000,000.

(B) Outlays, $220,300,000,000.

Fiscal year 2000:

(A) New budget authority, $236,600,000,000.

(B) Outlays, $234,800,000,000.

Fiscal year 2001:

(A) New budget authority, $252,700,000,000.

(B) Outlays, $250,900,000,000.

Fiscal year 2002:

(A) New budget authority, $272,300,000,000.

(B) Outlays, $269,900,000,000.

(13) Income Security (600):

Fiscal year 1997:

(A) New budget authority, $231,600,000,000.

(B) Outlays, $239,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $37,000,000.

Fiscal year 1998:

(A) New budget authority, $244,100,000,000.

(B) Outlays, $247,100,000,000.

Fiscal year 1999:

(A) New budget authority, $255,600,000,000.

(B) Outlays, $256,600,000,000.

Fiscal year 2000:

(A) New budget authority, $271,300,000,000.

(B) Outlays, $270,700,000,000.

Fiscal year 2001:

(A) New budget authority, $280,000,000,000.

(B) Outlays, $277,800,000,000.

Fiscal year 2002:

(A) New budget authority, $296,600,000,000.

(B) Outlays, $292,900,000,000.

(14) Social Security (650):

Fiscal year 1997:

(A) New budget authority, $7,800,000,000.

(B) Outlays, $10,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $8,500,000,000.

(B) Outlays, $11,600,000,000.

Fiscal year 1999:

(A) New budget authority, $9,200,000,000.

(B) Outlays, $12,300,000,000.

Fiscal year 2000:

(A) New budget authority, $10,000,000,000.

(B) Outlays, $13,000,000,000.

Fiscal year 2001:

(A) New budget authority, $10,800,000,000.

(B) Outlays, $13,900,000,000.

Fiscal year 2002:

(A) New budget authority, $11,600,000,000.

(B) Outlays, $14,800,000,000.

(15) Veterans Benefits and Services (700):

Fiscal year 1997:

(A) New budget authority, $39,000,000,000.

(B) Outlays, $39,600,000,000.

(C) New direct loan obligations, $2,344,000,000.

(D) New primary loan guarantee commitments $24,548,000,000.

Fiscal year 1998:

(A) New budget authority, $37,900,000,000.

(B) Outlays, $38,700,000,000.

Fiscal year 1999:

(A) New budget authority, $36,600,000,000.

(B) Outlays, $37,000,000,000.

Fiscal year 2000:

(A) New budget authority, $35,200,000,000.

(B) Outlays, $37,100,000,000.

Fiscal year 2001:

(A) New budget authority, $37,300,000,000.

(B) Outlays, $36,000,000,000.

Fiscal year 2002:

(A) New budget authority, $39,700,000,000.

(B) Outlays, $39,800,000,000.

(16) Administration of Justice (750):

Fiscal year 1997:

(A) New budget authority, $23,500,000,000.

(B) Outlays, $21,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $24,500,000,000.

(B) Outlays, $24,400,000,000.

Fiscal year 1999:

(A) New budget authority, $25,500,000,000.

(B) Outlays, $24,800,000,000.

Fiscal year 2000:

(A) New budget authority, $25,500,000,000.

(B) Outlays, $25,500,000,000.

Fiscal year 2001:

(A) New budget authority, $24,800,000,000.

(B) Outlays, $25,700,000,000.

Fiscal year 2002:

(A) New budget authority, $24,100,000,000.

(B) Outlays, $25,000,000,000.

(17) General Government (800):

Fiscal year 1997:

(A) New budget authority, $15,500,000,000.

(B) Outlays, $14,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $15,200,000,000.

(B) Outlays, $14,900,000,000.

Fiscal year 1999:

(A) New budget authority, $15,200,000,000.

(B) Outlays, $14,900,000,000.

Fiscal year 2000:

(A) New budget authority, $15,300,000,000.

(B) Outlays, $15,200,000,000.

Fiscal year 2001:

(A) New budget authority, $15,800,000,000.

(B) Outlays, $15,300,000,000.

Fiscal year 2002:

(A) New budget authority, $16,300,000,000.

(B) Outlays, $16,000,000,000.

(18) Net Interest (900):

Fiscal year 1997:

(A) New budget authority, $282,300,000,000.

(B) Outlays, $282,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, $289,400,000,000.

(B) Outlays, $289,400,000,000.

Fiscal year 1999:

(A) New budget authority, $293,900,000,000.

(B) Outlays, $293,900,000,000.

Fiscal year 2000:

(A) New budget authority, $296,600,000,000.

(B) Outlays, $296,600,000,000.

Fiscal year 2001:

(A) New budget authority, $301,900,000,000.

(B) Outlays, $301,900,000,000.

Fiscal year 2002:

(A) New budget authority, $307,500,000,000.

(B) Outlays, $307,500,000,000.

(19) Allowances (920):

Fiscal year 1997:

(A) New budget authority, −$500,000,000.

(B) Outlays, −$500,000,000.

(C) New direct loan obligations, $106,000,000.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$0.

(B) Outlays, −$0.

Fiscal year 1999:

(A) New budget authority, −$0.

(B) Outlays, −$0.

Fiscal year 2000:

(A) New budget authority, −$0.

(B) Outlays, −$0.

Fiscal year 2001:

(A) New budget authority, −$12,900,000,000.

(B) Outlays, −$16,500,000,000.

Fiscal year 2002:

(A) New budget authority, −$36,800,000,000.

(B) Outlays, −$36,800,000,000.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1997:

(A) New budget authority, −$43,300,000,000.

(B) Outlays, −$43,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $0.

Fiscal year 1998:

(A) New budget authority, −$35,400,000,000.

(B) Outlays, −$35,400,000,000.

Fiscal year 1999:

(A) New budget authority, −$35,100,000,000.

(B) Outlays, −$35,100,000,000.

Fiscal year 2000:

(A) New budget authority, −$38,200,000,000.

(B) Outlays, −$38,200,000,000.

Fiscal year 2001:

(A) New budget authority, −$41,000,000,000.

(B) Outlays, −$41,000,000,000.

Fiscal year 2002:

(A) New budget authority, −$62,200,000,000.

(B) Outlays, −$62,200,000,000.

SEC. 4. RECONCILIATION.

(a) Not later than June 21, 1996, the House committees named in subsection (b) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(b)(1) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $2,062,000,000 in outlays for fiscal year 1997, $14,816,000,000 in outlays in fiscal years 1997 through 2001, and $18,457,000,000 in outlays in fiscal years 1997 through 2002.

(2) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $3,346,000,000 in outlays for fiscal year 1997, $2,755,000,000 in outlays in fiscal years 1997 through 2001, and $3,143,000,000 in outlays in fiscal years 1997 through 2002.

(3) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $5,717,000,000 in outlays for fiscal year 1997, $128,862,000,000 in outlays in fiscal years 1997 through 2001, and $207,698,000,000 in outlays in fiscal years 1997 through 2002.

(4) The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $633,000,000 in outlays for fiscal year 1997, $4,923,000,000 in outlays in fiscal years 1997 through 2001, and $6,040,000,000 in outlays in fiscal years 1997 through 2002.

(5) The House Committee on Government Reform and Oversight shall report changes

in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $840,000,000 in outlays for fiscal year 1997, $7,236,000,000 in outlays in fiscal years 1997 through 2001, and $9,086,000,000 in outlays in fiscal years 1997 through 2002.

(6) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $51,000,000 in outlays for fiscal year 1997, and reduce outlays by $84,000,000 in outlays in fiscal years 1997 through 2001, and $147,000,000 in outlays in fiscal years 1997 through 2002.

(7) The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $79,000,000 in outlays for fiscal year 1997, $472,000,000 in outlays in fiscal years 1997 through 2001, and $1,753,000,000 in outlays in fiscal years 1997 through 2002.

(8) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $112,000,000 in outlays for fiscal year 1997, $372,000,000 in outlays in fiscal years 1997 through 2001, and $391,000,000 in outlays in fiscal years 1997 through 2002.

(9) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $42,000,000 in outlays for fiscal year 1997, $255,000,000 in outlays in fiscal years 1997 through 2001, and $363,000,000 in outlays in fiscal years 1997 through 2002.

(10) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $148,000,000 in outlays for fiscal year 1997, $3,870,000,000 in outlays in fiscal years 1997 through 2001, and $5,284,000,000 in outlays in fiscal years 1997 through 2002.

(11) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase the deficit, as follows: by $1,024,000,000 in fiscal year 1997, and decrease the deficit by $64,619,000,000 in fiscal years 1997 through 2001, and by $117,820,000,000 in fiscal years 1997 through 2002.

(c) DEFINITION.—For purposes of this section, the term "direct spending" has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

The CHAIRMAN. Pursuant to the rule, the gentleman from Minnesota [Mr. SABO] and the gentleman from New Hampshire [Mr. BASS] will each control 30 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. SABO].

Mr. SABO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, one is always faced with choice, and alternatives are never as perfect as one would like them. I was a strong supporter of the coalition budget, which was just, I think unfortunately, defeated on the House floor. That was my preference as the best way to achieve a balanced budget. Now I offer another alternative, the budget as presented by the President of the United States.

As an alternative to the Republican proposal, it is clearly far superior for a number of reasons. It does balance in 6 years, as scored by CBO; but, more important, it makes very fundamental reforms in how we run numerous governmental programs but is still fair to beneficiaries.

It does make fundamental changes in Medicare but does it in a fashion that does not do long-term damage to the program like those proposed by the Republican majority. It makes fundamental change in reform of Medicaid in a way to save money for both the Federal and State and local governments, but it still continues to assure adequate health care for the vulnerable, elderly, disabled, and children in our society.

It has fiscal restraints as it relates to discretionary spending, but still provides the opportunity to invest in education and training, research and development, and investing in the basic infrastructure of this country.

It reforms welfare in a fashion that is tough on work, not tough on kids.

So, Mr. Chairman, at this point, I strongly urge a "yes" vote for the President's budget as an alternative that is clearly superior for the American public and for the future of our economy to the proposal of the Republican majority.

Mr. BASS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding time to me.

I would hope that Members would look very carefully at what they have in the budget that is before them now; that is the President's budget. Because the fact is that this is, indeed, a UFO budget.

Our friend, the chairman of the Committee on the Budget, has said on a number of occasions that when they took a poll some time back they found that among young people more of them believed in UFO's than believed they would ever collect Social Security and Medicare because they thought the whole process was breaking down.

Obviously, the administration took that poll to heart and designed a budget around the UFO philosophy, because what they have here is a budget that has unidentified spending cuts in it, that has a family tax increase in it, and it has ominously higher deficits in 1997 and 1998.

Now, think about this for a moment. They come to us today with a budget that, first of all, suggests that it is in balance while at the end of the process, in the year 2002, they have huge, tens of billions of dollars of money they do not identify in terms of spending cuts.

The gentleman from Minnesota just told us that they will protect education and research and training. How do we know? There are massive spending cuts that are not identified in this budget. It is not real.

There is a tax increase in here. If we take the CBO estimates and we take them out to the year 2002, what we find is it takes $16 billion of unspecified taxes in order to balance the budget. That is $16 billion of a middle class tax increase.

So the American families are now being treated to the specter of people saying they are going to cut spending but, in the meantime, what are they doing? They are raising taxes.

And, finally, Mr. Chairman, if we believe they are going to balance the budget, how do we get along with this idea that in the President's budget the deficits go up in 1997 and 1998? That is true. Now, he claims what he is doing is having us on a downward slope toward a balanced budget. But, instead, in 1997 and 1998, where do the deficits go? The deficits go up, not down.

If we were the American people sitting out there, would we believe that the deficits can go up and still balance the budget? I do not think so.

Mr. BASS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the President says he wants a balanced budget, but in reality he has not produced one. He says he wants to lower the deficit year after year, and as we just heard, he does not do that either. And the President has said that he wants to save Medicare, at least on occasion, and end welfare as we know it, and that does not happen.

The fact of the matter is, Mr. Chairman, that the President's budget is a budget of assumptions, it is a budget of hunches, it is a budget of nonspecifics, it is a budget based on if's; what if this happens, what if that happens.

The Republican budget is a concrete budget that returns power, influence and money back to the people of this country. It is a budget that gives a reasonable tax cut to working Americans, and this is in contrast to the President's budget that does none of this.

Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. SHADEGG].

Mr. SHADEGG. Mr. Chairman, there is a stark contrast between the Republican budget and the President's budget on one issue. On the issue of tax cuts there is a clear and flagrant difference.

The Republicans give real, meaningful tax cuts. The President gives essentially no tax cuts and, indeed, in the last year of his budget he raises taxes by $14 billion just to bring, by smoke and mirrors, his budget into balance at the last minute.

Mr. Chairman, I make no apology for arguing for tax cuts. We Republicans trust Americans to spend their money more wisely than we do. But let us talk about that issue. We are here concerned about the deficit and the debt.

The truth is we have an anemic economy growing at 2 percent a year. Historically our economy has grown over the last 30 years at 3.6 percent. Now it is growing at only 2 percent. If we could enact the tax cuts that President

Clinton vetoed, we could unleash this economy.

Mr. Chairman, I urge my colleagues to join me in supporting a budget that stops the situation where Americans pay more in taxes than they do in food and clothing.

Mr. SABO. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I will not vote for the President's budget, but I will tell my colleagues one thing: This President has brought the budget deficit down. This President, contrary to Mr. Bush, contrary to Mr. Reagan, who in 1981 said, "If you will only adopt my tax cut, things are going to be rosy." They were rosy, all right, all red. All red. All deficits.

I voted for the coalition budget because I thought it was real. The Republican budget is not real. The President, this President, has already brought the budget deficit down 3 years in the running, the first time that has been done since Harry Truman. It will be a 4th year by my Republican colleagues' figures and our figures, which will be the first time in this century that the budget deficit has come down 4 years running.

President Clinton did it because he had the courage to put forth an economic program in 1993 that was real. It was not easy, but it was real, and none on the Republican side voted for it, so they cannot take credit for bringing the deficit down. All they can take credit for is putting it up $4 trillion.

Mr. SABO. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, in 1981 we had similar supply-side economics as the majority is projecting today. In 1981 we were told that by 1984 the budget would be in balance. Instead, we had a deficit of $175 billion.

When we were told we should cut taxes and something good would happen to the deficit, instead it exploded. Spending exploded under the Reagan program and the deficit went to $175 billion, under the same theory that the majority leadership has today.

Mr. Chairman, I yield 4 minutes to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Chairman, I have heard many times here today and on television in the last few days that the President raised taxes, the biggest taxes raised in history. That is not true, but we will not debate that at this time.

Every Member in this body had more people getting a tax cut under the President's 1993 package than had an increase. In the 8th District of North Carolina, 1,100 people had a tax increase and 54,000 people had a tax cut because of the EITC, the Earned Income Tax Credit, which the majority is going to do away with in this budget. They are going to practically do away with that. If a taxpayer makes $20,000 a year and does not have any children, they will not get any tax relief. So much for the middle income folks.

Let me tell Members this. Here is what we have done, and I am speaking about "we" because we are all Americans. Since President Clinton has been President, we have created 8 million new jobs. People say the President created those jobs, but they were created in the United States of America. We have lowered interest rates and produced the lowest combined rate of unemployment since 1968.

I was at a reception last night for a group of people that are not Democratic supporters, and one of the gentlemen was in the furniture business. I said, "How has business been in the past 3½ years?" He said, "It has been the best it has ever been since I have been in business." And this is a family business. "I have made more money in the last 3½ years than I have ever made in business."

Now, the same people that are coming here today to tell us how great this Republican package is and how bad the 1993 package was, let me just read some of the statements that were being made when we were considering the President's package back in 1993.

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In 1993, the Speaker of the House said: The tax increase will kill jobs and lead to a recession, and the recession will force people off of work and on to unemployment and will actually increase the deficit.

Mr. SABO. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from Minnesota.

Mr. SABO. What, Mr. Chairman?

Mr. HEFNER. That was the Speaker of the House, distinguished Representative NEWT GINGRICH. The President, the chairman of the Budget Committee in the other body, said April fool, America. This Clinton budget plan will not create jobs, will not grow the economy, and will not reduce the deficit. These are not my words. It was said in the Dallas Morning News.

Our distinguished chairman of the Committee on the Budget, who is a very dear friend of mine, made these statements: We are going to find out whether we have higher deficits. We are going to find out whether we have a slower economy. We are going to find out what is going to happen to interest rates, and it is our opinion that this budget is a killer.

He goes on to say the Democrats have a job-killer program. It is like a snake bite. The venom is going to be injected into the body of this economy in our judgment, and it is going to spread throughout the body and is going to begin to kill the jobs that Americans now have.

And it goes on and on. I could give other names: DICK ARMEY, CONNIE MACK, Congressman DORNAN, WALLY HERGER, JOEL HEFLEY, CHARLES GRASSLEY, JIM BUNNING, JOHN CHAFEE, JOSEPH KNOLLENBERG, JIM RAMSTAD, and it goes on and on and on.

Mr. SABO. If the gentleman would continue to yield, has the deficit not gone down?

Mr. HEFNER. Yes.

We have created 8 million new jobs. The deficit is down. They have continued to go down for 3 years, on the 4th year of a downward trend on the deficit. It will go down even more this year than it would if we pass this Republican so-called family friendly budget that is going to help the middle class.

This budget was a sham when it was projected a few months ago. It is a sham today and I do not blame BOB DOLE from disengaging from this process that the Republicans are putting forward.

Mr. BASS. Mr. Chairman, I yield myself 5 seconds only to say that the reason the deficit went down is that the President of the United States and the Democrats in Congress enacted the largest tax increase in American history.

Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I want to respond to two of the points made by the previous speaker. First of all, he said that not only was the earned income tax credit being cut. We have heard that one before. He said it was practically being dismantled.

Now, I know the gentleman from North Carolina has been around Washington a lot longer than I have. Maybe that is part of the problem here. This is how much has been spent in the last 6 years on the earned income tax credit. This is how much, $109 billion; $155 billion would be spent in the next 6 years.

Mr. Chairman, that is dismantling the EITC? I do not think so. But only in Washington-speak, only those people that have been around here all the time and only think of everything when it doubles every year think that we are actually cutting or dismantling the earned income tax credit.

On the second point, as far as the deficit is concerned, I would point out that President Bush, the Congressional Budget Office under a Democratic Congress, a Democratic administration, proposed in a Republican administration, said that the deficit was going to go down each of the succeeding years after 1992. The President's budget starting in 1993 showed deficits that stretched into infinity.

Mr. BASS. Mr. Chairman, I yield 1½ minutes to the gentlewoman from North Carolina [Mrs. MYRICK].

Mrs. MYRICK. Mr. Chairman, our budget shows our trust in the American people to make their own decisions. We want to let them control their money and design programs that will solve the problems at home. I know firsthand that the local people can be trusted to do this. You know, when I was Mayor, we did not hold our hand out to the Federal Government. We simply went ahead, worked together to move people off of the Federal dependency and into self-sufficiency.

We got a lot of ideas for others to follow, like a public housing venture that literally moves people out of public housing and into home ownership. We have a housing partnership that last year built 119 homes, sold those homes, and 65 of those homes were sold to people who had previously been in public housing.

We started a homeless shelter with private community support that in the last 2 years has put over 500 men back into the workplace. We have coordinated job training program that actually does help young people, not only with training but puts them into their first job. We are turning lives around one at a time and it works. It works because we work together to help people achieve self-sufficiency and because we can tailor the program to fit the need.

Our budget allows communities all over America to use their ingenuity and help to do their own programs to solve their own problems, and it works so much better than a bureaucrat in Washington, DC, trying to tell them how to do it.

Mr. SABO. Mr. Chairman, I yield 2 minutes to my good friend, the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, I have been here for 20 years, and I have seen a lot of budgets. Each year that I vote on budgets, I have not found one yet that I can agree with 100 percent. But this time, and basically that is why I voted for the coalition budget, because there was only one item in there that I disagreed with. Now I am faced, like every Member of this House is faced, with a prospect that if we do not pass the President's budget, which I do not agree with on certain things, all I have got left is this monstrosity that the majority has presented to us that will ruin rural America.

I have no choice. I do not think anybody in this House has any choice. The only alternative I have is the President's budget, and it is a whole lot better than what I see coming from them. What does it do? Well, it protects and provides funds for education, which is big for my district and the United States of America. It provides for medicare. It does not make those reductions that they make in medicare and medicaid, which will devastate my rural hospitals.

I am from a rural district. yes, this is going to mean closings. My hospital association says it means closing within 5 years of some of my rural hospitals. What does that do? I guess they can go out and find the money and provide for the hospitals. Sorry, folks, it is not going to work that way. The President's budget provides for environment, rural development, and it is balanced. yes, in the same period of time, it is a balanced budget.

Although I do not believe we should do tax cuts until we have a balanced budget, and I firmly believe that, that is one of the areas I disagree with the President's budget, but I can vote on that as a later issue.

So I am asking the Members of this House, if they do not want to take the radical approach, you know, I heard two Members of that opposite party last month when I was talking federalism with them, said the Federal Government should do two things: Defend our shores and deliver the mail. They were not so sure about delivering the mail. Think about that. That is radical, just defend our shores and do nothing else.

Mr. BASS. Mr. Chairman, I yield 1½ minutes to the gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Chairman, I thank the gentleman for yielding me the time.

If there is a young person who, for whatever reason, missed school today and is sitting, listening to this debate, let me tell them why I think their country is in such debt and why I think the President's budget does not help a whole lot. The deficit is about $150 billion. There is a thing called the national debt that, as I speak, is $5,098,866,418,898. It is worth $19,250 for every man, woman, child in America.

The reason that we got a $5 trillion debt is because entitlement spending in this country has gone through the roof, and both parties are sitting here yelling at each other about who caused the problem. In my opinion, both parties have let the entitlements grow to the point that they are 50 percent of the budget. When we add the interest element to the equation, 67 percent of the Federal budget is on auto pilot. If you want us to balance the budget, please make us change the reason Medicare has grown 2,200 percent since 1980. If you want to free America up, balance the budget and help people, please change welfare so the average person does not stay on it 10 years. If you want us to do something about education in your State, please make us change Medicaid so it does not grow at 19 percent a year and takes money away from the State to run its education program just to get health care dollars.

President Clinton's budget has no entitlement reforms. It does not address why we are in debt. It does not change any of the reasons that led to every man, woman, and child owing $19,000 today. If you want us to change America, let us give choices and get government back home.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER. Mr. Chairman, I thank the gentleman for yielding.

We are still talking here today about the need to balance the budget, to reduce the burden on future generations. That is important, and I certainly concur with that belief. But I think it is very important too that we protect future generations and ensure that a good quality of life is going to be available to our grandchildren as was available to us.

The Republican budget resolution does not adhere to this principle. The amendment before us now, which incorporates President Clinton's 6-year balanced budget plan, will continue to invest in our children. It will provide quality, affordable health care to our senior citizens and the disabled, provide tax incentives targeted to the middle class and stimulate further economic growth and development.

The choice before us is simple: We either invest now in critical programs aimed at improving the quality and standard of living in the United States, programs like education, community development, biomedical research, national assistance, public safety, small business development, trade promotion, clean air and clean water, and so forth. Or we can refuse to meet the basic responsibilities of the Federal Government and turn our backs on the most vulnerable, the senior citizen, the children, the disabled, and the poor.

I support investing in the future, and I will support the Sabo amendment. I urge my colleagues too, as well. I hope you would carefully review this proposal because many of the policy assumptions that were included in the budget have always enjoyed bipartisan support. The budget, as I stated before, it balanced. It includes real middle-class tax cuts without adding to the deficit or without using Medicare cuts to pay for tax cuts for the rich.

It includes a proposal to give premium subsidies to individuals who lose their health insurance when they lose their jobs. It also assumes real increases in biomedical research, maintains a strong commitment to civilian research and development, increases our investment again in our children in education. It also calls for the restoration of tax fairness by targeting tax relief to the real middle class, and the amendment assumes the deduction for qualifying. This is most important. The deduction of $5,000 a year to educate and training expenses in 1996, 1997, and 1998 and in 1999 raises it to $10,000.

Mr. SABO. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, I rise in support of the amendment.

At times I am asked, "What's the hardest part of being a Congressman?" I could easily talk about the grueling schedule or the complexity of legislation or the fact that we live in glass houses—or maybe the answer for many of us has to do with how hard it is to be missing in action from our families so much of the time.

But one of the toughest things I grapple with on days like today is determining when something is good enough to support as "moving the mark forward" and when it just doesn't quite pass muster.

I refuse to be part of the mentality so prevalent these days that claims compromise is a dirty word. Working things out, finding a middle ground—that's part of the life blood of a Democratic legislative body.

But I also know the danger of wink-and-nod acquiescence to inferior agreements crafted too much for political expediency and not enough in honest confrontation of difficult problems—problems like the deficit.

I sincerely praise both the President and the Republicans for promoting specific and legitimate balanced budgets this year. I am proud as a Democrat to note that, with one exception, this is the first time since the last Democratic President that, the House has voted on a Presidential budget scored as being in balance by the Congressional Budget Office.

Just as the majority has moved toward the coalition budget by moderating many of their savings, the President has moved toward the coalition budget by tackling some of the tough choices necessary to reach balance. While more movement from both sides is necessary, the fact that each has come toward the coalition's numbers in the center gives me some hope we still can seal a balanced budget agreement.

But in the final analysis today, I think both the President's and the majority's budgets have done too much winking and nodding when it comes to deficit reduction. Republicans want too much to raid my grandson's pockets to pay for today's tax cuts. Having lived through the failed promises of the 1980's tax cuts, I won't walk down that path again.

Likewise, the President wants to dip into my grandson's pockets to pay for grandpa's Social Security and Medicare. Having watched the uncontrolled ballooning of those programs in the early 1990's, I won't follow that path either.

President Clinton, and Chairman KASICH both deserve recognition for heightening the debate on balancing the budget. But both proposals fall short when measured on the deficit reduction yardstick. I will oppose both, having just supported the only obvious compromise and the plan most dedicated to deficit reduction, the coalition budget. Our substitute postponed tax cuts until the budget is balanced, provided a steady deficit reduction glide path, and has less total debt than any of the other options before us. It also avoided unlikely off-triggers on taxes and other questionable budget devises found in both of the other budgets.

Americans are asking for bipartisanship, for honesty, integrity, and responsibility, and for constructive solutions. It's time to respond to those demands.

Mr. BASS. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida [Mr. Stearns.]

Mr. STEARNS. I thank my colleague. Let me give an analogy on this debate. Let us say you are overweight by 100 pounds. You are trying to lose weight over a 7-year period. Would you take a plan where in the first 2 years you gain 100 pounds and then in the next 2 years you try to lose it, then in the final year you really make an effort to reduce that 100 pounds? Of course not, it will not work.

This same principle is applying to the Clinton budget. The President's budget is such that the largest spending reductions are in the 7th year. Also under the President's budget, deficits go up in the early years. We certainly do not need that, either.

How many of this floor remember what the President said in 1993 about his tax increase? He said, "You might think I raised your taxes too much. Well, it might surprise you to know that I think I raised your taxes too much too." And in fact his tax increase was the largest of the 19 increases we have had on this floor since 1981.

□ 1445

Mr. Chairman, I ask, "Isn't it time that after 15 years we should have one single tax cut?" We should not have to wait another 17 years.

Also, my colleagues, Prof. Thomas Hopkins of the University of Rochester indicated that the annual cost of Federal regulation has risen since 1981 over the equivalent of $6,000 for every single American while the party of the gentleman from Minnesota [Mr. SABO] has been in control for the last 40 years.

Come on, Mr. President. It is time for a new direction. Even the gentleman from Maryland, Mr. HOYER, came on this House floor and said he is not going to vote for the Clinton budget, so why should Mr. SABO?

Mr. SABO. Mr. Chairman, I yield myself 30 seconds. I say to the gentleman from Florida [Mr. STEARNS], because it is so much better than the Republican alternative.

Mr. STEARNS. Mr. Chairman, will the gentleman yield?

Mr. SABO. I yield to the gentleman from Florida.

Mr. STEARNS. Mr. Chairman, why does not the gentleman from Maryland [Mr. HOYER] and many of the gentleman's other colleagues come on the House floor and say they do not support the Clinton budget?

Mr. SABO. Mr. Chairman, I cannot respond for other people. I can only say the President's record on deficit reduction, on rational discipline of the Government is so much superior to previous Republican administrations. His proposal today is so far superior to the majority proposal that it is a simple and easy vote for me to vote "yes" despite the fact I would have preferred some other alternative.

Mr. Chairman, I yield 30 seconds to the gentleman from North California [Mr. HEFNER].

Mr. HEFNER. Mr. Chairman, I might have an answer.

Might be the reason the gentleman from Maryland [Mr. HOYER] is not going to vote for it might be the reason that 20-some of the Republicans voted for the coalition budget because they think it is so much better than the Republican budget.

I say about the Republican budget it is like the one we had many years ago. This budget is like an ugly child. We have to tie a pork chop around its neck to get the dogs to play with it.

So this is a terrible budget.

Mr. BASS. Mr. Chairman, I yield myself 5 seconds only to say that the members of their party will flee from their budget like scalded dogs.

Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. STUMP].

Mr. STUMP. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong opposition to the Clinton budget and in support of the House Republican budget proposal.

I also want to express my appreciation to my good friend, the gentleman from Ohio, JOHN KASICH, the distinguished chairman of the Budget Committee.

He and his staff worked closely with the committee on Veterans' Affairs on the Republican budget, and it shows in the favorable provisions for veterans.

The President's plan would balance the budget on the backs of our Nation's veterans, drastically cutting VA medical care spending.

The House Republican budget plan provides $100 million more next year and $5 billion more over the next 6 years than the Clinton plan for veterans' medical care spending.

The President's plan takes more cuts out of veterans programs for deficit reduction but still falls short of balancing the budget, denying all veterans the economic advantages of a balanced Federal budget.

Our plan balances the budget while providing nearly $230 million for increases to veterans' earned benefit programs, which are not in the President's budget.

In the words of President Clinton's Secretary of Veterans Affairs, Jesse Brown, and I quote, "The President's budget would devastate VA."

In a letter dated May 14, 1996, to Secretary Brown, the national commanders of the Veterans of Foreign Wars, the Disabled American Veterans, AMVETS, and the Paralyzed Veterans of America stated and I quote:

> Our Nation's sick and disabled veterans deserve a viable health care system devoted to

> them and their special health care needs. . . . President Clinton's seven year balanced budget proposal does not provide the funding necessary to meet these needs.

I urge my colleagues to join the Secretary of Veterans' Affairs and the major veterans service organizations in denouncing the Clinton budget proposals for veterans by voting "no" and defeating the Presidents' plan.

For over a year, Secretary of Veterans Affairs, Jesse Brown has bashed Republicans in Congress with a barrage of fraudulent and deceptive attacks about the Republican budget's impact on veterans' programs.

Secretary Brown has misled veterans to believe that the Republican budget would impose a means test on service-connected benefits, tax veterans' benefits, remove disabled veterans from compensation rolls, and cut compensation for other disabled veterans. The Balanced Budget Act contained none of those proposals, and Secretary Brown knows it did not. He has also widely claimed that he would be forced to close numerous VA hospitals because of the budget.

With the apparent approval of the President and clear knowledge of the facts, Secretary Brown continues spreading misinformation. He goes so far as to suggest in battlefield metaphor that "veterans are under attack by hostile forces within this nation. Those forces are Members of Congress. * * * We must stay alert because we have hypocrites in the land."

Yes, there are hypocrites in Washington. They are creating a pattern of deception, purposely telling half-truths to scare veterans for political advantage. But, they are not the Republican Members of Congress.

Let's take a look at the pattern of deception. In the 1994 budget, President Clinton's Office of Management and Budget planned to cut 27,000 VA employees as part of the Clinton administration's heralded reinventing Government effort to reduce the Federal work force by 252,000 positions by the year 2000. Congress, at that time controlled by the Democrats, blocked the proposal and worked out a compromise limiting the VA cuts to 10,051 employees. In the 1995 budget, President Clinton proposed the first installment of these VA personnel reductions. Secretary Brown presented it to Congress and defended the President's budget, which included cutting VA medical care staffing by 3,400. Congress refused to accept the budget, allocating $100 million more than Secretary Brown had requested for VA medical care. Despite this increase, VA eliminated 3,436 medical care positions and closed 2,300 hospital beds. Clearly, these medical staff reductions and bed closures were not budget driven. They were part of an overall plan to move VA's health care system in line with private sector models, emphasizing outpatient and primary care.

For 1996, after prolonged budget debates, Congress increased VA medical care spending by $400 million above the prior year. Secretary Brown shrieked for months that veterans would suffer due to lost hospital beds and medical staff cuts. He forecast catastrophe and called Congress mean spirited wherever he traveled. Throughout the year, Republican leaders assured veterans that medical care funding would remain sufficient to provide well managed, quality care.

In recent testimony before the House Committee on Veterans' Affairs, Secretary Brown stated that his dire predictions did not happen because of increased efficiencies and consolidations of service. He did not explain why his predictions failed to reflect VA's already planned efficiencies and consolidations. This raises the question of whether he was out of the loop or just scaring veterans for political purposes.

Testimony of the Under Secretary of Health, Dr. Kenneth Kizer, confirmed the previous reductions of work force and hospital beds did not result from budget cuts but were part of VA's initial efforts to reform the way it provides care. Dr. Kizer said, "We are fundamentally reengineering and reinventing the health care system so that it goes from a hospital based system to an ambulatory care-based system that is rooted in primary care." He added, that VA would "continue to emphasize improved and increased accessibility and quality of VA health care."

Having admitted that his dire predictions did not come true, one might expect Secretary Brown to cool his rhetoric, correct the record, and reassure veterans that quality health care delivery is being maintained.

But on a recent trip to Colorado, Secretary Brown blamed Congress again for cuts, implying that staffing reductions are purely budget driven and are having a negative impact on the delivery of care.

The Secretary has a responsibility to tell veterans the truth about what is really going on within VA health care and the President's budget.

Secretary Brown should tell veterans that the President's budget requests a further medical care work force reduction of 5,000 in 1997. He should also tell veterans that he has sought and received authority from the President to reduce VA's medical work force by 10,000 persons over the next 2 years. And, he should tell veterans that these additional proposed reductions are a continuation of VA's reorganization efforts, can be achieved without negatively impacting health care delivery, and are not simply budget driven reductions.

When on the road, at taxpayer expense, the Secretary says nothing about President Clinton's budget for VA health care in future years. He should be honest with veterans and tell them that the President's budget takes VA medical care from a high of $17 billion in fiscal year 1997 down to a low of $13 billion in fiscal year 2000 without one word of explanation about how this would be accomplished. When asked about this at a hearing, Secretary Brown told the obvious truth saying, "The President's outyear numbers would devastate VA."

As a self-proclaimed advocate for veterans, Secretary Brown should have the courage to tell the truth—to tell veterans and their families that the House Republican budget is better for veterans than the President's budget. The House budget proposes to spend nearly $100 million more on VA health care in 1997 than President Clinton, and $5.1 billion more on VA health care than the President over the next 6 years. Additionally, the House budget requires less in savings from veterans' programs to balance the budget and provides for nearly $230 million in benefit improvements that are not contained in the Clinton budget plan. Those are the facts.

Mr. Chairman, I yield the balance of my time to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Chairman, I also rise in opposition to the President's budget. I agree with the Secretary of the VA that the President's budget will, in fact, be devastating to the VA. The President slashes VA medical care spending by $4 billion while at the same time raiding $18 million from the National Cemetery Service at the same time as more veterans, in fact, are dying. It bothers me tremendously.

One point I would like to make is, I have to ask where is the President's commitment? I ask that because the President, first he said he would balance the budget in 5 years, then he said we can do it in 7 years, then he said I think we can do it in 9 years, then he said I think we will balance the budget in 10 years, then he said I think we can reach it in 8 years, then he said somewhere between 7 and 9, and today he sent to the floor a budget for 6 years.

Where is the commitment? This is a President that opposed the balanced budget amendment. Bill Clinton has the commitment of a Kamikaze pilot on his 37th mission.

Where is your commitment, Mr. President?

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would caution Members their remarks should be addressed to the Chair.

Mr. SABO. Mr. Chairman, I yield myself 30 seconds.

I want to only say it is the President's program that reduced the Federal deficit by more than 50 percent over all the "no" votes of the Republican, now majority, when they were in the minority. It is the President's program that has brought record growth of over 8½ million new jobs since 1993. The President does not have to listen to lectures from people who voted "no" on real deficit reduction in 1993. He has not just talked about it, he has done it.

Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. OLVER]

Mr. OLVER. Mr. Chairman, the President's budget is not perfect, but the President's budget does prove that we can balance the budget in 6 years without extreme cuts in health care and education and housing and law enforcement and environmental protection. But while those extreme proposals get most of the attention, I would like to point out to other areas of the extremist Republican budget that have at least as many bad implications for our future, and those areas are scientific research and development and our public transportation.

The Committee on the Budget plan cuts civilian science by $15 billion over 6 years. It phases research and solar and renewable energy way down and wipes out energy conservation and research in fossil energy efficiencies. It eliminates technology partnerships with businesses, including advanced technology development and manufacturing extension.

Now, these are the very investments that create high-paying jobs to grow our economy while protecting our environment and quality of life.

Now, public transportation gets people to jobs and to their medical appointments while conserving energy and protecting the environment. Completely missing the interconnection between public transportation and our energy and environmental security needs, the Republican budget slashes support for transportation systems that are used in every urban community, large and small, all over America.

What kind of future will those policies leave us? Well, a bleak future at best.

So we should reject the Committee on the Budget's renewal of extremist proposals and adopt instead the President's budget as a far better investment in our future, and I urge all my colleagues to support the President's sensible priorities.

Mr. BASS. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Chairman, I find the use of the term "extremist" in reference to the Republican budget rather ironic when looking at the section dealing with veterans' health care spending. The veterans in this country want a balanced budget. They know what it is to sacrifice for our country, and they want a balanced budget, but they want a balanced budget that is fair, in which we do not attempt to balance the budget of this country on the backs of our Nation's veterans. The President's budget seeks to balance the budget on their backs at their expense.

That is why the Secretary of Veterans' Affairs rightly said that the President's budget would be devastating to the veterans' health care spending in this country, and that is why the national commanders of four of our major veteran service organizations wrote the Secretary of Veterans' Affairs this week saying that in fact there was not adequate funding for a viable health care system in the President's budget and urging that it not be supported and saying that they would oppose it and all other budgets that fail to provide for our veterans.

The gentleman from Pennsylvania [Mr. WALKER] earlier called the President's budget the UFO budget. I rather like that and think that is rather accurate. But if we look at the veteran section, we can call it the big dipper budget because in the next 4 years in the area of VA medical spending there is a 20-percent cut in veteran spending for health care in the President's budget. That is devastating. It would reduce from $17 to $13 billion over the next 4 years. It is over a 20-percent cut in medical care. We cannot tolerate that.

The President's budget would spend $5 billion less on veterans' medical care over the next 6 years than the Republican House budget. The House budget even next year spends $100 million more on VA health care than does the President.

There is nothing extreme about that, but there is fairness to our Nation's veterans.

Again I say, Mr. Chairman the veterans of this country want a balanced budget, but they want a balanced budget that is fair. They do not want, as this chart indicates, a 20-percent cut in medical care spending with no explanation of how those cuts will be achieved, simply putting them at the expense of our Nation's veterans. That is not right, it is not fair. The President's budget fails the fairness test for our Nation's veterans.

Mr. Chairman, that is why we need to oppose this Clinton budget.

Mr. SABO. Mr. Chairman, I yield myself 30 seconds.

Veterans funding is the gentleman's top priority. He should have voted for the coalition budget because that budget had less cuts in veterans' care than the majority proposal. But, in reality, what will govern the funds available for VA funding in the next several years is a total level of discretionary funding. That is what is going to give appropriations the flexibility for funding VA. Cuts in discretionary funding are much deeper, much more severe, than those projected in the President's budget.

Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. LOWEY].

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

The SPEAKER pro tempore (Mr. KOLBE) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1997

The Committee resumed its sitting.

The CHAIRMAN. The gentlewoman from New York [Mrs. LOWEY] is recognized for 2 minutes.

Mrs. LOWEY. Mr. Chairman, I rise in strong support of the President's 6-year balanced budget.

This debate is about much more than dollars and cents—it is about our Nation's fundamental priorities and values. The differences between the Gingrich budget and the President's budget are very clear. These plans offer competing visions for America's future, and they present all Americans with a stark choice.

The President's plan balances the budget and provides tax relief for the middle class while protecting key priorities like Medicare, Medicaid, education and the environment.

President Clinton's budget will guarantee Medicare's solvency through 2005, while giving our seniors greater choice and flexibility. It cuts down on fraud and abuse in Medicaid, shakes up the welfare system, and provides hard working families with tax credits to pay for college or to start a business.

The Gingrich budget hits the elderly and our children the hardest. New York alone will lose $14 billion in Medicare funding and $10 billion from Medicaid under NEWT GINGRICH's budget. Seniors will lose long-term care and children will be denied health care. Financially strapped school systems—like the one in Yonkers, NY, will lose millions in Federal aid.

The choice is clear—the President's balanced budget provides tax relief for hard working Americans while protecting the priorities of the American people. NEWT GINGRICH's budget increases spending at the Pentagon while slashing Medicare, Medicaid, education and the environment.

Let's listen to what a very senior Republican from my State of New York recently had to say about the Gingrich revolution:

> Americans did not vote to cut funding for education and cut funding for the environment and cut funding for programs they care about it.

Those were AL D'AMATO's words—let's take his advice, reject the Gingrich budget and support the President's plan.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would caution that Members should avoid references to individual Senators.

□ 1500

Mr. SABO. Mr. Chairman, I yield 2 minutes to my good friend, the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise in strong opposition to the latest round of Republican Medicare cuts. The American people rejected this extreme agenda last year, and I call on my colleagues to reject it today. The Medicare cuts contained in the Republican budget are designed to create a second-class health care system for America's seniors. Their drastic cuts are compounded by dangerous policy proposals which will truly force Medicare to "wither on the vine," as the Speaker, the gentleman from Georgia, NEWT GINGRICH, called for last year. Under the Gingrich budget seniors will pay more and they will get less health care.

The medical savings accounts in the Republican plan will skim off the healthiest and the wealthiest individuals and threaten to leave the remaining millions of seniors vulnerable to a weakened Medicare system, while increasing their costs. The Republican plan to cut $168 billion from Medicare and $72 billion from Medicaid is far more than is necessary to ensure the solvency of the trust fund.

The President's budget proves that. The President's budget makes Medicare solvent for the same number of years as the Republican budget, but does so without making such deep cuts. So why would the Republicans cut so deeply? The answer is $176 billion in tax breaks for the wealthiest in our country.

Mr. Chairman, the American people rejected, out of hand, the extreme agenda of the Republican resolution when Speaker GINGRICH tried to take the country hostage by shutting down the Government and then going home for the Christmas vacation. Congress should not slash Medicare and Medicaid for millions of America's seniors in order to pay for tax breaks for the wealthiest few. It was wrong last year, and it is wrong today. I call on my colleagues to reject the Republicans' failed agenda.

Mr. BASS. Mr. Chairman, I am pleased to yield 30 seconds to my colleague, the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, listening again to my colleague, the gentlewoman from Connecticut, I think back again to the Washington Post editorial that talked about Mediscare. Here they go again. Mr. Chairman, the fact is this: that spending per patient will increase from $5,200 to $7,000 under our plan. That is no cut. There is no increase in deductibles, copayments, or premiums. And the gentlewoman neglected to admit that the Medicare trust fund is $4 billion in arrears. That is unconscionable. That is why we must have this budget.

Mr. SABO. Mr. Chairman, I yield 30 seconds to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, the gentleman from Arizona can continue to try to fool the American public, when in fact if you add more seniors to the program, if you allow for inflation, the Republican budget in fact does cut Medicare for seniors. It allows them to have to pay increased deductibles and increases their medical bills, and no matter how they want to tell us that they are slowing the rate of growth, they really, truly want to see this program changed and it wither on the vine, as their leader, the gentleman from Georgia [Mr. GINGRICH], has talked about.

Mr. BASS. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. HAYWORTH] to respond.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair will remind all persons in the gallery that they are here as guests of the House, and that any manifestation of approval or disapproval of proceedings is in violation of the rules of the House.

Mr. HAYWORTH. Mr. Chairman, I would simply remind my friend, the gentlewoman from Connecticut, that again she misquotes people, not only an interesting use of numbers, but with reference to withering on the vine. The full record indicates, as the gentlewoman from Connecticut knows, the Speaker was referring to the Health Care Financing Administration and some of the problems with socialized medicine that existed in the former Soviet Union. That quote has been culled incorrectly.

The gentlewoman from Connecticut knows this, as she also knows the fact that we are increasing expenditures per beneficiary. There is no dispute with that, nor is there a dispute, Mr. Chairman, with this cold, hard fact of reality: The Medicare trust fund is already $4 billion in arrears.

I ask my colleagues, Mr. Chairman, at long last, have they no sense of decency left? Let us save Medicare for seniors, quit worrying about the next election, enact this budget, and save the program.

Mr. SABO. Mr. Chairman, I yield 15 seconds to the very decent gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Chairman, talk about decency; BOB DOLE: "I was there fighting the fight, voting against Medicare in 1965 because we knew it would not work."

"Now, we didn't get rid of it in round 1, because we didn't think that was politically smart, and we don't think that is the right way to go through a transition. But we believe it is going to wither on the vine." The gentleman from Georgia, Mr. NEWT GINGRICH, speaking to the Blue Cross-Blue Shield conference on October 24, 1995.

Mr. SABO. Mr. Chairman, I yield 2 minutes to my good friend and member of the Committee on the Budget, the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, if the gentleman from Arizona is going to take exception to quotes, let us talk facts. In fact, the Republican budget proposes the deepest cuts in Medicare, future Medicare spending: once again, $161 billion over 6 years, compared to $117 billion in the President's budget before us.

Let us look behind these numbers, however, so we understand exactly where those cuts fall. One hundred and twenty three billion dollars comes from part A, the reimbursements to hospitals and home nursing care. There is no way we can take these cuts out of future spending and hospitals without devastating the network of essential care provided by hospitals all across this country. This cut is deeper than their cut last year.

As regards hospital reimbursement, home health care services so vital to seniors, they cut more than they cut last year. I think the American people know full well that their budget last year on Medicare cuts was reckless, was dangerous, and threatened the care of our elderly.

As regards the part B premium, for those who might elect the managed care option under their Medicare revisions, the GOP budget would leave unlimited exposure to physician charges. Medicare would cover a portion of the physician charges, but whatever the physician wanted to bill in addition to that, the senior would be responsible for.

The bottom line on their budget: Closed hospitals in many parts of the country, and higher doctor bills payable out of the pockets of the senior citizens of this country.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. POMEROY. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. Mr. Chairman, is the gentleman voting for the budget?

Mr. POMEROY. I am going to vote for the President's budget. I will oppose the GOP budget, for the reasons that I am saying.

Mr. Chairman, another area of important contrast involves the Medicaid Program. The Medicaid Program is a major source of reimbursement, as members know, for those senior citizens in nursing homes without resources. They will, combined with the reductions in State funding, devastate reimbursement in the Medicaid Program, and the President's budget compares very favorably in this area as well.

Mr. BASS. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Ohio [Mr. KASICH], the distinguished chairman of the Committee on the Budget.

Mr. KASICH. Mr. Chairman, I want to compliment the minority on their tactics, because we have been studying them and learning from them. It is interesting that in the hour that they came to the floor to support the President's budget, they do not have anything good to say about it. So what they do is come to the floor and try to attack our budget.

Every one of them are smart, good, decent people who know that Medicare is going bankrupt. They furthermore know that we are increasing the number of dollars behind the senior citizen from $4,800 per senior citizen to $7,000 for each senior citizen.

But what is curious about this debate is that the plan basically has all its savings at the end. Take a typical American diet, I would say to the gentleman from Illinois, HENRY HYDE; that you are going to lose 50 pounds this year; you are going to lose 1 pound in the first week and 49 in the last week.

So first of all, it is backloaded. In other words, we put all the heavy lifting off for the children of the next century. We have children that visit this Capitol every day, and we are asking them to do all the heavy lifting, while we kind of get away scot-free. We do not want to do that.

Second, we do not believe in tax increases.

Third, if the economy has improved so much, why is it the President keeps running around talking about wage stagnation and job insecurity? It is because it is real. It is because they have not been able to grow this economy, to provide job security, permanent jobs, high-paying jobs, because the American people do not have the money to save and invest and risk-take, and give our workers the tools they need to compete and win.

Finally, everyone on this floor knows that at the end of the day, we are going to have to come to grips with entitlement programs. Our philosophy is we can manage them better by designing local solutions to local problems for less cost.

But I wish we could spend this hour having you defend or support the President's budget, rather than attacking ours. It is a curious way to operate, but I think I understand it, when you have so much difficulty finding the good reasons to support the President in his very feeble efforts.

Mr. SABO. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I have no problem defending the President's budget versus that of the gentleman from Ohio [Mr. KASICH]. The gentleman from Ohio worked hard, but the President's is much better, much better for education and training, much better potentially for reforming Medicare in a fashion that will work.

The reality is your changes, you add some money up early, your provider Medicare cuts are going to have to be deeper in the final year, 2002, than they were in your original plan. Why? to accommodate your tax cuts. You talk about front end and back end loading. Somehow, there is enough money for your tax cut in 1997, for you show a deficit increase then, too. Miraculously, your tax cut costs less in 2002 than it does in 2001. There is some end loading in the President's, but you have the same problem. If you did not want that, if you wanted a nice, steady flow, you would have voted for the coalition budget.

Mr. BASS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. KASICH], chairman of the Committee on the Budget.

Mr. KASICH. Mr. Chairman, let me just say that it is really dubious to make the claim that the President is spending more on any program that is in the discretionary accounts, because you have $67 billion in unspecified cuts. If we wanted to do a really good job, an effort at this in the style of the gentleman from Massachusetts, ED MARKEY, we would take the $67 billion in cuts and we would hold charts up of the children who we think you will hurt, or we will hold up charts of any number of discretionary programs and say you are going to cut those.

The simple fact of the matter is that we have done the most, we have been able to accomplish the most amount of change, and you all endorsed it. About 2 weeks ago the President of the United States had a budget that said we would have spent $7 billion more in 1996 than we spent in 1995. We said, no, no, we want $23 billion less. And guess what, the revolution has come, and guess what, it is winning. And do you know why? You all voted for it. You voted for the most massive amount of downsizing of Washington spending since World War II. I think it is fantastic that you did it.

Now, for the period of the next 6 years, there is not fundamentally that much difference between you and us on Washington spending, because you have already endorsed our program. Now what we are asking you to do is to endorse the rest of our program that takes entitlement programs that are going through the roof, that are threatening to sink the young people's future, that are destroying job security and creating wage stagnation, and we are saying, look, take the program out of Washington, send it home, design a local solution for a local problem. And we do not want to have higher taxes on the American people. People pay too much in taxes.

Mr. Chairman, the choices are pretty clear between these two alternatives, but I am glad that the gentleman from Minnesota, Mr. SABO, is now defending or supporting the President's budget rather than focusing on the shortfalls in ours, because we believe strongly in ours and we are glad that the gentleman at least believes in his.

Mr. SABO. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, let me just say that we impose discipline on discretionary spending. We did it in 1993. I just have to say to my friend, the chairman of the committee, I am curious that if it was his program that finally passed, why he had to shut the Government for Christmas.

There were some issues at odds: Funding for education, for environmental protection, for inspection of safety, very important priorities. That is the difference. Frankly, there are very important differences over the future: Over educational funding, training, research and development; significant differences between the President's budget and its potential for doing good things for the future of our economy, things that are left out of your budget.

□ 1515

Mr. BASS. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I just want to make the point that the President was asking and many of you were asking to spend $7 billion more in 1996 than in 1995. We were saying, No, no, we don't want to do that. We want to downsize Washington programs and spend less. At the end of the day, we ended up spending $23 billion less. You wanted $7 billion more, we spent $23 billion less. That is a $30 billion difference.

The thing that is so amazing is that we frankly have already won that debate, because you all voted for this. There were only 32 votes against this appropriation bill that lowers the whole base of spending in Washington. It is a terrific accomplishment by this Congress. I want to congratulate you for being part of it.

But when you start this big argument about the difference in Washington spending, frankly, folks, that debate is done. You already conceded our point. We are going to have the most massive amount of downsizing of Washington and the most amount of hope for the American people we have had in terms of controlling this Government in 50 years. I think it is reason to celebrate, not fight. We appreciate your support of that.

Mr. SABO. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I compliment the gentleman from Ohio [Mr. KASICH], the Budget chairman, on his disingenuousness.

All the budgets have agreed that we would balance in 7 years. All the budgets have agreed that we would downsize. So what else is new? The question is, inside of that, what is going to be cut?

What is not going to be cut inside of yours, ladies and gentlemen, is Star Wars, a $13 billion increase in the Pentagon, and all the taxes for the wealthy, and in the meantime the people on Medicare pay higher doctor bills, more seniors will be in the system, there will be more inflation. You have got a lot of backloading. Then Mr. DOLE has already said, "I tried to get Medicare once but it was not politically timely, but I think we can do better this time."

But what is disturbing is how come I cannot get more votes for the Congressional Black Caucus budget because we are Democrats, too, with one of the better programs that have been on the floor. I ask the gentleman from Minnesota [Mr. SABO] to consider that.

Mr. BASS. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman, the reason that I think in our Committee on the Budget there was not much talk about the positive notes on the President's budget is because the President's budget is full of tricks. It takes taxes and says we are going to have tax cuts, but then it restores all those tax cuts and ends up actually with a tax increase of $16 billion after the year 2002.

It does not have many spending cuts so nobody is particularly offended. Technically it balances because of a gimmick. The President says, "Look, if we're not on track by the year 2000, then I want you to take another $67 billion out of discretionary spending." That is more discretionary cuts than even the Republicans have suggested in that length of time. It is going to be impossible. It is pretending that it balances when it does not. I bet there are a lot of Democrats that are going to be unwilling to vote for the President's budget.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. I thank the gentleman for yielding me the time.

Mr. Chairman, I believe that our Federal budget should be a statement of our national values. President Clinton's budget is. It protects and invests in the health, education, and well-being of the American people, protects the environment, as well as protecting Medicare and Medicaid.

I have many problems with the Republication budget. However, the most extreme and shortsighted part of the GOP budget plan is the severe cuts to education and job training. Essentially these vital programs to prepare the American people for the challenge of a new global economy are cut by 25 percent from this year's funding and then frozen for 6 years. Many scholarship and student loan programs are eliminated. This renewed attack on education places the Republican budget on a collision course with the Clinton administration, which has proposed $61 billion more in investments for education and job training.

For health programs, the Republican plan calls for drastic cuts in programs like community health centers, family planning and biomedical research. Is this a statement of our national values? The plan to cut purchasing power for the National Institutes of Health by 16 percent is extreme and is lacking in an understanding of the importance of investment in biomedical research.

Over and over again the Republican budget makes cuts where we should be making investments. I do not believe it is a statement of our national values. I urge my colleagues to vote "no" on the GOP plan and be proud to vote "aye" on the Clinton proposal.

Mr. Chairman, I rise in opposition to the 1997 Republican budget resolution. Like last year's budget, the plan is out-of-touch with the American people and should be rejected by the House.

In 1993, President Clinton working with Congress began a process of deficit reduction that has produced Federal deficits which have gone down for 4 years in a row. In fact, the Federal budget deficit has been cut in half since the beginning of the Clinton Presidency. We need a continuation of the moderate proposals which have been working. We do not need another extreme budget plan to foster bitter confrontation between the Republican Congress and the administration. The American people reject this tactic; they want bipartisan cooperation in solving problems.

The Republican plan proposes to cut Medicare by $168 billion over the next 6 years. Even worse, the plan proposes to end 30 years of universal coverage for senior citizens and allow the healthy and wealthy to opt out of the program causing disruption and placing the entire Medicare Program at risk.

The Republican plan for Medicaid is even more extreme. A cut of $72 billion over 6 years and allowing the States to cut even more in State payments would be severely destructive to the program. The plan also would eliminate the current guarantees of health coverage for low-income children, pregnant women, disabled people, and senior citizens. Thankfully, the President has already rejected the drastic approach and proposed a reasonable plan to cap individual benefits resulting in comparable savings without millions of Americans losing health coverage.

Likewise, the Republican budget includes much of the Republican welfare plan which was vetoed by the President because it was too extreme and did little to move people from welfare to work. There appears to be little to recommend proceeding with the same plan encouraging a race to the bottom for State welfare programs.

With regard to discretionary spending, the Republican plan is once again extreme. Funding for defense programs is increased greatly over the Pentagon's request. On the other hand, nondefense spending falls dramatically; a 25-percent reduction in purchasing power for domestic programs.

For health programs, the Republican plan calls for drastic cuts to programs like community health centers, family planning and biomedical research. The plan to cut purchasing power for the National Institutes of Health [NIH] by 16 percent is extreme and lacking in an understanding of the important of investment in biomedical research.

Again this year, the Republican budget plan proposes to cut important worker protection programs, including the Occupational Health and Safety Administration [OSHA] by more than 20 percent while terminating important research on workplace safety. The budget plan also calls for the repeal of the Davis-Bacon Act and the Service Contract Act thus threatening other important worker income security protections.

Nonetheless, the most extreme and short-sighted part of the GOP budget plan is the severe cuts to education and job training programs. Essentially, these vital programs to prepare the American people for the challenges of a new global economy are cut by 25 percent from this year's funding and then frozen for 6 years. Important education reforms are terminated and funding for bilingual education is eliminated. Many scholarship and student loan programs are eliminated. The successful direct Student Loan Program is also eliminated. This renewed attack on education places the Republican budget on a collision course with the Clinton administration which has proposed $61 billion more in investments for education and job training.

Meanwhile, this plan would phase-out funding for the National Endowment for the Arts and the National Endowment for the Humanities as well as eliminate Federal funding for the Corporation for Public Broadcasting. Again, these proposals are short-sighted and extreme.

Again, the Republican plan fails to adequately protect the environment. The plan would cut purchasing power for natural resources and environmental protection by 26 percent. It also focuses cuts at the Environmental Protection Agency based on flawed risk-based regulation reforms. The American people want the environment protected. They want clean water, clean air, and access to well-kept national parks.

Mr. Chairman, the Republican budget resolution is deja vu from last year's Gingrich budget. This budget sets in motion the same failed tactic of confrontation that resulted in the longest and most destructive Government shutdowns in our Nation's history. I fear that not enough was learned by the Republican leadership from last year's failures.

I urge my colleagues to reject this fundamentally flawed Republican budget and insist that a bipartisan budget proposal be adopted to move us on an orderly course to complete the important budget work of this Congress.

Mr. SABO. Mr. Chairman, I yield the balance of my time to the gentlewoman from Texas [Ms. JACKSON-LEE].

The CHAIRMAN. The gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 2½ minutes.

Ms. JACKSON-LEE of Texas. I thank my good friend and ranking member from Minnesota, Mr. SABO, for yielding me the time.

Mr. Chairman, I want to acknowledge that I think the gentleman from Ohio [Mr. KASICH] is right. We do need to be discussing the Clinton budget, and we do need to be doing it in contrast to the Republican budget so the American people can fully understand. I do think that we have a sense of responsibility here and we are right, or he is right, we did collectively come together to vote on that last bill, appropriations bill, to ensure that the Government remained open, which is what the Democrats were trying to do all year long.

But one thing we did stand up and say is that we did not like those priorities because it did not ensure the protection of Medicare, it relinquished the responsibility for young children to have good health by cutting Medicaid so drastically, and then it gave short shrift to research and development. And here we are again now, looking at this new budget with the same kinds of poison-pen activities.

I support the Clinton budget because it recognizes that we as Americans must be embracing of all of us. It supports research and development, it includes a very vital program that I have heard my colleagues make jokes about, and that is the Summer Youth Jobs Program that puts young people back to work, and then I think we should refresh our memories about what happens when we recklessly cut taxes.

I believe in cutting taxes, and I think we need to be fair to the American people. If we cut taxes, we need to ensure the least of those who are working and not engaged in receiving welfare and respecting the earned income tax credit. But with this new budget, we are seeing the Republicans cutting $200 billion of revenue. Where does it go? It does not go to the average working American. It goes to those who are already well-endowed.

We realize that under a Republican President when that same philosophy and budgeting process was implemented, we for the first time in this Nation began to define the deficit in one word, trillions.

Now we are coming to this Congress and asking for a fair budgeting process, one that emphasizes the environment, one that emphasizes education, one that emphasizes working America, and one that recognizes that this country would not be where it is today if we had not supported research and development. We would not be where we are today in terms of health care nor would we be where we are today in terms of the kinds of technology and jobs that are created. I think research and development is the work of the 21st century. That creates the work opportunities for the 21st century. It would be shameful to cut so drastically, what we have done in this Republican budget.

So I would simply say that we are talking about a budget that has priorities, priorities of balance and a priority that balances what this budget should be about and, yes, does not take away $200 billion of revenue that American people will need to ensure a better quality of life.

Mr. BASS. Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. DELAY], the distinguished majority whip.

The CHAIRMAN. The gentleman from Texas [Mr. DELAY] is recognized for 8 minutes.

Mr. DELAY. Mr. Chairman, I really appreciate this very vigorous debate. It has been very encouraging and very stimulating. I hope the American people are watching, because there are two very clear differences held here on the floor as to where this country ought to be going.

My good friend from Houston, TX, my neighbor who just spoke, was very clear about where the Democrats are, where the liberals are. They want priorities and they want to maintain the Washington spending that they have been so proud of for all these 40 years. They want to continue these programs. They do not want to change them, and they are hanging on by their fingernails every chance that they can to continue taking money from the American families and paying for their priorities. That is what this is all about. That is why I rise in opposition to the President's budget substitute and I urge my colleagues to support the Dole budget.

Mr. Chairman, today's debate mirrors the greater debate going on in this country. On the one hand we have the President's budget which is much like the present administration. Rhetorically the President's budget looks great. It seemingly balances the budget. It seemingly gives tax relief to American families. It seemingly urges welfare reform. But if we look at the numbing details, a very different picture emerges. It is the picture of a President who promised a middle-class tax cut and then socked a gas tax on middle-class families and a Social Security tax on America's seniors.

It is the picture of a President who promised to end welfare as we know it and then vetoed commonsense welfare reform twice.

It is the picture of a President who promised to balance the budget in 5 years, then in 10 years, and then every year in between.

And it is the picture of a President that says one thing and does another.

Mr. Chairman, it is easy to see why this President is so strongly supported by Hollywood. His budget is kind of like a Hollywood set. It is a sturdy-looking facade backed by nothing more than a vivid imagination.

The contrast with the Dole budget is very striking. The Dole budget is the real thing, much like the man himself. It cuts taxes for American families, not as much as I would like, but certainly more than the President even pretends to cut; it saves Medicare for the next generation, and it balances in 6 years using real numbers, real assumptions, and real cuts in wasteful Washington spending.

So, Mr. Chairman, the American people yearn for the real thing. They do not want any more empty promises. They do not want any more phony numbers, and they do not want bigger government cloaked in Clinton rhetoric. They want a smaller, more effective Federal Government. They want lower taxes. They want real welfare reform. And they want a balanced budget.

Mr. Chairman, I urge my colleagues to reject the Clinton budget and vote for the real thing, the Dole budget.

Mr. CONDIT. Mr. Chairman, a few short weeks ago the Congressional Budget Office [CBO] estimated the budget deficit for the current fiscal year, 1996, to be $145 billion. At that time CBO also estimated that the deficit, without some intervening action by the Congress, will top $200 billion in fiscal 1999, reach $311 billion in 2003, and explode to $403 billion in 2006.

And the national debt continues its climb too and today is hovering near $5.1 trillion. Without significant deficit reduction, the national debt of the United States will exceed $7 trillion in 2006, a level of future debt the nation clearly cannot afford.

As a member of the coalition, I am proud of the work our group has done this year in developing and presenting an alternative resolution that balances the Federal budget, with significant deficit reduction and program reforms that stem the hemorrhaging national debt. The coalition budget alternative is comprehensive and fair, and I am pleased to vote to support it today. In doing so, I applaud the work of BILL ORTON and CHARLIE STENHOLM and the other coalition members for their hard work.

Let me also congratulate Chairman JOHN KASICH, Ranking Member MARTIN SABO, and all the members of the Budget Committee for the work they have done this year. Chairman KASICH and Mr. SABO are both dedicated to balancing the budget, and one of my regrets is that we are not here today with a budget resolution that both of our Budget Committee leaders can support.

Mr. Chairman, I am also supporting President Clinton's budget proposal presented by the gentleman from Minnesota, [Mr. SABO], as well as the Republican resolution presented by Chairman KASICH because both of these budget resolutions are comprehensive and will set in motion the needed policy and spending changes necessary to reach a balanced budget.

Balancing the budget should be the top priority of the Congress; there can be no other. As we in the Congress proceed to implement the fiscal year 1997 Budget Resolution, let us keep the goal of reducing spending and balancing the budget central to all of our efforts.

Mr. KLECZKA. Mr. Chairman, I rise today in support of the Sabo substitute, the President's balanced budget. This plan brings the budget into balance by the year 2002 by providing $523.4 billion in total deficit reduction over the next 6 years, including cuts of $265 billion from entitlement spending alone.

The President's plan—like the Republican budget—brings us to balance by 2002, but unlike the GOP plan, it does not require that our seniors, education, and environmental protection bear a disproportionate share of the burden for deficit reduction.

For instance, while the President's plan would maintain direct student loans, as used by 2.5 million students in 1,400 schools nationwide, the Republican plan would eliminate them altogether. The Republican plan also eliminates the AmeriCorps national and community service program. Overall, the GOP plan would provide $60.6 billion less for elementary, secondary, and higher education and training than the President's plan. Likewise, the President's plan demonstrates a commitment to clean air and water while the Republican plan provides $13 billion less on protection and cleanup of our environment. And, the Republican Medicare reductions mirror those proposed in last year's budget while the President proposes real reform that protects seniors and the solvency of the Medicare trust fund.

However, I want to express my serious reservations over the fact that this budget resolution, as well as the Republican plan, assumes a reduction in the Consumer Price Index [CPI], the standard used to calculate the cost-of-living adjustments for various programs including Social Security.

The alternatives before us today assume that the Bureau of Labor Statistics [BLS] will reduce the CPI by 0.2 percent in 1998 and 0.4 percent in 2000. There is no requirement that Congress review or approve this change. Although last year I successfully amended legislation to require that Congress must review and vote on such changes, my amendment to the Labor appropriations bill was dropped in the final product.

Additionally, I want to express my reservations about the tax cuts contained in the President's budget. With our Nation facing a debt of over $5 trillion, I do not support tax cuts at this time. Any savings should be applied to deficit reduction.

Despite these concerns, which will be addressed in more detail in later bills, the President's budget plan is sound deficit reduction. It brings our budget into balance while maintaining our commitment to education, environmental protection, seniors, and our communities.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of the Sabo amendment, which forwards President Clinton's budget proposal. The President's budget is balanced in 6 years as scored by the CBO. It continues the fundamental reforms begun by this administration while not doing long-term damage to programs as does the budget presented by the Republicans. It funds education in a way that continues progress toward our children's futures. It funds health care for the poor, the young, the disabled and the old. It funds programs to train the underemployed so that we can reduce dependence on welfare programs for the able bodies. It's family- and taxpayer-friendly.

This body has rejected two alternative budgets today. The American public rejects the Republican budget, because it is almost the same as the one we saw last year. I urge my colleagues to act with reason and not drag the country through the same mess we went through last year when there was no rhyme nor reason to the fiscal crisis that the Republican majority brought to us by trying to pressure the American people to accept less than they want and deserve.

The President's budget saves money for local and state government and still reserves funds for valuable programs to support the children, families and vulnerable among our population. It reforms our welfare programs in a fashion that is not tough on kids.

I appeal to my colleagues, especially those on the other side of the aisle. Don't callously harm the well-being of our seniors, our children, our working poor, and our homeless. Vote for the Sabo amendment so that we can move forward to develop a reasonable Federal budget that will work for all the American people.

Mr. SCHUMER. Mr. Chairman, I rise today in support of President Clinton's proposal to balance the budget. While it is not the budget that I would write, this budget does eliminate the deficit by the year 2002 while protecting the elderly from higher Medicare premiums, preserving Medicaid for the poor and those in nursing homes, protecting the environment, and providing adequate funds for education.

If I were drafting this budget, I would have cut an additional $25 billion from defense and added that back to the Medicare trust fund for hospital and physician reimbursements. In my view, these Medicare cuts are too large for our hospitals, particularly teaching hospitals and those which treat many poor patients.

We can lessen the impact of the Medicare reductions if we treat the defense budget under the same standard as every other part of the budget. Instead defense cuts are left off the table. That is not right.

The reality is that every Member of Congress could come up with their own plan to balance the budget. There are other changes that I would make as well, but the Clinton budget is the closest to my values. That is why it has my support. It is not perfect, but it gets the job done.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Minnesota [Mr. SABO].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SABO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 117, noes 304, not voting 12, as follows:

[Roll No. 178]

AYES—117

Abercrombie
Ackerman
Andrews
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Bonior
Borski
Brown (CA)
Brown (FL)
Bryant (TX)
Bunn
Clayton
Clement
Clyburn
Collins (IL)
Collins (MI)
Condit
Coyne
de la Garza
DeLauro
Deutsch
Dicks
Dingell
Dixon
Durbin
Eshoo
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frost
Gejdenson
Gephardt
Geren
Gordon
Green (TX)
Hall (OH)
Hall (TX)
Hastings (FL)
Hefner
Hilliard
Hinchey
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennelly
Kleczka
LaFalce
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McDermott
McKinney
McNulty
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Murtha
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Pomeroy
Richardson
Rose
Roybal-Allard
Sabo
Sawyer
Schroeder
Schumer
Slaughter
Spratt
Studds
Thompson
Thornton
Torres
Torricelli
Vento
Volkmer
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Yates

NOES—304

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
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Collins (GA)
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Emerson
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Ewing
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Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
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Gonzalez
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Greene (UT)
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Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (RI)
Kildee
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Leach
Lewis (KY)
Lightfoot
Lincoln

Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
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Martini
McCarthy
McCollum
McCrery
McDade
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McIntosh
McKeon
Meehan
Metcalf
Meyers
Mica
Minge
Mollohan
Montgomery
Moorhead
Moran
Morella
Myers
Myrick
Nadler
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Payne (VA)
Peterson (FL)
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Ros-Lehtinen
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Saxton
Scarborough
Schaefer
Schiff
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Seastrand
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Smith (MI)
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Smith (WA)
Solomon
Souder
Spence
Stark
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Taylor (MS)
Taylor (NC)
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Thornberry
Thurman
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Torkildsen
Towns
Traficant
Upton
Velazquez
Visclosky
Vucanovich
Walker
Walsh
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Ward
Waters
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—12

Coleman
Ehlers
Gibbons
Hayes
Jacobs
Lewis (CA)
Manzullo
Miller (FL)
Molinari
Paxon
Quillen
Talent

□ 1549

The Clerk announced the following pairs:

On this vote:

Mr. Gibbons for, with Mr. Paxon against.

Mr. Coleman for, with Mr. Miller against.

Messrs. HYDE, HORN, POSHARD, NETHERCUTT, and SERRANO changed their vote from "aye" to "no."

Mr. DICKS changed his vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Mr. SABO. Mr. Chairman, before we begin, I ask that my friend, the gentleman from Pennsylvania [Mr. MURTHA] be permitted to speak out of order on a matter unrelated to the budget that should come to the attention of the House.

(By unanimous consent, Mr. MURTHA was allowed to speak out of order.)

MOMENT OF SILENT PRAYER FOR CHIEF OF NAVAL OPERATIONS, ADM. JEREMY M. BOORDA

Mr. MURTHA. Mr. Chairman, I would ask the House to rise and join me in a moment of silent prayer for Admiral Boorda, who apparently either shot himself accidentally or intentionally.

Admiral Boorda was one of the finest naval officers that I have ever known; a person who came up through the ranks, and all of us had so much admiration for, and who has done so much for this great country over the years. The Navy and the country is a better place because of his fine service, and I would ask that we would bow our heads for a moment of prayer.

Amen.

The CHAIRMAN. A final period of general debate is now in order. The gentleman from Ohio [Mr. HOBSON] and the gentleman from Minnesota [Mr. SABO] each will control 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. HOBSON].

Mr. HOBSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING of Kentucky. Mr. Chairman, I rise today in support of budget resolution House Concurrent Resolution 178.

Mr. Chairman, I rise today in support of the budget resolution, House Concurrent Resolution 178. It keeps us going in the right direction to make sure that we do indeed balance the budget by the year 2002.

It is truly gratifying to see the change that has taken place in Washington since the Republican majority was elected. The entire debate has shifted from one of simply not letting the deficit get any bigger to really balancing the budget. That is a fundamental change in the culture of the Federal Government.

It is good to take stock of these things from time to time because people forget very quickly how things used to be. They forget that under the previous leadership of the other party, spending spiraled out of control and it was common to refer to spending as being "uncontrollable."

We have proved that it was a lack of will to control spending that lay at the heart of our deficits. And, it was the Orwellian use of language in which spending increases were called cuts that aided the ballooning of Federal spending. The deficits ballooned because Congress could not control itself, not because spending could not be controlled.

Under Republican leadership, domestic discretionary spending actually decreased for the first time in more than two decades. While we did not reduce it as much as many of us would have liked, it was a major accomplishment to completely change the direction of government from growing ever larger to actually shrinking it.

Those of us who promised to work for a smaller, less intrusive government can be very proud of what we have been able to do in such a short time.

The budget before us today keeps us on track to getting our financial house in order. Again, it does not go nearly as far as I would like; but, it maintains our momentum toward the goal of a balanced budget and the economic rewards that go with it.

The budget should be balanced as a matter of principle, but, just as important as the principle is the economic benefits that go with it. A 2-percent drop in interest rates, which nearly all economists agree would result from a balanced budget, means lower costs for buying a home, a car, or a college education.

Because of that kind of economic change, individuals will be able to do the things that they need to do to improve their lives and take care of their families.

Our budget will make sure that the Government programs that we depend upon will be there when we need them. Medicare is going bankrupt even faster than we originally thought and we absolutely cannot allow that to happen.

Our budget will allow Medicare to continue to grow; in fact, it will be one of the fastest growing programs in the budget. But the rate of growth will be slowed through sound policy changes that ultimately give senior citizens greater choice and control over their own health care.

I suppose that budgets reflect the priorities that we place on things and they say a great deal about who you trust. Our budget says that we have heard the call of the American people for a smaller and more responsive Government.

This budget reflects our belief that individuals can and will make the best choices about how to run their own lives. It is a far cry from the Washington-knows-best, one-size-fits-all, bigger-is-better, "spending can't be controlled" budgets of years past.

I encourage my colleagues to support the budget resolution and keep America on the path to a balanced budget, more freedom and individual responsibility.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Chairman, recently I was in Dallas, TX, and I bought a little plaque for my office that talked about priorities. I know it is very difficult to see this plague because I tried to photocopy it and it is pretty difficult to see it, but here is the message. It says: "One hundred years from now it will not matter what my bank account was, the sort of house I lived in, or the kind of car I drove, but the world may be different because I was important in the life of a child."

I bought that plaque because it reminds me of why I am here in Congress. We all need to be reminded to keep our priorities in line. Today's vote is about priorities. It is about the priority of our Nation to live the way we expect every citizen to live, within his or her means. This debate today is about truth, it is about honesty, it is about our children and our grandchildren. It is about getting rid of a $200-plus billion deficit and a $5 trillion national debt.

Over the last 30 years this city has had one heck of a party, and we continue sending the bill to our kids and our grandkids. Mr. Chairman, every night I pray that the Lord will bless and keep my children, and I have a picture of my family here, and every time we have this budget debate I am reminded of my responsibility in that prayer. I have five personal reasons why I want to balance the budget. They are Kesha, Jerrell, Jennifer, Julie and Trey Watts.

I urge Members all to look around next Sunday when they go to their church or they go to their synagogue or parish, and I challenge them to go to the nursery and take a look at those nursery kids, those 2 years old and 3 years old, and understand this as they look at them: Each of them, each one of them, they are responsible for $18,000 of the national debt, each of them, and they never held a job.

I urge Members to do that, and if they vote no today they have to tell every one of those precious children they just saddled them with an ever-deepening debt. Their life will never be as good as ours, and in essence we have lost our priorities. I urge a "yes" vote for this budget. I urge a vote for the right priorities I urge my colleagues to remember their own reasons, their own children, and continue our country on the path to a balanced budget.

Mr. SABO. Mr. Chairman, I yield myself such time as I may consume.

Let me just make a couple of comments and then I will yield to others. I will try to be shorter than I was planning on.

I hear all this discussion about children. I happen to have a new grandchild. I am a grandfather for the first time, a little over a month ago.

☐ 1600

It is a new experience. It is nice. But I look outside today, and I hope for the sake of my granddaughter the future is not as dreary and bleak as the weather outside today. I tell my friends on the Republican side that I see their budget, and I worry about it. I hope she grows up in a world where she knows she has to pay her bills, but I also hope she grows up with a sense of obligation and a sense of community that is larger than simply herself or her community or her State, but it also includes a view of the country as a whole in the world.

We have important obligations as we move forward to balance the budget, which we should do. But we made important commitments to our seniors in Medicare, and as we reform it and change it, as we must, we must make certain that we do it in a rational way that is sustainable and continues quality health care for all in this country. I fear the Republican proposal, as in so many cases, goes too far. In Medicaid where we deal with health care for the most vulnerable in our society, the numbers are not that far off, but the policy is. My colleagues let the States put billions of dollars out of the program.

I could go on in program after program where that is the case. We are going to pass it today. I hope that we only recognize that somehow it is a bargaining position for your side of the aisle. Ultimately I still hope that we can come to some agreement in this session between the Congress and the President and find a solution that is pragmatic rather than ideologically driven so that we can move this whole country forward. Your proposal today is not that solution.

Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. GIBBONS], who served as a very distinguished ranking member of the Committee on Ways and Means and, unfortunately, is leaving us at the end of this session of Congress.

Mr. GIBBONS. Mr. Chairman, this issue today is not about balancing the budget. In fact, this issue that we are talking about really is a wish list. It is not a law. It never will become law. It is just a wish list that we put together to say that we are fulfilling our responsibilities. But there is something wrong with this wish list. Seventy-five percent of all the savings in this wish list come out of children, aged, sick people's benefits. Seventy-five percent of all the money that is saved in this wish list comes out of Medicare and Medicaid.

In addition to that in this wish list, a horrible damage is done to the programs that have worked successfully. All of the seniors will be herded into managed care where they do not choose to go, have not chosen to go, and do not need to go. Who will profit by all that? The insurance companies, the medical doctors, and all the people who are making such a killing out of managed care.

Second, the States will not be required to continue their efforts for their children and their old people under Medicaid. Another horrible cut from the welfare of those who are dependent upon us who are healthy and well off. Then, Mr. Chairman, there is a tax cut in here, just like there was last year, and it is here for the wealthy friends of our Republicans.

America does not need a tax cut. The United States of America has today the lowest tax burden of any of the 25 industrialized nations on earth. We do need to balance our budget, but we do not need to balance our budget at the expense of the dependent people in this society. And we do not need to balance it for the benefit of those who can more than pay their own way.

Mr. Chairman, I yield such time as he may consume to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I rise in support of this resolution.

Mr. Chairman, I rise in support of House Concurrent Resolution 178, the House budget resolution, but want to comment on the President's budget and the other budget alternatives.

While I am pleased that the President has finally agreed on the need to balance the budget, his plan falls short on a number of the critical reforms that are necessary to achieve this goal. It promises a lot, but delivers little.

In 1994, I had the opportunity to serve on the President's bipartisan Commission on Entitlement Reform, the Kerry-Danforth Commission. For a year the Commission heard testimony from a parade of experts on the need to reform Medicare and Medicaid and other entitlements or they would ultimately either become insolvent or eat up virtually all our tax dollars.

What troubles me most about the President's budget is that it does not face up to the pressing need to address the entitlement issue. Instead, the administration has played politics by portraying the sound reforms to Medicare contained in the Republican budget as a threat to seniors.

Reforms to Medicare, Medicaid and welfare are not needed simply to balance the budget, they are needed to protect these programs for those they serve.

I am one Member who believes that we can still achieve some major progress toward balancing the budget this year.

While the President's budget falls short in key areas, I believe that the coalition budget presented earlier shows that Republicans and Democrats do not have far to go to achieve fair compromises on the most important budget issues.

The coalition budget plan and the Republican budget are the two most credible plans for achieving a balanced budget in 6 years. The President's plan does not meet the critical tests necessary to achieve a balanced budget. The President's plan is based on overly optimistic economic assumptions and avoids most of the tough choices necessary to balance the budget.

Mr. Chairman, today we should pass this budget resolution and then get down to the task to producing welfare, Medicaid, and Medicare reforms that will save these programs and save tax dollars.

These are the areas we must concentrate on in the next few months to really make a difference in the lives of our constituents.

Members of the Blue Dog Coalition and a number of Republicans have already demonstrated that we can work together to reform programs which will help people and balance the budget.

Congressman JOHN TANNER and I have introduced a bipartisan welfare reform bill which would save $50 billion over 7 years and contains all the key reforms necessary to move people from welfare to work.

This compromise is based on H.R. 4 conference report and the bipartisan Governor's proposal.

It contains all the essential elements of the conference report—work requirements; family cap; time limits; limits on benefits to teenage mothers; paternity establishment; illegitimacy reduction; and child support enforcement.

It builds on the Governor's plan by providing additional funding for child care and the contingency fund to protect States from economic downturns, but requires more State accountability.

This is the type of bipartisan effort that will lead to a balanced budget. We need to pursue similar agreements to reform Medicaid, Medicare and hopefully provide tax relief to the American people.

I support passage of the budget resolution and then immediate action to pass legislation to reform the key programs that will balance the budget.

Mr. SABO. Mr. Chairman I yield 3 minutes to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I have to rise in opposition today to the final budget resolution before us. Setting budget priorities is one of the most challenging things that we have as Members of Congress to come before us. In agreeing to a budget resolution, we are making a series of choices, choices about the goals that Government makes, choices about the services that citizens receive, choice about commitments that are kept.

The good thing about today is we come to this floor together, and we are all looking at balanced budgets. But the whole point is, how do we get there? There is no single right way to get there. There is no one answer. What we are talking about today are choices. I would argue that some of the choices in the majority's budget resolution are very much the wrong ones.

Quickly, let me just mention the choices on Medicare. We all fully agree that we have to keep the Medicare program solvent. We have done it before. We will do it again. But there are several policies in the majority's budget resolution today that would, it really would make it more difficult for seniors and at the same time does not improve the Medicare solvency situation. Two examples: Medical savings accounts. We could debate medical savings accounts for younger, healthier people and probably have a very healthy good debate. We have one universal health system in this country. Those over 65 get Medicare. If you give them a medical savings account to choose, who is going to choose it? Of course if you are younger, if you were healthier, you will choose it. And in some choosing, we lose $4.6 billion in that whole choice.

More damaging still is those that are frailer and sicker stay in our traditional Medicare which has worked, is there for over 65 and as a result of the healthier, stronger ones going out of it, the premiums go up for the sicker. It is what we call adverse selection. In plain English, what it means is the premiums are going to go up.

Also, something that some of us on both sides of the aisles have worked for for years, and that is to see that when you have Medicare and you go to the doctor, you have a protection against increased costs over and above Medicare. For years we fought that. I can remember going to meetings when I was on the city council; assignment: Let us have assignment for doctors who work their way through it so it was fair for those on Medicare and fair for the doctors.

What is happening in the new budget resolution that we are about to vote on? Balanced billing, they call it. It is not balanced, let me tell you. It means the doctor can add on and you will not have a choice.

My final thing, let me say why in heaven's name when we are all talking about welfare reform that we are going and attacking the earned income tax credit? Make work pay. Do not take money out of people's pockets.

These things make it impossible to vote for this majority budget. We really should not do what we are doing today.

Mr. KASICH. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. HOBSON].

Mr. HOBSON. Mr. Chairman, I rise in support of the House resolution, as a grandfather, and urge passage.

My third grandchild—and second grandson—will be born soon, and as I think of welcoming this new Hobson into the world, I can't help but wonder what kind of future he will face. How much will prices rise during his lifetime? Will the country still be a place of opportunity? Will there still be a thriving economy to support his generation? When I think about the answers to these questions, it becomes increasingly clear to me that the best thing I can do for my new grandson is to vote "yes" for this budget package.

When they look back on this Congress, our own children and grandchildren will judge us harshly if we pass up this chance, and we continue to rob them because we do not have the backbone to control our spending in this Chamber. Every time we deficit spend we are refusing to take responsibility for our actions.

Many constituents I've talked to have had concerns about specific programs they benefit from, but without fail, they also remind me to follow through with the promise to balance the budget. People are willing to accept the changes necessary to preserve our country's fiscal security, but they want us to make sure that what we do is fair, and that we follow through on our commitment to balance the budget.

We're a year into the balanced budget mission, and the sky has not fallen like some said it would. In fact, we all know that the sky will continue to brighten the closer we get to 2002 and to balance.

I know there are many here today whose parochial interests lead them to declare this plan unfair. To those people I ask them to consider this: is it fair to take the money and future and opportunity from generations of Americans who aren't even born yet? That's what we do when we deficit spend and run up the debt. Someone pays and it isn't those of us in this room, it is our children and grandchildren who trust us to look out for them.

Protect our children's and grandchildren's future and shift power, money and influence out of Washington and back to Americans: pass the 1997 budget resolution.

Mr. SABO. Mr. Chairman, I yield 5 minutes to my good friend, the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, as I ask for opposition to the majority budget proposal, it is with the understanding and the true belief that all of us in this House are really looking for a better America, a more prosperous America, an improvement in the quality of life for all of our citizens.

Not too long ago when President Clinton spoke to both Houses, there were a lot of people that reported that he sounded so Republican, that he had stolen every idea that only the genius of the party labeled The Grand Old Party could have. I rather thought that that was a message in saying that we all have the same objectives.

We truly would like to have a smaller Government, that we would want to reduce taxes on our constituents and even our own, for that matter; that we are concerned with being able to say that during the time that we were in the Congress, we indeed improved the quality of life. That happened whether we were Republican or whether we were Democrats.

I think that next to feeling good about being American, the next good feeling that we have in our country is the dignity and the pride of having a job. You have had to know unemployment, you have had to know the pain of looking at your family in the face, looking at your kids and somehow explaining why that American dream is not yours to share in. You have to understand, even if you had a good job and for some reason you lost a job, they downsized, they merged, how do you explain to your kids and to your family that America is doing much better, trade is expanding, but somehow you got caught in the cracks?

I suggest when Members look at this budget, instead of the rhetoric about wiping out the Department of Education and wiping out the Department of Commerce, we should say we are going to increase education. If they are not doing the job, we have got to restructure it. Instead of talking about wiping out the Department of Commerce, we are going to say we are going to expand world trade, we have exhausted European and domestic markets.

While we are talking about this and while we are willing to make available moneys for research and development, when do we start talking about training people, giving them access to education, not cutting student loans, not cutting back on education and job training? Saying everybody in this country is going to be able to work, is going to be able to stand up and say that they are going to take care of their family and they will never allow welfare to compete for the hearts of their children and the mother of those children because they have the dignity to work.

That is what the earned income tax credit was all about. It was saying if you are working every day, black or white, Jew or gentile, and at the end of the year you end up below the poverty level, that we are not going to advocate that you make the salary of a Member of Congress, but we will give you something to bring you to the dignity of working and being above poverty.

So we cut out education, we cut out the job training, and we have the audacity to cut out giving a hand to people who refuse to be on welfare but want to work each and every day with just a little help. When we start thinking about what we are not doing to put people to work in terms of education and job training, when last have we ever heard on this floor that we are spending too much money on our jails? When have we ever heard that mandatory sentences mean more taxpayers' money spent?

Why in the city of New York, we have a detention center that costs $60,000 a year to keep a bum kid in, and that is before he is convicted. Yet the fight is between the mayor and the Governor and this Congress as to whether $6,000 a year is enough. So you kick them out of school, you put them in the streets and we end up with drugs, with violence, and with jail.

A greater America is a working America, a stronger educated America, and we just made the wrong cuts for this great Republic.

Mr. SABO. Mr. Chairman, I yield 5 minutes to the distinguished minority leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, this Republican budget reminds me of a movie I saw a few years ago called "Groundhog Day." In the movie, Bill Murray, who is the star, keeps reliving the same day over and over again. Everything happens to him the same way.

This budget, which has been advertised as a real change, when you examine it, when you open the package that has been repackaged, is really the same thing. It is said to be a moderate budget. It is not a moderate budget. It is warmed over tax cuts for the wealthy, rehashed cuts in Medicare, in Medicaid, reconstituted cuts in education and the environment.

For 17 months, the President, the Democrats have been waiting for the Republicans to come to the sensible center so that we could get a budget done. The Republicans have been offered a balanced budget plan made up entirely of cuts that the Republicans support, but it is never good enough. We cannot seem to get the compromise, the consensus that we need to get this done.

□ 1615

This budget still raises taxes.

Now listen to this. I said it in the last budget debate:

This budget raises taxes on working people who are at the bottom, trying to get in the middle class, while it cuts dramatically taxes on capital gains, most of which goes to the wealthiest Americans. How can anyone argue that this is fair, that this is sensible, that this is pragmatic, that this is what we ought to be doing in this country?

It still cuts Medicare and Medicaid way too much. That would not have to be done if we simply gave up the tax break for the wealthiest Americans, if we just focus the tax break on middle-income people and people trying to get in the middle class. We would not need as deep a cut in Medicare and Medicaid and in education.

And then if we look at the list that comes out of discretionary spending, it is too long for me to read this afternoon. Job training in vocational education, cut by more than $1 billion; national direct student loans, eliminated entirely; libraries across the country cut by one-fifth; 24 education programs eliminated entirely; Institutes for Occupational Safety and Health, gone; rural housing eliminated; rural health, gone; agricultural extension and research, gone.

The list goes on. I could read it all afternoon.

These are efforts that everybody could agree are good for the future of this country that only, only the government will perform if this country is to move forward.

Now let me end with this:

This budget for the second year in a row is not going to happen. The President will veto the implementation of this budget, and what I cannot understand, my friends in the Republican Party, we now have 2 years of no progress.

I know my colleagues did not like the President's budget in 1993, but it cut the deficit in half, and most importantly, it got done.

This country is not a parliamentary system. Our colleagues cannot do it their way alone. They have to come to the middle, and we have to find a compromise to move this country forward. if our colleagues continue being obstinate and resolute in wanting to do it their way or no way, we get nothing done for the American people.

Let us vote this budget down, let us get a budget back on this floor that is somewhere out here in the middle that everybody in this body can support, and let us get this deficit down and balance this budget as we should have done a long time ago.

This budget will not live. Let us find a budget that will.

Mr. KASICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say that we have had enormous progress. The simple fact of the matter is that in the area of Washington spending the spending that we are responsible for year to year, that if we do not even come to work, of course, entitlements keep going up, but on that spending that the President was forced to deal with, we had the most massive amount of change in 50 years. We saved a net amount of dollars of 30 billion, the most amount of savings, the most amount of shrinking of Government in 50 years.

As George Will told me, "Historians were wrong, JOHN. Historians were wrong. They said government never shrunk. You proved that it can, in fact, shrink." And the savings of that $23 billion came, it came because we had principle. We did not cave, We stood up for what we believed in. We are standing up for this country. We are standing up for the power of the individual and a smaller Federal Government into the next century.

But let me tell you about the three reasons why we do this budget. One is the children. Everyone in this Chamber cares about the kids. That is why we all talk about them. We are about preserving America's greatest legacy. It is simple: "Your children will be better off than you were." It is the legacy that we got from our parents.

I look across this Chamber, and I look at a great man, the gentleman from New York [Mr. RANGEL], a hero of the Korean war. Never in his wildest dreams did he ever think that he would get to be a very senior and respected spokesman on the Committee of Ways and Means. And I look across the aisle here. We got a professional football player who struggled his way up and made the big time and then came to Congress because he had a vision.

I mean, all we are saying is that every child, and everybody agrees with this, every child deserves a legacy and an opportunity for them to be able to live their dreams, and we cannot give them that if we keep spending money we do not have. We know it. We do not want to send them to work where the message is that they are going to work longer and harder for somebody else to pay somebody else's bills. We do not want to strangle them with a big government that can choke them off in overregulation and things that do not make common sense.

So, No. 1, our principles are driven by children, the next generation. As my colleagues know, it is right out of the Bible. One of the most important principles is the other person is more important than we are. Well, we think that this country is more important than us; and, second, we believe our children and the next generation, frankly, are more important than we are. So we do it for the children.

But as Eunice Kennedy said to me one night, she said, "You know I understand your love for the children. That's about what you're going to do tomorrow. What about today?" She said, "You have to explain what you're going to do today," and she made a fair point, and I want to say to my friend from New York, when we talk about jobs, when we talk about job insecurity, when we talk about wages, let us just look at the facts. We got a candidate in our party, we had an independent candidate, and we are going to hear about job insecurity and wage stagnation until we solve it, and we should, because mothers and fathers are working longer and harder and they are getting stuck. Too many families are stuck. They are not getting ahead.

I understand it. I come from a family where we had to work like crazy to get ahead. I understand the problem.

Where does it come from? The simple fact of the matter is, if a country does not save, it cannot invest. If a family does not save, it cannot invest, it cannot invest in its children, it cannot invest in its home, it cannot invest in transportation. If a nation does not save, it cannot invest, and America has the lowest savings rate of any modern industrialized nation on the face of the Earth. We punish people for saving, and not only do we punish them for saving, but we make it difficult for them to have anything left after they get their wages because government at all levels has taken too much from them. So, first of all, they do not have anything left, and the few crumbs they have left, they cannot save because if they save, they get penalized on their income tax statement because they saved. It is crazy.

This Nation needs to save. We need to provide reasons to save for our future because, if we save, we can invest, and if we can invest, we can improve productivity. That is an economic term. But what does it really mean? It means putting tools in the hands of American workers that allow them to compete and win with workers all around the world.

Intel in New Mexico, I believe, is the highest-paying job one can get in New Mexico. I say to my colleagues you do not work for Intel; you know why? Because the whole world wants the magic of the computer. And so their workers are paid a premium wage, their jobs are secure.

America needs to pursue a policy that saves and invests and takes risks and rewards risks and helps our people win. That is what our budget does by rewarding risk-taking and savings and investment and opportunity.

And third, the point maybe on which we most disagree because I am not so sure we disagree on the first two, how do we make this transformation? My colleagues, what we are about over here is we are about the power of the individual and we are not about the power of Washington bureaucracy. We are for systematically taking power, money and influence from this city and sending it home, and that does not mean that what we have done for the last 30 years or 40 years had not been good. It has been good. Thank God we created Medicare, thank God the Federal Government got involved in many of the issues they got involved with. But, frankly, we are not getting the results from here any more. We will not solve the problems on crime on the streets of Los Angeles from Washington. The only people that can solve the problems of crime in Los Angeles are people who live in the neighborhoods of Los Angeles. They need to be empowered.

Children are not going to learn because we are calling a bureaucrat in Washington to figure out whether our kids are getting educated. Mothers and fathers across this great country of ours, they are the ones that can make the assessment, they are the ones that have to work with the teachers in the school houses to determine whether their children are winning or not. We do not believe that the answer lies here.

Job training; oh, come on, 120 Federal job training programs. I do not advise anybody to leave their job and think that Washington is going to retrain them. How are we going to do it? We are going to put an incentive in the hands of a business. The business is going to call somebody who does not have a skill. The business is going to train that person for an incentive, and then they are going to hire them for a real, permanent, high-paying job. That is how we do job training.

So I say our vision is get the pendulum, move the pendulum back, get the power and the money and the influence out of this city, back home where we can have local solutions for local problems at less cost because I will just suggest to my colleagues, in closing, the 21st century is about the century of the power of the individual, not the century of the power of government. It is about giving individuals the tools that we have created in this economy that can make us the most powerful people in the history of the world, and we mean to take the first big step toward guaranteeing a bright and beautiful and opportunistic, an opportunity society, for everyone into the 21st century.

Pass the resolution. It is a giant first step toward saving our children, toward providing for better jobs and empowering individuals as we fly into the 21st century.

Mr. EMERSON. Mr. Chairman, while I am in support of the budget resolution before the House today I do want to alert Members to a serious issue. I believe that this is no time to back away from aggressive trade policies. We need all the tools available in a post-NAFTA and post-GATT world to ensure that our farmers can fairly compete in world agriculture trade. There are programs that help American farmers and one of them is Public Law 480. This program helps countries become our trading partners of the future.

We need to strengthen Public Law 480 and integrate it into an aggressive trade strategy to make us more competitive. The 1996 farm bill made significant changes to Public Law 480 to improve the program.

For example, South Korea was a former Public Law 480 recipient. Now South Korea is the fifth largest market for United States agriculture goods. We sell over $2 billion in agriculture products to South Korea each year.

Countries now receiving title I assistance include Lithuania and Ukraine, countries that will be our future cash trading partners.

I do not believe we should turn our backs on the farmers and ranchers of America. We need all the trading partners we can get—or the European union will take over all agriculture exports in the world.

Title I, the concessional agriculture sales program and title III, food grants to promote economic development, of Public Law 480 are important programs and it is my intention during the appropriations process to work to make sure funding is provided for the Food for Peace Program.

The Subcommittee on Department Operations, Nutrition, and Foreign Agriculture, of which I am the chairman, worked very hard to improve this program and will continue its work to ensure adequate funding for the Food for Peace Program.

Mr. OXLEY. Mr. Chairman, the budget resolution for the fiscal year 1997, brought to the floor under the leadership of Chairman KASICH and the Budget Committee, continues our payments on a balanced budget by the year 2002. It is an important step forward for the Congress and for the American people, and one I wholeheartedly support.

In the report to accompany the budget resolution, the Budget Committee makes a number of specific suggestions on cuts in both discretionary and mandatory spending. Their suggestions look both at the fundamental purpose of American Government, and to areas where—when there is a legitimate governmental function—we can eliminate waste, bureaucracy, and duplication.

While I generally agree with most of the suggestions made by the Budget Committee in its report, as the chairman of the subcommittee with jurisdiction over the Federal Trade Commission, I was disappointed to see that they targeted this agency for elimination. My subcommittee will be taking up reauthorizing legislation for the agency within the next month or two, and while the subcommittee will continue to review the FTC's operations with a critical eye, I believe that this is an important agency and one which should continue to be funded.

The FTC has often demonstrated its commitment and competence in protecting American consumers. Both in its recent rejection of the Rite-Aid/Revco merger and the "Senior Sentinel" sweep designed to root out telemarketing fraud, the agency has acquitted itself admirably in meeting its mission. While we realize that this agency had a number of problems in the 1970's and early 1980's, it has put many of those problems behind it and manages to accomplish its goals with a minimum of public resources.

Further, the FTC provides a good return on the public's investment. The agency is nearly 70 percent funded by fees generated from corporate mergers. It regularly reviews old rules and discards those that are obsolete or no longer necessary to prevent fraud or unfair trade practices. When I look at the FTC, I believe that it is the model of what a regulatory agency should be, efficient, fair, and flexible.

My subcommittee will be looking closely at the FTC over the next few months and we will look for areas where the agency can be even more efficient and meet its statutory duties at a lower cost. However, eliminating the FTC would, in the end, wind up costing Americans far more in increased commercial fraud and bureaucratic waste than would be saved. I believe that this agency should continue to perform its mission and I will support efforts to see that it is able to do so.

Ms. MOLINARI. Mr. Chairman, once again, the House will pass a balanced budget resolution and will continue to keep its promises to all Americans. I am proud to say my colleagues on the Budget Committee and I have been able to continue our commitment to saving our children's future and providing for our seniors. This budget plan—the only plan to balance the Federal budget while providing much needed tax relief, promotes growth, strengthens the Nation's defense, and ends the practice of runaway spending.

But above all, the Republican budget shifts money and power from Washington bureaucrats and back into the hands of people. Under our plan, Americans will earn more and keep more of their money, as we release our Nation's children from the burden of our debt.

This budget addresses Medicare's impending bankruptcy by strengthening and improving the program. It expands benefits for senior citizens by extending the Hospital Insurance Program through the year 2008, 3 years beyond the President's plan. We also recommend increasing Medicare spending for each beneficiary from an average of $5,200 in 1996 to $7,000 in 2002. And, contrary to the demagoguery by many willing to accept the status quo and stand idly by while Medicare burns its last flames, overall spending increases by 59 percent between now and 2002.

With this budget, my colleagues and I have ended the old Washington formula that measures compassion by the number of bureaucrats on the government payroll. We maintain the current level of funding for LIHEAP, Education for the Disadvantaged, the Drug Free Schools Program. In addition, student loan volume will increase from $26.6 to $37.4 billion.

While the President talked about reforming welfare, and indeed campaigned on this very pledge, the only thing he has done on the issue is veto real reform, reform which he once championed. So once again, we help the President keep his promise to the American people by reforming the ineffective aspects, while maintaining the safety net for underprivileged Americans. Over the next 6 years, welfare spending will increase from $83.2 billion in 1996 to $105.5 billion in 2002.

And we do all this while rolling back the Clinton tax increase of 1993. We balance the budget, insure our national defense and protect our children's future. It's what the American people asked for in 1994, it's what Republicans said they would do and it's the right way to restore prosperity for all Americans.

Mr. BILIRAKIS. Mr. Chairman, I rise in strong support of House Concurrent Resolution 178, the fiscal year 1997 budget resolution, clearly the best and most responsible of the proposals we consider here today.

First and foremost, it draws a philosophical difference that fundamentally sets it apart from any of the alternatives—the Black Caucus and coalition budgets as well as the President's proposal: It seeks to shift power, money and influence out of Washington and back into the hands of the American people where it belongs. None of the other proposals can say that—each of them raises more revenue and keeps more of it at the Federal level.

It also includes responsible tax cuts, and I emphasize the word "responsible." I categorically reject the claim that this budget resolution cuts taxes at the expense of the poor and elderly. First, the tax cuts are needed to balance the budget. Let me say that again—the tax cuts are needed to balance the budget. Why is this? Because whenever we have decreased tax rates in the past, receipts have gone up. Cutting rates means less tax sheltering and this means more revenue. By also controlling spending—and this legislation includes 130 Federal program terminations—we can live within our means.

Furthermore, the social safety net programs in the Federal budget will be increased under this budget resolution. Medicare, Medicaid, education spending—all go up. These programs are not being cut to provide tax cuts for the wealthy—it just isn't true. Reforms that are included are necessary to save the programs.

The President's own advisors have told the Congress that some of these programs are in very real danger of going bankrupt unless reforms are made now. We simply must face this very real problem now, or very quickly it will grow beyond our ability to control it.

We can debate the size and shape of these reforms—I myself have questions about this—and as chairman of the Health Subcommittee, I will be active in this debate, but this budget resolution is simply a blueprint. It is a general guideline to set the tone for the budget debate to come. It is the beginning of the process, not the end.

This guideline sets a responsible tone, it provides tax relief for America's families without endangering support programs for our Nation's elderly and veterans, it puts more money into the hands of the people and cuts the size of the Federal Government.

I urge support for the resolution.

Mr. EVERETT. Mr. Chairman, today I rise in support of House Concurrent Resolution 178 and to express my particular support for the veterans provisions in the bill. As chairman of the Veterans Subcommittee on Compensation, Pension, Insurance and Memorial Affairs. I am very pleased that the Budget Committee has been able to craft a bill that will allow us to make improvements in several areas of veterans benefits, while at the same time moving us further toward a balanced budget.

During a recent hearing, several veterans groups expressed their support for using the savings from legislation overturning the Court of Veterans Appeals decision, Davenport versus Brown to improve veterans benefits. The benefits improvements contained in House Concurrent Resolution 178 do just that, and I thank the committee for their foresight and patriotism.

This is a good bill for veterans. First it will increase total VA outlays from $37.8 billion in fiscal year 1996 to $39.9 billion in fiscal year 2002. Over the next 6 years, VA spending would total $233.3 billion which is $18.7 billion more than over the previous 6 years. This year, our budget provides $100 million more for VA medical care than requested by the President, and $5 billion more than the President over the next 6 years.

For our older veterans, it strengthens the solvency of the Medicare Program and provides a 45-percent increase in spending for Medicare. Our middle-aged veterans will benefit through lower taxes and increased buying power. Their families will see increased education and entrepreneurial opportunities, and less government. Younger veterans will see a permanent $500 per child tax credit, an adoption tax credit, a repeal of the 1993 gasoline tax and improvements in health insurance and medical savings accounts.

Mr. Chairman, I would like to note that in testimony before the House Committee on Veterans' Affairs, VA Secretary Jesse Brown stated, "the President's budget would be devastating for the VA." The Secretary also said that the President's budget would close the equivalent of 41 hospitals, fire 60,000 employees, and deny care to as many as 1 million veterans.

Further, when confronted with the facts regarding the President's budget for the VA, the Secretary likes to make a point that the President has agreed to negotiate the VA budget every year. Well, that's not good enough for me. If the President is such a strong supporter of veterans, let him put the money up front. Veterans benefits should not be negotiated.

As I mentioned earlier, our bill improves several areas of veterans benefits. First, to help our severely disabled veterans, we are proposing to raise the one time automobile allowance from the current $5,500 to $10,000. That will make it easier for veterans who have lost the use of their limbs or sight to more easily afford transportation.

Second, we have included legislation to extend compensation benefits to the day of death of a veteran. This may seem a small matter, but it is significant to bereaved spouses of veterans.

Third, we are going to extend the period for which a surviving spouse can receive back benefits from the current 1 to a maximum of 2 years. This will partly make up for increased adjudication time at the VA which is now running about 3 years for a claim to be decided at the Board of Veterans' Appeals.

We want to reward our veteran college students with an increase in their GI bill benefits by giving those who have a "B" average going into their senior year a scholarship. We also intend to provide an opportunity for those still on active duty to transfer from the less generous Post Vietnam Education Assistance Program [VEAP] to the current Montgomery GI bill. We'll also make it easier for veterans to become teachers by making permanent the ability to use their GI bill education benefits to pay for teaching certification.

Finally, we are going to continue funding for the veterans pro bono legal representation program at the Court of Veterans Appeals. This program ensures that needy veterans with good cases are represented before the court. The program also assists the court by reducing the number of pro se cases before the court thereby reducing the time it takes the court to process claims.

Mr. Chairman, it is important for veterans to compare the budgets before us today and decide for themselves whose budget is best for veterans and the Nation. I urge them to contact their elected officials and express their support for the bill.

To my colleagues I say support House Concurrent Resolution 178 because by doing so, you support America's veterans and ensure the economic security of the Nation.

Mr. BORSKI. Mr. Chairman, I rise today in opposition to the Republican budget resolution for fiscal year 1997. The new Republican budget is nothing more than a rehash of the same extremist priorities from last year—including large tax breaks for the wealthy paid for by deep cuts in Medicare and Medicaid. House Concurrent Resolution 178 also includes misguided cuts in education funding, unneeded boosts in defense spending and tax increases on 6 million hard working American families. There is no doubt that spending in certain areas can be reduced and programs can be reformed, particularly in the area of health care, but this budget goes too far.

Mr. Speaker, the majority refuses to abandon the most outrageous part of their budget—unnecessary cuts in Medicare to finance tax breaks for the wealthy. This budget cuts $168 billion from the Medicare Program—$124 billion from part A and $44 billion from part B. This plan sacrifices the quality and availability of senior's health care for a tax giveaway, which primarily benefits people making over $100,000 a year. The impact on senior citizens and hospitals is even more devastating than the cuts proposed last year.

House Concurrent Resolution 178 puts the squeeze on hospitals, through deep cuts in the part of Medicare that pays hospital bills. These cuts could force many hospitals to close or reduce the services they now offer to their communities. Regardless of inflation, hospitals would get less than they do today in nominal dollars under this budget. In Philadelphia, our health care system and entire economy will be endangered by these insidious cuts. Many hospitals in my district, whose beneficiaries are predominantly Medicare and Medicaid patients, may have no alternative but to shut their doors.

Mr. Speaker, House Concurrent Resolution 178 contains the same damaging structural changes to Medicare and Medicaid the President vetoed last year. It continues to rely on the untested and dangerous medical savings accounts as its centerpiece. The majority proposal would segment the Medicare population, leaving the traditional program with fewer dollars and a sicker pool of beneficiaries. It would drive up premiums and causing Medicare to wither on the vine. This proposal is of extreme significance to my district, the 20th oldest in the Nation. More than 100,000 senior citizens in my district rely on Medicare and they live on fixed incomes. This proposal could truly end universal health coverage for elderly, effectively reversing 30 years of progress.

Mr. Speaker, the majority tries to hide its true intentions behind lofty rhetoric abut saving Medicare for the future. House Concurrent Resolution 178 extends Medicare's solvency for the same number of years as the President's plan—yet the GOP plan takes $44 billion more from Medicare. It is obvious, Mr. Speaker, that the majority is using funds cut from Medicare to pay for their crown jewel—a $176 billion tax cut for wealthy Americans.

In addition, the majority is still insisting on ending the Medicaid guarantee for 36 million Americans, including millions of senior citizens and children. Mr. Speaker, approximately 400,000 people in Philadelphia rely on Medicaid as their only source of health care. Without that guarantee, families will be forced to sell their homes to pay for nursing homes for their elderly parents. This budget cuts Federal medical spending by $72 billion, but the total cuts could still reach $250 billion over 7 years if States spend only the minimum required to receive their full block grant allocation. This potential $250 billion cut reduces spending growth per person below the general rate of inflation. Deep total cuts in Medicaid could place older Americans and people with disabilities at risk of losing optional Medicaid benefits. These cuts would place an additional financial burden on families caring for their parents and others with long-term care needs. In addition, the majority still insist on repealing Federal enforcement of nursing home quality standards that have dramatically improved the quality of nursing home care.

Mr. Speaker, House Concurrent Resolution 178 also would raise taxes on between 6 and 10 million hard working American families by cutting the earned income tax credit program. The earned income tax credit benefited 40 million Americans in working families and has been proven to help people move off welfare. In addition, this budget continues the assault on educational opportunities for our Nation's young people by cutting more than $4.5 billion in educational assistance over the next 6 years. The Republican majority has proposed to eliminate the direct student lending program, which provides educational assistance to over 2.5 million students nationwide, as well as the Goals 2000 Program, and the State Incentive Grants Program.

We cannot afford to slam the door of educational assistance on our young people nor rob our senior citizens of their right to adequate health care. Instead, Mr. Speaker, we should continue on the path to balance with a bipartisan budget that rejects the radical policies contained in this budget and moves forward with a plan that truly reflects the values of mainstream America.

Mr. FAWELL. Mr. Chairman, today I rise in support of House Concurrent Resolution 178, the fiscal year 1997 House budget resolution. Like the Republican Majority's budget proposals of last year, this measure sets the course for a balanced Federal budget for the first time in a generation. For nearly three decades, the Federal Government has recklessly overspent, accumulating a national debt of $5 trillion. This year, the interest on that debt will reach $344 billion. A child born today inherits a tax bill of $187,746 just to pay for their share of that interest. At this point, it does not matter who is to blame. What does matter is that we reverse this dangerous course before it is too late.

House Concurrent Resolution 178 is a budget plan which will give our children a future that promises economic opportunity and prosperity. This 6-year budget plan envisions a smaller, less intrusive Federal Government. Downsizing will be accomplished by eliminating wasteful or duplicative programs, sharing more power with States and local communities, and lessening the burden of taxation and regulation which has a stranglehold on our Nation's families and businesses. While House Concurrent Resolution 178 would reduce Federal spending by approximately $700 billion over the next 6 years, overall Federal spending would still increase 3 percent annually during this period, rather than near 5 percent annual spending growth under current law.

House Concurrent Resolution 178 is not a perfect resolution. The House Budget Committee has presented recommendations of programmatic changes which can be implemented to achieve a balanced budget. The Budget Committee's illustrative cuts and reforms, however, include some suggestions which I find objectionable. Specifically, these include the elimination of the Department of Energy [DOE] and the corporatization of its national laboratories. I have written the chairman of the Budget Committee regarding these provisions, where savings yielded are questionable at best. Furthermore, I plan to be very active in the debate should the House consider related legislation.

Mr. Chairman, although I have these concerns about the budget plan's energy-related provisions, House Concurrent Resolution 178 has many more positives than negatives. I would also note that the recommendations in this plan are nonbinding; to be implemented, each recommendation must be considered through the Committee process, adopted by both Houses of Congress, and signed into law by the President.

Time and time again, the President and the Democrats in Congress have disregarded the call from around the country for fiscal responsibility; instead, they seem intent on being dragged kicking and screaming into the 21st century. The Republican budget plan is a credible approach toward eliminating the budget deficit and revitalizing our economic and budget outlook today and in years to come. Mr. Chairman, I urge all of my colleagues to support this most important measure and its underlying goal of a balanced Federal budget.

Mr. VENTO. Mr. Chairman, I rise in opposition to the Republican budget proposal we have before us today. This is a proposal which shows that the Republicans have not learned from last year's budget debate. Last year, when the Republican proposals came to light, the American people overwhelmingly voiced opposition to the extreme policies of cutting health care for the elderly, gutting environmental protection, and cutting such crucial investments as education, in order to provide massive tax breaks and increase defense spending. It was not just the dollars cut from the programs, the Gingrich/Dole budget also fundamentally changed these programs, reneging on the basic assurances of health care, education and work opportunities, and devastating the environment.

I support responsible spending reductions and statistics show that the budget downpayment accomplished during 1993 and 1994 by Congress and the President has paid off in terms of really reducing the deficit. That downpayment has led to the lowest deficit level since the Carter administration. The Congressional Budget Office [CBO] reports that the deficit for fiscal year 1996, when measured against the size of the economy, will be 1.9 percent of the GDP, the lowest level since 1979! The numbers also show that it is the first time the deficit will have dropped 4 years in a row since President Truman was in office.

The deficit is too high, but we have made progress. Now the congressional Republicans want to waste that hard work with tax breaks for short term political gain and platitudes of spending cuts way down the road. It is largely because of improved economic figures and the fact that their budget window is now 6 years instead of 7, that the Republicans come to us today with cuts which they claim are more moderate than last year's budget proposal. But although their numbers appear more moderate, the GOP/Gingrich core policy proposals are still drastic, with skewed priorities for our Nation's future.

The Gingrich budget plan once again relies on massive cuts in Medicare and Medicaid programs which help over 70 million Americans gain access to health insurance. It is clear that there are serious problems with our current health care system. Congress should be acting to expand health care coverage and rein in escalating health care costs, but instead, Republicans are focused on tearing our Nation's health safety net, potentially adding millions more to the ranks of the uninsured. The plan puts Federal health care on a defined contribution basis, not the existing assurance of health care to those who need it.

The Republican Medicare plan continues to include the same policy proposals as last year's plan, drastically cutting payments to providers, restructuring the current program and heavily relying on untested medical savings accounts. Once again, although changes are needed in the Medicare Part A Program to extend solvency, the Republican plan goes too far, changing Medicare from reliable health insurance for our seniors to a second-class health care system. The claim of solvency is only a pretext for the out-of-context policy the GOP pursues.

Perhaps even more damaging than the Medicare cuts are the cuts and program changes planned for Medicaid. Medicaid provides health benefits to 36 million Americans, including 443,000 Minnesotans. Under the Republican plan, the seniors, people with disabilities, and low-income families who receive help from Medicaid, will be at risk of losing their coverage. In addition, States will be allowed to reduce their own share of funding for Medicaid, making the actual cuts much more severe than they appear in the resolution. Again, it is important to note that Federal defined contribution plans will not provide the defined benefits that many rely upon each and every day.

As we head into the 21st century, one of the most important investments our Nation should make is in education. Republicans once again want to make the same extreme cuts as in last year's resolution. The budget hits students who need help with higher education costs by eliminating the Direct Loan Program, and eliminating new funding for Perkins loans and State student incentive grants. The budget makes a host of other education cuts, such as eliminating Goals 2000, bilingual education, and immigrant education programs. Further, the proposal slashes funding for job training, such as the programs consolidated in the CAREERS bill. This budget resolution goes too far by cutting these programs 28 percent below the levels in the CAREERS bill, which already cut the programs by 20 percent. Alas, it becomes clear that the goal of consolidation is the justification to shrink the block grant programs. Pretending that efficiency will make up 45-percent cuts in programs doesn't hold up to commonsense evaluation.

On the environmental front, the budget resolution calls for a 26-percent cut in natural resources programs by 2002. Even as we see more and more visitors to national parks and more public interest in protecting and enjoying our national heritage, the Republicans want to slash Federal protection of these resources. We all know that effectively protecting resources is expensive and that if we want to truly protect our environment, we have to allocate sufficient funding. The funding level in this budget resolution simply will not adequately protect our environment for future generations. In addition, the Republican budget blueprint once again advocates destroying forever the Arctic National Wildlife Refuge [ANWR] by permitting oil and gas exploration and drilling. ANWR is the last great piece of American wilderness, and opening the refuge area to drilling will assure destruction of this priceless and irreplaceable treasure.

The budget blueprint contains negative policies which harm long-standing labor laws that protect American men and women, such as repealing the Davis-Bacon Act and the Service Contract Act, and gutting OSHA. Under Republican policies, fair treatment for working families would be jettisoned and corporate management would set the rules without adequate safeguards or monitoring.

Another area which merits concern are the cuts in housing and community and regional development. Continuing to cut housing when it has already been targeted for cuts in the past is pouring salt on the wounds of those most in need. In addition, the community development programs of CDBG and CDFI have their administration merged with the HOME program and transferred to States and local governments, accompanied by severe budget cuts. Again the block grants are given short shrift. How can this majority Republican Congress advance more block grants when it reneges on the basic tenet?

In fact, the treatment of community development in this budget resolution shows the danger of turning programs into block grants—underfunding. Block grants and ceding control of programs to the States have been the mantra of this new Republican majority. However, as the budget belt tightens, Republicans seek cuts to the block grants, leaving State and local governments with all the flexibility, but with no funding to administer the programs or provide the services. This should serve as a warning to all those who advocate block grants as the answer for every problem.

This GOP budget recommends a 50-percent cut in the Federal Flood Insurance Program. Areas that are cut from funding no doubt will not find affordable insurance and when the damage occurs the Congress will reply with 100 percent Federal assistance. This is the final analysis: It will not save money, it will cost Federal taxpayers, and create political gamesmanship and more uncertainty. The GOP budget calls for $312 billion in unspecified domestic discretionary spending in the next 6 years, meaning that the cuts already illustrated would be eclipsed by yet more savage slashes in future years. However, some sacrosanct pet programs are spared. Even while funding cuts and negative policy changes are proposed for health care, education, infrastructure, the environment, and community development, the Republican's plan proposes an increase in 1997 defense spending of $12 billion over the Pentagon's budget request. Most of this new spending goes to unrequested weapons systems, including a host of new planes, helicopters, submarines, and ships, above what is necessary for our national defense. The irony of these budget priorities is that the United States will enter the next century with more smart weapons systems, but fewer smart soldiers to operate these sophisticated weapons systems.

We can continue to responsibly reduce the deficit, and proposals have been put forth to show that we can do it in a fair manner. The Republicans make the task of deficit reduction a political sham by insisting on including tax breaks of $124 to $175 billion in their budget plans. The amount that the Republicans project for the cost of the one tax item is $124 billion and is not sufficient to pay for their additional proposed tax break policies, meaning that the cost of the tax changes will be much higher when the entire policies are in place.

The tax policies in the resolution do not reflect fairness, as the measure greatly reduces the earned income tax credit for the working poor while making low-income families ineligible for the new children's tax credit. The children's tax credit will not benefit 34 percent of the Nation's children because their parents' income is so low that the nonreimbursement tax credit policy denies the child credit for low income families. In addition, the Gingrich/GOP plan leaves the option open for a capital gains tax break, a proven budget buster. Instead of including these unfair tax policies in their plan, Republicans should use these funds to moderate the cuts in other programs.

During the past year, the Republican majority has consistently shown that they do not value programs or protections for American working families and seniors, ranging from affordable health care and a clean environment, to quality education and a livable wage. Unfortunately, as this fiscal year 1997 budget proposal shows, they have not been listening to the consistent and concerned response of the American people, which has been opposition to the Republicans' extreme actions. The American people understand that in pursuit of fiscal and deficit balance, we should not accept human deficit and social imbalance. The people expect shared sacrifice, not the Gingrich cuts for people programs and tax breaks for the rich, the policy that the GOP is intent on advancing. I urge my colleagues to oppose the Republican budget resolution.

Mr. KIM. Mr. Chairman, here we are again. It was just about a year ago that we stood here on the House floor, debating the Republican plan to balance the Federal budget.

By now, we are all familiar with what happened in that debate. In response to our attempt to balance the budget, Republicans were confronted with one of the most savage political attacks in the history of this country.

We were called "mean-spirited", "uncaring", and "extremist". The American people were told that we didn't care about old people and that we wanted to starve innocent children. All of this despite the fact that our budget actually increased spending on Medicaid, Medicare, school lunches, student loans, and other programs that help the most vulnerable in our society.

Fortunately, the Republican Congress weathered these desperate attacks and fulfilled its promise to pass a balanced budget bill. Unfortunately, President Clinton's veto made all of our efforts go for naught.

But, as they say, "if you don't succeed, try, try again"—and that is exactly what we are doing. Today, we are considering another bill that lays our a concrete plan to balance the Federal budget by 2002.

Before I talk about some of the specifics of our proposal, I would like to say a few words about why we will not give up on our efforts to balance the Federal budget.

The reason we are back on the floor today, trying to balance the budget, is simple. If we do not get Federal spending under control, we risk leaving our children and grandchildren with a mountain of Federal debt that will never be able to be repaid.

If we do nothing, our children will face a country with higher interest rates, lower economic growth, and fewer jobs than there would be under a balanced budget.

If we do nothing, the safety net that supports the poor, the elderly, and the disadvantaged will collapse under the sheer weight of Government debt.

My Democratic colleagues accuse us of lacking compassion, but I say to them: How compassionate is it to borrow from our children and leave them to pay the bills?

How compassionate is it to allow the Federal safety net to collapse because of our unwillingness to do what needs to be done?

How compassionate is it to duck the hard choices, just to make things more difficult for those who come after us?

The answer is obvious: It is not compassionate at all. It is time for us to take responsibility for ourselves and put our Nation's finances in order. And that is exactly what the Republican budget does.

The bottom line of our budget proposal is simple. Under our bill, the Federal Government would experience steadily declining deficits between now and 2002—when we would actually have a $3.2 billion surplus. For the record, that would be the first time in nearly 30 years that the Federal Government runs a surplus—truly a historic accomplishment.

But deficit numbers alone don't tell the whole story of the Republican balanced budget. Our budget proposes much more. A comprehensive overhaul of how our Government does business.

The bill starts by proposing fundamental reform of entitlements. It would probably surprise most folks to learn that the largest portion of the Federal budget, by far, is entitlement spending. In fact, spending on entitlement programs such as Medicare, Medicaid and Social Security currently consumes about two-thirds of the Federal budget. And, if we do nothing, spending on these programs will eventually consume the entire Federal budget, leaving nothing for education, defense, or any other Federal program.

Accordingly, one of the top priorities in the Republican budget is to get entitlement spending under control. Our budget starts by reforming Medicare.

As most of my colleagues are aware, the Medicare trustees warned last year that the Medicare trust fund would be bankrupt by 2002 if Congress did not act. Since then, things have only gotten worse. Medicare was $4.2 billion in the red this year and is now projected to go broke even sooner that expected, possibly as soon as the year 2000. If we allow that to happen, we will be putting the health care of millions of seniors at risk.

Obviously, we can't let that happen. That's why our budget includes Medicare reforms that would slow the explosive growth of this vital program. Note that I did not say cut. That's because the Republican budget does not cut Medicare. Our plan merely slows the rate of growth of Medicare from the current rate of 10 percent per year to about 7 percent a year. In doing so, our plan would save Medicare from bankruptcy, while still expanding the ability of seniors to make choices about their own health care.

But let me repeat. Our plan does not cut Medicare. In fact, Medicare spending under the Republican budget will increase from $196 billion this year to $284 billion in 2002.

In addition to Medicare reforms, our budget makes needed reforms to a number of other entitlements program.

For example, our proposal incorporates much of a Medicaid reform plan proposed earlier this year by a bipartisan group of our Nation's Governors. Currently, Medicaid spending is growing by an unsustainable 19 percent a year. By giving States more flexibility in how they administer Medicaid, this proposal would reduce this rate to 6.6 percent growth per year, twice the rate of inflation. In doing so, the Republican budget would save $77 billion over the next 6 years while preserving the health safety net for the poor.

The budget resolution also calls for reform of our Nation's ailing welfare system. As my colleagues are aware, earlier this year President Clinton vetoed a Republican welfare reform bill that would have fulfilled his own promise to "end welfare as we know it." Our bill calls for Congress and the President to give welfare reform one more try, and save $53 billion in taxpayer dollars over the next 6 years.

Let me say one last thing about the entitlement reforms proposed in our budget. We have left Social Security alone. Republicans made that promise in the 1994 elections, and we plan to stick by it.

Besides entitlement reforms, the Republican budget also proposes an overhaul of the Byzantine government bureaucracy that has grown up over the past few decades. Our budget starts by eliminating 130 wasteful and unnecessary Federal programs, including Goals 2000, the National Endowment for the Arts, and the President's AmeriCorps Program which, according to the Government Accounting Office, costs taxpayers over $25,000 per volunteer. The bill also proposes deep reductions in our foreign aid spending—$14.2 billion over the next 6 years.

Most importantly, however, our budget calls for the elimination of two Cabinet Departments, Energy and Commerce, that duplicate the missions of other departments and which have clearly outlived their usefulness. In doing so, this bill would save over $10 billion per year. I am especially proud of this element of our budget—I believe that nothing demonstrates our commitment to dramatic change than our willingness to take on special interests and eliminate these wasteful Cabinet agencies.

Finally, I want to address one of the most important aspects of the Republican budget resolution: Tax relief for working Americans.

As many of my colleagues are aware, Americans spend a great deal of time working for the Government instead of for themselves. This year, the average American worked until May 7—longer than ever before—to pay their taxes.

Another astonishing statistic. According to a recent report by the Tax Foundation, the top 50 percent of all taxpayers pay 95 percent of all taxes. That means that if you are in the top 50 percent of taxpayers, you are not only working to support your own family, but you are probably working to support someone else's as well.

To me, this doesn't make any sense. We should be doing everything possible to help workers in this country make ends meet, not weighing them down with a crushing tax burden. But that is exactly what we are doing.

For this reason, I am pleased that our budget contains meaningful tax relief for working Americans. The centerpiece of our plan is a $500-per-child tax credit for middle-class families that will help those families make ends meet. Our budget also contains a repeal of President Clinton's 1993 gas tax hike, expansion of tax credits for adoption, enhanced health insurance deductions for the self-employed, and raising the Social Security earnings limit. Finally, the bill contains a reduction in job-killing capital gains taxes.

I strongly support these tax reductions. They are fair, reasonable, and targeted toward working individuals and families who are most in need of tax relief. I also believe that the tax relief contained in the Republican budget is a dividend to American taxpayers for our efforts to reduce wasteful Federal spending.

In sum, Mr. Chairman, the budget we are considering today represents the Republican vision for the future. Smaller, more cost-effective Government, a balanced Federal budget, and lower taxes. I don't think that there is much doubt that these priorities are the priorities of the American people. The question is: Are we going to look past partisan political rhetoric and do the right thing, or are we going to succumb to the temptation of business as usual?

For our sake, and the sake of our children, who will have to pay the bills that we leave behind, I hope that we will choose to take the former approach. It is time to do the right thing for the economic future of this country. I urge my colleagues to support the Republican balanced budget resolution.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in opposition to this ridiculous, radical, and revolting Republican resolution to cram a devastating budget down the throats of the American people. When I first read the Gingrich-Armey Republican budget proposal, I recalled hearing that it was deja vu all over again. As I studied the Republican budget more, I realized that the Republicans must have really enjoyed shutting down the Federal Government so much last year that they want to do it all over again.

Then I thought about how the drastic cuts to so many Federal programs would effect so many people—not just the hard working Federal worker who experienced so much frustration about wanting to do their jobs and not being able to—but also the many senior citizens who rely on the Medicare system to pay for their medical care. The Republicans want to cut Medicare by over $167 billion over 6 years. These cuts are as deep as the ones the Republicans tried to get away with last year. Not only deep cuts to fund Medicare—when Medicare isn't there to pay the medical and hospital bills for seniors, they will have to pay more out of their own pocket or not receive the needed health care. The restructuring of the Medicare program proposed by the Republicans could threaten the very existence of Medicare.

All over again, just like they tried to get away with last year, the Republicans propose to cut Medicaid funds to States to provide health coverage to the poor, the disabled, and pregnant women. If the Republicans would have their way in this budget, Medicaid would be cut by $72 billion over the next 6 years, and the total reduction in funding could be as high as $250 billion. The Republican budget proposes to tear down the existing Medicaid Program in which the Federal Government and the American people have already invested literally billions of dollars, and replace it with a patchwork system of block grants to States. This combination would jeopardize health care for millions of low-income children and pregnant women, seniors in nursing homes, and the disabled, as well as low-income seniors who depend on Medicaid to pay their Medicare part B premiums.

All over again, the Republicans want to cut funds for the education of America's children. How many times do the American people have to tell the Republicans that education is a high priority and that the best education cannot be provided on a shoestring. The Republicans are trying to hide the fact that they are again trying to cut education programs, claiming that funding would be frozen at 1996 levels. In discretionary programs, that would mean real cuts of about 22 percent below the already reduced 1996 level in the 6 years through the year 2002 that this resolution covers.

Now, let's talk about tax breaks. I have a quiz for you: Do you think the Republican budget attempts again to provide capital gains tax breaks for the wealthy, or, do you think the Republicans are proposing to sneak in a $20 billion tax increase on low-income working families to pay for the rich to get a tax break? Too hard? Not if you've been awake for that last 2 years and watched the Gingrich-Armey Republicans try over and over again to pay back their wealthy supporters by trying to give the rich every tax break and funding advantage they could.

Let's get serious, Republicans. Do you think the American people are really going to lay down and let you shove this ridiculous budget down their throats? Not if I can help it, and thank goodness, not if President Clinton can help it—and he can. He has the guts and the pen to stop these radical Republican proposals. Let's defeat this Republican budget proposal now, so we can really get down to business before we have a repeat of last year's Government shutdowns and threats of tax increases and teacher layoffs. I urge a "no" vote on this Republican budget proposal.

Mr. SCHAEFER. Mr. Chairman, as sponsor of the balanced budget amendment which passed this House last year, my concern for the financial future of our country is well known. I support a balanced Federal budget because we owe it to our children and grandchildren. It would be unconscionable to saddle them with the accumulated debts that we ourselves failed to pay. In this regard, I am very pleased that all the budget plans we are considering here today also envision a balanced budget by the year 2002, as well.

However, I am concerned about the treatment of solar and renewable energy programs and the complete elimination of wind energy research and development in House Concurrent Resolution 178. These large funding cuts will greatly harm American research efforts in these important technologies and give our foreign competitors an unparalled opportunity to take the world lead from the United States in this high-growth field.

We have seen other kinds of new technologies invented and developed by Americans, only to be successfully deployed by foreign countries. This is the so-called VCR syndrome. We are now in danger of letting our technological leadership in another important field slip away once again.

Proponents of cutting the budget for renewables point out that they are merely eliminating corporate welfare. To this I must note that the great majority of companies involved in the research, manufacture, distribution, and supply of renewable energy technologies are classified as small businesses by the U.S. Small Business Administration. Rather than eliminating handouts to corporate giants, these funding cuts are pulling the rug from under the thousands of small businesses which employ tens of thousands of Americans.

Mr. Speaker, through careful allocation of available funding resources, we can fully support renewable energy technologies and still have a balanced Federal budget. This is a combination that will benefit present and future generations of Americans. I will continue to work throughout the budget process this year to ensure that renewables get fair funding treatment.

Mr. COSTELLO. Mr. Chairman, I rise in opposition to the fiscal year 1997 budget resolution offered today. The fiscal year 1997 budget resolution represents a continued attack on the health, safety and well-being of the majority of the American people. While not as drastic as the budget proposed by the Republican majority last year, this budget also is too extreme. By cutting Medicare and Medicaid, the safety net for vulnerable populations—the elderly, disabled, and poor children and families—will be in jeopardy. I cannot support a budget that includes massive Federal spending for new tax breaks while other critical programs, including Medicare, Medicaid, and earned income tax credit—are greatly weakened. This is not a realistic budget. We cannot, and should not, enact a budget such as this that promises to cut spending and cut taxes. If we are serious about reducing the deficit—as I am—we should make the hard choices to being our Federal spending in line. This budget, however, promises to make life easier for the affluent, while balancing the budget on the backs of the poor and disadvantaged.

I support a balanced budget. In fact, I have cosponsored and voted in favor of amending the U.S. Constitution to mandate a balanced Federal budget. However, while the fiscal year 1997 budget resolution passed by this committee achieves balance on paper, I cannot support the callous and irresponsible policy assumptions it uses to achieve these savings. The policy implications have very real consequences to the citizens of this Nation.

I am especially concerned about the deep cuts in discretionary spending included in this budget. Certainly, we must take serious steps to carefully scrutinize every portion of our Federal budget in order to control Federal spending and bring our deficit under control. However, the cuts in discretionary spending included here are too harsh and will have a serious impact on millions of Americans, most notably the vulnerable populations that continue to be left behind as we change our Federal priorities.

For example, the cuts in education leave me very concerned about the future of this Nation. The education of our children must be a top priority. The education our children receive should be adequate in keeping the U.S. economy competitive as we move into the next century. American children rank dismally in math and science achievement compared with students from other nations. The proportion of young people completing high school has remained stagnant for a decade, despite the ever-increasing demands for education in the job market. National education reforms under President George Bush's Goals 2000 program pointed our Nation in the right direction. This budget, however, eliminates Goals 2000. Having all our students starting school ready to learn, increasing the high school graduation rate, teaching every adult to read and keeping drugs and violence out of schools are not goals we should abandon. While our deficit needs to be eliminated, we must not decimate the education of future generations.

Under this budget, the Legal Services Corporation is cut drastically in fiscal year 1997—a large step toward the total elimination of the program by 1999. The Legal Services Corporation is a good example of a Federal program that is effectively being administered at the local level. The leadership of this House claims to want to expand the role of state and local authority while shrinking the size of the Federal Government. The Legal Services Corporation is a prime example of how local control of a Federal program is working. The creators of the LSC recognized that decisions about how legal services should be allocated are best made not by officials in Washington, but at a local level, by the people who understand the problems that face their communities. The LSC provides funds to 323 programs operating over 1,200 neighborhood law offices. Together they serve every county in the Nation. LSC programs provide services to more than 1.7 million clients a year, benefiting approximately 5 million individuals, the majority of them children living in poverty. The phase-out of the LSC represented in this budget eliminates a much-needed program and threatens the life and well-being of every poor or near-poor person in this country.

A well-maintained transportation network is essential for economic development. If highways cannot be maintained, our goods cannot move in commerce. Similarly, without continued attention to our Nation's airports, delays and other difficulties will slow our economy's growth. In addition, transit funding provides immediate benefits for economic development, carrying low-income people to their place of work and reducing congestion in metropolitan areas.

Transportation should not bear higher cuts than other programs. This budget phases out Federal assistance the operation of mass transit systems. Operating assistance is essential to transit systems across the Nation. Transit systems are already taking serious steps to cope with federal operating cuts of nearly 50 percent in fiscal year 1996 and 12 percent in fiscal year 1995. Transit systems, by necessity, are operating more efficiently yet still must cut services and increase fares. The complete elimination of operating assistance would have a drastic impact and could eliminate necessary public transportation in communities across our nation.

The elimination of funding for mass transit is just one example of the hypocrisy of this budget. As this budget pushes people into the workforce it takes away their means of getting to work. This budget is unfair and should not be passed by this House.

Mr. POMEROY. Mr. Chairman, I rise today in opposition to House Concurrent Resolution 178, the fiscal year 1997 budget resolution. I have numerous reservations with the funding priorities and assumptions contained in this resolution. However, I will take this opportunity to highlight three important issues—the deep cuts proposed in discretionary agriculture spending, the ill-advised Medicaid proposal, and the proposed elimination of Federal involvement in fossil energy research.

The budget resolution for fiscal year 1997 again makes a deep cut in agriculture spending. This Congress passed, earlier this year, an extreme overhaul of farm programs, setting them on the road to eventual elimination. Now in this budget resolution, this committee has decided to make an extreme reduction in the amount of discretionary spending for agriculture.

The resolution makes the recommendation to cut total agricultural discretionary spending from $3.9 billion in fiscal year 1997 to $2.1 billion in 2002, a staggering reduction in budget authority. This discretionary cut mostly takes the form of unspecified reductions in U.S. Department of Agriculture overhead costs. The members of the committee and rural America are left to wonder if these cuts will be in the delivery of farm programs, the delivery of conservation programs, or the quality of nutrition and food safety programs. Clearly each and every function of the Department of Agriculture will be impacted by these assumptions. This committee should question if this is the appropriate time to be making these cuts when commodity stocks are at their lowest point in a generation, the livestock industry remains in extreme distress and new plant diseases continue to spread across the nation's heartland.

The budget resolution does specify some specific cuts. These cuts are mainly in USDA research programs. With commodity support already cut by the new farm bill, our producers need quality agricultural research more than ever to protect themselves against diseases, insects and changing environmental conditions. The new farm bill addresses many of the concerns related to competitive research projects and facilities buildings projects. The Agriculture Committee currently is undertaking a comprehensive review of agriculture research programs and will be writing specific legislation to address the needs of agricultural research in the future. The Agriculture Committee should be allowed to do its work without being locked into an extremely restrictive budget scenario before it is finished.

Finally the budget resolution phases out both title I and title III of the Public Law 480 Food for Peace Program. Again, the new farm bill promised American farmers that their future profitability would be derived from the world market. Now we are witnessing the elimination of one of the most successful export enhancement programs ever.

In this budget resolution we see the broken promises of the freedom to farm bill. As the freedom to farm bill was being passed, sponsors hailed a new era in farm policy, promised strengthened research programs and dangled the riches of the world market in front of American farmers. Now we can see that those promises are broken barely 2 months after the bill was signed. We are willing to do our share to balance the budget, but rural Americans cannot continue to take these extreme and unfair budgetary hits.

With regard to Medicaid, I have deep concern about the provisions of the majority's proposed budget for Medicaid. I do recognize that, at least with respect to the commitment of Federal Medicaid funding, this budget makes significant progress over the majority's effort last year—from the proposed reduction of $182 billion over 7 years last year to $72 billion over 7 years this year. It thus appears that after a year of rigorous analysis and intense debate, the members of the majority have been persuaded that the Federal Government simply cannot make cuts on the order of those proposed last year without jeopardizing the health of some of our Nation's most vulnerable populations.

Despite the progress this budget represents, however, I remain deeply concerned that it will undermine the central mission of the Medicaid Program, which is to provide a minimum level of health care to the children, the elderly, and the disabled of this Nation. During committee markup, I offered a sense-of-the-House amendment to preserve the basic program elements critical to the performance of Medicaid's mission. The committee rejected this amendment, indicating that the level of progress represented by this budget is not as substantial as the reduced Federal cuts suggest. Unfortunately, the improved Federal funding level in this budget masks a series of policy proposals that will jeopardize the health of children, seniors, and the disabled.

Mr. Chairman, let me be clear that my concerns about this budget stem not from any hesitation about whether to reform Medicaid. Medicaid must be reformed through such measures as utilization of managed care, enhanced State flexibility, and the streamlining of regulations. Yet the goal of reform is to improve the program's effectiveness, not to undermine it.

Perhaps the greatest threat to Medicaid's mission contained in this budget is the dramatic reduction in State contributions it allows. In addition to limiting Federal contributions, the budget caps State contributions to Medicaid at 40 percent, allowing the many States with match rates between 41 and 50 percent to lower their required contributions. Thus, although the Federal cut has been reduced to $72 billion, the total potential reduction in Medicaid spending after accounting for reduced State contributions is $265 billion. It is simply not possible to withdraw these vast sums from the system without endangering the health safety net that Medicaid has historically provided to North Dakotans and others around this Nation.

This budget would also permit States to use discredited—and currently illegal—funding mechanisms to further limit State contributions to Medicaid. Once again, States could establish schemes to tax providers or collect intergovernmental transfers from State entities, later rebating these funds to the payors, labeling the rebates as Medicaid expenditures, and claiming Federal matching funds for them. Given that the payment of such rebates involves no genuine State outlays for health services, legalizing these sham financing systems make State matching requirements meaningless.

The majority points with pride to the list of groups and services covered under the Medicaid proposal contained in this budget. Upon review, however, several important groups have been excluded and the list of covered services is revealed as a largely empty promise. With respect to covered services, this budget merely requires states to offer some of the various health services listed, while repealing all of the Federal standards that speak to the amount, duration, and scope of these services. Thus, a State could cover only a few days of hospital care even in the event of a serious illness such as a heart attack. Without the minimal Federal standards, people guaranteed coverage under the majority's plan may find the guarantee to be a hollow one.

One of the groups excluded by this budget is poor children. This budget repeals the guarantee of health care coverage for children over the age of 12 living in low-income families, more than half of whom have parents who work. For low-income parents in North Dakota, knowing that the basic health care of their children will still be covered if they leave the welfare rolls has been an important element in encouraging the transition from government dependence to productive employment. Thus, not only will this repeal endanger the health of these vulnerable children, it will provide a strong disincentive for parents to move from welfare to work. With respect to the disabled, this budget repeals the federal definition of disability, allowing states to narrow this definition as they see fit and thereby exclude many disabled Americans from coverage.

Mr. Chairman, this budget also threatens senior citizens. While under the majority's plan States are supposed to abide by federal nursing home quality standards, Federal monitoring of quality is terminated and States will have nearly unfettered discretion with regard to monitoring and enforcement. We must not forget that it was precisely because many States proved incapable of ensuring quality nursing home care that Congress was prompted to enact basic quality standards in 1987. In another strike against seniors, one that will have particular impact in North Dakota, this budget substantially reduces payment by Medicaid of copayments, premiums, and deductibles for those Medicare beneficiaries whose income is below the poverty line. Given that many low-income seniors already devote large portions of their monthly budgets to health care costs, this cutback will force seniors into a cruel choice between staying health and meeting life's other basic expenses.

Mr. Chairman, I will work diligently to address the flaws outlined above and I am hopeful that the majority will join in this effort. As we move forward to balance the Federal budget, we must not abandon the long-standing Federal commitment to the basic health of the children, seniors and disabled of our Nation.

Finally, I have serious concerns about the provisions in this resolution which would eliminate the Federal Government's involvement in fossil energy research and development. This is very short-sighted policy. Research may not immediately improve profitability, but the long-term benefits are immeasurable. With respect to fossil energy, development of new energy processes to the point of commercially acceptable financial and technical risk is a long road that regulated industries have not been willing to go alone. Those joint private-federal ventures which have been undertaken, like the numerous projects underway at the Energy and Environmental Research Center in Grand Forks, ND, have brought a wealth of information to the energy industry.

The Federal Government has a stake in research and development of fossil fuels. For example, utilities are not going to initiate their own research on emission controls. If they did, it would be an open invitation to regulators to impose new or stricter standards and bigger costs under the doctrine of best available control technology. What's more, energy markets are specialized and highly competitive and would be unlikely to consider complementary solutions.

Without the Federal Government's involvement in fossil energy research and development, it is unlikely this important work would be done. In fact, many companies have eliminated their alternative fuels programs, leaving only a tiny contingent of researcher. It is in the national interest to preserve this infrastructure with limited Federal funding.

Mr. Chairman, I urge my colleagues to oppose the Republican budget resolution.

Mr. LEACH. Mr. Chairman, as we all know, the Budget Resolution does not have the force of law, but is a working document Congress uses to set the spending limits and broad priorities for the appropriations process through which the spending plan for the coming fiscal year is put in place.

Our action today is just the first step in that process, and, if last year is any indication, we have a lot of work ahead of us after today's votes.

Each of the four alternatives considered today is itself the product of compromise and accommodation. I would venture to guess that no Member of this body will agree with every provision in any of them.

While I disagree with certain of its techniques to achieve budget saving, I voted for the so-called coalition budget in frank protest to several aspects of the Republican proposal, particularly its elimination of direct student lending. In addition, the coalition budget best reflects my concerns that reforms in the areas of health care and welfare remain prudent and fair and that the Federal commitment to education in general is honored.

The committee resolution may be an acceptable starting point for budget discussions, but I would place my party on notice that I can be expected in the authorization and appropriations process to object to elimination of the direct student loan program and any cuts in education. I also have doubts about the case for elimination the Department of Commerce, although reform of its functions and merger with the Special Trade Representatives', Office may be in order.

While the hard work remains ahead, it is crucial that the goal of a balanced budget be advanced, but in such a way as to ensure fairness for all.

Mr. COLEMAN. Mr. Chairman, I rise to express my opposition to the pending resolution. In an echo of last year's dysfunctional priorities, the majority has once again chosen to balance the budget on the backs of the poor, children, and the elderly.

The Republicans refer to this as an honest budget. But I do not believe they are being honest with the American people. They claim to be helping working families by reducing their tax burden. Instead, their budget cuts the earned income tax credit by $20 billion. This action would raise taxes on more than 6 million working families. The resolution also cuts capital gains taxes for the wealthy by $176 billion. It seems clear to me that this resolution is not a family tax relief as the Republicans refer to it, but a family tax burden.

They claim to shift power out of Washington back to neighborhoods, communities, and people. But their resolution cuts welfare spending by $12 billion over President Clinton's balanced budget and gives no details of how neighborhoods, communities, and people are supposed to deal with poor children who are lacking the basic necessities of life.

The Republicans claim to give States authority to improve Medicaid and save Medicare from bankruptcy. However the truth is that this authority to improve comes in the form of a repeal of Federal enforcement of nursing home quality standards which have, by the way, dramatically improved the quality of nursing home care. Elderly would no longer be safeguarded from the use of restraints, drugs, or other poor quality care.

There are about 166,000 of my constituents in El Paso who are eligible for Medicaid. Of those eligible, approximately 22,000 aged and disabled use Medicaid for nursing home and in-house care or community based care. There are 826 nursing home recipients in El Paso as well.

The Republican savior of Medicare takes the form of more cuts to the program. The budget resolution cuts Medicare spending by $167 billion. They have achieved this reduction with deep cuts in payments to the hospitals and home health providers that serve beneficiaries. This jeopardizes both quality of care and access to health services. Their $167 billion cut would result in insufficient funded hospitals that are unable to keep up with cost. There are approximately 60,000 Medicare beneficiaries in El Paso. El Paso hospitals would have to drastically cut services and staffing. For example, El Paso's Thomason General Hospital predicts the effects of the cuts to be: reduction of staff by as much as 992 positions; clinics would be open only 2.5 days a week it would eliminate Level One Trauma services; and it would reduce all of the outpatient services.

The Republicans also claim to shift control of education out of Washington. In reality, education is once again under the budgetary ax. This proposal seeks to eliminate the direct student loan program, affecting over 2.5 million students and cutting nearly $4.5 billion over 6 years. There are also a number of substantial cuts and terminations in discretionary education spending, including an elimination of the Goals 2000 and bilingual and immigrant education.

The termination of the bilingual education program will be devastating to El Paso. In fiscal year 1996 El Paso received $661,246 in bilingual education grants. Losing this source of funding would put an enormous burden on our schools.

Our immigrant population is growing, and the vast majority of these immigrants are from Asia and Latin America. if we capitalize upon their linguistic abilities, we can ensure that young immigrants and the children of immigrants will be a valuable asset to our national competitiveness in the global economy. If we fail to adequately fund bilingual and immigrant education, we will set up many children for failure and lose the benefits of their valuable linguistic skills.

In the long run, the result will be that many of our young immigrants and their children will be able to contribute fully to the future stability of our economy. I do not believe that neglecting the needs of a portion of our population that speaks English as a second language is sound policy. If we do not provide adequate funding for this program now, we will pay heavily in the future.

Terminating funds for the Goals 2000 program would interrupt statewide school reform plans which set higher academic standards for all students. The elimination of almost $400 million in resources for schools will end ongoing state and local education reform efforts affecting 9 million students and terminate 40 percent resource centers. This termination would effectively cut 351 students and 14 teachers in the El Paso area from this program.

For the preceding reasons, I do not support this resolution. It continues the Republican policy of catering to the wealthy and neglecting working families, the elderly, and the poor. It will be devastating to El Paso and our Nation as a whole.

Mr. KANJORSKI. Mr. Chairman, I oppose the budget resolution offered by the Republican majority. The Republican majority has once again done a bad job of putting together this most basic budget blueprint. Like last year, this resolution is a product of closed-door meetings with party leaders, pollsters, and lobbyists for multinational corporations, instead of a meaningful accounting of the needs of average working Americans and senior citizens.

This resolution is particularly deceptive and disingenuous because if the Congress follows this budget resolution, the American people will feel its harsh effects only after the November elections. The proposal will needlessly put us on another collision course with the President that could lead to new Government shutdowns and numerous stopgap spending measures. I have no doubt that the resolution's proposals will hurt seniors living on fixed incomes, middle-class and low-income families, and make it more difficult to ever balance the Federal budget. Indeed, while the bill is supposed to help the Republican party appear kinder and gentler to the American people as November draws near, there is little that is kind or gentle about this bill.

We must do better. Congress needs to put forth in this budget resolution a clear and honest vision of the future—one that says the Federal Government can work more efficiently and effectively, while also helping to empower individuals and working families to succeed. The Republican resolution offers no such hope.

I am fully prepared to support a budget plan which is balanced in 7 years using Congressional Budget Office numbers, as required by the bipartisan balanced budget agreement. Unfortunately, this legislation is neither bipartisan nor balanced. A better balanced budget plan would integrate the following principles into a new budget blueprint for the future.

RESPECT PAST SUCCESS

Not surprisingly, the Republican majority in Congress is doing everything it can to ignore the tremendous deficit reduction success of President Clinton and the previous Democratic Congress. The Federal budget deficit has been cut in half since 1992, the last year of the Bush administration. Having fallen 4 years in a row, the deficit is now at its lowest level as a percentage of the economy since 1979.

To help achieve this deficit reduction success, hundreds of Federal programs have been cut or eliminated, the Federal work force has been reduced by 200,000 workers, and 16,000 pages of Federal rules and regulations have been eliminated. All of this was accomplished as a result of President Clinton's 1993 deficit reduction plan enacted into law without a single Republican vote in either the House or Senate.

Still we are only way to a balanced budget. More can and must be done to continue to improve our fiscal condition and economy overall. The Republican majority needs to be reminded that we are not starting from scratch. Democrats have already proved that the budget deficit can be substantially reduced on a careful, considerate, and orderly basis. A radical transformation of the budget is unwarranted and unnecessary.

Unlike this budget resolution, therefore, we do not need to endanger critical programs which promote the well-being of the neediest Americans—such as children and the elderly. Nor, do we need to eliminate programs which promote economic growth, job creation, and the competitiveness of the United States. We certainly do not need to weaken programs which help middle-class Americans retrain after losing jobs to unfair international competition and which educate their children to prepare for a rapidly changing economy.

FORGET TAX CUTS UNTIL THE BUDGET IS BALANCED

Balancing the budget is difficult enough without tax cuts siphoning off desperately needed revenue. Both the $176 billion tax cut called for in this budget resolution and the $117 billion cut proposed in the President's budget will make it more difficult to balance the budget. If we would forget tax cuts, we could balance the budget sooner and in a less disruptive way. That would be better in the long run for our economy and average working Americans.

Mr. Speaker, nobody likes taxes. We all believe we would be happier with a little more of our own money in our pockets. But at what cost? Should we risk not balancing the budget because some want to provide a short-sighted, election-year gift to taxpayers instead of waiting to provide tax cuts after the budget is balanced. My parents raised me to believe that you couldn't have dessert until you have eaten your vegetables. Republicans want to eat dessert first in return for a promise to eat their vegetables later. Common sense tells us that is a bad idea.

I truly believe that average working Americans are more than willing to forgo a Federal tax cut today if it means the Federal Government will be able to get its act together and balance the budget without hurting them in the long term.

Both the Republican majority and the President are wrong on tax cuts. If balancing the budget is our primary goal, tax cuts should be made contingent on balancing the budget first.

ATTACK CORPORATE WELFARE

The Republican budget resolution proposes to cut only $26 billion in corporate subsidies and tax breaks. This is a step in the right direction, and the Republican majority should be applauded for putting forward proposals in this area. But the cuts represent only the tip of the iceberg.

President Clinton has proposed significantly more in corporate welfare savings—some $54 billion. And, independent groups across the ideological spectrum have proposed tens of billions of dollars more. The conservative CATO Institute found $85 billion in corporate welfare encompassed in 125 programs. The Progressive Policy Institute identified $265 billion in potential savings spread across 120 programs. Clearly, a much greater level of savings in corporate welfare subsidies and tax breaks can be found for this budget resolution.

For example, I have been fighting for many years to eliminate what I believe to be a huge tax loophole in the federal tax system favoring foreign corporations operating in our country. The tax system permits foreign companies to overcharge for goods they provide to subsisdiares in the United States, which effectively reduces the subsidiary's tax liability. This activity, commonly referred to as "transfer pricing," may result in annual lost revenue to the Federal Government of as much as $33 billion, according to at least one estimate. I have introduced legislation to help address this problem and I would again urge the Republican majority to integrate my proposal into this budget resolution.

Corporations should shoulder a greater portion of the funding burden of our Government. In 1945, corporations contributed 35 percent of budget revenues. That share is down to 11 percent today, more than a two-thirds reduction. Instead of cutting taxes for wealthy stockholders and profitable corporations under this budget resolution, we should do more to reduce inefficient and unfair subsidies and tax breaks which place greater burdens on average working taxpayers.

DON'T WEAKEN GOOD PROGRAMS

Medicare has clearly been one of the most successful programs of the Federal Government. In tandem with Social Security, Medicare has dramatically reduced the poverty rate among elderly Americans and increased overall quality of life. This is no time to be making unwarranted and damaging changes to the program.

Though the budget resolution represents an improvement from the Republican budget proposals on Medicare last year, the cuts are still excessive. We can certainly find limited savings from hospitals and medical equipment suppliers, as has been done in the past and proposed by the President this year. however, if we go too far with such cuts, small hospitals will close and the quality of health care will drop, especially in areas like mine which are outside major metropolitan centers. The Republican proposals on Medicare must still be moderated significantly.

Many seniors want to see a greater emphasis on reducing waste, fraud, and abuse in the Medicare program. I agree. The President has just completed the first year of a major new effort to crack down on waste, fraud, and abuse which has netted $43 million from Medicare programs so far this year. We need to build on this effort.

The budget proposals for Medicaid are also cause for great concern. While Medicaid is commonly known as the medical program for low-income families, few realize how important the program is for senior citizens. In Pennsylvania, the care of 64 percent of nursing home patients is Medicaid funded. I am worried that the excessive cuts for Medicaid proposed under the Republican budget resolution will increase the cost of nursing home and medical care to seniors and their families.

Programs to protect the environment and our natural resources have also had tremendous success over the past 25 years. Our air and water has gotten cleaner, and our national parks have been protected from adverse development and exploitation. Unfortunately, this budget resolution proposes a 26-percent cut on spending for natural resource and environmental programs. Given the urgent need to address environmental problems in northeastern Pennsylvania, such as numerous Superfund sites and coal-damaged lands spread across this region, I am greatly concerned about such cuts.

In addition, Mr. Speaker, the meager amounts of money our country spends on economic development each year has brought great hope to so many smaller communities in our country, including those in my region. The Economic Development Administration [EDA], for example, has provided money to build new buildings and create hundreds of new jobs in Nanticoke, Wilkes-Barre, and Hazleton, PA. These buildings now serve as essential anchors for local economic revival and bring in local, State, and Federal tax dollars far in excess of the original Federal investment. However, this budget resolution proposes to eliminate the EDA and its successful programs over the next 4 years. Eliminating this agency will leave small communities with few places to turn to for economic development assistance. Certainly, eliminating this agency and cutting other similar economic development programs are among the worst ideas in this budget resolution.

Another excellent program which deserves mention is the earned-income tax credit [EITC] program. Changes to the EITC proposed by President Clinton in 1993, and enacted by Congress, provided needed tax relief for working Americans. In Pennsylvania, the expanded credit for 1996 will give low-income, working families an average additional tax break of $940 per year, and working individuals $240 per year. This budget resolution rejects the EITC as an effective tax relief and work-promotion program, by cutting it $26 billion. If the proposal is enacted, low-income working individuals and families who choose work over welfare will see their taxes increase. if anything, the EITC should be expanded, not cut.

ELIMINATE WASTEFUL SPENDING

Although the need to eliminate wasteful spending seems clear, the Republican majority has actually promoted new wasteful spending in this budget resolution while forgetting about obvious spending cut targets. For example, the resolution proposes serious cuts in education, including spending on libraries and job training programs, but expands unnecessary programs for the Defense Department. In fact, the budget resolution provides $12.8 billion more than the Department of Defense [DOD] asked for in its request to the Congress, even after DOD was given an additional $7 billion more than requested last year.

Mr. Speaker, I find it amazing that the Republican majority is perfectly willing to cut deeply into so many good federal programs, but greatly increase spending on additional weapons. Our country is no longer faced with the possibility of a major nuclear attack, yet Republicans want to spend 30 percent, or $860 million, more than requested on national missile defense programs. The budget also proposes to spend $504 million in excess of DOD's request for another nuclear submarine and $305 million more for fighter aircraft. We simply do not need, and cannot afford, such unnecessary excess in the defense budget.

In 1993, I proposed to the Congress a list of proposed spending cuts totaling $213 billion over 5 years. Many of the cuts have been enacted, and a number of the programs I proposed for elimination are no longer in place. Indeed, we have made much progress on eliminating wasteful spending.

But many large and small wasteful programs continue to be funded in the proposed Republican budget. One good example of a wasteful small program is the National Endowment for Democracy [NED]. NED will spend $32 million on taxpayer supported projects to supposedly foster democracy around the world. NED, however, is run by U.S. political parties, business interest groups, and labor unions. As a result, the participants have promoted not only the worthy goal of democratic participation, but also taxpayer funded training in American-style lobbying for business and labor interests, as well as the training of foreign media. We simply should not dedicate scarce resources through private organizations for such purposes.

The budget resolution also does nothing to cut wasteful subsidy programs to timber and mining companies. Our country will forgo $700 million over the next 5 years providing below-cost timber sales and constructing logging road networks. We will receive virtually nothing for mining of public lands, even though mining companies will earn billions of dollars on mineral sales. Such subsidies are wasteful, and are unfair to hard-working taxpayers.

Mr. Speaker, I would urge the House to reject this budget resolution and to work to enact a genuinely bipartisan plan which incorporates the fundamental principles I have discussed. We need a budget plan which is fair and equitable, which attacks irresponsible spending and embraces good programs, and which drops reckless tax cuts. The American people need and deserve much better from this Congress.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in support of House Concurrent Resolution 178, the fiscal year 1997 budget resolution.

Over a year ago, I stood on the floor in support of this essential effort to balance the Federal budget. Since then, doing so has been my No. 1 priority as a Member of Congress.

I am pleased to be able to say that over the past year we have taken the first step toward a balanced budget. We have reduced the deficit and cut Government spending by $43 billion.

Today, I stand in support of taking the next step forward toward securing a better future for our children and for our country. This budget sets reasonable priorities for Federal Government spending, returns money to the pockets of hardworking American citizens and returns important decisionmaking power where it belongs—out of the hands of the Washington bureaucracy and into the hands of States, municipalities, and families. This resolution balances our country's economic needs with our commitment to our veterans, seniors, students, and hard-working taxpayers.

House Concurrent Resolution 178 reforms welfare and Medicaid, and preserves, protects, and strengthens Medicare for millions of older Americans. We make these reforms while increasing spending on all three of these programs, improving services and saving $211 billion over 6 years.

This budget protects our Nation's natural resources and ensures a clean and healthy environment. The bill recommends increasing funding for actual Superfund cleanups by $700 million. In New Jersey and around the country, this means that sites would get cleaned up more quickly and less time and money would be spent on litigation and overhead. This bill also provides more funding for our National Park System and safe drinking water. I strongly support this effort to assure Americans have cleaner air and water, greater access to outdoor public recreation, and to protect wilderness and historic areas.

Safe homes, streets, and communities are also a priority under our budget proposal and we recommend a net spending increase of $9.3 billion, including increased spending for the violent crime reduction trust fund. We have focused over the past year on making our streets safer, improving law enforcement, and making commonsense reforms to our Department of Justice. This budget continues that focus and provides resources to carry out these priorities.

The House Republican budget also renews America's commitment to those who have served and those who continue to serve our country in the armed services. As a veteran myself, I am pleased that under our budget we were able to increase veterans spending to almost $40 billion and reject the Clinton administration's proposed cuts in veteran's medical care, VA hospitals, medical research, and the National Cemetery System.

This budget also continues our efforts to reduce the size of our Federal Government. Last year, we greatly reduced the size and spending of Congress. This year, we greatly reduced the size and spending of Congress. This year and over the next 6 years House Concurrent Resolution 178 envisions savings of $5 billion by imposing a moratorium on constructing and acquiring Federal buildings, reducing overhead, and reducing funding for the Executive Office of the White House by 15 percent.

Finally, unlike other proposals House Concurrent Resolution 178 returns money to the hands of the American people while reducing the deficit. Our proposal eliminates corporate tax loopholes, provides an adoption tax credit, and contains a $500-per-child tax credit. This resolution provides $122 billion in permanent tax relief, of which the majority will go to taxpayers earning between $30,000 and $75,000 annually.

I am pleased to support this 6-year budget resolution that makes commonsense spending decisions, sets priorities, continues adequate levels of spending on important Federal programs to protect our health, safety, environment. This budget resolution is true to our commitment to balance the Federal budget and live within our means. I urge my colleagues to support this resolution.

Mr. FRANKS of Connecticut. Mr. Chairman, I rise today in support of the plan to balance the Federal budget by the year 2002. I rise today because I am committed to balancing the Federal budget to free future generations of Americans from the shackles of an enormous national debt.

Mr. Speaker, this Nation has not had a balanced Federal budget in a generation. Since that last balanced budget, budget deficits have climbed to over $100 billion, topping $300 billion along the way, and the public national debt has ballooned to $5 trillion. That represents a debt of nearly $19,000 for every man, woman, and child in the United States. The annual interest on the debt alone is over $235 billion. Two hundred thirty-five billion dollars that must be spent to service the debt. Two hundred thirty-five billion dollars that cannot be spent on educating our children, for providing for our veterans, and returning poor Americans to work. Mr. Chairman, the time has come to stop the failed tax and spend policies of the past, and return fiscal sanity to this Nation.

A balanced budget should provide a smaller Federal Government by slowing its growth. The balanced budget plan supported by the Republican majority increases Federal spending by $2.5 trillion between now and the year 2002. Our balanced budget increases the money available for student loans. House Concurrent Resolution 178 allows increases in Medicare spending while ensuring its solvency for future generations. The Republican plan curbs a bloated, inefficient Federal bureaucracy, removes decision making from inside the Washington beltway and returns it to the States, and ensures the future of this Nation for our children.

A balanced budget should adopt tax policies that allow Americans to keep more of their take-home pay and allow investors and corporations to create jobs and stimulate economic growth. Our budget enacts a $500-per-child tax credit, eliminates the marriage penalty, provides a tax credit for adoption expenses, and creates new savings mechanisms, American families will be able to keep what they earn. Families also will save more for their own and their children's future. By allowing families to keep more of what they earn, our balanced budget will boost this Nation's sagging national savings average. Greater savings means more dollars in the economy for job creation and economic growth.

Coupling increased savings with a capital gains tax reduction and a reduction or elimination of growth-impeding corporate taxation, a balanced budget will provide the stimulus for economic growth and job creation. In a time when the Nation's economy is growing at an annual rate of less than 3 percent and many Americans are faced with increased job insecurity, House Concurrent Resolution 178 will provide a boom for the economy and create millions of new jobs. As our budget moves toward balance, the Federal Government will need to borrow less from the national savings pool. Corporations will have access to more money to invest in capital improvements which will boost efficiency while lowering operating costs. Lower costs allow corporations to create new jobs and raise wages.

Mr. Speaker, leading economic experts have concluded that once the Federal budget begins to come into balance, interest rates will begin to drop. On a mortgage of $100,000, a 2-percent drop in interest rates will save the mortgage holder $2,161 on interest payments for each year of a fixed-rate, 30-year mortgage. On a student loan of $11,000, a 2-percent interest rate drop would save the student $2,167 over the life of the average 10-year loan. On a $15,000 car loan, the rate drop would save the loan holder $180 each year of a 5-year loan.

Mr. Speaker, we must balance the Federal budget. We must shrink the size and scope of the inflated Washington bureaucracy and return power to the State and local level, closer to the American people. We must reform the Medicare system to ensure its solvency for future generations. We must reform the failed welfare system that rewards inactivity and discourages work. We must allow Americans to keep more of what they earn by providing tax cuts and promoting increased savings. We must allow businesses to create jobs and stimulate economic growth by providing pro-growth tax incentives.

The economic benefits that are derived from balancing the Federal budget are enormous. The time has come to end the tax and spend, Big Government ways of the Congress. A balanced budget will ensure the fiscal prosperity of this Nation now and provide a economically sound future for our children. Thank you, Mr. Chairman.

Mrs. THURMAN. Mr. Chairman, today, I must express my profound disappointment at the majority's inability to address the need to end the U.S. dependence on imported oil.

Renewable energy development is our best hope of moving away from foreign oil, and moving toward environmentally sound energy choices. Support for the Department of Energy's Energy Efficiency and Renewable Energy Programs is vital for our national energy security, particularly as renewables become increasingly cost-competitive and effective.

In addition, DOE's Energy Efficiency and Renewable Energy Programs support 45,000 jobs nationwide.

It is inconceivable to me that the majority would phase out our investment in renewables. The long-term cost savings renewables promise should make these programs a national priority, not a target for short-term budgetary gains.

I urge the Congress to reject the budget resolution's treatment of renewable energy. We should restore and reaffirm our national commitment to renewable research and development.

Mr. STOKES. Mr. Chairman, I rise today in strong opposition to House Concurrent Resolution 178, the Fiscal Year 1997 Republican Budget Resolution. The American people must clearly understand that the Republicans' Fiscal Year 1997 Budget Resolution, House Concurrent Resolution 178, which eliminates 130 programs and the Department of Commerce and the Department of Energy, is a continuation of their attack on the most vulnerable among us, children, seniors, veterans, and hard working families across the country.

My colleagues on the other side of the aisle have decided to ignore the message of the American people to protect the quality of life, to protect the environment, and to protect education.

Instead, they have intensified their attack on those in the dawn of life, our children and those in the twilight of life our seniors. Programs and services that are critical to helping to ensure a reasonable quality of life for the most vulnerable are being gutted, once again, so that the GOP can give a tax cut to the wealthy.

Medicare is cut $158 billion threatening access to quality health care for millions of seniors. Provisions that were designed to help control the escalating cost of health care services for seniors are being repealed. Medicaid is cut $72 billion. Poor children, disabled persons, and low-income seniors are at risk of losing their health care coverage. Medicaid is converted to a block grant, and States are left to determine eligibility, and the duration and scope of health services to be provided. In addition, State funding match requirements are reduced.

By cutting over $4 billion from financial aid, the Republican budget reduces the opportunity for hard working families to help their children get a college education. In addition to eliminating, student aid funding provided by the State incentive grant program, and fellowships and scholarships, the direct lending program is also eliminated.

By dramatically cutting funding for housing and the earned income tax credit, the Republican budget will make it increasingly difficult for low-income hard working families to make ends meet. These families are already struggling, the added burden could destroy them.

Banking and housing programs are cut $5.3 billion. Welfare-related programs are cut $53 billion and converted to a block grant. The job opportunities and basic skills program and the child care services program are among the programs slated for elimination.

Mr. Chairman, the Republican budget threatens the stability of families across the country. Families do not want a handout, all they need, from time to time, is a helping hand to help them get back on their feet.

Mr. Chairman, these GOP budget tactics and misplaced priorities should come as no surprise to the American people. The Republicans touted last year that if they did not get the cuts in funding that they needed in the fiscal year 1996 budget, to give a $245 billion tax cut to the rich, the crown jewel in the GOP's Contract With America, they would shut the Government down. And, as each of us recalls, they did just that, our Republican colleagues held the American people hostage, shut the Government down, and denied them access to critical services. That GOP tantrum cost the American people $1.5 billion, and it needlessly increased the deficit.

The GOP touted last year that if they did not get the cuts they wanted in fiscal year 1996, they would cut programs and services further in fiscal year 1997, and they are doing just that. You may also recall that our Republican colleagues emphasized throughout the fiscal year 1996 appropriations process, that the fiscal year 1996 cuts were just a downpayment on their budget gutting mission to give a tax cut to the rich.

This outrageous fiscal year 1997 budget is extremely harmful to America's families and citizens, no one is safe from the tremendous pain and suffering that would result if this measure is passed.

Mr. Chairman, on behalf of our Nation's children, working families, veterans, and seniors, this bill must be defeated. I ask my colleagues to join me in voting no, on House Concurrent Resolution 178.

Mr. BROWN of California. Mr. Chairman, the Republican budget resolution continues the assault on civilian research and development initiated in the first session of the 104th Congress. As compared to the President's request, House Concurrent Resolution 178 cuts over $3 billion in fiscal year 1997 and nearly $18 billion over the 6-year period from civilian science agencies. A summary of some of the anticipated impacts follows:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

If implemented, the Fiscal Year 1997 Republican Budget Resolution would have a deeply negative impact on the nation's civil space program. Not only does it cut the national Aeronautics and Space Administration's (NASA) budget by almost three quarters of a billion dollars more than the Administration over the six-year period, but it makes those cuts in a manner that would fundamentally destroy the balanced program that has been a hallmark of the space program since its inception almost four decades ago.

Specifically, the Budget Resolution would slash the funding for the Mission to Planet Earth (MTPE)—a major national environmental research and monitoring initiative—by a third (i.e., by almost $2.8 billion over six years), effectively canceling the project as currently conceived. In addition, the Budget Resolution would cut NASA's aeronautics budget by almost $900 million over the same period. A cut of that magnitude will jeopardize important research initiatives in aircraft safety; improvement of the nation's air traffic management system; development of quieter, more fuel-efficient aircraft; and many other important areas. The aeronautics funding cut is particularly troubling in view of the fact that the aviation sector has traditionally made a huge positive contribution to the U.S. trade balance and has been the source of hundreds of thousands of high-tech jobs for American workers. In sum, implementation of the Budget Resolution would do damage to NASA and to the nation's R&D capabilities.

NATIONAL SCIENCE FOUNDATION

Although the Republicans have proclaimed that they assign the highest priority to basic research in the federal R&D budget, NSF, the agency with the broadest charter for support of basic research and science education, would decline in actual buying power. Although there is proposed a 3% growth for NSF's research accounts, the resolution provides for no growth in its education directorate and other critical operations. In addition, the increase proposed for the research account is about $40 million below the President's request, which would provide 4.7% growth. This translates into nearly 500 fewer research projects being funded in fiscal year 1997.

The Budget Committee's report language continues the indirect assault begun last year on the social and behavioral sciences at NSF. The report endorses the elimination of one scientific directorate and states that "no reductions are assumed to NSF basic research on the physical sciences". This position is taken despite the widespread support for the social and behavioral sciences from the scientific community. The President of the National Academy of Sciences, Dr. Bruce Alberts, has stated that research in these areas have made significant contributions to the store of knowledge and to the ability to meet critical societal challenges and that NSF supported projects in these disciplines have contributed significant advances in research. In contrast, the President's budget request for NSF places no restrictions on areas of inquiry in the basic research programs, relying instead on the agency's merit review processes through which scientists select the most promising research directions to advance fundamental knowledge.

DEPARTMENT OF ENERGY

The budget resolution would cut energy efficiency and coal, oil and natural gas R&D by 50% from FY 96 levels in the first year and would terminate them altogether in four years. It would make a 48% cut in solar and renewable R&D programs in FY 97 and larger unspecified cuts in the out years. [Although not considered energy R&D, the budget resolution would also cut Energy Information Administration programs by 42% from the FY 96 level.]

Now that the Nation's attention is once again focused on the vulnerability of America's energy supplies, it is ironic that the resolution eliminates those very programs that offer some potential for avoiding or ameliorating future situations like this year's sudden and sharp increases in oil and gasoline prices. These programs help Americans develop new energy resources, use energy in increasingly efficient ways, and otherwise keep our cost of using energy as low as possible. Beyond these energy security and economic benefits, these programs provide environmental benefits by reducing our use of energy resources and by developing economically attractive and cleaner ways to produce and use existing and new energy resources.

Also included herein is a letter signed by nine Republican Members of the Committee on Science expressing a desire for alternative levels of funding for these programs than contained in the Budget Resolution or those contained in the Committee's authorization bill.

ENVIRONMENTAL PROTECTION AGENCY

The guidance provided in this Budget Resolution and its accompanying report paint a clear picture of the Republican's hostility towards environmental protection issues and the illogical basis for some key Republican policy positions. The budget resolution assumes that elimination of funds for EPA's science programs will result in greater availability and use of sound science by the Agency in its attempts to protect public health and the environment. Appendix 2 of the report makes clear the Republican position that all regulations are simply a drain on the budget and on our economy. Clearly, this is no endorsement for the utilization of agency regulatory authority to achieve environmental protection goals.

In theory, one logical alternative might be the use of non-regulatory initiatives, in cooperation with business, to achieve public health and environmental goals. However, here too, the Budget Resolution concludes that non-regulatory programs are also unacceptable. Three of EPA's Office of Research and Development non-regulatory programs: the Environmental Technologies Initiative, climate change research, and indoor air research are singled out for elimination.

Environmental technologies create jobs, generate trade surpluses, and result in economic activities with fewer negative effects on the environment. These are the things that Republicans have asserted can be achieved without regulation. Apparently they also think this can be achieved without funding or participation by the agencies charged with protecting the environment.

The evidence that our climate may be impacted by human activities has been increasing, not decreasing over time. Rather than approach this situation from an informed position, the Republicans choose to ignore the problem by shutting down the flow of information. History has taught us that ignorance does not come cheap. The small amount of money saved by eliminating global climate change research will not balance the budget and puts us at risk of huge expenditures in the future.

The cancellation of indoor air research in EPA is justified by assuming that this is a responsibility of OSHA. There are two major flaws in this assumption. First this assumes that there are no health problems associated with air quality in residences—this is not supported by the facts. Second, barely 30 pages further in the report the Budget Resolution calls for the termination of the National Institute for Occupational Safety and Health.

Drastic cuts in environmental research funding and termination of voluntary, non-regulatory initiatives done in cooperation with industry are unlikely to achieve a cleaner environment and adequate human health protection at lower costs. Although the majority's rhetoric declares solid support for environmental protection, the policies and funding priorities contained in this resolution make it clear they are unwilling to back up their rhetoric with real resources.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Although the proposed reductions in FY 97 are largely absorbed by an elimination of Congressionally earmarked programs and the Administration's own plans to phase out the NOAA fleet and corps, reductions in later years can only be accommodated by a substantial cutback in NOAA's core missions relating to weather services, environmental and resource management, and research and development. The Budget Resolution would cut over $2.7 billion, or 20%, from NOAA's core mission over the six year period. Under these circumstances, NOAA would need to:

Delay the ongoing installation of new technologies and field restructuring to support Weather Service Modernizaton;

Cut in half future weather satellite coverage resulting in a blackout should a working satellite fail.

Withdraw from its participation in supporting DOD in critical meteorological services including the converted polar meteorological satellite program and in providing nautical charts and data for safe naval operations;

Scale back fishery management nationwide leading to increased overfishing and allocation conflicts;

Scale back on coastal programs that protect productive and diverse habitats for fish and wildlife, promote cleaner coastal waters for recreation and seafood production, and foster healthy coastal ecosystems;

Eliminate nautical charting activities and navigational services that provide for safe and efficient seagoing commerce;

Reduce research activities relating to improving operations for predicting severe weather including hurricanes and tornadoes; and,

Reduce research activities relating to atmospheric and oceanic monitoring that supports long-term climate forecasts.

These proposed reductions and the resulting impacts on NOAA's programs will sacrifice American lives, property and the national security by crippling weather service modernization and operations, preventing the recovery of fisheries and protected species, severely curtail vital research, and jeopardize safe and efficient seagoing commerce.

DEPARTMENT OF COMMERCE TECHNOLOGY PROGRAMS

This resolution again calls for the cancellation of the technology partnership programs within the Department of Commerce. The elimination of the Advanced Technology Program, the Manufacturing Extension Program, and the National Information Infrastructure Grant Program would result in a cut of $330 million in R&D from the FY 1996 level and $526 million from the FY 97 request level.

Elimination of the Advanced Technology Program would result in the cancellation of new program competitions expected to yield over 100 new awards. To date, ATP has yielded over $1 billion in private sector matching funds. In addition, the Government would be forced to renege on out year commitments to over 500 innovative companies. ATP is a rigorously competitive, cost-shared program that fosters technology development, promotes industrial alliances, and creates jobs.

Elimination of the Manufacturing Extension Program would force the closure of 75 MEP centers across the country that provide valuable technical assistance to our Nation's 381,000 smaller manufacturers. Surveys of client data from MEP indicate an 8:1 return on the Federal investment.

Elimination of National Information Infrastructure Grants would result in no funding for roughly 165 projects designed to ensure access to advanced innovative telecommunications and information applications across the country.

CONGRESS OF THE UNITED STATES,
Washington, DC, May 7, 1996.

Hon. JOHN KASICH,
Chairman, Committee on Budget, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN KASICH: As Republican Members of the House Science Committee, we are writing today in support of continued funding for research and development programs which provide our nation with a sound alternative energy policy.

On Wednesday, April 24, 1996, the House Science Committee marked up our FY'97 Authorization bill without including the title on the Department of Energy, specifically the Energy Supply Research and Development programs. Since it is unlikely any new authorization actions will occur on these critical programs before the Budget Committee markup, we wanted to go on record as strong supporters of alternative energy research and development programs. As a number of Asian and European countries develop significant global economies, the United States will be forced to compete for an ultimately smaller share of the world's finite oil supply. These programs hold the key to our nation's future energy needs.

RENEWABLE ENERGY AND EFFICIENCY PROGRAMS

Between FY'95 actual spending and FY'97 proposed budget levels (based upon the FY'96 budget resolution), domestic discretionary spending has been reduced by 9.2 percent. However, the House Science Committee draft mark and the potential budget resolution mark would result in a 62 percent reduction in renewable energy programs during a two year period. Renewable energy and efficiency programs are vital to both a healthy environment and a sustainable future energy policy. With that in mind, these programs should not suffer dramatically disproportionate cuts in comparison with science programs in particular and with unwise domestic spending in general.

FUSION ENERGY PROGRAM

Last year the Science Committee recommended a substantial decrease in the fusion budget and called for a restructuring of the program. In line with the recommendations of the Fusion Energy Advisory Committee (FEAC), DOE has worked to address these concerns. The first signs of this long-term redirection appears in DOE's FY'97 budget request, which calls for strengthened support for plasma physics, more research into alternative fusion concepts, increased innovation, and continued participation in the international fusion program. We urge the Budget Committee to support DOE's ability to maintain a viable fusion energy program within the FEAC report recommendations.

As you proceed with the budget resolution for FY'97, we ask that renewable energy and efficiency programs be considered a priority and not be unfairly or disproportionately cut.

Thank you for your consideration of this matter.

Sincerely,

MATT SALMON,
SHERWOOD BOEHLERT,
CURT WELDON,
TOM DAVIS,
MARK FOLEY,
ROSCOE BARTLETT,
CONNIE MORELLA,
VERN EHLERS,
STEVE STOCKMAN.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. NORWOOD) having assumed the chair, Mr. CAMP, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, pursuant to House Resolution 435, he reported the concurrent resolution back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on agreeing to the concurrent resolution.

Pursuant to clause 7, rule XV, the yeas and nays are ordered.

The vote was taken by electronic device and there were—yeas 226, nays 195, not voting 12, as follows:

[Roll No. 179]

YEAS—226

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Fields (TX)
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Parker
Petri
Pombo
Porter
Portman
Pryce
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—195

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coburn
Coleman

Collins (IL)
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
English
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—12

Collins (MI)
Ehlers
Hayes
Jacobs
Lewis (CA)
Manzullo
Miller (FL)
Molinari
Packard
Paxon
Quillen
Talent

□ 1648

Mr. CHAPMAN changed his vote from "yea" to "nay."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PACKARD. Mr. Speaker, I was unavoidably detained on Thursday, May 16, 1996, and was unable to cast my vote on rollcall vote No. 179, which was the adoption of House Concurrent Resolution 178, the fiscal year 1997 budget resolution. Had I been present I would have voted "yea" on this rollcall. I ask unanimous consent that my statement appear in the RECORD immediately following rollcall vote No. 179.

Mr. MANZULLO. Mr. Speaker, due to a family emergency, I missed rollcall votes 178 and 179 pertaining to the fiscal year 1997 budget resolution. Had I been present, I would have voted on rollcall No. 178, "no" and on rollcall No. 179, "yes." I request unanimous consent that my statement be included following the vote in the permanent record.

GENERAL LEAVE

Mr. BROWNBACK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on House Concurrent Resolution 178, the concurrent resolution just agreed to.

The SPEAKER pro tempore (Mr. DICKEY). Is there objection to the request of the gentleman from Kansas?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 582 AND H.R. 1972

Ms. LOFGREN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 582 and H.R. 1972.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. FAZIO of California asked and was given permission to address the House for 1 minute.)

Mr. FAZIO of California. Mr. Speaker, I yield to the esteemed leader of the majority, the gentleman from Texas [Mr. ARMEY], to give us the schedule for the coming week and perhaps beyond.

Mr. ARMEY. Mr. Speaker, I am pleased to announce that we have concluded our legislative business for the week and I might say in time for Mr. KIKA DE LA GARZA to make his 5 o'clock plane which has worried me all day long.

Mr. FAZIO of California. I am sure that is greatly appreciated.

Mr. ARMEY. Mr. Speaker, I am pleased to announce that we have concluded our legislative business for the week.

On Monday, May 20, the House will meet in pro forma session. There will be no legislative business—and no votes—on that day.

On Tuesday, May 21, the House will meet at 12:30 p.m. for morning hour and 2 p.m. for legislative business. Members should note that we do not anticipate votes until after 5 p.m. on Tuesday, May 21.

Mr. Speaker, on Tuesday next, the House will consider: Seven bills under suspension of the rules—a list of which will be distributed to Members' offices; the rule for H.R. 3259, the Intelligence Authorization Act for Fiscal Year 1997; and H.R. 3415, a bill to repeal Clinton's 1993 gas tax, which will be subject to a rule.

On Wednesday, May 22, the House will meet at 10 a.m. to consider H.R. 1227, a bill relating to payments for employees who use employer-owned vehicles and H.R. 3448, the Small Business Job Protection Act, both of which will be subject to the same rule.

On Wednesday we will also take up H.R. 3259, the Intelligence Authority Act for Fiscal Year 1997. Members should be prepared to work well into the evening on Wednesday, May 22.

On Thursday, May 23, the House will meet at 10 a.m. to consider H.R. 3144, the Defend America Act of 1996, which will be subject to a rule.

Mr. Speaker, we should finish legislative business and have Members on their way home by 6 p.m. on Thursday, May 23.

I thank the gentleman for yielding.

Mr. FAZIO of California. Mr. Speaker, I am interested in knowing whether there is any time in the future where the dime that was added to the gas tax by Senator DOLE will be brought before the Members for a vote.

Mr. ARMEY. I thank the gentleman for the inquiry. It was rather interesting.

Mr. FAZIO of California. On a more relevant note on the schedule, I wondered if the gentleman could tell me, looking down the road at the long-term schedule, with the House returning from Memorial Day on Wednesday, May 29, after 2 p.m., many Members are really wondering whether or not there would be some possibility of a further movement of that 2 p.m. time frame to perhaps 5 p.m. so perhaps members from the Far West could travel and be here for votes. How immutable is the 2 p.m. on return from the Memorial Day break?

Mr. ARMEY. Let me thank the gentleman for that inquiry. That is something we have under consideration. We certainly want to be sure that we are able to resolve that early next week so that Members can have an opportunity to make whatever plans they can. I should only say that it is something that is possible at this point. I just do not feel comfortable with saying anything more definitive than that.

Mr. FAZIO of California. But it is possible that perhaps early next week we could have some notice that you have made that change?

Mr. ARMEY. I would hope to have that.

Mr. FAZIO of California. I appreciate that.

ADJOURNMENT TO MONDAY, MAY 20, 1996

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON TUESDAY, MAY 21, 1996

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, May 20, 1996, it adjourn to meet at 12:30 p.m. on Tuesday, May 21, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3415, REPEAL OF 4.3-CENT INCREASE IN TRANSPORTATION FUELS TAXES

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 104–580) on the resolution (H. Res. 436) providing for consideration of the bill (H.R. 3415) to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent increase in the transportation motor fuels excise tax rates enacted by the Omnibus Budget Reconciliation Act of 1993 and dedicated to the general fund of the Treasury, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3259, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 104–581) on the resolution (H. Res. 437) providing for consideration of the bill (H.R. 3259) to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3144, DEFEND AMERICA ACT OF 1996

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 104–582) on the resolution (H. Res. 438) providing for the consideration of the bill (H.R. 3144) to establish a United States policy for the deployment of a national missile defense system, and for other purposes, which was referred to the House Calendar and ordered to be printed.

CONTINUING NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–214)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on developments since the last Presidential report of November 28, 1995, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979. This report is submitted pursuant to section 204 of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c). This report covers events through March 1, 1996. My last report, dated November 28, 1995, covered events through September 29, 1995.

1. Effective March 1, 1996, the Department of the Treasury's Office of Foreign Assets Control ("FAC") amended the Iranian Assets Control Regulations, 31 CFR Part 535 ("IACR"), to reflect changes in the status of litigation brought by Iran against close relatives of the former Shah of Iran seeking the return of property alleged to belong to Iran (61 *Fed. Reg.* 8216, March 4, 1996). In 1991, Shams Pahlavi, sister of the former Shah of Iran, was identified in section 535.217(b) of the IACR as a person whose assets were blocked based on proof of service upon her in litigation of the type described in section 535.217(a). Pursuant to that provision, all property and assets located in the United States within the possession or control of Shams Pahlavi were blocked until all pertinent litigation against her was finally terminated. Because the litigation has been finally terminated, reference to Shams Pahlavi has been deleted from section 535.217(b). A copy of the amendment is attached to this report.

2. The Iran-U.S. Claims Tribunal, established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered one award, bringing the total number to 567. The majority of those awards have been in favor of U.S. claimants. As of March 1996, the value of awards to successful U.S. claimants from the Security Account held by the NV Settlement Bank was $2,376,010,041.91.

In February 1996, Iran deposited funds into the Security Account, established by the Algiers Accords to ensure payment of awards to successful U.S. claimants for the first time since October 8, 1992. The Account was credited $15 million on February 22, 1996. However, the Account has remained continuously below the $500 million balance required by the Algiers Accords since November 5, 1992. As of March 1, 1996, the total amount in the Security Account was $195,370,127.71, and the total amount in the Interest Account was $37,055,050.92.

Therefore, the United States continues to pursue Case A/28, filed in September 1993, to require Iran to meet its obligations under the Algiers Accords to replenish the Security Account. Iran filed its Statement of Defense in that case on August 30, 1995. The United States filed a Reply on December 4, 1995. Iran is scheduled to file its Rejoinder on June 4, 1996.

3. The Department of State continues to present other United States Government claims against Iran and to respond to claims brought against the United States by Iran, in coordination with concerned government agencies.

In November 1995, Iran filed its latest Response concerning the United States Request to Dismiss Certain Claims from Case B/61. The United States had filed its Request to Dismiss in August 1995 as part of its consolidated submission on the merits. Iran had previously filed its initial response in July 1995, and the United States filed a reply in August 1995. Case B/61 involves a claim by Iran for compensation with respect to primarily military equipment that Iran alleges it did not receive. Iran had sought to purchase or repair the equipment pursuant to commercial contracts with more than 50 private American companies. Iran alleges that it suffered direct losses and consequential damages in excess of $2 billion in total because of the United States Government refusal to allow the export of the equipment after January 19, 1981, in alleged contravention of the Algiers Accords. Iran's November 1995 filing failed to show why the Tribunal should not dismiss immediately certain duplicative or otherwise improperly pleaded claims from Case B/61.

In December 1995, the Department of State represented the United States in hearings before the Tribunal on two government-to-government claims. In the first, Chamber Two heard oral arguments in Case B/36, the U.S. claim against Iran for its failure to honor debt obligations created by the sale of military surplus property to Iran shortly after the Second World War. In the second, also before Chamber Two, the Department of State presented the U.S. defense in Case B/58, Iran's claim that the United States is liable for damage caused to the Iranian State Railways during the Second World War.

In January 1996, in Case B/1 (Claims 2 & 3), Iran filed its Rebuttal Memorial Concerning Responsibility for Termination Costs, along with 20 volumes of exhibits and affidavits. In this briefing stream, the Tribunal is asked to decide whether Iran or the United States is liable for the costs arising from the termination of the U.S.-Iran Foreign Military Sales program after Iran's default and its subsequent seizure of the U.S. embassy in Tehran in 1979. The United States is currently preparing a comprehensive response to Iran's brief.

In February 1996, the Departments of State and Justice represented the United States in a hearing before the full Tribunal in a government-to-government claim filed by Iran. Case A/27 is an interpretive dispute in which Iran claims that the United States is liable under the Algiers Accords for Tribunal awards issued in favor of Iran against U.S. nationals. The United States maintains that its obligation under the Algiers Accords is satisfied by the availability of domestic judicial procedures through which Iran can enforce awards in its favor.

Also in February 1996, Iran and the United States settled Iran's claims against the United States filed before the International Court of Justice concerning the July 3, 1988, downing of Iran Air 655 and certain of Iran's claims against the United States filed before the Iran-United States Tribunal concerning certain banking matters. The cases in question were dismissed from the International Court of Justice and the Iran-United States Tribunal on February 22, 1996. The settlement, *inter alia*, fulfills President Reagan's 1988 offer to make *ex gratia* payments to the survivors of the victims of the Iran Air shootdown. The survivors of each victim of the Iran Air shootdown will be paid $300,000 (for wage-earning victims) or $150,000 (for non-wage-earning victims). For this purpose, $61 million was deposited with the Union Bank of Switzerland in Zurich in an account jointly held by the New York Federal Reserve Bank, acting as fiscal agent of the United States, and Bank Markazi, the central bank of Iran. Of an additional $70 million in the settlement package, $15 million was deposited in the Security Account established as part of the Algiers Accords. The remaining $55 million was deposited in an account at the New York Federal Reserve Bank, from which funds can be drawn only (1) for deposits into the Security Account used to pay Tribunal awards to American claimants or for the payment of Iran's share of the operating expenses of the Tribunal, or (2) to pay debts incurred before the date of settlement and owed by Iranian banks to U.S. nationals. Under the terms of the settlement, no money will be paid to the Government of Iran.

4. Since my last report, the Tribunal has issued one important award in favor of a U.S. national considered a dual U.S.-Iranian national by the Tribunal. On November 7, 1995, Chamber Three issued a significant decision in Claim No. 213, *Dadras Int'l and Per-Am Construction Corp.* v. *The Islamic Republic of Iran*, awarding a dual national claimant $3.1 million plus interest for architectural work performed for an Iranian government agency developing a housing complex outside Tehran, Iran.

The Tribunal held hearings in four large private claims. On October 23–27, 1995, Chamber One held a hearing in Claim No. 432, *Brown & Root, Inc.* v. *The Iranian Navy*, involving contract amounts owed in connection with the construction of the Iranian Navy Chahbahar and Bandar Projects in Iran. On January 18–19, 1996, Chamber One held a second hearing in Claim Nos. 842, 843, and 844, *Vera Aryeh, et al.* v. *The Islamic Republic of Iran*, in which allegations of fraud and forgery were considered. Finally, the United States Government filed a Memorial on the Application of the Treaty of Amity to Dual United States-Iranian Nationals in three private claims before the Tribunal: Claim No. 485, *Riahi* v. *The Islamic Republic of Iran*, in Chamber One on January 29, 1996; Claim No. 953, *Hakim* v. *The Islamic Republic of Iran*, in Chamber Two on February 27, 1996; and Claim No. 266, *Aryeh, et al.* v. *The Islamic Republic of Iran*, in Chamber Three on February 29, 1996. The Memorial argues that a good faith interpretation of the ordinary meaning of the 1955 Treaty of Amity leads to the conclusion that it protects all persons deemed to be U.S. nationals under U.S. laws when they undertake activities in Iran, regardless of whether they also possess another nationality.

5. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 16, 1996*.

IN MEMORY OF ADM. MIKE BOORDA

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I rise with a great deal of sadness and I know that every Member of the House joins me.

A little earlier our colleague, JACK MURTHA, rose to announce the tragic news of the death of Adm. Jeremy Boorda, known to many of us as Mike Boorda. Mike Boorda is a historic figure. He is the only Chief of Naval Operations to have entered at the very lowest level of the Naval ranks and rise to a four-star admiral and Chief of Naval Operations.

At this time we do not know all the facts surrounding the untimely death at approximately noontime today. But what we do know is that the Nation has lost one of its finest men, one of its finest soldiers, one of its finest sailors, one of its finest leaders.

Mike Boorda was a sailor's sailor. Mike Boorda was an American's American. He was a success story. He was, in sum, an individual for whom all of us could have the greatest respect and deepest affection.

Mr. Speaker, it is with unrestrained sadness and grief that I rise to express to all of the men and women of the U.S. Navy and all of the men and women of our armed services an empathy of personal loss to each of us in this House and to our Nation.

Mr. Speaker, I yield to my friend, the gentleman from Washington, NORMAN DICKS.

Mr. DICKS. I appreciate the gentleman yielding.

Mr. Speaker, I want to compliment him for taking the floor and his very sensitive remarks. Mike Boorda and his wife Betty were friends of mine. They paid a great honor to my wife and I by coming out to the commissioning of the U.S.S. *Ranier* in Bremerton. I have never met a finer sailor or a person of whom I was more proud, someone who had come up through the ranks as an enlisted person to become the Chief of Naval Operations, the first time that has ever happened.

He was a tremendous leader, a person who cared deeply about the sailors, the people in the Navy and how these long deployments affected them and their families.

□ 1700

He was a tremendous leader. My heart goes out to his family. This is a tragedy. We have lost a great leader of the U.S. Navy, someone who will be missed.

I just want to commend my friend, Congressman HOYER, for taking this time. Mike Boorda will be missed, and is someone that has served our country well. I appreciate the gentleman for taking this special order.

Mr. HOYER. I thank the gentleman for his comments, and I will be glad to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, I appreciate the gentleman yielding to me.

My district is one that has the naval submarine base in Groton. It is something we are all very proud of. The loss that we all feel, the previous speakers have expressed it, there was no one who had a better sense of the average sailor, to the complex overview of the entire structure of the Navy. I have never met anybody who was more broadly admired or anyone who did the job that he did. He will be missed by our community, those in the Navy, and those outside the Navy who worked with him as well. It is a great loss for the Navy family, and for the country as a whole.

Mr. HOYER. I thank the gentleman, and I yield to my friend from Georgia.

Mr. LINDER. Mr. Speaker, I thank the gentleman for yielding.

I did not know Mike Boorda personally, but I knew of him and followed a career that was meteoric. I heard of this this afternoon, standing back there talking to RON DELLUMS, and he was crushed, as was I. Our Nation is going to suffer a great and tragic loss. Our side, as well as yours, is going to miss this great man.

Mr. HOYER. Mr. Speaker, I thank the gentleman for his comments, and would echo his words, that there is no partisanship in the grief. Each and every one of us in this House, representing every American, will grieve for the loss of such a brave and gracious and warm and capable human being.

I am glad to yield to my friend from Indiana.

Mr. McINTOSH. Mr. Speaker, I too wish to express a sense of deep loss and regret. When the news traveled through our office, I did not personally know Admiral Boorda, but my father-in-law, Captain Robert McManis, served with him in the Navy in his 30 years, and he often told me of the admirable traits that Admiral Boorda brought to that job, of his true and deep compassion for the sailors in our Navy, of his abiding faith in the U.S. Navy, as the defender of freedom in this country. And I appreciate your kind words in expressing on behalf of all of us here in Congress that deep sense of loss and regret that came to us when we heard of this tragedy today.

Mr. HOYER. Mr. Speaker, I am glad to yield to my friend from Florida, Mr. SCARBOROUGH.

Mr. SCARBOROUGH. Mr. Speaker, I thank the gentleman from Maryland.

As someone that has NAS Pensacola in our district and CSS, and somebody that actually was with CNO this past weekend in Pensacola, it is a great loss to the entire naval community. He took time out of his busy schedule to come down and help us open up with President Bush the Naval Air Museum. The genuine affection that the people of Pensacola and the entire naval community had for Mike Boorda was just overwhelming that night.

Let me just say something in closing. It was not an easy job that Admiral Boorda had. There is a lot of conflict in the Navy, and a lot of social problems. It was a difficult time that the Navy was going through.

I just want to go on record as saying I could not think of a man, any man or woman in the Navy, that I would rather have guide the Navy through those difficult times. He always carried himself with a tremendous amount of dignity, and I had a great deal of respect for him. We will sorely miss him in Pensacola and throughout the naval community.

Mr. HOYER. I thank the gentleman for his remarks.

I yield to my friend from New Mexico, Mr. RICHARDSON.

Mr. RICHARDSON. I thank the gentleman for yielding.

I, too, knew Admiral Boorda. We had several dealings on a variety of national security and foreign policy issues. He was an outstanding man. He was always up front. He was candid, he was honest, he was gracious, as you described him, and I wish to participate in mourning his great loss to the country.

Mr. HOYER. Mr. Speaker, I yield to the gentleman from Hawaii.

Mr. ABERCROMBIE. Mr. Speaker, as has been stated, Admiral Boorda served this Nation with honor and distinction and carried out his duties in that manner, and we are required on this sad day to carry out ours.

Mr. HOYER. I thank the gentleman.

I will now yield to my friend from Mississippi, General MONTGOMERY, who is one of the Members of this House who knows the armed services the best, who serves as one of our highest ranking members of the Committee on National Security, and in that capacity has dealt very closely with and knows very well our late friend, Admiral Boorda.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding and for taking this time.

Really, I feel like I have just lost a brother. He was close to all of us. It is just a terrible shock, this sadness that it happened. Admiral Boorda, as has been mentioned here, of course, was an enlisted person and went up through the ranks.

I had the opportunity to go with him to about three different bases, and he would not come to your base unless you would give an hour's time to be with the enlisted personnel. They would sit there and they would give him problems, and I saw him solve the problems, right in that base, right on the scene. No question about it, he was probably one of the most popular naval officers that we have ever had in the Navy.

I even, and I am sure the gentleman tried too, after he retired where he might move and live, his father died in the naval home down on the Mississippi Gulf Coast, and Admiral Boorda every week, flying a commercial flight, would come down to see his father when he was sick. He liked that area, Admiral Boorda did, and he thought about moving down there after his retirement.

I thank the gentleman for taking the time. This is a great tragedy to our Nation.

Mr. HOYER. Mr. Speaker, in ending, let me simply say that from time to time we lose individuals who are very special, very unique who have made an extraordinary contribution to their country and to their fellow citizens. Admiral Jeremy "Mike" Boorda was one of those.

May God bless him, and may God keep and bless his family.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. DICKEY). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

A WAR ON DRUGS REALLY SHOULD BE DECLARED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, earlier today I took a 1-minute on the floor to discuss a problem that I think the American people demand we address. According to experts, 70 percent of all crime in this country is caused by people who are dealing in drugs or are drug related one way or another. Our kids are being infected by the drug culture. It is destroying our inner cities and our suburbs. It is causing a myraid of problems.

The prisons are filled with people who have dealt with drugs, used drugs, or committed crimes while under the influence of drugs, and each one of these people that are incarcerated cost up to $30,000 a year to keep in jail. Yet the war on drugs goes on and on and on, and nothing seems to be accomplished.

We read every day that more and more people have been arrested, more cocaine has been picked up by the DEA, and yet we hear about tons and tons of cocaine that is getting past them into the United States, even though they are working very, very hard to keep that kind of thing out of here.

Now, I was in a place called the Upper Yuagua Valley in Peru about 4 years ago, and I found that 65 percent of all the coca in the world is produced in this one valley that is about 25 miles wide and about 150 to 200 miles long. We know exactly where two-thirds of the world's coca is produced. And right across the border in Bolivia another 20 to 25 percent of the world's coca is produced. So about 90 percent of the world's coca that is turned into crack and cocaine that comes into our country and affects our kids and hurts our society and costs the taxpayers billions of dollars is in these two locations, and we are not doing a darn thing about it.

They have people down there we are paying to cut down these coca plants with a thing that is kind of like a metal weed-eater, and a good campesino cutting down these coca fields can only cut down about an acre a day. As fast as they cut it down, it is replaced tenfold by the drug dealers down there, the Medellin cartel and the others, and we cannot stop them. And we call this a war on drugs.

So I said to my colleagues this morning and I say to the administration and anybody else, Mr. Speaker, that might be paying attention, that if there is a war on drugs, I missed it. And if we do not really have a war on drugs, then let us declare a war on drugs. We could put an aircraft carrier off the coast of Peru, load it up with a herbicide called tebucyron, or spike, and at 5 o'clock in the morning take off and fly up and down the Upper Yuagua Valley and drop these little pellets that are environmentally safe. We could do the same thing in Bolivia. We would have to fly a little bit further. But we could knock out 90 percent of the world's coca production in a week. I hope everybody is listening. In 1 week we could knock out 90 percent of the world's coca production. Now if you do not have coca, you cannot make coca paste, and if you do not have coca paste, you cannot make crack cocaine or cocaine. All of the chemicals that they use to perfect coca paste and make crack cocaine that is dumped into the tributaries that is going into the Amazon River and the other rivers down there, that will no longer be going into those rivers, thus infecting the environment and killing the environment.

So I would like to say to my colleagues today, if we really wanted to stop cocaine, or if we really want to destroy the poppy plants and heroin use in this country, we know where they are producing it. All we have to do is have the guts to go in there and destroy it. And we have the ability to do it.

Now, the State Department, I talked to them about it, and they said well, we cannot violate the territorial sanctity of a sovereign nation, meaning we cannot go across the border of Peru or Bolivia without their permission.

What are they going to do, shoot down our planes? Of course they would not do that. The fact of the matter is the war on drugs really is not a war on drugs; it is a hollow political statement that does not mean a darn thing. And we are spending billions of dollars nipping around the edges and our kids continue to be infected with this sort of thing.

□ 1715

We could deal with it very quickly. So I want to say to my colleagues, in closing, there is a way to deal with it. Go down there and destroy the coca plants and they will not make crack cocaine. They will not make cocaine, and it will send a tremendous signal to the drug cartels around the world, and that is, if they plant that stuff, we are going to destroy it.

Now, some of my colleagues say, well, then they will start making designer drugs in the United States. Well, if they do that, we can nail them at their laboratories because we will be able to pinpoint those. Now we know where the coca is coming from and we are not doing a darn thing about it, and it is a crying shame because it is killing American citizens.

TRIBUTE TO SAM RAGAN

The SPEAKER pro tempore (Mr. DICKEY). Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, I rise today to pay tribute to a great journalist, a great poet, a great North Carolinian, a great American—Sam Ragan—who died Saturday, May 11, 1996.

Born, Samuel Talmadge Ragan, 80 years ago in Granville County, Sam was devoted to his wife of 56 years, Marjorie, their two daughters, Talmadge and Nancy, his two grandchildren Robin and Eric, his family and a host of friends. He was also devoted to his community, to North Carolina and the people who call them home.

Consider his poem:

THE MARKED AND UNMARKED

I cannot say upon which luminous evening
I shall go out beyond the stars,
To windless spaces and unmarked time,
Turning nights to days and days to nights.

This is the place where I live.
I planted this tree.
I watched it grow.
The leaves fall and I scuff them with my feet.

This is the street on which I walk,
I have walked it many times.
Sometimes it seems there are echoes of my walking—

In the mornings, in the nights,
In those long evenings of silence and stars
—the unmarked stars.

During his life Sam marked the way for those who would come after him. His résumé was long, varied, and impressive. His accolades and awards too numerous to list. After college graduation, he began his career in journalism when journalists were men of letters.

As an editor in Wilmington, NC, early in his career, when Sam needed a sportswriter, he hired a young man named David Brinkley. In 1941, Sam joined the Raleigh News and Observer as State editor.

During World War II, he served in Army Intelligence for 3 years and then returned to the News and Observer in 1946, where he became the managing editor in 1948. From 1957 to 1968 he served as the executive news editor for the News and Observer and the Raleigh Times.

In 1968, he moved to Southern Pines and purchased the Pilot Newspaper; serving as editor, publisher, and business manager until his death. Under his stewardship, the paper grew from a weekly with circulation of 3,000 to a twice-a-week newspaper with circulation of 16,000.

Former Gov. Terry Sanford said "Sam Ragan was one of North Carolina's treasures. He was a crusading editorial force at the News and Observer where he fought for the improvement of education, the elimination of racial injustice and the broadening of economic opportunities.

In 1972, North Carolina led the Nation by creating the first State cabinet-level position for the arts. Sam Ragan was appointed as the first secretary of cultural resources by then Gov. Bob Scott who said he appointed Sam because he embodied the perfect mix of businessman, manager, and artist.

In 1982, Gov. Jim Hunt appointed Sam Ragan North Carolina "Poet Laureate for Life." He was only the third person to hold the honorary title.

Sam's tall frame, flowing white hair, trademark bow tie and fedora hat, made it easy, even for those who did not know him, to pick him out of the crowd. He had an affinity for people which was readily acknowledged and returned by those who met him.

Sam always found a moment to speak with a visiting tourist, a student, or a local resident, who dropped by his office to visit; along with the civic leaders, business leaders, political candidates and elected officials who sought his counsel.

Those who are acquainted with Sam Ragan's professional activities are fully aware that as an editor he fashioned a distinguished career of recording and examining newsworthy events. How remarkable, then, that in his poetry he focused on ordinary people, the small incidents of daily life, the quiet unfolding of nature—events that never rated a headline. His unique talent transformed simple everyday occurrences. He made ordinary people special and special people ordinary.

Throughout his life, Sam used his indomitable spirit, his influence and his opinion to steadfastly champion the arts. He enriched our literary, cultural, and journalistic heritage and the quality of our life.

To paraphrase our beloved poet laureate:

And sometimes remembering is all we have.

Other sights and sounds
Flood the memories
of someone very special.
Sam, you had a wonderful journey,
And it's the journey that counts,
Not the getting there.
Here in Washington the azaleas are in bloom
Across the miles I am proud
and others share my pride in you—
The very special you.

Mr. Speaker, Sam Ragan was truly a Renaissance man, a man for all times. How fortunate we are that he graced our time.

Mr. Speaker, I submit for the RECORD the following information from "Who's Who in America" regarding Samuel Talmadge Ragan.

WHO'S WHO IN AMERICA 1996

Ragan, Samuel Talmadge, newspaper editor, publisher, educator, poet laureate; b. Berea, N.C., Dec. 31 1915; s. William Samuel and Emma Clare (Long) R., m. Marjorie Usher, Aug. 19, 1939; children: Nancy, Ann Talmadge. A.B., Atlantic Christian Coll., 1936, Litt.D., 1972; Litt.D., U.N.C., 1987; D.Letters, Meth. Coll., 1980; D.Lit., St. Andrews Coll., 1987. Newspaperman in N.C. and Tex., 1936—; mng. editor, author column Southern Accent in Raleigh (N.C.) News and Observer, 1948–69, exec. editor Raleigh News and Observer, also Raleigh Times, 1957–69; editor pub., author column The Pilot, Southern Pines, N.C., 1969–; sec. N.C. Dept. Arts, Culture and History, 1972–73; conductor program, commentator sta. WTVD, Durham, 1969–; spl. lectr contemporary issues N.C. State U., 1959-68; dir. Writer's Workshop, 1963–; instr. creative writing St. Andrews Coll., 1970–, Sandhills Coll., 1969–; cons. editor St. Andrews Rev., Pembroke Mag. Author: (collected poems) The Tree in the Far Pasture, 1964, To the Water's Edge, 1971, Journey Into Morning, 1981, In the Beginning, 1985; The Democratic Party: Its Aims and Purposes, 1961, The New Day, 1964, Free Press and Fair Trial, 1967, (with Elizabeth S. Ives) Back to Beginnings, 1969. In the Beginning (with Thad Stem Jr.), 1984, A Walk Into April, 1986, Collected Poems, 1990, Editor: Weymouth Anthology, 1987; Contbr. editor; World Book Ency., 1964–; author articles, poems. Pres. Friends Coll., Inc., N.C. State, 1961–62; mem. N.C. Library Resources Com., N.C. Govt. Reorgn. Comm., 1970–; moderator N.C. Writers Forum of Charlotte,, 1963–; Trustee N.C. Sch. Arts, 1963–72; mem. N.C. Adminstrn. of Justice Council, 1964–, chmn., 1980–83; bd dirs N.C. Symphony Soc., 1975-79. Served with AUS, 1943–46, PTO. Recipient N.C. Tercentenary Poetry award, 1963. Spl. Citation for Contbns. to Journalism Atlantic Christian Coll., North Caroliniana Soc. award, 1981, Disting. Svc. medal DAR, 1974, Edward Arnold Young award, 1981, Disting., Svc. medal DAR, 1974, Edward Arnold Young award for Poetry, 1965, 72, 91, Morrison award for contbns. to arts N.C., 1976, N.C. award for achievements in arts, 1979, R. Hunt Parker award for contbns. to lit., 1987, N.C. Artists awarded United Arts Coun., 1990, Caldwell award for contbns, and achievements in humanities, N.C. Humanities Coun., 1993; inducted into N.C. Journalism Hall of Fame, 1984; appointed Poet Laureate N.C. for life, 1982. Mem. N.C. Lit. Forum (moderator 1956–), N.C. Writers Conf. (chmn. 1962–63), Eastern N.C. Press Assn. (past pres.), N.C. Press Assn. (pres. 1973–74), Asso. Press Mng. Editors Assn. (dir. gen. chmn. continuing studies 1961, sec. 1962, v.p. 1963, pres 1964), Am. Soc. Newspaper Editors (dir., chmn. freedom of info. com. 1968), Roanoke Island Hist. Soc. (dir), N.C. News Council (past pres.), N.C. Arts Council (chmn. 1967–72), Am. Newspaper Pubs. Assn., N.C. Lit. and Hist. Assn. (pres. 1977), Friends of Weymouth (pres. 1979–84), Sigma Delta Chi. Democrat. Presbyterian. Club: Sandhills Kiwanis (Southern Pines); Builders Cup 1985. Homes:255 Hill Rd Southern Pines NC 28387–6633 Office: 145 W Pennsylvania Ave Southern Pines NC 28387–5428.

APPRECIATION FOR ALL WHO FOUGHT RECENT NEW MEXICO FOREST FIRES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico [Mr. RICHARDSON] is recognized for 5 minutes.

Mr. RICHARDSON. Mr. Speaker, imagine being face to face with a powerful beast that can frighten the most ferocious bear. This beast is a forest fire, and the U.S. Forest Service has recently confronted two immense fires in northern New Mexico. The U.S. Forest Service in our State has done a splendid job in containing these two fires and they deserve great credit.

I want to express my appreciation to Chip Cartwright, the regional forester in New Mexico; Leonard Lucero, the head of the Carson Forest; Al Defler, head of the Santa Fe Forest; and Gary Schiff of the Forest Service, whose well-executed planning led to the containment of these fires which threatened our communities and our treasured forests in New Mexico.

I also want to include for the RECORD a step-by-step analysis of exactly what the Forest Service has to do to contain a forest fire, and I will submit that information for the RECORD.

The statement highlights the mission of the Forest Service, which involved air attacks, the safe evacuation of residents, the coordination of hundreds of firefighting crews, and the overall exceptional communication that was coordinated by the Service. All this was being done while fire was burning on very steep slopes with high fuel loads, strong wind gusts, and unseasonably hot and dry weather.

Over 7,000 acres were burned. Entire communities were threatened by the fires, which creates a tremendous amount of stress that Forest Service officials must endure while making on-the-spot decisions. One decision included an ordered evacuation of the residents of Lama in northern Taos County.

As the raging storm headed their way it was critical that the evacuation was handled in an orderly and calm fashion. Most individuals worked around the clock fighting both fires, which occurred one after the other. Gary Loving, for example, just completed his duties as incident commander for the Dome fire in the Santa Fe when he was called to duty in the Carson.

While our Federal employees who manage public lands have been the subject of much criticism, now is the right time to acknowledge them for their true dedication and devoting to their duties as protectors of the land.

Before I close, I also want to mention the wonderful efforts of the volunteer firefighting organizations, New Mexico forestry officials, Federal, State, and local agencies, the Red Cross, the residents of Lama and Red River, Questa, Taos, White Rock, Jemez, Los Alamos, and Santa Fe, and everyone who gave their time toward fighting these fires. These individuals have shown an entire Nation how caring about one another and rallying together and working together can overcome any tragedy.

I also want to thank the Small Business Administration, Phil Lader especially, the Administrator. Just today, the Small Business Administration has announced that Taos County, where this fire took place, is a Federal disaster area. That means that the residents of Lama who lost their homes, and there is a total of 31 families, can now apply for low-interest loans. In the same vein, businesses that were struck down by the fire can apply for low-interest loans to rebuild.

Mr. Speaker, here is evidence of the Federal Government being able to help. Recently, the Federal Emergency Management Agency went to northern New Mexico to inspect damage, and they are working to see if they can be helpful, along with the U.S. Department of Agriculture. Here we have a situation where nature strikes, there are a lot of victims, and then the Federal Government can come in with some good programs and well-trained people and help citizens.

Mr. Speaker, New Mexico is also not burning. Only 1 percent of northern Taos County burned. We are sending a message out to the rest of the country from New Mexico that we welcome visitors; that the State is not on fire; that we have some of the best hiking and fishing and cultural representation of our country in our State. And we hope that despite this tragedy, that America will come to New Mexico.

The fire is under control. The Carson and the Santa Fe are still at risk, and if visitors come they have to be very careful about not initiating any camp fires or throwing matches on the ground or being careless because we are faced with a very, very precarious situation, especially in the Carson.

Mr. Speaker, I want to conclude by once again thanking members of the

U.S. Forest Service for the splendid job they did in containing these two fires in New Mexico.

Mr. Speaker, the information referred to earlier is submitted herewith:

REPORT ON THE HONDO WILDFIRE AND OUR APPRECIATION TO THOSE WHO FOUGHT THE BLAZE

(By Congressman Bill Richardson)

At 12:30 PM on Sunday, May 5, our Taos Zone Dispatcher, Paul Mondragon, received a report of a fire spreading in San Cristobal canyon. Phil Tafoya, a Carson National Forest law enforcement officer, was dispatched to the scene. Fifteen minutes later, Marc Trujillo, the Carson's Fire Management Officer, ordered an air attack. By 2:15 PM planes were dropping their first loads in efforts to save homes and contain the fire.

In the meantime Ron Burnam, Red River Fire Marshall, and his fire crew as well as the Hondo/Saco and Taos Fire Departments were on site attempting to save homes from the ground. By 3:30 PM, Paul and Marc were ordering bulldozers and other heavy equipment to build fire lines around homes and communities. By 4:00 PM, it was apparent that this was a raging fire storm and Lama residents' lives were in danger as the storm headed their way. Carson National Forest and local fire officials recommended evacuation of the Lama area.

At 4:00 PM local forest officials, realizing the severity of the fire, requested a full Type I fire team. Within hours this team of world class fire fighting specialists began to arrive. At 5:30 PM Carson National Forest Supervisor Leonard Lucaro and Marc Trujillo flew over the fire and sized up the situation. By this time the fire had reached 9000 feet in elevation and was headed for Flag Mountain, just south of the Village of Questa.

Given the rate of spread, Carson National Forest officials in coordination with State Forestry and local officials and the State Police began the evacuation of residents on the southern edge of Questa and the Town of Red River. Before midnight the Class I Team, headed by incident Commander Gary Loving, arrived, having just finished work on the Dome fire near Los Alamos, New Mexico.

Within 24 hours, 32 twenty-person fire crews, six helicopters, 24 fire engines, and five tankers were working to protect homes of local residents and contain the fire. A small city of over 1000 firefighters, fire fighting strategists, safety and information officers, cooks, communications specialists and many more appeared on a mesa just west of the fire. The challenges facing the team were daunting: fighting a fire that had already engulfed almost 7000 acres, devastated one community and was threatening two others. The fire was burning on very steep slopes, fuel loads were very high, wind gusts were strong, and the weather was unseasonably hot and dry.

Yet, within days, the team managed to contain the fire. Much of the work was done by helicopters which dumped over a million gallons of water on the fire. What is perhaps most miraculous is that not a single life was lost, nor any serious injuries, neither firefighters nor residents. And from the time the team arrived, not a single home was lost.

On behalf of all of my constituents, I want to say thanks. Thanks to Supervisor Leonard Lucero and the entire Carson National Forest team for their swift response. Thanks to local volunteer fire fighting organizations, BLM, State Forestry Officials, Red Cross, the National Guard, our State Police and all the local volunteers for all working together seamlessly under great stress. Thanks to a wonderful community who pulled together to help those in need. Thanks to the Class I fire team and firefighters who came from all over the nation to help us. You are truly the best on the planet!

The Forest Service certainly receives their share of knocks from some who sometimes disagree with their decisions. But not this time. No one is knocking this agency in my district for these efforts. The men and women who helped us are nothing less than heroes. And we thank them from the bottom of our hearts. Muchas gracias a todos por su ayudai.

ALLOCATION OF SPECIAL ORDER TIME

Mr. WISE. Mr. Speaker, I ask unanimous consent to take the place of the gentleman from California [Mr. FILNER].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

EXPLANATION OF BUDGET PROCESS AND VOTES ON BUDGET PROPOSALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I rise to talk a little bit about the budget process that has just passed, to put on the record the reasons I voted the way I did. I voted for the Coalition budget; I voted for the President's budget, both designed to get us to a balanced budget within a 6-year period, the same as the parameters set in the Republican leadership budget. I voted very strongly against the Republican budget.

Why did I vote for two and not the third? Well, basically the reason is, Mr. Speaker, because the first two at least recognized the importance of investment in the future for our young people, for our economic growth. Because those budgets, while they did balance in a 6-year period, the same as the Republican leadership budget, at the same time those budgets did not attempt to give tax breaks to the wealthiest individuals in this country.

The coalition budget had no tax cuts in it, recognizing that we have contradictory goals if we are trying to reduce the revenues coming in by cutting taxes and at the same time balancing the budget.

The President's budget, while it did have a tax cut in it, was a limited tax cut targeted for middle income working families and low income working families.

Neither of these budgets tried to take it out of the hide of low-income working people, such as the Republican leadership budget did, particularly because the Republican leadership budget sought to greatly reduce the earned income tax credit. That is the tax cut that was greatly expanded only 2 years ago, that gives tax relief to working families earning under $26,000 a year.

□ 1730

I was also concerned because the Republican leadership budget would cut education again, and that is a battle we had just fought. It would eliminate the Department of Commerce. If anyone can tell me why, at a time when we have got a department that is actually generating jobs, generating contracts, has brought in $80 billion of contracts and developed a national export strategy for the first time, why we seek to eliminate it. It seems to me it is simply a matter of ideology, and that is not a satisfactory reason.

I was also concerned, Mr. Speaker, because of the cuts that are proposed in Medicare and Medicaid. I have great problems in the Republican budget with the assumption of balanced billing. In other words, a senior citizen may now be charged more by the provider and the senior will be billed directly for that, as opposed to the senior paying out of pocket being limited, as is presently the law.

I am concerned about the cuts in Medicaid, because I think what that is going to mean is that it will go to the States in a block grant, but not satisfactorily enough to meet the needs. At the same time the needs will expand, the funds will decrease.

Those are a lot of the reasons, Mr. Speaker, that I voted against the Republican budget but for the coalition and President's budget. I have heard a lot of talk, Mr. Speaker, about the need to, and certainly we all agree that there is a need to make sure that our young people are not burdened by debt. At the same time, there is also a compelling need to make sure they are not burdened by ignorance through lack of educational opportunities.

Mr. Speaker, there is a compelling need to make sure that our young people are not burdened by lack of opportunity because we are not investing in our economy. There is a compelling need to make sure that our young people are not burdened by the problems of crime because we are not investing adequately enough in crime control and putting police officers on the street. There is a compelling need to make sure that our young people have a future, and you have to invest in order to make that future.

So I have thought that the two budgets that I did vote for balanced the budget over 6 years, what they did was to seek to keep those domestic investments up and growing, and at the same time, to reach that goal of a balanced budget within a 6-year period.

One concern I have, Mr. Speaker, is that none of these budgets adequately addresses the need of domestic infrastructure investment, that none of these budgets addresses the need to increase the growth rate in this country. The problem is that, if you accept the growth rate in any of the budgets, Republican or Democrat, and say that that is all we are going to grow, that is a ticket to economic stagnation over a period of time.

However, having said that, certainly the coalition budget and the President's budget, I felt, certainly offered much more satisfactory blueprints for the future than the Republican leadership budget. So I offer that as my explanation of why I voted the way I did, and why I am going to keep pressing for domestic investment so that our economy can grow.

ALLOCATION OF SPECIAL ORDER TIME

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent that I take the gentleman's place.

The SPEAKER pro tempore (Mr. DICKEY). Is there objection to the request of the gentleman from Florida?

There was no objection.

LET'S SAVE MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. WELDON] is recognized for 5 minutes.

Mr. WELDON of Florida. Mr. Speaker, I rise today to discuss one of the most important issues facing my constituents in east-central Florida.

It is an undisputed fact that Medicare is running out of money and will be bankrupt in just 5 years.

For me, this is not a partisan issue. This is a personal issue. I am a doctor and my patients depend on Medicare. I have a father who is dependent on Medicare.

I know the value of this program for my patients and my family, and I am 100 percent committed to finding a solution to protect Medicare for current and future beneficiaries.

As a medical doctor I've been disappointed that some have sought to use Medicare to gain political advantage. This is not a political issue.

The Medicare trust fund began going broke last year, it is already $5 billion in debt this year, and will be completely broke in 5 years. We don't have time for politics as usual.

I hear some talk about cuts in Medicare. There are no cuts in our plan.

The plan I voted for increases Medicare spending from $5,200 per person in 1996 to $7,000 per person in 2002. That's an $1,800 increase in Medicare spending.

We do want to spend smarter. We do want to attack waste, fraud, and abuse. We want to give seniors choices in health care.

I urge those who have made this a partisan issue, to look beyond partisan politics and come to the table to work with us to do what is right for our seniors and future Medicare beneficiaries.

Mr. Speaker, I call for bipartisan efforts to restore and preserve our Medicare beneficiaries.

THE MINIMUM WAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. DICKEY] is recognized for 5 minutes.

Mr. DICKEY. Mr. Speaker, I would like to agree with the comments of the gentleman from Florida about the Medicare cuts being not cuts but just slowing of the growth. This is something that we are finding in our State of Arkansas, people are being deceived by ads being paid for by special interests, and I am glad that that is brought up.

Mainly what I want to talk about today is the minimum wage. I am an employer, a restaurant owner, as well as a Member of Congress from Arkansas. All of those things are important in this discussion. But before I get into more of the specifics, I would like for us to direct our attention to something that we have not seemed to bring to center stage as much as we should. In the business world, in the marketplace, it is the consumer, the person who is buying the goods, who is the boss. We lose sight of that fact.

Mr. Speaker, if the boss finds that he or she cannot afford the price of the goods, then the boss will go to somewhere else where they can find a better price. If in fact the boss cannot go where he or she can get good service, they will go somewhere else. So all the time that we are talking about raising the minimum wage, we are not considering the fact who is paying it.

The consumer, the people who buy the goods are paying it. In my particular instance, it is the person who comes into restaurants, and no question I am biased in that viewpoint, but I want to share with this body some of the bases for my being opposed to the raise, to the rise in the minimum wage.

Mr. Speaker, first of all, some people think that the cost that we have in restaurants, the only increase that we will have in the minimum wage debate is what we will pay in addition to the present wage that we give now or whatever the increase might be, but that is not true. Everything that we buy, the meat, the lettuce, the tomatoes, even the transportation, the paper goods, all of these things will have increased prices or at least the push up from increased prices.

So, if I am going to sell a taco for 89 cents and I want to keep the same margins that I have had before, which I am entitled to, I have to look at the boss and say, OK, can you afford two more pennies or 91 cents? When that boss says no, I am going to pay that, then what we have to do is reduce the number of employees, which then cuts down on the service. It either cuts down on the service or makes it more difficult for the other employees who are having to work without adequate coworkers.

So the effect is that it pushes at the seams of those people who are in the penny business, like we are in the restaurant business. There are 16.7 percent of our employees in Arkansas who are on the minimum wage right now. Those are people who are getting their first-time jobs. Any employer will tell you that the first-time employees are good in one respect in that they have not been taught the wrong thing. The other respect is that they have to be taught.

So there is a learning period that goes and we pay the minimum wage. During some period of time, depending on how alert the employees are or how determined they are, they really are not worth the $4.25 because you have to put so much into them. Then you get the $4.25 employee if they think that that is the ceiling, that is all they are going to get, the employer finds that as he, the employer, sends the employees out to greet the customers and care for them. If an employee stays on minimum wage too long, there is a staleness that occurs.

I do not believe an employee should manage to stay more than 2 years on average on minimum wage. We hope that they will either grow through achievement and improvement in our own operation or they will go get another job and take a good recommendation with them. So the minimum wage is a limiting factor in some sense.

If you go into a business or restaurant where their minimum wage employees have been there for 4 or 5 or 6 or 7, 10 years, you are going to find a place where the service is not as good as it should be. So there is a misconception that we employers want to pay the minimum wage and get a profit from it. That is not the case. We want people to be worth more and we want to gauge that by productivity, not by the decision of liberal politicians who come in and for their own benefits give a minimum wage which in effect is an unfunded mandate.

Mr. Speaker, I want to mention one other thing, and that is that the people who are hurt the most by this inflationary push of expenses and cost were the people who are on minimum wage. For example, if my tacos have to go from 89 cents to 91 cents, those two extra pennies are going to have an inflationary effect. Those pennies will affect the minimum wage people to a greater extent. It is regressive to a greater extent than they would be for somebody else who is not on minimum wage. So the inflationary effect, not only will they lose some jobs because we will have to reduce the work force in order to meet the minimum wages, but there is also this factor that they are going to have to meet inflation at the most serious level.

So what I have said I am going to do is file an amendment to say let the States decide. Eleven States now pay more than minimum wage, and I am going to prepare and file an amendment to ask that the States be allowed to decide what minimum wage they want.

REPORT FROM INDIANA

The SPEAKER pro tempore (Mr. DICKEY). Under a previous order of the House, the gentleman from Indiana [Mr. MCINTOSH] is recognized for 5 minutes.

Mr. MCINTOSH. Mr. Speaker, I rise today to give my weekly report from Indiana. Every weekend, Ruthy and I travel around the Second District from Richmond to Muncie, to Anderson, to Greenfield, and Greensburg. So often people share with me amazing stories about their friends and neighbors and the things that they are doing in their communities. These individuals are good people who make our communities a better place to live. They give us hope for the future and our best days are yet to come.

In my book, these individuals are Hoosier heroes, Hoosier heroes because they set examples for all of us to live by. But more importantly, they make us proud.

Today I would like to share a special story about a 10-year-old boy name Dustin Sagester. Now, Dustin comes from Greensburg, IN. Our parents' generation probably would think that Dustin's story is, well, frankly, a little bit normal. But today, in today's world, it is far from normal. Dustin Sagester found a wallet down on North St. in Greensburg. Inside that wallet was $500 cash.

Mr. Speaker, the owner of the wallet, who lives in a neighboring town of Columbus had lost his wallet 4 days earlier. The owner had given up on the wallet. He had given up on all hope of ever collecting that $500. The owner was Jason Humphress. He frankly said that he had written it off. But you know what? Little Dustin Sagester never looked inside that wallet.

He walked right into a local store, billing store, and he turned it in. He turned it in so that the rightful owner could have his wallet back. His parents, Don and Tressy, taught him that when you find something that does not belong to you, you do not keep it and say, hey, it is my lucky day. You recognize that it belongs to someone else. Your new-found luck is somebody else's misfortune.

They taught Dustin that you do your best to find the rightful owner, and that is exactly what Dustin did. He did not know that there was so much money inside. He just knew that the wallet and whatever was inside was not his.

Mr. Speaker, I share this special report from Indiana because the people of Greensburg have recognized Dustin as one of their heroes, and I want my colleagues and all of the American people to know that Dustin is a Hoosier hero. I share this story because I think it is time that we all learn that we have to follow those basic moral values that our parents taught us so long ago, and that Dustin sets an example for the young people of this country.

□ 1745

That is my report from Indiana for this week, Mr. Speaker.

PROGRAMS THAT HELP PEOPLE MOST GET BIGGEST BUDGET CUTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, we have just completed phase I of the most important process that takes place here in the Congress, and that is the budget of the United States of America for a 1-year period that deals with the fiscal 1997 budget, which will run from October 1, 1996 to September 30, 1997.

It is important that the public understand that the budget that we have discussed today in the budget process is only the beginning. It sets the upper limits in terms of expenditures in broad categories, that the real spending process which gets into great detail is the appropriations process.

Now, the Committee on Appropriations oversees the appropriation process, and the way the budget appropriations process was handled in the first half of the 104th Congress, it may be that the Committee on Appropriations could just send the rest of us home and take over and run the rest of the session because the other committees have very little power in the decision making, and this particular Congress, controlled by the Republican majority, we have less power than ever.

You know, if Congress really were to be truthful about the way it is organized, about who has real power, then it is the Committee on Appropriations, it is the Committee on Ways and Means, the two or three committees that the way they have stacked the deck and the way they guarantee control from the top have all the power. The Committee on Appropriations has far too much power.

You could organize Congress another way. Each one of the committees that has jurisdiction and authorization could also have the power to appropriate because they have the knowledge, they deal with the particular functions in an ongoing fashion, they have the oversight responsibility. They know more about each one of the functions than the Committee on Appropriations knows.

For example, in education you have a Committee on Economic and Educational Opportunity, which has existed for years under another name called Education and Labor Committee, and members of that committee know a great deal about education legislation, they know a lot about how the schools operate, they know a great deal about policies and experiments and research and the knowledge that has accumulated on that committee. But when it comes to making the vital decisions about how money is going to be appropriated, it is the Committee on Appropriations which will make the decisions about how money is appropriated for education.

Now, most corporations would go out of business if they were organized that way, where the greatest amount of knowledge and know-how is concentrated in one place and the decision making, which is vital, is concentrated another place. But that is the way it operates.

So the budget starts the process, education is function 500, and this budget sets the parameters in terms of we cannot go over the figures that are set in the budget process for education. Of course, the figures are set not just by this House of Representatives, but the Senate also will have to deliberate and pass their own budget bill. There will be a reconciliation, and then the Senate and the House together will have the final say on this particular budget process because it does not go to the President.

The President started the budget process when he sent a budget to us, and these are reactions and responses to his budget. So when the budget process is finished, he does not get it back; he will not have a chance to veto the budget. Each one of the appropriation bills that then comes out of the budget process will go to the President in each one of these functions: Labor, education, health care, et cetera.

I think it is important to take note of this at this critical point. We are often to the process which matters most to the American people. How will the Federal dollars be allocated? How will the dollars that flow into the Federal Government from all over America—they are not Federal dollars: that is the wrong term—all dollars come from neighborhoods, they come from families, they come in individuals. The dollars that make up the Federal Budget are our dollars, and how will they be allocated to meet our needs, to meet the needs of the majority of the people? That is a critical question.

There has been a lot of talk about States rights and States rights to do various things, and in many cases States are assuming rights to spend money that comes back to them from the Federal Government, great amounts of money that did not flow out of their particular State. There are a large number of States that get far more money from the Federal Government than they pay into the Federal Government from their population.

That is the way the American system is structured. We are one Nation, and the money does not flow to the States on the basis of their contribution, it flows based on many different factors. Some States are more fortunate than others at landing defense contracts. Some States are more fortunate than others in having big power projects. The TVA is not located in New York because we did not have the kind of situation where the water and the necessary conditions to create a Tennessee Valley Authority was there. So Tennessee Valley Authority was a Federal project that poured large amounts of Federal money into Tennessee. For various reasons, NASA is located in Florida, and part of it is located in Texas, and on and on it goes.

The Speaker's district has the largest contract to manufacture fighter planes. F-22 fighter planes are manufactured in Marietta, GA, which is part of the Speaker's district.

So you have large amounts of money flowing to the States from the Federal Government, and the States now said they want the right to do everything themselves. I would be willing to listen to that argument and say that in this budget-making process let us give States the right to spend money that they generate; the amount that they receive from the Federal Government, which is above the amount that came out of the State in terms of taxpayers, let us cut that off and give it back to the States which are generating the money.

I have made this argument many times because I really am very concerned about the fact that traditionally New York State has always been on the giving side and the giving has been very great, you know. It rose as high as $23 billion in 1993, and in 1994 it is $18 billion. We are sending to the Federal Government more than $18 billion more than we are getting back from the Federal Government. Before that, in 1993, we were sending $23 billion, and I am very concerned about this, and I keep speaking about it and bringing it up as often as I can because I think that New Yorkers ought to know this, people in New York ought to know this, and I think the people in the other States on the other end who are receiving the money ought to know this, that if we have States' rights, the people in New York would be far better off if they kept their $18 billion at home, and the States that are receiving the extra money, let them fend for themselves.

You know, that is an argument in States' rights that nobody has offered, but we ought to take a close look at that.

So as we go into the budget-making process, the appropriations process will follow that. It is important to understand some of these basic contradictions and facts. But understand also that for the 104th Congress under the leadership of the Republican majority, this is now phase II, phase II of the drive to remake America.

You know, Speaker GINGRICH always says that politics is war without blood and that we are in a war to remake America. Those analogies and the comparisons with war are the Speaker's comparisons, and we have to live with them, I guess, and certainly they have prosecuted the effort so far as it was war. We have had a situation where the Republican majority has moved in a way that you move in war, you know, with a rapid movement. You know, it is revolution, it is extremism, it is not letting up, pushing to try to accomplish a great deal over a short period of time. There is a sense of desperation introduced into legislative process. They want to remake America, and they see themselves as having 2 years to remake America.

Automatically you have a process by which mistakes are bound to be made, dislocations in great amounts are going to take place. Maybe a great amount of people are going to suffer. The Speaker says that it is war without blood, but maybe some people are gong to bleed as a result of the rapid movement of our Government to remake itself.

So far in phase I, I would say that the Republican majority has been very successful. I apologize to my Democratic colleagues who like to say that we have succeeded, but if you look at the situation in terms of the budget process, the Republican majority, the juggernaut, the great Wehrmacht of the Republican's war machine that has moved forward and established beachheads and gone for the jugular in so many cases laid out a plan where they were going to cut the budget by huge amounts of money and moved in very radical ways, very extreme ways, to accomplish that. As we all know, at one point they even shut down the Government, we shut down the Government more than once, as a result of the extremist agenda that they were trying to accomplish.

Well, it was all over, and we finally got all of the appropriations bills passed. Too many Democrats have said that we won a major victory. We did not win a major victor. The Republicans achieved $23 billion in cuts. There were $23 billion in cuts, and you might say, well, we wanted to downsize and streamline the Government, so why not call it a victory for everybody? Problem is that all the cuts are concentrated in nondefense areas. It is the programs that help people most that receive the biggest cuts.

Yes, we won some victories in terms of phase I in this war to remake America, we made them back away from $5 billion in education cuts. Thanks to the common sense of the American people and their understanding of what was going on in education, they rallied, they let their Representatives know that they understood the nature of the education cuts, and they put enough people on the spot to make the majority retreat on $5 billion worth of education cuts.

But there were $23 billion in other cuts that were made. Some of them might have been legitimate. There is always waste in a government as big as ours, and nobody is going to argue that you cannot cut a lot of waste out. But we wonder if they really zeroed into places where the waste is. Pentagon is not downsizing. The Pentagon military establishment, as we know it, is not streamlining. In fact, in this budget, phase II of the new budget that was passed today, there is $13 billion in increases for military expenditures. So they are not downsized.

In this budget there is no mention made of the CIA bringing it under control and guaranteeing that you never have a situation again where the CIA will accumulate $2 billion in a petty cash fund. I talked about that before. Our auditors discovered that $2 billion was accumulated in the CIA petty cash fund.

What steps are we taking to see that does not happen again? We have the Federal Reserve, that had $3.7 billion accumulated in what they call the rainy day slush fund, the rainy day fund for the Federal Reserve Bank, and in 79 years they never had a rainy day. The General Accounting Office said they never had losses in 79 years. So that is a place where waste is taking place on a large scale; $3.7 billion in the Federal Reserve.

There is nothing in this budget that talks about efforts to collect money that is lying around in various agencies like that.

So we have phase II now beginning, and the budget that has been introduced by the Republican majority for phase II in their war to remake America, this budget is as extreme as the first one was. There are a few trimmings here and there, but basically there is no change in direction. So anybody that thinks that we have stopped the juggernaut, that we have contained the war to remake America, the extreme war to remake America, you are dreaming. It is not happening. In this cut there are extreme—in this budget there are extreme cuts.

I am glad to see that again we made a breakthrough on education. There are no proposals to totally eliminate the Department of Education anymore, so that is a plus because we were in a situation where we were about to eliminate the Department of Education and become the only industrialized nation in the world not to have a central department of education.

□ 1800

Our public education is very weak as it is, and we do not necessarily want the kind of bureaucracy that some of the other nations have, and we do not want to give the kind of power to our Department of Education that they may have in Germany or in Japan, but we definitely need to keep the Department of Education.

Mr. Speaker, I applaud the Republican majority for backing away from the threat to eradicate the Department of Education. But it still has many education cuts. The budget eliminates many education programs.

What is particularly troublesome is the deep cuts in training programs; for instance, the funding for programs in the careers bill. The careers bill is where they lumped all the training programs together in one bill, and they have cut that by 42 percent, 42 percent. That is going toward one-half. These are job training programs.

Mr. Speaker, how do we expect to go forward into the 21st century and to readjust our economy to meet all the challenges of a high-technology economy if we are not going to give people training? How do we expect to have a work force that is being dislocated, downsized, and shuffled around? The legitimate term for it is "churning"; there is churning going on in the work place, there is churning going on in the big corporations, and the workers in the process are being churned around, spewed out, and they can always find a job somewhere else, although they have lost their regular job that they might have been on 10 or 15 years.

So the churning process, if it is going to be humane and going to help people pick up and go on, it needs to have training programs, but the training programs have been cut by 42 percent in this Republican phase II budget.

As I said before, the phase II budget is really a continuation of what we had before. It is not very different in every respect. It is still extreme. The retreat on education is only there because of the fact that we have gotten the American people alerted. They are watching to see what happens with education. They are on the job, they are letting their Representatives know, Republicans and Democrats, and they will not tolerate any drastic cuts in Head Start programs, they will not tolerate drastic cuts in title I programs. So we have that much accomplished, but everything else is still moving forward.

The contract to remake America and the budget, the budget-balancing effort, is really an assault on the New Deal programs that were developed by Franklin Roosevelt. It is an assault on the programs that were developed in the Great Society, programs by Lyndon Johnson. It is a frontal assault of trying to wipe those programs out.

Saving money is only secondary, if it is important at all, because they are proposing to put large amounts of money into star wars, which, of course, has accomplished very little. Billions have been spent there already and it has accomplished very little.

There is no great hurry to invest large amounts of money in building a star wars system or a system to intercept missiles, when the technology probably will be far better if we wait a little later to do the building. So the President's proposal that we do research and we prepare is more than adequate. But they are going to waste money in that area, so money is really not the problem. Money is not the greatest concern.

Destruction of the New Deal programs, destruction of the Great Society programs: They want to destroy Medicaid, they want to destroy Medicare, they want to wipe out programs that have benefited people for years, and they want to do this in the interest of a small, elite group that will make a great deal of money off the destruction of these programs and the replacement of these programs with other programs.

So it is important to see the new budget as phase 2 of the war. The new budget is a blueprint for invasion, for destruction. The new budget is more of the scorched earth policy that started with the majority takeover in 1994. It is extreme, it is revolutionary, it is harmful. People will literally die as a result of what is being done in this area.

In education and training, for example, the details can become important, depending on where you sit. Goals 2000, which they proposed to eliminate last time, is again eliminated in this budget. Innovative education programs, strategies, grants, eliminated. Bilingual and immigrant education programs are eliminated. New funding for Perkins loans, student-centered grants are eliminated. Howard University funding is eliminated.

Libraries are cut 20 percent; libraries, which have a tiny amount of money, I think $110 million, a very tiny amount of money when you consider all the libraries across the country that exist and that need help as we go toward meeting the educational needs of the 21st century, they are cut 30 percent.

Twenty-four other education programs are eliminated. Aid to education, institutional development, is cut $46 million. National and community service programs again are eliminated, AmeriCorps.

That is a bargaining chip. They eliminate a program that they know has a high priority at the White House, and they are going to bargain later on to get the White House to accept some of these other cuts as a result of restoring that.

The Davis-Bacon Act and the Service Contract Act are eliminated. The Davis-Bacon and Service Contract Act require prevailing wages to be paid on Federal construction jobs and in Federal facilities across the Nation, and that is eliminated; although what has happened is that the prevailing wages are very close, in most cases, to minimum wages in many parts of the country at this point.

The Corporation for Public Broadcasting will be eliminated, privatized by the year 2002. The National Endowment for the Arts and Humanities, eliminated.

So what is new? The battle plan remains the same, the invasion plan remains the same. The scorched earth policy remains the same. There is not very much that is new here.

In energy, in a time of skyrocketing increases in energy prices, this budget proposes real cuts in energy funding by 47.05 percent. It wipes out all funding for research on fossil fuels, solar, and renewable energy and energy conservation, at a time when we are recognizing more and more that our environment and the dangers that the environment faces from pollution are not fantasies of environmentalists, they are very real.

People have died of certain diseases. Asthma is increasing in our big cities in large amounts. The percentage increases are quite large of people suffering from asthma and other respiratory diseases. The handwriting is on the wall that the environment is not something to be left to a handful of people who have a vision, but the environment ought to concern everybody. Then we are going to wipe out all funding for research in the areas that will deal with the pollution factors that related to that increase.

Transportation. It phases out funding that supports mass transit operations. Again, pollution will be increased, because in big cities people will drive cars more and more and use other vehicles above the surface because they cannot get money to keep supporting our subway systems. Even our bus systems above ground that do cause a problem with pollution, it is better to have more buses carrying more people than to have more cars carrying more people, because you get less of a pollution factor when you have buses instead of cars. But we are cutting the capital assistance to mass transit. We are eliminating any new starts, support for any new starts in the mass transit system.

At a time when we are trying to get people off of welfare and get them to work, we are going to make it more difficult for them to get to work, because it is going to cost more to get to work. We also at the same time are going to continue polluting the air.

In the area of crime and law enforcement, this budget defunds, wipes out the COPS Program, and abandons efforts to put 100,000 new police officers on the street by the year 2000. We thought we had settled that one, it is such a popular program across the country. We thought that the extremists would certainly yield to common sense and yield to the fact that the American people had made it clear that they want the COPS Program, they want the cops on the streets. But in this budget, no, we continue the same practice that was started in the first budget of this session. The extremist blueprint calls for an elimination totally of the COPS Program.

The earned income tax credit, which is a way to give tax relief for low-income working people, we got a $20 billion cut in this budget for the earned income tax credit, which really provides great relief to people at the lowest levels. They say they want a tax cut, but the one tax cut that is already in effect, they take it away, in effect, for people at the lowest levels, they take it away.

They still want a tax cut, however. It is being proposed for the rich in large amounts. Twenty billion dollars has been taken away from the earned income tax credit. This cut reduces the after-tax increase of almost 8 million households in America; 6.8 million children will be hurt by this cut. This change is particularly offensive in light of the Republican rhetoric about moving people from welfare to work. We ought to make work pay. We ought to reward people when they go to work, but the earned income tax credit, which was doing that, is being drastically cut.

There is nothing in this budget about minimum wage. Minimum wage is not a function of government. The taxpayers do not have to pay for minimum wage, so it is not in the budget. It will not be in the appropriations bill. A minimum wage increase is a situation where employees pay additional wages.

The proposal that was put forth by the gentleman from Missouri [Mr. GEPHARDT], the Democratic minority leader, and the proposal that was endorsed, sanctioned by President Clinton, is a proposal for a 45 cent increase over the present minimum wage; 45 cents one year and 45 in another year, 90 cents that will not be in the budget, 90 cents that the taxpayers do not have to shell out. So the minimum wage increase is not going to cost us anything. Seventy-four percent of the people in America say that a minimum wage increase is a fair approach to guaranteeing that people have the opportunity to earn a decent living.

Nevertheless, the extremist blueprint, the invasion plan, refuses to entertain any increase in the minimum wage. I said before that this is about more than saving money, and the fact that the Republican majority has dug in and is adamantly opposed to a minimum wage increase is just one more indication that saving money and balancing the budget are not the only agenda.

The agenda is designed to wipe out the New Deal programs, to wipe out the Great Society programs, and the agenda is designed secretly to wipe out the gains made by working people, to destroy the effectiveness of unions. A tax on working people, a tax on unions, are not part of the Contract With America. You will not find anything in there that says they want to destroy Davis-Bacon, that they want to change the Fair Labor Standards Act so that people cannot get their overtime.

Nowhere in the Contract With America does the Republican majority say we want your overtime. But they do want your overtime. Not only are they moving in ways which deny a minimum wage increase to all workers, but the workers who have been working for years, the workers who have enjoyed overtime when they had the necessity to be employed overtime, they would get overtime pay, we are not being told that they should not get overtime pay, that they should get comp time.

So the blueprint for the second half of the Republican war to remake America, it wants your overtime. One of the targets, one of the objectives is to take your overtime; nor to give you a minimum wage increase, but also to take your overtime. It is not in the budget. I am digressing from discussion of the budget, but it is part of the design to remake America.

It is part of a situation where, to please contributors, to please certain elite groups, the workers must be sacrificed, the workers must be given the status of serfs, peons, or sharecroppers. The workers must be put in a position where they have to beg. They must be put in a position where they have no power.

There are other moves to change labor law which we will discuss next week, but certainly the minimum wage, denial of the minimum wage increase, it should be noted, is not a budgetary item. It does not cost the taxpayers anything, but that is part of this great blueprint.

First I want to comment for the tax package. The EITC is one place where taxes are being added, and a tax increase is being forced on the low-income people by removing $20 billion in funding for the EITC. The tax package in this budget, on the other hand, does still provide for people who are rich to have a decrease in their taxes, and part of the drive to cut Medicare and to cut Medicaid and many other worthwhile programs is to generate still the funds to fund the tax increase.

Probably the most devastating part of this effort to remake America is the part that focuses its guns on Medicare and Medicaid. That is a life and death matter. You are dealing with people's health and you are dealing with lives. We have large expenditures for Medicare, we have large expenditures for Medicaid, yes.

□ 1815

I can think of no more noble expenditure of public funds than to expend those funds to promote the health of people or to save lives. In New York State, we have large expenditures of funds for Medicare and Medicaid. In fact, our State has been criticized for spending more on Medicaid than any other State in the Union.

Yes, we do have those large expenditures. It costs the people of the State a great deal because they are matching, New York State matches the funds 50 percent, unlike other States that have a better match where the Federal Government pays a larger percentage than the State. The percentage paid for Medicaid in New York State is 50 percent. So we are spending large amounts of money like anywhere else in the country.

We probably could trim the budget by eliminating waste, we could probably trim the budget by eliminating some corruption. Waste and corruption always exist in any program where human beings are involved. The minute you invent the program, the hustlers and the swindlers will move in and find a way to unjustly squeeze large amounts of money out of the program.

Therefore, you have to have inspectors general and you have to have strict law enforcement, you have to have accountability. We just always assume that any program, and it does not matter whether it is health care or housing, in the private sector they have devices going all the time to protect the interests of the employers and the owners from their own employees. Stealing is one of the ongoing universal traits through the world of human beings.

So Medicaid can be cut for corruption and for waste. Nobody wants Medicaid to operate more effectively and more efficiently than the constituents in my district. Since the beginning of Medicare and Medicaid, we have watched abuses and complained about abuses and sought to have the money directed as much as possible in providing health care and less in making doctors rich or in making health care facilities rich. It has been an ongoing struggle.

There was a time when people worked strictly on charitable contributions. That was a painful situation where most people who needed health care had to go to an emergency room. Then we did move into a period where Medicaid was in operation and poor people who qualified through the means test for Medicaid could for the first time have the luxury of preventive health care. They could have a doctor, they could have a situation where they did not have to wait until they were half dead to go to the emergency room.

But we saw the Medicaid mills develop. Medicaid mills were obvious facilities that were taking large amounts of money and giving poor service, and we complained about those for years, and we saw the waste and wondered if the system was not designed to guarantee that certain people would get rich. So there have been improvements in that. There are still further improvements that can be made.

Now we have the HMO's, the health maintenance organizations. In many ways health maintenance organizations are a big improvement over Medicaid mills. Health maintenance organizations when they are operating properly and when they respect the patients and the community that they operate in are a great improvement over Medicaid mills, but if health maintenance organizations are to move in ways which try to give less service and make more money, then they become worse than the Medicaid mills and must be stopped.

So we have a situation here where there is still a drive on to remake Medicare and to remake Medicaid. This second phase of the Republican majority's war to remake America does let up a little on Medicare, but it becomes worse for Medicaid than it was before. The Republican proposal for Medicare cuts funding $168 billion over the next 6 years. It continues to rely on the untested and potentially dangerous medical savings account, known as MSA. Medical savings accounts are the centerpiece of the Republican proposals for Medicare.

The proposal would set up a system whereby the healthiest and the wealthiest seniors would leave the Medicare system and many of the doctors who treat them would refuse to continue treating other seniors who depend on Medicare. The proposal could truly end universal health care coverage for the elderly.

In other words, Medicare is only about 30 years old and Medicare could be brought to its knees if you introduce medical savings accounts, because medical savings accounts would cover from 85 to 90 percent of the people who are healthy and who need very little health care. The insurance companies would move in and pick off those people, and the number of people in the Medicare system would drop so drastically and to such a low point until the funding of the Medicare system would fall apart.

So the MSA is a direct threat, it is a gun aimed at the heart of the Medicare system. But that is being proposed again with great gusto. As you know, it is already in legislation that is moving through the House. The Senate and House have agreed and will soon send a bill to the President which might contain the MSA proposal. The MSA proposal has received few public hearings, very few people know about it. I am taking the time to talk about it here now because most people just know it as a set of initials. The MSA, as one respected columnist Robert J. Samuelson recently said in the Washington Post, quote, "we should not unleash a health care upheaval simply as an afterthought. Clearly this proposal would cause serious harm to America's senior citizen population and it goes far beyond any change that the electorate wants."

The people, the voters, the patients do not want MSA's. It will be a radical change in their health care and wipe out a system that they have come to depend on.

Of course, finally, the Republican plan for Medicaid is even more extreme and it has a potential to cause as much or more harm than the Medicare package. Medicare is a basic program whereby the Federal Government helps States provide health care for the poorest and most vulnerable people in our Nation. This budget proposes to cut Federal Medicaid funding by $72 billion.

To make matters worse, the Republican proposal allows the States to drain large amounts of money out of the system by significantly reducing the requirement that the States have a maintenance of effort. At the same time it allows a return to the State financing gimmicks of the past that were banned in 1992 at the urging of the Bush administration.

The majority's plan will send a loosely defined block grant back to the States without the current guarantees of care for low-income children, pregnant women, disabled people or senior citizens. By relying heavily on the Republican Governors for the design of their new Medicaid package, the Republican Congress has proposed a program that allows States to reduce their financial commitment to the program without any guarantee that poor people and seniors will have the necessary care.

The Republican plan abolishes the current entitlement for individuals. Entitlement. Remember the word "entitlement." There is probably no more noble concept in government than entitlement. Sometimes it is abused but when you have entitlements for means-tested cases, means-tested entitlements, means-tested entitlements, it means that you have to prove and show that you are poor, that you are in need in order to be able to qualify for the entitlement.

We have some entitlements that are not means-tested. The agricultural entitlements are not means-tested. You can be a millionaire and still get agricultural subsidies. The biggest socialist program in America, the most socialist program that continues to exist and over the next 7 years will still be with us, is the agricultural subsidy program.

It has many different facets. Agricultural subsidies for various reasons, there are Farmers Home Loan Mortgages, there are many, many different ways in which socialism and agriculture takes care of people who have a great deal of money.

In fact, in Montana I point out, in Montana, the Freemen out there, the siege that is going on now, those people are people who receive large amounts of money. They are led by a person who received up to $800,000 in Federal loans and subsidies, and he does not want to pay it back. They reached the point where they felt they had the right to keep it and the right to not be held accountable for paying it back. Their property was taken, so they are in a revolutionary mode now. They have guns and are ready to fight because the subsidy, the socialism in agriculture has thoroughly corrupted them to the point where they have lost their perspective completely.

So the loss of the entitlement, benefits defined by the State, when you lose the entitlement, the Federal Government no longer stands behind the guarantee of health care to everybody who needs it and if you meet the means test, you lose the entitlement, the block grant goes to the State, the State has a finite, set amount of money in their budget, when they spend that amount of money, then the people who are in need after that will not get any help.

The States will also define the benefits that continue to go to some groups that are covered by Medicaid. States will not have to provide health care to certain people that are covered right now. Children in poverty will not be fully covered because the Republican proposal, the scorched earth proposal goes after the health care of children between the ages of 13 and 18.

Children ages 13 to 18 living in poverty would lose their Medicaid coverage because they are not on the list of people that the Federal legislation would require the States to serve. So a State could cut that out if it wants to. Disabled persons, people with disabilities. The States would be in a position to define who has a disability and who does not have a disability. It is unlikely they would cover all of the 6 million disabled persons who now are receiving Medicaid. Six million disabled people in this country, people with disabilities, are receiving Medicaid now. The likelihood is that if the States are able to define who has a disability and who does not have a disability, most of these people would lose their coverage. Again there is the low-income Medicare beneficiary, people who do not qualify for welfare who are covered in some States, and they will lose their coverage also if you give the Medicaid total over to the States.

That is the worst feature, the Medicaid assault. The assault on Medicaid is probably the single worst feature of the Republican majority budget. The assault on Medicaid is a life and death issue. The assault on Medicaid is worthy of a long discussion. The assault on

Medicaid is worthy of a mobilization of people all across the Nation.

We have a great deal to lose. Medicaid is as close as we have gotten to universal health care. Medicaid, which provides health care to everybody who needs it, who is poor and can pass the means test, Medicaid is as close to universal health care as we have gotten in this country. We are the only industrialized country other than South Africa that does not have universal health care in one form or another.

So we are about to lose that. I am particularly concerned about it because in New York City, it seems that the extremist forces are out ahead of the Republican majority here in Congress. The Republican majority here in Congress have been thwarted in their efforts to end the Medicaid entitlement. They have been thwarted in their efforts to take steps that would reverse the quality of care in nursing homes. But we have a Republican Governor who has moved on nursing homes and tried to suspend the regulations, a Republican Governor who is threatening to change the way hospitals are funded for indigent persons, to take away that funding altogether if they do not agree to some new proposals that he had made. We have a Republican Governor who has proposed to close down one of the hospitals in my district, Kings Borough Psychiatric Center. Kings Borough Psychiatric Center is the only psychiatric center in Brooklyn. Brooklyn is a borough which has 2.5 million people; 2.5 million people is enough to need a psychiatric center with 500 beds. It has been there for 100 years. But now they are proposing to close down Kings Borough Center.

The juggernaut in New York, the Wehrmacht in New York, the scorched earth policy in New York is moving faster than the policies here at the Federal level. The mayor is proposing to sell certain hospitals. The mayor is proposing to lease certain hospitals. A notice was just issued day before yesterday that 1,600 hospital workers will be laid off immediately between now and the middle of June and between now and January 1, 8,000 hospital workers will be laid off in New York City.

This is radical, this is extreme, this is a life and death matter. Not only will patients die as a result of the extreme changes within the hospitals, but there some people employed in these hospitals who are earning basic pay as janitors, as cleaners, as maids, some people who are technicians. There are large numbers of people who will be out of work as a result of this reduction in the service for health care. Health care is a service, first of all, and that is its most important function. But health care is also an industry. It is one of the most noble industries mankind has ever created, and it does provide jobs.

So we have a situation where we are moving in an extreme manner and in a year's period 8,000 people will be thrown out of work and the work that they do in the hospitals will be dislocated and confused, and people will literally die as a result.

□ 1830

War has been declared on the health care system of the people of New York city. War has been declared by the Governor. War has been declared by the mayor. The war in New York State and the war in New York City is very much interrelated with the war that has been declared here in Washington.

In fact, the war began here. The move is here, once the proposals by the Clinton administration in the 103d Congress went down the drain. Those proposals were good proposals, idealistic proposals, and proposals which were complicated because of the fact that they reached out toward the goal of universal health care.

We can come with legislation that is much simpler an we can, in incremental steps, probably improve the health care system. But if we want to reach the goal of universal care, universal health care for everybody, it requires a complicated system. It requires something which is very unusual and calls on our present system to be restructured.

That is what the Clinton administration program required. It was the proper approach in terms of setting the goal and seeking the goal of universal health care. The fact that the complications led to a political problem does not diminish the validity of the Clinton health care proposals.

Now we are without that national goal and without that national guidance, and we are in a situation now where we have a stampede on to restructure and to reengineer the health care system. In a place like New York, we are talking about nearly 8 million people, health care for nearly 8 million people, so it is a very tempting target.

The stampede on now is a stampede toward privatization. It is a stampede that begins with the ideas that there is a lot of money to be made if they create a health care-industrial complex. A government health care-industrial complex means that the private sector will own it, the private sector will run it, but the funding for it will still come out of the taxpayers' pockets.

Just as the funding for the military-industrial complex comes out of the taxpayers' pockets but is run by private enterprise, and great amounts of money are made out of it, now we have a foolproof system that will go on forever. The health care-industrial complex is not like the military-industrial complex. It will be here forever, and we then do not have to worry about never having a justification for it.

The military-industrial complex has done well long after it is needed at the level it is needed. it is still here. We needed a military-industrial complex to win World War II, and we needed a military-industrial complex at a certain level to fight the cold war and to maintain the security of the free world. All that was necessary, but we have not needed the extremes in spending that we have, and we certainly do not need to justify adding $13 billion more to the existing defense budget.

That is a victory of the military-industrial complex. Its power exceeds its usefulness, but that is one of those complexes and we are governed by many different complexes in this country. Complexes have a great impact on our policies.

We have a banking-industrial complex that really is the biggest swindle of all. The banking-industrial complex pulled off the savings and loan swindle and that may cost the American people, before it is over, about a half trillion dollars to bail out the savings and loans and the other banks. There were other banks also, not savings and loans, but banks that went bankrupt. We are going to be out a half a trillion dollars by the time the Resolution Trust Corporation and all the mechanisms that were set up and designed to do this are finished.

So we have a health care complex now, health care-industrial complex. Large insurance companies, large pharmaceutical companies buy HMO's. HMO's are health maintenance organizations. They are not evil automatically. They are not inherently evil. In fact, the Health Insurance Program of New York, called HIP, has been in existence for half a century. It was a great step forward in health care.

HIP still exists, but HIP was a nonprofit-making enterprise. It is not designed to make a profit. Although they make surpluses and they have probably been taken care of very well, it was not designed to make profits, and it has worked very well.

We can have profitmaking HMO's also, and that has been proven in some places. They make profits and they also give good service. There are communities which insist that they are going to get good service or else they are going to get rid of the HMO's, so they have good service.

But in big cities and communities like the majority of the communities that my district covers, there is an attempt being made to come in and stampede the situation and restructure, reengineer the health care system for the benefit of the big HMO's, and the insurance companies and pharmaceutical companies are going to stand behind them.

They are not listening to doctors. They are not listening to hospital administrations. They are definitely not listening to community leaders. They are very seldom listening to elected officials. We need to reestablish the dialog, and the only way we can get that dialog is by confronting them with a situation which brings to a halt the grand design to redesign our health care system.

So we have the mayor proposing to sell one of the hospitals in my district; the Governor proposing to close down another one; the layoffs of thousands of people taking place; and all this is happening very rapidly, and in the meantime the shadow of the Medicaid entitlement being taken away looms over our head.

The Medicaid entitlement will be converted to a block grant automatically. Right away there is a reduction in the amount of funds available for Medicaid because the proposal is not just to give the State what it now gets but to cut the amount of money. The State will have the power then to cut the benefits. So we will have several rapid shocks to the health care system all at once.

For this reason, this Sunday, we are mobilizing all over the city. Not just in my district but all over the city there are demonstrations at hospitals called Hospital Support Sunday. Churches are leading their congregations to hospitals that are threatened and they are having rallies to send a message to the mayor and to the Governor that we are the people, the health care system is for us, those of us who are patients and those of us who are alive and will someday probably become patients. We want a voice in the restructuring. We do not want the insurance companies and the pharmaceutical companies and the HMO's to restructure our health care for their benefit. We could like to have a voice in the restructuring of the system for the benefit of all the people.

We have three demands. One is that they freeze the situation as it is now. Do not have any more sales of hospitals. Do not try to lease hospitals. Stop downsizing and streamlining, cutting the budget so that the hospitals are not able to function properly. If they cannot function properly, people stop coming, and then they use the fact that their number of patients is declining as a justification for cutting the staff.

It is a vicious game that is being played with our health care system and we want it to come to an end. We want the assault on our health care system as part of the war we make in America to come to a halt.

Maybe we can make a deal. In every war, no matter how vicious the war may be or how ambitious the maniacs are who drive the war, they do make some arrangements. As bad as the Third Reich was under Hitler, they did not attack Switzerland. For various reasons they never attacked Switzerland. As bad as they were, they did not go on to attack Sweden. They did grab little Norway because it was in the way in terms of their own strategies. They did terrible things but there were some places where even the vicious Nazis did not cross the line.

Maybe we can have a deal with the people who are trying to remake America and a Speaker who declares that politics is war without blood. Perhaps we can have a safe haven out there in health care, put it off the invasion map, take it away as a target and let us not do terrible things that our grandchildren might spit on our graves as a result of hearing about.

Let us not destroy the health care system for the elderly, which may throw people out on the streets. Because in Medicaid two-thirds of the money from Medicaid goes to nursing homes. One-third goes to poor families, and they are important, too, but two-thirds goes to nursing homes.

Many people in those nursing homes are people who were middle-class people, who had some means before they got ill and lost their jobs and lost their faculties and for various reasons became impoverished. Once they become impoverished then Medicaid is all there is left to take care of them. Take away Medicaid and they are literally in the streets.

So we do not want to hastily, in the process of remaking America, do things that would end up being counted as atrocities sometime in the future as people look back. We do not want to do thing that in the process of trying to justify them we would take ourselves into some kind of immoral era similar to the Nazi era.

People with disabilities in Nazi Germany became people who ought to be destroyed, and it is to the credit of the German people that they would not consent to euthanasia as long as they knew about it. But when they singled out a particular ethnic group, they did go on and try to destroy a whole ethnic group. The seeds were sewn.

Human beings or nations should never begin to think in certain directions. Human beings and nations ought to automatically want to structure systems that provide for the preservation of life. To be pro-life in the most profound sense is to try to preserve the health care system; to try to see to it that at least every person has an opportunity to maintain good health and to benefit from the modern life-saving devices, and to in some way know that we care about them that far.

We cannot guarantee them an income, we cannot guarantee them a lot of things, but let us put the health care system into a safe haven status and say we are going to try to guarantee that decent health care is provided for everybody. We are going to try to guarantee that systems are maintained. We want to streamline them, make them more efficient, eliminate the waste and corruption, but we are going to maintain systems that are adequate.

We cannot maintain adequate systems if overnight we are going to make a decision to close hospitals in a big city like New York. The closing of the hospitals has not been discussed by the doctors and the administrators, it has only been discussed behind closed doors by politicians who want to make a score and save money over a short period of time. So that kind of restructuring is going to be a scorched earth kind of restructuring where people's lives will not matter.

We will not stand by idly and watch this kind of restructuring of our health care system in New York City: I hope that the rest of Americans understand that we are at a critical point and they too must get out take a look at what is happening, who is making what plans about their health care system, who is making what plans about how many hospitals we are going to have in a given area, and about the nature of those hospitals.

A burn unit cannot be maintained by an HMO. A burn unit needs a large population to support. A burn unit needs to exist within the structure of a hospital. MRI's are very expensive and cannot be maintained in some doctor's office or some clinic cannot maintain an MRI. If the hospital goes, then we have a situation where the justification and the rationale for a number of other services that are based on a density of population will no longer be there.

So we must fight to keep hospitals, or at least to have people sit down at the table and give us the blueprint; show us how they will maintain the quality of services, if they are going to restructure and eliminate certain hospitals or certain aspects of the current health care.

Now, we have the analogy of politics as war without blood. In every war monumental mistakes are made. The nature of war is such that it is going to grind down and eat up, chew up, and abuse large numbers of people because it is an emergency and we cannot set our own scenarios. We have to react to the enemy. There are a number of things in the nature of war. That is why the analogy that politics is war without blood is a bad analogy.

We should not have to move in an atmosphere of war. We should not have to rally to meet a crisis that does not need to be created. Health care could be kept at some kind of rationale level. Health care should be kept off the table.

Yes, eventually, HMO's, profit making HMO's, may make money in health care. Eventually Wall Street may have stocks in the health care industry do very well. But let us try to do that and make capitalism and the profit motive work for the benefit of the people. Let us not allow the situation to get totally out of hand and a scorched earth policy to leave us with ruins in our health care system.

Once we close a hospital, reopening it is almost impossible. Once we close down certain kinds of facilities, we cannot bring them back. And we must force those who are in place of decision-making and power to stop, listen, and negotiate.

Our demands in New York City are three basic demands. Freeze the situation. Do not go any further. Disclose your plans. Let us see what is happening. And they negotiate. And this is a pattern that I offer to the rest of the country.

□ 1845

It is your health care. This invasion plan will roll right over you unless you rally and guarantee that you are respecting and that your health care does not become cannon fodder in this so-called war to remake America.

TRIBUTE TO ADMIRAL BULKELEY AND ADMIRAL BOORDA

The SPEAKER pro tempore (Mr. SKEEN). Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes as the designee of the majority leader.

Mr. DORNAN. Mr. Speaker, those that were watching the proceedings in this Chamber earlier saw some brief 5-minute or shorter tributes to the Chief of Naval Operations, the highest ranking naval officer in the world up until a few hours ago this afternoon when the early reports are telling us he took his own life in the Chief of Naval Operations traditional officer's home, just a few blocks from here in the Navy Yard on the Anacostia River.

Mr. Speaker, I had been intending to come to the floor tonight to finish a tribute to Adm. John Duncan Bulkeley, who had served 55 years on active duty, retired just a few years ago in 1988, and was the squadron commander of the PT boats that took General MacArthur off Corregidor. I pointed out that in an otherwise beautiful funeral ceremony on Patriots' Day, April 19, the only sad note was that there were no Cabinet officers, no Vice President. Bill Clinton had held the wreath with Admiral Bulkeley at the 50th anniversary of D-day, the Normandy invasions to begin the day at dawn.

Together they held a wreath honoring all those who died at sea, the Coast Guardsmen driving the landing craft up to the beach, the few naval craft as they secured the waters of the English Channel for the Allied forces that died, those that died leading up to it, those that died in secret operations in the months leading up to it where we lost hundreds of sailors and soldiers, and it was kept secret for 25 years.

That wreath was to commemorate all who were lost at sea, including those landing barges that were blown up by shore artillery and mortar fire sent out by the Germans. At the funeral, which I talked about here 6 days ago, I said that the first eulogy for Admiral Bulkeley, this Medal of Honor winner, holder of two Distinguished Service Crosses, Navy Cross, two Purple Hearts, two Silver Stars, French Croix de Guerre. The first speaker was the CNO, the Chief of Naval Operations, Jeremy Michael Boorda, Mike to his friends.

Mr. Speaker, I have in front of me the CONGRESSIONAL RECORD. How could I or anyone have known that, while praising Admiral Boorda here at this very lectern on the leadership desk, that 6 days later he would be joining Admiral Bulkeley in heaven? This is phenomenal that our country is getting hit with so many hammer blows of people dying. It must be tied into something to do with what the Holy Father in Rome calls the culture of death.

I got through most of Admiral Boorda's eulogy for Vice Admiral Bulkeley, and I had the son of the actual PT boat, signal boat commander, PT 41, George Cox Jr., a late-in-life child is, I guess, the way they say it, not the grandson but the direct of son of George Cox, Ensign George Cox, who was actually at the helm of the PT boat when Admiral Bulkeley with the last of his two boats out of only six to begin with, when Manila, the Pearl Harbor of Manila was December 8, across the date line, when George Cox was watching Junior, he is an LA of CLAY SHAW of Florida, legislative assistant.

I opened with words of Ronald Reagan that I used the next day when I was the graduation speaker at a beautiful traditional Catholic Christian college in Front Royal out in the beautiful Shenandoah Valley of Virginia. I talked about what Ronald Reagan had told us all to do in his goodbye words on January 11, 1989, 9 days before combat Navy hero, 58-mission George Bush was sworn in. And that is what I titled this piece, or our wonderful recorders that took the title from my words. It says President Reagan commands us, remember our heroes, remember our past.

Mr. Speaker, I read beautiful moving passages of President Reagan's words, then told some history about Admiral Bulkely that was my tribute to him and to George Cox, Sr. with George, Jr. watching. Then I got into Admiral Boorda's remarks. And then I read the stunningly beautiful tribute to Admiral Bulkely from his second son, an active duty Navy captain, Peter Bulkeley, and my time ran out. So I was going to come back at some point this week and finish reading, because I promised Admiral Bulkeley's son and his three daughters, beautiful daughter-in-law, that I would read it word for word, it was that good.

That is what I thought Ronald Reagan wanted us to do, as RON KLINK on the other side performed a moving historical tribute to the people of Crete and how it might have been the key battle that, although lost, delayed Hitler's invasion of Russia and thereby turned the course of history in World War II.

So I was going to come back tonight and finish Peter Bulkeley, Capt. Peter Bulkeley's tribute to his dad. And now I have to do that and a tribute to Mike Boorda. I have Mike's biography in front of me. What a life. Just on two pages. Bulkeley served 55 years. Boorda served 40. Fibbed about his age. The one time you can talk about fibbing, downgrade the word from lie. When you are trying to wear the uniform of your country and say you are older than you are, God must smile. That is certainly not a venial sin. That is a fib to serve your fellow man. He fibbed on his age in November 1938. He is my brother's age, 2 years older, younger brother, and he joined in November 1938. Was an enlisted man for 8 years, excuse me, 6 years, and was a Navy petty officer first class. Attack squadron 144, carrier airborne early warning squadron 11.

My older brother's son, a Navy lieutenant commander who has served in the gulf 30 or some combat missions in one of these squadrons, he had all this enlisted experience and was selected for commissioning under the integration program in 1962, 34 years ago. I will get to Mike Boorda's tribute in a minute, but let me tell you again what Mike Boorda said about Admiral Bulkeley. Quoting myself, I finished talking about SONNY MONTGOMERY, SAM GIBBONS, World War II veterans in this House that had the only tribute to World War II other than about 10 or 15 that I did, was a month after the war had passed its 50th anniversary.

I finished talking about them and I said: Mr. Speaker, I just do not understand why people are not listening to what Ronald Reagan said about talking about history. So Admiral Boorda begins his remarks. Mr. Speaker, this is his title of his tribute to Bulkeley on April 19, but I am saying it 6 days ago. Admiral Boorda says: You may cast off when ready, Johnny. Those were MacArthur's words to Squadron Commander Bulkeley. I am sure Bulkeley, as I discussed with George, Jr., turned to Ensign Cox and said—I am sorry, those are my words.

I am sure that when Bulkeley heard those words from MacArthur he turned to his PT boat skipper Ensign Cox and said: George, let's move it out of here, anchors aweigh. Those were my remarks. Admiral Boorda began, I say, this is Boorda. Will Rogers said that we cannot all be heroes. Then another aside of mine: Mr. Speaker, I say, by the way, Admiral Boorda beautifully delivered this, Mr. Speaker. Back to Mike: Some of us have to stand on the curb and clap as those heroes go by. When he made that statement, Will

Rogers could only have had one type of person in mind, John Bulkeley.

We gather here today—this is the new chapel at Fort Myer, in this place meant for heroes and applaud a true American hero as he passes by. And we come together here as the rest of America stands up and cheers for a man who symbolizes the very best about our Nation. While we are saddened to no longer have the great John Bulkeley with us, Boorda continues, it is not a day of sorrow. He would not have liked or allowed that. Today is a day meant to remember, to give thanks.

Then I point out that Admiral Boorda goes on page after page telling about his early years. I put it all in the RECORD later. He tells about the film, "They Were Expendable," America's leading man John Wayne, America's sweetheart, Donna Reed. And Boorda talked about Admiral Bulkeley, how he lived his life for our navy and his country.

This is what Boorda did for 40 years. Bulkeley did so with guts and heart and, most important, with honor. His service stands as a tribute to every sailor.

This was obviously coming from Boorda's heart, Mr. Speaker, because he always considered himself a sailor. He said: Every American, every person on this Earth who cherishes freedom, Bulkeley's life touched more than just us. It touched the world. And so today America says—boy, these are words from the grave. I give Mike Boorda's words back at him, Mr. Speaker: Thank you, shipmate, for giving us the very best. And while we knew that you were always special, too extraordinary to ever need our thanks, we just thought you would like to know.

The words he ended with there were the way this legendary Adm. John Duncan Bulkeley would write a short memo, sign it and then write a four-page PS. He would always sign the PS: Just thought you would want to know.

Now, I do not want to confuse, Mr. Speaker, anybody who follows these proceedings, but I think at this point I would like to do a tribute to Admiral Boorda, the highest ranking American naval officer in the world this morning.

Talked to our colleague, Commander DUKE CUNNINGHAM on the phone at 10, and I think I have a right to say what he told DUKE, that he was feeling pressure from the White House and Secretary Perry to undercut the Republican defense authorization budget that restores much modernization that is needed to our military, that he was under terrific pressure.

He had an interview with the news magazine this afternoon, just an hour after he died. He was getting hammered in the press a little bit, but that would not have bothered someone with 40 years in our great Navy.

But as I talk about Bulkeley later through the mouth of his son, Captain Peter Bulkeley, think about the fact that I will be back at that chapel in Myer for Admiral Boorda's funeral in a few days. This is amazing. Mike Boorda went through Officers Candidate School in 1962 in Newport, RI. Got his naval commission as a very experienced young ensign August 1962. So he would have been 24 years old. He served in destroyers, combat information center on the Porterfield, went to destroyer field in Newport, became a weapons officer on the *U.S.S. John Craig* and other destroyers, served on the *Parrot* and mine sweeper. Then he was a weapons instructor.

There is just so much here. I am going to skip through it because a lot of it is the dry bio of years and years of superb service going everywhere your country and your Navy tells you to go.

Mr. Speaker, here is where I first met him. After he was the commander of cruiser, destroyer Group 8, the Greyhounds of the Sea, and as carrier battle group commander embarked on the *Saratoga*, one of our first big angle deck carriers, he also served as the commander of battle force Sixth Fleet in 1987 in the Med.

□ 1900

And then he comes to D.C., and this is where I met him. In August of 1988 he became chief of naval personnel, a teenager of 17 up through the ranks. Everyone thought this was the crowning glory of his career, vice admiral, 3 stars, going to take care of all the kids and gals in the Navy and all the chief petty officers in the officer corps. He served there for 3 years.

In November of 1991, that is 5 years ago now, he got his fourth star. Has been a four-star general for what would have been 5 years this November, and in December 1991, 4 years ago last Christmas, he became the commander in chief of all the allied forces in southern Europe; I saw him there a year after that; and then commander in chief of all the U.S. naval forces in Europe, headquarters in London, England, in those traditional buildings that go all the way back to those D-Day victories, World War II.

On February 1, 1993 while serving as commander in chief, he assumed the duty of commander, Joint Task Force Provide Promise, responsible for the supply of humanitarian relief to Bosnia-Herzegovina. He set up the air land and air drop dangerous night mission, C-130s coming at 10,000 feet, trying to target air drops with parachutes of heavy medical supplies and food into the besieged people of that poor war-torn land of Bosnia. He set all that up.

He has the Defense Distinguished Service Medal, the Distinguished Service Medal, second time, Legion of Merit, third award, Meritorious Service Medal and a number of other campaign awards.

He was our 25th Chief of Naval Operations.

What a history from 1775, John Paul Jones. I have not yet begun to fight. John Burrey, an Irishman, the father of our Navy Marine Corps, born November 10, same year, 1775. What a history. Only 25 CNOs.

His beautiful wife, Irishwoman Betty Moran, they have four children. It says nine grandchildren, but that is wrong. I was told today four more arrived just since this bio. No, 2 more. He has 11. I have 10. There is so much to live for, four children. Well, he has got exactly what I have. I have five children. So he has 15 children and grandchildren, I have 15 children and grandchildren. I want to get out of here some day and live for them to pass on everything that I hope is wise that I have learned in life.

Two of his sons are naval officers, Mr. Speaker. What a tragic depression must have borne down on that naval officer's chest. What a tragedy.

Just thought you would want to know that we have lost a great naval commander, a young teenaged boot going through probably Great Lakes Naval Center, where so many friends of mine went through. What an inspiration he was to the kids out there on the ships, and the young gals.

How tall was he, Mr. Speaker? Could not have been more than five foot 2, 3, 4; probably five-five. What a dynamite package. We are going to miss you, Mike.

So over there at that beautiful new cathedral at Ft. Myers, resplendent in his white uniform, a pallbearer also, of course. Many vice admirals sitting in the front row, one three-star general. Should have been a lot bigger than that for Admiral Bulkeley.

Mr. Speaker, FDR pinned on his Medal of Honor. We have got a Medal of Honor winner in the Senate. I think that should have dropped everything to be there. Got 2 or 3 Navy Cross holders, a former Navy Secretary over there. No Navy Secretary. Great Army three-star there, No. 2 man, but MacArthur pinned on his Distinguished Service Cross. Secretary of the Navy Frank Knox, under Roosevelt, pinned on one of his Navy Crosses, he got another Distinguished Service Cross, but at least he had Mike Boorda, CNO, speaking up for him.

At this point what I would like to do so that it is a coherent record is put back in, and I will bring this down and give it to the recorders, Mr. Speaker, all of the first part of Peter Bulkeley's tribute, which took his dad through his Annapolis years through China through meeting the beautiful English girl Alice, marrying her, the dark days in the Philippines, his days as the wild man of the Philippines, his clothes ragged, the both covered in grease and diesel fuel and held together with spit and wire and prayers, and Peter's beautiful words that will be in the RECORD, took him right up through the end of World

War II, the stories of D-day, the stories that I told because I had heard it and forgotten it. It was in Peter's words about sinking two German Corvettes, capturing the Nazi commanders; maybe they were not Nazis, just naval officers, but they refused to salute Old Glory, a Naval tradition, as they were rescued and brought up on the deck of Admiral Bulkeley's first major combat surface ship, the destroyer *Endicott*, and he had them thrown back in the water.

I am told last Friday how the story was repeated to me by several of the crewmen from the *Endicott* that were there to pay tribute at the funeral to John Duncan Bulkeley, and, Peter, I got to the point where I read his words telling that story, a true story how the German on the third time around worked the trick, as Captain Peter said, and he finally saluted Old Glory, and then I told something that was not in Peter's remarks told to me by the helmsman Joe Caine, who was about 20, and that was about 50 years ago plus 2, so he is about 72 years old now, spry and as chipper as ever.

He told how Admiral Bulkeley took two Jewish members of the crew from Brooklyn, from the Bronx, and gave them Thompson submachine guns and took them into the officer's ward where they had these two German Corvette commanders, captains, and said, "Now, do you speak English?" And they did. They were educated. And he said, "Well, these two fellows here have a good Bronx background, and they're Jewish. I thought you might want to know that if you make a move, you're in a lot of trouble. Cover him, guys." One was named Gottleib and the other, they said it was either Rosenburg or Rosenstein. It was quite a story.

So that is where my time ran out, and I pick up admiral—not admiral. Maybe some day another admiral in the Bulkeley family because Peter had also talked about all the naval officers and heroes going all the way back to the battle of Trafalgar and the victory and Lord Nelson. So I picked up Peter Bulkeley's words in his eulogy for his dad, and I will continue from here, and it will have his full eulogy in the record.

Let me pause, Peter says. The admiral was a strong believer in standards. Some may say he was from the old school, as the enemy captain of one of the Corvette soon learned. I have not read this, so I will do this. Coming up the sea ladder, the German commander would not salute the colors of the *Endicott*. He was promptly tossed back into the sea. On the third time, that did the trick, and he was taken prisoner and allowed on deck.

I heard this story a long time ago, but last year, this would be 1995, I had the privilege of attending one of the *Endicott* ship's reunions and was told the same story over and over by the crew that served and loved their captain so well, John Bulkeley.

World War II closed, and the admiral emerged as one of the Navy's and America's most decorated heroes, having been awarded the Medal of Honor, the Navy Cross, the Army Distinguished Service Cross with Oak Leaf Cluster in lieu of a second award, two Silver Stars, Legion of Medal with Combat V, the Purple Heart twice over, the Philippine Distinguished Conduct Star, and from France the French Croix de Guerre, which by the way, my father earned the hard way, with three wound chevrons that are now called Purple Hearts, in World War I, Mr. Speaker.

Asked about his many decorations, John Bulkeley would only comment, "Medals and awards do not mean anything. It is what is inside of you, how you feel about yourself, that counts."

With an eye to the future, John Bulkeley looked forward to the day he would become an admiral in the Navy he loved so much. As President Kennedy in the early months of his administration dealt with an ever increasing crisis over Cuba, the admiral got his wish and, for a quarter of a century, would serve as a flag officer in the Navy.

As I am reading this, Mr. Speaker, I am picturing Boorda, Admiral Boorda, sitting there in the front row. How many days ago? Eleven? Twenty-seven days ago.

Challenged in his first assignment as commander of the Guantanamo Naval Base, Bulkeley met and defeated the challenge of Fidel Castro's threats of severing the water supplies of the base. Today Guantanamo stands as a symbol of American resolve because men like John Bulkeley stood up and refused to bend and took the initiative to stare down belligerent threats of lesser men not friendly with America. Perhaps a tribute of the time was a wanted poster offering 50,000 pesos for commander—Captain Bulkeley, dead or alive, by the Communist leadership of Cuba, along with the description a guerrilla, the worst species. I take it back. He was a flag officer by this time.

At Guantanamo, for those that have visited, there is a hill that overlooks the northeast gate, a gate with a sign that reads "Cuba, Land Free from America." I remember standing there with former members Bob Lagomarsino and Eldon Rudd of Arizona.

Peter says, "I stood with my dad on that hill almost 32 years ago. Cuban troops began moving about. They were armed. My dad's 19-year-old driver, a Marine lance corporal, comes running over and stood directly in front of the admiral ready and willing to take the bullet that could end the life of his commander."

The admiral loved his Marines, and the Marines loved and respected him in return. He would be with them day and night in fatigues ready to conduct war, if necessary, but more, to defend Americans and the land of the free against the Communist yoke of tyranny.

Colonel Stevens, the former commanding officer of the Marine barracks at Guantanamo, wrote just recently adding three more stories to the legend of John Bulkeley. The admiral had the compassion of the men in the field, taking time again and again to bring them relief, whether cookies on Christmas morning or visiting with them at odd hours of the night to ease their nerves. They loved this man, the young men—not so young. The 70-year-olds at his funeral from the *Endicott* told me he knew every man's name on the ship; every nickname and would pop up in the dead of night to have coffee with whoever was on watch in the wee hours of 2, 3 and 4 o'clock in the morning.

The admiral would construct on that hill, his hill overlooking the northeast gate in Guantanamo, would construct the largest Marine Corps insignia in the world as a quiet reminder that the U.S. Marine Corps stood vigilant over this base, and in tribute a Marine would write John Bulkeley, Marine in sailor's clothing. Camp Bulkeley is still there in Guantanamo today, and that Marine anchor and globe has a fresh coat of paint.

John Bulkeley never forgot his early years, the hard iron-like discipline, the poor material condition of the fleet and the need to always be ready. He was talking about the '30s, 1930's. In this own words, to be able to conduct prompt, sustained combat operations at sea assigned as the president of the Board of Inspection and Survey, inspector general position unique to the Navy. The Army and Air Force do not have this as you know, Mr. Speaker; a post held by many distinguished naval officers since its inception almost since the beginning of the Navy. Bulkeley's boundless energy would find him aboard every ship in the Navy from keel to the top of the mast, from the fire control system to inside a boiler discussing readiness and sharing sea stories and a cup of coffee with the men who operate our ships, our planes and our submarines. This throughout the end of this 55-year career. He was relentless in his quest to improve the safety and material condition of the fleet and the conditions for the health and well-being of those men. He conducted his inspections by the book and strict accordance with standards, as many a man well knows, but his love for the sailors always came through.

His "Just thought you'd like to know" memos was another invention of his that was designed to be a, quote, unofficial report, unquote. But of course they were often greeted by a groan by the recipient in the Navy's leadership knowing that John Bulkeley had another concern that needed attention, and the number of information addresses receiving the same "Just thought you'd like to know" letters often were longer than the letter itself. The admiral would laugh about his informal invention less than 30 days ago. That is last March.

After 55 years of commissioned service, John Bulkeley retired to private life. I was there at his retirement ceremony with Admiral Trost, then Chief of Naval Operations.

□ 1915

"John Bulkeley, as you recall, did not like notoriety and wanted to keep a low profile, throughout his life, even his last day in his Navy. His ceremony, as requested, was brief and to the point. Held in the CNO's office, with family present, all he sought after giving his entire life to his country and his service was to have the CNO's flag lieutenant open the door so he could slip his mooring line and leave quietly.

"Today we celebrate the final journey of a great American, John Bulkeley, and let him sail away."

Ironically, we should have all the flags in D.C. at half mast today, Mr. Speaker, for Adm. Jeremy "Mike" Boorda.

"We should not mourn, for he would not want that, preferring we celebrate his long life, fruitful life, and the life he chooses to lead. When asked to describe his own life he said," listen to this, Mr. Speaker, 'Interesting, Fascinating, and Beneficial to the United States.'"

Would not every Congressman and Senator like to say their career was interesting, fascinating, and beneficial to the United States of America?

"The spirit of John Bulkeley is here. You can see it everywhere. You can see it in the faces of our young sailors and marines, the midshipmen and our junior officers who will be challenged to live up to his standards of integrity, loyalty, bravery, and dedicated service to country and to service.

"John Bulkeley's career and service to the Nation spanned six turbulent decades of this century, he saw firsthand desperate times and the horrors of war. Yet he was also a father, marrying the woman he loved, and in his own words, 'It was the best thing I ever did.'" He said that to my face at D-day when he introduced me to his wife and several of his grown children.

Peter continues: "And raised the family he could be proud of, because we are proud of him." Then, in a tearful moment in the audience for us, Mr. Speaker, Capt. Peter Bulkeley looked at his mother, and he says, "Mom, you were his right arm, his closest friend for a long and full life. You gave him your love and your support. You truly were the Wind beneath his Wings," and they had played that hymn. "Yellow roses and his Colt 45 that he gave to you on your wedding night, while he stood watch out in Swatow Harbor, China provide us comfort of this love for you and his service to country. Before he passed away, every member, child, and grandchild, sons and daughters-in-law all came to be with him in his last days. This by itself is testimony of the legacy he leaves behind and the love his family had for him.

"Today we face a different challenge than what John Bulkeley did. Old enemies are our allies. But now there are new foes who challenge our country's interests and our way of life sometimes, even inside our own borders." Narcotics.

"Admiral Bulkeley's efforts and sacrifices for a better world, a free world, his integrity and honor, and a combat-ready fleet, ready to conduct prompt, sustained combat operations are his legacy to our Nation.

"Seated before me are many of the warriors that fought alongside the admiral, shared in his beliefs, his determination, his losses, his grief, and his unfailing lover of family, service, and country.

"With his passing, the watch has been relieved. A new generation takes the helm and charts the course. His Navy, he shaped for so many years, is at sea today, stronger and better because of him, operating forward in far-away places, standing vigilant and engaged in keeping peace and helping our fellow man, but ready for war.

"In his own words, he leaves this with you: 'Be prepared. Your day will come, heaven forbid, when you will be called to go forward to defend our great Nation. Your leadership, bravery, and skill will be tested to the utmost.'" He continues with his dad's words: "You should never forget that America's Torch of Freedom has been handed down to you by countless others that answer their country's call and often gave their lives to preserve freedoms so many take for granted. This torch is now in your hands. You have a great responsibility to uphold duty, honor, country. God bless each of you and protect you.

"Just thought you'd like to know."

"So, we gather together today to say farewell to a man we love, a man we respect and cherish, a man that did his duty, that made his mark in life, and left the world a better and safer place. Peter Bulkeley looked toward his father and said, 'God bless you, Dad. All lines are clear.' A beautiful tribute. I could look over about 6 people, see the tears in the eyes of the Naval CNO, Chief of Naval Ops."

So I will just make Peter's tribute to his legendary father a tribute to your 40 years, Admiral Boorda: God bless you, Mike, all lines are clear. I will see your family over at Fort Myer Cathedral.

Mr. Speaker, this has been a tough week. My honor has been challenged more than once by some of the biggest papers in this country: U.S.A. Today, New York Times, L.A. Times. People who are ignorant of what I am trying to do for our military have been taking cheap shots at me all week long. They just bounce off my back, because I am the one who has done the research on this moral crisis in our country and in my beloved military, all the services. I have never felt parochial about the Air Force, I belonged to all the forces.

I will spend all day tomorrow at West Point. I have four or five cadets up there from my little California, Orange County, district. I will have lunch with them, I will meet with the instructors. I come back here Saturday, and I am going to the ordination of 12 priests, the biggest ordination of priests anywhere in this country this year in a diocese, Arlington, across the river, that is on fire with the Holy Spirit; great priests. One of them is my son-in-law's priest from the Mission San Juan Capistrano, Joe Dressler. He is coming back here to meet with some of his underclassmen from the seminary that he studied at.

Then on Sunday, I am taking my wife and the Air Force is driving me down to an Air National Guard base at Richmond, and I am going to fly the F-16, if I pass my morning physical down there, with an Air National Guard squadron of great tradition; flew the F-105 Thunder Chief after Vietnam for years, and now flies the F-16 Falcon.

They have been given the duty of working out the tactical reconnaisance mission in pods on F-16's, instead of taking over the whole aircraft of the F-101 Voodoo, the RA-5 Vigilante in Vietnam, or the RF-4 Phantom in Vietnam and all over the world, all over the world, right up through Desert Storm.

Now, instead of a dedicated reconnaisance fighter aircraft, we are going to have a pod and a mission where in every fighter squadron, or in handpicked squadrons, there will be a few aircraft capable of reconnaisance and fighting if they get in trouble and have to jettison the pod; quite an airplane, that single-engine single-seat single-tail F-16. I will be doing that.

Next weekend, depending on our votes, I am going up to Greenland to close the circle on trips that I have made to the North Pole with Admiral Mauz, another great four-star nuclear engineer who runs all the nuclear programs in the Navy. He took AL GORE and I up to the North Pole to go under the North Pole ice cap on the U.S.S. *Sea Horse*.

Navy officer Bart Roper, back seat radar intercept officer who is now the AA of the gentleman from Florida, JOE SCARBOROUGH, who was earlier doing a tribute to Admiral Boorda; Lt. Comdr. Bart Roper, now working as one of our allies on the Hill, he took me down to Antarctica. I flew with the greatest Navy pilots I have ever flown with in my life, old Huey helicopters, ski-equipped LC-130's. They call themselves the ice pirates. I have a great patch of theirs on one of my flight jackets.

I want to see how our Air Force operates at Greenland. I have wanted to do that all my life, since when I had a young commander who said, "I am sending you to Thule, Greenland, Dornan, if you don't shape up." So I am going to go up there to see one of our young men and women up there who was on one of our key flights with one of our C-141 aircraft, the stretch B model that is aging.

This is what I did all the time as a regular back-bencher, a minority member activist, a ranking minority member, and now on the Permanent Select Committee on Intelligence, and chairman of Subcommittee on Military Personnel, I know what I am doing on this floor, Mr. Speaker, when I put forward an amendment not to have homosexuals in the military.

It won so big in full committee they did not even vote, and it won so big here Wednesday nobody would challenge me with a vote, but behind the scenes they are talking about dumping it in conference, in a secret star Chamber session, with Senators who either had never served or do not work their tail off the way I do visiting with the men and women in the field at all ranks, from sailors and boot camp young men going through paratrooper training in Benning or Special Forces senior heroic Delta Force master sergeants and first sergeants.

I visited the graves of our two Medal of Honor winners, Randy Shugart and Gary Gordon, Gary up in the land of his birth in Lincoln, ME, Shugart born in Lincoln, NE, but buried up in Carlisle, PA. I took my son Mark to both of their graves, so he could see what heroes were sent to their death by a stupid foreign policy in the filthy alleys of Mogadishu.

I only learned in the last few weeks that they held up the arms and legs of our men to show to the crowd. I saw pictures this week of young punks wearing the sunglasses of our aviators, or Durant's crew after they had murdered all of them. Durant, fortunately, came home. I met with him at Fort Knox. It is just amazing that people will ascribe to me motives for what I am doing without ever talking to a man or woman in uniform.

I called a smart-alecky reporter, David, and I will not mention his whole name, he writes for Armed Forces Journal International. He starts off and says, "Dornan is now a bad joke because he has done all the social stuff in the military." I got him on the phone, he was very respectful last night, I called him from an Intel secure phone, because we had a briefing going up there about the dangerous world we live in, and I said, "Where do you get off? Have you worn a uniform?" "No, I haven't. You have got me there."

"Where do you get off telling me that and ripping me up in the press?" I said, "I'm not bothered by the heat. I kind of like Harry Truman's line, take the heat or move on, but you don't follow me through the Pentagon, you don't go to the funeral with me at Arlington, where I got 5,000 people the Armed Forces the Expeditionary Medal by myself; no help in the Senate, none, nobody."

They fought me. Senior four stars fought me in the Pentagon, but I was there to meet Colonel Pickett, whose son, Lieutenant Colonel Pickett, was executed with a bullet to the back of his head by the Communist FMLN, the Faribundo Marti, down in El Salvador. I met his grandson. I listened to them play taps standing on his grave at Arlington, the only one of our 21 men killed in a battle with communism, where we were not going to give them decorations for even showing up, just an Expeditionary Medal.

None of these reporters were with me. They do not know anything about the military, anyway. They do not know that my heart goes out to these thousand people who have been given a slow, long death sentence with a fatal venereal disease; no matter how they caught it, that is what it is, it is syphilis II, and it is fatal.

And they all know that they serve in the military, restricted in duty, not worldwide deployable, not deployable anywhere, never again to be trained. All their combat training, if they had it, has gone down the drain. one hundred thousand healthy men and women have been discharged, Mr. Speaker, and we politically protect a little group of 1,000, all because of the homosexual lobby trying to drive the agenda here.

□ 1930

Let me just tick off some items here. Item this month—World News Washington Post. Spread of AIDS in China Alarms the Chinese. The prediction here is identical to the prediction I brought to the floor 10 year ago about Bangkok, Thailand and the Indian cities, huge population centers along the Ganges, Delhi, Bombay, Calcutta and it has all happened in southern Asia, it has all happened in Thailand.

Look at this article here. None of the centers know anything about this but it is in the papers today.

In the L.A. Times today, Mr. Speaker:

"House Okays Defense Bill with Dornan Provisions." They say that I have renewed the ban on abortion. I did not renew anything. It is law. Clinton was forced to sign it on February 10. It is law. The other side brought it up. The same people who want us to have so-called partial birth execution style organized crime. I agree with some Italian-Americans who called me and said, "BOB, we love you, please don't use the word Mafia. It is an unfair word." It is organized crime. It is in every country. It is organized crime in Moscow and they call it Mafia. We ought to just call it organized crime unless it is Sicily where it is specifically Mafia. But this is ridiculous, what they write. I did not bring up the abortion issue. HIV, I am right. Homosexuals in the military. I am right. Then it says the bill would renew provisions contained in previous defense bills. No; it is law. Then it says staffers for Senate Republicans who oppose inclusion of all these social agendas, the HIV ban, the homosexual ban, the ban on Hustler magazine on military bases, PX's, and commissaries.

It says those who oppose it said they gained assurances from the House GOP leadership that at least the AIDS provision would be eliminated. Oh, they are not so sure about going back to George Washington and Ronald Reagan and George Bush's homosexual ban.

None of my leaders better have done this. I went to all of their staffer here, my pal Mr. ARMEY's staff, my classmate from my comeback in 1984, TOM DELAY's staff, another member of the class of 1984. I said, did anybody talk to them, to the L.A. Times, to Norman Kempster and tell anyone?

Well, actually, it is the Senate staff saying this, not Members, staffers saying our leadership is going to dump on DORNAN. Well, I am a conferee this time. This is not like the appropriations bill where Republicans gutted out for the first time in 20 years that I know of, undid public law that was fair to men and women in the military. Listen to this. Here is why I am going to make my case in conference and take names. Nothing says we have to be secret in conference.

"African Armies Weakened by AIDS Virus." This is in the Stars and Stripes May 5. Weakened is hardly the word for it, Mr. Speaker. Zimbabwe, the Zimbabwean Army has been declared by the United Nations no longer acceptable for deployable duty. That means more duty for us. Do you know why? Three out of every four soldiers, officers, enlisted men, NCO's are infected with the AIDS virus. They are all going to die within the next few years. The former commander is dying of AIDS, the commander before him is dead of AIDS and he has the AIDS virus, the current commander, three out of four.

How about Kenya? Uganda? They are pushing 70 percent, or 6 our of every 10. How about Thailand, 3 or 4 out of every 10 soldiers in Thailand infected with the AIDS virus. When we test people coming to our command and staff schools, artillery schools, armor schools, if they test HIV positive, we send them home. The armies around the world are being ruined by the AIDS virus.

Am I not entitled to say I want my military mercifully with honorable discharges and the best medical treatment in the world hopefully, if people would work with me, the same doctors, the same 35 to $40,000 a year spent on each of these 1,000 people that have it in the military, I am entitled to say, if it is micro-redeployability for other people, even though it is only a thousand, a percentage of a percentage point in the world where there are only 191 nations and less than 100 fit for U.N. duty, where they even have trained and disciplined military, every Nation that is X'ed off by the United Nations, by Boutros Boutros-Ghali, it means U.S. men and women who will never be deployed with AIDS, the AIDS virus, they are out when they get AIDS, the HIV AIDS virus, that means more deployability for us on a macro level.

Look at this item. Column from last year by Jeffrey Hart. I just found it in my records. He writes about Michael Warner, this is a friend, Jeffrey Hart's column, an intelligent fellow who is HIV negative but a homosexual activist, he said, why gay men are having risky sex.

On the assumption that the Voice, a New York City weekly, is not part of your regular conservative reading list, I will give you a brief outline of Mr. Warner's startling article. Warner reports that among large numbers of homosexuals, the risk of death is now part of the emotional appeal of sex, as something experienced and shared, and that sex under the threat of death is, well, better sex.

More about that when I do my rebuttal to Mr. GUNDERSON next Wednesday.

Look at this, Mr. Speaker. Baby flushed down the toilet of a Northwest Airlines airplane. Flight 25. Did you read where they found a little baby strapped in its seat at the tragic Valujet crash of Flight 592?

Well, here is a little baby that was not killed in a crash on God's call but the mother on a plane from L.A. to Manila at the Japanese stop, a big Boeing 747 of Northwest Airlines, the police find a baby. It appeared to be 2 days old. Was it born on board? Was it carried on board dead or alive, then disposed of? Was it wrapped in the toilet paper before the flight even left L.A.? We just do not know. This is last Friday. Northwest is working with the legal authorities. Plane was filled with passengers, 349. Two hundred sixty-six of them left the plane. Then for hours they had to hold the other 83 passengers there and finally they let them go on to Manila. All of that because of a little baby a few hours or a couple of days old, one little baby, part of the umbilical cord was still attached. How is that baby any different than what people in this House, including 33 Democrats who have Catholic in their biographies, how is that any different from killing that little baby with its head held in the birth canal, distressing the mother, I do not know how that is supposed to help the mother, she is in a forced birth situation, and they take the little baby's brain out with suction equipment.

Here is an item, Mr. Speaker, "Vatican Calls Clinton Abortion Veto Brutal Act of Aggression." Here is the exact statement on April 19, the day I am out, that Admiral Boorda is speaking at Admiral Bulkeley's funeral, the same day, Patriot's Day in the United States. This in practice amounts to an incredibly brutal act of aggression against the preborn. The fact that this Presidential decision legalizes this inhuman procedure morally and ethically imperils the future of the society that condones us. The Holy See completely supports the position taken by the cardinals of the United States and the National conference of Catholic Bishops.

Today, Mr. Speaker, in Lincoln, NE, that same town where Medal of Honor winner Randy Shugart was born 37 years ago, today several dozen Catholics were excommunicated for belonging to Planned Parenthood, a phony Playboy magazine group called Catholics for a Free Choice and several other groups, about a dozen groups. The bishop there is named Fabian Bruskwitz. The clerical holy gauntlet has been thrown down, Mr. Speaker.

I had hoped to come to the floor tonight to talk about happy things. Tom Tracy, a friend of mine, is a distinguished Irish-American leader. I have got his great tribute in front of me, how he has honored all Irish-Americans. I am going to save this for next week and do Tommy Tracy right.

I will close on this item, Mr. Speaker. Time magazine, April 29. My friend from Crossfire, Michael Kinsley, did dozens of shows with him. He says:

"Character is a tempting issue and theme for the Republicans. Part of the answer lies with the media. Skeptical scrutiny of Presidents, it seems, is on a permanent upward ratchet. This is a good thing by and large but it is rough on any incumbent President. Part of the answer lies with Clinton himself. Not that his moral failings are worse than other politicians." Whoa, Michael, do not put me in that pack.

"But his relative youth which is not his fault and his occasional callousness, which is his fault, deprive him of gravitas." My 4 years of Latin tells me that means heaviness, weight, seriousness. "The anonymous novel," which my wife is reading, "Primary Colors, is especially good on the way Clinton's bad qualities and good qualities are two sides of the same coin. His ability to deliver a moving speech on great occasions is related to his ability to talk utter baloney with seeming sincerity. Reagan was a great communicator. Clinton, his opponents say dismissively, is a masterly politician. What's the difference?"

Kinsley goes on. "His enormous hunger for approval is what has led him to chase voters and to chase women and his enormous capacity for empathy helps explain why he is apparently so good at both. The empathy is genuine and for all the mockery of 'I feel your pain,' for all the telling parallels between Clinton's political and personal promiscuity, it is his most valuable gift as a national leader."

And Congressman BOB DORNAN wrote in the margin, "Ugh."

We have got a tough time in this country. I have never seen so many important people dying in any administration and I am sure there is nothing related or conspiratorial about it but we have got a rough 173 days ahead of us to the next election.

EXCERPT FROM RECORD OF MAY 10, 1996

"Admiral Boorda, thank you for your very kind remarks. As our Chief of Naval Operations and as a personal friend of the Bulkeley family, we really appreciate your deep concern, your compassion, and personal kindness from all of us. Thank you again. For everyone, please sit back and relax and let me tell you a story about a very special man. Typical of the Admiral, he would want me to come to the point, so this is what he really wanted you to know. He had no regrets of his life, that he lives a long time, married the woman he loved, raised a family to be proud of, and served a Navy second to none."

Mr. Speaker, I pause here in Peter Bulkeley's opening eulogy to remind you and anyone listening to this Chamber proceeding that Ronald Reagan asked me to do things like this, that I may have my weird detractors who do not understand why I am concerned about the social decay of our country, why I want even defense publications like Armed Forces Journal International, or Roll Call, or the Hill, Marty, why I want you to pay attention to what Billy Graham said, poised on the edge of self-destruction. That is why I am doing this. I want people to hear these words about a real hero. Why no one showed up from this administration, unbelievably. The Army did send their No. 2 man, General Reimer's deputy.

I went to another tribute a few weeks later. It was not written up in the Hill or Armed Forces Journal International. It was not written up there. But I went to a ceremony at Arlington last Sunday where I was given some small piece of thank-you for getting 5,000 warriors—men and plenty of women—the Armed Forces Expeditionary Medal for what they did in El Salvador. No Senators, no Congressmen except myself, nobody from the administration. As a matter of fact, the Senate and some strange blockage at the highest levels of the Pentagon did not want these 5,000 male and female warriors to get that medal. And now I have kicked open the door and we are going to get some Bronze Stars and some combat infantry badges and combat medical badges for these people. Nobody showed up there. A beautiful Sunday, playing taps from the grave of Army Colonel Pickett. I got to meet his dad, a retired Army Colonel Picket.

How did Colonel Picket die? On his knees with a Communist bullet from the FMLN shot into the back of his head, killed this young enlisted man lying wounded on the ground, the copilot Captain Dawson was already dead in the cockpit of their helicopter.

When did that take place? January 1991. Nobody noticed because a week later the air war of Desert Storm started.

I will close without any more interruptions, just sit back, as Peter Bulkeley says, and listen to this story of a man who was a legend, and when I told BUCK MCKEON of our House that I could not believe nobody was there, he said, "You mean he outlived his fame."

He said, "If Ron Brown had lived to be Admiral Bulkeley's age, in his eighties, would anybody have remembered him or his less than 4 years as Commerce Secretary?"

No, I guess if you die young, on the line, you get buildings named after you. But if God gives you a good long life and a beautiful family, only a few remember and show up to say goodbye.

Peter continues:

When I pressed dad on 'no regrets,' he sheepishly told me with a twinkle in his eye that that wasn't quite altogether true. And he finally said, I do have one regret, Pete. I should have gotten a bigger boat. A destroyer is not too bad, but he was the kind of guy who could have handled a super carrier. So if you are contemplating a bigger boat, you know what to do.

I will not have in my lifetime a greater honor than today as an officer in our Navy and as his son, because I get to talk about my dad. Admiral Boorda, Admiral Larson, Superintendent at Annapolis, Admiral Trost, General Dubia, the number two man in the Army, General Blott, Assistant Secretary Perry, Assistant Secretary, Medal of Honor recipients, two of them from Army, Vietnam, another cause for freedom that Reagan and I both believed in, and so did Admiral Bulkeley, representatives of the Senate, none were there, and the House, one, members of the diplomatic corps, a couple, allied representatives from France, they were there, Philippines, Great Britain, members of our armed forces, all of them in uniform, friends from Hacketstown, New Jersey, and around the globe, all of those who served and knew Admiral John Bulkeley, and most especially my mom, my sisters, Joan, Rigina and Diana and their husbands, my brother at the organ, beautiful, my wife, all eight of the Admiral's grandchildren, we have come together to honor a great man, a patriot, a legend, a hero in the truest sense. A husband, a father, a friend; a simple man that did his duty as God gave him the ability to do, and the man that tried to keep a low profile, but somehow always ended up in the limelight of life.

Admiral John Bulkeley is a legend. He devoted his entire life to his country and to his Navy. Six decades of his life were spent in the active defense of America. Even after retirement in 1988, he remained engaged in the direction of our Navy and our country. he represented the Navy and the veterans at Normandy during the D-Day celebrations, laying wreaths and flowers of his and our fallen comrades. He provided running parallel to Utah Beach, and picking up wounded soldiers from the sinking minesweeper Tide and the Destroyer Cory.

His World War II exploits would not be complete without the mention of his love for destroyers, of which he would command many in his years to come. As Normandy operations wound up, he got his first large ship, the Destroyer Endicott, a month after D-Day. I told this story about the British gunboats, the two German Corvettes charging in as dawn's light broke. I told that story. I want to use every minute here. Peter tells it better than I did.

When I asked about dad about that action, he said "What else could I do but engage? You fight, you win. That is the reputation of our Navy, then, now, and in the future. You fight, you win."

[From Catholic News Service]

VATICAN CALLS CLINTON ABORTION VETO "BRUTAL ACT OF AGGRESSION"

(By Cindy Wooden)

President Bill Clinton's veto of the bill banning partial-birth abortions "in practice amounts to an incredibly brutal act of aggression" against the unborn, the Vatican said.

"The fact that this presidential decision legalizes this inhuman procedure morally and ethically imperils the future of a society that condones, it," said Vatican spokesman Joaquin Navarro-Valls.

In its April 19 edition, the Vatican newspaper printed an Italian translation of the April 16 letter written by eight U.S. cardinals and the president of the National Conference of Catholic Bishops condemning Clinton's veto of the bill.

"The Holy See completely supports the position taken by the cardinals of the United States and the National Conference of Catholic Bishops," Navarro-Valls said April 19.

"As has already been stated by the American cardinals, this presidential decision is 'more akin to infanticide than to abortion,' and thus it is not surprising that 65 percent of those who call themselves 'pro-choice' are opposed to partial-birth abortions," he said.

Navarro-Valls explained to reporters at the Vatican that the bill vetoed by Clinton would have banned a procedure used in late-term abortions. The spokesman, who is a medical doctor, said the procedure involves the partial delivery of the fetus before surgical scissors are stabbed into the base of its head. The brains are removed by suction, allowing for easier delivery of the rest of the fetus.

Clinton's decision to veto the bill passed by Congress is "shameful," the spokesman said, and "in practice, amounts to an incredibly brutal act of aggression against innocent human life and the inalienable right of the unborn."

Naturally, this situation makes even more urgent a greater solidarity in defense of the life of the unborn who cannot speak for themselves," he said.

Navarro-Valls said the fact that the United States will hold a presidential election in November played no part in the Vatican's decision to comment on Clinton's veto.

"The Holy See cannot say nothing," he said. "This is an ethical and moral problem which is very clear and very serious."

The same day the Vatican issued a statement condemning the Israeli bombing of a refugee camp in Lebanon, killing many civilians, he said. "We must also say something about this attack on defenseless, unborn babies."

Raymond L. Flynn, the U.S. ambassador to the Vatican, said he was informed April 18 "of the Holy See's disappointment with the president's veto."

[From Time, Apr. 29, 1996]

EVERYBODY DOES IT

(By Michael Kinsley)

In every presidential election from 1968 through 1988, the Democrats nominated a goody-goody (Hubert Humphrey, George McGovern, Jimmy Carter, Walter Mondale, Michael Dukakis). And they lost every election during those two decades except in 1976, when the Republicans also nominated a goody-goody (Gerald Ford). In 1992 the Democrats finally got—well, you might say cynical or you might say serious. They decided they wanted to win this time. So they nominated a man who is no one's idea of a goody-goody. They nominated a slippery politician. Not coincidentally, he is also a morally flawed character with personal and (perhaps) financial peccadilloes.

Bill Clinton had not been President more than five minutes before many Democrats began reacting in horror to the realization that their man was not a plaster saint. Many Republicans, meanwhile, seemed resentful that the Democrats had stolen the election through the devious device of nominating someone who knew how to win.

It is pretty clear now that even if Clinton is re-elected, he is destined never to enjoy a period, as even Richard Nixon did, of genuine and heartfelt popularity while in office. The best he can probably hope for is a couple of weeks of golden-glow nostalgia when he leaves office in 2001 and a historical reevaluation some decades down the road. It is fortunate for Clinton that our voting system doesn't measure intensity of feelings, because his opponents dislike him with a seething passion while his supporters can rarely muster more than grudging acquiescence.

But why is that? Is Clinton's opportunistic floppery on, say, balancing the budget any more egregious than Bob Dole's on, say, abortion? Ronald Reagan's California business chums bought him a house while he was President, to barely a peep of protest; yet we are in our fourth year of pawing through the much smaller financial favors Clinton's Arkansas business chums tried to do him 14 years ago when he was Governor.

Yes, of course, repeat after your mother: "'Everybody does it' is no excuse." But why is Clinton's "character" such a liability to him, when by any reasonable reckoning his professional and personal failings average out to a level of moral compromise so typical among Presidents and presidential candidates that it almost amounts to a job qualification?

Part of the answer lies in Republican strategy. With not much cooking on the foreign front, and with the economic issues that usually decide elections divisible into those that look pretty good right now (growth, unemployment, inflation, the deficit) and those for which the Republicans have nothing much to suggest (wage stagnation, middle-class angst), "character" is naturally a tempting theme. Part of the answer lies with the media. Skeptical scrutiny of Presidents, it seems, is on a permanent upward ratchet. This is a good thing, by and large, but rough on the incumbent. And part of the answer lies with Clinton himself. Not that his moral failings are worse than other politicians'. But his relative youth (which is not his fault) and his occasional callousness (which is) deprive him of gravitas.

The anonymous novel Primary Colors is especially good on the way Clinton's bad qualities and good qualities are two sides of the same coin. His ability to deliver a moving speech on great occasions is related to his ability to talk utter baloney with seeming sincerity. (Reagan was a "great communicator." Clinton, his opponents say dismissively, is a "masterly politician." What's the difference?) His enormous hunger for approval is what has led him to chase voters and to chase women, and his enormous capacity for empathy helps explain why he is apparently so good at both. The empathy is genuine. And—for all the mockery of "I feel your pain," for all the telling parallels between Clinton's political and personal "promiscuity"—it is his most valuable gift as a national leader.

It is hard to turn this point into a useful campaign slogan. "Vote for Clinton. He's Not

So Bad." "Re-elect the President. He's No Worse Than All the Others." Or "Bill Clinton: You Can't Have the French Fries Without the Grease." I don't recommend this theme to the Democratic National Committee. But it is pretty close to the truth.

As a Clinton supporter of moderate but steady enthusiasm, I've been bewildered by those liberals who've veered from wild ardor in 1992 to foaming dislike in the years since. The intense hatred Clinton evokes among conservatives is less puzzling but still a bit strange. Not since F.D.R., probably, has a Democratic President inspired such emotions in his opponents. But the F.D.R. comparison merely adds to the puzzle, since Clinton's agenda is far more modest and less ideologically charged.

Maybe an explanation lies in that old joke about academia, where, it is said, "the disputes are so vicious because the stakes are so small." The differences between Bill Clinton's agenda and Bob Dole's agenda are negligible in comparison with our political culture's huge need for rhetoric and disagreement between now and November. That means it's probably going to be an especially vicious campaign.

[From the Stars and Stripes, May 5, 1996]

AFRICAN ARMIES WEAKENED BY AIDS VIRUS

MANGOCHI, MALAWI.—In some African armies, half of the soldiers are infected with the virus which causes AIDS, a conference on the disease was told 24 April.

On a continent plagued by Acquired Immune Deficiency Syndrome (AIDS), the military faces extra risks and in some countries like Congo, the United Nations estimates every second soldier is infected with the HIV virus that causes the disease.

"Prevalence rates in many armies of the developing world, especially in Africa, are exceptionally high," Malawian Defense Minister Justin Malewezi told an AIDS conference for high-ranking military officers from 13 South and East African countries.

He said highly trained army and air force officers seemed to be particularly at risk and that countries might find it hard to train enough men to replace them.

"When the military is weakened, so too is the security of the country it is intended to defend," Malewezi said, opening the three-day meeting in the northern town of Mangochi.

Many countries in the region estimate up to a tenth of the population is infected with human immuno-deficiency virus (HIV).

The World Health Organization director for Africa, Ebrahim Samba, said soldiers were a high-risk group because they were young, mainly between the ages of 15 and 24, sexually active and away from home for long stretches at a time.

"They are often in search of recreation to relieve stress and loneliness," he said in a message read to the meeting.

"They feel vulnerable in a profession which excuses or encourages risk-taking. Off-duty soldiers can be counted on to have money, but not necessarily condoms, in their pockets."

Samba said soldiers often paid prostitutes for sex or slept with women from the local community wherever they were based or deployed. Drug pushers also preyed on the military.

Stuart Kingma, a UN adviser on AIDS in the military, said Zimbabwe's army had an HIV infection rate three to four times higher than that in the civilian population.

One in two of the nearly 20 million people infected with the virus worldwide were in sub-Saharan Africa, he said.

Kingma listed Congo, Uganda, Gabon, Kenya and Zimbabwe as African countries where the situation in the military was particularly bad.

EQUAL OPPORTUNITY ACT

The SPEAKER pro tempore (Mr. SKEEN). Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. CANADY] is recognized for 60 minutes.

Mr. CANADY of Florida. Mr. Speaker, this evening I rise to address the Equal Opportunity Act, legislation which Senator DOLE and I introduced on July 27 of last year.

This legislation will, if enacted, end the use of race and gender preferences by the Federal Government in Federal employment, Federal contracting, and in the administration of other Federal programs.

The principles of equal treatment and nondiscrimination on which this legislation is based are principles which are at the heart of the American experience. They embody an ideal which generations of Americans have honored and sought to realize, an ideal to which we as a people have long aspired but an ideal which we have never fully attained in our life as a Nation.

On Saturday of this week, May 18, we will mark the 100th anniversary of the Supreme Court's decision in Plessy versus Ferguson, the decision which represents the culmination of disappointment in the struggle for equality before the law during the 19th century.

In Plessy by a 7-1 majority, the Supreme Court of the United States held that Louisiana's law requiring railroads to provide racially separate accommodations did not violate either the 13th or the 14 amendments. Justice Henry Billings Brown, in delivery the court's opinion, explained the difference between a distinction based on race and prohibited discrimination.

He said as follows:

> A statute which implies merely a legal distinction between the white and colored races has no tendency to destroy the legal equality of the two races or to reestablish a state of involuntary servitude.

Brown went on to observe that in the nature of things, the 14th Amendment could not have been intended to abolish distinctions based upon color. According to Brown, the 14th Amendment challenged in Plessy reduces itself to the question of whether the statute of Louisiana is a reasonable regulation.

Brown then concluded:

> We cannot say that a law which authorizes or even requires the separation of the races is unreasonable.

This is a shameful decision. And although the segregationist doctrine embodied in Plessy has been rejected by the courts most strikingly in Brown versus Board of Education, the case itself has never been directly overruled. Indeed, the core holding of Plessy that Government may make distinctions in the treatment of its citizens based on their race remains the law of our land.

Justice Harlan's dissent in Plessy, which, is recognized as the most famous dissent in the history of American jurisprudence, has been vindicated by history but the principles so eloquently articulated in that dissent has not finally been accepted by the courts. In words that would often be cited by those seeking to overthrow the Jim Crow system, Justice Harland pronounced:

> Our Constitution is colorblind. The law regards man as man and takes no account of his surroundings or of his color when his civil rights, as guaranteed by the supreme law of the land, are involved.

Harlan found a Louisiana statute unconstitutional because the Constitution of the United States does not permit any public authority to know the race of those entitled to be protected in the enjoyment of their civil rights.

Simply put, Government may not have regard to the race of its citizens when the civil rights of those citizens are involved.

The color-blind ideal was the touchstone of the American civil rights movement until the mid 1960's. In 1947, Thurgood Marshall, representing the NAACP Legal Defense and Educational Fund in a brief for a black student denied admission to the segregated University of Oklahoma Law School, stated that principle unequivocally. Classifications and distinctions based on race or color have no moral or legal validity in our society. They are contrary to our Constitution and laws.

□ 1945

Marshall's support for the color-blind principle, which he later, unfortunately, abandoned, is vividly revealed by Constance Baker Motley, senior United States district judge for the southern district of New York, in an account included in Tinsley Yarborough's biography of Justice Harlan. Judge Motley recalled her days working with Marshall at the NAACP as follows:

Marshall had a Bible, to which he turned during his most depressed moments. Marshall would read aloud passages from Harlan's amazing dissent. I do not believe we ever filed a major brief in the pre-Brown days in which a portion of that opinion was not quoted. Marshall's favorite quotation was our Constitution is color-blind. It became our basic creed.

Marshall admired the courage of Harlan more than any justice who had ever sat on the Supreme Court. Even Chief Justice Earl Warren's forthright and moving decision for the court in Brown did not affect Marshall in the same way. Earl Warren was writing for a unanimous Supreme Court. Harlan was a solitary and lonely figure writing for posterity.

In the face of the vociferous opposition to the Equal Opportunity Act, and any other proposal to end the use of preferences, we would do well to remember the long battle that was fought to establish a legal order based on the principles set forth in justice Harlan's dissent.

Professor Andrew Carl, in his admirable history "The Color Blind Constitution," identifies the centrality of the color-blind principle to the civil rights movement. Professor Carl says as follows:

> The undeniable fact is that over a period of some 125 years, ending only in the late 1960s, the American civil rights movement first elaborated then held as its unvarying political objective a rule of law requiring the color-blind treatment of individuals.

In 1964, the U.S. Congress took a great stride forward toward the realization of that objective. With the passage of the Civil Rights Act of 1964, the Congress established a national policy against discrimination based on race and sex.

It is the supreme irony of the modern civil rights movement that this crowning achievement was so soon followed by the creation of a system of preferences based on race and gender, a system contrived first by administrative agencies and the Federal courts and then accepted and expanded by the Congress.

The 1964 Civil Rights Act constituted an unequivocal statement that Americans should be treated as individuals and not as members of racial or gender groups; an unequivocal statement that no American should be subject to discrimination, which Senator Hubert Humphrey, the chief sponsor in the Senate of this legislation, defined as a distinction in treatment given to different individuals because of their difference race.

Yet the ink was hardly dry on the 1964 law when a process of transformation began and the system of preferences was erected piece by piece. This took place not because Congress had failed to express its intention clearly, but because of a court system and an administrative structure determined to pursue their own purposes despite the clearly expressed purpose of the Congress.

Since the issue of imposing quotas and granting preferences based on race to compensate for historical wrongs had been the subject of controversy during the year preceding congressional consideration of the 1964 act, Congress was careful to directly address the issue in the text of the law itself.

Section 703(j) of the act stated that nothing in Title VII of the act shall be interpreted to require any employer to grant preferential treatment to any individual or to any group because of the race of such individual or group in order to maintain a racial balance.

The managers of Title VII, Senator Clark of Pennsylvania, and Senator Case of New Jersey had submitted a joint memorandum on the subject where they stated, and I quote:

> Any deliberate attempt to maintain a racial balance, whatever such a balance may be, would involve a violation of Title VII because maintaining such a balance would require an employer to hire or refuse to hire on the basis of race. It must be emphasized that discrimination is prohibited to any individual.

It is, I think, impossible to imagine a clearer more unambiguous statement of congressional intent on the subject of racial preferences. But in the face of this directly expressed purpose in the law, the bureaucracy and the courts decided to chart their own course. In the place of the principles of individual rights, equal opportunity and nondiscrimination, which were embodied in the 1964 Civil Rights Act, the courts and the bureaucracy moved forward with the establishment of a system based on the concepts of proportional representation, group entitlement, and guaranteed results. This approach was foreshadowed by Judge John Miner Wisdom of the fifth circuit in United States versus Jefferson County, where he upheld school desegregation guidelines promulgated by the Office of Education under Title VI of the 1964 act and stated, and again I quote.

> The Constitution, according to Judge Wisdom, is both color-blind and color conscious. The criterion is the relevancy of color to a legitimate governmental purpose.

This is, indeed, a far cry from the clear principles articulated by Justice Harlan and doggedly pursued by the civil rights movement throughout most of its history.

The concepts of proportional representation, group entitlement and guaranteed results found full-blown expression in the Nixon administration's Labor Department order No. 4, which was first issued in November of 1969 and was aimed at the activities of all Federal contractors.

The order stated the rate of minority applicants recruited should approximate or equal the rate of minorities to the applicant population in each location.

This was clearly a mandate for proportional representation. A more direct conflict with the provision of 703(j) of the 1964 Civil Rights Act would be impossible to devise.

After a minor flack over order number 4, a revised order was issued by the Labor Department in February 1970. No substantive changes were made. The revised order number 4 provided that the affirmative action programs adopted by contractors must include goals and timetable to which the contractor's good faith efforts must be directed to correct deficiencies in the utilization of minority groups.

This construct of goals and timetables to ensure the proper utilization of minority groups clearly envisioned a system of proportional representation in which group identity would be a factor, often the decisive factor, in hiring decisions. Distinctions in treatment would be made on the basis of race.

The concept of proportional representation embodied in order number 4 not only defied the intent of section 703(j) of the 1964 Civil Rights Act, but also contravened the express nondiscrimination provisions of the Executive Order it was issued to implement. That is the Executive Order requiring affirmative action.

The course was set by the bureaucracy and the courts did little to interfere. With few exceptions, until the Supreme Court decided the Adarand case last year, the color-blind ideal was an eclipse. Year after year the system of preferences granted or imposed by the Federal Government grew with the active support of the Congress itself.

The dominant attitude was captured in 1978 in the opinion of Justice Blackmun in the Bakke case, which dealt with a California medical school's policy of preferential admissions for minority students. Justice Blackmun distilled the rationale for preferential policies. He said, and I quote, "in order to get beyond racism, we must first take account of race. In order to treat some persons equally, we must treat them differently."

In the face of the provision of title VI of the 1964 Civil Rights Act, that no person in the United States shall, on the ground of race, color or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance, the closely divided court in Bakke recognized that race could at least be a factor in determining eligibility for admission to an educational institution receiving Federal financial assistance.

The system of preferences is based on the notion that we can only overcome our history of discrimination by practicing discrimination. To guarantee the equitable apportionment of opportunities, Americans must be divided, sorted and classified by race and gender. It is the responsibility of government not to create a level playing field for all Americans, but to determine outcomes based on race and gender. Rather than dealing with its citizens as unique individuals who are equal in the eyes of the law, the Government of the United States must treat everyone as group members, as people whose biological characteristics determine the scope of their claims on our government.

The Equal Opportunity Act rejects this vision of America. It would overturn the status quo of race and gender preferences and return to the principles on which the Civil Rights Act of 1964 was based. In place of group rights, it would establish respect for individual rights.

It is very important to focus on the specific provisions of the Equal Opportunity Act. Simply stated this legislation would prohibit the Federal Government from intentionally discriminating against or granting a preference to any person or group based in whole or in part on race, color, national origin or sex in three areas: Federal contracting, Federal employment, and the administration of other federally conducted programs or activities.

In addition, it would prevent the Federal Government from requiring or encouraging Federal contractors or the recipients of Federal financial assistance to discriminate or grant preferences based on race or sex.

Let me elaborate on a few key points. First, the bill applies only to Federal programs and activities. It, therefore, does not affect programs or policies administered by State and local governments, the private sector, or colleges and universities.

Second, the Equal Opportunity Act does not affect our comprehensive regime of anti-discrimination laws. All forms of racial and sex-based discrimination that are illegal under current law would remain so under the Equal Opportunity Act.

In addition, all remedies currently available to individuals who have been discriminated against will remain completely unaffected by this bill. Though you will hear claims to the contrary, it is simply not the case that this bill weakens, undermines or otherwise affects laws that make it illegal to discriminate on the basis of race and sex.

Third, the bill draws an important distinction between preferential treatment and affirmative action. Preferential treatment is prohibited and affirmative action, as originally conceived, is permitted and expressly protected.

I think we all recognize that the term affirmative action has come to describe a whole range of measures, from casting a wider net at the recruiting and outreach stage to outright quotas, setasides and other numerical preferences.

Section 3 of the Equal Opportunity Act expressly provides that the government may continue affirmative action in the form of vigorous outreach and recruitment efforts. Steps taken to increase the size of the applicant pool for a contracting or employment opportunity, including steps targeted specifically at women and minorities, are permissible so long as at the decision stage all applicants are judged in a nondiscriminatory manner; that is, without regard to their race or sex.

If the bill does not affect anti-discrimination laws or nonpreferential forms of affirmative action, then what does it do? It would, in short, put an end to all Federal programs that will require the Government to take into account the race or sex of American citizens and to treat them differently based on what group they belong to.

There is frustrating unwillingness on the part of many people to acknowledge what we all know; namely that there are many, many such programs and policies currently being administered by the Federal Government: Contracting setasides and bid preferences, grant programs targeted solely at women and minorities, and hiring and personnel systems that are driven by numerical goals and timetables. These are all preference programs that, on their face, discriminate on the basis of race and sex, and these are the programs that would be eliminated under the Equal Opportunity Act.

□ 2000

The heart of the Equal Opportunity Act is found in its definition of preference. The bill as recently passed by the Subcommittee on the Constitution defines the term preference as an advantage of any kind, including a quota, set-aside, numerical goal, timetable, or other numerical objective. This functional definition makes clear that it is not what we call a policy, a practice, or a program that determines its appropriateness.

The test is how that policy, practice, or program actually operates. If the policy, practice, or program gives an advantage of any kind to individuals because of their race or gender, it is unlawful. Those who oppose the Equal Opportunity Act have the burden of explaining why anyone should receive an advantage of any kind based on race or gender.

The supporters of preferences realize that this burden is indeed a heavy one. They understand that the American people are opposed to the system of preferential treatment that has been erected over the years since 1964. They know the power of the principles of equal treatment and nondiscrimination. They know that Americans have an instinctive respect for individual rights.

The defenders of the status quo of preferential treatment have chosen not to meet this challenge. They have decided that a principled defense of group rights and proportional representation would not be successful, since it is so clearly at odds with values that are central to the American experience. So rather than attempting such a principle defense of preferences, they have launched a campaign of confusion and distortion.

Mr. Speaker, the recent barrage against the Equal Opportunity Act is just the most recent phase of the longstanding effort to conceal the realities of the preferential system from the American people. I can cite many examples of the distortions used to defend the status quo and to attack the Equal Opportunity Act. But the remarks delivered by President Clinton at the National Archives on July 19, 1995, the President's famous "mend it, don't end it" speech, stands as the epitome of distortions in defense of the status quo of preferences.

The President's speech is indeed a handy compendium of the rhetorical devices used to obscure the issues and to mislead the American people. The core of the President's speech is found in the four so-called standards of fairness for affirmative action programs. The President summarized these standards as follows, and I quote:

> No quotas in theory or practice, no illegal discrimination of any kind, including reverse discrimination, no preference for people who are not qualified for any job or other opportunity.

And as soon as the program has succeeded, it must be retired. Any program that does not meet these four principles must be eliminated or reformed to meet them.

This statement by the President represents an attempt to redescribe and redefine reality. In it, words are stripped of their ordinary, commonly understood meaning and infused with a new meaning. When the President says he is against quotas, he signals his recognition that the American people are against quotas, and that some other terminology must be used to describe the system of perferances based on race and gender, a system which apportions benefits based on group membership. But when the President denounces quotas, he fails to explain how a quota is different from a set-aside under which contract opportunities are reserved for members of a particular race or gender group. And he does not explain how a system of goals and timetables under which race and gender determine who receives a job and who does not receive a job, is any less unjust than a system of quotas under which race and gender determine who receives a job and who does not receive a job.

When the President says no preferences for the unqualified, he conveniently glosses over the fact that individuals who are more qualified are systemically denied jobs and other opportunities solely because they belong to the wrong racial or gender group.

When the President says that, as soon as a program has succeeded, it must be retired, he fails to specify the standard of success and he fails to tell us when exactly when we can expect these supposedly temporary programs to end.

When the President says we should have no illegal discrimination of any kind, he fails to explain how the system of counting by race and gender can be reconciled with either the letter or the spirit of the Civil Rights Act of 1964. The President and the other defenders of preferential policies have constructed a fictitious world, a world where discrimination pure and simple is given another name and called just.

The Equal Opportunity Act rejects that fictitious world. It rejects the false descriptions of the programs, policies and practices of the Federal Government which have been foisted on the American people by the defenders of the status quo. The Equal Opportunity Act is based on an understanding of the flaws of the system of preferences based on race and gender. It is based on a realistic evaluation of the way that system operates and the injustice for which it is responsible.

It recognizes that the system of preferences unfairly places burdens on and denies opportunities to those who have been guilty of no wrongdoing. Simply because of their race or gender, while granting benefits to individuals who are not victims of discriminatory conduct, it recognizes that the system of preferences is by its very nature discriminatory and morally wrong.

The Equal Opportunity Act is based on an understanding that the existence of the system of race and gender preferences unfairly casts a cloud over the accomplishments of individuals who are members of favored groups and deprives those individuals, the individuals the system is supposed to benefit, of the full measure of respect they are due for their individual achievements.

Mr. Speaker, finally, and most importantly, the Equal Opportunity Act is based on the recognition that the system of race and gender preferences sends a message from government to the American people that we should think along racial and gender lines, a message which only reinforces prejudice and discrimination in our society.

As long as the Federal Government is engaged in the business of classifying and sorting the American people into racial and gender groups, can we really expect to reach the goal of a society free of prejudice and discrimination? It has been 100 years since Justice Harlan spoke so eloquently of the color-blind Constitution. Since that time, we have made much progress in reducing prejudice and discrimination in America. But we are far, far from the goal of a society in which individuals are treated as individuals and where irrelevant biological characteristics are treated as irrelevant.

As we mark the 100th anniversary of the shameful Plessy decision, we should turn our attention again to the principles so forcefully stated by Justice Harlan in his renowned dissent. Those principles find expression here in this Congress in the Equal Opportunity Act.

Mr. Speaker, it is time that we reaffirm the principles of equality before the law and nondiscrimination. We can do so clearly and unequivocally by passing the Equal Opportunity Act and ending the odious system of race and gender preferences established by the Federal Government. We can recognize once and for all that each American has the right to be treated by our government, not as a member of a particular race or gender group, but as an individual American citizen, equal in the eyes of the law.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MANZULLO (at the request of Mr. ARMEY) for today after 3 p.m., on account of a family emergency.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ABERCROMBIE) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Mr. RICHARDSON, for 5 minutes, today.
Mr. FILNER, for 5 minutes, today.
Ms. DELAURO, for 5 minutes, today.
Mr. PALLONE, for 5 minutes, today.

(The following Members (at the request of Mr. WELDON of Florida) to revise and extend their remarks and include extraneous material:)

Mr. WELDON of Florida, for 5 minutes, today.
Mr. DICKEY, for 5 minutes, today.
Mr. MCINTOSH, for 5 minutes, today.
Mr. JONES, for 5 minutes, on May 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ABERCROMBIE) and to include extraneous matter:)

Mr. BORSKI.
Ms. PELOSI.
Mr. MENENDEZ.
Mr. MORAN.
Mr. SERRANO.
Mr. VENTO.
Mr. BONIOR.
Mr. TORRES in two instances.
Mr. KANJORSKI.
Mr. BARCIA in two instances.
Ms. DELAURO.
Mr. STOKES.
Mrs. MALONEY in three instances.
Mr. CLYBURN in two instances.
Mr. TOWNS in three instances.
Mr. VISCLOSKY.
Mr. UNDERWOOD in three instances.
Mr. GORDON in 10 instances.
Mr. KLECZKA.
Mr. FAZIO of California in two instances.
Mrs. THURMAN.
Ms. HARMAN.
Ms. WOOLSEY.
Mr. LANTOS.
Ms. SLAUGHTER.
Mr. WARD.
Ms. NORTON.
Mr. COLEMAN.
Ms. ESHOO.

(The following Members (at the request of Mr. WELDON of Florida) and to include extraneous matter:)

Mr. QUINN.
Mr. DAVIS.
Mr. GREENWOOD.
Mr. SAM JOHNSON of Texas.
Mr. LAZIO of New York.
Mr. DORNAN.
Mr. GEKAS.
Mr. GINGRICH.
Mr. WALSH.
Mr. LAHOOD.
Mr. HORN.
Mr. SHUSTER.
Mr. DIAZ-BALART.
Mr. THOMAS.
Mr. NETHERCUTT.
Mrs. KELLY.
Mr. CUNNINGHAM.

(The following Members (at the request of Mr. CANADY of Florida) and to include extraneous matter:)

Mr. SMITH of New Jersey.
Mr. SHAW.
Mrs. JOHNSON of Connecticut.
Ms. WOOLSEY.
Mr. STEARNS.
Mr. CONDIT.
Mr. MCDADE.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 1836. An act to authorize the Secretary of the Interior to acquire property in the town of East Hampton, Suffolk County, New York, for inclusion in the Amagansett National Wildlife Refuge; and

H.R. 1743. An act to amend the Water Resources Act of 1984 to extend the authorizations of appropriations through fiscal year 2000, and for other purposes.

ADJOURNMENT

Mr. CANADY of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 8 minutes p.m.), under its previous order, the House adjourned until Monday, May 20, 1996, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3036. A letter from the Administrator, Rural Utilities Service, transmitting the Service's final rule—RUS Specification for Aerial Service Wires (7 CFR Part 1755.700–.704) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3037. A communication from the President of the United States, transmitting amendments to the fiscal year 1997 appropriations requests for the Department of Agriculture [USDA], pursuant to 31 U.S.C. 1106(b) (H. Doc. No. 104–215); to the Committee on Appropriations and ordered to be printed.

3038. A letter from the Under Secretary of Defense, transmitting the Secretary's selected acquisition reports [SAR's] for the quarter ending March 31, 1996, pursuant to 10 U.S.C. 2432; to the Committee on National Security.

3039. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Cargo Preference: Available U.S.-Flag Commercial Vessels (RIN: 2133–AB25) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

3040. A letter from the Assistant Secretary for Employment Standards, Department of Labor, transmitting the Department's final rule—Migrant and Seasonal Agricultural Workers Protection Act (RIN: 1215–AA93) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Economic and Educational Opportunities.

3041. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Section 273(d)(5) of the Communications Act of 1934, as Amended by the Telecommunications Act of 1996—Dispute Resolution Regarding Equipment Standards [GC Docket No. 96–42] received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3042. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment of the Amateur Service Rules to Implement a Vanity Call Sign System [PR Docket No. 93–305] received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3043. A letter from the Secretary, Federal Trade Commission, transmitting the Commission's final rule—Trade Regulation Rule on Misbranding and Deception as to Leather Content of Waist Belts (16 CFR Part 405) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3044. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting an update to the PLO Commitments Compliance Act report on March 1, 1996, pursuant to Public Law 104–107, section 604(b)(1) (110 Stat. 756); to the Committee on International Relations.

3045. A letter from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting the Department's final rule—Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnian Serb-Controlled Areas of the Republic of Bosnia and Herzegovina Sanctions Regulations: Suspension of Sanctions Against the Bosnian Serbs (31 CFR Part 585) received May 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

3046. A letter from the Assistant Secretary for Employment Standards, Department of Labor, transmitting the Department's final rule—Affirmative Action Obligations of Contractors and Subcontractors For Disabled Veterans and Veterans of the Vietnam Era; Invitation to Self-Identify; Interim Rule with Request for Comments (RIN: 1251-AA62) received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

3047. A letter from the Assistant Secretary for Employment Standards, Department of Labor, transmitting the Department's final rule—Affirmative Action and Nondiscrimination Obligations of Contractors and Subcontractors Regarding Individuals with Disabilities (RIN: 1215–AA76) received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

3048. A letter from the Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Flaring or Venting Gas and Burning Liquid Hydrocarbons (Minerals Management Service) (RIN: 1010–AB96) received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3049. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Migratory Bird Hunting and Conservation Stamp (Federal Duck Stamp) Contest (Fish and Wildlife Service) RIN: 1018–AD71) received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3050. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Final Designation of Critical Habitat for the Marbled Murrelet (Fish and Wildlife Service) (RIN: 1018–AC33) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3051. A letter from the Attorney General of the United States, transmitting the Attorney General's report entitled "Report on Federal Recordkeeping Relating to Domestic Violence," pursuant to 42 U.S.C. 14015; to the Committee on the Judiciary.

3052. A letter from the Attorney General of the United States, transmitting the Attorney General's report entitled "Domestic Violence, Stalking, and Antistalking Legislation," pursuant to 42 U.S.C. 14039; to the Committee on the Judiciary.

3053. A letter from the Attorney General of the United States, transmitting the Attorney General's report entitled "The Violence Against Women Act of 1994: Evaluation of the STOP Block Grants to Combat Violence Against Women," pursuant to section 40291 of the Violent Crime Control and Law Enforcement Act of 1994; to the Committee on the Judiciary.

3054. A letter from the Secretary of Transportation, transmitting the Department's 1995 annual report on the recommendations received from the National Transportation Board regarding transportation safety, pursuant to 49 U.S.C. app. 1906(b); to the Committee on Transportation and Infrastructure.

3055. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; The New Piper Aircraft, Inc. PA31, PA31P, and PA31T Series Airplanes; (Docket No. 9–CE–62–AD) (RIN: 2120–AA64) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3056. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; The New Piper Aircraft, Inc. Models PA31, PA31-300, PA31-325, and PA31-350 Airplanes (Docket No. 90–CE–63–AD) (RIN: 2120–AA64) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3057. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus A320–111, –211, –212, and –231 Series Airplanes (Docket No. 95–NM–198–AD) (RIN: 2120–AA64) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3058. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–9 and DC–9–80 Series Airplanes, Model MD–88 Airplanes, and C–9 (Military) Series Airplanes (Docket No. 94–NM–92–AD) (RIN: 2120–AA64) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3059. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD–11 Series Airplanes (Docket No. 95–NM–191–AD) (RIN: 2120–AA64) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3060. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–10–10, –15, and –30 Series Airplanes and KC–10 (Military) Airplanes (Docket No. 95–NM–108–AD) (RIN: 2120–AA64) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3061. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Aviat Aircraft Inc., Models S–1S, S–1T, S–2A, S–2S, and S–2B Airplanes (Docket No. 96–CE–20–AD) (RIN: 2120–AA64) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3062. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; The New Piper Aircraft, Inc., Models PA31T, PA31T1, PA31T2, and PA31T3 Airplanes (Docket No. 90–CE–61–AD) (RIN: 2120–AA64) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3063. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Capital Leases (RIN: 2132–AA55) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3064. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulation: Quonset Open House, North Kingston, RI (RIN: 2115–AE46) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3065. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; Long Beach Harbor, CA (RIN: 2115–AA97) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3066. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Adoption of Industry Standards (RIN: 2115–AF09) received

May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3067. A letter from the Under Secretary for Technology, Department of Commerce, transmitting the Department's final rule—Federal Agency Guidance for the Acquisition of Modular Metric Construction Products (RIN: 0693-XX18) received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

3068. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Notice 96-31—Received May 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3069. A letter from the Chief, Regulations Branch, United States Customs Service, transmitting the Service's final rule—Prohibited/Restricted Merchandise; Enforcement of Foreign Assets Control Regulations (RIN: 1515-AB91) received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3070. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Veterans Education: Increase in Rates Payable Under the Montgomery GI Bill—Active Duty, 1995-96 (RIN: 2900-AH79) received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); jointly, to the Committees on National Security and Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Omitted from the Record of May 15, 1996]

Mr. ARCHER: Committee on Ways and Means. H.R. 3415. A bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent increase in the transportation motor fuels excise tax rates enacted by the Omnibus Budget Reconciliation Act of 1993 and dedicated to the general fund of the Treasury (Rept. 104-576, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the following action was taken by the Speaker: The Committee on Commerce discharged from further consideration; H.R. 3415 referred to the Committee of the Whole House on the State of the Union.

[Submitted May 16, 1996]

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2909. A bill to amend the Silvio O. Conte National Fish and Wildlife Refuge Act to provide that the Secretary of the Interior may acquire lands for purposes of that Act only be donation or exchange, or otherwise with the consent of the owner of the lands (Rept. 104-579). Referred to the Committee of the Whole House on the State of the Union.

Mr. DREIER: Committee on Rules. House Resolution 436. Resolution providing for consideration of the bill (H.R. 3415) to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent increase in the transportation motor fuels tax rates enacted by the Omnibus Budget Reconciliation Act of 1993 and dedicated to the general fund of the Treasury (Rept. 104-580). Referred to the House Calendar.

Mr. GOSS: Committee on Rules. House Resolution 437. Resolution providing for consideration of the bill (H.R. 3259) to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. 104-581). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 438. Resolution providing for consideration of the bill (H.R. 3144) to establish a United States policy for the deployment of a national missile defense system, and for other purposes (Rept. 104-582). Referred to the House Calendar.

Mr. SPENCE: Committee on National Security. H.R. 3144. A bill to establish a United States policy for the deployment of a national missile defense system, and for other purposes (Rept. 104-583, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the following action was taken by the Speaker: The Committee on International Relations discharged from further consideration; H.R. 3144 referred to the Committee of the Whole House on the State of the Union.

The Committee on National Security discharged from further consideration; H.R. 3259 referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 3107. Referral to the Committee on Ways and Means extended for a period ending not later than May 31, 1996.

H.R. 3144. Referral to the Committee on International Relations extended for a period ending not later than May 16, 1996.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WATTS of Oklahoma (for himself, Mr. TALENT, Mrs. MYRICK, Mr. ENGLISH of Pennsylvania, Mr. WELDON of Florida, Mr. KNOLLENBERG, Mr. KOLBE, Mr. RIGGS, Mr. CHABOT, Mr. CHAMBLISS, Mr. COBURN, Mr. FLANAGAN, Mr. GUTKNECHT, Mr. LARGENT, Mr. LATOURETTE, Mr. NORWOOD, Mrs. SEASTRAND, Mr. SOUDER, Mr. STOCKMAN, Mr. THORNBERRY, Mr. WELLER, Mr. WICKER, Mr. BAKER of Louisiana, Mr. BALLENGER, Mr. BARTLETT of Maryland, Mr. BARTON of Texas, Mr. BLUTE, Mr. BURTON of Indiana, Mr. CALVERT, Mr. DOOLITTLE, Mr. DORNAN, Mr. EMERSON, Mr. HASTERT, Mr. HAYES, Mr. HOEKSTRA, Mr. HOKE, Mr. HUTCHINSON, Mr. KING, Mr. KINGSTON, Mr. LEWIS of Kentucky, Mr. LINDER, Mr. MCCRERY, Mr. SHAYS, Mr. WAMP, Mr. MCINTOSH, Mr. DELAY, and Mr. TAYLOR of North Carolina):

H.R. 3467. A bill to amend the Internal Revenue Code of 1986 to allow the designation of renewal communities, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Economic and Educational Opportunities, Banking and Financial Services, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GEKAS (for himself, Mr. PASTOR, Mr. HASTERT, Mr. HAYWORTH, Mr. UPTON, Mr. BERMAN, Mr. ROHRABACHER, Mr. CUNNINGHAM, Mr. BREWSTER, Mr. GUTKNECHT, Mr. STUMP, Mr. BILBRAY, Mr. EHLERS, Mr. HOBSON, Mrs. JOHNSON of Connecticut, Mr. SERRANO, Mr. BURR, Mr. ROYCE, Mr. CLEMENT, Mr. BLUTE, Mr. SCHIFF, Mr. FORBES, Mr. ZIMMER, Mr. BUYER, Mrs. KELLY, and Mr. STENHOLM):

H.R. 3468. A bill to establish rules governing product liability actions against raw materials and bulk component suppliers to medical device manufacturers, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BORSKI (for himself, Mr. OBERSTAR, Mr. LIPINSKI, Mr. BREWSTER, and Ms. DELAURO):

H.R. 3469. A bill to improve economic productivity and create thousands of jobs by establishing an infrastructure reinvestment fund which will provide immediate, upfront funding of intermodal surface transportation programs, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on the Budget, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. VENTO:

H.R. 3470. A bill to enhance the conservation and protection of the Boundary Waters Canoe Area Wilderness and the Voyageurs National Park; to the Committee on Resources.

By Mrs. KELLY:

H.R. 3471. A bill to authorize the Corps of Engineers to enter into a cooperative agreement with the State of New York to fund one or more projects for habitat restoration in the Hudson River Basin, NY; to the Committee on Transportation and Infrastructure.

By Mr. KENNEDY of Massachusetts (for himself, Mr. HINCHEY, Mr. FALEOMAVAEGA, and Mr. FATTAH):

H.R. 3472. A bill to amend the Agricultural Trade Act of 1978 to eliminate current Federal subsidies for alcoholic beverage promotions overseas; to the Committee on Agriculture.

H.R. 3473. A bill to establish advertising requirements for alcoholic beverages; to the Committee on Commerce.

H.R. 3474. A bill to require health warnings to be included in alcoholic beverage advertisements, and for other purposes; to the Committee on Commerce.

H.R. 3475. A bill to require an annual report by the Secretary of Health and Human Services on alcohol advertising practices, and for other purposes; to the Committee on Commerce.

H.R. 3476. A bill to amend the Higher Education Act of 1965 to provide incentives to colleges and universities to develop, implement, and improve alcohol abuse prevention and education programs on their campuses, to strengthen sanctions, and for other purposes; to the Committee on Economic and Educational Opportunities.

By Mr. KENNEDY of Massachusetts:

H.R. 3477. A bill to amend the Fair Labor Standards Act of 1938 to restrict employers in obtaining, disclosing, and using of genetic information; to the Committee on Economic and Education Opportunities.

By Mr. KENNEDY of Massachusetts (for himself, Mr. HINCHEY, Mr. FALEOMAVAEGA, and Mr. FATTAH):

H.R. 3478. A bill to amend the Internal Revenue Code of 1986 to eliminate tax deductions for advertising and goodwill expenditures relating to alcohol beverages; to the Committee on Ways and Means.

H.R. 3479. A bill to carry out a comprehensive program dealing with alcohol and alcohol abuse; to the Committee on Commerce, and in addition to the Committees on Ways and Means, Economic and Educational Opportunities, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LAHOOD (for himself and Mr. PETERSON of Minnesota):

H.R. 3480. A bill to amend title 49, United States Code, to ensure the ability of utility providers to establish, improve, operate, and maintain utility structures, facilities, and equipment for the benefit, safety, and well-being of consumers, by removing limitations on maximum driving and on-duty time pertaining to utility vehicle operators and drivers, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. LIGHTFOOT (for himself, Mr. MCCOLLUM, Mr. HUNTER, Mr. ROHRABACHER, Mr. BARR, Mr. HERGER, Mr. ISTOOK, Mrs. CHENOWETH, Mr. MANZULLO, Mr. DOOLITTLE, Mr. BARTON of Texas, Mr. SKEEN, Mr. HANCOCK, Mr. COBURN, Mrs. CUBIN, Mr. CUNNINGHAM, Mr. LIVINGSTON, Mr. CRANE, Mr. CHRYSLER, Mr. SAM JOHNSON, Mr. HANSEN, Mr. TAYLOR of North Carolina, Mr. MICA, Mr. BAKER of California, Mr. PACKARD, and Mr. STEARNS):

H.R. 3481. A bill to repeal the minimum wage requirement of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Economic and Educational Opportunities.

By Mr. MCDERMOTT (for himself, Mr. SERRANO, and Ms. PELOSI):

H.R. 3482. A bill to protect the privacy of health information in the age of genetic and other new technologies, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MORAN (for himself and Mr. MICA) (both by request):

H.R. 3483. A bill to amend title 5, United States Code, to enable Federal agencies to design personnel systems suited to their missions, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MORELLA (for herself and Mr. WALKER):

H.R. 3484. A bill to authorize the Federal Aviation Administration's research, engineering, and development programs, and for other purposes; to the Committee on Science, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. NETHERCUTT:

H.R. 3485. A bill to require the Secretary of Agriculture to conduct an adaptive forest management research program in Colville National Forest, WA, that will provide for a creditable, science-based approach to manage fire-generated, overstocked, small-diameter, stagnated forest stands for the purposes for improving forest health, providing wood fiber for manufacturing facilities in forest-dependent communities, and meeting current and future environmental needs; to the Committee on Agriculture.

By Mr. ORTON:

H.R. 3486. A bill to dispose of certain Federal properties at Dutch John, UT, assist local government in the interim delivery of basic services to the Dutch John community, and for other purposes; to the Committee on Resources.

By Mr. SAXTON (for himself and Mr. FARR):

H.R. 3487. A bill to reauthorize the National Marine Sanctuaries Act, and for other purposes; to the Committee on Resources.

By Mr. SCHUMER:

H.R. 3488. A bill to prevent handgun violence and illegal commerce in handguns; to the Committee on the Judiciary.

By Mr. SPRATT (for himself, Mr. GEPHARDT, Mr. HAMILTON, Mr. DICKS, Mr. SKELTON, Mr. ORTIZ, Mr. BROWDER, Mr. ABERCROMBIE, Mr. EDWARDS, Mr. MEEHAN, Mr. MCHALE, Mr. PETERSON of Florida, Mr. KENNEDY of Rhode Island, Ms. HARMAN, Mr. FAZIO of California, Mr. HOYER, and Mr. REED):

H.R. 3489. A bill to protect the United States and its Armed Forces, wherever engaged, from ballistic missile attack, to state the policy and priorities of the United States for developing and deploying more effective defenses against ballistic missiles, and for other purposes; to the Committee on National Security, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TATE:

H.R. 3490. A bill to amend title 18, United States Code, to reform Federal prisons; to the Committee on the Judiciary.

By Mr. THOMAS:

H.R. 3491. A bill to repeal the American Folklife Preservation Act; to the Committee on House Oversight.

By Mr. VOLKMER:

H.R. 3492. A bill to amend title 49, United States Code, to ensure the ability of utility providers to establish, improve, operate, and maintain utility structures, facilities, and equipment for benefit, safety, and well-being of consumers, by removing limitations on maximum driving and on-duty time pertaining to utility vehicle operators and drivers, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. BAKER of Louisiana (for himself, Mr. MCCRERY, Mr. HAYES, Mr. LIVINGSTON, Mr. TAUZIN, Mr. JEFFERSON, Mr. FIELDS of Louisiana, Mr. GOODLING, Mr. FOGLIETTA, Mr. GEKAS, Mr. FOX of Pennsylvania, and Mr. WELDON of Pennsylvania):

H. J. Res. 179. Joint resolution designating the Civil War Center at Louisiana State University as the U.S. Civil War Center, making the center the flagship institution for planning the sesquicentennial commemoration of the Civil War, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. STOCKMAN:

H. Con. Res. 179. Concurrent resolution to express the sense of the Congress that Buddhist monks and civilians and Roman Catholic monks and priests unlawfully detained by the Government of the Socialist Republic of Vietnam should be released; to the Committee on International Relations.

By Mrs. SMITH of Washington:

H. Res. 439. Resolution amending the rule XLIII of the Rules of the House of Representatives to prohibit a Member, officer, or employee of the House from soliciting, distributing, or accepting campaign contributions in the Hall of the House, rooms leading thereto, or the cloakrooms; to the Committee on Standards of Official Conduct.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 103: Mr. ANDREWS.

H.R. 127: Mr. BALLENGER, Mr. UNDERWOOD, Mr. FARR, Mr. MEEHAN, Mr. RUSH, Mr. RAHALL, Mr. FRAZER, Mr. BAKER of California, Mr. ALLARD, and Mr. WATTS of Oklahoma.

H.R. 820: Mr. COLLINS of Georgia, Mr. WARD, Mr. WAXMAN, Mr. KINGSTON, Mr. MARTINI, Mr. COOLEY, Mr. BONIOR, and Mr. SKEEN.

H.R. 1005: Mrs. ROUKEMA.

H.R. 1386: Mr. CRANE, Mr. MOORHEAD, Mr. BACHUS, Mr. WHITFIELD, Mr. METCALF, and Mr. ENSIGN.

H.R. 1462: Mr. BERMAN, Mr. WELDON of Pennsylvania, Mr. BISHOP, Mrs. MEEK of Florida, Mr. CLINGER, Mr. TRAFICANT, Mr. COBURN, Mr. BROWDER, Mr. SAWYER, Mr. KASICH, and Mr. HILLIARD.

H.R. 1618: Mr. JONES and Mr. HOKE.

H.R. 1711: Mr. QUILLEN, Mr. SPENCE, and Mr. WAMP.

H.R. 1733: Mr. COOLEY.

H.R. 1776: Mr. VENTO, Mr. CAMP, Mr. WELDON of Pennsylvania, Mr. LAUGHLIN, MR. RAMSTAD, Mr. TORRES, Mr. BUYER, Mr. FRISA, Mr. BONO, Mr. MCDERMOTT, Mr. FORBES, and Mr. HAYWORTH.

H.R. 1791: Mr. MCCOLLUM.

H.R. 1797: Mr. KENNEDY of Rhode Island, Mr. MILLER of California, Mr. OWENS, Ms. SLAUGHTER, Mr. JOHNSTON of Florida, and Mr. MANTON.

H.R. 2143: Mr. GALLEGLY.

H.R. 2237: Mr. SANDERS, Mr. KLUG, Mr. LANTOS, Mr. RAHALL, Mr. TORRES, Mr. FOGLIETTA, and Mr. FLAKE.

H.R. 2338: Mr. DINGELL.

H.R. 2342: Mr. TAUZIN.

H.R. 2510: Mr. FUNDERBURK.

H.R. 2530: Mr. TAYLOR of Mississippi.

H.R. 2682: Mr. WELLER.

H.R. 2749: Mr. EMERSON.

H.R. 2757: Ms. KAPTUR, Mr. RUSH, and Mr. DICKS.

H.R. 2807: Mr. BARR and Mrs. ROUKEMA.

H.R. 2911: Mr. PETRI, Mr. KENNEDY of Massachusetts, and Mr. NEY.

H.R. 2991: Mr. DURBIN.

H.R. 3065: Mr. BROWN of Ohio.

H.R. 3067: Mr. WAXMAN and Ms. MILLENDER-MCDONALD.

H.R. 3083: Mr. EMERSON and Mr. FIELDS of Texas.

H.R. 3107: Mr. BREWSTER, Mr. HASTINGS of Florida, SCHAEFER, Mr. COBURN, Mr. TORKILDSEN, Mr. GRAHAM, Mr. FAZIO of California, Mr. CAMP, Mr. HINCHEY, Mr. LEVIN, Ms. ESHOO, Mr. DELLUMS, Mr. HAYWORTH, Mr. DOYLE, Mr. JOHNSON of South Dakota, Mr. CLAY, Mr. HOSTETTLER, Mr. DUNCAN, Mr. SCHUMER, Mr. LAZIO of New York, Ms. MOLINARI, Mr. TEJEDA, Mr. BOEHLERT, Mr. MILLER of California, Mr. SHADEGG, Mr. BROWN of California, Mr. CHABOT, Mr. OWENS, Mr. BAKER of Louisiana, Mrs. MALONEY, Mr. BORSKI, Mr. MCNULTY, Mr. TATE, Mr. HOLDEN, Mr. FARR, Mr. LINDER, Mr. NEY, Mr. NADLER, Mr. WAXMAN, Mr. ALLARD, Mr. FRANKS of New Jersey, and Mr. SCHIFF.

H.R. 3114: Mr. CUNNINGHAM, Mrs. MEYERS of Kansas, Mr. MARTINEZ, Mr. LEACH, Mr. WELDON of Florida, Mr. NUSSLE, Mr. KLECZKA, and Mr. TOWNS.

H.R. 3119: Mr. RAHALL and Ms. KAPTUR.

H.R. 3182: Mr. LIPINSKI, Mr. MANZULLO, Mr. MCHUGH, Mr. KLUG, and Mr. LATHAM.

H.R. 3199: Mr. PAYNE of New Jersey, Ms. PRYCE, and Ms. MCCARTHY.

H.R. 3226: Mr. NEUMANN, Mr. BLUTE, Mr. DAVIS, Mr. FRAZER, Mr. ABERCROMBIE, Mr. SERRANO, Mr. FLAKE, and Mrs. MEEK of Florida.

H.R. 3265: Ms. MCKINNEY.

H.R. 3267: Mr. BORSKI.

H.R. 3293: Mr. PORTER, Mr. BONIOR, Mr. DELLUMS, and Mr. WAXMAN.

H.R. 3296: Mr. THORNBERRY and Mr. SOUDER.

H.R. 3337: Mr. SABO.

H.R. 3367: Mr. FLAKE.

H.R. 3391: Mr. CAMP and Mr. SKEEN.

H.R. 3392: Mr. HAMILTON, Mr. RICHARDSON, Mr. STARK, Mr. FILNER, and Ms. RIVERS.

H.R. 3393: Mr. NEAL of Massachusetts, Mr. DEFAZIO, and Mr. EVANS.

H.R. 3396: Mr. HASTINGS of Florida, Mr. ENGLISH of Pennsylvania, Mrs. SMITH of Washington, Mr. MANZULLO, Mr. STEARNS, Mr. LUCAS, Mr. HOSTETTLER, Mr. CRANE, Mr. SMITH of Michigan, Mr. BONO, Mr. MILLER of Florida, Mr. BUYER, and Mr. SOLOMON.

H.R. 3401: Mr. CALLAHAN, Ms. MCKINNEY, Mr. FOGLIETTA, Mr. TORKILDSEN, and Mr. WELLER.

H.R. 3424: Mr. SKEEN.

H.R. 3445: Mr. DURBIN, Mrs. SCHROEDER, Mr. LAFALCE, and Mr. FROST.

H.R. 3447: Mr. COBLE.

H.R. 3449: Mr. POMEROY and Mr. THORNBERRY.

H.R. 3463: Mr. BONIOR, Mr. FILNER Mr. LEWIS of Georgia, Ms. VELÁZQUEZ, Mr. SANDERS, Mr. RUSH, and Mr. JACKSON.

H. Con. Res. 47: Mr. FOLEY.

H. Con. Res. 156: Ms. SLAUGHTER and Mr. ACKERMAN.

H. Con. Res. 160: Mr. PORTMAN, Mr. QUINN, Mr. MEEHAN, Mr. KOLBE, Mr. DURBIN, and Mr. PALLONE.

H. Con. Res. 167: Mr. HOYER, Mrs. LOWEY, and Mr. HINCHEY.

H. Con. Res. 175: Mr. CUNNINGHAM, Mr. LAZIO of New York, Mr. ISTOOK, Mr. JACOBS, and Mr. PARKER.

H. Res. 381: Mr. KENNEDY of Massachusetts.

H. Res. 429: Mr. MEEHAN, Mr. DELLUMS, Mr. TORRES, Mr. SANFORD, and Mr. BURTON of Indiana.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 582: Ms. LOFGREN.

H.R. 1972: Ms. LOFGREN.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 12 by Mrs. SMITH of Washington on House Resolution 373: Frank Mascara and Bob Franks.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2594

OFFERED BY: MR. SHUSTER

AMENDMENT NO. 1

SEC. 6. TECHNICAL AMENDMENTS.

(a) REFERENCIES.—(1) Section 24307(c)(3) of title 49, United States Code, is amended by striking "Interstate Commerce Commission" and inserting in lieu thereof "Surface Transportation Board".

(2) Section 24308 of title 49, United States Code, is amended—

(A) by striking "Interstate Commerce Commission" in subsection (a)(2)(A) and inserting in lieu thereof "Surface Transportation Board"; and

(B) by striking "Commission" each place it appears and inserting in lieu thereof "Surface Transportation Board".

(3) Section 24311(c) of title 49, United States Code, is amended—

(A) by striking "Interstate Commerce Commission" in pargraph (1) and inserting in lieu thereof "Surface Transportation Board"; and

(B) by striking "Commission" each place it appears and inserting in lieu thereof "Surface Transportation Board".

(b) CLARIFYING AMENDMENT.—(1) The first paragraph of section 1 of the Railway Labor Act (45 U.S.C. 151) is amended by inserting "The term 'carrier' includes any express company or sleeping car company subject to subtitle IV of title 49, United States Code, within the meaning of such terms under this section as in effect on December 31, 1995." after "in any of such activities.".

(2) The amendment made by paragraph (1) is made for the purpose of clarifying the policy stated in section 10501(c)(3)(B) of title 49, United States Code, that the enactment of the ICC Termination Act of 1995 did not expand or contract coverage of employees and employers by the Railway Labor Act.

(c) TITLE 49.—Title 49, United States Code, is amended—

(1) in section 13102(10)(A) by inserting after "her dwelling" the following: "and if the transportation is at the request of, and the transportation charges are paid to the carrier by, the householder";

(2) in chapter 151 by striking "CHAPTER 151—GENERAL PROVISIONS" the second place it appears;

(3) in chapter 153 by striking "CHAPTER 153—JURISDICTION" the second place it appears;

(4) in chapter 157 by striking "CHAPTER 157—OPERATIONS OF CARRIERS" the second place it appears;

(5) in chapter 159 by striking "CHAPTER 159—ENFORCEMENT: INVESTIGATIONS, RIGHTS, AND REMEDIES" the second place it appears;

(6) in the table of sections for chapter 159 by striking the item relating to section 15907;

(7) in chapter 161 by striking "CHAPTER 161—CIVIL AND CRIMINAL PENALTIES" the second place it appears; and

(8) in section 41309(b)(2)(B) by striking "common".

(d) TITLE 28.—Section 2342(3)(A) of title 28, United States Code, is amended by striking "part B or (C)" and inserting "part B or C".

(e) ICC TERMINATION ACT.—Effective December 29, 1995—

(1) section 308(j) of the ICC Termination Act of 1995 (109 Stat. 947) is amended by striking "30106(d)" and inserting "30166(d)"; and

(2) section 327(3)(B) of such Act (109 Stat. 951) by inserting "each place it appears" before "and inserting in lieu thereof".

(f) ARMORED CAR INDUSTRY RECIPROCITY ACT OF 1993 AMENDMENTS.—Section 5(2) of the Armored Car Industry Reciprocity Act of 1993 (15 U.S.C. 5904) is amended by striking "is" preceding "registered".

H.R. 3259

OFFERED BY: MR. COMBEST

AMENDMENT NO. 1: In the matter proposed to be inserted by section 401, strike "Make" and insert in lieu thereof the following: "Subject to such amounts as may be provided in advance in appropriations Acts, make".

H.R. 3259

OFFERED BY: MR. COMBEST

AMENDMENT NO. 2: Amend section 402 to read as follows:

SEC. 402. ELIMINATION OF DOUBLE SURCHARGE ON THE CENTRAL INTELLIGENCE AGENCY RELATING TO EMPLOYEES WHO RETIRE OR RESIGN IN FISCAL YEARS 1998 OR 1999 AND WHO RECEIVE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

Section 2(i) of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403-4 note) is amended by adding at the end the following new sentence: "The remittance required by this subsection shall be in lieu of any remittance required by section 4(a) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 8331 note).".

H.R. 3259

OFFERED BY: MR. CONYERS

AMENDMENT NO. 3: At the end of title III, add the following:

SEC. 306. ANNUAL STATEMENT OF THE TOTAL AMOUNT OF INTELLIGENCE EXPENDITURES FOR THE CURRENT AND SUCCEEDING FISCAL YEARS.

At the time of submission of the budget of the United States Government submitted for fiscal year 1998 under section 1105(a) of title 31, United States Code, and for each fiscal year thereafter, the President shall submit to Congress a separate, unclassified statement of the appropriations and proposed appropriations for the current fiscal year, and the amount of appropriations requested for the fiscal year for which the budget is submitted, for national and tactical intelligence activities, including activities carried out under the budget of the Department of Defense to collect, analyze, produce, disseminate, or support the collection of intelligence.

H.R. 3259

OFFERED BY: MR. FRANK OF MASSACHUSETTS

AMENDMENT NO. 4: At the end of title I, insert the following:

SEC. 105. REDUCTIONS IN AUTHORIZATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), the aggregate amount authorized to be appropriated by this Act, including the amounts specified in the classified Schedule of Authorizations referred to in section 102, is reduced by 4.9 percent.

(b) EXCEPTION.—Subsection (a) does not apply to amounts authorized to be appropriated by section 201 for the Central Intelligence Agency Retirement and Disability Fund.

(c) TRANSFER AND REPROGRAMMING AUTHORITY.—(1) The President, in consultation with the Director of Central Intelligence and the Secretary of Defense, may apply the reduction required by subsection (a) by transferring amounts among the accounts or reprogramming amounts within an account, as specified in the classified Schedule of Authorizations referred to in section 102, so long as the aggregate reduction in the amount authorized to be appropriated by this Act equals 4.9 percent.

(2) Before carrying out paragraph (1), the President shall submit a notification to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the senate, which notification shall include the reasons for each proposed transfer or reprogramming.

H.R. 3259

OFFERED BY: MR. MICA

AMENDMENT NO. 5: Amend section 402 to read as follows:

SEC. 402. ELIMINATION OF DOUBLE SURCHARGE ON THE CENTRAL INTELLIGENCE AGENCY RELATING TO EMPLOYEES WHO RETIRE OR RESIGN IN FISCAL YEARS 1998 OR 1999 AND WHO RECEIVE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

Subsection (i) of section 2 of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403–4 note) is amended by adding at the end the following: "The remittance required by this subsection shall be in lieu of any remittance required by section 4(a) of the Federal Workforce restructuring Act of 1994 (5 U.S.C. 8331 note).".

SENATE—*Thursday, May 16, 1996*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, You have blessed our Nation with great leaders in every period of our history. Today, our hearts blend in oneness and our voices soar above party loyalties to express our gratitude to You for BOB DOLE. Quite apart from Presidential politics, we wish to thank You for the way that You have used him here in the Senate through the years. We affirm his leadership; we admire his statesmanship; we honor his patriotism.

Thank You for Your intervening in his life to save him in World War II, for preparing him through suffering and pain to be empathetical of the needs of others, and for opening doors for him to serve his Nation here in the Congress for the past 35 years.

We appreciate his plain-spoken, Kansas way of expressing his faith. We know that prayer has been the source of the silent strength that has given the Senator his remarkable resiliency, constantly filling the wells of his being with stability and courage. As brothers and sisters of both parties in the Senate, we ask You to continue to bless him and his wife Elizabeth as they press forward in serving You and our Nation. In the name of our Savior and Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able and distinguished majority leader, Senator DOLE, is recognized.

Mr. DOLE. Thank you, Mr. President.

THANKING THE CHAPLAIN

Mr. DOLE. Mr. President, I say a personal thanks to the Chaplain. I appreciate it.

SCHEDULE

Mr. DOLE. As I understand it, the Senate will consider Senate Concurrent Resolution 57, the concurrent budget resolution. Under the order last night, Senator DASCHLE or his designee will offer the President's budget this morning, and we can expect a rollcall vote on or in relation to that amendment hopefully before noon today.

There will probably be a late session tonight. There will be an effort to try to complete action on the budget resolution sometime this evening. If that cannot be done, obviously, it will be done tomorrow. I am advised there is still a lot of time remaining. The Republicans have 20 hours and 57 minutes; the Democrats have 19 hours and 39 minutes. That is 40 hours and 36 minutes. It is 9:30 a.m. It may be difficult to finish it this evening. But these things do have a way of moving once we get started. So I know the managers on each side would appreciate cooperation of our colleagues who have amendments.

The Senator from Washington [Mr. GORTON], will manage on this side, so I yield the floor.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDING OFFICER (Mr. DEWINE). The Senate will now resume consideration of Senate Concurrent Resolution 57, which the clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I suggest the absence of a quorum and ask unanimous consent that it be charged equally on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3965

(Purpose: Setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002)

Mr. EXON. Mr. President, as agreed to yesterday, at this time I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for himself, Mr. DASCHLE, Mr. DODD, and Mr. KERRY, proposes an amendment numbered 3965.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. EXON. Mr. President, in the arrangement between myself and the Budget Committee chairman, Senator DOMENICI, I am offering this amendment today as a substitute for the basic Republican amendment that was laid down when we began the budget debate yesterday by the chairman of the Budget Committee.

The amendment that I am offering is very clear cut. It is not difficult to understand. I am proposing the President's 7-year, CBO certified balanced budget as a substitute to the Republican budget that is now before the Senate.

Let us turn back the clock to a year ago. That is when my Republican colleagues pulled our leg on the Senate floor. The Republicans offered the President's budget recommendation as a substitute for their own amendment. They offered that as a substitute resolution. As a result of that, they had a good laugh at our expense as the amendment was voted down 99 to 0, with this Senator, the ranking Democrat on the Budget Committee, voting with the 99.

But what a difference a year makes. It is not only a different year, Mr. President. It is a different budget. And I do not think my colleagues on the other side would be smirking if they did the same thing this year as they did last year, but, of course, there is no indication that they will do that. It would not be the meaningless, hollow political gesture that it was in May 1995. This President's balanced budget is real in every sense of the word, and it is certified to be in balance by the Congressional Budget Office.

Throughout last year I heard one chorus from the Republican majority. They repeated it over and over again: "Mr. President, give us a 7-year balanced budget, certified by the Congressional Budget Office." I was urging the President to do the same thing. The difference was that I was interested in sound budget politics rather than partisan politics. It is now a done deal. The President has complied with what the Republicans were seeking and what this Senator was seeking.

Now we hear something different from the Republicans. In order to avoid dealing with the President, House Budget Chairman KASICH has now reversed course and tells CNN, "The problem is, of course, not in the numbers." It is the extremist Republican philosophy that President Clinton and mainstream Americans have soundly rejected, but they are still on that course. For my colleagues who still believe that honest numbers are important, here is a product, the President's budget, far superior to the Republican budget that is now on the floor. For, as the Republican budget delivers fresh and needless pain, across the years, the President's budget is a smart mixture of fiscal constraint and compassion.

The President's budget achieves balance in 7 years, but it does so without the terrible burden being brought on our senior citizens, working families, and the most vulnerable in America. It reflects the values and the priorities of the American people. It protects Medicare benefits and it protects Medicare beneficiaries. It invests in our children's education, it protects the environment from the search-and-destroy right wing radicals. It preserves nursing home standards and nursing home benefits. It prevents ordinary Americans from going broke to pay for nursing home care.

As I noted a few moments ago, this will be the last budget resolution of my Senate career, and I thank President Clinton for saving the best for last, as far as this Senator is concerned. In my 18 years in this great body, I cannot think of another budget that better hits the mark right from the start. I cannot think of another budget that I could endorse so eagerly. I cannot think of another budget that ordinary Americans could so readily call their own.

Having said that, of course the President's budget is not without some flaws as far as this Senator is concerned. We could all find things on which we would disagree. There is always a pea under the mattress that irritates one or more of the 100 Members of this body. And there are some things in the President's budget that cause me some concern. But what we are talking about here is a document that I am introducing today that I hope would be the basic model that we would begin from, rather than the budget proposal endorsed and put together and offered by the Republican majority. In other words, I, too, would hope we could do some fine tuning on the President's budget, which I think is necessary.

But I want to be clear on this point: The underlying mechanism in this budget, which is fiscal restraint coupled with protecting our economic investments so vital to America, is synchronized and in fine working order, but I would certainly entertain some amendments to it.

After 18 years in the Senate, I harbor few illusions that there will be a mass conversion on the other side of the table to what I consider to be my reasonable appeal. I ask my colleagues, however, to have a serious discussion and have a serious look at the amendment I am offering.

For too many months we have been talking at each other and not with each other about how to balance the budget in 7 years. This Presidential proposal is a serious and a honest budget, and I hope all of my colleagues will approach this amendment in that spirit so we can move ahead in an expeditious fashion.

Mr. President, I reserve the remainder of my time, and I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, we are now beginning a debate over the President's budget proposal for 1997 and for succeeding years. In a very real sense, the fact that we are debating this proposal represents a major step forward from the situation in which we found ourselves last year.

As my friend, the Senator from Nebraska, has pointed out, last year it was members of the Republican Party who put up the President's budget to be voted on and voted down. Members of his own party were not willing, systematically, to defend that budget. Because, Mr. President, as you will remember, last year the debate was fixed very firmly on the proposition that one side, the new Republican majority, felt it vitally important not only to promise a balanced budget at some time in the future, but to make the very difficult policy decisions that were required to assure that the budget was, in fact, balanced.

We succeeded in doing so. We succeeded in doing so so well that during the entire period of time in which it looked as though this promise would be kept, interest rates declined all across the country. What did that mean? It meant that people buying homes paid less in the way of interest on their mortgages and therefore were more likely to be able to afford to buy a home or to buy a better home. It meant that businesses, small and large, paid less in interest and were therefore able to increase their productivity and increase the jobs that they had to offer and increase the quality and compensation for the jobs which they did offer. In other words, even a binding promise to reach balance in the future that was believable had a positive impact on our economy, and by the year of balance, 2002, it would have meant at least $1,000 per family in the pockets of the average American family.

During the entire development of that balanced budget, the other side refused to come up with any alternative that would reach that balance, and the struggle was between a group of Republicans who felt it absolutely unethical and immoral to continue to spend money by the hundreds of billions of dollars, the bills for which we sent to our children and grandchildren, and a side led by the President who felt this was not relevant and was unimportant.

Beginning in December, however, and culminating with the offer of this Presidential budget, we have had, in fact, at least lip service—and I must say that lip service is important to the proposition that a balanced budget is of great help to all Americans by removing some of the burdens of Government from their shoulders, by freeing them up and, implicitly, leaving more of their hard-earned money in their own pockets.

Unfortunately, however, doing that job is more difficult. It is harder work than the President of the United States is willing to undertake.

His dedication to the proposition is welcome. The product itself is seriously flawed. As a consequence, that makes even less valid his characterization of our efforts as being extreme in nature. In fact, the President has never made any real steps in our direction, even when compromises and modifications were made on the part of the Speaker of the House and the majority leader of the Senate and the distinguished chairman of our Budget Committee, Senator DOMENICI.

So we now have a unity with respect to our goals, but a dramatic difference in connection with the way in which those goals are reached. What we have in this proposal, the amendment that is the subject matter before the Senate right now, is spending increases in 1997, rather than a move on a steady path of lowering spending so that we reach a goal on a gradual but even path between now and the year 2002, 6 years from today.

What we get are a series of mechanisms and gimmicks rather than choices that do require the Congressional Budget Office to show reduced spending and reduced deficits, though there is not a single detail as to how we get there in the key years right after the turn of the century.

More accurately, if we look at the policy judgments that are contained in this Presidential budget, we see that it has a deficit of $84 billion in the year 2002, according to the Congressional Budget Office. Mr. President, $84 billion is not a modest amount of money by any stretch of the imagination, just under $100 billion after 6 more years of lip service to a balanced budget and at that—to get to that figure, our one-time savings and assets sales, which is immediately after that year, will have resulted—the budget deficit would increase very, very substantially.

So this proposal is a very modest step in the right direction, but it is not a balanced budget. It is not a serious attempt to make decisions now that will lead to a balanced budget. It is, in fact, a promise of very difficult choices for the President after next, for the President who is elected not in 1996 but in the year 2000.

What are the gimmicks, what are the mechanisms that allow this to be determined as a balanced budget that are, in fact, no more than gimmicks? A discretionary trigger, No. 1; an end to the tax reductions that are called for in the bill, No. 2; outrageous shell games with respect to Medicare, one of the vital social safety nets in our entire society; welfare reform that is not reform; and a number of other sleights of hand.

Let us go to some of the gimmicks first. This proposal increases domestic discretionary spending for next year, the one year of the budget that is absolutely binding, by $10 billion, so that the President, during the course of the reelection campaign, can point to a wide variety of increases in programs supported by various interest groups and by large numbers of people.

Then from 1998 to 2002, there are a significant number of cuts, none of which is specified, none of which can be attacked because they are amorphous. They are simply figures on the wall without any detail to back them up.

Finally, for the last 2 years, the President calls for increased discretionary spending, even though the Congressional Budget Office says that the trigger mechanism to balance the budget included in this proposal will reduce discretionary spending by $45 billion in the year 2002 alone. But worse than that—worse than that, Mr. President—as gimmicky as it is, is the President's treatment of Medicare. This budget takes one of the most vital elements of Medicare, an element that is now protected by being in the Medicare trust fund, paid for by the payroll taxes that each of us at work pays every single year: Home health care, not an insubstantial program, Mr. President, which costs $55 billion. It is taken out of the trust fund by the President's proposal, out of the protection of the trust fund in order that the President can show that the trust fund stays solvent for a longer period of time than would otherwise be the case, and transfers it we really know not where.

In one sense, this Presidential budget says, "Well, we're going to transfer home health care to Medicare part B," the part that pays for physicians' fees in Medicare, an element of Medicare that is not covered by the trust fund, an element of which about 75 percent is paid by general taxes, that is to say, the deficit, and 25 percent by premiums paid by the beneficiaries.

Medicare part B, of course, is voluntary. It is such a good deal that there is practically no one eligible for it who does not take it when you are only paying 25 percent of its cost. But it is voluntary. So home health care at one level is transferred into part B. But it does not become voluntary, it is still there. It is not subject to any of the copayments that are a part of part B. It is not subject to the 25-percent premium cost that part B is subject to otherwise. So, in fact, it simply becomes a completely, totally, absolutely unfunded entitlement, Mr. President.

What does that mean? It means $55 billion a year more in bills transferred to working Americans, out of the trust fund, which they are already paying and—incidentally, those payments are not cut at all—simply into the general fund to be added to the deficit.

That does one of three things, Mr. President: either it greatly increases the deficit by that $55 billion, or it will result in a tax increase of $55 billion on the American people, a new tax, or at some point or another, when things get tough, it just will not be paid for at all, and it will disappear, home health care will disappear.

Mr. President, I use the word "gimmick." This does not really get appropriately covered by the word "gimmick." This is a fraud. This is something to which people are entitled now, that is being paid for now, that is in a trust fund now, that suddenly is just hanging out there with a new bill for the American people.

There are other gimmicks in the Medicare cuts that are in the President's budget. The amount of money he claims to save is not saved, according to the scoring of the Congressional Budget Office, what they come up with for it. There are more triggers on the amounts of money for outpatient hospital services. There is a new entitlement program for workers temporarily unemployed, but it sunsets in the year 2000.

Taxes on working families, college students, and small businesses will be increased in the year 2001. Payroll taxes will be accelerated at that particular period of time, Mr. President. And these really are gimmicks. A whole slew of asset sales are pushed into the year 2002 to show a one-time balance with, of course, no balance thereafter.

There is a spectrum auction of spectrum for the year 2002, of spectrum that will not be returned to the Federal Government until 2005, even if it is ready to be returned at that particular time. Will it get less money than if it were auctioned at the time it is actually available? Obviously those will be lower.

So as CBO indicates that they will be $6 billion short, there is just a contingent $6 billion charge on broadcasters to make up the difference for the year 2002. Governors Island in New York Harbor is going to be deserted after 1998, but it will not be sold until 2002 so that it can balance the budget in that year. The strategic petroleum reserve, the Weeks Island Naval Petroleum Reserve—the same thing, they get sold long after we have assumed that they would be sold to balance the budget in that year.

In welfare, the President's welfare reform program does not require its recipients to be enrolled in Work First until 2003 so that the payment for their new education and training management does not begin until later.

So even if you accept all of the gimmicks, all of the tax increases, all of the unspecified spending cuts, to get us to balance in 2002, it all goes to hell in a hand basket immediately thereafter.

Mr. President, I have only begun to list the gimmicks and the outrageous transfers of responsibility that are included in this proposal. It just is not serious. Successive speakers will speak to some of the circular reasoning that is contained in this proposal. It is a proposal that is very comfortable for next year, one in many respects in connection with discretionary spending I wish that I could support, but one I cannot support when it does not really reform entitlements, when it leaves all of the heavy lifting to the President after next, and when it leaves that President after next with a huge unfunded liability in the third year of his or her Presidency.

As I said to begin these remarks, Mr. President, it is a major step forward to have a commitment to a balanced budget on the part of the President of the United States. But when that commitment is lip service only, when there is no heavy lifting, when there are no serious reductions or serious policy changes, we have not even gotten halfway. We should be and we are grateful that we are halfway.

I am grateful that the Senate is actually seriously debating two—no, three before we are done—serious possibilities. I will support two of those possibilities, the bipartisan budget which will come up, I suspect tomorrow, and the Republican one because, while they take a slightly different path, they both deal seriously with the problem of balancing the budget. They have a real balanced budget. They have policy decisions that will affect the years not directly covered by this budget as well as those that are covered by it. I regret to say that the proposal that we have before us this minute does none of those things. Lipservice, Mr. President, is not enough. Action is required.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, we are hearing repeatedly today what we heard from the Republican side of the aisle yesterday—every time it is said I intend to correct it—and that is that the President's budget is not in balance.

As I said in my opening remarks yesterday, and in my opening remarks this morning, contrary to the statements that are being made from that side of the aisle, the President's budget is certified to be in balance by the Congressional Budget Office. Lest we forget what that is, the Congressional

Budget Office is run and managed by a Republican appointee whom I supported to be the head of that organization.

The Congressional Budget Office, whether run by a Democrat or Republican, has always been considered to be about as fair as you can get with regard to certifying numbers.

I quote once again, as I did yesterday—and I will keep quoting it today every time somebody on that side of the aisle says that the President's budget is not balanced—and that is this quote from the Congressional Budget Office headed by June O'Neill.

> The President's budget proposes policies that the Congressional Budget Office estimates would balance the budget by the year 2002.

Yet that side of the aisle keeps saying, "It does not. It does not. It does not." I am not going to get into "You said that, she said that, he said that." But their claims are fundamentally wrong and they do not not contribute to a legitimate debate on the budget when they keep saying, "the President's budget doesn't balance."

Likewise, I would say, that the Congressional Budget Office has said that the Republican budget proposal introduced by Chairman DOMENICI yesterday does balance. There are several things that I could pick apart on that. There are several things that I could get up and say, "I don't agree with CBO. I think that the Republican budget does not balance in the year 2002 for this reason, for that reason, for the gimmicks that are included in their budget."

But it seems to me that when I take that kind of an argument, I am undermining the basic context that I think is important; that is, that CBO has certified that in their best judgment and by their best estimates both the President's budget, that I have just offered, and the Republican budget offered yesterday by Chairman DOMENICI, have been certified to by CBO as balancing the budget by the year 2002.

Now, I do not think we accomplished very much since both of the basic budgets that we are arguing about here have been certified by CBO. Last year, I repeat again, the Republicans hounded the President, hounded the Democrats and challenged the President to come forth with a budget that could be certified to as being balanced by the year 2002 by the Congressional Budget Office. Now that it has been done, as I said yesterday, they are moving the goal posts once again.

I think we can have legitimate debate on what are the rights and what are the wrongs in both the President's budget and, the Republican budget. I admitted and conceded in my opening remarks this morning, that there are some parts of the President's budget that I do not agree with. I think we accomplish very little by getting up on the floor of the U.S. Senate, as Republicans did yesterday and as they are starting out to do today, to say the President's budget is not balanced. Says who? Says the Republican majority. The Republican majority is a partisan referee and therefore their claims should not be considered as authentic with regard to whose budget balances best and in what timeframe.

As I say, I think there are many policy problems with the Republican budget, and I think there are policy problems with the President's budget. I suggest we could expedite the proceedings and come to more intelligent debate if we stop saying this budget does not balance and that budget does not balance, and agree, if we can, that the CBO has certified both the Republican budget and the President's budget that I have just introduced as being balanced by the year 2002. If we are going to go down that road, we are just going to be throwing stones at each other's budget without getting to the specifics of what we would like to see done.

Once again, to bring that point home, I want to talk for just a moment about the Medicare part A and B trust funds that have become focal in the debate, and justifiably so. Once again, I am going to introduce for the RECORD and read a very short letter from June O'Neill, the Republican-appointed Director of the Congressional Budget Office. The letter is dated May 9, 1996:

> CONGRESSIONAL BUDGET OFFICE,
> *Washington, DC, May 9, 1996.*
>
> Hon. J. JAMES EXON,
> *Ranking Minority Member, Committee on the Budget, U.S. Senate, Washington, DC.*
>
> DEAR SENATOR: At your request, the Congressional Budget Office (CBO) has examined the effects of the Administration's budgetary proposals on the Hospital Insurance (HI) trust fund. Under current law, the HI trust fund is projected to become insolvent in 2001. CBO estimates that the Administration's proposals would postpone this date to 2005.
>
> Sincerely,
> JUNE E. O'NEILL,
> *Director.*

Mr. President, in listening to the Senator from Washington, he seems to assert that the home health care part of the budget would be safer in Medicaid part A than it would be in Medicaid part B. I find this association somewhat ironic in view of the fact there is no place in the entire Republican budget where the majority seeks to find more savings, or, placed in a better context, there is no place where reductions from real needs have been more savaged by the Republicans than in Medicare part A. Yet, the majority wants to reduce $123 billion from protected Medicare part A spending. If that is what they do to programs that they claim are safe, I hate to see what they would do to programs they dislike.

What I am saying is the sound and fury from the other side with the President's shift in home health care—he is shifting it into an area that would make it safer. The President is taking and transferring this out of the part of the budget that the Republicans are savaging with cuts that would be far below real needs.

Once again, I am not sure we are talking about apples and apples and apples and oranges here. Suffice it to say, I think so far the attack on the President's budget, while, once again, I say is not perfect in my eye, is not honest and straightforward. I think some of their arguments are somewhat suspect.

Mr. President, one more quote, again from my remarks of yesterday, that are found on page 203 of the committee report:

> The Republican budget is rife with gimmicks. The tax cuts mysteriously drop off from $23 billion to $16 billion by the year 2002. The Republicans count on savings towards balancing the budget from spending cuts that they already used in the Kennedy-Kassebaum health bill. They similarly count twice the savings in housing. Without these gimmicks, the Republican budget would not be in balance.

I only cite that, Mr. President, to say this Senator, too, could be charged with trying to undermine the Republican budget. The term "gimmicks" in the President's budget was used by my friend and colleague from Washington in remarks just concluded. This Senator used the term "gimmicks" yesterday explaining shortcomings that I see in the Republican budget.

I do not believe that either of us should keep hounding the other side on gimmicks because the facts of the matter are, there are lots of things in the President's budget and there are lots of things in the Republican budget that could be deemed as gimmicks. Those of us who call parts of the Republican budget gimmicks and, likewise, when the Republicans call parts of the President's budget gimmicks, we are voicing an opinion. Only time will tell whether it is true or not.

While I have attacked parts of the Republican budget as gimmicks, I say in the end what we should all do is recognize and realize that gimmicks or no gimmicks, the Congressional Budget Office, which we all recognize as a legitimate referee, has certified that, in their opinion, both budgets reach balance by the year 2002. And I suspect, because I respect the professionalism of the Congressional Budget Office, that they are not necessarily blindsided by what the Senator from Nebraska calls gimmicks in the Republican proposal, or likewise, when the Republicans charge that parts of the President's budget has gimmicks in it.

So, gimmicks or no gimmicks, I think we should get on with the debate by recognizing that while there is legitimate criticism in order to both of the budget proposals, I hope that we can get off the kick of saying it over and over again that the President's budget does not balance and that the

Republican budget does not balance. We can say that, but I think it contributes not a great deal to the legitimate discussion, since it is a moot point.

The Congressional Budget Office has said that both budgets are balanced. I think there is plenty of room for debate on changes that should be made to improve the two budgets. But let us, hopefully, agree that we are talking about two budgets that do meet balance by the year 2002, and that should not be a key part of the debate.

I reserve the remainder of my time and yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I yield 10 minutes to the Senator from Missouri.

Mr. BOND. Mr. President, I thank my colleague from Washington. Let me say, I am going to agree with——

Mr. EXON. If the Senator will withhold for a minute so we can talk about time here, a lot of people have asked me when we are going to vote. I simply say—and I have not had a report from the Senator yet this morning—that we have about 34 amendments that Democrats are intending to offer. We asked last night that they try and advise us, and your side advise you, what amendments we have. We are trying to complete this effort by tomorrow night. We are certainly going to have to have some discipline somewhere along the line to get that done.

I would like to ask, first, about how many amendments do you see on your side, or do you know about at the present time? When we have that, we will add that to the 34 that we have here and multiply that out by the number of hours that each one of those amendments are entitled to. Then we will begin to see the difficult task we are going to have by trying to finish this by tomorrow night.

The second question I want to ask to move this debate along is this. Last night, Senators on both sides suggested that we put off this debate until this morning and not have a vote before noon. I am wondering if we could possibly get an agreement that we would try and balance out time so that we could have a vote in the vicinity of noon today on this matter. Is that a feasible proposal? Does the Senator think that might move things along?

Mr. GORTON. The Senator from Nebraska has me at a certain disadvantage. As he knows, I am sitting in for the chairman of the Budget Committee this morning. I cannot give him definitive answers to either of his questions. I can say, however, that I have no anticipation that we would vote before noon. I am sure we can informally divide the time between now and noon and give Members assurance we will not vote before then. It may be that it is after noon before we get to do so.

As was the case with the Senator from Nebraska, our chairman asked Republican Members to report to him on all the amendments they would have by noon today. Well, it is still an hour and a half from noon. We have only a relative handful.

Mr. EXON. That is a good sign.

Mr. GORTON. That is certainly a good sign. We will be able to answer his question, of course, more definitively in a relatively short period of time. I think that, on an informal basis, we can agree to simply go back and forth. We have yielded time to the Senator from Missouri. I see the Senator from South Carolina. It would be appropriate for him to go next, and then back and forth for a period of time, at least.

Mr. EXON. I thank the Senator. That helps answer some of the questions. Let us move forward.

The PRESIDING OFFICER (Mr. INHOFE.) The Senator from Missouri.

Mr. BOND. Mr. President, I assume that did not count against my 10 minutes.

The PRESIDING OFFICER. It did not.

Mr. BOND. If we can start afresh, let me thank my distinguished colleague from Washington and warn my good friend from Nebraska that I am going to agree with him. I know that maybe this will help the process move along. But we have before us the President's budget. This is a massive work that would cost about a hundred dollars if you want to buy it. It has the numbers in here that the President proposes.

Mr. President, in one sense, the Senator from Washington is right. The numbers here do not balance. The numbers in the book do not come to balance. Now, the President has done something in this budget. You have to look at the supplement to see what he has done. He said, if it does not work, I have a trigger. On page 13, it says, "In case the new assumptions produce a deficit in 2002, the President's budget proposes an immediate adjustment to the annual limit, or caps on discretionary spending, lowering them enough to reach balance in 2002."

I agree with the Senator from Nebraska. When you impose those caps, the President's budget does come to balance in 2002. I am not going to call that automatic cut a gimmick, or that trigger a gimmick. Let us just take it for what it does. The President has presented a budget, and he said if it does not balance, you take a whack at it. Well, that whack is a $16 billion tax increase on families in the year 2002. It is a $67 billion cut in spending, 10 percent in 2001 and 18 percent in 2002.

So when you take a look at all these numbers, remember that these numbers do not balance. You have to apply the trigger. You have to shoot that budget down to get it to balance. I am going to show you what that does to some of these discretionary spending programs. I hope that my colleagues, before they vote on the President's budget, will understand the impact of these cuts triggered because the President claims he wants to get to a balanced budget.

Now, that may sound kind of complicated. Let me reduce it to common, everyday terms. It is as if you went to the grocery store and you filled up your basket; you gathered all the things you needed and all the things you wanted. You took it to the checkout counter, and the clerk ran it up at the checkout counter, and all those bar scanner codes recorded the numbers. At the end, the bill comes out to be $100. You look in your wallet and you say, "Whoops, I only have $80." You have $100 worth of wishes and wants, but you only have $80. So you are going to have to start putting some things back. So you put $20 worth of stuff back, and you pay your $80 and take the goods home.

Well, when we talk about the budget that the President proposes, let us talk about that $80 that he is actually going to spend. Do not be misled if somebody talks about the $100 he wants. Do not be misled about the tax cuts because there is going to be a $16 billion increase for individuals and families. There will be a $16 billion tax increase for families in 2002 because, unless you do that, these numbers do not add up.

Mr. President, the point I made yesterday and the day before is that numbers do not lie. Let us take a look at the numbers.

Mr. President, I think it is important that we take a look at some of the vital impacts on health and children in this. I mentioned yesterday the Food and Drug Administration. The budget we have before us reported out of the Senate Budget Committee essentially keeps funding for the Food and Drug Administration on an even keel. The Food and Drug Administration is vitally important because its diverse responsibilities include licensing blood banks, monitoring clinical investigations, reviewing and approving prescription drugs, generic drugs, animal drugs, vaccines, biologicals, medical devices, and food additives. The FDA ensures the quality of a trillion dollars worth of products. This year it proposes to certify over 10,000 mammography facilities across the country—vital to the health and well-being of our country.

What happens when the President applies that trigger, those caps, those cuts to the FDA? Look at this red line that shows the dramatic reduction in funding for the FDA from almost $900 million to under $700 million in 2001 only coming up above $700 million in 2002. This is a tremendous cut in the vitally important activities of the Food and Drug Administration.

I mentioned yesterday the National Institutes of Health looking for new cures, new ways of dealing with the diseases. The President has a nice little blip up here. But when he gets over to get to balance and you apply the trigger, you take the cuts, you take the whacks, that funding drops off the map. It goes from almost $12.5 billion to below $11 billion, $1.5 billion cut year to year from 2,000 to 2002—$1.5 billion.

Are we going to have all the answers to health and well-being? Are we going to still need the National Institutes of Health? I think so. We cannot afford the cuts that the President proposed. We are dealing with real numbers.

This is what would happen, if you believed the President and if you believed this budget will get to balance.

Child care and development block grant. I was very pleased to work with my colleague from Connecticut on the act for better child care. We turned it into a development block grant because we recognized the importance of assisting working families with care for their children. The President has a little upswing this year. This is an election year, of course. But then look what happens. From over $1 billion, about $1.5 billion, this thing drops off the cliff to about $800 million in the year 2002—almost a $250 million cut in child care because of the President's trigger.

Do we really want to say to people who are trying to get off welfare, "Hey. Get off welfare this year. We are going to assist you with your child care expenses. But sorry about the ensuing years. There is not going to be the money there."

That is what the President's budget does. That is if you implement the mechanism the Senator from Nebraska rightly pointed out is in the President's budget. That is how it gets to a balance.

WIC, funding for women, infants, and children. We both support this at least in the early years. The President's line goes up. The Republican line goes up. But, whoops. The President had said he wants to balance the budget. So you fire the gun, you put on the cap, you pull the trigger, and what happens to funding for women, infants, and children? It goes, in his budget, from over $4.2 billion down to about $3.7 billion.

This is a significant cut. If you believe and advocate and want to stand up for the President's budget, you have to be willing to say, "Hey. We are going to get to balance in the year 2002 by taking this much of a whack out of the feeding program for women, infants, and children."

Mr. President, I do not believe that is going to happen. That is not a realistic budget. But the President is standing by that budget. Anybody who votes for it says, "I am voting for it. I believe in it." If you vote for the President's budget, then, Mr. President, you have to be saying, "I believe these numbers, and I will support these numbers."

I have talked a good deal about the Veterans' Administration because that happens to be one of the vital functions that is funded in the appropriations subcommittee which I chair. The Veterans' Administration budget has been very contentious. Last year we had a floor amendment, an amendment sponsored by the Senator from West Virginia, Senator ROCKEFELLER, and Senators MIKULSKI, LEAHY, and WELLSTONE.

They said, if we kept an even spending level, we would have to close four veterans hospitals. The Republican budget has even funding. This cuts almost $13 billion—25 percent. That means that one out of four facilities, or more, in the United States would have to be closed. Here are the States with veterans facilities. Florida has 6, Massachusetts has 5, New York has 13, and California has 11. One out of four—that means California is going to have three, four, or five closed. The Senator from California [Mrs. BOXER] was complaining that we did not open a hospital last year. The question is, Which of these is going to be cut?

Mr. President, the budget provided by the President is not workable. Those numbers do not lie.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I yield such time as is required for the moment.

Mr. President, the distinguished Senator from Missouri talks about assumptions. With respect to assumptions, I only have to point out that when I asked the distinguished chairman of the Budget Committee, Senator DOMENICI from New Mexico, about the budget assumptions, he said, "No. That is no magic asterisk. Assumptions are not binding on anyone. Use the assumptions in the President's budget. Do what you want to be bound by it. It does not make any difference."

With respect to the trigger, I remember that trigger when they had it last year in the Republican Medicare assault. Unfortunately, the distinguished President of the United States, coming from Arkansas, having balanced budgets for 10 years, had taken on some of the bad habits of this Republican crowd.

Right to the point, Mr. President: I was listening this morning to the chatter on the early morning shows, and the pundits were all allowing that the distinguished Senator from Kansas was having to retire from the Senate because he wanted to get away from the Senate itself; that the Senate had such a bad reputation.

I take exception to that, Mr. President. It is the Republican program that has such a bad reputation. I feel for the distinguished Senator from Kansas as the Republican nominee going around the country because, though he physically removes himself, he still has to carry that load. I told him so yesterday afternoon.

It is a ridiculous contract. Get rid of plans that are working and the programs on crime. The policemen on the beat; they were all here yesterday in support of those programs.

That is what is really frightening the American people. It is a ridiculous plan: let us get rid of the Department of Commerce, the Department of Energy, the Department of Housing, the Department of Education. Whoever heard of being elected to public office and then trying to tear down the office itself? We are elected to come to Washington to make the Government work. But this pollster party is running on hot button items like 5-cent gas taxes and that kind of thing, trying to throw the long pass play. They are not really giving the American people a program of responsibility and direction, a sense of where we are headed in the next 4 years. The truth of the matter is that the wrong man resigned from the Congress. We ought to have gotten the distinguished Speaker to be gone with that silly contract. Let him move out and maybe the pollster party would have a chance in November.

But my point this morning is that yes, I am going to vote for the President's budget. It is the nearest to a factual approach to this particular dilemma. It does not use the CPI. It does not have these mammoth tax cuts that are down to $8 billion. We do not have any taxes to cut.

That is another flaw in the contract, it leads the American people to believe that you can balance this budget by merely cutting spending. I have voted for many, many cuts in spending. I voted, as did a third of the Senate, to do away with a good part of the payroll tax—$190 billion in tax cuts to put Social Security on a pay-as-you-go basis. But I do not believe in cutting taxes when we are running these horrendous deficits, when the debt is going up and the interest cost on the debt ruining the land. And so what I am trying to do is get the nearest as I can. We tried every approach. In January 1993, we put in what would be required of a really true, honest balanced budget. It included both the horrendous cuts that would be necessary in discretionary spending and taxes. I challenge and continue to challenge. At the Commerce Committee the other day, the distinguished Senator from Texas said that she believed the budget could be balanced by spending cuts. I challenge her. I challenge anyone in the Congress to give me a 7-year balanced budget without a tax increase. I want to see it. You can eliminate the Government as they call it, but we have worked our way into such a dilemma that, if you did away with Government as the people know it to be—foreign aid, the Department of Commerce, Interior, Agriculture, Justice Department, the FBI, the DEA, do away with the President, the Congress, the courts—it would still only be $228 billion.

Now, look at the bottom line, what are we spending? This pollster party has got us to the point that we are required to spend $353 billion in interest costs on a national debt that they quintupled. They did it, not President Clinton—$353 billion, $1 billion a day spending on automatic pilot for absolutely no Government. We do not get anything for it. It is merely the carrying charges. If they had not engaged in that misconduct, we could have two Departments of Commerce, two Departments of Energy, two Departments of Education—double the Government. We are spending the money for it, but we are not getting the Government.

And that is this particular Senator's dilemma. We are supposed to be rebuilding our economy in the wake of the cold war, putting more into education, more into technology, more into the Department of Commerce. Instead the Republicans pursue their political endeavors solely for reelection purposes. They are not looking at the next generation but at the next election. And we have to go through this false nonsense of a budget fraud because it is their contract.

Unfortunately, we Democrats, to get any kind of results, have to go along with this kind of thing. President Clinton put out a good budget when he first came. We had to cut $500 billion in spending. We had to increase taxes on cigarettes, beer, liquor, gasoline. Yes, we voted to increase taxes on Social Security, we performed a real act of fiscal discipline and responsibility without a single Republican vote in the Senate, without a single Republican vote in the House of Representatives. And they have the audacity, the unmitigated gall to come around here talking about hoaxes.

Let me get everybody to turn to pages 4 and 5 of this wonderful document, Senate Concurrent Resolution 57, by the distinguished Senator from New Mexico [Mr. DOMENICI], for the Committee on the Budget. This is the budget resolution now in debate. Look on pages 4 and 5 under "Deficits." For fiscal year 2002 you will see a deficit of $108,300,000,000.

Mr. President, for Heaven's sake, you pick up the morning paper, the Washington Post, and it is talking about the "Republican Balanced Budget Proposal." There is no idea of balancing this budget by Republicans or Democrats. It is one big political exercise, one grand budget fraud. And that is what everybody is running on. I am trying to get them to state what the law is and what the truth is.

The fact is here in the budget book itself: "Budget Process Law Annotated," up to date, 1993 edition. You will find in this book no such word as "unified." That is a political gimmick that the press, the money market in New York and politicians use. We have to hear about fraud; we have to hear about hoaxes; we have to hear about trickery, but the truth of the matter is there is no such thing as unified. There is such a thing as not being able to rob the Social Security trust fund. Look at it. Section 13301 of this particular document says thou shalt not use the Social Security funds to obscure the size of the deficit. We owe Social Security at this moment $503 billion, and in this particular budget that I hold up, this document here, they continue to rob the Social Security trust fund in violation of the law. They are robbing other trust funds as well that are not written in the law. I wish they were. But we continue to rob the Social Security trust fund of approximately $500 billion over a 6-year period and over $600 billion over 7 years. So that by the year 2002, 2003, we come around, under this political drama—the best off-Broadway show you are going to find, running currently on C-SPAN—and they will say, "Oh, we have balanced the budget. We are the party of responsibility and we balanced the budget."

Even if it were true, using their own figures we have decimated—decimated, exhausted the Social Security trust fund. We will owe it over $1.1 trillion. Then we will not have to hear the arguments about the year 2012 or 2023—just by that year 2002 we will already owe that money. Who is going to raise $1 trillion to make Social Security solvent? You should have heard it—I wish I had that record before me—the distinguished chairman of our Budget Committee in his prepared statement stated: We are making Medicare solvent for 10 years. Under this budget we are making Medicare solvent for 10 years; we are making Social Security totally insolvent in 6 years. It will be totally insolvent in 6 years. And they want credit for their so-called fiscal responsibility.

Unfortunately, both sides are guilty. Why? Why do I say that about this budget fraud? I have not seen a budget yet that does not immediately start off by moving deficits—not eliminating deficits—moving them from the general Government over to the Social Security trust fund to the tune of $500 billion. The Republican budget does it. The President's budget does it. And the so-called centrist coalition does.

They think it is wonderful they can get together, Republicans and Democrats, in a fraud. I did not join them. I told them: It is a fraud on the face of it. You can see it. You know it. Look at it. You are not only robbing trust funds to the tune of what will amount to almost $1 trillion, but we owe the civil service retirement, the military retirees.

You go down the list. Medicare is solvent right now. They have been robbing the Medicare trust fund and on down the line to highway trust funds. Finally, over on the House side, they have been robbing the airport funding. There are not enough inspectors. We just had a hearing on that. Why? Because we have been taking the money that the traveling public has been putting in. While they have been paying their taxes in order to provide those inspectors, Congress has been using the moneys to politically obscure the size of the deficit. This way they can say, "Reelect me, I am fiscally responsible up there in Washington but the other crowd is a bunch of bums."

They know what they are doing. Not only do they rob trust funds, but all of their spending cuts are backloaded. There is the gimmick. That is why, when President Reagan first came to office, he said he was going to balance the budget in 1 year. After he got here he said it was such a disaster that it would take him 3 years. When Congress saw that was not working with the so-called Reaganomics, that we were going in the exact opposite direction, we tried the spending cut approach with Gramm-Rudman-Hollings. But all along, then after Gramm-Rudman-Hollings—and I'm talking about the crowd that voted to repeal it on October 19 at 12:41 a.m—they are now all writing books now how responsible and how against deficits they were. Gramm-Rudman-Hollings worked. The reason the Senator from South Carolina asked for a divorce is that instead of using Gramm-Rudman-Hollings as a spear to prod fiscal responsibility, they were using it as a shield to obscure fiscal irresponsibility.

When they started doing that, I said let me out of this thing. We raised the point of order, made cuts across the board. And Gramm-Rudman-Hollings worked. Do not say it did not work. It was about to work too well, until they got into that cabal to reelect the President in 1992. Everybody knows what happened there, in 1990, when they voted for its repeal. But they all, then, started backloading. Now, instead of 5 years of Gramm-Rudman-Hollings, we are going up to a 7-year budget. If this crowd can get reelected they will come back next year and they will have a 10-year budget. They keep moving the goalposts and getting the good government award.

The fact of the matter is, two-thirds of these cuts occur after two Presidential elections. They come out here and talk about the President—a hoax. But it is not a hoax—come on. Everybody can see what is going on. Every one of them, including the centrist budget, uses tax cuts.

If you look at the centrist document, the centrist document says the President cuts $8 billion in 6 years. The Republicans cut $122 billion, the Breaux-

Chafee in 7 years cuts $105 billion. We do not have any taxes to cut. So the closest to responsibility is President Clinton's budget. They are running around still trying to lead rather than demand. The consultants will demand. Poor Presidential nominee DOLE will have to respond, run all over the land trying to tell people that which he knows not to be the case. He was chairman of the Finance Committee. He did not favor that Reaganomics. It was Kemp-Roth at that time. I know him, but now he is caught up with the Gingrich contract and he has to go around and sell it. That is his dilemma, not the Senate as a body. They will be here long after we are gone, long after the contract crowd is gone.

Mr. President, we finally see the free world voting in free elections. We witness the spread of, not only capitalism, but democratic representative government; which is, according to Arthur Schlesinger, the greatest gift of the American people to free men the world around. And it has taken root, Mr. President, in 14 different countries. Over in Russia now, the Communists are getting ready for a vote. Over in China, where I recently traveled with the distinguished Senator from Maine, Senator COHEN, in the provinces they are beginning to have local elections. Now, when free democratic government is just taking root, the contract crowd says, "Get rid of the Government. The Government is not the solution, the Government is the problem. The Government is the enemy." And they wonder why they are down in the polls.

Back to the point: tax cuts. They talk about a dividend. I speak as the former chairman of the Budget Committee. I speak as an original mover, along with Senator Muskie. I am the last of the Mohicans on the House or the Senate side who was in on the game back in the mid-1970's. I voted for a balanced budget in 1968. I worked there with George Mahon. We said, "Talk to President Johnson. Can we cut another $5 billion?" We cut another $5 billion. The entire Great Society and the cost of the war in Vietnam was $178 billion. Interest costs on the national debt is $353—double the amount. And you wonder at the trouble we are in? They do not want to talk sense. They want to engage in another fraud. A $254 billion dividend. That came up in 1990.

We called it into question. They say, "Oh, no, you look at the 1990 budget." They have their charts and everything else. The 1990 budget said that by 1995, last year, we would not only be balanced we would have a $20 billion surplus. Can you imagine the word surplus in a Government document? They put it in there.

Instead, the real deficit was in the neighborhood of $277 billion. There was not any surplus—using the dividend. So they play more games. Now the centrist coalition crowd has come up with a new one, the CPI. They come in and want to monkey around with the Consumer Price Index.

So if you do one, you have to do the other, but they only do one. They are not only going to cut the benefits of the Social Security recipient, which could be done—this Senator has recommended a freeze, a freeze, if you please. But instead of inuring to the benefit of the Social Security trust fund, they take even more money, robbing Social Security and allocating it to the deficit. All the Medicare plans call for an increase in the premiums in order to get the benefits. Then they come around with this lower CPI and give them less money. A double whammy.

They are doing it. But it is a political year and the media is supposed to cover Congress and give the American people the truth. And what is the headline? "Balanced Budget." A balanced budget, come on. There is not any balance in the budget before us, and they know it.

For Heaven's sake, deliver me from this characterization of the President's character. A hoax. The pollster says they have to attack President Clinton on his character. So every 10 seconds the Republicans get up: "Hoax," "Character." One Senator even said, "Liar." "We'll just get in on a true-false quiz in November, and we are the truth and the Democratic Party is false."

I do not think the American people are going along with that nonsense. Deliver me from that, particularly when they are the ones engaged, with the misrepresentation. That is the nicest word I can think.

Yesterday, May 15, 1996, I heard it again in the Budget Committee. This is a statement by the distinguished chairman of the Budget Committee:

> This budget will restore America's fiscal equilibrium. It will balance the budget by the year 2002 without touching Social Security.

Absolutely false. He said that in the Budget Committee. I called his hand on it, but they continue to insist on it and the news media will write it. It touches Social Security. The best rationale the chairman can give is, "We didn't cut, momentarily, the benefits." But he means the benefits for me at 72—old STROM and I are going to get ours. But that Parliamentarian is not going to get his money. And I have to ask the Parliamentarian if this really is a budget resolution. Because section (C) where they have in there a provision for tax cuts in September, will actually increase the deficit.

But the truth of the matter is, Mr. President, they not only touch it, they emasculate the fund. I made that clear. Do not come along and say "without touching Social Security." They know what they are doing.

We have had a group of off-the-record sessions to try to get together on the balanced budget amendment to the Constitution. I favor such an amendment, and said I would vote for it in a flash. I voted for it before. But I am not going to vote by repealing section 13301. The proposal has been made time and again, "Well, let's just use up Social Security until 2002 and stop using it."

I remember when I had Clement Haynesworth before the U.S. Supreme Court—he had been charged with using his office in conflict with the stock investments that he had. They said that under the law, he should have recused himself. One day, unbeknownst to me and Attorney General Mitchell, he came and said, irrespective of what occurred, he was going to take all these stock holdings and put them in a trust fund.

The next morning, Herblock had that cartoon with the Congress as the court. The Attorney General is the lawyer and a little client who looked like a school boy with a school bag with stock tape and tickets streaming out on the floor. "But Your Honor," said Mitchell, the Attorney General, "my client hasn't done anything wrong, and he promises to stop doing it."

No, they have not done anything wrong—"We do not touch Social Security"—they just take Social Security to mask the deficit. Government is borrowing from itself and writing IOU's from $503 billion to $1.1 trillion. But they promise to stop doing it in 2002. By that time, who is going to put on the taxes to pay back $1.1 trillion?

The New York crowd keeps talking about entitlements, entitlements, entitlements. In Time magazine and other major papers, they say: "The trouble is, we have to get a bridle on this Social Security causing the deficits." Social Security has not caused a deficit. It is in the black. Every one of the 100 Senators would have to agree with that.

What is causing the deficit, I say to the distinguished Presiding Officer, is all these general uses of Government, from defense to education to housing to foreign aid to law enforcement. I happen to handle the law enforcement budget. Everybody is for more policemen on the beat, everybody is for more FBI, more DEA, more Border Patrol, more immigration control, more this, more that. In 1987, it was just at $4 billion. Now it is at $16.7 billion. They are complaining about the growth of Government, saying "cut spending, cut spending." Do you think they ever recommended a dime to pay for it all the programs they demand? No.

I joined with Republicans back in 1987. We saw the dilemma. We put in a value-added tax of 5 percent to get rid of this monster deficit growing and growing, the interest costs growing up to where we cannot have Government.

But that is the effect of pollster politics. The pollster party says, "Get rid of the Government." They succeed. If we do not have a Department of Commerce, they are happy. If we do not have a Department of Education, they are enthralled. If we can get rid of the Department of Energy and Department of Housing and just leave them all on the streets, so be it; let the market forces operate.

That is why they are down in the polls, and leaving this august body does not release the distinguished Senator from Kansas from that silly contract of getting rid of the Government. That is what he has try and sell today as he goes around in Chicago. The contract is frightening the American people.

At least he had the excuse of trying to keep us organized here in this particular body. Now he has to sit back and listen on the hot line to Speaker GINGRICH saying, "Wait a minute, you've got to stick with the contract, stick with the contract."

All this chatter. Meanwhile we face the largest deficit in the history of the Republic.

I ask unanimous consent to have printed in the RECORD an article from January 1, 1995, by Judy Mann in the Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post]

FIDDLING WITH THE NUMBERS

(By Judy Mann)

Gov. Christine Todd Whitman, the Republican meteor from New Jersey, had the unusual honor for a first-term governor of being asked to deliver her party's response to President Clinton's State of the Union message last week.

And she delivered a whopper of what can most kindly be called a glaring inaccuracy.

Sandwiched into her Republican sales pitch was the kind of line that does serious political damage: Clinton, she intoned, "imposed the biggest tax increase in American history."

And millions of Americans sat in front of their television sets, perhaps believing that Clinton and the Democrat-controlled Congress had done a real number on them.

The trouble is that this poster lady for tax cuts was not letting any facts get in her way. But don't hold your breath waiting for the talk show hosts to set the record straight.

The biggest tax increase in history did not occur in the Omnibus Budget Reconciliation Act of 1993. The biggest tax increase in post-World War II history occurred in 1982 under President Ronald Reagan.

Here is how the two compare, according to Bill Gale, a specialist on tax policy and senior fellow at the Brookings Institution. The 1993 act raised taxes for the next five years by a gross total of $268 billion, but with the expansion of the earned income tax credit to more working poor families, the net increase comes to $240.4 billion in 1993. The Tax Equity and Fiscal Responsibility Act of 1982, by comparison, increased taxes by a net of $217.5 billion over five years. Nominally, then, it is true that the 1993 tax bill was the biggest in history.

But things don't work nominally. "A dollar now is worth less than a dollar was back then, so that a tax increase of, say, $10 billion in 1982 would be a tax increase of $15 billion now," says Gale. In fact, if you adjust for the 48 percent change in price level, the 1982 tax increase becomes a $325.6 billion increase in 1993 dollars. And that makes it the biggest tax increase in history by $85 billion.

Moreover, says Gale, the population of the country increased, so that, on a per person basis, the 1993 tax increase is lower than the one in 1982, and the gross domestic product increased over the decade, which means that personal income rose. "Once you adjust for price translation, it's not the biggest, and when you account for population and GDP, it gets even smaller."

He raises another point that makes this whole business of tax policy just a bit more complex than the heroic tax slashers would have us believe. "The question is whether [the 1993 tax increase] was a good idea or a bad idea, not whether it was the biggest tax increase. Suppose it was the biggest? I find it frustrating that the level of the debate about stuff like this as carried on by politicians is generally so low."

So was it good idea? "We needed to reduce the deficit," he says, "we still need to reduce the deficit. The bond market responded positively. Interest rates fell. There may be a longer term benefit in that it shows Congress and the president are capable of cutting the deficit even without a balanced budget amendment."

Other long-term benefits, he says, are that "more capital is freed up for private investment, and ultimately that can result in more productive and highly paid workers."

How bad was the hit for those few who did have to pay more taxes? One tax attorney says that his increased taxes were more than offset by savings he was able to generate by refinancing the mortgage on his house at the lower interest rates we've had as a result. The 1993 tax increase did include a 4.3-cent-a-gallon rise in gasoline tax, which hits the middle class. But most of us did not have to endure an income tax increase. In 1992, the top tax rate was 31 percent of the taxable income over $51,900 for single taxpayers and $86,500 for married couples filing jointly. Two new tax brackets were added in 1993: 36 percent for singles with taxable incomes over $115,000 and married couples with incomes over $140,000; and 39.6 percent for singles and married couples with taxable incomes over $250,000.

Not exactly your working poor or even your average family.

The rising GOP stars are finding out that when they say or do something stupid or mendacious, folks notice. The jury ought to be out on Whitman's performance as governor until we see the effects of supply side economics on New Jersey. But in her first nationally televised performance as a spokeswoman for her party, she should have known better than to give the country only half the story. In the process, she left a lot to be desired in one quality Americans are looking for in politicians: honesty.

(Mr. CAMPBELL assumed the chair.)

Mr. HOLLINGS. Mr. President, I quote:

> A dollar now is less than a dollar was back then—

Talking in the eighties under President Reagan.

> so that a tax increase of, say, $10 billion in 1992 would be a tax increase of $15 billion now. . . In fact, if you adjusted for the 48 percent change in price level, the 1982 tax increase would become a $325.6 billion increase in 1993. That makes it the biggest tax increase in the history by $85 billion. Nominally then, it is true that the 1993 tax bill was the biggest in history. However, the biggest tax increase in post-World War II history occurred in 1982 under President Reagan.

And the Senator from South Carolina voted for it.

I voted against Reaganomics. Senator DOLE was against it in the original instance. The then-majority leader Howard Baker called it "a riverboat gamble." Then-Vice President Bush called it voodoo. But they want to forget that. Read Warren Rudman's book. He lays it all out. A substantial group of Republicans said this could not possibly work.

But I ask, Mr. President, to include in the RECORD the budget tables. If you look at the budget tables, back when President Reagan came into office, the key figure is the Gross Interest Cost, which at that time was $74.8 billion. Today it is $353 billion. This crowd is against increasing spending—I'm against spending increases; I'm against spending increases. We have put spending increases on automatic pilot to the tune of $1 billion a day. I ask unanimous consent that those tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

BUDGET TABLES

President and Year	U.S. budget (outlays in billions)	Trust funds	Real deficit	Gross Federal debt (billions)	Gross interest
Truman:					
1945	92.7	5.4		260.1	
1946	55.2	3.9	−10.9	271.0	
1947	34.5	3.4	+13.9	257.1	
1948	29.8	3.0	+5.1	252.0	
1949	38.8	2.4	−0.6	252.6	
1950	42.6	−0.1	−4.3	256.9	
1951	45.5	3.7	+1.6	255.3	
1952	67.7	3.5	−3.8	259.1	
Eisenhower:					
1953	76.1	3.4	−6.9	266.0	

BUDGET TABLES—Continued

President and Year	U.S. budget (outlays in billions)	Trust funds	Real deficit	Gross Federal debt (billions)	Gross interest
1954	70.9	2.0	−4.8	270.8	....
1955	68.4	1.2	−3.6	274.4	....
1956	70.6	2.6	+1.7	272.7	....
1957	76.6	1.8	+0.4	272.3	....
1958	82.4	0.2	−7.4	279.7	....
1959	92.1	−1.6	−7.8	287.5	....
1960	92.2	−0.5	−3.0	290.5	....
Kennedy:					
1961	97.7	0.9	−2.1	292.6	....
1962	106.8	−0.3	−10.3	302.9	9.1
1963	111.3	1.9	−7.4	310.3	9.9
Johnson:					
1964	118.5	2.7	−5.8	316.1	10.7
1965	118.2	2.5	−6.2	322.3	11.3
1966	134.5	1.5	−6.2	328.5	12.0
1967	157.5	7.1	−11.9	340.4	13.4
1968	178.1	3.1	−28.3	368.7	14.6
Nixon:					
1969	183.6	−0.3	+2.9	365.8	16.6
1970	195.6	12.3	−15.1	380.9	19.3
1971	210.2	4.3	−27.3	408.2	21.0
1972	230.7	4.3	−27.7	435.9	21.8
1973	245.7	15.5	−30.4	466.3	24.2
1974	269.4	11.5	−17.6	483.9	29.3
Ford:					
1975	332.3	4.8	−58.0	541.9	32.7
1976	371.8	13.4	−87.1	629.0	37.1
Carter:					
1977	409.2	23.7	−77.4	706.4	41.9
1978	458.7	11.0	−70.2	776.6	48.7
1979	503.5	12.2	−52.9	829.5	59.9
1980	590.9	5.8	−79.6	909.1	74.8
Reagan:					
1981	678.2	6.7	−85.7	994.8	95.5
1982	745.8	14.5	−142.5	1,137.3	117.2
1983	808.4	26.6	−234.4	1,371.7	128.7
1984	851.8	7.6	−193.0	1,564.7	153.9
1985	946.4	40.6	−252.9	1,817.6	178.9
1986	990.3	81.8	−303.0	2,120.6	190.3
1987	1,003.9	75.7	−225.5	2,346.1	195.3
1988	1,064.1	100.0	−255.2	2,601.3	214.1
Bush:					
1989	1,143.2	114.2	−266.7	2,868.0	240.9
1990	1,252.7	117.2	−338.6	3,206.6	264.7
1991	1,323.8	122.7	−391.9	3,598.5	285.5
1992	1,380.9	113.2	−403.6	4,002.1	292.3
Clinton:					
1993	1,408.2	94.2	−349.3	4,351.4	292.5
1994	1,460.6	89.1	−292.3	4,643.7	296.3
1995	1,514.4	113.4	−277.3	4,921.0	332.4
1996	1,572.0	126.0	−270.0	5,191.0	344.0
1997 est.	1,651.0	127.0	−292.0	5,483.0	353.0

Source: Historical Tables, Budget of the U.S. Government, Fiscal Year 1996; Beginning in 1962, CBO's 1995 Economic and Budget Outlook.

Mr. HOLLINGS. If any Members want to, they can get the entire record of each one of the particular Presidents. What happened is—let me quote David Stockman:

> The root problem goes back to the July 1981 frenzy of excessive and imprudent tax-cutting that shattered the nation's fiscal stability. A noisy faction of Republicans have willfully denied this giant mistake of fiscal governance, and their own culpability in it, ever since. Instead, they have incessantly poisoned the political debate with a mindless stream of anti-tax venom, while pretending that economic growth and spending cuts alone could cure the deficit.

So they have given the Senator from Kansas the chant, "Growth, growth; tax cuts, tax cuts; growth, growth; tax cuts." Will we ever learn?

The debt from the beginning—from 1776 up until 1981—the debt was less than $1 trillion. With all the wars, the Revolution, 1812, Civil War, Spanish-American, Mexican War, World War I, II, Korea, Vietnam, the costs of all the wars were less than $1 trillion—$903 billion. Now, in 15 years, without a war—without a war, because the other crowd are supposed to have paid for the gulf war—in 15 years, we have gone up to $5 trillion and automatic tax increases, because that is what the automatic spending of interest costs amounts to.

You cannot evade death, you cannot evade taxes, and you cannot evade interest costs or interest taxes on the national debt. So those who say that "I am against increasing taxes," is the crowd that comes in here without shame and derides President Clinton and this particular budget.

President Clinton came to town, and he is the only President to reduce the deficit. Since 1968, President Nixon did not. President Ford, President Carter, President Reagan, and President Bush all increased the deficit. The one man in town not responsible for this nonsense, President Clinton, the only man in town that has done anything about it, has reduced the deficit in half, and is derided now with all these monkeyshine charts. "Look at how he said this. Look how he did this. Look how he did that."

The economy is working, is it not? Unemployment is down. Job creation is up. Interest is down. How do we get the truth out to the American people? The truth is, as I said before, that Gramm-Rudman-HOLLINGS was repealed. But we continue to read suggestions that we have already tried, suggestions that totally ignore the track record of some of us who have tried.

A couple days ago our distinguished friend, Mr. Dave Broder, allowed that what we ought to do is do away with the payroll tax with a flat tax, recommended by Senators DOMENICI and NUNN. Well, in April 1991, the Senator from New York, Senator MOYNIHAN, the Senator from Wisconsin, Senator Kasten, and the Senator from South Carolina, Senator HOLLINGS, we all said, "Look, if you are going to continue to violate section 13-301 and rob the Social Security trust fund, then, Heavens above, let's put Social Security on a pay-as-you-go basis so they will know it," we were completely against an increase in the Social Security taxes at the time.

It would have been a tax cut, Mr. President, of $190 billion. But they voted against that tax cut. They say they are for tax cuts for the rich, for capital gains, but not for the wage earner, the fellow who is pulling the wagon. But Congress is in the wagon. We have to get these Senators and Congressmen out of the wagon. We are the ones using the trust funds, not paying the bills, and wrecking the economy.

Mr. President, for the poor wage earner, who is pulling the wagon, we said, "Let's cut their taxes," the payroll taxes suggested by Mr. Broder, we had that vote in 1991. But they do not want it that way. They want to continue the charade.

So, Mr. President, I only hope there is a free press. Jefferson said it better than anyone. He said, if it is between the free press and a free Government, I would choose the former —intoning, if you please, that you can have a free Government, but it is not going to be free long unless you have a free press. It is supposed to keep us honest, supposed to keep us politicians honest.

Instead, as Jim Fallows says in his wonderful book, "Breaking the News," the press has joined in the post-party pap of "I'm against taxes. And we can balance the budget by just cutting spending."

I have made my point on that. I wish it could be done. I have tried. We tried, first, cuts across the board. We tried spending cuts. We continue to try spending cuts where possible. We have tried a value-added tax. We have tried everything possible, but we cannot get the truth out to the American people.

Yes, I am voting for President Clinton's budget. His track record is true. He is the only President we have had around here that has done something about this deficit. He has cut it in half. He has done it with tax increases as well as $500 billion in spending cuts. And the ones that caused this deficit—there ought to be ashes in their mouths—the ones that caused this rotten dilemma of spending $1 billion a day for nothing, have the audacity to be running around saying how honest they are and how true they are and how balanced their budget is.

Read page 5: Deficits. It does not say "balance" in their document. It cannot under the law. In fact, it is really more than the $108 billion listed, because the law does not require them to list robbing the distinguished Chair's retirement, robbing the military retirees, still robbing the Medicare trust fund, and others. All told, it is $151.9 billion. That is why these funds are not being used for the highways, the airports, or workers' retirement. We are robbing them. It is a shabby act.

But they know no shame. They come around with their little charts. We hadn't seen their budget or anything else. They had the President's budget for 4 months, so they would work up their charts. And we would go into the Budget Committee, and they would go through their little acts. They had the Senator from Texas complaining about exactly what they have in defense.

They had the Senator from Missouri talk about veterans, the next one talked about defense and came on with all his charts. It was just all applesauce, just a show on C–SPAN. We had no choice except to take their plan or leave it. What they offered was a three-way breakdown of the reconciliation process and ultimately, in my opinion, a violation of the Byrd rule.

For the first time to my knowledge, they are using the reconciliation process to actually increase the deficit. By at least $122 billion. You can read it again in this document, in section (c) on page 51, that if the legislation is enacted pursuant to sections A and B no later than September 18, the Committee on Finance shall report to the Senate a reconciliation bill proposing changes in laws with any jurisdiction necessary to reduce revenues. That is so they can go around to the rich crowd in New York and say, "We will give you capital gains." It is in their contract but it will not work.

The one that should have set himself aside and be done with that silly contract is the distinguished Speaker. I yield the floor.

Mr. ABRAHAM. Mr. President, on behalf of this side, I yield 20 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas [Mr. GRAMM], is recognized for 20 minutes.

Mr. GRAMM. Mr. President, I am going to get back to the subject that we are here to talk about, the President's budget. Rather than getting into all of this argument about what is phony and what is not phony, it seems to me we what we ought to do is look at what this budget claims to do. The budget is the one issue of the year through which we define what we want America to be. In this case, we are talking about what we want America to be over the next 7 years.

Let me begin by doing something that we do not do much of around here. Let us assume that every word in the President's budget is true, let us assume that we are going to do everything he asks us to do, and let us assume that everything he says will work will indeed work. We will grant him every assumption you would grant somebody to try to give them the benefit of the doubt.

Let us take this budget, this great big thick document that we now have debated for 2 hours, and view it as Bill Clinton's vision for the future of America. What I want to do is ask not whether you can find on page 54 something that does not make sense, but rather to ask "What kind of vision is this?" Is this an America we want? This is the question that we are here today to talk about.

First of all, let me just look at the Clinton budget and assume that everything works out exactly the way the President wants it to work out. I want to talk about what kind of America we will have if this happens and compare it to the America of the 1940's, the 1950's, the 1960's, the 1970's, and the 1980's. This, again, assumes that everything works out exactly as the President hopes it will. This is the best case Bill Clinton scenario.

First of all, let us look at the tax burden. In the 1940's, the average American family sent to Washington about 16.5 percent of everything they made; the Government took about 16.5 percent of all goods and services produced in America. In the 1950's, it rose to 17.6 percent. In the 1960's and 1970's, it was up to 18 percent. If we adopt Bill Clinton's budget and enforce it exactly as it is written, where everything works out exactly as he wants it to and with the most rosy scenarios he can assume, we are committing ourselves to the highest tax burden in the history of the United States of America: 19.3 percent out of every dollar earned in America is going to come to Washington and be spent by Bill Clinton. These are the President's numbers and this is the President's vision. Under the best of circumstances, where everything works out exactly as the President would like it to, the American taxpayer will face the highest tax burden in the history of the United States of America.

Further, under the President's plan, the cumulative tax burden will never have been higher. When you add up State, local, and Federal taxes, over 30 percent of all money earned by all sources in America will be spent not by the people who earn the money but by their Government. So this is the first part of the Clinton vision—the highest taxes in American history.

The second part of his vision is social spending, by which I mean nondefense spending. In the 1950's, the Federal Government spent 7.4 cents out of every dollar earned by every American on nondefense programs. This rose in the 1960's, in the so-called Great Society period, to 10.2 cents out of every dollar earned. It rose to 14.6 cents out of every dollar in the 1970's, and then 17.1 cents in the 1980's. If we adopt Bill Clinton's budget, and if it does everything he says it will do, we are still talking about social spending taking 17.3 cents out of every dollar earned by every American. That is the highest level of social spending in the history of the United States of America—thus giving us both the highest taxes in American history and the highest level of social spending.

What about defense? In the 1940's, 7.9 percent of all income earned by all Americans went to national defense. As the cold war heated up in the 1950's, it grew to 10.6 percent. In the 1960's, it was 8.9 percent, and then it leveled out at 6 percent in the 1970's and 1980's. If we adopt Bill Clinton's budget and all the dramatic cuts in national defense expenditures that it entails, expenditures on national security as a percentage of the income earned by all Americans will be at the lowest level since the 1930's, with only 3.4 cents out of every dollar going to our national defense. This is the President's vision: the highest tax burden in American history, the highest social spending in American history, and the lowest defense spending in the post-war era. If we adopt the President's budget, we will have social spending twice as high as the Great Society's social spending, we will have taxes substantially above the tax burden of the Great Society, and we will have defense spending substantially below the Jimmy Carter era. That is the Clinton vision.

In addition, what kind of growth rate does the Clinton administration say his budget is capable of generating? Let me begin with a brief reminder of the country we live in. If you have ever wondered why Americans, until this generation, have always been confident that their children will have a brighter future than they had, it is because up until now this has been true. We live in one of the few countries in the history of the world where it has been the routine for people's parents to do better than their grandparents, who did better than their great-grandparents, and where people knew that if they worked hard, if they were dedicated, they were going to do better than their own parents.

Here is the reason why: In the 1950's, we had real economic growth in America which resulted in job creation, growth in the value of the things that we produced, and, as a result, real GNP grew on average by 4 percent. It grew by 4.4 percent in the decade of the 1960's.

But then something happened in the decade of the 1960's. What happened in the decade of the 1960's is that we traded an economy which was growing at 4 percent a year for a government that would grow at 9 percent a year, and, as a result, economic growth started falling. We had 3.2 percent growth in the 1970's, and 2.8 percent growth in the 1980's. The most optimistic assumption that the Clinton administration could come up with, given their budget, given what they are doing in taxing and spending, is that the economy will grow by a mere 2.3 percent. This is their rosy scenario.

So, when you go back and look at it, what is the Clinton vision? It is the highest tax level in American history. It is the highest level of spending on social programs in American history. It is the lowest defense expenditure level since World War II and it is the lowest economic growth rate that we have had in the 20th century. That is the vision of this budget and that is exactly why it ought to be rejected.

Let me address another issue: Medicare. It is an issue that frustrates me, because almost nobody is facing up to this problem, least of all the Clinton administration. The trustees of Medicare did a study last year which, given the rate that money is being spent out of the Medicare trust fund, and given the rate that it is coming into the trust fund from the high premium you pay in your payroll tax and the part B premium that our senior citizens pay for physician services, concluded that only people who were age 60 and above had any kind of guarantee of receiving benefits. This means that the remaining 93 percent of the people in America, many of whom had paid in excess of $30,000 into Medicare, had no guarantee whatsoever that they were going to ever get a penny of benefits from Medicare. Now, I remind you that three of these trustees are Cabinet officials of the Clinton administration. So this is not Senator DOMENICI talking; this is the Clinton administration.

What happened since that time? Well, two things have happened. The commission has gone back and looked at the data and, because costs are up sharply, they have concluded that Medicare is not 7 years from bankruptcy, it is now 6, and we are moving toward 5—so the numbers are actually worse than what is on this chart. The Clinton administration claims that it has submitted a plan that will protect 13 percent of the beneficiaries of Medicare and will roughly guarantee benefits to everybody who is 55 or older. That means that, according to President Clinton's own figures, 87 percent of the people who have paid into Medicare have no guarantee whatsoever.

But when CBO looked at the Clinton proposal, they concluded that, at best, it would keep Social Security solvent only for one extra year. So the best the Clinton administration could do, while telling senior citizens that the people who want to deal with the Medicare crisis are trying to take their benefits away, is give us a Medicare policy that says to 92 percent of the people who have already paid into Medicare, "We are not going to guarantee your benefits. The problem is getting worse, but we are not going to fool with it." Why? Well, 7 years is two Presidential elections away so it's not this President's problem.

Now, we can be sure that after the election, they are going to start talking about raising the payroll tax because if you raise that payroll tax by about a third, you can begin to come to grips with this problem.

Let me remind you of what the Republicans tried to do in the balanced budget act that the President vetoed. The President went on and on about how we were going to decimate Medicare. But let me just show you how modest our attempt was relative to the crisis we are facing. We tried to guarantee Medicare for a generation. Had our reforms been signed into law, it would have guaranteed Medicare, under the current estimates, to everybody who, based on an average life expectancy, is 46 years old or older. But you will notice that for 72 percent of the people who have paid Medicare taxes, we could not have guaranteed their benefits. We have, in our budget today, a modest proposal on Medicare, with the goal of making it solvent for another decade. Some day, we are going to have to come to grips with this.

The great tragedy is, rather than the President doing what, very much to his credit, Ronald Reagan did—that is, getting a bipartisan group together in the mid 1980's and solving, at least for 20 years, the Social Security problem—the President is now playing politics. He calls dealing with a third of the problem an assault on Medicare while letting 92 percent of the people stand with no guarantee of medical benefit is called responsible.

The truth is that the President has not come to grips with this problem, and the real crime is that our senior citizens are being told that the Republicans, who are attempting to deal responsibly with this situation, are trying to take something away from them. The truth, however, is that leaving the current situation in place, where in 6 years Medicare is going to be bankrupt, creates an environment in which a great tragedy is just waiting to happen. In the private sector, anybody in a position of fiduciary responsibility in who let this happen would go to prison.

Mr. DOMENICI. Will the Senator yield?

Mr. GRAMM. I am happy to yield.

Mr. DOMENICI. Will the Parliamentarian be sure to advise us when the Senator's time has expired? I will yield him time off the resolution.

Will the Senator look at the last column, the 31 percent, which is the Republican proposal? Is it not true that in order to get that which was vetoed by the President—and we are talking about the trust fund only—is it not true that there was not any increase in payments by senior citizens, that this was done by reform, that was done by provider changes and giving options to the senior citizens, and there were no increases in the costs of part B protection to the seniors? Is that not correct?

Mr. GRAMM. That is right.

Mr. DOMENICI. I thank the Senator.

Mr. GRAMM. I want to note one other thing. I do not want to get into a big discussion on Medicare but one of the clearly irresponsible actions that ought to be denounced on a bipartisan basis is what the President has done with his nursing home provision. One of the things the President's budget does in order to make Medicare look less insolvent is to take the nursing home component, which costs $55 billion over 7 years and which is now being paid for out of part A, out of Medicare. But he is not putting it anywhere, and, as if by magic, he assumes that somewhere this $55 billion is going to appear.

The final issue I would like to talk about is the issue of taxing and spending. Let me start by talking about taxes. It never ceases to amaze me that we have something underway here in Washington that the public is beginning to understand, but has not quite come to fully appreciate, and it is very much like the defense realization that occurred in the 1980's. By the early part of the 1980's, the American people understood that, in foreign policy, the Democrats had a basic approach of blame-America-first. Whatever happened, according to the Democrats, it was our fault. If there were troubles in the world, the Democrats said it was because of our greed and our imperialism. But finally, in the 1980's, the American people began to disregard these claims because they realized that this was just the knee-jerk approach of the Democrats. I want to talk about taxes from this point of view and the point I want to make is this: To the Democrats, every tax increase is fair, and no matter how unfair it may actually be, they define it as being fair and go to incredible lengths to convince people it is fair.

The second point I want to make is that, according to the Democrats, every tax cut is unfair, no matter who it goes to and no matter who it affects. By definition, the Democrats say every tax cut is unfair. And after a tax is increased and it actually turns out to be unfair, only then do the Democrats say it is unfair—yet they propose to correct it by raising taxes again.

Let me give you an example. In 1993, we heard on the floor of the Senate—and the President to this day says, "We only taxed rich people." Let me take a couple of examples that I think reveal the errors of this statement.

The President proposed in his budget in 1993, in his largest tax increase in American history, to raise taxes on people who earned Social Security benefits. He raised taxes on people who made $25,000 or more, but how did he go about hiding it?

The PRESIDING OFFICER. The Chair would tell the Senator that his time has expired.

Mr. GRAMM. Will the Senator yield me 10 minutes?

Mr. DOMENICI. I yield 10 minutes off the resolution.

Mr. GRAMM. How they went about hiding it is, first, they said that really they are not talking about people earning $25,000 because these are older people who own their own homes. So we are going to impute, for the first time ever, income, and it became part of a concept of American budgeting. So if your mother owns her own home, the President would say, "Well, look, if she had to rent that home she would have had to pay $400 a month or $500 a month. So we are not really taxing her at $25,000 because we are not taxing the imputed value of her home." Or she owns a lawn mower, or she owns a car, or she owns a dishwasher; if she rented those things, it would be imputed income. Actually, she is rich. She is making $25,000 a year, but she is rich because she may own a dishwasher, she may own a car. She worked a lifetime. She owns her own home. If you imputed the value of all of those things, her income would be higher.

The Congress rightfully rejected that. But our Democratic colleagues imposed the tax on anybody making $34,000 a year or more who gets any Social Security. They said, this is not an income tax. But I want to show you that it is.

This chart is a page from the advisory that was put out to go with your 1040 form in 1994, the year after the tax increase went into effect. People get a notice from the IRS that they are getting ready to be taxed again, then later get a form telling them how to fill it out, and then they get the tax form.

Let me read for you what the IRS said when they sent income tax forms to 120 million Americans. Here is what they said:

> Social Security benefits. If your income, including one-half of your Social Security benefits, is over $34,000 if single (over $44,000 if married, filing jointly), more of your benefits may be taxable. See the instructions for lines 20(a) and 20(b).

Let me show you on the 1040 form. This is income taxes. Look down here at line 20(a) which I have blown up. What line 20(a) says is, "Social Security benefits." In other words, you put your Social Security benefits right there and then you pay an income tax on them.

So do you know how the Democrats argue that they were taxing rich people? Basically, they argued if you make $25,000 or more, you are rich, and if you own a dishwasher or if you own your own home or you own your own car, you are richer than you think, because if you had to rent all of those things, it would cost you money.

We are trying to cut taxes on working families. The only tax cut in our budget this year is the $500-per-child tax credit. That would mean that if you have two children, you are going to pay $1,000 less in income taxes. You are going to be able to invest that money in your own children, your own family, your own future.

We know that most people who are rich or who are upper-middle income really only start making money once their children are grown. So we are not shocked to hear that 75 percent of the benefits of this $500 tax credit goes to families that make less than $75,000 a year. But do our colleagues say, "Well, we are against cutting taxes for working families because we believe Government can do a better job spending their money than they can do for themselves"? No. They say this is a tax cut for the rich. When they tax people who make $25,000 a year, they say they are rich. So, in one sense, they are consistent.

But let me remind you what they are consistent about. They are consistent in saying that every tax is a tax on the rich and that every tax is fair.

Another example which disproves this is the gasoline tax. President Clinton tried to implement a so-called Btu tax that would have raised the price of gasoline 7 cents a gallon. What he got was 4.3 cents. I am glad every Republican voted against it. I am proud of it. This was the first permanent gasoline tax that went to general revenue, and not toward build highways.

Historically, the gas tax has gone to highways because to do otherwise makes it a discriminatory tax. If you live in Texas, the odds are you spend almost twice as much on gas than if you live in New York. If you live in a rural area where you have to drive great distances to get to work, you spend more on gasoline. If you live in the West, you spend more. If you live in the East, you spend less. If you live in the South, you spend more. If you live in the North, you spend less.

The way we have dealt with the inequity is that we have used the gasoline taxes to build highways. So if you pay more, you get more. But President Clinton took the 4.3-cent-a-gallon tax on gasoline and spent it on his social programs. So we took money away from people driving their car and their truck to work to give money to people who do not work.

Is that taxing the rich? No. It is taxing working people. We are trying to repeal the tax—the Democrats say it is a great idea. The problem is, this is the 21st day that we have tried to offer an amendment to repeal that 4.3-cent-a-gallon tax and, to this day, we have not gotten a vote.

So, the principle I want people to understand is: whenever the Democrats raise taxes, whether they tax people who make $34,000 a year or whether they tax gasoline, they always claim to be taxing rich people. Whenever we try to cut taxes, therefore, they say we are cutting taxes for rich people.

The plain truth is, God did not make enough rich people to make the Democrats's claims hold true. As these tax burdens, year after year after year, have gone up, what we have discovered is, if you are going to take 19.3 percent out of every dollar earned in America, you are going to have to take it from the people who earn that money. That is basically middle-income or upper-middle-income families and that is what the Democrats have consistently done.

One very final point—and I do not want to get into the sparring contests with our colleagues about what is phony and what is not phony, but to stand up here and say that President Clinton's budget is in balance with a straight face neglects the fact that when the Congressional Budget Office Director, Dr. June O'Neill, was before the Finance Committee and she was asked, "Is the Clinton budget in balance," here is what she said: "CBO estimates that the basic policy proposals in the President's budget would lower the deficit substantially below the Congressional Budget Office baseline projections, but the deficit would still total $84 billion 7 years from now."

So how does the President close that gap? He closes that gap with a little piece of fine print where, in essence, he says, if for some reason the budget is not in balance, take back the tax cut.

Tax America first. Spend first, tax first. Always tax. Never give the tax back. This is the Clinton prescription that we are talking about here.

In the end, we are talking about competing visions. What kind of vision do we have for our country? The vision of Bill Clinton, the vision of our Democratic colleagues, is one of more Government, more social spending than ever in history, less defense than ever in the postwar period, and the highest tax burden in American history. That is their vision.

Our vision is different. You can be for it. You can be against it. But our vision is a vision of more freedom and opportunity. We want to control spending. We want to let working families keep more of what they earn. We think families can spend their money better than the Government.

That is the choice. The Democrats believe Government can do it better. We believe that families can do it better. It is a choice the American people need to make. We are going to make part of that choice here on the Clinton budget. The question is, do we want to commit ourselves to a future of more taxing and more spending? I think the answer is no. I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself 10 minutes off the resolution.

Before Senator GRAMM leaves the floor, would you put up your Medicare chart?

I want to share a few observations with you about this, and you can tell me whether you think I am right, and you can add your marvelous way of expressing things to what I am talking about.

We have in our files a letter from the Congressional Budget Office that says if you do not do something about part A, the Medicare trust fund, in 10 years—10 years—it will be $440 billion in the red.

Now, you have been talking about whether we ought to do something or not based upon what we understand the facts to be.

It seems to me that what the President is doing—and yesterday I gave the President's budget an award. I crowned it with a new award. It is going to get the Oscar for fiction. The Oscar for fiction.

Let me ask you if you do not think this is a marvelous fiction in this budget. While this fund is going to be $440 billion in the red, the President says, "I want to fix that, so I will take away some of the responsibility of this trust fund." Right? That is what you have been telling us about. What is the responsibility in that trust fund that is growing the fastest of all of the accounts?

Mr. GRAMM. Home health care.

Mr. DOMENICI. Home health care. Right.

Now, if you wanted to fix that trust fund without doing anything real, then you would say, "Let us not pay for the fastest growing part of Medicare. Take it out." So the President's budget says, "We are not going to pay for that out of the trust fund and, seniors, you ought to be thrilled; I am making your trust fund more solvent."

My mind has not yet permitted me to reduce this to some simple statement, but it is smoke and mirrors at least. It is gimmickry at its worst.

Mr. GRAMM. Will the Senator yield?

Mr. DOMENICI. Please.

Mr. GRAMM. It seems to me it goes beyond that because there is already a lot of cynicism in budgeting—probably because the numbers are so big and we are doing it over multiple years. But to simply take home health care, the fastest growing part of Medicare and say we are going to help Medicare by taking it out of the Medicare expenditure accounting but we are not paying for it in any other way, we are just simply taking it out of accounting, that creates a level of cynicism which I think reaches a new level.

It would be like if the Senator went to the doctor and the doctor says: You are in great shape except you have liver cancer. I cannot cure that but let me tell you, I can work on the rest of your body. You can go on an exercise program, you lose a little weight; you can quit smoking——

Mr. DOMENICI. You did not mean me.

Mr. GRAMM. No, but you would not just do all this other stuff until you died. No doctor in the world would do that. Instead he would say: Look, we have got to do something about this cancer. We have got to do it right now.

All I am saying is, and I am not giving us the Academy Award for solving the Medicare problem, but we are trying to solve the problem for at least a generation. The President, however, is simply saying: Look, it is not going to happen until after the election. After the election, maybe we can raise the payroll tax.

I think this is something we ought to do something about now.

Mr. DOMENICI. Mr. President, let me say that the Senator actually said it right. The President takes $55 billion worth of the responsibility from the protected care for seniors. They are guaranteed it under that trust fund, and he takes it out. And you said he does not provide any means of paying for it.

Now, in a sense, that is because the taxpayers are going to pay for it—$55 billion worth of new taxes are going to be required for that $55 billion that, lo and behold, made Medicare solvent so the President did not have to bite any difficult bullets with reference to Medicare.

Now, that is how I see it. I am being as honest as I can.

Now, let me finish the thought and you fill in anything if I have not said it right. There is the second part of Medicare, which is the part B insurance program, started under Dwight Eisenhower, a great idea. We said back then we will put up 50 percent; seniors, you put up 50 percent, and we will write you a health insurance. Everything that is not covered in the trust fund we cover. That is essentially the rules of the game. But we always thought the senior would pay part and the Government would pay part.

Incidentally, the whole argument last year was what that part should be. Should it be 31 percent or 25, should it be $6 more or $7 more or $2 more. The President decided that for this new $55 billion, the seniors would pay nothing. The taxpayers will pay the $55 billion.

Now, frankly, that is nice. That is nice except I wonder about the working families around who have two or three children and they do not have any health insurance or they are struggling for it. They have just been given a nice present—$55 billion of your taxes over the next 6 years have to be used to pay for the President's gimmick, as I see it.

I thank the Senator for accommodating me.

Mr. GRAMM. If I may just conclude with this point. I have always believed that not addressing this problem before the election means sometime later we will be looking at a massive increase in the payroll tax. I believe that next year or the year after, if we do not address this problem now, we are going to be here on the floor of the Senate debating a 20- or 30-percent increase in the payroll tax, and all because the President was unwilling to do anything about these exploding costs.

Mr. DOMENICI. I want to just close my remarks. There was an article by Robert Samuelson found in the Washington Post a few days ago. Actually, it was about Senator DOLE's opportunities. That was the styling of it. I am going to put it in the RECORD after my remarks. But I want to read two sentences.

> At some point, spending and benefits will be cut to avoid costs that seem politically intolerable. The trouble is that the longer the changes are delayed, the more abrupt and unfair they will be. That's why silence is irresponsible.

I believe that is true. Silence or gimmickry on this issue is irresponsible.

I yield the floor.

Mr. KERRY. Mr. President, I rise in support of the amendment by the distinguished minority leader, Mr. DASCHLE, and the distinguished ranking member of the Budget Committee, Mr. EXON.

I have been talking with the people of Massachusetts about this budget. The people of Leominster and Worcester and Falmouth don't come up to me and say: "Senator, how does that spending compare to the OMB baseline?" They don't scream out: "What is the savings in the outyears compared with the savings in next fiscal year?" They don't ask: "What is the cap on entitlement spending?" But, Mr. President, that does not mean that the people of Massachusetts are apathetic about the Federal budget. They want to know if the Congress is going to work with the President to balance the budget. And they want to know how the budget is going to help them.

The proposal submitted to Congress by the President of the United States balances the budget. This proposal before us eliminates the deficit in 2002.

When he came to office in 1993, the President worked with Democrats in Congress, and we took a $290 billion deficit and cut it in half in 3 years. That achievement fulfills the President's promise in 1992 to halve the deficit in his first term.

America's deficit is still pernicious—but right now, we are doing better than any other nation in the world. Our deficit is smaller as a share of our economy than the shortfall in any other major economy in the world.

Mr. President, let me state clearly: President Clinton and the Democrats in Congress worked together to enact this economic plan—and we did this without one single Republican vote.

This budget reflects our priorities of deficit reduction without forgetting our commitment to middle-class Americans. Please remember, Mr. President, something the Republican Party seems to forget: Deficit reduction, in and of itself, is not an economic policy.

It is part of a larger picture. It is part of a vision—the Democrats' vision—of this country's future which will lead us into the next century with a healthier American economy and a stronger middle class. That's good for America's corporate headquarters and America's households.

Our plan has kept interest rates low, so more Americans have been able to buy a first home or a new car.

Our plan has subdued inflation to 2.7 percent since 1993—the yield on 10-year Treasury notes dropped a full point when this plan was enacted. That helped alleviate the credit crunch which hurt so many of my friends and neighbors in Massachusetts during the Reagan-Bush recession.

Our plan has created more than 8 million jobs—including 1 million jobs in basic industries like construction and manufacturing. It has fostered robust and steady growth of gross domestic product—unlike the recession of the early 1990's which crippled the American family.

This proposal before us, the President's budget, continues our good record. It balances the budget the right way—by making Government smaller and more efficient, by promoting a strong economy and a healthy business environment, by investing in the programs that matter to working Americans.

There is a right way to balance the budget—to make Government more efficient without ripping away the safety net from the American family. This budget leaves no one behind. It helps people who need help and closes loopholes on those who don't.

The American people understand this, Mr. President. This is a budget which reflects their priorities.

Mr. President, let me take a moment to tell our colleagues about the impact this budget has on the families in my home State of Massachusetts. The President's budget designates more American cities as empowerment zones—a program designed to stimulate community revitalization. Our colleague from Connecticut, Senator LIEBERMAN, understands how important this program is to America's cities. He has introduced legislation which would expand the tax credits under the Empowerment Zone Program to cities designated as enterprise communities. I support his efforts and I support the President's expansion of the current successful program.

The expansion promises to help communities across Massachusetts like Boston, Lowell, Springfield, and Lawrence. The President's budget will allow these cities and others to develop and expand opportunities for their residents through a series of tax benefits, social service grants, and better program coordination.

At a time when some cities face high unemployment and high poverty rates, the Congress should be passing a budget which encourages economic growth and citizen participation in strategic plans for revitalization.

We, Democrats, are fighting to expand empowerment zones while we hold back Republican attempts to distress our urban centers further by cutting services vital to low-income Americans, like the low-income tax credit.

The President's budget commits a full $1 billion for the Low-Income Home Energy Assistance Program in fiscal year 1997, $1 billion in advanced appropriations for fiscal year 1998 and $300 million for emergency funding. Mr. President, this past winter, my State survived one of the most brutal winters we have seen in a century.

There was record snow in Boston and small towns all over New England. Families in Dorchester, in Everett, and in Malden—families all across Massachusetts—relied on LIHEAP to assist with staggering heating bills.

This program literally kept families from freezing: I am proud the President has committed Federal resources necessary to meet the needs of working Americans, and I am discouraged that the Republican budget resolution is silent on funding for LIHEAP. The President and the Democrats are committed to the working families in Massachusetts and New England. The Republicans are silent.

The President's budget proposes $200 million to electrify the Amtrak segment between Boston and New Haven—a project which will make possible high-speed rail travel between Boston and Washington, DC, by the year 2000.

The President and Democrats commit $5.5 million to conservation and management of fisheries which would help restore New England's collapsed stock of cod, flounder, and haddock. The Republicans are silent.

The President and the Democrats are fighting for $500 million in mass transit operating subsidies for Massachusetts. This means commuters to Boston will not constantly be asked to pay higher fares just to get to work. Republicans are silent.

The President and the Democrats are fighting for $650 million for the Central Artery. The Republicans are silent.

The President and the Democrats are fighting to expand the Summer Jobs Program which gives so many young people in Massachusetts their first work experience.

This budget follows the wisdom of Mayor Menino who joined me in fighting against the Republican shut-downs earlier this year. He knew the effect these shut-downs would have on summer jobs. We forced them to open the Government, fund the Summer Jobs Program and we will together fight to expand it by giving another 500,000 kids a chance for employment. But, then as now, the Republicans are silent.

The President and the Democrats are fighting the AIDS epidemic and have committed resources to highly affected cities like Boston by fully funding the Ryan White CARE Program. This means nutrition services to people living with AIDS, and testing and counseling for those who fear HIV-infection, will continue at the AIDS services organizations across the State. The Republicans are silent.

The President and the Democrats are fighting for $100 million for the cleanup of Boston Harbor, and the Republicans are silent.

That silence is unacceptable, Mr. President.

I will do all I can to break the silence. I will come to the floor as often as possible and discuss the ill-effects of the Republican budget.

If the President's proposal is not accepted by the Senate, I will not give up on the environment. I will offer an amendment at a later stage in this debate, and I will fight to restore drastic cuts in environmental programs the Republicans have imposed on the American people and the residents of Massachusetts.

And, while we fight to clean our air and our water, the Republicans have locked arms against the American taxpayers. The Republican plan slashes funding for the Environmental Protection Agency and allows polluters to foist the tab for their mess on the taxpayers rather than forcing the polluters to clean up after themselves.

If the President's budget is not accepted, I will offer an amendment that recognizes education as the key to economic and income security. I will offer an amendment to add-back the cuts the Republicans are making to the President's plan. I am proud he has included a provision for which I have been fighting in this Congress—the President's budget calls for a $10,000 deduction for educational expenses. That is real money to working families who face double-digit inflation in the cost of higher education.

Real money to help real people. Listen to some of the letters I have received recently:

Melvin Harris of Roxbury wrote to me:

> My son is currently attending school at Morgan State University in Baltimore. He and I were shocked to find that federal funds had been cut drastically which he was depending on. With me being a retiree, it is hard for me to pay his tuition, room and board. Would you please do something to help me?

The President's budget will help Mr. Harris.

Timothy Crawford of Wellesley wrote to me:

> As a senior in high school, I am looking forward to going away to college next year. I have worked hard to get good grades throughout high school and have been accepted to good schools and am now trying to make the decision of where to attend. One very important part of my decision is the price of the school and the assistance I can get.
>
> I am afraid the Republicans in our government will cut education programs and I may not be able to attend college, my brother may not be able to attend college, or we have to work out a plan so that one of us goes to college while the other works.
>
> I hope you will continue to support education and do something to help us.

The President's proposal will help Timothy Crawford and his family.

I have dozens of letters from students at Wellesley College. And, hundreds of letters from physicians and attorneys who cannot repay their student loans, and millworkers and musicians who ask for help sending their kids to college. And, the President's proposal will help them all.

The President has learned from Massachusetts the importance of science and technology to the American economy. This budget marks the fourth straight year the Democrats have proposed an increase in science and technology programs—while the Republicans would cut science and technology programs by 30 percent by the year 2002.

I will fight for the President's proposal for an increase of $13 billion for university-based research: it is the key to America's future. And, Massachusetts knows this better than almost every other State in the Union.

The President and the Democrats have given us a chance to fight back against crime in our neighborhoods. This budget proposes $2 billion for 49,000 new police officers to protect America's neighborhoods. Putting additional cops on the beat in communities across Massachusetts will help deter crime, break the cycle of violence, and make our towns and neighbhoods safer places to live.

In 1994, I fought successfully to increase the funding in the crime bill to put an additional 100,000 cops on the street by the year 2000. And, it is paying off for Massachusetts. Just this week, 99 Massachusetts cities will receive more funding—Worcester will receive $1.85 million to hire 18 officers. Springfield will receive $1.25 million to hire 17 officers and Lowell will receive $1.5 million to hire 20 new officers. To date, thanks to this program, my home State has received funding for 1,300 new police men and women.

While the Republicans continue to threaten the community policing fund—jeopardizing the safety of corner stores and neighborhood schools and households—the President's budget understands the needs of Massachusetts' neighborhoods. That's why I support this proposal.

The President and the Democrats also propose $25 million for new advanced police officer education and training. State and local police departments need assistance to meet the growing demands of law enforcement and I am prepared to fight to help them.

And, Mr. President, what do we hear from the other side of the aisle? The same, war-torn, threadbare rhetoric about tax and spending. The same partisan bickering. Is this proposal all tax and spend? Of course not. The President's budget is certified by the Congressional Budget Office to balance in 6 years. It protects the environment. It protects our elderly. It funds education and puts cops on the street. It takes care of the little guy.

In the face of the extreme Republican budget, the President and we, Democrats, have given the country hope by reducing the deficit with common sense and compassion. It saves the Medicare Program for our seniors, and the Medicaid Program for our children and low-income Americans.

My friends in Massachusetts just don't buy it when you tell them: "this isn't a cut—it's merely a reduction in the growth of spending." They understand that the extreme Republican budget forces them to spending twice as much on Medicare premiums.

They understand that Cape Cod beaches will be under attack, and Boston harbor clean-up will be stalled while their water and sewer rates are skyrocketing. They understand that they are paying into the system and—under the Republican plan—they will be getting little in return.

They understand that when the Republicans are not speaking in arcane, incomprehensible, confusing budget jargon—they are silent.

The President's budget speaks to the people I meet at home in Massachusetts. This budget meets our spending priorities and promises more good economic news for the American family. That is why I support it.

I urge our colleagues to support his balanced budget.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. Who yields time? The Senator from Connecticut.

Mr. DODD. Mr. President, I yield myself as much time as I may consume off the resolution.

The PRESIDING OFFICER (Mr. KYL). The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, let me begin my remarks by commending my colleague from New Mexico, who is the chairman of this committee, who has the unenviable task of chairing the Budget Committee. While we have our disagreements from time to time, I have a great deal of respect for him as a colleague, as a Member, and I appreciate the fine work that he does on behalf of his State and on behalf of the country.

I will take a few minutes and go over some of the budget items. He does not have to stay. I know he has other things to do. But I did not want him to leave the floor without expressing my appreciation for the work he does.

Mr. DOMENICI. Will the Senator yield?

Mr. DODD. I will be happy to yield.

Mr. DOMENICI. I want to say for the RECORD, it is mutual. While my colleague does not chair the budget committee—there cannot be that mutuality—he probably would not want it anyway. In any event, I want to say that my colleague's participation and contribution in matters that we work on, from my standpoint, is very much appreciated. I commend the Senator on the way he has handled himself.

Mr. DODD. I thank the Senator.

Mr. President, at some later point I will also have some extended remarks on the announcement by the majority leader, who has decided he is going to retire from the Senate the first part of June. While we, too, have our differences, suffice it to say, as a colleague and a friend, he will be missed. I mean that very deeply and sincerely.

Mr. President, I will just begin my remarks here by asking unanimous consent to have printed in the RECORD a letter from June O'Neill, who is the Director of the Congressional Budget Office, dated May 9, 1996, in response in part to the colloquy between my colleague from New Mexico and our colleague from Texas regarding the condition of the hospital insurance trust fund. She says in that letter, here, and I am quoting it now:

> Under current law, the HI trust fund is projected to become insolvent in 2001. CBO estimates the administration's proposals would postpone this date to 2005.

She goes into greater length here, responding to that, but I thought for the RECORD my colleagues ought to know what the Congressional Budget Office says with regard to the hospital trust fund.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 9, 1996.

Hon. J. JAMES EXON,
Ranking Minority Member, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR: At your request, the Congressional Budget Office (CBO) has examined the effects of the Administration's budgetary proposals on the Hospital Insurance (HI) trust fund. Under current law, the HI trust fund is projected to become insolvent in 2001. CBO estimates that the Administration's proposals would postpone this date to 2005.

Sincerely,

JUNE E. O'NEILL,
Director.

Mr. DODD. Mr. President, I want to begin by trying to, if we can, get back to some basic information here, because you can get lost in a lot of the data and charts and numbers that get thrown around. Let us just remember we are talking about the President's budget. There is a budget presented by the committee and there will be some alternatives that will be offered in the coming days when we debate what the budget of the country ought to be, but I think it is worthwhile to point out we are talking about the President's budget to begin with.

Remember, this is a man who arrived in town in January 1993, 40 months ago—not 40 years ago, not a decade ago or 15 years ago; 40 months ago he arrives in town. He never served in Congress, never served in the Cabinet. He was the Governor of a small State. As he arrives at 1600 Pennsylvania Avenue, he has left on his doorstep a mountain of debt. A mountain of debt is left on his doorstep. As you begin to look back at 1980 and start there and follow this redline, where the Congressional Budget Office projections were before, those are facts, where the deficit was going, where it was headed just prior to the President's arrival in town, and then what has happened to the projection of the deficit since his arriving, right here, in 1993. Here we get clearly where things were going up until his arrival here, and now the same Congressional Budget Office says we are headed this way.

So, just for the purpose of clarity, let us keep in mind conditions when this President arrives. We had mountains of debt, most of it accumulated between 1981 and 1993. In fact, we had a debt that went up almost $4 trillion, from $1 trillion in 1981 to $4 trillion the day this President arrives in town. Then, in the 40 months he has been here, he has taken the projection of our deficit, which we are told was headed in this direction, and we are now moving it downward. So you begin with at least looking at the trend lines and where we are going.

The President's budget is a commonsense approach. It cuts more than half a trillion dollars in spending over 7 years, yet, at the same time, it maintains our priorities as a nation. The President's budget invests in people. It protects Medicare and Medicaid, education and the environment, and it would maintain our national investments in education, job training and technology, all of which I think we agree are important.

The budget maintains access to health care for our Nation's most vulnerable citizens. It keeps our natural environment and our workplaces safe. It understands that our overwhelming focus on balancing the budget should not cause us to ignore our national priorities. The President understands that all of this talk about balancing the budget should not cause us to lose sight of our most important national goals.

As I have said in the past, this body, in my view, needs to be focusing more of its attention on increasing economic growth. We need to reform the Tax Code so it promotes savings and investment and higher growth. We need to increase opportunities for education and job training so that all Americans will have the tools to succeed. We need to make pensions and health care portable so that Americans can better cope with the technological and economic changes that are occurring in their lives.

We should all remember that an increase of as little as one-half of 1 percent in the growth rate of the United States could create enormous opportunities for new jobs and expand options for millions of working Americans. Increasing growth is a priority, in my view, that should be reflected in everything that we do in Washington, and it should be reflected in the Federal budget. It is reflected in the President's budget.

All along, President Clinton has stressed there is a right way and a wrong way to balance the budget. The right way is by maintaining our commitment to Head Start, to police officers on the beat, to clean and healthy drinking water, to summer jobs, and to encouraging community service. Those are the kinds of priorities that help build a strong nation.

The wrong way to balance the budget is by having unnecessary, unwise spending cuts and tax cuts for those, frankly, who do not need them. I am going to get to that in a minute here. Our dear friends on the other side, with all due respect, have not learned the lesson. The American public have said over and over again: You are going in the wrong direction. We want our budget balanced. We want it done, if we can, in the next 6 or 7 years, but we want our priorities to be reflected in that decisionmaking process.

What good does it do if you balance the budget and simultaneously make it impossible for my children to get a decent education, have access to higher education in this country? Balancing the budget and depriving the next generation of the tools it needs is foolhardy.

What good does it do to talk about balancing the budget if you are going to rip the heart out of the environmental laws that have made this a stronger and a healthier nation? What good is it to balance the budget if you then increase the financial burden of older Americans, if you begin to make it more difficult, because Medicare is being reduced, for these people to make ends meet? How many middle-income families depend upon Medicaid so their parents and their grandparents can have a decent, long-term health care program?

These are the kinds of things people say we need to invest in intelligently, making choices about where you reduce spending so we can achieve a balanced budget but make our country strong simultaneously. In our view, the President has done that with his budget. No one is suggesting any budget proposal is perfect, but certainly, given the evidence of the last 40 months, the direction we are heading in will make the case that this is a good proposal and one we ought to be working on, if we can, to achieve some common ground over the next 20 or so days left here so we can complete this budget process and do what the American public have asked us to do.

Let me, if I can, address some of these issues with greater specificity. I want to begin with the budget being cut. I say this because I think it is important that people understand where we have come from in the last 40 months. This is what is called a primary budget. This is entitled "Budget Without Interest Payments."

Obviously, interest payments must, like any financial obligation, be paid. But if you remove the interest payments—remember, you only get interest payments because of the burdens you accumulate. So if you take away the interest payments, here is the deficit that occurred over the 12 years from 1981 to 1993, those 12 years: $660 billion. If you took away the interest obligations in the last 40 months, we have created a surplus of $239 billion in this country in the last 40 months. Those numbers are not being made up. Those are real numbers.

So with all of this talk of what has happened here, here is a President who arrives in town in Washington for the first time in a Federal Government position, and in 40 months he is able to move us into the black, if you will—this chart is in the blue—but into the black for the first time in years.

President Clinton inherited a $290 billion deficit in the year that he arrived in office. This year, the 1996 deficit will be $144 billion. That is cut in half. Those are the realities.

Back in 1993, the Congressional Budget Office projected the deficit would hover around $300 billion. That was their projection. Following the implementation of the Clinton budget plan in 1993, as I pointed out earlier, the budget has declined sharply. In fact, Mr. President, let me point out one additional statistic reflected in this chart. The Congressional Budget Office estimates that the 1996 deficit will come in at 1.9 percent of the gross domestic product. That will be the first time since 1979 that the deficit has been below 2 percent of the gross domestic product. That is significant progress, and we ought to stay on that track, if we can.

This chart is without interest payments, as I said, and has been cut in half as a result of what has happened just in the last 40 months of this administration.

Let me, if I can, turn to the chart on job growth rate, because this is what people care about. Again, you can balance the budget tomorrow if you want to, just by juggling some numbers around here and getting rid of a lot of things. But this cannot be a process of just people with green visors and sharp pencils. What happens to real people in this country as a result of the decisions we make? If our only function were to balance the budget, we could do that simply by cutting out all our spending, if we wanted to, and raising taxes on everybody.

We have to ask the question: What happens to real people when you do this? So while we have been able to cut the deficit in half, and, if we eliminate the interest payments, actually we put this country into surplus for the first time in years. What has happened to jobs out there? What has happened to people's jobs? Again, look at jobs created per year.

In 1981 to 1992, jobs created per year were 1,540,000. That is the number of jobs created each year in those years. In 1989 through 1992, it averaged 608,000 jobs per year. But from 1993 to the present time, Mr. President, we have created in excess of 2,684,000 jobs a year. Compare that with 1,500,000 from 1981 to 1992; 600,000 from 1989 to 1992. We are now getting close to 3 million new jobs a year, while simultaneously bringing the deficit down.

Mrs. BOXER. Will the Senator yield, because I think it is so important.

What that chart shows is the number of jobs created essentially under the Bush Presidency as opposed to the Clinton Presidency. What my friend is saying, and it is so dramatic I would like him to repeat it, is that under the Bush Presidency, there were how many new jobs created?

Mr. DODD. Under the 4 years President Bush served as President, we created on average of 608,000 jobs per year, and in the last 40 months, from January of 1993 through December of 1995—it does not include these last 4 or 5 months, but my colleagues will recall there were in excess of 620,000 jobs created in the month of February alone. That is more jobs created on a yearly basis than between 1989 and 1992.

Quickly someone is going to say, "Well, those aren't great jobs." That is wrong. The overwhelming number of jobs, more than 90 percent of these jobs, are private sector jobs, and well over 60 percent of these jobs are high-paying jobs. Not every one of them is, but the overwhelming majority are high-paying jobs in the private sector.

Mrs. BOXER. My last question. When President Clinton ran for office, he made a promise on new jobs. As I understand it, that promise has been met; is that correct?

Mr. DODD. I say to my colleague from California, I believe it has, and promises were made in terms of cutting the deficit in half. Those are real numbers. The CBO, the Congressional Budget Office, says they are real numbers. So here is the deficit coming down, job creation is going up, and my colleagues on the other side are treating this like bad news, as if this was some dreadful information.

If we are on the right track, if things are working right, why do you not stick with the plan and the program here so that you have a healthy balance—investment in education, investment in our environment, cutting back our spending where we can, trying to have some sense of fairness about all of this so we move into the 21st century as a healthy nation.

Today, of the G–7 countries, we are the healthiest economy. We are the healthiest economy of all the great economic powers in the world. We are the healthiest today in terms of job creation and deficit reduction. Why are our markets responding the way they are? The people on Wall Street are not making those investments because they want to help Bill Clinton get reelected. It is not because they are Democrats. They are making cold, hard financial decisions: Are we heading in the right direction or the wrong direction? They are investing because they think things are going in the right direction. It is their money they are putting on the table, and they like the trend lines they see: the deficit coming down, job creation going up.

You can dance all around this, you can try to throw out a lot of misinformation about it, but the hard line bottom facts are, we are on the right track, we are going in the right direction. A lot more has to be done. It would be foolish for anyone to stand up here and say our work is over with. It is not. There are going to be some difficult decisions that have to be made. But you cannot argue with the facts. Job creation, deficit reduction, the trend lines of where we are going in this country are on a solid and sound footing.

So, Mr. President, I urge my colleagues in the coming days to move away from politics as usual. We need to come together. We have 20 to 25 days to get a job done. There is no debate here about whether or not we ought to balance the budget. I know some hope others will take a position—in fact, I heard someone the other day in the House of Representatives say, "We don't want to settle this because it is too good of an issue."

It reminds me of the story of the law clerk who arrives in a law firm and he has only been there a month. He walks in to the senior partner with this huge file, a file that has been around 20 years. He says to the senior partner of the law firm, "I've got great news, boss. This case that has been here 20 years. I've settled this case. It's over with. It's done. Everybody's happy."

The senior partner says, "Why did you do a thing like that for? I've educated four of my children on that file. You don't want to close that case, that's too good a case, keep that case open."

So we have certain friends who want to keep the case open, because it is a good case politically for them. Do not let it settle. For God's sake, do not come to an agreement, they say. Do not try to resolve your differences. The politics of that are dreadful; they are dreadful politics. Keep the issue alive, keep the debate going.

We are here to say today, let us end the debate. We can. We have agreed on balancing the budget in 7 years. We all have agreed to do it according to the Congressional Budget Office numbers. We are on the right track. The differences are not that great. They can be resolved. We can get the work done.

I urge my colleagues today on both sides, particularly those on the majority side—it is difficult, I know, to admit when you are wrong. That is a hard thing for anybody to do in this world. It is particularly hard, if you are in politics, to admit you are wrong, but the facts do not lie. The deficit has come down. A young Governor arrives from a small State in January of 1993, gets dumped on his doorstep—dumped on his doorstep—$4 trillion in debt, some $290 billion, $300 billion in an annual deficit.

In 40 months, that deficit is down to $144 billion. The Congressional Budget Office now says we are heading in the right direction, going in the right direction now. That is the right direction to be going in.

Job creation is up, the basic thing people need. The best social program anybody ever created is a job, a good job in this country. Here we have jobs being produced in the Nation while the deficit is coming down, and intelligent priorities, good priorities.

I heard the other day the House majority leader—put aside whether you are for or against a gasoline tax; we can debate that, and will, in the coming days—but, my Lord, to hear the majority leader of the House of Representatives say, I'll tell you how we'll pay for that—we'll cut education.

In my State, my working-class families in my State need the Pell grants and the student loans and the Stafford grants and so forth. Otherwise, they could not get an education. We have commencements coming up.

I am going to give a commencement speech at Western Connecticut State University, a State university in my State. Fifty percent of their students receive some form of financial help or assistance. Here we have the majority leader of the House of Representatives saying we ought to just pay for that gasoline tax by going after education. You wonder why people are suspicious.

Mr. DOMENICI. Will the Senator yield?

Mr. DODD. With some reluctance, I yield to my colleague.

Mr. DOMENICI. I just say——

Mr. DODD. I am on a roll.

Mr. DOMENICI. The distinguished majority leader in the House has not said that since that day.

Mr. DODD. My colleague from New Mexico obviously got a hold of him and straightened him out. I appreciate that. But come on, what else do you rely on, when you get up on a national news program and you say, "I'll tell you how I'd do it. This is how I'd do it"? Immediately the phones were ringing off the hook. What a foolish thing to say. So immediately they start to backtrack.

But if you wonder why the American people get suspicious about what the priorities are, it is statements like that. What are your real intentions?

So when we hear statements about Medicare, and we say, "We will let it wither on the vine," or, "I'm proud I voted against it 35 years ago," then everyone gets upset. You can understand the average person in this country gets a little nervous when they hear that. If they are relying on Medicare, relying on Medicaid, in order to meet basic health care costs, they are wondering, which side do we chose here? Who is going to watch out for me? They have one person saying, "Look, I think it ought to die or we get rid of it. I never thought it worked very well." And others say, "Look, we're going to have to make it work better and make tough decisions so it's there." Then you begin to understand the suspicions, the worries, the fears, the insecurities that many people feel. This is not an abstraction to them.

We have a good health care program as Members of the U.S. Congress. Thank God for it. We have a good health care program. But millions of Americans outside of Washington, Mr. President, they rely on Medicare. They rely on it. For many, Medicare is the difference between having a life of relative decency and being wiped out financially. It is not an abstraction to them.

So when we talk about these numbers and CBO and OMB and percentages and GDP, and so forth, that person out there today watching this debate says, "What does that mean in terms of me, my kids, our jobs, our health care? Where are we going? Who is on my side?"

So, again, I come back to the point, Mr. President, I tried to make at the outset here. Put aside all the glitter and all the distractions; we are going in the right direction on deficit reduction. It is a major issue. People care about it deeply. This President in 40 months, not 40 years, not 15 years, but 40 months, has moved the country in the right direction on deficit reduction for the first time in decades.

At the end of this fiscal year, we will have now had 4 years of deficit reduction, 4 consecutive years. You have to go back to Harry Truman's administration—Harry Truman's administration—to find another American President who took us through 4 years of consecutive deficit reduction.

We have reduced the size of the Federal work force under President Clinton by 270,000 jobs. Now, 30 percent of those jobs were in the military. My colleagues on the Budget Committee pointed that out. That is accurate. But 70 percent of those jobs came from the civilian work force.

By contrast, with all due respect, under President Reagan, the Federal work force increased by 188,000 positions; 188,000 positions during the 8 years of President Reagan. Contrast that with 270,000 fewer jobs in 40 months under President Clinton.

Under the leadership of AL GORE, the President has ripped out 16,000 pages of the 80,000 pages of Federal regulations, so that businesses in this country can work with less paperwork cluttering their desks.

Is it done yet? No; but for the first time, there is a real reduction in paperwork, real reduction in the size of the Federal work force, real reduction in the deficit, getting the unemployment rate down. Those are the things that people care about, seeing to it that Medicare, Medicaid, education, and the environment are going to get proper protection.

It is a commonsense budget. That is what has happened under this proposal. That is why I urge my colleagues on the other side in these coming few days to sit down. Let us work out this budget.

The President extended the hand to our majority leader. He said, "Let's come on down, you and I, no staff, no one else, and let's work this out together." Our majority leader is going to be here until June 11. I hope he will take him up on that offer. What a great thing it would be, before the majority leader leaves and retires from the Senate, with one of the great issues we have tried to resolve, if an American President and the majority leader, from the two different parties in this country, the two major parties, came together, with no one else in the room, and the two of them sat down and worked out this problem before June 11.

What a great achievement that would be. I think both individuals would deserve the sincere praise and credit from the American public. I know we have an election in 25 weeks, but this issue deserves resolution, and we are close to achieving it.

You have a President taking us in the right direction. You have a majority leader who is about to retire from here, who I think could close the gap. I urge that that offer the President made to our majority leader be picked up before he retires, and let's see if we cannot complete this work.

For those reasons, Mr. President, I urge our colleagues to take a good, strong hard look at the budget that has been proposed by the President. It takes us in the right direction for all the reasons I mentioned. I urge its adoption. With that, Mr. President, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I speak off the resolution, Mr. President.

I might say to Senator DODD, I cannot at this point, because we are going to offer an amendment—but so the Senator will know, I will have an interesting rebuttal to what the Senator has said. I will give the other side of the coin sometime today. I do not want to do that and not have the Senator know about it. I cannot do it right now while the Senator is here because I have some commitments. But we will let the Senator know in advance, so if he wants to come down and sort of chide me, as I did him, he can.

I say, I had a little trouble with the Senator's analogy of the law firm and the old case, because it seems to me it is the President who is gaining from this budget debate. He is the one who has that old case. He is the one who ought not to get rid of it because it has been good for him. I have a strong suspicion that unless you settle the case his way, he is going to have that old case right on through the election because it is, as that senior partner said, it is a great livelihood and it has kind of been a great political livelihood for him.

Mr. DODD. If my colleague will yield.

Mr. DOMENICI. Of course.

Mr. DODD. Our colleagues will appreciate that my friend from New Mexico and I have spent a lot of time working together on old cases.

Mr. DOMENICI. That is right.

Mr. DODD. So we share at least our concern about old cases. I appreciate his comments. I will try to be here when he makes them.

Mr. DOMENICI. Mr. President, I think we have tendered an amendment, second-degree amendment. We have given it to the minority so they know what it is. I understand that there are 7 minutes left on our side for our statutory time to rebut the President's budget. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. I yield back the 7 minutes. Now I yield to Senator FRIST for a second-degree amendment.

The PRESIDING OFFICER. The time is yielded back.

AMENDMENT NO. 3968 TO AMENDMENT NO. 3965

(Purpose: To express the sense of the Senate that the discretionary spending caps should not include triggers that would make drastic reductions in nondefense discretionary spending in fiscal years 2001 and 2002 (the last 2 years of the budget) for the purpose of achieving a balanced budget in fiscal year 2002)

Mr. FRIST. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. FRIST] proposes an amendment numbered 3968 to amendment No. 3965.

Mr. FRIST. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the pending amendment.

SEC. . COMMON SENSE BUDGETING AMENDMENT.

(a) FINDINGS.—The Congress finds that—

(1) President Clinton proposed in this fiscal year 1997 budget submission immediate downward adjustments to discretionary caps after the year 2000 if the Congressional Budget Office projected that his budget would not balance in 2002;

(2) the Congressional Budget Office (CBO) has estimated that President Clinton's fiscal year 1997 budget submission will incur a deficit of $84,000,000,000 in 2002;

(3) as a result of CBO's projected deficit in fiscal year 2002, the President's budget would trigger drastic reductions in discretionary spending in 2001 and 2002 to reach balance;

(4) these drastic reductions would have to occur in nondefense programs such as education, environment, crime control, science, veterans, and other human resource programs;

(5) 100 percent of the nondefense discretionary cuts in the President's budget occur in 2001 and 2002; and

(6) the inclusion in a budget submission of triggers to make immediate, drastic reductions in discretionary spending is inconsistent with sound budgeting practices and should be recognized as a "budgetary gimmick" that is antithetical to legitimate efforts to achieve balance in 2002.

(b) SENSE OF SENATE.—It is the sense of the Senate that the discretionary spending caps should not include triggers that would—

(1) result in 100 percent of the nondefense discretionary reductions occurring in fiscal years 2001 and 2002; and

(2) make drastic reductions in nondefense discretionary spending in fiscal years 2001 and 2002 (the last 2 years of the budget) for the purpose of achieving a balanced budget in fiscal year 2002.

Mr. FRIST. Mr. President, I submit what is a very simple and straightforward amendment today that strikes, I think, at the heart of one of the major problems that we all have with the President's proposal.

To set the stage for this amendment, let me go back and set the background, starting with where we are today and how we have gotten here.

The President proposed in his budget, the 1997 fiscal year budget, that there would be immediate downward adjustments to discretionary caps after the year 2000 if the Congressional Budget Office projected that his budget would not balance in the year 2002.

The Congressional Budget Office, second, has estimated to us that President Clinton's fiscal year 1997 budget submission will, indeed, incur a deficit of $84 billion in the year 2002. Now, as a result of the CBO's projected deficit in the year 2002, the President's budget will trigger drastic, drastic reductions in discretionary spending in the years 2001 and 2002. It is important for my colleagues to understand that these drastic reductions which will kick in would have to occur in those nondefense programs such as education, the environment, crime control, science, veterans, and other human resource programs.

It is also interesting, and, again, important for our colleagues all to understand, that 100 percent of the nondefense discretionary cuts in the President's budget that occur in 2001 and 2002, over that 2-year period, 100 percent of those cuts will occur.

Now, the inclusion of a budget submission of triggers to make immediate drastic reductions in discretionary spending is simply inconsistent with sound budgeting practices and needs to be recognized for what it is—budgetary gimmickry, smoke and mirrors. This is, indeed, inconsistent with our bipartisan, I hope, legitimate efforts to balance the budget by the year 2002.

Thus, this sense-of-the-Senate amendment says it is the sense of the Senate that the discretionary spending caps should not include triggers which would result in 100 percent of the nondefense discretionary reductions occurring in fiscal year 2001 and 2002, and, second, should not include triggers that make drastic reductions in nondefense discretionary spending in fiscal years 2001 and 2002, the last 2 years of the budget, for the purpose of achieving a balanced budget in the year 2002.

This amendment is very simple. That is it. You just heard the sense-of-the-Senate amendment. It is straightforward. By passing this amendment, the Senate, today, can make a strong statement opposing budgetary gimmickry, smoke and mirrors, and in support of nonsense budgeting.

We all travel around this country and to our town meetings. It is very clear that the American people are tired of gimmicks out of Washington, are tired of the smoke-and-mirrors budgeting that we have undertaken in the past and that is reflected in the President's budget. Repeated use of these gimmicks over time has contributed to the overall lack of confidence that we see in our budgetary process in our Federal Government today.

A few months ago, the President introduced his 1997 budget, proudly claiming that his budget balanced in the year 2002 using Congressional Budget Office numbers. Now, this is the 2,200 pages of the President's budget for 1997. Intrigued by the President's new enthusiasm, very different than a year and a half ago, for a balanced budget, my colleagues and I on the Budget Committee went through the 2,000 pages. It was very interesting what we discovered. Buried in the budget supplement on page 13, we discovered a very troubling budget gimmick that it is important for all of our colleagues to understand, to note that is in there. It is really the purpose of the sense of that amendment to point this out and to refute it.

On page 13, it says that in case the new assumptions produce a deficit in 2002, the President's budget proposes an immediate adjustment to the annual limits or caps on discretionary spending, lowering them enough to reach balance in the year 2002.

Let me explain how this proposal works. The proposal is called a trigger here in Washington, but to the typical American it is not a trigger. It is a gimmick. It is a smoke-and-mirrors approach. The CBO, the nonpartisan Federal budget analysts that look at this information, says the budget of the President will have a deficit of $81 billion in the year 2002. To make up that deficit which the CBO tells us will exist in 6 years, the President's budget, in this document, includes a trigger. That trigger will make unspecified cuts in discretionary spending over those last 2 years. That is how his budget achieves so-called balance, through this gimmick.

Now, discretionary spending, what is it? It makes up one-third of our entire Federal budget. It includes spending on our basic Government functions, including education, including roads, including the environment, including science and scientific research, including veterans, including medical research. The President's trigger says it cuts discretionary spending in these fields in the years 2001 and 2002 but does not say where these cuts will come from. It does not say which programs will have to absorb these drastic and instant cuts of such magnitude.

Let me refer to this first chart. It basically is headed "Spend now, save later." In red is the President's budget. In green is the budget proposed today before the U.S. Senate, the chairman's mark. The President's budget frontloads the spending and backloads the savings. The President proposes to increase spending over the next several years. This is 1996, 1997, and 1998.

The President's budget says: Yes, increase the nondefense discretionary spending over the next several years and then drastically cut thereafter. Contrast that to the mark that we have before us today, the chairman's mark for spending cuts; reductions begin and continue evenly over that entire period of time.

These drastic cuts are really what we are focusing on in this sense-of-the-Senate amendment today because what the President's budget tells us in the supplement, that if they do not reach balance and the CBO says it will not reach balance, these cuts come in. Look at the drastic cuts occurring in these 2 outlying years. The chairman's mark shows a steady glidepath of decreased spending over time.

Now, discretionary spending is an inside-the-beltway term. Let me show how the cuts and the President's budget compare to the cuts in the Senate balanced budget resolution. On the second chart we will look at one such area that is of the Food and Drug Administration. As we can see in our budget before the Senate today, in the Senate budget, we see we assume a freeze at a spending of about $880 million over the next 6 years. In contrast, we see the President's budget also has a freeze the first year but then a reduction over time—again, with drastic cuts coming in to the year 2000.

The Food and Drug Administration, a program we all know is valuable to the safety of our country, that is valuable both in terms of food and drug safeguards, we see the significant cuts. If we look at the Environmental Protection Agency, the Senate plan, again, in green, increases spending about $900 million next year and freezes it over the period out to the year 2002. In contrast, the President's plan increases spending over time. But, again, in those last 2 years, because of this smoke and mirrors, because of this budgetary gimmickry, we see drastic cuts that have to take place according to the budget as presented and written by the President in these last 2 years.

It is these drastic cuts that we are addressing in this sense-of-the-Senate amendment. On the one hand, we have had many attacks on this side of the aisle for ravaging the environment. Look at the difference of what actually occurs in the Senate-reported budget versus that of the President of the United States.

Let me turn to another area which is obviously quite close to me, being a scientist in the U.S. Senate. That is the National Science Foundation. Once again, you see that what is in the chairman's mark, passed out of the Budget Committee, is very different than what is proposed in the President's budget—once again, if we focus on the last 2 years.

The National Science Foundation funds many of those important scientific research policies, projects, and investigations, which have long-term payouts and affect our individual lives.

Another area I am very close to is the National Institutes of Health. If there is one thing I keep coming back to this floor talking about, it is that we need to think long term. We cannot just think short term and think just what gets us to the next election, or what will be politically appealing to the masses of people today. We have to think long term. The National Institutes of Health, as you can see, is at about $12 billion in spending right now. Under the Senate-reported plan, it will be frozen and will continue at that level. Right now, under the President's plan, there is a proposed increase. It makes us feel good because this is long-term investment for this country. But look what is also in the document. Look what happens in 2001 and 2002, which is 5 years from now. There are drastic cuts in the President's plan for the National Institutes of Health—a valuable program that engages in lifesaving research that will affect everybody's lives in this body and all Americans lives in the future. It is this long-term view, not just the short-term view, that we must take.

We can look at another area, again, that I have been close to, which is veterans' medical care and hospital services. I have had the privilege, over the last 12 years of my life, to spend every week operating in a veterans' hospital, either in Tennessee or in California. It has been a big part of my life to see the sort of care that can be delivered to our veterans, who deserve this care. Well, once again, we see in green on the chart what happens under our budget proposal, which came through the U.S. Senate Budget Committee. You can see that over time, there is essentially a freeze of about $17 billion. But contrast that with the realities that are in the President's budget. The realities are that we have extreme and drastic cuts, over time, into the year 2000.

Again, we will focus on the years 2001 and 2002. These charts are really selected charts. You can go on and on, program by program. But what is important is for all of our colleagues to understand what happens by putting in this budgetary gimmickry. These are just a few examples, and there are many, many more. The simple fact is, Mr. President, that these cuts are never going to happen. I hope that they will not happen because they are so drastic, and they would occur in fields that need sufficient funds. And that is, science, education, the environment, and the Veterans' Administration. People know that these drastic cuts will never happen. We have this feeling put forward in the President's budget that we can spend more right now, and we can worry about saving later, and that we can cut drastically later. This is not fair to the American people or to Members of this body.

We, as Senators and elected leaders, must avoid gimmicks when we are dealing with taxpayers' money. Earlier today, there has been a lot of pointing as to what happened in the past, 10 years ago, and with asterisks, and 15 years ago. Well, it is a new day and time, and there are new people in this body, and we have come here and said, "No more gimmicks. That is not what the American people want. No more smoke and mirrors. Let us address the problems that can be addressed in a bipartisan way." We know what the problem is and the problem is that we have not been spending very smart in the past. We have been spending too much. Now is the time to avoid gimmicks and to spend smarter.

Again, I will also re-echo what my distinguished colleague from Connecticut just said. This can be done in a bipartisan way; this can be done bringing both sides of the aisle together. I hope that in that spirit of bipartisanship both sides of the aisle will come together and join me in opposing the budgetary gimmicks and the budgetary smoke and mirrors that are in the President's plan, and support commonsense budgeting.

Mr. President, at this juncture, I will yield 5 minutes to my colleague from the State of Missouri, and that 5 minutes should be taken off the resolution.

The PRESIDING OFFICER. The Senator has that right.

The Senator from Missouri is recognized.

Mr. BOND. I thank and congratulate my colleague from Tennessee. Senator FRIST has put his finger on the real problem in this budget. The President, in his budget, has glowing words, as several of my colleagues on the other side have, about the priorities that they think are important. The President has said that we must invest in education and training, the environment, science and technology, law enforcement, and other priorities.

But, as I pointed out earlier today, when it comes to making these sets of numbers balance out, they have a meat ax, a paint-by-numbers meat ax that whacks 10 percent out of all of those budgets in 2001, and 18 percent in 2002. Now, are you for the priorities? If so, this is an opportunity to vote for some honesty in budgeting. The President has claimed he gets to balance. I think most of the people in this body say we want to get to balance. But do we really want to get to balance by taking the drastic cuts that my colleague from Tennessee has just talked about?

I talked earlier this morning about the cuts in NIH, National Institutes of Health, FDA. Yesterday, I talked about the serious cuts that would happen to the Environmental Protection Agency if you apply this meat ax arbitrarily in 2001 and 2002, because the President's numbers do not add up, unless you have the meat ax.

What the Senator from Tennessee is saying is, if you are serious about this budget, serious about reporting a responsible budget that gets to balance, let us take a look at what your budget, as now proposed, would actually do. It savages some of the very programs the President said he wants to promote and defend on the way to a balanced budget.

Well, Mr. President, I urge my colleagues on both sides of the aisle, if you are serious about establishing priorities, if you really believe that numbers do not lie, if you believe that budgets should say what they mean and mean what they say, let us get rid of the arbitrary cuts in NIH, funding for the Women, Infants and Children Program, funding for child care, funding for the National Science Foundation, and NASA, and, yes, funding for the Veterans' Administration.

My distinguished colleague who has had experience in working with the Veterans, Administration knows how compelling the needs of those veterans are. I have visited facilities and talked with people who are finding that the problems in those Veterans' Administration facilities cannot be dealt with.

If we follow this meat ax budget approach, we would be closing more than one out of four veterans' facilities in the Nation. That means, as I said, California, with 11 hospitals, would lose 3, or probably 4. Our friends from California might want to tell us which of these four hospitals would be closed; and Florida, with six facilities, would probably lose at least one, maybe two; Illinois, with six, would also lose one or two; Massachusetts, at least one; Missouri, at least one; New York, at least three, and probably four; Pennsylvania, at least two, and probably three; Texas, at least two; Ohio, at least one.

Do we arbitrarily want to close all of these facilities because we do not want to meet our obligations to the men and women who have defended this country who are either injured in war or who are now medically indigent? I cannot believe that is a serious budget proposal.

If my colleagues really want to pursue the President's budget and defend his priority, then I urge them to vote for the Frist resolution so that they can go back and make some intelligent decisions rather than taking a meat ax to the very programs the President said he wants as his priorities. His program would slash environment, children, education, and health care for veterans. Mr. President, that is not acceptable.

I urge my colleagues to support the amendment which I think is very well considered presented by the Senator from Tennessee.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I yield myself 15 minutes off the amendment.

Mr. President, as we begin consideration of the fiscal 1997 budget resolution, we ought to take a good look at the history of what has happened to the Federal budget in the last 15 years.

The fiscal records of Presidents Clinton, Bush, and Reagan could not be more different. For 12 years the Reagan and Bush administrations racked up $2.3 trillion a day. In fact, if we did not have to pay the interest on the debt that was chalked up in these 12 years, the budget would be balanced in fiscal 1996.

Just to be sure there was not too much confusion to make the point, let me repeat that, if we did not have to pay the interest on the debt that was stacked up in these 12 years, the 12 years of the Reagan and Bush administrations, $2.3 trillion worth of debt, the budget would be balanced in fiscal year 1996. Not once did President Reagan or President Bush propose a balanced budget. Fortunately, President Clinton's 3-year record is much different. President Clinton promised a change in 1992, and he has produced one.

If you would consider the following, it makes the point very clearly. The deficit has gone down for 4 straight years. The deficit for the year that we are in now is expected to be only $144 billion which is 1.9 percent of our gross domestic product. This is the lowest annual percentage of any industrialized country. For example, Japan's deficit is over 3 percent of its GDP. Great Britain's is 7 percent, and Italy is 9 percent budget to GDP.

Finally, President Clinton is the first President to put forward a balanced budget proposal since the 1974 Budget Act created the Budget Committees.

So the question is no longer whether we will balance the budget. The question is how we will balance the budget. President Clinton has laid out the right way to balance the budget. He did exactly what the Republicans demanded last year. He put forward a 7-year balanced budget scored by the Congressional Budget Office.

President Clinton once again has put forward a 7-year balanced budget scored by the Congressional Budget Office. His budget is much different than the Republican budget. His budget protects Medicare and Medicaid, education and the environment, and does not increase taxes on working families. The President's budget not only protects 37 million senior citizens from deep Medicare cuts contained in this budget but would also make the Medicare trust fund solvent until the year 2006. It preserves the guarantee of Medicaid for 37 million seniors and disabled persons. It protects our Nation's environment by ensuring full funding for implementation of the major environmental programs that so many support like clean air, clean water, and toxic waste cleanups. It makes critical investments in education and training. It provides increased funding for programs like Head Start, title I, and Safe and Drug-Free Schools.

Finally, the President's budget maintains the EITC, the earned-income tax credit, which provides tax relief for working families who earn less than $28,000 a year. This allows them to maintain their family needs for basic essentials for sustenance.

The Republican budget is much different. It is punitive to working families and senior citizens. In reality, the underlying budget resolution should be dubbed "extremist budget, part 2."

For example, they claim that they have lowered their Medicare care cuts. But have they? The answer is no. They claim that their cuts have come down to the President's level. But they have not. In January the final Republican offer in the budget negotiations included a $226 billion cut in Medicare over 7 years. This budget resolution calls for $228 million in Medicare cuts over 7 years. The number is virtually the same.

These large cuts combined with their structural changes will truly make Medicare, as it is said, "wither on the vine." I think that quote comes from the Speaker of the House. If the Republican budget is enacted Medicare will become a second-class health care system.

The Republican budget also eliminates the guarantee of Medicaid coverage for seniors, for the disabled, for children, and for pregnant women.

This budget continues the Republican assault on education. Over 7 years the budget cuts $70 billion in education and training compared to the President's budget.

This budget contains the Republican trashing of the environment. It will cut environmental programs by 19 percent in the year 2002. It will slow down toxic waste cleanups.

I am not going to stand idly by, and neither are many, and watch this pillaging of the environment go unchallenged. Senator JOHN KERRY and I will offer an amendment to restore these deep cuts in the environmental protection programs.

Finally, their budget contains the Republican war on working families. At the same time the Republican leadership is opposing an increase in the minimum wage, they are also proposing a tax increase on working families who earn under $28,000 a year. It is hard. It is unfair. And that is why this resolution should be called "extremist budget, part 2."

Mr. President, as we heard the debate here, I have heard references to moral fiber; to the fact that the President lacks the moral fiber to produce a budget that truly answers the question as to balance in 7 years. Mr. President, when we talk about moral fiber I cannot help but think about the moral fiber that is necessary to say to 12 million Americans that you ought to make more than $4.25 an hour, that on $180 you are still way below the poverty level, and when you go, if we finally can get there, to $5.15 an hour, you are still being asked to get by on less than the poverty level.

Where is the morality of that issue? I cannot see it. We can talk about the accountants' version of morality. That is what we are discussing. We are discussing whether or not this budget is balanced in 7 years.

The President, President Clinton, has delivered on his promise, and the budget deficit has come down 4 years in a row. It is the first time since President Truman that has happened. And we question the moral fiber of the proposal? It is an outrage.

Part of the proposal put into the underlying budget resolution is a reduction, or the elimination, of much of the earned income tax credit. That is the payroll tax portion of the incomes less than $28,000. Give it back—$28,000.

The poverty level for an individual today is $8,000 worth of income, and $11,000 for a family of three. But we are saying that even though the average income is substantially above the $28,000 that we ought to raise taxes on those people. Does anybody have an idea how well you can support a family in the high-cost areas of the country on $28,000 a year? At the same time, Mr. President, it is proposed that we furnish a tax break for those in the higher income levels. Under the original proposal, if someone earned $350,000, they would have gotten an $8,500 tax deduction, but we do not want to give a 90-cent raise to people making $4.25 an hour. It is outrageous. We ought not to loosely talk about morality when we discuss these. If we want to discuss them as numbers, if we want to challenge the figures, everyone has a right to do that. But when we get into the subjective evaluations of what is moral and what is right, it is more hokum than a serious evaluation of morality.

Mr. President, I have had the good fortune to have spent a lot of my years in the corporate sector, and I ran a fairly successful company. The company today employees 29,000 people, the company that I started with two other fellows, all of us from poor families in the working community of Patterson, NJ. So I know something about the corporate world, and I know something about how one conducts business. When I hear about how we have to achieve this balance in our budget, eliminate the deficit in 7 years, I think it is a worthwhile target, but I think we have to include in that evaluation which part of the budget is important and which part of it is simply paying attention and fulfilling obligations to special interests.

There are few companies worth their salt in this country that do not brag about their creditworthiness, about their ability to borrow to make investments in the future. Unfortunately, the accounting technique that we use in Government does not permit us to take capital investments and amortize them over a period of years. They are treated like cash investments. So we have a skewed view of what national accounting is about.

I announce here and now that I, too, want to achieve a budget balance, but I do not want to do it on the backs of poor working-class families. I do not want to do it on the backs of citizens who have been promised as they paid into the Medicare trust fund that they would get particular benefits, that they had a contract with their Government. I do not want to balance the budget on their backs. I do not want to balance the budget on the backs of young people who desire and have the ability to get an education who are not going to be able to get it if we continue to cut into college loan funds.

So it is a question of not when we are ready to balance the budget—the President has laid down a budget that will balance in 7 years; CBO says they agree with him; they are the objective voice that we are using here—it is only a question of how we get that budget balanced. I think if we all work at it, we all try our best, we can achieve something that is fairer to all of the members of our society.

So I hope my colleagues will support the President's balanced budget and oppose the extremist Republican budget. Last year, we stopped the extremist Republican budget that gutted Medicare to pay for tax breaks for the rich. They want to do it again.

At this point, Mr. President, I ask how much time we have on the amendment?

The PRESIDING OFFICER. There are 15 minutes 45 seconds.

Mr. LAUTENBERG. I yield the remainder of that time to the distinguished Senator from Oregon to use as he sees fit.

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. I ask, how much time on this side?

The PRESIDING OFFICER. There are 13 minutes 45 seconds.

Mrs. BOXER. May I ask the Senator from Oregon if he would reserve just 3 minutes of his 15 minutes. We do have an offer we want to propound to the other side.

Mr. WYDEN. I would be happy to.

Mrs. BOXER. I thank the Senator.

Mr. WYDEN. Let me say thank you to my friend from New Jersey as well and say that I think he has made a fine statement and offered much on this issue with which I agree. I commend him for it.

Mr. LAUTENBERG. I thank the Senator.

Mr. WYDEN. Mr. President, many Americans see the process of setting a budget resolution as a murky, inside-the-beltway exercise that, charitably speaking, leaves them confused and frustrated. More than occasionally I have shared this frustration. But Americans also know that the decisions we make now are going to affect their futures and the futures of their children and their grandchildren. At home in Oregon, that means doing the hard work that the majority budget resolution simply ignores. At home in Oregon, it means making tough choices, not politically expedient ones.

For example, it means fixing Medicare and Medicaid, not just sucking billions of dollars out of these extraordinarily important health care programs. At home in Oregon, we have ground down the cost of health care and Medicare to one of the lowest per capita averages in our Nation. Republican budget drafters could have built on Oregon's success. They could have helped transform the Medicare Program, its management and its finances, in a way to encourage innovation and equality and efficiency as we have done in much of my State. But this budget simply cuts rather than transforms. It leaves behind many of the same old problems in the Medicare Program, the problems that have seen so often results in rewards for inefficiency and instead again pounds the vulnerable. I think it is a mistake, and I think it is possible to do far better.

On the welfare reform issue, all of us understand this is a job that must be done. Again, at home in Oregon, we found a way to make a real start by reforming our health care system for the working poor and launching a new welfare-to-work program that is putting our citizens in good-paying jobs. It took an up-front investment that is already paying dividends and is expected to be yet more successful in the future. But it took political will. It took reasonable public support to get the job done, and again I think this budget is not going to make that possible.

I am afraid this budget on the welfare reform issue promises a stillbirth for future efforts in other States by operating on the idea that you can just out-cheap the system rather than transform it to make it work.

If you look at the budget offered by the majority, we would have to cut $56 billion more than the administration foresees for education and training. On one of the issues most important to the future of Oregon families, this budget says it is more important to spend on a number of outdated military weapons systems than it is to support education and vocational training for our children who are going to need the skills and the experiences essential to compete in a global economy.

I say to my friends, the cold war is over. We won it. But the majority budget does not reflect this reality.

The new war, the economic war that enlists every schoolchild in my State and across the country, is the one that we are going to have to fight aggressively. Our competitors in Asia and Europe shoot with real bullets. They are making stronger investments in education and training than we are, and they are creating world standard, technical quality work forces.

What is the response in this budget? The majority budget extracts funds that we need for training and educating our schoolchildren and reinvests it in goldplated weapons systems that even the military questions today. The majority budget goes on to cap the Direct Student Loan Program at 20 percent, a program that eliminates redtape and middle-level bureaucracy in order to get funds to working families and students. Head Start would be frozen, eliminating opportunities for up to 20,000 children. And, while Americans across the country are talking about the specter of corporate downsizing, this budget would deny assistance over the next 6 years through the Job Training for Dislocated Workers Program to many of the workers in our Nation who have lost their jobs.

On the environmental issue, an issue of great importance to our State, we see again how there is a retreat in this budget from much of the great bipartisan progress that has been made in the last 20 years. For example, in my State this bipartisan progress has led to effective stewardship of great natural treasures like Crater Lake and the Three Sisters Wilderness. This budget would put that bipartisan tradition of environmental protection in reverse, simply by cutting the National Park Service budget by 20 percent below the administration's proposal. This is going to force some parks to close, others are going to cut back on maintenance and access, and we are going to spoil, in my view, much of the important progress in environmental protection that has been made in the last few decades.

In the early 1960's, citizens of my State launched a huge public program to clean up the polluted Willamette River, a project that, at that time, was one of the biggest and most expensive environmental efforts in our history. We understand the value of clean water and resource protection, and we were willing to pay the price of renewing that great river. And that wise investment has been paid back many times.

The people of our State want to see those special values and environmental stewardship projected in this budget resolution. But this budget makes a retreat from those values by cutting the environmental programs nearly 20 percent in 2002. The budget would relieve polluters of certain Superfund cleanup costs and make every taxpayer shoulder new burdens. EPA enforcement activities would be rolled back, and there would be fewer environmental cops on the beat.

I am particularly concerned that the need for salmon restoration funds in the Columbia River and maintaining our fish hatcheries in this Great Basin are priorities that again come up unattended and short in this resolution.

So I say to my colleagues on both sides, one of the efforts I have been proudest of in my early days in the Senate was getting 34 Senators to join me in a letter that I authored, making it clear that it was important to get the nongermane and devastating environmental riders out of the omnibus appropriations bill. We were successful at that. The spending bill does not gut the environmental protections that have been pushed so hard by so many for so long. If this budget resolution forces a retreat on environmental protection, we will make the same effort, as this process goes forward, to turn it around as we did in our successful work in terms of getting the antienvironmental riders out of the omnibus appropriations bill.

Let me conclude with a word or two about taxes. Oregonians want tax reform and they believe that this should be a priority as part of this budget resolution. But this majority budget cuts taxes in strange and mysterious ways that many of my constituents challenge. A $500 per child tax credit for a person making $110,000 per year? How does that square against increasing taxes to low-income working families, families that work hard, that play by the rules, and have had a chance to see work rewarded under the earned income tax credit? This budget, unfortunately, retreats, in terms of support for working families that are struggling to get ahead. It retreats on the question of Medicare and Medicaid. And I believe, as a result of those changes, we are going to see lower quality health care, a sicker pool of individuals relying on those Government programs, and we will see, as a result of the tax changes and the health changes, a significant reduction in the opportunities that all of us want to see for individuals in these public programs who want to get out having that opportunity to do so.

The proposed cuts in Medicaid would end guaranteed health coverage, for example, for 36 million Americans. For seniors, the $250 billion in Medicaid cuts over 7 years risks cutting off prescription drugs, home and community-based care, and assistive devices such as wheelchairs. I do not think our families can afford those additional burdens.

So, as we now go to the amendments on this issue of extraordinary importance, let us look beyond the cold, stark figures of the budget. Budgets just are not about numbers, they are about the hopes and aspirations of the American people. We have to get a balanced budget. The families of my State balance their budgets. It is important for the Congress to balance the Federal budget as well. But it has to be approached in a way that ensures a sense of fairness, that sacrifices are not just singled out for those who do not have political power. Let us make sure that this budget resolution, this budget resolution which would provide an opportunity to reform Medicare and Medicaid in a way that Oregonians have already begun, would be pursued by the Congress as a whole.

I am happy to yield time to the Senator from California.

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. FRIST. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mrs. BOXER. If the Senator will yield, I would explain we would just like to assure the vote is after 2 o'clock and we will be delighted to vote on this amendment.

Mr. FRIST. That will be fine.

The PRESIDING OFFICER. The Senator from California has 2 minutes and 25 seconds.

Mr. FRIST. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, do we have a unanimous-consent agreement now we are going to vote on the Frist amendment at 2 o'clock?

Mrs. BOXER. We do not yet.

Mr. DOMENICI. Is all time yielded back?

Mrs. BOXER. No. We have 2 minutes and 30 seconds we would like to use.

Mr. DOMENICI. Mr. President, does the Senator from Tennessee have any additional time he would like to use?

Mr. FRIST. We still have 13 minutes on our side. If we have time, the Senator from Michigan would like to use some of that.

Mr. DOMENICI. In any event, I ask unanimous consent we vote on the Frist amendment at 2 o'clock, and there be no intervening amendments or requests for votes in the interim.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California.

Mrs. BOXER. Mr. President, I would like to just ask—we would like to use a few minutes off the bill as well as this 2½ minutes. We would like to do that. Under the rules, are we permitted to do that? Would I have that right?

The PRESIDING OFFICER. You may choose what block of time you would like.

Mrs. BOXER. I would like to add to the 2 minutes another 6 minutes.

The PRESIDING OFFICER. Are you yielding it from the time on the resolution?

Mrs. BOXER. Yes; that is correct.

The PRESIDING OFFICER. The Senator has that right.

Mrs. BOXER. Thank you very much, Mr. President.

Mr. President, I am a little bit puzzled by the amendment the Senator from Tennessee has offered because it is an amendment regarding a trigger that is supposedly in the Democratic budget that is on the table, and there is no trigger mechanism in the budget we have offered. I ask my colleagues to carefully peruse this document, and you will not find a trigger mentioned in the budget that is before you.

So this is really a phantom amendment about something that is not happening in the Democratic budget. Behind me is a chart which shows the Democratic budget that we have before us, and it shows that the discretionary spending is fairly close between the two budgets, the Democratic one and Republican one, despite the fact Senators on the other side have decried steep reductions in veterans, so on and so forth. That is not true. There is no trigger in this budget. We spend $65 billion more on discretionary spending than does the Republican budget.

So, in our view, this is a kind of bizarre situation. We are happy to vote for the Senator's amendment because we agree that we do not want to see deep cuts in the outyears, and we do not have them in our budget. So we would be happy to take this without a vote, although Senator DOMENICI says he prefers a record vote. We are happy to do that. I yield to the Senator from North Dakota who has comments to make on this.

Mr. DORGAN. Mr. President, it seems to me a mistake has been made here, and I do not know the genesis of the mistake. As I understand it, we have an amendment that has been offered that suggests there should not be a triggered reduction in discretionary spending pending certain events, and there is no such trigger in the legislation before the Senate.

Mr. FRIST. Will the Senator yield?

Mr. DORGAN. Momentarily—I will be happy to yield, just briefly.

Mr. FRIST. The word "trigger" is not used, but if you look in function 920 of the document—I do not have it before me, I will have it shortly—you will see a series of numbers, and in those series of numbers the trigger is spelled out in actual numbers. So the effect of the trigger is spelled out in function 920, and that is what we are addressing.

Mr. DORGAN. This is a matter of fact, not a matter of conjecture. There is no trigger that would automatically reduce discretionary spending pending certain events in the future. If we are going to legislate this way, maybe we should legislate against four or five other triggers that do not exist. As long as there is no prohibition against legislating to prohibit things that do not exist, let us amend this by saying, "Let's prohibit a trigger that would reduce defense spending." There is no such trigger, but why not add that.

I do not quite understand the circumstances here. There is, in fact, a trigger that given certain circumstances would allow an increase in certain discretionary spending, but there is no trigger that would provide for the decreases that are the subject of this amendment.

In fact, the important point here is contrary to the assertions that have been made on the floor of the Senate yesterday and today about a whole range of issues, including funding for the NIH, funding for the EPA and others, contrary to those assertions, the budget that has been proposed by the President would provide more spending in these areas. In the aggregate, it proposes more spending in the discretionary spending accounts because that represents what he believes to be a priority.

We have the circumstance of people coming to the floor of the Senate saying, "We want more spending"—the majority party—"We want $11 billion more spending on defense. We want to buy trucks the Defense Department did not ask for, planes they do not need, ships they do not want. We want to spend it on defense."

The President has said he believes we ought to spend slightly more on discretionary spending than the majority party is proposing. But this amendment is a real Trojan horse. It seeks to preclude something that has not been proposed, and if that is a new standard of amendments, then let us have fun by precluding a dozen additional proposals that have never been made. But it is not, in my judgment, a very sensible way to legislate.

Mrs. BOXER. Will the Senator yield?

Mr. DORGAN. I will be happy to.

Mrs. BOXER. I want to thank the Senator for participating in this. As a member of the Budget Committee, I will tell you right now, we have looked at this document. There is no word "trigger" in it. The Senator from Tennessee, who wrote this, admits there is no word "trigger." And yet, he has a sense-of-the Senate amendment that says the discretionary spending caps should not include triggers. We agree. That is why the bill we have put forward, the Democratic budget, has no triggers.

This is what it has. We have used these numbers. They are $65 billion more than the Republicans have put forward, and they are complaining that we cut the budget too much—we cut the budget too much. They spend $65 billion less on veterans, $65 billion less on all of these discretionary spending areas.

So this amendment is a phantom amendment, and that is why we are going to support it, because we do not like the idea of a trigger. We have not offered a budget that has a trigger, so why have an argument about it?

I yield to my friend.

Mr. DORGAN. I simply observe, it seems a waste of the Senate's time to have a record vote on an amendment designed to prohibit something no one proposed. It might be fun to offer an amendment like this, but it serves no purpose and will simply delay the Senate.

I think the Senator from California, I think the Senator from Nebraska also said, since this has not been proposed, if someone feels the urge to offer an amendment to prohibit something not proposed, we accept it. It seems to me irrelevant and nonproductive to have a record vote.

Mrs. BOXER. We are ready to do a voice vote, but if the chairman wants a record vote that has nothing to do with the budget on the table, we will vote for it.

Mr. FRIST addressed the Chair.

Mrs. BOXER. I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I will be referring to function 950 in the amendment. This is the President's policy which is laid out, the numbers that were put before us in the President's bill. Let me just read, again, what that policy is, and I quote page 13 of the President's budget:

> In case the new assumptions produce a deficit in the year 2002, the President's budget proposes an immediate adjustment to the annual limits or caps on discretionary spending, lowering them enough to reach balance in the year 2002.

June O'Neill from the Congressional Budget Office came before our committee, and I will quote from her testimony on April 18, 1996. She says:

> The basic policies outlined in the President's budget would bring down the deficit to about $80 billion by the year 2002 instead of producing the budget surplus that the administration estimates.

Mr. DORGAN. Will the Senator yield?

Mr. FRIST. Let me finish this line of thinking. We are going to have a deficit in the year 2002, according to CBO, using the policies set forth in the budget presented by the President of the United States. That is the President's plan. The President does have a trigger in his plan, and it is spelled out in function 950, which I ask you to refer to. Correction, 920. And if you look on page 41, those triggers, the trigger in the reduction is actually spelled out in numbers. The trigger has already taken place, and what my sense-of-the-Senate amendment simply says is that those triggers, which result in drastic reductions in the year 2001 and 2002, which are spelled out on page 41 of this document, are already written and worded right now. Those triggers have taken place.

My sense-of-the-Senate amendment says those drastic reductions spelled out in actual numbers, as spelled out in the policy by the President of the United States, are wrong.

Mr. DORGAN. Will the Senator yield?

Mr. FRIST. Yes.

Mr. DORGAN. I appreciate that. I yielded to the Senator when he asked. I enjoy the opportunity to discuss this. I guess the Senator's point is accurate with respect to what he read from the document in front of him. That is not what is before the Senate.

Will the Senator not agree with me that is not what we have laid before the Senate, and if that is the case, you are talking about something we are not debating today?

If I can make one final point. When you talk about cuts, there is not any way to deny that the amount of discretionary spending proposed by the majority party is substantially less than the amount of discretionary spending proposed by the President.

So those two questions: Is it not true that we are debating something here that is not before the Senate? And what is laid before the Senate does not contain a trigger; is that correct?

Mr. FRIST. To answer the Senator's question, is this the President's budget? This is the President's budget. I read the policy. The budget is spelled out in actual numbers on page 41 of function 950, the actual numbers which is the trigger in place, the actual numbers of policy spelled out in the document.

The PRESIDING OFFICER. Who yields time?

Mr. FRIST. Mr. President, how much time remains on either side?

The PRESIDING OFFICER. There is 9½ minutes.

Mr. FRIST. I yield to my colleague from Michigan on the amendment.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Thank you, Mr. President.

Mr. President, I think we should begin by just reminding everybody what we are about. Pending is an amendment to the Republican budget resolution which would substitute the President's budget for our own. So I will incorporate here in my comments remarks both about that budget itself, as well as the amendment by the Senator from Tennessee.

The President's budget, in my judgment, is quite deficient in a variety of ways. We can call it a balanced budget if we want to, but as the amendment before us reveals, it is only a balanced budget if drastic reductions in discretionary spending take place in the final years of that budget. But that is not the only problem with the budget.

First, and foremost, I believe the budget is inadequate to deal with the Medicare crisis which faces this country. We know already that the Medicare part A trust fund is headed towards bankruptcy. We have not gotten the most recent projections of the trustees of the Medicare trust account, but we believe that the date of bankruptcy will be much sooner than anticipated just a year ago when the majority attempted to try to address the problem and were thwarted by the President and the minority.

The fact is that Americans expect the trust fund to be solvent. Right now the trust fund is paying out more than it is taking in. It will reach insolvency far sooner than anticipated. What we have attempted to do, in the budget that the majority has presented here today, is to try to keep that trust fund solvent for 10 years.

The President's budget attempts to do that by simply removing a very vital part, home health care, from the trust fund and moving it off the trust fund somewhere else.

If that is the way we are going to approach Medicare, Mr. President, then who knows what will be taken out of the trust fund next. Americans have a right to expect that trust fund will remain constant, that the items covered will remain protected, and that every time we face a crisis, Congress does not simply remove more and more parts of the trust fund and eliminate the coverage it provides.

By moving them, as they have in the President's budget, the President and his budgeteers are, in fact, moving some $55 billion of trust fund responsibility to the taxpayers as part of the general account. That is not the way to guarantee the solvency of Medicare, and it is in contrast to Republican efforts to ensure Medicare's solvency for 10 years its solvency in the budget we have presented.

The second concern I think needs to be addressed is the issue of taxes. As Senator GRAMM just a few moments ago indicated in a series of charts that the tax burden faced by America's hard-working families is the highest in the history of this Nation. Indeed, if the President's budget becomes the law of this land, under this budget we will move to the highest federal tax burden ever.

At the same time, Mr. President, under this budget, social spending will also reach record highs at 17.3 percent of the gross domestic product of this country. That means more and more working families sending more and more dollars to Washington to pay for more and more programs that Americans find to be overbloated, bureaucratic and, in many cases, unnecessary.

That is not the direction we should head, Mr. President. That is why the President's budget sends us in the wrong direction.

To just once again comment on the tax portion of this budget, as I said, it heads us toward the highest tax burden in history. There has been an effort in the budget to address the question of high taxes with a purported tax cut. But when one examines the President's budget and calculates all the taxes that are cut and all the taxes that are raised, what you come up with is a final bottom line number of $6 spread over 6 years. Distributed to 250 million American people, that works out, Mr. President, to $4 per year per American.

I have talked to the taxpayers in my State. When they think in terms of getting a tax break, they at least were hoping for something slightly more substantial than that, Mr. President. The $4 a year will not make much of an impact on the hard-working middle-class families of my State or any of the other States.

But I would like to more totally focus my comments at this point on the amendment before us to this budget. In this amendment, we are trying to address what we consider to be the truly extremist issue before us today. That is the proposal that in the final 2 years of this budget we will see drastic cuts, across the board virtually, in the domestic discretionary spending programs, huge cuts, cuts which I think go way too far. I think probably most of my colleagues, one way or the other, would agree they go too far.

To approach balancing the budget in this fashion, to approach it by having all of these cuts happen somewhere in the far distant future, and to happen at this drastic of a level, literally 100 percent of the President's discretionary spending reductions happening in the years 2001 and 2002, in my judgment, totally undermines any validity to claim that this is a balanced budget.

This is the same thing as having a family say, "Well, we're running in the red right now. We're spending more money than we take in. We've got to correct this. The way we're going to do it is not by addressing the problems over a period of time, this year, next year, and the following years, but 5 years from now we're going to eliminate all our expenditures on food."

That might make the budget of the family balanced in the fifth year, but it is unrealistic and wholly improbable that in one year an American family is not going to consume any food. The same way, it is inconceivable that 100 percent of the discretionary spending cuts are going to take place in the final 2 years of this budget to achieve balance. Neither will happen, Mr. President.

For those reasons, I think the approach that is taken in this amendment is on track. I think we have to make a clear statement to the American people that we are not going to achieve a balanced budget with any kind of cook books, any kind of gimmickry, any kind of last-year changes of this magnitude. We are going to go at it in a responsible way.

So for those reasons, Mr. President, I am pleased to support the Frist amendment and urge my colleagues to do so as well. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. What is the situation? Do we have a unanimous consent to vote at 2 p.m. on the pending amendment? What exists with reference to time?

The PRESIDING OFFICER. That is correct. Senator FRIST's side has 1 minute 50 seconds. The Senator from Nebraska has 2 minutes. The remainder of the time can be taken from the general-issue pool.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, while the distinguished manager of the bill is here, I will just make a comment or two and see if we cannot do something to move this process along. I understand that a rollcall vote has been demanded on that side of the aisle, which is surely their right to demand a rollcall vote. I understand—I do not know who it is—but someone on this side of the aisle could not be here to vote until after 2 o'clock.

I simply point out that we are wasting an awful lot of time. In the committee, as the chairman knows, this Senator has tried to move things along. On the floor, this Senator has been trying to move things along.

Here we are debating a sense-of-the-Senate resolution which we all know has no effect in law whatsoever. But if we are going to spend this much time on sense-of-the-Senate resolutions that have no effect in law, and then put off votes that should have occurred an hour ago until some time after 2 o'clock—if that holdup is on our side, I apologize—I simply say that I guess we have given up all chances of finishing this bill by tomorrow night as was clearly stated was the goal.

Since that goal was stated, we have had one vote. We have been locked pretty much in meaningless debate in the view of this Senator, since yesterday morning at 9:30. We had only one vote yesterday. Like yesterday we came in at 9:30 this morning. Here we are at 2 o'clock this afternoon and we are continuing to move around, politicize and question the motives of others.

We have so much to do in the U.S. Senate. I would have liked to have seen this finished by tomorrow night. I recognize now that is impossible. I simply say that this Senator is interested in reducing the number of the amendments that we have, as best we can. I simply say I hope we do not get tied up for this lengthy period of time as we have on the amendment before the Senate. We have agreed to accept the amendment.

Earlier today I said we had 31 or 32 amendments. We now have 51 Democratic amendments on this side of the aisle. If we take as much time on those and other amendments that I am sure are pending on that side, we could be here through July 4th on the budget resolution, talking past each other. We have agreed to accept this meaningless amendment by voice vote, but that is not good enough. Why? I do not quite understand. I simply say I think we are bogging down this process in an unreasonable manner. I renew my pledge to do whatever I can to expedite the process.

I do not think there is any question that the majority is going to vote down the budget of the President of the United States, which is their right. Why do they not just go ahead and do it and move on with the process?

I renew my pleading to the chairman that we move forward and expedite this process.

Mr. DOMENICI. Mr. President, I yield myself 2 minutes. I very much want to not use up our time. Senator HUTCHISON would like to have some time before this 2 o'clock time. She has been waiting a long time.

Let me suggest to my good friend, Senator EXON, first, if the Senator wants to work with me to establish policy for the rest of this debate, that sense-of-the-Senate resolutions—what was your word—are irrelevant, unnecessary.

Mr. EXON. I said it had no effect in law, which it does not.

Mr. DOMENICI. We will make a deal with you. We will get a grand agreement. You do not offer any of them, we will not offer any of them. I put that before you, since sense of the Senates have no effect in law. We are ready to negotiate. Just have real amendments from now until tomorrow afternoon at 3 o'clock and we will be finished with this. I am authorized to speak for the majority leader. We intend to finish this budget resolution this weekend so people who have plans better start talking to our leaders about how they might help us get this budget resolution finished. Everybody has plans, but we have plans to get a budget resolution finished. Frankly, I think we can. I look over the list of amendments on our side. I have not had a chance to look over them on your side. I will shortly.

Frankly, I do not know why, from now until 3:30 tomorrow afternoon, giving us until 10 o'clock or 11 o'clock tonight, and a nice chunk of time tomorrow, we could not get it finished.

Let me talk a little bit about this amendment. The interesting thing about this amendment and the budget tendered by the minority, they may have pulled the trigger but they have replaced it with a giant plug. There may be no trigger but there is a plug. The plug is $67 billion out there in a little compartment of Government called function 920. You do not have to tell anybody how you got there, just put $67 billion in. What it will do, who it will hurt, what it will cut, is not itemized, as ours is. We would like to make sure that the vote says we want to pull the plug, pull the trigger on that plug so it is not there.

Having said that, Senator, I seriously will work with you to try to narrow what we are doing and get on and try and get this done. Thank you for your cooperation.

Mr. EXON. Mr. Chairman, I thank you for your cooperation. This is an irrelevant amendment, a sense of the Senate that we should not have debated as long as we have. But we have. Talk about plugs, the kettle keeps calling the pot black.

I simply cite on page 43, line 20, there is a $43 billion plug in your budget. Take a look at it. Maybe you can explain it. I simply say that it seems to me we keep blaming each other for the delays, when it is a responsibility of both of us. I think this sense-of-the-Senate matter is irrelevant. That is why I agreed to a voice vote. But you are entitled to a rollcall vote.

I yield 4 minutes off my time to the Senator from North Dakota.

Mr. DORGAN. Mr. President, this is not a debate about plugs and triggers but a debate about that we feel is important in terms of investments for the future of this country. I am going to speak, after we have voted on this amendment, about the budget more generally. I want to stay on this subject because I think it is very important to lay out the facts.

The facts are these: If you get rid of all the discussion about any triggers, all the discussion about plugs, the question of who is spending more or investing more in discretionary spending, especially nondefense discretionary spending, is not a serious question any longer at all. The President's budget proposes more investment in the kinds of things that many of us think are very important—college financial aid, Head Start, cops on the beat, the WIC Program. Things that we think are important are going to be better funded in the President's budget.

Now, the majority party says their priority is to add $11 billion above what the Pentagon asked to be spent to buy trucks, planes, ships, and submarines that the Pentagon did not request. They want to add $11 billion in that spending. Then they want to make the case that somehow they are spending more money in discretionary spending than the President's budget. It is simply not true.

If you pull out the defense numbers from that chart, which is included in discretionary spending, the Republican budget would put $10 billion less in nondefense discretionary, which means that the Republican budget over those 6 years is $116 billion below the budget submitted by the President in budget authority—$116 billion below in discretionary spending.

You cannot paint those numbers any other way. That chart does not lie. That chart, if you take out the $11 billion increase in defense the majority party wants, would show a wider gap in nondefense discretionary spending. The President is requesting a much more substantial amount of spending in things like Head Start, WIC, education, student financial aid, cops on the beat, and a whole series of those issues than would exist in the majority party budget. They would have us believe somehow with charts and all kinds of tapdances around these numbers that they are proposing more funding for discretionary spending. It is simply and demonstrably not true. That is the point that is important as we cast this next vote.

The Senator from Nebraska has it absolutely right. I do not know why we are wasting time voting on a proposal to eliminate something that does not exist, but, I suppose, some people will feel better if they can amend something that did not exist and maybe we can have six or eight more of these, but it wastes time and accomplishes nothing.

I yield the floor.

Mr. FRIST. Mr. President, I yield the remaining time on the amendment.

The PRESIDING OFFICER. The time on the amendment has been consumed. The Senator would now have to yield time on the resolution.

Mr. FRIST. I yield time from the resolution to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas [Mrs. HUTCHISON], is recognized.

Mrs. HUTCHISON. Thank you, Mr. President. I thank Senator DOMENICI and Senator FRIST for all the work they are doing to try to draw distinctions between the President's budget, which is before us as an amendment, and the underlying budget resolution, which is the responsible budget resolution that really balances by the year 2002.

My colleagues have said that the President's budget balances and that it provides for middle-class tax relief. The American people want a Federal budget that balances, and they also want to keep more of the money that they work so hard to earn. But let us look at the President's budget and let us respond to the demands of the American people. As Paul Harvey would say, "Now it is time for the rest of the story."

Let us look at the issue of balance. I really think the President cannot have a straight face when he says his budget balances, when more than half of the cuts—more than half—come in the last 2 years—2001 and 2002—of the 7-year period the budget covers. There are $600 billion in cuts over 7 years, and some $350 billion of those are in the last 2 years.

I think it is very obvious that whoever is elected President this year, 1996, is not going to have to face the issues in the year 2001 and 2002, because there will be yet another President.

I do not think we can, responsibly, with a straight face, pass the President's budget and tell the American people that we have done the responsible thing. I want to use some examples of what the President's budget does. Take NASA for an example. Under the President's budget, the NASA budget lopes along about where it is now for 3 years, and then it drops 10 percent over 2 years. Now, that is not a responsible approach toward a research, technology, or scientific endeavor. How can you be midway into an experiment and, all of a sudden, not have the money for it?

The Republican budget, on the other hand, has steady declines in the NASA budget, for which they can prepare. NASA officials can see very clearly what is going to happen and plan how they are going to have to allocate their resources.

Let us take defense spending, another example. The President is proposing another $3 billion in cuts this year. That would make it the 12th straight year of decline in defense spending. Today we spend only a little more than one-half of what we spent on defense in 1985. Weapons purchases alone are down 70 percent from 1985. And here we are, at a time when we have American troops all over the world that are seeking to keep peace in some way or another; while we must maintain the highest defense readiness, and we are looking at a major technology initiative in theater missile defense to defend against the very real ballistic missile threat to our country and our troops in the field; with all these priorities, we are looking at a Presidential budget that reduces defense spending again.

Now let us look at tax cuts. The President's budget has a tax credit of $300 per child up to the age of 13. But the tax credit is only temporary, because it ends if a balanced budget isn't reached in the year 2002. And, according to the Congressional Budget Office, the President's budget will not be balanced by the year 2002.

By comparison, the Republican budget, the underlying budget, has a permanent tax credit of $500 up to the age of 18 for middle-income taxpayers. That is a big difference to an American family. Anyone who has a teenager knows that those are the years when you face the most urgent demands on their hard-earned income.

Let us talk about the homemakers of this country. The budget that is underlying—like the budget that we sent to the President last year and which was vetoed—hopefully will include homemaker IRA's. But the President's budget does not. He does not think that the work done inside the home is every bit as important as the work done outside the home. Therefore, he did not provide for the retirement security options for the homemakers of this country. We must not stand for that. We must make sure that this year we do address that terrible inequity, so that a one-income-earner family and a two-income-earner family will have the same retirement security options. It is only fair that homemakers have their retirement nest egg and that one-income-earner families, who are sacrificing to have a homemaker at home when their children come home from school, will not have to suffer in retirement years.

So there are big differences between the President's budget and the budget that we are trying to pass today. We must reject the President's budget. It is a hollow budget. The balance will only occur if we make huge cuts in the year 2001 and the year 2002.

Mr. President, now is the time for Congress to act responsibly, to have cuts that are sloping very gradually, so that agencies or people that are entitled to benefits will know exactly what is there in a responsible manner. The cuts in the rate of growth of spending should be gradual, not staying at the same level until no one around here will be in office anymore, and then cutting to the bone and saying, "Oh, yes, we are going to set the budget numbers, but we are going to let you in the future make the tough decisions." No, Mr. President, now is the time to make the tough decisions, and that is the issue before us.

Are we going to do the responsible thing for our children and grandchildren for the future of this country, or are we going to adopt the President's budget that is before us on the floor right now, which will not really balance? Those tough decisions being put off now will not be any easier then. Most certainly, we cannot expect a defense budget to go up, down, and back up. Nor can we afford to have an experiment at NASA proceed to a certain point and then drop off the face of the Earth—figuratively speaking.

Mr. President, that is not responsible. We know it, and the American people know it. Let us do the responsible thing and reject the President's hollow budget and make the real tough decisions now. That is what the American people asked of us in 1994. It is what we promised. Let us keep the promise.

I yield the floor.

Mr. FRIST. Mr. President, how much time is remaining?

The PRESIDING OFFICER. There are 2 minutes before the vote. There is no time remaining on the amendment.

Mr. FRIST. We yield back our time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask unanimous consent that we proceed immediately to the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Tennessee.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] is necessarily absent.

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 114 Leg.]

YEAS—99

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Exon
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone
Wyden

NOT VOTING—1

Dole

The amendment (No. 3968) was agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Ms. SNOWE). The Senator from New Mexico.

Mr. DOMENICI. Madam President, let me tell my colleagues where we are. Frankly, we have a long way to go. Once again, I am urging that Senators on our side—and I will yield to Senator EXON on his side—we need all the amendments, everybody who has an amendment to get us the amendment or at least the substance of it. We are going to try to work something out so we can get out of here at a reasonable time.

We are not anywhere close to that. I think on our side we have 22 proposed amendments. We are looking them over, first with staff and then with various Senators.

Senator EXON has a tentative list that is not even completed, of how many?

Mr. EXON. Fifty-one.

Mr. DOMENICI. That is 51, and 22, that makes 73 amendments.

Our leader has told me his desire is that we finish this budget resolution over this weekend. That means we have all night tonight and we have all day tomorrow and perhaps we have part of Saturday. I know that brings a lot of grumpy looks on lots of faces, because I am sure everybody has something they planned to do tomorrow. I have great respect for that. But if I am the general, I will do the job. If I am the follower, I will do the job. Right now, I am the follower. I am doing what the leader suggested.

We are going to be here a long time unless we can reach some agreement. In fairness, we are working with the minority leader and with Senator EXON, who is being very cooperative, to see how we can narrow this down.

Maybe my colleague could report to the Senate from his side?

Mr. EXON. I thank the chairman for bringing this up.

Mr. DOMENICI. We need order.

The PRESIDING OFFICER. Order in the Chamber.

Mr. EXON. Madam President, everything he said I second. The way we are going we will not be through even if we would stay here all weekend including Sunday. The way we are going that would not be enough, we would not get out of here until July 4 sometime, and I am not saying what year. We must move this ahead, not only because I think we are wasting a lot of time but because we have other things that we must address.

I say to the leader, we are sending out a hotline at the present time to try to get an agreement that all the Democratic Senators would file amendments with me by 4 o'clock, or maybe 5 o'clock. I think something like that would very likely be acceptable on my colleague's side. Then we would know how many amendments we have and we might be able to work out something so we can maybe come to a reasonable agreement and if necessary go over sometime until next week, which I think everyone would like to do.

But we are not going to do that, I suggest, following up on the statement of the manager of the bill, the chairman of the committee, as he has just indicated, unless we can have some movement. I think we can get that small amount done, and that small amount is simply to get the amendments listed as we have previously. I think that can happen, but I cannot commit to that now because we are running a hotline. But I believe that will come to pass. I think the immediate thing we have to do is decide where do we go from here? The Senator from Nebraska is interested in going to a vote as soon as possible on my amendment offered this morning at 9:30, to have a vote on the President's budget. We have had a lot of debate on it. I do not know whether we shed much light, but we have had a lot of debate.

In the meantime, I understand the next amendment on that side, and correct me if I am wrong, is an amendment that is supposed to be offered by the Senator from Missouri. Is that correct?

Mr. DOMENICI. That is correct.

Mr. EXON. I am looking at this for the first time now. Is this a sense of the Senate? It is not a sense of the Senate?

Mr. DOMENICI. No, sir, it is a substantive amendment.

Mr. REID. Will the Senator from Nebraska yield for a question?

Mr. EXON. Certainly.

Mr. REID. Madam President, I have been here listening to the dialog between my colleague from Nebraska and the Senator from New Mexico, the manager of the bill. I just have a question maybe one of them can answer.

I have been faithfully attending to my duties here in the Senate the last 3 weeks. Frankly, we have not been doing anything. We have been playing here on the gas tax, minimum wage, and something called the TEAM Act. What, all of a sudden, when we finally have something we can work on that is substantive —what is the rush? Why, suddenly, are we going to work like we have not been working before? Is there some reason suddenly we have to work on these very weighty issues into the middle of the night and on weekends?

Mr. EXON. I do not know for sure how to answer my friend and colleague from Nevada, except to say I do not think it would hurt the image of this place very much, in the public mind, if we would at least appear to be getting something done. That is the reason that I have to say we should move on this more expeditiously. But I think the question can more likely be answered by the chairman of the committee, with whom I have been working. I suspect maybe that is who the question was directed to anyway.

Mr. REID. The Senator from Nebraska had the floor. I certainly am willing to work whatever hours anyone wants. I, like most Senators here, when there are not things going on on the floor, still have lots of work to do on committees.

Mr. EXON. May we have order in the Senate?

Mr. REID. I will await the judgment of the manager of the bill and the Democratic manager of the bill and be available whenever it requires. My only comment was that we have not been doing a great deal the last few weeks and I hope since we are on the bill now substantively, where we do not have the opportunity to offer an amendment on minimum wage which 90 percent of the American public wants, that we can handle this—expeditiously, of course—but I see no reason to treat this bill any differently than we do other bills. There is a lot of work that needs to be done and I think we should do it in an expeditious fashion, not necessarily work in the middle of the night, on weekends, on this bill when we have not been doing it on others.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, I would say to my good friend, Senator REID, from Nevada, it is not like we are trying to hurry this thing through. We almost always have agreed to waive substantial portions of the time on budget resolutions. Almost every evening as we went out we would say we have agreed to use up 5 hours or 7 hours, and I am checking so we will know and next time we can answer you, how we have been doing that.

Second, it is very important we get this finished because we want to give the Appropriations Committee—the Senator serves on that committee—we want to give them their numbers at the earliest possible time so the 13 appropriations bills can be done early this year, rather than holding them over until December and maybe next year.

In addition, we are not in any way talking about forbearing, precluding amendments. We are talking about whether we really need to do 75 amendments.

Mr. REID. If my friend will yield, I understand. I know how hard he has worked on this bill.

I do say, however, the budget resolution was not reported on time. I say to my friend from New Mexico, and I am not speaking for anyone other than myself, I have listened to the debate on this. I think it has been a productive debate to this point. I think it has been good for the Senate. I think it has been good for the American public to have this debate.

I hope this budget resolution can be debated in its entirety. I think we need to have debate on the issues. I say to my friend, I agree with my friend from New Mexico, I do not think we need 75 or 100 amendments on this budget resolution but there are some substantive amendments that I think we need to fully debate and arrive at conclusions on.

My only point is, as my friend knows, he works hard, I work hard. I am willing to do that. I just am a little bit concerned that there is some attempt to stop a full and complete discussion on this, one of the most important matters we are going to decide all year. But I appreciate the courtesy of explaining the Senator's position.

Mr. DOMENICI. I thank the Senator.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Madam President, I have just received word, I want to say—Senator DASCHLE is here—I just want to say we are going to have Senator BOND's amendment ready in 5 or 10 minutes. He will come down and offer it. In the meantime, I want to say it is the intention of the majority that we proceed well into the night to see how much time we can use and how many amendments we can take care of.

I wanted to make sure you knew that, your Senators know that, and I am informing ours right now.

Mr. DASCHLE. I appreciate the Senator's comments. I hope we can get a good debate on amendments. We have a number of them we are prepared to offer just as soon as we dispose of the amendment offered by the distinguished ranking member. We will be prepared to offer those. I assume we will alternate back and forth.

I think it is good to put Senators on notice that we will be here tonight. We are prepared to vote, and we ought to continue as we are.

I thank the Senator.

COAST GUARD BUDGET FOR FISCAL YEAR 1997

Mr. GORTON. Mr. President, with an extensive shoreline in Washington State, the Coast Guard plays an important role in protecting those people who rely on the waters of the Columbia River, Puget Sound, and the Pacific Ocean for commercial and recreational purposes. Whether it is dangerous search and rescue operations, enforcement of existing fishing treaties with Canada, or maintenance of navigational aids, the Coast Guard does its job and it does it well.

For that reason, Mr. President, I included language in the report accompanying the budget resolution that commends the Coast Guard for both its current operations, as well as its efforts to streamline and reduce its overall budget. Under Adm. Robert Kramek's leadership as Commandant of the Coast Guard for the past 3 years, the Coast Guard has reduced its work force by 4,000 positions and lowered its budget by $400 million per year. All of this done without reducing any valuable services to the general public.

In all of the debate over the next 9 months regarding funding for specific programs, I hope that the fiscal year 1997 Coast Guard budget appropriately reflects the efforts being made by Admiral Kramek and all of his staff to provide better government at less cost, while still providing important services to the citizens in Washington State and across the country.

Mr. DOMENICI. I suggest the absence of a quorum just for a few moments until Senator BOND arrives and that it be charged equally.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Madam President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. How long does the Senator desire to speak?

Mr. GRASSLEY. Ten minutes.

THE MORAL CHARACTER OF CONTENT

Mr. GRASSLEY. Madam President, after 3 years of inaudible policy on drugs, the administration is suddenly trying to find its voice. Naturally, after not having been used for so long on this issue, the voice is a bit rusty and unsteady. For those of us not used to the sound after so long a silence, it is just a little hard to make out the meaning. At the moment, the meaning sounds a lot like a New Year's resolution—full of seasonal promises. It is not too clear just what is being said or how much faith we ought to put in this election-year resolution. It is also not too clear if what is being said bears any relationship to the issue being addressed.

The question is, Is the voice speaking from principle or opportunism? The answer lies in finding clues to see whether we are in the presence of conviction or convenience. Sincerity, after all, is not measured in the volume of one's words or the lofty sentiments with which they are pressed. It is to be gaged by actions that match rhetoric. It is measured not in sound bites or self-serving gestures but in commitments made and promises kept. It is signified by candor and stoutheartedness. It is judged by deeds. It is marked by courage. And it is generally easy to tell the difference between stage-managed courage and the genuine article. The genuine article generally has a past and a future because it is based on substance, on character. Its history is not one of fair-weather friendships and will-o'-the wist obligations. The counterfeit tends to swell on cue and to fade when the audience leaves.

So, as the administration clears its throat on the drug issue, it might be timely to take a look at the content and context of the pronouncements that are likely to ensue. At the moment, the new-found conviction of the President on the drug issue, as I said, looks a lot like a New Year's resolution. It is probably only a coincidence that this new year is also an election year. I hope, however, that the present resolution is a little sturdier than most New Year's declarations—so full of promise and so short on fulfillment. We do have some guideposts to go by to decide whether what we have on the drug issue reflects principle or calculation.

It is no secret to the press or to many in the public that the President is candor-challenged. He has a problem with consistency when it comes to what he says. And much of this fidelity deficit seems to owe a lot to expediency. The question is, Does policy grow from sound foundations or from what sounds good at the moment? It was one of the chief advisers to the President who gave us some insight on this. As Mr. Stephanopolous told us, to this President, words are actions. Just listen to what I say, don't look at what I do—or say tomorrow.

There is something of the magician in this philosophy. It is, after all, essential to the illusionists' art that you be distracted by words from what the hands are up to. Thus, it is possible to have no consistent policy but to claim one. It is possible to have mismanaged foreign affairs and assert the opposite. It is possible to have reneged on a bounty of campaign promises and to call it keeping faith. It is possible to make a virtue of having offered no fiscally responsible budgets while blaming others for the lapse. It is possible to have discovered the drug issue on the eve of an election and then to denounce critics as playing politics. And all of this with an elegant turn of phrase.

But there is more involved here than words. We have actions to guide us, to help us go beyond the sleigh of hand. What do they tell us when it comes to sincerity on fighting drugs? In this case, actions do speak louder than words.

The echoes of the Inauguration balls were hardly over before the President cut the Office of National Drug Control Policy—the Nation's drug czar—by 80 percent. That gesture was not an economy it was a massacre. It would also seem to be a statement about the importance of drug policy in the President's own household. But it was not singular.

The new-car smell of the administration had hardly dissipated when the Nation's chief medical officer, the Surgeon General, suggested we could legalize our way out of the drug problem. The tepid condemnation that followed from the President did nothing to foreclose this line of thinking. In fact, the idea of normalizing drug use has gathered strength in the last few years. But this was not all.

The administration also cut interdiction funding. This controlled shift in the priorities in our interdiction policies produced uncontrolled muddle here and abroad. We may not have scared our enemies with this policy, but we successfully confused our friends and our own people. But the story does not end here.

Along with these actions, the President also abandoned the bully pulpit. This is, perhaps, the truest measure of intent. If there is one thing that the President is able to do, it is to talk. He has a gift for words. We must ask ourselves, knowing this, why the President spoke virtually not at all on the drug issue for 3 years? What does this say about a commitment to the drug issue? In over 1,700 utterances in 1994 alone, illegal drugs were mentioned less than a dozen times. As they say, "silence is golden." This is a silence that speaks volumes. But there's more.

In these years of just say nothing, the nature of our drug problem began to change. Although we still had a hardcore addict population largely resistant to our efforts to treat them, we had made major strides in reducing use, particularly among our young people. Between 1980 and 1992 we had succeeded in reducing so-called casual use by more than 50 percent for all drugs, and over 70 percent for cocaine. We had succeeded in persuading young people that drugs were both dangerous and wrong to use. That is now changing.

Since 1992, teenage drug use has surged. The age of people using drugs has dropped. The belief that drugs are dangerous and wrong has reversed. Popular culture once again abounds in drug glorification messages. The legalization movement is better funded and organized, and has found allies like William Buckley. Much of the media has declared a moratorium on discussing drugs—unless it is to give space to legalization arguments. All of this in 3 years, and all of it with hardly a word from the Nation's leading wizard of words.

If the past is any guide, then, we need to approach the present born-again resolution on drug policy with some questions about its meaning and purpose. In this regard, I was struck by comments in several leading periodicals about the new resolution on drugs coming from the White House this election year. These may give us a hint about the future, about whether the President's new found voice speaks from principle or poetic license.

The Weekly-Standard, a policy journal, recently editorialized that "Bill Clinton is mostly talk. He enjoys daily political combat and negotiates its demands with rare talent. But he has never been much for actual, week-in, week-out government. Over any given administrative term in his long career, the Clinton record is thickly stained with the evidence both of his personal disengagement and of the ideological inclinations of his loosely supervised appointees." The piece further notes, "So the early months of a Clinton election year always look the same: He mounts a slick and furious propaganda offensive to muddy that evidence, the better to confuse and silence his opponents. What looks bad, Clinton knows, can often be made to look good—if you jabber about it enough."

If this view is any indication of the depth of the recent pronouncements on drug policy by the President, then we are in the presence of a pretty shallow reservoir. We have words filling in for action. But this was not the only comment on the President's newly found vocabulary on drugs.

A recent piece in the Wall Street Journal noted that "Bill Clinton's retreat in the drug war is among the worst sins for which his administration should be held accountable." The editorial reminds us that the President didn't inhale. It also reminds us that "some dozen White House employees, including senior staff, had been 'requested to be part of an individual drug testing program' because of their prior drug history." But past indiscretion may be no guide to the future.

The Journal piece, however, touches on something more fundamental.

Something that I have talked about before that may be more telling. This involves the character issue. The Journal notes, "* * * we would like to know exactly why Bill Clinton took a powder on the drugs wars * * *." It then adds, "* * * the heart of our complaint with this President's attitude on drugs has to do with what we would call its character, its moral content."

It goes on to make the following point: "Unlike the Reagans, you will never see the Clintons articulating the war on drugs as an essentially moral crusade * * * the Clintons, like the generation of liberal constituencies that they lead, are going to be rhetorically correct, believers in the powers of bureaucratic healing—and nonjudgmental." In other words, Clinton is unable to be a leader on this issue because his opinions on the subject have no fixed address. If this is an accurate assessment, then the President's newly found fervor on the drug issue is likely to have moved on by next November. If true, the present commitment will not last much beyond the echo of his pronouncements. It is not based on principle but on opportunism.

There are many more news accounts about the President's election-eve conversion. These provides us with more insight on how we are to judge the present situation. They do not give us a definitive answer. We must judge for ourselves. But there is not much in the past to indicate that strong principle informs the present sincere-sounding rhetoric. It must have content not just context. For the content to be serious, it must be backed up by character. Without principle what confidence can we have in the words? What we need, what we are looking for, is not resolutions but resoluteness. We do not live by words alone. But it seems that words are all we are likely to get.

Madam President, I ask unanimous consent that these news items be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 2, 1996]

WAITING TO EXHALE

Now, in April 1996, with eight months left on a four-year term, Bill Clinton flies the press into Miami so he can be seen standing shoulder to shoulder with General Barry McCaffrey, a decorated war hero he's enlisted to lead a war on drugs. Standing among school children Monday, the President poured his great rhetorical heart onto the drug war. Along the way came these key words: "Make no mistake about it, this has got to be a bipartisan, American, nonpolitical effort." Translation: Don't blame me for this problem, especially during an election campaign.

In fact, Bill Clinton's retreat in the drug war is among the worst sins for which his Administration should be held accountable. After years of decline in drug use, recent surveys make it clear that a younger generation of Americans is again at risk (see the chart nearby). The number of 12-to-17-year-olds using marijuana increased to 2.9 million in 1994 from 1.6 million in 1992. Marijuana use increased 200% among 14-to-15-year-olds during the same period. Since 1992, according to large surveys of high school students, there has been a 52% increase in the number of seniors using drugs monthly. One in three report having used marijuana in the past year. Private anti-drug advocates such as Jim Burke of the Partnership for a Drug Free America and Joe Califano of Columbia University's Center on Addiction and Substance Abuse have been running alongside this drug fire, yelling for help to anyone who'd listen.

Better late than never, of course, and it is good that Mr. Clinton wants to mend his ways with General McCaffrey. We applaud the appointment and think General McCaffrey has sounded many right notes. Legalization, he says, "is out of the question."

A quarterly regional analysis put out by his office brings the problem up to date: "A recent New York State high school survey reports that 12% of New York teens said that they smoked marijuana at least four times a month, double the number in the 1990 survey." Discussing "Emerging Drugs," the report notes methamphetamine's popularity in the San Francisco area: "in addition to its use by young users who combine it with heroin ('a meth speedball') it can also be found in 'biker's coffee,' a combination of methamphetamine and coffee popular among young, fairly affluent urbanites." Additionally, the report notes that "Club drugs, a name which generally includes MDMA, Ketamine, 2c-B, LSD, psilocybin and a range of other hallucinogens, are increasingly mentioned in this quarter."

These recent events are not a coincidence. The drug retreat was the result of a series of explicit policy decisions by Mr. Clinton and those around him. Which is why we think it is worth focusing on the meaning of his wish that the anti-drug war be "bipartisan, American, nonpolitical." This means that between now and November's election no one is allowed to utter the phrase "didn't inhale." No one is allowed to remember Surgeon General Joycelyn Elders talking about drug legalization, even as her own son was arrested and convicted on drug-sale charges.

Nor should anyone be allowed to bring up White House deputy personnel director Patsy Thomasson's admission to a congressional committee that some dozen White House employees, including senior staff, had been "requested to be part of an individual drug testing program" because of their prior drug history. Ms. Thomasson's experience in these drug mop-up duties extends back to her days in Arkansas when she took over the business of Dan Lasater—Little Rock bond dealer, Clinton campaign contributor and friend-of-brother Roger—while Mr. Lasater served prison time for "social distribution" of cocaine. This week Mr. Lasater is testifying before the Senate Whitewater Committee, and we assume he will be asked to enlighten the committee about the millions of dollars of mysterious trades that his firm made through an account without the knowledge of the account's owner, Kentucky resident Dennis Patrick.

On matters of pure policy, among Bill Clinton's first acts was to cut spending on the war. The staff of the Office of National Drug Control Policy was cut to 25 from 146. Drug interdiction funds were cut. The number of trafficker aircraft seized by Customs fell to 10 from 37 in FY '93–'95. Drug czar Lee Brown wandered the nation's editorial pages seeking the public support he rarely got from his President. New York Democratic Congressman Charles Rangel announced: "I really never thought I'd miss Nancy Reagan, but I do."

Finally, about a year ago, Mr. Clinton received a stinging letter from FBI Director Louis Freeh and DEA director Tom Constantine, charging that the President's anti-drug effort was adrift. So now we have General McCaffrey, who says, "There is no reason why we can't return America to a 1960s level, pre-Vietnam era level of drug use."

Sorry, General, but pre-Vietnam America is not coming back. General McCaffrey's current President is a founding member of the generation that transformed America in the years of Vietnam and those that followed. It bequeathed to all of us a culture and ethos of such personal and moral slovenliness that we must now enlist a battle-hardened soldier to save the children of the anti-Vietnam generation from drugs. It is perhaps the most perfect, bitter irony that when these parents now exhort their children to stop using marijuana (of a strain that is significantly more potent than anything they dabbled in), the kids reply: "Why should we? We're not hurting anyone."

Basically, we'd very much like to know exactly why Bill Clinton took a powder on the drug wars after he became President. There was in fact a rationale of sorts offered at the time for the change in tone and direction. In contrast to what was thought to be the Republican approach of throwing people in jail for drug offenses, the Clinton approach would emphasize prevention and treatment. There is a case to be made for prevention and treatment, but the heart of our complaint with this President's attitude on drugs has to do with what we would call its character, its moral content.

Unlike the Reagans, you will never see the Clintons articulating the war on drugs as an essentially moral crusade. With its emphasis on treatment and programs and prevention, it is mainly the kind of effort that the sociologist Philip Rieff identified as the triumph of the therapeutic. Rather than the schoolmarmish Nancy Reagan, the Clintons, like the generation of liberal constituencies that they lead, are going to be rhetorically correct, believers in the powers of bureaucratic healing—and nonjudgmental. In their world, no one is ever quite caught for disastrous personal behavior or choices. Instead of absolution, there are explanations.

This, in our opinion, is the real reason the drug war waned when Bill Clinton became President. The message this new President sent to his young, yuppie, MTVish audiences was that he was just too cool to go relentlessly moralistic over something like recreational drugs. Sure he had an anti-drug policy in 1992 and a czar and speeches, but Bill Clinton wasn't going to have any cows over the subject. Surely, the drug-testing White House staff understood that much.

We don't doubt that a lot of people in this country, especially parents of teenaged and pre-teen children, would very much like to rediscover General McCaffrey's pre-Vietnam world of less constant cultural challenge. But the people who turned that culture upside down, making it a daily challenge for parents, have at last been given the chance to run the government. But this death-bed conversion on drugs simply lacks credibility. As much as we applaud General McCaffrey's new offensive, only a triumph of hope over experience could lead anyone to believe it would be sustained past November if Mr. Clinton and his crowd are returned to the White House.

[From the Weekly Standard, May 13, 1996]

GENERAL CLINTON, LOSING THE DRUG WAR

(By David Tell)

Bill Clinton is mostly talk. He enjoys daily political combat and negotiates its demands with rare talent. But he has never been much for actual, week-in, week-out government. Over any given administrative term in his long career, the Clinton record is thickly stained with the evidence both of his personal disengagement and of the ideological inclinations of his loosely supervised appointees. So the early months of a Clinton election year always look the same: He mounts a slick and furious propaganda offensive to muddy that evidence, the better to confuse and silence his opponents. What looks bad, Clinton knows, can often be made to look good—if you jabber about it enough.

This is your president's brain. And this is your president's brain on drugs: Clinton is justifiably nervous that his credibility gap in the nation's drug war—still a major public preoccupation—might be exploited by Republicans in the fall.

Candidate Clinton didn't inhale. President Clinton's surgeon general, Joycelyn Elders, made repeated pronouncements on the virtues of drug legalization. Before the ink was dry on his presidential oath, Clinton gutted the White House drug office with a two-fold, shabby purpose: satisfying a campaign pledge to trim his staff, and purging a hundred-odd career civil servants whose only sin (shades of Travelgate) was to have worked under a Republican administration. That massacre remains the president's best known drug-war initiative; three years later, he has spent very little time on the effort. "I've been in Congress for over two decades," Democratic Rep. Charles B. Rangel grumped late last year. "I have never, never, never seen a president who cares less" about drugs.

So it is now, predictably, "inoculation" season, as the Clinton campaign embarks on a weeks-long media tour designed to portray the president as fully and effectively engaged in the war on drugs. Much of it is typical hokum. A talk-show schlockmeister has been recruited to produce anti-drug television commercials; "Montel Williams's leadership on this crucial effort is inspiring," burbles the White House. A Gallup poll on the drug war has been commissioned, as the White House admits without embarrassment, "to demonstrate thinking which will support our efforts." And the president himself—in a spare Miami moment between rounds of golf and multimillion-dollar Democratic fundraisers—has unveiled a "new" drugfighting strategy. He is "working hard in Washington," he tells a group of network cameramen and middle-school students. And his work is paying off, since "every year for the last three years. . . . drug use has dropped."

We'll come back to this falsehood in a moment. Were the Clinton drug-fighting record purely a matter of Elders-like bloopers and mere inattention, the president's current show of concern—and the debut of his newly minted tough-guy "drug czar," retired army general Barry McCaffrey—might be sufficient protection against GOP election-year complaints. But it really isn't true that Clinton has done "nothing" about drugs, as Republicans may want to charge. It's worse, far worse: His administration has engineered the most significant redirection of federal drug policy in several decades. This is a poorly reported story. And an alarming one that begs for informative political debate.

Throughout the 1980s and early 1990s, the federal government pursued what might fairly be described as a "do everything" strategy against illegal drugs. Executive-branch agencies conducted crop eradication and criminal investigative efforts in foreign countries. They launched "interdiction" programs against smugglers operating in the so-called transit zone between those countries and the United States, and on our borders. They undertood a dizzying variety of law-enforcement, drug-prevention, and rehabilitative-treatment initiatives here at home. It was a richly funded campaign: total federal spending on the drug war rose nearly 700 percent between 1981 and 1992. And it roughly coincided with a more than 50 percent decline in the rate of overall drug use nationwide, from its historical high in 1979 to its subsequent low in the final year of the Bush administration.

There was a standard Democratic critique of government drug policy during this period of Republican presidencies: The executive branch was supposedly placing exaggerated emphasis on efforts to reduce the supply of illegal drugs to American neighborhoods, and shortchanging an equally necessary therapeutic approach to addicts and schoolchldren. The drug war's most visibly warlike aspects—its overseas and interdiction programs—were subjected to particular scron. As the Customs Service was spending millions of dollars to get radar balloons tangled in high-tension electical wires on the Southwest border, the scoffers said, cocaine addicts went homeless and died for want of bed-space in federally funded treatment facilities.

Of course, it is a simple fact that federal law can only be enforced by the federal government, and that effort—G-men and prisons, most obviously—is intrinsically more expensive than even the most lavish education and drug-treatment programs could ever be. And so the federal drug budget will always be heavily weighted toward "supply reduction" (and away from "demand reduction") activities. Even in a Democratic administration. President Clinton still spends twice as much money on restricting drug supply as on ending demand.

But he is spending it very differently. Democratic hostility to drug-war "militarism" is alive and well in the Clinton administration. Under his supervision, the federal government is now conducting an anti-drug effort almost exclusively inside the United States. At our borders and beyond, the drug war has, for the most part, been canceled. By formal White House directive.

In 1993, the administration instituted what is technically called a "controlled shift" of federal drug-war assets. Money and personnel devoted to anti-smuggling efforts in the Caribbean, Gulf of Mexico, and on the U.S.-Mexican border were ostensibly redeployed directly to the Latin American countries in which most illegal drugs originate. But that redeployment has never actually occured. The federal drug-budget accounts from which any new Latin American initiative could be funded are 55 percent smaller today than in 1992. The old-fashioned anti-smuggling effort has been "shifted" to nowhere. It has been eviscerated.

The result? Coast Guard cocaine and marijuana seizures are down 45 to 90 percent, respectively, since 1991, In 1994, the Customs Service let two million commercial trucks pass through three of the busiest ports-of-entry on the Mexican border without seizing a single kilogram of cocaine. Between 1993 and early 1995, the estimated smuggling "disruption rate" achieved by federal drug interdiction agencies fell 53 percent—the equivalent of 84 more metric tons of cocaine and marijuana arriving unimpeded in the United States each year. Drug Enforcement Agency figures suggest that cocaine and heroin are now available on American streets in near-record purity—and at near-record-low retail prices.

Which can only be evidence that the supply of illegal drugs on American streets has significantly expanded on Bill Clinton's watch. Because the only other possible explanation, that the demand for drugs has fallen, is at variance with the facts. The president was sadly mistaken—or, well, he lied—when he told those Miami schoolchildren that American drug use "has dropped" every year since he took office. Drug use has steadily risen since 1992, especially among the young. Overall teenage drug use is up 55 percent. Marijuana consumption by teenagers has almost doubled.

This is a pretty striking picture of deliberate government decision-making gone disastrously awry. It's the president's fault. He has proposed nothing to correct it, Gen. McCaffrey and Montel Williams notwithstanding. And he should be called to account. All the president's facile election-year speechifying aside, there are serious differences of personnel and policy that divide this Democratic administration from the Republican administration that would replace it in 1997. Where the drug war is concerned, as in so many other respects, those differences should be clear. They do not flatter President Clinton.

Mr. GRASSLEY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KEMPTHORNE). Without objection, it is so ordered.

Mrs. BOXER. Mr. President, the Senator from Iowa has made a 10-minute attack on the President on an issue dealing with the fight on drugs. I ask that the same courtesy be extended and that I be permitted to speak in morning business for 5 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

THE FIGHT ON DRUGS

Mrs. BOXER. Mr. President, let me say, Mr. President, that it always saddens me when the floor of the U.S. Senate is turned into a place to debate issues regarding the Presidential race. I think it is very important that when things are stated on the floor that are not true, we have an opportunity to respond. I thank the chairman of the Budget Committee for giving me that opportunity.

There is a lot of talk around here about the failure of this President to crack down on the issue of drug enforcement. I want to set the record straight. Federal drug prosecutions are up 13 percent from 1994. Federal prosecutors achieved an 84 percent conviction rate in all drug cases in 1995. So we are beginning to see a change. During the past 3 years, there has been a 9.4 percent increase in prosecutions of the toughest, most complex drug cases. There are now about 48,000 convicted drug dealers in Federal prisons, three-fifths of the total Federal inmate population, and the highest number in history.

There has been a drug-testing initiative. The President ordered Federal prosecutors to seek drug testing of all people arrested on Federal criminal charges, and is seeking $42 million to fund this initiative in 1997. These tests will help Federal judges determine whether a defendant should be granted bail.

The Justice Department has funded 65 grants, totaling $8.5 million to help communities establish and expand drug courts that help break the cycle of drugs and crime. The 1994 Crime Act authorized $1 billion through the year 2000 to support State and local drug courts.

So, Mr. President, people can come down here and make speeches about our President. But at least have the facts. I think this President, and every President, is entitled to the facts. Who is the President that came up with the idea of putting 100,000 cops on the beat? It was this President of the United States of America, Bill Clinton, who came up with the idea that we need more cops on the beat, because it is prevention to have cops on the beat, it is prevention to have community policing. It is the other side of the aisle that wants to rescind that law providing 100,000 cops on the beat and replace it with a block grant, and who knows where the money will go. We want cops on the beat. We are on our way to getting it done. Which President signed the Violence Against Women Act? I am so proud of that because I worked with Senator JOE BIDEN on it for 5 long years. It was this President. And we are going after violence in domestic situations. We are going after the crime of rape. We are working toward making streets safer. Do we have a long way to go? Of course, we do. This is complicated.

Clearly, if we can get drugs out of society, there will be a decrease in crime. We know there is a definite correlation here. We have a President who understands we need enforcement and understands we need very good people to prosecute these cases. We have a President who has cracked down on the border. I come from California, and we are seeing an entirely different situation down there, with large increases in the Border Patrol, and with the U.S. attorney who has just done wonders with the conviction rate of second-time criminal aliens coming back into this country from Mexico. He has prosecuted more of them in 1 year than the previous 5 years altogether.

So when we come down to this floor and we start to use it as a debate over the Presidential race, I wish we would not do it. But if we do it, let us be honorable about it. Let us be factual about it. This is the President who fought so hard to take prevention, effective prosecution, enforcement, interdiction—take all of those aspects of fighting drugs and putting them into one policy, getting through an effective crime bill, and making sure that in fact we are waging an effective war on drugs. This is the President who understands this issue.

So I want to thank my chairman of the Budget Committee for giving me this opportunity to put into the RECORD what the record truly is. And the fact of the matter is since I have been here all I have heard from many on the other side is a desire to repeal the crime bill, repeal the ban on assault weapons which are used by gangs, repeal the Brady bill which has kept weapons out of the hands of 67,000 people who have had mental health problems in the past. We do not want those people getting guns.

I appreciate this opportunity to correct the record.

Mr. President, I yield the floor.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

AMENDMENT NO. 3971 TO AMENDMENT NO. 3965

Mr. BOND. Mr. President, I send an amendment to the desk in the second degree.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Missouri [Mr. BOND] proposes an amendment No. 3971 to amendment numbered 3965.

Mr. BOND. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment:

On page 30, line 5, decrease the amount by $175,000,000.

On page 30, line 6, decrease the amount by $7,000,000.

On page 30, line 11, decrease the amount by $907,000,000.

On page 30, line 12, decrease the amount by $246,000,000.

On page 30, line 17, decrease the amount by $2,256,000,000.

On page 30, line 18, decrease the amount by $1,920,000,000.

On page 30, line 23, decrease the amount by $3,621,000,000.

On page 30, line 24, decrease the amount by $3,033,000,000.

On page 31, line 4, decrease the amount by $3,302,000,000.

On page 31, line 5, decrease the amount by $3,124,000,000.

On page 31, line 10, decrease the amount by $2,355,000,000.

On page 31, line 11, decrease the amount by $2,187,000,000.

On page 33, line 5, increase the amount by $175,000,000.

On page 33, line 6, increase the amount by $7,000,000.

On page 33, line 12, increase the amount by $907,000,000.

On page 33, line 13, increase the amount by $246,000,000.

On page 33, line 19, increase the amount by $2,256,000,000.

On page 33, line 20, increase the amount by $1,920,000,000.

On page 34, line 1, increase the amount by $3,621,000,000.

On page 34, line 2, increase the amount by $3,033,000,000.

On page 34, line 8, increase the amount by $1,708,000,000.

On page 34, line 9, increase the amount by $1,552,000,000.

On page 40, line 23, increase the amount by $1,594,000,000.

On page 40, line 24, increase the amount by $1,572,000,000.

On page 41, line 5, increase the amount by $2,355,000,000.

On page 41, line 6, increase the amount by $2,187,000,000.

On page 45, line 15, increase the amount by $7,000,000,000.

On page 45, line 16, increase the amount by $10,952,000,000.

On page 47, line 9, increase the amount by $175,000,000.

On page 47, line 11, increase the amount by $7,000,000.

On page 47, line 13, increase the amount by $907,000,000.

On page 47, line 14, increase the amount by $246,000,000.

On page 47, line 16, increase the amount by $2,256,000,000.

On page 47, line 17, increase the amount by $1,920,000,000.

On page 47, line 19, increase the amount by $3,621,000,000.

On page 47, line 20, increase the amount by $3,033,000,000.

On page 47, line 22, increase the amount by $3,302,000,000.

On page 47, line 23, increase the amount by $3,124,000,000.

On page 48, line 2, increase the amount by $2,730,000,000.

On page 48, line 3, increase the amount by $2,623,000,000.

The PRESIDING OFFICER. Under the previous agreement the debate on the Bond amendment is limited to 1 hour.

Mr. BOND. I thank the Chair.

Mr. President, my colleagues, this is a simple amendment. It increases function 700 for veterans by $13 billion over the period of 1997 to 2002, and to pay for that it increases the reconciliation instructions for welfare reform by $13 billion which raises the total number under the President's plan from $39 to $52 billion.

I think it is time that we get back to talking about the budget which is the subject in front of us today. We have just had a very clear-cut indication in this body that people want to talk about a real budget that does not make drastic cuts in the last year. They said it was a bad idea. This is the first good opportunity to vote on the President's proposal to achieve the balanced budget by taking a tremendous whack out of discretionary programs including those items which he cited as his high priorities in the last 2 years.

I am very pleased that our colleagues unanimously on both sides of the aisle said that did not make any sense, and that we should not go at it in a meat ax way. I think we ought to start taking a look at responsible adjustments to try to bring this proposal back into the realm of reality.

The amendment that I have just offered has a series of numbers. Those numbers ensure VA medical care will not be one of the victims of the President's drastic outyear cuts, and it also restores the cuts proposed for the years 1998, 1999, and 2000 before the trigger—before the cap—hits.

My amendment would bring the VA medical care up to what is included in the Senate Republican budget proposal, an almost $13 billion add-on. As I said, it offsets this by asking for greater savings in welfare.

Let me address the second part of that first. After 30 years of ever more expensive and less effective approaches to poverty, last year Congress came up with a plan that we sent to the President which he vetoed which would have reformed welfare in a meaningful way. I think our approach struck a fair balance between the role of the Federal Government in providing a safety net and giving States increased responsibilities. You would have saved $64 billion over 7 years in the process.

Since the creation of Aid to Families with Dependent Children, public aid has been regarded as an entitlement. If you meet the requirements for eligibility, you receive the cash with no strings attached. The current system has been rightly maligned by persons from all walks of life, including researchers, advocates, politicians, and even the recipients themselves. They know the system does not work. The system is impersonal. It is inefficient. It encourages continued dependency.

I am concerned that, if we do not require recipients of public assistance to work, or at least behave responsibly, or take steps to wean themselves from public assistance, our efforts at reform are just going to be another word for more of the same.

Our welfare bill which passed the Senate overwhelmingly on a bipartisan basis had a real work requirement. In that bill, we also permitted States to implement reform ideas without undertaking a lengthy and cumbersome waiver process. States who wanted to require welfare recipients to obtain preventive health care for their children, or to ensure their children stay in school and wish to allow recipients to keep more of their earnings from a part time job—all of them a good idea—now have to go through a waiver process from HHS. It is costly, time consuming, and silly.

I have addressed before a silly problem that came up in Sedalia, MO. You have heard me talk about this on previous occasions. But this is the example of what the Federal law, as it now stands, does not permit States to do. The State of Missouri working through their local family services office and the employers in the area decided in Sedalia, MO, to try a pilot program to get people jobs in an expanding new industry in town. People seeking food stamp assistance were sent, if they were able bodied, to the employer for job interviews. If they were offered a job then they got off the need for food stamps. If they refused to show up, or if they were offered a job and refused it, then the State could sanction them, and did not have to give them food stamps. There was a real incentive for these people to make an effort to get work. A lot of them did get work. Some of them did not like the work that was offered. They went out and took another job. That is fine.

A lot of people in that community who had been depending upon public assistance went back on the work rolls. Two of the people, however, who were sent to the employer they failed the employer's mandatory drug test. When they went back to the State the State could not cut them off of welfare, or food stamps in this instance, because they had failed a drug test. And the State wants a waiver. The State said this is crazy. And they are right. If we want to get people off of welfare and to work, and we prohibit States from saying, "If you cannot get a job because you failed the drug test, then we will pull you off the welfare rolls. We will not give you assistance." That means, if somebody wants to stay on public assistance and get food stamps, or welfare, all they have to do is take drugs. What a perverse incentive.

The State has been battling to get a waiver. My view is the States should not have to get a waiver. The States ought to be permitted to make those commonsense determinations and see what works.

The current system that President Clinton is defending by his vetoes keeps those nonsensical requirements in place.

Where States, despite the best efforts of the Clinton administration to keep control, have been able to implement significant reforms the results have been astounding. Welfare caseloads have dropped to 25 percent from 30 percent in some States including Massachusetts, Indiana, and Michigan. That is why we are here. More families are able to obtain self-sufficiency which has the added benefit of saving the Federal Government money.

As I pointed out, the welfare reform plan that we sent to the President which he vetoed would have saved $64.1 billion over 7 years. In this amendment before us I am proposing that we save $53 billion in welfare programs so that we can keep a promise we made to our Nation's veterans who risked their lives for us that they would always have health care.

This, I would think, is not an unrealistic number. The Senate Budget Committee plan calls for $54 billion in welfare savings. Some of the savings would be achieved in the Supplemental Security Income Program, which, as the fastest growing entitlement, desperately needs reform. We can make these savings by reforming the programs and returning them to the States for them to administer, thereby eliminating huge Federal bureaucracies.

I think the people of America want to see us get serious about welfare reform. If you believe what the President says—he says we want to change welfare as we know it—I think it is time we did what the people want and the President says rather than rely on the President's veto to keep the status quo.

Now, what this will do on the other side, for the Veterans' Administration patients, is to ensure that when they need health care they are not going to be denied. The people who are served in Veterans' Administration facilities around the country are the ones who have been injured in combat overseas and/or those who are medically indigent.

This is where they are cared for—in all of these locations. These are 170 Veterans' Administration facilities across the Nation. Last year, my colleagues on the other side of the aisle said that we could not have a flatline of spending in veterans affairs because it would result in closure of four of those hospitals. Frankly, there are savings that can be made in the Veterans' Administration, and I think that those savings are being pursued in the health care area by Dr. Ken Kizer and others. But there is no way that an almost 25-percent cut, $12.9 billion, can do anything but devastate the program. Millions of veterans will not be served. At least a quarter of these hospitals and veterans facilities will have to be shut.

Pick a State, any State. As I mentioned earlier, some of the major States like California would probably have to have three or four closures. My home State of Missouri would have to have at least one closure. All of the States with veterans facilities would be faced with losing some of those facilities, as well as service to many of their most needy people.

Massachusetts would lose at least one; Washington, at least one; Texas, two; Pennsylvania, two, probably three; Illinois, with six facilities, one or two; and Florida, the same position, at least one or two. I do not think that is acceptable. When we asked the Secretary of Veterans Affairs, who came before our committee, to comment on these proposals, he said he could not live with that scenario.

He did not like our scenario, which was a flatline, but I believe they can live with that. But he sure cannot live with a scenario that takes a tremendous whack out of the budget and, beginning after 1997, takes funding for the Veterans' Administration in a precipitous decline. That is why I think we need to have a realistic budget. It is time that we started talking honestly about what our needs are going to be in the future.

We are joined in this concern by a number of organizations which have expressed their grave concern over this. The Independent Budget, a group comprised of Amvets, Disabled Veterans, Paralyzed Veterans of America, Veterans of Foreign Wars of the United States, wrote to Secretary Jesse Brown on May 14, 1996, which I will submit. I received a copy. My colleagues, chairs, and ranking members of the VA-HUD Appropriations Committee, received it. I will cite to you just the middle paragraph of the letter. It says:

> Our Nation's sick and disabled veterans deserve a viable health care system devoted to them and their special health care needs. Many of us have opposed budget plans brought up in Congress because we believe they call into question the continued existence of such a health care system. President Clinton's 7-year balanced budget proposal does not provide the funding necessary to meet these needs. This is true in view of the fact that we have yet to witness true VA health care eligibility reform.

I send that letter to the desk and ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE INDEPENDENT BUDGET,
Washington, DC, May 14, 1996.

Hon. JESSE BROWN,
Secretary of Veterans Affairs, Department of Veterans Affairs, Washington, DC.

DEAR SECRETARY BROWN: On behalf of AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and Veterans of Foreign Wars, the collective authors of the Independent Budget for the Department of Veterans Affairs, we are writing to inform you of our concern over President Clinton's seven year budget plan as it relates to the Department of Veterans Affairs' (VA) medical care.

Our nation's sick and disabled veterans deserve a viable health care system devoted to them and their special health care needs. Many of us have opposed budget plans brought up in Congress because we believed that they called into question the continued existence of such a health care system. President Clinton's seven year balanced budget proposal does not provide the funding necessary to meet these needs. This is true in view of the fact that we have yet to witness true VA health care eligibility reform.

We all are aware that we live in fiscally constrained times, and we all support taking steps to continue on the path of deficit reduction. But we cannot, and must not, set budgetary targets for VA medical care that are unrealistic and which are not a clear response to the problems faced by the VA, and the many veterans who rely upon the system. When budget plans do not reflect the true needs of the VA medical system, we will oppose them, and call on others to oppose them.

Sincerely,

KENNETH WOLFORD,
National Commander, AMVETS.

RICHARD GRANT,
National President, Paralyzed Veterans of America.

THOMAS A. MCMASTERS III,
National Commander, Disabled American Veterans.

PAUL A. SPERA,
Commander-in-Chief, Veterans of Foreign Wars.

Mr. BOND. I also would note that the American Legion, in a letter to me dated May 10, 1996, states:

> After reviewing President's Clinton's FY '97 budget proposal for the Department of Veterans Affairs, the American Legion is deeply disturbed with the outyear funding levels recommended.

They conclude by saying:

> The American Legion strongly believes there are acceptable alternatives Congress should seriously consider before turning its back on American veterans and their families.

Mr. President, that is simply what is at issue here. Are we going to turn our backs on veterans, or are we going to make some responsible choices and say it is time to get serious about welfare reform and make sure we put people to work and use some of the funds that we save to ensure that we care for our Nation's veterans, the elderly, the sick, the war-injured, the medically indigent who need our help and care.

Mr. WELLSTONE. Will the Senator yield.

Mr. BOND. I will be happy to yield. I relinquish my time, and I will be happy to yield the time on the other side.

Mr. WELLSTONE. I came over to speak on the budget, and I just came out on the floor, and I apologize to my colleague. But if I understand the context, could I ask the Senator, first of all, exactly what cuts are being made in the welfare area? Is this food stamps? Is this the Supplemental Security Income Program? Where exactly are you proposing to make these cuts?

Mr. BOND. I say to my friend, we are proposing in the reconciliation numbers, if you will look at the copy of the amendment, which is not very descriptive unless you have the whole document with you, and I assure him that these change the numbers for reconciliation so that in the reconciliation process——

Mr. WELLSTONE. Is this in food stamps?

Mr. BOND. The Finance Committee will have to make the changes to come up with the numbers which show the actual reforms made. We, on the Budget Committee, cannot make those reforms. The Finance Committee has to make those reforms. This will give them the same directions that the current Budget Committee report, now on the Senate floor, makes.

Mr. WELLSTONE. Is the Senator prepared to say that there would not be reductions in, for example, the food stamps or the Supplemental Security Income Program, or does the Senator believe there will be deductions in order to make the target?

Mr. BOND. We are not saying, Mr. President, exactly what the outlines of this welfare reform proposal will be. The Finance Committee has previously presented welfare reform proposals. We presented and adopted in this body a measure taking $64 billion out of welfare. It was included in the Balanced Budget Act. I would expect that the beginning point would be that point, and if Members wish to change that measure, they can even reduce that by some $10 billion and still achieve the savings that are necessary.

Mr. WELLSTONE. If the Senator will yield, the Senator is saying now in the Chamber—just a couple of other questions—that, in fact, there would not be cuts in the Supplemental Security Income and Food Stamp Programs? Because the Senate has gone on record in voting on the proposition I introduced that we would not take any action which would create more hunger among children.

The Food Stamp Program is a major safety net program. Is the Senator prepared to say that we are not going to be taking any action by this offset that would create more hunger among children?

Mr. BOND. This offset is not designed to create hunger among children. I would point out to my colleague from Minnesota that if he were here earlier, he would have seen the drastic slashes that the President's budget proposes in the feeding program for women, infants, and children. This is a program devoted to providing vitally needed nutrition.

Mr. DOMENICI. Will the Senator yield?

Mr. WELLSTONE. Mr. President——

Mr. BOND. Since the Senator from——

Mr. WELLSTONE. I did not ask about WIC.

Mr. BOND. Let me show this chart.

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. BOND. This is the President's proposed spending on women, infants, and children. This drops off the cliff. We propose to continue to fund it.

Mr. DOMENICI. Will my colleague yield?

Mr. WELLSTONE. Mr. President, on the question, could I ask——

Mr. BOND. Mr. President, I appreciate the questions, I say to the Senator from Minnesota. I have been asked for my attention by the Senator from New Mexico.

Mr. DOMENICI. Could I ask a question? We had a debate for about an hour and a half about this trigger idea. Lo and behold, we found the position of the Democrats is this budget does not have any trigger in it. You know, the trigger was the President's way of getting to a balanced budget when he did not have a balanced budget. So they have suggested they do not have a trigger.

But I say to my very good friend, sitting over in a little category called function 920, allowances, is $68 billion in budget cuts. So that was the trigger under the President's budget which permitted him to say, "We are not cutting anything. It is those bad Republicans who are cutting everything, including veterans."

Now the cat is out of the bag. Your budget, the President's budget as submitted by the Democrats—which they are going to vote for, I understand, willingly—it says to get to balance we really have to cut a lot of things we have not told anybody about yet. Right?

Mr. BOND. This is correct.

Mr. DOMENICI. This is the Oscar for fiction that I described: We do not have to cut anything except that big bunch of money that is there. You are suggesting that even cuts more than Republicans expected to cut in our budget, and on veterans you have shown what it does. Is that correct?

Mr. BOND. That is correct, the cuts in veterans are absolutely devastating and would result in closing at least one-quarter of all veterans facilities. To me that is totally unacceptable.

Mr. DOMENICI. I want to just make one last observation and a question. The amount of money that you say should be taken out of welfare in the President's budget, Senator WELLSTONE wants to know details. As a matter of fact, is it not true that the bipartisan welfare bill which passed the Senate with 87 votes cuts more in welfare, and had 87 votes, Democrats and Republicans, than the final product even when you take the additional amount out? Is that not correct?

Mr. BOND. That is correct.

Mr. DOMENICI. I thank the Senator.

Mr. WELLSTONE. Could I ask one more question?

Mr. BOND. If this has been on our time, I need to reserve the time. I will be happy to respond, if there are further discussions, on time on the other side. But I wish to yield the floor. I will be happy to listen to my colleagues.

Mr. EXON. How much time does the Senator need, I say to the Senator from Minnesota?

Mr. WELLSTONE. How much time is left?

Mr. EXON. How much time do you need?

Mr. WELLSTONE. All the time that is left.

Mr. EXON. I yield 3 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for up to 3 minutes.

Mr. WELLSTONE. I thank my colleague.

Mr. President, I actually came out to talk about the President's budget versus the Republican budget, but I will say to my colleague from Nebraska I will do that later on.

I did want to, in responding to this amendment, just say to my colleague from Missouri, I have not really sorted out the whole amendment, but I did want him and my good friend from New Mexico to know that, as a matter of fact, the Office of Management and Budget came out with a report saying that that welfare reform bill that passed would, in fact, lead to more poverty among well over 1 million children. So, before we start talking about all these cuts, it would be helpful to know exactly where you intend to make the cuts and what impact it is going to have on the most vulnerable citizens in this country. It is true they do not have lobbyists outside. It is true they are not the heavy hitters. It is true that they are not the big players. But I think we ought to be careful. Again, I have to look at the specifics. But I never did hear a response to my question as to what impact this would have on what has been a major food and nutrition program.

My second point is it is my understanding from talking to the Secretary of Veterans Affairs, Jesse Brown, that the agreement with the President on the outyears is that each year this will, in fact, be negotiated. The interesting thing is that many of us fought against the last Republican budget which did have the reductions which we thought violated a contract with veterans. As a matter of fact, the President held very strong on that issue.

What I find interesting when I hear my colleague from Missouri talking about veterans is I know what I have been trying to push, which is what I hear from the veterans community, which is health care eligibility reform, which would make a huge difference. So I wonder why it is that all of a sudden we have this amendment out here on the floor when in fact it is not clear exactly who is going to be cut. I cannot get an answer to my question how it is going to affect children in this country.

In addition, what has been left out, from what I heard from my colleague from Missouri, is the very clear understanding between the Secretary of Veterans Affairs, who has been a huge advocate for veterans, and the President, is that of course there will always be negotiation when it comes to the out years because we all know that we take a look at this year by year with a very strong commitment to veterans.

So I take rather serious exception as to whether or not the President has been hanging in there strong for the veterans community versus the Republican budgets that we have had before us.

I say to my good friend from Nebraska, I will not take any more time now. Later on I hope I will have a chance to talk about this budget in overall terms, but I gather we do not have time on this amendment.

The PRESIDING OFFICER. Who yields time? The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I hope the manager of the bill, the chairman of the committee, could be present because I would like to straighten some things out. We had made an earlier agreement that we would move back and forth.

I thank my friend, the chairman of the committee, for being on the floor.

We made an arrangement. Good-faith arrangements are something this Senator has always lived up to in 18 years in the U.S. Senate. I was to offer the next amendment. I could not do so since the Senator from Iowa was on the floor, got the floor, and was talking as in morning business for 5 minutes. It went on way beyond that.

In the meantime, I have been working diligently with the chairman of the committee to try to work out the increasing number of amendments that are coming forth. We had discussed this, either off or on the floor. There were private discussions going on in good faith, I thought, with Chairman DOMENICI and myself, as ranking member. I went in to visit, to try to work that out and accommodate everyone. I came back out to find that the Senator from Missouri, probably unknowingly, broke the arrangement. The Senator from Nebraska had been faithfully waiting to offer the next amendment and I thought my prerogative would have been protected, as is customary in this body.

I ask the chairman of the committee whether or not it is true that the Senator from Nebraska was to be next recognized to offer an amendment, under the previous agreement?

Mr. DOMENICI. Mr. President, I say to the Senator, I am quite certain that somewhere in the record it will reflect we were going to your side after we had finished our last amendment.

I do not think we should cast any aspersions on Senator BOND. He came to the floor. Nothing was going on. He was unaware of this. We had been running him down at committee hearings to try to get him here. Frankly, when he first arrived, I told him to sit down and rest, he had hurried over here with such enthusiasm. He is not the great athlete he was 20 years ago. I should not say that. Obviously, he still is.

But what would the Senator like? He will finish his and you have one? It was not ready a while ago, but your staff told me it is ready. Would you like to offer yours and then what? Vote on yours first?

Mr. EXON. What I was hopeful of is that I would offer my amendment, we would have a vote on that, then go on to your amendments and proceed in the usual fashion. That is what I would like to have done. But it seems to me now you have used up considerable time on the time that you had. Is that right, I ask the Senator from Missouri?

Mr. DOMENICI. Mr. President, how much time has the Senator used?

The PRESIDING OFFICER. The Senator from Missouri has 11 minutes remaining. The Senator from Nebraska has 21 minutes remaining.

Mr. DOMENICI. On the Bond amendment.

Mr. EXON. I simply say what I would like, and I would like to work our way out of this situation—the Senator from Nebraska was expecting to be recognized to offer an amendment, and I would like to have had a vote on that. Then you would go back to your side, and I assume the Senator from Missouri would be next in line?

Somehow we got out of whack. My knowledge of the Senator from Missouri is that he has always been a very fair and articulate person. Maybe he came in here and maybe staff ignored him, maybe staff did not tell him what the proper procedures were and he went ahead. Whatever the situation is, the agreement that we have and entered into has been violated, and I think it is up to the chairman to say how he wants to straighten it out.

Mr. DOMENICI. I do not want anybody to have this idea that anybody violated anything.

Mr. EXON. That was the result.

Mr. DOMENICI. I propose that we fix it this way: Whatever time is left on this amendment, we complete the amendment. We set it aside, and Senator EXON proceed with his amendment for whatever amount of time you want. When you are finished, we will vote in sequence, voting on your amendment first, but we will do them together so Senators will come down and vote twice, vote on yours first, and then Senator BOND's amendment second.

Mr. EXON. If I understand you correctly, you are suggesting that we finish the debate with the allotted time——

Mr. DOMENICI. Yes.

Mr. EXON. Then allow me to come in and have whatever time I need that can be agreed to, then we will vote on my amendment first and his second, to get back on the right course.

I have no objection to that, and I say to my friend from Minnesota, if he needs additional time, I will be glad to yield. The reason I did not yield unlimited amounts of time before was because I thought it was important that we get straightened out the violation of what I thought was the agreement. Now that we have done that, I yield——

Mr. DOMENICI. Let me get a unanimous-consent agreement on this so nobody will be objecting.

I ask unanimous consent that when the time has expired or yielded back on the Bond amendment, that it be set aside temporarily for the purpose of permitting Senator EXON to offer an amendment; that when the time has expired on the Exon amendment or yielded back, that we will vote on the Exon amendment or in relation thereto first, to be followed by a vote on Senator BOND's amendment, and I also ask at this point that the second vote be a 10-minute vote, since the Senators will be here.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. May I suggest one other extension? Maybe we do not have to have a unanimous-consent agreement on this because we generally go with a gentlemen's agreement. Our side would offer the first amendment after the two votes; is that correct?

Mr. DOMENICI. By agreement, that is the way we are doing it. I do not know we should put it in the consent. I do not intend to violate the agreement.

Mr. BOND. First, I was going to ask for the yeas and nays.

Mr. DOMENICI. Let us get the unanimous-consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, just so I understand, so we do not have another disagreement, the agreement that we have gone back to, to recognize the agreed-to procedure, that the Senator from Nebraska will go next—I will do that—then we will have the vote on my amendment, then we will vote on the amendment from the Senator from Missouri. After we finish the second vote, then it will be a Democratic amendment up at that time?

Mr. DOMENICI. That is correct.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I think we have kicked this one along and around far enough. I am very happy that we have reached an accommodation where we will finish debate on this and then we will set it aside to go to Senator EXON's amendment.

To set the record straight, I was called out of a hearing that I was chairing because it was envisioned that I would offer an amendment at 3 o'clock. I came to the floor. There was a quorum call, and then the Senator from California was speaking. When she concluded, there was no one else around, and I offered an amendment. I figured that we might get on to the business of the Budget Act.

I apologize for preempting the Senator from Nebraska, but I trust that everyone is happy now, that his vote will be ahead of ours, and I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Nebraska.

Mr. EXON. May I ask my friend from Minnesota, we may have some other speakers on this amendment, you sought additional time. We have 21 minutes?

The PRESIDING OFFICER. The Senator from Nebraska has 17 minutes remaining.

Mr. EXON. Can I yield 7 minutes, will that be adequate?

Mr. WELLSTONE. That will be fine.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 7 minutes.

Mr. WELLSTONE. Mr. President, I thank my colleague from Nebraska.

I want to respond to some of the comments of my colleagues on the other side, from Missouri and New Mexico, about the President's overall budget, what has been presented by my Republican colleagues.

I will say that as I look at the Republican's plan, I really do not quite understand what I think is a real disconnect with the people we represent, because as I look at this plan over a 6-year period of time, I see the same too deep of reductions in both Medicare and medical assistance.

Just to talk about this from a Minnesota perspective, I want to make it very clear that in my State, we are the skinny kids on the block. We have kept our costs down. We do not have the same fat in our system and, therefore, the effects of these cuts would, in fact, do harm to the quality of care for elderly people within our State. I am talking specifically about Medicare.

Some of the changes that the Republicans have made in their plan now put even more of an emphasis on the reimbursement to the providers. But in greater Minnesota, Mr. President, as high as 60 percent of the patient payment mix for some of our rural hospitals is Medicare, already below the cost of delivering care.

So I will say what I have said many times on the floor of the Senate in this debate, the numbers cannot drive the policy. The policy has to drive the numbers. This is a rush to recklessness. It will not work for Minnesota and, therefore, I hope that it will be rejected, and I know that people in Minnesota will reject it.

Mr. President, on the medical assistance, I will just say, again, to my colleagues, you have chosen to target some of the citizens who are the most vulnerable in America. In the State of Minnesota, 60 percent of medical assistance, which is what we call it in Minnesota as opposed to Medicaid, goes to people in nursing homes. I ask my colleagues, why do we want to make cuts there?

We have about 300,000 children in my State who receive medical assistance. It is the best safety net program in our

State to make sure that children receive health care. Why do we want to cut there?

Then, Mr. President, I see another disconnect. I say to my colleagues here—I see the Senator from California—it was not more than about 2 months ago I had an amendment on the floor. We received 84 votes for it where we restored the funding that had been cut in title I, school to work, safe and drug-free schools, Head Start, and all the rest. Now I see similar kinds of cuts in education and job training.

The cuts proposed in the Republican budget are too extreme, they are too harsh, they are shortsighted, they go beyond the goodness of Minnesotans, they go beyond the goodness of America, and they should be rejected.

Mr. President, then I look to the higher education. I am going to have an amendment out on the floor. It is an amendment Democrats are going to offer, and we will have a vote on it. I will say to my colleagues, once you go beyond the tax credits that go to children and families, anything else you have left over in your budget should go to tax deductions to pay for higher education.

Mr. President, I do not see tax cuts that flow disproportionately to higher income people. I think we ought to reinvest it in education. If you want to talk about a middle-class issue, talk about making sure higher educational is affordable.

Mr. President, I have said it before, at least in committee—I will say it on the floor of the Senate today—I do not think some of my colleagues with their proposed cuts, again, in higher education, understand the squeeze that students and their families feel.

We have students in Minnesota that sell plasma at the beginning of the semester to buy textbooks. We have students in Minnesota working at two or three minimum-wage jobs—it would help if we raised the minimum wage—while going to school. Therefore, it takes them 6 years. We have students in Minnesota no longer 19 living in the dorms. They are older. They have families. They are trying to afford the education to get back on their feet, to be able to obtain decent employment.

I am going to have an amendment out on the floor that will hold all of us accountable and see who is committed to making sure there is affordable higher education.

Mr. President, I want to mention two other amendments that I am going to introduce, one of them which speaks to the question I raised for my colleague from Missouri, by the way, who I think is a great chair of the Small Business Committee. I think we are good friends. We do not always agree on issues.

But I am going to have this time a recorded vote, because I had an amendment at the beginning of this Congress. I could see it coming, that it was the sense of the Senate that we would not take any action that would create more hunger or homelessness for children. And I lost. People voted against that amendment.

The third time around it was voice voted for approval. I wish I had not done that because I think it was dropped in the conference committee, as I remember. As I look at some of these proposed reductions, I see the same kind of action taken.

So this time I am going to have a recorded vote where we go on record that we will not pass any legislation that could create more hunger or homelessness among children; and if in fact the result of some of these cuts is to do just that, then the next year we will revisit the action that we have taken. It is important that the Senate go on record this time with a recorded vote.

Finally, Mr. President, I want to say to my colleagues, we went through the battle on the COPS Program, community policing, and we made sure that it was not block granted. We made sure that there was a focus on community police. I could brag for the next 24 hours, and I only have probably 2 minutes—I ask unanimous consent that I have 2 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. About some of the work of the police chiefs and sheriffs in Minnesota and the men and women in law enforcement; very creative work to reduce violence in homes, very creative work with some of the kids, at risk kids, some of the kids that have the most trouble in schools, very creative work in some of the neighborhoods and some of the cities, but a program that has been extremely effective in metropolitan Minnesota and greater Minnesota.

I think I may come out with an amendment that makes sure that we in fact have the funding this next year for that program and make a commitment over the 6-year period.

Finally, Mr. President, let me just say that on the President's budget I do not find everything in there to be perfect. I think there is too much for the Pentagon. I think there is too much by way of tax cuts.

If I had my way—but I could never get my colleagues to vote for this; in fact I could not get quite a few Democrats to vote for it; I hardly got any support among Republicans. I want one more time on the floor of the Senate, with 1 minute left, to shout it from the mountaintop.

Why are you so anxious to cut educational opportunities for children, and job training, and not adequately fund community police, but you are more than willing to give away the wasteful subsidies to the pharmaceutical companies, to the oil companies, to the tobacco companies, et cetera, et cetera, et cetera?

Where is the Minnesota standard of fairness? What we have here, with the Republican proposal, is deficit reduction, a balanced budget, one more time, based on the path of least political resistance. You have your deepest cuts that affect those citizens who have the least amount of political clout. And when it comes to the big players, and the heavy hitters, and all the wasteful subsidies that go to so many of these large corporations, you hardly touch it. You hardly touch it. It is not credible. It is too extreme. And it should be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. LOTT. Mr. President, would the distinguished Senator from Missouri yield me 2 minutes for a brief statement?

Mr. BOND. Yes.

The PRESIDING OFFICER. The assistant majority leader is recognized.

THE DEATH OF ADMIRAL BOORDA

Mr. LOTT. Mr. President, I take just a few minutes now to advise the Senate that I have just learned of the tragic death of Adm. Mike Boorda, the Chief of Naval Operations.

Since many of us were close personal friends with Admiral Boorda, and have dealt with him on a very close basis, I will take a moment to offer our prayers and very best thoughts to his family.

Admiral Boorda has been a model for our country. He rose through the enlisted ranks to become the leader of our Navy through hard work and perseverance. He was what is known in the Navy as a Mustang. He went in just as an enlisted sailor. He became the Chief of Naval Operations. Along the way, he was a surface warfare officer, and he commanded the U.S.S. *Farragut*, Destroyer Squadron 22, Cruiser-Destroyer Group 8, and Battle Force Sixth Fleet.

Most of us first saw the bright, intelligent and personable style of Admiral Boorda when he took over as Chief of Naval Personnel in August 1988. In 1991 he received his fourth star and became the commander in chief, U.S. Naval Forces, Europe. As CINCSOUTH, Admiral Boorda was in command of all NATO forces engaged in operations enforcing U.N. sanctions against the warring factions in the former Republic of Yugoslavia. On April 23, 1994, Admiral Boorda became the 25th Chief of Naval Operations.

Over the years, as a member of the Armed Services Committee, I have known many naval officers, and I have known, since being a Member of Congress, many Chiefs of Naval Operations. I have never known one better than Mike Boorda. The men and women of the Navy loved him.

I know my colleagues join me in remembering Admiral Boorda and expressing our deepest sympathies to his family. I yield the floor, Mr. President.

Mr. EXON. Mr. President, I ask unanimous consent that before the whip leaves that I may just say a word or two and ask a question of him.

We have had a lot of shocking developments around this place, but none has shocked me more than the statement he just made.

Admiral Boorda was a truly outstanding man, a great friend of mine. In fact, the last time that I saw him was just a few weeks ago. And he stopped in my office, without any notice whatsoever, and he said that "I have nothing on my mind at all except to thank you for all the help that you have been over the years to the U.S. Navy." That is the kind of person he was.

Do you have any details at all on this? This had to be a very sudden affair. Do you know what caused his death? Could you explain a little bit?

Mr. LOTT. We do not know all the details, only what is being reported on CNN and through the Naval Congressional Liaison Office. I understand it was an accident of some sort of gunshot wound, that he perhaps went home at lunch, and this bullet wound was inflicted during that lunch period. And he had been discovered in the last couple of hours. I do not know any details other than that.

Mr. EXON. I thank my friend.

Mr. STEVENS. Will the Senator yield to me?

Mr. EXON. I will be glad to yield to the Senator from Alaska on the same basis.

Mr. STEVENS. Mr. President, I have come to the floor in a state of shock. Adm. Mike Boorda, a personal friend, traveled with me to my home State this year. I have spent many times with him in my office and in his office.

We will say a lot about him later, but Mike Boorda was the first Chief of Naval Operations to have been a walk-in enlistee. He was an enlisted man who worked his way through the Navy to the highest position in the Navy, as the CNO and Chief of Staff.

I really say to the Senate that this is a great loss. He suffered the loss of his father this year, very dramatic for Mike Boorda. And we talked a lot about that. But I hope that this is something that we can find a way to deal with very quickly because he is going to be sorely missed in this mix of our national defenses.

I think that from what I have heard, what the assistant majority leader just said, that we are in a different circumstance now. This is hard for us to take for certain what we have heard, which I hope is not true. It is a very difficult situation.

Mike Boorda I think was one of the bright stars of our military system today as it stands and is responsible for a lot of the initiatives that would have brought the Navy back to its prominence of days gone by. So I am really sad to be here.

I am pleased you have made the announcement, Senator LOTT. But that it is a most disturbing development is all I can tell the Senate, very disturbing.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I also had the privilege, just several months ago, to be traveling with Admiral Boorda, and a couple weeks ago visited with him in my office again.

He was truly an outstanding person, had great ability and great dedication to this country, and was more than willing to make any kind of contributions he could. All we can say is that our thoughts and our prayers are with his family and loved ones. And it is with deep, deep sorrow and shock that we receive this news.

Mr. EXON. Mr. President, suffice it to say I still have not recovered from the shock. I find myself in one of those positions that maybe we have all found ourselves in sometimes, having some kind of a bad dream but you know it will all turn out right and you will wake up. I am asking myself, am I having a dream? Obviously, I am not. This is a terrible, terrible shock. I simply want to join the others in wishing the best to the family. Our prayers are with all of them during these very, very difficult times.

Mrs. BOXER. Mr. President, I add my words of condolences. My memory of Admiral Boorda is coming to a meeting with women Senators with a number of other leaders from the military and being so concerned about making sure that this military moves forward in a way that is fair to women as well as to men. I will always remember that meeting.

Mrs. HUTCHISON. Mr. President, as a member of the Armed Services Committee, I was here when Admiral Boorda was first announced as the Chief of Naval Operations, the first man to come up through the ranks to become the Chief. I worked with him then on a variety of issues, but especially on his mind was the aftermath of Tailhook. As the only woman on the Armed Services Committee, we had a chance to sit down and talk about what had happened and what could be done to get the Navy going in the right direction.

The Navy is very special to me because it is the service that my husband chose during the Korean war. I love the Navy, and Mike Boorda loved the Navy.

I want to say that I thought he did as much as any human being could do to be in charge of a service during the downsizing time, which everyone knew had to be done. He did it in a way that would plan for the future, to make sure that the strategic part of what the Navy does for our national defense and our security were strong. Yet, he had the compassionate side that worried very much about sexual harassment. He wanted to make sure that he instilled in the men and women that he served as their leader, that, in fact, the value system that was instilled in the men and women of the Navy was the most important part of their service. He did everything a human being could do to instill that value system in them. Every time a problem arose, I would talk to Mike Boorda and he would be showing concern and saying, "What more can we do?"

I think that he was a fine leader. I am stunned, as every one of us is, that we have lost this fine leader. I hope that his memory will be served as the person who was a man of his word, who served his country well, and who had the respect of everyone that met or touched his life. I yield the floor.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 3971

Mr. EXON. Mr. President, how much time is remaining on each side of the amendment offered by the Senator from Missouri?

The PRESIDING OFFICER. The Senator from Nebraska is advised each side has approximately 8 minutes remaining.

Mr. EXON. Mr. President, I yield 4 minutes to the Senator from California.

Mrs. BOXER. I thank my friend for yielding.

Mr. President, I have a heavy heart about this amendment, because I think if we do anything on this floor we should cross party lines and honor the children of this country.

What this amendment will do is hurt the children of this country and hurt them badly. We know that right now one in five children in America lives in poverty. Yet, this amendment would turn these children against the veterans in this country. That is not what we should be doing.

The fact is, we are talking here about assistance to disabled children. We ought to think about what I mean when I say a disabled child. We are talking about a child with cerebral palsy. We are talking about a child with spina bifida. We are talking about a child with heart problems. We are talking about children who are so vulnerable they cannot even get up in the morning without assistance. And we are going to cut from their sustenance? I do not know how we do that.

The irony about this amendment, it does not increase the caps on discretionary spending. So even if we vote for this, the chances that veterans will get more are not very good.

I think I really have to say there is something that I think my friend from Missouri is missing in his amendment. Maybe he does not realize that half a million veterans are on welfare. Half a million veterans are on welfare. So when he cuts welfare to give to veterans, he forgets that half a million veterans are going to get hurt by this. We know who they are— veterans who just cannot make it back, who were suffering from disabling diseases, be they physical or mental, half a million of whom are on welfare, some form of welfare. So we cut this. We are saying we are cutting it in order to help veterans, yet we are cutting 500,000 of the most vulnerable veterans.

I really believe there are other ways we can help the veterans. I would like to cut corporate loopholes. I would like to cut corporate welfare. That is what I am going to vote to do. We have a lot of corporate loopholes out there that need to be closed, businesses that get favorable tax treatment if they leave the country, people escaping taxation who were very wealthy. We should go after corporate welfare, not go after the disabled children, the disabled veterans. Then, we should spend it on the veterans.

I think we, on the Democratic side, will have an opportunity to honor our veterans by increasing what we spend on them by taking the money out of corporate loopholes, corporate tax loopholes. I think everyone can get behind that. However, we should not hurt the most vulnerable children, the most vulnerable veterans.

I really do believe that my ranking member is going to have an excellent amendment, instead of this one, which turns our veterans against the most severely disabled children and the most severely disabled veterans.

I yield the floor.

Mr. COHEN. I ask unanimous consent to proceed for a few minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADMIRAL BOORDA

Mr. COHEN. Mr. President, Senator LOTT a moment ago spoke about the life and death of Adm. Jeremy Mike Boorda. I think all of us were stunned by this revelation.

Yesterday, most of us, Republican and Democrat alike, were shocked, and saddened, in some respects, at the announcement of another man of character and courage who decided to leave a position he loved most to achieve a higher dream.

Today, just moments ago, we are advised of another man in our public service, one of the best and brightest that the Navy has ever had to offer, took leave of life. The reports at this point have not been confirmed. On one network they have indicated that it was a self-inflicted wound. I hope that is not the case. We are trying at this particular point to verify rumors. No such confirmation has been forthcoming at this point. We do not wish to add to the speculation any further than what is on the television at this moment.

I say a few words about Admiral Boorda from a personal point of view. He was a very close friend of mine. He attended my wedding a few months ago. Our relationship goes back several years, at least, when we were in Munich together, the Wehrkunde conference. It was memorable to me because one night while we were there, Sarajevo had been shelled. There was a great loss of life. Admiral Boorda took charge immediately. He ordered C–141's to get to Sarajevo. He did so over the objection of the U.N. command at that point. Akashi could not be reached. They said, wait until tomorrow; do not send any aircraft down. Mike Boorda said, "I am not waiting for anything. Get those planes in there. Get those wounded people out of there and get them to the hospital."

That was the kind of man of action and passion that I came to know and admire. He, over the last several years, demonstrated that time and time again in terms of his commitment to the Navy.

Yesterday, Senator DOLE talked about life being a hardship. Nothing came easy to Senator DOLE. I might say that for Mike Boorda. Life was a hardship as well. He was not born into wealth. He was not a man of privilege, but he is what we call a common man. He rose through the ranks of common men and women to the highest position in the U.S. Navy. He was admired by everyone who ever came within his presence. He was inspiring to those men and women who now served in our U.S. Navy. All of them will be equally stunned and shocked, as we were, to learn of the news of his death. I can only hope that the reports I have heard to date are not correct.

I pray for the members of his family who are alive today and no doubt in a state of shock and grief. I can only indicate to them that every person who has ever been touched by Jeremy Mike Boorda will remember him for the rest of their lives. I can only express my condolences at this moment and hope to have further comments about the life and times of Mike Boorda at a later time.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. How much time do I have?

The PRESIDING OFFICER. The Senator from Missouri has 8 minutes, and the Senator from Nebraska has 2 minutes 55 seconds.

Mr. BOND. Mr. President, I yield myself 3 minutes.

We have heard a lot of straw men set up by opponents on the other side. We have heard about all kinds of horrible cuts that would come if we get a responsible budget number for welfare. This body should know that the $53 billion cut, which we propose in this amendment to include in reconciliation instructions, is equivalent to the $53 billion cut that was passed by an 87-vote majority in this body when we debated welfare previously.

Now, there could have been as many as 13 Members of the body that did not like what was in that welfare bill. But I can assure you, with 87 Members of this body voting for welfare reform, the horrible, tragic things that we hear about that could happen if we have to achieve reconciliation savings of $53 billion in welfare are so much smoke and mirrors. What we are concerned about in the numbers is assuring that veterans health care does not take an impossible hit, a $12.9 billion reduction. There is no way that one can work out.

My colleague from California, who has argued so eloquently for the veterans and has talked about them, did not propose any changes when she voted for the amendment that would slash Veterans' Administration spending by almost $13 billion in the Budget Committee. The Senator from Minnesota had said we should not worry about the cuts in veterans. We just cannot adopt a budget number that is consistent with the previous welfare reform that 87 Members of this body, on a bipartisan vote, supported when we first passed welfare reform.

Mr. President, budgets are about setting reasonable expectations for Government so that we can carry out our functions in a responsible manner and not continue to add to the deficit. All of the horror stories, all of the very difficult and compelling cases that were cited are not the ones that would be hit by the budget reconciliation proposal that this amendment contains.

Mr. President, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. How much time is left on each side?

The PRESIDING OFFICER. Five minutes for the majority, and 2 minutes 55 seconds on the Democratic side.

Mr. BOND. Mr. President, I yield 4 minutes to the distinguished chairman of the Veterans' Affairs Committee.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, I want to associate myself with the comments of the distinguished chairman of the VA–HUD and Independent Agencies Subcommittee on Appropriations, Senator KIT BOND of Missouri. He does a tremendous job. I have watched him through the years. He is attentive, he does his homework, he is impressive, and he gets quite involved in every way and in every issue in a most positive way.

What has been curious to me, as chairman of the Veterans' Affairs Committee, is the remarkable behavior of the Secretary of Veterans Affairs, Jesse Brown. He is continually distancing himself and the VA from the President's budget. I understand he testified early last month before the House Veterans' Affairs Committee that he "felt the President's budget would be devastating for veterans."

Later in the month, April 24, the Secretary appeared before the Senate Committee on Veterans' Affairs, which I chair, and which I oversee as chairman. In response to a question from my friend, Senator CRAIG of Idaho, the Secretary stated that the VA budget described in a document submitted to the Congress—over the signature of the President and entitled "Budget of the United States of America"—does not represent the policy of the President.

I ask, whose policy does it represent? Did an employee of the Government Printing Office change the numbers for the proposed VA budget on his or her own, making the President of the United States and the Congress the victims of some wild practical joke? Did some cyber surfer hack his way into the White House computer system and change the numbers? Did somebody forge the signature of the President of the United States on a document submitted to the Congress in his name? My Heavens, we may have a real scandal here on our hands.

The Secretary of Veterans Affairs told the committee that VA's future medical budget will be subject to annual renegotiation by the President. He tells us he has received the President's assurances that the budget numbers are not binding. Well, that makes quite a puzzle.

The President of the United States has proclaimed to the American people that he will balance the budget in 7 years. His plan, like any budget, includes difficult decisions allocating limited resources between many worthwhile programs.

But, according to the Secretary's testimony, the President does not stand behind the parts of that plan relating to the Department of Veterans Affairs.

There are only 2 ways the President can deliver on his commitment to Secretary Brown. He can increase the VA spending by abandoning the goal of the balanced budget. But the President has made a commitment to the American people to present a balanced budget. We have heard that discussion for several hours. So I am sure that he would not take that course. Or, in the alternative, the President could increase the VA's budget by reducing the budget of other programs.

Does that mean the President has a secret plan to cut non-VA discretionary spending programs in order to fund increases in veterans' health care? I am sure he does not, Mr. President, because his budget also represents a funding promise made to the beneficiaries of non-VA programs.

Mr. President, the veterans' health care budget proposed by the President—when examined through the lens created by the statements of the Secretary of Veterans Affairs—presents the Senate with a remarkable mystery.

Veterans may wonder upon which rock the Senate should build their future, Mr. President—the budget proposed by the President? Or Secretary Brown's hopes that those budget numbers will be changed? That is what he said.

Mr. President, on April 24, Secretary Brown testified that, since 1980, VA's medical care funding has increased 20 percent—after adjusting for inflation. The resolution reported to the Senate by the Committee on the Budget builds on that rock.

So I submit to America's veterans—and to the Senate—that a generous history of increasing funding, combined with already-identified proposals for more cost-effective operation of the VA Health Care Administration, are much firmer rock upon which to build for the future than the administration's budget—a budget Secretary Brown tells us the President has already repudiated.

That, I think, is a most extraordinary thing.

I thank the Chair.

The PRESIDING OFFICER (Mr. GREGG). Who yields time? The Senator from Nebraska has 2 minutes 47 seconds.

Mr. EXON. Mr. President, when I introduced the President's budget this morning, I indicated that there were several features of the President's budget that I wish to change and would attempt to make changes in. One of those certainly was the fact that the Veterans Affairs allocation under the President's budget was not one that those of us on this side of the aisle were satisfied with. So I thank the Senator from Missouri, who has brought up this matter.

We recall during the deliberations of the Budget Committee that it was something we wished to correct also. We may have some differences of opinion on where the money should come from to do the correction. But I simply say that I think we all agree that a correction has to be made.

This is one of the things I had in mind—without spelling them out—when I said I am for the President's budget, with some changes. This is one of them. I want to say that I am offering an amendment that will precede the vote on the amendment of the Senator from Missouri, along the same lines. I am taking the money from a different source. Regardless of where the money comes from, it is something that will probably have 100 votes for to make a correction in this particular area.

However, after we finish this debate, as agreed to previously, I will offer my amendment and we will vote on that first. It essentially does the same thing as the Senator from Missouri does, but it takes the money to fund it from a different source. We will not need to go into that in any great detail now. We might talk about that when I offer my amendment.

I want to correct one thing before we finish debate on the amendment offered by the Senator from Missouri. We may be wrong, Mr. President, but I would simply note that we feel—I state this for the RECORD—if corrections are necessary by the offer of the Senator from Missouri, we will certainly cooperate in trying to offer an amendment. We feel that the amendment offered by the Senator from Missouri attempts to increase spending for veterans, which is a worthy cause. We agree with that. His amendment raises the functional category for veterans. Unfortunately, the amendment as drawn, in our view, would not increase discretionary spending, which I think the Senator from Missouri wants to do; that is, the discretionary spending limits and the appropriations caps as it affects that.

So, in reality, it is our view that the Senator's amendment would merely cut income security and leave the discretionary spending levels just the same as in the President's budget. I am sure that is not his intent. I am just making that suggestion. Is that something that the Senator has agreed with? Should we correct it? If so, in fairness, we would like to give time to do it. If we are not reading this right, please tell us so. I want to call it to the Senator's attention in the interest of fairness.

The PRESIDING OFFICER. The Senator from Missouri has 36 seconds.

Mr. BOND. Mr. President, I guess I had better talk rapidly.

We have raised the caps in the amendment in the copy we have. We would be happy to have staff be sure we are talking about the right numbers. The fact remains that both sides agree that we cannot cut, as the President has proposed, spending on the Veterans' Administration.

I thank the distinguished ranking member of the Budget Committee for his kind comments. We will have more to say about veterans affairs and the credibility of the President's budget on the next vote.

I ask unanimous consent that the yeas and nays be ordered.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BOND. Mr. President, I ask unanimous consent that the amendment be set aside to permit the introduction of an amendment by the ranking member of the Budget Committee and that the amendment so set aside be placed second in the order for votes at the end of debate on the amendment by the Senator from Nebraska.

The PRESIDING OFFICER. Under the regular order the amendment is set aside, the amendment by Senator BOND is the second in order, and we now turn to the amendment of the Senator from Nebraska with 1 hour equally divided.

Mr. EXON. I thank the Chair.

I yield myself what time I may need, and there will probably be others to speak on this.

AMENDMENT NO. 3973 TO AMENDMENT NO. 3965

(Purpose. To cut corporate welfare to fund veterans' benefits)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON] proposes an amendment numbered 3973 to amendment No. 3965.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment:

On page 2, line 9, increase the amount by $7,000,000.

On page 2, line 10, increase the amount by $246,000,000.

On page 2, line 11, increase the amount by $1,920,000,000.

On page 2, line 12, increase the amount by $3,033,000,000.

On page 2, line 13, increase the amount by $3,124,000,000.

On page 2, line 14, increase the amount by $2,187,000,000.

On page 2, line 18, increase the amount by $7,000,000.

On page 2, line 19, increase the amount by $246,000,000.

On page 2, line 20, increase the amount by $1,920,000.

On page 3, line 1, increase the amount by $3,033,000,000.

On page 3, line 2, increase the amount by $3,124,000,000.

On page 3, line 3, increase the amount by $2,187,000,000.

On page 33, line 5, increase the amount by $175,000,000.

On page 33, line 6, increase the amount by $7,000,000.

On page 33, line 12, increase the amount by $907,000,000.

On page 33, line 13, increase the amount by $246,000,000.

On page 33, line 19, increase the amount by $2,256,000,000.

On page 33, line 20, increase the amount by $1,920,000,000.

On page 34, line 1, increase the amount by $3,621,000,000.

On page 34, line 2, increase the amount by $3,033,000,000.

On page 34, line 8, increase the amount by $1,708,000,000.

On page 34, line 9, increase the amount by $1,552,000,000.

On page 40, line 23, increase the amount by $1,594,000,000.

On page 40, line 24, increase the amount by $1,572,000,000.

On page 41, line 5, increase the amount by $2,355,000,000.

On page 41, line 6, increase the amount by $2,187,000,000.

On page 47, line 10, increase the amount by $175,000,000.

On page 47, line 11, increase the amount by $7,000,000.

On page 47, line 13, increase the amount by $907,000,000.

On page 47, line 14, increase the amount by $246,000,000.

On page 47, line 16, increase the amount by $2,256,000,000.

On page 47, line 17, increase the amount by $1,920,000,000.

On page 47, line 19, increase the amount by $3,621,000,000.

On page 47, line 20, increase the amount by $3,033,000,000.

On page 47, line 22, increase the amount by $3,302,000,000.

On page 47, line 23, increase the amount by $3,124,000,000.

On page 48, line 2, increase the amount by $2,355,000,000.

On page 48, line 3, increase the amount by $2,187,000,000.

Mr. BOND. Mr. President, before I start my formal remarks, let me straighten out any misunderstanding.

Were we not furnished a copy of the amendment. Is that what I understand? I am just trying to make sure that we know where we are coming from.

Mr. EXON. Mr. President, we will be happy to show the distinguished chairman. I am sure it is there.

Mr. BOND. If it is there, that is all I need to know. We were concerned it might not be.

You made a change. You made a change in the copy of the amendment after it was given to us. Is that the mixup? The best guess is that we were not furnished the final copy of the amendment. It is no big deal. The fact is it is in there. That is what I wanted.

Can you give us a copy of yours?

Mr. EXON. Yes. We will give a copy of the amendment to the majority. It does the same thing.

Mr. President, this amendment addresses the veterans proposition also. This amendment does much of the same as that intended to be done by the Senator from Missouri. It adds back to veterans the source of funds in the same amount. However, the Senator from Missouri cuts welfare to make up the difference. My proposal would cut corporate welfare. It is this Senator's belief that the majority turns too quickly to reducing projected spending on means-tested programs that go to the heart of the needs of the most needy in our society. Some of that was brought up during debate on the amendment offered by the Senator from Missouri.

Some may believe that we are all too eager to cut the neediest programs that we have—those so-called means-tested programs.

I am simply saying, while I consider it a must to better fund the veterans programs almost exactly as the Senator from Missouri has suggested, let us cut corporate welfare to pay for this and keep our reduction in the unnecessary spending under control.

We have had a good debate, I think, on veterans affairs. We do not need to extend the debate for any lengthy period of time because I think we would just be repeating ourselves over and over again. What we come down to, therefore, is that the amendment before the body is the amendment which we will vote on prior to voting on the amendment offered by the Senator from Missouri.

At this time, I ask for the yeas and nays on the amendment presently pending.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON. I simply say, Mr. President, I reserve the remainder of my time and recognize any of my colleagues who wish to speak in behalf of the amendment offered by the Senator from Nebraska.

With that, I reserve the remainder of our time.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, I would like to be able to enter into a debate on this. But I am still waiting to see what it is the amendment does. I know it deals with veterans. But I am a bit at a loss to know how we should debate it when we do not have the amendment before us. I have been in some difficult situations, but this is probably one of the toughest ones.

Mr. EXON. Will the Senator yield?

Mr. BOND. I am happy to.

Mr. EXON. We have the only copy we had of this at the desk. We are making a copy for you. I think the Senator from Missouri is probably justified in wanting to see the amendment. The amendment does exactly what I said it would do; that is, to have the same figures that you have proposed but rather than take the money to make up the difference out of welfare as we know it, we take it out of corporate welfare. But, once again, in the interest of fairness, I suggest that we temporarily stand in recess until a copy can be made and delivered to the majority and give them whatever reasonable time they want.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I suggest we do not need to go into recess. I would make my friend an offer. If he will just tell us what he means by cutting corporate welfare, maybe we can carry out the debate, because I would trust his characterization. I would ask the Senator from Nebraska, does he mean he is raising taxes? Could he be a little more specific about the things we are doing?

Mr. EXON. The Senator, certainly as a member of the Budget Committee, knows full well what I am talking about with regard to corporate welfare. These are moves that we have made over the years that have been prominently under discussion for the last year with regard to the budget negotiations between the Congress and the White House.

If the Senator will refer to the material that I think he now has, page 3 of this year's Republican budget resolution states that in addition to the child tax credit, and I quote, "The committee recommendation would accommodate further tax reform or tax reductions to be offset by the extension of expired tax provisions of corporate and business tax reform."

It continues, "Such receipts could be used to offset other tax reform proposals such as estate tax reform, economic growth, fuel excise taxes or other policies on a deficit-neutral basis."

To outline this further, last year's vetoed reconciliation bill, supported by virtually every Senate Republican, included approximately $26 billion in revenue increases for corporate and other reforms.

That is what I am talking about. President Clinton has proposed nearly $40 billion in corporate reforms in his balanced budget submission to the Congress. Although the proposals are not identical, Republicans and Democrats agree that revenue can be raised from this category which is customarily referred to, as I think the Senator from Missouri knows, as corporate welfare.

The committee report to this budget, on page 63–67, describes expenditures in our Tax Code that lose hundreds of billions of revenue over a 5-year period. In that context, the Republican proposal as well as those of President Clinton are modest efforts to reduce loopholes that have allowed corporations to benefit.

That is what corporate welfare is all about. It eliminates corporate welfare to the extent that it is necessary to adequately fund the veterans programs at essentially the same figures that both you and I would like to see. Another way of saying this: What it does is make our tax laws fair for all Americans.

I am not surprised that the first words out of the mouth of the Senator from Missouri were, "Are you going to raise taxes?" If cutting corporate welfare, which I think the corporations are not entitled to during a time when we are strapped for money, if that is raising taxes, call it raising taxes. I think closing unfair corporate loopholes to take care of the needs of our veterans is far better than taking it away from what I referred to earlier, from the general welfare fund that goes essentially to the neediest among us.

I would simply say that these are modest efforts, modest loophole closings. Our amendment ensures that additional receipts from closing corporate loopholes will be used to lessen the cuts on the veterans rather than apply it to help pay for additional tax breaks for the wealthy, which I basically feel is in the mind of the Republican budgetmakers some time down the line.

In any event, whether that is true or not, all that the Exon amendment does is to return to the welfare funds the amount that the Senator from Missouri and others are proposing. And we think that is good. We are simply saying that rather than to subtract this from welfare, the neediest among us, let us take the necessary funds from corporate welfare that we all know has drawn far beyond due bounds in recent years.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I yield myself such time as I may require.

We obviously are getting some basic philosophical differences here. My distinguished friend from Nebraska has accused us of reflexively turning to means-tested entitlements.

What we have done, Mr. President, in fact, is to turn to failed programs and say it is time to reform them. The President himself has said it is time to end welfare as we know it. That is why 87 Members of this body, Democrats and Republicans, said we need to reform welfare. The system is not serving the people it is supposed to serve—the taxpayers who fund it, the communities that see its impact, or the future generations who hope that we could help people get out of welfare and into productive employment. What we are saying is it is time to reform these programs. We are going to keep saying that because I think the overwhelming body of American citizens knows that welfare needs to be reformed.

By the same token, my friends on the other side of the aisle reflexively turn to tax increases. If it moves, tax it. We are talking about an amendment to the budget presented on behalf of the President by the distinguished Senator from Nebraska.

Let me point out that that bill already has $36 billion in new taxes in extenders. It raises $36 billion in extending taxes. It has $54 billion in other loophole closings. They have already got $90 billion of tax increases. And the distinguished ranking member of the Budget Committee says, let us just hit them with another $13 billion of taxes.

Now, Mr. President, I thought that maybe our friends would have learned something when President Clinton proposed and they voted for the significant tax increases of 1993. I have cited before on this floor the studies have shown that raising taxes in the way that was done in 1993 did not generate the kinds of revenue expected because it discouraged economic activity. It has slowed economic activity, economic growth and jobs in this country, and we have no less of an authority than the President himself, who said at a reception attended by people, I guess, whose taxes he had raised markedly in Texas, that he raised taxes too much.

We agreed with him at the time. Unfortunately, he just did not see it our way until later on. Now we want to take a $90 billion gross tax increase here and add another $13 billion to it. Certainly, our budget provides for changes in the mix of taxation if we need it. That can be done right now.

The chairman of the Finance Committee will offer a bill that may raise some taxes and lower others and shift the mix of taxes. But when we talk about the total burden of taxation, that is one of the problems which is causing our country to slow down, jobs not to be created, and as we get into a debate on the President's budget the one argument I have not heard made about it is that it does not raise enough taxes. But that is really what the amendment by the Senator from Nebraska would do. Are we really in trouble because we do not tax enough? I don't think so, Mr. President.

I urge my colleagues to reject this amendment and vote for the amendment which will follow it.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 22 minutes and 30 seconds.

Mr. EXON. It may well be we can shorten down the time. We have been trying to move this ahead, move forward.

I did not realize we would be getting into a rehash of what we did 2 years ago with the President's budget. Once again, the Senator from Missouri is certainly entitled to his position. He indicates that the budget that we passed 2 years ago, the President's budget, has hurt jobs creation, has been devastating to the country. Evidently, from what he said, it has hurt employment.

The facts of the matter are that those same things were said in one form or another by those on that side of the aisle during the debate, and we passed that proposition with all Democrats supporting that to get it by, without a single Republican vote in either the House of Representatives or the U.S. Senate. The facts of the matter are, as we explained yesterday, that primarily because of that, coupled with the excellent leadership of President

Bill Clinton, this Nation has been on a steady, logical growth pattern in all areas.

I remember hearing people on that side of the aisle who attacked that budget at the time saying it would be devastating to the economy of the United States of America, that we would never recover if we passed this. We have more than recovered, we have had one of the most astonishing periods of growth in American economy since that was passed that we have ever seen.

At the same time, coupled with that tax increase package and coupled with the economic growth that we have had under the direction of the Clinton administration, we have seen a dramatic drop, 3 years in a row, of the deficit of the United States of America, from basically $300 billion a year, now down to $147 billion.

I did not know we were going to get into a debate all over again on that measure that I voted for, and would vote for again, because I thought it was the right thing to do. In addition to being the right thing to do, we would not be in a position here in the Congress this year, nor would we have been in a position last year, to work toward a balanced budget, were it not for the fact that the Democrats, under the leadership of Bill Clinton, reduced dramatically the deficit which has spurred growth in the United States of America.

So if anyone wishes to take me on for what I did wrong 2 years ago, I am willing to do that because the facts of growth in the economy speak for themselves. I do not generally say how the stock market goes is how America goes, but certainly that is one factor in our economy that we need to look at. I suggest to all that since the development of that sound package by all Democratic votes and not one Republican vote in the House or the Senate, we have seen the stock market break every record that it ever established before.

The people are happy with it. It has reduced the deficit. It has gotten us to the place where we have a chance—although it is still a tough task—to balance the budget by the year 2002. Were it not for that particular measure that is now being criticized—in my opinion irresponsibly once again—we would not be in the shape we are in today of reaching for a goal of balancing the budget by the year 2002, which is something this Senator and many like me have fought for ever since I have been here.

I yield 5 minutes, or whatever time he needs, to the Senator from North Dakota.

Mr. CONRAD. I thank the Senator from Nebraska. This is one of those debates, as I listen to it, that I think causes people who are watching from outside the beltway to just shake their heads, because they have to wonder what is this all about? I must say, unless you are a green eyeshade type and spend all of your time poring over the subaccounts of the Federal Government, it is a little confusing.

I think one of the things that perhaps has been lost in this discussion is that if we are looking at a comparison between the various budgets on domestic discretionary spending—and that is, after all, the pool of money from which veterans benefits are drawn and all of the other discretionary spending elements of the Federal budget—the reality is, the Republican budget over 6 years cuts $296 billion, the President's budget, $229 billion, so the cuts in discretionary spending in the Republican budget are substantially greater than the cuts in the President's budget.

The issue has been raised, what are the subtotals? When you distribute those reductions, when you distribute them among all the functions in domestic discretionary spending, how do veterans come out? I think one of the things that has been lost in this debate is that these functional totals are not binding. They are not binding. That is the way the budget process works. There is no requirement that the committees of jurisdiction abide by that functional subtotal.

I ask my colleague from Nebraska, is that not the case? As the ranking member on the Senate Budget Committee, is it not the case that these functional subtotals are not binding?

Mr. EXON. I would certainly emphasize that the Senator from North Dakota is so right. I am so glad he has pointed that out.

Mr. CONRAD. So, we get lost here in the details, but the overarching truth is the Republican budget, over 6 years, cuts $296 billion out of domestic discretionary spending. The pool of money for domestic discretionary spending is reduced by $296 billion. The President's budget reduces it by $229 billion over 6 years. I point out the centrist budget, which a bipartisan group of Senators, Republicans and Democrats, have agreed to, is $179 billion over 6 years.

Frankly, I would say both the Republican budget and the President's budget have unrealistic reductions in domestic discretionary spending. They are unlikely to ever occur. One of the reasons is, in both of those budgets, that the overall pool of money available for domestic discretionary spending is so sharply reduced that future Congresses are unlikely to adhere to the spending path outlined in either one of those budgets.

The fact is, the bipartisan group, which has tried to put together a budget alternative that would really have some prospects of actually holding course, holding to the course set for a 7-year period, has lower domestic discretionary savings than either of the other budgets. It is also true the President has less in the way of domestic discretionary savings than the Republican budget has. So if people are really concerned about veterans or any other subcategory of the budget, and they are comparing the President's budget and the Republican budget, the President's budget is more adequate, has less reductions over a 6-year period, or a 7-year period, than does the Republican budget.

So if you are concerned about veterans or if you are concerned about education or you are concerned about all of the other elements that are part of domestic discretionary spending, the President's budget is superior to the Republican budget.

The fact is, these functional subtotals that are the concern of the amendment of the Senator from Missouri are not binding. Those are the rules we work on around here. Those totals are not binding.

Somehow I think we are missing the point. We have bogged down in the details in an attempt to score partisan political points. Unfortunately, that is what is happening around here more and more. We have not gotten into what is the heart of the debate and the discussion, what is the heart of the matter. The heart of the matter is, all of us need to move toward a balanced budget. We need to do that because we are on a course that cannot be sustained.

The Entitlements Commission told us last year if we stay on the current course, we are going to have an 82 percent tax rate in this country, or a one-third cut in all benefits. That is the harsh reality of what we confront. And all of these budgets—all of them—are reducing domestic discretionary spending, they are reducing every other element of the Federal budget from what current law provides in an attempt to move towards fiscal responsibility.

Mr. President, I will just say in conclusion, I hope my colleagues will remember, the reality is, the President's budget has less reductions in domestic discretionary spending than does the Republican budget. That is just a fact. And the second fact that is important to remember is these functional subtotals that are the subject of debate here are not binding in any event. I thank my colleague.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, I call on my distinguished friend, how many minutes?

Mr. THOMAS. Five minutes.

Mr. BOND. Mr. President, I yield myself 1 minute first and just say, I thank the Senator from North Dakota. He has been a great champion for reforming entitlements. He and I agree entitlements need to be reformed.

My amendment proposes reforms in the entitlement programs. The amendment of my friend from Nebraska, Senator EXON, adds another $13 billion in tax increases. And in looking at the extensive list on page 153 and 154 of tax increases that are already included in the President's recommendation, I am puzzled where they find another $13 billion. But that is the argument: Do we reform entitlements or raise taxes?

I now yield 5 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, this is the first time that I have spoken on the budget. I am not on the Budget Committee, I am not an appropriator, but I, obviously, am very interested in this process, perhaps more interested in it as it pertains to the policy direction it would take than specifically in the dollars.

The budget is a document that has more impact than simply spending. The budget document is one that gives us some direction in terms of where we go. It gives us some direction in terms of philosophy. Do you want more Government or would you have less?

I have to tell you that I believe the people in Wyoming think the Federal Government ought to be less expensive, ought to be smaller, we ought to spend less. It has to do with balancing the budget, and it is interesting to listen to those who have worked so hard through the years: "Balance the budget."

Have you ever heard anyone rise who did not want to balance the budget? I do not think so. It has not been balanced for 25 years. I begin to wonder if all this rhetoric has been so meaningful. But in any event, we need to balance the budget. It is morally and fiscally responsible to do that.

It is a philosophical question if you want to balance the budget. We hear a lot of talk about how we moved the deficit down. How did we do that? By the largest tax increase in the history of this country. I do not happen to think that is the proper way to do that. I think we ought to reduce spending.

Of course, whenever you talk about reducing spending, somebody says, "No, I don't want to reduce it there, I want to reduce it there. I want to reduce it for you, not for me." I understand that. When the average family spends 40 percent of their income in total taxes, that is an excessive amount. So we need to talk about that, and we need to take a look at our goals and see if this really, really does it.

I agree with the Senator from North Dakota that maybe we get bogged down entirely with all these details, which somebody has to do. But for most of us, it is a direction, a philosophy, it is where we are going, and the budget has something to do with that, a great deal to do with that.

I was very involved in our budget in the Wyoming Legislature. It was much smaller, much easier, same principle. One of the differences was we had a constitutional amendment that said we had to balance the budget. We could not spend more than we took in. What an idea.

So we talk about that Washington has never spent more on bureaucracy than it does now—this administration—never spent less in real dollars on defense since World War II. The tax burden has never been higher than it is now. Americans will pay half a trillion dollars more in taxes because of our tax increase.

I am concerned as well about the backloading. Now I hear, "Well, we all backload." That is true. But the fact is that the Clinton budget backloads much more than the other one, 66 percent of the savings in the last 2 years.

Mr. CONRAD. Will the Senator yield?

Mr. THOMAS. No, this is the first time I have talked. I would like a chance to do that. Thank you.

So it is backloaded, and no one can argue with that. It is there and perhaps none of it should be backloaded. Of course, it will be when you reduce so much this year, it builds up, and I understand that. But we have to make some tough decisions if we are going to do that, and that is what it is about.

Raising taxes—as I understand, the Clinton budget takes out $97 billion in taxes, puts back 60, a net reduction of $37 billion. That is really not much of a bite; not much of a bite for a country that pays that much in taxes.

The Republican budget, on the other hand, is about 122, I believe; $500 credit for children. That is a pretty good idea, I think. Permanent; age 18. We do not start with three.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. THOMAS. I appreciate that, Mr. President. Thank you.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. How much time does the Senator wish?

Mr. CONRAD. One minute.

Mr. EXON. I yield 1 minute.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 1 minute.

Mr. CONRAD. Mr. President, I would just like to say to my colleague from Wyoming, I am disturbed by backloading, too, but the reality is the Republican plan has 64 percent of its savings in the last 2 years. So this is a case of the pot calling the kettle black. Both of them have 82 percent of their savings in the last 3 years. They are both backloaded.

So to come and criticize the President's plan when your own plan does exactly the same thing is a little misleading.

Let me just say——

Mr. THOMAS. Will the Senator yield for a question?

Mr. CONRAD. I think if we were going to be direct with each other, we would acknowledge both plans are backloaded.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. EXON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Michigan has 16 minutes, and the Senator from Nebraska has 10 minutes.

Mr. EXON. Mr. President, let me thank my friend from North Dakota for his excellent remarks. His statement with regard to the savings that are talked about in discretionary programs is something that I intend to follow up on in my closing remarks.

I will just say at this time that I have been here on the floor since this debate began. I have heard the same things over and over and over again—the Republicans seem to think if they say something enough times, it is true. They have said on many occasions that the President's budget does not balance in the year 2002. I do not know how many times I have refuted that point, and noted that the Republican-appointed head of the Congressional Budget Office says that the President's budget does balance in the year 2002.

The same CBO office says that the Republican plan balances in the year 2002. So if the Republicans are trying to impeach the written word of their own appointed CBO office, then they impeach the source of their balanced budget as well.

Why can we not be realistic? Both programs are estimated—and I use the word "estimated" with emphasis—by the Congressional Budget Office as reaching balance.

I have heard another myth that is repeated over and over and over again and that is with regard to the terrible backloading, as alleged by the Senator from Wyoming.

I refer to the chart behind me once again. We have had it out here before. I am going to drag this chart out every time I hear on that side of the aisle that there is backloading going on.

This chart has been here before, but the red line on that chart is the President's backloading and the blue line on that chart is the GOP backloading. The years are below, and the numbers are up there.

So suffice it to say, it is not accurate, nor is it fair, nor does it contribute to the debate for me to get up and say, "Oh, boy, there's all kinds of backloading in that GOP budget."

Mr. BOND. Mr. President, will the Senator yield?

Mr. EXON. I will not yield.

I would be fearful that the Republicans would bring out something like this and show me that what they are accusing the Democrats of doing is what the Republicans are doing. Essentially they are one and the same.

I simply say that I will reserve the remainder of my time for my closing statement. But I just wish that we could keep our debates on something that is realistic, without going overboard and saying things over and over again, things that I do not know how many times I refuted. I reserve the remainder of my time.

Mr. BOND. Mr. President, before yielding to the Senator from Washington, I just want a point of clarification with my distinguished friend from Nebraska.

Does that chart show the President's numbers with or without the automatic trigger?

Mr. EXON. The automatic trigger, we went through that earlier, did we not?

Mr. BOND. That chart, does it show it with or without the automatic trigger?

Mr. EXON. Once again I say, whether it triggers or not, this is an honest chart on honest numbers that has been verified by the CBO.

Are you indicating there is something tricky about these numbers?

Mr. BOND. Mr. President, the CBO said the only way the President's numbers get to a balance in 2002 is if an automatic trigger clicks in and cuts 10 percent of discretionary spending in 2001 and 18 percent in 2002. I am simply asking whether that chart—and I did not prepare the chart—does that chart present the President's number assuming no trigger or assuming a trigger? Which way is it?

Mr. EXON. I have been advised this is the chart with the figures in it. If I find out differently, I will correct it for the RECORD.

Mr. BOND. I thank my good friend from Nebraska. That is all I wanted to ask, because we have, as he indicated, I think on a bipartisan basis, voted overwhelmingly that we do not want the trigger. We have said, no trigger. We do not want a meat ax.

So the only difference between the President's budget and the Republicans' budget is that the President's budget, by CBO numbers, does not now get to balance—without the trigger, it does not get to balance. Ours does. With that, I will yield 5 minutes to the distinguished Senator from Washington.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, in my few minutes, I will make three points. The first point is to agree with my colleague, the Senator from Nebraska, by the analysis of the Congressional Budget Office, the President's budget does indeed balance in the year 2002. It does, according to the Congressional Budget Office, because of an automatic set of tax increases and spending cuts in the years 2001 and 2002, if the Congressional Budget Office's projections of spending and of the economy are correct.

In fact, Mr. President, the President's budget would balance if the Congressional Budget Office showed half a trillion dollars' difference between now and the year 2000 with automatic huge tax increases and spending cuts in the years thereafter.

If you put in such a trigger, the balance is automatic. The real point is that in the real world, using the same set of figures, it will not reach balance unless that trigger is pulled. We have just voted against the trigger.

The second point I would like to make is with respect to the debate right now on two amendments in front of us. Those two amendments each say that we should not reduce veterans benefits in the way that the President's budget indicates they will be reduced, a little increase in the first couple of years, then a huge reduction thereafter.

The difference is the classical difference between the parties. Republicans restore those veterans benefits by welfare reform. Democrats restore them by tax hikes, tax hikes sufficient so that the President's very modest tax reductions in his budget become a net tax increase over the period of time covered by this budget.

That is a classical difference. People can decide, would they rather support our veterans with welfare reform or would they rather support them with tax hikes? I think that is a relatively simple question.

But, Mr. President, my third point is that I am not sure of the total relevance either of the debate on triggers that the Senator from Nebraska has spoken of, or even of the two amendments with which we are going to engage now. It is at this point I want to compliment and support the remarks of my Democratic colleague from North Dakota, Senator CONRAD, who points out that there is a superior way of going toward either of the proposals that are on the floor here right now, one which I believe we will debate early next week, the first proposal in several years that is in fact bipartisan in nature, the one that most decisively deals with a reform of entitlement programs, that makes them more realistically affordable by the people of the United States and, therefore, is more reasonable with respect to the amount of money that we have to spend on education and the environment and law enforcement and national parks and the myriad of other year-to-year responsibilities of this body.

So in that respect the Senator from North Dakota is right. I have the privilege to work with him. We will later on in this debate be presenting that budget.

I believe the Republican budget much superior and much more honest to the one that is before us right now, and I intend ultimately to vote for it if that is the last vote before us. But I believe the one worked out by this bipartisan group to be markedly superior to any of the others that have been presented this year.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER (Mr. BOND). The Senator from Michigan.

Mr. ABRAHAM. Let me yield myself up to 5 minutes to also speak on the amendment.

Mr. President, as I look at this amendment that is before the Senate offered by the Senator from Nebraska in response to the previous amendment from the Senator from Missouri, once again I am struck by the approach that is being taken with regard to the President's budget. I talked several times about the President's budget during the course of this debate and tried to point out the extent to which the claims the budget includes relief for America's taxpayers are exaggerated.

Once again we see the approach being taken to make sure taxpayers end up with less. The President's budget claims initially it will provide Americans with $99 billion in tax relief. When you include the various so-called corporate loopholes and other increased revenues involved with the President's budget, the net tax relief drops to $36 billion. Then, when you terminate the various tax cuts as triggered in the year 2000, it reduces total tax relief between the year 1996 and the year 2002 to $6 billion approximately.

Mr. President, $6 billion works out to about $1 billion a year, or 250 million Americans working out to $4 per American per year in the budget that the President is offering. That is not a lot of tax relief by my standards. I think it would not be seen that way by the American people.

Here comes yet another wrinkle. An amendment that would further change the bottom line on taxes with regard to this budget. Indeed, by increasing the revenue side of this equation by an additional $13 billion, we now eliminate all of the tax relief contained in the President's budget and instead have turned the President's budget, should this amendment pass, into one which would have a net tax increase of $7 billion. I cannot imagine that is the approach the American people want us to take, to actually increase, on a net basis, the taxes we burden them with.

Some will argue that these taxes would somehow fall on the corporations, the big companies, and so on. I question that, Mr. President. It seems to me the big taxpaying entities have discovered a lot of ways to pass along the taxes to the average working families in America. Indeed, during the recent debate about the gas tax repeal, we were told that the 4 cent repeal would never get to the consumers because the intermediate-stage corporations would somehow find a way to pocket the dollars for themselves. If that is true for the gas tax, it will certainly be true for this tax. If this increase is put into our budget, we will again see the actual people paying for it, the hard-working families of our country.

I have to stand in support of what the Senator from Washington just said, complimenting the Senator from Missouri for his amendment and urging its support and urging our colleagues to oppose an increase in taxes as would be contained in the amendment being offered by the Senator from Nebraska.

I yield the floor.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Nebraska.

Mr. EXON. Mr. President, I yield 2 minutes to the Senator from North Dakota.

Mr. CONRAD. I thank the Senator from Nebraska. I simply say to my colleague on the other side with respect to the Senator's amendment, you can close a tax loophole and not raise taxes on any Americans. As a member of the Finance Committee, I have been trying for some time to deal with the question of the fact that 73 percent of the foreign corporations doing business in the United States do not pay a penny of taxes here.

The question is, how can that be? How do they avoid paying taxes in the United States when they are obviously doing very well here?

Mr. President, the reason is, we have a scheme called transfer pricing in the international tax system that allows corporations to put their taxes or their profits where there are no taxes. Foreign corporations who are in here competing with American corporations have been taking advantage of this loophole in a very significant way to avoid paying any taxes here. That is not only unfair to U.S. taxpayers, that is unfair to U.S. companies who are expected to compete with the foreign enterprise that escapes and avoids tax responsibility, that an American-based corporation cannot escape and avoid.

I say that my colleague from Nebraska has come up with a very reasonable way to take care of the needs of our veterans by closing a tax loophole. Now, some of our friends on the other side have never seen a tax loophole they do not like. They have never seen a tax loophole they do not endorse.

There is absolutely no reason to allow foreign corporations to do business in this country and not pay any taxes here. It is not fair, not only to U.S. taxpayers, it is not fair to American corporations with whom they compete.

I yield the floor.

Mr. DOMENICI. Mr. President, might I inquire how much time we have and how much time Senator EXON has?

The PRESIDING OFFICER. The majority has 6 minutes remaining, and the Senator from Nebraska has 4 minutes remaining.

Mr. DOMENICI. Mr. President, without using that time, might I exchange with Senator EXON about where we are going next. If we use our 6 minutes and you use your 4 minutes, are we ready to vote in the sequence that we heretofore agreed to?

Mr. EXON. We are ready. That sequence, just to set the record straight, we would vote on the Exon amendment first and the amendment from the Senator from Missouri second. And I believe, if I remember correctly, the first vote would be a 15-minute vote, and the second vote, I believe it was stipulated by the Senator from New Mexico, is to be 10 minutes. Is that the Senator's understanding?

Mr. DOMENICI. Yes. Mr. President, first, I want to congratulate Senator BOND on his amendment and Senator EXON on his amendment, because we are going to have an opportunity here, in about 12 minutes, to vote on 2 proposals.

There could be nothing closer to reflecting the difference between the 2 parties than these two amendments. So, make no bones about it, we will first vote on a Democrat amendment, which will increase taxes, no matter what you call it. You increase taxes to pay for appropriated accounts that are cut, which they are finally admitting in cutting this budget—that is, the veterans of this country. So the first vote is going to be: Do you want to raise taxes to spend more money? The second vote is going to be a Republican vote, and it will be very simple: Do you want to increase spending for veterans by cutting spending someplace else?

We say, yes. We say, the American people are not interested in raising taxes. We already raised taxes 2 years ago, which was the largest tax increase in history. The President has, in his budget, $90 billion, under the rubric of "corporate welfare"—but it is $90 billion. Senator EXON says that $90 billion is not enough to do what we want to do. We want $13 billion more because we caught them with the reality that they are reducing the level of expenditures for the veterans of this country by at least $13 billion, decimating our commitment to the veterans.

As our President is prone to say, we do not want to violate our values. Our values are very simple: Protect the veterans of America. Live up to your commitment. We do not want to violate that value. But I will suggest that the reality of it now is that the President violates that value. But he almost got away with it, with nobody understanding it—except for this amendment today, which clearly now says it, and even the Democrats understand. They understand veterans is cut enough that they want to raise taxes to pay for it.

Now, they were not saying they were cutting veterans just 4 or 5 days ago because, obviously, they just wanted to say Republicans were cutting programs to get to balance. There is a nice little gimmick. The President called it a "trigger." The problem is that the trigger would not work on the floor, because if you have to use CBO economics, and not the President's choice of economics, then you have to pull the trigger, and they did that and they put a giant plug in their budget. That plug, so everybody will know, is a big whopping plug. It is $32 billion in tax cuts that have to be sunsetted. So we raise taxes $32 billion after having cut them. That is the first thing in the plug. We add Medicare cuts of $13 billion, and the President adds spectrum fees of $6 billion. This is kind of the cornucopia of solving budget problems. Spectrum fee. Mr. President, $38 billion is in the budget. This says $6.6 billion more to get to the balance of the President and the balance the distinguished minority manager put before the Senate.

And then is the big ticket item: discretionary cuts of $67 billion are in this new plug. Pull the trigger and expose the reality and there sits a plug, without which you cannot balance the budget. And $67 billion of that is in the discretionary programs, such as veterans. And we are trying to fix veterans with this amendment. We do it very simply, very simply. We say, we think veterans ought to get this $13 billion because we have a high value on our relationship to veterans. We think the welfare program of the country could be reduced by $13 billion to pay for it. Reduce welfare and turn it into workfare. And even at that, we have not reduced welfare to the extent that the bipartisan welfare reform that cleared this place would have.

So, in summary, we have now exposed the reality of the President's budget. We have exposed the reality of it. He did not want anybody to know that, to really get to balance, we needed $124 billion, and we now have that before the Senate—a piece of it before us. Do you want to increase taxes to take care of our veterans? Or do you want to reduce welfare to take care of our veterans?

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. I yield 1 minute to the Senator from North Dakota.

Mr. DORGAN. Mr. President, Will Rogers once said, "It's not what he knows that bothers me; it's what he says he knows for sure that just ain't so."

Two points: No. 1, the President's budget proposes more in discretionary spending than the Republican budget. There is no debate about that, and there is no amount of bluster on this floor that can change that.

No. 2, this is not about tax increases. The fact is, if this is a song with unlimited verses—tax increases, I guess—we spend $2.2 billion to pay companies to shut their American plants and move them overseas. How about shutting that down and using the money in a constructive way? Two men from Florida did a study that says we lose $40 billion a year by foreign corporations doing business in America that do not pay taxes here, and 73 percent of the foreign corporations doing business in America pay zero taxes.

To close tax loopholes is somehow increasing taxes? No. We are talking about big, fat, juicy tax breaks for some of the biggest enterprises in the world, and we are talking about closing them. Is there anything wrong with that? I do not think so.

Mr. McCAIN. Will the Senator from North Dakota yield?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McCAIN. Mr. President, I ask unanimous consent to be recognized for 1 minute to acknowledge the departure of a truly great American.

Mr. EXON. Mr. President, I ask unanimous consent that this time not be charged to either side, as we have been doing all afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona is recognized.

THE PASSING OF ADM. MIKE BOORDA

Mr. McCAIN. Mr. President, I cannot begin to express how terribly saddened I am by the news of Adm. Mike Boorda's death this afternoon. My heart goes out to his wife, Bettie, and his children, Anna, Eddie, Bobby, and David. I pray that God's love, and the memory of a wonderful husband and father will comfort them in this moment of profound grief.

Mike Boorda was my friend of more than 20 years. He was an exceptional American, the first enlisted man to head the world's greatest Navy. He dedicated his entire adult life to the security of our country. He was a great sailor who loved the Navy beyond measure. He honored the uniform he was so proud to wear and the country he served so well. Most of all, I am grateful for the honor he did me by blessing me with his friendship. We all shall miss him very much.

May God grant him the eternal peace he deserves.

I yield the floor.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

Mr. EXON. Mr. President, I think we should alert all—and I believe the managers of the bill would agree—that we, most likely, will start voting in about 5 minutes, is that right?

Mr. DOMENICI. Yes. Would the Senator mind if the first vote is 15 minutes, to be immediately followed by a 10-minute vote?

Mr. EXON. No. Let the RECORD show as the Senator from New Mexico indicated. We are going to start voting in about 5 minutes. The first vote will be a 15-minute vote, immediately following, without any intervention, by a vote on the amendment offered by the Senator from Missouri, and that will be a 10-minute vote.

Mr. President, let me wind up briefly within the time I have left. I just find it a little bit odd that the Senator from New Mexico and the Senator from Missouri continue to complain that the discretionary numbers in the President's budget are too low. This has been mentioned by other Senators in debate, and I had this written down because I wanted to comment on it in closing.

Mr. President, if the President's appropriated savings are steep, then the Republican appropriations savings are positively cataclysmic. That is the point. Over the 6 years of the budget, the Republican budget cuts $65 billion more from appropriations than does the President. And in the final year of the budget, 2002, the Republicans cut $13 billion more in appropriated spending in that 1 year than does the President.

The Senator from Missouri knows that the Appropriations Committee will distribute those cuts—not this resolution. Indeed, neither the Republican budget, nor a Republican budget of any kind, contains program-by-program detail for appropriated accounts. The fairest comparison of appropriations in the outyears, therefore, is to compare totals of spending levels.

If I need additional time to close, I take it off of the time I have on the amendment.

In sum and in closing, the Republicans want to cut projected spending on the very poorest in the Nation. We want to plug some corporate loopholes that have been alluded to here and some specifics, and there are many more. We agree. We want to honor our veterans. That is the reason for this Democratic amendment. The real question is whether we want to protect the disabled kids or the corporations who are moving jobs overseas.

Mr. President, I yield any remaining time that I have. I believe the Chair will confirm that we have previously agreed to the yeas and nays on the Exon amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Have the yeas and nays been approved for the Bond amendment?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. Before we vote, let me ask Senator EXON a question.

According to our understanding, your side has the next amendment after we vote on these two.

Mr. EXON. That is correct.

Mr. DOMENICI. Can we see that amendment during the vote?

Mr. EXON. We will provide that amendment to you during the vote.

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the amendment of the Senator from Nebraska. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 45, nays 53, as follows:

[Rollcall Vote No. 115 Leg.]

YEAS—45

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone
Wyden

NAYS—53

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pell
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Dole
Pryor

The amendment (No. 3973) was rejected.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 3971

The PRESIDING OFFICER. The Senate will now proceed under the previous order to vote on the Bond amendment, No. 3971.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 75, nays 23, as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—75

Abraham
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Brown
Bryan
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
DeWine
Domenici
Dorgan
Exon
Faircloth
Feingold
Feinstein
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Jeffords
Johnston
Kassebaum
Kempthorne
Kerrey
Kerry
Kohl
Kyl
Leahy
Levin
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Reid
Robb
Rockefeller
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—23

Akaka
Boxer
Bradley
Breaux
Bumpers
Daschle
Dodd
Ford
Glenn
Hollings
Inouye
Kennedy
Lautenberg
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Pell
Sarbanes
Simon
Wellstone
Wyden

NOT VOTING—2

Dole
Pryor

The amendment (No. 3971) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3973

Mr. McCAIN. Mr. President, the Senate just voted on an amendment by the Senator from Nebraska to increase veterans health care funding by changes in the Tax Code. Purportedly the revenue would be derived from closing corporate tax loopholes, although there is no guarantee that's where the money would come from. Proponents of the amendment have characterized the amendment as cutting corporate welfare.

First, I want to say that I support additional funding for veterans health care. In fact, I voted for the Bond amendment to increase health care spending by $13 billion.

Senator EXON's amendment also recommends a $13 billion increase. However, I want to address the issue of how the Senator from Nebraska intends to pay for the increase.

As my colleagues are aware I have been outspoken and active in the effort to cut inappropriate corporate subsidies. In fact, last year I offered an amendment to the reconciliation bill to cut over $50 billion in corporate pork spending. Unfortunately, that amendment was defeated. I might note that the effort did not enjoy the support of the Senator from Nebraska.

In addition, I have authored bipartisan legislation to review and eliminate corporate subsidies, including tax loopholes.

The Senator from Nebraska says the increase in veterans health care would be paid for by filling corporate tax loopholes. That sounds good, Mr. President, but the way that the amendment is written, that result is not guaranteed.

Moreover, even if we could be sure that loopholes were closed, I believe we owe it to the American people to dedicate the revenues derived from such reforms to reduce the tax burden on American families across the board.

Simply stated we can and should pay for necessary increases in veterans health care by offsets in other Federal spending, not by increasing the overall Federal tax burden.

I thank the Chair and yield the floor.

Mr. DOMENICI. Mr. President, I understand now the minority may have found another way to offer the President's budget and they intend to do that; is that correct?

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DEATH OF ADM. JEREMY MICHAEL BOORDA, U.S. NAVY

Mr. THURMOND. Mr. President, I was informed this afternoon that Adm. Mike Boorda, the Chief of Naval Operations, died today. I have little additional information at this time on what happened or how; but I want to take a minute to acknowledge the passing of a fine naval officer who made many extraordinary contributions to the Navy and to his country. I think this is a tragic day for both the Navy and the Nation. We lost an individual who was both a strong leader and a decent man.

Admiral Boorda enlisted in the Navy in 1956 and rose from seaman to admiral. He was selected and confirmed as the 25th Chief of Naval Operations in April 1994. Prior to his confirmation as Chief of Naval Operations, he commanded all United States and NATO forces in Bosnia. As ranking minority and now Chairman of the Senate Armed Services Committee, I had the opportunity to work closely with Adm. Mike Boorda on many occasions. I found him to be an officer of great professional skill, who instilled confidence and stood as a model of what a dedicated and courageous officer and leader should be.

Admiral Boorda took command of the Navy at a challenging time. His steady hand and firm leadership during a period of great change, a turbulent period of declining force structure and personnel reductions, and his firm commitment to professionalism and operational readiness, have kept the Navy on a steady course and sustained its excellence as a fighting force.

Particularly impressive was the empathy and concern that Adm. Mike Boorda had for those under his command. As a former enlisted sailor, he had a keen appreciation of the hardships of service at sea and family separation that are a part of a sailor's daily existence. He understood their sacrifice and worked extremely hard to ensure the welfare of naval personnel. He never failed to advise me on conditions in the fleet during our frequent meetings. His concern for the quality of life of the men and women in the naval service was remarkable.

During more than 40 years of service to the Navy and to his country, Adm. Mike Boorda made many extraordinary contributions to his country. He was man of great energy, vision, commitment, and patriotism. He was a man who deserved our gratitude and respect for his service while he lived, and our praise and prayers now that he is gone. We will miss him greatly.

Our thoughts are with his family, his wife Betty, his four children, and his nine grandchildren. They include two sons and one daughter-in-law on active duty in the Navy. We extend our sympathy to them and wish them well.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with consideration of the concurrent resolution.

Mr. DOMENICI. Mr. President, let me say to fellow Senators there will be additional votes tonight, but we are now trying to work on some aspects of handling this in a more expeditious and orderly manner. We will do that for the next hour and 30 minutes. There will be no votes before 8 o'clock.

I suggest the absence of a quorum and ask that it be charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADMIRAL BOORDA

Mr. KENNEDY. Mr. President, I am saddened, as my colleagues are, by the news we just received about Admiral Boorda's death. His loss is a tragedy for the Navy, the Armed Forces, and for the entire Nation.

Admiral Boorda was an outstanding leader and had the best possible qualifications to be Chief of Naval Operations because he rose through the ranks. He entered the Navy as an enlisted man in 1956. He is the only enlisted person ever to reach that high position.

As ranking member of the Armed Services Subcommittee on Seapower, I had the privilege of working with Admiral Boorda for several years. I had great admiration for his knowledge, skill, leadership and dedication. President Kennedy was a Navy man, too, and he said at the Naval Academy in 1962:

> I can imagine a no more rewarding career of any man who may be asked in this century what he did to make his life worthwhile. I think I can respond with a good deal of pride and satisfaction: I served in the U.S. Navy.

Admiral Boorda's life and career exemplify the best in that tradition. I join the Navy and the Nation in mourning its loss, and express my deepest condolences to his wife, Betty, and to his entire family.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The time will be equally divided, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADMIRAL BOORDA

Mr. COATS. Mr. President, I associate myself with the remarks made by the Senator from Massachusetts, having just recently learned of the tragic death of the Chief of Naval Operations, Admiral Boorda. Admiral Boorda was a native of Indiana and had a distinguished military career, rose to the very top as Chief of Naval Operations. As chairman of the Personnel Subcommittee, I had numerous discussions and meetings with him, so I felt that I got to know him as well as you can in a busy Washington and all the busy activities we are involved in.

I was shocked by the news, deeply saddened by the news, and concerned for his family. While we do not have all the details of his death, I think we all feel the sense of grief that comes with this type of an announcement.

Admiral Boorda came into leadership at a difficult time for the U.S. Navy. Many changes have taken place in the Navy that brought to his desk a number of problems that were difficult problems to deal with. Yet, he did so with skill and did so with great thoroughness and determination to seek a proper solution.

So, Mr. President, I intend to say more later about Admiral Boorda and his career and service to this Nation. But I join with those in saying how shocked and saddened we are with this particular announcement.

I yield the floor.

Mr. COCHRAN. Mr. President, I ask unanimous consent that I may speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH OF ADMIRAL BOORDA

Mr. COCHRAN. Mr. President, I, too, want to join my Senate colleagues in expressing how profoundly saddened we are about the death of Adm. Mike Boorda, Chief of Naval Operations. He was truly one of the most impressive figures who has ever been selected to serve as Chief of Naval Operations. He rose from the ranks of the enlisted personnel to become an officer, and not only that, but the highest-ranking officer in the U.S. Navy. He brought to that job an enthusiasm for the work, a love for the Navy, and a respect for everyone in the Navy that was unparalleled.

I recall very clearly a visit that I had the good fortune to make with him to the Meridian Naval Air Station in Meridian, MS. He gone down to our State and was visiting other States in the South looking at naval installations. He visited the Pascagoula base on the gulf coast. I was with him in Meridian when, after a tour of the naval air station, he wanted an opportunity to meet with everybody on the air station. So a meeting was called and everyone was invited. All hands were invited to come see the Chief of Naval Operations in the gymnasium there on the base.

He talked to everyone. He had a hand-held mike. He walked out in the middle of the gymnasium, as people were seated in the stands all around. After his remarks, without any notes at all, he took questions and he was asked questions about everything from pay allowance issues, to housing, to the status of some repair contracts on Navy fighter aircraft, to the status of trainers, and how long they would remain in service. He knew something about everything that he was asked that day, and he handled the questions in a way that showed a genuine respect for each person who asked the question, whether it was an officer, a pilot of an airplane, or an enlisted personnel. He left that place that day with everyone really endeared to him and totally impressed with him as a person and proud to be in the U.S. Navy with his being the highest ranking officer in that Navy.

So it is with deep regret and sadness that we heard today the tragic news of his death. Our condolences go out to his family and to all of those who worked closely with him, because they have to be deeply, deeply saddened by this terrible event. But his legacy will be long remembered and appreciated as an enduring gift of unselfish public service by a person who was a true patriot.

Mr. President, I yield the floor.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

Mr. EXON. Mr. President, I suggest the absence of a quorum and ask that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, Senator ROCKEFELLER is here. We are trying to move things along. He is ready to offer an amendment. We had a discussion here a few moments ago. As I understood it, the arrangement would be that there would be no more votes before 8 o'clock, and that, in the meantime, we had agreed to set aside, temporarily, the Exon amendment, which is before the body, to allow other amendments to be offered. I am pleased to see my friend from New Mexico here. Senator ROCKEFELLER is here.

I ask unanimous consent that the Exon amendment be temporarily set aside for the purpose of other people offering amendments. I simply say that, under the rules that are still in effect, it would be the Republican's turn to offer an amendment. If there is no Republican here and ready to offer an amendment, with the approval of the chairman of the committee, we could recognize Senator ROCKEFELLER for his amendment.

Mr. DOMENICI. Reserving the right to object. We have not seen Senator

ROCKEFELLER's amendment. We do not know what it applies to, the underlying bill, or what.

Mr. President, I have no objection. I will just ask, since we did this for you last time, you can proceed with the Rockefeller amendment, and then we will have an amendment. Since we are entitled to go next——

Mr. EXON. I guess I was wrong on that, Mr. President. I was ready to offer an amendment. I would have gone next. Out of deference to the agreement we made, I am not offering that. So I guess the slot really would be on our side. I see nothing wrong if the Senator agrees that Senator ROCKEFELLER will take the place of the Democratic slot I was prepared to take, and then the next amendment will be on your side. Eventually, sometime tonight, we will get back to the Exon amendment that is being temporarily set aside.

Mr. DOMENICI. I have no objection.

Mr. EXON. I yield as much time as is necessary to the Senator from West Virginia for the purpose of offering and explaining the amendment.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROCKEFELLER. I thank the Chair and the distinguished Senator from Nebraska, and also the chairman of the Budget Committee, for their courtesy.

AMENDMENT NO. 3979

(Purpose: To restore $50 billion in excessive Medicare cuts designed to pay for new tax breaks for the wealthiest Americans, offset by the extension of expired tax provisions or corporate and business tax reforms; to protect seniors against unjustified increases in premiums and other out-of-pocket costs; to prevent the closing of rural hospitals and other excessive provider cuts that erode access to needed medical services; to prevent the implementation of policies designed to force seniors to give up their own doctors to join private health plans; and to protect Medicare against policies that will cause it to wither on the vine)

Mr. ROCKEFELLER. Mr. President, I send an amendment to the desk on behalf of myself, Mr. DORGAN, Mr. KENNEDY, Mr. DODD, Mrs. BOXER, Mr. LAUTENBERG, Mr. DASCHLE, Mr. WELLSTONE, Mr. FORD, and Mr. EXON.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. ROCKEFELLER), for himself, Mr. DORGAN, Mr. KENNEDY, Mr. DODD, Mrs. BOXER, Mr. LAUTENBERG, Mr. DASCHLE, Mr. WELLSTONE, Mr. FORD, and Mr. EXON, proposes an amendment numbered 3979.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 5, increase the amount by $100,000,000.

On page 3, line 6, increase the amount by $3,400,000,000.

On page 3, line 7, increase the amount by $5,900,000,000.

On page 3, line 8, increase the amount by $9,200,000,000.

On page 3, line 9, increase the amount by $13,200,000,000.

On page 3, line 10, increase the amount by $18,700,000,000.

On page 3, line 14, increase the amount by $100,000,000.

On page 3, line 15, increase the amount by $3,400,000,000.

On page 3, line 16, increase the amount by $5,900,000,000.

On page 3, line 17, increase the amount by $9,200,000,000.

On page 3, line 18, increase the amount by $13,200,000,000.

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On page 4, line 20, increase the amount by $9,200,000,000.

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On page 4, line 22, increase the amount by $18,700,000,000.

On page 29, line 10, increase the amount by $100,000,000.

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On page 29, line 17, increase the amount by $3,400,000,000.

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On page 30, line 6, increase the amount by $9,200,000,000.

On page 30, line 7, increase the amount by $9,200,000,000.

On page 30, line 13, increase the amount by $13,200,000,000.

On page 30, line 14, increase the amount by $13,200,000,000.

On page 30, line 20, increase the amount by $18,700,000,000.

On page 30, line 21, increase the amount by $18,700,000,000.

On page 49, line 17, decrease the amount by $100,000,000.

On page 49, line 18, decrease the amount by $50,500,000,000.

Mr. ROCKEFELLER. Mr. President, I rise today in order to offer an amendment to restore $50 billion to the Medicare Program. This amendment restores $50 billion by closing corporate loopholes and by extending expired tax provisions already included in the Republican budget.

Mr. President, we are back again trying to make sure that the Medicare Program is not gutted to pay for tax cuts for the wealthy. This is where we were a year ago. This is where we are again now. My colleagues on the other side of the aisle have tried to dress up their budget. They are proposing all kinds of fancy maneuvers and 3 separate budget packages. They are pretending their latest budget is somehow kinder and gentler. But there is really not much new here compared to what we had last year. They lost the budget battle last year with the American public when the public realized that the drastic cuts in the Medicare and Medicaid programs were going to be used to pay for tax breaks for the wealthy.

Instead of going back, as I would have thought they would have done, to the drawing board and come up with some new ideas and better health policies, they have merely changed the rhetoric. Instead of proposing ways to strengthen the Medicare Program, they have come up with some complicated three-tiered reconciliation process so that they can send three different bills to the President in a desperate attempt to score some political points. Instead of working with Democrats and with President Clinton to actually enact a bipartisan balanced budget, the Republicans continue to work behind closed doors.

The budget resolution before us has been preconferenced. I want my colleagues to understand this. It has already been preconferenced between the House and Senate Budget Committees. I have only been here 11½ years. I have never heard of that—a preconferenced bill involving something so massive as Medicare, for example. The deals have already been worked out and they have shut the door on any serious attempt to reach an agreement on a balanced budget. It is either their way, with massive Medicare cuts to finance tax cuts for the wealthy, or it is no way at all.

Mr. President, last year the Finance Committee did not hold a single hearing on the so-called "chairman's mark" to cut Medicare by $270 billion; totally different approach than the one that Senator KENNEDY and Senator KASSEBAUM in their respective minority-majority positions took in their committee. The Labor and Human Resources Committee has done their legislation in a bipartisan, open-to-all, way. We did not do that in Finance. We held hearings on the problems of the Medicare Program earlier in the year. But not a single hearing was held on the Republican's actual plan to cut $270 billion out of the Medicare Program. Not a single hearing was held to figure out what the impact of these really very radical cuts would be on the average Medicare beneficiary who already spends, let my colleagues understand this, 21 percent of their budget on health care.

I wrote Dr. O'Neill, head of the Congressional Budget Office, last year asking for estimates of what she thought this $270 billion might have in the way of an impact on the average senior's pocketbook. Needless to say, I never got a response.

It is no different this year, Mr. President. This year the Finance Committee has failed to hold a single hearing on any aspect whatsoever of the Medicare Program—not one hearing. This budget resolution assumes enactment of the same type of radical policy changes without even preserving current law financial protection for seniors.

Mr. President, this debate is not about whether we should balance the budget but how we should balance the budget. This Republican budget still seeks the unprecedented cuts in the Medicare Program, just as it did last year. Just as that was rejected by the American people, here we are back again.

The President's budget achieves balance with $50 billion, or 44 percent, less in Medicare cuts.

If they both achieve balance, then it seems to me quite reasonable to take the President's approach and simply restore $50 billion knowing that the budget would then be in balance.

Mr. President, even the Congressional Quarterly wrote, "This year's Republican Medicare budget proposal looks a lot like last year's proposal." The same thing—a huge public outcry last year, and with a new year out it comes once again.

On the surface, the Medicare cuts appear somewhat reduced. But a lot of the reduction can be attributed to CBO's revised Medicare baseline estimates and because this year's budget only includes 6 years worth of cuts rather than 7 years.

For hospitals, though, this year's budget resolution is much, much worse than last year's. The American Hospital Association estimates that the projected hospital cuts in the budget are 20 percent greater than the cuts in last year's proposed hospital budget cuts.

I have here a letter which I ask unanimous consent to have printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 16, 1996.

DEAR SENATOR: On behalf of the undersigned organizations representing hospitals and health systems, we strongly urge your support of any amendment to S. Con. Res. 57 (the FY 1997 Budget Resolution) which lowers reductions to Medicare. We cite in particular an amendment to be offered by Sen. Jay Rockefeller (D-WV) to restore $50 billion to the Medicare program.

While it appears that the overall Medicare budget reductions of $165 billion included in S. Con. Res. 57 are roughly the same as those in the last Republican offer in January, the budget drastically changes how the reductions would be allocated within the program. The FY 1997 budget proposal achieves the total reduction by saving $124 billion from Part A Medicare (the Hospital Insurance Trust Fund) and $44 billion from Part B.

The net result is that in S. Con. Res. 57, the reductions in Part A have increased by approximately $25 billion. Not only are these unprecedented reductions, but they would have a disproportionate adverse impact on hospitals. To achieve reductions of this magnitude, Congress may need to adopt policies that would freeze or actually reduce payment rates per beneficiary.

Hospitals and health systems support a reasonable deficit reduction package, and believe that changes in Medicare are sorely needed to keep the Part A trust fund solvent. Many of us have supported various proposals that achieve a balanced budget with reductions in Medicare. However, we are gravely concerned about the level of Medicare Part A reductions proposed in S. Con. Res. 57.

Again, we ask you to support any amendments that temper the level of reductions to Medicare Part A, including Sen. Rockefeller's amendment to restore $50 billion to the Medicare program, and seek a more balanced approach to achieving savings.

Sincerely,

American Hospital Association, American Association of Eye and Ear Hospitals, Association of American Medical Colleges, Catholic Health Association, Federation of American Health Systems, InterHealth, National Association of Public Hospitals and Health Systems, Premier, Inc., VHA Inc.

Mr. ROCKEFELLER. Mr. President, this letter is signed by the American Hospital Association, the Catholic Health Association, the Federation of American Health Systems, and seven or eight others, in which they say the budget drastically changes how the reductions would be allocated within the programs.

They refer to: "Not only are these unprecedented reductions, but they would have a disproportionate adverse impact on hospitals," and so on. It is a much more drastic cut for hospitals. That is something that we all need to worry about.

The Prospective Payment Review Commission, ProPAC, a highly respected, nonpartisan commission that advises Congress on hospital payment issues, has warned us in their March report that severe reductions in hospital payments could have a severe impact on hospitals. They go on to say, "The required restraint on cost growth may not be feasible, or desirable. Low updates over an extended period could affect a hospital's financial health and compromise access and compromise quality of care. They could also impede the diffusion of quality-enhancing technological advances."

Mr. President, this is not a partisan conclusion reached by this Senator or the Clinton administration about the hospital cuts proposed in the Republican budget. This is a conclusion that has been reached by a group of health care experts who have been advising Congress on the financial health of hospitals since 1983.

This budget truly ignores the heavy reliance of rural hospitals on the Medicare Program. Small rural hospitals may have to shut their doors. We have heard that before. But with this 20 percent greater impact, it is far more dangerous.

Mr. President, in West Virginia one-half of all seniors live in rural areas. Well over half of our hospitals are rural and are, therefore, clearly and logically disproportionately dependent on the Medicare Program for their payments.

Mr. President, my colleagues on the other side of the aisle will yet again claim that they are proposing these massive reductions in Medicare to save the trust fund from insolvency.

Once again, I say this is nonsense. While the most recent Medicare trustees' report showed the trust fund in somewhat worse shape than last year, the variation falls within the typical margin of error. There is over $120 billion in that trust fund, and there is no imminent danger that claims cannot or will not be paid.

During my almost 10 years' tenure on the Finance Committee, Mr. President, we have been faced with many of these situations, to be quite honest, with many scenarios of impending trust fund short-term insolvency crises. You have not heard very much about them. The reason you have not heard very much about them is that each time, except for the last time, Finance Committee members worked together to enact Medicare payment reforms to extend short-term solvency to that one and same trust fund. We have done it time and time again, maybe seven or eight times over a period of 15 years.

We enacted major reforms in hospital payments in 1983 and followed up with physician payment reform, something that Senator Durenberger and I were closely involved in in 1989, as well, of course, as Senator KENNEDY. We made countless payment and policy adjustments to rein in Medicare spending and extend trust fund solvency, but we did it together. It was bipartisan. You heard very little, if anything, about it.

In fact, until very recently, the Medicare Program outperformed the private sector in containing its health care costs. The private sector is doing slightly better right now, but realize that the private sector is ensuring fewer and fewer people while Medicare's enrollment is increasing. Medicare pays for home care services and skilled nursing home care, types of services that are not normally covered by private insurance policies, and Medicare pays for an older and sicker population.

So in spite of this, except for this year, they have held their costs below the rate of increase of the private sector. They have done very well. As everybody knows, or hopefully knows by now, their administrative costs are about 2 percent, which is virtually impossible to imagine but true.

At the beginning of the Clinton administration, the trust fund was projected to be exhausted by 1999—not 2002 but 1999. The Democrats on the Finance Committee were forced to work single-handedly in 1993 to extend the solvency of the trust fund by 3 more years, and I am aware of that because I negotiated the Medicare part of that.

I can tell you, Mr. President, that we did not have a single Republican vote. We did it, nevertheless. I did not hear one single concern expressed by the current congressional majority about the solvency of the trust fund back in 1993, which was not very long ago.

The Congressional Budget Office has certified that the balanced budget proposed by the President would extend the solvency of the trust fund for 10 more years. That is about the same level of solvency achieved by the Republican budget. But the President's budget does so without damaging programmatic changes and drastic cuts that would eventually cause the Medicare Program to, as one noted public servant said, "wither on the vine." We can address the short-term solvency needs of the trust fund without slashing and burning the Medicare Program. We can extend short-term solvency without shifting huge new costs to senior citizens. The President's budget proves that it can be done.

The tougher issue, of course, is the long-term solvency of the trust fund, and about that we are all concerned. When the baby boomers begin to age into the Medicare Program, there will be a huge strain on the trust fund. None of the balanced budget proposals deal with the issue of long-term solvency. The Democratic proposal does not. The President's proposal does not. The Republican proposal does not do that.

Last year, I introduced legislation—which I believe is strongly supported by Senator DOLE; he said he strongly supports it—that would establish a bipartisan Medicare commission. When people hear the word "commission," they say, "Oh, yeah, one of those." Well, yes, one of those was what solved the Social Security problem for a great many years under President Reagan and Alan Greenspan back in 1981. The House and the Senate and the President, Republicans and Democrats, all went along with that. Tough decisions were made. Bullets were bitten. The bill was passed, and Social Security is not the concern that it was at that time.

None of the balanced budget proposals, as I indicated, deal with this, and I think a Medicare commission to make recommendations to Congress on ways to deal with the long-term solvency of the Medicare Program is the intelligent, rational way to go. If we adopted the President's proposal on Medicare, we would have plenty of time, plenty of time, to adopt a bipartisan solution that addresses this long-term solvency.

It has always been a matter of some amusement to me; if it is solvent until the year 2002—the Medicare HI trust fund—and this is 1996, that is called 6 years.

The President could call this commission into being next year, if he is reelected, or, if Senator DOLE is elected, then he could do it. He says he is for it. It would meet for a period of 6 months or a year or whatever it would be, and the problem, therefore, would be resolved and we could vote on it in 1998, 4 years before the crisis even hit us. Six years is ample time. Medicare is not in danger. Congress will not walk away from our responsibilities on Medicare. We simply will not do it.

So from my point of view, in concluding, the Republican budget is designed to raid, not save, the Medicare Program. Medicare's money is going to be used to finance tax cuts for the wealthy. It is that simple. It has nothing to do with assuring long-term solvency of the Medicare trust fund. I find that abhorrent. It has nothing to do with making sure that Medicare programs continue to provide high-quality health care for our senior citizens and the disabled. It has everything to do with the Republican promises to balance the budget in 7 years and hand out tax cuts to the rich.

Mr. President, I hope my colleagues will adopt my amendment.

Mr. President, I send a modification of my amendment to the desk in that there was a small error.

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

The amendment, as modified, is as follows:

On page 3, line 5, increase the amount by $100,000,000.

On page 3, line 6, increase the amount by $3,400,000,000.

On page 3, line 7, increase the amount by $5,900,000,000.

On page 3, line 8, increase the amount by $9,200,000,000.

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On page 30, line 21, increase the amount by $18,700,000,000.

Mr. ROCKEFELLER. I thank the Presiding Officer, and I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. I thank you, Mr. President. I yield myself 10 minutes to speak to the amendment.

Mr. President, the Senator from West Virginia and I from time to time agree on things in the Chamber, and on this occasion we disagree on the approaches being taken to Medicare. Let me just begin by trying to put in context the magnitude of the problem which we confront. While it may be true in the past there have been projections that Medicare, the part A trust fund was headed toward insolvency at some point in the future, we have never come this close before in the following sense. We have never before faced a situation where we actually were paying more dollars out of the trust fund than taxpayers were paying into the trust fund, but that, indeed, is where we are today.

Last April, the Clinton administration estimated that the trust fund balance would increase by $4.7 billion in fiscal year 1995 and 1997 would be the first fiscal year in which it would run a deficit. However, Department of Treasury figures indicate now that the Medicare Program ran a deficit of $37 billion in fiscal year 1995, 2 years earlier than expected. CBO has projected that based on this change in circumstance, Medicare is now likely to become insolvent as early as the year

2000. I ask unanimous consent to enter into the RECORD at this point a letter from the head of the CBO, June O'Neill, which indicates their projected timetable.

Mr. President, the concerns I think all of us have about the solvency of the part A trust fund are ones that need to be addressed. They need to be addressed decisively. I agree with the Senator from West Virginia that we must confront the long-term population projections, the aging of the baby boom generation and the impact that will have on Medicare, but I do not think we should postpone dealing with that problem until down the road in some commission. I think we have to begin laying the foundation for dealing with that problem now. That is what we are trying to do with the Republican budget before the Senate here tonight.

New estimates, as I said, by the Congressional Budget Office post the year 2001 as the likely point at which the trust fund part A will be insolvent.

Matters seem to be getting worse. Last year, Republicans offered a systemic change, an effort to try to create a competitive choice system for Medicare recipients. We were able to get that through the Congress, but, unfortunately, it was vetoed ultimately. But the direction we are moving in is one that will try to address this problem both short term and long term. Contrary to some of the comments that have been made, the Finance Committee has had, it is my understanding, 13 hearings already on Medicare in this Congress.

But the fact remains that there are two basic choices for us to make here in the U.S. Senate. The President has offered a proposal which essentially maintains the solvency of the part A trust fund by shifting, from the part A trust fund, vital programs, home health care, to the tune of approximately $50 billion, maybe a little bit more than $50 billion, and through that mechanism produces a greater solvency for the trust fund.

We, on our side of the aisle, do not think that is the appropriate way to address the problem. Countless Americans depend on the part A trust fund to provide those home health care services. Moving them out of the trust fund, moving them into the general account, making them, instead, subject to congressional deliberation and imposing their costs on the taxpayers, or to force those programs to be competitive with others, is not the way to go.

If that is the solution we are going to take every time the trust fund approaches insolvency, if we say the answer is to move parts of the programs under the trust fund out of the trust fund, I do not think that is providing seniors with much security at all. In fact, I think for any senior who is listening to this debate, I would warn them if we set the precedent saying the way we are going to address the pending insolvency of the Medicare part A trust fund is by taking away services and putting them up for negotiation and debate in part B, or in some other way to be dealt with by the Congress, we are undermining the confidence that seniors will have in Medicare, and it will continue in my judgment.

So, instead of approaching it that way, what we have attempted to do on the majority side is to provide what we think is a comprehensive approach to guaranteeing the solvency for 10 years of the part A trust fund. In addition, what we have done is to take the President's own number, which is $44 billion of savings in the part B Medicare portion of the budget. So what that means is that we are taking action that will guarantee the solvency of part A for 10 years, through the year 2006. That is, I think, a goal worthy of us and one that we should, I think, accomplish for purposes of protecting the American people who are dependent on Medicare. And we are using the President's own projected savings in part B of $44 billion to arrive at our Medicare objective.

Now that may not be the approach that others support. They seem to feel we need to try to increase the funding. But if we increase the funding in Medicare we are only creating, I think, a more serious insolvency problem. If we do not begin now to reform the programs to create the options and the choices for Americans so we can begin to reduce the rate of growth of the Medicare Program, we are inviting even greater problems at a sooner point, in my judgment.

We strongly oppose the amendment that is being offered. We think that the President's approach is not the proper way to go. We think that the approach of just spending more money without trying to reform the system is not the approach to take. Certainly we do not think the way to go is to have the usual solution around here of more taxes to fund programs. We need to reform the programs themselves.

So, for those reasons, I strongly urge my colleagues to oppose the amendment. I yield the floor at this time.

The PRESIDING OFFICER. The Senator from West Virginia.

(Mr. ABRAHAM assumed the chair.)

Mr. ROCKEFELLER. Mr. President, I would like to respond to the distinguished Senator from Michigan in his reference to treatment of home health care financing. I am addressing, in fact, the distinguished Senator from Michigan as the Presiding Officer.

It is complicated, but it is very important. I would like to take just a couple of minutes, if that is all right, outlining why this change in home care financing does, in fact, make sense. And then also why, therefore, it is a legitimate way to improve the solvency of the part A trust fund.

A little history: Before 1980, financing of the home health care benefit was divided between part A and part B, pre-1980. At that time only the first 100 days of home visits after a 3-day hospital stay were financed from the part A fund. All other visits were financed by part B. The policy behind this was that Medicare part A was designed to pay for short-term recuperative home care services. In 1980, Congress enacted legislation that improved Medicare's overall home health care benefit by removing the 100-day visit limit and the prior hospitalization requirement, the so-called 3-day requirement. As a result, financing of all home care services was shifted at that point to part A, even though part A was never intended to pay for long-term home health care services. That is the rationale, and it makes sense.

The President's proposal restores financing of the home health care benefit back to the original intent of Medicare, and that is what happens in his proposal. It brings Medicare financing in line with use patterns that show home health care has evolved into two distinct benefits: Care to persons recovering from an acute care hospitalization and care where there is no hospitalization but long-term care services are required. This proposal extends the solvency of the part A trust fund by capping part A financing of Medicare's home health benefit and saves the trust fund almost $60 billion over 7 years.

I just wanted to make that point. The Senator from Michigan, the Presiding Officer, had raised this point and I think it does bear explanation on a policy basis.

I thank the Presiding Officer and yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I was listening to the presentation of the Senator from West Virginia and felt I had to respond in some particulars. I appreciate the Presiding Officer giving me relief from the chair so that I might do this.

I hear the Senator from West Virginia use the statement that we have heard many times on the floor, that the purpose of the Republican number for Medicare is to pay for tax cuts for the wealthy. I say once again, if these tax cuts are going to benefit the wealthy, the wealthy have to have awfully big families because the tax cut is limited to $500 per child and I do not know anybody who is really wealthy who is going to make any money off of this at $500 per child. The people who need this are the people who have low incomes and big families. Those are the people in my State who are getting a little tired of the rhetoric that this is a tax cut for the wealthy. I have heard the statement made on the floor that this is going to mean $10,000 in tax cuts to some people. They have to have an awful lot of kids to get $10,000 at $500 per child.

Second, "slash and burn" is a phrase that was used, on the amount of money to be spent on Medicare; the incredible cuts. I was a Member of this body when the Senator from West Virginia cosponsored the Clinton health care plan. In the Clinton health care plan, as explained in hearings before the Congress by Mrs. Clinton, the growth of Medicare spending was to be slowed. Mrs. Clinton made the very specific point, and some of us have seen that on videotape as it has been replayed, that we are not cutting Medicare, she said, we are simply slowing its growth so that we can pay for all the things we need to do in health care.

The bill that is before us slows the growth of Medicare less than the amount proposed by Mrs. Clinton in the bill that she proposed, and which the Senator from West Virginia cosponsored.

I do not consider that it was slashing and burning Medicare when Mrs. Clinton proposed it, and I do not think it is slashing and burning Medicare now. I hope we will stay with the numbers as they really are. We are proposing increasing spending on Medicare, and the Republicans are proposing increasing spending on Medicare at a higher rate than Mrs. Clinton proposed, and that was in the bill that the Senator from West Virginia cosponsored.

Mr. President, the Senator from West Virginia has talked about the repeated actions of the Finance Committee in dealing with short-term solvency problems. An analogy sprang to my mind. We have watched the Government of the District of Columbia give us repeated short-term solutions to their short-term solvency problems, and the long-term solvency problem has gotten continually worse until finally the District of Columbia is facing the crisis that it is.

I am not proud—I did not participate, so I was not involved—but I am not proud of the actions of the Finance Committee over the years in the way they have solved the short-term solvency problem. I am not proud of administrations that I would call my administration—that is the Bush administration—in the way it has addressed the short-term solvency problem, because all they have done repeatedly is postpone the day of reckoning, and to say, "Well, we've been able to do it on a bipartisan basis."

All right, shame on both parties. But what happens again and again when you are faced with the short-term solvency problem in Medicare is, say we are going to reduce the amount we will reimburse to the doctors and we will make those greedy doctors and hospitals pay by putting a lid on the amount they can charge. There is another word for that, Mr. President. It is called wage and price controls. We have been trying to solve our inflation problems in this country with wage and price controls perhaps from the beginning of time. They have never worked in any other arena, and they have not worked in Medicare. Every time the Finance Committee or the administration puts wage and price controls on Medicare payments, the people who are faced with those wage and price controls find ways around them. Then the costs start going up again, so we have to have another short-term fix with wage and price controls.

The only solution is to forget the pattern of the past and make systemic changes in Medicare, and my party has had the courage to attempt that. The party of the Senator from West Virginia has said, "No, we will not attempt systemic changes in Medicare. Let's have a commission."

I would be happy to serve on such a commission and endorse such a commission if the charge of that commission was to say that we are not going to do what we have historically done because it is what we have historically done that has brought us to the point we are today. We have to face the fact that Medicare is a wonderful 1960's program frozen in time by virtue of its having been made a Government monopoly. We have to break the monopoly, open this thing up to free market forces, recognize that wage and price controls do not work, and start with a clean sheet of paper. If we had that kind of circumstance, I would be happy to do whatever is necessary to cooperate with the Senator from West Virginia in a bipartisan fashion. But more of the same, a repeat of what we have done in the years that have gotten us to this, is not the kind of call we need to deal with Medicare.

Mr. President, I recognize that I have opened a can of worms or a hornet's nest here, and I should return to the chair, but if the President will grant me the indulgence, I recognize that the Senator from West Virginia is now on his feet and wants to defend himself, and I congratulate him for that. If I may be allowed to stay here and defend myself and we have this debate, I think it will be a worthwhile circumstance.

With that, Mr. President, I yield the floor, in anticipation of hearing a rebuttal from my friend from West Virginia.

Mr. ROCKEFELLER. General reminders, perhaps, would be more appropriate in terms of the phrasing. I certainly listened to what my distinguished friend said, and respect him. In fact, in all that he says, because he has a particularly articulate, modified way of saying things which I have long respected, which the Senator knows from our previous conversations.

The Senator has brought up a number of points, such as wage and price controls, and this is something which is not necessarily totally accurate, but which I ask the Senator to contemplate. He talked about the evils of wage and price controls. Let us leave wages out for the moment—no, let us not leave wages out for the moment.

I submit to the Senator what we are now seeing increasingly in private sector managed care—you made reference to the Clinton health care program which is long gone. It seems to me like the debate on health care reform was 10 years ago. Since it failed, there was this convulsion in the marketplace, an extraordinary explosion of activity, and managed care took off. We have health maintenance organizations, HMO's, which are wonderful in their concept of paying a doctor so much to keep a patient healthy. Therefore, the incentive was to keep the patient healthy, and the incentive was always on the relationship between the doctor and the patient. Then we see the introduction of for-profit HMO's, which are now sweeping the Nation. That introduces quite another concept, and that is the interest of the shareholder of the company as opposed to, perhaps, in contrast to, in contradiction with, perhaps, the relationship between the doctor and the patient.

I just wonder out loud if what we have seen, therefore, and the resulting kind of caps and limits, and "this will be allowed and that will not be allowed," is, in fact, a form of wage and price controls, but under the guise of the private sector, therefore, we do not think of calling it as such. I just raise that as something for the Senator to think about.

Second, on the short-term basis aspect, the Senator expressed great concern about having to do this all the time. I am in total agreement. I am in total agreement, and I think the reason that we have had all of these short-term fixes is because we have not had to consider Medicare in a longer term context.

The Senator made some correct observations. But that is why I think that a commission, never before entered into, on Medicare, which has grown enormously because Congress has added enormous new burdens on it, services to be paid for, as well as the cost of health care and everything else, that it is, in fact, a long-term commission approach which is the answer to solidifying patterns, making adjustments, and biting the bullet on some very difficult issues.

I think that the deal, so to speak, would be that the commission would be so well balanced as to who was on it—experts, seniors, consumers, et cetera, it would be fairly done and expertly done—that it would be voted through by the House, voted through by the Senate, and signed by the President almost without debate, like the Social

Security Commission's recommendations were. It was an enormously controversial problem. Senator DOLE and Senator MOYNIHAN were on that commission.

With respect to when the Senator talked about the old bromide, or whatever it was, of Democrats talking about tax cuts for the rich, I have to go by what people in the majority say, because we in the minority have to respond to that.

The Senate budget resolution would, and I quote, "accommodate further tax reform or tax reductions, to be offset by the extension of expired tax provisions or corporate and business tax reforms. Such tax reductions could include proposals such as economic growth, a capital gains tax reduction package, State tax reform, economic growth, fuel excise taxes * * *."

And on to the end of the quote.

So I have to believe that tax cuts for the wealthy are still very much in the mind of the Republicans. I cannot prove it, but I can point to the Republican budget resolution before us.

What am I to think as I see this?

Mr. BENNETT. Would the Senator yield on that point?

Mr. ROCKEFELLER. Of course.

Mr. BENNETT. I do not have the figures in front of me, but I would be happy to supply them to the Senator. If you take the total amount set aside for tax cuts, you would find that the vast bulk, I think in the neighborhood of something like 80 percent of the value of the tax cut, goes for the $500 tax credit for children. The taxes that the Senator is pointing out, in terms of the total impact, are relatively small and can honestly be described as minor in their financial impact.

By far, the greatest bulk of the tax money is going for the $500 rebate for children. That is the expensive item in the tax cut bill. I am sure the Budget Committee would be happy to give the Senator those details.

Mr. ROCKEFELLER. We will see on all of this, because there is a very strong predilection on the part of the majority party to make—when you are talking about inheritance taxes, you know, that is pretty heavy stuff. That would raise questions. The Senator who is speaking knows something about that.

The other thing I guess I want to say, if the Senator would further yield——

Mr. BENNETT. I am happy to yield.

Mr. ROCKEFELLER. This amendment is about restoring $50 billion that was cut by the Republicans from Medicare. That is what my amendment is about. That is kind of what I would like our discussion to be about.

Mr. BENNETT. Mr. President, I thank the Senator for his reasoned response. I remain unconvinced by it, but I appreciate the manner and the tenor in which it is offered. May I make several comments, and then I will return to the chair, and perhaps this will pass on for those who want to read about it in the RECORD.

The reference to wage and price controls and HMO's. Wage and price controls, by definition, are imposed by Government. Market conditions may set prices elsewhere. One of the main things wrong with our whole health care system—and the Senator and I can have this discussion at length at some other time—is the very fact that market forces do not operate here and cannot because of the Government's attempt to enforce wage and price controls.

We have a circumstance, I say to the Senator, where the user of the service is not the purchaser of the service, and market conditions therefore cannot operate.

If I, for example, am enrolled in an HMO I do not like, there is nothing I can do about it because the person who chooses that HMO is my employer. It is the employer who purchases the service, pays for it and makes the deal. It is I, the employee, who uses the service.

Mr. ROCKEFELLER. Would the Senator yield?

Mr. BENNETT. I will yield in a moment.

I have been the chief executive officer of a company and, therefore, in a position to choose what kind of health care the employees will get. It will come as no surprise to say that I chose a program that I liked.

During the debate over the Clinton health care plan, people would say to me, "Why don't you give us as good a health care plan as you have as a Member of Congress?" My response was, "I wish I had as good a health care plan as I had before I came to Congress," because the only health care plan I have now, as a Member of Congress, is that which the Government has decided to make available to Government employees. If you want the same kind of health care plan I have, go get yourself a Government job. But if you want a different kind of health care plan, go petition your employer.

That does not make sense. In any other circumstance, you make the choices if you buy the service. But we have created a circumstance here in our country—frankly, we can debate the historical roots of it—where the employer makes the decision but the employee receives the service. So whom does the HMO have to please? It has to please the health and human resources person at the employer's desk. If the employee does not get what he wants, too bad. The employer has made the choice.

Mr. ROCKEFELLER. If the Senator will yield?

Mr. BENNETT. I am happy to.

Mr. ROCKEFELLER. The Senator—and I apologize to my colleagues because we are no longer debating this amendment, which is about restoring $50 billion in Republican cuts to Medicare. That is what will be, hopefully, voted up later.

But when the Senator said, "I ran a company, and I decided what my employees were going to get. I made the decision"——

Mr. BENNETT. That is correct.

Mr. ROCKEFELLER. That is a very powerful statement. What that basically says is that the employees were denied any choice as to whether or not, for example, their doctor happened to be included in that program or not.

Mr. BENNETT. That is correct.

Mr. ROCKEFELLER. Whether certain services were offered in that program or not.

Mr. BENNETT. That is correct. The Senator is exactly right. He is describing the way health care works in this country.

Mr. ROCKEFELLER. If I might then just go back for a moment to the thoroughly savaged Clinton health care plan on the floor this evening, which, as I indicated is now a part of history. One of the things that the Senator is now able to do, if he in fact takes the trouble to do this, under the so-called Government health insurance program, which I would submit is hardly Government, because, for example, I have a Blue Cross-Blue Shield card, and the last I heard Blue Cross-Blue Shield was a private insurance company——

Mr. BENNETT. I say to the Senator, the Government——

Mr. ROCKEFELLER. If I could continue my point, I say to the Senator.

Mr. BENNETT. By all means.

Mr. ROCKEFELLER. That the Senator and this Senator and all those who work for the Federal Government have, in fact, between 25 and 29 different plans that they can choose from every single year. I have watched my daughter go through this process of spreading out the different programs, sitting on the floor cross-legged, and just looking at all of these 29 different programs spread out before her, 29 different options of health care which she gets to choose from. With Blue Cross-Blue Shield, through that arrangement, she pays them, she can pick her doctor, she can pick her service. She can reject one thing from one year to another. But the choice is hers.

The point I would like to loudly insert in this debate is that the Senator in mandating for his employees what they will have. And, indeed, it occurs to me that that is a mandate. That is an entirely different situation from Federal employees, or those in the alliances that were contemplated in the Clinton health care plan. Through their joint purchasing power, they could have in fact a great variety of programs that would be spread before them. In fact, the Federal intervention that came in was from something called a Federal Quality Board which was made up of medical experts who would certify that any health plans that were being offered to the public through alliances or otherwise would have to be certified as being qualified and of high quality.

One of the great complaints one hears across the land today in America from physicians, hospitals and persons conversant in health care public policy is that the word "quality" is rapidly disappearing from the discussion, if not the practice of medicine.

Mr. BENNETT. Mr. President, we perhaps should end this. I hope it is instructive. I am sure the Senator from West Virginia and I will continue this at another venue.

We clearly are not communicating here. He has outlined what I consider to be a prime example of what I was talking about. The Government has decided that his daughter's choices will be limited to Blue Cross-Blue Shield. The Government has decided that the plan I was under before coming to the Senate will not be available to me now that I am in the Senate. The Government has picked, yes, 29 different plans, and that is a lot, but that is not all that is available. I cannot take my money that is being spent for health care, deducted from my pay, go out in the open market and buy something else with it. I can only use it within the framework that this commission that he has described has made available to me.

Now, I will concede to him, absolutely, the commission he described did a good job and most employees will find that in the choices the Government offers they will find something that covers their needs. The point is that 29 choices is not the universe. If I want to make choice number 30, my employer—in this case the Government—has decreed that I cannot make choice number 30 with the money they are spending on my behalf for health care.

That is another debate for another time. We can have it. But I wanted to introduce it into this circumstance because I think it addresses the basic issue and goes back to the amendment that the Senator has offered.

Mr. ROCKEFELLER. Will the Senator yield for a closing thought?

Mr. BENNETT. Yes.

Mr. ROCKEFELLER. There were many more insurance plans than Blue Cross-Blue Shield involved at that time.

I just ask the Senator to contemplate the difference between the 25 to 29—and yes, there might be 30 on the one hand—as compared to the one that the Senator as president and chairman of the corporation which he ran picked out on behalf of his employees.

Mr. BENNETT. This is not the place to get into these details. I say the plan I chose had a number of choices within it so that the employees could make, frankly, almost as many choices as Government employees could make. Ultimately I had to make the decision as to what the framework would be for our employees. I made a decision to a plan that, in my opinion, was better than the one that is currently available to me.

My employees, I think, were better served with that decision that I was making than the Government employers and the decision you are talking about. Those are not appropriate questions here. We can have this discussion elsewhere. I think they go to the core of what has to be addressed when we talk about fixing the health care system in this country.

To summarize, and then I will return to my duties in the chair, I have always congratulated President Clinton on his leadership in addressing America's health care problems. I am one Republican who has been critical of my party's inability to exercise the proper leadership here. President Clinton did a courageous thing in taking this issue on. I had congratulated him at the time. I congratulated him all the way through, even while disagreeing with him on the details of his plan. I have congratulated him for his courage in being willing to face the fact that our health care system in this country is broken and badly needs fixing. I just do not think his solution fixed it. In my opinion, his solution made it worse.

I feel the same way about Medicare, that my party has had the courage to recognize that Medicare, to be handled as business as usual, is headed for disaster, and it is headed for disaster quickly. We have taken the political heat. We have taken the political rhetoric. We have been accused of slashing and burning. However, we have stood up to facing the problem.

As the Washington Post has said in its editorials, the Republicans deserve credit for telling the truth about Medicare and the Democrats have slipped into the posture of "Mediscare." That, in fact, does not add and contribute to the debate.

I thank my friend from West Virginia for the opportunity to have this exchange. I thank the Senator from Michigan for allowing me to escape the enforced silence of the chair long enough to vent my feelings on this issue, which I am sure will continue to provide opportunity for lots of dialog for lots of months and perhaps years to come.

I yield the floor.

Ms. MIKULSKI. Mr. President, I rise to express my strong support for the Rockefeller amendment on Medicare. The amendment restores $50 billion to the Medicare Program. It keeps Medicare solvent. It honors our national commitment to seniors.

Haven't we been this way before? It's the same old story—big cuts in Medicare to pay for tax cuts for the wealthy. Yes, we must balance the budget and keep Medicare solvent. But we can do that with the President's budget.

I will fight to protect health care for all seniors. Medicare pays for medical care for almost 38 million seniors. Over 500,000 of these seniors live in my State of Maryland. In my travels to senior centers throughout the State, I hear the same thing over and over. Seniors tell me they're afraid of losing their Medicare coverage. They fear they won't be able to keep their own doctors. They are worried they will be forced into managed care plans.

Our seniors count on Medicare for their health care. I want to keep the CARE in Medicare. This amendment will do that. It protects seniors from excessive premium increases and out-of-pocket costs. It lets seniors keep their own doctors. It attacks fraud and abuse. Doctors and hospitals won't be able to charge patients above the cost of Medicare. And seniors will have access to care because it prevents the closing of rural and urban hospitals.

There has been a lot in the news lately about Medicare going bankrupt. I am concerned about the solvency of the Medicare trust fund. We owe it to what I like to call the GI Joe generation and future generations to keep Medicare solvent. The GI Joe generation is the generation that fought for freedom and democracy for the world during World War II. They didn't hesitate to serve. When the war was over, they came home, raised their families, and contributed to the greatest prosperity this Nation has ever known. We would not be a nation much less a world power today if it weren't for the GI Joe generation. They have worked hard all their lives and played by the rules. Now they need Medicare to be there for them. Promises made must be promises kept.

We can balance the budget with far fewer Medicare cuts. At the same time, we can keep Medicare solvent and protect seniors from new costs. The President's budget accomplishes these goals. Under his plan, the solvency of the trust fund is extended for 10 years.

Medicare is one of the best health care systems in the world. Before Medicare was enacted 30 years ago, less than 50 percent of seniors had health insurance. Now 99 percent do. Let's not dismantle this successful program.

I oppose increasing seniors' out-of-pocket costs. That's why I oppose balance billing. This lets doctors and hospitals charge patients above the cost of Medicare. It increases seniors out-of-pocket costs. Ninety-seven percent of Medicare funds are spent on recipients with incomes less than $50,000. Seniors already spend 21 percent of their income on health care. They can't afford to spend more. Let's not hurt middle-income Americans. We need to renew our commitment to help those who help themselves.

The budget cuts Medicare part A by $98 billion. This part pays for hospitals and providers. We can't overlook the effect these drastic cuts will have on hospitals. What will happen to institutions like Johns Hopkins School of Medicine and the University of Maryland Medical School under these cuts? Cuts this large will put some hospitals out of business. It will cut down on the training of new doctors. And in the end, our seniors will be the ones hurt the most.

I say to my fellow Senators, do the right thing today. Don't balance the budget on the backs of our seniors. Preserve the Medicare Program. Let's keep our commitment to senior citizens.

Mr. KERRY. Mr. President, I rise today in support of Senator ROCKEFELLER's amendment to reduce the size of the Medicare cuts to the level of the President's budget and to preserve the basic health care protections this nation now provides for senior citizens.

Without Medicare, many and perhaps most of the 38 million Americans who are Medicare beneficiaries would have inadequate health care and treatment—or no treatment at all. This year's Republican budget would cut Medicare by $167 billion over 6 years, $50 billion more than the President's budget. This cut would reduce Medicare spending growth far below projected private sector growth rates, resulting in reduced quality and access to health care for millions of Americans.

This year's Republican Medicare cuts are all too similar to last year's Medicare cuts. In their fiscal year 1996 budget, the Republicans would have cut Medicare by $270 billion over a 7 year period to finance a $245 billion tax cut primarily for America's wealthiest people. These cuts would have resulted in a $9.5 billion loss to Massachusetts alone over the next 7 years. These cuts, if allocated evenly among all beneficiaries, would have cost each of the 900,000 seniors and disabled people who depend on Medicare an additional $1,240 a year.

But this year's Republican cuts in Medicare are still too large and will risk turning Medicare into a second-class system for seniors who cannot afford to opt out of the traditional Medicare Program through Medical Savings accounts. It is also amazing that Republicans still have not disavowed their intention to increase premiums to pay for a tax cut. Our Nation's senior citizens, with an average annual income of $17,000, spend more than 20 percent of their incomes on health care. Additional health care expenses would put an even greater burden on this population.

I believe that Medicare can be reformed without totally dismantling the fundamental security that the system provides. The President's budget shows that premium increases, deep cuts, and damaging structural changes are not necessary to balance the budget and guarantee the solvency of the Medicare trust fund. By failing to identify and eliminate corporate subsidies, and adamantly insisting on tax cuts for the rich, the Republicans are forced to cut programs for middle-class Americans far deeper than the President's plan, and the Medicare Program is bearing the brunt of this attack.

Medicare is a part of Social Security, a contract between the Government and the people. People pay into the trust fund during their working years and then receive good health care in their retirement years. The Republicans would break this fundamental contract with the American people.

I urge my colleagues to support the amendment offered by Senator ROCKEFELLER which I am proud to cosponsor. We must stop the Republicans from using the Medicare trust fund as a slush fund to pay for tax cuts. We must carefully and responsibly reform Medicare for the sake of preserving and strengthening Medicare and those who depend on it. The Republican budget really fails this test once again. In colloquial terms, Mr. President, "They just don't get it."

The PRESIDING OFFICER (Mr. BENNETT). The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, might I ask a question of the distinguished Senator from Michigan? If this amendment which is about trying to restore $50 billion to Medicare, is it the intention of the majority that we will discuss but not vote or that we will vote tonight?

Mr. ABRAHAM. It is my understanding, I say to Senator from West Virginia, we at least will not vote on anything before 8 o'clock. There is an agreement to not have any votes prior to that. At whatever point debate on the amendment of the Senator from West Virginia ends, if there is no further debate, I plan to speak briefly about it.

I am prepared to offer another amendment which, I think, would be in order, which will address Medicare and probably open up further discussion about the topic we have been discussing for the last half hour or so. Whatever point we decide there is no further debate on this, I am prepared to bring another amendment for discussion. I do not believe there is an agreement on specifically when we would vote. My understanding is we would not vote on anything prior to 8 o'clock.

Mr. ROCKEFELLER. I say to my friend that is approximately 22 minutes from now. Medicare is a pretty important subject. There may be people who want to speak. On the other hand, part of the deal around here is that if you want to say something you have to be here.

Can I assume that maybe by 8:30 or 9 o'clock we could vote?

Mr. ABRAHAM. I say to the Senator, I do not know of any other people right now on our side who are prepared to speak. I have been told several Members were coming to the floor earlier, but I have not seen them. I am not certain we will not have speakers. I have a few brief comments to make on the amendment before us, and I am prepared to bring up another amendment discussing the topic of Medicare that I presume we will debate for some period of time. I have received no further word from anyone on our side with an interest in speaking. I do not know whether on your side there are others who plan to come down.

It is my understanding there are approximately 30 minutes left on each side.

The PRESIDING OFFICER. The Senator is correct.

Mr. ABRAHAM. And I can offer my amendment when we either exhaust the time or it has been yielded back.

Mr. President, I will speak to the amendment for such time as I may need at this point. I want to make a couple of points, following up on my earlier statement. As you know, Mr. President, I expressed the concern that we have on our side over the way the President has attempted to address the Medicare issue. Specifically, the provisions in his budgets which would transfer the home health care expenditures from the part A to the part B fund.

The Senator from West Virginia has indicated that the rationale from a policy standpoint for doing this is the fact that some 16 years ago, or just prior to the year 1980, there was a limit on the duration of part A's coverage for home health care and a prerequisite of a previous hospitalization was necessary to trigger that part A coverage.

I only say this. If we are going to use as a standard for changes in Medicare the fact that at one time we did it differently, there would certainly be plenty of other Medicare-related issues then that would fall under that policy justification. For example, last year, there was a pretty significant debate here before the Senate over the question of the percentage of part B premium that would be paid by the recipients, by the people in the Medicare Program, a debate on whether or not the percentage would be dropped from 31 to 25 percent. It was argued at that time that we should not maintain a 31 percent, we should reduce it. That is a debate that has passed, but the fact is, there was a time in the program where the percentage of co-pay of the part B recipients was much higher than 31 percent.

So I do not think it is at least a reasonable justification to say that, because 17 years ago, the Medicare Program was structured a certain way, that that alone, or in any sense, is a justification to return to that approach. The same, presumably, is true for a variety of other ratios, formulas, reimbursements, and so on, whether it is for direct medical, education, or other components. Clearly, they have changed over the years. It just seems to me that to say we can move home health care out of part A because at one time it was structured differently does not reach the most important element here, which is, by doing this, we are changing dramatically the expectations of part A Medicare recipients.

Those people believe that home health care is, in fact, part of that trust program. It is, in fact, not subject to the availability of funds or the need to either increase taxes or find other spending cuts to justify payments for it. And that is why we feel the President's budget does not really meet the challenge for us.

I would like to say a couple of other things with respect to the specifics of the amendment before us. According to the Congressional Budget Office, the President's Medicare proposal would not maintain solvency of the part A Medicare trust fund for the full 10 years that we want. In fact, the projection is that it would be insolvent by the year 2005. Now, I would like to bring to the attention of the Senate the fact that, in the President's budget, the reductions in the growth—I will give the President the benefit of the doubt and not call it a cut. By reducing the growth by $116 billion, the President's budget maintains solvency not for 10 years but for 9 years. If, in fact, the $50 billion that is proposed in this amendment were used to increase the rate of growth of the Medicare Program, as proposed in our budget, then the actual total net change under our budget would only be $108 billion over the period of time our budget covers, through 2002. In other words, it would be less savings than in the President's budget. So, in other words, if this amendment were to pass, Mr. President, then we would be, in fact, not ensuring the solvency of part A of the trust fund as long as the President even does, and we believe on this side that the President's proposal to maintain solvency through 2005 is not adequate.

So I think it is important for our colleagues to understand that, in supporting this, they are in fact supporting an amendment that would bring about the insolvency even earlier than that which would be the case under the President's budget, and certainly which would be the case under our budget.

I also wanted to clear up one other point, Mr. President. In the tax cut provisions in the budget we are offering, the total amount of $122 billion, I believe, is targeted—it does not, in fact, even cover fully the $500-per-child tax credit. So there, in fact, would not be enough money to fund the other tax cuts beyond the $500 tax credit in the budget which we have.

To summarize, we have several facts that I think need to be revisited. First, the Medicare trust fund is going broke. At the current rate of growth in spending, at the current rate of projection from the Congressional Budget Office, it will go broke in 2001. We cannot let that happen, Mr. President.

Second, I think we want to make sure that its solvency is not maintained for a short duration of time—3, 4, 5, 6 years—but we want it to be solvent for 10 years. The President's budget would not accomplish that. If this amendment passes, our budget would not accomplish that either.

Finally, we on the majority side do not want to eliminate the home health care protections under the part A trust fund. The President's budget would do that and, obviously, there is a sharp difference there.

So, in short, Mr. President, we are prepared and desire to fix and repair the trust fund and maintain solvency for a decade. We think that is the least we can do to address this problem at this time. In our judgment, at least, anything short of that does not meet the mark, does not provide our seniors with the protections they need, does not provide the trust fund with the protection it needs.

We want to give families a chance to keep more of what they earn. That is why we have the money in this budget for a tax cut. But it is not connected to the Medicare issue at all. Once again, to portray it that way is simply inaccurate. We have the Medicare part A trust fund headed toward bankruptcy. For the first time, in 1995, it was actually spending more than it was taking in. The time has come to repair it for a sufficient period of time, and to allow us to focus on a broader and even longer term fix, which is clearly needed.

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, in keeping with what we have done several times today, I ask unanimous consent at this time that the Senator from Georgia be recognized for appropriate remarks on the tragedy that faced all of us today, especially the U.S. Navy.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Georgia [Mr. NUNN], is recognized.

TRIBUTE TO ADMIRAL BOORDA

Mr. NUNN. I thank my friend from Nebraska. I join my colleagues in being both shocked and deeply saddened by the sudden death of Adm. Mike Boorda, Chief of Naval Operations. Admiral Boorda had a truly remarkable career in the Navy. Many people do not recognize it and do not realize it, but Mike Boorda rose from the lowest enlisted rank to become the most senior officer in the Navy. He never forgot where he came from. The welfare of the men and women of the Navy were always foremost in his thoughts and in his actions. He never let us forget that when he testified before the committee. The men and women of the Navy were first for him. He was always looking for additional ways to help the Navy families and, particularly, the people who served in the Navy and those who are directly affected by that service.

Admiral Boorda was well-known to Members of the Senate, and to the Armed Services Committee, for his devotion to the Navy and the ideals of military service. He was always available and helpful. Never have I asked a single question when he was not responsive immediately, if the information were available. I had the opportunity to work closely with Mike Boorda over the years on a wide variety of projects and programs, particularly during his service as Chief of Naval Personnel, as commander of Joint Task Force Provide Promise, which was responsible for the mission throughout the Balkans, and as Chief of Naval Operations. Many of us have been briefed by Admiral Boorda when he was head of that task force in a very tough period during the Balkans problems. I visited him overseas when he was planning the Bosnia operations, and I relied on his wise counsel many times.

Mr. President, I could go on and on about Mike Boorda. I will summarize it by saying that he was a superb military commander and a true friend. Admiral Boorda was an inspiring leader and a man of vision. I extend my deepest sympathies to his wife, Bettie, to his children, David, Edward, Anna and Robert, and to his many friends and admirers in the Navy and throughout this great country.

I thank the Chair and my colleagues.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

Mr. EXON. Mr. President, we have had a good debate. I believe that both the Senator from Michigan and the Senator from West Virginia are prepared to yield back the remainder of the time, and that would allow us to continue to go back to the Republican side for the next amendment. I believe that amendment will be offered by the Senator from Michigan.

As I understand it, it is on the same subject that we have discussed quite thoroughly. Maybe we can cut back on the use of some of this time. I would simply like to emphasize that while it may generally not be understood in the Senate, it is not a disgrace to not use the whole hour on each side on all of these amendments. It is perfectly acceptable and it is certainly respectable to yield back time so that we can move ahead on amendments.

Depending on what happens, as you know, we temporarily set aside, in agreement with the chairman of the committee, so that we could move ahead. We are not going to have any votes before 8 o'clock. I would simply suggest that if the two managers of the measure before us are ready to yield back this time and set the amendment offered by the Senator from West Virginia up for a vote when agreed to by the managers of the bill, then we could move to the amendment of the Senator from Michigan and start debating that.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield back time?

Mr. ABRAHAM. Mr. President, the majority is prepared to yield the remainder of its time on the amendment of the Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I want to say one sentence and then yield the remainder of my time.

The Senate GOP resolution and the Clinton budget both achieve the same short-term solvency. Dr. June O'Neill has certified that the Hospital trust fund will be solvent until the year 2005 under the President's plan.

I yield back the balance of my time.

Mr. EXON. Mr. President, now that all time has been yielded, I ask unanimous consent to lay aside temporarily the ROCKEFELLER amendment and proceed with the next amendment that I understand under the agreement would be the one to be offered by the Senator from Michigan.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 3980

Mr. ABRAHAM. Mr. President, at this time I would like to offer an amendment for myself and Senator DOMENICI.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan (Mr. ABRAHAM), for himself and Mr. DOMENICI, proposes an amendment numbered 3980.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the Appropriate Place in the Bill insert the following:

SEC. SENSE OF THE CONGRESS REGARDING CHANGES IN THE MEDICARE PROGRAM.

(a) FINDINGS.—Congress finds that, in achieving the spending levels specified in this resolution—

(1) the public Trustees of medicare have concluded that "the medicare program is clearly unsustainable in its present form";

(2) the President has said his goal is to keep the medicare hospital insurance trust fund solvent for more than a decade, but his budget transfers $55 billion of home health spending from medicare part A to medicare part B;

(3) the transfer of home health spending threatens the delivery of home health services to 3.5 million Medicare beneficiaries;

(4) such a transfer increases the burden on general revenues, including income taxes paid by working Americans, by $55 billion;

(5) such a transfer artificially inflates the solvency of the medicare hospital insurance trust fund, misleading the Congress, medicare beneficiaries, and working taxpayers;

(6) the Director of the Congressional Budget Office has certified that, without such a transfer, the President's budget extends the solvency of the hospital insurance trust fund for only one additional year; and

(7) without misleading transfers, the President's budget therefore fails to achieve his own stated goal for the medicare hospital insurance trust fund.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that, in achieving the spending levels specified in this resolution, the Congress assumes that the Congress would—

(1) keep the medicare hospital insurance trust fund solvent for more than a decade, as recommended by the President; and

(2) accept the President's proposed level of medicare part B savings of $44.1 billion over the period 1997 through 2002; but would

(3) reject the President's proposal to transfer home health spending from one part of medicare to another, which threatens the delivery of home health care services to 3.5 million Medicare beneficiaries, artificially inflates the solvency of the medicare hospital insurance trust fund, and increases the burden on general revenues, including income taxes paid by working Americans, by $55 billion.

Mr. ABRAHAM. Mr. President, the amendment that I have sent to the desk is a sense-of-the-Senate amendment regarding changes in the Medicare Program. It is certainly in keeping with the sentiments which have been expressed by both the Senator from Michigan as well as the current Presiding Officer when he was here on the floor a few minutes ago.

Just to go through the salient points of the amendment, the amendment, in achieving the spending levels specified in this resolution, says that the public trustees of Medicare have concluded that the Medicare Program is currently unsustainable in its present form;

Two, the President said that it is his goal to keep the Medicare hospital trust fund solvent for more than a decade, but his budget transfers $55 billion of home health care spending from part A to part B Medicare;

Three, that the transfer of home health spending threatens the delivery of home health care services to some 3.5 million Medicare beneficiaries;

Four, that such a transfer increases the burden on general revenues and income taxes paid by working Americans by $55 billion;

Five, that such a transfer artificially inflates the solvency of the Medicare hospital insurance trust fund, misleading the Congress, Medicare beneficiaries, and working taxpayers;

Six, that the Director of the Congressional Budget Office has certified that without such a transfer, the President's budget extends the solvency of the hospital insurance trust fund for only 1 additional year;

And, seven, that without transfers, the President's budget, therefore, fails to achieve his own stated goal for the Medicare hospital insurance trust fund.

Therefore, it is our amendment's sense of the Congress that in achieving the spending levels specified in this resolution, the Congress assumes that the Congress would keep the Medicare hospital trust fund solvent for more than a decade as recommended by the President and accept the President's proposed level of Medicare part B savings of $44.1 billion over the period 1997 through 2002 but would reject the President's proposal to transfer home health spending from one part of Medicare to the another, a transfer which would threaten the delivery of home health care services to 3.5 million Medicare beneficiaries.

Mr. President, this sense-of-the-Senate amendment incorporates much of what I have been talking about here tonight and much of what we discussed during our deliberations in the Budget Committee. It is our goal on the majority side to try to achieve the two objectives that have been set forth by the President, at least his stated objectives: One, to make sure with the part A transfer of funds that Medicare remains solvent for a decade; and, two, achieve savings of approximately $44 billion in the part B portion of Medicare.

We just do not think that is the way to do this or that it is an appropriate way to accomplish this objective by transferring vital services that have been covered by the trust fund into the part B portion of Medicare, the area that is not covered by the trust fund. We believe it is essential that the Congress be on record clearly as stating that.

So, for those reasons, we offer this sense-of-the-Congress amendment here tonight. We hope that our colleagues will support it. We feel, as I have been talking for the last hour, and others, the Presiding Officer as well, that we are headed, with respect to the part A trust fund, in a direction of insolvency far sooner than anticipated, that, in fact, with the trust fund now operating at a deficit for the first time in history, we are waiting for the new projections, but the day of reckoning is much closer at hand.

We do not think it is appropriate to stand by while the trust fund moves quickly toward insolvency. We recognize the need to act now, and act decisively. It is not inappropriate to act decisively by restraining the growth in the ways we are recommending. We are doing what is necessary to protect the fund from going bankrupt and making sure that protection extends for a decade.

Similarly, we accept the President's proposal to try to reduce the part B expenses in the growth of Medicare by $44 billion under this budget. We think that is the most appropriate way to address the Medicare problems at this time. We would strongly urge our colleagues to reject the previous amendment at the proper time, when we come to vote, and to instead support our sense-of-the-Congress resolution which embodies much of what is in our budget as presented to the Senate here this evening.

I yield the floor.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, in responding, first of all, I say to my friend from Michigan, this is a resolution of the Congress as opposed to hard law. This is, I think, something by which the Senator is trying to express his views.

Just a few moments ago I went through the policy aspects of why this had all happened. As the Senator from Michigan indicated, before 1980 it was divided between part A and part B, and then I described the conditions at that time. I described what the Congress did after that to improve Medicare's home health care benefit—remove the 100-day limit and the 3-day hospitalization requirement, and, as a result, financing of all home health care services were shipped into part A. Then I said, even though part A was never intended to pay for long-term home health care benefits, and then I went on to say that the President's proposal restores the financing of the home health care benefit back to the Congress' original intent.

So much for the policy. I think, frankly, that it is all right to talk about the politics of this issue.

Mr. President, we did not hear anything about this issue last year. I guess that is because back then the Republicans were proposing it. In fact, every single House Republican who voted for last year's Republican budget voted in favor of a very similar transfer of funding for home health care. I am talking about the politics because I am trying to question the underlying meaning of this resolution.

So the Republicans now say that the home health care financing shift is a shell game. But they have played the game themselves. I have been talking about the House. The Senate Republicans also voted in favor of shifting money between part B and part A to improve the solvency of the hospital trust fund.

In fact, during markup in the Finance Committee, Senator NICKLES offered an amendment which the Republicans adopted that deposited part B money into part A trust funds to improve the solvency of the part A trust fund. The only policy behind Senator NICKLES' proposal was to provide political cover, if I may say so, in that they were trying to hide that they were using Medicare money to pay for tax cuts for the wealthy, but the public, as I indicated, saw through that aspect of it.

Mr. President, last year, the Republicans said that they wanted the President to submit a budget that was certified by the CBO as being in balance after 7 years. The President has done that. In addition, Dr. June O'Neill, as I said a moment ago, has certified that the President's plan extends solvency of the trust fund to the year 2005. So there is no difference. It achieves the same level of solvency but without the drastic hospital cuts that the Republicans are proposing.

I believe the President's policy has merit. So did the Republicans last year. I urge my colleagues to vote against this resolution.

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. GRAMS). Who yields time?

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I yield myself such time as may be necessary. I wish to make a few comments about the situation here at hand.

I want to take people to Nebraska, which is a very typical State in the Midwest part of our great country. It is very typical from the standpoint of being a substantial rural State with lots of rural, small communities and is also typical of the Great Plains States and some of the other States of the Union.

Mr. President, I rise in support of the amendment of my colleague from West Virginia. I am a cosponsor of that amendment. The Medicare reductions in this budget are too large and are not required to balance the budget and extend the life of the Medicare hospital insurance trust fund through at least the year 2005. I am particularly concerned about the deep and disproportionate cuts that will be borne by hospitals, particularly rural hospitals. The Senate Budget Committee said its $170 billion in reductions and spending growth would include a $123 billion reduction in Medicare part A. This will threaten the quality and the financial viability of hospitals, particularly the rural and inner-city hospitals. Previous Republican budgets slowed the rate of growth in hospital payments, but under this year's plan the Congress may need to adopt policies that would actually reduce payments, not simply reduce the rate of increase in these payments. Under any definition, that represents a true cut in spending. So we will not have to get into all that argument that we continually get into about what is a cut.

What I am talking about is it appears to me from some of the other information that I will furnish the Senate during these remarks that what we are threatened with is a real cut. That means less dollars, less dollars and cents than last year, and by any definition that is a cut.

I recently received a letter from Harlan Heald that I will read. Harlan Heald is an acquaintance of many, many years way back to the time when I was Governor of Nebraska, and if there is a Mr. Rural Hospital in Nebraska, it is Mr. Heald. Mr. Heald is President of the Nebraska Association of Hospital and Health Systems. They are not a political organization. They are an organization that devotes time, talent and effort to represent the people who provide hospital services in rural Nebraska primarily.

According to Mr. Heald's analysis, a reduction of $50 billion would have a devastating impact on Nebraska hospitals. Mr. Heald writes, and I quote:

> Sixty-five rural hospitals would lose $69.1 million over 7 years and 12 large rural hospitals would lose $100 million. Thirty out of Nebraska's 65 small rural hospitals would lose money in providing care.

Mr. President, I will ask unanimous consent that the full text of Mr. Heald's letter be placed in the RECORD at the conclusion of my remarks, after I read that letter, because there are so many interesting factual and true statements in it, not from a political standpoint but from what the Republican effort and the Republican bill will do to rural Nebraska. If it is going to do something to rural Nebraska, it is going to do it to rural North Dakota and rural South Dakota and rural Kansas, and rural Oklahoma, and every rural State in the United States of America.

These are the consequences of the $50 billion reduction over 7 years. What would be the impact then of a $123 billion reduction over 6 years that we are now faced with? A loss of this magnitude in a State where Medicare patients account for 60 to 70 percent of hospital admissions clearly threatens the health care system on which all of us depend. Several hospitals in my State are teetering on the brink of insolvency while we are here talking about the bankruptcy of Medicare.

This latest Republican proposal will very likely drive them over the edge.

Mr. President, I wish to read from the letter that I have just referenced. This letter is dated May 14, 1996, addressed to me.

> DEAR SENATOR EXON: I have reviewed a summary of the current fiscal year 1997 House and Senate Budget Committee proposal with respect to the Medicare Program. On behalf of the 94 acute care hospitals in Nebraska, I wish to call your attention to a very serious potential problem.
>
> While it appears that the overall Medicare budget reductions of $158 billion are roughly the same as those in the last Republican proposal in January, the budget committees

have significantly altered the allocation of reductions within the program, reducing part A spending by $123 billion versus the $77.5 billion proposed in January.

We have been told on numerous occasions that the reductions are not cuts—

This is not in the letter. I just want to add here, how many times have we heard that here? Back to the letter.

but are reductions in the rate of spending over a 6-year period. The current budget resolution includes lower budget reductions in part B of Medicare, while the reductions in part A have been significantly increased since the January proposal. The larger Medicare Part A reductions in the current proposal means hospitals will experience actual reductions in payments—not merely a reduction in the rate of payment increase.

We are talking about real cuts here. I am away from the letter. We are talking about real cuts here, when every time we talk about cuts, people stand up and say, Oh, only in Washington, DC, is an increase a cut. I have always said we must legislate to real needs, what the costs are going to be.

Another editorial comment before I go on with reading this letter from an expert on the subject in Nebraska, and that, Mr. President, is simply this: I am convinced that the reductions in the amount for real needs that the Republicans have been espousing are below the projected costs and rises in health care over the next 6 years.

Putting that another way, what I am saying is that the Republicans have been saying, "Oh, well, this is not a cut, this is just a slowing down of the growth." Time and time again that has been used on the floor of the U.S. Senate. Mr. Heald brings us back to reality by saying what I indicated when I first started talking on this subject, that these cuts are not simply a reduction in the growth. They are cuts, dollars and cents, below what hospitals have received before. Back to the letter:

Although I have not received enough detail to permit me to make an analysis of the impact of the proposed reduction in Medicaid Part A spending, I do have information from an earlier proposal last fall that looked at Part A reductions of about $50 billion out of the total reductions over a seven-year period. Although it is a "crude" approximation, the impact on Nebraska hospitals looks like this:

Sixty-five small rural hospitals would lose an aggregate of $69.1 million during the seven-year period of 1996 to 2002. Twelve large rural hospitals would lose a total of $100.4 million, and 11 metropolitan (Lincoln and Omaha) hospitals would lose $337.4 million, during the seven-year period. Note—In 1994, 30 hospitals out of Nebraska's 65 small rural hospitals lost money providing care.

Let me repeat that:

In 1994, 30 hospitals out of Nebraska's 65 small rural hospitals lost money providing care.

Again, this is based on a Part A reduction of about $50 billion over a 7-year period. I hate to think what these numbers might resemble under the current proposal with Medicare Part A targeted for a $123 billion hit.

Reimbursement reductions of this magnitude in a state with a disproportionate share of the elderly population, a state in which Medicare patients account for 60 to 70 percent of hospital admissions, clearly threatens the health care system upon which all of us depend.

Medicare needs to be fixed. There is an opportunity for Congress to change Medicare, but the change must be driven by sound health care policy, not budgetary or political imperatives. The proposed Medicare reductions would crush Nebraska hospitals.

As always, Nebraska hospitals look to your leadership.

Mr. President, I also would like to read a letter from the following groups: The American Association of Eye and Ear Hospitals, the American Hospital Association, the American Osteopathic Healthcare Association, the Association of American Medical Colleges, Catholic Health Association, Federation of American Health Systems, InterHealth, National Association of Children's Hospitals, National Association of Public Hospitals and Health Systems, and Premier. This letter is dated May 10, and it is addressed by those organizations I just read, to the Honorable WILLIAM ROTH, chairman, Committee on Finance.

DEAR CHAIRMAN ROTH: The undersigned organizations representing hospitals and health care systems have reviewed the Fiscal Year 1997 House and Senate Budget Committee proposal, particularly with respect to Medicare and Medicaid programs.

While it appears that the overall Medicare budget reductions of $167 billion are roughly the same as those in the Republican offer in January, the Budget Committees have significantly changed the allocation of reductions within the program.

The letter goes on and essentially makes the same exact points made by the letter that I read, by Harlan Heald.

So the professionals know what is going on. We know what is going on here. I must continue to make the point that Nebraska is not unique in this. But if you have a hospital, because of the aging population in rural areas of America in toto, where 60 to 70 percent, and some places higher, have their beds dedicated to people who are eligible and receive Medicare, and for many of them that is the only health care system available to them, and you compare that with a hospital, for example in Lincoln or Omaha or other more metropolitan areas that have their patients coming in only about 20 to 25 percent seniors, you quickly understand that what we are doing here is socking it right between the eyes of the rural hospitals in the United States of America.

Mr. President, I ask unanimous consent both of the letters I have referenced be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NEBRASKA ASSOCIATION OF
HOSPITALS AND HEALTH SYSTEMS,
May 14, 1996.

Hon. J. JAMES EXON,
U.S. Senate,
Washington, DC.

DEAR SENATOR EXON: I have reviewed a summary of the current Fiscal Year 1997 (FY '97) House and Senate Budget Committee proposal with respect to the Medicare program. On behalf of the 94 acute care hospitals in Nebraska. I wish to call your attention to a serious potential problem.

While it appears that the overall Medicare budget reductions of $158 billion are roughly the same as those in the last Republican proposal in January, the Budget Committees have significantly altered the allocation of reductions within the program, reducing Medicare Part A spending by $123 billion vs. $77.5 billion proposed in January.

We have been told on numerous occasions that the reductions are not cuts, but are reductions in the rate of spending over the six-year period. The current budget resolution includes lower budget reductions in Part B of Medicare, while the reductions in Part A have been significantly increased since the January proposal. The larger Medicare Part A reductions in the current proposal mean hospitals will experience actual reductions in payments—not merely a reduction in the rate of payment increase.

Although I have not received enough detail to permit me to make an analysis of the impact of the proposed reduction in Medicare Part A spending, I do have information from an earlier proposal last fall that looked at Part A reductions of about $50 billion out of total reductions over a seven-year period. Although it is a "crude" approximation, the impact on Nebraska hospitals looked like this:

"Sixty-five small rural hospitals would lose an aggregate of $69.1 million during the seven-year period of 1996 to 2002. Twelve large rural hospitals would lose a total of $100.4 million, and 11 metropolitan (Lincoln and Omaha) hospitals would lose $337.4 million during the seven-year period. Note—In 1994, 30 hospitals out of Nebraska's 65 small rural hospitals lost money providing care."

Again, this is based upon a Part A reduction of about $50 billion over a seven-year period. I hate to think what these numbers might resemble under the current proposal with Medicare Part A targeted for a $123 billion hit.

Reimbursement reductions of this magnitude in a state with a disproportionate share of the elderly population, a state in which Medicare patients account for 60 to 70 percent of hospital admissions, clearly threatens the health care system upon which all of us depend.

Medicare needs to be fixed. There is an opportunity for Congress to change Medicare, but the change must be driven by sound health care policy, not budgetary or political imperatives. The proposed Medicare reductions would crush Nebraska hospitals.

As always, Nebraska's hospitals look to your leadership.

Sincerely,

HARLAN M. HEALD,
President.

MAY 10, 1996.

Hon. WILLIAM ROTH, Jr.,
Chairman, Committee on Finance,
Washington, DC.

DEAR CHAIRMAN ROTH: The undersigned organizations representing hospitals and health systems have reviewed the Fiscal

Year 1997 (FY 97) House and Senate Budget Committee proposal, particularly with respect to the Medicare and Medicaid programs.

While it appears that the overall Medicare budget reductions of $167 billion are roughly the same as those in the last Republican offer in January, the Budget Committees have significantly changed the allocation of reductions within the program. While it is difficult to assess the overall impact of the budget resolution in the absence of greater detail, now larger Medicare Part A reductions mean hospitals are likely to experience actual reductions in payment rates under the committees' proposal.

The budget resolution now includes lower budget reductions in Part B of Medicare, while the reductions in Part A have increased by approximately $25 billion since the January offer. While the FY 97 budget resolution offers a milder overall approach to deficit reduction compared to last year's resolution, its impact on hospitals appears worse. To achieve reductions of this magnitude, Congress may need to adopt policies resulting in payment rates per beneficiary that would be frozen or actually reduced.

We also have serious concerns about the Budget Committees' Medicaid reductions. We would like to take this opportunity to reiterate our support for maintaining the entitlement nature of the Medicaid program to ensure that those who have coverage today will continue to have coverage tomorrow. Furthermore, we support maintaining current law provider assessment restrictions and Boren amendment payment safeguards. While the overall reductions are somewhat lower than the January offer, if combined with corresponding state reductions through lower state matching requirements or new provider assessments, these reductions could be quite significant for providers.

Hospitals and health systems support the need to adopt a reasonable deficit reduction package, and believe that changes in Medicare are needed to keep the Part A trust fund solvent. Many of us have supported various proposals that achieve a balanced budget with reductions in Medicare and Medicaid. However, we are gravely concerned about the level of reductions proposed by the Budget Committees in these programs.

We strongly urge you to reconsider both the overall level of Medicare and Medicaid reductions included in the budget resolution and, in your capacity as chairman of the authorizing committee, adjust the allocation between Parts A and B proposed by the Budget Committees.

American Association of Eye and Ear Hospitals, American Hospital Association, American Osteopathic Healthcare Association, Association of American Medical Colleges, Catholic Health Association, Federation of American Health Systems, InterHealth, National Association of Children's Hospitals, National Association of Public Hospitals and Health Systems, Premier.

Mr. EXON. Mr. President, I understand at this time we are trying to reach a unanimous consent agreement to have a vote at 8:30. Is that the Senator's understanding?

Mr. ABRAHAM. Yes.

Mr. EXON. Go ahead.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that a vote occur on or in relation to the Rockefeller amendment, to be followed by a vote on or in relation to the Abraham amendment, beginning at 8:30 p.m. this evening, with the first vote being the standard 15-minute vote, the following vote being limited to 10 minutes in length.

Mrs. BOXER. Reserving the right to object, I do not want to object because the Senator knows I have been waiting for quite a while. I would like to ask if we could have debate on the Boxer Medicaid amendment immediately following the vote, so we can get that done. There are Senators who wish to speak to it. I will be glad to agree to a reasonable time agreement.

But it is very important to this Senator because this is the time I can debate. I want to make sure I can get it done tonight.

Mr. EXON. Let me respond to the Senator from my perspective, and I cannot speak for the majority. We are now considering the Abraham amendment. We will vote on that. If this unanimous consent request is agreed to—and if I agree to it, I must say—immediately following that, we would be up for consideration of an amendment from the Democratic side. I have indicated to my friend from California that she would be first up with her amendment.

So I will simply say, after the vote, you would, as far as I am concerned, be recognized to offer your amendment. If it is possible—obviously it is not between now and the scheduled vote at 8:30—I would certainly recommend to Chairman DOMENICI that we proceed with the order which would allow you to follow the vote.

Mrs. BOXER. I am sure that then there would be a Democratic amendment; is that part of the agreement, immediately following the vote on the Abraham amendment?

Mr. ABRAHAM. We have not agreed to that at this point. Let me just state for the benefit of all our colleagues, it is also my understanding there is an interest on both sides to proceed at some point to a vote on the President's budget tonight. I think, as I understand, the Senator from California would like to have debate on her amendment tonight, not necessarily a final vote tonight.

So I think we can work out something else: A vote on the President's budget can take place in a way that would allow those Members who have other obligations to fulfill them this evening and still accommodate your desire to have the debate, for the next amendment to be yours. But I do not think we have worked those two parts out. I think on your side there is an interest in making both of those things happen. I guess we just have not proceeded to the point of having that agreement worked out. This is as far as we were able to, basically, negotiate.

Mrs. BOXER. If my friend will yield, I am reassured by the conversation of the two managers. I feel comfortable that sometime this evening—and I am willing to stay here as late as necessary—I will have an opportunity to do that. With that verbal assurance, I withdraw my objection.

Mr. EXON. I say to my friend from California, there has been one or two attempts previously to include what would follow in a unanimous consent agreement. We have shied away from that and not made that kind of commitment at all. I suspect we will not be able to at this time.

I simply say that I think there is every likelihood that we may, if we can break the logjam, get a vote on the President's budget that this Senator has been trying to accomplish since 11 o'clock this morning. That may happen before the debate on your amendment, but I think there is every likelihood that you will have an opportunity to offer your amendment and engage in a debate, whether that is at 10 o'clock or 1 a.m. tomorrow morning, sometime in that general timeframe.

Mrs. BOXER. I am gratefully reassured. I thank the Senator.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Michigan.

Mr. ABRAHAM. Thank you, Mr. President. I would like to get an indication of how much time has been used on each side.

The PRESIDING OFFICER. The Senator from Nebraska has used about 39½ minutes. That is how much time is remaining in the debate.

Mr. ABRAHAM. Approximately 20 minutes.

The PRESIDING OFFICER. He has used approximately 20 minutes, and the Senator from Michigan has used approximately 10 minutes.

Mr. ABRAHAM. I am wondering in light of that—we have Senator FRIST who has been hoping to have a chance to speak to this. There are only about 5 minutes left. Can we agree to let him finish the debate to the point that the vote has been agreed to? With that, I yield to the Senator from Tennessee until the vote is at hand.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for approximately 6 minutes.

Mr. FRIST. Thank you, Mr. President.

Mr. President, I rise in support of the sense-of-the-Congress amendment of the distinguished Senator from Michigan. Just to bring it back, because we have been traveling a great deal over the last hour, that particular amendment says that the Congress assumes that Congress would keep the Medicare hospital insurance trust fund solvent for more than a decade, as recommended by the President; No. 2, accepts the President's proposed level of Medicare part B savings; and No. 3 and most important, what I would like to speak to is reject the President's proposal to transfer home health spending from one part of Medicare to another which threatens the delivery of home health care services to 3.5 million Medicare beneficiaries.

Mr. President, it was exactly 13, almost 14, months ago that we all received the status of the Social Security and Medicare Programs which was compiled and written by six trustees, three of whom were from President Clinton's Cabinet. In that, they use very simple words. And, again, this is 14 months ago. We are waiting for the April edition—it is a month, a month and a half late now—of this so-called Medicare trustees' report.

The very first page says:

> The Federal Hospital Insurance Trust Fund, which pays inpatient hospital expenses—

Which I should add is part A—

> will be able to pay benefits for only about 7 years and is severely out of financial balance in the long range.

Mr. President, it continues to say that:

> The trustees believe prompt, effective and decisive action is necessary.

Last year, we took that action. We passed in this body a proposal that would save and preserve Medicare. It was sent to the President of the United States and it was vetoed.

The Medicare trustees' report basically said this. This is 1995 and the year 2000. This is bankruptcy on this line. This is the Medicare part A trust fund. Last year, the report said we would be going bankrupt in 7 years, the blue line.

What we have found happen over the last 14 months is that things are much worse than we had even anticipated at the time. Without doing anything over the last year and a half, in large part because of scare tactics put on television to scare our senior citizens away from change which will preserve this program, we now find that Medicare is going to be going bankrupt almost a year and a half earlier unless we act. It is 1996. We have about 5 years before Medicare goes bankrupt.

That is part A. Medicare part A is hospitals, part B physicians. Part A is going bankrupt much quicker than we ever anticipated. The President's answer to that is,

> Let's take the fastest growing part, the home health care out of part A and transfer it elsewhere and then we can say part A is solvent long term and we'll feel good about that.

That is more gimmickry. That is more smoke and mirrors. It is really deceptive to the American people. We need to make part A truly solvent. To make it truly solvent, we need to address the real problem. This is the amount of deficit spending. We began deficit spending last year. The trustee report said it would be next year. It actually began last year.

A report from the monthly Treasury statement, the highlight of fiscal year 1996 through March 31, tells that for the first 6 months of this year, we are running a $4 billion deficit. We are on our way to bankruptcy.

Mr. President, the problem that we have today in this transfer of home health care is this: If we transfer this $55 billion of assets out of the part A trust fund and put it elsewhere, yes, we can say part A is solvent for 10 years, but the overall Medicare Program is not, and unless the overall Medicare Program is solvent, we cannot deliver care to those 37 million Americans out there. More smoke and mirrors. Let us say we do not transfer that $55 billion of home health care out, then what happens to the solvency of the trust fund? You can see that it is going to go bankrupt between the year 2000 and the year 2001. Therefore, we must act and we must act decisively.

How do we respond? In the balanced budget resolution proposal which is before us, we can see that we have solvency out to the year 2006. This is 1996, 2006, this line is solvency. Current law, if we do nothing, we are bankrupt in the year 2001.

Under the President's proposal, we extend that 1 year—only 1 year. That will scare seniors once they know that. We need to look at that balanced budget proposal, look what we do by opening it up, allowing some competition, slowing the growth from 10 percent down to 6 percent, and that is not a cut. We are slowing the growth from 10 to 6.1 percent. We are going to increase spending from $4,800 in 1995 to $7,000 a year in the year 2002. That is not a cut.

Mr. President, by supporting this sense-of-the-Senate amendment, we do reject the President's proposal to transfer home health spending. Why? Because it is more gimmickry, it does not assure long-term solvency of the Medicare trust funds. I urge all my colleagues to vote to support this amendment.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3979

Mr. ABRAHAM. Mr. President, in accordance with the earlier unanimous consent agreement, at this time I move to table the Rockefeller amendment, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question now occurs on the motion to lay on the table the Rockefeller amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is necessarily absent.

Mr. FORD I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 55, nays 43, as follows:

[Rollcall Vote No. 117 Leg.]

YEAS—55

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Jeffords
Kempthorne
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—43

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Pell
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone
Wyden

NOT VOTING—2

Kassebaum
Pryor

The motion to lay on the table the amendment (No. 3979) was agreed to.

Mr. ABRAHAM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPECTER. Mr. President, in the vote to table the Rockefeller amendment, I supported the budget resolution, which is moderate and maintains the solvency of Medicare.

Contrary to the argument that there are Medicare cuts, the fact is that Medicare expenditures increase by an average of 6.1 percent annually with the following total expenditures each year: 1996, $196 billion; 1997, $209 billion; 1998, $224 billion; 1999, $236 billion; 2000, $249 billion; 2001, $263 billion; 2002, $279 billion.

On the 1996 budget resolution, I voted to increase Medicare expenditures when the rate of increase was reduced by $268 billion and there was a tax cut of $245 billion. In this budget resolution, the tax cut is limited to $122 billion to cover a child tax credit.

I ask unanimous consent that the table on the "Chairman's Mark Budget Aggregates" be printed in the RECORD together with the "Medicare Fact Sheet."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHAIRMAN'S MARK BUDGET AGGREGATES

[Dollars in billions]

	1996	1997	1998	1999	2000	2001	2002	6-year total
Discretionary:								
Defense	265	265	263	266	269	268	268	1599
Nondefense	271	271	264	260	256	250	249	1551
Subtotal discretionary	536	536	527	526	526	518	516	3150
Mandatory:								
Social Security	348	365	383	402	422	444	467	2484
Medicare	196	209	224	236	249	263	279	1459
Medicaid	96	105	111	117	126	133	139	731
Welfare programs	85	89	89	102	100	98	106	583
EITC (outlays)	16	18	18	19	20	20	21	116
Other mandatory	57	62	82	71	83	84	82	464
Net interest	240	242	244	243	240	238	236	1444
Total outlays	1575	1626	1678	1717	1764	1798	1846	10430
Revenues	1431	1471	1532	1600	1675	1755	1846	9879
Resulting deficit/surplus	−147	−155	−146	−117	−89	−43	0	....

Note: Details may not add to totals due to rounding. All totals shown on a unified budget basis.
Prepared by SBC Majority Staff, 08–May–96

MEDICARE FACT SHEET

THE COMMITTEE-PASSED RESOLUTION

Total medicare spending, 1997–2002: $1.459 trillion.

This is $60 billion more government spending than was in the BBA, and $103 billion more than in last year's budget resolution.

Total savings, relative to new CBO baseline: $158 billion.

Part A: Meets the President's test of keeping the part A trust fund solvent for a decade without gimmicks, which requires $123 billion of savings (CBO).

Part B: Assumes part B savings equal to the President's part B savings ($44 billion).

Graduate Medical Education: Assumes $10 billion of spending.

Total spending growth from 1996 to 2002: 43 percent.

Average growth rate from 1996 to 2002: 6.1%, or more than two times inflation difference between Committee-passed and the President's plan: 58 per beneficiary per day per capita spending—1995: $4,800, 1996: $5,300, 2002: $7,000.

Keeps the Hospital Insurance Trust fund solvent through 2006, without gimmicks, meeting the President's stated goal.

Makes no assumption about the part B premium, but is consistent with a plan that matches the President's premium proposal.

THE PRESIDENT'S PLAN

Total medicare spending, 1997–2002: $1.526 trillion.

Total savings, as scored by CBO: $116.1 billion.

Total savings claimed by the President: $124 billion.

Average growth rate from 1996 to 2002: 7.2%.

Total growth from 1996 to 2002: 52%.

HI Trust Fund goes bankrupt in 2002, buying only one additional year of solvency.

Transfer $55 billion of home health spending from part A to part B, artificially inflating the life of the HI trust fund. Even with this gimmick, the HI trust fund goes bankrupt in 2005, and the President fails to meet his stated goal of solvency for a decade.

BASIC FACTS

Number of beneficiaries, 1996: 37.5 million.

1995 total medicare spending: $180 billion.

1996 medicare spending: $199 billion increase in spending, net of premiums, from 1995 to 1996: +$19.2 billion (+12%).

This increase in spending from 1995 to 1996 is more than is spent in 1996 on: elementary, secondary, and vocational education ($15.5 billion); all justice / crime / law enforcement spending ($17.5 billion); all spending for science, space, and technology ($16.5 billion); and comparable to all spending for natural resources and the environment ($21.5 billion).

Mr. DOMENICI. Mr. President, I understand the next vote is going to be on the Abraham-Domenici amendment. Have the yeas and nays been ordered on that?

The PRESIDING OFFICER. No.

Mr. DOMENICI. I ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the third vote in this voting sequence be on or in relation to the Exon amendment No. 3965, the so-called President's amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. So that will follow the Abraham-Domenici. I think that will be the last vote tonight.

Has this been ordered for 10 minutes?

The PRESIDING OFFICER. It has been ordered for 10 minutes.

Mr. DOMENICI. I ask unanimous consent that there be 10 minutes on the Exon amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I ask for the yeas and nays on the Exon amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I think I should announce that while we are going to try to stay on after this vote to see what we can do to negotiate and get some consent——

Mr. MURKOWSKI. We cannot hear you.

Mr. DOMENICI. Perhaps if some of you would not talk so much you could hear me.

The PRESIDING OFFICER. There will be order in the Chamber, please.

Mr. DOMENICI. I am not running for anything around here. That is why you do not pay attention.

Could we have order, Mr. President?

The PRESIDING OFFICER. Could we have order in the Chamber, please?

Mr. DOMENICI. Mr. President, we are going to convene tomorrow morning at 9:30. We cannot tell you yet whether there are going to be votes. We think there will be. Certainly tomorrow we are going to work a long time trying to get amendments up. If Senators have amendments and can be here tomorrow, they ought to be here. We are going to use a lot of time on this budget resolution tomorrow. If we can get an orderly sequencing of amendments, we might not have to stay here and vote. If we can just get started in the morning to let us see where we are, but for now you ought to be here because we may have votes early in the morning.

Is that a fair statement, Mr. Minority Leader?

Ms. MIKULSKI. Are there additional votes tonight?

Mr. DOMENICI. There are no additional votes tonight—I have already announced that—after the two remaining ones.

Mr. EXON. Mr. President, could I add one thing that I think should be driven home? If we are going to expedite this process, we are going to have to have people who are on the list to come and offer their amendments on Friday, or on Monday and not leave here tonight and assume that they are home free until sometime on Tuesday because, if we all do that, then Tuesday is going to be a much worse day than it is destined to be in any event. So I hope people listened to what Senator DOMENICI said and be here tomorrow to offer amendments, and not just assume, and then everybody flock in here as they usually do at 2:30 on Tuesday afternoon and say, "Why can't I have 2 hours on my amendment?" It will not be.

Mr. DOMENICI. Mr. President, fellow Senators, I want to repeat what I said. I have been asked by the majority leader to indicate to all of you that we are trying to finish this budget resolution Tuesday night. If that means at 12 o'clock on Wednesday morning at 1 or 2, that is included in the definition of Tuesday. It may be Wednesday, or Tuesday morning at 4 a.m. But we are going to try. If you can start offering amendments tomorrow, we may have an agreement that on Monday there will not be any votes. If we get a sequencing of amendments where you offer 10 or 15 amendments and offer them on Monday, then we may, indeed, be able to give some of you the opportunity to not have to be here on Friday and Monday. But we need cooperation before we do that.

Mr. EXON. Mr. President, may I add one other thing? I ask the Democrats before they leave here tonight and the Republicans before they leave here tonight to come to our desks and tell us when you will be here tomorrow, or want to be here tomorrow, or Monday with regard to offering your amendments. If you will do that, and we will be working back and forth as best we can on amendments as we have been, then we might be able to reach some kind of a agreement that, yes. You want to be here at 10, maybe not 10, or 10:30, we might be able to get an orderly process going because otherwise Tuesday is going to be unbelievably bad.

So please drop by if you can be here on Friday like you are supposed to be, and tell us when you will be here, and we will be glad to accommodate you as best we can on timing.

Mr. DOMENICI. Mr. President, I yield the floor.

VOTE ON AMENDMENT NO. 3980

The PRESIDING OFFICER. The question now occurs on the amendment offered by the Senator from Michigan. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is necessary absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDENT OFFICER (Mr. BURNS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 118 Leg.]

YEAS—53

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—45

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone
Wyden

NOT VOTING—2

Kassebaum
Pryor

The amendment (No. 3980) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3965

Mr. DASCHLE. Mr. President, the President's fiscal year 1997 budget builds on the immense economic success of his 1993 budget.

Since the enactment of that historic deficit reduction package, the Federal deficit has been cut in half—from $290 billion to a projected $144 billion in 1996, according to the Congressional Budget Office. The deficit as a share of the economy is down from 4.7 percent in 1992 to 2.3 percent today. Last week CBO projected the 1996 deficit may be even lower—down to $130 billion.

These favorable reports serve as testament both to the effectiveness of the 1993 deficit reduction package and a strong Clinton economy. Actual total deficit reduction achieved by the 1993 budget package is now estimated by CBO to be approximately $800 billion over 5 years. All this progress has come from a deficit reduction package that was enacted without a single Republican vote.

Although most of my colleagues on the other side of the aisle predicted the 1993 package would bring about job loss and recession, economic indicators have improved vastly since the Bush recession. Unemployment is down from 7.3 percent in January 1993 to 5.4 percent in April 1996. Inflation has been remarkably low during these times of sustained economic growth, with the consumer price index increasing less than 3 percent in each of the last 3 years. Since January 1993, 8.5 million jobs have been created, and more than 90 percent of those were private sector jobs.

Interest rates—responding to sound fiscal policies—have fallen well below the levels of 3 years ago, with the 30-year average rate dropping from 7.67 percent in 1992 to about 7 percent today. Business investment in equipment is up 11 percent per year in real dollars since the fourth quarter of 1992. And corporate profits are up to a 13-percent annual rate since fourth quarter of 1992.

The economy is strong. But the new Clinton budget is sensitive to the underlying anxiety and apprehension of America's working families. This budget secures the integrity of the Medicare trust fund through 2005, and it does so without ravaging Medicare. In contrast, the Republican budget cuts $50 billion more.

The President's budget maintains guaranteed health care for nursing home seniors and poor children under Medicaid. In contrast, the Republican budget could cut as much as $250 billion in Medicaid.

The President's budget maintains America's investment in education and job training—Head Start, Basic Education Assistance (title 1), and Job Training for Dislocated Workers. In contrast, the Republican budget cuts $60 billion from these priorities.

The President's budget does not raise taxes on working Americans. In contrast, the Republican budget cuts $20 billion from the earned income tax Credit, raising taxes on 6 to 10 million hard-pressed working families.

The President's budget protects the environment. In contrast, the Republican budget cuts EPA operating programs by 11 percent in 1997 and by 23 percent in 2002.

The President's budget does not offer tax breaks for the rich at the expense of Medicare and education. In contrast, and contrary to the representations made by some of my colleagues, the Republican budget provides $180 billion in tax breaks for the wealthiest Americans over the next 6 years.

Mr. President, the President's budget would balance the budget by 2002 using CBO economic assumptions. But, unlike the Republican budget, it would balance the budget without abandoning America's priorities. It would preserve paycheck security, health security, and retirement security for America's working people.

The spending cuts in the President's budget are significant, yet they are made in the right places. The President's budget would achieve more than $600 billion in spending cuts by 2002. It would reduce the size of the Federal

Government work force by 200,000, making it the smallest it has been in 30 years.

Finally, the President's budget would provide targeted tax relief for working families and for families trying to send their children to college.

The bottom line, Mr. President, is that the President's budget is a budget that reflects the priorities of the American people. In contrast, the Republican budget is the same extreme proposal the American people rejected last year.

The PRESIDING OFFICER. The question now occurs on amendment No. 3965, as amended, offered by the Senator from Nebraska [Mr. EXON]. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 45, nays 53, as follows:

[Rollcall Vote No. 119 Leg.]

YEAS—45

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone
Wyden

NAYS—53

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Kassebaum
Pryor

The amendment (No. 3965), as amended, was rejected.

Mr. EXON. Mr. President, I move to reconsider the vote by which the amendment was rejected, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CLARIFICATION OF OPPOSITION TO GRASSLEY AMENDMENT NO. 3963

Mr. McCAIN. Mr. President, yesterday, during debate on an amendment to cut defense levels in the budget resolution, the senior Senator from Iowa cited certain statements contained in my recent paper on military readiness. I have great respect and friendship for my colleague. However, I must point out that those quotations were taken out of context and were used to give the impression that I supported the Senator's amendment to reduce the defense spending level in the pending resolution.

I want to take this opportunity once again to state very clearly my strong opposition to the Grassley amendment.

First, I strongly oppose any amendments to reduce the level of defense spending in the pending resolution. Last year, I was at the forefront of efforts in the Senate to add funding to the President's defense budget. Ultimately, the Congress added $7 billion, most of which was allocated to modernization programs.

And I strongly supported the Senate Armed Services Committee's bipartisan letter to the Senate Budget Committee requesting a significant increase in the Defense budget. The pending resolution includes the increase we requested.

Second, President Clinton's defense budget request for the coming fiscal year seriously neglects future readiness, putting at risk the ability of our military forces to prevail in future conflicts. Our highest ranking military officers, including the Chairman of the Joint Chiefs of Staff, cited the need for increased procurement funding to ensure a modern, ready force in the future. The Senate Armed Services Committee recently reported to the Senate a Defense authorization bill for the coming fiscal year that includes significant increases in the procurement and research and development accounts for future modernization.

Third, the statements cited yesterday by the Senator from Iowa were taken completely out of the full context of my paper. The Senator should re-read the paper in its entirety, in which it is clearly stated that funding for our Nation's military is far too little to fully meet our vital national security needs.

I do believe, as the Senator quoted, that we must look for ways to do more with less. That statement is based both on an acknowledgment of fiscal reality as well as a sense of responsibility to the taxpayers. Regardless of whether we increase the top line of the Defense budget, we have a responsibility to the American people to spend their tax dollars wisely. Every dollar of defense spending should be spent carefully and for programs which enhance the ability of our service men and women to do their jobs, whether they are assigned to combat units, support units, or the Reserve components.

I also believe, as the Senator quoted, that eliminating excess infrastructure is necessary and would free up funds for military modernization. The Department of Defense, with the help of Congress, must continue its ongoing efforts to streamline operations and improve efficiency by eliminating wasteful spending and practices. The Senator from Iowa has been active in promoting financial and other reform efforts in the Department of Defense, and I commend him for his efforts.

However, the Senator seems to have missed the larger point of my paper.

On page 19 of the paper, I clearly stated, as follows:

> There are many approaches to streamlining defense operations and activities that could result in cost savings and which should be done to ensure the best value to the American taxpayer. However, the magnitude of savings from these efficiencies is negligible in comparison to the funding required to modernize and maintain a ready military force.

Finally, let me note this clear concluding statement:

> In all of the decisions we face about our future defense requirements, we must not allow fiscal considerations to be the single, dominant factor. Instead, we must focus on the most cost-effective means of maintaining the military capabilities necessary to ensure our future security. We must pay what it costs for a military force capable of deterring aggression and achieving success in any future conflict. In short, we must be prepared to accept the cost of being a world power.

These statements clearly represent the full context of my paper, which focused principally on a proposal to reform the military readiness system, but also repeatedly cited the need for additional funding for military modernization. I am sorry the Senator from Iowa seems to have missed the point of my paper.

Just like the quotations from my paper, the amendment of the Senator from Iowa missed the mark. His amendment would have done nothing to encourage the Department of Defense to operate more efficiently, if that was his intention. His amendment did not even address alleged Pentagon waste and mismanagement, which would be permitted to continue unabated even if his amendment had been adopted. Instead, his amendment would have cut needed funding for the military modernization programs added by the Senate Armed Services Committee in the recently reported Defense Authorization bill for Fiscal Year 1997.

I voted against the Grassley amendment, which failed by a vote of 57 to 42. I intend to vote against other such amendments to cut the defense function.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOMENICI. Mr. President, I ask unanimous consent that the following amendments be the only remaining first-degree amendments that will be in order to Senate Concurrent Resolution 57, and that all other provisions of the Budget Act remain in effect, provided that the amendments may be offered by a designee.

The list is as follows:

REPUBLICAN LIST

Chafee/Breaux—alternative budget.
Simpson—SOS accurate inflation index.
Brown/Simpson—CPI.
Brown/Simpson—SOS eligibility ages.
Lott—U.N.
Campbell—at risk youth.
Thompson—delete Presidential check off.
Hutchison—SOS homemaker IRA.
Faircloth—SOS national debt.
Faircloth—welfare.
Kyl—LIHEP.
Kyl—SOS tax limitation.
Kyl—Americorp.
Murkowski—relevant.
Domenici/Gorton—Medicare Part A.
Domenici—Spectrum.
Snowe—SOS tax cut sunsets.
Ashcroft—payroll taxes.
Gramm—SOS Soc. Sec. taxes.
Thomas—biannual budgeting.
Grams—SOS bal. budget/taxes.
Snowe—SOS student loans.
Roth—Amtrack.
Specter—Labor-HHS
Domenici—tax reform.
Jeffords—relevant.
Nickles—unified budget.
Nickles—relevant.
McCain—SOS spectrum.
Helms—SOS education.
Dole—SOS drug crimes.
Dole—relevant.
Domenici—EITC spending.

DEMOCRATIC AMENDMENTS TO THE BUDGET RESOLUTION

Baucus—SOS essential air service.
Biden—(1) crime; (2) higher education.
Bingaman—(1) EDA; (2) relevant.
Boxer—(1) SOS taxes; (2) Medicaid and nursing homes.
Bradley—EITC restoration.
Bryan—CBO certification.
Bumpers—(1) asset sales; (2) fire walls; (3) mining reclamation.
Byrd—(1) restore infrastructure investment; (2) relevant; (3) relevant; (4) relevant; (5) relevant.
Conrad—relevant.
Daschle—relevant.
Dorgan—relevant.
Exon—relevant.
Feingold—tax cut.
Graham—Medicare solvency waste/fraud.
Harkin—(1) Medicaid changes; (2) relevant.
Hollings—gas tax to highway and aviation trust fund.
Kennedy—(1) spousal impoverishment; (2) seniors abuse; (3) prescription drugs; (4) premium surcharge; (5) Davis-Bacon; (6) worker safety.
Kerrey—(1) SOS reduction CPI; (2) SOS long term entitlement.
Kerry—(1) environment; (2) education, (3) crime; (4) preserve Presidential campaign checkoff; (5) LIHEAP; (6) relevant.
Kohl—SOS crime prevention funds.
Lautenberg—(1) relevant; (2) relevant.
Levin—(1) reduction defense number; (2) drug blocker research money.
Mosely-Braun—SOS budget priorities.
Murray—(1) SOS GSA priority transfer excess property re: education and technology.
Nunn—(1) Long-term entitlement reform; (2) SOS CPI.
Pryor—Glaxol/GATT.
Reid—environment.
Rockefeller—medicare.
Simon—shifting defense spending.
Wellstone—(1) COPS; (2) children's impact; (3) welfare and domestic violence; (4) LIHEAP; (5) SOS education tax language; (6) relevant.
Wyden—(1) SOS eliminating deductibility environmental damage; (2) DOD expenditures.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. The list has been submitted along with that unanimous-consent request. They are both Democrat and Republican amendments.

Mr. EXON. We have agreed to the list. The chairman has submitted that. We agree those will be the only amendments in the first degree.

Mr. DOMENICI. That does not mean, Mr. President, that every one there will be offered. It depends on the offerer or their designee. But we surmise some will not. But there will not be any other first degrees submitted that are not on that list. We have not waived the Budget Act, as we indicated, Mr. President.

Mr. President, I have another statement to discuss with the Senate.

ORDERS FOR FRIDAY, MAY 17, 1996, AND MONDAY, MAY 20, 1996

Mr. DOMENICI. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in recess until 9:30 a.m., on Friday, May 17, and immediately resume the budget resolution at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I further ask unanimous consent that when the Senate completes its business on Friday, May 17, it stand in recess until 10:30 a.m., Monday, May 20, and immediately resume the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank the Chair and I thank the Senate.

PROGRAM

Mr. DOMENICI. Mr. President, for the information of all Senators, the Senate will consider the budget resolution on Friday and Monday. Since a large number of Senators have indicated they will be available to offer their amendments, no votes will occur either Friday or Monday. Senators who have amendments must offer and debate their amendments either Friday or Monday. It will be the intention of the leadership to conclude the budget resolution by the close of business on Tuesday, if at all possible.

As an example of Senators that have already indicated they will work with their amendments, let me state on Friday—this is not binding in any order—but Senator WELLSTONE will be here at 9:30, Senator MOSELEY-BRAUN, somewhere around 10 o'clock, Senator BYRD somewhere around 11 o'clock, Senator SIMPSON around noon, Senator KERRY has two amendments, somewhere around 1:30, Senator LOTT in the afternoon, Senator Kyl in the afternoon, Senator GRAMM in the afternoon, Senator DORGAN, and Senator KENNEDY, sometime tomorrow afternoon.

Mr. FORD. Will the Senator yield?

Mr. DOMENICI. I am happy to yield to the Senator.

Mr. FORD. We had worked out on this side an opportunity for the Senator from Washington, Senator MURRAY, to be somewhere between noon and 2 o'clock.

Mr. DOMENICI. We will put that in between Senator KERRY and Senator LOTT, who would go later. Senator MURRAY could be somewhere after Senator KERRY.

Mr. FORD. We would like to reverse that, Senator, and put Senator MURRAY before Senator KERRY.

Mr. DOMENICI. We would have Senator MURRAY coming ahead of Senator KERRY, with his two amendments.

Mr. EXON. Mr. President, was putting Senator MURRAY ahead of Senator KERRY cleared with Senator KERRY?

Mr. FORD. Yes, and Senator MURRAY will be speaking in favor of the amendment of Senator KERRY. She has an amendment also. It would work out for her travel plans. We agreed the 12 to 2 o'clock period she could introduce her amendment.

Mr. EXON. This timing is getting rather complicated. Senator KERRY is making a special trip back from Boston and will be in Pittsburgh then he has to go back. He told me he would be here hopefully between 2 o'clock and 3 o'clock. He will be very strapped for time to meet the connection. I simply say as nearly as possible I hope we can accommodate Senator KERRY when he shows up, maybe put him before or after. I did not know about Senator MURRAY.

Mr. FORD. It is somewhere before 2 o'clock.

Mr. EXON. All right. We will do our best to accommodate everyone. I think we have that general understanding.

Mr. DOMENICI. Might I continue. On all the amendments that the Senator from New Mexico just listed, this is not a unanimous consent request, this is a bona fide effort to indicate that these Senators will offer their amendments tomorrow, in somewhat of the order I have described.

Now, Senators are going to be accommodated. We will stay until they are accommodated, and try to use a substantial amount of time. I will not be here after 3:30 but there will be someone here so we get this finished.

Now on Monday, I told the Senators we are doing well on Friday, and on Monday we are doing better. We do not have to have votes because we will have a lot of amendments and stack them in an orderly matter. Senator ASHCROFT, Senator KYL, Senator HARKIN, Senator BUMPERS, Senator FEINGOLD, Senator BAUCUS, Senator LEVIN, Senator SIMON, Senator SNOWE. Senator CHAFEE and Senator BREAUX, the full substitute, they will take 3 hours on Monday afternoon and then they will wrap it up with 1 hour on Tuesday when we sequence them into a voting pattern.

Mr. EXON. What is the time allowed for that amendment?

Mr. DOMENICI. A total of 4 hours equally divided, 3 hours on Monday, and wrap it up with 1 hour on Tuesday.

Then we have Senators BROWN and SIMPSON who will also be ready Monday, Senator ASHCROFT will be ready Monday. Feingold is for Monday.

The last list, starting with Senator HARKIN and ending with Senator ASHCROFT, are Monday amendments in some kind of sequencing related to what I have just described.

Again, nobody is bound to a time but I am really urging and my friend Senator EXON is, and the whip and the minority leader, that we appear and offer them, because that means we will be well on our way to a manageable schedule on Tuesday.

Mr. EXON. I agree. I think it can and will work.

Mr. FORD. May I ask one more question? I apologize for taking so long, but would Senator DOMENICI advise me about the amendment by Senator NUNN on long-term entitlement reform. It seems to me he and Senator BROWN may have a joint amendment. I wanted to be sure that Senator NUNN was accommodated.

Mr. DOMENICI. Mr. President, that is known as the Brown-Simpson-Nunn amendment.

Mr. FORD. That will be sometime late Monday?

Mr. DOMENICI. It looks like it is close to 5 o'clock.

Mr. FORD. That would be ideal, sometime around 5 o'clock or after.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued the consideration of the concurrent resolution.

Mr. DOMENICI. I suggest the absence of a quorum and ask it be charged to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, we understand Senator BOXER from California is prepared with an amendment at this point.

The PRESIDING OFFICER. The Senator from California is recognized.

AMENDMENT NO. 3982

(Purpose: To preserve, protect, and strengthen the Medicaid program by controlling costs, providing state flexibility and restoring critical standards and protections, including coverage for all populations covered under current law. The amendment restores $18 billion in excessive cuts, offset by corporate and business tax reforms)

Mrs. BOXER. Thank you very much, Mr. President. I thank my chairman and ranking member for allowing me to offer this amendment at this particular time. On my side, Senators KENNEDY and GRAHAM would like to speak to this amendment, and I send it to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. BOXER], for herself, Mr. GRAHAM, Mr. DORGAN, and Mr. KENNEDY, proposes an amendment numbered 3982.

Mrs. BOXER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 5, increase the amount by $1,900,000,000.

On page 3, line 6, increase the amount by $2,500,000,000.

On page 3, line 7, increase the amount by $3,200,000,000.

On page 3, line 8, increase the amount by $2,700,000,000.

On page 3, line 9, increase the amount by $2,600,000,000.

On page 3, line 10, increase the amount by $5,400,000,000.

On page 3, line 14, increase the amount by $1,900,000,000.

On page 3, line 15, increase the amount by $2,500,000,000.

On page 3, line 16, increase the amount by $3,200,000,000.

On page 3, line 17, increase the amount by $2,700,000,000.

On page 3, line 18, increase the amount by $2,600,000,000.

On page 3, line 19, increase the amount by $5,400,000,000.

On page 4, line 8, increase the amount by $1,900,000,000.

On page 4, line 9, increase the amount by $2,500,000,000.

On page 4, line 10, increase the amount by $3,200,000,000.

On page 4, line 11, increase the amount by $2,700,000,000.

On page 4, line 12, increase the amount by $2,600,000,000.

On page 4, line 13, increase the amount by $5,400,000,000.

On page 4, line 17, increase the amount by $1,900,000,000.

On page 4, line 18, increase the amount by $2,500,000,000.

On page 4, line 19, increase the amount by $3,200,000,000.

On page 4, line 20, increase the amount by $2,700,000,000.

On page 4, line 21, increase the amount by $2,600,000,000.

On page 4, line 22, increase the amount by $5,400,000,000.

On page 27, line 16, increase the amount by $1,900,000,000.

On page 27, line 17, increase the amount by $1,900,000,000.

On page 27, line 23, increase the amount by $2,500,000,000.

On page 27, line 24, increase the amount by $2,500,000,000.

On page 28, line 5, increase the amount by $3,200,000,000.

On page 28, line 6, increase the amount by $3,200,000,000.

On page 28, line 12, increase the amount by $2,700,000,000.

On page 28, line 13, increase the amount by $2,700,000,000.

On page 28, line 19, increase the amount by $2,600,000,000.

On page 28, line 20, increase the amount by $2,600,000,000.

On page 29, line 2, increase the amount by $5,400,000,000.

On page 29, line 3, increase the amount by $5,400,000,000.

On page 46, line 12, decrease the amount by $18,300,000,000.

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE.

It is the sense of the Senate that the provisions contained in this budget resolution assume Medicaid reforms shall—

(1) maintain the guarantees in current law for Medicaid coverage of seniors, children, pregnant women, and persons with disabilities.

(2) preserve current laws protecting spouses and adult children from the risk of impoverishment to pay for long-term nursing home care;

(3) maintain the current Federal nursing home quality and enforcement standards;

(4) protect states from unanticipated program costs resulting from economic fluctuations in the business cycle, changing demographics, and natural disasters;

(5) maintain the successful Federal-State partnership and protect the Federal Treasury against practices that allow States to decrease their fair share of Medicaid funding; and,

(6) continue to provide coverage of Medicare premiums and cost-sharing payments for low-income Medicare beneficiaries, consistent with current law.

Mrs. BOXER. Mr. President, I am honored and pleased to be able to offer the Boxer-Graham-Dorgan-Kennedy amendment regarding Medicaid. The purpose of this amendment is really quite simple and straightforward.

First, my amendment restores the $18 billion in excess cuts made by the Republican budget, and it will be offset by closing corporate tax loopholes.

Second, my amendment contains a sense of the Senate that any reforms made to Medicaid maintain six particular principles, and I will outline those principles briefly.

But before I do, I think it is important to ask the question, Who does Medicaid really help in this everyday world? Who are the people out there who depend on Medicaid?

First of all, 2 million senior citizens who are in nursing homes are on Medicaid and depend on Medicaid. Two out of every three residents in nursing homes depend on Medicaid.

We also know there are 18 million children who depend on Medicaid—children. It is their lifeline. Half of these children live in working families where their families work very hard. They are the working poor, and their children rely on Medicaid.

The disabled—6 million of our citizens who are disabled rely on Medicaid and perhaps up to 1 million pregnant women rely on Medicaid. Of our children between the ages of 13 and 18, there are 2.5 million.

So millions and millions of Americans rely on Medicaid, and, therefore, this amendment, I think—and I am so pleased that it has broad support on this side of the aisle—is really key to real people.

So the first part of the amendment is that we restore $18 billion that has been cut, what we call excess cuts. Second, we have a sense of the Senate on six principles. They are as follows: First, maintain Medicaid coverage for low-income seniors, children up to 18 years of age, pregnant women, and the disabled; second, maintain current protection against the impoverishment of spouses and adult children whose family member is in a nursing home; third, maintain Federal nursing home standards; fourth, protect States from unanticipated increases in enrollment, which can occur as a result of economic fluctuations such as recessions, changing demographics or natural disasters; fifth, maintain the successful Federal-State partnership and protect our Federal Treasury against practices that may allow States to decrease their fair share of Medicaid funding; and sixth, continue to provide Medicare premiums and cost-sharing payments for low-income Medicare beneficiaries that are consistent with current law.

I would like to make this point, Mr. President. All of these six principles that are outlined in this amendment are contained in the President's budget, as well as in the Chafee-Breaux budget proposal; however, they are not maintained or referenced in the Republican budget.

So of the budgets that we will be looking at, namely, the President's budget, the Republican budget, and the Chafee-Breaux budget, we find the Republican budget does not address these six principles. Frankly, we feel it is very important that these principles be adhered to.

Why do I say that? I think the backbone of all the other principles is the guarantee of coverage that exists in current Medicaid law for seniors, children, pregnant women, and persons with disabilities. We know this is a real problem because in the reconciliation bill we saw that there was a walking away from this commitment.

We also believe that a person with certain disabilities in one State might not be considered disabled in another State under this budget. We want to make sure that does not happen. Some States could decide to define disability in such a way that it will not cover many serious disabilities.

So we think it is very important that the people who are now covered remain covered. We do not have that assurance at all in this budget. As a matter of fact, the plans that the Republicans have talked about would allow the States to decide these questions. I think it is very important that it be a national standard here as to who is disabled and who should definitely have coverage.

I want to talk about the guarantee to children. We have no certainty in this Republican budget that children from the ages of 13 to 18 would be covered. Let me tell you the problem. It would mean that a low-income teenage girl, the only way she could get health coverage, if the State decided to cut her off, is to get pregnant. This is not a message that we want to send to our young people. We should cover children until they turn 18. I think we owe them that.

I want to talk a minute about the other principle, the spouses and adult children who are at risk of impoverishment if one of their family members winds up in a nursing home. Remember, there are 2 million senior citizens in nursing homes, and two out of three of them are on Medicaid. We passed a very important law, when I was over in the House of Representatives, that said we will not drive the adult children of nursing home residents and we will not drive the spouse of a nursing home resident into the poor house simply because their family member is in a nursing home.

I am very fearful that without saying something affirmative in this budget, we could repeal this very important spousal impoverishment provision. We should not be forcing spouses or adult children to be thrust into poverty.

Why do I say that? The average cost for nursing home care, Mr. President, is about $36,000 a year. Clearly, how many of our people could really pay that?

I think it is crucial that we protect spouses and the adult children of nursing home residents. I think if we do not pass this amendment, our amendment that we have worked on here, that could happen.

Nursing home quality standards. Very clearly we ought to say that we believe there ought to be national standards. Why do I say this? Because we know what can happen. We saw what happened in the 1980's. There were nursing home scandals. We know that our senior citizens were being mistreated, abused. Some of the stories are hair-raising. I will not go into them because time does not permit it. But they were drugged, they were put into baths that were scalding.

What happened? We decided we would have standards and enforcement. Now we have absolutely no assurance in this particular budget that is before us that this will happen. That is why we hope we can get bipartisan support for this particular amendment that I am offering. So it is key to save those nursing home national standards.

One senior citizen in Nebraska is as important as a senior citizen in New York or Ohio or Wyoming or Montana. We want to treat our grandmas and grandpas and our great grandmas and great grandpas with respect. We should have national standards and not back away from them.

We protect the States from unanticipated program costs in the sense of the Senate. We say that, in fact, when you have a natural disaster such as my State of California, or there is an unanticipated cost from a recession, that we will help the States meet their Medicaid burdens.

Finally, an issue that I know Senator GRAHAM is going to speak to because he was a Governor of the great State of Florida. We want to maintain the successful Federal-State partnership involving Medicaid. We also want to make sure there are no scams in the States, that, in fact, the States do not abuse the Medicaid program.

So, Mr. President, that concludes my remarks. I know that Senators KENNEDY and GRAHAM would like to speak.

I would like at this time to yield them some time, if that is agreeable.

Mr. President, I yield to the Senator from Massachusetts and then to the Senator from Florida. We have had a little bit of intervening debate and I just want to remind everyone what we are talking about here are the people in our country who need us to stand with them: The seniors in the nursing homes, the children with disabilities, the pregnant women, the working poor, the people who are working very hard to stay afloat and need us not to abandon them. I think this amendment we are presenting to you will give them that reassurance that they will not be abandoned.

It is my pleasure to yield 15 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, my friend and colleague from Florida will address the Senate on an extremely important aspect of this whole issue of the cutback in Medicaid. I will try to be to the point but also speak about the importance of this particular amendment.

First of all, I want to thank the Senator from California, Senator BOXER, for being the leader on this particular issue as she has been on so many of the issues involving working families, children, and their parents and the disabled. All of us are grateful to her for her leadership on this issue of restoring some $18 billion in the Medicaid Program over the next 6 years.

Now, I think Members can ask whether this $18 billion we see under the Republican program, the reduction of $72 billion, I think it is important as we commence this debate to understand where that serious cut will come from in the Republican budget and the benefits that this program reaches in terms of children, the disabled and the elderly. The importance of this amendment of the Senator from California is that with the acceptance of some cuts in the Medicaid, those cuts basically will be out of what we call the disproportionate share payments, which go not to the individual reduction in benefits, but are basically funds that go to the State generally. It is extremely important to understand that every dollar in the Senate's program is a dollar that will make a difference in the quality of life of children and seniors.

The second point which is an enormous part of the Senator's amendment which I know that the Senator from Florida will cover is the significance of the Republican budget cuts, which will mean $250 billion in reduced payments of benefits over the period of the next 6 years because of the changing of the formula in terms of what is required by the States.

This is a very, very dramatic reduction and cut in who will be affected by this. The people that will be affected by this, as the Senator has pointed out, will be the children, the elderly people, nursing homes, and the disabled in our country.

The further point I want to make this evening is that it is important that we had the earlier vote on the Medicare and now on the Medicaid because to a great extent we are talking about the same populations. We are seeing the reductions in the Medicare programs that will affect our seniors, and this is another significant reduction in services for our elderly people as well as the children.

So if you look at the reductions in the Medicare Program, and you look at the reductions in the Medicaid Program, you are finding those cuts, together, are going to be an extremely heavy burden on the most vulnerable in our society—the children, the frail elderly, and the disabled in our community.

Medicaid is the companion program to Medicare, and the Republican assault on Medicaid is just as misguided and unfair as their assault on Medicare. The Republican plan would cut Federal Medicaid payments by $72 billion over the next 6 years—but that is only the tip of the iceberg. Under the Republican plan, total Medicaid spending would be cut by a staggering $250 billion—and States will be allowed to spend Federal Medicaid dollars on roads, bridges, and political patronage rather than health care services.

In large measure, the Republican cuts in Medicaid will strike another heavy blow at the same groups hurt by the Republican cuts in Medicare—senior citizens and the disabled. Ten million elderly and disabled individuals are enrolled in Medicaid. Seventy percent of all spending under the program is for these two groups—much of it for long-term nursing home care.

Another group will also be injured by the Republican plan—America's children. Seventy percent of those who rely on Medicaid are children and their parents—a total of 18 million children. One in every five children in America depends on Medicaid. One in every three children born in this country depend on Medicaid to cover their prenatal care and delivery.

Every child deserves a healthy start in life. Under the Republican plan millions of children who have adequate medical care today will be forced to do without it tomorrow.

Medicaid provides good coverage to children today. They are guaranteed prenatal care, immunizations, regular checkups, developmental screenings, and both chronic and intensive physician and hospital care.

The great bulk of Medicaid-covered children are in families with working parents. Most of these parents work full time—40 hours a week, 52 weeks a year—but all their hard work does not buy them health care for their children, because their employer does not provide it and they cannot afford it.

Even with Medicaid, over 10 million children are uninsured, and each day the number rises. Soon, less than half of all children will be covered by employer-based health insurance. We tried to address this problem in the last Congress—but the Republicans said no. Today, they are trying to undermine the only place that families can turn without employer-provided coverage.

Last year, the Republicans proposed to eliminate all guarantees of coverage for children. This year, it is "only"—only—poor children 13 to 18 who will lose their coverage. In addition, children of all ages—even babies—will lose their current guarantee that all medically necessary treatments will be covered.

The 6 million disabled who depend on Medicaid are even less fortunate. The Republican plan repeals all Federal standards for coverage of the disabled.

States are also free to set any limits on scope and duration of services that they choose. If a State budget is tight this year, why not limit the sick to shorter hospital stays. If they need a week to recover from serious illness or surgery—too bad. That's somebody else's problem—if the Republican plan is adopted.

In a very real way, Medicaid is a lifeline for children and families who have nowhere else to turn. Without access to Medicaid, many healthy children will become sick and many sick children will die. It is wrong to put children at risk to pay for tax breaks and special favors for the wealthy and powerful. Greed is not a family value.

Under the Republican plan, senior citizens and the disabled suffer a one-two punch. Deep Medicare cuts, and even deeper cuts in Medicaid. Many will lose their Medicaid coverage or see their benefits cut back. But they will also be victimized by one of the harshest parts of the Republican plan—the elimination of Federal enforcement of quality standards for nursing homes.

Strong quality standards for nursing homes were enacted by Congress with solid bipartisan support in 1987, after a series of investigations revealed appalling conditions in such homes throughout the Nation and shocking abuse of senior citizens and the disabled.

Elderly patients were often allowed to go uncleaned for days, lying in their own excrement. They were tied to wheelchairs and beds under conditions that would not be tolerated in any prison in America. Deliberate abuse and violence were used against helpless senior citizens by callous or sadistic attendants. Painful, untreated, and completely avoidable bedsores were widespread. Patients were scalded to death in hot baths and showers. Others were sedated to the point of unconsciousness, or isolated from all aspects of normal life by fly-by-night nursing home operators bent on profiteering from the misery of their patients.

These conditions, once revealed, shocked the conscience of the Nation. The Federal standards enacted by Congress ended much of this unconscionable abuse and achieved substantial improvement in the quality of care for nursing home residents.

Last year, the Republican proposal eliminated these standards altogether. When the public outcry was too great, they weakened the standards instead. This year, they claim to leave them unchanged—but they are proposing to leave enforcement to the States, even though it was the States' failure to protect senior citizens that necessitated passing the 1987 law in the first place.

Whatever the formal rules and regulations say, the Republican cuts in Medicaid are so deep that even conscientious nursing home operators who want to maintain high quality care will be hard-pressed to afford the staff and equipment necessary to provide it.

It is difficult to believe that anyone, no matter how extreme their ideology, would take us back to the harsh conditions before 1987. But that is what the Republican plan will do.

Further, the Republican plan victimizes not only the elderly but their families as well. Last year, the Republicans proposed to repeal the spousal impoverishment protections that protected the husband or wife of a nursing home resident against the double loss of a loved one and the chance to maintain even a modest standard of living. They proposed to repeal protections that have been in place since the Medicaid program was enacted against adult children being required to impoverish themselves to pay for the care of an aged parent.

Again, the public outcry was so great that the Republicans were forced to modify their plan—but they left the fine print in place. Spousal impoverishment provisions were supposedly retained—but they were rendered meaningless by other parts of the Republican plan.

Without a guarantee of coverage, a protection against spousal impoverishment is useless for those who can no longer qualify for assistance in the first place. The plan allowed nursing homes to add extra charges that Medicaid did not cover, and require families to make large up-front deposits before a patient is admitted. Adult children were protected—but only if their income was below the median. Families whose total income is less than the cost of a year in a nursing home would still be liable for the cost of care for their elderly family member.

Republicans claim their new plan avoids this last set of abuses, but the American people should read the fine print.

The Republican plan for Medicaid is an outrage. It says that our society does not care about the most vulnerable groups in our country—people with disabilities, senior citizens, and children.

These Republican proposals are too harsh and too extreme. They are not what the American people voted for in the last election. They should be rejected out of hand by the Congress, and the American people should reject their sponsors in the next election.

I thank the Senator from California. I yield back whatever time remains.

Mrs. BOXER. Mr. President, I thank my friend from Massachusetts. Before he leaves, I think we have a chance to win this amendment, I say to my friend, because, actually, the Democratic budget addresses these issues. This amendment gives us a chance, those of us who supported that budget, to vote in favor of it. The Chafee-Breaux budget actually that will be presented to us does, in fact, make these commitments. So if everyone who voted for Chafee-Breaux, who voted for the Democratic budget, votes aye on this amendment, I say to my friend that maybe we will have some better luck in the outcome.

My friend talked about turning our backs on those who need us the most. I was present for a hearing that we held when we were doing the health care bill in which we had disabled children who were relying on Medicaid come into the Congress with their caregivers. Usually it was their mom or dad. Just looking at those kids with spina bifida, with kidney problems, with muscular dystrophy, or with multiple sclerosis, trying to live their life with some dignity, relying completely on these payments, it seems to me, I say to my colleagues at this late hour, even if it is late, this is a little sacrifice to make when we think of those children and the sacrifices that they make every day of their lives and the sacrifices that their families make every day of their lives. It is shameful that we would walk away from these children. It is shameful.

Nobody needs to hear a lecture from one Senator to another. I do not mean at all to sound that way, because I do not think that anyone who votes against this amendment wants to hurt those children. But I do think, in the end, that is what will happen.

I yield 15 minutes to my friend from Florida, Senator GRAHAM.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. I thank my colleague from California.

Mr. President, this debate should commence with one fundamental truth: The Medicaid Program for the last 30 years has been a great American success. The Medicaid Program has been a great American success. Let me give you a few examples of that success.

In the early 1980's, in many parts of this country—I can speak specifically for the American South—the rate of infant mortality was a disgrace, rates of infant mortality that were close to those that would be found in some of the less-developed nations of the world. In that period, leaders in the South decided that they wanted to have a different legacy for the future.

So under the leadership of Governors such as Lamar Alexander of Tennessee, Bill Clinton of Arkansas, Governor Dick Riley of South Carolina, who was designated to be the chair of a task force in the South on the children of the South, Governor Riley made a series of recommendations which were adopted by most of the Southern States. But the keystone recommendation was that the South should take steps to reduce its infant mortality by substantial increases in its commitment to appropriate prenatal care, care for pregnant women, care for infants, and care for children in those critical early days of life.

The effect of that program 10 years later has been a dramatic reduction in infant mortality in the South, and because of that, a significant reduction in infant mortality in the United States, approximately a 20-percent reduction in the number of children who were born without life or with a life that was less than it might have been.

Mr. President, Medicaid was an absolutely critical component of that effort to reduce infant mortality in our Nation, and because of it, there are literally hundreds of thousands of boys and girls who are alive today, living lives that have great promise and opportunity.

Medicare is an American success story. Medicaid has also allowed older Americans to live a life of dignity and respect when otherwise they would have been consigned to the same condition of their parents and grandparents. To get old in America and to be poor in America was to be without dignity and respect.

You say, "Why is this true of Medicaid? I thought it was Medicare that provided services for older Americans." The fact is the two programs work in a very compatible manner. Medicaid, for those elderly who are unable to pay their premiums for Medicare, pays those premiums. It allows the indigent elderly to continue to have access to Medicare physician services. For those indigent elderly who cannot pay their prescription medication, Medicaid pays for their prescriptions so that they can have access to the modern miracles that make life possible and make a quality of life possible.

For many Americans, it is Medicaid which provides access to long-term care, whether that be in a community setting or in an institutional setting such as a nursing home. As the Senator from California has pointed out, most Americans who are in nursing homes today—over two out of three—receive their nursing home monthly payments through the Medicaid Program.

Medicaid is an American success story for older Americans. Medicaid is an American success story because it has served as the fundamental safety net under millions of poor children who without Medicaid would be without any financing for their health care.

In 1980, of all Americans who were employed, approximately 65 to 70 percent were employed in a workplace which provided health care coverage for themselves and for their families. That was part of what we thought was the American dream, that if you worked hard and you supported your family, you would have access to and the capacity to afford to acquire health care. We in Congress promoted that by providing very favorable tax treatment for employer-provided health care benefits. But since 1980, there has been a precipitous decline in the percentage of Americans who are covered at this point of employment with health care. Today that number is below 60 percent, and the estimate is that in the foreseeable future it will drop below 50 percent. Less than half of the Americans who are working will be securing their health care through their place of employment.

The result of this has been literally millions of low-income, not only the employees themselves but even more the dependents of those employees, their spouses and their children, without health care coverage.

What has happened is that as these people fell into medical indigency, it was Medicaid which came to their rescue, and it has provided them with access to health care coverage. If it had not been for Medicaid, we would not be a nation today with some almost 40 million Americans without access to health care financing; we would be a nation with 45 to 50 million Americans without access because persons who had lost their coverage are able, and particularly their dependents are able, to get it through the Medicaid Program.

So the Medicaid Program has been an American success story. Because of that we should not be talking, as is suggested in the Republican proposal of 1996, as it was in the Republican proposal of 1995, about an amputation of Medicaid. Rather, we should be talking about thoughtful reforms that will preserve the fundamental values of the system while making it stronger and better and more adapted to some of the current changes in health care delivery.

What are some of the fundamental issues in that reform of Medicaid? One is, should we maintain the basic national partnership between the Federal Government and the State governments in the financing and delivery of Medicaid services?

There are those who would suggest that that partnership is an anachronism, that it has had its day, but now we should amputate it, cut it off. Let us look for some new mutation to take its place, and that new mutation is going to be some form of block grants where the Federal Government's role is essentially consigned to that of being a check writer that on the October 1 will write 50 checks, send them off to the State capitals of America and with very little involvement wash its hands of the Medicaid Program.

The irony of this proposal, Mr. President, is that the very people who make it with such ardor frequently on other issues look, as one of their political North Stars, to former President Ronald Reagan and suggest that he is in many ways the father of modern conservative political thought.

Would Ronald Reagan have supported a program of block grants to the States for Medicaid? As my colleague from California, who no doubt had an opportunity to observe former Governor and then President Reagan over a number of years, will certainly know, the answer is no, because what President Reagan proposed was that rather than Balkanize Medicaid, Medicaid should be federalized.

He had a couple of compelling reasons why he thought that should be the case. The first was that as a Californian he recognized the fact that if you had differentials in standards, there was a tendency for a mobile population of poor people to seek out those communities that had the most generous standards. In the 1960's and 1970's California had among the most generous standards in the country and therefore served as a magnet for persons to come in the State in order to access those standards. So one rationale of President Reagan was that we needed to have greater uniformity in order to avoid this inducement to move.

A second rationale which I think is extremely relevant today is that President Reagan recognized that Medicaid, which had started as being primarily a program for poor children and their families, was increasingly becoming a program for the frail elderly. In my State today about 60 to 70 percent of the Medicaid funding is spent on people over 65, a very high percentage spent on people over 85. So President Reagan felt that we needed to relook at both Medicare, the health care financing program for the elderly, and Medicaid, the program for the indigent, and attempt to rationalize, harmonize, knit those two programs more effectively together, and that that knitting together would occur with more likelihood if Medicaid was a Federal program than if it were distributed to the States.

Mr. President, I think those two reasons of President Reagan were compelling in the 1980's and, if anything, they are even more compelling today. So it is somewhat of a shock now to see that the descendents of the philosophy of Ronald Reagan want to go exactly in the opposite direction from his advice, and that is to remove the Federal Government as a continuing partner in this national program of Medicaid.

Mr. FRIST. Mr. President, will the Senator from Florida yield for a question for a second?

Mr. GRAHAM. The Senator from Florida is close to being through, and at the conclusion of my remarks, I will be pleased to yield.

The second point is that the Medicaid Program requires a base of financing in order to meet its current needs and to be able to assume the new responsibilities which clearly lie just over the horizon. As the Senator from Massachusetts pointed out, the proposal of the Republicans will reduce the total funds available for Medicaid over the next 7 years not just by the some $70 to $80 billion that will be eliminated at the Federal level but by a figure of close to $250 billion because the amount that will be asked of the States in their contribution to participate in the Medicaid Program will be so reduced.

Mr. President, I do not believe any serious analysis of the challenges facing Medicaid could come to the conclusion that we can meet the health care needs of Americans with a $250 billion reduction in funds available in the fundamental safety net program of our national health care system, Medicaid. In fact, there are a number of factors that are going to put Medicaid under greater pressure. One of those factors is the fact that we have a growing number of children and adolescents in our population.

To give just one statistic, last year America graduated approximately 2.5 million students from its high schools. Within less than 9 years, we will be graduating over 3 million children from our high schools, as an indication of this surge of youth that is coming through our society, who in addition to having education needs will also have health care needs which Medicaid would be the principal instrument for meeting.

I ask the Senator from California if she could yield an additional 5 minutes.

Mrs. BOXER. I will do that.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. GRAHAM. Also, there will continue, unfortunately, to be a decline in the number of children covered by the health insurance of their parents at a point of employment. The population will continue to age. More people will be in the advanced ages, which is the greatest source of additional cost to the Medicaid Program. We are making some policy decisions such as those embedded in our recent vote on the immigration bill that are going to result in greater demands on the Medicaid system.

So there is no basis for the proposition that we can meet all of these challenges to the Nation's health care system and sustain a $250 billion cut in the Medicaid Program, most of it being a cut at the State level, not at the Federal level.

Finally, in the Medicaid system, one area of reform that cries out is to treat all States fairly. Today we have extreme disparities in terms of the funding that is provided for the poor child, the poor frail elderly, and the disabled from one State to the next. Those disparities are a function of history, the fact that we have built up a practice of inducing States to come into expanded Medicaid services by the Federal Government, matching or more than matching those State commitments. Those States that had a sufficient level of affluence to afford a more luxurious system have developed that, and, therefore, that has led to substantially higher amounts of Federal support for their Medicaid programs than for the less affluent States.

We also have the situation in which certain States severely abused a program that had a good purpose: to recognize the special cost of hospitals that served large numbers of indigent Americans. Those hospitals were to be recognized by getting a disproportionate share of Medicaid funds in order to pick up some of that cost that was otherwise uncompensated. Unfortunately, that program was severely abused by a handful of States and resulted in extreme distortions in where Federal Medicaid money went, State to State.

The proposal we have before us would largely freeze those past inequities into place and would make us live with them for the foreseeable future. The amendment offered by the Senator from California represents a clarion voice for reform and fair treatment in that all Americans should be assured that they will be treated equally by their National Government in terms of their access to quality health care.

Those are some of the fundamental issues we are dealing with. Are we going to maintain the Federal-State partnership which has served us so well in reducing infant mortality, providing dignity for older Americans, providing a safety net under an increasingly frayed system of employer-based health insurance? Are we going to maintain an adequate funding basis at both the Federal and the State level to meet increasing demands on our Medicaid Program? And are we going to treat all Americans, wherever they live, fairly?

The amendment that is offered by the Senator from California meets those tests of fundamental fairness and vision for the future of America. The underlying proposal fails on all of those tests.

I urge the adoption of the amendment of the Senator from California.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank my friend from Florida, the former Governor and distinguished U.S. Senator. He is on this floor with, I think, very important advice for Senators. It is fiscally responsible. He understands that when you help people who are trying to help themselves, when you help people who deserve help, people who have such problems, disabilities, infirmities, that in fact you are doing the right thing. I thank him very much for his leadership on this.

I say to my friend from Tennessee, that concludes our discussion of this amendment. I will be very happy to yield the floor at this time for him if he wishes to rebut. But I again urge my colleagues to look carefully at the Democratic budget, at the Breaux-Chafee budget—or Chafee-Breaux budget, as it is called—and the Republican budget. You will see that two out of three of these budgets believe in this amendment, believe strongly in this amendment. I hope those who support both the Democratic proposal and the Chafee-Breaux budget proposal will support this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Does the distinguished Senator from California yield back the remainder of her time?

Mrs. BOXER. If my friend is going to speak and wishes to debate this, I have no need to take any amount of time other than to rebut, perhaps, some of his comments if I feel I need to do so. It is not my intention to prolong this debate.

Mr. FRIST. Mr. President, I rise to oppose the amendment of the Senator from California for a number of reasons. Fundamentally, this particular amendment results in more taxation and more spending. The case I would like to lay out is that that increased taxation and increased spending is unnecessary. It is unnecessary.

Let me say at the outset, we have heard a lot from people who care very much about this Medicaid Program. The Medicaid Program is something that I, too, care very much about. I have worked with Members on both sides of the aisle to guarantee that we preserve what is a very good program that has served millions of people, both today and over time.

My role as a public servant, as a U.S. Senator, is one hat that I wear, but in addition to that perspective, I wear the hat of a physician who has taken care of the very people that we have heard talked about tonight. It hurts me when people use words like "walk away from children." I have dedicated my entire adult life to helping children, one on one, as a physician, and to have words like that used on either side of the aisle hurts a great deal.

About 35 percent of the patients I have treated over the last 18 years of my life are Medicaid recipients. Night after night I have sat at the bedside of children, of mothers, of fathers, of people who have benefited from a program that served as a very important safety net for people who otherwise might not have access to care. It is to those people I say, to hear this accusation, it is not medagoguery, but it is close, when we have these accusations of walking away. Again, I am not sure it is intended that way, but the fact we are talking about the case of individuals, of children, with accusations elevated to that political—rhetorical, I think—level hurts.

When we heard here words about cut, and the distinguished Senator from Massachusetts used cut again and again and again, and that is associated with the comments made about walking away from children and the amputation of programs—the growth rate in our proposal is 6.5 percent next year, the year after that, and the year after that—6.5 percent annual growth rate. That means an increase, not a cut, year after year over the next 6 years.

I think, finally, the public at large understands this is not a cut. It was President Clinton who, 3 years ago, in 1993, in an AARP meeting out on the west coast, said what we need to do for this program, Medicaid, is slow the growth from about 10 to 11 percent down to two times inflation. That is what we have done. A program that gives flexibility to States, that covers the people who need to be covered—and I will come to that shortly—we have slowed the growth to exactly what the President said 3 years ago, down to more than two times the rate of inflation. Anybody who has taken time to read what we proposed, it is 6.5 percent growth, year after year.

The President's plan is 7.1 percent. I guess we can debate whether it should be 7.1 or 6.5, but to say we are walking away from children and we are cutting or amputating programs, it is not true and the American people are going to see through that.

I do want to restate the ideas behind the Medicaid reforms and the question I was going to ask earlier of my colleague from Florida, because he kept saying this is a block grant to the States. It is not a block grant. It is not even close to a block grant.

No. 2, he talked about the dissolution, what is no longer a joint Federal-State partnership. It is just not true. It is not true. If you read what our assumptions are in the concurrent budget resolution, it is real simple. It basically says the committee's recommendation assumes implementation of a bipartisan—bipartisan—Medicaid reform plan approved by 48 Governors in early February. It was the unanimous consent of 48 Governors, who put together the plan, which is the basis, the foundation for the assumptions which resulted in our proposal.

It is important to say that, because the second half of the amendment proposed by the Senator from California lists six principles. Let me say at the outset that I agree with most all of those principles. I think that is important. I do not agree we have to increase spending by $18 billion to accomplish that, and I will come back to it.

But let me say what our plan—the assumptions in the 48 Governors' unanimous consent bipartisan plan which is the foundation, the verbatim foundation for our proposal—does. It is not a cut, it is an increase. I have said that. It is not a block grant, it is a Federal-State partnership.

It is not walking away from children. We cover the same populations, and I will come back to that. We guarantee coverage in this plan of low-income children who I have taken care of; and of pregnant women who I have taken care of in the past; and of the senior citizens who I have taken care of; and the individuals with disabilities for whom I am an advocate. We guarantee coverage. Period.

No. 2, we maintain the Medicaid Program as a matching program. Matching, that means Federal and that means State; a partnership; hand in hand; money comes from both. It is not a block grant to the States.

No. 3, we continue the Federal minimum standards for nursing homes, which were brought out in the principles of my colleague from California.

No. 4, we continue Federal rules that prevent wives or husbands from being required to impoverish themselves just to keep and obtain Medicaid benefits for their spouses, requiring nursing home care. We continue those Federal rules. Period.

No. 5, we provide coverage of Medicare premiums and cost sharing payments for low-income seniors consistent with the unanimous 48 Governors'—at the National Governors Association—Medicaid policy. That is what we do. Let us strip away the rhetoric.

The fundamental problem with Medicaid, because we do have a problem with the program that does serve over 30 million people—we do have a problem. Let us step away and look at the numbers, because we have the budget. We have the assumptions I just talked about, but let us go back to the numbers for one second.

The problem: Federal spending on Medicaid has doubled over the last 5 years; $90 billion in 1995. It is 20 percent of the State budget. That means if you are a Governor today, anywhere from 18 to as high as 23 percent of all the money in your budget is going to Medicaid. You can say, "Should it be 20 percent? Should it be 15 percent? Should it be 25 percent?" None of us can really answer that question. But what we do know, if you have 20 percent of your budget and the other 80 percent is being spent on crime and the environment and education and roads and police, that if you let that 20 percent grow to 25 percent or 30 percent or 35 percent, what suffers? Education, environment, crime, police, roads.

So at some point, the Governors have to sit back and say, "We have to do something about a program that is one-fifth of our budget that is skyrocketing year after year at the Federal level," and by definition at the State level, is doubling at least every 5 years. If you do not, schools are going to get even worse, our environmental protection is going to get worse, there are going to be fewer police on the streets.

So we have a problem. We all know it is a problem. We are all trying to work together, in a bipartisan way—at least the Governors are, 48 of them—in addressing that problem.

This is why you do not have to raise taxes $18 billion in this amendment that has been put on the table. You do not have to. Excessive regulation results in waste.

What has happened over the last 30 years in this program is that with our good intentions in this body, Washington, DC, inside the beltway, we want to help people. How do we do that? We do that by coming to this floor and passing a layer of regulations, and the next year, another layer of regulations put on that, and then another layer of regulations, to where you get to 1996 and you have a program with 50,000 regulations telling you how to spend a health care dollar, which is the taxpayers' dollar, in taking care of that child who I had to do a transplant on or do a heart operation on back at Vanderbilt Medical Center where I was 3 years ago before I came here.

That taxpayer dollar gets eaten up, literally eaten up by the time it gets down to the doctor-patient relationship, and that is the problem we have. It is excessive regulation and waste.

Somebody else has realized that. It is not just us. Governor Bill Clinton, before the House Government Operations Committee, December 8, 1990, I think said it much better than I can. He has been at this a lot longer than I have. He knows how to say things, I think, pretty well. He used the right words:

> Medicaid used to be a program with a lot of options and few mandates.

We are the ones who do the mandates.

> Now it's just the opposite.

Let us face the facts. He had it right back in 1990, and in this proposal we have today, we have it right. It is not perfect, but it is a lot better than what we have today.

Why do we have to spend another $18 billion, increase spending $18 billion, increase taxes $18 billion, which is what this amendment implies we have to do? Our contention, and the contention of the Governors, is that if you strip away the regulations, if you strip away the requirements of dictating that doctor-patient relationship, what goes on, eligibility, out of Washington, DC, if you strip away those 50,000 regulations and you give much of that responsibility back to States and give them the flexibility to run their programs, you can save money.

You do not have to cut, you can still allow Medicaid to grow over 6 percent, over twice inflation, which is what we do, but you do not have to let it grow at 15 to 17 percent a year.

Let me turn to this one chart just to show you. Tennessee—and we have had discussions on both sides of the aisle of what are called 1115(a) waivers. It is hard to get these 1115(a) waivers. I can tell you, before I came to this Senate, I went through that process with Tennessee and it ain't easy.

The 1115(a) waiver says, in essence, we will let you, as a State, run a program how you see best; we will give you the flexibility, instead of mandating how you run it out of Washington, DC, and let us see what you do.

Tennessee applied for a waiver, received that waiver and let me just show you—it is not a perfect program, and I am not going to be here defending everything about the program—but let me show you just the dollars and cents of what can be done if you give those Governors the responsibility, let them design an appropriate program over time.

This is the Medicaid expenditure growth in the State of Tennessee. This starts in fiscal year 1986, 1987, continues to 1992, 1993, and 1994. The yellow bars are the percentage change in increased expenditures in a State, the overall program, joint State and Federal match.

You can see in fiscal year 1986, the Medicaid Program in Tennessee was growing at 21 percent, and it has happened in all of our States at varying levels. In 1987, it grew at 16 percent; in 1988, it grew at 21 percent; in 1989, a pretty good year, it grew at 14 percent; it grew at 20 percent; 20 percent; 1993, 13 percent; 1992, 34 percent.

Think, if you are a Governor and have a program growing on average about 20 percent, which is this red line, each and every year and you have your budget, 20 percent a year, that part of your budget is growing, all of a sudden, you have to start saying, I can't spend as much on education, I can't spend as much on fighting crime, on putting police on the streets, because we're growing at 20 percent per year.

In Tennessee, for the same amount of money being spent, both at the State and Federal level, by having these 50,000 regulations stripped away, growth in 1994 was right at 1 percent —1 percent. That overall budget about $2.5 billion did not grow over the course of 1 year. That shows what can be done. It can be done if you give States that flexibility.

That is why I oppose this amendment. You do not have to charge it; $18 billion more in increased taxes and increased spending.

Let me go back to one other chart just to demonstrate what that actually means. Again, we are talking dollars right now. I am coming back to the eligibility.

This is TennCare in yellow. This is Medicaid in red, which is what would have been projected if we had to still live under the Federal regulations in the State of Tennessee, which other States have to live under. This is in 1994 when the program started. If you look over time with TennCare, you can see that cost and expenditures are controlled, increasing, ironically, at a rate of about 6.5 percent a year in the State of Tennessee.

Look what it would have increased to if we had to live under those excessive, burdensome regulations. President Clinton said it best back in 1990.

Someone might say, Well, I bet you did it in Tennessee by not covering as many people. You are not doing as good a job. In some way you are cutting back on benefits and cutting back on services. The beauty is we do not have to let taxes grow, and at 20 percent of expenditures. In 1993, 89 percent of the population was covered. This is not very good. This is, of the entire population, 89 percent of all Tennesseans were covered.

By giving States the right to look at their own programs, strip away their regulations, for the same amount of money, for the same amount of money for controlled growth, we were able to cover 94 percent of the population. It is ironic; 89 percent was probably in the lower 10 or 15 of all States of people covered.

In 1994, Tennessee was the No. 1 State in the country in terms of numbers of people covered. Why? Because we were able to cover more people for the same amount of money by stripping away these excessive Government regulations. What? This proposal? We heard a lot of things. A lot of it has been rhetoric.

What is actually in our proposal? I have said, we are going to increase Medicaid spending more than two times inflation, at a rate of an average annual growth of 6.5 percent. Is that a cut? That is not a cut. We are going to spend, in fact, $54 billion more than in last year's budget resolution.

So we have moved from the resolution last year. The President's plan, as I said, is 7.1 percent growth. The big thing, I think, is that all of our assumptions, all of our savings, are based on the Governors' Medicaid proposal. I think this was missed in all of the earlier comments when we talked about block grants, we talked about no nursing home standards, we talked about lack of eligibility.

Let me just tell you what the Governors' Medicaid proposal says.

Restructuring Medicaid. These are our assumptions.

Eligibility. It is guaranteed for pregnant women up to 133 percent of poverty. It is guaranteed for children to age 6 to 133 percent of poverty; age 6 through 12 to 100 percent of poverty. It is guaranteed for the elderly who meet SSI income and resource standards. It is guaranteed for individuals with disabilities.

Benefits. The following benefits are spelled out by the National Governors' Association recommendation, which was accepted. We based all our assumptions on adopting this plan. The benefits remain guaranteed for in-patient and outpatient hospital services, physician services, prenatal care, nursing facility services, home health care, family planning services and supplies, laboratory and x-ray services, pediatric and family nurse practitioner services, nurse midwife services, and early and periodic screening and diagnosis treatment services.

Nursing home reforms. Again, let me say that in terms of the principles outlined in the amendment under discussion, I agree with many of those principles.

Nursing home reforms. What is in the Governors' plan which is our plan? States will abide by the OBRA '87 standards for nursing homes. States will have the flexibility to determine enforcement strategies for nursing home standards and will include them in their State plans.

Financing. We heard this statement that this was a block grant to the States. Each State will have a maximum Federal allocation that provides the State with the Federal capacity to cover Medicaid enrollees. The match will continue.

We also have in that plan an insurance umbrella. The insurance umbrella is designed to ensure that States will get access to additional funds for certain populations if, because of unanticipated consequences, the growth factor fails to accurately estimate the growth in the populations. Funds are guaranteed on a per beneficiary basis for those described below who are not included in the estimates of their base and their group.

In closing, Mr. President, I oppose this amendment. I have made the point that we do not need to spend and tax $18 billion or more to accomplish the goals that are laid out. I have shown, in fact, how one State required zero percent growth, not 10, 15, 20 percent growth, and was able to treat, was able to cover more individuals. We do not need to tax more and we do not need to spend more.

We heard of the amputation of programs. We heard of walking away from children. I do hope we can stay away from that rhetoric because I, as a physician—I am a Senator for awhile, but basically I am a physician. I have taken an oath, and I have lived my life in the service of individuals, again, with about a third of that population being Medicaid recipients.

I want it there. I understand the value of it to be there. I understand the importance of this program and feel that I, in a bipartisan way, with 48 Governors who put their proposal on the table, can achieve the goals that we all want, and that is to provide a safety net for this population, for all three populations who need Medicaid over time.

Mr. President, I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I do not intend to take a great deal of time at all, but I just want to make certain points in response to my friend from Tennessee.

He said it hurt him to hear Senators on this side—and I guess he was quoting me—say their budget, the Republican budget, is walking away from children and poor seniors. When I made that remark, I said specifically, I know no one intends that to be the case. I just happen to believe it is the case. I do not think anyone intends to hurt a child. To hurt a child with spina bifida, to hurt a child in a wheelchair, to hurt a senior citizen who depends on others in nursing homes—no one would ever want to hurt those people.

I just happen to believe that is the outcome. I am not alone in this. I am not alone in this. I am going to talk a little bit about who on the Republican side of the aisle would like to add even more back than Senators GRAHAM, KENNEDY, DORGAN, and I are adding back.

So when I say I think this Republican budget, in terms of its Medicare cuts—I call them excessive cuts—walks away from kids, I do not mean it to hurt any Senators. I am saying it because I think in pragmatic terms it is going to hurt kids and people who are quite vulnerable.

I heard the Senator say that he is proud of the Governors and that they decided they would cover children and they would cover the seniors who are disabled and they would cover pregnant women. I am very glad that they want to. But I would have to take it another step. If the Senator believes it so important to cover pregnant women, if the Senator believes it is so important to cover the disabled and the seniors in nursing homes, then why do we not do it as Americans, as a national Government, and not leave it up to 50 States? Because, let me say this, States can say one thing today. They could be hit with a natural disaster tomorrow, and simply not have the wherewithal to do the job.

You know, when States want to get block grant funding, they may say one thing, and a few years later, change their mind. Why does the Senator think we have Federal nursing home standards? It is simply because the States set the standard, and there was scandal after scandal after scandal. And there were hearings.

I do not know what condition the Senator's State was in, but I can tell you in my home State, there were scandals. Seniors were scalded in bath tubs and were drugged. I know the Senator from Oregon, who has been a champion for senior citizens, knows about those stories. We saw spouses becoming impoverished. We saw adult children of those nursing home residents becoming impoverished. We worked hard over in the House, he and I, with HENRY WAXMAN—and I remember it well—and BARBARA MIKULSKI over here on this side. We said never again will that happen.

Now the Senator from Tennessee says, is it not great that Governors care. I believe that Governors care. But so do I. I happen to be a U.S. Senator. He happens to be a U.S. Senator. We have a chance in the U.S. Senate to say it is important to have Federal nursing home standards and enforcement.

I also would like to say this. My friend says this is a very expensive proposal, $18 billion. Does he know that Breaux-Chafee, a bipartisan proposal in this U.S. Senate, adds $31 billion more to the Republican budget? Does he think those people are spendthrifts? Does he think Senator BENNETT, Senator BOND, Senator BROWN, Senator

CHAFEE, Senator COHEN, Senator GORTON, Senator JEFFORDS, Senator SPECTER, Senator SIMPSON, Senator SNOWE, his colleagues on the Republican side of the aisle are spendthrifts and do not care about fiscal responsibility? I am sure that he agrees with me that they do care. Yet they are going to be $31 billion over the Republican budget.

In conclusion, I say this: This is not about rhetoric. This is about adding back $18 billion, when Breaux-Chafee with all these Republican Senators want to spend $31 billion more in that same time period.

My friend talks about bipartisanship. My goodness, our amendment is less than their budget in terms of Medicaid. Clearly, there are three proposals out here dealing with Medicaid: The Republican proposal, the Democratic proposal, and Breaux-Chafee. The one, in my opinion, that hurts children, and I do not mean to hurt the Senator when I say this, I just think it is a result of his priority, that hurts seniors, that hurts the disabled, happens to be the Republican budget. That is why I hope we can join hands together, all of us, and support this amendment.

I know the hour is late and I thank my colleague from Florida, my colleague from Massachusetts, my colleague from Oregon for his patience.

I yield the floor.

Mr. FRIST. Mr. President, I oppose the amendment. I disagree on the closing that this proposal hurts children. It is a statement, but there is no data, evidence, or suggestion given that it hurts children. I said eligibility covered children to age 6 through 12 to 100 percent of poverty. This is a National Governors' assumption, proposals.

I guess we could say it hurts children, but there is no evidence and no data that it hurts children. I see nothing, having taken care of children with my hands in a Medicaid Program, I see nothing, nothing, in this proposal that hurts children. Walk away from kids, hurting children—I guess we will just disagree on that.

The Senator from California did strike—I think, again, this is a difference we will not agree upon, but when she has argued that it takes a national program, a National Government, to be able to protect children——

Mrs. BOXER. Will the Senator yield? I said national standards, not a national program. I said national standards.

Mr. FRIST. If the statement was national standards, let me just say that the standards in the Governors' proposal are basically standards that will be carried out by every State. That is part of the assumption. If it is just national standards, we are OK.

My feeling was at a national level it took us to best decide how to take care of people in Tennessee or in Washington State or in Alabama or Mississippi. That is a fundamental difference, I believe. I think the more we can do at the State level and at the local level, the better. That is where accountability will rest.

I argue strongly that this body, Washington Government, Washington, DC, is not the body that can best cover children or protect children or prevent people from hurting children. I argue it is the people closest to home, that it is the Governors, it is the local governments that can best watch after our children. That is a fundamental difference.

Third, on the Chafee-Breaux, Breaux-Chafee proposal, we have not had that presented yet. I do not know what the dollar figures will be. There are some assumptions that it might be that reform is delayed a year. I have heard that mentioned in these particular proposals. I cannot comment. I do not know the fact that they spend more makes it a better program. I argue that increasing at 6 percent a year based on what we have seen in at least one State, in Tennessee, we can accomplish all of our goals without this radical increase in taxation, more taxation and more spending.

Last, we will come back to the word "bipartisan." I have already mentioned from where we were in the budget resolution last year, we have shifted $54 billion already. I will say what we have endorsed is a bipartisan plan that Governors together came and endorsed. That is 100 percent of the assumptions we put in our budget. That is bipartisan. We have endorsed that. That is the basis of our assumptions.

With that, I hope when we do vote on this amendment, again, agreeing with many of those principles laid out, but arguing that many, if not most of those proposals are spelled out in this very document which we have endorsed, that we do not need that increased spending. It is unnecessary.

Mr. President, could I ask my colleague from California if she is willing to yield back her time?

Mrs. BOXER. I am happy to yield back all my time on this. I assume, I say to my friend, that we will be voting on this amendment on Tuesday. Is that correct?

Mr. FRIST. I understand it will be stacked on Tuesday.

Mrs. BOXER. I also ask unanimous consent that each side be allowed 1 minute before the vote to explain the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Mr. President, I ask unanimous consent that the amendment be laid aside so the Senator from Oregon can offer an amendment.

Mr. FRIST. I yield back all my time.

AMENDMENT NO. 3984

Mr. WYDEN. Mr. President, I send an amendment to the desk for immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. WYDEN], for himself and Mr. KERRY, proposes an amendment numbered 3984.

Mr. WYDEN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE REGARDING REVENUE ASSUMPTIONS.

(a) FINDINGS.—The Congress finds the following:

(1) Corporations and individuals have clear responsibility to adhere to environmental laws. When they do not, and environmental damage results, the federal and state governments may impose fines and penalties, and assess polluters for the cost of remediation.

(2) Assessment of these costs is important in the enforcement process. They appropriately penalize wrongdoing. They discourage future environmental damage. They ensure that taxpayers do not bear the financial brunt of cleaning up after damages done by polluters.

(3) In the case of the Exxon Valdez oil spill disaster in Prince William Sound, Alaska, for example, the corporate settlement with the federal government totaled $900 million.

(4) The tax code, however, currently allows polluters to fully deduct all expenses, including penalties and fines associated with these settlements. In the case of the Exxon Valdez disaster, deductibility on that settlement at the current corporate tax rate will result in $300 million in losses to federal tax collections . . . losses which will have to be made up through increased collections from taxation of average American families.

(5) Additionally, these losses also will make it more difficult to move aggressively and successfully toward a balanced federal budget.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—assumptions in this resolution assume that revenues will be increased by a minimum of $100 million per year through legislation that will not allow deductions for fines, penalties and damages arising from a failure to comply with federal or state environmental or health protection laws.

Mr. WYDEN. Mr. President, this amendment which I offer tonight with Senator KERRY of Massachusetts would put the U.S. Senate on record as saying that it is time to end tax writeoffs under our Tax Code for polluters.

We know our country wants the Senate to get serious about balancing the budget. I know this has been a slow moving exercise in the past. They want a serious sprint to balancing the budget. I believe it is possible to make real progress in balancing the budget. I said in my campaign that I believe you can balance the budget, just the way Oregon families have to balance their budget.

Under the proposal that I offer tonight, if it had been law over the last 6 years, about $500 million would have gone to reducing the deficit simply by ending tax writeoffs for those who pollute in our country.

What happens today, even though we want a polluter-pay philosophy with respect to environmental protection, what we do is under the tax law provide a Macy's basement discount for those who actually have to pay penalties.

So what I am proposing tonight with Senator KERRY of Massachusetts, is basic tax fairness. Under our amendment, no longer would average working families pay more on their taxes just because the polluter has received a writeoff on their tax return. What we propose is to put the Senate on record that all revenues collected, when you have the kind of current tax treatment for these penalties, would go back to the Treasury. It would not go into the pockets of the polluter.

Let me talk, for a moment, about the way it works today under our tax laws. If you have a polluter who violates the Safe Drinking Water Act, a statute that assures that the water our kids drink is safe, they then have to pay a penalty. But under the Federal tax laws, they get a tax break for that penalty that they would be paying.

The Clean Air Act assures that the air our families breathe is pure. But if a polluter violates it and pays a penalty, they get another tax break when they violate that important environmental law.

The Resource Conservation and Recovery Act protects our communities against hazardous waste. When a polluter violates that statute, they have to pay a penalty under the law, but they get a tax break under the Tax Code when they do so.

The CERCLA Act is the one designed to clean up our Nation's Superfund sites, some of the most hazardous and dangerous waste in our country. When a polluter violates those laws, they pay penalties, and, again, get tax writeoffs.

The Oil Pollution Act is a particularly important example of why this change Senator KERRY and I propose tonight is needed. The Oil Pollution Act seeks to guard against devastating oil spills like the *Exxon Valdez*. In the case of the *Exxon Valdez* disaster in Prince William Sound, the polluter agreed to a settlement of approximately $900 million. The defendant in that case took an immediate $150 million tax deduction. Over the course of that 10-year payout on that particular settlement, you have a polluter that is going to be able to write off nearly $300 million of the total cost.

Now, some are going to argue that it makes sense to provide a tax deduction as an incentive for polluters to somehow settle these damage suits. I argue that the knowledge that these polluters are going to pay the full freight of their damage is a lot more than incentive for them to comply with the environmental laws and get serious about cleanup. I do not think it provides any real incentive if you allow people to write off on their taxes when they violate the environmental laws and have to pay penalties. I think it erodes the fairness of the Tax Code when you provide almost unlimited deductibility arrangements for the polluters, where they get a discount of everything they pay up to 34 percent.

Now, the fact is, Mr. President, that all of the major environmental organizations are in support of this particular amendment. They have said this is one of their priorities with respect to the environment and this budget resolution.

Every Member of this body who cares about tax fairness ought to support this amendment. I do not see how a Member can go and stand up at a community meeting, a town hall meeting in their own home State, and justify, at a time when we are seeing pressure for deficit reduction and many valuable programs cut, allowing a tax writeoff of up to 34 percent when you have somebody violating environmental laws and paying a penalty as a result.

So, Mr. President, if the manager for the majority is prepared to yield back time on the amendment, I am prepared to yield back time, as well. Let me see what the desire of the majority is.

Mr. FRIST. Mr. President, I will yield back my time, as well.

Mr. WYDEN. I yield back my time, Mr. President.

The PRESIDING OFFICER. All time is yielded back.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DEATH OF ADM. JEREMY BOORDA

Mr. COVERDELL. Mr. President, I was deeply saddened to learn today that our Nation has lost one of its finest Naval officers. Throughout his entire career Adm. Jeremy Boorda showed an incredible dedication to serving his country. After joining the Navy at the age of 17, Jeremy Boorda became the first enlisted man to rise through the enlisted ranks to become the Navy's top uniformed officer. His outstanding record of service and achievement should be remembered by all of those who are called on to defend their nation and will stand as an outstanding example of how a man through dedication and sacrifice can achieve great things. My wife and I had the pleasure of knowing the admiral and I send my condolences to his wife Bettie and their four children in this difficult time.

ADM. MIKE BOORDA

Ms. MIKULSKI. Mr. President, I rise to pay tribute to the life of Adm. Mike Boorda. He was one of our Nation's finest military officers. He was also a friend, whose counsel and advice I often sought—and always respected. I send my deepest sympathy to his wife Bettie and their children. They are in my prayers.

One of my strongest memories of Admiral Boorda is from my visit to Bosnia. The admiral was called away from dinner because of the terrible bombing of the market place in Sarajevo. I went with him to the operations center where he monitored intelligence reports and oversaw the American response. I was so impressed with his courage and professionalism. I saw first hand that our Navy was in good hands.

Admiral Boorda was the first sailor to rise through the ranks from enlisted sailor to four star admiral. Going from seaman to Chief of Naval Operations was an extraordinary accomplishment that served as an inspiration for young sailors in the fleet.

He learned a lot along the way. He cared about the welfare of every man and woman in our Armed Forces and he cared deeply about the United States Navy.

We have all heard stories about how he cut through redtape to help improve the lives of individual sailors. I remember one story in particular. A young sailor said he needed to be reassigned so that his child could receive proper medical care. Admiral Boorda saw that it was done immediately.

He also cared deeply about the honor and integrity of the United States Navy. Perhaps more than anyone else, he helped the Navy to change—to provide real opportunity and dignity for women and minorities. I worked closely with him after the Tailhook scandal shook the Navy. He made sure that there wasn't a whitewash or a witch hunt. He displayed the kind of honor that is a model for all of us.

Admiral Boorda's death is a tragedy. But his life was a triumph. His contributions to our Nation will live on forever.

BUDDY ZAIS

Mr. LEAHY. Mr. President, we all know the adage, that one is never too old to learn. I would like to call attention to a very special Vermonter, Buddy Zais, who embodies this truism.

Last Saturday, May 11, Buddy was one of the 203 students to graduate from Trinity College of Vermont. What makes Buddy stand out in this crowd is that he is receiving his bachelor of arts degree in philosophy 63 years after attending his first year of college at Boston University.

At the age of 80 years old, Buddy is the oldest person ever to graduate from Trinity College. In true form, Buddy graduated with magna cum laude honors. Now that he has his bachelors degree behind him, he is looking ahead to the next challenge he will undertake. I wish Buddy much luck in his next endeavor. I've been his friend for over 30 years and I'm so proud of him.

I ask unanimous consent that an article from The Burlington Free Press celebrating Buddy's graduation be printed in the RECORD.

On a final note, I must add that it comes as no surprise to me that Sister Janice Ryan, the president of Trinity College of Vermont, was one of the forces behind getting Buddy started back on his degree. Sister Janice has been a good friend for many years. Buddy and I know only too well that once she sets her sights on something she makes sure it happens.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Burlington Free Press, May 12, 1996]

ONE TRINITY GRAD MAGNA CUM LATELY

(By Tamara Lush)

It took starting a business, raising a family and the death of his wife before Bernard "Buddy" Zais decided to return to college.

Now, after 63 years, Zais has finally gotten his college degree.

The 80-year-old Zais was one of 203 Trinity College graduates Saturday at the school's 71st commencement ceremony. Zais received his bachelor of arts degree in philosophy, and after the ceremony, had a few wise words of his own.

"I figured before I check out, I ought to have a college degree," said Zais, pausing to hug other graduates old enough to be his great-grandchildren.

As Zais—the oldest person to graduate from Trinity—was handed his diploma, he received a standing ovation from the hundreds of people who attended the ceremony at the Patrick Gymnasium.

Zais said he was prodded into going back to school by Trinity College President Sister Janice Ryan, who marked her final commencement speech Saturday, following 17 years as the college's top administrator. Ryan is stepping down from her post this summer.

Shortly after his wife Mary died in 1992, Ryan asked Zais how he and his family were doing. Zais reported his two grandchildren had just gotten their college degrees. "That means that all three of my grandchildren, and my two children, and Mary, had a degree, and I was the only one in the family without one," he said.

So Ryan asked Zais to apply to the school, and even had an admissions counselor contact him.

Zais, who formed a company called Health Insurance of Vermont and had been an insurance agent his entire working life, decided to study philosophy with a concentration on the Greek philosophers.

He received credit for the one year he had gone to college—in 1933, he went to Boston University and studied journalism.

Going back to school and spending time with young people was one of Zais' best life experiences. "It was the most satisfying, gratifying experience of my life, other than raising my family," he said. "It was much important than my business life, much more important than selling insurance."

And Zais, who graduate magna cum laude, isn't going to stop at one degree.

He is considering attending school for his master's and possibly his doctorate in philosophy. To do that, he said, he might have to go out of state because no Vermont school offers those degrees in philosophy. "I'll have to go to Albany, Boston or McGill University," he said. "Will I do it? Probably."

THE FDR MEMORIAL

Mr. LEAHY. Mr. President, thousands of people come to Washington, DC, each year to learn about the history of our country and the legacy left to us by the great men and women that have built the strongest, most powerful nation the world has ever known—the United States of America.

Our country's finest hours have been ones where prejudice and discrimination have been acknowledged and addressed. The key to our overcoming and addressing discrimination has been education and understanding.

The most recent debate over the FDR Memorial is an opportunity for our country to once again beat back discrimination. Discrimination is not always blatant. Discrimination also includes exclusion.

I strongly believe that portraying FDR in a wheelchair in one of the three statues that are being built as part of the memorial would be an incredibly powerful statement to all who visit this tribute to a great, vibrant, forceful leader. The fact that FDR had polio and spent most of his waking hours as President working in his wheelchair does not change any of these truths. In fact, FDR's disability was a great source of his strength.

A main tenet of the Americans with Disabilities Act of 1990 was to ensure that the Federal Government plays a central role in enforcing the standards established in the act on behalf of individuals with disabilities.

In this effort, I hope that the FDR Memorial Commission will depict President Roosevelt as he was—a great, courageous man who had polio and still led our Nation.

I ask unanimous consent that an editorial from the New York Times and a letter from eight of FDR's grandchildren to Michael Deland and Alan Reich of the National Organization on Disability be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 12, 1996]

THE AIRBRUSH OF POWER

Most Americans are aware, if sometimes vaguely, that Franklin Roosevelt was stricken by polio in 1921 and was unable thereafter to stand unassisted. Yet there will be no visual reminder of this fact in the F.D.R. memorial due to be dedicated in Washington next spring. On the contrary, he is to be shown standing tall in one of three sculptures planned for the seven-acre site on the banks of the Potomac.

This fiction, however benign, is being protested by the National Organization on Disability, whose chairman, Michael Deland, urges that at least one bronze image depict F.D.R. as he often was, in a wheelchair. Logic and sentiment support Mr. Deland. But alas, the leaden weight of tradition stands all too squarely behind the memorial commission's penchant for make-believe.

Through the ages, rulers of every stripe, male and female, have sought to improve upon or alter nature. The Egyptians led the way. Ramses II was not content to show himself mowing down adversaries in scores of battle friezes. His artists had to depict him twice as big as everyone else. Going further, Queen Hatshepsut, the first great female ruler known to history, had herself replicated in stone with a false beard, thus visually changing her sex.

Roman emperors and their wives were tidied up in marble and bronze, their faces deftly nipped and tucked on imperial coins. European rulers in the Middle Ages invoked theology to justify the lies of art. Every monarch, it was said, is at once mortal and incorporeal, so that in a higher realm all were immune to the blemishes of the flesh. On their death, an image was carved delineating their idealized features.

We learn through written records, not portraits, of Richard III's crookback and Henry VIII's terminal corpulence. In art, Elizabeth I is always the same iconic virgin queen; in life, she banish mirrors from her palaces as her hair thinned and her cheeks hollowed. In the same spirit, Elizabeth II, who has turned 70, has firmly resisted suggestions that she permit an updating on coins of her youthful profile, as Queen. Victoria did after her Jubilee in 1887.

By contrast, the Puritan regicide Oliver Cromwell is said to have told the artist Lely: "Flatter me not at all. But remark all these roughnesses, pimples, warts, and everything as you see me. Otherwise I will not pay a farthing for it." Yet this splendid story was printed long after Cromwell's death and may be apocryphal, according to his biographer, Anotonia Fraser. More characteristic was Winston Churchill's response to an unflattering portrait by Graham Sutherland. he hid it away, Dorian Gray fashion. Some years later his widow, Clementine, apparently burned it.

Presidential portraits in the White House are a study in illusionist brushwork. Richard Nixon resembles a scoutmaster, Lyndon Johnson everybody's kindly uncle, and John Kennedy a saintly matinee idol. Interestingly, a dark and gloomy portrait of Lincoln is tucked from sight in the Lincoln bedroom. It was painted in 1930 by Douglas Volk, whose father, Leonard, once sculpted Lincoln from life. The son's haunting portrait, or a copy of it, turns up in Oliver Stone's film about Nixon, who at one point talks to the painting.

Official art, in real life, rarely speaks truth to power. It would indeed be refreshing, even liberating, for the memorial to show F.D.R. as he was. According to Mr. Deland, who uses a wheelchair himself, only two photographs are known to survive showing Roosevelt in the same device. This is the result of an unwritten protective rule among White House photographers. Like the kings of old, and most sitting politicians today, F.D.R. wanted his incorporeal self to linger in posterity's memory.

ANNE ROOSEVELT,
April 29, 1996.

DEAR MESSRS. DELAND AND REICH, Franklin Delano Roosevelt looms large in the hearts and minds of many, including his grandchildren who now survive. Some of us knew him personally, but most of us did not. We hold him in memory, as families will, as a whole person whose life touched a nation and whose affection still reaches us. We want him to be remembered as he was, in all his strength, courage and humanity.

It is quite clear that FDR developed his strength of character, determination and discipline most distinctly as a result of his having polio. He also became a more sympathetic and modest person. He made a political decision to downplay his disability because of his understanding of the role of public perception and the norms of the day. At times he did not.

But when it came to inspiring and encouraging others who were disabled—such as at his beloved Warm Springs, Georgia, or with amputees and wounded soldiers in wartime hospitals—he freely showed himself in wheelchairs or on crutches, with braces. He was in no way embarrassed by his disability. Life was bigger than that.

Were he alive today we are convinced that he would wish to have the people of this country and the world understand his disability. He would be comfortable, possibly eager, in light of current increased understanding of disability issues, to share awareness of his and other types of disabilities and others. We firmly believe that more factual knowledge, particularly about and from public leaders, encourages and inspires those without disability to accept and support all people, including people with disabilities to live full, productive and joyful lives.

FDR's commitment to leadership, to excellence and to life, with a disability not well understood by many, nor accepted by some, sustained him and the Nation through one of the most challenging periods in American history. There is no better memorial than a complete picture of who he was.

While we wish no delay in the construction of the proposed memorial we urge an adequate inclusion of all facets of the man as he was, not as some think he ought to have been.

Sincerely,

Anne Roosevelt, on behalf of Chandler Roosevelt Lindsley, Christopher D. Roosevelt, Eleanor Roosevelt Seagraves, Franklin Roosevelt III, Kate Roosevelt Whitney, Nina Roosevelt Gibson, James Roosevelt, Esquire.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, 4 years ago when I commenced these daily reports to the Senate it was my purpose to make a matter of daily record the exact Federal debt as of the close of business the previous day.

In that first report (February 27, 1992) the Federal debt as of the close of business the previous day stood at $3,825,891,293,066.80, as of the close of business. The point is, the Federal debt has since shot further into the stratosphere.

As of yesterday at the close of business, a total of $1,289,803,057,697.20 has been added to the Federal debt since February 26, 1992, meaning that as of the close of business yesterday, Wednesday, May 15, 1996, the exact Federal debt stood at $5,115,694,350,764.00. (On a per capita basis, every man, woman and child in America owes $19,315.06 as his or her share of the Federal debt.)

HONORING THE RICHARDSONS CELEBRATING THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, families are the cornerstone of America. It is both instructive and important to honor those who have taken the commitment of "til death us do part" seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

I rise today to honor Mr. Kenneth and Mrs. Barbara Richardson who on June 9, 1996, will celebrate their 50th wedding anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Richardsons' commitment to the principles and values of their marriage deserves to be saluted and recognized. I wish them and their family all the best as they celebrate this substantial marker on their journey together.

NATIONAL NURSING HOME WEEK

Mr. KERRY. Mr. President, during National Nursing Home Week, May 12–18, we celebrate the more than 100,000 people in Massachusetts who live and work in our State's 590 nursing facilities.

Nursing facilities have become an integral part of our health care delivery system, providing rehabilitative care for individuals who expect to return home as well as long-term care for the chronically ill. Currently, about a quarter of all Massachusetts residents 85 years of age and older need nursing facility care. Approximately half of these individuals suffer from Alzheimer's disease. In addition, nursing facilities also care for many younger people, including severely disabled children, individuals who have suffered traumatic head injuries, and those who depend on ventilators to live.

Nursing facilities also make an important contribution to the Massachusetts economy by providing jobs for more than 55,000 people and adding more than $2 billion to the local economy through wages and the purchase of goods and services.

As our population ages and nursing facilities assume an even more important role, it is critical that we maintain the quality of care provided by these facilities. Recent proposals to dramatically reduce Federal Medicare and Medicaid spending would have a devastating impact on elderly and disabled people in nursing facilities, 80 percent of whom rely on these two programs to pay for their care. In addition, we must maintain the protections contained in the 1987 nursing home reform law, which have helped nursing facilities to improve the quality of services they provide to the Nation's 1.5 million nursing facility residents.

National Nursing Home Week should mark a renewal of our commitment not only to the 55,000 elders and disabled people who live in our State's nursing facilities, but also to the 55,000 nursing facility employees who have dedicated their lives to caring for our most vulnerable citizens. In honor of this week, I salute all these employees whose contributions are so important to the wellbeing of so many in Massachusetts.

REQUEST FOR REFERRAL OF S. 1718

Mr. STEVENS. Mr. President, pursuant to section 3(b) of S. Res. 400, I ask that bill S. 1718, the Intelligence Authorization Act for Fiscal Year 1997, be referred to the Committee on Governmental Affairs so that the committee can consider, among other things, provisions of the bill relating to the establishment of the Intelligence Community Senior Executive Service and the establishment of a Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction. These specific provisions pertain to matters within the jurisdiction of the Committee on Governmental Affairs.

Mr. President, I ask unanimous consent to have printed with this statement the text of a letter from both Mr. GLENN, the ranking member of the Committee on Governmental Affairs, and myself advising the Select Committee on Intelligence of this action.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, May 13, 1996.

Hon. ARLEN SPECTER,
Chairman, Select Committee on Intelligence, U.S. Senate, Washington, DC.

Hon. BOB KERREY,
Vice Chairman, Select Committee on Intelligence, U.S. Senate, Washington, DC.

DEAR ARLEN AND BOB: This is to advise that we have requested sequential referral of S. 1718, the intelligence reauthorization bill, which was marked up by the Select Committee on Intelligence on April 30, 1996. Under Rule XXV of the Standing Rules of the Senate, the Committee on Governmental Affairs (the Committee) has jurisdiction over, among things, the organization and reorganization of the executive branch; Federal Civil Service, including employee classification, compensation, and benefits; and the organization and management of United States nuclear export policy.

To this end, and pursuant to the authority in section 3(b) of S. Res. 400, we have requested that S. 1718 be referred to the Committee so that we may review provisions of the bill pertaining to issues within the jurisdiction of this Committee. Further, we requested that S. 1718 be referred to the Committee following its consideration by the Senate Armed Services Committee, to which the bill was referred on May 2, 1996.

With best wishes,

Cordially,

JOHN GLENN,

Ranking Minority
Member.
TED STEVENS,
Chairman.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting one nomination which was referred to the Committee on the Judiciary.

REPORT RELATIVE TO THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 146

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I hereby report to the Congress on developments since the last Presidential report of November 28, 1995, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979. This report is submitted pursuant to section 204 of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c). This report covers events through March 1, 1996. My last report, dated November 28, 1995, covered events through September 29, 1995.

1. Effective March 1, 1996, the Department of the Treasury's Office of Foreign Assets Control ("FAC") amended the Iranian Assets Control Regulations, 31 CFR Part 535 ("IACR"), to reflect changes in the status of litigation brought by Iran against close relatives of the former Shah of Iran seeking the return of property alleged to belong to Iran (61 *Fed. Reg.* 8216, March 4, 1996). In 1991, Shams Pahlavi, sister of the former Shah of Iran, was identified in section 535.217(b) of the IACR as a person whose assets were blocked based on proof of service upon her in litigation of the type described in section 535.217(a). Pursuant to that provision, all property and assets located in the United States within the possession or control of Shams Pahlavi were blocked until all pertinent litigation against her was finally terminated. Because the litigation has been finally terminated, reference to Shams Pahlavi has been deleted from section 535.217(b). A copy of the amendment is attached to this report.

2. The Iran-U.S. Claims Tribunal, established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered one award, bringing the total number to 567. The majority of those awards have been in favor of U.S. claimants. As of March 1996, the value of awards to successful U.S. claimants from the Security Account held by the NV Settlement Bank was $2,376,010,041.91.

In February 1996, Iran deposited funds into the Security Account, established by the Algiers Accords to ensure payment of awards to successful U.S. claimants for the first time since October 8, 1992. The Account was credited $15 million on February 22, 1996. However, the Account has remained continuously below the $500 million balance required by the Algiers Accords since November 5, 1992. As of March 1, 1996, the total amount in the Security Account was $195,370,127.71, and the total amount in the Interest Account was $37,055,050.92.

Therefore, the United States continues to pursue Case A/28, filed in September 1993, to require Iran to meet its obligations under the Algiers Accords to replenish the Security Account. Iran filed its Statement of Defense in that case on August 30, 1995. The United States filed a Reply on December 4, 1995. Iran is scheduled to file its Rejoinder on June 4, 1996.

3. The Department of State continues to present other United States Government claims against Iran and to respond to claims brought against the United States by Iran, in coordination with concerned government agencies.

In November 1995, Iran filed its latest Response concerning the United States Request to Dismiss Certain Claims from Case B/61. The United States had filed its Request to Dismiss in August 1995 as part of its consolidated submission on the merits. Iran had previously filed its initial response in July 1995, and the United States filed a reply in August 1995. Case B/61 involves a claim by Iran for compensation with respect to primarily military equipment that Iran alleges it did not receive. Iran had sought to purchase or repair the equipment pursuant to commercial contracts with more than 50 private American companies. Iran alleges that it suffered direct losses and consequential damages in excess of $2 billion in total because of the United States Government refusal to allow the export of the equipment after January 19, 1981, in alleged contravention of the Algiers Accords. Iran's November 1995 filing failed to show why the Tribunal should not dismiss immediately certain duplicative or otherwise improperly pleaded claims from Case B/61.

In December 1995, the Department of State represented the United States in hearings before the Tribunal on two government-to-government claims. In the first, Chamber Two heard oral arguments in Case B/36, the U.S. claim against Iran for its failure to honor debt obligations created by the sale of military surplus property to Iran shortly after the Second World War. In the second, also before Chamber Two, the Department of State presented the U.S. defense in Case B/58, Iran's claim that the United States is liable for damage caused to the Iranian State Railways during the Second World War.

In January 1996, in Case B/1 (Claims 2 & 3), Iran filed its Rebuttal Memorial Concerning Responsibility for Termination Costs, along with 20 volumes of exhibits and affidavits. In this briefing stream, the Tribunal is asked to decide whether Iran or the United States is liable for the costs arising from the termination of the U.S.-Iran Foreign Military Sales program after Iran's default and its subsequent seizure of the U.S. embassy in Tehran in 1979. The United States is currently preparing a comprehensive response to Iran's brief.

In February 1996, the Departments of State and Justice represented the United States in a hearing before the full Tribunal in a government-to-government claim filed by Iran. Case A/27 is an interpretive dispute in which Iran claims that the United States is liable under the Algiers Accords for Tribunal awards issued in favor of Iran against U.S. nationals. The United States maintains that its obligation under the Algiers Accords is satisfied by the availability of domestic judicial procedures through which Iran can enforce awards in its favor.

Also in February 1996, Iran and the United States settled Iran's claims against the United States filed before the International Court of Justice concerning the July 3, 1988, downing of Iran Air 655 and certain of Iran's claims against the United States filed before the Iran-United States Tribunal concerning certain banking matters. The cases in question were dismissed from the International Court of Justice and the Iran-United States Tribunal on February 22, 1996. The settlement, inter alia, fulfills President Reagan's 1988 offer to make ex gratia payments to the survivors of the victims of the Iran Air shootdown. The survivors of each victim of the Iran Air shootdown will be paid $300,000 (for wage-earning victims) or $150,000 (for non-wage-earning victims). For this purpose, $61 million was deposited with the Union Bank of Switzerland in Zurich in an account jointly held by the New York Federal Reserve Rank, acting as fiscal agent of the United States, and Bank Markazi, the central bank of Iran. Of an additional $70 million in the settlement package, $15 million was deposited in the Security Account established as part of the Algiers Accords. The remaining $55 million was deposited in an account at the New York Federal Reserve Bank, from which funds can be drawn only (1) for deposits into the Security Account used to pay Tribunal awards to American claimants or for the payment of Iran's share of the operating expenses of the Tribunal, or (2) to pay debts incurred before the date of settlement and owed by Iranian banks to U.S. nationals. Under the terms of the settlement, no money will be paid to the Government of Iran.

4. Since my last report, the Tribunal has issued one important award in favor of a U.S. national considered a dual U.S.-Iranian national by the Tribunal. On November 7, 1995, Chamber Three issued a significant decision in Claim No. 213, *Dadras Int'l and Per-Am Construction Corp.* v. *The Islamic Republic of Iran*, awarding a dual national claimant $3.1 million plus interest for architectural work performed for an Iranian government agency developing a housing complex outside Tehran, Iran.

The Tribunal held hearings in four large private claims. On October 23–27, 1995, Chamber One held a hearing in Claim No. 432, *Brown & Root, Inc.* v. *The Iranian Navy*, involving contract amounts owed in connection with the construction of the Iranian Navy Chahbahar and Bandar Projects in Iran. On January 18–19, 1996, Chamber One held a second hearing in claim Nos. 842, 843, and 844, *Vera Aryeh, et al.* v. *The Islamic Republic of Iran*, in which allegations of fraud and forgery were considered. Finally, the United States Government filed a Memorial on the Application of the Treaty of Amity to Dual United States-Iranian Nationals in three private claims before the Tribunal: Claim No. 485, *Riahi* v. *The Islamic Republic of Iran*, in Chamber One on January 29, 1996; Claim No. 953, *Hakim* v. *The Islamic Republic of Iran*, in Chamber Two on February 27, 1996; and Claim No. 266, *Aryeh, et al.* v. *The Islamic Republic of Iran*, in Chamber Three on February 29, 1996. The Memorial argues that a good faith interpretation of the ordinary meaning of the 1955 Treaty of Amity leads to the conclusion that it protects all persons deemed to be U.S. nationals under U.S. laws when they undertake activities in Iran, regardless of whether they also possess another nationality.

5. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 16, 1996*.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2636. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, the report of the texts of international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC–2637. A communication from the Acting Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a Presidential Determination relative to the former Yugoslavia; to the Committee on Foreign Relations.

EC–2638. A communication from the Acting Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report relative to the International Traffic in Arms Regulations; to the Committee on Foreign Relations.

EC–2639. A communication from the Acting Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of U.S. government assistance to and cooperative activities with the New Independent States of the Former Soviet Union for fiscal year 1995; to the Committee on Foreign Relations.

EC–2640. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation entitled "The Bank for Economic Cooperation and Development in the Middle East and North Africa Act"; to the Committee on Foreign Relations.

EC–2641. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation to authorize consent to and authorize appropriations for a United States contribution to the Interest Subsidy Account of the successor (ESAF II) to the Enhanced Structural Adjustment Facility of the International Monetary Fund; to the Committee on Foreign Relations.

EC–2642. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation to authorize consent to and authorize appropriations for the United States contribution to the fifth replenishment of the resources of the African Development Bank; to the Committee on Foreign Relations.

EC–2643. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation to authorize appropriations for the United States contribution to the tenth replenishment of the resources of the International Development Association; to the Committee on Foreign Relations.

EC–2644. A communication from the Director of the Office of Regulations Management, transmitting, pursuant to law, the report of a final rule (RIN 2900–AH95) received on May 13, 1996; to the Comittee on Veterans' Affairs.

EC–2645. A communication from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule (RIN 2900–AH79) received on May 13, 1996; to the Committee on Veterans Affairs.

EC–2646. A communication from the Secretary of Health and Human Services, transmitting, a draft of proposed legislation to consolidate toxic substance health programs with related preventive health programs; to the Committee on Labor and Human Resources.

EC–2647. A communication from the Director of the Regulations Policy, Department of Health and Human Services, transmitting, pursuant to law, the report of a final rule (received on May 9, 1996) relative to warning statements for products containing or manufactured with chlorofluorocarbons and other ozone-depleting substances; to the Committee on Labor and Human Resources.

EC–2648. A communication from the Deputy Executive Director of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a final rule (received on May 9, 1996) amending regulations of Valuation of Plan Benefits in Single-Employer Plans and Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal; to the Committee on Labor and Human Resources.

EC–2649. A communication from the Assistant Secretary for Employment Standards, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Affirmative Action and Nondiscrimination Obligations of Contractors and Subcontractors Regarding Individuals with Disabilities" (RIN 1215–AA76) received on May 13, 1996; to the Committee on Labor and Human Resources.

EC–2650. A communication from the Assistant Secretary for Employment Standards, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Affirmative Action Obligations of Contractors and Subcontractors For Disabled Veterans and Veterans of the Vietnam Era; Invitation to Self-Identify" (RIN 1215–AA62) received May 13, 1996; to the Committee on Labor and Human Resources.

EC–2651. A communication from the Director of the Central Intelligence Agency, transmitting, a draft of proposed legislation entitled "The Intelligence Authorization Act for Fiscal Year 1997"; to the Select Committee on Intelligence.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1080. A bill to amend chapter 84 of title 5, United States Code, to provide additional investment funds for the Thrift Savings Plan (Rept. No. 104–274).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

S. 1635. A bill to establish a United States policy for the deployment of a national missile defense system, and for other purposes.

S. 1762. An original bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

S. 1763. An original bill to authorize appropriations for fiscal year 1997 for defense activities of the Department of Energy, and for other purposes.

S. 1764. An original bill to authorize appropriations for fiscal year 1997 for military construction, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. THURMOND:

S. 1762. An original bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; from the Committee on Armed Services; placed on the calendar.

S. 1763. An original bill to authorize appropriations for fiscal year 1997 for defense activities of the Department of Energy, and for other purposes; from the Committee on Armed Services; placed on the calendar.

S. 1764. An original bill to authorize appropriations for fiscal year 1997 for military construction, and for other purposes; from the Committee on Armed Services; placed on the calendar.

By Mr. COVERDELL:

S. 1765. A bill to authorize substitution for drawback purposes of certain types of fibers and yarns for use in the manufacture of carpets and rugs; to the Committee on Finance.

By Mr. BENNETT:

S. 1766. A bill to amend the Utah School and Lands Improvement Act of 1993 to provide for lands for the Goshute Indian Reservation, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HATCH:

S. 1767. A bill to harmonize the application of the antitrust laws to professional sports, and for other purposes; to the Committee on the Judiciary.

By Mr. GLENN:

S. 1768. A bill to suspend temporarily the duty on certain fatty acid esters; to the Committee on Finance.

By Mr. ROCKEFELLER:

S. 1769. A bill to amend the Harmonized Tariff Schedule of the United States to provide for duty-free treatment for certain inorganic products used as luminophores; to the Committee on Finance.

By Mr. SANTORUM (for himself, Mr. SPECTER, Mr. DOLE, Mr. CRAIG, Mr. HELMS, and Mr. THURMOND):

S. 1770. A bill for the relief of Wayne T. Alderson; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SANTORUM (for himself, Mr. SPECTER, Mr. DOLE, Mr. CRAIG, Mr. HELMS, and Mr. THURMOND):

S. Con. Res. 59. A concurrent resolution expressing the sense of the Congress that the President should award a medal of honor to Wayne T. Alderson in recognition of acts performed at the risk of his life and beyond the call of duty while serving in the United States Army during World War II; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENNETT:

S. 1766. A bill to amend the Utah School and Lands Improvement Act of 1993 to provide for lands for the Goshute Indian Reservation, and for other purposes; to the Committee on Energy and Natural Resources.

THE GOSHUTE INDIAN RESERVATION BOUNDARY ADJUSTMENT ACT OF 1996

Mr. BENNETT. Mr. President, I am introducing a bill to amend the 1993 Utah School and Lands Improvement Act, Public Law 103-93. The purpose of this legislation is to correct boundary problems on the Goshute Indian Reservation in Utah.

The Goshute Tribe is a federally recognized tribe whose reservation is located on the western border of Utah. Approximately one-half of the Goshute Reservation is in Utah, the other half is in Nevada. This legislation would transfer about 8,000 acres of state land to the Tribe along with about 400 acres of public land administered by the BLM.

The public law to be amended by this bill was enacted without opposition in 1993. This law transferred approximately 200,000 acres of Utah state lands to the federal government with the understanding that the federal government would compensate the state in an amount equal to the appraised value of the transferred land. When the law was passed, it was done so with the understanding that state lands located within the reservation boundaries of both the Navajo and Goshute Tribes would be transferred to the United States to be held in trust for the respective tribes.

At that time, the Goshute tribe requested that the Utah delegation address a boundary issue on the reservation. After some initial negotiation, the Tribe agreed to withdraw their request to address the boundary issue, contingent upon a commitment that we would resolve the issue at a later date. Mr. President, I want to follow through on that commitment now.

The "southern boundary issue" refers to a block of land which consists of 8,000 acres in a very irregular shape. Because of the remoteness and the configuration of the tract of land, it is almost impossible to properly manage and as a result, there have been several instances of poaching and trespassing. This legislation seeks to create a much clearer and more definitive boundary. The lands would be held in trust by the Federal Government for the benefit of the Goshute Tribe, which with the help of the BIA will be able to regulate grazing and other uses in the area. The Tribe has agreed to be responsible for the cost of appraisal of the additional lands in the bill. This is quite a commitment, given the limited resources of the Tribe. I appreciate their willingness to assume such a commitment.

The legislation is supported by the State of Utah, Juab County, and the Board of Trustees of the School and Institutional Trust Lands Administration. From what I understand, the Department of Interior does not oppose the bill. Perhaps most surprisingly, the Utah Wilderness Coalition does not oppose it either. The Goshute Tribe has met at length with representatives from this very vocal group and have obtained their support.

Mr. President, I hope my colleagues will support me in this effort to assist the Goshute Tribe in creating a more manageable border to their reservation.

By Mr. HATCH:

S. 1767. A bill to harmonize the application of the antitrust laws to professional sports, and for other purposes.

THE PROFESSIONAL SPORTS PROTECTION ACT

Mr. HATCH. Mr. President, I like almost all Americans, am a fan of professional sports. We all enjoy following the competition on the field and on the hardwood and watching the performances of our favorite players. Even as I make this statement today, my fingers are crossed for the Utah Jazz in this evening's playoff game.

But professional sports is not just a game, it is a business, and it is the future of professional sports as a business that my bill, the Professional Sports Protection Act, seeks to address. I am afraid that the current rash of franchise relocations is only the symptom of larger economic trends in professional sports. If these trends are allowed to continue, we will see the same fan disaffection that has occurred in Major League baseball, with the result that professional sports—one of our growing national industries—will suffer.

My bill will protect professional sports by permitting the leagues—the National Football League, the National Basketball Association, and the National Hockey League—to review and, if necessary block, franchise relocation decisions. Under some interpretations of the antitrust laws, the professional sports leagues may be liable for treble damages for blocking franchise relocations. This prevents leagues from preventing moves that are not in the best long-term economic interests of the sport because they have the threat of billions of dollars in damages hanging over them.

As chairman of the Judiciary Committee, I am concerned about sports not just because I am a sports fan, but because I want to make sure that the antitrust laws are properly applied to professional sports—just as they should be to any other business—to ensure healthy competition and economic growth. I am concerned that the current ambiguous application of the antitrust laws to franchise relocation decisions actually may suppress the healthy competition and economic growth that has characterized professional sports in our nation. My bill will permit leagues to make these franchise relocation decisions—which seem to me to be, in this case, the decisions of a single joint venture rather than of economic competitors—without fear of antitrust liability.

I understand that some fear that the leagues might use their antitrust immunity in franchise relocation as leverage in other, unrelated areas. Some think that the leagues might block a franchise move unless the franchise favors certain policies and decisions in, say, revenue sharing. I have addressed this concern by providing for specific standards that leagues are to consider when reviewing a franchise move. If a league considers a factor that is unrelated to the franchise move, then it will be in violation of the law, and it will not receive antitrust protection. My bill also provides for judicial review of these decisions, with proper deference given to the league's business decisions, to ensure that the league has not used the antitrust immunity to abuse its authority.

Let me be clear that this is a narrow bill. It does not contain several provisions that were included in a House bill reported out of the House Judiciary Committee a few weeks ago. In particular, I am opposed to any provisions that would force the sports league to create new expansion franchises to replace teams that relocate. I do not believe that the Federal Government should nationalize professional sports, and I do not believe that it is in the national interest to take such intrusive steps into the internal operations of an industry such as professional sports. My bill intends only to codify what I believe is the proper interpretation of existing antitrust law: that franchise relocation decisions are not violations of the antitrust laws, but instead are the decisions of team owners who are collaborating in the joint venture of a sports league.

Some might question why Congress needs to turn to this subject. Shouldn't we concern ourselves in Congress with more important matters? Professional sports is important to our nation. According to some estimates, the professional sports leagues, in the form of Major League Baseball, the National Football League, the National Hockey League, and the National Basketball Association, generate more than $5 billion in annual revenues in the United States. There are literally tens of thousands of people whose jobs depend on professional sports. Professional sports is one of America's fastest growing industries, with numerous teams being established in new cities, both in the United States and overseas. Professional sports also generates billions of dollars in revenue for other industries, such as advertising, telecommunications, construction, and sports equipment. And let us not forget the fun and pleasure healthy professional sports leagues bring to millions of fans both in America and abroad.

But the improper application of Federal antitrust law to franchise relocation may end the rapid economic growth in professional sports. I have held hearings on this issue, as has my good friend and colleague, Senator THURMOND of South Carolina. According to the league officials, sports agents and businessmen, economists and law professors who testified, a potentially destructive economic dynamic is behind the recent spate of team moves. In order to win games, teams must hire the best players. Because of the salary cap structure in football, for example, the only way to attract the top players is to offer large bonuses and financial incentives. The only way some teams feel they can pay these salaries is to move to new cities, in return for generous stadium revenues and tax packages. This financial imperative is fed by the desire of new, up and coming cities that want the prestige and the financial benefits of having a major sports franchise located in their area. This is ironic because some economic studies indicate that major league teams do not bring a significant economic benefit to their new cities.

Congress must address this dynamic because it will injure interests of the industry and of the fans. I was convinced during my hearings that shortsighted franchise relocations eventually will hurt professional sports. Professional sports, after all, is a product that is consumed by all of us, the sports fans. If teams move around too often, the fans will lose their enthusiasm and support for their teams. If the fans lose interest, eventually the overall economic pie created by the sports will begin to decrease. Fewer fans will attend the games or watch them on television; fewer fans will purchase merchandise; fewer children will want to play the sport.

We have already seen a similar phenomenon occur in major league baseball. After the strike, which canceled the World Series and shortened the following season, fans began to lose interest in baseball. Much of this was the result of the owners, whose actions against the players during collective bargaining have shown an utter disregard for the best interests of the game and of the fans. The owners were able to engage in their practices in part because they benefit from a judicially created immunity from the antitrust laws that has no basis in the law. Accordingly, I have introduced legislation, which has passed the Judiciary Committee, to remove baseball's antitrust exemption, except in regard to franchise relocation.

I intend that this bill will not move forward until the problems in baseball are addressed. Since it appears that the same economic trends are affecting all of the professional sports, then it makes sense to provide the same antitrust standard to all of the leagues. It also makes no sense for the other leagues to operate under the rules of the antitrust laws, while baseball can operate in an anticompetitive fashion free from the rule of law. The antitrust exemption for baseball has been an embarrassing anomaly in antitrust law—one that has led to profound distortions in the sport. In the near future, I will take action to ensure that baseball and the other professional sports leagues receive the same treatment. Either this bill must be merged with my baseball legislation, or baseball legislation must be added to this bill. Either way, the professional sports soon will operate under a uniform antitrust standard.

I believe that the time for Congress to act is now. We have already seen several teams move in recent years, and even more moves—the Cleveland NFL franchise to Baltimore being the most noteworthy example—are planned. Professional sports should not be a game of musical chairs, and fans deserve better than to have their loyalties treated with disrespect. As importantly, the sports industry deserves the right to have a say in its destiny. Congress has the chance now to address this problem in its early stages, before even greater dislocation, fan unhappiness, and industry losses, occur. For this reason, Congress should pass the Professional Sports Protection Act in 1996, not years from now when it may be too late.

By Mr. GLENN:

S. 1768. A bill to suspend temporarily the duty on certain fatty acid esters.

LEGISLATION TO SUSPEND THE DUTY ON IMPORTS OF CERTAIN METHYL ESTERS

Mr. GLENN. Mr. President, I rise today to introduce a bill to temporarily suspend the duty on imports of certain methyl esters. These methyl esters are used by Procter & Gamble in the production of shampoo and other personal care products. Formerly, these products were eligible for the Generalized System of Preferences [GSP] program. However, as of January 1, 1997 Malaysia will no longer be eligible for GSP.

My legislation is drafted very narrowly to cover only those very specific methyl ester mixtures which P & G imports from Malaysia. P & G's methyl ester imports are produced by a relatively recent joint venture. The first full year of the joint venture's production was 1994. The fact that there was duty free treatment under GSP was an important part of the decision to undertake the joint venture. The joint venture located production at the source of the raw material (palm kernel oil) and results in a cost efficient production process.

While there are several companies in the U.S. that manufacture relatively small amounts of similar methyl esters, this production is almost entirely consumed in the manufacture of their own personal care products. Hence no opposition to the proposed duty suspension is anticipated.

By Mr. SANTORUM (for himself, Mr. SPECTER, Mr. DOLE, Mr. CRAIG, Mr. HELMS and Mr. THURMOND):

S. 1770. A bill for the relief of Wayne T. Alderson; to the Committee on Armed Services.

PRIVATE RELIEF LEGISLATION

Mr. SANTORUM. Mr. President, today I am introducing a bill and submitting a concurrent resolution, Senate Concurrent Resolution 59, that are identical to legislation I introduced in the House of Representatives in both the 102d and 103d Congresses. As this particular issue remains unresolved, I again urge my colleagues' consideration and support.

The legislation I introduce today is an effort to secure the Congressional Medal of Honor for a Pennsylvania resident, Mr. Wayne T. Alderson. The legislation itself speaks to the background and experiences of Wayne Alderson and equally to the need and merit in extending the Congressional Medal of Honor.

As you can see from a review of the bill, Mr. Alderson acted meritoriously in the line of duty as a private in Germany during World War II and was recommended by his commander for a Medal of Honor. Unfortunately, his papers were destroyed in a fire. The Department of Defense has said that since the statute of limitations expired in 1952, and that without a statement from one of Mr. Alderson's commanders, they cannot award him the medal. An affidavit by Pfc. Daniel Parisi, which verifies that Mr. Alderson's commanders did indeed recommend him for the medal, was not considered by the Department as sufficient for them to act.

Therefore, I am introducing legislation today that Mr. Alderson should receive a Medal of Honor. I am joined by several of my colleagues in calling for the extension of congressional recognition to Wayne for his service, valor, and commitment to defending our country in time of war and acting meritoriously in the line of duty. I appreciate Senators SPECTER, DOLE, CRAIG, HELMS, and THURMOND joining with me as sponsors of this legislation.

I thank my colleagues for their attention and consideration of this legislation.

ADDITIONAL COSPONSORS

S. 288

At the request of Mr. WELLSTONE, his name was added as a cosponsor of S. 288, a bill to abolish the Board of Review of the Metropolitan Washington Airports Authority, and for other purposes.

S. 309

At the request of Mr. BENNETT, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 309, a bill to reform the concession policies of the National Park Service, and for other purposes.

S. 948

At the request of Mr. DORGAN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 948, a bill to encourage organ donation through the inclusion of an organ donation card with individual income refund payments, and for other purposes.

S. 984

At the request of Mr. GRASSLEY, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 984, a bill to protect the fundamental right of a parent to direct the upbringing of a child, and for other purposes.

S. 1233

At the request of Ms. MIKULSKI, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1233, a bill to assure equitable coverage and treatment of emergency services under health plans.

S. 1401

At the request of Mr. BENNETT, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1401, a bill to amend the Surface Mining Control and Reclamation Act of 1977 to minimize duplication in regulatory programs and to give States exclusive responsibility under approved States program for permitting and enforcement of the provisions of that Act with respect to surface coal mining and reclamation operations, and for other purposes.

S. 1578

At the request of Mr. FRIST, the names of the Senator from Wisconsin [Mr. FEINGOLD], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of S. 1578, a bill to amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

S. 1660

At the request of Mr. GLENN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1660, a bill to provide for ballast water management to prevent the introduction and spread of nonindigenous species into the waters of the United States, and for other purposes.

S. 1661

At the request of Mr. CONRAD, his name was added as a cosponsor of S. 1661, a bill to specify that States may waive certain requirements relating to commercial motor vehicle operators under chapter 313 of title 49, United States Code, with respect to the operators of certain farm vehicles, and for other purposes.

S. 1688

At the request of Mr. BUMPERS, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 1688, a bill to establish a National Center for Rural Law Enforcement, and for other purposes.

S. 1714

At the request of Mr. BURNS, the names of the Senator from Mississippi [Mr. LOTT], the Senator from Mississippi [Mr. COCHRAN], the Senator from Oklahoma [Mr. NICKLES], the Senator from Georgia [Mr. COVERDELL], the Senator from Indiana [Mr. COATS], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 1714, a bill to amend title 49, United States Code, to ensure the ability of utility providers to establish, improve, operate and maintain utility structures, facilities, and equipment for the benefit, safety, and well-being of consumers, by removing limitations on maximum driving and on-duty time pertaining to utility vehicle operators and drivers, and for other purposes.

S. 1715

At the request of Mr. SPECTER, the names of the Senator from Wyoming [Mr. SIMPSON], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 1715, a bill to amend the Internal Revenue Code of 1986 to provide a credit for adoption expenses, to allow penalty-free IRA withdrawals for adoption expenses, and to allow tax-free treatment for employer provided adoption assistance.

S. 1735

At the request of Mr. PRESSLER, the names of the Senator from Maine [Ms. SNOWE], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of S. 1735, a bill to establish the United States Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States.

SENATE CONCURRENT RESOLUTION 59—RELATIVE TO A MEDAL OF HONOR

Mr. SANTORUM (for himself, Mr. SPECTER, Mr. DOLE, Mr. CRAIG, Mr. HELMS, and Mr. THURMOND) submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 59

Resolved by the Senate (the House of Representatives concurring),

Whereas Wayne T. Alderson served as a private first class in the United States Army in Germany during World War II;

Whereas, during the Rhineland Campaign of such war, which was 4 days of close, fierce combat from March 15 to March 18, 1945, Private First Class Alderson singlehandedly killed 43 enemy soldiers;

Whereas, according to The History of the Third Infantry Division, Private First Class

Alderson was the 1st soldier from the United States to cross into Germany on March 15, 1945;

Whereas, on March 15, 1945, Company B of the 7th Infantry Regiment, led by Private First Class Alderson, crossed into Germany 1 mile south of Utweiler to surprise the enemy troops and advanced through heavy, armed resistance, machine gun crossfire, and a German mine field;

Whereas, during such advancement, Private First Class Alderson spotted and bypassed a German bunker and machine gun nest and entered into a close fire fight, killing 6 enemy soldiers;

Whereas, when a 2d enemy machine gun impeded such advancement, Private First Class Alderson volunteered to advance alone, forged a stream, and waged a singlehanded assault on the German machine gun crew, killing all 5 of the crew as Second Lieutenant Barbour and Private First Class Preston, along with the other soldiers of Company B, arrived to force the German enemy soldiers to withdraw;

Whereas, Company B continued to advance toward the town of Erching, where Private First Class Alderson killed 2 enemy snipers who were impeding the advance, and the town was captured as the enemy troops retreated;

Whereas, Second Lieutenant Barbour and Lieutenant Colonel Wallace stated that they intended to recommend Private First Class Alderson for high military decoration;

Whereas, on March 16 and 17, 1945, as Company B continued to attack and advance toward the Siegfried Line, Private First Class Alderson killed 4 enemy soldiers in close house-to-house fighting, captured 3 German prisoners, and led the prisoners, at great risk to himself, past enemy positions to the headquarters of Company B, where vital information concerning the defenses of the Siegfried Line was obtained from the prisoners;

Whereas, on March 18, 1945, Private First Class Alderson led Company B into its 4th consecutive day of battle at the Siegfried Line but then was cut off from the company;

Whereas, after Private First Class Alderson was cut off from Company B, he was unable to find safe cover and charged forward, killing 6 enemy soldiers in a close fire fight, then attacked the main entrance of a German trench, killing 4 enemy defenders before capturing the front end of the trench;

Whereas, when the remnant of Company B, which was in the front portion of the trench under the command of Captain James Rich and without radio contact, was about to be overrun by a German counterattack, Private First Class Alderson again volunteered to be first scout;

Whereas Private First Class Alderson immediately killed 4 advancing enemy soldiers in bitter combat as he moved down the trench and engaged a large German force that was advancing in an adjoining and interlocking trench;

Whereas Private First Class Alderson, who was fully exposed and vastly outnumbered, charged the enemy forces and entered into a fierce fire fight with them at close range, killing 12 enemy soldiers as the German counterattack was repelled and the enemy forces withdrew;

Whereas, in such action, Private First Class Alderson received a serious head wound from shrapnel when a Germany grenade landed at his feet and exploded in his face;

Whereas the life of Private First Class Alderson was saved by the valorous action of Private First Class Preston, who covered the body of Private First Class Alderson with his own body and was fatally wounded in the head by the bullet of a sniper;

Whereas Private First Class Alderson, while he fought to remain conscious, crawled back along the trench to brief Captain Rich on the events that had occurred in the other end of the trench;

Whereas Captain Rich stated his intention to recommend to Colonel Heintges, the commander of the 7th Infantry Regiment, that Private First Class Alderson receive a medal of honor;

Whereas such recommendation has been verified by independent affidavit; and

Whereas Private First Class Alderson has been waiting for more than 47 years to receive the medal of honor for which he was recommended and which he so richly deserves: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should award a medal of honor to Wayne T. Alderson in recognition of acts performed at the risk of his life and beyond the call of duty while serving as a private first class in the United States Army in Germany during World War II.

AMENDMENTS SUBMITTED

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

EXON (AND OTHERS) AMENDMENT NO. 3965

Mr. EXON (for himself, Mr. DASCHLE, Mr. DODD, and Mr. KERRY) proposed an amendment to the concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the U.S. Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

Stike all after the first word and insert the following:

1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1997, including the appropriate budgetary levels for fiscal years 1998, 1999, 2000, and 2001, as required by section 301 of the Congressional Budget Act of 1974, and including the appropriate levels for fiscal year 2002.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 1997.
TITLE I—LEVELS AND AMOUNTS
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TITLE I—LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,092,422,000,000.
Fiscal year 1998: $1,146,393,000,000.
Fiscal year 1999: $1,195,607,000,000.
Fiscal year 2000: $1,244,566,000,000.
Fiscal year 2001: $1,309,365,000,000.
Fiscal year 2002: $1,389,907,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: −$7,929,000,000.
Fiscal year 1998: −$2,150,000,000.
Fiscal year 1999: −$2,743,000,000.
Fiscal year 2000: −$7,224,000,000.
Fiscal year 2001: −$1,720,000,000.
Fiscal year 2002: $16,024,000,000.

(C) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1997: $108,053,000,000.
Fiscal year 1998: $113,226,000,000.
Fiscal year 1999: $119,361,000,000.
Fiscal year 2000: $123,737,000,000.
Fiscal year 2001: $131,641,000,000.
Fiscal year 2002: $138,131,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,324,976,000,000.
Fiscal year 1998: $1,374,596,000,000.
Fiscal year 1999: $1,413,101,000,000.
Fiscal year 2000: $1,454,719,000,000.
Fiscal year 2001: $1,496,341,000,000.
Fiscal year 2002: $1,528,343,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,320,969,000,000.
Fiscal year 1998: $1,375,663,000,000.
Fiscal year 1999: $1,408,058,000,000.
Fiscal year 2000: $1,447,184,000,000.
Fiscal year 2001: $1,466,082,000,000.
Fiscal year 2002: $1,498,409,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $228,597,000,000.
Fiscal year 1998: $229,270,000,000.
Fiscal year 1999: $212,451,000,000.
Fiscal year 2000: $202,618,000,000.
Fiscal year 2001: $156,717,000,000.
Fiscal year 2002: $108,502,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,441,500,000,000.
Fiscal year 1998: $5,713,700,000,000.
Fiscal year 1999: $5,964,900,000,000.
Fiscal year 2000: $6,204,600,000,000.
Fiscal year 2001: $6,495,300,000,000.
Fiscal year 2002: $6,542,900,000,000

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,900,000,000.
Fiscal year 1998: $36,400,000,000.
Fiscal year 1999: $36,600,000,000.
Fiscal year 2000: $36,500,000,000.
Fiscal year 2001: $36,600,000,000.
Fiscal year 2002: $36,600,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $267,100,000,000.

Fiscal year 1998: $267,800,000,000.

Fiscal year 1999: $268,600,000,000.

Fiscal year 2000: $269,700,000,000.

Fiscal year 2001: $270,400,000,000.

Fiscal year 2002: $271,300,000,000.

SEC. 102. DEBT INCREASE.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1997: $285,500,000,000.

Fiscal year 1998: $272,300,000,000.

Fiscal year 1999: $251,100,000,000.

Fiscal year 2000: $239,600,000,000.

Fiscal year 2001: $190,600,000,000.

Fiscal year 2002: $147,500,000,000.

SEC. 103. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1997: $384,900,000,000.

Fiscal year 1998: $401,900,000,000.

Fiscal year 1999: $422,800,000,000.

Fiscal year 2000: $422,200,000,000.

Fiscal year 2001: $463,900,000,000.

Fiscal year 2002: $485,700,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1997: $310,400,000,000.

Fiscal year 1998: $323,000,000,000.

Fiscal year 1999: $335,900,000,000.

Fiscal year 2000: $349,300,000,000.

Fiscal year 2001: $363,900,000,000.

Fiscal year 2002: $378,800,000,000.

SEC. 104. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1997 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1997:

(A) New budget authority, $254,340,000,000.

(B) Outlays, $260,777,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $800,000,000.

Fiscal year 1998:

(A) New budget authority, $258,538,000,000.

(B) Outlays, $256,319,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1999:

(A) New budget authority, $263,801,000,000.

(B) Outlays, $257,794,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $192,000,000.

Fiscal year 2000:

(A) New budget authority, $270,288,000,000.

(B) Outlays, $263,258,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $187,000,000.

Fiscal year 2001:

(A) New budget authority, $279,352,000,000.

(B) Outlays, $266,579,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $185,000,000.

Fiscal year 2002:

(A) New budget authority, $287,764,000,000.

(B) Outlays, $278,219,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $183,000,000.

(2) International Affairs (150):

Fiscal year 1997:

(A) New budget authority, $15,346,000,000.

(B) Outlays, $15,680,000,000.

(C) New direct loan obligations, $4,333,000,000.

(D) New primary loan guarantee commitments, $18,110,000,000.

Fiscal year 1998:

(A) New budget authority, $14,548,000,000.

(B) Outlays, $14,880,000,000.

(C) New direct loan obligations, $4,342,000,000.

(D) New primary loan guarantee commitments, $18,262,000,000.

Fiscal year 1999:

(A) New budget authority, $13,887,000,000.

(B) Outlays, $14,543,000,000.

(C) New direct loan obligations, $4,358,000,000.

(D) New primary loan guarantee commitments, $18,311,000,000.

Fiscal year 2000:

(A) New budget authority, $14,270,000,000.

(B) Outlays, $15,595,000,000.

(C) New direct loan obligations, $4,346,000,000.

(D) New primary loan guarantee commitments, $18,311,000,000.

Fiscal year 2001:

(A) New budget authority, $15,623,000,000.

(B) Outlays, $14,103,000,000.

(C) New direct loan obligations, $4,395,000,000.

(D) New primary loan guarantee commitments, $18,409,000,000.

Fiscal year 2002:

(A) New budget authority, $17,115,000,000.

(B) Outlays, $14,923,000,000.

(C) New direct loan obligations, $4,387,000,000.

(D) New primary loan guarantee commitments, $18,409,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:

(A) New budget authority, $17,918,000,000.

(B) Outlays, $16,855,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $16,087,000,000.

(B) Outlays, $16,632,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $15,333,000,000.

(B) Outlays, $15,970,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $14,572,000,000.

(B) Outlays, $15,104,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $15,796,000,000.

(B) Outlays, $15,461,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $17,168,000,000.

(B) Outlays, $16,590,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1997:

(A) New budget authority, $3,235,000,000.

(B) Outlays, $3,131,000,000.

(C) New direct loan obligations, $1,033,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $3,723,000,000.

(B) Outlays, $2,746,000,000.

(C) New direct loan obligations, $1,039,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $3,034,000,000.

(B) Outlays, $2,324,000,000.

(C) New direct loan obligations, $1,045,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $2,728,000,000.

(B) Outlays, $1,865,000,000.

(C) New direct loan obligations, $1,036,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $3,333,000,000.

(B) Outlays, $2,062,000,000.

(C) New direct loan obligations, $1,000,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $3,627,000,000.

(B) Outlays, $2,125,000,000.

(C) New direct loan obligations, $1,031,000,000.

(D) New primary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1997:

(A) New budget authority, $21,949,000,000.

(B) Outlays, $22,202,000,000.

(C) New direct loan obligations, $37,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $21,616,000,000.

(B) Outlays, $22,281,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $21,424,000,000.

(B) Outlays, $22,073,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $20,931,000,000.

(B) Outlays, $21,499,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $21,761,000,000.

(B) Outlays, $21,760,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $22,964,000,000.

(B) Outlays, $22,587,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1997:

(A) New budget authority, $12,961,000,000.

(B) Outlays, $11,123,000,000.

(C) New direct loan obligations, $7,794,000,000.

(D) New primary loan guarantee commitments, $5,870,000,000.

Fiscal year 1998:

(A) New budget authority, $12,611,000,000.

(B) Outlays, $10,740,000,000.

(C) New direct loan obligations, $9,346,000,000.

(D) New primary loan guarantee commitments, $6,637,000,000.

Fiscal year 1999:

(A) New budget authority, $12,084,000,000.

(B) Outlays, $10,243,000,000.

(C) New direct loan obligations, $10,743,000,000.

(D) New primary loan guarantee commitments, $6,586,000,000.

Fiscal year 2000:

(A) New budget authority, $11,199,000,000.

(B) Outlays, $9,406,000,000.

(C) New direct loan obligations, $10,736,000,000.

(D) New primary loan guarantee commitments, $6,652,000,000.

Fiscal year 2001:

(A) New budget authority, $10,584,000,000.

(B) Outlays, $8,695,000,000.

(C) New direct loan obligations, $10,595,000,000.

(D) New primary loan guarantee commitments, $6,641,000,000.

Fiscal year 2002:

(A) New budget authority, $10,825,000,000.

(B) Outlays, $8,868,000,000.

(C) New direct loan obligations, $10,570,000,000.

(D) New primary loan guarantee commitments, $6,709,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1997:

(A) New budget authority, $8,630,000,000.

(B) Outlays, −$1,931,000,000.

(C) New direct loan obligations, $1,856,000,000.

(D) New primary loan guarantee commitments, $197,340,000.

Fiscal year 1998:

(A) New budget authority, $10,276,000,000.

(B) Outlays, $646,300,000,000.

(C) New direct loan obligations, $1,787,000,000.

(D) New primary loan guarantee commitments, $196,750,000,000.

Fiscal year 1999:

(A) New budget authority, $1,157,000,000.

(B) Outlays, $6,844,000,000.

(C) New direct loan obligations, $1,763,000,000.

(D) New primary loan guarantee commitments, $196,253,000,000.

Fiscal year 2000:

(A) New budget authority, $12,949,000,000.

(B) Outlays, $8,050,000,000.

(C) New direct loan obligations, $1,759,000,000.

(D) New primary loan guarantee commitments, $195,883,000,000.

Fiscal year 2001:

(A) New budget authority, $12,109,000,000.

(B) Outlays, $8,238,000,000.

(C) New direct loan obligations, $1,745,000,000.

(D) New primary loan guarantee commitments, $195,375,000,000.

Fiscal year 2002:

(A) New budget authority, $12,829,000,000.

(B) Outlays, $8,524,000,000.

(C) New direct loan obligations, $1,740,000,000.

(D) New primary loan guarantee commitments, $194,875,000,000.

(8) Transportation (400):

Fiscal year 1997:

(A) New budget authority, $42,218,000,000.

(B) Outlays, $39,572,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $36,180,000,000.

(B) Outlays, $38,641,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $33,213,000,000.

(B) Outlays, $36,870,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $30,880,000,000.

(B) Outlays, $34,615,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $34,188,000,000.

(B) Outlays, $33,653,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $37,937,000,000.

(B) Outlays, $35,286,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1997:

(A) New budget authority, $9,208,000,000.

(B) Outlays, $10,602,000,000.

(C) New direct loan obligations, $1,222,000,000.

(D) New primary loan guarantee commitments, $2,133,000,000.

Fiscal year 1998:

(A) New budget authority, $8,759,000,000.

(B) Outlays, $10,315,000,000.

(C) New direct loan obligations, $1,242,000,000.

(D) New primary loan guarantee commitments, $2,133,000,000.

Fiscal year 1999:

(A) New budget authority, $8,258,000,000.

(B) Outlays, $9,888,000,000.

(C) New direct loan obligations, $1,265,000,000.

(D) New primary loan guarantee commitments, $2,171,000,000.

Fiscal year 2000:

(A) New budget authority, $7,838,000,000.

(B) Outlays, $9,314,000,000.

(C) New direct loan obligations, $1,288,000,000.

(D) New primary loan guarantee commitments, $2,171,000,000.

Fiscal year 2001:

(A) New budget authority, $8,652,000,000.

(B) Outlays, $8,675,000,000.

(C) New direct loan obligations, $1,317,000,000.

(D) New primary loan guarantee commitments, $2,202,000,000.

Fiscal year 2002:

(A) New budget authority, $9,395,000,000.

(B) Outlays, $8,326,000,000.

(C) New direct loan obligations, $1,343,000,000.

(D) New primary loan guarantee commitments, $2,202,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1997:

(A) New budget authority, $53,264,000,000.

(B) Outlays, $51,262,000,000.

(C) New direct loan obligations, $16,219,000,000.

(D) New primary loan guarantee commitments, $15,469,000,000.

Fiscal year 1998:

(A) New budget authority, $54,486,000,000.

(B) Outlays, $53,678,000,000.

(C) New direct loan obligations, $19,040,000,000.

(D) New primary loan guarantee commitments, $14,760,000,000.

Fiscal year 1999:

(A) New budget authority, $56,313,000,000.

(B) Outlays, $55,041,000,000.

(C) New direct loan obligations, $21,781,000,000.

(D) New primary loan guarantee commitments, $13,854,000,000.

Fiscal year 2000:

(A) New budget authority, $58,040,000,000.

(B) Outlays, $56,664,000,000.

(C) New direct loan obligations, $22,884,000,000.

(D) New primary loan guarantee commitments, $14,589,000,000.

Fiscal year 2001:

(A) New budget authority, $60,723,000,000.

(B) Outlays, $58,906,000,000.

(C) New direct loan obligations, $23,978,000,000.

(D) New primary loan guarantee commitments, $15,319,000,000.

Fiscal year 2002:

(A) New budget authority, $63,399,000,000.

(B) Outlays, $61,446,000,000.

(C) New direct loan obligations, $25,127,000,000.

(D) New primary loan guarantee commitments, $16,085,000,000.

(11) Health (550):

Fiscal year 1997:

(A) New budget authority, $136,886,000,000.

(B) Outlays, $136,272,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $187,000,000.

Fiscal year 1998:

(A) New budget authority, $144,352,000,000.

(B) Outlays, $144,778,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $94,000,000.

Fiscal year 1999:

(A) New budget authority, $151,181,000,000.

(B) Outlays, $151,707,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $158,846,000,000.

(B) Outlays, $159,149,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $164,928,000,000.

(B) Outlays, $163,942,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $176,106,000,000.

(B) Outlays, $174,617,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(12) Medicare (570):

Fiscal year 1997:

(A) New budget authority, $193,120,000,000.

(B) Outlays, $191,422,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $209,284,000,000.

(B) Outlays, $207,559,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $222,567,000,000.

(B) Outlays, $220,295,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $236,552,000,000.

(B) Outlays, $234,803,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $252,673,000,000.

(B) Outlays, $250,932,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $272,291,000,000.

(B) Outlays, $269,881,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(13) Income Security (600):

Fiscal year 1997:

(A) New budget authority, $231,555,000,000.

(B) Outlays, $239,009,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $244,128,000,000.

(B) Outlays, $247,084,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $255,459,000,000.

(B) Outlays, $256,461,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $.

Fiscal year 2000:

(A) New budget authority, $270,127,000,000.

(B) Outlays, $269,571,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $.

Fiscal year 2001:

(A) New budget authority, $270,920,000,000.

(B) Outlays, $275,743,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $.

Fiscal year 2002:

(A) New budget authority, $293,800,000,000.

(B) Outlays, $290,131,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $_________.

(14) Social Security (650):

Fiscal year 1997:

(A) New budget authority, $7,813,000,000.

(B) Outlays, $10,831,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $8,477,000,000.

(B) Outlays, $11,576,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $9,220,000,000.

(B) Outlays, $12,271,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $9,980,000,000.

(B) Outlays, $13,031,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $10,776,000,000.

(B) Outlays, $13,904,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $11,608,000,000.

(B) Outlays, $14,822,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1997:

(A) New budget authority, $39,013,000,000.

(B) Outlays, $39,557,000,000.

(C) New direct loan obligations, $935,000,000.

(D) New primary loan guarantee commitments, $26,362,000,000.

Fiscal year 1998:

(A) New budget authority, $37,863,000,000.

(B) Outlays, $38,740,000,000.

(C) New direct loan obligations, $962,000,000.

(D) New primary loan guarantee commitments, $25,925,000,000.

Fiscal year 1999:

(A) New budget authority, $36,589,000,000.

(B) Outlays, $36,990,000,000.

(C) New direct loan obligations, $987,000,000.

(D) New primary loan guarantee commitments, $25,426,000,000.

Fiscal year 2000:

(A) New budget authority, $35,212,000,000.

(B) Outlays, $37,080,000,000.

(C) New direct loan obligations, $1,021,000,000.

(D) New primary loan guarantee commitments, $24,883,000,000.

Fiscal year 2001:

(A) New budget authority, $37,273,000,000.

(B) Outlays, $36,001,000,000.

(C) New direct loan obligations, $1,189,000,000.

(D) New primary loan guarantee commitments, $24,298,000,000.

Fiscal year 2002:

(A) New budget authority, $39,783,000,000.

(B) Outlays, $39,751,000,000.

(C) New direct loan obligations, $1,194,000,000.

(D) New primary loan guarantee commitments, $23,668,000,000.

(16) Administration of Justice (750):

Fiscal year 1997:

(A) New budget authority, $23,510,000,000.

(B) Outlays, $21,237,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $24,527,000,000.

(B) Outlays, $24,356,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $24,453,000,000.

(B) Outlays, $24,826,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $25,540,000,000.

(B) Outlays, $25,480,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $24,783,000,000.

(B) Outlays, $25,712,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $24,146,000,000.

(B) Outlays, $24,981,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1997:

(A) New budget authority, $15,491,000,000.

(B) Outlays, $14,797,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $15,158,000,000.

(B) Outlays, $14,892,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $15,151,000,000.

(B) Outlays, $14,941,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $15,250,000,000.

(B) Outlays, $15,183,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $15,819,000,000.

(B) Outlays, $15,255,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $16,311,000,000.

(B) Outlays, $15,957,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(18) Net Interest (900):

Fiscal year 1997:

(A) New budget authority, $282,247,000,000.

(B) Outlays, $282,347,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $289,354,000,000.

(B) Outlays, $289,354,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $293,938,000,000.

(B) Outlays, $293,938,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $296,606,000,000.

(B) Outlays, $296,606,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $301,875,000,000.

(B) Outlays, $301,875,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $307,543,000,000.

(B) Outlays, $307,543,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(19) The corresponding levels of gross interest on the public debt are as follows:

Fiscal year 1997: $348,790,000,000.

Fiscal year 1998: $355,452,000,000.

Fiscal year 1999: $359,253,000,000.

Fiscal year 2000: $360,639,000,000.

Fiscal year 2001: $366,154,000,000.

Fiscal year 2002: $369,631,000,000.

(20) Allowances (920):

Fiscal year 1997:

(A) New budget authority, −$490,000,000.

(B) Outlays, −$490,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$20,000,000.

(B) Outlays, −$20,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$10,000,000.

(B) Outlays, −$10,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, −$20,000,000.

(B) Outlays, −$20,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, −$12,934,000,000.

(B) Outlays, −$12,934,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, −$36,783,000,000.

(B) Outlays, −$36,783,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(21) Undistributed Offsetting Receipts (950):

Fiscal year 1997:

(A) New budget authority, −$43,338,000,000.

(B) Outlays, −$43,338,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$35,351,000,000.

(B) Outlays, −$35,351,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$34,951,000,000.

(B) Outlays, −$34,951,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, −$37,069,000,000.

(B) Outlays, −$37,069,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, −$38,893,000,000.

(B) Outlays, −$38,893,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, −$59,385,000,000.

(B) Outlays, −$59,385,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

SEC. 105. RECONCILIATION.

(a) RECONCILIATION OF SPENDING REDUCTIONS.—

(1) SENATE COMMITTEES.—Not later than ________, 1996, the committees named in this subsection shall submit their recommendations to the Committee on the Budget of the Senate. After receiving those recommendations, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(A) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $2,282,000,000 in fiscal year 1997 and $21,655,000,000 for the period of fiscal years 1997 through 2002.

(B) COMMITTEE ON ARMED SERVICES.—The Senate Committee on Armed Services shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $79,000,000,000 in fiscal year 1997 and $1,828,000,000 for the period of fiscal years 1997 through 2002.

(C) COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.—The Senate Committee on Banking, Housing, and Urban Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $3,291,000,000 in fiscal year 1997 and $1,791,000,000 for the period of fiscal years 1997 through 2002.

(D) COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.—The Senate Committee on Commerce, Science, and Transportation shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $134,000,000 in fiscal year 1997 and $37,168,000,000 for the period of fiscal years 1997 through 2002.

(E) COMMITTEE ON ENERGY AND NATURAL RESOURCES.—The Senate Committee on Energy and Natural Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $83,000,000 in fiscal year 1997 and $795,000,000 for the period of fiscal years 1997 through 2002.

(F) COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS.—The Senate Committee on Environment and Public Works shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $23,000,000 in fiscal year 1997 and $1,375,000,000 for the period of fiscal years 1997 through 2002.

(G) COMMITTEE ON FINANCE.—The Senate Committee on Finance shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $6,734,000,000 in fiscal year 1997 and $187,022,000,000 for the period of fiscal years 1997 through 2002.

(H) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report changes in laws within its jurisdiction to reduce the deficit $840,000,000 in fiscal year 1997 and $9,136,000,000 for the period of fiscal years 1997 through 2002.

(I) COMMITTEE ON THE JUDICIARY.—The Senate Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $0 in fiscal year 1997 and $476,000,000 for the period of fiscal years 1997 through 2002.

(J) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on Labor and Human Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $411,000,000 in fiscal year 1997 and $2,877,000,000 for the period of fiscal years 1997 through 2002.

(K) COMMITTEE ON VETERANS' AFFAIRS.—The Senate Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $148,000,000 in fiscal year 1997 and $5,284,000,000 for the period of fiscal years 1997 through 2002.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 201. DISCRETIONARY SPENDING LIMITS.

(a) DEFINITION.—As used in this section and for the purposes of allocations made pursuant to section 302(a) or 602(a) of the Congressional Budget Act of 1974, for the discretionary category, the term "discretionary spending limit" means—

(1) with respect to fiscal year 1997, for the discretionary category $496,572,000,000 in new budget authority and $539,190,000,000 in outlays;

(2) with respect to fiscal year 1998, for the discretionary category $501,619,000,000 in new budget authority and $534,785,000,000 in outlays;

(3) with respect to fiscal year 1999, for the discretionary category $504,074,000,000 in new budget authority and $531,100,000,000 in outlays;

(4) with respect to fiscal year 2000, for the discretionary category $509,115,000,000 in new budget authority and $530,937,000,000 in outlays;

(5) with respect to fiscal year 2001, for the discretionary category $518,983,000,000 in new budget authority and $521,682,000,000 in outlays; and

(6) with respect to fiscal year 2002, for the discretionary category $520,292,000,000 in new budget authority and $525,624,000,000 in outlays;

as adjusted for changes in concepts and definitions and emergency appropriations.

(b) POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

(A) any revision of this resolution or any concurrent resolution on the budget for fiscal year 1998, 1999, 2000, 2001, or 2002 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the discretionary spending limit for such fiscal year; or

(B) any appropriations bill or resolution (or amendment, motion, or conference report on such appropriations bill or resolution) for fiscal year 1997, 1998, 1999, 2000, 2001, or 2002 that would exceed any of the discretionary spending limits in this section or suballocations of those limits made pursuant to section 602(b) of the Congressional Budget Act of 1974.

(2) EXCEPTION.—

(A) IN GENERAL.—This section shall not apply if a declaration of war by the Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(B) ENFORCEMENT OF DISCRETIONARY LIMITS IN FY 1997.—Until the enactment of reconciliation legislation pursuant to section 105 of this resolution and for purposes of the application of paragraph (1), only subparagraph (B) of paragraph (1) shall apply to fiscal year 1997.

(c) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(d) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

SEC. 202. EXTENSION OF PAY-AS-YOU-GO POINT OF ORDER.

(a) PURPOSE.—The Senate declares that it is essential to—

(1) ensure continued compliance with the balanced budget plan set forth in this resolution; and

(2) continue the pay-as-you-go enforcement system.

(b) POINT OF ORDER.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct spending or revenue legislation that would increase the deficit for any one of the three applicable time periods as measured in paragraphs (5) and (6).

(2) APPLICABLE TIME PERIODS.—For purposes of this subsection the term "applicable time period" means any one of the three following periods:

(A) The first year covered by the most recently adopted concurrent resolution on the budget.

(B) The period of the first five fiscal years covered by the most recently adopted concurrent resolution on the budget.

(C) The period of the five fiscal years following the first five fiscal years covered in the most recently adopted concurrent resolution on the budget.

(3) DIRECT-SPENDING LEGISLATION.—For purposes of this subsection and except as provided in paragraph (4), the term "direct-spending legislation" means any bill, joint resolution, amendment, motion, or conference report that affects direct spending as that term is defined by and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

(4) EXCLUSION.—For purposes of this subsection, the terms "direct-spending legislation" and "revenue legislation" do not include—

(A) any concurrent resolution on the budget; or

(B) any provision of legislation that affects the full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990.

(5) BASELINE.—Estimates prepared pursuant to this section shall—

(A) use the baseline used for the most recently adopted concurrent resolution on the budget; and

(B) be calculated under the requirements of subsections (b) through (d) of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal years beyond those covered by that concurrent resolution on the budget.

(6) PRIOR SURPLUS.—If direct spending or revenue legislation increases the deficit when taken individually, then it must also increase the deficit when taken together with all direct spending and revenue legislation enacted since the beginning of the calendar year not accounted for in the baseline under paragraph (5)(A), except that the direct spending or revenue effects resulting from legislation enacted pursuant to the reconciliation instructions included in that concurrent resolution on the budget shall not be available.

(c) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(d) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

(f) SUNSET.—Subsections (a) through (e) of this section shall expire September 30, 2002.

SEC. 203. EXTENSION OF BUDGET ACT 60-VOTE ENFORCEMENT THROUGH 2002.

Notwithstanding section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by sections 13112(b) and 13208(b)(3) of the Budget Enforcement Act of 1990), the second sentence of section 904(c) of the Congressional Budget Act of 1974 (except insofar as it relates to section 313 of that Act) and the final sentence of section 904(d) of that Act (except insofar as it relates to section 313 of that Act) shall continue to have effect as rules of the Senate through (but no later than) September 30, 2002.

SEC. 204. EXERCISE OF RULEMAKING POWERS.

The Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

MOSELEY-BRAUN AMENDMENT NO. 3966

(Ordered to lie on the table.)

Ms. MOSELEY-BRAUN submitted an amendment intended to be proposed by her to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III, add the following new section:

SEC. . SENSE OF THE SENATE REGARDING THE USE OF BUDGETARY SAVINGS.

(a) FINDINGS.—The Senate finds that—

(1) in August of 1994, the Bipartisan Commission on Entitlement and Tax Reform issued an Interim Report to the President, which found that, "To ensure that today's debt and spending commitments do not unfairly burden America's children, the Government must act now. A bipartisan coalition of Congress, led by the President, must resolve the long-term imbalance between the Government's entitlement promises and the funds it will have available to pay for them";

(2) unless the Congress and the President act together in a bipartisan way, overall Federal spending is projected by the Commission to rise from the current level of slightly over 22 percent of the Gross Domestic Product of the United States (hereafter in this section referred as "GDP") to over 37 percent of GDP by the year 2030;

(3) the source of that growth is not domestic discretionary spending, which is approximately the same portion of GDP now as it was in 1969, the last time at which the Federal budget was in balance;

(4) mandatory spending was only 29.6 percent of the Federal budget in 1963, but is estimated to account for 72 percent of the Federal budget in the year 2003;

(5) social security, medicare and medicaid, together with interest on the national debt, are the largest sources of the growth of mandatory spending;

(6) ensuring the long-term future of the social security system is essential to protecting the retirement security of the American people.

(7) The Social Security Trust Fund is projected to begin spending more than it takes in by approximately the year 2013, with Federal budget deficits rising rapidly thereafter unless appropriate policy changes are made;

(8) ensuring the future of medicare and medicaid is essential to protecting access to high-quality health care for senior citizens and poor women and children;

(9) Federal health care expenses have been rising at double digit rates, and are projected to triple to 11 percent of GDP by the year 2030 unless appropriate policy changes are made; and

(10) due to demographic factors, Federal health care expenses are projected to double by the year 2030, even if health care cost inflation is restrained after 1999, so that costs for each person of a given age grow no faster than the economy.

(b) SENSE OF THE SENATE.—If the sense of the Senate that budget savings in the mandatory spending area should be used—

(1) to protect and enhance the retirement security of the American people by ensuring the long-term future of the social security system;

(2) to protect and enhance the health care security of senior citizens and poor Americans by ensuring the long-term future of medicare and medicaid; and

(3) to restore and maintain Federal budget discipline, to ensure that the level of private investment necessary for long-term economic growth and prosperity is available.

KYL AMENDMENT NO. 3967

(Ordered to lie on the table.)

Mr. KYL submitted an amendment intended to be proposed by him to the concurrent resolution (S. Con. Res. 57) supra; as follows:

On page 4, line 10, decrease the amount by $90,000,000.

On page 4, line 11, decrease the amount by $181,000,000.

On page 4, line 12, decrease the amount by $181,000,000.

On page 4, line 13, decrease the amount by $181,000,000.

On page 4, line 19, decrease the amount by $85,000,000.

On page 4, line 20, decrease the amount by $174,000,000.

On page 4, line 21, decrease the amount by $181,000,000.

On page 4, line 22, decrease the amount by $181,000,000.

On page 5, line 3, decrease the amount by $85,000,000.

On page 5, line 4, decrease the amount by $174,000,000.

On page 5, line 5, decrease the amount by $181,000,000.

On page 5, line 6, decrease the amount by $181,000,000.

On page 31, line 17, decrease the amount by $90,000,000.

On page 31, line 18, decrease the amount by $85,000,000.

On page 31, line 24, decrease the amount by $181,000,000.

On page 31, line 25, decrease the amount by $174,000,000.

On page 32, line 6, decrease the amount by $181,000,000.

On page 32, line 7, decrease the amount by $181,000,000.

On page 32, line 13, decrease the amount by $181,000,000.

On page 32, line 14, decrease the amount by $181,000,000.

FIRST AMENDMENT NO. 3968

Mr. FRIST proposed an amendment to amend No. 3965 proposed by Mr. EXON to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of the pending amendment, add the following:

SEC. . COMMON SENSE BUDGETING AMENDMENT.

(a) FINDINGS.—The Congress finds that—

(1) President Clinton proposed in his fiscal year 1997 budget submission immediate downward adjustments to discretionary caps after the year 2000 if the Congressional Budget Office projected that his budget would not balance in 2002;

(2) the Congressional Budget Office (CBO) has estimated that President Clinton's fiscal year 1997 budget submission will incur a deficit of $84,000,000,000 in 2002;

(3) as a result of CBO's projected deficit in fiscal year 2002, the President's budget would trigger drastic reductions in discretionary spending in 2001 and 2002 to reach balance;

(4) these drastic reductions would have to occur in nondefense programs such as education, environment, crime control, science, veterans, and other human resource programs;

(5) 100 percent of the nondefense discretionary cuts in the President's budget occur in 2001 and 2002; and

(6) the inclusion in a budget submission of triggers to make immediate, drastic reductions in discretionary spending is inconsistent with sound budgeting practices and should be recognized as a "budgetary gimmick" that is antithetical to legitimate efforts to achieve balance in 2002.

(b) SENSE OF SENATE.—It is the sense of the Senate that the discretionary spending caps should not include triggers that would—

(1) result in 100 percent of the nondefense discretionary reductions occurring in fiscal years 2001 and 2002; and

(2) make drastic reductions in nondefense discretionary spending in fiscal years 2001 and 2002 (the last 2 years of the budget) for the purpose of achieving a balanced budget in fiscal year 2002.

FEINGOLD (AND OTHERS) AMENDMENT NO. 3969

(Ordered to lie on the table.)

Mr. FEINGOLD (for himself, Mr. SIMON, Mr. BUMPERS, and Mr. ROBB) submitted an amendment intended to be proposed by them to Senate Concurrent Resolution 57; supra, as follows:

On page 3, line 5, increase the amount by $15,000,000,000.

On page 3, line 6, increase the amount by $20,000,000,000.

On page 3, line 7, increase the amount by $24,000,000,000.

On page 3, line 8, increase the amount by $23,000,000,000.

On page 3, line 9, increase the amount by $23,000,000,000.

On page 3, line 10, increase the amount by $16,000,000,000.

On page 3, line 14, increase the amount by $15,000,000,000.

On page 3, line 15, increase the amount by $20,000,000,000.

On page 3, line 16, increase the amount by $24,000,000,000.

On page 3, line 17, increase the amount by $23,000,000,000.

On page 3, line 18, increase the amount by $23,000,000,000.

On page 3, line 19, increase the amount by $16,000,000,000.

On page 5, line 1, decrease the amount by $15,000,000,000.

On page 5, line 2, decrease the amount by $20,000,000,000.

On page 5, line 3, decrease the amount by $24,000,000,000.

On page 5, line 4, decrease the amount by $23,000,000,000.

On page 5, line 5, decrease the amount by $23,000,000,000.

On page 5, line 6, decrease the amount by $16,000,000,000.

On page 5, line 9, decrease the amount by $15,000,000,000.

On page 5, line 10, decrease the amount by $20,000,000,000.

On page 5, line 11, decrease the amount by $24,000,000,000.

On page 5, line 12, decrease the amount by $23,000,000,000.

On page 5, line 13, decrease the amount by $23,000,000,000.

On page 5, line 14, decrease the amount by $16,000,000,000.

On page 6, line 13, decrease the amount by $15,000,000,000.

On page 6, line 14, decrease the amount by $20,000,000,000.

On page 6, line 15, decrease the amount by $24,000,000,000.

On page 6, line 16, decrease the amount by $23,000,000,000.

On page 6, line 17, decrease the amount by $23,000,000,000.

On page 6, line 18, decrease the amount by $16,000,000,000.

On page 51, beginning with line 6 strike all through line 17.

On page 55, beginning with line 18 strike all through page 56, line 20.

FAIRCLOTH AMENDMENT NO. 3970

(Ordered to lie on the table.)

Mr. FAIRCLOTH submitted an amendment intended to be proposed by him to Senate Concurrent Resolution 57; supra, as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING REDUCTION OF THE NATIONAL DEBT.

Whereas, S. Con. Res. 57 projects a public debt in Fiscal Year 1997 of $5,400,000,000,000;

Whereas, S. Con. Res. 57 projects that the public debt will be $6,500,000,000,000 in the Fiscal Year 2002 when the budget resolution projects a unified budget surplus;

Whereas, this accumulated debt represents a significant financial burden that will require excessive taxation and lost economic opportunity for future generations of the United States;

Resolved, That, it is the sense of the Senate that any comprehensive legislation sent to the President that balances the budget by a certain date and that is agreed to by the Congress and the President shall also contain a strategy for reducing the national debt of the United States.

BOND AMENDMENT NO. 3971

(Ordered to lie on the table.)

Mr. BOND submitted an amendment intended to be proposed by him to the amendment No. 3965; supra, as follows:

In the pending amendment:

On page 30, line 5, decrease the amount by $175,000,000.

On page 30, line 6, decrease the amount by $7,000,000.

On page 30, line 11, decrease the amount by $907,000,000.

On page 30, line 12, decrease the amount by $246,000,000.

On page 30, line 17, decrease the amount by $2,256,000,000.

On page 30, line 18, decrease the amount by $1,920,000,000.

On page 30, line 23, decrease the amount by $3,621,000,000.

On page 30, line 24, decrease the amount by $3,033,000,000.

On page 31, line 4, decrease the amount by $3,302,000,000.

On page 31, line 5, decrease the amount by $3,124,000,000.

On page 31, line 10, decrease the amount by $2,355,000,000.

On page 31, line 11, decrease the amount by $2,187,000,000.

On page 33, line 5, increase the amount by $175,000,000.

On page 33, line 6, increase the amount by $7,000,000.

On page 33, line 12, increase the amount by $907,000,000.

On page 33, line 13, increase the amount by $246,000,000.

On page 33, line 19, increase the amount by $2,256,000,000.

On page 33, line 20, increase the amount by $1,920,000,000.

On page 34, line 1, increase the amount by $3,621,000,000.

On page 34, line 2, increase the amount by $3,033,000,000.

On page 34, line 8, increase the amount by $1,708,000,000.

On page 34, line 9, increase the amount by $1,552,000,000.

On page 40, line 23, increase the amount by $1,594,000,000.

On page 40, line 24, increase the amount by $1,572,000,000.

On page 41, line 5, increase the amount by $2,355,000,000.

On page 41, line 6, increase the amount by $2,187,000,000.

On page 45, line 15, increase the amount by $7,000,000,000.

On page 45, line 16, increase the amount by $10,952,000,000.

On page 47, line 9, increase the amount by $175,000,000.

On page 47, line 11, increase the amount by $7,000,000.

On page 47, line 13, increase the amount by $907,000,000.

On page 47, line 14, increase the amount by $246,000,000.

On page 47, line 16, increase the amount by $2,256,000,000.

On page 47, line 17, increase the amount by $1,920,000,000.

On page 47, line 19, increase the amount by $3,621,000,000.

On page 47, line 20, increase the amount by $3,033,000,000.

On page 47, line 22, increase the amount by $3,302,000,000.

On page 47, line 23, increase the amount by $3,124,000,000.

On page 48, line 2, increase the amount by $2,730,000,000.

On page 48, line 3, increase the amount by $2,623,000,000.

McCAIN AMENDMENT NO. 3972

(Ordered to lie on the table.)

Mr. McCAIN submitted an amendment intended to be proposed by him to Senate Concurrent Resolution 57; supra, as follows:

At the appropriate place, insert the following:

"SEC. . SENSE OF THE SENATE—TRUTH IN BUDGETING.—It is the Sense of the Senate that:

(a) The Congressional Budget Office has scored revenue expected to be raised from the auction of Federal Communications Commission licenses for various services;

(b) For budget scoring purposes, the Congress has assumed that such auctions would occur in a prompt and expeditious manner and that revenue raised by such auctions would flow to the federal treasury;

(c) The revenue assumed to be raised from auctions totals billions of dollars;

(d) The Federal Communications Commission has not yet conducted auctions for all services where auctions were assumed, such as Local Multipoint Distribution Service (LMDS) and other subscription services, revenue from which has been assumed in Congressional budgetary calculations and in determining the level of the deficit; and

(e) The Commission's service rules can dramatically affect license values and auction revenues and therefore the Commission should seek to act expeditiously and without further delay to conduct auctions of licenses in a manner that enhances revenue and increases efficiency for any service for which auction revenues has been scored by the Congressional Budget Office and/or counted for budgetary purposes in an Act of Congress.

EXON AMENDMENT NO. 3973

Mr. EXON proposed an amendment to amendment No. 3965 proposed by him to the concurrent resolution (S. Con. Res. 57) supra; as follows:

In the pending amendment:

On page 2, line 9, increase the amount by $7,000,000.

On page 2, line 10, increase the amount by $246,000,000.

On page 2, line 11, increase the amount by $1,920,000,000.

On page 2, line 12, increase the amount by $3,033,000,000.

On page 2, line 13, increase the amount by $3,124,000,000.

On page 2, line 14, increase the amount by $2,187,000,000.

On page 2, line 18, increase the amount by $7,000,000.

On page 2, line 19, increase the amount by $246,000,000.

On page 2, line 20, increase the amount by $1,920,000,000.

On page 3, line 1 increase the amount by $3,033,000,000.

On page 3, line 2, increase the amount by $3,124,000,000.

On page 3, line 3, increase the amount by $2,187,000,000.

On page 33, line 5, increase the amount by $175,000,000.

On page 33, line 6, increase the amount by $7,000,000.

On page 33, line 12, increase the amount by $907,000,000.

On page 33, line 13, increase the amount by $246,000,000.

On page 33, line 19, increase the amount by $2,256,000,000.

On page 33, line 20, increase the amount by $1,920,000,000.

On page 34, line 1, increase the amount by $3,621,000,000.

On page 34, line 2, increase the amount by $3,033,000,000.

On page 34, line 8, increase the amount by $1,708,000,000.

On page 34, line 9, increase the amount by $1,552,000,000.

On page 40, line 23, increase the amount by $1,594,000,000.

On page 40, line 24, increase the amount by $1,572,000,000.

On page 41, line 5, increase the amount by $2,355,000,000.

On page 41, line 6, increase the amount by $2,187,000,000.

On page 47, line 10, increase the amount by $175,000,000.

On page 47, line 11, increase the amount by $7,000,000.

On page 47, line 13, increase the amount by $907,000,000.

On page 47, line 14, increase the amount by $246,000,000.

On page 47, line 16, increase the amount by $2,256,000,000.

On page 47, line 17, increase the amount by $1,920,000,000.

On page 47, line 19, increase the amount by $3,621,000,000.

On page 47, line 20, increase the amount by $3,033,000,000.

On page 47, line 22, increase the amount by $3,302,000,000.

On page 47, line 23, increase the amount by $3,124,000,000.

On page 48, line 2, increase the amount by $2,355,000,000.

On page 48, line 3, increase the amount by $2,187,000,000.

THOMAS AMENDMENT NO. 3974

(Ordered to lie on the table.)

Mr. THOMAS submitted an amendment intended to be proposed by him to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III, insert the following new section:

SEC. . SENSE OF THE SENATE SUPPORTING BIENNIAL BUDGETING.

(a) FINDINGS.—The Senate finds that the current budget process—

(1) results in constant and redundant congressional action on spending measures and budget issues;

(2) causes instability in financial markets and creates budgetary uncertainty for recipients of Federal funds, thereby inhibiting the efficient operation of these programs; and

(3) allows insufficient time for Congress to consider national needs as a basis for sound and efficient policy approaches, thereby fostering piecemeal solutions that contribute to unrestrained growth of the Federal Government.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) a biennial budget process would—

(A) create an orderly, predictable process for consideration of spending decisions responsive to policy priorities and improve congressional control over the Federal budget and therefore promote better accountability to the public;

(B) provide greater stability and certainty for financial markets, Federal, State, and local government agencies which need sufficient time to plan for the implementation of programs; and

(C) allow sufficient time for the fulfillment by the Congress of its legislative and oversight responsibilities, including the consideration of authorizing legislation, budget resolutions, appropriations bills, and other spending measures; and

(2) the Congress should enact legislation in the 104th Congress to establish a biennial budget process.

GRAHAM (AND BAUCUS) AMENDMENT NO. 3975

(Ordered to lie on the table.)

Mr. GRAHAM (for himself and Mr. BAUCUS) submitted an amendment intended to be proposed by them to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place, insert the following new section:

"MEDICARE FRAUD AND ABUSE SAVINGS TRUST FUND

"SEC. . (a)(1) There is hereby created on the books of the Treasury of the United States in the Federal Hospital Insurance Trust Fund (in this subsection referred to as the 'Trust Fund') an expenditure account to be known as the 'Health Care Fraud and Abuse Control Account' (in this subsection referred to as the 'Account'). The Account shall consist of such gifts and bequests as may be made as provided in title XVIII of the Social Security Act and amounts appropriated under paragraph (2).

"(2) Amounts equivalent to 100 percent of the Secretary's estimate of the reductions in outlays in title XVIII that are attributable to Medicare waste, fraud and abuse recoveries, as defined in title XVIII of the Social Security Act—

"(A) are hereby appropriated to the Account out of any amounts in the Treasury not otherwise appropriated, and

"(B) in order to assure the solvency of the Medicare system, shall not be considered for purposes of calculating the deficit increase or estimated deficit for any year under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

The amounts appropriated by the preceeding sentence shall be transferred from time to time (not less frequently than monthly) from the general fund in the Treasury to the Trust Fund.

KENNEDY AMENDMENT NO. 3976

(Ordered to lie on the table.)

Mr. KENNEDY submitted an amendment intended to be proposed by him to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place insert the following new section:

SEC. . SENSE OF THE CONGRESS REGARDING PROGRAMS FOR SENIOR CITIZENS, CHILDREN AND THE DISABLED.

(a) FINDINGS.—Congress finds that—

(1) 18,000,000 children depend on the medicaid program under title XIX of the Social Security Act;

(2) 6,000,000 disabled Americans depend on the medicaid program under title XIX of the Social Security Act and are generally unable to qualify for private health insurance coverage, regardless of whether such individuals can afford such insurance; and

(3) 5,000,000 senior citizens depend on the medicaid program under title XIX of the Social Security Act for assistance with health care services that are not covered under the medicare program under title XVIII of the Social Security Act, and medicaid is the sole source of affordable nursing home care for senior citizens, the disabled, and their families.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the reconciliation bill should not include any provisions that reduce Federally mandated eligibility or benefits for programs for senior citizens, children, or the disabled.

FAIRCLOTH AMENDMENT NO. 3977

(Ordered to lie on the table.)

Mr. FAIRCLOTH submitted an amendment intended to be proposed by him to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING WELFARE REFORM.

FINDINGS.—S. Con. Res. 57 assumes substantial savings from welfare reform; and

Children born out of wedlock are five times more likely to be poor and about ten times more likely to be extremely poor and therefore are more likely to receive welfare benefits than children from two parent families; and

High rates of out-of-wedlock births are associated with a host of other social pathologies; for example, children of single mothers are twice as likely to drop out of high school; boys whose fathers are absent are more likely to engage in criminal activities; and girls in single-parent families are three times more likely to have children out of wedlock themselves;

Therefore, it is the sense of the Senate that any comprehensive legislation sent to the President that balances the budget by a certain date and that includes welfare reform provisions and that is agreed to by the Congress and the President shall also contain to the maximum extent possible a strategy for reducing the rate of out-of-wedlock births and encouraging family formation.

KERREY (AND OTHERS) AMENDMENT NO. 3978

(Ordered to lie on the table.)

Mr. KERREY (for himself, Mr. SIMON, Mr. NUNN, Mr. ROBB, and Mr. SIMPSON) submitted an amendment intended to be proposed by them to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE ON A REDUCTION IN CONSUMER PRICE INDEX ADJUSTMENTS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that the consumer price index should be reduced by 0.5 percentage point.

ROCKEFELLER (AND OTHERS) AMENDMENT NO. 3979

Mr. ROCKEFELLER (for himself, Mr. DORGAN, Mr. KENNEDY, Mr. DODD, Mrs. BOXER, Mr. LAUTENBERG, Mr. DASCHLE, Mr. WELLSTONE, Mr. FORD, Mr. EXON, Mr. HARKIN, and Ms. MIKULSKI) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

On page 3, line 5, increase the amount by $100,000,000.

On page 3, line 6, increase the amount by $3,400,000,000.

On page 3, line 7, increase the amount by $5,900,000,000.

On page 3, line 8, increase the amount by $9,200,000,000.

On page 3, line 9, increase the amount by $13,200,000,000.

On page 3, line 10, increase the amount by $18,700,000,000.

On page 3, line 14, increase the amount by $100,000,000.

On page 3, line 15, increase the amount by $3,400,000,000.

On page 3, line 16, increase the amount by $5,900,000,000.

On page 3, line 17, increase the amount by $9,200,000,000.

On page 3, line 18, increase the amount by $13,200,000,000.

On page 3, line 19, increase the amount by $18,700,000,000.

On page 4, line 8, increase the amount by $100,000,000.

On page 4, line 9, increase the amount by $3,400,000,000.

On page 4, line 10, increase the amount by $5,900,000,000.

On page 4, line 11, increase the amount by $9,200,000,000.

On page 4, line 12, increase the amount by $13,200,000,000.

On page 4, line 13, increase the amount by $18,700,000,000.

On page 4, line 17, increase the amount by $100,000,000.

On page 4, line 18, increase the amount by $3,400,000,000.

On page 4, line 19, increase the amount by $5,900,000,000.

On page 4, line 20, increase the amount by $9,200,000,000.

On page 4, line 21, increase the amount by $13,200,000,000.

On page 4, line 22, increase the amount by $18,700,000,000.

On page 29, line 10, increase the amount by $100,000,000.

On page 29, line 11, increase the amount by $100,000,000.

On page 29, line 17, increase the amount by $3,400,000,000.

On page 29, line 18, increase the amount by $3,400,000,000.

On page 29, line 24, increase the amount by $5,900,000,000.

On page 29, line 25, increase the amount by $5,900,000,000.

On page 30, line 6, increase the amount by $9,200,000,000.

On page 30, line 7, increase the amount by $9,200,000,000.

On page 30, line 13, increase the amount by $13,200,000,000.

On page 30, line 14, increase the amount by $13,200,000,000.

On page 30, line 20, increase the amount by $18,700,000,000.

On page 30, line 21, increase the amount by $18,700,000,000.

On page 49, line 17, decrease the amount by $100,000,000.

On page 49, line 18, decrease the amount by $50,500,000,000.

ABRAHAM (AND DOMENICI) AMENDMENT NO. 3980

Mr. ABRAHAM (for himself and Mr. DOMENICI) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place in the concurrent resolution, insert the following:

SEC. . SENSE OF THE CONGRESS REGARDING CHANGES IN THE MEDICARE PROGRAM.

(A) FINDINGS.—Congress finds that, in achieving the spending levels specified in this resolution—

(1) the public Trustees of medicare have concluded that "the medicare program is clearly unsustainable in its present form";

(2) the President has said his goal is to keep the medicare hospital insurance trust fund solvent for more than a decade, but his budget transfers $55 billion of home health spending from medicare part A to medicare part B;

(3) the transfer of home health spending threatens the delivery of home health services to 3.5 million Medicare beneficiaries;

(4) such a transfer increases the burden on general revenues, including income taxes paid by working Americans, by $55 billion;

(5) such a transfer artificially inflates the solvency of the medicare hospital insurance trust fund, misleading the Congress, medicare beneficiaries, and working taxpayers;

(6) the Director of the Congressional Budget Office has certified that, without such a transfer, the President's budget extends the solvency of the hospital insurance trust fund for only one additional year; and

(7) without misleading transfers, the President's budget therefore fails to achieve his own stated goal for the medicare hospital insurance trust fund.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that, in achieving the spending levels specified in this resolution, the Congress assumes that the Congress would—

(1) keep the medicare hospital insurance trust fund solvent for more than a decade, as recommended by the President; and

(2) accept the President's proposed level of medicare part B savings of $44.1 billion over the period 1997 through 2002; but would

(3) reject the President's proposal to transfer health spending from one part of medicare to another, which threatens the delivery of home health care services to 3.5 million Medicare beneficiaries, artificially inflates the solvency of the medicare hospital insurance trust fund, and increases the burden on general revenues, including income taxes paid by working Americans, by $55 billion.

THOMPSON (AND OTHERS) AMENDMENT NO. 3981

(Ordered to lie on the table.)

Mr. THOMPSON (for himself, Mr. KERRY, Mr. MCCAIN, Mr. FEINGOLD, and

Mr. BRADLEY) submitted an amendment intended to be proposed by them to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place in the resolution, insert the following:

SEC. . SENSE OF THE SENATE ON THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that when the Finance Committee meets its outlay and revenue obligations under this resolution the committee should not make any changes in the Presidential Election Campaign Fund or its funding mechanism and should meet its revenue and outlay targets through other programs within its jurisdiction.

BOXER (AND OTHERS) AMENDMENT NO. 3982

Mrs. BOXER (for herself, Mr. GRAHAM, Mr. DORGAN, and Mr. KENNEDY) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

On page 3, line 5, increase the amount by $1,900,000,000.

On page 3, line 6, increase the amount by $2,500,000,000.

On page 3, line 7, increase the amount by $3,200,000,000.

On page 3, line 8, increase the amount by $2,700,000,000.

On page 3, line 9, increase the amount by $2,600,000,000.

On page 3, line 10, increase the amount by $5,400,000,000.

On page 3, line 14, increase the amount by $1,900,000,000.

On page 3, line 15, increase the amount by $2,500,000,000.

On page 3, line 16, increase the amount by $3,200,000,000.

On page 3, line 17, increase the amount by $2,700,000,000.

On page 3, line 18, increase the amount by $2,600,000,000.

On page 3, line 19, increase the amount by $5,400,000,000.

On page 4, line 8, increase the amount by $1,900,000,000.

On page 4, line 9, increase the amount by $2,500,000,000.

On page 4, line 10, increase the amount by $3,200,000,000.

On page 4, line 11, increase the amount by $2,700,000,000.

On page 4, line 12, increase the amount by $2,600,000,000.

On page 4, line 13, increase the amount by $5,400,000,000.

On page 4, line 17, increase the amount by $1,900,000,000.

On page 4, line 18, increase the amount by $2,500,000,000.

On page 4, line 19, increase the amount by $3,200,000,000.

On page 4, line 20, increase the amount by $2,700,000,000.

On page 4, line 21, increase the amount by $2,600,000,000.

On page 4, line 22, increase the amount by $5,400,000,000.

On page 27, line 16, increase the amount by $1,900,000,000.

On page 27, line 17, increase the amount by $1,900,000,000.

On page 27, line 23, increase the amount by $2,500,000,000.

On page 27, line 24, increase the amount by $2,500,000,000.

On page 28, line 6, increase the amount by $3,200,000,000.

On page 28, line 12, increase the amount by $2,700,000,000.

On page 28, line 13, increase the amount by $2,700,000,000.

On page 28, line 19, increase the amount by $2,600,000,000.

On page 28, line 20, increase the amount by $2,600,000,000.

On page 29, line 2, increase the amount by $5,400,000,000.

On page 29, line 3, increase the amount by $5,400,000,000.

On page 46, line 12, decrease the amount by $18,300,000,000.

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE.

It is the sense of the Senate that the provisions contained in this budget resolution assume Medicaid reforms shall—

(1) maintain the guarantees in current law for Medicaid coverage of seniors, children, pregnant women, and persons with disabilities;

(2) preserve current laws protecting spouses and adult children from the risk of impoverishment to pay for long-term nursing home care;

(3) maintain the current Federal nursing home quality and enforcement standards;

(4) protect states from unanticipated program costs resulting from economic fluctuations in the business cycle, changing demographics, and natural disasters;

(5) maintain the successful Federal-State partnership and protect the Federal Treasury against practices that allow States to decrease their fair share of Medicaid funding; and,

(6) continue to provide coverage of Medicare premiums and cost-sharing payments for low-income Medicare beneficiaries, consistent with current law.

THE PUBLIC BUILDINGS REFORM ACT OF 1995

BAUCUS AMENDMENT NO. 3983

Mr. FRIST (for Mr. BAUCUS) proposed an amendment to the bill (S. 1005) to amend the Public Buildings Act of 1959 to improve the process of constructing, altering, purchasing, and acquiring public buildings, and for other purposes; as follows:

On page 21, line 3, strike "1995" and insert "1996".

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

WYDEN (AND KERRY) AMENDMENT NO. 3984

Mr. WYDEN (for himself and Mr. KERRY) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE REGARDING REVENUE ASSUMPTIONS.

(a) FINDINGS.—The Congress finds the following:

(1) Corporations and individuals have clear responsibility to adhere to environmental laws. When they do not, and environmental damage results, the Federal and State governments my impose fines and penalties, and assess polluters for the cost of remediation.

(2) Assessment of these costs is important in the enforcement process. They appropriately penalize wrongdoing. They discourage future environmental damage. They ensure that taxpayers do not bear the financial brunt of cleaning up after damages done by polluters.

(3) In the case of the *Exxon Valdez* oil spill disaster in Prince William Sound, Alaska, for example, the corporate settlement with the Federal Government totaled $900 million.

(4) The Tax Code, however, currently allows polluters to fully deduct all expenses, including penalties and fines associated with these settlements. In the case of the *Exxon Valdez* disaster, deductibility on that settlement at the current corporate tax rate will result in $300 million in losses to Federal tax collections . . . losses which will have to be made up through increased collections from taxation of average American families.

(5) Additionally, these losses also will make it more difficult to move aggressively and successfully toward a balanced Federal budget.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—assumptions in this resolution assume that revenues will be increased by a minimum of $100 million per year through legislation that will not allow deductions for fines, penalties and damages arising from a failure to comply with Federal or State environmental or health protection laws.

NOTICES OF HEARINGS

SPECIAL COMMITTEE ON AGING

Mr. COHEN. Mr. President, I wish to announce that the Special Committee on Aging will hold a hearing on Thursday, May 23, 1996, at 9:30 a.m., in room 562 of the Dirksen Senate Office Building. The hearing will discuss encouraging return to work in the SSI and DI Programs.

COMMITTEE ON ENERGY AND NATURAL RESOURCES, SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION AND RECREATION

Mr. CAMPBELL. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Parks, Historic Preservation, and Recreation.

The hearing will take place Friday, May 31, 1996, at 9:30 a.m. at the Montrose Pavillion, 1800 Pavillion Boulevard, Montrose, CO.

The purpose of this hearing is to review S. 1424, a bill to redesignate the Black Canyon of the Gunnison National Monument as a national park, to establish the Gunnison Gorge National Conservation Area, to establish the Curecanti National Recreation Area, to establish the Black Canyon of the Gunnison National Park Complex, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. Written testimony will be accepted for the record. Witnesses testifying at the hearing are requested to bring 10 copies of their testimony with them on the day of the hearing.

The subcommittee will invite witnesses representing a cross-section of views and organizations to testify at the hearing. Others wishing to testify may, as time permits, make a brief statement of no more than 2 minutes. Those wishing to testify should contact Mr. James Doyle in Senator CAMPBELL's office at (303) 866–1900. The deadline for signing up to testify is 5 p.m., Wednesday, May 29, 1996. Every attempt will be made to accommodate as many witnesses as possible, while ensuring that all views are represented.

For additional information, please contact Jim O'Toole, Energy and Natural Resources Committee, at (202) 224–5161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, May 16, 1996, session of the Senate for the purpose of conducting a hearing on NASA's Mission to Planet Earth.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, May 16, 1996, at 10 a.m. for a markup.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, May 16, 1996, at 10:30 a.m. to hold an executive business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on oversight of the "Healthy Start" demonstration project, during the session of the Senate on Thursday, May 16, 1996, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. LOTT. Mr. President, I ask unanimous consent that the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, May 16, 1996, for purposes of conducting a subcommittee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to consider S. 621, a bill to amend the National Trails System Act to designate the Great Western Trail for potential addition to the National Trails System; H.R. 531, a bill to designate the Great Western Scenic Trail as a study trail under the National Trails System Act. S. 1049, a bill to amend the National Trails System Act to designate the route from Selma to Montgomery as a National Historic Trail. S. 1706, a bill to increase the amount authorized to be appropriated for assistance for highway relocation with respect to the Chicamauga and Chattanooga National Military Park in Georgia; S. 1725, a bill to amend the National Trails System Act to create a third category of long-distance trails to be known as national discovery trails and to authorize the American Discovery Trail as the first national discovery trail.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY, EXPORT AND TRADE PROMOTION

Mr. LOTT. Mr. President, I ask unanimous consent that the Subcommittee on International Economic Policy, Export and Trade Promotion of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 16, 1996, at 9 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COMMON SENSE ON SCHOOL CHOICE

• Mr. HOLLINGS. Mr. President, I ask to have printed in today's RECORD an unusually clear article on the complex subject of school vouchers. Ms. Claudia Smith Brinson at the State newspaper in Columbia, SC, has made the case eloquently that the choice of taxpayer funding for private and religious schools is a bad one. Specifically, she points out its history as a means of minimizing desegregation, its lack of results, and its lack of promise compared to other proven education reforms. I commend her for her eloquence and hope my colleagues will benefit from her column.

The column follows:

[From the State, May 15, 1996]

LET'S DECIDE JUST EXACTLY WHAT SCHOOL CHOICE' MEANS

(By Claudia Smith Brinson)

The concept of school choice has been around a long time. In the '60s, it was promoted in the South as a means of minimizing court-ordered desegregation. In the '70s, economist Milton Friedman talked up what he called the "free-choice" model. In the '80s and early '90s, as dissatisfaction with public schools grew, experimentation kicked in.

School choice covers an enormous range. At its most basic, parents exercise choice when they buy a house in a certain neighborhood. When a school provides school-within-a-school options, choice is offered. When a school district provides alternative or magnet schools, choice is offered. Some districts allow parents with a need for flexibility regarding work or child care to use intra-district choice.

While, in this state, we have few magnet schools, half of our school districts offer alternative schools or second-chance programs; more than half allow high-school students to take college courses; almost two-thirds permit inter-district transfers. Our governor's schools for arts and mathematics and science increase choice statewide for our brightest students.

Nationwide, choice is often employed to help with the urban suburban desegregation issue. In St. Louis, Mo., inner-city children can apply to attend mostly white suburban schools. To improve schooling for Hispanic students in San Antonio, the Multilingual Program provides a language and cultural focus for academically successful students. In Montgomery County, Md., a magnet school program was introduced to improve integration. In Moniclair, N.J., all schools are magnet schools, and transportation is provided.

In Cambridge, Mass., parents can choose, with the help of an information center, any public school in the district. In Minnesota, the whole state allows open enrollment, although students must supply transportation.

Charter schools, in which parents and teachers contract with the state to provide a particular kind of education, are another option. Just over 100 charter schools are in operation nationwide. Here, the House has passed legislation allowing charter schools; a Senate subcommittee is discussing it.

Vouchers are rare. In Milwaukee, to desegregate schools and improve urban children's schooling, low-income parents were invited to apply for public funds to send their children to private or public suburban schools. An attempt to add church schools is on hold because the state Supreme Court deadlocked on its constitutionality. In Boston, private money is used to send low-income children to parochial schools. In San Antonio and Indianapolis, private businesses pay low-income students' tuition at private schools.

The favorite arguments for using vouchers (sending public money through parents) for private schools rest on three faulty premises. The first is that children make great academic strides in private and parochial schools. When you take out those oh-so-important factors such as parents' income and education, what remains is a very small advantage in scores for parochial and private school students.

The second faulty premise is that education can be compared to car-making. The premise goes like this: Education is just another manufacturing process; vouchers will create competition; competition will automatically improve product quality. But children and learning are far more complicated than autos and welding. Education is a service, and public education is a service with important democratic goals, such as preparing children for full citizenship, minimizing social inequities and promoting cultural unity.

It's not much better an analogy, but compare education, instead, to a service like public hospitals. No one in need is turned away, and yes, those who can afford to do so shop around. However, the patient (both consumer and product, like our students) cannot be cured at any location if destructive behaviors persist. Even with some of the magical pills our technology has created, radical changes in lifestyle are often required. Likewise, poverty, parental disengagement, behavior or discipline problems that many of our children bring into the schoolhouse cannot be quickly and permanently cured by shifting locale. (In Milwaukee, where vouchers are being tried, academic scores haven't improved and attrition remains high.)

So vouchers are not a miracle cure. And that is the third faulty premise, that any one new step, such as increased choice or vouchers, will suddenly remake education. The funding equity issue, raised by 40 of our districts, has yet to be ruled on in court. How much good would intra-district choice currently serve in some of the suing, impoverished counties such as Clarendon, Lee, Williamsburg or Jasper? How much help is a $1,700 voucher to an impoverished family in a rural community without transportation or in an urban community where private schools cost $6,000-plus a year? What happens then is not that parents are offered more choice, but that private schools are.

If our community, and our Legislature, want to consider choice, first the conversation has to get honest. It can be a legitimate discussion given public dissatisfaction with public schools and a universal desire by parents to do the best possible for their children.

But if we're going to talk about choice, what are we talking about? Increasing variety? Or resegregating? If our state and national constitutions forbid public money supporting church schools, why on Earth is our conversation about choice starting in forbidden territory?

In a state with limited funds, why begin with vouchers when encouragement for more magnet schools, school-within-a school programs and inter- and intra-district transfers would offer more choices to more children at no extra cost? With limited funds, why not start small and emulate programs that work, like the language option in San Antonio or the controlled-choice program in Cambridge? Why take giant, expensive leaps into ideas, such as vouchers, that have barely been tested anywhere?

We have a summer to think this out.•

TRIBUTE TO ASTRONAUT RICK LINNEHAN

• Mr. SMITH. Mr. President, I rise today to congratulate the extraordinary accomplishments of Astronaut Rick Linnehan, who will be a mission specialist on the space shuttle *Columbia*, scheduled to leave Cape Canaveral, FL in June.

In 1975, Rick graduated from Pelham High School in Pelham, NH and proceeded to earn a bachelor of science degree in animal science and microbiology at the University of New Hampshire. Later, Rick denied his acceptance to the U.S. Air Force for pilot training and instead opted to attend the Ohio State University College of Medicine to earn his veterinary degree. While Rick's heartening desire to fly was temporarily delayed, his dream never died. Upon finishing his veterinary degree in 1985, Rick applied for NASA's astronaut training program. With the 1986 *Challenger* disaster stalling the program, Rick's dream of space flight was once again put on hold. During this time, Rick worked as a veterinarian before joining an internship with the Baltimore Zoo and Johns Hopkins University from 1986 to 1988. He then joined the military as a captain in the U.S. Army Veterinary Corps, and ended up as chief clinical veterinarian with the Navy's Marine Mammal project in San Diego, CA.

Despite Rick's success in his field of study, he still held on to his dream of one day becoming an astronaut. In 1991, Rick again applied for the astronaut program and was selected along with 18 others out of nearly 3,000 applicants.

After 4 years of dedicated training, Rick will embark on his first journey into space this summer as a crewmember of NASA's Life Sciences and Micro-gravity Spacelab mission. During the 16-day flight, Rick will be part of a medical team that will be checking fellow crewmembers for the effects of prolonged space flight as part of NASA's testing program for the space station.

In memory of another New Hampshire astronaut, Christa McAuliffe, Rick will carry a lapel pin with him into space from the Concord planetarium. Rick will also bring a New Hampshire flag from the State Legislature, which will be returned to fly in our State House, as well as a banner for the University of New Hampshire, and some personal items for relatives and friends.

New Hampshire is very proud of Rick's extraordinary commitment and hard work to achieve his boyhood dream of space flight. America needs more visionaries like Rick, who not only hold on to their dreams but work hard to achieve them. I congratulate Rick on this outstanding honor and am proud to have him represent us in the final frontier.•

CALIFORNIA CITIES ACT TO BAN JUNK GUNS

• Mrs. BOXER. Mr. President, last month I introduced legislation with Senators JOHN CHAFEE and BILL BRADLEY to prohibit the manufacture and sale of junk guns—or as they are also called, Saturday night specials. We believe that these cheap, poorly constructed, easily concealable firearms pose such a great threat to public safety that their sale and manufacture should be prohibited.

Nearly 20 years ago, Congress prohibited the importation of junk guns, but allowed their domestic manufacture to soar virtually unchecked. Today, 7 of the 10 firearms most frequently traced at crime scenes are junk guns that cannot legally be imported. My view is that if a gun represents such a threat to public safety that it should not be imported, its domestic manufacture should also be restricted. A firearm's point of origin is irrelevant.

Earlier this year, the City of West Hollywood prohibited the sale of junk guns within the city limit. Shortly thereafter, I introduced my bill, which would ban junk guns nationwide. Since then, California cities have made progress that exceeded my expectations. Once again, California is at the leading edge of a nationwide movement.

This week, the Oakland City Council, with the support of the mayor and the police chief, voted to ban the sale of junk guns. San Francisco is expected to follow shortly. And the city of San Jose is also considering enacting a junk gun ban. The police chiefs of these three cities have all endorsed my bill to ban junk guns nationwide.

I am very proud that these California cities are acting responsibly to take these dangerous firearms off our streets. This momentum is growing into an unstoppable force. The current junk gun double standard cannot be maintained. It is simply a matter of time before Congress acts to apply the same standards to domestically produced junk guns are currently applied to imports.•

TRIBUTE TO VERNON J. BAKER

• Mr. CRAIG. Mr. President, it is indeed a pleasure and a privilege for me to speak today about the accomplishments of one of my fellow Idahoans, Vernon J. Baker. Vernon Baker is one of seven African-Americans whose heroic actions in World War II are being belatedly recognized. Vernon has been nominated for this Nation's highest award—the Congressional Medal of Honor.

When 1st Lt. Vernon Baker awoke on the morning of April 5, 1945, I am confident he did not begin the day thinking, "Today, I am going to be a hero." I am more confident he began that morning thinking, "Lord, give me the strength to get me and my men through another day."

In the smokey grayness of predawn, artillery rained on the German mountain stronghold called "Hill X" near Castle Aghinolfi, Italy. First Lieutenant Baker was a platoon leader of 25 men and a recent graduate of Officer Candidate School. Standing five foot five and weighing in at 139 pounds, he led his men to the south side of the draw, within 250 yards of the castle. Seeing a telescope pointing out of the narrow slit of the bunker, he ordered his men to stay down and he crawled to the opening, stuck in his M–1 and fired until the rifle was empty. When he looked inside, one of the two dead Germans was still slumped in his chair. Baker then stumbled upon a camouflaged machine gun nest where he killed two more Germans.

As he reported to his company commander, Captain John Runyan, who like all his superiors was white, he was hit in the head by a "potato masher" hand grenade. It failed to explode and

Baker quickly shot and killed the German who had thrown the grenade. While his unit was under heavy fire, he continued into the canyon alone. Discovering a hidden entrance to another dugout, he blasted it open with a grenade and dashed inside, killing two more German soldiers with a discarded machine gun he had picked up off the ground.

Captain Runyan ordered a withdrawal of the unit and told Baker he was going for reinforcements. That was the last time Lieutenant Baker saw Captain Runyan. The reinforcements never arrived. At the end of the battle, Baker regrouped the seven survivors of the 25 man platoon. The unit had killed 26 Germans, destroyed six machine gun nests, two observer posts, and four dugouts.

Vernon Baker was awarded the Distinguished Service Cross on July 4, 1945, for his actions that day. The Distinguished Service Cross is the Nation's second highest military award. On the citation for the award, Baker is cited for "outstanding courage" and "daring leadership."

Nearly 50 years later, during an Army review of medals awarded during World War II, the absence of a single African-American from the list of Congressional Medal of Honor winners was duly noted. This began the process to determine if African-Americans had not received the Nation's highest award merely because of racial bias rather than military record under fire. Seven Distinguished Service Medal awards were reevaluated and have now been recommended for upgrade to the Congressional Medal of Honor. Vernon J. Baker is the only surviving nominee from this illustrious group.

Mr. President, on behalf of a grateful nation, I once more want to thank Vernon J. Baker for his courageous actions, on that April day so long ago.•

JANET COOPER

Mr. LEVIN. Mr. President, I rise to honor Janet Cooper who will be retiring from the State of Michigan Department of Civil Rights on June 1, 1996. Janet Cooper has given more than three decades of dedicated service in establishing one of the best civil rights agencies in the Nation.

Janet Cooper joined the Michigan Department of Civil Rights as a field investigator in 1963, about the same time I became the general counsel. I knew her as a dedicated and thorough public servant. Since then, she has served the department in many roles including director of the Conciliation and Hearings Division, deputy director of the Enforcement Bureau, and director of the Legal Bureau. She is currently the department deputy and is responsible for the Enforcement Bureau, the Office of Contractual and Business Services, and the Office of Research.

Janet Cooper is an experienced attorney who is known across the country as an expert in the field of civil rights. She has served as an adjunct professor at Wayne State University School of Law and the Detroit College of Law. The Michigan State Bar Foundation honored Janet with the title of Fellow. This title is given to attorneys who have demonstrated outstanding legal ability and a strong dedication to the community.

Janet Cooper is retiring from the Department of Civil Rights, but her work protecting the constitutional rights of all citizens will not end. She will now become the chair of the Metropolitan Detroit Branch of the American Civil Liberties Union of Michigan.

I know that my Senate colleagues will join me in honoring Janet Cooper for her many years of dedicated service in upholding the civil rights of all people.•

LT. CAROLYN J. FERRARI, M.D.

• Mr. WARNER. Mr. President, I rise today to commend the selection of Lt. Carolyn J. Ferrari, M.D. as medical director and physician for Highland Medical Center in Monterey, VA. Dr. Ferrari's acceptance of this key medical position concludes a nearly 3-year-old search by the medical center board of directors.

I extend further praise to the U.S. Navy for its authorization of Dr. Ferrari's early release. Mr. President, if it were not for this authorization, Dr. Ferrari would have had to complete another year of duty.

As a former Secretary of the Navy, I believe this is a win-win situation for the U.S. Navy and the people of Highland County. The Navy has a long and distinguished history in Virginia, and I appreciate this good neighbor effort.

Dr. Ferrari and the Highland Medical Center will play an important role in providing first-class health care to the community. Moreover, this partnership represents another important step toward positive community and economic growth.

Mr. President, let me say once again that I applaud the Navy, Highland Medical Center and Lt. Carolyn Ferrari, M.D. I am proud that my office was able to play a small role in this very good development for the citizens of Highland County and the surrounding area.•

SIGNIFICANT ALASKA MILESTONE

• Mr. STEVENS. Mr. President, Mark Stasik and Daryl Miller, of Talkeetna, recently achieved a great distinction in our State of Alaska—they endured a 45 day, 350 mile circumnavigation of the Denali and Foraker massifs, in Winter, on foot. Along the way, the men crossed four remote mountain passes, traveled approximately 100 miles on 16 glaciers, 80 miles on rugged and diverse, high mountainous terrain, 115 miles on frozen rivers, creeks, and lakes, and 55 miles amidst dense boreal forest. There was an estimated elevation gain and loss of 60,000 feet, the equivalent of two Mt. Everests. The two men also encountered temperatures as low as 60 degrees below zero and winds up to 100 mph, while carrying 150 pounds of gear per person.

This expedition not only shows the personal strength and perseverance of these Alaskans, but it also provided scientific and educational data for the Denali National Park. This was the first expedition of this kind. I am sure the family and friends of Mark and Daryl are very proud of their achievement.

Mr. President, I ask that an article entitled "Off The Couch" from the Climbing Magazine be printed in the RECORD.

The article follows:

[From Climbing Magazine, June 15-Aug. 1, 1995]

OFF THE COUCH—TALKEETNA LOCALS COMPLETE GRAND CIRCUMNAVIGATION

Leaving from their couches in downtown Talkeetna, the Alaska Range veterans Mark Stasik and Daryl Miller endured a 45-day, 350 mile circumnavigation of the Denali and Foraker massifs—a first in winter. Calculating an elevation gain/loss of 60,000 feet for the trip, Stasik and Miller experienced expectedly horrendous conditions, including 60-below temperatures and 100 mph winds. They also weathered a tent fire, a fall through river ice, the loss of their maps, and three days of travel without food or fuel. The routefinding involved crossing four remote mountain passes, 100 miles over 16 glaciers, 115 miles along (usually) frozen rivers, creeks, and lakes, 80 miles of rugged mountain terrain, and 55 miles of dense boreal forest undergrowth—all while toting sleds and packs weighing in at 150 pounds per person. The extremes of terrain and conditions savaged their equipment: Miller broke two ski bindings, and then his skis, then both of his snowshoes, before borrowing Stasik's backup pair. "It was a product tester's wet dream," says Stasik.

Stasik and Miller share a great deal of Alaskan experience, with 14 Denali expeditions between them, numerous other backcountry trips, and involvement in search-and-rescue operations. Having seen the yearly circus of climbers on Denali, many unprepared for and disrespectful of the dangers, Stasik and Miller hope to make a statement with their expedition. "It was important for us to strip down to the rawest elements, to show how locals could do it, on foot, off the couch, and out the back door, to assimilate the experience into an everyday frame of reference, without it needing to become a Spandex production," says Stasik. "All this hype and lionization of climbing has gotten to be a tad much."•

TRIBUTE TO "THE GRAND OL' LADY" OF NEW HAMPSHIRE, MABEL RICHARDSON

• Mr. SMITH. Mr. President, I rise today to pay tribute to Mabel Richardson, a truly dedicated and respected

New Hampshire public servant who passed away this week. Mabel, who was known to many as the Mountain Lady and the Grand Ol' Lady, served as a Republican lawmaker in the New Hampshire House of Representatives for 34 years. She was a role model for me and many other New Hampshire elected officials.

While Mabel may no longer be with us, she has left behind remarkable political legacy. From 1946 to 1980, she served as a State representative, was a strong advocate of public education and helped establish the New Hampshire Vocational-Technical College in Berlin. She was also a delegate to the National Republican Convention in the 1970's and was Chairman of the Order of Women Legislators and the State Republican Party. On her 90th birthday in 1986, then-Governor, John Sununu, read a proclamation of appreciation for her 34 years as a representative, and 4 years later then-Governor, Judd Gregg, named her Republican of the Year. She retired from politics when she was 83 years old.

Mabel lived a long, happy life of 99 years. She was born in Randolph, NH, raised on a farm and educated in a one-room schoolhouse. In 1960, she and her husband Herbert Randall Richardson became directors of the Odd Fellows' Old Folks Home in Concord, and before that they managed the Androscoggin Valley Country Club.

Many people in New Hampshire called Mabel the Mountain Lady because of her love of the White Mountains, where she had led many mountain climbs while working with the youth extension program.

I am amazed at the stamina and energy this lady had even in the later years of her life. As a representative in the New Hampshire Legislature, she was devoted to improving the lives of New Hampshire citizens. Undoubtedly, she will be missed by the many people who were touched by her devotion and hard work. I have always admired this woman, who gave so much to her State. She was truly a New Hampshire landmark, and her memory will live on—as solid as the White Mountains that she loved for her century-long life.•

THE 15TH ANNUAL PEACE OFFICERS' MEMORIAL DAY

• Mr. STEVENS. Mr. President, this week is National Peace Officers' Week, and the 15th Annual Peace Officers' Memorial Service is occurring today on the West Front of the Capitol.

We Americans go about our daily routines with the comfort that we can do so safety. We tend to forget that this comfort is the result of the efforts of thousands of dedicated peace officers around the country who are working to protect us from crime 24 hours a day.

While we are resting comfortably at home in the twilight hours of early morning, many peace officers are protecting our neighborhoods, patrolling our streets, and often putting themselves in harm's way. Their efforts are not without sacrifices. Police work does not always lend itself to family schedules. There are times when the children's weekend soccer matches are missed, when dinner is enjoyed in a patrol car, and when officers do not have the opportunity to tuck their children into bed. And, there is always the lingering anxiety of the spouse, worrying if tragedy will strike.

Mr. President, I am a cosponsor of Senator KEMPTHORNE's Senate Resolution 251, a resolution commemorating and acknowledging the dedication and sacrifices of the men and women who have lost their lives while serving as law enforcement officers.

A preliminary report of the National Association of Police Chiefs noted that 145 law officers died in the line of duty in 1995, including 13 in the Oklahoma City bombing.

While I am pleased to report that Alaska did not lose any peace officers in 1995, Alaska has lost 28 peace officers in the line of duty since statehood.

Today, we honor the memory of all fallen peace officers, and grieve for their families. In particular, I honor the memory of the 28 Alaskans who paid the ultimate price.

I will read the names of those 28 Alaskan peace officers and ask that their names be inserted in the RECORD of today's Senate proceedings. They are: Doris Wayne Barber, Earl Ray Hoggard, Dennis Finbar Cronin, Harry Edward Kier, Jimmy Earl Kennedy, Louie Gordon Mizelle, Ignatius John Charlie, Donald Thomas Dull, Karl William Reishus, Benjamin Franklin Strong, Thomas Charles Dillon, Johnathon Paul Flora, Richard James Adair, Troy Lynn Duncan, Roland Edgar Chevalier, Jr., David Cameron Harris, Anthony Crawford Jones, Kenneth Grant Nauska, Gary George Wohfiel, Frank Stuart Rodman, Larry Robert Carr, John David Stimson, Gordon Brewster Bartel, Harry Biddington Hanson, Jr., Ronald Eugene Zimin, Robert Lee Bittick, Leroy Garvin Bohuslov, and Claude Everett Swackhammer.

Mr. President, in closing I bring to the attention of my colleagues the Blue Ribbon Campaign organized by Concerns of Police Survivors, Inc., also known as COPS.

Blue ribbons are being flown this week from patrol antennas nationwide to ask communities to support law enforcement, and to remember those officers who have given their lives in the line of duty. You can see them flying proudly from our Capitol Hill Police patrol cars.

In keeping with this sign of support and remembrance, I urge all Alaskans to fly blue ribbons from their car antennas this week.•

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's executive calendar: All nominations placed on the Secretary's desk in the Air Force, Army, Marine Corps, and Navy.

I further ask unanimous consent that the nominations be confirmed, en bloc, the motions to reconsider be laid upon the table, en bloc, that any statements relating to the nominations appear at the appropriate place in the RECORD, the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed, en bloc, as follows:

IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Brian H. Benedict, and ending Daniel K. Roberts, which nominations were received by the Senate and appeared in the Congressional Record of March 20, 1996

Air Force nominations beginning Michael G. Colangelo, and ending John J. Barlettano, which nominations were received by the Senate and appeared in the Congressional Record of March 20, 1996

Army nominations beginning Ralph G. Benson, and ending Jesse L. Thornton, which nominations were received by the Senate and appeared in the Congressional Record of February 1, 1996

Army nominations beginning Wesley S. Ashton, and ending Valerie E. Holmes, which nominations were received by the Senate and appeared in the Congressional Record of March 26, 1996

Army nominations beginning Andre B. Abadie, and ending Steven Paul Zynda, which nominations were received by the Senate and appeared in the Congressional Record of March 26, 1996

Army nomination of Mark H. Lauber, which was received by the Senate and appeared in the Congressional Record of April 15, 1996

Army nominations beginning Jeffery Dootson, and ending Jon E. Schiff, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 1996

Army nominations beginning Daniel Bolas, and ending Paul S. Darby, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 1996

Army nominations beginning Richard R. Eckert, and ending Robert S. Knapp, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 1996

Army nominations beginning Ernest R. Adkins, and ending James C. Robertson, Jr., which nominations were received by the Senate and appeared in the Congressional Record of April 15, 1996

Army nominations beginning *Raymond A. Constabile, and ending Neil W. Ahle, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 1996

Army nominations beginning *William E. Ackerman, and ending *Myrna E. Zapata, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 1996

Marine Corps nominations beginning Michael C. Albano, and ending Richard C. Zilmer, which nominations were received by the Senate and appeared in the Congressional Record of March 20, 1996.

Marine Corps nominations beginning William S. Aitken, and ending Douglas P. Yurovich, which nominations were received by the Senate and appeared in the Congressional Record of March 20, 1996.

Marine Corps nominations beginning Joel H. Berry III, and ending Wayne R. Steele, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 1996.

Marine Corps nominations beginning Craig R. Abele, and ending Paul E. Zambelli, which nominations were received by the Senate and appeared in the Congressional Record of May 9, 1996.

Marine Corps nominations beginning Carlton W. Adams, and ending Donald C. Prograis, which nominations were received by the Senate and appeared in the Congressional Record of May 9, 1996.

Navy nominations beginning David L. Aamodt, and ending Schon M. Zwakman, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 1996.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

AMENDING THE NATIONAL SCHOOL LUNCH ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2066, just received from the House.

The PRESIDING OFFICER. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2066) to amend the National School Lunch Act to provide greater flexibility to schools to meet the dietary guidelines for Americans under the school lunch and school breakfast programs.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LUGAR. Mr. President, the bill before us today amends the National School Lunch Act to provide greater flexibility to school food service authorities to meet the USDA dietary guidelines for Americans. It is a positive step in providing healthy meals for our Nation's school children.

As I have stated on numerous occasions, the National School Lunch and Breakfast Programs work. School food service authorities have worked for nearly 50 years feeding millions of children each school day healthy meals. In recent years they have worked even harder to reduce the fat and sodium in the meals. I support these changes made by school food authorities to improve the nutritional profile of school meals; and I believe it is important to provide them adequate flexibility to serve meals that meet the USDA dietary guidelines for Americans and the recommended dietary allowances.

The purpose of the bill, which is similar to one introduced by the distinguished Senator from Mississippi, Senator COCHRAN, is not to delete or postpone the implementation of the dietary guidelines as contained in the Healthy Meals for Healthy Americans Act of 1994. It is, however, to provide needed flexibility and clarity to meet these requirements in a cost efficient manner. Guidelines issued by the Department of Agriculture to assist schools in meeting nutrition requirements should reflect the intent of the bill and should not require intensive paperwork or sophisticated nutrient analysis of meals prior to food service.

The U.S. Department of Agriculture recently issued a policy statement revising the instructions for crediting grains and breads in the National School Lunch Program. The policy statement is complicated and potentially costly to schools. While I support the philosophy of the Department to assist schools in meeting the dietary guidelines, I question the need for such an explicit policy statement. It is my hope that this legislation, along with assistance from the Department of Agriculture, will help school food service authorities serve meals that meet the nutritional requirements and children will eat.

This legislation has strong support from the Indiana School Food Service Association and the American School Food Service Association. It is also supported by the Clinton administration.

I urge Senators to support the bill.

Mr. COCHRAN. Mr. President, today the Senate is considering H.R. 2066, a bill that is virtually the same as S. 1613, which I introduced in the Senate earlier this year.

The purpose of this legislation is to amend the National School Lunch Act to provide greater flexibility to schools to meet the dietary guidelines for Americans contained in Public Law 103–448, the Healthy Meals for Healthy Americans Act of 1994. This bill does not postpone or reduce in any way the statutory requirement that schools have to meet these dietary guidelines.

The National School Lunch Program currently operates in over 92,000 schools and serves approximately 26 million children each day. In my State of Mississippi approximately 7 out of 10 children participate in the School Lunch Program.

The Secretary should take measures to ensure accountability, but should ensure those measures do not reduce the flexibility in this bill. It is not the intent of this bill for the Secretary to require school food authorities to provide detailed information about recipes, menus, nutrients, or nutrient analyses in order to receive approval to use a menu-planning method other than the three prescribed by USDA. Limitations on staff time and resources could make it extremely difficult for many school food authorities to provide such information. Schools that desire to use the 1994–95 food-based meal policies are entitled to do so under this legislation without preapproval. This legislation will also allow schools to consider local and regional preferences when preparing meals.

This bill has received wide support from school representatives at both the local and national level and from the administration. Earlier this week the other body passed this bill by unanimous consent. I urge my colleagues to support this legislation.

Mr. MCCONNELL. Mr. President, I rise in support of H.R. 2066, which is identical to S. 1613, a bill which I cosponsored. The purpose of this legislation is to provide commonsense flexibility to schools in meeting the statutory requirement of serving meals that meet the dietary guidelines for Americans under the school lunch and breakfast programs.

The dietary guidelines for Americans were first issued jointly by the Department of Agriculture and the Department of Health and Human Services in 1980, and have been revised several times since to reflect developments in scientific opinion. They present reasonable suggestions for how healthy Americans should eat to help them stay healthy. Congress has required that the school lunch and breakfast programs meet standards outlined in the dietary guidelines beginning with the 1996–97 school year.

Local school food service personnel have been working hard to improve the nutritional quality of school meals so that the dietary guidelines would be met. Good progress has been underway in virtually all schools, and many schools have met the dietary guidelines for a number of years using the existing food-based meal pattern. Unfortunately, recent regulatory efforts by the Department of Agriculture seem to have been undertaken with such good-intentioned zeal that local school food service personnel found themselves being micromanaged from Washington. Mr. President, there are relatively few things that work out well when mandated in detail from Washington and then implemented without reasonable discretion across the country. In school lunches and breakfasts, that is a recipe for disaster.

This legislation makes crystal clear that the regulations, policies, and guidelines in effect in 1994–95 school year are to be available to schools as one of the reasonable means of meeting the dietary guidelines. This legislation reaches beyond the regulations to the informal policy guidance documents. For example, the Department of Agriculture has issued a new policy regarding bread serving sizes that could have been issued under the 1994–95 food plan regulations, but was not. This new policy specifies, among other things, various sizes for muffins that must be served to meet the new policy. The sizes depend on the ingredients, and in some cases, the size of muffins would have to double. This legislation provides that the previous bread policy is available to schools in serving a food-based menu plan. This legislation is not to be construed as permitting new mandates or overly-clever interpretations in informal policy statements with the effect of defeating flexibility for local schools. This is just the sort of micromanagement from Washington our schools do not need.

Mr. President, I know and appreciate the work of school food service personnel. They work day in and day out to provide the best possible meals for the children of their school. Often, they are preparing meals for their own children. The Department of Agriculture should not again lose sight of that commitment by local school personnel. Instead of detailed mandates that prove to be unworkable, USDA should strive to work with the local food service personnel who feed our children each school day.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be deemed read the third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2066) was deemed read the third time, and passed.

PUBLIC BUILDINGS REFORM ACT OF 1996

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 334, S. 1005.

The PRESIDING OFFICER. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1005) to amend the Public Buildings Act of 1959 to improve the process of constructing, altering, purchasing, and acquiring public buildings, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Buildings Reform Act of 1995".

SEC. 2. SITE SELECTION.

Section 5 of the Public Buildings Act of 1959 (40 U.S.C. 604) is amended by adding at the end the following:

"(d) CONSIDERATION OF COSTS.—In selecting a site for a project to construct, alter, or acquire a public building, or to lease office or any other type of space, under this Act, the Administrator shall consider the impact of the selection of a particular site on the cost and space efficiency of the project.".

SEC. 3. CONGRESSIONAL OVERSIGHT OF PUBLIC BUILDINGS PROJECTS.

(a) IN GENERAL.—Section 7 of the Public Buildings Act of 1959 (40 U.S.C. 606) is amended—

(1) in subsection (a)—

(A) by striking the last sentence;

(B) in the first sentence, by striking "In order" and inserting the following:

"(2) PREREQUISITES TO OBLIGATION OF FUNDS.—

"(B) APPROVAL REQUIREMENTS.—

"(i) CONSTRUCTION, ALTERATION, AND ACQUISITION.—In order";

(C) in the second sentence, by striking "No" and inserting the following:

"(ii) LEASE.—No";

(D) in the third sentence, by striking "No" and inserting the following:

"(iii) ALTERATION.—No";

(E) by striking "SEC. 7. (a)" and inserting the following:

"SEC. 7. SUBMISSION AND APPROVAL OF PROPOSED PROJECTS.

"(a) IN GENERAL.—

"(1) PUBLIC BUILDINGS PLAN.—

"(A) IN GENERAL.—Not later than 15 days after the President submits to Congress the budget of the United States Government under section 1105 of title 31, United States Code, the Administrator shall submit to Congress a public buildings plan (referred to in this subsection as the 'triennial plan') for the first 3 fiscal years that begin after the date of submission. The triennial plan shall specify such projects for which approval is required under paragraph (2)(B) relating to the construction, alteration, or acquisition of public buildings, or the lease of office or any other type of space, as the Administrator determines are necessary to carry out the duties of the Administrator under this Act or any other law.

"(B) CONTENTS.—The triennial plan shall include—

"(i) a 5-year strategic management plan for capital assets under the control of the Administrator that—

"(I) provides for accommodating the office space and other public building needs of the Federal Government; and

"(II) is based on procurement mechanisms that allow the Administrator to take advantage of fluctuations in market forces affecting building construction and availability;

"(ii) a list—

"(I) in order of priority, of each construction or acquisition (excluding lease) project described in subparagraph (A) for which an authorization of appropriations is—

"(aa) requested for the first of the 3 fiscal years of the triennial plan referred to in subparagraph (A) (referred to in this paragraph as the 'first year');

"(bb) expected to be requested for the second of the 3 fiscal years of the triennial plan referred to in subparagraph (A) (referred to in this paragraph as the 'second year'); or

"(cc) expected to be requested for the third of the 3 fiscal years of the triennial plan referred to in subparagraph (A) (referred to in this paragraph as the 'third year'); and

"(II) that includes a description of each such project and the number of square feet of space planned for each such project;

"(iii) a list of each lease or lease renewal described in subparagraph (A) for which an authorization of appropriations is—

"(I) requested for the first year; or

"(II) expected to be requested for the second year or third year;

"(iv) a list, in order of priority, of each planned repair or alteration project described in subparagraph (A) for which an authorization of appropriations is—

"(I) requested for the first year; or

"(II) expected to be requested for the second year or third year;

"(v) an explanation of the basis for each order of priority specified under clauses (ii) and (iv);

"(vi) the estimated annual and total cost of each project requested in the triennial plan;

"(vii) a list of each public building planned to be wholly vacated, to be exchanged for other property, or to be disposed of during the period covered by the triennial plan; and

"(viii) requests for authorizations of appropriations necessary to carry out projects listed in the triennial plan for the first year.

"(C) PRESENTATION OF INFORMATION IN PLAN.—

"(i) FIRST YEAR.—In the case of a project for which the Administrator has requested an authorization of appropriations for the first year, information required to be included in the triennial plan under subparagraph (B) shall be presented in the form of a prospectus that meets the requirements of paragraph (2)(C).

"(ii) SECOND YEAR AND THIRD YEAR.—

"(I) IN GENERAL.—In the case of a project for which the Administrator expects to request an authorization of appropriations for the second year or third year, information required to be included in the triennial plan under subparagraph (B) shall be presented in the form of a project description.

"(II) GOOD FAITH ESTIMATES.—

"(aa) IN GENERAL.—Each reference to cost, price, or any other dollar amount contained in a project description referred to in subclause (I) shall be considered to be a good faith estimate by the Administrator.

"(bb) EFFECT.—A good faith estimate referred to in item (aa) shall not bind the Administrator with respect to a request for appropriation of funds for a fiscal year other than a fiscal year for which an authorization of appropriations for the project is requested in the triennial plan.

"(cc) EXPLANATION OF DEVIATION FROM ESTIMATE.—If the request for an authorization of appropriations contained in the prospectus for a project submitted under paragraph (2)(C) is different from a good faith estimate for the project referred to in item (aa), the prospectus shall include an explanation of the difference.

"(D) REINCLUSION OF PROJECTS IN PLANS.—If a project included in a triennial plan is not approved in accordance with this subsection, or if funds are not made available to carry out a project, the Administrator may include the project in a subsequent triennial plan submitted under this subsection.";

(F) in paragraph (2) (as designated by subparagraph (B))—

(i) by inserting after "(2) PREREQUISITES TO OBLIGATION OF FUNDS.—" the following:

"(A) IN GENERAL.—Notwithstanding any other provision of law, the Administrator may not obligate funds that are made available for any project for which approval is required under subparagraph (B) unless—

"(i) the project was included in the triennial plan for the fiscal year; and

"(ii) a prospectus for the project was submitted to Congress and approved in accordance with this paragraph."; and

(ii) by adding at the end the following:

"(C) PROSPECTUSES.—For the purpose of obtaining approval of a proposed project described in the triennial plan, the Administrator shall submit to Congress a prospectus for the project that includes—

"(i) a brief description of the public building to be constructed, altered, or acquired, or the space to be leased, under this Act;

"(ii) the location of the building to be constructed, altered, or acquired, or the space to be leased, and an estimate of the maximum cost, based on the predominant local office space measurement system (as determined by the Administrator), to the United States of the construction, alteration, or acquisition of the building, or lease of the space;

"(iii) in the case of a project for the construction of a courthouse or other public building consisting solely of general purpose office space, the cost benchmark for the project determined under subsection (d); and

"(iv) in the case of a project relating to a courthouse—

"(I) as of the date of submission of the prospectus, the number of—

"(aa) Federal judges for whom the project is to be carried out; and

"(bb) courtrooms available for the judges;

"(II) the projected number of Federal judges and courtrooms to be accommodated by the project at the end of the 10-year period beginning on the date;

"(III) a justification for the projection under subclause (II) (including a specification of the number of authorized positions, and the number of judges in senior status, to be accommodated);

"(IV) the year in which the courthouse in use as of the date of submission of the prospectus reached maximum capacity by housing only courts and court-related agencies;

"(V) the level of security risk at the courthouse in use as of the date of submission of the prospectus, as determined by the Director of the Administrative Office of the United States Courts; and

"(VI) the termination date of any lease, in effect as of the date of submission of the prospectus, of space to carry out a court-related activity that will be affected by the project."; and

(G) by adding at the end the following:

"(3) EMERGENCY AUTHORITY.—

"(A) OVERRIDING INTEREST.—If the Administrator, in consultation with the Commissioner of the Public Buildings Service, determines that an overriding interest requires emergency authority to construct, alter, or acquire a public building, or lease office or storage space, and that the authority cannot be obtained in a timely manner through the triennial planning process required under paragraph (1), the Administrator may submit a written request for the authority to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives. The Administrator may carry out the project for which authority was requested under the preceding sentence if the project is approved in the manner described in paragraph (2)(B).

"(B) DECLARED EMERGENCIES.—

"(i) LEASE AUTHORITY.—Notwithstanding any other provision of this section, the Administrator may enter into an emergency lease during any period of emergency declared by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) or any other law, or declared by any Federal agency pursuant to any applicable law, except that no such emergency lease shall be for a period of more than 5 years.

"(ii) REPORTING.—As part of each triennial plan, the Administrator shall describe any emergency lease for which a prospectus is required under paragraph (2) that was entered into by the Administrator under clause (i) during the preceding fiscal year.";

(2) in subsection (b)—

(A) by striking "(b) The" and inserting the following:

"(b) INCREASES IN COSTS OF PROJECTS.—

"(1) INCREASE OF 10 PERCENT OR LESS.—The"; and

(B) by adding at the end the following:

"(2) GREATER INCREASES.—If the Administrator increases the estimated maximum cost of a project in an amount greater than the increase authorized by paragraph (1), the Administrator shall, not later than 30 days after the date of the increase, notify the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives of the amount of, and reasons for, the increase.";

(3) in subsection (c), by striking "(c) In the case" and inserting the following:

"(c) RESCISSION OF APPROVAL.—In the case"; and

(4) by striking subsection (d) and inserting the following:

"(d) DEVELOPMENT OF COST BENCHMARKS.—

"(1) IN GENERAL.—The Administrator shall develop standard cost benchmarks for projects for the construction of courthouses, and other public buildings consisting solely of general purpose office space, for which a prospectus is required under subsection (a)(2). The benchmarks shall consist of the appropriate cost per square foot for low-rise, mid-rise, and high-rise projects subject to the various factors determined under paragraph (2).

"(2) FACTORS.—In developing the benchmarks, the Administrator shall consider such factors as geographic location (including the necessary extent of seismic structural supports), the tenant agency, and necessary parking facilities, and such other factors as the Administrator considers appropriate.".

(b) REPORTS TO CONGRESS.—Section 11 of the Public Buildings Act of 1959 (40 U.S.C. 610) is amended—

(1) by striking "SEC. 11. (a) Upon" and inserting the following:

"SEC. 11. REPORTS TO CONGRESS.

"(a) REPORTS ON UNCOMPLETED PROJECTS.—Upon"; and

(2) in subsection (b)—

(A) by striking "(b) The Administrator" and inserting the following:

"(b) BUILDING PROJECT SURVEYS AND REPORTS.—

"(1) IN GENERAL.—The Administrator";

(B) in the second sentence of paragraph (1) (as so designated), by inserting before the period at the end the following: ", and shall specify whether the project is included in a 5-year strategic capital asset management plan required under section 7(a)(1)(B)(i) or a prioritized list required under section 7(a)(1)(B)"; and

(C) by adding at the end the following:

"(2) INCLUSION OF REQUESTED BUILDING PROJECTS IN TRIENNIAL PLAN.—The Administrator may include a prospectus for the funding of a public building project for which a report is submitted under paragraph (1) in a triennial public buildings plan required under section 7(a)(1).".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 7 of the Act (40 U.S.C. 606) is amended by striking "Committee on Public Works and Transportation" each place it appears and inserting "Committee on Transportation and Infrastructure".

(2) Section 11(b)(1) of the Act (as amended by subsection (b)(2)) is further amended by striking "Committee on Public Works and Transportation" and inserting "Committee on Transportation and Infrastructure".

SEC. 4. FEDERAL GOVERNMENT ASSET MANAGEMENT.

Section 12 of the Public Buildings Act of 1959 (40 U.S.C. 611) is amended—

(1) by striking "SEC. 12. (a) The Administrator" and inserting the following:

"SEC. 12. FEDERAL GOVERNMENT ASSET MANAGEMENT.

"(a) DUTIES OF ADMINISTRATOR.—

"(1) IN GENERAL.—The Administrator";

(2) in subsection (a), by adding at the end the following:

"(2) REPOSITORY FOR ASSET MANAGEMENT INFORMATION.—The Administrator shall use the results of the continuing investigation and survey required under paragraph (1) to establish a central repository for the asset management information of the Federal Government.";

(3) in subsection (b)—

(A) by striking "(b) In carrying" and inserting the following:

"(b) COOPERATION AMONG FEDERAL AGENCIES.—

"(1) BY THE ADMINISTRATOR.—In carrying";

(B) by striking "Each Federal" and inserting the following:

"(2) BY THE AGENCIES.—Each Federal"; and

(C) by adding at the end the following:

"(3) IDENTIFICATION AND DISPOSITION OF UNNEEDED REAL PROPERTY.—

"(A) IDENTIFICATION.—Each Federal agency shall—

"(i) identify real property that is or will become unneeded, obsolete, or underutilized during the 5-year period beginning on the date of the identification; and

"(ii) annually report the information on the real property described in clause (i) to the Administrator.

"(B) DISPOSITION.—The Administrator shall analyze more cost-effective uses for the real property identified under subparagraph (A) and make recommendations to the Federal agency concerning the more cost-effective uses.";

(4) in subsection (c), by striking "(c) Whenever" and inserting the following:

"(c) IDENTIFICATION OF BUILDINGS OF HISTORIC, ARCHITECTURAL, AND CULTURAL SIGNIFICANCE.—Whenever"; and

(5) in subsection (d), by striking "(d) The Administrator" and inserting the following:

"(d) REGARD TO COMPARATIVE URGENCY OF NEED.—The Administrator".

SEC. 5. ADDRESSING LONG-TERM GOVERNMENT HOUSING NEEDS.

(a) REPORT ON LONG-TERM HOUSING NEEDS.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act and the end of each 2-year period thereafter, the head of each Federal agency (as defined in section 13(3) of the Public Buildings Act of 1959 (40 U.S.C. 612(3))) shall review and report to the Administrator of General Services (referred to in this Act as the "Administrator") on the long-term housing needs of the agency. The Administrator shall consolidate the agency reports and submit a consolidated report to Congress.

(2) ASSISTANCE AND UNIFORM STANDARDS.—The Administrator shall—

(A) assist each agency in carrying out the review required under paragraph (1); and

(B) prepare uniform standards for housing needs for—

(i) executive agencies (as defined in section 13(4) of the Public Buildings Act of 1959 (40 U.S.C. 612(4))); and

(ii) establishments in the judicial branch of the Federal Government.

(b) REDUCTION IN AGGREGATE OFFICE AND STORAGE SPACE.—By the end of the third fiscal *year that begins after the date of enactment of this Act, the Federal agencies referred to in subsection (a)(1) shall, to the maximum extent practicable, collectively reduce by not less than 10 percent the aggregate office and storage space used by the agencies (regardless of whether the space is leased or owned) on the date of enactment of this Act.*

SEC. 6. DESIGN GUIDES AND STANDARDS FOR COURT ACCOMMODATIONS.

(a) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator, in consultation with the Director of the Administrative Office of the United States Courts, shall submit a report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that specifies the characteristics of court accommodations that are essential to the provision of due process of law and the safe, fair, and efficient administration of justice by the Federal court system.

(b) DESIGN GUIDES AND STANDARDS.—

(1) DEVELOPMENT.—Not later than 180 days after the date of enactment of this Act, the Administrator, in consultation with the Director of the Administrative Office of the United States Courts and after notice and opportunity for comment, shall develop design guides and standards for Federal court accommodations based on the report submitted under subsection (a). In developing the design guides and standards, the Administrator shall consider space efficiency and the appropriate standards for furnishings.

(2) USE.—Notwithstanding section 462 of title 28, United States Code, the design guides and standards developed under paragraph (1) shall be used in the design of court accommodations.

SEC. 7. DESIGN OF FEDERAL COURTHOUSES.

The Act entitled "An Act establishing a Commission on Fine Arts", approved May 17, 1910 (36 Stat. 371, chapter 243; 40 U.S.C. 104), is amended by inserting after the second sentence the following: "It shall be the duty of the commission, not later than 60 days after submission of a conceptual design to the commission for a Federal courthouse at any place in the United States, to provide advice on the design, including an evaluation of the ability of the design to express the dignity, enterprise, vigor, and stability of the American Government appropriately and within the accepted standards of courthouse design.".

Mr. BAUCUS. Mr. President, today the Senate is considering my bill, the Public Buildings Reform Act. Let me start by expressing my thanks to the Chairman of the Environment and Public Works Committee, Senator Chafee, and the Chairman of the relevant Subcommittee, Senator Warner, for their support of this bill.

Mr. President, the Public Buildings Reform Act will go a long way to helping Congress make wise decisions on public buildings construction. It will help Congress achieve some discipline with respect to the cost of new federal buildings and courthouses. Specifically, the bill will bring some sanity to the courthouse construction program.

I have been working on the courthouse construction program for quite some time. And the more I have learned about the program, the more concerned I have become. It is very important that we reform the courthouse construction program and this bill will do that.

Why? Because the budget requests for new courthouses get larger and larger each year. Let me give examples from the last five years of budget requests—in FY 1993, the courthouse construction program request was $132 million or 22 percent of the GSA budget request; in FY 1994, the courthouse construction program request was $566 million or 76 percent of GSA's budget request; in FY 1995, courthouse requests were $419 million or 87 percent; in FY 1996, courthouse requests were $639 million or 63 percent and this year, FY 1997, courthouse requests are $632 million or 88 percent.

Mr. President, this is a lot of money. And we need to spend it wisely and only on those courthouse projects that are truly needed.

The Public Buildings Reform Act will help us do just that. It accomplishes two major goals—prioritization of courthouse projects; and gaining control of the Courthouse construction Design Guide.

Let me briefly summarize the major provisions of the bill.

First, the bill will require the General Services Administration (GSA) each year to submit a three-year plan to Congress. This triennial plan will prioritize courthouse and non-courthouse projects.

The first year of the three-year plan will contain the projects requested for authorization or appropriation. The second and third years of the three-year plan will be informational lists of projects expected to be requested in the future. Each year, the projects must be listed in a priority order.

All of this information will help Congress determine which projects are truly necessary—which is more important than ever as we work to balance the federal budget. As part of the three-year plan, GSA must also submit a five-year strategic capital asset management plan—which is a long-term plan of projects.

GAO has stated that the lack of long-term planning has created a situation where "absent this information, Congress has little practical choice but to consider projects individually. And since there is no articulated rationale or justification in a long-term strategic context for GSA's proposed projects, other projects can seem just as defensible."

Now I must tell the Senate that this year, the Administrative Office of the Courts has heard our calls for a prioritized list of courthouses. And they submitted a list of projects to the Environment and Public Works Committee. This is a good step and I commend the Courts. But this bill will take us the next logical step and give Congress a preview of impending projects.

In addition to the priority list, the bill will require GSA to submit additional information to the Environment and Public Works Committee to justify project requests. For courthouse projects, this will include the projected number of judges to be housed in the new courthouse; the year when the current courthouse met or will meet its maximum capacity; the level of security risk at the current courthouse; and the expiration date of any current leases housing the courts. This information will enable the Environment and Public Works Committee and the Congress to do a better job in assessing the need for new courthouses.

Finally, and perhaps most importantly, the bill will solve what I see as a major problem with the courthouse construction program. That is, the standards for courthouse design seem to be ever changing. And, of course, the changes always seem to lead to more expensive projects, not cheaper ones.

To fix that problem, this bill will require GSA, along with the Courts, to rewrite the courthouse construction Design Guide and develop fair, responsible standards for courthouse construction. GSA then will be in charge of making sure that all courthouses constructed in this country do not deviate from the standards contained in the Design Guide.

Why should this be done? One reason was cited by the GSA Inspector General in a report issued on September 27, 1995. The report said the "Courts Design Guide is a document which provides specifications, requirements, and standards for constructing and outfitting courthouses. It has evolved over the years and has produced larger, more grandly appointed courtrooms and chambers. As a result, costs related to implementing the design standards written by and interpreted by the Courts have escalated. The language and requirements in the Courts Design Guide help explain some of the perceived excesses in new courthouse projects."

This does not mean courthouses will be drab—they will continue to be appropriate to the dignity of the Courts. But they will not be palaces. It means that we will have an effective checks and balances on the design of courthouses.

Mr. President, it is important for judges to understand that this is not their money. It is the taxpayers money. And the taxpayers demand and deserve to know that their tax dollars are not being thrown away on extravagances like marble floors and brass doorknobs.

In Montana, our judges do not have palatial courthouses. In fact, many of our judges are not even housed in a federally-owned courthouse—they are in leased space. But they are able to provide due process of the law without these extras.

As Congress looks to make deep cuts in many important social and domestic programs, it is only fair that we make sure that tax dollars are not needlessly wasted in the construction of federal buildings.

Again, Mr. President, I thank Senators CHAFEE and WARNER for their support of this bill.

Mr. CHAFEE. Mr. President, today the Senate will consider S. 1005, the Public Building Reform Act of 1996. This legislation, which will improve the way we construct, acquire and lease public buildings, was introduced on June 29, 1995. It is cosponsored by Senators Warner and Baucus, the chairman and ranking member of the Committee on Environment and Public Works Subcommittee on Transportation and Infrastructure. The full committee approved S. 1005, with amendments, on December 19, 1995.

Before I go on, Mr. President, I would like to recognize the efforts of Senator BAUCUS and Senator WARNER. They have worked together over the last year on the Transportation and Infrastructure Subcommittee to shape this important and necessary set of reforms.

As I will discuss further in my remarks today, the issue of Federal building and courthouse construction has received a tremendous amount of critical commentary in the media and here on Capitol Hill. I believe that S. 1005 responds to the important problems in a thoughtful and measured way.

Over the last three to four years, we have witnessed an endless stream of General Accounting Office (GAO) reports, newspaper stories and congressional investigations citing excessive General Services Administration (GSA) spending for Federal building projects.

These reports and investigations have discussed management failures at GSA, insufficient project prioritization, the inclusion of unneeded and "luxurious" facility features, and inappropriate congressional influence upon the selection of projects as causes for wasteful and excessive spending. The courthouse construction projects, in particular, have been a source of great controversy.

Members of the Committee on Environment and Public Works have worked hard over the last three years, in particular to reform the public buildings process and to achieve significant taxpayer savings. Some here might recall that in the fiscal year 1996 Concurrent Resolution on the Budget, the Congress called for a 30 percent reduction in new construction funding at GSA over seven years.

Last year, in the first year of the seven-year period, we achieved that budget goal. The Committee cut a number of new construction projects and authorized less than 70 percent of the $1.022 billion requested by the administration. The Committee has recently received and is reviewing the administration's fiscal year 1997 budget request. Like last year, we will be looking to authorize an overall funding level that is significantly below the levels authorized in previous years.

While thorough review of the annual project requests must and will continue, there is also the need for fundamental reform of the process by which these new construction projects are identified, designed, submitted to the Congress, authorized and finally approved for funding. We believe that the reforms contained in S. 1005 will: improve the quality of the projects submitted for congressional approval; improve and enhance congressional oversight; and ultimately, save the taxpayers millions of dollars.

The bill addresses four major issues. The first issue is priority-setting. As I stated previously, the fiscal year 1996 Budget Resolution called for a 30 percent reduction in GSA construction funding over seven years.

To achieve this target in a reasonable fashion, we must be aware of what GSA and its tenant agencies consider to be the top priorities. S. 1005 requires a clear prioritization of all GSA projects submitted to the Congress for approval. With regard to courthouse projects, I might note that the Judiciary and GSA have already begun to comply with this important requirement.

Next is the issue of long-range planning. The idea here is to know, in advance, what projects are likely to be requested in future years. Our experience has been that too many worthwhile projects—which have gone through all of the steps—get bumped out of GSA's annual request to accommodate other projects which are politically driven.

This legislation requires GSA to submit to Congress—as part of its annual authorization requests—a list of the projects it intends to request for the subsequent two years. This way, the Congress will be able to identify and plainly judge the merit of projects which might have been "hurried through the process."

The third major issue addressed by the bill is the need for specific information on project requests. If GSA is to establish project rankings or "priorities" under this bill, they must do so after following a sensible set of criteria. When did the project reach its maximum space capacity? Are there time-sensitive lease circumstances associated with the project request?

In the case of courthouse projects; how many judgeships are authorized and what is the appropriate number of courtrooms? Or, what is the security situation? The bill requires that all of this essential information be included in the prospectuses sent to Congress.

Again, with respect to courthouses, this legislation addresses the issue of design standards. While the Congress cannot and should not dictate the exact parameters of courtroom ceiling heights and judges' chambers—I am convinced that we need a consistent set of guidelines or standards. The bill before us establishes a partnership between GSA and the Judiciary on design guidelines. It is my hope that these two entities can work together to establish design guidelines which will put an end to the controversy that has followed some of these projects.

In closing, Mr. President, let me say that I am glad to be a part of this reform effort and wish to again commend Senators BAUCUS and WARNER for their leadership. I strongly urge my colleagues to support this sensible reform measure.

AMENDMENT NO. 3983

(Purpose: To make a technical correction.)

Mr. FRIST. Mr. President, I send an amendment to the desk on behalf of Senator BAUCUS and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. FRIST], for Mr. BAUCUS, proposes an amendment numbered 3983.

Mr. FRIST. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 21, line 3, strike "1995" and insert "1996".

Mr. FRIST. Mr. President, I ask unanimous consent that the amendment be agreed to, the committee amendment be agreed to, the bill, as amended, be deemed read the third time, and passed, the title be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3983) was agreed to.

The committee amendment was agreed to.

The bill (S. 1005), as amended, was deemed read the third time, and passed, as follows:

S. 1005

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Buildings Reform Act of 1996".

SEC. 2. SITE SELECTION.

Section 5 of the Public Buildings Act of 1959 (40 U.S.C. 604) is amended by adding at the end the following:

"(d) CONSIDERATION OF COSTS.—In selecting a site for a project to construct, alter, or acquire a public building, or to lease office or any other type of space, under this Act, the Administrator shall consider the impact of the selection of a particular site on the cost and space efficiency of the project.".

SEC. 3. CONGRESSIONAL OVERSIGHT OF PUBLIC BUILDINGS PROJECTS.

(a) IN GENERAL.—Section 7 of the Public Buildings Act of 1959 (40 U.S.C. 606) is amended—

(1) in subsection (a)—

(A) by striking the last sentence;

(B) in the first sentence, by striking "In order" and inserting the following:

"(2) PREREQUISITES TO OBLIGATION OF FUNDS.—

"(B) APPROVAL REQUIREMENTS.—

"(i) CONSTRUCTION, ALTERATION, AND ACQUISITION.—In order";

(C) in the second sentence, by striking "No" and inserting the following:

"(ii) LEASE.—No";

(D) in the third sentence, by striking "No" and inserting the following:

"(iii) ALTERATION.—No";

(E) by striking "SEC. 7. (a)" and inserting the following:

"SEC. 7. SUBMISSION AND APPROVAL OF PROPOSED PROJECTS.

"(a) IN GENERAL.—

"(1) PUBLIC BUILDINGS PLAN.—

"(A) IN GENERAL.—Not later than 15 days after the President submits to Congress the budget of the United States Government under section 1105 of title 31, United States Code, the Administrator shall submit to Congress a public buildings plan (referred to in this subsection as the 'triennial plan') for the first 3 fiscal years that begin after the date of submission. The triennial plan shall specify such projects for which approval is required under paragraph (2)(B) relating to the construction, alteration, or acquisition of public buildings, or the lease of office or any other type of space, as the Administrator determines are necessary to carry out the duties of the Administrator under this Act or any other law.

"(B) CONTENTS.—The triennial plan shall include—

"(i) a 5-year strategic management plan for capital assets under the control of the Administrator that—

"(I) provides for accommodating the office space and other public building needs of the Federal Government; and

"(II) is based on procurement mechanisms that allow the Administrator to take advantage of fluctuations in market forces affecting building construction and availability;

"(ii) a list—

"(I) in order of priority, of each construction or acquisition (excluding lease) project described in subparagraph (A) for which an authorization of appropriations is—

"(aa) requested for the first of the 3 fiscal years of the triennial plan referred to in subparagraph (A) (referred to in this paragraph as the 'first year');

"(bb) expected to be requested for the second of the 3 fiscal years of the triennial plan referred to in subparagraph (A) (referred to in this paragraph as the 'second year'); or

"(cc) expected to be requested for the third of the 3 fiscal years of the triennial plan referred to in subparagraph (A) (referred to in this paragraph as the 'third year'); and

"(II) that includes a description of each such project and the number of square feet of space planned for each such project;

"(iii) a list of each lease or lease renewal described in subparagraph (A) for which an authorization of appropriations is—

"(I) requested for the first year; or

"(II) expected to be requested for the second year or third year;

"(iv) a list, in order of priority, of each planned repair or alteration project described in subparagraph (A) for which an authorization of appropriations is—

"(I) requested for the first year; or

"(II) expected to be requested for the second year or third year;

"(v) an explanation of the basis for each order of priority specified under clauses (ii) and (iv);

"(vi) the estimated annual and total cost of each project requested in the triennial plan;

"(vii) a list of each public building planned to be wholly vacated, to be exchanged for other property, or to be disposed of during the period covered by the triennial plan; and

"(viii) requests for authorizations of appropriations necessary to carry out projects listed in the triennial plan for the first year.

"(C) PRESENTATION OF INFORMATION IN PLAN.—

"(i) FIRST YEAR.—In the case of a project for which the Administrator has requested an authorization of appropriations for the first year, information required to be included in the triennial plan under subparagraph (B) shall be presented in the form of a prospectus that meets the requirements of paragraph (2)(C).

"(ii) SECOND YEAR AND THIRD YEAR.—

"(I) IN GENERAL.—In the case of a project for which the Administrator expects to request an authorization of appropriations for the second year or third year, information required to be included in the triennial plan under subparagraph (B) shall be presented in the form of a project description.

"(II) GOOD FAITH ESTIMATES.—

"(aa) IN GENERAL.—Each reference to cost, price, or any other dollar amount contained in a project description referred to in subclause (I) shall be considered to be a good faith estimate by the Administrator.

"(bb) EFFECT.—A good faith estimate referred to in item (aa) shall not bind the Administrator with respect to a request for appropriation of funds for a fiscal year other than a fiscal year for which an authorization of appropriations for the project is requested in the triennial plan.

"(cc) EXPLANATION OF DEVIATION FROM ESTIMATE.—If the request for an authorization of appropriations contained in the prospectus for a project submitted under paragraph (2)(C) is different from a good faith estimate for the project referred to in item (aa), the prospectus shall include an explanation of the difference.

"(D) REINCLUSION OF PROJECTS IN PLANS.—If a project included in a triennial plan is not approved in accordance with this subsection, or if funds are not made available to carry out a project, the Administrator may include the project in a subsequent triennial plan submitted under this subsection.";

(F) in paragraph (2) (as designated by subparagraph (B))—

(i) by inserting after "(2) PREREQUISITES TO OBLIGATION OF FUNDS.—" the following:

"(A) IN GENERAL.—Notwithstanding any other provision of law, the Administrator may not obligate funds that are made available for any project for which approval is required under subparagraph (B) unless—

"(i) the project was included in the triennial plan for the fiscal year; and

"(ii) a prospectus for the project was submitted to Congress and approved in accordance with this paragraph."; and

(ii) by adding at the end the following:

"(C) PROSPECTUSES.—For the purpose of obtaining approval of a proposed project described in the triennial plan, the Administrator shall submit to Congress a prospectus for the project that includes—

"(i) a brief description of the public building to be constructed, altered, or acquired, or the space to be leased, under this Act;

"(ii) the location of the building to be constructed, altered, or acquired, or the space to be leased, and an estimate of the maximum cost, based on the predominant local office space measurement system (as determined by the Administrator), to the United States of the construction, alteration, or acquisition of the building, or lease of the space;

"(iii) in the case of a project for the construction of a courthouse or other public building consisting solely of general purpose office space, the cost benchmark for the project determined under subsection (d); and

"(iv) in the case of a project relating to a courthouse—

"(I) as of the date of submission of the prospectus, the number of—

"(aa) Federal judges for whom the project is to be carried out; and

"(bb) courtrooms available for the judges;

"(II) the projected number of Federal judges and courtrooms to be accommodated by the project at the end of the 10-year period beginning on the date;

"(III) a justification for the projection under subclause (II) (including a specification of the number of authorized positions, and the number of judges in senior status, to be accommodated);

"(IV) the year in which the courthouse in use as of the date of submission of the prospectus reached maximum capacity by housing only courts and court-related agencies;

"(V) the level of security risk at the courthouse in use as of the date of submission of the prospectus, as determined by the Director of the Administrative Office of the United States Courts; and

"(VI) the termination date of any lease, in effect as of the date of submission of the prospectus, of space to carry out a court-related activity that will be affected by the project."; and

(G) by adding at the end the following:

"(3) EMERGENCY AUTHORITY.—

"(A) OVERRIDING INTEREST.—If the Administrator, in consultation with the Commissioner of the Public Buildings Service, determines that an overriding interest requires emergency authority to construct, alter, or acquire a public building, or lease office or storage space, and that the authority cannot be obtained in a timely manner through the triennial planning process required under paragraph (1), the Administrator may submit a written request for the authority to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives. The Administrator may carry out the project for which authority was requested under the preceding sentence if the project is approved in the manner described in paragraph (2)(B).

"(B) DECLARED EMERGENCIES.—

"(i) LEASE AUTHORITY.—Notwithstanding any other provision of this section, the Administrator may enter into an emergency lease during any period of emergency declared by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) or any other law, or declared by any Federal agency pursuant to any applicable law, except that no such emergency lease shall be for a period of more than 5 years.

"(ii) REPORTING.—As part of each triennial plan, the Administrator shall describe any emergency lease for which a prospectus is required under paragraph (2) that was entered into by the Administrator under clause (i) during the preceding fiscal year.";

(2) in subsection (b)—

(A) by striking "(b) The" and inserting the following:

"(b) INCREASES IN COSTS OF PROJECTS.—

"(1) INCREASE OF 10 PERCENT OR LESS.—The"; and

(B) by adding at the end the following:

"(2) GREATER INCREASES.—If the Administrator increases the estimated maximum cost of a project in an amount greater than the increase authorized by paragraph (1), the Administrator shall, not later than 30 days after the date of the increase, notify the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives of the amount of, and reasons for, the increase.";

(3) in subsection (c), by striking "(c) In the case" and inserting the following:

"(c) RESCISSION OF APPROVAL.—In the case"; and

(4) by striking subsection (d) and inserting the following:

"(d) DEVELOPMENT OF COST BENCHMARKS.—

"(1) IN GENERAL.—The Administrator shall develop standard cost benchmarks for projects for the construction of courthouses, and other public buildings consisting solely of general purpose office space, for which a prospectus is required under subsection (a)(2). The benchmarks shall consist of the appropriate cost per square foot for low-rise, mid-rise, and high-rise projects subject to the various factors determined under paragraph (2).

"(2) FACTORS.—In developing the benchmarks, the Administrator shall consider such factors as geographic location (including the necessary extent of seismic structural supports), the tenant agency, and necessary parking facilities, and such other factors as the Administrator considers appropriate.".

(b) REPORTS TO CONGRESS.—Section 11 of the Public Buildings Act of 1959 (40 U.S.C. 610) is amended—

(1) by striking "SEC. 11. (a) Upon" and inserting the following:

"SEC. 11. REPORTS TO CONGRESS.

"(a) REPORTS ON UNCOMPLETED PROJECTS.—Upon"; and

(2) in subsection (b)—

(A) by striking "(b) The Administrator" and inserting the following:

"(b) BUILDING PROJECT SURVEYS AND REPORTS.—

"(1) IN GENERAL.—The Administrator";

(B) in the second sentence of paragraph (1) (as so designated), by inserting before the period at the end the following: ", and shall specify whether the project is included in a 5-year strategic capital asset management plan required under section 7(a)(1)(B)(i) or a prioritized list required under section 7(a)(1)(B)"; and

(C) by adding at the end the following:

"(2) INCLUSION OF REQUESTED BUILDING PROJECTS IN TRIENNIAL PLAN.—The Administrator may include a prospectus for the funding of a public building project for which a report is submitted under paragraph (1) in a triennial public buildings plan required under section 7(a)(1).".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 7 of the Act (40 U.S.C. 606) is amended by striking "Committee on Public Works and Transportation" each place it appears and inserting "Committee on Transportation and Infrastructure".

(2) Section 11(b)(1) of the Act (as amended by subsection (b)(2)) is further amended by striking "Committee on Public Works and Transportation" and inserting "Committee on Transportation and Infrastructure".

SEC. 4. FEDERAL GOVERNMENT ASSET MANAGEMENT.

Section 12 of the Public Buildings Act of 1959 (40 U.S.C. 611) is amended—

(1) by striking "SEC. 12. (a) The Administrator" and inserting the following:

"SEC. 12. FEDERAL GOVERNMENT ASSET MANAGEMENT.

"(a) DUTIES OF ADMINISTRATOR.—

"(1) IN GENERAL.—The Administrator";

(2) in subsection (a), by adding at the end the following:

"(2) REPOSITORY FOR ASSET MANAGEMENT INFORMATION.—The Administrator shall use the results of the continuing investigation and survey required under paragraph (1) to establish a central repository for the asset management information of the Federal Government.";

(3) in subsection (b)—

(A) by striking "(b) In carrying" and inserting the following:

"(b) COOPERATION AMONG FEDERAL AGENCIES.—

"(1) BY THE ADMINISTRATOR.—In carrying";

(B) by striking "Each Federal" and inserting the following:

"(2) BY THE AGENCIES.—Each Federal"; and

(C) by adding at the end the following:

"(3) IDENTIFICATION AND DISPOSITION OF UNNEEDED REAL PROPERTY.—

"(A) IDENTIFICATION.—Each Federal agency shall—

"(i) identify real property that is or will become unneeded, obsolete, or underutilized during the 5-year period beginning on the date of the identification; and

"(ii) annually report the information on the real property described in clause (i) to the Administrator.

"(B) DISPOSITION.—The Administrator shall analyze more cost-effective uses for the real property identified under subparagraph (A) and make recommendations to the Federal agency concerning the more cost-effective uses.";

(4) in subsection (c), by striking "(c) Whenever" and inserting the following:

"(c) IDENTIFICATION OF BUILDINGS OF HISTORIC, ARCHITECTURAL, AND CULTURAL SIGNIFICANCE.—Whenever"; and

(5) in subsection (d), by striking "(d) The Administrator" and inserting the following:

"(d) REGARD TO COMPARATIVE URGENCY OF NEED.—The Administrator".

SEC. 5. ADDRESSING LONG-TERM GOVERNMENT HOUSING NEEDS.

(a) REPORT ON LONG-TERM HOUSING NEEDS.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act and the end of each 2-year period thereafter, the head of each Federal agency (as defined in section 13(3) of the Public Buildings Act of 1959 (40 U.S.C. 612(3))) shall review and report to the Administrator of General Services (referred to in this Act as the "Administrator") on the long-term housing needs of the agency. The Administrator shall consolidate the agency reports and submit a consolidated report to Congress.

(2) ASSISTANCE AND UNIFORM STANDARDS.—The Administrator shall—

(A) assist each agency in carrying out the review required under paragraph (1); and

(B) prepare uniform standards for housing needs for—

(i) executive agencies (as defined in section 13(4) of the Public Buildings Act of 1959 (40 U.S.C. 612(4))); and

(ii) establishments in the judicial branch of the Federal Government.

(b) REDUCTION IN AGGREGATE OFFICE AND STORAGE SPACE.—By the end of the third fiscal year that begins after the date of enactment of this Act, the Federal agencies referred to in subsection (a)(1) shall, to the maximum extent practicable, collectively reduce by not less than 10 percent the aggregate office and storage space used by the agencies (regardless of whether the space is leased or owned) on the date of enactment of this Act.

SEC. 6. DESIGN GUIDES AND STANDARDS FOR COURT ACCOMMODATIONS.

(a) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator, in consultation with the Director of the Administrative Office of the United States Courts, shall submit a report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that specifies the characteristics of court accommodations that are essential to the provision of due process of law and the safe, fair, and efficient administration of justice by the Federal court system.

(b) DESIGN GUIDES AND STANDARDS.—

(1) DEVELOPMENT.—Not later than 180 days after the date of enactment of this Act, the Administrator, in consultation with the Director of the Administrative Office of the United States Courts and after notice and opportunity for comment, shall develop design guides and standards for Federal court accommodations based on the report submitted under subsection (a). In developing the design guides and standards, the Administrator shall consider space efficiency and the appropriate standards for furnishings.

(2) USE.—Notwithstanding section 462 of title 28, United States Code, the design guides and standards developed under paragraph (1) shall be used in the design of court accommodations.

SEC. 7. DESIGN OF FEDERAL COURTHOUSES.

The Act entitled "An Act establishing a Commission on Fine Arts", approved May 17, 1910 (36 Stat. 371, chapter 243; 40 U.S.C. 104), is amended by inserting after the second sentence the following: "It shall be the duty of the commission, not later than 60 days after submission of a conceptual design to the commission for a Federal courthouse at any place in the United States, to provide advice on the design, including an evaluation of the ability of the design to express the dignity, enterprise, vigor, and stability of the American Government appropriately and within the accepted standards of courthouse design.".

ORDERS FOR FRIDAY, MAY 17, 1996

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Friday, May 17; further, that immediately following the prayer, the Journal of the proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the Senate then resume consideration of Senate Concurrent Resolution 57, the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, tomorrow the Senate will resume consideration of the budget resolution. Senators are expected to offer amendments to the resolution on Friday and Monday. Any votes ordered on those amendments on those days will be ordered to occur on Tuesday.

Therefore, for the information of all Senators, no rollcall votes will occur on Friday or Monday. However, Senators are encouraged to offer their amendments prior to Tuesday, in that it is the intention of the leadership to complete action on the budget on Tuesday.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 4355(a), appoints the Senator from Wisconsin [Mr. KOHL], from the Committee on Appropriations, to the Board of Visitors of the U.S. Military Academy, vice the Senator from Nevada [Mr. REID].

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment as under the previous order.

Thereupon, the Senate, at 11:18 p.m., adjourned until Friday, May 17, 1996, at 9:30 a.m..

NOMINATIONS

Executive nominations received by the Senate May 16, 1996:

DEPARTMENT OF JUSTICE

J. RENÉ JOSEY, OF SOUTH CAROLINA, TO BE U.S. ATTORNEY FOR THE DISTRICT OF SOUTH CAROLINA FOR THE TERM OF FOUR YEARS VICE J. PRESTON STROM, JR., RESIGNED.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate May 16, 1996:

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING BRIAN H. BENEDICT, AND ENDING DANIEL K. ROBERTS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 20, 1996.

AIR FORCE NOMINATIONS BEGINNING MICHAEL G. COLANGELO, AND ENDING JOHN J. BARLETTANO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 20, 1996.

AIR FORCE NOMINATIONS BEGINNING RYAN C. BERRY, AND ENDING GERALD T. YAP, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 19, 1996.

IN THE ARMY

ARMY NOMINATIONS BEGINNING RALPH G. BENSON, AND ENDING JESSE L. THORNTON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 1, 1996.

ARMY NOMINATIONS BEGINNING WESLEY S. ASHTON, AND ENDING VALERIE E. HOLMES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 25, 1996.

ARMY NOMINATIONS BEGINNING ANDRE B. ABADIE, AND ENDING STEVEN PAUL ZYNDA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 26, 1996.

ARMY NOMINATION OF MARK H. LAUBER, WHICH NOMINATION WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 1996.

ARMY NOMINATIONS BEGINNING JEFFERY DOOTSON, AND ENDING JON E. SCHIFF, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 1996.

ARMY NOMINATIONS BEGINNING DANIEL BOLAS, AND ENDING PAUL S. DARBY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 1996.

ARMY NOMINATIONS BEGINNING RICHARD R. ECKERT, AND ENDING ROBERT S. KNAPP, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 1996.

ARMY NOMINATIONS BEGINNING ERNEST R. ADKINS, AND ENDING JAMES C. ROBERTSON, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 1996.

ARMY NOMINATIONS BEGINNING RAYMOND A. CONSTABILE, AND ENDING NEIL W. AHLE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 1996.

ARMY NOMINATIONS BEGINNING WILLIAM E. ACKERMAN, AND ENDING MYRNA E. ZAPATA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 1996.

IN THE MARINE CORPS

MARINE CORPS NOMINATIONS BEGINNING MICHAEL C. ALBANO, AND ENDING RICHARD C. ZILMER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 20, 1996.

MARINE CORPS NOMINATIONS BEGINNING WILLIAM S. AITKEN, AND ENDING DOUGLAS P. YUROVICH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 20, 1996.

MARINE CORPS NOMINATIONS BEGINNING JOEL H. BERRY, III, AND ENDING WAYNE R. STEELE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 1996.

MARINE CORPS NOMINATIONS BEGINNING CRAIG R. ABELE, AND ENDING PAUL E. ZAMBELLI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 9, 1996.

MARINE CORPS NOMINATIONS BEGINNING CARLTON W. ADAMS, AND ENDING DONALD C. PROGRAIS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 9, 1996.

IN THE NAVY

NAVY NOMINATIONS BEGINNING DAVID L. AAMODT, AND ENDING SCHON M. ZWAKMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 1996.

EXTENSIONS OF REMARKS

MINNESOTA TEACHER IS SITED AS ENVIRONMENTAL HERO

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. VENTO. Mr. Speaker, I rise today to recognize a teacher and a fellow Minnesotan who was recently cited as an environmental hero by the Minnesota Wilderness and Parks Coalition, Ms. Cindy Reinitz. As a science educator for 10 years before serving in the U.S. Congress, I am very pleased to note the outstanding science inquiry education initiative that is being demonstrated by Ms. Reinitz.

Ms. Reinitz teaches at the Minnesota New Country Charter School and has expanded her classroom outside the school's walls, involving her students in an active inquiry project with the goal of solving what persists as an environmental mystery in Minnesota and around the globe. Scientists have documented declines in amphibian populations worldwide, and they have also detected an increase in the number of these animals who have physical deformities. The mystery is what is causing these changes in the amphibian population. Scientists are unsure of the exact cause, but human encroachment on their habitats, chemical pollution, and increased ultraviolet radiation from ozone depletion have been sited as possible suspects.

Minnesota's amphibian population, especially frogs, has been affected, and many groups, including the students in Ms. Reinitz class, have stepped in to help solve the mystery. The students, who initially discovered abnormal development of Leopard frogs in their southwest Minnesota area, have now partnered with the Minnesota Pollution Control Agency and Hamline University's Center for Global and Environmental Education to form the A Thousand Friends of Frogs program. This cooperative effort will, among other things, provide students a way to make substantive contributions to this scientific initiative. The plan is to have the students of A Thousand Friends of Frogs monitor sites where deformed frogs have been found and collect data on their populations. They will also help develop educational programs for use by other students across the State. Eventually, students will combine the data they collected in order to help researchers find the cause and solution to this problem facing Minnesota's frog population.

The enthusiasm and dedication of the students involved in A Thousand Friends of Frogs demonstrates not only their commitment to the environment, but it reflects on the quality and creativity of the students' science teachers. Cindy Reinitz is one of those outstanding educators, expanding the minds of her students and making science more than something to study, but something to explore.

At a time when many questions persist concerning the quality of schools and education programs, it is encouraging to highlight a successful program and the positive community response to the concerns of a Minnesota teacher and her students. Teaching younger generations about science is an essential task in a world becoming increasingly reliant on technology and science to remain competitive in the global economy. It is also an important part of passing on an appreciation for the environment and the species that live within it. Educators such as Cindy Reinitz are an integral part of ensuring a quality science and environmental education in our Nation's schools, and I am glad to know that she is making a difference in Minnesota. I want to thank and congratulate Ms. Reinitz for her hard work protecting the environment and educating young Minnesotans. She is not only an environmental hero, but a hero for our young people as well.

Mr. Speaker, I would like to enter the following article into the RECORD regarding the efforts of Ms. Reinitz, her students, and all the scientists and researchers working to find a cause for the mysterious changes in amphibian populations in Minnesota. The article was written by Anne Brataas and printed in the St. Paul Pioneer Press on May 9, 1996.

Consider 55 years of frog history in Minnesota:

One spring night in 1941, Walter Breckenridge—a biologist who specializes in frogs, toads, snakes and salamanders—counted the dead frogs on West Mississippi River Road near his home in Brooklyn Park. His estimate: 12,000 northern leopard frogs per mile on the road surface.

The frogs were killed by cars as they left the Mississippi River, where they spend the winter, and crossed the road to small pools of water to breed. Says Breckenridge: "You'd thought they were fallen leaves, there were so many of them on the road—and I only counted the dead ones. Obviously, some made it across. It was quite a traffic hazard because it was so slippery. But these days, I see very few leopard frogs. Very few."

Last summer students in Cindy Reinitz' science class at the Minnesota New Country Charter School in Le Sueur-Henderson School District had considerably fewer northern leopard frogs to work with—about 400 that they caught with the help of scientists from the Minnesota Pollution Control Agency.

Of those, about 30 to 50 percent were found to be deformed. Some had three legs. Others were missing a leg. Still others had a bony plate jutting out from the leg. Breckenridge says he's never seen such a thing.

These two extreme frog encounters point to a disturbing trend that biologists worldwide are now documenting: Amphibian populations are declining and distressed due to a constellation of factors, including overpopulation by humans that leads to loss of habitat, chemical pollution that poisons amphibians or disrupts normal development, and increased ultraviolet radiation from the destruction of the ozone layer.

In Minnesota, the issue has taken on new urgency since the discovery of the deformed leopard frogs. As a result, a coalition of scientists, college students, Hamline University's Center for Global and Environmental Education in St. Paul and grade school children has formed A Thousand Friends of Frogs to help the state's amphibians. Through the Minnesota Legislature—and its Legislative Commission on Minnesota Resources—this coalition has mounted an investigative and educational effort on several fronts. Among them are:

Minnesota Pollution Control Agency—With a $151,000 grant from the Legislative Commission on Minnesota Resources, MPCA scientists are working with various university researchers to examine tissue samples and egg development and to perform chromosome analysis as a way of determining possible causes of the deformities. "What we're trying to do is see what the deformed frogs have in common," says PCA researcher Judy Helgen. These common factors will then be evaluated in terms of potential causes—from chemicals to parasites—present at the sites during the time the deformities occurred.

University of Minnesota—At the University of Minnesota, ecologist Bill Schmid dissected some of the deformed frogs and X-rayed their bone structure to determine if the deformities were superficial or part of a deeper developmental pattern gone awry. His findings thus far: the deformities appear to be the result of a miscue in the frog's development, probably occurring during limb bud development when it transforms from a tadpole to a legged adult. It seems unlikely that a genetic mutation is at work.

But just what caused the development to go wrong is not known. It could be a number of factors. For example, Schmid says that this type of deformity—known as supernumerary limbs—has been documented at various places around the world at different times in amphibians over the centuries.

Most intriguing to him is a 1990 report by California researchers in which one species of frog (the Pacific tree frog) and one species of salamander (the long-toed salamander) in nearby ponds were found to have extra limbs.

Researchers hypothesized that the cause was a parasite that uses amphibians as an intermediate host. They reasoned that the parasitic cysts may excrete a hormone that disrupts limb development, or pose a physical obstacle to tissues as they develop.

The researchers tested this last idea by experimentally implanting obstacles into frog limbs in the lab. The results: The implants induced the growth of extra limb structures. This suggests that the presence of a parasitic cyst poses mechanical disruption to development—and that this may be a mechanism for the deformities.

Says Schmid: "A lot of things can disrupt normal development. And as this study shows, here's one more thing to look at, since we have a parasite here similar to the one in the California study and we know it affects certain tadpole larvae."

Hamline University—Hamline's Center for Global and Environmental Education brought together researchers from the Minnesota Pollution Control Agency, the Minnesota New Country School and its own departments to form the Thousand Friends of Frogs program. Funded by $28,000 of the $151,000 granted the Pollution Control Agency, the Thousand Friends project has three components:

1. This summer, students in the New Country School will monitor sites in the Minnesota River where the deformed frogs were

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

found. They will work with researchers from the Minnesota Pollution Control Agency to try to find the cause of deformities—and what their presence in this population means.

2. The New Country School and Hamline will develop educational programs to be used by children or families throughout the state to assess the health of a local frog population. "This way kids can do hands-on research and learn about science and their own environment," says Tracy Fredin, co-director of Hamline's Center for Global and Environmental Education.

3. In the fall, Hamline will host a week-long environmental education program during which students from throughout the state will compare results to piece together a portrait of the state's frog population.

And it doesn't stop here. A Thousand Friends of Frogs would like to expand into Ten Thousand Friends of Frogs—with more people and more sophisticated science—and has asked the legislative commission for $500,000 to help them do it. They will testify in favor of their proposal at 2 p.m. May 15 at the State Capitol.

Annual Frog and Toad Survey—Hennepin County Parks biologist John Moriarty is in the third year of conducting a statewide frog and toad survey to determine the strength and health of these populations.

Though it is to soon to make definitive findings, Moriarty hopes that state funding through the proposed Ten Thousand Friends of Frogs program will speed the data collection and analysis, and make the survey a permanent effort.

The money will be used not only to analyze field reports, but to formalize a system of 80 to 100 routes throughout the state that trained volunteers—including backyard nature enthusiasts—will monitor by listening for frog calls at a specific time during the year.

Says Moriarty: "Listening to frogs and learning their calls in your own backyard is a great way to really appreciate the role of wetlands and wooded areas that frogs need. Enlisting the help of people in their backyards not only gives us more data, it will raise awareness about the role of wetlands and woods so that if you see your neighbor dumping oil in a pond or grass clippings, you'll take action.

The message is really pretty simple, he says. If we want frogs, we have to give them the habitat they need. They are more than willing to do their part—and in fact, are trying to now. We have only to listen to them.

HONORING THE ARRINGTON VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Arrington Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

RECOGNIZING THE STUDENTS OF ATIA

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. SAM JOHNSON of Texas. Mr. Speaker, it is my honor to rise before this body and commend a group of American young people who are making a significant, positive impact in our world. The students named below are among many involved in the Advanced Training Institute of America [ATIA], an educational program specializing in the development of strong personal character.

At the invitation of government leaders from New Zealand and Australia, these 92 students and staff traveled to the South Pacific on April 9, 1996. In addition to conducting a seminar with over 1,000 Australian parents, young people, and children, the ATIA students met with government leaders to discuss character-based solutions for the international juvenile.

The Honorable Whetu Tirikatene-Sullivan, a New Zealand Member of Parliament representing the indigenous Maori people, and Jeff Lees of the New Zealand Justice Department received the American youth in order to discuss ways for expanding a previously established program of cooperation between the Justice Department and ATIA young people.

In Melbourne, Australia, the Honorable Ross Smith and other members of Parliament welcomed the ATIA youth with opportunities to talk about developing a work with Australian juvenile offenders. The Honorable Richard Court, Premier of Western Australia, warmly received the American delegation in Perth, where the aforementioned seminar was conducted with over 1,000 in attendance, with special training also being provided by them for 200 young children.

Among the most notable accomplishments of the trip was the drafting and signing of an agreement with the Australian Ministry of Justice. The agreement initiates a work involving families helping families and young people helping young people with the goals of strengthening families and reducing juvenile crime.

The following young men and woman from around the United States deserve special recognition for their own commitment to good character, and for their personal sacrifices to reach out to needy youth and families all over the world:

Starla Adams (OK), Grant Adams (OK), Andrew Anderson (OR), Hamish Anderson (New Zealand), Karith Astle (CA), Angel Atkinson (MO), Jonathan Bain (New Zealand), Simon Bain (New Zealand), Jamie Becker (CO), Heather Bennett (IL), Richard Bramblett (GA), Robert Breese (VA), Christy Briscoe (OK), Cassidy Brock (OR), Weston Brock (OR), Susan Burdulis (WA), Michael Canciglia (WA), Andy Cecil (GA), Tracey Collins (OH), Elizabeth Connelly (CA), James Connelly (CA), Brent Critchfield (CA).

Rebekah Crook (TN), Mandy Dennis (TX), Jason Elliot (WY), Janet Fay (PA), Amy Flora (MI), Benjamin Fryman (OH), Katelyn Gerhardt (CA), William Gothard (IL), Eva Grunewald (TX), Lois Guthrie (WI), Larry Guthrie (WI), Lydia Harmon (MI), Erik Hartstom (CA), Adam Hawkins (AZ), Jennifer Hawley (CA), Nathan Hawley (CA), Titus Heard (OK), Laurie Herbert (New Zealand), Wendy Herdlein (MO), Kay Hill (OK), Thomas Hill (OK).

Joanne Hogg (New Zealand), Nigel Iro (New Zealand), Miriam Johnson (AL), Carisa Joseph (CA), Anne Kirsten (IN), Dennis Kutuzov (Russia), Crystal Ladd (WI), Leah Lentz (WI), Joseph Lyle (GA), DeShea Mabra (MO), James Marsh (KY), Christi Martin (FL), Danielle Martin (New Zealand), Joseph Martin (TX), Richard Mast (FL), Ruth Mirecki (Canada), Lori Newsom (AL), Esther Olson (KS), Matthew Olson (KS), Inga Panapa (New Zealand), Krizia Panapa (New Zealand), Marcia Panapa (New Zealand).

Beth Pendergast (CA), Nathan Pennell (DE), Sara Ramsey (CO), Jonathan Rath (TX), David Rees (KY), Abigail Rose (CA), Kevin Rudeseal (TX), David Scott (NY), Courtney Scroggins (TX), Paula Sinclair (New Zealand), Rosie Smith (New Zealand), Rachel Snell (OH), Rebecca Snell (OH).

Melissa Stahl (OH), John Stephens (IL), Jennifer Swecker (WA), Daniel Thompson (CA), Scott Towers (OH), Jennifer Vise (GA), Abby Wakefield (CA), Alyssa Wakefield (CA), Kara Wallace (WA), Jill Walton (PA), Bruce West (Australia), Randal Williams (GA), Russell Williams (VA), Kelly Williamson, (New Zealand).

IN HONOR OF OFFICER GILBERT MANGLONA TAISACAN OF TINIAN

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. UNDERWOOD. Mr. Speaker, a small delegation from a far corner of America, from the Island of Tinian in the Commonwealth of the Northern Mariana Islands has journeyed to Washington to join the President of the United States and thousands of law enforcement officers from around the Nation in a peace officers' memorial service honoring the 174 law enforcement officers killed in the line of duty last year. The CNMI is a good neighbor of Guam and we share a common history as well as cultural traditions.

The 174 names and those of nearly 100 others who died in the past years were added to the National Law Enforcement Officers' Memorial. There are 14,064 names on the Law Enforcement Memorial. Everyone of them, like Gilbert Manglona Taiscan, are heroes who laid down their lives in the service of their communities.

In conjunction with the memorial service, I would like to take a moment today to honor a Tinian peace officer killed in the line of duty last year.

Mr. Speaker, Officer Gilbert Manglona Taiscan was a family man. He was born, lived, and died on Tinian. Brought into the world by his parents Teresita and Bernadino Taisacan. Gilbert was born on August 1969. He grew up on Tinian, was educated on Tinian until leaving for the only time in his life to attend Marianas High School in Saipan, graduating in 1987. He was active in his community, always looking to help others. It was with that spirit that he joined the Department of Public Safety and was not surprisingly, assigned to Tinian. Gilbert was an exceptional officer. He moved through the ranks with merit. In 1990, Gilbert was married and in 1991 he and his wife Alma had a daughter named Terrilynn. In 1995, Gilbert was named the Police Officer of the Year. As the month of August 1995 began, Gilbert had developed a good and meaningful life for himself in the only town he had ever known. It was in that spirit that Gilbert Taisacan was killed.

On August 20, 1995, during a routine patrol, Gilbert Taisacan was called to respond to a disturbance involving harassment against a waitress. Taisacan and his partner Sgt. R.C. Borja went to apprehend the suspect for the second time and were confronted by the suspect, who shot both before killing himself. Sgt. R.C. Borja, through the grace of God, survived the accident and today walks around with a bullet in his stomach. Gilbert Taisacan was killed.

Tinian is a small place in the middle of a small island chain known as the Northern Mariana Islands but the life and contribution of Gilbert Taisacan was as large as any citizen of the biggest city. In a small community, the presence of one special person makes a big difference. Despite his untimely death, Gilbert Taisacan stepped up and made a difference. Tinian is a better place because of that.

Accompanying the Tinian delegation to the memorial service was the Honorable Juan N. Babauta, Resident representative of the Northern Marianas, Mrs. Alma M. Taisacan, widow of Gilbert, Ms. Terrilynn Taisacan, daughter of Gilbert, Mrs. Teresita M. Taisacan Ngiraidong, mother of Gilbert, Sgt. Anthony M. Taisacan, brother of Gilbert, Gil Borja, Director of Public Safety, Capt. Juanis M. King, Sgt. Antonio S.N. Borja, and William B. Nabors, representing the mayor of Tinian.

THE COPS PROGRAM

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. FAZIO of California. Mr. Speaker, yesterday, I rise today to talk about one of the most successful initiatives of the Clinton administration—the COPS program.

Since we passed the Violent Crime Control and Law Enforcement Act of 1994, over 43,000 new law enforcement positions have been funded.

In towns small and large, rural and urban, we heard from county sheriffs, chiefs of police, and prosecutors.

They told us that more officers and greater use of community policing strategies would make their jobs easier. And we responded.

Community policing has been so effective because police officers who are visibly involved in their communities are one of the best deterrents to crime.

It remains widely supported by law enforcement agencies throughout the country.

Today, we commemorate the 15th Annual National Peace Officers Memorial Service at the Capitol.

Their sacrifice remind us that we should redouble our efforts to do everything that we can to assist our towns and cities and police officers in the fight they make against crime.

It is simple—putting more cops on the beat means safer streets.

HONORING THE DEFEATED CREEK VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Defeated Creek Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expected nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their homes catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

HONORING THE BILINGUAL FOUNDATION OF THE ARTS

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. TORRES. Mr. Speaker, I ask my colleagues to join with me today in honoring the Bilingual Foundation of the Arts [BFA] for its contributions to the greater Los Angeles community.

BFA has, for over 20 years, proved itself to be an invaluable resource for artists of Latino descent. Founded in 1973, and incorporated in 1975, by my dear friend and award-winning actress, Carmen Zapata, along with Margarita Galban and Estela Scarlata, BFA has produced over 100 plays.

BFA was founded because of a need for an organization to present world drama and literature to both English and Spanish speaking audiences. BFA programs annually serve more than 125,000 adults and children for whom theater is often a new experience. BFA has helped to provide a bridge between generations and cultures, and in doing so, has brought together our community. It has become an enduring bilingual theatrical institution of international stature.

BFA carries out its work through a number of major productions and programs each year. BFA has a touring program that brings a mainstage production to California's rural areas and small towns, to reach out to those who otherwise do not have access to theatrical drama. There is also a theater in education program that helps to educate, through drama, our youth about current social and emotional issues. Both elementary and secondary school audiences are targeted and to date, over 2 million youth have been reached. BFA also presents three mainstage productions each season, alternating weekly between English and Spanish.

I also would like to recognize and thank BFA's board of trustees for their tireless dedication and selfless support of this worthy organization; Mr. Robert J. Gomez, Chair; John J. Menchaca, vice chair; Richard M. Lopez, treasurer; Zinnia C. Barrero, secretary; Joseph Arelano-Musser; Enrique "Henry" Baray; Pedro Birba; Gilbert de Cardenas; Daniel C. Carmichael III; Susana Duarte; Richard Gonzales; Albert Greenstein; Anthony Hurtado; Olivia J. Manzo; Oscar C. Parra; Vince Ramirez; Karime Sanchez; Elaine Sedillo; Martha Tapias-Mansfield; and Gregory Villanueva.

Mr. Speaker, I proudly ask my colleagues to join with me in saluting, thanking and honoring the Bilingual Foundation of the Arts along with its founder, president, role model, and inspiration, Carmen Zapata, for its many years of sharing the beauty of Latino drama with the entire community, and for providing artists of Latino descent with opportunities to perform before appreciative audiences.

MINNESOTA'S NATIONAL TREASURES CONSERVATION AND PRESERVATION ACT

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. VENTO. Mr. Speaker, today I am introducing the Minnesota National Treasures Conservation and Preservation Act [MNTCAP]. This legislation will offer further, needed protection to Minnesota's two special natural resources, Voyageurs National Park and the Boundary Waters Canoe Area Wilderness [BWCAW].

As my colleagues may be aware, Congress already has enacted major legislation on Voyageurs or the BWCA on three separate occasions. Each time, Congress, by an overwhelming bipartisan majority, has determined that these two unique lakeland areas are national treasures worthy of the highest protections the Federal Government can bestow—National Park designation and National Wilderness designation. With the Republicans in control of Congress now, a vocal minority is advocating a dramatic change from over 20 years of policy designed to protect these areas for future generations. This Minnesota minority advocates lowering the high standards that we use for Voyageurs and the BWCA, replacing resource protection with economic development and personal motorized recreation preferences. I and a vast majority of Minnesotans and the American people cannot and do not support this retreat from our Nation's commitment to Minnesota's lakeland wilderness and park areas.

The Minnesota National Treasures Conservation and Preservation Act will reaffirm, renew and resolve new questions by protecting the Voyageur's Kabetogama Peninsula by designating the 74,000 acre peninsula as wilderness. The Kabetogama Peninsula is home to 3 wolf packs and has 11 active bald eagle nests. Opening this area to snowmobiles and aircraft would have a devastating impact on the continued viability of these endangered species and would fragment and shred the intact wilderness character of this peninsula.

For the BWCA wilderness, MNTCAP will close all of Lac La Croix and Loon Lake to motorized use and will close Back Bay, Hoist Bay and the international border portion of Basswood Lake. In addition, MNTCAP will designate over 14,000 more acres of almost all public lands as part of the BWCA Wilderness. This land—primarily Federal, State, and local land—incorporates key parcels and brings in portions of lakes that are currently nonmotorized. One of the most significant additions will be the Sand Point Lake addition, which extends the BWCA along the international border by less than one quarter of a mile. This area is proposed, upon the expiration of existing individual leases with the State, will link Voyageurs National Park with the BWCA!

Clearly, the MNTCAP proposal is in response to the dramatic and far reaching changes envisioned by the numerous bills that have been introduced in the House and the Senate. Under the current anti-park and wilderness atmosphere in this Congress, I fully expect the Republican leadership to give serious consideration to acting upon these harmful proposals, which mark a retreat from past commitments to our special Minnesota treasures.

To combat those efforts, I am introducing an alternative that reflects the views of a majority of Minnesotans. At last summer's congressional hearings in International Falls and St. Paul, an overwhelming majority of the public opposed weakening the protections for Voyageurs and the BWCAW. That view has been reconfirmed by two scientific public opinion polls of Minnesotans. Those polls show that over 80 percent of Minnesotans want the current balance between wilderness preservation and motorized use within these areas to be maintained or strengthened.

MNTCAP will refocus the current one-way debate. Thus far, the focus has been on what protections must be dropped or concessions made to motorized interests. I am offering a positive proposal that sets forth the legal steps that must be taken to protect the unique resources of Voyageurs and the BWCA.

Last month we celebrated the 26th anniversary of Earth Day. Some may feel that the spirit of the first Earth Day has dissipated; that American people are apathetic and will sit idly by while the progress of the past 25 years is undone. I don't hold that view. Now more than ever the American people, the people of Minnesota, recognize their generation's stewardship role. They realize and are committed to protecting our fragile resources and to turning over to our children and our grandchildren our lakes, rivers, and forests in at least as good a condition as we inherited them. The Minnesota National Treasures Conservation and Preservation Act will make that dream for Voyageurs National Park and the BWCA.

RECOGNIZING THE STUDENTS OF ALERT

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. SAM JOHNSON of Texas. Mr. Speaker, in the wake of the great flood of 1996 in the Pacific Northwest I would like to recognize the following 32 young men who gave their personal money, time, and energy to assist with flood relief. At the invitation of Mayor "Bud" Harrison and flood relief agencies in the communities of Clatskanie and Nehalem, OR, and under their direction, they served in and around towns for a period of 3 weeks from February 15 to March 10, 1996. During which time they assisted the local police department in maintaining order and safety on the roadways, helped in the salvage and cleanup of homes and businesses that had been damaged, and spread goodwill, faith, hope, and charity wherever they went. Their sacrifice, diligence, and thoroughness conveyed a true sense of brotherly love to the citizens of Nehalem and Clatskanie. The experiences these men received while serving will enrich their lives permanently, causing them to become better citizens, and thus have a greater impact on the world around them.

Skyler Bower, Washington; Jonathan Bowers, Tennessee; Jason Butler, Alabama; Seth Campbell, Washington; David Carne, Oregon; James Clifford, Ontario; Andrew Cope, South Carolina; Dan Davis, California; Paul Elliot, Wyoming; Paul Ellis, Mississippi; Brian Gamotis, Washington; Ryan Gearhart, Oklahoma; Craig Guy, Missouri; Matthew Heard, Oklahoma.

Daniel Iliff, Kansas; Robert Myer, Florida; Justin Nall, Texas; Jonathen Nicholas, Wisconsin; Ryan Peterson Minnesota; Rhett Prichard, Washington; Tim Rogers New York; David Servideo, Virginia; Adam Shelley, Missouri; Michael Shoemaker, Indiana; Robert Smith, California; John Tanner, Texas; Joshua Tanner, Texas; Justin Tanner, Texas; Scott Westendorf, Oregon; Brian Wicker, Arizona; Matthew Wood, Texas; Matthew Yordy, Indiana.

IN TRIBUTE TO EDWARD UEBER

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Ms. PELOSI. Mr. Speaker, I rise today to honor Ed Ueber, a steadfast steward of the gulf of the Farallones.

Ed received his master's degree in resource economics and fisheries from the University of Rhode Island, and conducted post-graduate work in maritime history at the Munson Institute. Serving for the last 6 years as sanctuary manager of the gulf of the Farallones and Cordell Bank National Marine Sanctuaries, Ed has spent his career in the marine field.

Ed served aboard submarines and merchant ships in the U.S. Navy and the Merchant Marine. He has worked for the National Marine Fisheries Service and published peer-review papers on fish biology, fishing techniques, global warming, fishery economics, fish trade, fishery management, wood boat building, wooden ship reconstruction, oceanography and marina operations. He has chaired over 20 national and four international conferences on marine fisheries, fishery valuation and management of marine protected areas.

As a sanctuary manager, Ed has been dedicated and tireless. He has worked to build support and public enthusiasm for the national marine sanctuary operations. Ed's important work as a respected sanctuary manager has been critical for much needed support for the establishment of the Nation's three newest marine sactuaries: Stillwagen Bank, Washington Coast, and Monterey Bay.

Ed and his small staff have been vigilant stewards of the sanctuary waters and their resources. The sanctuary staff has worked diligently to initiate new and innovative programs, many of which call upon a cadre of dedicated volunteers, such as the Beach Watch Program. These efforts to engage the public interest have also led to the creation of the Nation's first sanctuary support organization—the Farallones Marine Sanctuary Association.

Mr. Speaker, as we celebrate the 15th anniversary of the gulf of the Farallones National Marine Sanctuary, the people of the bay area thank Ed Ueber for his extraordinary work on its behalf, and wish him many more years of success in protecting and preserving our Nation's marine life.

HONORING THE DODSON BRANCH VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Dodson Branch Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These fireman must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

JULITA CRUZ-AVILES, FIRST CHAMORRO SENIOR EXECUTIVE SERVICE APPOINTEE

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. UNDERWOOD. Mr. Speaker, I would like to commend Ms. Julita Cruz Aviles of the Office of the Under Secretary of Defense for having been the first Chamorro to be appointed to the Senior Executive Service [SES] government-wide. Being appointed to this position reserved for the top managerial and supervisory positions within the Federal Government is a great honor for Julie and the people of Guam.

Julie was born on June 16, 1947 in the village of Barrigada on Guam, the daughter of the late Enrique Leon Guerrero Cruz and Joaquina Reyes Sahagon. She has two sisters, Victoria Cruz San Agustin and Rosita Cruz Sumait, and four brothers, Victor, Henry, Manuel, and Francisco. Her distinguished educational background was initiated at Barrigada Elementary School and Untalan Middle School before graduating from John F. Kennedy High School in 1966. She attended the College of Guam before joining the military in 1967. After leaving the military, Julie pursued her education earning an associate degree from the University of Maryland, a bachelor's degree in accounting and business administration from the Northwestern State University of Louisiana, and an M.S.B.A. degree from Boston University.

Currently the Associate Director for Policy within the Directorate for Accounting Policy at the Office of the Under Secretary of Defense, Julie has over 24 years of Federal Service. This is in addition to approximately 4 years of accounting experience in the private sector and about 5 years experience as an adjunct professor for accounting and business administration with the University of Maryland and City College of Chicago. She has served under various posts in the Program/Budget and Accounting Policy Offices for the Under Secretary of Defense since 1989.

Julie is also a highly active participant in community affairs. She is a member of the Guam Society of America here in D.C., the National Conference of State Societies, the American Society of Military Comptrollers, and the Association of Government Accountants. In 1995, she was the only runner from Guam to register in the Marine Corps Marathon. She has participated and completed three of these events.

Through her distinguished career and outstanding achievements, Julie has brought recognition upon herself, the island of Guam, and its people. I join her husband, Agustin Aviles-de Jesus, and her family in celebrating her extraordinary accomplishments. On behalf of the people of Guam, I congratulate her and wish her all the best in the years to come.

TRIBUTE TO JERRY W. LEVIN

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mrs. MALONEY. Mr. Speaker, today I rise to pay tribute to Jerry W. Levin, a leader in the cosmetics industry. Today, I am proud to announce that Mr. Levin is being awarded the Anti-Defamation League's 1996 Human Relations Award for his many years of supporting the fight against bigotry, racism, and anti-semitism.

Jerry Levin is chairman and chief executive officer of Revlon, Inc., and executive vice president of MacAndrews & Forbes Holdings, Inc., Revlon's parent company. Revlon is world renowned for its cosmetics, skin care, fragrance, personal care, and professional products sold in approximately 175 countries and territories, under brand names including Revlon, ColorStay, Age Defying, Almay, Ultima II, and Charlie. In addition to his work with Revlon, Mr. Levin serves on the boards of directors of Revlon, Inc., Coleman Co., Inc., Fcolab, Inc.; and First Bank System, Inc.

Jerry Levin is being honored by the Anti-Defamation League for his extraordinary efforts over the years. His numerous good works embody the league's very highest ideals and aspirations. His commitment and dedication to the goals of the league are seen in his service to many organizations. He sits on the boards of the United Way of New York City; B'nai B'rith Hillel of New York; UJA—Federation of New York; the New York Philharmonic; the Council on the Graduate School of Business at the University of Chicago; and the National Advisory Committee of the College of Engineering at the University of Michigan.

Jerry Levin was born in San Antonio, TX. He attended high school in Chicago and graduated with a bachelor of science degree in electrical engineering and mathematics from the University of Michigan, and received a masters in business administration from the University of Chicago in 1968. He and his wife, Carol, have two children, Joshua and Abby.

Mr. Speaker, I ask my colleagues to join with me today in tribute to Jerry Levin, who deserves great praise for his many years of service. His life and his many good works exemplify the highest ideals and standards of a fair and just society.

THE WALTERS PLAN TO BALANCE THE NATIONAL BUDGET

HON. J. D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. HAYWORTH. Mr. Speaker, I would like to take this opportunity to continue the dialog on balancing the Federal budget. As my colleagues know, the national debt now exceeds $5.1 trillion. Children born today will pay over $185,000 in interest on the debt alone if we do not rein in the Federal Government's excessive spending.

Later this week, the House of Representatives will consider the 1997 budget resolution, which will put us on the path to balancing the budget. However, as you know, Mr. Speaker, the budget resolution is only an outline for balancing the budget. There are many different ways to accomplish this important goal.

In that spirit, Mr. Speaker, I offer to my colleagues a plan which one of my constituents, Arthur Walters from Payson, AZ, conceived to pay off the national debt. The Walters Plan to Balance the National Budget focuses on cutting spending and replacing the income tax with a national sales tax. I hope my colleagues will give this plan the full consideration it deserves.

THE WALTERS PLAN TO BALANCE THE NATIONAL BUDGET

(By Arthur M. Walters)

This plan addresses the key points of this difficult problem.

1. Congress spends more than the Treasury collects.

2. The Federal Government cannot accurately forecast revenue. It is always low.

3. The government prepares its "wish list budget" and then tries to predict where the funds will come from to pay for it. It is always optimist to say the least. The revenue never materializes. As the budget year progresses, the Treasury borrows money to pay its bills because the funds are not there when needed.

4. The IRS is incapable of administering the hodge podge Tax Code. It was carefully written so no one can understand it. This allows an army of tax experts to negotiate the tax obligations of everyone. It imposes a large expense on every tax payer just to figure this tax.

5. The author believes every single person should take personal responsibility for Federal spending. No one should escape. For those who have escaped so far, there will be great cries of injustice. Everyone has his own story of why he should be exempt. This must stop. This plan won't work if it does not stop.

6. There is no formula for budget cutting that can be agreed upon. The military, Social Security, defense contractors, welfare, etc., all have a bottomless need for money, as do thousands of government departments.

A fresh, firm plan based on equality is needed. The public will accept fairness. To date, there never has been fairness in the Tax Code.

THE PLAN

1. A Constitutional Amendment must be passed that requires a balanced budget.

2. Prior to the Amendment, Congress should immediately pass a law or establish a policy that says:

2.1 The National Budget cannot exceed 90% of last year's revenue.

2.2 Revenues in excess of the budget must be applied to debt reduction.

2.3 When all National debt is paid off and there is one year's budget (minimum) in the Treasury, then the annual budget cannot exceed last year's revenue.

3. Since no one will ever agree on whose budget is to be cut, the only thing that will work is to cut all department budgets equally. Then everyone has an equally valid complaint.

No doubt it will hurt—we need to live within our means. People are reasonable and can be convinced to accept this.

If possible, the military cut should be more than the other cuts: 1.1 to 2.0 times the percentage cuts of other major departments. This would be a tough thing to "sell," but would free up a huge sum of money.

REVENUE

There shall be a National Sales Tax of 1% of sales. This tax will be imposed on every sale by every business. To work, there can be no exceptions (wholesale, retail, professionals, doctors, dentists, lawyers, engineers, architects, inter-corporation transfers where P&L centers exist, etc.)

The tax will be added to every transaction and is to be paid by the buyer. Companies who never pay Federal taxes will now be making a contribution through their purchases. The 1% sales tax thus is 1% tax on the Gross National Product. The money is to be paid within 14 days after it is collected. The money is to be deposited into local Federal bank accounts. Banks who collect the money will be allowed to keep the deposits 2 weeks for their trouble, before forward it to the Treasury.

The Treasury must use this revenue to retire outstanding debt only.

Benefits:

1. We now have a steady flow of cash into the Treasury 52 weeks per year.

2. Minimum paper work and collection expense. We have an almost real time measure on the nation's economy week by week.

3. There are to be NO LOOP HOLES in this tax or it won't work.

4. The paper work load on business will be minimal—

Funds received from gross sales this week 0.01=tax due next week.

No complex accounting is required; just a simple deposit to a local Federal Bank account. The IRS is out of the loop; they will not be needed.

LONG TERM FUND COLLECTIONS

After the 1% sales tax has been running for one or two years, all the kinks will be worked out and we now have a clear real time picture of the Nation's economy. We will eliminate most of the effort now used to try to figure out where the country is, based on gathering a lot of data from many sources that is history. Because a lot of businesses, such as wholesale businesses, don't pay sales tax, there is no direct way to monitor business activity.

Revenue from the IRS will be compared to Sale Tax Revenue. It will be a simple calculation to see what National Sales Tax is required to generate the revenue collected by the IRS.

The sales tax can be raised and the income tax eliminated. No more IRS. No more taxes on capital gains, etc. No more complex accounting.

This change will lower business accounting costs, depreciation accounting, etc, etc. Federal revenue collected will increase and taxpayer hidden costs will decrease. It will be totally fair. Everyone will share the cost of Federal Government.

Again—this plan can only work if there are no exemptions.

TEMPLE BETH-EL CELEBRATING 130 YEARS OF SERVICE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to Temple Beth-El of Jersey City, NJ, celebrating the 130th anniversary of its founding. The temple also celebrates the 70th anniversary of the dedication of its magnificent sanctuary. A Sabbath service rededicating the sanctuary will be held on May 17, 1996, and a gala dinner party will be held on May 18, 1996.

In the mid- to late-1860's a small group of Jewish worshippers in Jersey City began to congregate for prayer and study. Soon thereafter, the congregation began to grow and this culminated in the formation of the Isaac Ephrain Congregation. Finally, in 1871 the congregation adopted the name Temple Beth-El.

Over the years, Temple Beth-El has grown and flourished as a prominent religious and educational institution. The selection of Rabbi Samuel A. Berman, now Rabbi Emeritus, to join Temple Beth-El in 1936 proved to be an important decision. For 60 years Rabbi Berman has been bringing his enthusiasm, innate sense of spirituality, and devotion to Jewish learning into the temple. He created and implemented many new programs within the temple to assist its members.

The temple, headed now by Rabbi Kenneth Brickman since 1989, offers many educational and support programs for the Jewish people. The nursery school, in cooperation with the Jewish Community Center, the Violet Zall-Hordes Mishpacha Family Education Program and the Sunday School allow young Jewish families to learn, appreciate, and enjoy their rich tradition. The Violet Zall-Hordes Lecture Series provides the adult Jewish community with an opportunity to enhance and learn more about their heritage and history. Members of the temple were active in the civil rights movement in the 1960's and remain committed to the message of Dr. Martin Luther King, Jr. Every year on the national holiday marking Dr. King's birth temple members and representatives of the African-American community join together for a celebration. In addition to Rabbi Brickman, the temple has been blessed with the leadership of Irwin Rosen, who has worked tirelessly for the membership.

I ask that my colleagues join me in honoring Temple Beth-El for its commitment to its members and the community at large. Temple Beth-El is a place that offers hope and love for all those seeking a divine embrace.

HONORING THE CENTRAL DISTRICT VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Central District Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

IN OPPOSITION OF SENATE MARKUP OF S. 356

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. UNDERWOOD. Mr. Speaker, as I rise this morning the Governmental Affairs Committee in the other body is considering legislation to establish English as America's official language. Many of us think we know why this kind of legislative mandate is necessary. We've all met up with people who don't speak English as well as we do and have been frustrated by this.

So the reason for this linguistic mandate must be that immigrants aren't learning English, right? Well actually, immigrants are learning English and they're doing it faster than ever before. According to a recent joint Johns Hopkins, Louisiana State study, only 12 percent of second generation immigrants report speaking English poorly.

So the purpose of English-only laws must be to help teach new immigrants English, right? Well actually, there are no provisions in any English-only bill that would teach one immigrant one word of English.

So if English-only seeks only to solve problems which do not exist, the reason for this legislation must be to insult other languages and those who speak them.

Our Founding Fathers understood the implications of such a declaration and were wise enough to refrain from such action. I suggest we follow their example.

RECOGNIZING THE STUDENTS OF ALERT

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. SAM JOHNSON of Texas. Mr. Speaker, as our relationship with Mexico becomes more and more important to the well-being of our Nation. I would like to bring to this body's attention the sacrificial effort of 26 young men, who at their own expense and under the invitation and direction of Gov. Julio Cesar Ruiz Ferro and Senator Pablo Salavar, have been serving the community of Nuevo San Miguel Micotic in the Chiapas region of Mexico. They have been providing medical aid and construction assistance, meeting basic needs, and teaching skills to better the community's living conditions and ability to benefit neighboring communities. Their work continues to be heralded throughout the State of Chiapas among the citizens and leaders of Mexico. Furthermore, their experience of cross-cultural service not only strengthens global relationships, but better equips them for work in their home communities.

David Beskow, Oregon; Orlando Diaz Jr., Florida; Jason Dolan, Texas; Steve Farrand, Colorado; Ron Fuhrman, Michigan; David Herring, Alabama; Daniel Lamb, California; Eric Lantzer, Michigan; Mark Lassiter, Texas; Paul Lee, Texas; Matthew Lindquist, California; and Aaron Lioi, Ohio.

Also, Robert Matlack, Kansas; Joshau Meals, Tennessee; Larry Mooney, Pennsylvania; Steve Nix, Texas; Joshua Ramey, California; Gregg Rozeboom, Michigan; Tim Stewart, Washington; Leon Tan, Malaysia; John Tanner, Texas; Tim Tuttle, Oregon; John Watkins, Minnesota; Paul Watkins, Minnesota; and Nate Williams, Kansas.

HONORING SANTA FE HIGH SCHOOL AS ONE OF AMERICA'S BEST

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. TORRES. Mr. Speaker, I rise today to recognize the students, teachers, administrators, parents and community who make up one of *America's Best High Schools,* Santa Fe High School of the Whittier Union High School District, in Santa Fe Springs, CA.

Santa Fe High School has earned the distinction of being 1 of 5 schools in the State of California, and 1 of 63 schools selected in the Nation, recognized in the April issue of Redbook magazine for overall excellence in the national school recognition program, America's Best Schools Project.

Last year, I was honored to nominate Santa Fe High School for the Redbook's 5th Annual America's Best Schools project. This nationwide search included 400 nominations from State and national education leaders.

A national panel of educators reviewed the programs and data at each of the nominated schools. Santa Fe High School was awarded overall excellence based on a criteria which examined classroom innovation/academic achievement, parent and community involvement, special needs programs, and extracurricular activities.

Redbook said of the 63 high schools selected nationwide, that these "well-rounded schools offer students a strong mix of intellectual challenges and stimulating extracurricular activities. Dedicated teachers and parents produce an atmosphere that ensures the high academic performance that distinguishes these winners". Indeed, this a reflection of Santa Fe High School.

Santa Fe High School serves a racially-mixed community, predominantly of Hispanic decent, composed of 1850 students. Under the dynamic leadership of Principal Sandra Thorstenson, 80 dedicated staff personnel, who are the teachers, counselors and principals, work diligently to ensure success. The faculty of Santa Fe High faculty was empowered to lead the charge to improving the curriculum and instruction. Teachers and staff and the school community collaborated in the development of a vision for the future of Santa Fe High School, guiding the restructuring effort. Through innovative ideas in the classroom and in decision making, Santa Fe High School provides for student input into curriculum, academic and school-wide programs.

Santa Fe High has received State recognition for its School Age Parenting Program and Infant Development Center. It is used as a model for teen mothers and pregnant teens to encourage students to stay in school and continue their education.

Parents and the community participate in Santa Fe High School's success through the PTA (with 135 active parents currently involved), Sports Club, the Bilingual Advisory Council, Band Booster, the School Site Council, and partnerships established with the Foundation, Chamber and Cities of Santa Fe Springs and Norwalk. Extracurricular programs provide the students with a well rounded education. Santa Fee High offers 20 interscholastic sports for boys and girls as well as 21 clubs and organizations. Extracurricular nonathletic teams have excelled in regional, state and national competitions, including the Chieftain Tribe Band, Chieftain Newspaper, and Future Business Leaders of America.

Mr. Speaker, I ask my colleagues to join me in saluting the efforts of all the faculty and students of Santa Fe High School. It is an honor to have one of America's Best Schools within the congressional district I represent.

TRIBUTE TO JAMES A. LEBENTHAL

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mrs. MALONEY. Mr. Speaker, today I rise to pay tribute to James A. Lebenthal, who has made possible the rebuilding of public works and infrastructure of the United States for more than three decades. Mr. Lebenthal was given the Tree of Life Award by the Jewish National Fund for his extraordinary service to the city and State of New York, and the Nation in general.

James A. Lebenthal is the chairman and CEO of Lebenthal & Co., Inc., a company created by his parents in 1925. Lebenthal & Co. works with local governments to issue and sell municipal bonds to provide funding for capital projects. Jim is a leader in the municipal bond business, serving as president of the Commission on Saving and Investment in America, vice chairman of the Rebuild America Coalition, and director of Municipal Bond Investors' Assurance, Inc.

Jim is well known as a skilled communicator, educator, retailer, and mass marketer of municipal bonds. Prior to joining his family's bond business in 1962, Lebenthal wrote advertising copy for Olgivy & Mather, worked at NBC, and was a Hollywood reporter for Life Magazine. This experience has given him the expertise to create and appear in inventive radio and TV commercials designed to educate the public about the benefits of municipal bonds. As a result of such mass marketing, the term "municipal bond" has become a household word. Through his commercials the general public has learned that the electricity that lights their homes, the water that comes from their taps, the buses, subways, bridges, and highways they use are all made possible by municipal bonds.

Jim was raised in New York City. He attended the Dalton School, Andover, and received his bachelors degree from Princeton University. He has been married to Jacqueline Beymer for 35 years.

The Jewish National Fund is devoted to funding water projects, forests, roads, and water conservation in Israel. James Lebenthal is the perfect choice to receive its highest honor, the Tree of Life Award. Through the symbol of the tree, Jim hopes to raise awareness of both public investment and the contribution infrastructure can make to the growth and economic development of any country.

Mr. Speaker, I am proud to rise today to honor, along with the Jewish National Fund, James A. Lebenthal, whose enduring belief in the possibilities of revitalization have led to three decades of tangible contribution to this Nation's public works and infrastructure. I ask my colleagues to join with me in this tribute to James Lebenthal for his many years of work in public interest.

HONORING THE COLLEGE GROVE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the College Grove Volunteer Fire Department. These brave, civic-mined people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

KOSOVA: A NATION IN PERIL, PRIME MINISTER BUJAR BUKOSHI'S REMARKS

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. MORAN. Mr. Speaker, I rise today to bring to the attention of my colleagues, on both sides of the aisle, the grave situation that exists in the Republic of Kosova. In this tenuous post-Dayton agreement environment, the United States cannot idly stand by and wait for this volatile situation to reach a crisis point. We must press for a moral and equitable resolution to the Kosova question. I urge everyone in this Chamber to read this speech by Dr. Bukoshi; his scholarly point of view and first-hand knowledge present the Kosova issue in a succinct and edifying way. The speech reads as follows:

IGNORING THE LESSONS OF HISTORY IN THE BALKANS

(By Dr. Bujar Bukoshi)

In the aftermath of the Dayton Accords, there remains significant unfinished business to be handled by the international community. Among this unfinished business is the Kosova crisis.

Dayton recognized this reality. In fact, the document was quite specific with respect to conditions that must be met by Serbia-Montenegro before the so-called "Outer Wall" of diplomatic, political and financial sanctions against the Slobodan Milosevic regime would be lifted.

Regrettably, recent events confirm that some European countries who signed the Accords have violated them by prematurely extending diplomatic recognition to Serbia-Montenegro. In doing so, Europe is setting the stage for a new conflict.

It should also be noted that with respect to implementing the Dayton Accords in Bosnia, the so-called "Republika Srpska" has been extended de facto recognition, as NATO in many instances has adopted what some have described as a "can't do" attitude toward implementation that has allowed "Republika Srpska" to escape many provisions of the Accords.

In effect, the indicted war criminals [Radovan] Karadzic and [Ratko] Mladic have won virtual statehood for "Republika Srpska." They have received something where there was nothing.

In contrast with this is Kosova, which was recognized as one of the eight political units of former Yugoslavia with the rights and responsibilities accorded by that status. How can the world expect Kosova, which had a distinct and existing statehood, to now have nothing?

In Bosnia, and now by extending diplomatic recognition to the forces of evil in Belgrade, some European countries have exhibited a moral bankruptcy that should shock those who are committed to peace, human rights, fairness, and justice.

Albanians in Kosova take such action as an insult that will lead nowhere. By extending the mantle of diplomatic recognition at the present time and under the present geographic shape, the situation will lead to new crisis.

Recognition will never defuse the situation. To the contrary, it sends a very bad message to the Albanians who, for seven long years, have endured the apartheid imposed by the Milosevic regime.

The message is simply this: Those who exhibit anti-social behavior, who practice ethnic cleansing and perpetrate the worst crimes against humanity since World War II will be rewarded. Those who have fought oppression, who have stood for freedom and democracy, who have resisted peacefully, will be punished. In a cynical view of the situation, some European countries seem intent on rewarding evil and punishing good.

Although some European leaders have capitulated to the sinister forces in Belgrade, the U.S. has—up until now—maintained constant, consistent and committed. And we hope it will continue to do so.

In my meeting with high-level State Department officials Monday, they reiterated that the U.S. is not prepared to recognize Belgrade, and that the "Outer Wall" sanctions will remain in place.

They reaffirmed strong U.S. support for the non-violent approach of the Kosova leadership in dealing with Serbian repression in Kosova. They affirmed that the Kosova issue is very high on the agenda and reconfirmed their desire to be helpful in finding a peaceful solution. They said the U.S. would continue to work with its allies in pursuit of such a solution.

The U.S. position reflects an understanding of the lessons of the past in the Balkans. Let us remember that in World War I and World War II it was America that finally entered the conflict and brought an end to the fighting.

Throughout the four decades of the Cold War, it was the U.S. through its leadership of NATO that insured the peace and the collapse of Communism. In Bosnia, the protracted conflict continued until America took the initiative, brought the aggressor together with the victims, and hammered out the Dayton Accords.

We believe that U.S. leaders are looking at Kosova as an opportunity for American leadership to be exerted before there is a slaughter. This pro-active strategy would work, provided America maintained the fortitude to finish the job.

As we move ahead in this post-Dayton period, the international community would be well advised to recognize the new realities and to remember the lessons of history.

Kosova is a state, and its political future must be determined by its 2.2 million people. Serbia-Montenegro is a pariah outcast. Evil must not be rewarded. You don't make the criminal the policeman. Serbia cannot and should not be granted mini-super power status.

If Serbia strengthens its alliance with a new Russian coalition, the so-called "USSR-II," that may result from the June elections in Russia, a new Cold War may emerge, and the very Serbia that some Europeans rush to recognize today will become an enemy again, only this time more brutal, more sinister and more potent.

Serbia wants to have it both ways: To become militarily strong through arms from Russia, and to become economically powerful through ties to the West. It cannot have it both ways.

Baroness Margaret Thatcher said it best last August in Aspen, Colorado: "So what does history teach us? To me the most significant lesson is: Never appease an aggressor. If we do, he will only grow stronger and more confident, and to secure his ultimate defeat will require greater effort and greater sacrifice."

The lessons of history are clear. Those who fail to learn from mistakes of history are bound to repeat them. For our part, the Albanians of Kosova would like to continue to peacefully pursue freedom, justice and democracy. This is our hope. This is our intention.

1996 TRIBUTE TO SENIOR GLEANERS OF NORTH HIGHLANDS

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. FAZIO of California. Mr. Speaker, I rise today to offer my congratulations to Senior Gleaners, Inc. of North Highlands on 20 exceptional years of service to the community.

Senior Gleaners is a nonprofit, totally volunteer organization which was organized in 1976 by 37 senior citizens concerned about local hunger issues. It began in a volunteer's home and now operates from a 4.5 acre facility leased from the city of Sacramento. Over the last 20 years, Senior Gleaners has continued to operate with a staff consisting solely of volunteer senior citizens providing food and labor to over 145 charitable organizations in northern California.

Over 2,000 volunteers annually contribute almost 50,000 hours collecting fruits and vegetables from orchards and farms, salvaging damaged or outdated canned and packaged foods from supermarkets, and performing all trucking, warehousing, and administrative work essential for the collection and distribution of food. In 1995 alone, nearly 500,000 volunteer hours were provided and over 17 million pounds of food were donated to those in need.

In addition to food, Senior Gleaners volunteers also provide lap robes, shawls, slippers, and other items to convalescent homes and veterans' hospitals, and baby clothes and blankets to needy children.

Senior Gleaners of North Highlands is an outstanding example of what volunteerism can achieve in our country. Their record of accomplishment in clothing and feeding the neediest children, adults, and families in northern California over the last 20 years has made a tremendous difference in the community, region, and State. I salute the efforts of Senior Gleaners, Inc., and wish them continued success in the future.

RECOGNIZING THE STUDENTS OF ALERT

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. SAM JOHNSON of Texas. Mr. Speaker, as we remember the tragic bombing of the Edward P. Murrah Federal Building, in Oklahoma City, OK, on April 19, 1995. I would like to take time to recognize a group of young men who, long after the media's focus on the tragedy had faded, but with much work left to be done, volunteered time, energy, and good will to minister to the physical, spiritual, and emotional needs of the survivors while moving the residents of a destroyed apartment building to safer locations. These men were a demonstration of sensitivity, availability, and compassion, as well as initiative, in that they recognized and did what needed to be done in the lives of the people of Oklahoma City, with no thought for themselves, but only how they could help their neighbor. Their selflessness and sincerity are an embodiment of those virtues that made America great and will be an asset to them in their home communities and with all those they come in contact.

Adam Bell, Texas; Jerry Campbell, Florida; David Carne, Oregon; Steve Dankers, Wisconsin; Chad Gallinger, Maryland; Gary Gilchrist, Florida; Michael Goheen, Washington; Peter Guy, California; Chris Hulson, Oklahoma; Owen Manor, California; Seth Prescott, Mississippi; and Joshua Tanner, Texas.

TRIBUTE TO CHARLES R. VAN HORN

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. BORSKI. Mr. Speaker, I rise today to pay tribute to Charles R. Van Horn, a great American who died on April 30, 1996.

Charles Van Horn, a graduate of the Shenandoah Valley Military Academy, Washington and Lee University, and the University of Alabama; devoted his life to public service and private philanthropy. for almost 50 years, Charlie's career focused on the advancement of both the Baltimore and Ohio and Chesapeake and Ohio Railroads. Charlie's hard work and intelligence resulted in his appointment as vice president, and later the Washington executive representative in governmental relations, for the Chesapeake and Ohio Railroad.

As an active member of many well-known organizations, Charles Van Horn served as president of the P.T. Barnum Tent Circus, the Saints and Sinners, and the New York Skoal Club. In addition, he served the community as a board member of the Travelers Aid Society of Washington, the Honor America Executive Committee, and the Chatter Box Club.

Charles died on April 30, 1996, in Scranton, PA. He is survived by his wife Winifred, his 7 step-sons, and 13 step-grandchildren.

Mr. Speaker, I join Charlie's family, friends, and former colleagues from the Chesapeake and Ohio Railroad in paying tribute to Charles R. Van Horn. With his distinguished legacy of public service and private philanthropy, Charles R. Van Horn will be remembered as one of the best representatives the railroad has had, as well as a great American.

HONORING THE CHRISTIANA VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Christiana Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

REGULATORY RELIEF FOR UTILITY VEHICLE OPERATORS AND DRIVERS

HON. RAY LaHOOD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. LAHOOD. Mr. Speaker, I am introducing legislation today that will offer regulatory relief for utility vehicle operators and drivers. This bill will help reduce the cost and increase the safety of utilities throughout America, and particularly in rural America.

In the past few years, natural disasters have devastated virtually all parts of our country. And, while efforts to rebuild and restore basic utility services to the victims have been gallant, these very efforts have been severely hampered by ridiculous, costly and burdensome regulations that hinder utility service drivers from performing emergency repairs and maintenance on utility lines in rural areas thereby affecting vital services.

Last fall, the National Highway System Designation Act included relief from Federal motor carrier regulations that were designed mainly for long-haul, cross-country drivers. While these laws did provide relief for certain agricultural drivers, water well drillers, snowplow operators, and medium-sized commercial motor vehicles from burdensome hours of service regulations, they, unfortunately, did not provide the same kind of relief for drivers of vehicles for utility companies—for example, electric, water, telephone, sewer, natural gas, etc.).

Under current Department of Transportation rules and regulations, utility vehicle drivers are limited in the number of hours that they can drive and be on duty. The practical effect of these regulations is to limit the size of the area that utility drivers can effectively service. This limitation not only increases the utility costs that consumers must pay; but it also creates health and safety risks for the public, because utility service may be interrupted due to the inability of utility drivers to reach the problem area and make the appropriate repairs within their hours of service.

The onerous effect of these regulations is particularly acute in those parts of rural America in which the service area of utility companies generally covers vast distances. Drivers often spend more time driving to the problem area then actually making repairs. The bureaucrats, however, do not distinguish driving time from repair time, choosing, instead, to count both in the overall calculation of allowable hours of service.

This bill will help ensure the public's safe access to utility service and save between $300 and $400 million in compliance costs that would otherwise be passed on to consumers. I urge passage of this important bill.

THE BIOMATERIALS ACCESS ASSURANCE ACT OF 1996

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GEKAS. Mr. Speaker, today I am introducing the Biomaterials Access Assurance Act of 1996, legislation to ensure the availability of implantable medical devices, which include: pacemakers, heart valves, artificial blood vessels, angioplasty cathetes, left ventricular assist devices, and hip and knee joints. This bill is almost identical to H.R. 753, which I introduced last year, and is the same language that was included as title II of the Product Liability Fairness Act conference report which passed both Houses of Congress.

The measure that I, along with a bipartisan group of 23 cosponsors, introduce today will provide for expedited dismissal from lawsuit of suppliers of raw materials used in the manufacture of lifesaving and lifeenhancing medical devices—biomaterials. The Biomaterials Access Assurance Act of 1996 will not limit recovery from a biomaterials supplier where the supplier is also the manufacturer or seller of the device, or where the supplier failed to provide the biomaterials described in an applicable contract or specifications.

A looming crisis exists which necessitates adoption of the Biomaterials Access Assurance Act. Biomaterials suppliers have stopped selling raw materials to medical device manufacturers. The suppliers, named in lawsuits involving medical implants because they are considered deep pockets, have been forced to pay millions to defend themselves. Although these suppliers are rarely found liable, the litigation costs are not offset by the profits realized by selling to the device market. Sales to the device market make up only a small percentage of the overall sales of these materials to alternative markets. Raw materials used in the manufacture of these devices—polyester yarn, resins, polyurethane—have other commercial applications. For example, polyester fibers used in medical implants account for less than $200,000 of sales in a $9 billion worldwide polyester yarn market.

Twelve suppliers have withdrawn from the biomaterials market in the past 2 years. Device manufacturers have been forced to seek overseas suppliers, many of whom refuse to sell raw materials to U.S. manufacturers. The result is a critical shortage of biomaterials. The ultimate losers are the people who depend on medical devices to extend and improve their lives.

The Product Liability Fairness Act, which contained the exact language that I introduce today, passed the House of Representatives by a vote of 259 to 158, and the Senate by a vote of 59 to 40. Despite the President's veto of the Product Liability Fairness Act, he stated that this provision in particular was "a laudable attempt to ensure the supply of materials needed to make lifesaving medical devices." Although the President went on to express certain reservations that he has concerning this legislation, I intend to work closely with the cosponsors and the administration to ensure enactment of this lifesaving measure.

CONGRATULATIONS TO DAVID GUETZKOW

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. KLECZKA. Mr. Speaker, I rise today to offer my most sincere congratulations to David Guetzkow, who was named the Wisconsin Boys & Girls Clubs' "1996 Youth of the Year." David is an exemplary young man very deserving of this distinguished award.

David has been an active member of the Irving J. Seher Boys & Girls Club for 11 years. He has demonstrated his leadership and commitment through activities sponsored by the Seher Club, as well as the Milwaukee Trade and Technical High School which he attends. Club projects like Adopt-A-Highway on South 27th Street in Milwaukee and the graffiti removal project instilled a sense of community pride in David.

At Milwaukee Trade and Technical High, David has excelled in both academic and extracurricular areas. While maintaining a 3.5 grade point average, he has made time to tutor other students, serve as captain of the volleyball and basketball teams, and quarterback of the football team, and will be inducted into the National Honor Society this fall.

In receiving this honor, David performed exceptionally in all eight categories judged: service to the club, community service, home and family, school performance, spirituality, essay writing, interview skills, and public speaking. He speaks highly of the values and direction the Boys and Girls Club has provided throughout his youth.

So, I send my best wishes to David Guetzkow as he heads to the midwest regional competition in June. His parents, Jeanne and Joel, are no doubt proud of their son. I share in their pride and believe that with young people like David, our society indeed has a very bright future.

BOSSES' DAY 1996

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. BONIOR. Mr. Speaker, in the Tenth Congressional District of Michigan, the personnel at Selfridge Air National Guard Base have served in the defense of the United States for over 78 years. Currently, Selfridge personnel are helping bring peace to the former Yugoslavia. I am proud to say that members of the Air Force Reserve's 927 Air Refueling Wing—927 ARW—which is stationed at Selfridge, were the first reservists to volunteer this past December for the "Joint Endeavor Express" from the United States to Germany.

Selfridge Air National Guard Base is one of the Nation's oldest and most historic military installations. It is named after Lt. Thomas Etholen Selfridge. Lieutenant Selfridge was the first military officer to pilot a heavier-than-air, engine-driven aircraft. While flying with Orville Wright on September 17, 1908, Lieutenant Selfridge, unfortunately, became the first officer to meet his death in powered flight. Wright survived only after a lengthy stay in the hospital.

Selfridge Field was activated as a military installation in 1917, 3 months after the United States entered World War I. In 1947, when the Air Force became a separate service, Selfridge Field became Selfridge Air Force Base and had grown from a 640-acre leased parcel of land to a permanent 3,600-acre base.

In 1971, the base was transferred to the Michigan Air National Guard and received its current name. As the home of many diversified units, "Team Selfridge" takes pride in being the only Reserve Forces base to have permanently assigned units from all five of the uniformed services: the Air Force, Army, Marine Corps, Navy, and the Coast Guard. The Air Force Reserve and the Air National Guard also have units at the base.

This Saturday, May 18, 1996, the 927th is recognizing the employers who support its Reserve and Guard employees. Even though the deployment of these employees may cause financial and organizational strain, in times of need, their employers have subordinated company interests to those of the Nation. I applaud these employers for their sacrifice and commitment.

National Guard and Reserve Forces comprise almost half of our Nation's defense capability and are essential to national security. And, as is being demonstrated in Bosnia-Herzegovina, they are also essential to peace. "The mission of the 927th ARW is to extend the Global Reach of United States air power through trained personnel and mission ready equipment." As the first to volunteer in support of "Joint Endeavor," the 927th moved more than 6 tons of supplies in their first three missions—not only extending air power but offering a hand in peace.

These citizen-soldiers and airmen train vigorously and stand shoulder-to-shoulder with their active duty counterparts in order to be ready to meet the Nation's call at a moment's notice. And, their civilian bosses must also be ready, in a moment's notice, to see some of their best employees answer that call.

Civilian bosses and supervisors of Reserve component soldiers, sailors, airmen, and marines have continued to pledge their active support. Thanks to their commitment, our National Guard and Reserve members have been able to fulfill their military missions.

Our National Guard and Reserve Forces, as demonstrated in operation "Joint Endeavor," are playing a greater and more diverse role than probably ever imagined by Lieutenant Selfridge. And with the vital support of America's employers, the National Guard and Reserves will be able to fulfill their ultimate mission of maintaining peace.

As a measure of our thanks, we should celebrate the significant contributions of our National Guard and Reserve employers. I urge my colleagues and all Americans to join me in honoring employers of National Guard and Reserve members by remembering May 18, 1996, as Bosses' Day. And I encourage the American people to express their gratitude to these employers for their extraordinary sacrifices on behalf of our Nation.

HONORING THE CENTRAL VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Central Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

TRIBUTE TO SYLVIA LEWIS PARKS

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. CLYBURN. Mr. Speaker, I rise today to congratulate Mrs. Sylvia Lewis Parks on the occasion of her retirement from Richland County School District One after 38 years of dedicated and unselfish service to the children of Columbia, SC.

Mrs. Parks joined the school system in 1958 as an elementary school teacher, where she quickly earned a reputation for her superior and innovative teaching style. After just over a decade of classroom teaching, Mrs. Parks began the first of numerous increasingly important positions within the school system, eventually becoming one of the top administrators in the entire system. Some of these positions were: Title One Coordinator; Director of Federal Programs; Executive Director for Development Programs; Executive Director for Development and Planning; and, Acting Associate Superintendent for Elementary Education. Mrs. Parks' most recent position has been Executive Director for Elementary School Services.

In addition to her work with Richland District One, Mrs. Parks has been a consultant to school districts and educational associations across the country including: the U.S. Department of Education, Seattle, WA, Public Schools, the Oklahoma City Schools, and the Fayetteville, NC, School District. She has been a presenter at the Overseas School-to-School Partnership in Gabon and Cameroon, West Africa, the South Carolina Association of Elementary and Middle School Principals, and the South Carolina Education Association.

While keeping a very busy professional schedule, Mrs. Parks has always generously found time to serve her community and to improve the lives of the world at large. She has been a member of the board of directors of the United Black Fund, the Columbia Urban League, and the Midlands Marine Institute. She previously served as president of the Richland County Chapter of the Assault on Illiteracy Program and was a member of the South Carolina Coalition of Blacks and Jews, the Community Relations Council, the Seven-Thirty Breakfast Club, and the Greater Columbia Chamber of Commerce. She is a member of Alpha Kappa Alpha Sorority and a former member of Jack and Jill of America, Inc.

Despite the numerous demands on her time, Mrs. Parks has always found time for her family. She is a dedicated wife, mother, and grandmother. She is a friendly neighbor and a warm smile to all who meet her. Over the years, she has served as a mentor to legions of students, teachers, and school administrators. Mrs. Parks is a dedicated member of the St John Baptist Church, where she has been a member of numerous committees and organizations.

Mr. Speaker, Sylvia Parks is a true Renaissance woman. I am proud to represent her in the Congress. While she will be missed at Richland School District One, I am sure her dedication and untiring devotion to our children will never end. I ask that you and the other Members of the House join me in saluting Mrs. Sylvia Lewis Parks as her family, friends, and colleagues gather to celebrate her retirement on Saturday, May 25, 1996, at the Clarion Townhouse in Columbia, SC.

MEDIA OBJECTIVITY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GINGRICH. Mr. Speaker, the professed objectivity of this country's mainstream media should be of concern to all Americans as they attempt to assess the vital issues of the day. News tinted with bias clearly prevents citizens from making truly informed decisions. I share with this body the following startling comments by Newsweek assistant managing editor and Washington bureau chief Evan Thomas from Inside Washington, a weekly public affairs show broadcast locally in the Washington area the weekend of May 11 and 12, 1996.

Apparently one member of the media establishment knows bias when he sees it.

> There is a liberal bias; it's demonstrable. Boy, if you look at some statistics: About 85 percent of the reporters who cover the White House vote Democratic; they have for a long time. There is, particularly at the networks, at the lower levels, among the editors and the so-called infrastructure, there is a liberal bias.
>
> There is a liberal bias at Newsweek, the magazine I work for. Most of the people who work at Newsweek live on the upper West Side of New York and they have a liberal bias.
>
> I don't think it's so much Washington. It's New York. You have to look at which city we're talking about. It's where the networks are based—where the New York Times is based. I think the greatest liberal bias is amongst the people who work for large major news organizations in New York.
>
> The network White House correspondent who writes for a conservative opinion magazine's bosses are liberal and they're always quietly denouncing him for being a right-wing nut.
>
> The word liberalism is pretty much dead. Therefore, it's not a liberal bias; it's an anti-Republican, anti-right, anti-Christian Coalition bias. That's the bias.

I submit these observations into the CONGRESSIONAL RECORD in the hopes they are kept in mind when the topic of media fairness arises.

ROBERT A. FORTINSKY HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. KANJORSKI. Mr. Speaker, I rise today to recognize my close personal friend Robert A. Fortinsky, who, on May 20, 1996, will receive the Distinguished Community Service Award from the Greater Wilkes-Barre Society of Fellows Anti-Defamation League of B'nai B'rith. I am pleased to have been asked to participate in this event, and I take pride in honoring Bob on the House floor today.

In 1913, the Anti-Defamation League of the B'nai B'rith was established to fight defamation based on religious, racial, and ethnic prejudices and to promote education, and a more mature understanding of all humankind. Bob Fortinsky has embraced the principles of the Anti-Defamation League, and through his actions has become most deserving of the organization's Distinguished Community Service Award.

Born in Wilkes-Barre in 1929, Bob experienced a traditional Northeastern Pennsylvanian upbringing with a strong commitment to academics. After graduating from Meyer's High School, he enrolled in Penn State university, but his education was interrupted in 1944 when he left college to serve his country in the U.S. Army.

While in the Army, Bob's leadership qualities became evident to his superiors who promoted him to Second Lieutenant. Upon attaining this rank, Bob became the youngest second lieutenant in the Army Chemical Corps. Following his service to his country, Bob returned to Penn State where he graduated with a Bachelor of Science degree in chemistry.

Using the resources of leadership and a strong education, Bob established Fortune Fabrics, Inc. in 1949. Since that time he has established several other companies including Wyoming Weavers, Inc. in 1975 and Jilj Enterprises, Inc. in 1983. Throughout all of his business dealings, he has always operated his businesses with adherence to the highest ethical standards and a commitment to producing the best quality products.

Bob's leadership is not only evident in his business successes, but in the community organizations and clubs to which he lends his skills and time. In 1972 and 1984, Bob was Chairman of the United Jewish Appeal Campaign, and from 1973 to 1976 he served as the President of the Jewish Community Center of Wilkes-Barre. Bob was Co-Chairman of the Jewish Community Center's Endowment Fund, and in 1985 he became was Chairman of Israel Bonds. He also served as President of Temple Israel and later served as Chairman of the Board of Temple Israel. In 1988 he was honored by Wilkes University with the dedication of Fortinsky Hall.

Today, Bob Fortinsky continues to be active in many community organizations and private clubs. He is a Director of the Luzerne National Bank, and a member of the International Textile Society. In addition to being a Trustee of Wilkes University, he is a member of the university's John Wilkes Society. He became a board member of the Fox Hill Country Club in 1996 after serving as President of the club during the previous year. Bob is also a member of the Wyoming Business Club and the King's College Century Club.

Mr. Speaker, Bob Fortinsky is a truly exceptional businessman and an outstanding community leader. He and his wife, Shirley, are responsible for making so many significant contributions to the betterment mankind. I wish Bob and his family everlasting success and happiness.

FISCAL YEAR 1997 BUDGET RESOLUTION

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. POMEROY. Mr. Chairman, minutes ago I voted in favor of the coalition budget, a plan to balance the budget in 6 years with $137 billion more in deficit reduction than the Republican proposal. Given that the coalition budget was not approved, the House is now faced with a choice between the President's budget plan and the Republican plan.

I rise in support of the President's proposal and in opposition to the majority budget resolution. In several critical repects—from its support for the Federal health care programs that protect our Nation's seniors, poor children, and the disabled, to the agriculture programs that support the productivity of our farmers, to the investment it provides in the education of our children—the President's plan is vastly superior to the Republican budget.

However, in the area of veterans programs, the President's plan is seriously deficient. The President should modify his budget to provide a funding commitment more like that contained in the coalition budget. The coalition budget provides $112 billion—$5 billion more than the Republican plan and $10 billion more than the President's plan—for discretionary veterans programs. These programs support the medical care, education, training, and rehabilitation services for those who served our Nation in times of war. I believe the coalition budget provides the appropriate level of funding for our veterans, and I urge both sides to adopt the coalition budget's funding commitment to the programs that serve our veterans.

HONORING THE EAGLEVILLE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Eagleville Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These fireman must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

THE SESQUICENTENNIAL ANNIVERSARY OF THE CIVIL WAR

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. BAKER of Louisiana. Mr. Speaker, we are quickly approaching the sesquicentennial anniversary of the Civil War and in preparation of this, I, along with several colleagues, would like to designate Louisiana State University [L.S.U.] in conjunction with Gettysburg College as flagship institutions which will plan this commemoration.

The centers' goals will include cataloging Civil War archives nationwide and studying the war from the perspective of every conceivable discipline, profession, and occupation. All of this will enable L.S.U. and Gettysburg College to plan a sesquicentennial commemoration that will celebrate Civil War heritage in the North and South, while engaging all citizens in a study of the ways in which both problems and prospects of today evolved out of many facets of the Civil War and its legacy.

Through these centers, we can educate the people about the Civil War. To quote Abraham Lincoln, "We will hope to reach the old and the young, the rich and the poor, the grave and the gay, of all sexes and tongues, and colors and conditions." These two centers will, as students and guardians of the American past, have done the most important public duty of our lives, and, with the grace of God, will have served the peoples of the United States and the world.

THE POLISH ARMY VETERANS ASSOCIATION POST 40, HAMMOND, IN

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. VISCLOSKY. Mr. Speaker, it is my great honor to congratulate the Polish Army Veterans Association [PAVA] Post 40 in Hammond, IN on its 75th anniversary. PAVA Post 40 will hold an anniversary celebration at its banquet hall in Hammond this Saturday, May 18, 1996. I especially would like to congratulate post commander, Mr. Walter Prygon, and post financial secretary, Mr. Zenon Wiecinski, and all the other members of PAVA Post 40 for their time-honored dedication to preserve their Polish heritage and to assist their fellow countrymen in times of need. Joining the celebration will be Edward Repay, president of the Hammond City Council, and Lake County sheriff, John Buncich.

The history of the PAVA is one of pride and honor. At the beginning of World War I, while the United States was still a neutral country, several prominent Polish-Americans issued an appeal to organize a volunteer army to fight the threat to Poland's freedom. Because the United States was still neutral at this time, it granted permission to Polish-American leaders to form an army to help with the war in Poland. Within the framework of the so-called Act of Arming, thousands of young Polish immigrants in the United States and Canada presented themselves for training. This training took place at Camp Niagara, in Canada.

After training, the recruits were sent to France under the command of the leader of the Polish Armed Forces, Gen. Jozef Haller. General Haller named these troops the "Blekitna Armia" (Blue Army) after the color of their uniforms. Under the command of General Haller, the Blue Army contributed to the end of the Polish-Red Communist conflict. However, because Poland was destroyed by war and 150 years of bondage by neighboring countries, Poland could not compensate General Haller and the Blue Army for their heroic stand and sacrifice. After completing their duties, the Blue Army soldiers returned to the United States and Canada in tattered uniforms.

Once back in the United States, the soldiers sought to continue the traditions they developed in Poland by forming a veterans organization in the United States and Canada. This organization was registered in the United States under the name of the Polish Army Veterans Association. Currently, the national headquarters is located in Cleveland, OH, and there are 70 posts with about 2,000 members throughout the country. The purpose of the organization, as incorporated in its own constitution, is to bring help to those less fortunate, as well as to hold social gatherings in an effort to cultivate and continue Polish traditions.

Before World War I, the majority of Polish immigrants in the United States settled in industrial towns, such as Hammond, IN and others in northwest Indiana. These Polish-American settlers included discharged soldiers of General Haller's army. These immigrants registered with the national headquarters of the Polish Army Veterans Association, and, on May 5, 1921, they were officially designated as Post 40. Eventually, the members of Post 40 realized they needed their own home office, which led to the purchase of the building at 241 Gostlin Street in Hammond. This remains their current home office. Local organizations hold special events at Post 40, including the Soccer Club "Polonia," Saturday School of Polish Language, and academia group 3095. In 1936, the Women's Auxiliary at Post 40 was organized by Mrs. W. Wytrzymalski, who also became the first president. The Women's Auxiliary has offered its assistance in all veterans' undertakings, especially in its collection of "Blawateck" (Polish Buddy Poppies), which are sold to help raise money for the veterans.

In closing, Mr. Speaker, I would like to reiterate my congratulations to Post 40 Commander Prygon, Financial Secretary Wiecinski, and all members of PAVA Post 40 for their commitment to remembering their Polish heritage, as well as their commitment to improving the quality of life for all residents of Indiana's First Congressional District. May their 75th anniversary celebration be a joyous one.

COLUMBUS HOUSE HONORED

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Ms. DELAURO. Mr. Speaker, the week of May 13–20, 1996 will officially be declared Columbus House Awareness Week. Columbus House is an organization which delivers both emergency care and shelter to the homeless and seeks to assist homeless persons in finding permanent housing. On May 19, 1996 Columbus House will honor their volunteers.

Columbus House opened in 1982 and was New Haven's first shelter for homeless men and women. The original mission of the organization was to provide basic food and shelter services. However, it has since evolved and expanded. The organization now seeks to understand and address the problems that lead to homelessness. The Columbus House has been nationally recognized for innovative programs. One such program is the Length of Stay Program, in which the residents set goals for themselves and develop a timetable in which to achieve them. Columbus House also charges residents a nominal fee for their stay, a practice which promotes the ultimate goal of self-reliance.

The dual mission of Columbus House is what makes it so remarkable and valuable to the New Haven community. Providing emergency housing is a crucial community service. The shelter has not only emergency shelter beds but also provides several outreach services. These include a mobile crisis van and outreach workers who try to link the mentally ill with the treatment and services they need. Columbus House aims to help residents become self-sufficient and able to maintain permanent housing. In addition to providing counseling, job training, and medical care, Columbus House strives to cultivate a sense of self-worth, self-dignity, and self-reliance in those who feel that their lives are beyond their control. It is rebuilding a resident's sense of self that is the key to the program's success. Columbus House gives residents the tools to handle life on their own and to effectively seek resolutions to their problems.

The work of caring for the homeless has become increasingly difficult. Many people are no longer compassionate about the plight of the homeless and are frustrated by the many problems that come together to contribute to homelessness. I commend Columbus House for facing all the issues that surround homelessness and continuing to work every day to solve them. I am proud to join Columbus House in applauding the many volunteers who make the day-to-day operation a success. I thank Columbus House for over a decade of service to the New Haven community.

HONORING THE DEKALB COUNTY VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the DeKalb County Volunteer Fire Department. These brave civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

INTRODUCTION OF THE MEDICAL PRIVACY IN THE AGE OF NEW TECHNOLOGIES ACT

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. MCDERMOTT. Mr. Speaker, today, I am introducing the Medical Privacy in the Age of New Technologies Act. This legislation will ensure that a patient's personal health information will not be disclosed without that patient's consent.

For the first time, patients nationwide will have control of their medical records and have the right to deny outsiders access to their private medical information.

This sounds like a simple principle with which the medical community should already comply. Unfortunately, current medical privacy guidelines are inadequate and vary from State to State. In fact, the papers are filled with horror stories about insurers, banks, and employers misusing health information to discriminate against individuals. While businesses gain this medical information to the detriment of the rest of us, only 28 States, including Washington currently allow people even to examine their own medical records.

The legislation I am introducing today will give individuals the right to know what is being done with their medical information. It will place in the individual's control what is done with that information, who sees it, and why.

In addition to being inadequate, today's privacy standards fail to address the impact of new technologies on our medical system. These new technologies deeply affect the privacy of health information. This bill addresses the threats to an individual's health information from new genetic technologies, and from the computerization of medical records.

Genetic health information is an especially sensitive part of a patient's medical record. As knowledge increases about the genetic component of many common diseases, so does the possibility that information in an individual's medical file will be used to deny entire families health care coverage. One recent study documented 200 cases of healthy people being denied jobs, insurance, the right to adopt, and educational opportunities because they either had or were suspected to have a genetic predisposition for a disease, even though they did not actually have the disease.

Computers have revolutionized the way in which an individual's medical information is collected, stored, and disseminated. Without adequate enforceable standards, this information can easily be misused to breach the privacy rights of patients and lead to several forms of discrimination.

Now, I don't want to get into horror stories which already have occurred in the private sector, but I do want to warn you that Congress has yet to realize the importance and consequences of computer technologies in the medical system. Just last month, the House passed Administrative Simplification provisions as part of the Kennedy-Kassebaum health insurance reform bill. These provisions would force doctors to computerize sensitive patient medical records to make it easier for insurance companies to bill patients. Yet, in making it easier for insurance companies to maximize their profits, Congress failed to attach adequate privacy protections. New technologies have the potential to improve the quality of health care, to help doctors effectively treat their patients, and to lower the cost of health care. However, strong medical record privacy protections must be in place to ensure that such technologies are not misused to discriminate against patients and their families.

I believe this bill gives patients the right to protect their personal health information from being misused and prevent them from feeling the wrath of discrimination to which the erosion of medical standards could lead.

HONORING LANCE CPL. JACKIE PAUL CHIDESTER

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. NEY. Mr. Speaker, I commend the following article to my colleagues:

Approximately 2:00 a.m., on May 10, 1996 at Camp Lejeune, NC, two U.S. Marine Corps helicopters collided while participating in "Combined Joint Task Force Exercise 96." This exercise known as "war games" consisted of 53,000 British and American troops. The incident which occurred in a wooded area near Courthouse Bay boat basin at Camp Lejeune involved a troop carrier and an assault helicopter. There were 16 victims, 14 dead or in critical condition.

Lance Cpl. Jackie Chidester, 23, of Newark, OH was one of the 14 servicemen that died. Jackie was part of the S–3 BLT 2/8 24th NEU(SOC) Unit. The Battalion Landing Team of the 2nd Division, 8th Marine Regiment, 24 Marine Expeditionary Unit (Special Operations Capable).

Lance Cpl. Chidester excelled in the classroom and in athletics while attending Licking Valley High School. He was the captain of the Licking Valley football team in 1990 when they clinched the championship and won all-league honors. He also was a State qualifier in wrestling during his junior year. In 1991, Jackie graduated from Licking Valley and attended Heidelberg College in Tiffin, OH. Lance Cpl. Chidester was the son of Imogene Miller and Jackie Lee Chidester.

"He fulfilled a life long dream when he enlisted in the Marine Corps," his father stated, "he loved the Marines. It was rough, tough, and he loved it."

Whereas, the citizens of the United States and the 18th Congressional District of Ohio, with a real sense of honor join me in commending Lance Cpl. Jackie Paul Chidester on his dedication to serve and protect our great country. He will be greatly missed by his family, friends, and colleagues in the Marine Corps.

TRIBUTE TO THE HERNDON MIDDLE SCHOOL SYMPHONIC BAND

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. DAVIS. Mr. Speaker, it gives me great pleasure to rise today and pay tribute to the Herndon Middle School Symphonic Band, which will receive one of the most prestigious international awards for junior high and intermediate school bands. On May 19, 1996, the Herndon Middle School Symphonic Band will receive the John Philip Sousa Foundation's Sudler Silver Cup, an honor which recognizes junior high and intermediate school bands that have demonstrated the highest standards of excellence in all respects of their activities. Under the direction of a very dedicated and talented music director, Mrs. Noreen Linnemann, it is one of only two bands from the entire United States and Canada to receive this coveted award this year.

Each year, the John Philip Sousa Foundation awards the Sudler Silver Cup after conducting a rigorous selection process undertaken by a committee made up of nationally-known band conductors. The selection committee chooses award recipients based on the following criteria: First, the band's music director has been incumbent in his or her position for at least 7 consecutive years; second, the band has maintained a high standard of excellence in the concert area for several years; third, the band has received a superior rating at State, regional, or national levels of competition; fourth, the band has performed at significant meetings at State, regional, and national levels; fifth, a number of students in the band have participated in district and all-State honor bands or similar groups. There is no limit on the number of bands which can receive the Sudler Silver Cup each year. So indeed, not only is it a remarkable accomplishment that the Herndon Middle School Symphonic Band earned this honor, it is equally commendable that it is one of only two bands worthy of receiving the award in 1996.

Mr. Speaker, I know my colleagues will join me in applauding the hard work and commitment of Mrs. Linnemann and this talented group of young musicians. I congratulate them on receiving this distinguished award and for making their parents, neighbors, and community proud of this exceptional achievement.

RAOUL WALLENBERG COMMEMORATIVE STAMP UNVEILING

HON. JAMES C. GREENWOOD

OF PENNSLYVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GREENWOOD. Mr. Speaker, I rise today to pay tribute to an American hero, Raoul Wallenberg. Raoul Wallenberg risked his life to save thousands of people from the Holocaust in Budapest, Hungary. His legacy is to remind us all of what is truly great about mankind. He selflessly risked his own life to save anywhere from 30,000 to 150,000 Jews from the Nazis.

On May 8, 1996, the U.S. Postal Service paid special tribute to Raoul Wallenberg by unveiling a 1997 commemorative stamp in his honor.

Mr. Speaker, the issue of creating a commemorative stamp for Raoul Wallenberg was brought to my attention in 1992 when I was first elected to the U.S. House of Representatives. My constituent, Ilene Pachman, residing in Richboro, PA, asked me to support her national effort to solicit the U.S. Postal Service in issuing a commemorative stamp for this extraordinary man.

Since that time, with Ilene's help, we sent two letters to the Postmaster General, Marvin Runyon, asking that a commemorative stamp be issued honoring Raoul Wallenberg. Both letters were signed by over 50 Members of the House of Representatives.

Initially, Mrs. Pachman was inspired by the accounts of both Dr. Vera Goodkin, a New Jersey professor saved by Wallenberg, and Angela Adachi of New York, who was his personal aide in Budapest. Later, around the time that the Elvis Presley stamp was being issued, when Mrs. Pachman read that Adolph Eichmann is better know than Wallenberg, she realized the need for and the value of a U.S. Wallenberg stamp.

Ilene said that she "gleaned ideas and found supporters from watching speakers on C-Span and from endless networking." All of her hard work paid off, and like Raoul Wallenberg, Ilene did not give up her quest.

I would like to take this opportunity to personally thank Ilene Pachman. It is due to her determination and enthusiasm that the U.S. Postal Service as well as all Americans are honoring the memory and commemorating the life of a true American hero, Raoul Wallenberg.

Thank you, Ilene.

HONORING THE AUBURNTOWN VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Auburntown Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee fire training school in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

AN HONEST BUDGET FOR AMERICAN FAMILIES

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. CUNNINGHAM. Mr. Speaker, I am very proud of the work that this Congress has done in the interest of our children and the generations to come. In my 20 years with the U.S. Navy and my few short years in Congress, I believe that being part of the Republican effort to balance the Federal budget is the most important work I've done in my life.

While the President is fully engaged in the campaign to save his job, the Republican-led Congress continues the hard work to produce a sound, realistic, and responsible budget that ends the nightmare of Federal deficit spending by the year 2002.

The American people have demanded an honest balanced budget from their Government. Let's take a look at who is offering them one:

Predictably, President Clinton has once again sent the American people a budget that uses political tricks and sleight-of-hand economics to get to balance. According to the independent Congressional Budget Office [CBO] the only way that the President's budget will reach balance by 2002 is if he applies a contingency proposal in the last 2 years. In 2001 and 2002, long after this President will be out of office, the Clinton budget relies on $67 billion in unspecified cuts and a $16 billion tax increase in order to reach balance. Thus, the Clinton Budget fails to be honest with the American people.

Our Republican budget, on the other hand, slowly and steadily reduces the Federal deficit every year for the next 6 years. It is really a budget for our children and for the future of all Americans. Under our plan, the Federal Government will actually have a surplus of over $3 billion dollars in the year 2002 and we get to balance by actually spending more on the programs that are important to all Americans. No more putting off the tough decisions, and no more sending the bill to our kids to pay.

The Republican budget saves Medicare from bankruptcy, increasing spending on seniors' health care from this year's $5200 per beneficiary to over $7000 per beneficiary by 2002. We increase access to important student loan programs that help young Americans provide for their education. To help students get these loans, the Republican plan increases student loan volume from $26 billion in 1996 to a total of $37 billion in 2002.

Our budget also places a priority on keeping the promise that we have made with the veterans that have defended our country over the years by rejecting the $5.1 billion in additional cuts that were recommended in the President's budget.

Our budget continues our effort to eliminate wasteful and redundant Federal programs and reform runaway Federal spending on a broken welfare system so that we can target precious resources toward working for and with American families. The budget calls for the elimination of the Department of Energy and Commerce, as well as over 130 other Federal agencies or programs.

This Republican budget puts cash into the checkbooks of American households. It allows families to keep more of their hard earned money through tax relief. The budget includes a $500 per child tax credit for families earning less than $100,000 a year.

Mr. Speaker, I am proud to support House Concurrent Resolution 178, a sound, solid, and sincere budget that takes power, money, and control away from Washington bureaucrats and special interests and returns it to the American people, where it belongs.

TRIBUTE TO DAVID PACKARD

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Ms. ESHOO. Mr. Speaker, I rise today to pay tribute to David Packard, an extraordinary American leader in industry, philanthropy, business management, public and community service, who passed away March 26, 1996. He will be remembered as a legendary figure in our national life who never lost sight of the need to value people and improve the world in which he lived.

David Packard began his partnership with Bill Hewlett in 1939, founding the Hewlett-Packard Co., with $538 in a garage in Palo Alto, CA. From those humble beginnings, he guided his company in earning a reputation for product excellence and building a work force of over 100,000 people worldwide. In the process, David Packard helped launch what eventually became known as Silicon Valley.

He developed a management system known as the "HP Way" which reflected his belief in corporate responsibility for workers, customers, and the community at large. Hewlett-Packard was among the first companies in the Nation to develop catastrophic medical insurance, profit-sharing for all employees, flex time for workers, and benefits such as stock-purchase options.

In 1964, David Packard began contributing his wealth to the community on a large scale through the David and Lucile Packard Foundation, named for him and his beloved wife. Over the years, the foundation has given generously to the Monterey Bay Aquarium Research Institute; a nationwide program of science and engineering research fellowships; scholarships in science and mathematics at historically black colleges; the Stanford Theatre, and school music programs throughout Santa Clara, San Mateo, Santa Cruz, and Monterey Counties. In addition to the foundation, David Packard also personally donated substantial sums of his personal wealth to start the Monterey Bay Aquarium and the Lucile Salter Packard Children's Hospital.

David Packard gave distinguished service to his country as Deputy Secretary of Defense during the Nixon administration. He participated in civic affairs as a member of the White House Science Council, the President's Blue Ribbon Commission on Defense Management, and the Palo Alto School Board.

Mr. Speaker, David Packard was an extraordinary leader, an exemplary entrepreneur, a manager par excellence, a philanthropist, and a highly respected national and community leader. He inspired his workers, won the devotion of his friends, and earned the gratitude of his Nation. I ask my colleagues to join me in honoring David Packard and his life of extraordinary achievements.

BLACK HISTORY MONTH ESSAY CONTEST WINNERS

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. QUINN. Mr. Speaker, I rise today to recognize the academic efforts of three students from Orchard Park Central Middle School in the 30th Congressional District of New York State.

For 2 years now, I have sponsored a Black History Month Essay Contest open to seventh and eighth grade students in our western New York community. This year, students from several area schools submitted essays for the contest to be judged by Mr. Donald Ogilve, superintendent of Hamburg Central Schools; Ms. Maureen Bigha, director of reading and Federal projects for Lackawanna Central Schools; and Mr. Jim Borow, chairperson of the English department at Cheektowaga Central Schools.

As a former teacher, I am very proud of all of the young people who participated in this contest. After careful consideration, however, our panel selected three winners, all from Orchard Park Central.

The 1996 Black History Month Essay Contest winner was Mr. Jacob Teplesky whose informative essay focused upon legendary track and field athlete Ms. Wilma Rudolph.

Second and third place winners were Miss Alanna Rufat and Miss Amy Nunn, respectively. The subject of each of their essays was the heroic efforts of Ms. Harriet Tubman on behalf of slaves in the 19th century.

Mr. Speaker, today I join with the families of these fine young students, the faculty and staff of Orchard Park Middle School, and indeed, the entire western New York community to recognize the insightful and informative essay submissions of Mr. Jacob Teplesky, Miss Alanna Rufat, and Miss Amy Nunn.

1996 HUMANITARIAN AWARDS, GREATER LONG BEACH NATIONAL CONFERENCE

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. HORN. Mr. Speaker, I rise today to honor both the Greater Long Beach National Conference and those who have been named as the recipients of its Humanitarian Awards—the Reverend Ken McMillan, Suzanne Nosworthy, Henry Taboada, and Dr. David Tillman.

For more than 30 years, the Greater Long Beach National Conference has been building the bridges of good will in our community, bringing people of all races, religions, and cultures together to facilitate mutual respect, understanding, and friendship. As the United States moves into the 21st century, the strength of our Nation will be based upon the respect, appreciation, and acceptance we offer to one another. For more than three decades, the Greater Long Beach National Conference has been leading us toward that goal.

Those who are being honored by the Conference's Humanitarian Award personify the outstanding efforts of this organization. The life of each recipient exemplifies the mission of the conference to be an encouraging voice for the inclusion of all peoples. Their contributions continue to make our community a better place in which to live. Their work has enriched us all.

Those who would seek to build strong ties among all members of their communities would do well to study closely the efforts of the Greater Long Beach National Conference and the recipients of its Humanitarian Award. They stand as a model for the Nation.

DR. SARAH M. WILDER, 1996 CONGRESSIONAL SENIOR CITIZEN INTERN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. STOKES, Mr. Speaker, each year during the month of May, our Nation celebrates National Senior Citizen Month. In communities throughout the United States, senior citizens are recognized for their contributions to their communities and the Nation. In conjunction with Senior Citizen Month, seniors from across the Nation are scheduled to gather on Capitol Hill in a few days for the annual Congressional Senior Citizen Intern Program.

The Senior Citizen Intern Program has proved to be extremely successful. During their weeklong stay in Washington, DC, seniors receive a firsthand look at their Government in action. They attend meetings, workshops, and issue forums on topics which impact the elderly community in particular. The forums also provide an opportunity for extensive dialog with congressional leaders, members of the President's Cabinet, and other policymakers.

I rise to salute my Congressional Senior Citizen Intern for 1996. Dr. Sarah M. Wilder, an outstanding resident of the Eleventh Congressional District, will travel to Capitol Hill to participate in the Senior Citizen Intern Program. I want to share with my colleagues some biographical information on Dr. Wilder.

Mr. Speaker, I am certain that during the forums on Capitol Hill, health care will be at the top of the agenda for discussion. I am pleased that Dr. Wilder comes to Capitol Hill armed with a wealth of educational, administrative, and instructional experience in the field of health and nutrition. She received her bachelor of science degree in institutional management from Tuskegee University, and a master's degree in public health nutrition from Case Western Reserve University. In 1988, she earned her Ph.D. in community systems planning and development: health planning administration, from Pennsylvania State University. Dr. Wilder's dissertation consisted of an exploratory study of in-home services provided to elderly citizens through informal support systems.

Dr. Wilder also has a vast amount of administrative experience. During her career, she has served as director of dietetics for a convalescent and rehabilitation center; she has served as president of an in-home health care agency; and she is past president of a traveling nutrition dietetic educational management system. In addition, Dr. Wilder is the author of the first health-oriented dietetic technology program in the State of Ohio. Further, she developed and conducted community training sessions focusing on health issues such as diabetes, hypertension, CPR, and nutrition. Dr. Wilder has also traveled extensively over the years, sharing her expertise and insight with health organizations and students around the globe.

Mr. Speaker, Dr. Wilder currently serves as professor of dietetic technology at Cuyahoga Community College in Cleveland, OH. Her memberships include president and charter member of the National Organization of Blacks in Dietetics and Nutrition; past president and secretary of the Cleveland Dietetic Association; member of the American Association of University Professors; and past secretary of the American Dietetic Association Foundation. In addition, Dr. Wilder chairs the Research and Education Hunger/Malnutrition Committee of the American Dietetic Association. She has authored numerous journals and reports, and has presented lectures on nutrition and other health issues.

Dr. Wilder is the recipient of awards and honors which recognize her strong commitment and dedication. She is the recipient of the Distinguished Alumni Award from Pennsylvania State University, and the Teacher of the Year Award by the Ohio Association of Two Year Colleges. Dr. Wilder was also honored with the establishment of the S. Wilder Dietetic/Nutrition Scholarship Endowment Fund administered by the American Dietetic Association.

Mr. Speaker, Dr. Sarah M. Wilder is an individual of extraordinary talent and ability. I take pride in welcoming her to our Nation's Capitol as my Congressional Senior Citizen Intern. I am certain that she will do an outstanding job, and the Eleventh Congressional District and the Nation will benefit from her service on Capitol Hill.

HUDSON RIVER HABITAT RESTORATION ACT

HON. SUE W. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mrs. KELLY. Mr. Speaker, the Hudson River is one of the crown jewels of America's wonders. It has helped to shape our Nation's history and its beauty has inspired generations of Americans. This is why I rise today to introduce the Hudson River Habitat Restoration Act of 1996, legislation to authorize Federal funding for needed habitat restoration projects along New York's Hudson River.

A Reconnaissance report released by the Corps of Engineers in February 1995 identified several critical habitat restoration projects along the Hudson River in New York—projects intended to restore habitats damaged by industry and agricultural operations that have occurred along the river over the past century. My predecessor, former Congressman Hamilton Fish, secured the funds for the reconnaissance study. My legislation seeks to continue this process by authorizing funding for one or more of the priority projects identified by the Corps' study.

Mr. Speaker, the Hudson River estuary is an important habitat to a wide range of waterfowl and aquatic species. Many important habitats along the river—wetlands, marshes, and so forth—have been degraded over the past century as industry and agriculture grew along the river. My legislation seeks Federal funding for critical habitat projects identified by the Corps of Engineers and New York's Department of Environmental Conservation.

Recently, I had the pleasure of touring the Manitou Marsh in Phillipstown, Putnam County, one of the sites identified in the Corps' study and an ideal candidate for restoration. The marsh is a very productive ecosystem, great habitat for raptors, waterfowl and fish, and serves to clean pollutants from the river. Road and factory construction dating from the 19th century has adversely affected the tidal flows in and out of the marsh, a problem my legislation seeks to correct.

This legislation supports an ongoing and cooperative effort that has involved various levels of government, including the U.S. Army Corps of Engineers and the New York Department of Environmental Conservation, local environmental organizations, such as the Museum of the Hudson Highlands, Scenic Hudson, and the Audubon Society, as well as private sector businesses, such as Metro North Railroad.

Passage of the Hudson River Habitat Restoration Act will be an important step in protecting the environmental quality of this important waterway. I urge my colleagues to join me in support of this legislation.

TRIBUTE TO GLADYS M. STERN

HON. ELEANOR HOLMES NORTON

OF DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Ms. NORTON. Mr. Speaker, last night, hundreds of people filled Lisner Auditorium in a rare tribute to one of America's leading educators, Gladys M. Stern. Gladys Stern has been headmistress of Georgetown Day School for 21 of her 42 years at the school. This year, she will retire leaving an extraordinary legacy.

Georgetown Day was the first private school in the District of Columbia to be integrated in a city which in virtually every respect was a Jim Crow replica of the deep South. Gladys came to the school in 1961 as an assistant director after spending her time volunteering in a variety of capacities. Glayds—as she is fondly called by students and peers alike—took on the task of building a new high school at Georgetown Day, embracing the challenge with enthusiasm that became her signature. She counts the successful completion of that project as her most fulfilling accomplishment.

In 1975, Gladys was named headmistress of Georgetown Day at a time when most private schools around the country were run by men. Stressing the values of high academic standards, respect for the individual, and diversity, Gladys soon became a model educator, not for the District alone, but for the Nation itself. To her students, the real beneficiaries of her legacy, she will always be known as just plain, "Gladys."

Gladys M. Stern, a Washington institution in her own right, was celebrated last night by students whose names are unfamiliar and by others with the most familiar names in Washington—Art Buchwald, Judith Viorst, Frank Mankiewicz, Judith Martin (Miss Manners) and Sam Gilliam, among others. I am pleased to submit the brief words of tribute that I offered into the RECORD as well:

> The word is out that Gladys has gotten tired of being an institution. So she is retiring so that she can go back to being a person again. Actually, Gladys is a person with such an extraordinary persona that she has survived being institutionalized by and sometimes at GDS. Tonight she must wonder whether she can survive being ritualized. The most uncomfortable experience is hearing people say great things about you in public to your face. Uncomfortable yes, Gladys, but I hope that the gentle lady will not be heard to object.
>
> Speaking of gentle ladies, education has become one of the hottest topics in the 104th Congress. I think I know why. This is the Congress that discovered the deficit and then discovered that talk about education is cheap. So there's a lot of it.
>
> We'd be much better off if we talked about individual school. You don't have to be the mother of a GDS lifer to think that GDS would be counted in that number Gladys Stern is a major reason why. So Gladys, all I can say about all these wonderful things they are saying about you tonight is "Believe it." Denial will get you nowhere. I'm going to see just how much you can stand. Tonight is not the end of the endless tribute. Tomorrow I will place a tribute to you in the nation's official record, The Congressional Record. No, this is not to get back at Newt and the boys, it's the only way I have to tell the world what a first class educator and world class human being you are. You'll just have to suffer through it Gladys. Mazel tov.

HAPPY 25TH MCGILLIVRAY-WEBSTER-SPENCER VFW POST 3735

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. BARCIA. Mr. Speaker, military service has a proud tradition in our country, and those who have served in the Army, Navy, Air Force or Marines have a camaraderie that cannot be matched by any other activity. That spirit of togetherness has been maintained after service through the participation of veterans in distinguished organizations like the Veterans of Foreign Wars. VFW Post 3735, in Oscoda, MI, is celebrating its 25th anniversary this Saturday, and I am honored to recognize this important event with this history of the Post.

VFW Post 3735 is known as McGillivray-Webster-Spencer Post 3735. It is named in honor of three area veterans who were killed in battle. Staff Sergeant Donald McGillivray was killed in action on October 2, 1944, on Anguar Island in the southwest Pacific. Corporal Calvin Webster was the first local fatality of the Korean conflict, having been killed in action as a platoon leader on January 28, 1945. First Lieutenant James F. Spencer died of injuries he sustained in a helicopter crash in Vietnam on October 28, 1969. The return of his dog tags helped to encourage his mother, Mrs. Mary Spencer, to urge the Postal Service to develop the POW-MIA commemorative stamp that was issued last Memorial Day.

These three heroes of democracy and self-sacrifice are an appropriate inspiration to all of us who need to understand and there are times when we must serve our country, and a strong reminder that democracy should never be taken for granted because the price of preserving it can often be high.

The charter for both the VFW post and the VFW Auxiliary were approved on April 17, 1971, with 81 founding members, under the command of Harold Davis for the Post and 33 with Madalyne Davis as the first president for the Auxiliary. Today there are 427 distinguished members of McGillivray-Webster-Spencer Post 3735, including many of the original members who will be specially recognized by current Post Commander Tom Astrom and other dignitaries from the VFW and public officials for the 25 year membership this Saturday. The entire program, chaired by Ken Ratliff, will be a moving tribute to the service and dedication of veterans who survived these conflicts, veterans who endured on-going injuries from these conflicts, and those like SSgt. McGillivray, Cpl. Webster, and Lt. Spencer who made the ultimate sacrifice for their nation.

Mr. Speaker, at a time when we must take a hard look at our Nation's priorities, never let us forget that our strength is not in our planes, ships, tanks, or other armaments. Rather, the real strength is in our dedicated men and women who serve now or who have served previously in our Armed Forces. We are a nation of men and women, under God, dedicated to liberty and justice for all, and we are only as good as our own commitment to these causes.

I am proud that we can count on wonderful people like those of Oscoda and the veterans of McGillivray-Webster-Spencer Post 3735. Mr. Speaker, I urge you and all of our colleagues to join me in wishing the members of this Post, a most memorable 25th anniversary, with our thanks for all that they have done.

BUDGET RESOLUTION

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. NEAL of Massachusetts. Mr. Speaker, a few months ago we were all engaged in a tough debate commonly referred to as the "battle of the budget." Once again, we are here debating the budget and lines are being drawn in the sand. While the budget which is before us is not as outrageous as the budget resolution before us last year, however, this budget resolution is still out of touch with the average American. This resolution harms programs that benefit many of our constituents and represent values which I think should define America.

For the past few years, I have been very active on the debate on welfare. We all agree with President Clinton that "we have to end welfare as we know it." The welfare provisions of this budget resolution are better than the budget which was passed Congress, but the structural changes this provision makes are fatally flawed.

All individual guarantees for assistance to needy families would be replaced with block grants to the States. The States would receive funding but there is not enough guidance from the Federal level to determine how these funds will be spent. Also, the maintenance of effort requirements are weak. The cornerstone of welfare reform should be work. The only way to successfully reform welfare is to move individuals toward work. This cannot be done without having a successful work program which is adequately funded.

Not only does this budget resolution not provide funding for work. It cuts the earned-income tax credit by $20 billion over 7 years. President Reagan referred to the earned-income tax credit as "the best, antipoverty, the best pro-family, the best job-creation measure to come out of Congress." Why are we cutting this successful programs that provides an incentive to get off welfare and work? The proposed cuts go beyond eliminating the EITC for childless workers. In Massachusetts, 8 percent of the taxpayers will benefit from the EITC in 1996.

This resolution is less harsh on Medicaid than the resolution before us last year. But once again, the proposal calls for a massive restructuring of the current Medicaid Program and this will hurt the elderly. The proposal does not guarantee low-income seniors who cannot afford Medicare that their premiums and copayments will be covered by Medicaid. This jeopardizes guaranteed health coverage for nursing home residents. Why are we attacking the elderly in this budget? We are hurting those who need our help the most.

Deficit reduction needs to be accomplished and we need to address many complicated issues. We need to continue to talk about these issues. The budget resolution that will be before us tomorrow is not the right solution. Spending in certain areas can be reduced and programs can be reformed, but this budget just goes too far. We need to continue to work on a path to balance the budget and this should be done in a bipartisan manner.

YOUTH CRIME WATCH OF DADE COUNTY, FL

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. DIAZ-BALART. Mr. Speaker, I rise today to pay special tribute to the staff, students, and faculty advisors who comprise Youth Crime Watch of Dade County, a program of Citizens' Crime Watch of Dade County, for their continuing meritorious service and assistance in improving the quality of life within Dade County.

In an era when violence in our Nation's schools is mounting, and the public has come to perceive many young people as apathetic, Youth Crime Watch of Dade County provides a shining example of the best in America's youth. In my community alone, students at schools such as Hialeah Senior, American Senior, Hialeah Middle, Henry H. Filer Middle, and Palm Springs Middle have worked through their Youth Crime Watch of Dade County programs to set up student patrols which have significantly reduced crime in their schools; educated their student bodies on how to anonymously report crimes; collected canned goods, toys, and clothing for needy families; visited orphanages and nursing homes; hosted students from other countries such as Japan and the Bahamas; and worked to alleviate the physical and emotional suffering of the Cuban children who had to endure the camps in Guantanamo. These young leaders undertake these activities not for class credit or special recognition, but simply to satisfy their desire to help others.

Mr. Speaker, I would also like to take a moment to recognize the School Board of Dade County, FL, for their unwavering support of the Youth Crime Watch of Dade County program. They have shown great wisdom and foresight in ensuring that this much-needed program continues to reach tens of thousands of students every year.

All of these people—staff, students, and advisors—truly exemplify the ideal of community service. As a Nation, we must be proud to have such individuals in our society. I for one am privileged that so many of them reside in my community.

THE COLVILLE NATIONAL FOREST ADAPTIVE MANAGEMENT OF TIMBER RESOURCES ACT

HON. GEORGE B. NETHERCUTT, JR.

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. NETHERCUTT. Mr. Speaker, today I am introducing the Colville National Forest Adaptive Management of Timber Resources Act. The intermountain west and, in particular, a portion of my district in eastern Washington State, are plagued by unhealthy, overstocked forests.

These unhealthy forests are susceptible to catastrophic fires of such intensity that they cook the forest soil and leave the forest floor lifeless. The threat of such disasters lies in the broad expanses of forest stands that are densely overstocked with small-diameter trees of low vigor. They are highly susceptible to insects and disease, as well as fire. These stands have become that way in part because they have not been managed and because the lower-intensity fires that are nature's way of forest management have been suppressed.

The recently completed 5-year CROP—CReating OPportunities—study commissioned by the U.S. Forest Service on the Colville National Forest starkly portrays the dimensions of the problem and also points the way toward solutions. This study, conducted during 1989 through 1994, found that more than 525,000 acres of the Colville, or just under half its total land base, had been burned between 1910 and 1934. Of the forest stands generated from these burned acres, 96 percent now have a poor to fair vigor rating, and 42 percent have a moderate to high hazard rating for mountain pine beetle infestation. The productivity of these stands is declining. Insects and disease contribute to the heavy fuel load on these acres, increasing the probability of catastrophic fire requiring a major reforestation effort. Of these fire-generated stands, 86 percent are allocated for emphasis on timber management.

The CROP study determined that thinning these stands would improve vigor, reduce risk, and ultimately create greater stand diversity. There is a 10- to 20-year window of opportunity before the insect hazard becomes significantly worse and the chances for a positive response to thinning diminish. Market opportunities presently exist for the small-diameter trees that would be removed in thinning.

In drafting the Colville National Forest Adaptive Management of Timber Resources Act, I have taken the results of the CROP study, emphasized the need and demand for scientifically based and environmentally acceptable results, and recognized the ongoing substantial reduction in Forest Service funds and trained personnel.

The Colville is a logical place to begin this research because the CROP study has already laid the groundwork, especially in terms of resource inventory and assessment. It would take more preparation time to begin the same project elsewhere.

Upon enactment, a 10-year research and experimentation effort will begin on the Colville that is intended to conserve natural resources without locking them up; provide answers applicable throughout the intermountain west; reduce waste of resources; shift activities from the declining public employees sector to the private sector for savings in cost and efficiency; and help balance the budget by generating revenues from federal assets without increasing expenditures.

The act requires the Secretary of Agriculture to prepare a research plan and supporting environmental documents that provide for implementing and evaluating controlled silvicultural treatment in the affected areas. The purpose of the research is to test the effect of adaptive management techniques in the treatment of such forest stands.

The research area is approximately 110,000 acres of the Colville National Forest. These acres are overstocked, small-diameter, stagnated forest stands in areas generated from fire up to 80 years ago. Research is to begin by the second full field season after enactment, but a demonstration project covering perhaps 10,000 acres can begin as soon as a preliminary draft of the research plan is complete. The research is to continue over a 10-year period, with roughly equal amounts of acreage to be treated each year. Monitoring of the research is to continue for 15 years, with detailed reports of findings and implications to be submitted to Congress at 5-year intervals.

The research will be paid for from a combination of the proportionate funds available for the research area through the normal Forest Service budget and 50 percent of the revenues generated from sales of forest products removed pursuant to the scientific research. Counties will receive their normal 25 percent share of revenue generated by research sales.

The Secretary of Agriculture will be able to use private contractors for the preparation, implementation, and monitoring of the research. He might choose to involve the Center for Sustainable Eastern Washington Ecosystems which was substantially involved in the CROP study that underlies this research. To the greatest extent practicable, the Secretary is to use private contractors from communities adversely affected by reductions in Forest Service timber sales.

Mr. Speaker, 10 to 15 years may sound like a long time for research, monitoring, and broad application of the research finds. But the amount of time is very short before we must begin to deal with the problem of overstocked and underconserved forests. I urge all of my colleagues who despair of the soil-sterilizing large fires that have plagued our forests too often in recent years to join me in support of this bill and help get this vital scientific research underway.

RONALD G. PETTENGILL, PRESIDENT, ROCHESTER LABOR COUNCIL, RETIRES

HON. LOUIS McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Ms. SLAUGHTER. Mr. Speaker, it is with pleasure that I call your attention to the retirement of the president of the Rochester Labor Council, AFL–CIO Ronald G. Pettengill. Ron is not only an esteemed labor leader and team player, he is also a wonderful friend, whose hard work and dedication will be greatly missed.

Ron joined the United Brotherhood of Carpenters and Joiners in 1955, first as an apprentice, then as a journeyman carpenter, and later as a leader in Local 85. During his tenure the brotherhood's membership significantly grew and the joint apprenticeship program and journeyman training program greatly expanded.

Ron has also served with distinction as the president of the Rochester Labor Council since 1985. He has worked tirelessly to increase the council's influence. Since he assumed the presidency, the council's membership has grown dramatically and now even has a full-time staff person to coordinate the council's activities.

Ron's accomplishments take on even greater significance when viewed in the context of the current work environment. The labor movement must look to quality leaders, like Ron, to fight for worker protection and fair compensation. He has always stood by my side as we fought to promote the interests of our community's working men and women.

Mr. Speaker, it is my pleasure to publicly commend the achievements of Ron Pettengill and to wish him a long and healthy retirement.

SIXTH ANNUAL HONOREES BANQUET

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Ms. KAPTUR. Mr. Speaker, this Sunday, May 19, the Interracial Religious Coalition in my community will hold its Sixth Annual Honorees Banquet at the Islamic Center of Greater Toledo. The coalition is to be commended for its celebration of interracial and interreligious harmony and unity.

Four individuals who have contributed to the quality of community relations in our city will be honored at the banquet, Rev. Claude Christopher, pastor of St. Paul AME Zion Church; Joan Coleman, Toledo city councilwoman; Rev. Martin Donnelly, pastor of St. Martin DePorres; and Larry Sykes, division of business development and retail lending, Fifth Third Bank.

I also rise to commend the coalition for passing a recent resolution in response to current strife and loss of life in Lebanon:

> Be it resolved that the Interracial Religious Coalition called upon its Members to pray for peace in the Middle East, pray for those who have lost their lives in the strife, and to ask our government to stop the bombing on both sides and continue the pursuit of peace.

The diplomats of Syria, Lebanon, Israel, and France brought together by the Clinton administration in Washington, DC, to arrange for monitoring of the ceasefire between Israel and Hezbollah guerrillas would do well to follow their lead.

CONGRATULATIONS TO MIRA COSTA HIGH SCHOOL

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Ms. HARMAN. Mr. Speaker, today I wish to salute Mira Costa High School, in the beautiful community of Manhattan Beach, on being selected for a Department of Education Blue Ribbon School Award. Mira Costa High School was 1 of only 266 schools in the Nation recognized for outstanding achievement by the students, teachers, and staff, and an education environment of the highest quality.

The Department of Education awarded Mira Costa the highest rating in areas such as instructional leadership, curriculum, student environment, and parent and community support. I am particularly impressed with Mira Costa's emphasis on technology, which is the backbone of the South Bay's economy now and in the future. In areas such as the Integrated Learning Systems Wastch Lab, the MAC lab, the school library, and as a part of the ADTECH consortium, the students of Mira Costa are developing the technological skills necessary for the 21st century.

I congratulate Mira Costa principal John Giovati, Manhattan schools superintendent Gerald Davis, and school board trustees Kathy Campbell, Barbara Dunsmoor, Michele Memmott, Leroy Nelson, and Mary Rogers. And I especially congratulate the students and teachers of Mira Costa for setting an excellent example for other schools to follow.

A TRIBUTE TO MADELINE TAYLOR DUCKLES

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. DELLUMS. Mr. Speaker, I rise to recognize an extraordinary human being in my district, Madeline Taylor Duckles, on the occasion of her 80th birthday. The phrase, "my district" only serves to highlight the world-wide breadth of this woman's interests and achievements. Madeline Duckles, born in rural California, was fortunate to have attended the tuition-free, University of California at Berkeley and to graduate in 1937, as the first in her family to go beyond high school. While she reveled in her academic pursuits, her earlier awareness of the commonality of humankind was strengthened by the diversities of the people she met at Berkeley.

Her life at the University of California confirmed her childhood understanding that differences in peoples' outward appearance were not measures of their worth, that discrimination and hatred based on such attributes had no place in her life. The seeds of her work in opposition to discrimination, inequality, hate and war were firmly implanted during these university years.

In the 1950's the Congressional House Un-American Activities Committee [HUAC] loomed large over the country. California had its "Little Hoover" commission, and the University of California felt its own anticommunist pressures as the specter of the loyalty oath blighted freedom and integrity. Madeline, joined the Women's International League for Peace and Freedom in the mid-1940's, braved the pressures and spoke out, with WILPF, against the witch hunting.

The Vietnam war grew from a buzz heard across many campuses to an early roar in Berkeley and the bay area. Madeline was one of the first American women to visit North Vietnam and was accused of providing aid and comfort to the enemy. Providing no aid or comfort, she did bring out the first information on prisoners of war held in the north. In the 1960's Madeline accepted an invitation from a women's group to address an outdoor rally in Florence. Her speech on Vietnam did not advocate the violent or otherwise overthrow of the American Government, but a report on her speech in the press brought a warning from the U.S. Consul that she might be dismissed from Italy.

A dossier on Madeline's activities exists in the FBI files, over several decades. This FBI surveillance led to concern by her family, particularly during her first trip to Vietnam, whether she would return in one piece. Despite the official intimidation, hate mail and telephone calls, Madeline visited areas and spoke with people thought by others as enemy. In each case, her choice to make that visit has been based in part or in whole on the belief that the way to peace begins by talking with those with whom one currently has no peace. Madeline has consistently used her skills and strengths to join with those of others to make positive differences in this world.

In late 1966 physicians and concerned individuals formed the Committee of Responsibility, which sent observers to Vietnam to find war-injured children who could benefit from medical treatment in the United States. Madeline became the west coast organizer at the outset, and supervised the transit, treatment, housing, and other activities necessary for the numbers of children treated under this privately funded program. Every child whose injuries allowed for safe return to Vietnam was sent home; those who would not survive at home were helped to remain in this country where available medical skills would allow them to live. Each child, now adult, who remained in the United States is self-supporting. Madeline continued her work with WILPF/Women for Peace, which became synonymous with peaceful protest, and finally, the end to the American war in Vietnam. She served during this time as chair of the World Council for Peace.

Her activism continued after the Vietnam war. She educated us on the growth of American military power and the continued high level of armaments. She supported congressional efforts to eliminate arms stockpiling, reduction of nuclear weapons, and to focus governmental spending on strengthening our social infrastructure to enhance the lives of the children today and tomorrow.

Madeline Taylor Duckles' 80th birthday, on May 19, 1996, is the occasion for celebration by her family, friends and colleagues, and provides us the opportunity to recognize her life and dedicated work of more than half a century in support of the cherished American principles of the freedoms of speech, liberty, and equality and the right to live one's life, anywhere in peace. Madeline Taylor Duckles is a visionary who has been practicing the concept of thinking globally and acting locally throughout her lifetime; she has been a feminist before the term was coined, a humanist of the greatest kind and an American with a world vision. I am proud to have had a chance to work with her and join with her many friends in the ninth Congressional District, and all over the world to recognize her work and to salute this wonderful American.

CZECH CITIZENSHIP LAW UNAIDED BY AMENDMENT

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to express my disappointment regarding the progress of the Czech Republic in its on-going transition from Communist dictatorship to democracy. Overall, the Czech record is quite good. And the Czech Republic has made, possibly, the greatest strides of any countries in the region in its efforts to establishing a functioning free market. But in one particular area, the Czech record has been abysmal. Since the breakup of the Czechoslovak Federation at the end of 1992, the Czech Republic has imposed a citizenship law that discriminates against the Czech Republic's largest minority group, the Roma, and violates international law.

The Helsinki Commission, which I now chair, flagged this problem in a report in 1994. More recently, in early April, the Council of Europe and the UNHCR each released reports on the Czech Republic. Although the reports differ in their specific mandate and analysis, their final conclusions are consistent: The current Czech citizenship law, both as drafted and applied, violates international standards. In particular, both reports found that—contrary to the previous assertions of the Czech Government—the Czech law has created both de jure and de facto statelessness. The Council of Europe report used particularly pointed language, noting that while some of the practices associated with the implementation of the law "might have been lawful under the Czech law of 1967. * * * [they] clearly do not meet European legal standards." Moreover, according to the recently released State Department country report, some who are affected by this law have been deported, contrary to the assurances I had previously received from Czech officials.

I appreciate that efforts have been made to improve the citizenship law and strengthen its association with international human rights norms. In particular, I understand an amendment to the law was passed on April 26. That amendment, however, fails to address the fundamental shortcomings of the law.

For example, it appears that former Czechoslovaks who were long-term residents of the Czech Republic must still make cumbersome applications and pay so-called administrative fees in order to be considered for citizenship in the only homeland they have ever known. In addition, it has been reported that the amended law gives the Ministry of Interior complete discretion to require those applicants to have a clean criminal record. It seems to me that this would be like telling charter 77 dissidents that of course they have a right to free speech—provided they got a waiver from the Ministry of Interior before exercising it. In short, even as amended, the Czech citizenship law still stands in violation of the Czech Republic's international commitments.

In a few weeks, Czechs will return to the polls to elect a new parliament. In that context, the significance of the citizenship law is all the more poignant: those wrongly denied citizenship are also wrongly denied the right to vote.

Mr. Speaker, I do not understand what benefit the Czech Government sees in maintaining provisions of this law that have generated international criticism. Those who have criticized this law, including the Helsinki Commission, are not proposing that the Czech Republic adopt dual citizenship; we are not proposing that former Czechoslovaks who were or are permanent residents in Slovakia be given citizenship; and we are not saying that the Czech Republic does not have a right to protect its borders. Instead, a finite number of people, all of whom are, by definition, permanent residents in the Czech Republic anyway, must have their citizenship restored if the Czech Republic is to bring its law into conformity with the international standards it has adopted.

DR. JIMMY SIMON RECEIVES JOSEPH W. ST. GEME, JR., LEADERSHIP AWARD

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. LANTOS. Mr. Speaker, I rise today to honor and congratulate Dr. Jimmy Simon, one of the preeminent practitioners of pediatric medicine in the United States. I join with the American pediatric community, who honored Dr. Simon here in Washington last week with the Joseph W. St. Geme, Jr., Leadership Award for Distinguished Service in Pediatrics, in expressing our most heartfelt gratitude for his work and continued leadership.

It is extremely important to recognize the extraordinary accomplishments of great Americans like Dr. Simon. Dr. Simon has not only been an excellent physician and teacher for 40 years, he has also provided for a bright and productive future for the field of pediatrics.

Dr. Simon, born and raised in San Francisco, CA, is currently the chairman of the Department of Pediatrics at the Bowman Gray School of Medicine in Winston-Salem., NC. Shortly after completing his medical and postdoctoral training, Dr. Simon served his country with distinction as a captain in the Air Force. He has been a physician and professor at the University of Oklahoma School of Medicine, at the Kern County General Hospital in Bakersfield, CA, at the University of Texas Medical Branch, and, since 1974, at the Bowman Gray School of Medicine.

Dr. Simon has served in numerous public service and policymaking capacities throughout his long and productive career. Through his wide-ranging memberships in professional organizations, Dr. Simon has helped develop a vision for pediatric medicine in the 21st century.

The Joseph W. St. Geme, Jr., Award is an annual award given to a practicing pediatrician who has contributed to an extraordinarily broad range of areas of pediatrics and who has created a future for pediatrics. I am extremely pleased that Dr. Simon has been recognized for possessing these outstanding qualities.

Dr. Jimmy Simon has shown us that one person dedicated to a cause can make a difference. Dr. Simon inspires us all to strive for excellence out of love for one's profession and all the benefits it can bring. I invite my colleagues to join me in expressing our appreciation of Dr. Simon's remarkable career.

TOM TRACY: DISTINGUISHED IRISH-AMERICAN LEADER

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. DORNAN. Mr. Speaker, I rise today to recognize the honorable achievement of a good friend and fellow Irish-American, Tom Tracy. Tom recently received the 1996 Distinguished Leadership Award by the American Ireland Fund. The award acknowledges an American of Irish heritage whose lifetime accomplishments personify the spirit of the Irish immigrants who contributed to making our Nation the greatest in the history of mankind.

I am especially proud of Tom because I share his Irish roots. I value my ancestry because it has given me a feeling of being connected to a long history of a people in love with life. The Irish have suffered mightily through history, but the essence of life is to persevere and conquer the challenges that life presents. Irish-Americans like Tom Tracy have excelled at that task.

Tom has been associated with about 28 Irish-related organizations, including many devoted to achieving peace in Northern Ireland.

Over the last 5 years, Tom has spent much time and money trying to work towards that peace.

I also share one of Mr. Tracy's other passions: our Catholic Church. We have both been dedicated to strengthening and protecting the church and our particular dioceses. Mr. Tracy has been deeply involved in the Diocese of Orange, CA, where he has served on key committees and numerous other Catholic organizations, including the effort to gain sainthood for Father Junipero Serra.

I thank Tom for his many contributions. He honors all Irish-Americans for his dedication and his good will.

THE AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. THOMAS. Mr. Speaker, as the chairman of the Ways and Means Health Subcommittee, I want to take this opportunity to comment on the Budget Committee's report language relating to the Agency for Health Care Policy and Research [AHCPR] that was included with its discussion of the major discretionary health programs funded under function 550. The report language refers to the committee's objections to AHCPR's role in the development of outcomes research-based clinical practice guidelines and the need to better integrate survey and data collection efforts at a number of agencies, including AHCPR. This is an important goal but think it is important to note that AHCPR has already addressed the two issues raised in this report.

First, in the area of clinical practice guidelines, AHCPR has been responsive to the committee's concerns. The Agency took this criticism seriously, engaged in a dialog with the health care community, and announced last month that it will no longer directly support the development of clinical practice guidelines. Instead, AHCPR will concentrate on its strength, the development and assessment of the scientific evidence that physicians, health plans, and other providers need so that they, not AHCPR, can develop guidelines or other qualify improvement strategies. This approach will provide physicians and health plans with the information they need to develop better, evidence-based guidelines, without the implication that the Federal Government is telling them how to practice medicine.

Second, the agency has been responsive in attempting to minimize their overlap with other Health and Human Services agencies in the area of the data collection. Despite the fact that AHCPR has only a small, but important, role in the area of data collection, the Agency took the lead in proposing a major restructuring of its medical expenditure survey to eliminate areas of duplication with other HHS surveys. The new medical expenditures panel survey that they are now undertaking reflects those survey integration efforts. I agree with the committee that it is important that the other agencies of the Department explore greater integration of their survey and data collection efforts; AHCPR has stepped up to the plate on this issue and their contribution should be acknowledged.

In light of the responsiveness of AHCPR to our concerns, I think it is time to move forward. We have seen major reform and restructuring at this Agency and now we need to let it get on with its mission of identifying what works and what is cost-effective in health care. Its research has already demonstrated that better quality care can cost less if clinicians and patients have the information they need to make more informed choices. This research is crucial to our committee's efforts to reform and save the Medicare Program and we now need to let them do their job.

COSPONSORSHIP OF CAMPAIGN FINANCE REFORM LEGISLATION

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. FOGLIETTA. Mr. Speaker, I recently overcame a challenge in the Pennsylvania Democratic primary, where, we believe, my opponent was able to spend more campaign funds than my campaign spent. I came away from that campaign with the certain belief that we spend too much time concentrating on campaign fundraising and that there is too much money in the political process. We must reform the way we finance our political campaigns. I have signed the discharge petition to require the Republican majority to do what they do not want to do: bring campaign finance reform legislation to the floor.

I come to the floor today to announce that I am cosponsoring two pieces of campaign finance reform legislation.

First, I am cosponsoring the Meehan-Shays-Smith campaign finance reform bill. This bill would make fundamental changes in the way we fund our campaigns. The sponsors of the bill should be applauded for the contribution they have made in moving this debate forward.

I am also cosponsoring SAM FARR's American Political Reform Act. While the two bills are similar in important respects, but there are aspects in the Farr bill that I prefer. First, it better recognizes the constitutional infirmity in banning political action committees by setting expenditure limits, restricting PAC contributions in the mix of total contributions and lowering the maximum contributions from individual PAC's. Second, it does not contain the in-State, in-district requirements, included in the Meehan-Shays-Smith bill. Those of us who seek to run in poor districts, especially challengers, would be sorely handicapped by this limitation. Moreover, it would put entities like Emily's List and the groups that come together to fight for the State of Israel out of business, for all practical purposes—these groups have genuine first amendment interests. Third, it correctly restricts bundling but carves out a responsible exception for PAC's that do not lobby.

I hope that the Republican leadership will see the light and work with us to reform the political process.

A SPECIAL TRIBUTE TO BOB WINTERS

HON. JAMES A BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. BARCIA. Mr. Speaker, a good education is an important tool to prepare for a successful future. Without excellent educators to provide our future generation with the kind of education they need to succeed in our technical job market, our country would not be the great Nation it is today. The people who teach or develop innovative teaching tools are the key to our continuing success. Over his 36 years as an educator, administrator, and visionary, Bob Winters has used his skills to improve the education system locally and nationally. In recognition of how much this community appreciates and acknowledges his dedication to education, they are honoring him on Friday, May 17, 1996.

Bob Winters graduated from Detroit Southeastern High School and received his B.A. in education from Wayne State University. After graduation, he began his lifelong commitment, not only providing the best education to his students, but also working to improve education for students all over the country. Bob taught social studies, history, and English in Ferndale, MI, for 5 years.

Knowing the importance of education, he returned to school to receive a masters degree from Michigan State University. Using this new knowledge, he became the assistant principal at a junior high school in Birmingham, MI. In this position he coordinated a new approach to teaching called team teaching. This new approach encouraged teachers to work and plan curriculum together to help students understand the connection between subjects. Each teacher brings his or her strengths to the school curriculum to provide students with the best possible curriculum.

Recruited to share this new teaching technique with others, Bob moved to upstate New York in 1970 to serve as the associate director of a regional educational planning center to advise other schools on implementing team teaching on a national level. Always trying to improve the education system, Bob moved to Washington years later to serve as the Senior Associate to the National Institute of Education. He shared his research and planning of the $50 million experimental schools program as a consultant and conference planner at the National Rural Experimental Schools Conference, Little Rock, AR.

Eager to return to educating on a personal level, Bob moved back to Michigan to serve as the deputy superintendent and director of instruction for the East Lansing Public Schools. In 1979, he became the superintendent of Essexville-Hampton Public Schools were he has served for the past 17 years. As superintendent he made several significant changes in the area including allowing student representation on the board of education and implementing substance abuse-drug awareness programs. Bob also served as a member of the Michigan Association of School Administrators [MASA] 1985 to 1987 and served as president, secretary-treasurer and served on the legislative committee.

Bob is also active in his community and is a member of the Alliance for Bay County Schools, Bay Area Chamber of Commerce legislative affairs committee, Bay Medical Center, Delta College Community advisory board, Partnership for Kids Committee, and United Way to Bay County.

Bob could not have achieved these great accomplishments without the support of his wife, Kay. As an avid golfer and member of the Saginaw-Bay Yacht Club, Bob will have many activities to keep him occupied in his retirement. He is also a member of the Bay City Players, a barber shop quartet, and is active with the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America.

Mr. Winters is a shining example of the ability of individuals to improve our society. He is the embodiment of the finest qualities expressed in the word "citizenship." I commend Bob for his lifelong achievements and I urge my colleagues to join me in extending him our best wishes in his retirement.

NEPTUNE HIGH SCHOOL NAVAL J.R.O.T.C. UNIT MILITARY BALL AND AWARDS CEREMONY

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. PALLONE. Mr. Speaker on Friday, May 31, 1996, at the Waterview Pavilion in Belmar, NJ, the Neptune High School Naval Junior Reserve Officer Training Corps unit will hold its Military Ball and Awards Ceremony.

It is with great honor that I pay tribute, on this day, to the Neptune High School Naval JROTC unit. Existing since 1977, this 4-year program is designed to teach high school students leadership and citizenship. To achieve this, the program stresses self-discipline, patriotism, and high self-esteem. All of this is practiced within the organization and administrative structure of the U.S. Navy.

The Neptune High School JROTC boasts a membership of 103 members with 47 of its members recently completing a 3-day mini-boot camp training weekend at Fort Dix, NJ. On November 20, 1995, the unit successfully completed their 1005–96 Navy area manager inspection with an overall grade of outstanding. I would like to take this opportunity to applaud these outstanding young men and women for their commitment and allegiance to the JROTC and also for their overall outstanding grade.

Mr. Speaker, this ceremony is an important event, not just for the proud members of the JROTC but for all of us. It should remind us all of the importance of citizenship and patriotism and what it means to be an American.

REVEREND JACQUELINE McCULLOUGH

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. TOWNS. Mr. Speaker, Rev. Jacqueline McCullough has spent most of her life in the church. She is the daughter of two preachers, Reverend and Evangelist Percival Phillips. Presently, she is an associate pastor at Elim International Fellowship and has been under the tutelage and pastoralship of Bishop Wilbert McKinley for over 20 years.

After 7 years of working as a nurse, Reverend McCullough left the medical field to enter full-time ministry. She has traveled for over 20 years nationally and internationally conducting and attending revivals, seminars, workshops and conferences. She is often seen on religious cable television and heard on religious talk show. Reverend McCullough is accredited with master of arts in philosophy from New York University. She is presently working toward a doctorate degree in Bible—Old Testament—at the Jewish Theological Seminary.

In 1986, Reverend McCullough founded the Daughters of Rizpah, a nonprofit religious organization where she is the president and director. This organization underwrites all of her extra-church ministerial activities and community involvements. She is also the proprietor of Biblion—The Family Bookstore, the author of "Daily Moments—In Quietness and Confidence" and publisher of a semiannual newsmagazine "Mended Bridges".

This recount only serves to give an overview of her life, work, and godly commitment. It does not reflect her passionate love for God, His word, the innumerable sacrifices for the work of the Lord and her sensitivity to the needs of God's people.

WESTHILL'S DOUBLE CHAMPIONSHIP SEASON

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. WALSH. Mr. Speaker, today I ask my colleagues in the House of Representatives to join me in congratulating the young women athletes of the Westhill Senior High School soccer and basketball programs for their New York State Class C Championships during the past season.

From a small school of 600 in the Town of Onondaga in Central New York, two outstanding coaches have inspired, instructed, led, cajoled, and pushed in order to get the best from their girls. In each case, their best was indeed good enough.

Before I name the players, I would also like to congratulate the entire Westhill High School community—led by Superintendent Mark DeSantis, Principal Richard Cavallaro, Board President Anthony Sidoni, Athletic Director Matt Whipple and the hundreds of parents and students who make up the support infrastructure at Westhill.

Being a parent in the Westhill School District, I am especially proud today. Many of the players are well known to me and my neighbors. We have watched these athletes grow, become stronger, become young adults, never losing their school spirit, their pride, never faltering in support of one another.

We are now gratified to see them succeed so completely. We will recognize them, and all our district's scholastic athletes, at Sports Night on June 6. These two teams give us reason to cheer, but as parents everywhere understand, they also give us an opportunity to give a final round of applause this year to all the students who partake in school sports.

Members of the New York State Class C Championship Varsity Girls Basketball Team from Westhill Senior High School were coached magnificently by Sue Ludwig. They are: Jessica Adydan, Erin Davies, Sarah Detor, Lauren Fitzpatrick, Leigh Halsey, Laurie Hughes, Melissa Johnson, Sarah Johnson, Stephanie Mancini, Maura Satalin, and Kathleen Sheridan.

Members of the New York State Class C Championship Varsity Girls Soccer Team from Westhill Senior High School, coached by Ann Riva, are: Jessica Adydan, Ellen Bronchetti, Carolyn Butler, Shannan Card, Jennifer Conway, Erin Davies, Julie Donahue, Sharon Gates, Julie Guinn, Karen Guinn, Alissa Hoover, Laurie Hughes, Jennifer Kirsch, Lindsay Lazarski, Sara Murphy, Kirsten Parody, Wallis Patulski, Megan Rogers, Courtney Spencer, Sarah Thornton, Sarah Ungerer and Jessica Vosseteig.

Westhill was further honored this year when Coach Riva was named by the National Soccer Coaches Association of America as Coach of the Year for the Northeast Region of the United States.

Under her direction, the Westhill team has won State Sectional titles for the last 4 years, and Onondaga High School League championships for the last 5 years. During 22 seasons, her teams have recorded 208 wins against 85 losses and 20 ties.

Everyone at Westhill is very proud. I salute the coaches, parents, administration, faculty, and staff—and most of all, the teams.

TRIBUTE TO WILLIAM WHITNEY AND MOUNTAIN VIEW ELEMENTARY SCHOOL

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. McDADE. Mr. Speaker, it was my pleasure today to meet with the sixth grade class from Mountain View Elementary School in Kingsley, PA.

Across our great land, there are people who dedicate their lives to the education of our children. Through their tireless efforts they give the gift of learning to their students, helping make a better future for our families, our communities, and our Nation.

The people of whom I speak are the teachers in schools across America. Today, I would like to especially recognize William Whitney of Mountain View, who is one of those dedicated teachers who not only excels in the classroom, but also makes those extra efforts to enrich his students' learning experiences.

Today's visit by the Mountain View Elementary School marks the 25th consecutive year in which Mr. Whitney has brought his students to our Nation's Capital. In addition, Mr. Whitney also coaches several athletic teams. I commend him for his dedication to his students.

Mr. Speaker, I would like to take this opportunity to express my gratitude to all the teachers who play such an important role in the lives of our children. Teachers like Mr. Whitney exemplify, and impart in our children, the true meaning of citizenship in this great democracy in which we live.

ANNOUNCING COMPREHENSIVE BIPARTISAN CHILD SUPPORT REFORM

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise to announce yesterday's introduction of an outstanding bipartisan bicameral bill that will have a tremendous impact on the lives of millions of American families—the Child Support Improvement Act of 1996 (H.R. 3465). My colleague from Connecticut, BARBARA KENNELLY, as well as Senators OLYMPIA SNOWE and BILL BRADLEY, have joined me as sponsors of this important legislation.

The Child Support Improvement Act is not new language; it is the child support title of H.R. 4, the welfare reform bill that has been bogged down in negotiations for over a year. Because we have reached agreements on all aspects of the child support title of the welfare reform bill, we believe it is imperative that we liberate these provisions of the bill so that they are ready to move forward independently if necessary.

Let me make this clear—we prefer sending to the President a comprehensive, bipartisan welfare reform bill that includes our child support enforcement provisions. But no matter what happens with welfare reform this year, our goal is to have the child support enforcement provisions signed into law by the time this Congress adjourns.

Imagine this—as recently as 8 years ago, just about every State had its child support orders in file cabinets. We approved legislation in 1988 that brought us into the 20th century by requiring computer automation of this information. The bill we introduced yesterday will take us to the next level by linking States to a central Federal databank. At one time a deadbeat parent from Connecticut could find work in California and never have to worry about being tracked down to pay child support.

To all deadbeat parents, you are now on notice. Once this bill is enacted, you will not be able to hide. We will find you. We will make you live up to your parental responsibilities of supporting your children.

END VIOLENCE AGAINST WOMEN

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. STEARNS. Mr. Speaker, the statistics are bone chilling. Three out of four American women will be a victim of a violent crime in their lifetime. For every 5 minutes that passes, another women is raped. Every 9 seconds another woman is abused.

And don't think it doesn't happen in your community. While most men are respectful toward women, the statistics indicate that in every community there lives at least one weak, cowardly, and spineless man who feels the compulsion to humiliate and torment a woman.

Don't fool yourself into believing that you couldn't know a woman who is suffering. These women are someone's mother, someone's sister, someone's daughter, someone's coworker, someone's friend. This abuse breeds fear, pain, and shame in women.

It's time to alert and educate the public about the violence that is being inflicted on women and how to stop it. Violence is inexcusable in any civilized society. Only by exposing this destructive vile behavior will there be an end to the pain and suffering. Anything less is unacceptable. I urge everyone to do their part to end the violence.

TRIBUTE TO ANNA CHERNEY, PEACE AND COMMUNITY ACTIVIST

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Ms. WOOLSEY. Mr. Speaker, I rise today to pay tribute to Anna Cherney, one of California's long-time social and peace activists who passed away on April 18, 1996, at the age of 94. Until her death she was active throughout the community as a vigorous worker for civic activities, involved with the peace and labor movements, and supporting the struggle for equality.

Anna is well known for giving generously of herself and her finances. Seldom did she withhold her financial support for her beliefs.

Anna is attributed with making her community, the city of Sebastopol, CA, a nuclear-free zone. She has helped raise money for student art scholarships at the local Santa Rosa Junior College, the Sonoma County Peace and Justice Center, and continued fund raising activities, rallies, and peace marches until just recently. Her friends call her "one feisty lady," and it is her spirited nature that will be remembered and cherished by her many followers who will pick up the torch and carry it to the generations who follow.

Mr. Speaker, Anna Cherney's commitment to her community, her legacy of generosity, and her selflessness serve as an example to all Americans. It is people like Anna, working together in communities throughout America, who make our Nation so great and bring out the best in us. We can celebrate the power of one individual, Anna Cherney, by waking the giants that live within all of us to help our neighbors, our community, and our Nation. Anna Cherney did, and for this, I say thank you, Anna.

H.R. 2594 AND TECHNICAL CHANGES TO ICC TERMINATION ACT

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. SHUSTER. Mr. Speaker, today I would like to announce that H.R. 2594, the Railroad Unemployment Insurance Amendments Act, is scheduled to be considered on the House Floor next week. This bipartisan bill improves unemployment and sickness benefits for rail workers, with no additional cost to the Federal Government.

H.R. 2594 was approved by the Transportation and Infrastructure Committee by voice vote last November. It is a consensus measure, supported by both rail labor and rail management.

Unemployment and sickness benefits for rail workers are handled under a national, employer-financed system that is administered by the Railroad Retirement Board. H.R. 2594 makes a number of changes to railroad unemployment and sickness benefits that will produce a more equitable and up-to-date program.

The reforms contained in H.R. 2594 will bring the railroad industry benefits more into line with the State unemployment benefits that apply to all other industries. Daily benefits will be increased from $36 to $42. Currently, most States have higher daily benefits than the railroad unemployment program. In addition, the waiting period before benefits begin to accrue is reduced from 14 days to 7 days. Again, most States have a shorter waiting period than under the railroad unemployment system. The bill also limits the amount of benefits that can be paid based on an individual's outside income, and reduces the maximum number of days of extended benefits.

Because the railroad unemployment system is financed by taxes imposed on the railroad industry, the federal taxpayer will not be saddled with additional costs as a result of this bill. Thanks to the efforts of our colleagues on the Budget Committee, the budgetary impact of the bill has been resolved so that we are able to bring the bill to the floor under suspension of the rules.

In the motion to suspend the rules and pass H.R. 2594, I will also include several technical corrections that are necessary to eliminate minor drafting ambiguities in the ICC Termination Act, which was enacted at the end of 1995. The changes are intended only to restore the status of related laws to the way they were at the time of the enactment, or to correct purely clerical errors in the text of the ICC Termination Act. The text of these technical changes follows.

One of the technical changes is necessary to carry out the explicitly stated intent of the ICC Termination Act that its enactment did not "expand or contract coverage of employers or employees under the Railway Labor Act." 49 U.S.C. 10501(c)(3)(B). The technical correction is drafted merely to restore more clearly the exact legal standards for coverage under the Railway Labor Act that existed prior to the enactment of the ICC Termination Act. Otherwise, the current text of the law could cause needless ambiguity and confusion.

H.R. 2594 will provide for much-needed reform of the railroad unemployment system and I urge your support of this legislation.

TECHNICAL CHANGES TO ICC TERMINATION ACT TO BE INCLUDED IN H.R. 2594

SEC. 6. TECHNICAL AMENDMENTS.

(a) REFERENCES.—(1) Section 24307(c)(3) of title 49, United States Code, is amended by striking "Interstate Commerce Commission" and inserting in lieu thereof "Surface Transportation Board".

(2) Section 24308 of title 49, United States Code, is amended—

(A) by striking "Interstate Commerce Commission" in subsection (a)(2)(A) and inserting in lieu thereof "Surface Transportation Board"; and

(B) by striking "Commission" each place it appears and inserting in lieu thereof "Surface Transportation Board".

(3) Section 24311(c) of title 49, United States Code, is amended—

(A) by striking "Interstate Commerce Commission" in paragraph (1) and inserting in lieu thereof "Surface Transportation Board"; and

(B) by striking "Commission" each place it appears and inserting in lieu thereof "Surface Transpiration Board".

(b) CLARIFYING AMENDMENT.—(1) The first paragraph of section 1 of the Railway Labor Act (45 U.S.C. 151) is amended by inserting "The term 'carrier' includes any express company or sleeping car company subject to subtitle IV of title 49, United States Code, within the meaning of such terms under this section as in effect on December 31, 1995." after "in any of such activities.".

(2) The amendment made by paragraph (1) is made for the purpose of clarifying the policy stated in section 10501(c)(3)(B) of title 49, United States Code, that the enactment of the ICC Termination Act of 1995 did not expand or contract coverage of employees and employers by the Railway Labor Act.

(c) TITLE 49.—Title 49, United States Code, is amended—

(1) in section 13102(10)(A) by inserting after "her dwelling" the following: "and if the transportation is at the request of, and the transportation charges are paid to the carrier by, the householder";

(2) in chapter 151 by striking "CHAPTER 151—GENERAL PROVISIONS" the second place it appears;

(3) in chapter 153 by striking "CHAPTER 153—JURISDICTION" the second place it appears;

(4) in chapter 157 by striking "CHAPTER 157—OPERATIONS OF CARRIERS" the second place it appears;

(5) in chapter 159 by striking "CHAPTER 159—ENFORCEMENT: INVESTIGATIONS, RIGHTS, AND REMEDIES" the second place it appears;

(6) in the table of sections for chapter 159 by striking the item relating to section 15907;

(7) in chapter 161 by striking "CHAPTER 161—CIVIL AND CRIMINAL PENALTIES" the second place it appears; and

(8) in section 41309(b)(2)(B) by striking "common".

(d) TITLE 28.—Section 2342(3)(A) of title 28, United States Code, is amended by striking "part B or (C)" and inserting "part B or C".

(e) ICC Termination Act.—Effective December 29, 1995—

(1) section 308(j) of the ICC Termination Act of 1995 (109 Stat. 947) is amended by striking "30106(d)" and inserting "30166(d)"; and

(2) section 327(3)(B) of such Act (109 Stat. 951) by inserting "each place it appears" before "and inserting in lieu thereof".

(f) ARMORED CAR INDUSTRY RECIPROCITY ACT OF 1993 AMENDMENTS.—Section 5(2) of the Armored Car Industry Reciprocity Act of 1993 (15 U.S.C. 5904) is amended by striking "is" preceding "registered".

TRIBUTE TO JOYCE BARFUSS

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. CONDIT. Mr. Speaker, I rise today to pay tribute to Joyce Barfuss, a constituent and friend who has made countless contributions to our community. Joyce has lived her life to make a difference in the lives of others. I am only one of thousands who has been the recipient of her help, her kindness, her expertise, her selflessness, and her apricots. I appreciate this opportunity to honor Joyce's efforts and accomplishments.

Joyce Barfuss has been a resident of Patterson, CA, since 1974. Joyce came to Patterson and immediately made her mark. Out of her various church activities was born, The Clothes Closet, a clothing bank for the needy. The operation grew from Joyce's garage into a full-fledged volunteer organization which provided needy recipients with clothing for nearly 4 years.

After the untimely death of her husband Jim in 1979, Joyce began a new endeavor working for the Census Bureau. She worked tirelessly at the Bureau for 10 years. After retiring from Federal service she worked for the National Association of State Departments of Agriculture adding her experience and expertise to their operation.

Throughout Joyce's distinguished life, no matter what the outlet, she has been involved in the lives of those who need it most. To list every organization, movement, and cause which Joyce has lent her unique mark, would take a tome. I would, however, like to mention some of the most notable endeavors Joyce has undertaken.

Joyce has been active with the Del Puerto Hospital Auxiliary and the American Cancer Society for 20 years. She has assisted the Visiting Nurses Association with flu shots for the elderly and has served as president of the Northern San Joaquin Valley Area Council of Hospital Volunteers. She has been incredibly active in Patterson working with the city to get a senior center built and serving as Secretary of the Patterson Chamber of Commerce. Joyce has represented her community as a member of the Apricot Fiesta Board, Grand Marshall of the 1996 Fiesta Parade, appointee to the White House Conference on Aging, appointee to the Stanislaus County Commission on Aging, and as a member of the California Agency on Aging.

But Joyce is perhaps most well known for her role as the "apricot lady", passing out apricots around the country as a bit of sunshine from the valley. Joyce's apricot network would be the envy of many a corporate executive.

I consider myself very lucky to know Joyce. While we will all miss her here in the Central Valley, I am confident that her contributions to the human family are far from over. Joyce's new neighbors are indeed lucky to have this bright, talented, and dedicated woman in their lives, as are we all.

SALUTE TO COMMACK MIDDLE SCHOOL'S ANTITEEN SMOKING PROGRAM

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. LAZIO of New York. Mr. Speaker, I would like to take a minute to express my strong support for a program that a school in my district has been developing to combat teen smoking. Mrs. Joan Hanley's eighth grade class at Commack Middle School on Long Island have designated June 4, 1996, as Antiteen Smoking Day.

Mrs. Hanley's class has proposed a nonsmoking club for their school, as well as a peer program that will assist teens to stop smoking. The class is also circulating a petition that teens can sign pledging not to smoke.

Last year over 130,000 people died from smoking related illnesses, many of these people began smoking when they were young. The average teenage smoker starts at 14½ years old and every day 3,000 young people become regular smokers. One-third of these will eventually die as a result of their habit. The work of Mrs. Hanley's class is an important way to make teens more aware of the dangers of smoking.

I salute Mrs. Hanley's eighth grade class for their initiative, to prevent teen smoking, and help save many lives. These students from my district are role models. I urge my colleagues to support antiteen smoking programs in their districts similar to this outstanding project being conducted by Mrs. Hanley's class.

EMERGENCY MEDICAL SERVICES WEEK

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1996

Mr. SHAW. Mr. Speaker, I rise today to recognize Emergency Medical Services Week. First, let me tell a short story.

Like any healthy 4-year-old boy, Cody was thrilled to be climbing on a shiny red fire engine. He and his brother, Drew, were visiting their local fire department for a special reason. One week earlier, two of the paramedics from this fire department were struggling to save Cody's life.

On that January day in 1995, Drew saw Cody run past the family room and down the hall toward the bathroom. Sensing something was wrong, Drew scurried after his brother, reaching Cody just before he collapsed. Drew yelled for their father, then tried the Heimlich maneuver he recently learned at school. But, whatever was lodged in Cody's throat would not budge. By this time, their father had reached the boys and told Drew to call 911.

The call came in stating that a young boy was having difficulty breathing. Two paramedics responded to the call, arriving on the scene only minutes later. They found Cody pale and no longer breathing. One paramedic took the child's pulse and mentally ran through the training he had received just a few weeks earlier at a special pediatric airway management class. At that point he could see that the object looked like a jaw breaker, but it was covered with tissue and blood.

He tried basic measures to remove the object and it seemed to move a little. In his efforts to breath, however, Cody sucked it back down. Seconds went by. The paramedic then tried a new child-sized piece of equipment he had received during his recent training: A laryngoscope and a pair of McGill forceps, which look something like salad tongs. Again, Cody's attempts to breathe foiled his efforts. More seconds passed.

By this time a senior paramedic arrived on the scene and immediately decided to give the McGill forceps one more try. Working as a team, the two paramedics finally dislodged the object in Cody's throat. Cody began to breath. It was a save.

I retell this story to emphasize the reality that a child's life not only requires specialized equipment and training, it also takes a thorough understanding of just how different children are from adults, both physically and emotionally. No one understands this more than Dr. Deborah Mulligan-Smith of my district in south Florida. Working tirelessly, Dr. Mulligan-Smith recently inspired the Florida Legislature to pass a bill that appropriates $200,000 for the training of paramedics in emergency pediatrics.

In 1984, Congress funded a grant program that helps States expand children's access to proper emergency care while also improving the quality of such care. The Emergency Medical Services for Children [EMSC] program encourages States and municipalities to enhance their emergency medical systems to benefit children in ways unheard of just a few years ago. This program enhances emergency care by integrating the needs of severely ill or injured children into existing EMS systems, trains and educates EMS personnel to effectively handle pediatric emergencies, works to prevent pediatric emergencies by supporting injury prevention programs, and saves money by stimulating partnerships between grantees, local agencies, and community organizations.

Mr. Speaker, as our Nation recognizes Emergency Medical Services Week, I want to congratulate Dr. Mulligan-Smith on her efforts to save the lives of our children through the EMSC program. Children do need special attention and treatment, and they need the development of special medical equipment to help save their lives. They also need to have paramedics specially trained in emergency pediatrics. I support Dr. Mulligan-Smith's dedication to accomplishing EMSC objectives, and I encourage my congressional colleagues to do the same.

SENATE—*Friday, May 17, 1996*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, our refuge and our strength, a very present help in trouble, we come to You just as we are, with the confidence that You will lift our hearts and prepare us for the day ahead. We can be honest with You about our real feelings, questions, and our deepest concerns.

Here in the Capitol, a place of great human power and powerful people, often we assume that we must suffer, weep, and struggle alone. Beneath the highly polished surface of our images of power, often there is an aching heart. Loneliness is no stranger, and sometimes discouragement and even despair become unwelcome guests in our heart. Our culture does not honor the expression of need or vulnerability.

Dear God, help us to be more sensitive with those who are hurting and those facing what seem to them to be insurmountable problems. Most of all, set us free to express our concerns and give reassurance in the midst of the battle with the forces of depression and despair.

This morning, there is a family on our hearts, the family of a distinguished naval officer. With one voice, we pray for the family of Adm. Jeremy "Mike" Boorda. Oh, Holy Comforter, bless his wife, Bettie, his children and grandchildren, now in their monumental grief over the admiral's untimely and inexplicable death. Comfort and strengthen them in their time of immense loss, and encourage them with the lovely memories of his great life and leadership.

Now, Lord, be with the men and women of the Navy, their officers, and especially those who worked closely with the admiral.

We all press on with the challenges of this day and trust You more deeply, open ourselves to You more completely, and encourage and uplift one another more unreservedly. In Your holy name. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator LOTT of Mississippi, is recognized.

Mr. LOTT. I thank the Chair.

SCHEDULE

Mr. LOTT. Mr. President, the Senate will immediately begin consideration of Senate Concurrent Resolution 57, the concurrent budget resolution. Under the agreement of last night, there is a limited number of first-degree amendments in order to the resolution. Senators are urged to offer and debate those amendments either today or on Monday.

Further, Senators are reminded that there will be no rollcall votes either today or Monday so that we can complete the debate on these amendments and then enter into a series of votes on Tuesday. Any votes ordered on the amendments will occur on Tuesday, and Senators can expect numerous votes Tuesday in order to complete action on the budget resolution.

Mr. President, I want to take just a moment to express our appreciation for the tremendous work that is being done by the chairman of the Budget Committee, the distinguished Senator from New Mexico, Mr. DOMENICI, working with his ranking member on the other side, Senator EXON. I know they are trying to move this very important piece of legislation forward. However, there now remains, at 9:30 this morning, 29 hours and 51 minutes to be consumed. We have a lot of work to do, and it is important that we continue to do that work and to use this time.

I want to emphasize that in the past I believe the record will show an average of probably at least 15 hours has been yielded back, and I think at least that much or more should be yielded back this time. I am troubled, and I think a lot of Senators are, that there seems to be some delay in moving this legislation through to completion. Let us make our case; let us offer our amendments; let us have our debate, but let us get this job done. I want to emphasize that the majority leader, Senator DOLE, has indicated very strongly that we are going to finish this bill on Tuesday. Senators should be prepared to work in the effort to get that accomplished. I believe we have amendments in order now.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. THOMAS). Leadership time will be reserved.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDING OFFICER. The Senate will now resume consideration of Senate Concurrent Resolution 57. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the U.S. Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

The Senate resumed consideration of the concurrent resolution.

Pending:

Boxer amendment No. 3982, to preserve, protect, and strengthen the Medicaid Program by controlling costs, providing State flexibility, and restoring critical standards and protections, including coverage for all populations covered under current law, to restore $18 billion in excessive cuts, offset by corporate and business tax reforms, and to express the sense of the Senate regarding certain Medicaid reforms.

Wyden/Kerry Amendment No. 3984, to express the sense of the Senate regarding revenue assumptions.

Mr. LOTT. Mr. President, I now ask unanimous consent that the Wyden amendment of last night be set aside so that we can proceed to the next amendment, the Wellstone amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Who yields time?

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 3985

(Purpose: To express the sense of the Senate on tax deductibility of higher education tuition and student loan interest costs)

Mr. WELLSTONE. Mr. President, I send an amendment to the desk on behalf of myself, Senator KERRY of Massachusetts, and Senator BIDEN of Delaware.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE], for himself, Mr. KERRY, and Mr. BIDEN, proposes an amendment numbered 3985.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE ON TAX RELIEF PRIORITIES.

(a) FINDINGS.—The Senate finds that:—

(1) the concurrent resolution on the budget for fiscal year 1997 (S. Con. Res. 57) calls for $122 billion in net tax reductions through 2002;

(2) the Committee Report accompanying the 1997 concurrent resolution (Senate Report 104–271) states, "The Committee's recommendation would accommodate further tax reform or tax reductions to be offset by the extension of expired tax provisions or

corporate and business tax reforms. Should the tax writing committees choose to raise additional revenues through these or other sources, such receipts could be used to offset other tax reform proposals such as estate tax reform, economic growth, fuel excise taxes or other policies on a deficit neutral basis'';

(3) the tax reductions passed in conjunction with the fiscal 1996 budget (H.R. 2491) included tax breaks which would disproportionately benefit the wealthy and large corporations, such as, reductions in the capital gains tax, exemptions from the alternative minimum tax, reduced tax penalties for corporate raiding of employee pensions, and increased tax incentives for corporations to move jobs overseas; and

(4) over the last decade, the cost of attending college has almost doubled, rising at twice the rate of inflation.

(b) SENSE OF THE SENATE.—The assumptions underlying the reconciliation instructions in this budget resolution assume that it is the sense of the Senate that any tax revenue raised by the Finance Committee to provide gross tax * * * the amount needed to pay for a per-child tax credit will be used either:

(1) to finance a tax deduction of $10,000 per year for higher education tuition and student loan interest costs; or

(2) to reduce the federal budget deficit;

and not for tax cuts which disproportionately benefit the wealthy and large corporations.

Mr. WELLSTONE. I thank the Chair.

Mr. President, what this amendment essentially says is that if there are to be any further tax cuts beyond tax credits for children and families, these cuts must take the form of a tax deduction of up to $10,000 per year for higher education tuition payments or student loan interest payments.

The report of the Senate Budget Committee allows for additional tax cuts beyond tax credits for children and families. These additional tax cuts are bound to flow disproportionately to high-income wealthy people. I believe that we should, instead, focus our efforts where they ought to be—on tax relief to enable families to afford higher education. That is what this amendment that my colleagues and I are introducing on this side of the aisle would do. It is expected that this education tax cut would finance a $10,000-per-year tax deduction for higher education tuition and for student loan interest costs.

Mr. President, on April 29, 1996, the front cover of Newsweek states in bold terms:

$1,000 a Week—The Scary Cost of College

This cover story addresses the fact that some colleges in this country cost their students $1,000 per week of school. That is what a family today in America is faced with.

Mr. President, according to the College Board, tuition costs have gone up more than 40 percent since 1985. Expressed in constant 1994 dollars, in 1985, tuition at the average private college was $10,058. By 1994, it was $14,486—a 44-percent increase. The average public college tuition was $2,095 in 1985. By 1994, it was $2,948—a 41-percent increase.

If you look at this next chart, what you can see is that over the years, since 1980, family income has risen only half as fast as skyrocketing medical costs; but even more than medical costs, what we see is a dramatic increase in private college tuition and public college tuition.

There is an economic squeeze for working families in America. Affordable higher education is at the very top of the list of priorities for families in our country. The first thing we should do as public servants is respond to these families.

Mr. President, as this next chart shows, in my State of Minnesota, from 1981 to 1992, the CPI has gone up 60 percent; the medical care subindex has gone up 133 percent; community college tuition has gone up 151 percent; the University of Minnesota tuition has gone up 153 percent; State university tuition has gone up 204 percent; and technical college tuition has gone up 316 percent.

I spend a lot of time in schools in my State. I can tell you, Mr. President, it is not at all uncommon to meet students who are taking 6 or 7 years to graduate because they are working two and three minimum wage jobs to get through. It is not at all uncommon to meet many students who are in their thirties and forties, going back to school at community colleges, who are trying to get back on their own two feet and are having a very difficult time making ends meet.

It is not uncommon to meet students who sell plasma at the beginning of the semester to buy textbooks. Mr. President, when we talk about higher education, we are talking about a major economic issue for families in Minnesota and all across the country.

As we see in this next chart, if we look at the last 15 years, we see that median family income has gone up 5 percent. However, tuition at a public 4-year institution has gone up 98 percent, and tuition at a private 4-year institution has gone up 89 percent. If we want to respond to working families in our country, then we need to make sure that no additional tax cuts flow to wealthy or high-income people before we make higher education affordable for everyone. That is why this amendment says that it is the sense of the Senate that whatever is left over by way of tax cuts goes to education.

Now I want to talk about student loans. Look at this chart. This is really rather amazing. What we see here is that, in the 1974–75 school year, grants made up 80 percent of an average student aid package. Twenty years later, in the 1994–5 school year, grants make up only 20 percent of student aid. In 1974–5, only 20 percent of a student's financial package was loans—and now loans are up to 80 percent.

So tuition and costs have skyrocketed beyond the means of most families in Minnesota and in our country. And student aid has gone down in real terms, with loans replacing grants in greater proportion. In the meantime, real family income is not going up—in fact, many families over the last 20 years are just standing still, barely able to make ends meet. This is happening, even though we all know, and families know, that higher education is the most important factor in determining whether or not our sons and daughters and grandchildren will be able to make a good living in the future.

It is not uncommon, I say to my colleagues, as someone who spent over 20 years in higher education, to find students graduating from school with debts ranging from $20,000-$30,000 to $60,000. This disproportionately affects those with lower and middle incomes. This next chart expresses what we mean when we talk about a ''declining standard of living'' for the bottom 60 percent of the population, or what we mean when we talk about the economic squeeze of the middle class, of working families in America. Here we see real family income from 1979 to 1993, looking at it by quintile: The top 20 percent of families saw their incomes go up 18 percent, the next 20 percent up 5 percent, the middle 20 percent down 3 percent, the next 20 percent down 7 percent, and the bottom 20 percent down 15 percent.

This amendment is a reasonable proposition. I hope there are 100 votes for this amendment.

This next chart is rather amazing, and gives you a sense of the prohibitive cost of higher education. If you were to send your son or daughter to a public college and you started saving 17 years in advance, you would have to put away $234 a month. $234 a month. If you planned 5 years in advance, it would be $765 a month.

If you want to send your child to a private college, and you start saving 17 years in advance—and that is pretty good advance planning, starting at the time of birth of your son and daughter—you would have to put away $489 per month. If you waited until your child was in junior high, 5 years before starting college, which is still pretty impressive advanced planning, you would have to put away $1,599 per month to be able to afford private higher education. Almost $1,600. And this is after you pay your mortgage, after you buy your groceries, after you clothe your children, and after you save for your own retirement.

I suggest to you, Mr. President, and I suggest to my colleagues, that the vast, vast, vast, vast—I said that four times—majority of families in our country, whether it be Minnesota or Wyoming or South Carolina, you name it, cannot afford to put this kind of money into savings, as much as all of us want our sons and daughters and grandchildren to do well.

So, Mr. President, what this amendment says, in a nutshell, is that if we as Senators want to respond to the concerns of working families in our States, if we want to respond to the concern that parents have that their children be able to do well—and we know there is a huge gap between employment earnings of those who graduate from college versus those who are not able to do so—if we want to provide some relief to working families, to middle-income families, if we want to make sure that every woman and every man—some of them not so young, because we are talking about community colleges as well—has the opportunity for higher education, then what we have to make sure is that when we talk about tax cuts, anything beyond tax credits for children and families will go toward a $10,000 tax deduction that families can use to pay for tuition and to pay for the interest on their loans.

This is what I would call an eminently reasonable amendment. I think, from the point of view of my State, from the point of view of the State of Massachusetts or Washington or other States represented here, there is probably no more important priority for families than to make sure that men and women, women and men, are able to afford higher education. I have spent a lot of time on campuses, and I can assure my colleagues—Democrats and Republicans alike—that this is a hugely important issue to the people we represent.

I cannot think of an amendment I brought to the floor of the Senate that has more importance in terms of how it affects families all across our country, and I hope there will be very, very strong support for this amendment.

Mr. LIEBERMAN. Mr. President, I rise today to express my strong support for the concept of a tax deduction for college tuition costs. The amendment we are considering today specifies—that it is the sense of the Senate—that if there is any tax revenue raised by the Finance Committee beyond what is needed to pay for a per-child tax credit, it should be used to either finance a tax deduction of $10,000 per year for higher education tuition and student loan interest costs, or to reduce the federal deficit. While I am not comfortable with some of the language of the amendment, which appears to preclude tax cuts in any other form this year, I share the sponsors belief that a tax break for the costs of higher education should be among our highest priorities when discussing tax changes in the 1997 Federal budget.

I am proud to be a cosponsor of a bill that was introduced by Senator DASCHLE in January, 1995 that would make working families with annual incomes under $100,000 eligible for a tax deduction of as much as $10,000. This legislation, which is based on a proposal made by President Clinton, is a commonsense approach. It is well targeted to ease an already crushing and still rapidly growing financial burden on many hard-working families who are struggling to get by today.

Mr. President, we all know that the American people are anxious about their economic future. They are worried about the security of their jobs and about their ability to take care of their families. As any parent with children in college or children approaching their college years can tell you, nothing compounds these anxieties like the spiraling costs of higher education. For many average working families, there is a real fear that they will not be able to afford to send their children to college, or that doing so will break them financially.

The basis for this fear is all too real. According to the College Board, the average yearly cost in 1994 for an undergraduate attending a private university was $19,561, which is 94 percent higher than the same cost 10 years ago. The average yearly cost for a public university, $6,862 is up 76 percent over the same period.

It's no wonder then that many middle class families are being priced out of the higher education market. The establishment of a tuition tax deduction along the lines of what we are proposing, in combination with student loans and grants, would help many families keep pace with these rising costs. It would accomplish that goal without creating any new bureaucracy or burdensome regulations, and would leave it to families to decide how to maximize the benefit of the deduction.

Best of all, it would help our children get the tools they need to find and hold on to good jobs. In today's economy, and even more so in the future, that means a college education.

There is no more sound predictor of economic success than a 4-year degree. Consider this example: a male college graduate earns on average 83 percent more than a man with only a high school diploma. A similar disparity exists for women with different levels of education.

We must also remember that many of the young minds that we stimulate today will be the engineers, inventors, business leaders and skilled workers who stimulate the economy and create the jobs of tomorrow. As one parent, wrote to me, "Without the intellectual curiosity and the understanding of the world about us that a college education affords, along with the knowledge and the skills in some specific area, we would not develop the minds of those people in our country who are able to come up with the ideas and develop businesses that create jobs."

Congress has an opportunity to respond to the fears of the American people about the financial costs of higher education and to their hopes about their children's futures. This tax deduction proposal is an important step toward reaching those goals, and I think it sends a strong message to the American people that we in Washington are listening.

Congress should heed the calls of hard-working middle class families who want their Government to value education. This idea makes a world of sense, and hopefully it will soon help make us a nation of greater knowledge and prosperity.

Mr. KENNEDY. Mr. President, the Republican budget has many flaws, but its worst flaw is its deviousness. Last year's Republican budget was a naked assault on Medicare, education, and the environment. This year's budget simply puts a figleaf on the same obnoxious priorities. Obviously our Republican friends learned the wrong lesson from last year's debate. Instead of changing their priorities, they've concealed them.

Education is a prime example. They cut 20 percent over the next 6 years—and falsely call it a freeze of current spending. The devastating cuts in title I, Pell grants, and Head Start are not even mentioned.

In the area of taxes, the Republicans boast that their budget provides maximum flexibility for tax legislation this year. As we learned last year maximum flexibility is a code phrase for capital gains tax cuts and other tax breaks for the wealthiest individuals and corporations in the Nation.

Senator WELLSTONE has offered an amendment specifying that the first priority for any tax cut beyond the tax credit for children should be a tax deduction of $10,000 a year for college tuition and interest on student loans. Otherwise, available savings should be used for deficit reduction.

Tax relief is vital to keep college within reach for students and working families. Higher education is no longer a luxury for the few. It is a necessity for participation in the modern economy. According to the U.S. Bureau of Labor Statistics, 60 percent of all jobs created between 1992 and 2005 will require education beyond high school.

But rising college costs and heavy college loan burdens threaten to put college out of reach for many students and working families. That is why tuition tax relief is so important. President Clinton's proposal would allow a tax deduction of up to $10,000 a year for college tuition costs, and restore the deduction for interest on student loans.

For a family earning $50,000 a year, this relief would mean a reduction of $1,500 in their tax burden. Students paying back their student loans would be able to deduct the interest on their loans, just as homeowners deduct the interest on their mortgage. Students had this benefit until 1986, and it is time to restore it.

We know from experience that education is an investment that will more than pay for itself for students and the Government. Under the GI bill, every dollar invested in college aid produced $8 in economic returns. The additional taxes paid by GI bill graduates during their working lives have more than paid for the cost of the program.

Education and skills are the key to higher wages for American workers in the global economy. Economist Paul Krugman writes,

> We are living through one of those difficult periods in which technological progress, instead of producing broadly shared economic gains, steadily widens the gap between those who have the right skills and those who do not.

The education gap has been steadily growing. From 1969 to 1989, the real income of college-educated heads of households between the ages of 25 and 54 rose by 22 percent. But in that same period, the income of heads of households without a college education increased by only 1 percent.

The average high school graduate in 1992 earns $6,000 more than a high school dropout. The average college graduate earns $14,000 more than a person with only a high school diploma.

At the same time, the cost of college is increasing at more than twice the rate of inflation. The April 29 Newsweek cover story said it all. When elite colleges cost $1,000 a week to attend, paying for college is truly scary.

Tuitions have risen in public colleges as well. At the University of Massachusetts, tuition and fees have more than doubled over the past eight years, from $2,200 in 1988 to $4,560 in 1996, in order to compensate for declining State support.

To make matters worse for students squeezed by increased college costs, the value of Federal student aid has declined drastically, and has shifted from grants to loans. In 1975, 80 percent of Federal student aid came in the form of grants. Now 80 percent of student aid comes in the form of loans.

Borrowing to cover costs has skyrocketed. In 1994, the average student loan debt was $12,520. By 1998, the average debt will reach $21,000. Over the last 8 years, borrowing in the Federal student loan program has more than doubled.

The growing cost of a college education has become a heavy burden on families across the country. But they know that it is still the best investment they can make in their children's future. We must do more to help ease that burden. I urge my colleagues to support the Wellstone amendment.

Mr. KERRY. Mr. President, I strongly support the amendment offered by the junior Senator of Minnesota to use the Tax Code creatively to help families afford higher education. While Republicans are cutting Pell grants and student loans for average working families, Democrats propose to give every family a $10,000 maximum deduction for tuition costs, and allow their sons or daughters who take out student loans to deduct the interest on those loans so the burden of debt they carry when they graduate will not be so great as it otherwise would be.

These proposals are real-life solutions to real-life family problems. How can we say that people should go to college—everyone should receive the training they need—and then make it as difficult as we can to do it? We need to make it easier for Americans to afford the education and training they need to compete in a new global marketplace.

The costs of college are rising rapidly. This year, the average undergraduate will pay up to 6 percent more than last year for tuition and fees at both 4-year and 2-year colleges. Parents putting children through college, adults returning to school, and graduates with student loan payments are all facing these costs.

This tax deduction is targeted to middle-income families, to help ordinary Americans meet the costs of higher education. A full tax deduction would be available to two-income families earning up to $100,000, and single individuals earning up to $70,000. These tax deductions could be used for educational expenses at 4-year colleges and universities, community colleges, and vocational and professional schools. This amendment would help 16.5 million students across the country better afford the costs of higher education.

This is in contrast to the Republican budget which caps the Federal direct student loan program at 20 percent of loan volume. This will result in disruptions for colleges and universities and real problems and uncertainty for students. Since schools participating in the direct loan program currently handle nearly 40 percent of loan volume, many will be forced out of the program. But the real reason Republicans are trying to mangle this successful program is to help assure banks and guarantee agencies continued access to Federal subsidies.

Under the current Tax Code, although education expenses related to one's current job are tax deductible, education investments to prepare for new jobs and careers are not. This amendment would address this discrepancy.

But beyond helping families pay for tuition costs, I want to help parents get the lifetime education and training they will need to compete. Investment in higher education is crucial to making sure that Americans are able to meet the challenges of jobs which require advanced skills. Statistics show that the more education a person has, the more money he or she will earn. We need to provide access to higher-paying jobs for students from all families, and this is an important step in that direction.

Mr. President, in 1995 President Clinton proposed a deduction for tuition expenses. I was proud to support his proposal, but I did not believe it went far enough. I have heard from dozens, indeed hundreds, of Massachusetts students or the families of those students, about the difficulties they are experiencing in paying back the loans they have taken out in order to be able to afford post-high school education. Before the Senate Democratic leadership introduced the President's proposal, I urged that they expand the proposal to provide tax deductibility of interest paid on outstanding student loans, and they agreed that such a provision would be desirable and would offer real and important help to Americans who are seeking to improve their educational levels and their competitiveness as workers; the leadership group added tax deductibility of loan interest payments before they introduced the measure. I am pleased that the amendment we are debating today contains both these key features that will enable deduction from income taxes of both tuition and student loan interest payments.

This is a solid amendment, Mr. President, which will help Americans to help themselves. I compliment the Senator from Minnesota for developing the amendment, the Democratic leader, Senator DASCHLE, and his staff who have labored diligently to produce the Democratic leadership amendments and prepare them for floor action, and all other Senators who have been involved in assembling this amendment and bringing it to the floor. I urge my colleagues to support the amendment, which takes a very significant step toward helping the 16.5 million students in colleges and universities to afford the education they need.

Mr. WELLSTONE. Mr. President, while I have the floor, in very short order, I want to also send a few other amendments to the desk. First of all, I ask unanimous consent to set aside the existing amendment for a moment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3986

(Purpose: To ensure that funds are provided for the hiring of new police under the Community Oriented Policing Service in fiscal year 1997)

Mr. WELLSTONE. Mr. President, I now send an amendment to the desk. This amendment is to ensure that full funds are provided for the hiring of new police under the Community Oriented Policing Service (COPS) Program in fiscal year 1997. I see on the floor my colleague from Massachusetts, who has been a real leader on this issue. I can say, speaking just for the State of Minnesota, that police chiefs and sheriffs and the law enforcement community have done an extremely effective job in taking this program and dealing with issues of domestic violence. COPS has led to a lot of concentrated work with young people, a lot of concentrated work in neighborhoods that have high levels of violence.

I cannot think of a more important program, and that is why this amendment makes certain that this budget resolution provides for COPS to be fully funded. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 3986.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE THAT FUNDS WILL BE AVAILABLE TO HIRE NEW POLICE OFFICERS.

(a) It is the sense of the Senate that the assumptions underlying the function totals and reconciliation instructions in this budget resolution assume: (1) full funding of the Violent Crime Reduction Trust Fund; and (2) that sufficient funds will be made available for Public Safety and Community Policing grants to reach the goals of Title I of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–266).

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Senator JOHN KERRY be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3987

(Purpose: To prevent Congress from enacting legislation that increases the number of children who are hungry or homeless)

Mr. WELLSTONE. Mr. President, I send another amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 3987.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE.—(a) It is the sense of the Senate that the assumptions in this budget resolution assume that Congress will not enact or adopt any legislation that would increase the number of children who are hungry or homeless.

(b) It is the sense of Congress that the assumptions in this budget resolution assume that in the event legislation enacted to comply with this resolution results in an increase in the number of hungry or homeless children by the end of fiscal year 1997, the Congress would revisit the provisions of said legislation which caused such increase and would, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

Mr. WELLSTONE. Mr. President, this amendment simply says that the Senate will not enact any legislation that will increase the number of children who are hungry or homeless. And it also says that if, in fact, legislation passed by Congress does increase the number of homeless or hungry children by the end of fiscal year 1997, the Congress will revisit the provisions of the legislation which causes the increase and would, as soon as possible, adopt legislation to stop the increase.

Mr. President, I have brought this amendment to the floor of the Senate before. It was defeated twice, believe it or not. It was then passed on voice vote. I deeply regret that I let it pass on a voice vote. I want to have a recorded vote on this because I believe, as a matter of fact, some of the decisions we are making, in terms of some of the cuts we are making, will create more hunger and homelessness among children, and I want all of us to be held accountable.

AMENDMENT NO. 3988

(Purpose: To express the sense of the Senate with respect to maintaining current expenditure levels for the Low Income Home Energy Assistance Program (LIHEAP) for fiscal year 1997)

Mr. WELLSTONE. Mr. President, I ask unanimous consent that this amendment be set aside, and I send another amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] for himself, Mr. KOHL, Mr. JEFFORDS, Mr. KERRY, Mr. DODD, Mr. KENNEDY, Mr. LEVIN and Mr. BAUCUS, proposes an amendment numbered 3988.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE ON LIHEAP.

(a) FINDINGS.—The Senate finds that—

(1) home energy assistance for working and low-income families with children, the elderly on fixed incomes, the disabled, and others who need such aid is a critical part of the social safety net in cold-weather areas during the winter, and a source of necessary cooling aid during the summer;

(2) LIHEAP is a highly targeted, cost-effective way to help millions of low-income Americans pay their home energy bills. More than two-thirds of LIHEAP-eligible households have annual incomes of less than $8,000, more than one-half have annual incomes below $6,000.

(3) LIHEAP funding has been substantially reduced in recent years, and cannot sustain further spending cuts if the program is to remain a viable means of meeting the home-heating and other energy-related needs of low-income families, especially those in cold-weather States;

(b) SENSE OF THE SENATE.—The assumptions underlying this budget resolution assume that it is the sense of the Senate that the funds made available for LIHEAP for fiscal year 1997 will be not less than the actual expenditures made for LIHEAP in fiscal year 1996.

Mr. WELLSTONE. Mr. President, this amendment is very straightforward. What this amendment says is that we should sustain the same level of funding for the Low Income Home Energy Assistance Program. This has been a huge battle. I do not know that there has been an issue that I have worked harder on, and I cannot believe that every single time this comes up, we have to fight so hard to make sure that people do not go cold in the United States of America.

So I want to get a strong affirmative vote on this amendment.

Mr. President, I ask unanimous consent that this amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3989

Mr. WELLSTONE. Mr. President, this next amendment that I am about to send to the desk I send on behalf of myself, Senator MURRAY and Senator WYDEN. It says that it is the sense of the Senate that no welfare reform provision should be enacted by Congress unless until Congress considers whether such welfare reform provisions would exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence. Any welfare reform measure enacted by the Congress should require that any welfare-to-work education or job placement programs being implemented by States address this impact of domestic violence on welfare recipients.

One word of explanation, Mr. President. We have some fairly dramatic data that shows, in many cases, as many as 50 percent of women on welfare or in workfare programs have been or are victims of domestic violence. They have been battered.

I suggest to my colleagues that any welfare reform provision that we enact must take into account these circumstances. It cannot be "one size fits all." It took Monica Seles 2 years to play tennis again. Imagine what it is like for a woman and her children who have been beaten over and over and over again.

We cannot pass a piece of legislation without any special allowance for these families that have gone through this violence, because we must not force these women and children back into very dangerous homes. That is what this amendment says.

This Congress and this country have become much more focused, thank goodness, on the problems of domestic violence. When we consider welfare reform, we must take this interest into account.

I repeat this. You cannot force a mother and her children, even if she is low income, back into a dangerous home where she could end up being murdered.

I will repeat that once more. We cannot pass legislation without taking into allowance the problems of domestic violence, the problems of women who have been battered, the problems of children who have been battered. We cannot pass this legislation without understanding that one size does not fit all, because if we do, in the case of many families—and in the relatively short period of time I have next week, I will have some data to bring out—we will force many women and children back into dangerous homes. We are going to force many women and children into situations where they could lose their lives.

Mr. President, that is not melodramatic, that is the case. So I hope there will be overwhelming support for this amendment.

Mr. President, I send this amendment to the desk.

The PRESIDING OFFICER (Mr. KYL). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE], for himself, Mrs. MURRAY and Mr. WYDEN, proposes an amendment numbered 3989.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At an appropriate place insert the following:

SEC. . SENSE OF THE SENATE.—The assumptions underlying functional totals and reconciliation instructions in this budget resolution include:

(a) FINDINGS.—The Senate finds that:

(1) Violence against women is the leading cause of physical injury to women. The Department of Justice estimates that over 1 million violent crimes against women are committed by domestic partners annually.

(2) Domestic violence dramatically affects the victim's ability to participate in the workforce. A University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work.

(3) Domestic violence is often intensified as women seek to gain economic independence through attending school or job training programs. Batterers have been reported to prevent women from attending such programs or sabotage their efforts at self-improvement.

(4) Nationwide surveys of service providers prepared by the Taylor Institute of Chicago, document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 and 80 percent of women in welfare to work programs are current or past victims of domestic violence.

(5) The American Psychiological Association has reported that violence against women is actually witnessed by their children, who as a result can suffer severe psychological, cognitive, and physical damage and some studies have found that children who witness violence in their homes have a greater propensity to commit violent acts in their homes and communities when they become adults.

(6) Over half of the women surveyed by the Taylor Institute stayed with their batterers because they lacked the resources to support themselves and their children. The surveys also found that the availability of economic support is a critical factor in women's ability to leave abusive situations that threaten themselves and their children.

(7) Proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that:

(1) No welfare reform provision should be enacted by Congress unless and until Congress considers whether such welfare reform provisions would exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence or further punish women victimized by violence.

(2) Any welfare reform measure enacted by Congress should require that any welfare to work, education, or job placement programs implemented by the States address the impact of domestic violence on welfare recipients.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I ask unanimous-consent that we go back to the higher education tuition tax deduction amendment.

The PRESIDING OFFICER. Is there objection to the last unanimous-consent request? Without objection, it is so ordered.

Several Senators addressed the Chair.

Mr. THOMAS. Mr. President, simply, on behalf of the manager, I want to make it clear that the majority has not yielded back time on the Wellstone amendments, nor have we given up the right to second-degree these amendments.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I inquire what the order is at this point in time, if there is an order, and, if there is not, I want to keep the floor.

The PRESIDING OFFICER. At this point, Senators are obtaining unanimous consent to set aside previous amendments.

Mr. KERRY. Mr. President, I was originally scheduled to go at a later time. Because we were fogged in, I ask unanimous consent that I be permitted to proceed with two amendments, which I was going to do later, at this moment in time and reserve such time on those amendments as is set aside for other colleagues on our side to be able to speak at a later time.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

Mr. KERRY. I thank the Chair.

Mr. President, I will be introducing two amendments on behalf of the leadership, one with respect to the environment and one with respect to education. I am joined on the education amendment by the distinguished Senator from Washington, Senator MURRAY. I will just proceed very rapidly on the environment one in order to dispose of it, and then we will spend a few minutes on the education one.

AMENDMENT NO. 3990

(Purpose: To help protect the quality of our water and air, to clean up toxic waste, to protect our national parks and other natural resources, and to ensure adequate enforcement of environmental laws, by restoring proposed cuts in the environment and natural resources, to be offset by the extension of expired tax provisions or corporate and business tax reforms)

Mr. KERRY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], for himself, Mr. LAUTENBERG, Mrs. BOXER, Ms. MIKULSKI, Mr. DASCHLE, Mr. LIEBERMAN, Mr. LEAHY, Mr. GRAHAM, Mr. KENNEDY, Mr. DODD, and Mr. BAUCUS, proposes an amendment numbered 3990.

Mr. KERRY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 5, increase the amount by $439,000,000.

On page 3, line 6, increase the amount by $790,000,000.

On page 3, line 7, increase the amount by $1,025,000,000.

On page 3, line 8, increase the amount by $1,195,000,000.

On page 3, line 9, increase the amount by $1,342,000,000.

On page 3, line 10, increase the amount by $1,495,000,000.

On page 3, line 14, increase the amount by $439,000,000.

On page 3, line 15, increase the amount by $790,000,000.

On page 3, line 16, increase the amount by $1,025,000,000.

On page 3, line 17, increase the amount by $1,195,000,000.

On page 3, line 18, increase the amount by $1,342,000,000.

On page 3, line 19, increase the amount by $1,495,000,000.

On page 4, line 8, increase the amount by $701,000,000.

On page 4, line 9, increase the amount by $1,036,000,000.

On page 4, line 10, increase the amount by $1,169,000,000.

On page 4, line 11, increase the amount by $1,280,000,000.

On page 4, line 12, increase the amount by $1,398,000,000.

On page 4, line 13, increase the amount by $1,674,000,000.

On page 4, line 17, increase the amount by $439,000,000.

On page 4, line 18, increase the amount by $790,000,000.

On page 4, line 19, increase the amount by $1,025,000,000.

On page 4, line 20, increase the amount by $1,195,000,000.

On page 4, line 21, increase the amount by $1,342,000,000.

On page 4, line 22, increase the amount by $1,495,000,000.

On page 15, line 16, increase the amount by $701,000,000.

On page 15, line 17, increase the amount by $439,000,000.

On page 15, line 24, increase the amount by $1,036,000,000.

On page 15, line 25, increase the amount by $790,000,000.

On page 16, line 7, increase the amount by $1,169,000,000.

On page 16, line 8, increase the amount by $1,025,000,000.

On page 16, line 15, increase the amount by $1,280,000,000.

On page 16, line 16, increase the amount by $1,195,000,000.

On page 16, line 23, increase the amount by $1,398,000,000.

On page 16, line 24, increase the amount by $1,342,000,000.

On page 17, line 7, increase the amount by $1,674,000,000.

On page 17, line 8, increase the amount by $1,495,000,000.

On page 52, line 14, increase the amount by $701,000,000.

On page 52, line 15, increase the amount by $439,000,000.

On page 52, line 21, increase the amount by $1,036,000,000.

On page 52, line 22, increase the amount by $790,000,000.

On page 52, line 24, increase the amount by $1,169,000,000.

On page 52, line 25, increase the amount by $1,025,000,000.

On page 53, line 2, increase the amount by $1,280,000,000.

On page 53, line 3, increase the amount by $1,195,000,000.

On page 53, line 5, increase the amount by $1,398,000,000.

On page 53, line 6, increase the amount by $1,342,000,000.

On page 53, line 8, increase the amount by $1,674,000,000.

On page 53, line 9, increase the amount by $1,495,000,000.

Mr. KERRY. Mr. President, this is an amendment on behalf of myself, Senators LAUTENBERG, BOXER, MIKULSKI, DASCHLE, BAUCUS, LIEBERMAN, LEAHY, DODD, KENNEDY, and GRAHAM of Florida. I want to particularly thank the Senator from New Jersey, Senator LAUTENBERG, for his persistent, continued leadership in this particular area and his efforts in committee to try to guarantee that we had adequate funding with respect to the environmental policy for this country.

I regret enormously that this amendment to restore funding for environmental cleanup failed by a party line vote in the Budget Committee.

This amendment that we are now proposing funds the most fundamental priorities of the country with respect to the environment, protection of our natural resources, our national parks.

I will just preface the specifics of the amendment by saying, Mr. President, that all of us care enormously about the budget and the fiscal restraints that we are living under right now. The issue in Washington is not whether or not we are going to balance the budget. This fight should not be, "They don't want to balance the budget." They do. "They're irresponsible. They just want to spend a lot more money." We don't.

That is not the fight. There are two budgets, one of which we voted on last night that balanced the budget by CBO figures in 6 years. It is a Democrat vision of how we ought to go about spending money to balance the budget. There is an opposing vision. That opposing vision suggests that we should not be spending a certain amount of money on environmental protection, but rather we ought to be spending that money giving tax breaks to our wealthiest citizens, people who already have a lot of money and do not particularly need at this moment to receive another tax break.

Mr. President, I remind colleagues that we have reduced the deficit over the last 4 years and cut it in half. That is a promise kept by the President of the United States. When he ran for office, President Clinton said, "I will cut the deficit of this country within 4 years." It is now 3½ years later, and the deficit has been cut in half. In addition to that, we have had, as we know, record economic continued growth. We have had 8.5 million jobs created. That is the context in which we are making a number of choices about where we proceed from here.

One of those most fundamental choices is whether we are going to keep faith with our commitment to the American people that our kids are not going to drink leaded water, that we are going to continue to proceed down the road of the Safe Drinking Water Act, that we are going to continue down the path of the Clean Air Act.

We have made great gains in the last few years in the quality of the air that people breathe. There are less people entering hospitals or dying of emphysema or lung disease as a consequence of the fact that our cities are now becoming free of smog and carbon dioxide and the nitrogen oxides that used to not only take away the view, but take away life. That is an enormous gain in the quality of life for this country.

Our amendment seeks to guarantee that we continue to make that gain. So we seek to restore $7.3 billion over 6 years for environmental protection funding. We seek to raise that funding to the President's requested level for three key environmental agencies—the Environmental Protection Agency [EPA] itself, for the National Park Service [NPS], and for the National Oceanic and Atmospheric Administration [NOAA].

Mr. President, the President's budget and the Republican budget—here are two different views. These numbers are not rhetoric. The Republican budget seeks to cut $10.9 billion for environmental protection from the President's budget request over the next 6 years.

The President's budget would, in fact, be cut severely by the Republican budget in the final year—fiscal year 2002. In 2002, the Republicans would cut by 20 percent the National Park Service budget. The President's budget for the National Park Service is extremely important given that the number of visits to our Nation's parks continue to increase and that steady pace of visits has taken its toll on many parks. For example, the Grand Canyon alone needs $350 million to repair roads, sewers, and water systems. In addition, over the last several years, Congress has added a substantial number of new responsibilities to the Park Service, while the core operational budget for the Park Service has remained flat in real terms since 1983.

The Republican budget, in fiscal year 2002, would include a 12-percent cut for Superfund even though there are thousands of Superfund sites not yet cleaned up; at many sites cleanup efforts have not even started.

It would mean a 9-percent cut for the EPA's water programs, even though there is city after city in America with decaying water infrastructure, with problems with pipes and sewers and combined sewer overflows. Nevertheless, there is a cut.

It would provide a 23-percent cut for the Environmental Protection Agency's operations and enforcement programs, which is a way of gutting environmental protections and cleanups. If you do not have the inspectors—the environmental cops on the street—to go out to hold people accountable, then some people will take advantage of the system. Some people will cut corners on environmental measures or do nothing at all and pollution will occur, which is precisely why we are in the predicament we are in this country and, I might add, in every country in the world facing massive cleanups of toxic sites of poisons and of dirty water and of dirty air.

There is a 21-percent cut for the EPA science and technology program which defies imagination when you measure what the Japanese are doing, what the Germans are doing, what other countries are rushing to do to create jobs in the new technologies that will clean up these environmental disasters. Why would the United States of America, the world's leader in many of these technologies, precisely because we have invested in them, suddenly retreat and disinvest?

There is a 15-percent reduction in the National Oceanic and Atmospheric Administration's operations and research program.

Mr. President, these cuts that the Republicans are proposing are more than just numbers on a page. They express a set of priorities. They express their vision of where expenditures ought to go. They have to be counterbalanced against the choices that have been made to fund the alternative of that money.

Where does that money go? Does it go into deficit reduction? No. It does not go into deficit reduction. They are taking from these environmental priorities and giving to people who already are doing very well in the United States of America. That does not really make sense.

So the question has to be asked, again and again and again, what are the priorities of our Nation?

Let me give a specific example of what happens in my State of Massachusetts in the area of drinking water. Massachusetts and the Nation have made great strides in the past two decades on cleaning up our water. Massachusetts is probably one of the States providing higher expenditure in terms of efforts to safeguard our drinking water. Yet 17 percent of our citizens still drink from water systems that violate Federal water standards. We have over 1 million people in 80 communities who last year drank water that failed to meet the Federal standards. We have 300,000 people in 14 communities who drank water containing disease-causing fecal matter. There are over 800,000 people who drank water from water supplies that failed to meet the Environmental Protection Agency standard for adequate filtering and disinfecting of tap water. In Massachusetts, in 1994 and 1995, there were 141 water systems serving nearly 500,000 people that failed to meet the basic sanitary testing requirements for tap water.

Mr. President, that is just my State. I could show those examples in States all across this country. Why are Americans going out and buying bottled water at a cost that far exceeds their water bills on an annual basis? The answer to that is because they do not trust the water systems. Why do they not trust the water systems? Because they know these kinds of statistics exist. It is our responsibility to be able to guarantee that those systems work.

What is happening in the face of that responsibility? We are going to cut back on enforcement. We are going to cut back on water grants to States. It is absolutely mindless. We should be assisting communities with investments for new water systems and testing measures. We should be spending more to guarantee that our citizens are safe. That is the responsibility of Government.

What we have here are two very differing views of what that responsibility is and how it ought to be carried out. Mr. President, we are seeking, as I said, $7.3 billion simply to bring the level back to what the President recommended for three key areas: the EPA, the Park Service, and NOAA.

There are reasons for doing this. With respect to an agency such as NOAA, many people do not know what services NOAA provides that Americans use and depend on every day. For example, NOAA runs the National Weather Service which is vital to the Midwestern States, particularly, for farming disasters, for prediction of storms. It is NOAA's long-term oceanic and atmospheric research program that developed the 5-day weather forecast and just recently made possible the 6-day forecast.

The weather service modernization at NOAA is now at a critical stage. The President's budget would allow us to finish the job we are doing of providing new technologies and restructuring in this NOAA field. Future weather satellite coverage, by these cuts, would be cut in half. That would result in a blackout if any working satellite failed. The funds that are here would allow NOAA to maintain its fleet of satellites, assuring that there would be no gaps in satellite coverage. This is critical for weather warnings, for hurricane storm prediction, avoiding disasters, and for many other defense and civilian-oriented programs. NOAA's research increases the reliability of hurricane predictions saving the nation billions of dollars in losses.

NOAA's programs help protect human lives and property; it provides national security by supporting weather service modernization and operations. It is critical to our flight systems, to the safety of our transportation network, to our national fisheries and coast protection efforts.

I am not going to continue on in this area. I do want to emphasize, Mr. President, we are really simply asking that we keep going down the road that America has decided it would like to go down. Regrettably, what will most likely happen here is we will have these cuts proposed by the Republicans; we will expend enormous amounts of energy debating these cuts that the American people do not want; and then we will come back later this year and will probably win some kind of a restoration in environmental funding. At least, I hope we will.

In the end, we are just nickel-and-diming ourselves and disinvesting in one of the most important quality-of-life issues that really matter to our fellow citizens.

Mr. EXON. Mr. President, I rise in support of the Kerry-Lautenberg amendment to restore funding for essential environmental programs.

This amendment will help to protect the quality of our water and air, clean up toxic waste, and preserve our national parks and other natural resources by restoring proposed Republican cuts in the environment and natural resource programs.

It appears as if my Republican colleagues are attempting to back away from and cleverly cover up all the damage their budget does to the environment.

Some of my colleagues may be surprised to learn that their budget assumes savings derived from drilling for oil in the arctic refuge. It's in there, along with deep cuts for the EPA's enforcement and operations programs and the National Park Service's operations and maintenance activities.

This amendment will keep the budget in balance by the year 2002. The $7 billion add back is easily offset by using just a fraction of the extension of expired tax provisions or the elimination of corporate loopholes the Republicans intend to use for their budget plan.

I urge my colleagues to support this amendment.

Mr. LIEBERMAN. Mr. President, I rise in strong support of Senator LAUTENBERG's and Senator KERRY's amendment to restore funding for the National Park Service, EPA, NOAA, and the Department of the Interior.

This amendment goes to the heart of the debate over what kind of government the American people want. And it expresses in legislative language some of the strongest values we hold dear.

There is no doubt the American people are of a mind to reduce the size and cost of government. They believe government takes too much from their pockets and spends too much on programs that aren't working. Those are strongly held views, and on the face of it you might think this amendment runs counter to that public mood. But I would gladly take the opportunity to offer the essence of the Lautenberg amendment up for a very public vote of the American people. There is doubt whether we can prevail on the Senate floor. There is no doubt that we would prevail in the court of public opinion.

Because for all their doubts about government, the American people expect government to fulfill some very basic duties. Protect them from foreign enemies. Protect them from crime. And keep them and their children safe from hazards that they are unable to defend against on their own. That most definitely means protecting them from environmental pollution, including global warming, threats to endangered species, and preservation of America's parks and forests.

Yes; they're mad about taxes, stagnant wages, and government waste. But they're also mad about beaches they can't swim at, water they can't drink, rivers they can't fish in, and air that's unsafe to breathe. This amendment shows respect for America, its land, air and waters and its people, by restoring funds for clean water, safe drinking water, enforcement of environmental laws, cleanup of toxic waste sites, and preserving our national parks.

Let me address several key aspects of the amendment.

First, Senator LAUTENBERG's amendment would restore $623 million to EPA's science and technology budget over the next 6 years. Frankly, Mr. President, I simply can't understand why the proposal before us cuts the President's request in this area by 21 percent.

Let's look at what the science and technology account at EPA does. This account funds the operating programs of the EPA's Office of Research Development and the program office laboratories. These organizations provide scientific and technical expertise to help meet the agency's environmental goals. Specifically, these funds are used to improve our understanding of risks to human health and ecosystems, develop innovative and cost effective solutions to pollution prevention and risk reduction. Funding from this account is used by EPA to develop risk assessment criteria and to develop sound cost-benefit research and techniques. As we all know, there has been extensive talk this Congress about the importance of both risk assessment and cost benefit analyses.

And the specific programs that EPA will focus on with funds from this account are critical. For example, drinking water research at EPA evaluates the effects of the pathogenic bacteria, parasites, and viruses that can cause serious illness or even death. In the air quality area, EPA intends to focus a multiyear effort on the dangers of small particles of soot known as particulate matter. A recent report by the Natural Resources Defense Council concludes that approximately 64,000 people may die prematurely from heart and lung disease each year due to particulate air pollution. According to the report, lives are not just being shortened by days or weeks but by an average of 1 to 2 years in the most polluted areas. EPA's research will focus on mortality estimates, an evaluation of the biologic mechanisms resulting in harmful effects, and development of innovative control strategies.

Mr. President, all of us would agree that it is critical that EPA's regulations and policies be based on good credible science. But developing that science involves a public investment of funds. We shouldn't criticize EPA for failing to rely on the best science if we don't provide the resources to do the job.

Second, I strongly support the restoration of funding for the State revolving fund under the Clean Water Act. SRF money is critical for Connecticut and particularly Long Island Sound.

The SRF program espouses the virtues that the majority has been emphasizing this Congress—it provides low interest loans to States to meet community based environmental needs and offers flexibility in how money is spent. For example, Connecticut has received $170 million in Federal funds and has committed over $1 billion in State funds since 1987 to improve sewage treatment plants.

In Connecticut, clean water is not just an environmental issue—but an economic issue. Long Island Sound, for example, generates approximately $5 billion per year for the local economy—through fin and shellfish harvest, boating, fishing, hunting, and beach-going activities. The commercial oyster harvest is a great example. In 1970, Connecticut's once thriving shellfish industry was virtually nonexistent. Today, its $50 million harvest has the highest value in the Nation. This improvement is due in large part to required upgrades in water quality.

Our work on cleaning up Long Island Sound, however, has a long way to go. Health advisories are still in effect for recreational fish consumption, and disease causing bacterial and viruses have been responsible for numerous beach closures. In March, the department of public health in Connecticut issued a fish consumption advisory for mercury levels in freshwater fish from Connecticut waterbodies.

Connecticut still needs hundreds of millions of dollars to perform needed improvements on public sewage systems, which continue to be the largest source of pollution for the Sound. The total estimated cost of upgrading the outdated plants is estimated at $6 to $8 billion.

Inadequate funding of the SRF delays needed improvements in Long Island Sound and in other great water bodies in this country —improvements that have enormous economic, recreational, and environmental benefits. That's why I support the additional funding in Senator LAUTENBERG's amendment.

Let me just touch briefly on several other provisions in the Lautenberg amendment.

The amendment restores funding for NOAA's operations and research program. One of the missions of this program is to improve the National Weather Service's ability to predict hurricanes. This makes good economic sense. An average hurricane warning today covers about 300 miles of coastline and involves preparation and evacuation costs the public in excess of $50 million per event. The improved approach to predicting hurricanes proposed by the National Weather Service can reduce the size of the warning areas, saving more than $5 million per storm, according to the Weather Service. This is a highly cost-effective approach—the Service tells us that the savings are more than 50 times the cost of the proposed additional observations. The enhanced observations will result in earlier, more accurate warnings. It will allow the public to protect residences more effectively and to relocate boats, recreational vehicles to safe locations. It will save property owners and insurance companies huge amounts of money. Moreover, when the areas of warning are smaller, the National Weather Service believes they will be taken more seriously, leading to more thorough preparations and saving more lives.

Mr. President, the Lautenberg amendment expresses more clearly than many pieces of legislation we debate on the Senate floor the kind of values we cherish in this country. I strongly urge its adoption.

Mr. President, I want to speak on one other matter in the budget resolution. The budget assumptions to the Energy Committee appear to include an assumption that revenues will be obtained from drilling for oil and gas in the Arctic National Wildlife Refuge, although this is not clearly spelled out in the committee's report. This would be a huge mistake.

As we found out during the fiscal year 1996 budget discussions, a wide majority of Americans oppose this move and the President clearly will veto any bill that includes opening up ANWR for drilling.

The arguments for balancing the budget by drilling in the Alaskan Refuge continue to be very weak. Geological surveys show that the odds of striking oil are extremely low—the estimate for a major strike is only 5 percent. Environmental studies predict irreversible damage from drilling to this pristine ecosystem from drilling, particularly the calving activities of the 150,000 caribou that simply have no where else to go. The footprint of development would span a network of hundreds of square miles along the highly sensitive coastline where wildlife and fish are concentrated.

Mr. President, I urge that the Energy Committee not come back in the reconciliation bill with provisions to open ANWR for drilling.

Mr. LEAHY. Mr. President, I am a cosponsor of this amendment because I feel very strongly about the long-term implications of turning our backs on the environment. This Congress tried to repeal environmental laws and they tried to tie up the system with procedural gimmicks. They tried to cut funding for the EPA, and they tried to pass riders on the appropriations bills for temporary suspensions of environmental laws.

While we were able to hold back some of this political pandering to special interests, the environment did suffer setbacks with the Republican initiatives that either slipped through the cracks or were forced through Congress as parts of larger compromises. But now we are talking about systematically reducing funding over the next 7 years. We simply cannot do that without having negative consequences.

The Congressional Budget Office may conclude that the bill saves money, but that is only because they are counting dollars, not inches of acid rain, kilograms of toxic waste and concentrations of airborne particulates. When it comes time to pay the health bills of 7-year-old children who grew up around dirty Superfund sites, the cost will be high. The cost of neglect for our streams and rivers, the cost of apathy for safe drinking water, the cost of maintenance lapses in the National Park Service, and the cost of data gaps in basic environmental science will be high. The environment will not take care of itself. We have to step up and be responsible about the future we pass to our children.

This budget is not responsible when it comes to basic protections for our air, water, streams, and natural resources. That is why we are working to restore environmental funding by using bipartisan offsets identified by the Republicans. Environmental protection is supposed to be a bipartisan issue. Presidents Bush, Reagan, and Nixon signed some of our most important environmental laws. We offer this amendment to bring the budget back into line with the bipartisan commitments made in the past 25 years.

The people of the United States never voted to gut environmental spending. They voted for honest efforts to control wasteful spending, close wasteful loopholes, and refocus government on the priorities that government can do best. This amendment will make sure government provides basic safeguards for a clean environment. This is a job that government can do and needs to do. I urge my colleagues to support this amendment.

AMENDMENT NO. 3991

(Purpose: This amendment increases the Function 500 totals to maintain levels of education and training funding that will keep pace with rising school enrollments and the demand for a better-trained workforce. This increase is fully offset by the extension of expired tax provisions or corporate and business tax reforms)

Mr. KERRY. Mr. President, I send a second amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. Kerry], for himself, Mrs. Murray, Mr. Levin, Mr. Kennedy, Mr. Daschle, Mr. Wellstone, Mr. Harkin, Mr. Simon, Mr. Dodd, Mr. Kohl, Mr. Bingaman, Ms. Mikulski, Mr. Dorgan, and Mr. Wyden, proposes an amendment numbered 3991.

Mr. KERRY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 5, increase the amount by $2,200,000,000.

On page 3, line 6, increase the amount by $7,000,000,000.

On page 3, line 7, increase the amount by $7,900,000,000.

On page 3, line 8, increase the amount by $8,800,000,000.

On page 3, line 9, increase the amount by $10,300,000,000.

On page 3, line 10, increase the amount by $12,100,000,000.

On page 3, line 14, increase the amount by $2,200,000,000.

On page 3, line 15, increase the amount by $7,000,000,000.

On page 3, line 16, increase the amount by $7,900,000,000.

On page 3, line 17, increase the amount by $8,800,000,000.

On page 3, line 18, increase the amount by $10,300,000,000.

On page 3, line 19, increase the amount by $12,100,000,000.

On page 4, line 8, increase the amount by $6,000,000,000.

On page 4, line 9, increase the amount by $7,600,000,000.

On page 4, line 10, increase the amount by $8,600,000,000.

On page 4, line 11, increase the amount by $9,500,000,000.

On page 4, line 12, increase the amount by $11,300,000,000.

On page 4, line 13, increase the amount by $13,200,000,000.

On page 4, line 17, increase the amount by $2,200,000,000.

On page 4, line 18, increase the amount by $7,000,000,000.

On page 4, line 19, increase the amount by $7,900,000,000.

On page 4, line 20, increase the amount by $8,800,000,000.

On page 4, line 21, increase the amount by $10,300,000,000.

On page 4, line 22, increase the amount by $12,100,000,000.

On page 25, line 17, increase the amount by $6,000,000,000.

On page 25, line 18, increase the amount by $2,200,000,000.

On page 25, line 25, increase the amount by $7,600,000,000.

On page 26, line 1, increase the amount by $7,000,000,000.

On page 26, line 8, increase the amount by $8,600,000,000.

On page 26, line 9, increase the amount by $7,900,000,000.

On page 26, line 16, increase the amount by $9,500,000,000.

On page 26, line 17, increase the amount by $8,800,000,000.

On page 26, line 24, increase the amount by $11,300,000,000.

On page 26, line 25, increase the amount by $10,300,000,000.

On page 27, line 7, increase the amount by $13,200,000,000.

On page 27, line 8, increase the amount by $12,100,000,000.

On page 52, line 14, increase the amount by $6,000,000,000.

On page 52, line 15, increase the amount by $2,200,000,000.

On page 52, line 21, increase the amount by $7,600,000,000.

On page 52, line 22, increase the amount by $7,000,000,000.

On page 52, line 24, increase the amount by $8,600,000,000.

On page 52, line 25, increase the amount by $7,900,000,000.

On page 53, line 2, increase the amount by $9,500,000,000.

On page 53, line 3, increase the amount by $8,800,000,000.

On page 53, line 5, increase the amount by $11,300,000,000.

On page 53, line 6, increase the amount by $10,300,000,000.

On page 53, line 8, increase the amount by $13,200,000,000.

On page 53, line 9, increase the amount by $12,100,000,000.

Mr. KERRY. Mr. President, this is a very similar issue to the one just discussed. I am proud to be joined in this effort by the Senator who led the fight in committee, who has been one of the Senate's most outspoken and capable leaders with respect to the issue of education, Senator Murray of Washington. She attempted in committee to get this changed. We are now seeking this together on the floor, along with other colleagues.

It seems to me, Mr. President, if somebody came along and said to Americans, "I'm going to run for office, and I'm proposing the largest cuts in education in American history," you would be laughed out of the room. People would look at you and say, "What, are you serious? That's your platform?" That is what is being proposed. That is what we have in the agenda in this budget—the largest education cuts at the Federal level in American history.

Now, it is incomprehensible to me, Mr. President, when we measure each of the particular Federal programs that are contained within the Federal budget for education, why at this point in American history that is the route we would choose to go down. Republican President George Bush led an effort, with the Republican Governors and Democrat Governors alike, to try to reform the education system of this country. Together, the President, President Bush, and the Governors fought for something called Goals 2000. President Clinton came into office and we managed to move that effort to fruition.

It is the most basic kind of effort to try to address the problems in our schools. There is not any American who is not aware of the problems of our schools. It is why parents struggle to send their kids to any school they think will work. They go into debt to do it. They go to parochial school, they get out of public school, they struggle with their public school.

State after State has stressed the issue of education reform. Yet, here we are, having passed something that offers school districts help to be able to raise the standards, raise the standards of teaching for the kids, raise the standards of ongoing learning for the teachers, raise the standards of curriculum, raise the standards with respect to the administration of a school so you have school-based management—a whole host of things that almost everyone in the U.S. Senate would agree are good things to do—yet we are going to reduce, for literally tens of thousands of kids, the opportunity to be able to touch those goals.

This budget would cut education by $25 billion in real terms over the next 6 years. In fact, it would cut education by $3.2 billion in fiscal year 1997 alone. When we examine this budget, we can only conclude it is the sequel to last year's story with respect to the attack on education that most Americans came to agree was extreme.

Senator MURRAY and I rise today to offer an amendment that will restore our funding for education investments to the level proposed in the President's fiscal year 1997 budget. This simply comes to the level of a balanced budget over 7 years, by CBO figures, that the President offered in his budget.

Mr. President, I will have two charts that show what has happened in education, but I will wait until the charts arrive.

We have a lot of schools, despite increased resources, that do not have computers. They do not have facilities in libraries that even have modern textbooks. Many schools have part-time librarians because they cannot afford to have a full-time one. Many schools cannot even afford to stay open beyond 2:30, 2 o'clock in the afternoon. We have a huge public resource we have invested in, and we do not even use it into the evening for many communities—for remedial education, ongoing family education, for problems with language so people could proceed faster to the mainstream with respect to the use of language—a whole host of things we could be doing creatively. We do not do them, and now we will cut our capacity to be able to provide the kind of assistance that would allow schools to experiment in those areas.

It is very difficult for me to understand why we are reducing the ability of people to even have remedial reading and other kinds of efforts when only one-third of the high school graduates in the United States of America last year had what is considered a passable reading level. We have 2½ million kids in America who graduated from high school last year. One-third of them were below basic reading level, one-third were at the margin, and only one-third were passable. Only 100,000 of our high school graduates had what was considered a world-class reading level. I do not know if every school in this country needs phonics or what, but to reduce the ability of schools to make those choices right now flies directly counter to the experience that everyone has come to agree is critical in order to be able to get a decent job in this new information management world we live in. Everybody understands that.

The world is different. The marketplace is different. People are going to have to prepare for three, four, five careers in a lifetime. How do you do that if you are not coming out of the best education system in the word? How do you come out of the best education system in the world if you do not have the basic resources and the basic tax base in many communities to be able to afford it? How about the tax base issue?

Title I: So many of our communities depend on title I money to be able to provide the mainstreaming, the extra teacher assistance, even the classroom level of students that provides adequate education at the early intervention level.

Why would we be reducing the ability to do that? Why would we be reducing the ability of kids to have Head Start? Why would we be reducing the ability of kids to do the one thing we have learned is so important, which is to take at-risk kids and get them into a new learning environment where they can actually gain the skills to get a job when they are at risk of dropping out of high school? We have seen so many of these kids that we understand that this is critical.

Mr. President, this amendment would still spend $17 billion less than function 500 than would have been invested if the prerescission policies of last year had kept pace with inflation. So this is not profligate spending. We are not coming here asking people to just throw money at a problem. We are asking people to keep up in those programs that have been proven to work at least with a level of inflation and prerescission level.

Mr. President, I have more that I could say on this. I will turn to my colleague, Senator MURRAY, who will talk with greater specificity about what is at stake here.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. I thank my colleague from Massachusetts.

I am pleased to be offering this amendment today, along with Senators KERRY, LEVIN, KENNEDY, DASCHLE, WELLSTONE, SIMON, HARKIN, DODD, KOHL, BINGAMAN, MIKULSKI, DORGAN, and WYDEN.

Mr. President, our amendment simply increases the level of investment this country will make in education and job training over the next 6 years. When Senator Magnuson, whose seat I now sit in, was here over two decades ago, education proponents were asking Congress to dedicate one-third of the Federal budget to education. Today, very sadly, a mere 3 percent of our budget is invested in our children's education.

Function 500's discretionary initiatives—the part of the budget that this amendment addresses—contain some of our most successful education and job training programs, including Head Start, title I, impact aid, school-to-work, vocational education, and education technology programs.

I can tell you, as a Senator who is a preschool teacher, a PTA member, a mother, and a Senator, that I know each of these programs makes a difference in the lives of our young people.

Mr. President, children are our Nation's most precious resource. I have heard so many of my colleagues say this. We know the next generation faces more challenges than any who came before them. They face a more competitive job market, rapidly changing occupations, more technology, and increasing international competition. Adequately funding function 500 is one of the best ways the Federal Government can prepare our children for the changing work force. It is a simple, commonsense investment. And it is an investment that yields big dividends quickly.

I, personally, have seen a Head Start student smile as she listened to a teacher read her a book for the very first time. I have talked with college students who would not be in school were it not for a Pell grant. I was on a school board that passed a bond to put technology into our classrooms because we knew that in our lifetime every student would need to be able to use the latest technology. I have been in schools like the Bethel School District, where students tell me school-to-work programs have changed their lives and brought personal success.

Quite frankly, I am a little disappointed that we need to offer this amendment today. We all know last year's budget debate was acrimonious. But, after much haggling, we were able to restore valuable education funds in the omnibus fiscal year 1996 appropriations bill. I commend Senators SPECTER, HARKIN, KENNEDY, and others for their hard work and dedication to getting that job done in the last budget. But, after all of this, I did not expect to see the new Republican budget propose another truly inadequate level for education and job training funds.

Now, I have heard the Republicans tell us their budget actually increases education spending by $3.1 billion over 6 years. Well, that is not the whole story. I have to tell my colleagues, that amount will not even keep pace with inflation. Nor will it match the amount needed to serve the Nation's increased enrollment projections. Student enrollment will increase 7 percent over the next 6 years, and next year's enrollment will be the highest national level since 1971. It is clear to me that, over 6 years, the Republican budget amounts to a cut—plain and simple. It is $26 billion below inflated fiscal year 1996 levels. It is a retreat from our responsibility to provide education and opportunity to the next generation of Americans, and it lacks the core values I believe most Americans hold.

Mr. President, as many of my colleagues know, I offered this amendment last week in the Budget Committee markup. Unfortunately, it was not accepted. It was rejected along party lines. But let me take a minute to describe this amendment a little bit further. This amendment increases function 500's 6-year spending level $56.1 billion over the Republican proposal. However, please note, this amendment falls short of what we would be spending under fiscal year 1995 prerescission levels.

I want to emphasize that point. This amendment spends $17.7 billion less than what would have been invested if the fiscal year 1996 prerescission policies were kept in place. The 1995 level is the most appropriate. However, I understand that that level is not fiscally possible because we all need to give a little as we move toward a balanced budget. I believe this amendment is truly a good-faith concession from the most acceptable education and job training funding level.

Finally, it is important to understand that this amendment is paid for by closing corporate tax loopholes and extending expired tax provisions. Our children—our young people are worth it.

Mr. President, I have held a series of town hall meetings throughout Washington State over the course of this past year. In Tacoma, Spokane, Yakima, and Vancouver people came together to talk about the responsibility adults have in improving the well-being of our children. We agreed to respect our differences, but to get beyond them to the things we can all agree on. Overwhelmingly, all adults and young people agreed we need to invest in our children's education.

In fact, whenever I talk with my friends and neighbors about the budget, they always tell me not to cut Federal investments in education and job training. They know Head Start works in Washington State. It serves 11,000 kids annually, but there are 6,000 more eligible children that could be served with increased funding.

I have seen firsthand the successes that come from our vocational education programs. We must remember that over 50 percent of our children will not go on to college, and they need to graduate with skills that give them real jobs. We know, vocational education and school-to-work programs help prepare those young adults to compete in the rapidly changing global marketplace.

I recently talked to a young woman who was waiting to hear if she would get a Pell grant this year. Her eyes filled with tears as she told me this was her one chance to get to college next fall.

I also know from personal experience, as a teacher, the progress being made in our public schools through title I funding and education technology grants. Sure, cutting education funds will not mean we stop teaching reading, writing, or math. But, if we do not pass this amendment it will mean one more child will not get the help they critically need to be a success one day.

Mr. President, these programs work in my home State. But, support for these programs is widespread. My colleagues may have seen a recent USA Today poll that showed 82 percent of Americans do not want to balance the budget if it means cutting education. We should listen to this message and do what our constituents recommend.

The debate over our fiscal priorities has come a long way since exactly 1 year ago, and Senator DOMENICI, chairman of the Budget Committee, deserves a lot of the credit for advancing this discussion and moving our Nation closer to a balanced budget. I believe the differences between the two parties has narrowed to a point where compromise is within reach. All we need now is the courage to do so.

Mr. President, last year's budget debate was painful for all of us. But, I know it was especially painful for our constituents—our hard-working friends and neighbors. They did not know why the budget debate forced the Government to shut down twice; one time for 3 straight weeks. They did not see that as progress. Instead, they saw it as just another example of what is wrong with Congress and the Government today.

I do not mention this to point fingers at any particular party, but as a reminder that the budget debate requires compromise if we hope to really serve the people.

In the end last year, we learned our Government is truly a democracy. We learned any successful budget agreement will need to be as broad and bipartisan as possible. Most importantly, we learned that it is possible to balance the Federal budget without retreating on education or hurting children.

The final appropriations bill increased education funding from the original proposal because we all recognized we needed to compromise on this critical area of funding. We have to do that again, now, with this budget and with the passage of this amendment.

Mr. President, I am optimistic we have learned from our mistakes and I am confident Congress and the President can come to terms on a balance budget plan. Both sides have come a long way over the course of a year. During the appropriations process, Republicans have acknowledged the need to increase funding for education, the environment, cops on the street, and AmeriCorps; and the President has submitted a CBO-certified balanced budget that includes cuts in Medicare and Medicaid.

Finally, Mr. President, I want to note that many of my colleagues argue for the Republican budget package by claiming it will benefit our children and grandchildren in the long run. They claim we will give our children a better economy and lower interest rates tomorrow by balancing the budget today. Well, this may be true, but they fail to note that this plan cuts our vital investments to do so; programs like Head Start, title I, Pell grants, and vocational education.

I fail to see how my children will be better off tomorrow without decent, quality education today. In fact, if my kids do not have an education, they will not get a job, and if they do not get a job, they will not be able to buy a home with those lower interest rates.

Mr. President, a businessman recently commented to me that a good business that plans to be here in the future cuts its budget carefully and invests in its most important resources. He said he feared this Congress appeared to be having a fire sale. We need to look ahead and say we do want to survive long into the future. This amendment helps get us there.

So, again, I say to my colleagues on both sides of the aisle, when compared to prerescission 1995 levels, this amendment is a modest investment in education and job training and restores a core value I believe Americans hold: The belief that education is important. I strongly urge my colleagues to support Senator KERRY, myself, and others in supporting this critical amendment.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I will just take a couple of minutes and then reserve the remainder of the time for other Senators who want to speak on this issue. I thank the Senator from Washington. I want to emphasize, if I may, a couple of points that both she and I have made.

This is not a struggle, in my judgment, over whether one group wants to be fiscally responsible and the other group does not. We are both talking about a framework for a balanced budget. In fact, were it not for the insistence on a very significant size tax cut on a 7-year basis—still over $200 billion, less than that over 6 years—there is today enough money on the table by both sides, agreed upon, to balance the budget. I hope Americans understand that. We do not have to have this fight except for the struggle over a tax cut. It is the struggle over the tax cut that forces the taking of money from a whole lot of things that matter in order to give the tax cut. The tax cut is fundamentally a borrowing from the future to give to the present. The tax cut is essentially a transfer payment taking from the next generation in terms of investment and current programs and giving to a group of people to spend it today.

That is really what we are fighting about here because we have identified, and the President has delivered to us and we have voted for a sufficient number of discretionary cuts to balance the budget of this country this afternoon. What we are saying in our vision is we are willing to support—many of us, not everybody perhaps—some form of a tax cut in order to have compromise here. There are certainly some Americans who really deserve one. If it were geared in a way that absolutely guaranteed that the right people were getting it, there might be much more support for building the compromise faster. But there is no excuse for taking 20,000 kids out of Head Start and saying you do not get a head start so we can give somebody earning more than $300,000 a year more money. It is irrational. But that is exactly what the program is at the same time as the stock market of this country went up 34 percent in one year, at the same time as company after company reports record profits, at the same time as interest rates are low, unemployment is low, and 8.5 million jobs have been created in 3½ years. What is the rationale for taking 20,000 kids and saying you do not get a head start so we can jump-start the economy—8.5 million jobs better than Ronald Reagan did, better than George Bush did? It is illogical.

In New Bedford, MA, 294 children are currently participating in Head Start. So I wonder what Senator here would like to go tell those kids, go stand in front of them and say, "No more program. Sorry." Or to say that "50 of you are going to be out of this program and the rest of you get to go ahead because we think it is a good program. We just do not want 50 of you to continue in it so we can give people who earn $300,000 or more a nice tax break." That is the choice.

Mr. President, another important effort that would be cut here is the Safe and Drug-Free Schools Program. It serves over 134,000 kids in Massachusetts alone. The Republicans want to cut this antiviolence program by $50 million. That may be a relatively small cut. But again, I ask the question: Why? Why? Has somebody discovered suddenly that every school in America is free of drugs? Has somebody discovered suddenly that drugs are no longer a problem? Has somebody discovered that kids are not still bringing weapons to school and we do not need to make our schools safer? I cannot think of a parent in America who would agree that safe schools and drug-free schools is not yet a priority of this Nation. Yet, our friends on the other side of the aisle, in order to give this great big, fat tax cut, are coming in and saying, "Sorry, kids. It does not matter how unsafe your school is. We are not going to consider that a Federal priority anymore."

Mr. President, I will just close by showing on these two charts the history of what has happened with respect to these expenditures. This is what we did in 1990, 1991, 1992, 1993, 1994, and 1995 in the black—every year the Federal priority was to try to help make a difference to hurting places in America. We were going to try to help these schools do better.

Here is the Republican revolution. There is the date that the Republican revolution began—the biggest cuts in American history all of a sudden despite the fact that experts across the land will tell you that each of these efforts is working.

Mr. President, here is the history in a different way. This is what we are doing. Last year the Republicans proposed a $26 billion cut in education appropriations. The Senator from Illinois is here. He will remember this. He was one of the people who helped to stop it. They wanted to cut $10 billion from education last year. That was their original goal. But the committee raised a storm. People raised a storm, and that came out of the committee at $4.9 billion. Then it came down here, and we had an effort, a fight on the floor, that resulted in a $3.7 billion cut finally. That is the bite of the apple they took. We came along and said, "We do not want a $3.7 billion cut. We think that is wrong." So we had another big fight on the floor. We consumed all the time and energy of the U.S. Senate, and we finally won and got the $3.7 billion restored so we have a lesser cut.

What is the lesson learned from that? The Senate ultimately voted—I think it was about 80-plus Senators—to say let us just take this tiny little nibble out of the apple. And what happens this year? They come right back and propose to devour the apple again with a $25 billion cut. Why are we are going through that exercise again? No wonder most Americans are sitting around at home saying, "Have these guys lost their minds? Where are they coming from?"

That is called extreme, Mr. President, from here, to here, with this intermediary experience, and here is what we wound up with. You would think somebody learned a lesson.

So I hope that we are going to have the good common sense not to split ourselves apart but to come together around the most fundamental commitment we could make in this country today. There is no way we will compete with Japanese, with Germans, with any of the other developing countries who care more about education than we do apparently. They put the effort into it. We should be putting the effort into it. All of us know that very few Governors, very few mayors are going to run for office with the ability to say, "I am going to raise the tax base, the property tax," which is the most onerous of all taxes, "and I am going to adequately fund education." The whole purpose of these efforts was to make up the difference in those areas. I hope that we will do just that in this Chamber.

I ask unanimous consent to reserve the remainder of time on both the environment amendment and the education amendment for those Senators wishing to speak thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Will the Senator please yield?

Mr. KERRY. I yield the floor.

Mr. EXON. Will the Senator yield 2 minutes of his time?

Mr. KERRY. Mr. President, I am delighted to yield 2 minutes to the Senator.

Mr. EXON. I congratulate and thank the Senator from Massachusetts and the Senator from Washington for an excellent presentation on two very important subjects. I ask unanimous consent to be added as a cosponsor to both of the amendments that have been offered and discussed this morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. I appreciate very much the vivid presentation centering on something that is very fundamental to those of us on this side of the aisle, and I hope and urge my colleagues to support these two amendments because they are absolutely vital to the future of America, and that is what it is all about.

This amendment simply raises the function totals in the Republican budget up to those included in the President's budget for education and training programs.

While the Republicans cite an increase in education spending compared to their freeze baseline, they admit a cut of $3.2 billion over 6 years to a 1996 freeze. How could that be? The answer is simple. Their so-called "freeze baseline" for the education Function only freezes for 1 year and then dips down in the outyears. They do not extend the appropriators' hard-fought compromise agreement on education spending through the whole budget window.

The lesson of the long, drawn out, saga of the 1996 appropriations process was that the American people, the majority of Congress, and the President consider it a top priority to adequately fund education programs. The Republicans seem to need to be knocked over the head to learn that lesson.

Let me say in closing that I strongly support the Kerry-Murray-Levin-Kennedy amendment and urge its adoption by the Senate.

I thank my friend and I yield back any time remaining that has been yielded to me.

Mr. KERRY. Mr. President, I thank the distinguished manager of the bill very much.

I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I rise in strong support of the Kerry amendment. I thank Senator KERRY for his leadership as well as Senator MURRAY from Washington for her leadership.

I first had the chance to meet JOHN KERRY many years before we served in the Senate together. I was impressed by him then, and the contribution and sense of vision and understanding he had, and I have been impressed in my years in the Senate.

Every study that any economic group makes of where we ought to go, what we ought to do, I do not care whether it is conservative, liberal, what it is, they all come back and say one thing: we have to invest more in education.

In the area of higher education, we are still preeminent in the world, though others are catching up. In the area of primary and secondary education, we are now among the developed nations in what we spend per person about 14th. In preschool education, we are way behind. We ought to be doing more. This is where we set the priorities.

Let me just give you an historic analogy that my friend from Nebraska is old enough to remember along with me, if he will forgive me, and that is the GI bill after World War II. It was an interesting thing; there was a fight among veterans groups as to what should happen. The American Legion, of which I am a member—and I have sometimes differed with my friends in the American Legion—after World War II said we ought to have an education program for veterans, and they pushed it. And some of the other veterans groups said no, we should have a cash bonus for veterans. Fortunately, for the United States of America, the American Legion prevailed, and the GI bill was a huge step forward for this Nation. We then had in comparative terms about one-third of the income, even accounting for inflation, that we do today. The average grant, if you were to add inflation, from the GI bill today would be $9,400, regardless of income. We struggle for $2,300 in a PELL grant today for those of extremely limited income.

However, in a sense we are going through the same fight. And here I differ with some of my friends on both sides. We do not call it a cash bonus today. We call if a tax cut. And instead of investing in education, we are being asked to cut back on education. It is shortsighted. We ought to be looking at our children and our grandchildren and saying, how do we build a better future for them? I have to believe we do not do it by giving tax cuts that, frankly, I do not think are wise. We are saying we are going to balance the budget in 7 years, and it is kind of like a New Year's resolution. We are proclaiming a New Year's resolution to diet and starting with a huge dessert.

And then we have the wrong priorities—$11 billion more for defense than the Defense Department requests but cutting back on education.

So I strongly support my colleague from Massachusetts in this effort. I think he is right, and I applaud his leadership on this amendment.

I yield back the remainder of my time.

Mr. KENNEDY. Mr. President, we have been talking about the amounts of money which effectively will be authorized in the budget that has been proposed to us by the majority of the Republicans in the House of Representatives and the Senate. There are important differences in the priorities of Democrats and Republicans. The budget should reflect the Nation's priorities. And I want to just follow up and continue what I know was an excellent presentation by my friend and colleague from Massachusetts, Senator KERRY, talking about the priorities of education and to try and clarify what the proposed Republican budget would mean to parents; families, and school systems across this country.

First, all of us know that money in and of itself does not solve problems. How we allocate resources is a pretty clear indication what a nation's priorities are. Education is among their highest priorities. It ranks above crime, the economy, health care, and the deficit for the first time in history. 82 percent of Americans oppose cutting education to balance the budget.

The American people need to understand that there are significant cuts in K–12 and higher education in the Republican budget. American people do not support real reductions in funding of education programs or the elimination of some programs, to pay for tax breaks for wealthy individuals and corporations. I do not think that is a choice most Americans would make, yet that is before us in this budget proposed by our Republican friends.

There are significant cuts in Head Start, which helps young people get on the first rung of the ladder of the education process and develop their self-esteem so they are better prepared to enter the school. The Republican budget freezes Head Start below current levels, denying at least 20,000 children this preschool experience in 1997 alone. Our Democratic amendment increases Head Start by 10 percent in 1997, allowing 796,500 children to benefit from this comprehensive education, nutrition, and health services program.

There are real cuts in title I, which improves the math and reading skills of children who come from disadvantaged backgrounds. Republican cuts to title I will deny reading and math assistance to 550,000 disadvantaged children next year. Our Democratic amendment increases title I by 7 percent for 1997, providing instruction to 7 million disadvantaged children.

There are significant cuts in Goals 2000, which funds the efforts of local schools to enhance academic achievement. Republicans cut Goals 2000 funding in 800 schools. Our Democratic amendment permits an increase in funding of $176 million in 1997, in order to respond to the high level of requests for Goals 2000 funds in States and localities trying to improve the achievement levels of their students.

The Republican budget will also deny needed opportunities for job training to over 130,000 youths and adults in 1997. The House budget is even more extreme. It cuts job training programs by 43 percent below the 1995 level. The number of participants in this program will drop from 1.8 million this year to 1.1 million in 2002, a loss of 750,000 participants. These programs now serve only 3.6 percent of eligible workers. The Republican cut would reduce that level to 2.2 percent.

There are reductions in the support for Safe and Drug Free Schools. We hear a lot of statements about how we are going to deal with the problems of substance abuse. It is a complex issue. Safe and Drug Free Schools helps reduce violence and substance abuse in the schools of this country. This program is being seriously cut back.

In higher education, Pell grants will be cut by $6.2 billion over 6 years. As a result, 1.3 million students will lose Pell grants, and the value of the maximum grant will decline by $400 per student by 2002.

Pell grants have already lost 25 percent of their purchasing power over the last 15 years. In 1979, a Pell grant provided three-fourths of the cost of attending a public college. Now it provides less than a third of that cost.

Our Democratic amendment tries to ease the difficulties that students and working families face in struggling to pay for college. It allows Pell grants to keep pace with inflation, with the maximum Pell grant reaching $3,130 by the year 2002.

Our amendment will also increase the investment in work study by 10 percent in 1997. It will expand the number of students who gain work experience while they earn money for college from 700,000 to 1 million by 2002. By contrast, under the Republican budget 800,000 students will lose work study assistance by 2002.

The Republican budget also dismantles the direct loan program, which has been overwhelmingly endorsed by students and colleges across the country. Under the direct loan program, students get their loans to pay for college faster and more easily than under the guaranteed loan program. Direct lending also offers income-contingent repayment, so that the size of a student's loan payment is determined by his or her income. Direct lending is an enormous success, an incredible success. If I have the time, I will read into the RECORD some of the various reports and assessments, where young people and colleges overwhelmingly endorse it.

The House of Representatives effectively eliminates the direct loan program. The Senate caps it at 20 percent, which will still undermine it in a very significant way. Only 4 weeks ago Republicans and the administration agreed to let colleges choose a student loan program. That was only 4 weeks ago. But now, they come right back and say, "No, we are going to go back on that agreement, not build on it."

The Republican budget denies colleges the opportunity to choose the loan program that provides the best service and lowest cost to their students. The Republicans say, "Oh, no, we know best. We know best. We here in Washington, DC, know best. We here in the Senate know best."

You know better than what the students and colleges in my State of Massachusetts want? Schools and colleges should make their own choice. My colleges will not be permitted that. My students in Massachusetts will not be permitted that. Their option is effectively closed out by the arbitrary position which has been taken by the Republican majority.

There is one group that will benefit from the Republican cap on direct lending. The guaranty agencies and banks in the guaranteed loan program will gain $100 billion in new loan volume, which will provide them $5 or $6 billion in new profits. That money ought to remain in the pockets of hard-working Americans.

In the fiscal year 1995 Rescissions, we voted to cut education funding to $39.5 billion. Then, the next year, the 1996 Republican budget came in at $36.2 billion—a $3.3 billion shortfall. Many of us fought in the U.S. Senate and said, let us at least protect education—by keeping funding at the fiscal year 1995 level.

Eventually the Republicans ran into a brick wall because the President said the American people believe in investing in the children of this country and we are not going to backstep in education. We had to close down the Government. That was perpetrated by the unwillingness of Republicans to protect education and the environment.

Then, only a few weeks ago, here in the U.S. Senate we voted 84 to 16 to restore $2.7 billion to education, to get us back to where we were in 1995. The final passage of that bill was 88 to 12. Republicans and Democrats were saying, "We support this. We are all for it." The victory was brief. Only a few weeks later, from April 25 to May 9, the Republicans propose a significant cut to education again by $3.2 billion—$3.2 billion. The 1997 Republican budget is a thinly-disguised rehash of the harsh anti-education plan we defeated a few months ago.

Now, what do our Republican friends say? We are going to use that cut that we were not able to get last year as the baseline for appropriations over the next 6 years. When they made their proposal on the budget, they cut $3.2 billion and used that as the baseline over the future years.

Mr. President, this is the fundamental point. When you use that lower baseline and project it out over the period of the next 6 years, effectively it reduces funding for education by 20 percent, by one-fifth.

That is bad enough, but let us look at what is happening to the school-age population during that time. Over the next 6 years, we are going to see a significant expansion in the number of children that are going to public schools; enrollment is going to increase 7 percent. 50,000 more teachers are needed just to avoid overcrowded classrooms.

Mr. President, we face the same problem in higher education. There is going to be a 12 percent increase in the total students that enroll in postsecondary education as well. That is not figured in. So when we talk about a 20 percent reduction in education spending, we must remember that this decrease comes at a time when increased funding is needed just to keep up with the flood of new students.

This is no time to cut education. Education is a priority for national investment. To prepare children for the future we need to spend more on education, not less.

Our Democratic amendment gets these priorities right. It permits an investment in education that keeps pace with rising enrollments and the demand for a better trained work force. I urge my colleagues to vote for this amendment. This is a vote for education and for the wise priorities that will guide America sensibly to the future.

Mr. KOHL. Mr. President, I rise as a cosponsor of the education amendment offered by Senators MURRAY and KERRY.

This amendment would restore the overall funding level for critical education and training programs jeopardized under this budget proposal. The amendment is fully paid for by closing corporate tax loopholes.

Students, parents, and teachers taught us a valuable lesson this past year. The budget we are considering today seems to have missed the main tenet of that lesson—this Nation can not afford large education cuts.

Mr. President, over the next 6 years, funding for education programs under this budget would be reduced by 17 percent in real dollars, a cut of $7.4 billion. Such a weak commitment to education ignores profound challenges facing students, schools, and families.

School violence is more and more prevalent; yet this budget jeopardizes the Safe and Drug Free Schools Program.

The cost of obtaining a college education is going through the roof; yet this budget restricts opportunities for college aid.

Math and reading scores of children are stagnant; yet Title I funding to help the most disadvantaged children build basic skills is weakened.

And technology is racing past the classroom door; yet this budget leaves education technology programs behind.

How can we make such assumptions? Because those programs were targeted for devastating cuts under the partisan budget plan last year—the same cuts which were so soundly rejected by the American people.

It is true that the bulk of education funding comes from States and localities, but school administrators are the first to admit that the Federal contribution is critical. Cutting our investment in education is foolhardy. In the struggle to meet the challenges of educating today's students, schools and communities need more help, not less.

We clearly must to be willing to make difficult decisions to reign in government spending. But it makes no sense to cut corners on education. There is a simple reason for this. In the next century, the world's strongest Nation will be the one which has the best educated people. If we abandon schools and students today, we will not be prepared for the economic challenges tomorrow.

Reducing our investment in education will have painful results. Students with special needs will not get the individual attention they must have to succeed in school. Drugs and violence will threaten the safety of even more students and teachers. Students will not have the skills to make the connection to jobs after graduation. And ambitious, intelligent students will not go to college, because they will not be able to afford the tuition.

Mr. President, according to the College Board, college tuition costs last year increased at a rate of 6 percent nationally, which is more than twice the rate of inflation. Only a decade ago, student debt levels were $9 billion. This year student loans may reach $29 billion, which is up from $27 billion last year and $24 billion in 1994.

Facing the realities of skyrocketing tuition costs, parents are finding it harder than ever to help their children reach a higher standard of living. Families are falling deeper and deeper in debt trying to send their kids to college today.

Are we prepared to turn our backs on those seeking to succeed through a good education? I should hope not. We confronted these same concerns last year, and we came to the right conclusion then. This year we are forced down the same road, and the answer must be the same now.

I urge my colleagues to support education and vote for the Kerry-Murray amendment.

Mr. EXON. Mr. President, will the Senator from Massachusetts yield to me for 1 minute?

Mr. KERRY. Mr. President, I yield 1 minute.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I inquire of the Senator from Massachusetts, since he had indicated a few moments ago that he was retaining the remainder of his time later on, have we come to an end then at this particular period of time or does someone else wish to talk on this?

Mr. KERRY. I know the Senator from Nevada wishes to speak with respect to the environmental amendment but I would ask unanimous consent—I think it is in order anyway—the remainder of time on both amendments be managed by the distinguished manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. How much time does the Senator from Nevada seek?

Mr. REID. Mr. President, if the manager of this bill could allow me, I would like 20 minutes.

Mrs. MURRAY addressed the Chair.

Mr. EXON. I yield 20 minutes off of the time—

Mrs. MURRAY. Mr. President, since I have been waiting here, I have a sense-of-the-Senate amendment that I wanted to send to the desk. If the Senator from Nevada would allow me, it would only take me about 2 minutes. Will he let me do that ahead of his 20 minutes?

Mr. EXON. I inquire of the Presiding Officer, how much time is remaining on these two amendments, on the support side?

The PRESIDING OFFICER. The Senator has used 48 minutes in the aggregate on these two amendments.

Mr. EXON. Forty-eight in the aggregate.

The PRESIDING OFFICER. Have been used.

Mr. EXON. The Senator from Nevada has asked for 20 minutes and I yield that. The Senator from Washington asked for how much?

Mrs. MURRAY. Three minutes.

Mr. DOMENICI addressed the Chair.

Mr. EXON. I would simply say that the Senator from Washington is not seeking any additional time, as I understand it, on these two amendments. She is following with an amendment. She would like to go next under the order. I am wondering if possibly, to move things along, the Senator from Nevada could maybe shorten his remarks and then maybe come back later on this afternoon, if he is going to be available. We are trying to accommodate a whole group of people, as the Senator knows.

All that I am saying is we thought we were about ready to proceed under the schedule with the amendment to be offered and remarks by the Senator from Washington. I am wondering if the Senator from Nevada might be able to accommodate us some on this.

Mr. REID. I say to my friend and the manager of the bill that I, of course, have no problem yielding to my friend from Washington. But I say to the two managers of this bill, I am trying to cooperate. I had an amendment that I was going to offer that is on the list. I decided not to do that because this amendment is pending. Therefore I feel, in the spirit of cooperation, that I have complied with that spirit.

Mr. EXON. I see. In other words, basically what the Senator is saying, trying to expedite this, he will not be offering the amendment that we had scheduled for him to talk on this afternoon?

Mr. REID. That is right. What I say to the two managers is that I am going to speak on the Kerry amendment that is an umbrella environmental amendment, and that way I will not offer my amendment, which is more specific. Theirs is more broad than mine.

Mr. EXON. We appreciate everybody's cooperation. Sometimes cooperation—the Senator from Washington, as I understood it, was scheduled to talk around noon. Has that been moved up?

Mrs. MURRAY. I believe it was 1:30 or 2. I am willing to do it now.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI addressed the chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I say to Senator EXON, I think we are doing great. It looks like this is going to be a day filled with good utilization of our time. But I will just state as these amendments have been offered, we have not yielded back our time in opposition. It would seem to me Senator REID needs some time, but I think we also have to work in this time to rebut the Kerry amendment and the previous one.

I do not want to do that now because you would rather use the time to accommodate a Senator, but clearly we are not going to be without a few words, although we have heard most of the arguments last year. We do not have to take a lot of time. But we do want to rebut the two amendments, so I would appreciate it if you did not go much beyond Senator MURRAY and then see if we want to use time in rebuttal. We are entitled to that right now, as I understand it. I will say I do not want to use that now.

If the Senator has an important commitment to Senator MURRAY, let us do that, and then I would very much like to use some time on our side in rebuttal to the three that have been offered.

Mr. EXON. I guess what you are saying is you do not object to remarks by the Senator from Nevada or the amendment to be offered by the Senator from Washington, in that order, is that right?

Mr. DOMENICI. Actually I did not say that, but if that is what you want now, that will put us up another 30 or 40 minutes? That is fine.

Mr. REID. The Senator from Washington wants 3 minutes, and I will try to do mine in 15, no more than 20.

Mr. DOMENICI. I have no objection.

Mr. EXON. I suggest, Mr. President, then to accommodate everybody as well as we can, the Senator from Washington be recognized at this time as per previous agreement and then the Senator from Nevada would follow in that order.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mrs. MURRAY. Mr. President, I thank my colleagues for their accommodation and ask unanimous consent the pending amendment be set aside in order that I may introduce an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3992

(Purpose: To express the sense of the Senate that the General Services Administration should place a high priority on facilitating direct transfer of excess Federal Government computers to public schools and community-based educational organizations)

Mrs. MURRAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Washington [Mrs. MURRAY] proposes an amendment numbered 3992.

Mrs. MURRAY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III, insert the following:

SEC. . SENSE OF THE SENATE.

(a) ASSUMPTIONS.—The figures contained in this resolution are based on the following assumptions:

(1) America's children must obtain the necessary skills and tools needed to succeed in the technologically advanced 21st century;

(2) Executive Order 12999 outlines the need to make modern computer technology an integral part of every classroom, provide teachers with the professional development they need to use new technologies effectively, connect classrooms to the National Information Infrastructure, and encourage the creation of excellent education software;

(3) many private corporations have donated educational software to schools, which are lacking the necessary computer hardware to utilize this equipment;

(4) current inventories of excess Federal Government computers are being conducted in each Federal agency; and

(5) there is no current communication being made between Federal agencies with this excess equipment and the schools in need of these computers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals and reconciliation instructions in this budget resolution assume that the General Services Administration should place a high priority on facilitating direct transfer of excess Federal Government computers to public schools and community-based educational organizations.

Mrs. MURRAY. Mr. President, the amendment I sent forward is simply a sense-of-the-Senate resolution that I believe most of my colleagues will support. I hope it can be accepted by voice vote later today or next week.

This amendment simply directs the General Services Administration to facilitate the process of getting excess Government computers to schools or nonprofit school organizations. This amendment is following a Presidential Executive order that was to make modern computer technology an integral part of every classroom, provide teachers with professional development that they need to use new technologies effectively, and connects classrooms to the national information infrastructure and encourages the creation of educational software. I have heard many of my colleagues talk about the need to put computers and technologies into the classroom, but the reality is that many school districts cannot afford this expensive equipment.

The President's Executive order now has all Federal agencies documenting their excess computer equipment. My amendment will direct GSA to facilitate this process so the excess computers that are in Government service can be gotten into the schools where they are needed.

I urge my colleagues to support this. Again, I hope it can be done quickly and efficiently on a voice vote.

I thank my colleagues and yield back my time.

The PRESIDING OFFICER. The Senator from Nevada is now recognized.

AMENDMENT NO. 3990

Mr. REID. Mr. President, I am speaking on the KERRY amendment dealing with the environment. I have here a publication on the Great Basin National Park. It is called "The Story Behind the Scenery." It is a new publication, one of which I am very proud, because it showcases a national park that we have in the State of Nevada.

Mr. EXON. Could I interrupt the Senator from Nevada for just a moment? I wonder if he will yield to the two leaders of the bill without losing his right to the floor. We are making some good progress. We have two amendments, one from the Republican side and one from the Democratic side, that we are prepared to accept at this time, if we could interrupt the Senator?

Mr. REID. Fine.

Mr. EXON. I thank my colleague.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, at the present time I have talked with the chairman of the committee. There are two amendments that we are prepared to accept, one from that side and one from this side. At the present time the staff is presenting those amendments to the Senator from New Mexico.

I believe he has them now. I believe the chairman of the committee is prepared to offer these two amendments, one from each side, sense-of-the-Senate amendments that we are ready to accept.

AMENDMENT NO. 3993

(Purpose: To express the sense of the Senate on funding to assist youth at risk)

Mr. DOMENICI. Mr. President, I send an amendment to the desk on behalf of Senator CAMPBELL with respect to at-risk youth. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. CAMPBELL, for himself and Mr. KOHL, proposes an amendment numbered 3993.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III insert the following:

SEC. . SENSE OF THE SENATE ON FUNDING TO ASSIST YOUTH AT RISK.

(a) FINDINGS.—The Senate finds that—

(1) there is an increasing prevalence of violence and drug use among this country's youth;

(2) recognizing the magnitude of this problem the Federal Government must continue to maximize efforts in addressing the increasing prevalence of violence and drug use among this country's youth, with necessary adherence to budget guidelines;

(3) the Federal Bureau of Investigation reports that between 1985 and 1994, juvenile arrests for violent crime increased by 75 percent nationwide.

(4) the United States Attorney General reports that 20 years ago, fewer than half our cities reported gang activity and now, a generation later, reasonable estimates indicate that there are more than 500,000 gang members in more than 16,000 gangs on the streets of our cities resulting in more than 580,000 gang-related crimes in 1993;

(5) the Justice Department's Office of Juvenile Justice and Delinquency Prevention reports that in 1994, law enforcement agencies made over 2,700,000 arrests of persons under age 18, with juveniles accounting for 19 percent of all violent crime arrests across the country;

(6) the Congressional Task Force on National Drug Policy recently set forth a series of recommendations for strengthening the criminal justice and law enforcement effort, including domestic prevention effort reinforcing the idea that prevention begins at home;

(7) the Office of National Drug Control Policy reports that between 1991 and 1995, marijuana use among 8th, 10th, and 12th graders has increased and is continuing to spiral upward; and

(8) the Center for Substance Abuse Prevention reports that in 1993, substance abuse played a role in over 70 percent of rapes, over 60 percent of incidents of child abuse, and almost 60 percent of murders nationwide.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals underlying this concurrent resolution on the budget assume that—

(1) sufficient funding should be provided to programs which assist youth at risk to reduce illegal drug use and the incidence of youth crime and violence;

(2) priority should be given to determine "what works" through scientifically recognized, independent evaluations of existing programs to maximize the Federal investment; and

(3) efforts should be made to ensure coordination and eliminate duplication among federally supported at-risk youth programs.

Mr. CAMPBELL. Mr. President, I take this opportunity to speak to my sense-of-the-Senate amendment to Senate Concurrent Resolution 57, the budget resolution for fiscal year 1997. I am pleased to be joined in this initiative by my colleague from Wisconsin, Senator KOHL. This amendment expresses the sense of the Senate to help young people at risk in three ways:

First, the amendment calls for sufficient funding within existing fiscal constraints for programs to assist youth at risk by reducing illegal drug use, crime, and violence.

Second, the amendment places a priority on supporting program evaluations which are scientific and independent to determine what works and to ensure the limited Federal dollars are invested wisely.

And, third, the amendment calls for efforts to coordinate and eliminate duplication among federally supported at-risk youth programs.

Mr. President, let me briefly address each of these points in the amendment.

First, there are many programs funded by various Federal agencies, including the Departments of Justice, Education, Labor, and Health and Human Services. These programs help keep troubled kids out of gangs and off drugs. They give many kids a second chance to get their lives on the right track. And they should get the support of Senators within the fiscal constraints we all face with the Fiscal Year 1997 budget.

Second, the amendment recognizes the importance of maximizing the Federal investment by ensuring these programs work. When Federal dollars are limited and we are working hard to balance the budget, it is important that we know what works. My colleague from Tennessee, Senator THOMPSON, is pursuing this matter in the Youth Violence Subcommittee, which he chairs. Therefore, this amendment places a priority on supporting scientifically recognized, independent evaluations of existing at-risk youth programs.

And finally, the Federal Government supports over 100 youth programs through many agencies. A March 1996 report from the General Accounting Office [GAO] indicates that currently 16 different Federal departments and agencies are administering 131 programs to help delinquent or at-risk youth. My colleagues Senator KASSEBAUM and Senator COHEN have been working on this important issue. The pending amendment calls for efforts to eliminate bureaucratic duplication and ensure coordination of these federally supported youth programs.

Mr. President, I hope that my colleagues, during this busy and critical time of debate on the budget resolution, will join with me in making a formal statement to the American people that we have not forgotten our troubled youth, nor the impact they are having on our society. By agreeing to this amendment, my colleagues and I will be accepting the cold, hard statistics about the criminal behavior, drug use and violence among a segment of today's youth. But, we also will recognize the importance of helping these children in whom our future rests.

This amendment is not about arguing over dollar amounts for different agencies' programs. This amendment is not about pointing the finger. Rather, this amendment is about taking responsibility for our youth; taking responsibility for the current overlap in programs and determining how this is affecting the children these programs are intended to help; and, about taking responsibility for the budget allocations we make regarding troubled kids. In short, this sense-of-the-Senate amendment is about taking responsibility for our future and our children's future.

Mr. President, we are experiencing an unprecedented wave of gang formation and gang activity in my home State of Colorado, and throughout the country, that is so menacing that society all but surrenders certain neighborhoods to gun-toting teens.

According to the Federal Bureau of Investigation [FBI], a comparison of arrests nationally between 1984 and 1994 reveals that juvenile arrests for violent crime had increased 68 percent. Murder arrests increased 168 percent and aggravated assault increased 98 percent over that period.

In Colorado Springs, for example, statistics reflect this national trend of increased juvenile arrests for violent crimes. Between 1985 and 1994, juvenile violent crime arrests in Colorado Springs increased from 59 to 211, an increase of 258 percent. While the juvenile involvement in murder and rape in Colorado Springs, based on arrest data, is infrequent, significant increases are seen in the categories of robbery and aggravated assault.

According to the Colorado Springs Police Department, they have seen the emergence of youth gangs, and police have identified a small but extremely active number of habitual juvenile criminals. One study reveals that as many as 15 percent of local adolescents may be involved directly or indirectly with gangs.

Police departments have been tracking serious juvenile offenders for many years, and from what we have learned it is clear the criminal justice system alone cannot impact the problem of juvenile crime. Prevailing social conditions, including family stability, education, and societal institutions all have impacts on the behavior of juveniles that are well-ingrained before they come to the attention of law enforcement. In addition, the FBI points out that the population group aged 10 to 17 years, which account for 98 percent of juvenile violent crime arrests, is projected to increase significantly by the year 2000. This development will almost certainly lead to further escalation of juvenile crimes and arrests.

Colorado is not alone. Experts say most urban areas will see a rise in youth violence, stemming from poverty, lack of educational opportunities, the growing number of single-parent families and the illegal use of firearms.

Add to that a profound demographic change. Current trends indicate there will be a dramatic increase in the population of 10- to 17-year-olds over the next several years. According to the Department of Justice, murders by kids in this age group rose 124 percent from 1986 to 1991.

In Denver alone, it is estimated that there are currently 7,000 gang members, up from about 700 3 years ago.

In 1994, I took to the streets in the gang-infested areas of Denver to meet with and listen to several gang members to find out why they got involved in gangs and how hard it is to leave. They told me that the biggest part of the problem is kids who are looking for some kind of identity, companionship, and affiliation they are not getting elsewhere.

Also, these kids realize the solution to gangs and violence can only come through self-help. But getting through to these kids is a problem. After listening to them, I shared with them my experiences as a kid who frequently found himself in trouble with the law and also as a young man employed as a counselor to work with inmates confined at both San Quentin and Folsom prisons. Their response was "how do they move from their current situation to becoming a productive member of society"? They can see both points, but haven't figured out a strategy for bridging that gap.

I feel that putting offenders in jail is a priority, but equally important is the ability to take a broader approach, focusing on kids and families, court diversion programs and prison alternatives.

Recently, members of my staff met with the Chief of the Denver Police Department, all of his Division Chiefs, the Executive Director of the Colorado Department of Public Safety, and the Director of the Youthful Offender System.

All of these leaders agree that prevention efforts must begin at an early age—before the first stolen car or the first drive by shooting. Colorado spends an estimated $50,000 per juvenile on incarceration. Some of those funds need to go toward prevention.

In Denver, there are 10 high schools and 18 middle schools that have frequent police calls to the school itself or the surrounding area. There is one exception. . .Lake Middle School, which has one uniformed Denver police officer on duty during school hours. This is not a McGruff or an officer friendly. This is a real officer that makes sure that the school is not disrupted by negative activity. This initiative has tangible results and it would be nice to see one officer in the other 27 schools.

That is just one example of how prevention efforts that focus on youth are having a positive effect in my State. There are many more in Colorado and nationwide that deserve our support.

In closing, Mr. President, I know there are no easy answers, but I think that if we take the time to listen, we very well may begin to understand the problem. I am committed to finding solutions to gangs and youth violence, and look forward to working with my colleagues on these problems. One step is to provide sufficient support during the fiscal year 1997 budget process. Therefore, I urge my colleagues to support passage of this amendment.

I yield the floor.

Mr. KOHL. Mr. President, this amendment puts the Senate on record in support of funding for programs that help young people stay off drugs and avoid crime and violence. It also commits the Senate to evaluating all crime prevention and eliminating duplication of services among these programs. In short, this is a clear, concise statement that we support doing what works in preventing crime and we oppose bureaucratic duplication. This is a sensible approach to prevention that we think all Senators can support.

While we work toward a balanced budget this week—a goal that I strongly support—we must not neglect our obligations to protect our citizens from crime. And as any law enforcement official will tell you, part of that fight must include efforts to help at-risk youth avoid a life of crime. It makes sense to support prisons and police because we must protect our communities. But we have clear evidence that many prevention efforts can and do turn young people around, reduce juvenile crime and delinquency, and stop crime in the first place. We should be supporting those efforts, too.

While we should fund these effective measures, we should also gather more information on what works, so this amendment commits the Senate to supporting rigorous evaluation of existing prevention programs. And finally, we must do a better job of coordinating prevention programs, eliminating duplication, and streamlining the Federal bureaucracy.

A bipartisan Senate has repeatedly supported crime prevention funding, yet funding has then been cut during House-Senate conferences. As we begin our efforts for fiscal year 1997, I am hopeful that the full Senate will once again speak out on behalf of America's at-risk youth, and commit to giving them the help they need to steer clear of crime and delinquency.

Finally, I would like to thank Senator CAMPBELL for his leadership and hard work on behalf of America's young people and in support of crime prevention—not only on this amendment, but throughout his tenure in the Senate. I look forward to working with him to see that the Senate follows through on the commitments contained in this amendment.

Mr. DOMENICI. We have no objection to the amendment. We are willing to accept it.

Mr. EXON. We are willing to accept the amendment, Mr. President.

THE PRESIDING OFFICER. All time is yielded back. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 3993) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3994

(Purpose: To express the sense of the Senate regarding the use of budgetary savings in the mandatory spending area)

Mr. DOMENICI. Mr. President, I send an amendment to the desk. This has to do with a sense of the Senate regarding the use of budgetary savings.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Ms. MOSELEY-BRAUN, for herself and Mr. SIMON, proposes an amendment numbered 3994.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III, add the following new section:

SEC. . SENSE OF THE SENATE REGARDING THE USE OF BUDGETARY SAVINGS.

(a) FINDINGS.—The Senate finds that—

(1) in August of 1994, the Bipartisan Commission on Entitlement and Tax Reform issued an Interim Report to the President, which found that, "To ensure that today's debt and spending commitments do not unfairly burden America's children, the Government must act now. A bipartisan coalition of Congress, led by the President, must resolve the long-term imbalance between the Government's entitlement promises and the funds it will have available to pay for them";

(2) unless the Congress and the President act together in a bipartisan way, overall Federal spending is projected by the Commission to rise from the current level of slightly over 22 percent of the Gross Domestic Product of the United States (hereafter in this section referred as "GDP") to over 37 percent of GDP by the year 2030;

(3) the source of that growth is not domestic discretionary spending, which is approximately the same portion of GDP now as it was in 1969, the last time at which the Federal budget was in balance;

(4) mandatory spending was only 29.6 percent of the Federal budget in 1963, but is estimated to account for 72 percent of the Federal budget in the year 2003;

(5) social security, medicare and medicaid, together with interest on the national debt, are the largest sources of the growth of mandatory spending;

(6) ensuring the long-term future of the social security system is essential to protecting the retirement security of the American people;

(7) the Social Security Trust Fund is projected to begin spending more than it takes in by approximately the year 2013, with Federal budget deficits rising rapidly thereafter unless appropriate policy changes are made;

(8) ensuring the future of medicare and medicaid is essential to protecting access to high-quality health care for senior citizens and poor women and children;

(9) Federal health care expenses have been rising at double digit rates, and are projected to triple to 11 percent of GDP by the year 2030 unless appropriate policy changes are made; and

(10) due to demographic factors, Federal health care expenses are projected to double by the year 2030, even if health care cost inflation is restrained after 1999, so that costs for each person of a given age grow no faster than the economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that budget savings in the mandatory spending area should be used—

(1) to protect and enhance the retirement security of the American people by ensuring the long-term future of the social security system;

(2) to protect and enhance the health care security of senior citizens and poor Americans by ensuring the long-term future of medicare and medicaid; and

(3) to restore and maintain Federal budget discipline, to ensure that the level of private investment necessary for long-term economic growth and prosperity is available.

Ms. MOSELEY-BRAUN. Mr. President, both Democrats and Republicans agree that the Federal budget should be balanced by the year 2002. There is complete bipartisan agreement on that point, and there is complete agreement between the Congress and the President. Unfortunately for the American people, however, that is where the agreement ends. There is no agreement on how to balance the budget.

I urge my colleagues on both sides of the aisle not to repeat the mistakes both sides have made in the last few years. Given what is at stake, both for our country's future generally, and for individual Americans and American families all across this country, we have a responsibility and an obligation to work together to address these core issues.

There should be no doubt what is at stake, and why addressing our budget problems is so important. One measure that demonstrates just how fundamentally important these budget issues are is our national savings rate. Private savings in America as a percentage of our gross domestic product has been declining for decades. In the 1960–69 period, it was 8.3 percent. By the 1990–93 period, however, it declined to only 5.2 percent.

What is even worse is the huge increase in the percentage of our national savings being consumed by Government deficit. In the 1960–69 period, only two-tenths of 1 percent of our total national savings went to finance Government deficits. By the 1990–93 period, however, fully 3.5 percent of our national GDP went to fund Government deficits, leaving only 1.7 percent to fund new jobs, and the growth in productivity upon which the wealth and standard of living of every American ultimately depends.

And the impact of our failure to come to grips with our deficits is not just a macro-economic issue. It is not something to be left to economists and policymakers. The daily life of every American is directly affected by this set of issues. There are no other issues that will have a larger impact on the kind of life each and every one of us lives than this one.

The cover story in this month's the Atlantic Monthly by Peter Peterson entitled "Social Insecurity: Unless We Act Now, the Aging of America Will Become an Economic Problem that Dwarfs All Other National Issues" makes that point very well, and it also illustrates the problem we have to overcome. The article's preface states, in part, that "the long gray wave of Baby Boomers retiring could lead to an all-engulfing economic crisis * * * Yet politicians of both parties say that most of the urgently necessary reforms are 'off the table.' "

It seems to me, however, that every option has to be on the table, and that Democrats and Republicans, and the Congress and the President, have to work together—first to tell the truth to the American people about the causes of our long-term budget problem, and second, to come together to solve that problem in a way that makes sense for America. I don't suggest that this issue is above politics. What I do believe, however, is that this issue is so important that the only way to solve it is to invoke an old Chicago adage—good Government is good politics.

During the last Congress, I served on the Bipartisan Commission on Entitlement and Tax Reform, the so-called

Kerrey-Danforth Commission. Unfortunately, last year's budget battle did not begin to come to grips with the implications of the work of that Commission, even though an overwhelming bipartisan majority of the Commissioners were in complete agreement on the long-term budget threats we face, and the causes of those threats.

The basic problem identified by the Commission was a simple one. The current budget trend the Federal government is on is completely unsustainable. Unless we act—soon—we face a future where the size of Government explodes. The portion of the gross domestic product of the United States consumed by the Federal Government will rise from approximately 21.4 percent of GDP in 1995 to over 37 percent of GDP by the year 2030.

Looking at percentages of GDP may seem somewhat abstract to some. It might be useful, therefore, to think about what that figure might mean for the Federal Government and Federal deficits if we translate those percentages into the fiscal year 1995 Federal budget.

In fiscal 1995, the Federal Government spent approximately $1.5 trillion. If that year's budget took up 37 percent of GDP, as the Commission forecast for 2030, total fiscal year 1995 spending for the Federal Government would have been over $1.15 trillion higher, or $2.65 trillion. The Federal deficit would explode from the $163 billion actually reported in fiscal 1995 to over $1.3 trillion.

Think about that. The Federal deficit, under this scenario, would amount to almost 87 percent of the total amount the Federal Government actually spent in fiscal 1995.

Of course, the budget could never actually get to that point; the Federal Government would go bankrupt long before then. That, however, is where current trends take us. The question is what drives those trends; what are the underlying problems we have to face.

Looking at Senate Concurrent Resolution 57, one might think that domestic discretionary spending—programs like education, and transportation, and environment—are responsible for those trends. After all, over 50 percent of the net deficit reduction proposed in the budget resolution comes from domestic discretionary spending.

Domestic discretionary spending, however is not the force driving budget deficits—either now or in the future. In fact, as a percentage of GDP, domestic discretionary spending is lower now than it was in the 1970's and only slightly higher than it was in the 1960's. What is responsible is mandatory spending. Mandatory spending—principally Social Security, Medicare, Medicaid, Federal retirement, and interest on the national debt—has increased from about 6 percent of GDP in 1962 to well over 11 percent now. And it is projected to almost triple to about 32 percent of GDP by the year 2030.

Mandatory spending is steadily squeezing out discretionary spending, rising from about 29.6 percent of the total Federal budget in 1963 to about 61.4 percent of the budget in 1993. And it is projected to account for fully 72 percent of the overall budget by the year 2003.

It is mandatory spending and the factors driving it upward, therefore, not discretionary spending—not the programs Congress appropriates every year—that must be the focus of our attention. And that means we have to look at two core issues: rising health care costs, and demographics.

Federal health care costs, principally Medicare and Medicaid, are projected to more than triple as a percentage of GDP by 2030. By that year, Medicare and Medicaid alone would consume more than $11 out of every $100 our economy generates.

Even more devastating than health care cost inflation, however, is demographics. Health care expenses also illustrate that point. The Entitlement Commission found that even if Congress and the President can bring health care cost inflation under control, health care costs will double as a percentage of GDP by the year 2030.

The simple fact is America is getting older. In 1980, there were five working Americans for every Social Security beneficiary. By the year 2030, there will be less than two. Americans are now living much longer than they did in 1935 when Social Security began. The average life expectancy was 61.4 years then. It is 75.8 years now, and it is projected to be 78.4 years by 2025. In 1935, the life expectancy of a person reaching the age of 65 was 12.6 years. Now it is 17.5 years, and by 2025, it will be 18.8 years.

The most fundamental budget issue, therefore, is this issue of demographics. When the baby boom generation begins to hit retirement age in a little more than a decade from now, Federal entitlement costs—the demands on Social Security and Medicare—will really begin to explode.

Unless we begin to act now, by 2030, when all the boomers will have reached 65, Social Security alone will be running an annual cash deficit of $766 billion. If Medicare HI is included; the combined cash deficit of these two programs, in other words their spending minus the payroll taxes supporting them, will be $1.7 trillion by 2030.

The Federal Government has essentially promised to pay today's adults $8.3 trillion in future Social Security benefits over and above the contributions they and their employers have made—a figure more than 250 times as great as all the unfunded liabilities of all private sector pension plans in the United States.

Unless we begin to face this looming challenge now, the taxes required to support Medicare and Medicaid would be in the range of 35 to 55 per cent of every worker's paycheck by 2040.

Mr. President, the budget problems I have discussed are a threat to the retirement and health security of virtually every American. The need for action now is compelling, for reasons related to Government finance, for reasons related to our economic prosperity generally, and most importantly, for reasons related to the lives of the American people, and the kind of retirement they will enjoy.

We need to face our budget problems, and we need to act in ways that will enhance the retirement security of Americans. Most Americans do not currently have the resources to provide for their own retirement security through savings. In fact, in 1993, half of all American families had less than $1,000 in net financial assets, and that figure has not changed in the past decade.

What we need, therefore, is a bipartisan approach to the budget, one based on these underlying budget realities. We need to tell the truth to the American people about what the Government needs to do, and what they need to do, to protect their retirement and health security. And we need a budget that is focused on retirement security, on health security, and on rebuilding our national savings rate.

That is what the amendment I am offering today attempts to do. By adopting this amendment, the Senate will be saying that it believes that budget savings in the mandatory part of the budget should be used:

First, to promote and enhance the retirement security of the American people by ensuring the long-term future of the Social Security system;

Second, to promote and enhance the health care security of senior citizens and poor Americans by ensuring the long term future of Medicare and Medicaid; and

Third, to restore and maintain Federal budget discipline to ensure that the level of private investment necessary for long term economic growth and prosperity is available.

What this amendment is all about is the connections between issues. We cannot deal with retirement and health security if we do not tell the American people the truth about our entitlement problems, and tell them early enough so that they can act to help themselves. We cannot protect Social Security and Medicare if we do not ensure that Americans understand the linkages between tax policy and their health and retirement security. We cannot invest in other priorities of Americans, like education, if discretionary spending is squeezed out of the budget altogether by mandatory spending. And we cannot raise the national savings rate if we do not focus on restoring long-term, not just temporary, budget discipline.

The time to start is now. The time to tell the American people is now. The time to come together in a bipartisan attempt to face these problems and to address them is now.

This amendment is in no way an answer to the budget problems we face. It is, however, a demonstration of our understanding of our core budget problems, and our understanding of the impact these problems will have on the lives of the American people unless we act based on their priorities. I believe their priorities Americans want us to focus on are protecting retirement and health security, and raising our national savings rate by restoring real, long-term budget discipline. Those are my priorities. I hope all of my colleagues share those priorities, and will demonstrate that support by voting for this amendment.

Mr. DOMENICI. I yield all time we have in opposition to the amendment.

Mr. EXON. I yield our time on this side.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 3994) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EXON. I thank my friend from New Mexico, and I certainly appreciate and thank my friend from Nevada for his patience.

The PRESIDING OFFICER. The time of the Senator from Nevada is charged against the time of the Senator from Nebraska.

Mr. REID. Mr. President, I say to the two managers of the bill, I appreciate their moving this legislation along. I spoke on the floor yesterday about my concern about not having ample opportunity in normal working hours to debate this. That has been worked out. I extend my appreciation to the leadership on both sides of the aisle for that.

Mr. EXON. I thank my friend.

AMENDMENT NO. 3990

Mr. REID. Mr. President, I ask the Chair to advise the Senator from Nevada when he has spoken 18 minutes.

Mr. President, as I indicated, this is a beautiful publication about the Great Basin National Park. It has wonderful pictures, color pictures of a wonderful national resource. The oldest living things in the world are in the Great Basin National Park, it has bristlecone pines that are over 5,000 years old. This park has a glacier, it has the Lehman Caves, which are subterranean caves with stalactites and other features that are found only in caves throughout the United States. It is a wonderful park.

But, for the beautiful pictures that you see and the description I gave, it does not portray what is behind the scenes, the story behind the scenes.

Our national parks have become deplorable. The Presiding Officer is from a wonderful, beautiful sister State, a border State of the State of Nevada. I had the opportunity last year, for the first time in my life, to float down the beautiful Colorado River through the Grand Canyon. The scenery on that trip was beautiful, however, the other part of the trip was seeing the other conditions they have in the park.

I have to say, the average visitor does not see the deplorable conditions at Great Basin National Park or the Grand Canyon National Park where the park rangers must live. In many of these parks, and Grand Canyon is no different, the conditions in those parks where the employees live are unbelievable and embarrassing. More than half the National Park Service housing units are currently rated substandard.

Why do I talk about this? I talk about this because the underlying budget that we are being asked to approve decimates environmental programs.

What this amendment of Senator KERRY's does is restore $7.3 billion for environmental programs, providing full funding at levels requested by the President for the EPA, the National Park Service, and other environmental agencies of the Federal Government.

I am going to speak today about the National Park Service. That does not take away the importance of restoring moneys to other units, but the National Park Service is in deplorable condition. In many cases, Park Service employees and their spouses and children are at physical risk in the substandard housing they have. This poor state of housing is considered, without question, a serious morale problem in many of the parks. How can we expect these hard-working—and they have become even harder working in recent years because we are so understaffed—these hard-working men and women of the National Park Service to take care of the land if we do not, in effect, take care of them?

These men and women love their jobs. They are park rangers because they have chosen that for their life's occupation, and they put up with these substandard conditions and substandard housing units, working in these beautiful outdoor areas. But they should not have to.

The current National Park Service maintenance backlog is $4.5 billion and continues to grow each day that goes by. With the reduction proposed in this budget, our National Park Service will simply decay more. The infrastructure will deteriorate, and the ability to conserve these precious natural resources will decrease.

Managers of the park systems have already closed various areas of the parks around the country, and they are contemplating closing more, because they do not have money to keep them up. Maintenance will fall further and further behind as our parks continue to deteriorate.

In fiscal year 1996, the Interior Subcommittee took the largest percentage hit of any subcommittee in the entire Senate. This budget proposes to exacerbate the damage done by last year's cut. We should be working on a bipartisan basis to protect our environment. We should come here and talk about what is happening to the environment. The environment is being hit too hard. The environmental programs, in years gone by, have been bipartisan programs, going back many, many years to one of the leading environmentalists of our day, Theodore Roosevelt.

President Roosevelt, the father of our national parks, once said, "To waste, to destroy, our natural resources, to skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed."

The spending cuts proposed in this budget would, instead of amplifying and developing, as President Roosevelt, the father of our National Park System, said, would result in the erosion of conditions in our National Park System. This underlying budget will not help. It will hurt our National Park System. This proposed budget strays from President Roosevelt's passion for the grandeur of our environment by attempting to gut national park funding. It would reverse the longstanding support by the citizens of this Nation to the continued preservation and protection of the national parks.

Mr. President, I worked to get a national park in the State of Nevada and was able to do so. We were so proud as a State to have a national park. We were on the map for national parks. When people travel to national parks, they have a route they take. Nevada became part of that. It became a bridge from the States of Arizona and Utah which have all kinds of national parks. We have one in Nevada.

Certainly, we have not been able to build a visitors center, and I can understand that, but certain things that need to be done for the people who visit that park should be done.

Underlying all that is where the people at Great Basin National Park work, where they have to live. It is in a remote area. They live in places that I would not recommend. But there are other examples. In the State of Nevada, there are examples. We have not only a national park, but we have the National Park Service which takes care of the Lake Mead Recreational Area.

The busiest entity in our National Park System is Lake Mead. Over 10 million people visited last year at Lake

Mead. We have many problems at Lake Mead. We have an antiquated water treatment system. The State of Nevada inspected the park's water treatment facilities and notified the park that because of surface water facility deficiencies, that the water supplied to areas of the park "pose an acute risk to human health."

This occurred at the busiest park entity we have. As a result, the park had to post signs that visitors should boil the water before drinking. This is a national travesty for a park that received over 10 million visitors last year. As a result of the current budget proposals, it may take longer than 10 years before this problem is corrected. I am going to try as a member of the Appropriations Committee to get some money in that system to take care of this embarrassing problem.

There are other examples in Lake Mead. If the current budget proposals are enacted, we have been told we are going to eliminate air, boat and vehicular patrols, resulting in increased resource degradation, reduced emergency response and increased risk of injuries and fatalities.

Mr. President, Lake Mead is located about 15 miles, at most, from Las Vegas. It is a 24-hour city. Lake Mead has become a 24-hour resource. People go down there all times of the night and day. We need law enforcement, which is being eliminated or reduced. We need vehicle patrols, both by land and water.

If this budget proposal goes through, we have been told we are going to eliminate park ambulance services, we are going to reduce water-quality monitoring, we are going to reduce daytime and weekend patrols, eliminate night shifts. I have already indicated we cannot do this. This is a 24-hour park. This will result, of course, if this budget reduction goes forward, in reduced visitor safety and an increase in crimes and vandalism in this park. That is wrong.

Reduction in the number of toilets and campgrounds open to the public is being talked about, and I worked very hard to have those increased. We have a number of areas where we have toilets that can be taken to impacted areas on special tourist traffic weekends. They are talking about reducing them. They are talking about closing areas of the park.

This is happening all over the United States. I am more familiar, of course, with Lake Mead. At Independence National Historic Park, they are talking about the same thing as Lake Mead, and the same thing at Yosemite.

From Nevada we are close to Yosemite. We consider it, even though it is in California, part ours. But for Yosemite, Mr. President, they are talking about closing some of those campgrounds, resulting in a reduction in overnight stays of more than a million visitor nights. They are talking about a reduction in regular maintenance, resulting in the accelerated collapse of infrastructure.

OSHA and other compliance citations will be inevitable. Visitor protection services will be reduced, resulting in increased visitor fatigue, resource damage and employee injury due to fatigue. We are talking about a cutback in snow removal, and at Yosemite, a reduction in cultural staff.

Mr. President, these parks—and that is all I am talking about today is our National Park System—they are a national treasure. These parks belong to all Americans. We, as stewards of these parks, have no right to take these treasures from them.

In the short term, this proposal would save money. It is penny-wise and pound-foolish and in the long run it will cost us money. The result in this budget will be to increase maintenance costs in the future. Over the long run it would lead to irreversible consequences and irrevocably damage the Nation's heritage.

The effect of this budget will result in outcomes immediately visible to the public, Mr. President, such as deferred maintenance, extensive closing of campgrounds and other visitor facilities, it would reduce visitor protection services, and cut back in the number of and types of tours, all over the United States. We can and we must find other savings in our quest to reduce the Federal deficit. We have done that.

What this underlying amendment will do is reduce corporate welfare in exchange for putting this money back into environmental programs. It defies common sense to think that Congress will fund a tax cut at the expense of our national parks.

Mr. President, we cannot allow that to happen. The amendment that we are offering would increase funding for the National Park Service by about $1.1 billion, the amendment that is included in the Kerry amendment. This is important. It would restore the National Park Service funding to the level of the President's budget. It would be offset, as I have indicated, by a reduction in tax loopholes. The national parks are one of the great legacies which we leave to our children.

Let us make sure that we do not leave them a legacy in disrepair and decay. We owe them, Mr. President, better than that. The natural wonders of these national parks are a gift from powers higher than Congress. What we do with them is our gift to our children. In the early part of this century, President Teddy Roosevelt galvanized this Nation's efforts to preserve America's heritage by setting aside thousands of acres as national parks. The time has come for this body to galvanize support again for continuing to preserve this natural legacy.

Mr. President, I say to my friends on the other side of the aisle, this is something we should work together on. This is important. The people—the people—want this. We just cannot let this embarrassment continue, the degradation of our National Park System. I have talked about how it impacts Nevada.

We have one park in Nevada, and a few entities within the park system. The States of Utah, New Mexico, California, States all over the eastern and western seaboards have national parks. They are falling apart just like that one park in the State of Nevada. We are a new park. Some of the parks are suffering even more than we are. There are other parks, there are entities in the park system like Lake Mead.

Mr. President, I repeat, over 10 million people visited that park last year. It is overutilized and we certainly do not give it enough help with the resources to maintain it in a way that we should be proud of.

So I hope that we in a bipartisan effort can support this amendment. We were in the environmental battles last year, some of which led to the closure of the Government. We do not need that again. This is something we should do in the spirit of bipartisanship and a spirit of taking care of these great natural wonders that were originally developed, conceptually by a Republican President, Teddy Roosevelt.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, before the Senator from Arizona takes the floor, I ask unanimous consent that Amy Lueders, a congressional fellow, be allowed the privilege of the floor during the remainder of the debate on this budget resolution.

The PRESIDING OFFICER (Mr. SMITH). Without objection, so ordered.

Mr. REID. Mr. President, I yield the floor.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 3995

(Purpose: To express the sense of the Senate regarding a supermajority requirement for raising taxes)

Mr. KYL. Mr. President, I ask unanimous consent to lay aside the pending amendment and send an amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. KYL] proposes amendment numbered 3995.

Mr. KYL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING A SUPERMAJORITY REQUIREMENT FOR RAISING TAXES.

(a) FINDINGS.—The Senate finds that—

(1) the Nation's current tax system is indefensible, being overly complex, burdensome, and severely limiting to economic opportunity for all Americans;

(2) fundamental tax reform should be undertaken as soon as practicable to produce a tax system that is fairer, flatter, and simpler; that promotes, rather than punishes, job creation; that eliminates unnecessary paperwork burdens on America's businesses; that recognizes the fact that families are performing the most important work of our society; that provides incentives for Americans who save for the future in order to build a better life for themselves and their families; that allows Americans, especially the middle class, to keep more of what they earn, but that raises enough money to fund a leaner, more efficient Federal Government; and that allows Americans to compute their taxes easily; and

(3) the stability and longevity of any new tax system designed to achieve these goals should be guaranteed with a supermajority vote requirement so that Congress cannot easily raise tax rates, impose new taxes, or otherwise increase the amount of a taxpayer's income that is subject to tax.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that this concurrent resolution on the budget assumes fundamental tax reform should be accompanied by a proposal to amend the Constitution of the United States to require a supermajority vote in each House of Congress to approve tax increases.

Mr. KYL. Mr. President, I rise to offer this amendment which expresses the sense of the Senate regarding a supermajority for the raising of taxes. It essentially says that once the Congress has achieved fundamental tax reform we would then move to the adoption of a resolution proposing to the States a constitutional amendment that would require a supermajority to raise taxes.

The budget resolution that is before us now projects that revenues to the Treasury will rise from $1.42 trillion in 1996 to $1.85 trillion in the year 2002. That is an increase of $430 billion or about 30 percent by the end of that 6-year period, an increase that is attributable primarily to economic growth since the budget resolution assumes no new taxes.

In fact, the increasing revenue figures actually factor in the effect of the $500 per child tax credit for families. Even taking into account the tax changes, revenues to the Treasury will continue to grow. What all of this means is that we can achieve a balanced budget without new taxes. We can do it by limiting spending, and pursuing tax policies that promote economic growth and opportunity.

Mr. President, the budget resolution recommends the kind of change that people have been demanding: more responsible spending, tax relief, and progress toward a balanced budget. And yet it represents only part of the change that the people have been seeking. Fundamental tax reform represents the second part of the equation.

By the time that Americans had filed their income tax returns on April 15, they had spent about 1.7 billion hours on tax-related paperwork. That is according to Internal Revenue Service estimates, and they should know. Business spent another 3.4 billion hours. According to the Tax Foundation, the cost of compliance will approach $200 billion.

If that is not evidence that our Tax Code is one of the most inefficient and wasteful ever created, I do not know what is. Money and effort that could have been put to productive use solving problems in our communities, putting Americans to work, putting food on the table, or investing in the Nation's future are instead devoted to wasteful paperwork.

It is no wonder that the American people are frustrated and angry and that they are demanding real change in the way that Washington taxes and spends.

Mr. President, I am offering this amendment today with two objectives in mind. First, to put the Senate on record with regard to the need for fundamental tax reform and, second, and perhaps even more important, to put Senators on record with regard to the concept of a supermajority requirement for raising taxes.

Last month the House of Representatives considered the tax limitation amendment, a proposed amendment to the Constitution to require a two-thirds vote to raise taxes. The measure was similar, though not identical, to Senate Joint Resolution 49 which I introduced earlier this year.

The Constitution Subcommittee of the Judiciary Committee held a hearing on my proposal on Tax Day, April 15. I hope it will be scheduled for action by the full Senate later this year.

The amendment I am offering today, however, merely deals with the concept of a tax limitation, something that is important whether fundamental tax reform succeeds or not, but which takes on added significance and importance if tax reform results in the elimination of most of the deductions, exemptions, and credits in which taxpayers find some refuge from high tax rates today.

Deductions, exemptions, and credits have less significance if one low rate is applied to income. But without a supermajority requirement for raising taxes, people would be particularly vulnerable to any changes that Congress might make in a new single rate income tax or sales tax. A supermajority requirement for raising taxes would make it much harder for Congress to increase the burden on taxpayers after fundamental tax reform has been accomplished. That is, I believe, both appropriate and necessary.

In fact, Mr. President, a supermajority requirement for raising taxes was recommended by the National Commission on Economic Growth and Tax Reform appointed by Majority Leader DOLE and Speaker GINGRICH. THE COMMISSION, WHICH WAS CHAIRED BY FORMER HUD SECRETARY JACK KEMP, ADVOCATED A SUPERMAJORITY REQUIREMENT IN ITS RECENT REPORT ON HOW TO ACHIEVE A SIMPLER SINGLE RATE TAX TO REPLACE THE EXISTING MAZE OF TAX RATES, DEDUCTIONS, EXEMPTIONS, AND CREDITS THAT MAKES UP THE FEDERAL INCOME TAX AS WE KNOW IT TODAY.

Here is what the Kemp commission report said:

> The roller-coaster ride of tax policy in the past few decades has fed citizens' cynicism about the possibility of real, long-term reform, while fueling frustration with Washington. The initial optimism inspired by the low rates of the 1986 Tax Reform Act soured into disillusionment and anger when taxes subsequently were hiked two times in less than 7 years. The commission believes that a two-thirds supermajority vote of Congress will earn Americans' confidence in the longevity, predictability and the stability of any new tax system.

Mr. President, ideally, a tax limitation should be put into place after this comprehensive tax reform that is recommended by the Kemp Commission is accomplished. That is because tax reform necessarily aims to broaden the tax base and then apply one low rate to whatever amount of income is left. Because base broadening would be subject to a supermajority vote under the proposed constitutional amendment, some are concerned it could make comprehensive tax reform more difficult to achieve. In fact, that is correct.

The sense-of-the-Senate amendment which I am offering today takes into consideration that particular concern, recommending that a supermajority requirement would occur in the context of fundamental tax reform. In other words, only after fundamental tax reform had been achieved.

As I said before, however, a tax limit is needed whether tax reform succeeds or not. There is no small irony in the fact it will take a two-thirds majority vote of both the House and the Senate to overcome President Clinton's veto and enact last year's Balanced Budget Act with its tax relief provisions. By contrast, the President's record-setting tax increase of 1993 was enacted with only a simple majority—and not even a majority of elected Senators at that. The Vice President had to break a tie of 50–50 to secure passage of the tax increase bill in the Senate.

The idea of a tax limitation is based on a simple premise: It ought to be at least as hard to raise people's taxes as it is to cut them. What we are attempting to do here is to force Members of Congress to think of tax increases not as a first resort but as a last resort. A tax limitation will make it harder to raise taxes, of course. But perhaps more than that, it will force Congress to fundamentally assess the ways it goes about raising revenues.

Mr. President, this is perhaps the most important thing I have to say this morning. We should remember that the amendment does not limit revenues to the Treasury; it merely precludes tax rate increases without a supermajority vote. There is a reason for this. Most of us would agree that lower tax rates stimulate the economy, resulting in more taxable income, more taxable transactions and, therefore, more revenue to the Treasury. Lower tax rates, within limits, end up producing more revenue to the Treasury. So it matters how we raise revenues. Do we do it by trying to raise taxes or do we do it paradoxically, by lowering taxes? The latter is obviously preferable.

The tax cuts of the early 1980's are a case in point. They spawned the longest peacetime expansion of our economy in the Nation's history. Revenues to the Treasury increased as a result, from $599.3 billion in fiscal year 1981 to $990.7 billion in fiscal year 1989, up 65 percent. Revenues to the Treasury during those Reagan years increased substantially with tax rate reductions. That is the way we should raise the revenues that fund Federal programs.

High tax rates, on the other hand, discourage work and production and savings and investment. So there is ultimately less activity, less economic activity, to tax. That is precisely what Martin Feldstein, the former chair of the President's Council on Economic Advisers, found when he looked at the effect of President Clinton's 1993 tax increase. He found that taxpayers responded to the sharply higher marginal tax rates imposed by the Clinton tax bill by reducing their taxable incomes by nearly $25 billion. They did that by saving less, investing less, and creating fewer jobs. The economy eventually paid the price in terms of slower growth.

It is interesting to note that revenues, as a percentage of the gross domestic product, have actually fluctuated around a very narrow band: 18 to 20 percent of the GDP for the last 40 years. In fact, revenues amounted to about 19 percent of GDP when the top marginal income tax rate was in the 90 percent range in the 1950's, and they also amounted to just under 19 percent when the top marginal rate was in the 28 percent range in the 1980's.

Now, why the consistency? Mr. President, this is the most important point I want to make. Why do revenues to the Federal Treasury stay constant at about 19 percent of the GDP, whether tax rates are 90 percent or 28 percent? It seems counterintuitive. Why is it so? It is because tax rate changes have a greater effect on how well or how poor the economy performs than they do on the amount of revenue that flows to the Treasury relative to the GDP. In other words, how Congress taxes is more important than how much it taxes. The key is whether tax policy fosters economic growth and opportunity, measured in GDP, or results in a smaller and weaker economy.

The point is this: 19 percent of a larger GDP represents far more revenue to the Treasury and is, therefore, preferable to 19 percent of a smaller GDP. We raise revenues for the Federal Government not by raising marginal tax rates, but by reducing them. It is a paradox, but it is true.

Requiring a supermajority vote for tax increases is, I think, sound policy. It is not a new idea. It is an idea this has already been tried and tested in a dozen States across the country. In 1992, an overwhelming majority of the voters of my home State of Arizona, 72 percent, approved an amendment to the State's constitution requiring a two-thirds majority vote for tax increases. There is a reason that the idea has been so popular in Arizona and other States. Tax limits work. According to a 1994 study by the Cato Institute, a family of four in States with tax and expenditure limits faces a State tax burden that was $650 lower, on average, 5 years after implementation than it would have been if the State tax growth had not been slowed.

Tax limitation works. It will force Congress to be smarter about how it raises revenue. It will force Congress to look to economic growth to raise revenue instead of simply increasing tax rates, which does not work, anyway. It will protect taxpayers from additional rate increases.

I encourage my colleagues when we have the opportunity, I presume on Tuesday, to support this simple sense-of-the-Senate amendment, to support the concept of tax limitation, to in effect, say, when we have achieved fundamental tax reform, then we should require a supermajority to raise the taxes.

Mr. President, I want to conclude this part of the discussion on the more general subject of the budget that is before the Senate. As I said, relative to the amendment I am proposing here, revenues to the Treasury depend more on whether we have a healthy economy, whether we are conducting Government in a way to encourage growth, investment and savings, than it does on whether we are raising tax rates. What the budget that has been presented by the Republican Budget Committee has done here is to work in several ways toward that goal, to foster economic growth and investment, and, therefore, opportunity.

I want to begin by commending the chairman of the Budget Committee, the Senator from New Mexico, and the members of his committee, for producing a budget which balances and, as I will note later, as a result of which quickly puts more money into the pockets of Americans, helping to stimulate this economic growth that I have been speaking of. It not only achieves balance, but it adheres to the schedule that we established last year for eliminating the budget deficit by the year 2002. And I would also note that the progress that we have made since last year is really quite extraordinary. It might be assumed by the general public, watching the machinations in the Congress and the President's vetoes and gridlock reported by the media, that nothing has been accomplished. But the fact of the matter is, a lot of money has been saved, and $23 billion, or 9 percent, has been cut from domestic spending levels. And even more could have been saved had Congress not been forced to add back $5 billion to satisfy President Clinton's demands for more spending, and to ensure that he would sign the final budget for 1996 into law.

But the point is that, with our efforts of last year, as controversial as they were, as contentious as they were, as much as the President made us put back money because he wanted to spend more, we still saved $23 billion last year.

In last year's budget, the Congress eliminated about 200 Government programs. That is 200 programs that have been eliminated before we even start this year's budget cycle. It is really the great untold story of last year, that savings were achieved—not with President Clinton's help, but in spite of it. We made progress on taxes as well, Mr. President. Again, this came in spite of President Clinton's objections. We raised the Social Security earnings limitation to ease the burden on nearly 1 million seniors. We passed tax relief for our troops serving in Bosnia. We permanently increased the health insurance deduction for the self-employed from 25 to 30 percent. We would have liked to have done much more, of course. And we prohibited States from taxing the pension income of former residents who retired and moved to other States, the so-called source tax repeal.

So we provided a lot of tax relief for Americans. There would have been additional tax relief for the American people if President Clinton had not vetoed the bill that we passed last November—vetoed it on December 6 of last year. When he vetoed that bill, he precluded an extension of the exclusion for employer-provided education assistance. He precluded a $500 per child tax credit. He prevented us from instituting a marriage penalty tax relief provision. He prevented us from implementing capital gains tax reform, and also a tax deduction for the first $2,500 in interest on a student loan. These are all tax relief provisions that we passed but the President vetoed.

We would have provided Americans with enhanced opportunities to save in their individual retirement accounts. And we would have given them more choice in obtaining affordable health care through the medical savings accounts that were, again, in the bill we passed but that the President vetoed.

The President said "no" to tax relief. In fact, it seems to me, Mr. President, that there is no tax that the President is willing to part with. Even the gasoline tax debate that we have had—it has obviously been grinding on the President, and he suggested that maybe he would approve it because it is very popular. But he will not commit to it. He admitted that he raised taxes too much back in 1993. But when it came time to roll the tax increases back, he has said "no."

Now, the committee-reported budget before us today again challenges President Clinton to do some of the things that he has promised for so long. I am going to be offering another amendment, in a moment, which will really put this, I think, to the test. But the budget that we have produced here, which Senator DOMENICI and his committee presented to us, includes real welfare reform and middle-class tax relief. It ensures the solvency of Medicare and reforms Medicaid—all the things the President has said he wants to do. It balances the budget honestly, without the kind of gimmicks and triggers recommended by President Clinton, which, by the way, are gimmicks that will require deep cuts in domestic discretionary programs, including the environment, scientific research and education, if balance is to be achieved at all.

In fact, despite the claims to the contrary, President Clinton's budget does not balance. I am going to repeat that. Despite the claims of some of our friends on the other side of the aisle, the President's budget is not in balance. The director of the Congressional Budget Office, June O'Neill, in her testimony on April 17, said, "Under CBO's more cautious economic and technical assumptions, the basic policies outlined in the President's budget would bring down the deficit to about $80 billion by 2002, instead of producing the budget surplus that the administration estimates." In other words, even though the administration estimates that it will be in balance at the end of 6 more years, the CBO says, in fact, it will be in deficit by $80 billion. In contrast, the budget proposed by Senator DOMENICI, called the Republican budget, is, of course, in balance.

The bottom line here is that, for all the President's proclamations that he is now a true believer in a balanced budget, he still has yet to offer an honest plan to achieve balance by any certain date. As I said, the Senate Budget Committee's proposal does exactly what we promised. We promised not to cut Medicare. This budget does not. Medicare spending would be allowed to grow at twice the rate of inflation. In fact, per beneficiary spending would grow from $5,200 in 1996 to $7,000 in 2002, a 35-percent increase. We allow it to grow, but at a sustainable level. We provide a $500 per child tax credit for every child under 18. We protect Social Security. We reform Medicaid. And we continue progress toward more market-oriented farm policies.

There are very good reasons for us to be proposing this honest balanced budget, Mr. President. One is, of course, that it protects priorities, like Social Security and Medicare, and, importantly, it accommodates tax relief for middle-income families. First and foremost, it is the right thing to do. In fact, Mr. President, no generation before us has spent so lavishly on itself, only to leave the bills to future generations to repay. House Speaker NEWT GINGRICH said recently:

> There is great delight in working hard and living within our means so our children could be better off than we have been. Only in the last generation has this bias toward the future been reversed. Now we are borrowing against the farm to pay today's living expenses, and leaving our children to pay off that debt.

Mr. President, the Speaker is right. But balancing the budget is not just about the future. A balanced budget would produce substantial benefits for today's generations as well. The Congressional Budget Office predicts that a balanced budget would facilitate a reduction in long-term interest rates of between 1 and 2 percent—some say as high as 2.7 percent. Among other things, that means that Americans will have the chance to live the American dream and to own their own homes.

A 2-percent reduction in the typical 30-year mortgage in Arizona would save homeowners over $220 a month. That is $2,655 a year. Let me repeat this. By balancing the budget now, interest rates will come down, and a 2-percent drop in interest rates would save the average family with a home mortgage in Arizona $2,655 each year. That is money in our pockets, Mr. President.

So it is not just about the future, though the future is critical. It is about today, helping the working families of today keep more of what they earn, just as a result of making a commitment that we will have the Federal budget balanced in another 6 years.

A couple of other examples. A 2-percent reduction in interest rates on a typical $15,000 car loan would save buyers $676. That is real money. The savings would also accrue on student loans, credit cards, and loans to businesses who want to expand and create new jobs. Reducing interest rates is, perhaps, one of the most important things we could do for people all over the country today.

So the point I want to make in relation not only to the amendment that I have just proposed, which would commit the Senate to the proposition that economic growth is important and that we can achieve it more by reducing tax rates than by increasing them, is that the budget that we have proposed promotes that kind of growth, that kind of opportunity as a result. It is a good budget, a responsible budget. It accepts the challenge to rein in Government spending and to ensure that we leave our children and grandchildren with a legacy of more than debt and despair. So I urge my colleagues, when the time comes, to support this budget.

Mr. President, I would like to reserve the remainder of the time on the amendment which I have just been discussing. I ask unanimous consent to lay this amendment aside and to send another amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3996

(Purpose: To adopt the President's budget for the Low Income Home Energy Assistance Program through fiscal year 2000 and freeze funding for the program thereafter)

Mr. KYL. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant bill clerk read as follows:

> The Senator from Arizona [Mr. KYL] proposes an amendment numbered 3996.

Mr. KYL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, line 10, decrease the amount by $90,000,000.

On page 4, line 11, decrease the amount by $181,000,000.

On page 4, line 12, decrease the amount by $181,000,000.

On page 4, line 13, decrease the amount by $181,000,000.

On page 4, line 19, decrease the amount by $85,000,000.

On page 4, line 20, decrease the amount by $174,000,000.

On page 4, line 21, decrease the amount by $181,000,000.

On page 4, line 22, decrease the amount by $181,000,000.

On page 5, line 3, decrease the amount by $85,000,000.

On page 5, line 4, decrease the amount by $174,000,000.

On page 5, line 5, decrease the amount by $181,000,000.

On page 5, line 6, decrease the amount by $181,000,000.

On page 31, line 17, decrease the amount by $90,000,000.

On page 31, line 18, decrease the amount by $85,000,000.

On page 31, line 24, decrease the amount by $181,000,000.

On page 31, line 25, decrease the amount by $174,000,000.

On page 32, line 6, decrease the amount by $181,000,000.

On page 32, line 7, decrease the amount by $181,000,000.

On page 32, line 13, decrease the amount by $181,000,000.

On page 32, line 14, decrease the amount by $181,000,000.

Mr. KYL. Mr. President, I am going to speak on this amendment for a little while and then again reserve the remainder of my time.

Mr. BYRD. Mr. President, will the Senator yield for a question?

Mr. KYL. I am happy to yield.

Mr. BYRD. How long does the Senator expect to speak on this amendment?

Mr. KYL. I would say to the Senator from West Virginia, probably about 10 minutes, but certainly no longer than 15.

Mr. BYRD. I thank the Senator.

Mr. KYL. I thank the Senator.

Mr. President, this amendment is very modest, but I think it will provide a real test of whether everyone who likes to call themselves sensible about fiscal policy really means it. It is a test of whether we are really serious about holding the line on spending, or whether we are even unwilling to make a small step to balance the budget.

This amendment deals with the so-called LIHEAP program, the Low-Income Home Energy Assistance Program. It accepts the President's spending figures, his budget, for this program for the next 4 years. This is a forward-funded program, but it accepts the President's figures through the year 2000, and then for the last 2 years of the program it continues spending at exactly that level. By contrast, the President would allow spending on that program to dramatically escalate in the last 2 years, which just happens to be the campaign year.

So what I am proposing here is a very slight reduction in spending in the last 2 years of the 6-year program and spending at the administration's request for the first 4 years. This, therefore, is a good test.

Will big spenders even vote against this modest cut? I am reminded of what happened about 3 years ago when the Senator who occupies the Chair and I both served in the House of Representatives and we were engaged in a similar debate. We had failed to cut 15 percent from a program. We then failed to cut 12 percent, and then 10 percent, and then 5, and then 3 percent. Finally, our colleague from Pennsylvania, Representative WALKER, got up and said, "All right. Then would you at least cut $19.93?"—that being 1993. Again, there was a vote taken. And, no, the House of Representatives would not even reduce the program by $19.93.

This is a little more than $19.93. This will provide some real savings—a few hundred million dollars, which I know in Washington does not seem like much, but to Americans it is real money.

So we will see whether we are even willing to cut a little bit in the last 2 years of a program by continuing the spending levels that the President has deemed sufficient for the next 4 years for the full 6 years of the program.

Let us talk about the actual numbers involved here. The budget resolution assumes that funding for LIHEAP will be constant at about $1 billion for each of fiscal years 1997 through fiscal year 2002. But the President recommends LIHEAP funding of $1 billion for fiscal years 1997 and 1998, declining to $910 million in fiscal year 1999 and $819 million in the year 2000. What this amendment would do is to take that level of funding, $819 million, as I said, and have it be constant for the remainder of this period of time. So that under the amendment, LIHEAP would be funded at $1 billion in year 1, $1 billion in year 2, under the President's recommendation would decline to $910 million in fiscal 1999, $819 million in the year 2000, and then stay at $819 million for the year 2001, and the year 2002.

It adopts the President's figures, as I said, and then keeps the spending constant for the last 2 years. The President otherwise would allow LIHEAP spending to increase to $934 million in fiscal year 2001 and $1.064 billion in fiscal year 2002. As I said, curiously enough, the high years are the election years.

Here is what the Office of Management and Budget has said. The Office of Management and Budget, which is the President's office for calculating budget matters and working on budget matters, has said that the declining figures for those middle years—1999 and 2000—are due to standard percentage reductions applied to programs that are not a top priority—that are not a top priority. The President's own Office of Management and Budget has taken all of the items in the President's budget and has weighed them, has prioritized them, and has said that for those that are not a top priority, we are going to apply a standard rate of reduction. That is why even though it is $1 billion this year and $1 billion next year, it is going to go down to $910 million in 1999 and then $819 million in the year 2000.

The President's 1995 budget request, I would note, proposed to reduce LIHEAP's funding by half—by over $700 million. His 1995 budget proposal would have left $730 million in LIHEAP.

So you see, Mr. President, while the Office of Management and Budget and the President of the United States have said that the appropriate level was $730 million, in the last 2 years of the program they increase it to ultimately being over $1 billion a year. All we are doing is taking the Office of Management and Budget at its word, we are taking the President at his word that these programs really are a little lesser priority than some of the more important programs. But instead of taking the spending down to $730 million where the President would have taken it, we leave it at $819 million, almost $100 million more in the last 3 years of this 6-year period of time.

So we would provide more for LIHEAP every year compared to what the President proposed just 2 years ago.

I hope this will preclude anybody from arguing we are savaging the LIHEAP budget. We are spending more than the President proposed, and we are spending the same amount in the last 3 years of the program, the amount the President recommended in year 4, and then we are continuing that spending in year 5 and 6.

Here is the reason for my amendment. The President's outyear figures are, obviously, unrealistic. They are not going to be obtained. You cannot backload all of the money into the last 2 years of the program, and this is because the President has relied on gimmicks to get to balance by the year 2002.

Again, remember what I said before. Without those gimmicks, his budget would be $84 million in deficit according to the Congressional Budget Office. So the additional spending in these years cannot really be justified. It is not going to happen. I am simply saying, let us recognize that now and ensure that the budget that we pass will be an honest budget.

Let me conclude with some statements and thoughts about LIHEAP that help demonstrate why this is not a top-priority program and, therefore, the President is right in suggesting that the spending be reduced somewhat.

Remember that this program was initiated in 1981 to temporarily—temporarily—supplement existing cash assistance programs and to help low-income individuals pay for escalating home fuel costs which resulted from the energy crisis of 15 years ago. Around Washington, every temporary spending program and every temporary tax seems to become permanent, and this one has, too. But it does not have to bankrupt us as well.

Let me just mention that one of the major utilities in Arizona—Arizona Public Service—has advised that average residential rates have declined 10 percent in real terms between 1980 and 1995 in constant 1980 dollars. These real lower prices mean that it is time to reconsider the LIHEAP program, which assumed continuously escalating prices back in the days of high inflation. The Clinton administration informed the House Appropriations Committee in 1994 that low-income families now spend one-third less of their income on home energy than they did when LIHEAP was initiated.

So they have confirmed this reality. And according to CBO's February 1995 report, "Reducing the Deficit: Spending and Revenue Options," 26 States—this is the real test, Mr. President—transferred up to 10 percent of their LIHEAP funds, which was then legal to do—it is not any more, but they transferred up to 10 percent of their LIHEAP funds during 1993 to supplement spending for five other social and community services block grant programs which obviously had a higher priority to them. The transfers obviously indicate that some States believe that spending for energy assistance does not have as high a priority as other spending does—the same thing that the President himself confirmed.

The point is this. LIHEAP has evolved from a temporary energy crisis assistance program to a broad income supplement which the Clinton administration in its 1995 budget request said, and I am quoting, "does not target well those low-income households with exceptionally high energy costs in relation to income and which does little to help assisted households achieve independence from the program."

So the Clinton administration has been quite honest about this. It has acknowledged it is not the best program to help the low-income families. It has acknowledged that the original purpose, to temporarily help people in an escalating time of fuel bills, is no longer a high priority because, as I noted, the fuel bills are going down, and therefore in its own budget request has assigned the LIHEAP program a lower budget priority applying an across-the-board reduction. It has, therefore, recommended that from the $1 billion we are going to spend next year and the year after, it be reduced to $934 million—fine—down to $819 million—fine—and my amendment simply says and hold it at $819 million for the last 2 years of this 6-year period.

What could be more reasonable? And yet I suspect this will put some of our colleagues to the test. I would just offer a challenge to those members particularly who come from the States that utilize LIHEAP significantly. This is an opportunity, an opportunity to do something that does not occur very often and that is to be able to say I voted to cut a program that is used by people in my own State quite a bit because I knew it was wrong, I knew that in effect because of changed circumstances this had become fat, not muscle, this had become almost a pork-type project. Of course, we know that we all have to pay for these spending programs, and we are willing to do our part to bring the budget deficit down. Members even from States that utilize this program can say that now because we are spending all we need to spend on the program, according to the administration. And so by holding the figure at the administration's level, we will be helping to reduce the budget and we will be also demonstrating in at least one small way that we really mean it when we say we can achieve deficit reduction. So not only for those States that do not particularly rely upon it but for the Members who come from those States that do, it is a real opportunity that does not come along very often. As I said, it will really help us to determine whether or not we are serious about achieving balancing our budget by the year 2002 or whether it is just rhetoric and we are leaving it to our children to pay the bills.

I hope that when this LIHEAP modest reduction by in effect having level spending in the last 3 years of the program comes to a vote on Tuesday, all of our colleagues will join in supporting the amendment.

Mr. President, I reserve the remainder of my time.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from West Virginia.

Mr. BYRD. Mr. President, I understand that the Senator from Massachusetts wishes to speak for, say, 15 minutes.

Mr. President, I have an amendment which I will offer, and it may be that the Senator from Massachusetts has an amendment or amendments.

Mr. KENNEDY. The Senator is correct. I would like to offer some amendments dealing with Medicare-Medicaid. I will not speak on those measures now. I would like to get them in order.

I do not want to interfere with the orderly procedure which is being followed here about submitting amendments and setting them aside. And so I would inquire if that is an agreeable process with the Senator from West Virginia.

Mr. BYRD. Mr. President, I ask unanimous consent that I may be recognized at this point and I may yield to the Senator from Massachusetts for 15 minutes without losing my right to the floor, and that the time he utilizes be charged either against his amendments or against the time on the resolution itself; that I then be recognized to call up my amendment. We will not be alternating as the Senators I think would like to do, but the distinguished Senator from Arizona, [Mr. KYL], just offered two amendments. I did not raise any objection to that. So if Senators will give me consent, I make that request.

The PRESIDING OFFICER. Without objection——

Mr. DOMENICI. Mr. President, reserving the right to object and I will not object.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. We have not set aside the Kyl amendments. We will do that first.

Mr. BYRD. Yes.

Mr. DOMENICI. I ask unanimous consent that the Kyl amendments be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I am surely not going to object. Did the Senator inform the Senate in my absence how long he was going to take on his amendment?

Mr. BYRD. I will take the full hour. I will probably use 50 minutes of it and then charge some time against the resolution.

Mr. DOMENICI. And Senator KENNEDY is going to need 15 minutes?

Mr. KENNEDY. Fifteen minutes and then offer amendments but will not speak on them out here because others want to address the Senate. I will address the Senate at another time on those measures but I will file them.

Mr. DOMENICI. So we know on our side, how long is the Senator proposing that you use the time of the Senate between the two of you before one of us can be—is it an hour and 15 minutes that we are talking about?

Mr. BYRD. No, I was going to use 50 minutes of my hour, reserve the remainder of the time and complete my speech on the time from the resolution.

Mr. DOMENICI. Before we get back on our side, so we will know who should be here, is it an hour and a half or what do you think?

Mr. BYRD. I would think that would be about it.

Mr. DOMENICI. About an hour and a half.

Mr. KENNEDY. I will be 15 minutes. The Senator has indicated 50.

Mr. DOMENICI. I have no objection.

The PRESIDING OFFICER. Without objection, the request of the Senator from West Virginia is granted.

Mr. BYRD. Mr. President, I thank the Chair. I thank all Members.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I again thank the Senator from West Virginia for his typical courtesy and I appreciate all of us are trying to have an opportunity to address the Senate on a number of the items that are included in the budget and adjusting schedules.

Mr. President, I ask unanimous consent that the Senator from Rhode Island Mr. [PELL] be added as an original cosponsor of amendment No. 3991, the Kerry-Murray amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 3997, 3998, 3999, AND 4000

Mr. KENNEDY. Mr. President, I send four amendments to the desk, and I ask unanimous consent that they be considered individually. I further ask unanimous consent that they be laid aside. I hope to discuss them further during the course of the afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendments.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes amendments numbered 3997, 3998, 3999, and 4000.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 3997

(Purpose: To express the sense of the Congress that the reconciliation bill should maintain the existing prohibitions against additional charges by providers under the medicare program)

At the appropriate place insert the following new section:

SEC. . SENSE OF THE CONGRESS REGARDING ADDITIONAL CHARGES UNDER THE MEDICARE PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) senior citizens must spend more than 1 dollar in 5 of their limited incomes to purchase the health care they need;

(2) ⅔ of spending under the medicare program under title XVIII of the Social Security Act is for senior citizens with annual incomes of less than $15,000;

(3) senior citizens cannot afford physician fee mark-ups that are not covered under the medicare program or premium overcharges; and

(4) senior citizens enrolling in private insurance plans receiving medicare capitation payments are currently protected against excess charges by health providers and additional premium charges by the plan for services covered under the medicare program.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that any reconciliation bill considered during the second session of the 104th Congress should maintain the existing prohibitions against additional charges by providers under the medicare program under title XVIII of the Social Security Act ("balance billing"), and any premium surcharges for services covered under such program that are levied on senior citizens enrolled in private insurance plans in lieu of conventional medicare.

Mr. KENNEDY. Mr. President, the Republican budget plan is designed to make Medicare "wither on the vine," in the words of Speaker GINGRICH. Under the guise of greater choice, it is rigged to force seniors to give up their family doctor and join private insurance plans. If the Republican plan had been enacted last year, private insurers would have reaped a bonanza. If only half of all seniors had left conventional Medicare, private insurers would have reaped windfall revenues of $625 billion over the next 7 years.

Not only does the Republican plan force senior citizens to join private insurance plans, it strips away existing protections against additional, uncovered provider charges—so-called balance billing—once they have enrolled. It eliminates current protections against premium surcharges for basic Medicare services. It puts every senior at financial risk.

Unlimited balanced billing would be allowed under at least three circumstances under the Republican plan. Charges for any service—except emergency services—supplied by a provider not having a contract with the private insurance company would not be limited. Charges for services provided through a Medicare medical savings account would be unlimited. And services provided by an unrestricted fee-for-service plan would be unlimited.

Currently, private insurance plans receiving Medicare capitation contracts may not charge enrollees any additional premium for coverage of Medicare basic services. Under the Republican plan, that protection, too, is eliminated.

Because of gaps in Medicare and high health care costs, senior citizens have a difficult time affording the health care they need. Eighty-three percent of all Medicare spending is for older Americans with annual incomes below $25,000. Two-thirds is for those with incomes below $15,000. Senior citizens typically spend more than $1 in $5 of their limited income to purchase the health care they need. It is wrong to expose them to higher medical bills and higher premiums so that doctors and insurance companies can reap greater profits.

The President vetoed these unfair proposals last year, and the Democrats in Congress upheld his veto. The amendment I am offering today gives every Member of the Senate the opportunity to go on record as rejecting this new budget's proposals to allow balance billing and premiums surcharges in private insurance plans receiving Medicare capitation payments. I hope the Senate will adopt it.

AMENDMENT NO. 3998

(Purpose: To express the sense of the Congress that the reconciliation bill should not include any changes in Federal nursing home quality standards or the Federal enforcement of such standards)

At the appropriate place insert the following new section:

SEC. . SENSE OF THE CONGRESS REGARDING NURSING HOME STANDARDS.

(a) FINDINGS.—Congress finds that—

(1) prior to the enactment of subtitle C of title IV of the Omnibus Budget Reconciliation Act of 1987, deplorable conditions and shocking abuse of senior citizens and the disabled in nursing homes was widespread; and

(2) the enactment and implementation of such subtitle has brought major improvements in nursing home conditions and substantially reduced abuse of senior citizens.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that any reconciliation bill considered during the second session of the 104th Congress should not include any changes in Federal nursing home quality standards or the Federal enforcement of such standards.

Mr. KENNEDY. Mr. President, strong Federal quality standards for nursing homes were enacted by Congress with solid bipartisan support in 1987, after a series of investigations revealed appalling conditions in nursing homes throughout the Nation and shocking abuse of senior citizens and the disabled.

Elderly patients were often allowed to go uncleaned for days, lying in their own excrement. They were tied to wheelchairs and beds under conditions that would not be tolerated in any prison in America. Deliberate abuse and violence were used against helpless senior citizens by callous or sadistic attendants. Painful, untreated, and completely avoidable bedsores were found widespread.

Patients had been scalded to death in hot baths and showers, or sedated to the point of unconsciousness, or isolated from all aspects of normal life by fly-by-night nursing home operators bent on profiteering from the misery of their patients.

These conditions, once revealed, shocked the conscience of the Nation. The Federal standards enacted by Congress ended much of this unconscionable abuse and achieved substantial improvement in the quality of care for nursing home residents.

Last year, the Republican budget programs included a frontal assault on these standards. The first House reconciliation bill repealed them entirely. The Senate bill reported from Committee did the same. As public outrage mounted, the Republican Congress was forced to modify their program—but each time the fine print left major loopholes. Fortunately, the President vetoed this harsh program, and the Democrats in Congress sustained his veto.

It is difficult to believe that anyone, no matter how extreme their ideology, would take us back to the shameful conditions before 1987. But this is exactly what the Republican plan will do. The American people will never accept such a program, so the Republican program, once again, buries the assault on nursing home quality in fine print. This time, the House Commerce Committee has announced that it will maintain current standards—but the fine print says that enforcement responsibility will be taken from the Federal Government and turned over to the States. Yet it was because States failed to adequately protect nursing home residents that the Federal law was enacted in the first place.

This amendment expresses the sense of the Congress that Federal nursing home quality standards should be maintained without any ifs, ands, or buts. This is the minimum assurance that senior citizens and their families deserve—and I hope the Senate will vote to give them that assurance.

AMENDMENT NO. 3999

(Purpose: To express the sense of the Congress that provisions of current medicaid law protecting families of nursing home residents from experiencing financial ruin as the price of needed care for their loved ones should be retained)

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE CONGRESS CONCERNING NURSING HOME CARE.

(a) FINDINGS.—Congress finds that—

(1) under current Federal law—

(A) protections are provided under the medicaid program under title XIX of the Social Security Act to prevent the impoverishment of spouses of nursing home residents;

(B) prohibitions exist under such program to prevent the charging of adult children of nursing home residents for the cost of the care of such residents;

(C) prohibitions exist under such program to prevent a State from placing a lien against the home of a nursing home resident, if that home was occupied by a spouse or dependent child; and

(D) prohibitions exist under such program to prevent a nursing home from charging amounts above the medicaid recognized charge for medicaid patients or requiring a commitment to make private payments prior to receiving medicaid coverage as a condition of admission; and

(2) family members of nursing home residents are generally unable to afford the high cost of nursing home care, which ranges between $30,000 and $60,000 a year.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that provisions of the medicaid program under title XIX of the Social Security Act that protect families of nursing home residents from experiencing financial ruin as the price of securing needed care for their loved ones should be retained, including—

(1) spousal impoverishment rules;

(2) prohibitions against charging adult children of nursing home patients for the cost of their care;

(3) prohibitions against liens on the homes of nursing home residents occupied by a spouse or dependent child; and

(4) prohibitions against nursing homes requiring private payments prior to medicaid coverage as a condition of admission or allowing charges in addition to medicaid payments for covered patients.

Mr. KENNEDY. Mr. President, one of the cruellest aspects of the Republican proposals have been their failure to protect nursing home patients and their relatives from financial abuse. Last year, both the House and Senate Republican bills initially eliminated the protections in current law—enacted with broad bipartisan support in 1987—assuring that a spouse remaining in the community would be able to keep at least a modest amount of income and savings, so that she would not be reduced to abject poverty in order for a loved one to get the nursing home care he needed.

Once the public became aware of these harsh proposals, the Republicans rushed to repair their public relations problem, but as in the case of nursing home quality standards, the provisions they claimed restored the current protections were as full of holes as a Swiss cheese.

Their bills allowed nursing homes to charge patients more than Medicaid will pay, so that spouses could still be forced to sell their home or wipe out all their savings to give their loved ones the care they need. What kind of a spousal protection program is it that says, "The State can't take away all your savings and your home so that your loved one can get the care he needs, but the nursing home operator can?"

Their bills continued to wipe out protections that have been included in Medicaid since 1965 against a State forcing adult children to be responsible for the cost of care for a nursing home patient. Twenty-nine states have these laws on the books. Only the Federal law prevents them from being enforced—and the Republican bill would have repealed those protections. What kind of family values say that it is perfectly all right to tell adult children, struggling to raise a family and meet the needs of their own children, that the State can take away all your savings and hopes as a condition of their parents getting the nursing home care they need?

And finally, their bills provided no protection against a State placing a lien on the home of a nursing home resident, even if a spouse or a child is still living there. That protection has been a part of current law for decades—but the Republican plan would have repealed it.

The President vetoed these harsh bills, and the Democrats in Congress sustained his veto. The amendment I am offering today gives the Senate a chance to go on record as repudiating those Republican policies and directing that they not be included in this year's reconciliation bills.

AMENDMENT NO. 4000

(Purpose: To protect the wages of construction workers)

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE CONCERNING THE DAVIS BACON ACT.

Notwithstanding any provisions in the report of the Committee on the Budget to accompany S. Con. Res. 57, it is the Sense of the Senate that the provisions in this Budget Resolution assume no changes to the Davis Bacon Act.

The PRESIDING OFFICER. The amendments are laid aside.

AMENDMENT NO. 3996

Mr. KENNEDY. Mr. President, I was listening to my good friend from Arizona talking about LIHEAP, which is an essential program, particularly for seniors and children, to keep warm in the winter. He was talking about how people in Arizona do not get much value out of that.

I was here when the Congress appropriated $3.4 billion to complete the central Arizona project. There is still 725 more to go. I will just say, the taxpayers of Massachusetts did not get much benefit from that program either.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. Excuse me, the Senator from West Virginia has the floor.

Mr. DOMENICI. Mr. President, will Senator BYRD yield 1 minute to the Senator from New Mexico?

Mr. BYRD. Absolutely; gladly.

Mr. DOMENICI. Mr. President, I do not remember what the last project for Boston Harbor cost——

Mr. KENNEDY. I was not the one who was complaining.

Mr. DOMENICI. It almost cost more than the Arizona project, and we did not get anything from that in New Mexico, either.

Mr. KENNEDY. I ask the Senator, was that not part of the Interstate Highway System? The completion of the top part of it was the last link and was the part that was to be completed in which Massachusetts taxpayers contributed, like others contributed for their highways in their State. We can talk about it at another time. I see my friend and colleague from West Virginia.

Mr. DOMENICI. Can I have an additional 30 seconds? This one I am talking about is known as the "big dig." That is the one that is going to cost about $10 billion. At one point, it was kind of known as the "great Tip O'Neill project." Everybody seemed glad to do that for Tip O'Neill.

Mr. KENNEDY. It is called the Central Artery, which next time you go up, you will see the interstate signs on it. We hope you will enjoy your trips to New England.

Mr. DOMENICI. I do not get there very often, and when it is finally built, there will not be such big traffic jams, and I will enjoy Boston then.

I want to make sure for the RECORD it is understood that we are not in any way waiving the hour we have to rebut each of these amendments. We are accommodating by letting the Senators who are the proponents get them done today. That is a mutual request of both sides. I do not think we can take all the time on each amendment, but clearly by not answering them today does not mean we are not going to answer them, either in the presence of the proponent or not. At some point before final passage, we will answer most of them.

I thank Senator BYRD for yielding.

The PRESIDING OFFICER. The Senator from West Virginia.

AMENDMENT NO. 4001

(Purpose: This amendment increases overall discretionary spending to the levels proposed by the President. This increase is fully offset by the extension of expired tax provisions or corporate and business tax reforms)

Mr. BYRD. Mr. President, I ask unanimous consent that the pending amendments be set aside and that I may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for himself, Mr. DASCHLE, Mr. KENNEDY, Mr. BUMPERS, Mr. LAUTENBERG, Mr. LEVIN, Mr. KOHL, Ms. MOSELEY-BRAUN, Ms. MIKULSKI, Mr. JOHNSTON, Mr. MOYNIHAN, and Mr. DORGAN, proposes an amendment numbered 4001.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 5, increase the amount by $6,300,000,000.

On page 3, line 6, increase the amount by $12,700,000,000.

On page 3, line 7, increase the amount by $10,600,000,000.

On page 3, line 8, increase the amount by $11,700,000,000.

On page 3, line 9, increase the amount by $9,700,000,000.

On page 3, line 10, increase the amount by $13,8,00,000,000.

On page 3, line 14, increase the amount by $6,300,000,000.

On page 3, line 15, increase the amount by $12,700,000,000.

On page 3, line 16, increase the amount by $10,600,000,000.

On page 3, line 17, increase the amount by $11,700,000,000.

On page 3, line 18, increase the amount by $9,700,000,000.

On page 3, line 19, increase the amount by $13,800,000,000.

On page 4, line 8, increase the amount by $7,400,000,000.

On page 4, line 9, increase the amount by $12,400,000,000.

On page 4, line 10, increase the amount by $17,100,000,000.

On page 4, line 11, increase the amount by $15,300,000,000.

On page 4, line 12, increase the amount by $31,200,000,000.

On page 4, line 13, increase the amount by $22,300,000,000.

On page 4, line 17, increase the amount by $6,300,000,000.

On page 4, line 18, increase the amount by $12,700,000,000.

On page 4, line 19, increase the amount by $10,600,000,000.

On page 4, line 20, increase the amount by $11,700,000,000.

On page 4, line 21, increase the amount by $9,700,000,000.

On page 4, line 22, increase the amount by $13,800,000,000.

On page 42, line 2, increase the amount by $7,400,000,000.

On page 42, line 3, increase the amount by $6,300,000,000.

On page 42, line 8, increase the amount by $12,400,000,000.

On page 42, line 9, increase the amount by $12,700,000,000.

On page 42, line 15, increase the amount by $17,100,000,000.

On page 42, line 16, increase the amount by $10,600,000,000.

On page 42, line 22, increase the amount by $15,300,000,000.

On page 42, line 23, increase the amount by $11,700,000,000.

On page 43, line 5, increase the amount by $31,200,000,000.

On page 43, line 6, increase the amount by $9,700,000,000.

On page 43, line 12, increase the amount by $22,300,000,000.

On page 43, line 13, increase the amount by $13,800,000,000.

On page 52, strike line 9 through line 25; and

On page 53 strike line 1 through line 9 and insert the following:

"(1) with respect to fiscal year 1997, for the discretionary category $496,600,000,000 in new budget authority and $539,200,000,000 in outlays;

"(2) with respect to fiscal year 1998, for the discretionary category $501,600,000,000 in new budget authority and $534,800,000,000 in outlays;

"(3) with respect to fiscal year 1999, for the discretionary category $504,100,000,000 in new budget authority and $531,100,000,000 in outlays;

"(4) with respect to fiscal year 2000, for the discretionary category $509,100,000,000 in new budget authority and $530,900,000,000 in outlays;

"(5) with respect to fiscal year 2001, for the discretionary category $519,000,000,000 in new budget authority and $521,700,000,000 in outlays;

"(6) with respect to fiscal year 2002, for the discretionary category $520,300,000,000 in new budget authority and $525,600,000,000 in outlays."

Mr. BYRD. Mr. President, I am offering an amendment on behalf of myself and the following Senators: Mr. DASCHLE, Mr. KENNEDY, Mr. BUMPERS, Mr. LAUTENBERG, Mr. LEVIN, Mr. KOHL, Ms. MOSELEY-BRAUN, Ms. MIKULSKI, Mr. JOHNSTON, Mr. MOYNIHAN, and Mr. DORGAN. I welcome further cosponsors, Mr. President.

Now, Mr. President, I yield myself 50 minutes of my 60 minutes, and I hope that the Chair will let me know when my 50 minutes have been concluded.

Mr. President, I am deeply concerned by the offering of yet another budget resolution which shortchanges our country's future. The cuts in nondefense discretionary spending that would be necessary over the next 6 years in order to meet the reduced levels of budget authority and outlays provided in this budget resolution are truly extraordinary.

One has only to turn to page 211 of the committee report accompanying this budget resolution to see what I mean. On that page, one finds a table entitled "Comparison of Budget Plans: Six-Year Totals." That table compares the deficit reduction that would take place over fiscal years 1997 through 2002 under President Clinton's budget proposals versus those under the Republican budget resolution that is now before the Senate.

According to that table, in that committee report, over that 6-year period, fiscal years 1997–2002, discretionary spending will be cut under the Republican budget resolution by $296 billion. This amounts to $66 billion more in cuts to discretionary spending than the President's budget proposals, which would cut $230 billion over the same period.

That is one of the reasons why I voted against the President's budget last night. I preferred it to the Republican budget that is before us. But the President's budget cut discretionary funding badly, even though the Republican resolution cuts it worse.

Mr. President, look at the cumulative effect of the cuts in buying power that will have to be made over the next 6 years under either the budget resolution or the President's budget. They are mind-boggling—mind-boggling. We are talking about cuts proposed by the President totaling $230 billion below the rate of inflation. And we are talking about cuts under the Republican budget resolution totaling $296 billion below inflation over the next 6 years for discretionary programs.

When we pile real reductions of that severity, one on top of another, year after year after year after year, how can any thinking person expect this Nation to sustain any financial ability to meet the minimum needs of the American people in all of the critical areas that are funded by discretionary appropriations. Those needs are not frozen. We do not have a freeze on crime in America. We do not have a freeze on bridge repairs. We do not have a freeze on potholes in the roads or a freeze on the dirty water supply or a freeze on aging sewers or on environmental pollution. Those needs still press and tax our financial resources. And it all adds up to hundreds of billions of dollars in backlogs—backlogs.

What has been our response? Our response has been to budget less and less money to deal with the ever-increasing backlogs. If we continue to eviscerate our own Nation with this unwise and careless way of budgeting, I fear for the ultimate consequences. What will be affected? Nearly everything in the daily lives of the American people will be affected. For instance, two-thirds of the domestic discretionary budget goes to fund our Nation's infrastructure.

About 13 percent of all domestic discretionary spending is for transportation programs—including the maintenance and improvement of our National Highway System, our airport and airway system, and all safety-related facilities and equipment, including our public transportation systems. In all areas of transportation there are glaring, unmet needs which not only affect the safety of the American people, but also cost our economy billions of dollars each year because of delays in getting our products to their markets and in getting workers to and from their jobs.

According to the Department of Transportation, there are currently more than 234,000 miles of the nearly 1.2 million miles of paved nonlocal roads which are in such bad condition that they require capital improvements either immediately—just travel down the streets of Washington—or within the next few years. The Nation's backlog in the rehabilitation and maintenance of our Nation's bridges currently stands at $78 billion. That is the backlog as of now. And it is getting worse and it is getting bigger, the Nation's backlog.

According to the Federal Highway Administration, 118,000 of the Nation's 575,000 bridges—more than one out of five—are structurally deficient. Heavier trucks are prohibited from using them—an action that has an immediate, adverse impact on the Nation's productivity. Another 14 percent of the Nation's bridges are functionally obsolete, meaning they do not have the land and shoulder widths or vertical clearance to handle the traffic they bear.

Fully 70 percent of the Nation's interstate highways in metropolitan areas are congested during peak travel times. Such traffic congestion costs the economy $39 billion a year in wasted fuel and lower productivity for both passengers and commercial traffic. Congestion also undermines our ability to clean up the Nation's air, since more than 70 percent of the carbon monoxide emitted into the atmosphere comes from motor vehicles.

To make matters worse, the Department of Transportation continues to estimate increased growth in vehicle use that will put us in even worse shape. Things are not getting better. Things are getting worse by the day. It has been estimated that the number of vehicles on our Nation's highways will grow by about 8 percent by the year 2000. However, over the same period, freight tonnage, carried by our Nation's trucks, will grow by more than 30 percent. Yet, under this proposed budget resolution and for several years to come, it can be anticipated that we will be required to cut, rather than increase, our investment in maintaining our Nation's highway system. How can we even consider not addressing these problems? This budget resolution totally ignores those needs.

No area of infrastructure investment is as critical as our Nation's highway system. The system carries nearly 80 percent of U.S. interstate commerce and more than 80 percent of intercity passenger and tourist traffic. And yet, just 7 months ago the Department of Transportation published its annual status report on the Nation's surface transportation system. That report estimated that it would require additional annual investments of roughly $15 billion to adequately maintain our existing surface transportation infrastructure—$15 billion annually just to maintain our existing surface transportation infrastructure. Unfortunately, we simply are not making the necessary investments to ensure a prosperous future for our children, especially when compared to the investments that are being made by our economic competitors throughout the world.

Just as our Federal funding patterns have ignored the anticipated growth in highway use, so, too, are we ignoring the anticipated growth in airport use. According to the Federal Aviation Administration, the number of passengers expected at our Nation's airports will grow almost 60 percent over the next decade. That will not include me because I do not like to fly. My name is BYRD, but I do not like to fly. And what has happened in recent days has made me even more fearful.

If no new runways are added, the number of severely congested major airports will grow by 250 percent. The Federal Aviation Administration estimates that in order to bring existing airports up to current design standards, as well as to provide sufficient capacity to meet the projected demand, it will cost no less than $30 billion over the next several years. What is this blatant neglect doing to safety standards? What is this blatant neglect doing to safety standards? Safety for whom? Safety for the American people? Safety for the traveling public?

Mr. President, we do the American people no favor by ignoring these trends and by balancing the Federal budget on the back of critical domestic investments.

Fully another 14 percent of domestic discretionary spending is for education, training, and employment programs—including Head Start, elementary and secondary education, Pell grants, and other college student financial aid.

Tremendous unmet needs have also been identified in this portion of the budget. Over the past number of years, we have managed to substantially increase funding for Head Start, special education grants, and Pell Grants. But we clearly will be unable to sustain these increased levels of spending in the future under this budget resolution.

Senators should not go home and beat their chests about how strongly they support education when they vote for the cuts in discretionary spending contained in this budget resolution. They will be saying one thing, while actually doing quite another. And there is too much of that in politics already.

This Republican budget cuts $24.4 billion in budget authority in inflation-adjusted dollars from this portion of the budget over the next 6 years. This amounts to a cut of 25 percent in real terms.

Another 12 percent of domestic discretionary spending is for environmental improvement and energy efficiency programs—ranging from sewage treatment grants to toxic clean-up to energy R&D programs.

This Republican budget resolution appears to assume reductions for the Environmental Protection Agency totaling $5 billion over 7 years. These reductions are assumed to be applied to each EPA program account, including Superfund, State and Tribal Assistance grants, Science and Technology, and EPA operating programs. The impact of these proposed reductions would be devastating to EPA's ability to address protection of public health and the environment.

It should be noted that while the annual request for wastewater treatment infrastructure programs is $1.35 billion, there are documented wastewater infrastructure needs of $137 billion throughout the United States. While the Federal funding for this infrastructure program leverages additional matching funds from States and localities, the administration's proposed budget assumes a level that enables States to provide $2 billion. With requirements totaling $137 billion today—and continuing to grow with the population—clearly the need is for more infrastructure funding for clean water facilities, not less.

In the area of infrastructure requirements for States to meet the requirements of the Safe Drinking Water Act, the total requirements are unknown. A needs survey is now being conducted, and will be completed in June. No preliminary estimates are available, but it is safe to assume that the annual budget request of $550 million will be insufficient to address the needs of local communities in upgrading both publicly and privately owned drinking water systems. In my own State of West Virginia, a recent Federal study reports that it would take $162 million dollars to clean up and provide potable water to approximately 79,000 West Virginians. It would take another $405.7 million to meet the worsening drinking water supply situation of some 476,000 West Virginians. There you have it. We have an annual budget request for the whole country of $550 million and yet in West Virginia we have a total need for $568 million—$568 million in West Virginia alone—as against $550 million for the whole country that is being requested in the budget. It does not make sense.

We are becoming like a Third World country in many parts of the Nation. West Virginia is not alone. West Virginia is a rural State. What kind of a budget ignores the most basic, most basic need, clean drinking water, of people? Safe drinking water seems to me to be pretty basic stuff. What good is the environment that ignores that kind of need?

Additionally, under this budget resolution, funding for watershed projects and flood prevention will be drastically reduced. Furthermore, water and wastewater treatment programs for rural areas will be cut more than one-third.

Funding for the Nation's existing water resource infrastructure—its system of dams, locks, harbors, irrigation systems, reservoirs, and recreation sites—will suffer serious cuts. In the area of flood control and storm damage prevention projects, where cost-benefit ratios exceed 20 to 1, there will be insufficient funds to meet the needs. Already, there is a serious backlog of deferred operations and maintenance requirements on existing projects. Our ports and harbors, through which the bulk of our Nation's commerce and trade with the rest of the world moves, will be seriously affected by declining investments such as dredging and channel improvements.

Under this budget resolution, the Nation's critical disposal of nuclear waste generated at electricity-producing power plants will be further set back. Over the next 30 to 40 years, estimates are that nuclear waste cleanup costs for both defense and civilian sites will total between $200 and $250 billion. What are we doing to the environment? What horrors are we unleashing with this type of neglect? Doesn't anybody in this town care?

The question is, Mr. President, under the constraints of this budget resolution, how can we possibly meet the needs of the American people across the broad spectrum of our national life—from crime control, to job retraining, to better and safer highways and bridges and aviation, to drug treatment and prevention, to education, to research, to environmental cleanup, to clean water, and to programs which assist those in our society who are unable to care for themselves and their children through no fault of their own?

How long—how long—will we continue to slash and burn these discretionary spending programs, while letting automatic entitlements and corporate welfare and tax expenditures grow and eat away at the foundation of our national economy? Where is the basic common sense and decency in this budget? Where is the basic common sense and decency in this budget?

The amendment I am offering today will add $106 billion in discretionary budget authority and $65 billion in discretionary outlays over the 6-year period of this budget resolution. And if it is adopted, we will still be $230 billion below inflation over the period of 6 years. For fiscal year 1997, budget authority, under my amendment, would be increased by $7.4 billion and outlays would be increased by $6.3 billion. Similar increases above the amounts included in this resolution are provided for in each of the remaining years through fiscal year 2002. In other words, my amendment would provide for the same level of discretionary spending as the Clinton budget over that 6-year period—and that Clinton budget was $230 billion too low.

My amendment will bring that figure for outlays and budget authority at least up to the Clinton budget—namely, $106 billion more in budget authority, and $65 billion more in discretionary outlays than this Republican budget resolution would provide. We need more—much more—but at least this amount will give us some little chance of meeting our minimum needs.

Furthermore, my amendment will eliminate the so-called defense walls for the period of this budget resolution. But so did the Clinton budget that was voted on last night. And every Democrat here voted for that budget—other than this Democrat. It was better than the Republican budget, but it cuts discretionary funding and cuts taxes—not as much as the Republican budget, but it still cuts taxes, which is utter folly at this time in our history. In other words, my amendment combines defense and nondefense discretionary budget authority and outlays into one figure for each of the fiscal years 1997–2002. Now, if any Democrats here oppose my elimination of the walls, they voted to do that last night in the Clinton budget, so they should not have any hesitancy in supporting my amendment. This will return us to the normal situation under which the Appropriations Committees are given one discretionary figure for budget authority and one figure for discretionary outlays each year. The committee will then determine how much budget authority and outlays should be allocated to defense and how much of the budget should go to nondefense spending each fiscal year. That is the way the system is supposed to work. There is not supposed to be an artificial gimmick to protect a sacred cow in the budget.

In order to pay for its increase in spending, my amendment provides for a corresponding increase in revenue over the 6-year period of the budget resolution, and this increase in revenues is brought about from a combination of closing corporate loopholes, extension of expiring excise tax provisions, and/or elimination or modifications of the so-called tax expenditures. As shown on page 211 of the committee report, the President's budget proposes $40 billion in savings from "corporate reform," together with an additional $43 billion from extension of expiring tax provisions. The Republican budget resolution proposes $21 billion and $36 billion, respectively, in those same areas. It, therefore, should be possible for the appropriate committees—Finance and Ways and Means—to find the additional revenues that I have proposed from some combination of those corporate reforms and extension of expiring tax provisions. However, if they are unable to do so, I strongly recommend that the Finance and Ways and Means Committees turn to the issue of tax expenditures as another excellent source for achieving the increase in Federal revenues over the next 6 years, called for in my amendment. That area of the Federal budget has miraculously—if you do not believe in miracles, here is one, in our own day and time—escaped the attention of the so-called deficit reduction hawks.

Few Americans are familiar with the term "tax expenditure." Simply put, tax expenditures are tax dollars lost to the Federal Treasury due to special provisions in the Tax Code, which allow deductions, exemptions, credits, or a deferral of tax payments. The word "expenditure" is used to highlight the fact that these tax breaks are, in many respects, no different than if the Government simply wrote a check to the individuals or businesses concerned.

The plain truth is, Mr. President, that tax expenditures are nothing more than another form of Government spending—back-door spending. But these checks are written to those with special interests and with special influence in Washington. And they go out of the Treasury first. They do not spend out over a year or 6 months like normal expenditures from the Treasury. They are gone—out the door right away every year to benefit the special interests, before anybody else gets one thin dime.

Also, unlike the spending that is reviewed annually by the Appropriations Committee, once tax expenditures are enacted into law, very rarely do they again come under congressional scrutiny, certainly not with the frequency and the intensity of those programs which make up discretionary funding. As Dr. Paul McDaniel, of the University of Florida, testified before the Senate Budget Committee, over 80 percent of current tax expenditures were also in effect in 1986—10 years ago—the last time Congress gave these programs a thorough review. Just like entitlements, then, tax expenditures continue indefinitely, largely overlooked by even the most determined budget cutters.

According to the latest information available, tax expenditures for fiscal year 1995 totaled $453 billion, and are projected to grow to $480.4 billion for fiscal year 1996, $509.7 billion for fiscal year 1997, $537.3 billion for fiscal year 1998, and $568.5 billion for fiscal year 1999. Just for those 5 years alone, then, these tax expenditures total more than $2.5 trillion.

How long would it take to count trillion at the rate of $1 per second? It would take 32,000 years to count trillion. Over the 6 years of this budget resolution, total tax expenditures will exceed $3 trillion. Should somebody not be taking a hard look at this huge area of back-door spending?

The problem, however, is not just in the aggregate amount of these programs. Unlike traditional forms of discretionary spending, tax expenditures circumvent the extremely important authorization and appropriations process. Because these provisions come out of the tax-writing committees of the House and Senate, those committees become, in effect, both the authorizing and appropriating authority. That fact is obviously very appealing to special interest groups seeking Federal financial support, and there are lots and lots and lots of those.

Under the normal legislative process, anyone interested in obtaining Federal support must first begin by convincing the relevant authorizing committee to actually sanction their project in law. Even then, however, there is no guarantee that the Appropriations Committee will be able to fund the project to the full extent that had been authorized. And so it is not difficult to see that if a group could bypass that two-step process, they would have a much higher probability of seeing their interest fulfilled.

Mr. President, make no mistake, some of these Tax Code spending programs are worthwhile and serve a useful public purpose. The earned-income tax credit, for instance, has lifted many Americans out of the depths of poverty—hard-working Americans, whose only "crime" is that the work they do does not pay enough to support their families. Or the mortgage interest deduction, which has allowed home ownership to become affordable to many Americans that would otherwise be forced to forego that part of their dreams.

However, although many of these tax expenditures are of significant benefit to a great many Americans, many tax expenditures benefit only a very select few. These expenditures should not be immune from review; our budget situation demands that we examine all spending. Whether it be done through the appropriations process or through the Tax Code, spending is spending. A dollar leaving the Federal Treasury through the backdoor of the Tax Code has just as much an impact on our budget, and on our deficit, as does a dollar going out the front door—appropriated by Congress. That is the front door. It goes out the appropriations door. We simply cannot continue to ignore these tax expenditures in our budget debates. It seems to me that the very least we can do is to require regular reauthorizations of all tax expenditures so that we can be certain that longstanding provisions, which may have been justified years ago when they were enacted, are still justified in light of current budgetary constraints.

Take, for example, the mortgage interest deduction. This tax subsidy has, as I just noted, helped millions of families across our country achieve what many would describe as one of the most tangible aspects of the American dream—owning one's own home. It is, without question, one of the most valuable and worthwhile tax expenditures in our Tax Code. Yet, in tight budget times, does it make sense to subsidize the purchase of vacation homes? That is what we are doing today. Current law allows taxpayers to deduct the interest paid on up to $1 million in debt used to acquire and improve first and second homes, as well as the interest on up to $100,000 of other loans secured with a home, regardless of the purpose for which that money is borrowed. Because of the current tax rules on second homes, millions of Americans struggling to buy their first homes are, in effect, helping subsidize the vacation homes of the wealthy. Worse yet, to the extent that the revenue loss associated with the deductibility of mortgage interest on second homes adds to our budget deficit, the cost of helping wealthy Americans buy their vacation homes is simply being dumped on future generations of Americans, rich and poor.

I say to my friends on the committee with the responsibility to bring forth the legislation to make cuts in entitlements and tax expenditures—come on in, the water's fine. We on the Appropriations Committee have already been exposed to public scrutiny in each appropriation bill every year. We have had tough, enforceable caps on discretionary spending for a number of years. We have always made the cuts to stay beneath those caps, and we will continue to do so. But, the discretionary well has dried up as far as contributing further to deficit reduction. Let us get on with tapping the more than $500 billion that is spent each year on tax expenditures.

Since 1980, investment in physical infrastructure—that means investment in our own communities—that means investment in the communities of every individual who is watching this Senate Chamber through that electronic eye; that is your community—investment in your community and in things that matter in the daily lives of our people—that investment in physical infrastructure has declined, both as a percentage of all Federal spending and as a percentage of our Nation's gross domestic product. The cuts embodied in this budget—the here and now budget—resolution only exacerbate, only make worse, this trend—a trend that is both shortsighted and unwise.

Any businessman will tell you that a business cannot prosper for very long if the necessary investments are not continually made in the tools and machinery that provide the engine for that prosperity.

The owner of a small manufacturing plant can, perhaps, delay investments in new tools and machinery for a brief period of time. He may be able to continually piece that machinery together using temporary fixes. But over the long haul, more often than not, the failure to adequately invest in that machinery and equipment will prove to be a very expensive and costly mistake. In the end, that machinery must be replaced, often at a cost that proves to be considerably higher than the cost of continued and steady maintenance and investment. If it is not, then the plant will fall further and further behind and eventually go bankrupt.

The same is true for our Nation's investment and maintenance of its infrastructure. People need to understand that. Increasingly, in recent years, we have embodied this penny-wise, pound-foolish frugality when it comes to our Nation's basic GNP generator, our infrastructure.

For the last several months, we have heard much debate on the Senate Floor regarding the tragic maladies that are brought about by the Federal budget deficit, maladies that we threaten to pass on to our grandchildren. That is all true, but it is equally true that a less than robust economy only exacerbates our national deficit problem.

I would like to take a moment to recount some of the maladies that we will also pass on to the next generation for our failure to adequately invest in our transportation infrastructure. How can we hope to ensure a prosperous future for our children's children, if we leave the next generation with a transportation network so dilapidated, unsafe, and inefficient that it is a national embarrassment rather than a source of national pride as has been the case in the past. How can we hold up our heads if we continue to let our national parks fall into disrepair, our sewers deteriorate, our air become filthy, our drinking water become polluted, our schools and our bridges become dilapidated and our highways become pitted, potholed nightmares? How can we be so blind as not to see the relationship of that kind of neglect to our national economy?

We heard a great deal about building the country's infrastructure in the Presidential campaign 4 years ago. We never hear anything about it anymore. We do not hear anything about building our Nation's physical infrastructure. We are going to wake up, though, at the end of this 6 years when we find that we have let our country down, let the infrastructure deteriorate, and then we will see what it costs to replace it.

The American people are going to get tired of this so-called "Contract With America"—cut, slash, burn—and all of the tears that are shed for our children and grandchildren, if we do not balance this budget. Yet, those same Senators who are shedding tears for our children and grandchildren and saying that we need to balance the budget, vote for tax cuts. It is all right to load that burden on our children and grandchildren, and they vote to see our infrastructure waste away.

I am reminded of a parable in the Scriptures when Jesus was meeting with his disciples in the Mount of Olives. In chapter 25 of the Book of Matthew, the King James version, we read this:

> 14 For *the kingdom of heaven is* as a man travelling into a far country, *who* called his own servants, and delivered unto them his goods.
>
> 15 And unto one he gave five talents, to another two, and to another one; to every man according to his several ability; and straightway took his journey.
>
> 16 Then he that had received the five talents went and traded with the same, and made *them* other five talents.
>
> 17 And likewise he that *had received* two, he also gained other two.
>
> 18 But he that had received one went and digged in the earth, and hid his lord's money.
>
> 19 After a long time the lord of those servants cometh, and reckoneth with them.

The American people are going to reckon with us. They are going to reckon with us one day.

20 And so he that had received five talents came and brought other five talents, saying, Lord, thou deliveredst unto me five talents: behold, I have gained beside them five talents more.

21 His lord said unto him, Well done, *thou* good and faithful servant: thou hast been faithful over a few things, I will make thee ruler over many things: enter thou into the joy of thy lord.

22 He also that had received two talents came and said, Lord, thou deliveredst unto me two talents: behold I have gained two other talents beside them.

23 His lord said unto him, Well done, good and faithful servant; thou hast been faithful over a few things, I will make thee ruler over many things: enter thou into the joy of thy lord.

24 Then he which had received the one talent came and said, Lord, I knew thee that thou art an hard man, reaping where thou hast not sown, and gathering where thou hast not strawed:

25 And I was afraid, and went and hid thy talent in the earth: lo, *there* thou hast *that is* thine.

26 His lord answered and said unto him, *Thou* wicked and slothful servant, thou knewest that I reap where I sowed not, and gather where I have not strawed:

27 Thou oughtest therefore to have put my money to the exchangers, and *then* at my coming I should have received mine own with usury.

28 Take therefore the talent from him, and give *it* unto him which hath ten talents.

29 For unto every one that hath shall be given, and he shall have abundance: but from him that hath not shall be taken away even that which he hath.

30 And cast ye the unprofitable servant into outer darkness: there shall be weeping and gnashing of teeth.

Mr. President, there will come a day of reckoning for us. People are going to ask about our stewardship, and they are going to find that we have been lacking. They will find that we hid our talent in the Earth. We did not provide for the upkeep of their bridges and their highways and their sewer systems and their water systems, their parks, their forests. We did not continue the research that would enable us to stay ahead of our competitors. We will have proved to be poor stewards. And they are going to say, "Throw them out." Take from him that hath not and give it to him which hath. We are going to come to that day of reckoning. The American people are going to get tired of this slash and burn philosophy. They are going to say, "What has Government been doing for us? What have you done for us? What have you done for our highways and our bridges, our water systems?"

So how can we be so blind as not to see the relationship of that kind of neglect to our national economy? We are not increasing the talents that have been entrusted to us. We are not investing so that we will be improving on our country's lot, so that we will be rendering a profitable stewardship. No, we are going to put our talents in the ground.

Increased productivity means increased economic growth. Increased economic growth means more jobs and, thus more income for the U.S. Treasury. Increased economic growth means increased national security. It also means an enhanced competitive position for a nation. It means a higher standard of living, and increased public investment also encourages increased private investment. Why not?

The PRESIDING OFFICER (Mr. GRAMS). Just a reminder to the Senator. He has used 50 minutes; 10 minutes remains of the time requested.

Mr. BYRD. I thank the Chair. Mr. President, I yield as much time as I may use off the budget resolution.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BYRD. Mr. President, if you had a company, let us say, and you would like to buy a brand-spanking new fleet of trucks, all outfitted in bright red paint and chrome, how would you like to put that fleet of new trucks out on roads that are filled with potholes and on bridges in need of repairs? How would you like to have your trucks detour 18 miles around a bridge which was closed because it was unsafe? How much would that cost? How much would that lower your productivity? How much would that cut into your profits? You probably would be reluctant to invest in the new trucks at all. Hence, public investment encourages private investment and is conducive to the profit making of the private sector.

A sound economy will require continued capital investment in our Nation's physical plant that not only replaces existing infrastructure but also expands capacity to accommodate growth. Reducing the Federal budget deficit on the back of critical capital investments will only undermine our national prosperity, productivity, and competitiveness.

And those chickens are going to come home to roost one day, one day. Nobody talks about infrastructure anymore. People are going to wake up one morning and say, "Where have you been? Where were you?" That was the first question that the Lord asked in the book of Genesis when He came into the garden looking for Adam: "Where art thou?" And our constituents are going to say, "Where were you? Where were you when they voted for that budget?" I am not going to vote for it. Folly of follies. It cuts taxes. And so did the President's budget. That is why I voted against his budget. It is folly to cut taxes at this time. We ought to be increasing our revenues and building up our infrastructure, building our Nation's roads and bridges, funding our research needs, improving our parks and forests, and cleaning up our Nation's water supply.

We are on our way down a very slippery slope. Budgets are the basic blueprints for our Nation's future. If we continue to write budgets that sap our vital domestic strength, we will shortly be on our way to Third World status. Then our people will ask, "Where were you? Where were you?"

The insanity in investing in everything but our infrastructure will become painfully apparent. When the backlogs are so huge that we cannot meet them, we will rue the day that we demagoged and pandered.

Oh, you Republicans are going to cut taxes. We Democrats will also cut taxes. Pandering. That is pandering. The American people are not asking for a tax cut. We all say, balance the budget. Well, let us increase revenues and pay for the Nation's needs. Pay as we go so that our country can be competitive in world markets.

We will rue the day that we demagoged and pandered and labeled all investments in our own country's basic infrastructure as "pork." Is it pork to spend $10 billion on the Washington Metropolitan Transit System? No, that is not pork. This is the Nation's Capital. That is infrastructure. That is not pork, that is infrastructure.

We have a deficit all right. And it is serious. But there is another deficit looming on the horizon which is in many ways far more serious. Once we allow America to fall into total disrepair, 6 years from now, 8 years from now, 10 years from now, people are going to look around them and say: What has happened? What has happened to America? America's needs have not been met, its infrastructure needs have gone to pot, and the politicians squandered our rights.

Once we allow America to fall into total disrepair, how will we ever afford the trillions of dollars it will take to put it right? Then there will be a big cry. All the politicians then will be for building infrastructure, because the people will be saying: Where were you? Where were you when this happened? Why did you allow this to happen?

So, I ask my colleagues to begin to turn this disastrous trend around today and support this modest attempt to answer America's most basic domestic needs, and invest at least President Clinton's level of funding in our own Nation and in our own people. And he was $230 billion lower than inflation over a period of 6 years.

We are running out of time.

In conclusion, let me briefly describe my amendment once again. It would add $106 billion in budget authority and $65 billion in outlays over the 6-year period of this budget resolution to discretionary spending. Total discretionary spending would then be the same as proposed by President Clinton. Too low, but at least that much. In addition, the amendment would do away with the defense wall for fiscal years 1997 and 1998 as proposed by the Senate Budget Committee and instead allow the Appropriations Committees each year to determine the appropriate level for defense and for non-defense spending. Finally, in order to pay for these spending increases, my amendment would close some corporate loopholes, and do tax extenders as proposed by the Senate Budget Committee and by President Clinton. I would also recommend an additional source of funds for consideration by the Finance and Ways and Means Committees—namely, tax expenditures.

I welcome additional sponsors of my amendment, Mr. President, and I urge all Members to support the amendment. I reserve the remainder of my time.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that time consumed in the quorum call be equally divided against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I ask unanimous consent that the pending amendment be set aside so that I may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4002

(Purpose: To express the sense of Congress regarding reimbursement of the United States for the costs of Operations Southern Watch and Provide Comfort)

Mr. LOTT. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for himself and Mr. SMITH, proposes an amendment numbered 4002.

Mr. LOTT. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III, add the following new section:

SEC. . SENSE OF CONGRESS ON REIMBURSEMENT OF THE UNITED STATES FOR OPERATIONS SOUTHERN WATCH AND PROVIDE COMFORT.

(a) FINDINGS.—The Congress finds that—

(1) as of May 1996, the United States has spent $2,937,000,000 of United States taxpayer funds since the conclusion of the Gulf War in 1991 for the singular purpose of protecting the Kurdish and Sunni population from Iraqi aggression;

(2) the President's defense budget request for 1997 includes an additional $590,100,000 for Operations Southern Watch and Provide Comfort, both of which are designed to restrict Iraqi military aggression against Kurdish and Sunni people of Iraq.

(3) costs for these military operations constitute part of the continued budget deficit of the United States; and

(4) United Nations Security Council Resolution 986 (1995) would allow Iraq to sell up to $1,000,000,000 in petroleum and petroleum products every 90 days, for an initial period of 180 days.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the assumptions underlying the functional totals in this resolution assume that—

(1) the President should instruct the United States Permanent Representative to the United Nations to seek modification of Security Council Resolution 986 (1995), to specifically mandate and authorize the reimbursement of the United States for costs associated with Operations Southern Watch and Provide Comfort out of revenues generated by any sale of petroleum or petroleum-related products originating from Iraq.

(2) in the event that the United States Permanent Representative to the United Nations fails to modify the terms of Resolution 986 (1995) as called for in paragraph (1), the President should reject any United Nations-negotiated agreement to implement Security Council Resolution 986 (1995);

(3) the President should take the necessary steps to ensure that—

(A) any effort by the United Nations to temporarily lift the trade embargo for humanitarian purposes, specifically the sale of petroleum or petroleum products, restricts all revenues from such sale from being diverted to benefit the Iraqi military, and

(B) the temporary lifting of the trade embargo does not encourage other countries to take steps to begin promoting commercial relations with the Iraqi military in expectation that sanctions will be permanently lifted; and

(4) revenues reimbursed to the United States from the oil sale authorized by the United Nations Security Council Resolution 986 should be used to reduce the Federal budget deficit.

Mr. LOTT. Mr. President, on April 7, 1991, United States led coalition forces and Iraq agreed to a cease-fire which ended Operation Desert Storm. Several days prior to agreeing to the terms of the cease-fire, Iraq initiated military action against the Kurdish population in northern Iraq and a Sunni Moslem population in southern Iraq.

Saddam Hussein's repressive actions against these Iraqi peoples included the use of helicopters flying strapping missions against the Kurds on the ground. In southern Iraq, Saddam's Republican Guard chased the Sunnis into the marshes along the Euphrates and Tigris Rivers. After chasing the Sunnis into the marshes, the Republican Guard actually set fire to the marshes, burning many Sunnis alive.

Saddam's barbarism against these forces did not go unnoticed by the coalition forces. General Schwarzkopf directly linked Iraq's repressive actions against the Kurds and the Sunnis to the cease-fire discussions.

On April 5, 1991, 2 days prior to concluding the cease-fire agreement, the United Nations passed Security Council Resolution No. 687 and No. 688. These resolutions condemned Iraq for its repressive actions against the Kurds and Sunnis.

After adoption of these two resolutions, the Secretary General of the United Nations enlisted the support of the United States to engage in military operations to protect these Iraqi civilian populations against Saddam's aggression.

These military operations became known, as we all learned over the next few days and weeks, as Operation Southern Watch and Operation Provide Comfort.

Mr. President, that was in 1991, over 5 years ago. Since starting these military operations, the United States has paid and paid greatly to provide this watch and comfort. The cost of these military operations has been tremendous, both in terms of money and in lives. On April 14, 1994, the United States lost 15 American lives in a terrible accident, the result of conducting a dangerous and difficult military mission.

In addition to the 15 American and 11 foreign national lives lost, the United States has spent $2.9 billion to conduct these military operations. But the cost continues to go up. The President's 1997 defense budget request includes an additional $590.1 million to continue these military operations.

On April 14 of last year, the U.N. adopted another security council resolution, No. 986. This resolution provides Iraq the opportunity to sell as much as $2 billion in oil and oil-related products every 6 months for the purpose of providing food and medical relief to the people of Iraq. The revenues are to be placed in an escrow account with the United Nations.

Paragraphs (8)(b), (8)(d), (8)(e), and (8)(g) of resolution No. 986—1995—specifically authorize the use of revenues from the sale of Iraqi petroleum and petroleum-related products as reimbursement for costs associated with the implementation of resolution No. 986—1995—or previously passed Security Council Resolutions.

Iraq and the United Nations have begun a fourth round of talks to continue negotiations related to acceptable terms for implementation of resolution No. 986. One of the primary issues of disagreement is over who would distribute the humanitarian aid. I must say I question the wisdom of handing fungible goods over to the Iraqi military and trusting them to distribute them to the needy.

The amendment I offer today does not seek in any way to prevent this sale, nor does it seek to prevent efforts to relieve the humanitarian problems of Iraq. My amendment is very simple. If we are going to allow Iraq to sell oil to pay for humanitarian costs, the United States should recover the moneys our taxpayers are spending for the ultimate in humanitarian assistance: military protection!

We are working on a budget resolution. We are working on a budget resolution that seeks to eliminate annual deficits, and, hopefully, someday even begin to reduce the debt. It is going to be very difficult to accomplish this if we have to continue to pay for these protections, these military actions, to provide comfort. We pay the bill for it, but others take the credit and get the benefit. It is the American taxpayers that are paying this bill. I would like to see if we cannot find some way to get a little help with these costs.

The Members need to understand that the U.N. resolution that has been considered specifically authorizes the revenues from the oil sale to pay for U.N.-related costs for humanitarian assistance. If it is a good idea for the United Nations to be able to recover their costs, why not the United States as well and the American taxpayers?

Frankly, it looks like the administration dropped the ball. Prior to the adoption of resolution No. 986, the administration, I believe, should have insisted that the American taxpayer be reimbursed for our bills from the sale of this oil.

Again, Members need to understand that the United Nations is seeking to use money from the oil sale to recover moneys spent for humanitarian assistance in Iraq. I do not understand why the President was not aggressively protecting the American taxpayers the same way the United Nations was trying to protect their costs.

There is one other thing that Members need to know prior to voting on this amendment: None of the $2.9 billion the United States has spent for these military operations has been counted toward our contributions to the United Nations. That is unbelievable.

Even though these military operations exist solely because of the United Nations request for assistance, the United Nations does not count this $2.9 billion toward our contribution to the operation of the United Nations Numerous Members this past week have talked about how bad it is that the United States has not been fulfilling its payments to the U.N., that we are in arrears. They have been worrying about that.

Some of my colleagues have complained that we are not paying our past due bills to the United Nations But the State Department ledger—as well as the United Nations ledger—does not account for all the financial support and support in kind that the United Nations receives from the Pentagon, for which the American taxpayer is having to foot the bill.

I think this really is an outrage. If we are going to allow Saddam Hussein, with all of his oppression and treachery, to sell oil, risking diversion of the funds for more military modernization, more military aggression, more development of weapons of mass destruction, and more violations of international sanctions requiring weapons destruction and cessation of international oppression, I think we have to stand up and raise some serious questions about this.

We should, at the very least, recover moneys from the sale of this oil to reimburse the American taxpayer, who is being forced to pay actually twice. We pay for the military operations to protect the Kurds and the Sunnis, and we do not get credit for this tremendous cost when the State Department tallies our dues to the United Nations.

Mr. President, I urge my colleagues to consider this amendment. It seems the fair thing to do. I understand the U.N. and Iraqi negotiators have been considering how to distribute the proceeds from the oil sales. It seems like this is a time to move in there and say we are entitled to some recovery from these oil sales to help offset the costs of doing what we think is the right thing to do, which we are doing in conjunction with the United Nations. I urge the President to ensure the American taxpayers interests are protected by rejecting any oil sale agreement which does not reimburse the United States for the cost of Operation Southern Watch and Operation Provide Comfort.

I urge at the appropriate time that this amendment be adopted. It is a sense-of-the-Senate resolution, and I think that the American people would support this effort very strongly.

Mr. President, I yield the floor.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 3991

Mr. BINGAMAN. Mr. President, how much time remains on amendment 3991 offered by Senators KERRY and MURRAY?

The PRESIDING OFFICER. Approximately 45 minutes remains.

Mr. BINGAMAN. I ask unanimous consent that I be allowed to proceed for up to 10 minutes off of the time allotted for that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, in 1989, 6 years ago, President Bush and the Nation's Governors recognized the critical need to raise education standards in this country. They sought to raise standards that we hold our students to and that we try to adhere to in our schools throughout the country. They met in Charlottesville, VA, in the first education summit in our Nation's history.

They set ambitious goals to improve education by the year 2000. They agreed to measure their progress and to report their success to the American people every year.

In 1995, last year, we reached the halfway point. The 1995 annual "National Education Goals Report," which came out last November, told us what had improved and also what got worse.

Some things were better: 4th and 8th grade math achievement had improved; preschoolers were read to and told stories more than they used to be; according to the statistics we have, threats and injuries to students in schools had declined somewhat.

Some things, however, had become worse. For example, 12th grade reading achievement had declined; fewer teachers had degrees in the subjects they were teaching; student drug use and the sale of drugs in our schools had increased.

The overall conclusion of that report last year was—this is a quote from the report—it says:

> On the whole, our progress toward the National Education Goals has been modest. Even in areas where we have made significant progress from where we started, our current rate of progress simply will not be sufficient to reach the ambitious levels specified in the National Education Goals * * * [Therefore, we need] to pull together as communities and states to provide our children with an education that is truly world-class.

Mr. President, 13 years ago, early in President Reagan's term, in April 1983, President Reagan's Commission on Excellence in Education issued a famous report, a report that has become famous, entitled "A Nation at Risk." The commissioners wrote that:

> * * * the educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a nation and a people.

They went on to say:

> [That the commission] deeply believes that the problems we have discerned in American education can be both understood and corrected if the people of our country, together with those that have public responsibility in the matter, care enough and are courageous enough to do what is required.

Mr. President, the responsibility to improve education in this country is a joint responsibility. We in Congress are among those who have a public responsibility in this matter. Every year since the goals were set, we in Congress supported progress toward reaching those goals by providing some increased level of funding each year until fiscal year 1996.

Mr. President, let me just call my colleagues' attention to this chart to make the point I have been trying to make. This is entitled "A Break With Bipartisan Support for Education." It shows fiscal year 1990, 1991, 1992, 1993, 1994, and 1995, and in each year it shows some level of increase, in billions of dollars—some absolute increase in the total dollars the Federal Government has been willing to provide to assist States and local school districts with education.

Last year, in 1996, for the first time since the summit in Charlottesville with President Bush, we saw an actual decrease proposed for funding in education. Now, I am proud to say that before the final chapter was written on the appropriations for 1996, most of that funding was restored. I do think the President deserves great credit for having insisted that we do better by education than was proposed in last year's budget bill.

Now we are faced with a very similar circumstance, Mr. President. The amendment that is offered by Senator KERRY and Senator MURRAY would allow us to once again get on with bipartisan support for education. This amendment restores essential education funds. It restores $56 billion in funding over 6 years for the function 500 in the Federal deficit—that is the education and training function. That is the amount needed to get to the level that the President requested.

These funds are essential if we are to both maintain important, ongoing educational programs such as Head Start and title I, and also help schools enter the information age by buying computers, connecting those computers to the Internet, training teachers, and developing and purchasing sound instructional software.

The Republican budget, if this amendment is not adopted, would have the effect of either cutting existing education programs or postponing any significant funding increase for technology until the year 2002. In my view, schools cannot wait until the year 2002 to train their students to be computer literate.

The Republican budget proposal over 6 years would cut spending for education and training by $25 billion below the level spent in fiscal year 1995. The effective cut will be even greater because the level of funding provides no money for either inflation or the rising enrollments now occurring in the schools. The $56 billion proposed to be added back in this amendment is essential in order to maintain current program services, to accommodate inflation, to accommodate the increased numbers of students who are arriving at our schools, and who will be arriving at our schools during these 6 years, and to provide a modest investment in priority areas where we do have bipartisan support such as increased access to educational technology.

Mr. President, let me talk a little bit about educational technology as it applies to my home State of New Mexico. In a State like New Mexico, this Federal support for better use and more access to educational technology will be crucial. We have some small rural schools in New Mexico that are already doing a good job of integrating the use of technology into the way they teach their students. One example is an elementary school in Tusuque, NM, where every classroom has four computers that are both connected to each other by a local area network, and are connected to the Internet. In Cuba, NM, there is a fiber network connection to every school in the district.

But most New Mexico schools are not connected to the Internet. Most schools are not able to train their students to be computer literate today.

A 1995 Office of Technology Assessment report identified New Mexico as one of the four most deficient States as far as the availability of educational technology is concerned. My State ranked 49th in the country in the availability of connections for technology use in schools.

Our Department of Education in New Mexico has estimated the costs of investing in the simple steps that are needed to put a computer in each classroom. Their estimates give one a sense of the size of the problem that is faced in a State like mine. Their estimate is that something in the range of $53 million would be needed to put one workstation in every classroom and principal's office throughout our State. Mr. President, $87 million would be needed to include a workstation for each administrator and classroom projection system, $156 million would be needed to connect the computers and give them software and printers, as well as $22 million annually thereafter for the ongoing costs of phone lines and maintaining their connection to the Internet. Of course, even more would be required to train the teachers to use this equipment. The reality is this year our State legislature appropriated $3.5 million for equipment and professional development combined. That is a step in the right direction but it is far, far less than our schools need.

This amendment that Senator KERRY and Senator MURRAY are offering is essential if we are to install educational technology now rather than waiting until the year 2002. The Federal Government has a responsibility to ensure a basic level of equity in our schools and in our students' access to the new tools for learning. Technology can be a great equalizer. It can also be a great divider. If we allow our schools to be organized in such a way that many of our students do not have access to that technology, then we are allowing technology to divide us rather than to bring us together.

The workplace will demand some level of computer literacy from its workers. Students from poor schools and poor districts should not be put at risk because their schools could not afford to train them to use computers.

This amendment is needed to allow a modest increase in the national investment in technology. The President's Technology Literacy Program would increase the funds available to schools for educational technology very substantially this next year. Without such help, richer States will supply their students with computer access to this computer literacy, but States like mine, States like New Mexico, will not be able to do so.

Mr. President, I am persuaded that technology does hold real and realistic promise for leveling the playing field between rich and poor schools, between rich and poor States, as far as education is concerned. But to realize this promise we need to create a budget and pass a budget resolution that permits us to both maintain essential educational programs which we all support, such as Head Start and title I, and also to invest in some of these new needs such as educational technology.

This amendment is needed to make our children computer literate for the 21st century, to connect them to the information highway. I urge adoption of the Kerry-Murray amendment when it comes to a vote this next Tuesday. I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, the status of the matter is that the Lott amendment is pending?

The PRESIDING OFFICER. The Senator is correct.

Mr. SIMPSON. I ask unanimous consent that that amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I want to commend the distinguished chairman of the Budget Committee, Senator PETE DOMENICI, for the outstanding work that he has done, and always does, on this budget resolution. He acts with integrity, with a rich understanding of the issues, and with extreme fairness to all of us.

I am in somewhat a rare position in this budget debate because usually around here, we find it easy to oppose the best-laid plans of mice and men, especially in this area of the budget, where one cannot get the job done without making some extremely unpopular choices. But I am proud to have been a supporter of the efforts spearheaded by the Budget Committee chairman and by our distinguished majority leader.

While also a participant in the bipartisan Chafee-Breaux budget group, with two trains leaving the station, it is my fond hope that more of our colleagues will get aboard. But I will not count on it to a great degree. I see nothing conflicting between these two efforts. In fact, we ought to make every change in Medicare originally envisioned by the first Republican plan of last year, plus we ought to also make every additional restraint on spending, as proposed by the Chafee-Breaux group, such as making adjustments in the CPI. That amendment will come before us, and it is a fine bipartisan effort. We hear a lot about that here, but nobody ever does it.

Mark my words, this Congress will have to do all of the above before we claw our way out of this deficit mess and a debt that, even if we did it all right, at the end of 7 years would be a debt of $6.4 trillion. This is not an either/or situation.

The one singular way to err in this process is to repeat last year's exercise and experience and get nothing done in terms of restraining mandatory spending growth. We presented the President with a balanced budget reconciliation bill last year and he vetoed it. Did he veto it because there was something else waiting in the wings, something that would be enacted into law and would get the job done? No, you bet not—nothing, nothing.

A perfectly workable balanced budget reconciliation bill was vetoed, and the resulting burden will be placed on the backs of the future taxpayers. As a consequence, billions more are going sailing out the door on auto pilot. I hope we will do better this year, and one way to do it is to enact into law one of the balanced budget plans before us.

Debate time is limited on this resolution, so I will make just a few points that I believe are of importance. First, I call the attention of the Senate to an amendment that was attached in the Budget Committee by the occupant of the chair, Senator ROD GRAMS of Minnesota. It is worthy of our attention and commendation.

That amendment gives the sense of the Senate that our budget resolution should include an analysis prepared in consultation with CBO, which would show the impact on entitlement spending for the next 30 years. That is one of the most important things we will do here. This country is facing a ticking fiscal time bomb in the form of a demographic explosion coming in the early 21st century—the retirement of the baby-boom generation. The real crisis faced by this country does not occur within the budget window that we see here envisioned in this or any other budget resolution. It starts happening in a very severe sense around the year 2012, and it will mean disaster.

This is the work of the entitlements commission. We presented it to you; 30 of the 32 of us signed it. You have neglected it totally, and the President neglected it totally. But BOB KERREY and JACK DANFORTH did tremendous work. So it will mean fiscal meltdown if we do not change our course.

We have had a number of hearings on this subject, and every expert who has come before us has said we cannot wait to deal with this problem; we must address it now. Every year we wait means more severe benefit cuts in Social Security and Medicare, more drastic tax hikes in the years ahead, and payroll tax increases.

But we are not making those tough choices in this budget. The reason is that we are simply not looking far enough ahead. If this Congress would raise its sights above the short-term horizon, beyond the next 7 years, it would see a disaster looming approximately two decades away. The amendment of my friend, Senator GRAMS, is vitally important because it will force us to confront this reality.

Further, the amendment says that the President should include generational accounting information each year in his proposed budget. This is a favored cause of mine. I think this is so important. My colleagues may recall that when the President submitted his first budget after his inauguration, it had a generational accounting chapter, which contained the alarming information that future generations stood to face 82 percent lifetime tax rates if present trends are sustained. Some political advisers in the White House must have dispensed with that one when they realized what it said that first year when the President was seeking the support of the American people, because we have not seen that data in any subsequent budget.

I have asked this administration time after time, "What happened to the generational accounting in your first budget?" No one in the White House has ever given me an adequate explanation as to why this information should remain concealed from the American taxpayers. They have even asserted that the information now really is not all that bad, is not quite as alarming as before. But, still, they will not publish it for reasons that are vague and mysterious. Perhaps not so mysterious—it would have been difficult for the President to criticize our balanced budget plan last year if his own budget were to admit that these confiscatory tax rates awaited future generations if we did not get the job done.

This is vital information, information about one of the greatest inequities ever foisted by the U.S. Government upon a generation of Americans. And we ought to see it revealed. I commend the Senator from Minnesota for adding the language in committee, and I do hope that the administration will heed it.

Finally, I want to advise my colleagues that it is now my intention to offer a sense of the Senate, which I hope would be uncontroversial. I ask unanimous consent that the pending amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4003

(Purpose: To express the sense of the Senate that all Federal spending and revenues which are indexed for inflation should be calibrated by the most accurate inflation indices which are available to the Federal Government)

Mr. SIMPSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON], for himself and Mr. MOYNIHAN, proposes an amendment numbered 4003.

Mr. SIMPSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . ACCURATE INDEX FOR INFLATION.

(a) FINDINGS.—The Senate finds that—

(1) a significant portion of Federal expenditures and revenues are indexed to measurements of inflation; and

(2) a variety of inflation indices exist which vary according to the accuracy with which such indices measure increases in the cost of living; and

(3) Federal government usage of inflation indices which overstate true inflation has the demonstrated effect of accelerating Federal spending, increasing the Federal budget deficit, increasing Federal borrowing, and thereby enlarging the projected burden on future American taxpayers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying this budget resolution include that all Federal spending and revenues which are indexed for inflation should be calibrated by the most accurate inflation indices which are available to the Federal government.

Mr. SIMPSON. Mr. President, please note that Senator MOYNIHAN is an original cosponsor of that amendment. It is simply a sense of the Senate that our budget choices should make use of the most accurate measures of inflation that are available to the Federal Government. Simply that, a proposition that I believe no Senator should disagree with.

I believe it will be acceptable to the managers of the budget resolution, but I think a rollcall vote may be appropriate on this at the appropriate time, simply because I believe it is so important that each Senator is on record as recognizing that we have an obligation to use the most accurate data that we have, when billions are at stake.

We know that if we overstate inflation, it means that we erroneously pay out extra billions in terms of cost-of-living allowances, COLA's, we fail to properly index our tax brackets, and the deficit is increased by billions—indeed, hundreds of billions, when counting over a decade or more—as a result. This is not a matter of dispute.

This amendment, I hasten to say, does not condemn, nor does it enforce, any particular measure of inflation for any particular purpose of the Government. Because of this, I believe it must be approved. It is my hope that by recognizing our obligation to use the most accurate information available to the Government, the Senate can subsequently proceed to best determine how to properly meet that obligation.

I thank my colleagues and yield the floor.

Mr. DOMENICI. Mr. President, I yield myself 5 minutes, and I ask the Chair to please tell me when I have used that time. I take this time off of the bill.

Mr. President, it has been interesting to watch the discussion here on the floor this morning with reference to amendments from that side of the aisle. Normally, I would say tax, tax, tax, spend, spend, spend. But I choose to tell it like it is today. It is: Tax, ROCKEFELLER; tax, BOXER; tax, WYDEN; tax, KERRY; tax, KERRY; tax, BYRD. So it is tax, tax, tax, tax, tax, tax. Do you know how much in new taxes the Democrats have recommended yesterday and today? The total is $188 billion in additional taxes that is desired by those six amendments. For what? To spend, spend, spend, spend, spend, spend. Most of them provide for new spending—not in the budget—and for that new spending, they tax, tax, tax, tax, tax, tax—six times.

What are tax expenditures and corporate loopholes? Frankly, there are two ways to look at it. One way to think about it is they were taxes that the Government owned, and we said we are not going to collect them. That is a Democrat version of a tax expenditure. The other version is they belong to the taxpayer and not the Government.

Let me suggest that it is not easy even in our budget to find $188 billion in tax expenditures and loopholes to pay for these amendments. In fact, I do not believe that any Senator on that side would like to use some of the tax expenditures that I am going to list. They don't want to take it away from the American people. Remember? You take it away from them because you believe it is theirs or it is not the Government that should have had that tax and we did not want it, so we left it with somebody.

Let me just give you some of the very interesting ones and put some numbers up alongside them. We could eliminate, Mr. President, the deduction for property taxes permitted under the Tax Code for all of the people who deduct property taxes on property they own. Most of them own homes. That would be a tax increase of $79 billion. So we could wipe out that property tax deduction and still have to find $110 billion more to pay for the Democrat amendments. Let us go through a few more.

We could take away the one-time rollover of a gain on a personal residence for people over 55 years of age. That could be one of these. But that will not even come close to finding all the taxes the Democrats want. It is worth $27 billion, not $188 billion. Let us go to a few more.

We could take away—here is a little one. This might be one that is called a loophole. We could make it more difficult for startup businesses to get started. That is a $1 billion loophole. We could make it more expensive for communities to attract new plants and jobs to their communities. That is $3 billion.

Now, we could also take away all of the charitable deductions to colleges, Mr. President; no more charitable deductions to colleges to pay for this new list of spend, spend, spend. That would only bring in $13.5 billion.

So it seems to me that one man's loophole is another man's necessity. Is it necessary that we permit charitable deductions for colleges? I believe so. I believe it is very, very important. That is a necessity. That is for education.

So that is what I have been hearing on the floor—close the loopholes to pay for the Government's programs on education.

How would the Democrats feel about repealing the deduction for charitable contributions for education?

We could take away this deduction for property taxes—$79 billion.

Maybe one man's exclusion or one man's exemption is very important. For others it is throwaway. What would the millions of property owners think about that one? What would people with homes think of that one? Would they think that tax deduction is a necessity? I believe they would.

I want to put it in perspective with one of the largest of all tax expenditures so people can put this into perspective. Let me talk about the big one.

The home mortgage deduction is one of the largest tax loopholes that we have. Since we are using the word "loophole," let us use it. I do not think it is a loophole. I think it is a necessity. By allowing a deduction for mortgage interest, the Government foregoes $330 billion in revenue collection over 6 years.

These amendments, 188 billion dollars' worth of increase in taxes over 6 years—all of these numbers I have spoken of are over 6 years—would be well over half the home mortgage deductions for Americans.

So, Mr. President, I did not answer each amendment in detail. We will take a few minutes on each of the six amendments that I have just alluded to in detail. I will answer on Monday or Tuesday the attack on education. We will have some other Senators talk about it. But I just thought, since it was interesting, that there was one trend which went through all of them, and it was, let us pay for them by raising taxes, not by restraining the spending. So, if you have a priority, maybe you can find in this huge budget something you could restrain and pay for it. That is generally what people think we are doing up here. They do not think we are restraining a program and imposing a new tax. The way to get around it is to say we are not imposing a new tax because it is a loophole.

Mr. President, later on I will discuss the education situation from the broader standpoint of how much we spend on education, how much the Federal Government spends, and how much all of the States and localities pay. So the public, if they are interested in this debate, can see in perspective what these budgets are relative to the total amount being spent on education.

I believe those who watch it later on will be absolutely amazed to have heard arguments that these changes in education are going to make us less able to compete in the world markets and that millions of our children will not get educated. When we put it in perspective—how much the States, cities, and counties pay versus the changes at the Federal level—they are all going to be able to see that it is a very, very small portion of the education dollar.

Having said that, I ask unanimous consent that Senator SIMPSON's amendment be laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4004

(Purpose: To express the sense of the Senate on the costs of training sessions off of Federal property.)

Mr. DOMENICI. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for Mr. COVERDELL, proposes an amendment numbered 4004.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III, add the following:

SEC . SENSE OF THE SENATE ON FEDERAL RETREATS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that all Federal agencies will refrain from using Federal funds for expenses incurred during training sessions or retreats off of Federal property, unless Federal property is not available.

Mr. COVERDELL. Mr. President, I am pleased to offer today a sense-of-the-Senate amendment regarding Government travel. My amendment is simple—it says that it is the Senate's view that all Federal agencies should refrain from Government training sessions or retreats whenever Government property or facilities are not available.

These are times of economic stress for our Government and businesses alike, Mr. President. However, like the business community, our Government should respond to the current economic situations. If a private business ran over $100 billion budget deficits each year, it would certainly not fly its employees to Disney World or Jekyll Island, GA, as we have seen from Government agencies in recent months. However laudable the goals of these training sessions, and I note that many are, indeed, helpful, we simply cannot afford to do it.

It is difficult to explain to Georgians that our Government must cut jobs at places like Savannah River site, where we have lost over 8,000 employees in the last 4 years, when they read of elaborate business trips abroad and conferences held at resort locations. We must all tighten our belts—the Federal Government included. This amendment is not intended to halt Government travel or interrupt necessary functions of our Government agencies. It is merely intended as a directive from the Senate as to the Government's future travel decisions in lieu of our budgetary restraints. I hope that my colleagues will concur with this commonsense approach and support this amendment.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, to accommodate the Senator from Rhode Island, I ask unanimous consent that, at the conclusion of my remarks, which will not be extensive, I be allowed to yield 5 minutes off of the time in opposition to the amendment No. 4002, the Lott amendment, to the Senator from Rhode Island, which would be only 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I have just listened with keen interest to my colleague from New Mexico. I simply say that the remarks that he has just made is a typical case, if I have ever heard one, of constructing an imaginary, illusionary strawman and then tearing it to pieces.

No one has advocated eliminating the mortgage interest deduction. No one that I know of has advocated elimination of the rollover or personal residence proposition that was alluded to by the Senator from New Mexico. No one has advocated eliminating charitable deductions. No, Mr. President. And I do not believe it contributes a great deal to the legitimate discussion of the budget with those kinds of gimmicks.

I simply say that what we are doing here is trying to repair serious faults in the Republican budget. We did that last year in the Republican budget. The American people said, "You are right." We are doing it in this budget, and I believe that the American people will say again that the Republicans are overdoing it. There is nothing wrong with various amendments that are being offered here that have been voted or will be voted down. There is nothing wrong with using the same proposition to finance some selective improvements in the Republican budget that we maintain are particularly demoralizing for education, of which we have heard a great deal about today from various Senators—help for the needy of this country.

So for the Senator from New Mexico to come in and cite a whole list of billions of dollars, then set up a strawman to what we are trying to do and indicate that we are going to have to eliminate deductions of home mortgages, and so forth and so on, is just not accurate. I want to make sure everyone understands that is not the intended result of any of the amendments that have been offered for our side.

Mr. President, to emphasize this a little bit more, let me simply say that there is a great deal of confusion today that has us very much concerned on this side as to the traps that are being laid down the line.

It has been interesting to note that during the debate the Republicans have said time and time again that they have $122 billion in tax cuts in their budget. Yet, if one listens to the chairman of the Budget Committee on the House side, Congressman KASICH, he maintains that it is not $122 billion in tax cuts, primarily to benefit the wealthy, it is going to be $180 billion.

Now, even people who throw big numbers around understand very clearly that there is a difference between a tax cut of $122 billion—only $122 billion, I say facetiously, in the discussion that the Republicans are carrying on here on the Senate floor—there is a lot of difference between $122 and $180 billion that the Republican chairman of the Budget Committee on the House side says is included in this budget.

We are confident that there are some traps being laid. We are confident that we are going to be back eventually into a debate not unlike the one we had last year that the American people agreed with the Democrats on, and that is to balance the budget by the year 2002 but do not complicate that problem by a massive tax cut that basically is designed to benefit the wealthiest among us.

I simply say, Mr. President, on page 3 of this year's budget resolution report it states that, in addition to the child tax credit, "The committee's recommendation would accommodate further tax reform or tax reductions to be offset by the extension of expired tax provisions or corporate and business tax reforms."

Let me read that again. In the Republican budget, it says, and I quote, there could be "further tax reform * * * to be offset by extension of expired tax provisions or corporate and business tax reforms." That "corporate and business tax reforms" is just another way of talking about the tax loopholes, as we call them, for businesses.

Certainly I think that changes in some of the tax loopholes are entirely in order, certainly not the ones cited in tearing down the strawman by the Senator from New Mexico. But I certainly say that I think all Americans would realize and recognize and salute us if we could do more to tear down the tax loopholes or corporate giveaways that are clearly in the Tax Code today that encourage corporations and businesses in America to locate jobs in Mexico or elsewhere and get a tax break for doing it. Those are the kinds of loopholes that we think demand closing.

The part of the Republican budget that I have just referenced goes on to say, "Such receipts"—corporate receipts, tax loopholes, call them what you will—"Such receipts should be used to offset other tax reform proposals such as estate tax reform, economic growth, fuel excise taxes, or other policies on a deficit neutral basis."

That is a pretty typical case where the pot appears to be calling the kettle black.

Last year's vetoed reconciliation bill, supported by virtually every Senate Republican, included approximately $26 billion in revenue increases for corporate and other reforms. President Clinton has proposed nearly $40 billion for corporate reforms in his balanced budget submission to the Congress. Although the proposals are not identical, the Republicans and the Democrats agree that significant revenue can be raised in these areas without touching all of the strawman that has been built up and torn down in what we have heard in the Chamber this afternoon.

The committee report to this budget, on pages 63–67, describes expenditures in our Tax Code that would lose hundreds of billions of dollars in revenue over a 5-year period. In that context, the Republican proposals, as well, I might add in all honesty, as those of President Clinton, are modest efforts to reduce tax loopholes to eliminate corporate welfare and to make our own tax laws more fair for all Americans.

Mr. President, our amendment ensures that these additional receipts will be used to lessen the cuts that otherwise would be viewed as fair by some and unfair by others. But in any event, to use that means rather than help pay for additional tax breaks for the wealthy, which I think we will eventually see emerge with great interest.

I now suggest that we yield to the Senator from Rhode Island under the previous unanimous-consent agreement.

The PRESIDING OFFICER (Mr. LOTT). The Senator from Rhode Island is recognized.

AMENDMENT NO. 4002

Mr. PELL. Mr. President, I oppose amendment 4002. Not only does it demand that the President do something that is not within his power, but it also encourages a course of action that would undermine United States interests with regard to Iraq.

Some time ago, the U.N. Security Council passed resolution 986 to enable the sale of Iraqi oil and to use the proceeds for specific purposes—mostly to provide humanitarian assistance to the people of Iraq. Some of the funds would also be channeled to the U.N. Special Commission on Iraq—also known as UNSCOM—which is charged with monitoring and dismantling Iraq's special weapons programs, and to the Compensation Committee—which is settling international claims against Iraq.

This resolution would urge that the President renegotiate the terms of the deal so that the proceeds would go to the United States Department of Defense in order to fund Operation Southern Watch—the no-fly zone in southern Iraq, and Operation Provide Comfort—the no-fly zone in Iraqi Kurdistan.

The President does not have the power to renegotiate the deal. Resolution 986 was passed some time ago by the Security Council and cannot be altered. The United States voted for the resolution because it was concerned about the welfare of the Iraqi people, who were suffering under Saddam Hussein's authoritarian regime. At the time the U.N. resolution passed, it was becoming increasingly clear that the anti-Iraq coalition was beginning to fracture, and some of our allies were beginning to call for the lifting of sanctions against Iraq. The Security Council resolution offered a rock-solid compromise: Iraqi oil could be sold, the proceeds used for humanitarian and security purposes, and strict monitoring procedures would be put in place such that Iraq could in no way benefit from the arrangements. If we were to reopen the compromise to discussion now, we may well be opening the door for erosion of the sanctions regime against Iraq. I doubt very much that the Senate would wish to do this.

Furthermore, if the President were to try to do what is contemplated in the amendment—and I repeat, he has no standing to do so—then we would put other important objectives toward Iraq in doubt. We would suggest that we do not support the work of UNSCOM, which has done invaluable work in seeing that Iraq will no longer be able to threaten the world with weapons of mass destruction. We would suggest that the international community—including United States businesspersons—does not have the right to be compensated for claims against Iraq. We would suggest that Kuwait—the unfortunate object of Saddam Hussein's obsessions—does not have a right to be compensated for war damage. And worst of all, we would suggest to innocent Iraqis that we oppose them as a people and do not care about their treatment by Saddam Hussein.

I well recall the many times that President Bush said during the Persian Gulf war that we have no quarrel with the Iraqi people, and called upon them to oppose Saddam Hussein. If we cavalierly suspend efforts to provide humanitarian assistance, the Iraqi people will only draw the conclusion that the United States is against them and wants to punish them for the sins of Saddam. I can think of no more effective way to bolster Saddam's standing in the eyes of the Iraqi people than to follow the course of action recommended in this amendment.

I do not quarrel with the thought that the President should seek compensation wherever possible for U.S. operations that support U.N. missions. But in the case of Provide Comfort and Southern Watch, both operations clearly serve U.S. interests. We shouldn't insist on U.N. compensation for operations that are so important to our own country—and jeopardize other humanitarian and security objectives in the process.

Mr. President, I defer to none when it comes to Iraq. I introduced the first-ever sanctions bill against Iraq in 1988, well before it was popular or politic to oppose the Saddam Hussein regime. I am certain, however, the U.N. Security Council Resolution 986 is well-crafted and, if implemented, will serve U.S. foreign policy and national security interests. We should not try to tinker with it now, particularly for reasons that are as suspect as those put forth in the amendment.

I strongly oppose this resolution, and urge my colleagues to vote against it.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Nebraska.

Mr. EXON. Mr. President, I yield myself such time as I may need off the resolution.

The PRESIDING OFFICER. The Senator is recognized.

AMENDMENT NO. 4003

Mr. EXON. Mr. President, there are two or three things I would like to, maybe, attempt to clear up. We have looked through the amendment offered by the Senator from Wyoming. It appears to me that the amendment, as we read it, from the Senator from Wyoming is, in effect, a sense-of-the-Senate resolution that urges Government to use the most accurate possible information index available, as far as CPI allowances are concerned.

We have surveyed our Members on this side, and there is generally wide agreement in this proposition, because it basically says we should do what is right and fair on this CPI matter. So if we can move things along, we are prepared, when someone is here, to agree, to offer to accept the amendment by the Senator from Wyoming.

I just make that announcement.

AMENDMENT NO. 4004

The second thing I would like to bring up a little bit now, just so we have a basic understanding on these things, is yesterday we made an agreement that all amendments had to be filed with the managers of the bill at a time certain last night. We received a unanimous consent agreement that be done. I certainly do not wish to be hard-nosed on this matter, but it appears to this side that the amendment recently sent to the desk by the Senator from Georgia was not on the list of amendments, at least not the one that we had, that was included in the unanimous consent last night.

Under that situation, it would take unanimous consent for the Senator from Georgia to have his amendment considered. I would say, in all probability we might not object to a unanimous consent request in that regard, because we do not want to just arbitrarily shut people out, because sometime tomorrow we may have a situation where some Democrat inadvertently was overlooked with regard to a slot to offer what they consider to be a very important amendment.

So I hope the majority will show us the same courtesy that we are now showing them, to recognize and realize that there may be times when it only makes good, common sense—and maybe to enhance the comity around here a little bit—we should realize and recognize that the best of man's plans sometimes go astray.

I do not oppose the amendment offered by the Senator from Georgia. I have not made a decision on how I would vote on that, but I would simply say maybe we can work out some kind of an accommodation. At the proper time, we would like an explanation of how the Senator from Georgia made and obtained the right to offer his amendment without consultation with us, because it appears, at least, to be a violation of what we agreed to. But maybe we can work something out.

So, simply saying, going back to the matter of the amendment offered by the Senator from Wyoming, we are prepared to accept that amendment if we can move things along this afternoon, which we are trying to do.

I reserve the remainder of my time.

Since I see no other Senators on the floor seeking recognition to speak at this time or to offer an amendment, I suggest the absence of a quorum and ask unanimous consent the time of the quorum call be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

A quorum is not present. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I ask unanimous consent that we set aside the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 3992 AND 4004

Mr. COVERDELL. Mr. President, I ask that we call up amendment No. 4004, and I call for its adoption. It is my understanding that this was not on the original list. It is just an administrative error in its submission. But I understand we have reached agreement on this. This amendment will be accepted, and one of the other amendments on the other side will be accepted.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I agree with the statement made by the Senator from Georgia. We have agreed to accept his amendment, and, in turn, we have reached an agreement on the amendment that is at the desk that was discussed earlier today by Senator MURRAY from Washington, amendment No. 3992, which I call up at this time. If we can adopt both of these amendments, which I think have been cleared on both sides, then we are one step closer to being successful in finishing this debate, hopefully, sometime by Tuesday.

So I call up the Murray amendment No. 3992.

All time has been yielded back on both sides.

The PRESIDING OFFICER. Is there objection to adoption of both amendment No. 3992 and amendment No. 4004?

Without objection, it is so ordered.

The amendments (Nos. 3992 and 4004) were agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. COVERDELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EXON. Mr. President, there are two additional amendments that I understand have been cleared. I thought they had been cleared. I have just been notified they have not necessarily been cleared.

I yield the floor and suggest the absence of a quorum, and I ask unanimous consent that the quorum call be charged equally to each side.

The PRESIDING OFFICER (Mr. COVERDELL). Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, we have two additional amendments that have been cleared on both sides. I believe that the Senator from Washington is on his way to the floor to clear both of these. I will just simply state that the two amendments that we have agreed to clear are one offered by Senator SNOWE and Senator FEINSTEIN to Senate Concurrent Resolution 57, and the other offered by the two Senators from the State of Montana, Senator BAUCUS and Senator BURNS, to Senate Concurrent Resolution 57. Both of these have been cleared on both sides. When the Senator from Washington arrives, I believe it will be for him to ask for the unanimous consent. When that happens, we will get these passed.

Following that, I hope that, with the usual procedures of moving from one side to the other, that the Senator from North Dakota will be recognized for the purpose of making a statement and/or the possibility of offering an amendment, as soon as we have cleared these two amendments.

Mr. President, in view of the fact that we are temporarily held up on clearing these two amendments, I yield 5 minutes off the bill to the Senator from North Dakota.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Dakota.

Mr. DORGAN. Mr. President, thank you very much.

I observe that I admire the work of the Senator from Nebraska, Senator EXON, on this budget legislation. I also admire the work of the Senator from New Mexico. I know they come to the floor, and it is not an easy job to try to steer these pieces of legislation through the Senate. As I indicated, even though we have some disagreements from time to time on some of these things, I equally admire their commitment and their work.

The budget that is brought to the floor of the Senate truly establishes what this country perceives to be its priorities. The one thing that is certain about all of this is 100 years from now, none of us will be here. No one. Not anyone within the sound of my voice will be here 100 years from now. If those living 100 years from now wanted to look back and understand a little bit about what we were about, what we treasured, what we valued, what we thought was important to our country, one way for them to evaluate that would be to look at the Federal budget. What choices did this group of Americans make about how to educate their children? How did we provide for their health care needs? What kind of a defense system did they need, and at what cost? How did they respond to the issues of poverty and hunger? You could look at the Federal budget and make some judgments about what priorities did this particular Senate or did this Congress think were important and were dear to it.

There are common goals, it seems to me, notwithstanding the disagreements we have heard on the floor of the Senate in recent days. The common goal is to balance the Federal budget. I know some can point across one side of the aisle or the other and say, "You didn't care. You are spenders," or "You are taxers." The fact is, everybody here wants to see a budget that is in some reasonable balance.

The other objective I think most of us would agree on is, we must meet the needs this country has. We must address the issue of defense, yes, education, health care, crime, and poverty. We must address those issues.

I have heard a lot of discussion in recent days about the record of the current administration, the record of Congress. I think it is important to understand that the Government is smaller now than at any time since John F. Kennedy was President.

This President, President Clinton, and Vice President GORE have developed a "reinventing Government" strategy that has cut 200,000 Federal workers from the work force; 200,000 people who used to work in the Federal Government do not work in the Federal Government now. It is a Government that is 200,000 people smaller than when this President took office.

It is the lowest number of employees working on the Federal payroll since John F. Kennedy was President, the lowest percent of Federal spending related to the gross domestic product since 1979. Back when President Reagan was President, we were up around 24 percent of GDP being spent by the Federal Government. It has decreased down to about 22 percent, slightly over 22 percent.

The deficit: The deficit has been cut very substantially, almost in half. The fact is, we have made some progress in some of these areas. Part of it was because of the 1993 act which we passed, which was kind of a tough thing to do, and cut spending in a significant way. It also increased some taxes. I voted for that. It was not a popular vote. I am pleased I did because it was the right thing to do. The economy has increased. We have had more economic activity. I think it was the right thing to do.

As we discuss the priorities out here and talk about what is important and what is not, one thing that is obvious to all of us—it takes no skill to tear things down. That is a job for unskilled people, to tear things down. If you are going to tear a building down, who are you going to hire? A person with skills? You do not need people with skills. You hire unskilled people to tear things down. You hire skilled workers to build things.

I am pleased to be a part of a group of people who have been builders. We said this country would benefit by a program called Head Start. It works. It invests in the lives of the young children ages 3 and 4 and 5. It invests in young children's lives who are coming from families of disadvantage and low income and have suffered some difficulty. We know that it saves an enormous amount of money, and it helps these young children.

I just use Head Start as an example, but there are others, plenty of others. We know that research at the National Institutes of Health works. What about this breathtaking miracle of giving people eyesight through removing cataracts, new knees, new hips, open-heart surgery? What about all of the research that is going on down at the National Institutes of Health that saves people's lives?

At the turn of this century, people lived to be 48 years of age. Now it is 78. Is that an accident? I do not think so. It is because some people in these Chambers decided, let us invest some money in health research through the National Institutes of Health. It has been remarkably successful.

We are talking about a whole range of issues that are very important to the future of this country: teachers, education, health care research, Head Start. I can go on—the WIC Program, investment in cops on the beat, an investment to try to deal with crime, a whole range of similar issues.

As we work our way through it, we have disagreements about what is important. Some are going to bring to the floor of the Senate in a week or so a national missile defense program, $40 to $60 billion to spend to create an astrodome over America, apparently, to protect us against incoming missiles—$40 to $60 billion. When we talk about those programs, the sky's the limit.

In fact, in this budget on defense, it is $11 billion more than the Defense Department said it wanted. It asks to build trucks that are not needed.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DORGAN. Mr. President, I ask for 1 additional minute.

Mr. EXON. I yield 1 additional minute.

Mr. DORGAN. In the military, they asked for trucks that were not needed, for planes that were not requested, for submarines that no one wanted, because they say, "It's the defense. We'll stick $11 billion more to that even though the admirals and generals said they don't want it."

I hope, as we sift through these priorities, that we will decide there is a difference in spending. Some spending is investment. Some spending advances this country's interests. It invests in human potential. It improves this country.

Other spending is wasteful. We should get rid of it. An agency that has 16 pages of regulations to buy cream-filled cookies—that is dumb spending. An agency that has 1.2 million bottles of nasal spray in inventory—there are not enough armies in 10 years to need 1.2 million bottles of nasal spray. We should get rid of the dumb areas of spending but invest in the things that are important for this country's future.

That is what this debate is about: education, health care, help the environment, things that make this a good place to live. I am proud to be one of the people who I think have been builders to try to advance this country's interests by investing in the right things, but by making sure that Government works, not wastes.

I will come to the floor at some greater length to talk about this issue of the Social Security trust fund, because this bill, I might say, the budget bill that balances the budget, on page 5 says in the year 2002 the budget is in fact not in balance at all, it has a $108 billion deficit. How, you ask, did that happen? A $108 billion deficit in a bill they say is balanced? Because they will take $108 billion from Social Security so they can reach zero on page 1, and on page 5 it tells what we are doing.

I fundamentally disagree with the presentation made earlier today in the Senate, and I hope we will have time in the next couple of days to have a lengthy discussion about whether we will collect the hundreds of billions of dollars in the Social Security trust fund to, in fact, save the Social Security system, or whether they will be used as offsets so someone can say they have balanced the budget when they have not. I yield the floor.

AMENDMENTS NOS. 4005 AND 4006

Mr. EXON. Mr. President, we are now prepared to move ahead. I send two amendments to the desk that I earlier talked about and said they had been cleared. The first amendment is on behalf of Senator BAUCUS and Senator BURNS of Montana. The second amendment is known as Senate Concurrent Resolution 57 and is introduced by Senator HUTCHISON, Senator SNOWE, Senator FEINSTEIN, Senator MIKULSKI, Senator DOLE, and Senator ROTH.

I send these amendments to the desk and I ask for their immediate consideration. When the Chair asks for adoption of these amendments, I ask that the motions to reconsider be laid upon the table. I send the two amendments to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON] proposes amendments, en bloc, numbered 4005 and 4006.

Mr. EXON. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments, en bloc, are as follows:

AMENDMENT NO. 4005

(Purpose: To express the sense of the Senate regarding the essential air service program of the Department of Transportation)

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE ESSENTIAL AIR SERVICE PROGRAM OF THE DEPARTMENT OF TRANSPORTATION.

(a) FINDINGS.—The Senate finds that—

(1) the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code—

(A) provides essential airline access to isolated rural communities across the United States;

(B) is necessary for the economic growth and development of rural communities;

(C) connects small rural communities to the national air transportation system of the United States;

(D) is a critical component of the national transportation system of the United States; and

(E) provides air service to 108 communities in 30 States; and

(2) the National Commission to Ensure a Strong Competitive Airline Industry established under section 204 of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992 recommended maintaining the essential air service program with a sufficient level of funding to continue to provide air service to small communities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code, should receive a sufficient level of funding to continue to provide air service to small rural communities that qualify for assistance under the program.

Mr. BAUCUS. Mr. President, let me start by thanking the Senators from New Mexico and Nebraska for their assistance in moving this amendment.

The amendment I am offering today is a sense-of-the-Senate amendment regarding the Essential Air Service or EAS program. It highlights the continued importance of the EAS program and provides that sufficient funding levels be provided to eligible communities in the future.

Mr. President, rural America faces many challenges. I do not have to tell you that people in rural areas of this country are struggling. They are struggling to make ends meet. And they are struggling with their transportation system.

In recent years, funding for transportation programs that people in rural areas rely on have been dramatically cut. Amtrak service has been reduced. Rural transit programs are disappearing. Highway funds are threatened. And the Essential Air Service program is constantly under attack.

Without an adequate transportation system, economic development, and job creation in these areas cannot take place. Just as urban areas depend upon transportation programs, so do those folks who live in rural areas.

When Congress voted to deregulate the airline industry, there was clear recognition that some communities would be left without air service. The EAS program was intended to be the safety net for rural America. In order to protect those communities from losing air service altogether, carriers would receive a Federal subsidy as an incentive to continue operating in rural markets.

In Montana, we have seven communities in the EAS program—the most communities in the program outside of Alaska. It is a vital program and it is essential to many people.

The EAS program provides access. It connects the most rural areas of my State to the rest of the country. I do not know if most Members are aware of this, but Montana is as large as the area between Washington, DC and Chicago. That puts things into context. We are a big rural State.

That is why continuation of the EAS program is so important. Many people in Montana rely on the EAS program. If they need to get to Billings or elsewhere to see the doctor or a specialist, they need to know that air service is available.

And in order to attract new businesses to an area, there needs to be adequate air service. Many companies look at the transportation system available to an area before deciding to locate. Without access to air service, companies and the well-paying jobs they bring with them, will go elsewhere.

I was very disappointed that this Congress cut the EAS program by 30 percent last year. The result of these huge cuts in the EAS program has meant reduced service to our smallest communities. And the air carriers that provide this service have had to struggle to make ends meet because of these cuts.

I fought hard against a reduction in the EAS funding. The EAS program is such a small program, yet it has been dramatically and unfairly targeted. This goes against the intent of Congress when it recognized that our smallest communities deserve continued air service. You can be assured that I will fight this year to make sure this Congress and the Appropriations Committees do not make the same mistake again. This resolution is the first step.

Again, I thank the Senators for their support.

Mr. BURNS. Mr. President, this Chamber has been treading a difficult path in the last year. We want a balanced budget in the year 2002. We want a balanced budget for the next generation.

I believe that as we set the budget for the coming years, we can find plenty of room for responsible cuts. This is also the chance to prioritize programs to get the best money can buy.

One important priority is accessible air service to all communities, rural and urban, across the country. The benefits of airline deregulation did not apply evenly to every community. In other words, fears that unconditional deregulation would compromise the quantity, affordability, and quality of air service to small, rural communities have come true.

That's the very reason that Essential Air Service was created. It was developed in response to fears that deregulation would leave holes in service throughout the country. And although EAS does not fill the holes completely, it does help connect many of our small towns.

Air service is too important to our communities and their future to ignore. In a time when communication is instant through computers, faxes, and cellular telephones, people need to move around quickly and efficiently. Community growth through economic promotion and employment opportunities is hinged on adequate and accessible air service. Air service is vital not only as a dependable mode of transportation, but as a way to pull communities together and promote economic development.

In my home State of Montana, where there are a great many miles between the dots on the map, there are few transportation alternatives. Amtrak serves the High-Line, and there is some bus service in the southern and western parts of the State, but for the most part there aren't many ways to get from here to there. Add to it the unpredictable weather and you get a mix that makes travel often difficult and occasionally impossible.

Small, rural communities across Montana and America rely on air service for transportation, economic development, delivery of merchandise and services, and medical purposes. Every year Essential Air Service comes under fire, but it is still what the name implies: Essential. It is essential to the national transportation system; it is essential to the development and growth of small communities.

AMENDMENT NO. 4006

(Purpose: To express the sense of the Senate that the Congress and the President should immediately approve legislation providing homemakers with equal retirement savings opportunity)

Insert at the appropriate place:

(a) FINDINGS.—The Senate finds that the assumptions of this budget resolution take into account that—

(1) by teaching and feeding our children and caring for our elderly, American homemakers are an important, vital part of our society;

(2) homemakers' retirement needs are the same as all Americans, and thus they need every opportunity to save and invest for retirement;

(3) because they are living on a single income, homemakers and their spouses often have less income for savings;

(4) individual retirement accounts are provided by the Congress in the Internal Revenue Code to assist Americans for retirement savings;

(5) currently, individual retirement accounts permit workers other than homemakers to make deductible contributions of $2,000 a year, but limit homemakers to deductible contributions of $250 a year; and

(6) limiting homemakers individual retirement accounts contributions to an amount less than the contributions of other workers discriminates against homemakers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the revenue level assumed in this budget resolution provides for legislation to make individual retirement accounts deductible contribution limits for homemakers equal to the individual retirement accounts deductible contribution limits for all other American workers, and that the Congress and the President should immediately approve such legislation in the appropriate reconciliation vehicle.

Mr. JEFFORDS. Mr. President, we yield back all time on our side.

Mr. EXON. Mr. President, we yield back time on our side.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments (Nos. 4005 and 4006) en bloc, are agreed to.

Mr. JEFFORDS. Mr. President I allocate myself 5 minutes on the budget.

Mr. President, as we consider the budget at this time, I think it is critically important that we remind ourselves what the very key problem to the budget at the Federal level is and what ought to and can be done to correct the problem. I think it is important that we concentrate on what the basic problem is—Federal health care costs.

I am reminded of the words of George Marshall after World War II when he was attempting to devise the Marshall plan. There were all sorts of problems that were created and discussed and kicked around. Finally, he held a meeting and said, "Don't fight the problem; decide it." That is what I believe we ought to do here with respect to health care.

We have kicked around with changes to Medicaid. We have fought over Medicare costs. But the deficit continues to increase. About one-half of the deficit is related to the health care costs of the Medicare and Medicaid Programs. Thus, as we go forward, it is clear if we do not get the increasing costs of these programs down, the hope of having a rational budget in the years ahead becomes very difficult, if not impossible. If these costs continue to increase at the current levels soon it will result in about half a trillion dollars in the Federal deficit. If we could take that half a trillion and use it for other matters, whether it is education or whatever, then the cuts in discretionary spending we are dealing with now which are creating all of the consternation would be pretty much a thing of the past.

It is clear the most effective and most painless way to solve the budget problem is to solve the health care cost problem. If we analyze the problem and also look at the public's concerns and desires, it becomes clear we can solve it by both looking to conventional insurance concepts, combined with health care reform already under way in this country.

People perceive the most difficult health care threat they face is a catastrophic medical event. I have a chart here which shows that what people want the most out of health care reform is catastrophic health care coverage. I emphasize the words "coverage." Catastrophic coverage is not a mandated benefit. You might remember last month I made an attempt here to raise the lifetime caps in private health plans in order to ensure that people did not find themselves forced into the unfortunate situation of having to go bankrupt in order to qualify for the Medicaid Program in order to have health care coverage. Mr. President, according to a recent survey conducted by the Aragon Consulting Group out of St. Louis, MO, 82 percent of the people fear most that some day they will end up in bankruptcy and on a Federal health care program because they do not have catastrophic health care coverage.

Let us take a look at what the present situation is, and, more important than that, see what we can do to solve the problem. Unless we get coverage to people—I point out that coverage is the important thing here. Right now we have millions of people who have no coverage at all because they work for an employer who does not provide coverage, or because individual health insurance coverage is too expensive and since they are not wealthy citizens they cannot afford health care.

On the other hand, we have millions and millions of people who have coverage but not adequate coverage. They can have interim caps and annual caps on coverage. As I talked about before, they can have the overall lifetime cap on coverage, which means after an arbitrary amount of money is paid out by the insurance company or employer, then they have to look to their own private resources to finance their health care needs.

The best way to solve the health care cost problem is to use the basics of insurance. As I will point out later this is not something new. In the 1950's, the Eisenhower administration designed a reinsurance program that provided incentives in the market, very much like the one I will outline, to provide private health insurance to everyone.

In 1993, the Clinton administration came forward with a plan. That plan would have, in the final analysis, provided health coverage for everyone. Eventually, the Federal Government would phase ourselves out of the Medicare and Medicaid Programs and we could end up with a system that would bring the costs under control. However, that was thrown out because it was too complicated. So we moved away from that.

Around that same time, I had a plan I called MediCore which would have similarly solved the problems—I am goal oriented—and would have solved the problems by placing the States in a position where they could ensure everyone had coverage and the Federal Government would be out of it.

Now, since that time, we have moved toward incremental reform. That is fine. The Health Insurance Reform Act, that we passed unanimously, was a good first step. But this bill does not address how we expect to get our Federal health costs under control.

One of the most important issues we will be addressing this year is changes in the way we finance health care for senior citizens, persons with disabilities, the underinsured and uninsured. I wholeheartedly support reducing the deficit as well as moving the Government out of the role of running a health plan for the elderly and the disabled.

The reason the Government's health care spending is out of control is really twofold. First, is the way we have chosen to pay for purchase services. When Medicare was designed in the 1960's it was modeled after private Blue Cross fee-for-service plans. The Government paid providers directly for each procedure performed. Paying for services rendered at a distance without any effective utilization control has been a disaster. Our failed attempts to control costs by continuing to cut payments to providers is a major reason our Federal deficit is so exorbitant.

How can reducing provider payments have the effect of actually increasing our Federal deficit? The answer is the cost-shift this creates between insurance provided by the public sector with that provided by the private sector. Cost-shifting has only distorted the true costs of services and hides the inefficiencies in our overall health care delivery system.

Second, the private market's failure to provide affordable coverage on reasonable terms to the elderly, disabled, and the poor led to the political demand for the Congress to create Medicare and Medicaid.

The major design flaw of these entitlement programs was segregating the highest insurance risks into Government run plans.

This segmentation has not provided any incentives for the private sector to find innovative ways to manage the highest cost cases in our health care delivery system. As a matter of fact, this segmentation is how people are shifted from private health plans to Government run health plans.

The key to getting health care costs under control and to reduce our deficit is to utilize the most basic insurance principle of spreading risk of aberrational cases over a large number of people.

This cost-shift from private insurance plans to the public insurance plans was the main argument I made during the debate we had on this floor last month when we unanimously passed the Health Insurance Reform Act. You might remember an amendment I brought to the floor regarding lifetime caps in private insurance plans. The cold dollar facts proved over and over again were that by removing these caps we would save billions of dollars in our entitlement programs.

The accounting firm of Price Waterhouse estimated the savings to Medicaid would be $7 billion over 7 years. The National Taxpayers Union estimated that the Federal Government would save $3 billion and the State and local government would save $2 billion over 5 years. In addition, CBO scored the increase cost to businesses already providing coverage to their employees at 0.16 percent. Again the reason this cost to business is small is because we are spreading high-cost cases over about 165 million privately insured individuals.

By the way, since the FEHB plans already have no lifetime caps there is no additional cost to the Federal Government as employer. This small change in lifting coverage limits would provide the American public with the same peace of mind we, U.S. Senators, have in the event a catastrophic illness or injury hits one of our family members.

Central to any restructuring of the health insurance system is the understanding that what changes are made in the Government programs affect the private sector and vice versa. The key is to find a mechanism that can act as a bridge between the public and private sectors.

The solution that I have developed is a Federal Health Care Reinsurance Corporation. The mission of this agency is to provide for a true public private partnership in providing affordable private health insurance to all Americans The operating functions of the Corporation will be contracted out to the private market, therefore the principle function of the Corporation will be policymaking.

The Reinsurance Corporation provides the market incentives for plans to compete and manage the care of people who have, in the past, been "dumped" into the public entitlement programs because of high cost medical conditions. All health plans will participate in the financing of high-cost cases and, therefore, all health plans may draw on the fund for assistance in covering expenses for qualifying high-cost individuals.

Payments would be made to health plans on behalf of an individual who becomes a high-cost case because of a particular medical condition. It is not a "special" health insurance for pool for individuals with high medical expenses.

The Reinsurance Corporation would make it possible for private sector health plans to compete for the chronically ill and disabled population since plans would be protected against large aberrational costs associated with insuring these individuals. In order to make it feasible for private health plans to accept all comers it will be necessary to decouple the reinsurance payment from the level of risk that the health plans has accepted.

Once the fund is operational, it would no longer be necessary for a health plan to exclude a high-cost person: The correct market response would be to apply to the fund for a payment on the person's behalf. Since the payment would follow the consumer, the consumer is always free to change plans if he or she is not satisfied with the quality of service in any particular health plan.

As we tackle one of the biggest problems for the Federal Government, our deficit, we must keep in mind a goal we all agreed to a couple of years ago—the goal of moving toward universal coverage for all Americans.

We must keep in mind that any changes we make to the public programs of Medicare and Medicaid must not add to the rolls of the uninsured, especially if it is due to unintended consequences of our changes to these programs. More uninsured Americans will only increase total costs to the health care system.

We must develop a mechanism that provides the private health insurance market the incentive to cover higher cost individuals at reasonable prices rather than continue to allow the private sector to shift high-cost individuals into our public programs.

Prior to the enactment of Medicare and Medicaid, the Eisenhower administration proposed to deal with the private sector's risk averse behavior in health insurance by creating a Government-sponsored reinsurance program. The idea was to create a Government program that would demonstrate to the private sector that private insurance of higher risk clientele was feasible.

If designed correctly, the Federal Health Reinsurance Corporation might be able to accomplish what President Eisenhower suggested over 40 years ago, have a well-functioning private sector health insurance system that competes for all members of society simply on quality and price.

Mr. PELL. Mr. President, now is not the time to make the largest cuts in education in U.S. history. There is simply no growth in this budget for our Nation's many important education programs. To my mind, if we jeopardize the education of our Nation's children we are jeopardizing the economic well-being of our country. A commitment to education is a strong Federal investment that will ensure that America's children and families are prepared to meet the challenges of the 21st century.

Programs like Safe and Drug Free Schools, Head Start, Goals 2000, and title I are oftentimes the only hope for so many of the children growing up in disadvantaged communities. At this time, when student enrollments are at an alltime high, and expected to be at their highest level since 1971, we should be increasing the support that we send to States so that they may further their own initiatives in key areas of education. By making such drastic cuts in funding to these invaluable elementary and secondary education programs, the future of millions of children will be threatened.

Over the last 30 years, the dream of a college education has been brought within reach of almost every American. As the population of traditional college age students will rise by 12 percent over the next decade, we as a nation must help keep the doors open to college and other postsecondary education opportunities. This budget would turn our backs on the college-bound students of America. By cutting $6.2 billion over the next 6 years, 1.3 million students will lose Pell grants, while 800,000 students would lose work-study opportunities by the year 2002. In the span of a little more than a decade, we have gone from a situation where grants were 75 percent of a student's aid package and loan's only 25 percent to one where loans make up 75 percent of the package and grants only 25 percent. To my mind, this is not the direction which we should be moving. Now is the time to continue to assist college students in their quest for a brighter future.

I am gravely concerned about the direction this budget resolution would takes us. I firmly believe that the drastic education cuts proposed would not guarantee that we as a nation are prepared to meet the challenges of the next century. Our commitment to education cannot stop here, therefore, I ask my colleague to carefully look at the implications of this budget resolution.

Mr. ROTH. Mr. President, today the Senate continues debate on the fiscal year 1997 budget resolution. This budget resolution would balance the Federal budget by 2002 using realistic economic assumptions.

Let me be clear, however, that it would have been my preference if the budget resolution had retained the flexibility in the first reconciliation bill to allow the Finance Committee to develop a tax relief bill for working families. However, I was assured by the chairman of the Budget Committee that the conference report on the budget resolution will resolve the differences between the reconciliation instructions to the Ways and Means Committee and the Senate Finance Committee. I, therefore, urge the Senate conferees to ensure that the conference report contain the option for some tax relief in the first reconciliation bill.

Our Nation's working families are in need of tax relief so that they may more easily provide for their children. I believe it is our duty to respond to their need and give them a tax cut coupled with our efforts to balance the Federal budget.

Let me just say a few words about the first reconciliation bill that will be moving through the Finance Committee next month. It is my intention to mark up the welfare and Medicaid reform proposals as outlined by our Nation's Governors.

This package will meet the savings goals outlined in the budget resolution with $72 billion in savings in the Medicaid area, and $53 billion in the welfare reform package. The Governors' bipartisan plan provides States with flexibility and incentives for moving ahead with fundamental reforms in both of these programs. I remain hopeful that their resounding support and unanimous vote in favor of these reforms will help move this necessary legislation through the Senate in a timely fashion, and that President Clinton will sign this bill—having already vetoed two welfare reform bills.

Mr. President, today's budget resolution clearly demonstrates that the debate over Medicaid and welfare is not about spending levels, but instead about who will control the funds? Washington, or the States? This Senator agrees with the Governors. Give the flexibility to the States.

Mr. President, last year Republicans proposed to preserve, protect and strengthen the Medicare Program. We worked hard to put together a balanced proposal that did not cut Medicare but slowed the rate the cost of the program was expected to grow. The budget resolution before us would also provide continued increased growth in Medicare spending.

This 1997 budget resolution increases annual per beneficiary Medicare spending from the current average spending of $5,300 in 1996 to $7,000 in 2002. This translates to 43 percent of the total program spending growth from 1996 to 2002.

Mr. President, the time has come to put an end to out of control Federal spending that has taken money from the private sector—the very sector that creates jobs and economic opportunity for all Americans.

The American people are crying out for a smaller, more efficient government. They are concerned about the trends that for too long have put the interests of big government before the interest of our job-creating private sector. They are irritated by the double standard that exists between how our families are required to balance their checkbooks and how government is allowed to continue spending despite its deficit accounts.

I believe the outcome of spending restraint for our Nation is one of the most important steps we can take to ensure the economic opportunities for prosperity for our children and for our children's children.

As a nation—and as individuals—we are morally bound to pass opportunity and security to the next generation.

The Federal bureaucracy must be reformed to meet the needs of all taxpayers for the 21st century. I am convinced that it is through a smaller, smarter government we will be able to serve Americans into the next century.

The President's recent budget proposals for next year offer clear evidence of the lack of political will to make the hard choices when it comes to cutting Government spending. His budget does not take seriously the need for spending restraint. In fact, the only path that the President proposes is one that leads to higher Government spending, higher taxes, and ever-increasing burdens for our children.

Deficit spending cannot continue. We can no longer allow waste, inefficiency, and overbearing government to consume the potential of America's future. I am committed to spending restraint as we move to balance the budget.

Mr. President, the Republican-led Congress has acted to restrain Federal spending many times over the past year and a half. After the President vetoed the balanced budget last fall, we moved ahead with other legislation that would help cut Federal spending. In fact, earlier this year, the Republican-led Congress passed the line-item-veto legislation, a tool that will to help trim Federal spending. We all know that we need every possible tool to help reduce Federal spending.

Mr. President, I thank my colleagues for their attention, and I urge that they join me in supporting the budget resolution later this week.

STUDENT LOAN BUDGET SCORING

Mr. DOMENICI. I would like to call attention to an issue that the Senator from Illinois brought up at markup of the budget resolution last week. He was concerned that a provision included in the fiscal year 1996 resolution tilted the budget scoring of student loans in favor of the government-guarantee program. Our intent was to conform the treatment of administrative expenses of direct student loans to that of guaranteed student loans and I have been assured by the Congressional Budget Office [CBO] that they understood and implemented that intent. The Department of Education has interpreted the language differently than CBO and therefore I can understand how this might lead some observers to question the actual effect of the change. Therefore, in response to a request from the Senator from Illinois, I directed my staff to look more closely at the issue to make sure that the language in the budget resolution fulfills our intent.

This is not the first time this concern has been raised by the Senator from Illinois. During debate on the budget resolution last year he offered an amendment to strike the language. The amendment failed. Following that discussion, I directed my staff on the Budget Committee to draft a letter to CBO in order to ensure that our budget resolution language did not bias scoring of administrative expenses in favor of guaranteed student loans. Their response was placed in the RECORD during debate on the budget reconciliation bill and I again ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 26, 1995.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In your letter of September 5, 1995, you asked the Congressional Budget Office (CBO) to respond to several questions regarding the Credit Reform Act and section 207 of the 1996 budget resolution related to the treatment of administrative expenses in the student loan programs. Attached are CBO's responses to your questions.

If you wish further details, we will be pleased to provide them. The CBO staff contact is Deborah Kalcevic, who can be reached at 226-2820.

Sincerely,

JUNE E. O'NEILL.

Attachment.

RESPONSES TO QUESTIONS FROM CHAIRMAN DOMENICI

The Credit Reform Act of 1990 provided that the federal budget would record the cost of direct loans and guaranteed loans on a subsidy basis rather than a cash basis. The act defined the subsidy cost of a loan to equal the present discounted value of all loan disbursements, repayments, default costs, interest subsidies, and other payments associated with the loan, excluding federal administrative costs. Federal administrative costs of loan programs continued to be accorded a cash-accounting treatment. Estimates of proposals affecting student loans made from 1992 through early 1995 used the accounting rules established in the Credit Reform Act.

The budget resolution for fiscal year 1996, adopted in June 1995, specified that the direct administrative costs of direct student loans should be included in the subsidy estimates of that program for purposes of Congressional scorekeeping. Since June, for estimating legislation under the 1996 budget resolution, the Congressional Budget Office (CBO) has used this alternative definition of subsidy costs. In addition, changes in economic and technical estimating assumptions complicate the comparison of estimates made at different times. The following questions and answers explore the implications of the change in accounting for direct student loans.

Question 1. The President proposed, and signed into law in 1993, the Federal Direct Student Loan Program to replace the guaranteed lending program. What was the time frame adopted for the phase-in of that program when it was initially enacted and what savings estimated was provided by CBO?

Answer. The President's fiscal 1994 budget proposed expanding the direct student loan program from a pilot program (which was about 4 percent of loan volume) to a program that would provide 100 percent of all student loans by the 1997-1998 academic year. As part of the request, the President proposed to lower interest rates to borrowers as of July 1997, substantially increase the annual capped entitlement levels for direct loan administrative costs, and subsidize schools for loan origination. The budget proposed no changes in the guaranteed loan program except to phase it out. CBO estimated that the proposal would save $4.3 billion over the 1994-1998 period. These estimates were completed using the CBO February 1993 baseline economic and technical assumptions. The President's proposal became the policy assumed in that year's budget resolution.

The legislation passed by the Congress differed significantly from the policies assumed in the budget resolution. The bill met the requirement to save $4.3 billion by limiting the volume in the direct lending program to 60 percent of the total and substantially cutting subsidies in the guaranteed loan program. Specifically, direct loans were to represent 5 percent of total volume for academic year 1994-1995, 40 percent for 1995-1996, 50 percent for 1996-1997 and 1997-1998, and 60 percent for 1998-1999. The legislation also provided that the ceiling could be exceeded if demand required it.

Question 2. In his FY 96 budget, the President proposed an acceleration of that plan so that all student loans would be provided directly from the government no later than July 1, 1997. What "additional" savings did CBO estimate for the accelerated phase-in under the Credit Reform Act?

Answer. The President's fiscal year 1996 budget request included a proposal to expand the direct student loan program to cover 100 percent of loan volume by July 1997. This proposed change was estimated to save $4.1 billion from the CBO baseline over the 1996-2002 period. That baseline incorporated CBO's February 1995 economic and technical assumptions and the direct loan phase-in schedule provided under current law. This baseline reflected the rules that are currently in law for estimating the cost of credit programs.

The 1996 budget resolution specified that the direct administrative costs of direct student loans should be included in the subsidy estimates for that program for purposes of Congressional scorekeeping. This change conformed the treatment of the administrative costs of direct student loans with that for guaranteed student loans. For purposes of Congressional budget scorekeeping, the change overrides the Credit Reform Act, which requires that the federal administrative costs for direct loan programs be accorded a cash-accounting treatment.

For estimating legislation under the 1996 budget resolution, CBO modified its baseline for direct student loans to include in the subsidy calculations the present value of direct federal administrative costs, including the loans' servicing costs. The change means that direct loans issued in a given year have their administrative costs calculated over the life of the loan portfolio, with adjustments for the time value of the funds. Therefore, the subsidy costs of any year's direct loans will include the discounted future administrative costs of servicing loans which may be in repayment (or collection) for as long as 25 to 30 years. The inclusion of these administrative costs in the subsidy calculations for direct loans increases the subsidy rates for these loans by about 7 percentage points. Consequently, the resolution baseline for student loans is higher than the current CBO baseline. Under the assumptions of the budget resolution baseline, the President's 100 percent direct lending proposal would save $115 million over the 1996–2002 period.

Question 3. What would be the long term costs, under scoring rules in effect prior to the 1995 budget resolution, for the above proposal? How would those savings be affected over the life of the loan? How would those costs be compared with the same volume of loans made under the guaranteed program?

Answer. The response to the first part of this question is addressed in the previous answer. Compared to the CBO baseline, the President's 1996 budget proposal was estimated to save $4.1 billion over the next seven years. In order to provide an estimate of a proposal to return to 100 percent guaranteed lending by July 1997 under either the CBO or the resolution baseline, we would need more detail than has been provided on how the program would be restructured.

Question 4. Did the credit reform amendment adopted as part of the budget resolution direct the Congressional Budget Office to exclude any costs for guaranteed loans?

Answer. This year's budget resolution addressed only the budgetary treatment of the administrative costs of direct student loans. By defining the direct administrative costs of direct loans and requiring these costs be calculated over the life of the loan portfolio, the resolution allowed for the costs of direct and guaranteed loans to be evaluated on a similar basis. Thus, all of the program costs for both programs are included in the resolution baseline and are accounted for in the same way, whether they are calculated on the basis of subsidy or cash-based accounting.

Question 5. Are there any expenses of direct or guaranteed loans that are currently excluded from the government subsidy costs that would be more appropriately be included in that subsidy? If so, what are they and why have they been excluded from the subsidy cost? For example, some have argued that the credit reform amendment did not include the administrative cost allowance which is paid to guarantee agencies.

Answer. Indirect administrative costs—those not directly tied to loan servicing and collection—are included in the budget on a cash basis for both programs. Some have asked whether these costs would be more appropriately included in the loan subsidy calculations. Although it might be appropriate to include some or all of these costs in the subsidy calculation, as a practical matter it is not straightforward to determine which costs to account for in this manner. For the most part the costs of government oversight, regulation writing, Pell grant certification, and other similar expenditures are personnel costs of the Department of Education or contracted services. In addition, many of the costs, such as program oversight, are not tied to a single loan portfolio but affect many portfolios and both programs. Allocating these costs to specific portfolios and programs for specific fiscal years would be difficult.

The Omnibus Budget Reconciliation Act of 1993 (OBRA–93) eliminated administrative cost allowance (ACA) payments to guaranty agencies. Until that time, the volume-based payments were always included in the subsidy costs of guaranteed student loans. However, OBRA–93 gave the Secretary of Education authority to make such payments out of the $2.5 billion capped entitlement fund for the direct loan program. Any expenditures from this fund would be accounted for on a cash basis. If the Secretary chose not to allocate any funds for this purpose, then there would be no payments to guaranty agencies.

As part of its current services budget estimates, the Department of Education announced plans to use funds available under the capped entitlement to pay administrative cost allowances to guaranty agencies at one percent of new loan volume for the next five years. Both the CBO baseline and the budget resolution baseline include these planned administrative expenses on a cash basis under the capped entitlement account at the Department's current services levels.

It makes little budgetary difference whether these payments are computed on a cash or subsidy basis. Because the payments are made at the time of loan disbursement, their estimated costs on a cash basis or subsidy basis would be essentially the same. As a result, over the 1996–2002 period the cost of the student loan programs and the budget totals would be changed only marginally by accounting for these payments on a subsidy basis.

Question 6. What possible mechanisms exist to reclassify these costs as part of the Federal subsidy, to be scored on a present value basis?

Answer. The guaranty agency cost allowance could again be made an automatic government payment under the guaranteed student loan law. Including the current cash-based indirect administrative expenses for both the direct and guaranteed loans in the subsidy estimates would require amending the Credit Reform Act, but it would be difficult to estimate a wide range of Federal personnel-related expenses over a 25- to 30-year period. Determining whether some types of expenditures that are now accounted for on a cash basis should be included in the subsidy calculation would require a more thorough review of the current expenditures of the Department of Education than has been conducted to date.

Question 7. Does the credit reform rule adopted as part of the budget resolution provide the proper framework to fairly assess all direct Federal expenses of guaranteed and direct loans?

Answer. In general, the Credit Reform Act amendment allows direct comparisons between the costs of the guaranteed and direct loan programs.

Question 8. Some have claimed that savings associated with the Goodling proposal to repeal direct lending were a result of excluding administrative costs of guaranteed loans. What is the primary reason for the $1.5 billion in savings associated with the Goodling proposal under the new scoring rule?

Answer. On July 26, 1995, CBO prepared an estimate of the original Goodling proposal. The proposal had three components: (1) eliminate the authority for new direct student and parent loans effective in academic year 1996–1997; (2) change the annual and cumulative budget authority levels under Section 458 to reflect the elimination of indirect administrative cost anticipated for new direct loans and the termination of payments of Section 458 funds to guarantee agencies and limit the funds to $24 million annually; and (3) reestablish an administrative cost allowance (ACA) for guarantee agencies at 0.85 percent of new loan volume or 0.08 percent of outstanding volume, with an annual limitation on ACA subsidies of $200 million. Assuming an enactment date of October 1995, the proposals would reduce outlays for student loans by $227 million for fiscal year 1996 and by $1.5 billion over the 1996–2002 period.

Relative to the budget resolution baseline, shifting loan volume to guaranteed loans would save $855 million over the 1996–2002 period. Administrative expenditures would be reduced by $1.97 billion over the next seven years by lowering the cap. Of this amount, $824 million reflects the elimination of the discretionary guaranty agency payments, and the remainder reflects the elimination of the indirect costs for the phased-out direct loan program. Reestablishing the ACA for a 100 percent guaranteed loan program would cost $1.3 billion over seven years.

Although the Goodling proposal would have eliminated most of the funds to oversee the phased-out direct loan program by reducing the capped entitlement level for these funds, it did not address the level of appropriated funds that would be necessary to oversee the larger guaranteed loan program.

Question 9. Did the Goodling proposal to eliminate the direct loan program and make changes to the guaranteed program you were asked to score, address all Federal administrative costs of direct and guaranteed loans? When you applied the new scoring rule, were you able to properly categorize those expenses to provide a completely fair calculation of the cost differential?

Answer. All of the cost analyses of the Goodling proposal for both the direct and guaranteed loan programs were completed using the same budgetary treatment for both programs. The Goodling proposal, however, did not address the level of discretionary appropriations necessary to oversee the larger guaranteed loan program.

Mr. DOMENICI. Mr. President, the response from CBO confirmed, in my mind, that our intent to conform the direct loan scoring of administrative expenses to the guaranteed loan scoring of administrative expenses was fulfilled. In addition, the CBO letter noted that we made no changes to the method by which guaranteed loans are scored. This too was our intent.

Mr. SIMON. I appreciate the Chairman's willingness to look more closely at this issue. I understand and respect his intent in supporting last year's budget scoring change. I moved to strike that language, during debate on the budget resolution last year, both because I questioned the change, and because other budget scoring issues were not addressed at the same time. My concern then, and now, is that the scoring change may have gone overboard, either in how it was written or how it has been implemented.

The Chairman has moved swiftly in responding to my request at mark-up last week, and already a meeting has occurred among staff from the Committee, CBO, the Office of Management and Budget, and the Education Department. I ask my colleague what his sense of that meeting is, and where we go from here.

Mr. DOMENICI. The meeting certainly confirmed that there have been conflicting interpretations of the language that was included in the fiscal year 1996 budget resolution. CBO insists that it has only added costs to the subsidy estimates of direct lending that were already implicitly or explicitly included on a net present value basis for the guarantee program. This was our intent. But according to the manner in which the Education Department has interpreted the language, they insist that CBO has added costs that are analogous to costs in the guarantee program which are not being included in the subsidy estimates of the guaranteed program. I hope that the Department of Education will share their specific concerns with CBO and that CBO will share the necessary information with the Department of Education so as to put their concerns to rest.

Mr. SIMON. I agree with my colleague. CBO and the Education Department need to share data on this issue in order to answer this question. The meeting on Tuesday was a very good first step.

Mr. DOMENICI. With regard to the intent of last year's scoring change, I wonder if my colleague would agree that prior to that change, there was a discrepancy in the Credit Reform Act with respect to how administrative costs are counted, which tends to make direct loans appear less costly?

Mr. SIMON. I would respond that there are a number of imperfections in the budget scoring of student loans, and that the chairman's point about administrative costs is one of them. But on the whole, I believe the imperfections create a bias in favor of the government-guarantee program. That is why I objected last year to addressing only the issue of administrative costs, without considering other issues. I explained some of these issues in a letter to the chairman last week, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, May 6, 1996.

Hon. PETE DOMENICI,
Chairman, Senate Budget Committee, 621 Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: As a member of the Committee, I am writing to ask that in the fiscal year 1997 budget resolution, you delete the provision that was added to last year's resolution relating to the scoring of student loans. I explain below—with an example from your home state—why this narrow "fix" is not appropriate. If you allow the one-sided scoring to stand, I would urge you to at least apply the language to FFEL as well as the direct loan program.

It is not appropriate to bend scorekeeping rules just to accomplish a narrow policy objective. If scoring practices are changed, all appropriate issues should be addressed, and the corrections should be both balanced and comprehensive. This is particularly important with loan programs, where interest rate projections, the choice of discount rates, varying tax benefits, and default expectations all play an important role. As Lawrence Lindsey, a Republican member of the Federal Reserve Board, pointed out last year in a letter to Sen. Abraham:

"Making the [scoring] change the industry proposes without looking at other changes which might be necessary is problematic. For example, the use of the ten year treasury rate for estimating purposes when program costs are based on short term rates creates obvious inconsistencies. Further, the $2.3 billion in revenue loss that occurs through the use of tax exempt student loan bonds is not taken into account in estimating program costs."

As Governor Lindsey pointed out, there are numerous problems with the way that student loan costs are scored by CBO (and in many cases by OMB). Let me discuss a few of them.

1. Current scorekeeping practices do not consider default problems that plague FFEL but are absent from direct loan program.

Three design flaws in FFEL contribute to default costs paid by taxpayers. The direct loan program does not have these flaws. However, CBO and OMB still assume that defaults in the two programs will be identical. This makes no sense.

First, GAO has pointed out that perverse financial incentives contribute to defaults in FFEL. The auditors have pointed out that "guaranty agencies have more financial incentive to expend resources collecting on defaulted loans than working with borrowers to prevent defaults because they can earn additional revenue from default collections." On the other hand, because direct lending uses private sector contractors to collect on loans, competitive pressures keep them focused on the task of collecting payments. Since defaulted loans are moved to other servicers or collection procedures, direct loan contractors have no incentive to allow defaults.

Second, the enormous complexity of the guarantee system causes borrower confusion and, according to the most recent IG/GAO financial audit (February 1996), "hampers the Department's ability to obtain reliable student loan data." This audit declares that "[o]ne of the most significant problems is that the Department's student loan information system contains data that is not timely or accurate, thereby limiting its use for compliance and evaluation purposes." The number of lawsuits challenging default rate determinations is testament to this problem.

Third, and perhaps most dangerous, are the conflicts of interest that plague FFEL. Both the U.S. General Accounting Office and the Inspector General have pointed out how guaranty agencies risk taxpayer funds when they, or their officials, also have financial ties to lenders, secondary markets, or loan servicers. Indeed, the collapse of HEAF, which cost taxpayers an estimated $280 million according to GAO, was related to a conflict-of-interest problem. In its March 1993, report, the IG described an "egregious" example in which one agency, accused of not following due diligence requirements, asked the Department of Education to waive a $1 million fine "because it would ruin its affiliated secondary market." The report points out that:

"The guaranty agency's appeal was clearly designed to protect the financial condition of its affiliated secondary market. It also demonstrates how the financial health of an affiliate may influence the decision-making of the guaranty agency.

"The conflict was even more apparent in June 1990, when the same guaranty agency completed a lender review of its affiliated secondary market and reported numerous areas of noncompliance, including due diligence violations. However, the guaranty agency neither required the appropriate repayments resulting from the violations nor took action to ensure future corrective action. The guaranty agency's actions were even more egregious because it had contracted with the secondary market to review the secondary market's own claims and determine whether the guaranty agency should pay them.

"About eight months later, in February 1991, OSFA [ED's Office of Student Financial Assistance] conducted a review of the same secondary market. OSFA found that the guaranty agency's prior review had not been appropriately resolved, and compelled the secondary market to formally address the findings. Only after OSFA's intervention did the guaranty agency assess liability of over $1.1 million against its affiliate. In our opinion, the guaranty agency's reluctance to enforce the Federal regulations clearly demonstrates that the interests of the taxpayers and those of its affiliate were in direct conflict."

In the report, the IG did not identify the agencies by name. But you will be interested in knowing that the above example was the New Mexico agency, according to IG staff. These types of costly conflicts of interest do not exist in the direct loan program, according to testimony by the acting IG before the Senate Labor and Human Resources Committee on March 30, 1995.

Despite all of the design flaws of FFEL that contribute to defaults, and the simplicity and appropriate competitive pressures in the direct loan program, CBO and OMB still assume that defaults will be the same in both programs. Given the evidence, this practice clearly should be reviewed.

2. Budget scoring does not consider significant tax losses attributable to FFEL.

Your staff's analysis of President Clinton's 1997 budget criticizes OMB's scoring of direct versus guaranteed loans, and declares that FFEL and direct loan "program costs are virtually identical. . .[but] capital for guaranteed loans comes from private sector lenders." This latter statement ignores the fact that (1) the capital is essentially co-signed by federal taxpayers, (2) the largest student loan secondary market, Sallie Mae, is a government-sponsored enterprise, and (3) most of the other secondary markets are state government and non-profit entities that are financed using state-sanctioned bonds that are exempt from federal income taxes.

The tax losses from these bonds—estimatedby the Joint Tax Committee at $2.3 billion over five years—are not included in the budget analysis of direct versus guaranteed loans.

These government and "non-profit" secondary markets and loan servicing entities also reduce federal income by not paying income taxes on activities that would otherwise be subject to corporate income taxes. Thousands of state government and "non-profit" employees work for banks and secondary markets collecting payments on loans. The "profits" from these activities are not taxed, giving these agencies an unfair advantage over risk-taking entrepreneurs and robbing the federal government of revenue. In the direct loan program, these activities are undertaken by private sector, taxpaying contractors. Again, the budget analysis ignores these millions of dollars of tax losses.

3. Budget scorekeeping conventions protect banks from interest variations and artificially reduce costs in FFEL, while inflating direct loan costs.

Through their entitlement to a "special allowance payment," lenders are protected by the federal government from short-term interest fluctuations. Banks and secondary markets, therefore, can and do fund their student loans through low-interest, short-term securities. In this situation, the standard accounting practice would be to assume that the government's cost of funds is also based on short-term securities. Indeed, that is the deal that Sallie Mae got when the United States lent hundreds of millions of dollars to the company; even though they were 15-year loans, the interest rate was pegged to three-month Treasury bills (and was reset weekly). However, CBO and OMB assume that the government's cost of funds is a higher, long-term rate. This practice unfairly disadvantages the direct loan program compared to FFEL.

4. Excess payments to banks should be counted. With its forty-odd guaranty agencies and thousands of banks, the crisscrossing invoices and subsidies make the guarantee program nearly impossible to audit. GAO has found that some banks benefit from this complexity by failing to pass along student origination fees that are due the government. These types of costs should be included in the cost calculation for FFEL. Unfortunately, the guaranty agencies have prevented a real analysis of the costs of the guarantee program by refusing to provide the Department with data for a random sample of borrower records. This type of insubordination should not be tolerated.

These and other important budget scoring issues cannot be addressed by adding a few words to the budget resolution. That is why I am asking that you delete last year's change. If you will not delete it, then I urge you to at least fix it so that it is not one-sided. (This can be accomplished by simply applying the "direct expenses" portion of section 207 of the FY96 budget resolution to guaranteed loans made under FFEL).

Thank you for your attention to the matter. If you need any clarification of the issues that I have raised, please contact me or Bob Shireman on my staff.

Cordially,

PAUL SIMON,
U.S. Senator.

Mr. SIMON. I wonder whether the Senator from New Mexico has had an opportunity to review the letter?

Mr. DOMENICI. I have had the opportunity to look at the details in the letter, and I would agree with my friend from Illinois that the concerns he raises go beyond the scope of what I intended to be addressed by the budget resolution language last year, namely, the conforming the treatment of administrative expenses of direct student loans to that of guaranteed student loans.

I wonder if my colleague would agree that, notwithstanding the problems he has discussed, the Credit Reform Act improved the way that Congress looks at government loan programs?

Mr. SIMON. I would agree. We are engaged here in fine-tuning an important budget reform, not criticizing it. I thank my colleague for providing that perspective, and for his willingness to look at these issues.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

Mr. BENNETT. Mr. President, I ask the distinguished Chairman, Mr. DOMENICI, to clarify an item in the budget resolution regarding the Natural Resources and Environment budget outline.

The third point under discretionary assumptions states that the chairman's mark assumes the elimination of the discretionary funding of the Colorado Salinity Control Program and not the termination of the program.

The Colorado River Basin Salinity Control Program is a very important water quality program for the seven basin States, including my own State of Utah and the chairman's great State of New Mexico. Elements of the program are found in the U.S. Department of Agriculture, and the U.S. Department of the Interior, Bureau of Reclamation, and Bureau of Land Management.

Am I to understand that the word "elimination" refers only to the discretionary funding, since the program is now funded on the mandatory side of the budget?

Mr. DOMENICI. the Senator is correct. Under the new farm bill legislation signed into law earlier this year, the U.S. Department of Agriculture's Colorado Salinity Control Program was folded into the new EQIP program which is a mandatory program. The 1996 farm bill authorizes the Secretary to use funds of the Commodity Credit Corporation to carry out the Colorado River Salinity Control Program.

It is not the intention of the Budget Committee to eliminate the Colorado Salinity Control Program elements conducted by the U.S. Department of the Interior nor the newly authorized authority found in the farm bill and in the Colorado River Basin Salinity Control Act. The mark is intended to state a Budget Committee assumption that there will not be discretionary funding as provided for prior to the passage of the 1996 farm bill.

Mr. BENNETT. I thank the chairman for helping to clarify this item.

Mr. THURMOND. Mr. President, I rise in support of the concurrent resolution on the budget for fiscal year 1997, the Republican budget. In this proposal, the Senate has before it a blueprint for balancing the budget and reducing the National debt. Mr. President, a budget is more than a set of numbers. It is an outline of priorities and policy decisions. What a refreshing contrast this budget resolution is to the budgets submitted by the President. It illustrates the difference in philosophy between those who wish to put Government first and those of us who believe in "We the People."

In his last State of the Union address, President Clinton declared the era of big government is over. While this was appealing political rhetoric, his budget actions do not support his words. The Clinton budgets implemented the largest tax increase in history, imposed the highest Federal tax burden ever, continued deficit spending, added to the national debt, substantially increased nondefense Government spending, and dangerously reduced funding for our national defense.

Mr. President, in contrast, the Republican budget proposal will eliminate the Federal budget deficit by fiscal year 2002. It does so by slowing the growth rate of Federal spending. The budget resolution cuts how much money Washington spends on itself by trimming nondefense discretionary spending and holding defense spending at current levels. The resolution slows the rate of increase of spending for entitlement programs. The budget contemplates reforms in Medicaid and welfare. It implements changes which will maintain the solvency of the Medicare trust fund. Finally, after these reforms are enacted, the budget makes room for tax relief for America's working families. As a result of these actions, the Federal deficit will be eliminated and net interest obligations will be reduced.

Mr. President, I support the overall direction of the proposed Senate budget resolution. I commend the chairman and members of the Senate Budget Committee for their efforts in bringing a resolution to the floor which controls entitlement spending, restrains the growth of Government, and eliminates annual deficits.

Mr. President, we live in the greatest Nation on Earth. It provides Americans more freedom, more justice, more opportunity, and more hope than any Nation has ever provided any people in the history of the world. However, this great country of ours will be in jeopardy unless we do at least two things. First, we must provide an adequate defense to protect ourselves against the enemies who would destroy democracy and freedom. Second, we must put our fiscal house in order.

Mr. President, regarding national defense, the President's budget proposes more reductions in defense spending. The Clinton budget fails to provide the resources necessary for readiness, modernization, or force structure. In short, the administration's defense spending plan buys an older, smaller, and less prepared defense force. In contrast, the funding for defense in the Republican budget allows the Armed Services Committee the opportunity to meet current readiness requirements, provide for improvements in the quality of life of military personnel and their families, and balance future needs of the military services for modernization. I commend Senator DOMENICI and the Members on both sides of the aisle for their support and commitment for a strong national defense.

Another part of our national defense requirement is to provide for those veterans who have served our country. Those who have fulfilled their obligation of citizenship must not be deserted. Mr. President, the treatment by the President's budget of veterans' programs illustrates some of the gimmickry used to present the appearance of a balanced budget. Recently the Committee on Veterans' Affairs held a hearing on the President's fiscal year 1997 budget proposal for veterans programs, which contemplates steep reductions in veterans funding, particularly for medical care. I was concerned to hear the Secretary testify at that hearing that there was no policy behind the budget request. He went on to state that the President assured him that all of our outyear numbers were negotiable and would probably increase.

Mr. President, I am sure the Secretary is optimistic regarding his ability to persuade the President. However, it strains the integrity of the balanced budget effort, which the President claims to support, when the administration discards its own budget before it is even submitted to the Congress.

I am satisfied that the Republican budget protects veterans benefits and health care. It increases spending authority overall, and provides modest increases for VA medical care.

Mr. President, this budget resolution is a good step in putting our fiscal house in order. It provides for restrained growth in overall Government spending. Because spending grows at a lower rate than projected revenue increases, the deficit will be reduced each year, and will be finally eliminated in fiscal year 2002.

This budget resolution provides for real deficit reduction without raising taxes. American families and businesses have carried a heavy tax burden to support the appetite of the Federal Government. Under present tax policies, Mr. President, capital investment is punished, earnings of senior citizens are penalized, consumption is favored over savings, and America's families keep less and less of their earnings. This resolution says "No."—I repeat, "No."—to balancing the budget by additional taxes.

Mr. President, the Republican budget proposal provides a clear alternative to the tax burden imposed under Clinton budgets. That burden included a $268 billion tax increase, with some provisions being retroactive. It increased the top tax rate, particularly hurting small businesses, increased tax rates on Social Security benefits, and increased the gas tax, affecting all Americans. President Clinton later admitted that he had made a mistake—that he raised taxes too much.

Mr. President, I remind my colleagues that this Congress attempted to correct that mistake by passing a number of tax relief measures. These included a child tax credit for working families, expansion of individual retirement accounts, capital gains relief, an adoption tax credit, phaseout of the marriage penalty, and an interest deduction for student loans. However, these were all vetoed by—I repeat—they were all vetoed by the President.

Mr. President, this budget resolution gives us another opportunity to provide tax relief to working families. Our tax system is not only an economic burden, but also an administrative nightmare. The aggravation level of the taxpayers of this country continues to rise. After bringing our budget into balance, we must work toward a fair and simplified tax structure.

Mr. President, the framers of our Constitution clearly established the priorities of our national government. While we have adapted to meet current needs and circumstances, the underlying principles remain constant—to provide for our common defense, establish justice, and promote the general welfare. While this budget resolution is not perfect, it puts us on a course to reap the promises of this Nation—liberty for ourselves and our posterity. As Thomas Jefferson once said, "And to preserve their independence, we must not let our rulers load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude." Mr. President, the choice for us is clear—let us choose economy and liberty. I thank the Chair and yield the floor.

Mr. SMITH. Mr. President, we are in the second year of a Republican-controlled U.S. Congress. This is the second year that an actual, real, balanced budget resolution is before the Senate for consideration. I suggest, in all humbleness, that is not a coincidence. During the years of the first 2 years of the Clinton Presidency when the other party controlled both the House, Senate and White House, all three branches, all three areas of the Government, not one balanced budget came to the attention of the Congress.

There should be no misunderstanding in the minds of the American people who watch and listen to this debate. Congress only began to consider balancing the budget after the elections of 1994. That is the truth. That alone is a significant accomplishment in a city addicted to reckless spending.

It is not enough. Good intentions alone are not going to balance the Federal Government's books. This country is $5 trillion in debt. That is with a "t," Mr. President. Right now we are in the midst of the NBA playoffs, so let me give an analogy. Here is an idea of what $5 trillion really is. Shaquille O'Neal, the basketball player who plays for Orlando Magic, earns $30 million each year. That is a lot of money playing basketball. He would have to play 166,000 seasons to earn $5 trillion. That is our current national debt. He makes $30 million a year. It is almost unbelievable for anyone to even be able to fathom how much $5 trillion really is.

This is what we are passing on to our children if we do not really do the job that we are elected to do, which is to balance this budget. If you break that down to more detail, every man, woman and child in America, every baby born as I am now standing on the Senate floor for these few minutes, will be born $20,000 in debt. That is what we are doing to our children.

I think we have a moral obligation, if not a financial obligation, to solve this problem. It is not a Republican problem. It is not a Democratic problem. It is not a congressional problem. It is not a Presidential problem. It is an American problem that goes right to the heart and soul of this Nation. If we fail to get this job done, we will lose this Nation.

That is what this is all about. Balancing the budget is about doing what we know is the right thing to do, despite the political consequences. Every man, woman, and child out there, every voter, every young person, they know the consequences if this country continues to drive this debt and allow the interest and the entitlement programs to consume our budget so there is nothing left for anything else. We have a rare opportunity to work in a bipartisan manner to have this budget signed into law.

Why do I say that? This is an election year. Everybody says the place will go to pot and we will not get anything done. Let me use the President's own words. The President said, "The era of big government is over." We should take him at his word. This budget ends that era, balances the budget, gets us on the track of downsizing again, making the Federal Government responsible for what it is supposed to be responsible for and not responsible for the things it is intruding into.

The President also has stated he believes he raised taxes too much in 1993. All right, this budget repeals the Clinton gas tax and it repeals $123 billion of the President's $250 billion tax increase. The President stated he supports a tax credit for families with children. All right, this budget provides a $500 per child tax credit for families struggling to make ends meet for each of their children. The President has said, "Let's end welfare as we know it." All right, this budget reforms welfare, sends the power out of Washington and back to the States where it belongs. There is common ground. If the President means what he says, pick up the pen, Mr. President. Do not veto the bill; sign it. Sign it and go out to the American people, face the electorate, all of us, and say, "We got it done. We balanced the budget." If the President gets credit for that, so be it; if we get credit for it, so be it. But get it done.

The balanced budget before the Senate is a bold, I grant you it is a bold document, but it is a reasonable policy document. It meets the President's stated intentions. It meets our intentions. It balances the budget in 6 years, provides tax relief for working families, and reforms our broken welfare system. It is a blueprint that will guide us as we remove power from Washington, reduce the red ink and rebuild America.

Every Senator in this Chamber knows, Mr. President, there is an important election night right around the corner on November 5. I think it is important we look past that election, look right on past it, and instead of looking to the next election, look to the next generation for a change.

Our children and our grandchildren deserve to inherit a nation as great as the one we grew up in. They have a right to live and learn in a country that balances its books and pays its debts like you have to do in your family and in your business. There is only so much credit you can get and then you go under. It is called chapter 11. That will happen to us if we do not stop it.

Children cannot vote. But if they could, I think it is pretty safe to say they would support the balanced budget before the Senate today, because we are passing the debt on to them. It is they who will have to pay for it, not us. I urge my colleagues, in closing, Mr. President, forget about November. Cast a vote for the future of your children and your grandchildren. I yield the floor.

AMENDMENT NO. 4007

(Purpose: Creates a 60-vote point of order against legislation diverting savings achieved through Medicare waste, fraud, and abuse enforcement activities for purposes other than improving the solvency of the Medicare Federal hospital insurance trust fund.)

Mr. GRAHAM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. JEFFORDS). The clerk will report.

The bill clerk read as follows:

The Senator from Florida [Mr. GRAHAM], for himself and Mr. BAUCUS, proposes an amendment numbered 4007.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . PROHIBITION ON CONSIDERATION OF RECONCILIATION LEGISLATION THAT DIVERTS SAVINGS ACHIEVED THROUGH MEDICARE WASTE, FRAUD AND ABUSE ENFORCEMENT ACTIVITIES FOR PURPOSES OTHER THAN IMPROVING THE SOLVENCY OF THE MEDICARE FEDERAL HOSPITAL INSURANCE TRUST FUND.

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any reconciliation bill, conference report on a reconciliation bill, or any other legislation that would use savings achieved through medicare waste, fraud, and abuse enforcement activities as offsets for purposes other than improving the solvency of the Medicare Federal Hospital Insurance Trust Fund.

(b) WAIVER.—This section may be waived or suspended in the Senate by a ⅗ths majority vote of the Members duly chosen and sworn, or by the unanimous consent of the Senate.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to this section shall be limited to 1 hour, to be equally divided between and controlled by, the appellant and the manager of the bill or conference report, as the case may be. An affirmative ⅗ths vote of the Members duly chosen and sworn or unanimous consent of the Senate shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this provision.

Mr. GRAHAM. Mr. President, in deference to time and to my colleague from Ohio, who has generously allowed me to offer this amendment prior to his remarks on our esteemed friend, Admiral Boorda, I offer this amendment with the intention of just briefly referencing it at this point and then asking unanimous consent that it be set aside.

This amendment, Mr. President, has as its objective to assure that any savings that are achieved by the new effort that we are going to make on waste and fraud within the Medicare Program ends up benefiting the Medicare Program and, specifically, the Medicare trust fund.

We are all aware of the concern that we have had that the Medicare trust fund was becoming financially vulnerable. In fact, that concern has been exacerbated by some recent information that the trust fund is weaker than we had thought a year ago. This would assist in strengthening the trust fund by assuring that any proceeds derived from our assault against Medicare fraud and abuse, which have the result of depleting the trust fund without providing meaningful medical services to older Americans, then any funds that are recovered as a result of this war on Medicare fraud will go back into the trust fund and, therefore, strengthen it for this and future generations of older Americans.

Mr. President, I look forward to discussing this matter in greater detail at another time. At this time, I ask unanimous consent that this amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. I thank my colleague from Ohio and commend him for his thoughtfulness on his upcoming remarks regarding Admiral Boorda.

Mr. GLENN. Mr. President, I ask unanimous consent to speak for 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO ADM. MIKE BOORDA

Mr. GLENN. Mr. President, to say that a shockwave went across Capitol Hill yesterday when we heard about Mike Boorda's death would be an understatement. For those of us who knew him and worked with him very closely, it was not only a shock, it was an extreme shock. We thought of him as one of the most pleasant, smiling, outgoing, friendly persons that you ever dealt with across the river in the Pentagon, or anybody you ever dealt with on Capitol Hill as far as that matter goes. So we were all saddened to learn of his tragic death. He was a fine naval officer, who was doing a great job.

We talk a lot about the American dream in this country, what it can mean, and how you can advance in this country. Mike Boorda actually lived it. He literally lived it. He was a high school dropout, who went in the Navy as a seaman second class. That is as low as you get when you enter at the bottom rung of the ladder. Over the years, he had such outstanding service that he became an officer. He was the very first person to go from the lowest rank in the Navy to the highest rank in the Navy, to his everlasting credit.

I do not think there is anybody across the river that was more respected by the Members of Congress than Admiral Boorda. I worked with Mike for a number of years. I first got to know him, when I was chairman of the Personnel Subcommittee on Armed Services and he was the head of naval personnel. We dealt back and forth on personnel matters almost on a daily basis.

If I ever knew anybody who I would term as a "people person," it was Mike Boorda. He was so concerned with people that he would personally follow-up calls, not only individual cases, but about all the policies that were established that dealt with people. Those were his biggest concerns in those days, and they continued to be some of his biggest concerns after he became CNO, Chief of Naval Operations.

We worked together, and he was concerned about such things as the promotion process, health matters, early-out legislation for people leaving the service, and pay and allowances for those staying in. The words he always would use repeatedly are, "Well, are we treating these people fairly? Is this fair?" That was a hallmark with him—to see that everybody in the Navy was treated fairly. I guess his enlisted background is what added to that concern about a sense of fairness, extending clear from the top to the bottom in the United States Navy.

Less than a year ago, I flew with Mike down to Norfolk to commission the U.S.S. *Toledo*, one of our latest submarines. I remember walking with him, as he returned salutes to officers and enlisted personnel, and him suddenly saying, "Come with me". He broke ranks with the group and went over to where some sailors were standing to shake their hands. They were shocked that the CNO, with me in tow, would go out of his way to shake their hands. I cannot forget their smiles and I know they appreciated it very much.

I think he did that because he had been there. He knew what it meant to them. He knew what it was like to grow up in the Navy. The Navy was more than a career to Mike Boorda, it was his home.

Not many weeks ago, he asked me to come over and have breakfast—as he did with Senators and Members of Congress from time to time—to talk about matters pertaining to the Navy. It was the two of us, each with a staff person. We talked a little about Navy hardware and what they planned to procure for the future. But we spent most of our time talking about people. He was extremely concerned about the lasting effects of the Tailhook scandal, the problems at the Naval Academy, the challenges of placing women in combat roles aboard ships, and living conditions of his sailors and their families.

Mike Boorda was always concerned about life in the military, and life in the Navy, in particular, especially for those who are required to be aboard ship and go out for extended deployments. He was concerned not only about the sailor, but also about the family at home—the wife, the children, who are left behind during those long deployments. I still do not think most people in this country realize the rigors of military service and give proper respect and consideration and appreciation for those in the military. That is particularly true in the Navy, because when we see a carrier abroad in the Adriatic, or a Navy ship deployed where there is a problem somewhere in the world, we should remember that the people manning that ship are people out away from their families, away from home. Those are the things that concerned Mike Boorda more than anything else—being fair and treating his people fairly.

I rarely have seen anyone so dedicated to the welfare of the enlisted personnel of whatever service. It was the enlisted people of the Navy that looked to him for their representation, and he gave it heartily because he believed in it. He was an inspiration to everyone who served because he was one of them. I think he still looked at himself as an enlisted sailor in the ranks. I think he had a problem seeing himself elevated above everyone else as the Chief of Naval Operations.

His concerns should not be forgotten. Those of us here will do everything to make sure they are not. We will try to represent his best wishes as he had expressed them through the years and make certain that all of his concerns for the people of the Navy are taken care of.

I think there might be a little lesson here for all of us to learn from this tragedy. Things that seem important at the moment may, in the long term, prove to be of far less importance than the big things that we do in life.

Whatever the cause of his death may have been, his memory in the Navy will be one of a person who was concerned about the people of the Navy, his loyalty to those people, and his desire to make sure that they were properly represented. That was his mission. Mike was a people person. Most of all, he was a good friend.

Annie and I wish to express our deepest sympathy to Betty and his family. Our hearts go out to them and our thoughts and prayers are with them. We will all miss him.

Mr. President, I yield the remainder of my time.

I suggest the absence of a quorum and ask that the time be equally charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. NAVY ADM. JEREMY M. BOORDA

Mr. DASCHLE. Mr. President, President Theodore Roosevelt once wrote, "Death is always and under all circumstances a tragedy, for if it is not, then it meant that life itself has become one."

The death of Adm. Jeremy M. "Mike" Boorda was particularly tragic. But it is important that the tragedy of his death not overshadow the inspiring accomplishments of his life.

Mike Boorda began serving his country at the age of 16, when he lied about his age and entered the Navy. Much to his own surprise, he was commissioned an officer 6 years later. Through hard work and dedication, he rose through the ranks and eventually became a four-star admiral and the only enlisted man to become the Chief of Naval Operations.

During his career in the Navy, Mike Boorda graduated from the University of Rhode Island in 1971 and served during the Vietnam war in Southeast Asia. He became an admiral in 1987 and served as the Navy's chief personnel officer from 1988 to 1991. He then served as a commander in the North Atlantic Treaty Organization from 1991 to 1994. As Chief of the Southern European Command, he directed the air strike against four Bosnian Serb aircraft that had been flying in violation of a U.N. ban. It was the first time in the organization's 44-year history that allied forces were used in an offensive mission.

Having begun his career as a seaman recruit—the lowest rank in the Navy—Mike Boorda had a deep appreciation for the concerns of enlisted personnel, and he strived endlessly to improve the Navy for all of them. He considered those in the Navy who served under him—enlisted personnel and officers alike—to be members of his family. As Secretary Perry mentioned, "Admiral Boorda was a sailor's sailor. Mike Boorda helped make our Navy the best the world has ever seen."

The Nation owes a great debt of gratitude to Admiral Boorda. Despite the tragic circumstances surrounding his death, the many contributions he made to the U.S. Navy and our country during his more than 40 years of service will not soon be forgotten. I know I speak on behalf of all my colleagues when I express my deepest sympathies to his wife, Bettie, and his four children, David, Edward, Anna, and Robert.

I yield the floor.

I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JEFFORDS). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—SENATE CONCURRENT RESOLUTION 57

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate resumes consideration of the budget resolution on Monday, there be 20 hours of debate remaining with the time equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. LOTT. I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TWO DECADES OF OUTSTANDING SERVICE

Mr. BYRD. Mr. President, in my years of service in the Senate I have come to revere the rules and procedures that make this legislative body unique. They ensure thoughtful debate of important issues while at the same time give credence and consideration to differing points of view. But these tangible assets only become real through the care and effort of the people who work here. And when we consider the tremendous achievements of this institution, we cannot do so without recognizing the contributions of our staffs.

Today I want to call attention to a member of my staff who has worked on behalf of West Virginians since May 10, 1976. The person I want to acknowledge is Catherine Lark Preston. I first came to know Cathy when she worked on my short-lived run for the presidency. Yes, many of you may not know, but I was a favorite son candidate for President during the 1976 campaign. As I say, Cathy was one of those dedicated individuals who worked in my campaign office in downtown Washington. Once I had had my taste of presidential politics and refocused my total energies on the Senate, Cathy was a natural for my office here.

Needless to say, Cathy adjusted well to her duties as a caseworker in my office. Over the years, she has worked to help West Virginians untangle the red tape that our federal bureaucracy often creates. She has been a much-needed link to Washington for my constituents.

To put it simply, Cathy's efforts have made a difference. I know how, during the day-to-day hassles of our lives, it is easy to forget to show the proper gratitude to those who deserve it. I want to take this opportunity to congratulate Cathy and to recognize her twenty-year contribution to the Senate, to West Virginia, and her country.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Thursday, May 16, 1996, the Federal debt stood at $5,113,662,573,709.50.

On a per capita basis, every man, woman, and child in America owes $19,306.88 as his or her share of that debt.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a treaty and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT TO ACCOMPANY THE SUPPLEMENTARY SOCIAL SECURITY AGREEMENT BETWEEN THE UNITED STATES AND AUSTRIA—MESSAGE FROM THE PRESIDENT—PM 147

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance:

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (Public Law 95–216, 42 U.S.C. 433(e)(1)), I transmit herewith the Supplementary Agreement Amending the Agreement Between the United States of America and the Republic of Austria on Social Security (the "Supplementary Agreement"). The Supplementary Agreement, signed at Vienna on October 5, 1995, is intended to modify certain provisions of the original United States-Austria Social Security Agreement, signed July 13, 1990.

The United States-Austria Social Security Agreement is similar in objective to the social security agreements with Belgium, Canada, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg. The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to eliminate dual social security coverage and taxation, and to help prevent the loss of benefit protection that can occur when workers divide their careers between two countries.

The Supplementary Agreement, which would amend the 1990 Agreement to update and clarify several of its provisions, is necessitated by changes that have occurred in U.S. and Austrian law in recent years. Among other things, it would introduce a new method of computing Austrian benefits under the Agreement that will result in higher Austrian benefits for certain people who have divided their careers between the United States and Austria. Another provision in the Supplementary Agreement will allow U.S. citizens hired in Austria by U.S. Foreign Service Posts to be covered by the Austrian Social Security System rather than the U.S. system. The Supplementary Agreement will also make a number of minor revisions in the Agreement to take account of other changes in U.S. and Austrian law that have occurred in recent years.

The United States-Austria Social Security Agreement, as amended, would continue to contain all provisions mandated by section 233 and other provisions that I deem appropriate to carry out the provisions of section 233(c)(4).

I also transmit for the information of the Congress a report prepared by the Social Security Administration explaining the key points of the Supplementary Agreement, along with a paragraph-by-paragraph explanation of the effect of the amendments on the Agreement. Annexed to this report is the report required by section 233(e)(1) of the Social Security Act on the effect of the Agreement on income and expenditures of the U.S. Social Security program and the number of individuals affected by the Agreement. The Department of State and the Social Security Administration have recommended the Supplementary Agreement and related documents to me.

I commend the United States-Austria Social Security Agreement and related Agreement and related documents to the Congress.

WILLIAM, J. CLINTON.

THE WHITE HOUSE, *May 17, 1996*.

MESSAGES FROM THE HOUSE

At 11:30 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3230. An act to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 178. Concurrent resolution establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002.

MEASURES PLACED ON THE CALENDAR

The following measure was ordered placed on the calendar:

H.R. 3230. An act to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The following measure was read and placed on the calendar:

H. Con. Res. 178. Concurrent resolution establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2655. A communication from the Director of the Office of Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a final rule concerning the apportionment of reserve to certain target species in the Bering Sea and Aleutian Islands management area received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2656. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a final rule concerning the closing of the directed fishery for Pacific cod by vessels using trawl gear in the Bering Sea and Aleutian Islands management area received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2657. A communication from the Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule concerning the adjustment at the beginning date of the annual closure of the shrimp fishery in the exclusive economic zone off Texas received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2658. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a final rule concerning directed fishing for species that comprise the shallow-water species fishery by vessels using trawl gear in the Gulf of Alaska (GOA), except for vessels fishing for pollock using pelagic trawl gear in those portions of the GOA open to directed fishing for pollock received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2659. A communication from the Managing Director, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of the Amateur Service Rules to Implement a Vanity Call Sign System" received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2660. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of eight final rules entitled "Airworthiness Directives; The New Piper Aircraft" (RIN 2120-AA64) received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2661. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule entitled "Cargo Preference: Available U.S. Flag Commercial Vessels" (RIN 2133-AB25) received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

S. 1777. An original bill to authorize appropriations for fiscal year 1997 for certain activities of the Department of Energy, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MURKOWSKI:

S. 1771. A bill to amend the Consolidated Omnibus Reconciliation Act of 1985 to clarify that the fee for providing customs services in connection with passengers arriving on commercial vessels making a single voyage may be collected only one time from each passenger, and for other purposes; to the Committee on Finance.

By Mr. SHELBY:

S. 1772. A bill to amend the Internal Revenue Code of 1986 to clarify that the Secretary of the Treasury shall make certain determinations relating to what gas will be treated as a qualified fuel for purposes of the credit for fuels from nonconventional sources; to the Committee on Finance.

S. 1773. A bill to amend the Internal Revenue Code of 1986 to make a technical correction in the application of the minimum tax to the nonconventional fuels credit; to the Committee on Finance.

By Mr. McCAIN:

S. 1774. A bill to enhance the enforceability of airport revenue diversion provisions under chapter 471 of title 49, United States Code, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BREAUX:

S. 1775. A bill to extend the exemption for certain unliquidated vessel repair entries, and for other purposes; to the Committee on Finance.

By Mr. INHOFE (for himself, Mr. ABRAHAM, Mr. ASHCROFT, Mr. BROWN, Mr. COVERDELL, Mr. FAIRCLOTH, Mr. GRAMS, Mr. KYL, Mr. SANTORUM, Mr. SMITH, Mr. THOMAS, and Mr. THOMPSON):

S. 1776. A bill to amend title 5, United States Code, to impose certain limitations relating to participation by a Member of Congress in the Civil Service Retirement System or the Federal Employees' Retirement System; to the Committee on Governmental Affairs.

By Mr. THURMOND:

S. 1777. An original bill to authorize appropriations for fiscal year 1997 for certain activities of the Department of Energy, and for other purposes; from the Committee on Armed Services; placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI:

S. 1771. A bill to amend the Consolidated Omnibus Reconciliation Act of 1985 to clarify that the fee for providing customs services in connection with passengers arriving on commercial vessels making a single voyage may be collected only one time for each passenger, and for other purposes; to the Committee on Finance.

CUSTOMS SERVICE PASSENGER FEE

Mr. MURKOWSKI. Mr. President, when Congress passed the North American Free-Trade Agreement [NAFTA] it imposed a $6.50 fee for the arrival of each passenger aboard a commercial vessel or aircraft coming in from outside the customs territory of the United States. NAFTA also imposed a $6.50 fee on passengers arriving in the United States from The Caribbean, Mexico, and Canada.

The language of the NAFTA implementing language relating to this fee was drafted inappropriately with the result that the Customs Service claims authority to collect the fee each time a cruise ship enters a port during the course of a single journey. I believe this interpretation was never intended by the drafters of NAFTA and the legislation I am introducing today would correct this error.

The Customs Service interpretation is particularly harmful to one of Alaska's most important industries—tourism. Many visitors to my State often book cruises that visit some of the most scenic places in the world. For example, during the course of an Alaska voyage, a vessel may call in Ketchikan, Juneau, Valdez, Seward, and Sitka, and may sail outside the customs territory of the United States between each of these Alaska ports. Even though this a single continuous journey, under the Customs Service interpretation, the fee would have to be collected three, four, or even five times. This was not Congress' intent.

My legislation makes clear that the passenger fee can only be imposed a single time when a cruise ship is traveling in and out of U.S. waters on its way along a journey as I described earlier. So long as the ship does not make a stop at a foreign port, there is no reason to burden passengers with this fee.

I ask unanimous consent that the text of my bill be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1771

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FEES FOR CERTAIN CUSTOMS SERVICES.

(A) IN GENERAL.—Section 13031(a)(5) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(5)) is amended—

(1) in subparagraph (A), by inserting "a place" after "aircraft from"; and

(2) in subparagraph (B), by striking "subsection (b)(1)(A)" and inserting "subsection (b)(1)(A)(i)".

(b) LIMITATION ON FEES.—Section 13031(b)(1) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(1)) is amended to read as follows:

"(b) LIMITATIONS ON FEES.—(1)(A) No fee may be charged under subsection (a) of this section for customs services provided in connection with—

"(i) the arrival of any passenger whose journey—

"(I) originated in—

"(aa) Canada,

"(bb) Mexico,

"(cc) a territory or possession of the United States, or

"(dd) any adjacent island (within the meaning of section 101(b)(5) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(5))), or

"(II) originated in the United States and was limited to—

"(aa) Canada,

"(bb) Mexico,

"(cc) territories and possessions of the United States, and

"(dd) such adjacent islands;

"(ii) the arrival of any railroad car the journey of which originates and terminates in the same country, but only if no passengers board or disembark from the train and no cargo is loaded or unloaded from such car while the car is within any country other than the country in which such car originates and terminates;

"(iii) the arrival of any ferry; or

"(iv) the arrival of any passenger on board a commercial vessel traveling only between ports which are within the customs territory of the United States.

"(B) The exemption provided for in subparagraph (A) shall not apply in the case of the arrival of any passenger on board a commercial vessel whose journey originates and terminates at the same place in the United States if there are no intervening stops.

"(C) The exemption provided for in subparagraph (A)(i) shall not apply to fiscal years 1994, 1995, 1996, and 1997.".

(c) FEE ASSESSED ONLY ONCE.—Section 13031(b)(40 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(4)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by striking "No fee" and inserting "(A) No fee"; and

(3) by adding at the end the following new subparagraph:

"(B) In the case of a commercial vessel making a single voyage involving 2 or more United States ports with respect to which the passengers would otherwise be charged a fee pursuant to subsection (a)(5), such fee shall be charged only 1 time for each passenger.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 521 of the North American Free Trade Agreement Implementation Act.

By Mr. McCAIN:

S. 1774. A bill to enhance the enforceability of airport revenue diversion provisions under chapter 471 of title 49, United States Code, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE AIRPORT REVENUE PROTECTION ACT OF 1996

Mr. McCAIN. Mr. President, I rise today to introduce legislation that I believe will end, once and for all, the illegal diversion of airport revenues. The Airport Revenue Protection Act of 1996 is intended to make it absolutely clear to everyone, which includes airports, local governments, airport sponsors, the Department of Transportation, the Federal Aviation Administration, air carriers, and the traveling public, that Federal laws prohibiting revenue diversion from our Nation's airports will be strengthened and enforced. Airport sponsors, however, will continue to have access to judicial review of Department of Transportation decisions on revenue diversion.

For many years, our Nation's airports have prospered and grown substantially under an innovative funding mechanism by which airport users, including airlines, their customers, and others who do business on airports, finance nearly all airport needs. This funding comes primarily from landing fees, rental charges, concession revenues, and passenger facility charges. Virtually no public funds are used to operate this country's airports. Moreover, local tax revenues do not support our national system of airports.

To the extent that Federal money is used for airports, it comes from grants paid out of the user-funded aviation trust fund. Because it is tremendously important the Federal grant money to airports is used only for airport purposes, Congress has had a longstanding policy that diversion of airport revenues for any nonairport purposes is illegal. In fact, several times, Congress has acted to strengthen Federal laws prohibiting revenue diversion.

Recently, however, Congress was informed that there is a disturbing trend of unlawful airport revenue diversion by local governments. The last round of audits, conducted by the inspector general's office of the Department of Transportation, found that more than $170 million was diverted by at least 23 of our Nation's airports from 1992 through 1995. These audits show that far too many local governments are attempting to solve their fiscal problems by taking money away from their airports, and using it for nonairport purposes. It also appears that when cities or counties control airports, politics, on all levels, is more likely to play a major role in encouraging revenue diversion.

The blatant disregard by airport sponsors of the intent of Federal laws prohibiting revenue diversion, particularly by cities such as Los Angeles, is reprehensible and must be addressed. Congress can no longer stand by and watch as air travelers' hard-earned money is used wrongfully to pay a city's nonairport bills.

This legislation specifically acts on many of the recommendations of the Department of Transportation's inspector general to address the problem of revenue diversion. First, the bill would expand the prohibition on the use of airport revenues to cover revenues from airports that are the subject of any form of Federal assistance or that operate under a federally issued airport operating certificate. In addition, annual airport audits must certify to DOT and FAA that any airport funds transferred to airport sponsors are carried out in accordance with Federal laws and regulations on revenue diversion. The DOT inspector general would then certify that the audit complies with Federal law.

If, as a result of such an audit, it is determined that illegal revenue diversion has occurred, DOT, acting through FAA, must access a penalty against the offending airport sponsor for the amount of the illegal diversion plus interest, or withhold the illegally diverted amount from Federal funds that the sponsor expected to receive from the Federal Government. If an airport sponsor does not pay the assessed penalty, and withholding does not cover the amount owed, DOT, acting through the FAA, must file a civil suit to recover the illegally diverted funds and any accumulated interest. Private citizens also are given the ability to file such suits.

The legislation also sets up a process to ensure that any recovered airport revenue is returned to the airport from which funds were illegally diverted. In addition, the legislation protects whistleblowers and establishes a means for them to receive payment when it is determined that an airport sponsor has illegally diverted airport revenue. Finally, to ensure that all airports are treated equally, this bill would eliminate 10 years from the date of enactment, the grandfather provisions that currently permit revenue diversion at some airports.

Mr. President, this bill is intended to send the strong message that no one can get away with ignoring Federal laws prohibiting airport revenue diversion. It is not directed at activity relating to any specific airport, but instead attempts to create a clear and fair means of ensuring that airport money is spent on airport purposes only. I am confident that this legislation will reverse the alarming trend of illegal airport revenue diversion.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AIRPORT REVENUE PROTECTION ACT OF 1996— SUMMARY OF LEGISLATION

PURPOSES

This legislation is intended to reverse the alarming trend of illegal diversion of airport revenues, and ensure that airport revenues are used only for airport capital and operating costs. Congress has long believed that airport users should not be burdened with any type of hidden taxation for local services. This bill would leave no doubt that airport sponsors, such as city and county governments, cannot put their local budgetary burdens on airport users.

In specific, the legislation bolsters efforts to stop revenue diversion by expanding the prohibition on revenue diversion to cover more instances of diversion. It also would establish clear penalties and stronger mechanisms to enforce federal laws prohibiting revenue diversion. In addition, the bill imposes additional reporting requirements so that illegal revenue diversion can be easily identified and verified. Finally, it would provide important protections for whistleblowers.

SPECIFIC PROVISIONS

Restriction on use of airport revenues (Sec. 4)

This bill would expand the prohibition on use of airport revenues beyond project grant recipients to cover local taxes on aviation fuel and revenues at airports that receive any form of federal assistance or operate under a federal-issued airport operating certificate. Certain airports would be permitted to divert revenue, however, under "grandfather" provisions in the bill similar to provisions in existing law. The bill does not affect airports that have been grandfathered in existing law. Under current law, recipients of federal airport grants must provide assurances that airport revenues will not be diverted for non-airport purposes.

Audits of airport funding activities (Sec. 5)

In the bill, this review would provide assurances that any funds transferred to airport sponsors (such as local governments) were not illegally diverted. The DOT Inspector General would certify that the review meets the requirements of this section. Current law requires recipients of airport project grants to conduct annual audits. This bill would require DOT, acting through the FAA, to promulgate regulations requiring grant recipients, as part of these annual audits, to provide a review and opinion concerning airport funding activities.

Recovery of Illegally Diverted Funds (Secs. 5, 8)

Administrative action: Within 180 days after an audit or any other report identifying an illegal diversion of airport revenues is issued, DOT/FAA, would: (1) make a final determination whether the illegal diversion occurred; (2) provide written notice to the airport and sponsor of that termination and the sponsor's obligation to reimburse the airport; (3) assess an administrative penalty against the airport sponsor in an amount equal to the amount illegally diverted plus interest, or withhold this same amount from federal funds intended for that airport sponsor.

Civil action: -If, within 180 days from the date when the airport and sponsor are notified of DOT/FAA's determination of illegal revenue diversion, the sponsor does not pay the administrative penalty and interest, DOT/FAA must initiate a civil action to recover the illegally diverted funds. A private citizen also may bring a civil action (i.e., a *qui tam* action) for such violations of revenue diversion laws.

Statue of Limitations: The bill establishes a 6-year statute of limitations for any action to recover illegally diverted airport funds. In specific, this provision requires an airport or any other person to bring an action to recover illegally diverted funds within 6 years from the date that the diversion took place. Thus, the bill precludes any effort by an airport sponsor to recover illegally diverted airport funds more than 6 years after it occurs.

Reimbursement of Diverted Funds to Airport: The bill sets up a process to ensure that any recovered airport funds are returned to the airport from which the funds were illegally diverted. The illegally diverted funds would first have to be reimbursed to DOT/FAA by the sponsor. The funds would be placed in the Airport and Airway Trust Fund. DOT/FAA must then, as soon as practicable, reimburse the airport from which the revenue was illegally diverted, in an amount equal to that collected from the sponsor, including interest paid.

Valid Payment by Airport to Airport Sponsor (Sec. 5)

If DOT/FAA determines, during an audit or other review, that an airport owes funds to an airport sponsor, interest should be assessed on that amount from the date of DOT/FAA's determination. Any request by an airport sponsor for reimbursement of funds from an airport must be made within 6 years from the date the expense is incurred. An airport sponsor (such as a local government), therefore, could not seek to recover funds from an airport for an expense (such as police and fire services) dating back more than 6 years.

Revision of DOT/FAA Revenue Diversion Polices and Procedures (Sec. 5)

Within 90 days after enactment, DOT/FAA must revise its policies and procedures ensuring enforcement against illegal diversion of airport revenue, to take into account changes from this legislation.

Elimination of "Grandfather" Provisions (Sec. 6)

This bill would prohibit diversion from an airport covered by the grandfather provision when either: (1) the debt obligations are retired or refinanced, or (2) 10 years after enactment of this legislation, whichever is earlier. To ensure that all airports are covered by the same prohibitions on revenue diversion, this legislation would eliminate "grandfather" provisions in existing law that permit some airport sponsors to divert revenue. Currently, an airport sponsor can legally divert revenue if such diversion was specifically permitted before September 2, 1982, in a law controlling financing by the airport owner or operator, or a covenant or assurance in a debt obligation issued by that date.

Elimination of Provisions Relating to Hawaii (Sec. 6)

Specifically, this legislation would prohibit diversion from an airport in Hawaii covered by current exemptions when either: (1) the debt obligations are retired or financed, or (2) 10 years after enactment of this measure, whichever is earlier. Current law provides several exemptions permitting legal use in Hawaii of airport revenues for certain non-airport purposes. Similar to the elimination of "grandfather" provisions, this bill also would eliminate provisions in current law that accord special treatment to airport sponsors in Hawaii.

Whistleblower Protection (Sec. 7)

Petition Process: Within 180 days after enactment of this legislation, DOT/FAA must establish a process enabling private citizens (or other parties, but not DOT/FAA employees) to petition DOT/FAA for review of possible illegal revenue diversion from an airport. DOT/FAA must evaluate any petition asserting diversion of $10,000 or more, within 30 days after such petition is made. If a petition asserts illegal diversion of less than $10,000, then DOT/FAA have discretion whether to evaluate such a petition. DOT/FAA reviews a petition, and finds that illegal diversion has occurred, DOT/FAA must take action to recover the funds and provide reimbursement to the airport.

Confidentiality of Petitioner's Identity: The petitioner's identity would remain confidential, unless the petitioner provided consent to disclose it.

Payment to Petitioner: When DOT/FAA recovers illegally diverted funds, DOT/FAA must take action to make a payment to the petitioner, in accordance with procedures established by DOT/FAA. DOT/FAA may require the sponsor to make a payment for petitioner and transfer that payment from the Airport and Airway Trust Fund.

ADDITIONAL COSPONSORS

S. 673

At the request of Mrs. KASSEBAUM, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 673, a bill to establish a youth development grant program, and for other purposes.

S. 969

At the request of Mr. BRADLEY, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 969, a bill to require that health plans provide coverage for a minimum hospital stay for a mother and child following the birth of the child, and for other purposes.

S. 1491

At the request of Mr. GRAMS, the names of the Senator from Wisconsin [Mr. KOHL], the Senator from Kentucky [Mr. FORD], and the Senator from Virginia [Mr. ROBB] were added as cosponsors of S. 1491, a bill to reform antimicrobial pesticide registration, and for other purposes.

S. 1743

At the request of Mr. BINGAMAN, the names of the Senator from Nebraska [Mr. EXON] and the Senator from North Dakota [Mr. DORGAN] were added as cosponsors of S. 1743, a bill to provide temporary emergency livestock feed assistance for certain producers, and for other purposes.

SENATE CONCURRENT RESOLUTION 41

At the request of Mr. INOUYE, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of Senate Concurrent Resolution 41, a concurrent resolution expressing the sense of the Congress that the George Washington University is important to the Nation and urging that the importance of the University be recognized and celebrated through regular ceremonies.

AMENDMENTS SUBMITTED

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

WELLSTONE (AND OTHERS) AMENDMENT NO. 3985

Mr. WELLSTONE (for himself, Mr. KERRY, and Mr. BIDEN) proposed an amendment to the concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE ON TAX REFLIEF PRIORITIES.

(a) FINDINGS.—The Senate finds that—

(1) the concurrent resolution on the budget for fiscal year 1997 (S. Con. Res. 57) calls for $122 billion in net tax reductions through 2002;

(2) the Committee Report accompanying the 1997 concurrent resolution (Senate Report 104–271) states, "The Committee's recommendation would accommodate further tax reform or tax reductions to be offset by the extension of expired tax provisions or corporate and business tax reforms. Should the tax writing committees choose to raise additional revenues through these or other sources, such recipts could be used to offset other tax reform proposals such as estate tax reform, economic growth, fuel excise taxes or other policies on a deficit neutral basis";

(3) the tax reductions passed in conjuntion with the fiscal 1996 budget (H.R. 2491) included tax breaks which would disproportionately benefit the wealthy and large corporations, such as, reductions in the capital gains tax, exemptions from the alternative minimum tax, reduced tax penalties for corporate raiding of employee pensions, and increased tax incentives for corporations to move jobs overseas; and

(4) over the last decade, the cost of attending college has almost doubled, rising at twice the rate of inflation.

(b) Sense of the Senate.—The assumptions underlying the reconciliation instructions in this budget resolution assume that it is the sense of the Senate that any tax revenue raised by the Finance Committee to provide gross tax **** *** needed to pay for a per-child tax credit will be used either:

(1) to finance a tax deduction of $10,000 per year for higher education tuition and student loan interest costs; or

(2) to reduce the federal budget deficit; and not for tax cuts which disproportionately benefit the wealthy and large corporations.

WELLSTONE (AND KERRY) AMENDMENT NO. 3986

Mr. WELLSTONE (for himself and Mr. Kerry) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE THAT FUNDS WILL BE AVAILABLE TO HIRE NEW POLICE OFFICERS.

(a) It is the sense of the Senate that the assumptions underlying the function totals and reconciliation instructions in this budget resolution assume: (1) full funding of the Violent Crime Reduction Trust Fund; and (2) that sufficient funds will be made available for Public Safety and Community Policing grants to reach the goals of Title I of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–266).

WELLSTONE AMENDMENT NO. 3987

Mr. WELLSTONE proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE.

(a) It is the sense of the Senate that the assumptions in this budget resolution assume that Congress will not enact or adopt any legislation that would increase the number of children who are hungry or homeless.

(b) It is the sense of Congress that the assumptions in this budget resolution assume that in the event legislation enacted to comply with this resolution results in an increase in the number of hungry or homeless children by the end of FY 1997, the Congress would revisit the provisions of said legislation which caused such increase and would, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

WELLSTONE (AND OTHERS) AMENDMENT NO. 3988

Mr. WELLSTONE (for himself, Mr. Kohl, Mr. Jeffords, Mr. Kerry, Mr. Dodd, Mr. Kennedy, Mr. Levin, and Mr. Baucus) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE ON LIHEAP.

(a) Findings—The Senate finds that:

(1) Home energy assistance for working and low-income families with children, the elderly on fixed incomes, the disabled, and others who need such aid is a critical part of the social safety net in cold-weather areas during the winter, and a source of necessary cooling aid during the summer;

(2) LIHEAP is a highly targeted, cost-effective way to help millions of low-income Americans pay their home energy bills. More than two-thirds of LIHEP-eligible households have annual incomes of less than $8000, more than one-half have annual incomes below $6000.

(3) LIHEAP funding has been substantially reduced in recent years, and cannot sustain further spending cuts if the program is to remain a viable means of meeting the home heating and other energy-related needs of low-income families, especially those in cold-weather states;

(b) Sense of the Senate.—The assumptions underlying this budget resolution assume that it is the sense of the Senate that the funds made available for LIHEAP for Fiscal Year 1997 will be not less than the actual expenditures made for LIHEAP in Fiscal Year 1996.

WELLSTONE (AND OTHERS) AMENDMENT NO. 3989

Mr. WELLSTONE (for himself, Mrs. Murray, and Mr. Wyden) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At an appropriate place insert the following:

"SEC. . SENSE OF THE SENATE.

The assumptions underlying functional totals and reconciliation instructions in this budget resolution include:

(A) Findings.—The Senate finds that:

(1) Violence against women is the leading cause of physical injury to women. The Department of Justice estimates that over 1 million violent crimes against women are committed by domestic partners annually.

(2) Domestic violence dramatically affects the victim's ability to participate in the workforce. A University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work.

(3) Domestic violence is often intensified as women seek to gain economic independence through attending school or job training programs. Batterers have been reported to prevent women from attending such programs or sabotage their efforts at self-improvement.

(4) Nationwide surveys of service providers prepared by the Taylor Institute of Chicago, Document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50% and 80% of women in welfare to work programs are current or past victims of domestic violence.

(5) The American Psychological Association has reported that violence against women is usually witnessed by their children, who as a result can suffer severe psychological, cognitive and physical damage and some studies have found that children who witness violence in their homes have a greater propensity to commit violent acts in their homes and communities when they become adults.

(6) Over half of the women surveyed by the Taylor Institute stayed with their batterers because they lacked the resources to support themselves and their children. The surveys also found that the availability of economic support is a critical factor in women's ability to leave abusive situations that threaten themselves and their children.

(7) Proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(B) Sense of the Senate.—It is the sense of the Senate that:

(1) No welfare reform provision should be enacted by Congress unless and until Congress considers whether such welfare reform provisions would exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence.

(2) Any welfare reform measure enacted by Congress should require that any welfare to work, education, or job placement programs implemented by the States address the impact of domestic violence on welfare recipients.

KERRY (AND OTHERS) AMENDMENT NO. 3990

Mr. KERRY (for himself, Mr. Lautenberg, Mrs. Boxer, Ms. Mikulski, Mr. Dashle, Mr. Lieberman, Mr. Leahy, Mr. Graham, Mr. Kennedy, Mr. Dodd, Mr. Exon, and Mr. Baucus) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

On page 3, line 5, increase the amount by $439,000,000.

On page 3, line 6, increase the amount by $790,000,000.

On page 3, line 7, increase the amount by $1,025,000,000.

On page 3, line 8, increase the amount by $1,195,000,000.

On page 3, line 9, increase the amount by $1,342,000,000.

On page 3, line 10, increase the amount by $1,495,000,000.

On page 3, line 14, increase the amount by $439,000,000.

On page 3, line 15, increase the amount by $790,000,000.

On page 3, line 16, increase the amount by $1,025,000,000.

On page 3, line 17, increase the amount by $1,195,000,000.

On page 3, line 18, increase the amount by $1,342,000,000.

On page 3, line 19, increase the amount by $1,495,000,000.

On page 4, line 8, increase the amount by $701,000,000.

On page 4, line 9, increase the amount by $1,036,000,000.

On page 4, line 10, increase the amount by $1,169,000,000.

On page 4, line 11, increase the amount by $1,280,000,000.

On page 4, line 12, increase the amount by $1,398,000,000.

On page 4, line 13, increase the amount by $1,674,000,000.

On page 4, line 17, increase the amount by $439,000,000.

On page 4, line 18, increase the amount by $790,000,000.

On page 4, line 19, increase the amount by $1,025,000,000.

On page 4, line 20, increase the amount by $1,195,000,000.

On page 4, line 21, increase the amount by $1,342,000,000.

On page 4, line 22, increase the amount by $1,495,000,000.

On page 15, line 16, increase the amount by $701,000,000.

On page 15, line 17, increase the amount by $439,000,000.

On page 15, line 24, increase the amount by $1,036,000,000.

On page 15, line 25, increase the amount by $790,000,000.

On page 16, line 7, increase the amount by $1,169,000,000.

On page 16, line 8, increase the amount by $1,025,000,000.

On page 16, line 15, increase the amount by $1,280,000,000.

On page 16, line 16, increase the amount by $1,195,000,000.

On page 16, line 23, increase the amount by $1,398,000,000.

On page 16, line 24, increase the amount by $1,342,000,000.

On page 17, line 7, increase the amount by $1,674,000,000.

On page 17, line 8, increase the amount by $1,495,000,000.

On page 52, line 14, increase the amount by $701,000,000.

On page 52, line 15, increase the amount by $439,000,000.

On page 52, line 21, increase the amount by $1,036,000,000.

On page 52, line 22, increase the amount by $790,000,000.

On page 52, line 24, increase the amount by $1,169,000,000.

On page 52, line 25, increase the amount by $1,025,000,000.

On page 53, line 2, increase the amount by $1,280,000,000.

On page 53, line 3, increase the amount by $1,195,000,000.

On page 53, line 5, increase the amount by $1,398,000,000.

On page 53, line 6, increase the amount by $1,342,000,000.

On page 53, line 8, increase the amount by $1,674,000,000.

On page 53, line 9, increase the amount by $1,495,000,000.

KERRY (AND OTHERS) AMENDMENT NO. 3991

Mr. KERRY (for himself, Mrs. MURRAY, Mr. LEVIN, Mr. KENNEDY, Mr. DASCHLE, Mr. WELLSTONE, Mr. HARKIN, Mr. SIMON, Mr. DODD, Mr. KOHL, Mr. BINGAMAN, Ms. MIKULSKI, Mr. DORGAN, Mr. WYDEN, Mr. EXON, and Mr. PELL) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

On page 3, line 5, increase the amount by $2,200,000,000.

On page 3, line 6, increase the amount by $7,000,000,000.

On page 3, line 7, increase the amount by $7,900,000,000.

On page 3, line 8, increase the amount by $8,800,000,000.

On page 3, line 9, increase the amount by $10,300,000,000.

On page 3, line 10, increase the amount by $12,100,000,000.

On page 3, line 14, increase the amount by $2,200,000,000.

On page 3, line 15, increase the amount by $7,000,000,000.

On page 3, line 16, increase the amount by $7,900,000,000.

On page 3, line 17, increase the amount by $8,800,000,000.

On page 3, line 18, increase the amount by $10,300,000,000.

On page 3, line 19, increase the amount by $12,100,000,000.

On page 4, line 8, increase the amount by $6,000,000,000.

On page 4, line 9, increase the amount by $7,600,000,000.

On page 4, line 10, increase the amount by $8,600,000,000.

On page 4, line 11, increase the amount by $9,500,000,000.

On page 4, line 12, increase the amount by $11,300,000,000.

On page 4, line 13, increase the amount by $13,200,000,000.

On page 4, line 17, increase the amount by $2,200,000,000.

On page 4, line 18, increase the amount by $7,000,000,000.

On page 4, line 19, increase the amount by $7,900,000,000.

On page 4, line 20, increase the amount by $8,800,000,000.

On page 4, line 21, increase the amount by $10,300,000,000.

On page 4, line 22, increase the amount by $12,100,000,000.

On page 25, line 17, increase the amount by $6,000,000,000.

On page 25, line 18, increase the amount by $2,200,000,000.

On page 25, line 25, increase the amount by $7,600,000,000.

On page 26, line 1, increase the amount by $7,000,000,000.

On page 26, line 8, increase the amount by $8,600,000,000.

On page 26, line 9, increase the amount by $7,900,000,000.

On page 26, line 16, increase the amount by $9,500,000,000.

On page 26, line 17, increase the amount by $8,800,000,000.

On page 26, line 24, increase the amount by $11,300,000,000.

On page 26, line 25, increase the amount by $10,300,000,000.

On page 27, line 7, increase the amount by $13,200,000,000.

On page 27, line 8, increase the amount by $12,100,000,000.

On page 52, line 14, increase the amount by $6,000,000,000.

On page 52, line 15, increase the amount by $2,200,000,000.

On page 52, line 21, increase the amount by $7,600,000,000.

On page 52, line 22, increase the amount by $7,000,000,000.

On page 52, line 24, increase the amount by $8,600,000,000.

On page 52, line 25, increase the amount by $7,900,000,000.

On page 53, line 2, increase the amount by $9,500,000,000.

On page 53, line 3, increase the amount by $8,800,000,000.

On page 53, line 5, increase the amount by $11,300,000,000.

On page 53, line 6, increase the amount by $10,300,000,000.

On page 53, line 8, increase the amount by $13,200,000,000.

On page 53, line 9, increase the amount by $12,100,000,000.

MURRAY AMENDMENT NO. 3992

Mrs. MURRAY proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III, insert the following:

SEC. . SENSE OF THE SENATE.

(a) ASSUMPTIONS.—The figures contained in this resolution are based on the following assumptions:

(1) America's children must obtain the necessary skills and tools needed to succeed in the technologically advanced 21st century;

(2) Executive Order 12999 outlines the need to make modern computer technology an integral part of every classroom, provide teachers with the professional development they need to use new technologies effectively, connect classrooms to the National Information Infrastructure, and encourage the creation of excellent education software;

(3) many private corporations have donated educational software to schools, which are lacking the necessary computer hardware to utilize this equipment;

(4) current inventories of excess Federal Government computers are being conducted in each Federal agency; and

(5) there is no current communication being made between Federal agencies with this excess equipment and the schools in need of these computers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals and reconciliation instructions in this budget resolution assume that the General Services Administration should place a high priority on facility direct transfer of excess Federal Government computers to public schools and community-based educational organizations.

CAMPBELL AMENDMENT NO. 3993

Mr. DOMENICI (for Mr. CAMPBELL, Mr. KOHL, and Mr. AKAKA) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III insert the following:

SEC. . SENSE OF THE SENATE ON FUNDING TO ASSIST YOUTH AT RISK.

(a) FINDINGS.—The Senate finds that—

(1) there is an increasing prevalence of violence and drug use among this country's youth;

(2) recognizing the magnitude of this problem the Federal Government must continue to maximize efforts in addressing the increasing prevalence of violence and drug use among this country's youth with necessary adherence to budget guidelines;

(3) the Federal Bureau of Investigation reports that between 1985 and 1994, juvenile arrests for violent crime increased by 75 percent nationwide;

(4) the United States Attorney General reports that 20 years ago, fewer than half our cities reported gang activity and now, a generation later, reasonable estimates indicate that there are more than 500,000 gang members in more than 16,000 gangs on the streets

of our cities resulting in more than 580,000 gang-related crimes in 1993;

(5) the Justice Department's Office of Juvenile Justice and Delinquency Prevention reports that in 1994, law enforcement agencies made over 2,700,000 arrests of persons under age 18, with juveniles accounting for 19 percent of all violent crime arrests across the country;

(6) the Congressional Task Force on National Drug Policy recently set forth a series of recommendations for strengthening the criminal justice and law enforcement effort, including domestic prevention efforts reinforcing the idea that prevention begins at home;

(7) the Office of National Drug Control Policy reports that between 1991 and 1995, marijuana use among 8th, 10th, and 12th graders has increased and is continuing to spiral upward; and

(8) the Center for Substance Abuse Prevention reports that in 1993, substance abuse played a role in over 70 percent of rapes, over 60 percent of incidents of child abuse, and almost 60 percent of murders nationwide.

(6) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals underlying this concurrent resolution on the budget assume that—

(1) sufficient funding should be provided to programs which assist youth at risk to reduce illegal drug use and the incidence of youth crime and violence;

(2) priority should be given to determine "what works" through scientifically recognized, independent evaluations of existing programs to maximize the Federal investment; and

(3) efforts should be made to ensure coordination and eliminate duplication among federally supported at-risk youth programs.

MOSELEY-BRAUN (AND SIMON) AMENDMENT NO. 3994

Mr. DOMENICI (for Ms. MOSELEY-BRAUN, for herself and Mr. SIMON) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III, add the following new section:

SEC. . SENSE OF THE SENATE REGARDING THE USE OF BUDGETARY SAVINGS.

(a) FINDINGS.—The Senate finds that—

(1) in August of 1994, the Bipartisan Commission on Entitlement and Tax Reform issued an Interim Report to the President, which found that, "To ensure that today's debt and spending commitments do not unfairly burden America's children, the Government must act now. A bipartisan coalition of Congress, led by the President, must resolve the long-term imbalance between the Government's entitlement promises and the funds it will have available to pay for them";

(2) unless the Congress and the President act together in a bipartisan way, overall Federal spending is projected by the Commission to rise from the current level of slightly over 22 percent of the Gross Domestic Product of the United States (hereafter in this section referred as "GDP") to over 37 percent of GDP by the year 2030;

(3) the source of that growth is not domestic discretionary spending, which is approximately the same portion of GDP now as it was in 1969, the last time at which the Federal budget was in balance;

(4) mandatory spending was only 29.6 percent of the Federal budget in 1963, but is estimated to account for 72 percent of the Federal budget in the year 2003;

(5) social security, medicare and medicaid, together with interest on the national debt, are the largest sources of the growth of mandatory spending;

(6) ensuring the long-term future of the social security system is essential to protecting the retirement security of the American people;

(7) the Social Security Trust Fund is projected to begin spending more than it takes in by approximately the year 2013, with Federal budget deficits rising rapidly thereafter unless appropriate policy changes are made;

(8) ensuring the future of medicare and medicaid is essential to protecting access to high-quality health care for senior citizens and poor women and children;

(9) Federal health care expenses have been rising at double digit rates, and are projected to triple to 11 percent of GDP by the year 2030 unless appropriate policy changes are made; and

(10) due to demographic factors, Federal health care expenses are projected to double by the year 2030, even if health care cost inflation is restrained after 1999, so that costs for each person of a given age grow no faster than the economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that budget savings in the mandatory spending area should be used—

(1) to protect and enhance the retirement security of the American people by ensuring the long-term future of the social security system;

(2) to protect and enhance the health care security of senior citizens and poor Americans by ensuring the long-term future of medicare and medicaid; and

(3) to restore and maintain Federal budget discipline, to ensure that the level of private investment necessary for long-term economic growth and prosperity is available.

KYL AMENDMENT NO. 3995

Mr. KYL proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING A SUPERMAJORITY REQUIREMENT FOR RAISING TAXES.

(a) FINDINGS.—The Senate finds that—

(1) the Nation's current tax system is indefensible, being overly complex, burdensome, and severely limiting to economic opportunity for all Americans;

(2) fundamental tax reform should be undertaken as soon as practicable to produce a tax system that is fairer, flatter, and simpler; that promotes, rather than punishes, job creation; that eliminates unnecessary paperwork burdens on America's businesses; that recognizes the fact that families are performing the most important work of our society; that provides incentives for Americans who save for the future in order to build a better life for themselves and their families; that allows Americans, especially the middle class, to keep more of what they earn, but that raises enough money to fund a leaner, more efficient Federal Government; and that allows Americans to compute their taxes easily; and

(3) the stability and longevity of any new tax system designed to achieve these goals should be guaranteed with a supermajority vote requirement so that Congress cannot easily raise tax rates, impose new taxes, or otherwise increase the amount of a taxpayer's income that is subject to tax.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that this concurrent resolution on the budget assumes fundamental tax reform should be accompanied by a proposal to amend the Constitution of the United States to require a supermajority vote in each House of Congress to approve tax increases.

KYL AMENDMENT NO. 3996

Mr. KYL proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

On page 4, line 10, decrease the amount by $90,000,000.

On page 4, line 11, decrease the amount by $181,000,000.

On page 4, line 12, decrease the amount by $181,000,000.

On page 4, line 13, decrease the amount by $181,000,000.

On page 4, line 19, decrease the amount by $85,000,000.

On page 4, line 20, decrease the amount by $174,000,000.

On page 4, line 21, decrease the amount by $181,000,000.

On page 4, line 22, decrease the amount by $181,000,000.

On page 5, line 3, decrease the amount by $85,000,000.

On page 5, line 4, decrease the amount by $174,000,000.

On page 5, line 5, decrease the amount by $181,000,000.

On page 5, line 6, decrease the amount by $181,000,000.

On page 31, line 17, decrease the amount by $90,000,000.

On page 31, line 18, decrease the amount by $85,000,000.

On page 31, line 24, decrease the amount by $181,000,000.

On page 31, line 25, decrease the amount by $174,000,000.

On page 32, line 6, decrease the amount by $181,000,000.

On page 32, line 7, decrease the amount by $181,000,000.

On page 32, line 13, decrease the amount by $181,000,000.

On page 32, line 14, decrease the amount by $181,000,000.

KENNEDY AMENDMENT NO. 3997

Mr. KENNEDY proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place insert the following new section:

SEC. . SENSE OF THE CONGRESS REGARDING ADDITIONAL CHARGES UNDER THE MEDICARE PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) senior citizens must spend more than 1 dollar in 5 of their limited incomes to purchase the health care they need;

(2) ⅔ of spending under the medicare program under title XVIII of the Social Security Act is for senior citizens with annual incomes of less than $15,000;

(3) senior citizens cannot afford physician fee mark-ups that are not covered under the medicare program or premium overcharges; and

(4) senior citizens enrolling in private insurance plans receiving medicare capitation payments are currently protected against excess charges by health providers and additional premium charges by the plan for services covered under the medicare program.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that any reconciliation bill considered during the second session of the

104th Congress should maintain the existing prohibitions against additional charges by providers under the medicare program under title XVIII of the Social Security Act ("balance billing"), and any premium surcharges for services covered under such program that are levied on senior citizens enrolled in private insurance plans in lieu of conventional medicare.

KENNEDY (AND DODD) AMENDMENTS NOS. 3998–3999

Mr. KENNEDY (for himself and Mr. DODD) proposed two amendments to the concurrent resolution (S. Con. Res. 57) supra; as follows:

AMENDMENT NO. 3998

At the appropriate place insert the following new section:

SEC. . SENSE OF THE CONGRESS REGARDING NURSING HOME STANDARDS.

(a) FINDINGS.—Congress finds that—

(1) prior to the enactment of subtitle C of title IV of the Omnibus Budget Reconciliation Act of 1987, deplorable conditions and shocking abuse of senior citizens and the disabled in nursing homes was widespread; and

(2) the enactment and implementation of such subtitle has brought major improvements in nursing home conditions and substantially reduced abuse of senior citizens.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that any reconciliation bill considered during the second session of the 104th Congress should not include any changes in Federal nursing home quality standards or the Federal enforcement of such standards.

AMENDMENT NO. 3999

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE CONGRESS CONCERNING NURSING HOME CARE.

(a) FINDINGS.—Congress finds that—

(1) under current Federal law—

(A) protections are provided under the medicaid program under title XIX of the Social Security Act to prevent the impoverishment of spouses of nursing home residents;

(B) prohibitions exist under such program to prevent the charging of adult children of nursing home residents for the cost of the care of such residents;

(C) prohibitions exist under such program to prevent a State from placing a lien against the home of a nursing home resident, if that home was occupied by a spouse or dependent child; and

(D) prohibitions exist under such program to prevent a nursing home from charging amounts above the medicaid recognized charge for medicaid patients or requiring a commitment to make private payments prior to receiving medicaid coverage as a condition of admission; and

(2) family members of nursing home residents are generally unable to afford the high cost of nursing home care, which ranges between $30,000 and $60,000 a year.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that provisions of the medicaid program under title XIX of the Social Security Act that protect families of nursing home residents from experiencing financial ruin as the price of securing needed care for their loved ones should be retained, including—

(1) spousal impoverishment rules;

(2) prohibitions against charging adult children of nursing home patients for the cost of their care;

(3) prohibitions against liens on the homes of nursing home residents occupied by a spouse or dependent child; and

(4) prohibitions against nursing homes requiring private payments prior to medicaid coverage as a condition of admission or allowing charges in addition to medicaid payments for covered patients.

KENNEDY AMENDMENT NO. 4000

Mr. KENNEDY proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE CONCERNING THE DAVIS BACON ACT.

Notwithstanding any provisions in the report of the Committee on the Budget to accompany S. Con. Res. 57, it is the Sense of the Senate that the provisions in this Budget Resolution assume no changes to the Davis Bacon Act.

BYRD (AND OTHERS) AMENDMENT NO. 4001

Mr. BYRD (for himself, Mr. DASCHLE, Mr. KENNEDY, Mr. BUMPERS, Mr. LAUTENBERG, Mr. LEVIN, Mr. KOHL, Ms. MOSELEY-BRAUN, Ms. MIKULSKI, Mr. JOHNSTON, Mr. MOYNIHAN, Mr. CONRAD, and Mr. DORGAN) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

On page 3, line 5, increase the amount by $6,300,000,000.

On page 3, line 6, increase the amount by $12,700,000,000.

On page 3, line 7, increase the amount by $10,600,000,000.

On page 3, line 8, increase the amount by $11,700,000,000.

On page 3, line 9, increase the amount by $9,700,000,000.

On page 3, line 10, increase the amount by $13,800,000,000.

On page 3, line 14, increase the amount by $6,300,000,000.

On page 3, line 15, increase the amount by $12,700,000,000.

On page 3, line 16, increase the amount by $10,600,000,000.

On page 3, line 17, increase the amount by $11,700,000,000.

On page 3, line 18, increase the amount by $9,700,000,000.

On page 3, line 19, increase the amount by $13,800,000,000.

On page 4, line 8, increase the amount by $7,400,000,000.

On page 4, line 9, increase the amount by $12,400,000,000.

On page 4, line 10, increase the amount by $17,100,000,000.

On page 4, line 11, increase the amount by $15,300,000,000.

On page 4, line 12, increase the amount by $31,200,000,000.

On page 4, line 13, increase the amount by $22,300,000,000.

On page 4, line 17, increase the amount by $6,300,000,000.

On page 4, line 18, increase the amount by $12,700,000,000.

On page 4, line 19, increase the amount by $10,600,000,000.

On page 4, line 20, increase the amount by $11,700,000,000.

On page 4, line 21, increase the amount by $9,700,000,000.

On page 4, line 22, increase the amount by $13,800,000,000.

On page 42, line 2, increase the amount by $7,400,000,000.

On page 42, line 3, increase the amount by $6,300,000,000.

On page 42, line 8, increase the amount by $12,400,000,000.

On page 42, line 9, increase the amount by $12,700,000,000.

On page 42, line 15, increase the amount by $17,100,000,000.

On page 42, line 16, increase the amount by $10,600,000,000.

On page 42, line 22, increase the amount by $15,300,000,000.

On page 42, line 23, increase the amount by $11,700,000,000.

On page 43, line 5, increase the amount by $31,200,000,000.

On page 43, line 6, increase the amount by $9,700,000,000.

On page 43, line 12, increase the amount by $22,300,000,000.

On page 43, line 13, increase the amount by $13,800,000,000.

On page 52, strike line 9 through line 25; and

On page 53 strike line 1 through line 9 and insert the following:

"(1) with respect to fiscal year 1997, for the discretionary category $496,600,000 in new budget authority and $539,200,000 in outlays;

"(2) with respect to fiscal year 1998, for the discretionary category $501,600,000,000 in new budget authority and $534,800,000,000 in outlays;

"(3) with respect to fiscal year 1999, for the discretionary category $504,100,000,000 in new budget authority and $531,100,000,000 in outlays;

"(4) with respect to fiscal year 2000, for the discretionary category $509,100,000,000 in new budget authority and $530,900,000,000 in outlays;

"(5) with respect to fiscal year 2001, for the discretionary category $519,000,000,000 in new budget authority and $521,700,000,000 in outlays;

"(6) with respect to fiscal year 2002, for the discretionary category $520,300,000,000 in new budget authority and $525,600,000,000 in outlays;

LOTT (AND SMITH) AMENDMENT NO. 4002

Mr. LOTT. (for himself and Mr. SMITH) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III, add the following new section:

SEC. . SENSE OF CONGRESS ON REIMBURSEMENT OF THE UNITED STATES FOR OPERATIONS SOUTHERN WATCH AND PROVIDE COMFORT.

(a) FINDINGS.—The Congress finds that—

(1) as of May 1996, the United States has spent $2,937,000,000 of United States taxpayer funds since the conclusion of the Gulf War in 1991 for the singular purpose of protecting the Kurdish and Sunni population from Iraqi aggression;

(2) the President's defense budget request for 1997 includes an additional $590,100,000 for Operations Southern Watch and Provide Comfort, both of which are designed to restrict Iraqi military aggression against the Kurdish and Sunni people of Iraq;

(3) costs for these military operations constitute part of the continued budget deficit of the United States; and

(4) United Nations Security Council Resolution 986 (1995) would allow Iraq to sell up to $1,000,000,000 in petroleum and petroleum

products every 90 days, for an initial period of 180 days.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the assumptions underlying the functional totals in this resolution assume that—

(1) the President should instruct the United States Permanent Representative to the United Nations to seek modification of Security Council Resolution 986 (1995), to specifically mandate and authorize the reimbursement of the United States for costs associated with Operations Southern Watch and Provide Comfort out of revenues generated by any sale of petroleum or petroleum-related products originating from Iraq;

(2) in the event that the United States Permanent Representative to the United Nations fails to modify the terms of Resolution 986 (1995) as called for in paragraph (1), the President should reject any United Nations-negotiated agreement to implement Security Council Resolution 986 (1995);

(3) the President should take the necessary steps to ensure that—

(A) any effort by the United Nations to temporarily lift the trade embargo for humanitarian purposes, specifically the sale of petroleum or petroleum products, restricts all revenues from such sale from being diverted to benefit the Iraqi military, and

(B) the temporary lifting of the trade embargo does not encourage other countries to take steps to begin promoting commercial relations with the Iraqi military in expectation that sanctions will be permanently lifted; and

(4) revenues reimbursed to the United States from the oil sale authorized by the United Nations Security Council Resolution 986 should be used to reduce the Federal budget deficit.

SIMPSON (AND MOYNIHAN) AMENDMENT NO. 4003

Mr. SIMPSON (for himself and Mr. MOYNIHAN) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place, insert the following new section:

SEC. . ACCURATE INDEX FOR INFLATION.

(a) FINDINGS.—The Senate finds that—

(1) a significant portion of Federal expenditures and revenues are indexed to measurements of inflation; and

(2) a variety of inflation indices exists which vary according to the accuracy with which such indices measure increases in the cost of living; and

(3) Federal government usage of inflation indices which overstate true inflation has the demonstrated effect of accelerating Federal spending, increasing the Federal budget deficit, increasing Federal borrowing, and thereby enlarging the projected burden on future American taxpayers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying this budget resolution include that all Federal spending and revenues which are indexed for inflation should be calibrated by the most accurate inflation indices which are available to the Federal government.

COVERDELL AMENDMENT NO. 4004

Mr. DOMENICI (for Mr. COVERDELL) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE ON FEDERAL RETREATS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that all Federal agencies will refrain from using Federal funds for expenses incurred during training sessions or retreats off of Federal property, unless Federal property is not available.

BAUCUS (AND BURNS) AMENDMENT NO. 4005

Mr. EXON (for Mr. BAUCUS for himself and Mr. BURNS) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE ESSENTIAL AIR SERVICE PROGRAM OF THE DEPARTMENT OF TRANSPORTATION.

(a) FINDINGS.—The Senate finds that—

(1) the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code—

(A) provides essential airline access to isolated rural communities across the United States;

(B) is necessary for the economic growth and development of rural communities;

(C) connects small rural communities to the national air transportation system of the United States;

(D) is a critical component of the national transportation system of the United States; and

(E) provides air service to 108 communities in 30 States; and

(2) the National Commission to Ensure a Strong Competitive Airline Industry established under section 204 of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992 recommended maintaining the essential air service program with a sufficient level of funding to continue to provide air service to small communities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code, should receive a sufficient level of funding to continue to provide air service to small rural communities that qualify for assistance under the program.

HUTCHISON (AND OTHERS) AMENDMENT NO. 4006

Mr. EXON (for Mrs. HUTCHISON, for herself, Ms. MIKULSKI, Mr. DOLE, Mr. ROTH, Ms. SNOWE, and Mrs. FEINSTEIN) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

Insert at the appropriate place:

(a) FINDINGS.—The Senate finds that the assumptions of this budget resolution take into account that—

(1) by teaching and feeding our children and caring for our elderly, American homemakers are an important, vital part of our society;

(2) homemakers' retirement needs are the same as all Americans, and thus they need every opportunity to save and invest for retirement;

(3) because they are living on a single income, homemakers and their spouses often have less income for savings;

(4) individual retirement accounts are provided by the Congress in the Internal Revenue Code to assist Americans for retirement savings;

(5) currently, individual retirement accounts permit workers other than homemakers to make deductible contributions of $2,000 a year, but limit homemakers to deductible contributions of $250 a year; and

(6) limiting homemakers individual retirement account contributions to an amount less than the contributions of other workers discriminates against homemakers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the revenue level assumed in this budget resolution provides for legislation to make individual retirement account deductible contribution limits for homemakers equal to the individual retirement account deductible contribution limits for all other American workers, and that the Congress and the President should immediately approve such legislation in the appropriate reconciliation vehicle.

GRAHAM (AND BAUCUS) AMENDMENT NO. 4007

Mr. GRAHAM (for himself and Mr. BAUCUS) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place, insert the following:

SEC. . PROHIBITION ON CONSIDERATION OF RECONCILIATION LEGISLATION THAT DIVERTS SAVINGS ACHIEVED THROUGH MEDICARE WASTE, FRAUD AND ABUSE ENFORCEMENT ACTIVITIES FOR PURPOSES OTHER THAN IMPROVING THE SOLVENCY OF THE MEDICARE FEDERAL HOSPITAL INSURANCE TRUST FUND.

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any reconciliation bill, conference report on a reconciliation bill, or any other legislation that would use savings achieved through medicare waste, fraud, and abuse enforcement activities as offsets for purposes other than improving the solvency of the Medicare Federal Hospital Insurance Trust Fund.

(b) WAIVER.—This section may be waived or suspended in the Senate by a three-fifths majority vote of the Members duly chosen and sworn, or by the unanimous consent of the Senate.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to this section shall be limited to 1 hour, to be equally divided between and controlled by, the appellant and the manager of the bill or conference report, as the case may be. An affirmative three-fifths vote of the Members duly chosen and sworn or unanimous consent of the Senate shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this provision.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, May 17, 1996, at 10 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE TO INVESTIGATE WHITEWATER DEVELOPMENT AND RELATED MATTERS

Mr. LOTT. Mr. President, I ask unanimous consent that the special committee to investigate Whitewater Development and related matters be authorized to meet during the session of the Senate on Friday, May 17, 1996, to conduct hearings pursuant to Senate Resolution 120.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

RISE IN COCAINE USE

• Mrs. FEINSTEIN. Mr. President, I rise today to bring to the Senate's attention startling new evidence of a resurgence in severe cocaine abuse.

A recent study conducted and released in California reveals that the use of cocaine is still very much present, that it causes severe health problems and that it shows no signs of slowing down.

The report, conducted by the Public Statistics Institute, found that emergency room admissions for cocaine abuse have soared to an all-time high in California.

After a surge in cocaine morbidity during the 1980's, there was a significant drop in 1990, then a complete resurgence to new highs in 1994.

The report showed emergency-room admissions related to cocaine increased to 13,496 in 1994. This represents a 27-percent increase from the previous high of 10,660 in 1988, 79-percent increase over the previous low of 7,545 in 1990, and 266-percent increase over the 3,688 admissions a decade earlier, in 1985.

Rates were substantially higher in densely populated cities in southern and northern California. The State's average of 42 admissions per 100,000 people was 270 percent higher in San Francisco, 108 percent higher in Alameda County, 38 percent higher in Contra Costa County and 47 percent higher in Los Angeles County.

Outside the Bay Area, the rates also posted significant increases including a ten-fold increase in Sacramento County, 750 percent throughout the San Joaquin Valley, and more than 700 percent in Fresno County, and more than 650 percent in the central California region of Kern, Kings, Madera, Mariposa, and Tulare counties.

Thousands of cocaine users are arriving in hospitals every year for treatment of seizures, shock, brain hemorrhage, coma, vomiting, cardiac arrest, chest pain, fever, and acute paranoia. According to the study's researchers, these problems are only the tip of the iceberg relating to cocaine use.

The decrease in 1990, perceived to be the result of Federal legislation regulating the chemicals to produce cocaine, appears to have only been a short pause in what seems to be a problem of epidemic proportions.

The numbers were even more striking for patients of ethnic groups. The number of African-American patients soared from 63.5 per 100,000 in 1985 to 275 per 100,000 admissions in 1994. From 1990 to 1994, admissions among African-Americans rose 116 percent, 115 percent among Latinos. In contrast, admissions rose 36 percent among whites. Researchers speculate that the disparity may possibly be linked to the recently documented rise of methamphetamine use by whites.

In just a very short period of time, the group that conducted this report—The Public Statistics Institute—has established a strong record for their nonpartisan, objective reports on drug use and emergency-room admissions in the State of California.

This group's report on methamphetamine use in California was one of the first reports completed that showed a real epidemic is developing. The earlier methamphetamine report showed a 366-percent increase in methamphetamine-related emergency room admissions in California from 1984 to 1993. Hospitals in central California saw an unprecedented 1,742-percent increase in admissions.

I am making these comments—and I attended a hearing last week on our Nation's drug control strategy—because I feel eradicating drugs from our society is one of our most pressing challenges.

The President's drug control plan announced last week outlines important steps to meet this challenge. I am pleased to endorse his action and urge my colleagues to do so as well.

I am especially pleased that two of the five major strategies under the plan respond to problems that are especially troubling in California methamphetamine and drug smuggling from Mexico.

The President has proposed a comprehensive national methamphetamine strategy, which will attack the problem of methamphetamine from several sides, including enforcement, training police, legislation, regulations to control precursor chemicals, environmental cleanup of clandestine laboratories where methamphetamine is made, international cooperation, public education; and treatment.

Specific legislative proposals to help control methamphetamine include two provisions which are very similar to sections of the Methamphetamine Control Act, which I introduced earlier this year in a bipartisan effort with Senators GRASSLEY, REID and KYL increase penalties for trafficking in precursor chemicals required to make methamphetamine, and impose stiff civil penalties on chemical supply houses that furnish vital precursor chemicals to clandestine methamphetamine laboratories.

Senator JOHN MCCAIN recently joined us in cosponsoring the Methamphetamine Control Act, and I am hopeful that the distinguished chairman of the Judiciary Committee will hold hearings on this bill in the very near future.

Passing legislation on methamphetamine alone will not solve our Nation's drug crisis.

We must also commit our resources to fighting the entry of drugs across our border, from Mexico.

Mexico is the dominant entry point for the illegal drugs which flow into our country and especially into my State of California.

The Southwest Border Initiative—which is another very important part of the President's anti-drug strategy—adds hundreds of new enforcement agents and prosecutors to our border with Mexico, where they are sorely needed, including 657 additional Customs staff at ports of entry along the border; 700 new Border Patrol agents; and new agents for the DEA and FBI.

Overall, the President's Drug Control Strategy calls for increased funding for drug control to rise from $13.8 billion to $15.1 billion in the next 2 years.

In the end, I'm sure my colleagues will agree that we don't need another report to tell us just how bad the drug problem has become in this country.

We're losing an entire generation to the scourge of drugs. With the increasing availability of methamphetamine and crack, the problem is only going to get worse.

Congress must choke off the supply of these drugs and set tough, strong penalties against those who profit from the drug trade.

There are three steps each Member of Congress can take, starting today, that will take steps toward this goal.

First, support the President's drug control strategy, including the budget requests necessary to carry it out. It's a Presidential year, so some on the other side of the aisle may be less likely to support this plan. I urge everyone in this Chamber to review the plan, make it better, but pass it quickly.

Second, pass the Methamphetamine Control Act of 1996, which has bipartisan support and which makes reasonable steps of stopping this horrendous drug from spreading from the Western states to the entire Nation.

Third, speak out against drugs in our communities, to our young people, so we can reach them before it is too late. No more message, in the end, is more effective than for everyone—community leaders, elected officials, and, most important, parents—to give a resounding message to our young people to stay away from drugs.

I thank the Chair for this opportunity and I yield the floor.•

ADMINISTRATION OF CERTAIN PRESIDIO PROPERTIES

Mr. LOTT. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 1296, a bill to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the House of Representatives (H.R. 1296) entitled "An Act to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

TITLE I—THE PRESIDIO OF SAN FRANCISCO

SEC. 101. FINDINGS.

The Congress finds that—

(1) the Presidio, located amidst the incomparable scenic splendor of the Golden Gate, is one of America's great natural and historic sites;

(2) the Presidio is the oldest continuously operated military post in the Nation dating from 1776, and was designated a National Historic Landmark in 1962;

(3) preservation of the cultural and historic integrity of the Presidio for public use recognizes its significant role in the history of the United States;

(4) the Presidio, in its entirety, is a part of the Golden Gate National Recreation Area, in accordance with Public Law 92–589;

(5) as part of the Golden Gate National Recreation Area, the Presidio's significant natural, historic, scenic, cultural, and recreational resources must be managed in a manner which is consistent with sound principles of land use planning and management, and which protects the Presidio from development and uses which would destroy the scenic beauty and historic and natural character of the area and cultural and recreational resources;

(6) removal and/or replacement of some structures within the Presidio must be considered as a management option in the administration of the Presidio; and

(7) the Presidio will be managed through an innovative public/private partnership that minimizes cost to the United States Treasury and makes efficient use of private sector resources.

SEC. 102. AUTHORITY AND RESPONSIBILITY OF THE SECRETARY OF THE INTERIOR.

(a) INTERIM AUTHORITY.—The Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") is authorized to manage leases in existence on the date of this Act for properties under the administrative jurisdiction of the Secretary and located at the Presidio. Upon the expiration of any such lease, the Secretary may extend such lease for a period terminating not later than 6 months after the first meeting of the Presidio Trust. The Secretary may not enter into any new leases for property at the Presidio to be transferred to the Presidio Trust under this title, however, the Secretary is authorized to enter into agreements for use and occupancy of the Presidio properties which are assignable to the Trust and are terminable within 30 days notice by the Trust. Prior to the transfer of administrative jurisdiction over any property to the Presidio Trust, and notwithstanding section 1341 of title 31 of the United States Code, the proceeds from any such lease shall be retained by the Secretary and such proceeds shall be available, without further appropriation, for the preservation, restoration, operation and maintenance, improvement, repair and related expenses incurred with respect to Presidio properties. The Secretary may adjust the rental charge on any such lease for any amounts to be expended by the lessee for preservation, maintenance, restoration, improvement, repair and related expenses with respect to properties and infrastructure within the Presidio.

(b) PUBLIC INFORMATION AND INTERPRETATION.—The Secretary shall be responsible, in cooperation with the Presidio Trust, for providing public interpretive services, visitor orientation and educational programs on all lands within the Presidio.

(c) OTHER.—Those lands and facilities within the Presidio that are not transferred to the administrative jurisdiction of the Presidio Trust shall continue to be managed by the Secretary. The Secretary and the Presidio Trust shall cooperate to ensure adequate public access to all portions of the Presidio. Any infrastructure and building improvement projects that were funded prior to the enactment of this Act shall be completed by the National Park Service.

(d) PARK SERVICE EMPLOYEES.—(1) Any career employee of the National Park Service, employed at the Presidio at the time of the transfer of lands and facilities to the Presidio Trust, shall not be separated from the Service by reason of such transfer, unless such employee is employed by the Trust, other than on detail. The Trust shall have sole discretion over whether to hire any such employee or request a detail of such employee.

(2) Any career employee of the National Park Service employed at the Presidio on the date of enactment of this title shall be given priority placement for any available position within the National Park System notwithstanding any priority reemployment lists, directives, rules, regulations or other orders from the Department of the Interior, the Office of Management and Budget, or other Federal agencies.

SEC. 103. ESTABLISHMENT OF THE PRESIDIO TRUST.

(a) ESTABLISHMENT.—There is established a wholly owned government corporation to be known as the Presidio Trust (hereinafter in this title referred to as the "Trust").

(b) TRANSFER.—(1) Within 60 days after receipt of a request from the Trust for the transfer of any parcel within the area depicted as Area B on the map entitled "Presidio Trust Number 1", dated December 7, 1995, the Secretary shall transfer such parcel to the administrative jurisdiction of the Trust. Within one year after the first meeting of the Board of Directors of the Trust, the Secretary shall transfer to the Trust administrative jurisdiction over all remaining parcels within Area B. Such map shall be on file and available for public inspection in the offices of the Trust and in the offices of the National Park Service, Department of the Interior. The Trust and the Secretary may jointly make technical and clerical revisions in the boundary depicted on such map. The Secretary shall retain jurisdiction over those portions of the building identified as number 102 as the Secretary deems essential for use as a visitor center. The Building shall be named the "William Penn Mott Visitor Center". Any parcel of land, the jurisdiction over which is transferred pursuant to this subsection, shall remain within the boundary of the Golden Gate National Recreation Area. With the consent of the Secretary, the Trust may at any time transfer to the administrative jurisdiction of the Secretary any other properties within the Presidio which are surplus to the needs of the Trust and which serve essential purposes of the Golden Gate National Recreation Area. The Trust is encouraged to transfer to the administrative jurisdiction of the Secretary open space areas which have high public use potential and are contiguous to other lands administrated by the Secretary.

(2) Within 60 days after the first meeting of the Board of Directors of the Trust, the Trust and the Secretary shall determine cooperatively which records, equipment, and other personal property are deemed to be necessary for the immediate administration of the properties to be transferred, and the Secretary shall immediately transfer such personal property to the Trust. Within one year after the first meeting of the Board of Directors of the Trust, the Trust and the Secretary shall determine cooperatively what, if any, additional records, equipment, and other personal property used by the Secretary in the administration of the properties to be transferred should be transferred to the Trust.

(3) The Secretary shall transfer, with the transfer of administrative jurisdiction over any property, the unobligated balance of all funds appropriated to the Secretary, all leases, concessions, licenses, permits, and other agreements affecting such property.

(4) At the request of the Trust, the Secretary shall provide funds to the Trust for preparation of such plan, hiring of initial staff and other activities deemed by the Trust as essential to the establishment of the Trust prior to the transfer of properties to the Trust.

(c) BOARD OF DIRECTORS.—

(1) IN GENERAL.—The powers and management of the Trust shall be vested in a Board of Directors (hereinafter referred to as the "Board") consisting of the following 7 members:

(A) the Secretary of the Interior or the Secretary's designee; and

(B) six individuals, who are not employees of the Federal Government, appointed by the President, who shall possess extensive knowledge and experience in one or more of the fields of city planning, finance, real estate development, and resource conservation. At least one of these individuals shall be a veteran of the Armed Services. At least 3 of these individuals shall reside in the San Francisco Bay Area. The President shall make the appointments referred to in this subparagraph within 90 days after the enactment of this Act and shall ensure that the fields of city planning, finance, real estate development, and resource conservation are adequately represented. Upon establishment of the Trust, the Chairman of the Board of Directors of the Trust shall meet with the Chairman of the Energy and Natural Resources Committee of the United States Senate and the Chairman of the Resources Committee of the United States House of Representatives.

(2) TERMS.—Members of the Board appointed under paragraph (1)(B) shall each serve for a term of 4 years, except that of the members first appointed, 3 shall serve for a term of 2 years. Any vacancy in the Board shall be filled in the same manner in which the original appointment was made, and any member appointed to fill a vacancy shall serve for the remainder of the term for which his or her predecessor was appointed. No appointed member may serve more than 8 years in consecutive terms.

(3) QUORUM.—Four members of the Board shall constitute a quorum for the conduct of business by the Board.

(4) ORGANIZATION AND COMPENSATION.—The Board shall organize itself in such a manner as it deems most appropriate to effectively carry out the authorized activities of the Trust. Board members shall serve without pay, but may be reimbursed for the actual and necessary travel and subsistence expenses incurred by them in the performance of the duties of the Trust.

(5) LIABILITY OF DIRECTORS.—Members of the Board of Directors shall not be considered Federal employees by virtue of their membership on

the Board, except for purposes of the Federal Tort Claims Act and the Ethics in Government Act, and the provisions of chapter 11 of title 18, United States Code.

(6) MEETINGS.—The Board shall meet at least three times per year in San Francisco and at least two of those meetings shall be open to the public. Upon a majority vote, the Board may close any other meetings to the public. The Board shall establish procedures for providing public information and opportunities for public comment regarding policy, planning, and design issues through the Golden Gate National Recreation Area Advisory Commission.

(7) STAFF.—The Trust is authorized to appoint and fix the compensation and duties of an executive director and such other officers and employees as it deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may pay them without regard to the provisions of chapter 51, and subchapter III of chapter 53, title 5, United States Code, relating to classification and General Schedule pay rates.

(8) NECESSARY POWERS.—The Trust shall have all necessary and proper powers for the exercise of the authorities vested in it.

(9) TAXES.—The Trust and all properties administered by the Trust shall be exempt from all taxes and special assessments of every kind by the State of California, and its political subdivisions, including the City and County of San Francisco.

(10) GOVERNMENT CORPORATION.—(A) The Trust shall be treated as a wholly owned Government corporation subject to chapter 91 of title 31, United States Code (commonly referred to as the Government Corporation Control Act). Financial statements of the Trust shall be audited annually in accordance with section 9105 of title 31 of the United States Code.

(B) At the end of each calendar year, the Trust shall submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the House of Representatives a comprehensive and detailed report of its operations, activities, and accomplishments for the prior fiscal year. The report also shall include a section that describes in general terms the Trust's goals for the current fiscal year.

SEC. 104. DUTIES AND AUTHORITIES OF THE TRUST.

(a) OVERALL REQUIREMENTS OF THE TRUST.—The Trust shall manage the leasing, maintenance, rehabilitation, repair and improvement of property within the Presidio under its administrative jurisdiction using the authorities provided in this section, which shall be exercised in accordance with the purposes set forth in section 1 of the Act entitled "An Act to establish the Golden Gate National Recreation Area in the State of California, and for other purposes", approved October 27, 1972 (Public Law 92-589; 86 Stat. 1299; 16 U.S.C. 460bb), and in accordance with the general objectives of the General Management Plan (hereinafter referred to as the "management plan") approved for the Presidio.

(b) The Trust may participate in the development of programs and activities at the properties transferred to the Trust. The Trust shall have the authority to negotiate and enter into such agreements, leases, contracts and other arrangements with any person, firm, association, organization, corporation or governmental entity, including, without limitation, entities of Federal, State and local governments as are necessary and appropriate to finance and carry out its authorized activities. Any such agreement may be entered into without regard to section 321 of the Act of June 30, 1932 (40 U.S.C. 303b). The Trust shall establish procedures for lease agreements and other agreements for use and occupancy of Presidio facilities, including a requirement that in entering into such agreements the Trust shall obtain reasonable competition. The Trust may not dispose of or convey fee title to any real property transferred to it under this title. Federal laws and regulations governing procurement by Federal agencies shall not apply to the Trust. The Trust, in consultation with the Administrator of Federal Procurement Policy, shall establish and promulgate procedures applicable to the Trust's procurement of goods and services including, but not limited to, the award of contracts on the basis of contractor qualifications, price, commercially reasonable buying practices, and reasonable competition. Such procedures shall conform to laws and regulations related to Federal government contracts governing working conditions and wage scales, including the provisions of sections 276a–276a–6 of title 40, United States Code (Davis-Bacon Act).

(c) The Trust shall develop a comprehensive program for management of those lands and facilities within the Presidio which are transferred to the administrative jurisdiction of the Trust. Such program shall be designed to reduce expenditures by the National Park Service and increase revenues to the Federal Government to the maximum extent possible. In carrying out this program, the Trust shall be treated as a successor in interest to the National Park Service with respect to compliance with the National Environmental Policy Act and other environmental compliance statutes. Such program shall consist of—

(1) demolition of structures which in the opinion of the Trust, cannot be cost-effectively rehabilitated, and which are identified in the management plan for demolition,

(2) evaluation for possible demolition or replacement those buildings identified as categories 2 through 5 in the Presidio of San Francisco Historic Landmark District Historic American Buildings Survey Report, dated 1985,

(3) new construction limited to replacement of existing structures of similar size in existing areas of development, and

(4) examination of a full range of reasonable options for carrying out routine administrative and facility management programs.

The Trust shall consult with the Secretary in the preparation of this program.

(d) To augment or encourage the use of non-Federal funds to finance capital improvements on Presidio properties transferred to its jurisdiction, the Trust, in addition to its other authorities, shall have the following authorities subject to the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.):

(1) The authority to guarantee any lender against loss of principal or interest on any loan: Provided, That—

(A) the terms of the guarantee are approved by the Secretary of the Treasury;

(B) adequate subsidy budget authority is provided in advance in appropriations Acts; and

(C) such guarantees are structured so as to minimize potential cost to the Federal Government. No loan guarantee under this title shall cover more than 75 percent of the unpaid balance of the loan. The Trust may collect a fee sufficient to cover its costs in connection with each loan guaranteed under this Act. The authority to enter into any such loan guarantee agreement shall expire at the end of 15 years after the date of enactment of this title.

(2) The authority, subject to appropriations, to make loans to the occupants of property managed by the Trust for the preservation, restoration, maintenance, or repair of such property.

(3) The authority to issue obligations to the Secretary of the Treasury, but only if the Secretary of the Treasury agrees to purchase such obligations after determining that the projects to be funded from the proceeds thereof are credit worthy and that a repayment schedule is established and only to the extent authorized in advance in appropriations acts. The Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under such chapter are extended to include any purchase of such notes or obligations acquired by the Secretary of the Treasury under this subsection. Obligations issued under this subparagraph shall be in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury, and shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. No funds appropriated to the Trust may be used for repayment of principal or interest on, or redemption of, obligations issued under this paragraph.

(4) The aggregate amount of obligations issued under this subsection which are outstanding at any one time may not exceed $50,000,000.

(e) The Trust may solicit and accept donations of funds, property, supplies, or services from individuals, foundations, corporations, and other private or public entities for the purpose of carrying out its duties. The Trust shall maintain a liaison with the Golden Gate National Park Association.

(f) Notwithstanding section 1341 of title 31 of the United States Code, all proceeds received by the Trust shall be retained by the Trust, and such proceeds shall be available, without further appropriation, for the administration, preservation, restoration, operation and maintenance, improvement, repair and related expenses incurred with respect to Presidio properties under its administrative jurisdiction. Upon the Request of the Trust, the Secretary of the Treasury shall invest excess moneys of the Trust in public debt securities with maturities suitable to the needs of the Trust.

(g) The Trust may sue and be sued in its own name to the same extent as the Federal Government. Litigation arising out of the activities of the Trust shall be conducted by the Attorney General; except that the Trust may retain private attorneys to provide advice and counsel. The District Court for the Northern District of California shall have exclusive jurisdiction over any suit filed against the Trust.

(h) The Trust shall enter into a Memorandum of Agreement with the Secretary, acting through the Chief of the United States Park Police, for the conduct of law enforcement activities and services within those portions of the Presidio transferred to the administrative jurisdiction of the Trust.

(i) The Trust may adopt, amend, repeal and enforce bylaws, rules and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised. The Trust is authorized, in consultation with the Secretary, to adopt and to enforce those rules and regulations that are applicable to the Golden Gate National Recreation Area and that may be necessary and appropriate to carry out its duties and responsibilities under this title. The Trust shall give notice of the adoption of such rules and regulations by publication in the Federal Register.

(j) For the purpose of compliance with applicable laws and regulations concerning properties transferred to the Trust by the Secretary, the Trust shall negotiate directly with regulatory authorities.

(k) INSURANCE.—The Trust shall require that all leaseholders and contractors procure proper insurance against any loss in connection with

properties under lease or contract, or the authorized activities granted in such lease or contract, as is reasonable and customary.

(l) BUILDING CODE COMPLIANCE.—The Trust shall bring all properties under its administrative jurisdiction into compliance with Federal building codes and regulations appropriate to use and occupancy within 10 years after the enactment of this title to the extent practicable.

(m) LEASING.—In managing and leasing the properties transferred to it, the Trust considers the extent to which prospective tenants contribute to the implementation of the General Management Plan for the Presidio and to the reduction of cost to the Federal Government. The Trust shall give priority to the following categories of tenants: Tenants that enhance the financial viability of the Presidio and tenant that facilitate the cost-effective preservation of historic buildings through their reuse of such buildings.

(n) REVERSION.—If, at the expiration of 15 years, the Trust has not accomplished the goals and objectives of the plan required in section 105(b) of this title, then all property under the administrative jurisdiction of the Trust pursuant to section 103(b) of this title shall be transferred to the Administrator of the General Services Administration to be disposed of in accordance with the procedures outlined in the Defense Authorization Act of 1990 (104 Stat. 1809), and any real property so transferred shall be deleted from the boundary of the Golden Gate National Recreation Area. In the event of such transfer, the terms and conditions of all agreements and loans regarding such lands and facilities entered into by the Trust shall be binding on any successor in interest.

SEC. 105. LIMITATIONS ON FUNDING.

(a)(1) From amounts made available to the Secretary for the operation of areas within the Golden Gate National Recreation Area, not more than $25,000,000 shall be available to carry out this title in each fiscal year after the enactment of this title until the plan is submitted under subsection (b). Such sums shall remain available until expended.

(2) After the plan required in subsection (b) is submitted, and for each of the 14 fiscal years thereafter, there are authorized to be appropriated to the Trust not more than the amounts specified in such plan. Such sums shall remain available until expended. Of such sums, not more than $3,000,000 annually shall be available through the Trust for law enforcement activities and services to be provided by the United States Park Police at the Presidio in accordance with section 104(h) of this title.

(b) Within one year after the first meeting of the Board of Directors of the Trust, the Trust shall submit to Congress a plan which includes a schedule of annual decreasing federally appropriated funding that will achieve, at a minimum, self-sufficiency for the Trust within 15 complete fiscal years after such meeting of the Trust.

(c) The Administrator of the General Services Administration shall provide necessary assistance to the Trust in the formulation and submission of the annual budget request for the administration, operation, and maintenance of the Presidio.

SEC. 106. GENERAL ACCOUNTING OFFICE STUDY.

(a) Three years after the first meeting of the Board of Directors of the Trust, the General Accounting Office shall conduct an interim study of the activities of the Trust and shall report the results of the study to the Committee on Energy and Natural Resources and the Committee on Appropriations of the United States Senate, and the Committee on Resources and Committee on Appropriations of the House of Representatives. The study shall include, but shall not be limited to, details of how the Trust is meeting its obligations under this title.

(b) In consultation with the Trust, the General Accounting Office shall develop an interim schedule and plan to reduce and replace the Federal appropriations to the extent practicable for interpretive services conducted by the National Park Service, and law enforcement activities and services, fire and public safety programs conducted by the Trust.

(c) Seven years after the first meeting of the Board of Directors of the Trust, the General Accounting Office shall conduct a comprehensive study of the activities of the Trust, including the Trust's progress in meeting its obligations under this title, taking into consideration the results of the study described in subsection (a) and the implementation of plan and schedule required in subsection (b). The General Accounting Office shall report the results of the study, including any adjustments to the plan and schedule, to the Committee on Energy and Natural Resources and the Committee on Appropriations of the United States Senate, and the Committee on Resources and Committee on Appropriations of the House of Representatives.

TITLE II—MINOR BOUNDARY ADJUSTMENTS AND MISCELLANEOUS PARK AMENDMENTS

SEC. 201. YUCCA HOUSE NATIONAL MONUMENT BOUNDARY ADJUSTMENT.

(a) IN GENERAL.—The boundaries of Yucca House National Monument are revised to include the approximately 24.27 acres of land generally depicted on the map entitled "Boundary—Yucca House National Monument, Colorado", numbered 318/80,001–B, and dated February 1990.

(b) MAP.—The map referred to in subsection (a) shall be on file and available for public inspection in appropriate offices of the National Park Service of the Department of the Interior.

(c) ACQUISITION.—

(1) IN GENERAL.—Within the lands described in subsection (a), the Secretary of the Interior may acquire lands and interests in lands by donation.

(2) The Secretary of the Interior may pay administrative costs arising out of any donation described in paragraph (1) with appropriated funds.

SEC. 202. ZION NATIONAL PARK BOUNDARY ADJUSTMENT.

(a) ACQUISITION AND BOUNDARY CHANGE.—The Secretary of the Interior is authorized to acquire by exchange approximately 5.48 acres located in the SW¼ of Section 28, Township 41 South, Range 10 West, Salt Lake Base and Meridian. In exchange therefor the Secretary is authorized to convey all right, title, and interest of the United States in and to approximately 5.51 acres in Lot 2 of Section 5, Township 41 South, Range 11 West, both parcels of land being in Washington County, Utah. Upon completion of such exchange, the Secretary is authorized to revise the boundary of Zion National Park to add the 5.48 acres in section 28 to the park and to exclude the 5.51 acres in section 5 from the park. Land added to the park shall be administered as part of the park in accordance with the laws and regulations applicable thereto.

(b) EXPIRATION.—The authority granted by this section shall expire two years after the date of the enactment of this title.

SEC. 203. PICTURED ROCKS NATIONAL LAKESHORE BOUNDARY ADJUSTMENT.

The boundary of Pictured Rocks National Lakeshore is hereby modified as depicted on the map entitled "Area Proposed for Addition to Pictured Rocks National Lakeshore", numbered 625–80,043A, and dated July 1992.

SEC. 204. INDEPENDENCE NATIONAL HISTORICAL PARK BOUNDARY ADJUSTMENT.

The administrative boundary between Independence National Historical Park and the United States Customs House along the Moravian Street Walkway in Philadelphia, Pennsylvania, is hereby modified as generally depicted on the drawing entitled "Exhibit 1, Independence National Historical Park, Boundary Adjustment", and dated May 1987, which shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior. The Secretary of the Interior is authorized to accept and transfer jurisdiction over property in accord with such administrative boundary, as modified by this section.

SEC. 205. CRATERS OF THE MOON NATIONAL MONUMENT BOUNDARY ADJUSTMENT.

(a) BOUNDARY REVISION.—The boundary of Craters of the Moon National Monument, Idaho, is revised to add approximately 210 acres and to delete approximately 315 acres as generally depicted on the map entitled "Craters of the Moon National Monument, Idaho, Proposed 1987 Boundary Adjustment", numbered 131–80,008, and dated October 1987, which map shall be on file and available for public inspection in the office of the National Park Service, Department of the Interior.

(b) ADMINISTRATION AND ACQUISITION.—Federal lands and interests therein deleted from the boundary of the national monument by this section shall be administered by the Secretary of the Interior through the Bureau of Land Management in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), and Federal lands and interests therein added to the national monument by this section shall be administered by the Secretary as part of the national monument, subject to the laws and regulations applicable thereto. The Secretary is authorized to acquire private lands and interests therein within the boundary of the national monument by donation, purchase with donated or appropriated funds, or exchange, and when acquired they shall be administered by the Secretary as part of the national monument, subject to the laws and regulations applicable thereto.

SEC. 206. HAGERMAN FOSSIL BEDS NATIONAL MONUMENT BOUNDARY ADJUSTMENT.

Section 302 of the Arizona-Idaho Conservation Act of 1988 (102 Stat. 4576) is amended by adding the following new subsection:

"(d) To further the purposes of the monument, the Secretary is also authorized to acquire from willing sellers only, by donation, purchase with donated or appropriated funds, or exchange not to exceed 65 acres outside the boundary depicted on the map referred to in section 301 and develop and operate thereon research, information, interpretive, and administrative facilities. Lands acquired and facilities developed pursuant to this subsection shall be administered by the Secretary as part of the monument. The boundary of the monument shall be modified to include the lands added under this subsection as a noncontiguous parcel.".

SEC. 207. WUPATKI NATIONAL MONUMENT BOUNDARY ADJUSTMENT.

The boundary of the Wupatki National Monument, Arizona, is hereby revised to include the lands and interests in lands within the area generally depicted as "Proposed Addition 168.89 Acres" on the map entitled "Boundary—Wupatki and Sunset Crater National Monuments, Arizona", numbered 322–80,021, and dated April 1989. The map shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior. Subject to valid existing rights, Federal lands and interests therein within the area added to the monument by this section are hereby transferred without monetary consideration or reimbursement to the administrative jurisdiction of the National Park Service, to be administered as part of the monument in accordance *with the laws and regulations applicable thereto.*

SEC. 208. NEW RIVER GORGE NATIONAL RIVER.

Section 1101 of the National Parks and Recreation Act of 1978 (16 U.S.C. 460m–15) is amended by striking out "NERI–80,023, dated January 1987" and inserting "NERI–80,028, dated January 1993".

SEC. 209. GAULEY RIVER NATIONAL RECREATION AREA.

(a) Section 201(b) of the West Virginia National Interest River Conservation Act of 1987 (16 U.S.C. 460ww(b)) is amended by striking out "NRA–GR/20,000A and dated July 1987" and inserting "GARI–80,001 and dated January 1993".

(b) Section 205(c) of the West Virginia National Interest River Conservation Act of 1987 (16 U.S.C. 460ww–4(c)) is amended by adding the following at the end thereof: "If project construction is not commenced within the time required in such license, or if such license is surrendered at any time, such boundary modification shall cease to have any force and effect.".

SEC. 210. BLUESTONE NATIONAL SCENIC RIVER.

Section 3(a)(65) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)(65)) is amended by striking out "WSR–BLU/20,000, and dated January 1987" and inserting "BLUE–80,004, and dated January 1993".

SEC. 211. ADVISORY COMMISSIONS.

(a) KALOKO-HONOKOHAU NATIONAL HISTORICAL PARK.—(1) This subsection under this title may be cited as the "Na Hoa Pili Kaloko-Honokohau Re-establishment Act of 1995".

(2) Notwithstanding section 505(f)(7) of Public Law 95–625 (16 U.S.C. 396d(7)), the Na Hoa Pili O Kaloko-Honokohau, the Advisory Commission for Kaloko-Honokohau National Historical Park, is hereby re-established in accordance with section 505(f), as amended by paragraph (3) of this section.

(3) Section 505(f)(7) of Public Law 95–625 (16 U.S.C. 396d(7)), is amended by striking "this Act" and inserting in lieu thereof, "the Na Hoa Pili Kaloko-Honokohau Re-establishment Act of 1995".

(b) WOMEN'S RIGHTS NATIONAL HISTORICAL PARK.—(1) This subsection under this title may be cited as the "Women's Rights National Historical Park Advisory Commission Re-establishment Act of 1995".

(2) Not withstanding section 1601(h)(5) of Public Law 96–607 (16 U.S.C. 410ll(h)(5)), the advisory commission for Women's Rights National Historical Park is hereby re-established in accordance with section 1601(h), as amended by paragraph (3) of this section.

(3) Section 1601(h)(5) of Public Law 96–607 (16 U.S.C. 410ll(h)(5)), is amended by striking "this section" and inserting in lieu thereof, "the Women's Rights National Historical Park Advisory Commission Re-establishment Act of 1995".

SEC. 212. AMENDMENT TO BOSTON NATIONAL HISTORIC PARK ACT.

Section 3(b) of the Boston National Historical Park Act of 1974 (16 U.S.C. 410z–1(b)) is amended by inserting "(1)" before the first sentence thereof and by adding the following at the end thereof:

"(2) The Secretary of the Interior is authorized to enter into a cooperative agreement with the Boston Public Library to provide for the distribution of informational and interpretive materials relating to the park and to the Freedom Trail.".

SEC. 213. CUMBERLAND GAP NATIONAL HISTORICAL PARK.

(a) REMOVAL OF RESTRICTIONS.—The first section of the Act of June 11, 1940, entitled "An Act to provide for the establishment of the Cumberland Gap National Historical Park in Tennessee, Kentucky, and Virginia: (54 Stat. 262, 16 U.S.C. 261 et seq.) is amended by striking out everything after the words "Cumberland Gap National Historical Park" and inserting a period.

(b) USE OF APPROPRIATED FUNDS.—Section 3 of such Act (16 U.S.C. 263) is amended by inserting "or with funds that may be from time to time appropriated for the purpose", after "funds".

SEC. 214. WILLIAM O. DOUGLAS OUTDOOR CLASSROOM.

(a) IN GENERAL.—The Secretary of the Interior, acting through the Director of the National Park Service, is authorized to enter into cooperative agreements, as specified in subsection (b), relating to Santa Monica Mountains National Recreation Area (hereafter in this title referred to as "recreation area") in accordance with this section.

(b) COOPERATIVE AGREEMENTS.—The cooperative agreements referred to in subsection (a) are as follows:

(1) A cooperative agreement with appropriate organizations or groups in order to promote education concerning the natural and cultural resources of the recreation area and lands adjacent thereto. Any agreement entered into pursuant to this paragraph—

(A) may provide for Federal matching grants of not more than 50 percent of the total cost of providing a program of such education;

(B) shall provide for visits by students or other beneficiaries to federally owned lands within the recreation area;

(C) shall limit the responsibility of the Secretary to providing interpretation services concerning the natural and cultural resources of the recreation area; and

(D) shall provide that the non-Federal party shall be responsible for any cost of carrying out the agreement other than the cost of providing interpretation services under subparagraph (C).

(2) A cooperative agreement under which—

(A) the Secretary agrees to maintain the facilities at 2600 Franklin Canyon Drive in Beverly Hills, California, for a period of 8 fiscal years beginning with the first fiscal year for which funds are appropriated pursuant to this section, and to provide funding for programs of the William O. Douglas Outdoor Classroom or its successors in interest that utilize those facilities during such period; and in return; or

(B) the William O. Douglas Outdoor Classroom, for itself and any successors in interest with respect to such facilities, agrees that at the end of the term of such agreement all right, title, and interest in and to such facilities will be donated to the United States for addition and operation as part of the recreation area.

(c) EXPENDITURE OF FUNDS.—Federal funds may be expended on non-Federal property located within the recreation area pursuant to the cooperative agreement described in subsection (b)(2).

(d) LIMITATIONS.—(1) The Secretary may not enter into the cooperative agreement described in subsection (b)(2) unless and until the Secretary determines that acquisition of the facilities described in such subsection would further the purposes of the recreation area.

(2) This section shall not be construed as authorizing an agreement by the Secretary for reimbursement of expenses incurred by the William O. Douglas Outdoor Classroom or any successor in interest that are not directly related to the use of such facilities for environmental education and interpretation of the resources and values of the recreation area and associated lands and resources.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the 8-year period beginning October 1, 1995, not to exceed $2,000,000 to carry out this section.

SEC. 215. MISCELLANEOUS PROVISIONS.

(a) NEW RIVER CONFORMING AMENDMENTS.—Title XI of the National Parks and Recreation Act of 1978 (16 U.S.C. 460m–15, et seq.) is amended by adding the following new section at the end thereof:

"SEC. 1117. APPLICABLE PROVISIONS OF OTHER LAW.

"(a) COOPERATIVE AGREEMENTS.—The provisions of section 202(e)(1) of the West Virginia National Interest River Conservation Act of 1987 (16 U.S.C. 460ww–1(e)(1)) shall apply to the New River Gorge National River in the same manner and to the same extent as such provisions apply to the Gauley River National Recreation Area.

"(b) REMNANTS OF LANDS.—The provisions of the second sentence of section 203(a) of the West Virginia National Interest River Conservation Act of 1987 (16 U.S.C. 460ww–2(a)) shall apply to tracts of land partially within the boundaries of the New River Gorge National River in the same manner and to the same extent as such provisions apply to the tracts of land only partially within the Gualey River National Recreation Area.".

(b) BLUESTONE RIVER CONFORMING AMENDMENTS.—Section 3(a)(65) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)(65)) is amended by striking "leases" in the fifth sentence and inserting in lieu thereof "the lease" and in the seventh sentence by striking "such management may be continued pursuant to renewal of such lease agreement. If requested to do so by the State of West Virginia, the Secretary may not terminate such leases and assume administrative authority over the areas concerned." and inserting in lieu thereof the following: "if the State of West Virginia so requests, the Secretary shall renew such lease agreement with the same terms and conditions as contained in such lease agreement on the date of enactment of this paragraph under which the State management shall be continued pursuant to such renewal. If requested to do so by the State or West Virginia, or as provided in such lease agreement, the Secretary may terminate or modify the lease and assume administrative authority over all or part of the areas concerned.".

SEC. 216. GAULEY ACCESS.

Section 202(e) of the West Virginia National Interest River Conservation Act of 1987 (16 U.S.C. 460ww–1(e)) is amended by adding the following new paragraph at the end thereof:

"(4) ACCESS TO THE RIVER.—Within 90 days after the date of enactment of this subsection, the Secretary shall submit a report to the Committee on Energy and Natural Resources of the Senate setting forth a plan to provide river access for non-commercial recreational users within the Gauley River National Recreation Area. The plan shall provide that such access shall utilize existing public roads and rights-of-way to the maximum extent feasible and shall be limited to providing access for such non-commercial users.".

SEC. 217. VISITOR CENTER

The Secretary of the Interior is authorized to construct a visitor center and such other related facilities as may be deemed necessary to facilitate visitor understanding and enjoyment of the New River Gorge National River and the Gauley River National Recreation Area in the vicinity of the confluence of the New and Gauley Rivers. Such center and related facilities are authorized to be constructed at a site outside of the boundary of the New River Gorge National River or Gauley River National Recreation Area unless a suitable site is available within the boundaries of either unit.

SEC. 218. EXTENSION.

For a 5-year period following the date of enactment of this Act, the provisions of the Wild and Scenic Rivers Act applicable to river segments designated for study for potential addition to the wild and scenic rivers system under subsection 5(b) of that Act shall apply to those segments of the Bluestone and Meadow Rivers which were found eligible in the studies completed by the National Park Service in August 1983 but which were not designated by the West Virginia National Interest River Conservation Act of 1987 as part of the Bluestone National Scenic River or as part of the Gauley National Recreation Area, as the case may be.

SEC. 219. BLUESTONE RIVER PUBLIC ACCESS.

Section 3(a)(65) of the Wild and Scenic Rivers Act (16 U.S.C. 1271 and following) is amended by adding the following at the end thereof: "In order to provide reasonable public access and vehicle parking for public use and enjoyment of the river designated by this paragraph, consistent with the preservation and enhancement of the natural and scenic values of such river, the Secretary may, with the consent of the owner thereof, negotiate a memorandum of understanding or cooperative agreement, or acquire lands or interests in such lands, or both, as may be necessary to allow public access to the Bluestone River and to provide, outside the boundary of the scenic river, parking and related facilities in the vicinity of the area known as Eads Mill.".

SEC. 220. LIMITATION ON PARK BUILDINGS.

The 10th undesignated paragraph (relating to a limitation on the expenditure of funds for park buildings) under the heading "MISCELLANEOUS OBJECTS, DEPARTMENT OF THE INTERIOR", which appears under the heading "UNDER THE DEPARTMENT OF THE INTERIOR", as contained in the first section of the Act of August 24, 1912 (37 Stat. 460), as amended (16 U.S.C. 451), is hereby repealed.

SEC. 221. APPROPRIATIONS FOR TRANSPORTATION OF CHILDREN.

The first section of the Act of August 7, 1946 (16 U.S.C. 17j–2), is amended by adding at the end the following:

"(j) Provide transportation for children in nearby communities to and from any unit of the National Park System used in connection with organized recreation and interpretive programs of the National Park Service.".

SEC. 222. FERAL BURROS AND HORSES.

Section 9 of the Act of December 15, 1971 (16 U.S.C. 1338a), is amended by adding at the end thereof the following: "Nothing in this title shall be deemed to limit the authority of the Secretary in the management of units of the National Park System, and the Secretary may, without regard either to the provisions of this title, or the provisions of section 47(a) of title 18, United States Code, use motor vehicles, fixed-wing aircraft, or helicopters, or to contract for such use, in furtherance of the management of the National Park System, and section 47(a) of title 18, United States Code, shall be applicable to such use.".

SEC. 223. AUTHORITIES OF THE SECRETARY OF THE INTERIOR RELATING TO MUSEUMS.

(a) Functions.—The Act entitled "An Act to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto, and for other purposes" approved July 1, 1955 (16 U.S.C. 18f), is amended—

(1) in paragraph (b) of the first section, by striking out "from such donations and bequests of money"; and

(2) by adding at the end thereof the following:

"SEC. 2. ADDITIONAL FUNCTIONS.

"(a) In addition to the functions specified in the first section of this Act, the Secretary of the Interior may perform the following functions in such manner as he shall consider to be in the public interest:

"(1) Transfer museum objects and museum collections that the Secretary determines are no longer needed for museum purposes to qualified Federal agencies that have programs to preserve and interpret cultural or natural heritage, and accept the transfer of museum objects and museum collections for the purposes of this Act from any other Federal agency, without reimbursement. The head of any other Federal agency may transfer, without reimbursement, museum objects and museum collections directly to the administrative jurisdiction of the Secretary of the Interior for the purpose of this Act.

"(2) Convey museum objects and museum collections that the Secretary determines are no longer needed for museum purposes, without monetary consideration but subject to such terms and conditions as the Secretary deems necessary, to private institutions exempt from Federal taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and to non-Federal governmental entities if the Secretary determines that the recipient is dedicated to the preservation and interpretation of natural or cultural heritage and is qualified to manage the property, prior to any conveyance under this subsection.

"(3) Destroy or cause to be destroyed museum objects and museum collections that the Secretary determines to have no scientific, cultural, historic, educational, esthetic, or monetary value.

"(b) The Secretary shall ensure that museum collections are treated in a careful and deliberate manner that protects the public interest. Prior to taking any action under subsection (a), the Secretary shall establish a systematic review and approval process, including consultation with appropriate experts, that meets the highest standards of the museum profession for all actions taken under this section.".

(b) Application and Definitions.—The Act entitled "An Act to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto, and for other purposes" approved July 1, 1955 (16 U.S.C. 18f), as amended by subsection (a), is further amended by adding the following:

"SEC. 3. APPLICATION AND DEFINITIONS.

"(a) Application.—Authorities in this Act shall be available to the Secretary of the Interior with regard to museum objects and museum collections that were under the administrative jurisdiction of the Secretary for the purposes of the National Park System before the date of enactment of this section as well as those museum objects and museum collections that may be acquired on or after such date.

"(b) Definition.—For the purposes of this Act, the terms 'museum objects' and 'museum collections' mean objects that are eligible to be or are made part of a museum, library, or archive collection through a formal procedure, such as accessioning. Such objects are usually movable and include but are not limited to prehistoric and historic artifacts, works of art, books, documents, photographs, and natural history specimens.".

SEC. 224. VOLUNTEERS IN PARKS INCREASE.

Section 4 of the Volunteers in the Parks Act of 1969 (16 U.S.C. 18j) is amended by striking out "1,000,000" and inserting in lieu thereof "$1,750,000".

SEC. 225. COOPERATIVE AGREEMENTS FOR RESEARCH PURPOSES.

Section 3 of the Act entitled "An Act to improve the administration of the National Park System by the Secretary of the Interior, and to clarify the authorities applicable to the system, and for other purposes" approved August 18, 1970 (16 U.S.C. 1a–2), is amended—

(1) in paragraph (i), by striking the period at the end thereof and inserting in lieu thereof "; and"; and

(2) by adding at the end thereof the following:

"(j) enter into cooperative agreements with public or private educational institutions, States, and their political subdivisions, or private conservation organizations for the purpose of developing adequate, coordinated, cooperative research and training programs concerning the resources of the National Park System, and, pursuant to any such agreements, to accept from and make available to the cooperator such technical and support staff, financial assistance for mutually agreed upon research projects, supplies and equipment, facilities, and administrative services relating to cooperative research units as the Secretary deems appropriate; except that this paragraph shall not waive any requirements for research projects that are subject to the Federal procurement regulations.".

SEC. 226. CARL GARNER FEDERAL LANDS CLEANUP DAY.

The Federal Lands Cleanup Act of 1985 (Public Law 99–402; U.S.C. 169i–169i–1) is amended by striking the terms "Federal Lands Cleanup Day" or "Federal Lands National Cleanup Day" each place they occur and inserting in lieu thereof, "Carl Garner Federal Lands Cleanup Day".

SEC. 227. FORT PULASKI NATIONAL MONUMENT, GEORGIA.

Section 4 of the Act of June 26, 1936 (ch. 844; 49 Stat. 1979), is amended by striking ": Provided, That" and all that follows and inserting a period.

SEC. 228. LAURA C. HUDSON VISITOR CENTER.

(a) Designation.—The visitor center at Jean Lafitte National Historical Park, located at 419 Rue Decatur in New Orleans, Louisiana, is hereby designated as the "Laura C. Hudson Visitor Center".

(b) Legal References.—Any reference in any law, regulation, paper, record, map, or any other document of the United States to the visitor center referred to in subsection (a) shall be deemed to be a reference to the "Laura C. Hudson Visitor Center".

SEC. 229. UNITED STATES CIVIL WAR CENTER.

(a) Findings.—The Congress finds that—

(1) the sesquicentennial of the beginning of the Civil War will occur in the year 2011;

(2) the sesquicentennial will be the last significant opportunity for most Americans alive in the year 2011 to recall and commemorate the Civil War;

(3) the Civil War Center in Louisiana State University in Baton Rouge, Louisiana, has as its principal missions to create a comprehensive database that contains all Civil War materials and to facilitate the study of the Civil War from the perspectives of all ethnic cultures and all professions; academic disciplines, and occupation;

(4) the two principal missions of the Civil War Center are consistent with commemoration of the sesquicentennial;

(5) the missions of the Civil War Institute at Gettysburg College parallel those of the Civil War Center; and

(6) advance planning to facilitate the four-year commemoration of the sesquicentennial is required.

(b) Designation.—The Civil War Center, located on Raphael Semmes Drive at Louisiana State University in Baton Rouge, Louisiana (hereinafter in this section referred to as the "center") shall be known and designated as the "United States Civil War Center".

(c) Legal References.—Any reference in any law, regulation, paper, record, map, or any other document of the United States to the center referred to in subsection (b) shall be deemed to be a reference to the "United States Civil War Center".

(d) Flagship Institutions.—The center and the Civil War Institute of Gettysburg College, located at 233 North Washington Street in Gettysburg, Pennsylvania, shall be the flagship institutions for planning the sesquicentennial commemoration of the Civil War.

TITLE III—ROBERT J. LAGOMARSINO VISITOR CENTER

SEC. 301. DESIGNATION.

The visitor center at the Channel Islands National Park, California, is designated as the "Robert J. Lagomarsino Visitor Center".

SEC. 302. LEGAL REFERENCES.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the visitor center referred to in section 301 is deemed to be a reference to the "Robert J. Lagomarsino Visitor Center".

TITLE IV—ROCKY MOUNTAIN NATIONAL PARK VISITOR CENTER

SEC. 401. VISITOR CENTER.

The Secretary of the Interior is authorized to collect and expend donated funds and expend appropriated funds for the operation and maintenance of a visitor center to be constructed for visitors to and administration of Rocky Mountain National Park with private funds on lands located outside the boundary of the park.

TITLE V—CORINTH, MISSISSIPPI, BATTLEFIELD ACT

SEC. 501. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the sites located in the vicinity of Corinth, Mississippi, that were designated as a National Historic Landmark by the Secretary of the Interior in 1991 represent nationally significant events in the Siege and Battle of Corinth during the Civil War; and

(2) the landmark sites should be preserved and interpreted for the benefit, inspiration, and education of the people of the United States.

(b) PURPOSE.—The purpose of this title is to provide for a center for the interpretation of the Siege and Battle of Corinth and other Civil War actions in the Region and to enhance public understanding of the significance of the Corinth Campaign in the Civil War relative to the Western theater of operations, in cooperation with State or local governmental entities and private organizations and individuals.

SEC. 502. ACQUISITION OF PROPERTY AT CORINTH, MISSISSIPPI.

(a) IN GENERAL.—The Secretary of the Interior (referred to in this title as the "Secretary") shall acquire by donation, purchase with donated or appropriated funds, or exchange, such land and interests in land in the vicinity of the Corinth Battlefield, in the State of Mississippi, as the Secretary determines to be necessary for the construction of an interpretive center to commemorate and interpret the 1862 Civil War Siege and Battle of Corinth.

(b) PUBLICLY OWNED LAND.—Land and interests in land owned by the State of Mississippi or a political subdivision of the State of Mississippi may be acquired only by donation.

SEC. 503. INTERPRETIVE CENTER AND MARKING.

(a) INTERPRETIVE CENTER.—

(1) CONSTRUCTION OF CENTER.—The Secretary shall construct, operate, and maintain on the property acquired under section 502 a center for the interpretation of the Siege and Battle of Corinth and associated historical events for the benefit of the public.

(2) DESCRIPTION.—The center shall contain approximately 5,300 square feet, and include interpretive exhibits, an auditorium, a parking area, and other features appropriate to public appreciation and understanding of the site.

(b) MARKING.—The Secretary may mark sites associated with the Siege and Battle of Corinth National Historic Landmark, as designated on May 6, 1991, if the sites are determined by the Secretary to be protected by State or local governmental agencies.

(c) ADMINISTRATION.—The land and interests in land acquired, and the facilities constructed and maintained pursuant to this title, shall be administered by the Secretary as a part of Shiloh National Military Park, subject to the appropriate laws (including regulations) applicable to the Park, the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1 et seq.), and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (16 U.S.C. 461 et seq.).

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated such sums as are necessary to carry out this title.

(b) CONSTRUCTION.—Of the amounts made available to carry out this title, not more than $6,000,000 may be used to carry out section 503(a).

TITLE VI—WALNUT CANYON NATIONAL MONUMENT BOUNDARY MODIFICATION

SEC. 601. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that:

(1) Walnut Canyon National Monument was established for the preservation and interpretation of certain settlements and land use patterns associated with the prehistoric Sinaguan culture of northern Arizona.

(2) Major cultural resources associated with the purposes of Walnut Canyon National Monument are near the boundary and are currently managed under multiple-use objectives of the adjacent national forest. These concentrations of cultural resources, often referred to as "forts", would be more effectively managed as part of the National Park System.

(b) PURPOSE.—The purpose of this title is to modify the boundaries of the Walnut Canyon National Monument (hereafter in this title referred to as the "national monument") to improve management of the national monument and associated resources.

SEC. 602. BOUNDARY MODIFICATION.

Effective on the date of enactment of this Act, the boundaries of the national monument shall be modified as depicted on the map entitled "Boundary Proposal—Walnut Canyon National Monument, Coconino County, Arizona", numbered 360/80,010, and dated September 1994. Such map shall be on file and available for public inspection in the offices of the Director of the National Park Service, Department of the Interior. The Secretary of the Interior, in consultation with the Secretary of Agriculture, is authorized to make technical and clerical corrections to such map.

SEC. 603. ACQUISITION AND TRANSFER OF PROPERTY.

The Secretary of the Interior is authorized to acquire lands and interest in lands within the national monument, by donation, purchase with donated or appropriated funds, or exchange. Federal property within the boundaries of the national monument (as modified by this title) is hereby transferred to the administrative jurisdiction of the Secretary of the Interior for management as part of the national monument. Federal property excluded from the monument pursuant to the boundary modification under section 603 is hereby transferred to the administrative jurisdiction of the Secretary of Agriculture to be managed as a part of the Coconino National Forest.

SEC. 604. ADMINISTRATION.

The Secretary of the Interior, acting through the Director of the National Park Service, shall manage the national monument in accordance with this title and the provisions of law generally applicable to units of the National Park Service, including "An Act to establish a National Park Service, and for other purposes" approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2–4).

SEC. 605. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated such sums as may be necessary to carry out this title.

TITLE VII—DELAWARE WATER GAP

SEC. 701. PROHIBITION OF COMMERCIAL VEHICLES.

(a) IN GENERAL.—Effective at noon on September 30, 2005, the use of Highway 209 within Delaware Water Gap National Recreation Area by commercial vehicles, when such use is not connected with the operation of the recreation area, is prohibited, except as provided in subsection (b).

(b) LOCAL BUSINESS USE PROTECTED.—Subsection (a) does not apply with respect to the use of commercial vehicles to serve businesses located within or in the vicinity of the recreation area, as determined by the Secretary.

(c) CONFORMING PROVISIONS.—

(1) Paragraphs (1) through (3) of the third undesignated paragraph under the heading "ADMINISTRATIVE PROVISIONS" in chapter VII of title I of Public Law 98–63 (97 Stat. 329) are repealed, effective September 30, 2005.

(2) Prior to noon on September 30, 2005, the Secretary shall collect and utilize a commercial use fee from commercial vehicles in accordance with paragraphs (1) through (3) of such third undesignated paragraph. Such fee shall not exceed $25 per trip.

TITLE VIII—TARGHEE NATIONAL FOREST LAND EXCHANGE

SEC. 801. AUTHORIZATION OF EXCHANGE.

(a) CONVEYANCE.—Notwithstanding the requirements in the Act entitled "An Act to Consolidate National Forest Lands", approved March 20, 1922 (16 U.S.C. 485), and section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)) that Federal and non-Federal lands exchanged for each other must be located within the same State, the Secretary of Agriculture may convey the Federal lands described in section 802(a) in exchange for the non-Federal lands described in section 802(b) in accordance with the provisions of this title.

(b) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Except as otherwise provided in this title, the land exchange authorized by this section shall be made under the existing authorities of the Secretary.

(c) ACCEPTABILITY OF TITLE AND MANNER OF CONVEYANCE.—The Secretary shall not carry out the exchange described in subsection (a) unless the title to the non-Federal lands to be conveyed to the United States, and the form and procedures of conveyance, are acceptable to the Secretary.

SEC. 802. DESCRIPTION OF LANDS TO BE EXCHANGED.

(a) FEDERAL LANDS.—The Federal lands referred to in this title are located in the Targhee National Forest in Idaho, are generally depicted on the map entitled "Targhee Exchange, Idaho-Wyoming—Proposed, Federal Land", dated September 1994, and are known as the North Fork Tract.

(b) NON-FEDERAL LANDS.—The non-Federal lands referred to in this title are located in the Targhee National Forest in Wyoming, are generally depicted on the map entitled "Non-Federal land, Targhee Exchange, Idaho-Wyoming—Proposed", dated September 1994, and are known as the Squirrel Meadows Tract.

(c) MAPS.—The maps referred to in subsections (a) and (b) shall be on file and available for inspection in the office of the Targhee National Forest in Idaho and in the office of the Chief of the Forest Service.

SEC. 803. EQUALIZATION OF VALUES.

Prior to the exchange authorized by section 801, the values of the Federal and non-Federal *lands to be so exchanged shall be established by appraisals of fair market value that shall be subject to approval by the Secretary. The values either shall be equal or shall be equalized using the following methods:*

(1) ADJUSTMENT OF LANDS.—

(A) PORTION OF FEDERAL LANDS.—If the Federal lands are greater in value than the non-Federal lands, the Secretary shall reduce the acreage of the Federal lands until the values of the Federal lands closely approximate the values of the non-Federal lands.

(B) ADDITIONAL FEDERALLY-OWNED LANDS.—If the non-Federal lands are greater in value than the Federal lands, the Secretary may convey additional federally owned lands within the Targhee National Forest up to an amount necessary to equalize the values of the non-Federal lands and the lands to be transferred out of Federal ownership. However, such additional federally owned lands shall be limited to those meeting the criteria for land exchanges specified in the Targhee National Forest Land and Resource Management Plan.

(2) PAYMENT OF MONEY.—The values may be equalized by the payment of money as provided in section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716 (b)).

SEC. 804. DEFINITIONS.

For purpose of this title:

(1) The term "Federal lands" means the Federal lands described in section 802(a).

(2) The term "non-Federal lands" means the non-Federal lands described in section 802(b).

(3) The term "Secretary" means the Secretary of Agriculture.

TITLE IX—DAYTON AVIATION

Section 201(b) of the Dayton Aviation Heritage Preservation Act of 1992 (Public Law 102–419, approved October 16, 1992), is amended as follows:

(1) In paragraph (2), by striking "from recommendations" and inserting "after consideration of recommendations".

(2) In paragraph (4), by striking "from recommendations" and inserting "after consideration of recommendations".

(3) In paragraph (5), by striking "from recommendations" and inserting "after consideration of recommendations".

(4) In paragraph (6), by striking "from recommendations" and inserting "after consideration of recommendations".

(5) In paragraph (7), by striking "from recommendations" and inserting "after consideration of recommendations".

TITLE X—CACHE LA POUDRE

SEC. 1001. PURPOSE.

The purpose of this title is to designate the Cache La Poudre River National Water Heritage Area within the Cache La Poudre River Basin and to provide for the interpretation, for the educational and inspirational benefit of present and future generations, of the unique and significant contributions to our national heritage of cultural and historical lands, waterways, and structures within the Area.

SEC. 1002. DEFINITIONS.

As used in this title:

(1) AREA.—The term "Area" means the Cache La Poudre River National Water Heritage Area established by section 1003(a).

(2) COMMISSION.—The term "Commission" means the Cache La Poudre River National Water Heritage Area Commission established by section 1004(a).

(3) GOVERNOR.—The term "Governor" means the Governor of the State of Colorado.

(4) PLAN.—The term "Plan" means the water heritage area interpretation plan prepared by the Commission pursuant to section 1008(a)

(5) POLITICAL SUBDIVISION OF THE STATE.—The term "political subdivision of the State" means a political subdivision of the State of Colorado, any part of which is located in or adjacent to the Area, including a county, city, town, water conservancy district, or special district.

(6) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 1003. ESTABLISHMENT OF THE CACHE LA POUDRE RIVER NATIONAL WATER HERITAGE AREA.

(a) ESTABLISHMENT.—There is established in the State of Colorado the Cache La Poudre River National Water Heritage Area.

(b) BOUNDARIES.—The boundaries of this Area shall include those lands within the 100-year flood plain of the Cache La Poudre River Basin, beginning at a point where the Cache La Poudre River flows out of the Roosevelt National Forest and continuing east along said floodplain to a point one quarter of one mile west of the confluence of the Cache La Poudre River and the South Platte Rivers in Weld County, Colorado, comprising less than 35,000 acres, and generally depicted as the 100-year flood boundary on the Federal Flood Insurance maps listed below:

(1) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0146B, April 2, 1979. United States Department of Housing and Urban Development, Federal Insurance Administration.

(2) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0147B, April 2, 1979. United States Department of Housing and Urban Development, Federal Insurance Administration.

(3) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0162B, April 2, 1979. United States Department of Housing and Urban Development, Federal Insurance Administration.

(4) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0163C, March 18, 1986. Federal Emergency Management Agency, Federal Insurance Administration.

(5) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0178C, March 18, 1986. Federal Emergency Management Agency, Federal Insurance Administration.

(6) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080102 0002B, February 15, 1984. Federal Emergency Management Agency, Federal Insurance Administration.

(7) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0179C, March 18, 1986. Federal Emergency Management Agency, Federal Insurance Administration.

(8) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0193D, November 17, 1993. Federal Emergency Management Agency, Federal Insurance Administration.

(9) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0194D, November 17, 1993. Federal Emergency Management Agency, Federal Insurance Administration.

(10) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0208C, November 17, 1993. Federal Emergency Management Agency, Federal Insurance Administration.

(11) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080101 0221C, November 17, 1993. Federal Emergency Management Agency, Federal Insurance Administration.

(12) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080266 0605D, September 27, 1991. Federal Emergency Management Agency, Federal Insurance Administration.

(13) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080264 0005A, September 27, 1991. Federal Emergency Management Agency, Federal Insurance Administration.

(14) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080266 0608D, September 27, 1991. Federal Emergency Management Agency, Federal Insurance Administration.

(15) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080266 0609C, September 28, 1982. Federal Emergency Management Agency, Federal Insurance Administration.

(16) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080266 0628C, September 28, 1982. Federal Emergency Management Agency, Federal Insurance Administration.

(17) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080184 0002B, July 16, 1979. United States Department of Housing and Urban Development, Federal Insurance Administration.

(18) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080266 0636C, September 28, 1982. Federal Emergency Management Agency, Federal Insurance Administration.

(19) FLOOD INSURANCE RATE MAP, LARIMER COUNTY, COLORADO.—Community-Panel No. 080266 0637C, September 28, 1982. Federal Emergency Management Agency, Federal Insurance Administration.

As soon as practicable after the date of enactment of this title, the Secretary shall publish in the Federal Register a detailed description and map of the boundaries of the Area.

(c) PUBLIC ACCESS TO MAPS.—The maps shall be on file and available for public inspection in—

(1) the offices of the Department of the Interior in Washington, District of Columbia, and Denver, Colorado; and

(2) local offices of the city of Fort Collins, Larimer Country, the city of Greeley, and Weld County.

SEC. 1004. ESTABLISHMENT OF THE CACHE LA POUDRE RIVER NATIONAL WATER HERITAGE AREA COMMISSION

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established the Cache La Poudre River National Water Heritage Area Commission.

(2) FUNCTION.—The Commission, in consultation with appropriate Federal, State, and local authorities, shall develop and implement an integrated plan to interpret elements of the history of water development within the Area.

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 15 members appointed not later than 6 months after the date of enactment of this title. Of these 15 members—

(A) 1 member shall be a representative of the Secretary of the Interior which member shall be an ex officio member;

(B) 1 member shall be a representative of the Forest Service, appointed by the Secretary of Agriculture, which member shall be an ex officio member;

(C) 3 members shall be recommended by the Governor and appointed by the Secretary, of whom—

(i) 1 member shall represent the State;

(ii) 1 member shall represent Colorado State University in Fort Collins; and

(iii) 1 member shall represent the Northern Colorado Water Conservancy District;

(D) 6 members shall be representatives of local governments who are recommended by the Governor and appointed by the Secretary, of whom—

(i) 1 member shall represent the city of Fort Collins;

(ii) 2 members shall represent Larimer County, 1 of which shall represent agriculture or irrigated water interests;

(iii) 1 member shall represent the city of Greeley;

(iv) 2 members shall represent Weld County, 1 of which shall represent agricultural or irrigated water interests; and

(v) 1 member shall represent the city of Loveland; and

(E) 3 members shall be recommended by the Governor and appointed by the Secretary, and shall—

(i) represent the general public;

(ii) be citizens of the State; and

(iii) reside within the Area.

(2) CHAIRPERSON.—The chairperson of the Commission shall be elected by the members of the Commission from among members appointed under subparagraph (C), (D), or (E) of paragraph (1). The chairperson shall be elected for a 2-year term.

(3) VACANCIES.—A vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(c) TERMS OF SERVICE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), each member of the Commission shall be appointed for a term of 3 years and may be reappointed.

(2) INITIAL MEMBERS.—The initial members of the Commission first appointed under subsection (b)(1) shall be appointed as follows:

(A) 3-YEAR TERMS.—The following initial members shall serve for a 3-year term:

(i) The representative of the Secretary of the Interior.

(ii) 1 representative of Weld County.

(iii) 1 representative of Larimer County.

(iv) 1 representative of the city of Loveland.

(v) 1 representative of the general public.

(B) 2-YEAR TERMS.—The following initial members shall serve for a 2-year term:

(i) The representative of the Forest Service.

(ii) The representative of the State.

(iii) The representative of Colorado State University.

(iv) The representative of the Northern Colorado Water Conservancy District.

(C) 1-YEAR TERMS.—The following initial members shall serve for a 1-year term:

(i) 1 representative of the city of Fort Collins.

(ii) 1 representative of Larimer County.

(iii) 1 representative of the city of Greeley.

(iv) 1 representative of Weld County.

(v) 1 representative of the general public.

(3) PARTIAL TERMS.—

(A) FILLING VACANCIES.—A member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which a predecessor was appointed shall be appointed only for the remainder of their term.

(B) EXTENDED SERVICE.—A member of the Commission may serve after the expiration of that member's term until a successor has taken office.

(d) COMPENSATION.—Members of the Commission shall receive no compensation for their service on the Commission.

(e) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of services for the Commission, members shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

SEC. 1005. STAFF OF THE COMMISSION.

(a) STAFF.—The Commission shall have the power to appoint and fix the compensation of such staff as may be necessary to carry out the duties of the Commission.

(1) APPOINTMENT AND COMPENSATION.—Staff appointed by the Commission—

(A) shall be appointed without regard to the city service laws and regulations; and

(B) shall be compensated without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(b) EXPERTS AND CONSULTANTS.—Subject to such rules as may be adopted by the Commission, the Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(c) STAFF OF OTHER AGENCIES.—

(1) FEDERAL.—Upon request of the Commission, the head of a Federal agency may detail, on a reimbursement basis, any of the personnel of the agency to the Commission to assist the Commission in carrying out the Commission's duties. The detail shall be without interruption or loss of civil service status or privilege.

(2) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of the General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(3) STATE.—The Commission may—

(A) accept the service of personnel detailed from the State, State agencies, and political subdivisions of the State; and

(B) reimburse the State, State agency, or political subdivision of the State for such services.

SEC. 1006. POWERS OF THE COMMISSION.

(a) HEARINGS.—

(1) IN GENERAL.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers necessary to carry out this title.

(2) SUBPOENAS.—The Commission may not issue subpoenas or exercise any subpoena authority.

(b) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(c) MATCHING FUNDS.—The Commission may use its funds to obtain money from any source under a program or law requiring the recipient of the money to make a contribution in order to receive the money.

(d) GIFTS.—

(1) IN GENERAL.—Except as provided in subsection (e)(3), the Commission may, for the purpose of carrying out its duties, seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services received from any source.

(2) CHARITABLE CONTRIBUTIONS.—For the purpose of section 170(c) of the Internal Revenue Code of 1986, a gift to the Commission shall be deemed to be a gift to the United States.

(e) REAL PROPERTY.—

(1) IN GENERAL.—Except as provided in paragraph (2) and except with respect to a leasing of facilities under section 6(c)(2), the Commission may not acquire real property or an interest in real property.

(2) EXCEPTION.—Subject to paragraph (3), the Commission may acquire real property in the Area, and interests in real property in the Area—

(A) by gift or device;

(B) by purchase from a willing seller with money that was given or bequeathed to the Commission; or

(C) by exchange.

(3) CONVEYANCE TO PUBLIC AGENCIES.—Any real property or interest in real property acquired by the Commission under paragraph (2) shall be conveyed by the Commission to an appropriate non-Federal public agency, as determined by the Commission. The conveyance shall be made—

(A) as soon as practicable after acquisition;

(B) without consideration; and

(C) on the condition that the real property or interest in real property so conveyed is used in furtherance of the purpose for which the Area is established.

(f) COOPERATIVE AGREEMENTS.—For the purpose of carrying out the Plan, the Commission may enter into cooperative agreements with Federal agencies, State agencies, political subdivisions of the State, and persons. Any such cooperative agreement shall, at a minimum, establish procedures for providing notice to the Commission of any action that may affect the implementation of the Plan.

(g) ADVISORY GROUPS.—The Commission may establish such advisory groups as it considers necessary to ensure open communication with, and assistance from Federal agencies, State agencies, political subdivisions of the State, and interested persons.

(h) MODIFICATION OF PLANS.—

(1) IN GENERAL.—The Commission may modify the Plan if the Commission determines that such modification is necessary to carry out this title.

(2) NOTICE.—No modification shall take effect until—

(A) any Federal agency, State agency, or political subdivision of the State that may be affected by the modification receives adequate notice of, and an opportunity to comment on, the modification;

(B) if the modification is significant, as determined by the Commission, the Commission has—

(i) provided adequate notice of the modification by publication in the area of the Area; and

(ii) conducted a public hearing with respect to the modification; and

(C) the Governor has approved the modification.

SEC. 1007. DUTIES OF THE COMMISSION.

(a) PLAN.—The Commission shall prepare, obtain approval for, implement, and support the Plan in accordance with section 1008.

(b) MEETINGS.—

(1) TIMING.—

(A) INITIAL MEETING.—The Commission shall hold its first meeting not later than 90 days after the date on which its last initial member is appointed.

(B) SUBSEQUENT MEETINGS.—After the initial meeting, the Commission shall meet at the call of the chairperson or 7 of its members, except that the commission shall meet at least quarterly .

(2) QUORUM.—Ten members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(3) BUDGET.—The affirmative vote of not less than 10 members of the Commission shall be required to approve the budget of the Commission.

(c) ANNUAL REPORTS.—Not later than May 15 of each year, following the year in which the members of the Commission have been appointed, the Commission shall publish and submit to the Secretary and to the Governor, an annual report concerning the Commission's activities.

SEC. 1008. PREPARATION, REVIEW, AND IMPLEMENTATION OF THE PLAN.

(a) PREPARATION OF PLAN.—

(1) IN GENERAL.—Not later than 2 years after the Commission conducts its first meeting, the Commission shall submit to the Governor a Water Heritage Area Interpretation Plan.

(2) DEVELOPMENT.—In developing the Plan, the Commission shall—

(A) consult on a regular basis with appropriate officials of any Federal or State agency, political subdivision of the State, and local government that has jurisdiction over or an ownership interest in land, water, or water rights within the Area; and

(B) conduct public hearings within the Area for the purpose of providing interested persons the opportunity to testify about matters to be addressed by the Plan.

(3) RELATIONSHIP TO EXISTING PLANS.—The Plan—

(A) shall recognize any existing Federal, State, and local plans;

(B) shall not interfere with the implementation, administration, or amendment of such plans; and

(C) to the extent feasible, shall seek to coordinate the plans and present a unified interpretation plan for the Area.

(b) REVIEW OF PLAN.—

(1) IN GENERAL.—The Commission shall submit the Plan to the Governor for his review.

(2) GOVERNOR.—The Governor may review the Plan and if he concurs in the Plan, may submit the Plan to the Secretary, together with any recommendations.

(3) SECRETARY.—The Secretary shall approve or disapprove the Plan within 90 days. In reviewing the Plan, the Secretary shall consider the adequacy of—

(A) public participation; and

(B) the Plan in interpreting, for the educational and inspirational benefit of present and future generations, the unique and significant contributions to our national heritage of cultural and historical lands, waterways, and structures within the Area.

(c) DISAPPROVAL OF PLAN.—

(1) NOTIFICATION BY SECRETARY.—If the Secretary disapproves the Plan, the Secretary shall, not later than 60 days after the date of disapproval, advise the Governor and the Commission of the reasons for disapproval, together with recommendations for revision.

(2) REVISION AND RESUBMISSION TO GOVERNOR.—Not later than 90 days after receipt of the notice of disapproval, the Commission shall revise and resubmit the Plan to the Governor for review.

(3) RESUBMISSION TO SECRETARY.—If the Governor concurs in the revised Plan, he may submit the revised Plan to the Secretary who shall approve or disapprove the revision within 60 days. If the Governor does not concur in the revised Plan, he may resubmit it to the Commission together with his recommendations for further consideration and modification.

(d) IMPLEMENTATION OF PLAN.—After approval by the Secretary, the Commission shall implement and support the Plan as follows:

(1) CULTURAL RESOURCES.—

(A) IN GENERAL.—The Commission shall assist Federal agencies, State agencies, political subdivisions of the State, and nonprofit organizations in the conservation and interpretation of cultural resources within the Area.

(B) EXCEPTION.—In providing the assistance, the Commission shall in no way infringe upon the authorities and policies of a Federal agency, State agency, or political subdivision of the State concerning the administration and management of property, water, or water rights held by such agency, political subdivision, or private persons or entities, or affect the jurisdiction of the State of Colorado over any property, water, or water rights within the Area.

(2) PUBLIC AWARENESS.—The Commission shall assist in the enhancement of public awareness of, and appreciation for, the historical, recreational, architectural, and engineering structures in the Area, and the archaeological, geological, and cultural resources and sites in the Area—

(A) by encouraging private owners of identified structures, sites, and resources to adopt voluntary measures for the preservation of the identified structure, site, or resource; and

(B) by cooperating with Federal agencies, State agencies, and political subdivisions of the State in acquiring, on a willing seller basis, any identified structure, site, or resource which the Commission, with the concurrence of the Governor, determines should be acquired and held by an agency of the State.

(3) RESTORATION.—The Commission may assist Federal agencies, State agencies, political subdivisions of the State, and nonprofit organizations in the restoration of any identified structure or site in the Area with consent of the owner. The assistance may include providing technical assistance for historic preservation, revitalization, and enhancement efforts.

(4) INTERPRETATION.—The Commission shall assist in the interpretation of the historical, present, and future uses of the Area—

(A) by consulting with the Secretary with respect to the implementation of the Secretary's duties under section 1010;

(B) by assisting the State and political subdivisions of the State in establishing and maintaining visitor orientation centers and other interpretive exhibits within the Area;

(C) by encouraging voluntary cooperation and coordination, with respect to ongoing interpretive services in the Area, among Federal agencies, State agencies, political subdivisions of the State, nonprofit organizations, and private citizens, and

(D) by encouraging Federal agencies, State agencies, political subdivisions of the State, and nonprofit organizations to undertake new interpretive initiatives with respect to the Area.

(5) RECOGNITION.—The Commission shall assist in establishing recognition for the Area by actively promoting the cultural, historical, natural, and recreational resources of the Area on a community, regional, statewide, national, and international basis.

(6) LAND EXCHANGES.—The Commission shall assist in identifying and implementing land exchanges within the State of Colorado by Federal and State agencies that will expand open space and recreational opportunities within the flood plain of the Area.

SEC. 1009. TERMINATION OF TRAVEL EXPENSES PROVISION.

Effective on the date that is 5 years after the date on which the Secretary approves the Plan, section 5 is amended by striking subsection (e).

SEC. 1010. DUTIES OF THE SECRETARY.

(a) ACQUISITION OF LAND.—The Secretary may acquire land and interests in land within the Area that have been specifically identified by the Commission for acquisition by the Federal Government and that have been approved for such acquisition by the Governor and the political subdivision of the State where the land is located by donation, purchase with donated or appropriated funds, or exchange. Acquisition authority may only be used if such lands cannot be acquired by donation or exchange. No land or interest in land may be acquired without the consent of the owner.

(b) TECHNICAL ASSISTANCE.—The Secretary shall, upon the request of the Commission, provide technical assistance to the Commission in the preparation and implementation of the Plan pursuant to section 1008.

(c) DETAIL.—Each fiscal year during the existence of the Commission, the Secretary shall detail to the Commission, on a nonreimbursable basis, 2 employees of the Department of the Interior to enable the Commission to carry out the Commission's duties under section 1007.

SEC. 1011. OTHER FEDERAL ENTITIES.

(a) DUTIES.—Subject to section 1001, a Federal entity conducting or supporting activities directly affecting the flow of the Cache La Poudre River through the Area, or the natural resources of the Area shall consult with the Commission with respect to such activities;

(b) AUTHORIZATION.—

(1) IN GENERAL.—The Secretary or Administrator of a Federal agency may acquire land in the flood plain of the Area by exchange for other lands within such agency's jurisdiction within the State of Colorado, based on fair market value: Provided, That such lands have been identified by the Commission for acquisition by a Federal agency and the Governor and the political subdivision of the State or the owner where the lands are located concur in the exchange. Land so acquired shall be used to fulfill the purpose for which the Area is established.

(2) AUTHORIZATION TO CONVEY PROPERTY.—The first sentence of section 203(k)(3) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)(3)) is amended by striking "historic monument, for the benefit of the public" and inserting "historic monument or any such property within the State of Colorado for the Cache La Poudre River National Water Heritage Area, for the benefit of the public".

SEC. 1012. EFFECT ON ENVIRONMENTAL AND OTHER STANDARDS, RESTRICTIONS, AND SAVINGS PROVISIONS.

(a) EFFECT ON ENVIRONMENTAL AND OTHER STANDARDS.—

(1) VOLUNTARY COOPERATION.—In carrying out this title, the Commission and Secretary shall emphasize voluntary cooperation.

(2) RULES, REGULATIONS, STANDARDS, AND PERMIT PROCESSES.—Nothing in this title shall be considered to impose or form the basis for imposition of any environmental, occupational, safety, or other rule, regulation, standard, or permit process that is different from those that would be applicable had the Area not been established.

(3) ENVIRONMENTAL QUALITY STANDARDS.—Nothing in this title shall be considered to impose the application or administration of any Federal or State environmental quality standard that is different from those that will be applicable had the Area not been established.

(4) WATER STANDARDS.—Nothing in this title shall be considered to impose any Federal or State water use designation or water quality standard upon uses of, or discharges to, waters of the State or waters of the United States, within or adjacent to the Area, that is more restrictive than those that would be applicable had the Area not been established.

(5) PERMITTING OF FACILITIES.—Nothing in the establishment of the Area shall abridge, restrict, or alter any applicable rule, regulation, standard, or review procedure for permitting of facilities within or adjacent to the Area.

(6) WATER FACILITIES.—Nothing in the establishment of the Area shall affect the continuing use and operation, repair, rehabilitation, expansion, or new construction of water supply facilities, water and wastewater treatment facilities, stormwater facilities, public utilities, and common carriers.

(7) WATER AND WATER RIGHTS.—Nothing in the establishment of the Area shall be considered to authorize or imply the reservation or appropriation of water or water rights for any purpose.

(b) RESTRICTIONS ON COMMISSION AND SECRETARY.—Nothing in this title shall be construed to vest in the Commission or the Secretary the authority to—

(1) require a Federal agency, State agency, political subdivision of the State, or private person (including an owner of private property) to participate in a project or program carried out by the Commission or the Secretary under the title;

(2) intervene as a party in an administrative or judicial proceeding concerning the application or enforcement of a regulatory authority of a Federal agency, State agency, or political subdivision of the State, including, but not limited to, authority relating to—

(A) land use regulation;

(B) environmental quality;

(C) licensing;

(D) permitting;

(E) easements;

(F) private land development; or

(G) other occupational or access issue;

(3) establish or modify a regulatory authority of a Federal agency, State agency, or political subdivision of the State, including authority relating to—

(A) land use regulation;

(B) environmental quality; or

(C) pipeline or utility crossings;

(4) modify a policy of a Federal agency, State agency, or political subdivision of the State;

(5) attest in any manner the authority and jurisdiction of the State with respect to the acquisition of lands or water, or interest in lands or water;

(6) vest authority to reserve or appropriate water or water rights in any entity for any purpose;

(7) deny, condition, or restrict the construction, repair, rehabilitation, or expansion of water facilities, including stormwater, water, and wastewater treatment facilities; or

(8) deny, condition, or restrict the exercise of water rights in accordance with the substantive and procedural requirements of the laws of the State.

(c) SAVINGS PROVISION.—Nothing in this title shall diminish, enlarge, or modify a right of a Federal agency, State agency, or political subdivision of the State—

(1) to exercise civil and criminal jurisdiction within the Area; or

(2) to tax persons, corporations, franchises, or property, including minerals and other interests in or on lands or waters within the urban river corridor portions of the Area.

(d) ACCESS TO PRIVATE PROPERTY.—Nothing in this title requires an owner of private property to allow access to the property by the public.

SEC. 1013. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated not to exceed $50,000 to the Commission to carry out this Act.

(b) MATCHING FUNDS.—Funds may be made available pursuant to this section only to the extent they are matched by equivalent funds or in-kind contributions of services or materials from non-Federal sources.

TITLE XI—GILPIN COUNTY, COLORADO LAND EXCHANGE

SEC. 1101. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds and declares that—

(1) certain scattered parcels of Federal land located within Gilpin County, Colorado, are currently administered by the Secretary of the Interior as part of the Royal Gorge Resource Area, Canon City District, United States Bureau of Land Management;

(2) these land parcels, which comprises approximately 133 separate tracts of land, and range in size from approximately 38 acres to much less than an acre have been identified as suitable for disposal by the Bureau of Land Management through its resource management planning process and are appropriate for disposal; and

(3) even though the Federal land parcels in Gilpin County, Colorado, are scattered and small in size, they nevertheless by virtue of their proximity to existing communities appear to have a fair market value which may be used by the Federal Government to exchange for lands which will better lend themselves to Federal management and have higher values for future public access, use and enjoyment, recreation, the protection and enhancement of fish and wildlife and fish and wildlife habitat, and the protection of riparian lands, wetlands, scenic beauty and other public values.

(b) PURPOSE.—It is the purpose of this title to authorize, direct, facilitate and expedite the land exchange set forth herein in order to further the public interest by disposing of Federal lands with limited public utility and acquire in exchange therefor lands with important values for permanent public management and protection.

SEC. 1102. LAND EXCHANGE.

(a) IN GENERAL.—The exchange directed by this title shall be consummated if within 90 days after enactment of this Act, Lake Gulch, Inc., a Colorado Corporation (as defined in section 1104 of this title) offers to transfer to the United States pursuant to the provisions of this title the offered lands or interests in land described herein.

(b) CONVEYANCE BY LAKE GULCH.—Subject to the provisions of section 1103 of this title, Lake Gulch shall convey to the Secretary of the Interior all right, title, and interest in and to the following offered lands—

(1) certain lands comprising approximately 40 acres with improvements thereon located in Larimer County, Colorado, and lying within the boundaries of Rocky Mountain National Park as generally depicted on a map entitled "Circle C Church Camp", dated August 1994, which shall upon their acquisition by the United States and without further action by the Secretary of the Interior be incorporated into Rocky Mountain National Park and thereafter be administered in accordance with the laws, rules and regulations generally applicable to the National Park System and Rocky Mountain National Park;

(2) certain lands located within and adjacent to the United States Bureau of Land Management San Luis Resource Area in Conejos County, Colorado, which comprise approximately 3,993 acres and are generally depicted on a map entitled "Quinlan Ranches Tract", dated August 1994; and

(3) certain lands located within the United States Bureau of Land Management Royal Gorge Resource Area in Huerfano County, Colorado, which comprise approximately 4,700 acres and are generally depicted on a map entitled "Bonham Ranch-Cucharas Canyon", dated June 1995: Provided however, That it is the intention of Congress that such lands may remain available for the grazing of livestock as determined appropriate by the Secretary in accordance with applicable laws, rules, and regulations: Provided further, That if the Secretary determines that certain of the lands acquired adjacent to Cucharas Canyon hereunder are not needed for public purposes they may be sold in accordance with the provisions of section 203 of the Federal Land Policy and Management Act of 1976 and other applicable law.

(c) SUBSTITUTION OF LANDS.—If one or more of the precise offered land parcels identified above is unable to be conveyed to the United States due to appraisal or other problems, Lake Gulch and the Secretary may mutually agree to substitute therefor alternative offered lands acceptable to the Secretary.

(d) COVEYANCE BY THE UNITED STATES.—(1) Upon receipt of title to the lands identified in subsection (a) the Secretary shall simultaneously convey to Lake Gulch all right, title, and interest of the United States, subject to valid existing rights, in and to the following selected lands—

(A) certain surveyed lands located in Gilpin County, Colorado, Township 3 South, Range 72 West, Sixth Principal Meridian, Section 18, Lots 118–220, which comprise approximately 195 acres and are intended to include all federally owned lands in section 18, as generally depicted on a map entitled "Lake Gulch Selected Lands", dated July 1994;

(B) certain surveyed lands located in Gilpin County, Colorado, Township 3 South, Range 72 West, Sixth Principal Meridian, Section 17, Lots 37, 38, 39, 40, 52, 53, and 54, which comprise approximately 96 acres, as generally depicted on a map entitled "Lake Gulch Selected Lands", dated July 1994; and

(C) certain unsurveyed lands located in Gilpin County, Colorado, Township 3 South, Range 73 West, Sixth Principal Meridian, Section 13, which comprise approximately 11 acres, and are generally depicted as parcels 302–304, 306 and 308–326 on a map entitled "Lake Gulch Selected Lands", dated July 1994: Provided however, That a parcel or parcels of land in section 13 shall not be transferred to Lake Gulch if at the time of the proposed transfer the parcel or parcels are under formal application for transfer to a qualified unit of local government. Due to the small and unsurveyed nature of such parcels proposed for transfer to Lake Gulch in section 13, and the high cost of surveying such small parcels, the Secretary is authorized to transfer such section 13 lands to Lake Gulch without survey based on such legal or other description as the Secretary determines appropriate to carry out the basic intent of the map cited in this subparagraph.

(2) If the Secretary and Lake Gulch mutually agree, and the Secretary determines it is in the public interest, the Secretary may utilize the authority and direction of this title to transfer to Lake Gulch lands in sections 17 and 13 that are in addition to those precise selected lands shown on the map cited herein, and which are not under formal application for transfer to a qualified unit of local government, upon transfer to the Secretary of additional offered lands acceptable to the Secretary or upon payment to the Secretary by Lake Gulch of cash equalization money amounting to the full appraised fair market value of any such additional lands. If any such additional lands are located in section 13 they may be transferred to Lake Gulch without survey based on such legal or other description as the Secretary determines appropriate as long as the Secretary determines that the boundaries of any adjacent lands not owned by Lake Gulch can be properly identified so as to avoid possible future boundary conflicts or disputes. If the Secretary determines surveys are necessary to convey any such additional lands to Lake Gulch, the costs of such surveys shall be paid by Lake Gulch but shall not be eligible for any adjustment in the value of such additional lands pursuant to section 206(f)(2) of the Federal Land Policy and Management Act of 1976 (as amended by the Federal Land Exchange Facilitation Act of 1988) (43 U.S.C. 1716(f)(2)).

(3) Prior to transferring out of public ownership pursuant to this title or other authority of law any lands which are contiguous to North Clear Creek southeast of the City of Black Hawk, Colorado in the County of Gilpin, Colorado, the Secretary shall notify and consult with the county and city and afford such units of local government an opportunity to acquire or reserve pursuant to the Federal Land Policy and Management Act of 1976 or other applicable law, such easements or rights-of-way parallel to North Clear Creek as may be necessary to serve public utility line or recreation path needs: Provided however, That any survey or other costs associated with the acquisition or reservation of such easements or rights-of-way shall be paid for by the unit or units of local government concerned.

SEC. 1103. TERMS AND CONDITIONS OF EXCHANGE.

(a) EQUALIZATION OF VALUES.—

(1) The values of the lands to be exchanged pursuant to this title shall be equal as determined by the Secretary of the Interior utilizing comparable sales of surface and subsurface property and nationally recognized appraisal standards, including, to the extent appropriate, the Uniform Standards for Federal Land Acquisition, the Uniform Standards of Professional

Appraisal Practice, the provisions of section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(d)), and other applicable law.

(2) In the event any cash equalization or land sale moneys are received by the United States pursuant to this Act, any such moneys shall be retained by the Secretary of the Interior and may be utilized by the Secretary until fully expended to purchase from willing sellers land or water rights, or a combination thereof, to augment wildlife habitat and protect and restore wetlands in the Bureau of Land Management's Blanca Wetlands, Alamosa County, Colorado.

(3) Any water rights acquired by the United States pursuant to this section shall be obtained by the Secretary of the Interior in accordance with all applicable provisions of Colorado law, including the requirement to change the time, place, and type of use of said water rights through the appropriate State legal proceedings and to comply with any terms, conditions, or other provisions contained in an applicable decree of the Colorado Water Court. The use of any water rights acquired pursuant to this section shall be limited to water that can be used or exchanged for water that can be used on the Blanca Wetlands. Any requirement or proposal to utilize facilities of the San Luis Valley Project, Closed Basin Diversion, in order to effectuate the use of any such water rights shall be subject to prior approval of the Rio Grande Water Conservation District.

(b) RESTRICTIONS ON SELECTED LANDS.—(1) Conveyance of the selected lands to Lake Gulch pursuant to this title shall be contingent upon Lake Gulch executing an agreement with the United States prior to such conveyance, the terms of which are acceptable to the Secretary of the Interior, and which—

(A) grant the United States a covenant that none of the selected lands (which currently lie outside the legally approved gaming area) shall ever be used for purposes of gaming should the current legal gaming area ever be expanded by the State of Colorado; and

(B) permanently hold the United States harmless for liability and indemnify the United States against all costs arising from any activities, operations (including the storing, handling, and dumping of hazardous materials or substances) or other acts conducted by Lake Gulch or its employees, agents, successors or assigns on the selected lands after their transfer to Lake Gulch: Provided however, That nothing in this title shall be construed as either diminishing or increasing any responsibility or liability of the United States based on the condition of the selected lands prior to or on the date of their transfer to Lake Gulch.

(2) Conveyance of the selected lands to Lake Gulch pursuant to this title shall be subject to the existing easement for Gilpin County Road 6.

(3) The above terms and restrictions of this subsection shall not be considered in determining, or result in any diminution in, the fair market value of the selected land for purposes of the appraisals of the selected land required pursuant to section 1102 of this title.

(c) REVOCATION OF WITHDRAWAL.—The Public Water Reserve established by Executive order dated April 17, 1926 (Public Water Reserve 107), Serial Number Colorado 17321, is hereby revoked insofar as it affects the $NW^{1}/_{4}SW^{1}/_{4}$ of Section 17, Township 3 South, Range 72 West, Sixth Principal Meridian, which covers a portion of the selected lands identified in this title.

SEC. 1104. MISCELLANEOUS PROVISIONS.

(a) DEFINITIONS.—As used in this title:

(1) The term "Secretary" means the Secretary of the Interior.

(2) The term "Lake Gulch" means Lake Gulch, Inc., a Colorado corporation, or its successors, heirs or assigns.

(3) The term "offered land" means lands to be conveyed to the United States pursuant to this title.

(4) The term "selected land" means lands to be transferred to Lake Gulch, Inc., or its successors, heirs or assigns pursuant to this title.

(5) The term "Blanca Wetlands" means an area of land comprising approximately 9,290 acres, as generally depicted on a map entitled "Blanca Wetlands", dated August 1994, or such land as the Secretary may add thereto by purchase from willing sellers after the date of enactment of this Act utilizing funds provided by this title or such other moneys as Congress may appropriate.

(b) TIME REQUIREMENT FOR COMPLETING TRANSFER.—It is the intent of Congress that unless the Secretary and Lake Gulch mutually agree otherwise the exchange of lands authorized and directed by this title shall be completed not later than 6 months after the date of enactment of this Act. In the event the exchange cannot be consummated within such 6-month time period, the Secretary, upon application by Lake Gulch, is directed to sell to Lake Gulch at appraised fair market value any or all of the parcels (comprising a total of approximately 11 acres) identified in section 1102(d)(1)(C) of this title as long as the parcel or parcels applied for are not under formal application for transfer to a qualified unit of local government.

(c) ADMINISTRATION OF LANDS ACQUIRED BY UNITED STATES.—In accordance with the provisions of section 206(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(c)), all lands acquired by the United States pursuant to this title shall upon acceptance of title by the United States and without further action by the Secretary concerned become part of and be managed as part of the administrative unit or area within which they are located.

TITLE XII—BUTTE COUNTY, CALIFORNIA LAND CONVEYANCE

SEC. 1201. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) certain landowners in Butte County, California who own property adjacent to the Plumas National Forest have been adversely affected by certain erroneous surveys;

(2) these landowners have occupied or improved their property in good faith and in reliance on erroneous surveys of their properties that they believed were accurate; and

(3) the 1992 Bureau of Land Management dependent resurvey of the Plumas National Forest will correctly establish accurate boundaries between such forest and private lands.

(b) PURPOSE.—It is the purpose of this title to authorize and direct the Secretary of Agriculture to convey, without consideration, certain lands in Butte County, California, to persons claiming to have been deprived of title to such lands.

SEC. 1202. DEFINITIONS.

For the purpose of this title—

(1) the term "affected lands" means those Federal lands located in the Plumas National Forest in Butte County, California, in sections 11, 12, 13, and 14, township 21 north, range 5 East, Mount Diablo Meridian, as described by the dependent resurvey by the Bureau of Land Management conducted in 1992, and subsequent Forest Service land line location surveys, including all adjoining parcels where the property line as identified by the 1992 BLM dependent resurvey and National Forest boundary lines before such dependent resurvey are not coincident;

(2) the term "claimant" means an owner of real property in Butte County, California, whose real property adjoins Plumas National Forest lands described in subsection (a), who claims to have been deprived by the United States of title to property as a result of previous erroneous surveys; and

(3) the term "Secretary" means the Secretary of Agriculture.

SEC. 1203. CONVEYANCE OF LANDS.

Notwithstanding any other provision of law, the Secretary is authorized and directed to convey, without consideration, all right, title, and interest of the United States in and to affected lands as described in section 1202(1), to any claimant or claimants, upon proper application from such claimant or claimants, as provided in section 1204.

SEC. 1204. TERMS AND CONDITIONS OF CONVEYANCE.

(a) NOTIFICATION.—Not later than 2 years after the date of enactment of this Act, claimants shall notify the Secretary, through the Forest Supervisor of the Plumas National Forest, in writing of their claim to affected lands. Such claim shall be accompanied by—

(1) a description of the affected lands claimed;

(2) information relating to the claim of ownership of such lands; and

(3) such other information as the Secretary may require.

(b) ISSUANCE OF DEED.—(1) Upon a determination by the Secretary that issuance of a deed for affected lands is consistent with the purpose and requirements of this title, the Secretary shall issue a quit claim deed to such claimant for the parcel to be conveyed.

(2) Prior to the issuance of any such deed as provided in paragraph (1), the Secretary shall ensure that—

(A) the parcel or parcels to be conveyed have been surveyed in accordance with the Memorandum of Understanding between the Forest Service and the Bureau of Land Management, dated November 11, 1989;

(B) all new property lines established by such surveys have been monumented and marked; and

(C) all terms and conditions necessary to protect third party and Government Rights-of-Way or other interests are included in the deed.

(3) The Federal Government shall be responsible for all surveys and property line markings necessary to implement this subsection.

(c) NOTIFICATION TO BLM.—The Secretary shall submit to the Secretary of the Interior an authenticated copy of each deed issued pursuant to this title no later than 30 days after the date such deed is issued.

SEC. 1205. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as necessary to carry out the purposes of this title.

TITLE XIII—CARL GARNER FEDERAL LANDS CLEANUP DAY

SEC. 1301. CARL GARNER FEDERAL LANDS CLEANUP DAY.

The Federal Lands Cleanup Act of 1985 (36 U.S.C. 169i–169i–1) is amended by striking the terms "Federal Lands Cleanup Day" each place it appears and inserting "Carl Garner Federal Lands Cleanup Day".

TITLE XIV—ANAKTUVUK PASS LAND EXCHANGE

SEC. 1401. FINDINGS.

The Congress makes the following findings:

(1) The Alaska National Interest Lands Conservation Act (94 Stat. 2371), enacted on December 2, 1980, established Gates of the Arctic National Park and Preserve and Gates of the Arctic Wilderness. The village of Anaktuvuk Pass, located in the highlands of the central Brooks Range, is virtually surrounded by these national park and wilderness lands and is the only Native village located within the boundary of a National Park System unit in Alaska.

(2) Unlike most other Alaskan Native communities, the village of Anaktuvuk Pass is not located on a major river, lake, or coastline that

can be used as a means of access. The residents of Anaktuvuk Pass have relied increasingly on snow machines in winter and all-terrain vehicles in summer as their primary means of access to pursue caribou and other subsistence resources.

(3) In a 1983 land exchange agreement, linear easements were reserved by the Inupiat Eskimo people for use of all-terrain vehicles across certain national park lands, mostly along stream and river banks. These linear easements proved unsatisfactory, because they provided inadequate access to subsistence resources while causing excessive environmental impact from concentrated use.

(4) The National Park Service and the Nunamiut Corporation initiated discussions in 1985 to address concerns over the use of all-terrain vehicles on park and wilderness land. These discussions resulted in an agreement, originally executed in 1992 and thereafter amended in 1993 and 1994, among the National Park Service, Nunamiut Corporation, the City of Anaktuvuk Pass, and Arctic Slope Regional Corporation. Full effectuation of this agreement, as amended, by its terms requires ratification by the Congress.

SEC. 1402. RATIFICATION OF AGREEMENT.

(a) RATIFICATION.—

(1) IN GENERAL.—The terms, conditions, procedures, covenants, reservations and other provisions set forth in the document entitled "Donation, Exchange of Lands and Interests in Lands and Wilderness Redesignation Agreement Among Arctic Slope Regional Corporation, Nunamiut Corporation, City of Anaktuvuk Pass and the United States of America" (hereinafter referred to in this title as "the Agreement"), executed by the parties on December 17, 1992, as amended, are hereby incorporated in this title, are ratified and confirmed, and set forth the obligations and commitments of the United States, Arctic Slope Regional Corporation, Nunamiut Corporation and the City of Anaktuvuk Pass, as a matter of Federal law.

(2) LAND ACQUISITION.—Lands acquired by the United States pursuant to the Agreement shall be administered by the Secretary of the Interior (hereinafter referred to as the "Secretary") as part of Gates of the Arctic National Park and Preserve, subject to the laws and regulations applicable thereto.

(b) MAPS.—The maps set forth as Exhibits C1, C2, and D through I to the Agreement depict the lands subject to the conveyances, retention of surface access rights, access easements and all-terrain vehicle easements. These lands are depicted in greater detail on a map entitled "Land Exchange Actions, Proposed Anaktuvuk Pass Land Exchange and Wilderness Redesignation, Gates of the Arctic National Park and Preserve", Map No. 185/80,039, dated April 1994, and on file at the Alaska Regional Office of the National Park Service and the offices of Gates of the Arctic National Park and Preserve in Fairbanks, Alaska. Written legal descriptions of these lands shall be prepared and made available in the above offices. In case of any discrepancies, Map No. 185/80,039 shall be controlling.

SEC. 1403. NATIONAL PARK SYSTEM WILDERNESS.

(a) GATES OF THE ARCTIC WILDERNESS.—

(1) REDESIGNATION.—Section 701(2) of the Alaska National Interest Lands Conservation Act (94 Stat. 2371, 2417) establishing the Gates of the Arctic Wilderness is hereby amended with the addition of approximately 56,825 acres as wilderness and the rescission of approximately 73,993 acres as wilderness, thus revising the Gates of the Arctic Wilderness to approximately 7,034,832 acres.

(2) MAP.—The lands redesignated by paragraph (1) are depicted on a map entitled "Wilderness Actions, Proposed Anaktuvuk Pass Land Exchange and Wilderness Redesignation, Gates of the Arctic National Park and Preserve", Map No. 185/80,040, dated April 1994, and on file at the Alaska Regional Office of the National Park Service and the office of Gates of the Arctic National Park and Preserve in Fairbanks, Alaska.

(b) NOATAK NATIONAL PRESERVE.—Section 201(8)(a) of the Alaska National Interest Land Conservation Act (94 Stat. 2380) is amended by—

(1) striking "approximately six million four hundred and sixty thousand acres" and inserting in lieu thereof "approximately 6,477,168 acres"; and

(2) inserting "and the map entitled "Noatak National Preserve and Noatak Wilderness Addition" dated September 1994" after "July 1980".

(c) NOATAK WILDERNESS.—Section 701(7) of the Alaska National Interest Lands Conservation Act (94 Stat. 2417) is amended by striking "approximately five million eight hundred thousand acres" and inserting in lieu thereof "approximately 5,817,168 acres".

SEC. 1404. CONFORMANCE WITH OTHER LAW.

(a) ALASKA NATIVE CLAIMS SETTLEMENT ACT.—All of the lands, or interests therein, conveyed to and received by Arctic Slope Regional Corporation or Nunamiut Corporation pursuant to the Agreement shall be deemed conveyed and received pursuant to exchanges under section 22(f) of the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601, 1621(f)). All of the lands or interests in lands conveyed pursuant to the Agreement shall be conveyed subject to valid existing rights.

(b) ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT.—Except to the extent specifically set forth in this title or the Agreement, nothing in this title or in the Agreement shall be construed to enlarge or diminish the rights, privileges, or obligations of any person, including specifically the preference for subsistence uses and access to subsistence resources provided under the Alaska National Interest Lands Conservation Act (16 U.S.C. 3101 et seq.).

TITLE XV—ALASKA PENINSULA SUBSURFACE CONSOLIDATION

SEC. 1501. DEFINITIONS.

As used in this title:

(1) AGENCY.—The term agency—

(A) means—

(i) any instrumentality of the United States; and

(ii) any Government corporation (as defined in section 9101(1) of title 31, United States Code); and

(B) includes any element of an agency.

(2) ALASKA NATIVE CORPORATION.—The term "Alaska Native Corporation" has the same meaning as is provided for "Native Corporation" in section 3(m) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(m)).

(3) FEDERAL LANDS OR INTEREST THEREIN.—The term "Federal lands or interests therein" means any lands or properties owned by the United States (i) which are administered by the Secretary, or (ii) which are subject to a lease to third parties, or (iii) which have been made available to the Secretary for exchange under this section through the concurrence of the director of the agency administering such lands or properties: Provided however, That excluded from such lands shall be those lands which are within an existing conservation system unit as defined in section 102(4) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3102(4)), and those lands the mineral interest for which are currently under mineral lease.

(4) KONIAG.—The term "Koniag" means Koniag, Incorporated, which is a regional Corporation.

(5) REGIONAL CORPORATION.—The term "Regional Corporation" has the same meaning as is provided in section 3(g) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(g)).

(6) SECRETARY.—Except as otherwise provided, the term "Secretary" means the Secretary of the Interior.

(7) SELECTION RIGHTS.—The term "selection rights" means those rights granted to Koniag, pursuant to subsections (a) and (b) of section 12, and section 14(h)(8), of the Alaska Native Claims Settlement Act (43 U.S.C. 1611 and 1613(h)(8)), to receive title to the oil and gas rights and other interests in the subsurface estate of the approximately 275,000 acres of public lands in the State of Alaska identified as "Koniag Selections" on the map entitled "Koniag Interest Lands, Alaska Peninsula", dated May 1989.

SEC. 1502. VALUATION OF KONIAG SELECTION RIGHTS.

(a) Pursuant to subsection (b) hereof, the Secretary shall value the Selection Rights which Koniag possesses within the boundaries of Aniakchak National Monument and Preserve, Alaska Peninsula National Wildlife Refuge, and Becharof National Wildlife Refuge.

(b) VALUE.—

(1) IN GENERAL.—The value of the selection rights shall be equal to the fair market value of—

(A) the oil and gas interests in the lands or interests in lands that are the subject of the selection rights; and

(B) in the case of the lands or interests in lands for which Koniag is to receive the entire subsurface estate, the subsurface estate of the lands or interests in lands that are the subject of the selection rights.

(2) APPRAISAL.—

(A) SELECTION OF APPRAISER.—

(i) IN GENERAL.—Not later than 90 days after the date of enactment of this title the Secretary and Koniag shall meet to select a qualified appraiser to conduct an appraisal of the selection rights. Subject to clause (ii), the appraiser shall be selected by the mutual agreement of the Secretary and Koniag.

(ii) FAILURE TO AGREE.—If the Secretary and Koniag fail to agree on an appraiser by the date that is 60 days after the date of the initial meeting referred to in clause (i), the Secretary and Koniag shall, by the date that is not later than 90 days after the date of the initial meeting, each designate an appraiser who is qualified to perform the appraisal. The 2 appraisers so identified shall select a third qualified appraiser who shall perform the appraisal.

(B) STANDARDS AND METHODOLOGY.—The appraisal shall be conducted in conformity with the standards of the Appraisal Foundation (as defined in section 1121(9) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350(9)).

(C) SUBMISSION OF APPRAISAL REPORT.—Not later than 180 days after the selection of an appraiser pursuant to subparagraph (A), the appraiser shall submit to the Secretary and to Koniag a written appraisal report specifying the value of the selection rights and the methodology used to arrive at the value.

(3) DETERMINATION OF VALUE.—

(A) DETERMINATION BY THE SECRETARY.—Not later than 60 days after the date of the receipt of the appraisal report under paragraph (2)(c), the Secretary shall determine the value of the selection rights and shall notify Koniag of the determination.

(B) ALTERNATIVE DETERMINATION OF VALUE.—

(i) IN GENERAL.—Subject to clause (ii), if Koniag does not agree with the value determined by the Secretary under subparagraph (A), the procedures specified in section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716 (d)) shall be used to establish the value.

(ii) AVERAGE VALUE LIMITATION.—The average value per acre of the selection rights shall not be *less than the value utilizing the risk adjusted discount cash flow methodology, but in no event may exceed $300.*

SEC. 1503. KONIAG ACCOUNT.

(a) IN GENERAL.—

(1) The Secretary shall enter into negotiations for an agreement or agreements to exchange Federal lands or interests therein which are in the State of Alaska for the Selection Rights.

(2) If the value of the Federal property to be exchanged is less than the value of the Selection Rights established in section 1501, and if such Federal property to be exchanged is not generating receipts to the Federal Government in excess of $1,000,000 per year, then the Secretary may exchange the Federal property for that portion of the Selection Rights having a value equal to that of the Federal property. The remaining selection rights shall remain available for additional exchanges.

(3) For the purposes of any exchange to be consummated under this title, if less than all the selection rights are being exchanged, then the value of the selection rights being exchanged shall be equal to the number of acres of selection rights being exchanged multiplied by a fraction, the numerator of which is the value of all the selection rights as determined pursuant to section 1502 hereof and the denominator of which is the total number of acres of selection rights.

(b) ADDITIONAL EXCHANGES.—If, after ten years from the date of the enactment of this title, the Secretary was unable to conclude such exchanges as may be required to acquire all of the selection rights, he shall conclude exchanges for the remaining selection rights for such Federal property as may be identified by Koniag, which property is available for transfer to the administrative jurisdiction of the Secretary under any provision of law and which property, at the time of the proposed transfer to Koniag is not generating receipts to the Federal Government in excess of $1,000,000 per year. The Secretary shall keep Koniag advised in a timely manner as to which properties may be available for such transfer. Upon receipt of such identification by Koniag, the Secretary shall request in a timely manner the transfer of such identified property to the administrative jurisdiction of the Department of the Interior. Such property shall not be subject to the geographic limitations of section 206(b) of the Federal Land Policy and Management Act and may be retained by the Secretary solely for purposes of transferring it to Koniag to complete the exchange. Should the value of the property so identified by Koniag be in excess of the value of the remaining selection rights, then Koniag shall have the option of (i) declining to proceed with the exchange and identifying other property or (ii) paying the difference in value between the property rights.

(c) REVENUES.—Any property received by Koniag in an exchange entered into pursuant to subsection (a) or (b) of this section shall be deemed to be an interest in the subsurface for purposes of section 7(i) of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.): Provided however, That should Koniag make a payment to equalize the value in any such exchange, then Koniag will be deemed to hold an undivided interest in the property equal in value to such payment which interest shall not be subject to the provisions of section 9(j).

SEC. 1504. CERTAIN CONVEYANCES.

(a) INTERESTS IN LAND.—For the purposes of section 21(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1620(e)), the receipt of consideration, including, but not limited to, lands, cash or other property, by a Native Corporation for the relinquishment to the United States of land selection rights granted to any Native Corporation under such Act shall be deemed to be an interest in land.

(b) AUTHORITY TO APPOINT AND REMOVE TRUSTEE.—In establishing a Settlement Trust under section 39 of such Act (43 U.S.C. 1629c), Koniag may delegate, in whole or in part, the authority granted to Koniag under subsection (b)(2) of such section to any entity that Koniag may select without affecting the status of the trust as a Settlement Trust under such section.

TITLE XVI—TAOS PUEBLO LAND TRANSFER

SEC. 1601. LAND TRANSFER.

(a) TRANSFER.—The parcel of land described in subsection (b) is hereby transferred without consideration to the Secretary of the Interior to be held in trust for the Pueblo de Taos. Such parcel shall be a part of the Pueblo de Taos Reservation and shall be managed in accordance with section 4 of the Act of May 31, 1933 (48 Stat. 108) (as amended, including as amended by Public Law 91-550 (84 Stat. 1437)).

(b) LAND DESCRIPTION.—The parcel of land referred to in subsection (a) is the land that is generally depicted on the map entitled "Lands transferred to the Pueblo of Taos—proposed" and dated September 1994, comprises 764.33 acres, and is situated within sections 25, 26, 35, and 36, Township 27 North, Range 14 East, New Mexico Principal Meridian, within the Wheeler Peak Wilderness, Carson National Forest, Taos County, New Mexico.

(c) CONFORMING BOUNDARY ADJUSTMENTS.—The boundaries of the Carson National Forest and the Wheeler Peak Wilderness are hereby adjusted to reflect the transfer made by subsection (a).

(d) RESOLUTION OF OUTSTANDING CLAIMS.—The Congress finds and declares that, as a result of the enactment of this Act, the Taos Pueblo has no unresolved equitable or legal claims against the United States on the lands to be held in trust and to become part of the Pueblo de Taos Reservation under this title.

TITLE XVII—SKI FEES

SEC. 1701. SKI AREA PERMIT RENTAL CHARGE.

(a) The Secretary of Agriculture shall charge a rental charge for all ski area permits issued pursuant to section 3 of the National Forest Ski Area Permit Act of 1986 (16 U.S.C. 497b), the Act of March 4, 1915 (38 Stat. 1101, chapter 144; 16 U.S.C. 497), or the 9th through 20th paragraphs under the heading "SURVEYING THE PUBLIC LANDS" under the heading "UNDER THE DEPARTMENT OF THE INTERIOR" in the Act of June 4, 1897 (30 Stat. 34, chapter 2), on National Forest System lands. Permit rental charges for permits issued pursuant to the National Forest Ski Area Permit Act of 1986 shall be calculated as set forth in subsection (b). Permit rental charges for existing ski area permits issued pursuant to the Act of March 4, 1915, and the Act of June 4, 1897, shall be calculated in accordance with those existing permits: Provided, That a permittee may, at the permittee's option, use the calculation method set forth in subsection (b).

(b)(1) The ski area permit rental charge (SAPRC) shall be calculated by adding the permittee's gross revenues from lift ticket/year-round ski area use pass sales plus revenue from ski school operations (LT+SS) and multiplying such total by the slope transport feet percentage (STFP) on National Forest System land. That amount shall be increased by the gross year-round revenue from ancillary facilities (GRAF) physically located on national forest land, including all permittee or subpermittee lodging, food service, rental shops, parking and other ancillary operations, to determine the adjusted gross revenue (AGR) subject to the permit rental charge. The final rental charge shall be calculated by multiplying the AGR by the following percentages for each revenue bracket and adding the total for each revenue bracket:

(A) 1.5 percent of all adjusted gross revenue below $3,000,000;

(B) 2.5 percent for adjusted gross revenue between $3,000,000 and $15,000,000;

(C) 2.75 percent for adjusted gross revenue between $15,000,000 and $50,000,000; and

(D) 4.0 percent for the amount of adjusted gross revenue that exceeds $50,000,000.

Utilizing the abbreviations indicated in this subsection the ski area permit fee (SAPF) formula can be simply illustrated as:

SAPF = ((LT + SS) STFP) + GRAF = AGR; AGR % BRACKETS

(2) In cases where ski areas are only partially located on national forest lands, the slope transport feet percentage on national forest land referred to in subsection (b) shall be calculated as generally described in the Forest Service Manual in effect as of January 1, 1992. Revenues from Nordic ski operations shall be included or excluded from the rental charge calculation according to the percentage of trails physically located on national forest land.

(3) In order to ensure that the rental charge remains fair and equitable to both the United States and the ski area permittees, the adjusted gross revenue figures for each revenue bracket in paragraph (1) shall be adjusted annually by the percent increase or decrease in the national Consumer Price Index for the preceding calendar year. No later than 5 years after the date of enactment of this Act and every 10 years thereafter the Secretary shall submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives a report analyzing whether the ski area permit rental charge legislated by this Act is returning a fair market value rental to the United States together with any recommendations the Secretary may have for modifications of the system.

(c) The rental charge set forth in subsection (b) shall be due on June 1 of each year and shall be paid or pre-paid by the permittee on a monthly, quarterly, annual or other schedule as determined appropriate by the Secretary in consultation with the permittee. Unless mutually agreed otherwise by the Secretary and the permittee, the payment or prepayment schedule shall conform to the permittee's schedule in effect prior to enactment of this Act. To reduce costs to the permittee and the Forest Service, the Secretary shall each year provide the permittee with a standardized form and worksheets (including annual rental charge calculation brackets and rates) to be used for rental charge calculation and submitted with the rental charge payment. Information provided on such forms shall be compiled by the Secretary annually and kept in the Office of the Chief, United States Forest Service.

(d) The ski area permit rental charge set forth in this section shall become effective on June 1, 1996 and cover receipts retroactive to June 1, 1995: Provided however, That if a permittee has paid rental charges for the period June 1, 1995, to June 1, 1996, under the graduated rate rental charge system formula in effect prior to the date of enactment of this Act, such rental charges shall be credited toward the new rental charge due on June 1, 1996. In order to ensure increasing rental charge receipt levels to the United States during transition from the graduated rate rental charge system formula to the formula of this Act, the rental charge paid by any individual permittee shall be—

(1) for the 1995–1996 permit year, either the rental charge paid for the preceding 1994–1995 base year or the rental charge calculated pursuant to this Act, whichever is higher;

(2) for the 1996–1997 permit year, either the rental charge paid for the 1994–1995 base year or the rental charge calculated pursuant to this Act, whichever is higher;

(3) for the 1997–1998 permit year, either the rental charge for the 1994–1995 base year or the rental charge calculated pursuant to this Act, whichever is higher.

If an individual permittee's adjusted gross revenue for the 1995–1996, 1996–1997, or 1997–1998 permit years falls more than 10 percent below the 1994–1995 base year, the rental charge paid shall be the rental charge calculated pursuant to this Act.

(e) Under no circumstances shall revenue, or subpermittee revenue (other than lift ticket, area use pass, or ski school sales) obtained from operations physically located on non-national forest land be included in the ski area permit rental charge calculation.

(f) To reduce administrative costs of ski area permittees and the Forest Service the terms "revenue" and "sales", as used in this section, shall mean actual income from sales and shall not include sales of operating equipment, refunds, rent paid to the permittee by sublessees, sponsor contributions to special events or any amounts attributable to employee gratuities or employee lift tickets, discounts, or other goods or services (except for bartered goods and complimentary lift tickets) for which the permittee does not receive money.

(g) In cases where an area of national forest land is under a ski area permit but the permittee does not have revenue or sales qualifying for rental charge payment pursuant to subsection (a), the permittee shall pay an annual minimum rental charge of $2 for each national forest acre under permit or a percentage of appraised land value, as determined appropriate by the Secretary.

(h) Where the new rental charge provided for in subsection (b)(1) results in an increase in permit rental charge greater than one half of one percent of the permittee's adjusted gross revenue as determined under subsection (b)(1), the new rental charge shall be phased in over a five year period in a manner providing for increases of approximately equal increments.

(i) To reduce Federal costs in administering the provisions of this Act, the reissuance of a ski area permit to provide activities similar in nature and amount to the activities provided under the previous permit shall not constitute a major Federal action for the purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.).

SEC. 1702. WITHDRAWALS.

Subject to valid existing rights, all lands located within the boundaries of ski area permits issued prior to, on or after the date of enactment of this Act pursuant to authority of the Act of March 4, 1915 (38 Stat. 1101, chapter 144; 16 U.S.C. 497), and the Act of June 4, 1897, or the National Forest Ski Area Permit Act of 1986 (16 U.S.C. 497b) are hereby and henceforth automatically withdrawn from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral and geothermal leasing and all amendments thereto. Such withdrawal shall continue for the full term of the permit and any modification, reissuance, or renewal thereof. Unless the Secretary requests otherwise of the Secretary of the Interior, such withdrawal shall be canceled automatically upon expiration or other termination of the permit and the land automatically restored to all appropriation not otherwise restricted under the public land laws.

TITLE XVIII—THE SELMA TO MONTGOMERY NATIONAL HISTORIC TRAIL

SEC. 1801. SELMA TO MONTGOMERY NATIONAL HISTORIC TRAIL.

Section 5(a) of the National Trails System Act (16 U.S.C. 1244(a)) is amended by adding at the end thereof the following new paragraph:

"(20) The Selma to Montgomery National Historic Trail, consisting of 54 miles of city streets and United States Highway 80 from Brown Chapel A.M.E. Church in Selma to the State Capitol Building in Montgomery, Alabama, traveled by voting rights advocates during March 1965 to dramatize the need for voting rights legislation, as generally described in the report of the Secretary of the Interior prepared pursuant to subsection (b) of this section entitled "Selma to Montgomery" and dated April 1993. Maps depicting the route shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior. The trail shall be administered in accordance with this Act, including section 7(h). The Secretary of the Interior, acting through the National Park Service, which shall be the lead Federal agency, shall cooperate with other Federal, State and local authorities to preserve historic sites along the route, including (but not limited to) the Edmund Pettus Bridge and the Brown Chapel A.M.E. Church.".

TITLE XIX—FORT CARSON—PINON CANYON MILITARY LANDS WITHDRAWAL

SEC. 1901. WITHDRAWAL AND RESERVATION OF LANDS AT FORT CARSON MILITARY RESERVATION.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this title, the lands at the Fort Carson Military Reservation that are described in subsection (c) are hereby withdrawn from all forms of appropriations under the public land laws, including the mining laws, the mineral and geothermal leasing laws, and the mineral materials disposal laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army—

(1) for military maneuvering, training, and weapons firing; and

(2) for other defense related purposes consistent with the uses specified in paragraph (1).

(c) LAND DESCRIPTION.—The lands referred to in subsection (a) comprise approximately 3,133.02 acres of public land and approximately 11,415.16 acres of federally-owned minerals in El Paso, Pueblo, and Fremont Counties, Colorado, as generally depicted on the map entitled "Fort Carson Proposed Withdrawal—Fort Carson Base", dated March 2, 1992, and filed in accordance with section 1903.

SEC. 1902. WITHDRAWAL AND RESERVATION OF LANDS AT PINON CANYON MANEUVER SITE.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this title, the lands at the Pinon Canyon Maneuver Site that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, the mineral and geothermal leasing laws, and the mineral materials disposal laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army—

(1) for military maneuvering and training; and

(2) for other defense related purposes consistent with the uses specified in paragraph (1).

(c) LAND DESCRIPTION.—The lands referred to in subsection (a) comprise approximately 2,517.12 acres of public lands and approximately 130,139 acres of federally-owned minerals in Los Animas County, Colorado, as generally depicted on the map entitled "Fort Carson Proposed Withdrawal—Fort Carson Maneuver Area—Pinon Canyon Site", dated March 2, 1992, and filed in accordance with section 1903.

SEC. 1903. MAPS AND LEGAL DESCRIPTIONS.

(a) PREPARATION.—As soon as practicable after the date of enactment of this title, the Secretary of the Interior shall publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this Act.

(b) LEGAL EFFECT.—Such maps and legal descriptions shall have the same force and effect as if they were included in this title, except that the Secretary of the Interior may correct clerical and typographical errors in such maps and legal descriptions.

(c) LOCATION OF MAPS.—Copies of such maps and legal descriptions shall be available for public inspection in the offices of the Colorado State Director and the Canon City District Manager of the Bureau of Land Management, and the Commander, Fort Carson, Colorado.

(d) COSTS.—The Secretary of the Army shall reimburse the Secretary of the Interior for the costs of implementing this section.

SEC. 1904. MANAGEMENT OF WITHDRAWN LANDS.

(a) MANAGEMENT GUIDELINES.—(1) Except as provided in section 1905, during the period of withdrawal the Secretary of the Army shall manage for military purposes the lands covered by this title and may authorize use of such lands covered by the other military departments and agencies of the Department of Defense, and the National Guard, as appropriate.

(2) When military operations, public safety, or national security, as determined by the Secretary of the Army, require the closure of roads or trails on the lands withdrawn by this title commonly in public use, the Secretary of the Army is authorized to take such action, except that such closures shall be limited to the minimum areas and periods required for the purposes specified in this subsection. Appropriate warning notices shall be kept posted during closures.

(3) The Secretary of the Army shall take necessary precautions to prevent and suppress brush and range fires occurring within and outside the lands as a result of military activities and may seek assistance from the Bureau of Land Management in suppressing such fires. The memorandum of understanding required by this subsection (c) shall provide for Bureau of Land Management assistance in the suppression of such fires, and for the transfer of funds from the Department of the Army to the Bureau of Land Management as compensation for such assistance.

(b) MANAGEMENT PLAN.—Not later than 5 years after the date of enactment of this Act, the Secretary of the Army, with the concurrence of the Secretary of the Interior, shall develop a plan for the management of acquired lands and lands withdrawn under sections 1901 and 1902 of this title for the period of the withdrawal. Such plan shall—

(1) be consistent with applicable law;

(2) include such provisions as may be necessary for proper resource management and protection of the natural, cultural, and other resources and values of such lands; and

(3) identify those withdrawn and acquired lands, if any, which are to be open to mining, or mineral or geothermal leasing, including mineral materials disposal.

(c) IMPLEMENTATION OF MANAGEMENT PLAN.—(1) The Secretary of the Army and the Secretary of the Interior shall enter into a memorandum of understanding to implement the management plan described in subsection (b).

(2) The duration of any such memorandum of understanding shall be the same as the period of withdrawal under section 1907.

(3) The memorandum of understanding may be amended by agreement of both Secretaries.

(d) USE OF CERTAIN RESOURCES.—Subject to valid existing rights, the Secretary of the Army is authorized to utilize sand, gravel, or similar mineral or mineral material resources from lands withdrawn by this title, when the use of such resources is required for construction needs of the Fort Carson Military Reservation or Pinon Canyon Maneuver Site.

SEC. 1905. MANAGEMENT OF WITHDRAWN AND ACQUIRED MINERAL RESOURCES.

Except as provided in section 1904(d) of this title, the Secretary of the Interior shall manage all withdrawn and acquired mineral resources within the boundaries of the Fort Carson Military Reservation and Pinon Canyon Maneuver Site in accordance with section 12 of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3466), as applicable.

SEC. 1906. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing and trapping on the lands withdrawn and reserved by this title shall be conducted in accordance with section 2671 of title 10, United States Code.

SEC. 1907. TERMINATION OF WITHDRAWAL AND RESERVATION AND EFFECT OF CONTAMINATION.

(a) TERMINATION DATE.—The withdrawal and reservation established by this title shall terminate 15 years after the date of the enactment of this Act.

(b) DETERMINATION OF CONTINUING MILITARY NEED.—(1) At least three years prior to the termination under subsection (a) of the withdrawal and reservation established by this title, the Secretary of the Army shall advise the Secretary of the Interior as to whether or not the Department of the Army will have a continuing military need for any of the lands after the termination date.

(2) If the Secretary of the Army concludes under paragraph (1) that there will be a continuing military need for any of the lands after the termination date established by subsection (a), the Secretary of the Army, in accordance with applicable law, shall evaluate the environmental effects of renewal of such withdrawal and reservation, shall hold at least one public hearing in Colorado concerning such evaluation, and shall thereafter file an application for extension of the withdrawal and reservation of such lands in accordance with the regulations and procedures of the Department of the Interior applicable to the extension of withdrawals for military uses. The Secretary of the Interior shall notify the Congress concerning such filing.

(3) If the Secretary of the Army concludes under paragraph (1) that prior to the termination date established by subsection (a), there will be no military need for all or any of the lands withdrawn and reserved by this Act, or if, during the period of withdrawal, the Secretary of the Army shall file a notice of intention to relinquish with the Secretary of the Interior.

(c) DETERMINATION OF CONTAMINATION.—Prior to the filing of a notice of intention to relinquish pursuant to subsection (b)(3), the Secretary of the Army shall prepare a written determination as to whether and to what extent the lands are contaminated with explosive, toxic, or other hazardous materials. A copy of the determination made by the Secretary of the Army shall be supplied with the notice of intention to relinquish. Copies of both the notice of intention to relinquish and the determination concerning the contaminated state of the lands shall be published in the Federal Register by the Secretary of the Interior.

(d) EFFECT OF CONTAMINATION.—(1) If any land which is the subject of a notice of intention to relinquish under subsection (b)(3) is contaminated, and the Secretary of the Interior, in consultation with the Secretary of the Army, determines that decontamination is practicable and economically feasible, taking into consideration the potential future use and value of the land, and that upon decontamination, the land could be opened to the operation of some or all of the public land laws, including the mining laws, the Secretary of the Army shall decontaminate the land to the extent that funds are appropriated for such purpose.

(2) If the Secretaries of the Army and the Interior conclude either that the contamination of any or all of the lands proposed for relinquishment is not practicable or economically feasible, or that the lands cannot be decontaminated sufficiently to allow them to be opened to the operation of the public land laws, or if Congress declined to appropriate funds for decontamination of the lands, the Secretary of the Interior shall not be required to accept the lands proposed for relinquishment.

(3) If, because of their contaminated state, the Secretary of the Interior declines under paragraph (2) to accept jurisdiction of the lands proposed for relinquishment, or if at the expiration of the withdrawal made by this title the Secretary of the Interior determines that some of the lands withdrawn by this title are contaminated to an extent which prevents opening such contaminated lands to operation of the public land laws—

(A) the Secretary of the Army shall take appropriate steps to warn the public of the contaminated state of such lands and any risks associated with entry onto such lands;

(B) after the expiration of the withdrawal, the Secretary of the Army shall undertake no activities on such lands except in connection with decontamination of such lands; and

(C) the Secretary of the Army shall report to the Secretary of the Interior and to the Congress concerning the status of such lands and all actions taken in furtherance of the subsection.

(4) If the lands are subsequently decontaminated, upon certification by the Secretary of the Army that the lands are safe for all nonmilitary uses, the Secretary of the Interior shall reconsider accepting jurisdiction over the lands.

(5) Nothing in this title shall affect, or be construed to affect, the Secretary's obligations, if any, to decontaminate such lands pursuant to applicable law, including but not limited to the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. 9601 et seq.), and the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.).

(e) PROGRAM OF DECONTAMINATION.—Throughout the duration of the withdrawal and reservation made by the title, the Secretary of the Army, to the extent funds are made available, shall maintain a program of decontamination of the lands withdrawn by this title at least at the level of effort carried out during fiscal year 1992.

(f) ACCEPTANCE OF LANDS PROPOSED FOR RELINQUISHMENT.—Notwithstanding any other provision of law, the Secretary of the Interior, upon deciding that it is in the public interest to accept jurisdiction over those lands proposed for relinquishment, is authorized to revoke the withdrawal and reservation established by this title as it applies to the lands proposed for relinquishment. Should the decision be made to revoke the withdrawal and reservation, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(1) terminate the withdrawal and reservation;

(2) constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which the lands will be opened to the operation of the public land laws, including the mining laws if appropriate.

SEC. 1908. DELEGATION.

The function of the Secretary of the Army under this Act may be delegated. The functions of the Secretary of the Interior under this title may be delegated, except that the order referred to in section 1907(f) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

SEC. 1909. HOLD HARMLESS PROVISION.

(a) IN GENERAL.—The United States and all departments or agencies thereof shall be held harmless and shall not be liable for any injuries or damages to persons or property suffered in the course of any mining, mineral activity, or geothermal leasing activity conducted on lands comprising the Fort Carson Military Reservation or Pinon Canyon Maneuver Site, including liabilities to non-Federal entities under section 107 or 113 of the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. 9607 and 9613), or section 7003 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (42 U.S.C. 6973).

(b) INDEMNIFICATION.—Any party conducting any mining, mineral or geothermal leasing activity on such lands shall indemnify the United States and its departments or agencies thereof against any costs, fees, damages, or other liabilities, including costs of litigation, arising from or related to such mining activities, including costs of minerals disposal, whether arising under the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, or otherwise.

SEC. 1910. AMENDMENTS TO MILITARY LANDS WITHDRAWAL ACT OF 1986.

(a) USE OF CERTAIN RESOURCES.—Section 3(f) of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3461) is amended by adding at the end a new paragraph (2) as follows:

"(2) Subject to valid existing rights, the Secretary of the military department concerned may utilize sand, gravel, or similar mineral or material resources from lands withdrawn for the purposes of this Act when the use of such resources is required for construction needs on the respective lands withdrawn by this Act.".

(b) TECHNICAL CORRECTION.—Section 9(b) of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3466) is amended by striking "7(f)" and inserting in lieu thereof, "8(f)".

SEC. 1911. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as may be necessary to carry out this title.

TITLE XX—SNOWBASIN LAND EXCHANGE ACT

SEC. 2001. FINDINGS AND DETERMINATION.

(a) FINDINGS.—The Congress finds that—

(1) in June 1995, Salt Lake City, Utah, was selected to host the 2002 Winter Olympic Games and the Snowbasin Ski Resort, which is owned by the Sun Valley Company, was identified as the site of six Olympic events: the men's and women's downhills, men's and women's Super-Gs, and men's and women's combined downhills;

(2) in order to adequately accommodate these events, which are traditionally among the most popular and heavily attended at the Winter Olympic Games, major new skiing, visitor, and support facilities will have to be constructed at the Snowbasin Ski Resort on land currently administered by the United States Forest Service;

(3) while certain of these new facilities can be accommodated on National Forest land under traditional Forest Service permitting authorities, the base area facilities necessary to host visitors to the ski area and the Winter Olympics are of such a nature that they should logically be located on private land;

(4) land exchanges have been routinely utilized by the Forest Service to transfer base area lands to many other ski areas, and the Forest Service and the Sun Valley Company have concluded that a land exchange to transfer base area lands at the Snowbasin Ski Resort to the Sun Valley Company is both logical and advisable;

(5) an environmental impact statement and numerous resource studies have been completed

by the Forest Service and the Sun Valley Company for the lands proposed to be transferred to the Sun Valley Company by this title;

(6) the Sun Valley Company has assembled lands with outstanding environmental, recreational, and other values to convey to the Forest Service in return for the lands it will receive in the exchange, and the Forest Service has identified such lands as desirable for acquisition by the United States; and

(7) completion of a land exchange and approval of a development plan for Olympic related facilities at the Snowbasin Ski Resort is essential to ensure that all necessary facilities can be constructed, tested for safety and other purposes, and become fully operational in advance of the 2002 Winter Olympics and earlier pre-Olympic events.

(b) DETERMINATION.—The Congress has reviewed the previous analyses and studies of the lands to be exchanged and developed pursuant to this title, and has made its own review of these lands and issues involved, and on the basis of those reviews hereby finds and determines that a legislated land exchange and development plan approval with respect to certain National Forest System Lands is necessary to meet Olympic goals and timetables.

SEC. 2002. PURPOSE AND INTENT.

The purpose of this title is to authorize and direct the Secretary to exchange 1,320 acres of federally-owned land within the Cache National Forest in the State of Utah for lands of approximately equal value owned by the Sun Valley Company. It is the intent of Congress that this exchange be completed without delay within the period specified by section 2004.

SEC. 2003. DEFINITIONS.

As used in this title—

(1) the term "Sun Valley Company" means the Sun Valley Company, a division of Sinclair Oil Corporation, a Wyoming Corporation, or its successors or assigns; and

(2) the term "Secretary" means the Secretary of Agriculture.

SEC. 2004. EXCHANGE.

(a) FEDERAL SELECTED LANDS.—(1) Not later than 45 days after the final determination of value of the Federal selected lands, the Secretary shall, subject to this title, transfer all right, title, and interest of the United States in and to the lands referred to in paragraph (2) to the Sun Valley Company.

(2) The lands referred to in paragraph (1) are certain lands within the Cache National Forest in the State of Utah comprising 1,320 acres, more or less, as generally depicted on the map entitled "Snowbasin Land Exchange—Proposed" and dated October 1995.

(b) NON-FEDERAL OFFERED LANDS.—Upon transfer of the Federal selected lands under subsection (a), and in exchange for those lands, the Sun Valley Company shall simultaneously convey to the Secretary all right, title and interest of the Sun Valley Company in and to so much of the following offered lands which have been previously identified by the United States Forest Service as desirable by the United States, or which are identified pursuant to paragraph (5) prior to the transfer of lands under subsection (a), as are of approximate equal value to the Federal selected lands:

(1) Certain lands located within the exterior boundaries of the Cache National Forest in Weber County, Utah, which comprise approximately 640 acres and are generally depicted on a map entitled "Lightning Ridge Offered Lands", dated October 1995.

(2) Certain lands located within the Cache National Forest in Weber County, Utah, which comprise approximately 635 acres and are generally depicted on a map entitled "Wheeler Creek Watershed Offered Lands—Section 2" dated October 1995.

(3) Certain lands located within the exterior boundaries of the Cache National Forest in Weber County, Utah, and lying immediately adjacent to the outskirts of the City of Ogden, Utah, which comprise approximately 800 acres and are generally depicted on a map entitled "Taylor Canyon Offered Lands", dated October 1995.

(4) Certain lands located within the exterior boundaries of the Cache National Forest in Weber County, Utah, which comprise approximately 2,040 acres and are generally depicted on a map entitled "North Fork Ogden River—Devil's Gate Valley", dated October 1995.

(5) Such additional offered lands in the State of Utah as may be necessary to make the values of the lands exchanged pursuant to this title approximately equal, and which are acceptable to the Secretary.

(c) SUBSTITUTION OF OFFERED LANDS.—If one or more of the precise offered land parcels identified in paragraphs (1) through (4) of subsection (b) is unable to be conveyed to the United States due to appraisal or other reasons, or if the Secretary and the Sun Valley Company mutually agree and the Secretary determines that an alternative offered land package would better serve long term public needs and objectives, the Sun Valley Company may simultaneously convey to the United States alternative offered lands in the State of Utah acceptable to the Secretary in lieu of any or all of the lands identified in paragraphs (1) through (4) of subsection (b).

(d) VALUATION AND APPRAISALS.—(1) Values of the lands to be exchanged pursuant to this title shall be equal as determined by the Secretary utilizing nationally recognized appraisal standards and in accordance with section 206 of the Federal Land Policy and Management Act of 1976. The appraisal reports shall be written to Federal standards as defined in the Uniform Appraisal Standards for Federal Land Acquisitions. If, due to size, location, or use of lands exchanged under this title, the values are not exactly equal, they shall be equalized by the payment of cash equalization money to the Secretary or the Sun Valley Company as appropriate in accordance with section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)). In order to expedite the consummation of the exchange directed by this title, the Sun Valley Company shall arrange and pay for appraisals of the offered and selected lands by a qualified appraiser with experience in appraising similar properties and who is mutually acceptable to the Sun Valley Company and the Secretary. The appraisal of the Federal selected lands shall be completed and submitted to the Secretary for technical review and approval no later than 120 days after the date of enactment of this Act, and the Secretary shall make a determination of value not later than 30 days after receipt of the appraisal. In the event the Secretary and the Sun Valley Company are unable to agree to the appraised value of a certain tract or tracts of land, the appraisal, appraisals, or appraisal issues in dispute and a final determination of value shall be resolved through a process of bargaining or submission to arbitration in accordance with section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(d)).

(2) In order to expedite the appraisal of the Federal selected lands, such appraisal shall—

(A) value the land in its unimproved state, as a single entity for its highest and best use as if in private ownership and as of the date of enactment of this Act;

(B) consider the Federal lands as an independent property as though in the private marketplace and suitable for development to its highest and best use;

(C) consider in the appraisal any encumbrance on the title anticipated to be in the conveyance to Sun Valley Company and reflect its effect on the fair market value of the property; and

(D) not reflect any enhancement in value to the Federal selected lands based on the existence of private lands owned by the Sun Valley Company in the vicinity of the Snowbasin Ski Resort, and shall assume that private lands owned by the Sun Valley Company are not available for use in conjunction with the Federal selected lands.

SEC. 2005. GENERAL PROVISIONS RELATING TO THE EXCHANGE.

(a) IN GENERAL.—The exchange authorized by this title shall be subject to the following terms and conditions:

(1) RESERVED RIGHTS-OF-WAY.—In any deed issued pursuant to section 5(a), the Secretary shall reserve in the United States a right of reasonable access across the conveyed property for public access and for administrative purposes of the United States necessary to manage adjacent federally-owned lands. The terms of such reservation shall be prescribed by the Secretary within 30 days after the date of the enactment of this Act.

(2) RIGHT OF RESCISSION.—This title shall not be binding on either the United States or the Sun Valley Company if, within 30 days after the final determination of value of the Federal selected lands, the Sun Valley Company submits to the Secretary a duly authorized and executed resolution of the Company stating its intention not to enter into the exchange authorized by this title.

(b) WITHDRAWAL.—Subject to valid existing rights, effective on the date of enactment of this Act, the Federal selected lands described in section 5(a)(2) and all National Forest System lands currently under special use permit to the Sun Valley Company at the Snowbasin Ski Resort are hereby withdrawn from all forms of appropriation under the public land laws (including the mining laws) and from disposition under all laws pertaining to mineral and geothermal leasing.

(c) DEED.—The conveyance of the offered lands to the United States under this title shall be by general warranty or other deed acceptable to the Secretary and in conformity with applicable title standards of the Attorney General of the United States.

(d) STATUS OF LANDS.—Upon acceptance of title by the Secretary, the land conveyed to the United States pursuant to this title shall become part of the Wasatch or Cache National Forests as appropriate, and the boundaries of such National Forests shall be adjusted to encompass such lands. Once conveyed, such lands shall be managed in accordance with the Act of March 1, 1911, as amended (commonly known as the "Weeks Act"), and in accordance with the other laws, rules and regulations applicable to National Forest System lands. This subsection does not limit the Secretary's authority to adjust the boundaries pursuant to section 11 of the Act of March 1, 1911 ("Weeks Act"). For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–9), the boundaries of the Wasatch and Cache National Forests, as adjusted by this title, shall be considered to be boundaries of the forests as of January 1, 1965.

SEC. 2006. PHASE I FACILITY CONSTRUCTION AND OPERATION.

(a) PHASE I FACILITY FINDING AND REVIEW.—(1) The Congress has reviewed the Snowbasin Ski Area Master Development Plan dated October 1995 (hereinafter in this section referred to as the "Master Plan"). On the basis of such review, and review of previously completed environmental and other resource studies for the Snowbasin Ski Area, Congress hereby finds that the "Phase I" facilities referred to in the Master

Plan to be located on National Forest System land after consummation of the land exchange directed by this title are limited in size and scope, are reasonable and necessary to accommodate the 2002 Olympics, and in some cases are required to provide for the safety of skiing competitors and spectators.

(2) Within 60 days after the date of enactment of this Act, the Secretary and the Sun Valley Company shall review the Master Plan insofar as such plan pertains to Phase I facilities which are to be constructed and operated wholly or partially on National Forest System lands retained by the Secretary after consummation of the land exchange directed by this title. The Secretary may modify such Phase I facilities upon mutual agreement with the Sun Valley Company or by imposing conditions pursuant to subsection (b) of this section.

(3) Within 90 days after the date of enactment of this Act, the Secretary shall submit the reviewed Master Plan on the Phase I facilities, including any modifications made thereto pursuant to paragraph (2), to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives for a 30-day review period. At the end of the 30-day period, unless otherwise directed by Act of Congress, the Secretary may issue all necessary authorizations for construction and operation of such facilities or modifications thereof in accordance with the procedures and provisions of subsection (b) of this section.

(b) PHASE I FACILITY APPROVAL, CONDITIONS, AND TIMETABLE.—Within 120 days of receipt of an application by the Sun Valley Company to authorize construction and operation of any particular Phase I facility, facilities, or group of facilities, the Secretary, in consultation with the Sun Valley Company, shall authorize construction and operation of such facility, facilities, or group of facilities, subject to the general policies of the Forest Service pertaining to the construction and operation of ski area facilities on National Forest System lands and subject to reasonable conditions to protect National Forest System resources. In providing authorization to construct and operate a facility, facilities, or group of facilities, the Secretary may not impose any condition that would significantly change the location, size, or scope of the applied for Phase I facility unless—

(1) the modification is mutually agreed to by the Secretary and the Sun Valley Company; or

(2) the modification is necessary to protect health and safety.

Nothing in this section shall be construed to affect the Secretary's responsibility to monitor and assure compliance with the conditions set forth in the construction and operation authorization.

(c) CONGRESSIONAL DIRECTIONS.—Notwithstanding any other provision of law, Congress finds that consummation of the land exchange directed by this title and all determinations, authorizations, and actions taken by the Secretary pursuant to this title pertaining to Phase I facilities on National Forest System lands, or any modifications thereof, to be nondiscretionary actions authorized and directed by Congress and hence to comply with all procedural and other requirements of the laws of the United States. Such determinations, authorizations, and actions shall not be subject to administrative or judicial review.

SEC. 2007. NO PRECEDENT.

Nothing in section 2004(d)(2) of this title relating to conditions or limitations on the appraisal of the Federal lands, or any provision of section 2006 relating to the approval by the Congress or the Forest Service of facilities on National Forest System lands, shall be construed as a precedent for subsequent legislation.

TITLE XXI—COLONIAL NATIONAL HISTORICAL PARK.

SEC. 2101. COLONIAL NATIONAL HISTORICAL PARK.

(a) TRANSFER AND RIGHTS-OF-WAY.—The Secretary of the Interior (hereinafter in this title referred to as the "Secretary") is authorized to transfer, without reimbursement, to York County, Virginia, that portion of the existing sewage disposal system, including related improvements and structures, owned by the United States and located within the Colonial National Historical Park, together with such rights-of-way as are determined by the Secretary to be necessary to maintain and operate such system.

(b) REPAIR AND REHABILITATION OF SYSTEM.—The Secretary is authorized to enter into a cooperative agreement with York County, Virginia, under which the Secretary will pay a portion, not to exceed $110,000, of the costs of repair and rehabilitation of the sewage disposal system referred to in subsection (a).

(c) FEES AND CHARGES.—In consideration for the rights-of-way granted under subsection (a), and in recognition of the National Park Service's contribution authorized under subsection (b), the cooperative agreement under subsection (b) shall provide for a reduction in, or the elimination of, the amounts charged to the National Park Service for its sewage disposal. The cooperative agreement shall also provide for minimizing the impact of the sewage disposal system on the park and its resources. Such system may not be enlarged or substantially altered without National Park Service concurrence.

SEC. 2102. INCLUSION OF LAND IN COLONIAL NATIONAL HISTORICAL PARK.

Notwithstanding the provisions of the Act of June 28, 1938 (52 Stat. 1208; 16 U.S.C. 81b et seq.), limiting the average width of the Colonial Parkway, the Secretary of the Interior is authorized to include within the boundaries of Colonial National Historical Park and acquire by donation, exchange, or purchase with donated or appropriated funds—

(1) the lands or interests in lands described as lots 30 to 48, inclusive;

(2) the portion of lot 49 that is 200 feet in width from the existing boundary of Colonial National Historical Park;

(3) a 3.2-acre archaeological site, as shown on the plats titled "Page Landing At Jamestown being a subdivision of property of Neck O Land Limited Partnership" dated June 21, 1989, sheets 2 and 3 of 3 sheets and bearing National Park Service Drawing Number 333.80031; and

(4) all or a portion of the adjoining lot number 11 of the Neck O Land Hundred Subdivision, with or without improvements.

SEC. 2103. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this title.

TITLE XXII—WOMEN'S RIGHTS NATIONAL HISTORICAL PARK

SEC. 2201. INCLUSION OF OTHER PROPERTIES.

Section 1601(c) of Public Law 96–607 (16 U.S.C. 410ll) is amended to read as follows: "To carry out the purposes of this section there is hereby established the Women's Rights National Historical Park (hereinafter in this section referred to as the 'park'). The park shall consist of the following designated sites in Seneca Falls and Waterloo, New York:

"(1) Stanton House, 32 Washington Street, Seneca Falls;

"(2) dwelling, 30 Washington Street, Seneca Falls;

"(3) dwelling, 34 Washington Street, Seneca Falls;

"(4) lot, 26–28 Washington Street, Seneca Falls;

"(5) former Wesleyan Chapel, 126 Fall Street, Seneca Falls;

"(6) theater, 128 Fall Street, Seneca Falls;

"(7) McClintock House, 16 East Williams Street, Waterloo;

"(8) Hunt House, 401 East Williams Street, Waterloo;

"(9) not to exceed 1 acre, plus improvements, as determined by the Secretary, in Seneca Falls for development of a maintenance facility;

"(10) dwelling, 1 Seneca Street, Seneca Falls;

"(11) dwelling, 10 Seneca Street, Seneca Falls;

"(12) parcels adjacent to Wesleyan Chapel Block, including Clinton Street, Fall Street, and Mynderse Street, Seneca Falls; and

"(13) dwelling, 12 East Williams Street, Waterloo.".

SEC. 2202. MISCELLANEOUS AMENDMENTS.

Section 1601 of Public Law 96–607 (16 U.S.C. 410ll) is amended by redesignating subsection (i) as "(i)(1)" and inserting at the end thereof the following new paragraph:

"(2) In addition to those sums appropriated prior to the date of enactment of this paragraph for land acquisition and development, there is hereby authorized to be appropriated an additional $2,000,000.".

TITLE XXIII—FRANKLIN D. ROOSEVELT FAMILY LANDS

SEC. 2301. ACQUISITION OF LANDS.

(a) IN GENERAL.—The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to acquire, by purchase with donated or appropriated funds, donation, or otherwise, lands and interests therein in the following properties located at Hyde Park, New York identified as lands critical for protection as depicted on the map entitled "Roosevelt Family Estate" and dated September 1994—

(1) the "Open Park Hodhome Tract", consisting of approximately 40 acres, which shall be the highest priority for acquisition;

(2) the "Top Cottage Tract", consisting of approximately 30 acres; and

(3) the "Poughkeepsie Shopping Center, Inc. Tract", consisting of approximately 55 acres.

(b) ADMINISTRATION.—Lands and interests therein acquired by the Secretary pursuant to this title shall be added to, and administered by the Secretary as part of the Franklin Delano Roosevelt National Historic Site or the Eleanor Roosevelt National Historic Site, as appropriate.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated not to exceed $3,000,000 to carry out this title.

TITLE XXIV—GREAT FALLS HISTORIC DISTRICT, NEW JERSEY

SEC. 2401. FINDINGS.

Congress finds that—

(1) the Great Falls Historic District in the State of New Jersey is an area of historical significance as an early site of planned industrial development, and has remained largely intact, including architecturally significant structures;

(2) the Great Falls Historic District is listed on the National Register of Historic Places and has been designated a National Historic Landmark;

(3) the Great Falls Historic District is situated within a one-half hour's drive from New York City and a 2 hour's drive from Philadelphia, Hartford, New Haven, and Wilmington;

(4) the District was developed by the Society of Useful Manufactures, an organization whose leaders included a number of historically renowned individuals, including Alexander Hamilton; and

(5) the Great Falls Historic District has been the subject of a number of studies that have shown that the District possesses a combination of historic significance and natural beauty worthy of and uniquely situated for preservation and redevelopment.

SEC. 2402. PURPOSES.

The purposes of this title are—

(1) to preserve and interpret, for the educational and inspirational benefit of the public,

the contribution to our national heritage of certain historic and cultural lands and edifices of the Great Falls Historic District, with emphasis on harnessing this unique urban environment for its educational and recreational value; and

(2) to enhance economic and cultural redevelopment within the District.

SEC. 2403. DEFINITIONS.

In this Act:

(1) DISTRICT.—The term "District" means the Great Falls Historic District established by section 2404.

(2) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 2404. GREAT FALLS HISTORIC DISTRICT.

(a) ESTABLISHMENT.—There is established the Great Falls Historic District in the city of Paterson, in Passaic County, New Jersey.

(b) BOUNDARIES.—The boundaries of the District shall be the boundaries specified for the Great Falls Historic District listed on the National Register of Historic Places.

SEC. 2405. DEVELOPMENT PLAN.

(a) GRANTS AND COOPERATIVE AGREEMENTS.—The Secretary may make grants and enter into cooperative agreements with the State of New Jersey, local governments, and private nonprofit entities under which the Secretary agrees to pay not more than 50 percent of the costs of—

(1) preparation of a plan for the development of historic, architectural, natural, cultural, and interpretive resources within the District; and

(2) implementation of projects approved by the Secretary under the development plan.

(b) CONTENTS OF PLAN.—The development plan shall include—

(1) an evaluation of—

(A) the physical condition of historic and architectural resources; and

(B) the environmental and flood hazard conditions within the District; and

(2) recommendations for—

(A) rehabilitating, reconstructing, and adaptively reusing the historic and architectural resources;

(B) preserving viewsheds, focal points, and streetscapes;

(C) establishing gateways to the District;

(D) establishing and maintaining parks and public spaces;

(E) developing public parking areas;

(F) improving pedestrian and vehicular circulation within the District;

(G) improving security within the District, with an emphasis on preserving historically significant structures from arson; and

(H) establishing a visitors' center.

SEC. 2406. RESTORATION, PRESERVATION, AND INTERPRETATION OF PROPERTIES.

(a) COOPERATIVE AGREEMENTS.—The Secretary may enter into cooperative agreements with the owners of properties within the District that the Secretary determines to be of historical or cultural significance, under which the Secretary may—

(1) pay not more than 50 percent of the cost of restoring and improving the properties;

(2) provide technical assistance with respect to the preservation and interpretation of the properties; and

(3) mark and provide interpretation of the properties.

(b) PROVISIONS.—A cooperative agreement under subsection (a) shall provide that—

(1) the Secretary shall have the right of access at reasonable times to public portions of the property for interpretive and other purposes;

(2) no change or alteration may be made in the property except with the agreement of the property owner, the Secretary, and any Federal agency that may have regulatory jurisdiction over the property; and

(3) if at any time the property is converted, used, or disposed of in a manner that is contrary to the purposes of this Act, as determined by the Secretary, the property owner shall be liable to the Secretary for the greater of—

(A) the amount of assistance provided by the Secretary for the property; or

(B) the portion of the increased value of the property that is attributable to that assistance, determined as of the date of the conversion, use, or disposal.

(c) APPLICATIONS.—

(1) IN GENERAL.—A property owner that desires to enter into a cooperative agreement under subsection (a) shall submit to the Secretary an application describing how the project proposed to be funded will further the purposes of the District.

(2) CONSIDERATION.—In making such funds available under this section, the Secretary shall give consideration to projects that provide a greater leverage of Federal funds.

SEC. 2407. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary to carry out this title—

(1) $250,000 for grants and cooperative agreements for the development plan under section 2405; and

(2) $50,000 for the provision of technical assistance and $3,000,000 for the provision of other assistance under cooperative agreements under section 2406.

TITLE XXV—RIO PUERCO WATERSHED

SEC. 2501. FINDINGS.

Congress finds that—

(1) over time, extensive ecological changes have occurred in the Rio Puerco watershed, including—

(A) erosion of agricultural and range lands;

(B) impairment of waters due to heavy sedimentations;

(C) reduced productivity of renewable resources;

(D) loss of biological diversity;

(E) loss of functioning riparian areas; and

(F) loss of available surface water;

(2) damage to the watershed has seriously affected the economic and cultural well-being of its inhabitants, including—

(A) loss of communities that were based on the land and were self-sustaining; and

(B) adverse effects on the traditions, customs, and cultures of the affected communities;

(3) a healthy and sustainable ecosystem is essential to the long-term economic and cultural viability of the region;

(4) the impairment of the Rio Puerco watershed has caused damage to the ecological and economic well-being of the area below the junction of the Rio Puerco with the Rio Grande, including—

(A) disruption of ecological processes;

(B) water quality impairment;

(C) significant reduction in the water storage capacity and life expectancy of the Elephant Butte Dam and Reservoir system due to sedimentation;

(D) chronic problems of irrigation system channel maintenance; and

(E) increased risk of flooding caused by sediment accumulation;

(5) the Rio Puerco is a major tributary of the Rio Grande, and the coordinated implementation of ecosystem-based best management practices for the Rio Puerco system could benefit the larger Rio Grande system;

(6) the Rio Puerco watershed has been stressed from the loss of native vegetation, introduction of exotic species, and alteration of riparian habitat which have disrupted the original dynamics of the river and disrupted natural ecological processes;

(7) the Rio Puerco watershed is a mosaic of private, Federal, tribal trust, and State land ownership with diverse, sometimes differing management objectives;

(8) development, implementation, and monitoring of an effective watershed management program for the Rio Puerco watershed is best achieved through cooperation among affected Federal, State, local, and tribal entities;

(9) the Secretary of the Interior, acting through the Director of the bureau of Land Management, in consultation with Federal, State, local, and tribal entitles and in cooperation with the Rio Puerco Watershed Committee, is best suited to coordinate management efforts in the Rio Puerco Watershed; and

(10) accelerating the pace of improvement in the Rio Puerco Watershed on a coordinated, cooperative basis will benefit persons living in the watershed as well as downstream users on the Rio Grande.

SEC. 2502. MANAGEMENT PROGRAM.

(a) IN GENERAL.—The Secretary of the Interior, acting through the Director of the Bureau of Land Management shall—

(1) in consultation with the Rio Puerco Management Committee established by section 2503—

(A) establish a clearinghouse for research and information on management within the area identified as the Rio Puerco Drainage Basin, as depicted on the map entitled "the Rio Puerco Watershed" dated June 1994, including—

(i) current and historical natural resource conditions; and

(ii) data concerning the extent and causes of watershed impairment; and

(B) establish an inventory of best management practices and related monitoring activities that have been or may be implemented within the area identified as the Rio Puerco Watershed Project, as depicted on the map entitled "the Rio Puerco Watershed" dated June 1994; and

(2) provide support to the Rio Puerco Management Committee to identify objectives, monitor results of ongoing projects, and develop alternative watershed management plans for the Rio Puerco Drainage Basin, based on best management practices.

(b) RIO PUERCO MANAGEMENT REPORT.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary of the Interior, in consultation with the Rio Puerco Management Committee, shall prepare a report for the improvement of watershed conditions in the Rio Puerco Drainage Basin described in subsection (a)(1).

(2) CONTENTS.—The report under paragraph (1) shall—

(A) identify reasonable and appropriate goals and objectives for landowners and managers in the Rio Puerco watershed;

(B) describe potential alternative actions to meet the goals and objectives, including proven best management practices and costs associated with implementing the actions;

(C) recommend voluntary implementation of appropriate best management practices on public and private lands;

(D) provide for cooperative development of management guidelines for maintaining and improving the ecological, cultural, and economic conditions on public and private lands;

(E) provide for the development of public participation and community outreach programs that would include proposals for—

(i) cooperative efforts with private landowners to encourage implementation of best management practices within the watershed; and

(ii) Involvement of private citizens in restoring the watershed;

(F) provide for the development of proposals for voluntary cooperative programs among the members of the Rio Puerco Management Committee to implement best management practices in a coordinated, consistent, and cost-effective manner;

(G) provide for the encouragement of, and support implementation of, best management practices on private lands; and

(H) provide for the development of proposals for a monitoring system that—

(i) builds on existing data available from private, Federal, and State sources;

(ii) provides for the coordinated collection, evaluation, and interpretation of additional data as needed or collected; and

(iii) will provide information to—

(I) assess existing resource and socioeconomic conditions;

(II) identify priority implementation actions; and

(III) assess the effectiveness of actions taken.

SEC. 2503. RIO PUERCO MANAGEMENT COMMITTEE.

(a) ESTABLISHMENT.—There is established the Rio Puerco Management Committee (referred to in this section as the "Committee").

(b) MEMBERSHIP.—The Committee shall be convened by a representative of the Bureau of Land Management and shall include representatives from—

(1) the Rio Puerco Watershed Committee;

(2) affected tribes and pueblos;

(3) the National Forest Service of the Department of Agriculture;

(4) the Bureau of Reclamation;

(5) the United States Geological Survey;

(6) the Bureau of Indian Affairs;

(7) the United States Fish and Wildlife Service;

(8) the Army Corps of Engineers;

(9) the Natural Resources Conservation Service of the Department of Agriculture;

(10) the State of New Mexico, including the New Mexico Environment Department of the State Engineer;

(11) affected local soil and water conservation districts;

(12) the Elephant Butte Irrigation District;

(13) private landowners; and

(14) other interested citizens.

(c) DUTIES.—The Rio Puerco Management Committee shall—

(1) advise the Secretary of the Interior, acting through the Director of the Bureau of Land Management, on the development and implementation of the Rio Puerco Management Program described in section 2502; and

(2) serve as a forum for information about activities that may affect or further the development and implementation of the best management practices described in section 2502.

(d) TERMINATION.—The Committee shall terminate on the date that is 10 years after the date of enactment of this Act.

SEC. 2504. REPORT.

Not later than the date that is 2 years after the date of enactment of this Act, and biennially thereafter, the Secretary of the Interior, in consultation with the Rio Puerco Management Committee, shall transmit to the Committee on Energy and Natural Resources of the Senate and to the Committee on Resources of the House of Representatives a report containing—

(1) a summary of activities of the management program under section 2502; and

(2) proposals for joint implementation efforts, including funding recommendations.

SEC. 2505. LOWER RIO GRANDE HABITAT STUDY.

(a) IN GENERAL.—The Secretary of the Interior, in cooperation with appropriate State agencies, shall conduct a study of the Rio Grande that—

(1) shall cover the distance from Caballo Lake to Sunland Park, New Mexico; and

(2) may cover a greater distance.

(b) CONTENTS.—The study under subsection (a) shall include—

(1) a survey of the current habitat conditions of the river and its riparian environment;

(2) identification of the changes in vegetation and habitat over the past 400 years and the effect of the changes on the river and riparian area; and

(3) an assessment of the feasibility, benefits, and problems associated with activities to prevent further habitat loss and to restore habitat through reintroduction or establishment of appropriate native plant species.

(c) TRANSMITTAL.—Not later than 3 years after the date on which funds are made available to carry out this Act, the Secretary of the Interior shall transmit the study under subsection (a) to the Committee on Energy and Natural Resources of the Senate and to the Committee on Resources of the House of Representatives.

SEC. 2506. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out sections 2501, 2502, 2503, 2504, and 2505 a total of $7,500,000 for the 10 fiscal years beginning after the date of enactment of this Act.

TITLE XXVI—COLUMBIA BASIN

SEC. 2601. LAND EXCHANGE.

The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to convey to the Boise Cascade Corporation (hereinafter referred to as the "Corporation"), a corporation formed under the statutes of the State of Delaware, with its principal place of business at Boise, Idaho, title to approximately seven acres of land, more or less, located in sections 14 and 23, township 36 north, range 37 east, Willamette Meridian, Stevens County, Washington, further identified in the records of the Bureau of Reclamation, Department of the Interior, as Tract No. GC–19860, and to accept from the Corporation in exchange therefor, title to approximately one hundred and thirty-six acres of land located in section 19, township 37 north, range 38 east and section 33, township 38 north, range 37 east, Willamette Meridian, Stevens County, Washington, and further identified in the records of the Bureau of Reclamation, Department of the Interior, as Tract No. GC–19858 and Tract No. GC–19859, respectively.

SEC. 2602. APPRAISAL.

The properties so exchanged either shall be approximately equal in fair market value or if they are not approximately equal, shall be equalized by the payment of cash to the Corporation or to the Secretary as required or in the event the value of the Corporation's lands is greater, the acreage may be reduced so that the fair market value is approximately equal: Provided, That the Secretary shall order appraisals made of the fair market value of each tract of land included in the exchange without consideration for improvements thereon: Provided further, That any cash payment received by the Secretary shall be covered in the Reclamation Fund and credited to the Columbia Basin project.

SEC. 2603. ADMINISTRATIVE COSTS.

Costs of conducting the necessary land surveys, preparing the legal description of the lands to be conveyed, performing the appraisals, and administrative costs incurred in completing the exchange shall be borne by the Corporation.

SEC. 2604. LIABILITY FOR HAZARDOUS SUBSTANCES.

(a) The Secretary shall not acquire any lands under this title if the Secretary determines that such lands, or any portion thereof, have become contaminated with hazardous substances (as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601)).

(b) Notwithstanding any other provision of law, the United States shall have no responsibility or liability with respect to any hazardous wastes or other substances placed on any of the lands covered by this title after their transfer to the ownership of any party, but nothing in this Act shall be construed as either diminishing or increasing any responsibility or liability of the United States based on the condition of such lands on the date of their transfer to the ownership of another party. The Corporation shall indemnify the United States for liabilities arising under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601), and the Resource Conservation Recovery Act (42 U.S.C. 6901 et seq.).

SEC. 2605. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

TITLE XXVII—GRAND LAKE CEMETERY

SEC. 2701. MAINTENANCE OF CEMETERY IN ROCKY MOUNTAIN NATIONAL PARK.

(a) AGREEMENT.—Notwithstanding any other law, not later than 6 months after the date of enactment of this Act, the Secretary of the Interior shall enter into an appropriate form of agreement with the town of Grand Lake, Colorado, authorizing the town to maintain permanently, under appropriate terms and conditions, a cemetery within the boundaries of the Rocky Mountain National Park.

(b) CEMETERY BOUNDARIES.—The cemetery shall be comprised of approximately 5 acres of land, as generally depicted on the map entitled "Grand Lake Cemetery" and dated February 1995.

(c) AVAILABILITY FOR PUBLIC INSPECTION.—The Secretary of the Interior shall place the map described in subsection (b) on file, and make the map available for public inspection, in the headquarters office of the Rocky Mountain National Park.

(d) LIMITATION.—The cemetery shall not be extended beyond the boundaries of the cemetery shown on the map described in subsection (b).

TITLE XXVIII—OLD SPANISH TRAIL

SEC. 2801. DESIGNATION.

Section 5(c) of the National Trails System Act (16 U.S.C. 1244(c)) is amended by adding at the end the following new paragraph:

"(36) The Old Spanish Trail, beginning in Santa Fe, New Mexico, proceeding through Colorado and Utah, and ending in Los Angeles, California, and the Northern Branch of the Old Spanish Trail, beginning near Espanola, New Mexico, proceeding through Colorado, and ending near Crescent Junction, Utah.".

TITLE XXIX—BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR

SEC. 2901. BOUNDARY CHANGES.

Section 2 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by striking the first sentence and inserting the following new sentence: "The boundaries shall include the lands and water generally depicted on the map entitled Blackstone River Valley National Heritage Corridor Boundary Map, numbered BRV–80–80,011, and dated May 2, 1993.".

SEC. 2902. TERMS.

Section 3(c) of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by inserting immediately before the period at the end the following: ", but may continue to serve after the expiration of this term until a successor has been appointed".

SEC. 2903. REVISION OF PLAN.

Section 6 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by adding at the end the following new subsection:

"(d) REVISION OF PLAN.—(1) Not later than 1 year after the date of enactment of this subsection, the Commission, with the approval of

the Secretary, shall revise the Cultural Heritage and Land Management Plan. The revision shall address the boundary change and shall include a natural resource inventory of areas or features that should be protected, restored, managed, or acquired because of their contribution to the understanding of national cultural landscape values.

"(2) No changes other than minor revisions may be made in the approved plan as amended without the approval of the Secretary. The Secretary shall approve or disapprove any proposed change in the plan, except minor revisions, in accordance with subsection (b).".

SEC. 2904. EXTENSION OF COMMISSION.

Section 7 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended to read as follows:

"TERMINATION OF COMMISSION

"SEC. 7. (a) TERMINATION.—Except as provided in subsection (b), the Commission shall terminate on the date that is 10 years after the date of enactment of the Blackstone River Valley National Heritage Corridor Amendments Act of 1995.

"(b) EXTENSION.—The Commission may be extended for an additional term of 10 years if—

"(1) not later than 180 days before the termination of the Commission, the Commission determines that an extension is necessary to carry out this title;

"(2) the Commission submits a proposed extension to the appropriate committees of the Senate and the House of Representatives; and

"(3) the Secretary, the Governor of Massachusetts, and the Governor of Rhode Island each approve the extension.

"(c) DETERMINATION OF APPROVAL.—The Secretary shall approve the extension if the Secretary finds that—

"(1) the Governor of Massachusetts and the Governor of Rhode Island provide adequate assurances of continued tangible contribution and effective policy support toward achieving the purposes of this title; and

"(2) the Commission is effectively assisting Federal, State, and local authorities to retain, enhance, and interpret the distinctive character and nationally significant resources of the Corridor.".

SEC. 2905. IMPLEMENTATION OF THE PLAN.

Subsection (c) of section 8 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended to read as follows:

"(c) IMPLEMENTATION.—(1) To assist in the implementation of the Cultural Heritage and Land Management Plan in a manner consistent with purposes of this title, the Secretary is authorized to undertake a limited program of financial assistance for the purpose of providing funds for the preservation and restoration of structures on or eligible for inclusion on the National Register of Historic Places within the Corridor which exhibit national significance or provide a wide spectrum of historic, recreational, or environmental education opportunities to the general public.

"(2) To be eligible for funds under this section, the Commission shall submit an application to the Secretary that includes—

"(A) a 10-year development plan including those resource protection needs and projects critical to maintaining or interpreting the distinctive character of the Corridor; and

"(B) specific descriptions of annual work programs that have been assembled, the participating parties, roles, cost estimates, cost-sharing, or cooperative agreements necessary to carry out the development plan.

"(3) Funds made available pursuant to this subsection shall not exceed 50 percent of the total cost of the work programs.

"(4) In making the funds available, the Secretary shall give priority to projects that attract greater non-Federal funding sources.

"(5) Any payment made for the purposes of conservation or restoration of real property or structures shall be subject to an agreement either—

"(A) to convey a conservation or preservation easement to the Department of Environmental Management or to the Historic Preservation Commission, as appropriate, of the State in which the real property or structure is located; or

"(B) that conversion, use, or disposal of the resources so assisted for purposes contrary to the purposes of this title, as determined by the Secretary, shall result in a right of the United States for reimbursement of all funds expended upon such resources or the proportion of the increased value of the resources attributable to such funds as determined at the time of such conversion, use, or disposal, whichever is greater.

"(6) The authority to determine that a conversion, use, or disposal of resources has been carried out contrary to the purposes of this title in violation of an agreement entered into under paragraph (5)(A) shall be solely at the discretion of the Secretary.".

SEC. 2906. LOCAL AUTHORITY.

Section 5 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by adding at the end the following new subsection:

"(j) LOCAL AUTHORITY AND PRIVATE PROPERTY NOT AFFECTED.—Nothing in this title shall be construed to affect or to authorize the Commission to interfere with—

"(1) the rights of any person with respect to private property; or

"(2) any local zoning ordinance or land use plan of the Commonwealth of Massachusetts or a political subdivision of such Commonwealth.".

SEC. 2907. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), as amended, is further amended—

(1) in subsection (a), by striking "$350,000" and inserting "$650,000"; and

(2) by amending subsection (b) to read as follows:

"(b) DEVELOPMENT FUNDS.—For fiscal years 1996, 1997, and 1998, there is authorized to be appropriated to carry out section 8(c), $5,000,000 in the aggregate.".

TITLE XXX—CUPRUM, IDAHO RELIEF

SEC. 3001. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds and declares that:

(1) In 1899, the citizens of Cuprum, Idaho, commissioned E.S. Hesse to conduct a survey describing these lands occupied by their community. The purpose of this survey was to provide a basis for the application for a townsite patent.

(2) In 1909, the Cuprum Townsite patent (Number 52817) was granted, based on an aliquot parts description which was intended to circumscribe the Hesse survey.

(3) Since the day of the patent, the Hesse survey has been used continuously by the community of Cuprum and by Adams Country, Idaho, as the official townsite plat and basis for conveyance of title within the townsite.

(4) Recent boundary surveys conducted by the United States Department of Agriculture, Forest Service, and the United States Department of the Interior, Bureau of Land Management, discovered inconsistencies between the official aliquot parts description of the patented Cuprum Townsite and the Hesse survey. Many lots along the south and east boundaries of the townsite are now known to extend onto National Forest System lands outside the townsite.

(5) It is the determination of Congress that the original intent of the Cuprum Townsite application was to include all the lands described by the Hesse survey.

(b) PURPOSE.—It is the purpose of this title to amend the 1909 Cuprum Townsite patent to include those additional lands described by the Hesse survey in addition to other lands necessary to provide an administratively acceptable boundary to the National Forest System.

SEC. 3002. AMENDMENT OF PATENT.

(a) The 1909 Cuprum Townsite patent is hereby amended to include parcels 1 and 2, identified on the plat, marked as "Township 20 North, Range 3 West, Boise Meridian, Idaho, Section 10: Proposed Patent Adjustment Cuprum Townsite, Idaho" prepared by Payette N.F.—Land Survey Unit, drawn and approved by Tom Betzold, Forest Land Surveyor, on April 25, 1995. Such additional lands are hereby conveyed to the original patentee, Pitts Ellis, trustee, and Probate Judge of Washington County, Idaho, or any successors or assigns in interest in accordance with State law. The Secretary of Agriculture may correct clerical and typographical errors in such plat.

(b) The Federal Government shall survey the Federal property lines and mark and post the boundaries necessary to implement this section.

SEC. 3003. RELEASE.

Notwithstanding section 120 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. 9620), the United States shall not be liable and shall be held harmless from any and all claims resulting from substances or petroleum products or any other hazardous materials on the conveyed land.

TITLE XXXI—ARKANSAS AND OKLAHOMA LAND EXCHANGE

SEC. 3101. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that:

(1) The Weyerhaeuser Company has offered to the United States Government an exchange of lands under which Weyerhaeuser would receive approximately 48,000 acres of Federal land in Arkansas and Oklahoma and all mineral interests and oil and gas interests pertaining to these exchanged lands in which the United States Government has an interest in return for conveying to the United States lands owned by Weyerhaeuser consisting of approximately 180,000 acres of forested wetlands and other forest land of public interest in Arkansas and Oklahoma and all mineral interests and all oil and gas interest pertaining to 48,000 acres of these 180,000 acres of exchanged lands in which Weyerhaeuser has an interest, consisting of:

(A) certain lands in Arkansas (Arkansas Ouachita lands) located near Poteau Mountain, Caney Creek Wilderness, Lake Ouachita, Little Missouri Wild and Scenic River, Flatside Wilderness and the Ouachita National Forest;

(B) certain lands in Oklahoma (Oklahoma lands) located near the McCurtain County Wilderness, the Broken Bow Reservoir, the Glover River, and the Ouachita National Forest; and

(C) certain lands in Arkansas (Arkansas Cossatot lands) located on the Little and Cossatot Rivers and identified as the "Pond Creek Bottoms" in the Lower Mississippi River Delta section of the North American Waterfowl Management Plan;

(2) acquisition of the Arkansas Cossatot lands by the United States will remove the lands in

the heart of a critical wetland ecosystem from sustained timber production and other development;

(3) the acquisition of the Arkansas Ouachita lands and the Oklahoma lands by the United States for administration by the Forest Service will provide an opportunity for enhancement of ecosystem management of the National Forest System lands and resources;

(4) the Arkansas Ouachita lands and the Oklahoma lands have outstanding wildlife habitat and important recreational values and should continue to be made available for activities such as public hunting, fishing, trapping, nature observation, enjoyment, education, and timber management whenever these activities are consistent with applicable Federal laws and land and resource management plans; these lands, especially in the riparian zones, also harbor endangered, threatened and sensitive plants and animals and the conservation and restoration of these areas are important to the recreational and educational public uses and will represent a valuable ecological resource which should be conserved;

(5) the private use of the lands the United States will convey to Weyerhaeuser will not conflict with established management objectives on adjacent Federal lands;

(6) the lands the United States will convey to Weyerhaeuser as part of the exchange described in paragraph (1) do not contain comparable fish, wildlife, or wetland values;

(7) the values of all lands, mineral interests, and oil and gas interests to be exchanged between the United States and Weyerhaeuser are approximately equal in value; and

(8) the exchange of lands, mineral interests, and oil and gas interests between Weyerhaeuser and the United States is in the public interest.

(b) Purpose.—The purpose of this title is to authorize and direct the Secretary of the Interior and the Secretary of Agriculture, subject to the terms of this title, to complete, as expeditiously as possible, an exchange of lands, mineral interests, and oil and gas interests with Weyerhaeuser that will provide environmental, land management, recreational, and economic benefits to the States of Arkansas and Oklahoma and to the United States.

SEC. 3102. DEFINITIONS.

As used in this title:

(1) Land.—The terms "land" or "lands" mean the surface estate and any other interests therein except for mineral interests and oil and gas interests.

(2) Mineral interests.—The term "mineral interests" means geothermal steam and heat and all metals, ores, and minerals of any nature whatsoever, except oil and gas interests, in or upon lands subject to this title including, but not limited to, coal, lignite, peat, rock, sand, gravel, and quartz.

(3) Oil and gas interests.—The term "oil and gas interests" means all oil and gas of any nature, including carbon dioxide, helium, and gas taken from coal seams (collectively "oil and gas").

(4) Secretaries.—The term "Secretaries" means the Secretary of the Interior and the Secretary of Agriculture.

(5) Weyerhaeuser.—The term "Weyerhaeuser" means Weyerhaeuser Company, a company incorporated in the State of Washington.

SEC. 3103. EXCHANGE.

(a) Exchange of Lands and Mineral Interests.—

(1) In general.—Subject to paragraph (a)(2) and notwithstanding any other provision of law, within 90 days after the date of the enactment of this title, the Secretary of Agriculture shall convey to Weyerhaeuser, subject to any valid existing rights, approximately 20,000 acres of Federal lands and mineral interests in the State of Arkansas and approximately 28,000 aces of Federal lands and mineral interests in the State of Oklahoma as depicted on maps entitled "Arkansas-Oklahoma Land Exchange—Federal Arkansas and Oklahoma Lands", dated February 1996 and available for public inspection in appropriate offices of the Secretaries.

(2) Offer and acceptance of lands.—The Secretary of Agriculture shall make the conveyance to Weyerhaeuser if Weyerhaeuser conveys deeds of title to the United States, subject to limitations and the reservation described in subsection (b) and which are acceptable to and approved by the Secretary of Agriculture to the following:

(A) approximately 120,000 acres of lands and mineral interests owned by Weyerhaeuser in the State of Oklahoma, as depicted on a map entitled "Arkansas-Oklahoma Land Exchange—Weyerhaeuser Oklahoma Lands", dated February 1996 and available for public inspection in appropriate offices of the Secretaries;

(B) approximately 35,000 acres of lands and mineral interests owned by Weyerhaeuser in the State of Arkansas, as depicted on a map entitled "Arkansas-Oklahoma Land Exchange—Weyerhaeuser Arkansas Ouachita Lands", dated February 1996 and available for public inspection in appropriate offices of the Secretaries; and

(C) approximately 25,000 acres of lands and mineral interests owned by Weyerhaeuser in the State of Arkansas, as depicted on a map entitled "Arkansas-Oklahoma Land Exchange—Weyerhaeuser Arkansas Cossatot Lands", dated February 1996 and available for public inspection in appropriate offices of the Secretaries.

(b) Exchange of Oil and Gas Interests.—

(1) In general.—Subject to paragraph (b)(2) and notwithstanding any other provision of law, at the same time as the exchange for land and mineral interests is carried out pursuant to this section, the Secretary of Agriculture shall exchange all Federal oil and gas interests, including existing leases and other agreements, in the lands described in paragraph (a)(1) for equivalent oil and gas interests, including existing leases and other agreements, owned by Weyerhaeuser in the lands described in paragraph (a)(2).

(2) Reservation.—In addition to the exchange of oil and gas interests pursuant to paragraph (b)(1), Weyerhaeuser shall reserve oil and gas interests in and under the lands depicted for reservation upon a map entitled "Arkansas-Oklahoma Land Exchange—Weyerhaeuser Oil and Gas Interest Reservation Lands", dated February 1996 and available for public inspection in appropriate offices of the Secretaries. Such reservation shall be subject to the provisions of this title and a Memorandum of Understanding jointly agreed to by the Forest Service and Weyerhaeuser. Such Memorandum of Understanding shall be completed no later than 60 days after date of enactment of this title and shall be transmitted to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives. The Memorandum of Understanding shall not become effective until 30 days after it is received by the Committees.

(c) General Provisions.—

(1) Maps controlling.—The acreage cited in this title is approximate. In the case of a discrepancy between the description of lands, mineral interests, or oil and gas interests to be exchanged pursuant to subsection (a) and the lands, mineral interests, or oil and gas interest depicted on a map referred to in such subsection, the map shall control. Subject to the notification required by paragraph (3), the maps referenced in this title shall be subject to such minor corrections as may be agreed upon by the Secretaries and Weyerhaeuser.

(2) Final maps.—Not later than 180 days after the conclusion of the exchange required by subsections (a) and (b), the Secretaries shall transmit maps accurately depicting the lands and mineral interests conveyed and transferred pursuant to this title and the acreage and boundary descriptions of such lands and mineral interests to the Committees on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

(3) Cancellation.—If, before the exchange has been carried out pursuant to subsections (a) and (b), Weyerhaeuser provides written notification to the Secretaries that Weyerhaeuser no longer intends to complete the exchange, with respect to the lands, mineral interests, and oil and gas interests that would otherwise be subject to the exchange, the status of such lands, mineral interests, and oil and gas interests shall revert to the status of such lands, mineral interests, and oil and gas interests as of the day before the date of enactment of this title and shall be managed in accordance with applicable law and management plans.

(4) Withdrawal.—Subject to valid existing rights, the lands and interests therein depicted for conveyance to Weyerhaeuser on the maps referenced in subsections (a) and (b) are withdrawn from all forms of entry and appropriation under the public land laws (including the mining laws) and from the operation of mineral leasing and geothermal steam leasing laws effective upon the date of the enactment of this title. Such withdrawal shall terminate 45 days after completion of the exchange provided for in subsections (a) and (b) or on the date of notification by Weyerhaeuser of a decision not to complete the exchange.

SEC. 3104. DESIGNATION AND USE OF LANDS ACQUIRED BY THE UNITED STATES.

(a) National Forest System.—

(1) Addition to the system.—Upon approval and acceptance of title by the Secretary of Agriculture, the 155,000 acres of land conveyed to the United States pursuant to section 3103(a)(2) (A) and (B) of this Act shall be subject to the Act of March 1, 1911 (commonly known as the "Weeks Law") (36 Stat. 961, as amended), and shall be administered by the Secretary of Agriculture in accordance with the laws and regulations pertaining to the National Forest system.

(2) Plan amendments.—No later than 12 months after the completion of the exchange required by this title, the Secretary of Agriculture shall begin the process to amend applicable land and resource management plans with public involvement pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976 (16 U.S.C. 1604).

(b) Other.—

(1) Addition to the national wildlife refuge system.—Once acquired by the United States, the 25,000 acres of land identified in section 3103(a)(2)(C), the Arkansas Cossatot lands, shall be managed by the Secretary of the Interior as a component of the Cossatot National Wildlife Refuge in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd–668ee).

(2) Plan preparation.—Within 24 months after the completion of the exchange required by this title, the Secretary of the Interior shall prepare and implement a single refuge management plan for the Cossatot National Wildlife Refuge, as expanded by this title. Such plans shall recognize the important public purposes served by the nonconsumptive activities, other recreational activities, and wildlife-related public use, including hunting, fishing, and trapping. The plan shall permit, to the maximum extent practicable, compatible uses to the extent that

they are consistent with sound wildlife management and in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd–668ee) and other applicable laws. Any regulations promulgated by the Secretary of the Interior with respect to hunting, fishing, and trapping on those lands shall, to the extent practicable, be consistent with State fish and wildlife laws and regulations. In preparing the management plan and regulations, the Secretary of the Interior shall consult with the Arkansas Game and Fish Commission.

(3) INTERIM USE OF LANDS.—

(A) IN GENERAL.—Except as provided in paragraph (2), during the period beginning on the date of the completion of the exchange of lands required by this title and ending on the first date of the implementation of the plan prepared under paragraph (2), the Secretary of the Interior shall administer all lands added to the Cossatot National Wildlife Refuge pursuant to this title in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd–668ee) and other applicable laws.

(B) HUNTING SEASONS.—During the period described in subparagraph (A), the duration of any hunting season on the lands described in subsection (1) shall comport with the applicable State law.

SEC. 3105. OUACHITA NATIONAL FOREST BOUNDARY ADJUSTMENT.

(a) IN GENERAL.—Upon acceptance of title by the Secretary of Agriculture of the lands conveyed to the United States pursuant to section 3103(a)(2) (A) and (B), the boundaries of the Ouachita National Forest shall be adjusted to encompass those lands conveyed to the United States generally depicted on the appropriate maps referred to in section 3103(a). Nothing in this section shall limit the authority of the Secretary of Agriculture to adjust the boundary pursuant to section 11 of the Weeks Law of March 1, 1911. For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–9), the boundaries of the Ouachita National Forest, as adjusted by this title, shall be considered to be the boundaries of the Forest as of January 1, 1965.

(b) MAPS AND BOUNDARY DESCRIPTIONS.—Not later than 180 days after the date of enactment of this title, the Secretary of Agriculture shall prepare a boundary description of the lands depicted on the map(s) referred to in section 3103(a)(2) (A) and (B). Such map(s) and boundary description shall have the same force and effect as if included in this title, except that the Secretary of Agriculture may correct clerical and typographical errors.

TITLE XXXII—BIG THICKET NATIONAL PRESERVE

SEC. 3201. FINDINGS.

The Congress finds that—

(1) under the Big Thicket National Preserve Addition Act of 1993 (Public Law 103–46), Congress increased the size of the Big Thicket National Preserve through authorized land exchanges;

(2) such land exchanges were not consummated by July 1, 1995, as required by Public Law 103–46; and

(3) failure to consummate such land exchanges by the end of the three-year extension provided by this Act will necessitate further intervention and direction from Congress concerning such land exchanges.

SEC. 3202. TIME PERIOD FOR LAND EXCHANGE.

(a) EXTENSION.—The last sentence of subsection (d) of the first section of the Act entitled "An Act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes", approved October 11, 1974 (16 U.S.C. 698(d)), is amended by striking out "two years after date of enactment" and inserting "five years after the date of enactment".

(b) INDEPENDENT APPRAISAL.—Subsection (d) of the first section of such Act (16 U.S.C. 698(d)) is further amended by adding at the end the following: "The Secretary, in considering the values of the private lands to be exchanged under this subsection, shall consider independent appraisals submitted by the owners of the private lands.".

(c) LIMITATION.—Subsection (d) of the first section of such Act (16 U.S.C. 698(d)), as amended by subsection (b), is further amended by adding at the end the following: "The authority to exchange lands under this subsection shall expire on July 1, 1998.".

SEC. 3203. REPORTING REQUIREMENT.

Not later than six months after the date of the enactment of this Act and every six months thereafter until the earlier of the consummation of the exchange or July 1, 1998, the Secretary of the Interior and the Secretary of Agriculture shall each submit a report to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate concerning the progress in consummating the land exchange authorized by the amendments made by Big Thicket National Preserve Addition Act of 1993 (Public Law 103–46).

SEC. 3204. LAND EXCHANGE IN LIBERTY COUNTY, TEXAS.

If, within one year after the date of the enactment of this Act—

(1) the owners of the private lands described in subsection (b)(1) offer to transfer all their right, title, and interest in and to such lands to the Secretary of the Interior, and

(2) Liberty County, Texas, agrees to accept the transfer of the Federal lands described in subsection (b)(2),

the Secretary shall accept such offer of private lands and, in exchange and without additional consideration, transfer to Liberty County, Texas, all right, title, and interest of the United States in and to the Federal lands described in subsection (b)(2).

(b) LANDS DESCRIBED.—

(1) PRIVATE LANDS.—The private lands described in this paragraph are approximately 3.76 acres of lands located in Liberty County, Texas, as generally depicted on the map entitled "Big Thicket Lake Estates Access—Proposed".

(2) FEDERAL LANDS.—The Federal lands described in this paragraph are approximately 2.38 acres of lands located in Menard Creek Corridor Unit of the Big Thicket National Preserve, as generally depicted on the map referred to in paragraph (1).

(c) ADMINISTRATION OF LANDS ACQUIRED BY THE UNITED STATES.—The lands acquired by the Secretary under this section shall be added to and administered as part of the Menard Creek Corridor Unit of the Big Thicket National Preserve.

TITLE XXXIII—TALLGRASS PRAIRIE NATIONAL PRESERVE

SEC. 3301. SHORT TITLE.

This title may be cited as the "Tallgrass Prairie National Preserve Act of 1996".

SEC. 3302. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) of the 400,000 square miles of tallgrass prairie that once covered the North American Continent, less than 1 percent remains, primarily in the Flint Hills of Kansas;

(2) in 1991, the National Park Service conducted a special resource study of the Spring Hill Ranch, located in the Flint Hills of Kansas;

(3) the study concludes that the Spring Hill Ranch—

(A) is a nationally significant example of the once vast tallgrass ecosystem, and includes buildings listed on the National Register of Historic Places pursuant to section 101 of the National Historic Preservation Act (16 U.S.C. 470a) that represent outstanding examples of Second Empire and other 19th Century architectural styles; and

(B) is suitable and feasible as a potential addition to the National Park System; and

(4) the National Park Trust, which owns the Spring Hill Ranch, has agreed to permit the National Park Service—

(A) to purchase a portion of the ranch, as specified in this title; and

(B) to manage the ranch in order to—

(i) conserve the scenery, natural and historic objects, and wildlife of the ranch; and

(ii) provide for the enjoyment of the ranch in such a manner and by such means as will leave the scenery, natural and historic objects, and wildlife unimpaired for the enjoyment of future generations.

(b) PURPOSES.—The purposes of this title are—

(1) to preserve, protect, and interpret for the public an example of a tallgrass prairie ecosystem on the Spring Hill Ranch, located in the Flint Hills of Kansas; and

(2) to preserve and interpret for the public the historic and cultural values represented on the Spring Hill Ranch.

SEC. 3303. DEFINITIONS.

In this title:

(1) ADVISORY COMMITTEE.—The term "Advisory Committee" means the Advisory Committee established under section 3307.

(2) PRESERVE.—The term "Preserve" means the Tallgrass Prairie National Preserve established by section 3304.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(4) TRUST.—The term "Trust" means the National Park Trust, Inc., a District of Columbia nonprofit corporation, or any successor-in-interest.

SEC. 3304. ESTABLISHMENT OF TALLGRASS PRAIRIE NATIONAL PRESERVE.

(a) IN GENERAL.—In order to provide for the preservation, restoration, and interpretation of the Spring Hill Ranch area of the Flint Hills of Kansas, for the benefit and enjoyment of present and future generations, there is established the Tallgrass Prairie National Preserve.

(b) DESCRIPTION.—The Preserve shall consist of the lands and interests in land, including approximately 10,894 acres, generally depicted on the map entitled "Boundary Map, Flint Hills Prairie National Monument" numbered NM–TGP 80,000 and dated June 1994, more particularly described in the deed filed at 8:22 a.m. of June 3, 1994, with the Office of the Register of Deeds in Chase County, Kansas, and recorded in Book L–106 at pages 328 through 339, inclusive. In the case of any difference between the map and the legal description, the legal description shall govern, except that if, as a result of a survey, the Secretary determines that there is a discrepancy with respect to the boundary of the Preserve that may be corrected by making minor changes to the map, the Secretary shall make changes to the map as appropriate, and the boundaries of the Preserve shall be adjusted accordingly. The map shall be on file and available for public inspection in the appropriate offices of the National Park Service of the Department of the Interior.

SEC. 3305. ADMINISTRATION OF NATIONAL PRESERVE.

(a) IN GENERAL.—The Secretary shall administer the Preserve in accordance with this title, the cooperative agreements described in subsection (f)(1), and the provisions of law generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other

purposes", approved August 25, 1916 (16 U.S.C. 1, 2 through 4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461 et seq.).

(b) APPLICATION OF REGULATIONS.—With the consent of a private owner of land within the boundaries of the Preserve, the regulations issued by the Secretary concerning the National Park Service that provide for the proper use, management, and protection of persons, property, and natural and cultural resources shall apply to the private land.

(c) FACILITIES.—For purposes of carrying out the duties of the Secretary under this title relating to the Preserve, the Secretary may, with the consent of a landowner, directly or by contract, construct, reconstruct, rehabilitate, or develop essential buildings, structures, and related facilities including roads, trails, and other interpretive facilities on real property that is not owned by the Federal Government and is located within the Preserve.

(d) LIABILITY OF LANDOWNERS.—Notwithstanding any other provision of law, no person that owns any land or interest in land within the Preserve shall be liable for injury to, or damages suffered by, any other person that is injured or damaged while on the land within the Preserve if—

(1) the injury or damages result from any act or omission of the Secretary or any officer, employee, or agent of the Secretary or of a person other than the owner, a guest of the owner, or a person having business with the owner; or

(2) the injury or damages are suffered by a visitor to the Preserve, and the injury or damages are not proximately caused by the wanton or willful misconduct of, or a negligent act (as distinguished from a failure to act) of, the person that owns the land.

(e) UNIT OF THE NATIONAL PARK SYSTEM.—The Preserve shall be a unit of the National Park System for all purposes, including the purpose of exercising authority to charge entrance and admission fees under section 4 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a).

(f) AGREEMENTS AND DONATIONS.—

(1) AGREEMENTS.—The Secretary may expend Federal funds for the cooperative management of private property within the Preserve for research, resource management (including pest control and noxious weed control, fire protection, and the restoration of buildings), and visitor protection and use.

(2) DONATIONS.—The Secretary may accept, retain, and expend donations of funds, property (other than real property), or services from individuals, foundations, corporations, or public entities for the purposes of providing programs, services, facilities, or technical assistance that further the purposes of this title.

(g) GENERAL MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than the end of the third full fiscal year beginning after the date of enactment of this Act, the Secretary shall prepare and submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a general management plan for the Preserve.

(2) CONSULTATION.—In preparing the general management plan, the Secretary, acting through the Director of the National Park Service, shall consult with—

(A)(i) appropriate officials of the Trust; and

(ii) the Advisory Committee; and

(B) adjacent landowners, appropriate officials of nearby communities, the Kansas Department of Wildlife and Parks, and the Kansas Historical Society, and other interested parties.

(3) CONTENT OF PLAN.—The general management plan shall provide for the following:

(A) Maintaining and enhancing the tallgrass prairie within the boundaries of the Preserve.

(B) Public access and enjoyment of the property that is consistent with the conservation and proper management of the historical, cultural, and natural resources of the ranch.

(C) Interpretive and educational programs covering the natural history of the prairie, the cultural history of Native Americans, and the legacy of ranching in the Flint Hills region.

(D) Provisions requiring the application of applicable State law concerning the maintenance of adequate fences within the boundaries of the Preserve. In any case in which an activity of the National Park Service requires fences that exceed the legal fence standard otherwise applicable to the Preserve, the National Park Service shall pay the additional cost of constructing and maintaining the fences to meet the applicable requirements for that activity.

(E) Provisions requiring the Secretary to comply with applicable State noxious weed, pesticide, and animal health laws.

(F) Provisions requiring compliance with applicable State water laws and Federal and State waste disposal laws (including regulations) and any other applicable law.

(G) Provisions requiring the Secretary to honor each valid existing oil and gas lease for lands within the boundaries of the Preserve (as described in section 3304(b)) that is in effect on the date of enactment of this Act.

(H) Provisions requiring the Secretary to offer to enter into an agreement with each individual who, as of the date of enactment of this Act, holds rights for cattle grazing within the boundaries of the Preserve (as described in section 3304(b)).

(4) HUNTING AND FISHING.—The Secretary may allow hunting and fishing on Federal lands within the Preserve.

(5) FINANCIAL ANALYSIS.—As part of the development of the general management plan, the Secretary shall prepare a financial analysis indicating how the management of the Preserve may be fully supported through fees, private donations, and other forms of non-Federal funding.

SEC. 3306. LIMITED AUTHORITY TO ACQUIRE.

(a) IN GENERAL.—The Secretary shall acquire, by donation, not more than 180 acres of real property within the boundaries of the Preserve (as described in section 3304(b)) and the improvements on the real property.

(b) PAYMENTS IN LIEU OF TAXES.—For the purposes of payments made under chapter 69 of title 31, United States Code, the real property described in subsection (a)(1) shall be deemed to have been acquired for the purposes specified in section 6904(a) of that title.

(c) PROHIBITIONS.—No property may be acquired under this section without the consent of the owner of the property. The United States may not acquire fee ownership of any lands within the Preserve other than lands described in this section.

SEC. 3307. ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—There is established an advisory committee to be known as the "Tallgrass Prairie National Preserve Advisory Committee".

(b) DUTIES.—The Advisory Committee shall advise the Secretary and the Director of the National Park Service concerning the development, management, and interpretation of the Preserve. In carrying out those duties, the Advisory Committee shall provide timely advice to the Secretary and the Director during the preparation of the general management plan under section 3305(g).

(c) MEMBERSHIP.—The Advisory Committee shall consist of 13 members, who shall be appointed by the Secretary as follows:

(1) Three members shall be representatives of the Trust.

(2) Three members shall be representatives of local landowners, cattle ranchers, or other agricultural interests.

(3) Three members shall be representatives of conservation or historic preservation interests.

(4)(A) One member shall be selected from a list of persons recommended by the Chase County Commission in the State of Kansas.

(B) One member shall be selected from a list of persons recommended by appropriate officials of Strong City, Kansas, and Cottonwood Falls, Kansas.

(C) One member shall be selected from a list of persons recommended by the Governor of the State of Kansas.

(5) One member shall be a range management specialist representing institutions of higher education (as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a))) in the State of Kansas.

(d) TERMS.—

(1) IN GENERAL.—Each member of the Advisory Committee shall be appointed to serve for a term of 3 years, except that the initial members shall be appointed as follows:

(A) Four members shall be appointed, one each from paragraphs (1), (2), (3), and (4) of subsection (c), to serve for a term of 3 years.

(B) Four members shall be appointed, one each from paragraphs (1), (2), (3), and (4) of subsection (c), to serve for a term of 4 years.

(C) Five members shall be appointed, one each from paragraphs (1) through (5) of subsection (c), to serve for a term of 5 years.

(2) REAPPOINTMENT.—Each member may be reappointed to serve a subsequent term.

(3) EXPIRATION.—Each member shall continue to serve after the expiration of the term of the member until a successor is appointed.

(4) VACANCIES.—A vacancy on the Advisory Committee shall be filled in the same manner as an original appointment is made. The member appointed to fill the vacancy shall serve until the expiration of the term in which the vacancy occurred.

(e) CHAIRPERSON.—The members of the Advisory Committee shall select 1 of the members to serve as Chairperson.

(f) MEETINGS.—Meetings of the Advisory Committee shall be held at the call of the Chairperson or the majority of the Advisory Committee. Meetings shall be held at such locations and in such a manner as to ensure adequate opportunity for public involvement. In compliance with the requirements of the Federal Advisory Committee Act (5 U.S.C. App.), the Advisory Committee shall choose an appropriate means of providing interested members of the public advance notice of scheduled meetings.

(g) QUORUM.—A majority of the members of the Advisory Committee shall constitute a quorum.

(h) COMPENSATION.—Each member of the Advisory Committee shall serve without compensation, except that while engaged in official business of the Advisory Committee, the member shall be entitled to travel expenses, including per diem in lieu of subsistence in the same manner as persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(i) CHARTER.—The rechartering provisions of section 14(b) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Advisory Committee.

SEC. 3308. RESTRICTION ON AUTHORITY.

Nothing in this title shall give the Secretary authority to regulate lands outside the land area acquired by the Secretary under section 3306(a).

SEC. 3309. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Department of the Interior such sums as are necessary to carry out this title.

TITLE XXXIV—MISCELLANEOUS PROVISIONS

SEC. 3401. CONVEYANCE OF CERTAIN PROPERTY TO THE BIG HORN COUNTY SCHOOL DISTRICT NUMBER 1, WYOMING.

The Secretary of the Interior shall convey, by quit claim deed, to the Big Horn County School District Number 1, Wyoming, all right, title, and interest of the United States in and to the following described lands in Big Horn County, Wyoming: Lots 19–24 of Block 22, all within the town of Frannie, Wyoming, in the S½NW¼NW¼ and N½SW¼NW¼ of section 31 of T. 58N., R. 97 W., Big Horn County.

SEC. 3402. RELINQUISHMENT OF INTEREST.

(a) IN GENERAL.—The United States relinquishes all right, title, and interest that the United States may have in land that—

(1) was subject to a right-of-way that was granted to the predecessor of the Chicago and Northwestern Transportation Company under the Act entitled "An Act granting to railroads the right of way through the public lands of the United States", approved March 3, 1875 (43 U.S.C. 934 et seq.), which right-of-way the Company has conveyed to the city of Douglas, Wyoming; and

(2) is located within the boundaries of the city limits of the city of Douglas, Wyoming, or between the right-of-way of Interstate 25 and the city limits of the city of Douglas, Wyoming,

as determined by the Secretary of the Interior in consultation with the appropriate officials of the city of Douglas, Wyoming.

(b) CONVEYANCE.—As soon as practicable after the date of enactment of this Act, the Secretary of the Interior shall file for recordation in the real property records of Converse County, Wyoming, a deed or other appropriate form of instrument conveying to the city of Douglas, Wyoming, all right, title, and interest in the land described in subsection (a).

SEC. 3403. LOST CREEK LAND EXCHANGE.

The Secretary of Agriculture shall submit a plan to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the House of Representatives detailing the terms and conditions for the exchange of certain lands and interests in land owned by the R-Y Timber, Inc., its successors and assigns or affiliates located in the Lost Creek area and other areas of the Deerlodge National Forest, Montana.

SEC. 3404. VANCOUVER NATIONAL HISTORIC RESERVE.

(a) ESTABLISHMENT.—There is established the Vancouver National Historic Reserve in the State of Washington (referred to in this section as the "Reserve"), consisting of the area described in the report entitled "Vancouver National Historic Reserve Feasibility Study and Environmental Assessment" published by the Vancouver Historical Study Commission and dated April 1993 as authorized by Public Law 101–523 (referred to in this section as the "Vancouver Historic Reserve Report").

(b) ADMINISTRATION.—The Reserve shall be administered in accordance with—

(1) the Vancouver Historic Reserve Report (including the specific findings and recommendations contained in the report); and

(2) the Memorandum of Agreement between the Secretary of the Interior, acting through the Director of the National Park Service, and the City of Vancouver, Washington, dated November 14, 1994.

(c) NO LIMITATION ON FAA AUTHORITY.—The establishment of the Reserve shall not limit—

(1) the authority of the Federal Aviation Administration over air traffic control, or aviation activities at Pearson Airpark; or

(2) limit operations and airspace in the vicinity of Portland International Airport.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate insist on its amendment, agree to a request for a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presiding Officer appointed Mr. MURKOWSKI, Mr. DOMENICI, Mr. NICKLES, Mr. JOHNSTON, and Mr. BUMPERS conferees on the part of the Senate.

AUTHORIZATION OF MULTIYEAR CONTRACTING FOR THE C–17 AIRCRAFT PROGRAM

Mr. LOTT. Mr. President, I now ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 400, S. 1710.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (S. 1710) to authorize multiyear contracting for the C–17 aircraft program, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, I am pleased to bring before the Senate today legislation which authorizes the Air Force to enter into a multiyear contract for the procurement of the C–17 globemaster III, the world's newest and finest strategic air lifter.

While the legislation before us is simple—authorizing a multiyear contract, it is critically important. In short, it will allow the Air Force to more rapidly improve its ability to project U.S. power anywhere in the world. In this time of shrinking budgets and growing demands, we must set priorities for modernization of our military forces—C–17 is for me a top priority.

As my colleagues recall, earlier this year, President Clinton attempted to ram through the Congress a 7-year multiyear contract authority. At the time, Senator THURMOND and I supported the idea of a multiyear procurement authorization, but we thought the proposal could be improved in ways which would benefit the taxpayer, the Air Force, and the skilled workers who build the aircraft. That is exactly what the committee has done. Under the legislation before us, the procurement of the C–17 will be expedited, resulting in greater savings for the American taxpayer, increased capabilities for the Air Force, and greater efficiency and stability for the industrial base.

The Armed Services Committee recently completed markup of its fiscal year 1997 defense authorization bill. To take immediate advantage of the opportunities created by the multiyear procurement legislation before us, the committee was able to add $249 million in the fiscal year 1997 bill to procure an additional aircraft this year and to provide long-lead funding for two more aircraft in fiscal year 1998. As a result, the Air Force will be on a path which will move the last five aircraft of the contract up to the first 3 years, saving the taxpayer an additional $300 million and creating a more efficient production schedule.

Mr. President, Army missions are up 300 percent since the end of the cold war, yet the number of troops forward-deployed is significantly down. Our force is smaller and is Conus based. Now, more than ever, sufficient strategic air lift is absolutely essential for the success of our military. However, even with the Pentagon's planned buy of 120 C–17's, the Department of Defense will be unable to meet its minimum strategic airlift requirement of 49.4 million-ton-miles-per-day between fiscal 1997 and fiscal 2004. By expediting the procurement of the C–17, we are helping to fill that void. In my view, it is clear that America will need more than 120 C–17's to meet our needs.

Mr. President, clearly the legislation before us is both critical to the needs of the Department of Defense and good for the American taxpayer. I commend the Armed Services Committee for their efforts in crafting this legislation and look forward to its passage.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements related to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1710) was deemed read the third time and passed, as follows:

S. 1710

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MULTIYEAR CONTRACTING AUTHORITY FOR THE C–17 AIRCRAFT PROGRAM.

(a) MULTIYEAR CONTRACTS AUTHORIZED.—The Secretary of the Air Force may, pursuant to section 2306b of title 10, United States Code (except as provided in subsection (b)(1)), enter into one or more multiyear contracts for the procurement of not more than a total of 80 C–17 aircraft.

(b) CONTRACT PERIOD.—(1) Notwithstanding section 2306(b)(k) of title 10, United States Code, the period covered by a contract entered into on a multiyear basis under the authority of subsection (a) may exceed five years, but may not exceed seven years.

(2) Paragraph (1) shall not be construed as prohibiting the Secretary of the Air Force from entering into a multiyear contract for a period of less than seven years. In determining to do so, the Secretary shall consider whether—

(A) sufficient funding is provided for in the future-years defense program for procurement, within the shorter period of the total number of aircraft to be procured (within the number set forth in subsection (a)); and

(B) the contractor is capable of delivering that total number of aircraft within the shorter period.

(c) OPTION TO CONVERT TO ONE-YEAR PROCUREMENTS.—EACH MULTIYEAR CONTRACT FOR THE PROCUREMENT OF C-17 AIRCRAFT AUTHORIZED BY SUBSECTION (A) SHALL INCLUDE A CLAUSE THAT PERMITS THE SECRETARY OF THE AIR FORCE—

(1) to terminate the contract as of September 30, 1998, without a modification in the price of each aircraft and without incurring any obligation to pay the contractor termination costs; and

(2) to then enter into follow-on one-year contracts with the contractor for the procurement of C-17 aircraft (within the total number of aircraft authorized under subsection (a)) at a negotiated price that is not to exceed the price that is negotiated before September 30, 1998, for the annual production contract for the C-17 aircraft in lot VIII and subsequent lots.

ORDERS FOR MONDAY, MAY 20, 1996

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10:30 a.m. on Monday, May 20; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and, under the previous order, the Senate will then resume consideration of Senate Concurrent Resolution 57, the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. LOTT. On Monday the Senate will resume consideration of the budget resolution. Senators are expected to offer amendments to the resolution throughout the day on Monday. Any votes ordered on those amendments on Monday will be in order to occur on Tuesday. Therefore, for the information of all Senators, no rollcall votes will occur on Monday; however, Senators are encouraged to offer their amendments prior to Tuesday. It is the intention of the leadership to complete action on the budget on Tuesday, and numerous rollcall votes are expected to occur that day.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask the Senate stand in adjournment under the previous order, following the remarks of the Senator from New Hampshire, Senator SMITH, and the Senator from South Carolina, Senator THURMOND.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

TRIBUTE TO GEORGE F. COURTOVICH

Mr. SMITH. Mr. President, today I rise to pay tribute to George F. Courtovich of Stratham, NH. It was just 1 year ago that my wife and I attended this young man's funeral in New Hampshire. George died at an early age of 33, leaving behind his wife Debbie, daughter Colleen, parents, George and Dorothy, and brother Jim.

I think nothing is harder than consoling a mother, a father, a wife, a brother, on the tragic loss, such an early and unexpected loss, of someone who was so close and loved and so young. However, my wife Mary Jo and I were able to learn so much more about George at his wake and funeral from his friends, colleagues, and family who had gathered to mourn his death.

George had a youthful zeal for life that touched many in his community. From the senior citizens to whom he brought food to on holidays to the people in need he helped as a volunteer EMT in his hometown, George made a difference. George was a volunteer looking to help. He strived to make the quality of life better for not only his family but his community.

George also was a ski instructor at Loon Mountain on weekends, helping others learn a sport that he had mastered. He even took on the task of teaching the senior Senator from Texas how to navigate on the snowy slopes of New Hampshire. This is a task daunting for even the most experienced ski instructor, but one George spoke of with honor, and, frankly, a little humor.

George lived his life to the fullest always looking to move forward and to bring others with him. To see the numbers of people who turned out for his funeral, it was clear that the people who knew him had profound respect for what George did for his family and community.

It is because of people like George Courtovich that we are here today, Mr. President. The hard working people of this country who contribute to their community, raise their families, help their neighbors, make this country what it is today. It is easy to find reasons why one cannot participate in their community or volunteer to help others. It is much easier than it is to become active in such endeavors. George did not take the easy route and for that he left this world as an example for others. He left too early, but was able to live three lifetimes before he did.

No, George is not with us today but his memory and example of leadership and charity are. I join the Courtovich family as they prepare to celebrate his life at the morning mass on Tuesday, May 21, in honor of their son, brother, husband, and father at St. Michael's Church in Exeter, NH.

ADM. MIKE BOORDA

Mr. SMITH. Mr. President, it is with a very heavy heart and a profound sadness that I take the floor today to pay tribute to a good friend, Adm. Mike Boorda. As my colleagues know, Admiral Boorda apparently took his life yesterday near his home on the grounds of the Washington Navy Yard.

Mike Boorda was an inspiration to those of us who care about military matters and who strive to improve the quality of life of our soldiers, sailors, airmen, and marines. He was also an inspiration to our enlisted ranks, to whom he demonstrated by example that hard work, dedication and commitment can pay off. My dad was a naval aviator in World War II. Like my dad, Mike Boorda was a Mustang, he was an enlisted man who rose from the enlisted ranks to become an officer. So I had a special appreciation for what Mike Boorda did. His career is a modern day success story. He was the first enlisted man to rise up through the ranks, become an officer, and become the Chief of Naval Operations. He was the first one in the history of America. From his enlistment in the U.S. Navy in 1956 through his service as Chief of Naval Operations, Adm. Mike Boorda epitomized our Nation's finest. He was truly a remarkable man.

Many of my colleagues have described Admiral Boorda's distinguished professional history. It is a career rich in diversity, long on accomplishment.

I ask unanimous consent at this point that Admiral Boorda's curriculum vitae be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows.

ADM. JEREMY MICHAEL BOORDA, U.S. NAVY, CHIEF OF NAVAL OPERATIONS

Admiral Boorda, born in South Bend, Indiana, in November 1939, enlisted in the U.S. Navy in 1956. He attained the rate of petty officer first class, serving at a number of commands, primarily in aviation. His last two enlisted assignments were in Attack Squadron 144 and Carrier Airborne Early Warning Squadron 11. He was selected for commissioning under the Integration Program in 1962.

Following Officer Candidate School in Newport, Rhode Island, and commissioning in August 1962, Admiral Boorda served aboard U.S.S. *Porterfield* (DD 682) as Combat Information Center Officer. He attended Naval Destroyer School in Newport and in 1964 was assigned as Weapons Officer, U.S.S. *John R. Craig* (DD 885). His next tour was as Commanding Officer, U.S.S. *Parrot* (MSC 197).

Admiral Boorda's first shore tour was as a weapons instructor at Naval Destroyer

School in Newport. In 1971, after attending the U.S. Naval War College and also earning a bachelor of arts degree from the University of Rhode Island, he assumed duties as Executive Officer, U.S.S. *Brooke* (DEG 1). That tour was followed by a short period at the University of Oklahoma and an assignment as Head, Surface Lieutenant Commander Assignments/Assistant for Captain Detailing in the Bureau of Naval Personnel, Washington, D.C.

From 1975 to 1977, Admiral Boorda commanded the U.S.S. *Farragut* (DDG 37). He was next assigned as Executive Assistant to the Principal Deputy Assistant Secretary of the Navy for Manpower and Reserve Affairs, Washington, D.C. He relieved the civilian presidential appointee in that position, remaining until 1981, when he took command of Destroyer Squadron Twenty-two.

In 1983 and 1984, he served as Executive Assistant to the Chief of Naval Personnel/Deputy Chief of Naval Operations for Manpower, Personnel and Training. In December 1984, he assumed his first flag officer assignment as Executive Assistant to the Chief of Naval Operations, remaining until July 1986.

His next assignment was Commander, Cruiser-Destroyer Group Eight in Norfolk, Virginia; he served as a Carrier Battle Group Commander embarked on U.S.S. *Saratoga* (CV 60), and also as Commander, Battle Force Sixth Fleet in 1987.

In August 1988, Admiral Boorda became Chief of Naval Personnel/Deputy Chief of Naval Operations for Manpower, Personnel and Training. In November 1991 he received his fourth star and in December 1991, became Commander in Chief, Allied Forces Southern Europe (Naples, Italy) and Commander in Chief, U.S. Naval Forces, Europe (London, England). As CINCSOUTH, Admiral Boorda was in command of all NATO forces engaged in operations enforcing U.N. sanctions against the warring factions in the former Republic of Yugoslavia.

On 1 February 1993, while serving as Commander in Chief, Admiral Boorda assumed duty as Commander, Joint Task Force Provide Promise, responsible for the supply of humanitarian relief to Bosnia-Herzegovina via air-land and air-drop missions and for troops contributing to the U.N. mission throughout the Balkans.

Admiral Boorda's military awards include the Defense Distinguished Service Medal, the Distinguished Service Medal (three awards), the Legion of Merit (three awards), the Meritorious Service Medal (two awards) and a number of other personal and campaign awards.

On April 23, 1994, Admiral Boorda became the 25th Chief of Naval Operations.

Admiral Boorda is married to the former Bettie Moran. They have four children and nine grandchildren; two sons and one daughter-in-law are naval officers.

Mr. SMITH. Rather than recite his vast and substantial accomplishments, I want to talk for a moment about the Mike Boorda that I knew. From the first time I met Adm. Mike Boorda, I knew he was something special. My first impressions were that he was an extremely intelligent, forthright, and principled man. He would tell it like it is. He pulled no punches. He had a passion for the Navy, a real passion. He had a passion for promoting the well-being of U.S. service men and women and for defending the interests of our Nation. When Mike Boorda told you something, he looked you in the eye and he spoke from the heart. You could take it to the bank. He was a man of his word. He was a man of honor. He was a man of great courage.

As a member of the Armed Services Committee, I had the opportunity to work very closely with Admiral Boorda. We frequently spoke on the phone. We met in hearings and private meetings, over dinner or just in passing. We also spent a great deal of time together during the base closure process.

No one took the challenge of downsizing our infrastructure more seriously than Mike Boorda. No one fought harder to preserve essential naval capabilities. Sometimes Mike Boorda may not have agreed with the decisions that he was asked to carry out, but, like any good soldier, he carried them out. He never complained.

That commitment to national security and to our naval-industrial base is well known in New Hampshire. Last Spring, when en route to Bosnia, Mike Boorda diverted his scheduled trip so that he could spend a few hours touring the Portsmouth Naval Shipyard with the Base Closure Commission, who was there to look at whether or not we should close our shipyard. I remember him calling me saying, "Senator, do you need me there?" I said, "Admiral, I know you are a busy man, but the answer is yes, the Base Closure Commission needs to hear from you directly and personally that this shipyard is critical to the future of our Navy." He said, "I will be there," and he was. And it made a very profound and lasting impact on the people of the Granite State. We owe him a lot, an awful lot.

It made a direct impact on the members of the Base Closure Commission whom he looked in the eye and said, "Ladies and gentlemen, you cannot take this base away from me. I need it."

Even today, members will tell you that that had an impact on their decision. He looked them in the eye, and he told them the Navy needed this shipyard. He spoke from the heart, he spoke the truth, and they knew it.

Those who had the privilege to know Mike Boorda personally, to work with him professionally, or to merely observe him in action, know that he was unique. He had that rare ability to communicate volumes through a few carefully chosen words. He was not one to dominate a conversation or to chew your ear off. He had few words to say. But when he said them, you knew exactly where he was coming from, and he chose them very carefully.

He had the ability to transcend politics and parochialism by framing issues in their appropriate context.

Whether serving a President Bush or a President Clinton, he was still Adm. Mike Boorda, naval officer, and a damned good one, Mr. President. He had the ability to command respect, discipline and excellence through his own example. He was a leader among leaders. The Navy will miss him, the country will miss him, his family will miss him, and I will miss him. I want to offer my deepest sympathies to his wife, Bettie, and their four children.

There is another aspect of Mike Boorda that I want to emphasize. In the Armed Services Committee, former Chairman NUNN and Chairman THURMOND have always asked the officers who come to testify to speak from their heart, tell how they feel about an issue and not be bound by a policy that they may or may not disagree with. Mike Boorda lived up to that commitment, and always provided the Senate with honest, candid testimony.

Amidst the grief and sorrow of this incident, I am compelled to offer some personal observations and concerns regarding recent events in the Navy that may or may not have had some relationship to this tragedy. But I want to express them because I feel them deeply, and I think they need to be said.

I have never been one to question the responsibility of our news media to report on stories of national interest, nor have I sought to impugn the motives of news organizations seeking to root out the truth, and I am not doing that now. But it seems to me that the nature of news coverage and reporting is changing these days, I fear, for the worse.

Clearly, the Navy has had some difficult problems over the past few years. Some of these were institutional in nature, others were isolated incidents and yet others were just plain bad judgment. These are not the norm, Mr. President, but we hear about them just the same. For instance, we hear about the problems at the Naval Academy, but we do not hear about the thousands of young men and women who go through that Academy, who make it, become great officers, and sacrifice their lives for the country. We do not hear a lot about that.

The press has a responsibility to report on current events in a balanced and impartial manner. For the most part, I believe that has been the case. But at some point, there exists a line where responsible journalism gives way to excessive badgering. At some point, the continuing quest for a story can give way to relentless, unwarranted persecution.

This is a tough town, Mr. President, as you well know. This town can consume people. There is a lot of pressure—pressure on families, pressure on individuals, pressure to get the job done. It is not a report to work at 9 o'clock and go home at 5 town. Admiral Boorda knew that, and when a crisis erupted, he was on the job, night or day, whenever necessary. He never questioned that.

I want to make it clear, I am not criticizing the media or indicating their actions had a role in this incident. History will have to judge that. But I am suggesting that perhaps it is time that we all—ourselves as well as the media—step back and take a hard look at the course of events that led up to yesterday's tragedy. Perhaps it is time to do a little soul searching to make sure things stay in the right perspective and to ensure that ethics, morality and fairness are not being undermined in the never-ending quest for a "story." Sometimes the truth might be more important than the story.

As I reflect upon this terrible, terrible tragedy to my friend, I cannot help but wonder about the seeming lack of balance in the media's reporting of Navy events in recent years. All we ever hear about are the problems—Tailhook, Academy cheating scandals, F-14 crashes, sexual harassment. Certainly these are newsworthy items, and they merit coverage and accountability.

But what about the positive developments? What about the enormous progress that the Navy has made in improving the opportunities available to women and minorities in the ranks? What about Admiral Boorda's "Seaman to Admiral" program, which he designed to give enlisted personnel the opportunity to aspire to higher achievement, like my father did and like Admiral Boorda did. What about Admiral Boorda's efforts as Chief of Naval Personnel and as CNO to enhance the pay, benefits and quality of life for Navy personnel and their families? How much coverage has been devoted to these tremendous successes in the U.S. Navy; indeed, in the military as a whole? How much praise was heaped on Mike Boorda for his vigorous personal efforts on these issues? Sadly, and in my view, unfairly, not enough.

Let me make one other observation on Mike Boorda. It is personal, but I hope that Mike's family understands me saying this.

I had an occasion to visit his home about 6 weeks ago. Senator LOTT and myself and our wives had dinner with Admiral Boorda and his wife. On the mantel is a picture of the current Pope with one of Mike Boorda's sons, who is severely handicapped. What a beautiful picture that was of the Pope laying his hand on Admiral Boorda's son. He was so proud of that.

I said, "Mike, are you Catholic?"

He said, "No, but perhaps I ought to be, because the Pope was wonderful, and I've never forgotten it."

It takes a pretty special person to raise a son like that. Did the press report about that? I don't think so. You probably will not read anything about that in Newsweek.

Mr. President, it seems to me we need to stop this trend of relentless negative coverage and encourage more balance and objectivity. It seems to me that distinguished military personnel, such as Mike Boorda, should have their careers and activities judged in total, not selectively. It seems to me that Mike Boorda should be remembered for his outstanding service to our Nation, for his personal initiatives to enhance the military capabilities and quality of life for our naval personnel, rather than for some select institutional challenges that he inherited or fought to correct, or some other isolated occurrence.

Sadly, this has not been the case. I cannot help but wonder how much of an effect the relentless, often excessive, media hounding of Mike Boorda and the institution he loved so much had on him. I know for a fact it did concern him greatly because we talked about it. We talked about it a lot.

Perhaps it had no effect, perhaps it had a very direct effect. We will never know. But either way, we owe it to Mike Boorda, and we owe it to his family to search deep within this media and political culture here in Washington and, if possible, to find ways to prevent a recurrence of this tragedy.

About 6 days ago, I had my last conversation with Mike Boorda, and I remember being frustrated because he was busy that day and he had not gotten around to returning my call, which he always did. It was just maybe 4 or 5 hours after I placed the call when he apologized and said he had been in meeting after meeting and was not able to get back to me sooner.

I relayed a problem to him that I was having on an issue with one of his officers. He said, "Senator, as I recall, the officer that you're referring to is a one-star; is that correct?"

I said, "Yes, sir, that is correct. It is a one-star admiral."

He said, "Well, I'm a four-star, and I'll take care of it."

He did. Mike Boorda was a man of his word.

Mr. President, on behalf of the people of New Hampshire, who owe Mike Boorda a great deal for saving their shipyard, I bid farewell to a good friend, a great naval officer, and I offer his family my deepest and sincere condolences.

Mike, rest in peace. You deserve it.

Thank you, Mr. President. I yield the floor.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from New Hampshire, Senator SMITH, for the excellent tribute he has paid to Adm. Mike Boorda, whom we all held in such high esteem.

REMOVAL OF INJUNCTION OF SECRECY TREATY DOCUMENT NO. 104–26

Mr. SMITH. As in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Extradition Treaty with Malaysia signed in Kuala Lumpur on Aug. 3, 1995, Treaty Document No. 104–26, transmitted to the Senate by the President on May 17, 1996; and ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty between the Government of the United States of America and the Government of Malaysia, and a related exchange of notes signed at Kuala Lumpur on August 3, 1995.

I transmit also for the information of the Senate, the report of the Department of State with respect to the Treaty. As the report explains, the Treaty will not require further implementing legislation.

This Treaty will, upon entry into force, enhance cooperation between the law enforcement communities of both countries. It will thereby make a significant contribution to international law enforcement efforts.

The provisions in this Treaty follow generally the form and content of extradition treaties recently concluded by the United States. Upon entry into force of this Treaty, the Extradition Treaty between the United States and Great Britain signed at London December 22, 1931, will cease to have effect, with certain exceptions, between the United States and Malaysia.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 17, 1996*.

ADJOURNMENT UNTIL 10:30 A.M., MONDAY, MAY 20, 1996

The PRESIDING OFFICER. Under a previous order, the Senate stands in adjournment until 10:30 a.m., Monday, May 20, 1996.

Thereupon, the Senate, at 4:07 p.m., adjourned until Monday, May 20, 1996, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 17, 1996:

DEPARTMENT OF STATE

ARMA JANE KARAER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO PAPUA NEW GUINEA, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SOLOMON ISLANDS, AND AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF VANUATU.

ALAN PHILIP LARSON, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE, VICE DANIEL K. TARULLO.

U.S. INTERNATIONAL TRADE COMMISSION

MARCIA E. MILLER, OF INDIANA, TO BE A MEMBER OF THE UNITED STATES INTERNATIONAL TRADE COMMISSION FOR THE TERM EXPIRING DECEMBER 16, 2003, VICE DAVID B. ROHR, TERM EXPIRED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE SECTION 601(A):

To be lieutenant general

MAJ. GEN. PETER J. SCHOOMAKER [redacted]

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER, ON THE ACTIVE-DUTY LIST, FOR PROMOTION TO THE GRADE OF LIEUTENANT COLONEL IN THE U.S. MARINE CORPS IN ACCORDANCE WITH SECTION 624 OF TITLE 10, UNITED STATES CODE:

E.D. ELEK [redacted]

THE FOLLOWING-NAMED OFFICER, ON THE ACTIVE-DUTY LIST, FOR PROMOTION TO THE GRADE OF COLONEL IN THE U.S. MARINE CORPS IN ACCORDANCE WITH SECTION 624 OF TITLE 10, UNITED STATES CODE:

WADE C. STRAW [redacted]

THE FOLLOWING-NAMED OFFICER, ON THE ACTIVE-DUTY LIST, FOR PROMOTION TO THE GRADE OF LIEUTENANT COLONEL IN THE U.S. MARINE CORPS IN ACCORDANCE WITH SECTION 624 OF TITLE 10, UNITED STATES CODE:

THOMAS J. FELTS [redacted]

THE FOLLOWING-NAMED OFFICER, ON THE ACTIVE-DUTY LIST, FOR PROMOTION TO THE GRADE OF LIEUTENANT COLONEL IN THE U.S. MARINE CORPS IN ACCORDANCE WITH SECTION 624 OF TITLE 10, UNITED STATES CODE:

PATRICK A. SIVIGNY [redacted]

IN THE ARMY

THE FOLLOWING-NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE SECTIONS 12203 AND 3385:

ARMY PROMOTION LIST

To be colonel

CHARLES C. APPLEBY [redacted]
TOD J. CARMONY [redacted]
GARY B. CLAWSON [redacted]
DANIEL D. DENSFORD [redacted]
JAMES E. FLETCHER [redacted]
WILLIAM R. FORTIER [redacted]
ROBERT M. HAACK [redacted]
LARRY D. HAUB [redacted]
RONALD E. HOOVER [redacted]
EDWARD G. KLEIN [redacted]
ROBERT C. KLINGER [redacted]
ROBERT L. PHILLIPS, JR [redacted]
HINTON A. PRICE, JR. [redacted]
PALMER SULLINS, JR [redacted]
DONALD A. TARDIE [redacted]
MARTIN R. TAYLOR [redacted]
ROBIN C. TIMMONS [redacted]
MICHAEL W. TRIPLETT [redacted]
GLENN W. WALKER [redacted]
RICHARD E. YOUNG, JR. [redacted]

ARMY NURSE CORPS

To be colonel

MARDI B. BARTHOLDT [redacted]
JUDY A. WALZ [redacted]

CHAPLAIN CORPS

To be colonel

DENIS E. MEIER [redacted]

DENTAL CORPS

To be colonel

GREGG A. LEONARDSON [redacted]

THE JUDGE ADVOCATE GENERAL'S CORPS

To be colonel

GARY L. KEYSER [redacted]

MEDICAL CORPS

To be colonel

RICHARD G. GALLAHER [redacted]

MEDICAL SERVICE CORPS

To be colonel

CAROLE A. BRISCOE [redacted]
STEPHEN D. MASON [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

JOHN R. ALVARADO, [redacted]
JAMES L. ANDERSON [redacted]
HENRY J. BARBER [redacted]
GARY E. BOUTELLER [redacted]
MICHAEL L. CORSON [redacted]
BRARRY A. COX [redacted]
ALFRED C. FABER, JR [redacted]
RONALD L. FRENCH [redacted]
DAVID L. GERSTENLAUER [redacted]
THOMAS R. GREATHOUSE [redacted]
JOHN B. HAWKINS [redacted]
DAVID L. HOLLAND [redacted]
JEROME T. JANKOWIAK [redacted]
WILLIAM J. JOHNSON, JR [redacted]
GLENDA R. JONES [redacted]
RICHARD W. LARSEN [redacted]
JEFFERY E. MARSHALL [redacted]
MICHAEL W. MCHENRY [redacted]
CHARLES D. MILBURN [redacted]
DAVID B. NELSON, JR. [redacted]
TIMOTHY J. OLIVAS [redacted]
ARTHUR E. O'MALLEY [redacted]
BARNEY PULTZ [redacted]
JEROME A. ROUCHKA [redacted]
EDWARD C. SCHRADER, [redacted]
CLIFFORD M. SILSBY [redacted]
ROBERT D. SPRINGER, [redacted]
THOMAS A. TADSEN [redacted]
RAYMOND L.G. TAIMANGLO [redacted]
ROBERT H. TOWER [redacted]
HORACE S. TUCKER, JR. [redacted]
RICHARD J. WILLINGER [redacted]
DAVID T. YOHMAN, [redacted]
CHARLES L. YRIARTE [redacted]

ARMY NURSE CORPS

To be lieutenant colonel

GLORIA A. BISHOP [redacted]

DENTAL CORPS

To be lieutenant colonel

DANIEL A. HARVEY [redacted]
KEVIN J. LORDS [redacted]

THE JUDGE ADVOCATE GENERAL'S CORPS

To be lieutenant colonel

GARY S. OWENS [redacted]
GERALD L. WARREN [redacted]

MEDICAL CORPS

To be lieutenant colonel

WILLIAM S. LEE [redacted]
ERICH C. WEBER [redacted]
NATHAN A.K. WONG [redacted]
RUSSELL H. ZELMAN [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

DEBORAH A. ROMAN [redacted]

IN THE ARMY

THE FOLLOWING-NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE SECTIONS 12203 AND 3385:

ARMY PROMOTION LIST

To be colonel

MITCHELL L. BROWN [redacted]
DANIEL W. COSTNER [redacted]
JAMES B. ESTES, JR [redacted]
JAMES D. KNEELAND [redacted]
HAROLD E. LOMENICK [redacted]
EDWARD E. MATHEWS [redacted]
WILLIAM R. MOORE [redacted]
LAWRENCE H. MURPHEY [redacted]
JOE C. ROBERSON [redacted]
ROGER D. RUSSELL [redacted]
DANNY C. SNODGRASS [redacted]
DALE E. WEBER [redacted]
WILLIAM V. WENGER [redacted]

CHAPLAIN CORPS

To be colonel

RONALD P. HERZOG [redacted]
WILLIAM G. KNICELEY [redacted]

THE JUDGE ADVOCATE GENERAL'S CORPS

To be colonel

LOUIS F. FOY, JR. [redacted]

MEDICAL CORPS

To be colonel

CHRIS F. MAASDAM, [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

ENRIQUE F. AFLAGUE [redacted]
WILLIAM E. ALDRIDGE [redacted]
MICHAEL D. ARMOUR [redacted]
ROBBIE L. ASHER [redacted]
JAMES A. BERG [redacted]
PHILIP S. BREWSTER III [redacted]
CHARLES N. BROWN [redacted]
LARRY A. BROWN, [redacted]
ANDREW C. BURTON [redacted]
DAVID C. CARLISLE [redacted]
STEVEN P. CHAILLOU, [redacted]
MICHAEL E. CHRISTEN [redacted]
DONALD M. CINNAMOND, [redacted]
JAMES E. COBB [redacted]
RICHARD H. DARBY [redacted]
JAMES L. DAY [redacted]
DANIEL A. DUCEY [redacted]
ALLAN L. ENRIGHT [redacted]
VERN C. ERICKSON [redacted]
MICHAEL L. ERNST [redacted]
REX G. FINLEY II [redacted]
MICHAEL J. FOY III [redacted]
GEORGE M. FRIES III [redacted]
PHILLIP E. GABBARD [redacted]
ROBERT A. HARRIS [redacted]
MICHAEL F. HAU [redacted]
RICHARD E. HENS [redacted]
JAMES S. HOFFMAN, [redacted]
RICHARD E. HOLLAND [redacted]
HERBERT L. HOLTZ, [redacted]
ROBERTA A. ISCH [redacted]
CALVIN S. JOHNSON [redacted]
STANLEY R. KEOLANUI, JR. [redacted]
GARY S. LANDRITH [redacted]
GEORGE D. LANNING, [redacted]
CHRISTOPHER D. LATCHFORD [redacted]
MICHAEL J. MADISON [redacted]
OLIVER J. MASON, JR. [redacted]
RAYMOND B. MONTGOMERY, [redacted]
NEIL E. MILES [redacted]
LONNIE R. MILLER [redacted]
ROBERT E. PAYNE [redacted]
LAWRENCE PEZZA, JR. [redacted]
JAMES G. PIERCE [redacted]
TIMOTHY D. POLLES [redacted]
KAREN POSPISIL [redacted]
STANLEY P. RADOSEVICH, JR. [redacted]
LARRY D. ROBERTSON, [redacted]
TIMOTHY L. ROOTES [redacted]
MARION A. ROSE [redacted]
HELEN P. SCHENCK [redacted]
RONALD G. SENEZ [redacted]
KENNETH J. SENKYR [redacted]
ANDREW W. SHATTUCK [redacted]
SHERWOOD J. SMITH [redacted]
NORMAN E. STEEN [redacted]
RANDAL E. THOMAS [redacted]
HARRY N. THOMPSON [redacted]
DALE R. VRANA, JR. [redacted]
EDWARD L. WRIGHT [redacted]
DAVID K. YOUNG, [redacted]

ARMY NURSE CORPS

To be lieutenant colonel

HOWARD LIPSHUTZ [redacted]
NANCY J. RANDOLPH [redacted]
ROBERTA P. STANDISH, [redacted]
PAMELA J. STAVES, [redacted]

CHAPLAIN CORPS

To be lieutenant colonel

CARL D. HAMPTON, [redacted]

DENTAL CORPS

To be lieutenant colonel

NANCY A. KUHL, [redacted]

THE JUDGE ADVOCATE GENERAL'S CORPS

To be lieutenant colonel

GEORGE B. CULPEPPER, [redacted]
LINDA C. HARREL [redacted]
THOMAS R. LAMONT [redacted]
JEFFREY H. ROHRER [redacted]
WILLIAM R. TAYLOR, JR. [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

DALE P. FOSTER [redacted]

IN THE NAVY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. NAVY IN ACCORDANCE WITH SECTION 624 OF TITLE 10, UNITED STATES CODE:

UNRESTRICTED LINE OFFICERS

To be captain

MICHAEL P. AGOR [redacted]
WILLIAM H. ALLEN, [redacted]
MARK H. ANTHONY, [redacted]
DENIS V. ARMY, [redacted]
RICHARD R. ARNOLD [redacted]
JOHN T. BADER [redacted]
RANDALL W. BANNISTER [redacted]
WILLIAM F. BARNS [redacted]
KENNETH D. BEEKS [redacted]
DAVID L. BERNHARD [redacted]

LOU BERNSTEIN [redacted]
JOHN T. BLAKE [redacted]
ELLIOTT L. BLOXOM [redacted]
JOHN L. BOHN II [redacted]
JOSEPH F. BOUCHARD [redacted]
JOHN S. BOULDEN III [redacted]
EDWARD C. BOWEN [redacted]
RAYMOND B. BOWLING [redacted]
CECIL D. BRADLEY [redacted]
DONALD G. BRINGLE [redacted]
PHILIP BRISCOE, JR [redacted]
HUBERT L. BROUGHTON II [redacted]
GEORGE G. BROWN, JR. [redacted]
PAUL N. BRUNO [redacted]
CHARLES T. BUSH [redacted]
RICHARD A. BUSH [redacted]
MARVIN E. BUTCHER, JR. [redacted]
ROBERT A. BUTT [redacted]
FRED BYUS [redacted]
RUSSELL S. CARNOT [redacted]
PATRICK J. CASEY [redacted]
DAVID M. CASHBAUGH [redacted]
KEVIN R. CHEESEBROUGH [redacted]
CHARLES R. CLEVELAND [redacted]
BRUCE W. CLINGAN [redacted]
DONNIE L. COCHRAN [redacted]
PATRICK S. COLLINS [redacted]
ROBERT T. COLLINS [redacted]
BYRON P. COMPTON [redacted]
ROBERT D. CONRAD [redacted]
JAMES H. COSPER I [redacted]
ROBERT J. COX [redacted]
MICHAEL J. CREGGE [redacted]
MICHAEL R. CRITZ [redacted]
JOHN M. CROCHET [redacted]
MICHAEL D. CROCKER [redacted]
JOHN P. CRYER III [redacted]
CRAIG T. CUNINGHAME [redacted]
ROBERT L. CUNNINGHAM, JR. [redacted]
DERWOOD C. CURTIS [redacted]
PETER R. DASPIT [redacted]
THOMAS B. DAVILLI [redacted]
LARRY H. DAVIS [redacted]
KEITH J. DENMAN [redacted]
CONRAD B. DIVIS [redacted]
DANIEL L. DONOVAN II [redacted]
GORDON O. DORSEY [redacted]
THOMAS A. DOWELL [redacted]
FRANK M. DRENNAN [redacted]
JAMES E. DRODDY [redacted]
ROGER C. EASTON, JR. [redacted]
ROBERT W. ELLIOTT [redacted]
MARK T. EMERSON [redacted]
JAMES H. ENGLER [redacted]
RANDY L. ETTER [redacted]
THEODORE D. FREDRICK [redacted]
WILSON E. FRYE [redacted]
EDWARD W. GANTT [redacted]
THOMAS A. GARDNER, JR. [redacted]
DAVID A. GELENTER [redacted]
JAMES W. GIBSON [redacted]
JOHN S. GODLEWSKI [redacted]
JOHN W. GOODWIN [redacted]
GRAHAM H. GORDON [redacted]
JAMES M. GRAHAM [redacted]
MICHAEL R. GROOTHOUSEN [redacted]
DOUGLAS B. GUTHE [redacted]
GARRY E. HALL [redacted]
ARCHIBALD C. HALSALL [redacted]
JOHN A. HALSEMA [redacted]
JOHN J. HAMMERER, JR [redacted]
RICHARD S. HAMMOND [redacted]
JAMES S. HANNA [redacted]
WILHELM A. HANSEN, JR. [redacted]
CRAIG I. HANSON [redacted]
JAMES T. HARRINGTON [redacted]
DAVID C. HARRISON [redacted]
JAMES M. HART [redacted]
DANIEL N. HARTWELL [redacted]
KARL M. HASSLINGER [redacted]
DUANE B. HATCH [redacted]
EDWARD W. HERBERT III [redacted]
RICHARD C. HERRIOTT [redacted]
ALAN B. HICKS [redacted]
PAUL N. HIXENBAUGH [redacted]
MICHAEL G. HLYWIAK [redacted]
GREGORY W. HOFFMAN [redacted]
RICHARD G. HOFFMAN, JR. [redacted]
ROBERT D. HOLLAND [redacted]
RICHARD T. HOLLOWAY [redacted]
ROBERT M. HONEY [redacted]
DENNIS L. HOPKINS [redacted]
FRED B. HORNE [redacted]
THOMAS G. HUNNICUTT [redacted]
RICHARD W. HUNT [redacted]
RICHARD C. INGRAM [redacted]
PATRICK A. JACOBS [redacted]
MARTIN E. JENKINS I [redacted]
AARON B. JOHNSON [redacted]
WALTER C. JOLLER, JR [redacted]
DAVID L. JONES [redacted]
LAWRENCE M. JONES [redacted]
GEORGE D. KASTEN III [redacted]
JOHN P. KEILTY [redacted]
CHARLES W. KENNARD, JR. [redacted]
DAVID M. KENNEDY [redacted]
EDWARD KILBOURN [redacted]
ROBERT L. KING [redacted]
DANNY C. KNUTSON [redacted]
JOHN B. KOLBECK [redacted]
CHRIS W. KOPANG [redacted]
BRUCE R. KRAKAU [redacted]
STEVE M. KREUTNER [redacted]
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MICHAEL A. LEFEVER [redacted]
ROBERT B. LEININGER [redacted]
NORVELL L. LILLY [redacted]
HORATIO A. LINCOLN [redacted]
DEBORAH A. LOEWER [redacted]
DAVID L. LOGSDON [redacted]
JOHN F. LOYE [redacted]
GEORGE R. LUECHAUER JR. [redacted]
MICHAEL W. LUGINBUHL [redacted]
WILLIAM J. LUTI [redacted]
DALE E. LYLE [redacted]
RONALD E. MADEEN [redacted]
DAVID B. MARTIN JR. [redacted]
WILLIAM W. MATZELEVICH [redacted]
JOHN M. MAUTHE [redacted]
ZACHARY P. MAY [redacted]
DAVID M. MC CALL [redacted]
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DOUGLAS D. MC DONALD [redacted]
RICHARD O. MC HARG [redacted]
MARK T. MC NALLY [redacted]
KEVIN P. MC NAMARA [redacted]
JOHN A. MC TIGHE II [redacted]
CARL A. MORRIS [redacted]
LEE O. MOSS, [redacted]
THADDEUS J. MOYSEOWICZ [redacted]
JOHN T. NAWROCKI, [redacted]
ERIC C. NEIDLINGER [redacted]
DOVARD W. NELMS [redacted]
ROBERT W. NELSON JR. [redacted]
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STEPHEN C. NIMITZ [redacted]
RICHARD R. NOBLE [redacted]
TIMOTHY S. NORGART, [redacted]
FOREST E. NOVACEK [redacted]
RICHARD OHANLON [redacted]
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RICHARD WEYRICK [redacted]
JAMES F. WHITE III [redacted]
MELVIN WILLIAMS [redacted]
JOSEPH W. WILLIS, JR. [redacted]
JAMES M. WILLY [redacted]
JAMES A. WINNEFELD, JR. [redacted]
ANTHONY L. WINNS, [redacted]
MARK E. WISNIEWSKI, [redacted]
WILLIAM S. WOLFF [redacted]
WILLIAM A. WOLTERS [redacted]
WILLIAM C. ZOBEL [redacted]

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CHARLES A. BUSH [redacted]
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JULIE A. KEESLING, [redacted]
JANICE LAI [redacted]
SHEILA K. MC COY, [redacted]
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SPECIAL DUTY OFFICERS (OCEANOGRAPHY)

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BAUKE H. HOUTMAN, [redacted]
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LIMITED DUTY OFFICERS (LINE)

MERRILL C. ALBURY [redacted]
EUGENE M. DUCOM, [redacted]
DONALD H. FLOWERS [redacted]

HOUSE OF REPRESENTATIVES—*Monday, May 20, 1996*

The House met at 2 p.m. and was called to order by the Speaker pro tempore [Mr. LAUGHLIN].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 20, 1996.

I hereby designate the Honorable GREG LAUGHLIN to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

At the first moments of dawn we are reminded, O God, that Your grace has come upon us, as free and as available as the morning Sun. When the cool of the evening ends the day and the rush of business is hushed and the tumult of all life's concerns is at ease, we are reminded of the rest and the peace that Your word does give. For all these gifts and Your daily blessings we offer this word of prayer and thanksgiving. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Virginia [Mr. WOLF] come forward and lead the House in the Pledge of Allegiance.

Mr. WOLF led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2066. An act to amend the National School Lunch Act to provide greater flexibility to schools to meet the Dietary Guidelines for Americans under the school lunch and school breakfast programs.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 1296) "An Act to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer," disagreed to by the House, and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MURKOWSKI, Mr. DOMENICI, Mr. NICKLES, Mr. JOHNSTON, and Mr. BUMPERS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1005. An act to amend the Public Buildings Act of 1959 to improve the process of constructing, altering, and acquiring public buildings, and for other purposes.

S. 1710. An act to authorize multiyear contracting for the C-17 aircraft program, and for other purposes.

The message also announced that pursuant to section 4355(a) of title 10, United States Code, the Chair, on behalf of the Vice President, appoints Mr. KOHL, from the Committee on Appropriations, to the Board of Visitors of the U.S. Military Academy vice Mr. REID.

MESSAGE FROM THE SENATE

The SPEAKER pro tempore laid before the House the following message from the Senate:

Ordered, That the Secretary of the Senate be directed to request the House of Representatives to return to the Senate the bill (H.R. 2202) entitled "An Act to amend the Immigration and Nationality Act to improve deterrence of illegal immigration to the United States by increasing border patrol and investigative personnel, by increasing penalties for alien smuggling and for document fraud, by reforming exclusion and deportation law and procedures, by improving the verification system for eligibility for employment, and through other measures, to reform the legal immigration system and facilitate legal entries into the United States, and for other purposes", including the Senate amendment thereto.

The SPEAKER pro tempore. Without objection, the request of the Senate is agreed to, and H.R. 2202, together with the accompanying papers, will be returned to the Senate.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
May 17, 1996.

Hon. NEWT GINGRICH,
The Speaker, U.S. House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope from the White House on Friday, May 17th at 3:00 p.m. and said to contain a message from the President whereby he notifies and transmits a Supplementary Agreement on Social Security between the U.S.A. and Austria.

With warm regards,

ROBIN H. CARLE,
Clerk, U.S. House of Representatives.

SUPPLEMENTARY AGREEMENT BETWEEN UNITED STATES AND REPUBLIC OF AUSTRIA ON SOCIAL SECURITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104-217)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States

Pursuant to section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (Public Law 95-216, 42 U.S.C. 433(e)(1)), I transmit herewith the Supplementary Agreement Amending the Agreement Between the United States of America and the Republic of Austria and Social Security (the "Supplementary Agreement"). The Supplementary Agreement, signed at Vienna on October 5, 1995, is intended to modify certain provisions of the original United States-Austria Social Security Agreement, signed July 13, 1990.

The United States-Austria Social Security Agreement is similar in objective to the social security agreements with Belgium, Canada, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to eliminate dual social security coverage and taxation, and to help prevent the loss of benefit protection that can occur when workers divide their careers between two countries.

The Supplementary Agreement, which would amend the 1990 Agreement to update and clarify several of its provisions, is necessitated by changes that have occurred in U.S. and Austrian law in recent years. Among other things, it would introduce a new method of computing Austrian benefits under the Agreement that will result in higher Austrian benefits for certain people who have divided their careers between the United States and Austria. Another provision in the Supplementary Agreement will allow U.S. citizens hired in Austria by U.S. Foreign Service Posts to be covered by the Austrian Social Security System rather than the U.S. system. The Supplementary Agreement will also make a number of minor revisions in the Agreement to take account of other changes in U.S. and Austrian law that have occurred in recent years.

The United States-Austria Social Security Agreement, as amended, would continue to contain all provisions mandated by section 233 and other provisions that I deem appropriate to carry out the provisions of section 233(c)(4).

I also transmit for the information of the Congress a report prepared by the Social Security Administration explaining the key points of the Supplementary Agreement, along with a paragraph-by-paragraph explanation of the effect of the amendments on the Agreement. Annexed to this report is the report required by section 233(e)(1) of the Social Security Act on the effect of the Agreement on income and expenditures of the U.S. Social Security program and the number of individuals affected by the Agreement. The Department of State and the Social Security Administration have recommended the Supplementary Agreement and related documents to me.

I commend the United States-Austria Social Security Agreement and related documents to the Congress.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 17, 1996*.

COMMUNICATION FROM THE HONORABLE DUNCAN HUNTER, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable DUNCAN HUNTER, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, May 17, 1996.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that a member of my staff has been served with a subpoena issued by the Superior Court of California, County of San Diego.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

DUNCAN HUNTER,
Member of Congress.

TRIBUTE TO ADM. MIKE BOORDA, ONE OF OUR GREAT NAVAL OFFICERS

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute.)

Mr. MONTGOMERY. Mr. Speaker, I commend you for being the Speaker today from the 14th District of Texas. We will miss you.

Adm. Mike Boorda was laid to rest in Arlington Cemetery Sunday, where only his immediate family were present. Tomorrow, Tuesday, at 11:30 a.m., memorial services will be conducted for Admiral Boorda at the National Cathedral in Washington.

Mike Boorda will be remembered as one of the great naval officers. The morale and quality of the enlisted naval personnel is the best I have seen it in my 30 years with working with the Navy. Admiral Boorda deserves a lot of the credit for the esprit de corps of the Navy fleet.

I know we have the best Navy in the world today. I wish someone would show me a Navy that is better. We will all miss Admiral Boorda, especially our young sailors who are protecting our freedoms around the world. Our thoughts and gratitude go to Bettie and the family. God bless.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

UNITED STATES JOBS AND TECHNOLOGY BEING EXPORTED TO CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, today President Clinton announced that he was going to ask Congress to renew most-favored-nation status with China unconditionally for the coming year. Unconditionally. As you know, Mr. Speaker, under the law the President must request a special waiver for China in order for China to have most-favored-nation status. That request comes to the Congress, and then Members have the discretion to have a motion to deny.

The President in his statement today talked about trade with China leading to democratization. There he talked about why it was important for us to have most-favored-nation status with China, because of American benefits to American business, because of China's potential cooperation over Korea and China's potential cooperation on the proliferation of weapons. Indeed, if China is a responsible country, and let us hope that it is, it should be working to keep the Korean peninsula nonnuclear, and it should be working to stop the spread of nuclear and other weapons of mass destruction.

But I want to focus today on the trade deficit itself because when others say why should we use trade as a lever to improve human rights in China, I think it is very important for all of us to understand just what that trade situation is.

I have here, Mr. Speaker, and I call to our colleagues' attention, a chart of the trade with China in the past 10 years. In 1995, the United States trade deficit with China was $10 million. In 1995, the trade deficit was just under $34 billion. This is all at a time during mostly the Bush and Clinton policies which said that this was going to be good for American jobs. Indeed it is not.

In fact, Mr. Speaker, what we are doing, the United States is doing, by its policy is exporting jobs to China.

In this trade deficit we are not even including the piracy of American intellectual property. The genius of America, as our colleague, Congresswoman ESHOO said, a product made in a free system, a freedom of expression and entrepreneurial spirit. The Chinese have been pirating flagrantly our intellectual property to epidemic proportions. That is not even counted in this trade deficit.

In addition to that, when American businesses enter into agreements with China to produce goods there, they also must agree to a program for exporting back to the United States and internationally as well as a transfer of our technology, and that is again exporting jobs.

One example of that is that a few years ago Boeing closed a plant in Wichita, KS, which made the tail section of the 737. That plant was closed, and a plant in China where 20,000 Chinese workers worked for $50 a month, they now produce the tail section which was formerly made in Wichita, KS, and this is just in the last few years.

So over the next month or so as we debate this issue, I think it is important for us to have the real facts about United States-China trade. Indeed why should we give preferential trade treatment to China when they for the most part do not even allow United States products into China; barriers to market access, piracy of intellectual property, transfer of technology as a term for doing business with the Chinese, export of prison goods made by prison labor to the United States and unfair competition to the American worker as an addition to being a violation of human rights.

Why should the American worker have to compete with slave labor? It just is not fair trade; it is not free trade.

So as we go forward, many of my colleagues and I will be laying on the table what the trade picture is. It is not a rosy one. It is about profits for certain elitist companies which are allowed to export to China. Most products made in America are not allowed into China.

The President says that economic reform will lead to political reform. I reject that kind of trickle-down liberty just as I reject other trickle-down policies in our country. But the fact is that you cannot in one breath say that promoting democracy in Asia is a principle and a pillar of our foreign policy there and that we are going to shed the light of democracy on what goes on in China and then not do it at all.

And then I know that my time is drawing to a close. I just want to say this is an opener. The President made his statement today. They will have, the President has, the power, the business community has the dollars, but we in Congress have the floor, and we are going to try to educate the American people and our colleagues as to the real extent in terms of jobs for the American workers.

I urge our colleagues to listen carefully to this debate and to keep an open mind.

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CHINA'S MOST-FAVORED-NATION STATUS

The SPEAKER pro tempore (Mr. LAUGHLIN). Under the Speaker's announced policy of May 12, 1995, the gentleman from Viringia [Mr. WOLF] is recognized for 60 minutes as the designee of the majority leader.

Mr. WOLF. Mr. Speaker, I hope all the Members listened to what the gentlewoman from California [Ms. PELOSI] said on the trade issue. We are losing big time. I thank the gentlewoman from California for her statement and letting the Members take a focus on that.

As the gentlewoman said today, the President announced before the Pacific Basin Economic Council that he is going to extend most-favored-nation trading status to the butchers of Beijing, who have done so many things. We are not surprised that he made that announcement, because this administration has flip-flopped on this issue of human rights, but I want the American people, but more important, everyone, to focus as they are listening to the President and they talk about MFN on what they should think about when they hear the words "MFN."

When we hear MFN, and we will hear the business community and the Clinton administration and we will hear others in certain Republican leadership positions say they want MFN, we have to think of the following: We have to think MFN, then think of the suffering evangelical Christians in China who, according to Freedom House, have said "This is the most repressive period since the pre-Deng period in the late 1970's." So when you think of MFN, think of the evangelical Christians that are being persecuted.

Mr. Speaker, we should also remember that in 1995 the Chinese Government intensified its crackdown on religious believers by enacting strict new laws restricting religious worship. I know you did not hear that in the President's speech, and I know you will not hear that by the leadership of both sides of this Congress; but when you hear MFN, think of religious crackdowns.

Mr. Speaker, did my colleagues know that the officials in China's Religious Security Bureau said that house churches, China's system of unofficial Protestant and Catholic churches, should be pulled up by their roots, and a Hong Kong newspaper reported last month on many new reports of harassment of Protestants and Catholic believers in certain areas of China. Think of that when you think of MFN. Remember that the police have vowed to hit and eradicate five Christian-based religious groups in the Anhui Province in China. When you think of MFN, think of that.

My colleagues should also know that an American missionary reported earlier this year that the Chinese Government was circulating an arrest warrant with the names of 3,000 Chinese evangelical preachers and house-church movements. When Members on both sides think of MFN, think of that.

Remember that in February and March of 1996 in the Baoding region of the Hebei Province, authorities went school to school weeding out Catholic students and teachers, and ordering them to join the State church. Students who refused were kicked out of school, and teachers who refused were demoted or fired. You did not hear that in the President's statement today before the Pacific Economic Council, oh, no, but you should remember it as you think of MFN.

Remember that in November 1995, 150 public security officers destroyed a newly built Catholic Church in Baoding Province and severely beat 7 Catholic construction workers. This was the fourth incident in 16 months. You did not hear that in the President's speech, but Members on both sides of the aisle should remember that when they think of MFN.

Remember that scores of priests and religious believers were detained during the First Lady's visit to Beijing in September 1995 in order to silence them. We never heard anything about that from anybody in this Congress who is concerned, talking about giving MFN. When you think of MFN, think of Bishop Jingmu, a 76-year-old Catholic bishop who was arrested in November and secretly sentenced to 2 years in prison without a public hearing.

When you think of MFN, think of Bishop Su Chimin, a Catholic bishop in the Baoding diocese, who was rounded up in 1994, after the gentleman from New Jersey, Mr. CHRIS SMITH, visited him in China, and beaten severely in prison. He was rearrested in March 1996, this year, March 1996, and is being held incommunicado without charge.

Think of these things, I would urge my colleagues on both sides. If the administration has forgotten about them, we should not forget about them. Think of these things.

So when you think of MFN, think of religious persecution. Then, when you think of MFN, think of Tibet. When you think of MFN, remember that the Government of the People's Republic of China tightened its grip on Tibet in 1994 and 1995 by restricting religious practices of Tibetan Buddhists. Remember that Tibetan monks and nuns were reportedly required to strip off their clothes before beatings, and are routinely raped in jail. Over 50 percent of Tibetan prisoners of conscience in detention by Chinese authorities are monks and nuns. You did not hear that today when the President spoke. You will not hear that when Members of Congress get up and say they want MFN, but you should think of MFN persecution in Tibet.

Remember that the Chinese Government restricts the number of monks and nuns allowed in Tibetan monasteries, sharply restricts teachings in the church, and sharply curtails renovation of buildings and monasteries. So when you think of MFN, think of what goes on in Tibet.

Mr. Speaker, I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I want to support the gentleman's very strong statement about human rights in China. Unfortunately, in the President's speech today, he made a statement which I think, while his statement about most-favored-nation status for China was no surprise, it surprised me that he would go to the length of saying, "Where we differ with China, and we will have our differences, we will continue to defend our interests. We will keep faith with those who stand for greater freedom and pluralism in China." I have not seen that happen, but the President declared that.

But this is the discouraging part: "As we did last month, in cosponsoring the U.S. resolution condemning China's human rights practices." Something else you did not hear in the President's speech was that the administration's resolution was a total failure; that the administration failed to rally the vote to even get the resolution to be heard; that the Chinese succeeded in using, with their economic leverage, other countries to join them in tabling that resolution. That is something else we did not hear in the President's speech.

Frankly, with all the respect that I have for the President, and I think he is a great president, I was embarrassed for him, that he would even bring that up and think that that would be something that he could boast of as promoting human rights in China.

It would be interesting to see, where he says they are going to stand with those who stand for greater freedom and pluralism in China, that simply has not happened yet. That is probably what this debate is about, is to say to the administration, let us see what you are going to do.

We know that it is almost impossible to override a Presidential veto on most-favored-nation status, so China will have most-favored-nation status. So this debate is not about isolating China and cutting off MFN, as others will characterize it. It is about who we are as a people.

Mr. Speaker, if we say, as this President does, that he should have an embargo on Cuba, which I do not agree with, that we should have an embargo on Cuba and that is going to create democracy in Cuba, how can he then say that we cannot even raise tariffs on certain products coming in from China in order to use our leverage?

As the gentleman knows, over one-third of the products for export made in China come into the United States, so China needs our marketplace. They need the preferential treatment MFN, most-favored-nation status, gives them, and the President could use that considerable leverage as a way of shining a light on pluralism and democratic reform in China.

It is not up to us to decide what form of government China has, but it is a universal tenet that we believe that people are worthy of respect and have a right to practice their religion. I want to get back to your point about religious repression in China, which is rampant, and Tibet, which is rampant.

Actually, the most recent report that I saw was in yesterday's paper about the Chinese Government cracking down on the Tibetan monastery right outside of Llasa. The Chinese Government decided it will choose the Panchen Lama and intervene in the succession in a religion. Imagine if the government of Italy decided they were going to choose who the next Pope was, the uproar that would go up around the world. But the Chinese Government is trying to intervene in the succession within the Buddhist religion. Of course, as we all know, they have a full-fledged, full-blown public relations campaign to undermine His Holiness, the Dalai Lama.

So for issues of what is going on in Tibet and what is going on in China, it is clear that we must, as a country, be true to our values and speak out on these issues, and demand in the course of a debate on whether China will have most-favored-nation status what our Government is tangibly going to do to advance freedom throughout the world, including China and Tibet.

The other point is that freedom does exist in parts of China now. if you believe in the one-China policy, then Taiwan has a thriving democracy. And just today, but yesterday in terms of the international clock, the Chinese on Taiwan inaugurated their first democratically elected President in the history of China. Hong Kong, as we know, is going through a transition. Democratic freedoms exist there.

In 1 year China will take over the governance of Hong Kong. It will be incorporated back into China. Let us see what this administration and this Congress is willing to do to preserve democratic freedoms where they exist now, in Hong Kong and in Taiwan, and what kind of leverage we are willing to step up to the bat and use in order to preserve those freedoms, and in doing so, validate the whole idea of freedom in China.

From my own personal observation, I know that the most discouraging part of the President's announcement today was that he was ill-advised by his advisers or somehow thought that it was OK to say that our commitment to pluralism and democratic reform in China was served by our offering a resolution which we did not get behind sufficiently, which we allowed the Chinese to use economic leverage against, which was tabled, which was a humiliation for the United States and for the Western allies in the United Nations. It calls into question the very need for a U.N. Commission on Human Rights, if the Chinese can exploit the situation to that extent, that there is not even a resolution that can be heard there.

Mr. Speaker, in terms of human rights, even the President's own country report of the State Department this year has stated very clearly that economic reform has not led to political reform; that the repression continues, and my reading of that is that this policy has not worked in terms of promoting human rights in China.

But we are going to have a month or so, I say to the gentleman from Virginia, where we can put the facts on the table for the American people and this Congress to see. People will have the opportunity to vote. It does not mean if you vote for MFN or against it that you are for or against human rights in China, but it does say how far you would be willing to go on that issue.

As I say, fundamentally, if we just argued this on the trade issues, China should not have most-favored-nation status, because they do not give it to the United States, because they have barriers against our products, they pirate our technology and intellectual property, they insist on the transfer of technology, in the course of trade they insist on a plan for export on anybody manufacturing in China in joint ventures, and they export products made by slave labor to the United States. All of this undermines our international competitiveness.

So this administration can no longer say they are shining the bright light of freedom on China, instead of using MFN. They can no longer say this is about jobs, because the figures simply do not lie in that direction. America has been losing jobs on the basis of its policy with China.

Then on the issue of proliferation, that is just really a sad one, because in any given day the most serious thing that could happen is that there will be proliferation of nuclear weapons technology. The Chinese Government has not been taken to task on this. This administration has taken a sort of a silent, tacit agreement that they will not proliferate nuclear technology to unsafeguarded countries, and called that a great diplomatic victory. That is the reason they said they did not put sanctions on the Chinese national nuclear corporation, which is the company that transferred the magnet rings.

The administration wants to believe that the Chinese Government did not know about the transfer of the magnet rings. Let us agree with them for a moment. Maybe they did not. I believe they did, but let us take the administration's position for a moment. There is no question, and it is an undisputed fact, that the Chinese national nuclear corporation knew exactly what it was doing when it sold the ring magnets for centrifuge to enrich uranium to Pakistan for their nuclear program, making the world a less safe place.

In doing so, the administration called the Eximbank and said to the Eximbank, "You are now free to provide loan financing with American companies doing business with the Chinese national nuclear corporation." A deal was in the pipeline that went forward. Imagine, it was well known that they had transferred the nuclear technology, and right now, today, American taxpayer dollars are subsidizing a deal with that very corporation because the administration did not want to sanction them.

☐ 1430

Then of course the list goes on about Iran. Our country has an embargo on Iran, yet looks the other way as China, undisputed fact, has transferred missile technology to Iran and chemical technology, making the Middle East a much more dangerous place. As we spend billions and billions of dollars to promote and preserve the Middle East peace, we are looking the other way and not taking China to task.

It is always a special case. I do not think China should be treated any better or any worse than any other country, but I do think it is important for us to understand how they are being treated and how dangerous it is to the world.

Over and over we have said on this floor that our policy with any country should be to make trade fairer, people freer and the world safer. On none of those scores has this Clinton administration and the Bush administration policy before it met that test.

So I would say that as we go into this time, we have been given a free ride, almost. Because Senator DOLE and President Clinton, the two candidates, the leaders of the parties going into that race, both agree on the same policy, that frees us up not to be taking sides within the Presidential race on China MFN, for Members to follow their conscience, follow the facts.

As I have said before, the President has the power, the businesses have the money, we have the floor and we must use it to shed the light of our great democracy on the repression in China, to shed the light on the unfair trade practices, and to shed the light on the proliferation issues making this world a much more dangerous place.

With that, I thank the gentleman for his great leadership. Those who aspire to practice their religion in China have no greater friend than my colleague from Virginia, Mr. WOLF. I am pleased to participate in his special order, and yield back to the gentleman.

Mr. WOLF. I thank the gentlewoman for her comments. I will go with my statement, but I do want to comment on one thing. She is exactly right, and look how far we have slipped in this country, in both Republican and Democratic Parties, on the issue of human rights.

In 1984 and 1985, if any Member of Congress had gotten up on the floor of the House and said that the Soviet Union should get the most-favored-nation trading status, when Scharansky was in Permanent Camp 35 in the gulags in the cold, snowy Ural Mountains. And when Sakharov was under house arrest, no Member of Congress, no administration would have had the courage, the guts, the stupidity or whatever to ever get up and say that they felt that the Soviet Union should get the MFN.

Now we see people in both parties now saying that China should get MFN, when we see all of these things that have taken place and many more that I will go through before I finish.

The second point is, the gentlewoman makes the case about Hong Kong. What will the Congress and the administration say next year when the Chinese troops come marching into Hong Kong, almost like a World War II movie? What will they say then? I will be interested in what Members of Congress of both parties will say and what this administration will say, or the next administration, if there is a change.

Third, the American people are farther along on this issue than is the Congress or the Clinton administration. The latest surveys and polls show how strongly and deeply the American people care about MFN and China and human rights and nuclear proliferation. I think the latest survey had it will over 70 percent of the Americans were concerned, and yet I wish 70 percent of the Clinton administration was concerned. I wish 7 percent of the Clinton administration was concerned.

So what will they say? And, frankly, if the American people could vote on this issue, China would not get MFN.

Let me move right along. This photo I have here, which I would like to cover, when you hear the President talk about MFN, you must remember, I tell my colleagues, this photo.

When you think of MFN, remember that public executions are taking place in China, where the Government of China routinely executes so-called criminals by shooting them in the back of the head in front of crowds. Remember that school children are herded to execution sites in buses to watch the killings and the workers are given the day off. And remember the executions are carried out as part of an official effort to quiet the masses.

What you have here are security police lined up in back of young men who have been convicted. They are pulling out their pistols, almost reminiscent of a World War II movie of Nazi Germany, and they put the pistols in the back of the heads of these men and they shoot them. They kill them.

I would urge any Member of Congress who wants to know more about this, I have the video, the actual video in my office that we will give to any Member's office to look at this video. What they then do is after they kill these individuals, they take the corneas and their kidneys for transplantation. If the Soviet Union had ever done that, who would have ever gotten up saying that they should get MFN?

Yet we have it on film, and actual shots of soldiers and police killing these people and taking their kidneys out for transplantation. No Member of Congress on either side, whether you are for MFN, whether you are against MFN, whether you are undecided on MFN, no Member of Congress should vote on this issue without seeing the film and the video where the Chinese police and army are killing these people by putting a pistol in the back of their head and shooting them, and later taking them and using their kidneys for transplantation.

Remember when you hear MFN that the kidneys and corneas are taken from the dead bodies minutes afterward and are sold for transplantation for profits for those in the Chinese Government, some as high as $30,000 apiece. I know you did not hear about that in President Clinton's statement. He would not have the courage or the guts to talk about that.

But when you think of it, Members of Congress, on both sides, you have to think in terms of these violations of human rights and executing people before you vote on this issue.

When you think of MFN, remember that the Chinese Government continues to force women to have abortions in an attempt to keep down the population, and deny health and medical care and economic opportunity to families that refuse to comply with these draconian policies.

Remember when you think of MFN, the credible evidence of children each year in Chinese state-run orphanages being denied food and medical care and tied into their cribs to die. I know that was not in President Clinton's statement. I know it was not in his statement, but just remember when you vote on MFN, this is one of the issues that you are dealing with, whether you like it or not.

And proliferation. When you think of MFN, remember that the Chinese Government sold ring magnets to Pakistan that can be used to make nuclear weapons, yes, nuclear weapons that can be pointed against this country or other innocent people around the world.

Remember that the United States Government found out about these controversial sales and urged the Chinese Government to cut it out. They have refused twice. They have said they did not know about the ring magnets. Some confusing signals were sent. Some confusing statements were issued.

In the end, embarrassingly so, the Clinton administration said it reached a deal, a promise from the Chinese Government, a promise from the Chinese Government that they would not do it again, a promise from the Government that has executed people like this that they would not do it again; a promise from the Government that is tracking down women on forced abortions that they would not do it again; a promise from the Government that is putting Catholic priests and bishops in jail, some for up to 35 years, they promised they would not do it again; that is raiding house churches and persecuting evangelicals, that they would not do it again. How much do you think that promise from the Chinese Government is worth?

And remember when you think of MFN that the intelligence sources indicate that the Chinese Government also sold M-11 missiles to Pakistan and patrol boats to Iran, and remember no sanctions were imposed for these actions. Remember, no sanctions were imposed for these actions.

Remember that on April 17, 1996, the Washington Times reported that Chinese nuclear technicians would be going to Iran to help build a uranium plant that will "help Tehran's nuclear weapons program." Remember that, Members on both sides, when you think of MFN, remember that.

And also remember Taiwan. When you think of MFN, remember that the belligerent Government of the PRC conducted missile tests, military exercises, off the coast of Taiwan just weeks before the first democratic Presidential election in Taiwan's history.

So when you think and hear the words MFN, MFN, it is like a free word or term thrown around this town. Oh, some of the big, large K street law firms will do pretty well representing a few handful of businesses that are doing business in China but, as the gentlewoman from California has stated, it is a bad deal for us.

Economically, trade, blue-collar workers all over the country, from New England to the South, textile workers from the Midwest all the way to the west coast are losing jobs because of this trade.

Our Members should know that Windows 95 was available in pirated version in the streets of Beijing before it was available here, the intellectual property that the Chinese Government are exploiting with regard to American businesses. Remember those things.

And remember all of the other things, that the economic liberalization has done nothing to improve our relations. Remember Harry Wu, how he documents that there are more slave labor camps and gulags in China than there were in the Soviet Union.

I visited Beijing Prison No. 1, where we saw workers working on socks for export to the United States, and they were making jelly shoes that youngsters wear in the United States for export to the United States. Do you think an American company could compete with Tiananmen Square demonstrators working for nothing in a cold, snowy prison where there is no OSHA requirements, there is no EPA requirements, there are no minimum wage requirements? There are no requirements except you meet your quota or else.

So as we think of the word MFN, I hope we will think in terms of all the different issues, from religious persecution, Catholic priests and bishops in jail, evangelical pastors in jail, prisoners working in slave labor, even people working in sweat shops for 12 to 15 hours a day at 9 cents an hour that are taking away American jobs. Yet this administration and some in Congress on both sides of the aisle are clamoring to see that this Congress and this administration gives MFN to China.

I hope and pray that when the Congress votes on this issue this summer there will be a majority of men and women on both sides of the aisle that would join hands and vote to deny MFN for China, even though Clinton may veto the bill. Let it be on his conscience, not on ours. Even though Clinton may allow it to go through and we may not override the veto, let it be a burden that he has to carry, not that we have to carry.

This is, I think, one of the leading moral fundamental issues that this Congress will have to deal with in this country, because we all quote in these speeches we give on July 4 what the Declaration of Independence says. It says, "We hold these truths to be self-evident, that all men and women are created equal, endowed by their Creator with inalienable rights of life, liberty and the pursuit of happiness."

They did not come from Congress. It said "by their Creator," their God. These are God-given rights. An individual, a Chinese person, man, woman, or child in China, is as entitled to the rights of freedom of speech and freedom of worship and life, liberty, and the pursuit of happiness as somebody in any other part of the world.

□ 1445

It says in the Bible: To whom much is given, much is expected. And much has been given to our country, because we have stood firm on these fundamental values on both sides of the aisle. I remember when the persecution took place in the Soviet Union, it was Senator Jackson, a Democrat, and Charlie Vanik, a Democrat, that passed Jackson-Vanik to put tight restrictions on the Soviet Union that would not give them MFN. We joined hands in a bipartisan way.

Let us hope when the roll is called, when the roll is called and we are given the opportunity to vote, let us hope that an overwhelming majority, not everyone, we are not going to get everyone, but an overwhelming majority will vote to deny MFN, most-favored-nation trading status, for a country that should not be given a most-favored-nation trading status because of all the very bad and very evil things, not only that it has done, but it continues to do and appears that is will do in the future.

GAS TAX

The SPEAKER pro tempore (Mr. LAUGHLIN). Under the Speaker's announced policy of May 12, 1995, the gentleman from Massachusetts [Mr. MARKEY] is recognized for 15 minutes as the designee of the minority leader.

Mr. MARKEY. Mr. Speaker, first I would like to point out how much in agreement I am with the statements of the gentleman from Virginia [Mr. WOLF] and the gentlewoman from California [Ms. PELOSI] on the issues of China and the extent to which they stand in contempt of the values which this country hold so dear.

There use of slave labor in their country to undercut the prices of goods that are then sold in this country and others around the world is reprehensible. Their sale of nuclear materials to Pakistan and into the Middle East is also reprehensible and will ultimately come back to harm us and harm other countries in the world.

Their pirating of goods from our country, software, intellectual property, while only at the beginning, is going to finally wind up hurting us in the one area which we believe this country should be in the lead in terms of ensuring that we are guaranteeing each child the opportunity to work in these high end skill areas in computers, in software, in telecommunications. These are not areas where we should allow the Chinese to take our intellectual property. What they have done in Taiwan, what they have done in other areas of their foreign policy, all of its is absolutely unacceptable. I hope that the wisdom of Ms. PELOSI and Mr. WOLF are heard here on the floor of Congress.

Mr. Speaker, I rise at this time, however, on a different subject. This week, the House will vote on the 4.3-cent gas tax repeal. This is perhaps the most unnecessary, most misguided legislative back flip of the 104th Congress. President Clinton already acted to break the oil price spiral of this spring by moving against the wishes of the oil industry to speed up the sale of the 12 million barrels of oil from the strategic petroleum reserve.

He has also wisely initiated an investigation into the true causes of the 20- to 40-cent increase that some motorists have been forced to pay at the gas pump in March and April and May. And now, just today, Saddam Hussein has finally accepted the demands of the United Nations for allowing him to sell Iraqi oil on the world market. Oil prices may not finally come down from their 6-year highs, but we have just begun pumping up the hype over cutting the gas tax.

Mr. Speaker, tomorrow the Republican rhetoric will soar. Never mind that most economists say that this 4-cent cut will go right into the pockets of, you guessed it, the oil companies. Even the oil companies themselves have conceded that they are unlikely to pass this tax through to consumers. They intend to keep it, plain and simple. And there is nothing in the package we will vote on tomorrow to prevent the outrageous outcome.

I asked the Rules Committee for an amendment to fix this diversion of the tax cut to the oil companies, but the Rules Committee has prevented me from offering that alternative.

Mr. Speaker, I had a quite simple amendment for this body. If you own a car, all you have to do is just check off on your tax form next year that you own a car and get back 30 bucks. The average American drives 12,000 miles a year. As a result, at 20 miles to a gallon on average, that is 600 gallons. You multiply the 600 gallons by 4.37 cents, and you get about 30 bucks. That is what this whole debate is about, by the way, 30 bucks.

The simplest way of making sure that the American taxpayer gets it back is just putting it right on the tax form. If we are going to give a tax cut, why would we give it to the oil companies and ask them to perhaps at the pump at some point in the future to see, pretty please, if they would pass it on to the consumer when we can just put it as a line on the tax form? And that way the taxpayer gets it back guaranteed if they own a car and they check it off on the form.

But, no, the Republicans refused to allow that to be made in order as an amendment so that we can make sure that it is the consumer and not the oil companies who get this tax break.

Now, my constituents are appalled that Congress would respond to soaring gas prices by sending a rebate to the oil companies. They just do not trust the oil companies and neither should you. Just this weekend a preliminary study from the Interior Department uncovered a royalty ripoff by the oil companies of over $850 million owed but not paid to the Federal Government, to the Federal taxpayers. Why should we rebate the gas tax to these deadbeat drillers who raise gas prices?

Mr. Speaker, if the Interior Department investigation of the royalty ripoff found $850 million in overcharges, what will the Department of Energy investigation of the gas price rip-off find? Well, guess what. The Republicans are proposing to pay for the gas tax by taking it from the Department of Energy. That is right, they are cutting $600 million from the very agency which is investigating the gas price ripoff. Looks like they want to call off the DOE bloodhounds before they catch up with the oil companies. Not since Hogan's Heroes have we had so many Sergeant Schultz characters averting their eyes from wrongdoing while chanting "I hear nothing, I see nothing." This is the response which we get from the Republican side. But the American people can see it more clearly.

Gas prices go up, oil company profits have gone up. The pay of oil company executives in the last 60 days has been soaring. The top 30 executives at the biggest 6 oil companies have seen their incomes increase on an average of $700,000 just for those 60 days. Investigations of the oil companies get curtailed. Deadbeat drillers do not pay royalties. Congress cuts a tax that has nothing to do with the increases, allowing the industry to make even more.

Let us defeat this unfair rule on the gas tax repeal so that we can amend the bill to ensure that all of the savings are passed on to the consumer. That is, after all, the entire intent of this exercise, to make sure every driver, every owner of every automobile gets back the $30 that the 4 cents a year per gallon represents.

Now, how did we get into this mess? Well, as all consumers know, their oil prices have gone up at the gas pump 20 to 40 cents a gallon in 1996. But the Republicans and the oil companies, they keep pointing back to a 4.3-cent-a-gallon gasoline tax in 1993. Why do they not have the hearings? Why do we not have the investigation into why gas prices went up this year 20 to 40 cents? We know it had nothing to do with that gas tax in 1993. What did it have anything to do with? Well, it had everything to do with the issue of the oil companies keeping their inventories at historic lows. What had happened was, they bet, the oil companies, that Saddam Hussein would be allowed to sell 2 billion dollars' worth of oil each 6 months into the global economy. As a result, what they did was they took their oil stocks that they keep here in the United States, and they reduced them down to 100 million barrels a day below where they historically had had them.

In other words, like a reckless driver on a bet, the industry simply drove with the needle on empty, passing right by any number of global filling stations that were, by the way, awash with oil all last year in this, in a foolish attempt to buy cheap from a terrorist who wanted to sell oil to get money to buy guns, and he would not accept any restrictions upon the sale of that oil in terms of where the profits would go.

Of course, the oil companies are not gambling with their own money. They are gambling with your money. In a free market, the oil industry would be punished for this outrageous behavior by consumers switching to other fuels. But cars cannot be switched overnight to alternatives. So instead of being punished, this inelastic market rewards the negligent parties with higher prices at the pump and higher profits in the board room.

In fact, the personal compensation of oil executives has gone up nearly as fast as the price of gasoline. As I have said, oil company stock, executive stock options rose $33 million in just the last 60 days for the top five executives in the six largest oil companies. They must be crying all the way to the bank.

Mr. Speaker, in the meantime, we have absolutely no response from the Republicans in terms of conducting the hearings that are necessary to find out exactly what did happen. If they did, we would be putting the moral pressure, which we should, upon these oil companies to keep inventory high. We sent 500,000 American men and women to the Persian Gulf in 1991, not to prop up a nascent democracy in Kuwait. No, we did it in order to ensure that the oil supply would come to our country.

The oil companies should not be under price controls, but they should have a moral responsibility to every other industry in this country, to every consumer in this country to keep their tanks filled in case Saddam Hussein or any other dictator in this world decides to play games with our oil marketplace. That is all we ask from them in return for the deployment of 500,000 men and women in 1991, billions of dollars on a yearly basis to keep the oil lines open into our country. If the store runs out of Cheerios, you buy corn flakes. If they do not have orange juice, you buy grapefruit juice. But if there is no gasoline, there is nothing else you can put in your tank and they know it.

The oil companies have no right to conduct themselves in that way, oblivious to the impact it has on our entire economy. That is why oil prices went up 20 to 40 cents at the pump. And that is why this whole debate over the 4.3-cent gas tax in 1993 is a political diversionary tactic by the Republicans intended to ensure that there would be no inspection of what the oil company responsibility is to our country.

So I ask once again for the Republican leadership to give us the opportunity to put in order an amendment which will ensure that the tax break will go directly to the consumers. Under their formulation, it goes to the oil companies. Out of all industries in this country after the last 6 months with their spike, with the spike in the prices that they are able to charge for this one good that goes in every gasoline tank in our country, we should ensure that it does not go into their pockets.

So that is why I rise, Mr. Speaker, and I would hope that my colleagues tomorrow would defeat the rule, which denies us the ability of ensuring that this tax break goes directly to consumers.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FALEOMAVAEGA (at the request of Mr. GEPHARDT), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WOLF) to revise and extend their remarks and include extraneous material:)

Mr. WICKER, for 5 minutes, on May 21.

Mr. MCINTOSH, for 5 minutes, on May 23.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MONTGOMERY) and to include extraneous matter:)

Mr. LANTOS in two instances.

Mr. HAMILTON.

Mr. SCHUMER.

Mr. TOWNS.

Mr. STOKES.

(The following Members (at the request of Mr. WOLF) and to include extraneous matter:)

Mr. SMITH of New Jersey.

Mr. FUNDERBURK.

(The following Members (at the request of Mr. MARKEY) and to include extraneous matter:)

Mr. GINGRICH.

Mr. LANTOS.

Mr. COX of California.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1710. An act to authorize multiyear contracting for the C-17 aircraft program, and for other purposes; to the Committee on National Security; and

S. 1005. An act to amend the Public Buildings Act of 1959 to improve the process of constructing, altering, and acquiring public buildings, and for other purposes; to the Committee on Transportation and Infrastructure.

ADJOURNMENT

Mr. MARKEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Tuesday, May 21, 1996, at 12:30 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3071. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Onions Grown in South Texas; Change in Regulatory Period (FV95-959-3FR) received May 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3072. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Tuberculosis in Cattle, Bison, and Cervids; Payment of Indemnity [APHIS Docket No. 94-133-2] received May 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3073. A communication from the President of the United States transmitting a fiscal year 1997 budget amendment in support of the Israeli Government's requirement for counterterrorism assistance, pursuant to 31 U.S.C. 1107 (H. Doc. No. 104-216); to the Committee on Appropriations and ordered to be printed.

3074. A letter from the Secretary of Agriculture, transmitting the animal report on the Youth Conservation Corps Program in the Department for fiscal year 1995, pursuant to 16 U.S.C. 1705; to the Committee on Economic and Educational Opportunities.

3075. A letter from the Secretary of Health and Human Services, transmitting the Department's report entitled "Model Comprehensive Program for the Treatment of Substance Abuse, Metropolitan Area Treatment Enhancement System (MATES)," report to the Congress of the United States fiscal year 1995, pursuant to Public Law 102-321, section 301 (106 Stat. 419); to the Committee on Commerce.

3076. A letter from the General Counsel, Department of Energy, transmitting the Department's final rule—Contractor Litigation Cost Policies; Policies, Terms of Law Firm Engagement, and Allowability of Costs—received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3077. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rules—(1) Control Techniques Guidelines Document: Wood Furniture Manufacturing Operations (FRL-5507-5), (2) Protection of Stratospheric Ozone; Listing of Substitutes for Ozone-Depleting Substances (FRL-5467-1), and (3) Outer Continental Shelf Air Regulations Offset Remand (FRL-5504-4) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3078. A letter from the Director, Regulations Policy Management Staff, Food and Drug Administration, transmitting the Administration's final rule—Elimination of Establishment License Application for Specified Biotechnology and Specified Synthetic Biological Products—received May 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3079. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed lease of defense articles to Turkey (Transmittal No. 19-96), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

3080. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to the Taipei Economic and Cultural Representative Office in the U.S. [TECRO] (Transmittal No. 18-96), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

3081. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning a cooperative project with the United Kingdom concerning conventional air-to-ground missiles (Transmittal No. 09-96), pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

3082. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies on international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

3083. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "Fiscal Year 1995 Annual Report on Advisory Neighborhood Commissions," pursuant to D.C. Code, section 47-117(d); to the Committee on Government Reform and Oversight.

3084. A letter from the Chairman, Cost Accounting Standards Board, Office of Management and Budget, transmitting the sixth annual report of the Cost Accounting Standards Board, pursuant to Public Law 100-679, section 5(a) (102 Stat. 4062); to the Committee on Government Reform and Oversight.

3085. A letter from the Director, Fish and Wildlife Service, transmitting the Service's final rule—Subsistence Management Regulations for Public Lands in Alaska, Subpart D; Subsistence Taking of Fish and Wildlife Regulations; Extension (RIN: 1018-AC82) received May 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3086. A letter from the Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Bering Sea and Aleutian Islands Area; Reserve Apportionment [Docket No. 960129019-6091-01; I.D. 050396A] received May 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3087. A letter from the Director, Office of Fisheries and Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Bering Sea and Aleutian Islands Area; Pacific cod by vessels using trawl gear in the Bering Sea and Aleutian Islands management area [Docket No. 960129019-6091-01; I.D. 051396A] received May 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3088. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Bering Sea and Aleutian Islands Area; Pacific Cod by Vessels Using Hook-and-Line Gear in the Bering Sea and Aleutian Islands [Docket No. 960129019-6091-01; I.D. 051396D] received May 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3089. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Bering Sea and Aleutian Islands Area; Other Nontrawl Fisheries in the Bering Sea and Aleutian Islands Management Area [Docket No. 960129019-6091-01; I.D. 051396E] received May 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3090. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Scope of Rules: Prevention of Acts of Violence and Terrorism (RIN: 1120-AA54) received May 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3091. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Drug Abuse Treatment Programs: Early Release Consideration (RIN: 1120-AA36) received May 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3092. A letter from the Chairperson, United States Commission on Civil Rights, transmitting a draft of proposed legislation entitled the "Civil Rights Commission Amendments Act of 1996"; to the Committee on the Judiciary.

3093. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation entitled the "State Infrastructure Bank Improvement Act of 1996"; to the Committee on Transportation and Infrastructure.

3094. A letter from the Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, transmitting the Bureau's final rule—Materials and Processes Authorized for the Production of Wine and for the Treatment of Juice, Wine and Distilling Material

(93F–059P) (RIN: 1512–AB26) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3095. A letter from the Chair, Physician Payment Review Commission, transmitting the Commission's recommendations for the fee update and Medicare volume performance standards for 1997, pursuant to Public Law 101–239, section 6102(a) (103 Stat. 2176); jointly, to the Committees on Ways and Means and Commerce.

3096. A letter from the Secretary of Health and Human Services, transmitting the Department's final rule—Medicare and Medicaid Program; Criteria for a Rural Hospital to be Designated as an Essential Access Community Hospital (EACH) (BPD–856–FC) received May 16, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); jointly, to the Committees on Ways and Means and Commerce.

3097. A letter from the Administrator, Environmental Protection Agency, transmitting the Agency's report entitled "The Effects of Great Lakes Contaminants on Human Health," pursuant to Public law 101–596, Section 106 (104 Stat. 3004); jointly, to the Committees on Transportation and Infrastructure, Commerce, and Science.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3068. A bill to accept the request of the Prairie Island Indian Community to revoke their charter of incorporation issued under the Indian Reorganization Act (Rept. 104–584). Referred to the Committee of the Whole House on the State of the Union.

Mr. GOODLING: Committee on Economic and Educational Opportunities. H.R. 1227. A bill to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles; with an amendment (Rept. 104–585). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARCHER: Committee on Ways and Means. H.R. 3448. A bill to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, and for other purposes; with an amendment (Rept. 104–586). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FOX (for himself, Mr. EVERETT, Mr. BUYER, and Mr. HUTCHINSON):

H.R. 3493. A bill to amend title 38, United States Code, to authorize the provision of funds in order to provide financial assistance by grant or contract to legal assistance entities for representation of financially needy veterans in connection with proceedings before the U.S. Court of Veterans Appeals; to the Committee on Veterans' Affairs.

By Mr. CANADY (for himself, Mr. WELDON of Florida, and Mr. HUTCHINSON):

H.R. 3494. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to identify violent and hard-core juvenile offenders and treat them as adults, and for other purposes; to the Committee on Economic and Educational Opportunities, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 835: Mrs. THURMAN and Mr. BACHUS.

H.R. 1024: Mr. ALLARD.

H.R. 1572: Ms. PRYCE.

H.R. 2270: Mr. BURTON of Indiana.

H.R. 2531: Mr. MONTGOMERY.

H.R. 2779: Mr. MEEHAN and Mr. PARKER.

H.R. 3000: Mr. PORTER, Mr. GREEN of Texas, Mr. THOMPSON, Mr. MANZULLO, and Mr. CRANE.

H.R. 3328: Mr. LIPINSKI and Mr. HORN.

H.R. 3346 : Mr. JOHNSTON of Florida and Mr. RICHARDSON.

H. Con. Res. 155: Mr. HORN and Mr. TOWNS.

H. Con. Res. 160: Mr. LIPINSKI, Mr. WYNN, and Ms. JACKSON-LEE.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3259

OFFERED BY: MR. BROWNBACK

AMENDMENT NO. 6: At the end of title III insert the following new section:

SEC. 306. RESTRICTIONS ON INTELLIGENCE SHARING WITH THE UNITED NATIONS.

(a) IN GENERAL.—The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding at the end of title I the following new section:

"RESTRICTIONS ON INTELLIGENCE SHARING WITH THE UNITED NATIONS

"SEC. 110. (a) PROVISION OF INTELLIGENCE INFORMATION TO THE UNITED NATIONS.—(1) No United States intelligence information may be provided to the United Nations or any organization affiliated with the United Nations, or to any official or employee thereof, unless the President certifies to the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate and the Committee on International Relations and the Permanent Select Committee on Intelligence of the House of Representatives that the Director of Central Intelligence (in this section referred to as the 'DCI'), in consultation with the Secretary of State and the Secretary of Defense, has required, and such organization has established and implemented, procedures for protecting intelligence sources and methods (including protection from release to nations and foreign nationals that are otherwise not eligible to receive such information) no less stringent than procedures maintained by nations with which the United States regularly shares similar types of intelligence information. Such certification shall include a description of the procedures in effect at such organization.

"(2) Paragraph (1) may be waived upon written certification by the President to the appropriate committees of Congress that providing such information to the United Nations or an organization affiliated with the United Nations, or to any official or employee thereof, is in the national security interest of the United States and that all possible measures protecting such information has been taken, except that such waiver must be made for each instance such information is provided, or for each such document provided.

"(b) PERIODIC AND SPECIAL REPORTS.—(1) The President shall periodically report but not less frequently than quarterly, to the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate and the Committee on International Relations and the Permanent Select Committee on Intelligence of the House of Representatives on the types and volume of intelligence provided to the United Nations and the purposes for which it was provided during the period covered by the report. Such periodic reports shall be submitted to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives with an annex containing a counterintelligence and security assessment of all risks, including an evaluation of any potential adverse impact on national collection systems, of providing intelligence to the United Nations, together with the information on how such risks have been addressed.

"(2) The President shall submit a special report to the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate and the Committee on International Relations and the Permanent Select Committee on Intelligence of the House of Representatives within 15 days after the United States Government becomes aware of any unauthorized disclosure of intelligence provided to the United Nations by the United States.

"(c) LIMITATION.—The restrictions of subsection (a) and the requirement for periodic reports under paragraph (1) of subsection (a) shall not apply to the provision of intelligence that is provided only to, and for the use of, appropriately cleared United States Government personnel serving with the United Nations.

"(d) DELEGATION OF DUTIES.—The President may not delegate or assign the duties of the President under subsection (a).

"(e) RELATIONSHIP TO EXISTING LAW.—Nothing in this section shall be construed to—

"(1) impair or otherwise affect the authority of the Director of Central Intelligence to protect intelligence sources and methods from unauthorized disclosure pursuant to section 103(c)(5) of the National Security Act of 1947 (50 U.S.C. 403–3(c)(5)); or

"(2) supersede or otherwise affect the provisions of title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.).".

(b) CLINICAL AMENDMENT.—The table of contents for the National Security Act of 1947 is amended by inserting after the item relating to section 109 the following:

"Sec. 110. Restrictions on intelligence sharing with the United Nations.".

H.R. 3259

OFFERED BY: MR. DICKS

AMENDMENT NO. 7: At the end of title V, add the following:

SEC 502. TIER III MINUS UNMANNED AERIAL VEHICLE.

In addition to the amounts authorized to be appropriated by title I, there is authorized to be appropriated an additional $22,000,000 for the tier III minus unmanned aerial vehicle.

H.R. 3259

OFFERED BY: MR. DICKS

AMENDMENT NO. 8: At the end of title V, add the following:

SEC. 502. TIER MINUS UNMANNED AERIAL VEHICLE.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts authorized to be appropriated by title I, there is authorized to be appropriated an additional $22,000,000 for the tier III minus unmanned aerial vehicle.

(b) PROCUREMENT.—The Secretary of Defense shall procure sufficient vehicles to conduct the approved advanced concept technology demonstration of the tier III minus unmanned aerial vehicle.

H.R. 3259

OFFERED BY: MR. DICKS

AMENDMENT NO. 9: At the end of title V, add the following:

SEC. 502. TIER III MINUS UNMANNED AERIAL VEHICLE.

In addition to the amounts authorized to be appropriated by title I, there is authorized to be appropriated an additional $25,500,000 for the tier III minus unmanned aerial vehicle.

H.R. 3259

OFFERED BY: MR. DICKS

AMENDMENT NO. 10: At the end of title V, add the following:

SEC. 502. TIER III MINUS UNMANNED AERIAL VEHICLE.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts authorized to be appropriated by title I, there is authorized to be appropriated an additional $25,500,000 for the tier III minus unmanned aerial vehicle.

(b) PROCUREMENT.—The Secretary of Defense shall procure sufficient vehicles to conduct the approved advanced concept technology demonstration of the tier III minus unmanned aerial vehicle.

H.R. 3259

OFFERED BY: MR. RICHARDSON

AMENDMENT NO. 11: At the end of title III, insert the following new section:

SEC. 306. PROHIBITION ON USING JOURNALISTS AS AGENTS OR ASSETS.

An element of the Intelligence Community may not use as an agent or asset for the purposes of collecting intelligence any individual who—

(1) is authorized by contract or by the issuance of press credentials to represent himself or herself, either in the United States or abroad, as a correspondent of a United States news media organization; or

(2) is officially recognized by a foreign government as a representative of a United States media organization.

SENATE—*Monday, May 20, 1996*

The Senate met at 10:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Sovereign Lord, You have given us minds to think magnificently about You. We contemplate Your majesty, power, goodness, truth, faithfulness, and grace. Everything within us responds to praise You for the wonderful way You care for us and provide for our needs.

We commit our thinking brains to You. We accept the admonition of Scripture: "Do not be conformed to this world, but be transformed by the renewing of your minds that you may prove what is that good and acceptable and perfect will of God."—Romans 12:2. Consciously we seek to serve You by allowing You to deepen our understanding. Help us to base our thinking on Your truth, values, and priorities. May we come to know You so well that Your will is made clear for each decision. Be on our minds, in our minds, and in control of our minds.

In the name of Jesus who taught us to love You with our minds. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator LOTT of Mississippi, is recognized.

SCHEDULE

Mr. LOTT. Thank you, Mr. President. The Senate will immediately begin consideration of Senate Concurrent Resolution 57, the concurrent budget resolution. Under the agreement of last week, there are a limited number of first-degree amendments in order to the resolution. Senators are urged to offer and debate those today. Senators are reminded there will be no rollcall votes today. Any votes ordered on amendments will occur on Tuesday, and Senators can expect numerous votes Tuesday in order to complete action on the budget resolution.

I know that the managers of the bill will be here shortly. I might point out that there has already been an order of amendments agreed to. Shortly, we will begin with the first of those amendments, I believe by the Senator from Missouri, Senator ASHCROFT, regarding the payroll tax cut, to be followed by an amendment by Senator HARKIN, and so on down the line.

I note that the last thing scheduled today, to begin on or before, I guess, 7 p.m., is the Chafee-Breaux so-called bipartisan amendment. I believe there will be considerable amount of time devoted to that particular amendment—3 hours being reserved for tonight.

So I wanted to make Senators aware that there is a list of amendments. An order has been agreed to, and we will be prepared to begin with those shortly. I know the majority leader, Senator DOLE, is very anxious for us to work very hard in debating these amendments so that we can complete action as soon as possible this week.

We do have other very important legislation pending that we are anxious to have considered. Senator DOLE's bill dealing with the national missile defense, Defend America Act, we are trying to work out an agreement on how that will be brought up and considered.

I know the distinguished President pro tempore, the chairman of the Armed Services Committee, is anxious for the defense authorization bill to be considered, hopefully this week, so that we can have a conference between the House and Senate this year early in June, rather than later on in the summer, which would cause problems in trying to get the authorization done at the same time trying to get the appropriations bill done.

So we have a lot of work to do in a limited amount of time before we go out for the Memorial Day recess period.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BROWN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I believe we need to report the resolution so that further action can be taken.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDING OFFICER. The Senate will now resume consideration of Senate Concurrent Resolution 57, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the U.S. Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

The Senate resumed consideration of the concurrent resolution.

Pending:

Boxer amendment No. 3982, to preserve, protect, and strengthen the Medicaid program by controlling costs, providing State flexibility, and restoring critical standards and protections, including coverage for all populations covered under current law, to restore $18 billion in excessive cuts, offset by corporate and business tax reforms, and to express the sense of the Senate regarding certain Medicaid reforms.

Wyden/Kerry amendment No. 3984, to express the sense of the Senate regarding revenue assumptions.

Wellstone amendment No. 3985, to express the sense of the Senate on tax deductibility of higher education tuition and student loan interest costs.

Wellstone/Kerry amendment No. 3986, to express the sense of the Senate that funds will be available to hire new police officers under the Community Oriented Policing Service.

Wellstone amendment No. 3987, to express the sense of the Senate that Congress will not enact or adopt any legislation that would increase the number of children who are hungry or homeless.

Wellstone amendment No. 3988, to express the sense of the Senate with respect to maintaining current expenditure levels for the Low Income Home Energy Assistance Program for fiscal year 1997.

Wellstone amendment No. 3989, to express the sense of the Senate with respect to the interrelationship between domestic violence and welfare.

Kerry amendment No. 3990, to restore proposed cuts in the environment and natural resources programs, to be offset by the extension of expired tax provisions or corporate and business tax reforms.

Kerry amendment No. 3991, to increase the Function 500 totals to maintain levels of education and training funding that will keep pace with rising school enrollments and the demand for a better-trained workforce, to be offset by the extension of expired tax provisions or corporate and business tax reforms.

Kyl amendment No. 3995, to express the sense of the Senate regarding a supermajority requirement for raising taxes.

Kyl amendment No. 3996, to providing funding for the Low Income Home Energy Assistance Program through fiscal year 2000.

Kennedy amendment No. 3997, to express the sense of the Congress that the reconciliation bill should maintain the existing prohibition against additional charges by providers under the medicare program.

Kennedy amendment No. 3998, to express the sense of the Congress that the reconciliation bill should not include any changes in Federal nursing home quality standards or the Federal enforcement of such standards.

Kennedy amendment No. 3999, to express the sense of the Congress that provisions of current medicaid law protecting families of nursing home residents from experiencing financial ruin as the price of needed care for their loved ones should be retained.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Kennedy amendment No. 4000, to express the sense of the Senate relating to the protection of the wages of construction workers.

Byrd amendment No. 4001, to increase overall discretionary spending to the levels proposed by the President, offset by the extension of expired tax provisions or corporate and business tax reforms.

Lott/Smith amendment No. 4002, to express the sense of the Congress regarding reimbursement of the United States for the costs associated with Operations Southern Watch and Provide Comfort out of revenues generated by any sale of petroleum originating from Iraq.

Simpson/Moynihan amendment No. 4003, to express the sense of the Senate that all Federal spending and revenues which are indexed for inflation should be calibrated by the most accurate inflation indices which are available to the Federal Government.

Graham amendment No. 4007, to create a 60 vote point of order against legislation diverting savings achieved through medicare waste, fraud and abuse enforcement activities for purposes other than improving the solvency of the Medicare Federal Hospital Insurance Trust Fund.

Mr. LOTT. Mr. President, I ask unanimous consent that when we go back into the quorum, the time be equally divided against the time on the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the pending amendment be set aside so that I might submit another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4008

(Purpose: To provide for an income tax deduction for the old age, surviors, and disability insurance taxes paid by employees and self-employed individuals)

Mr. ASHCROFT. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri (Mr. ASHCROFT) proposes an amendment numbered 4008.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. ASHCROFT. Mr. President, thank you very much.

Mr. President, the centrality of resource to government, the power to tax, the impact and effect of taxation upon our economy is something which is well known and understood across our culture. The development of a budget for this country is perhaps one of our most important responsibilities. It has to do with the fundamental ways in which we view ourselves. It helps us focus on who we are and what we can be when we have the right balance between spending and the rest of the economy—the private sector of the economy; when we have the right balance between taxes that are spent by government and resources that are spent by individuals in the culture.

When I think about America, I think about it as a place of hope, a place of opportunity, a place that can solve problems that might not have been susceptible to solution anywhere else. I think about the words on the base of the Statue of Liberty, Emma Lazarus' poem, which is so aggressive. It is so hopeful. It says:

> Give me your tired, your poor,
> Your huddled masses yearning to breathe free,
> The wretched refuse of your teeming shores,
> Send these, the homeless, tempest-tossed to me:
> I lift my lamp beside the golden door.

America so brash, America so capable, America so resilient, so oriented to growth and opportunity that it says to the rest of the world, "Send me your most troublesome problems. Send me the most difficult of your cases, we lift a lamp of opportunity here. Give me your tired, your poor. We will take care of it here because we are growing, we are on the move." What troubles me perhaps more than anything else is that of late instead of saying, "Give me your tired, your poor," we seem to be reciting that we are the tired, we are the poor.

It has been said that America is the "city on the hill," a special example to the rest of world, a place to look to, a city of hope and opportunity. Well, perhaps it might be said that if we are a city, we are in need of renewal. We sure would not want the kind of urban renewal that has been inflicted on American cities, but the sense that we need to again restart the engine, regenerate the opportunities of this culture. Perhaps we ought to look carefully at what is it that has moved us from a culture that could say, "Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shores, send these, the homeless, tempest-tossed to me."

What it is that has moved us from saying that to being doubtful about the future, to be insecure, having this sense of social discomfort, of social disease, social insecurity, if you will, which we find in America today? I have to say to you that I think it has been the flatness in growth which we have normally expected in this culture but which we are not seeing in the American culture.

Economic growth has always driven the idea that America could be a special place of opportunity. It was that sense of endless opportunity in this country that drove us to say, "Give me your tired, your poor." It was this understanding that we could always grow our way through circumstances and difficulties. Growth has been a marvelous key toward providing some new hope for individuals at all times in our history.

Yet, what has happened to growth? What has happened to our culture? We have seen a tremendous flatness in recent years. Take-home pay is stagnant at best. The average household income is 6.3 percent below its 1989 level—6.3 percent down; 6.3 percent is $1 out of every $18. So where you used to get $18 you now only have $17. That is just in the last 6 or 7 years.

Zero growth in worker income for the first 3 years of the Clinton administration. Working families are being taxed. They are being stressed.

We find they get up early; they work late; they sacrifice time with each other and with their children, and they have less and less for it. They are squeezed.

What is the reason? Why is it that we as a culture find ourselves laboring under this weight rather than soaring toward the opportunity of a lifted lamp that can greet any challenge boldly and say, "Give me your best shot?" We cannot only roll with the punch; we can succeed.

I think it is simple. I think it is because the Government has begun to take so much of the wage of working Americans that Americans no longer have the resource to spend for themselves. Tax liberation day is a day that is calculated each year which says that since the Government has the first claim on your wages, how long do you have to work into the year in order to pay all the Government's claim?

Tax liberation day was just a little over a week ago. The truth of the matter is it is awfully substantial in our culture, the burden that taxes place on each of us. As a matter of fact, as a percentage of the gross domestic product, that is, the output of this economy, we have higher rates of taxation at this moment in history than we have ever had in the history of this Republic, higher than the rate of taxation that it took to throw the British out of this country, higher than it took to win the Civil War, higher rates of taxation than it took to make the world safe for democracy in World War I, higher rates of taxation than it took for us to spend our way out of the Depression of the 1930's, and more taxes in terms of gross domestic product than it took for us to win World War II. The American people are being taxed at the highest rate in history when measured by gross domestic product.

That is a shame. It is a substantial burden on the American people. And as their incomes are being eroded, repressed, held back, they are wondering what happened to their income. I think it is pretty easy for us to say what has happened to their income because the growth of Government spending has soared. We have gone to an income tax which was 2 to 3 percent of income in the 1950's to more than 10 times that much now. And we have levels of taxation which are just incredible. Of the family budget, in 1955, 27.7 percent was total taxes—in 1955. It is 38.2 percent in 1995. That is more than a third increase in what the American family is being asked to pay in taxes.

Just looking at the data from this decade, it is not a happy picture because in 1990 we had a substantial tax increase, and in 1993 the Clinton administration and the Democrats in the Congress imposed upon the American people without a single Republican vote the largest tax increase in the history of America. And so when the American worker looks around to say, what happened to my wage increase, it is pretty easy to say what has happened to your wage increase, what has happened to the growth in this economy, what has happened to the dynamic potential of hope that America represents and ought to be. It has been stolen by Government. What the people cannot spend is what Government has taken. And when Government takes well over 38 percent of your income, you cannot spend it, and if Government did not take it, you could spend it. Government is out of control. It is taxing at incredibly high rates and families are suffering.

Senator COVERDELL of Georgia is eloquent in describing how taxes have gone up regularly since the 1950's and 1960's. You can trace and correlate the number of families where people feel it is necessary for both parents to be out of the home working. Taxes have not only stolen the resource of money from our families but they have stolen the resource of parenting in many respects by forcing people who would otherwise want to stay in the home to be parents to leave the home in order to go into the marketplace to try and make enough. So that the workers are not getting increases.

The record of the recent past is the workers are not getting increases, but the record is that the Government is getting increases, and so we not only have the diversion of the important financial resource from family, we have had a diversion of other resources. And people are not able to make their own decisions about whether they want to go into the marketplace or to stay in the home or spend time with their family or devote themselves to the development of family concerns; you have a situation where they are simply compelled to be there.

This is a situation of Government that is out of control.

This chart here just gives us a little indication of where the money goes. House and household, in the average family, 15 percent pays for its home and its household. That is 2.5 times less, or this is 2.5 times more total taxes; food, 6 percent of the normal family's income; taxes, over 600 percent more than that; transportation, 6 percent; over 600 percent more than we spend on transportation; to put clothes on the backs of Americans costs 4 percent of family income; it costs almost 10 percent that much to pay taxes.

This is the largest total tax figure. This represents more of the gross domestic product than at any time in the history of this country, and it is no wonder that we find ourselves in a period of stagnation, of retrogression, of reduction rather than in development and growth, and it is time again to unleash the engine of opportunity, the driving force of growth in our culture and society.

Government has stolen the wage increases of American workers by regressing growth in the American culture. It is the reason, if we are the city on the Hill, we need renewal. It is the reason we no longer say give me your tired, your poor. We have people complaining that they are tired and they are poor, and it is time for us to grant to the American people the kind of relief which will make a difference to them. I think we need to find a way to relieve the American public of its tax burden, but we need to make sure that this goes to the people who need it most. We need to find a way to make sure that the American public, the working public, the middle class, the forgotten middle class in everything but campaign years, is remembered.

Let me just say that I think I have a way to get that done. I think I have an effective way to deliver tax relief to the middle class, and let me describe it to you. Almost all of us—well, all of us who do work—pay what is called payroll taxes. These are taxes that go to support Social Security. And I would not touch those taxes in any way. We need to pay those in order to make sure that the Social Security trust fund is maintained. But these Social Security taxes are a tax. We pay those to the Government. They go to make sure that our ability to pay individuals who are on Social Security their benefits is maintained. We do not want to impair in any way the ability of this culture to pay those citizens who are on Social Security what they deserve and what they have earned by paying their Social Security taxes in the past.

But it is a tax. And when you pay the 6 point something or other percent of your wages as a Social Security tax, it is a tax. There is no two ways about it. It is a tax. It is not an investment program for you. They do not take your money and invest it and put it away so that you will have something when you retire. It is simply a tax that is levied on you so they can meet the current demands of the Social Security system.

What is interesting about that tax is that you have to pay that tax after you have already had your income tax calculated. So that you have paid a tax on that money, and then you pay a tax again. This is a classic setting where we have asked the American people to be subject to a tax on a tax.

That is unfair. Double taxation for the American people in this setting is grossly unfair. It is something that we have rejected in virtually every other category of our existence, but we are asking American workers, working families, to pay a tax on a tax. As you know, the Social Security tax is only levied on the first $62,000 of your income, $63,000; $62,700 is the real number. So if you are paying a tax on that amount and it is also being taxed for income tax purposes, you have a double tax.

I think we ought to make that deductible. You still have to pay the Social Security tax, but you no longer have to pay the income tax on things that are never income to you, because this money never reaches an employee. The working families of America never see it. It is deducted. It is called the payroll deduction tax. It is a tax that goes straight from your employer right into the Federal Government. You do not even get a sniff at this resource, and yet you are taxed on this tax.

Strangely enough, interestingly enough, this is not a tax which hits American business in the same way, because the business community has a right to deduct from its taxes the payments that it makes that match the workers' tax. So the business community, the giant corporate citizens of America—and we need them and they are good and appropriate—they get fair treatment by being able to deduct this as an expense. But the citizen, the worker, pays on the first $62,700 of our income, we pay Social Security taxes out of money that we have already paid taxes on. We have a tax on the tax, and it is time that we stopped that. It is time that we elevate the American worker at least to the tax standing and tax position of American corporations. It is time that we gave that tax break to the American worker.

It is important that this tax break, by providing for deductibility of the Social Security tax before the income tax is paid, go to the American worker. It is important to note that it is only on the first $62,000 of income. So, as a matter of fact, for the millionaires, they only get the break on $62,000 of their income, just like the average working family would only get the break on that first segment of income.

So for those who are fond of saying every time there is a tax break, that this is a tax break for the rich, well, you need not apply here, because this is limited automatically to providing the deduction for a tax you are paying to Social Security, and since nobody pays it above $62,700, it is not a deduction for the rich. It is a deduction in terms of proportional deductions of your wages that favors, dramatically favors, the middle class. What an important thing that is, because middle-class families are the families that desperately need help.

What would happen to the middle-class family? How would the middle-class family be affected? For middle-class families, the Social Security tax is the single largest tax that is paid. No other tax that we pay takes a bigger chunk out of the average family's income than Social Security taxes. So to give a deduction on that would be substantial. It would really mean they would have about a 1-percent decrease in their income tax rate for these families, the average two-income family. That means that you would pay about $1,770 less in taxes for the year than you would if we did not have this deduction.

What happens to the economy of the United States of America if you let working people who have earned the money just pay tax once by sending it to the Social Security trust fund but not being taxed on that money twice, therefore, having the extra $1,770 in income? What will happen in the United States? Growth, that is what will happen. It is universal. No one projects anything but substantial growth. The middle number is about 500,000 new jobs, about 10,000 jobs per State.

I had the privilege of being Governor of my State for about 8 years before I became a U.S. Senator, and it is a great privilege. If someone came to your State saying they had 10,000 jobs for you, I mean, stopping the Governor from doing cartwheels would be a major endeavor. We care about growth; we care about opportunity.

That is the equivalent of two large car assembly plants. States have fallen all over themselves. I remember the competition for the Saturn plant, eventually won by Tennessee, I sadly say. Good for Tennessee, bad for Missouri. We would like to have had it. But several of those in every State in the United States of America? It is estimated that the gross domestic product would raise by one-half of 1 percent as a result of letting the people spend the money instead of having the Government spend the money.

I think we need to remind ourselves on a regular and consistent basis that when we tax people, it is a question of not whether money will be spent, it is whether we are going to spend the money in the Government and whether we can decide best for people how to serve their needs or whether they can decide best by having the money at their own disposal and by having the money for themselves to spend.

I believe that the families in America know best, and the economists indicate that, if we will stop spending this money and just let it be spent in the private sector by the families, it will mean about 500,000—500,000—new jobs in America, about 10,000 jobs per State. The gross domestic product will go up by .5 percent. That would mean that 77 million—77 million—working Americans would have more resources to devote to themselves, to their families, do more for themselves, do more for their families, and do more of the good things that American families want to do.

So often we say that Government is required because families will not do what they ought to do, but I believe we have come to a place where Government has made it impossible for families to do what they ought and want to do. They want to share, they want to be involved in their communities, they want to be involved in their churches and synagogues and mosques and temples. They want to be involved in reaching out to other people. But when Government takes such a big share, when you have to work 3 hours every day to get the Government's share out of the way and you struggle through the rest of the day to meet your own needs, it does not leave much opportunity for sharing.

So we have a situation where we really need to provide relief to America's working families. They are struggling. We talk about the problems of the family. It is time for us to do something about the problems of our families.

We talk about Government as if it all was involved in something that was fundamental, essential, and necessary—and frequently is—but families are fundamental, essential, and necessary. One hundred years ago, William Jennings Bryan said, if you tore down your cities and left your farms, the cities would grow back up. But if you destroyed the agriculture and the producing capacity of this country, grass would grow in the streets of the cities.

I think if you tore down government, it could spring back up if you left the families in place, but if you were to tear down the families of America, I can guarantee you that grass would grow over this Capitol, and it may if we do not provide relief in some way to the families of this country that are hard pressed by this weight. It is not inconsequential that the governmental share is in red here, because much of this is the resource of the next generation as well. We are not only on a binge of taxation, we are on a binge of spending, and that binge of spending threatens the well-being of young Americans and those who are yet to be born.

This is a program and proposal that basically comes down to the question of, do you want more taxes or less taxes? Do you want to grow Government, or do you want to grow people? What is the purpose of Government? The purpose of Government is related to growth, but it is not related to the growth of Government; it is related to the growth of people. It is our responsibility to maintain an environment in which people grow, in which their enterprises grow, in which citizens grow and in which their corporations grow.

It is a place where individuals grow and institutions grow, but if we make it so that government is the only thing that can grow because it sucks up so much of the resource of this culture, we will have destroyed the genius of America, we will have destroyed the opportunity of it, we will have destroyed the character of it. It is time for us to get out of the destruction business and to get into the restoration business.

That is why the Working Americans Wage Restoration Act is what we ought to be focused on. This is a way, without impairing Social Security in any respect, to place into the hands of the American people the capacity to do for themselves and for their families and for others what they ought and want to do and to do so by balancing a taking by government of an inordinate amount of their resources.

Remember, it is time to curtail this tax on tax. The American family has been treated unfairly. It has been taxed where corporations have been given a deduction. We are taxed at the highest levels in history. Not even to prosecute the most disastrous of all wars have we taxed our people as much as we have. It is time for us to provide the relief to the American family which will allow the American family to flourish, and allows us to again have the kind of bold, brash, and aggressive behavior of hope that said: Give us your best shot. Give us your tired, your poor.

We can make something of anything in the United States because we are growing. It is time for us to be the city on the hill again and not the city in need of urban renewal, but a city of hope and opportunity.

It is time for us to give the American worker a chance to do what needs to be done and to provide a basis upon which the American worker and the American economy can again grow.

AMENDMENT NO. 4008, AS MODIFIED

Mr. ASHCROFT. Mr. President, I ask unanimous consent to send a modification of my amendment to the desk.

The PRESIDING OFFICER. The Senator is free to amend his amendment. Without objection, it is so ordered.

Mr. ASHCROFT. I thank the Chair.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 4008), as modified, is as follows:

On page 3, line 5, decrease the amount by $29,900,000,000.

On page 3, line 6, decrease the amount by $44,400,000,000.

On page 3, line 7, decrease the amount by $476,700,000,000.

On page 3, line 8, decrease the amount by $49,100,000,000.

On page 3, line 9, decrease the amount by $51,700,000,000.

On page 3, line 10, decrease the amount by $54,300,000,000.

On page 3, line 14, decrease the amount by $29,900,000,000.

On page 3, line 15, decrease the amount by $44,400,000,000.

On page 3, line 16, decrease the amount by $46,700,000,000.

On page 3, line 17, decrease the amount by $49,100,000,000.

On page 3, line 18, decrease the amount by $51,700,000,000.

On page 3, line 19, decrease the amount by $54,300,000,000.

On page 4, line 8, increase the amount by $34,577,000,000.

On page 4, line 9, decrease the amount by $47,622,000,000.

On page 4, line 10, decrease the amount by $48,997,000,000.

On page 4, line 11, decrease the amount by $51,903,000,000.

On page 4, line 12, increase the amount by $53,474,000,000.

On page 4, line 13, decrease the amount by $55,439,000,000.

On page 4, line 17, decrease the amount by $29,900,000,000.

On page 4, line 18, decrease the amount by $44,400,000,000.

On page 4, line 19, decrease the amount by $46,700,000,000.

On page 4, line 20, decrease the amount by $49,100,000,000.

On page 4, line 21, decrease the amount by $51,700,000,000.

On page 4, line 22, decrease the amount by $54,300,000,000.

On page 9, line 21, decrease the amount by $1,209,000,000.

On page 9, line 22, decrease the amount by $1,156,000,000.

On page 10, line 5, decrease the amount by $2,298,000,000.

On page 10, line 6, decrease the amount by $1,412,000,000.

On page 10, line 13, decrease the amount by $2,684,000,000.

On page 10, line 14, decrease the amount by $1,865,000,000.

On page 10, line 21, decrease the amount by $2,821,000,000.

On page 10, line 22, decrease the amount by $2,278,000,000.

On page 11, line 5, decrease the amount by $2,927,000,000.

On page 11, line 6, decrease the amount by $2,560,000,000.

On page 11, line 13, decrease the amount by $2,964,000,000.

On page 11, line 14, decrease the amount by $2,735,000,000.

On page 11, line 22, decrease the amount by $2,449,000,000.

On page 11, line 23, decrease the amount by $1,520,000,000.

On page 12, line 5, decrease the amount by $2,525,000,000.

On page 12, line 6, decrease the amount by $2,346,000,000.

On page 12, line 12, decrease the amount by $2,686,000,000.

On page 12, line 13, decrease the amount by $2,693,000.000.

On page 12, line 19, decrease the amount by $2,909,000,000.

On page 12, line 20, decrease the amount by $2,882,000,000.

On page 13, line 2, decrease the amount by $3,209,000,000.

On page 13, line 3, decrease the amount by $3,131,000,000.

On page 13, line 9, decrease the amount by $3,619,000,000.

On page 13, line 10, decrease the amount by $3,474,000,000.

On page 13, line 17, decrease the amount by $875,000,000.

On page 13, line 18, decrease the amount by $131,000,000.

On page 13, line 25, decrease the amount by $783,000,000.

On page 14, line 1, decrease the amount by $446,000,000.

On page 14, line 8, decrease the amount by $933,000,000.

On page 14, line 9, decrease the amount by $740,000,000.

On page 14, line 15, decrease the amount by $1,083,000,000.

On page 14, line 17, decrease the amount by $931,000,000.

On page 14, line 24, decrease the amount by $1,183,000,000.

On page 14, line 25, decrease the amount by $1,086,000,000.

On page 15, line 7, decrease the amount by $1,283,000,000.

On page 15, line 8, decrease the amount by $1,225,000,000.

On page 15, line 16, decrease the amount by $359,000,000.

On page 15, line 17, decrease the amount by $241,000,000.

On page 15, line 24, decrease the amount by $440,000,000.

On page 15, line 25, decrease the amount by $349,000,000.

On page 16, line 7, decrease the amount by $506,000,000.

On page 16, line 8, decrease the amount by $462,000,000.

On page 16, line 15, decrease the amount by $574,000,000.

On page 16, line 16, decrease the amount by $545,000,000.

On page 16, line 23, decrease the amount by $574,000,000.

On page 16, line 24, decrease the amount by $582,000,000.

On page 17, line 7, decrease the amount by $574,000,000.

On page 17, line 8, decrease the amount by $588,000,000.

On page 19, line 16, decrease the amount by $1,264,000,000.

On page 19, line 17, decrease the amount by $639,000,000.

On page 19, line 24, decrease the amount by $1,341,000,000.

On page 19, line 25, decrease the amount by $882,000,000.

On page 20, line 7, decrease the amount by $1,339,000,000.

On page 20, line 8, decrease the amount by $1,197,000,000.

On page 20, line 15, decrease the amount by $1,339,000,000.

On page 20, line 16, decrease the amount by $1,382,000,000.

On page 20, line 23, decrease the amount by $1,687,000,000.

On page 20, line 24, decrease the amount by $1,409,000,000.

On page 21, line 7, decrease the amount by $1,687,000,000.

On page 21, line 8, decrease the amount by $1,484,000,000.

On page 21, line 16, decrease the amount by $104,000,000.

On page 21, line 17, decrease the amount by $58,000,000.

On page 21, line 24, decrease the amount by $110,000,000.

On page 21, line 25, decrease the amount by $215,000,000.

On page 22, line 7, decrease the amount by $110,000,000.

On page 22, line 8, decrease the amount by $276,000,000.

On page 22, line 15, decrease the amount by $110,000,000.

On page 22, line 16, decrease the amount by $297,000,000.

On page 22, line 23, decrease the amount by $110,000,000.

On page 22, line 24, decrease the amount by $306,000,000.

On page 23, line 6, decrease the amount by $110,000,000.

On page 23, line 7, decrease the amount by $312,000,000.

On page 25, line 17, decrease the amount by $5,938,000,000.

On page 25, line 18, decrease the amount by $4,436,000,000.

On page 25, line 25, decrease the amount by $6,127,000,000.

On page 26, line 1, decrease the amount by $5,670,000,000.

On page 26, line 8, decrease the amount by $6,188,000,000.

On page 26, line 9, decrease the amount by $6,015,000,000.

On page 26, line 16, decrease the amount by $6,199,000,000.

On page 26, line 17, decrease the amount by $6,122,000,000.

On page 26, line 24, decrease the amount by $6,208,000,000.

On page 26, line 25, decrease the amount by $6,190,000,000.

On page 27, line 7, decrease the amount by $6,211,000,000.

On page 27, line 8, decrease the amount by $6,204,000,000.

On page 31, line 3, decrease the amount by $7,705,000,000.

On page 31, line 4, decrease the amount by $7,705,000,000.

On page 31, line 10, decrease the amount by $9,502,000,000.

On page 31, line 11, decrease the amount by $9,502,000,000.

On page 31, line 17, decrease the amount by $11,391,000,000.

On page 31, line 18, decrease the amount by $11,391,000,000.

On page 31, line 24, decrease the amount by $13,427,000,000.

On page 31, line 25, decrease the amount by $13,427,000,000.

On page 32, line 6, decrease the amount by $16,161,500,000.

On page 32, line 7, decrease the amount by $16,161,500,000.

On page 32, line 13, decrease the amount by $16,161,500,000.

On page 52, line 14, decrease the amount by $16,161,500,000.

On page 38, line 7, decrease the amount by $545,000,000.

On page 38, line 8, decrease the amount by $16,000,000.

On page 38, line 14, decrease the amount by $545,000,000.

On page 38, line 15, decrease the amount by $71,000,000.

On page 38, line 21, decrease the amount by $545,000,000.

On page 38, line 22, decrease the amount by $186,000,000.

On page 39, line 3, decrease the amount by $545,000,000.

On page 39, line 4, decrease the amount by $354,000,000.

On page 39, line 10, decrease the amount by $545,000,000.

On page 39, line 17, decrease the amount by $491,000,000.

On page 39, line 18, decrease the amount by $512,000,000.

On page 42, line 2, decrease the amount by $13,998,000,000.

On page 42, line 3, decrease the amount by $13,998,000,000.

On page 42, line 8, decrease the amount by $23,505,000,000.

On page 42, line 9, decrease the amount by $23,505,000,000.

On page 42, line 15, decrease the amount by $21,875,000,000.

On page 42, line 16, decrease the amount by $21,875,000,000.

On page 42, line 22, decrease the amount by $20,882,000,000.

On page 42, line 23, decrease the amount by $20,882,000,000.

On page 43, line 5, decrease the amount by $19,783,500,000.

On page 43, line 6, decrease the amount by $19,783,500,000.

On page 43, line 12, decrease the amount by $21,604,500,000.

On page 43, line 13, decrease the amount by $21,604,500,000.

On page 51, line 13, increase the amount by $54,300,000,000.

On page 51, line 14, increase the amount by $276,100,000,000.

On page 51, line 15, increase the amount by $7,924,000,000.

On page 51, line 16, increase the amount by $75,738,000,000.

On page 52, line 14, decrease the amount by $26,872,000,000.

On page 52, line 15, decrease the amount by $22,195,000,000.

On page 52, line 21, decrease the amount by $38,120,000,000.

On page 52, line 22, decrease the amount by $34,898,000,000.

On page 52, line 24, decrease the amount by $37,606,000,000.

On page 52, line 25, decrease the amount by $35,309,000,000.

On page 53, line 2, decrease the amount by $38,476,000,000.

On page 53, line 3, decrease the amount by $35,673,000,000.

On page 53, line 5, decrease the amount by $37,277,500,000.

On page 53, line 6, decrease the amount by $35,538,500,000.

On page 53, line 8, decrease the amount by $39,277,500,000.

On page 53, line 9, decrease the amount by $38,138,500,000.

Mr. ASHCROFT. Reserving the balance of my time, I yield the floor.

The PRESIDING OFFICER. Does the Senator note the absence of a quorum?

Mr. ASHCROFT. The Senator from Missouri notes the absence of a quorum and asks unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMAS. Mr. President, I also ask unanimous consent that the current amendment be set aside.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 3974

(Purpose: To express the sense of the Senate supporting biennial budgeting)

Mr. THOMAS. Mr. President, I ask unanimous consent that I can bring up an amendment that I have filed on the biennial budget.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Wyoming [Mr. THOMAS] proposes amendment numbered 3974.

Mr. THOMAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III, insert the following new section:

SEC. . SENSE OF THE SENATE SUPPORTING BIENNIAL BUDGETING.

(a) FINDINGS.—The Senate finds that the current budget process—

(1) results in constant and redundant congressional action on spending measures and budget issues;

(2) causes instability in financial markets and creates budgetary uncertainty for recipients of Federal funds, thereby inhibiting the efficient operation of these programs; and

(3) allows insufficient time for Congress to consider national needs as a basis for sound and efficient policy approaches, thereby fostering piecemeal solutions that contribute to unrestrained growth of the Federal Government.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) a biennial budget process would—

(A) create an orderly, predictable process for consideration of spending decisions responsive to policy priorities and improve congressional control over the Federal budget and therefore promote better accountability to the public;

(B) provide greater stability and certainty for financial markets, Federal, State, and local government agencies which need sufficient time to plan for the implementation of programs; and

(C) allow sufficient time for the fulfillment by the Congress of its legislative and oversight responsibilities, including the consideration of authorizing legislation, budget resolutions, appropriations bills, and other spending measures; and

(2) the Congress should enact legislation in the 104th Congress to establish a biennial budget process.

Mr. THOMAS. Mr. President, I offer to the Senate a sense-of-the-Senate resolution which states that we would have biennial budgeting.

I make this recommendation for several reasons. The primary factor is my personal experience with biennial budgeting. I come from the Wyoming legislature where we employ a 2-year budget cycle. It works very well. It seems to me that we ought to bring that Western wisdom inside the beltway. I know it has been considered before, but obviously Congress has not enacted the concept.

I want to take just a moment to recognize the chairman of the Budget Committee, Senator DOMENICI, who has been a real leader on this issue for a number of years. In fact, he and Majority Leader BOB DOLE joined me when I recently introduced a bill, S. 1434, that would create a biennial budget process.

Obviously, there are some great benefits from biennial budgeting. One of them is being demonstrated here today. This Congress we have spent most of our time working on the budget. I am not sure what the numbers are, but if you looked at last year, I suspect that we will have spent fully two-thirds of the year in this place talking about the budget.

The alternative to that, it seems to me, is the opportunity of having a biennial budget in which basically we could talk about a budget, debate a budget, discuss a budget, enact a budget in 1 year, put that budget into place for a period of 2 years, and have the following year to do one of the other major responsibilities of the Senate, and that is oversight.

I strongly believe that we do not spend enough time on oversight in Congress. That is one of our basic responsibilities. This failure has led to the continuous growth of the Federal Government.

So there are a number of reasons why biennial budgeting would be important. One is that it would promote timely action on budget legislation. We would not drag the process out as much as we do now. Another benefit is that it would provide an opportunity for Federal agencies to plan a little further ahead. Although it is not long term—2 years—it would create more stability in executive branch programs.

A 2-year budget cycle would also eliminate some of the redundancies of the current process. I am not on the Appropriations Committee here. I was, however, in my legislature, and I know how much time and effort goes into it and how important it is. Quite frankly, it is not any more difficult to do it for 2 years than it is for 1.

I suspect that there is not generally a great deal of support by appropriators for this concept. Obviously, one of the reasons is that appropriators have a great deal of authority around here, primarily because they consider the budget every year. Naturally, they don't want to relinquish that power. Appropriators who want something out of the budget for their State are beholden to the current budget process. I do not say that unkindly, that is just the way it is. Consequently, I do not expect the appropriators to support this reform.

One of the other benefits, of course, is you reduce the frequency of Presidential/congressional conflicts, though those instances will always occur. There is a responsibility on the part of the Congress, of course, for the House to initiate and the Congress to put forth a budget. Under the Constitution, the President has an opportunity to approve or disapprove it. I think this is one of the areas where there is a certain amount of frustration; where we find ourselves sometimes changing and fixing everything to meet the President's requirements. The fact is, the President has some requirements, too, to accommodate himself to the Congress. It is not a one-way street down Pennsylvania Avenue. So biennial budgeting would reduce these conflicts. It would, as I mentioned before, encourage long-term planning, particularly in the executive branch and in State governments.

Mr. President, I am not going to take a great deal of time to discuss this issue. I know this is not the time to go into great length to debate it. This is the time, however, to give it some consideration, when we are in the middle of the budget process. We will be moving into the appropriations cycle, when this budget is over, which will likely take until October to complete. In addition, we recently finished last year's appropriations process. So biennial budgeting provides a great opportunity, I believe, to streamline the process.

But making the process more efficient is not even the most important benefit of biennial budgeting. In a 2-year budget cycle, more time can be spent on oversight, and less time can be spent on budgeting conflicts with the executive branch. Mr. President, all in all, I think it makes a great deal of sense.

Biennial budgeting will not cure all of the Federal Government's ills, of course, but it is, I believe, a solid step toward restoring some fiscal and oversight accountability in our Nation's Capital. As I mentioned, now is not the time to debate it. However, I intend to pursue the issue in the future. Though I plan to withdraw the amendment, I am putting my colleagues on notice that this issue must be addressed. I urge my colleagues to join me in that effort.

I ask unanimous consent that the amendment be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be withdrawn.

The amendment (No. 3974) was withdrawn.

Mr. THOMAS. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I thank my friend from Wyoming for initiating the discussion—this has been talked about a great deal today—and for now withdrawing the amendment. That does not mean we are not going to be revisiting things like this in the future, but in the interests of moving the budget process along it is best to delay the discussion.

We have today and we have tomorrow night, which is the time the majority has indicated they would like to complete work on the budget. We are already way late on the budget. It was supposed to be acted upon earlier. So I hope we could move ahead in a brisker fashion than we have before. I would simply say to my colleagues on both sides of the aisle, we are awaiting more amendments. If there were either a Democrat or Republican Senator seeking to offer an amendment right now, this Senator would yield. But I send out the call once again, we are going to have a crammed, packed day today without any votes. The votes will be stacked for tomorrow. But Tuesday is going to be one of those most, most difficult times.

It appears to me, unless we can move in much quicker fashion than we have thus far, we are going to find ourselves tomorrow night into one of those situations where the Senate looks awfully bad. That is when we run out of the allotted time that has been yielded on the budget amendment, that is 25 hours on each side, and then we get ourselves into a situation where Members of the Senate insist upon offering additional amendments—and they have that right—but even though we just put up the amendment, there is no debate whatsoever. And then we immediately go to a rollcall vote.

It always seems to me if historians would ever look at the U.S. Senate and address some of our worst, our unproductive moments, it would be that time that typically happens with the budget resolution, that is voting without debate, voting oftentimes without a majority of the Senate even having the slightest idea of what the amendment is designed to do.

So this is the time to offer amendments. I hope on this Monday morning, before reckoning day Tuesday, we would get these amendments introduced. At the present time we already have 20 votes scheduled for tomorrow. Even if those were 10-minute votes, which all of them cannot be, we can see the difficult timeframe we are in.

Also tomorrow, Tuesday, is going to be shortened by what I was advised recently, by the fact we will, most of us, will be going to a memorial ceremony at I believe 11 o'clock tomorrow morning at the National Cathedral as a result of the death of the late, great Admiral Boorda. So, that is going to take time out of our day tomorrow. I simply appeal to Senators on both sides of the aisle to come down now, offer your amendments, curtail as much debate time as we can so we can move ahead.

AMENDMENT NO. 4008

There was an amendment introduced this morning by the Senator from Missouri that I would like to make some comments on in opposition. The pending business I make reference to is the amendment offered by Senator ASHCROFT, amendment No. 4008.

It sounds to me like deja vu all over again. While viewers of the Senate may have received the impression—let me repeat that—viewers of the Senate may have received the impression that we are trying to reduce the deficit here, it seems that the Senator from Missouri has another thing in mind altogether. He wants to revisit the voodoo economics of the early 1980's that got us into the fiscal mess that the United States finds itself in today. His amendment would cut taxes first, before we have done the hard work of cutting the deficit.

This Senator is for cutting the deficit above everything else. This Senator, and many similarly situated, would like very much to reduce taxes. That is the ultimate goal of a politician these days. It is not a bad goal. But the thing we have to remember is that we cannot do everything at the same time if everyone is going in different directions. And I am afraid that is what is demonstrated above everything else, unfortunately, by the amendment offered by the Senator from Missouri. He has very specific ideas about where to cut taxes and I suppose that everyone favors tax cuts. But he is far less specific about how to come up with the money to pay for it.

In what I heard of the Senator's speech, he did not say one word about where the money is coming from. So the arithmetic is simple. Cut taxes by $276 billion over the next 6 years—that is wonderful. That is what everybody is for. Who can be against that—unless you are sincere about cutting the deficit of the United States of America. I thought that was the No. 1 item of concern for Members on both sides of the aisle. Cutting taxes by $276 billion over the next 6 years, as suggested by the Senator from Missouri, sounds real good and it is a whopping tax cut. But the problem is, they look around to find the discretionary savings to pay for this at some later date. That is the kind of murky fiscal thinking that has got us into the situation we are trying to address today and have been trying to address for some months.

Mr. President, I need to correct a few things that the Senator from Missouri said in his diatribe against government. That is another very popular thing to do. Cutting government and carrying on diatribes against how bad government is is really good politics, but is it good sense?

The Senator from Missouri said many, many things against government. The Senator would have us believe that the 1993 budget bill is the cause of the tax burden on the middle-class citizens of America. Nothing—nothing, Mr. President—could be further from the truth, in reality. In reality, 98 percent of income taxpayers do not pay 1 more penny in taxes because of the 1993 tax bill. I wish we had the time to go back to listen to the attacks from that side of the aisle on the 1993 tax bill. It would be astonishing for people to read about the reasons that the people on that side of the aisle voted against the 1993 tax bill. The 1993 tax bill is the main reason for the fact that we have had 3 successive years of reductions in deficit of the Federal Government of the United States of America—something that has not happened since Hector was a pup. The fact of the matter is that, primarily as a result of that bill, we have reduced the annual deficit from the range of $300 billion down to an estimated $140 billion to $147 billion this year. The deficit has been cut by more than half. Millions of working families had their taxes cut because of the changes in the earned-income tax credit in the 1993 bill.

Mr. President, there are seldom things that we do around here that are perfect. But it seems to me that at a time when we are trying desperately to put things together on both sides of the aisle to balance the budget by the year 2002 and return sanity to the financing of the Federal Government, the amendment offered by the Senator from Missouri is the worst possible step that we could take.

Senator ASHCROFT's amendment is a budget buster, by any definition. Senator ASHCROFT has stated that the cost of the proposal would be $276 billion over the next 6 years, over $45 billion annually. Democrats recognize that Social Security taxes present a burden to lower income taxpayers and have, as a result, strongly supported the earned income tax credit. The earned income tax credit was designed, in part, to offset these costs.

Just so that we understand, the earned income tax credit is something that gives the very lowest income people of the United States of America a credit to try to get them up above the poverty line, get them out of welfare so that we will not have that welfare drain that is continuing to cause us problems.

The Republican budget cuts eliminates that earned income tax credit for the poorest among us by $17 billion over the next 6 years. Last year's Republican budget would have actually increased taxes. It would have increased taxes on those lowest paid people in the United States, which amounts to about 7 million working families. This year's budget must include many of the same proposals.

President Clinton, in his 1993 budget, lowered taxes on working families by increasing the earned income tax credit. That is designed to get people off welfare, get them to work, and have them contribute to society, as we would all like to have them do if they had an income above the poverty level. But I repeat, President Clinton's 1993 budget lowered taxes on these working families by increasing the earned income tax credit.

In 1996, over 15 million families will receive a tax break as a result of that bill. In my State of Nebraska alone, over 78,000 families will receive a tax cut averaging about $650 for the year. I want to emphasize once again that those are the lowest paid people in the United States that we are trying to send a lifeline to lift them up by their bootstraps, if you will, Mr. President, to give them a chance to be what most of them would like to be—successful taxpaying citizens.

So when we are talking about cutting Social Security taxes, I simply say that I would like to do that, too. I also say that the Democratic Party, under the leadership of President Clinton, has done just that in another form—the earned income tax credit. I am sure that amendment offered by the Senator from Missouri is good politics. But it is not good government.

I yield the remainder of our time, and I yield the floor.

The PRESIDING OFFICER (Mr. THOMAS). Who yields time?

Mr. EXON. Mr. President, I yield myself what additional time off the bill that I may need. I want to drive home again how dire our circumstances are with the constraints of time. As I had announced earlier, we have 20 rollcall votes scheduled and more than 5 hours of voting time on Tuesday. If we start voting at 12 noon, we would be voting until 5 o'clock in the afternoon.

In addition to that, we have an hour or two that will have to be taken out, obviously, for the memorial service for Admiral Boorda. In addition to that, we have the usual two caucuses, or conferences, of the two parties, which takes place at noon. I am also advised that sometime during the evening tomorrow, there is a dinner planned for Senator SIMPSON, one of our most distinguished Members, who is retiring from the Senate.

So with that complicating factor, it makes good sense for Senators who can to now come to the floor and offer amendments. I see that, while I have been talking, my colleague from Texas has come to the floor, as I understand it, to offer an amendment. With that, I am pleased to yield the floor for the chance for the Senator from Texas to offer what I understand is an amendment.

The PRESIDING OFFICER. The Senator from Texas is recognized.

AMENDMENT NO. 4009

(Purpose: To express the Sense of the Congress that the 1993 income tax increase in Social Security benefits should be repealed)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 4009.

At the appropriate place, insert the following:

SEC. . SENSE OF THE CONGRESS THAT THE 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS SHOULD BE REPEALED.

(a) FINDINGS.—Congress finds that the assumptions underlying this resolution include that—

(1) the Fiscal Year 1994 budget proposal of President Clinton to raise federal income taxes on the Social Security benefits of senor citizens with income as low as $25,000, and those provisions of the Fiscal Year 1994 recommendations of the Budget Resolution and the 1993 Omnibus Budget Reconciliation Act in which the 103rd Congress voted to raise federal income taxes on the Social Security benefits of senior citizens with income as low as $34,000 should be repealed;

(2) that the Senate Resolution should reflect President Clinton's statement that he believed he raised federal taxes too much in 1993; and

(3) That the Budget Resolution should react to President Clinton's Fiscal Year 1997 budget which documents the fact that in the history of the United States, the total tax burden has never been greater than it is today, therefore.

It is the sense of the Congress that the assumptions underlying this Resolution include—

(1) that raising federal income taxes in 1993 on the Social Security benefits of middle-class individuals with income as low as $34,000 was a mistake;

(2) that the federal income tax hike on Social Security benefits imposed in 1993 by the 103rd Congress and signed into law by President Clinton should be repealed; and

(3) President Clinton should work with the Congress to repeal the 1993 federal income tax hike on Social Security benefits in a manner that would not adversely affect the Social Security Trust Fund or the Medicare Part A Trust Fund, and should ensure that such repeal is coupled with offsetting reductions in federal spending.

Mr. GRAMM. Mr. President, I am making a modest proposal that the President and the Congress should work together to go back and fix a problem in the 1993 budget whereby the Democrats, while continuing to say that no American making less than $115,000 a year was going to pay more income taxes as a result of the 1993 Clinton tax increases, raised taxes on Social Security benefits, and the President tried to impose that tax on individuals making $25,000 or more.

We ended up in Congress seeing it adopted on a straight party-line vote—I am proud to say every Republican voted against it—and taxes were increased on Social Security benefits for any individual who has earnings of $34,000, or more.

I want to first note that we are already moving toward repealing the gasoline tax that was contained in the 1993 Clinton budget. It is my belief that we will break the logjam perhaps this week and allow a vote on repealing that gasoline tax. I think we will have at least 75 Members of the Senate vote to repeal it. Gasoline prices have risen dramatically over the past few weeks, and this is the only way we can immediately lower the cost of gasoline to the American consumer. It is important to note that, in 1993, for first time in the history of this country we had a permanent gasoline tax increase that was not dedicated to road building.

Historically the gasoline tax has been a discriminatory tax. It taxes people who live in rural areas more than those who live in urban areas. It taxes people who live in the West more than it taxes those who live in the East, and the same is true for those living in the South relative to those in the North. Overall, it hurts most those people who have to drive their cars and their trucks to work.

To try to deal with the discriminatory nature of the gasoline tax, historically we have not used it—at least since we established the highway trust fund—as a permanent revenue source for general Government. Instead, we have used gasoline taxes to build highways.

The argument has been that when people pay the tax, it is essentially a user fee that goes to build roads. The people who pay the most, because they drive the most, are the biggest beneficiaries of road maintenance and road improvement.

We are well on our way, I hope and believe, to repealing the unfair gasoline tax in part because it was the first time a permanent gasoline tax went to the general revenue and not to road building. As a result of this first even change in the way we handle gasoline taxes, since 1993 we have been taxing, in the words of our colleague from Missouri, people who have to drive to work for a living in order to subsidize people who do not work.

So I think we are well on our way to fixing the first problem with the 1993 tax increase proposed by President Clinton.

I am proposing today a sense-of-the-Senate resolution that will begin moving us toward fixing the second problem: the very heavy tax that was imposed on Social Security benefits.

First of all, I want to dispel this notion, which is still embodied in the political rhetoric of the President and of the Members of Congress who voted for this tax increase, that the tax increase in 1993 did not raise income taxes on people who made modest incomes. In fact, their standard line is nobody earning less than $115,000 a year paid more income tax.

I want to begin dispelling this notion by looking at the 1994 1040 formats and instructions that were mailed to over 100 million households in the country. I think that when we look at this tax form we can immediately see that the people who make the argument that "nobody's income tax was raised if they made less than $115,000 a year" are not leveling with the American people.

The way we can do this is first by looking at page 7. This is section 1 and it says "Before you fill in form 1040, here is what is new for 1994." As you read down the first column, you see Social Security benefits, and it says, "If your income, including one-half of your Social Security benefits, is over $34,000, if single—over $44,000, if married filing jointly—more of your benefits may be taxable. See the instructions for lines 20(a) and 20(b) on page 18 for details."

When you look at the actual 1040 tax form—which will be the same this year as well—if you look at line 20(a) you see you have to enter the level of your Social Security benefits, the amount that is taxable is added to your income and, therefore, your income taxes go up.

Let me tell you why I think this tax needs to be repealed. First of all, what we are beginning to do with means testing entitlements and with this confiscatory tax on Social Security benefits, is basically to divide America neatly into two groups: one group of people which pays for programs and the other group which benefits from these programs but largely does not pay for them. When we have reached the point that we are imposing a confiscatory tax on Social Security benefits for people who earn $34,000 a year, what we are really saying to working Americans is, "If you say save for your retirement, if you build up a private retirement fund, if you build up an annuity, if you save your money, and if you use the ability you had during your working lifetime to provide for your retirement, we are going to come in and take a substantial part of your Social Security benefits away from you. But, if you do not provide for your future, if you do not save, and if you do not build up your retirement, then you are not going to lose your Social Security benefits."

What we are in fact doing is we are encouraging Americans not to build up their private retirement because, if they do, we will then come in and take their benefits away from them. This is a part of a larger movement toward what is called means testing in all areas of American government.

Basically the approach today is to say, if you earn a benefit and pay for it, great, but unless you meet an income test, even though you paid for the benefit, you do not get it. My view is that it would be wiser to divide earned benefits from unearned benefits. Under this system, if someone has earned a benefit by paying for it, they ought to get it, but if they are getting something they have not earned, then their eligibility should be judged based on their income. I believe that of all the provisions in the President's 1993 tax bill, the Social Security portion was probably the most unfair—even the President tried to hide what he was doing. If you will remember in the debate and all of the materials that were presented by the administration, what they tried to do was to argue that, well, if your mother has $34,000 of income, she is actually much richer because she probably owns her own home, and, if she moved out and lived in a tent, she could rent her house and you could count that as her income; or if she owns a refrigerator, if she sold it or rented it, she could earn income on it; or even if she has insurance—these were all considered sources of income. According to the administration, for the first time in American history that I am aware of, in 1993, the Democrats talked about imputed income, and it seems to me that what the Democrats were trying to do was trying to hide the fact that they were taxing Social Security benefits—the President wanted to tax individuals making $25,000 or more; Congress adopted a tax on those earning $34,000 or more.

What I am doing in this amendment is very simple. First, I am noting the fact that income taxes were raised—you can see that right here on the 1040 form. There is no doubt about it; this Social Security tax is not some separate tax, it is part of your income tax. As every senior citizen know—you take half your Social Security benefits, you add it to your outside income, and then you pay taxes on it.

What I want to do is to call on the President to join the Congress in order to come up with a proposal to repeal this unfair tax, and to offset it by cutting spending elsewhere. I am not in this amendment saying "do it my way," I am saying let us work with the President on a bipartisan basis, and let us do it in such a way that it does not damage either Social Security or Medicare.

I remind my colleagues that none of this tax went into the Social Security trust fund. In fact, permanent law was changed to put the money in general revenue in order to subsidize cost overruns in Medicare. What we need to do is to work with the President to try to come up with a way to repeal this unfair tax. I think this is a tax that should have never been adopted. I remind my colleagues that the President said in 1994 he raised taxes too much. I think the gasoline tax was one of those taxes, I think Social Security is another of those taxes, and I think it is very important that this tax be repealed.

One final point, I see several of my other colleagues are here, but I want to reiterate a point that I made the other day. Something is wrong in these debates when the people who want to raise taxes always argue that every tax increase is only on rich people. This was the argument made in 1993, but subsequently, we have discovered that everybody pays gasoline taxes. As our colleague from Missouri in the best line of the debate said, the Government is taxing people who are driving to work for a living and giving the money to people who do not work. We now find that the Government is taxing Social Security benefits on people who earn $34,000 a year, but in the continuing rhetoric of those who constantly want to raise taxes, in 1993 we were supposedly only raising taxes on the rich.

We have in the budget before us sufficient funding to give a $500 tax credit per child for every working family in America. As we all know, that credit starts to phase out for families who earn higher incomes. No one disputes the fact that 75 percent of the benefits go to people who make less than $75,000 a year—in most families by the time they are making substantial amounts of money their children are already grown, so it is not surprising that the well off do not qualify.

However, have you noticed that the same people who were arguing a gasoline tax is only a tax on the rich, and who argued that a Social Security tax on incomes over $34,000 a year was only a tax on the rich, are now claiming that a $500 tax credit per child is a tax cut for the rich?

When you go back and look at the rhetoric, those who want to raise taxes always claim to be taxing rich people, and whenever anybody else proposes cutting taxes, they are accused of wanting to cut the taxes of only rich people. It is as if these taxers believe that everybody who works for a living is rich. It is as if they believe only rich people pay taxes.

The reality, of course, is that in terms of the overall revenues of the country, there are not very many rich people. We could take the total income of all of the supposedly rich, and still not fund the Government for the month. Where the real revenues come from is middle and upper middle-income working families. What I want to do in my amendment is to have the Congress go on record as saying the 1993 tax hike on Social Security was a mistake, and have the Congress join together with the President to work out a bipartisan proposal so that we can repeal this Social Security tax. This tax is unfair, it discourages people from providing for their retirement, it punishes those who saved and sacrificed during their working life, and it takes benefits away from them relative to people who have not saved. That clearly is not good public policy. It clearly is not right. I hope we pass this amendment unanimously, and I urge my colleagues to vote for it tomorrow. I yield the floor.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I ask unanimous consent that the pending amendment be set aside so that I may offer an amendment.

The PRESIDING OFFICER. Is there an objection?

Mr. EXON. Mr. President, reserving the right to object, if I understand it, my friend from Colorado is offering another amendment before we have any more debate on the amendment just offered by the Senator from Texas?

Mr. BROWN. That is correct. I think I can accomplish it in 60 seconds and I hope not to disturb or delay the——

Mr. EXON. With that—anything to preserve time—I have no objection.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 4010

(Purpose: To express the sense of the Senate that there should be a cap on the application of the civilian and military retirement COLA)

Mr. BROWN. Mr. President, I rise to send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN] proposes an amendment numbered 4010.

Mr. BROWN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING CAPPING FEDERAL RETIREMENT COLAS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that there should be a COLA for only that portion of individual civilian and military pension levels that do not exceed $75,000 per year.

Mr. BROWN. Mr. President, as one looks at the budget, the enormous gulf that faces us down the road is clearly related to entitlement programs and the prospect that many of our entitlement programs will literally be insolvent as we get into the years 2010 and 2020. I want to address that.

One of the problems with addressing this is that many of these benefits are earned. Reasonable limitations, for example, on entitlement programs merit consideration; it would be wise policy, but the major problem is that we do not want to make changes retroactively.

This amendment is very straightforward. It proposes a sense of the Senate that I hope will result in reconciliation reconstruction that says any military or civilian retirement paid by the Federal Government is entitled to a full COLA on the first $75,000 but that portion above $75,000 will not generate an additional COLA.

Mr. President, why is it important? It would not save that much money only from the very, very high pensions right now. It is important because while there are very few pensions above $75,000 a year right now, 30 years from now there will be a large number of them and this in 34 years will save literally tens of billions of dollars. It is a way of helping to stabilize those funds and make sure that they do not go insolvent in the future and do it in a way so that it does not affect people retroactively.

I yield the floor, Mr. President.

AMENDMENT NO. 4009

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I should like to return and take time for the remarks I am about to make in opposition to the Gramm amendment that was offered a few moments ago.

Mr. President, first, on the Gramm amendment sense-of-the-Senate resolution. I want to explain exactly what a sense-of-the-Senate resolution is, so that everyone outside the Senate knows what it is? A sense of the Senate merely means that the Senate is saying, without having any effect whatsoever of law, that this is probably something that we should do. Therefore, the sense-of-the-Senate proposition offered by the Senator from Texas is not binding, is not going to accomplish anything, but it might make some people feel good, and it may well be a good political base for the majority party in the U.S. Senate.

It is not unlike the amendment previously offered in this regard by the Senator from Missouri that I have made some comments on. I happen to feel that while we can have differences of opinion on all of these things, I simply say that the world is not going to turn around, nor is any law going to turn around, by long debate, as if it were fundamental to the free enterprise system, or wasting time on sense-of-the Senate resolutions. That, in my view, does not make sense.

Mr. President, the President's historic deficit reduction package asks the top 13 percent of Social Security recipients—only the top 13 percent of Social Security recipients—to pay taxes on those funds. Every penny of the revenue from this provision went to strengthen the Medicare trust fund.

The Senator from Texas conveniently overlooked that when he said, quite cleverly, that not 1 penny of this tax on the highest 13 percent of the recipients in Social Security went back into the Social Security trust fund. That is true, but that is the trouble with debate oftentimes on the floor of the U.S. Senate. We are talking in half-truths, and half-truths confuse the American people.

By and large, people who draw Social Security, and qualify to do so after having paid in, are in the Medicare trust fund. We have heard a great deal about Medicare's being insolvent and going broke. I said on the floor of the Senate last week that a lot of that was merely to scare senior citizens.

Where would the Medicare trust fund be today if the President had not decided and the Congress had not acted to make the top 13 percent highest paid recipients of Social Security pay some tax since the funds go directly into their Medicare trust fund to help them out when they get sick.

This whole debate is phony, especially at a time when the Republican majority is hammering, suggesting increased premium payments for Medicare, when the majority is cutting Medicare far more than is necessary, and at a time when the majority is "doing in" rural hospitals. At the same time, they are turning around and drawing up the 1993 tax bill as a means of a political attack during a very political year.

I must say, for the information of the Senate, since the Republicans are bringing up the 1993 tax bill and saying how bad it was, that I think every reasonable person would agree that because of the 1993 tax bill, for the first time in modern history we have had a steady 3-year decline in the annual deficit from above $300 billion down to under $150 billion. That helps the senior citizens and that helps America. But here they are dragging up 1993 all over again.

If they want to talk about 1993, we at the present time are going to produce some research, and if we are going to waste the time of this body while we are considering a very important matter of balancing the budget, bringing it into balance by the year 2002, I will take some time to talk about what some Members on that side of the aisle said about the 1993 tax bill. I have been handed some statements already, but I will save those for another time.

If we are just going to be out here talking, talking, talking, talking about restoring cuts in Social Security taxes to the top 13 percent highest income recipients of Social Security, and if we are going to be talking about that and saying how important it is and how unfair it was for the President of the United States to do that, then I think, likewise, people who are even proposing this in the form of a sense of the Senate should come up and say, "Where are they going to get the money?" Where in the world are they going to get the money to do all of these things that they claim they want to do, which they are not doing with a meaningless, ineffective sense-of-the-Senate resolution? Is that being honest with the American people?

So I simply say to my colleague from Texas, what he should do, if he is serious about this, is to say, "Where is the money going to come from," because every time we have a Republican get up with these kinds of arguments, Mr. President, this logical question deserves an answer. Fine, we sure want to cut taxes, and we will go with you. Tell us where the money is going to come from to balance the budget by the year 2002, which I thought, and I am beginning to have second thoughts, was one of the main tenets of the Republicans' efforts.

The 1993 tax bill that they are now attacking, once again, did not affect retirees who only rely on Social Security. Eighty-seven percent of Social Security recipients have not paid 1 penny more—let me repeat, 87 percent have not paid 1 penny more. Only the top 13 percent of Social Security recipients were affected by those provisions. Those beneficiaries live in households with an average net worth of over $1 million.

Social Security benefits were first made subject to taxation in 1984 when Ronald Reagan was President of the United States. Ronald Reagan's Social Security provision affected 69 percent of older Americans who have lower income. Howard Baker was the Senate Republican majority leader and BOB DOLE was the chairman of the Finance Committee. When I am forced to go back and make statements like this, I say to myself, "JIM EXON, you are doing the same thing that the Republicans are doing. You're talking about history to make political points." Therefore, Mr. President, I am going to get off that, I am going to heed my own advice, if they will simply let up on that side about offering amendments that make no sense, offering amendments that will make it impossible for us to balance the budget by the year 2002, at the very time they are talking about offering a constitutional amendment to balance the budget by the year 2002.

With the attitude I am hearing from that side of the aisle, Mr. President, I wonder if the American people fully realize where they are trying to take us, and if they are sincere in what they are offering. Maybe it is all just politics.

Mr. President, I yield the floor with an appeal once again that we can get this job done. We can balance the budget if we will be honest with each other. But I say we will never do it, Mr. President, if we are going to continue the type of diatribe that we are receiving on the floor of the Senate right now, this fiscal conservative will not be a part of.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER (Mr. BROWN). The Senator from Mississippi.

Mr. LOTT. Mr. President, I rise in support of the amendment offered by my friend, the distinguished Senator from Texas, Senator GRAMM. This amendment is a sense of the Senate that the Social Security tax proposed by the President and passed in 1993 should be repealed. Let me first respond directly to one of the comments just made by the Senator from Nebraska. I will tell him where this money is coming from. It is coming straight from the frugal, prudent, hard-working Americans who sacrificed and invested in America.

This tax penalizes the people who have saved for their retirement. In Washington, when we talk about cutting taxes, everybody asks "Where is it going to come from if you allow people to keep their own money?" I feel totally comfortable telling the seniors that they are going to be able to keep a little bit more of the money that they worked for, that they have earned, that they have saved.

There were so many things in that 1993 tax increase of $265 billion that I thought were wrong, the gas tax being one of them, for a varieties of reasons. That hits every American that drives an automobile, a truck, a boat, or flies in an airplane. Everybody got hit by that. I objected to it when it was proposed and enacted.

But this one got me the most because we are taxing the Social Security benefits of our retirees, our seniors. It raised the percentage of taxable benefits from 50 percent to 85 percent. In my opinion, this was the most offensive of all the tax increases included in that package.

Was it going to go, though, into the Social Security trust fund? No. Was it going to go directly into reducing the deficit? No. It was moved over into another account. This is a precedent that really worries me. We have started down a road here that I believe is wrong and will come back to haunt us many times.

This is a sense-of-the-Senate amendment on the budget resolution. But there is no reason why we should not—and I hope that we will before this year is out in a bill that comes from the Finance Committee—repeal this unbelievable 1993 tax increase.

We fought it in 1993. I offered amendments in the Budget Committee to knock it out. I offered those amendments on the floor. They were defeated basically on a party-line vote; although, as I recall, I think maybe some Democrats actually did vote to knock it out, too. We fought it then, and we should not give up the fight now. That is why I introduced S. 50, a bill to repeal this onerous tax and why I am here today in support of Senator GRAMM's amendment.

We have taken action this year, at long last, to finally raise the limit on earnings that our seniors can keep without being forced to give up part of their Social Security benefits. At this point—or up until we made that change—if people between 65 and 70 made over $11,500 a year, they would start losing some of their benefits. At least we are going to now hopefully get that raised up to $30,000. I hope we will continue to move to completely eliminate this earnings test.

I ask people when I make speeches around this city, and back at home in Mississippi, "Can you defend the fact that we have penalized people in just that age group?" You do not have the same penalty if you are 71. But if you are 67, and you want to keep working and being productive and making a contribution and paying taxes, you get penalized. So the law that we passed recently to raise the threshold was one step in the right direction that we have made. And this is another one that we can make and we should make.

Some people say, "Oh, my goodness, once again you're worrying about taxing the rich. Yes, they may be elderly, but they must be rich." Well, as I recall, when the President sent this proposal up to us, it started to tax benefits if people had incomes of the princely sum of $25,000. In my State of Mississippi you can get by on that, but that is not rich anywhere in America. As a result of our efforts to kill this tax increase outright, we finally wound up getting that up to $34,000 a year. Once again, I ask you, is that somebody rich? I mean, if you have income of $34,000 a year, then you are hit with this tax. And the number of people who have to pay this unfair tax will increase each year because the thresholds are not indexed.

I think there is nothing crueler that we could do when we are encouraging our seniors to stay involved and be productive than to penalize savings and working. It is harmful to the economy.

We hope to make some changes in the tax area this year. Most of them I believe will help families with children, like the $500 per child tax credit. Some will help economic growth and the creation of jobs. But none is more important, in terms of fairness, than the repeal of this tax increase, taxes on Social Security benefits.

Some people say, "Well, it doesn't really affect your income taxes." Well, Senator GRAMM, from Texas, pointed out that it certainly does. This is the form 1040. It specifically has a line for reporting Social Security benefits as income.

I want to emphasize it again. It says that if your income, including one-half of your Social Security benefits, is over $34,000 if single, or over $44,000 if married filing jointly, your benefits may be taxable. See instructions on lines 20(a) and 20(b) on page 18 for details.

There is no question that this is a tax increase on the elderly's income. I urge my colleagues to quit trying to defend it. Just acknowledge that it was a mistake. This is something that we can do for our seniors. We should clearly do it. I urge the adoption of this amendment by my colleague from Texas. I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I thank the Chair. I understand the Senator from Nebraska has a question.

Mr. EXON. Would the Senator yield for a brief question, because I know that the Senator from North Dakota has worked long and very hard on this proposition? I assume that he is going to be talking about the efforts that he and I and others have been trying to put forth to bring sanity back into the financial structure of America.

Yet I am very much concerned about the fact that we have people on the other side who are making critical statements and offering meaningless amendments to give them a forum to talk about things that do not make any sense. But the latest I hear now once again is this cry to reduce taxes on Social Security recipients. OK, I am for reducing taxes on everybody.

The question I ask the Senator from North Dakota, who has done lots of research and is considered an expert on this, has the Senator heard or does the Senator understand, if we would adopt something like they are suggesting on that side into law, have they stipulated where the offset would be or does that just come from the tooth fairy?

Mr. CONRAD. The Senator from Nebraska asks a very good question. I was thinking next of offering an amendment that would repeal all taxes. Let us repeal them all. Of course, I do not have to pay for such a proposal in the context of a sense-of-the-Senate resolution—just as some have not paid for their proposals.

I must say, for sheer hypocrisy, the presentations I have heard this morning go beyond almost anything I have heard in a long time. I guess it is an indication that we are close to an election. On the one hand, our colleagues on the other side say they want to reduce the deficit and balance the budget. Yet they also propose reductions in income to the Federal Government without a replacement, which is the height of hypocrisy, and it is precisely what got this country into trouble in the 1980's.

I would like to demonstrate this point with some charts. We can see what has happened with the deficit when our friends across the aisle were in charge.

Mr. EXON. Will the Senator yield for a followup question in that regard?

Mr. CONRAD. I will be happy to yield.

Mr. EXON. As long as we are talking about history—they are talking about 1993. I would just like to ask my friend from North Dakota, because I believe he will know the answer, in 1983, when Ronald Reagan was President of the United States and the Republicans were in control of the U.S. Senate, President Reagan recommended that we, at that time, pass the very first—the very first—tax on Social Security recipients above a certain income level. Am I correct in that? That was the year, was it not?

Mr. CONRAD. I think that is correct, that that was part of the 1983 act, which imposed a tax on Social Security of retirees.

Mr. EXON. I am wondering if the Senator from North Dakota would, offhand, know how the Senators who are now assailing that action by President Clinton, how they voted on the first act in this regard?

The Senator from Missouri was not a Member of either the House or the Senate at that time, but I believe the other Members of the Senate who are now assailing this, as if it were a new violation of the rights of Social Security recipients—would my colleague know offhand how they voted on that first act President Reagan suggested back in 1983?

Mr. CONRAD. I do not presume to know how they voted. But I assume, since it was a recommendation from President Reagan, they may have supported their President in that recommendation.

Mr. EXON. I thank my friend.

Mr. CONRAD. Mr. President, let me just say, this is one of those things that is very easy to come out here and demagogue. It is precisely what is wrong in this country—not just wrong on their side of the aisle; we have plenty of it on our side of the aisle, too. It is exactly why this country is in trouble. Because the easiest thing in the world to support are policies that increase the deficit and add to the debt. That is exactly what has been going on here since 1980.

This chart shows what has happened to the deficit since 1980—this is expressed in dollar terms. In 1980, the deficit that President Reagan inherited was about $70 billion. But look what happened during the Reagan years. The deficit absolutely exploded. It went up to over $200 billion a year, finally hitting over $220 billion in 1986. The unified Federal budget deficit then came down as measured in dollar terms, and stabilized throughout the rest of President Reagan's term.

Then we got a new President, President Bush, and the deficit took off again. There was a dramatic increase. The deficit went up to $290 billion in 1992, the year before Bill Clinton became President of the United States. Since Bill Clinton has been President, these deficits have come down each and every year. The deficit in dollar terms has been cut in half since 1992.

Why did this happen? It happened because some of us had the courage to vote for a package in 1993 that, yes, raised taxes, primarily on the wealthiest 1 percent in this country. It also cut spending. The combination, an increase in taxes primarily aimed at those who are the wealthiest among us, coupled with cuts in spending, cut the deficit in half. Bill Clinton deserves credit for that.

Our friends on the other side of the aisle, when that 1993 deficit reduction bill passed, said it would crater the economy. They said it would add to unemployment. They said it would put us in a recession. They were wrong. They were wrong on every count. It reduced the deficit. As I have indicated, it cut the deficit in half. But not only did it reduce the deficit, it reduced interest rates, it sparked an economic recovery that has created over 8.5 million new jobs.

Beyond that, we have had the highest level of business investment in 30 years. We have had strong economic growth. The result has been a resurgent American economy. This country is now rated the most competitive nation in the world. One of the key reasons is because we reduced the deficit in 1993.

Now, some on the other side of the aisle, seeking political advantage, want to go to the heart of things that contributed to that package of deficit reduction. What a profound mistake that would be. We should not allow deficits to start going back up, year after year, and to put the country back behind the 8-ball of debt. Debt, deficits and decline, Mr. President. Those are the three "D's" of those in the 1980's who put this country on a diet of endless deficits and debt. What a profound mistake it would be to go on that course once again.

I want to make clear, the Senator from Missouri has proposed an offset for his tax reductions. I do not put him in the same category of others who do not. I disagree with the spending cuts the Senator from Missouri has proposed, but at least he has had the honesty to stand up and say how he would pay for his amendment. I commend him for having the forthrightness to say how he would pay for those tax cuts. That is the way we ought to do business here. Then we can have an honest debate about whether those spending cuts are wise or not.

But I must say, I have no respect for people who stand on this floor and propose reducing revenue and do not say how they are going to pay for it. That is precisely what got us in this spot we are in today.

The first chart I used today showed unified Federal budget deficits in dollar terms, and the record of our two previous Presidents. This next chart shows it in a little different way. This next chart shows, as a percentage of our gross domestic product, what has happened to the deficits. In other words, these are the deficits in relationship to the size of our economy.

Again, one can see the pattern. Under President Reagan, the deficit soared from about 3 percent of our gross domestic product to over 6 percent. The deficit as a percent of GDP then came back down as deficit reduction measures were put in place, to still over 3 percent. Then President Bush came into office and once again deficits soared as a percentage of the gross domestic product or as a percentage of the size of our economy. Then Bill Clinton took over in 1992, and the deficits have come down sharply as measured against the size of the gross domestic product—a very good start. It does not finish the job. We have much more that needs to be done for deficit reduction.

Some say deficit reduction is not so important. Some say we now have the lowest deficits in the industrialized world, that we have made great progress. We are OK.

Mr. President, nothing could be further from the truth. We have made significant progress. We have cut the deficit in half. We have cut the deficit, compared to the size of the economy, in half. We have the lowest deficits of any of the industrialized countries.

The problem, Mr. President—and I would say the occupant of the Chair knows this well as a distinguished member of the Budget Committee—the problem is, we have the baby-boom generation coming, and we have a demographic time bomb that we have to face.

Mr. President, this next chart shows where we are headed, in terms of our national debt. Very often people are confused at the difference between the deficit and the debt. The Federal budget deficit is the yearly amount that we spend over and above what we take in in revenue. The deficit is the annual difference between what we take in and what we spend. The deficit has been coming down. The debt is the cumulative total of all of our deficits. Obviously, as long as we continue to run deficits, the debt will continue to mount.

This chart shows what will happen to the gross Federal debt with no action, with no further deficit reduction. Mr. President, it shows that when Ronald Reagan took over as President, the debt was less than $1 trillion in this country, about $900 billion. Look what has happened since that time. The debt has gone up and up and up and up. Mr. President, that is a course that is unsustainable. It is especially unsustainable when one recognizes that we have the baby boom generation coming along. Medicare is currently among the fastest growing of any program in the Federal budget in terms of its cost. When baby boomers start to retire, the number of people who are eligible for programs like Medicare and Social Security will double from 24 million to 48 million. Then, Mr. President, we will truly be in a circumstance in which we will face a budget calamity. That budget calamity has been outlined for us very clearly. If we fail to act, future generations will face either an 82-percent lifetime net tax rate or a one-third cut in all benefits.

Mr. President, I ask those who are listening, those who may be senior citizens who are hearing that their taxes may be cut, I ask them to think, what does it mean to your grandchildren if we do not get our fiscal house in order? If future generations in this country face an 82-percent lifetime net tax rate—yes, I am not misspeaking; an 82-percent tax rate, or a one-third cut in all benefits—because that is where we are headed if we do nothing.

Mr. President, let me put it another way. Last year the Entitlements Commission, on a bipartisan basis, told us that by the year 2012, if we fail to change course, every penny of the Federal budget will go for just entitlements and interest on the debt. There will be no money for any of the other things that people say they need in this country, whether it is parks, education, or law enforcement. There will be no money for any of that. All of it will go for just entitlements and interest on the debt by the year 2012. Mr. President, that is why we must take action.

I have shown the chart that shows what has happened to the growth of the debt in dollar terms. It is skyrocketing. There is a little different picture that emerges when one looks at debt as a percentage of our gross domestic product. In other words, roughly speaking, debt in relationship to the size of our economy. There, too, one can see the trend line. It has been extremely unfavorable. We had a national debt, as a percentage of our gross domestic product, it was just over 30 percent in 1980. Look what has happened. The debt, measured against the size of our economy, measured against the gross domestic product, has been rising, rising, rising. This is a course that is unsustainable. It is now, as we meet here in 1996, up to 70 percent. I say to my colleagues, we faced a much higher debt in relationship to our gross domestic product after World War II. At that time, debt to GDP was over 120 percent. Under every President and under every Congress from after World War II until 1980, the debt measured against the size of our economy, measured against the gross domestic product, declined—declined, went down.

Look what happened after the Reagan administration, after we heard this same swan song that you can cut revenue and you will get more income and it will all add up. Hooey. Absolute hooey. It was a disaster. It added to the deficits, it added to the debt, and it created economic decline in this country because interest rates were forced up, made this country less competitive, and hurt every sector of our economy. Let us not repeat that mistake. That would be a profound error for the economy of this country.

Mr. President, the good news is since the Clinton administration and Congress passed the 1993 deficit reduction bill, the debt as a percentage of GDP has leveled off. It has quit soaring and it has leveled off. Now, Mr. President, what we need to do is start the debt as a percentage of GDP going down, to put it in decline. That is our responsibility. That is our challenge. The best way to do that, Mr. President, is to adopt a budget plan that cuts spending because further deficit reduction, at least in my judgment, should be based on reducing spending, not on further tax increases.

In fact, I have been part of a group, a bipartisan group, 22 Senators, who will present an alternative plan this evening that not only cuts spending but also has a modest tax cut as well. Mr. President, we should not and we cannot have an overall plan that increases the deficit year after year or that fails to move us toward balance. That would be a profound mistake. Let me just show how profound a mistake it is to give up on this deficit battle. I understand, it is not particularly popular to cut spending, nor is it particularly popular to oppose further tax cuts that are not paid for. Mr. President, it is critical that we have the courage to do so. The future of our children is at stake.

Mr. President, this chart shows our children's economic position in the year 2025 under two different scenarios. These are not my projections. These are the estimates of the General Accounting Office. This is a study they did a year or two ago. They concluded that if we take no action, by the year 2025 our children's economic position will be at about $28,000 a year. If, instead, we have a balanced budget by 2002, our children's economic position in the year 2025 will be improved to over $37,000. That is a dramatic difference in the economic futures of our children.

The question is, do we have the will to stay on the deficit reduction course that we have been pursuing for the last 3 years? Do we have the courage to continue to reduce spending? Do we have the courage to maintain the revenue base so these deficits continue to go down and so the debt in relationship to the size of the economy starts to go down, so that interest rates are lower, so that more money is invested in this country, so that we can have greater economic growth? You cannot have investment without savings. The best way to improve savings in this country is to stop the "dissavings" by the Federal Government. The deficits represent dissavings. The deficit represents reducing the pool of money that is available in our society for investment. It is that investment that will fuel future economic growth.

Mr. President, another way of looking at what the future holds is our children's debt in 2025. Again, in the no-action scenario versus a balanced unified budget by the year 2002, Mr. President, you can see very clearly under the no-action scenario, our children's debt in 2025 will be over $60,000 for every person in this country. Mr. President, the alternative, if we balance the budget by the year 2002—and that is unified balance rather than true balance, but unified balance by 2002—our children will have a debt of $4,800 instead of $60,000. That is why we have to be deadly serious about the job of deficit reduction.

Mr. President, this chart presents where we are headed in a different way. It shows very clearly that current trends are not sustainable. This chart shows the total revenues of the United States. Again, this is measured as a percentage of the gross domestic product, Federal outlays as a percentage of the gross domestic product. The green line shows revenue, current revenue, projected until the year 2030. Revenue runs right below 20 percent of our gross domestic product. That is historically what Federal revenue has been. This chart shows discretionary spending as the blue bar. It shows net interest as a yellow bar. It shows entitlement spending as a red bar.

Look at what this chart shows. This is 1970. Discretionary spending was by far the largest. Entitlements were relatively small in comparison. By 1980, discretionary spending was about the same size as entitlement spending. But entitlement spending was growing rapidly.

In 1990, the deficit is worse. Discretionary spending is now smaller than entitlement spending. The yellow portion shows interest growing dramatically. In the year 2000, you can see the trend—entitlements, again, now much larger than discretionary spending. In 2010, 2020, the same pattern until we reach 2030. By that time all revenue of the Federal Government will be eaten up by entitlement spending.

Mr. President, this is not a course that is sustainable. I indicated that, later today, a bipartisan group of us—22 Senators, 11 Democrats and 11 Republicans—are going to present what we call the centrist budget. It is a compromise between things that Republicans have advocated and policies that Democrats have advocated. It is an attempt to break through the gridlock, to actually achieve an agreement so that we can get this country on a course of deficit reduction that is sustainable and that will lead to unified balance in the year 2003. It is a 7-year plan of deficit reduction, but one that does not only reduce the deficits in the next 7 years, but creates a platform that will encourage deficit reduction beyond that point, and that will secure deficit reduction beyond that point because of entitlement reforms that are critically important to our economic future.

Mr. President, this chart shows what happens under the Republican plan that is before us, which is the blue line. The green line is the President's budget plan. This lighter colored line, is the centrist plan. The red line shows what happens if we fail to take action. It is the so-called baseline. You can see that deficits will rise inexorably if we fail to take action.

Under any of the other three plans, we will see steady downward progress with respect to the deficit.

Mr. President, I hope my colleagues will give serious consideration to the centrist plan when we present it later today. I wanted to outline the differences on the 7-year plans between what the Republicans have before us, what the President has advocated, and what the centrist coalition has agreed to.

Mr. President, this part of the chart compares the plan on a 7-year basis. It looks at the major categories of spending and compares the centrist plan, the Clinton plan, and the Republican plan. On discretionary spending, the centrist plan proposes savings of $268 billion over the next 7 years. The Clinton plan, which is a 6-year plan, but if you extend the policy for 7 years, would have $312 billion of savings out of discretionary spending. The Republican 7-year plan would have $393 billion of savings out of discretionary spending.

Our group, the bipartisan group, concluded that both the Clinton plan and the Republican plan are unrealistic in their discretionary savings. They are heavily backloaded in both cases—both the Republican plan and the President's plan. Frankly, we believe future Congresses are unlikely to hold to the path that they have outlined. That is precisely what has been wrong around here. We adopt plans that do not have any realistic prospect of coming true.

Mr. President, on Medicare, which has been such a hot-button issue in this Chamber and across the country, the centrist plan saves $154 billion over 7 years. The President's plan—and, again, he has a 6-year plan, but if you extend the policy 7 years, he has about $156 billion over 7 years. The Republican plan, $228 billion in savings out of Medicare over 7 years.

Many of us would conclude that the Republican plan goes too far. Those savings are going to require reductions from what current law provides in a way that will be very difficult, especially for rural hospitals in the State that I represent.

On Medicaid, the centrist plan, $62 billion over 7 years; President Clinton's plan, $81 billion over that period of time; and the Republican plan before us, $106 billion. Again, this is assuming you take their 6-year policy and extend it to 7. Welfare, EITC, centrist plan, $58 billion savings over 7 years; Clinton plan, $52 billion; and the Republican plan, if you take the 6 years of policy and extend it, $87 billion.

A major difference between the centrist plan and the other plans before us is that we have made a technical correction to the Consumer Price Index of one-half of 1 percent. I just say, if there are those who are serious about entitlement reform, if there are those who are serious that we are on a course that is not sustainable. If there are those who are serious that we face a situation that will lead to either an 82-percent lifetime tax rate for future generations or a one-third cut in all benefits, because entitlement spending is running out of control, a technical correction of one-half of 1 percent in the Consumer Price Index is something that will help secure the economic future for not only senior citizens, but for the American economy as well.

Mr. President, economist after economist have told us that the Consumer Price Index overstates the cost of living. Of course, we use the Consumer Price Index to alter Social Security payments, to index the tax system, because we want to make adjustments for increases in the cost of living. The problem is that the best evidence we have is that the Consumer Price Index is overstating increases in the cost of living. There is a mistake, and that mistake is very, very costly. A 1 percent change in the Consumer Price Index, if it is overstating the cost of living by 1 percent, that is over $600 billion over 10 years.

Mr. President, we had a group of economists—a bipartisan group—review this question for the Senate Finance Committee. They came back and told us that the Consumer Price Index overstates the cost of living by from 0.7 percent to 2 percent.

Mr. President, our bipartisan group decided that we would make a 0.5 percent technical correction in the Consumer Price Index in order to more accurately reflect the cost of living. Mr. President, this will save $125 billion over 7 years. Neither of the other plans have this feature. I believe this is one of the most important parts of the centrist coalition plan. It is a significant long-term entitlement reform that will help to get us off the unsustainable fiscal course we are on.

I say to my colleagues, if we cannot make this kind of technical correction, which has been supported by Alan Greenspan—he said the overstatement of the cost of living by the Consumer Price Index is most likely 1 percent, and Alice Rivlin in her book of deficit reduction options that she put out indicated the overstatement may be from 0.4 percent to 1.5 percent. As I stated previously, a bipartisan group of economists, led by Michael Boskin, former chairman of the Economic Advisers under President Bush, recommended the overstatement is from 0.7 percent to as much as 2 percent. Our group has said that we ought to at least make a change of 0.5 percent and save $125 billion.

On the question of tax cuts, we do have a tax cut in the centrist plan. Not all of us thought it was the better part of wisdom. Mr. President, the view prevailed in our group that there ought to be a tax reduction. I personally believe that we ought to balance the unified budget first. I mean, I have been here 9 years. I have heard over and over the swan song that we have a plan that is going to reduce the deficit, and over and over the deficit has gone up. It has not gone down. Only after the 1993 plan that we on this side supported, did we actually see the deficit go down both in dollar terms and measured in terms of our gross domestic product.

Mr. President, over and over before that we were told there were plans that were going to reduce the deficit. They did not. They failed. My own judgment is we that ought to prove that we are balancing the budget and getting the job done before there is a tax reduction. But that was not the view of the centrist group. The consensus was there ought to be a tax reduction.

So in our group there is a net tax reduction of $105 billion over 7 years. That compares to the Republican plan of $151 billion over 7 years and President Clinton's plan, which is roughly a wash over a 7-year period, if you extend the first 6 years' policy.

Mr. President, we will have a lot more to say about the centrist plan later tonight. I feel deeply that the greatest challenge facing this body and facing this country is to stay on the path of deficit reduction. Let us not be distracted by those who say that we cannot cut anything. That is not right. And let us not be distracted by those who say we can cut taxes and we will get more revenue. We heard that swan song before. All it led to was escalating deficits, escalating debt, and a decline in the strength of this country.

I hope deeply that we have the courage to stay on the course of deficit reduction. The only group that on a bipartisan basis has been able to reach agreement is this centrist coalition of 22 Senators—11 Democrats and 11 Republicans. All we have gotten around this town in the last year has been partisanship and gridlock. I suppose, if you were looking at where we are and where we are headed, you would say the greatest likelihood is that, with the course that we will stay on in an election year, that there is a low probability that we will be able to get together and do something even as important as putting together a plan that will allow us to achieve significant deficit reduction over the next 7 years. I hope very much that the conventional wisdom is wrong. I hope very much that somehow out of the partisanship of an election year, we will find the ability and the will to work together to do something which would be great for our country, which is to reduce the deficit, keep us on a path moving toward balance so that we can reduce interest rates, so that we can see this economic revival continue and strengthen, and so that we can look at our children and say honestly that we are helping to secure their economic futures.

Mr. President, nothing could be more clear than that deficit reduction has helped strengthen this economy. That is a course we ought to stay on. That is a commitment that we ought to make to each other, that somehow we find a way to bridge the differences and reach agreement, agreement on a plan to at least give us a unified balance by the year 2003. We can do that. The model is before us. We have a group of Senators who on a bipartisan basis have done it.

Mr. President, let us complete the job. I thank the Chair. I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I inquire of the Chair as to the pending amendment and as to the time remaining on both sides.

The PRESIDING OFFICER. The pending amendment is the Gramm amendment. The sponsor has 35 minutes 45 seconds, and the other side has 8 minutes 54 seconds.

Mr. ASHCROFT. Thank you, Mr. President.

Mr. President, would the Chair please inform me when there are 25 minutes left?

The PRESIDING OFFICER. Yes.

Mr. ASHCROFT. Mr. President, I thank the Senator from North Dakota for acknowledging in his remarks that my particular amendment contained offsets. There was some misunderstanding about that. The Senator from Nebraska indicated that we had been inadequately focused on offsets. The truth of the matter is I would not propose reductions in taxes without reductions in spending. I think that is important.

I want to make a few remarks about the Gramm amendment because I think it is related to the things that ought to concern us the most.

The Gramm amendment talks about relief for individuals who are paying taxes on their Social Security benefits. But what is interesting to me is that the Democratic side of the aisle seems to be so reluctant to grant that relief. There seems to be every reason to say that the relief is appropriate, because when a worker pays his Social Security tax—that is a tax, and the worker, under our current law, has to pay income tax on the money that he uses to pay his Social Security tax. So that is a double tax.

Then, if the individual gets that money back from the Government and, because he is working, he has to pay a tax on that money again, that is a triple tax. The old song "Sixteen Tons" said it right. "If the right one doesn't get you, the left one will." But it looks to me like in this instance we say, "If the right one doesn't get you and the left one misses you, we are going to kick you out of the ballpark." It is just simply wrong for us to tax the money first, then to ask people to pay the Social Security tax with what is left over, and then when the person is eligible for the Social Security to tax them a third time.

I do not know why the Democratic side of the aisle would insist on this triple whammy. It is just unreasonable, inappropriate, and counterproductive. It inhibits growth and stifles the enterprise that we want people to continue to have into their later years in life.

Senator GRAMM has cogently outlined his proposal. Senator LOTT spoke clearly in its behalf. Somehow to let people have money that they have already paid tax on twice seems to be an affront to the folk on the other side of the aisle. We need to understand that when people earn money, it is their money, and taxing it once is enough. Taxing it twice is an outrage. Taxing it three times is just totally unacceptable. The triple tax that exists here is something that we ought to abandon and abandon rapidly.

Senators from other side of the aisle have stood to talk about and question the sincerity of people on this side of the aisle as it relates to tax relief. They have said that every time we propose tax relief it increases the deficit.

Well, that is kind of an interesting thing that suggests because we lowered tax rates, somehow there was less money coming into the Government, and because there was less money, we had much, much higher deficits.

Frankly, that misrepresents, misguides, misleads and promotes misunderstanding in the public. They talk about the so-called siren song of lowered tax rates, and they say it always leads to higher deficits. I do not think so.

I quote from an article in the Wall Street Journal. As a matter of fact, these statistics were provided to the Journal by Senator ABRAHAM from the State of Michigan. "The growth of real tax revenues was 65 percent higher per year in the low tax rate 1980's than in the high tax rate 1990's. From 1982 to 1989, Federal revenues adjusted for inflation expanded by an average of 3.8 percent per year despite a sharp reduction in tax rates." So what we had in those years was lower tax rates, but because of the growth in the economy, we had higher revenues for the Government.

Now, that was a formula for growth. It was a formula where individuals could find growth in their own lives. It was a way to have a better economy. It was a way to decrease the deficit. When you have more money coming in, the only way to increase the deficit is to have sharply increased spending. Conveniently, those on the Democratic side of the aisle in this Chamber never associate the deficit of the 1980's with the sharply increased spending. They want to talk about a reduction in tax rates. They never want to talk about the fact that the tax revenues went up and that their spending went up much, much higher than the revenues. And I do not blame them for their reticence. But the truth is that every time the other side of the aisle talks about deficit reduction, it means more money out of the American working person's pocket. Every time they talk about debt, Americans should grab their wallets, because the only way they see to reduce the federal debt is to increase taxes. They do not see debt reduction by way of curtailing spending, and they certainly do not see it as a means of growth.

I thank the Senator from North Dakota for recognizing that my amendment to stop making people pay income tax on their Social Security tax includes cuts in spending which fully offset any costs. Some speakers on the Democratic side of the aisle literally questioned the sincerity of my proposal. I think that is inappropriate, because I know what it means to operate with fiscal reliability and integrity.

During my time as Governor, I learned what it meant to balance a budget. We balanced every one. We did more than that. We established a cash flow operating reserve with hundreds of millions of dollars, making sure that we always could cover our expenditures in a timely way. In addition to a cash flow operating reserve, we established a rainy day fund for the State so that when troublesome times came, we could have money set aside in advance to accommodate unanticipated expenses. That is not the kind of thing that comes from demagoguery or insincerity. It comes from understanding that if you have the right growth rate and you have the right restraint in spending, good things will happen.

The folks on the other side of the aisle seem to think that it is alright to tax the so-called rich—that it is easy to do and it will not hurt anybody. I think that is a fallacy that ought to be exposed. Taxing the rich usually hurts everybody. They talk about the fact that 98 percent of the tax increase of 1993 was on people who were so-called rich. Well, you know and I know that their definition of rich is different than that of most people.

Not only that, the point is that by having that tax increase, the largest tax increase in the history of the country, they stifled this economy. They put a lid on it.

Although wages were up 1 percent last quarter—listen to this—this is the first time in 5 years that wages have inched ahead of increases in the cost of living.

One quarter out of 5 years we finally had wages get up by 1 percent over the cost-of-living increase, and the Democrats are claiming that their tax increase did not have a negative impact on the economy. I would call that a pretty negative impact. No wonder the people across America feel a wage squeeze. We have a situation where economic stagnation is hurting folks.

The truth of the matter is that workers saw no growth in their income in the first 3 years of the Clinton administration compared to robust annual growth during the Reagan years. I believe that we ought to be growing our economy. We ought to be growing it aggressively.

Here is what the Heritage Foundation said about the 1993 Clinton tax increases. They said, "The Clinton tax increases robbed every household of $2,100 and cut personal savings by $138 billion." When you put a lid on the economy, even with a tax increase which you say threatens only the wealthy, you indeed hurt all of the people.

I would ask that the Chair allot me an additional 3 minutes.

The PRESIDING OFFICER (Mr. FRIST). The Senator may resume.

Mr. ASHCROFT. So I have risen today to say that yes—we should think about reducing the deficit, but let us think about it by way of providing the restraint in spending which accompanies the tax break in my amendment, so that there would be absolutely no increase in the Government's debt burden.

Second, the economic growth effects of my proposal to provide a deduction for Social Security taxes would help us pay off the debt much more quickly. Since we have already offset all of the loss in revenue, the growth in the economy would provide a tremendous opportunity to garner additional revenue from the 500,000 new jobs from the 0.5-percent growth in the gross domestic product, and that would accelerate our ability to pay the debt.

For the Democrats who are loathe to allow people to spend their own money and prefer to have Government do all the spending, this should be a win-win situation. For modest cuts, a 1.8-percent cut in total Federal spending in fiscal year 1997, we give the people an opportunity to create 500,000 new jobs, 10,000 new jobs in every State, to boost gross domestic product by one-half of 1 percent, and to aggravate the deficit not at all. If the economic activity from the surge in jobs and the surge in gross domestic product resulted in the anticipated increase in tax revenues, we would accelerate paying off the debt substantially. Those who have said they have been around here for years and they have heard this song before should talk not about the proposal but should talk about their performance.

Their performance in prior years has been, yes, on occasion to cut taxes, but, no, never on occasion to cut spending. On average, spending went up 1½ times for every one time that taxes were reduced. The truth of the matter is, you cannot overgrow spending and have reductions in taxes and expect the deficit to disappear, but you can combine the therapeutic impacts of spending cuts and tax cuts together to give a one-two punch to the deficit.

It is time for us to say that the proposal to reduce the tax burden on working Americans by providing a deduction for Social Security taxes is a responsible one. There are offsets. It is not a set of offsets that are imposed only in the outyears. They begin large and they stay large, because this is substantial tax relief to the American people. It is not a budget buster, it is a budget booster, because the growth in the economy will help all American families. The average American family with two working adults will benefit by $1,770. For those Members of the opposition who would be interested in a responsible tax cut, I invite them to confer with me, because this is one that can be done and will work.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, am I correct in that the Gramm amendment is the amendment before the body at this time?

The PRESIDING OFFICER. That is correct.

Mr. EXON. Following my remarks, which will be brief, I ask unanimous consent, since it will be this side of the aisle that will be up for the next amendment, that following my remarks, the amendment offered by the Senator from Texas be temporarily set aside so that the Senator from Iowa can offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I have been listening with keen interest and appreciation to my colleague from Missouri with regard to his amendment. I will simply say to the Senator from Missouri that as him, I was the Governor of Nebraska. I will simply say that everything that the Senator from Missouri took credit for during his tenure as the distinguished Governor of a neighboring State follows almost exactly the record of this Senator as a Democratic Governor of the great State of Nebraska.

So I think, as far as our background credentials are concerned with regard to fiscal sanity, we are generally parallel.

I simply say that I am opposed to the amendment offered by the Senator from Missouri for the reasons that I stated previously. We still do not know the details of where the offsets would come from to make up for the big, huge tax decrease that is being suggested.

I believe that, while they are not spelled out in the detail that we would anticipate, by and large, most of the cuts that are being proposed, without specifics from the Senator from Missouri, will fall into discretionary spending. As has been pointed out by the excellent address to the body by the Senator from North Dakota a few moments ago, those particular discretionary spending items are the ones that already have been dramatically reduced.

I was particularly struck, though, by statements from the Senator from Missouri with regard to what has happened to the economy. The Senator from Missouri indicated that the economy had been stifled—I believe that was the word, or something akin to it—that the economy of the United States of America had been stifled as a result of the 1993 action which, I will point out again, was not supported by a single Republican in the House of Representatives or a single Republican in the U.S. Senate.

If the economy was stifled as a result of that action, right or wrong, then we should do a whole lot more stifling because, by and large, the economy of the United States has grown at an adequate rate, the stock market has reached the highest record in history during this stifled period, unemployment has gone down, and the confidence of the American public has gone up. In reality, we have 8.5 million new jobs as a result of that stifling that the Senator from Missouri cites. We have a faster growth rate than any other comparable industrialized nation in the world.

In bringing up the 1993 budget that was authored and suggested by the President of the United States, the people on the other side of the aisle are continuing to bring up statements that simply are not accurate. Calling the economy of the United States stifled since 1993 is something that no one—no one—can justify or believe if one looks at the record.

I indicated earlier that I was doing a little bit of research on what some of the Republicans said about that budget when it was enacted in 1993. Evidently, they are trying the same tomfoolery on the U.S. Senate with a debate on this matter that has nothing to do with 1993, but evidently they think it is a good political thing to do. They were way off base with all of their pronouncements, with all of their arguments at that time, and I think they are just compounding their errors and their illogical prognostications here today. As I remember it, the Vice President of the United States had to cast the deciding vote in the Senate.

I will simply cite here—I will not mention names because names are not particularly important—but certainly one of the most prominent leaders in the U.S. Senate from that side of the aisle said on page S4169, March 13, 1993:

> Four years from now, we are going to have a deficit of about $400 billion and the economy is going to be on its back.

Well, it is not quite 4 years, but close to it and no one can say that the Senator's statement was accurate.

Another leader on the Republican side of the aisle said in a similar regard on page S4170, March 31, 1993:

> This is an invitation to continued recession and slow growth, because business cannot create jobs with this kind of a new burden.

And then another Republican, one of my really good friends, said on page S3109 on March 18, 1993 about the 1993 bill:

> I think it may be the most recessionary "deficit reduction package" in history.

There are a litany of those kinds of statements that were totally wrong, inaccurate. Though I say that I suspect many of us have said totally inaccurate and untrue things, I do not for a moment question the sincerity of the Members that I have just quoted from on that side of the aisle. But I think it is clear that their predictions of things to come if that 1993 act was enacted into law would be a disaster—they may have been sincere in that belief at the time, but I think the record clearly indicates that they were wrong. Their predictions were way off base, and they were inaccurate.

I think basically the same thing, therefore, would follow with regard to their continued speeches and amendments attacking that 1993 act. I will match the record of the last 4 years with regard to the economy of the United States of America against the previous 4 years on any economic indicator—jobs, growth, deficit, you name it.

The PRESIDING OFFICER. All time has expired on the amendment.

Mr. EXON. I thank the Chair. I was about to yield the floor. I hope, with regard to the previous agreement, the Senator from Iowa will be recognized.

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa is recognized.

Mr. HARKIN. I thank the Chair.

AMENDMENT NO. 4011

(Purpose: To provide that the first reconciliation bill not include Medicaid reform, focusing mainly on Welfare reform by shifting Medicaid changes from the first to the second reconciliation bill)

Mr. HARKIN. Mr. President, I have an amendment I send to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

> The Senator from Iowa [Mr. HARKIN], for himself, Mr. BIDEN, Mr. BRYAN and Mr. DORGAN, proposes an amendment numbered 4011.

Mr. HARKIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 46, line 12, decrease the amount by $72,000,000,000.
>
> On page 49, line 17, increase the amount by $1,900,000,000.
>
> On page 49, line 18, increase the amount by $72,000,000,000.

Mr. HARKIN. Mr. President, I send this amendment on behalf of myself, Mr. BIDEN, Mr. BRYAN, and Mr. DORGAN. This is the first of two amendments which I will offer. I will try not to take too much of the Senate's time. I just want to explain them briefly, what they do.

First, this amendment which I just sent to the desk, Mr. President, is very simple and very straightforward. It takes the first reconciliation bill, which is supposed to have both welfare and Medicaid together in it, and divides it. So what my amendment would do is, welfare reform and welfare would still be in the first reconciliation bill, but Medicaid would become a part of the second reconciliation bill, the one concerned with all of the other entitlement changes.

Mr. President, I believe there is overwhelming support in this body and in this country for tough, commonsense welfare reform. The Senate passed such a bill by a vote of 87 to 12 last year. The President has repeatedly said he would sign such a plan, and even leaders in the other body said the bill should be passed.

Unfortunately, the Senate-passed measure was changed in conference in ways that were unacceptable to the President and to many Senators. So it is time to get back on track. Our country's welfare system is broken. It is wasting tax dollars and it is wasting human lives.

Our present welfare system is unfair, unfair to the taxpayers and unfair to the people on welfare. It is time to make welfare work for America. In my own State of Iowa, we have a commonsense welfare reform that is working and getting results. It was done, I might add, in a bipartisan, well-crafted manner.

In the late 1980's, we had experiments around Iowa on the best ways of delivering welfare, getting people off of welfare, that was incorporated into a bill that passed the Iowa Legislature in 1993. So we have had it in existence now for 3 years. Quite frankly, in that short span of time that it has been in effect—not quite 3 years; a little over 2 years—taxpayers have saved money, about one-third of those on welfare are now working, and fewer families are on the welfare rolls.

I just have some charts here to illustrate what has happened in Iowa with the Iowa welfare reform program. It came into existence in the last of September of 1993—so the first of October 1993. At that time, we had about 18 percent of the people on welfare working. As of March of this year, we had almost 33 percent working, almost a third of those on welfare now working. You can see the trend line has been up.

If I am not mistaken, I believe Iowa now has the distinction of having a higher percentage of people on welfare working than any State in the Nation. I believe that is right. That is because of this very commonsense welfare reform proposal that we passed. So that is the number working, and the trend line is still going up.

Here is the caseload that we have from September of 1993, when we had 36,404. We had a big bump up when we made the changes. Everyone knew that was going to happen. But since that time the trend has been constantly down. We now have 33,320. So the trend line has been down. So we are successfully getting people off of the welfare rolls and into self-sufficiency.

The third chart shows exactly what we are talking about in terms of expenditures. The green line is the expenditures on welfare in Iowa for 1992 to 1993, the year prior to the new plan going into effect. You can see we spent a total of $13.6 million that month. This is the last year; this is from April of 1995 through April of 1996. As you can see, there was $12.5 million, down to a little over $11 million. Just in the 2 years it has been in existence, we have gone from $13.6 million down to $11.1 million.

So we have fewer people on welfare. We have more people working. We are expending less money on welfare. So by any yardstick of measurement, the Iowa program is working. Again, I think that one of the key ingredients is that it puts common sense ahead of ideology. It is built on good ideas that work, and it is founded on the driving goal of achieving self-sufficiency, not just getting people into a job, but getting people to achieve self-sufficiency.

I might add, it was done in a bipartisan manner. It passed the Iowa Legislature by a huge bipartisan vote, signed into law by the Governor. It is working. I believe this is the way we ought to approach welfare reform, in a nonideological, bipartisan fashion.

But I think, again, the budget before us lumps welfare reform in with Medicaid reform. Quite frankly, Medicaid reform proposals are far more controversial. If they are added to welfare reform, it will be almost certainly what has been called a "poison pill" that would result in a Presidential veto.

Mr. President, I want to make it clear, my amendment does not endorse the Medicaid cuts proposed in the pending measure. It simply shifts the sums assumed in the resolution to the second budget reconciliation bill which can be reached in a wide variety of ways or not reached at all.

The reality is, there is little chance of enacting a bipartisan package on Medicaid at this present time. But there is a good chance of enacting a bipartisan bill on welfare reform. Why do I say that? Because we have already done it. We did it last fall by a vote of 87-12. It had overwhelming bipartisan support.

So let us not kill commonsense welfare reform. Let us not walk away from the common ground in favor of scoring political points. That I believe would be a tragic mistake. So this amendment says, let us put aside ideology, let us work together to give the American people what they want and what we can achieve, and that is genuine, balanced, and fair welfare reform. That is what our amendment is designed to do, to make sure that we address welfare reform separate and apart from Medicaid reform and divide those issues up in the two reconciliation bills that we will have in front of us.

Mr. President, I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. For the purpose of offering an amendment I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4012

(Purpose: To restore funding for education, training, and health programs to a Congressional Budget Office freeze level for fiscal year 1997 through an across-the-board reduction in Federal administrative costs)

Mr. HARKIN. Mr. President, I send an amendment to the desk on behalf of Mr. SPECTER.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] for Mr. SPECTER, for himself, Mr. HARKIN, Mr. HATFIELD, Mr. JEFFORDS, and Mr. PELL, proposes an amendment numbered 4012.

Mr. HARKIN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The amendment is as follows:

On page 25, line 17, increase the amount by $1,200,000,000.

On page 25, line 18, increase the amount by $1,200,000,000.

On page 27, line 16, increase the amount by $1,500,000,000.

On page 27, line 17, increase the amount by $1,500,000,000.

On page 42, line 2, decrease the amount by $2,700,000,000.

On page 42, line 3, decrease the amount by $2,700,000,000.

On page 52, line 11, decrease the amount by $1,400,000,000.

On page 52, line 12, decrease the amount by $1,400,000,000.

On page 52, line 14, increase the amount by $1,400,000,000.

On page 52, line 15, increase the amount by $1,400,000,000.

Mr. EXON. Mr. President, I wonder if the Senator would yield before he goes into the second amendment? I have a very brief statement that I want to make in support of the first Harkin amendment. From what I know of the second amendment I might not be in support of it. I do not wish to confuse the Senator or the Senate as to what the intentions are of the Senator from Nebraska.

Mr. HARKIN. I yield such time as the Senator desires.

AMENDMENT NO. 4011

Mr. EXON. Mr. President, the Harkin amendment reveals the truth about the Republican strategy, it seems to me, better than anything else. If this amendment is rejected, it will prove that they are not serious about enacting bipartisan welfare reform this year, legislation that I think is a must. Unlike welfare reform there has not yet been a broad bipartisan agreement on specific Medicaid legislation. This is because the Republicans have not backed down from their proposal to block grant this program.

While Democrats and Republicans are closer to agreement on the level of Medicaid savings, we remain quite far apart, Mr. President, on how to achieve those savings. Democrats will not agree to end guaranteed coverage for children, pregnant women, elderly, and disabled Americans. Yet the Republican proposal gives no sign of maintaining those vital guarantees.

Nor are any details provided to support their claim that this proposal reflects the National Governors' Association plan. Democrats are justifiably skeptical that States would be protected from economic fluctuations, changing demographics, and natural disasters, a key element of the Governors' plan under a Medicaid block grant. Therein lies the problem. If our Republican colleagues are serious, they would agree to enact bipartisan welfare reform first and then work to achieve a balanced budget that restrains Medicaid spending. This amendment would make that course possible. I appreciate it being offered by my colleague from the neighboring State of Iowa.

I yield back any of the time yielded to me.

Mr. HARKIN. Mr. President, I thank my colleague and friend from Nebraska, the ranking member of the Budget Committee, for his kind words and insight into this amendment. I think, again, he hit the mark correctly, that if we are really interested in passing a bipartisan welfare reform bill this is the only way we are ever going to be able to do it. I hope we can get good support for this amendment on both sides of the aisle and get about the business of passing a good, strong, welfare reform bill this year in a bipartisan manner.

AMENDMENT NO. 4012

Mr. President, my second amendment has to do with education and health funding. The budget resolution goes about balancing the budget in all the wrong ways by undoing the modest good that was done less than a month ago when the Congress finally passed an appropriations bill for fiscal year 1996 that the President could sign. The Senate voted 88 to 11 to approve that bipartisan compromise bill, about as close to a consensus as we ever get around here.

It is incredible to me that we find ourselves debating a budget resolution that undoes that deal that we had just a month ago. I hear a lot of talk from the other side they provide increases in education. Make sure you look beyond the blue smoke and the mirrors because it simply is not true. As this chart shows, the resolution before the Senate provides about $36.3 billion for education and job training programs. That is about a $1.2 billion decrease from what CBO estimated it needed to freeze funding for those programs in fiscal year 1997. The resolution also provides for $21.6 billion, or $1.5 billion below a CBO freeze for health programs.

Here are the figures. The 1996 omnibus continuing resolution that we passed, 88 Senators voted for it, contained $36.2 billion for education. CBO—not OMB, CBO—estimates that just to meet this requirement for next year would require $37.4 billion. The budget resolution before the Senate only provides for $36.3 billion, for an actual cut of $1.178 or almost $1.2 billion in education. The same is true in the health care on the omnibus continuing resolution that we passed by 88 votes. There is $23.2 billion. CBO says just to freeze that would require $23.2 billion. The budget resolution provides for $21.6 billion, for a $1.5 billion cut there.

I am pleased to offer this amendment on behalf of Senator SPECTER who, because of other pending matters, could not be here today or else he would have offered the amendment. I am offering it on his behalf, but I am proud to be a cosponsor, along with a number of other Senators.

This amendment would simply restore the $2.7 billion for education, job training, and health programs to the freeze levels, just to the freeze level. For example, the CBO freeze does not restore title I to its normal appropriations cycle which would require an additional $1.3 billion in fiscal year 1997 on top of the $1.2 billion.

The offset is also simple. It cuts a little more than one-half of 1 percent across the board from all of defense and nondefense administrative expenses. This reduction would be taken only from administrative personnel services and contractual services.

Mr. President, during the last year, students, parents, teachers, school boards, school administrators, were treated to a roller coaster ride because of great uncertainties caused by the Federal budget process. Let us not repeat that mistake again this year. The American people are sick and tired of the partisan bickering and want us to get on with the business of governing.

We started last year with proposals for deep cuts in student loans. The House planned to cut $18 billion; the resolution offered by the Budget Committee called for cuts of $14 billion. We finally adopted a bipartisan amendment in the Senate which reduced the cut to $4 billion. Students and their parents were not thrilled but saw this at least as a significant improvement. Then the resolution went to conference and the cut was $10 billion. So, students and parents really started worrying again. The Senate once again moderated the cuts and people said, "OK, this is good." The House did not, the concern intensified again.

The final deal drastically cut the successful direct lending program including cuts of $5 billion. This bill was rightfully vetoed.

That was followed by the ups and downs of negotiations on the fiscal year 1996 appropriations bill. The Government shut down twice. For 7 months, the Federal Government was directionless because of short-term continuing resolutions instead of annual appropriations.

Parents worried that their children would not get the reading and math assistance they need because title I funding was cut by 7 percent. Teachers worried about whether or not they would have a job next year. School boards and administrators were unable to plan for the upcoming year because they did not know what their budget would be. In short, chaos reigned.

We should promise the American people that we will never do that again. Passing this amendment would be a good place to start. I do not believe that this takes us fully where we need to go, but it is a start. As I said, we are going to need more money than just this simple freeze to meet the increasing needs that we have out there. Especially for title I programs in this country, we are going to need some additional money in fiscal year 1997. But both Senator SPECTER and I, and others, felt that at least with the budget resolution we ought not to be starting in the hole, that we ought to, at least with this budget resolution, start where the freeze was from last year.

I can only say that this Senator will support efforts by others to get it above the freeze from last year because I think the need is there for education and job training money. But if we start from a position of where we are $1.2 billion already in the hole in education and job training, or $1.5 billion in the hole on health, then it is going to make it that much harder to get above a freeze later on.

So, again, this amendment is designed to put us in the same position as we were just a month ago, when 88 Senators voted to approve the Specter amendment and send this bill on, which increased the funding up to this level, as I said, in the fiscal 1996 omnibus continuing resolution. This would provide for us to get to the freeze level. Beyond that, I am hopeful that we will be able to add more money for education and job training, especially in the area of title I.

With that, I yield the floor.

Mr. SPECTER. Mr. President, the subcommittee which I chair addresses a wide array of programs—from the educational needs of children, the training and retraining of this nation's work force, to confronting the problem of teen pregnancy, AIDS, and the causes and cures of disease Collectively, the programs in the Labor, Health and Human Services, and Education bill address many of the present needs of this nation's people and are investments in our future.

Because of the wide array of funding needs contained in the Labor-HHS-Education appropriations and given our tight budget situation, it has become exceedingly difficult to craft a bill that addresses all of these needs. The amendment which I offer today adds a total of $2.7 billion to levels in the resolution for education, training, and social services programs in function 500, and to health activities in function 550. This increase will bring funding in these functions to freeze levels as estimated by the Congressional Budget Office and will help in funding the education, job training and health programs under my subcommittee's jurisdiction.

Just last month, the Senate voted 88–11 to approve a compromise amendment offered by Senator HARKIN and myself to the Labor, HHS, Education appropriations for fiscal year 1996. That compromise is what it took to break loose the stalemate on fiscal year 1996 funding for Labor, HHS and Education programs and to get a bill through the Congress. Without the amendment I am offering today, I think that we could see a repeat of last year's long and disruptive appropriations process, and that would be an embarrassment that this body ought not let occur again. The fiscal year 1996 bill required an additional $2.7 billion, and I believe that we will again need this amount to get the bill through fiscal year 1997.

The increase in the amendment applies only to fiscal year 1997 and does not increase spending in the outyears. The amendment is offset by an across-the-board cut of a little more than one-half of 1 percent from all executive branch administrative expenses. That is, administrative and personnel services and contractual services on a pro-rata basis from funds available to every Federal agency, department, and office in the executive branch, including the Office of the President.

The resolution before the Senate provides $36.3 billion for education and employment and training programs, a decrease of $1.2 billion below what CBO has estimated to freeze these programs in fiscal year 1997. The resolution also provides $21.6 billion or $1.5 billion below a freeze for health programs. This amendment simply restores funding for education, job training and health programs to a very modest freeze level.

Even at a freeze level, the Labor-HHS-Education subcommittee will be faced with the formidable task of maintaining our commitment to the core education programs, including Pell grants, campus-based aid, title I, and head start.

For employment and training programs, an additional $67 million is needed in fiscal year 1997 just to cover the operational cost increases resulting from opening four new Job Corps centers. Without passage of this amendment, the subcommittee will be forced either to not fund the operation of these new centers or further reduce services in other training programs for this nation's workforce at a time of heightened anxiety over economic security.

Last week was Brain Awareness Week and many of my colleagues visited with researchers and advocates urging the Congress to expand support for research on the brain. Others, attended the Wednesday's May 15 press conference with actor Christopher Reeve of "Superman" fame in which he appealed for increased funding for spinal cord injury research. Still others, have met with constituents urging us to expand funding for research on cancer, heart disease, AIDS, diabetes, and Alzheimer's disease. Without this amendment, we will be unable to maintain level support for critical health care priorities, jeopardizing funding for the National Institutes of Health, for community and migrant health centers, for breast and cervical cancer prevention, and for childhood immunizations.

I, therefore, urge my colleagues once again to join Senator HARKIN and me in supporting this $2.7 billion amendment.

Mr. JEFFORDS. Mr. President, the fiscal year 1997 budget resolution deserves accolades for its goal of achieving a balanced budget by the year 2002. I support this worthy ambition, yet I cannot fully support the manner in which it achieves this result.

Unfortunately, the resolution before us today requires education to shoulder an unhealthy portion of discretionary cuts in order to achieve a balanced budget. As I have said countless times in the past, cutting education spending may—on paper—help balance the budget. In reality, however, cuts in eductIon do the exact opposite. Decreases in education spending gut already scarce dollars for programs designed to raise the standard of living, provide better jobs and training, and consequently increase our tax base resulting in more revenue to fill the Federal coffers. Let us not be shortsighted and limit the most critical investment we can make toward a future downpayment on our debt.

For these reasons I support the amendment offered by my colleague from Pennsylvania to restore funding for education discretionary spending. My colleagues may argue that we are not cutting education funding but simply limiting its growth. It is true that this resolution provides an increase of $1 billion in fiscal year 1997 over last year's allotment. I will concede that this does not constitute a decrease in the strict sense of the word. However, it clarly is a decrease when taking inflationary costs into account. In fact, CBO has indicated that it represents a decrease in outlays of approximately $1.7 billion in the first year alone.

The foundation of Federal education leadership is built on keeping promises to our young children at risk; creating greater access to higher education for all; and guiding the country to help keep our children's education at a standard that is competitive with the rest of the world's. We cannot possibly keep this promise if, as this resolution proposes, we decrease education discretionary spending by close to $2 billion in fiscal year 1997 alone.

Public awareness of our need to reform education is growing. Polls show that the public is coming to understand the enormous costs of the failure to educate our children. Eighty-six percent of those surveyed by the recent PBS/National Issues Convention felt that we are spending too little money on education and training.

However, we continue to ignore the clear desires of our constituents. During last year's budget debate we essentially went through the same routine. The fiscal year 1996 resolution also cut education discretionary spending but a successful floor amendment, offered by my colleague from Maine, restored funding for education programs. Americans understand intuitively that investing in education is the key to our future success, and the best possible national investment that we can make as a country. When the rest of the country gets it and we do not, I sometimes wonder who really needs the education.

Support of the Specter amendment is truly critical. Countless studies document that American children are not keeping peace with their international counterparts. Well publicized reports continue to show that in math and science we have not kept pace with our foreign counterparts. In a recent study, American students came in last, behind Slovenia.

More astonishing, reports indicate that 50 percent of those who graduated from high school in recent years graduated functionally illiterate. The basic problem is reading comprehension. Keep in mind also that nationally, up to 30 percent of our ninth graders eventually drop out of school altogether. This is totally unacceptable. How can our businesses be expected to compete when they are delivered potential workers of this quality?

Money is not the solution, by any means, to the trouble our society faces. However, when programs, specifically designed to address educationally disadvantaged students in reading and writing, only serve a fraction of the eligible population we do those children and our country a disservice. When programs designed to prevent dropout barely keep pace with inflation yet dropout percentages boom, we know that more funding is critical. When governors and high powered CEO's come together—on their own time and money—to speak about education needs, you know that indeed education is of such national significance that it can no longer be pushed aside as the stepchild of Federal public policy.

And while money may not be a panacea it does make a difference. What have we done when we needed to highlight a major problem or national priority? We committed the resources necessary to match our goals. Take for example the space program during our race to the Moon with the Russians, we did not decrease funding in order to beat our competition, we increased it considerable and the dividends paid off. We are in no less of a crisis today with our education situation than we were with Sputnik—now is the time to take action.

The Specter amendment achieves, the very basic first step—level funding for education in this year's budget. We cannot, in good conscience do anything less. I urge my colleagues to support this amendment.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I ask the Senator from New Mexico if I might have about 3 minutes of the time.

Mr. DOMENICI. Of course. I yield it off the resolution.

Mr. KYL. Mr. President, I ask unanimous consent that I be allowed to proceed on the Gramm amendment. I am not asking to lay the current amendment aside but that I may proceed to discuss that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4009

Mr. KYL. Mr. President, I do that in order to strongly support the amendment of the Senator from Texas calling for the repeal of the Clinton tax increase on Social Security benefits. He spoke of this about an hour ago. It is a measure that I had offered in the House of Representatives within hours of the time, on August 6, 1993, that the Social Security tax increase cleared the Senate. I had offered the bill there to repeal it. I also supported Senator LOTT's bill to repeal the tax, which he called the Senior Citizens Tax Fairness Act. And I am very pleased to stand in support of the amendment of the Senator from Texas to do the same.

This is the tax increase that President Clinton pushed through the Congress in 1993 to impose higher taxes on seniors with incomes of only $34,000 a year and couples with annual incomes of $44,000 a year. The Clinton administration talked about taxing the rich, but we did not believe that couples making $44,000, or individuals making $34,000 a year, should be considered rich. As a result of the Clinton tax increase, 85 percent of these people's Social Security benefits are now subject to tax. That represents an effective tax increase of 70 percent over prior law.

The CBO estimated that, in 1994, 9.5 million Social Security beneficiaries were hit by the Clinton tax increase. That is a figure, of course, that will rise every year—to roughly 13.5 million in 1998, and much more each year thereafter—because the tax is not indexed for inflation.

It was very clever the way the President crafted the proposal, letting inflation do the dirty work of continuing to raise taxes long after the bill was signed into law in 1993.

Repealing the Clinton tax on Social Security will put over $55 million back into the pockets of retired Arizonans every year, and nearly $3.7 billion into the pockets of seniors nationwide. If we really care whether seniors have enough resources to pay for adequate health care, to put food on the table, or pay heating and air conditioning bills, we ought to support the amendment of the Senator from Texas.

Whether or not this amendment is supported, I think, comes down to a question of who we trust, Mr. President. Who do we trust more to spend the money wisely, the people that worked hard an entire lifetime to try to ensure themselves a secure retirement, or Government bureaucrats in Washington? I put my faith in people to use their own money to provide for themselves and their families.

It is important to emphasize that the Clinton tax increase applies to individuals with incomes of only $34,000 a year. I do not think that is a definition of a wealthy person. Yet, that is who pays the bill. I think, by now, most people realize that Clinton's talk of taxing only the "rich" is just an excuse to raise taxes on everybody. He raised taxes on seniors making $34,000 a year. He raised the gas tax, which hits the poorest Americans hardest of all.

I note, parenthetically, Mr. President, that according to the Bureau of Labor Statistics, in 1987, the poorest 20 percent of Americans devoted 8.8 percent of their expenditures to gasoline and motor oil, while the wealthiest 20 percent devoted only 3.1 percent of their expenditures to such things. So the gas tax, like the Social Security tax, hits those who are not the most wealthy in our country.

I predict that we are going to repeal the Clinton gas tax and the tax on Social Security benefits. Neither is defensible. The Gramm amendment that is before us today will put Senators on record about whether they favor the repeal of the tax increase on seniors, and whether we put our trust in older Americans or whether we put our trust in bureaucrats.

I commend Senator GRAMM from Texas for raising this amendment. I hope we all support it. I thank the other Senator from Texas, Senator HUTCHISON, for standing aside and letting me take this time.

Mr. President, I earlier posited two amendments—3995 and 3996. In that order, I ask for the yeas and nays on those two amendments.

The PRESIDING OFFICER. Is there objection for it to be in order to request the yeas and nays at this time?

Mr. DOMENICI. We need to have a Member of the minority party present.

Mr. KYL. If there is no one present, I will defer until then.

Mr. DOMENICI. Why do we not let the Senator from Texas go.

Mr. KYL. I will defer until then.

Mr. DOMENICI. Is Senator HUTCHISON going to speak to the IRA amendment?

Mrs. HUTCHISON. Yes.

Mr. DOMENICI. That has been adopted by voice, right?

Mrs. HUTCHISON. It was my understanding that the two managers would put it in at the appropriate time.

Mr. DOMENICI. We agreed to it on Friday. The Senator is assured of that sense of the Senate for this bill. I am hopeful that any tax bill we do includes that. She knows of my high regard for that amendment and for her leadership on it. If the Senator cares to speak to it, it would be appropriate at this point.

Mrs. HUTCHISON. I would appreciate the opportunity to explain what we have done for the homemakers of America.

Mr. DOMENICI. How much time?

Mrs. HUTCHISON. Up to 5 minutes.

Mr. DOMENICI. I yield up to 10 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

AMENDMENT NO. 4006

Mrs. HUTCHISON. I want to say how much I appreciate what Senator DOMENICI has done, with the acquiescence of Senator EXON. Clearly, this is a bipartisan issue, and it is something that will really make a difference for the homemakers and the one-income earner couples in America. In fact, it makes them equal with every person who works outside the home. Now people who work inside the home will have the same opportunity for retirement security.

Senator BARBARA MIKULSKI and I cosponsored the homemaker IRA bill in 1993. It was included in the balanced budget that was passed by Congress and sent to the President last year. But it was vetoed, so we are coming back this year in the balanced budget resolution and saying this is a priority.

This amendment is adopted. It is in the bill. It will be a priority, and here is what it does. It says that, if you work inside the home, you are now only able to set aside $250 for your retirement security, whereas, if you work outside the home, you are able to set aside $2,000 a year for your retirement security. So this has created a real hardship on a one-income-earner family or on a homemaker who may lose his or her spouse in the future. Our bill says, if you work inside the home, you can set aside $2,000 a year just as if you worked outside the home. This allows the one-income-earner couple that may be sacrificing for the homemaker to stay home and raise the children to have the same retirement benefits and options as if the spouse had worked outside the home.

What it does for the homemaker who may lose her spouse in later years is to have in her own name, her own retirement account, her IRA just as if she had worked outside the home all these years. This, Mr. President, just makes everybody in this country equal if they work inside the home or outside the home. They will be able to set aside that $2,000 a year for their retirement security.

What difference does it make? It makes a big difference. A lot of people do not take advantage right now of the $2,000 that they can set aside that will earn interest tax free so that at the end of their working lives they will have a nest egg. The conservative estimates, if you just think of a 6-percent return, would be that a one-income-earner couple now would be able to set aside enough to build, over a 30-year working life, almost $200,000 for a nest egg. But if you allowed the homemaker to contribute equally, it would go up to about $335,000, so almost $350,000. If you do better than 6 percent in your investment, of course, it would be more than that. A $335,000 nest egg is a lot for a family that has just to set aside $4,000 a year. For an individual to set aside $2,000 a year, you can get into the $200,000 to the $250,000 range in your retirement nest egg. That can help a lot. When you have Social Security, which is a supplement, and then you have an IRA, if you have set aside that $2,000 a year, you can have an income that you will be able to live on.

This is what we should be encouraging in our country. We should be encouraging savings. Every statistic you see says that our country has the lowest savings rate of any industrialized nation in the world. That is really a shame. We ought to encourage savings, and this is the way we can do it.

So what we have done by having this amendment adopted by Senator DOMENICI and Senator EXON is we have said that this will be a priority. When all of the Washington mumbo jumbo ends and we have had our House bill and our Senate bill and our conference committee, what we are saying is in the end when we reconcile all these differences and all of the things that we have passed, that the high priority will be for equity for the homemakers of our country for their retirement security.

Mr. President, it is a win for everyone. It is a win for the homemaker. It is a win for the one-income-earner family. It is a win for America because the more people who have a retirement security, the more people who will be happy, who will be stable, who will not have to worry about looking to the Government for help. This is a very modest investment for us to say these earnings will be tax free through these years to give that stability in retirement to that couple, or that individual that has worked for 30 years and should be able to plan for their own retirement security.

So I am very pleased that we have taken one more step. We have passed this bill once. It was vetoed by the President. Now we are coming back. We are going to pass it again. I hope that we will be able at the end of this year to say we have finally done what we should have done a long time ago in this Congress, and that is acknowledge that the work done inside the home is every bit as important as the work done outside the home and maybe even more so.

So I am pleased that we are doing this once again. We are going to stress how important the homemakers and the family units are in our society. This is the right thing to do.

Mr. President, I want to say that the original cosponsors of our resolution, this amendment, are Senators DOLE, ROBB, FEINSTEIN, and Snowe.

I ask unanimous consent to add Senators HELMS, MURRAY, and MOSELEY-BRAUN, at their request, to be cosponsors of this with Senator MIKULSKI and myself.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that my time be charged to the majority time for the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. Thank you, Mr. President. Once again, I appreciate Senator DOMENICI for realizing what a priority this is and for agreeing to this amendment. I appreciate the Democrats who are also accepting it. This is the right thing for the homemaker and the families of America. I hope that by the end of this year we will be able to declare victory and say that this option is now open for all of the people who work in our country whether the work is inside the home or outside the home.

I thank the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself 2 minutes off the resolution.

I just wanted to say to the Senator that a lot of people talk about making our policies more friendly toward families and friendly policies for our Nation. The Senator has talked about it as well as anyone here, but she does something about it. There was a discriminatory situation. It is the denial of IRA's for homemakers.

It seems to me that, on the one hand, we say that is among the most significant work being done in behalf of our families and our Nation, and then, on the other hand, we say, however, if you are out of the household and not a homemaker, you will be able to set up an IRA account for your retirement but not if you are a homemaker. I believe you have hit the nail right on the head. If you want to be profamily, you had better start right here at this level and stop discriminating against these activities of men, women, or children who are doing things that are profamily and make that more difficult.

So I commend the Senator for it. I do not have much to say directly about what the Finance Committee writes. But I think you have a very exciting approach and one that fits the rhetoric of the day to a "t." You are to be commended for it.

Mrs. HUTCHISON. If the Senator will yield, although it will be the Finance Committee that has the final word on this, what the Senator from New Mexico and Senator EXON have done by accepting this amendment is to give clear direction to them with a unanimous vote of the Senate saying this is what we want to be a priority. I do think because of the leadership of the Senator from New Mexico and Senator EXON that we will be able to declare victory at the end of this year. It is a long time coming.

Thank you.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Before the Senator from Texas leaves, I would like to join my colleague, Senator DOMENICI, in complimenting her for moving ahead on family. Family matters are so important. Maybe we cannot do a lot about it directly here, but as the Senator from Texas knows, we accepted her amendment because we thought it was a good one. I thank her for bringing it up.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. I yield the floor.

Mr. DOMENICI. I yield the floor.

Mr. EXON. Mr. President, what is the pending matter before the Senate?

The PRESIDING OFFICER. The pending question is amendment No. 4011, the Harkin amendment.

Mr. EXON. Mr. President, I ask unanimous consent, for the purpose of entertaining amendments that are about to be offered by the Senator from Arkansas, that the Harkin amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4013

(Purpose: To restore common sense to the budget rules by reversing the rule change on the scoring of asset sales)

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I send an amendment to the desk, Mr. President.

The PRESIDING OFFICER (Mr. KYL). The clerk will report the amendment.

The assistant legislative clerk read as follows.

The Senator from Arkansas [Mr. BUMPERS], for himself, Mr. BRADLEY, and Mrs. MURRAY, proposes an amendment numbered 4013.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add the following new section at the end of Title II:

SEC. . SALE OF GOVERNMENT ASSETS.

(a) BUDGETARY TREATMENT.—For purposes of any concurrent resolution on the budget and the Congressional Budget Act of 1974, no amounts realized from sales of assets shall be scored with respect to the level of budget authority, outlays, or revenues.

(b) DEFINITIONS.—For purposes of this section, the term "sale of an asset" shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) TREATMENT OF LOAN ASSETS.—For the purposes of this section, the sale of loan assets or the prepayment of a loan shall be governed by the terms of the Federal Credit Reform Act of 1990.

Mr. BUMPERS. Mr. President, this amendment deals with a change the Republican majority made to the budget rules last year which permitted the use of revenue from asset sales to be scored against the budget. The last two CBO Directors, Mr. Reischauer and Mr. Penner, have criticized this change to the budget rules as being bad public and fiscal policy.

From 1987 to 1995, we had a firm policy that you could not sell assets and use the revenues derived from those sales to count against the deficit. Nobody quarrels with the occasional selling of an asset. At times it makes perfectly good sense. But when you score the asset sales against the deficit, you have to ask yourself, next year, what do you do for an encore?

When I was Governor, I received a revenue sharing check from the Federal Government for $21 million. I did not put the money in the State operating budget because I knew then, even as a freshman Governor of Arkansas, it was bad policy. I did not have to come to the Senate to find that out.

It was bad policy because if I had put it in the operating budget, revenue sharing could have came to an end the next year, which it did after I came to the Senate. We received revenue sharing for several years and were glad to get it, but it was eventually discontinued. All I could think about was the poor Governors out there who had been using revenue sharing for operations—their share of Medicaid, their educational budget, and when suddenly you find $100 million not coming in next year, what do you do? You raise taxes or reduce services to make up the difference.

And so, in 1987, this body very wisely said: In the future, you cannot sell assets and score the revenue for budgetary purposes. That was the rule we operated under until 1995. All of a sudden, in 1995, the Republicans took control of Congress and began proposing to sell a number of assets, including the Elk Hills Naval Petroleum Reserve; the Federal power marketing administrations, which generate hydroelectric power at Federal dams; the Arctic National Wildlife Refuge; oil from the strategic petroleum reserve, which we have been filling up with oil for almost 15 years now for the rainy day when we might have another Arab oil embargo; and the Uranium Enrichment Corporation. Incidentally, I have no quarrel whatever with selling the Uranium Enrichment Corporation. I was glad that the Federal Government privatized the Corporation, but do not score it against the budget deficit.

Mr. President, not only was there a proposal to sell these assets, but a senior Member of the House of Representatives introduced a bill to appoint a commission—listen to this one, Mr. President—to decide which of the national parks should be sold.

So where are we headed Mr. President? We are going to have a big national yard sale and sell some of our most valued national treasures in an attempt to mask the budget deficit, including some of the national parks.

If you think this is just rhetoric, look at this chart outlining last year's proposal to sell the naval petroleum reserves, the major part of which is the Elk Hills Naval Petroleum Reserve in California. It produces about 63,000 barrels of oil a day. Let me show you what a silly idea the proposed sale is. According to CBO, the sale of the naval petroleum reserves would produce $1.55 billion in revenue. However, over the 7-year budget scoring window we would lose the $2.47 billion in revenue that would have been produced had the Government retained title to the asset. That would result in a net increase in the deficit of $992 million over 7 years. Selling the naval petroleum reserves now in a rush to make it appear that you are going to balance the budget makes absolutely no sense. If we can balance the budget—and God knows, we ought to over the next 6 or 7 years—that is fine. But do not do it by selling off the Nation at a loss.

As the chart demonstrates, the $1 billion loss occurring over the 7-year budget period is just part of the story. If the asset were sold, the Federal Government would continue to forgo approximately $400 million in revenue annually. This would add an additional $12 billion in losses over the approximate 30-year lives of the reserves.

So we are going to sell an asset for $1.55 billion in order to try to balance the budget by the year 2002, and if you consider the 30 subsequent years we lose $12 billion. Bad policy? No; insane policy.

A moment ago I mentioned the power marketing administrations. For the uneducated, the power marketing administrations, or PMAs, market hydroelectric power generated at Federal dams. The Southwestern Power Marketing Administration serves my State, and I do not want it privatized, I do not want it sold, and I am going to do everything I can to keep it from being sold.

Here is why. It is not just because the people of Arkansas use the power; it is because I believe in honest budgeting. This chart is intended to demonstrate the actual impact the sale of a PMA would have on the deficit.

Assume that in 1996 the Federal Government receives $1 billion from the sale of a particular PMA. What do we lose? The first year, 1996, we would lose $100 million in revenue that would have been produced if the PMA stayed in Federal ownership. So what happens? It is true that we get $900 million more in 1996 than we lose. We get $1 billion, we lose $100 million in revenues, and, on its face, the deficit would fall by $900 million.

But look at what happens in the future. In the year 2000, we still have only gotten $1 billion, but we have now lost half of it in revenues foregone. By the year 2002, when we are supposed to balance the budget, we've received $1 billion, but now we have lost $700 million in lost receipts, and the net effect on the deficit is only $300 million. But here is where the proof of the pudding is. Look at the year 2020. We still only got $1 billion in 1996–1997, but in the year 2020, considering the $100 million a year in revenues we have lost, the Federal Treasury is a net loser of $1.5 billion. No wonder Reischauer said it is bad policy. It is crazy policy.

Last year the Senator from Alaska took strong exception to my last two charts which point out that the change in the budget scoring rule could produce crazy proposals such as the sale of Mount Rushmore or the Statue of Liberty. Mount Rushmore is a moneymaker. There is no telling what we might get.

But you know, there is something more important than that. Mount Rushmore is a national symbol. I have been there; you have been there, Mr. President. It is a magnificent thing.

They are designing a portrait there out of that stone of an Indian on a horse. I think it is Crazy Horse. It is not finished yet. It is going to be magnificent. But let us say we are going to put Mount Rushmore up for sale. Do not worry about the fact that this honors four truly great Presidents of this Nation that the United States wanted to honor forever. Sell it off.

I do not know what the Republicans in the House have in mind with this bill to sell off natural parks. Maybe they have the Statue of Liberty in mind. Now that would probably bring a lot of money. Is that not magnificent? But you know something? It is no more magnificent than Yellowstone, Yosemite, the White River Wildlife Refuge in my State, or Hot Springs Natural Park in my State, which are near and dear to me.

Let me say to the Senator from Alaska that I do not think these sales are going to happen. I am just giving the worst-case scenario I can think of, and based on some things that have happened around here in the last 2 years, I am not making any promises.

But I can tell you we had it right in 1987 that we would not score assets sales for deficit reduction purposes, for a very good reason: It is bad fiscal policy and it is bad public policy because you have to make it up. If you reduce the deficit $1 billion by selling the PMA's this year, how do you make up that deficit next year to make sure the deficit stays on a downward slide? You have to come up with $1 billion someplace else.

Mr. President, I serve on the Energy Committee. This year the budget resolution instructs the Energy Committee to report legislation that will produce savings of $1.4 billion over 6 years. However, the resolution only directly mentions how the Committee is expected to meet $400 million of the savings. There are only three options available to the committee to meet the additional $1 billion requirement: First, we could sell the PMAs; second, we could impose royalties on hardrock mines; or third, we could allow oil and gas drilling in ANWR. My friend, the senior Senator from Alaska, obviously supports the latter approach.

He and I are good friends. We fight like saber-toothed tigers on the floor, but we are good friends. We just could not disagree more on the Arctic National Wildlife Refuge. Let me just say this: It is my firm belief that the President of the United States will veto any bill that comes to him that allows drilling in ANWR. I will certainly urge him to.

The other two possibilities are political nonstarters. A large number of Senators oppose the sale of the PMA's and the mining industry will again fight tooth or nail against any royalty.

Everybody in this body knows that I have fought for 7 years to reform the 1872 mining law. Sometimes I wake up in the middle of the night and I cannot believe: First, that I have been fighting that battle for 7 years and second, that, because I have not yet won, the Secretary of the Interior continues to be forced to deed valuable public land and minerals for practically nothing. He does not have any choice. He is required to under this 122-year old law.

The Secretary of the Interior, several weeks ago was forced to give a deed to a mining company for 40 acres of public land for the princely sum of $200. What do you think was on the 40 acres that the taxpayers of this Nation got $200 for? Eighty million dollars' worth of gypsum. Two years ago, he deeded land containing 11 billion dollars' worth of gold.

So a third possibility would be to impose a mining fee to produce $1 billion over the next 6 years. But if I am any judge of the makeup of the U.S. Senate, about the only votes for that will be on this side of the aisle. There will be few votes on the other side—maybe five.

You talk about balancing the budget; you talk about wanting a constitutional amendment. Oh, yes, let us go back and tinker with what James Madison did, and John Adams and John Jay and Alexander Hamilton and Ben Franklin. Let us go back and tinker with what they did 206 years ago drafting the Constitution that has made us a great nation, the freest nation on Earth, the longest living democracy, the oldest constitution in the world, tinker with that to bring about a constitutional amendment to balance the budget, but do not disturb those big international mining companies who have been raping and pillaging the U.S. taxpayer since 1872.

I yield the floor, Mr. President.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I thank my good friend for his forbearance. He is, as he says, a good friend from Arkansas. We have postponed this debate until this afternoon, and that enabled me to return to my home.

May I have some of the Senator's time, by the way?

Mr. DOMENICI. I say to the Senator, we have used no time in opposition. I yield the Senator whatever time he needs, up to 1 hour.

Mr. STEVENS. I thank the Senator.

Mr. BUMPERS. Is it possible for me to yield the Senator from Alaska time under the unanimous-consent agreement?

The PRESIDING OFFICER. The Senator has a right to yield time.

Mr. BUMPERS. I have 2 hours total; is that correct?

The PRESIDING OFFICER. The Senator has 1 hour.

Mr. BUMPERS. One hour for all three amendments?

The PRESIDING OFFICER. The Senator from Arkansas has 36 minutes, 48 seconds remaining on his time on this amendment.

Mr. BUMPERS. Mr. President, parliamentary inquiry. I had the possibility of three amendments, two for sure. I understood that there would be 2 hours, that I could allocate that 2-hour period any way I wanted to in offering those three amendments. Is that correct or not?

Mr. EXON. There would have had to be a unanimous-consent agreement for that. I believe that every amendment that he offered, whether it was 1, 2 or 3 or 10, the Senator would have 1 hour under the control of his time and 1 hour for the opposition. And if there are second-degree amendments, it would be half an hour.

Mr. BUMPERS. Let me ask the Senator this question. Who controls the time in opposition, then?

Mr. EXON. In this particular case, it would be the Senator from New Mexico. The Senator from Arkansas controls that hour for his amendment. The Senator from New Mexico would control an hour against it.

Mr. BUMPERS. The Senator from New Mexico could yield the Senator from Alaska time on this amendment?

Mr. EXON. Certainly.

Mr. DOMENICI. Which I just did. I will do that again. I yield up to 1 hour in opposition for that.

Mr. STEVENS. I thank the Senator very much.

I was saying, due to the forbearance of our friend from Arkansas, I was able to go home to my State. I have just gotten back from Alaska. I was able to go home on Friday. I have been all over my State at various functions, the regional meeting of the Ahtna Native Corporation up in the Gulkana area, down to Homer and Kenai and Fairbanks and Anchorage. I want to report to my friend that one of my constituents asked me about the comments we make here on the floor. He said, "That fellow from Arkansas certainly can't be your friend, Senator." And I told him, "No, that's not true. He is a friend. We just disagree violently." And it is possible to disagree violently and still be friends.

I came in just as the Senator from Arkansas had his shell game card up, talking about the budget shell game. I was reading, as I came back into Washington, a summary that my staff had given me about the budget that President Clinton had submitted. This budget, at first glance, looks like it balances, but it relies upon a trigger that is in the budget that reduces discretionary spending by $67 billion in 2001. In 2002, it does not indicate which programs will be cut, but, miraculously, the President that takes office in 2001 would be asked to cut the discretionary budget by 20 percent.

If you want to talk about a shell game, we ought to talk about shell games. As a matter of fact, if you want to look at the defense portion of the President's budget, you would find that it is a very interesting defense budget. It goes through the year 2000—that is what stuck in my mind as I looked at that—it goes through the year 2000 with a declining amount for defense, and then, miraculously, in 2001-2, the defense budget goes up, so it looks like over that period of time there is a level spending for defense; but that money is there for defense only if that President who is in office in 2001-2 cuts discretionary budgets 20 percent.

I have to tell my friend, the shell game here is that part of the President's budget that provides what he seeks to provide in this period of time if the asset sales that the Senator from Arkansas is talking about cutting out occurs. If the Bumpers amendment is agreed to, that President, after the year 2000, when he takes office in 2001, is going to have to present us with a budget that increases the cut in discretionary spending even more.

Strangely enough, the problem about this is that we voted on this last year. I understand my friend from Arkansas's position, but from my point of view, you know, it is unfortunate that once again we have seen the Statue of Liberty and Mount Rushmore, and the indication is that, somehow or other if we approve this bill, it is possible to sell one of those national treasures. No one is suggesting that in connection with this bill. There is a suggestion in the other body about selling some of the park lands.

And I find some difficulty in addressing the Senator from Arkansas' amendment because what we are talking about is a lot of assets that are out there that do have value now, and the question is not really whether we sell them but whether asset sales should be counted in the budget process.

The President has submitted the request that the budget take into account the receipts from the sale or lease of assets that are owned by the Federal Government. That has not been the case in the past. If it is the case that we take into account the sale or leasing of Federal assets, then we do have an entirely new circumstance, those of us who come from public land States, because there has been a lack of understanding of the value of Federal land to this country. We have some developing attitudes concerning areas such as those controlled by the National Park Service.

Mr. President, I served in the Eisenhower administration in the Department of the Interior and I remember well that President Eisenhower wanted to double the Park Service land areas and create new parks over a period of 10 years from 1956 to 1966. He did. The idea that somehow or another we would be against national parks, those of us who believe in asset sales, does not really ring a bell with me. I do not understand how those charts enter into this debate.

I do understand there is a lot of land that is surplus to the Government's needs. There are many assets that could be used during this period of very tight budgets to raise a considerable amount of money. I remember when other Senators raised similar objections when I first suggested that, instead of having people apply and file a request to lease spectrum from the Federal Communications Commission, we have an auction of those licenses. Some people here laughed about that. It took two Congresses for us to get around to authorizing the FCC to auction spectrum.

As a matter of fact, the first time the Congressional Budget Office looked at it, as I recall, they said the maximum that could be raised was somewhere around $250 million over a period of time if we auction FCC licenses. They did not understand what some of us understand—the developing technology of telecommunication. We have raised over $20 billion so far from the sale of spectrum licenses.

Now, we believe there are substantial portions of public land in the West that are needed and can be used in the economies of those Western States that could, in fact, be leased or sold. One of the assets happens to be the area that was set aside by my good friend, Senator Scoop Jackson in the Alaska National Interest Lands Conservation Act of 1980—1.5 million acres on the arctic plain, specifically set aside for oil and gas exploration and development. The act provided for a special environmental impact statement to make sure the area would not be damaged by exploration. It is an area just east of Prudhoe Bay, the great development of Prudhoe Bay, which incidentally is on State land, Mr. President; it was not on Federal lands. The Federal lands adjacent to Prudhoe Bay are the 1.5 million acres Senator Jackson set aside. We have, since 1981, tried to obtain approval to proceed with the leasing of those lands for oil and gas exploration and development.

The asset sale authorization in this budget resolution could lead to that if the Energy Committee reports a bill and the House approves that bill and the President approves it. Mr. President, President Reagan requested that every year. President Bush requested that every year. It was denied under the former leadership of the House and Senate. Now, with new management of the House and Senate, we approved last year two bills to authorize the Secretary of Interior to proceed with leasing of that area. The bills were vetoed.

What we are really talking about in this amendment is whether we should use the assets that the people in the United States own now, particularly those in public land States, to derive income, or whether we should drive forward to the day we have to increase taxes. The net result of Senator BUMPERS' position is, do not count asset sales as income for the purpose of trying to balance the budget, which automatically means you have to raise income from somewhere for the Federal Government. The only way to do that is taxes. There is another alternative. You could cut further either defense spending or discretionary spending.

The issue of our arctic plain is just one portion of this debate with the Senator from Arkansas. What we are really talking about is whether the sale or lease of assets should lead to income which should score in the budget process. The budget process is hard for anyone to understand, but there is no question that I do not think there would be anyone outside of the Congress that would disagree with counting as income money actually put into the Treasury. We are talking about balancing the budget. That is really what the heart of the Bumpers amendment is. It gets rid of the scoring process for the sale or lease of assets that belong to the Federal Government, which process enables us to count that money and tell the American public that income will, in fact, be counted toward balancing the budget.

The benefits to the taxpayers are exactly the same as from the revenues that came from the sale of the spectrum by the FCC. That is a sale of an asset that belongs to the public. We changed the method of leasing. Prior to my concept of auctioning spectrum, people filed no lease—really, a permit—to use spectrum. They just paid an annual fee. Now they pay substantial amounts of money for the privilege of obtaining that permit. That is what comes from a competitive lease of oil and gas potential on Federal lands. Exactly the same thing.

Today the law does not count the money you get from the leasing of Federal lands for oil and gas but it does count the income you get from spectrum. I hope the Senator understands this. If money comes into the Treasury, it makes sense we record it as money received for the purpose of balancing the budget.

The Senator from Arkansas fears once we discover the amount of money you can get from that, from development on Federal lands, we will go wild and we will start sending the message that we should sell the national parks. Nothing is further from the truth. What we should recognize, though, is that we should not keep putting our head in the sand and say there is no money coming into the Treasury, when, in fact, there is. The asset sales ought to be recorded as income that are to be scored by the Congressional Budget Office. There is no question we should do exactly what we did last year. That is, we should defeat this amendment to the budget resolution. It is the same thing offered by the Senator from Arkansas last year.

Let me go back to my visit. I have just come back from home. I talked to a lot of people in Alaska. I talked to many of our labor leaders. We are a State where when we get together there are not very many of us. We have our labor leaders, people from the chamber of commerce, and heads of the various corporations—Native and non-native—in meetings together. One thing we lack right now is the ability to create new jobs. Our economy is flattening out. It is more and more related to tourism which is very seasonable, obviously, in Alaska. There are not many people getting off cruise ships when it is 60 below zero. We do have a lot of industry that is capable and does work through the wintertime. Strangely enough, that is the best time to work on Federal lands in our State, during the wintertime. What we want to do is to find a way to expand the availability of Federal lands in Alaska for oil and gas exploration.

Mr. President, at the height of the transportation of oil by the great Alaska pipeline, the pipeline carried 2.1 million barrels of oil a day to Valdez for delivery to markets in the United States. Now it is down to 1.3. The reserves at Prudhoe Bay are playing out. They are not going to disappear overnight. They will just steadily decrease. Adjacent to Prudhoe Bay, as I said, on Federal lands—Prudhoe Bay being on State lands—is an area that we believe is the greatest reservoir for oil and gas in the North American continent. It has been explored, it has been analyzed. Everyone has accused us of all kinds of things, but I wish I could take the whole Senate up there, show them Prudhoe Bay, and show them the area we are talking about, the 1.5 million acres along the same arctic coast. There is no difference. One is not pristine, and the other, somehow a waste land. They are arctic tundra lands. They are not in the mountains. They do not have lakes and trees.

I remember one day I came out on the floor and showed a brochure that had been prepared by the Wilderness Society showing lakes and trees and a Caterpillar coming over the hill, and moose standing down by this nice lake. It was a fabricated brochure. To their credit, they withdraw the brochure when I held it up in front of God and everybody. There are people who somehow think there is a difference between the lands we have developed at Prudhoe Bay and the lands that are available for exploration and development just east of Prudhoe Bay.

That great reservoir, if it does produce oil and gas, is going to be a significant asset for the United States. Mr. President, it will bring in more money than the spectrum sales brought in. But you cannot count it until it comes. What you can predict—and we do—is there will be a substantial bonus for the lease, a bonus paid by people for the privilege of exploring. Those are the assets covered under the Bumpers amendment. The Bumpers amendment would deny us the right to count the money paid for the privilege of exploring. More generally, it would deny us the right to count any revenues from asset sales.

I am not going to continue, except to say to my friend that I hope we all realize that when I stood on this floor and we finally got the privilege to develop the Alaska oil pipeline, the amendment passed by one vote. It was a tie vote, the only vote that Vice President ever cast. Every time we want to bring about some development in my State, we face horrendous odds. That was in the 1970's, and this feeling existed then. We were told we would destroy the caribou and it would be a terrible thing for the fish and wildlife. Mr. President, the caribou herd at Prudhoe Bay is six to seven times the size it was when the pipeline was authorized. The difference now is that, through new technology, we can tell the Senate that the amount of land that would be utilized in the development of the production facilities for oil and gas, if it is a good discovery on that million and a half acres, will be about one-twentieth the size of land used in the development of Prudhoe Bay. Also, we have made an absolute commitment that, once oil and gas production is over, the natural contour, natural vegetation would be totally restored.

That is why I like to take people up to Alaska to show them the pipeline camps. I took one group over a pipeline camp and said, "We are going to fly by helicopter up this road, and I want you to tell me where the pipeline camp is. We will be going to go over two camps." Not one saw the area where the camps were. It is totally restored to its natural condition. That same thing will happen when the day comes that Prudhoe Bay is over and production in the ANWR area, the million and a half acres I am talking about. It is an area that is within the wildlife refuge—it is not the wildlife refuge. It is a million and a half acres that Senator Jackson, in his great wisdom, decided should be set aside in the early 1980's for oil and gas exploration.

So I believe Senator BUMPERS presented, once more, an opportunity for us to talk about the differences between those who deny us the ability to use public lands to raise money to legitimately bring in income and to count it toward balancing the budget and those who want to drive on, not make the changes necessary in order to bring about a balanced budget and know that, ultimately, we have the power to tax. Ultimately, the final result of the Bumpers amendment is, someone following us will be standing here urging the American people to increase their contributions from their own personal income to support this Government.

One thing I found out this last weekend at home, I will tell you, is "that dog don't hunt in Alaska." No one up there wants any more taxes. As a matter of fact, they all urge us to find some way to reduce the cost of Government. They urge us to find a way to bring about a balanced budget. They want us to find some way to restrain the growth of the expenditures of the Federal Government. I think this budget resolution, to the great credit of the Senator from New Mexico and also the Senator from Nebraska, who also contributed to this process—even though he may disagree with us on some things, I know that he, too, seeks to balance the budget without raising income taxes.

So, Mr. President, I hope that the Senate will defeat this amendment and that we can go on with the process of trying to use the Federal lands that are available for oil and gas exploration, mineral development, and basic utilization to develop the economies of the Western States. We can use those sensibly and count the income from the utilization of those lands towards balancing the budget.

Mr. President, the one election I lost in my lifetime—well, I lost in another one, too—but one I lost even before I got in the Senate here was an election to be the president of the Alaska State Conservation Society. I believe that we do things in our State in a wise way in terms of protecting our environment. We go out of our way to do that. Unfortunately, we get tarred by a brush such as the one you have just seen. I see a new chart that my friend has, so I will yield the floor here in a minute. Clearly, there is no proposal before the Senate to do what Senator BUMPERS says. This is not a national yard sale, if I can borrow from the chart. This is not a proposal to sell the national parks. It is a proposal to use the unreserved lands, the lands that have not been set aside for a specific conservation purpose for development in the Western States, and to produce income to help us balance the budget without raising taxes. I thank my friend from New Mexico and yield the floor.

Mr. DOMENICI. I wonder if Senator EXON and I and Senator BUMPERS can take 5 minutes to discuss with the Senate where we are amendmentwise in this process, and we will get right back to where we are.

I yield up to 5 minutes off the resolution, to be charged equally, on this discussion.

Let me just give the Senate a report. We have done very well, considering that we had no scheduled votes on Friday and none today. Normally, it is difficult to get Senators to offer amendments under those circumstances. We got a unanimous-consent agreement that everybody is aware of. Two lists were sent to the desk containing 87 first-degree amendments. It was agreed to by the Senate that there would be no other first-degree amendments and that that was the extent of them; is that not correct, Senator?

Mr. EXON. That is correct.

Mr. DOMENICI. We asked Senators, in good faith, to help us with this bill, unless they wanted to pile up amendments and vote on them without debate. We have disposed of 32 first-degree amendments as of this moment—I am sorry. That is as of Friday night when we went out of session. Then we have done seven here this morning. So that is 39 of the 87. So if our arithmetic is right, we have about 47 amendments. Some of them are very vague, and I am not sure whether they are going to be amendments.

My purpose for getting some time to talk with the Senate is as follows. When we finish tonight—and we plan to be here until about 10 o'clock, I gather—we will have 8 hours remaining on this budget resolution, and it will be Tuesday morning, for all intents and purposes. We need to know from more Senators on our side—and we will leave it up to Senator EXON to ask his side—who have amendments that are still pending that are in that 87. If you are not in that 87, you cannot offer an amendment anyway. But if you are one of those 47 remaining, we need to know if you are going to offer your amendment. Tell us as soon as you can during this day. And, staff, while helping your Senators, get the word to them that we would like to know in the next couple of hours what their intention is on the amendments. Are you going to offer every single one? Are you willing to tell us that many of them are not going to be offered? We have to know, or we are going to be in a tremendous jam tomorrow because unless things change we are already going to have somewhere around 30 votes, maybe 35. The Senator from Nebraska is going to talk about how long that might take I assume.

Mr. EXON. I am.

Mr. DOMENICI. We need to know. We are going to stack these votes but not all of them for one voting session. We will arrange, we hope, for about 7 or 8 votes in the morning before the Senate temporarily closes up the Senate while Senators go to the funeral of the very distinguished Chief of Naval Operations sometime around 11, or maybe 10:30.

So we will have some votes in the morning. So, again, please let us know. Are your amendments going to be offered? If so, can we start listing them specifically so we know that they are going to be called up and how much time they need?

I now yield to Senator EXON.

Mr. EXON. Mr. President, I want to join in the appeal. I say to my friend, the chairman of the committee, that I have made two appeals earlier to date. I renew it again, and invite all to take advantage—both Democrats and Republicans—to come down and offer your amendments. The view that I have of this right now is that we have 25 amendments that have been debated and are stacked for votes tomorrow. Then we have, as near as I can tell, 47 to 50, amendments on a list that still could be offered. We do not know. Their could be second-degree amendments to that. That would make the list even longer.

But the situation basically is this: we know we are going to have at least 25 votes. If we take those 25 and even figure 10 minutes to a vote—and history tells us they run a little longer than that—that is 6 hours as of right now for voting tomorrow. The manager has just said that when we finish tonight about 10 o'clock there will be only 8 hours remaining on the resolution. The 6 hours of voting will not count toward the 8 hours remaining and there will be more votes after that.

It is very clear, therefore, that we are going to have another one of those ridiculous situations where amendments are going to be offered. There is going to be no debate, and then we are going to vote. It looks terrible for the U.S. Senate to engage in that procedure. But we are going through it again. I will say that the figures that I have just used include no time for debate. That is just voting.

Another way of putting it is we are going to be on this resolution for the next few days. When we finish today, we are only going to have 8 hours left on the resolution. In addition to those 8 hours we already have 6 hours committed just for voting.

I would just like to say, since we had a discussion, to my friend from New Mexico that it would appear that on both sides of the aisle we may have great difficulty in getting any votes in the morning. After the announcement was made of the funeral for the Chief of Naval Operations, Admiral Boorda, that many Senators on both sides of the aisle, therefore, made their plans to come back into town to go to that funeral and then come back here.

So I would simply say that although I would like to start voting in the morning it would appear that the efforts we were talking about in that regard may be very, very difficult. But that further complicates matters.

Let everyone understand. We are scheduled, as you know, to be out of here Friday sometime for a week's recess for Memorial Day. As is usual, when that happens, many Senators say, "OK. We will finish Thursday night, and we will not be here Friday." I do not know how that is going to be possible because in addition to finishing this conference report we have the defense authorization measure that is supposed to be finished before we go on the recess.

So I simply say, please, Democrats and Republicans, Senators who have amendments either come down and offer them, or tell us that you are not going to offer them so that we can best manage the hours or minutes that we have remaining to accommodate as many of our colleagues on both sides as possible.

Mr. DOMENICI. I thank the Senator.

Mr. KYL. Mr. President, I ask unanimous consent to ask for the yeas and nays on two amendments which I previously offered and have spoken to. As far as I am concerned, they do not need further debate. Of course, there could be if anyone wanted to respond.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Is the Senator asking the yeas and nays?

Mr. KYL. I ask for the yeas and nays separately.

Mr. EXON. We have no problem.

Mr. KYL. I ask for the yeas and nays on amendment No. 3995.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KYL. Second, Mr. President, I ask unanimous consent for the yeas and nays on amendment No. 3996.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I will be very brief in concluding the debate on my amendment.

First of all, I want to in the interest of fairness and honesty in the debate say to my good friend, Senator STEVENS from Alaska, that, number one, while we are debating what I consider to be a terrible policy of scoring asset sales, in all fairness to the Senators from Alaska, there is no proposal to sell ANWR. There is a proposal to lease it. It is calculated to bring $2 billion. But the Federal Government only gets half of that. Is that not correct, Senator? And we would proceed to withdraw royalties once it is developed.

So, as I say, in the interest of fairness, while we are debating asset sales, ANWR is technically not an asset sale. And I must confess that my principal objection to leasing ANWR is because I consider it bad environmental policy. That is not to say that at some point in the not too distant future in an emergency or something we will not consider it. I might consider it myself. And I know all the arguments. I have heard the chairman of the Energy Committee, with whom I sit on a regular basis, make all those arguments for opening ANWR. We just happen to have a disagreement on that. I consider

ANWR just like I do people who save money as a nest egg for their old age.

One other thing: In my argument a moment ago, I pointed out that when I was a Governor I got a check for $21 million from the Federal Government and I did not put it into the operating budget for sound business reasons. I gave it to the Arkansas Highway Department to build highways with. In that way, if revenue sharing ever came to an end, we would not be all discommoded by having to fire 1,000 State employees, or cut the education budget, or cut the State police, or something else.

Let me say to my Republican colleagues. The Republican Party considers itself a party of business in this country. You are friends of the business community. We like to think we are too. But I know the Republicans for the most part take pride in being probusiness. I am probusiness too. But let me say to my colleagues before you vote on this amendment which will amend the Budget Act to provide that you cannot sell assets and score it for deficit reduction purposes call, just call three of your closest friends who have a business of any size and ask them: Would they as a sound business principle sell off a building? Let us assume you have three buildings. You sell one building because you do not need it anymore. Ask how many of them would go out and hire a bunch of people knowing that next year they will not have that money, and they have to increase sales, or do something to make up for that shortfall?

I can promise you every single president of the company you call will say exactly what the two previous heads of CBO have said: it is bad policy.

Let me say, Mr. President, to be crystal clear to everybody, this amendment does not prohibit asset sales. If the Senate voted to sell the Statue of Liberty, it could do that. This amendment could not prohibit it. I would not vote for it. I would consider that horrible national policy. All I am saying is if you do sell an asset—we have and we will continue to—I have voted for some asset sales—do not score it. It is bad business.

The Senator from Alaska said his people do not want any more taxes. Well, now, that is not the most profound statement I ever heard, with the utmost respect to the Senator from Alaska. Folks in Arkansas do not want any more either. But everybody wants a balanced budget. Everybody wants to go to Heaven but not just yet. So I want to balance the budget, but I do not want a dishonest budget. To score assets is deceptive. It is dishonest. And you will miss the mark of a balanced budget in the year 2002 or 2003 if you do nothing else except sell assets and score them. You will miss achieving a balanced budget by exactly the amount of the asset you sell and score.

Now, Mr. President, I offered this amendment last year and we got 47 votes the first time I offered it, and we got 49 votes the second time I offered it. I am hoping we will continue the trend of increasing our margin by two votes to 51 this year. Maybe not. But I can tell you this fight is just like me fighting with Mrs. Bumpers; the ones I win just are not over. This one is not going to be over until this Senate accepts that scoring of asset sales is bad policy.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BUMPERS. Mr. President, if the Senator from New Mexico will yield just a minute, one thing I wanted to do was to read into the RECORD a list of organizations that support this amendment: Taxpayers for Common Sense, National Parks and Conservation Associations, National Audubon Society, National Rural Electric Cooperative Association, Friends of the Earth, U.S. Public Interest Research Group, National Wildlife Federation, National Wildlife Refuge Association, Alaska Coalition, Alaska Wilderness League, American Public Power Association, Defenders of Wildlife, Greenpeace, National Resources Defense Council, Northern Alaska Environmental Center and the Sierra Club.

Now, those are mostly environmental groups, some in Alaska, and I can tell you what they are concerned about. Some of these people are just concerned about the sale of power marketing administrations, but most of these organizations are worried about the sales of wildlife refuges; they are concerned about selling off national forests; and they are concerned about selling national parks. If you think that is farfetched, just bear in mind there is a bill already in the House to set up a commission to do exactly that, to report back to us on the national parks we do not need and that can be sold.

I yield the floor, Mr. President.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am going to yield to Senator MURKOWSKI in just a moment. I have been here wanting to say a couple of things about this approach that Senator BUMPERS is talking about. Then I will yield to the Senator, and as I understand it the Senator wants 12 minutes.

Mr. MURKOWSKI. Twelve to fifteen.

Mr. DOMENICI. I am going to yield back now and reserve about 3 minutes for my myself, and then in sequence I believe the order is that Senator THOMPSON is next with his amendment.

How long is the Senator going to take?

Mr. THOMPSON. Probably 10 minutes.

Mr. DOMENICI. The Senator has an hour if he would like it but Senators who have amendments—Senator SNOWE will follow on our side. She seems to be ready. So we will do that sequencing.

Mr. BUMPERS. Mr. President, before the Senator moves on, I understood I had the right to offer 2 amendments.

Mr. DOMENICI. Three.

Mr. BUMPERS. Well, one I may not offer.

Mr. DOMENICI. You want to offer your second one right now after this debate is finished?

Mr. BUMPERS. I think the Senator from Alaska wants to speak on my amendment.

Mr. DOMENICI. I understand.

Mr. BUMPERS. And then I will offer the second. We will make it brief.

Mr. DOMENICI. So we make sure we understand, Senator MURKOWSKI will have ample time to rebut the first amendment. The Senator can offer his second amendment. He has up to an hour. I hope he will not use it.

Mr. BUMPERS. I say to my good friend from Tennessee, I will try to confine my remarks to 5 or 10 minutes.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I just want to talk about the practicality of this amendment and the budgets that are before us.

First, the President sent us a budget. I think my friend, the Senator from Arkansas, voted for the President's budget. I checked again, and I believe the Senator did. I believe the Senator did.

Now, that budget has $4 billion in asset sales, $2 billion of which occur in the last year, using the definition that the Senator has used of asset sales. But let me tell you what else it has. It has $38 billion in spectrum fees, $18 billion of which occur in the last 2 years—the last year, and then under the triggering mechanism there is $6 billion more.

Now, frankly, I would think if you want a definition that talks about single events that you get a bunch of money into the Treasury and then you do not keep getting in, you ought to expand your definition and talk about the President's spectrum fee.

Just to put it in perspective, it is twice as much in the last year as the Republicans say that sale will yield and without it the President's budget is way out of balance, so it is a very important thing, and in all of the rationale that the senior Senator from Arkansas used, the same rationale for the most part could have been applied to the President's budget and to spectrum fees.

Having said that, I want to make sure that everybody understands we just approved as part of last year's appropriations the sale and privatization of uranium enrichment functions of this country. A previously chartered public corporation will become private and, believe it or not, this was recommended way back in the days of

President Nixon. It took us that long to understand how to privatize something that should have been privatized a long time ago. But we are very grateful we got it done. I am particularly grateful; I happen to have introduced the bill. It has some innovative and exciting things in it for this private corporation that is going to run that, including for the first time ever futures are going to be sold on uranium because we are going to buy a bunch of uranium from Russia, and we do not want to flood the market from it, so we came up with the idea of this new company having the right to take that in phases and issuing futures like you do in other futures markets.

Under this definition, that would not have been permitted. The Senator indicates everybody agrees with that. But strictly speaking, many privatizations would have a difficult time becoming reality.

My second point is the wilderness that is spoken of up there, ANWR, is not being sold, and I believe is not even in this budget resolution as assumed that it is going to be leased or otherwise. It is not in the budget resolution. And as the senior Senator from Alaska said, to be supplemented by Senator MURKOWSKI, there is not a sale plan. It is a lease. And the lease will continue to yield royalties.

Why should you not count that if it ever happens? It is not in this budget resolution. But if it does, clearly you ought to apply that to the deficit. I do not know what else you ought to do with it. Just put it in the Treasury and say the deficit did not come down?

When you put it in the Treasury, it comes down and then you keep getting royalties after that. I do not choose to speak the opposite side of the coin on ANWR, which has been spoken of on the floor, because I do not think I want to make ANWR the prime focus of this amendment since it really is not.

This amendment does not apply to ANWR. It applies to the things I have been speaking of and many more, and we ought not adopt it. We ought to leave that flexibility where it is, as it is, in this budget resolution. And when you bring the budget down as much as we are and you get a few $1 billion of asset sales, I believe you are not distorting anything unless you cannot depict after that a steady stream of reduced deficits following this balanced budget. If it was the only thing and then it was shooting back through the air, I would be down here saying that is pretty phony, but we are bringing it down so much that the additional amount you bring it down by asset sales I believe is a pretty adequate and accurate picture of where we are.

I yield the floor and yield 12 minutes to Senator MURKOWSKI.

Mr. MURKOWSKI. I thank the floor manager.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I listened with great interest to my good friend from Arkansas. I find it rather curious he is speaking in opposition to asset sales today when he voted for them.

We had the privatization of the U.S. Enrichment Corporation, supported by the Clinton administration. It is my understanding it would be about $1.2 billion, or net over 7 years between $1.6 and $1.8 billion.

The second asset sale was a sale of the helium reserve, supported by the Clinton administration, a $47 million revenue stream supported by the Senator from Arkansas.

Lease of excess capacity in SPRO is supported by the administration, supported by my friend from Arkansas, and I think it would generate some $359 million. That is proposed leases to foreign countries.

Then there was the sale of surplus assets by the Department of Energy, supported by the Clinton administration, to generate $110 million. I believe my friend from Arkansas supported that as well.

Prepayment of outstanding loans: One was, as I recall, the central Utah project, supported by the Clinton administration, $219 million, and I believe supported previously by my friend from Arkansas.

My good friend seems to cite his problem with the formula for asset sales, where we are selling assets to raise revenues under the Budget Act. Without the change in scoring, the Federal Government receives money, but it does not count. In some instances, such as prepayment of loans, the Federal Government does not receive future payments which do count as cash. The result is that you have a Budget Act point of order for cash because you did not count the revenues. The theory there, Mr. President, is you sell something, you have lost revenues, therefore, it is a loss. Well, how do you get rid of anything around here?

A few quick points for those who are not familiar with the process around here. We have heard discussions on this issue before. This amendment, offered by the Senator from Arkansas, would prevent the sale of assets from scoring in the budget process. This change was made in the budget process last year at the request of the President, who, I might add, is from Arkansas. It was not something we dreamed up at the last minute. It came from the President. We happen to agree.

The change made last year allows us to score the sale of assets that are already, basically, a part of the process, and, in this case, the group that I just read off, Mr. President, is about $4 billion in assets that would be recognized as part of the President's budget.

It makes no fiscal sense to say after Congress authorizes the sale of an asset that they cannot count it in the budget process. It is absolutely absurd to this Senator that if we sell something that produces $1 billion, we have to borrow money to balance the budget because we cannot count that money that comes into the Treasury.

There is no reason why these asset sales should not count and should not help us reduce the deficit. How could we ever sell surplus Government property? If we can lease some land, get rid of some Government surplus, then why should we not be allowed to have it go toward deficit reduction? Why should it not be appropriate for the Government to be able to sell some of its assets and use the money to help reduce the size of the deficit?

Additionally, Mr. President, these asset sales are auctions on behalf of the Government. They create jobs and opportunities for Americans. Whether it be a mineral lease sale, a spectrum auction, or a privatization of the U.S. Enrichment Corporation, as we did last year, these actions create private sector jobs. Here we have a situation where we can sell Government assets, use the money to reduce the deficit, and create real private sector jobs.

I get somewhat of a chuckle when the Senator from Arkansas shows a picture of the Statue of Liberty with a for sale sign on it. That kind of hype, obviously, may be appealing to some, but it is not factual, and the Senator from Arkansas knows it. Does anybody in this body truly believe we would sell the Grand Canyon or the Statue of Liberty to generate a cash flow? Of course not.

What does make sense is to sell something that the Government has, such as the use of a closed Army base for low-income housing or a spectrum auction. Then it makes sense that we use this money to attack the deficit and not to throw it away on some other project the Senator from Arkansas dreams up. The money comes into the Treasury, and it makes sense that we record it as such.

I find it rather ironic that in this extended discussion, ANWR seems to have come in. My understanding today is that the United Nations authorized Iraq to put about $1 billion worth of oil each quarter on the world market so that we can look to that source to ease the shortage associated with the supply and demand of oil.

My memory suggests it was only a few years ago that we had a half million men and women in the Persian Gulf for one specific reason: to keep Saddam Hussein of Iraq from controlling the supply of oil from the Mideast.

At that time, we were trying to put Saddam Hussein in a cage. Unfortunately, we did not achieve that, but it is rather ironic that today we are looking to him for relief when we have areas at home that we can open safely using the science technology and experience that we have.

My friend from Arkansas cited an extensive list of national organizations, some in my State of Alaska, that object to the asset sale concept. I find that rather amusing because spokespersons in those organizations have come to me and said, "MURKOWSKI, there's absolutely no question in our minds that you can open up the Arctic safely to oil and gas exploration and to production, if the oil is there. But you know and we know that this issue is a national cause. It gives us dollars, it gives us membership."

It is too far away for the Senator from Arkansas or others to go up and look at it and see for themselves the technological advancements that have been made, or to go down in the Gulf of Mexico in the delta off the Mississippi River and see how the technology has developed to where they are now drilling in 2,300 feet of water. To suggest that we cannot drill on land in a very, very tiny sliver, roughly 2,000 acres out of 19 million acres, and do it safely is an effort to hoodwink the American people.

So I am a little surprised that my good friend from Arkansas would attempt to roll in the national environmental groups' major issue relative to membership and dollars. I am disappointed too that he would allow himself to be used by those groups, so to speak, who admit without question that we have the capability to develop oil and gas resources safely. But they know they need an issue. It creates dollars. It creates membership. As a consequence, we have it brought up in this debate today.

So I encourage my colleagues to look behind the motives associated with the objections by the Senator from Arkansas who reflects on an objection to the process under which the Federal Government sells its surplus property, leases, if you will, its resources to generate funding so this funding can come back in the Treasury and be utilized for deficit reduction or the budget process.

I think it is an extraordinary set of circumstances that we find ourselves in a situation where some would have this particular asset sale issue be seen as a vote on a resource development issue that would make our Nation less dependent on imported sources of energy.

I serve on the Energy Committee with my friend from Arkansas. And I appreciate his sensitivity to the fact that we are increasing our dependence on imported oil. We are about 51.5 percent dependent on imported oil. But, you know, the other day we also saw an effort by the administration, an announcement of the sale of some of the oil that went into the strategic petroleum reserve, that it would be sold, about 12 million barrels.

This was hyped up by the media as way of bringing down the price of gas. None of them were sensitive enough to really pick up on the issue of how insignificant it was, because when you discuss 12 million barrels, and we consume 18 million barrels a day, you can readily see that this is simply a drop in the bucket. But nevertheless, it was significant to the media. And we note that the President has proposed further sales of SPRO. And we are going to be debating that in the Energy Committee.

But the single most important thing, Mr. President, is we created SPRO as a consequence of the oil embargo in 1973. We saw a disruption in our supply of oil. Congress acted in the national security interests of the country by creating a strategic petroleum reserve with approximately a 90-day supply in mind. We did not achieve 90 days supply, Mr. President. We got up to about 37 days. But I find it extraordinary that at that time we were 36 percent dependent on imported oil. Today, we are over 50 percent and there is a suggestion that we sell some of SPRO.

Mr. President, it is only a matter of time. We are losing our leverage on the Mideast because we are becoming too indebted to them as a single energy source. We will rue the day in this body when we have not met our obligation to reducing this country's dependence on imported energy by encouraging domestic development where we are most likely to find it and where, indeed, we have the proven technology to do it safely.

I also find it rather ironic on some of the issues in Alaska some people would rather see a check written for the impact of people rather than benefit from the creation of jobs, such as was the case proposed in the Tongass for $110 million, to take care of their needs. The environmental community does not suggest that is applicable to taking care of the concerns of the Gwich'ins or the porcupine caribou herd in this case.

No. It is an issue that emotionally is charged with unfounded rhetoric, based again on those unscrupulous, extreme environmentalists that want to use this as the single most important issue to generate funding, generate membership, because Americans cannot go up to see it for themselves, and time after time we simply sell American technology and ingenuity short.

I can tell you as a businessman, Mr. President, if the position of the Senator from Arkansas prevails, this Government is not going to be able to generate, from the sales of surplus, leases, or whatever, funding to reduce the deficit or fund the Government, as the case may be. So as a consequence, Mr. President, I encourage my colleagues to focus in on the real issue at hand here.

That is the issue specifically of scoring. And that is what the Senator from Arkansas is opposed to. That is what this Senator from Alaska supports, because without it we simply cannot get there from here. We cannot properly address the sale of Government property and generate the funding into a worthwhile cause whether it be deficit reduction or other budgetary needs. So I encourage my colleagues, Mr. President, to vote against this amendment as they did last year and the year before, and I believe the year before that.

Mr. President, I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, let me say that the Senator from Alaska, he is correct, I voted for the sale of the Uranium Enrichment Corporation. I did not vote to score the money received from that sale on the budget to reduce the deficit, to mask the size of the deficit. He is incorrect in characterizing my support for his proposals to sell assets. I voted against the reconciliation bill out of our committee.

Mr. President, my point is this—I do not know how many times I have to say it—I am not suggesting we prohibit asset sales. I am suggesting that we not mask the size of the deficit by scoring revenue from asset sales against the deficit. If you want to put the sale of the Uranium Enrichment Corporation into infrastructure that you would otherwise spend, be my guest.

AMENDMENT NO. 4014

(Purpose: To restore common sense to the budget rules by eliminating the defense firewalls)

Mr. BUMPERS. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside in order to offer another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself, Mr. SIMON, and Mr. KOHL proposes amendment numbered 4014.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike line 9 on page 52 through line 22 on page 53 and insert the following:

"(1) with respect to fiscal year 1997, for the discretionary category $489,207,000,000 in new budget authority and $531,365,000,000 in outlays;

"(2) with respect to fiscal year 1998, for the discretionary category $489,153,000,000 in new budget authority and $521,660,000,000 in outlays;

"(3) with respect to fiscal year 1999, for the discretionary category $493,221,000,000 in new budget authority and $525,742,000,000 in outlays;

"(4) with respect to fiscal year 2000, for the discretionary category $500,037,000,000 in new budget authority and $525,071,000,000 in outlays;

"(5) with respect to fiscal year 2001, for the discretionary category $492,468,000,000 in new budget authority and $517,708,000,000 in outlays;

"(6) with respect to fiscal year 2002, for the discretionary category $501,177,000,000 in new budget authority and $515,979,000,000 in outlays;

as adjusted for changes in concepts and definitions and emergency appropriations.

"(b) POINT OF ORDER IN THE SENATE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

"(A) a revision of this resolution of any concurrent resolution on the budget for fiscal year 1998 (or amendment, motion, or conference report on such resolution) that provides discretionary spending in excess of the spending limit for such fiscal year;".

Mr. BUMPERS. Mr. President, this amendment would abolish what we refer to around here as the firewall that protects the defense budget against any diminution if you try to take any money out of defense to put it in something else. If you had 5 million homeless people in this country that were hungry, and you wanted to decide, as a matter of national policy, we did not want those 5 million people on the streets hungry, and you felt like you might cut the defense budget it would require a supermajority—60 votes.

Now let me explain what the firewalls do. The 1990 Budget Act established caps on discretionary spending and imposed firewalls on the defense portion of the discretionary budget for fiscal years 1991 to 1993. In fiscal years 1994 and 1995, we did not have these so-called firewalls. All of a sudden last year it came back. And so the last 2 years, 1995 and 1996, the firewalls were up again.

Now, Mr. President, let me tell you, in the 2 years, 1993 and 1994, when the firewalls were down, I want anybody here to tell me how defense suffered. Did anything happen in those 2 years that would jeopardize the national security of this Nation? I can answer that. You can answer it. The answer is no.

I am just offended by the philosophy that every day of every year that approximately $270 billion for defense is sacred at the expense of everything else. You might have 10 million children unimmunized. You might have 5 million children who have been kicked off Medicaid and therefore are ineligible for health care. You may have hungry children who are not getting fed because the only meal they get is at school. Under the firewalls you cannot take $1 to redress any other of the millions of problems we have in this country unless you can muster 60 votes.

The thing that I think is almost as offensive to me as that is that everything around here is couched in terms of either you vote for every single dime anybody can conjure up for defense or you are perceived as being weak on defense. The Budget Resolution provides more than $11 billion for defense above what the President asked for. I sit on the Defense Appropriations Subcommittee. I get a chance to decide later whether I think that is enough money, too much, or not enough.

Let me discuss what is happening to this country and you tell me whether or not you think we can continue with this policy and continue to be a great nation. First, the argument I have heard most is that we do not spend as much on defense as a percentage of the national budget as we did when Jack Kennedy was President. Well what is so startling about that? We did not have Medicare then, either. Social Security expenditures were around $10 billion to $15 billion a year; now it is almost $300 billion. Entitlements did not take 60 percent of the budget as it does now. If you take entitlements and interest on the national debt it leaves you, out of a $1.650 trillion budget, it leaves you approximately $500 billion for discretionary programs. Let me repeat: Out of $1.7 trillion, all that is left for defense and all the other things that make us a great nation, a civilized nation, a democracy, is $500 billion—about 35 percent of the budget.

So here we are with 35 percent of the budget, $500 billion for defense and everything else—the environment, education, law enforcement, medical research, you name it. So where are we heading, Mr. President? This chart demonstrates what is going to happen. Between 1997 and 2002 we are going to spend $1.895 trillion on defense. During the same period we will spend $1.579 on domestic discretionary programs. While defense spending rises during the period, domestic programs are cut, down to the point that in the year 2001 defense gets $275 billion while everything else gets $218 billion.

Education, the environment, highways, medical research, law enforcement, our system of justice, these programs all get slashed. In comparison, defense over the next 6 years get $316 billion more than everybody else.

This budget over a 6-year period cuts $60 billion in education spending. The other day, the majority leader of the House suggested that we cut education to offset the gas tax cut. He said: "We are not getting a very good return on our dollar, anyway, for education." I swear, sometimes you would think we are living in the middle ages.

Mr. President, what has been happening to nondefense discretionary spending? We are by far the most powerful nation on Earth. One of the reasons is because over the next 6 years we are going to spend $316 billion more than we spend on nondefense programs. I am not talking about Medicare and Medicaid and Social Security, welfare and all the entitlement programs. I am talking about just the things where we have some discretion. We account for one-third of all the world's military spending. We spend twice as much on defense as Russia, China, Iran, Iraq, North Korea, Libya, Syria, and Cuba; twice as much as all those eight nations combined. We spend 17 times more than the six so-called rogue nations, Iran, Iraq, North Korea, Libya, Syria, and Cuba—17 times more.

Oh, yes, we are by far the most powerful nation on the Earth militarily. This body has said, "You can't cut a dime of it unless you get 60 votes." Bear in mind in 1993 and 1994, it did not come up. Nobody tried to rob defense to pay for other things. There are some things I would have changed. However, let me tell you where the United States is not doing so well. Listen to this, colleagues: we are 21st in infant mortality rates in the world. Mr. President, 27th in education. Let me repeat that: 27th in education by the scores the Department of Education keeps.

Where are we in the immunization of our children? Mr. President, 61st. Betty Bumpers has spent her entire public life since I was elected Governor on childhood immunization programs. I am proud of her. I have said many, many times if I died tomorrow, the people of my State and this Nation would owe her a much bigger debt of gratitude than they will owe me. I do not say that to be gracious. I say that because it is true. When I think of the man hours that have been spent, I think of the children's lives that have not been lost, when I think of the human misery that has not been suffered because of Betty's commitment now, and in the last 5 years with Rosalynn Carter, traversing this country back and forth, up and down, for the past 5 years, trying to get these levels up, and we are 61st in immunization levels. I must say, our levels are pretty high, but not as high as they ought to be. How many children in this country live below the poverty line? Twenty percent of our children live below the poverty line.

Who has the highest teenage murder rate in the world? The United States. So how are we going to address that? Not by putting 100,000 more cops on the beat, because we cannot afford it. While we should be spending for the things that make us a great Nation, we have to keep that going down, so we can keep defense spending going up.

So, Mr. President, I can tell you, categorically, that it is not my plan. I am just saying it is bad public policy, and it does not reflect well on the U.S. Senate and the U.S. Congress to say that we consider defense so important that, no matter what happens in this Nation, no matter what kind of an epidemic we may have that we need to stomp out, no matter how many hurricanes, tornadoes, and floods we have, you cannot, without 60 votes, take a dime from defense to address it.

That is a crazy policy, and it shows how little confidence the people who conjured that up have in the U.S. Congress. It is as though we will unilaterally disarm. We do not do it for anybody else, and we ought not do it for defense. This body is not going to take leave of its senses if I or anybody else offers an amendment to take $1 billion out of defense. If they do not like it, they can vote against it. That is called democracy.

I ask unanimous consent that it be in order that I be allowed to ask for the yeas and nays on both of my amendments dealing with firewalls here and also on asset sales.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. I now ask for the yeas and nays on each of those amendments.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, I rise in opposition to the amendment offered by Senator SIMON and Senator BUMPERS. The amendment would remove the firewall between defense and nondefense discretionary caps and would allow defense to be used as a convenient billpayer. This amendment encourages raiding defense accounts every time there is a fiscal problem. It will not restore flexibility to the budget process, nor help avoid any future Government shutdowns, as some would have you believe.

Our flexibility to determine defense spending or reduce defense spending, if we so choose, is not restricted by firewalls. The Congress will continue to set spending priorities. Firewalls will ensure we live by those priorities.

Firewalls and spending caps are important tools for maintaining fiscal discipline. Firewalls guarantee that if defense spending is reduced, the savings will go to deficit reduction rather than to other Government spending. If the Defense Department develops a requirement for additional funding, then firewalls will require the Department to provide an offset.

Hard decisions must be made to balance this budget. We should not allow defense to be used as a billpayer without regard to the effects of these reductions on our military capabilities.

Mr. President, the defense budget is in its 12th straight year of decline. The Secretary of Defense, service Secretaries, and Chiefs of the military services have all testified about their concerns regarding modernization funding. But we already have had a good debate on defense spending and had a vote. I do not need to waste more time going over those arguments. We must maintain discipline in the budget process. Firewalls contribute to that discipline. There is no easy way out. There is no convenient billpayer that will take care of all of our problems.

I strongly urge all of my colleagues to oppose this amendment.

Mr. President, I yield the floor.

Mr. BUMPERS. Mr. President, the Senator from Illinois, Senator SIMON, has arrived on the floor. He is my No. 1 cosponsor.

Is the Senator from Illinois willing to defer? Senator THOMPSON from Tennessee has been waiting an inordinate length of time. He has been waiting on me to finish speaking. I promised him that he could go immediately after me. He will not take very long for his statement. But I do want my colleague to be heard on this asset sale amendment.

Mr. SIMON. I certainly agree to that—particularly if the Senator from Tennessee will agree to your amendment. Seriously, I do not have the floor, but I am pleased to hear the Senator from Tennessee.

Mr. THOMPSON. May I inquire of the Senator from Illinois how much time he needs? Since we are on that subject, it might be best if he goes first.

Mr. SIMON. I was going to speak for 3 to 5 minutes on the Bumpers amendment.

Mr. THOMPSON. While we are on that subject, if it is agreeable to everybody else, I will defer to my friend, if he wishes. Would the Senator prefer that, or would he prefer me to go ahead?

Mr. SIMON. If the Senator from Tennessee has no preference, I welcome the opportunity to speak briefly, and I assure him that I will speak briefly.

Mr. THOMPSON. That is fine with me.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I strongly support this amendment offered by Senator BUMPERS. Let me just remind you of where we were not too many years ago. In 1975, I came into the U.S. House of Representatives. If you take the defense budget for 1975 and add an inflation factor, this year we are going to spend $22 billion more than we spent in 1975. In 1975, we were involved in the cold war, a nuclear confrontation. We were involved in Vietnam.

Now, the other side will point out that we had a draft then, and we did not spend as much money on personnel. But let us face it, the world has changed dramatically and, because of the pressure from our friends in the defense industry, we are not changing, and we ought to. Gertrude Stein would say, "Money is money is money." For us to say some money is more sacred than others, and we are going to give the Pentagon $11 billion more than they requested, we are going to cut back on education $2.3 billion, I do not think that makes sense.

If someone wants to set up a firewall around education—and I strongly support education—I am going to vote against that. I do not think we have a firewall for anything. The Senator from Arkansas makes good sense, and I hope we will have the good sense to do that.

I point out, about 3 years ago, by voice vote, without a dissent, I offered an amendment to get rid of the firewall, and the Senate unanimously adopted that. I remember BILL BRADLEY and JOE BIDEN were cosponsors of that amendment, along with Senator BUMPERS. When we got to conference, our friends in the defense industry went to work, and we lost. But this amendment makes sense. This is in the best interest of our country, and I hope we adopt the Bumpers amendment.

AMENDMENT NO. 3981

(Purpose: To express the sense of the Senate on the funding levels for the Presidential election campaign fund)

Mr. THOMPSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. THOMPSON], for himself, Mr. KERRY, Mr. MCCAIN, Mr. FEINGOLD, and Mr. BRADLEY, proposes an amendment numbered 3981.

At the appropriate place in the resolution, insert the following:

SEC. . SENSE OF THE SENATE ON THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that when the Finance Committee meets its outlay and revenue obligations under this resolution the committee should not make any changes in the Presidential Election Campaign Fund or its funding mechanism and should meet its revenue and outlay targets through other programs within its jurisdiction.

Mr. THOMPSON. Mr. President, the purpose of this amendment is to delete the mandatory assumption in the pending resolution which directs the Finance Committee to repeal the current system of financing the Presidential election campaign fund. The budget resolution directs the Finance Committee to change the checkoff to a direct contribution to be taken from tax refunds.

Mr. President, as you know, we have a system now whereby our Presidential election campaigns are funded by a checkoff system where taxpayers can check off up to $3 to finance the Presidential campaign. What the budget resolution would do is to change that to a situation where a person would have to take money out of their own pocket from tax refunds in order to voluntarily contribute toward this fund.

There is no question but what the result of that would be. It would be to eventually destroy the fund and the system we have now, at a time when everybody is concerned about the way their Government is operated, the way their Government is perceived, and the cynicism that so many people have toward their Government, toward the role of money in their Government, and toward the role of money and the amount of money—tremendous sums—that is necessary to finance Presidential campaigns, Senate campaigns, and congressional campaigns.

At this particular time, the budget resolution takes exactly the wrong move toward all of this. We ought to be going in the opposite direction.

There is a reason that we have the system that we have today. Along about 1973, we had an affair called Watergate. We heard testimony during that period of time about large suitcases full of money going around and cash being collected from around the country from very substantial individuals and groups of individuals, and about those suitcases of cash being brought back here. In that particular Presidential race—it was a bipartisan problem—I remember one of the treasurers for one of the Democratic candidates in the primary wound up going to jail because of some of the things that we investigated. But very substantial with regard to the President's reelection campaign, this was a major problem that resulted in them spending that year about twice as much in real dollars—in current dollars—as was spent in the last Presidential campaign.

So we were awash with money, we were awash with cash, and we were awash with concern in this country that the wrong people were having too much influence on the outcome of our Presidential races. So this did not just appear out of the blue. It was because of a very real concern.

I hope that we do not have such a short attention span in this country that we do not even remember things like that entire affair called Watergate back in 1973.

The result of the reform that came from that—there were several reforms, some were good, some were not so good—was PAC contributions or the political action system itself which was built up during that particular time. But one of the results—on the Presidential level anyway—was that we really got more participation and have had more participation by American citizens in the Presidential campaign process than we have in other elections in this country. Taxpayers somewhere in the range of 15 to 20 percent participate in this program. Taxpayers participate to other elections in the range of about 7 percent.

Another result that has been derived from the system that we have now is that it has been virtually scandal free. We certainly cannot say that about any other part of our system. It has also leveled the playing field. I think that many of us are undoubtedly concerned about the extraordinary advantages that money brings. And we have this debate with regard to Senate campaigns; congressional campaigns. That is another debate that we certainly are going to have in this body before long, and something that is of concern to me. But because of the Presidential system that we have now we really have developed a pretty level playing field where there has been an incumbent involved. In three out of four of the last Presidential elections challengers have had one.

So by almost any measure at a time when very few things seem to work properly, and at a time when people certainly are not satisfied with the role of money and the amount of money in our entire political system, it would seem that on this Presidential level anyway the system has worked better than any other. The question that you have to ask yourself is, If we do away with the system that we have now, what are we going to replace it with? If we go to a system that is going to generate fewer and fewer dollars, as without any question this would, we are eventually going to have to have a situation where people opt out of it. Only about three people have I think ever opted out of it since we have had it. But you will have more and more people who will opt out of it and go back under the old system. And if you think raising $1 million or $4 million for a Senate campaign in increments of $1,000 or less is a lot of fun, somebody ought to try raising $90 million under that system. So it will be a total impossible mess where candidates will be spending absolutely all of their time years in advance in trying to raise these relatively small amounts of money, and the people who can raise those moneys for them, of course, become more and more influential in policy.

So we are not leaving ourselves any fallback here, and we do not have anything to replace the current system with.

There is no doubt that the current Presidential checkoff system and the current Presidential financing system could be improved somewhat. It seems that my party has front-end loaded the primaries and pushed the convention further back which places great difficulties on candidates who have contested primaries. We may have outsmarted ourselves there. The President this year does not have a contested primary.

So you must look to see whether or not there are those allotments where you can raise so much money and individual States by so much and by such and such increments, and all of that. I would not care to put all of that on the table.

I think we can look at absolutely all of that and adjust that in a way that would improve our overall system. But the basic proposition that we need a system at the Presidential level—I think otherwise, too, but again another debate—we need a system at the Presidential level where at least the fellow or the person that we elect as President of the United States does not have the additional baggage of being perceived to be elected by special interests at a time when cynicism is the biggest problem probably facing our Government because it permeates everything else. As I said, this is exactly the wrong direction to go in. Therefore, I urge adoption of this amendment.

I yield the floor.

Mr. McCONNELL. Mr. President, Members and their staffs need to be clear on what this particular debate is about and what it is not about. It is not about the merits of the Presidential campaign fund. It is not about the Watergate so-called reforms.

What this amendment is about is fiscal integrity. Contained within the budget resolution is a provision which simply makes the Presidential election campaign fund tax form checkoff mechanism truly voluntary. In other words, it alters it so that the checkoff no longer diverts tax dollars from the Treasury. Instead, checking "yes" will deduct $3 from that person's tax refund.

In sum, what this does is change the checkoff mechanism so that the nearly 90 percent of Americans who choose not to check "yes" are not forced to pay for the few who do.

At the most recent checkoff rate, this modest alteration would save taxpayers about $70 million annually.

As I said, this modest proposal does not abolish the Presidential system, as I would like. It does not get rid of the checkoff, as I would like. This is not a referendum on the merits of the Presidential election system.

Presently, the checkoff's "yes" box constitutes a direct appropriation diverting tens of millions from the Treasury at the behest of a shrinking pool—13 percent and falling at last count—who check "yes" on their tax forms.

As George Will so astutely pointed out in the Washington Post last year, the current checkoff mechanism is a bookkeeping dodge. He further elaborated: "The checkoff involves not voluntary contributions but rather a diversion of scores of millions of dollars of general revenues to an unpopular program."

Mr. President, the public's disdain for taxpayers financing of political campaigns is well known so I will not belabor it further at this time.

The budget resolution provision quite simply would modify the checkoff mechanism so that people who oppose taxpayer funded political campaigns do not have to pay for those who check "yes." The Senate has never voted on this specific question—it is not on the merits of the Presidential system—so I hope colleagues who support the Presidential spending limit system will give careful thought to making the checkoff mechanism honest by making it truly voluntary.

Mr. President, we ought to consider expanding the checkoff format, in an add-on form. I am favorably disposed to include such a checkoff to raise funds for America's national parks—popular national treasures. There are no doubt other worthy endeavors which would be appropriate subjects of checkoffs to give Americans an opportunity to directly contribute, without impacting the budget.

The Presidential fund is very unpopular and the checkoff is deceptive. To simply make it honest, I urge my colleagues to oppose the Thompson amendment.

I would also advise Senators that the Kerry amendment is strongly opposed by the National Taxpayers Union and Citizens Against Government Waste. In the view of these good government groups, a vote against the Thompson amendment is a vote for taxpayers.

Mr. KERRY. Mr. President, to quote Yogi Berra, perhaps slightly inaccurately, "This seems like deja vu all over again."

It was over 20 years ago now when this Nation suffered through the embarrassments and dangers of Watergate. The Nation was treated to the spectacle of testimony about the Attorney General of the United States and the Secretary of Commerce shaking down the captains of industry for campaign contributions, and hauling briefcases full of hundred dollar bills. Americans learned about expenditures that totaled over $200 million in 1996-valued dollars. They saw a genuine constitutional crisis that toppled a Presidency and posed much greater risks for our constitutional democracy. And they understandably were not pleased.

In the fallout from Watergate, the Members of Congress got the message from their constituents to fix the problems that permitted the campaign finance abuses that composed an important part of that scandal. The Congress responded by enacting a program of voluntary spending limits for Presidential election campaigns in exchange for providing public financing for Presidential candidates in both the primaries and the general election. And, Mr. President, it has worked. It has worked superbly. In all the Presidential elections since 1974, we have never again seen the abuses that the 1972 election will infamously represent to all who lived through it or have learned about it from the history books.

That makes it doubly difficult to understand, Mr. President, why anyone would want to destroy those reforms that have worked so well. But that's precisely what some on the other side of the aisle want to do. Just 1 year ago, when we were considering the last congressional budget resolution, the Republican majority on the Budget Committee at the behest of other Republican Senators made an effort to abolish the Presidential campaign finance system. At that time, I offered an amendment to remove the language from the resolution that would have had that effect, and by a vote of 56 to 44, obviously composed of the votes of both Democratic and Republican Senators, we succeeded in saving the existing system of Presidential campaign spending limits and public financing that has removed corruption from Presidential elections, limited the amount of money spent in those campaigns, and returned to the American people the allegiance of candidates for the highest office in the land and the most powerful office on the face of the Earth from the special interests which used to so generously pay for the campaigns.

This year, opponents of publicly financed Presidential elections are using a different approach, but the intent and the result would be the same. It would end the system of spending limits and public financing of Presidential elections.

That is why I stand here with my good friend, the Senator from Tennessee, and colleagues from both sides of the aisle. We will oppose, and once again we are determined to defeat, this effort to kill the system of public financing that is working to keep special interests from taking over Presidential politics once again.

The budget resolution says: "This proposal would not terminate public financing, only the source of the funds." Well come on, Mr. President, how are we going to have public financing and the spending limits and clean campaigns that go with it if we don't fund this proven system? Who's attempting to kid whom?

This is a time for us to win back the collective faith of our community members and the rest of the country. We should be committed to restoring the American trust in our electoral system. Obliterating a system of public financing that has worked for two decades is no way to accomplish that.

Plain and simple, Mr. President, the system works. In 1972, when Richard Nixon ran for President, he spent $60 million in that race, the equivalent of $200 million today. That is more than the total both President Bush and Bill Clinton spent in 1992. I challenge those Senators who are the proponents of the provision in the budget resolution to find any American who would favor a return to the days prior to the Watergate reforms—except, of course, representatives of the moneyed special interests who would love to be able to purchase special access and influence again if we were to permit them to do so.

I hope we will not forget the way it used to be. We must not forget that a Presidential candidate accepted a $2 million campaign pledge from an industry, and then his administration granted that industry an increase in price supports that cost the American people far, far more than the $2 million contribution. We must not forget the approval of an airline's route application shortly after a large corporate contribution to the party in power. And we must remember the settlement of antitrust litigation on terms favorable to a corporation very soon after that corporation agreed to underwrite a large portion of the cost of a political convention.

Those were the bad old days of Presidential elections, Mr. President, and I am totally confident the American people do not want to return to those kinds of practices. These are the kinds of activities the system of voluntary spending limits and public financing has eliminated from Presidential elections, and that is why it is so important to preserve public financing of Presidential elections.

Nearly 50 percent of Americans believe lobbyists and special interests control Washington, and over 90 percent believe that campaign contributions from special interest groups influence members' votes. Special interest political action committees [PAC's] contributed a record $189 million to congressional candidates during the 1993–94 election cycle. It is these same PAC's that sniff out the movement of power in Washington as their loyalties flip like pancakes on a griddle. And in 1994, the Federal campaigns for the House and Senate cost an astronomical $600 million. This is a system that is out of control. The people know it, and they do not like it one bit.

But look at the role of PAC's in the presidential election system. PAC's provided less than 1 percent of the funding for the Presidential campaign in 1992; 1 percent. But that would change if we do not adopt this amendment, if we do not save the Presidential campaign financing system.

Mr. President, the American people want the strings of special interests cut from their Government. They want to retake control of their Government. In fact, Mr. President, that is exactly what this campaign fund does with respect to Presidential elections. More people participate through the checkoff than contribute voluntarily to campaigns in this country. One out of seven Americans participate in the checkoff, whereas only 1 in 22 Americans contributed to campaigns in 1994. The checkoff could, in fact, be stronger than it is today. No American is coerced to participate in the checkoff. It is a voluntary system. But it works.

The system of financing Presidential elections has no political or ideological bias. And the history of Presidential campaigns in the past 20 years demonstrate that it is warmly embraced by candidates for both parties. It has been accepted by both Republican and

Democratic candidates. Indeed, since 1976, all but one major candidate for the Republican or Democratic Party nominations voluntarily chose to participate in the Presidential campaign finance system. All major party candidates for the general elections have chosen to accept public financing since 1976.

We are faced today with a new, and ever growing sense of urgency to fix our campaign system. As the influence of special interests grows, the distance between the American people and their Government grows. Our citizens, the most fundamental and critical engine to our ability to govern, feel they are being cut out of our democratic process. But that is a debate for another day.

The subject for today is not to turn back the clock and retreat from the single most beneficial set of changes to our system of financing campaigns in our lifetimes.

We have the honor of representing the public trust and responding to their concerns and needs. We did the right thing a year ago when we rejected a very similar provision with the identical objective, and I urge my colleagues to once again demonstrate conclusively that the special interests will not be permitted to regain control of Presidential campaigns and, in so doing, unleash unlimited campaign expenditures—all financed by moneyed special interests—on the American people. I urge my colleagues to support this amendment, and to preserve the Presidential Campaign Finance System.

I compliment the Senator from Tennessee for his leadership on this amendment. He knows, from close, firsthand observation, the destruction that the abuses in the campaign of 1972 caused, and he was closer than most to the further dangers that we fortunately avoided. It is reassuring to see him courageously stand up and resist this misguided effort, and I am proud to stand with him and with our other colleagues who are joining as cosponsors of this amendment.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I would like to ask the Senator from Tennessee if he would give me one minute.

Mr. THOMPSON. Yes.

Mr. EXON. Mr. President, I thank the Senator from Tennessee who made a very excellent case on a very difficult problem. I happen to feel that this amendment should be accepted unanimously, and it might be. If not, I hope when we have a rollcall vote that we would recognize and agree with the Senator from Tennessee who has a lot of experience in the particular field that he partially cited in his remarks.

I would like to ask the Senator from Tennessee if I might be a cosponsor of the amendment.

Mr. THOMPSON. I thank the Senator. I would be delighted.

Mr. BUMPERS. Will the Senator from Tennessee yield me up to 5 minutes?

Mr. THOMPSON. I am happy to.

Mr. BUMPERS. Mr. President, I want to profoundly thank the Senator from Tennessee for bringing this to the Senate's attention. I think the Members of the Senate did not realize an amendment was going to be required to do what he wants to do—return the contributions to the Presidential race where they were before. As the Senator from Tennessee correctly points out, it is one of the few things that has worked, in my opinion, perfectly around here. I am one of the people who happen to favor public financing of campaigns. We are the only developed nation on Earth that does not publicly finance campaigns. To me that is alien to most people in this country. They do not like that. But I can tell you that it would be the best investment the American taxpayer has ever made to finance senatorial and House races and the Presidential race. You take money. I do not want to be too caustic and cynical about this. But I can tell you, you are never going to get things the way you want them around here as long as the money plays the role it does in Presidential races, and certainly as long it plays the role it plays now in elections for the Senate and the House.

So I just want to compliment him to make sure we do not move in the wrong direction. I would like to think that at some point we will move in the right direction and publicly finance these so every Senator can vote without worrying about who he might offend that gave him money the last time. I do not mean that to be unduly critical of any Member. Everybody here has done it. It has become a requirement.

Let me just say one thing. In 1960, 70 percent of the people of this country said they had quite a bit of confidence in Congress. That was 36 years ago. At that time you could take $100,000 in $100 bills as a political contribution and never report it to a soul. You did not have to do anything. Put it in your pocket. And unless somebody caught you at it, it was perfectly OK. You could take a 2-weeks all-expense-paid vacation paid for by some lobbyist. There was nothing wrong with that. People who back home came into your office seeking favors, oftentimes Members of Congress would send them back to their law firm in their hometown and they split the profits of that law firm at the end of the year no questions asked. Nobody knew, and nobody the wiser.

You could take $100,000 in hundred dollar bills for making a speech, and nobody knew it. Nobody cared. And 70 percent of the people in this country thought Congress was doing a pretty good job.

All of a sudden, CBS discovered that you could make money off the news. So they developed "60 Minutes." They put a little pizzazz in the show business end of the news, and you could make it profitable. And they did. And "60 Minutes" became the most widely watched show in America and the most profitable show CBS had.

Shortly thereafter, as the Senator from Tennessee alluded, the Watergate affair developed; scandal after scandal. From 1972 to 1974, until 1996, Congress has tried to reform itself all beginning with Watergate, and we have. We do not get much credit for it. But if you are looking for gratitude resign from the U.S. Senate.

What has happened? The ethics manual is that thick. Every Senator, if he has any thought at all about his future, keeps the Ethics Committee on auto dial. His secretary does. Now you have to report every dime you take in over $200. You report it faithfully. You do not make speeches for honoraria.

We passed a bill here, one of the best things we ever did, to make us comply with the laws that everybody else has to comply with. I can tell you a lot of people around here have found out that it was tough for the business community of this country to comply with the civil rights bill, EEOC, to comply with the Americans With Disabilities Act, to comply with the wage and hour laws. We have to do that now. And you have to file an ethics report, which every Member of the Senate did last week, showing every dime you have, where it is, how you made it, every stock you own, every acre of ground you own, everything. And after all of that, today 28 percent of the people have quite a bit of confidence in Congress.

On the one hand, you might say, well, what people did not know back then was good for them. But the truth of the matter is we did it and we did it right. There are about 500 Rush Limbaughs in the country. There are about 13 clones of "60 Minutes." And so if you expect those people who are in the money making business to compliment you on the fact that the ethics manual is that thick, forget it. But it is the right thing. We pursued the right course. This body, this Congress is better as a result of having cleaned up our own act. The Senator from Tennessee is right on course when he says we do not want to go back to eventually having to finance the Presidential campaign with private contributions. It has worked fine, and again I applaud him for it. I wholeheartedly support it. I hope he will ask for the yeas and nays. I hate to see it adopted on a voice vote.

I thank the Senator for yielding.

AMENDMENT NO. 4015

(Purpose: To amend the Congressional Budget Act of 1974 to prohibit sense of the Senate amendments from being offered to the budget resolution)

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER (Mr. CRAIG). The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I would like to send an amendment to the desk and ask for its immediate consideration.

I ask unanimous consent that we set aside the pending amendments, I think amendments by Senator BUMPERS.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 4015.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III, insert the following:

SEC. . AMENDMENT PROHIBITING SENSE OF THE SENATE AMENDMENTS ON THE BUDGET RESOLUTION.

Secton 305(b((2) of the Congressional Budget Act of 1974 is amended by inserting after the second sentence the following: "For purposes of the preceding sentence, an amendment is not germane if it states purely precatory language.".

Mr. MURKOWSKI. Mr. President, I appreciate the attention of my colleagues. I have thought a lot about this amendment. First I thought perhaps making this the last of the sense-of-the-Senate resolutions on the budget resolution debate might be in order. But I decided that I would just go ahead with the amendment.

The purpose of the amendment is very straightforward. I am sure it would be welcomed by the managers of the bill. It is designed to expedite our proceedings under the Budget Act and ensure that the Senate debate on the annual budget is focused on substance rather than rhetoric. My amendment simply states that it shall not be in order for the Senate to consider sense-of-the-Senate resolutions during debate on the budget resolution.

I see a little grin from my friend who is managing the budget debate. I have been around here in this body for 16 years. I have engaged in numerous budget debates, and I believe as the years have gone by and as our debt has climbed—now it is above $5 trillion—there has been a little lessening in the quality of these debates. Perhaps it has been declining.

Now, the budget resolution, is supposed to lay out the framework for the authorizing and appropriating committees to meet their obligations under a reconciliation process. We establish ceilings for discretionary appropriations, and we direct the authorizers to change programs within their jurisdiction in an effort to establish what the fiscal priorities are and reduce, obviously, the deficit.

In recent years we have noticed a trend in the budget resolution debate that is a little disturbing. We seem to be getting more and more bogged down in so-called extended debate of the sense-of-the-Senate resolutions, and as we both know, Mr. President, these are resolutions that do not carry the force of law. They are resolutions that do not shift a single dollar from one program to the other. These resolutions merely politicize a budget process that is really creaking under the weight of unending, unlimited amendments.

A brief look at today's Senate Calendar indicates that there are as many as 80 amendments that we will be voting on beginning Tuesday or Wednesday. Of those amendments, at least 1 in 4, or some 20, are sense-of-the-Senate amendments. We have already voted on several such sense-of-the-Senate amendments and more are likely to come.

The sense-of-the-Senate amendments that are offered on these budget resolutions are structured with only one and only one purpose in mind. Let us be realistic. That is an opportunity for Senators on either side of the aisle, whether it be Democrats or Republicans, to develop ammunition to be used in some 30-second spot ad in the next political campaign. These votes are not about substance. They are strictly about politics, positioning, window dressing, and so forth.

This Senator from Alaska thinks that enough is enough. We ought to strictly limit debate on budget resolutions to the substance of spending. These amendments are what a budget resolution should be about, and we all know it. Unfortunately, when we begin voting tomorrow or the next day, we will be voting on a sense-of-the-Senate series of amendments that again will not shift one single dollar of spending and will not change a single word in a statute. Instead, these votes, which are merely political gestures, will be portrayed by the political ad merchants as votes cast for or against the poor, the elderly, the environment, the cause, whatever. And when all the dust settles late Wednesday night after we have allowed 30 seconds to 1 minute of debate on each of these amendments, nothing, absolutely nothing will have changed in a substantive sense except the records of all Members of this body will have simply been distorted.

Finally, Mr. President, I would note the irony in the fact that my amendment which would provide a real change to our budget process may very well be ruled out of order.

Consider, if you will, that Senate amendments that are not binding, sense-of-the-Senate amendments, are in order under our budget process, but real, substantive amendments can be ruled out of order. Is it any wonder that public cynicism of the Congress is at an all-time high?

Mr. President, I ask unanimous consent to make one further statement relative to the debate that I participated in with the Senator from Arkansas on asset sales. It would be simply to add to my remarks a point that I think we all have to consider as we vote on asset sales.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4013

Mr. MURKOWSKI. Mr. President, with all due respect to my good friend from Arkansas, I think his interpretation has a little Alice in Wonderland quality to it. What he says, it appears, is if you have a piece of property, as an example, that you own, and you rent it out for $500 a month, and then, if you sell that property for $75,000 or $80,000 to pay off your debts, you cannot use the $75,000 or $80,000 to pay off your debts, but in fact you have to count the loss of the $500 per month rent as an additional debt. That just does not make sense. This is a result, if you will, if you adopt the amendment of the Senator from Arkansas. You will never be able to sell Government assets because it will not be counted as proceeds from the sale.

So I hope my colleagues will reflect on that.

I yield the floor at this time and ask my colleagues to consider the merits of abolishing the sense-of-the-Senate resolutions as they apply to the budget resolution debate.

The PRESIDING OFFICER. The Senator from New Mexico, the chairman of the committee.

AMENDMENT NO. 4015

Mr. DOMENICI. Mr. President, before the distinguished junior Senator from Alaska leaves the floor, let me talk with him just for a moment about sense-of-the-Senate amendments. There are pending 28 amendments, and 17 of them are sense-of-the-Senate amendments. That means that 17 of them have in no way changed the budget resolution. They do not say, "Increase taxes to pay for some program the budget does not cover adequately." They do not say, "Cut taxes because American families need tax cuts." They are just sense of the Senates.

I am going to address my remarks a little differently than the Senator. Frankly, it does not matter to me whether the sense-of-the-Senate amendments are politically motivated or not. I have come to the conclusion that when you have budgets on the floor of the Senate, there is a lot of politics. There is some very bona fide politics, and that is the parties' attempts to distinguish themselves and say this, essentially, is what we are for; this is what you are for.

But I have wondered since the very beginning, and I have managed many of these bills, whether the votes with reference to sense-of-the-Senate resolutions have had any significant merit in terms of changing how the budget ends up, how the appropriators end up spending the money. I have not asked whether these sense of the Senates have had any impact as people interpret them, but I am going to give you my own interpretation. I believe it is close to right, I would say, not over 1 percent have any impact. Some will come to the floor and say, "Senator, we said you should maximize LIHEAP, the protection for poor Americans who need help in their heating and gas for their homes and electricity. And because we said in a sense of the Senate it should be maximized or kept at last year's level, and it came out that way, therefore the sense of the Senate was effective." I would say it probably was coming out that way anyway, in my understanding of the appropriators' autonomy in this area in deciding how to spend the money, which is exclusively theirs. I do not think we have had much impact.

On the other hand, we have spent an untold number of the 50 hours of the debate talking to the American people as if these sense-of-the-Senate proposals are substantive and are meaningful. Let me venture a guess, with my friend from Alaska. There will be advertisements made in this next campaign which come right out of a sense of the Senate. It will not talk to the public that it is addressing, in the sense that this was just a sense of the Senate, one of these, "Gee, we hope you do it," or, "If everything is OK and comes out all right, we would like you to do it." It comes out as if something substantive was changed or not changed with that vote.

Frankly, I think it is time we come to our senses here and get these matters debated here in the Senate, not in manners that will be most difficult for the public to understand, confuse them, but rather as straightforward and as substantive as you can.

To that extent, I will stay here the whole 50 hours and gladly debate amendments that change the priorities in this budget which I have basically produced on the Republican side in coordination with House Republicans.

Having said that, I am going to support the Senator's proposal. There may be a little downside. But I am absolutely convinced the upside to it for both parties, Democrats and Republicans—for the Senator knows, if this becomes law it will clearly mean that when the Democrats are in the majority, we are not going to be offering 42—48—35 sense-of-the-Senate amendments, trying to set forth some feeling of ours that we want them to share or not share in a vote. But I believe overall it will be very healthy for budgeting if we stuck to budgeting and not to expressing our views about how something should be or should not be through sense-of-the-Senate proposals.

I commend the Senator for it. I think he has gotten to the heart of some of the problems. I submit we still have a huge number of amendments and we are going near—at 10 o'clock tonight we will have only 8 hours left on this resolution and we probably will have 30 or so, 35, and over half of them will be sense-of-the-Senate proposals.

Mr. MURKOWSKI. If I may thank the chairman of the Budget Committee?

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, as he so eloquently pointed out, this is somewhat of a charade. The American people assume that what we are doing here, debating at length, has a binding commitment of some sort. But sense-of-the-Senate resolutions, as the Senator from New Mexico stated, do not carry the force of law. They do not shift a single dollar from one program to another. I guess it is the contention of the Senator from Alaska that they politicize, if you will, this process. It is heavy enough now. As I stated, it is creaking under its own weight of unending amendments, one after the other.

So I encourage Members to take advantage of an opportunity. As the chairman of the Budget Committee pointed out, this works both ways. This simply says, in the future it shall not be in order for the Senate to consider a sense-of-the-Senate resolution during debate on the budget resolution.

I ask my friend from New Mexico how long might this process go on? It might go on for 50 hours, but we would have substantive debates on amendments that would change, if you will—a shift of dollars from one program to another; meaningful debate instead of assumptions that we are debating things that will never become law, that will be little more than a pretext, a window-dressing effort. And all without an explanation or an addendum of some kind to stipulate that this is nonbinding.

If we started every debate with an explanation of what a sense-of-the-Senate resolution was and at the end concluded with what it was, why, the American public would say, "What are you doing? You mean you took 15 or 20 minutes on a sense-of-the-Senate resolution and it is nonbinding and does not shift a dollar, and then you reminded us again at the end that that is what it did? Why," they would say, "what are you doing? You are simply wasting the Senate's time."

So I encourage my colleague to reflect on the merits of that. I see we have another Member on the floor.

I ask that the yeas and nays be ordered on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. EXON. Reserving the right to object.

The PRESIDING OFFICER. This is not a unanimous-consent request. Is there a sufficient second? There is not.

Mr. DOMENICI. You will get your yeas and nays.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 4014

Mr. DOMENICI. I will yield in just a moment to my good friend, Senator EXON.

Could I take just 2 or 3 minutes on one other issue and then yield the floor? I think the debate on firewalls occurred. Let me make three points.

One, Senator BUMPERS said that outlays over the next 6 years for nondefense discretionary are only $1.6 trillion, and then he proceeded to compare that with defense discretionary and indicated that, obviously, there was too much money being spent on defense.

Everyone should know that the part of domestic spending that was spoken of at $1.6 trillion is only that which appears in the annual appropriations bills. If you put the rest of the domestic spending for all the other programs that are not there—that are entitlements, that are mandatory programs—then we put in perspective defense versus domestic because $7.4 trillion over the next 4 years will be spent for domestic programs, not $1.6 trillion, a tremendous number that is multiples of the defense budget, and that is how it should be. But it is not $1.6 trillion; it is $7.4 trillion.

So, 82 percent of all Federal spending over the next 6 years will be in nondefense spending. These are facts right out of the budget. There is no attempt on my part to give the Senate anything but the numbers that appear there.

Firewalls. Firewalls in the Senate budget resolution are a creature of concern for pressure being put on the defense budget. Whenever domestic spending is tightened, the temptation is to take the money out of defense.

At one point in the history of budgeting, perhaps as much as 7 or 8 years ago, or 10, the Senator from New Mexico came up with an idea that once you vote on the defense numbers in the budgets, that you had to use all of that for defense, and if you did not, you put the rest of it on the deficit; you did not spend it. The definition, therefore, of a firewall is, without a 60-vote majority, you cannot spend defense money on domestic programs.

I believe, as we attempt to whittle down the annual deficit, which will put pressure on domestic spending, that we ought to leave those firewalls up. We ought to be judicious and careful when we set the defense amount, but then we ought not subject it to the pressure of whether we should take out of it to spend for some program on the domestic side that we may not be able to fully fund. Maybe it is low-income energy assistance. If you cannot fund it totally, do you take some money out of what you voted for defense, or are you precluded without a supermajority?

So I think Senator BUMPERS' amendment ought to be defeated. For the next few years while pressure is on both defense and domestic, we ought to have the vote here on the floor on the budget resolution, and the debate with reference to defense be the final vote as to how much is available.

I repeat, we do not have to spend it all if the appropriators find for some reason it is not necessary, but we ought to then put it on the deficit and not turn these accounts into two lines blocking to see which one can take money away from the other part of this budget.

The Bumpers-Simon amendment would eliminate the firewalls between defense and nondefense discretionary spending in the resolution for fiscal years 1997 and 1998. By eliminating the firewalls, this amendment exposes the defense budget to even deeper reductions to pay for higher domestic spending. Defense spending is the only category of spending that actually has declined over the past decade.

Firewalls have been a part of congressional budgeting operations this past year and from 1991–93. They have been an effective tool to help instill discipline in the budget process and to help enforce the spending limits Congress sets in budget resolutions. The amendment would simply enable backdoor cuts in the defense budget by permitting them later in the fiscal year, after Congress has set what it thinks are the ceilings for defense and domestic discretionary spending. The firewalls are now more important than ever. The reason is simple: The defense budget is under more pressure from domestic discretionary spending than ever before. We are already seeing several amendments in this debate to increase domestic spending either through tax increases or cuts in defense.

There are already too many cuts in the defense budget. Studies from CBO, GAO, and others show that there is already not enough money in the Clinton defense budget to support even the President's own force structure plan. As a result, aircraft, ships, tanks, and helicopters are aging beyond what even this administration believes is tolerable. Transfers out of defense will just make these and similar problems worse.

Mr. President, I urge Senators to vote against this amendment.

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 4015

Mr. EXON. Mr. President, I yield myself what time I may need in opposition to the sense-of-the-Senate amendment offered by the Senator from Alaska.

The Senator from Nebraska has made several points today with regard to the sense-of-the-Senate amendments that are before the body that might lead some to expect that the Senator from Nebraska would jump at the opportunity that is being offered by the Senator from Alaska to do away with sense-of-the-Senate amendments.

Yes, the Senator from Alaska has offered an amendment to prohibit the sense-of-the-Senate amendments. OK, there is some validity for that argument. Sense-of-the-Senate amendments do not have, obviously, the force of law, as I have made the point on several occasions earlier today. But let us stop and think. If we prohibit them, what would be the result? Frankly, I do not think very much, because Senators would, as a substitute, offer small changes in dollars in a regular amendment with some very long statements of the purpose. There is no way, I suggest, to get out of such votes, whether they are sense of the Senate or not.

In a way, I will simply say as much as we all may find sense-of-the-Senate amendments a bother to deal with, the alternative may actually be worse. Sense-of-the-Senate amendments allow the Senate to let off steam on a particular subject without actually spending any more money or, even better, making more laws that have not been thought through. Sometimes that can be a useful thing just to let off steam.

If the Senate adopts the Murkowski amendment, this will be just another limitation on the rights of the minority. I will simply say that all of those years that we were in the majority, at least while I was here, the majority never tried to interfere with the rights of the minority. Therefore, while I am not accusing the author of the amendment of being devious, the facts are that sense-of-the-Senate resolutions all during those years when the Republicans were in the minority were used quite successfully to make points that they could not make in any other fashion.

So I simply say the minority should be prevented possibly from even changing any language, if we proceed as in the fashion as suggested by the Senator from Alaska.

I point out that this is a tradition in the Senate that has been around a long, long time. Maybe it is something that we should take a look at. Maybe we could expedite the procedures of the Senate, which I think we would all like to do. But let us pause for just a little bit. Let us discuss this for a little bit. As far as I know, there have been no hearings on this matter, which I think there should be when we are making such a fundamental change in the procedures of the Senate.

Let us talk. Let us investigate the pros and cons of taking the action that, as far as this Senator knows, just came out of the blue. Let us take a little time before we take this step that has been around this Senate and sometimes used successfully, especially by the minority, to make a point.

The reason that I made inquiry when the yeas and nays were asked for—I did not have a chance to state my objection then—I just wanted to say that the Senator's amendment is not germane, and at the appropriate time I will raise a point of order that the amendment violates the Budget Act, which would require 60 votes to proceed.

I simply say that this came upon us rather suddenly. We were not fully advised on it. I will raise a point of order at the appropriate time before the rollcall vote.

Mr. MURKOWSKI. Mr. President, if I may respond briefly to my friend from Nebraska.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. While it may seem somewhat out of the blue, I think the point that 17 out of 28 are sense-of-the-Senate resolutions, that is what we have been confronted with. So the reality is, this is not something that occasionally comes up. And 17 out of 28 are sense of the Senates.

Whether we are letting off steam or gas, I think is irrelevant. The fact is, so much of our time is spent on something that is nonbinding that basically puts us in a posture where we are not doing anything constructive other than perhaps somehow evaporating in some manner.

Mr. EXON. It enhances debate.

Mr. MURKOWSKI. I really think there is a better use of our time on other matters. As a consequence of the propensity of the numbers, I think it is justified. And 17 out of 28——

Mr. DOMENICI. That is what is left, the ones left.

Mr. MURKOWSKI. The ones left. So if there is more justification for less steam and less gas, I do not know what it is. The Senator from Alaska yields the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I note the presence of Senator SIMPSON from Wyoming. We had an informal list, and he is next. I am just going to make a couple observations.

The public sometimes, at least the few that watch this on C–SPAN, must wonder what is all of this about? How come the U.S. House took the budget up, and in 1 day they had whatever votes they have, and now, look.

The Senator from New Mexico is clearly committed to the U.S. Senate. I do not want the Senate to become a House. But I should indicate that some who are wondering, "Can't you manage affairs better over here?" well, first of all, the U.S. House establishes amendments on the floor through a committee called the Rules Committee. So they have a committee in between that decides what amendments are going to be allowed on the floor in normal circumstances. There is a way to get around that but very seldom. So they sit and listen to the amendments and decide which two or three or four are going to be considered.

Everyone should know that while the Senate is different from that, and different in two ways that we are very proud of—one is that there is great freedom of amendment on the part of Senators. That is the Senate. You can offer amendments in ordinary legislation. You can offer them. They do not have to be germane. They can be irrelevant. If you want a vote on stopping a war on a bill that is funding education, the Senate lets you do that. It is one of the great strengths of this body.

Mr. EXON. Or weaknesses.

Mr. DOMENICI. Or weaknesses. Some say it is a strength because it is the greatest parliamentary body in that regard in the world. But this budget resolution changes all that. It says you can only take 50 hours on this bill. You cannot filibuster it.

The other quality of the Senate that is unique, you can talk forever until a very compelling majority says you have to start using less time, breaking the filibuster.

This bill cannot be filibustered, this resolution nor the bills that flow from it, because it is very special and important to the public that we get it done. So in that 50 hours there are going to be debates. The Senator from Alaska is not talking about reducing that. I will tell you the truth, I have thought from time to time that it was really too long, even though it is limited to 50, it is too long. We get to repeating ourselves down here.

If I look at this list, many of the sense of the Senates are very close, one to another. We do it over again, over again. It could be lower, incidentally. The bill itself that created this law, this resolution, says if the Senate, by a simple majority, wants to reduce the time, they just vote. That vote is not debatable, that amendment. So if the Senator and I thought we were wasting time and we ought to do it in 20 hours, we could move that, and it would be only 20 hours.

But I believe when you are limited in time, that you ought to use it in as substantive a way as possible. This amendment is not going to pass, the Murkowski amendment. It is subject to a point of order. Clearly, it has to go to the Budget Committee for its formal hearings.

But I commend him for making a point. The point is not going unnoticed by Senators from both sides of the aisle. It is not going unnoticed that both sides are using the sense of the Senates, which are not binding, to get down here and offer matters that they probably could offer nowhere else, could not find a vehicle to offer it on, even though it is not binding and changes nothing.

It is in that context that I commend him. But sooner or later this Senate is going to get very upset, more upset than it is today about what occurs during this 50 hours. When they get upset enough, you know, something else beyond precluding sense of the Senates is going to happen with the budget process. I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I know the Senator from Wyoming is here. I will just be very, very brief. I will just respond, if I might. I also thank the Senator for bringing this up. I am not saying this is a bad idea per se.

I say two things. First, I do not believe that we should make such a dramatic change without hearings or discussions. I have said before, there are some problems with sense-of-the-Senate resolutions.

I will make the point of order, which I hope will be sustained. I will be the first to say maybe we should discuss this. I simply say that I pointed out in my statement that I am fearful that if we would proceed as has been suggested here, that Senators, being very ingenious, would come up with another situation and we would have sense of Senates without having them called sense of the Senates.

With regard to who benefits from or who is handicapped with sense-of-the-Senate amendments, I think I can say very forthrightly, Mr. President, when you are in a majority, you do not like sense-of-the-Senate amendments and you wish that the 50 hours would be cut to 15. When you are in the minority, your views change very dramatically, I might say, and you think that 50 hours is not enough. But I say, speaking for the minority, and I hope the majority, of the Senate, that while I would agree we should take a look at this, I do not believe we should take action to that effect as suggested by the Senator from the great State of Alaska. I thank the Chair and I yield the floor.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Certainly this is not obviously the most propitious time to come here, just wandering in from my post in the Dirksen Building, to find that this spirited debate is being participated in by my friends. I have just come to the floor on behalf of my fine, bipartisan party crew of Senator KERREY of Nebraska and Senator HANK BROWN of Colorado and Senator SAM NUNN and Senator ROBB and myself to place before the body nothing more than a sense-of-the-Senate resolution—which that type of resolution has taken certainly some heavy abuse in these last moments.

However, in regard to everything we do here, if everybody else is doing it, I get to do it. Therefore, with regard to Senator MURKOWSKI, I hope he will repair to his chambers until I finish mine. That would be perfectly appropriate.

I was trying to think of a new name for it. Mr. President, SOS. That is what it is, an SOS—sense of the Senate. It means I could not get this handled in committee; nobody will vote for it in any other way. I thought I would SOS the thing out to see what would happen to it, kind of throw it up on the pole, and then people can say when they get home, "Well, I voted for it, but it was just a sense-of-the-Senate resolution," getting you off the hook, or you voted against it, saying "Well, it was just a sense-of-the-Senate resolution." Thus, it is something that enables you to get off the hook.

So it is. But my friend, FRANK MURKOWSKI, is right. So is Senator DOMENICI and so is Senator EXON. They really get to the point of wretched excess. But they bring before the body issues which do not seem to find their way into any other niche. I think sometimes they become, especially in foreign policy, they become quite dramatic.

I can remember being in other countries and suddenly one of the emissaries of that country will come up and say, "Why does your U.S. Senate vote to do this to our country?" I will say, "I am not aware of that." They will say, "Yes, here is the rollcall vote"—a sense-of-the-Senate resolution, usually at 2 a.m. in the morning, maybe 11 o'clock at night. We see them in the Cloakroom. We come out and we pass a sense-of-the-Senate resolution that is usually best described in foreign policy as "totally meddlesome," usually about religion or whatever they do in their own culture. It passes 90 to zip, or 95, and we know not what we do on those.

This is about domestic policy, and we know what we do. You will not want to do this if you think about it because this sense of the Senate is about the entitlements, the eternal discussion, the eternal plea, "Well, if we could just do something with the entitlements." I tell you, if we could, we would solve all of the problems of this fine chairman, PETE DOMENICI, and his ranking member, JIM EXON, who have solved them all because we are in a situation where none of us in this body even vote for 67 percent of the national budget—do not cast a single vote. It all just "goes out," automatic pilot.

AMENDMENT NO. 4016

(Purpose: To express the sense of the Senate on long-term entitlement reforms)

Mr. SIMPSON. I send an amendment to the desk with regard to long-term entitlement reform.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON], for Mr. KERREY, for himself, Mr. BROWN, Mr. NUNN, Mr. ROBB, and Mr. SIMPSON, proposes an amendment numbered 4016.

Mr. SIMPSON. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE SUPPORTING LONG TERM ENTITLEMENT REFORMS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that—

(1) effective January 1, 1997—

(A) the age for eligibility for civil service retirement should be increased to—

(i) 60 years with 30 years of service;

(ii) 62 years with 25 years of service; and

(iii) 65 years with 5 years of service; and

(B) this proposal should not apply to anyone currently or previously employed by the Federal Government as of January 1, 1997:

(2) effective January 1, 1997—

(A) the age for eligibility for military retirement benefits for active duty personnel should be increased to 50 years of age with benefits reductions for personnel retiring before 50; and

(B) this proposal should not apply to anyone currently or previously serving in the United States military as of January 1, 1997;

(3) effective January 1, 2000, the age at which a person is eligible for medicare should be gradually adjusted to correspond with the age a person is eligible for normal social security retirement;

(4) there should be a COLA for only that portion of individual civilian and military pension levels that do not exceed $50,000 per year;

(5) the eligibility age for social security retirement should be gradually adjusted to 70 years by the year 2030 in 2 month increments;

(6) workers should be allowed to divert 2 percent of their total payroll tax into their own personal investment plan as long as there is no effect on the solvency of the social security program;

(7) the consumer price index should be reduced by .5 percentage points so as to more accurately depict the cost of living.

Mr. SIMPSON. Mr. President, my colleagues will be over momentarily to debate this and discuss with you, but let me just say I feel this amendment is extremely important to help to establish the greatest credibility for this balanced budget resolution. This resolution already represents a tremendous, laudable effort on the part of the Budget Committee chairman. No one does this with greater energy and dedication than Senator PETE DOMENICI and Senator EXON. They have done so much.

This is the work product we will soon vote upon. I believe we can make the effort a bit stronger, a bit more credible, by expressing in this resolution how we intend to make good on the promises that it contains. All of us have heard the directives leveled at the President's budget and on the budgets offered by the Republican majority for deferring too many of the "tough decisions" until future years, leaving them to future Congresses and future Presidents.

We have a great tendency here to want to take credit for setting up a balanced budget path, but not to enact any of the tough choices. We all do it. I do it. We all do it. We will not do the tough choices right now which would give any force or effect to those aims. So we could easily wind up in a situation we could have a balanced budget in the year 2002 but it explodes again into massive deficits afterward. Or quite likely we might not get there at all, even in the year 2002, because we leave too many "tough calls" to that Congress legislating those last few years. We have all been through that process before and we know how it goes. We sure do. It goes nowhere.

If we are going to make good on the promises of balancing the budget, I believe we have to make the choices which once made now will produce significant savings in those distant years. This resolution attempts to put the Senate on record with respect to the central factors which caused the explosive growth caused in this Nation's entitlement program. Those factors, my colleagues, are population aging, the compounding of generous cost-of-living allowances, COLA's, and our total failure to structure our Nation's pension systems, Social Security systems, to generate real savings and economic growth.

This issue of eligibility ages for retirement benefits is a serious one. This is one we cannot duck. This country is aiming at a tremendous rate. Recently we did away with much of the Social Security earnings limit for seniors who work. That has been discussed heavily today. We did that because we recognize that America is growing older gracefully. People can work longer and be productive longer. We find that very easy to do when it comes to handing out benefits, or perhaps I should say, shoveling out benefits, regardless of your net worth or income, you get it.

At the same time, we are not dealing with population aging as far as it affects the amount of time which people are spending collecting retirement benefits. That failure is driving the Federal deficit, the Social Security system and the Medicare system to absolute extremity. If we ignore that one, I can assure you we are dooming today's young American worker. When we started a few months ago, Medicare was going to go broke in the year 2002. Then we shaved it a little, broke in 2001, and now we say 2000.

With Social Security, we do not even touch that. We are not supposed to utter the word or crawl under your desk and try to get out of the building before the AARP detonates your chair. That is where we are left. If they do not detonate your chair, the great deed will be reported by Martha McSteen and her crew, or perhaps by the Gray Panthers, who will lob over types of explosive devices.

That is what we get out of this debate. Do not touch CPI. Do not touch this. Do not touch that. We will fix it some day, but we will not fix it now. When we do fix it, we know there are three ways to go: either you reduce the benefits of that system, you increase the payroll taxes, or you borrow more money. That is the subject of another debate. Do not think that my colleagues and I are leading you down the path of Social Security long-term solvency reform. We are not that dazed.

So, we are going to have to phase in these changes. We are saying in this resolution that we will make the gradual changes in eligibility ages to bring some realism to them, that we should phase in the changes over generations to give Americans ample time to prepare for the changes.

Consider what it means to be a young worker today to retire on Social Security at the age of 70. Hear this one. Today's 26-year-old will turn 70 in the year 2040. Guess what? If we do not make changes, Social Security will be bankrupt a full decade before then. Who will be hurt by asking the worker to wait until the age of 70? Certainly not that young worker. That is the only way he or she stands to collect one single nickel. Today's retirees would not be affected one whit.

This debate has been polluted by seniors who continue to raise hob with us who will not be affected in any way by what we are doing. Anybody over 51 might get a little ding and anybody over 55 is not going to get a ding at all. They are the ones that show up all the time. I think it is not very seemly.

Another provision in this resolution should be a cost-of-living allowance only for that portion of civilian and military pension levels that do not exceed $50,000 a year.

This is an extremely modest gesture. Indeed, I personally have concluded, after years of study and my service on the Entitlements Commission with Senators KERREY and DANFORTH, that we have to take a harder look at these COLA's than that—not only within the Federal employee COLA's, but also our own COLA's regarding Congress and within Social Security. But this provision in our resolution does not even suggest that we deal with Social Security COLA's at all. It is an extremely tentative step, which I feel represents a bare minimum of what this body should support.

Let me just say that we talk of COLA's and limiting it to the first

$50,000 of a retirement pension. We do not mean that people with pensions greater than $50,000 will get no COLA at all. They will still get a COLA no matter how large a pension they are receiving. We simply suggest that the cost of living for an individual with a $100,000 pension is not really any higher than that individual with a $50,000 pension. So the wealthier individual should not be getting a greater cost of living allowance. If you go out in the land and ask them whether Federal employees with $50,000 pensions in retirement are able to keep up with the cost of living, I can assure you most Americans will say that they are and give you a horrid horse laugh in the process.

Only 6 percent of the people in America, while they are working, make over $60,000 a year. Here we have a figure that we probably will have difficulty dealing with some of the senior groups about. But that is part of the problem. The sooner the American people realize it, the better off they will be.

Finally, the key provision in this resolution says that workers will be allowed to divert 2 percent of their total payroll tax into their own personal investment plan, "as long as there is no effect on the solvency of the Social Security program." That last part is a key phrase because no one who votes for this can fairly be accused of attacking the "solvency" of Social Security.

In fact, quite the contrary is true. The President's own Advisory Council on Social Security Produced a series of recommendations about how to actually guarantee the solvency of the Social Security program, and more than half of the Council suggested that some form of personally owned investment accounts must be part of the solution.

So there are a variety of reasons why that is so. One is that all conventional solutions to the solvency problem tend to hurt the very people who stand to get a "raw deal" from Social Security—today's young workers. Already, today, they stand to get a "negative return" on their Social Security, as compared with the bonanza enjoyed by today's retirees—and that is so even if the system remains solvent. In order to keep solvent via "conventional" solutions—raising payroll taxes, delaying retirement ages, cutting benefits, all of it, borrowing money—the deal for these young Americans gets far, far worse.

I will let my colleague from Nebraska speak further with regard to the personal investment plan, which he and I have been talking about for a long time.

Somewhere along the line, we have to see people saving, let them know they own these plans, and that their heirs can inherit it. The Government cannot "get to it," or spend it. Hopefully, we can get away from the old adage that this Congress steals from the Social Security fund and that we pillage the fund and rip, unravel, and ruin all the things that go with it.

Ladies and gentlemen, there is no fund. There is no trust fund. It is a great stack of IOU's. You know it, I know it. The trustees of the Social Security system know it. It is a huge "trust fund" consisting only of T-bills, mere "promises to pay," that the Government will raise the money at some distant future date through general revenues—not from such trust fund, but from general revenues, and we have an unfunded liability in Social Security of $8 trillion. So here we go.

I commend my friends, Senators KERREY, BROWN, NUNN, and ROBB, for their fine work. We have been in this a long time. I think the first time we got 18 votes. The second time we got 27 votes. The last time we got 43 votes. This time, it will probably drop like a rock. But we are going to keep coming right back. Maybe we can get to where we can see that the American people see this as a vital vote for the Senate. It will reveal much about whether or not we are truly serious about facing up to the long-term problems facing this country. I hope we might send that message even in the form of a resolution that we can indeed be trusted to deal with these long-term challenges, regardless of the response from the special interest groups whose sole function in life is to terrorize people so they can pick up the dues money. I am tired of those people.

That does not mean that you should not stay at the Westin Hotel for $70 a night instead of $140, or not take advantage of all the airline discounts and rental car discounts. But whatever they send you about legislation, toss it, give it the deep-six, because every bit of it is further destined to bring this country to its knees. I do not understand that philosophy, unless they have no children or grandchildren. To those who are going into the 21st century, I intend to be right there with them. But in the year 2030, tap on my box and let me know how it is going. Right now, it does not look too good.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, I cannot say that I look forward to tapping on Senator SIMPSON's box in 2030. But I am enthusiastic about cosponsoring this resolution with him. One of the most difficult things to learn in life is that you are wrong. An awful lot of us—and I certainly arrived here in 1989 thinking the problem of eliminating the deficit—which was, I believe, $270 billion, or something—was going to be a relatively easy transaction, that we just needed to get rid of waste, fraud, and abuse, cut congressional pay, and all the odds and ends that you hear a lot, that it was going to be a relatively easy transaction. Then I started to listen to two Senators who, every year, came down with an amendment to the budget resolution—Senator NUNN of Georgia and Senator DOMENICI of New Mexico. They came down making this argument for reform of our entitlement programs.

I must say I voted against them the first time it came up. I think they had 12 or 13 people who voted for it, and it kept getting larger. Eventually, by presenting the facts they persuaded me that looking for an easy solution, as I said, like waste, fraud, and abuse, and other odds and ends, was not looking in the right place.

Basically, if you want to balance the budget, or, as important, if you want to restore some balance to the expenditures that we make in this country, taking us back to a point where we can say we are endowing the future with investments in education, transportation, and other sorts of things, then you have to change current law to affect the proportion of our budget that goes to entitlements. One of the pieces of misinformation perpetrated in this country is, A, we are broke, which we are not; the Nation is wealthier than any other on Earth. Our Nation is wealthier than at any point in the history of our country. We are wealthier than we were in the 1980's, 1970's, 1960's, and 1950's.

The proportion of taxes collected and used for Federal expenditures is about the same as in the last 50 years. It went up end of the 1920's, and during World War II, and then the same during the Vietnam war. It is roughly 19 percent. What is changing dramatically is the percentage of that 19 percent that goes to entitlements versus what goes to those investments in our future. In this year's budget, it is about 67 percent. It is drawing to 72 percent at the end of the 2002 period.

When the baby boomers start to retire—and demography is doing this, and there are 77 million baby boomers. This is not caused by Ronald Reagan, or conservatism, or liberals, or anything like that. It is caused by demographics. There are 77 million in the baby boom generation—the largest generation in the history of this country. When they start to retire in very short order, approximately 2013—unless we interrupt it with this kind of change—what happens is the entire Federal budget is converted to transfer payments. You cannot cut welfare enough, and you cannot cut all the other mandatory programs enough to be able to make up the difference.

So this country will have gone in a span of approximately 2½ generations, or about 45, 50 years, from a point where 70 percent of the budget was taken up for investments in space, investments in transportation and education, all those sorts of things that do produce a long-term benefit; 30 percent for entitlements and interest, will have gone from that point to a rather balanced approach, where 100 percent of it will be transferred for current consumption, and will not be good for the future or for the economy. We know, looking at the numbers, that at some point we have to interrupt that trend. The only question is when.

When we collectively say, "I wish it were otherwise, I wish it was an easier approach, I wish what Senator NUNN and Senator DOMENICI have been talking about all the way through the late 1980's and the 1990's—I wish they were wrong," they, in fact, were not wrong. They were right.

This proposal tends to do something that is actually relatively modest. Those who will describe it as Draconian—as the senior Senator from Wyoming has said, AARP has already indicated that they are going to describe an adjustment in the CPI as Draconian—I remind my colleagues that we did not have a cost-of-living adjustment until 1973 after Wilbur Mills, who was thinking about running for President, enacted a back-to-back 20-percent increase in the payments for Social Security. After that occurred in 1970 and 1971, along comes the need to restrain the Congress. The COLA took place as a method of restraint in the initial days. Now it is considered to be sort of a sacred item without any regard for how it might adjust in an unfair fashion, without any regard for how it might, in fact, not bear resemblance to what is going on in the individuals' lives who are receiving the payment, and, most particularly, Mr. President, without any regard for what is happening for those people who are paying for that COLA; that is, to wit those individuals in the work force whose wages are taxed at 15.4 percent in order to provide not just a COLA but the income and the payment for the hospitalization under Medicare.

Mr. President, I have come to the floor to talk specifically about the CPI. The two biggest proposals, the ones that produce the biggest benefits out in the future, are the adjustment in the CPI down half a point—you can see it is a $35 billion annual savings by the time you get out to the year 2003. I just challenge anybody to come up with a list of $35 billion worth of cuts in the appropriated accounts. Make a list of $35 billion and explain that to people who will be adversely impacted by this. Ask them: "Do you want to cut defense by $17.5 billion? Do you want to cut the Department of Energy, or the Department of Transportation? Are these the things that you really want to do?" Because unless you are prepared to walk to the floor—and some are; there are still a few left who will want to come down to the floor and say, "Americans are undertaxed. Let us raise their taxes to be able to get the job done." You have to come to the floor to propose some offsetting cuts to be able to make up this kind of money, $35 billion in the year 2003. These years, as everybody with gray hair like mine will tell you, go by just like that. That 6- or 7-year period of time will be gone in a hurry, and we will be wondering as we stare 5 years into the future and see the baby boomers coming on line why we did not do it in 1996 when it was easy. Understand that it will never get easier than it is right now to make these kinds of adjustments. It only will get harder. Every year we wait these kinds of adjustments get more difficult.

The second big item in our proposal is adjusting the eligibility age for retirement to 70 years. I caution citizens who are watching this. I am not talking about either current beneficiaries who are retired, nor am I talking about beneficiaries who are over the age of 50, nor am I saying that you have to wait until you are 70 to retire. That is not what Social Security is. It does not dictate that you retire at 65 or dictate that you retire at 67. What the program does is say this is when you are eligible.

Many of our citizens, in fact, wait now to take a later payment knowing it is going to be larger because they have managed to save money. They have managed to save money. They have a private pension. They have private savings. They wait. They delay the eligibility for this collective payment to age 70 right now. This does not affect any current beneficiary. It does not affect any beneficiary over the age of 50. Most importantly, it does not affect the age at which you can choose to retire, if you regard Social Security as a supplement.

One of the problems we have with this program is it began as a supplement, and increasingly we have been telling people it should be regarded as your only source of retirement income. The more we say that to people, the more we encourage people to regard Social Security as their only source of retirement and the less likely it is that we pay attention to what is going on in private pensions and pay attention to other Federal law that needs to be changed in order for people to accumulate that supplemental income.

When Social Security was started in 1935, normal life expectancy was about 60 years of age. The normal eligibility age when this program began was age 65, 5 years after normal life expectancy. It took 1 percent of wages to meet that promise. Today normally life expectancy is 76 with the promise in payments beginning at 65, and the life expectancy by the time you get out to this point—actually this point here—life expectancy is forecast to be at 80. That does not take into account the possibility that you are going to have a decreasing number of people who are smoking and decreased mortality as a consequence and increased life expectancy. All sorts of things could happen in this crucible of good news that happens every single day. We are discovering new ways to prolong people's lives, to enable them to live longer, and for many people they are now discovering that they have the glory of living longer with the difficulty of trying to figure out how to pay the bills over that period of time.

So the second big change in adjusting the eligibility age for these collective payments is 70 years. You can see, Mr. President, again the kinds of future savings—nothing in the year 2000 because this thing is phased in. I say that because my mailbag fills up every time I talk about moving the eligibility age. It does fill up for people who are 35 or 40 years old, or even 50. It fills up for people already retired. "Gosh, are you proposing something to reverse the eligibility age and take something away?" The answer is no. What we are trying to do is accommodate this enormous generation that is going to begin to mature in the year 2008, or 2010 depending upon how you calculate it. Moving the eligibility age for Social Security generates tremendous savings.

Again, I just challenge colleagues. If they do not like this, imagine yourself out here at 2010 coming up with 2.5 billion dollars' worth of cuts because you have to do that. We are not going to be able to have these bake sales that we have been having in the last couple of years. We do not want to raise taxes. We do not want to cut entitlements. As a consequence, we sell the spectrum. How many times have we sold the spectrum? I mean, I have said facetiously that maybe we should call Disney and see if they want to convert the mall into a theme park. At some point you run out of assets to sell. You have, if you are not willing to come down and propose a tax increase, to get it out of entitlements.

Mr. President, let me add briefly—other Senators want to speak—that the CPI adjustment is an entirely fair and appropriate thing for us to do. It is justified by economics, if you look and examine what the CPI is supposed to cover. It is justified most importantly by the fact that, if I do not make this adjustment, I have to get it out of the hides of people who are out there right now struggling to pay the cost of education and struggling to pay their property taxes.

It is remarkable if you look at the State expenditures on people in the age group 5 to 18 that are in our primary and secondary school system versus the expenditures that we make on people over the age of 65. I am not trying to set up generational warfare here. There is strong generational commitment for these programs and intergenerational commitment. Social Security is perhaps the most popular program in the country. We are not trying to set up generational warfare. We are just trying to present the facts.

The facts are that we are spending on a percentage basis less and less on education and our children and more and more on our seniors. As I have said, we have not seen anything yet. Wait until the baby boomers retire and the number of people working per retiree drops to 2 to 1. Justified by economics, justified by budget considerations, and justified by any American who wants to see this country become and remain hopefully an endowment rather than an entitlement society.

Of all the things I hope this amendment does, the key amongst them, to me, is I hope that it presents an opportunity to change the terms of this debate from one of blasts being fired back and forth across the aisle between Republicans and Democrats. The facts of the matter, I believe, call upon us to come and say, "Let us just present the truth to the American people." They may not like the truth any more than thousands of us who have discovered it.

But in presenting the truth, let us not try to level the playing field. Give the American people the facts. In my judgment, they will level the playing field themselves. To continue to perpetuate a myth that all we have here is a paid-up system and have no problems and no adjustments are needed and we can solve this deficit by eliminating waste, fraud and abuse and all the other sorts of things we talk about, Mr. President, we are going to pay a very big price for it. I hope that we are able to muster a majority for this amendment. Those of my friends who have looked at this thing who are not perhaps as politically foolish as I, say you cannot survive this kind of vote. I do not believe we can survive the absence of this vote. I believe very much, like the votes on the Nunn-Domenici proposal, the more people examine the facts, the more they look at the truth, the more they will say, "God help us if we do not change the law in this fashion."

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. DEWINE). Who yields time?

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Mr. President, I rise as a cosponsor of the pending amendment, which simply expresses the sense of the Senate that adjustments be made to the eligibility criteria for certain Federal benefit programs. It would also permit individuals to designate a percentage of their payroll taxes to a private investment plan, and it would make an equitable adjustment to the Consumer Price Index.

I commend my colleagues for their work on this particular amendment. I commend them for their candor. This could be the most important matter that we pass this Congress, if we pass it.

This amendment would extend the civil service retirement age for future Government workers but affect no current Federal employee. It would extend the military retirement age for future enlistees but affect no current sailor, soldier, airman, or marine. It would limit civilian and military COLA's to the first $50,000 of retirement income but eliminate COLA's for no one. It would gradually track Medicare eligibility with Social Security eligibility. It would extend the retirement age for Social Security but affect not a single American who retires in the next 16 years.

The pending amendment would also allow individuals to designate a percentage of their payroll taxes to a personal investment plan, if there is no impact on the solvency of the Social Security system. This ought to engender in our children and our grandchildren a greater sense of confidence that they are going to get a return from their investments when they retire.

We face an explosion in entitlement spending not just because we have promised too much to too many—we do, of course—but principally due to simple demographics. Our people are living longer and the great baby boomer generation is getting closer to retirement. In 1940, the average woman in America who retired at age 65 received Social Security benefits for 13.4 years. By 1995, women and men were living much longer, and the average woman retiring in 1995 will receive 19.1 years of Social Security or nearly 6 more years of benefits because the retirement age remains unchanged at 65. In 1950, seven workers supported each Social Security beneficiary. By 1990, there were just five workers per beneficiary. By the year 2030, there will be fewer than three workers per beneficiary.

We all know the statistics. By the year 2012, if no changes are made, entitlements and interest on the debt by themselves will consume every single dollar the Federal Government takes in. This stifles our ability to invest in our Nation and protect our most vulnerable citizens, and it does not have to be. Small steps today can save billions tomorrow, billions of dollars of debt we will not leave to our children—the "baby bust generation," as Pete Peterson calls those who will inherit our debt.

So I urge my colleagues to support this amendment. Otherwise, the day will surely come when we will have to explain to our children why, when we could have made a difference, we failed to enact entitlement reform, as modest, as fair, and as justified as the proposals contained in this amendment.

These kinds of choices are never easy politically, but they just get tougher as the problem becomes more acute. Now is the time to act if we are going to act responsibly. Courage, colleagues, it will attract attacks from just about everyone, but it is the right thing to do, and I commend my colleagues who have worked hard for giving us the opportunity to do the right thing.

With that, Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. I yield myself such time as I may consume.

Mr. President, for those from my generation, they will recall the name of James Dean. Some will recall him as a movie actor, others as a model for a generation, or at least a portion of a generation. He was a free spirit by anyone's description. Some folks may recall a drag race in one of his movies. The drag racing was popular at a time when young Americans fell in love with their cars, which has been for much of our history but, following World War II, gained strength and power.

In the particular scene of this James Dean movie, he and another fellow line up their cars at a cliff overlooking the ocean, and they race toward the cliff, both accelerating as hard as they can. Of course, the contest is to see who can get ahead and stay in there the longest without turning away from the cliff.

One can see that this is not long-term planning. It did fit the particular egos of the characters involved. Some may think that is fanciful. Surely, no rational person would point their car toward a cliff and accelerate. Some would say, "Well, they didn't believe a cliff was there." But, of course, no one who was in that gang in the movie was under the impression the cliff was not there. They knew very well it was there. It was part of their ego, part of their image to show how brave they were to accelerate the cars as they moved toward that cliff.

Mr. President, if somebody can find a better analogy, I would like it hear it. There is not anyone in this Chamber, I do not believe—and perhaps Members listening in their offices will come and correct me if I am mistaken, but I do not believe there is a single Member of this Chamber, liberal, conservative, Democrat or Republican, who does not think we are heading this country's economy off a cliff. I do not mean just unpleasantness, I mean absolutely running the economy off a cliff.

A few years ago, the President appointed a long-term entitlement commission—the Bipartisan Commission on Entitlement Reform—to study this question. They looked at the potential problems and opportunities for entitlement programs. Here are some of the numbers from the Commission's final report that outline the problem. If they do not amount to a cliff toward which we are moving this country, I hope someone will correct me and let me know what they do mean. The deficit as a percent of gross domestic product, of what we produce, was at roughly 2.3 percent by 1995. The Commission forecast that this figure would increase to 2.5 percent by the year 2000 if changes are not made, if we do not address the problems of the entitlement spending. This figure more than doubles by the year 2010 to 5.9 percent of our GDP. It almost doubles again by the year 2020 to 11.6 percent and by the year 2030 to 18.9 percent.

What do all those numbers mean? It means almost a fifth of our GDP will be in deficit. It means that we will have astronomical interest rates and rising inflation as we attempt to borrow that much money each year from the economy. It means the accumulated deficit will swallow the future of our children and grandchildren.

No one could say that we are going to run the car off the cliff, but if you point the car off the cliff and you push on the accelerator and you guide that car towards the cliff, and if you do not do something to stop the car, it is going to go off the cliff. That is where this Chamber is right now. We are playing a game of chicken. Each side says we are not going to turn back. Of course, we all know of the need to reform Medicare, but we sure do not want to get blamed for turning away. We do not want to get blamed for making adjustments in the rate of growth of Medicare. So the race toward the cliff continues.

No one can claim that this race to run our economy and our country off the cliff is good policy, and no one can claim that running our Nation off the cliff shows how much we care, because the fact is, to continue on the road we are now shows exactly the opposite. To refuse to reform Medicare, to refuse to look at the Social Security Program and make lasting changes that make it solvent, shows not "caring" but the absence of caring—a gross, callous disregard for our children and our grandchildren and the future of this Nation that we love so much.

There is one more thing I ought to mention. Because the Bipartisan Commission has used estimates, anyone who has looked at congressional estimates over the years, I think, has to be struck by one fact: Our estimates have proved consistently too optimistic. We put out 5-year reports on the future of Social Security. The Social Security trust fund trustees produce these reports. They are remarkable documents. They project the assets involved in the fund and the earnings from interest and so on. They project future payouts. There is not a single one, not one of those 5-year reports from the Social Security trustees, that has not been overly optimistic.

No one expects you to be able to forecast the future with exact numbers. We would be foolish to think that any of these are engraved in stone or designed to come true without changes. But you would be foolish to look at these numbers and not understand the background that, consistently, we have been too optimistic. We have not been overly pessimistic; we have been overly optimistic.

The estimate that roughly a fourth or fifth of our economy—without changes taking place—will be consumed in deficits each year to the year 2030, is almost certainly too optimistic as well. If we do not make changes and adjustments, the skyrocketing deficit will be worse than this projection.

Here is an interesting fact Social Security trustees put out in their report. They used to do an actuarial soundness test. Actuarial soundness tests are important because any program in this country is required to be actuarially sound. If it is not, what you are in effect doing is selling people insurance that you do not have the ability to pay off. In the private sector, if you do that and sell it on that basis, you are subject to suit and perhaps even imprisonment. It is a called fraud.

What are we doing with these programs? We have them designed in a way so they will become insolvent or go bankrupt. The facts are very clear. By the year 2013, the long-term report indicates that Social Security expenditures will exceed the FICA tax. By 2013—that is not very far from now. By 2024, they will exceed not only the tax, but all the interest income as well. By 2029, the estimate is the trust funds will reach total exhaustion. That is, we are insolvent.

The Social Security Program is heading toward a cliff, and to refuse to make adjustments or changes will destroy Social Security, not save it. This amendment is about saving Social Security, saving our entitlement programs and making them work, as well as investing in the future of our country.

Anyone who does not believe we need fundamental changes in where we are headed now, please come to this floor and debate it. The projections of the Commission indicate, as my colleague from Virginia just pointed out, that by the year 2012, if we do not change, you can literally eliminate all money for Department of Justice and eliminate the Army and the Navy and the Air Force and the Marines, you can eliminate all costs of Congress, you can eliminate all costs in our discretionary programs, and still not have enough money just to cover the entitlement programs.

There is not anybody here who is willing to vote to eliminate all of those programs we just mentioned. Trim them back, yes, I think we should. There are a lot of programs we can and should trim back. But even if we eliminate every one of them by the year 2012, we are not going to have money to meet our entitlement obligations and meet interest.

It is a nondebatable fact that we have to make adjustments in these programs if this Nation's economy is to survive and thrive. It is a fact that we will be unable to fund these programs unless we make dramatic changes.

We can wait until that car is on the edge of the cliff before we apply the brakes, or turn in a different direction. I suppose that is one thing that some Members of this body will want to do, but I do not think anybody thinks that is good policy. A couple of things will happen. One is it will be much more difficult to solve the problem. Two, it is very likely such attempts will be too late.

This amendment is very simple. It is very modest. It is not at all draconian. What it says is, we see the danger and we want to make a modest adjustments so we do not have the kind of problems that lie before us.

The Commission vote, I think, was nearly unanimous, save one person who did not vote for the report. That individual did not think the forecasts were necessarily inaccurate; rather he had trouble with some of the Commission's recommended solutions.

The fundamental facts, though, are undisputed. We are headed toward a cliff. What can we do? Whenever you talk about entitlement programs, one of the things that you hear, and hear for valid reasons, is, "Wait a minute, these are programs that people have paid into directly or indirectly. If it is civil service retirement, people have paid in through much of their service. So do not change the ground rules after someone has paid in."

That is fair enough. If you have a choice, obviously you should not want to change the ground rules, and that is the whole precept of this amendment. This amendment says, we are going to make some modest reforms, but we are not going to apply them to people who are involved in the programs right now.

I hope Members will keep that in mind as they review this particular proposal. It does involve a number of modest changes—a modest change in the civil service retirement, a modest change in military retirement, a modest change in a variety of other areas—but they do not apply to any Federal employee now employed by the Federal Government. It only applies to Federal employees hired after January 1997.

The choice is not whether you adopt these reforms or not. These reforms will be adopted because when the fund runs out of money, you simply cannot raise taxes enough to continue on. They are going to be changed. The question is whether you are going to change them after people have paid into the programs for many of their working years or whether you will make the necessary changes before people begin paying into them.

Our suggestion is that you ought to change these programs before people pay into them. Thus, the very modest change in civil service retirement, very modest change in military retirement, specifically excludes anyone who is now in the armed services of the United States or works for the Federal Government. They only apply in the future. The changes in Social Security are modest. They adjust the retirement age. It is phased in so it takes full effect by the year 2030.

Some would say, "Why do we have to do that?" We have already noted the problems with Social Security funding. It is quite clear there will not be money to meet the obligations by the year 2029. Social Security will be insolvent. When Members think about this issue we ought to give some thought to what has happened since this program was started, because the facts have changed.

The distinguished Senator from Virginia went through the changes that have taken place in the number of workers per the number of retirees. That is one of the big dynamics. Perhaps less well known is the fact that in 1935, when Social Security began, life expectancy in this country was 61 years. In the year 1994, though, it was 76 years; from 61 to 76, a 15-year change in life expectancy. Can you ignore that when you have a program based on retirement? Of course not. The facts have changed. There has been a 15-year increase in life expectancy, and I do not think you can possibly ignore that when you begin to look at the program and how it is designed.

The Commission indicates life expectancy in the year 2025 is even 2 years higher, 78. The percent of the population over 65 years old was 7 percent in 1935 when the program began. It was 13 percent in 1994 when the commission began to take its look at this. It goes to 20 percent by the year 2025. The facts have changed and we have to change with them. The number of Americans over the age of 70 was 24 million in 1995. By the year 2030, it will be 48 million.

Mr. President, the reality is this: If we cannot make modest adjustments in the retirement programs, an adjustment to make the CPI correct or at least closer to being correct—this does not take it all the way, but a little closer—if we cannot make modest adjustments in the Social Security retirement age, one of two things will happen: The programs will either become insolvent or we will have to raise taxes to the point in this country where we simply destroy the economy.

All of us are familiar with the dramatic differences in economic projections and economic philosophy. Some think Arthur Laffer is a great visionary; others pooh-pooh his ideas. But, Mr. President, these are facts. They are not in the realm of disagreement. The President's own budget, brought out by a liberal Democratic administration, acknowledges that taxes would have to be raised to 82 percent of the gross domestic product simply to fund the programs that are already on the books.

No one contends we will be a competitive, viable economy with taxes like that or even taxes half of that. What we are looking at is an economy and a plan for entitlements that is racing toward the edge of a cliff. The question is, Does this body have any more common sense than James Dean did when he got into that racer? The fate of our children rests on the answer. The fate of our children and our grandchildren rests on our wisdom in taking modest steps in advance of the tragedy to make it work.

I do not know of other proposals that are around that address the long-term problem. I was somewhat amused by a former Governor of Colorado, Dick Lamm, when he observed some caustic comment that the Republican proposals for Medicare reform which received so much attention last year were, indeed, outlandish and inaccurate. He said they were not near enough. Instead of going too far, they did not go far enough, because you see, the goal here is to save the programs. The goal here is to make them last.

In the long run, what this amendment is about is saving those entitlement programs. When we cast our votes on this, please do not think that we are helping future retirees by ignoring the facts. Those who care about retirees, those who care about our future will want to vote for this amendment.

Are the reforms modest? Of course, they are. Do they not have any immediate impact? That is probably true, no immediate impact. But, Mr. President, 20 to 30 years from now they will have an impact, and the impact will be significant. But more important than that, they will have an impact today not in financial terms, but they will have an impact in terms of hope, hope for our future, confidence in the American dream, because facing our problems and solving them is part of the strength of this great country.

I yield back the remainder my time, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I am pleased to be able to be here on the floor and listen to my colleagues and join them in presenting this amendment to our Senate colleagues today.

I certainly subscribe to the comments made by the Senator from Colorado, Senator BROWN, as well as Senator KERREY, Senator SIMPSON, and Senator ROBB in offering this amendment which provides immediate and long-term budget reforms that are absent from the budget resolution before the Senate or is absent from any other resolution before the Senate that I am aware of.

In the 1995 Kerrey-Danforth Bipartisan Commission on Entitlement and Tax Reform report, the Commission identified the following principles for its approach to long-term reform. These principles were:

No. 1, we must plan for the future by addressing and solving our long-term fiscal problem head on. That is exactly what this amendment does.

No. 2, we must lead by example. Congress cannot be exempt. That is also what this amendment does.

No. 3, we must plan for the aging of America's population, and that is precisely, again, what this amendment does.

No. 4, we must address rising health care costs by emphasizing market incentives and personal responsibility. Again, what this amendment does.

No. 5, we must fulfill our promises to today's retirees and ensure the long-term solvency of Social Security. Again, right on point.

No. 6, we must design a solution that is fair to all Americans. I am not sure we will ever have anything every American considers absolutely fair, but we have strived toward that goal.

No. 7, we must act now to give people time to plan for the future and to avoid significant future revenue increases or benefit reductions.

Again, as the Senator from Colorado laid out, that is what we are doing. We either take these steps now in modest steps, in doing what everybody who has studied this series of problems and challenges knows is inevitable, or we will wait longer and longer and longer, as we have been doing, and then the medicine will have to be more and more disagreeable in years ahead and even dangerously disagreeable.

Senators KERREY, SIMPSON, BROWN, ROBB and I are offering an amendment which lives up to the principles of the Kerrey-Danforth Commission and to put before the Senate and the American people some of the hard choices that have to be made in the near term if we are to have any hope of fiscal soundness over the next 20 to 30 years.

A proposal to balance the budget in 6 or 7 years is a necessary start, but it is only the beginning step, and that is what we are debating on the underlying resolution. We can balance the budget in 2002. If every projection works out as envisioned, whether it is under the proposal presented by the Budget Committee or whether it is under the President's proposal or whether it is under the Chafee-Breaux proposal—which I support. Even if we do that, however, and get a balanced budget in 2002, we will still have a dismal fiscal picture for the years following 2002, particularly for our children and children's children, because the cost of our entitlement programs, which are already the major cause of our persistent budget deficits, will become completely unaffordable when the baby boom generation begins to retire 20 years from now.

The Chafee-Breaux proposal, I think, is a solid proposal and a solid beginning for the first 7 years. This proposal is entirely consistent with that, indeed is consistent with the other alternatives, because it goes further. It talks about what we call the outyears, but these are the crucial years, and these steps have to be taken, in my opinion, now.

To give my colleagues some idea of the challenges ahead of us in America, consider the following.

In 1963, mandatory programs, entitlement programs plus interest on the debt—and make no mistake about it, these are the popular programs that are supported by the American people—in that year, 1963, this spending represented 29.6 percent, or about 30 percent of total Federal spending.

Ten years later, 1973, mandatory spending represented 45 percent of overall Federal spending.

In 1983, mandatory spending represented 56.3 percent of Federal spending. In 1993, mandatory spending consumed 61.4 percent of the Federal budget. In 2003, 7 years from now, the mandatory spending, or entitlement programs plus interest on the debt, is projected to consume 72 percent of the Federal budget. We have gone from 1963, 30 percent, to 2003, 72 percent, of the Federal budget.

In 2012, less than 20 years from now, mandatory spending is projected to consume 100 percent of Federal revenues as the programs are now structured.

Unless things change significantly, Mr. President, before 2012 there would be no Federal funds left for the defense of our Nation, no Federal funds left for education, no Federal funds left to have a Federal court system, environmental protection, transportation, prisons, Border Patrol, housing, foreign aid, cancer research, disease control, or any other appropriated account. All of these would be gone. That is what we are talking about within 20 years. The entire cost of all these basic functions of Government which Congress provides each year through the appropriations process, as opposed to mandatory spending, would have to be financed by deficit spending at the very point in time when Social Security itself will start to run huge deficits on its own.

In 2013, as the baby-boom generation begins to retire en masse, beneficiary payments for Social Security recipients will exceed receipts from working Americans. In 2030, when all the baby-boom generation will have reached age 65, Social Security alone will be running a cash deficit of $766 billion per year—not million, but billion.

Or consider the following. Because Social Security has been considered off limits for so long, the program has not changed with the times and with demographic realities the way many other programs have had to, and certainly the way the private sector has had to.

When Social Security was established by law in 1935, the elderly were eligible to receive retirement benefits at age 65. In 1935, the life expectancy of the average American was 61.4 years. Today, the retirement age for full Social Security benefits remains the same: 65 years. Today, the average life expectancy is almost 76 years. Thirty years from now, average Americans, based on projections, will live to almost the age of 79.

Mr. President, if we had this same actuarial plan that President Roosevelt and the New Dealers had when they started this important Social Security Program, the retirement age for Social Security recipients would be almost 80 years old today. We certainly do not suggest that, but we do suggest fundamental and modest adjustments.

The current Social Security Program is unaffordable in the 21st century because this increase in life expectancy is occurring at the same time as the number of workers supporting each Social Security beneficiary is decreasing. I know the American people believe that when they pay into Social Security, it all goes into a little account, that money sits there and draws interest and waits for them to retire.

Mr. President, it has never been that way. It never will be that way. Perhaps that is the way it should have been set up. It was not set up that way. We all know it was set up based on today's workers paying for today's retirees.

In 1950, there were approximately 15 people working to support each Social Security retiree or recipient. By 1960, there were five people working to support each Social Security recipient. Today, because of demographics, because of health care, there are now only——

The PRESIDING OFFICER. The Chair notifies the Senator that all of the time for the proponents has now expired.

Who yields time?

Mr. NUNN. Mr. President, would the Senator yield me about 5 minutes off the bill?

Mr. DOMENICI. Ten minutes.

Mr. NUNN. I thank the Senator.

Mr. President, today there are now only 3.3 workers per recipient. Thirty years from now, the ratio will be two to one. And this ratio will continue to decline.

My friend from Nebraska, did——

Mr. EXON. I will be glad to yield the Senator time, but I guess he has some over there.

Mr. NUNN. I thank the Senator.

Mr. President, I know there are many people who will debate this in an emotional fashion, but, in my view, this is not a Democratic or Republican philosophical debate. It is not about philosophy. It is not about anything but basic actuarial statistics and arithmetic. That is the way it ought to be debated. I know people get off on an emotional binge on this, and I know that it is considered the third rail of politics, but the facts are the facts. Two and two is four. The actuarial basis of any kind of a retirement program has to be taken into account.

I know that many question what will happen if we do nothing. Certainly I do. As our former colleagues, both Senator Tsongas and Senator Rudman, correctly noted not long ago, and I quote:

> If we ignore our mounting debt, if we just wish it would go away and do nothing about it, it will grow and grow like a cancer that will eventually overwhelm our economy and our society. The interest we owe on the debt will skyrocket. We will continue our vicious cycle of having to raise taxes, cut spending and borrow more and more to pay interest upon interest. Our productivity growth will remain stagnant; more of our workers will have to settle for low-paying jobs; and our economy will continue its anemic growth. America will decline as a world power.

Mr. President, this means, in short, that if we refuse to act now, future generations will have two choices. The Senator from Colorado has alluded to this and my other colleagues have, but it bears repeating. The choices will be to drastically cut benefits for people who are about to retire or already retired; or the other choice is to increase taxes on the working Americans to unsustainable levels to support the retiree. I do not know of any other choices. Taxes at the required level would not only be a political albatross; it would break our economy.

Mr. President, the sooner we act, the more choices we have, the easier it will be over the long run. The longer we wait, the stronger the medicine will have to be. The amendment before the Senate is one set of choices. Others might come up with a better approach. If so, they should come forward with their own amendment. But now is the time to join this issue. It needs to be joined.

We have to know where we are going in the future. We have to make tough decisions. Everyone who has studied this challenge realizes that we must reduce the future costs of our entitlement programs. We must do so without damaging our elderly population and those about to retire.

We do not pretend here today to have the only approach. We are certain, however, that even if we get only five votes—and that is entirely possible, I recognize this—the issue must be joined. The national debate on entitlements must begin.

For many years now the word in political circles is—and we all know it—the word is, do not talk about entitlement restraint during an election year. At least do not do anything about it seriously. Nor can you do anything in the year before an election. Mr. President, every year is either the election year or the year before the election. So that means you never do anything. That means we never do anything but talk in very general terms about entitlements.

Politicians of both parties are reluctant to believe the American people will ever understand or agree that these programs must be restrained if our children are to have a future.

With this amendment, we attempt to frame the debate and return our Nation to the same path our forefathers blazed for us.

While the Senate cannot amend all the actual statutes needed to implement these changes in a budget resolution, the proposals contained in this amendment represent strong but lifesaving medicine.

We propose the following: First, to adjust the Medicare eligibility age to correspond with the Social Security retirement age. This adjustment would add 2 months to the Medicare eligibility age each year beginning in the year 2000. Not any real big problem for any individual. By the year 2003, the Medicare eligibility age would mirror that of the Social Security system. Once Medicare and Social Security retirement ages are equal, the Medicare eligibility age would mirror the increases in retirement age planned for the Social Security system. Current Medicare eligibility age is frozen at 65 years.

The second major step we would take: to accelerate the date of the Social Security eligibility age by eliminating the 12-year plateau in the law now and increasing the rate of the eligibility age by 2 months per year. Eventually, the Social Security and Medicare eligibility retirement age would increase to age 67 in 2012 and 70 in the year 2030. Current law increases the Social Security retirement age to age 67 in 2026 and does not propose to increase beyond that age. Again, current law for Medicare eligibility age is frozen at age 65.

Third, and this one would apply now. We would limit the full cost-of-living—COLA's—cost-of-living increases to the first $50,000 in Federal retirement benefits. That will affect everybody in this body, likely, that retires. It will affect all of the people who retire with a very large benefit. For example, if a Federal retiree is eligible to receive $60,000 in Federal retirement next year, our proposal would allow this retiree to receive a cost-of-living increase on the first $50,000 in retirement but not on the other $10,000.

It seems to me that is a modest and a fair step higher-income retirees can be expected to take.

The fourth thing we would do would be to reduce the Consumer Price Index [CPI] inflation calculation by 0.5 percent each year for years 1996 through 2003. This is identical to the CPI recommended by the so-called centrist coalition.

The fifth thing we would do is adjust the civil service retirement age by allowing full retirement at age 60 with 30 years of service, age 62 with 25 years of service, age 65 with 5 to 25 years of service. Mr. President, this compares to current law with civil service retirement that provides full benefits at age 55 for 30 years of service, age 60 for 20 years of service, age 62 with 5 years to 25 years of service. This does not apply to anyone who is currently in or has been in the civil service. It would apply to new people coming in. Again, a very fair proposal.

The same with the military retirement change which is a modest proposal that applies to everyone coming into the military after this proposal becomes law, if it does. We would adjust active duty military retirement by allowing active duty personnel with 20 years of service to retire with full benefits at age 50. Benefits would be discounted if the person begins drawing them before age 50. There would be no change in Reserve retirement. Mr. President, this compares to current law for military retirement which provides full retirement benefits after 20 years of service, regardless of age.

This means that some people coming into the military can retire when they are 36 years old. Many of them retire when they are 38 or 40 years old. That has been based on the old military, where people had to move up or out, and you had to have everybody young and vigorous. Today we are in an age of technology. It is, fundamentally, time. Military has to adjust time in grade and make other adjustments. We do it over a long period of time so the military can make those adjustments without really having any harm on people who are nearing retirement, or with the grandfather provisions on anyone who is in the military today. Both the civil service and military retirement changes would be prospective. Again, would apply only to new civilian and military personnel entering Federal service.

When you think someone retiring at age 36 will live until they are 76 years old on average, or something in that neighborhood, they will draw retirement for 40 years. Now, we just cannot afford that kind of retirement system to continue on and on.

Seven, we establish a personal investment plan which would allow workers to divert 2 percentage points of their monthly payroll taxes to their own personnel investment plans. It is our intent to allow the personal investment plan to be enacted in a fashion which does not adversely impact Social Security long-term solvency.

Mr. President, this is modest medicine. Some may consider it strong medicine. I believe it is required to save the fiscal life of the future generations of American citizens. I believe it is fair medicine. We offer this amendment in good faith, but we realize we are asking our colleagues to join in programs touching the so-called third rail of politics in America, the rail which provides programs that affect people who are elderly. However, my colleagues should understand that this amendment, with the exception of providing a more accurate calculation of the Consumer Price Index and the COLA increase adjustment for retirees receiving more than $50,000 in Federal benefits annually, does not impact current retirees or those about to retire. We grandfather and grandmother our constituents who fall into these categories.

Our amendment maintains the important commitments between generations that form a foundation of Social Security, Medicare, and other programs. Most importantly, this amendment offers a hope that these programs and benefits will continue to exist in the future, for future generations.

I say to my colleagues, if you think these choices are unpopular, wait until you see the choices you will face if we continue to ignore these problems. These problems are not going to go away. They are not going to go away. They are not going to get any easier. Arithmetic is not going to change.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. NUNN. I will wrap up in 30 seconds.

Pete Peterson has spoken out on this subject and been a stalwart in trying to bring these matters to the attention of the American people. He had a recent article, and I will quote from the Atlantic Monthly article:

> The long great wave of baby boomers retiring could lead to an all-engulfing economic crisis unless we balance the budget, rein in senior entitlements, raise retirement ages and boost individual and pension savings. Yet politics of both parties say that most of the urgently necessary reforms are off the table.

Mr. President, we have to take these matters and put them on the table. That is what we seek to do here today. I have great faith in the American people. I think they have good judgment. With the facts, I think they will make fair judgments. I believe if we present the American people with the facts about our future, they will support sensible and fair conclusions what we must do today if we are to preserve the future for our children and for our grandchildren.

Mr. DOMENICI. Mr. President, how much time did the proponents use?

The PRESIDING OFFICER. The proponents have consumed their entire hour.

Mr. DOMENICI. Senator EXON, I know we have two different amendments waiting here on the floor. Senator SNOWE has an amendment that was scheduled for some time ago but it did not get worked in. How much time would you need?

Ms. SNOWE. Less than 5 minutes.

Mr. DOMENICI. And we have Senator BREAUX to be accompanied by Senator CHAFEE, and you want about 3 hours.

Mr. BREAUX. Yes.

Mr. DOMENICI. We want to work until 10 o'clock tonight if we can.

Mr. EXON. Senator SIMON wants to be recognized.

Mr. SIMON. If I could have 4 minutes in the process of this.

Mr. DOMENICI. We are not finished with the previous amendment.

Mr. SIMON. I wanted to speak on that amendment.

Mr. DOMENICI. So we could get Senator SNOWE in, and then the bipartisan proposal, and still try to get a couple more amendments after that this evening.

Could I ask the Parliamentarian, if we went until 10 o'clock tomorrow and all of that time was used because there would be no votes, how much time would we have used of the 50 hours?

The PRESIDING OFFICER. The Parliamentarian advises the Chair we are up to 41 hours.

Mr. DOMENICI. So it would be approximately 9 hours left.

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. I thank the Chair. I thank the Parliamentarian. I should not have asked such a complicated question. He is a Parliamentarian, not a budgeteer. Maybe Parliamentarians would do better than budgeteers.

Mr. EXON. Or vice versa.

Mr. DOMENICI. I wonder if we might suggest to our leadership, because tomorrow they want to take off around 10:30 for a while, that we come in again in the morning at 9 o'clock, and for an hour and a half take amendments up and then continue right on through the afternoon with as many amendments as we can get in, and try to get some unanimous consent on how we take up amendments, and then start tomorrow night around 5 o'clock or 6 o'clock with a series of amendments and return on Wednesday with a series that would be all the rest of the amendments.

Mr. BREAUX. It was our understanding we would try the so-called Chafee-Breaux substitute, use 3 hours this evening and have an hour to conclude tomorrow, sometime. I do not know if that fits in with your plan.

Mr. DOMENICI. It fits in fine.

Mr. EXON. How much time is allowed?

Mr. BREAUX. Four hours.

Mr. EXON. You would use 3 hours tonight and 1 hour tomorrow?

Mr. BREAUX. Yes, equally divided.

Mr. DOMENICI. To the extent the opposition does not use that much time, we could have less time.

Mr. CHAFEE. Or you could always give it to us.

Mr. DOMENICI. I assume 2 hours of discussion on a budget like yours ought to be more than adequate. That is not true. It is a great budget. We could spend a whole evening on it.

In any event, let me make sure that everybody understands. We are getting to a situation where, because we have to take off a little bit tomorrow, we are probably going to start voting no sooner than tomorrow night.

Mr. EXON. From what I can gather, probably in the neighborhood of 6 o'clock.

Mr. DOMENICI. That is correct. We will have a series of votes. We will strike some agreement on a tiny amount of time for each one for Senator EXON and I to explain the amendment. Then we will come back in on Wednesday, and there will still be a long list of amendments—unless we stay in all night, which I do not think we want to do Tuesday. We are not going to have a series of votes of five or six amendments. We are going to try to do it this way. If you can help us by not insisting that your amendment be voted on, maybe we can voice vote some. But that is the way things look right now.

Having said that, I yield myself 5 minutes in opposition to the amendment offered by Senators SIMPSON, KERREY, NUNN, and ROBB.

First of all, Mr. President, these Senators who offered this sense-of-the-Senate amendment deserve the highest accolades. They are attempting, in this sense-of-the-Senate resolution, to address issues that are profoundly important to the future. What we have the most difficulty with as legislators, Senators, Representatives and, I must say, even Presidents, is addressing future problems, because it is so easy to talk about only current problems and the current status of programs, and, for some reason, it is very difficult, even if the facts are known, to address issues that are clearly out there, which are going to be very damaging to our seniors, or to young people, or to our economy 10, 12, 15, 20 years out.

In fact, I think that the distinguishing feature for modern times between leaders that lead and leaders that propose to do things that do not require any leadership is those who deal with today only are not really leading very much, because today's problems and solving them right now is pretty easy. What is difficult is to solve problems that have long-term implications and you must convince yourself and people that you have to start solving them or they will not be solved right.

An example is, if one were a mayor of a city where a huge plant closed down and thousands of people were put out of work, you could get the community together quickly and rapidly, and they would join forces almost with one voice of harmony to do something about it. But if you talk about a master plan for highways for a city, it is pretty hard to get everybody together, because you do not need the highways tomorrow or next week. It is the same for our Federal Government. You have to start fixing entitlement programs today, because the handwriting is on the wall. You can tell the public precisely what is going to happen and what the options and alternatives are 6, 8, 10, 20 years out.

In that context, those who offered this sense-of-the-Senate resolution had the courage to do that. I wish it was not a sense-of-the-Senate resolution. I wish that we had a budget before us that literally did these things, or a mechanism for having a real vote on those kinds of issues. To some extent, in terms of the Consumer Price Index, the bipartisan proposal that is coming up shortly does address that. But I personally believe that the problem with the resolution offered by the four distinguished Senators, led by Senator SIMPSON, is that they have included in it that we fix the Consumer Price Index right now, that we change it to limit it and reduce it by five-tenths of 1 percent.

Frankly, I am not going to take a lot of time tonight. I believe I could convince Senators that we do not know enough about it to do five-tenths right now, and that there are real reasons to debate some alternatives. I believe I could spend time convincing the Senate that the small group of economists that came up with the conclusion that we were off by anywhere from 1 percent to 2.7 percent are not an official commission of the Congress, or of the President, and that we should not be changing Social Security based upon their reasoning.

But I also believe that we made a commitment this year that we were going to take some very tough medicine with reference to some of the entitlement programs—welfare, Medicaid, Medicare, public employees, on and on—but the commitment was that we would not touch Social Security in this round of budgeting, where we were attempting to reduce the budget deficits and ultimately to be in balance.

I believe we should live up to that commitment through this year. I believe, under whatever guise anyone wants to make it, a five-tenths mandatory change in the Consumer Price Index is changing that commitment and is going to impact on Social Security. I believe that the arguments made here today may very well be correct. We may get to that point. But I also believe that when we get to that point, it is going to have to be a very broad-based, bipartisan effort. I am beginning to think that you cannot do it without a President of the United States joining. If you are going to change the Consumer Price Index, and even if you want to make the point and even if you are right that it should be changed because it is not as accurate as it should be, I do not believe you can do that in the same year that you are reforming Medicare, welfare, and Medicaid, without the President of the United States and a bipartisan coalition saying let us change it.

We have part of that in this institution, for there is a large group of bipartisan Senators—not large enough to equal 51, but a large group—that will be in support of this approach. I have never shirked from making long-term budget decisions when they are clearly understood and when you can see the handwriting on the wall. I have never been afraid to tell those who are getting benefits from the Government that we overpromised. I have never been afraid of that. I believe we have overpromised in a lot of areas. I believe the reason Senator SIMON stands on the floor and so eloquently says, "Let us have a constitutional amendment for a balanced budget," is because he, too, believes—perhaps not in the same areas—we have overpromised, overcommitted, and we too easily tell the populace we are going to do more for them.

I believe the time has come when more and more of us have to stand up and say, in the interest of the future, in the interest of a growing economy and a better opportunity for our children and the next generation, we have to kind of harness in some of those commitments and make some changes, do them prudently. Most of the suggestions in this sense of the Senate are prudent and are way out there.

I want to close tonight by saying every one of those Senators have joined me—all four of them—in the past when we were on the cutting edge. We were there ahead of everybody saying let us fix the entitlements. My friend from Washington remembers, and Senator NUNN and the Senator from New Mexico. We almost shocked this place by passing a mandatory change in the growth of the entitlement programs. It came as a shock that Senators were finally opening their ears, minds and eyes to these problems. That was a few years ago. We are making headway on a number of those programs. We need to make more. The idea of changing the law in the future so that anybody who is now a beneficiary of one of the pension programs does not get affected is a brilliant idea. Eventually it will be done, or you will not be able to change those programs. But I repeat: You cannot avoid the reality that 0.5 percent on CPI is a change in Social Security. I truly believe we made a commitment to the contrary. We need more of an authentic commission and bipartisan support, along with a President to get it done. Maybe I am wrong. But that is how I feel here tonight.

What that means is that I will argue less on the total budget that Senator CHAFEE has so diligently—along with Senator BREAUX—put together. But I will have a few words about it, and most of it will be complimentary.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. Mr. President, will the Senator yield me time?

Mr. DOMENICI. Of course, in opposition, as much as you want.

Mr. EXON. Mr. President, I would first like to yield 4 minutes of the opposition time to the Senator from Illinois, who has been patiently waiting.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I confess I have some mixed feelings on this. While I have been recognized on opposition time, it is possible that I will vote for it because there are things that I think are very good in this.

Mr. EXON. You just lost your time.

Mr. SIMON. Mr. President, let me say that there is one area where I differ with my colleague from New Mexico, and I have great respect for him. I think he is one of the finest Members of this body, and his leadership in trying to move us toward a balanced budget I applaud. But I think, outside of the philosophy in the budget where the two sides differ—here you see fundamental differences. How much should go for education? How much for this? But two basic deficiencies are: First, we are having a tax cut when we have not balanced the budget. I just do not think that makes sense at all. Our colleague, Senator FEINGOLD, is going to have an amendment on that.

Second, we have to deal with the CPI. Senator MOYNIHAN has been excellent and eloquent on this. Senator NUNN was great. Pete Peterson had the article in the Atlantic Monthly. Anyone who is serious about this question, take a look at Pete Peterson's article. We simply have to balance the budget, and that means we are going to have to address the CPI question sooner than later, and the sooner we do it, the better. It is politically awkward. There is no question about that.

I have to say, the other side of this, without having studied where we are going, to say that we want to divert 2 percent of the total tax payroll to a private investment plan without doing any studying on it and without having hearings on it, I think is a questionable procedure. I really have qualms about doing something like that. So I have real unease about that portion of the amendment, but facing up to the CPI problem is something that we ought to be doing.

I yield the time, and I thank my colleague from Nebraska as well as my colleague from New Mexico.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank my friend from Illinois. I was going to ask him a question. I am going to be addressing this matter a little bit more in response to the Breaux-Chafee amendment. I think there are a lot of good things in the Breaux-Chafee amendment, and there are some good things in this amendment, which, as far as I can tell, is similar to Breaux-Chafee, but evidently this particular proposition is not entirely subscribed to nor is it endorsed by all 11 Democrats and 11 Republicans who make up the people who have been doing the good work under the direction of Senator CHAFEE and Senator BREAUX.

Let me say briefly about the CPI that we have to do something about Government and about Government overspending, but for the life of me I have never been able to figure out how we can justify, with the upcoming problems that we obviously have in Social Security and its solvency around the year 2030, changing the CPI without looking at the larger question of making solvent the Social Security trust funds or the Medicare fund.

I am not for making arbitrary adjustments other than those recommended by the Bureau of Labor Statistics. They have told us there should be an adjustment of, I believe, about 0.3 percent to make it fair and equitable, the way it was intended. I am for that. But these automatic, arbitrary cuts in CPI, it seems to me, is robbing Peter to pay Paul, Paul in this case being the budget deficit.

I think that is not well thought through. I simply say that rushing into things from time to time just because they sound good might not be the smartest thing to do.

If there are any sponsors of the amendment on the floor, I would like to pose a question to any of them, or to anyone who can explain this. On page 2 of the amendment before us, line 24, under 6 it states: "Workers should be allowed to divert 2 percent of their total payroll taxes into their own personal investment plan." Then listen to this: "As long as there is no effect on the solvency of the Social Security Program."

I wish someone could explain that to me. I do not know what they are saying. Are they saying that they want to make a fundamental change without hearings in the U.S. Senate on the historic Social Security plan by diverting 2 percent of the total payroll taxes into a personal fund so long as there is no effect on the solvency of the Social Security Program? What does that mean? Does that mean that the 2 percent would not be paid or could not be taken out unless it had an ill effect on the program? Does that mean we would have to have a massive tax increase to make up for the difference of money that is coming out of the Social Security trust fund that is already projected to go bust by the year 2030? Does that mean that we would have to have significant reductions in Social Security payments at that time? Can anyone explain to me what that phrase means, we can take 2 percent and put it in your own personal fund "as long as it has no effect on the solvency of the Social Security Program?" Can anyone explain that?

Hearing no one, I can only assume that there is no explanation, or at least the people that know the answer to the question that I posed are not here to answer it. I hope they will take the opportunity to do that at another time.

I am going to be very brief on this. I first want to commend the motivations of the sponsors of this amendment, most all of whom are close friends and associates of this Senator during the years I have been in the Senate. We all can agree that we need to look at entitlement reform. Chairman DOMENICI said much the same in remarks he just concluded. But I will have to oppose the amendment because it calls for piecemeal changes to the Social Security system that may compromise reform of that program and endanger rather than ensure its solvency.

In addition, this is, once again, one of those famous sense-of-the-Senate resolutions. Sometimes these sense-of-the-Senate resolutions take on a life of their own. We all agree that sometime in the not too distant future we are going to have to address this problem. We need to look at the entire pie before we decide to endorse these piecemeal changes.

We have, for example, Mr. President, a Social Security advisory council due to report, as I understand it, very soon their findings. They are not an official body of the Senate. I am very much interested in what they have to recommend. We should also have hearings. We have seen neither their report, nor their recommendations. So although the proponents are well-intentioned, before we get into an area like these we need to make reasonably sure you know what you are doing before you do it.

We all recognize we will have to make substantial changes in Social Security to ensure the solvency of the program for the baby boom generation, but we should think those proposals through. We should have hearings. We should know for sure, as best we can, what we are doing. The relevant committees should study, have hearings, debate the issue and make a recommendation to the floor of the Senate for action. We have not done that in a comprehensive way as far as I know in this case.

This amendment also contains two proposals—cutting the cost of living adjustments and moving back the age at which seniors become eligible for Medicare. These proposals are similar to a very large extent under the Chafee-Breaux budget substitute, which, I understand, we are going into as soon as we finish the remarks of the Senator from Maine. I will have something more to say on that.

I think that basically covers some of my concerns with regard to the sense-of-the-Senate resolution presently before us.

I yield the floor.

Ms. SNOWE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

The Senator from New Mexico.

Mr. DOMENICI. I ask unanimous consent that the pending sense-of-the-Senate amendment be set aside so that Senator SNOWE can proceed with her amendment in the normal fashion and that she be recognized to do that.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Maine is recognized.

AMENDMENT NO. 4017

(Purpose: Expressing the sense of the Senate that the aggregates and functional levels included in this budget resolution assume that savings in student loans can be achieved without any program change that would increase costs to students and parents or decrease accessibility to student loans)

Ms. SNOWE. Mr. President, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Ms. SNOWE] proposes an amendment numbered 4017.

Ms. SNOWE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(a) FINDINGS.—The Senate finds that—

(1) over the last 60 years, education and advancements in knowledge have accounted for 37% of our nation's economic growth.

(2) a college degree significantly increases job stability, resulting in an unemployment rate among college graduates less than half that of those with high school diplomas.

(3) a person with a bachelor's degree will average 50-55% more in lifetime earnings than a person with a high school diploma.

(4) education is a key to providing alternatives to crime and violence, and is a cost effective strategy for breaking cycles of poverty and moving welfare recipients to work.

(5) a highly educated populace is necessary to the effective functioning of democracy and to a growing economy, and the opportunity to gain a college education helps advance the American ideals of progress and social equality.

(6) a highly educated and flexible work force is an essential component of economic growth and competitiveness.

(7) for many families, federal student aid programs make the difference in the ability of students to attend college.

(8) in 1994, nearly 6 million postsecondary students received some kind of financial assistance to help them pay for the costs of schooling.

(9) since 1988, college costs have risen by 54%, and student borrowing has increased by 219%.

(10) in fiscal year 1996, the Balanced Budget Act achieved savings without reducing student loan limits or increasing fees to students or parents.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the aggregates and functional levels included in this budget resolution assume that savings in student loans can be achieved without any program change that would increase costs to students and parents or decrease accessibility to student loans.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. I thank the Chair.

I thank, first of all, the distinguished chairman from New Mexico, Senator DOMENICI, for his tremendous efforts on this budget resolution. As chairman of the Budget Committee, he has an unusually difficult responsibility to set a fiscal course for this country. Although faced with great challenges, he certainly has assumed those responsibilities time and time again with great skill and has demonstrated true leadership. I truly wish to express my appreciation to him for what he has tried to accomplish this year as well as in the past in trying to achieve a balanced budget.

The sense-of-the-Senate resolution I am proposing addresses the issue of education. I think it is critically important that the Senate go on record to reaffirm its commitment to higher education and to education in general. I think it is important that we establish a reaffirmation and support for a student loan program. I cannot think of a greater issue for the future of this country than to ensure that we provide an adequate funding level for higher education and in particular for student loans.

That is one of the greatest issues to the American people at this point. In fact, a recent USA Today/CNN poll indicated for the first time the American people regarded education as the top priority beating out all other issues, and regardless of party, regardless of age, regardless of income group, it crossed all party lines, all age groups, all income groups with respect to this issue. In fact, two-thirds of the American people feel that their children will be no better off than they are, and they see education as the key to survival.

That is why I think it is important to recognize just how significant student loans are. In the last resolution that we adopted and ultimately in the balanced budget reconciliation package that was passed by the Congress, we, indeed, restored almost $3.1 billion in funding to the student loan program. The final analysis was that there was no increase in cost to students or their parents, and that is what this sense-of-the-Senate resolution is all about. It is to restate that position and commitment for this fiscal year and for the process that we are adopting in this budget resolution, and with final acts down the road with respect to budget reconciliation.

So my sense-of-the-Senate resolution would build upon the work we did last year. It would restate our commitment to the student loan program, and that in fact we would not increase the cost to students or their parents or decrease accessibility to student loans. Half of the students who are enrolled in classes today rely on the student loan program. As we look at the skills and the occupations that will be developing over the rest of this decade and into the next century, only 27 percent will be in the low-skill occupation categories. So it is going to require in the future higher education.

In fact, today we have 40 percent of those jobs with low skills in that category, but those jobs will now require higher education in the future. And so it is all the more important that we here in the Congress make sure we provide adequate funding for the student loan program. We have seen that in the past it has contributed to our income growth as a country. In fact, the Brookings Institution did a study to look at the contributions that higher education funding by the Congress has made, that in fact it has contributed 37 percent to the income growth in America. For every dollar, based on another study that was done, the Federal Government has contributed to the student loan program, it has a return of more than $4, so you can see it makes an enormous difference to this country as well as to the collective ability of families and individuals to be able to achieve the American dream. And education and higher education has given that opportunity to so many who would otherwise not be able to afford a higher education.

So it is not just an individual problem that they cannot afford an education. It is not just a State problem. It is a national problem. We are seeing the cost of higher education increasing by 6 percent over the last few years, and that cost is only going to continue to grow. So we must as a Nation try to do everything we can to support an individual and their families by providing this access to an affordable college education.

It clearly is in our interest if we are going to remain as a major competitor in the global economy, particularly as we approach the 21st century, and we are going to have to emphasize continuing education and lifelong learning. The only way we can do that is to provide adequate support to the student loan program. If there is one issue that I hear from my constituents time and time again, it is the issue about having an affordable education for their children. Never have we had a generation that has not aspired to present a better world for the next generation.

But now that is a cause of concern to so many people across America, because they see America as the opportunity to a better life and a higher standard of living than even their parents enjoy. So if they do not have that opportunity, clearly they are going to see the future with pessimism rather than with optimism.

I hope we will get broad bipartisan support for this sense-of-the-Senate resolution to ensure that we maintain the commitment, not only to Americans all across this country, but to our Nation. I cannot think of a greater gift that we could give to the American people and to their families and to their children and grandchildren than the opportunity to better themselves. It is certainly a step forward.

John F. Kennedy once said that the task for every generation is to build a road for the next generation. I cannot think of a more important road to build than education. So I hope the Senate will unanimously adopt this sense-of-the-Senate resolution.

I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield time?

Mr. DOMENICI. Mr. President, I ask unanimous consent the Snowe amendment be temporarily set aside and Senator CHAFEE be recognized to offer his amendment, on which we understand there was an agreement we will take 4 hours equally divided, 3 of which will be spent this evening and 1 hour tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Rhode Island is recognized.

AMENDMENT NO. 4018

(Purpose: Setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, 2002, and 2003)

Mr. CHAFEE. Mr. President, on behalf of myself, Mr. BREAUX, Mr. BENNETT, Mr. BROWN, Mr. BRYAN, Mr. COHEN, Mr. CONRAD, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. GORTON, Mr. JEFFORDS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERREY, Mr. KOHL, Mr. LIEBERMAN, Mr. NUNN, Mr. ROBB, Mr. SIMPSON, Mr. SPECTER, and Ms. SNOWE, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE], for himself, Mr. BREAUX, Mr. BENNETT, Mr. BROWN, Mr. BRYAN, Mr. COHEN, Mr. CONRAD, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. GORTON, Mr. JEFFORDS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERREY, Mr. KOHL, Mr. LIEBERMAN, Mr. NUNN, Mr. ROBB, Mr. SIMPSON, Mr. SPECTER, and Ms. SNOWE, proposes an amendment numbered 4018.

Mr. CHAFEE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. I know Senator SNOWE has further engagements, so if she would like to proceed for a few minutes now before I start, she is very familiar with the amendment as a cosponsor. I will be glad to yield to her such time as she needed.

Ms. SNOWE. I thank the Senator. I certainly appreciate that consideration. I rise in support of the bipartisan balanced budget that was worked on by more than 20 Members. There were numerous discussions, negotiations and votes in the course of the last few months. I commend Senator CHAFEE and Senator BREAUX for their outstanding work and leadership in guiding us through those difficult negotiations.

This has been an extraordinary effort and undertaking by more than 20 Members on a bipartisan basis to present a balanced budget plan. This effort really was derived from the time in which the balanced budget negotiations between the President and the Congress failed and we also had the subsequent Government shutdown. We were committed to the idea of creating a balanced budget plan and we feel the only way we can pass a balanced budget plan is on the basis of bipartisanship.

I commend Senator DOMENICI for his work and the work he has done in the past on the issue of a balanced budget. One of the things we have recognized and have acknowledged is clearly we cannot get a balanced budget plan through this Congress unless we have strong bipartisan support. So our effort is not to condemn any other alternatives or the budget resolution that has been put forward by Senator DOMENICI and the Budget Committee, because it has been outstanding. Our effort is to move forward in unison, together, so we can pass a balanced budget plan. If you look to the future and the escalation of deficits, it is staggering. In the year 2002 we will have a $6.4 trillion debt. In the next 15 years it will double, 5 years thereafter it will double. And in the year 2025, in that year alone we will have a $2 trillion deficit.

Given that current spending spurt, we will definitely be requiring the next generation to pay an 82-percent tax rate and they will see a reduction of benefits by more than 50 percent. I do not think that is the kind of legacy we want to leave to the next generation.

That is why this proposal is so important. We made decisions that were not simple. We did not agree with all the proposals that were incorporated in this balanced budget plan. If we all had our druthers, we would probably make different recommendations. But we came together on a broad, bipartisan basis, to ensure in the final analysis we would develop a bipartisan balanced budget plan that could get the support of the majority here in the Congress.

I hope Members of this Senate will look at this plan very carefully, because clearly it does split the differences on some very contentious issues between the President and this Congress. Although we might not like everything that is in this balanced budget plan, I daresay there would not be any balanced budget plan everybody would agree with when you are talking about reducing Federal spending by more than $700 billion.

The deficits we are facing in the future, as I said earlier, are the ones we have to be concerned about. Everybody can make projections about how the deficit is coming down and the CBO reestimates based on previous efforts has reduced the deficit. The fact of the matter is, the deficits are astronomical in the next century and will only continue to grow. I do not think that is the kind of legacy we want to leave for future generations.

If you look at the current indicators, we should be concerned. If you look at the Treasury bonds of 30 years, which is a good indication of the economic health in America, that interest rate has gone up by more than 1 percentage point over a 3-month period. We have seen this is the weakest recovery in more than 28 years, if you look at the job growth rate. So we really have to address the issue of the debt and the current deficit because, if we fail to do that, then clearly we are not going to show that we have the capacity to grow as a nation. We cannot grow with the kind of debt we are compiling for now as well as into the future.

Again, I express my appreciation to Senator CHAFEE and Senator BREAUX for giving me this opportunity to speak first on this amendment. I hope we will get some very good consideration for its passage.

I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I thank the distinguished Senator from Maine. She has been a very loyal and superb contributor to our deliberations which have gone on since last October. We greatly appreciate the fine support the Senator from Maine has given us.

Mr. President, Senator BREAUX and I, along with 19 of our colleagues, are offering this alternative, centrist budget resolution in the hopes that we can provide a bridge between the two parties. We strongly believe, and I will challenge anybody here to say something to the contrary, that this plan we have represents the only hope of obtaining a balanced budget.

Why do I say that? Because Democrats will oppose the Republicans' proposals. And Republicans already have shot down the Democrats' proposal, the administration's proposal, the President's proposal. That leaves us in exactly the same place we were in at the end of last year, having done little to address the real reforms to put this country's fiscal house in order.

The plan that the centrist coalition, which is the name of the group that Senator BREAUX and I have the privilege of leading, is presenting today, offers a way to reach a consensus on fixing this problem. It balances the budget in 7 years using the Congressional Budget Office assumptions. We do not have any gimmicks here. We do not have any sunsetting of tax cuts. We do not have any triggering of additional income in the outyears. These represent both reforms in the entitlement programs and a modest tax cut for working families.

I invite Senators' attention to be directed to this chart. This is 1996, where the deficit is something around $150 billion. If we do not do anything in connection with balancing this budget, this is the way it will go, up, so that 10 years from now the deficit will be $400 billion. Everybody who spent any time on this problem at all knows it keeps on going upward. Something has to be done about these deficits and nothing will occur in reducing them unless we make some changes, not solely in the discretionary programs but in the entitlement programs as well.

Where does all this leave us? As I mentioned before, the Republicans have shot down the Democrats' proposal. The budget will pass here but when it comes to the reconciliation bills, undoubtedly those will have no Democratic votes and will have a high probability of being vetoed by the President. So what happens then? Republicans and Democrats both will have offered budgets that they like but which are unacceptable to the other side. Each side will proclaim itself a champion of fiscal responsibility. But at the end of the process, we will have failed to solve this problem. The country will not be on the path toward a balanced budget. Instead, higher and higher deficits will result.

Now I will turn to the second chart. Here in the red at the bottom, we have what is known as discretionary spending. This is spending that deals with all the programs we are familiar with—the FBI, the State Department, the parks, health care and education. All of these are under this so-called discretionary spending.

As anyone will note looking at this chart, it goes up very, very slightly. This is not where the problem is. The problem is in the green. The green is what is known as the entitlements. The entitlements are Medicaid, Medicare, welfare, Social Security, and this is where the great portion of the budget not only is now, but it increases. You can see that what goes up is not the red of the discretionary programs. What goes up is the green of the entitlement programs.

In the budget that has been presented by the Budget Committee, it is projected that over the next 6 years, $300 billion will be saved from the discretionary accounts. What that means is that what you see here, these tiny little increases, will be held flat and, indeed, decrease over the next several years, over the next 6 years.

The President does something quite similar and did something quite similar in his budget. He proposed that there be $229 billion of savings in these programs. I think it is safe to say that very, very few Members of this Senate believe that either of those levels of cuts in discretionary spending can be achieved. They are just plain not going to be there, particularly in the last 2 years of the plan.

In our plan, which we have submitted, we recognize the near impossibility of those savings being made in discretionary accounts. Our proposal saves $179 billion from those programs over the next 6 years—$179 billion, not $300 billion as is proposed by the Budget Committee, not $229 billion as the President proposed, but a far more realistic $179 billion.

We recognize that even getting the $179 billion savings represents a monumental effort to extract that money from NIH research or law enforcement or environmental protection or whatever it might be.

However, we believe that these savings can be achieved. It will be difficult but certainly far easier than doing anything like $300 billion or $229 billion, as the other programs have suggested.

Now let us talk a bit about the entitlement programs. As you can see, this is the great bulk of the spending of the Nation. This is where the increases are. These are very politically popular programs. The Bipartisan Commission on Entitlements and Tax Reform laid out the problem very succinctly in its August 1994 report.

The commission found that by the year 2010, spending on entitlement programs—now listen to this carefully because this is very dramatic. This is not me saying this. This is a bipartisan commission. This is what they said: The spending on entitlement programs—namely Social Security, Medicare, Medicaid, welfare—and interest on the national debt by the year 2010, the spending on that will exceed all of the Federal tax revenues that come in. That will leave no money to pay for the FBI, the Park Service, or all the other discretionary programs that we previously mentioned.

The centrist plan addresses that problem by making changes that will bring the entitlement programs under control. I know that my fellow Senators who are part of this will go into these in greater detail, but I will briefly touch on them.

In Medicare, our plan makes substantial reforms to improve the program's effectiveness and to shore up the trust fund solvency. We maintain the traditional fee-for-service programs, but also pave the way for a broad range of managed care plans.

We propose that there be affluence testing for the so-called part B premium. Others will touch on this, but that is a program that ought to be inaugurated under the Medicare Program and, thus, reduce the drain on the Federal Treasury, because what the individual does not pay for, some 70 percent, comes directly out of the General Treasury.

We address the long-term viability of the Medicare Program by conforming Medicare eligibility age to the Social Security Program. Under current law, Social Security retirement age is scheduled to increase from 65 currently to 67 years beginning in the year 2003. This increase will occur gradually, taking 22 years to become fully effective. In other words, starting in 2003, it goes up.

The plan we have significantly improves the current Medicaid Program. This is something that greatly concerns the States. We give the States far greater flexibility in delivering health care to the aged and to the poor. States will be able to design systems which best suit their needs without having to go through the lengthy waiver process with the Federal Government.

We repeal the so-called Boren amendment, which will allow States to establish their own reimbursement rates and free them from much of the litigation that now exists.

Importantly, the centrist plan maintains a national guarantee of coverage for low-income pregnant women, for children, for the elderly, and the disabled. We also have important safeguards to prevent States from shifting their Medicaid costs to the American taxpayers.

We make needed improvements in the welfare system. Our plan is based upon the welfare reform bill that passed this Senate 87 to 12 last year. That plan stresses going to work. It requires States to meet a 50-percent work requirement by the year 2002. We accept many of the recommendations of the National Governors Association, particularly for greater child care funding.

Over the next 7 years, the centrist plan also provides tax relief in the shape of $130 billion, much of that going to working families and to small businesses. This includes a $250 per child tax credit.

We have capital gains relief, incentives for families to save by expanding individual retirement accounts, and a State tax relief for family-owned businesses.

Finally, our plan incorporates a one-half percentage point correction in the Consumer Price Index. The Consumer Price Index, as most of us know, is used to calculate cost-of-living adjustments to Social Security and other Federal retirement programs and also for indexing the Tax Code. The problem is the following, Mr. President: The CPI overstates inflation. This is not just me saying this, this is not just the members of the 19 or 21 of us, it comes from lengthy testimony that we have had before the Finance Committee in the U.S. Senate.

The Chairman of the Federal Reserve, Alan Greenspan, believes that the CPI is overstated by 1 percentage point. The Boskin Commission, which was established by the Senate Finance Committee to study this measure, has reported that the overstatement ranges from seven-tenths of 1 percent up to 2 full percentage points.

Our proposal does not go the 2 percentage points, it does not do the 0.7 percent. We go lower than all of those. We take a modest five-tenths of a 1 percent adjustment to the CPI to correct this error. That change will reduce the deficit by $126 billion over the next 7 years and will continue to provide tremendous savings in the outyears.

Over the past few months I have had the privilege, as many of us have here, to discuss this program with my colleagues and with others. Usually there is approval. But then there is the "but," "But I do not like this." "I would like your proposal, except the cap on direct lending is too low" or "the tax cuts should be larger" or "there shouldn't be any tax cuts" or "the Medicare savings are too large" or "the welfare savings are too small." Everybody has some small reason.

These are all important considerations, Mr. President. I understand that many Members have strongly held views on these subjects. But we are never going to tackle and succeed in reducing this deficit if we let the perfect be the enemy of the good. If everybody takes a way out by saying, "I like it, but I don't like any tax cuts," we do not have as many tax cuts as the other programs do. We have more than the President's, but certainly less than the Budget Committee has.

Yes, we do not do everything everybody likes. As the Senator from Maine indicated, she and I believe every single member of our group has some better way of doing it than this. But we all stood together and we voted, and we do not all get what we wanted, but we decided to hang together or otherwise nothing will be achieved.

So, Mr. President, the alternative that Senator BREAUX and I and the others present today offers the Senate the only opportunity to have a balanced budget for this Nation this year. Is it tough? Certainly it is tough. The CPI change is not an easy vote, nor is the vote to shore up Medicare and the affluence testing on Medicare, for example. But here you have a group of Democrats and a group of Republicans who have joined hands to take these important steps forward and to end the partisanship and to move forward in doing something about these horrible deficits that our country faces.

So we ask each of you to join our efforts. For the sake of our children and our grandchildren, and the young people, all the young people of our Nation, we want to pass this country on in better shape than we found it. Here is the way to do it. I want to thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I make an inquiry. It is my understanding, under the agreement, that there are 3 hours equally divided among the proponents and the opponents.

Mr. CHAFEE. I yield whatever time Senator BREAUX uses.

The PRESIDING OFFICER. The Chair informs the Senator from Louisiana, there are 3 hours this evening, 1 hour tomorrow.

Mr. BREAUX. I ask, if it is possible, if the Chair could notify the Senate when the Republican side has used 45 minutes in support of the amendment and when the Democrats have used 45 minutes also so we can divide the time.

The PRESIDING OFFICER. The Chair will make that notification at that time.

Mr. BREAUX. I yield myself 10 minutes. I ask the Chair to notify me when 10 minutes is used.

Mr. President, I first start by commending both the distinguished ranking member, the Senator from Nebraska, Senator EXON, and the chairman of the Budget Committee, the Senator from New Mexico, Senator DOMENICI, for the good work that they have done. This is not an easy task. These two gentlemen have worked tirelessly, been here every day. They have worked very, very hard in trying to get this accomplished.

Having said that, I start my remarks by saying, well, here we are again. Yogi Berra also said it in a different way. He said, "It's deja vu all over again." The younger generation sort of uses a different term. They say, "Been there. Done that." But it all really adds up to the same thing, that we have been through this practice once before.

Does anybody remember last year? Does anybody remember, despite the good efforts of the chairman, the ranking member, and the administration, that the end result of last year's effort is we had two partial Government shutdowns, 13 Government continuing resolutions, which were sort of like sort of funding the Government but not really doing it? All of that was because we on this side could not agree with our colleagues on that side, and neither could agree with the administration down Pennsylvania Avenue on how to run the Government. Is it any wonder that the numbers I saw in the Wall Street Journal, I think Friday, said that 68 percent of the American people do not today trust Congress to get the job done that they feel they elected us to do?

Yet, despite those numbers and despite the failures, I am very concerned that here we go again. Deja vu all over again. Been there. Done that. Because what I see so far in this session of this Congress, is going along the same paths that brought us to almost a disastrous shutdown of the Government that we could not keep going. Yet we are starting out this time the same way.

The Democrats have all voted for the Democratic proposal. The Republicans all voted against it. Ultimately, when the distinguished Senator from New Mexico presents his budget, I imagine just the opposite is going to occur, all the Democrats will vote no, all the Republicans will vote yes. Because our Republican colleagues are in the majority, their budget will pass. But then you have a person down on Pennsylvania Avenue, the President of the United States, who is going to disagree with many of the things in that budget, and therefore when those programs come before him to reach those numbers, he is going to veto that.

Have we not done that before? Have we not been there before? Is there not a better way to do it? The economist and sometimes humorist Herb Stein had a great quote I was reading the other day. It said, "If your horse dies, we suggest you dismount."

What he was trying to say is, "If it doesn't work, try something else. Get off the dead horse." Yet I am very afraid we are going right down that same path we just tried. Everybody in this Chamber, and probably in the other Chamber as well, and everybody in the public knows that it is not going to work.

We have suggested a better way, a different way, maybe a revolutionary way in the sense that we are asking both sides to cooperate and make tough decisions together. There is no more gain to be gained from the blame game. We can no longer say it is the Republicans' fault, and they can no longer say it is the Democrats' fault and make any headway in getting the people to believe that we are really serious about getting the job of Government done.

Senator CHAFEE has outlined the fact that there were 22 Senators who have worked since October of 1995, sometimes three and four times a week, in the Chamber here in the Senate and Senator CHAFEE's office, and generally, and worked up an agreement that says, "Yes, there is a better way." The only way we are going to get it done is by making these tough decisions together.

Senator CHAFEE is exactly right. Some will say the tax cut is too high. Some will say not high enough. Some will say the Medicare cuts are too big. Some will say they are not big enough. But we have come together in what I think is the last best effort to say, yes, we still can govern this country, and, yes, the only way we are going to do it is working from the center out.

Is there anybody here who still believes we are going to be working the Government, working from the far left or far right, to come together to make a majority? We have proven that will not work.

We have a 7-year balanced budget. Seven years is what most people have talked about for over a year. We decided to stick to those numbers. Here are our numbers. We compared our numbers of 6 years to the President's 6-year proposal and to the Republican 6-year proposal. Then we looked at it from a 7-year plan. It makes it a little easier to get to the balance. The bottom number is $679 billion over 7 years that we save, that we get to balance in those 7 years.

It has not been easy, but it is not impossible. It is not impossible if you do it in a bipartisan way. It is impossible if you do it in a partisan way. I believe what we are presenting is the last best opportunity to get the job done.

Senator CHAFEE has gone over what we do on Medicare. We save $154 billion out of Medicare. Look how our 6-year number compares to the President's. It is lower than the President's. Ours is only $106 billion in savings. We do it by giving people a lot of different options. Fee for service is one, HMO's, points-of-service plans, provider-sponsored networks. We make some substantive changes.

The same thing on Medicaid. We save $62 billion out of Medicaid. We do it by taking a lot of the Governors' proposals and recommendations and modifying them. We did not give them everything they wanted, but we made substantive changes in Medicaid, giving a great deal more flexibility to the States, which I think most of the States want. I think, quite frankly, it is the right thing to do.

In welfare, the earned-income tax credit, $58 billion. The numbers are very close to the administration's. The $70 billion from the Republicans, I think, is higher than is justified. We come in somewhere down the middle, which most of our numbers do.

We are tough on work, good for kids, provide more child care money for children. But we have a time limit. We end the old program. We make some major changes in welfare, which I think is important. We have a tax cut, a $105 billion net tax cut. Some will say it is not big enough. Some will say it is too large. We come down the middle.

We have about a $25 billion so-called corporate welfare adjustment, but a real net tax cut for families with children, a $250 tax credit, and are working to try to get it up to $500 if they invest in an IRA account.

We also have estate tax relief for small businesses. We increase the tax deduction for health care for self-employed people. Yes, we have a capital gains tax cut in this package both for businesses and individuals.

I want to talk about the CPI because some say you cannot do the CPI; that is something that is absolutely impossible. We did it because economists have all said the Consumer Price Index that is used to base all the entitlement increases overstates the cost of inflation in this country by anywhere from between 0.7 and up to 2 percent. We take 0.5 percent and say we will have an adjustment in the Consumer Price Index over what the Bureau of Labor Statistics is talking about of 0.5 percent. That saves us, over a 7-year period, $126 billion.

We are saying to the American public who are beneficiaries of entitlement programs, we will try and save those programs. We say to Social Security recipients, just like they told us, we will extend the year of solvency in the Social Security Program from the year 2030 to the year 2036. We are giving it at least 6 extra years, just based on our Consumer Price Index.

In addition to that, we cut the long-term imbalance of Social Security funds, the imbalance of the trust fund by one-third over the next 75 years and extend the life of Social Security by an additional 6 years by making this adjustment. I want to show the chart. Some say you cannot do that. The only thing we are saying to the people in this country who get automatic adjustments in their cost of living is that we will ask that adjustment more accurately reflect the real cost of inflation to you. That is not asking from people too much. We are still saying, you will get an increase. We are simply saying, your increase will be more accurately reflective of the cost of living.

I ask unanimous consent for an additional 2 minutes.

The PRESIDING OFFICER (Mr. GORTON). The Senator has that right.

Mr. BREAUX. What we are saying is, people who get Social Security retirement, railroad retirement, all the other benefit programs, when you look at the recommendations from the special commission which has given us an interim report, that report says very clearly that the Consumer Price Index overstates the cost of inflation and adjustments in these entitlement programs. They say, "Changes in the CPI will overstate changes in the true cost of living for the next few years."

The commission's interim best estimate of the size of upward bias looking forward is 1 percent per year. The range of plausible values is 0.7 of 1 percent to 2 percent. We picked a number in between, 0.5, actually lower than their estimated range, a 0.5 percent adjustment.

I was saying what it would mean with an adjustment, using a CPI adjustment between 1996 and 1997. You are talking a difference of only $3 per month, we say to Social Security retirees, what they would get less under a CPI-adjusted Social Security increase. I think to say to people on retirement programs that if you are going to help everybody solve this problem, I think you should be very pleased to receive an increase that more accurately reflects what the real cost of living is, I do not think there is a senior in this country that says, "I want to get more than it costs to keep up with inflation." I do not hear a senior citizen saying, "I want to get more than I am entitled to." They say, "I want to make sure I get what I am entitled to, our contract with our Government, but I do not want to get more than I am entitled to."

This small adjustment guarantees the solvency of the program for an additional 6 years. It saves us $126 billion over 7 years and allows us to get to a balanced budget in 7 years, I think with the least amount of difficulty and trouble.

In conclusion, the only way we will get it done is if we work together. We will never get it done if we continue to try the same path we have tried in the past. We suggest there is a better way. We suggest an amendment offered by Senator CHAFEE and myself on behalf of some 20-odd other Members of the Senate should be the way to go.

Mr. President, I ask unanimous consent an actuarial statement regarding the CPI be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAY 16, 1996.

From: Harry C. Ballantyne.

Subject: Long-Range Effects of Reducing Automatic Benefit Increases—Information.

In response to a request from Cynthia Rice in Senator Breaux's Office, we have prepared estimates of the long-range effects, on the OASDI Trust Funds, of reducing future automatic benefit increases by 0.5 percent, beginning with the increase effective for December 1996. Estimates are shown below under the program modified by the reduced benefit increases, as well as under present law. The estimates are based on the intermediate assumptions in the 1995 Trustees Report.

	Present law	Modified program
Actuarial balance over next 75 years, as a percent of taxable earnings	−2.17	−1.44
First year in which expenditures exceed tax income	2013	2015
First year in which expenditures exceed total income	2020	2024
Year of exhaustion	2030	2036

HARRY C. BALLANTYNE,
Chief Actuary.

Mr. NUNN. Mr. President, I rise today in support of the so-called centrist coalition's substitute for the fiscal year 1997 budget resolution. I congratulate Senator CHAFEE and Senator BREAUX for their leadership in bringing this substitute before the Senate.

As Senator CHAFEE and Senator BREAUX have indicated, this bipartisan substitute is offered by 22 Senators—11 Republicans and 11 Democrats. The substitute is the result of many months of bipartisan work. I believe it is a sustainable package which if enacted would bring the Federal budget into balance in 7 years.

We offer this Chafee-Breaux substitute in the spirit of compromise. Each one of its sponsors can point to elements which he or she disagrees with. However, on the whole, we believe it to be more realistic than the proposals offered by the White House or the Senate Budget Committee. For instance on entitlement reform, the substitute reduces the expected growth rates for Medicare, Medicaid, welfare and other mandatory programs more than the proposal President Clinton offered in January, but less than reductions offered by the Senate Republicans in the underlying budget resolution. The same is true with respect to the proposed tax cuts included in the substitute.

For the record, I question the necessity and the wisdom of a tax cut at this time. For Congress to propose to enact a tax cut which runs concurrent with or actually precedes the spending reductions set forth in the budget resolution is akin to the board of trustees for a bankrupt company declaring a dividend before it begins the necessary steps to bring the company's operations into balance.

However, I realize that compromise is an essential part of this process and I support the Chafee-Breaux substitute's tax provisions. These provisions call for a net tax reduction of $105 billion over 7 years—which is roughly two-thirds the size of the proposed cuts in the Senate budget resolution, but larger than those cuts proposed by the President.

The areas where the Chafee-Breaux substitute diverges dramatically from either the Budget Committee proposal or the White House's proposal are: First, the change in the calculation of the consumer price index [CPI]; and second, the proposed reductions in discretionary spending.

With respect to the CPI calculation, the Chafee-Breaux substitute calls for a reduction of .5 percent per year every year for 7 years. Such a change would produce $126 billion in savings over 7 years. Almost every economist agrees that our current method of calculating CPI overstates inflation due to substitution bias, the difficulty in measuring changes in quality, and other factors. The Boskin Commission, headed up by Michael Boskin, the chief economic advisor to President Bush, believed that the CPI should be reduced from between .7 percent to 2.0 percent annually. I realize this component of the substitute will not be popular with many of our colleagues and our constituents, but such a step is necessary not only to reach our short-term goal of balancing the budget in seven years but in order to sustain a balanced budget in the longer term when the "baby boom" generation begins to retire.

The budget resolution before the Senate proposes to reduce discretionary spending by over $296 billion over 6 years. I do not believe such reductions are realistic or sustainable. This figures amount to a hard freeze plus about $30 billion in additional discretionary spending cuts. If enacted, I foresee future Congresses faced with the choice of devastating popular domestic programs like Head Start or the space station, or foregoing the defense modernization needed to make sure our military maintains its technological edge in the next century.

The Chafee-Breaux substitute calls a reduction of $268 billion in discretionary spending over 7 years. These are significant, but sustainable savings.

I would like to add a final note. If we do enact this proposal and get the budget balanced in 7 years, we still have a long way to go. This Congress and this country will have to look at a 20- to 30-year fiscal picture. We will have to set in motion today reforms that can be implemented very gradually and very slowly. We have to reform Social Security. We have to reform Medicare. We can do both gradually so that retired people or people about to retire are not harmed, but we must address these issues now for the generations that will follow us.

Mr. President, the Chafee-Breaux proposal is the last train in the congressional station if we are going to enact a balanced budget proposal this session. The proposal shows that a bipartisan agreement on balancing the budget is achievable—we only need the willpower to achieve it. An agreement is within reach. If we fail to act, it will only make future efforts more difficult.

Our forefathers worked and toiled to provide us with our current prosperity. If we fail to do the same, by continuing to ignore the deficit problem, our legacy to our children and grandchildren will be a higher debt and a lower standard of living. But if we succeed, once we get beyond the difficulties of adjusting our spending down to what we can actually afford, we will start to reap the benefits that flow from a balanced budget: higher investment, higher productivity, more economic growth, and higher standards of living.

Mr. BREAUX. Mr. President, I yield to the distinguished Senator from California 10 minutes.

Mrs. FEINSTEIN. I thank the Senator from Louisiana. I thank the Chair.

Mr. President, in my short 3-year tenure in this body, I have never seen a better experience in working across the aisle than the effort that the centrist coalition has gone through since last October. I can only give my strongest accolades to Senator CHAFEE and to Senator BREAUX, who called us together in meeting after meeting and listened patiently to what each one of us had to say. We discussed it. We voted. We went back and forth, figures and calculations were done and redone when they had to be, and decisions were made.

I think everyone in this coalition, all 22 of us, 11 Republicans, 11 Democrats, accepts a basic premise that we have to address the budget deficit. I want to give you three basic facts on which this premise is based. In 1963, less than 30 percent of all Federal spending paid for interest and entitlements; more than 70 percent of our spending paid for discretionary programs—defense, education, training, R&D, roads, and bridges. Today, it is reversed. Two-thirds of spending addresses entitlements, not on budget, and interest, about which we can do nothing. Only one-third goes for discretionary programs.

By 2003, more than 70 percent of all spending will be directed at interest and entitlements, blocking our ability to make needed investments in education, research, and strengthen the economy. I will never forget when friend and colleague Senator CONRAD, in one of our meetings, said in a very emotional and very forthright way, "You know, the choices are twofold: Either we agree to act now or we agree to reduce all benefits across the board by one-third and set tax rates at 80 percent or more for our children." In fact, that is the choice. Either do one of those options or do something that crosses party lines.

I, like Senator CHAFEE, like Senator BREAUX, like the others amongst us, truly believes that unless we have something that is bipartisan and crosses the aisle, we will not have the votes to affect a 7-year balanced budget. If we do nothing, by the year 2012 entitlements and interest payments will grow so rapidly that they will consume all tax revenues. By 2000, interest payments will increase by more than 50 percent, pass national defense in size, and trail only Social Security as the second-largest Federal expenditure.

So we have to move. The bottom line of this budget is that it is balanced over 7 years after thorough and comprehensive review of all areas of spending and continues the strict spending discipline for discretionary spending.

As you have heard, the centrist plan includes approximately $154 billion in Medicare savings, $62 billion in Medicaid savings, $50 billion in welfare savings, and more than $50 billion from a diverse range of other programs, including housing, energy, natural resources, civil service retirement, veterans, debt collections and telecommunications. Additionally, the plan adopts $25 billion in savings by closing tax loopholes.

Let me quickly walk through some of the elements of the plan. For Medicare, the plan adopts about $154 billion in savings over the next 7 years. The centrist plan rejects the steep cuts in Medicare to pay for tax breaks, but generates the needed savings through sound and pragmatic steps. It reduces the rate of increases for payments to physicians, hospitals, and nursing homes, outpatient services, durable medical equipment, and other payments. It establishes means testing on part B premiums for the wealthy. It freezes certain payments for home health agencies, such as visiting nurses in the home, while a system of fixed, preset payments is implemented. It strengthens enforcement against fraud and abuse. If the savings are applied to the trust fund, the funds solvency is extended just like the other budget plans.

I would also like to address Medicaid. The centrist plan preserves Medicaid as the insurer for the disabled, the elderly in nursing homes, and low-income Americans, who have no other coverage. It reduces taxpayer costs by changing to fixed allocations and fixed growth rates. It facilitates expansion of managed care, a cost savings trend that California has led. However, we offer a balanced plan. It rejects the idea of permitting each Governor to define disabled, continues the current State partnership matching rates and it retains Federal nursing home standards.

We also enact substantial welfare reform. The centrist plan creates a welfare block grant, and requires States to continue to pay their fair share. It creates a contingency fund, provides more child care funding than the other plans, with about $14.7 billion, requires 100 percent maintenance of effort and a State matching fund. It has 50 percent work standard by the year 2006, but maintains the Nation's safety net. It allows a waiver for work for single parents with children who cannot work or have no access to child care. It has a 20-hour work option for States, and a State would have the option to deny benefits to additional children born while on welfare. It clamps down on SSI, denying benefits for addicts or alcoholics.

The CPI, which Senator BREAUX has just addressed, is an important element of the plan. Senator BREAUX raises an important point that we should all keep in mind. This centrist plan will continue to provide that someone receiving a COLA for a Federal benefit will, in fact, receive a full, accurate COLA. They will be able to count on it.

I want to touch on the tax plan. Some say we should adopt no tax plan at all and that has been a point of contention between the two parties. We take what I believe is a modest, fair tax plan—providing a net $105 billion in tax cuts and a gross $130 billion of tax cuts.

This is how the plan works out: About $67 billion of the tax cut is our child tax credit. We all agreed to a plan put forward by Senator LIEBERMAN of Connecticut creating a KidSave IRA, where there is a $250 child tax credit, which increases to $500 if that money is put into an IRA. The plan seeks to provide about $11 billion for IRA increases and $1 billion is for educational assistance, offering a deduction for higher education expenses, interest on student loans, and penalty-free IRA withdrawals for education. Additionally, our centrist plan raises the self-employed deduction for health expenses from 30 to 50 percent.

I would also like to address capital gains tax reform. I am one Democrat that ran for this office on capital gains reductions. Why? Because it makes sense. It helps the economy create jobs. It spurs investment. Our plan includes capital gains reform, dropping the corporate capital gains rate, from 34 to 31 percent, and seeks to cut individual capital gains, maximum bracket, from 28 to 19 percent. Our plan also provides estate tax reform to assist family-owned businesses and extends important, expired tax provisions like the R&D tax credit and the orphan drug tax credit and others on a revenue-neutral basis.

This plan may not have everything. In fact, it includes some things I do not support. However, I am never going to get everything I want. Nor is anyone else in this body. So maybe by acknowledging that is sort of the first point of a budget anonymous program, somewhat like Alcoholics Anonymous. The only way to stop is to agree to something that, in the main, meets our basic contention and goals.

This plan will help strengthen the economy. It will promote economic growth. It is fair, it is just, it is balanced, and it affects everyone evenly, right across the board. I believe the other House can support it, and I believe that, if the President takes a good look at it, he can support it, too. If we enact this plan, this Congress will have delivered on its commitment to enact a balanced budget within the 7-year period.

I thank the Chair and yield the floor.

Mr. CHAFEE. Mr. President, first, I congratulate all the speakers that have spoken so far this evening.

Now I will yield such time as the Senator from Utah would like. Would he suggest 10 minutes?

Mr. BENNETT. Yes.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Thank you. Mr. President, I want to join in paying tribute to Senators CHAFEE, BREAUX, and DOMENICI. Even though Senator DOMENICI is not part of our group, he has given us at least a friendly handshake as we have gone about this and made it clear that he is not opposed to our effort. I certify my support for these Members of the Senate because, as I sit here and listen to them, I realize that unlike some of our colleagues on both sides of the aisle, indeed, unlike myself on occasion, they have approached this problem with a desire to legislate the solution rather than craft a political position. And I think that is in the highest tradition of this body. I am proud to be associated with them, and I am proud of them.

There are those who have tried to craft a political position out of the budget on both sides of the extreme. And there are those, frankly, who have tried to craft a political position in the middle and posture as the reasonable ones in the middle. The problem with those who have tried that is that they have never reached across the partisan aisle and tried to bring in people who really disagree with them in an effort to legislate. My father used to say, "We legislate at the highest level at which we can obtain a majority." I find that to be a good summary of the process around here. I congratulate, again, these Senators for their effort to try to obtain a majority and try to legislate the problem.

Now, when I am out in my home State and I tell people about this group and then say to them that I am part of it, I receive the highest applause and the highest praise of any position that I take. The people of my State, who are viewed generally in the Nation as being fairly right-wing—Utah is viewed as being the most reliable Republican State in the Nation—are as excited about the idea of a bipartisan solution to this problem as they are about any Republican position that I present to them as I am there in town meetings and in other conversations.

Now, this is an enormously complicated problem. We have heard some of the details from the Senator from California, and we have heard some of the statistics and details from the Senator from Rhode Island. We will hear more as this goes on.

Whenever you are faced with a problem as complicated as this one—I know of none more complicated—the one thing you want to be absolutely sure you are working with is correct numbers. You cannot run the risk of making these gigantic decisions on the basis of numbers that are wrong because, if you do, you are going to get a result that is wrong sure as you are sitting here.

If I may go back to my private life experience and give you an example that comes to mind as I deal with this, I was once a consultant to a business that was having some problems. One of their problems was that they were shifting from a manual accounting system over to a computer accounting system. That dates me, I suppose. This obviously took place in the last decade when computers were new. As a result of their shifting from a manual accounting system to a computer-driven system, they flew for about 6 months without any accurate numbers. They did not really know what their sales were. They did not really know what their costs were. Most important, in retrospect, they did not know that they had by a very small amount missed the percentage of their sales that should be ascribed to inventory costs. Their inventory costs were off just a small percentage all the way through. When they finally finished the transfer from the manual accounting to the computer accounting, now they were 6 months behind and they had to bring these other statements up to speed.

Finally, they got to the end of the year and they did what every business does at the end of the year. They took physical inventory. They were flying along knowing that they were losing a little bit of money, and they took physical inventory where they were forced to adjust to reality, and, instead of a narrow loss, they had a $3 million loss. For a company that size, that was sufficient to cause the bank to call the loan, the board to fire the chief executive officer, and a series of assets to be sold to try to make up the difference. If they had only known while they were flying in that mission that they had made this small adjustment that kept chipping away at their profits at every single sale, a few cents here, a few cents there, a dollar or two here, a dollar or two there, and as the sales washed through for a whole year, a $3 million inventory adjustment at the end of the year.

We are doing the same thing, Mr. President. The CPI is wrong. It is wrong on the high side, and everybody knows it. But we are flying just as blind as that business did, and we are letting that adjustment chip away every day in every Social Security check, in every Medicare payment, and in every wage adjustment that little error gets chipped away again and again and again. When the bill finally comes, not in the form of the physical inventory at the end of the year but in the form of an enormous national debt and national deficit, we will not be able to solve it by firing the Chief Executive. We renew his contract every 4 years anyway, and we only give him two shots at the job by the Constitution.

We will not be able to solve it by selling off a few assets. We will not be able to solve it by renegotiating our line of credit at the bank.

The most important thing in this centrist coalition proposal is the courage to face the facts that the CPI is wrong. I have heard on the floor we have not had hearings on this. Yes, we have. The Finance Committee has had enough hearings. The leading and senior members of the Finance Committee take the floor and say to us that this is something we must do. We are being told it is going to hurt people too much. Is it going to hurt people as much as having the whole program go bankrupt? Is it going to hurt people too much to make that little adjustment and thereby avoid the end of the year inventory adjustment that hits you like an atomic bomb? No; Mr. President, the most important thing you have to do when you are faced with the problem of this complexity is to have good numbers. The most important people in the world, dry and dull as they may be in this kind of a circumstance, are the cost accountants, the ones who give you the sound numbers that you are dealing with. Once they have given you the numbers, fine, get them out of the room and let the policymakers make the decisions, but let them make the decisions on sound numbers.

So there are many things in this proposal that I disagree with. There are many things in this proposal that I really do not like, and I would have gone a lot farther than the centrist coalition would have gone in a number of areas. There were times when I was willing to walk out of the room and say, "No. You have crafted something I can't possibly support."

The thing that brings me back and the thing that brings me to the floor tonight is the courage of this group to move in the direction of right numbers, to move in the direction of properly monitoring what is really happening in the economy and thereby avoiding that inevitable day of reckoning that comes when you let the wrong numbers chip away at you day after day, month after month, and year after year.

In the chart that the Senator from Rhode Island gave us, we see the result of that constant chipping away, and we see the projection of where it will be.

Mr. President, this is a courageous act of proper legislation, and I am happy to be a part of the effort.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Louisiana.

Mr. BREAUX. I commend the statement of the Senator, and I yield 10 minutes to Senator CONRAD.

Mr. CONRAD. Mr. President, I thank the Senator from Louisiana. I, too, want to join our group in thanking Senator CHAFEE and Senator BREAUX for an outstanding effort to have the two sides, Republicans and Democrats, join together in an attempt to bring our fiscal house into order.

Mr. President, I have been in the Senate now 9 years. As I look back, I have never been more proud to be part of a group than I am proud to be part of this one because I think for 5 months—maybe 6 months now—we have worked together in good faith to do something important for our country.

I just say that this is the way I think the Senate ought to operate. There were no raised voices. There were no press conferences. There was no political posturing. There were honest disagreements. There were serious debates. At the end of the day, we resolved matters, we reached agreement, we bridged differences, and we came to a conclusion.

That conclusion is a plan that is before us now; a 7-year plan to bring unified balance to our budget. I stress unified balance to our budget and doing it in a way that is, I believe, a fair and responsible compromise between two sides that have some distances on many issues.

Mr. President, again I want to salute Senator CHAFEE and Senator BREAUX. They provided outstanding leadership in keeping this group together.

But I also wanted to commend publicly each and every member of this group because they were willing to put partisan differences aside in order to accomplish a larger result.

I commend the statement that was earlier made by my colleague from California, Senator FEINSTEIN. I thought it was an outstanding statement of why this group hung together and why this group felt it was important to reach a result. I thank her not only for her outstanding statement here on the floor this evening but for the excellent work that she did in participating in the efforts of this 22-member group.

I thank Senator FEINSTEIN.

I also want to thank the Senator in the chair, Senator BENNETT, who I have come to appreciate greatly for the kind of background that he has as evidenced by the story he told tonight, an excellent story that applies to what was happening in the real world in business to what is happening to our country, because there is no question that we are headed for a cliff.

Our colleague from Colorado this afternoon described it well. We are headed for a cliff in this country. There is absolutely no question about it. There is nobody in this Chamber who can stand up and dispute the fact that we are headed for a circumstance in which future generations either face a lifetime net tax rate of over 80 percent or a one-third cut in benefits.

Maybe we are off by a couple of percentage points here or there. Maybe the entitlements commission, maybe the generational accounting effort are off by a few percentage points, but the unmistakable conclusion that any rational person can arrive at is that we are on a course that cannot be sustained. It must be changed. And the sooner we do it, the better off we are.

I see my colleague from Washington, Senator GORTON, on the floor. He made a significant contribution to this group as well, willing to debate and discuss these differences and to resolve them in a way that did not satisfy either side completely. There is no question the Presiding Officer, Senator BENNETT, would have preferred more Medicare reform—very clear to this Senator. The Senator from Utah was ready to go further in cuts in many of these categories. I think that is true of the Senator from Washington as well.

On the other hand, I would have preferred no tax cut until we balance the budget—my own preference. But that was not the consensus of the group. Those in this group believed that achieving a result was more important than any one of us getting exactly what we wanted. That is exactly the example that needs to be set for this body and for the other one, because if we are going to act like grownups, we are not going to get precisely what we want. But for the good of the country, we desperately need to achieve the result of moving toward balance and getting our fiscal house in order.

I feel very, very strongly about the need for us to come together to achieve this result. We all know where we are headed. We are headed for a calamity. I think very often about what I am going to say to my daughter, who is 18 years old, 10 years from now, 20 years from now when she asks me: "Dad, what were you doing there in the Senate? You were on the Budget Committee. You were on the Finance Committee. Our country is in deep trouble now and all of this must have been known when you were there. Why didn't you act?"

Mr. President, all of us are going to face those questions at some time in the future if we continue to fail to act, because it is abundantly clear where we are headed.

I am going to speak just momentarily on the question of the CPI. I know there are people who feel very strongly in opposition to that proposal. I feel very strongly in support of it because I think it is clear that measures like a technical correction in the CPI are absolutely essential if we are going to get our fiscal house in order. If we are going to preserve Social Security, if we are going to preserve an economic system in this country that is strong and competitive, we have no choice.

We are headed for a circumstance in which Social Security is exhausted of funds in the year 2030. The first year in which expenditures exceed total income will be 2020. The first year in which expenditures exceed tax income will come in 2013. These are not my numbers. These are not the numbers of the centrist coalition. These are the numbers of Harry Ballantyne, the chief actuary for the Social Security system. He says we are headed for the cliff.

It was said earlier in the Chamber that there have been no hearings on the question of CPI. That is not the case. We have had three hearings in the Senate Finance Committee—March 13 of 1995, April 6, and June 6 of 1995—three hearings on this question. And it is very interesting to recount what happened in those hearings. We had witness after witness who told us the CPI, the Consumer Price Index, is overstating the cost of living.

Let me just put in perspective what that means. A 1 percent overstatement, a mistake by 1 percent, will cost this country $600 billion over 10 years—not $600 million, $600 billion. That is a mistake, a mistake that is going to cost this country $600 billion. Can we not correct a mistake in this Chamber?

Now, let us look at the evidence. What did the experts who came and testified before the Senate Finance Committee tell us? And I might add, a bipartisan group—a bipartisan group.

Chairman Greenspan, head of the Federal Reserve, came in in the first hearing, and he said the overstatement is from 0.5 to 1.5; Dr. Robert Gordon, Northwestern University, Department of Economics, minimum overstatement, 1.7 percent; Director June O'Neill of the Congressional Budget Office, 0.2 to 0.8. At the April 6 hearing, Dale Jorgenson, Harvard University, chairman of economics, overstatement of the CPI, 1 percent; Dr. Erwin Diewert, University of British Columbia, Department of Economics, acknowledged expert in the field, overstatement, 1.3 to 1.7 percent; Dr. Ariel Pakes, Yale University, Department of Economics, overstatement of 0.8 percent. June 6 hearing, Dr. Michael Boskin, senior fellow, Hoover Institute, Stanford University, overstatement of the CPI, of the cost of living, at least 1 percentage point, maybe 2; Dr. Ellen Dulberger, director, strategy and economic analysis for IBM, CPI overstatement is greater than others have stated and likely to grow; Dr. Zvi Griliches, Harvard University, Department of Economics, overstatement is 0.4 to 1.6 percent.

I would ask my colleague for one additional minute.

Mr. BREAUX. One additional minute.

Mr. CONRAD. Two other witnesses on that day offered no estimate as to the overstatement.

The evidence is clear and abundant. The Consumer Price Index overstates the cost of living. If that is true, and I believe it is, then we know that if it is a 1 percent overstatement, it is costing this country $600 billion over the next 10 years.

We are on a course now we know cannot be sustained. Why would we not correct a mistake if we know it is occurring?

It was earlier stated that correcting the CPI will not improve the solvency of the Social Security trust fund. That is not accurate. We have a memo from Mr. Ballantyne, the chief actuary, in which he says: The actuarial balance over the next 75 years as a percentage of taxable earnings is out of balance by a negative 2.17 percent. Just this change, a modest correction of one-half of 1 percent, will improve that actuarial balance by a factor of one-third. It does one-third of what we need to do if we are to secure the future solvency of the Social Security trust fund.

Mr. President, I yield the floor and again commend my colleagues for what I think has been an outstanding effort.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I thank the distinguished Senator for a very powerful statement. He has always made outstanding contributions and continued those contributions today.

I yield 10 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, the function of the debate in this U.S. Senate is only on rare occasions designed to persuade other Members of the U.S. Senate to adopt a particular position. This is one of those occasions. If we reflect on previous budgets, we understand that if the majority party in Congress is the party opposite the President, the operative phrase is, "The President's budget is dead on arrival." If the majority party is the same as that of the President, all reservations about a budget are withheld and that party will defend even those elements in a budget it knows to be fraudulent or unsound.

In other words, most of the time we use our opportunities here, not to talk to our colleagues, but to talk either to the people of the United States as a whole or in an attempt to come up with some blithe phrase that will appear in television or in the morning newspaper. But again, Mr. President, this is not such an occasion. It is an occasion on which we are genuinely addressing ourselves to many of our colleagues on a vitally important issue on which they have not entirely made up their minds.

Why? Because for years, perhaps for decades, we have not had a sound and thorough and broadly supported bipartisan approach to the major fiscal and budgetary issues that are facing this country. So many of the colleagues beyond the 11 of us on each side who have prepared this have talked to us privately and said, "I really sort of like what you are doing. Gosh, I don't know whether I can afford to vote for it if it doesn't have any chance for success, but I think you are moving in the right direction." We are here to persuade them that not only are we moving in the right direction, but the time has come for them to move in that direction with us.

First, of course, because this is the first truly bipartisan opportunity we have had to pass something that will be accepted by the country as a whole and, we hope, ultimately by the President of the United States. One of the reasons that it should be so is that this is substantively the soundest of all the proposals with which we have been presented. It has the best and most effective and broadest based reforms of entitlement programs, some of which do not even appear in the statistics for these 6 years because their impact will primarily or solely be felt after the 6 years are up, but will have a tremendous positive impact toward solving challenges that we know will exist at that particular period of time: The age of Medicare eligibility, the Consumer Price Index, means testing the premiums for Medicare part B, a pretty thorough welfare reform.

Second, this is the most realistic budget because it deals most fairly and realistically with domestic discretionary spending. The President's budget allows it to go up in the immediate future and then it drops off the cliff in the end. We know that will not happen. The Republican budget does much less than that, but nonetheless the further we get down the road, the more unrealistic its figures for domestic discretionary spending are. What is that? Spending on education, on law enforcement, on medical research, on all forms of transportation, on the environment, on national parks, on myriad responsibilities which have been increasingly squeezed.

As the Senator from New Mexico knows very well, dozens of the amendments that he has had to deal with in the last 2 or 3 days have said, "hold harmless—" you fill in the blank, whatever the individual sponsor's pet project is, hold that harmless. We will probably vote for a bunch of those, but we know they are utterly unrealistic. If we follow the road we are on today, there will not be any money left for them. None of them, not even the defense of the United States of America, will be held harmless.

This is a good budget because it does provide for tax reductions for Americans who feel they are overtaxed. It spreads them out more modestly than do some other budget proposals, but nonetheless in all of the areas in which legitimately people can claim that they are too highly taxed.

My friend, perhaps my closest friend in this body, the chairman of the Budget Committee, the Senator from New Mexico, said something a couple of hours ago which really struck home. He said maybe we will never get to this real solution, including the hard kind of choices that are involved in this budget, until we have Presidential leadership. For years at home I was saying exactly that, maybe even more pessimistically. I felt you would never get to it except in the first year after a brand new Presidency, when a new President can say that none of this was his or her fault. Yet I think the actions of my friend, the Senator from New Mexico, belie that statement because last year he led us in this body and in the House of Representatives to pass an honest balanced budget, the first one in 30 years. It was, unfortunately, vetoed, but he must be eternally optimistic. He has another one for us here. The problem is, if we enforce it, it will probably be vetoed as well.

So it seems to me that we ought to try a different course of action, a course of action that binds together Members of both parties. Maybe it will not work. It certainly will not work if those Members who privately agree with us say, "It will not work and I do not dare vote for it." Maybe if it does work in this body, it will not work in the House of Representatives. But we will never know unless we pass it in this body. Maybe if it passes both this body and the House of Representatives, the President will still veto whatever enforcement mechanisms come out of it. Certainly he has given us no encouragement so far. But we will never know unless we give him that opportunity. That veto would be in the teeth of almost every important group and, I suspect, newspaper and editorial writer in this country who really does long for a solution like this one proposed by Senator CHAFEE and by Senator BREAUX.

So, to those in this body who say privately this is a good idea if only someone else higher up would go along with it, I say, "Please come on in. You have an opportunity that you and your predecessors have not had perhaps for decades. The time is now. The challenge is tremendous. We need to do it for ourselves, for our children, for our grandchildren, for our country."

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I congratulate the Senator from Washington for a very, very powerful statement. I think it greatly helps our cause. I thank him very much.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I yield 5 minutes to the distinguished Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, let me join with my colleagues on the floor in commending Senators BREAUX and CHAFEE for their bipartisan leadership in bringing us to this moment. I think for the American people who have watched this body from the viewpoint of their television sets in their homes, or who have listened to what we have said about each other in countless news reports, it will come as a complete surprise that during a very labored and extended period of negotiations on this budget there was an absence of recrimination, there was an absence of harsh, partisan rhetoric at all points throughout the entire period of the past 7 months where we have endured two Government shutdowns and 13 continuing resolutions. Always we pushed forward, trying to achieve ultimately a balanced budget agreement that represented a consensus.

Our coalition considered a number of balanced budget proposals. We looked at the President's proposal, we looked at the National Governors' proposal, and we looked at the House and Senate versions of the bill, and we included elements of each of these proposals in our final plan. Our burgeoning Federal deficit is the greatest domestic crisis facing our country today. It is devouring our savings, robbing our ability to invest in infrastructure and education, and saddling our children with a staggering debt that will eventually have to be paid.

As recently as 1980, cumulative Federal debt in this country was $910 billion. A decade later that debt tripled. Today it stands at nearly $5 trillion. If we do not balance the budget today and if we continue on our path of irresponsible spending, here are a few examples of what will occur.

In the year 2000, annual interest payments on the Federal deficit will grow to approximately $305 billion, an increase of more than 50 percent in just 4 years. And in that same year, interest payments on the debt will surpass defense spending and become the largest Federal expenditure.

By the year 2012, unless policies changes are enacted, projected spending on entitlement programs and interest on the debt will grow so rapidly that they will consume all tax revenues collected by the Federal Government.

In that same year of 2012, unless changes are made, theoretically we could close all Federal prisons, national parks, the Pentagon and eliminate spending and research and development, education, roads and bridges and still not have enough savings to eliminate the deficit.

By the year 2030, to bring the deficit down to the current level, the Bipartisan Commission on Entitlements and Tax Reform has concluded that either all Federal taxes would have to be increased by 85 percent or all Federal spending programs would have to be cut in half.

Mr. President, history has shown that nothing is more desired and yet nothing is more avoided than the will to make the tough choices. The last time that we balanced the Federal budget, Richard Nixon was in the White House and the year was 1969.

The centrist coalition balanced budget plan is fair. It restructures and reforms Federal programs that are inefficient while scaling back spending. We have adopted a responsible policy of gradual reduction in spending over 7 years to reach a true balanced budget.

For instance, our balanced budget plan saves $106 billion in Medicare over 6 years and protects its long-term solvency. We expand the choices for Medicare beneficiaries by allowing them to remain in the traditional fee-for-service Medicare Program or to choose from a range of private managed care plans.

By creating a new payment system for managed care and by slowing the rate of growth in payments to hospitals, physicians and other service providers, our plan extends the solvency of the Medicare trust fund.

Our Medicare reform plan saves $41 billion over 6 years and protects the most vulnerable in our Nation. In so doing, we incorporated another series of proposals advanced in a bipartisan fashion by our Nation's Governors. Our plan maintains a national guarantee of coverage for low-income pregnant women, children, the elderly and the disabled, and we allow States to design health care delivery systems which best suit their needs without obtaining waivers from the Federal Government.

Under this plan, States can determine provider rates, create managed care programs and development home and community based options for seniors to help them out of their problems.

Our welfare reform language saves $45 billion in 6 years and includes very strong work provisions as well.

The PRESIDING OFFICER. The time yielded to the Senator has expired.

Mr. BRYAN. Mr. President, I ask the distinguished Senator for another minute.

Mr. BREAUX. I yield another minute to the Senator.

Mr. BRYAN. Let me just say, although a number of us would have preferred our focus be exclusively balancing the budget and deferring any tax reductions until after that balanced budget was achieved, we recognized that the only way we could build a consensus to bring 22 of us together was if we yielded to those concessions by striking what I believe is a responsible compromise with those who would offer far more in terms of tax cuts, which I believe we can ill-afford to incur until we do balance the budget with a reasonable midline approach.

Finally, let me just say, Mr. President, that I think the window of opportunity is narrowing. We have an opportunity in this Congress, with the momentum that this coalition has brought together, to achieve a positive and lasting result. I urge my colleagues to accept this proposal.

I yield the floor, and I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BREAUX. Mr. President, how much time do I have remaining on the allocation of time?

The PRESIDING OFFICER. Three minutes.

Mr. EXON. Mr. President, I yield the additional 3 minutes that the Senator from Louisiana needs to assist the Senator from Virginia.

Mr. BREAUX. I thank very much the distinguished Senator from Nebraska and yield 5 minutes to the Senator from Virginia, Senator ROBB.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Thank you, Mr. President, and I thank my fellow Senators.

Mr. President, I rise in strong support of the centrist coalition substitute budget resolution. I join in commending Senators CHAFEE and BREAUX for their leadership in this effort. This resolution reflects the hard work and compromise of over 20 Senators, Republicans and Democrats, who came together months ago in search of a realistic solution to a serious problem. We came together out of a sense of frustration, but we worked together with a sense of purpose, believing that our fiscal problems really can be solved. We vowed at the outset that we would produce a balanced budget plan that was credible, and we did. We vowed we would confront the tough choices, and we did. The budget we produced deserves the serious consideration of every Member of this body because it is real, it is tough, it is principled, and it reaches balance in 7 years.

Mr. President, as we craft a blueprint for the way we spend our Federal dollars in the next few years, we have a responsibility to find ways to continue to strengthen our Nation economically.

How can we do that? We strengthen our Nation when we reduce the level of Government borrowing from the private sector. We strengthen our Nation when we make investments that enhance productivity and increase wages. We strengthen our Nation when we provide real economic opportunity to all of our citizens. And while these are bedrock principles of our centrist plan, the existing budget plans backload cuts in discretionary spending which make it virtually impossible to get there from here. Either discretionary programs will be decimated in the outyears or the budget will go right back in the red.

The other plans being considered require deeper cuts with respect to discretionary spending than our plan because they include either too large a tax cut or they refuse to tackle absolutely essential entitlement reform. In both cases, critical investments in people, like education and training, and important investments in technology, like research and development, are jeopardized. The cuts in discretionary spending included in existing budget plans should be of enormous concern to

Members of my own party who understand, as I do, the ability of Government to improve people's lives, indeed, who believe in its responsibility of Government to invest in our people and to serve as a catalyst for hope and opportunity where none exists.

Mr. President, if we do not end up with a responsible budget agreement, how many children will get Head Start in the year 2002? How many Pell grants will go to poor children in the South? How many mothers will get WIC? How many Federal research dollars will go to colleges? How many Federal highways will be built in our States?

If we fail to make these kinds of investments, we will weaken our Nation. So how do we craft an honest budget that allows us to continue to invest in our Nation? The answer is tough medicine for everyone. It is forsaking the large tax cut and making significant, but principled, reductions in entitlements, and our centrist budget does both.

We include a more modest tax cut, even though most of us are very much opposed to any tax cut until we actually balance the budget, and we make a solid start on entitlement reform. By adjusting the Consumer Price Index and asking that those seniors who can afford to pay more for their health coverage do so, we spread the sacrifice and protect our Nation's ability to provide a safety net for our most vulnerable citizens.

But we all know, Mr. President, that the 7-year budget we offer today is just a downpayment on our sacrifice. We are going to need to ask a whole lot more of our people, even though this is an essential downpayment. For if we move outside our 7-year budget window to the year 2012, we see an even bleaker future with entitlements and interest on the debt consuming every single tax dollar the Federal Government will take in. And after that, it gets even worse.

So I urge my colleagues to give this centrist budget resolution their careful and thoughtful consideration.

It reflects bipartisanship, moderation, compromise, and a willingness to tackle entitlement reform. It reflects good public policy as well. With that, Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. Mr. President, I yield to the Senator from Vermont. I believe I have 6 minutes left.

The PRESIDING OFFICER. That is correct.

Mr. CHAFEE. I yield him 5 minutes.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I am pleased to be here to speak in favor of the centrist budget request. I remember so many years ago when I was in the House when we had a similar problem with the inability to get together on a budget.

A number of us in the middle decided we would put together the answer to the budget. We worked very hard on it. We did a good job. We then went to the votes. There were three choices. There was the liberal, there was the conservative, and there was the middle.

The liberal budget went down by a fair number of votes. The conservative budget went down by a fair number of votes. We thought, Wow, we're right in the middle here. We're going to get all the votes. We got fewer than anybody. My point is, perhaps I know we are not going to win tonight, but I bet the budget we end up with in the final analysis is going to be very close to what we are proposing here tonight.

Let me talk a little bit about what the major problems are. First of all, we have accomplished quite a bit this year. We recognize there is a problem. For the first time in my memory in this Congress for over 23 years, there is a consensus that we have to have a balanced budget. The President agrees we have to have a balanced budget. The House and Senate do.

But how do you get there? You do not get there by any easy way. There is no easy way to a balanced budget. You have to tackle the toughest aspects of it.

One of those, which I spoke about at some length on Friday, is health care. One-half of the budget problem is the fact that we have not a health care system where the Federal costs are under control. That can be done, but only if we have the willpower to do it and to get to capitated payments on the Federal side.

Previously, I have spoken about the need for us to look to the future. All you have to do is buy the Atlantic Monthly if you want to see how deep the trouble is that we are in. This month's Atlantic Monthly shows, if we do not do something about Social Security, if we do not change the rate at which it is paid out, by the year 2040, I think it is, they say the annual deficit in Social Security will be $766 billion.

We cannot wait until then. What is one thing we can do? We can take a realistic look at that thing here that controls our entitlement programs. That is the CPI. It takes courage to do that because every interest group is going to be screaming at you if you do. But not too long from now we will find there will be revealed to us the experts' analysis of what that CPI ought to be. It will be somewhere between 0.7 and 2 percent.

No one is willing to argue that we should decrease the CPI by 2 percent, but we have had the courage to come forward and say we must make a change in this direction. So we have done so with a 0.5 percent decrease in the CPI that, because of the exponential results that you have by going forward with this change, whether it be Social Security or all the other things which are affected by a Consumer Price Index, it will be lower and lower and lower as we go to the future. So if we are ever going to get this budget under control, first we have to get health care costs under control and, secondly, we have to reduce the CPI to a more realistic number. Those two things alone will do it.

I speak also because I am on the discretionary spending committee, the biggest one, Labor and Human Resources. I am also on the Appropriations Committee and on the subcommittee that is in those areas. I know, as a leader of that committee, that there is no way that we are going to be able to do the things that need to be done, in the area of education in particular, unless we get the costs of the entitlements and the costs of health care under control. What do we have to do for education?

Another thing we have accomplished this year. If we do nothing else, we have agreed, the House, the Senate and the President, that we should not cut education. For many years now we have had the realization that we have a horrendous problem of training our young people for employment. That is the other thing which is so critically important, and that is to have a good job. If people do not have good jobs, we do not have the kind of revenues that we can have, we do not have the kind of productivity that this Nation needs and must have in order for us to balance the budget.

In the area of education, we have finally agreed we should not cut. But there is much more that needs to be done in that. I want to say again, I commend Senator CHAFEE and Senator BREAUX for bringing us together to bring us to what we can do to bring this budget under control.

Mr. President, balancing the budget is a task that is long overdue, one that we should have tackled long before the Federal debt began to escalate in the early 1980's. Our carelessness in financial planning is a terrible legacy to leave our children and grandchildren.

When I voted in the House in 1986 against the balanced budget constitutional amendment, I stated at the time we could not wait to balance the budget the number of years required to get it approved by the States. However, 10 years later the situation has become much worse. Now I realize that is imperative we move forward without the amendment. Any further delay will greatly increase the damage to national economic stability.

If we do not begin to balance the budget before the year 2002 our national debt will be a staggering $6.4 trillion. The debt will double again over the next 15 years and quickly redouble again within the next 7 years.

The basic problem is the increasing cost of entitlement programs. These are programs outside of the appropriations process. They have increased well beyond the growth of revenues and population. In addition, it appears through generosity or otherwise they have increased at a rate greater than the actual cost of living created by inflation. Our proposal recognizes this for the future. This will make additional cuts in discretionary programs such as education less necessary. But it does so in a way which may actually protect these programs from a greater decrease which will be recommended this June by a panel of experts.

The entitlements that have provided the greatest problems are in the area of health care. The increasing projected costs in Medicaid and Medicare represent about one-half of the increasing cost problem. We cannot continue to run a Federal fee for service system. Trying to control costs without controlling utilization has not worked, there are too many ways that costs can be shifted to these programs. Progress in this area will be controlled by more State responsibility. But my colleagues who are on committees of relevant jurisdiction must work to move to a Federal capitated system combined with utilization of private insurance methodologies and Federal guidelines to get these costs under control. It is interesting to note that in 1954 the Eisenhower administration introduced legislation along these lines when it recognized some Federal system was required. The purpose of the bill was, "to encourage and stimulate private initiative in making good and comprehensive services generally accessible on reasonable terms through adequate health prepayment plans, to the maximum number of people * * * by making a form of reinsurance available for voluntary health service prepayment plans where such reinsurance is needed in order to stimulate the establishment and maintenance of adequate prepayment plans in areas, and with respect to services and classes of persons, for which they are needed." I believe this gives us a possible route implemented through individual choice to get us out of our present health care cost mess. We must find the way to control uncontrolled cost shifts and to spread the cost of the sick over the widest base. Hopefully the Finance Committee and the Labor and Human Resource Committee will join in achieving this goal.

Mr. President, like my colleagues in this centrist coalition, I want a Federal budget that is balanced in an equitable manner. In reaching a balanced budget we must be careful not to cut those programs which could be counterproductive to balancing the budget. In other words, cuts in one program can result in increased costs in other programs, thus making it more difficult to balance the budget.

This budget proposal accomplishes this goal by making the tough decisions necessary to balance the budget within 7 years and still maintain a strong commitment to discretionary spending. Unlike other budget proposals, this plan provides for cuts to the overall discretionary spending that are both achievable and modest.

Mr. President, there are many important programs within the discretionary accounts that needed to be maintained. The centrist group realizing the importance of discretionary spending provided modest increases to the discretionary accounts, such as in education and the environment.

Our bipartisian plan contains some $50 million less in discretionary cuts than the latest President's budget, and $121 billion less than the Republican plan. Our plan will leave future Congresses with the ability to adequately fund discretionary programs, while these other plans will leave future Congresses with no choice but to eliminate many important programs. It is unrealistic to think that some future Congress will make these tough decisions, decisions that this Congress is unwilling to do.

I would like to highlight just a few examples of the important of maintaining the discretionary accounts. One example can be seen in Federal health research spending. We are nearing discoveries and new treatments to the causes of many illnesses and diseases, such as Alzheimers and Parkinsons. The centrist coalition provides the flexibility to maintain spending on medical research. It is well known that for every dollar spent on health research, several dollars are saved by the Federal Government. This spending on health research could allow for the ptential to eliminate tens of billions of dollars in Federal health care costs over the next decade or more.

Another example of this group's commitment is in providing adequate education funding. As a group we understand that this Nation faces a crisis—a crisis which is costing us hundreds of billions of dollars in lost revenues, decreased economic productivity and increased social costs, such as welfare, crime, and health care.

Mr. President, business leaders warn us that unless improvements are made in our educational system, our futrue will be even bleaker. The rising costs of higher education combined with the lower income levels of middle-income families is causing thousands not to finish college, and fewer to attend grduate school in critical areas such as math, science, and engineering. As chairman of the Education Subcommittee, I am particulalry concerned about maintaining funding for education, and I have worked with my colleagues in this centrist group to ensure that adequate funding will be protected within education programs.

In order to help solve the deficit problem, and as importantly, to prevent unnecessary hardship to individuals, this group's plan protects the Federal commitment to education, health research, and many other discretionary spending areas by providing the least amount of cuts of any plan yet offered.

Mr. President, I am committed to balancing this budget, but not on the backs of the poor, the elderly, and our children. This budget proposal is the only plan that protects the neediest Americans while balancing the budget.

Now, Mr. President, I would like to comment more specifically on the role of education in our deficit problem.

Today, I will talk about the need to be careful on how we cut, especially in the field of education. I am the chairman of the Senate Education Subcommittee and, therefore, have a particular responsibility to make sure that what we do from this point on does not in any way inhibit the ability of this Nation to be able to meet its commitments to its young, but most importantly its commitments to this Nation that we maintain our ability to be the most competitive and the most economically sound nation in the world.

I am afraid, as I look across the Congress to see where cuts are being made. I also recognize the future needs of our Nation, especially in the area of education. For without immediate attention by this Nation on our educational system, we are facing incredible danger for our economic future. We cannot move forward without recognizing that cuts within the educational system may well prove to be counterproductive—counterproductive in that they will reduce the potential revenues that we would otherwise have and that they will only increase the social costs that we are presently experiencing.

So let me now, as we go into the 21st century, take a look at where we are with respect to education and the need for us, a Nation, to place ourselves in a more competitive position within the international economic community.

In order for our country to remain viable in the global economy we must not only be free from crippling interest payments on our debt, but we must also prioritize our spending so that we maneuver ourselves to be ready to face the challenges of the new millennium. If we do not act now, we will destroy the dreams that we cherish—good health, a good education, a good job, and a good retirement.

Some have proposed that we reduce the deficit simply by making across-the-board cuts on all programs. Such cuts might provide a solution to our financial woes in the short term, but they only exacerbate the deficit in the long term. Here is why. If we cut back on programs for education and training, we lose our competitive edge in the marketplace, resulting in a lower standard of living, fewer high paying jobs, less Federal revenues in taxes, and, naturally, a larger deficit.

On the other hand, if we work to improve our education system, we not only increase our national productivity, but our standard of living will increase, resulting in greater Federal revenues and a decreased need to invest in our social programs.

The deficit will not be solved unless we're willing to solve the causes. Education is critical. It must be improved.

General Marshall stated years ago in his frustration over delays in designing the Marshall plan "stop kicking the problem around, just solve it."

I believe this advice applies to the larger problem that we face today. If we solve the larger problem, then this will solve those immediate ones that we look at with respect to our inability to fund the various programs we all desire to fund. For if we do not improve our educational system, and if we are unable to solve the deficit problem, we cannot ensure that we have the capacity to provide for the programs we need. And then we will find that the problem of balancing our budget is unsolvable and that this Nation will disappear in the next millennium as a lesser nation.

The way to solve the problem of our deficit is not, as some suggest, mindless across-the-board cuts. Solutions to our financial woes are long-term investments—specifically in our education system. By not solving the problem of reduced productivity and higher costs through education failures, interest payments will keep increasing, tax revenues will keep decreasing, and our deficit will only grow larger. More mindless cuts is not the answer. Instead, thoughtful investments and adequate resources are the solution to our long-term fiscal concerns.

Consider for a moment the education spending patterns over the last decade. Since the beginning of the 1980's overall Federal support for education, after adjusting for inflation, has decreased by 5-percent. Funds for elementary and secondary education declined 15 percent, while postsecondary education funds declined 24 percent. Where has that led us? Certainly, not to the first class education system we all support. In fact, using the six education goals developed by a bipartisan group of Governors in 1989 as our barometer, we are not close to reaching our mark of excellence in education.

Among the goals for our future is that our children come to school ready to learn, that they come without hunger, and that they come with the capacity to be able to understand the education that they are going to be faced with. That means they must first be fed, immunized, and, hopefully, have had some preschool experience. However, only 45 percent of young children from low-income families are enrolled in preschool programs and only 55 percent of infants have been fully immunized, protecting them against childhood diseases. Head Start continues to only serve one-fourth of all eligible children in this Nation.

We also recognize that educated people who can compete in the global marketplace require a mastery in challenging core subject areas—such as math and science—and that all adults be literate and prepared for life-long learning. Unfortunately, in these basic areas, we are far from the finish line.

The 1993 National Assessment of Educational Progress indicates more than 75 percent of students at all grade levels failed to achieve even the basic level of proficiency, and over 60 percent failed to meet the proficiency level in English.

In international comparisons, American students consistently score below most other industrialized nations.

In the 1992 international assessment of education progress U.S. 13-year-olds scored second to last among the nations in mathematics achievement, and similarly in science.

More recently, a report recently came out that investigated the literacy of children that graduate from high school. The report found that 51 percent of the students now graduating from our high schools were functionally illiterate. That is, incapable of handling an entry-level job with their educational achievement.

Make no mistake about it. These disturbing statistics are not about someone else's children. They are not someone else's problem. These are our children. These are our problems. Our future work force and our future leaders. The quality of our public schools in America is directly related to the standard of living of each and every citizen. Without a strong investment ion education, this Nation will not be able to maintain an adequate number of highly skilled workers. These workers are necessary if our country is to maintain a competitive position within the global marketplace.

To give you a quick idea of why curing our educational ills is critical and key to our future, we will examine a yearly cost of our failing educational system. The total cost of our failure in education to our economy has been estimated to be one-half trillion dollars each year to our economy.

The lost revenue alone has been estimated to be about $125 billion. That is, if the educational levels were where they should be, the income to the Nation, relative to furnishing our budget, could be higher by $125 billion, putting us a long ways toward being able to have the budget balanced.

For example, American business spends approximately $200 billion a year to perform training for employees which is necessary to provide those individual minimum skills required to perform on the job, skills most of which should have been taught in the schools.

The Department of Education estimates that 30 million Americans are functionally illiterate, another 46 million are marginally literate. This creates a significant problem for our economy. "Combating Illiteracy in the Workplace," by Robert Goddard, puts the cost of this illiteracy at a staggering $225 billion a year. This includes lost productivity, unrealized taxes, crime, welfare, health, housing, and other social costs.

We pay for our failed educational system every time an individual drops out of high school. Lack of a high school degree costs an individual $440,000 in lifetime earnings. These lost earnings often drive these individuals into welfare, crime, and drugs. Up to 80 percent of our people that are incarcerated in our State jails are functionally illiterate, school dropouts.

Federal expenditures for welfare were $208 billion in the fiscal year 1992. The cost of incarceration, which I mentioned, is $25 billion per year and growing, and the medical costs of violent crime is another $18 billion per year. Illegal drugs cost the economy $238 billion a year, as estimated by Brandeis University. These difficult circumstances perpetuate themselves generation after generation.

I think most Americans agree, and in poll after poll people cite the quality of education as a paramount concern. And this view is growing each year. The support for education in these polls is often cited as one of the most important roles of Government. Americans understand intuitively that investing wisely in education is the key to our future success and the best possible national investment we can make for the country. The evidence is clear: Countries which spend more on education per pupil have higher levels of per capita GDP. Institutions like Motorola report corporate savings of $30 to $35 for every dollar on training. That is a 3000- to 3500-percent rate of return. But most of that education, if you read the report, was to make their students literate to put them in a position where they could read.

They found, amazingly in their study, they were having trouble with their employees answering simple math problems and they could not believe they do not have the capacity to do the math, when they found out the problem was they could not read the problems. Thus they had to teach them how to read to do simple math problems. That is the state of the situation, and that is Motorola, one who can be selective in their employees.

People, as rational consumers, also realize investing in their own education leads to substantially higher lifetime earnings. A person with a bachelor's degree earns over 1.5 times of the person with a high school degree. A professional degree earns over 350 percent higher lifetime earnings than a high school diploma in itself.

While we recognize both intuitively and through research the economic rewards of education, we do not simultaneously invest the funds necessary to support the position. Many of my colleagues, while acknowledging the importance of educational investments, argue that throwing money at education is not the solution. I could not agree more. Increasing educational expenditures in itself will not solve our country's educational deficiencies.

We have a responsibility to invest educational dollars wisely, including more active congressional oversight over Federal initiatives. Simultaneously, we must also reinvigorate our schools by demanding that students learn to high academic standards.

Why? Because the status quo in our schools has failed. Too many of our graduates finish school without knowing the three R's, much less more rigorous academic standards. Clearly, there is no room for federally mandated standards. We should be providing incentives for States and communities to set up goals for student achievement—pupil by pupil, and school by school.

More importantly, they must know what standards this Nation must reach, if we are going to be able to continue to compete internationally. It is one thing to believe that our education, as most people in this country do, has improved over the time they were in school, and I find that is true for myself. I am amazed that the students in high schools are taking subjects which I did not get until college.

What they do not realize, for instance, in a recent report on the comparison of our students to other nation's students we fared poorly. One example is with Taiwanese students. These students when they graduate are 2 years ahead of our students in many subjects, such as in math. Is it any wonder we come out last in these tests, or next to last?

What is important is that we know and that the States know that we do have a problem. That this Nation is faced with a very serious educational problem, and if we do not do something about it, we will not be the Nation we must and should be in the next generation.

So we must be sure that when we begin to reduce the budget to try and balance it that we do not do counterproductive cuts which will decrease our revenues and increase our social costs. rather than cutting the deficit it will increase the deficit.

The dreams of good health, a good education, a good life, and a good retirement can only be realized by setting high priorities on education and educational investment. These increases are essential if our country wishes to remain viable into and throughout the next century.

The PRESIDING OFFICER. The Senator from Rhode Island has 1 minute remaining. Who yields time?

Mr. DOMENICI. Does the Senator need more time than that?

Mr. CHAFEE. I might like a little time, if I could, at the end for rebuttal. If the Senator is prepared to go now—

Mr. DOMENICI. Right now I will yield the Senator some time, 3 or 4 minutes.

Mr. CHAFEE. Yes, I will take 2 minutes.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. The arguments, I believe, have been very, very forcefully set forth this evening by the speakers on our side, Democrats and Republicans.

What are we talking about? We are talking as a bipartisan group that something has to be done about the deficit of this Nation or future generations are going to be in terrible trouble. We heard the statistics from the Senator from South Dakota in connection with this, and others likewise who talked about what Social Security is going to look like or Medicare or the other entitlement programs unless in some fashion we get control.

This budget that we are presenting does that. This budget not only balances itself in the 7 years, but in the outyears, that is where the tremendous savings are. So I commend my colleagues to come forward and join us.

As the Presiding Officer in his remarks pointed out, there are those who are saying, "We would be with you, but we're not sure you have enough votes." If we spent all our time going only with those who have a majority, we would not stand for anything. We are not sent down here as weather vanes to go where the majority is. We are sent down here, it seems to me, not only to look after this generation, but future generations as well.

So, Mr. President, we put forward a tough program, but the solutions to the problems of this Nation are not going to be sugar candy. They are going to have to be by facing up to difficult decisions. Is reducing the CPI by 0.5 percent a difficult decision? Sure it is. The easy way is to do nothing, continue the reckless course we are on now in this Nation of ours.

But I want to pay tribute to every single one of those who have joined with us in putting forward this budget on behalf of Senator BREAUX and myself.

Mr. President, I will never forget a movie I saw during the war. The colonel comes before the pilots who have just graduated from pilot school, and some are going into fighters and some are going into bombers. The colonel who was addressing them happened to be a bomber pilot. He said, "Here's where we separate the men from the boys."

I am not taking any sides of pilots being fighter pilots or bomber pilots. But I will say that this is a tough decision that we are facing very shortly in this Congress. I hope that those colleagues who are not here this evening who are still doubtful, will say that program is a good one. It is not only a good one for now, but it is a good one, even more importantly, for future generations. I thank the Chair.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself as much time as I use. I understand Senator EXON wants to be recognized at some point. If there are any members of the centrist coalition, Senator CHAFEE and Senator BREAUX, that have not had enough time, I will give them part of my time.

Mr. President, fellow Senators, I guess I can say in all honesty that after more than 20 years on the Budget Committee, tonight is indeed an exhilarating evening for me, because I believe if anybody listened to the debate here tonight—and I regret to say, in my own way, in the next 30 or 40 minutes I am going to suggest why I am not going to vote for this tonight—but if anybody listened to the debate tonight and saw this bipartisan array of Senators, all of them, all of them excellent Senators, none of them known for demagoguery, but for being problem solvers—five of them are on the Budget Committee that I can recollect, five are on the Finance Committee, which, in all fairness to all the other committees of jurisdiction, would probably have about 85 percent of the say in whether we get to a balance and whether we stop the kind of future damage that has been explained here today.

When we first started at budgeting, six or seven Senators understood. They would think when you made a $5 billion change in one little part of the budget that you are really making some headway. When you look down and see in 10 or 12 years—that is 10 or 12 years from then—you see a Medicare Program going bankrupt. They did not go bankrupt yesterday. We did not know it was going to be in trouble yesterday. We knew it years ago, just like we know we will not be able to pay for all the things we have promised Americans in just a few years.

It is not a question of whether you want to be mean, whether you want to live up to your commitment. The truth of the matter is, as prosperous and powerful as we are, we have set in motion programs, commitments to our people that we cannot possibly live up to.

For those who are wondering whether the giant programs and commitments of our Government can long endure, let me say they can. But they cannot long endure if we wait until they are in serious trouble and then try to fix them.

Let me tell you what will happen. I quote from Robert Samuelson, who writes editorial pieces. Everybody thinks he is an economist. He is not an economist. He knows as much as many and he speaks more forthrightly than many and he makes more sense than many. Let me tell what you he said in an editorial piece. Listen carefully, if you do not think he is telling us why we are here tonight listening to this debate:

> At some point spending and benefits will be cut to avoid costs that seem politically intolerable. The trouble is that the longer the changes are delayed, the more abrupt and the more unfair they will be.

The last sentence reads:

> That's why silence is irresponsible.

Frankly, to the eight or nine Senators who spoke in behalf of this bipartisan proposal, you have chosen not to be irresponsible, for silence here tonight would have been irresponsible. I only wish we would have started this process and have a bipartisan budget here on the floor, and I only wish the President would be in support of the major ingredient in your budget. I do not think there is a lot of doubt that if he were, it would be done.

Now, let me tell you why I am concerned. I borrowed the chart from Senator BREAUX. He has no idea why I borrowed it. I only borrowed it for one number, Senator, the year 1997, the change in the CPI—$7. You have argued that is a small amount to pay to benefit this Nation so greatly. I say $7 is enough to make a case to the American people that one group of politicians is doing the wrong thing and another is doing the right thing—$7.

Let me tell you the difference between the Republican plan to save Medicare, and it was not even part of the trust fund, but the difference between our first proposal in June of last year and the President's was $7. It went across America as if it were a torrent, a tornado destroying the benefits for senior citizens. If you can do it once, you can do it again.

I submit it will be done again. That $7 increase in the average monthly check for senior citizens, if it is not destroyed here tonight by the opposition, it will be destroyed tomorrow if you pass it, or a week from now if you pass it, by the President of the United States, for he will make that as big an issue as he made the $7 in Medicare, the insurance premium change that was first in the budget that you alluded to, Senator GORTON, earlier in the evening.

Mr. BREAUX. Will the Senator yield?

Mr. DOMENICI. I am happy to yield to the Senator.

Mr. BREAUX. I think I understand, and I appreciate the point the Senator is making, but does the Senator not make the point we were trying to make, that the only way we will get it done is in a bipartisan fashion, where we both can hold hands and say, "Yes, this has to be done in a bipartisan way."

Mr. DOMENICI. Yes, indeed.

I believe, however, in this year, 5 months before a Presidential election, with all the water that has gone under the bridge, I do not believe it can be done with a bipartisan group of Senators.

I believe at some point—and that point may not be too distant, Senator, and I believe you will still be here when that point arrives, I hope, and Senator CHAFEE, because I do not think it is a long way off—I believe bipartisan Senators may put that budget together. I just do not think it will work this year. I do not in any way want to detract from the courage and hard work, from the dedicated commitment that went into this budget.

I think, in all honesty, a Republican budget of last year and this year have a lot to do with the momentum that brought you together and the momentum that kept you together. I am not here trying to draw comparisons between your budget and our budget and the President's. But I will say it would not be difficult for this Senator to put a budget together and speak with high praise for it with your number on welfare, your number on Medicaid, and, yes, your number on Medicare. In fact, I think we are so close that it might be decided in the Finance Committee and Agriculture Committee on matters of policy because I do not believe the numbers would be very far apart.

Maybe we will hear differently tonight when the distinguished Senator from Nebraska talks about this role. Perhaps we will. I am not here tonight to criticize this bipartisan group on any aspect of its budget. I am here tonight to congratulate them. I think I am even prepared to say for those out in America that watch budgeting and watch our future with grave concern, this might be a red letter day for your becoming buoyant and positive about America sooner rather than later, getting a balanced budget and putting its fiscal house in order.

The issues encapsulated in your budget are for real. Again, I say I am sorry I cannot support it, but I feel I have made a commitment not to touch Social Security in this year's budget. I believe, just as certainly as you do, that I have to live up to that commitment.

I remind some people around here that they should not leave tonight thinking that the Senator from New Mexico needs to be separated, the men from the boys, and that I am in the boy's department, to borrow your war story. I voted for about every kind of change that we could make to get this budget of the United States under control. I have had about as much positive thinking as you do tonight about how wonderful your plan is. I did one of those, only to find that then-President Ronald Reagan and Tip O'Neill, within 5 days, somewhere, somehow, decided to destroy it. And it was about similar issues, I might say, without digging up a whole bunch of linen that is now soiled. It had to do with the same big-ticket item we are talking about here. So I have been there.

I also want to suggest that you have approached another issue very realistically—Senators CHAFEE, BREAUX, and those 22 supporting you. And I will say this, without any hesitation: It is going to be very, very tough—if, indeed, it will be possible—for the President of the United States to get a balanced budget using the assumptions he is making, because, in fact, I do not believe you can possibly reduce the expenditures that come out of that $275 billion pot called the discretionary accounts, everything from the National Science Foundation to our little bit of education money—and it is not a lot; $23 billion is all we fund for kindergarten through 12th grade. But there are a myriad of programs in that package. I do not believe he can get the amount of savings in the last 2 years that the President says he will.

I will submit that it may be very, very difficult to get the Republican savings, although they are more realistic in that they are gradual rather than precipitous. They do not go up only to come down—and, incidentally, go up in an election year only to come down in the nonelection years. But they will be difficult. You have decided that you want to do something about that, and I understand Senator CHAFEE's explanation. You want to be more realistic and not have as many assumed reductions in those accounts. I do not know if we are going to get there or not. But, sooner or later, the reality of those numbers, which will be looked at each year—although, sooner or later, you have to bind them, but the reality of it will come up.

I want to say one more time tonight, for a few minutes, that these 22 Senators, those who agreed to support my budget—those who really want to get a balanced budget—do not do this because they love changing American commitments, or deciding to reform programs where people might get a little bit less than they expected. This is not some glorious kind of achievement. We do this because to continue with the kind of budget we have in place flies in the face and against the reality of America having any kind of real, sustained economic growth and our children having a better life than us.

That is the issue. Can an America that already owes almost $6 trillion, and over $215 billion in interest payments, continue to have a buoyant economy, with business having money to invest because they can borrow it at reasonable interest rates? Do we have that or not? Unless and until we get this to a zero and then begin, at some reasonable point, to get that debt under control, all of the money saved by the American people that is supposed to go into growth, prosperity, a better future for the next generation, the American dream, and all of the wonderful things we speak of, it all gets gobbled up by the debt instead of being invested in a plan that increases productivity and brings better jobs to Louisiana, or Albuquerque, or New Mexico, or Nebraska.

Yet, we want our economy to give us better jobs, more stable jobs, and we continue to rob the job creation part of this economy. The Government does not create jobs, except for the Federal employees. So when we speak of job creation, we are really talking about having a situation in the marketplace in the private sector, because of well-trained employees, because of money they can invest, and low interest rates, so that they can grow, prosper, and hire more people, and pay better salaries. That is job creation; it is not the Government. We stand in the way of it every time we fail to come up with a balanced budget that is for real in good economic times, for we take the money from the hands of the working people and put it in the coffers of banks and insurance companies and other lenders that have given us their money, and we give them back a note from the U.S. Government because we do not have the courage to pay our own bills. We say, let another generation pay them. Let us charge it. That is why we are here and why we are encouraged tonight, because of the group of 22, under the leadership of Senators CHAFEE and BREAUX, have come so very far in moving in the right direction.

I want to say to the U.S. Senate, to the President of the United States, and to many of those who are going to see fit to attack the budget that I put before the Senate, which is pending. I just look up here on this chart and say, as far as Medicare, the most challenged of the programs—and I have already suggested to you all that if you wondered how big the gap between the President and the Republicans was in June of last year, it was $7, and I showed you that on the other chart. But I would think if you look in the last column of the $167, and the first column at $154—and I understand one is a 6-year and one is 7. If you look at the assumptions made and where they are going, and where we are going, as I said a while ago, we could resolve our differences in a wink.

If you look at welfare and EITC, while there is a big difference, most of that difference has to do with the earned-income tax credit—almost all of it. That is an issue we can talk a while over and see if we can resolve.

The important thing is that the welfare reform in this proposal is very, very close to what will be recommended and, hopefully, will be bipartisan when it comes out of this Senate and ultimately out of the House and goes down to the President for signature. I hate to be partisan, but it might seem like I am going with the Wisconsin plan. But as you read it, it seems like it was not. We will produce something like the Wisconsin plan, and it will be close to those goals without the EITC.

Then if you want to look at Medicaid, clearly, there are policy differences with reference to how much is guaranteed and how much is totally blocked into the States. I have heard my friend, Senator CHAFEE, allude and speak to that, such that I think we could write a Medicaid bill pretty easily that would have bipartisan support. So I did this in no way to take advantage of your budget and try to enhance the one I have produced—in no way.

What I have done is to make sure that everybody understands that my statement of about 12 minutes ago, when I said this is a truly important day because it probably sends the signal that we are going to get this deficit fixed, and if we do not get it fixed right now, for this year, because of the things I have spoken of, and a few others, it will never go unnoticed that you all probably had more to do with getting us there than we have, and probably more than the President has had, for you will have moved us in the right direction with an awful lot of real courage.

Now, having said that, I want to make my own observation about why this is an important debate for our future. I have made it with reference to interest rates and the legacy that we leave our children. Is it going to be a legacy of debt or a legacy of opportunity?

But I also submit that America's economy has to grow more than it has been growing. I do not think we can accept any longer from economists the notion that it cannot grow any more—2.3, 2.4 percent is it. For those who say it could be 6 or 8, we are not talking about that. That is clearly wishful thinking and dreaming. But it has to grow at more than it has been growing if we are going to get rid of stagnation, if we are going to get rid of the fear and anxiety about whether the jobs are going to be good sooner rather than later as they are now.

I add one observation. If you get the budget under control where more of the savings of the American people can go into building businesses of our country so that jobs can be improved which are higher paying and more competitive, and if you add to that reforming the Tax Code which is antigrowth in every respect—and in a sense, those who save in America today are kind of dumb because we have a Tax Code that says, "do not save" to those who invest instead of saying, "If you make some money, you can keep it and invest in the growth of the economy." We say, "You cannot do that because we will tax you as if it is ordinary income."

I believe the time is right to solve them both: fix the deficit and fix the Tax Code—whether it is flat or just more flat than it is, whether it is totally simple or more simple than it is. The most important thing is that it be a part of a twin set of halfbacks that hit the line traveling at 9.4 seconds per 100-yard dash and move the American economy forward. And it will come from those two sources.

So it is not just talk here tonight. It is the most profound discussion of where we are going. And when you say no one is ultimately going to be precluded from some sacrifice, I believe that when it is finally accomplished, this bipartisan budget will show there is evidence that many, many people want to sacrifice, and many Senators want to be on the side of courage in behalf of our future.

I will wish that my comments be totally in error and that tomorrow morning, or 2 days from now, we get a call from the President, and he would say, "Let us have some Democrats and Republicans come down here; I will accept this" in which event, I say to Senator CHAFEE, not only would I be speaking what I speak tonight but I believe it would be a breakthrough.

I yield the floor.

Mr. EXON. Mr. President, I ask for about 15 minutes.

Mr. DOMENICI. I yield the Senator 20 minutes, in opposition.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank my friend and colleague from New Mexico.

Mr. President, to rephrase the statement that the chairman of the committee just indicated, he yielded me 15 minutes in opposition. Well, it puts it in a negative term that I did not want to put it in. But I am going to outline some of the concerns that I have here.

But I agree that this has been a very informative discussion tonight and it will be informative tomorrow. I want to join in the general tenor of what I have heard here on the floor tonight. I would like to have one of those charts, if you could leave them here for me.

I was going to say, Mr. President, that most of the Members of the coalition group—at least on the Democratic side—have been Senators that I have been intimately involved with on fiscal matters ever since I have been in the U.S. Senate. I agree with Chairman DOMENICI that possibly out of these discussions tonight and the general tenor of the responses on each side lead me to also agree that we can have a breakthrough.

I would simply say that I happen to feel that the President of the United States has been trying very, very hard to have a breakthrough. Maybe we are sowing the seeds of that accomplishment tonight. I will be consulting with the minority leader tomorrow on this. And in the next few days, if we can just separate our differences for what they are—firm differences of opinion—and maybe come to the realization that, indeed, we are closer perhaps than we think, just let me note for the RECORD that, I think, further substantiates this. And in conversations that I have had with members of the 22-member coalition, just let me note that for the record the Chafee-Breaux budget is closer to the President's budget than to the Republican budget in all key areas.

I ask unanimous consent that a table demonstrating this be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPARISON OF BUDGET PLANS: 6-YEAR SAVINGS

[In billions of dollars]

	President's budget	Chafee-Breaux budget	Republican budget
Spending cuts:			
Discretionary	−230	−179	−296
Mandatory:			
Medicare	−117	−106	−167
Medicaid	−54	−41	−72
Other health	9	0	10
Welfare/EITC	−43	−45	−70
CPI outlays [1]	0	−56	0
Spectrum auctions	−37	....	−19
Other mandatory	−24	−37	−19
Subtotal	−265	−284	−337
Revenues:			
Tax relief and other	99	107	180
Corporate reforms [2]	−40	−20	−21
CPI revenues [1]	0	−35	0
Other proposals	−5	0	....
Expiring provisions [2]	−43	−0	−36
Subtotal	11	51	122
Policy savings	−485	−412	−511
Debt service	−41	−40	−56
Total savings	−525	−452	−567
2002 Deficit/Surplus	0	−49	0

[1] Assumes a 0.5% reduction in CPI.

[2] The Republican plan reconciles a net tax change of $122 billion over 6 years, but includes reserve fund language that allows for additional tax cuts on a revenue neutral basis. The revenue figures for the Republican plan show gross tax cuts assuming that the Republicans adopt the corporate reforms contained in the Balanced Budget Act and certain tax provisions that have expired since last year.

Mr. EXON. Mr. President, it seems to me, if I heard the leader of the committee correctly, that he has essentially all but endorsed the bipartisan commission with the one exception of Social Security. And if we are that close maybe—just maybe—we can solve the problem. But I would remind all that when we get that close there is going to have to be some give and take on both sides in a compromise.

So, Mr. President, I want to salute my friends, Senator CHAFEE from Rhode Island, Senator BREAUX from Louisiana, and all of their associates for their stamina in their efforts to find a middle ground in this very, very important debate. Yet, I must say that, while I think this has been extremely helpful, I suggest that they keep on searching. But since I am convinced that they are searching in the crunch of numbers much closer to the President's budget than the Republican budget, there is no question in my mind that they can be helpful in reaching a workable compromise that I have not heard anybody object to tonight. I think everybody is saying we are closer than some people think. But I suggest that they keep working, and I will outline some of the—only three—key points that I have some concern about, and I suggest that the President might have some concerns about. That does not mean that we do not want to talk. That does not mean that we are saying the Republican budget is impossible to work with. That does not mean to say that we do not think that the coalition budget is a sincere effort because obviously it is.

So there is much merit to the Breaux-Chafee budget et al. There are many savings that I would simply emphasize once again are very close to those contained in proposals that I have made and, indeed, close to the numbers in the President's budget. But there are three areas—three glaring problems—that I see that I want to comment on that force me to say we have to do better. That does not mean that we are not willing to compromise. That does not mean we are not willing to talk.

The chairman of the committee said that he hoped maybe that as a result of these discussions the President would call us down to the White House in the morning. Well, the President has had an invitation out for us to come down to the White House every day on the hour, it seems to me, in the past several weeks, and he has been frustrated, I am sure, with the fact that the Republicans will not come down. In fact, the chairman of the Budget Committee on the Republican majority on the House as much as said that there is no reason to go down there because we are so far apart. But I see that there are problems in three areas which I want to discuss for just a little bit to show that, while we are close, everything is not hunky-dory.

We can stand out on the floor of the Senate and pat each other on the back, but I, for one, am saying there are still some problems. They are not insurmountable, but there are problems.

The first problem that I have is the change in the Consumer Price Index; second, the cuts and the change in the direction of the Medicare Program; and third, the tax cuts.

Nonetheless, this proposal is far superior, in my view, than the one offered out of the Budget Committee. The proposed adjustment in CPI, I simply say, is no small matter, and it should be fully understood. It amounts to $126 billion. The numbers speak for themselves.

Mr. President, it would be very difficult, if not impossible, to scrap the CPI adjustments and not bring down the entire Breaux-Chafee budget. I believe that was discussed in some detail in the negotiations that were held between the chairman of the committee and the Breaux-Chafee group. Therefore, the CPI and the amount of the CPI is absolutely essential to make the Breaux-Chafee budget work unless—unless—the Breaux-Chafee group is willing to forgo most of their big tax cut.

I oppose the change in CPI for the reason that it asks the most from those who have the least. A change in the CPI will not affect the lifestyles of Senators or the wealthiest Americans, but it could deliver a devastating blow to seniors and the disabled who depend solely on Social Security and supplemental security income, commonly known as SSI, or those low-income families who get little relief from the earned income tax credit. More than 40 percent of the dollars the proposal raises comes from a reduction in projected Social Security benefits. That is plain and that is simple.

Mr. President, when one says "adjust the Consumer Price Index," it almost sounds reasonable. Everyone is in favor of an accurate CPI. But let us call this proposal for what it really is—a proposal to cut cost-of-living adjustments by half a percent no matter what the accurate CPI would be. What that means is that benefits will be cut below projected levels for Social Security, for earned income tax credit and supplemental Social Security income, for veterans' compensation and pensions for the elderly.

Is that where we as a government should be looking first for deficit reduction? I suggest not. Over the next 10 years, a half-percent COLA change means $110 billion in less Social Security benefits, $16 billion less in EITC, earned-income tax credits, $11 billion less in SSI benefits, and $5 billion less in veterans' compensation and veterans' pensions.

Let me take a moment to talk about the chart that has been moved over here behind me now. It is a very interesting chart, and it tends to show the minimal differences. While they appear minimal, I suggest, to people with the income of those of us in the Senate, it purports to show how little one-half a percent Consumer Price Index change would actually cost the beneficiaries, if you do the arithmetic, Mr. President, and you add up all the cuts that are suggested on that chart, they come up to $1,200 per beneficiary, which is real money, which is real money for people on Social Security.

I am not saying that we are not willing to talk about this, but to minimize how small this is should be put in the context of the lowest income Americans as far as the fairness test is concerned. And, oh, by the way, there is something that has not been mentioned that we should look into. It seems to me, if we were to proceed along this basis, it also means about a $106 billion tax increase over the same period because it would bring back bracket creep that we thought we had eliminated.

Mr. President, I have a table which shows the current estimates of the Congressional Budget Office as to where these savings would come. I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

CHANGE IN DEFICIT DUE TO 0.5-PERCENT ADJUSTMENT OF CPI–INDEXING, CBO ESTIMATES MAY 7, 1996

	1997–2002			1997–2006		
	Billions	Percent All Savings	Percent Policy Savings[2]	Billions	Percent All Savings	Percent Policy Savings[2]
Revenues[1]	−$35.4	35.1	38.8	−$105.8	33.6	39.3
Change in Outlays	−55.7	55.3	61.0	−163.0	51.7	60.6
Social Security & RR Ret	−38.4	38.1	42.1	−110.5	35.1	41.1
SSI	−3.4	3.4	3.7	−11.1	3.5	4.1
Civil Service Ret	−4.4	4.4	4.8	−12.6	4.0	4.7
Military Ret	−3.2	3.2	3.5	−9.3	3.0	3.5
Veterans Comp. and Pensions	−1.9	1.9	2.1	−5.4	1.7	2.0
EITC	−4.8	4.8	5.3	−15.8	5.0	5.9
Other	0.4	−0.4	−0.4	1.3	−0.4	−0.5
Debt Service	−9.5	9.4	NA	−46.1	14.6	NA
Change in Deficit	−100.8	100.0	NA	−315.1	100.0	NA

[1] Revenue increases are shown with a minus sign because they reduce the deficit.

[2] Policy savings exclude debt service savings.

CHANGE IN DEFICIT DUE TO 0.5-PERCENT ADJUSTMENT OF CPI–INDEXING, CBO ESTIMATES MAY 7, 1996

[In billions of dollars]

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues[1]	−2.5	−2.4	−4.7	−6.5	−7.9	−11.4	−13.6	−16.9	−19.1	−20.8
Change in Outlays	−1.8	−4.7	−7.4	−10.7	−13.8	−17.3	−20.9	−24.6	−28.9	−32.9
Social Security & RR Ret	−1.4	−3.2	−5.2	−7.3	−9.5	−11.8	−14.2	−16.6	−19.3	−22.0
SSI	−0.1	−0.3	−0.4	−0.7	−0.8	−1.1	−1.4	−1.7	−2.2	−2.4
Civil Service Ret	−0.2	−0.4	−0.6	−0.8	−1.1	−1.3	−1.6	−1.9	−2.2	−2.5
Military Ret	−0.1	−0.3	−0.4	−0.6	−0.8	−1.0	−1.2	−1.4	−1.6	−1.9
Veterans Comp. and Pension	−0.1	−0.2	−0.3	−0.3	−0.4	−0.6	−0.7	−0.8	−1.0	−1.0
EITC	−0.0	−0.4	−0.5	−1.0	−1.3	−1.6	−2.1	−2.5	−3.0	−3.4
Other	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.3
Debt Service	−0.1	−0.4	−0.9	−1.6	−2.6	−3.9	−5.6	−7.7	−10.2	−13.1
Change in Deficit	−4.4	−7.5	−13.1	−18.8	−24.4	−32.6	−40.1	−49.2	−58.2	−66.8

[1] Revenue increases are shown with a minus sign because they reduce the deficit.

Mr. EXON. Mr. President, more than a third of the savings from a CPI adjustment suggested here would come from families with annual incomes under $30,000 per year. Ratchet it up just a little bit and 56 percent of the burden falls on families with incomes under $50,000 per year.

This proposed change in the CPI will hit most middle and lower income American families. I suggest, for this reason, this is not shared sacrifice, at least in this Senator's book.

As I previously mentioned, the proposed change in the CPI exacts too much from another group of our citizens, the retirees. Under the Breaux-Chafee budget, two-thirds of the savings come from retirees regardless of income. Let us not forget that Social Security contributes 90 percent or more of the income for about a third of our beneficiaries. It is also the major source of income for two-thirds of all of our beneficiaries. When we come up with these easy charts that show how simple and really "no hurt" this proposition is, I think we need to look at where it is coming from and who is taking the hit.

In addition, the very oldest American would be hit the hardest. COLA reductions accumulate, so that the biggest reductions are experienced by the retirees at the very end of their lives. It is simply not right to take the bread off the table of an elderly citizen—in many cases, a widow who is really now counting every penny. Yes, that is hard for many of us to believe, but that is going on today with many of our citizens who are certainly not well off.

Mr. BREAUX. Will the Senator yield for a question?

Mr. EXON. I will yield at the end of my remarks, and I will be happy to do it at that time.

It is not right and it is something that I cannot do. That does not mean there cannot be changes in COLA's. During the Senate Budget Committee markup of the budget resolution, I supported Senator BROWN's amendment to cap COLA's for upper income Federal and military retirees within the context of means testing. Some adjustments to cost of living may very well be warranted, but I cannot support a broad CPI adjustment that does nothing to protect the very neediest.

I also point my colleagues to the fact that those areas where a firm scientific consensus exists about CPI bias have already been incorporated into the budget baselines both of the Office of Management and Budget and the Congressional Budget Office. So the changes that have been suggested by the bureau are already in place. It is being suggested here that we add 0.5, a half of 1 percent, on top of that. That is where I think we should take a look, take a listen and have more talk. Beyond these areas, there is wide disagreement on many subjects. I, for one, do not believe that we should hazard the livelihoods of the elderly or the working families on such speculation to reach a balance. Let us let the professionals at the Bureau of Labor Statistics improve the CPI based on sound logic and not political necessity. Indeed, research done at the Bureau of Labor Statistics, which produces the CPI, suggests that the elderly's cost of living may increase faster than the CPI because they, the elderly, spend far more for out-of-pocket medical expenses than do consumers generally.

Back to the situation in another way that I mentioned earlier, when you spend every dollar you receive, these kinds of changes must be looked at very carefully to make sure they are fair.

Mr. President, I ask unanimous consent that a copy of the research paper to which I referred just a moment ago be printed in the RECORD at the conclusion of my remarks.

That is entitled "Experimental price index for elderly consumers."

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

(See exhibit 1.)

Mr. EXON. Another thing, it seems to me we should realize and recognize it is one thing to ask Social Security beneficiaries to contribute more as a part of a general reform of the Social Security system, but it is another thing, another thing altogether, to get savings out of Social Security to help make room for maybe a tax cut.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. EXON. I yield myself additional time off the resolution that is held in my name.

The PRESIDING OFFICER. The Senator is recognized.

Mr. EXON. I would be willing to consider changes to the COLA's, if they would be used as part of a Social Security overall reform package which we all know we are going to have to face. But I suggest we should not foreclose that next option and use it in the context that it is being advanced in this area at this time.

Mr. President, I believe, and I hope others will believe, we will need a whole lot of savings to address the needs of the baby boom generation in the next century, especially with regard to Social Security and Medicare. I believe we would be better served if we reserved any savings from Social Security for legislation that will address that problem so that we can ensure that the burden is going to be shared fairly and equitably.

In short, I am for honest changes in the cost-of-living adjustment. I am not for cuts in COLA's that are not a part of a major overhaul of the Social Security fund, which everyone agrees is not the case in the present legislation.

Mr. President, I have concerns about the Breaux-Chafee centrist budget. And I also think there are some excellent things in there. I think it is unnecessary, though, to go after Medicare beneficiaries for the amount of savings that they have outlined. Once again, I will say in the spirit I started with, it seems to me the Breaux-Chafee group and the Democrats and the President are not far apart on those numbers. I think they can be worked out. Although it does shield those in the very lowest income brackets, vast numbers of Americans making less than $50,000 would see their share of the premium costs rise, as proposed, rise from 25 to 31 percent. The President's budget, I might say, maintains a 25-percent level and still ensures the solvency of the trust fund through the year 2005. Let us not forget, too, that Medicare beneficiaries already pay 21 percent of their income for health care expenses. We should not add to their burden now.

In addition, by raising the eligibility age from 65 to 67 years of age—I am willing to look at that, but I want to look at both the upside and the downside. This amendment also denies Medicare benefits to a significant number of elderly Americans who have planned on that coverage in their retirement. Remember, most of the 65 and 66-year-olds are by no means affluent.

As well, Mr. President, the tax cuts in the amendment are larger than those in the President's budget. Again I say—and it has been said by several Senators here on the floor—I wish we could put off all tax cuts of any kind until we are better assured that we will balance the budget by the year 2002. That is the way I would like to have it. But I think it is clear that there is such a drive for this, and there has been so much publicity about it that, notwithstanding the concerns of this Senator, it is obvious, realistically, that some tax cut will be included because the President is for it as well.

In conclusion, I believe the amendment drafters need to keep working. They do not have to start all over again but I think they have to keep working with us. I simply say without the Breaux-Chafee group, or the Chafee-Breaux group, we probably would not have much of a chance to come up with a workable package. While I have some concerns about their proposal that I have outlined in an honest fashion tonight, I want to join with them in an effort to challenge and change and bring us around, and we can bring them around, maybe we can bring the Republicans around, to begin negotiations once again with the President at the White House. As we compare budgets, all of the budgets that are on the table, I still believe—even with its warts, and I think there are some warts in the President's budget, and I introduced and asked us to use that as the mark—I think the President's budget is the best standing alone of any that I have seen.

Having said that, I realize and recognize and want to emphasize once again that the President wants to work together. He has met at the White House with the Chafee-Breaux group and he has told me that he was very much interested in their presence, their attitude, and what he interpreted as a very sincere effort to get something done. That is the bottom line.

I say, let us keep working. But I, like the other Members of the Senate who have spoken on this tonight, feel this has been a very interesting, very challenging debate, and I am more optimistic than I was, when we started the debate on the budget resolution, of reaching some kind of compromise after the talks tonight than I was when we began this important exercise.

I yield 5 minutes of my time to the Senator from Illinois.

[From the Monthly Labor Review, May 1994]

EXHIBIT 1

EXPERIMENTAL PRICE INDEX FOR ELDERLY CONSUMERS

(By Nathan Amble and Ken Stewart)

(An experimental consumer price index for older Americans rose somewhat faster than each of two published BLS Consumer Price Indexes; as might be expected, expenditures for medical care accounted almost entirely for this difference)

The Consumer Price Index (CPI) of the Bureau of Labor Statistics measures the average change in prices over time for a fixed market basket of goods and services for two population groups. The CPI for All Urban Consumers (CPI-U) represents the spending habits of about 80 percent of the population of the United States. The CPI for Urban Wage Earners and Clerical Workers (CPI-W) is a subset of the CPI-U and represents about 32 percent of the total U.S. population.

The 1987 amendments to the Older Americans Act of 1965 directed the BLS to develop an experimental index for a third population of consumers: those 62 years of age and older. In its 1988 report to Congress, the BLS observed that from December 1982 to December 1987, the experimental consumer price index for older Americans rose slightly faster than the CPI-U and CPI-W.[1] (See table 1.)

TABLE 1—EXPERIMENTAL CONSUMER PRICE INDEX FOR OLDER AMERICANS, DECEMBER 1982 THROUGH DECEMBER 1993, FOR ALL ITEMS AND FOR MAJOR CPI EXPENDITURE COMPONENTS

[December 1982=100]

Month and year	All items	Food and beverages	Housing	Apparel and upkeep	Transportation	Medical care	Entertainment	Other goods and services
1982: December	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1983:								
January	100.4	100.5	100.5	99.0	99.5	101.0	100.6	101.2
February	100.5	100.9	100.6	98.5	98.5	102.1	101.3	101.9
March	100.6	101.5	100.6	100.3	97.7	102.4	101.8	101.9
April	101.2	102.0	101.1	100.9	99.4	102.7	101.9	102.5
May	101.7	102.2	101.6	101.2	100.6	102.9	102.0	102.7
June	102.0	102.2	102.0	101.1	101.3	103.2	102.3	103.0
July	102.4	102.3	102.4	100.7	101.9	103.8	102.7	104.0
August	102.7	102.3	102.6	102.2	102.4	104.5	102.8	104.7
September	103.2	102.4	103.1	104.0	102.7	104.8	103.4	105.9
October	103.4	102.5	103.2	104.0	103.1	105.3	104.2	106.3
November	103.5	102.2	103.3	103.9	103.4	105.8	104.5	106.9
December	103.7	102.7	103.4	103.2	103.4	106.2	104.6	107.2

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[1] Charles C. Mason, "An Analysis of the Rates of Inflation Affecting Older Americans Based on an Experimental Reweighted Consumer Price Index," report presented to Congress, June 1988. During the period from December 1982 through December 1987, the CPI-U rose 18.2 percent, the CPI-W increased 16.5 percent, and the experimental index for older Americans grew 19.5 percent. Over the 11-year period from December 1982 through December 1993, the CPI-U rose 49.4 percent, the CPI-W increased 46.2 percent, and the experimental CPI for older Americans grew 53.8 percent.

TABLE 1—EXPERIMENTAL CONSUMER PRICE INDEX FOR OLDER AMERICANS, DECEMBER 1982 THROUGH DECEMBER 1993, FOR ALL ITEMS AND FOR MAJOR CPI EXPENDITURE COMPONENTS—Continued

[December 1982=100]

Month and year	All items	Food and beverages	Housing	Apparel and upkeep	Transportation	Medical care	Entertainment	Other goods and services
1984:								
January	104.4	104.9	104.0	101.5	103.4	107.2	104.8	107.8
February	105.1	106.0	104.7	101.4	103.4	108.3	105.4	108.2
March	105.3	106.0	104.8	103.3	103.7	108.7	105.4	108.4
April	105.7	106.0	105.3	103.5	104.4	109.0	106.4	108.7
May	106.0	105.6	105.7	103.3	105.2	109.3	106.3	108.9
June	106.3	105.9	106.1	102.5	105.4	109.6	106.9	109.4
July	107.7	106.3	106.8	101.7	105.4	110.3	107.2	110.2
August	107.2	106.9	107.2	103.7	105.5	110.8	107.7	110.5
September	107.6	106.6	107.7	106.0	105.7	111.1	108.1	111.8
October	107.8	106.7	107.7	106.7	106.3	111.7	108.7	112.3
November	107.9	106.5	107.6	106.3	106.5	112.3	109.1	112.7
December	108.0	106.8	107.8	105.3	106.5	112.7	109.5	112.8
1985:								
January	108.3	107.6	108.0	103.4	106.2	113.5	109.9	113.6
February	108.8	108.5	108.5	104.3	106.1	114.3	110.0	114.2
March	109.2	108.6	108.9	106.4	106.9	115.0	110.5	114.4
April	109.7	108.5	109.3	106.9	108.0	115.5	111.0	114.8
May	110.1	108.3	110.1	106.5	108.6	116.0	111.2	115.1
June	110.5	108.4	110.7	106.0	108.8	116.6	111.8	115.4
July	110.8	108.5	111.0	104.8	109.0	117.3	112.4	116.1
August	111.1	108.5	111.4	106.2	108.7	118.1	112.4	116.5
September	111.4	108.5	111.7	108.7	108.5	118.6	112.9	117.9
October	111.7	108.6	111.9	109.5	108.9	119.2	113.7	118.5
November	112.1	108.9	112.2	109.6	109.7	120.0	113.9	118.6
December	112.4	109.7	112.5	108.4	110.0	120.5	113.7	119.0
1986:								
January	112.9	110.7	112.8	106.0	110.1	121.6	114.6	119.9
February	112.7	110.7	112.6	105.7	108.6	122.9	115.2	120.4
March	112.3	110.8	112.6	107.0	105.5	123.9	115.4	120.8
April	112.3	111.1	113.0	107.5	103.4	124.6	115.6	121.1
May	112.6	111.4	113.1	106.8	104.3	125.1	115.8	121.3
June	113.1	111.4	113.8	105.7	105.3	125.8	116.2	121.5
July	113.3	112.5	113.9	105.2	104.2	126.7	116.5	122.3
August	113.6	113.4	114.1	107.3	103.1	127.5	116.7	122.7
September	114.1	113.5	114.5	110.0	103.4	128.1	117.1	123.9
October	114.2	113.7	114.3	110.5	103.5	128.9	117.7	124.3
November	114.2	113.9	114.0	110.4	104.2	129.6	118.2	124.5
December	114.4	114.1	114.1	109.1	104.5	130.3	118.1	124.8
1987:								
January	115.2	115.5	114.8	107.1	105.8	131.0	118.4	125.8
February	115.7	116.0	115.2	107.8	106.3	131.8	118.6	126.4
March	116.1	115.9	115.7	111.5	106.5	132.5	119.0	126.8
April	116.7	116.2	116.1	113.5	107.3	133.0	119.6	127.1
May	117.1	116.9	116.6	113.0	107.7	133.4	119.9	127.5
June	117.7	117.5	117.3	110.9	108.4	134.0	120.1	127.9
July	117.9	117.2	117.7	108.4	109.0	134.8	120.8	128.7
August	118.8	117.2	118.5	111.1	109.6	135.3	120.7	129.3
September	119.0	117.6	118.6	115.5	109.7	135.8	121.2	130.5
October	119.3	117.7	118.6	117.6	110.0	136.4	122.0	130.9
November	119.5	117.5	118.6	117.8	110.8	136.9	122.3	131.1
December	119.5	118.2	118.7	114.3	110.5	137.2	122.5	131.4
1988:								
January	120.0	119.2	119.5	111.9	110.1	138.5	123.4	132.7
February	120.3	119.2	119.9	112.0	109.7	139.5	123.7	133.8
March	120.9	119.4	120.5	116.3	109.5	140.4	124.4	134.3
April	121.5	120.1	120.8	119.6	110.2	141.0	125.1	134.5
May	121.9	120.6	121.2	118.9	111.1	141.8	125.2	134.9
June	122.5	121.1	122.0	116.8	111.5	142.3	125.6	135.3
July	123.0	122.4	122.5	114.6	111.9	143.7	126.2	136.4
August	123.6	123.0	123.1	114.8	112.5	144.4	126.5	137.0
September	124.2	123.9	123.3	120.1	112.6	145.2	127.0	138.6
October	124.6	124.0	123.3	123.3	112.8	146.2	127.5	139.1
November	124.8	123.8	123.4	122.4	113.5	146.9	127.8	139.6
December	124.9	124.2	123.7	120.0	113.7	147.5	128.4	140.1
1989:								
January	125.7	125.8	124.3	117.0	114.0	149.1	129.8	142.2
February	126.3	126.6	124.7	117.2	114.5	150.6	130.2	143.0
March	127.1	127.3	125.4	122.0	114.8	151.7	130.6	143.5
April	127.9	128.1	125.6	124.2	117.6	152.5	131.5	143.9
May	128.6	128.9	126.1	123.2	119.0	153.3	131.6	144.9
June	129.0	129.0	126.9	120.2	118.9	154.4	132.3	145.9
July	129.6	129.6	128.0	117.4	118.4	155.8	133.2	146.8
August	129.8	129.8	128.4	116.9	117.4	156.9	133.4	148.1
September	130.0	130.1	128.5	117.1	117.7	157.5	133.7	148.5
October	130.8	130.8	128.9	120.5	118.5	158.7	134.3	149.0
November	131.1	131.1	129.2	120.1	119.1	160.1	134.7	149.2
December	131.4	131.6	129.6	116.6	119.3	160.8	135.1	150.4
1990:								
January	133.0	135.2	130.9	114.0	121.4	162.6	136.0	151.7
February	133.6	136.2	131.0	118.0	121.4	164.4	136.4	152.4
March	134.4	136.2	131.8	123.0	121.3	166.1	137.0	153.2
April	134.6	135.7	131.7	124.3	121.8	167.3	137.5	154.0
May	134.9	135.8	132.0	123.4	122.3	168.7	137.8	154.7
June	135.8	136.5	133.2	121.0	122.8	170.0	138.3	156.0
July	136.6	137.4	134.3	118.5	123.0	172.0	139.2	157.4
August	137.9	137.5	135.6	120.0	125.3	173.7	139.4	158.1
September	138.8	137.7	135.8	123.9	128.0	174.7	140.5	159.3
October	139.6	138.1	136.1	126.0	130.8	176.3	140.7	159.8
November	140.0	138.5	136.0	124.8	132.1	177.8	141.0	160.3
December	140.1	138.7	136.1	122.4	132.6	178.9	141.3	161.3
1991:								
January	141.2	141.1	137.6	121.5	130.9	180.9	142.5	163.2
February	141.6	141.1	138.2	124.5	129.1	182.9	143.1	164.4
March	141.9	141.5	138.5	127.1	127.6	184.4	143.9	165.1
April	142.0	142.5	138.1	128.1	127.4	185.2	145.0	166.0
May	142.4	142.6	138.3	127.7	128.5	186.1	145.3	166.5
June	142.9	143.2	139.0	125.0	128.8	187.2	145.3	167.5
July	143.2	142.2	139.9	123.5	128.6	188.7	145.9	168.0
August	143.6	141.5	140.3	125.6	129.0	190.1	146.7	169.2
September	144.0	141.5	140.3	129.1	129.0	191.1	147.5	170.7
October	144.1	141.0	140.3	129.8	129.2	192.1	147.9	171.3

TABLE 1—EXPERIMENTAL CONSUMER PRICE INDEX FOR OLDER AMERICANS, DECEMBER 1982 THROUGH DECEMBER 1993, FOR ALL ITEMS AND FOR MAJOR CPI EXPENDITURE COMPONENTS—Continued

[December 1982=100]

Month and year	All items	Food and beverages	Housing	Apparel and upkeep	Transportation	Medical care	Entertainment	Other goods and services
November	144.5	141.5	140.4	129.6	130.5	193.2	147.9	171.9
December	144.8	142.0	140.8	126.5	130.8	194.1	147.5	172.7
1992:								
January	145.4	142.6	141.7	125.2	130.3	195.9	147.8	173.7
February	146.0	143.0	142.2	127.8	129.9	197.9	148.5	174.6
March	146.7	143.7	142.7	130.5	130.5	199.2	149.0	175.2
April	146.8	143.7	142.5	130.7	131.2	199.9	150.1	175.7
May	147.0	142.9	142.6	130.7	132.1	200.6	150.0	176.8
June	147.3	142.1	143.5	130.2	131.8	201.3	150.3	177.2
July	147.8	142.0	144.3	128.3	132.2	202.6	150.7	177.8
August	148.2	142.9	144.7	128.9	131.9	203.4	150.9	179.0
September	148.4	143.3	144.3	131.9	131.8	204.1	151.6	180.4
October	149.0	143.2	144.5	135.0	133.3	205.3	151.9	181.1
November	149.2	143.0	144.4	134.6	134.7	206.3	152.0	181.2
December	149.2	143.4	144.5	131.2	134.6	206.9	152.2	182.3
1993:								
January	150.1	144.7	145.4	129.7	134.9	208.8	152.8	184.5
February	150.7	144.8	145.9	133.3	135.1	210.5	153.0	185.1
March	151.2	145.1	146.5	135.9	134.8	211.2	153.3	186.0
April	151.7	145.6	146.7	137.1	135.2	212.0	154.0	186.5
May	152.0	146.2	146.8	135.4	136.0	213.3	153.7	187.7
June	152.2	145.2	147.8	131.5	135.9	214.0	154.5	187.6
July	152.4	145.2	148.2	129.3	136.0	215.0	154.1	188.0
August	152.8	145.8	148.6	132.7	136.0	216.0	154.7	186.9
September	152.9	146.0	148.5	135.4	135.8	216.6	155.5	185.0
October	153.4	146.7	148.4	136.1	137.5	217.7	156.2	185.3
November	153.6	146.9	148.2	136.1	138.5	218.3	156.8	185.7
December	153.8	147.7	148.6	133.2	138.1	218.7	157.0	186.3

This article updates the analysis of the behavior of the experimental index for older Americans for the period from December 1987 through December 1993. Over this 6-year period, the experimental price index rose 28.7 percent, slightly more than the increases of 26.3 percent for the CPI–U and 25.5 percent of the CPI–W.

METHODOLOGY, DATA, AND LIMITATIONS

Although the study discussed in this article indicates a higher overall inflation rate for older Americans compared with the rates for the official CPI population groups, any conclusions drawn should be [illegible] with caution because of the various limitations inherent in the methodology.

Expenditure weights. For each CPI population group, item strata [illegible] weighted according to their importance [illegible] the spending patterns of the population. The population older Americans used [illegible] experimental price index was defin[illegible] urban noninstitutionalized con[illegible]s that were either

1. unattached ind[illegible] were at least 62 years of age; or

2. members of fa[illegible]ference person (as defined in [illegible] Expenditure Survey) or spouse [illegible]2 years of age; or

3. members of g[illegible]ed individuals living togeth[illegible] resources to meet their livi[illegible] whose reference person was a[illegible] of age.

In the 1982–84 Con[illegible]ture Survey, which is used as [illegible] expenditure weights in the cu[illegible] percent of the total sample of a[illegible]an consumer units (3.135 out of 16.5[illegible]is definition. Because the number o[illegible]r units used for determining weigh[illegible] experimental index as relatively [illegible] expenditure weights used in the [illegible]n of the experimental price inde[illegible] higher sampling error than those [illegible] the large populations.

For each popula[illegible] the base expenditure weight [illegible]ponent represents the actual exp[illegible] on that component in the base per[illegible] relative importance of any compon[illegible]s expenditure weight (updated for [illegible] in relative prices) and represents t[illegible]ortion of that weight to total expend[illegible] for the population. The relative importances of selected components for each of the three population groups are shown in table 2 for December 1987, the first month of this study.

TABLE 2.—COMPARATIVE ANALYSIS OF RELATIVE IMPORTANCES OF SELECTED COMPONENTS OF CONSUMER PRICE INDEXES, DECEMBER 1987

Component	CPI–U	CPI–W	Experimental index for older Americans
All items	100.00	100.00	100.00
Food and beverages	17.61	19.45	15.49
Food at home	9.86	11.14	9.79
Food away from home	6.19	6.65	4.57
Alcoholic beverages	1.55	1.66	1.13
Housing	42.48	39.95	48.30
Owners' equivalent rent	19.26	16.84	25.47
Apparel and upkeep	6.34	6.36	4.68
Medical care	5.83	4.95	9.47
Transportation	17.45	19.41	14.43
Motor fuels	3.29	4.03	2.67
Entertainment	4.37	4.04	3.34
Other goods and services	5.93	5.84	4.31
College tuition	1.13	.84	.46
Tobacco and other smoking products	1.29	1.70	1.02

Areas and outlets priced. The experimental consumer price index for older consumers is a weighted average of price changes for the same set of item strata collected from the same sample of urban areas as are used in calculating the CPI–U and CPI–W.

Retail outlets are selected for pricing in the CPI based on data reported in a separate survey representing all urban households. The experimental index also uses the same retail outlet sample. Thus, the outlets selected may not be representative of the places where older persons purchase their goods and services.[2]

Items priced. As with retail outlets, a major limitation of the experimental index is that the categories of items to be priced are selected using expenditure weights calculated from the expenditure surveys for the urban population. As a result, the specific item classes selected for each stratum may not be representative of those classes used by the older population.

Prices collected. A final source of uncertainty about the appropriateness of using the CPI–U prices for the index of the older population concerns the availability of discount prices for older Americans. For example, senior-citizen discount rates are used in the CPI–U in proportion to their use by the urban population as a whole. To the extent that senior-citizen discounts take the form of a percentage discount from the regular price, this may not be a problem. If, however, the discount is not a fixed percentage of the price, the scarcity of senior-citizen discount prices in the current CPI could lead to error in the experimental index.

Because of the preceding limitations, conclusions drawn from the analyses presented in this article should be treated as tentative.

RELATIVE BEHAVIOR OF PRICE INDEXES

Table 3 gives the annual price changes in the all-items CPI–U, CPI–W, and experimental price index during the period 1988–93. Table 4 shows the behavior of these three indexes at the major component levels during the same period.

TABLE 3.—PERCENT CHANGE IN ALTERNATIVE CONSUMER PRICE INDEXES, ALL ITEMS, 12 MONTHS ENDED DECEMBER, 1988–93

Year	CPI–U	CPI–W	Experimental index for older Americans
1988	4.4	4.4	4.5
1989	4.6	4.5	5.2
1990	6.1	6.1	6.6
1991	3.1	2.8	3.4
1992	2.9	2.9	3.0
1993	2.7	2.5	3.1
Cumulative change, December 1987–December 1993	26.3	25.5	28.7

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[2] The sample size of the current point-of-purchase survey is not adequate to determine whether older Americans typically shop in different types of outlets from those frequented by the general population.

TABLE 4.—PERCENT CHANGE IN ALTERNATIVE CONSUMER PRICE INDEXES, BY MAJOR COMPONENTS, 12 MONTHS ENDED DECEMBER, 1987–93

Component	CPI–U	CPI–W	Experimental index for older Americans
All items	26.3	25.5	28.7
Food and beverages	24.8	24.8	25.0
Housing	23.1	22.4	25.1
Apparel and upkeep	17.7	16.6	16.6
Transportation	22.8	21.9	25.0
Medical care	54.2	53.3	59.4
Entertainment	25.9	25.0	28.2
Other goods and services	47.0	46.2	41.8

Over the 6-year period from December 1987 through December 1993, the reweighted experimental price index for older Americans rose 28.7 percent. This compares with increases of 26.3 percent for the CPI–U and 25.5 percent for the CPI–W.

Examining the indexes in more detail, we see that medical care prices during the period rose slightly more than twice as fast as the average for all items in each population group. Because the elderly typically spend more on medical care than does the population as a whole (see table 2), the medical care component accounted for most of the difference between the experimental index and either of CPI–U and CPI–W. In the experimental index, this component increase 59.4 percent during the period 1988–93. By contrast, inflation for the medical care component of the CPI–U was 54.2 percent and that for the CPI–W was 53.3 percent.

The price change for each major expenditure component varied by population because the expenditure weights of the items that comprised the major components varied among the three population groups the indexes served. The expenditure weight that an item had in a particular population reflected the importance of that item as a proportion of the total expenditures of that population. For example, the relatively high expenditure weights of the medical care component of the experimental index may largely be attributed to the differences in the nature of the demand for medical care services by the elderly, compared with the demand for such services by all urban consumers or by urban wage earners and clerical workers. Within the medical care component, the elderly had larger out-of-pocket costs relative to both of the other groups chiefly because those groups had employer-provided health care benefits more readily available to them. An analysis of the relative importance of the various subcomponents making up the medical care component for the elderly and for all urban consumers indicates that older Americans devote a substantially larger share of their medical care budget to physicians' services, followed by hospital room stays and commercial health insurance coverage.

Of the seven major expenditure components, the apparel category registered the smallest price change for all three population groups over the 1988–93 period.

Within the transaportation component, public transportation items such as airline fare, intercity bus fare, intercity train fare, and taxi fare had higher relative importance for the elderly than for all urban consumers. These items contributed to the observed overall higher inflation rates in the transportation component of the experimental index.

Like medical care, another expenditure component that rose significantly in all three indexes during the study period was the "other goods and services" category. However, unlike medical care, this component recorded the *smallest* increase in the experimental price index (41.8 percent), compared with the CPI-U (47.0 percent) and the CPI-W(46.2 percent). The reason for the lesser rise could be found in differences in the composition of the three populations. For instance, the CPI-U and CPI-W, with their relatively larger concentration of younger people,had a significantly higher relative importance for college tuition, which increased faster than the average of all items in each year of the study. In addition, the populations of all urban consumers and urban wage earners and clerical workers spend proportionately more for tobacco and other smoking products, which have also typically increased faster in price than the "other goods and services" component, of which they are a subcomponent. These items have thus contributed to the faster rise in the "other goods and services" component of the CPI-U and CPI-W relative to the experimental price index for older Americans.

COST-OF-LIVING ADJUSTMENTS

Adjustments to Social Security benefits are currently based on the percentage change in the CPI-W, measured from the average of the third quarter of one year to the third quarter of the succeeding year.

While the Senate Special Committee on Aging stipulated that the current study covers persons 62 years of age and older, this population is not likely to be the most appropriate one for defining and developing an index for use in indexing Social Security benefits. The reason is two-fold. First, many Social Security beneficiaries are younger than 62 years and receive benefits because they are surviving spouses or minor children of covered workers or because they are disabled. The spending patterns of this younger group are excluded in the weights for the experimental index for older Americans. Second, a substantial number of persons 62 years of age and older—especially those 62 to 64 years—do not receive Social Security benefits at all. Although these older consumers are included in the population covered by the reweighted experimental index, they presumably should be excluded from an index designed to reflect the experience of Social Security pensioners. In short, an index designed specifically to measure price changes for Social Security beneficiaries—that is, one that excludes older persons who do not receive benefits, but include younger persons who receive survival and disability benefits—might well show price movements that differ significantly from those of the experimental index set out in this article.

CONCLUSIONS

This article examined changes in three distinct Consumer Price Indexes—the Index for All Urban Consumers (CPI–U), Index for Urban Wage Earners and Clerical Workers (CPI–W), and experimental index for Americans 62 years of age and older—for the period December 1987 through December 1993. Analysis of the relative behavior of the three indexes at the all-items level reveals that the experimental index rose slightly faster than the two published indexes.

The experimental price index, reweighted to incorporate the spending patterns of older consumers, behaves more like the CPI–U than the CPI–W. This is to be expected, because the CPI–U comprises the expenditures of all urban consumers, including those 62 years of age and over. The CPI–W, on the other hand, is limited to the spending patterns of families of wage earners and of clerical workers and, therefore, specifically excludes the experience of families whose primary source of income is from retirement pensions.

As an estimate of the inflation rate experienced by older Americans, the experimental index has several limitations. One of these is that the samples from which expenditure weights for the index were calculated are substantially smaller than those used in either the CPI–U or the CPI–W. This means that the experimental price index is subject to larger sampling errors than either of the two official indexes.

To produce a more precise CPI for older Americans, sample sizes would need to be strengthened for the Consumer Expenditure Survey to reflect the spending habits of the elderly more accurately. In addition, the point-of-purchase survey and the pricing surveys would need to be improved to reflect which retail outlets and items should be sampled for older Americans. These improvements in the sample design could yield altogether different results from those obtained in the study described in this article. Finally, it should be noted that the medical care component of the CPI has a substantially larger relative weight in the experimental index than in the CPI–U or CPI–W. As a result, this component of the experimental index tends to have a larger impact on the elderly than it does on either all urban consumers or urban wage earners and clerical workers.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I thank my colleague from Nebraska. There is much that is good in this amendment. First of all, I applaud the bipartisan effort. We have had excessive partisanship in this body. So I like that, No. 1.

No. 2, I do differ with my friend from Nebraska in that you do not tackle the CPI. I think that has to be done. We cannot play games anymore with the American public. We cannot pander, and that is what we have been doing too much of.

But I say to my friends from Louisiana and Rhode Island, and they are my friends for whom I have a high regard, what you do in here—and I have talked to both of them about this—you limit direct lending for student aid to 40-percent.

It is very interesting that we finally passed an appropriations bill that knocked out that limit, and today, a committee made up by the Ford Foundation, the Rockefeller Foundation, and groups from the Business Roundtable picked—and I would like the attention of my colleagues from Rhode Island and Louisiana, because I am going to be asking them a question. Today, they made their annual clearance for finals in a governmental award that is given annually for innovation in Government that saves paperwork and saves money.

Mr. President, there were 1,656 nominations for various things that happened in the Federal Government. They have narrowed the list to 25. And guess what? Direct lending is 1 of the 25 that saves money and saves paperwork.

The State auditor of Colorado says the University of Colorado alone saves $191,000 a year on direct lending. The Department of Education, as a result of the appropriations bill, has increased the number of schools, colleges, and universities that can have direct lending from 1,350 to 1,800, about 45 percent of the colleges and universities of this Nation. Not a single 1 of the 1,350 who are on new direct lending want to go back to the old system. Not a single one. Now we have gone from 1,350 to 1,800.

I ask my friends from Louisiana and Rhode Island, which schools in Rhode Island and Louisiana do you want to tell you have to go back to the old system, you have to have more paperwork, more costs, and you cannot help your students as much?

Mr. BREAUX. Will the Senator yield?

Mr. SIMON. I yield to my friend from Louisiana.

Mr. BREAUX. I thank the Senator from Illinois for his comment. I particularly appreciate the comment on probably the most difficult point of our recommendation in our budget resolution, and that is the adjustment of the Consumer Price Index, which I think is critically important.

In order to specifically answer the Senator's question, we do not in this resolution make a decision at all on direct lending. We have a number for the committees. Your committee, the Labor and Human Resources Committee, will actually have to enact the legislative changes to reach the number we have suggested. They could do that by mandating 100 percent of the money be directly loaned or they can do a combination. We have suggested there be a cap to 40 percent, but that decision is going to be left uniquely to the committee of jurisdiction. I think the Senator from Illinois serves on that committee.

So this budget resolution is totally silent on whether there is a cap or whether there is not a cap on direct lending. That would be a legislative decision under the budget reconciliation of the Senator's committee as to whether that is a good thing to do or not.

Mr. SIMON. But my staff tells me that if this amendment is adopted, we have a 40 percent cap.

Mr. BREAUX. I will respond to the Senator, if he will yield further, that really is not correct. The only thing our budget resolution does is have a figure for the amount of money that can be spent on education. Your committee, when you get that resolution, will make a decision as to whether there is a cap on direct lending or whether there is no cap at all, as long as you can meet the budget reconciliation numbers.

Mr. SIMON. I think we can meet the numbers, frankly. I am going to check with my staff again. I have been told you have this 40 percent cap.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DOMENICI. Can I yield some time to Senator SIMON? I would like to make an observation to you and have an exchange with you on this. In my opinion, it is not the prerogative of a budget resolution, nor can it set the level of funding between those two programs.

If there is some assumption here, that is nothing more than an assumption. If there is a dollar number, that means that the committees of jurisdiction can proceed to do whatever they see fit within that dollar number. You cannot have something binding in that regard. You may have such a low number that you might conclude something is going to happen to my favorite program, but I do not believe there can be anything in the resolution that says that.

Mr. SIMON. The reality is, of course—if I may ask for an additional 60 seconds.

Mr. DOMENICI. You have 1 minute.

Mr. SIMON. The reality is direct lending under balanced scorekeeping, and we are trying to work that out with your staff right now. Direct lending saves money by any normal procedure, as the awards today have indicated. I will check this out with my staff. But if there is any kind of 40-percent limitation, frankly, I am going to have to oppose this, because I think it just tries to move us in the wrong direction.

I yield the floor.

AMENDMENT NO. 4002

Mrs. FEINSTEIN. Mr. President, I rise in opposition to amendment 4002 offered by the distinguished Senator from Mississippi, Senator LOTT. While its intent is surely positive, the effect would be to badly undermine United States interests with regard to Iraq.

First of all, it calls on the President to do something that is beyond is authority. The President does not have the power to unilaterally renegotiate the terms of U.N. Security Council Resolution 986, which the United States voted for.

Resolution 986 was passed in 1995 to provide humanitarian assistance to the Iraqi people, whose suffering Saddam Hussein was cynically exploiting to fracture the anti-Iraq coalition.

At that time, calls for sanctions to be lifted were increasing in the Arab world, and even from U.N. Security Council members France and Russia. The consensus on maintaining sanctions was eroding.

Resolution 986 was a way of demonstrating to the world that our quarrel is with Saddam, not the Iraqi people, and to try to relieve some of their suffering, about which Saddam clearly does not care one bit.

The resolution requires an iron-clad U.N. monitoring program to ensure that the proceeds from up to $2 billion of oil sales over 6 months are deposited in a U.N. escrow account, which Saddam cannot touch. They would then be used primarily for humanitarian relief.

This morning, Iraq and the United Nations reached an agreement on implementing Resolution 986. Iraq will begin selling its oil within a few weeks. At that time, U.N. monitors will move in to ensure that the food and medicine is used properly and distributed equitably.

In addition to humanitarian relief, the funds will be used for two other important purposes: To support the U.N. Special Commission on Iraq, or UNSCOM, which is responsible for finding and dismantling Iraq's weapons of mass destruction, and which is badly in need of funds; and to support the U.N. Compensation Commission, which settles international claims against Iraq, for Kuwait, but also for U.S. companies and individuals harmed by the Iraqi invasion.

If we attempt to divert money from these causes, we will send a message that we don't care about the suffering of the Iraqi people. I cannot think of a better way for us to strengthen Saddam's standing inside Iraq. He would be able to blame the United States for his people's suffering.

Diverting money from humanitarian aid would also threaten to split the coalition. There would be renewed calls for lifting sanctions outright, especially in the Arab world. Resolution 986 maintains all sanctions on Iraq.

We would also undermine UNSCOM's crucial mission to ensure that Iraq's nuclear, chemical, biological, and missile programs are dead and buried. And we would send a message that we do not care about Kuwait, or even U.S. citizens, being compensated for losses suffered on account of Saddam's invasion.

It is certainly reasonable for the United States to seek compensation whenever possible for U.S. operations that support U.N. missions. But when those operations are in our interest, we need to be prepared to shoulder the burden.

Operation Provide Comfort and Operation Southern Watch both serve U.S. interests by containing Saddam's military and protecting the Kurds and Shiites (not the Sunnis, as erroneously stated in the amendment) of Iraq. That is why President Bush started both these operations after the Gulf War and why President Clinton has continued them.

In 1996, $646 million was authorized for Operation Provide Comfort and Operation Southern Watch, out of a total defense budget of $264.7 billion. Do you know what percentage of our defense budget that is? It is two-tenths of one percent of our total defense budget.

That's right. For two-tenths of one percent of our defense budget, we are containing Saddam Hussein's military, preventing him from flying his aircraft or threatening Kuwait, and providing crucial protection to the Kurds and Shiites of Iraq.

By any standard, that is a bargain. If we are not prepared to spend two-tenths of one percent of our defense budget to contain one of our most dangerous adversaries in a crucial part of the world, then why do we even have a defense budget?

We shouldn't jeopardize our interests in Iraq by insisting on compensation for conducting operations that are so clearly in our Nation's national interests. Britain, France, and Turkey also participate in these operations without compensation.

Although conducted with our allies, these operations are primarily U.S. operations, which means that we make decisions on how they are conducted. If we demand U.N. compensation for these operations, it is only a short leap to granting the United Nations greater say about the conduct of the mission.

I doubt that the sponsors of the amendment would advocate giving the United Nations greater control over U.S. troops conducting Operation Provide Comfort and Operation Southern Watch, but it seems to be the inevitable outcome of demanding compensation.

In short, this amendment urges the President to do something that (a) he cannot do, and (b) would badly undermine U.S. interests in Iraq. I urge my colleagues to oppose the amendment.

MILITARY INFRASTRUCTURE

Mr. DODD. Mr. President, I would like to take a brief moment to discuss our nation's security and the importance of adequate support for our military infrastructure.

I have long supported maintaining the level of military funding necessary to advance American interests, to honor our commitments abroad, and to continue to be an effective advocate for democracy and freedom throughout the world. In my view, we simply cannot expect to maintain our position of world leadership if we do not also maintain the strong military capabilities we have developed in recent years.

It was for these reasons that I voted against the amendment recently offered on the floor by my good friend and colleague from Iowa, Senator GRASSLEY. In my view, the cuts proposed in that amendment are simply too deep, and could jeopardize vital programs that are instrumental to protecting our national security.

I would like to take this opportunity to make clear my views on this issue. In committee, I voted for a similar amendment offered by Senator GRASSLEY, and I must say in all candor that I was under the wrong impression at that time, Mr. President. My vote in committee was inadvertent.

I do not mean to say that efforts to achieve more moderate savings are not worthwhile. Defense spending without limits, and without regard to the recommendations that the Defense Department itself has made, is irresponsible. We must continue to balance the very important priority such as education and the environment.

Mr. President, some say that the real threats to our Nation's security are not as great as they once were. I would only respond by saying that the potential threats are greater than ever. The advances in defense technology we have seen in recent years make possible wholly new capabilities for our military forces, but also require even greater effort to avoid losing our edge. Savings are possible, but we must not ignore the necessity of protecting our Nation's interests. For these reasons, I continue to support a level of military spending that maintains the effectiveness of the American fighting force.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, might I inquire of the Senators on the floor, how much time do they want to wrap up the evening? Are there some on your side?

Mr. EXON. I have not been advised, but I see the Senator from Wisconsin seeking recognition. Can he tell us about how much time he would like to have?

Mr. FEINGOLD. Fifteen minutes to offer an amendment.

Mr. EXON. We knew about that. There is one amendment over here; is that not right?

Mr. DOMENICI. Yes.

Mr. EXON. We have two amendments to dispose of. I hope the people offering those amendments will recognize we hope to leave by 10. So other than the Senator from Wisconsin on our side, who we agreed will offer an amendment, I have no further requests here.

Mr. DOMENICI. Might I just ask, how long did you say you might speak?

Mr. FEINGOLD. Up to 15 minutes.

Mr. CHAFEE. Mr. President, I have no further discussion on our amendment tonight. As I understand it, we have 1 hour equally divided tomorrow morning. The plan, as I understand it, is for us to start on our hour at 9:30. That is equally divided.

Mr. EXON. Is that the plan, to go on that at 9:30 in the morning?

Mr. DOMENICI. I believe we have reached an accommodation. They will be glad to be here at 9:30. They will take the first hour. That goes right up to departure time. There will be some Senators staying here during that hour and a half.

Mr. EXON. Oh, we are going to keep the Senate open?

Mr. DOMENICI. We plan to. That is how we are going to get things done.

Mr. EXON. That seems very reasonable to me.

Mr. DOMENICI. I wonder if I can propose this so perhaps the Senator from New Mexico can depart the Chamber. I want to offer an amendment that will take me 1 minute on behalf of Senator DOLE, and it will take its place among the amendments to be voted on in due course.

Senator FEINGOLD can go next for 15 minutes, and since there is no other Senator to be heard, that will be the extent of what we do here this evening.

ORDERS FOR TUESDAY, MAY 21, 1996

Mr. DOMENICI. Mr. President, with that in mind and assuming that will occur in that fashion, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 a.m. on Tuesday, May 21; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, the Senate then resume consideration of Senate Concurrent Resolution 57, the budget resolution; and, further, that there be 8½ hours of debate equally divided remaining on the resolution.

Mr. EXON. May I ask a question? Is it necessary, I ask my chairman, to yield back additional time so we only have 8½ hours left? Was that included in that?

Mr. DOMENICI. I assume when I stated the unanimous consent as I stated it, that would be what we have agreed to by consent.

Mr. EXON. I thank my chairman.

Mr. FEINGOLD addressed the Chair.

Mr. DOMENICI. Let me proceed for just a moment. Tomorrow——

The PRESIDING OFFICER. Does the Senator from Wisconsin wish to object?

Mr. FEINGOLD. I might inquire of the Chair, prior to the Senator's departure, I intended to ask for the yeas and nays on the amendment I am going to offer. I wonder if I could do that prior to the Senator's departure?

Mr. EXON. We are not adjourning. We are going to get your amendment in.

Mr. DOMENICI. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on the amendment even though it has not yet been tendered to the desk.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

PROGRAM

Mr. DOMENICI. Mr. President, tomorrow the Senate will resume consideration of the budget resolution. By consent, there are 8½ hours remaining for debate on the resolution. Therefore, any Member who still intends to offer an amendment should be prepared to offer that amendment during Tuesday's session. The first hour of the session is to be used by Senators CHAFEE and BREAUX on their amendment to complete debate thereon. All Members should expect a large number of consecutive rollcall votes at the expiration or the yielding back of the debate time. Those votes could begin as early as tomorrow afternoon, but most likely will begin on Wednesday morning. The Senate may also recess between the hours of 12:30 and 2:15 for the parties' weekly policy conferences if it is agreed that the time will be deducted from the overall time limitation.

Mr. EXON. That has been agreed to.

MORNING BUSINESS

TRIBUTE TO SOUTH DAKOTA'S ANNUAL LAW ENFORCEMENT APPRECIATION DINNER

Mr. PRESSLER. Mr. President, today I would like to pay tribute to a great tradition in the law enforcement community in my home State of South Dakota. On November 15, 1995, for the 14th year in a row, South Dakota held its Law Enforcement Appreciation Dinner and Charity Fundraiser. Under the leadership of a great South Dakotan, Gene Abdallah, the law enforcement appreciation dinner has grown from a small, informal gathering to one of the largest annual events in South Dakota.

The Law Enforcement Appreciation Dinner and Charity Fundraiser began in 1982. It has raised more than a quarter of a million dollars for South Dakota charities. The purpose of this annual event is to recognize law enforcement agencies and officers for their dedication and service to the public. It also gives South Dakota law enforcement the unique opportunity to gather together.

Widely known in South Dakota as "Gene's Annual Game Feed," this event originally was the idea of former United States Marshal Gene Abdallah, who served South Dakota pheasant and other wild game to show his appreciation to his fellow law enforcement officers. At that first gathering, there were 53 people in attendance. Through the years, this event has grown to a remarkable size today. In 1994, more than 600 business and civic leaders attended as special guests, along with more than 800 law enforcement personnel. This event has become one of the largest gatherings of Federal, State, and local law enforcement personnel in the Nation.

The appreciation dinner also is dedicated to raising funds for needy organizations. In 1994, contributions from the event went to the Ronald McDonald House of Sioux Falls, the Make-A-Wish Foundation, the Children's Miracle Network, the South Dakota Special Olympics Torch Run, and $10,000 for food baskets for the less fortunate. Funds in 1995 were designated to the young victims of the Oklahoma City bombing, Food for the Less Fortunate of South Dakota, the Muscular Dystrophy Summer Camp, and the Spurs Therapeutic Academy.

This event would not be possible without the generous support of many South Dakotans who contribute through the purchase of VIP tables and sponsorship donations.

Mr. President, with great pride I salute all my friends in South Dakota who work so hard to make this tremendous event possible. I look forward to helping make this year's Law Enforcement Appreciation Dinner and Charity Fundraiser the most successful one ever.

TIM DOVE, MASTER TEACHER

Mr. DEWINE. Mr. President, I am pleased to take the floor today to recognize Tim Dove, a seventh grade teacher of Social Studies at the McCord Middle School in Worthington, Ohio. He has just been named Martha Holden Jennings Foundation Master Teacher for 1996.

"Teaching is Tim Dove's love and he excels at this vocation," wrote Jeanne Paliotto, principal of McCord Middle School where Tim teaches 7th grade Social Studies.

Dr. Damon Asbury, superintendent of Worthington City Schools, included this description of Tim's work in his letter of nomination: "When I think of a Master Teacher, four qualities stand out as being among the most important. The Master Teacher is one who (1) demonstrates superior performance as a teacher and as a learner; (2) inspires students to excel; (3) serves as a model and mentor for colleagues; and (4) deals effectively with the wide range of diverse abilities, needs, and background among students. Tim Dove meets and exceeds these high standards."

A graduate of Miami University—Ohio—with the MA from the Ohio State University, Tim is currently completing a Ph.D. program in global educational curriculum and techniques.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, May 17, 1996, the Federal debt stood at $5,114,511,847,123.90.

On a per capita basis, every man, woman, and child in America owes $19,308.54 as his or her share of that debt.

SENATOR PRESSLER CREATES NEW TOURISM AND EXPORT OPPORTUNITIES

Mr. LOTT. Mr. President, I rise today to praise our colleague from South Dakota, Senator PRESSLER, for the very important leadership he has provided to open new international air service markets for U.S. passenger and cargo carriers. Senator PRESSLER's outstanding work in this regard has rewarded our economy with enormous new tourism and export opportunities.

As chairman of the Committee on Commerce, Science, and Transportation, Senator PRESSLER's outstanding leadership on numerous initiatives this Congress has been deservedly recognized on the Senate floor by Senators from both sides of the aisle. These significant accomplishments include passage of the landmark telecommunications law and commonsense product liability reform as well as the elimination of the Interstate Commerce Commission.

Today, I want to acknowledge another area in which Senator PRESSLER's leadership is paying enormous dividends for consumers and our economy. I speak about his bipartisan leadership in the area of creating new international air service opportunities for our passenger and cargo carriers. Let me add these efforts are in addition to the tremendously important and longstanding leadership Senator PRESSLER continues to provide in the areas of air service to small communities and aviation safety—two areas of great importance to me.

For instance, just 2 months ago, Senator PRESSLER's steadfast leadership was instrumental in securing a truly historic open skies agreement with the Federal Republic of Germany. The potential long-term economic benefits of this open skies agreement are enormous. In fact, consumers traveling to Germany this summer will immediately feel the impact of this agreement. As Senator PRESSLER has predicted, the United States/German open skies agreement will be a catalyst for further liberalization of the very lucrative United States/European Union air service market.

Mr. President, I wish to bring my colleagues' attention to two recent letters further acknowledging the critical role Senator PRESSLER played in obtaining the United States/German open skies agreement.

First, Secretary of Transportation, Federico Peña, recently wrote Senator PRESSLER "[y]our strong support of the open-skies concept has been instrumental in making it possible for us to achieve this historic milestone [the U.S./German open skies agreement] in aviation. I applaud and greatly appreciate your bipartisan leadership role in the issue of great importance to all Americans." I ask unanimous consent that a copy of Secretary Peña's letter be inserted in the RECORD, at the conclusion of my remarks.

Second, German Transport Minister Matthias Wissmann recently wrote Senator PRESSLER to "express my sincere gratitude for your steadfast leadership and unwavering commitment to the goal of a fully liberalized aviation relationship between the United States and Germany. You were a cornerstone in the political process in this development." I ask unanimous consent a copy of Minister Wissman's letter be printed in the RECORD.

Mr. President, let me conclude by saying I am very pleased to call the Senate's attention to the very important work Senator PRESSLER is doing in the area of international aviation. His efforts have been enormously beneficial to our economy, consumers, and the airline industry.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, DC, April 2, 1996.
Hon. LARRY PRESSLER,
Chairman, Committee on Commerce, Science, and Transportation, Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for letter offering congratulations on the initialling of the U.S.-German open-skies aviation agreement.

Your strong support of the open-skies concept has been instrumental in making it possible for us to achieve this historic milestone in aviation. I applaud and greatly appreciate your bipartisan leadership role on this issue of great importance to all Americans.

The U.S.-German aviation agreement coupled with the other eleven open-skies agreements in Europe provide the critical mass that guarantees a new era in global aviation—one that relies on the marketplace to determine the kind and quality of air services that are offered to consumers and begins a process that will remove governments from a role in air service decisions. This achievement means that U.S. consumers will benefit from a much greater array of service and price options that will be tailored to their specific needs.

I, as you, appreciate the outstanding work of DAS Mark Gerchick in providing the pivotal leadership that made it possible to achieve the agreement with Germany in one round of formal talks. Mark's efforts assured that a difficult negotiation was concluded with amazing speed while achieving all of our open-skies goals.

I look forward to continuing our collaboration on this and other issues as we work hard to build a better transportation future for our country. If we can be of further assistance, please contact me or Steven Palmer, Assistant Secretary for Governmental Affairs, at (202) 366–4573.

Sincerely,

FEDERICO PEÑA.

BUNDESMINISTER FUR VERKEHR,
Bonn, den 12, Marz 1996.
Hon. LARRY PRESSLER,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR SENATOR PRESSLER: Thank you for your letter of January 1996.

I want to express my sincere gratitude for your steadfast leadership and unwavering commitment to the goal of a fully liberalized aviation relationship between the United States and Germany. You were a cornerstone in the political process in this development.

Looking back to our meeting in July 1995, I have the strong feeling that at that time together we started to tread the path which finally led to this fine agreement.

Your articulate advocacy of the mutual benefits of such a relationship, especially for consumers in both of our countries, continues to be critical in making our open skies accord a reality. I also appreciate your kind words recognizing the special challenge we Germans face in Europe. By working together armed with that understanding, we can convert those challenges to opportunities and, as you have noted yourself, our U.S.-German accord will be the catalyst for expanding the benefits of open skies to Europe as a whole.

In this context I also want to commend the admirable endeavors of your collaborator Mike Korens, whose work for this agreement is outstanding. His great personal commitment and constant monitoring since the very beginning of the process has been rewarded with our final success.

I want to make use of this opportunity, dear Senator Pressler, to also congratulate you on the telecommunications Law which you authored.

I was very sorry to hear that you had to postpone your visit to Germany. Of course I would be delighted to re-schedule your trip in the near future at a time convenient to you.

Sincerely,

MATTHIAS WISSMANN.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2662. A communication from the Under Secretary for Technology, Department of Commerce, transmitting, pursuant to law, the report of rule relative to Federal Agency Guidance for the Acquisition of Modular Metric Construction Products (RIN0693-XX18) received on May 16, 1996; to the Commerce, Science, and Transportation.

EC–2663. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report on Tanker Inspection Standards; to the Committee on Commerce, Science, and Transportation.

EC–2664. A communication from the Managing Director of the Federal Communication Communication, transmitting, pursuant to law, the report of rule relative to the inspection of ships subject to the Great Lake Agreement; to the Committee on Commerce, Science, and Transportation.

EC–2665. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule relative to Capital Leases (RIN 2132-AA55) received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2666. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule relative to the safety zone at Long Beach Harbor, CA, (RIN AA97) received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2667. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a temporary final rule relative to a special location regulation for Quonset Open House at North Kingstown, RI, (RIN 2115-AE46) received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2668. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule relative to the adoption of industry standards (RIN 2115-AF09) received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2669. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, the report of a final rule entitled "Rules and Regulations Under the Textile Fiber Products Identification Act: Notice of Final Rulemaking", received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2670. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, the report of a rule entitled "Trade Regulation Rule on Misbranding and Deception as to Leather Content of Waist Belts", received on May 16, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2671. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a final rule concerning the prohibition of retaining Pacific cod in the Central Regulatory Area of the Gulf of Alaska, received on May 13, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2672. A communication from the Program Management Officer of the National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a final rule concerning the American lobster fishery that clarifies the enforcement of regulations governing this fishery in the exclusive economic zone (RIN 0648-XX61), received on May 13, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2673. A communication from the Program Management Officer of the National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a final rule concerning the annual management measures and a technical amendment for the ocean salmon fisheries off the coasts of Washington, Oregon, and California (RIN 0648-AI35), received on May 13, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2674. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report concerning the future of the Interstate Commerce Commission; to the Committee on Commerce, Science, and Transportation.

EC–2675. A communication from the Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of three final rules concerning inseason closures in the Gulf of Alaska and in the Bering Sea and Aleutian Islands, received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2676. A communication from the Program Management Officer of the National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a final rule concerning the implementation of approved measures contained in Amendment Five to the Fishery Management Plan for the Atlantic Mackerel, Squid, and Butterfish Fisheries, received on May 13, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2677. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the Coast Guard's adopting of the special local regulations for the Boating Safety Parade, sponsored by the Charleston Power Squadron (RIN 2115-AE46), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2678. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the establishment of the date and time for this year's Regatta and amends the permanent regulation, received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2679. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the Coast Guard's establishing of a safety zone for the Fire Island Lighthouse Fireworks Display to be held on Great South Bay, Fire Island, NY, received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2680. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the special local regulations that are being adopted for the Key West Super Boat Race sponsored by Super Boat Racing, Inc. (RIN 2115-AE46), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2681. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the Coast Guard's establishment of a permanent special local regulation for the World's Fastest Lobster Boat Race in the waters of Moosabec Reach, Jonesport, ME (RIN 2115-AE46), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2682. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the Coast Guard's revising of the regulations governing the operations of the CSX railroad bridge at mile eighteen over the Saginaw River in Saginaw, Michigan (RIN 2115-AE47), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2683. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the minor adjustments of a previous rule about the procedures and methodology for determining Great Lakes pilotage rates (RIN 2105-AC21), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2684. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the requirements of Office Management and Budget Circular A-128, audits of state and local governments (RIN 2105-AC44), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2685. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a final rule concerning the prohibition of retaining Pacific cod in the Western Regulatory Area of the Gulf of Alaska, received on May 13, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2686. A communication from the Acting Deputy Assistant Administrator for Ocean Services and Coastal Zone Management, National Ocean Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a final rule concerning the removal of the Ocean Thermal Energy Conversion Act regulations from the Code of Federal Regulations (RIN 0648-AI42), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2687. A communication from the Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule relative to state by state commercial quotas for the 1996 summer flounder fishery, received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2688. A communication from the Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a final rule relative to regulations for special exception permits: Take, import, and export marine mammals under the Marine Mammal Protection Act and the Endangered Species Act (RIN 0648-AD11), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2689. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of final rule relative to lifesaving equipment (RIN 2115-AB72), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2690. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule relative to Rotocraft regulatory changes based on European joint aviation requirements (RIN2120-AF65), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2691. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of three final rules relative to the establishment of Class E airspace (RIN 2120-AA66), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

EC-2692. A communication from the general counsel of the Department of Transportation, transmitting, pursuant to law, the report of five final rules relative to Airworthiness Standards and Directives (RIN 2120-AB36 and RIN 2120-AA64), received on May 9, 1996; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mrs. KASSEBAUM, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1578. A bill to amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes (Rept. No. 104-275).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BREAUX:

S. 1778. A bill to suspend temporarily the duty on indolenine; to the Committee on Finance.

S. 1779. A bill to suspend temporarily the duty on Bis (4-amino-3-methylcyclohexyl)-methane; to the Committee on Finance.

By Mr. EXON (for himself and Mr. KERREY):

S. 1780. A bill to revise the boundary of the North Platte National Wildlife Refuge, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CRAIG:

S. 1781. A bill to amend the Harmonized Tariff Schedule of the United States to provide for duty free treatment for epoxide resins; to the Committee on Finance.

S. 1782. A bill to amend the Harmonized Tariff Schedule of the United States to provide for duty free treatment for certain injection molding machines; to the Committee on Finance.

S. 1783. A bill to amend the Harmonized Tariff Schedule of the United States to provide for duty free treatment for certain semi-manufactured forms of gold; to the Committee on Finance.

By Mr. BOND:

S. 1784. A bill to amend the Small Business Investment Act of 1958, and for other purposes; to the Committee on Small Business.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. EXON (for himself and Mr. KERREY):

S. 1780. A bill to revise the boundary of the North Platte National Wildlife Refuge, and for other purposes; to the Committee on Environment and Public Works.

NORTH PLATTE WILDLIFE REFUGE LEGISLATION

Mr. EXON. Mr. President, I rise today to introduce legislation along with Senator KERREY to revise the boundary of the North Platte National Wildlife Refuge in western Nebraska. This bill, which passed the House on April 23 of this year, would remove 2,470 acres of land from the North Platte National Wildlife Refuge.

This bill was created through the joint efforts of the community leaders of western Nebraska and the U.S. Fish and Wildlife Service. It is indeed a great example of how government works best when Federal, State and local governments work together.

The refuge, located just outside Scottsbluff, NE, was established in the early part of this century as a preserve and breeding ground for native waterfowl. The refuge is also home to a Bureau of Reclamation irrigation project. Over the years the refuge has been managed jointly by the U.S. Fish and Wildlife Service and the Bureau of Reclamation. The Fish and Wildlife Service managed the wildlife aspects of the refuge and the Bureau managed the recreation. In 1986, the Bureau turned over management of the recreational aspects to the Fish and Wildlife Service.

In 1990, a directive was issued that required the Fish and Wildlife Service to bring all areas of the refuge, including Lake Minatare, into compliance with Federal regulations. It soon became apparent to local residents that this directive essentially would prohibit all recreational and residential use of Lake Minatare, uses that had been commonplace under the jurisdiction of the Bureau of Reclamation.

There was no doubt that this directive would have a significant impact on local tourism and the economy of the Scottsbluff area. Likewise, interest in maintaining the recreational use of the lake was very strong among local citizens. At the urging of local leaders, the Fish and Wildlife Service agreed to perform an environmental assessment of the refuge. At the end of their assessment, the Fish and Wildlife Service concluded that the best course of action would be to end their jurisdiction over portions of the refuge that were no longer as effective as wildlife habitat as they once were and were really better suited for recreational use.

I am pleased to report, Mr. President, that this bill has the overwhelming support of the Department of the Interior and the U.S. Fish and Wildlife Service.

I might also mention that my district office in Scottsbluff received numerous letters from local citizens in support of this effort. I am proud of the work of the citizens of western Nebraska on this issue and of the cooperation they received from the Fish and Wildlife Service. This effort is indeed a fine example of how the Federal Government and local citizens can and should work together to manage our Nation's wildlife areas to the benefit of everyone involved.

Mr. President, I urge my colleagues to quickly support this important legislation.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRESS RELEASE

WASHINGTON, DC—U.S. Senators Jim Exon (D–NE) and Bob Kerrey (D–NE) today introduced a bill that will allow continued recreational use of Lake Minatare near Scottsbluff. The bill would revise the boundary of the North Platte National Wildlife Refuge in western Nebraska so that the lake can continue to be used by boaters, campers, and fishermen.

The legislation is needed because of a directive issued in 1990 that requires the U.S. Fish and Wildlife Service to bring 2,500 acres of the lake and surrounding area into compliance with Federal rules governing the use of wildlife refuges. The directive would declare motorized boats off limits and prohibit the use of cabins near the lake.

"This is an example of how we can work together to change a federal rule that doesn't make any sense," Exon and Kerrey said. "There is no doubt that the original directive would have endangered local tourism and damaged the economy of the Panhandle. This bill will ensure both the protection of wildlife in the refuge and the continued use of Lake Minatare as an important recreation area for Nebraska residents and visitors."

The legislation was created through the joint efforts of community leaders, the U.S. Fish and Wildlife Service and the state's congressional delegation. Exon and Kerrey said many residents have called their western Nebraska senate office in support of the bill. Representative Bill Barrett introduced identical legislation in the House that passed last month. It is supported by both the U.S. Department of the Interior and the U.S. Fish and Wildlife Service.

Mr. KERREY. Mr. President, I rise to the floor today to support the North Platte National Wildlife Refuge boundary revision. The proposed bill would remove about 2,470 acres of land from the refuge and transfer it to the Bureau of Reclamation. The U.S. Fish and Wildlife Service reports that the land, establish as a refuge early in this century, no longer serves the goals of the national refuge system. Although the area is no longer suitable as a wildlife refuge, it does offer citizens of Nebraska a valuable recreation area. Thousands of Nebraska's citizens enjoy both water and land recreation in the area. The transfer of the land to the Bureau of Reclamation will allow the Bureau to lease the land to the Nebraska Game and Parks Commission who will manage the property. The Department of the Interior strongly supports this legislation.

I commend both Federal and State officials for working closely with the local community to achieve this coordinated agreement. It is a fine example of the Federal Government, the State government, and the local community working together to improve the quality and accessibility public areas.

By Mr. BOND:

S. 1784. A bill to amend the Small Business Investment Act of 1958, and for other purposes; to the Committee on Small Business.

THE SMALL BUSINESS INVESTMENT COMPANY IMPROVEMENT ACT OF 1996

• Mr. BOND. Mr. President, I introduce the Small Business Investment Company Improvement Act of 1996. Since 1958, firms licensed under the Small Business Investment Company Program have made venture capital investment funds available to small businesses when traditional lending sources, such as banks and Wall Street investment firms, would not meet their funding needs.

The Small Business Investment Company Improvement Act of 1996 would take some significant strides to enhance the safety and soundness of the SBIC program. For the past year, the Committee on Small Business has conducted a series of hearings on the SBIC program. Government and private sector witnesses have testified on ways to improve the program and build on the legislation passed by the Congress in 1992 that created the Participating Security Program.

This bill incorporates portions of the recommendations from the SBIC Reinvention Council, operating SBIC's and Specialized SBIC's, and the President's fiscal year 1997 budget request. The bill would reduce the risk of SBIC defaults by putting in place statutory standards governing the licensing and leveraging of SBIC's. In addition, it imposes important safeguards governing the operating practices of SBIC's by requiring frequent and meaningful examinations of SBIC licensees and their investments. This bill would also require that all SBIC's invest in smaller enterprises, which are small businesses at the lower end of the eligible size standards. Lastly, the bill would increase fees paid by SBIC's to help lower the cost of the program to the Federal Government.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1784

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; INCORPORATED DEFINITIONS.

This Act may be cited as the "Small Business Investment Company Improvement Act of 1996".

SEC. 2. DEFINITIONS.

(a) SMALL BUSINESS CONCERN.—Section 103(5) of the Small Business Investment Act of 1958 (15 U.S.C. 662(5)) is amended by inserting before the semicolon the following: ", except that, for purposes of this Act, an investment by a venture capital firm, investment company (including a small business investment company) employee welfare benefit plan or pension plan, or trust, foundation, or endowment that is exempt from Federal income taxation—

"(A) shall not cause a business concern to be deemed not independently owned and operated;

"(B) shall be disregarded in determining whether a business concern satisfies size standards established pursuant to section 3(a)(2) of the Small Business Act; and

"(C) shall be disregarded in determining whether a small business concern is a smaller enterprise".

(b) PRIVATE CAPITAL.—Section 103(9) of the Small Business Investment Act of 1958 (15 U.S.C. 662(9)) is amended to read as follows:

"(9) the term 'private capital'—

"(A) means the sum of—

"(i) the paid-in capital and paid-in surplus of a corporate licensee, the contributed capital of the partners of a partnership licensee, or the equity investment of the members of a limited liability company licensee; and

"(ii) unfunded binding commitments, from investors that meet criteria established by the Administrator, to contribute capital to the licensee; provided that such unfunded commitments may be counted as private capital for purposes of approval by the Administrator of any request for leverage, but leverage shall not be funded based on such commitments; and

"(B) does not include any—

"(i) funds borrowed by a licensee from any source;

"(ii) funds obtained through the issuance of leverage; or

"(iii) funds obtained directly or indirectly from any Federal, State, or local government, or any government agency or instrumentality, except for—

"(I) funds invested by an employee welfare benefit plan or pension plan; and

"(II) any qualified nonprivate funds (if the investors of the qualified nonprivate funds do not control, directly or indirectly, the management, board of directors, general partners, or members of the licensee);".

(c) NEW DEFINITIONS.—Section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662) is amended by striking paragraph (10) and inserting the following:

"(10) the term 'leverage' includes—

"(A) debentures purchased or guaranteed by the Administration;

"(B) participating securities purchased or guaranteed by the Administration; and

"(C) preferred securities outstanding as of October 1, 1995;

"(11) the term 'third party debt' means any indebtedness for borrowed money, other than indebtedness owed to the Administration;

"(12) the term 'smaller enterprise' means any small business concern that, together with its affiliates—

"(A) has—

"(i) a net financial worth of not more than $6,000,000, as of the date on which assistance is provided under this Act to that business concern; and

"(ii) an average net income for the 2-year period preceding the date on which assistance is provided under this Act to that business concern, of not more than $2,000,000, after Federal income taxes (excluding any carryover losses); or

"(B) satisfies the standard industrial classification size standards established by the Administration for the industry in which the small business concern is primarily engaged;

"(13) the term 'qualified nonprivate funds' means any—

"(A) funds directly or indirectly invested in any applicant or licensee on or before August 16, 1982, by any Federal agency, other than the Administration, under a provision of law explicitly mandating the inclusion of those funds in the definition of the term 'private capital';

"(B) funds directly or indirectly invested in any applicant or licensee by any Federal agency under a provision of law enacted after September 4, 1992, explicitly mandating the inclusion of those funds in the definition of the term 'private capital'; and

"(C) funds invested in any applicant or licensee by one or more State or local government entities (including any guarantee extended by those entities) in an aggregate amount that does not exceed—

"(i) 33 percent of the private capital of the applicant or licensee if such funds were invested before June 30, 1996; or

"(ii) 20 percent of the private capital of the applicant or licensee if such funds were invested on or after June 30, 1996;

"(14) the terms 'employee welfare benefit plan' and 'pension plan' have the same meanings as in section 3 of the Employee Retirement Income Security Act of 1974, and are intended to include—

"(A) public and private pension or retirement plans subject to such Act; and

"(B) similar plans not covered by such Act that have been established and that are maintained by the Federal Government or any State or political subdivision, or any agency or instrumentality thereof, for the benefit of employees;

"(15) the term 'member' means, with respect to a licensee that is a limited liability company, a holder of an ownership interest or a person otherwise admitted to membership in the limited liability company; and

"(16) the term 'limited liability company' means a business entity that is organized and operating in accordance with a State limited liability company statute approved by the Administration.".

SEC. 3. ORGANIZATION OF SMALL BUSINESS INVESTMENT COMPANIES.

(a) LIMITED LIABILITY COMPANIES.—Section 301(a) of the Small Business Investment Act of 1958 (15 U.S.C. 681(a)) is amended in the first sentence, by striking "body or" and inserting "body, a limited liability company, or".

(b) ISSUANCE OF LICENSE.—Section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. 681(c)) is amended to read as follows:

"(c) ISSUANCE OF LICENSE.—

"(1) SUBMISSION OF APPLICATION.—Each applicant for a license to operate as a small business investment company under this Act shall submit to the Administrator an application, in a form and including such documentation as may be prescribed by the Administrator.

"(2) PROCEDURES.—

"(A) STATUS.—Not later than 90 days after the initial receipt by the Administrator of an application under this subsection, the Administrator shall provide the applicant with a written report detailing the status of the application and any requirements remaining for completion of the application.

"(B) APPROVAL OR DISAPPROVAL.—Within a reasonable time after receiving a completed application submitted in accordance with this subsection and in accordance with such requirements as the Administrator may prescribe by regulation, the Administrator shall—

"(i) approve the application and issue a license for such operation to the applicant if the requirements of this section are satisfied; or

"(ii) disapprove the application and notify the applicant in writing of the disapproval.

"(3) MATTERS CONSIDERED.—In reviewing and processing any application under this subsection, the Administrator—

"(A) shall determine whether—

"(i) the applicant meets the requirements of subsections (a) and (c) of section 302; and

"(ii) the management of the applicant is qualified and has the knowledge, experience, and capability necessary to comply with this Act;

"(B) shall take into consideration—

"(i) the need for and availability of financing for small business concerns in the geographic area in which the applicant is to commence business;

"(ii) the general business reputation of the owners and management of the applicant; and

"(iii) the probability of successful operations of the applicant, including adequate profitability and financial soundness; and

"(C) shall not take into consideration any projected shortage or unavailability of leverage.

"(4) EXCEPTION.—

"(A) IN GENERAL.—Notwithstanding any other provision of this Act, the Administrator may, in the discretion of the Administrator and based on a showing of special circumstances and good cause, approve an application and issue a license under this subsection with respect to any applicant that—

"(i) has private capital of not less than $3,000,000;

"(ii) would otherwise be issued a license under this subsection, except that the applicant does not satisfy the requirements of section 302(a); and

"(iii) has a viable business plan reasonably projecting profitable operations and a reasonable timetable for achieving a level of private capital that satisfies the requirements of section 302(a).

"(B) LEVERAGE.—An applicant licensed pursuant to the exception provided in this paragraph shall not be eligible to receive leverage as a licensee until the applicant satisfies the requirements of section 302(a).".

(c) SPECIALIZED SMALL BUSINESS INVESTMENT COMPANIES.—Section 301(d) of the Small Business Investment Act of 1958 (15 U.S.C. 681(d)) is repealed.

SEC. 4. CAPITAL REQUIREMENTS.

(a) INCREASED MINIMUM CAPITAL REQUIREMENTS.—Section 302(a) of the Small Business Investment Act of 1958 (15 U.S.C. 682(a)) is amended by striking "(a)" and all that follows through "The Administration shall also determine the ability of the company," and inserting the following:

"(a) AMOUNT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the private capital of each licensee shall be not less than—

"(A) $5,000,000; or

"(B) $10,000,000, with respect to each licensee authorized or seeking authority to issue participating securities to be purchased or guaranteed by the Administration under this Act.

"(2) EXCEPTION.—The Administrator may, in the discretion of the Administrator and based on a showing of special circumstances and good cause, permit the private capital of a licensee authorized or seeking authorization to issue participating securities to be purchased or guaranteed by the Administration to be less than $10,000,000, but not less than $5,000,000, if the Administrator determines that such action would not create or otherwise contribute to an unreasonable risk of default or loss to the Federal Government.

"(3) ADEQUACY.—In addition to the requirements of paragraph (1), the Administrator shall—

"(A) determine whether the private capital of each licensee is adequate to assure a reasonable prospect that the licensee will be operated soundly and profitably, and managed actively and prudently in accordance with its articles; and

"(B) determine that the licensee will be able".

(b) EXEMPTION FOR CERTAIN LICENSEES.—Section 302(a) of the Small Business Investment Act of 1958 (15 U.S.C. 682(a)) is amended by adding at the end the following new paragraph:

"(4) EXEMPTION FROM CAPITAL REQUIREMENTS.—

"(A) AUTHORITY TO EXEMPT.—The Administrator may, in the discretion of the Administrator, exempt from the capital requirements in paragraph (1) any licensee licensed under subsection (c) or (d) of section 301 before the date of enactment of the Small Business Investment Company Improvement Act of 1996, if—

"(i) the private capital of the licensee is not less than $2,500,000;

"(ii) the licensee certifies in writing that not less than 50 percent of the aggregate dollar amount of its financings after the date of enactment of the Small Business Investment Company Improvement Act of 1996 will be provided to smaller enterprises; and

"(iii) the Administrator determines that the licensee—

"(I) has a record of profitable operations; and

"(II) has not committed any serious or continuing violation of any applicable provision of Federal or State law or regulation.

"(B) REDUCTION OF PRIVATE CAPITAL REQUIREMENT.—If the Administrator determines that such action would not create or otherwise contribute to an unreasonable risk of default or loss to the United States Government, the Administrator, in the discretion of the Administrator and based on a showing of special circumstances and good cause, may reduce the private capital requirement under subparagraph (A)(i) with respect to any licensee.".

(c) DIVERSIFICATION OF OWNERSHIP.—Section 302(c) of the Small Business Investment Act of 1958 (15 U.S.C. 682(c)) is amended to read as follows:

"(c) DIVERSIFICATION OF OWNERSHIP.—The Administrator shall ensure that the management of each licensee licensed after the date of enactment of the Small Business Investment Company Improvement Act of 1996 is sufficiently diversified from and unaffiliated with the ownership of the licensee in a manner that ensures independence and objectivity in the financial management and oversight of the investments and operations of the licensee.".

SEC. 5. BORROWING.

(a) DEBENTURES.—Section 303(b) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)) is amended in the first sentence, by striking "(but only" and all that follows through "terms)".

(b) THIRD PARTY DEBT.—Section 303(c) of the Small Business Investment Act of 1958 (15 U.S.C. 683(c)) is amended to read as follows:

"(c) THIRD PARTY DEBT.—The Administrator—

"(1) shall not permit a licensee having outstanding leverage to incur third party debt that would create or contribute to an unreasonable risk of default or loss to the Federal Government; and

"(2) shall permit such licensees to incur third party debt only on such terms and subject to such conditions as may be established by the Administrator, by regulation or otherwise.".

(c) REQUIREMENT TO FINANCE SMALLER ENTERPRISES.—Section 303(d) of the Small Business Investment Act of 1958 (15 U.S.C. 683(d)) is amended to read as follows:

"(d) REQUIREMENT TO FINANCE SMALLER ENTERPRISES.—The Administrator shall require each licensee, as a condition of approval of an application for leverage, to certify in writing that not less than 20 percent of the aggregate dollar amount of the financings of the licensee will be provided to smaller enterprises.".

(d) CAPITAL IMPAIRMENT REQUIREMENTS.—Section 303(e) of the Small Business Investment Act of 1958 (15 U.S.C. 683(e)) is amended to read as follows:

"(e) CAPITAL IMPAIRMENT.—Before approving any application for leverage submitted by a licensee under this Act, the Administrator—

"(1) shall determine that the private capital of the licensee meets the requirements of section 302(a); and

"(2) shall determine, taking into account the nature of the assets of the licensee, the amount and terms of any third party debt owed by such licensee, and any other factors determined to be relevant by the Administrator, that the private capital of the licensee has not been impaired to such an extent that the issuance of additional leverage would create or otherwise contribute to an unreasonable risk of default or loss to the Federal Government.".

(e) EQUITY INVESTMENT REQUIREMENT.—Section 303(g)(4) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)(4)) is amended by striking "and maintain".

(f) FEES.—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended—

(1) in subsection (b), in the fifth sentence, by striking "1 per centum," and all that follows before the period at the end of the sentence and inserting the following: "1 percent, plus an additional charge of .50 percent per annum which shall be paid to and retained by the Administration";

(2) in subsection (g)(2), by striking "1 per centum," and all that follows before the period at the end of the paragraph and inserting the following: "1 percent, plus an additional charge of .50 percent per annum which shall be paid to and retained by the Administration"; and

(3) by adding at the end the following new subsections:

"(i) LEVERAGE FEE.—With respect to leverage granted by the Administration to a licensee, the Administration shall collect from the licensee a nonrefundable fee in an amount equal to 3 percent of the face amount of leverage granted to the licensee, payable upon the earlier of the date of entry into any commitment for such leverage or the date on which the leverage is drawn by the licensee.

"(j) CALCULATION OF SUBSIDY RATE.—All fees, interest, and profits received and retained by the Administration under this section shall be included in the calculations made by the Director of the Office of Management and Budget to offset the cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of purchasing and guaranteeing debentures and participating securities under this Act.".

SEC. 6. LIABILITY OF THE UNITED STATES.

Section 308(e) of the Small Business Investment Act of 1958 (15 U.S.C. 687(e)) is amended by striking "Nothing" and inserting "Except as expressly provided otherwise in this Act, nothing".

SEC. 7. EXAMINATIONS; VALUATIONS.

(a) EXAMINATIONS.—Section 310(b) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(b)) is amended in the first sentence by inserting "which may be conducted with the assistance of a private sector entity that has both the qualifications to conduct and expertise in conducting such examinations," after "Investment Division of the Administration,".

(b) VALUATIONS.—Section 310(d) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(d)) is amended to read as follows:

"(d) VALUATIONS.—

"(1) FREQUENCY OF VALUATIONS.—

"(A) IN GENERAL.—Each licensee shall submit to the Administrator a written valuation of the loans and investments of the licensee not less often than semiannually or otherwise upon the request of the Administrator, except that any licensee with no leverage outstanding shall submit such valuations annually, unless the Administrator determines otherwise.

"(B) MATERIAL ADVERSE CHANGES.—Not later than 30 days after the end of a fiscal quarter of a licensee during which a material adverse change in the aggregate valuation of the loans and investments or operations of the licensee occurs, the licensee shall notify the Administrator in writing of the nature and extent of that change.

"(C) INDEPENDENT CERTIFICATION.—

"(i) IN GENERAL.—Not less than once during each fiscal year, each licensee shall submit to the Administrator the financial statements of the licensee, audited by an independent certified public accountant approved by the Administrator.

"(ii) AUDIT REQUIREMENTS.—Each audit conducted under clause (i) shall include—

"(I) a review of the procedures and documentation used by the licensee in preparing the valuations required by this section; and

"(II) a statement by the independent certified public accountant that such valuations were prepared in conformity with the valuation criteria applicable to the licensee established in accordance with paragraph (2).

"(2) VALUATION CRITERIA.—Each valuation submitted under this subsection shall be prepared by the licensee in accordance with valuation criteria, which shall—

"(A) be established or approved by the Administrator; and

"(B) include appropriate safeguards to ensure that the noncash assets of a licensee are not overvalued.".

SEC. 8. TRUSTEE OR RECEIVERSHIP OVER LICENSEES.

(a) IN GENERAL.—Section 311 of the Small Business Investment Act of 1958 (15 U.S.C. 687c) is amended by adding at the end the following new subsection:

"(d) APPOINTMENT OF PRINCIPAL RECEIVERS AND AGENTS.—

"(1) IN GENERAL.—Upon appointment as a receiver, as described in subsection (c), the Administrator may appoint principal receivers and receiver's agents.

"(2) COMPENSATION.—A receiver's agent appointed under paragraph (1) may be paid—

"(A) at any time from salaries and expense amounts appropriated for the Administration, and the Administration may be reimbursed for such amounts from amounts recovered from the liquidation of any assets of the licensee at the conclusion of the receivership; or

"(B) from amounts recovered from the liquidation of any assets of the licensee, but only at the conclusion of the receivership.".

(b) CONTRACTS WITH PRIVATE SECTOR ENTITIES.—

(1) IN GENERAL.—Not later than June 30, 1997, the Small Business Administration shall enter into one or more contracts or arrangements with private sector entities to provide for the orderly liquidation of all licensee assets in liquidation, including assets of licensees in receivership or in trust with respect to which the court has appointed the Administration as receiver or trustee under section 311 of the Small Business Investment Act of 1958.

(2) DEFINITION.—For purposes of this subsection, the term "licensee" has the same meaning as in section 103 of the Small Business Investment Act of 1958.

SEC. 9. BOOK ENTRY REGISTRATION.

Subsection 321(f) of the Small Business Investment Act of 1958 (15 U.S.C. 687*l*) is amended by adding at the end the following new paragraph:

"(5) Nothing in this subsection shall prohibit the utilization of a book entry or other electronic form of registration for trust certificates.".

SEC. 10. TECHNICAL AND CONFORMING AMENDMENTS.

The Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) is amended—

(1) in section 303—

(A) in subsection (a), by striking "debenture bonds," and inserting "securities,";

(B) by striking subsection (f) and inserting the following:

"(f) REDEMPTION OR REPURCHASE OF PREFERRED STOCK.—Notwithstanding any other provision of law—

"(1) the Administrator may allow the issuer of any preferred stock sold to the Administration before November 1, 1989 to redeem or repurchase such stock, upon the payment to the Administration of an amount less than the par value of such stock, for a repurchase price determined by the Administrator after consideration of all relevant factors, including—

"(A) the market value of the stock;

"(B) the value of benefits provided and anticipated to accrue to the issuer;

"(C) the amount of dividends paid, accrued, and anticipated; and

"(D) the Administrator's estimate of any anticipated redemption; and

"(2) any moneys received by the Administration from the repurchase of preferred stock shall be available solely to provide debenture leverage to licensees having 50 percent or more in aggregate dollar amount of their financings invested in smaller enterprises."; and

(C) in subsection (g)(8)—

(i) by striking "partners or shareholders" and inserting "partners, shareholders, or members";

(ii) by striking "partner's or shareholder's" and inserting "partner's, shareholder's, or member's"; and

(iii) by striking "partner or shareholder" and inserting "partner, shareholder, or member";

(2) in section 308(h), by striking "subsection (c) or (d) of section 301" each place that term appears and inserting "section 301";

(3) in section 310(c)(4), by striking "not less than four years in the case of section 301(d) licensees and in all other cases,";

(4) in section 312—

(A) by striking "shareholders or partners" and inserting "shareholders, partners, or members"; and

(B) by striking "shareholder, or partner" each place that term appears and inserting "shareholder, partner, or member";

(5) by striking sections 317 and 318, and redesignating sections 319 through 322 as sections 317 through 320, respectively;

(6) in section 319, as redesignated—

(A) in subsection (a), by striking ", including companies operating under the authority of section 301(d),"; and

(B) in subsection (f)(2), by inserting "or investments in obligations of the United States" after "accounts";

(7) in section 320, as redesignated, by striking "section 321" and inserting "section 319"; and

(8) in section 509—

(A) in subsection (a)(1), by striking the second sentence; and

(B) in subsection (e)(1)(B), by striking "subsection (c) or (d) of section 301" and inserting "section 301".

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

Section 20(p)(3) of the Small Business Act (15 U.S.C. 631 note) is amended by striking subparagraph (B) and inserting the following:

"(B) $300,000,000 in guarantees of debentures; and".

SEC. 12. EFFECTIVE DATE.

This Act and the amendments made by this Act shall become effective on the date of enactment of this Act.•

ADDITIONAL COSPONSORS

S. 969

At the request of Mr. BRADLEY, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 969, a bill to require that health plans provide coverage for a minimum hospital stay for a mother and child following the birth of the child, and for other purposes.

S. 1487

At the request of Mr. GRAMM, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1487, a bill to establish a demonstration project to provide that the Department of Defense may receive medicare reimbursement for health care services provided to certain medicare-eligible covered military beneficiaries.

S. 1522

At the request of Mr. LEVIN, his name was withdrawn as a cosponsor of S. 1522, a bill to provide for the transfer of six obsolete tugboats of the Navy.

S. 1578

At the request of Mr. FRIST, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1578, a bill to amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

S. 1596

At the request of Mr. MURKOWSKI, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1596, a bill to direct a property conveyance in the State of California.

S. 1624

At the request of Mr. HATCH, the names of the Senator from Pennsylvania [Mr. SANTORUM], the Senator from Nevada [Mr. BRYAN], the Senator from Montana [Mr. BAUCUS], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 1624, a bill to reauthorize the Hate Crime Statistics Act, and for other purposes.

S. 1646

At the request of Mr. DOMENICI, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 1646, a bill to authorize and facilitate a program to enhance safety, training, research and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, and for other purposes.

S. 1729

At the request of Mrs. HUTCHISON, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1729, a bill to amend title 18, United States Code, with respect to stalking.

SENATE CONCURRENT RESOLUTION 42

At the request of Mrs. KASSEBAUM, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of Senate Concurrent Resolution 42, a concurrent resolution concerning the emancipation of the Iranian Baha'i community.

SENATE RESOLUTION 117

At the request of Mr. ROTH, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Resolution 117, a resolution expressing the sense of the Senate that the current Federal income tax deduction for interest paid on debt secured by a first or second home located in the United States should not be further restricted.

AMENDMENT NO. 3981

At the request of Mr. DODD, his name was added as a cosponsor of amendment No. 3981 proposed to S. Con. Res. 57, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

At the request of Mr. EXON, his name was added as a cosponsor of amendment No. 3981 proposed to S. Con. Res. 57, supra.

At the request of Mr. KERRY, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of amendment No. 3981 proposed to S. Con. Res. 57, supra.

At the request of Mr. MCCAIN, his name was withdrawn as a cosponsor of amendment No. 3981 proposed to S. Con. Res. 57, supra.

AMENDMENT NO. 3991

At the request of Mr. KERRY, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of amendment No. 3991 proposed to S. Con. Res. 57, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

AMENDMENT NO. 4006

At the request of Mrs. HUTCHISON, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Washington [Mrs. MURRAY], and the Senator from Illinois [Ms. MOSELEY-BRAUN] were added as cosponsors of amendment No. 4006 proposed to S. Con. Res. 57, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

AMENDMENTS SUBMITTED

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

ASHCROFT AMENDMENT NO. 4008

Mr. ASHCROFT proposed an amendment to the concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the U.S. Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

On page 3, line 5, decrease the amount by $29,900,000,000.

On page 3, line 6, decrease the amount by $44,400,000,000.

On page 3, line 7, decrease the amount by $46,700,000,000.

On page 3, line 8, decrease the amount by $49,100,000,000.

On page 3, line 9, decrease the amount by $51,700,000,000.

On page 3, line 10, decrease the amount by $54,300,000,000.

On page 3, line 14, decrease the amount by $29,900,000,000.

On page 3, line 15, decrease the amount by $44,400,000,000.

On page 3, line 16, decrease the amount by $46,700,000,000.

On page 3, line 17, decrease the amount by $49,100,000,000.

On page 3, line 18, decrease the amount by $51,700,000,000.

On page 3, line 19, decrease the amount by $54,300,000,000.

On page 4, line 8, decrease the amount by $34,577,000,000.

On page 4, line 9, decrease the amount by $47,622,000,000.

On page 4, line 10, decrease the amount by $48,997,000,000.

On page 4, line 11, decrease the amount by $51,903,000,000.

On page 4, line 12, decrease the amount by $53,474,000,000.

On page 4, line 13, decrease the amount by $55,439,000,000.

On page 4, line 17, decrease the amount by $29,900,000,000.

On page 4, line 18, decrease the amount by $44,400,000,000.

On page 4, line 19, decrease the amount by $46,700,000,000.

On page 4, line 20, decrease the amount by $49,100,000,000.

On page 4, line 21, decrease the amount by $51,700,000,000.

On page 4, line 22, decrease the amount by $54,300,000,000.

On page 9, line 20, decrease the amount by $1,209,000,000.

On page 9, line 22, decrease the amount by $1,156,000,000.

On page 10, line 4, decrease the amount by $2,298,000,000.

On page 10, line 6, decrease the amount by $1,412,000,000.

On page 10, line 12, decrease the amount by $2,684,000,000.

On page 10, line 14, decrease the amount by $1,865,000,000.

On page 10, line 20, decrease the amount by $2,821,000,000.

On page 10, line 22, decrease the amount by $2,278,000,000.

On page 11, line 4, decrease the amount by $2,927,000,000.

On page 11, line 6, decrease the amount by $2,560,000,000.

On page 11, line 12, decrease the amount by $2,964,000,000.

On page 11, line 14, decrease the amount by $2,735,000,000.

On page 11, line 21, decrease the amount by $2,449,000,000.

On page 11, line 23, decrease the amount by $1,520,000,000.

On page 12, line 4, decrease the amount by $2,525,000,000.

On page 12, line 6, decrease the amount by $2,346,000,000.

On page 12, line 11, decrease the amount by $2,686,000,000.

On page 12, line 13, decrease the amount by $2,693,000,000.

On page 12, line 18, decrease the amount by $2,909,000,000.

On page 12, line 20, decrease the amount by $2,882,000,000.

On page 13, line 1, decrease the amount by $3,209,000,000.

On page 13, line 3, decrease the amount by $3,131,000,000.

On page 13, line 8, decrease the amount by $3,619,000,000.

On page 13, line 10, decrease the amount by $3,474,000,000.

On page 13, line 16, decrease the amount by $875,000,000.

On page 13, line 18, decrease the amount by $131,000,000.

On page 13, line 24, decrease the amount by $783,000,000.

On page 14, line 1, decrease the amount by $446,000,000.

On page 14, line 7, decrease the amount by $933,000,000.

On page 14, line 9, decrease the amount by $740,000,000.

On page 14, line 15, decrease the amount by $1,083,000,000.

On page 14, line 17, decrease the amount by $931,000,000.

On page 14, line 23, decrease the amount by $1,183,000,000.

On page 14, line 25, decrease the amount by $1,086,000,000.

On page 15, line 6, decrease the amount by $1,283,000,000.

On page 15, line 8, decrease the amount by $1,225,000,000.

On page 15, line 15, decrease the amount by $359,000,000.

On page 15, line 17, decrease the amount by $241,000,000.

On page 15, line 23, decrease the amount by $449,000,000.

On page 15, line 25, decrease the amount by $349,000,000.

On page 16, line 6, decrease the amount by $506,000,000.

On page 16, line 8, decrease the amount by $462,000,000.

On page 16, line 14, decrease the amount by $574,000,000.

On page 16, line 16, decrease the amount by $545,000,000.

On page 16, line 22, decrease the amount by $574,000,000.

On page 16, line 24, decrease the amount by $582,000,000.

On page 17, line 6, decrease the amount by $574,000,000.

On page 17, line 8, decrease the amount by $588,000,000.

On page 19, line 15, decrease the amount by $1,264,000,000.

On page 19, line 17, decrease the amount by $639,000,000.

On page 19, line 23, decrease the amount by $1,341,000,000.

On page 19, line 25, decrease the amount by $882,000,000.

On page 20, line 6, decrease the amount by $1,339,000,000.

On page 20, line 8, decrease the amount by $1,917,000,000.

On page 20, line 14, increase the amount by $1,339,000,000.

On page 20, line 16, decrease the amount by $1,382,000,000.

On page 20, line 22, decrease the amount by $1,687,000,000.

On page 20, line 24, decrease the amount by $1,409,000,000.

On page 21, line 6, decrease the amount by $1,687,000,000.

On page 21, line 8, decrease the amount by $1,484,000,000.

On page 21, line 15, decrease the amount by $104,000,000.

On page 21, line 17, decrease the amount by $58,000,000.

On page 21, line 23, decrease the amount by $110,000,000.

On page 21, line 25, decrease the amount by $215,000,000.

On page 22, line 6, decrease the amount by $110,000,000.

On page 22, line 8, decrease the amount by $276,000,000.

On page 22, line 14, decrease the amount by $110,000,000.

On page 22, line 16, decrease the amount by $297,000,000.

On page 22, line 22, decrease the amount by $110,000,000.

On page 22, line 24, decrease the amount by $306,000,000.

On page 23, line 6, decrease the amount by $110,000,000.

On page 23, line 7, decrease the amount by $312,000,000.

On page 25, line 16, decrease the amount by $5,938,000,000.

On page 25, line 18, decrease the amount by $4,436,000,000.

On page 25, line 24, decrease the amount by $6,127,000,000.

On page 26, line 1, decrease the amount by $5,670,000,000.

On page 26, line 7, decrease the amount by $6,188,000,000.

On page 26, line 9, decrease the amount by $6,015,000,000.

On page 26, line 15, decrease the amount by $6,199,000,000.

On page 26, line 17, decrease the amount by $6,122,000,000.

On page 26, line 23, decrease the amount by $6,208,000,000.

On page 26, line 25, decrease the amount by $6,190,000,000.

On page 27, line 6, decrease the amount by $6,211,000,000.

On page 27, line 8, decrease the amount by $6,204,000,000.

On page 31, line 2, decrease the amount by $7,705,000,000.

On page 31, line 4, decrease the amount by $7,705,000,000.

On page 31, line 9, decrease the amount by $9,502,000,000.

On page 31, line 11, decrease the amount by $9,502,000,000.

On page 31, line 16, decrease the amount by $11,391,000,000.

On page 31, line 18, decrease the amount by $11,391,000,000.

On page 31, line 23, decrease the amount by $13,427,000,000.

On page 31, line 25, decrease the amount by $13,427,000,000.

On page 32, line 5, decrease the amount by $16,161,500,000.

On page 32, line 7, decrease the amount by $16,161,500,000.

On page 32, line 12, decrease the amount by $16,161,500,000.

On page 32, line 14, decrease the amount by $16,161,500,000.

On page 38, line 6, decrease the amount by $545,000,000.

On page 38, line 8, decrease the amount by $16,000,000.

On page 38, line 13, decrease the amount by $545,000,000.

On page 38, line 15, decrease the amount by $71,000,000.

On page 38, line 20, decrease the amount by $545,000,000.

On page 38, line 22, decrease the amount by $186,000,000.

On page 39, line 2, decrease the amount by $545,000,000.

On page 39, line 4, decrease the amount by $354,000,000.

On page 39, line 9, decrease the amount by $545,000,000.

On page 39, line 11, decrease the amount by $491,000,000.

On page 39, line 18, decrease the amount by $512,000,000.

On page 42, line 1, decrease the amount by $13,998,000,000.

On page 42, line 3, decrease the amount by $13,998,000,000.

On page 42, line 8, decrease the amount by $23,505,000,000.

On page 42, line 9, decrease the amount by $23,505,000,000.

On page 42, line 14, decrease the amount by $21,875,000,000.

On page 42, line 16, decrease the amount by $21,875,000,000.

On page 42, line 21, decrease the amount by $20,882,000,000.

On page 42, line 23, decrease the amount by $20,882,000,000.

On page 43, line 4, decrease the amount by $19,783,000,000.

On page 43, line 6, decrease the amount by $19,783,000,000.

On page 43, line 11, decrease the amount by $21,604,500,000.

On page 43, line 13, decrease the amount by $21,604,500,000.

On page 51, line 13, increase the amount by $54,300,000,000.

On page 51, line 14, increase the amount by $276,100,000,000.

On page 51, line 15, increase the amount by $7,924,000,000.

On page 51, line 16, increase the amount by $75,738,000,000.

On page 52, line 14, decrease the amount by $26,872,000,000.

On page 52, line 15, decrease the amount by $22,000,000.

On page 52, line 21, decrease the amount by $38,120,000,000.

On page 52, line 22, decrease the amount by $34,898,000.

On page 52, line 24, decrease the amount by $37,606,000,000.

On page 52, line 25, decrease the amount by $35,309,000,000.

On page 53, line 2, decrease the amount by $38,476,000,000.

On page 53, line 3, decrease the amount by $35,673,000,000.

On page 53, line 5, decrease the amount by $37,277,500,000.

On page 53, line 6, decrease the amount by $35,538,500,000.

On page 53, line 8, decrease the amount by $39,277,500,000.

On page 53, line 9, decrease the amount by $38,138,500,000.

GRAMM AMENDMENT NO. 4009

Mr. GRAMM proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE CONGRESS THAT THE 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS SHOULD BE REPEALED.

(a) FINDINGS.—Congress finds that the assumptions underlying this resolution include that—

(1) the Fiscal Year 1994 budget proposal of President Clinton to raise federal income taxes on the Social Security benefits of senior citizens with income as low as $25,000, and those provisions of the Fiscal Year 1994 recommendations of the Budget Resolution and the 1993 Omnibus Budget Reconciliation Act in which the 103rd Congress voted to raise federal income taxes on the Social Security benefits of senior citizens with income as low as $34,000 should be repealed;

(2) that the Senate Budget Resolution should reflect President Clinton's statement that he believed he raised federal taxes too much in 1993; and

(3) That the Budget Resolution should react to President Clinton's Fiscal Year 1997 budget which documents the fact that in the history of the United States, the total tax burden has never been greater than it is today, therefore

It is the Sense of the Congress that the assumptions underlying this Resolution include—

(1) that raising federal income taxes in 1993 on the Social Security benefits of middle-class individuals with income as low as $34,000 was a mistake;

(2) that the federal income tax hike on Social Security benefits imposed in 1993 by the 103rd Congress and signed into law by President Clinton should be repealed; and

(3) President Clinton should work with the Congress to repeal the 1993 federal income tax hike on Social Security benefits in a manner that would not adversely affect the Social Security Trust Fund or the Medicare Part A Trust Fund, and should ensure that such repeal is coupled with offsetting reductions in federal spending.

BROWN AMENDMENT NO. 4010

Mr. BROWN proposed an amendment to the concurrent resolution

(S. Con. Res. 57) supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING CAPPING FEDERAL RETIREMENT COLAS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that there should be a COLA for only that portion of individual civilian and military pension levels that do not exceed $75,000 per year.

HARKIN (AND OTHERS) AMENDMENT NO. 4011

Mr. HARKIN (for himself, Mr. BIDEN, Mr. BRYAN, Mr. DORGAN) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

On page 46, line 12, decrease the amount by $72,000,000,000.

On page 49, line 17, increase the amount by $1,900,000,000.

On page 49, line 18, increase the amount by $72,000,000,000.

SPECTER (AND OTHERS) AMENDMENT NO. 4012

Mr. HARKIN (for Mr. SPECTER, for himself, Mr. HARKIN, Mr. HATFIELD, Mr. JEFFORDS, Mr. PELL, and Mr. KOHL) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

On page 25, line 17, increase the amount by $1,200,000,000.

On page 25, line 18, increase the amount by $1,200,000,000.

On page 27, line 16, increase the amount by $1,500,000,000.

On page 27, line 17, increase the amount by $1,500,000,000.

On page 42, line 2, decrease the amount by $2,700,000,000.

On page 42, line 3, decrease the amount by $2,700,000,000.

On page 52, line 11, decrease the amount by $1,400,000,000.

On page 52, line 12, decrease the amount by $1,400,000,000.

On page 52, line 14, increase the amount by $1,400,000,000.

On page 52, line 15, increase the amount by $1,400,000,000.

BUMPERS (AND OTHERS) AMENDMENT NO. 4013

Mr. BUMPERS (for himself, Mr. BRADLEY, and Mrs. MURRAY) proposed an amendment to Senate Concurrent Resolution 57, supra; as follows:

Add the following new section at the end of Title II.

SEC. . SALE OF GOVERNMENT ASSETS.

(a) BUDGETARY TREATMENT.—For purposes of any concurrent resolution on the budget and the Congressional Budget Act of 1974, no amounts realized from sales of assets shall be scored with respect to the level of budget authority, outlays, or revenues.

(b) DEFINITIONS.—For purposes of this section, the term "sale of an asset" shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) TREATMENT OF LOAN ASSETS.—For purposes of this section, the sale of loan assets or the prepayment of a loan shall be governed by the terms of the Federal Credit Reform Act of 1990.

BUMPERS (AND OTHERS) AMENDMENT NO. 4014

Mr. BUMPERS (for himself, Mr. SIMON, and Mr. KOHL) proposed an amendment to Senate Concurrent Resolution 57, supra; as follows:

Strike line 9 on page 52 through line 22 on page 53 and insert the following:

"(1) With respect to fiscal year 1997, for the discretionary category $489,207,000,000 in new budget authority and $531,365,000,000 in outlays;

"(2) with respect to fiscal year 1998, for the discretionary category $489,153,000,000 in new budget authority and $521,660,000,000 in outlays;

"(3) with respect to fiscal year 1999, for the discretionary category $493,221,000,000 in new budget authority and $525,742,000,000 in outlays;

"(4) with respect to fiscal year 2000, for the discretionary category $500,037,000,000 in new budget authority and $525,071,000,000 in outlays;

"(5) with respect to fiscal year 2001, for the discretionary category $492,468,000,000 in new budget authority and $517,708,000,000 in outlays; and

"(6) with respect to fiscal year 2002, for the discretionary category $501,177,000,000 in new budget authority and $515,979,000,000 in outlays;

as adjusted for changes in concepts and definitions and emergency appropriations.

"(b) POINT OF ORDER IN THE SENATE.—

"(1) IN GENERAL—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

"(A) a revision of this resolution or any concurrent resolution on the budget for fiscal year 1998 (or amendment, motion, or conference report on such resolution) that provides discretionary spending in excess of the spending limit for such fiscal year;".

MURKOWSKI AMENDMENT NO. 4015

Mr. MURKOWSKI proposed an amendment to Senate Concurrent Resolution 57, supra; as follows:

At the end of title III, insert the following:

SEC. . AMENDMENT PROHIBITING SENSE OF THE SENATE AMENDMENTS ON THE BUDGET RESOLUTION.

Section 305(b)(2) of the Congressional Budget Act of 1974 is amended by inserting after the second sentence the following: "For purposes of the preceding sentence, an amendment is not germane if it states purely precatory language.".

KERREY (AND OTHERS) AMENDMENT NO. 4016

Mr. SIMPSON (for Mr. KERREY, for himself, Mr. BROWN, Mr. NUNN, Mr. ROBB, and Mr. SIMPSON) proposed an amendment to Senate Concurrent Resolution 57, supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE SUPPORTING LONG TERM ENTITLEMENT REFORMS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that—

(1) effective January 1, 1997—

(A) the age for eligibility for civil service retirement should be increased to—

(i) 60 years with 30 years of service;

(ii) 62 years with 25 years of service; and

(iii) 65 years with 5 years of service; and

(B) this proposal should not apply to anyone currently or previously employed by the Federal Government as of January 1, 1997;

(2) effective January 1, 1997—

(A) the age for eligibility for military retirement benefits for active duty personnel should be increased to 50 years of age with benefits reductions for personnel retiring before 50; and

(B) this proposal should not apply to anyone currently or previously serving in the United States military as of January 1, 1997;

(3) effective January 1, 2000, the age at which a person is eligible for medicare should be gradually adjusted to correspond with the age a person is eligible for normal social security retirement;

(4) there should be a COLA for only that portion of individual civilian and military pension levels that do not exceed $50,000 per year;

(5) the eligibility age for social security retirement should be gradually adjusted to 70 years by the year 2030 in 2 month increments;

(6) workers should be allowed to divert 2 percent of their total payroll tax into their own personal investment plan as long as there is no effect on the solvency of the social security program;

(7) the consumer price index should be reduced by .5 percentage points so as to more accurately depict the cost of living.

SNOWE AMENDMENT NO. 4017

Ms. SNOWE proposed an amendment to the concurrent resolution, (S. Con. Res. 57) supra; as follows:

(a) FINDINGS.—The Senate finds that—

(1) over the last 60 years, education and advancements in knowledge have accounted for 37% of our nation's economic growth.

(2) a college degree significantly increases job stability, resulting in an unemployment rate among college graduates less than half that of those with high school diplomas.

(3) a person with a bachelor's degree will average 50–55% more in lifetime earnings than a person with a high school diploma.

(4) education is a key to providing alternatives to crime and violence, and is a cost effective strategy for breaking cycles of poverty and moving welfare recipients to work.

(5) a highly educated populace is necessary to the effective functioning of democracy and to a growing economy, and the opportunity to gain a college education helps advance the American ideals of progress and social equality.

(6) a highly educated and flexible work force is an essential component of economic growth and competitiveness.

(7) for many families, federal student aid programs make the difference in the ability of students to attend college.

(8) in 1994, nearly 6 million postsecondary students received some kind of financial assistance to help them pay for the costs of schooling.

(9) since 1988, college costs have risen by 54%, and student borrowing has increased by 219%.

(10) in fiscal year 1996, the Balanced Budget Act achieved savings without reducing student loan limits or increasing fees to students or parents.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the aggregates and functional levels included in this budget resolution assume that savings in student loans can be achieved without any program change that would increase costs to students and parents or decrease accessibility to student loans.

CHAFEE (AND OTHERS) AMENDMENT NO. 4018

Mr. CHAFEE (for himself, Mr. BREAUX, Mr. BENNETT, Mr. BROWN, Mr. BRYAN, Mr. COHEN, Mr. CONRAD, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. GORTON, Mr. JEFFORDS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERREY, Mr. KOHL, Mr. LIEBERMAN, Mr. NUNN, Mr. ROBB, Mr. SIMPSON, Mr. SPECTER, and Ms. SNOWE) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1997, including the appropriate budgetary levels for fiscal years 1998, 1999, 2000, and 2001, as required by section 301 of the Congressional Budget Act of 1974, and including the appropriate levels for fiscal years 2002 and 2003.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 1997.

TITLE I—LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.
Sec. 102. Debt increase.
Sec. 103. Social Security.
Sec. 104. Major functional categories.
Sec. 105. Reconciliation.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

Sec. 201. Discretionary spending limits.
Sec. 202. Extension of pay-as-you-go point of order.
Sec. 203. Extension of Budget Act 60-vote enforcement through 2003.
Sec. 204. Exercise of rulemaking powers.

TITLE I—LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, 2002, and 2003.

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,102,024,000,000.
Fiscal year 1998: $1,137,959,000,000.
Fiscal year 1999: $1,187,377,000,000.
Fiscal year 2000: $1,240,683,000,000.
Fiscal year 2001: $1,301,677,000,000.
Fiscal year 2002: $1,367,474,000,000.
Fiscal year 2003: $1,440,146,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: $1,673,000,000.
Fiscal year 1998: $10,584,000,000.
Fiscal year 1999: $10,973,000,000.
Fiscal year 2000: $11,107,000,000.
Fiscal year 2001: $9,408,000,000.
Fiscal year 2002: $6,409,000,000.
Fiscal year 2003: $4,538,000,000.

(C) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1997: $108,053,000,000.
Fiscal year 1998: $113,226,000,000.
Fiscal year 1999: $119,361,000,000.
Fiscal year 2000: $123,737,000,000.
Fiscal year 2001: $131,641,000,000.
Fiscal year 2002: $138,131,000,000.
Fiscal year 2003: $144,751,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,331,090,000,000.
Fiscal year 1998: $1,386,158,000,000.
Fiscal year 1999: $1,425,607,000,000.
Fiscal year 2000: $1,474,347,000,000.
Fiscal year 2001: $1,504,321,000,000.
Fiscal year 2002: $1,560,114,000,000.
Fiscal year 2003: $1,558,776,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,323,553,000,000.
Fiscal year 1998: $1,371,741,000,000.
Fiscal year 1999: $1,412,516,000,000.
Fiscal year 2000: $1,454,275,000,000.
Fiscal year 2001: $1,483,049,000,000.
Fiscal year 2002: $1,529,473,000,000.
Fiscal year 2003: $1,560,936,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $221,529,000,000.
Fiscal year 1998: $233,782,000,000.
Fiscal year 1999: $225,139,000,000.
Fiscal year 2000: $213,592,000,000.
Fiscal year 2001: $181,372,000,000.
Fiscal year 2002: $161,999,000,000.

Fiscal year 2003: $120,790,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,426,700,000,000.
Fiscal year 1998: $5,702,700,000,000.
Fiscal year 1999: $5,964,100,000,000.
Fiscal year 2000: $6,212,100,000,000.
Fiscal year 2001: $6,424,500,000,000.
Fiscal year 2002: $6,609,400,000,000.
Fiscal year 2003: $6,752,000,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,344,000,000.
Fiscal year 1998: $39,164,000,000.
Fiscal year 1999: $41,995,000,000.
Fiscal year 2000: $43,123,000,000.
Fiscal year 2001: $44,272,000,000.
Fiscal year 2002: $45,445,000,000.
Fiscal year 2003: $46,709,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $266,271,000,000.
Fiscal year 1998: $264,761,000,000.
Fiscal year 1999: $262,793,000,000.
Fiscal year 2000: $262,676,000,000.
Fiscal year 2001: $262,429,000,000.
Fiscal year 2002: $262,131,000,000.
Fiscal year 2003: $261,992,000,000.

SEC. 102. DEBT INCREASE.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1997: $271,600,000,000.
Fiscal year 1998: $276,000,000,000.
Fiscal year 1999: $261,500,000,000.
Fiscal year 2000: $248,000,000,000.
Fiscal year 2001: $212,400,000,000.
Fiscal year 2002: $184,900,000,000.
Fiscal year 2003: $142,600,000,000.

SEC. 103. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1997: $384,900,000,000.
Fiscal year 1998: $401,900,000,000.
Fiscal year 1999: $422,800,000,000.
Fiscal year 2000: $444,200,000,000.
Fiscal year 2001: $463,900,000,000.
Fiscal year 2002: $485,700,000,000.
Fiscal year 2003: $507,900,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1997: $309,065,000,000.
Fiscal year 1998: $319,762,000,000.
Fiscal year 1999: $330,655,000,000.
Fiscal year 2000: $341,923,000,000.
Fiscal year 2001: $354,367,000,000.
Fiscal year 2002: $367,071,000,000.
Fiscal year 2003: $380,171,000,000.

SEC. 104. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1997 through 2003 for each major functional category are:

(1) National Defense (050):

Fiscal year 1997:
(A) New budget authority, $265,662,000,000.
(B) Outlays, $263,825,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $800,000,000.

Fiscal year 1998:
(A) New budget authority, $267,137,000,000.
(B) Outlays, $262,197,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1999:
(A) New budget authority, $269,576,000,000.
(B) Outlays, $265,220,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $192,000,000.

Fiscal year 2000:
(A) New budget authority, $271,893,000,000.
(B) Outlays, $268,684,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $187,000,000.

Fiscal year 2001:
(A) New budget authority, $274,355,000,000.
(B) Outlays, $267,647,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $185,000,000.

Fiscal year 2002:
(A) New budget authority, $277,028,000,000.
(B) Outlays, $267,420,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $183,000,000.

Fiscal year 2003:
(A) New budget authority, $277,044,000,000.
(B) Outlays, $267,436,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $178,000,000.

(2) International Affairs (150):

Fiscal year 1997:
(A) New budget authority, $14,177,000,000.
(B) Outlays, $14,908,000,000.
(C) New direct loan obligations, $4,333,000,000.
(D) New primary loan guarantee commitments, $18,110,000,000.

Fiscal year 1998:
(A) New budget authority, $14,211,000,000.
(B) Outlays, $14,440,000,000.
(C) New direct loan obligations, $4,342,000,000.
(D) New primary loan guarantee commitments, $18,262,000,000.

Fiscal year 1999:
(A) New budget authority, $14,336,000,000.
(B) Outlays, $14,570,000,000.
(C) New direct loan obligations, $4,358,000,000.
(D) New primary loan guarantee commitments, $18,311,000,000.

Fiscal year 2000:
(A) New budget authority, $15,515,000,000.
(B) Outlays, $14,168,000,000.
(C) New direct loan obligations, $4,346,000,000.
(D) New primary loan guarantee commitments, $18,311,000,000.

Fiscal year 2001:
(A) New budget authority, $15,630,000,000.
(B) Outlays, $14,356,000,000.
(C) New direct loan obligations, $4,395,000,000.
(D) New primary loan guarantee commitments, $18,409,000,000.

Fiscal year 2002:
(A) New budget authority, $15,910,000,000.
(B) Outlays, $14,538,000,000.
(C) New direct loan obligations, $4,387,000,000.
(D) New primary loan guarantee commitments, $18,409,000,000.

Fiscal year 2003:
(A) New budget authority, $16,283,000,000.
(B) Outlays, $14,706,000,000.
(C) New direct loan obligations, $4,395,000,000.
(D) New primary loan guarantee commitments, $18,408,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:
(A) New budget authority, $16,677,000,000.
(B) Outlays, $16,821,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $16,678,000,000.
(B) Outlays, $16,711,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $16,680,000,000.
(B) Outlays, $16,617,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:
(A) New budget authority, $16,681,000,000.
(B) Outlays, $16,660,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:
(A) New budget authority, $16,682,000,000.
(B) Outlays, $16,682,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:
(A) New budget authority, $16,683,000,000.
(B) Outlays, $16,683,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:
(A) New budget authority, $16,684,000,000.
(B) Outlays, $16,684,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1997:
(A) New budget authority, $3,238,000,000.
(B) Outlays, $2,599,000,000.
(C) New direct loan obligations, $1,033,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $3,612,000,000.
(B) Outlays, $2,655,000,000.
(C) New direct loan obligations, $1,039,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $3,506,000,000.
(B) Outlays, $2,466,000,000.
(C) New direct loan obligations, $1,045,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:
(A) New budget authority, $3,449,000,000.
(B) Outlays, $2,318,000,000.
(C) New direct loan obligations, $1,036,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:
(A) New budget authority, $3,620,000,000.
(B) Outlays, $2,462,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:
(A) New budget authority, $3,345,000,000.

(B) Outlays, $2,097,000,000.

(C) New direct loan obligations, $1,031,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $3,353,000,000.

(B) Outlays, $866,049,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,049,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1997:

(A) New budget authority, $20,263,000,000.

(B) Outlays, $21,699,000,000.

(C) New direct loan obligations, $37,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $20,354,000,000.

(B) Outlays, $21,448,000,000.

(C) New direct loan obligations, $41,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $20,698,000,000.

(B) Outlays, $21,451,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $20,677,000,000.

(B) Outlays, $21,144,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $20,655,000,000.

(B) Outlays, $20,823,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $20,648,000,000.

(B) Outlays, $20,692,000,000.

(C) New direct loan obligations, $38,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $20,562,000,000.

(B) Outlays, $20,634,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $38,000,000.

(6) Agriculture (350):

Fiscal year 1997:

(A) New budget authority, $12,811,000,000.

(B) Outlays, $10,985,000,000.

(C) New direct loan obligations, $7,795,000,000.

(D) New primary loan guarantee commitments, $5,870,000,000.

Fiscal year 1998:

(A) New budget authority, $12,818,000,000.

(B) Outlays, $10,832,000,000.

(C) New direct loan obligations, $9,346,000,000.

(D) New primary loan guarantee commitments, $6,637,000,000.

Fiscal year 1999:

(A) New budget authority, $12,630,000,000.

(B) Outlays, $10,669,000,000.

(C) New direct loan obligations, $10,743,000,000.

(D) New primary loan guarantee commitments, $6,586,000,000.

Fiscal year 2000:

(A) New budget authority, $12,082,000,000.

(B) Outlays, $10,167,000,000.

(C) New direct loan obligations, $10,736,000,000.

(D) New primary loan guarantee commitments, $6,652,000,000.

Fiscal year 2001:

(A) New budget authority, $11,038,000,000.

(B) Outlays, $9,222,000,000.

(C) New direct loan obligations, $10,595,000,000.

(D) New primary loan guarantee commitments, $6,641,000,000.

Fiscal year 2002:

(A) New budget authority, $10,795,000,000.

(B) Outlays, $8,957,000,000.

(C) New direct loan obligations, $10,570,000,000.

(D) New primary loan guarantee commitments, $6,709,000,000.

Fiscal year 2003:

(A) New budget authority, $11,138,000,000.

(B) Outlays, $9,265,000,000.

(C) New direct loan obligations, $10,545,000,000.

(D) New primary loan guarantee commitments, $6,700,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1997:

(A) New budget authority, $8,350,000,000.

(B) Outlays, $1,226,000,000.

(C) New direct loan obligations, $1,856,000,000.

(D) New primary loan guarantee commitments, $197,340,000,000.

Fiscal year 1998:

(A) New budget authority, $10,222,000,000.

(B) Outlays, $5,700,000,000.

(C) New direct loan obligations, $1,787,000,000.

(D) New primary loan guarantee commitments, $196,750,000,000.

Fiscal year 1999:

(A) New budget authority, $9,710,000,000.

(B) Outlays, $4,792,000,000.

(C) New direct loan obligations, $1,763,000,000.

(D) New primary loan guarantee commitments, $196,253,000,000.

Fiscal year 2000:

(A) New budget authority, $9,513,000,000.

(B) Outlays, $4,056,000,000.

(C) New direct loan obligations, $1,759,000,000.

(D) New primary loan guarantee commitments, $195,883,000,000.

Fiscal year 2001:

(A) New budget authority, $7,918,000,000.

(B) Outlays, $2,832,000,000.

(C) New direct loan obligations, $1,745,000,000.

(D) New primary loan guarantee commitments, $195,375,000,000.

Fiscal year 2002:

(A) New budget authority, $7,152,000,000.

(B) Outlays, $2,662,000,000.

(C) New direct loan obligations, $1,740,000,000.

(D) New primary loan guarantee commitments, $194,875,000,000.

Fiscal year 2003:

(A) New budget authority, $9,090,000,000.

(B) Outlays, $4,883,000,000.

(C) New direct loan obligations, $1,736,000,000.

(D) New primary loan guarantee commitments, $194,625,000,000.

(8) Transportation (400):

Fiscal year 1997:

(A) New budget authority, $43,677,000,000.

(B) Outlays, $39,326,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $44,664,000,000.

(B) Outlays, $38,864,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $45,217,000,000.

(B) Outlays, $38,402,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $45,913,000,000.

(B) Outlays, $37,879,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $46,627,000,000.

(B) Outlays, $37,717,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $47,355,000,000.

(B) Outlays, $37,674,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $48,103,000,000.

(B) Outlays, $37,631,000,000.

(C) New direct loan obligations, $15,000,000.

(D) New primary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1997:

(A) New budget authority, $11,658,000,000.

(B) Outlays, $11,122,000,000.

(C) New direct loan obligations, $1,222,000,000.

(D) New primary loan guarantee commitments, $2,133,000,000.

Fiscal year 1998:

(A) New budget authority, $11,653,000,000.

(B) Outlays, $11,207,000,000.

(C) New direct loan obligations, $1,242,000,000.

(D) New primary loan guarantee commitments, $2,133,000,000.

Fiscal year 1999:

(A) New budget authority, $11,641,000,000.

(B) Outlays, $11,532,000,000.

(C) New direct loan obligations, $1,265,000,000.

(D) New primary loan guarantee commitments, $2,171,000,000.

Fiscal year 2000:

(A) New budget authority, $11,706,000,000.

(B) Outlays, $11,608,000,000.

(C) New direct loan obligations, $1,288,000,000.

(D) New primary loan guarantee commitments, $2,171,000,000.

Fiscal year 2001:

(A) New budget authority, $11,695,000,000.

(B) Outlays, $11,632,000,000.

(C) New direct loan obligations, $1,317,000,000.

(D) New primary loan guarantee commitments, $2,202,000,000.

Fiscal year 2002:

(A) New budget authority, $11,583,000,000.

(B) Outlays, $11,535,000,000.

(C) New direct loan obligations, $1,343,000,000.

(D) New primary loan guarantee commitments, $2,202,000,000.

Fiscal year 2003:

(A) New budget authority, $11,387,000,000.

(B) Outlays, $11,346,000,000.

(C) New direct loan obligations, $1,372,000,000.

(D) New primary loan guarantee commitments, $2,20251,654,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1997:

(A) New budget authority, $51,654,000,000.

(B) Outlays, $50,831,000,000.

(C) New direct loan obligations, $16,219,000,000.

(D) New primary loan guarantee commitments, $15,469,000,000.

Fiscal year 1998:

(A) New budget authority, $52,148,000,000.

(B) Outlays, $51,522,000,000.

(C) New direct loan obligations, $19,040,000,000.

(D) New primary loan guarantee commitments, $14,760,000,000.

Fiscal year 1999:

(A) New budget authority, $53,654,000,000.

(B) Outlays, $52,702,000,000.

(C) New direct loan obligations, $21,781,000,000.

(D) New primary loan guarantee commitments, $13,854,000,000.

Fiscal year 2000:

(A) New budget authority, $54,971,000,000.

(B) Outlays, $53,980,000,000.

(C) New direct loan obligations, $22,884,000,000.

(D) New primary loan guarantee commitments, $14,589,000,000.

Fiscal year 2001:

(A) New budget authority, $56,073,000,000.

(B) Outlays, $55,198,000,000.

(C) New direct loan obligations, $23,978,000,000.

(D) New primary loan guarantee commitments, $15,319,000,000.

Fiscal year 2002:

(A) New budget authority, $57,066,000,000.

(B) Outlays, $56,199,000,000.

(C) New direct loan obligations, $25,127,000,000.

(D) New primary loan guarantee commitments, $16,085,000,000.

Fiscal year 2003:

(A) New budget authority, $57,854,000,000.

(B) Outlays, $57,122,000,000.

(C) New direct loan obligations, $26,334,000,000.

(D) New primary loan guarantee commitments, $16,889,000,000.

(11) Health (550):

Fiscal year 1997:

(A) New budget authority, $132,575,000,000.

(B) Outlays, $132,619,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $87,000,000.

Fiscal year 1998:

(A) New budget authority, $14,094,000,000.

(B) Outlays, $141,225,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $94,000,000.

Fiscal year 1999:

(A) New budget authority, $149,305,000,000.

(B) Outlays, $149,371,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $158,583,000,000.

(B) Outlays, $158,434,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $169,315,000,000.

(B) Outlays, $168,920,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $180,647,000,000.

(B) Outlays, $180,119,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $191,600,000,000.

(B) Outlays, $191,011,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(12) Medicare (570):

Fiscal year 1997:

(A) New budget authority, $196,384,000,000.

(B) Outlays, $194,707,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $208,920,000,000.

(B) Outlays, $207,195,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $223,488,000.

(B) Outlays, $221,216,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $238,932,000.

(B) Outlays, $237,183,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $256,200,000,000.

(B) Outlays, $254,466,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $274,740,000,000.

(B) Outlays, $274,339,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $284,607,000,000.

(B) Outlays, $282,585,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(13) Income Security (600):

Fiscal year 1997:

(A) New budget authority, $234,147,000,000.

(B) Outlays, $241,629,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $245,991,000,000.

(B) Outlays, $248,391,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $251,196,000,000.

(B) Outlays, $257,201,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $269,466,000,000.

(B) Outlays, $268,742,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $267,135,000,000.

(B) Outlays, $271,162,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $286,030,000,000.

(B) Outlays, $283,464,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $290,194,000,000.

(B) Outlays, $293,063,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(14) Social Security (650):

Fiscal year 1997:

(A) New budget authority, $7,812,000,000.

(B) Outlays, $10,543,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $8,476,000,000.

(B) Outlays, $11,213,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $9,219,000,000.

(B) Outlays, $11,922,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $9,979,000,000.

(B) Outlays, $12,662,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $10,775,000,000.

(B) Outlays, $13,458,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $11,607,000,000.

(B) Outlays, $14,290,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $12,511,000,000.

(B) Outlays, $15,194,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1997:

(A) New budget authority, $38,364,000,000.

(B) Outlays, $39,464,000,000.

(C) New direct loan obligations, $935,000,000.

(D) New primary loan guarantee commitments, $26,362,000,000.

Fiscal year 1998:

(A) New budget authority, $38,568,000,000.

(B) Outlays, $38,899,000,000.

(C) New direct loan obligations, $962,000,000.

(D) New primary loan guarantee commitments, $25,925,000,000.

Fiscal year 1999:

(A) New budget authority, $39,025,000,000.

(B) Outlays, $39,212,000,000.

(C) New direct loan obligations, $987,000,000.

(D) New primary loan guarantee commitments, $25,426,000,000.

Fiscal year 2000:

(A) New budget authority, $39,086,000,000.

(B) Outlays, $40,724,000,000.

(C) New direct loan obligations, $1,021,000,000.

(D) New primary loan guarantee commitments, $24,883,000,000.

Fiscal year 2001:

(A) New budget authority, $39,139,000,000.

(B) Outlays, $38,052,000,000.

(C) New direct loan obligations, $1,189,000,000.

(D) New primary loan guarantee commitments, $24,298,000,000.

Fiscal year 2002:

(A) New budget authority, $39,215,000,000.

(B) Outlays, $39,584,000,000.

(C) New direct loan obligations, $1,194,000,000.

(D) New primary loan guarantee commitments, $23,668,000,000.

Fiscal year 2003:

(A) New budget authority, $39,329,000,000.

(B) Outlays, $39,788,000,000.

(C) New direct loan obligations, $1,225,000,000.

(D) New primary loan guarantee commitments, $22,990,000,000.

(16) Administration of Justice (750):

Fiscal year 1997:

(A) New budget authority, $21,731,000,000.

(B) Outlays, $19,744,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $22,456,000,000.

(B) Outlays, $22,193,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $23,456,000,000.

(B) Outlays, $22,953,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $23,451,000,000.

(B) Outlays, $23,244,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $21,872,000,000.

(B) Outlays, $22,989,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $20,348,000,000.

(B) Outlays, $21,459,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $20,319,000,000.

(B) Outlays, $20,259,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1997:

(A) New budget authority, $13,902,000,000.

(B) Outlays, $13,672,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $13,915,000,000.

(B) Outlays, $13,735,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $13,872,000,000.

(B) Outlays, $13,822,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $13,916,000,000.

(B) Outlays, $14,088,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $13,959,000,000.

(B) Outlays, $13,798,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $14,020,000,000.

(B) Outlays, $13,819,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $12,565,000,000.

(B) Outlays, $12,308,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(18) Net Interest (900):

Fiscal year 1997:

(A) New budget authority, $281,703,000,000.

(B) Outlays, $281,703,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $287,348,000,000.

(B) Outlays, $287,748,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $290,574,000,000.

(B) Outlays, $290,574,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $291,685,000,000.

(B) Outlays, $291,685,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $295,754,000,000.

(B) Outlays, $295,754,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $300,676,000,000.

(B) Outlays, $300,676,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, $305,002,000,000.

(B) Outlays, $305,002,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(19) The corresponding levels of gross interest on the public debt are as follows:

Fiscal year 1997: $348,855,000,000.

Fiscal year 1998: $355,094,000,000.

Fiscal year 1999: $358,722,000,000.

Fiscal year 2000: $359,900,000,000.

Fiscal year 2001: $365,703,000,000.

Fiscal year 2002: $370,086,000,000.

Fiscal year 2003: $374,581,000,000.

(20) Allowances (920):

Fiscal year 1997:

(A) New budget authority, +$38,000,000.

(B) Outlays, −$137,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$31,000,000.

(B) Outlays, +$38,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$0.

(B) Outlays, −$0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, −$1,000,000,000.

(B) Outlays, −$1,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, −$1,000,000,000.

(B) Outlays, −$1,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, −$350,000,000,000.

(B) Outlays, −$350,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, −$3,650,000,000.

(B) Outlays, −$3,650,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(21) Undistributed Offsetting Receipts (950):

Fiscal year 1997:

(A) New budget authority, −$43,733,000,000.

(B) Outlays, −$43,733,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$34,073,000,000.

(B) Outlays, −$34,073,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$32,176,000,000.

(B) Outlays, −$32,176,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, −$32,151,000,000.

(B) Outlays, −$32,151,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, −$33,121,000,000.

(B) Outlays, −$33,121,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, −$34,385,000,000.

(B) Outlays, −$34,385,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2003:

(A) New budget authority, −$35,200,000,000.

(B) Outlays, −$35,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

SEC. 105. RECONCILIATION.

(a) RECONCILIATION OF SPENDING REDUCTIONS.—

(1) SENATE COMMITTEES.—Not later than July 12, 1996, the committees named in this subsection shall submit their recommendations to the Committee on the Budget of the Senate. After receiving those recommendations, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(A) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $1,753,000,000 in fiscal year 1997 and $23,854,000,000 for the period of fiscal years 1997 through 2003.

(B) COMMITTEE ON ARMED SERVICES.—The Senate Committee on Armed Services shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $477,000,000 in fiscal year 1997 and $8,219,000,000 for the period of fiscal years 1997 through 2003.

(C) COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.—The Senate Committee on Banking, Housing, and Urban Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $100,000,000 in fiscal year 1997 and $2,225,000,000 for the period of fiscal years 1997 through 2003.

(D) COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.—The Senate Committee on Commerce, Science, and Transportation shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $43,000,000 in fiscal year 1997 and $20,046,000,000 for the period of fiscal years 1997 through 2003.

(E) COMMITTEE ON ENERGY AND NATURAL RESOURCES.—The Senate Committee on Energy and Natural Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $561,000,000 in fiscal year 1997 and $864,000,000 for the period of fiscal years 1997 through 2003.

(F) COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS.—The Senate Committee on Environment and Public Works shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $12,000,000 in fiscal year 1997 and $1,634,000,000 for the period of fiscal years 1997 through 2003.

(G) COMMITTEE ON FINANCE.—(i) The Senate Committee on Finance shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $5,106,000,000 in fiscal year 1997 and $314,643,000,000 for the period of fiscal years 1997 through 2003.

(ii) The Committee on Finance shall report changes in laws within its jurisdiction necessary to raise revenues by not more than $1,229,000,000 in fiscal year 1997 and to reduce revenue by not more than $56,297,000,000 for the period of fiscal years 1997 through 2003.

(H) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report changes in laws within its jurisdiction to reduce the deficit $1,329,000,000 in fiscal year 1997 and $17,396,000,000 for the period of fiscal years 1997 through 2003.

(I) COMMITTEE ON THE JUDICIARY.—The Senate Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $0 in fiscal year 1997 and $595,000,000 for the period of fiscal years 1997 through 2003.

(J) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on Labor and Human Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $881,000,000 in fiscal year 1997 and $3,356,000,000 for the period of fiscal years 1997 through 2003.

(K) COMMITTEE ON VETERANS' AFFAIRS.—The Senate Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $227,000,000 in fiscal year 1997 and $7,729,000,000 for the period of fiscal years 1997 through 2003.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 201. DISCRETIONARY SPENDING LIMITS.

(a) DEFINITION.—As used in this section and for the purposes of allocations made pursuant to section 302(a) or 602(a) of the Congressional Budget Act of 1974, for the discretionary category, the term "discretionary spending limit" means—

(1) with respect to fiscal year 1997—

(A) for the defense category $266,362,000,000 in new budget authority and $264,568,000,000 in outlays; and

(B) for the nondefense category $234,170,000,000 in new budget authority and $273,235,000,000 in outlays;

(2) with respect to fiscal year 1998—

(A) for the defense category $267,831,000,000 in new budget authority and $262,962,000,000 in outlays; and

(B) for the nondefense category $240,504,000,000 in new budget authority and $272,314,000,000 in outlays;

(3) with respect to fiscal year 1999, for the discretionary category $509,101,000,000 in new budget authority and $539,681,000,000 in outlays;

(4) with respect to fiscal year 2000, for the discretionary category $518,273,000,000 in new budget authority and $541,913,000,000 in outlays;

(5) with respect to fiscal year 2001, for the discretionary category $516,968,000,000 in new budget authority and $541,400,000,000 in outlays;

(6) with respect to fiscal year 2002, for the discretionary category $527,996,000,000 in new budget authority and $542,702,000,000 in outlays;

(7) with respect to fiscal year 2003, for the discretionary category $519,992,000,000 in new budget authority and $540,119,000,000 in outlays;

as adjusted for changes in concepts and definitions and emergency appropriations.

(b) POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

(A) a revision of this resolution or any concurrent resolution on the budget for fiscal year 1998 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the sum of the defense and nondefense discretionary spending limits for such fiscal year;

(B) any concurrent resolution on the budget for fiscal year 1999, 2000, 2001, 2002, or 2003 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the discretionary spending limit for such fiscal year; or

(C) any appropriations bill or resolution (or amendment, motion, or conference report on such appropriations bill or resolution) for fiscal year 1997, 1998, 1999, 2000, 2001, 2002, or 2003 that would exceed any of the discretionary spending limits in this section or suballocations of those limits made pursuant to section 602(b) of the Congressional Budget Act of 1974.

(2) EXCEPTION.—

(A) IN GENERAL.—This section shall not apply if a declaration of war by the Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(B) ENFORCEMENT OF DISCRETIONARY LIMITS IN FY 1997.—Until the enactment of reconciliation legislation pursuant to section 105 of this resolution and for purposes of the application of paragraph (1), only subparagraph (C) of paragraph (1) shall apply to fiscal year 1997.

(c) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(d) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

SEC. 202. EXTENSION OF PAY-AS-YOU-GO POINT OF ORDER.

(a) PURPOSE.—The Senate declares that it is essential to—

(1) ensure continued compliance with the balanced budget plan set forth in this resolution; and

(2) continue the pay-as-you-go enforcement system.

(b) POINT OF ORDER.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct spending or revenue legislation that would increase the deficit for any one of the three applicable time periods as measured in paragraphs (5) and (6).

(2) APPLICABLE TIME PERIODS.—For purposes of this subsection the term "applicable time period" means any one of the three following periods:

(A) The first year covered by the most recently adopted concurrent resolution on the budget.

(B) The period of the first five fiscal years covered by the most recently adopted concurrent resolution on the budget.

(C) The period of the five fiscal years following the first five fiscal years covered in the most recently adopted concurrent resolution on the budget.

(3) DIRECT-SPENDING LEGISLATION.—For purposes of this subsection and except as provided in paragraph (4), the term "direct-spending legislation" means any bill, joint resolution, amendment, motion, or conference report that affects direct spending as that term is defined by and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

(4) EXCLUSION.—For purposes of this subsection, the terms "direct-spending legislation" and "revenue legislation" do not include—

(A) any concurrent resolution on the budget; or

(B) any provision of legislation that affects the full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990.

(5) BASELINE.—Estimates prepared pursuant to this section shall—

(A) use the baseline used for the most recently adopted concurrent resolution on the budget; and

(B) be calculated under the requirements of subsections (b) through (d) of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal years beyond those covered by that concurrent resolution on the budget.

(6) PRIOR SURPLUS.—If direct spending or revenue legislation increases the deficit when taken individually, then it must also increase the deficit when taken together with all direct spending and revenue legislation enacted since the beginning of the calendar year not accounted for in the baseline under paragraph (5)(A), except that the direct spending or revenue effects resulting from legislation enacted pursuant to the reconciliation instructions included in that concurrent resolution on the budget shall not be available.

(c) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(d) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

(f) SUNSET.—Subsections (a) through (e) of this section shall expire September 30, 2003.

SEC. 203. EXTENSION OF BUDGET ACT 60-VOTE ENFORCEMENT THROUGH 2003.

Notwithstanding section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by sections 13112(b) and 13208(b)(3) of the Budget Enforcement Act of 1990), the second sentence of section 904(c) of the Congressional Budget Act of 1974 (except insofar as it relates to section 313 of that Act) and the final sentence of section 904(d) of that Act (except insofar as it relates to section 313 of that Act) shall continue to have effect as rules of the Senate through (but no later than) September 30, 2003.

SEC. 204. EXERCISE OF RULEMAKING POWERS.

The Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

DOLE (AND OTHERS) AMENDMENT NO. 4019

Mr. DOMENICI (for Mr. DOLE, Mr. HATCH, and Mr. HELMS) proposed an amendment to the concurrent resolution (S. Con. Res. 57) supra; as follows:

The Senate finds that:

drug use is devastating to the nation, particularly among juveniles, and has led juveniles to become involved in interstate gangs and to participate in violent crime;

drug use has experienced a dramatic Resurgence among our youth:

the number of youths aged 12–17 using marijuana has increased from 1.6 million in 1992 to 2.9 million in 1994, and the category of "recent marijuana use" increased a staggering 200% among 14 to 15-year-olds over the same period;

The Senate finds that:

since 1992, there has been a 52% jump in the number of high school seniors using drugs on a monthly basis, even as worrisome declines are noted in peer disapproval of drug use;

1 in 3 high school students uses marijuana;

12 to 17-year-olds who use marijuana are 85% more likely to graduate to cocaine than those who abstain from marijuana;

juveniles who reach 21 without ever having used drugs almost never try them later in life;

the latest results from the Drug Abuse Warning Network show that marijuana-related episodes jumped 39% and are running at 155% above the 1990 level, and that methamphetamine cases have risen 256% over the 1991 level;

between February 1993 and February 1995 the retail price of a gram of cocaine fell from $172 to $137, and that of a gram of heroin also fell from $2,032 to $1,278;

it has been reported that the Department of Justice, through the United States Attorney for the Southern District of California, has adopted a policy of allowing certain foreign drug smugglers to avoid prosecution altogether by being released to Mexico;

it has been reported that in the past year approximately 2,300 suspected narcotics traffickers were taken into custody for bringing illegal drugs across the border, but approximately one in four were returned to their country of origin without being prosecuted;

it has been reported that the U.S. Customs Service is operating under guidelines limiting any prosecution in marijuana cases to cases involving 125 pounds of marijuana or more;

it has been reported that suspects possessing as much as 32 pounds of methamphetamine and 37,000 Quaalude tablets, were not prosecuted but were, instead, allowed to return to their countries of origin after their drugs and vehicles were confiscated;

it has been reported that after a seizure of 158 pounds of cocaine, one defendant was cited and released because there was no room at the federal jail and charges against her were dropped;

it has been reported that some smugglers have been caught two or more times—even in the same week—yet still were not prosecuted;

the number of defendants prosecuted for violations of the federal drug laws has dropped from 25,033 in 1992 to 22, 926 in 1995;

the efforts of law enforcement officers deployed against drug smugglers are severely undermined by insufficiently vigorous prosecution policies of federal prosecutors;

this Congress has increased the funding of the Federal Bureau of Prisons by 11.7% over the 1995 appropriations level;

this Congress has increased the funding of the Immigration and Naturalization Service by 23.5% over the 1995 appropriations level;

it is the Sense of the Senate that the functional totals underlying this resolution assume that the Attorney General promptly should investigate this matter and report, within 30 days, to the Chair of the Senate and House Committees on the Judiciary;

That the Attorney General should change the policy of the United States Attorney for the Southern District of California in order to ensure that cases involving the smuggling of drugs into the United States are vigorously prosecuted; and

That the Attorney General should direct all United States Attorneys vigorously to prosecute persons involved in the importation of illegal drugs into the United States.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

Mr. LOTT. Mr. President, the Finance Committee requests unanimous consent for the Subcommittee on Social Security and Family Policy to conduct a hearing on Monday, May 20, 1996, beginning at 10 a.m. in room SD–215.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

U.S. ENRICHMENT CORPORATION

• Mr. MURKOWSKI. Mr. President, the press in Washington likes to highlight conflict and acrimony. In their quest to report the latest conflict between Congress and the President, Democrats and Republicans, or the House and the Senate, the media generally misses the story of Republicans and Democrats quietly sitting down together to work out very complex and difficult problems.

This is a shame, because it leads people outside Washington to think that all we do around here is posture and fight—and that's just not true.

Quite often, Congress and the Administration, the House and the Senate, Democrats and Republicans, labor and management, producers and consumers all sit down and work out difficult problems to everyone's mutual benefit. It often goes unnoticed. The press never writes a story. The public outside the beltway never hears about it. Such was the case with recent legislation to assist with the privatization of the U.S. Enrichment Corporation.

Mr. President, this nation has a uranium enrichment enterprise dating back to the end of World War II. Most of the uranium that has powered reactors in North America, Europe, and Japan was enriched at plants in the United States, by U.S. workers. This enterprise has suffered under the yoke of government control, and it has steadily lost market share to competitors around the world. As a result, the maintenance of a secure, economical domestic enrichment capability was at stake.

Certain members of the Senate recognized this problem early on. Senators DOMENICI, FORD and JOHNSTON, in particular, worked to put the U.S. Enrichment Corporation, or USEC, on the path toward privatization years ago.

I must confess, Mr. President, when I first became familiar with this issue as Chairman of the Energy and Natural Resources Committee, I was very concerned that a consensus might not be achievable.

We had conflicts between the desire to implement a Russian enriched uranium purchase agreement and the legitimate interests of enrichment plant workers and uranium producers. We had conflicts between plant workers and plant management. We had conflicts between USEC and other entities that desired to get into the enrichment business. We had tough issues to resolve that impacted every player in the front end of the nuclear fuel cycle, including uranium producers, converters, enrichers, fuel fabricators, and utilities.

To complicate the picture, we had to address all these thorny issues in a manner that would maximize USEC's value without inhibiting competition in the enrichment market.

After hearings, a markup, and many months of work and negotiation between Senators, Senate staff, Members of the House, House staff, representatives of the Administration, uranium producers, labor unions, industry and many others, a bipartisan, bicameral bill slowly began to emerge. This was not always an easy negotiation, but those involved stuck with it to reach the best consensus achievable.

Like any successful negotiation, all sides had to give a little. Nobody was completely happy. But we got it done and achieved a broad consensus.

The USEC privatization bill was included in the reconciliation package which was vetoed for reasons having nothing to do with the USEC language. The USEC privatization bill was then presented as a stand-alone bill that was placed on the Senate calendar, and the language emerging from our consensus was finally included in the Omnibus Appropriations bill that was recently signed by the President and enacted into law.

I am pleased that the adoption of this measure will result in the long term viability of a secure, economical, domestic source of uranium production and enrichment while providing revenues exceeding a billion dollars for the U.S. Treasury.

Mr. President, I want to publicly thank some of my colleagues who were so instrumental in making this bill a reality. Senators DOMENICI, FORD, JOHNSTON, THOMAS, and CAMPBELL played key roles in the Committee's deliberations. Although they weren't on our Committee, Senators MCCONNELL and DEWINE worked behind the scenes, each bringing issues to my attention during difficult periods of the negotiation.

In particular, I want to mention and praise the efforts of Senator DOMENICI and Alex Flint of his staff. Senator DOMENICI and Alex were working this measure on a daily basis throughout its formulation, introduction, hearings, markup, the budget reconciliation process, and the omnibus appropriations process. Senators FORD and JOHNSTON, ably served by Sam Fowler, the Minority Chief Counsel of the Energy Committee, were instrumental and absolutely indispensable in the eventual success of the measure.

At the Department of Energy, the personal and intense interest of Deputy Secretary Charles Curtis was a key to success. With Charlie's help we were able to break through some of the customary obstacles that arise in a protracted negotiation such as this.

The consideration of this bill also brought to light a former Energy Committee staff member, Mr. Russ Brown, who now works for USEC in a Governmental Affairs capacity. Russ worked for me on the old Water and Power Subcommittee when I was first a subcommittee chairman. Russ got to walk the halls of the Senate once again during the consideration of this bill. If there is a bad outcome arising from this bill's passage, it's the fact that Russ can't hand around his beloved Senate anymore and must return to work at USEC's offices in Bethesda.

Let me simply say that there are others I haven't specifically mentioned who deserve our thanks and recognition as well. They know who they are, and we are all indebted to their professionalism and perseverance.•

THE MOST REVEREND DAVID B. THOMPSON; A TRIBUTE

• Mr. HOLLINGS. Mr. President, I would like to take a moment to pay tribute to a revered and respected community figure, a gifted teacher and a good friend. This week, Bishop David B. Thompson celebrates three anniversaries at once: that of his birth, May 29, 1923; his priestly ordination May 27, 1950, and his episcopal ordination May 24, 1989. It is a truly significant week of the year for him, the Diocese of Charleston, his family and friends.

Bishop Thompson was born in Philadelphia to David B. and Catharine A. Thompson. He has two siblings: a sister, Elizabeth Jane Hutton and a twin brother, also a priest, The Reverend Monsignor Edward J. Thompson, who is retired. The Bishop's studies for the priesthood began immediately after he graduated from High School. He attended St. Charles Borromeo Seminary, Overbrook, PA, where he earned a bachelor of arts and a master of arts degree in history.

He earned a licentiate in canon law (J.C.L.) from the Catholic University of America while serving as an assistant pastor at Our Lady of Pompeii over the summers of 1951 and 1952. In September 1952 he was appointed a professor at St. Thomas Moore High School in Philadelphia. He continued to take courses through Villanova University. The Bishop also served the school as a guidance counselor.

In 1957, Monsignor Thompson was named the founding principal of Notre Dame High School in Easton, PA, where he served for 4 years. During that time, he made a name for himself, or rather, the students made a name for him. The students had expressed to Bishop Thompson the need for a similar social outlet to American Bandstand. He responded by establishing a Notre Dame Bandstand and hiring Gene Kaye, a disc jockey from Allentown. Mr. Kaye helped to make it a nationally known event; he also gave Bishop Thompson the name "Father Bandstand." Among the people to appear on stage at Notre Dame were Frankie Avalon, Chubby Checker, Connie Frances, Fabian, Annette Funicello, and Brenda Lee. When Paul Anka performed in the summer of 1960, more than 2,300 teenagers were there to hear him.

In January 1961, the Diocese of Allentown was created by Pope John XXIII. Monsignor Thompson was named the first chancellor of the new diocese and served as the moderator of an $11 million educational building campaign. For 22 years, he would serve in the capacity of Vicar General. In 1967 he was named the pastor of Immaculate Conception Church, the oldest Catholic Church in Allentown. Over the years, he was given tremendous and varied responsibilities within the diocese, and he brought to each new challenge the wisdom and energy which has become his trademark. He served as the pastor of the Allentown Cathedral Church of St. Catherine of Siena from 1975 to 1989.

In 1989, Pope John Paul II appointed Bishop Thompson the 11th Bishop of Charleston. He succeeded Bishop Ernest L. Unterkoefler upon his retirement in February 1990. Of the numerous accomplishments in Bishop Thompson's life, from his educational achievements to his high honors within the church, it is the effect he has on individuals as he carries out his life's work that truly sets him apart. During the years of his incumbency, Bishop Thompson has traveled thousands of miles to visit every parish and mission in his diocese, which encompasses the entire State of South Carolina. He has reinvigorated the Diocese of Charleston, vocations have increased 400 percent, and in 1994 alone there were over 30 building projects in the 114 parishes and missions. He has set parochial education standards that have improved the quality of diocesan schools throughout South Carolina, and he has encouraged youth participation in the life of the church. He has given so much of himself to the State, being active in local events, and a constant presence.

On every level, from local to national, Bishop Thompson has been a tireless champion of Christian values and humanism. He has been awarded the Tree of Life Award, the Jewish National Fund's highest honor, for his efforts on behalf of interfaith harmony. Under his leadership, the diocese sponsored the Palmetto Project Community Relations Forum, an effort to erase racism through friendship. And he continues to inspire every individual and group with whom he comes into contact.

I am truly honored to know this man, and, along with my wife Peatsy, I wish him a joyous anniversary celebration.•

NEUROFIBROMATOSIS, INC., THE NF SUPPORT GROUP OF WEST MICHIGAN, AND ROSEMARY AND GILLIAN ANDERSON

• Mr. ABRAHAM. Mr. President, on Friday, May 3, 1996, I had the honor and pleasure of hosting a luncheon here in the U.S. Senate on behalf of furthering awareness and understanding of the neurological disorder neurofibromatosis. The luncheon, held in the Russell Caucus Room, was sponsored by Neurofibromatosis, Inc., a national nonprofit organization with chapters around the country which provides support for individuals and families affected by NF. NF, Inc., also promotes greater education and awareness of NF and helps spur further research into its causes and treatment.

Neurofibromatosis is one of the most common genetic conditions of the nervous system. NF can strike any family, and there is no known cure. NF is a progressive disorder that causes tumors to form on nerves throughout the body. It manifests itself in two genetically distinct forms, the most common of which strikes approximately 1 in 4,000 individuals. Although unpredictable, NF can cause hearing loss, vision impairment, seizures, bone deformities, learning disabilities, and cancer. Congress has consistently supported aggressive research into NF and has encouraged the National Institutes of Health to coordinate their activities in order to intensify research into NF's link to learning disabilities and its connection to other serious tumor diseases, including cancer.

In addition to providing Members and their staff with the opportunity to learn more about NF, the luncheon gave the organization's membership an opportunity to present awards to several individuals who have made outstanding contributions to the cause of finding a cure for and effective treatment of NF.

Our colleague Senator NANCY KASSEBAUM was recognized for her work on behalf of NF and other genetic conditions as a member—and now as chairman—of the Senate Labor and Human Resources Committee. Dr. Francis S. Collins, Director of the National Institutes of Health's National Center for Human Genome Research, also received an award for his work in this area. Much of what is now known about the link between NF and human genetics is the result of research conducted by Dr. Collins while he was a professor and researcher at the University of Michigan at Ann Arbor from 1984 until his selection in 1993 to head the human genome project. And Dr. Martha Bridge Denckla, director of the developmental cognitive neurology division of the Kennedy-Krieger Institute in Baltimore, was named the 1996 NF, Inc., scholar, recognition for the significant contribution she has made to the understanding of NF and learning disabilities.

However, the highlight of this event for me was meeting and talking to two other individuals who played prominent roles in the luncheon's program and who happen to hail from my State of Michigan.

The first person, Mrs. Rosemary Anderson, has a long record of activism on behalf of individuals with NF and their families. Rosemary Anderson currently resides in Grand Rapids and is co-president of the NF Support Group of West Michigan. Rosemary joined a fledgling NF support group back in the mid-1980's and, shortly thereafter, took over running it along with another colleague, Bette Contreras. Since then she and Bette have turned this group into an instrument of information, education, and emotional support that has become indispensable to the people of west Michigan with NF and their families. Through Rosemary's work at the NF Support Group of West Michigan, she came to know and work with Dr. Francis Collins during his tenure at the University of Michigan. They have continued to stay in touch and remain good friends, and therefore, it was quite fitting that Rosemary was chosen to formally introduce Dr. Collins at the luncheon.

The other person is Rosemary's daughter, Ms. Gillian Anderson. Gillian, who grew up in Grand Rapids and now lives in Vancouver, British Columbia, is the star of the hit Fox Network television series, "The X Files." Gillian was kind enough to appear at the luncheon which introduced her to Capitol Hill and drew public attention to the NF cause. While in Washington, DC, she took other steps to promote greater awareness of NF and to seek increased funding for NF research. She and Rosemary appeared on the local "Fox Morning News" show, and Gillian taped a public service announcement on NF which is to be aired nationally over the Fox Network.

Mr. President, it was truly wonderful to see how much that crowd admired Gillian Anderson. I think every person who attended that luncheon stayed afterward to have their picture taken with her and have her sign an autograph for them—either on the NF, Inc. newsletter or on magazine covers which contained her picture.

However, I was moved even more by the poignant and compelling remarks that Gillian made as the luncheon ended. Her touching comments, revealing her own experience and perspective regarding NF, captivated the audience. I would like to share her comments with my colleagues because I think, in many ways, they transcended the issue, neurofibromatosis, that brought so many people to that event in the first place. Her remarks really conveyed the despair and the hope that surround every disease or condition for which there is no cure or effective treatment. As intimate and personal as her observations were, I believe they warrant expression to a wider audience than was able to hear and learn from them that afternoon.

Therefore, Mr. President, I ask that a transcript of Ms. Gillian Anderson's remarks be printed in the RECORD.

The transcript follows:

REMARKS OF GILLIAN ANDERSON AT NEUROFIBROMATOSIS, INC. LUNCHEON, FRIDAY, MAY 3, 1996

Thank you. I am just listening to the very small list of my accomplishments. They seem so insignificant in the presence of such gurus as Dr. Collins and Senator KASSEBAUM. I'm very honored to be here. But I will say, this is much scarier than any "X-File" I've ever encountered.

I'm going to read what I've written. I may be able to look you in the eye, but at this point it's written down and hopefully I can make some sense.

My first lesson with neurofibromatosis came when I was 16, after we learned that my three and a half year old brother Aaron had it. My mother took me to the first meeting of what was to become the Neurofibromatosis Support Group of West Michigan.

I remember the social worker there talking to the 40 or so people who had shown up. There were many who were too intimidated to speak, and there were many who were so excited about the prospect of communicating with people who for the first time understood what they had been going through, and also communicating the fears that they had experienced in their lives, that they couldn't stop talking.

I remember in particular one young mother who had just lost her 6-year-old daughter to an NF related brain tumor, and I remember a 60 year old woman who was trying somewhat heroically not to hide the many disfiguring tumors on her face. It was a very broad spectrum.

My Mother tells me that some people never actually came back to that support group. I think for the many who remained over the past 11 and some years, that the support group has been there, they have shared in the comfort of unbiased friends and fellow sufferers, and in the slow but gradual understanding of NF and its unpredictable complications.

I have watched my brother grow into a sturdy 15-year-old boy. We are among the most fortunate of NF families. My brother is mildly affected; so far so good. But as we learned here today, if we didn't already know, with NF, it is never over. He has a couple of visible tumors, skin tumors, right now. He may have no more; he may have so many more that they are uncountable. We don't know at this point. And then there's always the threat of the more serious tumors which can come about at any time.

And I guess my one hope, regardless of what happens in the future for him, is that the "Joke-meister," as we call him, maintains his wonderful sense of humor throughout.

But it is not just Aaron and the West Michigan NF community. NF is worldwide, and it can happen in any family. And I must say that if the horror of this disease isn't enough to promote its financial support, something that has—that is just as important, and something you might want to consider as an added bonus, is that the study of NF and neurofibromatosis research is already providing breakthroughs in understanding more about cancer. And we all know how to pronounce that.

I want to thank you for having me here, for joining me in an effort to raise awareness of a disease that is in dire need of acknowledgement, community education, and extensive research if we are going to find a cure.

Thank you very much.

[Applause.]

[Small girl hands her flowers.]•

SENATE QUARTERLY MAIL COSTS

• Mr. WARNER. Mr. President, in accordance with section 318 of Public Law 101–520 as amended by Public Law 103–283, I am submitting the frank mail allocations made to each Senator from the appropriation for official mail expenses and a summary tabulation of Senate mass mail costs for the second quarter of fiscal year 1996 to be printed in the RECORD. The second quarter of fiscal year 1996 covers the period of January 1, 1996, through March 31, 1996. The official mail allocations are available for frank mail costs, as stipulated in Public Law 104–53, the Legislative Branch Appropriations Act for Fiscal Year 1996.

The material follows:

SENATE QUARTERLY MASS MAIL VOLUMES AND COSTS FOR THE QUARTER ENDING MAR. 31, 1996

Senators	Total pieces	Pieces per capita	Total cost	Cost per capita	Fiscal year 1996 official mail allocation
Abraham	705	0.00007	$203.74	0.00002	$160.875
Akaka	0	0.00000	0.00	0.00000	48,447
Ashcroft	0	0.00000	0.00	0.00000	109,629
Baucus	99,100	0.12027	23,260.70	0.02823	46,822
Bennett	0	0.00000	0.00	0.00000	56,493
Biden	0	0.00000	0.00	0.00000	44,754
Bingaman	0	0.00000	0.00	0.00000	56,404
Bond	0	0.00000	0.00	0.00000	109,629
Boxer	1,500	0.00005	425.49	0.00001	433,718
Bradley	0	0.00000	0.00	0.00000	139,706
Breaux	0	0.00000	0.00	0.00000	92,701
Brown	0	0.00000	0.00	0.00000	86,750
Bryan	0	0.00000	0.00	0.00000	56,208
Bumpers	0	0.00000	0.00	0.00000	69,809
Burns	0	0.00000	0.00	0.00000	46,822
Byrd	0	0.00000	0.00	0.00000	59,003
Campbell	0	0.00000	0.00	0.00000	86,750
Chafee	0	0.00000	0.00	0.00000	48,698
Coats	0	0.00000	0.00	0.00000	112,682
Cochran	0	0.00000	0.00	0.00000	69,473
Cohen	0	0.00000	0.00	0.00000	52,134
Conrad	0	0.00000	0.00	0.00000	43,403
Coverdell	0	0.00000	0.00	0.00000	131,465
Craig	34,783	0.03260	8,667.83	0.00812	49,706
D'Amato	0	0.00000	0.00	0.00000	262,927
Daschle	0	0.00000	0.00	0.00000	44,228
DeWine	0	0.00000	0.00	0.00000	186,314
Dodd	0	0.00000	0.00	0.00000	80,388
Dole	0	0.00000	0.00	0.00000	70,459
Domenici	0	0.00000	0.00	0.00000	56,404
Dorgan	0	0.00000	0.00	0.00000	43,403
Exon	0	0.00000	0.00	0.00000	57,167
Faircloth	0	0.00000	0.00	0.00000	134,344
Feingold	0	0.00000	0.00	0.00000	102,412
Feinstein	0	0.00000	0.00	0.00000	433,718
Ford	0	0.00000	0.00	0.00000	86,009
Frist	0	0.00000	0.00	0.00000	106,658
Glenn	0	0.00000	0.00	0.00000	186,314
Gorton	0	0.00000	0.00	0.00000	109,059
Graham	0	0.00000	0.00	0.00000	259,426
Gramm	3,300	0.00019	752.30	0.00004	281,361
Grams	8,923	0.00199	7,335.17	0.00164	96,024
Grassley	0	0.00000	0.00	0.00000	73,403
Gregg	0	0.00000	0.00	0.00000	50,569
Harkin	0	0.00000	0.00	0.00000	73,403
Hatch	0	0.00000	0.00	0.00000	56,493
Hatfield	0	0.00000	0.00	0.00000	78,163
Heflin	0	0.00000	0.00	0.00000	89,144
Helms	0	0.00000	0.00	0.00000	134,344
Hollings	0	0.00000	0.00	0.00000	85,277
Hutchison	0	0.00000	0.00	0.00000	281,361
Inhofe	0	0.00000	0.00	0.00000	82,695
Inouye	0	0.00000	0.00	0.00000	48,447
Jeffords	12,700	0.02228	2,591.76	0.00455	42,858
Johnston	0	0.00000	0.00	0.00000	92,701
Kassebaum	0	0.00000	0.00	0.00000	70,459
Kempthorne	0	0.00000	0.00	0.00000	49,706
Kennedy	0	0.00000	0.00	0.00000	117,964
Kerrey	0	0.00000	0.00	0.00000	57,167
Kerry	931	0.00016	247.38	0.00004	117,964
Kohl	0	0.00000	0.00	0.00000	102,412
Kyl	0	0.00000	0.00	0.00000	93,047
Lautenberg	783	0.00010	678.21	0.00009	139,706
Leahy	0	0.00000	0.00	0.00000	42,858
Levin	0	0.00000	0.00	0.00000	160,875
Lieberman	0	0.00000	0.00	0.00000	80,388
Lott	342,000	0.13083	59,962.12	0.02294	69,473
Lugar	0	0.00000	0.00	0.00000	112,682
Mack	0	0.00000	0.00	0.00000	259,426
McCain	0	0.00000	0.00	0.00000	93,047
McConnell	0	0.00000	0.00	0.00000	86,009
Mikulski	0	0.00000	0.00	0.00000	101,272
Moseley-Braun	0	0.00000	0.00	0.00000	184,773
Moynihan	0	0.00000	0.00	0.00000	262,927
Murkowski	0	0.00000	0.00	0.00000	42,565
Murray	110,600	0.02153	22,048.97	0.00429	109,059
Nickles	0	0.00000	0.00	0.00000	82,695
Nunn	0	0.00000	0.00	0.00000	131,465
Pell	0	0.00000	0.00	0.00000	48,698
Pressler	0	0.00000	0.00	0.00000	44,228
Pryor	0	0.00000	0.00	0.00000	69,809
Reid	0	0.00000	0.00	0.00000	56,208
Robb	0	0.00000	0.00	0.00000	121,897
Rockefeller	132,152	0.07293	27,775.63	0.01533	59,003
Roth	0	0.00000	0.00	0.00000	44,754
Santorum	0	0.00000	0.00	0.00000	199,085
Sarbanes	0	0.00000	0.00	0.00000	101,272
Shelby	0	0.00000	0.00	0.00000	89,144
Simon	0	0.00000	0.00	0.00000	184,773
Simpson	0	0.00000	0.00	0.00000	41,633
Smith	0	0.00000	0.00	0.00000	50,569
Snowe	0	0.00000	0.00	0.00000	52,134
Specter	0	0.00000	0.00	0.00000	199,085
Stevens	0	0.00000	0.00	0.00000	42,565
Thomas	0	0.00000	0.00	0.00000	41,633
Thompson	0	0.00000	0.00	0.00000	106,658
Thurmond	0	0.00000	0.00	0.00000	85,277
Warner	0	0.00000	0.00	0.00000	121,897
Wellstone	0	0.00000	0.00	0.00000	96,024
Wyden	0	0.00000	0.00	0.00000	52,135•

ORDER FOR ADJOURNMENT

Mr. DOMENICI. Mr. President, if there is no further business to come before the Senate, I ask that the Senate stand in adjournment under the previous order, following the remarks of the distinguished Senator from Wisconsin.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for the amendment.

AMENDMENT NO. 4019

Mr. DOMENICI. On behalf of Senators DOLE, HATCH, and HELMS, I submit an amendment and ask for its immediate consideration. I guess I need consent. I ask unanimous consent that the pending amendment be set aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. DOLE, for himself, Mr. HATCH, and Mr. HELMS, proposes an amendment numbered 4019.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

The Senate finds that:

Drugs use is devastating to the nation, particularly among juveniles, and has led juveniles to become involved in interstate gangs and to participate in violent crime;

Drug use has experienced a dramatic resurgence among our youth;

The number of youths aged 12–17 using marijuana has increased from 1.6 million in 1992 to 2.9 million in 1994, and the category of "recent marijuana use" increased a staggering 200% among 14 to 15-year-olds over the same period.

The Senate finds that:

Since 1992, there has been a 52% jump in the number of high school seniors using drugs on a monthly basis, even as worrisome declines are noted in peer disapproval of drug use;

1 in 3 high school students uses marijuana;

12 to 17-year-olds who use marijuana are 85% more likely to graduate to cocaine than those who abstain from marijuana;

Juveniles who reach 21 without ever having used drugs almost never try them later in life;

The latest results from the Drug Abuse Warning Network show that marijuana-related episodes jumped 39% and are running at 155% above the 1990 level, and that methamphetamine cases have risen 256% over the 1991 level;

Between February 1993 and February 1995 the retail price of a gram of cocaine fell from $172 to $137, and that of a gram of heroin also fell from $2,032 to $1,278;

It has been reported that the Department of Justice, through the United States Attorney for the Southern District of California, has adopted a policy of allowing certain foreign drug smugglers to avoid prosecution altogether by being released to Mexico;

It has been reported that in the past year approximately 2,300 suspected narcotics traffickers were taken into custody for bringing illegal drugs across the border, but approximately one in four were returned to their country of origin without being prosecuted;

It has been reported that the U.S. Customs Service is operating under guidelines limiting any prosecution in marijuana cases to cases involving 125 pounds of marijuana or more;

It has been reported that suspects possessing as much as 32 pounds of methamphetamine and 37,000 Quaalude tables, were not prosecuted but were, instead, allowed to return to their countries of origin after their drugs and vehicles were confiscated;

It has been reported that after a seizure of 158 pounds of cocaine, one defendant was cited and released because there was no room at the federal jail and charges against her were dropped;

It has been reported that some smugglers have been caught two or more times—even in the same week—yet still were not prosecuted;

The number of defendants prosecuted for violations of the federal drug laws has dropped from 25,033 in 1992 to 22,926 in 1995;

The efforts of law enforcement officers deployed against drug smugglers are severely undermined by insufficiently vigorous prosecution policies of federal prosecutors;

This Congress has increased the funding of the Federal Bureau of Prisons by 11.7% over the 1995 appropriations level;

This Congress has increased the funding of the Immigration and Naturalization Service by 23.5% over the 1995 appropriations level;

It is the Sense of the Senate that the functional totals underlying this resolution assume that the Attorney General promptly should investigate this matter and report, within 30 days, to the Chair of the Senate and House Committees on the Judiciary.

That the Attorney General should change the policy of the United States Attorney for the Southern District of California in order to ensure that cases involving the smuggling of drugs into the United States are vigorously prosecuted; and

That the Attorney General should direct all United States Attorneys vigorously to prosecute persons involved in the importation of illegal drugs into the United States.

Mr. DOMENICI. This amendment, Mr. President, is a sense of the Senate that says funding in the resolution assumes that the Attorney General should conduct an investigation promptly into a number of areas and report to them. If the reports that have been made are correct about the administration's prosecution of drug smugglers, they are disturbing. This asks for certain reports. I have nothing further on the amendment.

Now, if Senator FEINGOLD can proceed, we will follow the unanimous consent request.

Mr. FEINGOLD addressed the Chair.

Mr. President, first, I very much thank the chairman and ranking member for their courtesy.

Mr. President, I ask unanimous consent that the pending amendment be set aside temporarily so I may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Thank you, Mr. President.

AMENDMENT NO. 3969

(Purpose: To eliminate the tax cut)

Mr. FEINGOLD. Mr. President, I have an amendment at the desk, No. 3969, and I call it up.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Mr. SIMON, Mr. BUMPERS, and Mr. ROBB proposes an amendment numbered 3969.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 5, increase the amount by $15,000,000,000.

On page 3, line 6, increase the amount by $20,000,000,000.

On page 3, line 7, increase the amount by $24,000,000,000.

On page 3, line 8, increase the amount by $23,000,000,000.

On page 3, line 9, increase the amount by $23,000,000,000.

On page 3, line 10, increase the amount by $16,000,000,000.

On page 3, line 14, increase the amount by $15,000,000,000.

On page 3, line 15, increase the amount by $20,000,000,000.

On page 3, line 16, increase the amount by $24,000,000,000.

On page 3, line 17, increase the amount by $23,000,000,000.

On page 3, line 18, increase the amount by $23,000,000,000.

On page 3, line 19, increase the amount by $16,000,000,000.

On page 5, line 1, decrease the amount by $15,000,000,000.

On page 5, line 2, decrease the amount by $20,000,000,000.

On page 5, line 3, decrease the amount by $24,000,000,000.

On page 5, line 4, decrease the amount by $23,000,000,000.

On page 5, line 5, decrease the amount by $23,000,000,000.

On page 5, line 6, decrease the amount by $16,000,000,000.

On page 5, line 9, decrease the amount by $15,000,000,000.

On page 5, line 10, decrease the amount by $20,000,000,000.

On page 5, line 11, decrease the amount by $24,000,000,000.

On page 5, line 12, decrease the amount by $23,000,000,000.

On page 5, line 13, decrease the amount by $23,000,000,000.

On page 5, line 14, decrease the amount by $16,000,000,000.

On page 6, line 13, decrease the amount by $15,000,000,000.

On page 6, line 14, decrease the amount by $20,000,000,000.

On page 6, line 15, decrease the amount by $24,000,000,000.

On page 6, line 16, decrease the amount by $23,000,000,000.

On page 6, line 17, decrease the amount by $23,000,000,000.

On page 6, line 18, decrease the amount by $16,000,000,000.

On page 51, beginning with line 6 strike all through line 17.

On page 55, beginning with line 18 strike all through page 56, line 20.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Thank you, Mr. President.

After the debate of the past year, a casual observer might believe that we have finally achieved a broad political consensus that we must balance the budget. Republicans and Democrats and bipartisan groups have all offered plans to balance the budget over the next 6 years. The President has submitted a budget that reaches balance in 6 years, and 5 years if you use the assumptions and numbers of the OMB. This budget resolution provides for a balanced budget by 2002, as do several alternatives that we have been debating in the process of looking at that budget resolution.

Mr. President, one might think that it is only a matter of moving ahead with these various plans until a proposal that can be enacted simply evolves from the political process. Mr. President, the balanced budget veneer of many of these proposals and of this budget resolution in particular obscures a flaw that will make it difficult and maybe impossible to eliminate the deficit and reach balance despite this apparent consensus.

Mr. President, that flaw is the massive tax cut that has been proposed and is still being proposed.

Let me quickly add that this problem is certainly not unique to the budget resolution before us. The plan that was discussed extensively tonight, the Chafee-Breaux plan, has this defect, and to a lesser extent, the President's plan has this flaw as well.

In fact, of course, I was pleased to hear all the bipartisan cooperation on the Chafee-Breaux plan, but as the distinguished ranking member has pointed out just a few moments ago, the money that is raised from the changes in the Consumer Price Index, in the CPI, are not under the Chafee-Breaux plan going to be used to reduce the deficit. They are going to be used to fund a tax cut. That is not pleasant, but it is the cold, hard fact. In their plan, the Chafee-Breaux plan, there is $126 billion in changes in the CPI, and lo and behold, $130 billion in tax cuts. It is almost a dollar-for-dollar transfer from CPI to tax cuts. It is not a dollar-for-dollar transfer from CPI to deficit reduction.

So it is not being used for deficit reduction. As the distinguished ranking member points out, those funds from the CPI are not even being used for purposes of bolstering the Social Security trust fund. These are two purposes that I think rank much higher than a tax cut at this time.

So the question is whether this flaw of including a tax cut is a fatal flaw. It is debatable. But I think it may well be a fatal flaw of the plans before us.

I think these tax cuts being included are certainly irresponsible budgeting. It is a risk not worth taking when we have the central and critical goal being to actually eliminate the Federal deficit over the very few next years.

Mr. President, I have opposed major tax cut plans of both parties for some time now. I was the first Member of either body to do so. I can attest that it is not very much fun to oppose tax cuts or to oppose a President of your own party on such an issue.

I am proud to say, though, we have had some good company. Three of the Senate's most ardent champions of deficit reduction, the Senator from Arkansas, Mr. BUMPERS, the Senator from Virginia, Mr. ROBB, and my neighbor and good friend, the Senator from Illinois, Mr. SIMON, have consistently opposed these reckless tax cuts. I am pleased that they are cosponsors of the amendment that I have just offered.

I am also very pleased, Mr. President, to tell you that we have the support for this amendment of the Concord Coalition, which does believe that tax cuts are not the top priority but that deficit reduction is.

Mr. President, in many ways the concerns of those of us who have fought these fiscally irresponsible tax cuts have been realized. The initial call for major tax cuts in the Contract With America, followed by the President's own proposals, has in fact, as we feared, led to a bidding war on tax cuts. We have too easily moved away from the deficit reduction track. We are still consumed with enacting tax cuts no matter what cost that has for the integrity of the budget process.

Mr. President, every time you turn around, we are bumping into another proposal for some other kind of tax cut, whether well disguised or not. They come in all shapes and sizes. Some come clothed as tax reform. The so-called flat tax plans we saw offered during the Presidential primaries were really nothing more than plans to cut certain taxes. You did not see anyone calling for a flat tax that raised taxes for anyone. All the plans that were put forward touted tax cuts. In fact, the debate on the flat tax really amounted to which flat tax plan cuts taxes the most.

The Wall Street Journal recently reported that a trendier tax cut plan is a 15 percent across-the-board cut in income tax rates, phased in over 3 years. I am sure we will be hearing a lot more about that before the summer is out. Let me add to this display of a trend on tax cuts, especially in recent weeks.

We have just spent 2 weeks debating on and off the issue of a 4.3-cent gas tax cut, and the other body has sent us a $1.7 billion special adoption tax credit and is working on another $7 billion tax cut for small businesses. This is beginning to look, Mr. President, like a stampede for tax cuts. As I said, unfortunately, even the bipartisan budget alternative includes major tax cuts.

Mr. President, let me say again, and I know you have been a very valued participant in this process. I have enormous respect for those who participated in putting together the bipartisan plan. I think a majority of that group is committed to a balanced budget plan, and I think they would have supported the plan without including the tax cuts. I regret the views of a few in the group who actually prevailed on the tax cut issue. Rather than broadening the appeal for the plan, as I think some of the group hoped the tax cuts undermined the long term fiscal and political integrity of the budget plan, and I believe it cost the plan some significant support both within the Congress and among the American people who know very well you can only spend a dollar once—either for tax cuts or you can spend it to balance the budget—but you cannot spend it for both.

Mr. President, even discounting the short-term effect of election-year politics, we have again really strayed from the course of reducing the deficit. For those whose highest economic priority is a balanced budget, our worst fears may be realized. A tax cut bidding war still dominates the policy debate. Tax cuts, tax cuts—not the need to balance the budget—are the driving force behind many of the policy decisions in this resolution.

Mr. President, those who doubt this need only look to the highly unusual, almost unprecedented, unprecedented special tax cut reconciliation measure envisioned in this resolution. In this "bucket brigade" construction of three successive reconciliation bills, it is the tax cut legislation that is the end game. That is the end goal of this technique.

I am told that the parliamentary skids have been greased for that tax cut reconciliation bill and that there may have been some precedent for it in the past. Nevertheless, it is, at best, ironic and, at worst, offensive to grant a tax cut bill the special procedures normally reserved for legislation to reduce the deficit.

Mr. President, let me just close by suggesting this vote is more than just a good vote for the Concord Coalition scorecard, though it certainly is that. It is a vote against this insane tax cut bidding war. It is a vote to get us back on track, to reducing the deficit and balancing the budget. Mr. President, I believe it is a vote for a sensible and sound budgeting process.

Mr. President, I urge the body to consider this alternative. If you take a look at the plan offered by the bipartisan group, all you have to do is eliminate the tax cuts and the whole issue of the CPI would be also eliminated and you would have a balanced budget. It is as simple as that.

I hope as the negotiations and discussions continue people realize we have an even simpler solution before us, and that is to forego the tax cuts, balance the budget first, and then I think all of us will be eager to find the opportunity to reduce taxes for all Americans.

I yield the floor.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until 9 a.m., Tuesday, May 21, 1996.

Thereupon, the Senate, at 9:23 p.m., adjourned until Tuesday, May 21, 1996, at 9 a.m.

EXTENSIONS OF REMARKS

POLISH-GEORGIAN CREDIT UNION PARTNERSHIP

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1996

Mr. GINGRICH. Mr. Speaker, I would like to take this opportunity to recognize and bring to my colleague's attention a movement that is currently underway in the nation of Poland. This action is designed to help bring about the creation and development of credit unions to benefit the citizens of Poland.

I understand that the Georgia Credit Union Affiliates, in an unparalleled partnership with the Polish National Association of Cooperative Savings and Credit Unions, have entered into an agreement in which Georgia-based credit unions with provide assistance in the development and implementation of new credit union services and products for the benefit of Polish credit union members.

It has long been understood that the benefits of credit unions help facilitate savings and investment, providing capital for new businesses and strengthening the economy. As we are all aware, savings and investments are the key to a country's long term well being, and I hope this new and unique partnership will lead to a strong economy for Poland and its citizens.

I commend the efforts of the Polish people to build and strengthen their private financial institutions, efforts which I hope will continue for many generations to come.

TRIBUTE TO NORTHERN TELECOM

HON. DAVID FUNDERBURK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1996

Mr. FUNDERBURK. Mr. Speaker, I rise today to congratulate an important corporate citizen in my district. Northern Telecom [Nortel], a telecommunications equipment manufacturer, recently received the first annual Corporate Citizenship Award from the Committee on Economic Development.

Nortel received this prestigious award in recognition of the principles and values the company has held throughout the 100 years it has been in business. Not only do they invest in research and development, in customer satisfaction, in the training and education of their work force, in the quality of their management and in their overall business performance, but also they believe in a strong and ongoing commitment to education, support for arts and culture, and support for nonprofit community service organizations. In the Raleigh-Durham area, Nortel has about 9,000 employees. The company and the employees contributed funds and time to community organizations such as the North Carolina Business Committee for Education and the Health Care Information and Communications Alliance, a collaboration between business and hospitals to develop a statewide health care information and communications system. With Nortel's encouragement and support, employees also contribute time to Habitat for Humanity, the National Council on Aging, Special Olympics and the North Carolina Symphony and the United Arts Council of Durham and Wake Counties.

I ask my colleagues to join me in congratulating Nortel and their employees on receiving this most deserved award.

VIOLENCE IN SLOVAKIA

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1996

Mr. SMITH of New Jersey. Mr. Speaker, I am alarmed by recent violence in Slovakia that may be part of a larger pattern of politically motivated violence. During the weekend of May 4–5, a device that may have been a handgrenade exploded in front of the home of Bela Bugar. Mr. Bugar is not only a member of the Hungarian minority's opposition coalition, he is also, according to opinion polls, its most popular member. Shortly before that incident, Robert Remias, a former policeman who has been questioned in connection with the kidnaping of President Michal Kovac's son last year, died when his propane-fueled BMW exploded.

Although it is not yet certain who is responsible for these acts, it is clear that violence coincides with politics in Slovakia at a suspiciously high rate. I also recall, for example, that Frantisek Miklosko, the opposition leader of the Christian Democratic Movement, was assaulted by unknown attackers near his home last August; Peter Toth, a journalist investigating the Kovac case, has also been assaulted; last April, a bomb went off in the car of Arpad Matejka, a member of the Prime Minister's party.

The Helsinki Commission, which I chair, is no stranger to Slovakia. We were a close observer of developments there well before the breakup of the Czechoslovak Federation in 1992 and have issued two major reports on that country. Since last summer, I have been joined twice by Senator ALFONSE D'AMATO, the Commissions' cochairman, and the Commission's ranking minority members, Representative STENY H. HOYER and Senator FRANK LAUTENBERG, in sending letters to Slovak Ambassador Lichardus regarding continuing challenges to the democratization process in his country.

Although the Commission has raised a number of serious concerns in these letters, we have, remained generally optimistic about developments in Slovakia. Last week, for example, I hosted a conference in New Jersey on business opportunities in Central Europe, where I discussed some of the positive economic changes in Slovakia that are creating new opportunities for Slovak society as a whole. I appreciate the willingness of the Slovak Parliament to consider the views of a number of international interlocutors regarding draft legislation and note the active and constructive role of the President and the Constitutional Court in guiding the passage of legislation consistent with democratic values and human rights norms. I commend Prime Minister Meciar for his decision last week to seek, in his words, a wider democratic discussion of the draft law on the protection of the Republic. Most of all, I have been greatly heartened by the increasing involvement of Slovak citizens in all areas of public life.

The message sent by the most recent developments in Slovakia, therefore, is all the more discouraging. And that message is dangerous: take on a high political profile, and you are possibly a more visible—and more likely—target of violence.

I welcome the May 9 statement of the Government of Slovakia condemning acts of violence and promising a thorough investigation of these matters. I believe it is particularly important that the death of Robert Remias be examined in an open and transparent manner, in a manner that makes information available to all those concerned with this case, and in a manner that will foster credibility in its results.

Mr. Speaker, the Helsinki Commission will continue to follow closely developments in this case, and I expect to report further to this body as information becomes available.

TRIBUTE TO DR. STANLEY MARTIN HANFLING

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1996

Mr. LANTOS. Mr. Speaker, I rise today to express my deep sadness at the passing of Dr. Stanley Martin Hanfling, a long-time close friend and a prominent physician from Hillsborough, CA, in my congressional district. Dr. Hanfling dedicated his life to healing, to the advancement of medicine and to improving the health knowledge of our Nation as a whole. I wish to express my most heartfelt gratitude for his many years of friendship and service to the community. My sincerest condolences to his wonderful wife, Cecilia, his sister, Ruth Samuels, his cousin, Irma Leon, his two nephews, a niece, and a multitude of friends and patients.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The San Francisco Peninsula will sorely miss the intelligence and expertise of this excellent physician. Until shortly before his death, Dr. Hanfling practiced internal medicine at his San Mateo office. He was on the staff at Peninsula, Mills, Sequoia, and San Mateo County hospitals. He dedicated many hours of his valuable time at several free clinics and taught health education classes at the College of San Mateo. These varied and extremely important posts which Dr. Hanfling held throughout his career made him an integral part of health care for people of all backgrounds and needs on the San Francisco Peninsula.

Shortly after completing his medical training, Dr. Hanfling served his country with distinction as a captain in the U.S. Army at Valley Forge Army Hospital in Phoenixville, PA, during 1956 to 1958. While pursuing his demanding career, he remained active in the Army Reserve Medical Corps from 1958 to 1966.

Dr. Hanfling was not only committed to serving all who sought his expertise through a hospital, doctor's office or free clinic, he was also committed to improving the health of his community through education. Dr. Hanfling hosted and produced 26 half-hour educational programs, part of a series entitled "Medical Update" which was broadcast on KCSM–TV in San Mateo. These programs addressed a wide range of subjects, including coronary artery disease, birth control, exercise and health, health policy, cancer, and venereal disease. These far-reaching programs earned Dr. Hanfling an award from the American Medical Association for educational TV and radio programs.

Music was Dr. Hanfling's passion outside of medicine. Here, too, he sought to share his enjoyment of music with the community and promote the talents of local musicians. For two decades he opened his home to musicians and guests for an extensive series of chamber music and recitals that were regularly attended by friends, acquaintances and patients. Dr. Hanfling also sponsored the careers of several promising local musicians, including the up-and-coming Aurora String Quartet.

Mr. Speaker, as we say goodby to Dr. Hanfling, we are reminded of the difference one dedicated individual can make through his professional and extracurricular pursuits. I consider myself extremely fortunate to be among the many individuals who benefited from his wisdom and kindness. Stanley, we all send you our love and appreciation.

FOLLOW-ON FORCE IN BOSNIA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1996

Mr. HAMILTON. Mr. Speaker, during a hearing in the International Relations Committee last month on the situation in Bosnia, Under Secretary of State Peter Tarnoff was asked to address the important issue of what will happen in Bosnia after the NATO-led peace implementation force, IFOR, is withdrawn, starting after the planned Bosnian elections, scheduled for mid-September of this year.

Following the hearing I requested Under Secretary Tarnoff to respond in more detail, in writing, about the status of planning for a possible follow-on force in Bosnia. In his letter the Under Secretary emphasizes that "The administration remains committed to completing IFOR's mission in approximately 1 year." He also stresses that "the completion of IFOR's mission will not mean the end of the international community's efforts to support peace and economic reconstruction in Bosnia. The United States will continue to assist in these important international efforts."

I am inserting the full text of Under Secretary Tarnoff's letter in the RECORD so that Members of Congress can better understand the administration's approach to the critical issue of the timing of the withdrawal of IFOR and the planning for a possible follow-on force.

U.S. DEPARTMENT OF STATE,
Washington, DC, May 15, 1996.

Hon. LEE H. HAMILTON,
U.S. House of Representatives.

DEAR CONGRESSMAN HAMILTON: Under Secretary Tarnoff has requested that I respond to your letter of April 25, in which you asked about the status of planning for a follow-on force in Bosnia.

From the beginning of his Administration the President made clear that he was prepared to support the deployment of U.S. forces in conjunction with a peace agreement in Bosnia. Following the successful negotiation of the Dayton accords, the President indicated his intention to deploy approximately 20,000 U.S. ground troops as part of the NATO-led IFOR. The Dayton Accords, United Nations Security Council Resolution 1031 authorizing IFOR, and the NATO Operational Plan governing IFOR's deployment set forth a duration of "approximately one year" or "about 12 months". As the President stated in his November 27, 1995, address to the nation, "Our Joint Chiefs of Staff have concluded that this mission should and will take about one year." The President subsequently wrote to House Speaker Gingrich on December 21, saying, "And I expect, that the military mission can be accomplished in about a year." This has been—and remains—Administration policy.

On April 30, the President approved an approach regarding the drawdown of troops in Bosnia consistent with previous Administration and NATO policy. Specifically, it recognized that IFOR will play a crucial role in providing security for upcoming Bosnian elections, which, according to the Dayton Agreement, are to be held by mid-September. To that end, IFOR should remain at full strength through the Bosnian elections. The pace and extent of the drawdown in the period between the Bosnian elections and the conclusion of IFOR's mandate on December 20 will be determined by General Joulwan and other senior NATO military officials, in consultation with NATO's North Atlantic Council.

IFOR should retain until December 20, 1996 sufficient forces to accomplish its full mission and protect the lives of its personnel including U.S. troops. This approach will mean that IFOR would complete its drawdown in the weeks after December 20, on a schedule and in a manner consistent with logistical requirements and the safety of our troops.

The Administration remains committed to completing IFOR's mission in approximately one year. It was with this in mind and in the context of discussions of the presence of the IPTF or others in a post-IFOR environment in which Under Secretary Tarnoff stated that "we are not contemplating any organized military force."

In the referenced New York Times piece, Secretary Perry noted, "As we get nearer that December date we're going to have to take a look and say, 'What is the likelihood of a war starting up again?' If we conclude that there's a danger, then the question that NATO will have to answer is what kind of force deployment do we need to provide an adequate deterrence for that not happening." It is only prudent that this Administration and NATO should review, as we approach fall, the specific security situation in Bosnia. However, neither this Administration nor NATO is planning at this time to deploy a follow-on force in Bosnia.

Of course, the completion of IFOR's mission will not mean the end of the international community's efforts to support peace and economic reconstruction in Bosnia. Numerous tasks will continue, including the return of refugees and displaced persons, arms control and military stabilization, removal of land mines, investigations by the International Criminal Tribunal, and the mending of civil, political, and economic institutions damaged or destroyed by the war. The United States will continue to assist in these important international efforts.

Thank you for forwarding your concerns with respect to these important issues. I hope you have found this helpful.

Sincerely,

BARBARA LARKIN,
Acting Assistant Secretary for Legislative Affairs.

CONGRATULATIONS TO KENNESAW STATE COLLEGE MARKETING STUDENTS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1996

Mr. GINGRICH. Mr. Speaker, I want to recognize the students of the Kennesaw State College Marketing and Professional Sales Department for their hard work as part of the 1996 General Motors Marketing Internship Class in developing "Escape into Excitement Days" from May 20 to 24, 1996.

This internship has created a successful partnership between businesses and students so that young men and women gain invaluable experience in developing and implementing an actual marketing campaign.

Again, I want to commend the outstanding efforts of these hardworking, exceptionally bright, and dedicated students, and I wish them all the success in their future endeavors.

HONORING CHARLES P. "CHUCK" DOYLE ON HIS 80TH BIRTHDAY

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1996

Mr. COX of California. Mr. Speaker, 80 years ago, on May 26, 1916, barnstorming daredevil Charles P. "Chuck" Doyle was born in Minneapolis, MN. Eighty years later, Chuck is still creating aviation history.

He bought his first airplane while still a Washburn High School student. It was an OX–

5 powered Travel Air biplane. With this—and his motorcycle—he started on his path as an unofficial daredevil and official aviation pioneer.

In 1935, Chuck Doyle made his first parachute jump as part of the Thrill Day Air Show at the Minnesota State Fair. Two years later, he began performing regularly at shows and fairs around the country. Whether on wings or wheels, he loved to excite his audiences. He ramp-jumped his Harley over lines of cars, magically survived carefully planned head-on auto collisions and boardwall crashes, piloted his motorcycle through tunnels of flame—and memorably, during a thrill show in Mississippi in 1937, even crashed a plane into a clapboard house.

He worked as a civilian pilot for Northwest Airlines during the Second World War—honoring their requirement that he quit the thrill shows, even in his spare time. It was during this time, however, that Chuck first began skywriting and towing aerial banners—a pursuit he maintained until recently.

The great airplanes that the U.S. military retired after World War II provided Chuck Doyle with a new opportunity: acquiring surplus warbird aircraft, refurbishing and restoring them, displaying them in museums, and even giving them a new life in the air. Three of his masterpieces have been placed on display in the U.S. Air Force Museum at Dayton, OH.

His talent for restoration was never more in evidence than when he reconstructed a replica of the vintage Curtis Pusher—one of the earliest American planes, originally designed and built in 1910. Chuck's handiwork wasn't just historically authentic and interesting to look at. In 1985, he took his exact replica of this 75-year-old vintage aircraft to the Minneapolis-St. Paul International Airport, where the authorities agreed to close down one of the main runways for his exclusive use. He then proceeded successfully to pilot the only truly authentic Curtis Pusher replica ever to fly. The plane now hangs on exhibit in the main terminal of that airport.

Most mortals can only marvel at the way Chuck Doyle so often succeeded in his relentless pursuit of the nearly impossible. But even Chuck couldn't beat city hall, when it came to preserving his cherished private airstrip. Still, his much-publicized—if ultimately losing—battle with the city of Apple Valley, MN, extended his record of providing thrills and excitement, this time for the newspaper-reading public.

As a lifelong member of dozens of aviation organizations, Chuck Doyle has contributed in thousands of ways to the progress of the era of manned flight. In 1992, his lifetime of contributions was in turn recognized by his peers, by historians, and by civic leaders when he was inducted to the Minnesota Aviation Hall of Fame. There, he shares the company of a pantheon of internationally famous aviators, among whom are two other well-known "Charleses": Charles "Speed" Holman—for whom Holman Field is named—and Charles Lindbergh.

His son, Charles Jr., also known as "Chuck," is an airline pilot and aircraft owner who is carrying on the family tradition.

It is no easy feat to attempt to summarize 80 years of Charles senior's life. But it is easy to observe one characteristic of overriding significance. More than a crazy daredevil stunt man who survived it all, more than a distinguished airline pilot and professional aviator who has logged over 30,000 hours in the air, entirely accident free—more than an air historian, aviation pioneer, and dedicated father—Chuck Doyle is a great American. His boundless spirit and courageous example remind us of the quintessential character of our country, and of what Thomas Jefferson must surely have had in mind when he described our national dedication to the pursuit of happiness. Chuck has given thousands of Americans happiness during a distinguished and exciting career. As he celebrates his 80th birthday, Mr. Speaker, I know that all of the Members of this Congress join in wishing him every happiness in return.

GALE AND GERALD MESSERMAN: RECIPIENTS OF AMERICAN ORT'S JURISPRUDENCE AWARD

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1996

Mr. STOKES. Mr. Speaker, on May 21, 1996, members of the Cleveland chapter of the American Organization for Rehabilitation Through Training [ORT] will hold a tribute dinner in honor of two residents of my congressional district. Attorneys Gale and Gerald Messerman are the first northeast Ohio residents to be awarded the ORT Jurisprudence Award. This distinguished award recognizes the Messermans for their extraordinary contributions to the enhancement of the community and to the pursuit of justice. As the Honorary Chairperson for the tribute dinner, I am proud to salute the Messermans on this occasion.

The Organization for Rehabilitation Through Training [ORT] was founded in 1880 in Tsarist, Russia for the purpose of providing critical job skills to the poor of Eastern Europe. Today, the organization is the largest nongovernmental education and training organization in the world. Over the years, ORT has trained over 3 million students, helping both immigrants and American-born individuals to locate work in an ever-changing job market. The ORT network includes junior and senior high schools, technical high schools, junior and senior colleges, apprenticeship centers, and adult education classrooms. The Greater Cleveland area and communities around the globe benefit as a result of the organization's strong commitment to assisting others.

The Jurisprudence Award was created by American ORT to recognize and honor members of the legal community. These are individuals whose professional lives have substantially improved the quality of life for their fellow human beings; they are role models for others to emulate; and they have established new directions for the enhancement of their profession and their community. Gale and Gerald Messerman are more than deserving of this special recognition. The Messermans have not only distinguished themselves within the legal profession, but they are committed to helping others achieve. They share the guiding principle upon which ORT was founded—that the highest form of charity is to help people help themselves.

Mr. Speaker, since 1980, Gale and Gerald Messerman have practiced law at Messerman & Messerman, a leading firm in the Cleveland area. Gale received her legal education at Southern Methodist University School of Law. She is a former Associate Professor of Law and former Dean for Student Affairs at the Cleveland-Marshall College of Law. At the law school, Gale also taught courses in Civil Procedure, Urban Housing, and Poverty and the Law. Gale also established a civil clinical education program at the school. Attorney Messerman has also been employed with the Case Western Reserve University School of Law, where she instructed students in law and served as assistant director of the Clinical Legal Education Program.

Attorney Gerald Messerman is a graduate of the Georgetown University Law Center. His career has included serving as assistant and associate professor of law at the Ohio State University College of Law. He taught classes in evidence, family law, legal ethics, law and psychiatry, and seminars relating to the legal problems of the poor. He was also successful in establishing a clinical program for the representation of those who are poverty stricken. Attorney Messerman is also a former assistant U.S. attorney for the District of Columbia.

Gale and Gerald Messermans have been successful in reaching out and, indeed, reaching back, to make certain that students reach their fullest potential. They are active in teaching, and they serve on the boards of organizations that benefit students of all ages. Most important, they are individuals who give freely of their time and talents.

Mr. Speaker, I have enjoyed a close friendship with attorneys Gale and Gerald Messerman over the years. They are individuals of the highest caliber whom I respect and admire. Gale and Gerald are most deserving of the American ORT's Jurisprudence Award, and I take special pride in saluting them on this occasion. I am also pleased to note that proceeds from the ORT tribute dinner will be used to create a scholarship fund honoring the Messermans. It represents a fitting tribute to these dedicated individuals who have given so much to helping others.

CONGRATULATING PRESIDENT LEE TENG-HU ON HIS INAUGURATION AS THE FIRST DEMOCRATICALLY ELECTED PRESIDENT OF THE REPUBLIC OF CHINA ON TAIWAN

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1996

Mr. LANTOS. Mr. Speaker, I wish to urge my colleagues to join me in extending the warmest congratulations of the United States Congress to Lee Teng-hui, newly elected President of the Republic of China on Taiwan, on his inauguration today as the first directly elected President in Chinese history. President Lee and the people on Taiwan deserve our most heartfelt congratulations for so marvelously achieving this ultimate democratic goal, a free and fair and open Presidential election.

Mr. Speaker, ever since I sponsored the legislation which passed the Congress nearly unanimously to urge that the administration grant a visa to President Lee to attend a reunion at his alma mater, Cornell University, in June 1995, the world has focused its attention on Taiwan's economic and political achievements. After President Lee's visit to Cornell, the People's Republic of China began a concerted campaign of intimidation and violence toward Taiwan in a vain effort to deny the reality of Taiwan's ever-growing prosperity and democratic development. During China's war of words and military intimidation aimed at Taiwan, President Lee fiercely refused to be cowed. For his steadfast defense of Taiwan's security and international stature, the people on Taiwan rewarded him with a landslide victory in their first direct Presidential election. For students of Chinese history, this election is a watershed event whose repercussions for the future of democracy in China will be deeply felt for generations to come.

Mr. Speaker, in all probability, the regime in Beijing will continue to writhe in anger at the vibrant democratic society whose government is based on principles of freedom and human rights and which now exists just across the Taiwan Strait. As China seeks to escape responsibility for its appalling human rights record and its flaunting of international trade agreements, Taiwan will likely remain a lightning rod for Beijing's nationalist saber rattling. What is certain, however, is that Taiwan has earned and will have the support of the United States Congress and the American people as it faces the challenges posed by its aggressive neighbor. It is in the spirit of mutual respect for democracy and freedom that United States-Taiwan relations have continued to blossom. On this auspicious occasion, the inauguration of the first directly elected President in Chinese history, I urge my colleagues to join me in expressing the Congress' warmest wishes for continued success to President Lee Teng-hui.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, May 21, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 22

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on S. 1166, to improve the registration of pesticides, to provide minor use crop protection, and to improve pesticide tolerances to safeguard infants and children.
SR-332

Banking, Housing, and Urban Affairs
To hold hearings on S. 1511, to impose sanctions on Burma.
SD-538

Commerce, Science, and Transportation
To hold open and closed hearings on broadcast spectrum issues (closed in S-407, Capitol).
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine security in cyberspace.
SD-342

Rules and Administration
To resume hearings on issues with regard to the Government Printing Office, focusing on public access to Government information in the 21st century and GPO's depository library program.
SR-301

Small Business
Business meeting, to mark up proposed legislation to strengthen, expand, and improve the Small Business Investment Company program, and to consider the nomination of Ginger Ehn Lew, of California, to be Deputy Administrator of the Small Business Administration.
SR-428A

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Department of Defense, focusing on the United States Pacific Command.
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for foreign assistance programs, focusing on peacekeeping and international organizations and programs.
SD-G50

Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings to examine prospects for peace in Afghanistan.
SD-419

2:30 p.m.
Commerce, Science, and Transportation
To hold hearings on S. 1645, to regulate United States scientific and tourist activities in Antarctica and to conserve Antarctic resources, and related programs.
SR-253

MAY 23

9:30 a.m.
Labor and Human Resources
Children and Families Subcommittee
To hold hearings to examine methods of encouraging responsible fatherhood.
SD-430

Special on Aging
To hold hearings to examine how the Supplemental Security Income and the Disability Income programs can be reformed to encourage more people to enter into productive employment.
SD-562

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for foreign assistance programs.
SD-106

Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Congressional Budget Office and the Capitol Police.
S-128, Capitol

Governmental Affairs
To resume hearings to examine the status of the modernization of the Internal Revenue Service tax modernization system.
SD-342

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Veterans' Affairs
To hold hearings on miscellaneous veterans bills, including S. 281, S. 749, S. 1131, S. 1342, S. 1711, S. 993, S. 994, S. 995, S. 996, S. 1748, S. 1749, S. 1750, S. 1751, S. 1752, and S. 1753.
SR-418

2:00 p.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Environmental Protection Agency.
SD-138

Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the National Institutes of Health, Department of Health and Human Services.
SD-192

Appropriations
Commerce, Justice, State, and the Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the United Nations and the United States Information Agency.
S-146, Capitol

JUNE 4

10:00 a.m.
Judiciary
To hold hearings on S. 1237, to revise certain provisions of law relating to child pornography.
SD-226

JUNE 5

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine proposals to reform the Commodity Exchange Act.
SR-328A

JUNE 11

9:30 a.m.
Indian Affairs
To hold oversight hearings on the implementation of the Indian Trust Fund Management Reform Act of 1994, and on Indian trust funds management by the Department of the Interior.
SR-485

JUNE 13

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the White House Office of National Drug Control Policy.
SD-192

JUNE 18

9:30 a.m.
Agriculture, Nutrition, and Forestry
Research, Nutrition, and General Legislation Subcommittee
To hold hearings to review a report to the Department of Agriculture by the Advisory Committee on Agricultural Concentration, and to examine other livestock industry issues.
SR-328A

SEPTEMBER 17

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.
334 Cannon Building

POSTPONEMENTS

MAY 23

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to examine issues relating to broadcast spectrum.
SR-253